

2014 ANNUAL INTEGRATED REPORT



indra

INTEGRATED REPORTING <IR>

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM



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01

INTRODUCTION

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LETTER FROM THE CHAIRMAN & CEO

FERNANDO ABRIL-MARTORELL

Dear Shareholder,

It is an honor to address you for the first time since I took up my role as Chairman & CEO of Indra in January.

In 2014, our net earnings recorded losses amounted to €92 million which include a series of non-recurring items worth €313 million (gross), due to changes in estimates caused by various factors and events in late 2014/early 2015 (the breakdown of earnings are given below in the letter from our President & COO, and throughout the Consolidated Annual Accounts Report and Management Report). In spite of the impact that these items have on our 2014 accounts, I think that they lay the ground for a stronger and more sustainable increase in profit and cash-flow generation and I am convinced that they will allow us to create more value in the medium and long term.

Indra's future is precisely what is relevant here. In the past, Indra has recorded remarkable growth.

Over the past months, it has been confirmed to me that Indra is a company with a high and sound potential for growth in the future, spite of the ups and downs and the highly competitive nature of our sector.

To seize these opportunities to boost our leading position, we are working on defining a Strategic Plan that will set out Indra's future. This will be presented to all of our stakeholders, in particular yourselves, our shareholders, in July.

Beyond our operational and financial management, we must not lose sight of what defines us and sets us apart: innovating to develop our own technologies that create value for our clients and society at large. Innovation has, is and will always be our calling card.

In keeping with our focus on innovation and our pledge of transparency with our shareholders, this Report applies the highest non-financial reporting standards, for example, the G4 version from November 2013 of the Global Reporting Initiative (GRI) (core option) and the principles of the Integrated Reporting Pilot Program (IIRC) and the AA1000 APS (2008) Accountability Standard. It also describes the company's progress in meeting the Global Compact principles. In addition, the Report was drafted in accordance with the recommendations of the



Indra is a company with a high and sound potential for growth in the future...

LETTER FROM THE CHAIRMAN & CEO

“Balanced and responsible presentation of our financial, environmental and social performance

“Our pledge of transparency with our shareholders

2013 “Management report guidelines for listed companies” established by the Spanish National Securities Market Commission (CNMV), and EU accounting directive 2014/95/EU.

The result is a balanced and responsible presentation of our financial, environmental and social performance that has been verified externally in accordance with chapter 8.

I would like to close by thanking all of our shareholders for placing their trust in our company and helping us to create value that benefits not only our shareholders, but also our clients, professionals and society at large.

Kind regards.

Fernando Abril-Martorell
Chairman & CEO

LETTER FROM THE PRESIDENT & COO



We achieved double-digit growth in order intake and revenues in Latin America in local currency

JAVIER DE ANDRÉS

Dear Shareholder,

In 2014 revenues totaled €2.938 billion, increasing by +5% in local currency in spite of the bleaker macroeconomic outlook in some countries (particularly in the last few months of 2014). Growth was 1% in reported terms, mainly due to the impact of Latin American currency devaluations.

Order intake increased by 4% in local currency. The order book rose to €3.473 billion (+3% in local currency) representing 1.2x the revenues for the last 12 months. Out of this order book, €1.4 billion can be executed in 2015.

Every geographical region recorded sound progress. Spain posted flat growth following four years of falls (over 10% over the last two years), backed by an improvement in public clients. Order intake also started on a positive note in 2015. We achieved double-digit growth in order intake and revenues in Latin America in local currency, in spite of the gloomier macroeconomic outlook in Brazil. AMEA recorded double-digit growth in order intake and order book in local currency, and consolidated the level

of revenues attained (€375 million). In Europe and U.S.A. our performance in terms of revenues was better than expected, with 6% growth in local currency.

EBIT margin continues to come under pressure caused by sustained pressure on prices, a non-optimal cost structure in Spain, problems with implementing some projects in Latin America and in particular in Brazil, the commercial effort to break into new markets (mainly AMEA) and the negative effect of currency devaluation in Latin America.

Recurring EBIT totaled €204 million (-10%). The recurring EBIT margin stands at 6.9% (vs 7.8% in 2013), falling short of the company's expectations at the start of 2014. In Spain, the pressure on prices did not let up during the year, with no signs of recovery. Margins were slightly below forecasts. Production costs continued to be adjusted during the year.

The increase in profitability forecast for Latin America did not materialize due to worse-than-expected progress in Brazil and Chile and better-than-expected in Argentina. Latin America continues to be the region with the lowest recurring profitability. The devaluation of its main currencies also had an impact on the group's EBIT margin.

LETTER FROM THE PRESIDENT & COO

Europe and North America saw an improvement in its margin this year and continues to be the region with the highest profitability. This profitability dropped at the end of the year due to the completion of some projects.

AMEA saw its profitability fall compared to the previous year, mainly due to the different project mix. Due to the delayed implementation of some contracts awarded at the end of the year, the margin expectations for the year are not met.

During 2014, we declared some non-recurring items in 2014 that hardly have any impact on the financial position and which are relate to provisions, impairment and project cost overruns due to delays, rescheduling and canceled schedules, as well as changes in estimates caused by events or legal disputes during late 2014/early 2015. The amounts of these non-recurring items are:

Inventories	-139 M€
Clients	-65 M€
Demanding projects	-27 M€
Total	-231 M€

- » Goodwill impairment (-€21 million: -€17 million Brazil and -€4 million I. Business Consulting).
- » Tax credit impairment Brazil (€-19 million).
- » Tangible asset impairment (-€19 million).
- » Plan for adjusting and improving resource efficiency (-€17 million).
- » Other impairment (-€6 million).
- » Reversal of provisions for project implementation risks (+€24 million) and labor contingencies (+€24 million).

The gross amount of all of these non-recurring items before the reversal of provisions is -€313 million and the net amount -€265 million.

The impact on EBIT totals €294 million gross (€246 million before the reversal of provisions, as mentioned below). After these items, EBIT for the year totals -€42 million.

Recurring Net Earnings (before non-recurring items) stood at €104 million, which represents a -24% fall in relation to 2013. Net Earnings stand at -€92 million, following the negative impact of the aforementioned items.

Net working capital was 106 days sales outstanding (DSO), without considering the impact of non-recurring items (reduced inventories and increased client provisions), compared to 109 DSO in 2013. After including non-recurring items, net working capital amounted to 81 DSO. The upturn in working capital in Spain could not offset worse-than-expected progress in Latin America and late collection of some allowances. In Spain, the public administrations reduced their debt

due with the company owing to the supplier payment plan that was implemented in the first quarter of 2014 and improved payment deadlines set by the central government and some regional governments. In Latin America there were problems with implementing projects and late collections expected for the last part of the year, mainly in Brazil and Mexico, which meant that the set targets could not be met.

Some contracts were implemented late, with allowances which will be collected in 2015. Tangible and intangible investment totals €57 million (€42 million tangible and €15 million intangible) in keeping with predictions for 2014. Net financial investment stands at €13 million (without considering divestment and cash and cash equivalents included for joint activities).

Free cash flow generation totaled €47 million, which is up on 2013 (€27 million, excluding the impact of the divestment undertaken in 2013) but below the target for the year (€100 million). It was affected by a reduced operational profitability, postponed implementation of some projects and late implementation of some

LETTER FROM THE PRESIDENT & COO

contracts which means that allowances will not be collected until 2015.

Net Debt at the end of the year stood at €663 million (€622 million in 2013). This Net Debt represents a level of leverage 2.5 times the recurring EBITDA over the past twelve months and includes the payment in July of the ordinary dividend of €0.34 per share (€56 million) charged to the 2013 earnings.

In June we plan to present our strategic lines, operational plans and economic indicators to investors and shareholders, although we have not forgotten our responsibility toward our clients, professionals and other stakeholders.

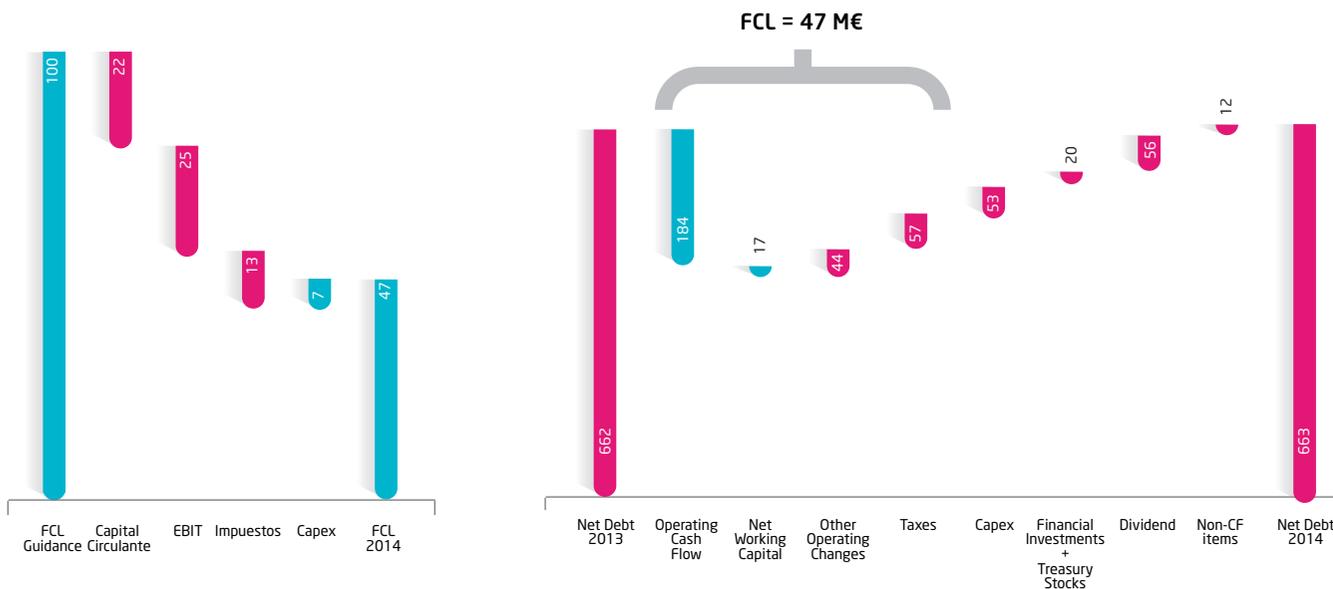
We must continue to enhance our offer so that it creates even more value, and our processes to increase efficiency.

People hold the key to achieving all of this. It is vital that we continue to attract, retain and manage talent, bearing in mind the diversity of our professionals to preserve a motivated team that will allow the company to be successful anywhere in the world.

I would therefore like to take this opportunity to publicly thank all of our professionals for their dedication and efforts this last year, and to express my gratitude to our clients and shareholders for their continued trust.

Kind regards.

Javier de Andrés
President & COO



02

DESCRIPTION OF THE ORGANIZATION AND ITS ENVIRONMENT

- 2.1 PRESENTATION
- 2.2 KEY FINANCIAL FIGURES
- 2.3 KEY ACTIVITIES AND MARKETS
- 2.4 MAIN BRANDS
- 2.5 OWNERSHIP STRUCTURE
- 2.6 VISION, VALUES AND PRINCIPLES

PRESENTATION

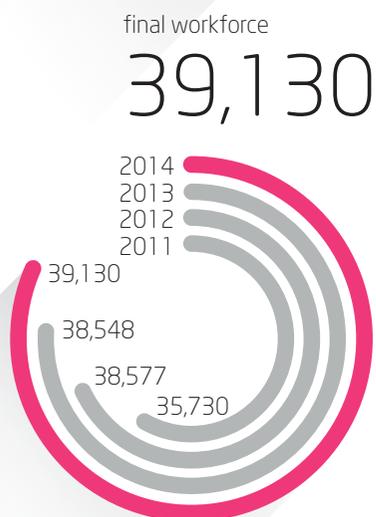
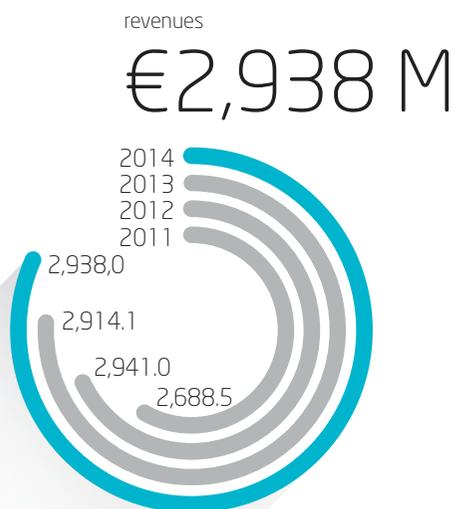
- Key Financial Figures
- Key Activities and Markets
- Ownership Structure
- Main Brands
- Vision, Values and Principles

Indra is the leading consulting and technology multinational in Spain and one of the most important enterprises in this field in Europe and Latin America. It offers technology solutions and services for the Transport and Traffic, Energy and Industry, Public Administrations and Healthcare, Financial Services, Security & Defense, Telecom & Media sectors.

In 2014 Indra's revenues amounted to €2.938 billion. It has 39,130 employees and customers in over 149 countries.

Indra is one of the leading European companies in its sector in terms of R&D investment and last year invested €195 million in this purpose.

KEY FINANCIAL FIGURES



	2010	2011	2012	2013	2014 Target	2014 Actual	Variation (%) Reported / Local Currency
ECONOMIC PERFORMANCE							
Order intake	2,882.0	2,975.8	3,193.2	3,028.8		3,013	-1% / 4%
Revenues	2,557.0	2,688.5	2,941.0	2,914.1		2,938	-1% / 2%
Order book	2,899.2	3,230.9	3,470.3	3,493.3		3,473	-1%
Recurring operating profit (EBIT) ⁽¹⁾	285.3	267.8	248.8	226.2		204	-10%
Recurring EBIT margin (%) ⁽¹⁾	11.2%	10.0%	8.5%	7.8%		6.9%	-0.9 p.p.
Non-recurring items	-33.4	0	-31.6	-27.9		-246	783%
Recurring operating profit (EBIT)	251.9	267.8	217.2	198.3		-42	-121%
EBIT Margin (%)	9.9%	10.0%	7.4%	6.8%		-1.4%	-8.3 p.p.
Recurring net income ⁽¹⁾	188.5	181.0	157.3	138.0		104	-24%
Net income	188.5	181.0	132.7	115.8		-92	-179%
Net debt	274.9	513.6	633.3	622.5		663	6%
Free cash flow ⁽²⁾	-	-	38.7	52.1	Over €100 m	47	--
CORPORATE PROGRESS							
Investment in R&D&i	184	189	193	195		195	0%
Final workforce	28,608	35,730	38,577	38,548		39,130	1.5%
Percentage of h/m professionals (%)	65/35	64/36	64/36	64/36		64/36	--
ENVIRONMENTAL PROGRESS							
CO2 emissions (scopes 1 and 2) (tons of CO2e)	33,655	34,004	35,255	31,870	5% reduction per employee	29,490	-9%

(1) Before extraordinary expenses

(2) Free cash flow in 2013 adjusted by the impact of divestment in the advanced digital documentation management business totaled €27 million

KEY FINANCIAL FIGURES

Basic EPS is calculated by dividing the Net Income by the total average number of parent company shares for the current period minus average treasury shares.

Diluted EPS is calculated by dividing Net Income (having deducted the impact of the convertible bond issued in October 2013 amounting to €250 million with a conversion rate of €14.29) by the total average number of company shares for the current period, minus average treasury shares, plus the average balance of theoretical new shares to be issued if the convertible bond is fully converted.

In the case of both basic EPS and diluted EPS, the average balances of both treasury shares and total shares issued and possible shares to be issued if the convertible bond is converted are calculated taking the daily balances.

The number of treasury shares at the end of the period totals 202,131, or 0.12% of the total number of company shares.

Earnings per share (in accordance with IFRS)	2014 (€)	2013(€)	Variación (%)
Basic EPS	-0.561	0.706	(179)
Diluted EPS	-0.477	0.697	(168)
Recurring diluted EPS ⁽¹⁾	0.604	0.830	(27)

(1) Before extraordinary expenses

	2014	2013
Total no. of shares	164,132,539	164,132,539
Weighed treasury shares	282,131	93,096
Total shares considered	163,850,408	164,039,443
Total diluted shares considered	181,345,160	167,682,186

KEY ACTIVITIES AND MARKETS

Indra applies a strategy based on creating value by offering comprehensive management of client requirements from consulting, project development, and the integration and implementation of solutions to information systems and business process outsourcing.

SOLUTIONS
THINK + BUILD

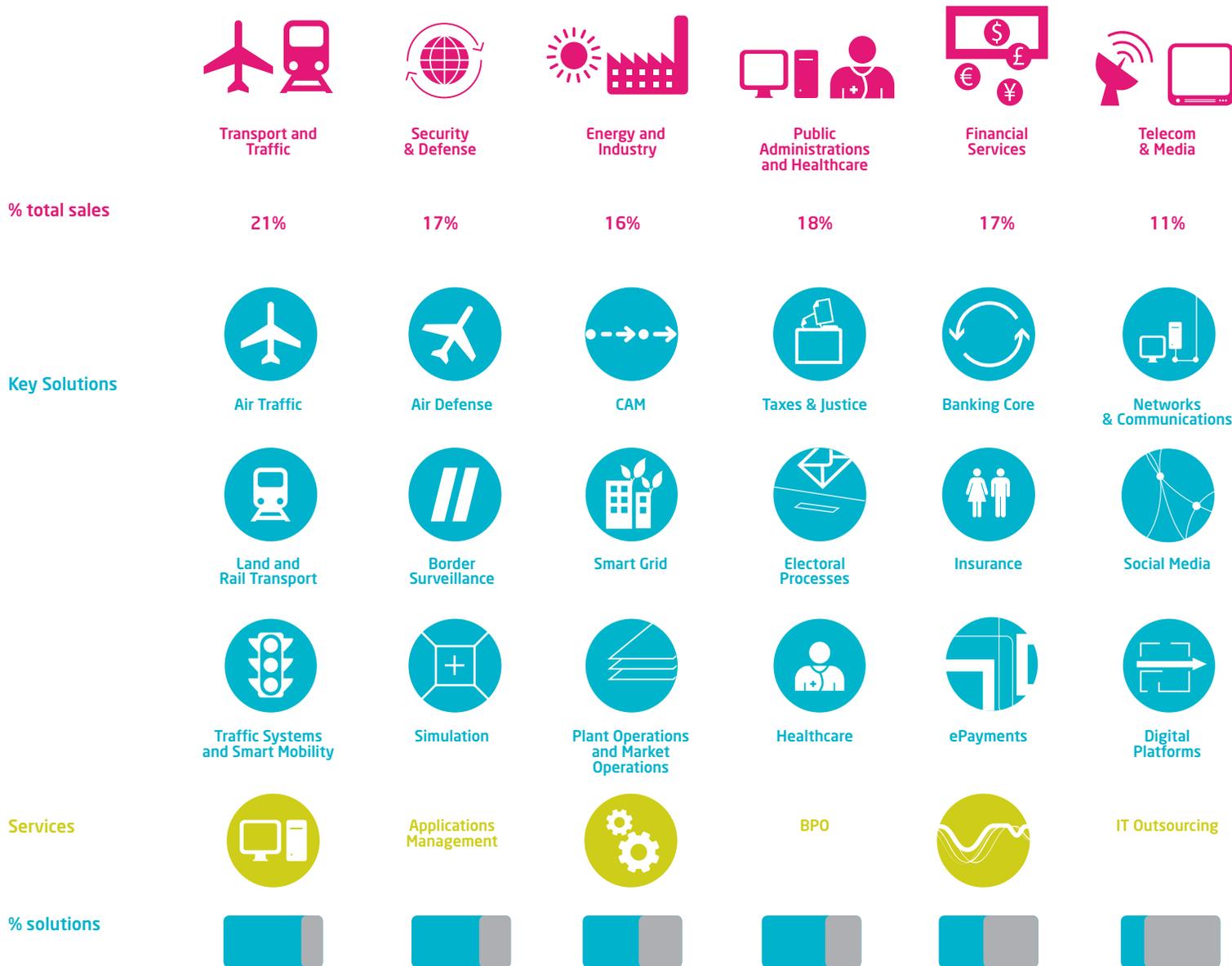


SERVICES
+ OPERATE



Indra is committed to developing our own technologies and solutions on which to base our offering of solutions and services. This commitment to developing our own technology and solutions is what sets Indra apart and allows us to gain a competitive edge and penetrate new markets.

Indra has developed its own solutions in every sector in which it operates: Transport and Traffic, Energy and Industry, Public Administrations and Healthcare, Financial Services, Security & Defense, and Telecom & Media.

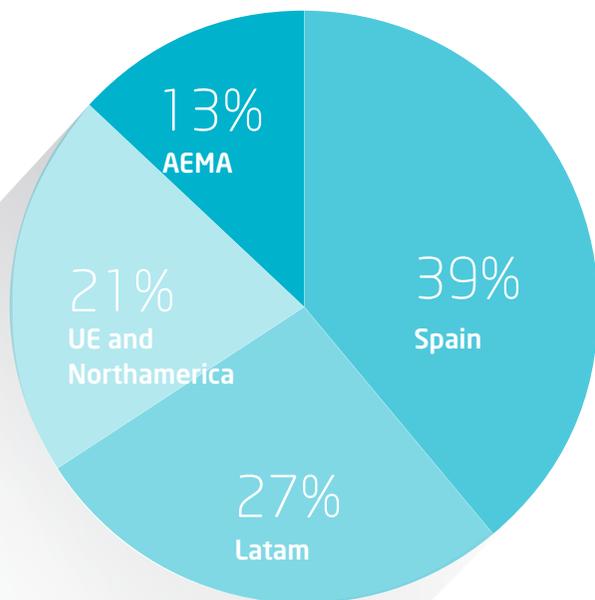


KEY ACTIVITIES AND MARKETS

The company has a diversified market structure which lends it balance, in terms of both specific sectors and geographical regions, thanks to the combination of businesses that provide long-term stability and others that offer enormous growth potential.

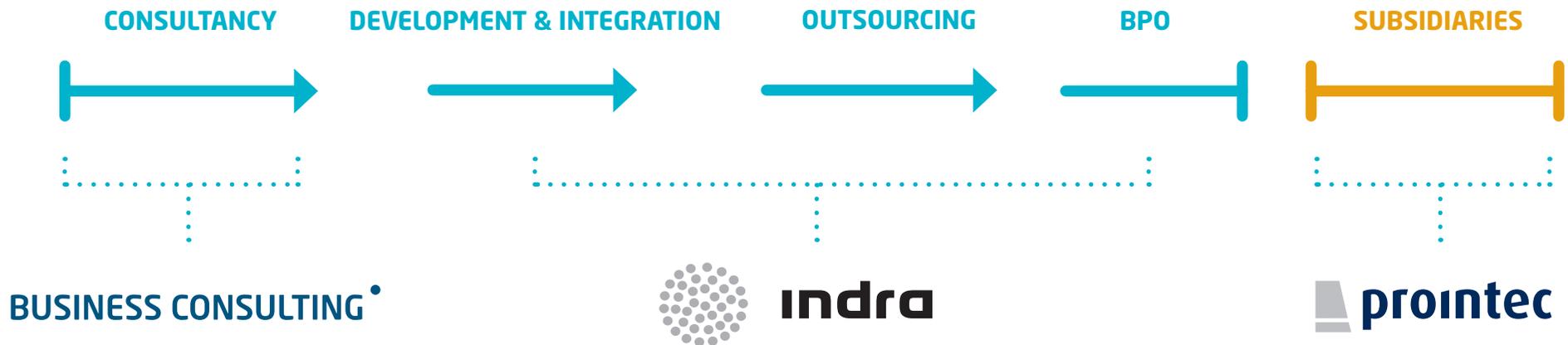
	Spain	Latam	EU and North America	AMEA
Competitive position	1st	4th	97th	62nd
Market share	9%	3%	0.1%	0.2%

Table: Indra's competitive position and market share in the markets in which it operates.
Source: Gartner, IT Services Market Share, 2012-2013. The Gartner ranking excludes some of Indra's activities in the Security & Defense and Transport & Traffic markets because it does not consider "IT Services".



Graph: Revenues by geography

BRAND ARCHITECTURE



OWNERSHIP STRUCTURE

At December 31, the company's share capital was €32,826,507.80, fully subscribed and paid up, and represented by 164,132,539 ordinary shares with a nominal value of €0.20 each, all of the same class. All the shares are officially listed on the four Spanish stock markets.

Ordinary shares have been listed on the continuous market since March 23, 1999 in the Information and Communications Services sector and the Electronics and Software subsector. Since July 1, 1999 Indra has also been listed on the selective IBEX 35 index, which includes the 35 most representative companies, in terms of market capitalization and liquidity, from the Spanish stock market.

Moreover, on April 14, 2000 MEFF Renta Variable started contracting Call and Put options on the company's ordinary shares.

Indra also forms part of major international indexes such as the Dow Jones STOXX Broad Market Index, which includes the main European listed companies, and the STOXX Europe Technology and IT Services indexes, which list

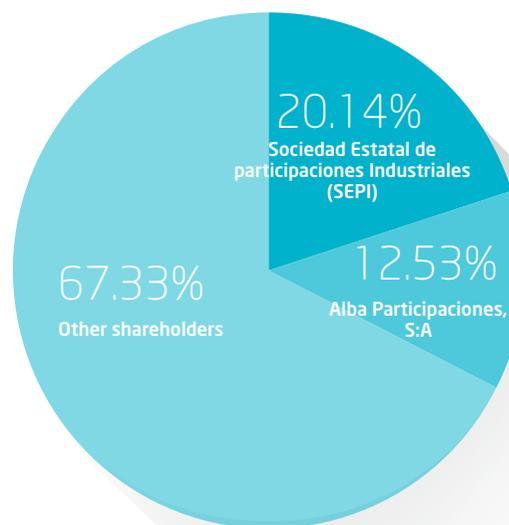
the leading European technological shares. Similarly, since September 18, 2006 Indra's shares have been listed on the Dow Jones Sustainability World Index (DJSWI) which selects companies that make the greatest effort to adapt their activities to meet sustainability criteria from among the largest companies in the world.

9 years on the Dow Jones Sustainability Indexes

SHAREHOLDER STRUCTURE

(at December 31, 2014)

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SHAREHOLDER	SHARES	% SHARE CAPITAL
Sociedad Estatal de Participaciones Industriales	33,057,734	20.14%
Alba Participaciones. S.A	20,564,747	12.53%
Other shareholders	110,510,058	67.33%
TOTAL shares	164,132,539	100.0%

The company does not have a nominal register of its shareholders and therefore the shareholder composition can only be identified through the information that shareholders communicate directly or publicly announce, in line with the current legislation regarding significant stakes (which obliges shareholders to declare stakes of over 3% of the share capital), and through the information supplied by the company Iberclear, which Indra compiles for its general shareholders' meetings.

In line with the aforementioned practice, the information obtained by the company reveals that at December 31 the principal shareholder is Sociedad Estatal de Participaciones Industriales (SEPI), with a 20.1% stake (same as last year)

and the second largest shareholder is Alba Participaciones, S.A, with 12.5% of the shares (11.3% the previous year). Casa Grande de Cartagena sold its 4.0% stake in Indra on 15/7/2014. Foreign institutional investors also have a considerable stake in the company, for example, Fidelity USA (10%).

DISTRIBUTION OF THE SHARE CAPITAL

According to the information from the General Shareholders' Meeting of June 2014, the share capital distribution by share tranche is as follows:

Number of ordinary shares owned by shareholders	Shareholders	Total Shares	Stake in the share capital
Up to 500	64,996	7,505,319	4.57%
From 501 to 2.000	7,540	7,570,969	4.61%
From 2.001 to 5.000	1,387	4,363,241	2.66%
From 5.001 to 10.000	441	3,133,679	1.91%
From 10.001 to 20.000	218	3,194,908	1.95%
From 20.001 to 30.000	80	1,947,786	1.19%
From 30.001 to 50.000	62	2,430,865	1.48%
From 50.001 to 100.000	58	4,351,072	2.65%
From 100.001 to 500.000	79	17,068,558	10.40%
From 500.001 to 2.000.000	23	22,912,315	13.96%
More than 2.000.000	10	89,653,827	54.62%
TOTAL	74,894	164,132,539	100.00%

At December 31, 2014 Indra held **202,199** of its own or treasury shares, representing 0.12% of the total number of company shares.

STOCK MARKET INDICATORS

The main stock market indicators for the period are shown below:

Main stock market indicators 2014	
Total no. of shares (12/31/2014)	164,132,539
No. of ordinary shares in free circulation -free-float- (12/31/2014)	110,510,058
Nominal share value	0.20 €
Average daily order intake in shares (total)	1,299,506
Average daily order intake (in thousands of euros)	14,463
Order intake days	255
Order intake frequency	100%
Minimum daily order intake (in shares) (12/24/2014)	282,216
Maximum daily order intake (in shares) (07/15/2014)	10,819,943
Total actual order intake (thousands of €)	3,688
Total annual order intake (in shares)	331,374,083
Total traded shares over total ordinary shares	202%
Total traded shares over ordinary shares in free circulation	300%
Minimum annual closing share price (12/15/2014)	7.57
Maximum annual closing share price (04/03/2014)	14.77
Share price at close (12/31/2014)	8.07
Average daily closing share price	11.84

Main stock market indicators 2014

Market capitalization at December 31st (thousands of €)	1,325
Net earnings per share reported (EPS) (in euros)	-0.561
Operating Cash Flow before working capital per share (CFPS) (in euros)	1.340
Book value per share (in euros)	5.810
Share price/EPS (PER) ²	--
Share price/CFPS (CFP) ²	6.02
Share price/Book value per share (BV) ²	1.39
EV/Revenues ³	0.68
EV/EBITDA ³	7.41

(1) Considering the total number of the company's shares: 164,132,539 shares

(2) Share price considered on December 31, 2014

(3) Enterprise Value (EV) considered at year-end: market capitalization on December 31 + company's Net Debt at the time

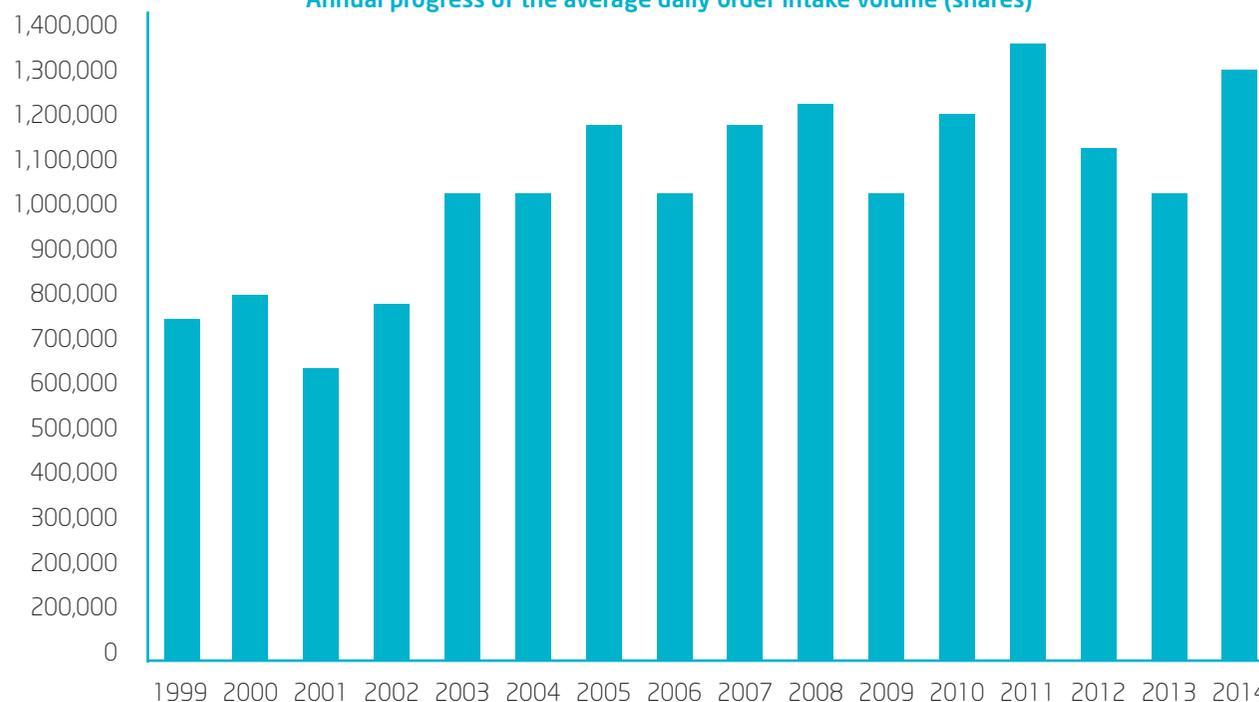
OWNERSHIP STRUCTURE

TOTAL TRADING VOLUME

The trading frequency of shares was 100% throughout the year.

The average daily trading was 1,299,506, up by 22% on the previous year.

Annual progress of the average daily order intake volume (shares)



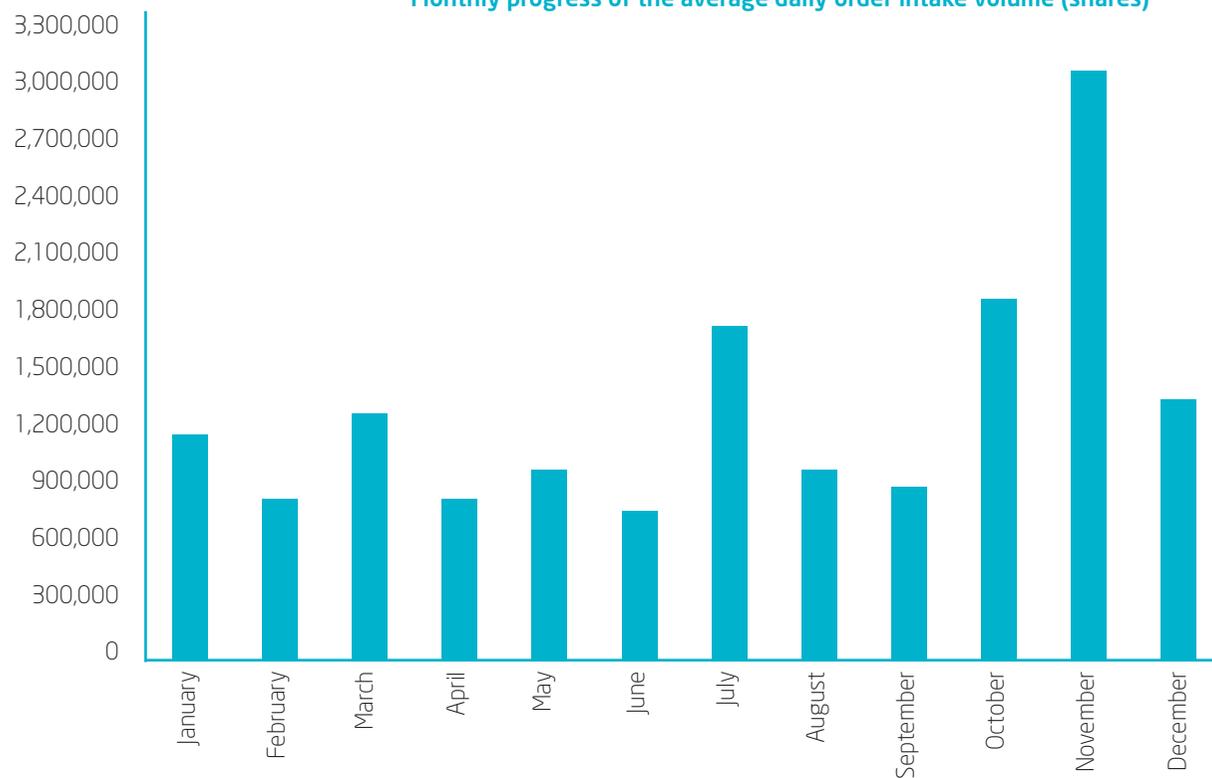
The information from 1999 includes the period from April to December and excludes the extraordinarily high volume traded in the week following IPO (March 23-30, 1999), which distorts the ordinary volume.

OWNERSHIP STRUCTURE

331.4 million shares were traded on the market during the year, which is equivalent to 2.02 times the total number of ordinary shares and 3 times the ordinary shares in free circulation (or free-float). The actual trading value was €3.688 billion, representing an increase of 29% on the previous year. The average daily trading and the monthly trends are shown in the graph below:

Trading value:
€3.688 billion
representing an increase of
29% on the previous year

Monthly progress of the average daily order intake volume (shares)

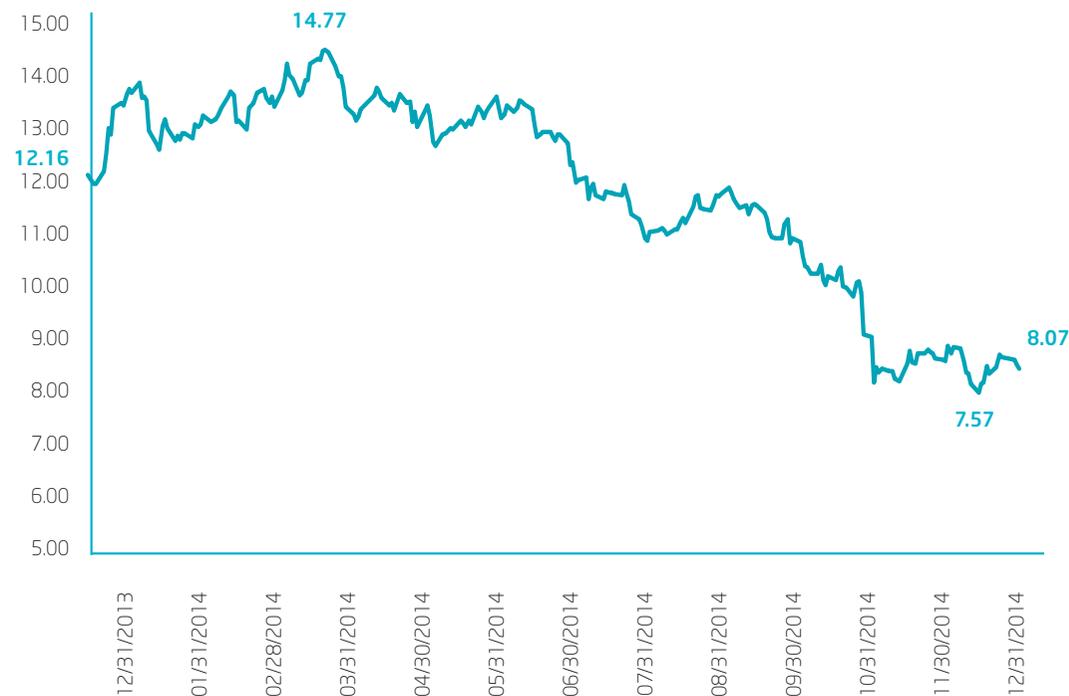


OWNERSHIP STRUCTURE

INDRA SHARE PERFORMANCE

The maximum, minimum, average and end-of-month closing prices of Indra's shares for each month of the year are shown below, along with a graph illustrating the share performance for the entire year:

INDRA: Monthly progress of the closing price	Minimum	Maximum	Average	Close of month
January	11.97	14.08	13.22	13.14
February	12.85	13.91	13.28	13.30
March	13.10	14.59	13.93	14.59
1st quarter	11.97	14.59	13.48	
April	13.29	14.77	13.95	13.51
May	12.76	13.84	13.27	13.22
June	12.95	13.81	13.43	13.05
2nd quarter	12.76	14.77	13.55	
July	11.57	13.00	12.10	11.58
August	10.76	11.73	11.16	11.44
September	10.82	11.89	11.40	11.10
3rd quarter	10.76	13.00	11.57	
October	8.80	11.22	10.10	8.80
November	7.80	8.74	8.19	8.28
December	7.57	8.57	8.14	8.07
4th quarter	7.57	11.22	8.86	



Information for wealth tax return: The average share price in the fourth quarter of 2014 was €8.86 (published in Official State Gazette No. 49 of February 26, 2015).

OWNERSHIP STRUCTURE

INDRA AND THE SECTOR

In 2014 the performance of the selective European share indexes was mixed (IBEX +3.7%; DAX +2.7%; MIB +0.2%; CAC -0.5%; FTSE -2.7%) due to slowing economic recovery in Europe, undefined ECB stimulus policies and political uncertainty (Ukraine and Greece). Also, lowered expectations of world economic growth -which has been more acute in emerging countries- and other factors like the fall in raw material prices (mainly oil) and currency devaluations in emerging countries, have had a negative impact on markets. For instance, the MCSI EM LATAM index fell by -15% in 2014. On the other hand, the main U.S.A. indexes recorded double-digit rises on average (Nasdaq +13.4%; S&P +11.4%; Dow Jones +7.5%) due to consolidated economic growth in the U.S.A.

As regards the technology sector, European company share prices rose on average by +11.5%, with variations ranging from (-)14% (Sopr)through +31% (Tieto). The STOXX EUROPE IT sector index closed the year with a gain of 10%. Indian and North American

technology companies posted better progress than European companies (+15% approximately in both cases).

During the first half of the year, both Indra and European IT companies and the IBEX recorded a similar performance. From the second half year onward, Indra's shares began a downward trend, recording a poorer performance than European IT companies, as shown in the graph below (over a base of 100).



By the close of 2014, Indra's shares had accumulated an increase in value of 81% from the date of the IPO (March 22, 1999), compared to the slight increase in value of 3% of the IBEX 35.

APPLICATION AND ALLOCATION OF INCOME

At the Annual Shareholders' Meeting the Board of Directors of the parent company will propose that the losses amounting to 194,659,300.92 be allocated to the negative results of previous years and voluntary reserves amounting to 14,169,290.83 be moved to Goodwill reserves.



The breakdown of recommendations from the analysts was:

8% positive
59% neutral
33% negative

The average target price recommended by 27 analysts at the end of the year was
€10.28/share.

RELATIONS WITH SHAREHOLDERS AND INVESTORS

In 2014 Indra continued to develop an active communication policy in order to ensure the highest level of transparency and information for the financial markets, making numerous presentations to institutional investors and analysts in Spain, other countries in Europe, and the United States. A total of 441 investors were visited throughout the year.

Meetings were also held with proxy advisers in order to analyze all the aspects related to the company's corporate governance, with a special focus on the commitment to create fluid channels of communication. The conclusions defined at these meetings were presented to the company's Board of Directors so that the members could examine stakeholder trends and assess the modifications to internal regulations in order to guarantee compliance with the corporate governance recommendations.

At December 31, 2014 the breakdown of recommendations from the 27 analysts was as follows: 8% positive, 59% neutral and 33% negative. Their recommended average target price at the end of the year was €10.28 per share.

In order to respond to shareholders' questions and information needs, Indra has created a specific department, the Shareholder Office (Tel: 91.480.98.00; email: accionistas@indracompany.com). In 2014 this telephone number dealt with 995 inquiries related to a wide variety of matters connected to the company's business, its growth forecasts, the dividend, the Shareholders' Meeting, the share price etc.

Furthermore, the Shareholder magazine continues to provide a specific channel of communication, targeted at minority shareholders in particular.

OWNERSHIP STRUCTURE

Section of indracompany.com provides the requisite contents stated in Circular Resolution 1/2004 of March 17 issued by the Spanish Stock Market Commission (CNMV), which implements the Transparency Law, as well as other useful information for shareholders and investors. It also offers the option of joining an email distribution list, and the Shareholder Office automatically sends subscribers all the information the company publishes externally: press releases, statements, material facts, financial results, and the annual report.

The aforementioned "Shareholders and Investors" section of the website provides detailed and up-to-date information about the company:

- Key financial figures and financial and stock market information
- Corporate governance information
- Quarterly financial statements in both PDF and Excel format to facilitate management of the information

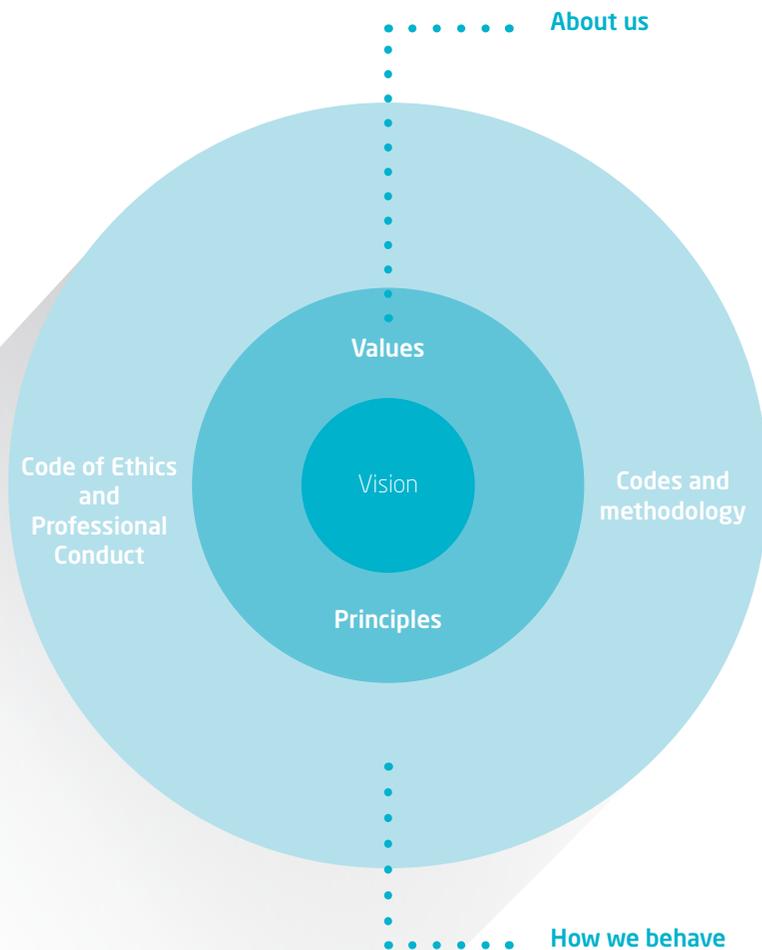
- Information regarding dividends
- The latest presentations for investors and analysts
- The investor's diary, including an annual calendar of scheduled events with analysts and investors and the planned dates for the publication of quarterly results
- Analysts' recommendations regarding Indra, including their latest report
- Information about the next Shareholders' Meeting and the meetings of the previous two years, as well as the option of following meetings online on the day they are held
- Annual report in PDF and interactive format for easy use

Indra is also a member of the Spanish Association of Investor Relations (AERI) and of the Spanish Issuer Association (EE), thus guaranteeing optimum communication practices with its shareholders and the financial community in general.

"Investor relations" section of the website provides detailed and up-to-date information about the company



VISION, VALUES AND PRINCIPLES



VISION

As a corporate project, Indra has been built around a long-term vision and the firm belief that maintaining a company profile focused on innovation with a strong technological base and offering premium solutions to leading clients allow us to create value in the short, medium and long term.

In 2004, following a consultation and feedback period with company professionals, we therefore defined our vision as follows:

“To be an innovative knowledge-based company in our relationship with our internal and external public (shareholders, professionals,

customers, etc.) as well as with the institutions that cultivate and develop this knowledge and with the communities in which we are present.”

VISION, VALUES AND PRINCIPLES

VALUES

Our corporate identity is based around four main values, which everyone at Indra shares and which determine the organization's behavior.

• Originality

- ▶ Whenever possible we try to stay ahead of the times and surprise with our originality.
- ▶ We are aware that each success is relative, that everything changes so quickly.
- ▶ That is why we are focused on the future and give innovation the importance it deserves.
- ▶ We undertake to do things differently, combining the best of our experience in each area and offering tailored solutions.
- ▶ This sets us apart and gives us the chance to become trendsetters.

• Awareness

- ▶ We build strong, long-lasting relationships based on awareness.
- ▶ We know how important intuition is when it comes to defining a business strategy.
- ▶ We use empathy to put ourselves in our clients' shoes and adapt to their needs. We act with modesty.
- ▶ Client satisfaction is important to us.
- ▶ We pursue responsible innovation, for the benefit of everyone.

• Determination

- ▶ Qo We strive to become a worldwide benchmark.
- ▶ We are ambitious and foster a spirit of achievement.
- ▶ When it boils down to it we are enterprising, quick-on-our-feet and restless, and we have a strategic vision.
- ▶ We go about our daily business as the large company that we are, fostering a competitive spirit and setting high standards.
- ▶ We put all of our efforts into fulfilling goals and surpassing expectations.

• Rigor

- ▶ We rigorously aspire to perfection.
- ▶ We do not make false moves. Everything we do is down to sound, strategic planning.
- ▶ We are persevering, responsible, meticulous and consequently precise and reliable.
- ▶ We apply scientific logic and method to our work. Our methods are acknowledged and praised by all.

PRINCIPLES

Every Indra employee applies the following principles to his/her work:

• Integrity

► Integrity means acting in good faith and establishing professional relationships based on transparent, ethical conduct.

• Professionalism

► Professionalism means adopting a proactive attitude geared toward performance excellence.

• Respect

► Respect means recognizing the value of people and their work as well as the social setting and the natural environment.

CODE OF ETHICS AND PROFESSIONAL CONDUCT

The Code of Ethics and Professional Conduct is based on a series of principles drawn from the corporate values that govern the company's activities, use of resources, and the everyday actions of Indra employees.

Indra's Code of Ethics and Professional Conduct is available on its website:

<http://www.indracompany.com/en/sobre-indra/etica-y-valores>

For more information about how the Code of Ethics worked in 2014, please refer to chapter 4.6 "Ethics and values".

Every Indra employee applies:

Integrity

Professionalism

Respect



VISION, VALUES AND PRINCIPLES

INDRA WANTS TO BE FOR...			
Clients	Investors	Employees	Society
When faced with a challenge, Indra is the solution.	If you want to invest in the IT sector, Indra's precision and rigor make it a safe bet.	If you want to be part of a team geared toward excellence, Indra is the place for you.	Indra is committed to responsible R&D which, apart from benefiting its own business, helps society to break new ground.
<p>We love what we do and we continuously strive to put ourselves in the shoes of others, to make difficult things look easier.</p> <p>Fulfilling promises for us is not just an option, it is an acquired habit thanks to having mastered a refined technique and flawless management. As well as efficient and precise, we are flexible. We know how to innovate and apply our experience to each solution we offer.</p>	<p>We work with precision to create value.</p> <p>We let the facts and supporting data speak for themselves.</p> <p>We would like for our financial performance to continue to be as exceptional as the work we do for our clients.</p>	<p>We are experts at identifying the potential in people and investing in them.</p> <p>We place an emphasis on training as a professional development tool. We hire talented professionals and encourage them to grow and flourish in their area.</p> <p>We place a high value on the effort of our employees and we motivate them to continue to help us to stand up to the most difficult challenges that the market throws at us.</p>	<p>We foster innovation and knowledge internally and externally in several areas. That way we contribute to the progress of the communities in which we do business.</p> <p>We put into practice avant garde initiatives in conjunction with important institutions.</p> <p>We encourage experience sharing and we put the principles that make us a first-rate company within the reach of everyone.</p>



03

TRENDS

Indra perceives the following important trends in its environment that may influence its business in the short, medium and long term:

IN THE SHORT TERM:

- **Complex economic and sectoral environment:**

The different economic growth patterns observed in each country, coupled with increasing competition in the consulting and technology sector, add up to a complex environment.

- ▶ **Asymmetric market development:** we observe polarized growth, where the gap between expanding and stagnant countries is large. Emerging markets are experiencing varying growth rates.

- ▶ **Greater global competition:** The international expansion processes currently being pursued by the sector's suppliers, the growing interest in consulting and technology operations shown by companies in other sectors (such as hardware, telecommunications and security and defense firms), and the maturity of

investment cycles in certain geographic markets are creating increased competition for the sector.

- **Value is moving from hardware to software:** software allows infrastructures to become more intelligent, meaning that they can take decisions independently and generate data which, once analyzed, leads to new business opportunities. In short, software provides value for clients in terms of business efficiency and differentiation, and is increasingly attracting their investment.

- **The type of technology order intake has changed:** the traditional models of investment in technological infrastructures or acquiring licenses are giving way to more flexible models based on, for example, pay-per-use service models (SaaS or IaaS) and business process outsourcing. These types of order intake mean that solutions and services are "integrated" within one value proposal for the client and offer considerable advantages: the transaction risk is reduced (CAPEX turned into OPEX), lower costs, access to new technology, and so on.

- **More global clients (by country and sector):** the boundaries between lines of business and countries are becoming more fuzzy. Clients no longer do business in one country alone up against purely local competitors. They are acutely exposed to global competition and are forced to confront internationalization processes. Sectors are gradually converging. Technology means that products and services that used to be "exclusive" to a sector can now be offered over through channels, by new competitors from other sectors. The limits of telecommunications, financial services, the manufacturing industry and utility services are gradually relaxing.

- **Demand for comprehensive suppliers:** Clients in the consulting and technology sector are demanding suppliers that are capable of providing comprehensive support for their operations, in terms of both geographic location and offer. This is leading to:

- ▶ **Increasing importance of integration capabilities:** The only way to cover the entire spectrum of client requirements is to establish partnerships with key suppliers

and develop integration capabilities to ensure the optimum performance of solutions.

- ▶ **Reinforcement of relations with key suppliers:** In many cases, major consulting and technology multinationals are the only ones capable of meeting their clients' demand for comprehensive suppliers.

- **Technologies being adopted and maturing more quickly:** product maturity curves are compressed. Cost quickly becoming the main way of competing. New technologies and processes emerge, and new competitors break into the market easily.

IN THE MEDIUM AND LONG TERM:

• A shift in the global political and economic axis due to the development of emerging countries: The economic development observed in the short term may contribute in the medium term to a shift in the global political and economic axis in favor of emerging countries.

• Change in the population structure: The global population is growing (although the growth is primarily concentrated in emerging countries in Asia), the age pyramid is widening at the bottom, a process of mass urbanization is underway, and a "middle class" is developing in emerging countries. These processes are expected to continue in the coming decades.

• Climate change and pressure on natural resources: The population growth and its development are likely to lead to a global rise in consumption that could increase the pressure on natural resources. Meanwhile, global warming may affect the availability and quality of these resources.

IN THE MEDIUM AND LONG TERM

- **A shift in the global political and economic axis due to the development of emerging countries**
- **Change in the population structure**
- **Climate change and pressure on natural resources**

IN THE SHORT TERM

- **Complex economic and sectoral environment**
- **Value is moving from hardware to software**
- **The type of technology order intake has changed**
- **More global clients**
- **Demand for comprehensive suppliers**
- **Technologies being adopted and maturing more quickly**



04

GOVERNANCE MODEL

- 4.1 DUTIES OF THE GOVERNANCE BODIES
- 4.2 GOVERNANCE BODIES
- 4.3 BOARD DIVERSITY
- 4.4 PERFORMANCE OF THE BOARD OF DIRECTORS
- 4.5 REMUNERATION MODEL
- 4.6 ETHICS AND VALUES
- 4.7 RISK MANAGEMENT
- 4.8 SUSTAINABILITY MANAGEMENT
- 4.9 ACKNOWLEDGMENTS

GOVERNANCE MODEL

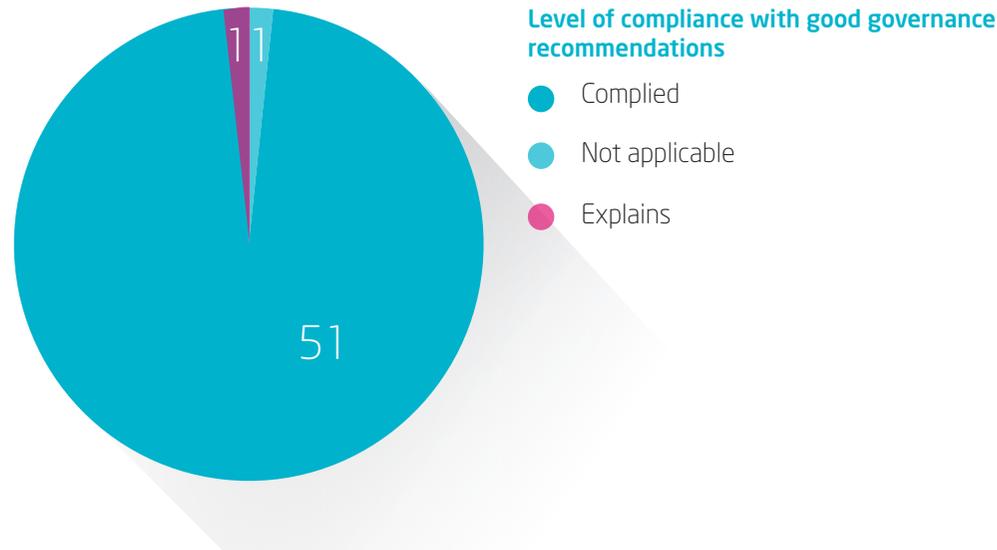
Indra has established a Corporate Governance system based on the following principles:

- Efficiency: Generate value.
- Equality: Same treatment for the same groups
- Respect for rights: Exercise of shareholder rights
- Responsible compliance by managers
- Transparency

This Corporate Governance model aims to set in place:

- An appropriate distribution of rights and responsibilities between the various company participants.
- Control mechanisms to guarantee the efficient and ethical management of the company (creation of value and satisfaction of shareholder interests).

Indra's Corporate Governance System includes rules and practices designed to



both fulfill applicable regulations at all times and to promptly incorporate the latest recommendations and best practices in this field, both in Spain and abroad. Accordingly, every year the company reviews the composition, operations and governance standards of the Board of Directors and its committees, applying good governance recommendations insofar as they are relevant to the Company.

For more information on the level of compliance with the Unified Good Governance Code of the listed companies, please see section E of the Corporate Governance Report, available in Indra's Management Report.

Indra also attaches maximum importance to keeping constant dialog with shareholders and proxy advisors, so that they are familiar with the organization's corporate governance model and to find out about their concerns and suggestions, to apply these to the Corporate

Governance model where possible.

In recent years, the Board of Directors has paid particular attention to everything related to Corporate Governance, closely analyzing the conclusions drawn from Corporate Governance Roadshows that the Secretary of the Board organizes each year.

DUTIES OF THE GOVERNANCE BODIES

As established by Indra's "Regulations of the Board of Directors and Its Committees" (<http://www.indracompany.com/en/accionistas/regulations>), the company has three committees to which the Board of Directors delegates duties:

- a) Strategy Committee.
- b) Audit and Compliance Committee.
- c) Appointments, Remuneration and Corporate Governance Committee.

These committees inform, advise and make recommendations to the board on the issues defined in each case. In any case, all three committees must inform the board of the matters discussed and agreements adopted at their meetings. Accordingly, the chairman of each committee is required to communicate the deliberations to the first board meeting held after the corresponding committee meeting. The decisions adopted by the committees are treated as recommended agreements or reports for the board. The duties of the board and each of its

committees are described below.

BOARD OF DIRECTORS

The Board of Directors is the company's highest governance body, except for the duties reserved exclusively for the General Meeting. The board is primarily concerned with supervision and ensuring that the executive bodies and management team, in whom it delegates the day-to-day management of the company, act in accordance with the strategies approved and the objectives defined. However, in accordance with Article 5 of the Board Regulations, it may not delegate any legal or statutory powers reserved for its direct knowledge, such as

- ▶ The annual strategy, objectives and budgets
- ▶ The risk management policy and the definition of the control and information systems
- ▶ The financing, treasury shares and

shareholder remuneration policy

- ▶ The corporate structure
- ▶ The acquisition or disposal of assets worth more than 30 million euros
- ▶ Related transactions, in accordance with legal and internal regulations
- ▶ The creation or acquisition of stakes in special purpose entities or in territories regarded as tax havens
- ▶ The policy for communicating with shareholders, markets and public opinion in general. Specifically:

- a. The preparation and approval of the Annual Accounts and the information submitted for the approval of the General Meeting
- b. The approval of periodic financial information

- ▶ Recommendations regarding the

remuneration of directors

- ▶ The appointment and contractual conditions of senior managers
- ▶ The general corporate responsibility policies
- ▶ The corporate governance policies, the operating rules for the board and its committees, and their assessment

DUTIES OF THE GOVERNANCE BODIES

STRATEGY COMMITTEE

In accordance with Article 18, and notwithstanding any other duties assigned by the Board of Directors, the Strategy Committee has the following duties and powers:

- Report on the general strategy and submit proposals to the Board of Directors.
- Monitor the implementation of approved plans and strategic actions.
- Inform the Board about corporate transactions, investment and divestment that are important in terms of the general strategy before they are approved.

AUDIT AND COMPLIANCE COMMITTEE

The responsibilities and competencies of the Audit and Compliance Committee are stated in Article 31 of the Articles of Association and in Article 19 of the Board Regulations, as follows:

- Supervise financial information
 - ▶ Supervise the preparation and submission of regulated financial information.
 - ▶ Inform the board about the periodic financial information which the company is obliged to publish. The committee ensures that all quarterly and six-monthly accounts are drawn up following the same accounting criteria as the annual accounts.

- Review the internal control and risk management systems
 - ▶ Supervise the effectiveness of the company's internal control, internal audits, and risk management systems.
 - ▶ Monitor the independence and effectiveness of internal audits.
 - ▶ Propose the chief auditor and the budget for the internal audit service.
 - ▶ Ensure that senior managers act on the conclusions and recommendations contained in the reports prepared by the Internal Audit service.
 - ▶ Establish and supervise the procedure for allowing employees to confidentially report irregularities of a potentially important nature to the committee.
- Manage relations with the external auditor
 - ▶ Act as a communication channel between the board and external auditors.
 - ▶ Assess the management team's response to recommendations.
 - ▶ Submit recommendations for appointing external auditors.
 - ▶ Assess the work of external auditors and its independence.
- Inform the board about the creation or acquisition of shell companies or companies registered in tax havens.
- Review informative brochures for admission to securities trading.
- Inform the General Shareholders Meeting about matters for which it is responsible.

Monitor the implementation
of approved plans and
strategic actions.



DUTIES OF THE GOVERNANCE BODIES

APPOINTMENTS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE

The Appointments, Remuneration and Corporate Governance Committee is entrusted with the following responsibilities, in accordance with Article 20 of the Board Regulations:

- Report on the composition and operation of the Board of Directors and Advisory Board
 - ▶ Report on the professional profiles required and the selection criteria. The committee must ensure that the selection procedures include criteria that promote gender diversity
 - ▶ Assess the suitability of the knowledge, skills and experience of the individuals proposed
 - ▶ Ensure that the nature/type of board members is maintained: independent,

representing major shareholders and executive

- ▶ Submit a report to the board regarding the annual assessment of the chairman of the board.
 - ▶ Prior to re-election, submit a report to the board regarding the chairman's performance in his/her post.
 - ▶ Report on recommended appointments or dismissals of the secretary and vice secretary of the board.
 - ▶ Submit recommendations to the board regarding the remuneration system, components and amounts for directors.
 - ▶ Inform the board about succession planning for the Chairman & CEO and senior managers.
- Review the corporate governance and corporate responsibility regulations

▶ Periodically analyze the company's policy, rules, procedures, practices, efficiency and compliance in the fields of corporate governance and corporate responsibility.

▶ Make recommendations to the board about any necessary changes in the company's corporate governance regulations.

- Composition and assessment of senior management:

▶ Inform the board about recommended appointments and dismissals of senior managers, their remuneration conditions, and the terms and conditions of their employment contracts.

▶ Submit a report to the board on the annual performance evaluation of senior managers.

• Give advance notice to the board about any transactions related to directors, major shareholders or shareholders represented on the board, senior managers, and people associated with any of them.

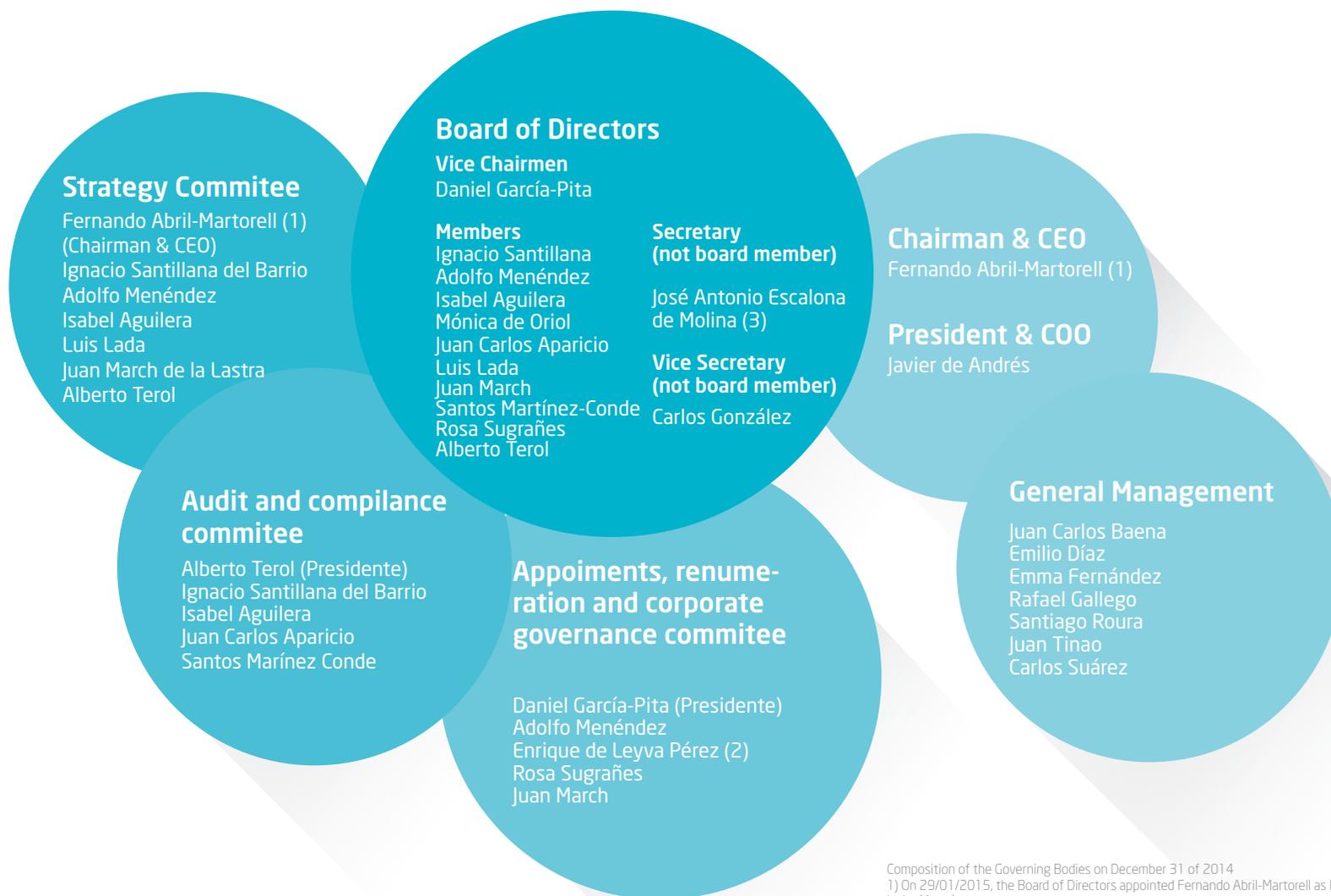
• Make recommendations to the board about internal regulations governing the Advisory Board.

This is a summary of the duties carried out by Indra's governance bodies. For a detailed description, please visit:

<http://www.indracompany.com/en/accionistas/regulations>

Periodically analyze the company's policy, rules, procedures, practices, efficiency and compliance in the fields of corporate governance and corporate responsibility.

COMPOSITION OF THE GOVERNING BODIES



Composition of the Governing Bodies on December 31 of 2014

1) On 29/01/2015, the Board of Directors appointed Fernando Abril-Martorell as Indra's new Chairman and CEO, to replace Javier Monzón.

2) On 30/04/2015, the Board of Directors appointed Enrique de Leyva Pérez as a new director of Indra, to replace Mónica de Oriol.

3) On 30/04/2015, the Board of Directors appointed José Antonio Escalona de Molina as the new Board secretary, to replace Pedro Ramón y Cajal.

COMPOSITION OF THE GOVERNING BODIES

The following is a breakdown of the members of the Board and their position in the Company's governing bodies:

	Category	Board of Directors	Strategy Committee	Audit and Compliance Committee	Appointments, Remuneration and Corporate Governance Committee	Total number of bodies served
Fernando Abril-Martorell ⁽¹⁾	Executive	Chairman & CEO	Chairman & CEO			2
Daniel García - Pita	Independent	Vice Chairman			Chairman & CEO	2
Javier de Andrés	Executive	President & COO				1
Ignacio Santillana del Barrio	Independent	Member	Member	Member		3
Adolfo Menéndez	Rep. major shareholders	Member	Member		Member	3
Isabel Aguilera	Independent	Member	Member	Member		3
Enrique de Leyva Pérez ⁽²⁾	Independent	Member	Member		Member	3
Juan Carlos Aparicio	Rep. major shareholders	Member		Member		2
Luis Lada	Independent	Member	Member			2
Juan March de la Lastra	Rep. major shareholders	Member	Member		Member	3
Santos Martínez-Conde	Independent	Member		Member		2
Rosa Sugañes	Independent	Member			Member	2
Alberto Terol	Independent	Member	Member	Presidente		3

(1) On 29/01/2015, the Board of Directors appointed Fernando Abril-Martorell as Indra's new Chairman and CEO, to replace Javier Monzón.

(2) On 30/04/2015, the Board of Directors appointed Enrique de Leyva Pérez as a new director of Indra, to replace Mónica de Oriol.

DIVERSITY ON THE BOARD OF DIRECTORS

(REGARDING THE BOARD COMPOSITION ON APRIL 30, 2015)

- 11 DEGREES
- EXPERIENCE IN 12 SECTORS
- 15% WOMEN

aspects such as age, gender and vocational training and experience.

Indra's Board of Directors Regulation aims to foster diversity among the board members.

Article 21 states that board member candidates must have proven professional and personal reliability, the ability to commit and have no conflicts of interests with the job.

While drafting proposals to re-elect and appoint members, which are submitted to the General Shareholders Meeting, the Council, having received a favorable report from the Appointments, Remuneration and Corporate Governance Committee, takes the following aspects into account when selecting candidates:

In accordance with European Parliament and Council Directive 2014/95/EU, October 22, 2014 which amends Directive 2013/34/EU, "Diversity of competencies and views of the members of administrative, management and supervisory bodies of undertakings facilitates a good understanding of the business organization and affairs of the undertaking concerned. It enables members of those bodies to constructively challenge the management decisions and to be more open to innovative ideas, addressing the similarity of views of members, also known as the 'group-think' phenomenon. It contributes thus to effective oversight of the management and to successful governance of the undertaking." According to this directive, diversity covers

Composition of the Board of Directors and Its Committees

	Board Directors	Strategy Committee	CAC	CNR
Members				
Executive directors	2	1	0	0
Non-executive directors	11	7	5	5
Rep. major shareholders	4	2	2	2
Independent	7	5	3	3
No. of women	2	0	1	1
Chairmen and CEOs	Executive	Executive	Independent	Independent

DIVERSITY ON THE BOARD OF DIRECTORS

(REGARDING THE BOARD COMPOSITION ON APRIL 30, 2015)

- they must have appropriate knowledge, experience and skills in the following fields:

- ▶ the sectors in which the Company operates and/or other related sectors;
- ▶ economic and financial aspects;
- ▶ highly-qualified human resources management;
- ▶ general economic climate and most important geographical markets for the Company; and
- ▶ management and business venture.

- The ability to commit required to fulfill the position.

As indicated in section C.1.6. of the Corporate Governance Report, Article 9 of the Board Regulations establishes that the Board of Directors and the Appointments, Remuneration and Corporate Governance Committee are responsible for ensuring that the criteria and

policies designed to encourage gender diversity on the board are applied when selecting board member candidates. Moreover, Article 20.4.a) stipulates that the duties of the Appointments, Remuneration and Corporate Governance Committee include the obligation to support diversity in the recruitment of new board members.

Since these criteria were introduced in 2005, three independent female directors have joined the board (Isabel Aguilera in 2005, Mónica de Oriol in 2007 and Rosa Sugrañes in 2008).

The two female directors appointed to the board represent 15% of the total; 18% of non-executive directors (independent, those representing major shareholders and other non-executive directors); and 29% of independent directors, which is the category where the Board of Directors and the Appointments, Remuneration and Corporate Governance Committee have the greatest scope of action as they assess a much larger number of potential candidates for appointment to the post of director.

In the case of the executive directors, both the Chairman & CEO and the President & COO are men. With regard to the directors representing major shareholders, the board and the committee may only recommend that shareholders consider the appointment of women as board members in accordance with their shareholding interest, though this also depends on whether there are women in the top management level in their respective organizations, given that it is in the company's interest for this category of shareholder to belong to that level.

Information about the experience of the members of the Board of Directors is given below.

The two female directors appointed to the board represent:

15% of the total
18% of non-executive directors
29% of independent directors

DIVERSITY IN THE BOARD OF DIRECTORS

(REGARDING THE BOARD COMPOSITION ON APRIL 30, 2015)

Board member	Condition	Training	Experience	Origin	Year of birth	Gender	Length of service	
Fernando Abril-Martorell ⁽¹⁾	Executive	Degree in Law and Business Administration	Prisa Credit Suisse Telefónica JP Morgan	Media Telecommunications Financial Services	Spain	1962	Man	2015
Daniel García Pita	Independent	Degree in Law	J&A Garrigues	Professional legal services	Spain	1947	Man	2009
Javier de Andrés	Executive	Degree in Economic Sciences MBA	Fujitsu Tupperware Cyanamid / Wyeth Orfi	Technology Industry Pharmaceutical laboratory	Spain	1960	Man	2011
Ignacio Santillana del Barrio	Independent	Degree in Economic Sciences	Grupo Prisa GTE Telefónica ENISA	Financial Services Media Telecommunications	Spain	1948	Man	2011
Adolfo Menéndez	Rep. major shareholders	Degree in Law	State Attorney Ernst&Young Ministry of Defense Ministry of Development Uría Menéndez	Public Administrations Professional legal services	Spain	1958	Man	2013
Isabel Aguilera	Independent	Architect and city planner MBA PDG	Olivetti HP / Compaq Vodafone Dell NH Hoteles Google General Electric	Technology Information Technology Hotels Telecommunications	Spain	1960	Woman	2005
Enrique de Leyva Pérez ⁽²⁾	Independent	Civil Engineer MBA	Unión Fenosa, McKinsey & Company Magnum Industrial	Energy Professional services Financial Services	Spain	1961	Man	2015

(1) On 29/01/2015, the Board of Directors appointed Fernando Abril-Martorell as Indra's new Chairman and CEO, to replace Javier Monzón.

(2) On 30/04/2015, the Board of Directors appointed Enrique de Leyva Pérez as a new director of Indra, to replace Mónica de Oriol.

DIVERSITY IN THE BOARD OF DIRECTORS

(REGARDING THE BOARD COMPOSITION ON APRIL 30, 2015)

Board member	Condition	Training	Experience		Origin	Year of birth	Gender	Length of service
Juan Carlos Aparicio	Rep. major shareholders	Degree in Chemical Sciences Specialist in Business Organizations	President's Office of CaGovernment Ministry of Social Security Ministry of Employment and Welfare stile-León Regional	Public Administrations	Spain	1955	Man	2013
Luis Lada	Independent	Telecommunications Engineer	Grupo Telefónica	Telecommunications	Spain	1949	Man	2007
Juan March de la Lastra	Rep. major shareholders	Degree in Business Administration and Management	J.P. Morgan Grupo Banca March	Financial Services	Spain	1973	Man	2009
Santos Martínez-Conde	Rep. major shareholders	Civil Engineer MBA Diploma in Nuclear Technology	Sener Técnicas Reunidas Bestinver Corporación Borealis Banco Urquijo Corporación Financiera Alba	Engineering Financial Services	Spain	1955	Man	2013
Rosa Sugañes	Independent	Degree in Business Administration	Iberia Tiles	Industry	Spain/USA	1957	Woman	2008
Alberto Terol	Independent	Degree in Economic and Business Sciences	Arthur Andersen Garrigues-Andersen Deloitte	Professional services	Spain	1955	Man	2010

DIVERSITY IN THE BOARD OF DIRECTORS

(REGARDING THE BOARD COMPOSITION ON APRIL 30, 2015)

Condition	Training	Experience	Origin	Year of birth	Gender	Length of service
15% executives	<ul style="list-style-type: none"> • Law • Company Administration • Economic Sciences • Architecture and city planning • Chemical Sciences • Business Organizations • Telecommunications Engineering • Civil Engineering • Nuclear Tecnology • MBA • PDG 	<ul style="list-style-type: none"> • Financial Services • Media • Telecommunications • Professional Services • Pharmaceutical • Industry • Technology • Public Administrations • Information Technology • Hotels • Energy • Engineering 	<ul style="list-style-type: none"> • Spain • U.S.A 	23% 1940-1949	15% women	23% 2012-2014
38% major shareholders				40% 1950-1959		38% 2009-2011
47% independent				30% 1960-1969	77% men	23% 2006-2008
	11 degrees	12 activity sectors	2 nationalities	7% >1970		15% <2005

PERFORMANCE OF THE BOARD OF DIRECTORS

>90% ATTENDANCE
AT BOARD MEETINGS
OVER THE PAST
5 YEARS

In accordance with Article 14 of the Regulation, the Council annually assesses its own performance and the quality of its work, and that of each Committee. Each of these committees conducts its own assessment and drafts a report about its activities and actions during the year, which is submitted to the Board.

Indra's internal regulations are designed to guarantee the dedication and effective performance of the board directors. One of the consequences in this respect has been an attendance rate for board meetings of around 90% over the last five years. Moreover, in cases where directors cannot attend, they are obliged to delegate their voting instructions, thereby guaranteeing the full protection of shareholders' interests.

In accordance with Article 35 of the Board Regulations, the process for recruiting directors pays particular attention to the capacity to dedicate sufficient time to board duties. To this end, candidates are obliged to inform the board of any other activities that may impact on their dedication to their duties as a director of the company. In relation to the number of other boards to which directors may belong, the general rule is that no director may serve more bodies than permit adequate dedication to his/her post as a director of the Indra board. This number is defined for each director, based on the professional and personal circumstances in each case and paying particular attention to the actual dedication required by the other governance bodies to which s/he belongs and the performance of executive or other time-consuming duties at other organizations.

The Board of Directors has focused closely on Corporate Governance in recent years. It attaches great importance to opening fluid channels of communication with investors and proxy advisers to keep up constant dialog with them.

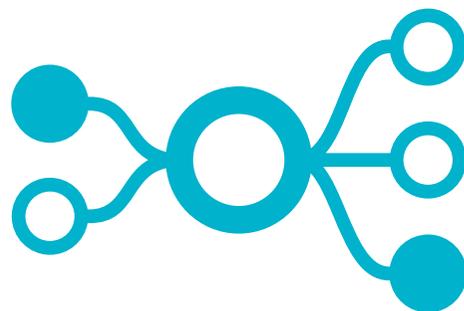
Section C.1 of the Corporate Governance Report contains details about the directors' membership of other boards as well as their personal performance in 2014.

For further information about the directors' performance in 2014, please see the Corporate Governance Report.

REMUNERATION MODEL

The aim of the Indra remuneration model is to establish incentives to ensure that the governance bodies are aligned with the company's strategy and objectives and with the sustainable creation of value in the short, medium and long term. To achieve this, Indra seeks what it regards as a reasonable balance between short and long-term incentives.

Indra's remuneration model is described in the Consolidated Annual Accounts Report, in note 40, and in the Annual Remuneration Policy Report, available on Indra's corporate website: <http://www.indracompany.com/accionistas/informe-anual-sobre-politica-retributiva>



STRATEGY

GOALS

SUSTAINABLE VALUE
CREATION OF SHORT,
MEDIUM AND LONG
TERM

ETHICS AND VALUES

Indra has publicly declared its stance in relation to various risks associated with its activity and corporate conduct, for example, corruption and bribery, presence in tax havens, lobbying policies, the defense of human rights, relations with public administrations, and climate change. In addition to these statements of principles, the company has also joined initiatives like the Global Compact, in 2004, and the Women's Empowerment Principles, in 2011.

The company applies its public commitments through its Code of Ethics and Professional Conduct. This Code is based on a series of principles drawn from the corporate values that govern the company's activities, use of resources, and the everyday actions of Indra employees.

Indra puts its Code of Ethics and Professional Conduct into practice through a Compliance Program which establishes a set of Policies and Procedures that are binding for all Indra employees.

The Compliance Unit is the body responsible for solving any issue related to the application and interpretation of the Compliance Program and the Code of Ethics and Professional Conduct. The Code of Ethics Monitoring Committee is also responsible for applying and interpreting this. Indra reviews and updates the Compliance Program and Code of Ethics constantly by monitoring legal changes that impact on it or should at least be taken into account.

Since the Compliance Program was implemented, Indra has made distance and on-site training available for all of the company's employees. In 2014, a new on-site training format was included, targeted at specific groups of employees, including: employees who, due to their role/duty/activity, are more likely to be exposed to specific types of situations; employees who work in an environment in which certain circumstances have arisen; and employees who have just joined the company. The training will continue, with updated content, this year and in those to come.

As regards the Code of Ethics for Indra Suppliers, membership of which is part of the Supplier Certification Process, this year it is envisaged to extend the membership proposal to any international suppliers that have not yet joined it.

The Compliance Unit and the Direct Channel received a larger number of incidents related to application of the Code of Ethics and Compliance Program during 2014 compared to the previous year. This shows that the company's channels for reporting incidents worked efficiently. Altogether, 48 incidents were received, excluding specific inquiries or queries.

In 2014, 4 irregular practices committed by some employees in relation to the company's supplier management and other third parties with which the company is involved were identified. All of them were analyzed and resolved, and the corresponding disciplinary and/or other action was taken against said employees.

The main public commitments undertaken by the company in its various management areas are described below.

The company applies its public commitments through its Code of Ethics and Professional Conduct

ETHICS AND VALUES

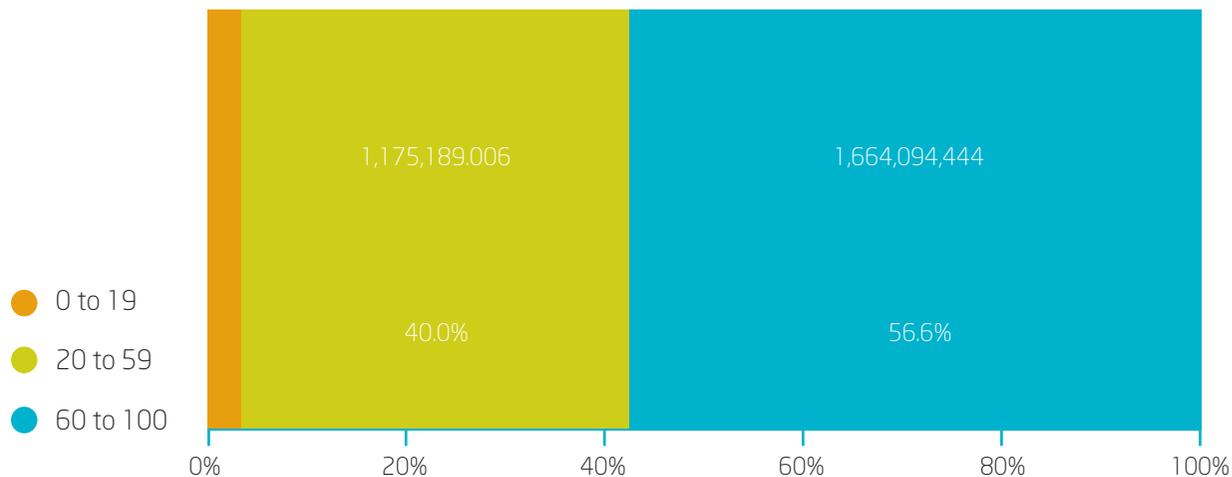
INDRA'S MANAGEMENT OF THE RISK OF CORRUPTION

Indra carries out operations in 149 countries around the world, which means that it has had to deal with varying levels of transparency.

Specifically, 56.6% of Indra's revenues in 2014 came from countries with a transparency level score of more than 60 out of 100, according to the index published by Transparency International.

Indra is aware that it must conduct its business activities not only in accordance with the law, free market conditions and fair competition, but also in an ethical and transparent manner.

To mitigate the risks of corruption and bribery in its activity, Indra applies its Code of Ethics and Professional Conduct and its Compliance Program. Since 2011, the Compliance Unit has been responsible for the compliance, correct application and updating thereof. It makes training available to the company's employees and implements other procedures and policies related to said compliance.



In particular, Article 3 of Indra's Code of Ethics and Professional Conduct expressly forbids "participating in any acts of bribery when dealing with authorities and/or government employees, and offering or granting to senior managers, employees and external partners any benefits or advantages of any nature that fall outside the realm of lawful market practices or which could be construed as being aimed at inappropriately influencing the normal progress of the commercial, administrative and professional relations in which Indra engages". The Compliance Program establishes a set of specific policies and procedures aimed at preventing and

Graph: Breakdown of Indra's revenues by the level of transparency in the countries where they are obtained
Source: Transparency International, Corruption Perceptions Index 2014
<http://www.transparency.org/cpi2014/results>

controlling said practices, including regulating the company's relationship with traders through the "Commercial Adviser Recruitment Procedure".

Indra also has an internal audit department, reporting to the Audit and Compliance Committee of the Board of Directors, which reviews the company's processes and units to determine whether the controls for mitigating the inherent risks are sufficient and function correctly.

SUPPORT FOR THE FREE MARKET AND FAIR COMPETITION

Indra's Compliance Program includes various policies aimed at ensuring that the company's behavior encourages free market conditions and fair competition, thus contributing to better quality goods and services on the market, reasonable price levels, and an efficient market structure. Among other aspects, the policies contained in the Compliance Program govern professional courtesy, donations and

sponsorships, conflicts of interest, and public subsidies and grants.

In general, these policies aim to remove all types of restrictions to free competition and, specifically, those to which Indra is most exposed due to the type of activity it carries out: vertical agreements between buyers and sellers, and the fraudulent award of government grants. The technological services sector is extremely competitive and highly fragmented, which means that other types of restrictions to free competition, such as horizontal agreements between competitors and abuse of a dominant position, are much less likely.

Indra's activities are not particularly exposed to risks from unfair or abusive commercial practices because the services it provides are regulated by means of contracts based on requirements set by the clients themselves.

Moreover, contracts are often the result of requests for proposals in which Indra openly competes with other companies.

The aforementioned policies on respecting free market conditions and fair competition are further evidence of Indra's adherence to responsible marketing.

In any case, Indra manifests its commitment to responsible marketing by providing existing and potential clients with objective, complete, clear and accurate information about the solutions and services it provides. This applies to all the communications the company issues and all the channels it uses (website, press releases, media advertising, temporary architectural elements, commercial documentation, etc.).

Furthermore, Indra has implemented numerous policies and initiatives to ensure respect for clients' rights and to manage client relations appropriately.

These policies and initiatives are described in detail in the Clients chapter of this annual report.

Contracts are the result
of requests for proposals
in which Indra openly
competes with other
companies.

POLICY ON THE FOREIGN TRADE OF DEFENSE AND DUAL-USE MATERIAL

One of the objectives for most countries in the area of security is to prevent the illicit sale of defense material and sensitive technologies to other countries that might act against their security interests or become involved in terrorist activities. Consequently, the export and import of defense and dual-use material is subject to governmental control on a national level. Nearly all exports and a large proportion of imports of defense and dual-use material require special authorization or a license, and in the specific cases where this does not apply the client usually requires a certificate issued by the competent authority stating that the operation is not subject to authorization or a license.

In most countries there are also full or partial prohibitions on the export of defense and dual-use material to certain countries ("countries with embargoes").

Moreover, the processing of licenses and authorizations not only affects Indra as the exporter or importer, but also applies to its suppliers, which are required to obtain the necessary licenses or authorizations from their own countries for exporting their materials and technologies.

Indra is committed to the responsible trade of defense and dual-use technologies that contribute to stability, security and peace. Accordingly, the company's Compliance Program requires strict application of the legislation in force by all of its professionals.

POLICY ON INFORMATION SECURITY

Indra's Code of Ethics and Professional Conduct underscores the importance for the company, given the nature of its business, of maintaining the confidentiality of the information it works with, including know-how, intellectual and industrial property, and other intangible assets owned by Indra or any third parties it deals with. The code also requires all company professionals to properly use, maintain and manage the resources (technological, economic and material, among others) that Indra places at their disposal to assist them in their work.

In accordance with these general principles, the Compliance Program includes a general policy on information security with a special emphasis on Indra's industrial and intellectual property rights

as well as those of third parties, the integrity of information systems, and data protection.

The Clients chapter of this report contains more detailed information about the company's policies and strategy as well as its performance in 2014 in this area.

Indra is committed to the responsible trade of defense and dual-use technologies that contribute to stability, security and peace.

ENVIRONMENTAL POLICY

Due to the desire and commitment of the Management, Indra has established and implemented an Environmental Management System based on the requirements of the UNE-EN ISO 14001 standard and EU Regulation 1221/2009 of the European Eco-management and Audit Scheme (EMAS) and its later editions.

Indra, a leader in Information Technology, is organized into two broad segments, Solutions and Services, which over the years have developed a profound understanding of the business and established strong relations with clients. The knowledge gained, along with the most advanced technology, allow Indra to create a distinct offering that empowers the development of unique solutions and services for each segment of the market.

The Environmental Management System at Indra is oriented toward applying activities to be implemented in the workplace. In 2014, three new work centers were certified.

Our environmental policy defines the commitment to carry out our activities within the parameters of sustainable development and to control and manage the environmental aspects these activities produce, especially the most significant ones.

Indra has made a commitment along with its workers to its customer base, neighboring local groups and authorities regarding regulation and continuous improvement, within the framework of transparency.

To fulfill these commitments and achieve the established objectives, Management has defined the following fundamental principles:

- Working in a way that is respectful of the environment and ensuring its protection are crucial factors in the execution of our activities.
- Ensure compliance with applicable legal environmental requirements in accordance with the activity undertaken, the geographical location and the requirements voluntarily assumed by the organization.

- Minimize the environmental effects produced as a result of the activities implemented in our workplaces related to garbage, waste discharges, and atmospheric emissions.
- Bring the Environmental Management System to the entire organization to encourage the active participation of all employees and include their suggestions for improvement with the aim of promoting continuous improvement.
- Achieve Client satisfaction.
- Give priority to prevention criteria over corrective actions in our action principles.
- Maintain the awareness and consciousness of all our employees, promoting their environmental training.
- Integrate the Environmental Management System into Indra's General Management.
- Define measurable concrete objectives and goals within the environmental program, revisable at least once a year according to their achievement.
- Perform annual assessments of the environmental aspects derived from our activity for the purpose of maintenance and continuous improvement of the Environmental Management System.

ETHICS AND VALUES

Furthermore, the identification and assessment of the environmental aspects allows the company to pursue an environmental management policy based on the following 3 principles:

- Precaution: Avoiding actions that may involve an environmental risk, irrespective of their potential seriousness if they occur.
- Prevention: Avoiding the environmental consequences associated with a specific action.
- Correction: Planning how to counteract the environmental consequences of a risk should it occur.

All Indra personnel is responsible for the fulfillment of the environmental requirements since environmental management is the result

of the joint efforts of everyone. All of us comprising Indra take on these principals and it is our responsibility to put them into practice. The Management will propel environmental improvement and assign the necessary resources to ensure the successful implementation of Indra environmental policy.



RELATIONS WITH GOVERNMENTS

Indra believes that it must conduct its business activities not only in accordance with the law, free market conditions and fair competition, but also in an ethical and transparent manner.

As a company that operates in the global market, it is aware of the importance of acting independently of governments and political powers, whether national, regional or local. Indra's presence in all of the countries where it operates is governed by respect for their legislation and by cordial relations with public institutions and governments, always in accordance with the principles of transparency and ethical conduct.

Given the range of information technology services and solutions that Indra provides, the company's client base includes a wide variety of public institutions and administrations. In this context, the fight against bribery and corruption is a major commitment.

Only under this principle can we combat situations whose consequences might compromise the free market, cause instability, inequality or insecurity on all levels, and prevent socio-economic development to the detriment of those who are most vulnerable.

Accordingly, Indra is committed to fighting bribery, facilitating payments and any form of active or passive corruption. It is also opposed to making contributions to political parties, and in light of its transparency and accountability policy, it publicly declares all contributions made to nonprofit entities.

INDRA AND LOBBIES

Lobbies are recognized and regulated in various markets. They constitute a legitimate means of relation with legislators and administrations, and are characterized by the transparency and public disclosure of their activities. Companies, as well as associations and organizations with commercial or other interests, such as nonprofit entities, hire professional lobbyists who operate

on their behalf before legislative authorities and public representatives, informing them of the specific technical implications of a piece of legislation in one way or another for the entities they represent.

Lobbying is completely legal in these markets, is always conducted with public knowledge—in terms of whom the lobbyists work for and the fees they receive as professionals—and is closely regulated, forming part of the legitimate activity that companies and other organizations are entitled to carry out in defense of their interests and as agents of public life.

In this area, Indra states that it does not carry out any actions aimed at modifying government policies. Indra's relations with administrations are exclusively based on commercial or administrative purposes, and are always conducted within the framework of the law. Specifically, Indra's subsidiaries in the US maintain commercial relations with law firms because that is the method used in that country to manage and obtain information about contracts, subsidies and grants.

These contributions are made in compliance with the applicable legislation and said activities are publicly declared. For further details about this matter, please visit:

<https://lda.congress.gov/lc/home.aspx>

INDRA'S PRESENCE IN TAX HAVENS IN 2014

Indra's activities in countries regarded as tax havens is not fiscally motivated but is aimed solely at developing the company's international business, always with the approval of the Audit and Compliance Committee and the Board of Directors.

Specifically, in 2014 Indra had a significant presence or carried out projects in the following countries that are included on the latest list of tax havens published by the Tax Justice Network:

- Philippines: Indra employs 965 professionals in the Philippines at a work center that forms part of the company's Software Labs and supports Indra's operations all over the world. The company also carries out major projects in this country, such as managing the commercial service for Manila's water companies (Maynilad and Manila Water)

and modernizing the country's justice administration system. Moreover, Indra's commitment to the local community in the Philippines is evident in a number of social action projects. For further information, please visit www.indracompany.com/en/pais/filipinas

- Panama: Indra's presence in this country consists of one work center with 228 professionals. The company carries out major projects in Panama, such as modernizing the information management systems for the Panama Maritime Authority (AMP). For more information, please visit <http://www.indracompany.com/en/pais/panama>
- Uruguay: Indra has one work center with 95 workers who provide support for the company's projects in the country, which include among others the air traffic management and air surveillance systems.
- Bahrain: Indra has one subsidiary,

whose opening was noted in the 2011 Annual Report, with approximately 50 professionals who provide support for a major healthcare project.

Additionally, in 2014 Indra carried out isolated activities in the following countries or territories which the aforementioned institution also regards as tax havens: Andorra, Antigua and Barbuda, the Netherlands Antilles, Belize, Bermuda, Cyprus, Dominica, Gibraltar, Grenada, Ireland, Luxembourg, Malta, the Netherlands, Puerto Rico, the Seychelles, Singapore and Switzerland.

As a whole, Indra's 2014 revenues in places considered to be tax havens represented 3.3% of the company's total revenues.

The "Contribution to the environment" chapter describes Indra's tax contribution to the public sector in the communities in which it operates, and the chapter "Scorecard" gives a breakdown of Indra's paid and collected taxes by country.

Indra's 2014 revenues in places considered to be tax havens represented 3.3% of the company's total revenues.

HUMAN RIGHTS AT INDRA

Indra maintains an active policy for managing the various aspects of work-related human rights that affect its business and relations with its professionals:

- Child labor and forced labor: Given the nature of its activity, which requires highly qualified professional profiles, Indra has a low risk of incurring in child labor or forced labor, but it has nevertheless signed the Global Compact and openly manifests its opposition to all types of exploitation. Indra's internal regulations prohibit the recruitment of employees under 16 years old, and the hiring of or granting permission to provide a service to employees under 16 years old by subcontractors (service providers). Also, between 16 and 18 years old employees cannot perform activities that entail significant risks. Indra takes measures to guarantee this: verifying the age of workers when they are hired, maintaining updated information systems

that contain the personal details of each employee, controlling the work days of each employee, etc. By way of example, the Scorecard chapter of this annual report contains a graph showing the age pyramid for Indra's employees.

Moreover, Indra extends this commitment to its suppliers by means of the Supplier Code of Ethics.

- Freedom of association and collective bargaining: As one of the commitments acquired in the Global Compact, Indra respects the rights of its employees in terms of labor union membership and collective bargaining. Moreover, the Indra Code of Ethics and Professional Conduct establishes the following basic principles: equal opportunities, respect for all people, non-discrimination on any grounds, and, specifically, labor union membership.

The Talent chapter in this report describes the relational model with unions in Spain.

The working conditions of Indra professionals are based on the industrial or collective agreements that are in place in the countries where the company has significant operations. Accordingly, in recent years, more than 75% of the company has been covered by a collective agreement.

Indra operates in certain countries where freedom of association is limited or persecuted. However, its activities in these countries are governed by the same general principles of respect for free association and collective bargaining.

- Non-discrimination and equality: In addition to the company's adherence to the Global Compact, Indra has implemented various policies and initiatives designed to guarantee non-discrimination and equality among its professionals.

The Code of Ethics and Professional Conduct manifests Indra's respect for diversity, all people and non-discrimination,

and it encourages its professionals to adopt these principles. Furthermore, the code is reinforced by other policies, such as the Equality Plan, the Diversity Policy and the Protocol on Unacceptable Behavior.

- Promotion and job security: Indra is an important employer in the communities where it is established, and its commitment to creating and maintaining jobs is evident in the constant growth of its workforce in recent years. For example, in the period from 2010 to 2014, Indra's workforce grew at a compound annualized rate of 8.1%.

- The occupational health and safety of Indra's professionals and of those who carry out work for us. Indra aims to ensure the highest possible level of safety, health and well being for its employees and for anyone who could be affected by its actions. It is therefore committed to complying with all the legal obligations regarding occupational risk prevention.

This chapter also describes Indra's stance regarding health, safety and well-being.

The Talent chapter in this annual report also provides a detailed description of Indra's activities in the field of occupational health and safety in 2014.

- Salaries, benefits and work days: Since 2005, Indra has implemented specific equality and work-life balance policies for each country where it is present. The Talent chapter in this annual report contains information about the company's policies in this area and the implementation of its equality and work-life balance program in 2014.

- Training: Developing talent is a fundamental aspect for a company like Indra, which is made up of knowledge professionals. Training hours increased at an annualized rate (compound annual growth rate) of 17% between 2010 and 2014.

The Talent chapter in this annual report contains information and indicators regarding Indra's performance in this area for 2014.



HEALTH, SAFETY AND WELL-BEING AT INDRA

» Policies

Indra has established a Prevention Policy and Plan, approved and reviewed by the General Management, authorized by the President & COO, available to all employees on the Intranet and disseminated through specific training and communication actions. This policy states that the company is committed with its employees to ensure the highest possible level of safety, health and well-being, in addition to procuring, in all activities that we promote, that not only Indra's workers but also others who could be affected by their activities are appropriately protected.

Indra is also committed to observing the applicable Legislation in Occupational Risk Prevention not only regarding health and safety obligations but also with a view to cultivating a culture of prevention for all company activities.

» Processes

Indra has put in place the following processes to guarantee the effectiveness and efficiency of Health, Safety and Well-being management:

- Identifying Legal Requirements.
- Risk Assessment.
- Evaluating hazards (Safety in the Workplace, Industrial Hygiene, Ergonomics and Psychosociology applied)
- Controlling Verification of Safety Conditions.
- Severe and imminent risk protocol.
- Analysis and Investigation of Work-related Accidents and Occupational Illnesses.
- Occupational Accidents and Illnesses Statistics.
- Controlling Effectiveness and Inspection.

ETHICS AND VALUES

- Emergency Measures.
- Coordination of Business Activities.
- Investigation into every work-related accident, with and without sick leave, including commuting accidents.
- Occupational Risk Prevention System Audit: Indra conducts a biannual regulatory audit to renew the Favorable Certification. Favorable certification means that said Indra companies follow policies reviewed and approved by senior management, that they have implemented health and safety management systems and are subject to regular independent certification audits, thus complying with similar management and continuous improvement requisites as established under OHSAS 18001:2007 standards.
- Implementation of preventive and/or corrective actions, and the control measures required to eliminate risks in the various activities undertaken.

» Organization

The Health, Safety and Well-being department depends on the HR Deputy Senior Vice President, who sits on Indra's Management Committee (<http://www.indracompany.com/accionistas/organos-de-gobierno/2865>), and who reports regularly to the Board on significant matters for the company's strategy or goals.

» Significant risks and problems for Indra

Indra aims to maintain a holistic approach to health, safety and well-being which extends beyond just the working environment to also combat global health problems that affect the organization and society at large.

To this end, Indra has put in place policies, procedures and initiatives to address the following types of health risks and global problems:

- Safety in the Workplace, Industrial Hygiene, Ergonomics and Psychosociology applied.
- Occupational health: Indra has established an Occupational Health Policy and Practice, which determines the type and frequency of medical protocols in accordance with the occupational risks to which employees are exposed. The annual campaigns cover:
 - ▶ Initial Medical Examinations.
 - ▶ Regular Medical Examinations, which are voluntary and take place every two years, or compulsory and every year, in accordance with occupational risks.
 - ▶ Additional medical examinations following long periods of absence.
 - ▶ International Medical Examinations, which are compulsory, before traveling abroad when the following apply in the destination country and/or during the journey:
 - Compulsory Vaccination.
 - Endemic Diseases
 - Civil or military conflicts and/or extreme poverty.
 - Flight lasting for 5 hours or longer

During the medical examination, the occupational medical specialist helps to identify early and prevent health problems in the employee in response to a possible case of workplace harassment, guaranteeing the individual's confidentiality and right to privacy and dignity at all times.

In 2014, Indra also introduced the Total Health Test (THT), expanding the psychosocial evaluation and extending the same to all positions. The THT provides group health status indicators, specifically with regard to psychosomatic conditions and symptoms of neurotic depression, which may be associated with working conditions. The THT is a "group

health detection" test, "not a diagnostic or prognostic test". The results can show stress related psychosomatic issues, although it is impossible to identify precisely whether such conditions are linked to the professional or personal spheres. Said information is useful in terms of providing preventative group healthcare, allowing the firm to promote primary prevention strategies in the workplace and/or run awareness campaigns to benefit both the professional and personal lives of Indra employees.

As regards the field of Occupational Health and Wellbeing, the following actions are taken to improve health promotion and general welfare, also contributing to raising employee awareness of the importance of protecting their own health and avoiding risks, fostering healthy lifestyles:

- ▶ Annual medical control for early detection of conditions:

a) Biological control campaign (blood and urine)

b) Coinciding with the workstation occupational health examination, the following medical tests are conducted: Vision, Audiometry, Spirometry and Electrocardiogram.

c) Preventive Gynecologic Campaign for early detection of breast and gynecologic cancer, conducting specific tests on employees depending on their age and/or personal/family background.

d) Preventive PSA Campaign (Prostate-Specific Antigen Analysis) for the early detection of prostate disease in employees 50 years or older.

- ▶ With the findings from the biological control campaigns and the occupational health examination, the Occupational Health Surveillance Supervisors write specific instructions in the employees' individual medical reports for the next awareness campaigns:

a) Road Safety, General Health Counseling Recommendations and Specific Recommendations in accordance with the detection of personal-medical parameters that may be found (diabetic, cardiopathic, etc)

b) Cardiovascular Diseases, Obesity and Overweight, General Health Counseling Recommendations and Specific Healthy Lifestyle Habits Recommendations in accordance with the detection of personal-medical parameters that may be found

- ▶ Annual Influenza Preventive Campaign (occupational vaccination)

• Protecting especially sensitive employees:

- ▶ Personal and Medical Circumstances: physical, mental or sensory disability.
- ▶ New or expectant mother.

▶ Under Age: as set out in Indra's human rights declaration, in this Report, Indra prohibits the recruitment of employees under 16 years old, and the hiring of or granting permission to provide a service to employees under 16 years old by subcontractors (service providers). Therefore, between 16 and 18 years old employees cannot perform activities that entail significant risks.

- ▶ Scholarship holders.

- Addictions: Indra runs awareness campaigns on tobacco, alcohol, drugs, work addiction and digital addiction. It has also established a specific tobacco, alcohol and drug policy which prohibits smoking at work, among other aspects.

- Healthy lifestyle habits: Indra runs awareness campaigns on allergies, cardiovascular diseases, sexually transmitted diseases, influenza, female-specific diseases (breast and gynecologic cancer), melanoma, overweight and obesity, sleep, summer-specific risks, eyesight and traveling abroad.

- Senior Group: Indra runs awareness campaigns on healthy lifestyle habits, andropause and menopause.

- International travel security: Indra has set in place a Security Policy to ensure proper cover (work conditions, insurance, physical integrity and health and safety) during international travel by both Indra employees and external employees involved in its projects. It focuses heavily on healthcare (physical and mental) in

accordance with the country risk and/or the international journey:

- ▶ Personal insecurity (external violence) due to civil or military conflicts..

- ▶ Endemic Diseases (Malaria, Dengue, Tuberculosis, Ebola...).

- ▶ Problems adapting to new cultures/ environments.

- ▶ Problems with work-life balance.

In 2014 Indra established an Ebola Prevention Protocol, which included restrictions on travel to certain countries, pursuant to the recommendations of the WHO, and introducing preventative sanitary measures for those traveling to countries surrounding those with declared Ebola outbreaks.

- Especially hazardous work (working at a height, construction, high voltage, confined space, etc).

- Machines, Equipment and Chemical Products.

» Annual programming

In keeping with Indra's commitment to continuously improve health, safety and well-being, the company produces an annual schedule of preventive activities to achieve and maintain a safe work environment for Indra's workers, both its own employees and its partners. This Schedule includes:

- Reviewing risk assessments that have resulted in changes to work conditions (Activities and Centers).

- Reviewing risk assessments that are less than three years old, even if changes which prompt the review thereof have not taken place.

- Scheduling preventive actions resulting from technical activity

- Checking compliance with and effectiveness of the preventive measures adopted.

- Preventive information on occupational risks specific to the workstation and work area and emergency measures on an annual basis to employees.

- Preventive training for employees in accordance with occupational risks specific to the workstation and work area and/or responsibility for preventive management.

- Training on emergency team and Emergency Drills at workplaces.

- Establishing emergency measures and emergency services at workplaces.

- Providing and guaranteeing health monitoring for workers on the basis of the occupational risks to which they are exposed.

- Establishing resources and channels to coordinate business activities between customers and suppliers in the field of health and safety.

ETHICS AND VALUES

- Investigating workplace accidents to verify risk identification and assessment and adopt preventive measures.
- Analyzing epidemiological studies of collective and occupational health to take into account risk identification and assessment and adopt preventive measures.
- Auditing the preventive management system on a regular basis.

» Integration throughout the organization

To foster a corporate culture to integrate preventive measures across the entire organization, Indra undertakes the following initiatives:

- Basic-Level training (50 hours/60 hours) when managers/middle management manage activities (using their own/external resources) that entail significant risks (work at a height,

construction, confined space, etc.).

- Basic-Level training (50 hours/60 hours) when undertake activities that entail significant risks.
- Preventive information given to every employee once a year.
- Indra's intranet includes an "Occupational Health, Safety and Well-being" section that features campaigns to raise awareness on health and general well-being intended for all employees for the purpose of contributing to the creation of an efficient and effective health culture in the work environment and which help raise awareness about the importance of protecting their health and avoiding risks. Employees are encouraged to share these campaigns with their co-workers, family and friends:

- ▶ The Ten Commandments of Good Practices.
- ▶ Avoid avoidable risks
- ▶ Stress

- ▶ Postural Ergonomics
- ▶ Road Safety

The awareness campaigns are reinforced through e-mail campaigns. For instance, during 2014, coinciding with the vacation period, the Road Safety Prevention + Precaution campaign ran.

Question and answer with corporate representatives and employees on matters of occupational health and safety via the "My Inquiries" application.

The awareness campaigns are reinforced through e-mail campaigns.

» Question and answer with corporate representatives

Indra considers and recognizes the importance of the active and collaborative involvement of company representatives through Risk Prevention Delegates since this helps focus the desired level of attention on matters related to occupational health and safety.

The company provides these corporate representatives with its management system and annual activity schedule for information, consultation and feedback, as well as risk assessments and preventive action plans arising from the technical action taken.

The company has set up Health and Safety Committees at all of its workplaces, with more than 50 workers. These Committees are joint and licensed participation entities for regular and periodical consultation on health and safety matters. Periodical meetings are held, of which minutes are taken.

» Extended to contractors

Indra's Prevention Plan includes a "Supplier Approval System in relation to health and safety" which sets out requirements for suppliers in relation to health and safety in accordance with the risks that their activities entail.

This Approval System establishes five types of Service Providers:

- 1. Low Risk Contractors, Own Activity:** Contractors that provide information technology/consulting services (excluding Temporary Employment Agencies and Self-Employed Workers).
- 2. High Risk Contractors, Own Activity:** Contractors that provide services not included in 1 or 3 (excluding Temporary Employment Agencies and Self-Employed Workers).
- 3. Contractors, Not Own Activity:** Contractors that provide services such as reforms on own facilities and premises and their maintenance of shops, buildings and facilities, excluding

production machinery maintenance (excluding Temporary Employment Agencies and Self-Employed Workers).

4. Self-Employed Workers

5. Temporary Employment Agencies

General procedures have also been put in place in accordance with application regulations in Spain: RD1627/97 Health and Safety on construction sites and RD 216/97 Temporary Employment Agencies.

» Objectives 2015

- Reviewing occupational risk assessments for workstations and facilities every three years, even if changes that prompt the review thereof have not taken place.
- Delivering Information on Workstation Occupational Risks once a year, even if changes that prompt the delivery thereof have not taken place.

- Providing training, in accordance with the following ratio: 0.5 hours/employee.

Indra has set up Health and Safety Committees at all of its workplaces, with more than 50 workers.

STATEMENT ON "CONFLICT MINERALS"

As part of its business operations, Indra develops electronic equipment and components that may contain elements such as tungsten, tantalum, tin or gold. Many electronic components acquired by Indra (components, circuits and connectors) are coated in tin or gold.

Indra is aware that much of the global reserves of such rare minerals are concentrated in countries such as the Democratic Republic of Congo, Rwanda, Uganda and Burundi, where many mining areas are under the control of guerrilla militias who exploit the local population to extract the minerals to fund their armed movements.

Indra believes that one of its responsibilities as a company is to avoid using minerals or components that have been extracted from such "conflict" mines, and is committed to protecting human rights throughout its value chain.

Mining operators are at the very beginning of the Indra supply chain and the company is unable to trace the exact origin of all minerals. Therefore, in order to prevent the use of "conflict minerals", Indra applies its own commitment to all direct providers, thus ensuring that the same policies are extended, link by link, throughout the supply chain.

In 2014 the "Conflict Minerals" clauses were written to be included in the General Order Conditions, Framework Agreements and Supply Agreements with Indra's suppliers. In this clause, the supplier warrants that the Products to supply in execution of this Agreement/Contract/Order contain no "Conflict Minerals" according to the terms defined in Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Law.

An on-line questionnaire has also been created on "Conflict minerals" to be completed by suppliers which was sent out to more than 1,700 employees requesting that they complete it.

POSITION ON CLIMATE CHANGE

Indra accepts that it has been scientifically proven that human activity, primarily through the process of burning fossil fuels, has a negative impact known as the greenhouse effect because it produces carbon, methane and nitrous oxide emissions.

Climate change and atmospheric pollution affect the natural, social and environmental systems that favor not only life on the planet but also economic growth on the global scale and, consequently, development and well being.

Indra acknowledges that its activities have a major environmental impact derived from the energy consumption of the computers used to develop the solutions and services that comprise its offer, and from the travel of its professionals to deliver services. Both of these impacts lead to greater indirect emissions of CO₂ and other greenhouse gases.

Indra has taken full responsibility for minimizing its environmental impact by establishing specific policies and objectives for reducing greenhouse gas emissions. Specifically, it has undertaken the following actions:

- Measuring and controlling its level of greenhouse gas emissions by performing periodic combustion analyses.
- Implementing energy efficiency measures, green IT, responsible mobility of professionals and, in general, any action that reduces the energy consumed by the company, its professionals and its value chain
- Publicly reporting its objectives, actions and progress in the area of greenhouse gas emissions

The Contribution to the Community chapter in this annual report contains information about the specific actions undertaken in 2014.

ETHICS AND VALUES

All of this has led to a 42% reduction in CO2 emissions per employee (including Scopes 1 and 2) between 2009 (the year Indra started measuring its CO2 emissions) and 2014.

Indra also believes that technology can play an important role in combating climate change by contributing to a more efficient and rational use of energy. Accordingly, the company identifies commercial opportunities that promote the greater environmental awareness of its clients and a greater demand for technologies that allow organizations to be more energy-efficient.

Within its "solutions for sustainability", Indra has a specific "energy and climate change" offer (link to <http://www.indracompany.com/tecnologia/soluciones-sostenibilidad>). Moreover, many of Indra's solutions help reduce the environmental impact in the lines of business in which the company operates:

- Its "smart city" solutions contribute to more rational mobility and energy use.
- Its air traffic management solutions increase the efficiency of transport routes, which mitigates the environmental impact through reduced fuel consumption and CO2 emissions.
- Its space solutions monitor the effects of climate change.
- Indra offers specific solutions for renewable energy companies.
- Its eBusiness solutions help reduce travel thanks to telematic processing.



ETHICS AND VALUES

DIGITAL DIVIDE

As a global company that operates on a worldwide scale in the area of information technology, Indra believes it is important to declare its position on the digital divide and its activity in this area, to which it can make decisive contributions as a company.

What is the digital divide?

The term "digital divide" refers to difficulties or limits in terms of access to new information and communication technologies such as the Internet, cellphones and similar devices.

It also refers to any differences that may exist between diverse groups of people in accordance with their ability to use these technologies effectively, based on their various levels of literacy and technological capabilities.

Finally, the digital divide concept is sometimes used to highlight differences between groups that have quality access to digital content and those who do not.

Although the digital divide usually stems from differences prior to actually accessing these technologies, the position adopted by the companies and organizations that work in this area is an essential element for reducing it.

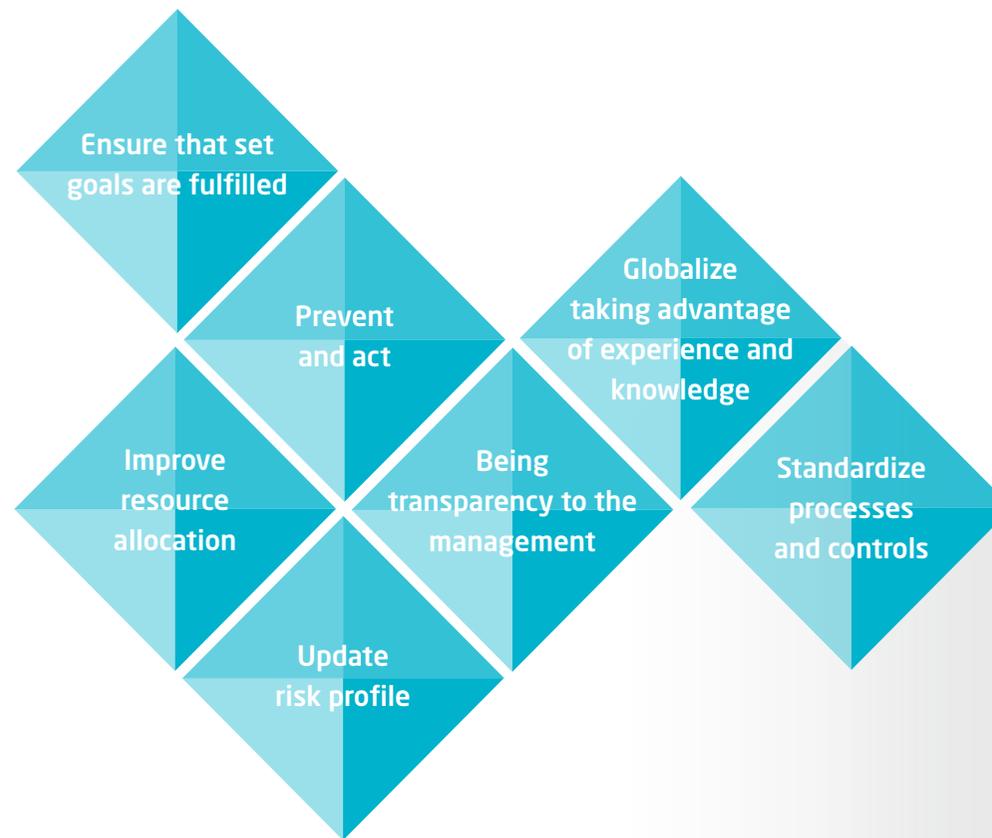
Reasons for our commitment to minimizing the divide as a global company, Indra operates in markets where the digital divide has a varied scope and implications.

Our objective is to try to minimize that variety. It is precisely because the profile of Indra's services and solutions lies within the scope of new technologies that their social value must be highlighted. Consequently, one of the company's objectives is to foster greater equality in their use and promote quality content, resulting in a better quality of life for everyone.



ETHICS AND VALUES

Indra's Risk Management System aims to reasonably ensure that the set goals are fulfilled, providing value and a suitable level of guarantees for shareholders, other stakeholders and the market in general.



INDRA'S RISK MANAGEMENT SYSTEM

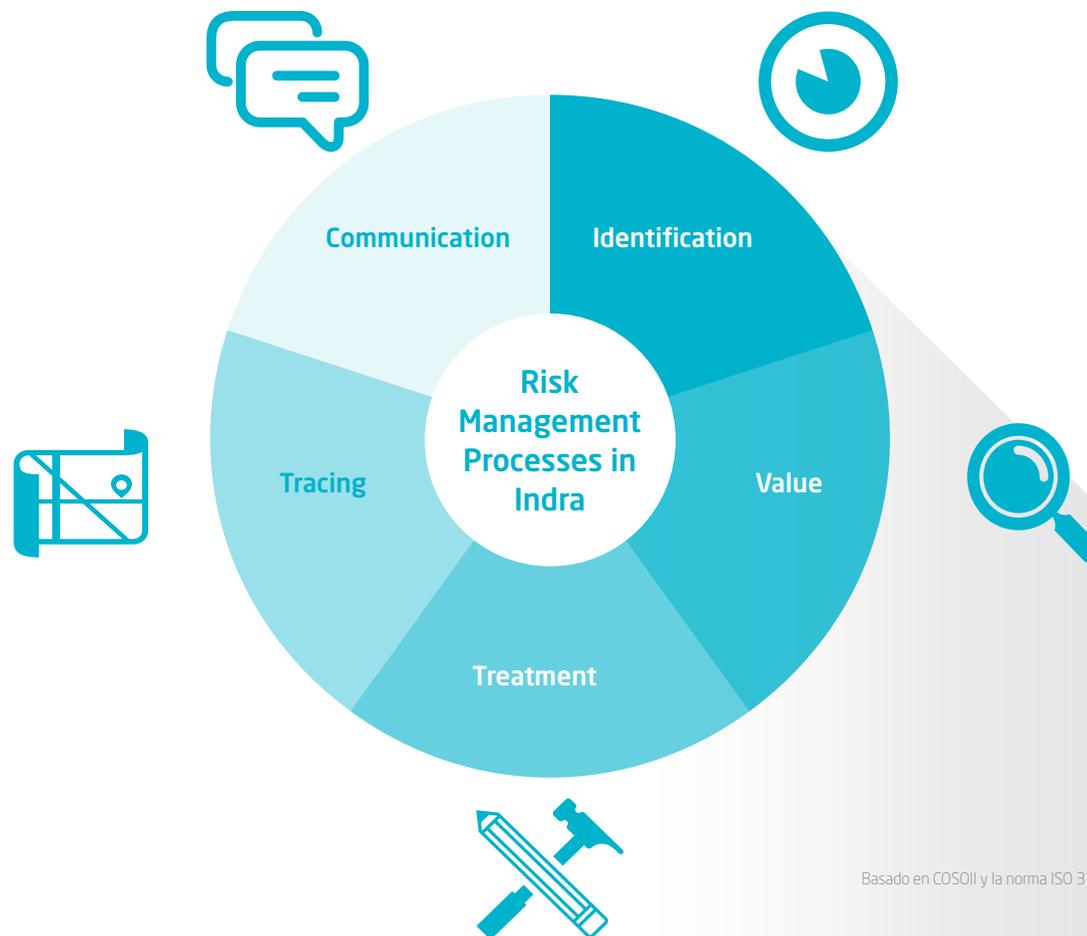
Indra's audit and global risks unit, which reports to the Audit and Compliance Committee, is the highest authority on the company's risk management.

- Strategic
- Financial
- Operational
- Compliance

The Audit and Compliance Committee each year analyzes the Global Risks inventory and supervises the review and assessment thereof.

In addition, the risk management policy and definition of the control and information systems is the direct responsibility of the Board of Directors and cannot be delegated.

Indra has implemented an ongoing, multidirectional risk management process, which covers 5 stages:



Risk management is an ongoing multidirectional process

Basado en COSOII y la norma ISO 31000:2009

INDRA'S RISK MANAGEMENT SYSTEM

CATEGORIES

RISKS			
Strategic	Operational	Compliance	Financial
<ul style="list-style-type: none"> • Market dynamics • Planning and assignment • Mergers, acquisitions, investment and divestment • Communication and relations with investors and others 	<ul style="list-style-type: none"> • HR • Fixed assets • Project management • Information Technology 	<ul style="list-style-type: none"> • Regulation • Legal • Codes of Ethics and Conduct 	<ul style="list-style-type: none"> • Markets • Accounting and reporting • Liquidity and credit

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RISKS

INDRA'S RISK MANAGEMENT SYSTEM

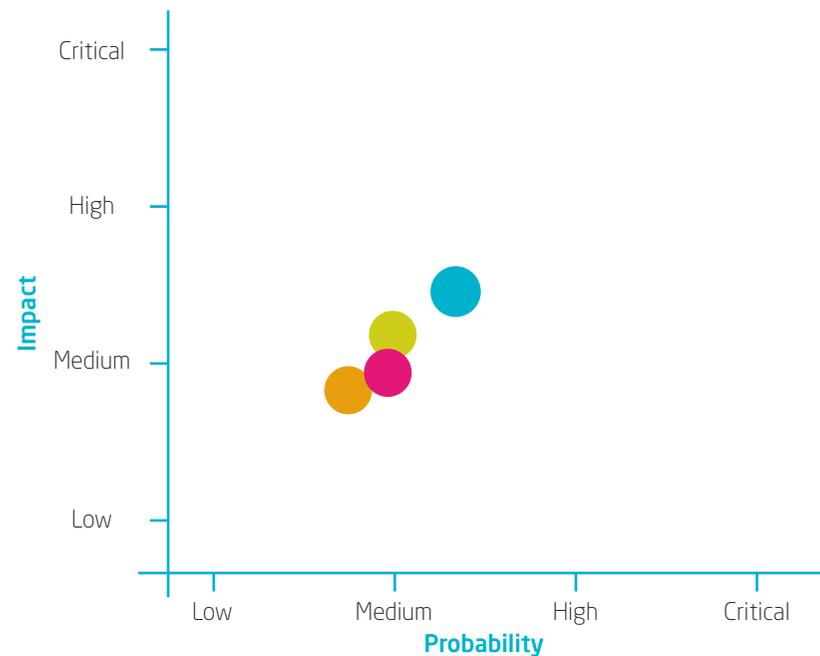
Risk name	Main risks identified	
Strategic	<p>Market dynamics</p>	<p>The domestic and international economic situation in the countries in which the Company operates poses a critical risk for the Company at the present time. The present economic outlook in Spain could affect investment levels from the Public Sector and Private Clients.</p> <p>It is worth mentioning Brazil, the second most important geographical region, which is undergoing a change of cycle, in light of which correct risk forecasting is essential, paying particular attention to appraisals, estimates and plans.</p>
	<p>Planning and assignment</p>	<p>Fiercer competition in the sectors in which Indra operates requires an intense optimization of material and human resources. The risk of inappropriate processes and production models in terms of design, homogenization and performance could mean non-optimized costs and the resulting loss of competitiveness.</p> <p>Furthermore, the failure to anticipate and invest in new technology trends could stand in the way of adaptation, progress and the fulfillment of strategic business goals due to new competitors on the scene.</p>
	<p>Mergers, acquisitions, investment and divestment</p>	
	<p>Communication and relations with investors and others</p>	

INDRA'S RISK MANAGEMENT SYSTEM

Risk name		Main risks identified
Operational	HR	People management is critical for Indra. Gaining, developing and retaining talent are priorities to minimize risks.
	Fixed assets	
	Project management	<p>Indra has implemented a system to detect, assess and manage risks in its Key Commercial Management processes and Solution, Product and Service Management and Delivery processes. This system allows it to identify, assess and manage threats, risks and opportunities for each projects.</p> <p>Risks related to the scope and price estimates in the offer and contractual clauses in projects are currently the main risks that the company faces in terms of project management.</p> <p>Moreover, risks arising from poor project planning, management and monitoring could lead to the late detection of problems and the lack of mitigation plans and replanning.</p>
	Information Technology	Indra manages risks linked to information security and mitigates them to acceptable levels to ensure that the company's and its clients' information is protected properly, as well as the technology used to process this information.

INDRA'S RISK MANAGEMENT SYSTEM

The rating scales established for each probability and impact parameter give Indra a risk assessment matrix in which each risk is defined according to four levels: critical risk level, high risk level, medium risk level and low risk level.



INDRA'S RISK MANAGEMENT SYSTEM

Risk name		Main risks identified
Compliance	Regulation	Indra takes a proactive approach to the identification and preventive management of the legal risks that could be involved in its business and activities. The Secretary of the Board, in conjunction with the other management units, ensures strict compliance with the legal and administrative obligations that affect Indra in its capacity as a listed company.
	Legal	Risks related to non-compliance with legal obligations and regulations, especially in the area of occupational risk prevention Indra fosters a culture that ensures proper risk prevention in all of its activities and which is focused on ongoing improvement to minimize any risk mentioned in this chapter.
	Codes of Ethics and Conduct	Although Indra's activities, due to their nature, do not include contaminating processes, it must be borne in mind that in some way or another they have a certain impact on the environment. That is why it has undertaken to limit the harmful effects that this impact may produce and ensure comprehensive environmental protection during its activities.
Financial	Markets	Risks arising out of transactions in non-Euro currency markets that Indra undertakes during its everyday business. Significant currency fluctuations in some countries could have a negative impact on the Group's income. The Company's policy includes FX transaction hedging. Interest rate risk arises due to exposure to movements in short, medium and long-term bank loan rate curves. Indra includes the possibility of using financial instruments to manage these risks when circumstances warrant this.
	Accounting and reporting	
	Liquidity and credit	The impossibility of having cash in an opportune manner, the absence of coordination between operational needs and financial needs, incorrect forecasts and the management of working capital are the main risks that need to be managed. Indra has signed credit and loan facilities with several financial institutions, as well as bonds issued in sufficient amounts to meet its current obligations. Exposure to this risk is perceived insofar as the client does not meet its obligations. However, due to Indra's type of business, it has a client portfolio with an excellent credit rating. The company mainly trades with major corporate groups, governments and public and public-private bodies that are less exposed to default risk.

INDRA'S RISK MANAGEMENT SYSTEM

As a general rule, each party responsible for the company's different processes are obliged to determine which type of strategy is the most appropriate for each risk: prevention, acceptance, transfer or mitigation. The only risks that the company is under the obligation of transferring are FX and insurance risks.

The Corporate Governance Report, CNMV format, available in the Management Report in the Consolidated Annual Accounts Report, gives more information about the risk management process and Indra's risk map.

INTEGRATED RISK MANAGEMENT CULTURE THROUGHOUT THE ORGANIZATION

Indra believes that risk management is only effective if it is integrated into the culture and conduct of everyone who works for the organization. Its management system therefore involves representatives from many of the company's units in the process of detecting

events and defining strategies. In particular, during 2014, 143 of Indra's employees participated in the process, representing operations units (in its three organizational areas: geographical regions, solutions and services and vertical markets) and corporate or support units.

The result was 2,827 risk assessments which give a multi-dimensional overview and allowed a large number of heat maps to be created which are used to detect and manage the risks that have the greatest impact on each of Indra's activities.

As mentioned earlier, each party responsible for the company's different processes are obliged to determine which type of strategy is the most appropriate for each risk, and must be committed to actively managing said risk.

A NEW, MORE ROBUST INFORMATION SYSTEM TO SUPPORT THE RISK MANAGEMENT PROCESS

Since this process is so complex it needs to be supported by an information system. Therefore, in 2014, Indra updated the risk management tool by implementing the SAP GRC module.

Implementation of this information system goes beyond risk management because it includes governance, risk and business compliance management, and integrates functions that allow management and reporting needs to be brought together in an integrated environment.

The objectives behind implementing SAP GRC are:

- Automate and link Internal Control and Risk Management Systems to the company's Organization and Processes.
- Standardize the Internal Control and Risk Management System across processes globally.

- Align Risk Management and Internal Control activities with the Regulations and Policies that affect them..

- Conduct a qualitative Risk analysis across the different geographical regions and Markets..

- Define Key Risk Indicators.

- Perform Ongoing Monitoring of Controls and Key Risk Indicators.

- Establish thresholds and tolerances for each indicator.

- Improve the efficiency of Internal Control and Risk Management supervision and review.

All of the above means that the traditional, reactive risk management model is turned into a dynamic, proactive model.

INDRA'S RISK MANAGEMENT SYSTEM

Also, to make this management more efficient a Control Process module integrated in SAP GRC has been implemented. This allows the following:

- Validation of Subprocess and Control Design
- Validation of Control Effectiveness
- Incident Management and Resolution Plans
- Validation/Certification

NEXT STEPS: MANAGEMENT BASED ON KRIS (KEY RISK INDICATORS)

Within the Risk management process "monitoring" phase, Indra has already started to develop a set of KRIs. These are set to be implemented during the course of 2015.

These KRIs are linked to each of the risks in the company's catalog to create alerts, establish

tolerance thresholds and quickly detect whether a risk might materialize.

All key risks are covered by indicators.

Once of the main advantages of KRIs is that they are based on data taken from the organization's automated processes and the expert knowledge of management area supervisors. This allows reliable and ongoing monitoring of the risk.

There is an important link between identifying alerts and applying mitigation plans. With these KRIs it will be easier to identify when the risk is going to materialize and create more effective mitigation plans.

INTEGRATION



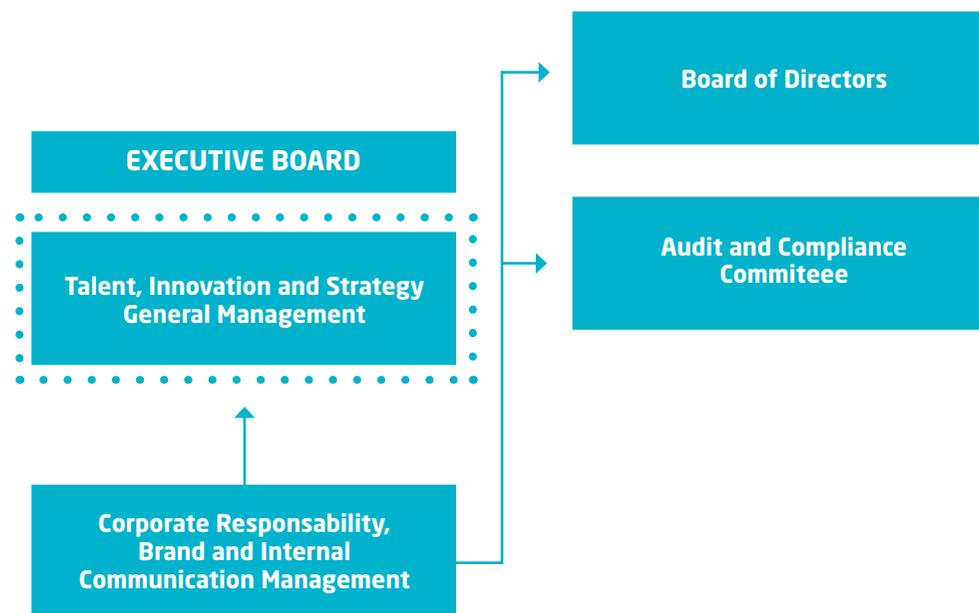
SUSTAINABILITY MANAGEMENT

CORPORATE RESPONSIBILITY, AS A MEANS OF GUARANTEEING THE COMPANY'S SUSTAINABILITY, MUST BE INTEGRATED THROUGHOUT THE ORGANIZATION AND ALIGNED WITH OUR ACTIVITIES AND OBJECTIVES.

In Indra's opinion, corporate responsibility, as a means of guaranteeing the company's sustainability, must be integrated throughout the organization and aligned with our activities and objectives. Consequently, the company has established a decentralized corporate responsibility system across the various management areas, which is integrated throughout the organization.

The Appointments, Remuneration and Corporate Governance Committee, which reports directly to the Board of Directors, is responsible for analyzing Indra's corporate responsibility policies, regulations, procedures and practices.

Similarly, one of the duties of the Board of Directors is to approve the general corporate responsibility policies. Corporate responsibility is handled by Emma Fernández, General Manager of Talent, Innovation and Strategy.



THE CORPORATE RESPONSIBILITY MASTER PLAN

In 2003, Indra decided to reassess and boost its corporate responsibility actions in order to promote its role as a corporate citizen in line with its business objectives and to contribute value to society in general. This led to the Corporate Responsibility Master Plan, the purpose of which is to define uniform responsibility policies and actions for the entire organization and establish indicators to improve accountability and public communication.

The plan is reviewed annually by the internal employees who are responsible for relations with Indra's stakeholders. The framework established by the master plan emphasizes corporate responsibility as a driving force for knowledge and innovation, aligned with the company's business objectives. Indra has a decentralized sustainability management model with input from the main corporate divisions.

SUSTAINABILITY MANAGEMENT

The master plan sets out the company's requisite policies, programs and actions, which are divided into two broad areas:

- Stakeholder integration: Improving communication and listening channels.
- Innovation in the company's management in order to improve sustainability

CORPORATE RESPONSIBILITY POLICY

In Indra's opinion, the company's responsibility must be in line with its everyday business, creation of wealth by generating solutions and services as well as the distinguishing characteristic that sets the company apart: innovation. This is of crucial importance because innovation is essential for the economy and an indispensable requirement for social development. At Indra we firmly believe that our solutions and services are excellent tools for contributing to development, not only to the benefit of our clients but, in a much wider sense,

to the benefit of society in general and the communities where we operate.

The sustainability approach is based on the Corporate Responsibility vision. Following an employee consultation and participation process through discussion groups, this was defined in 2004 as follows:

"To be an innovative knowledge-based company in our relationship with our internal and external public (shareholders, employees, customers, etc.) as well as with the institutions that cultivate and develop this knowledge and with the communities in which we are present."



MANAGEMENT APPROACHES

In line with the requirements set out in the Global Reporting Initiative's Sustainability Reporting Guidelines (Version G4), at Indra we state our management approaches explicitly in terms of our economic performance, environmental management, labor practices and work ethic, human rights, impact on the community and society in general, and our product responsibility.

Economic Performance	Environmental Management	Labor Practices and Work Ethic	Human Rights	Communities and Society	Product Responsibility
Economic sustainability and profitability.	Commitment to innovation for environmental sustainability.	People as the focus of innovation.	Endorsement of the Global Compact since 2004.	Innovation in technology solutions and services as a means of improving living conditions.	Development of customized solutions and services for clients, with a particular emphasis on adhering to the specific requirements of the applicable legislation.
Creation of wealth for society.	Minimizing the impact of processes and systems.	Capture, development and retention of talent.	Commitment to the Universal Declaration of Human Rights, the ILO Declaration and OECD Guidelines.	Knowledge institutions as a strategic audience.	Policies and initiatives to ensure respect for clients' rights and the efficient management of client relations.
Financial management and transparency.	Progressive ISO 14001 certification for all work centers.	Diversity of professionals (as described in the company's Code of Ethics and Professional Conduct) to leverage innovation.	Free market principles.		
Creation of local knowledge-intensive employment.	Reduction of energy and raw materials consumption.	Code of Ethics and Professional Conduct.	Respect for the legal system in force in each country.		
Partnerships with knowledge institutions and suppliers to create value.					

Since 2007 we have been reviewing these approaches by consulting and involving all the people responsible internally for managing relations with stakeholders. This process guarantees that our Corporate Responsibility Master Plan is constantly updated.

Indra has identified the following stakeholders:

G4-24

Stakeholder		Links to chapters
Shareholders	<ul style="list-style-type: none"> • Minority shareholders • Institutional investors 	Governance model
Employees	<ul style="list-style-type: none"> • Consulting • Projects/solutions • Factory • BPO • Corporate support 	Talent
Clients	<ul style="list-style-type: none"> • Transport & Traffic • Energy and Industry • Public Administrations & Healthcare • Financial Services • Security & Defense • Telecom & Media 	Clients
Suppliers	<ul style="list-style-type: none"> • Providers • Contractors 	Offer
		Contribution to the community
Partners	<ul style="list-style-type: none"> • Strategic • Tactical • Transactional • Local 	Offer
Knowledge Institutions	<ul style="list-style-type: none"> • Universities • Business schools • Research centers 	Offer
Environment	<ul style="list-style-type: none"> • Local communities • Public Administrations 	Contribution to the community
Society	<ul style="list-style-type: none"> • Local communities • Public Administrations • Associations and Foundations • Non-profit Entities • Social Networks 	Contribution to the community

ACKNOWLEDGMENTS

SUMMARY OF EXTERNAL ASSESSMENTS REGARDING CORPORATE RESPONSIBILITY AT INDRA	
Indexes	Observations
Dow Jones Sustainability Index (DJSI)	The company is once again listed on the Dow Jones Sustainability Index for the ninth year in a row and is the only company in the IT Services and Internet subsector that has remained on the world index since joining it in 2006. In the 2014/2015 edition, Indra has maintained its overall positive assessment in the economic, social and environmental dimensions and has increased its score in fields such as environmental strategy, digital inclusion and social action.
CDP	CDP, the organization that transforms the way in which the world does business to avoid climate change and protect our natural resources, has awarded Indra a score of 70 C in its annual survey of more than 5,000 companies worldwide. The CDP score is recognition of Indra's efforts in recent years to improve its carbon footprint management and reduce its CO2 emissions.

REPUTATION MONITORS		
Monitor	Observations	
Report Watch	2014 rank 245, rating B 2013: rank 208, rating B	Top company in its sector and 2nd Spanish company in the global ranking of the world's Best Annual Reports.
Ranking Merco	MercoLEADERS: Rank 30 (43 in 2013) MercoCOMPANIES: Rank 18 (17 in 2013) MercoPEOPLE: Rank 30 (32 in 2013)	Once again, Indra was voted the most highly rated Spanish company in the consulting sector at the "2nd Edition of ABC Awards for Merco Leaders".

ACKNOWLEDGMENTS

SUMMARY OF AWARDS AND RECOGNITIONS		
Awards and recognitions	Observations	
Corporate Responsibility Management		
Corporate Social Responsibility Observatory	<p>Analysis of 2012 year, published in 2014: Rank 7; 1.54 points Analysis of 2011 year, published in 2013: Rank 5; 1.84 points out of 4 Analysis of 2010 year, published in 2012: Rank 7; 1.77 points Analysis of 2009 year, published in 2011: Rank 9; 1.66 points</p>	
Business Social Responsibility Observatory	<p>2014: Rank 4; 63 points 2013: Rank 4; 68 points out of 100 2012: Rank 3; 67 points out of 100 2011: Rank 3; 66 points 2010: Rank 3; 61 points</p>	<p>The areas where Indra has obtained the highest scores are:</p> <ul style="list-style-type: none"> • Contribution to territorial development and social cohesion • Overall effort in R&D&i investment and promoting the sustainable use of natural resources • Products and services that address social needs and change initiatives to encourage responsible production and consumption. • Work condition, work-life balance and work demands, occupational health and safety and job security <p>The main areas for improvement are:</p> <ul style="list-style-type: none"> • Good Governance • Salaries and social benefits, profit-sharing, and fair and equitable treatment
Clients		
Indra maintains its right to use the "Madrid Excelente" guarantee seal	The company has maintained the trust of consumers, the recognition of society in general, and the support of the Regional Government of Madrid since 2009.	

SUMMARY OF AWARDS AND RECOGNITIONS	
Awards and recognitions	Observations
Offer	
Indra, prize winner at the NetDimensions Client Excellence Awards	Indra received the Special Award for Excellence for the most innovative use of its product NetDimensions Talent Suite. Indra e-Campus, and more specifically its Social and Learning suites, were recognized as the most innovative solution for integration with their products, by combining the strengths of the NetDimensions Talent Suite product with the corporate social networks for training and talent management, as a factor for the success of companies.
Actualidad Económica innovation prize	Indra's Estrateco project was voted one of the best 100 innovation ideas by Actualidad Económica
The General Council of Industrial Relations and Occupational Sciences rewarded Indra for its work in occupational risk prevention	Indra's Road Safety Simulator project earned it a prize in the R&D&i category of the PREVER 2014 awards for its work in occupational risk prevention.
Talent	
Randstad rates Indra one of the most attractive employers in Spain's telecommunications sector for the second year running	The Randstad Awards are based on a survey of 7,000 working-age people who are asked their views on the largest 150 companies in Spain.
El Confidencial acknowledges Indra's contribution to job creation and innovation	Indra wins a prize at the Second Edition of Prizes for Best Business Practices organized by El Confidencial in conjunction with KPMG. The company won prizes in the Innovation and Job Creation categories.
Indra rated one of the best employers by Actualidad Económica	The Actualidad Económica magazine has ranked us number 29 on the Best Employers list. This is an improvement on our ranking in 2013.
Indra one of the top ten employers, according to Job and Talent	Job and Talent published its "Ranking of the Companies that young people would most like to work for": The one million Job and Talent users ranked Indra among the top ten employers in Spain. http://blog.jobandtalent.com/empresas-mas-deseadas-para-trabajar-por-comunidades/
Indra, Talent Mobility 2014 prize winner for its "Assessment process for management team promotions"	The Talent Mobility 2014 Prize organized by Lee Hecht Harrison, the Talent Solutions consultants for Adecco Group, acknowledges best Talent Mobility practices. This prize, in the "Understanding Talent" category, rates our "Assessment process for senior management promotions" as one of the top practices in detecting and assessing talent and internal communication.

ACKNOWLEDGMENTS

SUMMARY OF AWARDS AND RECOGNITIONS	
Awards and recognitions	Observations
Contribution to the community	
International Transparency Corruption Index	In June 2013, Transparencia International commended Indra's record in fighting corruption in the defense industry, awarding the company a C rating. Indra has managed to make the third rating category for the quality of both its publicly available information and the internal documentation provided demonstrating the use of anti-corruption policies and codes and even internal training courses to mitigate possible cases. http://companies.defenceindex.org/results/companies/indra-sistemas-sa#more
AECA Business Transparency Award from the Spanish Association for Accounting and Business Administration, in the Ibex-35 listed companies category	The company was chosen for the award "in recognition of the quality, accessibility, usability, content and presentation of the information it publishes on its corporate website (1.0. and 2.0.) in the general, financial, sustainability and good corporate governance areas".
Indra, prize winner for the second year running at the Telefónica Ability Awards,	The Fundación Telefónica rates Indra as one of the companies and organizations that most successfully integrates disability into its business model, awarding it a prize in the third edition in the "Recruitment and Selection" category, for its processes and active interest in recruiting disabled people
2014 Reporta Report	The report analyzes the quality of reporting among the companies listed on the Madrid Stock Exchange General Index and once again ranks Indra second in the Technology and Telecommunications sector, and ninth in the general ranking.
Indra, Socially Responsible Company in Mexico	The Centro Mexicano para la Filantropía (Cemefi, Mexican Center for Philanthropy) and Alianza para la Responsabilidad Empresarial en México (AliaRSE, Alliance for Corporate Responsibility in Mexico) has awarded Indra the Socially Responsible Company award for the second year running. This award is given to companies that integrate social responsibility into the business culture and strategy based on self-diagnosis and by fulfilling standards proposed in the fields of quality of life in the company, business ethics, community engagement and environmental protection.
Indra renews the Diversity Charter	In its endeavor to keep working on the promotion of diversity, Indra has renewed the Diversity Charter for two more years. This is a code of commitment jointly promoted by the Ministry of Health, Social Services, & Equal Opportunity and the Directorate-General for Employment, Social Affairs and Equal Opportunities of the European Commission, which companies sign on a voluntary basis.



05

BUSINESS MODEL

5.1 CRITICAL SUCCESS FACTORS

5.2 MODEL OF THE 6 CAPITALS

5.3 MATERIAL ASPECTS THAT AFFECT
OUR BUSINESS

CRITICAL SUCCESS FACTORS

ADAPTATION OF OUR BUSINESS MODEL, THE CORNERSTONE OF OUR COMPETITIVENESS AND SUSTAINABILITY

As our environment changes, so does our understanding and interpretation of the elements of our business model. Specifically we can identify three major trends in our environment that condition our business model:

1. Value is moving from hardware to software: software allows infrastructures to become more intelligent, meaning that they can take decisions independently and generate data which, once analyzed, leads to new business opportunities. In short, software provides value for clients in terms of business efficiency and differentiation, and is increasingly attracting their investment.
2. The type of technology order intake has changed: the traditional models of investment in technological infrastructures or acquiring licenses are giving way to

more flexible models based on, for example, pay-per-use service models (SaaS or IaaS) and business process outsourcing. These types of order intake mean that solutions and services are "integrated" within one value proposal for the client and offer considerable advantages: the transaction risk is reduced (CAPEX turned into OPEX), lower costs, access to new technology, and so on.

3. More global clients (by country and sector): the boundaries between lines of business and countries are becoming more fuzzy. Clients no longer do business in one country alone up against purely local competitors. They are acutely exposed to global competition and are forced to confront internationalization processes. Sectors are gradually converging.

Technology means that products and services that used to be "exclusive" to a sector can now be offered over through channels, by new competitors from other sectors. The limits of telecommunications, financial services, the manufacturing

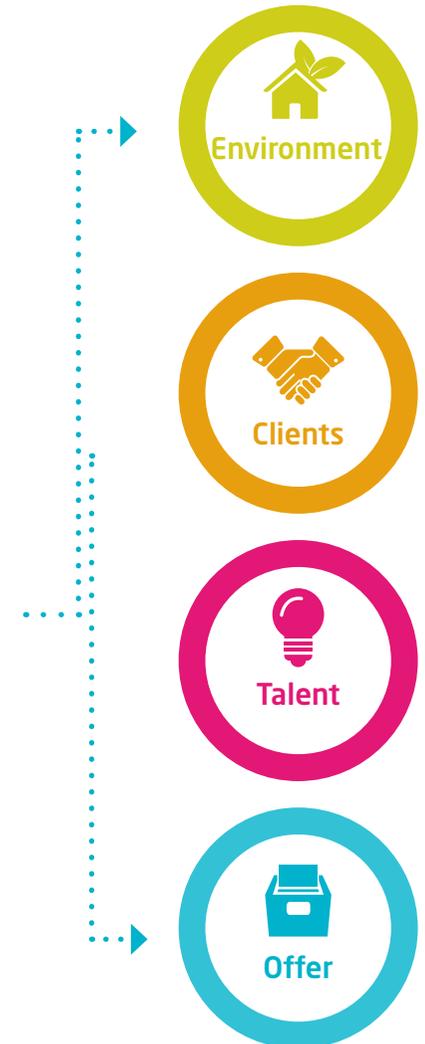
industry and utility services are gradually relaxing.

These trends have the following impact on each of the critical success factors of our business model:

Business model



Critical Success Factors



CRITICAL SUCCESS FACTORS

1. OFFER

From the outset, Indra has been committed to developing an outstanding value proposition on which to leverage its competitive advantages and break into new markets in a better position.

The company has also maintained a balanced and diversified proposition structure as a way of diversifying risks, combining more profitable activities with other more frequently-recurring activities and increasing access to opportunities that arise in the different fields.

In an environment in which SaaS (Software As a Service) and IaaS (Infrastructure As a Service) are radically changing the way hardware, software and services are provided, the ability to combine "solutions" and "services" in highly innovative and disruptive proposals does not only allow Indra to minimize risks, increase profitability and ensure recurrence, it is also the key to staying abreast of the new technological demand and consequently fostering the company's growth.

Hardware, software and services no longer contribute value separately; they must be combined together.

This combination of solutions and services is based on three pillars:

- Knowledge of the clients' business. Ability to anticipate the challenges that clients will come up against and to what degree technology can respond to them. Consulting is becoming increasingly important.
- Technology: access to differential solutions for information collection and processing.
- Business process management: not only providing the technology solution but also solving the business problem for the client.

2. CLIENTS

Our clients are changing and our value proposal is evolving to adapt to new needs.

The transformation process of clients has a direct impact on their technology consumption habits. The diversified market structure that Indra has always aspired to gives it an advantage in this new environment because it can apply its knowledge and technological capacities across sectors.

Against this new background, Indra's goal is still to build close relations with clients to obtain a significant share of their investment in technology.

3. TALENT

Knowledge, technology and processes are imbued in people. That is why, in this new climate, the entire business model is based on talent, even more so if that is possible.

As a company, this is something we can control directly. If we can select, retain and develop the

very best, that will allow us to generate the best offer and build long-lasting relationships with our clients. It is people who create, learn, teach and promote new ways of thinking and doing.

The only lasting competitive advantage is the talent of our employees.

The talent management model is based on individual treatment, embracing diversity (of abilities, ambitions and interests) as a driving force of innovation, and a culture built around ongoing training and effort.

CRITICAL SUCCESS FACTORS

4. ENVIRONMENT

Indra has always been aware that an organization is not isolated from its environment and that its own sustainability depends on the sustainability of its surroundings. Contributing to the economic, social and environmental development of the communities in which it is involved must therefore be built into its responsibility and strategy.

In the present context, which is undergoing faster-than-ever changes (in economic, political, technological, social, environmental and competitive terms), how Indra fits in with its surroundings has become more important to ensure that it can adapt and guarantee sustainability.

Against this background, the company's objectives are:

1. To enhance knowledge of the communities in which it is involved.

2. To minimize the possible negative impacts (economic, social and environmental) derived from its activities on the local communities in which it operates and on society in general.

- Indra is aware that its responsibility is not only limited to the direct impacts but also to the impacts generated through its value chain, and for this reason its basic sustainability commitments also apply to its suppliers.

3. To contribute to the creation of wealth (economic, social and environmental) through the distinguishing characteristic that sets the company apart: innovation.

- Indra believes that its solutions and services are excellent tools for contributing to development, not only to the benefit of its clients but, in a much wider sense, to the benefit of society in general and the communities where it operates.

- The company's Social Action policy is focused on reducing the digital divide, especially as experienced by people with disabilities.

Indra is confident that its "open innovation" model, with participation from clients, partners, universities and research centers, and society at large, gives it more capacity to adapt and better access to knowledge and technology.

5. GOVERNANCE MODEL

Against a more dynamic and changing environment, the only way to ensure a company's sustainability is a streamlined, robust and effective decision-making process. The more complex the environment, the more important the governance model is.

The Indra governance model consists of a set of principles that underpin the company's management system and establish:

- An appropriate distribution of rights and responsibilities between the various company participants

- Control mechanisms to guarantee the efficient and ethical management of the company (creation of value and satisfaction of shareholder interests)

Indra has several governance bodies and adheres to a set of standards designed to guarantee good governance and contribute to the company's growth.



CRITICAL SUCCESS FACTORS

“To be an innovative knowledge-based company in our relationship with our internal and external public (shareholders, professionals, customers, etc.) as well as with the institutions that cultivate and develop this knowledge and with the communities in which we are present”



Governance model

- Ensure the right decisions are made throughout the organization.

Clients

- Build close, long-lasting relations with first-rate clients to obtain a significant share of their investment in technology. This drives Indra to develop high value-added innovative solutions to meet their every need.

Offer

- Provide a distinct, value-added offer to the sectors in which the company operates.

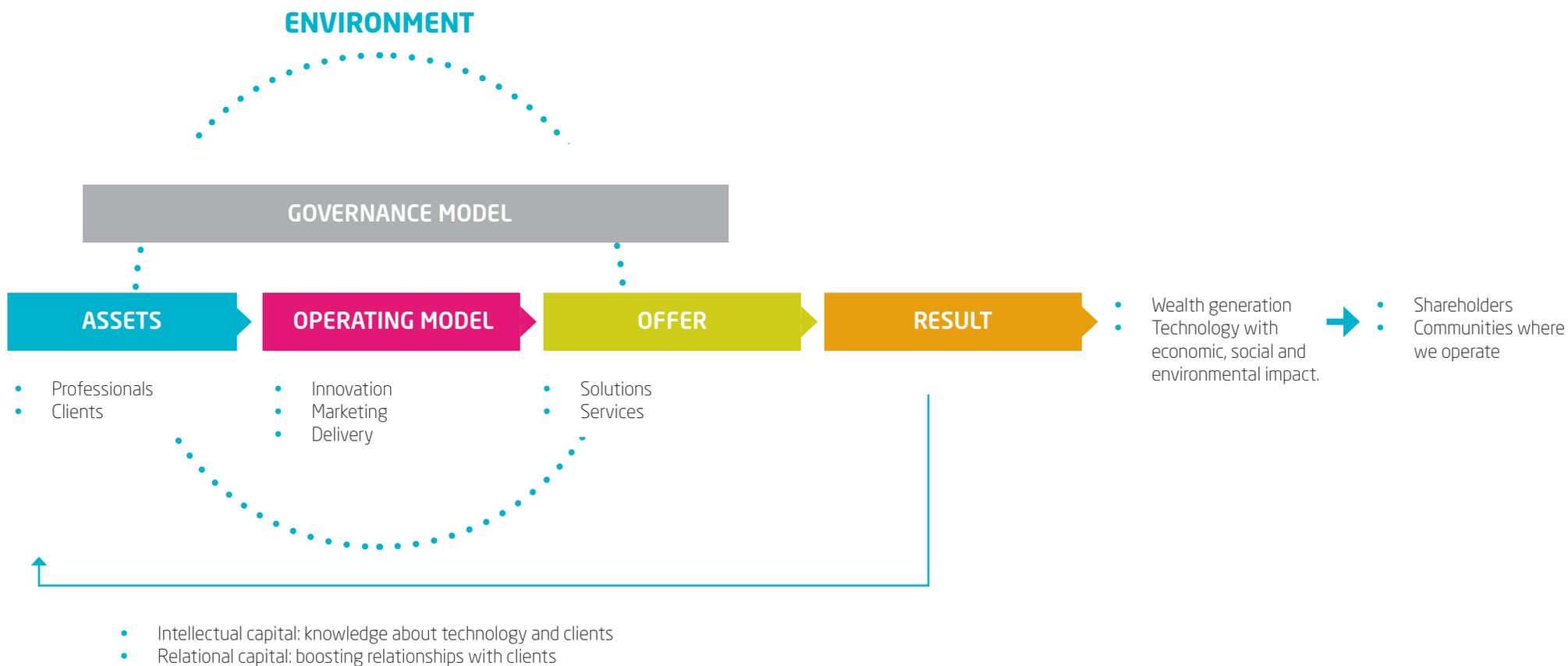
Talent

- Have highly-qualified employees with diverse job profiles who are able to drive forward the company's innovation processes.

Environment

- Reduce the negative impacts (economic, social or environmental) on local communities in which the company operates and society at large, and help to generate wealth through the company's everyday activities and that which sets it apart: innovation.

MODEL OF THE 6 CAPITALS



Graph: Indra business model
Adaptation of the model based on 6 types of capitals in the IIRC guidelines

MODEL OF THE 6 CAPITALS

ASSETS

Professionals	They contribute...	<p>Individuals are the protagonists of innovation and they are ultimately what sets Indra apart as a company. Indra pursues specific policies to attract, retain and develop talent, described in chapter 26.</p> <p>The relational capital established with them is fundamental for the company in terms of sharing knowledge, more productive working practices, and a stronger corporate culture, etc. Employees are also the principal actors in establishing relations with other stakeholders. They are our external and internal ambassadors.</p>
	Human capital	
	Intellectual capital	
	Social capital	
Clients	They contribute...	<p>Indra's client portfolio constitutes a strategic asset.</p> <p>Indra's goal is to be the leading technology partner for its clients for technology development.</p> <p>Chapter 25 describes Indra's politics aimed at attracting new clients and increasing client satisfaction and recurrent business.</p>
	Financial capital	
	Intellectual capital	
	Social capital	

MODEL OF THE 6 CAPITALS

OPERATING MODEL

<p>Innovation</p>	<p>Providing consultancy and technology is a key component of local services and resources in permanent contact with clients, thus guaranteeing a more accurate appreciation of their needs, improved service, and greater cultural alignment. At the same time, the introduction of efficiency initiatives in development demands the concentration and specialization of operations, which inevitably and increasingly leads to the separation, even physically, of delivery operations and development activities. Indra employs professionals in 47 countries to guarantee delivery and customer management capabilities in the regions where it operates, whereas its development capabilities are concentrated at 23 centers in seven countries. In other words, Indra carries out processes to consolidate and concentrate its development activities at centers that specialize in specific technologies or knowledge areas.</p> <p>This not only makes it possible to take advantage of any economies of scale that arise but also promotes greater efficiency in the production process. In addition to specialized production, these Global Development Centers contribute to the creation of an extensive knowledge of technology, and each center therefore has its own innovation unit focused on developing the offer. In other words, they have Software Labs which operate as advanced laboratories that exploit the latest technology trends to develop customized solutions for clients.</p>
<p>Marketing</p>	<p>The consolidation and concentration of development activities facilitates the introduction of industrialization initiatives, with two fundamental aims:</p> <ul style="list-style-type: none"> • Improving the management of the production capacity of the global company by enabling the software factories distributed around the world to work as a single virtual center, both from the perspective of development activities and the organizational culture. • Improving productivity by incorporating technology that enhances the reuse, traceability and management of knowledge, and by using analytical and predictive models to monitor the performance of projects and organizations.
<p>Delivery</p>	<p>In 2011 Indra obtained the CMMI Level 3 multi-site certification for its entire network of Global Development Centers. This guarantees that the network operates as a single virtual center, sharing the same production model, methodology and tools. It also dramatically minimizes the impact of the geographical distance and the time zone and cultural differences between the centers.</p>

MODEL OF THE 6 CAPITALS

OFFER

<p>Our technology helps to make clients more efficient and develop a competitive edge.</p> <p>Chapter 2 describes the main activities and markets in which Indra is involved.</p> <p>For more information about the company's offer, please visit the corporate website: http://www.indracompany.com/</p>	We generate...	Clients
	Manufactured capital	
	Intellectual capital	

MODEL OF THE 6 CAPITALS

RESULTS

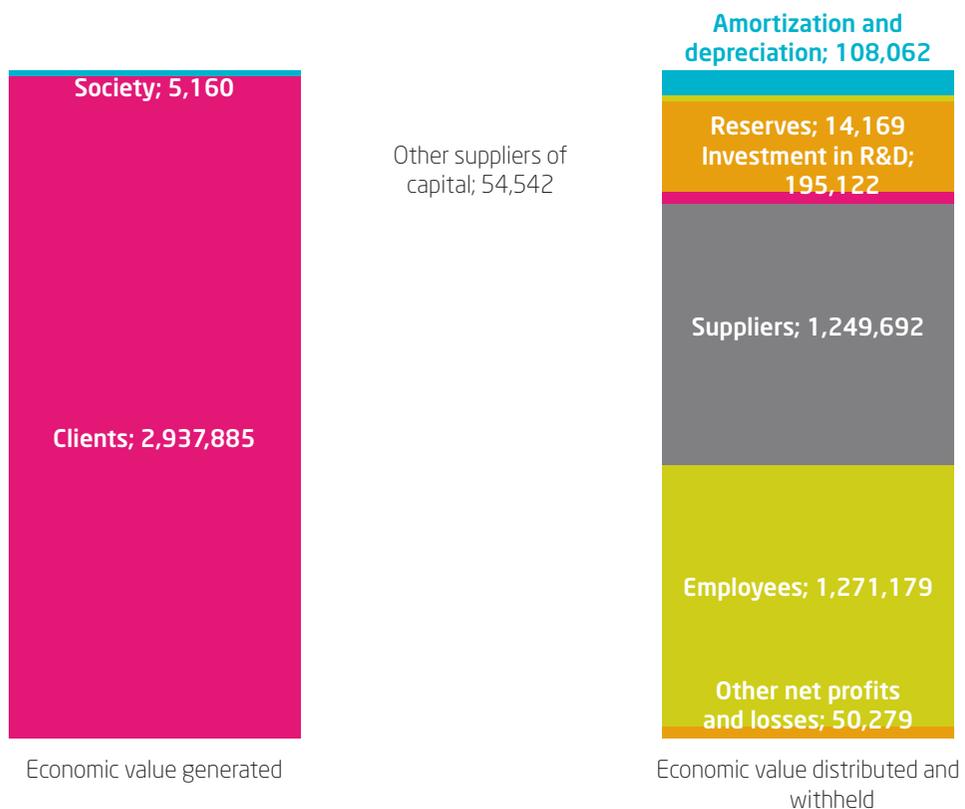
	Positive	Negative
Impact on shareholders	<ul style="list-style-type: none"> • Creation of financial value for our shareholders 	
Impact on employment and wealth in local communities	<ul style="list-style-type: none"> • Innovation and technology allow companies and economies to be more competitive. • Indra contributes to creating highly-qualified employment in local communities. • Indra's training policies contribute to developing human capital in the regions where it operates. • Paying taxes contributes to local public administrations. • Recruitment of local suppliers drives local economic activity and creates indirect employment. 	
Social impact	<ul style="list-style-type: none"> • Indra's training policies contribute to developing human capital in the regions where it operates. • We provide solutions for public administrations in fields with a high social impact, such as electoral processes, healthcare, employment, education and dependency. • We offer technology to boost personal safety and infrastructure security • Some of our solutions help to close digital divide: <ul style="list-style-type: none"> • Accessible technologies. • Accessible ticket machines. 	
Environmental impact	<p>Indra's offer includes solutions that contribute toward a more rational use of energy, water and natural resources, and protecting ecosystems:</p> <ul style="list-style-type: none"> • Traffic management systems that make transport routes more efficient, with a positive impact in terms of costs and emissions. • Energy efficiency solutions • Satellite solutions to monitor climate change. • Electronic administration solutions that reduce paper use and travel thanks to telematic processing. 	<p>Our CO2 emissions contribute to climate change. Given our activity, the most significant emissions come from:</p> <ul style="list-style-type: none"> • Indirect emissions due to power consumption by computer equipment • Direct and indirect emissions due to climate control in buildings and data processing order intakes • Direct and indirect emissions due to employee commutes to provide services.

MODEL OF THE 6 CAPITALS

RESULTS

	Results "reinvested" in the organization
Intellectual capital	The intellectual capital that Indra develops in terms of knowledge about sectors and offer allows it to develop its employees' skills and increase their worth as an "asset".
Relational capital	Providing services to clients allows the company to reinforce its relationship with them and feed back the company's social capital.

ECONOMIC VALUE GENERATED, RETAINED AND DISTRIBUTED



MATERIAL ASPECTS THAT AFFECT OUR BUSINESS

For the identification of the materiality of our company we have the support of a team of independent experts. The methodology carried out is based on:

- Analysis of the information on corporate responsibility that the written media and investors pay more attention to as sector prescribers for each vertical market of Indra.
- Identification of corporate, environmental and ethical behavior matters which are relevant for the corporate responsibility focus, allowing for an understanding of what matters are significant and where they are within the value generation chain.

Its objective is identifying and justifying what matters are of interest to the company stakeholders and what layer of the value generation are most significant, and, therefore, constitute possible opportunities or risks for the reputation and trust of the company.

The relevant matters are those which are most important for the performance of our company

activity, have been identified from the following sources:

- Matters included in the previous Materiality Studies
- Eurosif
- Stakeholders Document on the Global Reporting Initiative
- Dow Jones Sustainability Index, DJSI
- Annual Report from Indra in 2013
- Questionnaire based on the Canvas model

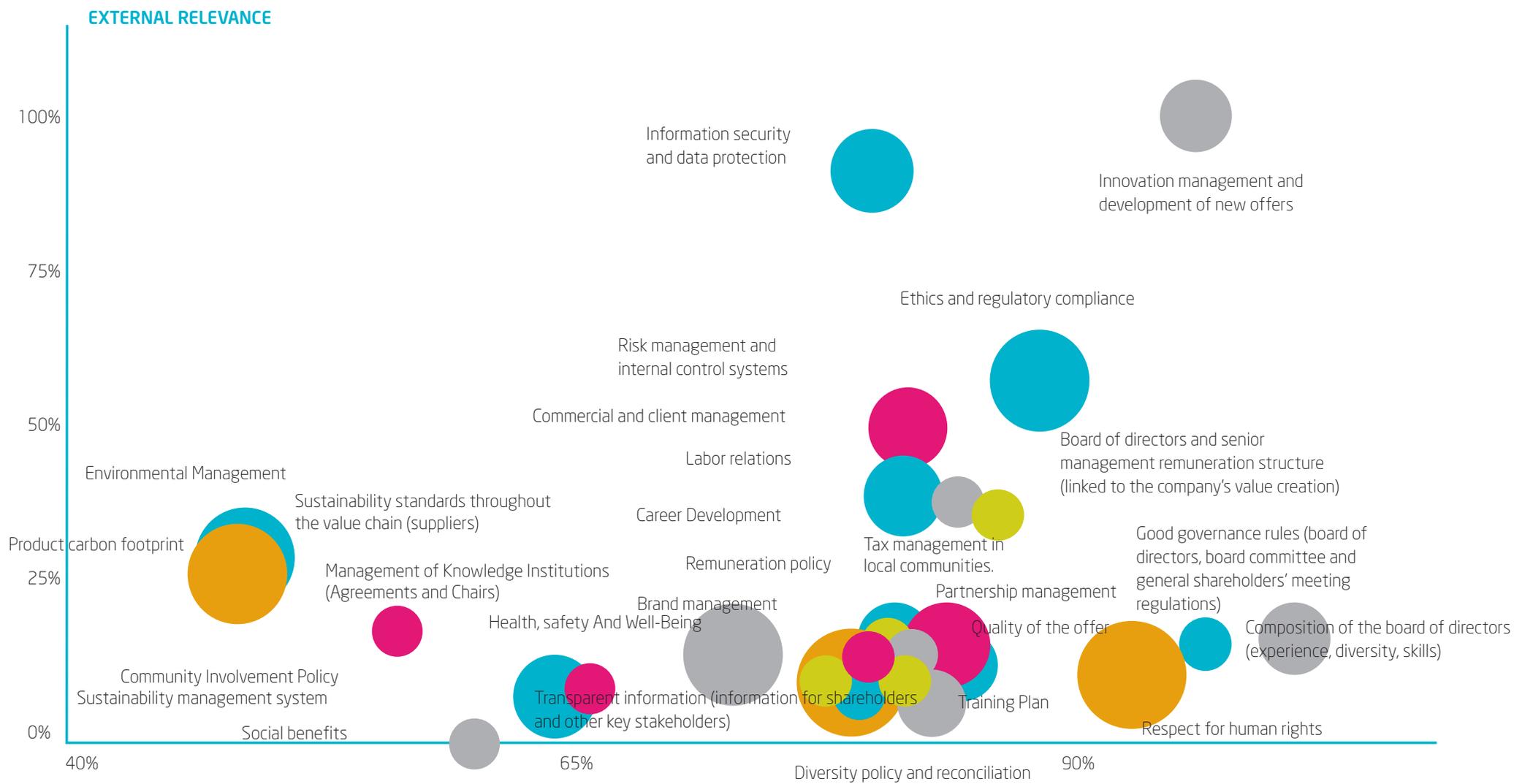
28 matters have been classified within the critical factors for Indra: offer, clients, talent, governance model and environment contribution. These matters have been prioritized by their relevance when including them on the 2014 integrated Management Report.

- Good governance rules (board of directors, board committee and general shareholders' meeting regulations)
- Composition of the board of directors (experience, diversity, skills)
- Board of directors and senior management remuneration structure (linked to the company's value creation)
- Risk management and internal control systems
- Ethics and regulatory compliance
- Transparent information (information for shareholders and other key stakeholders)
- Sustainability management system
- Commercial and client management
- Information security and data protection
- Brand management
- Quality of the offer
- Innovation management and development of new offers

- Partnership management
- Management of Knowledge Institutions (Agreements and Chairs)
- Supplier management
- Diversity policy and reconciliation
- Training Plan
- Career Development
- Remuneration policy
- Health, safety And Well-Being
- Social benefits
- Labor relations
- Environmental Management
- Product carbon footprint
- Sustainability standards throughout the value chain (suppliers)
- Respect for human rights
- Community Involvement Policy
- Tax management in local communities.

As a result of the prioritization, the external and internal relevance of each identified matter has been represented graphically.

MATERIAL ASPECTS THAT AFFECT OUR BUSINESS



The matters with greater relevance are located in the upper right portion of the graphic, have been considered material.

MATERIAL ASPECTS THAT AFFECT OUR BUSINESS

G4-19 G4-20 G4-21

Critical success factor	Relevant matter	What we do about it	Measuring performance
Governance model	Transparency in Corporate Governance	<ul style="list-style-type: none"> Corporate Governance Report that fulfill the transparency good practices recommendations. Maintains a high attendance rate at board meetings. 	
	Code of Conduct and breach	<ul style="list-style-type: none"> Continual update of the Compliance program. Extension of the international program level, for the legislative requirements on this matter and local characteristics. 	No. of communications received by the Compliance Unit
	Risk Management	<ul style="list-style-type: none"> Risk map. Risk Management System 	
Clients	Clients: Communication and resolution of incidents	<ul style="list-style-type: none"> Quality Management System Methodological Framework. Measuring client satisfaction Procedure for processing clients' complaints and claims 	Results of the surveys for measuring client satisfaction
	Information security	<ul style="list-style-type: none"> Global Security Governance Model Information security regulations Security services managed through the Service Management System in line with UNE-ISO/IEC 20.000 Training and awareness of employees and users Monitoring, review and audit 	No. of claims based on the violation of privacy and client data leaks
	Policies for marketing products	<ul style="list-style-type: none"> Indra Compliance Program, which includes the foreign trade policy on defense material and dual use. 	
Offer	Innovation management: investment and development of products	<ul style="list-style-type: none"> Innovation model Participation in technological platforms 	M€ in investment and % on sales
	Agreements with knowledge Institution for the development of projects	<ul style="list-style-type: none"> University Relations Coordinator Relations with Knowledge and Innovation Institutions 	No. of chairs and framework agreements No. of relationships with knowledge institutions

MATERIAL ASPECTS THAT AFFECT OUR BUSINESS

G4-19 G4-20 G4-21

Critical success factor	Relevant matter	What we do about it	Measuring performance
	Consideration of environmental aspects in the design and development of products	<ul style="list-style-type: none"> Improving logistics processes Compliance with obligations derived from the REACH and RoHS laws Recovery of teams at the end of their useful life. Sorting and management of dangerous and non-dangerous waste treatment. 	<p>Amount of waste. CO2 emissions and other greenhouse gases.</p> <p>Emisiones de CO2 y otros gases de efecto invernadero.</p>
	Supplier management: Requirements for establishing commercial relationships	<ul style="list-style-type: none"> Supplier assessment and pre-approval Committee for monitoring risk situations detected in the supply basis. 	<p>No. of pre-approved providers</p> <p>Supplier audits integrated with approval model</p>
Talent	Talent management (Training, university agreements, satisfaction, performance evaluation)	<ul style="list-style-type: none"> Career Management Process: This is the process that defines professional development and on which the decisions for the development and compensation of each professional are based upon. General Development Plan: Training plan based on the career path of each professional that aims to assist in the development of the technical, functional and methodological skills and knowledge required at every stage of their career. Special training and development programs: Programs aimed at specific groups with unique training needs. Junior training Plan: Training plans aimed at newly hired professionals with the aim of facilitating their personal and professional development within the company. Technological reorientation plan: Training programs designed to keep abreast of technological developments by attending training courses and/or on-the-job training, with the aim of improving the employability of all professionals. Sharing knowledge: A platform for collaborative learning and the dissemination of knowledge. Procedures and applications for internal communication (Open Dialogs, My Questions, Indra Community..) 	Percentage of employees that receive regular performance and professional development assessments
			Number of training hours.
			Number of promotions.
			Average employee turnover.
			Social provisions for employees.

MATERIAL ASPECTS THAT AFFECT OUR BUSINESS

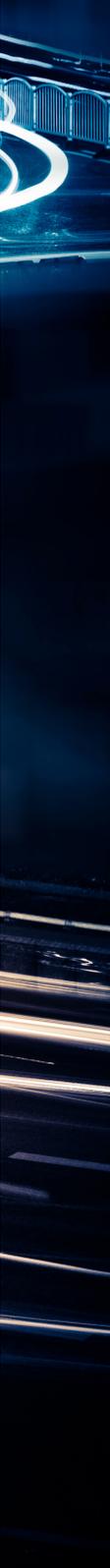
G4-19 G4-20 G4-21

Critical success factor	Relevant matter	What we do about it	Measuring performance
	Policies and work practices	<ul style="list-style-type: none"> Promoting diversity and equality. Women and leadership Program actions Increases their agreements with other entities for the effective integration of handicapped professionals 	<ul style="list-style-type: none"> % women on the board % women on the workforce % people with disabilities
Contribution to the community	Energy consumption efficiency in operations: Initiatives, objectives and reductions achieved.	<ul style="list-style-type: none"> ISO14001 certification of centers and implementation module of legal environmental requirements in uncertified buildings Energy efficiency measures Green IT initiative Smart mobility 	<ul style="list-style-type: none"> Environmental objectives Environmental investment Energy consumption CO2 emissions
	Origin of the raw material used.	<ul style="list-style-type: none"> Environmental assessment of providers 	<ul style="list-style-type: none"> % providers examined based on environmental criteria Environmental impact on the supply chain.
	Social impact: Investment in social action, initiatives/projects and results	<ul style="list-style-type: none"> Accessible Technologies Donations to Associations and Foundations Corporate volunteering Pro bono 	<ul style="list-style-type: none"> Investment in Social Action Number of accessible technology chairs.
	Human rights	<ul style="list-style-type: none"> Code of Ethics and of Professional Conduct and Compliance Program. Provider pre-approval process. 	<ul style="list-style-type: none"> Professionals trained in the code of ethics.



06

STRATEGY



GLOBAL COMPANY THROUGHOUT THE ENTIRE VALUE CHAIN

To generate sustainable competitive advantages in relation to each of the critical success factors of Indra's business, the company must be able to gain a strong foothold in the different geographical regions because each of them has its own individual strengths. In other words, technology firms must have a global presence that allows them to get the most out of the different advantages of each geographical region. The success of a technology firm cannot be conceived if it is not present in every important geographical region.

Specifically, each region has its individual strengths in terms of:

- **Demand:** economic and investment growth are cyclical and are closely related to each other. They go through slowdown, stagnation or shrinkage phases and expansion. In the current climate we observe polarized growth, where the gap between expanding and stagnant countries

is large. A strong presence in countries that are recording higher levels of growth is therefore paramount, as is the capacity to anticipate economic cycles to increase exposure in key geographical regions at the key moment. In addition, as our customers are also executing strategies to improve their positioning in countries with a high level of growth, and given that they expect their technology provider to be able to offer them global support for their operations, it is important to develop capacity in those countries.

- **Innovation:** some countries have become innovation benchmarks. The pace at which technology is generated and adopted in these countries is highly dynamic because both suppliers and clients are extremely innovative and economic growth rates make it easier. In short, they are the countries that are mapping out the technology that will bring about disruptive changes in the sector and in society at large. Any new technology that wants to add differentiating value must prove this by meeting the demands in these markets.

Any technology firm that wants to create its own differentiating offer must do business in these countries.

- **Talent:** some countries have a demographic and educational system that allows them to generate qualified talent. In some cases they are also countries that have highly advantageous cost structures that set them up as poles of technological development. The delivery models of technology firms are increasingly focusing on these countries to be able to enhance effectiveness and productivity. A technology supplier cannot be competitive if its delivery model does not cover these regions.

That is why, Indra, based on the organic growth and competitiveness of its solutions and services, must become a fully global company by developing 3 areas of growth:

- **Commercial:** to achieve order intake and clients.
- **Production:** project development,

execution and delivery, and provision of services where most appropriate and efficient.

- **Innovation:** generating a new offer in the different geographical regions tailored to local requirements and needs.



07

PERFORMANCE AND FORECASTS

7.1 ANALYSIS OF CONSOLIDATED FINANCIAL
STATEMENTS

7.2 OFFER

7.3 CLIENTS

7.4 TALENT

7.5 CONTRIBUTION TO THE COMMUNITY

ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT:

- Revenue stood at €2.938 billion, meaning a 5% increase in local currency. In reported terms (in euros) it rose 1%.
- The Contribution Margin (14.3%) dropped -0.7 percentage points in relation to 2013.
 - ▶ The Solutions Contribution Margin (16.0%) has dropped 0.6 percentage points in relation to the same period of the previous year, driven by a slowdown in activity in Latin America and short-term commercial investment which entails international growth (especially in AMEA regions).
 - ▶ The Services contribution margin was 11.2%, down by 0.7 percentage points in relation to 2013, as a result of pricing pressure in certain vertical markets and regions (mainly Spain and Latin America).
- Amortization stands at €64 million compared to €52 million in 2013, due to the impact, already mentioned in earlier

published income statements, of the application and amortization of R&D project subsidies. Without this impact, amortization would have reached similar levels to those recorded in 2013.

- Recurring operating profit (EBIT before non-recurring items) totaled €204 million, slightly less than the same period of the previous year (€226 million), and the recurring EBIT margin stands at 6.9%.
 - During the last quarter of the year, the company recorded a series of non-recurring items as a result of provisions, impairment and non-recurring items due to changed estimates that had a impact on the EBIT for a total gross amount of €294 million. Before the reversal of provisions this totals €246 million, as described below. After these items, EBIT for the year totals -€42 million.
 - Financial expenses stand at €54 m compared to €64 million in 2013, due to the company having optimized its sources of financing and other financial expenses that do not involve cash flow.

- The earnings of associates and other variations in fair value totaled €-0.2 million vs €12 million in 2013. This included divestment of Indra's 12.77% stake in Banco Inversis S.A. ("Inversis"), which represented a capital gain for Indra the previous year of approximately €15 million before tax.
- The effective tax rate stands at 29%, having excluded non-recurring items (vs 20.4% in 2013), mainly due to the impact of not posting tax credits in Brazil.
- Recurring Net Earnings (before non-recurring items) stood at €104 million, which represents a -24% fall in relation to 2013.
- Net Earnings stand at -€92 million, following the negative impact of total gross non-recurring items totaling €313 million.

Revenue stood at €2.938 billion, meaning a 5% increase in local currency.

ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS

NON-RECURRING ITEMS:

• During the fourth quarter, a series of non-recurring items were recorded totaling €313 million, due to changed estimates as a result of various factors and events during late 2014 and early 2015. The following is a summary of said items:

• These non-recurring items, with a gross total of €313 million, give a net impact of €265 million due to the reversal of two provisions totaling €48 million (provisions for project implementation risks totaling €24 million and labor contingencies totaling €24 million) which it is predicted will not be necessary.

• These net items totaling €265 million give a net negative impact of €246 million on the operating profit for the year (with the remaining €19 million having a direct impact on taxes).

◆ Provisions, impairment and project cost overruns

This is for provisions, impairment and project cost overruns due to delays, rescheduling and canceled schedules, as well as changes in estimates caused by events or legal disputes during late 2014/early 2015. The breakdown by market is:

Item	(M€)
Provisions, impairment and project cost overruns	-231
Goodwill impairment	-21
Tangible asset impairment	-19
Tax credit impairment	-19
Productive resource optimization	-17
Other	-6
Gross total	-313
Reversal of provisions	+48
Net total	-265

Vertical	(M€)
Energy & Industry	-26
Financial Services	-26
Telecom & Media	-3
Public Administrations & Healthcare	-50
Transport & Traffic	-61
Security & Defense	-65
Total	-231

ANALYSIS OF CONSOLIDATED FINANCIAL STATEMENTS

GOODWILL IMPAIRMENT

- During the ordinary review of the business plans used to analyze the goodwill of the company's businesses, new business hypotheses were considered which take into account the macro situation and new market conditions to make the necessary estimates for the Brazil and Indra Business Consulting business

- Recorded goodwill stood at €-21 million with the following breakdown:

- ▶ Brazil: -€17 million (€85 million after impairment)
- ▶ Indra Business Consulting: -€4 million (€24 million after impairment)

DEVELOPMENT PROJECT IMPAIRMENT

- Within the annual ordinary review of business plans associated with the main intangible assets (capitalized development expenses), new estimates were made

regarding the expected commercial progress of a specific development, considering a more conservative scenario as most likely.

- This scenario involves allocating an impairment of -€19 million.

TAX CREDIT IMPAIRMENT

Although negative taxable bases do not expire in Brazil (but can only be offset up to 30% of the positive tax base each year), only the losses that are considered recoverable in accordance with the updated business plan have been included (€34 million). A -€19 million impairment has been recorded for this reason.

The Group estimates that the aforementioned non-recurring items reflect the current impact of both changing market conditions witnessed in 2014 and the use of hypotheses more in keeping with the expected progress of the company's project at the present time.

Balance Sheet and Cash Flow Statement:

- Net working capital at the year end was 106 days sales outstanding DSO, after excluding the impact of non-recurring items on net working capital.

- The level of intangible investment (before collection of subsidies) was €42 million, which is slightly lower than the same period in the previous year of €46 million.

- Payouts for tangible investment total €15 million, which is up on the €10 million recorded in 2013.

- Financial investment represents a payout of €13 million (before divestment and cash and cash equivalents from joint activities).

- The free cash flow generated during the year was €47 million vs €27 million in 2013 (adjusted by the impact of the aforementioned divestment)..

- Net debt was €663 million (up on the €622 million in 2013), which represents a leverage level of 2.5 times the recurring EBITDA over the past 12 months.
- In 2014 non-recourse factoring of client bills totaled €187 million.



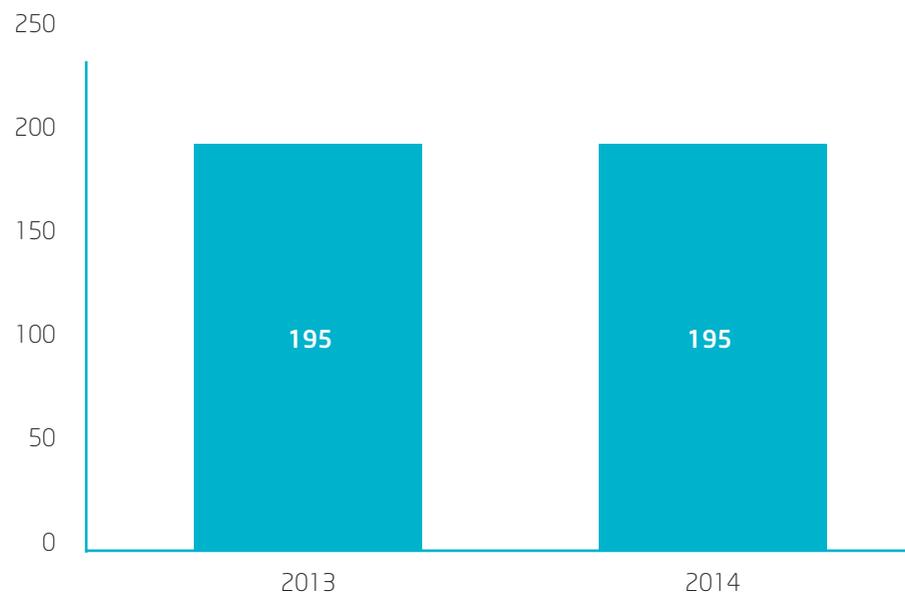
R&D investment: 195M€ (6,6% of revenues)	Solutions/Services revenues 64% 36%
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research, development and innovation activities represents around 6.6% of net turnover for the year.

In 2014 the company forged ahead with its policy of investing in development and adapting its solutions offer. **Investment** (net tangible and intangible) totaled **€57 million** (€42 million intangible and €15 million tangible) in line with predictions.

Revenues from **Solutions** (64% of the total) increased by **4% in local currency** (unchanged in reported terms). **Services** revenues (36% of the total) rose by **+7% in local currency** (+2% reported), due to the upturn in activity in almost every geographical region. Order intake remains unchanged in local currency.

Indra continued to focus heavily on channeling both human and financial resources toward developing services and solutions. This allowed it to gain a foothold as a technology leader in the various sectors and markets in which it does business. The amount allocated to



Graph: Investment in R&D&i. Figures in million euros.

Analysis of key segments	
Solutions	Services
<p>Order intake was 8% up on revenues, recording 6% growth in local currency (+2% reported) backed by positive growth in the Financial Services, Transport & Traffic and Public Administrations markets. By geographical region, two that stand out are Spain (with double-digit growth and an important contribution from the Transport & Traffic and Defense market), and AMEA.</p>	<p>Order intake remained unchanged in local currency (-5% in reported terms), affected by the weakness shown in the Telecom & Media, and Energy & Industry sectors</p>
<p>Revenues recorded +4% growth in local currency (unchanged in reported terms), representing 64% of total revenues. Every geographical region recorded positive growth in local currency (practically unchanged in AMEA). Spain (+1%) stabilized and recorded a better trend than previous years (-15% in 2013).</p> <p>By vertical markets, the performance of Financial Services stands out (with double-digit growth), followed by the Security & Defense, Public Administrations and Transport & Traffic vertical markets (with double-digit growth).</p>	<p>Revenues rose by +7% in local currency backed by the positive progress of activity in every geographical region except in Europe & North America (with a very limited relative weight). Concentrated international activity in Latin America and the impact of currency devaluations in this region against the euro have had an impact on the segment's reported growth (+2%).</p>

Analysis of key segments																																																											
Solutions	Services																																																										
<p>The order book rose to €2.599 billion, which represents +3% reported growth. The book-to-bill ratio for the last 12 months was 1.38x, 3% higher than the ratio recorded in 2013 (1.34x).</p>	<p>The order book dropped to €874 million and is 0.83x the revenues for the year due to the execution of multiyear projects procured in previous years.</p>																																																										
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OFFER

Indra's involvement in R&D&i programs, projects and platforms boosts its capacity to generate a new offer in key geographical regions.

- Involvement in innovation programs, development of R&D&i projects, and participation in platforms: Indra's involvement in programs, projects and platforms boosts its capacity to generate a new offer in key geographical regions.

- ▶ In Europe, Indra has joined the CAF (CONNECT Advisory Forum for ICT Research and Innovation) as Advisory Group of DG Connect Europea in 2014. It is the only Spanish company to be a member of this forum.

- ▶ In Spain, Indra participated in programs such as AEESD (Strategic Action for the Economy and Digital Society, formerly AVANZA), organized by the Ministry of Industry, Energy and Tourism, and the CIEN Strategic Program, sponsored by the Center for Industrial Technological Development.

Main European Initiatives	Indra's involvement
ARTEMIS / ECSEL	Re-elected as member of the steering board of Artemis-IA (ARTEMIS Industrial Association). It chairs the Industrial Chamber (Chamber C) and coordinates Smart Cities in the work program.
BIG DATA VALUE PPP	Founding member of this initiative and member of the Board of Directors. New employees in 2014
Vessels for the Future	Member and was involved in electing the members of the current Board. New employees in 2014
Robotics -SPARC PPP	Full Member of this PPP. New employees in 2014
SESAR / SESAR 2020	Member of the Interim Deployment Steering Group (IDSG).
EIT ICT Labs	Steering Member of the Spanish node.
EIP on Smart Cities and Communities (EIP-SCC)	Leads the approved SMART CAMPUS Commitment. Involved in another two approved proposals: ENERGY GOALS and CSC project. New employees in 2014

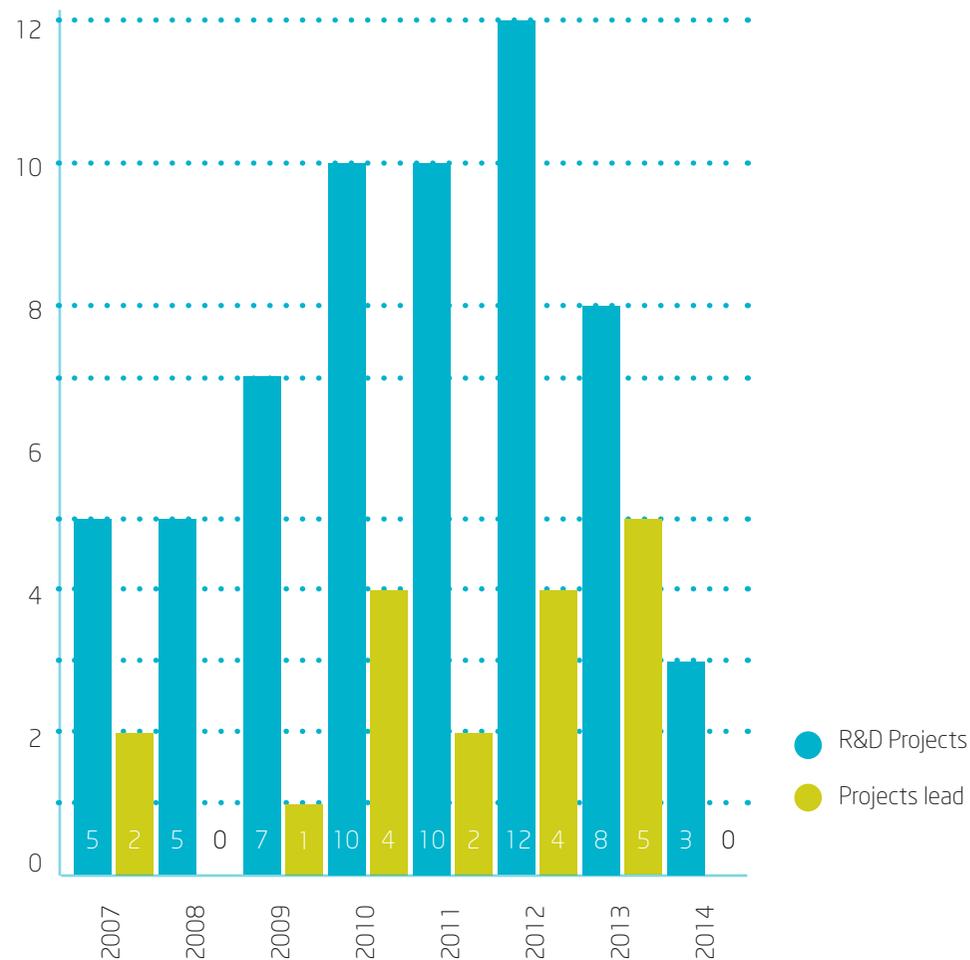
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Main European Initiatives	Indra's involvement
euROBOTICS AISBL	Member of this European Technological Platform. Responsible for implementing PPP Robotics.
ACARE-Advisory Council for Aviation Research and Innovation in Europe	Participates on this Platform. European High Level Group (HLG) and member of various Working Groups
UNIFE	Full member of the European Railways Association .
EOS	Full member of the European Organization for Security and chairs the Board of Directors .
CyPhERS (CSA)	CPS Europe's Strategic Agenda Member of Program Committee

Main Platforms in Spain	Indra's involvement
es.Internet	Indra is Vice Chairman of the Spanish platform es.Internet. It is involved in managing the strategic agenda and leads the Smart Grids work group.
FUTURED - Spanish Power Grid Platform	Indra is a member of the governing board and promoter of the platform. Objectives: - To integrate all energy sector operators in order to establish and promote nationwide strategies for consolidating a much more advanced grid that is capable of addressing the challenges of the future. - To define a shared vision and defend a common position in Europe.
PLANETIC (integration of PROMETEO, INES and GENESYS platforms)	Indra has joined the Executive Committee of this Spanish Technological Platform, incorporated in 2013, to adopt and disseminate electronic Information and Communication Technologies.

OFFER

Main Platforms in Europe	Indra's involvement
PTC – Highways Technological Platform	Indra is Vice Chairman of the Management Committee. It has been involved in the following groups: <ul style="list-style-type: none"> - ITS and Mobility - Road Safety - Transport and Intermodality - Energy and Sustainability
PTME – Spanish Maritime Technological Platform	Indra is a member of the FP10 - Surveillance work group
AMETIC	Indra is Regional Vice Chairman, participating in many Sector-specific Areas (Consumer, Electronic Industry, ICT, etc.), Committees and Work Groups



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In 2014, Indra sat on technological platforms and forums and submitted a large number of proposals

Involvement in European R&D&i projects was conditional upon completion of the 7th Framework Program and the start of the 2020 Horizon Program (European Framework Program for Research and Innovation 2014-2020) and explains the reduction in the number of projects in which Indra was involved or which it led in 2014.

In 2014, Indra sat on technological platforms and forums and submitted a large number of proposals to gain a strong position and increase the number of projects financed by European funds in the coming years, just like occurred with the start of the 7th Framework Program.

MOST SIGNIFICANT R&D&I PROJECTS IN 2014:

Project	Description
ARROWHEAD	Addressing efficiency and flexibility at the global scale by means of collaborative automation for five application verticals. That means production (manufacturing, process, energy), smart buildings and infrastructures, electro-mobility and virtual market of energy.
SENSIBLE	Storage-Enabled Sustainable Energy for Buildings and Communities
CPSLabs	CPS Engineering Labs Expediting and accelerating the realization of cyber-physical systems
DECUMANUS	Development and consolidation of geo-spatial sustainability services for adaptation of environmental and climate change urban impacts
MOBILEPASS	A secure, modular and distributed mobile border control solution for European
CYBERROAD	Development of the CYBER crime and CYBER terrorism research ROADmap
INTERACTION	Innovative technologies and researches for a new airport concept towards turnaround coordination
MOBIWALLET	Mobility and Transport Digital Wallet

OFFER

Project	Description
DEWI	Dependable Embedded Wireless Infrastructure
Senior Ludens	Serious Games dev. platform for older workforce training and intergenerational knowledge transfer
SMARTSIT	Characterization of traffic and enhanced mobility by using ResisTivos Magneto Sensors for Intelligent Transport Systems
SAPPIEMS	Smart Acquisition and Processing Platform for Intelligent Energy Monitoring and Supervision
DDSA_IOS	Real-time simulation communications architecture with simultaneous access to dynamic data
COASTAL SURVEILLANCE RADAR	Development of a coastal surveillance pulse radar
Master CTC	Smart Platform for Centralized Rail Traffic Control
MANTA S	Design and development of optical image positioning device and unrestricted laser beam for a laser-steered infrared countermeasure application, and associated electromechanical control and thermalization system.
TAPIC	Particle accelerator technologies for major scientific facilities

Project	Description
LPS-BIGGER	Line of software products for big data based on innovative applications in real environments
NAVAL SATCOM X/KA	Naval Satellite Terminal simultaneously operating in X/KA band/NAVAL SATELLITE TERMINAL SIMULTANEOUSLY OPERATING IN X/KA BAND
READY	Real time Analytical Dashboards in-memory - Processing platform and in-memory analysis of large quantities of information based on Big Data 2.0 to build flexible scorecards in real time
Low-cost PRS Receiver Prototype	Low-cost PRS receiver prototype for unmanned vehicle applications
PELICANO	Technical changes and improvements to the PELICANO system

- Reinforcement of the R&D&i management system: the R&D&i management system implemented in Indra's Software Labs has been brought into line with European standard CEN/TS 16555-1 and the new version of UNE 166002:2014. An example of how the system has improved is the design of a technological surveillance and competitive intelligence system.

- Reinforcement of key partnerships: In 2014 Indra continued to consolidate the partnership governance model introduced in 2012 and which was developed last year. In 2014, a total of 241 alliances were reached with technology partners, and existing agreements with the most strategic partners—especially those in the iGAN group (Indra Global Alliance Network)—were strengthened. Indra reinforced its relations with this group of iGAN partners by:

- ▶ Globalizing agreements and applying them locally, principally in Latin America.
- ▶ Increasing local dialog capabilities

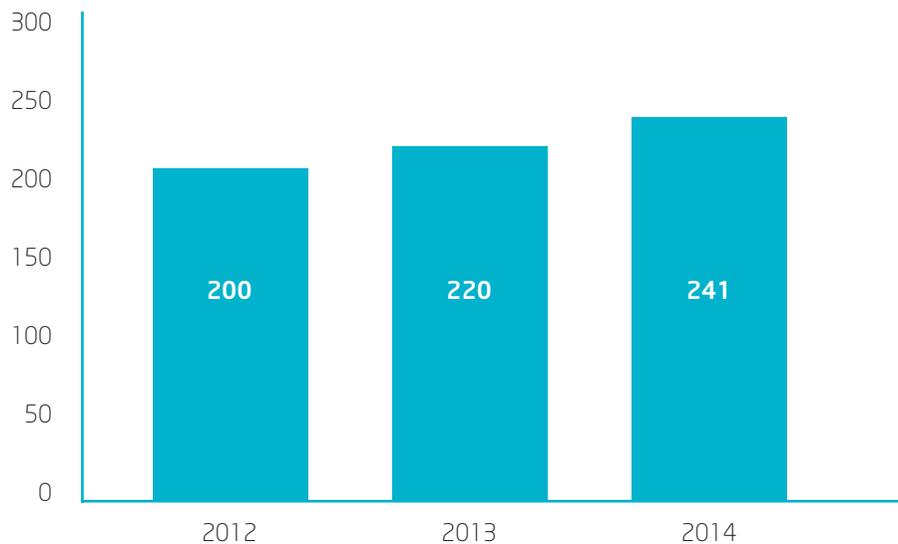
with each of the iGAN partners in the different regions, appointing liaison officers and defining responsibilities.

- ▶ Optimizing innovation activities by taking advantage of synergies with iGAN partners

- Promotion of institutional relations with innovation and knowledge institutions:

In 2014 Indra signed 6 new chairs with universities, which takes the total to 26. The 6 new chairs signed are:

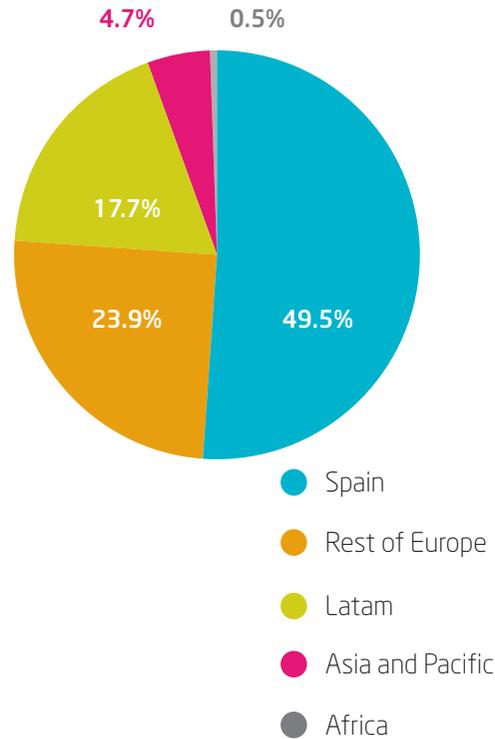
- UC3M: Carlos III University of Madrid (Spain)
 - ▶ New Chair in Cybersecurity at UC3M
 - ▶ New Accessible Technology Chair.
- UPM: Polytechnic University of Madrid (Spain)
 - ▶ CTB New Accessible Technology Chair Accesibles
- IESE: Business management school at University of Navarre
 - ▶ Indra Chair in Digital Strategies
- UPCT: Polytechnic University of Cartagena (Spain)
 - ▶ Indra Chair in Public Administrations & Healthcare
- IPN: Instituto Politécnico Nacional (Mexico)
 - ▶ New Chair in Accessible Technology
- Red Ilumno (Brazil)
 - ▶ New Chair in Accessible Technology



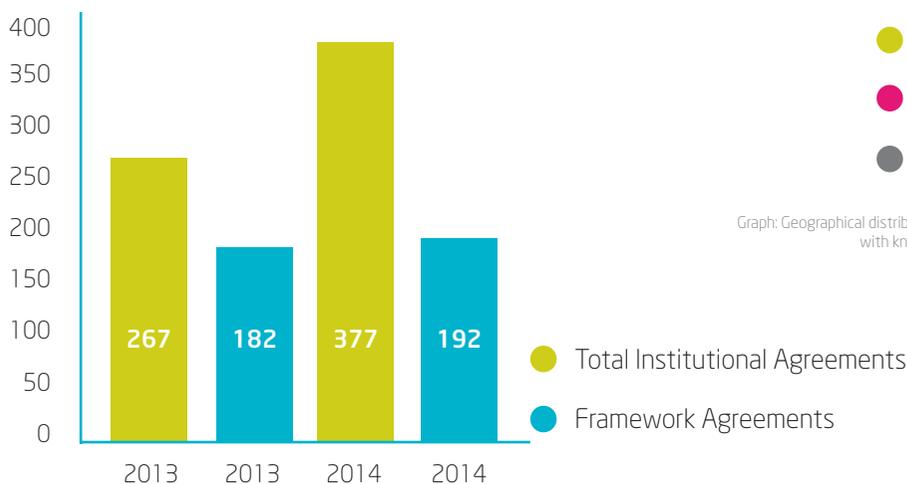
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Indra also signed 15 new Framework Agreements in areas of interest for the company and the local community, such as innovation, business venture, cybersecurity, smart cities, mining, smart platforms, aerospace, simulation and software productivity, among others. Out of these new agreements, 8 are in Spain, 2 in Colombia, 2 in Mexico, 1 in Brazil and 1 in Mozambique.

Finally, Indra increase the number of agreements signed with universities and research centers from 182 to 192.



Graph: Geographical distribution of agreements with knowledge institutions

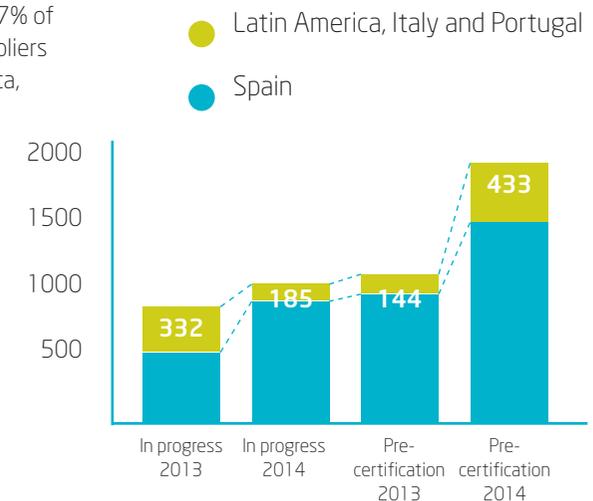


Graph: number of institutional relations and agreements with Knowledge Institutions.

- Continuous supply chain improvements: we are intensifying our supplier requirements to be able to increase the quality of our offer and improve the organization's efficiency and competitiveness.

- The approval process can also require a competitiveness analysis, visit or audit for suppliers once they have passed the pre-approval phase. During 2014, Indra visited 60 suppliers (51 in Spain and 9 in other countries).

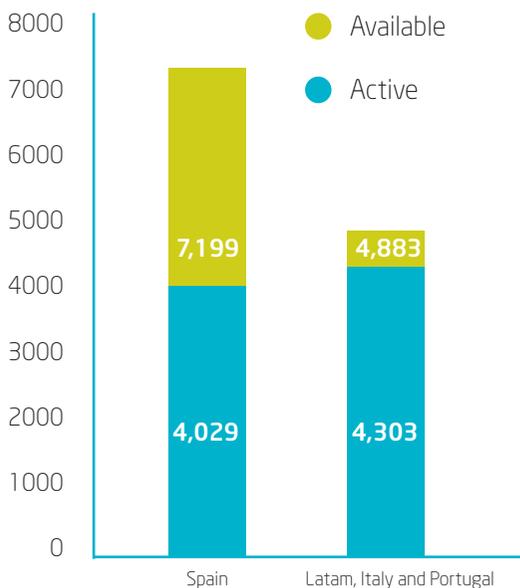
- 3,012 suppliers pre-approved or in the process of being pre-approved at the end of 2014: over the past 3 years, Indra has implemented a new pre-approval process that intensifies supplier requirements. These suppliers represent 65% of the volume of purchases over the past 12 months from suppliers eligible for approval in Spain and 27% of the volume of purchases from suppliers eligible for approval in Latin America, Italy and Portugal.



Graph: number of providers in the pre-approval process.

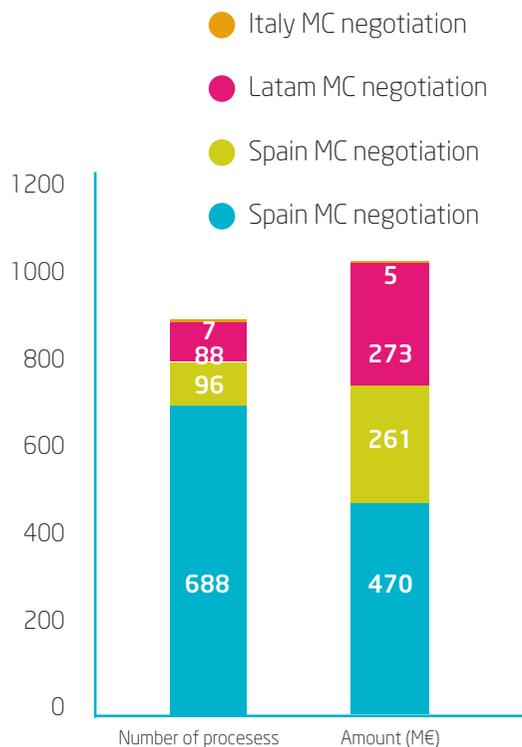
OFFER

- **Supplier streamlining:** Indra is undertaking a supplier concentration process to gain in efficiency and quality, establishing larger scale relationships. In 2014, Indra reduced the number of available suppliers by 39% and active suppliers by 12% in Spain, and the number of available suppliers by 77% and active suppliers by 9.3% in Latam, Italy and Portugal.



Graph: number of available and active suppliers.

- **Purchase committee model:** Purchase Committees are consolidated in Spain, Latam and Italy to allow the planned integration of evolving project purchase needs with purchase transaction management.



Graph: distribution of processes and economic amount for purchases managed through the Purchasing Tables

- **Tools implemented to ensure transparency and competitiveness in purchase transactions:**

- ▶ **Tender Portal:** implemented in July 2012 for high-impact or high-amount purchases. Its use is currently being consolidated. Currently, 2,273 negotiation operations are managed through the portal and 883 suppliers are portal users.

- ▶ **Offer module:** implemented in February 2014 for low-impact and low-amount purchases. Currently, 25,200 operations are managed through the offer module.

- ▶ **Purchase Committee Module:** implemented in May 2014 to manage high-impact and/or high-amount operations. 364 negotiation purchase committee processes and 179 analysis purchase committee processes have been managed through the module.

- ▶ **Contract and Guarantee Management Module:** in implementation process, with three objectives:

- ◆ Ensure the legal protection required for our relationship with suppliers: the contract and guarantee management process has been established

- ◆ Unify and standardize the models that provide legal protection for our relationship with suppliers based on set templates

- ◆ Guarantee coordination of the parties involved in relation to contract management during the drafting and approval of contracts, as well as registration thereof and traceability with the appropriate orders.

There are currently 72 files created in the module

Key projects 2014

Indra offers solutions for sustainable, safe and economic development for cities with its Smart cities offer.

<p>ARROWHEAD</p>	<p>Arrowhead is part of the 2012 Artemis program (Artemis Innovation Pilots), to implement experimental pilots based on embedded systems or systems with integrated intelligence.</p> <p>Indra is mainly responsible for helping to implement a pilot integrated in the city of Barcelona, which consists of an urban technological platform on which services are implemented which contribute toward energy efficiency, smart street lighting and smart buildings.</p> <p>This year the first prototype is implemented in the city of Barcelona.</p>
<p>SMARTSIT</p>	<p>This project integrates specific technology to verify the identity of travelers via mobile systems, considering the specific characteristics of land border crossings. The project research will be based around three main tasks:</p> <ul style="list-style-type: none"> • Developing a full-page mobile passport scanner which includes advanced document validation measures. • Developing a mobile face recognition system in corporate environments. • Developing a fingerprint verification system using contactless technology. <p>Indra mainly participates in:</p> <ul style="list-style-type: none"> • Analysis of requirements. • Integration of mobile devices at a land border crossing in Spain during the system testing and validation phase.
<p>DEWI</p>	<p>Project with the aim of developing and implementing an embedded wireless mobile communications systems platform that can be used in various scenarios, such as in cars, trains or inside buildings.</p> <p>The infrastructure market is at the forefront of the railroad scenario, in which a critical mission platform for railroad safety applications is going to be developed, both on-board and on land. This will give a boost to the application and marketing in the HARAMAIN project (Medina – La Meca high-speed line).</p>

FORECASTS

During the course of 2015, the drive for innovation and the development of new offer will result in:

- Reinforcing Indra's involvement in the European H2020 program.
- Positioning the firm's R&D&i operations in new regions and countries to support local implementation of the smart specialization strategy (RIS3).
- Proactive management of relationships with innovation and knowledge institutions, allowing us to capitalize on all available talent, both inside and outside of the organization, thus creating a multidisciplinary and global collaborative network and establishing solid, permanent and mutually beneficial relationships with said institutions. Such cooperation is often established via master agreements and research chairs

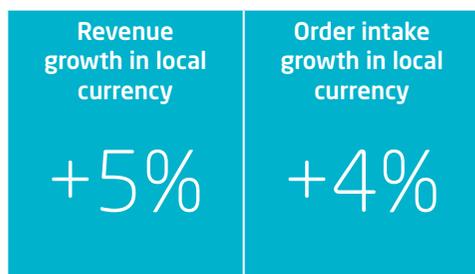
• Concentration on European programs coherent with Indra's growth strategy, keeping in mind those operating areas where new technologies will have a particular impact:

- ▶ **Social Challenges:** health, demographic change and welfare; safe, clean and efficient energy; safeguarding the freedom of Europe and its citizens...
- ▶ **Industrial leadership:** Information and Communication Technology (ICT); cloud computing, big data, SW development, cybersecurity...
- ▶ **Joint Technology Initiatives (JTIs):** Clean Sky 2, ECSEL, SESAR 2020...
- ▶ **Public Private Partnerships (PPPs):** Robotics, S2R, Big Data...
- ▶ **EUROPEAN INNOVATION PARTNERSHIPS (EIPs):** Smart Cities and Communities, Water.....

• Indra plans to continue rolling out further supply chain management tools, seeking to drive the efficiency of procurement operations:

- ▶ e-Procurement Punch out model: currently being deployed to drive procurement efficiency and tactical purchasing operations, with benefits including greater simplicity, more control over expenditure and payment terms and the streamlining of suppliers.
- ▶ Head feed system for fixing material, to ensure immediate availability and streamlining of items.

PERFORMANCE



Revenue totaled €2.938 billion, showing growth of 5% in local currency terms despite the bleaker macroeconomic outlook in certain countries (particularly during the last few months of 2014). Growth was 1% in reported terms, mainly due to the impact of Latin American currency devaluations.

Order intake growth in local currency stood at 4%.

The order book increased to €3.473 billion (+3% in local currency), with double-digit growth from order intake in AMEA and Latam, representing

1.2x revenues for the last 12 months. Of this order book, €1.4 billion can be executed in 2015.

• **By geographic regions**, revenues performed as follows:

Spain

► Total revenue growth in the Spanish market stood at 2% in 2014, improving significantly against previous years (-11% in 2013 and -18% in 2012).

► Said rally found support in the public sector, which showed a considerable recovery (+6%) compared to annual declines in excess of 20% in recent years.

► Demand remained weak in the private sector, showing a slightly negative performance, while the shift toward services over solutions was ongoing.

► The book-to-bill ratio (0.90x) was close to the previous year's figure (0.92x).

► By vertical markets, the positive performance during 2014 from Financial Services and Public Administrations revenue stood out, as did the rally from Transport & Traffic and Security & Defense in the second half of the year.

Latin America

► The Latin American market (+10% in local currency) was hit by depreciation of the majority of local currencies (with the Argentinean peso and Venezuelan bolivar having a considerable weighting), which led to an average decline of 3% in euros.

► Despite growth of close to 20% in local currency terms seen in vertical markets such as Transport & Traffic and Energy & Industry, the macroeconomic and political climate in certain countries (particularly Brazil) had a negative impact on business.

► Despite a bleaker macro climate (especially in Brazil), revenue showed a positive trend, especially in Transport & Traffic and Energy & Industry.

► Order intake outstripped revenue (book-to-bill ratio of 1.2x, in line with last year at 1.2x).

► By countries, Mexico and Colombia posted double-digit growth in local currencies.

Asia, Middle East & Africa (AMEA)

► Revenue in Asia, Middle East & Africa (AMEA) held close to 2013 levels in local currency terms (-2% reported).

► There were good performances from the vertical markets of Security & Defense, Public Administrations and Energy & Industry.

► A number of major projects in the region were completed during the year, affecting growth in the region.

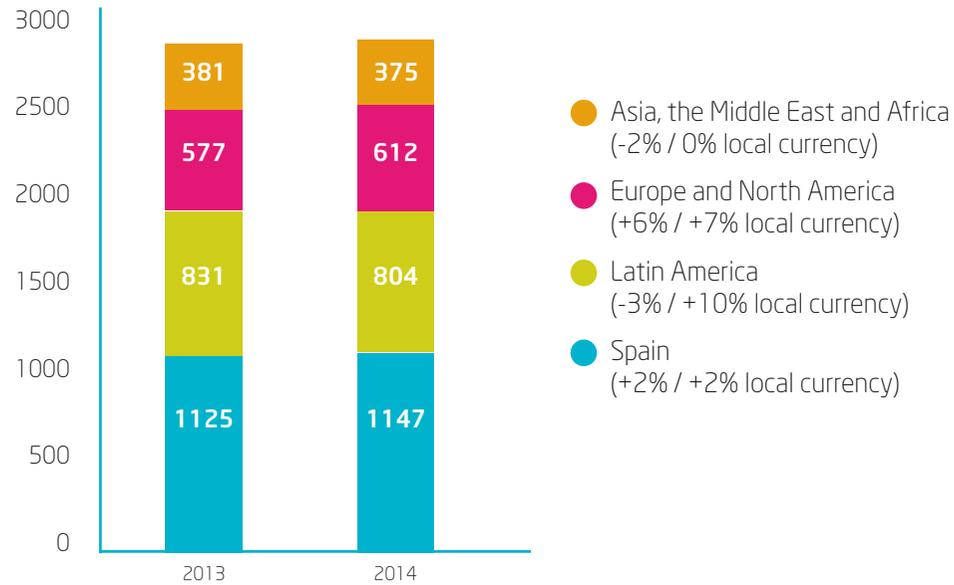
► Order intake again showed a positive performance (+10% in local currency), with the book-to-bill ratio exceeding 1.3x (vs. 1.2x in 2013).

Europe & North America

► Activity levels in Europe and North America showed growth of 7% in local currency terms (+6% reported), with expansion slowing in the second half, in line with the company's initial expectations.

► The lion's share of activity in the region is accounted for by Security & Defense and Transport & Traffic.

► Good performances were seen in Germany, Italy, Belgium, Norway and Turkey, as well as some Eastern European countries.



Graph: 2013-2014 revenue performance by regional markets

• All markets posted growth in local currency terms in 2014

Energy & Industry

- ▶ The Energy & Transport business grew 3% in local currency terms, with a decline of -1% in reported terms.
- ▶ The firm continues to hold a solid position among clients in the energy sector, both in the domestic and international markets.
- ▶ The good performance from proprietary solutions was ongoing in the Industry & Consumer segment in Spain, as well as in Hotels & Airlines (sales systems, efficiency, etc.).
- ▶ There was a solid performance from operations in Latam (double-digit growth in local currency), particularly in the proprietary solutions segment for the electricity and oil market.

Financial Services

- ▶ Financial Services revenue grew by 9% in local currency terms, or 3% in euros.
- ▶ Business is performing well in Spain (+7%), with growth in both the banking and insurance segments.
- ▶ In Spain a number of business opportunities (consulting, BPO and operations outsourcing) were created in the banking sector, which may lead to growth in the near future.
- ▶ Revenue in Latam, where operations remain focused on the services arm, showed double-digit growth in local currency terms..
- ▶ There were strong performances from core banking and core insurance.

Telecom & Media

- ▶ Telecom & Media revenue grew 2% in local currency terms, equivalent to -9% reported.
- ▶ The greater relative weighting for Latam revenue (c. 40%) meant that currency depreciation against the euro (particularly Venezuela and Brazil) had a greater impact than in other vertical markets.
- ▶ The Latin American and European businesses were affected respectively by the macro climate and the international repositioning of one of our main clients in the region.

Public Administrations & Healthcare

- ▶ The Public Administrations & Healthcare business showed growth of 7% in local currency terms, with a decline of -5% in reported terms.
- ▶ Despite weakness in the Healthcare area,

operations in Spain are looking more buoyant than they did in previous years, showing positive growth.

- ▶ Latin America also posted a good performance, with near double-digit growth in local currency terms.
- ▶ The business in AMEA benefited from a project supporting electoral operations in Iraq.
- ▶ Prospects look good for 2015, with double-digit growth expected from global order intake.

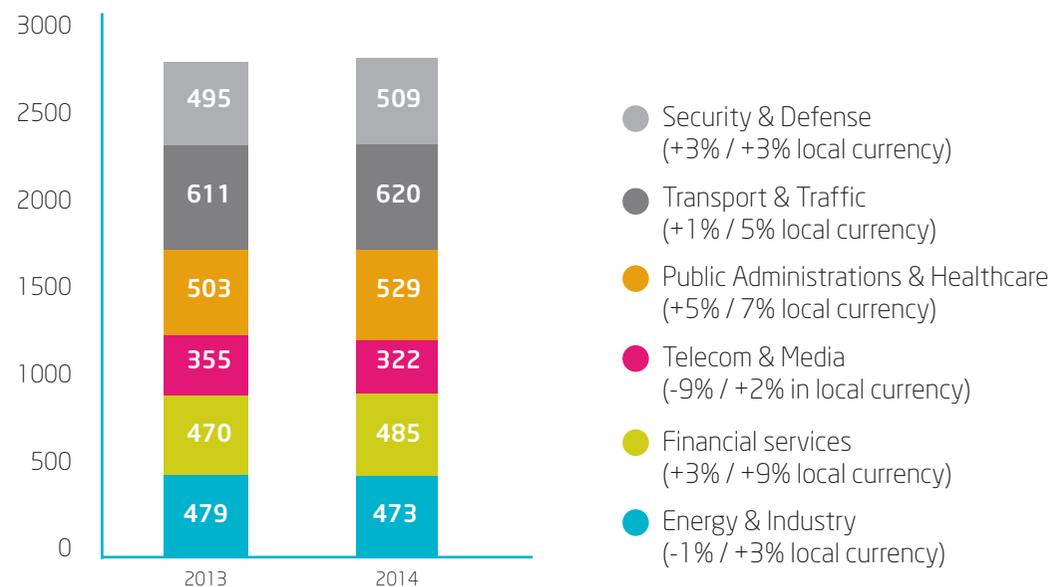
CLIENTS

Transport & Traffic

- ▶ Transport & Traffic revenue grew 5% in local currency terms and 1% in reported terms.
- ▶ Despite the rail contracts awarded in the second half, business in Spain remains constrained by budgetary restrictions at the leading state infrastructure agencies, particularly in air traffic.
- ▶ Europe and Latin America posted strong growth rates in land and rail transport, as well as maritime transport.
- ▶ The performance in AMEA was affected by the completion during the year of air traffic management projects in Oman and India.
- ▶ Prospects look very good for 2015 thanks to significant contracts being awarded in Asia and the Middle East.

Security & Defense

- ▶ Security & Defense revenue grew 3% in local currency terms, or 3% in reported terms.
- ▶ The business in Spain remains in decline (-5%), albeit at a much slower pace than in previous years (with revenue declining by more than 25% in 2013, for example), shaped by delays to specific projects in Ministry of Defense technology programs.
- ▶ The growth in excess of 30% in AMEA was noteworthy, with this region now representing more than 13% of revenue for the vertical market. There was also a good performance from Europe & North America (approximately 60% of revenue for the vertical market). There was strong order intake in AMEA during 2014.
- ▶ This vertical market has accumulated a significant order book, which should ensure strong growth going forward.



Graph: 2013-2014 revenue performance by vertical markets

Furthermore, during 2014 Indra continued development of strategic actions in the clients area:

- Continuous improvement of global commercial, development and delivery capabilities.

Employee growth in AMEA helped support growth of order intake and the order backlog in the region. In Latam, meanwhile, despite the double-digit growth in local currency terms seen in revenue and order intake, staff numbers were reduced following completion of a number of labor intensive projects, as part of the firm's strategy of driving growth in greater added value projects. For more information on workforce numbers by regions, see the "talent" chapter.

- Ensuring recurrent business from clients: Indra strives to excel in the development and delivery of projects and services, seeking to guarantee client satisfaction and build client loyalty. Work was ongoing in 2014 to improve the company's management systems, with the following milestones achieved:

► Increasing the scope of global quality certification: in 2014 Indra further extended its quality management systems based on ISO 9001 standards, extending the same to the company's quality systems in Argentina, Chile, Slovakia, Spain, Czech Republic, Panama, Portugal, Uruguay, Brazil, Colombia, Italy, Mexico and Peru. Global certification for quality management systems based on ISO 9001 standards will replace local certifications in each country, with subsequent extension to new countries. Furthermore, Indra included ISO9001, PECAL2110, EN9100 and EN9110 certifications within the global system quality certification procedure.

98% of Indra's revenue is generated by subsidiaries that hold ISO 9001 certification.

► Certificates and authorization for specific activities: in 2014 Indra was granted the following certifications:

◆ CMMI-DEV v1.3 level 3 for development and maintenance of IT operations software applications included in the Global Delivery Model (GDM) in Spain and the Indra Software Labs network in Spain, Argentina, Brazil, Colombia, Mexico, Panama, the Philippines and Italy. Furthermore, CMMI-DEV v1.3 authorization was renewed in the Defense area for Simulation and Banks, as well as for operations with Telefónica in Peru, while CMMI level 5 certification was granted to the ATM Europe, ATM International and CES León programs (Security).

◆ TMMi level 3: this international standard measures and enhances software quality testing procedures and activities. Said certification has been granted to nine of our software labs in five countries. Indra is the first company to achieve TMMi certification in the Philippines, Panama, Colombia and Brazil, and one of the first three to be granted said accreditation in Spain.

◆ PECAL/AQAP 2310: NATO quality management system requirements from suppliers in the aviation, space and defense industries.

◆ The application for PERAM 145 certification has been filed with the Defense Airworthiness Authority: Requirements for maintenance organizations.

► The quality of relations with clients remained at a similar level to those of 2013: the global client satisfaction indicator was slightly higher than the previous year (3.87 out of 5 in 2014 compared with 3.85). The recommendation indicator hardly changed, standing at 7.2 compared with 7.24 the previous year (on a scale of 10). The NPS (Net Promoter Score) rose to 7 compared with the 3 that it scored in 2013 and -1 in 2012.

CLIENTS

Like the previous year, in 2014 the best-scoring aspects were Knowledge and understanding of its activity and sector (4.26 out of 5 in 2014, compared with 4.28) and Ability to listen what you are saying (4.23 out of 5 in 2014, compared with 4.22)“.

Also, this year a new general satisfaction indicator has been included, the Satisfaction Index with a scale of 100. The total score was 72.

• Reinforcing information security:

► In 2014 Indra extended its security organizational and governance model to Portugal, Brazil and Mexico. To this end, Local Information Security Officers were appointed. Local Security Committees were also set up, which will report to the Global Information Security Committee.

► The scope of certifications for the Information Security Management System (ISO 27001) and the Information Technology Service Management System

(ISO 20000-1) were extended to Indra Sistemas Portugal S.A.

► Creation of a common privacy and data protection policy for all Indra companies around the globe, including basic guidelines that apply to all locations.

► Implementation of new encryption software to enhance protection of information at workstations without undermining usability or reliability, incorporating new functions to ensure encrypted information can be securely and transparently shared between users within the organization and third parties (clients, vendors, partners, etc.).

► Numerous internet-based cyber-attacks were recorded over the course of 2014. Specifically, 31,095,040 security events were detected by perimeter protection systems. However, no critical security incidents were recorded as a result of such attacks. A tool for analyzing files and malicious traffic was deployed in order to bolster protection against targeted attacks.

The company also continued its proactive analysis of project platforms

► Renewal of biennial LOPD (personal data protection act) audits for companies as required: Indra BPO, SLU, Indra BPO Servicios, SLU, Prointec, SA, Indra Emac, SA, Indra Software Labs, SL, Indra Sistemas de Comunicaciones Seguras, S.L., Indra Sistemas de Seguridad, S.A

► Collaboration with public sector organizations to share expertise and experience in the field of IT security, aimed at identifying and preventing attack patterns.



Key 2014 project

Zurich will manage its Zurich policies operations in Brazil using Indra's iOne solution

The contract is part of a master agreement between Indra and Zurich for the provision of technology services in the life insurance business.

Implementation of the project in Brazil represents the first major milestone for the agreement, with 35% of Zurich's life insurance clients in the country now managed via the system. The solution is due to be extended to 100% of clients by the end of 2015.

The contract includes key insurance products for Zurich's life insurance segments, as well as IT support and maintenance for five years.

iONE supports all activities involved in the insurance value chain, operating with an extensive range of products and getting the same quickly to the market.

The project will improve process management and drive up operating efficiency by providing a common platform for all of Zurich's sales staff in the country, as well as allowing faster product rollouts to address emerging market demands.

The solution was tailored to local legislative requirements demanded by the private insurance regulator (SUSEP).

Zurich Insurance Group (Zurich) is a leading multichannel insurance firm that provides global and local services to clients. With more than 55,000 employees, the company offers a wide range of products and services in general and life insurance. Zurich's clients include private individuals, small businesses, medium and large companies and multinationals in more than 170 countries. The group has its headquarters in Zurich (Switzerland), where it was founded in 1872. The holding company, Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level 1 American Depositary Receipts program (ZURVY), which trades on the OTCQX over-the-counter (OTC) market.

2014 global project map

Implementation of air traffic management system	Algeria
Air surveillance system	Australia
Automation and integrated management of corporate areas and connection with the distribution business for CEB Distribuição	Brazil
Maintenance of Santiago de Chile metro ticketing systems	Chile
Deployment completed of air control centers in Chengdu and Xian	China
Development of an e-Government platform to ensure that citizens have digital access to public services	Colombia
Telemedicine platform for the Galician government	Spain
Urban traffic control center for Metro Manila	Philippines
Level D flight simulator for the EC175 helicopter	France
EC135 simulator for Airbus Helicopters Japan	Japan
Air traffic management systems for Nairobi airport	Kenya
PEGASO electronic defense system for two of the Korean Navy's new submarines	South Korea
Business core for the Mexican Football Federation	Mexico
Emergency management system in Nepal	Nepal
Implementation of the ARACS revenue accounting solution for Arik Air	Nigeria
Implementation of air traffic management system	Oman
Consulting on modeling the electricity market	Peru
Modernization of control and operating technology for London's road tunnels and roadways connecting to the same	United Kingdom
Implementation of air traffic management system	Switzerland
Implementation of a high-speed traffic management system and rail network planning system	Turkey
Modernization of the air traffic management system	Ukraine

FORECASTS

Indra will continue to develop its client-based strategy via the following lines of action:

- Ensuring recurrent business from clients: Indra strives to excel in the development and delivery of projects and services, seeking to guarantee client satisfaction and build client loyalty. There are plans to work on the following areas over 2015:
- Extending ISO9001 standard certification to subsidiaries in Argentina (COMPUTACIÓN CEICOM), Saudi Arabia (Indra Arabia Co. Ltd) and Spain (Indra Sistemas de Comunicaciones Seguras)
- Improving the client satisfaction evaluation model to provide specific procedures for global accounts and key clients.
- Standardization of service and product quality measurement models, based on each of the different business lines.

• Reinforcing information security: the most significant initiatives planned for 2015 include:

- Extending the security organization and governance model to Colombia and the Philippines.
- Ramping up the security policies and requisites demanded of Indra's suppliers.
- Improving security training and awareness for Indra employees and partners.
- Renewing Security Management System (SGSI) certification, adapting the same to the new version of ISO 27001:2013 standards.
- Renewing Security Management System (SGSI) certification, adapting the same to the new version of ISO 27001:2013 standards.



Indra strives to excel in the development and delivery of projects and services, seeking to guarantee client satisfaction and build client loyalty

TALENT

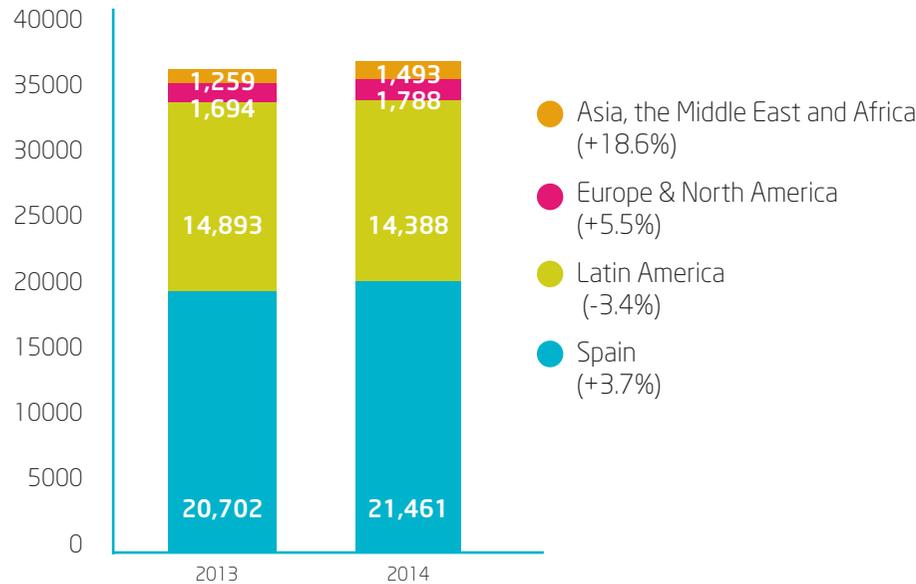
PERFORMANCE

Indra is a company of people who specialize in technology and consulting. Its human capital is distinguished by an eagerness to learn and grow as individuals and professionals, channeled toward optimizing the projects that organizations entrust to Indra and placing them at the forefront of technology.

At the end of 2014, the total workforce consisted of 39,130 professionals, which is up on the end of 2013 (+2%). Growth in AMEA (+19%) is noteworthy, which is a reflection of the increased software factory in the Philippines, as well as growing needs for resources in North Africa.

The increased workforce in Spain offsets the reduction in Latin America, following completion of a number of labor intensive projects, as part of the firm's strategy of driving growth in greater added value projects.

As an organization comprised of individuals, Indra strives to excel in human capital



Graph: 2013-2014 total workforce by regions

management, cultivating an attitude that ensures positive adaptation to change. This includes:

- Representing a place where staff and prospective employees find a unique value proposition and are able to develop their skills and expertise.
- Representing a place where staff and

prospective employees find a unique value proposition and are able to develop their skills and expertise.

- Have the ability to generate and market the company's value offering
- Have a current understanding of new technologies and how things are done.
- Have the skills to generate leaders.

- Have experience in global management..

- Excel in implementation.

- Providing employees with a shared vision and mobilizing them to achieve common goals.

- Promoting transformation toward a more flexible and nimble organization.

With this in mind, Indra's management is founded on four cornerstones:

1. Offering candidates a unique value proposition.
2. Fostering the required skills and expertise to drive innovation and provide optimal services to our clients.
3. Creating leaders who in turn create leaders, thereby guaranteeing a sustainable flow of talent in the company.
4. Establishing efficient processes and procedures to promote best practices in a global environment.

1. Offering candidates a unique value proposition.

Attracting and recruiting talent

» In 2014 Indra stepped up its presence **in key talent-attracting channels:**

- We consolidated our relationship with **universities and knowledge institutions:**

► **Indra Future Minds Competition:**

The fourth edition of this competition was held in 2014, aimed at university students from around the world. The competition aims to boost the firm's reputation as an employer in countries where Indra is currently growing. This year teams from Brazil, Colombia, Chile, Spain, the Philippines, Italy, Mexico, Panama, Peru and Portugal all took part. The final was held in Mexico.

► **Agreements with knowledge institutions:** In 2014, Indra maintained 192 agreements.

► **Indra Academia Program:** Asia is a key strategic growth market for Indra. In 2014 the company dedicated resources to boost its recruitment capabilities in the region, as evidenced by the 18.6% staff growth. An example of this investment is the rollout of the Indra Academia program in the Philippines, in partnership with the Polytechnic University of the Philippines. Indra staff volunteer to teach classes as part of the university's syllabus.

◆ 70 students were involved in the Indra Academy in 2014.

◆ The aim for 2015 is to drive up the number of associate universities.

• Activation employment strategy on: **social network**, with the rollout in the fourth quarter of the global working group to boost our presence all over the world. Optimizing employment content via LinkedIn and setting up employment channels on Facebook and Twitter.

► In November and December we made 57 posts on LinkedIn, leading to 3,374,214 impressions and 6,360 recommendations and clicks.

» Indra's policy is to recruit **young talent** helping to drive their career development with the company as part of

• **Junior Plans:** Indra offers training plans for inexperienced employees in areas of technology and skills that are unavailable on the labor market and which are essential to ensure growth within the company. After receiving the training, these young people join the company's workforce. In 2014 various plans were implemented in Spain and Portugal, each one focused on local business needs.

► 2014: 120 young people.

• **Junior Consultant Plan:** Through this plan, Indra hires inexperienced professionals who have a background in consulting and strong potential. They receive training in the company, consulting and the required skills.

There is a specific two-year career plan, with mobility between the company's different units actively promoted.

► In 2014: 65 new professionals

• **Start Tech program:** In partnership with sector companies, Indra fosters an interest in tech careers among children, thus helping to cultivate talent for the near future and combating the deficit of technology vocations in the West.

TALENT

» One of the main factors that influences the attraction of talent is remuneration. Indra's **remuneration model** is a reflection of its focus on people and results, promoting internal and external equity and also differentiating in accordance with contribution and commitment to the corporate project.

The variable remuneration system, which is included in the remuneration policy, is aimed at encouraging the fulfillment of the company's global goals and the management unit's goals by achieving individual goals.

- ▶ 15.26% of staff are subject to variable remuneration programs, up half a point on the previous year.

Furthermore, in Spain we rolled out a new edition of the **Flexible remuneration program**. This program allows employees to design their pay packages according to their specific needs.

- ▶ 43% of employees made use of this program in 2014.

In 2014 Indra was recognized in a number of rankings as one of the best companies to work for:

- **Randstad Awards (Spain)**
- **Merco Personas (Spain).**
- **Job and Talent (Spain)**

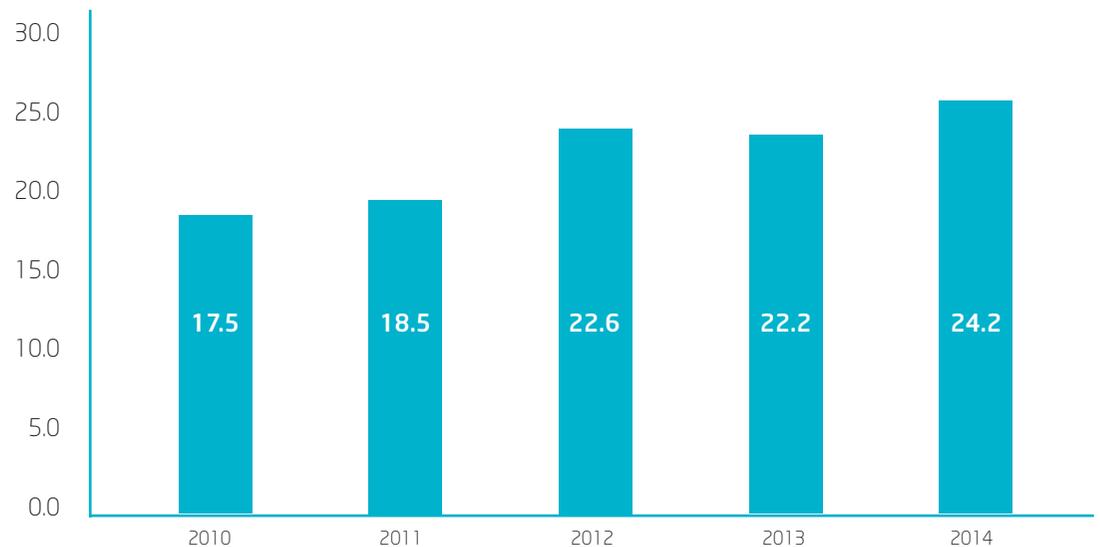
For additional information, see the [recognitions chapter](#). (p. 80)

2. Fostering the required skills and expertise to drive innovation and provide optimal services to our clients.

Training

Indra promotes continued development of professionals' capabilities through training. This was demonstrated in 2014 by the 42.6% increase in training activities and 10.5% growth in total training hours received by staff.

Training hours per professionals



TALENT

» Indra provides courses specializing in the different technical and functional areas, and in developing skills.

Specifically, in 2014 the company worked on designing training courses and programs to address the current needs of its businesses and employees:

- Technological reorientation programs that enhance the employability of the company's employees in key sectors.
 - ▶ This year 95 professionals took part in training programs in SAP, Java, ADA and SharePoint technology.
 - ▶ 80% of participants reoriented their careers, taking part in projects associated with the technology in which they were trained.
- Welcome Program: Global design of the program, which is supplemented by local initiatives like the ones implemented in Colombia and the Philippines in 2014.

Among other tools, the corporate program includes a training course for everyone who joins the company, and a Sharing Knowledge community with basic information about Indra.

» For many years Indra has been focused on self training and collaborative learning through platforms that promote social interaction, to round off the training received through the company's formal channels. An example of this is its Sharing Knowledge platform, with the following breakthroughs in 2014:

- ▶ Accessed more than a million and a half times.
- ▶ More than 115 communities and groups where professionals are able to share information, attend virtual classes, and so on.
- ▶ A number of dedicated courses have been developed to provide self-training resources that allow each employee to

improve any skills that they choose.

» Virtual training is promoted as a supplement to the rest of the training channels, allowing any professional from anywhere in the world to access training in business, methodologies, languages, etc.

- ▶ The number of virtual classes taught was up 50% in 2014 to 16,000 training hours.
- ▶ This year 14% more employees took part in these classes than in 2013.



TALENT

Development

» Indra has developed its **performance assessment process**, while further extending the same to new businesses, reaching 73% of professionals. This review and update encompassed senior management and market directors, as well as the Human Resources department.

The outcome is a process that focuses on defining and monitoring objectives, associating individual development plans and thus allowing each employee to enhance those skills and knowledge areas that are required to achieve their goals.

- ▶ The new updated process will be implemented in 2015.

» To boost professional development, Indra encourages internal mobility and **assignment rotation**, which allows employees to take on new duties and acquire new knowledge.

One example is the **“Global Assignments”** program, which boosts international internal mobility within the management and supervision team.

The program allows employees to apply for the international job positions that are most suited to their profile. Every candidate application is reviewed by an international committee and authorized by the Management Committee. Some breakthroughs in 2014 were:

- ▶ More than 170 internal vacancies were filled by Global Assignments.
- ▶ The number of assignments that were completed successfully, i.e. employees holding positions in a foreign country, stood at 79. 27% held positions in AMEA and 41% in America, which are key markets for the company.

The Indra culture and spirit

» Indra drives forward **innovation and internal business venture** through collaborative environments that generate synergies and result in new solutions and services.

One of these projects is Genesys:

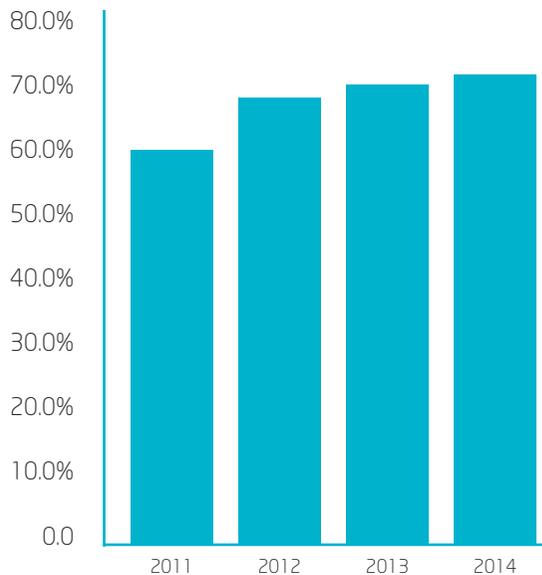
Participants work in teams to develop an idea and present the same to company management. The winning ideas are fleshed out and included in the organization's offering. They receive training on the skills that they need to develop in innovation or intrapreneurism projects.

- ▶ The second edition was held in 2014.
- ▶ 150 people took part in the last two editions.
- ▶ The third edition will be held in 2015.

» Indra promotes diversity, inclusion and equal opportunities among its employees:

- **Women and Leadership Program:** Rollout of a new edition of the program, which aims to promote the professional development of female managers and mid-level managers via a number of activities: mentoring, networking meetings, training in management skills, etc.

- ▶ Female representation on the management team in Spain grew by nearly half a point (0.42%). The management team in Spain accounts for 77% of Indra's entire management team. All female managers and mid-level managers participate on a global level to increase their presence in the other geographical regions.



Graph: percentage of professionals involved in performance procedures

TALENT

- ▶ In 2014 the number of women promoted rose 3%.
- ▶ The next edition of the program will be rolled out in 2015.

This program saw Indra win the WLMT award: Leadership, Diversity and Talent (organized by INTRAMA with the institutional support of the Madrid Regional Government), as one of the businesses most committed to the inclusion and promotion of women in senior management roles.



- Sumando Capacidades' internship program, which helps disabled students to enter the job market in Spain.
 - ▶ From its rollout in 2010 through to December 2014 a total of 48 interns joined the company via the program.
 - ▶ 0.92% of our professionals have informed the company of a disability, a slightly higher figure than in 2013.

Our support for diversity has seen the company retain the Distinction for Equality granted by the Board for Equal Opportunities, part of Spain's Ministry of Healthcare, Social Services and Equality.

The company has an Equality Committee, with legal employee representation involved in the same.

- » To build a more just and humane society, Indra encourages its employees to undertake volunteer work and partner up with NGOs. In 2014:
 - ▶ 197 employees took part in volunteering activities with not-for-profit organizations.
 - ▶ A total of 15,603 hours were dedicated to 18 pro bono projects for 14 third sector organizations.

» Indra makes it easier to get the work-life balance:

- Rollout in Spain and Colombia of new measures aimed at achieving a work-life balance, seeking to support employees in each stage of their lives (becoming parents, looking after family members, etc.).

The work-life balance programs propose measures to achieve flexibility over time and space, and services that allow employees and their families to meet their everyday needs.

- ▶ According to the Merco Personas index in Spain, the work-life balance enjoyed by our employees represents one of the country's strengths.
- ▶ This year Indra in Colombia was certified as a Family Friendly Company (EFR in the Spanish acronym), the first technology company in the country to obtain said recognition.

- Inclusion of new services that offer professionals additional advantages for working at Indra: As well as the employee clubs that already existed in Spain, Portugal and Mexico, clubs were formed in Argentina, Chile and Colombia in 2014.

TALENT

» Interaction, good climate and healthy lifestyle are also promoted through recreational and sports activities.

- Support for sport and free time groups for our employees in the Philippines, providing various resources for self-management.

- ▶ There are 10 groups, 2 of which were new in 2014.

» To promote the company's values, programs are created to reward employees who have shown outstanding behavior that foster the organization's values:

- ▶ Excellent Club: The Philippines is holding a new edition of this program. The Excellent Club was rolled out in 2009 and by 2013 a total of 78 employees had been rewarded (the award winners in 2014 will be found out in 2015).

- ▶ The Airborne Systems area at Indra in Spain has rolled out a reward program

linked to its ongoing improvement program.

In 2014, 51 employees were rewarded.

» Indra has established channels to listen and talk to our employees which promote internal communication and commitment to the corporate project.

- Deployment of "Communication Nodes", driving creation of an internal communication network to ensure that key company messages reach all staff as quickly as possible.

- ▶ 1,010 classroom training sessions were held, attended by 15,006 employees in 27 countries. The sessions were given an average score of 7.6 out of 10.

- Third edition of the Action and Objectives Communication Plan, which is key to ensuring that all employees are committed to the company's strategy and targets, and work coherently toward the same.

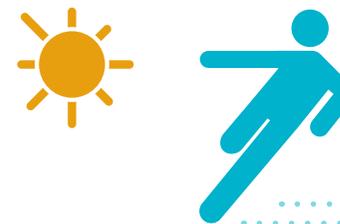
- ▶ The satisfaction survey, which 7,011 employees completed, revealed that 74% employees benefited from the communication system which received a global score of 3.2 out of 4..

- Rollout in the Philippines of an environment survey, canvassing 75% of employees.

- Participation in Spain in the Merco Personas index, which uses our employees as one of its samples. In 2014 this index positioned Indra as the leading company in the consulting industry to work for.

» Employees and their representatives: Indra provides the Legal Representation of Employees with information about the company's status and performance, as well as its relevant aspects or initiatives. Indra holds meetings in which it informs and encourages the participation of labor unions in the company processes that affect or are related to its professionals.

- This year an agreement was reached with the Legal Representation of Employees regarding the global assignments model. As a result of this agreement, a joint committee has been set up between the Legal Representation of Employees and the company, which will continue to review the model.



TALENT

3. Creating leaders who in turn create leaders, thereby guaranteeing a sustainable flow of talent in the company.

Indra continues to keep its focus on management cultivation, monitoring current leadership abilities and taking the measures required to boost the development of leaders, by proactively managing the demand and offer of managerial talent based on the criteria of contribution and potential.

The direct involvement of Senior Management is critical in this process of identifying and reviewing the company's leadership abilities, with an ongoing reflection process and definition of the most appropriate action plans in each case.

- In 2014 the annual review of the map of leadership abilities took place, identifying and driving forward the necessary development plans, in particular for 18% of the group with identified potential within the management team. The company's critical positions were also analyzed in depth, with actions being defined for

the 76 positions with the most critical impact on the business. (See key case).

- The assessment process for management team promotions continues to take place. To be a member of Indra's management team several criteria must be fulfilled, both in terms of business and the right fit for the managerial role. When an internal promotion is proposed, a series of assessment procedures are set in motion to get to know the proposed candidate better and decide whether he/she is a good fit. These processes involve an external assessment of the professional against the managerial role, and an internal assessment by peers and partners (360° assessment), with a special focus on the professional's internal reputation. These processes give important information that helps the decision-making process and provides feedback for the candidate to establish individual development plans.

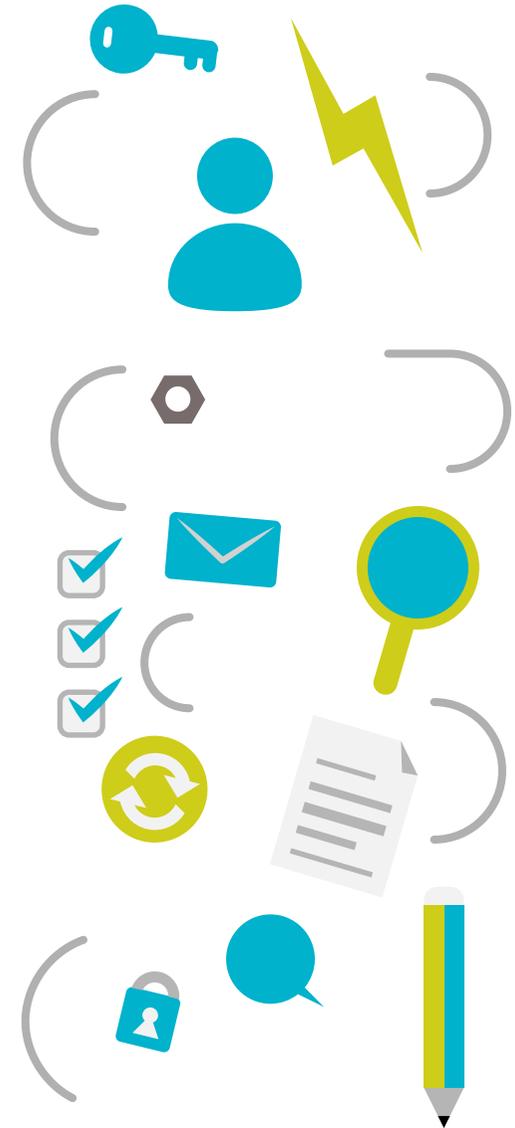
- ▶ In 2014, 86 professionals, 54 managers and 32 directors underwent assessment processes.

- ▶ Internal promotion is the main management cultivation channel, with 61% of new members of the management team joining through this procedure.

- ▶ Talent generation is aligned with the business strategy, with a 17% increase in the management team in America in 2014

(IN NUMBERS: The most noteworthy growth in the management team in international terms in 2014 was 17% growth of the management team in America, through promotion and external recruitment in equal proportions. Growth in the management team in Europe stood at 16%, with internal promotion accounting for 78%. ASOMAF remains unchanged from 2013.)

This assessment process has earned us the Talent Mobility prize, awarded by Lee Hecht Harrison in the "Understanding talent" category.



» **The management team** is a key aspect of our management cultivation strategy. That is why special emphasis is placed on training this team:

- Master's in Global Management: A new edition of this master's ran in 2014, designed jointly with the Polytechnic University of Madrid. (<http://www.indracompany.com/noticia/indra-y-upm-consolidan-su-colaboracion-formacion-postgrado-gerentes-multinacional>).

► More than 200 of Indra's managers take part in this training in Spain.

- **Coaching** program in Chile aimed at developing leadership and operational management skills, thus having a positive impact on satisfaction levels among teams and improving project implementation.

- **Leadership Development Program:** New edition of this program in the Philippines, which covers a range of aspects linked to management: team management,

project management, coaching skills and more.

- **Program on leadership** in Brazil for team leader senior technicians, helping them to improve as people managers.

► 8 sessions were held in 2014, involving 125 employees.

» To guarantee the company's flow of talent, Indra identifies and develops **professionals with a high potential:**

The High Potential group in the management and technical career phases increased by 37% in 2014. By geographical region, ASOMAF recorded the highest growth, doubling its group, together with America with a growth of 65%.

Identifying and monitoring professionals with the greatest potential, right from the earliest stages in their professional career, allows the company to help them to stand out and give them opportunities for development to boost their development as future leaders. 18% of

the individuals identified as High Potential were promoted in 2014.

- Extending the **identification process** to all of Indra's main operating regions (Spain, Portugal, UK, Italy, USA, Argentina, Brazil, Chile, Colombia, Mexico, Panama, Peru, Venezuela, Australia, Morocco, Bahrain, Philippines, Morocco, Turkey and Indonesia).

- Design of a specific **training course** for said group, ensuring the development of all skills required in their roles.

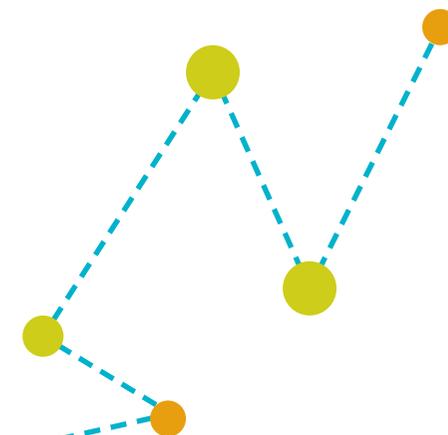
To support this training initiative, in Chile an internship program has been rolled out for areas identified as requiring development.

► 28 employees took part, with 90% benefiting from training.

In Colombia two additional training programs have been set up: The Organizational Transformation program and the Strategic Leadership Development program, which seek to

develop the skills required for leading projects and teams, and to drive cultural change via these employees.

► 75% of all Indra's high potential professionals have taken part.



TALENT

4. Establishing efficient processes and procedures to promote best practices in a global environment

Indra seeks to create initiatives that make Human Resources processes more efficient

» It works hard to **standardize and globalize the processes** which cover the entire talent cycle, combining global requirements with local requirements.

• **Redefining the selection model:** Through a global work group (Spain, Mexico, Argentina, Brazil, Philippines, Colombia), the recruitment model has been redefined with shared processes and tools (e-recruitment, tests, reports), segmented by profile, technology and business types, and incorporating best practices.

• **Redefinition of the performance assessment process (Focus):** The aim of the review is to promote a new corporate culture based on results and people. Professionals from several units were involved in designing the process to ensure that the needs of all of the

company's areas were met. This new version places particular emphasis on defining goals and an associated individual development plan. It is implemented on a global level.

5. Health, Safety and Well-Being

At Indra, we are committed with our employees to ensure the highest possible level of Safety, Health and Well-being, in addition to procuring, in all activities that we promote, that not only our workers but also others who could be affected by our activities are appropriately protected. In 2014:

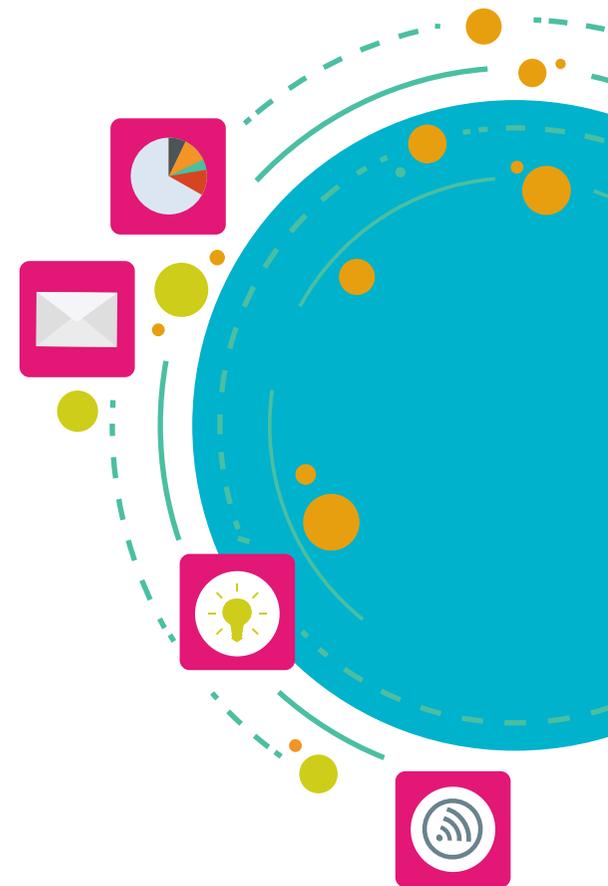
• The mandatory audit **in occupational risk prevention** was conducted at the following companies, seeking to renew Favorable Certification: Indra BPO, Indra BP Servicios and Central de Apoyo y Medios Auxiliares.

• **Ebola Prevention Protocol:** Definition of the protocol, which included restrictions on travel to certain countries, pursuant to the recommendations of the WHO, and introducing preventative sanitary measures for those

traveling to countries surrounding those with declared Ebola outbreaks.

• Inclusion of the **Total Health Test (TST)** in the medical examination, expanding the psychosocial evaluation and extending the same to all positions.

• **Since 2014 employees have been given the option to** receive medical reports via a "My Space" platform, developed ad hoc for Indra by the services provider Medycsa. The platform also features general and specific health information and/or campaigns, while users have access to a "document manager" that can be used to file their medical records and those of their family.



2014 Goals		2014 Achievements	
To reinforce Indra's brand positioning as a global employer via social networks, based on the rollout of new corporate profiles aimed at candidates.	Start of the new social network employment strategy, via the rollout in the fourth quarter of employment channels for Indra in Spain on leading social networks (LinkedIn, Facebook and Twitter), supporting communication with candidates and permanent monitoring.	Achieved	✓
Fourth edition of the Indra Future Minds Competition, with the final held in Mexico.	The competition was held, with students from 10 countries taking part. The winners were students from University of Alcalá de Henares (Spain).	Achieved	✓
To run recruitment, retention and development programs for young professionals based on university internships.	A number of programs were run, aimed at young people without experience: Junior Consultant Program, 'Sumando Capacidades' internship program and Junior Plans. In 2014, almost 200 young people were recruited through these programs.	Achieved	✓
Implementation of the Junior Consultant Plan	A total of 123 employees have been involved in the program since late 2012.	Achieved	✓
Review of the training model	New training courses and programs are designed to address the current needs of the businesses, as well as the technological reorientation program. Self-training and collaboration learning are promoted through the Sharing Knowledge platform.	Achieved	✓
To ensure development of high potential groups	Globalization of the identification process. Definition of an ad hoc training itinerary. Specific programs for different regions.	Achieved	✓
Driving internal mobility between management units at the international level	The Global Assignments program was ramped up, with a 13% increase in vacancies managed	Achieved	✓
Optimizing gender diversity in all areas of the organization, with special emphasis on positions of responsibility.	Female representation on the management team in Spain was up by nearly half a point (0.42%). The management team in Spain accounts for 77% of Indra's entire management team. The percentage of women promoted was up by one point against 2013.	Achieved	✓
Updating the welcome process.	Design of the program on a global level and implementation of local initiatives in the Philippines in Colombia-	In progress	≡
Rollout of a program to promote technological vocations	Rollout of the Smart Tech program, in partnership with industry companies	Achieved	✓

2014 Goals	2014 Achievements	
Extension of the corporate volunteering program and pro bono projects	Extension of the volunteering program: 197 Indra employees took part in a number of volunteering activities in partnership with not-for-profit organizations. Consolidation of the pro bono program: 27 employees took part in pro bono projects. A total of 15,603 hours in 18 projects run by 14 third sector organizations 1.502 hours in 19 specific training courses for pro bono employees	Achieved 
Renewal of Occupational Risk Prevention System certification	In 2014 a regulatory audit was conducted at the following companies, seeking to renew Favorable Certification: Indra BPO, Indra BP Servicios and Central de Apoyo y Medios Auxiliares	Achieved 

Key project: Map of leadership abilities

The Map of Leadership Abilities is an annual process that allows us to reflect on the company's management team, in terms of its demographics and the right fit for the job profile and development needs, to ensure that we have the necessary management to achieve strategic goals.

This process commences during the second quarter, following an assessment of the achievement of profit/loss for the period in the performance assessment. It consists of an analysis of the group on both a global and an individual level, with joint review by market managers and regional managers.

The analysis gives us important information about how the company's leadership abilities are distributed, by type of business and geographical area, and shows us their profile in terms of age, length of service and main strengths and areas of development. It determines the needs for growth, mobility and professional development to ensure that we

have the right resources where the company needs them.

The Map of Leadership Abilities in 2014 not only helped with the group's qualification and development goals. Unlike other years, it also focused on identifying possible risks in a very specific group of managers with potential (18% of the management team) and on defining corrective actions for the risks detected.

The main goal that we set ourselves for the management team is ensuring their development through challenging assignments for the most critical positions in the organization (especially for high potential managers), establishing actions in relation to their professional development so that we can develop versatile managerial roles and ensure a smooth succession flow for these positions and the company's senior management, with a clear focus on promoting internal talent.

The level of progress for the actions defined for managers with potential and those who hold critical positions are reviewed every quarter by

the management committee.

In 2014 the quarterly review of professionals with potential took place. It focused on designing actions for their development, especially for the next steps in their career, by market managers and regional managers. Coaching to develop skills and postgraduate training to reinforce and update the managerial role were the most common channels for development for this group.

As regards the most critical positions, the goal is to provide them with the right supervisors and ensure their sustainability, building a succession channel that ensures that the positions are properly filled at all times without limiting professional development or jeopardizing their contribution to the company.

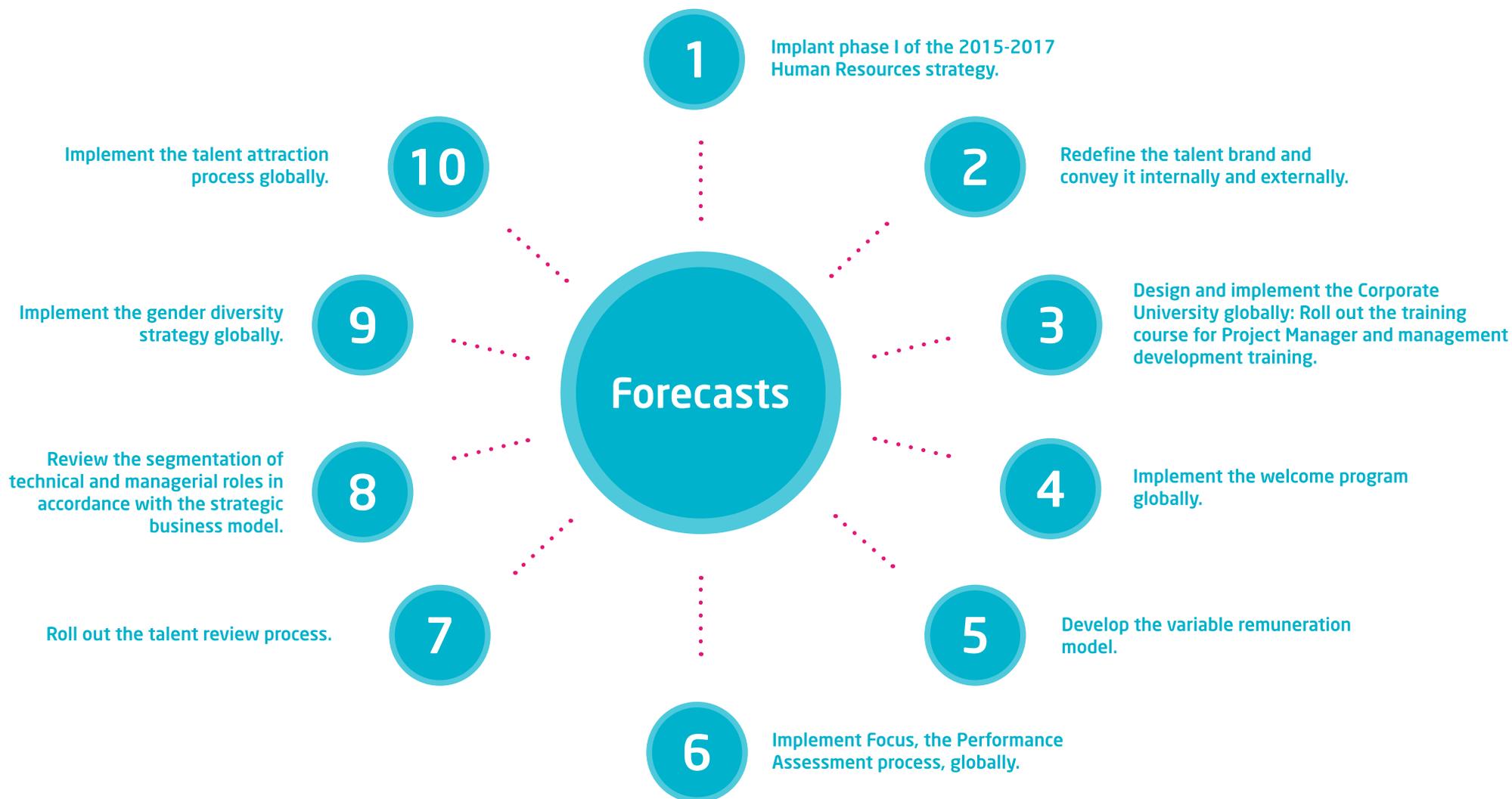
During 2014 the focus was on 177 critical positions. Actions were defined for the 76 positions with the most critical impact on the business having compared the positions against the strategic plan, and these were reviewed by the management committee. The action plans

largely focused on building a short and medium-term replacement channel for the positions, identifying this channel among the various high potential and high contribution groups in the company, and proposing ad hoc development actions for each professional.

Our challenge for 2015 is to continue to focus on segmenting the management team in according with potential and results.



TALENT

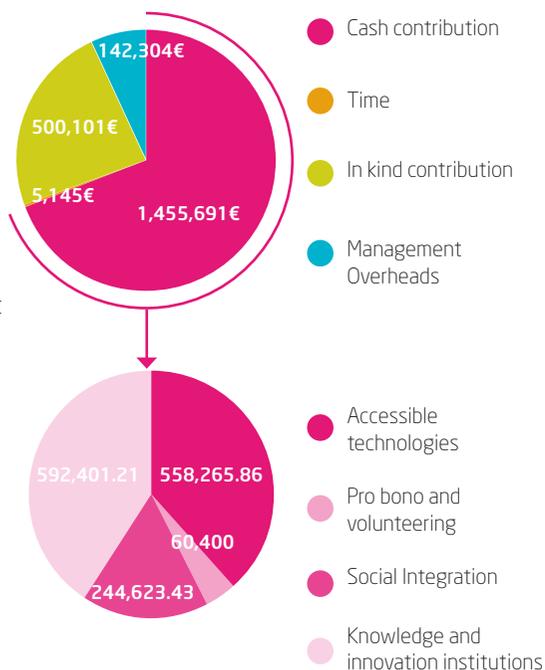


CONTRIBUTION TO THE COMMUNITY

PERFORMANCE

CO2 per professional CO2 emissions (Scopes 1 and 2)	Investment in social action	Tax contribution
-10%	2,103,240€	1,272 M€

• **Driving social action to close the digital divide:** in 2014 Indra pushed development of a comprehensive social action strategy, closely aligned with the business strategy, in which the pro bono program plays a key role, while also remaining committed to technology and narrowing the digital divide. Thus, the company increased social action investment by nearly 70% thanks more efficient use of resources. As part of this new Social Action strategy, Indra has changed its method of calculating social investment to include new concepts, for example, management cost overrun, the cost of hours of professionals dedicated to volunteer work (time) and cash donations linked to the pro bono program



► Collaborating with non-profit foundations, associations and entities

Foundations and associations with which Indra held significant collaborations in 2014	
Projects to support underprivileged groups	ADECCO Foundation
	FEAPS
	Toledo Paraplegic Hospital Foundation
	Integra Foundation
	Universia Foundation
	Exit Foundation
Pro bono projects to provide technological support and enhance social action	UnLtd Spain (2 projects)
	Woman Together Foundation
	Alianza Aire
	Junior Achievement Foundation (2 projects)
	Integra Foundation (2 projects)
	Fundame
	Exit Foundation
	SERES Foundation
	Accem
	CEATE
	Down Syndrome Madrid Foundation
	Laguna Foundation
	Recover Foundation
	CESAL

CONTRIBUTION TO THE COMMUNITY

Foundations and associations with which Indra held significant collaborations in 2014

Entrepreneur support projects	Prince of Girona Foundation
	Prince of Girona Foundation
	Carlos III University of Madrid
	Complutense University of Madrid
	UNLTD Spain Foundation
	AMETIC
	CISE
	ICT Labs
	A3 Media Foundation
	Polytechnic University of Madrid
	ENDEAVOR Spain Foundation (entrepreneurs and mentors)
Projects to support innovation and the implementation of the Information Society	Elcano Royal Institute
	Foundation for the IT Development of Companies and Society (Fundetec)
	Technology corporation foundation of Andalusia
	Spanish Aeronautical and Astronautical Foundation
	Company Security and Society Foundation
	CYD Foundation
	COTEC Foundation
	Círculo de Economía Foundation

► Promoting pro bono and volunteering initiatives:

In 2014 Indra worked intensively on consolidating its pro bono initiative in Spain. The program aims to harness the expertise and skills of Indra employees in order to develop technology projects for the third sector free of charge or at a special price. Via this initiative the company not only seeks to strengthen its relationships with third sector organizations, but also to maximize the impact that social action has on the company itself, since pro bono programs offer benefits in terms of employee training and development, as well as pride of belonging. The program operates in areas closely aligned with the company's strategy: innovation, entrepreneurship, disability, integration and care.

The following main milestones were achieved during the year:

- Creation of a specific training program for pro bono employees, helping participants to acquire the skills and abilities required to succeed in new and challenging assignments. We also bear in mind the

technological requirements of organizations in the third sector with which we work.

- Identifying new business opportunities and developing new products and services. Pro bono projects have seen a number of new services developed for specific commercial solutions (Salesforce and Sugar), ensuring that Indra is more competitive and has more employees with experience using such solutions.
- Definition (still in process) of the evaluation procedure and impact assessment for finalized projects, while satisfaction questionnaires have been designed for those involved throughout the lifecycle of projects: employees, support units, markets and third sector institutions.
- Rollout of five internal communication campaigns to raise awareness of the initiative among company employees and two press releases to publicize completion of the project via the media.

CONTRIBUTION TO THE COMMUNITY

- Creation of a pro bono master collaboration agreement to be signed by the company and third sector institutions, including our code of ethics as an appendix, which must be signed to thus ensure that third sector partners adhere to our key ethics requirements.

Pro bono in numbers:

- 27 professionals
- 15,603 hours invested
- 18 projects. 5 completed. 13 in progress.
- 15 projects in the analysis phase.
- 14 third sector institutions (associations, foundations and NGOs)
- 19 specific training courses
- 1,502 training hours.

Meanwhile, over 2014 Indra ran a number of corporate volunteering initiatives in Spain, Argentina and Colombia. In total 197 Indra employees were involved in the various partnerships with not-for-profit organizations, such as providing IT training to the disabled and groups at risk of exclusion; coaching and

mentoring for young people via the "Fostering Talent" and "Yuzz" programs.

► Contribution to the integration of persons with disabilities and reducing the digital divide

In 2014 Indra earmarked 38,2% of its investment in social action to reducing the digital divide and integrating persons with disabilities.

Said projects include the Accessible Technology initiative, which aims to develop innovative support solutions targeted specifically at the disabled.

One example is the LOOP project, an online tool to support labor market integration for people with disabilities, featuring all the tools and content required to support the labor and social integration of this group. In 2014 a specific module for labor intermediation foundations was developed, supporting automated and therefore more efficient monitoring, with fully updated information for foundations and associations involved in such intermediation.

The tool covers the entire work cycle, including

job search, preparing interviews and first days on the job, as well as monitoring each beneficiary's work life and providing the candidate, the company, foundation, university and special employment center with useful tools. Training tools, professional social networks, assessment tools.

Furthermore, in 2014 agreements for **5 research chair projects were signed:**

- Renewal of the University of Lleida research chair to ensure the continuation of projects that began in previous years (Spain).
- New research chair at Carlos III University of Madrid (Spain).
- New research chair at Polytechnic University of Madrid, via the biomedicine technology center (Spain).
- First Accessible Technology Chair in Brazil, via Red Ilumno.
- First Accessible Technology Chair in Mexico, at the Instituto Politécnico Nacional.

CONTRIBUTION TO THE COMMUNITY

Accessible Technology **Research Chair Projects in 2014:**

- New Light-Access Project (Carlos III University, Spain): the aim is to capitalize on the invisible data signal associated with photons that the human eye perceives as light, incorporating accessibility services involving ambient lighting in buildings. Blind individuals or those with hearing difficulties may be able to use such solutions via a receiver connected to headphones or text information on a mobile device. The system can also provide access to culture and leisure activities, such as information on museums, as well as support for users at airports, metro stations, hospitals, etc.
- Progress in the HeadMouse and VirtualKeyboard Projects at University of Lleida (Spain).
- Development of the REM project (University of Lleida): Indra continued its development of an REM device that allows the disabled to move a mouse cursor on a computer screen using eye movements

with the least possible effort, optimizing the design to support text entry using the VirtualKeyboard program.

- Robotic Personal Assistant (APR in its Spanish acronym) (University of Lleida, Spain): users can connect to a robotic personal assistant over the internet, view via its camera, be seen on the device's screen and thus be present in and move around an office environment thanks to the robot's mobility. The aim is to help the disabled to work in groups and teams.
- UIKA Project (National Polytechnic Institute, Mexico): development of a solution aimed at improving labor market inclusion for those with cognitive disabilities via a task sequencing system on mobile devices. This allows individuals with cognitive disabilities to view which step in a task they are currently on, how it should be done and how to progress to the next step, as well as providing a simple system for stating how they feel during a work day, thus reducing dependence on others when performing work tasks.

- Collaboration chair with Red Ilumno, made up of a number of Latin American universities, including UVA and UNIJORGE. The aim is to research and develop technologies that provide individuals with disabilities access to remote higher education.

► **Contribution to society's economic, social and environmental development in communities where the company operates, via "sustainability solutions":**

Indra continues developing its offer of sustainability solutions based on feedback from a virtuous circle, while introducing best practices that the company uses in its own model: technology to ensure regulatory compliance and reporting transparency, for carbon footprint calculation, managing non-financial information; all these initiatives help drive sustainable performance as well as innovation. Indra is a provider of sustainability solutions to major corporations such as Telefónica, 3M, REE, CEES (Ecuador Sustainable Building Committee) and BBVA.

Seeking to bring only the finest solutions to the market, Indra partners with leading institutions in sustainable development: it is a member and Education Partner of USGBC (U.S. Green Building Council); is part of the IIRC (International Integrated Reporting Committee) Technology Initiative and works with the leading developers of solutions for sustainability, such as SAP.

CONTRIBUTION TO THE COMMUNITY

► **Contributing to an entrepreneurial and innovative culture in communities where the company operates, and thus supporting development of the same.**

Over 2014 Indra partnered with 11 institutions that promote and support entrepreneurship, including on the following projects:

- ◆ Indra supported, publicized and enhanced the “Drones for good” initiative in United Arab Emirates. The initiative aims to promote entrepreneurship and the use of new technologies to benefit society.
- ◆ Continued partnership with the Princess of Girona Foundation (FPdGi) on the Entrepreneurship Is Possible Program. More than 500 entrepreneurs are already registered with the program. In 2014 Indra took part in 6 workshops and a Fostering Talent session.
- ◆ Agreement with Yuzz (CISE)-FPdGi-Indra. Incorporation of “Entrepreneurship is possible” as a tool in the 2015 edition of Yuzz (Santander Universities). Involvement in the 4th YUZZ National Meeting to promote the entrepreneurial spirit.

Sector associations		Corporate Responsibility Associations	
Association	Country	Association	Country
Association of Electronics Companies, Information Technologies, Telecommunications and Digital Content (AMETIC)	Spain	Spanish Quality Association	Spain
Spanish Association of Consulting Companies (AEC)	Spain	Forética	Spain
Spanish Association of Defense, Aeronautics and Space Technologies (TEDAE)	Spain	Argentinean Entrepreneur Committee for Sustainable Development (CEADS)	Argentina
WTC Business Club	Brazil	Business Foundation for Quality and Excellence (Fundece)	Argentina
Associação Brasileira das Empresas de Sistemas Eletrônicos de Segurança (ABESE)	Brazil	Chilean Rational Business Administration Institute (ICARE)	Chile
Associação Brasileira das Indústrias de Material de Defesa (ABIMDE)	Brazil	Global Compact	Global
Federação Interestadual de Sistemas Eletrônicos de Segurança (FENABESE)	Brazil	American Chamber	Mexico
ABRID – Associação Brasileira das Empresas de Tecnologia em Identificação Digital	Brazil	Fundación Panamá - Spain	Panama
ABERJE - Associação Brasileira de Comunicação Empresarial	Brazil		
ASSESPRO RJ - Federação das Associações das Empresas Brasileiras de Tecnologia da Informação do Rio de Janeiro	Brazil		
ASUG – Associação dos Usuários SAP	Brazil		
Câmara Espanhola	Brazil		
LIDE – Grupo de Líderes Empresariais	Brazil		

CONTRIBUTION TO THE COMMUNITY

Sector associations

Association	Country
LIDE RJ	Brazil
SIESE - Sindicato das Empresas de Sistemas Eletrônicos de Segurança de SP	Brazil
Colombian National Association of Entrepreneurs (ANDI)	Colombia
Chilean Association of IT Companies (ACTI)	Chile
SOFOFA	Chile
ASSINFORM (Associazione Italiana per l'Information Technology)	Italy
ABI-Lab (Associazione Bancaria Italia-Lab)	Italy
Centro di Ricerca su Tecnologie, Innovazione e Servizi Finanziari (Cetif) Servizi Finanziari (Cetif)	Italy
TTS (Associazione Italiana per la Telematica il Trasporto e la Sicurezza)	Italy
American Chamber	Mexico
Spanish Chamber of Commerce	Mexico
Mexican Aerospace Federation	Mexico
Coparmex Ciudad de México	Mexico
Mexican IT Industry Association (AMTI)	Mexico
Chamber of Commerce and Industry of Spain and Portugal	Portugal
ACEPI: Associação do comércio e Publicidade Interactiva	Portugal

CONTRIBUTION TO THE COMMUNITY

Sector associations

Asociación	Country
APDC: Assoc. Portuguesa P/Desenvolv das Comunicações	Portugal
AFCEA PORTUGAL: Associação para as comunicações, electrónica, informações, e sistemas de informações para profissionais	Portugal
APGEI: Associação portuguesa de gestão e eng. Industrial	Portugal
APDSI: Associação para a promoção e desenvolvimento da sociedade de informação	Portugal
ASSOFT: Associação portuguesa de software	Portugal
CODIPOR: Associação portuguesa de identificação de cod. de productos	Portugal
PORTSOURCING: Associação das empresas de outsourcing de Portugal	Portugal
GUSP: Associação de utilizadores SAP em Portugal	Portugal
Associação portuguesa testes software	Portugal
ITS: Associação para desenvolvimento da mobilidade e trasp. sustentáveis	Portugal
Chamber of Shipping	Panama
Panama Chamber of Technology	Panama
Official Spanish Chamber	Panama
Chamber of Commerce, Industry and Agriculture	Panama
Spanish Chamber of Commerce and Industry	Costa Rica
Technology Research Club	Costa Rica

CONTRIBUTION TO THE COMMUNITY

Sector associations

Association	Country
Promotora del Comercio Exterior	Costa Rica
Official Spanish Chamber of Commerce	Guatemala
Association of Young Entrepreneurs	Dominican Republic
Spanish Chamber of Commerce in the Republic of Argentina	Argentina
CESSI: Argentina Chamber of Software and IT Services Companies	Argentina
ARGENCON: Association of exporters of knowledge-based services	Argentina
FUNDECE: Business Foundation for Quality and Excellence	Argentina
CISTIC: Chamber of Software and ICT industry	Argentina

CONTRIBUTION TO THE COMMUNITY

► Minimizing environmental impact

• Implementation of environmental management systems:

In 2014 three new work centers were certified under ISO14001 standards: Bollullos (Seville), the delegation of Fuente Álamo in Cartagena (Murcia) and Puerto de Santa María (Cadiz), representing an increase of one center compared to the previous year's commitment. Additionally, the company implemented the "environmental legal requirement compliance module" at 2 centers in Spain (Valencia and Barcelona BPO), 1 center in Italy (Rome), 1 in Mexico (Mexico City) and 1 in Brazil (Sao Paulo).

At the close of 2014, 61% of Indra's professionals were located at centers covered by the certifications based on the ISO 14001 standard or by the "implementation module of legal environmental requirements" (59% in 2013).

Strategic Environment Plans were also established for Brazil, Colombia, Chile, Spain, Italy, Mexico, Peru and Portugal.

These plans contain the initiatives that are going to be undertaken in relation to the 14001 certificate for the centers, communication/ awareness of professionals and reduction of emissions, energy efficiency and environmental improvements at the centers.

• Energy efficiency measures and environmental investments:

The key measures in 2014 were as follows:

- ◆ Consolidation of a single BPO center in Barcelona, which replaces 3 previous buildings. During 2015 this new building is scheduled for certification under the ISO 14001 standard.

- ◆ Work continues on the project that began in 2013 aimed at improving control and monitoring systems for technical facilities at 9 of Indra's work centers in Spain. Centralized control center maintained and improvements made to security systems, climate control, lighting and heat generation. Formerly all of these systems worked independently, but all signals are

going to be brought together at the control center. The network was rolled out in 2014, connecting all work centers and deploying the required infrastructure to identify emergencies, acquire signals and to support remote control. The second stage, in which joint control of buildings from said control center will start, will be implemented in 2015. The final CO2 emissions reduction achieved via the project will be identified in stage 2, when comprehensive readings are taken.

- ◆ The energy audit plan has been implemented for large work centers in Madrid (10 centers involved, representing 96.26% of total consumption (Kwh) in Spain), with full analysis of potential savings both in consumption and costs for the current facilities. Based on said audits, which identified 162 lighting, climate control and general readings totaling a potential energy cost saving of 13.72%, it was decided to hire Dalkia to deploy a 5-year energy efficiency plan.

- ◆ Expenses and investments aimed at minimizing the impact of its operations: Waterproofing buildings, replacing the CPD HVAC at Arroyo de la Vega, replacing climatization and waste management devices.

- ◆ Indra continued overseeing the compliance of the obligations arising from RITE laws (for heat regulations in buildings).

- ◆ Electric car charging ports were installed at the offices in Torrejón, San Fernando and Arroyo de la Vega, as well as for visitors.

- ◆ During 2014 the ISOCLOUD function was analyzed, an administration tool for the Environmental Management System, in accordance with the requirements of the ISO 14001 standard. It was decided to implement it in the company due to the following advantages it offers:

- ◆ Shorter identification and assessment times for environmental aspects.

CONTRIBUTION TO THE COMMUNITY

- ◆ Easier monitoring of the company's environmental indicators, objectives and goals.
- ◆ Greater traceability of the environmental system, thanks to inclusion of a system that supports and ensures indicator monitoring and assessment, as well as the administration of maintenance plans.
- ◆ Specific control for internal and external audit plans for the Environmental Management System.
- ◆ Accessibility from any geographical location to allow system monitoring.
- ◆ Greater involvement and participation of company staff, as the environmental system is standardized in all regional locations and interconnected.
- ◆ Greater emphasis on the benefits of the Environmental Management System, such as: reducing consumption, energy efficiency and waste management.

This solution groups together 14 different modules, fulfilling the requirements under current regulations applicable to the Environmental Management System.



CONTRIBUTION TO THE COMMUNITY

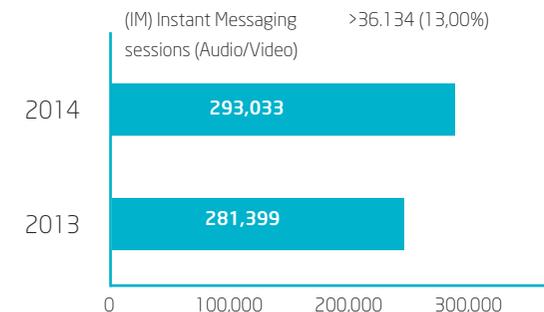
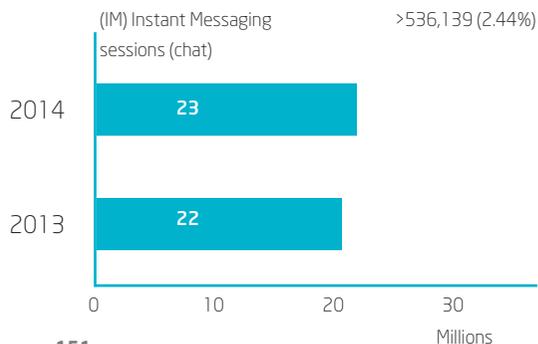
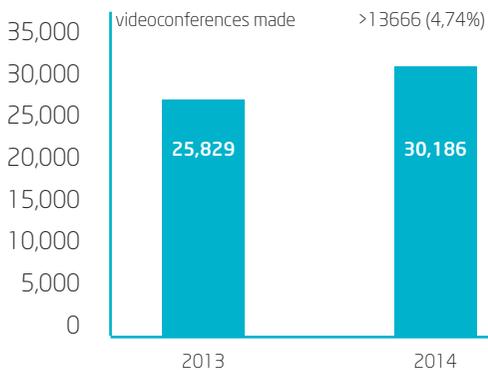
2010	2011	2012	2013	2014
<ul style="list-style-type: none"> • Extension of environmental legislation update. • Internal auditing for centers. • Certification audits • Withdrawal of devices put on the market after their useful lives. • Replacement of air conditioning equipment that used R-22 gas • Maintenance of air conditioning systems. • Emergency generator maintenance. • Autocontrol of environmental emissions. • Replacement of diesel fuel boilers. • Management of Hazardous Waste treatment. • Spill analysis. . • Waste collection • Removal of equipment. . • Consulting on the implementation of the Integral HSEQ management system at the four centers in Colombia. • Installation of two automatic revolving doors, intended to maintain a constant temperature and decrease electricity consumption at the headquarters in Arroyo de la Vega (Alcobendas, Madrid). 	<ul style="list-style-type: none"> • Extension of environmental legislation update. • Extending the use of LED lights • Electric car charging ports • Water source economizers • Internal auditing for centers. • Certification audits. • Withdrawal of devices put on the market after their useful lives. • Replacement of air conditioning equipment that used R-22 gas • Renewal of climate control equipment. • Installation of thermo-solar powered sanitation water • Replacement of diesel fuel boilers. • Waste collection. • Management of Hazardous Waste treatment. • Improvements to hazardous waste storage systems • Worker awareness 	<ul style="list-style-type: none"> • Extension of environmental legislation update. • Internal auditing for centers. • Certification audits. • Waste collection. • Management of Hazardous Waste treatment. . • Withdrawal of devices put on the market after their useful lives. • Improvements to water installations. • Installation of new LED lights • Replacement of air conditioning equipment that used R-22 gas • Renewal of climate control equipment. • Worker awareness 	<ul style="list-style-type: none"> • Extension of environmental legislation update. • Certification audits. • Containers for the proper separation of waste. • Waste collection. • Management of hazardous and non-hazardous waste treatment. • Withdrawal of devices put on the market after their useful lives. • Improvements to water installations (well meters). • Collection and removal of extinguishers. • Installation of LED lights and motion detectors. • Replacement of air conditioning equipment that used R-22 gas. • Renewal of climate control equipment. • Installation of thermostats to better regulate/control the temperature. • Supply and Installation of bicycles parking facilities. • Spills analysis • Waterproofing buildings. 	<ul style="list-style-type: none"> • Extension of environmental legislation update. • Certification audits. • Containers for the proper separation of waste. • Waste collection. • Management of hazardous and non-hazardous waste treatment. • Withdrawal of devices put on the market after their useful lives. • Improvements to water installations (diffusers and automatic irrigation programmers). • Renewal of climate control equipment. • Replacement of air conditioning equipment that used R-22 gas. • Installation of new LED lights and adjustable lighting • Spill characterization and analysis • Taxes on greenhouse gases • Installation of recharging stations for electric vehicles
398,216	755,059	184,731	473,262	277,263

CONTRIBUTION TO THE COMMUNITY

• **Smart mobility:**

Indra promotes the effective use of telecommunications to avoid travel. During 2014, the use of videoconferences increased by 4.7%, as did the equipment used for them, by 27%.

Most relevant data (Corporate network)
Instant messaging and collaboration



• **Green IT (computer equipment efficiency):**

Internal Systems has installed the Microsoft inventory tool in another 3,000 computers around the world (currently 20,000) which, among other functions, can manage the energy configuration of the computers and screens in a centralized manner and can calculate the energy consumed and, therefore, the emissions derived from their use. Managing the power consumption of each user's computer is an easy and efficient way of bringing down energy costs.

• **Worker awareness and sensitization**

Indra carried out several awareness campaigns via its corporate Intranet in 2014: World Water Day "Every drop counts"; World Recycling Day; World Environment Day "Raise your voice, not the sea level"; No Car Day and "Earth Hour 2014", an initiative promoted by WWF, which intends to reach a global change commitment to benefit the environment.

Also, during 2014 and coinciding with World Energy Efficiency Day, a video was rolled out to promote responsible use of energy and reduction of greenhouse gas emissions.

CONTRIBUTION TO THE COMMUNITY

	Electricity	Diesel C	Gas Natural	Drinking water	Well water	Hazardous waste	Non-hazardous waste	Direct CO2 emissions	Indirect CO2 emissions
Country	Kwh	l	m3	m3	m3	Kg	Kg	T CO2e	T CO2e
Germany	875,873	Not applicable	Not applicable	106	Not applicable	Not applicable	Not available	Not applicable	417.4
Saudi Arabia	13,480	Not applicable	Not applicable	22	Not applicable	Not applicable	Not available	Not applicable	10.2
Algeria	0	Not applicable	Not applicable	0	Not applicable	Not applicable	Not available	Not applicable	0.0
Argentina	1,547,651	Not applicable	Not applicable	3,350	Not applicable	Not applicable	Not available	Not applicable	603.9
Australia	319,191	Not applicable	Not applicable	0	Not applicable	Not applicable	Not available	Not applicable	262.6
Bahrein	111,695	Not applicable	Not applicable	180	Not applicable	Not applicable	Not available	Not applicable	67.2
Belgium	5,777	Not applicable	Not applicable	9	Not applicable	Not applicable	Not available	Not applicable	1.1
Bolivia	11,742	Not applicable	Not applicable	680	Not applicable	Not applicable	Not available	Not applicable	5.1
Brazil	8,278,987	10,750	Not applicable	15,969	Not applicable	Not applicable	Not available	28,926	562.1
Chile	397,068	Not applicable	Not applicable	2,860	Not applicable	Not applicable	Not available	Not applicable	175.3
China	20,570	4,386	Not applicable	0	Not applicable	Not applicable	Not available	11,802	15.7
Colombia	912,428	Not applicable	Not applicable	6,748	Not applicable	Not applicable	Not available	Not applicable	98.6
Costa Rica	17,634	Not applicable	Not applicable	25	Not applicable	Not applicable	Not available	Not applicable	1.1
Ecuador	7,866	Not applicable	Not applicable	0	Not applicable	Not applicable	Not available	Not applicable	2.7
Arab Emirates	33,850	Not applicable	Not applicable	69	Not applicable	Not applicable	Not available	Not applicable	20.3
Slovakia	67,402	Not applicable	Not applicable	110	Not applicable	Not applicable	Not available	Not applicable	13.5
Spain	61,556,427	133,507	358,669	79,970	6,502	35,582	621,590	1,036,956	17,913.6
Philippines	799,799	Not applicable	Not applicable	66	1,899	Not applicable	Not available	Not applicable	393.1
France	1,926	Not applicable	Not applicable	3	Not applicable	Not applicable	Not available	Not applicable	0.1

CONTRIBUTION TO THE COMMUNITY

	Electricidad	Gasóleo C	Gas Natural	Agua potable	Agua de pozo	Residuos peligrosos	Residuos no peligrosos	Emisiones directas de CO2	Emisiones indirectas de CO2
País	Kwh	l	m3	m3	m3	Kg	Kg	T CO2e	T CO2e
Guatemala	1,926	Not applicable	Not applicable	3	Not applicable	Not applicable	Not available	Not applicable	0.6
India	386,434	Not applicable	Not applicable	295	Not applicable	Not applicable	Not available	Not applicable	330.7
Indonesia	8,613	Not applicable	Not applicable	0	Not applicable	Not applicable	Not available	Not applicable	6.5
Italy	387,608	Not applicable	Not applicable	0	Not applicable	Not applicable	Not available	Not applicable	155.7
Kazakhstan	8,370	Not applicable	Not applicable	90	Not applicable	Not applicable	Not available	Not applicable	3.6
Kenya	184,875	Not applicable	Not applicable	0	Not applicable	Not applicable	Not available	Not applicable	54.4
Latvia	5,777	Not applicable	Not applicable	9	Not applicable	Not applicable	Not available	Not applicable	0.8
Malaysia	60,207	Not applicable	Not applicable	0	Not applicable	Not applicable	Not available	Not applicable	41.4
Morocco	175,246	Not applicable	Not applicable	283	Not applicable	Not applicable	Not available	Not applicable	127.8
Mexico	1,671,221	Not applicable	Not applicable	6,154	Not applicable	Not applicable	Not available	Not applicable	752.1
Moldavia	75,106	Not applicable	Not applicable	121	Not applicable	Not applicable	Not available	Not applicable	36.5
Norway	3,215,496	Not applicable	Not applicable	7,255	Not applicable	Not applicable	Not available	Not applicable	42.5
Oman	34,664	Not applicable	Not applicable	56	Not applicable	Not applicable	Not available	Not applicable	25.7
Panama	192,384	Not applicable	Not applicable	584	Not applicable	Not applicable	Not available	Not applicable	68.7
Peru	386,426	Not applicable	Not applicable	1,690	Not applicable	Not applicable	Not available	Not applicable	114.9
Poland	8,518	Not applicable	Not applicable	0	Not applicable	Not applicable	Not available	Not applicable	6.6
Portugal	398,901	138,039	Not applicable	942	Not applicable	Not applicable	Not available	371,435	121.1
United Kingdom	69,084	Not applicable	15,355	170	Not applicable	Not applicable	Not available	29,014	30.4
Czech Republic	21,586	Not applicable	Not applicable	85	Not applicable	Not applicable	Not available	Not applicable	12.8

CONTRIBUTION TO THE COMMUNITY

	Electricidad	Gasóleo C	Gas Natural	Agua potable	Agua de pozo	Residuos peligrosos	Residuos no peligrosos	Emisiones directas de CO2	Emisiones indirectas de CO2
País	Kwh	l	m3	m3	m3	Kg	Kg	T CO2e	T CO2e
Dom. Republic	84,932	Not applicable	Not applicable	159	Not applicable	Not applicable	Not available	Not applicable	63.1
Romania	10,016	Not applicable	Not applicable	0	Not applicable	Not applicable	Not available	Not applicable	5.0
South Africa	3,852	Not applicable	Not applicable	6	Not applicable	Not applicable	Not available	Not applicable	3.3
Turkey	57,748	Not applicable	Not applicable	1,900	Not applicable	Not applicable	Not available	Not applicable	27.2
Uruguay	360,400	Not applicable	Not applicable	1,328	Not applicable	Not applicable	Not available	Not applicable	71.0
U.S.A.	217,614	Not applicable	Not applicable	351	Not applicable	Not applicable	Not available	Not applicable	118.6
Venezuela	1,498,939	Not applicable	Not applicable	11,447	Not applicable	Not applicable	Not available	Not applicable	351.3
TOTAL	84,505,310	286,683	374,024	143,096	8,401	35,582	621,590	1,478.1	23,135.9

CONTRIBUTION TO THE COMMUNITY

The compliance level with the environmental goals established for the certified centers in 2014 was:

2014 Goals	Center	Degree of fulfillment	Result
SGA certification	Bembibre	100%	Achieved
	Fuente Álamo	100%	Achieved
	Málaga	100%	Achieved
	Seville Caymasa	100%	Achieved
	Salamanca	100%	Achieved
	Puerto de Santa María	100%	Achieved
3% Reduction in Natural Gas Consumption	Arroyo de la Vega	12.22%	Achieved
3% Reduction in Electricity Consumption	Torrejón de Ardoz	21.6%	Not met
	San Fernando de Henares	7.76%	Not met
	Triángulo	9.25%	Achieved
	Lisbon	12%	Achieved
	Oporto	19%	Not met
3% Reduction in toner waste	Barakaldo	86.86%	Not met
	Erandio	42.31%	Achieved

2014 Goals	Center	Degree of fulfillment	Result
3% Reduction in Paper/Cardboard Waste	Bembibre	40.25%	Not met
	Aranjuez	59.37%	Achieved
	Málaga	61.11%	Achieved
	Julián Camarillo	18.86%	Not met
	Barcelona RB and IF	11.7%	Achieved
	Seville Caymasa	2015 Target	
	Puerto de Sta María	2015 Target	
	3% Reduction in Paper/Cardboard Consumption	La Coruña	5.96%
Seville		64.08%	Achieved
3% Reduction in water consumption	Ciudad Real	12.13%	Achieved
	Fuente Álamo	2015 Target	
3% Reduction in diesel C consumption	Torrejón de Ardoz	13.61%	Achieved
3% Reduction in Cardboard Packaging Consumption	San Fernando de Henares	63.64%	Achieved

CONTRIBUTION TO THE COMMUNITY

2014 Goals	Center	Degree of fulfillment	Results
3% Reduction in Dangerous Waste: RAAES	Alcalá 506	83.52%	Achieved
	Salamanca	100%	Achieved
3% Reduction in Dangerous Waste: Fluorescent Lights	Anabel Segura	67.86%	Achieved
3% Reduction in Non-Dangerous Waste: Metal scrap	Arroyo de la Vega	100%	Not met
Separation of organic waste-packaging	Seville Caymasa	2015 Target	
Reduction in Energy Consumption <195kwh/person	Calle 96 COLOMBIA	100%	Achieved
Reduction in Energy Consumption <85kwh/person	Calle 57 COLOMBIA	92%	Achieved

2014 Goals	Center	Degree of fulfillment	Results
Reduction in Energy Consumption <105kwh/person	Barranquilla COLOMBIA	100%	Achieved
Reduction in Energy Consumption <115kwh/person	Pereira COLOMBIA	100%	Achieved
Reduction in Energy Consumption <90kwh/person	Calle 93 COLOMBIA	100%	Achieved
Reduction in Energy Consumption <55kwh/person	Medellín COLOMBIA	100%	Achieved
Reduction in Energy Consumption <100kwh/person	Zona Franca COLOMBIA	33%	Not met
Reduction in water consumption 1.70m3/person	Calle 96 COLOMBIA	100%	Achieved

CONTRIBUTION TO THE COMMUNITY

2014 Goals	Center	Degree of fulfillment	Result
Reduction in Energy Consumption < 100kwh/person	Calle 57 COLOMBIA	33%	Not met
Reduction in water consumption 1.70m3/person	Calle 96 COLOMBIA	100%	Achieved
Reduction in water consumption 1.70m3/person	Calle 57 COLOMBIA	50%	Not met
Reduction in water consumption 1.01 m3/person	Barranquilla COLOMBIA	100%	Achieved
Reduction in water consumption 1.90m3/person	Pereira COLOMBIA	100%	Achieved
Reduction in water consumption 2.00m3/person	Calle 93 COLOMBIA	100%	Achieved
Reduction in water consumption 2.00m3/person	Medellín COLOMBIA	100%	Achieved

2014 Goals	Center	Degree of fulfillment	Result
Reduction in water consumption 2.00m3/person	Zona Franca COLOMBIA	100%	Achieved
Waste reduction 0.66Kg/person	Calle 96 COLOMBIA	75%	Not met
Waste reduction 3.63Kg/person	Calle 57 COLOMBIA	100%	Achieved
Waste reduction 2.29Kg/person	Barranquilla COLOMBIA	92%	Achieved
Waste reduction 0.39Kg/person	Pereira COLOMBIA	50%	Not met
Waste reduction 2.65Kg/person	Calle 93 COLOMBIA	100%	Achieved
Waste reduction 1.40Kg/person	Zona Franca COLOMBIA	50%	Not met

All of the goals not met are reconsidered for next year.

CONTRIBUTION TO THE COMMUNITY

• CO2 emissions

Indra has set an overall goal to reduce its longer-term CO2 emissions by 26% per person between 2014 and 2020.

In 2014 Indra exceeded its global CO2 emissions reduction target (-5% per professional) by managing to achieve an overall 10% reduction of emissions per professional.

	2013	2014	Var. 2013/2014
Direct CO2 emissions (T CO2e)	1,816	1,478	-19%
Indirect CO2 emission by consumed electricity (T CO2e)	25,508	23,136	-9.29%
Direct CO2 emissions from transport (own vehicles) (T)	4,547	4,876	+7%
Indirect CO2 emissions from transport (third-party vehicles) (T)	19,433	14,088	-28%
Number of professionals	38,548	39,130	+2%
Scope 1	6,363	6,355	-0.13%
Scope 2	25,508	23,136	-9%
Scope 1 + Scope 2	31,871	29,490	-7%
Intensity Scope 1	0.17	0.16	-6%
Intensity Scope 2	0.67	0.59	-12%
Intensity Scope 1 + Scope 2	0.84	0.75	-11%

CONTRIBUTION TO THE COMMUNITY

• Ensuring sustainability throughout the entire supply chain:

• Optimization of logistical procedures:
Indra is working on two key areas: centralizing activities and reducing storage space, optimizing logistical procedures and incorporating new technologies. The aim is to achieve economic and environmental benefits. Logistics procedures are being improved via the following initiatives:

▶ Consolidation in HAWB, New York: shipment consolidation levels were maintained in 2014, subsequently reducing the CO2 per kilogram of material shipped.

▶ Optimization and centralization of warehouses: in 2014 Indra managed to reduce the space taken up by low rotation material by 40%.

▶ Furthermore, Indra reduced warehousing volumes by 5% via a project aimed at identifying and compacting materials at a central warehouse, adding to the 50% reduction achieved in 2013.

• Indra conducts evaluations to its subcontractors with activities that have a significant environmental impact on waste, emissions and discharges and in relation to its carbon footprint.

• Environmental evaluations of subcontractors: At the close of 2014 the following subcontractors had been evaluated:

▶ 699 subcontractors reviewed at the close of 2014, regarding the impact of their activities in relation to waste,

emissions and discharges. 355 of them have been approved and the rest are subcontractors to which do not apply the environmental requirements due to the low environmental impact of its activities

▶ In 2014, 144 subcontractors from different sectors, have been evaluated. 43 of them were approved.

• Indra continued overseeing the compliance of the obligations arising from REACH regulation (Registration, Evaluation, Authorisation & restriction of Chemicals)

Year	Weight of material (kg)	Collection distance (km)	Delivery distance (km)	CO2 emissions (kg)	Intensity of emissions by delivery weight
2013	14,505.30	1,080.491.30	4,389.493.98	53,501.26	3.69 kg CO2
2014	19,709.00	1,034.830.99	4,038.564.58	71,451.19	3.63 kg CO2
Grand Total	34,214.30	2,115.322.29	8,428.058.57	124,952.45	

CONTRIBUTION TO THE COMMUNITY

- Compliance with the average supplier payment period targets

Indra is finalizing adjustments to internal procedures and payment policies to comply with the provisions of Act 15/2010, which establishes measures aimed at preventing late payments in commerce. Thus, supplier contract terms in 2014 and 2013 included payment periods equal to and less than 60 days respectively, pursuant to the second transitional provision of said act. To support efficiency and coherence with general business practices, the Group has established a supplier payment schedule under which payments are made on fixed dates. Invoices that fall due between two

payment days are paid on the following fixed payment date, with this not considered deferment of payment.

Those payments made to providers during 2014 and 2013 that exceeded the legal limit were due to circumstances or incidents unconnected with said payment policy, chiefly agreements reached with suppliers, the delivery of goods or service provision and isolated processing procedures.

Average payment period:	Thousands of euros	
	2014	2013
	Amount	Amount
Total payments in the year	1,355,002	1,326,707
Average weighted payment period	60	67

Payments made as of December 31, 2014, and December 31, 2013, by the group's Spanish companies:	Thousands of euros			
	Amount	%	Amount	%
Within the maximum legal limit	776,268	57.29%	643,920	48.54%
Rest	578,734	42.71%	682,787	51.46%
Total payments in the year	1,355,002	100.00%	1,326,707	100.00%
Estimated average weighted payment term (days overdue)	78		84	

CONTRIBUTION TO THE COMMUNITY

• Compliance with the Social Integration for the Disabled Law (LISMI):

Indra rolled out an initiative aimed at optimizing partnerships with special employment centers, including these on the panel of Indra's regular providers, while procurement involving intermediation was reduced to ensure compliance with the LISMI, as well as driving up Indra's role supporting the labor integration of the disabled.

Action in 2014:

- ▶ Search for Special Employment Centers able to provide services to Indra
- ▶ Identification of internal service and product categories eligible for the project.
- ▶ Notification to those in charge of the Indra divisions involved.
- ▶ Analysis of vacancies and skills.

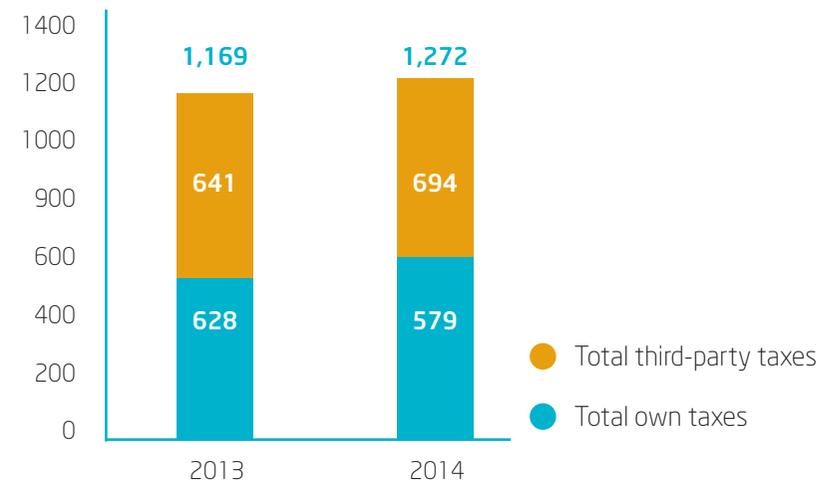
▶ Regular monitoring with the divisions in charge..

• Tax contribution to the public sector.

Indra contributes toward creating economic value for the public sector in the communities in which it operates by paying direct and indirect taxes, and through its role as tax collector for the tax office.

Insofar as a large number of Indra's employees are highly qualified (see "% of graduate workers and highly-qualified workers" in the "Scorecard" chapter) with remuneration conditions relatively superior to those of other job profiles on the job market (see "Ratio between standard starting salary and local minimum salary (%)" in the "Scorecard" chapter), the taxes paid and collected are especially significant. In other words, as a company that demands highly-qualified workers, the economic contribution to the public sector is higher.

During 2014, Indra's tax contribution stood at €1.272 billion:



Graph: Indra's tax contribution 2013-2014
Figures in million euros

Key project

Integra Foundation tool: Harnessing technology to drive the integration of underprivileged groups

Indra is committed to supporting the integration of persons with disabilities within the company's workforce and to developing technology for the social integration of diverse groups.

As part of its technological development projects, Indra works on Accessible Technology solutions to support individuals with disabilities, as well as on the development of technological tools to support training for foundations that support the integration of said groups.

Indra has run a specific project for Integra Foundation since 2007, supporting efficient management of all labor insertion procedures for those at risk of social exclusion and/or the disabled.

The application developed as a result of this project provides comprehensive control over the foundation's activities and all stakeholders of the same: this runs the gamut from registering candidates and their abilities, to overseeing companies and vacancies, managing and scheduling interviews, right the way through to hiring at partner companies. It also ensures simple access to reports and indicators that allow activities to be monitored, as well as establishing and adjusting recruiting strategies for optimal social integration.

The resulting application manages **15 employers, 120 social institutions and more than 100 companies**, holding data on the more than **1,500 individuals** who were able to find work in 2014 with the foundation's help. In all, the platform has seen a total of **15,982 candidates** benefit from support, with 531 companies and 695 partner NGOs registered and **6,743 people hired** following 62,174 interviews held by both the foundation and partner companies.

Indra donated this web tool to Integra Foundation, allowing it to efficiently manage its operations while complying with the most demanding data protection standards.

Indra also intends to donate this tool to any other foundation or business that supports the labor integration of underprivileged groups or those at risk of social exclusion.

CONTRIBUTION TO THE COMMUNITY

FORECASTS

In order to contribute to the economic, social and environmental development of the communities in which the company operates, Indra has planned the following initiative for 2015:

- Promoting pro bono and volunteering initiatives

Indra intends to extend its social action initiative overseas to countries where it has a considerable presence, adapting policies to the local environment: Mexico, Brazil, Colombia, Argentina, Peru, Chile and Philippines.

- Helping to close the digital divide:

In Latin America and Asia, Indra is working to identify research centers with which to organize new research chairs, specifically in countries such as Brazil, Colombia and the Philippines.

- Minimizing environmental impact
The initiatives in 2015 aimed at curtailing the energy and natural resources used by the company, as well as the quantity of waste it generates, will focus on:

- ▶ Demolition of a building in Torrejón in an advanced state of obsolescence, featuring diesel oil heating systems, highly inefficient autonomous climate control systems and very poorly insulated exterior walls and carpentry.
- ▶ Planning a new building in Torrejón and partially modifying power supplies to improve energy efficiency, particularly when managing cold/heat.
- ▶ Rollout of Dalkia contract to operate Indra's energy facilities: heating, climate control, lighting, industrial fluids - AC, AE, AC, Steam. The measures that DALKIA proposes for the coming years are expected to reduce Indra's CO2 emissions by 2,300 tons annually.

- ▶ Receive the ISO14001 certificate for the following work centers: BPO building in Barcelona and Ferrol center in Spain, as well as the Antara building in Mexico, Panamerica in Brazil and Rome in Italy. All of them will be included in the global certificate.

- ▶ Also include the Portugal (Lisbon and Porto) and Colombia work centers in Indra's ISO14001 global certificate, which as well as its 6 certified buildings will include two new centers in 2015.

- ▶ Implement ISOCLOUD as a global environmental management tool.

- ▶ The energy efficiency contract with Dalkia in 2015 will provide detailed information about consumption with KPIs which will show, in more detail, the reduced environmental impact.

- ▶ Receive LEED and 50001 certificate at the Arroyo de la Vega building.



08

ABOUT THIS REPORT

- 8.1 THE PRINCIPLES THAT GOVERN THIS REPORT
- 8.2 INTEGRATED REPORT
- 8.3 MANAGEMENT REPORT GUIDELINES FOR LISTED COMPANIES

ABOUT THIS REPORT

This report has been prepared pursuant to the G4 guidelines on Global Reporting. This initiative is coherent with the comprehensive reporting option, the AA1000 APS (2008) Accountability standard and the principles of the Global Compact to which Indra is committed.

In 2012 Indra prepared an integrated report, following its inclusion in 2011 in the Pilot Program run by the International Integrated Reporting Committee (IIRC), seeking to drive greater integration of its economic, social and environmental reporting. This year the report also takes into account the guidelines of the new IIRC work framework, published in December 2013.

For the second year Indra used the guide for preparing Management Reports provided by the National Stock Market Commission of Spain (CNMV), with a view to anticipating foreseeable legislative changes (especially the European Directive Project for modifying accounting directives 78/660/EEC and 83/349/EEC) and the reporting integration trends demanded by stakeholders.

Specifically, the reasons for adapting the report include:

✦ The CNMV guide for preparing management reports and the IIRC working framework are highly similar in terms of both focus and content.

✦ Our stakeholders, and analysts in particular, pay increasing heed to non-financial aspects of company reports. Four key reporting areas are frequently demanded, as listed by the CNMV and by the IIRC:

▶ Strategy and method for generating short, mid and long term value

▶ Risk identification and management

▶ Economic, social, environmental and governance performance indicators

▶ Forecasts

✦ The CNMV guide is currently voluntary but is expected to become mandatory.

✦ By advancing toward the integration of financial and non-financial information, the company is able to:

✦ Avoid duplication

✦ Provide stakeholders with information in a single, well-structured document, making the same easy to read and understand.

THE PRINCIPLES GOVERNING THIS REPORT

The purpose of this report is to show the company's progress throughout 2014 as well as its ability to create value in the short, medium and long term.

To this end the report includes descriptions of the policies, strategies and initiatives pursued in 2014, as well as the company's action plans and key quantitative indicators.

This report was prepared pursuant to the following standards:

- G4 Sustainability Reporting Guidelines from the Global Reporting Initiative (GRI), adopting the core option.
- Accountability standard AA1000 APS (2008 version).
- The Comprehensive Reporting Guide from the International Integrated Reporting Council (IIRC), 2014.

- United Nations Global Compact Progress Report, to which Indra has been a signatory since 2004.

- The report was drafted in accordance with the recommendations of the "2013 management report guidelines for listed companies" established by the Spanish National Securities Market Commission (CNMV).

The economic, social and environmental information contained in this report has been independently verified by a third party. The scope, the description of the work and the conclusions of this verification can be found in the chapter titled "Verification Report".

In accordance with its commitment to continued improvement, Indra has worked tirelessly since its first corporate responsibility and sustainability report (in 2003) to extend the reporting scope to all group companies.

The scope of the reported information includes all Indra companies unless otherwise

indicated. The complete list of the companies that comprise Indra as of December 31, 2014, appears in appendix 1 of the "Consolidated Annual Accounts" chapter.

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Each and every year those Indra employees who are responsible for relations with each stakeholder group are involved in preparing this report, which requires information sharing and constant efforts to enhance dialogue systems with the company's different stakeholder groups.

The procedure for preparing the report facilitates compliance with the principles for defining its contents (materiality, stakeholder participation, an explanation of the sustainability context and exhaustiveness), as well as the principles regarding the report's quality (balance, comparison, accuracy, timeliness, clarity and reliability) required by the G4 Guide and the three founding principles of the AA1000 APS standard (2008) (response capacity, an exclusive principle of the AA1000 standard; and inclusiveness and relevance, which are principles shared with the GRI but with an interpretation as per the AA1000 standard).

The information provided in this document comes from several management and information systems installed in all of the company's areas. These areas report their information to the Brand, Corporate Responsibility and Internal Communication Department, which is responsible for coordinating the presentation of accounts regarding the company's economic, social and environmental performance, as well as for preparing the Corporate Responsibility Master Plan. The information related to market characteristics or performance represents Indra's opinions and is prepared by company experts.

There are various internal mechanisms for controlling the information handled by management and information systems. Indra is working on improving its data generation, aggregation and consolidation systems in order to improve the quality of the information presented in its Annual Report.

THE PRINCIPLES GOVERNING THIS REPORT

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The steps taken to prepare this report, from October 2014 to June 2014, were as follows:

1. The materiality assessment was updated between October and December 2014 to identify all relevant issues for the report. Said analysis included a media study, investor analysis, benchmarking against competitors, the analysis of opinion leaders and internal meetings with Indra managers.

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2. Interviews were held between December 2014 and January 2015 with those responsible for relations with stakeholders, seeking to compile information on sustainability issues for the company in order to prepare annual reporting.

3. A formal request for information regarding GRI indicators (version G4) was made to the people responsible internally for relationships

with each stakeholder. Likewise, information was also compiled on responsible-value policies, programs, initiatives and actions that may have been carried out during the year.

4. Delivery of the report, upon completion, to each member of Indra staff responsible for stakeholder relations, as well as to those in charge of company operations, to confirm that all information concerning their areas of operations is reflected accurately.

5. The report draft was also sent to CCOO, UGT, USO, CGT and ATC labor union representatives, inviting their suggestions.

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6. Submission to the Board of Directors, and approval received from the same, in March 2015.

7. Verification by an independent third party.

8. Publication on the website in May 2015.

9. Presentation and approval at the General Shareholders Meeting in June 2015.

THE PRINCIPLES GOVERNING THIS REPORT

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Principles related to defining the contents of this report		AA1000 APS2008	GRI	CNMV	IR	How we ensure this principle
Participation of the stakeholders/ Inclusivity	Identifying stakeholders and an appropriate response to their reasonable expectations and interests, as well as stakeholder participation in developing and achieving a transparent and strategic response to sustainability issues.	X	X	X	X	<p>Indra regularly consults with the following stakeholders: shareholders, employees, customers and suppliers. The company also communicates with knowledge institutions and society. Indra's main consultation systems for each of its stakeholders are described in the corresponding chapters. The responsible areas also have their own identification and prioritization tools for their stakeholders.</p> <p>Indra's Brand, Corporate Responsibility and Internal Communication Department has held meetings with those responsible for relations with shareholders, employees, customers, suppliers, parties, the environment, knowledge institutions and society as a whole in order to identify the aspects to be included in the report and to monitor the objectives established in previous years. The report has also been drafted with the participation of those responsible for stakeholder relations, while a number of operations supervisors have also been consulted in order to detect the sustainable value in Indra's commercial offering.</p> <p>Indra's objective is to make ensure that such identification and prioritization processes become formal.</p>

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THE PRINCIPLES GOVERNING THIS REPORT

Principles related to defining the contents of this report	AA1000 APS2008	GRI	CNMV	IR	How we ensure this principle
<p>Materiality/ Relevance</p> <p>What is significant, important, relevant and has an impact on the responsibility and sustainability of our operations. According to the AA1000 APS standard (2008), materiality should be linked to the business so that material subjects can be strategic for the company.</p>	X	X	X	X	<p>Since 2007 a materiality study has been performed prior to preparing the report in order to evaluate a number of matters and include those deemed most relevant. To this end, qualitative analysis is conducted on how leading DJSI companies approach material aspects. Negative news items are also investigated to identify those aspects that the media considers most relevant. Finally, the aspects that socially responsible investors (associated with the Dow Jones Sustainability Index) deem most relevant are taken into account, along with the opinions of various commentators, both in the sectors in which Indra operates and society in general.</p> <p>The objective of the Corporate Responsibility Master Plan is to establish key issues and what action needs to be taken. This plan is updated every year using external and internal sources. The previous year's plan is used as the basis, and the matters that were considered relevant in the materiality study and recommendations arising from the verification process of the previous year are then included. The results of satisfaction surveys conducted among employees, customers and suppliers, as described in their respective chapters, are also taken into account. As a new feature, since 2008 the surveys given to clients and suppliers have included specific questions aimed at identifying the degree of importance said stakeholders attach to various aspects of corporate responsibility. Standards such as the GRI and the opinions of socially responsible investors are also taken into account. There are also less formal means of obtaining information (based on observatories, focus groups, and so on).</p> <p>The report preparation procedure allows the organization to align material aspects identified via the Corporate Responsibility Master Plan with the annual report.</p> <p>In 2014, work was focused on improving the internal process of identifying material aspects via a focus group session with some of the supervisors of Indra's management areas. Indra plans to continue improving the process, driving standardization for future reviews and gradually extending coverage.</p>

THE PRINCIPLES GOVERNING THIS REPORT

Principles related to defining the contents of this report		AA1000 APS2008	GRI	CNMV	IR	How we ensure this principle
Response capacity	<p>The various mechanisms through which the organization meets stakeholder expectations.</p> <p>According to the AA1000 APS 2008 standard, this principle, which continues to have value in terms of communication and action, implies a special emphasis on understanding the response.</p>	X	X	X	X	<p>Through consultation processes and regular surveys conducted among shareholders, employees, clients and suppliers, Indra incorporates stakeholder expectations and values within its sustainability management. Indra publicly reports stakeholder expectations and values in the various chapters of the Annual Report. The process for preparing the report is described in this chapter.</p> <p>The purpose of Indra's Corporate Responsibility Master Plan (the process of preparing the same is explained in the stakeholder participation/inclusiveness section) is to summarize the primary actions aimed at addressing the identified stakeholder requirements.</p> <p>As a result of communications with its stakeholders, Indra understands that it must improve its Corporate Responsibility and Sustainability communication. It will also continue to work on improving the documentation used to implement responses and monitor the feasibility of each of the identified action plans.</p> <p>Indra tries to continuously identify content of interest for its stakeholders and gradually improve the content of its Report. For instance, the Scorecard chapter of this Report includes, for the first time, a summary table of Indra's tax contribution by country, in response to demand from various stakeholders and in anticipation of possible legal requirements.</p>

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THE PRINCIPLES GOVERNING THIS REPORT

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Principles related to defining the contents of this report		AA1000 APS2008	GRI	CNMV	IR	How we ensure this principle
Exhaustiveness	The scope, coverage and time defined for the report. Reasonable and appropriate presentation of data as well as quality aspects.	X	X	X	X	The process for preparing the report and internal and independent verification ensures that the same is exhaustive.
Supplementing financial statements	Created to help investors make sound and informed choices when investing capital.	X	X	X	X	Indra addresses the primary information requests received from stakeholders: past events, explaining decisions, prospective information, risks and uncertainties. It also included in the 2014 integrated report certain information from financial statements. The integrated report provides greater value by compiling information of a financial, social economic and environmental nature that is of service to different stakeholders.

Principles related to the quality of this report		How we ensure this principle
Balance	The report must reflect both positive and negative aspects and allow a fair assessment of the company's performance.	The 2014 report covers positive aspects, those than can be improved, the company's success achieving targets and commitments established in 2013, as well as future goals. The process used to identify relevant aspects (see materiality principle) also helps to ensure compliance
Comparability	The report must allow analysis of progress and changes	G4-22 he sustainability scorecard in this report includes a data log as of 2007 to reflect the progress made by the company. The report also documents any changes to calculation methods

THE PRINCIPLES GOVERNING THIS REPORT

Principles related to the quality of this report		How we ensure this principle
Accuracy	The report must be sufficiently accurate and detailed to allow a performance assessment of the organization.	<p>The aim is to present accounts according to the G4 comprehensive option, and to explain where appropriate when the indicators are not applicable, are not available or only refer to parts of the company.</p> <p>The verification procedure to which this report has been subject ensures the accuracy of the quantitative data and confirms the appropriate evidence and context for qualitative information.</p>
Timeliness	The report will be submitted on time and in accordance with a schedule	Indra has published its Corporate Responsibility Report since 2003. As of 2008 the Annual Report replaced the Corporate Responsibility Report for reporting economic, social and environmental performance. The Annual Report is also published annually and at the same time as the company's other annual reports.
Clarity	The information should be presented in an understandable and accessible manner	<p>Indra prepares a digital version of its report, which is available to the public via its corporate website: http://www.indracompany.com/en/accionistas/memoria-y-cuentas-anales/2014</p> <p>This report is also sent to shareholders, key clients, the media, responsible investment institutions and other interested parties upon request.</p> <p>Since 2009 the online version of the report has included a survey aimed at measuring satisfaction among users based on four variables: clarity, relevance, transparency and the quantity of information. Those areas identified as requiring improvement are subsequently factored into the planning and design for the following year's annual report.</p>
Reliability	The information included in the report is verified by a third party. The data included is supported by relevant documentation and internal controls.	In line with its commitment to transparency, Indra required that independent third parties audit the economic, social and environmental information contained in this report. The scope, the description of the work and the conclusions of this verification can be found in the chapter titled "Verification Report".
Connectivity of information.	The report should fulfill the principles of hierarchy, the separation of content into different levels and the use of cross references.	<p>Indra prepares an integrated report in pdf format that allows for cross referencing between chapters and specific content on the company website.</p> <p>The online report uses links to other content on the website to avoid duplicating information.</p>
Strategic focus and orientation to the future	An integrated report should provide for a better understanding of company strategy and its ability to create short, mid and long term value, as well as how capital is used and what impact this can be expected to have.	<p>The integrated report clearly defines the strategies and forecasts for each of the matters deemed material.</p> <p>Indra defines its capital model and the different effects this has throughout its value chain.</p>

Since 2008 Indra has published a report describing the company's performance in terms of its economic, social and environmental plans. Indra believes that this approach to reporting presents the company in a more realistic manner, providing a combined and global vision of how its operations might affect stakeholders.

In late 2011 Indra joined the International Integrated Reporting Council (IIRC) pilot program, seeking to further the integration of economic, social and environmental reporting.

The work conducted as part of this pilot program was detailed in the Annual Report of 2011. In keeping with this goal of consistently enhancing the level of integration and reporting, this year guidelines from the new IIRC working framework, published in December 2013, were taken into account.

In 2014 Indra joined the IIRC Business Network, an initiative that follows on from the pilot program. The network is made up of firms specializing in the IIRC 2013 working framework.

For more information on the "Business Network" initiative, go to: <http://www.theiirc.org/companies-and-investors/ir-business-network/>



About the International Integrated Reporting Council (IIRC)

The International Integrated Reporting Council (IIRC) is a multidisciplinary committee comprised of leaders from corporate, investment, accounting, securities, regulatory, academic, establishment of standards and civil society fields.

Its aim is to drive development of more complete and understandable reporting on organizations, both prospective and retrospective, to thus support the transition toward a more global and sustainable economy.

The main roles of the IIRC are:

- ▶ To develop a General Integrated Reporting Framework to establish the scope and key components for integrated reporting.
- ▶ To reach a consensus between governments, investment indexes, companies, investors and accounting and standards regulators regarding the best path toward integrated reporting;
- ▶ To identify the priority areas where additional work is required and to provide a plan for said development.
- ▶ To promote adoption of integrated reporting by the corresponding regulatory bodies as well as the reporting companies.

An integrated report compiles relevant information regarding the strategy, governance, results and prospects of an organization in such a way that it reflects the commercial, political, social and environmental context in which it operates. By addressing the relevant questions regarding an organization, it provides a clear and

concise representation of how the organization creates value now and how it will do so in future. Integrated reports combine information elements that are currently reported in separate publications (financial, management report, remuneration policy, sustainability, etc.) in a single coherent document, and in particular:

- ▶ Illustrate how information is connected.
- ▶ Explain how the information affects the organization's ability to create and maintain value in the short, medium and long term.

Integrated reports reflect what is known as "integrated thinking", that is, the capacity of a company to control, manage and communicate the complexity of the value creation process and contribute to the success of the organization over time. Effective communication of this process can help investors and other stakeholders to understand not just the performance of an organization today, but also how it is likely to perform in the future.

For additional information, www.theiirc.org

MANAGEMENT REPORT GUIDELINES FOR LISTED COMPANIES

MANAGEMENT REPORT GUIDELINES FOR LISTED COMPANIES

Listed Spanish companies are required to provide a management report alongside financial statements, regardless of their size, level of capitalization or nature of the traded stocks.

The CNMV set up a group of experts with the aim of enhancing the quality of management reports:

- Improving quality
- Helping to summarize content
- Ensuring greater comparability
- Driving up their value

The goal of the working group was to establish a set of management reporting recommendations for Spanish listed companies, pursuant to the requirements identified in Europe. The result is a guide to support listed companies as they prepare management reports.

This guide features recommendations that listed companies can follow when preparing

management reports for release alongside annual financial statements. By law said reports are required to provide a faithful reflection of the company's operations and status, together with a rundown of the chief risks and uncertainties that it faces.

The aim of the Management Report Working Group is to promote good practices in management reporting, with the guide being voluntary until 2015.

The reference framework covers a set of general principles and good practices that companies may wish to take into account when preparing management reports. The framework revolves around three fundamental pillars:

- Pillar I: Objectives of the management report
- Pillar II: Contents of the management report
- Pillar III: Principle and rules for preparing the management report

For additional information, please see:
http://www.cnmv.es/DocPortal/Publicaciones/Grupo/Guia_Gral.pdf

This report complies with pillars I and II of the guide, as detailed in chapter 30, while it also adheres to 53 of the 65 recommendations for reporting content.

09

ANNEXES

- 9.1 CONTROL PANEL
- 9.2 MATERIALITY ANALYSIS RESULTS
- 9.3 OTHER CORPORATE INFORMATION
- 9.4 GRI INDEX
- 9.5 VERIFICATION REPORT
- 9.6 TAX CONTRIBUTION BY COUNTRY

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
GOVERNANCE MODEL						
Composition of Board of Directors						
Scope	100%	100%	100%	100%	100%	100%
Number of Indra directors	15	14	15	14	14	13
External directors	13	12	12	12	12	11
Independent directors	7	7	7	7	7	6
Proprietary directors	6	5	5	5	5	4
Number of Indra executive directors	2	2	3	2	2	2
Number of women on Indra Board of Directors	3	3	3	3	3	3
Board Profile						
Scope	100%	100%	100%	100%	100%	100%
Proportion of women on Board of Directors	20%	21%	20%	21%	21%	23%
Nationalities represented on Board of Directors	2	2	2	3	2	2
Average length in post (years)	5.25	5.64	6.64	6.50	4.65	5.1
Age pyramid of directors by gender						
Scope	100%	100%	100%	100%	100%	100%
Number of men/women directors: > 60 years of age		3/0	4/0	4/0	3/0	3/0
Number of men/women directors: between the ages of 50 and 59		7/2	7/3	7/3	7/3	7/2
Number of men/women directors: between the ages of 40 and 49		0/1	0/0	3/0	1/0	1/0
Number of men/women directors: between the ages of 30 and 39		1/0	1/0	0/0	0/0	0/0

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Performance of Board of Directors						
Scope	100%	100%	100%	100%	100%	100%
Average attendance to Board meetings	91.5%	91.8%	91.0%	89.0%	89%	96%
Average directors' remuneration	139,383	144,872	152,414	151,957	152,899	153,964
Investor relations						
Scope	100%	100%	100%	100%	100%	100%
Institutional investors seen during the year	380	433	423	393	356	441
Number of telephone enquiries addressed by the Shareholders Office	1,410	1,715	1,388	1,439	1,151	995
One-on-one meetings	285	364	290	156	184	146
Number of analysts' reports	241	322	360	255	286	277
Institutions tracking Indra in the year	29	31	31	28	28	27
Research institutions that closed the year with a positive buy recommendation.	9	9	8	9	9	2
Visits to shareholder's magazine			2,663	2,109	2,827	1,181
Code of ethics and professional conduct						
Number of messages through Direct Channel		17	0	7	40	48
Scope		76%	100%	100%	100%	100%
% professionals trained in Ethics Code					65%	57%
Scope				56%	100%	100%
% professionals management team				61%	54%	65%
% professionals technical team				80%	68%	56%

Indicators	2009	2010	2011	2012	2013	2014
Clients						
Financial performance						
Sales (millions of €)	2,513.2	2,557.0	2,688.5	2,941.0	2,914.1	2,937.9
Scope	100%	100%	100%	100%	100%	100%
Revenues by geographical areas						
Scope	100%	100%	100%	100%	100%	100%
Sales in Spain (millions of euros)				1,257.8	1,124.9	1,146.5
Sales in Latin America (millions of euros)				745.0	830.7	804.0
Sales in Europe and North América (millions of euros)				67.1	577.3	612.5
Sales in Asia, Middle East and Africa (millions of euros)				414.1	381.1	374.9
EBIT (millions of €)	285.4	251.9	267.8	217.0	198.3	-42.0
Recurrent Operating Profit (millions of €)				248.8	226.2	204.0
Order backlog (millions of €)	2,578.9	2,899.2	3,230.9	3,470.3	3,493.3	3,473.0
Cash position (millions of €)	-134.5	-274.9	-513.6	-633.3	-622.5	-662.7
Attributable profit (millions of €)	195.6	188.5	181.0	127.6	116.7	-92.0
Operating cash flow (millions of €)	337.9	308.1	324.4	258.1	249.7	220.0
Dividend (euros/share)	0.66	0.68	0.68	0.34	0.34	Pending for approval at the General Shareholders Meeting

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Customer profile						
Number of customers per year	1,569	1,586	2,269	2,422	2,289	2,262
Scope	97%	99%	99%	100%	100%	100%
Number of public-sector customers	493	493	612	629	638	609
Scope	97%	99%	99%	100%	100%	100%
Number of private-sector customers	1,076	1,093	1,657	1,793	1,651	1,653
Scope	97%	99%	99%	100%	100%	100%
Number of new customers	379	357	631	628	459	437
Scope	97%	99%	99%	100%	100%	100%
Revenue from the top 35 customers (millions of euros)	1,026	982	991	1,122	985	1,065
Scope	100%	100%	100%	100%	100%	100%
Number of countries where Indra has references	106	114	118	128	138	148
Scope	100%	100%	100%	100%	100%	100%
Customer satisfaction						
Customer satisfaction and loyalty (1-5)	3.8	3.7	3.9	3.9	3.9	3.6
Scope	100%	100%	100%	100%	100%	100%
IT security						
Number of hacker intrusions	0	0	0	4	0	1
Scope	100%	100%	100%	100%	100%	100%
Customer information revealed accidentally	0	0	0	0	1	1
Scope	100%	100%	100%	100%	100%	100%
Number of grievances regarding client information loss and privacy data leaks				0	1	1
Scope				100%	100%	100%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Talent						
General profiles						
Workforce	26,175	28,608	35,730	38,577	38,548	39,130
Scope	100%	100%	100%	100%	100%	100%
% of graduates and highly qualified personnel	83	85	82	87.99%	68.23%	77.13%
Scope	89%	88%	89%	81%	76%	100%
Management	508	502	523	527	500	490
Scope	100%	100%	100%	98%	99%	100%
Workforce by geographical areas						
Scope	100%	100%	100%	100%	100%	100%
Breakdown of employees by geographical area (%): Spain	70	71	59	55.86%	53.70%	54.85%
Breakdown of employees by geographical area (%): rest of EU	4	4	4	4.50%	4.31%	4.47%
Breakdown of employees by geographical area (%): Latin America	20	23	34	36.81%	38.63%	36.77%
Breakdown of employees by geographical area (%): Africa, Asia and Pacific	3	2	2	2.83%	3.35%	3.91%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Diversity						
Average age of employees	36	36	36	36	36	37
Scope	100%	100%	93%	99%	99%	100%
Average age of executives	48	46	47	49	48	45
Scope	100%	100%	93%	99%	100%	100%
Number of nationalities		80	90	96	94	97
Scope		100%	100%	99%	100%	100%
Average of local employees (%)		93	95	96.58%	96.56%	96.02%
Scope		93%	100%	99%	99%	100%
Proportion of executives from local community (%)		93	95	93.00%	92.60%	87.69%
Scope		78%	100%	100%	98%	97%
% of disabled employees in workforce		0.71%	0.97%	0.45%	0.90%	0.92%
Scope		55%	100%	98%	97%	58%
Percentages of men/women employees by employment category						
Percentages of men/women employees by employment category: Total	64 36	65 35	64 36	63.86%	63.86%	64.10%
Scope	100%	100%	100%	100%	100%	100%
Percentages of men/women employees by employment category: directors		87 13	88 12	86.19%	84.91%	85.10%
Scope		100%	100%	100%	99%	100%
Percentages of men/women employees by employment category: managers		77 23	78 22	77.25%	76.76%	76.18%
Scope		100%	100%	100%	100%	100%
Percentages of men/women employees by employment category: Level 3 technical employees		69 31	69 31	63.98%	69.63%	69.59%

CONTROL PANEL

Indicadores	2009	2010	2011	2012	2013	2014
Scope		100%	100%	100%	100%	100%
Percentages of men/women employees by employment category: Level 2 technical employees		66 34	67 33	60.78%	66.25%	66.07%
Scope		100%	100%	100%	100%	100%
Percentages of men/women employees by employment category: Level 1 technical employees		62 38	64 36	61.29%	59.99%	60.13%
Scope		100%	100%	100%	100%	100%
Age Pyramid by gender men women						
Scope	100%	100%	100%	99%	100%	100%
> 60 years of age	199 52	187 47	239 62	281 60	221 46	324 99
between the ages of 55 and 60	483 161	533 192	661 248	779 263	718 256	923 391
between the ages of 50 and 55	826 353	945 416	1,195 533	1,355 636	1,282 635	1,523 814
between the ages of 45 and 50	1,325 700	1,517 785	1,898 1,029	2,136 1,111	2,058 1,083	2,243 1,221
between the ages of 40 and 45	1,891 1,041	2,214 1,157	2,820 1,466	3,216 1,772	3,120 1,728	3,774 2,266
between the ages of 35 and 40	3,254 1,933	3,737 2,263	4,495 2,741	4,744 2,940	4,645 2,906	4,863 2,814
between the ages of 30 and 35	3,955 2,353	4,288 2,361	5,060 2,815	5,409 3,182	5,418 3,046	5,601 3,053
between the ages of 25 and 30	3,838 2,208	3,882 2,226	4,893 2,702	4,949 2,745	4,983 2,736	4,256 2,263
between the ages of 20 and 25	903 613	1,108 638	1,652 1,039	1,676 1,128	2,040 1,342	1,507 1,005
< 20 years of age	58 29	78 34	97 85	89 106	131 154	69 121
% of disabled employees in workforce per category						
Scope				98%	98%	58%
% of disabled employees in workforce: director				0.02%	0.03%	0.01%
% of disabled employees in workforce: managers				0.06%	0.06%	0.10%
% of disabled employees in workforce: technical employee				0.37%	0.81%	0.81%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Remuneration						
Workforce expenditure: wages					1,046,060.586	1,039,904.714
Scope					97%	97%
Workforce expenditure: social security contributions					242,997.552	245,273.048
Scope					97%	97%
Workforce expenditure: pensions					3,246.683	5,838.384
Scope					97%	97%
% of employees in variable remuneration system	21	19	16	15,69%	14,78%	15,26%
Scope	100%	100%	100%	99%	99%	97%
Minimum wage at Indra/Minimum wage at country ratio (%)				224,80%	183,05%	187,13%
Scope			93%	99%	99%	97%
Spain					198,08%	208,86%
Europe and North América					276,75%	196,01%
Latinamérica					173,55%	186,02%
Asia, Middle East and Africa					196,25%	192,77%
Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual)						

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Scope					98%	97%
Brazil					19.2	12.8
Colombia					12.1	12.9
Mexico					10.1	9.2
Argentina					8.6	5.5
Perú					18.7	22.0
The Philippines					9.7	10.3
Chile					8.1	7.4
Italy					8.4	5.3
Venezuela					5.3	4.6
Portugal					6.5	6.6
El Salvador					18.9	11.8
Norway					3.2	No Data
Panama					6.4	7.3
Czech Republic					4.8	4.3
Uruguay					10.6	10.6
USA					3.7	3.3
India					6.6	7.5
Australia					3.8	4.1
Kenya					6.2	6.4
Bahrein					2.3	5.6
China					5.9	5.0
Moldova					2.7	2.6

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Slovakia					4.8	4.6
United Kingdom					4.2	4.2
Dominican Republic					7.4	8.2
Romania					2.7	2.8
Morocco					6.3	15.0
Turkey					3.8	4.9
Malaysia					4.7	4.6
Oman					2.8	2.7
Indonesia					4.1	5.3
Germany					2.6	2.7
Kazajstan					2.3	1.5
Costa Rica					4.6	3.9
Poland					3.5	2.6
Bulgary					2.3	4.2
France					1.4	Not Apply
Latvia					2.0	2.2
Hungary					6.1	1.3
Canada					1.6	1.8
Spain					11.6	11.6
Saudi Arabia					12.6	3.1
Algeria					13.6	2.9
Sudan					14.6	Not Apply
Arab Emirates					15.6	4.2
Belgium					16.6	1.4
Ecuador					17.6	3.9
Guatemala					18.6	Not Apply
Ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual)						

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Scope					98%	97%
India					0.9	0.0
Panama					1.0	0.0
Morocco					0.9	0.0
Algeria					1.0	Not Apply
Romania					0.0	0.0
Argentina					0.5	0.0
Kenya					0.4	0.4
Australia					1.1	1.8
Bahrein					0.6	Not Apply
Portugal					0.0	0.0
Uruguay					0.7	Not Apply
Italy					9.8	Not Apply
Chile					1.1	Not Apply
Colombia					5.2	0.0
Mexico					0.0	Not Apply
Costa Rica					1.9	0.0
Oman					0.0	0.0
El Salvador					0.0	0.0
Peru					0.0	0.0
USA					0.6	0.0
Dominican Republic					1.6	0.0
The Philippines					0.7	0.5
Turkey					1.5	0.0
France					1.6	0.0
Germany					0.6	0.0
Spain					0.0	0.0
Men/women wage ratio per category						

Not apply means the number of employees is not significant to make a comparison

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Scope	89%	99%	93%	99%	97%	97%
Men/women director wage ratio (%)	113%	123%	124%	119.22%	105.16%	109.01%
Men/women manager wage ratio (%)	109%	112%	109%	105.19%	104.52%	103.76%
Men/women manager wage ratio (%)				104.91%	102.96%	102.65%
Men/women level 3 technical employee wage ratio (%)	104%	107%	105%	105.16%	102.08%	102.19%
Men/women level 2 technical employee wage ratio (%)	102%	105%	103%	103.56%	102.65%	101.18%
Men/women level 1 technical employee wage ratio (%)	102%	111%	111%	108.15%	103.94%	103.66%
Commitment and motivation						
Average seniority	6.2	6.14	5.38	5.90	6.29	6.46
Scope	100%	100%	99%	99%	98%	100%
Unwanted external rotation (%)	5	7.2	8.9	9.69%	10.03%	9.26%
Scope	100%	100%	100%	99%	100%	100%
Unwanted external rotation by age range and gender (%) men women						
Scope		85%	100%	100%	100%	100%
> 60 years of age		1.6 0.0	0.9 1.8	4.26 1.41	12.82 6.25	3.74 2
between the ages of 55 and 60		1.9 1.8	0.8 1.9	1.96 2.25	4.78 4.69	1.81 1.09
between the ages of 50 and 55		0.7 1.7	1.4 0.9	3.98 2.48	7.3 4	2.9 1.69
between the ages of 45 and 50		2.1 2.0	2.2 1.8	3.84 3.53	7.72 7.47	3.62 2.62
between the ages of 40 and 45		3.4 2.7	3.6 3.0	4.8 2.67	10.61 7.14	5.21 3.56
between the ages of 35 and 40		4.9 3.8	6.3 3.5	6.72 5.21	15 10.44	7.69 5.77
between the ages of 30 and 35		9.9 6.5	11.3 7.6	12.26 7.81	25.08 18.23	13.39 9.37
between the ages of 25 and 30		15.2 11.6	16.2 14.4	16.54 15.57	33.54 28.97	20.47 16.13
between the ages of 20 and 25		18.9 17.6	19.0 17.0	21.83 17.24	34.11 27.46	18.8 15.78
< 20 years of age		2.7 0.0	8.2 9.8	30.02 12.63	28.84 11.68	9.54 9.27
Unwanted external rotation by geographical area (%)						

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Scope		85%	100%	100%	100%	100%
Spain		4.5	5.4	4.15%	3.87%	5.02%
Latin America		17.2	16.6	18.61%	18.69%	13.46%
Europe and North America		17.3	16.4	18.0%	14.9%	0.8%
Asia,, Middle East and Asia		17.9	13.9	11.89%	11.37%	9.62%
Total rotation %			24.6	28.8	33.39	35.23
% of employees with permanent contract		83.7	85.5	85.02%	86.87%	86.32%
Scope		100%	100%	100%	100%	100%
Spain				83.74%	86.87%	87.41%
Latin America				86.69%	90.18%	85.74%
Europe and North America				92.11%	90.62%	85.15%
Asia,, Middle East and Asia				77.16%	96.52%	77.78%
Evaluation and Promotion						
% of employees promoted	13	19.8	15.9	23.90%	20.20%	19.04%
Scope	100%	83%	86%	87%	98%	70%
% of women promoted (over total number promoted in company)		6.6	9.2	29.25%	30.40%	31.32%
Scope		80%	86%	87%	98%	70%
Number of employees in performance-based evaluation system	19,566	18,668	21,386	26,219	27,070	28,440
Scope	100%	83%	80%	87%	98%	100%
% women and % men in skill-based evaluation system			44.4	31.23%	31.33%	32.56%
Alcance			80%	87%	70%	100%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Training and knowledge						
Total training hours received (including online)	535,186	501,797	657,540	870,982	856,181	945,746
Scope	66%	89%	94%	81%	98%	97%
Training hours received online	137,045	90,750	122,727	271,395	262,718	267,409
Scope	66%	89%	94%	81%	98%	97%
Training hours received per employee	20.4	17.5	18.4	22.6	22.2	24.2
Scope	66%	89%	94%	81%	98%	97%
Training actions	2,224	4,666	5,521	4,964	18,284	26,078
Scope	66%	89%	94%	81%	98%	97%
Number of persons attending training	25,215	38,279	89,738	75,087	87,376	81,085
Scope	66%	89%	94%	81%	98%	97%
% of training expense over total pay	2.5	1.6	0	2.59%	1.86%	2.42%
Scope	66%	89%	94%	81%	97%	98%
Evaluation of training: student satisfaction (1-4)	4	3.8	4	3.30	3.74	3.59
Scope	66%	89%	94%	81%	100%	98%
Professionals in talent development programs (%)		5	2	2.98%	1.98%	2.31%
Scope		59%	94%	73%	98%	98%
Recruitment appeal						
Number of spontaneous employment applications received	22,660	57,201	137,025	69,640	97,471	66,619
Scope	64%	94%	85%	99%	79%	100%
Average number of applications received per vacancy	112	61	45	80	96	69
Scope	64%	94%	85%	99%	96%	100%
Net job creation		2,433	7,122	2,847	-29	582
Scope	100%	100%	100%	100%	100%	100%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Conciliation						
Number of employees in Teleworking programme	110	132	225	226	226	319
Scope	100%	89%	91%	100%	79%	98%
Professionals with "My desktop" services		6,011	6,102	6,521	7,019	6,878
Scope		89%	91%	100%	100%	100%
% of employees satisfied with teleworking	96	99	100	99.6%	99.6%	100.0%
Scope	100%	89%	91%	100%	97%	100%
Number of employees taking maternity leave	465	594	1,018	579	996	823
Scope	69%	89%	85%	50%	97%	100%
Number of persons with reduction in working hours		532	1,132	1,552	1,457	1,852
Scope		89%	85%	50%	97%	100%
Retention rate following paternal/maternal leave		96.78%	98.50%	92.49%	86.79%	67.22%
Scope		89%	85%	50%	97%	100%
Social benefits						
Scope	58%	90%	98%	95%	97%	100%
% employees accessing social security supplement in case of illness	99,4	76.73	64.42	63.47%	50.46%	67.86%
% employees accessing social security supplement in case of accident	100	71	64.45	61.38%	47.97%	64.86%
% employees provided with food vouchers	36	32	35.34	46.00%	41.86%	46.16%
Work-related accidents with and without sick leave (excluding accidents occurring on the way to or from work)						

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Number of accidents		250	246	188	164	133
Scope		95%	98%	98%	85%	79%
Spain			208	131	112	110
Rest of EU			0	0	1	1
Latin America			38	56	51	22
North America			0	0	0	0
Africa, Asia and Pacific			0	1	0	0
Frequency	7.4	6.24	5.26	3.09	3.02	2.48
Scope	73%	95%	98%	98%	85%	79%
Spain			6.13	3.81	3.2	3.1
Rest of EU			0	0	0.5	0.5
Latin America			3.67	2.49	3.5	1.5
North America			0	0	0.0	0.0
Africa, Asia and Pacific			0	0.57	0.0	0.0
Incidence	13.2	11.3	8.96	5.30	5.0	4.4
Scope	73%	95%	98%	98%	85%	79%
Spain			10.16	6.39	5.3	5.3
Rest of EU			0	0	0.8	0.9
Latin America			6.62	6.25	7.3	3.1
North America			0	0	0.0	0.0
Africa, Asia and Pacific			0	1.04	0.0	0.0
Seriousness	0.04	0.05	0.03	0.12	0.0	0.04
Scope	73%	95%	98%	98%	85%	79%
Spain			0.02	0.2	0.0	0.02
Rest of EU			0	0	0.0	0.03
Latin America			0.05	0.02	0.0	0.1
North America			0	0	0.0	0.0
Africa, Asia and Pacific			0	0	0.0	0.0

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Average duration	4.85	7.36	5.42	39.52	6.6	16.1
<i>Scope</i>	73%	95%	98%	98%	85%	79%
Spain			3.69	52.39	3.9	5.7
Rest of EU			0	0	9.5	52.0
Latin America			14.63	9.33	10.6	66.5
North America			0	0	0	0
Africa, Asia and Pacific			0	4.22	0	0
Fatal accidents	0	0	0	1	0	0
<i>Scope</i>	73%	95%	98%	98%	85%	79%
Training hours in workplace risk	23,100	36,588	47,900	67,896	21,538	36,634
<i>Scope</i>	73%	95%	98%	98%	85%	79%
Collective bargaining						
<i>Scope</i>	100%	100%	100%	100%	100%	100%
% of employees covered by collective bargaining agreements	90	93	95	79%	76%	80%
Spain				100%	100%	100%
Latin America				60%	52%	63%
Europe and North America					54%	62%
Asia, Middle East and Africa				0%	0%	0%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Solutions and value-added services						
Innovation and collaboration with knowledge centres						
Scope	100%	100%	100%	100%	100%	100%
RDI investment (€M)	175	184	189	193	195	195
% RDI investment of sales	7,0%	7,2%	7,0%	6,6%	6,7%	6,6%
Number of agreements with universities and business schools	98	105	126	154	182	192
Partner profile						
Scope	100%	100%	100%	100%	100%	100%
Number of partnerships in place	126	146	174	200	220	241
Supplier profile						
Distribution of suppliers						
Scope	95%	100%	100%	100%	100%	100%
Spain				54%	62%	51%
Rest of Europe				18%	20%	34%
Latin America				13%	15%	13%
Distribution of suppliers in Africa, Asia and Pacific				3%	2%	2%
Distribution of suppliers in North America		78%	79%	69%	77%	80%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Contribution to the environment						
Resource consumption, waste generation and emissions						
Electricity (Kwh)	94,055.774	86,579.584	85,472.592	98,324.024	95,567.851	84,505.310
Scope	100%	100%	100%	100%	100%	100%
Electricity (GJ)	338,601	311,687	307,701	353,966	344,044	304,219
Scope	100%	100%	100%	100%	100%	100%
Gas oil C (l)	269,839	484,077	258,394	280,297	338,496	286,683
Scope	49%	52%	49%	51%	79%	100%
Gas oil C (GJ)	10,686	19,169	10,232	11,100	13,404	11,353
Scope	49%	52%	49%	51%	79%	100%
Natural gas (m3)	352,018	377,425	270,352	390,152	513,278	374,024
Scope	49%	52%	49%	51%	79%	100%
Natural gas (GJ)	13,729	14,720	10,544	15,216	20,018	14,587
Scope	49%	52%	49%	51%	79%	100%
Total energy consumed (GJ)	363,015	345,576	328,477	380,282	377,467	330,159
Scope			97%	97%	87%	100%
Utilities water (m3)	308,530	249,042	180,594	206,990	225,271	143,096
Scope	100%	100%	100%	100%	100%	100%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Ground water (m3)	44,887	20,864	13,344	19,205	14,841	8,401
Scope	100%	100%	100%	100%	100%	100%
Hazardous waste (Kg)	40,979	51,669	34,847	46,407	34,168	35,582
Scope	49%	55%	50%	51%	49%	48%
Non-hazardous waste (Kg)	712,214	781,039	748,961	1,108,446	774,842	621,590
Scope	49%	55%	50%	51%	49%	48%
% of employees in environmentally certified workplaces	49.4%	52.1%	48.6%	51.5%	49.6%	61.0%
Scope	100%	100%	100%	100%	100%	100%
Direct CO2 emissions (T CO2e) (scope 1)	1,389	2,012	1,204	1,489	1,880	1,478
Scope	100%	100%	100%	100%	100%	100%
Indirect CO2 emissions through electricity consumed (T CO2e) (scope 2)	32,321	30,227	27,033	28,818	25,891	23,136
Scope	100%	100%	100%	100%	100%	100%
Direct CO2 emissions from transport (own vehicles) (t) (scope 1)	536	1,416	5,767	4,948	4,547	4,876
Scope	100%	100%	100%	100%	100%	100%
Indirect CO2 emissions from transport (third-party vehicles) (t) (scope 3)	10,808	10,476	12,892	17,058	19,433	14,088
Scope	100%	100%	100%	100%	100%	100%
Emissions of Persistent Organic Pollutants (POPs) (T)		< 0.151	< 0.151	< 0.151	< 0.151	< 0.152
Scope		100%	100%	100%	100%	100%
CO2 emissions (scope 1 + 2) per professional	1.31	1.18	0.95	0.91	0.84	0.75
Scope	100%	100%	100%	100%	100%	100%
Environmental expenditures and investments	511,078	398,216	755,059	184,731	473,262	278,392
Scope	82%	84%	50%	51%	100%	100%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Mobility and efficiency						
Scope	100%	100%	100%	100%	100%	100%
Number of conversations in the instant messaging service (M)	4.69	10.3	13.6	14.5	21.7	22.5
videoconferences made	5,619	2,200	29,325	28,900	28,829	30,195
Sanctions and fines						
Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations (€)	559,774	545,853	630,815	859,713	4,340.824	3,005.001
Scope	100%	100%	100%	100%	100%	100%
Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations (€)	0	0	300	333	0	0
Scope	82%	84%	100%	86%	100%	100%
Monetary value of significant fines and number of non-monetary sanctions for non-compliance with regulations concerning health and safety of clients				0	0	0
Scope				86%	100%	100%
Monetary value of significant fines and number of non-monetary sanctions for non-compliance with of regulations concerning consumer law violations				4,000	0	0
Scope				86%	100%	100%
Number of non-monetary sanctions		0	1	0	0	0
Scope		100%	100%	86%	100%	100%
Cases settled through dispute resolution mechanisms		3	1	4	5	2
Scope		100%	100%	86%	100%	100%
Legal actions for anti-competitive behavior or monopolistic practices		0	0	0	0	0
Scope		100%	100%	86%	100%	100%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms					0	0
Scope					100%	100%
Economic contribution to the community						
Scope	100%	100%	100%	100%	100%	100%
					1,168,986.998	1,272,482.678
Capital Grants (€)			101,216	2,819.241	2,111.076	5,333.710
Tax reliefs or credits (€)			31,992.557	26,697.872	19,221,411.34	18,133,298.76
Financial value for investment grants (€)			27,536.795	15,402.625	16,966,353.66	18,309,154.00
Financial value for financial assistance form ECAs			0	0	0	0
Financial value for financial incentives			0	0	0	0
Investment in Social Action	1,319.065	1,472.987	1,482.458	1,318.192	1,459.007	2,103.240
% Purchases to special employment centers in relation with total purchases					2,271.993	2,183.600
Sustainability in the value chain						
Scope				100%	100%	100%
Active suppliers that have accepted the Code of Ethics of Indra Providers				34%	34%	35%

CONTROL PANEL

Indicators	2009	2010	2011	2012	2013	2014
Percentage of new suppliers that were screened using environmental criteria					66.4	65%
Percentage of new suppliers that were screened using labor practices criteria					66.4	65%
Percentage of new suppliers that were screened using human rights criteria					66.4	65%
Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms					0	0
Percentage of new suppliers that were screened using criteria for impacts on society					66.4	65%
Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms					0	0

Tax Contribution 2014 (in Euros)

Regional Market	Total own taxes	Total tax third	Total
Spain	445,858,595.13	524,787,799.69	970,646,394.82
Europe and North America	41,099,006.63	57,085,732.73	98,184,739.35
Latin America	84,061,705.09	100,166,002.12	184,227,707.21
Asia, Middle East and Asia	7,892,976.17	11,530,860.31	19,423,836.49
TOTAL	578,912,283.02	693,570,394.85	1,272,482,677.88

Tax Contribution 2013 (in Euros)

Regional Market	Total own taxes	Total tax third	Total
Spain	375,110,145.60	464,055,940.08	839,166,085.68
Europe and North America	37,100,964.86	53,497,430.72	90,598,395.58
Latin America	108,079,546.46	112,300,456.75	220,380,003.21
Asia, Middle East and Asia	8,035,795.66	10,806,718.02	18,842,513.68
TOTAL	528,326,452.58	640,660,545.57	1,168,986,998.15

* For a Tax contribution breakdown by country please go to page 223

MATERIALITY ANALYSIS RESULTS

The table below reflects the external and internal relevance of each matter identified:

Material topic	Global score	Weighed Internal relevance	Presence in value chain	External relevance
Good governance rules (board of directors, board committee and general shareholders' meeting regulations)	4.1	96%	1.0	16%
Composition of the board of directors (experience, diversity, skills)	4.3	100%	1.0	17%
Board of directors and senior management remuneration structure (linked to the company's value creation)	3.7	86%	1.0	36%
Risk management and internal control systems	3.5	82%	3.0	50%
Ethics and regulatory compliance	3.8	88%	4.0	57%
Transparent information (information for shareholders and other key stakeholders)	3.4	79%	4.0	10%
Sustainability management system	2.7	64%	3.0	8%
Commercial and client management	3.5	82%	2.0	39%
Information security and data protection	3.4	80%	2.0	90%
Brand management	3.5	81%	3.0	15%
Quality of the offer	3.6	84%	2.0	12%
Innovation management and development of new offers	4.1	96%	2.0	100%
Partnership management	3.6	83%	3.0	15%
Management of Knowledge Institutions (Agreements and Chairs)	2.4	56%	1.0	18%
Supplier management	3.5	83%	2.0	7%
Diversity policy and reconciliation	3.4	79%	1.0	9%

MATERIALITY ANALYSIS RESULTS

The table below reflects the external and internal relevance of each matter identified:

Material topic	Global score	Weighed Internal relevance	Presence in value chain	External relevance
Training Plan	3.5	81%	1.0	11%
Career Development	3.5	81%	1.0	14%
Remuneration policy	3.4	80%	1.0	14%
Health, safety And Well-Being	3.3	77%	1.0	10%
Social benefits	2.6	60%	1.0	0%
Labor relations	3.6	84%	1.0	38%
Environmental Management	2.1	49%	3.0	30%
Product carbon footprint	2.1	48%	4.0	27%
Sustainability standards throughout the value chain (suppliers)	3.1	73%	3.0	14%
Respect for human rights	4.0	93%	4.0	11%
Community Involvement Policy	2.8	66%	1.0	9%
Tax management in local communities.	3.4	80%	1.0	16%

MATERIALITY ANALYSIS RESULTS

VALUE CHAIN SCORE

The table below shows the relevance of every topic identified in the company's value chain:



Good governance rules (board of directors, board committee and general shareholders' meeting regulations)	--	--	4.1	--	4.1
Composition of the board of directors (experience, diversity, skills)	--	--	4.3	--	4.3
Board of directors and senior management remuneration structure (linked to the company's value creation)	--	--	3.7	--	3.7
Risk management and internal control systems	3.1	3.2	4.1	--	3.5
Ethics and regulatory compliance	3.5	3.7	4.2	3.6	3.8
Transparent information (information for shareholders and other key stakeholders)	2.9	3.1	4.6	3.0	3.4
Sustainability management system	2.5	2.8	2.9	--	2.7
Commercial and client management	--	--	3.9	3.1	3.5
Information security and data protection	--	--	3.8	3.0	3.4
Brand management	--	3.0	4.1	3.2	3.5
Quality of the offer	--	--	4.9	1.0	2.9
Innovation management and development of new offers	--	3.3	4.9	--	4.1
Partnership management	--	3.2	3.9	3.6	3.6
Management of Knowledge Institutions (Agreements and Chairs)	--	--	2.4	--	2.4
Supplier management	3.0	--	--	--	3.0

Score goes from 1 (less important) to 5 (very important)

(--) This topic does not apply in this phase of the value chain

MATERIALITY ANALYSIS RESULTS

VALUE CHAIN SCORE

The table below shows the relevance of every topic identified in the company's value chain:



	PROVIDERS	PARTNERS	INDRA	CLIENTS	MEDIA
Diversity policy and reconciliation	--	--	3.4	--	3.4
Training Plan	--	--	3.5	--	3.5
Career Development	--	--	3.5	--	3.5
Remuneration policy	--	--	3.4	--	3.4
Health, safety And Well-Being	--	--	3.3	--	3.3
Social benefits	--	--	2.6	--	2.6
Labor relations	--	--	3.6	--	3.6
Environmental Management	1.9	2.0	2.3	--	2.1
Product carbon footprint	2.0	1.9	2.0	2.4	2.1
Sustainability standards throughout the value chain (suppliers)	2.9	2.8	3.6	--	3.1
Respect for human rights	3.7	3.8	4.5	3.8	4.0
Community Involvement Policy	--	--	2.8	--	2.8
Tax management in local communities.	--	--	3.4	--	3.4

Score goes from 1 (less important) to 5 (very important)
 (--) This topic does not apply in this phase of the value chain

Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
1.- Parent		
Indra Sistemas, S.A.	Avenida de Bruselas, 35 Alcobendas (Madrid)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
2.- Subsidiaries		
Indra Emac, S.A.	Calle Mar Egeo, 4 Pol.Ind.1 San Fernando de Henares (Madrid)	Engineering and maintenance of aerial defence systems and other related areas.
Indra Sistemas de Seguridad, S.A.	Carrer de Roc Boronat, 133 (Barcelona)	Diseño, desarrollo, integración y mantenimiento de sistemas y soluciones destinados a la vigilancia y control de seguridad de instalaciones.
Indra Sistemas de Comunicaciones Seguras, S.L.	Avenida de Bruselas, 35 Alcobendas (Madrid)	Design, development, integration and maintenance of systems and solutions for surveillance and installation security.
Inmize Capital, S.L.	Avenida de Bruselas, 35 Alcobendas (Madrid)	Research, engineering, design, manufacturing, development, sale, installation, maintenance and repair of security equipment, devices and systems for data communication, encoding systems, encrypting, signals and command and control centres.
Inmize Sistemas, S.L.	Avenida de Bruselas, 35 Alcobendas (Madrid)	Management, engineering, marketing and sale of defence systems.
Indra Software Labs, S.L.	Avenida de Bruselas, 35 Alcobendas (Madrid)	Management, engineering, marketing and sale of defence systems.
Teknatrans Consultores, S.L.	Portuetxe, 23, (San Sebastián)	Technical architecture and engineering services.

This appendix forms an integral part of notes 1 and 5 to the consolidated annual accounts, in conjunction with which it should be read.

Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
Indra SI, S.A.	Buenos Aires (Argentina)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Politec Argentina, S.A.	Buenos Aires (Argentina)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Azertia Tecnologías de la Información Argentina S.A.	Buenos Aires (Argentina)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Computación Ceicom, S.A.	Buenos Aires (Argentina)	Data processing, consultancy services and technical assistance in systems analysis, development and implementation of programmes for computing equipment.
Indra Company Brasil Tecnologia, Ltda.	Sao Paulo (Brazil)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Brasil Soluciones y Servicios, S.A.	Sao Paulo (Brazil)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Search Informatica Ltda	Brasilia (Brazil)	Advisory and consultancy services for IT-based business management, software development and the sale of equipment and software.
Ultracom Consultoria em Tecnologia da Informacao Ltda	Sao Paulo (Brasil)	Customisation, development, adaptation and maintenance of IT programs and systems. IT advisory, consultancy and training services; IT localisation services, software installation, implementation and technical support services; software design and the sale of IT materials and accessories.
Indra Tecnología Brasil LTDA	Brasilia (Brasil)	Design, development, production, integration and maintenance of systems, solutions and services based on information, technology: computing, electronics and communications for the air traffic, defence, ground transport and traffic, shipping and railway sectors and for electoral use.
Indra Colombia LTDA.	Bogotá (Colombia)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Sistemas Chile, S.A.	Santiago de Chile (Chile)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Soluziona C & S Holding, S.A. (Chile)	Santiago de Chile (Chile)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Soluziona Guatemala, S.A.	Guatemala (Guatemala)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.

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Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
Indra Sistemas México S.A. de C.V.	Mexico City (Mexico)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Azertia Tecnología de la Información México S.A.C.V.	Mexico City (Mexico)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Soluziona Mejico S.A. de C.V.	Mexico City (Mexico)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Panamá, S.A.	Panama (Panama)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Company Perú S.A.C.	Lima (Peru)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Perú, S.A.	Lima (Peru)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Soluciones y Servicios Indra Company Uruguay, S.A.	Montevideo (Uruguay)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra USA Inc.	Philadelphia (USA)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra USA Inc.	Orlando (USA)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra USA IT Services	Atlanta (USA)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Azertia Gestión de Centros Venezuela S. A.	Caracas (Venezuela)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications and document management services.
Soluziona, S.P. C.A. (Venezuela)	Caracas (Venezuela)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Italia Spa	Rome (Italy)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.

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Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
Indra Czech Republic s.r.o.	Prague (Czech Republic)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Eslovakia, a.s.	Bratislava (Slovakia)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra France S.A.S.	Paris (France)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Hungary L.L.C.	Debrecen (Hungary)	Diseño, desarrollo, producción, integración y mantenimiento de sistemas, soluciones y servicios basados en el uso de tecnologías de la información: informática, electrónica y comunicaciones.
Indra Sisteme S.R.L.	Chisinau (Moldavia)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Sistemas Polska S.p.z.o.o	Warsaw (Poland)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Sistemas Portugal, S.A.	Lisbon (Portugal)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Elektrica Soluzion S.A. (Rumania)	Bucharest (Romania)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.

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Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
Indra Ucraina L.L.C.	Kiev (Ukraine)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Kazakhstan Engineering Llp	Astana (Kazakhstan)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Turkey Teknolojileri Çözümleri Anonim Sirketi	Istanbul (Turkey)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Beijing Information Technology Systems Co. Ltd.	Beijing (China)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Radar Technology (Tianjin) Co., Ltd.	Tianjin (China)	Design, development, production and maintenance of navigation and landing support and air traffic control systems.
Indra Philippines, Inc.	Quezon City (Philippines)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Technology Solutions Malasya Sdn Bhd	Kuala Lumpur (Malaysia)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.

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Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
PT Indra Indonesia	Jakarta (Indonesia)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Sistemas India Private Limited	New Delhi (India)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Bahrain Consultancy SPC	Manama (Bahrain)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Arabia Company Ltd.	Jeddah (Saudi Arabia)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Sistemas Magreb S.A.R.L	Rabat (Morocco)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Limited (Kenya)	Nairobi (Kenya)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.

This appendix forms an integral part of notes 1 and 5 to the consolidated annual accounts, in conjunction with which it should be read.

Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
Soluzion Professional Services (Private) Ltd	Harare (Zimbabwe)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Technology South Africa Pty Ltd	Johannesburg (South Africa)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Australia Pty Ltd	Sídney (Australia)	Design, development, production and maintenance of navigation and landing support and air traffic control systems.
Indra BPO, S.L.	Avenida de Bruselas, 35 Alcobendas (Madrid)	Business process outsourcing (BPO), document management services and mortgage management.
Indra BPO Servicios, S.L.	Avenida de Bruselas, 35 Alcobendas (Madrid)	Data capture and digitisation.
Central de Apoyos y Medios Auxiliares, S.A.U.	Manufacturas, 11. Mairena del Aljarafe (Seville)	Business process outsourcing (BPO).
Indra II Business Process Outsourcing Portugal, unipersonal LTD	Lisbon (Portugal)	Business process outsourcing (BPO).
OUAKHA Services, Saarl AU (Marruecos)	Tangier (Morocco)	Back-office process outsourcing (BPO) for financial institutions.
IFOS (International Financial Operational Services), S.A.	Buenos Aires (Argentina)	Business process outsourcing and management and design, development, production, integration and maintenance of systems for financial institutions.

Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
Indra Business Consulting, S.L.	Calle Tànger, 98 Barcelona	Professional services consisting of business, technological and solutions consultancy.
Advanced Logistics Group, S.A.	Calle Tànger, 98 Barcelona	Preparation of studies, technical projects and reports on transport engineering, consultancy and logistics.
Europraxis ALG Consulting Maroc, S.A.	Casablanca (Morocco)	Professional services consisting of business, technological and solutions consultancy.
Europraxis ALG Consulting Brasil, Ltda.	Sao Paulo (Brazil)	Professional services consisting of business, technological and solutions consultancy.
Indra Business Consulting ALG Mexico S.A. de C.V.	Mexico City (Mexico)	Professional services consisting of business, technological and solutions consultancy.
Europraxis ALG Consulting Andina, S.A.C. (Perú)	Lima (Peru)	Professional services consisting of business, technological and solutions consultancy.
Advanced Logistic Group Venezuela, S.A.	Colinas del Bello Monte (Venezuela)	Professional services consisting of business, technological and solutions consultancy.
Europraxis ALG Consulting, Ltd (U.K.)	Slough, Berkshire (UK)	Professional services consisting of business, technological and solutions consultancy.
Prointec, S.A.	Avda. de Burgos 12, Madrid	Engineering and consultancy services mainly in relation to the environment, transport, construction, water and industry.
Unmanned Aircraft Technologies, S.A.	Avda. de Burgos 12, Madrid	Research and development of autopilot systems and advanced solutions in unmanned aircraft systems.

This appendix forms an integral part of notes 1 and 5 to the consolidated annual accounts, in conjunction with which it should be read.

Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
Pointec Engenharia, Ltda.	Sao Paulo (Brazil)	Civil engineering services and consultancy.
Ingeniería de Proyectos e Infraestructuras Mexicana, S.A. de C.V.	Mérida (Mexico)	Technical architecture and engineering services.
Pointec Panamá, S.A.	Ancon (Panama)	Civil engineering services and consultancy.
Pointec Usa LLC	Sacramento, California (USA)	Research and development of autopilot systems and advanced solutions in unmanned aircraft systems.
Consis Proiect SRL	Bucharest (Romania)	Civil engineering services and consultancy.
Pointec Romaría S.R.L. (Rumanía)	Bucharest (Romania)	Civil engineering services and consultancy.
Pointec India Privated Ltd	Haryana (India)	Civil engineering services and consultancy.
Servicios Avanzados Printing & Finishing, S.L.	Avenida de Bruselas, 35 Alcobendas (Madrid)	Business process outsourcing (BPO).
AC-B air Traffic Control & Business Systems GmbH (Alemania)	Markdorf (Germany)	Design, development, production and maintenance of systems, solutions and services based on the use of information technologies as well as navigation and landing support and air traffic control systems.
Avitech AG	Friedrichshafen (Germany)	Design, development, production and maintenance of navigation and landing support and air traffic control systems.
Avitech S.R.O.	Bratislava (Slovakia)	Design, development, production and maintenance of navigation and landing support and air traffic control systems.
Indra Navia AS (Park Air, Noruega)	Oslo (Norway)	Design, development, production and maintenance of navigation and landing support and air traffic control systems.
Normeka, AS	Rømskog (Norway)	Design, development, production and maintenance of navigation and landing support and air traffic control systems.

Indra Sistemas, S.A. and Subsidiaries

Details of Group companies at 31 December 2014

COMPANY	REGISTERED OFFICE	ACTIVITY
3.- Joint Business		
I3 Televisión, S.L.	Avda. Isla Graciosa 13, San Sebastián de los Reyes (Madrid)	Design, development, manufacture, supply, assembly, repair, maintenance, installation and marketing of IT products, solutions, applications and systems for the audiovisual industry.
IRB Riesgo Operacional S.L.	Avenida de Bruselas, 35 Alcobendas (Madrid)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.
Indra Esteio Sistemas S.A. (Brasil)	Sao Paulo (Brazil)	Design, development, production, integration and maintenance of systems, solutions and services based on information technology: computing, electronics and communications.

COMPANY	REGISTERED OFFICE	ACTIVITY
4.- Associated		
Saes Capital, S.A.	Paseo de la Castellana 55, Madrid	Through associates, the design, development, production, integration, maintenance and operation of electronic, IT and communications systems mainly related to naval systems and submarine acoustics.
Eurofighter Simulation System GmbH	Munich (Germany)	Development and production of flight simulators for the Eurofighter EF-2000.
Euromids SAS	Paris (France)	Development, manufacture and commercialisation of tactical communications systems.
Green Border OOD	Sofia (Bulgaria)	Design, development, integration and maintenance of systems and solutions for surveillance and installation security.
Tower Air Traffic Services, S.L.	Carretera de Loeches 9, Torrejon de Ardoz (Madrid)	Airfield transit services for the management of airborne traffic.
A4 Essor, S.A.S.	Paris (France)	Development of a security programme for radiocommunications.
Indra Sistemas de Tesorería, S.L.	Pº de la Castellana 89, Madrid	Design, development, production, integration, operation, repairs and maintenance and marketing of systems, solutions and products based on the use of information technology. Professional services consisting of business, management, technology and training consultancy.
Societat Catalana Per a la Mobilitat, S.A.	Calle Roc Boronat, nº 133, Barcelona	Execution of the T-Mobilitat project for the implementation of a new technological, tariff and management system for the Autoritat del Transport Metropolita.
Idetegolf, S.A.	Julio Sáez de la Hoya 7, Burgos	Design, management and construction of sports facilities.
Iniciativas Bioenergéticas, S.L.	Gran Vía Juan Carlos I nº9, Logroño (La Rioja)	Study, promotion, development and execution of groundbreaking projects relating to the environment and energy generation.
Logística marítima de Tuxpan S.A.P.I. de C.V.	Veracruz (Mexico)	Engineering and consultancy services rendered to port infrastructures.
Indra México		
Indra Isolux México SA de CV	Mexico City	Supply, installation and entry into service of equipment for toll management systems and/or traffic control systems.
Visión Inteligente Aplicada S.A de C.V	Mexico City	
EFI Túneles Necaxa SA de CV	Munich (Germany)	Study, advisory services, preparation of projects and construction of public works, as well as any other types of civil, hydraulic, electrical, infrastructure or similar works, in the public and private sector, the acquisition of materials and consumables for the construction and transportation thereof and all activities related to construction in general.



Custom Content Index - 'in accordance' Comprehensive

This Content Index provides an overview of the G4 Standard Disclosures based on the selections made.

GRI's Standard Disclosures are comprised of one or more disclosure requirements. Following the link on a specific disclosure label in this Index will take you to the next sheet, 'Overview - Standard Disclosures', where the requirements are listed from "a" to "z" under the column "Disclosure Requirements". In order to report 'in accordance', an organization must answer each of the disclosure requirements for all the required Standard Disclosures.

In exceptional cases, if it is not possible to disclose certain required information, reasons for omission may apply for those Standard Disclosures marked with () in tables 3 and 4 on page 12 of [Guidelines – Reporting Principles and Standard Disclosures](#). Consult the "Reasons for omission" on page 13 of the [Guidelines – Reporting Principles and Standard Disclosures](#). There are also macros embedded in this sheet to assist you in disclosing accepted reasons for omission; click on the cell in the Reason(s) for Omission(s) column that you want to provide such a reason for and a selection form will open.*

The GRI Guidelines contain the authoritative text. In case of any discrepancies between this Content Index template and the GRI Guidelines, the GRI Guidelines' text shall prevail.

GENERAL STANDARD DISCLOSURES					
General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
	Information related to Standard Disclosures required by the 'in accordance' options may already be included in other reports prepared by the organization. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	In exceptional cases, if it is not possible to disclose certain required information, identify the information that has been omitted.	In exceptional cases, if it is not possible to disclose certain required information, provide the reason for omission.	In exceptional cases, if it is not possible to disclose certain required information, explain the reasons why the information has been omitted.	Indicate if the Standard Disclosure has been externally assured. If yes, include the page reference for the External Assurance Statement in the report.
STRATEGY AND ANALYSIS					
G4-1	4,5,6,7 y 8	Not applicable	Not applicable	Not applicable	222
G4-2	31,68,89 y 96	Not applicable	Not applicable	Not applicable	222
ORGANIZATIONAL PROFILE					
G4-3	204	Not applicable	Not applicable	Not applicable	222
G4-4	13, 15	Not applicable	Not applicable	Not applicable	222
G4-5	204	Not applicable	Not applicable	Not applicable	222
G4-6	10, 200 y 204	Not applicable	Not applicable	Not applicable	222
G4-7	16, 204	Not applicable	Not applicable	Not applicable	222
G4-8	13, 14 y 117	Not applicable	Not applicable	Not applicable	222
G4-9	10, 11, 13, 16 y 180	Not applicable	Not applicable	Not applicable	222
G4-10	180-182	Not applicable	Not applicable	Not applicable	222
G4-11	192	Not applicable	Not applicable	Not applicable	222
G4-12	13-14	Not applicable	Not applicable	Not applicable	222
G4-13	4, 5, 16 y 204	Not applicable	Not applicable	Not applicable	222
G4-14	66	Not applicable	Not applicable	Not applicable	222
G4-15	4 y 5	Not applicable	Not applicable	Not applicable	222
G4-16	140, 144, 148, 151 y 159	Not applicable	Not applicable	Not applicable	222

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES					
G4-17	166	Not applicable	Not applicable	Not applicable	222
G4-18	167,168-171	Not applicable	Not applicable	Not applicable	222
G4-19	96,97,98	Not applicable	Not applicable	Not applicable	222
G4-20	96,97,98	Not applicable	Not applicable	Not applicable	222
G4-21	96,97,98	Not applicable	Not applicable	Not applicable	222
G4-22	171	Not applicable	Not applicable	Not applicable	222
G4-23	166	Not applicable	Not applicable	Not applicable	222
STAKEHOLDER ENGAGEMENT					
G4-24	77	Not applicable	Not applicable	Not applicable	222
G4-25	168 y 167	Not applicable	Not applicable	Not applicable	222
G4-26	167 y 168	Not applicable	Not applicable	Not applicable	222
G4-27	170	Not applicable	Not applicable	Not applicable	222
REPORT PROFILE					
G4-28	Cover, 165,166	Not applicable	Not applicable	Not applicable	222
G4-29	165, 172	Not applicable	Not applicable	Not applicable	222
G4-30	165, 172	Not applicable	Not applicable	Not applicable	222
G4-31	http://www.indracompany.com/sobre-indra/contactos	Not applicable	Not applicable	Not applicable	222
G4-32	165, 166 y 176	Not applicable	Not applicable	Not applicable	222
G4-33	4, 5, 165, 175	Not applicable	Not applicable	Not applicable	222
GOVERNANCE					
G4-34	38-39	Not applicable	Not applicable	Not applicable	222
G4-35	35-37				222
G4-36	74				222
G4-37	165				222
G4-38	38-39				222
G4-39	38-39				222
G4-40	38, 39, 168, MR15-16, MR22-23				222
G4-41	MR 47-47				222
G4-42	35-37				222
G4-43	74-77				222
G4-44	MR 23				222
G4-45	MR 48				222
G4-46	MR 49				222
G4-47	36-37				222
G4-48	74-77				222
G4-49	166, 167 y 168				222
G4-50	47-65, http://www.indracompany.com/accionistas/junta-general-accionistas/2014				222
G4-51	46, MR 54				222
G4-52	46				222
G4-53	ARC 3				222
G4-54	183-185				222
G4-55	183-185				222

ETHICS AND INTEGRITY					
G4-56	47-65	Not applicable	Not applicable	Not applicable	222
G4-57	47 y 48				222
G4-58	47 y 48				222
SPECIFIC STANDARD DISCLOSURES					
DMA and Indicators	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
	Information related to Standard Disclosures required by the 'in accordance' options may already be included in other reports prepared by the organization. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	In exceptional cases, if it is not possible to disclose certain required information, identify the information that has been omitted.	In exceptional cases, if it is not possible to disclose certain required information, provide the reason for omission.	In exceptional cases, if it is not possible to disclose certain required information, explain the reasons why the information has been omitted.	Indicate if the Standard Disclosure has been externally assured. If yes, include the page reference for the External Assurance Statement in the report.
CATEGORY: ECONOMIC					
MATERIAL ASPECT: ECONOMIC PERFORMANCE					
G4-DMA	74-77, 87-93				222
G4-EC1	87, 88 y 93	The break-down by country is not included	The information is subject to specific confidentiality constrains	Indra believes that by giving this information it compromises its competitive position	222
G4-EC2	62, 63 y 66				222
G4-EC3	Not reported	Coverage of the organization's defined benefit plan obligations	The standard disclosure or part of the standard disclosure is not applicable	Indra does not have benefit plans	222
G4-EC4	16, 197	The break-down by country is not included	The information is currently unavailable	Indra plans to improve its information system next year	222
MATERIAL ASPECT: MARKET PRESENCE					
G4-DMA	74-77, 87-93				222
G4-EC5	183, 184 y 184. "Local" refers to the same region where Indra has operations.	A break-down by region is included instead a break-down by country	The information is subject to specific confidentiality constrains	Indra believes that by giving this information it compromises its competitive position	222
G4-EC6	181. "Local" refers to the same region where Indra has operations.				222
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS					
G4-DMA	74-77, 87-93				222
G4-EC7	87-93, 105-116, 140-163				222
G4-EC8	87-93				222
MATERIAL ASPECT: PROCUREMENT PRACTICES					
G4-DMA	74-77, 87-93				222
G4-EC9	197. "Local" refers to the same region where Indra has operations.				222

CATEGORY: ENVIRONMENTAL					
MATERIAL ASPECT: ENERGY					
G4-DMA	74-77, 87-93				222
G4-EN3	194, 195				222
G4-EN4	194 y 195. GHG Protocol methodology used				222
G4-EN5	194 y 195. GHG Protocol methodology used				222
G4-EN6	148, 194 y 195				222
G4-EN7	148, 194 y 195				222
MATERIAL ASPECT: EMISSIONS					
G4-DMA	74-77, 87-93				222
G4-EN15	197. Calculation includes CO ₂ , CH ₄ and N ₂ O. GHG Protocol methodology used.				222
G4-EN16	197. Calculation includes CO ₂ , CH ₄ and N ₂ O. GHG Protocol methodology used.				222
G4-EN17	197				222
G4-EN18	197				222
G4-EN19	148, 197				222
G4-EN20		Emissions of ozone-depleting substances (ODS)	The Standard Disclosure or part of the Standard Disclosure is not applicable	The natural gas and gasoil boilers produce low levels (no significant) of NO _x and SO _x . The emissions are included in the GHG indicator. Data on CO ₂ e and POPs are included in the Balance Scorecard. No other significant emissions are made.	222
G4-EN21		<ul style="list-style-type: none"> • Volatile organic compounds (VOC) • Hazardous air pollutants (HAP) • Particulate matter (PM) • Other standard categories of air emissions identified in relevant regulations 	The Standard Disclosure or part of the Standard Disclosure is not applicable	The natural gas and gasoil boilers produce low levels (no significant) of NO _x and SO _x . The emissions are included in the GHG indicator. Data on CO ₂ e and POPs are included in the Balance Scorecard. No other significant emissions are made.	222
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	74-77, 87-93				222
G4-EN29	196				222
MATERIAL ASPECT: OVERALL					
G4-DMA	74-77, 87-93				222
G4-EN31	150				222
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT					
G4-DMA	74-77, 87-93				222
G4-EN32	197				222
G4-EN33	91				222
MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS					
G4-DMA	74-77, 87-93				222
G4-EN34	196				222

CATEGORY: SOCIAL					
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK					
MATERIAL ASPECT: EMPLOYMENT					
G4-DMA	74-77, 87-93				222
G4-LA1	187				222
		Total number of employees that were entitled to parental leave, by gender; Total number of employees that took parental leave, by gender; Total number of employees who returned to work after parental leave ended, by gender; Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work, by gender; Return to work and retention rates of employees who took parental leave, by gender.			
G4-LA2	"Local" refers to the same region where Indra has operations.			Indra is working to improve its information systems in 2 years	222
G4-LA3	190		The information is currently unavailable		222
MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS					
G4-DMA	74-77, 87-93				222
		It depends on the legislation of the countries where the company has operations. In Spain, the main location of the company by workforce, the minimum notice period is 30 days.			
G4-LA4					222
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY					
G4-DMA	74-77, 87-93				222
G4-LA5	192 Y 193				222
		Break down by gender and information for independent contractors	The Standard Disclosure or part of the Standard Disclosure is not applicable	Indra believes that the information not disclosed is not material Indra is working to improve its information systems next year	222
G4-LA6	191 Y 192				222
G4-LA7	Not reported		The information is currently unavailable		222
G4-LA8	136				222
MATERIAL ASPECT: TRAINING AND EDUCATION					
G4-DMA	74-77, 87-93				222
G4-LA9	190	Break down by gender and category	The information is currently unavailable	Indra is working to improve its information systems next year	222
G4-LA10	126				222
G4-LA11	190	Break down by gender and category	The information is currently unavailable	Indra is working to improve its information systems next year	222
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY					
G4-DMA	74-77, 87-93				222
G4-LA12	38, 39, 181, 182 y 183				222
MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN					
G4-DMA	74-77, 87-93				222
G4-LA13	187. "Significant locations of operations" refers to the countries where Indra has employees.				222
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES					
G4-DMA	74-77, 87-93				222
G4-LA14	197				222
G4-LA15	87, 105, 140				222
MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS					
G4-DMA	74-77, 87-93				222
G4-LA16	196-198				222

SUB-CATEGORY: HUMAN RIGHTS					
MATERIAL ASPECT: NON-DISCRIMINATION					
G4-DMA	74-77, 87-93				222
G4-HR3	47				222
MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
G4-DMA	74-77, 87-93				222
G4-HR4	55				222
MATERIAL ASPECT: CHILD LABOR					
G4-DMA	74-77, 87-93				222
G4-HR5	55				222
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR					
G4-DMA	74-77, 87-93				222
G4-HR6	55				222
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT					
G4-DMA	74-77, 87-93				222
G4-HR10	195				222
G4-HR11	105,14	Percentage of suppliers identified as having significant actual and potential negative human rights impacts with which improvements were agreed upon as a result of assessment; Percentage of suppliers identified as having significant actual and potential negative human rights impacts with which relationships were terminated as a result of assessment, and why.	The information is currently unavailable	Indra is working to improve its information systems in 2 years	222
MATERIAL ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS					
G4-DMA	74-77, 87-93				222
G4-HR12	198				222

SUB-CATEGORY: SOCIETY

MATERIAL ASPECT: ANTI-CORRUPTION

G4-DMA	74-77, 87-93					222
G4-SO3	48,49 y 54					222
G4-SO4	48, 49 y 196					222
G4-SO5	48, 49 y 54					222

MATERIAL ASPECT: PUBLIC POLICY

G4-DMA	74-77, 87-93					222
G4-SO6	53					222

MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR

G4-DMA	74-77, 87-93					222
G4-SO7	196					222

MATERIAL ASPECT: COMPLIANCE

G4-DMA	74-77, 87-93					222
G4-SO8	196					222

MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY

G4-DMA	74-77, 87-93					222
G4-SO9	113, 114, 159, 197 y 198					222
G4-SO10	197 Y 198	Percentage of suppliers identified as having significant actual and potential negative impacts on society with which improvements were agreed upon as a result of assessment; Percentage of suppliers identified as having significant actual and potential negative impacts on society with which relationships were terminated as a result of assessment, and why.	The information is currently unavailable	Indra is working to improve its information systems in 2 years		222

MATERIAL ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY

G4-DMA	74-77, 87-93					222
G4-SO11	47, 48, 55, 61					222

SUB-CATEGORY: PRODUCT RESPONSIBILITY

MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY

G4-DMA	74-77, 87-93					222
G4-PR1	As Indra's activity is based on the development of personalized solutions and customer services, health and					222
G4-PR2	196					222

MATERIAL ASPECT: PRODUCT AND SERVICE LABELING

G4-DMA	74-77, 87-93					222
G4-PR3	As Indra's activity is based on the development of personalized solutions and customer services, health and					222
G4-PR4	196					222
G4-PR5	122					222

MATERIAL ASPECT: MARKETING COMMUNICATIONS

G4-DMA	74-77, 87-93					222
G4-PR6	49-50					222
G4-PR7	196					222

MATERIAL ASPECT: CUSTOMER PRIVACY

G4-DMA	74-77, 87-93					222
G4-PR8	179					222

MATERIAL ASPECT: COMPLIANCE

G4-DMA	74-77, 87-93					222
G4-PR9	196					222



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Independent Assurance Report to the Management of Indra Sistemas, S.A.

(Free translation from the original in Spanish.
In case of discrepancy, the Spanish language version prevails.)

We performed a limited assurance review on the non-financial information contained in the Annual Report of Indra Sistemas S.A. (hereinafter Indra) for the year ended 31 December 2014 (hereinafter "the Report"). The information reviewed corresponds to the contents marked as external assurance, as referred to in the section of the Report entitled "GRI Index".

Indra management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) of the Global Reporting Initiative as described in item G4-32 of the chapter "G4 Index" of the Report, and following the Materiality Disclosure Service criteria, obtaining confirmation from the Global Reporting Initiative on the proper application of these. Management is also responsible for the information and assertions contained within the Report; for the implementation of processes and procedures which adhere to the principles set out in the AA1000 AccountAbility Principles Standard 2008 (AA1000APS); for determining its objectives in respect of the selection and presentation of sustainable development performance; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a limited assurance engagement and, based on the work performed, to issue a report. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement. It concerns a review performed according to KPMG assurance engagement independence rules, as well as the requirements from the International Ethics Standards Board for Accountants Code of Ethics on integrity, objectivity, confidentiality, professional behaviours and qualifications. We have also conducted our engagement in accordance with AA1000 Accountability Assurance Standard 2008 (AA1000 AS) (Type 2), which covers not only the nature and extent of the organisation's adherence to the AA1000 APS, but also evaluates the reliability of performance information as indicated in the scope.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore also the level of assurance provided. This report should by no means be considered as an audit report.

Our limited assurance engagement work has consisted of making inquiries to Management, primarily to the persons responsible for the preparation of information presented in the Report, and applying the following analytical and other evidence gathering procedures:

- Risk analysis, including media search to identify material issues during the period covered by the Report.
- Verifying the consistency of the information that responds to the General Standard Disclosures, with internal systems or documentation.

KPMG Asesores S.L., a limited liability Spanish company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

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In relation to the MATERIALITY principle

In recent years, the prioritization process of Company's material issues has been improved. While in 2013 the advance was focused on material issues of the Company's value chain, in 2014 each of the issues has been prioritized in every point of the value chain. This provides specific information about the risk associated to each issue. Furthermore, a formalized internal prioritization process has been carried out, additional to the external prioritization process that was already conducted. In this process, representatives of the main management areas of Indra have been involved. It is considered that further progress towards an increasingly specific materiality process could be achieved by taking into account, not only the Company's value chain, but also all the geographic areas where the Company operates, and the associated risks of every issue in each geographic area.

In relation to the RESPONSIVENESS principle

During 2014, the Company has been working to formalize a development and implementation procedure of the Master Plan, as part of the Company CSR management system. Indra intends to communicate the implementation guidelines of the plan to its subsidiaries' CSR areas. The aim of this is to respond in a consistent and homogeneous way to its different stakeholders in each geographic area. It is recommended to continue working on the inclusion of new issues arising from the requirements of stakeholders in order to provide formal answers through the already established communication processes.

KPMG Asesores, S.L.

(Signed)

José Luis Blasco Vázquez

25 May 2015



- Interviews with Management to gain an understanding of Indra's processes for determining material issues, as well as the stakeholders engaged in these processes.
- Interviews with relevant staff concerning Indra's policy and strategy application on sustainability, governance, ethics and integrity.
- Interviews with relevant Indra staff responsible for providing the information contained in the Report.
- Analysing the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Reviewing the application of the Global Reporting Initiative's G4 Sustainability Reporting Guidelines requirements for the preparation of reports in accordance with comprehensive option.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of Indra.
- Corroborating that the financial information reflected in the Report was taken from the annual accounts of Indra, which were audited by independent third parties.

Our multidisciplinary team included specialists in social, environmental and economic business performance.

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the data included in the Annual Report of Indra Sistemas, S.A. for the year ended 31 December 2014 have not been reliably obtained, that the information has not been fairly presented, or that significant discrepancies or omissions exist, nor that the Report is not prepared, in all material respects, in accordance with the Sustainability Reporting Guidelines version 4.0 of the Global Reporting Initiative as described in item G4-32 in the chapter "GRI Index" of the Report. Additionally, and also based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that as a result of Indra implementing the procedures described in the section "The principles that govern this report", any material issues have been omitted as applies to the principles of inclusivity, materiality and responsiveness as included in the AA1000 AccountAbility Principles Standard 2008.

Under separate cover, we will provide Indra management with an internal report outlining our complete findings and areas for improvement. Without prejudice to our conclusions presented above, we present some of the key observations and areas for improvement below:

In relation to the INCLUSIVITY principle

In 2014, as in previous years, the Company has updated its Master Plan which includes, among others, the main actions to be developed by each of the company's areas responsible for stakeholder management. This new plan, as a novelty, will have a validity period of two years. To continue with the management model currently being implemented in subsidiaries, a diagnosis of the implementation status of the aforementioned plan in the main subsidiaries of the company has been conducted. To achieve consistency between the Master Plan and the action plans with regard to the considered stakeholders, it is recommended to further advance in the implementation of the Master Plan by using this diagnosis.

TAX CONTRIBUTION BY COUNTRY 2013

In Euros

Country	Total own Tax	Total Taxes third	Total
Spain	375,110,145.60	464,055,940.08	839,166,085.68
Portugal	7,501,259.06	13,058,175.70	20,559,434.76
Italy	13,523,805.51	20,953,148.26	34,476,953.77
Germany	475,011.00	262,859.00	737,870.00
France	127,633.00	232,084.00	359,717.00
Ireland	2,645,424.00	3,174,450.00	5,819,874.00
U.K.	82,033.48	31,227.51	113,260.99
Greece	23,462.37	5,126.72	28,589.09
Belgium	33,788.00	0.00	33,788.00
Slovakia	152,953.82	93,323.96	246,277.78
Bulgaria	70,316.86	64,526.36	134,843.21
Turkey	1,253,101.19	3,047,662.81	4,300,764.00
Kazakhstan	222,354.83	568,331.34	790,686.17
Norway	748,902.18	617,642.33	1,366,544.52
Czech Republic	7,408,645.77	7,270,701.18	14,679,346.94
Romania	337,078.75	0.00	337,078.75
Hungary	244,053.66	832,582.44	1,076,636.09
Poland	8,918.40	0.00	8,918.40
Moldova	330,637.93	318,906.71	649,544.64
Lithuania	821,719.73	556,794.09	1,378,513.82
USA	113,429.50	20,779.62	134,209.13
Canada	281,457.90	4,126.84	285,584.75
Europe & North America	521,309.78	1,950,920.89	2,472,230.66
Panama	173,668.15	434,060.95	607,729.10
Honduras	37,100,964.86	53,497,430.72	90,598,395.58
Guatemala	1,795,967.58	1,442,375.57	3,238,343.15
Uruguay	907,729.32	877,692.76	1,785,422.08
Chile	9,161,086.09	5,019,926.28	14,181,012.37
Mexico	23,799,559.98	31,272,445.17	55,072,005.15
Venezuela	4,416,545.41	6,422,077.73	10,838,623.14

In Euros

Country	Total own Tax	Total Taxes third	Total
Rep Dominican	7,697,880.73	9,945,492.35	17,643,373.07
Puerto Rico	16,855,372.45	17,178,600.02	34,033,972.47
Paraguay	18,541,805.01	17,870,967.02	36,412,772.03
Ecuador	417,048.67	1,040,759.87	1,457,808.54
Costa Rica	59,381.19	0.00	59,381.19
Peru	5,763.30	0.00	5,763.30
Bolivia	161,425.90	0.00	161,425.90
El Salvador	883,126.58	290,000.95	1,173,127.53
Argentina	91,724.02	167,210.44	258,934.47
Colombia	23,021,779.54	20,417,425.89	43,439,205.43
Brazil	95,823.26	114,027.06	209,850.32
Latin America	167,527.43	241,455.63	408,983.07
Australia	108,079,546.46	112,300,456.75	220,380,003.21
Philippines	2,617,510.04	3,056,464.00	5,673,974.05
China	46,307.00	34,080.40	80,387.40
Indonesia	180,477.08	48,736.54	229,213.62
India	77,368.44	0.00	77,368.44
Malaysia	1,620.23	0.00	1,620.23
Bahrain	320,282.27	270,411.49	590,693.75
Saudi Arabia	11,799.26	49,583.41	61,382.67
Egypt	43,968.19	18,823.78	62,791.96
Oman	174,825.03	0.00	174,825.03
Algeria	100,942.38	59,461.66	160,404.04
Zambia	3,348,387.32	5,519,208.05	8,867,595.37
Tunisia	627,106.16	626,935.03	1,254,041.18
Morocco	200,270.25	333,236.82	533,507.07
Kenya	102,572.50	289,284.54	391,857.04
South Africa	182,359.52	500,492.30	682,851.81
Asia, Middle East and Africa (AMEA)	8,035,795.66	10,806,718.02	18,842,513.68
TOTAL	528,326,452.58	640,660,545.57	1,168,986,998.15

TAX CONTRIBUTION BY COUNTRY 2014

In Euros

Country	Total own Tax	Total Taxes third	Total
Spain	445,858,595.13	524,787,799.69	970,646,394.82
Portugal	5,836,699.00	9,986,769.00	15,823,468.00
Italy	14,372,053.15	20,057,172.75	34,429,225.90
France	3,015,302.00	3,818,039.00	6,833,341.00
Ireland	81,968.00	12,849.00	94,817.00
Germany	312,475.00	513,207.00	825,682.00
Greece	1,484,964.31	4,329,097.31	5,814,061.62
Belgium	72,749.06	5,282.21	78,031.27
Slovakia	72,511.57	39,424.60	111,936.17
Hungary	430,663.64	203,501.96	634,165.60
Poland	73,015.34	458,321.63	531,336.97
UK	2,431,774.46	1,907,115.33	4,338,889.79
Bulgaria	168,152.92	1,663,165.14	1,831,318.06
Turkey	7,678,232.36	5,984,161.53	13,662,393.89
Norway	806,461.75	2,529,226.63	3,335,688.38
Czech Republic	984,033.30	1,284,656.49	2,268,689.80
Romania	26,310.65	7,691.75	34,002.40
Moldova	79,031.95	153,583.66	232,615.61
Kazakhstan	145,456.13	132,662.29	278,118.42
Lithuania	2,076,612.65	1,936,879.50	4,013,492.15
Latvia	917,791.06	1,770,706.82	2,688,497.89
Russia	32,748.30	292,219.13	324,967.43
USA	41,099,006.63	57,085,732.73	98,184,739.35
Canada	2,709,365.32	1,758,816.90	4,468,182.22
Europe & North America	33,886.06	4,077.72	37,963.78
Panama	364,910.12	4,096.05	369,006.17
Uruguay	490,976.02	1,420,677.79	1,911,653.80
Chile	2,196,008.63	6,814,053.52	9,010,062.15
Mexico	20,862,380.31	35,038,399.87	55,900,780.17
Venezuela	748,027.27	675,175.75	1,423,203.02

In Euros

Country	Total own Tax	Total Taxes third	Total
Peru	418,436.35	1,438,985.10	1,857,421.46
Argentina	567,293.19	77,313.02	644,606.22
Colombia	17,861.31	5,569.04	23,430.35
Rep. Dominicana	29,204.30	6,548.67	35,752.97
Puerto Rico	90,576.83	76,096.90	166,673.73
Paraguay	4,695,361.10	8,729,217.60	13,424,578.70
Honduras	281,045.48	618,424.39	899,469.87
El Salvador	888,619.21	603,680.46	1,492,299.67
Costa Rica	14,749,887.81	12,986,011.36	27,735,899.17
Brazil	14,441,669.51	21,989,533.03	36,431,202.54
Ecuador	20,476,196.26	7,919,324.96	28,395,521.23
Bolivia	84,061,705.09	100,166,002.12	184,227,707.21
Latin America	1,087,709.14	3,358,074.76	4,445,783.90
Australia	3,636,202.21	5,591,306.83	9,227,509.04
Indonesia	616,745.42	567,769.18	1,184,514.60
Malaysia	34,645.17	23,115.62	57,760.79
Bahrain	270,898.20	156,905.56	427,803.76
Saudi Arabia	327,245.18	271,165.93	598,411.11
Algeria	87,179.69	47,256.69	134,436.38
Zambia	8,336.86	0.00	8,336.86
Tunisia	45,690.56	7,006.85	52,697.41
Oman	527,744.06	5,967.35	533,711.41
Egypt	607,798.23	273,408.29	881,206.52
Philippines	9,107.89	31,014.47	40,122.36
China	27,623.43	61,371.91	88,995.34
Morocco	410,173.54	488,635.05	898,808.59
India	164,769.69	626,385.35	791,155.05
Kenya	31,106.92	21,476.46	52,583.38
Asia, Middle East and Africa (AMEA)	7,892,976.17	11,530,860.31	19,423,836.49
TOTAL	578,912,283.02	693,570,394.85	1,272,482,677.88



More than 150 Indra professionals participated in preparing this Annual Report. We appreciate all of their efforts.
Wording: Indra's Corporate Responsibility and Brand Department.
Translation: Indra Translation Services
Verification: KPMG.
Design: Indra's User Experience team and Singular Studio.

