



General Shareholders' Meeting 2022

Chairman's Speech

Good morning, Shareholders. Welcome to Indra's Ordinary General Meeting. It is an honor for me to address you for the second year in my capacity as the Chairman of Indra.

I would like to thank you especially for your attendance, both those present in the room and those who are following us online.

As I stated at the last Meeting just over a year ago, my objective as Chairman is to contribute decisively to enhancing Indra's strengths. Specifically, I intend to work to strategically drive our company to reach its full potential to create commercial, technological and financial value, in a measurable way, for shareholders, for Indra's professionals and for society as a whole.

Today we take stock and render accounts before you for the 2021 financial year. It has not been an ordinary year and we are not in an ordinary moment. A new scenario is opening up, marked by the Russian invasion of Ukraine, the last throes of the pandemic and the acceleration of the digital revolution, which covers the scope of my speech.

Our environment

As the CEO has already detailed, Indra has achieved the best results in its history. The company's very positive performance and good business prospects so far in 2022 are also noteworthy.

Along with the company's good performance, the company is successfully undertaking the renewal of part of its executive team, while at the same time carrying out a deep strategic reflection of its long-term road map in line with the geopolitical events affecting the company.

As a result of this renewed concern for strategy, last September we set up the Strategy Committee within the Board of Directors. The work carried out in recent months in this Committee has helped us to shape our thinking and better understand our challenges and opportunities.

We're a technological company that competes in a highly demanding, dynamic and disruptive global environment.

Our competitive environment and the priorities of our customers and stakeholders are changing very rapidly and are subject to profound uncertainties, with many new and unknown elements.

We are immersed in a scenario of global disruption in the area of Defense and Security, while at the same time we are exposed to continuous changes in the field of Information Technology: acceleration of technology, tense competition, customers in full transformation, growing talent needs that are difficult to cover, along with ever-changing and demanding environments.

These are not scenarios that have come out of the blue, although in the wake of the Russian invasion of Ukraine there has been a sudden acceleration of geostrategic dynamics, many of which we had identified:

- The progressive distancing of the US from the needs and demands associated with European defense, with a clear urgency for European countries and Spain to assume more responsibilities and efforts.
- The growing geopolitical and military rivalry with China, especially (but not only) in the Asia Pacific arena.
- The drums of war on the very eastern borders of the EU, which have led to the most serious European military conflict since World War II and whose final consequences are still unknown
- Instability and insecurity in some parts of Africa, particularly in the Sahel.
- After decades of relative peace and security, broad strata of European societies have rediscovered that without defense, no society or civilization is possible. There is no democracy, no rule of law, no freedom, no human rights, no ESG, no schools, no companies, no nothing. It is an area in which we are not relativistic. Isaiah Berlin criticized relativism and explained that it is not the same to say that I like coffee with milk and you don't, as it is to say that you are in favor of concentration camps and I'm against them. The former is relative and the latter is not. No, we do not believe in the relativism to which Berlin referred. That is why we believe that democracies must be able to defend themselves.

We are seeing it in Ukraine, where once the invasion started, it can be said that we expected the worst, and it was worse than we expected.

And, consequently, European and Spanish society as a whole and its institutions have profoundly and rapidly changed their opinion about the priority of defense and the investments needed to guarantee it.

We are seeing very prominent changes in this direction and the tectonic shifting in our European and Atlantic environment:

- A strategic commitment to substantially increase investments, with the increased investment in the German defense budget by an additional 100 billion, as an example
- traditionally neutral countries such as Sweden and Finland are applying for NATO membership, something unthinkable just a few years ago
- And countries such as Denmark, which had long remained on the sidelines, has recently approved joining the EU defense initiatives in a referendum

Spain is no stranger to this reflection on priorities and commitments. In Spain we also note that the Administration, and a large part of the economic and social agents, share the growing concern to ensure that our country has sufficient capabilities and resources for its defense and to fulfill its obligations to our allies. You might say we were having a game of cricket, which suddenly turned into a rugby match. We must all act with the utmost responsibility to guarantee the defense of Spain in this new scenario of instability, which unfortunately has been imposed on us.

For democracies like ours, it's not just about investing more, it's about investing well. That means investing in key technologies and improving European technological sovereignty over those key technologies.

Thus, as the EU Strategic Compass indicates, states are developing technological and industrial sovereignty strategies to strengthen and complete their technological capabilities through their national benchmark companies.

This is where the role of our company, dear shareholders, becomes transcendental. In Europe this has many names. In Spain, it has one: Indra.

We are a leading technology company specialized in Systems (understood as the set of software and hardware for the storage and processing of information). We have our own technology in many of the areas in which investment will increase substantially, such as electronic warfare, cybersecurity, artificial intelligence, simulation, command & control, and satellite communications.

The weight of technology and systems in defense is growing steadily. It already exceeds 30 to 40% of the total life cycle cost of certain programs and is increasing with each new program.

This means systems are already the critical and differentiating factor of any program. This is exactly what we do at Indra.

This is why Indra can aspire to be Tier 1 and the main contractor for large technological projects, as opposed to platform builders, who design and manufacture the different air, land or naval platforms, which require other types of capabilities and technologies.

It is essential at this point to understand the leading role that the public sector is assuming in this process, both in Spain and in other countries with a defense industry, such as France, Italy and Norway.

Many of the decisions which will mark our future are being taken at the European level of government, and hence the value and the strategic relevance of SEPI within our shareholding and its unequivocal commitment to us.

This commitment is necessary to defend Indra's role and participation in major European investment projects. These major projects are decided and distributed at the government level.

It is obvious that all countries want to have the greatest participation of their companies in the highest value-added areas, such as systems. And European companies comparable to Indra have the strong and active support of their respective governments. For us to have that same level of support is not just an advantage, it is a basic condition.

And to be a leading player in the EU and NATO, Spain also needs its own highly developed defense industry that can respond to these requirements, ensure technological sovereignty and competitively and efficiently develop critical technological capabilities. This technological training is what closes the circle and provides Spain with the relevance and leadership it deserves at an international level. Technological training is the fuel that will allow the vehicle to move forward at the required speed.

Therefore, a key factor for success in the coming scenario is the right public-private collaboration, each in its own role and with its own responsibilities and governance, and having a professional alignment between government and industry.

At Indra, we are committed to working on this alignment in the area of security and defense, giving it the highest priority and as a sign of our commitment to the defense of Spain and the EU.

The Challenges of this new scenario

In general, there must be a significant increase in defense investment to meet NATO commitments, both in terms of equipment, maintenance and technological development.

In Spain, the government has already made public its willingness to do so, which could mean between 10 and 12 billion euros per year in additional spending if the +2% of the GDP is reached.

The evolution of technology increasingly requires robust economies to cope with the huge R&D investments needed to equip the digital era.

The complexity and cost of the technology is growing exponentially and no company and no European country can now afford, for example, the necessary investment in a new fighter jet on its own.

The need for national consolidation and cooperation between companies at the European level to develop complex and expensive technologies together in large transnational consortia is therefore gaining momentum.

And if we take the USA and China as a reference, it will be necessary to increase the standardization and simplicity of European models and platforms, from its enormous dispersion and heterogeneity today: in the USA there is one type of heavy tank, in Europe 16; in the USA there are 4 types of frigates, in Europe 29; in the USA there are 2 types of armored infantry vehicles, in Europe 20. It is important to have linguistic diversity in Europe, with 24 official languages in the European Union, but we must have a single idea on defense, as well as a defense technology policy in the same way that we have a single shared set of principles.

We see that countries with more mature and efficient defense sectors make long-term strategic planning of technological capabilities that allows them to anticipate, align, coordinate and make more efficient decisions. When embarking on a long and hazardous journey, you need to think well about the route, prepare your team, plan for possible mishaps and take time to think.

Thus, through the planning and management of the sector, Spain has a great opportunity.

And the Spanish defense industry must be prepared to respond to this challenge.

However, it must be recognized that the Spanish industry today is more fragmented than that of other comparable countries, and it lacks scale, investment capacity, coordination and some critical technological capabilities.

Defense systems are increasingly dependent on digital technologies (we see this with hyperconnectivity, the Internet of Battlefield Things, the Combat Cloud, Artificial Intelligence, or cyberdefense).

Indra already has unique, proven capabilities in many of them.

It has been said that chance does not really exist, that it arises out of needs, and the future has presented Indra with a historic opportunity: Europe's need to defend itself with more technology and Indra's need to project itself towards higher levels of scale, ambition and relevance.

Because of our technological nature, we have great potential and a particularly strong position to participate and play a leading role in European programs in which Spain participates, as long as we maintain our technical excellence and competitiveness.

That is why I want to underscore, dear shareholders, that only Indra can become the Spanish player with dual and multi-domain capabilities to guarantee the backing of Spanish interests in European aerospace and defense.

Let us remember that we are a technology industry that generates high value-added economic activity, highly skilled jobs, technological capabilities and knowledge that are very difficult to acquire. We know how to transform the investment we receive into growth, knowledge, exports, high quality employment, EBITDA and cash.

And let us also remember that innovation in defense also has enormous repercussions in the civilian sphere, since most of the technologies developed have a dual use. The origin of many technologies, such as GPS, radar or the Internet, is military in origin, and the origin of an important part, half or more, of the R&D invested by the countries that invest the most in R&D is military.

Indra already has technological capabilities that have a dual use, in fields such as sensor technology, optronics, communications, IoT environments, artificial intelligence and simulation.

Up to this point, I have spoken mainly about Defense, which is where the transformational change of scenario has taken place, forcing a revision of the strategy. But we are well aware that IT is a central part of our revenues and profits, and therefore of our future. We believe that Minsait is strategically well oriented, but there are still relevant challenges for it to continue on its path of success:

- Make strides in platformization to glean a few more points of margin through software reuse, further standardization and industrialization and thus continue the path of transformation from services to products
- Attract committed technological talent to the project and retain the best professionals so that they choose to develop their careers with us
- Focus on the areas and sectors we know best
- Continue developing the mix in our product/service offer and thus shift our business to higher margin segments
- And deepen our presence in Minsait's key strategic markets

Everyone here will understand that we must prepare the company for the profound changes and challenges we are experiencing, both in Transportation & Defense and in Minsait. We must update our strategy and align all corporate and strategic elements to this reality. All countries and their national benchmark companies are readying themselves at full speed.

We must also deepen our ties with our main industrial partners and allies and develop strategic alliances that combine interests, capabilities and objectives with the rest of the companies in the ecosystem. We won't be able to do it alone and Indra has a lot to contribute.

At this point, I would like to share with you my vision for Indra:

Indra's *raison d'être* is to solve our customers' problems through technology.

We want to continue growing in the most technologically complex sectors with the greatest commercial opportunities and gain the scale, efficiency and attractiveness we need to recruit and retain the best talent

We want to be the global benchmark company around which the major technological projects of our country are structured and a leading player in the Aerospace and Defense industry.

To this end, we aspire to expand our technological capabilities in Defense & Security with the will to lead the transformation and consolidation of the industry.

To carry out this transformation, we will have to make an effort to increase our presence and scale in our core markets, work on entering new countries and markets, and deploy an active strategy within the sector.

In order to advance along these lines, we must also maintain a renewed effort in R&D investment.

We also aim to be, through the technological and digital capabilities of Minsait, the leaders in the digital transformation of our customers thanks to our offering and digital assets and the dual-use technologies that we will develop.

Along these lines, the logical evolution for Minsait in this new stage will be to acquire ever greater operational independence, deepen the evolution of the business mix towards the areas of greatest value, and continue to improve efficiency through platformization.

At this point, we must stress the leading role, the potential for synergies and the crucial contribution that Minsait, our IT business, will have in achieving our objectives.

The strategy we are working on, which I have just defined in its main lines, implies ambition and growth for Indra, a period of greater opportunities and attractiveness, also for the best technology professionals, whom we want to attract and retain.

I consider everything related to talent to be one of our great strategic challenges.

From the first moment of my appointment, I have been able to confirm the extraordinary professional quality of so many people who are part of Indra. It is time to offer them the best long-term career plan through a growth strategy that allows them to fully develop their potential.

To recap,

The geopolitical and strategic moment is favorable to Indra. We are in a time when major global trends are driving us. We are particularly active and have our own technology in the sectors that are going to capture the most investment (such as defense or large strategic digital transformation projects). As a leader and technological benchmark in the defense industry, we aspire to drive the transformation and evolution of Spanish industry, for which we see a moment of opportunity.

Our financial situation is solid, which strengthens our attractiveness and allows us to look towards the future with serenity.

And we have the strong support and confidence of our major shareholders. It is especially significant the support of SEPI, which has been reflected in an increase in its shareholding, a sign of its confidence in Indra's future.

This climate of trust and support also allows us to attract new and very important private shareholders such as SAPA, who want to be part of this new stage and whom I welcome.

Therefore, we have many of the necessary elements in place to make this strategy a success.

I would like everyone here to look forward to this stage with great expectations. This is not a period of inertia and continuity; it is a period of renewal and growth that projects us toward a scenario of greater value creation.

It is up to us to mold our road map to our new strategic plan, to be capable of implementing it, to strike the right balance of risk-return, and to be exacting in our choice of priorities.

None of this is easy, but I am convinced that we are on the right course at the right time.

Good governance recommendations,

With that in mind and in accordance with the provisions of Recommendation 3 of the Code of Good Governance of listed companies, I would like to refer to the most relevant aspects of Corporate Governance and the changes that have taken place since the last General Shareholders' Meeting, with the most noteworthy being as follows:

- With regard to the composition of the Board and its committees, it should be noted that:
 - On December 20, the Board of Directors accepted the resignation of the proprietary director, Mr. Santos Martínez-Conde, representing the shareholder interests of Corporación Financiera Alba, as this shareholder had reduced its stake in the Company.
 - On April 21, 2022, the executive services contract of the CEO, Ms. Cristina Ruiz Ortega, was terminated by mutual agreement and, as a result, she resigned as a member of the Board of Directors.
 - To fill the vacancy left by the resignation of Mr. Martínez-Conde, the Board appointed Mr. Francisco Javier García Sanz as independent director, by cooptation, and for the vacancy left by the resignation of Ms. Ruiz, the Board appointed Mr. Luis Abril Mazuelas as executive

director, also by cooptation. These two appointments are subject to ratification and re-election at this General Meeting.

- As I have mentioned, after the changes in the governing structure of the Company, the Board of Directors considered it appropriate to create a Strategy Committee in September 2021 as a consultative and advisory body to support the Board.
- As a sign of the Board's commitment to aligning its internal regulations with the best Corporate Governance practices, I would like to note that certain aspects valued by ESG analysts have been incorporated into the Board Regulations and the Director Selection Policy to extend the concept of diversity to include cultural diversity, and the establishment of a minimum attendance requirement for Board and Committee meetings, which has been very high in all cases.

Next, I would also like to inform you about the degree of compliance with Indra's Good Governance recommendations in 2021:

- As has been reported in previous Shareholders' Meetings, Indra does not comply with Recommendation 48 of the CBGSC regarding the separation of the current Appointments, Compensation and Corporate Governance Committee into two committees, as such separation is not considered appropriate for the reasons set forth in the Annual Corporate Governance Report.
- Likewise, as indicated in the aforementioned report, Indra partially complies with Recommendation 52 of the CBGSC insofar as the Strategy Committee is not chaired by an independent director.

Therefore, the degree of compliance with the aforementioned recommendations, which total 64, is very high.

Conclusion

I will conclude my speech with these final thoughts.

First of all, I would also like to thank Cristina Ruiz and Javier Lázaro, until very recently Chief Executive Officer and Chief Financial and Corporate Officer, respectively.

I would like to thank them for their commitment and dedication at the helm of the company, valuing their successful management and the profound transformation that has taken place in the Company since they assumed their responsibilities. This transformation now allows us to open a new era in the best conditions. I would like to wish them all the best in their new professional ventures.

In this new phase we will continue to face enormous challenges, but I am convinced that there are many reasons why we should confidently look towards the future. In the field of defense and technology, we may be facing a transformational moment in which we can be major players in a completely new and constituent European scenario.

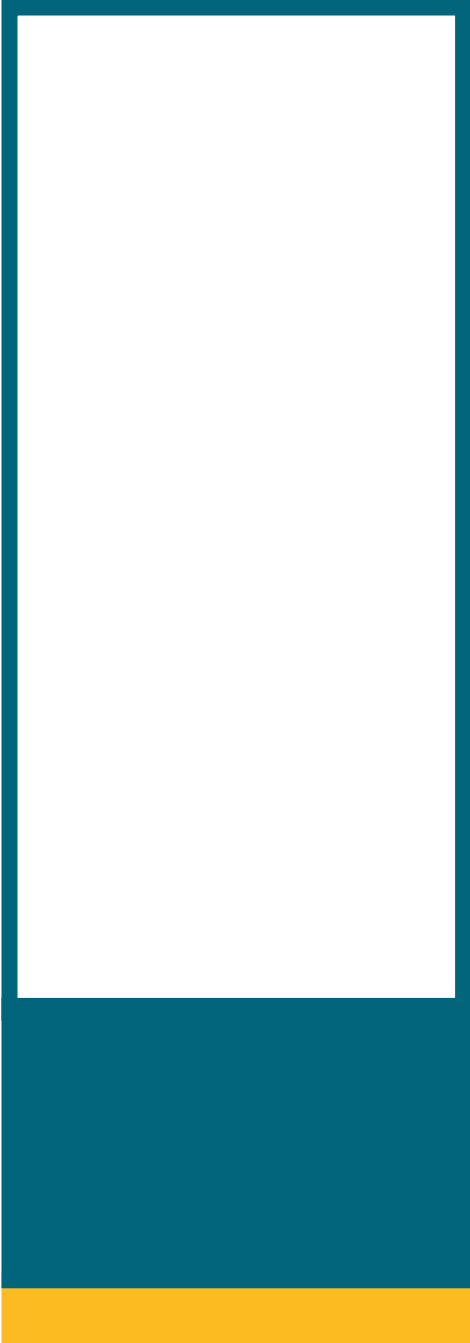
We have shareholders who are committed to our future, including the strategic support of the State. We have our own technology and unique technological assets. We have an extraordinary team of professionals, and we are going to be the protagonists of a highly dynamic global industry of great potential that is going to receive large investments.

I would like to conclude my speech by expressing on behalf of the Board and myself our recognition and gratitude to all Indra professionals for their efforts during 2021 and for their unquestionable commitment to our company.

If you allow me, I would also like to add a few words for our international shareholders and investors. I'd specifically like to share some words with our friends and shareholders outside Spain and Latin America. Indra has always had an international outlook, and will continue to do so. Our markets are global. Our ambition is to be the trusted technological partner for our clients in our core markets all over the world. We will work and develop those markets in which we are competitive. Our mission is to help our clients in their goals, to that end we will expand our capacities and enhance our scale. We are grateful for your trust in Indra.

Finally, allow me to express my gratitude for the trust you have placed in us to begin this new phase, and once again to convey my best wishes to all of you and your families.

Thank you very much.



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