

Sustainability Report 2021

Non-Financial Reporting Statement

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1 Letter from the Chairman

[GRI 102-1]



Marc Murtra
Chairman

It is my pleasure to address you as we publish Indra's 2021 Sustainability Report and Non-Financial Reporting Statement, at a time filled with geopolitical uncertainty and in a year in which we have made significant progress in terms of our economic, social and environmental performance, as well as corporate governance. From the Board of Directors, we view Indra's 2021 performance as very positive, yet we also remain fully aware of the difficulties and challenges that still lie ahead.

We are in no doubt of the company's ability to successfully meet the objectives set out in the Strategic Plan. As such, in 2021, the Board opted to create a new Strategy Committee to continue to work to ensure the strategy is implemented efficiently and effectively and tailored to the needs of a rapidly-changing fast-paced context.

Indra has been ranked the world's number one company in the IT Services sector by the Dow Jones Sustainability Index (DJSI) and was recognised by S&P as "Gold Class" for a second consecutive year in its Sustainability Yearbook

Our goal as a company is to use technology to help meet the Sustainable Development Goals and by doing so create value for all our stakeholders. The Board of Directors is fully aware of just how important sustainability will be for the company over the coming years and is intently following the European Union's progress in terms of its Taxonomy Framework and its Action Plan on Sustainable Finance. A demanding regulatory schedule which requires Indra to remain one step ahead and anticipate future obligations. The Board continues to champion Indra's unwavering commitment to sustainable development via the Sustainability Committee.

In 2021, Indra was ranked the world's number one company for sustainability in the IT Services sector by the Dow Jones Sustainability Index (DJSI) and was recognised by S&P as "Gold Class" in its Sustainability Yearbook for a second consecutive year. These acknowledgements come in addition to its recognition as a "leading company" for its action against Climate Change in the CDP index and its inclusion once again in the Bloomberg Gender Equality Index.

Lastly, both I and the Board of Directors would like to extend our sincere thanks both to all of our employees for their outstanding work and to all of our shareholders for their continuing support. Thank you on behalf of Indra's entire Board of Directors.

A handwritten signature in blue ink, appearing to read 'Marc Murtra', written in a cursive style.

Marc Murtra
Chairman of Indra

2 Message from the CEOs

[GRI 102-14]



Ignacio Mataix
CEO

Cristina Ruiz
CEO

2021 brought some outstanding results, achieving record highs, both in terms of the order book and income and cash generation – and all during a global pandemic that has not yet fully come to an end. We upwardly revised our annual guidance on two separate occasions in 2021 and managed to comfortably exceed these newly revised levels by the end of the year.

Indra continues to perform exceptionally well in terms of its commercial activities. Our order book is at record levels of over €5,450 million, with 2022 looking set to see strong demand for all of our businesses – demand which is underpinned by the economic recovery expected across all the major geographies in which we operate.

Both revenue from Transport and Defence and Minsait recorded all-time highs in 2021, registering double-digit growth versus the previous year and an operating profit that is now clearly above pre-pandemic levels. Lastly, net profit broke above the €140 million threshold and is almost 20% higher than in 2019 prior to the onset of the pandemic.

Cash generation also reached an all-time high of €289 million, allowing the company to bring its net debt down – both in absolute terms and in terms of EBITDA – to levels not seen in more than ten years and levels that allowed it to pay a dividend once again.

In 2021, Indra achieved record highs in terms of both its order book, as well as revenue and cash flow, comfortably exceeding its targets

Taking a more detailed look at the businesses and starting with T&D, the Defence order book and sales – which rose 22% versus 2020 – were bolstered by multi-year Defence contracts in Spain (Lanza 3D radar, F110, 8x8 Wheel Combat Vehicles, NH90 helicopter simulator and Chinook military transport helicopter) and positive developments in the Eurofighter business (with both new orders and medium-term contract updates).

Despite the pandemic-induced drop in global air traffic, which has still not been fully recovered, ATM was up +4% versus 2020. This growth was buoyed by the signing of important contracts (Eurocontrol, Kuwait, South Korea) that point towards a positive recovery for the business. In the Transport vertical, we have also made considerable progress in the main flagship projects, finalising the Meca-Medina investments and receiving significant payments in other projects in the Middle East.

In Minsait, the order book, revenue and EBIT margin also recorded all-time highs, registering 11% organic growth in revenue and an EBIT margin of 4.9%, thanks to the efficiency plans, change in the mix and revenue growth.

The organic growth of Digital Solutions and Proprietary Solutions stood at 18% and now accounts for 36% of Minsait sales. In 2021, the company completed six acquisitions (Flat 101, Consultoría Organizacional, Net Studio, Credimatic, MSS and Overview Effect), to better position itself in strategic areas such as Cybersecurity, Payment Systems, Digital Marketing and Data Analysis. The company also signed two contracts financed by Europe's Next Generation funds – a strategic area in which we hope to soon achieve new successes.

The economic recovery has fuelled demand and we firmly believe that Indra's success in 2021 is largely thanks to its ability to deliver on two objectives that are key for our clients: digitalisation and sustainability.

In this regard, we would also like to highlight the company's excellent ESG performance, a solid set of results that pay testament to our commitment to placing sustainability at the heart of our strategy and using technology to help meet the Sustainable Development Goals of the 2030 Agenda.

Our strategy is based on helping our clients successfully overcome their sustainability challenges

We are deeply committed to sustainability and the social impact of our business operations: we have cut CO₂ emissions by 34%, narrowed the wage gap, increased the percentage of women hired with STEM profiles and the percentage of young women hired aged 30 and below, 88% of our sales are operations that can help to offset and mitigate Climate Change and we have also tied senior management incentives to our ESG objectives.

We are a knowledge-intensive company, and as such developing and attracting the best talent is a strategic goal of our business. This year we have successfully offered an attractive project for the future to a large number of professionals, employing more than 16,500 new recruits. By enhancing our training plans – which have reached over a million hours of training – and actively championing professional development via internal job-swap initiatives, we have clearly demonstrated our steadfast commitment to driving internal growth and attracting the best technological talent.

We would like to extend our heartfelt thanks to the remarkable team of professionals that work tirelessly to help make our aspirations a reality and achieve the goals we set ourselves. We would also like to thank our clients for continuing to place their trust in us and our partners and suppliers for their ongoing support and invaluable collaboration.



Cristina Ruiz
CEO



Ignacio Mataix
CEO



Indra is the world's leading technology company in sustainability



Dow Jones Sustainability Indexes

In 2021, Indra was ranked the **No. 1 company in sustainability** in the **IT Services sector** by the renowned **Dow Jones Sustainability Index**.

With an overall **score of 85 out of 100**, Indra ranks first in the sector among 71 other global IT companies.

Sustainability Award

Gold Class 2021

S&P Global

Indra has also been recognized with the "**Gold Class**" category in the **S&P Global Sustainability Yearbook** for the **second consecutive year**.

The S&P Sustainability Yearbook is the **most prestigious sustainability report worldwide**. Only 76 companies in the world, including three Spanish companies, have achieved this distinction.



Our 2021 performance figures

 Financial performance			
Revenues (M€)	EBIT Margin	Free Cash-Flow (M€)	Net debt / EBITDA
3,390	7.5%	289	0.8x

Governance, ethics and transparency

Professionals trained in ethics and Compliance over the last 3 years **95%**

Suppliers trained in ethics and compliance **86%**

Nº of cybersecurity incidents with critical impact **0**

Technology with impact

R&D investment over revenues **8.6%**

Professionals dedicated to R&D **3.6k**

Women on R&D activities **30%**

No. 1 in the world in sustainability according to DJSI 2021



Dow Jones Sustainability Indexes

Planet

SBT 1.5°C emission reduction objectives

	2030	2040	2050
Emissions reduction	-50% emissions by energy consumption	Zero emissions by energy consumption	100% carbon neutral
Green energy	82%		

-34% vs. 2019

 **SCIENCE BASED TARGETS**
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

People

Women on staff 34%	Gender gap 3.1%	Final staff 52,083	Women on Board 42%	Local professionals 95%	Professionales with permanent contract +90%	Professionals with collective bargain instruments 99%	Top Employer Company
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 **top EMPLOYER** ESPAÑA SPAIN 2022
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

Among the leaders of sustainability in ESG indices

 85 +1 vs. 2020 DJSI (0-100 score) Top 1%	 4.1 Ftse4Good (0-5 score) Top 16%	 AA MSCI (scale CCC-AAA) Top 15%	 A- CDP Climate Change (scale F-A)	 7 ESG Risk Low level in a 0-100 scale
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3 Market climate, business model and sustainability

3.1 Market climate: regulation and trends

After the onset of the Covid-19 pandemic sent the world into disarray in 2020, the market gradually began to recover in 2021 thanks to the steady rollout of the vaccine programme and the end of mobility restrictions. Nonetheless, although concerns regarding the health situation are gradually easing and things seem to be returning to normal, uncertainty still looms. Potential new variants of the virus, delays to vaccination programmes in developing countries and vaccines becoming less effective over time could curb the rally currently being seen.

In this regard, the technology sector will continue to benefit from the increasing digitalisation of the economy. A structural change that had already started to take hold before the outbreak of the pandemic, and that has been shifted up a gear since the onset of Covid-19.

At macroeconomic level, the sharp upturn in demand following this enforced hiatus, is leading to global supply chain tensions and causing prices to spiral. If this situation persists over time, it will likely start to affect companies who will face higher costs and be forced to pass them on to their clients.

On a geopolitical level, the crisis caused by the Ukraine invasion will have a long-term impact on the global economy, the full effects of which are yet to be seen. An ongoing conflict could have a more severe impact on European security due to the contagion risk. The impact of the harsh economic sanctions imposed by the EU and other members of the international community on Russia are causing the price of raw materials to soar, which is likely to ultimately feed inflationary tensions. The current crisis is also going to hit Europe's energy supply even harder – with prices already climbing to unprecedented levels – and is likely to soon affect economic growth.

The trends affecting the company's business were already visible before the onset of the pandemic. However, Covid-19 and all its consequences has considerably hastened their development and their impact on our businesses. Indra has benefited from the digital transformation of the economy, with revenue figures outstripping pre-pandemic levels. The main trends affecting the group's business environment are outlined below:

■ The significance of digital capabilities

Digitalisation has given rise to increasingly important digital technologies (e.g. Artificial Intelligence, the Internet of Things, Cybersecurity, etc.), new niches of digitally native businesses (e.g. Unmanned Traffic Management, aftermarket, etc.) and new business models (e.g. predictive maintenance as a Service, core banking as a Service, infrastructure as a Service, etc.). New technologies (automation, the cloud) are penetrating and significantly transforming traditional products and services.

Innovation lead times and the time-to-market of new products are subject to continual reductions which, in turn, accelerate the speed of obsolescence of products and are forcing increased agility in innovation and development cycles.

■ Blurring the boundaries between industries, clients and competitors

In this context of accelerated digital transformation, the boundaries between traditional value chains are becoming blurred, as are the roles of client-competitor-supplier. There is also a migration of the value towards new digital ecosystems, in which technology is increasingly becoming a key factor in long-term sustainable competition.

The importance of new relational ecosystems that favour the creation of platforms of multi-sector collaboration are therefore increasing, benefiting from differentiating resources on which to build a competitive advantage.

■ The importance of scale and acceleration in consolidation processes

Multiple factors are making scale an increasingly important factor in determining how competitive technology companies are:

- Upward trend in the number and size of large contracts.
- Need for significant investment in R&D, directed towards the industrialisation and “productisation” of the portfolio.
- Sustained pressure on pricing, which requires a constant focus from companies on efficiency plans.
- Rapid erosion of added value, resulting from the acceleration of change and investment cycles.

In turn, the need to scale up also accelerates the consolidation process between our main competitors, with the market seeing an increasing number of mergers and acquisitions aimed at complementing the portfolio and acquiring new capabilities.



■ **Renewed concern regarding sustainability**

Sustainability now represents one of society's key concerns globally. This growing social awareness is clearly permeating all areas of the corporate environment, and becoming a priority:

- In regulatory terms, authorities are driving a change of trend through legislation and the voluntary commitments which companies are making in aspects such as diversity, good governance and the fight against Climate Change.
- Investors, analysts and rating agencies now generally incorporate environmental, social and governance aspects into their valuations. In fact, it is increasingly possible to identify a sustainability premium in the price that investors are willing to pay for the shares of the leading companies in sustainability, and good performance in this area facilitates access to better financing terms and conditions.
- Employees and society as a whole are becoming more demanding of companies, expecting value generation to extend beyond the shareholder, contributing to social and environmental well-being. In turn, companies are reacting by demanding solutions and services from their suppliers which will contribute to both their own sustainability and that of society, as a driver for the differentiation and strengthening of their image.

■ **Increasing importance of public budgets and stimulus measures**

The pandemic has forced states and supranational entities to deploy economic stimulus packages and post-Covid recovery programmes, designed to mitigate the economic impact and accelerate the return to growth. The ambitious Next Generation EU recovery plan underway at the European level particularly stands out, with a dual objective of increasing both the sustainability and the digitalisation of the economy.

At the same time, public authorities have become bigger clients, which is customary in times of crisis. As a result, Business to Government and the weighting of public-sector contracts has increased.

Macro-trends 2021





The Indra business model is based on offering a full suite of end-to-end proprietary solutions that ensure both significant added-value and a notable innovation component. The company establishes long-term relationships with its clients, becoming their technological partner for the key operations of their businesses. To achieve this, Indra's team of professionals combines solid technological capabilities with an in-depth knowledge of markets and the needs of their clients. Meanwhile, Indra is committed to sustainability as an intrinsic part of its objectives, bolstering the sustainability of its clients through technology.

Indra is one of the leading international technology and consultancy companies, with global sales of €3,390 million in 2021

Indra has two business divisions, Transport and Defence and Information Technology (under the Minsait brand). The two divisions are linked by a solid technological base which is their main distinguishing feature and is the core of the company's business model. The two businesses have different dynamics:

- **Transport and Defence:** products mainly oriented towards governments and public authorities, and an emphasis on products in which hardware and electronics are a key element.
- **Minsait:** mainly focused on the suite of products offered to private clients and technology centred on software.

<h3 style="margin: 0;">Transport and Defence</h3> <p style="margin: 0; font-size: 0.9em;">World-leader in providing proprietary Solutions in specific segments in Transport and Defence markets</p>			<h3 style="margin: 0;">Digital and Information Technologies</h3> <p style="margin: 0; font-size: 0.9em;">Leading firm in Digital Transformation and IT in Spain and Latin America, through its affiliate Minsait</p>	
 <p style="margin: 0; font-size: 0.8em;">Defence and Security</p> <p style="margin: 0; font-size: 0.8em;">Envisioning a safer tomorrow</p>	 <p style="margin: 0; font-size: 0.8em;">Air Traffic</p> <p style="margin: 0; font-size: 0.8em;">Creating skies together</p>	 <p style="margin: 0; font-size: 0.8em;">Transport</p> <p style="margin: 0; font-size: 0.8em;">Unlocking life in motion</p>	 <p style="margin: 0; font-size: 0.8em;">minsait An Indra company</p> <p style="margin: 0; font-size: 0.8em;">Mark making the way forward</p>	

Transport and Defence (T&D)

Indra is a leading provider of in-house solutions in specific segments of the Transport and Defence markets, positioning itself as an international leader in high value-add niche technological markets.

The T&D division spans three markets, with a considerable international presence in all three of them: Defence and Security, Air Traffic and Transport:

- **Defence and Security.** Indra is a key European player in the area of defence systems, with proven experience at an international level. The company has in-house solutions in the segments of air defence, on-board systems on airborne, naval and land-based platforms, border security and surveillance, electronic defence, simulation, space and satellite communications. Indra is key to Europe's main current and future airborne programmes, such as Eurofighter and FCAS (Future Combat Air System). It plays a particularly important role in the latter as Spain's national industrial coordinator and is the global leader in sensor technology.
- **Air Traffic.** Indra is one of the leading suppliers of air traffic systems and equipment worldwide, with references in more than 170 countries, which include Indra technology in ~200 control centres, ~1,700 ILS systems (Instrument Landing System) and ~400 secondary radars. Indra is a key industrial partner in the Single European Sky initiative (the SESAR programme). While the company is also leading the transformation of the sector with the development of innovative initiatives across multiple arenas such as U-Space (air traffic management of unmanned vehicles), virtual control towers, and communications satellite services, navigation and surveillance. Over the last year, Indra has set in motion innovative high-profile projects such as Startical (a constellation of satellites to enable surveillance and communication for air navigation) and the digitalisation of Eurocontrol's Network Manager.



- **Transport.** Indra has an integrated technology suite that includes ticketing and toll systems, information and control systems for multiple infrastructures and modes of transport, rail safety and signalling systems, as well as transport consulting and planning capabilities. Indra is the technological partner in some of the most important infrastructure projects globally, such as the Panama Canal, the London tunnels and the high-speed Mecca-Medina line. The company also leads some of Europe’s most important innovative initiatives in the digitalisation of transport and intelligent solutions, such as the Shift2Rail, Mobility 2030 and Comp4Drones projects.

<p>ATM</p> 	 <p>ATM systems</p>	 <p>Communications</p>	 <p>Navigation</p>	 <p>Surveillance</p>
<p>Transport</p> 	 <p>Revenue Collection</p>	 <p>Control & Enforcement</p>	 <p>Operational systems & Communications</p>	 <p>Safety & Signalling</p>
<p>Defence & Security</p> 	 <p>Security & Border Surveillance</p>	 <p>Electronic Warfare & Logistics</p>	 <p>Simulation</p>	 <p>Space & Satellite Communications</p>
<p>Minsait</p> 	 <p>Energy & Industry</p>	 <p>Financial Services</p>	 <p>Telecom & Media</p>	 <p>Public Administrations & Healthcare</p>

Information Technology (Minsait)

Indra groups all its Information Technology (IT) businesses under the Minsait brand. With a value proposal aimed at generating an impact on businesses and society through technology transformation, Minsait has positioned itself as a leading digital transformation company in Spain and Latin America.

Minsait’s suite of products combines integrated solutions, starting with strategy and origination, implementation and transformation, right through to operations. Minsait combines in-house solutions (with 100,000+ companies connected to the ecosystem with its solutions) with the provision of IT services, including digital business (27% of Minsait’s business comes from consultancy, cybersecurity, advanced technologies and ERP services), as well as traditional IT services (IT outsourcing, business process outsourcing, infrastructure management and user support).

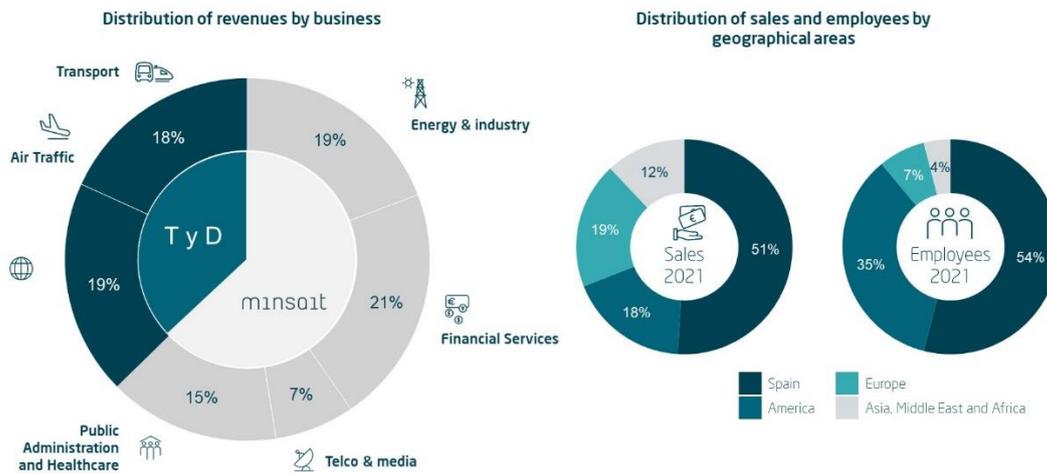
Minsait has specific end-to-end value proposals adapted to each industry, designed to generate value in response to the challenges faced by clients in each sector and guaranteeing the cybersecurity of their operations:

- **Energy and Industry.** Minsait has leading solutions for the management of transmission networks and energy distribution. In the industrial sector, Minsait has solutions to improve airline competitiveness and to optimise and improve the experience through online sales channels (e-commerce).
- **Financial Services.** Minsait’s bank card solutions are the leading solutions in Spain and Latin America. In Latin America, the company created the first 100% digital bank in Argentina. The company is helping to transform the insurance sector from a client point of view.
- **Telecom and Media.** Minsait optimises the billing costs of big operators and guarantees the optimisation of fibre-optic communications. Minsait’s technology improves client experience by optimising back-office services.
- **Public Authorities and Healthcare.** Thanks to its technology and experience, Minsait is contributing to the digital transformation of all public authorities, aiming to simplify and streamline processes involving the general public. Minsait is recognised around the world for its experience in electoral processes, with its technology being successfully used in more than 400 elections worldwide. In the healthcare sector, the company develops key solutions to make home-based medical assistance a reality.



Indra's international presence
[GRI 102-3]

Indra has a significant international presence, with 49% of annual sales made outside Spain. Its more than 50,000 employees are distributed across 48 countries. Additionally, Indra has commercial activities in more than 140 countries, therefore its commitment to sustainable development has an almost global reach. Headquartered at Avda. de Bruselas, 35, 28018 Alcobendas in Madrid, Indra is the leading technology company in the Spanish industrial sector and a major player in the rest of Europe and Latin America. The majority of the company's sales and employees are concentrated in these three geographies, and of particular note is that more than 75% of purchases are made through suppliers based in Spain.



2021-2023 Strategic Plan

Indra is currently working to the objectives of its three-year Strategic Plan which spans the period 2021-2023. This Plan was approved by the Board of Directors in February 2021. The Plan's aim is to define the company's main strategic lines of action in the medium term and tailor them to the current trends shaping the market. The Board of Directors also approved the creation of the Strategy Committee in September 2021.

Sustainability is included as a key issue in the 2021-2023 Strategic Plan, in line with the main market trends that could potentially have a significant impact on the company's operations. Specific initiatives in this area for the period covered by the Strategic Plan have been developed as part of the 2020-2023 Sustainability Master Plan.

For more information on Indra's business model, the markets in which it operates and its strategy, we recommend reading the investor presentation available and regularly updated on the [Indra website](#).

Indra's international presence





Sustainability strategy and contribution to the Sustainable Development Goals (SDG)

As part of its ongoing commitment to sustainable development and ethics, as well as to the various requirements of its stakeholders, Indra benefits from a [Sustainability Policy](#) that was approved by its Board of Directors.

Indra’s Sustainability Policy is inspired by the Sustainable Development Goals included in the UN 2030 Agenda, in response to stakeholder expectations, and adopting leading international standards.

The Sustainability Policy is the reference framework for the effective integration of environmental, social and governance (ESG) criteria in the company’s decision-making processes, in the development of its products and services, and in relation to the company’s main stakeholders.

The Sustainability Committee is responsible for monitoring and supervising the objectives and principles of this policy and for reporting its conclusions to the Board of Directors.

The Sustainability Policy is applicable to and binding on all Indra Group companies globally.

Indra’s sustainability model is inspired by the Sustainable Development Goals (SDGs). For years, the company has been committed to the objectives of the UN 2030 Agenda – evident from the initiatives it has rolled out as part of its 2020-2023 Sustainability Master Plan approved by the Board of Directors in 2020.

Principles of action of the Sustainability Policy



Strengthen the governance model for responsible business

- ✓ Adopt best practices in corporate governance
- ✓ Pursue the social interest and sustainability of the group
- ✓ Comply with the Code of Ethics and respect Human Rights



Technology with impact on sustainable development

- ✓ Promote business offerings with impact on sustainability
- ✓ Include social criteria in the development of products and services
- ✓ Measure the impact of business offerings on people and the planet



Combat Climate Change and protect the environment

- ✓ Fight Climate Change
- ✓ Minimize the environmental impact of operations
- ✓ Rational use of resources



Reinforce relationship with stakeholders

- ✓ Fluency and transparency in Communications, sharing relevant information for decision making
- ✓ Dissemination, follow-up and evaluation of the commitments acquired

Indra’s suite of solutions and services helps towards achieving the UN’s Sustainable Development Goals

There are numerous examples which illustrate how Indra’s innovative technology favours more sustainable economic development and demonstrates the strong link between sustainability and digitalisation. In addition to seeking greater sustainability via its solutions, Indra also promotes the application of responsible social and environmental business practices. Indra’s activity therefore touches almost all the SDGs, although there are some solutions where the positive impact on society and the environment are particularly significant. For more information, see section 7 on “Technology with impact”.



3.3 Commitment to sustainability

Sustainability Master Plan 2020-2023

[GRI 102-16] [GRI 102-20] [GRI 102-26]

The 2020-2023 Sustainability Master Plan approved in 2020 by the Board of Directors is the basis for Indra's sustainability management, which aims to offer a response to present and future social and environmental challenges by creating value for its stakeholders and a positive impact on its surrounding environment.

Based on the Sustainable Development Goals, the company's Sustainability Policy and other sustainable initiatives within its cultural transformation project, the Plan is founded on six main pillars that steer the company in terms of its risk management, sustainable development opportunities and form the basis of its cultural framework.



The 2020-2023 Sustainability Plan includes 28 environmental, social and good governance technology-based initiatives to drive Indra's leading position in sustainability

The Sustainability Committee, tasked with the strategic role of tracking the Master Plan's progress, kept the Board of Directors regularly informed during 2021 of the company's initiatives and any progress made towards achieving the objectives set out. In a bid to maximise transparency, the milestones achieved in the Plan in terms of performance indicators and impact metrics are detailed in the relevant sections of this report – corresponding to the main pillars of the Sustainability Master Plan.

Key ESG milestones in 2021 have been successfully met

 Stakeholder relationship	<ul style="list-style-type: none"> ▪ Significant improvement in the scores obtained by the main ESG indices: "gold class" rating by S&P Global, Top 1% in the Dow Jones Sustainability Index and leadership level in CDP 	✓
 Good governance, ethics and transparency	<ul style="list-style-type: none"> ▪ Reinforcement of ESG risk management mechanisms, including improvements in the management of Human Rights risks with suppliers, with the approval by the Board of the Sustainability Policy for Suppliers and the Modern Slavery Statement 	✓
 Planet and Climate Change	<ul style="list-style-type: none"> ▪ Adoption of science-based targets in line with the Paris Agreement and the 2030 Agenda: to achieve zero emissions from own operations (Scope 1 and 2 emissions) by 2040 and to be carbon neutral by 2050 ▪ Broad compliance of emission reduction and renewable energy targets set for 2021 ▪ Climate change risk analysis according to TCFD (Task Force on Climate Related Financial Disclosure) guidelines and definition of the system for applying an internal carbon pricing 	✓ ✓ ✓
 Technology offer with impact	<ul style="list-style-type: none"> ▪ Application of the EU Taxonomy to Indra's "eligible" activities and in anticipation of the future analysis of technical selection criteria and minimum social safeguards ▪ Sustainability Policy for Suppliers included in the Terms and Conditions of procurement and increased supplier evaluation ratios with ESG criteria 	✓ ✓
 People and talent	<ul style="list-style-type: none"> ▪ Reduction of the global wage gap (3.21% in 2020 vs. 3.11% in 2021) ▪ Design of the Diversity, Equity and Inclusion Strategy with a focus on 5 dimensions of diversity: gender, generational, functional, cultural and sexual (LGBTI) ▪ Sustainability training plan launched for all professionals 	✓ ✓ ✓



Sustainability Master Plan pillars	Key activities in 2021	KPI	Related SDGs
 Good governance, ethics and compliance Ensure that the Company follows best practices in good governance, ethics and transparency	<ul style="list-style-type: none"> ✓ Integration of ESG risks in the Risk Map ✓ Reinforce of training in ethics and Compliance to professionals and suppliers ✓ Sustainability Policy for Suppliers approved by the Board and included in the Purchasing Terms and Conditions 	<ul style="list-style-type: none"> ▪ 95% professionals trained in ethics and Compliance over the last 3 years ▪ 0 critical cybersecurity issues ▪ 0 complaints for customer privacy ▪ 0 complaints on Human Rights 	 
 Planet and Climate Change Actively contribute to combating climate change and protecting the environment	<ul style="list-style-type: none"> ✓ SBT emission reduction objective formally approved ✓ ISO 14064 certification for the Carbon Footprint ✓ Carbon Pricing project ✓ Compliance of the emission reduction objectives and increase of Green energy use 	<ul style="list-style-type: none"> ▪ -34% emissions vs. 2019 ▪ 82% renewable energy ▪ Leadership level in CDP index ▪ 100% fabrication centers ISO14001 certified ▪ 70% hazardous waste recycled/reused in fabrication centers 	 
 People and talent Create a motivating work environment that promotes innovation, commitment and equal opportunities	<ul style="list-style-type: none"> ✓ Remuneration of senior management linked to sustainability objectives ✓ Effective implementation of remote work ✓ Training plan on sustainability for all the professionals 	<ul style="list-style-type: none"> ▪ +90% prof. with permanent contract ▪ 99% prof. with collective negotiation ▪ +90% retention after paternity/maternity leave ▪ 34% women and 33% in STEM ▪ 3.1% gender salary gap ▪ 1% prof. with disabilities 	 
 Technology offer with impact Develop products and services that help our customers to be more sustainable in their performance	<ul style="list-style-type: none"> ✓ Application of the UE Taxonomy to Company activities for the Climate Change adaptation and mitigation objectives ✓ Sustainability Policy for Suppliers ✓ Committed to The Overview Effect to strengthen our offer to customers with innovation in sustainability 	<ul style="list-style-type: none"> ▪ 293 M€ investment in R&D ▪ +3,600 professionals in R&D and 30% women ▪ 72% purchases to supplier with ESG rating ▪ 80% purchases to local suppliers ▪ 79% SME-type suppliers in Spain 	 
 Society and commitment with the community Contribute to the development of the communities in which Indra is present and generate a positive social impact	<ul style="list-style-type: none"> ✓ Duplicated the nº of volunteers that participate in solidarity initiatives to support local communities ✓ Mobilize professionals to participate in initiatives with social impact through the Core Teams 	<ul style="list-style-type: none"> ▪ 1.812M € investment in Social Action ▪ +2,000 volunteers ▪ +6,600 hours of volunteering ▪ +19K direct beneficiaries ▪ +58K indirect beneficiaries 	 
 Stakeholder relationship Improve the perception and enhance the value of Indra's leading position and ESG initiatives	<ul style="list-style-type: none"> ✓ Improve positioning in sustainability indexes ✓ "Double" Materiality Analysis 2021 ✓ Publication of sustainability content 	<ul style="list-style-type: none"> ▪ 85/100 DJSI score ▪ 4.1/5 FTSE4Good score ▪ AA rating MSCI-ESG ▪ 7 percentile in Sustainalytics ▪ 100% scope covered by ESG reporting 	 

3.4 Governance model for a responsible business

[GRI 102-18] [GRI 102-19] [GRI 102-20] [GRI 102-22] [GRI 102-23] [GRI 102-24] [GRI 102-25] [GRI 102-26]

Governance model

The principles of Indra's Corporate Governance Model are:

- **Efficiency:** to guarantee the most suitable composition of the administrative body and apply measures that allow it to act with purpose and independence in the interests of protecting social welfare, the shareholders and guaranteeing Indra's sustainability.
- **Fairness:** to encourage dialogue with shareholders, investors and other stakeholders and equal treatment of all parties.
- **Respect for shareholders' rights:** to implement measures to promote informed shareholder participation and the exercise of their rights.
- **Responsible compliance by management:** active supervision with specific and non-delegable responsibilities.
- **Transparency:** both in informative terms and regarding the commitment to dialogue with all stakeholders.



Corporate regulations and policies

Indra's management model comprises a set of standards and policies that seek not only to comply with the legislation in force, but also to incorporate the best practices and recommendations in terms of Corporate Governance. The internal regulations and the [main corporate policies](#) are available on the company website.

The Sustainability Policy reflects the company's commitments to all its stakeholders and represents a reference framework to guarantee responsible behaviour. The current [Sustainability Policy](#) has been approved by the Board, is public and can be viewed on the company website.

Indra reviews its internal regulations in order to adopt the best practices and recommendations in terms of Corporate Governance, as well as the main international benchmark standards

Indra's degree of compliance with the recommendations of the Code of Good Governance of Listed Companies is very high, as set out in section G of the [Annual Corporate Governance Report](#).

The company is continuously working to align its corporate governance strategy with international benchmark standards. In 2021, the Appointments, Remuneration and Corporate Governance Committee (ARCGC) and the Board of Directors appraised the efficacy of and compliance with the Corporate Governance rules, assessing the need to approve any amendments or proposed amendments to these rules, as detailed below:

- In January 2021, it was agreed to modify the Internal Code of Conduct on matters relating to the stock markets (ICC), so that it could be brought into line with the procedure approved by the CNMV in February 2020 for the notification of privileged information (PI). Despite the fact that it is not mandatory for the company to have an Internal Code of Conduct, the Board believes that this is an effective tool that allows people who are subject to the Code to have access to a text that systematically sets out the specific rules of conduct by which they are bound.
- In May 2021 a proposal was submitted to the General Shareholders Meeting to modify the Bylaws and the Regulations governing the General Shareholders Meeting in order to bring them into line with the modifications made to Spanish Act 5 of 12 April 2021, which amended the Spanish Companies Act and other financial regulations with regard to the encouragement of long-term involvement by shareholders in listed companies (Act 5/2021).
- In July 2021, an agreement was reached to amend the Board of Directors Regulations in order to: incorporate the amendments required in order to adapt them to the changes made to the Bylaws; adjust their wording to the text of the CGGLC recommendations; include the changes introduced in Act 5/2021; and make certain adjustments arising from the changes to the company's governance structure.
- In September 2021, a further amendment to the Board of Directors Regulations was agreed in order to include the creation of the Strategy Committee and its regulations.

Remuneration of Executive Directors and the Chairman of the Board

[GRI 102-35] [GRI 102-36] [GRI 102-37]

In terms of remuneration, after a report by the ARCGC, the Board agreed to submit a new Executive Directors Remuneration Policy for 2021, 2022 and 2023 to the General Shareholders Meeting for its approval. The Policy establishes the remuneration system for the company's proposed new governance structure in which the roles of the Chairman of the Board and the CEOs are clearly distinguished, without the Chairman of the Board of Directors assuming any executive duties.

Regarding the executive directors, the new Policy is a continuation of the policy in place to date (approved by the General Shareholders Meeting on 25 June 2020), introducing some amendments that allow the company to further align its remuneration system with its strategic priorities, with corporate governance recommendations and with the best practices in comparable sectors and companies. To this end, the information received from institutional investors and proxy advisors has been considered, as well as the remuneration recommendations from the executive directors and in line with the Code of Good Governance from the National Securities Market Commission – CNMV.

The Executive Directors Remuneration Policy establishes that for both variable annual remuneration (VAR) and Medium-Term Incentives (MTI), the objectives will be predetermined and quantifiable, and include ESG-related objectives. The details of the VAR-related objectives are broken down in the [Director's Annual Report on Remuneration](#) which can be found on the [CNMV website](#) and on the company website, while information concerning the MTI-related objectives can be found in the [2021-2023 Directors' Remuneration Policy](#), available on the company website.

Regarding the (non-executive) Chairman of the Board of Directors, the Policy establishes the fixed remuneration specific to the position.



The new Remunerations Policy was drawn up taking into account the new requirements regarding remunerations policies set out in Act 5 of the 2021 SCA (Spanish Companies Act).

Board of Directors and its Committees

The Board of Directors and its Committees, along with the Steering Committee constitute [Indra’s governing bodies](#). The duties of the Board and its Committees are set out in the [Board Regulations](#), which implement the provisions of the [Bylaws](#).

The Board focuses its activities on supervising and controlling the executive bodies and the Steering Committee, to which it delegates the company’s day-to-day management.

The objective of the 2020-2023 Sustainability Master Plan is to define the ESG objectives and gain approval of these from Indra’s governing bodies.

Articles 21 to 26 of the Bylaws and sections II, III and X of the Board Regulations govern the Board of Directors’ duties, the remit within which it can act, its qualitative and quantitative composition, and the various director roles and their duties.

The structure, composition, duties and rules of operation of the Board and its Committees are also outlined in sections C.1 and C.2 of the Annual Corporate Governance Report.

A highlight in 2021 was the Board of Directors’ approval to create the Strategy Committee and to modify its own Board of Directors Regulations.

Composition of the Board

[GRI 405-1]

The Director Selection Policy establishes that the selection processes for the appointment of directors will be carried out by the ARCGC in line with the principles of said policy, promoting a board composition that displays diversity in terms of gender, skills, training, professional experience (including international experience) and age and avoids any kind of discrimination based on gender, religion, ideology, nationality or disability.

In December 2021, Indra achieved the objective set out in its Director Selection Policy for at least 40% of its board members to be female before the end of 2022.

The professional profiles of the members of the Board and its Committees, as well as those of the Steering Committee, are public and always kept updated on the [company website](#). The Board’s skills matrix, included in Appendix 11.6 of this report, is also regularly updated to reflect the experience and knowledge that the Board of Directors should have. It is a key tool that facilitates an overview of the diversity of the Board’s composition as a whole and serves as a tool when making decisions on the planning and renewal of the Board’s membership.



Board of Directors (nº directors | % of Board total)

<p>Executives: 2 17%</p> <ul style="list-style-type: none"> ▪ Ignacio Mataix - Chief Executive Officer ▪ Cristina Ruiz - Chief Executive Officer 	<p>Independent: 7 58%</p> <ul style="list-style-type: none"> ▪ Alberto Terol - Vice chairman and Lead Independent Director ▪ Carmen Aquerreta ▪ Silvia Iranzo ▪ Enrique de Leyva ▪ Ignacio Martín ▪ Ana de Pro ▪ Isabel Torremocha 	<p>Proprietary: 2 17%</p> <ul style="list-style-type: none"> ▪ Antonio Cuevas ▪ Miguel Sebastián 	<p>Other external: 1 8%</p> <ul style="list-style-type: none"> ▪ Marc Murtra - Chairman
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Composition of the Commissions (n° directors | % of Commission total)



Audit and Compliance Commission

Executive: 0 | 0%

Proprietary: 1 | 20%
▪ Miguel Sebastián

Independent: 4 | 80%

- Enrique de Leyva - Chairman
- Carmen Aquerreta
- Ana de Pro
- Isabel Torremocha

Other external: 0 | 0%



Appointments, Remuneration and Governance Commission

Executive: 0 | 0%

Proprietary: 1 | 25%
▪ Antonio Cuevas

Independent: 3 | 75%

- Alberto Terol – Chairman
- Ignacio Martín
- Isabel Torremocha

Other external: 0 | 0%



Sustainability Commission

Executive: 0 | 0%

Proprietary: 1 | 25%
▪ Miguel Sebastián

Independent: 3 | 75%

- Silvia Iranzo - Chairman
- Ignacio Martín
- Ana de Pro

Other external: 0 | 0%



Strategy Commission

Executive: 0 | 0%

Proprietary: 1 | 20%
▪ Antonio Cuevas

Independent: 3 | 60%

- Carmen Aquerreta
- Enrique de Leyva
- Ignacio Martín

Other external: 1 | 20%

- Marc Murtra - Chairman

Governance structure and a majority of independent directors¹ on the Board and its Committees

Indra believes that an appropriate presence of independent members on its Board and Committees allows it to guarantee the protection of shareholders' interests and those of its stakeholders as a whole, to allow for a better decision-making process and, in general, improve the company's performance.

As a result, and as contemplated in Article 8 of the Board of Directors Regulations, Indra's aim is that the proprietary and independent members comprise an ample majority of the members of its governing bodies, and the number of executive directors is kept to the necessary minimum.

Within the framework of the preparatory process for the convening of the last Ordinary General Shareholders Meeting in 2021, Indra's main shareholder, SEPI, made it known to the Company that it wanted to replace the Chairman, Fernando Abril-Martorell Hernández, whose appointed term ended in June 2021, and that it wished to begin a new chapter in the Company's chairmanship.

¹ Definition of the concept of an independent director. As a listed Spanish company, Indra is subject to various regulations. As regards the independence of board members, the Spanish Companies Act (LSC) establishes a definition of this category of member in Article 529 clause twelve under which 58% of Indra's Board comprises independent members.



The Board analysed the proposal received from SEPI, processing it with the strictest rigour and in accordance with the rules and standards required under the corporate governance regulations. As such, Uría Menéndez was hired as independent legal advisor – a firm that is renowned for its experience in Corporate Governance and that is familiar with the company – to assist the Board in developing a process with the most exacting legal assurances.

The Board of Directors believed that the satisfactory performance of his or her duties by the chief executive would at all times require the person in question to enjoy the total confidence of the company's main shareholder, especially given the latter's status as representative of the public sector, the company's largest customer, whose decisions have a significant impact on its business.

It was also noted that the continuing presence of the other two executive directors (who are already responsible, among their respective duties, for the company's operations), together with the corporate general manager, would ensure management continuity at the highest level, with implementation of the 2021-2023 Strategic Plan that was approved unanimously by the Board of Directors in February 2021.

When analysing the potential candidates for their suitability to replace this position, it was agreed to hire consultancy firm Spencer Stuart as independent advisor – a firm that is already familiar with the company having advised on the appointment of the latest directors.

The Board, following a favourable report from the ARCGC, adopted the following agreements in February 2021 in the company's best interests:

- To revoke the powers delegated to Fernando Abril-Martorell Hernández as executive chairman, to end his term as chairman of the Board of Directors, and not to submit his name for re-election by the General Shareholders Meeting, a decision which resulted in the termination of the executive services agreement between the parties;
- To accept Fernando Abril-Martorell's resignation as member of the Board of Directors at the Board's request following the revocation of the powers delegated to him;
- To appoint Marc Murtra Millar as a board member, with the qualification of "other external", using the co-option procedure, to fill the vacancy arising following the resignation of Mr Abril-Martorell;
- To appoint Marc Murtra Millar as non-executive chairman of the Board of Directors;
- To delegate in favour of the executive directors, Ignacio Mataix Entero and Cristina Ruiz Ortega, respectively responsible for the Transport and Defence and Minsait divisions, all the delegable powers of the Board, appointing them jointly and severally as Chief Executive Officers.

With the new governance structure, the interests of shareholders and stakeholders are duly guaranteed:

- A non-executive chairman responsible for fostering the good operation of the Board of Directors.
- A coordinating board member with wide-ranging powers to preserve the proper independence of the Board of Directors.
- Two CEOs, who have been granted sufficient management powers.
- An ample majority of independent directors, both on the Board of Directors and on the Auditing and Compliance, Appointments, Remuneration and Corporate Governance and Sustainability Committees, which are chaired by independent directors.

The Director Selection Policy establishes the length of time that independent directors are allowed to serve. The criteria applied are stricter than those established in the current legislation, meaning that directors who have spent three statutory terms in the position may not be proposed for re-election – unless the company's circumstances advise otherwise. Their time on the Board is therefore limited in principle to a maximum of nine years.

Board member training

Indra understands the need to offer board members training to help them stay up-to-date and improve their knowledge in their various areas of responsibility. This ensures a critical opinion and adds value to decision-making.

The training offered to the members includes technical content and facilitates an in-depth understanding of Indra's business model, its strategy and management systems, and helps to complement members' skills in key areas such as risk management, cybersecurity, sustainability and Climate Change.

In 2021, the board member training programme consisted of onboarding initiatives; sessions related to an analysis of the company's operating and management model; analysis of financial information, strategy, positioning in terms of corporate governance, regulatory compliance and sustainability, among others; as well as single-issue sessions on new accounting rules, risk management (cybersecurity) and reporting of non-financial information.



Sustainability training session completed by the Board in 2021

In terms of awareness raising, and scheduled as part of the Auditing and Compliance Committee's regular calendar, the people responsible for the most significant risks appear regularly before the Committee to explain the extent of the specific risk and detail the main management measures being taken to address it. During 2021, this method has been used in this Committee to review the following risks: fiscal, compliance, legal, project completion, management of working capital/foreign currency exchange rate variation, information security, productive efficiency, ESG and supply strategy. In addition, the Global Risk Unit reports half-yearly on the progress made by the mitigation plans associated with the main risks.

Once a year, and in order to gain approval for the risk map, the Global Risk Unit explains the method used to compile the risk map. The Compliance Unit also explains the method used to compile the criminal and competition risk map. Meanwhile, the company leaves the possibility open for board members to contact Indra's directors to complete the information they could need in order to fulfil their duties.

Activity of governing bodies in 2021

The Annual Corporate Governance Report, as well as the operating reports of the [Auditing and Compliance Committee](#) and the [Appointments, Remuneration and Corporate Governance Committee](#), which are published when the General Shareholders Meeting is called, contain extensive information regarding the activity of Indra's governing bodies during the year, along with information on the degree to which the company has complied with the recommendations in force regarding Corporate Governance.

Attendance at Board and Committee meetings

96%

Regarding the dedication of the directors, and as set out in detail in the Annual Corporate Governance Report, in 2021 individual attendance was very high, evidence of a very satisfactory level of dedication and commitment.

Assessment of the Board

[GRI 102-28]

In accordance with Article 13 of the Board of Directors Regulations, based on the report drawn up by the Appointments, Remuneration and Corporate Governance Committee, the Board carries out an annual assessment of its own operations and the quality of its work, as well as that of each of its Committees. Information related to the assessments carried out in 2022 is included in section C.1.17 of the [Annual Corporate Governance Report](#).

External assessment of the Board

2020 and 2021

To complete the assessment the Board seeks the support of an independent external advisor. An assessment is carried out at least once every three years. The last external assessment of the Board, completed in February 2022 in relation to 2021, was carried out by consultancy firm KPMG, which was involved in the 2020 assessment. Given the recent changes in the company's governance structure, the ARCGC agreed to hire the firm once again to ensure the process was as objective and independent as possible. The assessment is organised and coordinated by the chairman/woman of the Board together with the chairmen/women of all Board committees, as well as by the lead independent director in the case of the evaluation of the Chairman/Chairwoman of the Board.



4 Ethics and transparency

4.1 Ethics and compliance

Code of Ethics and Legal Compliance

Indra's Code of Ethics and Legal Compliance provide an irrefutable reference framework and establish the operational principles and the rules of conduct that must be observed by all the company's employees and collaborators. The Board of Directors, Senior Management and each and every one of Indra's employees and partners assume the responsibility and commitment to establish a robust culture of compliance.

The Code of Ethics and Legal Compliance applies to all Indra employees and its subsidiaries, suppliers and other third-party service providers, independent of the country in which they are operating

Compliance with the Code of Ethics and Legal Compliance is obligatory for all Indra employees and partners and for all the companies in which it has shareholdings, either direct or indirect. In companies in which Indra has a minority shareholding or does not have operational control, the company ensures that the Code of Ethics and/or management principles applied by these companies are aligned with Indra's own Code of Ethics and Legal Compliance.

The Code reflects the company's commitment to respect the UN Guiding Principles on Business and Human Rights, its International Declaration of Human Rights, the principles relating to the rights established in the Declaration of the International Labour Organization and the ten principles of the United Nations Global Compact.

Criminal risk prevention model

[GRI 205-1] [GRI 205-2]

Indra's Criminal Risk Prevention Model includes the system for the organisation, prevention, management and control of criminal risks, which is detailed in: i) the Criminal Risk Prevention Manual for Spain, the latest edition of which was approved by the Board of Directors in July 2019 and ii) the Criminal Risk Prevention Manual for international subsidiaries, the latest edition of which was approved by the administrative bodies of the subsidiaries and the representatives of the international branches in November 2021. The Code of Ethics and Legal Compliance is the key control aspect of the Model, its main components include:

- | | |
|---|--|
| ✓ The Criminal Risk Prevention Manuals for Spain and for international subsidiaries | ✓ Internal procedure relating to corporate acquisitions and transfers and mergers with third parties |
| ✓ Direct Channel | ✓ Third-party reputational risk |
| ✓ Compliance Unit | ✓ Training |
| ✓ Risk assessment and auditing of compliance controls | ✓ Evaluation of performance and remuneration |

The Criminal Risk Prevention Manuals for Spain and for international subsidiaries

The Criminal Risk Prevention Manuals for Spain and international subsidiaries establish the model for the organisation, prevention, management and control of criminal risks (and administrative risks similar to criminal ones); the control, supervision and monitoring bodies; the financial resources management system; the disciplinary system; the complaints channel; training; and the controls to prevent any criminal offences (including administrative offences similar to criminal ones) being committed.

The Model, which is regularly reviewed, was updated in November 2021 in the latest edition of the Criminal Risk Prevention Manual for international subsidiaries. The most significant changes included updating the method used to identify and value risks and strengthening the role of the control bodies for Indra's international subsidiaries and branches.



Direct Channel

[GRI 102-17] [GRI 102-33] [GRI 102-34] [GRI 205-3] [GRI 406-1] [GRI 411-1] [GRI 416-2] [GRI 417-2] [GRI 417-3] [GRI 418-1] [GRI 419-1]

The Direct Channel is the confidential channel made available to all Indra employees and partners to inform of issues relating to the application of the Code and its regulations. The Code of Ethics, the aforementioned Manuals and the Manuals corresponding to the Prevention of Competition Law Risk (which will be referred to later in this report) establish the operational guidelines for the Direct Channel (canaldirecto@indra.es), including, the possibility of anonymously reporting incidents via the Indra website. This chapter includes a section dedicated to how the Direct Channel was used during 2021.

In 2021, the Direct Channel received 396 messages, up 7% on 2020:

- 293 general enquiries regarding donations and sponsorships, conflicts of interest, corporate hospitality, competition and information for third parties.
- 103 complaints (see table below for the breakdown).

Breakdown of messages received via the Direct Channel in 2020 and 2021

Type of irregularity	Cases (no.)		Irregularities Actual cases (no.)		Type of measures adopted	
	2020	2021	2020	2021	2020	2021
Harassment and unacceptable behaviour	56	62	5	2	Disciplinary action: 1 dismissal Non-disciplinary action: 4 warnings (1 from the Compliance Unit and 3 from HR)	Disciplinary action: 1 employment and salary suspension
Information security	9	7	3	3	Non-disciplinary action: 3 warnings from the Compliance Unit	Disciplinary action: 1 dismissal and 2 warnings Non-disciplinary action: 1 warning from the Compliance Unit
Fraud	9	10	3	6	Disciplinary action: 2 dismissals Non-disciplinary action: 1 warning from the Compliance Unit	Disciplinary action: 2 dismissals, 13 employment and salary suspensions Non-disciplinary action: 4 warnings from HR
Competition law	3	3	2	1	Disciplinary action: 2 dismissals	Non-disciplinary action: 1 warning from the Compliance Unit
Discrimination	1	4	0	0	N.A.	N.A.
Human rights (forced labour and human trafficking)	0	0	0	0	N.A.	N.A.
Corruption ⁽¹⁾	0	0	0	0	N.A.	N.A.
Other inappropriate behaviour						
Conflicts in the workplace environment	8	6	0	1	N.A.	N.A.
Supplier relations	3	3	1	2	Disciplinary action: 1 employment and salary suspension	Non-disciplinary action: 3 warnings from the Compliance Unit
Other breaches	6	8	0	1	N.A.	N.A.

(1) In 2021, Indra did not receive any complaints about corruption through the Direct Channel. The company was investigated in one case, described in full in the 2019 Sustainability Report, and updated in section E of the 2021 Annual Corporate Governance Report, being cleared of the investigation in May 2021.



The processing of issues raised via the Direct Channel guarantees confidentiality and expressly forbids taking reprisals against anyone who informs Indra in good faith of a possible breach of the Code of Ethics and Legal Compliance, of the Models for the prevention of criminal and competition risks or any of their implementing regulations, or of any behaviour that is potentially illegal and/or, where applicable, might give rise to a criminal or competition risk; or against anyone who assists in the investigation of such breaches or helps to resolve them. However, the relevant measures may be taken against anyone who acts in bad faith with the aim of spreading information that is false or harmful to other people.

Compliance Unit

The Compliance Unit establishes, coordinates and executes a series of measures and procedures to control, prevent and detect unethical conduct, ethical or criminal infringements or irregularities and infringements or irregularities in terms of the Competition Law, at global level. It reports directly and exclusively to the Auditing and Compliance Committee and is an area which is completely independent from the rest of the company. Within the international subsidiaries, their respective governing bodies are the chief supervisors of the Models for the prevention of criminal and competition risks locally. The duties performed by directors are carried out in accordance with the general principles and criteria established by the Auditing and Compliance Committee to govern regulatory compliance at a global level.

The Criminal Risk Management Compliance System in Spain is certified by AENOR under the UNE 19601 standard: the Anti-Bribery Management System in Brazil is certified by QMS and in Peru it is certified by AENOR under the ISO 37001 standard

Risk assessment and auditing of compliance controls

Indra has a Global Risk Map which identifies the most significant risks in each category, including regulatory compliance, as well as the principal mitigation plans. The Map is presented to the Auditing and Compliance Committee and the Risk Coordination Unit. In addition, Indra has criminal and competition risk maps, which are also presented to the Audit and Compliance Committee. In 2021, the methodology for evaluating risks was updated, merging the criminal and reputational map with the competition and reputational map. The Compliance Unit also carried out its own annual assessment of certain criminal controls in 2021 as per the established procedure. The assessment of the design and operation of the controls produced a satisfactory outcome and met the requirement to carry out a two-yearly self-assessment, in 2020 and 2021, of all the criminal controls. Lastly, in March 2021 the Internal Audit area carried out a review of the effectiveness of certain criminal controls.

Internal procedure relating to corporate acquisitions and transfers and mergers with third parties

This procedure governs the acquisition and/or transfer of companies and/or businesses, and mergers between third parties and any of the companies belonging to the Indra Group. It establishes an obligation to complete a full due diligence process, consisting of understanding the business in detail, along with the most important compliance, finance, tax, legal, employment and administrative issues involved.

In 2021, the Compliance Unit planned to implement third-party reputational due diligences (suppliers, partners and potential clients), specifically aimed at criminal and competition risks

Third-party reputational risk

The company's internal regulations for the contracting of commercial consultants, strategic advisors and suppliers establish, as a requirement before they are engaged, that a report must be prepared on reputational risk and must identify any "Politically Exposed Persons" (PEP). In addition, the internal regulations on tendering require the receipt of a prior client reputation analysis in the case of countries that are at risk according to the Corruption Perceptions Index.



Training

Indra is constantly working to raise employee awareness of the Models for the Prevention of Criminal and Competition Risks and the Code of Ethics and Legal Compliance, both in relation to its own employees and its suppliers. All new company employees must complete a compulsory course in Ethics and Competition.

The models for the prevention of criminal and competition risks envisage that training in Ethics and Competition must be provided to all employees at sufficiently regular intervals to ensure that their knowledge is kept up to date. During 2019 and 2020, the company made a concerted effort to provide training to as many employees as possible. By the end of 2021, 95% of employees had received training in Ethics and Competition in the past three years.

In 2021, the Compliance Unit provided training in Ethics and Competition for 94% of its workforce active at 30 November 2021, via an online course targeting employees in both Spain and the international subsidiaries. In a bid to achieve the highest participation possible, this training exercise has continued into the start of 2022, with an additional 3% of employees completing the training.

The Compliance Unit also carried out training sessions in Ethics for employees at the Brazilian and Norwegian subsidiaries, and sessions in Ethics and Competition for employees in the Czech Republic, Germany, Portugal and Spain (employees of Flat 101 and Paradigma). Sessions to raise awareness regarding Ethics and Competition were also held for the Management teams of the Minsait and T&D divisions.

Employees trained in ethics and compliance in the last three years

95%

Suppliers trained in ethics and compliance in the last three years

86%

In 2021, more than 50,000 employees received training in Ethics and Competition

As of April 2021, a document containing information related to Ethics and Compliance – which must be accepted by Indra's suppliers – has been included in the terms and conditions to authorise suppliers and orders. This document makes reference to aspects related to the rejection of corruption and bribery, conflicts of interest, corporate hospitality and the Direct Channel.

Evaluation of performance and remuneration

Since 2020, Indra's performance evaluation system – Performance Talent – has included criteria related to knowledge of the company's Code of Ethics and Legal Compliance and required the completion of the obligatory course in Ethics and Competition. It is worth noting that the results of the performance assessment have a bearing on the possibility of promotion and on determining employee remuneration.

Anti-corruption

[GRI 205-1] [GRI 205-2]

Indra rejects corruption and any illegal practice and is committed to complying with the law. The company's Code of Ethics and Legal Compliance defines what is meant by corruption and bribery, including the basis of the anti-corruption policy. Indra's Criminal Risk Prevention Model establishes certain controls that are regularly carried out within the different departments of the company to mitigate these risks. These controls are carried out via multiple internal policies and procedures related to, among others, the following departments:

- Procurement: Procedure for the Selection and Standardisation of Suppliers and chains of authorisation for the issuance of purchase orders and Management of PEP-related issues with suppliers.
- Corporate takeovers and operations: Procedure for corporate mergers and acquisitions.
- Bids: Internal regulations of the Tendering and Procedural Committee for the control and monitoring of bids and Temporary Consortia (UTEs in their Spanish acronym).
- Markets: Procedures for the hiring of commercial consultants and strategic advisors.
- Strategy: Policy on the Authorisation of Donations and Sponsorships.
- Administration: Procedure for Employee Expenses and Business Gifts.

Finally, the regulation on PEPs (politically exposed persons) is also included in the procedures to regulate the company's relationships with third parties that may be regarded as PEPs.



Money laundering

Via its Code of Ethics and Legal Compliance, Indra expresses its commitment to comply with all the current national and international standards and regulations concerning the prevention of money laundering (and the financing of terrorism). For this purpose, it undertakes not to engage in practices that might be regarded as irregular vis-à-vis its relationships with its clients and suppliers. The company has developed internal procedures with controls to mitigate the risk of money laundering, especially with regard to cash payments.

Model for the Prevention of Competition Law Risk

Indra has a Model for the organisation, prevention, management and control of anti-competitive risks to which the company is exposed and has introduced measures to avoid incurring these risks in practices which infringe the applicable legislation in terms of competition. The Model is contained in the Manual for the prevention of competition law risks in Spain, the rest of the European Union and Norway, in the Manual for the prevention of competition law risk for international subsidiaries (with the exception of Spain, the rest of the EU and Norway) and in the Code of Ethics and Legal Compliance.

In September 2021, the Model was updated via the creation of the Manual for the prevention of Competition Law risks for international subsidiaries (with the exception of Spain, the rest of the EU and Norway), having been approved by the administrative bodies of the subsidiaries in November 2021. The method and risk analysis are two of the most significant aspects incorporated into the Manual.

In October 2021 the Model for the prevention of Competition Law risks was updated via the amendments made to the Manual for the prevention of Competition Law risk for Spain, the rest of the EU and Norway.

Indra commits to compliance with the regulations and principles of free competition in all the markets in which it operates, competing on an equal footing and avoiding any distortion which would hinder effective competition in those markets. The Code of Ethics and Legal Compliance establishes that Indra's employees and partners should avoid all collusive conduct and practices which might in any way be targeted to restricting or distorting free competition.

When the company's employees or partners have access to third-party information, including competitor information, they should comply with legal requirements such as the Rules of Conduct in matters of information security established in Indra's Code of Ethics and Legal Compliance.

The Compliance Unit also carried out its own annual assessment of all competition controls in 2021. As a result, the unit has concluded that the controls are working satisfactorily. In November 2021 the Internal Audit area carried out a review of the effectiveness of certain competition controls. This review complied with the requirement to audit competition controls every two years.

Incidents of anti-competitive practices and action taken in response

[GRI 206-1]

In recent years, the Spanish competition authority (CNMC) has published the following rulings against the company: file S/DC/0565/15 "tenders for IT applications", file S/DC/0598/2016 "rail electrification and electromechanics", and file S/DC/0627/18 "consultancy firms". Indra has actively collaborated with the CNMC in these proceedings with a view to clarifying the events forming the subject of investigation.

These three files ended with penalty decisions in 2018, 2019 and 2021. These decisions are all currently being appealed via a contentious-administrative action filed with Section 6 of the *Audiencia Nacional*.

In the 2021 resolution, the CNMC acknowledges that the measures adopted by Indra in recent years are adequate for the detection of infringements in terms of the defence of competition and recognises that they reflect a true wish to comply with competition law, having modified its Prevention of Competition Law Risk Model to improve and fully adapt it to the CNMC's Guidelines governing competition regulation in compliance programmes. Some of the measures adopted in the Manuals for the Prevention of Competition Law Risk include: i) the regular involvement of senior management in ensuring compliance with competition law as a "fundamental element of the company culture"; ii) general reinforcement of Manuals, ensuring an express reference to applicable local law is included; iii) restructuring of the risk catalogue and adding new risks; iv) introduction of training courses as a parameter to be taken into consideration in annual employee performance reviews.

In this regard, the Model for the prevention of Competition Law risk is reviewed and updated regularly, as are the internal controls and procedures. Other measures taken include: i) the internal control mechanisms for UTEs/consortia and subcontracting have been reinforced, such that all the bids submitted using these means are subject to a specific legal control. The internal procedures which govern these matters were updated in 2020 and 2021 and ii) in July 2020, an independent legal firm published a favourable expert opinion on the Model for the Prevention of Competition Law Risk.



4.2 Guiding Principles on Business and Human Rights

[GRI 408-1] [GRI 409-1] [GRI 410-1] [GRI 412-1] [GRI 412-2] [GRI 412-3]

As a technology company which wishes to encourage sustainable, fair and inclusive sustainable development, and as a member of the Global Compact since 2002, Indra commits to leadership in the protection and promotion of Human Rights across all its operations.

Human Rights Policy

Indra is aware of the impact it has on individuals, both as an employer and via the technological solutions it develops for its clients. For this reason, in 2020, and having previously had a favourable recommendation from the Sustainability Committee, the Board approved a [Human Rights Policy](#), to identify and foster the positive impacts and minimise the negative impacts on individuals across its whole value chain.

The Human Rights Policy approved by the Board reflects the company's commitment to just and inclusive sustainable development

Indra's Human Rights Policy is based on the United Nations Guiding Principles on Business and Human Rights, and on the principal international conventions and commitments regarding Human Rights. This Policy reinforces Indra's commitment to ethical conduct already contained in its Code of Ethics and Legal Compliance, compliance with which is obligatory for all the company's employees and partners, as well as in other corporate policies which protect the fundamental rights of individuals, either directly or indirectly. The Policy describes the company's commitments and operational principles that are carried over to the rest of the value chain, both in terms of suppliers and other types of business partners.

Human Rights Policy	Milestones and KPI
<div data-bbox="212 1048 316 1160"> </div> <p>Commitment with professionals Offer fair and dignified working conditions and remuneration, respect and promote the rights of all professionals</p> <ul style="list-style-type: none"> ✓ Promote diversity, inclusion and equal opportunities ✓ Guarantee freedom of association, the right to unionize, the right to strike and the right to collective bargaining. Promote respect for the freedom of expression of professionals ✓ Ensure the proper treatment of professionals' personal data ✓ Provide a safe and healthy workplace ✓ Promote local employment by offering the first job to Young People in the communities where the Company is present ✓ Prohibition and rejection of any form of forced, slave, child or human trafficking labor 	<ul style="list-style-type: none"> ▪ 34% women on company ▪ 1% professionals with disabilities ▪ 99% professionals with collective negotiation instruments ▪ +90% professionals with permanent contracts ▪ +16,000 new professionals, 50% below 30 years ▪ 95% local professionals ▪ +500 vacancies covered with internal candidates ▪ 0 complaints on Human Rights incidents (forced labor and human trafficking)
<div data-bbox="212 1299 316 1411"> </div> <p>Commitment with clients Develop technology that has a positive impact in People and Society</p> <ul style="list-style-type: none"> ✓ Measure the impact that Indra's technology could have on People's rights. ✓ Develop and provide secure infrastructure and services with guaranteed confidentiality, integrity and availability of information. ✓ Use customer and end-user information and data exclusively for the agreed purpose and safeguard it with due diligence and security. ✓ Continuously train and build awareness among professionals on privacy and information security issues. 	<ul style="list-style-type: none"> ▪ 0 complaints on customer privacy incidents ▪ 88% revenues eligible according to the UE Taxonomy
<div data-bbox="212 1496 316 1608"> </div> <p>Commitment with suppliers Promote the respect and promotion of fundamental rights in the supply chain</p> <ul style="list-style-type: none"> ✓ Ensure that suppliers comply with labor rights and in particular with the prohibition and rejection of any form of forced labor, slave or child labor or human trafficking ✓ Promote the contracting of local suppliers that have comply with the ethical commitments of the company – Code of Ethics and Sustainability Policy for Suppliers 	<ul style="list-style-type: none"> ▪ Code of Ethics and Sustainability Policy for Suppliers included in the purchase Terms and Conditions ▪ 88% suppliers trained in ethics and compliance ▪ 80% purchases to local suppliers
<div data-bbox="212 1675 316 1787"> </div> <p>Commitment with Society Promote human rights in the communities in which the Company operates</p> <ul style="list-style-type: none"> ✓ Relate in a transparent and ethical manner with regulatory bodies and public administrations ✓ Practice a responsible taxation that contributes to the communities in which the Company operates and is in accordance with the tax legislation applicable in each case ✓ Promote innovation and the development of products and services that contribute to promoting the fundamental rights of People and society in general ✓ Do not use "conflict minerals" 	<ul style="list-style-type: none"> ▪ 0 complaints on corruption through the Direct Channel ▪ 0 critical cybersecurity incidents ▪ County by country tax report



Due diligence regarding Human Rights

After drawing up the Human Rights Policy and reviewing the map of important themes in terms of Human Rights accordingly, in 2021 Indra updated its due diligence procedures for assessing adverse impacts regarding Human Rights. As part of this process, the company updated how it identifies the most material risks, both in its own operations and in its value chain.

As set out in the company's legal framework, Indra analyses specific risks and carries out due diligence regarding certain potentially significant aspects related to Human Rights, such as labour conditions and rights, diversity and inclusion and information privacy.

In 2021, and in line with the framework established by the United Nations Global Compact, the company also carried out a Human Rights risk analysis across the six main geographies in which it operates. Brazil, Colombia, Italy, Mexico, Peru and the Philippines. The data gathered regarding the practices at the subsidiaries in terms of fundamental rights, such as decent work, rest, children's rights, family time, the elimination of forced labour, freedom of association, collective bargaining, non-discrimination, equal remuneration and job opportunities and fair pay – were analysed in order to identify areas of risk management that could be improved and implement the necessary mitigation measures.

Due diligence regarding Human Rights	
Key elements	Action taken
Human Rights Policy Since 2015, updated and approved by the Board in November 2020	The Human Rights Policy, drawn up under the supervision of the Sustainability Committee and approved by the Board of Directors in 2020, defines a governance model and sets out clear responsibilities in terms of Human Rights. Developed in collaboration with experts in Human Rights from the Seres Foundation and in line with international standards and good practices, the Policy covers the entire value chain and is publicly available via the company website in both Spanish and English. The policy is sent internally to all employees and externally to stakeholders.
Assessment of significant issues Regularly since 2017	Carried out regularly at a global level with the collaboration of external human rights experts (Seres Foundation in 2020) and with the leadership teams of the most important geographies also taking part. In 2021, the assessment was carried out in Brazil, Colombia, Italy, Mexico and Peru using the framework developed by the United Nations Global Compact as a reference.
Integration in processes In progress since 2017	Examples of operations carried out in 2021: <ul style="list-style-type: none"> ▪ Update of the Human Rights risk assessment as part of the update of the company's global risk map. ▪ Development of the Sustainability Policy with Suppliers approved by the Board in 2021 with express mention to the Human Rights Policy. ▪ Requirements in terms of Human Rights with Suppliers included in the Procurement Terms and Conditions for all orders via the Sustainability Policy with Suppliers. ▪ Performance assessment of suppliers in terms of Human Rights, assessing compliance in labour, security and health, privacy and security matters, child labour and forced labour among others. ▪ Modern Slavery Statement updated and approved by the Board. ▪ Sustainability training for all company employees, with specific Human Rights content. ▪ Obligatory training on Human Rights for security subcontractor personnel.
Assessment and reporting In progress since 2017	Examples of the operations carried out in 2021: <ul style="list-style-type: none"> ▪ Six-monthly reports to the Sustainability Committee on the implementation of the Sustainability Master Plan, which includes specific human rights initiatives. ▪ Monitoring risks related to Human Rights through the company's risk map. ▪ Annual report on Human Rights performance via the Sustainability Report and up-to-date information published on the company website. ▪ Dialogue with stakeholders through participation in initiatives like the Seres Foundation Human Rights Lab.
Mechanisms for claims and complaints In progress since 2017	The Direct Channel allows stakeholders to complain or enquire about any aspect related to ethics and compliance (and also explicitly on human rights). How the Direct Channel works is described in detail in section 4.1 of this report.



Human Rights Training

During 2021, a sustainability training plan was launched for all employees, with specific Human Rights content. Specific sustainability-related content has also been made available to employees via the company's online training platform. For more information, see section 6.3.

In the main geographies in which Indra operates (Spain, Mexico, Brazil and Colombia), the company has subcontracted a security company whose staff² have received Human Rights training.

4.3 Responsible taxation

Indra has a fiscal strategy and a governance model that ensures that tax activities are conducted within a framework founded on ethics, transparency and integrity. [GRI 207-1]

As indicated in the Code of Ethics and Legal Compliance in relation to good tax practices, the company's business involves making a series of decisions that have an impact and effect on taxation. As such, the company undertakes to comply with its tax obligations in all the territories and jurisdictions in which it operates, always pursuing a prudent taxation policy.

The Tax Policy reflects the company's fiscal strategy and its commitment to the application of good tax practices, which applies to all Indra companies in all the countries in which it operates. This Policy is annually reviewed by the Auditing and Compliance Committee and the Board of Directors.

The following principles and commitments are defined as part of this Tax Policy, and they mirror the principles set out in the Code of Good Tax Practices:

- Complying with tax regulations in both letter and spirit in the various countries and territories in which the Group operates, paying any taxes that are due in accordance with their respective tax requirements.
- Promoting practices that are aimed at preventing and reducing significant tax-related risk, ensuring that tax payments properly reflect the structure and location of the Group's activities, its human and material resources and its levels of risk.
- Adopting tax-related decisions on the basis of a reasonable interpretation of the regulations in force in respect of the company's activities.
- Complying with the internal procedures established in relation to the taking of tax decisions and the procedures implemented to monitor tax risk.
- Informing the Board of Directors of the principal tax implications of the operations or matters submitted for its approval, such as operations that do not fall within the ordinary course of the company's business, corporate restructuring processes, investments, or the opening of new businesses.
- Applying the transfer prices in accordance with the principle of free competition, such that no significant inequalities are generated in commercial relations.
- Not transferring value created to jurisdictions with a lower tax burden, not using tax structures with no commercial basis and not using the secret of certain tax jurisdictions (the so-called tax havens) to avoid paying tax.

Tax risks are analysed, reviewed and managed as part of the risk management governance model. In addition, Indra's Tendering Committee evaluates the tax risks of the bids submitted globally by the company, and seeks external advice for complex bids when required.

Governance of tax policy

[GRI 207-2]

Indra's General Finance Department, acting through the Group's Global Tax Department, is responsible for ensuring the proper application of the company's tax policy and for identifying and managing any potential associated risks. The Tendering Committee, which the Finance Department forms part of, assesses the tax risk involved in the bids tendered by the company.

On a regular basis, and at least once a year, the Tax Department reports to Indra's Auditing and Compliance Committee – the body appointed by the Board of Directors to oversee the management of tax matters and tax risk – on the company's performance in respect of tax-related issues.

In addition, the Auditing and Compliance Committee and the Board of Directors must approve any significant company operation that implies the opening of new structures in countries regarded as tax havens in order to ensure that Indra's activities in those countries are strictly business-related.

² 75 employees in Spain, 17 in Mexico, 17 in Brazil and 13 in Colombia.



The Auditing and Compliance Committee and the Board of Directors maintain constant supervision of all tax management matters

Tax management is subject to Indra's internal risk management system, and as a consequence it is submitted for close scrutiny by the Risk Management, Compliance and Internal Auditing Departments. In this regard, the Direct Channel is available for any employee or external stakeholder who may wish to make any comment regarding the company's tax management.

Stakeholder relations

[GRI 207-3]

The tax undertakings that Indra sets out in its Code of Ethics and Legal Compliance in relation to its tax-related obligations in all the territories and jurisdictions in which it operates and in which it always pursues prudent tax policies also apply to its relations with external advisors in matters of tax policy.

Section 9.3 headed "Associations and foundations" contains a description of Indra's relations with organisations that could potentially be aimed at gaining political influence. Indra's relations with these institutions are at all times governed by principles of both transparency and caution. As explained in this section, Indra's main objectives relate to promoting technology-driven innovation and sustainable development.

Indra maintains collaborative relationships with the various Tax Authorities with which it comes into contact as the result of its business activities, based on principles of transparency and good faith.

The company promotes the transparent, clear and responsible communication of its main tax figures, through the forwarding to its various stakeholders of information relating to the payment of all the taxes that it is required to pay in each of the jurisdictions in which the company operates.



Direct tax contribution by country

[GRI 207-4]

The following table contains a breakdown of information relating to the corporate income tax and the profit/(loss) obtained in the various tax jurisdictions in which Indra operates. For more information on the description of Indra's activities in each country and the reasons for any possible differences between taxes accrued and paid, please see Note 35 and Appendix 1 of the Consolidated Annual Accounts.

Business activity in jurisdictions regarded as tax havens is conducted exclusively for commercial and business reasons. Entry and exit strategies in these jurisdictions are not motivated by tax issues. Indra only operates in these territories due to ongoing projects.

NB: The information on income tax paid in each country includes (i) payments on account of income tax for the current year, (ii) the final settlement of prior-year tax and (iii) tax withholdings or other similar items. The total tax paid by the Group for the financial year, which amounted to €46 million, was not calculated on the consolidated reported profit of €211 million reflected in the annual accounts. This profit was calculated by applying IFRS standards and principles and differs from the aggregate profit/(loss) before tax calculated in accordance with the Chart of Accounts applicable in each jurisdiction, which serves as the legal basis for calculating tax actually payable (the main difference being that goodwill and temporary differences are not amortised under IFRS).

The data reported by country relates to all the companies or permanent establishments (primarily branches) that are resident, for tax purposes, in that particular jurisdiction, regardless of where sale or purchase activity is actually carried out, except in those cases where the company has permanent establishments located abroad. In such cases, the corresponding figure is allocated to the country where the permanent establishment in question is located and registered for tax purposes. According to the annual accounts, the consolidated profit before tax amounted to €211,440 thousand, entailing a corporate income tax expense of €65,408 thousand. The earnings before tax, aggregated by country, amounted to a profit of €170,639 thousand, while the corporate income tax expense totalled €55,731 thousand. This difference between the aggregate and consolidated figures is explained by the application of international accounting standards and the elimination of consolidated results (primarily dividends and portfolio adjustments). For more information relating to tax status, see Note 35 and Appendix 1 of the Consolidated Annual Accounts.

Tax contribution in thousands of euros						
Geographical Area / Country	Net revenue by country	Intragroup earnings	Profit/(loss) before tax	Total Assets	Corporate income tax expense by country	Corporate income tax paid
Spain (*)						
Spain	2,255,705	324,091	88,312	6,785,755	20,549	(14,535)
NB: the profit before tax for the Spanish companies according to the Spanish General Chart of Accounts amounts to €67,900 thousand. The profit/(loss) that serves as the basis for calculating the accrued income tax expense differs from that amount, primarily because (i) it includes certain sales and consolidation adjustments (mainly dividends and provisions) that have no tax impact, and (ii) it does not include the profit/(loss) obtained from permanent establishments, which are taxed and have a tax impact in the country in which they are generated. The payment effectively made in Spain during the financial year amounts to €14,535 thousand and corresponds to payments on account during the financial year, withholdings and payments received from the previous financial year.						
Europe and North America						
Germany	17,465	2,696	1,634	18,311	490	(306)
Belgium	13,234	0	1,653	1,995	668	0
Bulgaria	0	0	(90)	382	0	0
Canada	61	0	9	90	(7)	0
Slovakia	560	520	(481)	460	9	136
Estonia	1,830	0	(2,674)	419	0	0
USA	42,109	320	2,393	71,694	(609)	(192)
Greece	0	0	(93)	62	0	0
The Netherlands	496	0	(12)	145	13	0
Ireland	2,669	0	811	16	0	0
Italy	196,130	4,948	23,100	179,690	6,038	(5,066)
Latvia	3,930	39	1,685	3,889	331	0
Lithuania	2,129	0	1,475	1,442	102	(24)
Moldova	151	607	181	418	54	(60)
Norway	56,742	8,292	6,624	59,861	1,456	(1,479)
Poland	28	144	2	261	0	0



Tax contribution in thousands of euros						
Geographical Area / Country	Net revenue by country	Intragroup earnings	Profit/(loss) before tax	Total Assets	Corporate income tax expense by country	Corporate income tax paid
Portugal	45,425	8,147	2,410	49,496	633	(600)
United Kingdom	17,851	0	5,527	3,432	1,030	(948)
Czech Republic	2,327	76	124	2,430	27	(72)
Romania	4,307	162	436	9,098	76	(79)
Turkey	82	0	(631)	2,224	0	0
Total Europe and North America	407,526	25,951	44,083	405,815	10,311	(8,690)
Latin America						
Argentina	28,128	1,593	5,601	19,297	2,708	(385)
Bolivia	1,784	0	270	1,277	84	(608)
Brazil	157,849	1,295	11,130	97,590	2,940	(2,916)
Chile	48,170	5,474	7,375	45,099	1,358	(1,230)
Colombia	100,579	3,195	13,508	65,545	7,488	(4,837)
Costa Rica	978	0	154	329	29	0
Ecuador	283	0	(153)	1,009	16	(162)
El Salvador	2,094	0	(11,633)	1,020	0	0
Guatemala	423	0	(79)	203	102	15
Honduras	104	0	395	1,930	1	(175)
Mexico	105,410	29,147	10,682	95,725	3,248	(2,018)
Mozambique	0	0	0	67	0	0
Nicaragua	654	0	463	354	57	(43)
Panama	8,481	628	(1,314)	8,473	(178)	193
Paraguay	0	0	108	69	524	0
Peru	62,017	3,249	3,233	58,164	1,919	(1,622)
Puerto Rico	327	0	68	144	15	(32)
Dominican Republic	8,266	530	3,189	7,809	679	(905)
Uruguay	2,760	826	29	1,228	29	(14)
Total Latin America	528,307	45,937	43,026	405,332	21,019	(14,739)
Asia, Middle East and Africa (EMEA)						
Saudi Arabia	27,554	0	8,813	162,121	163	(2,408)
Algeria	571	0	(1,941)	8,796	57	(86)
Australia	31,455	208	2,112	22,851	600	(694)
Bahrain	0	208	(78)	14,874	0	0
China	87	1,105	(437)	1,643	0	0
South Korea	907	0	(745)	159	8	0
Egypt	491	0	26	826	8	(163)
United Arab Emirates	6,970	0	174	4,848	0	0
Philippines	48,067	3,352	7,146	52,053	1,889	(2,147)
India	1,106	27	(117)	3,163	0	(24)
Indonesia	0	78	(245)	757	(4)	0



Tax contribution in thousands of euros						
Geographical Area / Country	Net revenue by country	Intragroup earnings	Profit/(loss) before tax	Total Assets	Corporate income tax expense by country	Corporate income tax paid
Kazakhstan	0	0	(72)	10	0	0
Kenya	3,141	2,576	173	5,984	52	(72)
Kuwait	3,836	0	(10,473)	10,175	1,226	(1,808)
Malaysia	8,264	31	1,963	6,899	(22)	(264)
Morocco	(484)	468	(2,043)	9,436	179	6
Nigeria	444	0	58	634	17	(83)
Oman	5,029	3,763	(8,722)	8,140	(350)	(220)
Senegal	0	0	(325)	13	0	0
Thailand	0	0	(321)	26	0	0
Tunisia	284	0	187	272	1	(29)
Vietnam	0	0	(9)	1	0	0
Zambia	253	0	94	156	28	(50)
Total AMEA	137,975	11,816	(4,782)	313,837	3,852	(8,042)

Note 1: the profit/(loss) reported corresponds to the consolidated profit/(loss) before tax attributed to each country, applying the International Financial Reporting Standards (IFRS) accounting principles.

Note 2: corporate income tax paid in each country includes the payments on account of income tax for the current year, the final payment of the tax owing from the previous year, as well as any withholdings or other similar items.

Note 3: for more information relating to tax status, see Note 35 and Appendix 1 of the Consolidated Annual Accounts.

Throughout 2021, Indra has carried out commercial projects in the following countries which are considered tax havens, according to the latest listings published by the OECD, the European Union and the Spanish Tax Authority. Such a presence is solely and exclusively due to the commercial activity of the company as detailed below:

- Bahrain: Indra has one subsidiary, whose opening was reported in the 2011 Annual Report, with more than 40 employees who provide support for a large healthcare project. Several air traffic projects have also been set up for the Bahrain Ministry of Transport and Telecommunications.
- Panama: the company has a work centre with close to 100 employees that undertakes projects such as the Panama Canal expansion, as well as consulting, supervision, inspection and monitoring services for various works in the country.
- Gibraltar: Indra has carried out the maintenance and application management of the airport systems installed at Gibraltar airport.
- Liberia: the company has primarily been involved in managing energy projects for the Liberian Electricity Company.

In 2021, Indra also engaged in specific activities in countries or territories such as Andorra, Fiji, Oman, Jordan and Tunisia, which are also considered as low taxation jurisdictions according to the aforementioned institutions. The amount that this business represents as a percentage of the company's total revenue is virtually insignificant and is due to the company's commercial activity.

Indra is also engaged in various business activities in countries such as Malaysia, Morocco and Turkey that have reached agreements with the European Union to modify their tax legislation and bring it in line with European standards.



5 Planet and Climate Change

5.1 Climate Change governance and management

The Board and the Sustainability Committee are the most important decision-making and supervisory units at Indra in terms of climate change. The sustainability management team reports regularly to the Sustainability Committee and to the Board on the policies, principal risks and opportunities and the performance of the company's objectives in this respect.

Highlights in 2021 include the formal approval from the Science Based Targets Initiative (SBTi) of the emissions reduction targets drawn up by the Sustainability Committee and approved by the Board of Directors in 2020.

Indra's emissions reduction targets were set using the method developed by the Science Based Targets initiative (SBTi) in line with the COP26 1.5°C commitments³

All aspects related to Climate Change are fully integrated into the company's strategy via the initiatives defined as part of the 2020-2023 Sustainability Master Plan framework, which contains a specific pillar for the Environment and Climate Change. In addition to the information contained within this section regarding Indra's performance in terms of environment-related matters, section 7 offers more information on Indra's contribution to the Climate Change mitigation and adaptation targets in line with the EU's Taxonomy criteria.

5.2 Climate Change risks and opportunities

[GRI 201-2]

In 2021, Indra updated its climate change risk and opportunity analysis – which forms part of its Corporate Risk Management and Control System – to include different scenarios in line with the recommendations issued by the Task Force on Climate-Related Financial Disclosures⁴ (TCFD) and with growing regulatory and capital market requirements, such as the supplement published on 20 June 2019 to the EU Guidelines on reporting of climate-related information (Climate Supplement).

Indra has taken three scenarios into consideration, both in qualitative and quantitative terms:

- The Sustainable Development Scenario set out by the International Energy Agency, which is aligned with the goal to limit global warming to 1.5°C, as per the Paris Agreement.
- The "very stringent" RCP 2.6 pathway defined by the Intergovernmental Panel on Climate Change⁵ (IPCC).
- The "business as usual" RCP 8.5 pathway defined by the Intergovernmental Panel on Climate Change (IPCC).

Within the scope of these two scenarios, Indra has assessed the risks and opportunities for its business both in terms of the transition and physical risks posed by Climate Change:

- The transition risk analysis is designed to assess how Indra can shift towards a low-carbon economy. To do this, the company has defined a strategy to combat Climate Change and set neutrality targets for 2050 which are in line with main regulatory requirements in terms of energy efficiency and emissions reduction among others. This strategy allows the company to mitigate the main risks in terms of its capital markets access, competitive position, social licence to operate and reputation.
- The physical risks analysis identifies the consequences that the changes caused by global warming could have for the company in 2050 in terms of temperature, rain, flooding and wind patterns, as well as other potential extreme weather-related phenomenon. Indra has assessed the degree to which its infrastructure is exposed to these types of risks, as well as the opportunities that the increased demand for solutions and services that allow clients to be more resilient against the physical effects of Climate Change offer the company.

³ 2021 United Nations Climate Change Conference.

⁴ The Task Force on Climate-Related Financial Disclosures (TCFD) is an organisation that was set up across G20 countries in a bid to develop a set of voluntary disclosures regarding climate-related financial risks.

⁵ The Intergovernmental Panel on Climate Change is a United Nations intergovernmental organisation created to provide information on Climate Change.



A breakdown of the analysis completed, including a detailed description of the impacts of Climate Change on Indra’s operations and the response measures adopted by the company is available on the [company website](#).

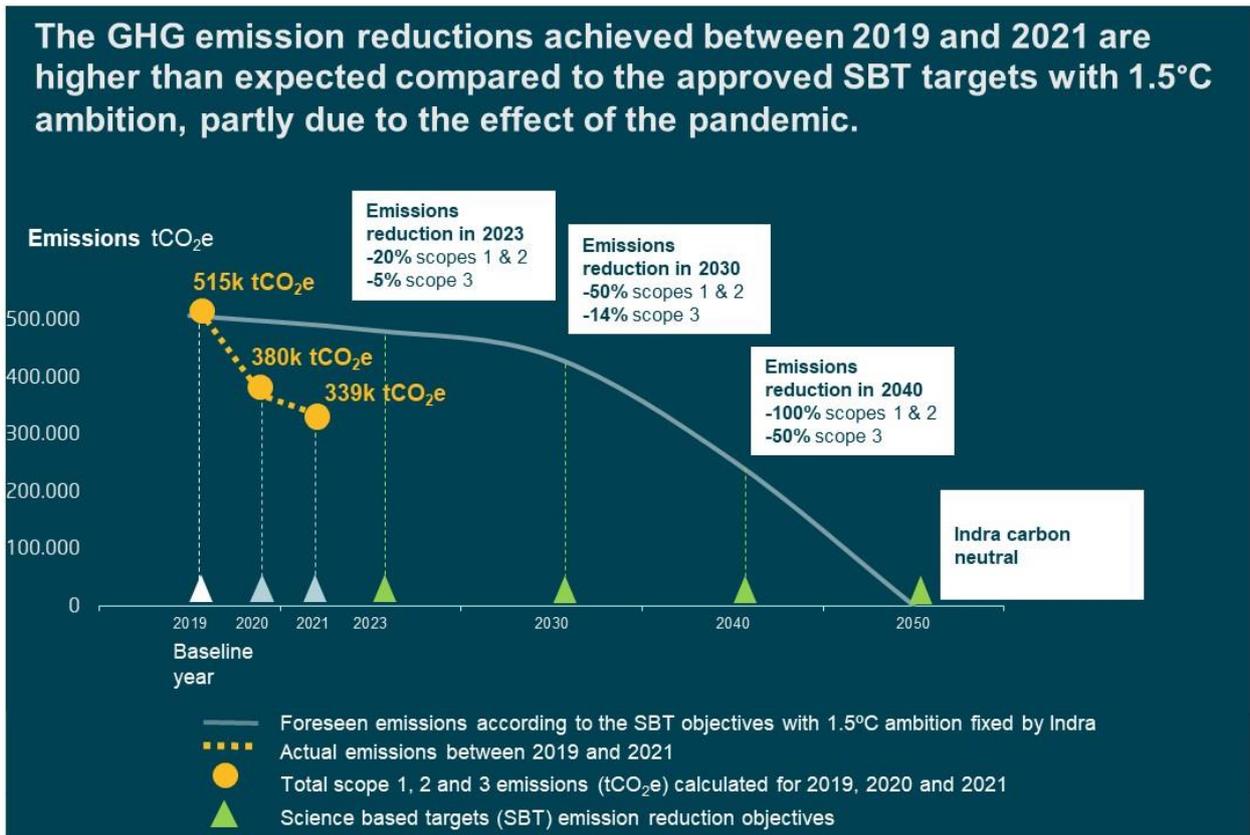
The main climate-related risks and the response measures adopted by Indra are detailed below. To find out more about the opportunities that Climate Change poses for the company, please refer to section 7 “Technology with impact” of this Report.

5.3 Climate Change mitigation and adaptation

The main transition risk for Indra is linked to the potential financial, reputational and competition-related impact associated with ever more stringent climate-related regulations across the world – particularly in Europe, which aims to be the first climate-neutral continent by 2050.

The 2020-2023 Sustainability Master Plan addresses the initiatives that are needed to reduce the company’s GHG emissions, involving all the areas that are required to succeed in achieving them

In 2020, the Sustainability Committee designed an ambitious emissions reduction roadmap for the company, which was approved in 2021 by the Science Based Targets Initiative (SBTi) and sets objectives based on science for 2030 and 2040, with the intention of achieving carbon neutrality in 2050.





The 4 keys to achieve the SBT are: eco-efficiency, green energy, suppliers engagement and sustainable mobility



Indra Group's carbon footprint in 2021

[GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] [GRI 305-5]

Due to its business model, Indra's main environmental impacts are associated with energy consumption in its work centres – electricity consumption and climate control – and with greenhouse gas emissions associated with its supply chain, business travel and employee movements.

Indra recognises the agreements reached in the Paris Agreement and intends to be an active agent in this collective effort to reduce the impact of Climate Change. To achieve this, it has a Climate Change strategy in place which contemplates initiatives across four core areas:

- Energy efficiency in the workplace: optimise electricity consumption and climate control.
- Increase use of green energy.
- Include environmental criteria in procurement procedures.
- Actively encourage sustainable employee mobility: reduce business travel and commuting.

Indra Group's carbon footprint (CO ₂ e emissions)	2019 (tCO ₂ e)	2020 (tCO ₂ e)	2021 (tCO ₂ e)	2021 vs. 2019 (% reduction in emissions)
Direct scope 1 emissions	2,733	1,764	1,759	-59%
Direct scope 2 emissions	6,198	2,923	1,897	
Direct scope 3 emissions	507,063	375,417	335,583	-34%
Procurement of goods and services (category 1)	299,163	255,274	234,574	-22%
Business travel (category 6)	77,251	24,303	18,273	-76%
Commuting (category 7)	35,522	11,954	14,487	-59%
Other scope 3 categories	95,127	83,886	68,249	-28%

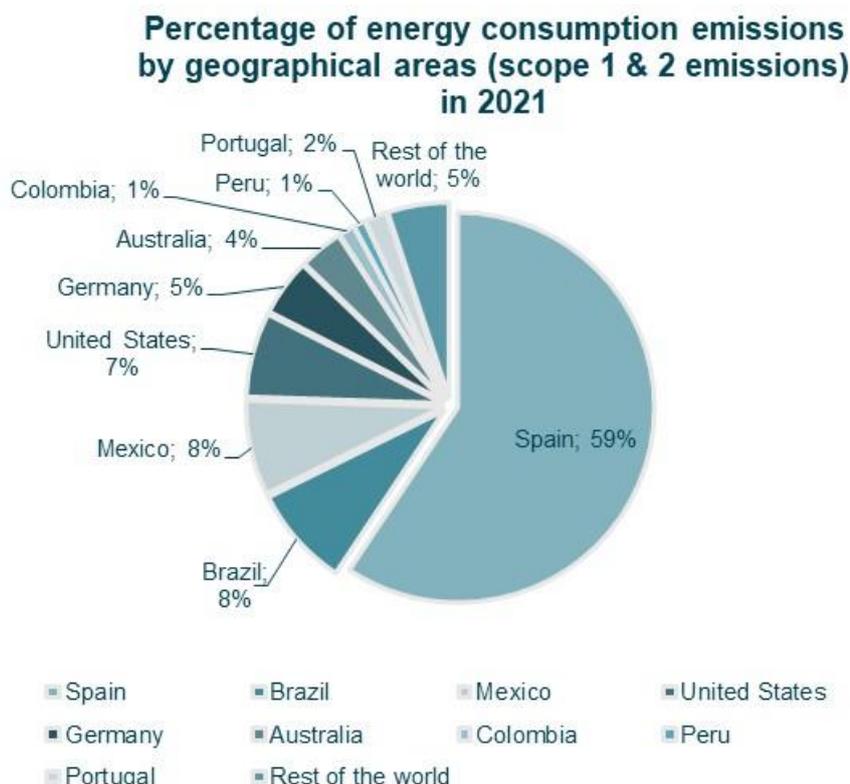
Emission calculations are based on the Greenhouse Gas Protocol (GHG Protocol), the accounting and reporting standard created by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) In 2021, Indra also obtained ISO 14064 Carbon Footprint certification from AENOR for the 2020 inventory of GHG emissions for two group companies – Indra Soluciones Tecnologías de la Información and Indra Italia – and is expected to broaden the scope of this certification in the coming years.



Over 2021 energy consumption emissions (emissions scope 1 and 2) as a whole have decreased compared to data from 2020, as a result of the following measures: the Property Efficiency Plan which has reduced the occupied square metreage; the low levels of work centre occupancy due to the extension of the post-pandemic prevention measures designed to protect employee health; the increase in the purchase of green energy that now makes up 93% of the total energy Spain consumed in 2021; and the reduction of emission factors used by the International Energy Agency to calculate emissions.

Energy consumption emissions (scope 1 and 2) in main geographical areas

The countries that make the largest contribution to the Group’s Carbon Footprint in terms of energy consumption – gas, diesel, refrigerant gases and electricity – are: Spain (59%), Brazil (8%), Mexico (8%), United States (7%), Germany (5%) and Australia (4%). All other regions are below 2% of emissions.



Indirect emissions from the group’s value chain in 2021

Indirect emissions from Indra’s value chain (scope 3 emissions) represent almost 99% of its total emissions. Due to their significance, the twelve categories of scope 3 emissions that apply to Indra were analysed in 2021 to improve how these emissions are calculated. The improvements implemented in terms of how the Carbon Footprint is calculated have reduced the uncertainty of the calculation by maximising the use of primary data sources, e.g. using emissions data provided directly by service providers (travel agencies, couriers, taxi services).

In addition, a series of measures have been introduced that have successfully reduced scope 3 emissions, including: a campaign to collate Carbon Footprint data from suppliers; the use of sustainability criteria in hiring logistics suppliers, the adoption of a reservation service (app) that allows all employees in Spain to book more efficient (eco) taxis; the commission of an employee mobility survey in the seven top geographies (Spain, Italy, Brazil, Mexico, Colombia, Peru and the Philippines) to identify commuting habits.

As a result of all the measures implemented and improvements made, in 2021 scope 3 emissions decreased by 34% compared to 2019 – the base year used to calculate the emissions reduction targets – achieving a far higher reduction than forecast. This was mainly due to the impact of the pandemic on limiting employee mobility – both in terms of business travel and commuting – and as a result of the acceleration of plans for remote working.



Evolution of the group's scope 3 emissions between 2019 and 2021



Internal carbon pricing project

As part of the 2020-2023 Sustainability Master Plan, the company created an internal carbon pricing project in 2021 with the aim of measuring and assigning prices to the Group's CO₂ emissions.

Indra aims to align its value chain with the Group's emissions reduction targets, making the CO₂ emissions factor part of its decision-making procedures

The aim of the project, which is supported by the Sustainability Committee, is to incorporate the "CO₂ factor" into its business processes and decision-making procedures and by doing so encourage the implementation of greenhouse gas emission reduction measures.

Lines of action to integrate the CO₂ factor into Indra's value chain

 <p>Consider the impact of CO₂ on the margin of operations</p> <ul style="list-style-type: none"> ✓ Include measurement of CO₂ emissions and environmental risk assessment as an externality in the operating margin 	 <p>Include in the offers a climate risk analysis</p> <ul style="list-style-type: none"> ✓ Contemplate climate risk as an additional factor to be controlled and supervised in the offers 	 <p>Perform purchases to "more green" suppliers</p> <ul style="list-style-type: none"> ✓ Request suppliers for their Carbon Footprint (scope 1&2 emissions) and include in the cost of the offer the cost of the CO₂ emissions 	 <p>Reduce CO₂ in business travel and commuting</p> <ul style="list-style-type: none"> ✓ Measure emissions for business travel and commuting and set reduction objectives ✓ Incentivize the use of more efficient means of transport
 <p>Invest in more eco-efficient working centers and infrastructures</p> <ul style="list-style-type: none"> ✓ Measure the carbon emission of each center and set energy efficiency objectives ✓ Include CO₂ in the selection of new centers or in the contracting of infrastructures like CPD's, warehouses,... 	 <p>Identify the CO₂ impact of R&D projects</p> <ul style="list-style-type: none"> ✓ Include a self-diagnosis of risks and opportunities of climate change in the R&D project proposals 	 <p>Design products with less emissions: eco-design</p> <ul style="list-style-type: none"> ✓ Measure products emissions ✓ Consider eco-design and energy efficiency criteria in the design of products to reduce its emissions during its whole life cycle 	 <p>Develop software with less emissions: green software</p> <ul style="list-style-type: none"> ✓ Include the calculation of CO₂ reductions as one of the KPI to take into account in the prioritization of improvements in the software development process

A shadow pricing model has been chosen for the project, meaning that a price of €40 is applied to every tonne of CO₂.⁶ In order to calculate this price, the social cost of carbon together with and the average price of the EU Emissions Trading System (EU-ETS) were used as references. In the future, it may be possible to calculate the internal price of Indra's carbon using the internal fee model instead of the shadow pricing model, which would allow the carbon tax to be used to finance offsetting initiatives for the company's waste emissions.⁷

⁶ Pending an in-depth study.

⁷ Surplus remaining after including all technically and financially viable sources of emissions in the carbon footprint reduction targets.



Energy efficiency and purchasing green energy

[GRI 302-1] [GRI 302-2] [GRI 302-3] [GRI 302-4]

Improving energy efficiency and increasing the purchase of green energy are Indra's two key pillars for reducing the Group's scope 1 and 2 emissions – namely direct and indirect emissions from energy consumption.

Over the years, a number of measures designed to optimise energy have been implemented at the sites occupied by Indra, including: heating, air conditioning, climate control, insulation, lighting and space optimisation. The results of these measures can be seen in the reduction of Indra's environmental footprint.

The corporate headquarters located in Alcobendas (Madrid) is the group's highest capacity work centre. The building is LEED Gold certified – the US Green Building Council's accreditation system for sustainable buildings – and has been certified under the European EMAS and ISO 50001 standard designed to ensure continual improvement in energy efficiency. The corporate headquarters houses the Energy Control Centre, which remotely controls and monitors the energy consumption of 90% of the group's headquarters in Spain – equating to more than 80% of Indra's total energy consumption globally.

Indra's Energy Control Centre allows the company to maintain and improve the energy saving levels of the Group's headquarters in Spain. To do this, it applies mathematical models to real-time consumption data to produce forecasts for energy consumption and power. The energy consumption control systems located at Indra's facilities are programmed, reviewed and adjusted daily in accordance with occupancy levels, peaks in activity, working schedules and weather, among other factors. This allows any deviations to be corrected and the consumption curve maintained at the optimal level for energy savings, therefore achieving greater energy efficiency at its facilities.

Percentage renewable energy

82%

Emissions intensity by energy consumption per employee

0.07

Indra centrally tracks and controls in real time more than 80% of the energy consumed across all of its work centres

The Energy Control Centre programmes the measures that are directly implemented at its facilities by technicians specialising in energy efficiency. The performance of the key production units in each of its main headquarters are also monitored, working with maintenance technicians to decide the best improvement measures based on the time of year in question. The company also uses portable consumption measuring equipment to take one-off measurements in order to assess the level of energy deviation caused by changes in its business operations: power increases/decreases, changes in office occupancy levels and in working hours, etc.

All these energy efficiency measures have been key in optimising post-pandemic energy consumption, a time when workplace occupancy has varied greatly.

Green energy accounts for 93% of the energy used at Indra's work centres in Spain, with this percentage reaching 100% at its work centres in Italy

Another energy efficiency measure that Indra has set out as a key objective in its Sustainability Master Plan is to increase the purchase of green energy to 100% in Spain by 2023 and to 85% at global level by 2030. Since 2019, Indra has been gradually increasing the percentage of renewable energy used at global level, reaching 82% in 2021. Spain and Italy are the two leading geographies in terms of the Group's green energy consumption – accounting for 93% and 100% respectively. The Group's goal is to gradually incorporate the rest of its geographies.



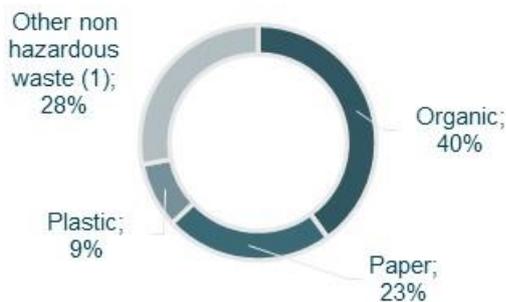
Waste management
[GRI 306-2]

Indra's business activity does not tend to generate a great deal of waste. Most of the company's waste is generated in its production centres in Spain, all of which are certified according to ISO 14001, with electrical and electronic equipment being responsible for generating the majority of this waste. Facility maintenance is another of the larger sources of waste.

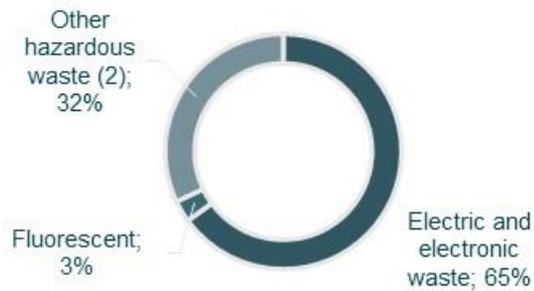
In compliance with environmental legislation, all hazardous and non-hazardous waste is handled by authorised waste managers. Indra aims to recycle and recover as much of its waste as possible, and to achieve this, the company prioritises the hiring of local waste managers to maximise the proportion of waste recovered or recycled.



Distribution of non hazardous waste



Distribution of hazardous waste



- 1) Other non-hazardous waste: mainly discarded equipment, metal and wood
- 2) Other hazardous waste: mainly cleaning products, aqueous sludges, batteries and absorbent materials

In 2021, the amount of non-hazardous waste generated fell by 29% compared with 2020. This was due to reduced workplace occupancy – as post-pandemic measures to safeguard employee health were implemented – as well as a reduction in the amount of space occupied and the closure of centres in line with the Property Efficiency Plan, which aims to adapt workspaces to the new remote working reality.

Generation of hazardous waste also fell by 39% in 2021 as compared with 2020. This reduction can be explained by the fact that less refurbishment and maintenance work was carried out at production centres in 2021 than in 2020. Such work included upgrading and dismantling laboratories or replacing infrastructure in order to make these facilities more energy efficient. These measures are included as part of the Energy Saving Measures Plan.



Indra is committed to the circular economy and to recycling and/or reusing all waste generated by the group, based on the principles of prevention, preparation for reuse, recycling, and other forms of recovery and disposal.

89% of the Group's global waste comes from facilities located in Spain; this waste is treated by authorised waste managers using various methods (reuse, recycling, incineration, landfill). In Spain, 59% of all waste is reused or recycled, which amounts to more than 50% of the Group's global waste.



Breakdown of waste generated in Spain during 2021 by type of treatment (kg)	
Recycled/reused waste	324,247
Discarded waste (e.g. biodegradation, physico-chemical treatment)	77
Waste sent to landfill	426
Incinerated waste (recovered or not recovered)	0
Waste removed by other means	0
Wastes treatment method unknown (*)	229,913
Total waste	554,663

(*) Of which 90% relates to the unused portion of the recycled waste.

The company's waste accounts for less than 0.1% of its overall emissions

Indra's 2020-2023 Sustainability Master Plan includes a target to reduce hazardous non-recoverable waste from manufacturing centres by 20% by 2023, as well as a target of eliminating single-use plastics in offices in Spain in 2023, with a progressive elimination at an international level by 2030:

- At the end of 2021, generation of non-recoverable waste at the nine manufacturing centres in Spain – Aranjuez, Torrejón, San Fernando, Bembibre, Ferrol, Fuente Álamo, Puerto de Santa María, Nave Lean and Sierra de Guadarrama - were down by 15% compared to 2020. This means that in 2021 the percentage of recycled or reused hazardous waste increased to 70% compared to 61% in 2020.
- Total plastic waste generated in Spain in 2021 was down by 18% compared with 2020.



Collaboration in initiatives in support of the fight against Climate Change and in favour of the circular economy



Indra participates in the [Spanish Platform for Climate Action](#), which aims to promote compliance with the Paris Agreement. As a member of this initiative, Indra has committed to setting absolute emission reduction targets, to including data on their Carbon Footprint in Spain's Ministry for the Ecological Transition and the Demographic Challenge's Carbon Footprint register, and to participating in the Global Climate Action.

Indra is also part of [Forética's 'Climate Change Cluster'](#), which comprises more than 50 large Spanish companies, and which aims to drive the leadership of the private sector in climate matters, as well as value good practices applied, facilitate the dialogue and exchange of ideas between companies and be a reference interlocutor with public authorities.

[GRI 301-1] [GRI 301-2] [GRI 301-3]

Climate Change adaptation

Indra's main physical risk is related to business disruptions associated with any potential weather phenomena. Any such weather phenomena could restrict access to the company's facilities, damage equipment, cause power cuts to the electricity supply and telecommunications networks or affect the company's utility supply.

Indra has defined the following measures to manage the physical risks associated with Climate Change:

- Property resilience: Indra takes the risks of exposure to weather phenomena into account when selecting its properties. It also establishes additional requirements for work centres and facilities situated in locations that are at high risk of being affected by extreme weather phenomena.
- Continuity and disaster recovery plans.
- Redundancy of operations.
- Option to work and certify project milestones remotely.
- Insurance policies insuring against physical damage to the company's buildings and facilities.

Water consumption

[GRI 303-1] [GRI 303-2] [GRI 303-3]

Despite the fact that the company's activities have not been identified as having a significant environmental impact in terms of water consumption, availability and quality, managing its water resources efficiently is also part of Indra's strategy. This is why the company monitors, manages and sets targets for minimising the consumption of water at certain sites.

The efficient management of water consumption is particularly relevant given that Climate Change is expected to exacerbate water stress. Efficient water use is therefore an important way of preventing potential water shortages in the communities where Indra operates, while consequently mitigating the potential risks associated with water rationing imposed by Public Authorities.

The special initiatives aimed at minimising water consumption include the installation of mechanisms to save water at the company's facilities and actions to raise awareness regarding the responsible use of water by employees.



5.4 Environmental management

The Group's Sustainability Policy and Global Environmental Policy reflect its commitment to protect the environment and to making continuous improvement. The Environmental Policy is implemented through action plans that are applicable to the various facilities holding the ISO 14001 certification, with short and long-term goals, aligned with the strategy and sustainable growth of the company.

To mitigate the company's environmental risks, Indra's goal is for 100% of the company's main facilities⁸ at global level be certified or in the process of being certified under the ISO 14001 standard by 2023. At present, 100% of its manufacturing centres and 83% of the group's offices* are ISO 14001 certified.

The Environment Unit also carried out an environmental risk assessment of two work centres with capacity for more than 500 employees in Brazil and Mexico in 2021, having now conducted an environmental risk assessment on 94% of its centres. In the assessments of both centres, no critical risks were identified in any of the areas considered, this included: energy, water, waste, emissions, spillages, raw materials and industrial security.

ISO 14001 Offices*

83%

ISO 14001 manufacturing centres

100%

* With over 500 employees

84% of employees in Spain work at ISO 14001 certified premises

ISO 14001 certification requires high standards in a number of environmental areas such as carbon emissions, energy consumption, waste management, recycling, water use and employee awareness.

Indra's strategy in terms of environmental matters is based on the identification and diagnosis of its principal risks and opportunities, specifically:

- Climate Change risks and opportunities.
- Environmental workplace risks.
- The risks associated with complying with the regulations regarding dangerous and toxic chemicals (REACH).

In terms of atmospheric pollution, including noise and light pollution, Indra characterises and carries out the relevant regular controls on the sources of atmospheric emissions in its work centres, in compliance with current regulations. Given the company's activity, none of the sources defined have been significant, either by type or operational hours. The noise levels have also been measured by the Authorised Monitoring Bodies, which have determined that the noise levels outside the certified facilities are below the legal limits. Given the activity of the company, the impact of light pollution is not considered to be significant.

Traceability of materials and components [GRI 416-1]

In 2021 Indra finalised the improvement and automation project aimed at complying with the REACH Regulation regarding the use of dangerous and toxic chemicals. To this end, internal tools have been implemented that allow project managers to trace the presence of banned substances in the products and components manufactured by Indra via automatic alerts that are generated when one of these types of substances is present.

In addition, several REACH training sessions were offered to more than 300 employees (between November 2020 and May 2021), various communication channels set up and content made available to help answer any questions and queries regarding the regulation and its application.

⁸ The main facilities are those in which production activities are carried out or where there is capacity for more than 500 employees.



6 People and talent

[GRI 102-8]

Indra's talent management strategy is split into five core areas: attracting talent, empowerment, commitment, care and dialogue, all of which fall under one overarching principle: diversity.

Equal opportunities, respect and non-discrimination are key to Indra's culture

6.1 Diversity

Indra's diversity strategy

[GRI 405-1]

Diversity is key to Indra's culture, and an element that defines the company's talent management framework. Equal opportunities, diversity, respect and non-discrimination are fundamental principles present throughout the professional career of anyone who forms part of Indra: in attracting the best talent, in employee professional development, in acknowledging the effort made by employees, in issues relating to well-being and in terms of how people relate with the world around them.

The five dimensions of diversity in Indra

Metrics and outstanding initiatives in 2021

Cultural diversity



- ✓ More than 100 nationalities
- ✓ **Cultural Diversity Week**

Functional diversity



- ✓ Graduates of more than 100 university degrees
- ✓ More than 300 technical abilities
- ✓ **Adding Capacities** campaign

Generational diversity



- ✓ 26% employees below 30 years and 15% above 50
- ✓ **Smart Start Program** and **Mentoring Program**



Sex-affective diversity

- ✓ Adherence to the **UN Standards of Conduct** to combat LGBTI discrimination
- ✓ Embracing diversity on **Pride Day campaign** and LGBTI support group

Gender diversity

- ✓ 34% women on staff
- ✓ 26% women in the leadership and management team
- ✓ **"Women that inspire" Program**



Equality Plans, the Code of Ethics and Legal Compliance and the Gender Diversity Programme are Indra's main tools for ensuring that its employees are valued for their skills, effort and talent, regardless of their race, gender, religion, political beliefs, nationality, age, sexual orientation, civil status, disabilities, social origin or any other condition.

Additionally, the company's gender protocols are intended to ensure working conditions free of sexual or gender harassment. The protocols therefore establish specific procedures to enable complaints and claims.

To promote women's progress in the company and in society, Indra has for years been constantly strengthening its gender diversity programme by new initiatives to encourage a culture where having different skills and sensitivities is perceived as a plus, breaking down prejudices and stereotypes; to have procedures which ensure meritocracy; and to support women so that they can break any social barriers that may exist, as well as the ones which they could create themselves.

In 2021 Indra signed up to the Standards of Conduct for Business put forward by the United Nations to tackle discrimination against lesbian, gay, bi, trans and intersex (LGTBI) people

Initiative for a more equal society

Indra participates in the Target Gender Equality initiative, led by the Spanish arm of the UN's Global Compact, to accelerate the contribution to SDG 5 through gender equality. The aim of the initiative is to achieve corporate goals in terms of the representation and leadership of women through performance objectives, skill development workshops, peer learning and dialogue with multiple stakeholders at a national level, as well as at international events.

The 21/22 Indra edition of Programa Radia is one of the company's most noteworthy initiatives in terms of promoting an inclusive environment. Launched in 2021, the programme focuses on offering digital training for women with disabilities. Indra is collaborating in this programme's second edition – launched by Fundación ONCE, Fundación CEOE and the Conference of Social Councils of Spanish Universities (CCS) – helping to direct the training content towards the most disruptive and most coveted STEM technologies and vocations, offering masterclasses and mentoring thanks to willing company experts, as well as company internships and helping to improve the employability of female interns by hiring those with the most sought-after skillsets.

It is similarly worth highlighting the role of diversity and respect in the 2021 Hack Day event. In Peru, the third edition of the women's initiative involved five teams of company employees competing to develop the most innovative digital SDG-related idea. The winning project proposed to develop an app that uses artificial intelligence and Big Data to advise and provide counselling to people suffering from harassment or bullying in the workplace.

The initiative forms part of the company's Gender Diversity Programme, which entered its fifth edition in Spain at the end of the year, an edition that was purely online and saw the involvement of scores of recently graduated students and final-year undergraduates studying technical degrees. Indra's Hack Day combines the company's commitment to diversity and supporting STEM vocations, with innovation and sustainability.

Indra's governing bodies are responsible for steering the company's commitment to diversity. As regards the Board of Directors, Indra's Director Selection Policy establishes that the Board of Directors and the Appointments, Remuneration and Corporate Governance Committee must ensure that certain criteria and policies are applied when selecting people to hold positions as directors. In particular, these are geared towards diversity among the members of the Board in matters of gender, skills, training, professional experience and age, ensuring the absence of any kind of discrimination based on gender, religion, ideology, nationality or disability.

As far as gender is concerned, in 2021 – and one year ahead of schedule – Indra met the target set out in its policy which establishes that the number of female directors should account for at least 40% of the total number of Board members in 2022.

The application of this policy during 2021 is outlined in sections C.1.4 to C.1.7 of the [Annual Corporate Governance Report](#), available on the company website.





Acknowledgements for good practices in diversity

Indra has been included in the Bloomberg Gender-Equality Index for a third consecutive year, despite the Index raising the bar in terms of what it looks for in a company. In Spain, it has appeared in the VariableD2021 Report for a third consecutive year as one of the Spanish companies with best practices in equality, diversity and gender. Furthermore, Indra has held the Spanish government's Equality in the Company Distinction since 2011, and it adheres to the Diversity Charter of the Diversity Foundation.

Indra has improved its rating in the Bloomberg Gender-Equality Index thanks to its good practices in gender parity, inclusive culture and support for women

In 2021, Indra received the "Most Equal Distinction" from the Region of Madrid, in recognition of the company's policies and initiatives to promote equality. In the same year, it won the Award for the Best Strategic Plan for Diversity and Inclusion from the Adecco Foundation and the Excellence in Sustainability Club. These awards are testament to Indra's determination to ensure that the finest talent – both men and women – enjoy the best opportunities in the workplace, are able to develop their career and rise to the highest level of responsibility in their fields, while also being guaranteed equal pay and recognition.

6.2 Attracting talent

Indra's sourcing strategy consists of improving its employer Brand, as a tool to attract and improve the commitment of its employees; and focus on junior and high-value senior profiles.

Among its priorities, Indra seeks to improve the perception of the company in the employment market and enhance its employees' pride in belonging. Its approach here is based on two lines of action:

- Promotion of diversity, improvement of the work environment, employment flexibility, training programmes, well-being programmes, internal communication campaigns and social impact initiatives with employees.
- Obtaining certifications, participation in indices and external communication campaigns.

The company has undertaken initiatives to improve its employees' level of satisfaction and the way that future employees perceive the company:

- Through the "Young Professionals and Indra Seedbed" programmes inaugurated in June 2021, the company has created more than 400 new vacancies in the technology sector for young people and individuals at risk of exclusion in Colombia. The aim of this initiative is threefold: to drive the generation of quality employment, to contribute to the training of skilled talent, and to further the social and economic development of the country.
- The "Top Senior" and "Digital Brand" programmes in the Transport and Defence division are committed to developing the company's senior talent. On the one hand, they value the expertise of these staff and ensure that their legacy is passed on to the new generations, and on the other, they enhance their training with digital natives from within the company.

Final workforce total

52,083

New recruits in 2021

16,731

Women hired as a percentage of the total

34%

Employees with permanent contracts

+90%

According to the Merco Talento ranking, Indra is the consultancy company with the greatest capacity to attract and retain talent in Spain

Indra leads the 2021 ranking produced by the reputation monitor Merco Talento as the company in the consultancy sector with the greatest capacity to attract and retain talent in Spain. This index evaluates the level of employee satisfaction, as well as the perception held by stakeholders of how talent is managed by the company.



Sourcing and developing young talent

[GRI 401-1]

Indra's strategy is focused on sourcing young talent through the development of STEM vocations (science, technology, engineering and mathematics) in the communities in which it operates, by participating in fairs and employment events, the Smart Start programme and by collaborating with universities, business schools and professional training centres.

More than 50% of the new recruits in 2021 were employees below the age of 30

Among the initiatives aimed at improving the onboarding of new employees, increasing their motivation and maximising their contribution to the company, the highlights include:

- The integrated management of employee careers in their first two years in the company (Smart Start): this includes training, development, assessment and professional progress. In response to post-pandemic restrictions, Indra has developed tools to facilitate intra-employee networking and linking employees with their colleagues and with the company.
- A new process to improve the experience of being hired by the company (Onboarding Experience) for all employees (young and more mature), and in response to the Covid-19 crisis, Indra transformed its hiring process to be fully adapted to a digital environment. The new process includes a virtual and gamified welcome session, an online training itinerary and a video game created ad hoc.
- Talent Camps to accelerate new employee skills development in the company's key areas, such as Analytics, Digital Solutions and Financial Services, Air Traffic Management, Transport and Software Production Development. These camps are also held in a completely digital format.

Collaboration with the education sector

In 2021, the academic institution IMF Smart Education and Indra signed an agreement to create the first international Artificial Intelligence and Big Data School, an initiative developed to cover the growing need for people trained to tackle the increasing challenges posed by digitalisation in these specialist areas. The school will bring students into closer contact with the employment market, since professionals from both Minsait and Indra will be taking part as teachers and tutors. A ground-breaking range of programmes will be offered, including some for the most sought-after subject areas, such as Process Mining and Cognitive Services. It will offer all kinds of professionals the opportunity to enter the technology sector, from juniors via Expert programmes to those who have reached senior level thanks to Masters and Booster programmes.

This commitment to education also includes other training initiatives that seek to attract young talent:

- At a unique digital event, Indra brought together more than 700 young engineers to familiarise them with the latest disruptive technologies and pioneering projects in transport and defence. The event also saw professionals offer them an insight into careers at Indra and the company's culture of innovation, learning, impact and diversity.
- The Connect and Programme your Development workshops as part of the IT job orientation programme aimed at students at the Instituto Comercial de Linares (Chile) benefit more than 200 students specialising in Programming and Connectivity and Networks at this academic institution, which forms part of the Bicentenary Schools network. The objective of this programme is to address the lack of professionals in this area, which will be key to digital transformation in Chile.
- Indra is also committed to driving digital transformation in Spain. In the Autonomous Region of Valencia, it has organised specialist training in technical and business skills, and in other areas needed to help develop young talented professionals.

A beacon for the new generation of professionals

In recognition of its Smart Start programme, in 2021 Indra was ranked among the Top 10 "Companies Committed to Youth" in Spain and Latin America. It is the only technology company that features in the upper echelons of the Ibero-American ranking of the International Youth Organization for Ibero-America (OIJ) and the International Organization of Human Capital Directors (DCH). Indra's Smart Start programme for young talent offers high-impact training, continuous development and career progression tailored to the interests of young professionals in the Transport and Defence businesses and at Minsait.

Furthermore, Indra's commitment to young talent, learning and professional development was rewarded by inclusion in the 2021 Employers for Youth (EFY) Tech Andino ranking in Colombia and Peru.



Inclusion of employees with disabilities

In Spain, Indra has specific measures in place to enable the integration of people with disabilities into the company. For example, the company offers a parking space or ADSL line when the employee has mobility problems. In addition, the company provides a counselling and support service to assist in the search for employment for both its employees with disabilities and members of their families with disabilities.

92% of the working areas at Indra's work centres in Spain are accessible to people with reduced mobility. Most of the company's large work centres have access facilities designed for staff with reduced mobility⁹.

6.3 Empowerment

[GRI 404-2] [GRI 404-3]

Indra's talent strategy is focused on three main processes: career models adapted to the needs of the Transport and Defence, Minsait and corporate areas; the continuous and multi-sourced assessment of employees' careers; and open and continuous training incorporating new trends in methodologies and content. All the above is combined with a promotion strategy that promotes the internal mobility of employees as a way to further their professional development and help them acquire new skills within the company.

Employee assessment as the basis of the development model

Talent management at Indra is based on the assessment model (Performance Experience), which uses various tools and processes to evaluate performance, compliance with objectives and professional development. The flexible and multisource assessment model allows employee performance to be continually tracked and the evaluation tailored to each business. Within its objectives, the assessment model aims to promote the values of collaboration, empowerment and innovation; to increase team management agility; and to contribute to employee learning and professional fulfilment:

- Performance Talent – performance assessment: evaluates the performance and progress over the year, depending on the employee's career plan and role; and establishes the employee's development plans.
- Performance Project – project assessment: the project manager evaluates the performance of the employee in the context of that project.
- Performance Goals – assessment of achievement of objectives: evaluation of the extent to which the management team's economic, strategic and commercial goals have been met.
- 360° Assessment: the perception of the professional development of an employee is provided by their managers, co-workers and peers.
- Assessment of the young talent on the Smart Start programme.

39% of employees form part of multi-dimensional assessment processes, in which evaluations are carried out by various assessors ensure an all-round, objective view of the employee's performance.

Indra set up the Feedback Office in 2021 – an assessment tool that allows it to carry out multi-language global-level surveys and receive regular employee feedback on issues that are key for the company. To date, surveys have been conducted on issues such as commitment, cyber-culture and social initiatives.



⁹ In compliance with the Spanish Building Code regarding universal accessibility, in accordance with the Safety in Use and Accessibility Technical Code.



Environment which encourages continuous learning

[GRI 404-1]

Indra has a Lifelong Learning model, under which each employee can engage in training where, how and when they want, which acts as a continuous learning process.

The aim of the training strategy is to adapt to the needs of each employee, depending on the business they work in and in which phase of their professional career they find themselves.

Indra's corporate university, Open University, offers a range of different training programmes, including specific training – by project, function or business – special programmes and other training content which is freely available to employees.

Thanks to this model, Indra has managed to adapt more efficiently to the post-pandemic environment, as many of the learning resources and programmes were already 100% virtual and available globally for all the company's employees. As such, Indra has successfully redirected the learning focus to a context dominated by remote working.



Dimensions of Indra's training model

Project-based training

Training actions identified by the company's **business units**.

Aims to meet the **demands** and **requirements** of the **projects**.



Special programs

Associated with different key career milestones.

Designed **ad-hoc for specific groups**, from **young talent** to the **management team**.

They allow to accompany and train professionals who take on new responsibilities, provide them with **specific knowledge** for their new function or role and generate pride of belonging and networking among them.

Self-training

It includes **open-access**, **collaborative** and **self-consumption training**.

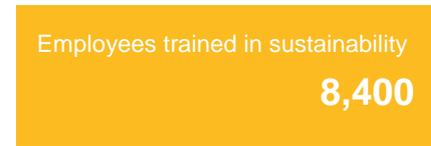
It includes a **Virtual Campus**, a space for collaboration between professionals; and **Udemy for Business**, a content platform with more than 3,000 specialized courses.

Reinforcement of the special training programmes in 2021

[GRI 412-2]

The special training programmes are designed in collaboration with the most prestigious business schools, to help Indra's technicians, managers and directors successfully assume new roles.

Although the majority of these programmes were conceived under the blended learning methodology – which combines on-line training with physical attendance – the pandemic has led Indra to adopt a 100% virtual learning design, using streaming classes, webinars, microlearning, immersive and gamified experiences and online training modules with task delivery and personalised tutoring. The pupils also have to make a virtual presentation of their Masters or post-graduate projects.



In 2021, Indra doubled the number of compulsory training hours completed

In 2021, Indra launched a training plan in sustainability which combines specific sessions and open online content for all employees:

- Online sustainability course: compulsory for new staff and voluntary for all other employees. The course aims to present basic concepts in sustainability, in addition to the company's response to ESG challenges through the 2020-2023 Sustainability Master Plan.



- Master class in sustainability on the Growing Together and New Director programme: specific sessions on sustainability and strategy have been included in the content aimed at technicians, managers and directors.
- Open content at Indra's Open University: five courses and more than ten theme-based videos available to all employees on key areas of sustainability, including Climate Change, circular economy, sustainable finance, Human Rights, diversity and inclusion, sustainable design and supply chain.
- Ad hoc training: this targets particular groups of employees, focusing in greater detail on specific ESG themes, such as the use of dangerous substances in compliance with REACH regulations, for example.

Committed to equality

Of the initiatives set in motion in 2021, the highlights are co-creation actions with groups of employees to define the company's equality strategy; group coaching sessions with women from the management team; and the "Inspiring Women" cycle, to give publicity to the female employees at Indra which it uses as role models.

Importance of professional growth

In 2021, Indra won two gold awards in the categories of "Best Leadership Development Programme" and "Best Advance in Measuring the Impact of Leadership Development" at the human capital management event held by the Brandon Hall Group.

In the same year, the company gained further international recognition for its talent management when it was placed second in the 2021 LinkedIn Top Companies ranking for Spain. The opportunities Indra offers employees to advance in their career and acquire new skills, the quality of the corporate culture and the connection with employees, stability, gender diversity and the variety of educational backgrounds were some of the aspects highly valued by LinkedIn.

6.4 Loyalty initiatives

Indra has made a significant effort to generate cultural and digital change in the organisation, with the aim of achieving multiple benefits for its employees and the organisation as a whole:

- Efficiency improvements: by means of the identification and transformation of inefficient habits and processes, the implementation of flexible working and more modern working environments adapted to employees' needs.
- Encouraging leadership: giving Indra's management team a greater role in defining key processes.
- Increasing transparency and access to information.
- Enriching the assessment models and improving the employee selection and onboarding programmes.

Vacancies covered by internal candidates

+560

Percentage of women in vacancies covered internally

34%

Analysis of employee priorities and adaptation of value proposition

Indra has applied science to analyse the degree of commitment of its employees and their motivations. The company has classified its employees into clusters, depending on variables such as age, length of service, professional status and salary level, in order to analyse and identify motivation patterns.

People Analytics: Intelligence applied to people management

The development of information systems and the greater availability of data have led to a paradigm shift in people management: a focus on talent management based on data. Indra, as a technology company with a business model founded on talent, is committed to the application of People Analytics for the management of its employees. The objective is to understand people's behaviour through analysis to develop an ad-hoc value proposition, which helps to improve their experience, as well as to improve Indra's ability to attract and retain talent.

In particular, Indra is developing the following projects in the realm of People Analytics:

- Identification of the level of commitment and opportunities to retain employees: through profiling employees according to their rotation, area of work and own characteristics; and by scraping webs and Text Mining to know what they are thinking. The information collected by the company on the results of the annual performance review of employees allows any correlation and the possible causality of employee rotation to be identified. Meanwhile, using the information available from employees leaving the company and websites such as jobquire.com through Text Mining tools enables the company to identify employee drivers and how their perceptions change over time. The company has also identified clusters of people within the workforce who share similar behaviour patterns in terms of rotation, and who may be receptive to specific targeted actions. In 2021, People Analytics has continued to be particularly



successful in monitoring trends, actions and the impact of Covid-19 on rotation, including more internal and external variables so as to improve the existing models.

- Identification of the skills gap, development and professional recycling: this project has been especially relevant in the post-pandemic environment. Thanks to People Analytics and through the so-called “rules of association”, areas of knowledge acquisition have been identified that are more in line with the employees’ existing skills. Thanks to this, Indra improves the process of assigning profiles to projects and avoids the unemployment of people specialised in less sought after technologies.
- Optimisation of commitment and efficiency improvement: through employee profiling, area of service and own characteristics, using organisational network analysis tools.
- Definition of internal and external variables: with the aim of identifying employees with a high risk of leaving the company, internal and external variables are input in collaboration with other companies – regarding the current market climate – to obtain indicators regarding external work-related pressure affecting employees. These models then allow Indra to value which employees are at the highest risk of leaving and make a better-informed decision on what action to take to help retain talent.

All the initiatives in terms of People Analytics comply with current legislation in terms of data protection (GDPR) and respect the privacy rights of the company’s employees.

Ascertaining levels of commitment

Following the improvements made to measuring commitment introduced in 2021, when the 2020 financial year was analysed, the company decided that this employee survey should be conducted every two years. Therefore, the next survey is scheduled for 2023, when the focus will be on the 2022 financial year.

According to the survey conducted in 2021, and based on the sample consulted, 75.5% of Indra employees were found to have a high level of commitment, with no significant differences between genders.

The commitment of Indra employees reached 75.5%, according to the survey conducted in 2021

The main improvement introduced in 2021 was to extend the scope of the survey to a representative sample of 100% of employees, through three specific surveys for different segments of the business. In this way, the survey that Indra launched in 2018 for the Transport and Defence unit now covers the entire company.

The breakdown of results by gender, geographical area, age group and professional category can be found in Appendix 10.6.

Remuneration adjusted to employee needs and focused on the short, medium and long term

[GRI 102-35] [GRI 102-36] [GRI 102-37] [GRI 401-2]

Indra’s objective is to offer remuneration adapted to the diversity of its talent. The results of the performance assessments have an impact on its employees’ career decisions and compensation.

Indra’s remuneration package comprises a fixed salary, part of which can be paid into each employee’s flexible remuneration plan; social benefits, which can vary between the different Group companies; and a system of variable remuneration payable to 14% of employees, which represents an attempt to encourage compliance with the objectives contemplated in the Performance Experience.



Examples of non-monetary remuneration at Indra



Well-being Program



Indra discounts (Privilege Store)



Family Program



Work-life balance



Life insurance

In Spain the company offers a flexible remuneration plan that allows all employees to allocate part of their salary towards healthcare, transportation, nursery vouchers, pension plans, training and restaurant vouchers, thus benefiting from discounted prices and tax benefits. In 2021, 37% of the workforce in Spain benefitted from the plan.

To ensure the sustainability of the business, 22% of managers have medium- and long-term targets that are linked to the fulfilment of the company's strategic objectives. The executive directors' targets for the current year are published every year, as are the percentage of these targets reached at the end of the financial year in the Annual Report in the section on directors' remuneration.

The variable element of the company's directors' salaries is linked to sustainability objectives

Some 40% of the directors' total variable remuneration is linked to qualitative objectives, which include a target related to the company's sustainability and management performance. The weighting of these sustainability objectives versus all the other qualitative objectives may be different for each director.

Wage gap

[GRI 401-3]

In order to improve its management of diversity, Indra distinguishes between two kinds of indicators when assessing differences in salaries between genders. This makes it easier for the company to identify the reasons for these differences and define suitable potential improvement plans. These indicators are wage inequality and wage gap. The wage gap indicator includes all the relevant variables that could have an influence on a person's salary, and it represents a more realistic measure of differences in salary for the same job position.

This difference, illustrated in the table below, is partly explained by the historical structure of the company and the shorter length of time women have served, among other factors.

Job category	Wage gap (%) (*)		Wage inequality (%) (*)	
	2020	2021	2020	2021
Senior Management	5.48	7.63	17	12
Middle Management	4.05	3.80	8	8
Technical staff	3.14	2.87	5	5
Support staff	3.12	3.55	27	26
Other categories (**)	N.A.	N.A.	9	36
Total	3.21	3.11	22	20

(*) NB: the wage gap is defined as the difference in salaries between groups of employees at the same level. The wage gap is calculated by comparing the remuneration between segments of equivalent employees (same category, same business unit, same region/country). In other words, the figure obtained represents the percentage that women earn less than men, considering similar positions and responsibilities. The calculation does not include professional segments that do not contain at least one female and one male employee, meaning that it actually extends to 90% of the workforce. Wage inequality is calculated as the difference in salary (average male employees – average female salary) / (average male salary), without taking into consideration any other factor that could have an influence on a person's remuneration, such as geographical location or the department in which they work. This calculation considers the fixed salary and variable amount paid. Additional concepts such as: cash grants, bonuses, long-term



incentives, share-based remuneration, etc. are not included. For more indicators relating to remuneration by gender and age, see the section headed "Other non-financial indicators". Includes data on 97% of the workforce at year-end.

(**) NB: wage inequality in 2021 is a result of new recruits hired and not classified by category in other companies such as Indra Colombia (564)

The remuneration policy implemented by Indra is not gender biased. The two key components of the company remuneration structure (fixed monetary remuneration and variable annual remuneration) are set objectively. Fixed remuneration primarily reflects the experience of the employee and their responsibility within the organisation, while the variable remuneration rewards the targets which have been reached and are shared amongst the employees that also work in the same departments.

Wage gap of 1.94% in Spain in 2021

Indra works to adopt the most appropriate measures to eliminate this gap. The following measures are particularly worthy of mention:

- The Gender Diversity Programme: this comprises four lines of action, promoting technological vocations among women, incorporating gender mainstreaming into all talent management processes, ensuring an inclusive culture, and championing female talent in key roles.
- The development of work-life balance policies: in addition to facilitating a balance between employees' personal and professional lives, these policies promote joint parental responsibility by offering the same measures to both men and women; for example, improved maternity and paternity leave following the birth of a child, the possibility of accompanying children and parents to medical appointments, etc.
- Training and awareness: in 2021, Indra implemented several training programmes aimed at raising awareness of various aspects of diversity, such as leadership, management of diverse labour environments, the prevention of sexual and gender harassment and unconscious bias.

Improvement of positioning in certification, indices and external awards

Indra has tools, rankings and awards which allow it to monitor the perceptions of its employees regarding its performance:

- In 2021 Indra renewed its Top Employer certification, and improved its overall score by 4.3%, achieving the highest possible score in organisation and change, workplace environment, ethics and values.
- Indra was also certified as a Great Place to Work in Colombia and Peru in 2021 in recognition of how the company treats its employees, its ethics and its international leadership.
- It received a similar award in Mexico, being included in the ranking "2021 Super Companies: The places where everyone wants to work" ("*Súper Empresas 2021: Los lugares en donde todos quieren trabajar*") compiled by the Expansión business magazine and the consultancy firm Top Companies.
- Thanks to its Smart Start programme, Indra is also ranked among the Top 10 "Companies Committed to Youth" in Spain and Latin America according to the Ibero-American ranking of the International Youth Organization for Ibero-America (OIJ) and the International Organization of Human Capital Directors (DCH).

Top Employer Institute recognised Indra as offering one of the best workplace environments and for its capacity to incorporate innovation into talent management

6.5 Health, safety and well-being

Indra's strategic commitment to ensure the highest possible level of health, safety and well-being of its employees, regardless of business division, geographical location or activity, is reflected in the Occupational Risk Prevention Policy, the Sustainability Policy and the Code of Ethics and Legal Compliance.

Health and safety governance model

[GRI 403-1] [GRI 403-2] [GRI 403-3] [GRI 403-4] [GRI 403-7] [GRI 403-8] [GRI 403-9] [GRI 403-10]

As established by the [Board of Directors Regulations](#), the Board is ultimately responsible for the supervision of the organisation's financial and non-financial risk management, the latter supported by the Sustainability Committee or the Auditing and Compliance Committee.



Inasmuch as health and safety risks are part of the company's non-financial risks, they also come under the supervision of the Board.

The ISO 45001 standard is the benchmark certification used to accredit Indra's health and safety management systems

Indra holds ISO 45001 certification for the health and safety management systems in its main companies in Spain and in the group's subsidiaries in Italy, Brazil, Colombia, Peru and Australia. At February 2022, 65% of Indra's employees were covered by a certified health and safety management system. In all cases, the health and safety management systems guarantee the identification of the risks, the implementation of preventative measures and the traceability of related processes (investigation of accidents and continuous improvement, among others). This determines the preventative measures which the company should adopt, specifically in terms of personal protective equipment (PPE) and training.

All Indra's employees must undergo obligatory training in terms of prevention of occupational risks, depending on their job. Due to the particular attributes of certain jobs in the company, the training programme may include courses on specific matters such as risks at height or in confined spaces, among others. In general terms, none of Indra's employees are authorised to carry out their activity without the required training and PPEs for their job.

Over the course of 2021, Indra continued to enhance its health and safety training programme, including a course on emergency measures. Covid-19 regulations limiting office occupancy levels and the extended rollout of remote working models have affected how emergency teams work and organise themselves. By offering this course, the level of training received by all of Indra's employees is now similar to that received by emergency teams and as such the company can act appropriately in the event of an incident at any of its sites.

The measures implemented to reduce the spread of Covid-19 have also allowed the company to improve the way it handles emergencies in general, as is the case with the occupancy detectors installed in some of the company's offices. Initially these detectors were installed to ensure occupancy levels remained in line with the capacity limitations in place at any given time to keep potential infection rates down. However, the detectors offer the added benefit of providing real time information on the number of people occupying every part of the building, data that is extremely useful in the event of an emergency.

Up until 2021, no professional illnesses had been identified at Indra. Nonetheless, according to the current legislation in Spain and as reflected in Indra's internal regulations, the company's employees have the right and the duty to report risk situations at work, and where applicable, stop activity.

In 2021 115 work accidents were registered, with and without medical leave, excluding injuries occurring during the commute to or from work. In terms of geography, 83 of the accidents occurred in Spain and 1 in Italy, 30 in Latin America and 1 in AMEA. All the indicators are available in Appendix 11.6 of this Report. During 2021, Indra also identified 18 occupational incidents in Spain which in none of the cases resulted in physical harm to the individuals (merely material damage). Indra investigated the causes; identified the possible consequences under different circumstances; and identified and implemented corrective actions, such as the replacement of certain teams or raising their awareness.

Over the past two years, Indra has steadily reduced the number of work accidents registered. This can largely be explained by the fact that, traditionally, a considerable number of these accidents were those incurred by employees during the commute to or from work. With the Covid-19 pandemic fuelling models based around remote working, employees are commuting to and from work less and as a result the number of accidents has fallen.

Indra has 152 prevention delegates in Spain, who act on behalf of its staff. In the other countries, and where it is required by local legislation, the workforce is represented by the equivalent of the prevention delegates, as contemplated in the legislation of that country. In 2021 there have been no relevant formal agreements with unions on these matters.

The Occupational Risk Management System Prevention Programme Manual and the procedure for evaluating risks and planning preventative action in Spain are available to all employees on the corporate intranet.

The principles of security and health are extended to the supply chain by means of the Manual for the coordination of the company's activities in terms of the prevention of occupational risks.

Improvement in employment flexibility

[GRI 401-3] [GRI 403-6]

The company continually assesses and reviews the policies which determine the working conditions of its employees. Indra has had work-life balance policies in place since 2005, which differ in each of the countries the company operates in.

These work-life balance measures are intended to offer a response at different key moments in an employee's working life, such as when they become a mother or father, or when they have to care for family members, or in special situations such as incidents involving gender-based violence, or when an employee wants to pursue personal aspirations relating to volunteering or training. For example, in Spain employees can take a sabbatical in order to work as a volunteer, or request days off to take exams or accompany a family member or dependents to a medical appointment. The company also has agreements with nearby childcare centres, and it offers financial assistance in the case of children with disabilities.

In Spain, all the measures included by Indra in its work-life balance policies go above and beyond the legal requirements, offering leave following childbirth that is longer than required by law, along with improvements in all categories of paid leave.

Amongst the company's most notable flexibility measures is its flexitime policy, which is available at the majority of its businesses, and which allows its employees to enjoy a better work-life balance. As a result of the Covid-19 health crisis, the company also adopted various measures to ensure the safety and protection of its employees, offering for example the possibility of working remotely to a very high percentage of the workforce.

Every year the work schedules are drawn up to ensure that no employee exceeds the number of days worked, and which in Spain also establish the theoretical working days in the daily registration tool at the disposal of employees and the workers' legal representatives. The daily registration tool meets the requirements of Law 8/2019.

Following the work-life balance and flexitime policies, Indra also respects its employees' right to disconnect from work outside working hours and strives to meet the obligations of the Spanish regulations regarding its internal policies.

Equilibra, Indra's flagship occupational well-being and flexibility programme, contains measures for the company's employees to balance work and life and engage their efforts and talent in a working environment that is fully compatible with their personal well-being and development. These measures fulfil both individual and business needs, in a global world in which, rather than a static concept, work is something we are increasingly able to adapt in terms of the when and the where and in terms of making time for people's health and relationships – all in a way that best optimises results.

Indra's work-life balance policy in Spain includes the following occupational well-being and flexibility measures:

- Flexitime – a flexible timetable for starting/finishing work and lunch breaks;
- WFH – working from home when 40-80% of the position's tasks can be performed remotely;
- Reduced working hours – possibility of redistributing shorter working days from Monday to Thursday;
- Parental support – childcare vouchers as part of flexible payments, parking for pregnant women in work centres with their own car parks, gift vouchers for births or adoptions, benefits for children with disabilities;
- Nursing leave – as well as the legal minimum, Indra covers three types of leave for both parents to choose from: (i) accumulating the leave into 15 calendar days, (ii) halving working days while still being paid a full salary for 30 calendar days, or (iii) reducing the working day by one hour while still being paid a full salary for up to nine months;
- Paid maternity or paternity leave – as well as the legal minimum, Indra offers paid leave to anyone returning from maternity or paternity leave after a birth or adoption. The beneficiary can take this leave in such a way that best suits their needs: either by (i) extending their parental leave by 15 calendar days, or (ii) halving their working day while still on a full salary for the first 30 calendar days upon their return to work.
- Other leaves of absence: unpaid leave of absence for up to three months, unlimited leaves of absence to attend medical appointments or accompany close family members to a medical appointment and leave of absence for up to nine months to carry out voluntary work.





Occupational well-being

[GRI 403-6]

Beyond the strict compliance with its legal obligations, Indra also promotes employee well-being and a culture of prevention across all its operations.

Among other resources, the Joint Prevention Service (SPM in its Spanish acronym) is a key tool that provides coverage to more than 26,000 employees in Spain in the field of Health, Safety, Ergonomics and Counselling. This service allows all of Indra's employees, regardless of their geographical location or activity, to conduct their work safely.

The SPM service has a "Head of well-being" belonging to the Employee experience division. This person is responsible for ensuring employee well-being is considered a key attribute for the company as part of the Change From The Core cultural transformation programme.

Well-being programme

[GRI 403-5]

In November 2020, the company's well-being programme was restructured around three main pillars – physical, emotional and financial well-being – to make employees the primary focus. This new approach has devised a far-reaching and diverse programme tailored to all of Indra's 52,000 employees, involving their various geographical and administrative areas and wide-ranging generational, gender, functional, family and cultural diversity.

Indra actively works to raise awareness among its employees of the need to avoid risks and develop healthy lifestyles

The monthly calendar of physical well-being activities covers the following areas: sport and fitness, healthy environment, balanced diets, mindfulness and relaxation, intolerances and managing chronic illness. Indra also offers free services such as an online gym, an app-based medical service or a variety of wellbeing apps that allow every employee to work on any aspect of their health that they wish to improve or redress.

With regards to emotional well-being, the monthly roundup includes digital activities on psychology and mental health, anxiety and stress management, coaching, managing emotions, happiness and resilience.

As far as financial well-being is concerned, Indra offers activities every month on tax returns, savings, paid leave, legal advice, mortgages, risk protection and personal finance planning. It also provides an exclusive bank branch which, among other benefits, pays back 45% of the bank's profits to account holders.

The well-being programme has also been connected to volunteering and leisure proposals put forward by the Change From The Core programme, particularly the 'Social and Environmental Impact' initiative. Indra is clearly dedicating resources to activities with a social or environmental impact and to volunteering among its employees and their families, collaborating with foundations and associations that research health issues and support families and people affected by a variety of illnesses.

Indra has over 228 clubs and more than 5,300 employees have joined Core Team, the popular after-work club bolstering the company's well-being programme. More than 600 meetings, sessions, activities and events were held in 2021, the same year in which 21 new clubs were formed around diversity, the environment, volunteering, leisure, sport and culture.

Among other notable examples, a community was created for employees to quit smoking (registering over 250 members), alongside associations for breast cancer, LGTBI, mindfulness, yoga, fitness, personal development and rare diseases, which are helping the programme to grow and enhancing Indra employees' wellbeing. All of these are activities that empower employees, as it is they themselves who participate in and create their own groups – engaging in a mixture of in-person and online activities depending on their purpose.

Mental health management

[GRI 403-6]

Within the framework of the health and safety regulations (Spanish Act 31/1995), Indra monitors the health of all its employees through workplace risk appraisals, in this case psychosocial assessments and their associated measures, as well as through medical check-ups, medical support services and the well-being programme at company level, while at the individual level it focuses on the principle relating to a pleasant working environment and stress management.

One of the many initiatives undertaken in 2021 was World Mental Health Day in which several activities related to stress management, relaxation and mindfulness, resilience and exercise were organised.



6.6 Dialogue

[GRI 102-41] [GRI 402-1] [GRI 407-1]

Indra respects the culture of legality that exists in each of the countries in which it operates and complies with the regulatory content of the ILO collective bargaining agreements in relation to the freedom of association and the right to collective bargaining. It therefore interacts with workers' representatives in the company, providing them with a channel for dialogue and the adoption of agreements.

Indra applies the collective bargaining agreements in force at any time to ensure compliance with all the rights established in them as a consequence of collective bargaining, including those relative to pay scales, which are what determines the minimum wage for each category or group of employees. As per the remuneration indicators in Appendix 11.6, the initial standard wage is always much higher than the local minimum wage in each country where Indra has significant operations.

The company is also a member of the Spanish Association of Consulting Companies (AEC in its Spanish acronym), which negotiates the social component of the Collective Bargaining Agreement applicable to all the companies in the sector. Additionally, Indra is also a participant in the think-tank sponsored by the Cuatrecasas Institute of Legal Strategy in Human Resources, where leading national and international companies hold regular meetings in a proactive search for innovative ways to regulate issues, discuss the changes in the regulatory framework and help the authorities to draft new legislation.

99% of Indra's employees have at their disposal the wherewithal to safeguard their rights collectively, either because their interests are defended by unions or worker representatives, or because they could be sheltered by collective bargaining agreements. Of these employees, 77% are effectively covered by collective bargaining agreements.

99% of employees are covered by instruments to safeguard their rights collectively

The company Code of Ethics and Legal Compliance also establishes equal opportunities, respect for people and non-discrimination on any grounds and, specifically, on the grounds of union membership as basic principles.

As part of the active communication of Indra's Code of Ethics and Legal Compliance and its mandatory acceptance by all the company's employees, the company trains its workforce on the issues addressed by the Code and informs them that all employees are expected to participate in meeting the commitment to respect Human Rights listed in the International Charter on Human Rights, along with the principles governing the rights set out in the Declaration by the International Labour Organization, both of which contain specific references to the freedom of association.

Similarly, among the measures taken by the company to ensure strict respect for its rules of conduct and values, the Direct Channel is the main resource available to all employees to pass on and complain about any incidents occurring in this regard. As described in section 4.1 of this Report, in 2021 the Direct Channel did not receive any message or complaint from any of the company's employees in relation to their rights of freedom of association and collective negotiation.

It is important for Indra to maintain continuous and transparent dialogue with social agents, ensuring they participate in the company's guidelines and strategy. In the event of significant changes in operations, the necessary mechanisms to inform the various trade union partners in advance have been put in place.



The impact that operational changes may have on employees is carefully evaluated, establishing an open dialogue with their union representatives. Even in the event that there are no legal obligations or workers' representatives, Indra ensures that it maintains regular communication with all the employees concerned.

In Spain, the company has trade union representatives, who act as points of contact for the Group companies. The company helps them carry out their labour union duties in all aspects, including the provision of resources such as computers and workspaces.

Agreements reached with workers' legal representatives as a response to the Covid-19 crisis and efficiently implemented in 2021

In 2020, Indra and the workers' legal representatives in Spain reached two agreements with the aim of transforming the workforces of the two main companies (the Early Retirement Agreement and voluntary redundancy at Indra Sistemas, and a layoff programme (ERE in its Spanish acronym) at Indra Soluciones Tecnologías de la Información), and an employment framework agreement at Indra Sistemas.

Indra Soluciones Tecnológicas de la Información (ISTI) and an overwhelming majority of the workers' legal representation reached an agreement on 19 November 2020 which brought to an end a process of consultations regarding the procedure for reorganising the workforce initiated on 20 October.

This agreement involved minimising the impact of the restructuring on the number of jobs thanks to the incorporation of different measures which reconcile the company's need to meet its rationalisation and optimisation objectives for the workforce, including the importance which the company attaches to continued training and requalification, while recognising the social protection criteria of collectives with increased difficulty in finding employment.

For its part, on 2 December 2020, Indra Sistemas and an overwhelming majority of the workers' legal representatives reached an agreement which brought to an end the consultation process over the employment reorganisation procedure initiated on 6 November.

This agreement avoided the application of traumatic measures which could have a significant negative impact on employment and on the stability of the company, by substituting a collective dismissal process for an early retirement and voluntary redundancy plan. The latter also enabled Indra to achieve its proposed objectives of downsizing and restructuring the workforce to improve its competitiveness.

In addition, the two parties agreed a three-year employment framework agreement (2021-2023) to consolidate the fluid labour relations initiated between the company's management and its union representatives.

The agreements for the transformation of the workforce of Indra Sistemas and ISTI are part of a plan of action that Indra announced in July 2020 to overcome the difficulties generated by the structural changes in the sectors where the two units operate, adapt themselves to the new market climate and demand, eliminate inefficiencies and improve their competitiveness.

This general action plan is grounded in cost efficiency and the prioritisation of investments and resources. It is based on proactive management of new demand, stimulation of revenue, use of technological capabilities and acceleration of business transformation. The main lines of action include cutting non-staff costs, improving internal processes and new working models, redirecting capex investments and balance sheet adjustments, together with the workforce transformation.

Other agreements reached with workers' legal representatives in 2021

In Spain, Indra and the Workers' Legal Representatives also reached an agreement with regard to working from home and remote working aimed at implementing these service-providing models via voluntary employer-employee agreements.

Indra has also reached various agreements with workers' legal representatives in the following countries: Argentina, salary review; and Romania salary increases, greater workplace flexibility and remote working.



7 Technology with impact

7.1 Analysis of application of the EU Taxonomy

Regulatory background

The EU Taxonomy is one of the measures implemented by the European Commission as part of its Plan of Action for the financing of sustainable growth, which is aimed at directing capital flows towards more sustainable activities and advancing the achievement of the European Union's environmental and social targets. The Taxonomy establishes a common language and a clear definition of which activities can be regarded as "sustainable".

The current version of the Taxonomy has only been developed in respect of environmental issues, defining the requirements that an economic activity must meet in order to be regarded as "sustainable" in relation to Climate Change adaptation and mitigation objectives.

For an activity to be regarded as "environmentally sustainable" under the Taxonomy, a distinction must be made between eligibility and alignment. An activity is "eligible" if it is described in the relevant Delegated Regulation. An eligible activity is regarded as "aligned" if it meets the technical screening criteria (which are specific to each activity and the Climate Change adaptation and mitigation objectives), it does not cause any significant harm to the other environmental objectives (protection of water and marine resources, transition to a circular economy, prevention and control of pollution and protection and restoration of biodiversity and ecosystems), and it furthermore meets the minimum social guarantees.

Delegated Regulation (EU) 2021/2178 of 10 December establishes the reporting requirements for companies with regard to sustainable activities under the Taxonomy. During the 2021 financial year, non-financial companies were obliged to disclose the percentage of their income, capex and opex that was linked to activities regarded as eligible under the Taxonomy, i.e. activities that had the potential to make a substantial contribution to the Climate Change adaptation and mitigation objectives. During the 2022 financial year it will be compulsory to include a complete analysis of activities deemed to be aligned with the Taxonomy in accordance with the technical screening criteria.

As of March 2022, the Taxonomy has still not been fully developed, either in terms of climate-related issues or with regard to the rest of the environmental and social objectives. Publication of the Delegated Regulation with the technical criteria for the environmental objectives (including an update of climate criteria) remains pending, as does publication of the Social Taxonomy for the activities that contribute substantially to the social objectives. The company is closely monitoring developments in the Taxonomy Regulation, and these are reported as and when required to the Sustainability Committee.

In 2021, Indra carried out an analysis of the eligibility and alignment of its portfolio of activities in relation to the EU Taxonomy requirements

Against this backdrop, during 2021 Indra made a detailed analysis of its portfolio of activities in relation to the Taxonomy requirements, continuing the preliminary analysis it completed in 2020. In the first place, the analysis consisted of examining the levels of eligibility of the Company's products and services in relation to the sustainable activities defined in the Taxonomy. In addition, in anticipation of the requirements for the disclosure of information in the 2022 financial year, Indra also carried out an analysis of the degree to which its activities were aligned with the technical screening criteria defined in the Delegated Regulation and the social safeguards.

Scope of the analysis

The analysis carried out to identify activities that were eligible under the Taxonomy criteria included the activities of Indra Sistemas and its dependent companies, i.e. all the companies in which Indra Sistemas has a holding of more than 50%.



Interpretation and application of the Taxonomy's regulatory framework at Indra

According to Article 8 of Regulation (EU) 2020/852, non-financial companies must declare the proportion of their turnover, capex (investment in fixed assets) and opex (operating expenditure) that is eligible under the Taxonomy, together with any explanatory information that allows these three indicators to be properly interpreted.

To analyse the eligibility of Indra's activities according to the Taxonomy, the Company started from the consolidated information contained in the Group's analytical accounting systems which, in accordance with its corporate criteria, classify income, capex and opex at a project level and group them together on the basis of the relevant corporate organisation level (division and business unit). The characteristics of the data used as a starting point include the fact that they are consolidated at group level and thus do not give rise to any duplication of accounts, and they are coded at a single project level in terms of income, capex and opex, which enables the criteria used to classify these three indicators to be applied consistently.

Working from this analytical accounting information, an analysis was made of the activities engaged in by the Company in order to determine whether the description of each activity was included among any of the 72 activities listed in the Taxonomy. Where there was any doubt, reference was made to the National Classification of Economic Activities (CNAE) code that the Regulation identifies for each type of activity.

As a result of this analysis, the following activities were identified as eligible under the Taxonomy:

- Activities with the capacity to contribute substantially to the mitigation of Climate Change
 - Activity 3.6 Manufacture of other low-carbon technologies.
 - Activity 6.14 Infrastructure for rail transport.
 - Activity 6.15 Infrastructure enabling low-carbon road transport and public transport.
 - Activity 9.3 Professional services related to the energy performance of buildings.
- Activities with the capacity to contribute substantially to adaptation to Climate Change
 - Activity 8.2 Computer programming, consultancy and related activities.
 - Activity 9.1 Technical engineering services and other activities relating to the provision of technical advice on adaptation to Climate Change.

In order to ensure consistency between the volumes of income, capex and opex reported on the basis of the analytical accounts and the information contained in the Financial Information Statements, a cross-referenced review was carried out between both of these sources of information.

7.2 Eligible activities under the Taxonomy

The general results of this analysis, expressed in terms of turnover, investments (capex) and operating expenditure (opex), in line with the criteria set out in the Delegated Regulations, give the levels of eligibility shown in the attached table.

These percentages represent the proportion of Indra's solutions and services that potentially make a positive contribution to the two climate objectives currently provided for in the Taxonomy regulations relating to Climate Change mitigation and adaptation.

The activities deemed to be eligible are the information technologies solutions developed by Minsait and the air traffic management (ATM), transport, simulation and space systems developed by the T&D division.

The activities not deemed to be eligible are mainly the activities associated with the manufacture of technology linked to the Defence and Security business (e.g. FCAS, Eurofighter).

Volume of eligible turnover	88%
Eligible capex	88%
Eligible opex	90%



Accounting criteria used as a reference

The proportion of turnover referred to in Article 8, section 2, letter a) of Regulation (EU) 2020/852 was calculated as the portion of the net turnover figure resulting from products or services, including intangibles, associated with economic activities that are aligned with the Taxonomy (numerator), divided by the net turnover figure (denominator), as defined in Article 2, section 5 of Directive 2013/34/EU.

The turnover figure includes the income entered in accordance with International Accounting Standard (IAS) 1, paragraph 82, letter a), adopted by Commission Regulation (EC) 1126/2008. The numerator includes the total turnover figure for activities that are eligible under the EU Taxonomy, as indicated in this report, and the denominator includes the total consolidated turnover figure for the Group.

The proportion of capex referred to in Article 8, section 2, letter b) of Regulation (EU) 2020/852 has been calculated as the numerator divided by the denominator, as explained below:

- Denominator: includes the sum of the additions to investments set out in Note 6 (“Property, plant and equipment”) and Note 9 (“Other intangible assets”), of the notes to the Consolidated Annual Accounts, under the headings “Computer software” and “Development costs”.
- Numerator: equals the proportion of the investments in fixed assets included in the denominator that meet the criteria for eligibility under the Taxonomy.

The proportion of opex referred to in Article 8, section 2, letter b) of Regulation (EU) 2020/852 has been calculated as the numerator divided by the denominator, as explained below:

- Denominator: includes the sum of the amounts entered under “Raw materials and consumables”, “Staff costs” and “Other operating expenses”, net of the amounts entered as “Change in inventories” and “Work carried out by the Company for its fixed assets”, all taken from the “Consolidated Income Statement” included in the Consolidated Annual Accounts.
- Numerator: equals the proportion of operating expenses included in the denominator that meets the criteria for eligibility under the Taxonomy.

Details of the eligibility of Indra’s activities under the EU Taxonomy can be found in Appendix 11.5 of this report.

7.3 Activities aligned with the Taxonomy

In anticipation of the reporting requirements that will come into force in respect of Taxonomy during the 2022 financial year, Indra has analysed the alignment of its activities with regard to the Climate Change mitigation and adaptation objectives. The general results of this analysis, expressed in terms of turnover, investments (capex) and operating expenditure (opex), in line with the criteria set out in the Delegated Regulations, give the levels of alignment shown in the attached table. These percentages represent the proportion of Indra’s solutions and services that make a positive contribution to the two climate objectives currently provided for in the Taxonomy relating to Climate Change mitigation and adaptation. This should not be interpreted as meaning that Indra’s remaining solutions and services are causing adverse impacts, but merely that, with regard to the climate objectives, they do not make a significantly positive impact.

Aligned turnover	26%
Aligned capex	42%
Aligned opex	24%

In order to assess the degree to which activities are aligned with the technical criteria set out in the Delegated Regulation, Indra has analysed the solutions representing each group of eligible activities with the aim of confirming whether or not they comply with the criteria for alignment under the Taxonomy, i.e. whether they substantially contribute to a climate objective, do not cause significant harm to the other objectives and comply with the social safeguards. At a Company level, thanks to Indra’s Human Rights policy and compliance with the regulatory framework in place in the different countries in which it operates, the minimum requirements for social safeguards are met across all its activities.

Future development of the Taxonomy are likely to allow Indra to demonstrate the positive contribution made by more of its solutions and services to some of the EU’s other environmental and social objectives (e.g. circular economy and quality employment), thus increasing the percentage of the Company’s activities that make a positive contribution to sustainable development.

Details of the alignment of Indra’s activities under the EU Taxonomy can be found in Appendix 11.5 of this report.



7.4 Technological sustainability offering

Indra's solutions and products have a positive impact on environmental and social sustainability, contribute towards the achievement of the UN Sustainable Development Goals and also the sustainability goals set out in the EU Taxonomy.

Environmental Taxonomy and the objective of Climate Change mitigation



Sustainable mobility

Indra has a clear influence on the improvement in the efficiency and sustainability of air transport, thanks to its air traffic control management technology. This technology helps to reduce CO₂ emissions, flight times and noise pollution in and around airports. Meanwhile, its intelligent transport systems improve road and rail traffic flow, as well as reduce the number of accidents. Indra's technology makes different means of transport more accessible to individuals. Capacity monitoring and contactless payment are highly valued by users thanks to the security and confidence afforded during the pandemic.



Energy transition

Indra contributes to the decarbonisation of the economy through its technological solutions. Energy and utility companies need these solutions if they are to successfully meet the challenge of energy transition. Indra has solutions for network and client management, active demand management, environmental monitoring and the detection of hydrocarbon leaks. The company is recognised by Gartner and IDC as one of the leading technological partners which can help companies tackle the challenges of energy transition at a global level, thanks to Onesait Utilities Grid, its end-to-end solution for the intelligent management of distribution networks.

Environmental Taxonomy and the objective of Climate Change adaptation

Sustainable cities

Thanks to its development of more than 120 Smart Cities projects, Indra's technology is used in multiple cities around the world. With the installation of sensors and data analysis, the environmental impact of cities can be reduced. At the same time, numerous services for residents can be improved or facilitated, such as information, transport and security. Indra's technological suites for urban waste management are also helping to boost the circular economy. Indra also has a presence in city water cycle management. Indra's solutions also improve the energy efficiency of buildings and public lighting and simplify maintenance tasks in parks and gardens.





Sustainable digital transformation

Transforming the interaction of people with the physical world is one way of contributing to sustainability, by reducing carbon footprints, or investing in the circular economy and the well-being of the population. Indra is working to digitalise business and production processes in numerous sectors of the economy, such as financial services, telecommunications, logistics and industry and consumption. By digitalising public authorities, as well as health, education and justice sectors, Indra is also providing the general public with added-value services. Meanwhile, simulators reduce pollution, thanks to real-time training hours being carried out in virtual environments instead.

Environmental Taxonomy and the objective of transitioning towards a circular economy

The digitalisation of processes and the initiatives forming part of Indra's digital transformation allow the company to make savings in the consumption of resources and raw materials and as such, help to produce less waste. The Ticketing solutions for example helped to save 90 tonnes of paper. Avoiding 5 hectares of trees being cut down each year and saving 13.3 M litres of water.

Environmental Taxonomy and the objective of sustainable use and protection of water and marine resources Via the Minsait solutions for the digital transformation of the water industry, *Smart Water*, more than 50 million people have access to water every single day. By maximising consumption efficiency, Minsait technology improves the efficiency of water usage by applying sensor technology, IoT, artificial intelligence and advanced analytics.

The solution to detect hydrocarbon leaks also helps to protect marine resources, detecting even the smallest of hydrocarbon leaks in a matter of minutes and reducing the serious impacts that this type of incident can have on the environment. Environmental Taxonomy and the objective of pollution prevention and control

Indra implements smart urban waste management projects with the help of Big Data and IoT, one example being the more than 1,000 lorries that operate daily on transport routes optimised thanks to Indra technology.

Environmental Taxonomy and the objective of protection and restoration of biodiversity and ecosystems

Both route-planning and simulation solutions help safeguard biodiversity, creating efficient routes that do not harm protected ecosystems and even avoid journeys that can be substituted by a journey in a simulator. Indra is committed to developing technology that places people and respect for people front and centre stage Social Taxonomy and the objective of decent work

Indra's operations are intensive in human capital and qualified personnel, meaning it has a significant impact in terms of generating employment, creating more than 52,000 direct jobs across the world and a further 44,000 indirect jobs. Furthermore, Indra's technology-based solutions allow other companies to reduce work-related accidents and improve the technical abilities of their employees.

Social Taxonomy and the objective of adequate living standards and well-being for end-users Indra offers public authorities services that allow them to streamline procedures in a variety of fields in areas such as the health and justice systems, and that also increase information security insofar as the general public is concerned and help protect infrastructure that depends on ICT to combat threats.



Protection of individuals, critical infrastructure and the natural environment

Indra's technology guarantees security for both people and critical infrastructure. Emergency response solutions help to protect people from accidents and natural disasters. Protection systems against drones in restricted air space offer protection for critical infrastructure from threats and limit the disruption to the operation of airports due to interference from these devices. Earth observation solutions alert for potential climate risks. The maritime traffic control solution (VTS) helps manage vessels in complex or high traffic zones.

Social Taxonomy and the objective of inclusive and sustainable communities

Among Indra's operations that have the largest impact on local communities, the following particularly stand out: the management of over 400 electoral processes that have involved more than 4,000 million voters across the world; providing a mobility-enabling structure to over 78 million people.



Public involvement

Indra is a global leader in the organisation of electoral processes and has been involved in this market for more than 40 years. These days, technology penetration has been increasing, helping to improve the management and reliability of the process, and to get results quicker. In the future, even greater use of technology will improve accessibility and public involvement. Indra's systems also cover other societal needs, such as censuses and shareholder meetings.



7.5 Innovation focused on sustainability

Innovation is one of the core principles of Indra's business model as a company that operates in highly competitive sectors with a strong technological component. The company is broadening its future offerings through innovation and achieving a key differentiation with its competitors. Indra's Sustainability Master Plan 2020-2023 therefore includes objectives to stimulate innovation in response to the challenges of sustainability, present and future.

For the Company, innovating implies developing new skills, on the one hand to improve the activities related to the design, development and implementation of processes; and on the other hand, to improve the functioning and performance of the systems, platforms and services. Its innovation activities include research, the development of new products and the continuous improvement of existing products. The benefits derived from innovation include increased efficiency, a reduction in time-to-market, reliability, competitiveness and positioning in a climate of constant evolution.

Indra's employees' ideas are the inspiration of its innovation activity. To encourage the generation and capture of ideas, Indra has an open, agile and flexible innovation model.

The objectives of Indra's innovation model are:

- To respond to the strategic needs of the business and differentiate the product offering, creating competitive advantages based on innovation.
- To encourage employees to generate innovative ideas and seize opportunities for generating in-house technologies and/or patents.
- To improve Indra's product offering in the medium and long term by the identification of emerging technologies and the collaboration with start-ups, spin-offs and various agents of the innovation ecosystem.

The Innovation Committee is the governing body of the innovation model and includes the management of Strategy and Innovation, representatives of all the business units and technology experts. Its mission is to ensure the alignment between innovation, strategy and products, encouraging cooperation and transversality to maximise synergies between markets and generate a real impact on the company's business.

The innovation model has certifications for the European quality standards CEN/TS 16555-1 Innovation Management System and the Spanish UNE 166002 R&D Management from AENOR. In 2021, Indra successfully renewed these certifications, associated with a total of 23 centres and covering 96% of the company's innovation efforts.

Details concerning the innovation model are available on the [company website](#) and its objectives are detailed in the company's R&D Policy.

Through innovation, Indra contributes to the UN's Sustainable Development Goals for the 2030 Agenda with solutions for key sectors such as transport, energy, health, public authorities and safety, among others. Indra responds to a broad spectrum of needs, from both the public and private sectors. Through its innovation activity, the company acts as a stimulus to technological and industrial progress in a multitude of key sectors for economic and social development and for the growth of the business community in the countries in which it operates.

Indra has further strengthened its position as one of the leading European companies in innovation, improving all its results in the latest EU Industrial R&D Investment Scoreboard ranking

Ranked second in Software and Computer Services in Spain

Having devoted EUR 293 million to R&D in 2021, Indra is one of the companies in Spain and the rest of its sector in Europe to have invested the most in innovation. In the Software and Computer Services sector – comprising a total of 98 companies – it ranks second in terms of its Spanish counterparts and seventh in the European ranking, scaling five positions compared to last year. Overall, it ranks 49th across all industries in Europe, and 72nd in the world. The company plays a leading role in some of the most innovative domestic and European initiatives that will shape the future of leading-edge technology across all sectors.

The company has also been recognised internationally with the SAP EMEA South 2021 Award for Global Strategic Service Partner Excellence in the "Large Cloud Project" category for implementing the biggest SAP cloud project across the whole of the EMEA South region. The project, which got underway last year, involved the digital transformation of

R&D&i investment over sales
8.6%

Collaborative R&D projects
+160

Employees working full time on R&D in Spain.
+3,600

Percentage of women amongst the employees working full time on R&D in Spain
30%

Collaborative agreements with universities and research centres
500



Madrid City Council's revenue department. SAP awards its main partners for their excellence in various categories including transformative projects, innovative initiatives and general contributions to business.

In Defence and Security, Indra was recognised for its contributions to the scientific development of artificial intelligence. Its research together with the Spanish Navy's Data Analysis and Surveillance Centre (CESADAR) and the University of A Coruña was selected at the eighth National Conference on R&D in Defence and Security as the best of all articles presented.

Innovation strategy: culture and relationship with the innovation ecosystem

The objective of Indra's innovation strategy is to favour the generation of innovative ideas in key technologies in response to the challenges in the sectors in which the company is active, both in Transport and Defence and in Information Technology.

From the corporate unit Indraventures and under the leadership of the Innovation Committee, collaboration is encouraged with all the agents of the innovation ecosystem, and opportunities are created to promote a culture of innovation among Indra's employees.

Indra also collaborates both nationally and internationally with the leading sector associations through joint programmes and initiatives which guarantee the availability of the necessary resources to develop innovation activities, enabling a reduction of risks associated with technological developments.

Innovators initiative: Ignite the future

Innovators is Indra's in-house entrepreneur programme. Its objective is to stimulate the generation of innovative ideas among its employees and accelerate the best ideas and bring them into being via a tailor-made business plan. All Indra's employees receive either an individual or a group invitation to make disruptive ideas which, based on technology, are a response to the challenges proposed by the Innovation Committee.



Four winning ideas are chosen in each edition of Innovators, three by a panel of experts and a fourth by the employees themselves. In addition to a cash prize and a good mark in their performance assessment, the winners get the opportunity to focus on drawing up a business plan in conjunction with the business area at Indra to which their idea applies. Once the business plans are approved, the selected initiatives are provided with the necessary means of developing the idea and converting it into a product to form part of Indra's offering.

The 2021 edition focused on the specific and complex challenges that will shape the future of various sectors that are key for Indra.

- Personalization and aggregation of loyalty programmed exploiting the value of data** - do you have any ideas on how to achieve this using bank and non-bank data?
- Phygital use cases: transforming the management of the physical world with technology.** Transforming asset management through disruptive technologies that bridge the physical and digital worlds.
- Services associated with satellite constellations.** Dare to dream up the future of services offered by satellite constellations.
- Data-driven value generation for air traffic.** Share your ideas on how data exploitation can transform air traffic.
- Inclusion of people with disabilities in the workplace.** Share your ideas for accessible technologies.
- Code prototypes for the Innovators 2021 challenges.** Use our Onesait Platform to answer the challenges of this edition.

More than 8,000 employees from 38 countries submitted their Innovator proposals in 2021, including over 15 coding prototypes developed on the Minsait Onesait Platform to offer a solution to some of this edition's challenges.



The three winning proposals, based on artificial intelligence, artificial vision, IoT and/or big data, offer solutions to improve air traffic control operations, waste collection, company loyalty programmes and to help people who have suffered a stroke become more self-sufficient.

EIC Corporate Day initiative

Indraventures and the European Innovation Council (EIC), the European Commission's accelerator, organised an online day event for companies with high potential and impact in artificial intelligence, cybersecurity, *phygital*, edge computing, IoT and quantum technologies. After extending an invitation to the companies benefitting from EIC funding, almost 130 startups registered, with Indra selecting the 24 best-aligned proposals in terms of their vision and strategy for the future. The chosen startups presented their skills and solutions to Indra's Innovation Committee and the managers of their various markets and business areas to assess any potential future collaborations.

European research and innovation programmes

Together with the principal players at an industrial level in Europe, Indra takes an active role in defining and implementing a common strategy to improve competitiveness, support inclusive and sustainable economic growth and reduce environmental impact through scientific excellence and the development of the most advanced technologies.



Indra is the leading Spanish company and the second most prominent company in Europe in the Horizon 2020 innovation programme, the biggest European programme aimed at promoting research and investigation. Indra is the Spanish company to have obtained the largest return and leads the Smart, Green and Integrated Transport sector, participating in almost a hundred R&D projects. The company also leads the development of technologies to build the Single European Sky and in intelligent infrastructure management, the optimisation of rail traffic, for cybersecurity and the protection of critical infrastructure and in the implementation of Industry 4.0.

Indra also takes part in the main European maritime vigilance programmes and the development of space technology to provide services to land, sea and air transport, as well as to monitor the Earth and issue warnings and manage natural disaster related emergencies. These programmes include the Galileo Project, the objective of which is to develop a precise satellite navigation system worldwide, and Copernicus, the programme coordinated and managed by the European Commission to give Europe an observation platform from which to view the Earth.



Innovation in air traffic: safety and efficiency

Passengers from all five continents fly thanks to the use of Indra technology, whose latest in-house technology provides an integrated response to the challenges of air traffic at a global level.



SESAR 2020: Indra is a key partner in the Single European Sky ATM Research (SESAR), created by the Single European Sky. The objectives of this are to triple current air traffic level capacity, reduce costs by 50%, increase safety by ten times and reduce diesel consumption, noise and emissions per flight by 10%. Within the framework of the AURA consortium's programme, it develops solutions and procedures aimed at safely integrating drones into very

low-level air space, without impacting conventional air traffic operations (ATM) in controlled air space

iTEC Alliance: Indra forms part of the iTEC Alliance, comprised of some of the leading European navigation service providers. The members of iTEC control more than seven million flights a year. In the framework of this collaboration, in conjunction with the main air navigation suppliers from seven European countries, Indra has developed the iTEC suite, the most advanced automated system of air traffic management using 4D trajectories.



EUROCONTROL Network Manager: after competing with other leading European companies, Indra has been selected to digitalise EUROCONTROL's operational systems. The use of cloud computing, virtualisation, artificial intelligence and machine learning will support and optimise flight planning operations, improve punctuality and security, allow the company to manage more traffic in Europe and increase the overall sustainability of air traffic.



Innovation in transport: digitalisation and sustainability

Indra leads the main European innovation initiatives which are advancing towards the digitalisation of transport and the use of new intelligent solutions based on cutting-edge technologies.



Shift2Rail: Indra is a member of the top level governing body of the main European research and innovation initiative in the rail transport sector. By developing technologies that improve rail traffic control and the passenger experience, it helps make goods transport more efficient, sustainable and competitive.

Mobility 2030: Indra is heading up this project which aims to develop technology that will enable connected and automated vehicles to be rolled out safely and efficiently on a large scale, integrate them into future mobility solutions as a service and promote the use of electric vehicles via increased autonomy, more efficient fleets and smart recharge systems.



Innovation in Defence and Security: protection and cyber defence

Indra develops its innovation in the area of Defence and Security in collaboration with clients, partners and governments across the five continents to make the world a safer place. Indra has end-to-end innovative solutions in the five areas of defence: land, sea, air, space and cyberspace.

Through its participation in major European programmes such as the EFA, A400M, NH90, Meteor and ESSOR and the NATO framework, among others, Indra develops critical projects for the defence of the countries in which it operates.

FCAS: Indra plays a key role as industrial coordinator in the development of the next generation of air combat systems, of particular note are FCAS and EuroDrone. Indra will coordinate Spain's participation in the next phase of the European Defence Programme, the NGWS/FCAS, the aim of which is to develop a number of demonstrators that will allow in-flight validation of a whole set of next-generation technologies.

European Defence Industrial Development Programme (EDIDP): Indra is the company spearheading the most projects—three of the 16 selected—in the EDIDP's first call and will participate as a partner in a further two rounds, reaffirming its position as a leading player in the construction of "European Defence". The five initiatives will mobilise a total of €175 million and will be allocated €107 million from EC funding, over 50% of the entire budget for this first round. These are technologically-advanced, long-term initiatives that will supply Europe with key defence and security capabilities.



VALKYRIES: The EU-funded project under the Horizon 2020 programme and led by Indra aims to use cutting-edge technology (including 5G communications, AI-based Big Data predictive analysis and autonomous vehicles) to assist emergency response teams (firefighters, ambulances, police, military units) in natural disasters or operationally complex scenarios across regions or countries.

Innovation in Energy: decarbonisation and energy efficiency

enerTIC Awards: Minsait and Naturgy were named winners of the Predictive Maintenance category in the 2021 EnerTIC Awards thanks to their green artificial vision Fire Detection solution. The system applies Artificial Intelligence to offer a 360° view from the top of the towers and allow for the very early detection of any fires in large areas of forestland. This solar-powered solution reduces CO₂ emissions and includes software that minimises its consumption after each time it is used.



IA4TES: Minsait partners with Iberdrola in this project financed by the EU's Next Generation funds to drive the energy transition via the use of Artificial Intelligence. Its aim is to develop advanced technology that extends the useful life of renewable generation facilities, increase the efficiency, flexibility and sustainability of electricity grids and create a new framework that will accelerate prosumers' participation in the energy market.

READS: Repsol and Minsait have agreed to develop and market a platform to measure the impact of companies on natural capital. The tool is a pioneering digital solution that allows companies to improve their management by including natural capital (biodiversity, climate, water and social well-being) as a parameter when assessing the operational impact of their assets and businesses. It allows major international funds to incorporate natural capital into their impact assessment before making investment decisions.



7.6 Design and manufacture of products and services in line with ESG criteria

[GRI 416-1]

For Indra guaranteeing the maximum level of quality, safeguarding the health and safety of its clients and end users, and incorporating responsible design principles in the product development process is vital.

Indra's integrated quality management systems cover projects and services that account for 88% of the group's sales across 48 companies in 15 countries, including the company's main geographies: Spain, Italy, Brazil, Colombia, Mexico, Peru and the Philippines. More than 21,500 employees located across 69 work centres actively participate in Indra's quality management.

Integrated quality management systems

Sales

88% of total group volume

Societies

48 in Spain, Argentina, Australia, Brazil, Chile, Colombia, Slovakia, Philippines, Italy, Mexico, Panama, Peru, Portugal, Check Republic and Uruguay

Professionals

21,690 in 69 working centers located in 15* countries *Including the Australia subsidiary in 2021

ISO 9001:2015

Transport, defense and aerospace activities



Railway

- ISO 22163, IRIS



Defense

- PECAL/AQA P 2110-2310
- PECAL 2210



Aerospace

- UNE 9100
- UNE 9110
- EN 9110 y
- EN 9120



Maintenance

- PERAM 145, EASA 145c

Software development and testing activities

- TMMi level 3 for the software testing and engineering processes, in 5 countries.
- CMMi level 3 and level 5 for software development in Minsait in 9 and 5 countries respectively.
- CMMi level 3 for software development in the Transport sector and in the Simulators and Automation area of the Defense market
- CMMi level 3 for the software development in the areas of Radars, C2I, Digital Labs and Software Development Centers.
- CMMi level 5 for the software development in the Air Traffic market and in I&T Operations areas.



Quality auditing

Internal and external quality audits are some of the main tools Indra uses to identify opportunities for improvement in the development of products and services:

- External audits: in 2021, 41 external audits were carried out, including those conducted by independent and accredited firms as part of a certification process and those undertaken at the request of clients in line with standard practice, as part of their approval processes or as a contractual requirement. It is worth noting that Indra also audits its suppliers and subcontractors to guarantee the quality of the products and services supplied to its clients (see Section 7.9).
- Internal audits: in 2021, the quality team carried out 372 internal audits in addition to the audits carried out on business operations and those aimed at ensuring the quality and effectiveness of the Quality Management System processes.

Product health and safety conditions

[GRI 417-1]

Indra guarantees the highest standards of quality and safety required by legislation and industry certifications (e.g. EASA, PECAL, IRIS), as well as those expected by end clients. The company has also established the CE marking procedure, which informs users and competent authorities that the equipment placed on the market complies with the binding legislation regarding essential requirements, including the health and safety of products.



7.7 Client satisfaction

[GRI 102-21] [GRI 416-2]

In order to ascertain the client satisfaction rate with the company's performance, Indra carries out an annual client satisfaction survey with a sample of clients. In 2021, the surveys sent out represented 84% of the sales volume of the selected sample.

The main objective of the survey is to identify the factors that help to improve client satisfaction. Depending on the results obtained, the strengths are identified and the company focuses its efforts on areas it can improve upon by implementing the appropriate action plans.

The client satisfaction process is now a well-established process that is organised into 4 separate phases in which the quality of the data gathered is highly important. In line with the continual improvement of the process, this year the process to select the sample of clients has been automated, improving both the flexibility of the process and the quality of the data harnessed.

In addition, Indra has set up a client experience dashboard that provides an integrated overview of the information collated from the client responses given in the survey. Thanks to this tool, leadership teams can quickly access a breakdown of the results and analyse the information in a variety of different ways, following KPI progress throughout the various campaigns. The dashboard allows the different proposals and the client feedback on each proposal to be analysed, along with any additional comments made when completing the survey.

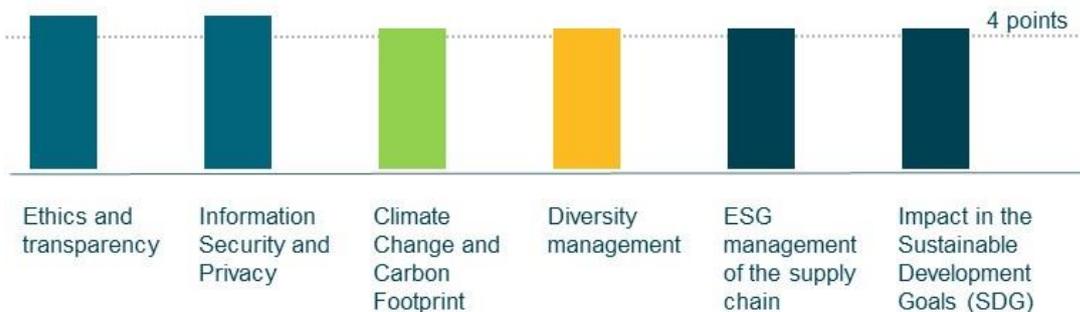
2021 Client Satisfaction Index
(scale 0-100)

86

Indra's clients value its ethical conduct and its management of information security and data privacy

Indra includes questions in the client satisfaction survey aimed at understanding its clients' perceptions regarding the various aspects of the company's sustainability management. Overall, client feedback is positive, with all areas scoring over 4 out of 5 – particularly highlighting ethics and transparency and information security and data privacy, which both obtained a rating of 4.6.

Customer assessment of Indra's sustainability performance (0-5)



Complaints and claims management

[GRI 417-3] [GRI 418-1]

Indra has a clear process in place for dealing with complaints and claims made by its clients. This process is subject to various internal and external reviews and audits, which verifies its effectiveness. Being aware of clients' complaints and claims and how they are appropriately and effectively dealt with is essential to improve client satisfaction and the relationship with them, as well as the company's processes.

The complaints and claims lodged by clients are brought to the attention of the Quality Organisation and any other organisations involved, in order to deal with them and coordinate the analysis process and resolve the issues raised. Indra registers and manages client complaints via a centralised tool used by the entire company, which ensures that they are dealt with correctly and the monitoring of corrective actions are taken until the complaint is closed. The Quality Organisation then ensures that the necessary analyses and actions are being carried out to resolve the matter effectively and quickly.



During 2021 the Quality Organisation received 48 complaints and claims, of which 75% were customer complaints and 25% were claims. 52% of all complaints and claims received were closed in 2021 and the remainder are in the process of being managed.

In 2021, the Comité de Voz created in 2020 to monitor client satisfaction and ensure all claims are registered and managed correctly has continued to help monitor the process and establish corrective action aimed at mitigating the causes of any dissatisfaction shown by clients via the surveys completed or the complaints received. The actions identified are shared with Senior Management, demonstrating its commitment to and involvement in improving client satisfaction.

As part of the Client Experience framework, Indra continues to identify, analyse and implement improvements aimed at enhancing client relationships and increasing their loyalty and satisfaction, as well as improving processes and the quality of the products and services offered.

Responsible product design

[GRI 302-5]

In the course of its R&D processes aimed at identifying general solutions, and particularly those that may include electronic devices, Indra considers responsible design principles with a view to:

- Ensuring consumer health and safety: Indra has established a Quality Management System that is supported by the highest international standards and that guarantees the minimisation of any impact on the health and safety of both clients and consumers.
- Eliminating hazardous content in accordance with European RoHS (Restriction of Hazardous Substances) legislation. Through its supplier auditing processes and EC Mark procedure, the company ensures that its solutions duly comply with this legislation.
- Reducing the use of resources and eliminating the use of conflict resources: Indra pursues a policy on conflict minerals in which it undertakes to eliminate its use of resources that may originate from sources where human rights are being violated. Indra also applies LEAN product design methodologies, which are designed to minimise the resources used.
- Reducing and responsibly managing electronic waste: the application of LEAN methodologies may result in a reduction of waste. In addition, as explained in section 5.3, Indra makes use of authorised managers to handle any hazardous waste, and it takes charge of or facilitates the collection of waste from the solutions that it places on the market at the end of their working life.
- Ensuring the accessibility of solutions and services: Indra is committed to ensuring the accessibility of its solutions and services and, within the framework of its social action programmes, it supports the development of accessible technologies.

On the other hand, and as described in section 7.3 and 7.4, the design of Indra's solutions and services also presents its potential impacts and their contribution to sustainable development.

7.8 Security of information, privacy and data protection.

Governance of information security and data protection

[GRI 418-1]

Indra's objective is that all places and channels where information could be stored or transmitted from guarantee:

- Its confidentiality, ensuring that only authorised parties who need to have access – on a need-to-know-basis – can access the information, thus avoiding problems of leaks or unintentional deletions of sensitive information.
- Its integrity, ensuring information and the methods used to process it are accurate and complete, avoiding any potential unauthorised modifications.
- Its availability, ensuring that the authorised users can access the information and its associated assets when they need to, and guaranteeing access to the company's critical systems at all times by drawing up business continuity plans.
- That any alteration, loss or unauthorised processing or access of data of a personal nature is avoided.

Critical cybersecurity incidents in 2021

0

Substantiated complaints concerning breaches of client privacy and loss of client data

0

Percentage of employees trained in information security and data protection

86%



The long-term objective is to remain cyber resilient, ensuring that cybersecurity incidents do not have a critical impact on Indra

Indra has defined a global Security Governance Model that ensures the correct coordination and organisation in matters of Information Security. The Information Security Department is responsible for overseeing the implementation of the most effective controls and procedures that will help minimise the privacy and information security risk to which the company is exposed. On a regular basis, and at least once a year, the CISO (Chief Information Security Officer) and the DPO (Data Protection Officer) prepare reports, independently of the Auditing and Compliance Committee and the Risk Coordination Unit.

Information security management

Indra has developed an Information Security Management System, certified under the ISO 27001 standard, which covers the companies which represent 83% of the company's sales. The system is responsible for defining, implementing and improving controls and procedures to minimise and manage the risks in the company's internal processes, in its daily operations, in the development and execution of projects, programmes and services and in client management.

83% of the company is certified under Information Security standard ISO 27001

The Information Security Strategy is based on five fundamental principles:

- Governance of Information Security, ensuring the proper coordination and organisation of information security at all levels.
- The Regulatory Framework on Information Security, applicable to all the company's markets and departments – as well as to all Indra's companies, branches and subsidiaries – and of mandatory compliance for the entire Indra collective. The [Information Security Policy](#), which is publicly available on the Indra website, establishes the core principles for achieving the objectives related to confidentiality, availability and integrity.
- Awareness-raising and continued training on Information Security for all company employees.
- Technology and security controls designed to preserve the confidentiality, integrity and availability of both information and resources.
- Audits and monitoring of compliance. Internal audits are carried out to complete security and network control processes, procedures to audit the technical vulnerabilities of platforms and applications, and processes to validate the security architecture prior to the connection of platforms to Indra's network, as well as continuous monitoring processes. External audits are also completed to verify compliance with the regulations and international standards that apply, along with the requirements that are established in this regard by clients. For example, the audits completed by AENOR under the ISO 27001 standard, the financial audits, the audits of the Internal Control Over Financial Reporting (ICFR) and TIC audits.

Data protection

Since 2010, Indra has had an Office for Privacy and Data Protection, and since 2017 the Privacy and Data Protection Policy has been adapted to the requirements of Regulation EU 679/2016 (GDPR). Additionally, the Code of Ethics and Legal Compliance, compliance with which is obligatory for Indra's employees and partners, includes aspects related to information security and protection.

The [Privacy and Data Protection Policy](#), which is publicly available on the [Indra website](#), establishes that data of a personal nature collected has to be appropriate, pertinent and not excessive, and collected for explicit and legitimate ends; identifies the channels facilitated by the company so that users can exercise their rights; describes the assumptions made by the company when processing personal information; and defines what type of personal data are considered to be sensitive.

Indra is a B2B company, so its treatment of the personal data of clients which represent the legal entities with which the company holds a commercial relationship allows for no other treatment and it is therefore not necessary to use personal data for secondary purposes. Also, in relation to the users who contact the company via its website, the legal advice on privacy recognises that the supply of information regarding products and services is the main purpose of the



information collected, and this information is not used in any other way that could be considered a secondary purpose. This principle is further supported by the principle of “data minimisation” via which Indra only gathers the minimum and purely essential information to contact other companies. With this sole purpose, Indra maintains a register of website users who have made contact with the company, storing only the minimum amount of information necessary (email address, IP address and the contents of the consultation made) in accordance with applicable law. This information is not used for any other secondary purpose given that Indra’s relationship with website users does not involve the provision of services, and therefore there are no cases where the transfer of this data to other service providers is requested.

The implementation and effectiveness of the privacy policy is reviewed as part of the audits for the UNE 19601 certification of the Legal Compliance System and the ISO 27001 standard regarding Information Security Management System.



Information security culture

During 2021, Indra has continued to execute its Information Security Awareness Plan launched in 2018, focusing on increasing levels of awareness within the company and enhancing the critical aspects of security training.

As well as the various awareness actions launched over the course of the year through bulletins and communications, we would note that more than 44,000 employees participated in information security and privacy courses. As well as the compulsory courses such as “Basic Information Security Course” and the course on “Personal data protection and privacy”, other specific courses focusing on different roles within the company have been added, such as “Secure Development. Confidentiality”, “Secure Development. Integrity and Availability”, “Basic training on secure software development”, “Secure development, security regulations, frameworks and tools”, “Advanced Information Security” and “National Security Framework (ENS)”. It has also launched short reminder courses that are compulsory for all employees: “Regulatory Framework for Information Security” and “Information Security and Privacy Policies”.

Initiatives to improve information security promoted in 2021

During 2021, the company continued to work on the Information Security Transformation Plan that it had begun in 2020, the aim being to strengthen Indra’s capacity in this area. The aspects that it focused on most during the year were directed towards improving its management of Information Security in an environment in which mobility among professionals is on the rise and the remote working model has increased access to systems from external networks:

- Protection: implementation of the “Zero Trust” networks model; improvement of security in corporate IT services and remote access to corporate tools (e.g. using two-factor authentication mechanisms); implementation of mechanisms to improve the protection of information that is particularly sensitive.
- Detection and response: improvement of tools for the early detection of cybersecurity incidents and targeted attacks; improved management of vulnerabilities in order to prioritise security measures based on actual risk; improved response to cyber incidents.
- Monitoring: improvement of the monitoring model in order to identify, prioritise and enhance security during projects and facilitate the decision-making process.
- Security in the supply chain: implementation of measures to guarantee a minimum level of security in the information systems used by suppliers and/or third parties in the performance of their duties for Indra.
- Privacy Office: based on the “Privacy by Design” concept.
- Intellectual Property Protection Office: charged with overseeing the protection of intellectual property at Indra.
- Controls to ensure compliance with internal regulations.



7.9 Sustainable supply chain management

[GRI 102-9]

Indra is aware of the importance of its supply chain in meeting its objectives, both due to its international presence and its importance and impact on the company’s revenue. As such, and in line with the company’s commitment to make a positive contribution to sustainable development via technology, in October 2021 Indra’s Board of Directors approved the [Supplier Sustainability Policy](#), which is now integrated into the company’s Procurement Terms and Conditions and available to view both on the Supplier Portal and the [company website](#).

The policy – applicable to and binding on all Indra Group companies globally – is drawn from a combination of Indra’s Sustainability Policy, Code of Ethics and Legal Compliance and other corporate policies. It is therefore designed with the company’s vision in mind, with the aim of effectively integrating environmental, social and governance (ESG) criteria into the company’s decision-making processes, into the development of its products and services, and among the company’s main stakeholders.



Principles of the Sustainability Policy for Suppliers

Indra has also continued to implement a Transformation Plan in the Procurement and Logistics area, focusing on continuous improvement and the search for excellence throughout the entire supply chain.

Indra’s relationship with its supply chain is based on the following commitments:

- Transparency, ethics and compliance
- Independence
- Value generation and competitiveness
- Local impact (purchases from local suppliers)
- Reliability and efficiency

The aim is to secure the best suppliers via business procedures designed to ensure transparency and equality of conditions for all bidders.

In recognition of the progress made with regards to the supply chain and especially in terms of Climate Change, in 2021 Indra was awarded an A-grade Supplier Engagement Rating (SER) by CDP. Indra obtained the highest rating for its commitment with suppliers in relation to Climate Change and for its assessment in the CDP questionnaire which evaluates its governance model, objectives, scope 3 emissions and its commitment to the value chain.

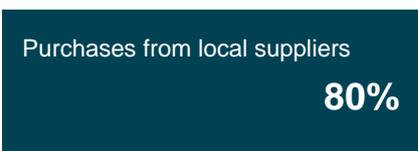


In 2021, Indra was awarded an A-grade Supplier Engagement Rating (SER) by CDP in recognition of the progress made in taking account of Climate Change in its supply chain

2021

Supply chain: purchases from local suppliers

In 2021, €1,133 million worth of purchase orders were managed to 6,338 approved suppliers in more than 85 countries around the world. By purchasing from local suppliers, Indra contributes to the development and growth of the business network in its local communities. In 2021, 80% of purchases were made through local suppliers. These suppliers are considered to be local when their country of origin (registered address) coincides with that of the purchaser. [GRI 204-1]



Indra is committed to developing the local production framework – in Spain 79% of suppliers are SMEs



Supplier management

At Indra, the supplier management life cycle is divided into five phases: registration, authorisation, activation, evaluation and auditing. All of these phases include both social and environmental criteria:

- Registration of the supplier in the system: this occurs when Indra requests services from a new supplier or a supplier makes itself available to the company. During this phase, Indra makes a preliminary analysis of the risk inherent in the supplier from both an economic and a financial point of view, using information from a range of sources. In particular, in certain cases, an assessment is made of a supplier's sustainability risk with support from the services of an external platform. The level of inherent risk of a supplier determines whether or not it will move on to the authorisation phase.
- Authorisation for new suppliers and re-authorisation of existing suppliers when required: the purpose of this phase is to monitor and limit financial, legal, employment, reputational, environmental, security and liability risk regarding material and/or personal claims. All suppliers accept Indra's General Terms and Conditions for the Purchase of Goods and Services implicit in every purchase order, covering among others, aspects of safety, the environment, ethics and integrity. Generally speaking, signing these Authorisation Terms and Conditions is necessary in order for the supplier authorisation process to be completed and authorisation is, in turn, necessary if an order is to be made from a supplier. As a general rule, the management model does not allow orders to be made from unauthorised suppliers. For certain groups of suppliers and in certain cases, where these are identified during the registration process, individual authorisation criteria may be applied. This is the case for suppliers who are exposed to certain kinds of environmental or regulatory risk, such as compliance with REACH legislation. The process for the authorisation of these kinds of suppliers will involve specialist departments at Indra (the Environment department, for example).
- ESG supplier evaluations: Indra's Procurement and Sustainability units carry out an annual assessment of suppliers' ESG performance based on the commitments established in the Sustainability Policy with Suppliers.
- Auditing suppliers: Indra's Quality and Procurement units select an annual sample of suppliers for physical auditing, based on their level of importance and risk profile. These suppliers are assessed by members of Indra's Quality Department and other specialist units (Environment) using a standard form that includes a broad variety of management aspects, including: proximity, costs, human resources (especially as regards training), logistics, quality, the environment (including compliance with REACH and RoSH environmental legislation), product design and development and efficiency (including the application of LEAN principles aimed at minimising the use of resources).
- Blocking suppliers: Indra will block suppliers on its systems when they have been inactive for a long period of time, or if their assessment fails to reach the standards established by the company, or if a supplier's financial situation is not acceptable, or if it fails to comply with the certificates required in relation to the products and services it supplies.

Environmental and sustainability requirements for suppliers

[GRI 308-1] [GRI 308-2] [GRI 407-1] [GRI-408-1] [GRI 409-1] [GRI 412-1] [GRI 414-1] [GRI 414-2]

During 2021, Indra completed a questionnaire to assess the ESG performance of its key suppliers¹⁰. This questionnaire is used to evaluate aspects of the supplier's management related to the code of conduct and the complaints channel; the policies and management systems in terms of working conditions, human rights, health and safety, business ethics, diversity and work-life balance and the environment and energy; carbon footprint; substances subject to restrictions; supplier sustainability requirements regarding their supply chain; or any penalties imposed. The questionnaire was sent to over 600 suppliers, which equates to 73% of the group's total orders.

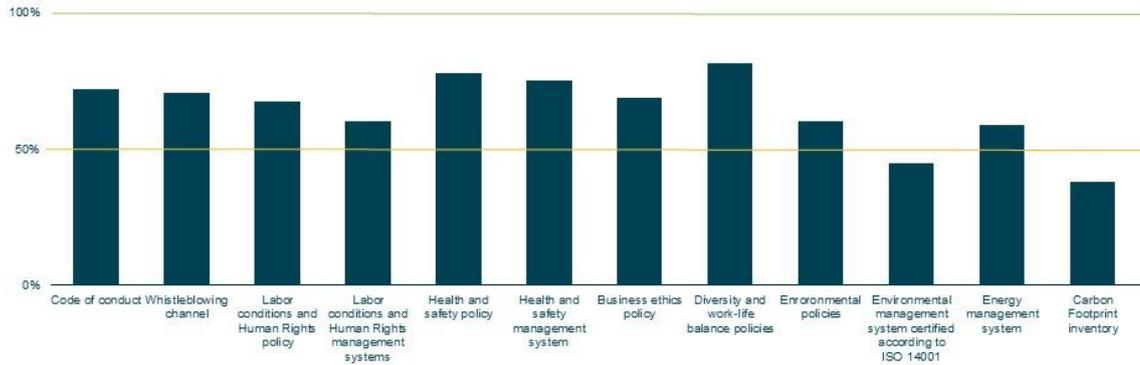
Key suppliers⁹ evaluated according to ESG criteria

72%

¹⁰ Suppliers with orders in excess of €275,000.



ESG performance of assessed suppliers in 2021



In 2021, Indra’s Quality Unit carried out 28 audits of its suppliers based on social and environmental criteria.

Occupational health and safety requirements for suppliers

Indra requires its approved suppliers to comply with applicable local laws in relation to occupational risk prevention, as well as any associated legislation. The supplier undertakes to provide the required documentation to fulfil these obligations in line with the services provided.

Protection of human rights in the supply chain

Indra promotes and defends the protection of Human Rights in its supply chain. Since 2017 it has required all of its approved suppliers to accept and comply with its Code of Ethics and Legal Compliance, which are included in the General Contract Terms and Conditions.

The Code of Ethics and Legal Compliance reflects the company’s commitment and what it requires its suppliers to respect: the International Declaration of Human Rights, the principles relating to the rights set out in the Declaration of the International Labour Organization and the principles of the United Nations Global Compact.

Similarly, Indra has a Statement on Conflict Minerals, which sets out its commitment to not use minerals or components in its products that have been extracted from “conflict” mines. Thereby further strengthening its responsibility in the defence of Human Rights throughout its value chain.

For information on the training received by suppliers in relation to the Code of Ethics, see section 4.1 of this report.



8 Society and commitment to local communities

8.1 Social investment and volunteering

[GRI 203-1] [GRI 203-2] [GRI 413-1]

Indra is aware that the construction of a successful business model requires sustainable socio-economic development in the communities in which it operates. It therefore believes that contributing to the sustainability of the communities in which it operates forms part of the company's responsibility and long-term value creation aims for all its stakeholders. At the same time, Indra firmly believes that, to maximise the positive impact in its local communities, it must focus its support for social causes through initiatives that are closely linked to its core business and to areas in which the company is most skilled: promoting knowledge and innovation.

Investment in social projects	€1.812 million
Volunteers (no.)	2,120

In 2021, investment in social initiatives rose 89% compared to 2020, mainly as a result of the General Act on the Rights of Persons with Disability and their Social Inclusion being widened to include a larger parameter of staff and new companies.

Indra champions a variety of initiatives – direct donations, accessible technology projects and corporate volunteering – that all form part of four key lines of action: Accessible technology, improving the environment, promotion of STEM careers and support to groups at risk of exclusion and to children. These key lines of action for social initiatives take on a different form in each of the countries in which Indra operates, and the local requirements arising in each region of the various countries must also be taken into account. Appendix 11.6 to this report details the main social impact initiatives developed by country.





Developing accessible technologies

As a technology company, Indra understands that it has a significant capacity to resolve the problems encountered by people with disabilities through the use of technology and to reduce the digital gap in accessing technology and the services that may be associated with this group. As well as promoting inclusive technology in 2021, Indra, together with the Fundación FDI and HandsOn Spain, created a platform designed to drive entrepreneurship and help people with disabilities – and charitable organisations that help people with disabilities access the jobs market – get their innovative tech-based projects off the ground.

Promotion of STEM careers

Many of the markets in which the company operates are suffering from a shortage of professional staff with STEM qualifications and skills, areas that are key to the company's business. Indra therefore believes that the promotion of these types of careers will have a beneficial effect on the communities in which it operates, and it is in the company's long-term interests to ensure the availability of qualified professionals in the markets in which it is active. As such, Indra is carrying out a number of initiatives such as its *Discovering STEAM* programme via which employees' daughters have the opportunity to learn programming skills and learn more about how to use technology all in a fun way.

Improving the environment

Indra is committed to protecting the environment and helping in the fight against Climate Change. It is therefore important for the company to take action that can partially offset its environmental impacts, while at the same time help it to improve its employee relations and their pride in being a part of the company.

Indra engages in volunteer work that involves ecosystem conservation and restoration, while also aiming to integrate people at risk of social exclusion. In 2021, in collaboration with Fundación Juan XXIII, the company took part in an initiative to repopulate forests across Spain. Indra volunteers joined forces with people with learning disabilities from the Fundación Juan XXIII's occupational health centre, another eight social organisations from various provinces and conservation specialists to take part in the project. Almost 200 people with disabilities and 500 Indra volunteers took part in the initiative.

Support for groups in danger of exclusion and support for infancy

Access to and demand for technology is heavily conditioned by an individual's socio-economic profile. The greater the level of development, the greater the demand for technology. Indra is therefore convinced that support for socio-economic development and the elimination of any kind of risk of exclusion will be to the benefit of both the community and the company itself.

In 2021 the company signed a partnership agreement with the World Vision Foundation to refurbish two state schools in vulnerable areas of the town of Bello (Antioch) and the city of Cartagena (Bolívar). Almost 800 students and teachers will directly benefit from the initiative, and its impact will also reach the thousands of people who live in the neighbouring towns that use the schools as sites, stations and points from which to run a variety of different social welfare programmes.

Indra has strengthened its social commitment and collaboration with Fundación Educo, donating 160 tablets to five Seville state schools in communities with low-income families that thanks to a 90% accurate algorithm allow action to be taken more quickly in cases of child suffering for bullying, abuse, mourning or any other type of child-related abuse.

Employee participation in social initiatives

Indra is a socially responsible company committed to sustainable development, which helps to encourage, channel and expand the positive impact of its employees, clients and collaborators on the planet and on individuals.

Once again in 2021, Indra encouraged its employees to participate in different supportive initiatives for the benefit of the most vulnerable groups. These initiatives were rolled out via different instruments such as crowdfunding, marathons and charitable races, among others.



Volunteering in 2021

- ✓ More than 6,600 hours
- ✓ More than 19,000 direct beneficiaries and 58,000 indirect beneficiaries
- ✓ More than 80 collaborating entities

In 2021 the number of volunteers participating in charity initiatives set up by the company doubled



9 Stakeholder relations

9.1 Commitments and communication channels with stakeholders

[GRI 102-16] [GRI 102-40] [GRI 102-42] [GRI 102-43] [GRI 102-44]

Via its Sustainability Policy, Indra commits to certain fundamental principles that govern the way it conducts its relations with the company's stakeholders.

The advances made in relation to each of the undertakings made by the company are described in the following sections:

Stakeholder	Summary of the policy undertaking made	Section of the report in which it is described
Shareholders	<ul style="list-style-type: none"> Guaranteeing shareholder rights Guaranteeing representation of the interest of all shareholders Ensuring diversity in governing bodies 	<ul style="list-style-type: none"> 3.2 Business model and strategy 9.2 Shareholders and investors
Clients	<ul style="list-style-type: none"> Guaranteeing security and the highest standards of quality Managing projects responsibly Facilitating communications with the company's clients Guaranteeing data protection 	<ul style="list-style-type: none"> 7.8 Information security, privacy and data protection 7.6 Design and manufacture of products and services in line with ESG criteria
Employees	<ul style="list-style-type: none"> Promoting creativity and innovation Integrating employees into the workforce and supporting their development Promoting employment stability Promoting health, safety and well-being Broadening the channels of communication with employees Guaranteeing rights of social dialogue and collective negotiation 	<ul style="list-style-type: none"> 6 People and talent 9.1 Commitments and communication channels with stakeholders
Suppliers	<ul style="list-style-type: none"> Integrating principles of responsibility and sustainability in supply chain management Maintaining standards of respect for Human Rights Dealing with suppliers fairly and impartially and encouraging local contracting Applying due diligence processes in relation to third parties 	<ul style="list-style-type: none"> 4.2 Guiding principles on business and human rights 7.9 Sustainable supply chain management
Local communities	<ul style="list-style-type: none"> Developing solutions that benefit the development of a more integrated society Promoting STEM careers Promoting employee participation Developing fiscal activities in a framework of ethics, transparency and integrity. 	<ul style="list-style-type: none"> 3.2 Business model and strategy 4.3 Responsible taxation 6.2 Attraction 8.1 Social investment and volunteering
Company	<ul style="list-style-type: none"> Making a commitment to combat Climate Change Minimising environmental impact on facilities, operations, solutions and services Incorporating circular economy principles 	<ul style="list-style-type: none"> 5 The planet and climate change



Communication channels with stakeholders

Indra provides its stakeholders with various communication, participation and dialogue channels which are continuously reviewed and updated.



Caption

- Direct relationship
- Specific publications
- Events
- Indra and Minsait websites
- Satisfaction survey
- Social and profesional media
- Channel for compaints and grievances



9.2 Shareholders and investors

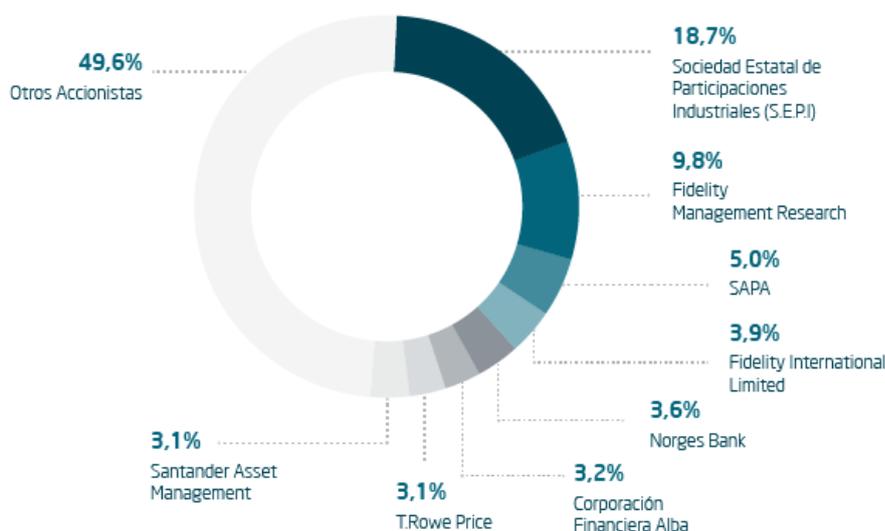
Ownership structure

[GRI 102-5]

The ordinary shares have been listed on the Continuous Market since the 23rd of March 1999 within the Communications and Information Services industry and the Electronics and Software sub-sector.

Since the 1st of July 1999 Indra has also formed part of the IBEX 35 selective index, which includes the leading 35 companies in the Spanish securities market in terms of market capitalisation and liquidity.

The shareholders in the previous graph, had a holding of more than 3% registered on the [CNMV's official website](#) at the end of 2021.



Source: Indra's company website, figures updated on 13/01/2022.

On the 22nd of February 2022 the Cabinet announced its decision to allow SEPI to acquire an additional 10% of Indra's capital and thereby take its stake up to 28%. In its notification to the CNMV, SEPI stated that this decision was a sign of its support across all of the company's businesses and to its corporate governance.

Shareholder rights

As set out in the Regulations governing the General Shareholders Meeting, Indra's relations with its shareholders are founded on principles of equal treatment among shareholders, transparency and the continuous provision of comprehensive information.

Under Article 12 of the Regulations, each share entitles the holder to one vote, and the resolutions proposed at the General Shareholders Meeting will be adopted by a simple majority of votes. The only exceptions are those required by law.

Under the terms of Article 3 bis of the Regulations and Article 519 of the Spanish Companies Act, any shareholder representing at least 3% of the company's share capital may ask for an item to be included in the Meeting's agenda, or submit proposals on items already in the Meeting's agenda.

As a way of encouraging participation by its shareholders, before convening a Meeting, Indra sends out a notice addressed to all of the company's shareholders, inviting them to submit proposals for items to be included in the Meeting's agenda.

The rights of shareholders to participate in the General Shareholders Meeting are explained in the [company's internal regulations](#), as well as in the notice in which each [General Shareholders Meeting](#) is convened.

The two basic channels through which shareholders can access information are the company website, particularly the [Shareholders and Investors](#) section, and the [Shareholders' Office](#). Under the Shareholders and Investors section, the sub-section relating to Corporate Governance includes comprehensive information on the company's General Shareholders Meeting, including ways in which shareholders can take part, the agenda and the results of any votes taken. In addition, as a measure designed to increase transparency for shareholders and the various shareholder



groups, the General Shareholders Meeting is broadcast live on the [Indra website](#). Once the Meeting has ended, a recording of the session is also made publicly available on the [Indra website](#). In addition, while the General Shareholders Meeting is being held, the Shareholders' Office remains open to shareholders as a point of access between them and the company.

During 2021, in response to the Covid-19 crisis, Indra had to apply additional measures to ensure the exercise of rights by its shareholders, by means of introducing systems to allow them to attend, participate in and vote remotely in real time through the company's website.

Relationship model

As a listed company, Indra is aware of the importance of maintaining a high level of transparency via effective channels of communication with its investors and shareholders. To this end, the company has introduced various policies and tools:

- [Communication Policy with shareholders, institutional investors and proxy voting advisors](#), in accordance with the recommendations and best corporate governance practices of listed companies. The policy covers the following points: regular corporate governance information meetings with shareholders, institutional investors and proxy advisors, regular and informative meetings on the progress of the company, the results and any other issues of strategic financial and economic importance, the public announcement of results to the relevant bodies (the Spanish Securities Market Commission - CNMV) and other communication channels.
- Conference calls and webcasts via which Indra presents its quarterly results to investors and analysts.
- [Shareholders' office](#): channel available to all shareholders to respond to their questions and information needs.
- Investor Magazine: a means of digital communication specifically aimed at minority shareholders.
- Information on the website: useful information for shareholders and investors is included in the Shareholders and Investors section of the [company website](#), in addition to the content required by Circular 3 of the 23rd of June 2015 and other applicable CNMV regulations. Shareholders and investors can also subscribe to an email mailing list. Subscribers receive all the regular information that the company publishes from the Shareholders' Office: press releases, notifications, significant information announcements, financial results and the Annual Report.
- Regular published reports, such as the Annual Consolidated Accounts, the Management Report, the Sustainability Report and the Corporate Governance Report, among others.
- Presentations and taking part in seminars and roadshows.

9.3 Associations and foundations

[GRI 102-13] [GRI 415-1]

Indra maintains relationships with a large number of associations and foundations involved in diverse activities, such as:

- Developing the company's political, economic and social intelligence
- Increasing the company's external visibility, improving positioning and protecting and improving its reputation
- Applying Indra's focus on open innovation through the development of innovation projects
- Collaborating in social action programmes for the benefit of the local communities where the company operates.

In some cases, the legal remit of the associations and foundations that Indra collaborates with, includes the power to consult with State bodies with regard to the public policies implemented by government (such as, for example, the Spanish Chamber of Commerce). Any actions that may result in influence from a company such as Indra being applied through these institutions, is therefore governed by law. These associations and foundations are the only intermediary outside of the company itself to the regulator.

Indra is not aware of having collaborated with any type of organisation whose objective could be understood to be political influence and has therefore made no contribution to lobbying or representation of interests, organisations or similar; to political campaigns, organisations or candidates; or any other expense associated with political influence.

When Indra enters into agreements with associations of different kinds or engages in direct contact with governments or their representatives abroad, it is careful to ensure that their lobbying activities conform to the same principles of cooperation and transparency that are set out in Indra's own Code of Ethics and Legal Compliance.



The Code of Ethics and Legal Compliance sets out the following obligations for Indra's employees in this regard:

- The prohibition of donations to political parties: the Code of Ethics and Legal Compliance prohibits any direct or indirect financing of political parties, their representatives or candidates.
- The prohibition of facilitating payments and restrictions on corporate hospitality: under an appendix on corporate hospitality, the Code of Ethics and Legal Compliance prohibits so called facilitating payments and limits the conditions and amounts in which Indra employees are allowed to offer business gifts to public officials.
- As the Code of Ethics and Legal Compliance sets out, Indra's internal procedures and processes include certain additional control measures relating to the engagement of politically exposed persons, given the greater risk of bribery and corruption to which these kinds of relations are subject. In any case, Indra is committed to complying with the legislation in force regarding transparency of lobbying activities.

The table of non-financial indicators in the appendix to this report includes the breakdown of the total contributions to associations and foundations.

During 2021, Indra maintained collaborative relationships with associations in the general sphere and its own sector or linked to lobbying and dialogue. The most important of these are listed below:

Transport and Defence	
<ul style="list-style-type: none"> ▪ AED – Aeronautics, Space and Defence Cluster ▪ UNIFE - European Rail Supply Industry Association ▪ ALAMYS - Latin American Metro and Subway Association ▪ ASD – Aerospace and Defence Industries Association of Europe ▪ Australian Railway Association ▪ CANSO – Civil Air Navigation Services Organisation ▪ CETREN - Rail Action Association 	<ul style="list-style-type: none"> ▪ EOS – European Organisation for Security ▪ Eurocae ▪ EUROSPACE ▪ ITS Spain - New Technologies in Transport Forum ▪ MAFEX - Spanish Railway Association ▪ TEDAE - Spanish Association of Defence Technologies, Security, Aeronautics and Space ▪ UITP – International Association of Public Transport
Information Technology	
<ul style="list-style-type: none"> ▪ ABES - Brazilian Association of Software Companies ▪ AMITI – Mexican Association of Information Technologies Industry 	<ul style="list-style-type: none"> ▪ AEC - Spanish Association of Consulting Companies ▪ ENERTIC Platform - Platform for ICT companies for the improvement of energy efficiency
Innovation and Sustainability	
<ul style="list-style-type: none"> ▪ AEC - Spanish Quality Association ▪ Forética ▪ SERES - Responsible Business and Society Foundation ▪ Ethos Institute of Companies and Social Responsibility 	<ul style="list-style-type: none"> ▪ Global Compact ▪ OECC - Spanish Climate Change Office ▪ Spanish Platform for Climate Action ▪ Climate Action
Foundations and Associations devoted to forming relationships with foreign states	
<ul style="list-style-type: none"> ▪ Spain-Australia Council Foundation ▪ Spain-Brazil Council Foundation ▪ Spain-China Council Foundation ▪ Spain-Colombia Council Foundation 	<ul style="list-style-type: none"> ▪ Spain-USA Council Foundation ▪ Spain-India Council Foundation ▪ Spain-Peru Council Foundation ▪ Fundación Iberoamericana Empresarial



In 2021, Indra contributed a total of €1,717,605 (€1,704,005 in 2020) to associations and organisations associated with political and institutional lobbying. The most significant of these contributions are listed below:

Most significant contributions (not an exhaustive list)			
<u>ASD</u>	€61,598	<u>AEC</u>	€43,600
<u>TEDAE</u>	€76,188	<u>Spanish Chamber of Commerce</u>	€65,000
<u>EOS</u>	€14,520	<u>Confederation of Employers and Industries of Spain (CEOE)</u>	€25,000
<u>UITP</u>	€42,586		
<u>UNIFE</u>	€13,390		

In short, the company's public lobbying activities are directed towards supporting its business interests, stressing the importance of investment in innovation and its potential to contribute to economic and social development, and highlighting the impact of the company's products and services on society, on people and, therefore, on the pursuit of the Sustainable Development Goals (SDGs). In this way, the company showcases the positive effects of innovation and technology and their potential to make a contribution in a range of areas such as energy, health, education, financial inclusion, access to essential resources such as water, sustainable mobility, security and defence, combatting Climate Change through solutions aimed both at adapting and mitigating its effects, improving the way in which public administrations function, and promoting and consolidating democratic societies through transparent election processes that are in line with international standards, among other benefits. Indra therefore legitimately promotes its commercial interests within the limits imposed by the company's Code of Ethics and Legal Compliance.

9.4 ESG indices and analysts

[GRI 102-12]

In 2021 Indra emerged as the global leader in the Technology Software and Services sector, after achieving the highest score on the Dow Jones Sustainability World Index (DJSI). The company leads the ranking in terms of social criteria and good governance, achieving the maximum score in innovation management, privacy protection, social and environmental reporting, workplace practices, institutional relations and fiscal strategy.

After being included in the index for 16 years, occupying the highest position it is the ultimate recognition of Indra's commitment to improving its financial, social and environmental performance, using technology to play its part in helping to achieve the 2030 Agenda and increasing the positive impact that it has on people and on the planet. These results are testament to the concerted effort made by the company to place sustainability at the heart of its stated mission and strategy.

2021 also saw Indra named as one of the leading companies in the fight against Climate Change by *Carbon Disclosure Project* (CDP). With its classification upgraded to an A rating – well above the average C rating for the sector – this is true recognition of its environmental strategy that is fully integrated into the company's management of Climate Change risks and opportunities. Indra also achieved the highest score for its governance of climate-related issues, transparency in its calculation of emissions reductions and emission reduction targets – based on the Science Based Target SBTi.

Indices such the FTSE4Good and rating agencies such as MSCI also recognise Indra's practices in matters of sustainability as far superior to the sector average. In 2021, Indra was included in the Bloomberg Gender Equality Index for the second consecutive year, and its certification as a Top Employer was also renewed. These two distinctions recognise Indra's good practices in talent management and in particular its commitment to gender equality.



Prominent presence in major ESG indices



Sustainability Award
Gold Class 2021
S&P Global



FTSE4Good

Nº1 in the DJSI World and “Gold Class” by S&P

85/100 points overall rating

In 2021 Indra has managed to position itself as a leader in the Software & IT Services sector, achieving the best score in the sector in the economic and governance dimension, obtaining the highest possible score (100 points) in the criteria that value lobbying practices, fiscal strategy, innovation, environmental reporting and social reporting.

Top 16% of the sector in MSCI

AA rating

MSCI has given Indra a score of AA, which means that the company is among the top 16% of companies in terms of sustainability. This is the second best score awarded by this index, which shows the company's efforts in terms of sustainability and transparency.

Top 15% of the sector in Ftse4Good

4.1/5 points overall rating

Indra has the highest possible rating in the categories of climate change, labour standards, supply chain, risk management, corporate governance and anticorruption.

Participation in specific social and environmental assessments



COMMUNICATION ON PROGRESS

“Advanced” level in the Global Compact report

Indra is **member since 2002** of the Global Compact and communicates annually its progress against the 10 principles of the Compact using the “advanced” level.



Member of the Bloomberg Gender Equality Index

Indra is one of the 15 Spanish companies that are member of the **Bloomberg Gender-Equality Index (GEI)**. This index distinguishes companies that excel with regard to the promotion of equality and transparency of reported data.



Top Employer Company

Top Employer Institute has recognized Indra as one of the best companies to work for in Spain for the third consecutive year.



SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Indra's **emission reduction objectives** are set according to the Science Based Target Initiative methodology with ambition **1.5°C** and have been formally approved in 2021.



The company has received an A- rating for **Climate Change** reporting in 2021, which means it has entered the leadership level and has been recognized as a **CDP Supplier Engagement Leader**.



Indra has a **“gold” rating** in the ESG assessment carried out by **Ecovadis**. This assessment means being in the **Top 5%** of companies with the best sustainability performance.



10 Financial and non-financial risk management

[GRI 102-11] [GRI 102-15] [GRI 102-30] [GRI 102-31]

The risk factors which affect Indra depend on the countries in which it carries out its activities and the nature of the sectors in which it operates. Indra aims to identify and evaluate the risks so that it can introduce measures far enough in advance in order to mitigate the probability of these risks actually materialising and/or having a potential impact on its business objectives.

The main risks that affect the development of Indra's strategy are outlined in section 8 of the Management Report.

Risk management policies and procedures

Indra's Risk Management and Control System is a process promoted by the Board of Directors and Senior Management, the responsibility of which falls upon each and every member of the company. The purpose of the system is to provide reasonable certainty regarding the achievement of the established objectives.



The Risk Management System certified under the ISO 31000 standard places a special focus on ESG risk assessment

In 2021 Indra renewed its Risk Management certification under the ISO 31000 standard and accredited by AENOR. This highlights that the company's Risk Control and Management System is compliant with the principles, processes and best practices in terms of governance and accredits the effective integration of risk management across the group's operations, with the special consideration of non-financial aspects related to its performance in matters of ESG and Human Rights in the internal and external risk factor management process.

This certification is valid for three years, with annual audits ensuring that the key elements of the system are effectively in place, and that the company continues to strive to make continual progress and improvements. This allows Indra to demonstrate its commitment to sustainability and further strengthen its resilience, as continually identifying and managing threats and opportunities places the company in a privileged position regarding the challenges faced in an increasingly competitive and ever-changing global environment.

In terms of adapting to an ever-changing world, Indra regularly updates its Risk Management and Control Policy, which was approved by the Board of Directors in 2016. The latest update took place in 2021 and is available on the [website](#). The Policy is complemented by policies and procedures designed for Indra's main processes. These are also reviewed and regularly updated to ensure compliance with the legislation in force and the best risk management practices.

Indra's Global Risks Unit has a Risk Management Manual which outlines the processes for the company's risk identification and management. The main procedures for Indra's risk management include:

- Risk Management and Control Policy
- Risk Management Manual and procedures
- Risk management criteria
- [Code of Ethics and Legal Compliance](#)
- Criminal Risk Prevention Programme
- Competition Risk Prevention Programme
- Policies and procedures for Business Continuity and Information Security
- Occupational Risk Management System Prevention Programme
- Human Resources Policies
- Tax Policy
- Indra Project Management and Project Risk Management Method
- Procurement Policies and Procedures
- [Sustainability Policy](#)
- [Sustainability Policy for Suppliers](#)
- [Human Rights Policy](#)
- Diversity Policy
- [Director Remuneration Policy](#)
- [Environmental Policy](#)
- [Position on Climate Change](#)
- [Energy Policy](#)
- [Statement on "Conflict Minerals"](#)



For further information on the description of the risks and the Risk Management and Control System, please see section 8 of the [Management Report](#) and section E of the [Annual Corporate Governance Report](#), both of which are available on the company's website.

Three-pronged model implemented to manage risks



Integration of risk management culture [GRI 102-29]

In line with the framework principles set out in the COSO Report entitled Enterprise Risk Management, Integrating with Strategy and Performance (ERM 2017)¹¹, the integration of risk management within Indra's culture is based on the following principles:

- Risk reporting and identification:** Indra's Global Risks Unit involves the company's various operational and corporate units in the regular (at least once a year) review and update of the catalogue and map of the company's risks. The company identifies its global risks through specific analysis of recognised sources, internal documents and interviews with key employees. Additionally, Indra has formal committees for the identification of risks, where the employees can proactively identify and report potential risks starting in the bidding stage of the project. These risks are documented in the corporate tools. Indra has management tools to enable the company to identify risks and quantify them from the start to the finish of the project, and propose measures to mitigate them. Finally, monitoring committees are set up to identify and analyse risks related to the company's operations.
- Disclosure and training:** the company's key values (set out in the definition of its culture) are actively notified to all Indra employees via the various channels at the company's disposal, including the onboarding courses for new hirings and the corporate intranet. During 2021, the Global Risks Unit has carried out corporate culture

¹¹ COSO (Committee of Sponsoring Organizations of the Treadway) is a voluntary committee comprising representatives of five private-sector organisations in the US to give intellectual leadership to three interrelated themes: corporate risk management (ERM), internal control and the deterrence of fraud.



actions with the publication of risk management criteria; and the distribution of the risk map and the risk functions of the Steering Committee and the Senior Management of the principal geographies in which the company operates, such as Italy, Brazil, Chile, Colombia, Mexico and Peru. As part of the annual process for the preparation of Indra's Training Plan, the company identifies training requirements, including those that may be associated with risk management. In 2021, Indra used its Training Plan to develop specific training in important areas such as people management, project management and the management of tenders, tax management, ethics and compliance. Using these resources, the company controls risk such as talent retention, compliance with project milestones, fiscal compliance and corruption and bribery.

- **Selection and performance assessments:** the professional job profiles at Indra (particularly in the case of the management team) and annual performance assessments are based around the company's key values, and incorporate the principles of risk management.
- **Remuneration and financial incentives:** the company's remuneration system is aligned with risk management principles. At the highest level of the organisation, decisions on the remuneration of Indra's executive directors and senior management incorporate the necessary precautions to avoid assuming excessive risks and rewarding unfavourable management results, as reflected in the [Remuneration Policy](#). The variable remuneration paid to the heads of departments that manage company risk (e.g. the departments of compliance, prevention of occupational risk, information security, etc.) is dependent upon the proper management, disclosure and integration of risks throughout the whole company.

Section 7.6 of this report describes the measures taken to integrate risk management into the development of products and services.

Emerging risks

As part of the risk-management cycle described above, Indra includes a timeline that allows it to identify, assess and manage any risk that may have an impact on the business over the medium or long term and that may require specific measures regarding mitigation or response.

As an example of the emerging risks the company has identified, the most significant are the globalisation of the labour market due to remote working, the prolonged crisis in the semiconductor supply chain and the prolongation or escalation of the conflict in Ukraine.

Globalisation of the labour market due to remote working

Description

The acceleration in adopting remote and hybrid working models could increase recourse to outsourcing and enable a lot more jobs to be done virtually. This could help to globalise the jobs market such that irrespective of where an employee lives, he/she could work for any company in the world. This could potentially heighten competition with regard to sourcing highly-qualified professionals and cause the company to lose competitiveness versus countries with a higher level of GDP per capita and higher salaries.

Impact on Indra

This globalisation of the jobs market has a particular impact on the technology and consultancy sector, which could translate into an increase in employee rotation at Indra, which would in turn cause hiring and salary costs to rise. This could have a particularly negative impact on Indra, because in its home market, Spain, salary levels are lower relative to other countries where its competitors are based, such as France and the US. As a result, these competitors could induce wage inflation amongst Indra's current and potential employees in Spain. All this could lead to a progressive loss of profitability for the company and make it difficult for Indra to retain its most valuable employees.

Mitigating measures

Indra has made a concerted effort to provide a better working environment, driving the cultural transformation of the company via several different initiatives within the Change from the Core scheme, which offers employees ways and means to promote their development, both at a professional and a personal level.

An example of the recognition of Indra's good practices in this regard is the award in 2021 for the third consecutive year of Top Employer, as one of the companies which offers the best working environment for its employees, and which strives to incorporate the best and most innovative HR practices.



Prolonged crisis in the semiconductor supply chain

Description

Semiconductors are used in virtually all technology products, since they form the basis of integrated circuits. They can be found in all kinds of objects, from switches and household appliances to telephones, computers and cars.

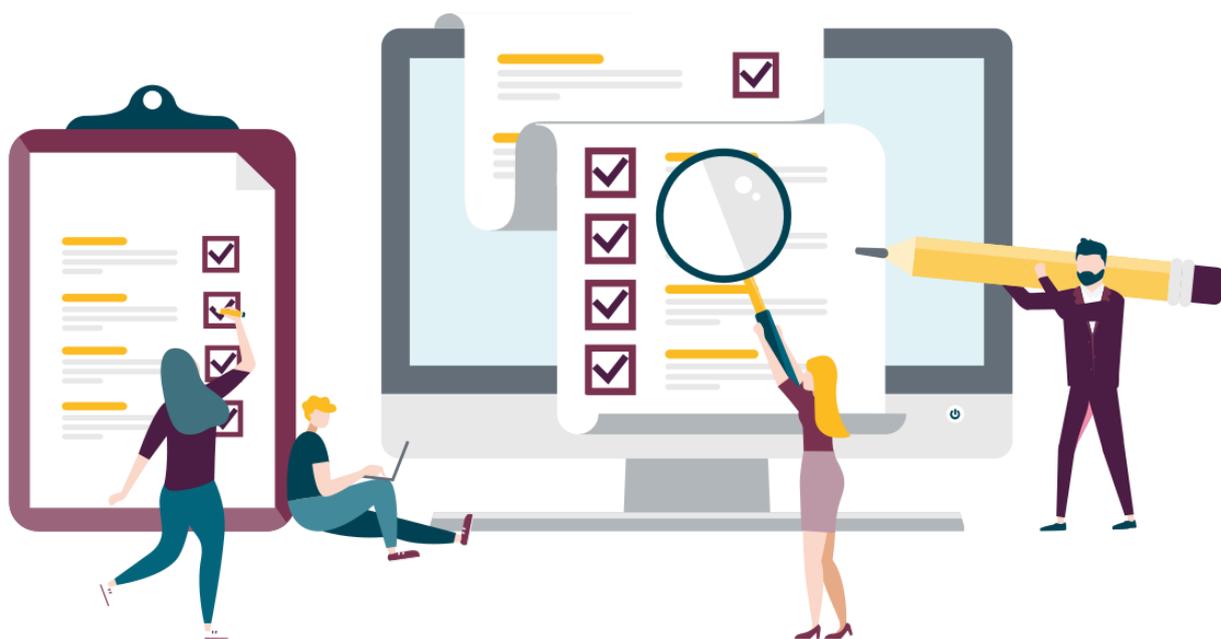
In 2020, a crisis began to emerge in the supply of semiconductors, due to an unexpected increase in demand. This was caused by the rapid shift to remote working environments and cloud operations to ensure the continuity of business, as well as by home-schooling and a heightened demand for digital leisure. This new scenario was exacerbated by various production problems experienced by different manufacturers. These supply-side tensions have led to increases in both delivery times and prices. Although leading market analysts point towards these market tensions being resolved in 2023, potential disruptions loom (for example, the boom in the use of IoT devices, the roll-out of 5G, increased industrial automation and the growing use of chips in electric, connected and autonomous vehicles), with the danger that the supply chain crisis could become a structural problem for the industry. It should be underlined that the anticipated recovery will be affected by the war between Russia and Ukraine, given that they are the main suppliers of some key materials for this industry.

Impact on Indra

Indra's Transport and Defence business and, specifically, the Security and Defence market use semiconductors in the manufacture of certain products. In general terms, it is estimated that semiconductors for direct use in critical infrastructures and national security account for 9% of total market demand. Although demand in this sector has not increased significantly, and despite the fact that initially the most-affected sector was the automotive industry, the supply chain crisis has had a knock-on effect in the remaining sectors. If tensions in the semiconductor market persist, it could potentially have an impact on Indra's production costs, or in the worst-case scenario, interrupt operations due to the lack of supply.

Mitigating measures

The company has considered various mitigation measures, including establishing long-term agreements with suppliers; establishing agreements directly with manufacturers to bypass intermediaries; entering into investment agreements with suppliers; forming alliances with other companies to increase negotiating power with suppliers; innovation in product design to allow for the use of substitute materials; and making improvements to the company's inventory management.





Prolongation of the conflict in Ukraine or escalation that may involve other countries

Description

The war in Ukraine has already caused a humanitarian disaster, with the extent of its economic impact on the rest of Europe depending on the severity of the conflict, its duration and its possible escalation into other countries. At the moment, various European countries are accepting refugees, and at the same time facing a rise in energy prices, growing inflation, and problems with the supply of certain basic goods (wiring for the automotive industry, sunflower by-products...). In the field of technology, the shortage of chips could become more serious. It is also expected that the economic sanctions imposed on Russia by other countries, together with the closures announced by many Western companies, will also have an impact on global demand and trade. Although many of these repercussions have already been felt, there is a risk that the prolongation of the war or its escalation into other countries will have more serious and far-reaching consequences in human, social and economic terms.

Impact on Indra

Although some of Indra's operations linked with the security and defence sector could be boosted by this context of risk – its cybersecurity solutions and defence systems, for example – the atmosphere of uncertainty and the worsening economic conditions will lead to less investment in general, and less investment in digitalisation by companies in particular. At present, Indra does not currently have suppliers with a significant volume of purchases in the region (less than €1 million in 2021) and therefore it is not exposed to supply-sufficiency issues. It also has no significant volume planned in either Russia or Ukraine in 2022 with a portfolio in the region of less than €4 million at end-2021. Depending on whether or not the conflict escalates, the company could have to discontinue its operations currently in progress in countries close to the conflict, such as Lithuania, Latvia, Estonia and Moldavia.

Mitigating measures

Indra is closely tracking how the conflict evolves and has set up a monitoring committee within its strategy unit. The purpose of this committee is to evaluate the impact of the conflict on Indra and to ensure that the company's policies support the measures imposed by the UN, NATO and the European Union at all times. Indra aims to anticipate any risk that may represent a threat to either its own staff or its clients. The company permanently assesses its dependence on critical suppliers and has a contingency plan at its disposal should supply be interrupted. In the event of a possible fall in demand, Indra will activate its diversification strategy, taking account of geographical and demand-related factors, whereby it will focus on particular regions and compensate for possible problems in other markets. The information security committee is also monitoring the potential increase in cyber-attacks on Indra's systems that could occur as a side-effect of the conflict.

Section 5.2 of this report includes a section dedicated to an analysis of Climate Change risks and opportunities.



Impact of Covid-19 on Indra's operations

The world economy has increasingly rallied during the course of 2021. The progress made in vaccination programmes, fewer travel restrictions and the effectiveness of the measures adopted in 2020 have steadily helped bolster Indra's operations, to the point that much of the company's business has regained pre-pandemic levels. In fact, Covid-19 may have boosted certain segments of Indra's business in 2021, such as contactless technologies and solutions for temperature and face mask control.

Thus, the varying speed of recovery of different geographical areas due to differing vaccination uptake rates from one country to the next and the periodic uncertainty caused by new variants of the virus (Delta, Omicron, etc.) have barely made an impact on Indra, and are expected to dissipate over the course of 2022.

Nevertheless, while in terms of business volume the company has returned to pre-pandemic levels, in terms of internal management Indra maintains the strictest prevention and control measures, complying at all times with the instructions issued by the health authorities across the various countries in which the company operates.

As in 2020, Indra's priority has been to guarantee the supply of its solutions and services to its clients, while ensuring the health and safety of its staff, clients and end users.

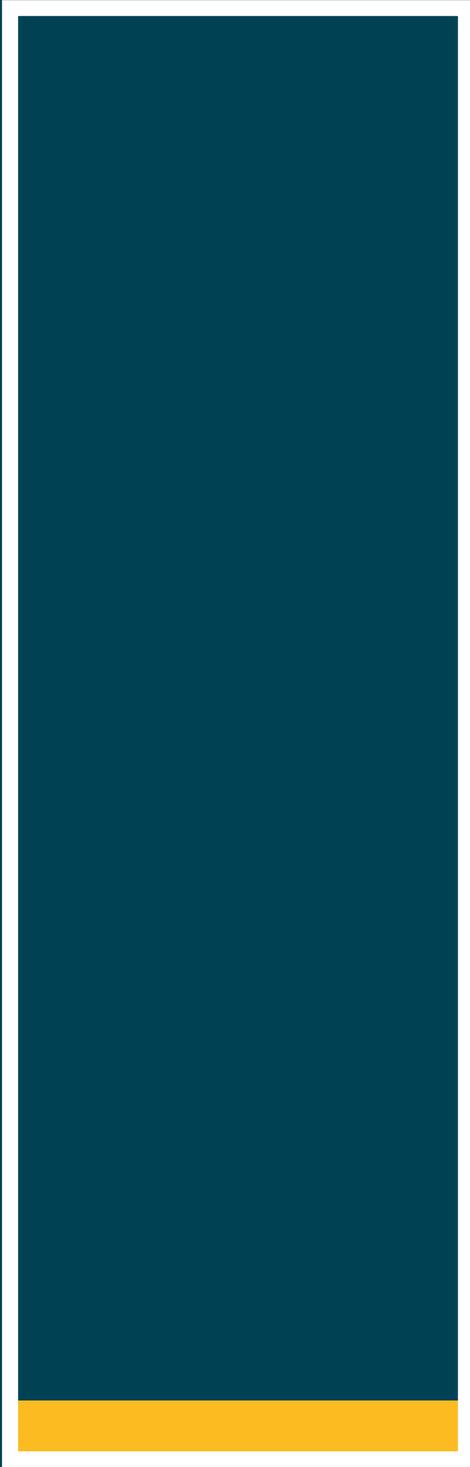
To achieve this, Indra deployed a variety of initiatives, from maintaining remote working on a full or part-time basis in Spain, to the vaccination of 4,000 of its staff in Colombia.

Another of the areas to which the company has made a commitment is the mental health of its staff. Section 6.5 contains a full description of all the well-being measures developed by Indra in support of its employees, with the aim of alleviating situations of stress and anxiety caused by the 'new normal'.

Throughout 2021, Indra has maintained a general remote working model in response to the pandemic, while monitoring the health crisis, tracking incidents and correctly applying the preventive measures recommended by the health authorities. Over the course of 2022, and armed since March with a remote working model adapted to new regulations, the company will continue this monitoring process with the aim of maintaining a working model that is able to adapt to the health situation at all times.



Appendices



11 Appendices

11.1 About this report

[GRI 102-32] [GRI 102-48] [GRI 102-49] [GRI 102-50] [GRI 102-51] [GRI 102-52] [GRI 102-54]

This report includes the information required to understand the risks, business model, policies, strategy, performance, results and the situation of the Group and the impact of its activity in relation to environmental and social issues, as well as those relating to staff, respect for Human Rights and combatting corruption and bribery. In accordance with the provisions set out in Law 11 of the 28th of December 2018 in respect of non-financial information and diversity, this report complements the information provided in the Management Report. The Report has also been subject to the same criteria regarding its preparation, approval, filing and publication. In particular, the Report was prepared by the Board of Directors together with the Management Report at its meeting of the 28th of March 2022, with a favourable recommendation from the Sustainability Committee and the Auditing and Compliance Committee.

In line with its commitment to continuous improvement regarding transparency, before preparing this Report, Indra carried out a review of its materiality assessment, which led it to review the structure of the content and indicators used in the Report. More specifically, the structure of the Report has been aligned with that of Indra's new Sustainability and Social Impact Master Plan 2020-2023 and the contents related to the environment, Climate Change, data privacy and other emerging risks have been substantially revised.

The 2021 Sustainability Report refers to the period from the 1st of January 2021 to the 31st of December 2021, with the last report published in March 2021.

This report has been prepared in accordance with the following recommendations, standards and regulations:

- Act 11 of the 28th of December 2018, amending the Spanish Commercial Code; the consolidated text of the Spanish Companies Act, approved by Royal Legislative Decree 1 of the 2nd of July 2010; and Act 22 of the 20th of July 2015, on Auditing Accounts in matters of non-financial information and diversity. The selected GRI standards have been applied in order to ensure compliance with this legislation.
- GRI Standards for the preparation of Global Reporting Initiative (GRI) Sustainability Reports in their comprehensive format.
- Article 8, section 2, of Regulation (EU) 2020/852 of the European Parliament and of the Council of the 18th of June 2020 (EU Taxonomy), which requires non-financial companies to disclose information on the proportion of their turnover, investments in fixed assets and operating expenditure ("key results indicators") that is associated with actions or processes linked to economic activities that qualify as environmentally sustainable, with regard to the goals established for Climate Change mitigation and adaptation.
- EU Guidelines 2017/C125/01 on the presentation of non-financial reports (Methodology for reporting non-financial information).

The table showing the contents of Act 11/2018 (section 11.8) and the table listing the GRI indicators (section 11.7) indicate the exact location where the information can be found (either the page(s) in the report, the reference in the non-financial indicator table and/or the URL for an external reference), or the reasons justifying its omission.

The economic, social and environmental information included throughout the various sections of the report and, in particular, in the non-financial indicator table in section 11.6, has been externally verified by an independent third party. The scope, description of the work and conclusions of this verification are found in the Deloitte Verification Report.

The information presented includes all the companies which Indra has financial control over – those in which its stake is more than 50% – unless otherwise indicated. For a complete list of the companies that form part of Indra as of the 31st of December 2021, please refer to the 2021 Consolidated Annual Accounts.

In the drafting of this Report, Indra has taken into account the principles set out in the Global Reporting Initiative on Sustainability Reports, as detailed below.

Content principles

- Inclusion of stakeholders: Indra provides its stakeholders with various channels of communication, participation and dialogue, which are continually reviewed and updated and which it uses to detail its future expectations.
- Sustainability: this Report details how the company creates value for its stakeholders, as well as its management strategy and approach for the various areas of sustainability.
- Materiality: the company has carried out the updating of its materiality analysis to detect and update the relevant issues in sustainability for the company and its stakeholders.
- Completeness: throughout this report Indra provides qualitative and quantitative information on the company's environmental impact.

Quality principles

- Accuracy: all of the information included in this report is collected and analysed through Indra's various Information Systems.
- Balance: the report addresses the main issues in relation to the matters identified in the materiality assessment.
- Clarity: the company is aware of the importance of presenting information in an orderly, schematic and summarised format, to ensure stakeholders find it easy to read and understand.
- Comparability: the information is presented in accordance with international standards and it compares the performance of the company in 2021 with prior years.
- Reliability: as part of Indra's commitment to the reliability of the information reported, the information has been verified externally by an independent third party.
- Timeliness: Indra has been publishing annual sustainability reports since 2003.

11.2 Double materiality assessment

[GRI 102-15] [GRI 102-21] [GRI 102-29] [GRI 102-31] [GRI 102-33] [GRI 102-34] [GRI 102-44] [GRI 102-46] [GRI 102-47] [GRI 103-1] [GRI 103-2] [GRI 103-3]

Prior to preparing this report, Indra updated its corporate materiality assessment in order to define the content that would be relevant to its stakeholders and identify non-financial aspects that would have a bearing on the sustainability and value creation of its business operations in the short, medium and long term. As well as defining the way in which this report is structured, the aspects highlighted have an impact on the company's decision-making processes. Likewise, the materiality analysis has also allowed Indra to identify its non-material aspects in line with the characteristics of its business model, and as described throughout this Report.

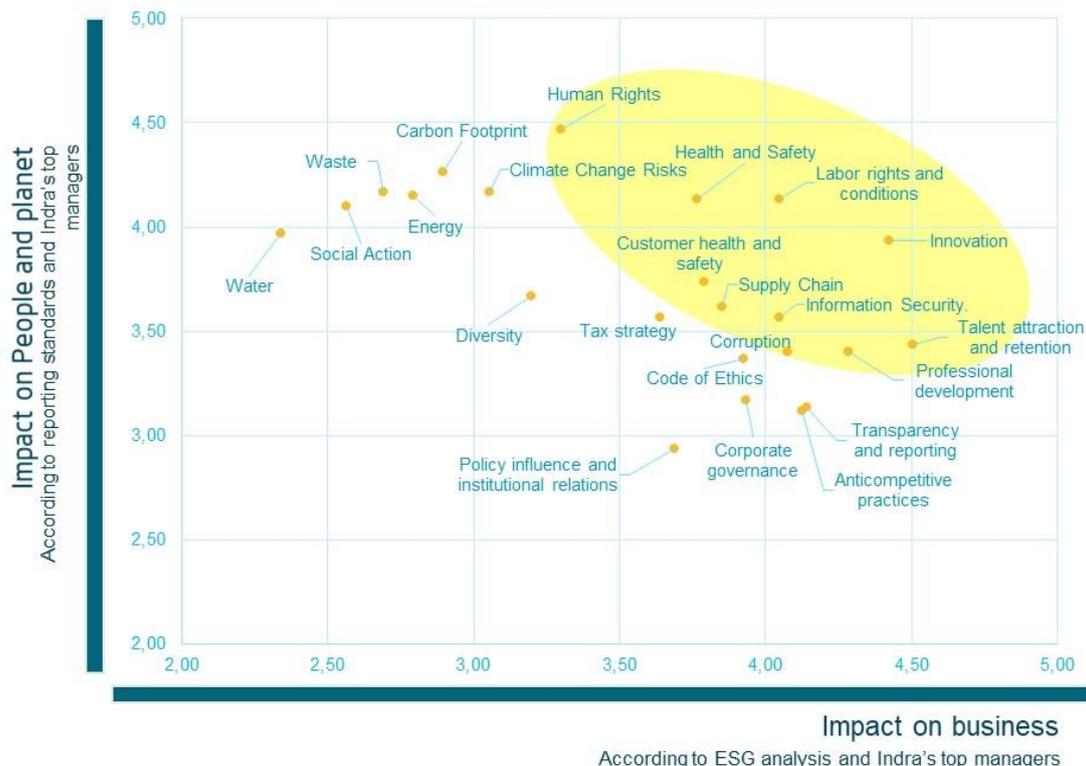
In order to prepare the double materiality assessment, Indra follows the procedure indicated below:

1. Identification of potentially important issues. This involved reference to the following information sources:
 - 2020 Indra materiality assessment.
 - Reporting rules and standards: Spanish Act 11/2018 on the reporting of non-financial information and diversity, the Global Reporting Initiative (GRI) Sustainability Reporting Standards and the Sustainability Accounting Standard Board (SASB) materiality map.
 - ESG investment analysts: ISS-Oekom, SAM, FTSE4Good, VigeoEiris and MSCI.
2. External prioritisation in accordance with ESG reporting standards and investment analysts:
 - Reporting standards: the GRI publication "Sustainability Topics for Sectors" has been used to identify those issues that are particularly important in the "Software and Services" sector, along with the issues identified by SASB as important in the "Software & IT Services" sector.
 - ESG investment analysts: the company has applied the weightings allocated to each of the assessment criteria used by each of the analysts for the sector in which Indra is classified.
3. Internal prioritisation based on consultations with managers: a survey was conducted among a representative sample of 38 managers – including corporate level, business and country-level managers – asking them their views on various aspects relating to the importance of each potentially relevant ESG item identified: the impact on their business, society and the environment.
4. The double materiality perspective: the Non-Financial Reporting Directive (NFDR) introduced a double materiality perspective in 2019 which means that companies must report on how sustainability issues affect their business and the impact that the company's operations have on society and the environment. The proposed Corporate Sustainability Reporting Directive (CSRD), currently still in its draft version, also includes the double materiality principle. The future European reporting standard for sustainability, currently being drafted by the EFRAG working group, includes the double materiality principle which is the combination of both impact-based materiality and financial materiality – a sustainability issue is material from a financial point of view if it has a financial impact and is considered to have a material impact if the company has a significant impact – real or potential – on society or the environment in the short, medium or long term.
5. Identification of indicators: finally, for each material issue Indra has identified the requirements for information and the indicators requested by the main reporting standards and ESG analysts.

The list of material issues identifies the non-financial issues linked to the company's operations that significantly affect its performance and the decisions made by its stakeholders.

As a result of its materiality assessment, Indra identified the following issues as the ten most important for the company:

Double Materiality Matrix 2021



The different sections of the report contain a description of the company's main policies and rules, the challenges faced and milestones reached during the year and the indicators and results relating to each of the material issues:

Material issue
<p>Governance</p> <p>Human rights; as a benchmark, the company acts in accordance with the international frameworks in matters of Human Rights, including the International Bill of Human Rights, the principles relating to rights set forth in the Declaration of the International Labour Organization, the principles of the United Nations Global Compact, of which Indra has been a signatory since 2004, and the UN's Guiding Principles on Business and Human Rights. Indra is committed to promoting responsibility and respect for Human Rights in all the company's actions, ensuring it does not infringe the rights of third parties and that it addresses the potential adverse impacts which may arise from its activity. For more information, see section 4.2.</p> <p>Information security and privacy; some of Indra's solutions are directed towards the management of critical infrastructure (Transport, Energy, Defence, etc.), or involve the management of key personal data (health, finance, election processes, etc.). Indra's ISO 27001 certified Information Security Management System is responsible for defining, implementing and improving highly effective controls and procedures to minimise and manage the risks in the company's internal processes, in its daily operations, in the development and execution of projects, programmes and services and in client management. For more information, see section 7.8.</p> <p>Corruption and bribery; in the normal course of its business, Indra forms relationships with a large number of stakeholders in their capacity as clients, suppliers and shareholders. With regards to these relationships, Indra rejects corruption and any illegal practice and makes a commitment to comply with the law. The company's Code of Ethics and Legal Compliance defines what is meant by corruption and bribery, including the basis of the anti-corruption policy. For more information, see section 4.1.</p>
<p>People</p> <p>Employment conditions and rights; as a technology-based service company, Indra is a staff intensive company, and safeguarding its employees' fundamental employment rights is of paramount importance to the company. Indra complies with the regulatory content of the International Labour Organization's (ILO) Collective Bargaining Agreements in relation to the freedom of association and the right to collective bargaining. It therefore interacts with workers' representatives in the company, providing them with a channel for dialogue and the adoption of agreements. For more information, see section 6.6.</p>

Recruitment and talent retention; as a technology company Indra's employees are renowned for their high level of professional expertise and STEM qualifications (Science, Technology, Engineering and Mathematics). The jobs market often experiences a shortage of people with this kind of professional profile, which means that companies can encounter problems when it comes to attracting and retaining talent. Indra therefore places great emphasis on managing culture and diversity to improve the commitment and retention of its employees. For more information, please see sections 6.2, 6.3, 6.4 and 6.5.

Employee health and safety; the risk profile of Indra's employees mainly arises from the sedentary lifestyle associated with office working, added to the potential risk associated with the stress that is traditionally attached to professional services, given the demand to comply with customer deadlines and high quality standards. Therefore, Indra goes beyond promoting a prevention culture across the company's activities, and places particular emphasis on aspects such as physical exercise, healthy eating, beneficial lifestyle habits, a good working environment and proper stress management. For more information, see section 6.5.

Professional development; the capacity to innovate, create solutions and offer customers the best service lies with the company's employees. Having the talent that makes this possible depends on both the capacity to attract the best professionals in the marketplace and the ability to fully develop their potential within the company. Indra's assessment model, Performance Experience, is an integrated and personalised model aimed at ensuring professional growth and development. Indra also offers a 360° learning environment in which each person can receive training, however and whenever they wish, using the tools provided by Open University, Indra's own corporate university. For more information, see section 6.3.

Impact

Innovation; as a company that operates in highly competitive sectors with a strong technological component, innovation is one of the core principles of Indra's business model. Innovation implies developing new skills to improve the activities related to the design, development and implementation of systems and processes. Indra's innovation activities include research, the development of new products and the continuous improvement of existing products. For more information, see section 7.5.

Health, Safety and well-being of clients and end users; Indra safeguards the health and safety of its clients and end users as it understands that it is vital to ensure the sustainability of its solutions and services. Indra guarantees the highest safety standards required by both law and industry certifications, as well as those expected by end customers. As such, it informs clients and competent authorities of the compliance of its commercial teams with all compulsory health and safety legislation. For more information, see section 7.6.

Supply chain; the supplier management process aims to secure the best suppliers via procedures designed to ensure transparency and equality of conditions for the various bidders. Indra's relationship with its supply chain is based on a commitment to independence, transparency and compliance and the creation of value over the long term. For more information, see section 7.9.

11.3 Main brands

[GRI 102-2]

In a firm commitment to specialisation, the company supplements its corporate brand with its own identifying brands in each market sector.

In the Transport and Defence markets, the company operates under the Indra brand.

It groups all its Information Technology businesses under the Minsait brand, which trades as “An Indra Company”. Minsait is known for creating high-impact solutions aimed at reinventing its customers’ businesses – following its slogan “Mark Making the way forward”. Minsait’s new sales-marketing approach provides greater clarity and simplifies its offering, bringing all its products under one single product sub-brand – Onesait.



<h3>Transport and Defence</h3> <p>World-leader in providing proprietary Solutions in specific segments in Transport and Defence markets</p>			<h3>Digital and Information Technologies</h3> <p>Leading firm in Digital Transformation and IT in Spain and Latin America, through its affiliate Minsait</p>	
<p>Defence and Security</p> <p>Envisioning a safer tomorrow</p>	<p>Air Traffic</p> <p>Creating skies together</p>	<p>Transport</p> <p>Unlocking life in motion</p>	<p>minsait An Indra company</p> <p>Mark making the way forward</p>	

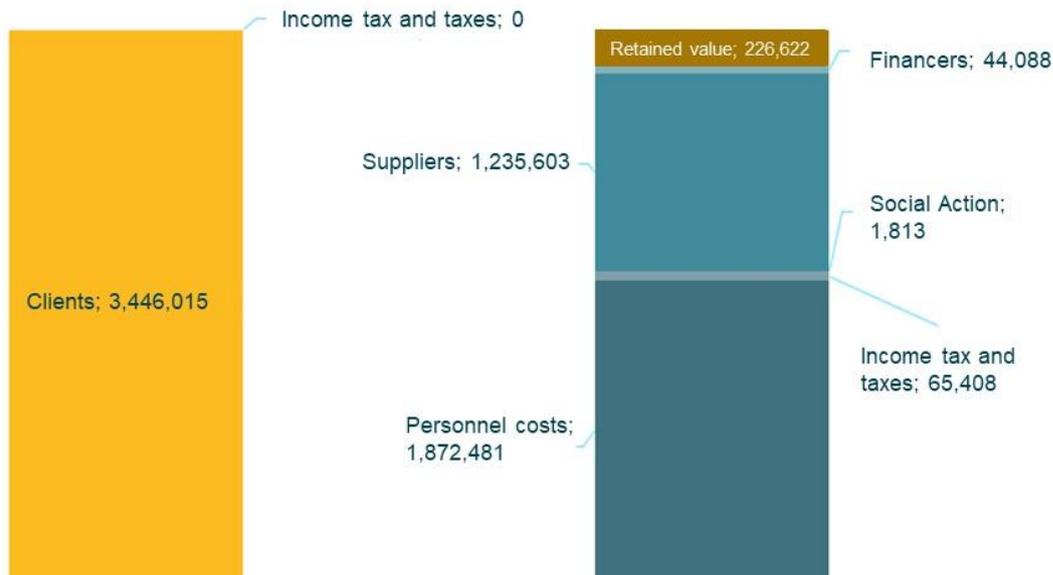
11.4 Value creation model: economic value generated, distributed and retained

[GRI 201-1] [GRI 203-1] [GRI 203-2]

The economic value generated, retained and distributed by Indra is calculated based on the GRI 201-1 disclosure. In line with GRI Standards, the information regarding the creation and distribution of economic value indicates how a company generates wealth for its stakeholders. Some components of the economic value generated and distributed also reflect the economic profile of the organisation, allowing its performance-related figures to be standardised. The components of the indicator are as follows: income, operating costs, employee salaries and benefits, payments to capital providers, payments to the Government and capital invested in the local community.

The economic value generated includes revenue and other income amounting to €3,446 million, corresponding to the 2021 financial year. Moreover, the economic value distributed amounted to €3,219.3 million in 2021 and corresponds to: staff costs; income tax and taxes; investment in social action; supplier expenses, including consumption and other supplies and other operating expenses, minus the investments in social action and taxes; financial backers which include the net financial income/(expense) and the profit/(loss) of equity-accounted companies. The economic value retained by the company results from subtracting the staff costs, income tax and taxes, social action, suppliers and borrowing costs.

Economic value generated, distributed and retained by Indra calculated based on the GRI 201-1 disclosure.



NB: figures in thousands of euros

11.5 EU Taxonomy

Revenues

Economic activities	Code(s)	Total revenues	Percentage of revenues	Substantial contribution criteria		DNSH Criteria						Minimum safeguards
				Climate Change mitigation	Climate Change adaptation	Climate Change mitigation	Climate Change adaptation	Sustainable use and protection of water and marine	Transition to circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	
		m€	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N

A. ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY

A.1. Environmentally sustainable activities (aligned)

Fabrication of other hypo carbonic technologies	3.6	7.01	7.01	-	N.A.	√	√	√	√	√	√	√
Infrastructure for the railway transport	6.14	1.28	1.28	-	N.A.	√	√	√	√	√	√	√
Infrastructure that enables hypo carbonic transport by road and public transport	6.15	2.01	2.01	-	N.A.	√	√	√	√	√	√	√
Programming, consulting and other activities related to informatics	8.2	15.93	-	15.93	√	N.A.	√	√	√	√	√	√
Professional services related to energy efficiency in buildings	9.3	0.21	0.21	-	N.A.	√	√	√	√	√	√	√
Total volume of revenues of sustainable activities (A.1)		896.43	26.44	10.51	15.93							

A.2. Eligible activities but not environmentally sustainable according to the Taxonomy (not aligned)

Fabrication of other hypo carbonic technologies	3.6	4.33	4.33	-								
Infrastructure for the railway transport	6.14	0.00	0.00	-								
Infrastructure that enables hypo carbonic transport by road and public transport	6.15	0.00	0.00	-								
Programming, consulting and other activities related to informatics	8.2	56.12	-	56.12								
Technical engineering services and other activities related to the technical consulting on Climate Change adaptation	9.1	1.32	-	1.32								
Professional services related to energy efficiency in buildings	9.3	0.00	0.00	-								
Total volume of revenues of activities eligible but not sustainable (A.2)		2,093.93	61.76	4.33	57.43							
Total (A.1 + A.2)		2,990.36	88.20	14.83	73.37							

B. NOT ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY

Volume of revenues of not eligible activities	400.07	11.80										
Total (A+B)	3,390.43	100										

Capex

Economic activities	Code(s)	Total revenues	Proportion of revenues	Substantial contribution criteria		DNSH criteria						Minimum safeguards
				Climate Change mitigation	Climate Change adaptation	Climate Change mitigation	Climate Change adaptation	Sustainable use and protection of water and marine	Transition to circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	
		m€	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N

A. ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY

A.1. Environmental sustainable activities (aligned)

Fabrication of other hypo carbonic technologies	3.6		16.64	16.64	-	N.A.	√	√	√	√	√	√
Infrastructure for the railway transport	6.14		4.60	4.60	-	N.A.	√	√	√	√	√	√
Infrastructure that enables hypo carbonic transport by road and public transport	6.15		0.96	0.96	-	N.A.	√	√	√	√	√	√
Programming, consulting and other activities related to informatics	8.2		13.21	-	13.21	√	N.A.	√	√	√	√	√
Professional services related to energy efficiency in buildings	9.3		6.81	6.81	-	N.A.	√	√	√	√	√	√
Volume of capex for sustainable activities (A.1)		22.41	42.22	29.01	13.21							

A.2. Eligible activities but not environmentally sustainable according to the Taxonomy (not aligned)

Fabrication of other hypo carbonic technologies	3.6		2.92	2.92	-							
Infrastructure for the railway transport	6.14		0.00	0.00	-							
Infrastructure that enables hypo carbonic transport by road and public transport	6.15		0.00	0.00	-							
Programming, consulting and other activities related to informatics	8.2		43.17	-	43.17							
Technical engineering services and other activities related to the technical consulting on Climate Change adaptation	9.1		0.00	-	0.00							
Professional services related to energy efficiency in buildings	9.3		0.00	0.00	-							
Volume of capex for eligible but not sustainable activities (A.2)		24.46	46.09	2.92	43.17							
Total (A.1 + A.2)		46.88	88.31	31.94	56.37							

B. NOT ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY

Volume of capex for not eligible activities	6.20	11.69										
Total (A+B)	53.08	100										

Opex

Economic activities	Code(s)	Total revenues	Proportion of revenues	Substantial contribution criteria		DNSH criteria						Minimum safeguards
				Climate Change mitigation	Climate Change adaptation	Climate Change mitigation	Climate Change adaptation	Sustainable use and protection of water and marine	Transition to circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	
				%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	
		m€	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N

A. ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY

A.1. Environmentally sustainable activities (aligned)

Fabrication of other hypo carbonic technologies	3.6		6.53	6.53	-	N.A.	√	√	√	√	√	√
Infrastructure for the railway transport	6.14		1.23	1.23	-	N.A.	√	√	√	√	√	√
Infrastructure that enables hypo carbonic transport by road and public transport	6.15		1.84	1.84	-	N.A.	√	√	√	√	√	√
Programming, consulting and other activities related to informatics	8.2		14.51	-	14.51	√	N.A.	√	√	√	√	√
Professional services related to energy efficiency in buildings	9.3		0.19	0.19	-	N.A.	√	√	√	√	√	√
Volume of opex for sustainable activities (A.1)		738.95	24.30	9.79	14.51							

A.2. Eligible activities but not sustainable according to the Taxonomy (not aligned)

Fabrication of other hypo carbonic technologies	3.6		4.11	4.11	-							
Infrastructure for the railway transport	6.14		0.00	0.00	-							
Infrastructure that enables hypo carbonic transport by road and public transport	6.15		0.00	0.00	-							
Programming, consulting and other activities related to informatics	8.2		60.34	-	60.34							
Technical engineering services and other activities related to the technical consulting on Climate Change adaptation	9.1		1.26	-	1.26							
Professional services related to energy efficiency in buildings	9.3		0.00	0.00	-							
Volume of opex for activities eligible but not sustainable (A.2)		1,998.20	65.71	4.11	61.60							
Total (A.1 + A.2)		2,736.84	90.00	13.90	76.11							

B. NOT ELIGIBLE ACTIVITIES ACCORDING TO THE TAXONOMY

Volume of opex for not eligible activities		304.1	10.00									
Total (A+B)		3,040.93	100									

11.6 Table of non financial indicators

Governance

Indicators	2017	2018	2019	2020	2021
Ethics and Compliance					
Communications via the Direct Channel (n°)	217	307	407	371	396
Enquiries (n°)	-	183	270	276	293
Irregularities (n°)	-	124	137	95	103
Employees that have received training in ethics and compliance (n°) (*)	32,404	38,396	47,849	21,251	50,965
(*) Note: For more information on training on ethics and compliance, check section 4.1 of this report.					
Employees trained in ethics and compliance over the last 3 years (%)	82	88	98	89	95
Employees trained in ethics and compliance over the last 3 years (m/f) (%)	80 84	89 85	98 98	89 88	95 95
Breakdown of employees trained in Code of Ethics by category and gender (m/f) (n°)					
Senior management	-	391 85	408 90	409 90	411 84
Middle management	-	2,678 863	2,841 928	2,865 991	2,903 1,041
Technical staff	-	20,017 9,559	20,663 10,310	18,872 8,739	22,543 10,323
Support staff	-	2,101 1,473	6,510 4,435	5,143 4,130	6,031 4,773
Other categories	-	201 132	57 65	341 208	373 476
Breakdown of employees trained in Code of Ethics by geographical area (n°)					
Spain	17,673	24,281	27,235	25,968	27,677
Europe	1,244	1,514	1,945	1,959	2,989
America	11,989	9,912	15,139	12,018	16,376
Asia, Middle East and Africa	1,716	1,780	1,988	1,843	1,916
Suppliers trained in Code of Ethics (*)					
(*) Note: the figures of suppliers trained in 2020 refer to suppliers with a turnover to Indra higher than 600,000 €					
Total suppliers of Indra (n°)	-	-	-	6,716	6,338
Suppliers under the scope of application of the Code of Ethics (n°)	-	-	-	6,716	6,338
Suppliers under the scope of application of the Code of Ethics (%)	-	-	-	100	100
Suppliers that have been informed about the Code of Ethics (n°)	-	-	-	6,716	6,338
Suppliers that have been informed about the Code of Ethics (%)	-	-	-	100	100
Suppliers trained on the Code of Ethics over the last 3 years (n°)	-	-	-	274	5,684
Suppliers trained on the Code of Ethics (%) (*)	-	-	-	50	86
(*) Note: the increase in the percentage of suppliers trained in Code of Ethics is due to the fact that all the purchase orders have embedded training contents in this matter.					
Cybersecurity and data privacy (*)					
IT infrastructure covered by the ISO 27001 management system (%)	-	-	74	83	83
Cybersecurity incidents with critical impact (n°)	0	0	0	0	0
Substantiated complaints related to breaches of customer privacy and loss of customer data (n°)	0	0	0	0	0
Requests for customer information received from governments (n°)	N. D	N.D.	0	0	0
Users whose information is used for secondary purposes (%)	-	-	0	0	0
(*) Note: according to the rules established by the company in the relevant policies and the reports contained in the database of such incidents.					

Competences matrix of the Board of Directores in 2021
[GRI 102-24] [GRI 102-27]

	M. T. Murtra	C. Agüerregia	A. Cuevas	S. Irazo	E. de Leyva	I. Martín	I. Maloix	A. de Pro	C. Ruiz	M. Sebastián	A. Terol	I. Torrempocha
Competences in details												
Management experience												
First level business management (CEO, COO)	•	•			•	•	•		•	•	•	•
Senior Management in Public Administration/Civil Service	•	•	•	•					•	•		
Experience in the boards of listed companies												
Member of the Board or Commissions	•	•	•	•	•	•	•	•	•	•	•	•
Chairman of the Board / Chairman of Commission / Coordinating Director	•	•		•	•	•		•		•	•	•
Sector experience												
IT	•	•	•	•	•			•	•	•	•	•
Defensa / Aerospace / Transport		•	•			•					•	
Industrial	•	•	•		•	•			•			
Services	•	•	•	•	•	•		•		•	•	•
International experience												
Europe	•	•	•	•	•	•	•	•	•	•	•	•
Latinamerica / USA	•	•		•	•	•		•	•	•	•	•
ASOMAF			•		•	•		•		•	•	•
Functional experience												
CFO / Controller / Risk Management / Audit		•			•	•	•			•	•	•
Production / Fabrication / Operations	•	•	•		•	•		•		•	•	•
Talent management / Top management / Compensation	•	•	•		•			•	•	•	•	•
ESG / Sustainability		•	•									•
Cybersecurity	•	•						•	•			
Other												
Engineering	•			•								
Finances	•			•		•			•			

Independent
Proprietary
Executive
Other external

Planet

Indicators	2017	2018	2019	2019 (operational control)	2020 (operational control)	2021 (operational control)
Energy consumption [GRI 302-1] [GRI 302-2] [GRI 302-3] [GRI 302-4] (*)						
Note: Indra has conducted an analysis of how the GHG Protocol operational control criteria apply to each of its emissions sources, including energy consumption and leakage of fluorinated refrigerant gases. This may influence the development of energy consumption data between 2019 and 2020. In 2021, an improvement has been made in the selection of conversion factors used for diesel data expressed in MWh, natural gas data expressed in m3 and energy data in MWh for the years 2019 and 2020.						
Gasoil C (litre)	426,498	24,659	24,426	57,939	47,988	40,639
Gasoil C (MWh)	4,128.5	238.7	236.4	560.9	464.5	393.4
Natural gas (m3)	388,973	437,628	344,741	276,005	209,456	244,201
Natural gas (MWh)	4,551	5,121.2	4,033.5	3,229.3	2,450.6	2,857.2
Electricity (MWh)	-	-	-	65,508.4	52,453.9	49,962.6
Electricity from renewable sources (MWh)	-	-	-	44,369.1	40,565	40,908.5
Electricity from renewable sources (%)	54	56	57	68	77	82
Energy from non-renewable sources (MWh)	-	-	-	21,139.3	11,888.9	9,054.1
Other sources of energy (MWh) (*)	151.1	8.8	5.0	1.301.1	643.7	802.3
(*) Note: in 2021, the concept "Other energy sources" is added, which includes the residual energy sources used by the company, in particular the urban heating and cooling network called "Districlima" used in the @22 center located in Barcelona.						
Indicators	2017	2018	2019	2020	2021	
Energy consumption at global level (with and without operational control) [GRI 302-1] [GRI 302-2] [GRI 302-3] [GRI 302-4]						
Total electricity consumed (MWh)	77,093.2	76,840.2	77,374.7	60,073.2	56,082.8	

Total energy consumed (MWh)	85,923.8	82,208	82,945.7	63,632.1	60,135.6
Energy efficiency for the DPC in San Fernando de Henares. In 2021, the San Fernando DPC facilities were decommissioned and sold to a third party therefore ceased to form part of the infrastructure owned by Indra.					
PUE (Power Usage Effectiveness) in data centers	1.656	1.681	1.703	1.730	-
Total energy consumed in data centers (mWh)	7,516	7,415	7,912	7,836	-
Percentage of renewable energy (%)	100	100	100	100	-
Carbon Footprint [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] [GRI 305-5] (*)					
(*) Note: during 2020, Indra made certain methodological improvements in the measurement of its Carbon Footprint that may affect comparability with previous years. Specifically, in 2019, Indra carried out a project to determine the most relevant Scope 3 categories for the company and measure those that apply to the company. As a result of this analysis, Indra identified that 81.2% of Scope 3 emissions are concentrated in three of the categories: purchase of goods and services (59.0% of total Scope 3 emissions), business travel (15.2%), and commuting (7%). As a consequence of the scope 3 emissions measurement project, and to ensure that there are no relevant duplications or omissions in the measurement of the Carbon Footprint of the company, Indra also reviewed the criteria used to classify certain energy consumption sources as scope 1 or scope 2 emissions. In particular, Indra has reviewed the distinction between those centers in which it has operational control and whose emissions should therefore be considered as scope 1 or 2 against those where the company has no operational control and whose emissions should be included in the relevant scope 3 category. In addition, in accordance with the GHG Protocol methodology, Indra improved the measurement of its scope 1 emissions to include the fluorinated gases (HCFs) associated with its refrigeration equipment. To ensure comparability of data, below is the 4-year history with the old methodology and the new improved one. In 2021, Indra, following the indications of the UNE EN ISO 14064-1 Standard, has reclassified the emissions derived from the "Districlima" source as scope 2, as it is a source of heat originated by steam. This reclassification only represents a variation of 7.46 tonCO ₂ e. In addition, the classification of vehicles with operational control assigned to work centers has also been improved. This reclassification only represents an upward variation of less than 1% in scope 1 emissions in 2021.					
Previous methodology (in force until 2019)					
Scope 1: direct CO ₂ emissions (tonCO ₂ e)	1,957	949	828	N.A.	N.A.
Scope 2 indirect CO ₂ emissions per electricity consumed (tonCO ₂ e)	10,160	9,555	9,169	N.A.	N.A.
Scope 3: indirect CO ₂ emissions from company transportation by third party vehicles (tonCO ₂ e)	17,957	24,110	24,759	N.A.	N.A.
Scope 1 intensity (tonCO ₂ e/average staff in certified centres)	0.075	0.039	0.033	N.A.	N.A.
Scope 2 intensity (tonCO ₂ e/average staff in certified centres)	0.254	0.230	0.194	N.A.	N.A.
Intensity (scope 1 intensity + scope 2 intensity)	0.329	0.269	0.227	N.A.	N.A.
New methodology (since 2019) (*)					
Scope 1: direct CO ₂ emissions (tonCO ₂ e)	N.A.	N.A.	2,733	1,764	1,759
Scope 2 (<i>market-based</i>) indirect CO ₂ emissions per electricity consumed (tonCO ₂ e)	N.A.	N.A.	6,198	2,923	1,897
Scope 2 (<i>location-based</i>) indirect CO ₂ emissions per electricity consumed (tonCO ₂ e)	N.A.	N.A.	19,075	11,161	8,211
(*) Note: in 2021, as an improvement in the reporting of Scope 2 emissions data for the years 2019-2021 the company has included in the list of indicators reported the specification of the market-based Scope 2 data - calculated taking into account the percentage of energy from renewable sources consumed in Spain and Italy - and the location-based Scope 2 data - calculated using the emission factors of the energy mix of each geography published by the International Energy Agency (IEA).					
Scope 3: all categories	N.A.	N.A.	507,063	375,417	335,583
Relevant categories for scope 3: purchase of goods and services, business travel and <i>commuting</i>	N.A.	N.A.	411,936	291,531	267,333
Scope 1 intensity (tonCO ₂ e/average staff) (*)	N.A.	N.A.	0.058	0.036	0.035
Scope 2 intensity (<i>market-based</i>) (tonCO ₂ e/average staff) (*)	N.A.	N.A.	0.131	0.060	0.038

Intensity (scope 1 intensity + scope 2 intensity)	N.A.	N.A.	0.188	0.096	0.073
(*) Note: in 2021 average staff accounts for 50.538 employees.					
Water consumption and waste generation (*) [GRI 301-1] [GRI 301-2] [GRI 301-3] [GRI 303-1] [GRI 303-2] [GRI 303-3] [GRI 306-1] [GRI 306-2] (*)					
(*) The scope of the information related to water and waste between 2017 and 2019 corresponds to those centers that were under the scope of the global Environmental Management System certified according to ISO 14001. Specifically, in 2019, the data reported accounted for 40 ISO 14001 certified centers, distributed in Spain (27), Colombia (6), Peru (3), Portugal (2), Brazil (1) and Italy (1). These centers included the most relevant ones in terms of water consumption and generation of waste and its occupants represented 53% of Indra's average workforce. Since 2020, the scope of the information reported covers 100% of Indra's workforce. The information on recovered waste refers to Spain, which represents 89% of Indra's total waste.					
Drinking water from <i>utilities</i> (m3)	153,346	144,383	139,008	78,742	93,048
Well water (m3)	10,944	7,073	5,693	5,233	5,867
Water discharges (m3)	-	-	-	0	0
Hazardous waste (Kg) (*)	131,624	104,755	102,860	96,655	58,946
Electronic waste (WEEE) (Kg)	-	-	-	57,524	38,160
Fluorescent (Kg)	-	-	-	7,636	1,821
Other (Kg) (**)	-	-	-	31,495	18,965
(*) Note: an improvement has been made to the 2020 waste data to i) include only the waste generated by Indra in one of the logistics centers used by the company in Spain, which had been erroneously accounted for in its entirety, and ii) correct the hazardous waste data provided by one of the cleaning service providers in Spain.					
(**) Note: the "Other" waste category includes lead batteries, paint, coolant, absorbents and filtration materials, contaminated metal waste, laboratory chemicals, packaging with traces of hazardous substances and toner, among others. The decrease for hazardous waste between 2020 and 2021 is due to the following causes: i) donation of WEEE not considered waste (7t) and less activity in the working centers (14t). In addition, a double counting of waste (6t) has been corrected in 2020; ii) fluorescents, energy efficiency measures were implemented in 2020 (replacement of fluorescents - 6t) not implemented in 2021; iii) others, an improvement has been made in the classification criteria for hazardous waste in 2020 (aqueous sludge - 20t).					
Non-hazardous waste (Kg)	1,330,681	2,228,031	2,048,812	793,910	560,976
Paper (Kg)	-	-	-	167,077	127,299
Plastic (Kg)	-	-	-	68,781	53,382
Organic (Kg)	-	-	-	282,063	223,333
Other (Kg)	-	-	-	275,989	156,961
Total waste (Kg)	1,462,305	2,332,786	2,151,672	890,566	619,922
Total waste recovered (%) (*)	-	-	-	66.7	58.5
(*) Note: in 2021 an improvement in the calculation of the percentage of waste recovered compared to 2020 has been implemented using the information provided by waste managers. The percentage of recovery in 2021 is lower mainly due to the low recovery rate of organic waste, which in 2021 accounts for 34% of waste compared to 27% in 2020.					
Hazardous waste recycled/recovered (%) (*)	-	-	-	61	70
(*) Note: the scope of the data is the production centers located in Spain					
Hazardous and non-hazardous waste recovery/disposal operations (*)					
(*) Note: the scope of the data is Spain, which Accounts for 89% of the waste generated by the group.					
Waste recycled/reused (Kg)	-	-	-	-	324,247
Discarded waste (Kg)	-	-	-	-	77
Waste sent to landfill (Kg)	-	-	-	-	426
Incinerated waste (with or without recovery) (Kg)	-	-	-	-	0
Wastes disposed of in other ways, please specify (Kg)	-	-	-	-	0
Wastes with unknown disposal method (Kg)	-	-	-	-	229,913
Occupants in environmentally certified centers (%) (*)	65	59	53	67	73
(*) Note: due to the acceleration of the implementation of remote work and the new model for the use of workstations at work centers by professionals in "shared mode", the indicator from 2021 onwards is calculated considering professionals who are attached to ISO 14001 certified centers. Until 2020, the calculation was made considering professionals occupying permanent positions at the work centers.					

People

Indicators	2017	2018	2019	2020	2021
Professionals					
Total Indra workforce (n°)	40,020	43,707	50,349	49,027	52,083
Smartpaper, Smartest and Baltik workforce (n°)	N.A.	N.A.	N.A.	N.A.	N.A.
Subcontracted workers (n°)	1,947	3,210	2,928	3,216	4,903
Workforce distribution by country (m/f) (n°)					
Spain	-	17,747 8,875	18,669 9,342	18,413 9,063	19,181 9,232
Europe					
Germany	-	-	-	69 26	84 30
Belgium	-	-	-	1 8	5 2
Bulgaria	-	-	-	0 4	2 0
Slovakia	-	-	-	63 16	56 18
Italy	-	-	-	1,081 991	1,176 981
Latvia	-	-	-	41 105	29 115
Moldavia	-	-	-	17 4	20 5
Norway	-	-	-	180 62	172 59
Netherlands	-	-	-	-	3 0
Poland	-	-	-	2 0	2 0
Portugal	-	-	-	378 165	421 193
United Kingdom	-	-	-	44 10	30 9
Check Republic	-	-	-	24 11	23 10
Romania	-	-	-	47 32	48 29
America					
Argentina	-	-	-	301 126	271 107
Bolivia	-	-	-	7 36	36 7
Brazil	-	-	-	3,422 7,884	4,560 3,448
Chile	-	-	-	497 133	535 137
Colombia	-	-	-	1,935 1,216	2,457 1,482
Costa Rica	-	-	-	5 1	5 0
Ecuador	-	-	-	19 7	57 32
El Salvador	-	-	-	3 0	3 0
United States	-	-	-	32 158	104 30
Guatemala	-	-	-	0 1	1 0
Mexico	-	-	-	1,296 514	1,930 789
Panama	-	-	-	59 33	58 29
Peru	-	-	-	1,294 370	1,398 468
Dominican Republic	-	-	-	60 17	60 15
Uruguay	-	-	-	74 55	64 57
Asia, Middle East and Africa					
Saudi Arabia	-	-	-	55 5	60 5
Algeria	-	-	-	16 7	27 8
Australia	-	-	-	80 10	76 10
Bahrein	-	-	-	34 11	35 10
China	-	-	-	18 13	18 10
United Arab Emirates	-	-	-	17 11	25 9
Philippines	-	-	-	1,127 470	1,075 454
India	-	-	-	27 0	23 0
Indonesia	-	-	-	3 5	3 5
Kazakhstan	-	-	-	2 2	0 2
Kenia	-	-	-	40 29	38 29
Malaysia	-	-	-	25 12	16 10
Morocco	-	-	-	15 1	15 1
Oman	-	-	-	23 2	23 2
Thailand	-	-	-	1 1	1 1
Turkey	-	-	-	9 5	9 5
Mozambique	-	-	-	3 0	2 0
Vietnam	-	-	-	-	0 1
Breakdown of workforce by country and gender (m/f) (n°)					
Spain	-	17,747 8,875	18,669 9,342	18,413 9,063	19,181 9,232
Europe	-	1,479 594	1,415 623	1,957 1,423	2,071 1,451

Indicators	2017	2018	2019	2020	2021
America	-	8,710 4,361	10,459 6,411	10,161 5,933	11,539 6,601
Asia, Middle East and Africa	-	1,356 585	1,489 596	1,493 584	1,446 562
Breakdown of workforce by category and gender (m/f) (nº) (*)					
Senior management	-	419 80	424 93	441 94	438 95
Middle management	-	2,778 907	2,887 949	2,937 1,027	2,942 1,077
Technical staff	-	22,658 10,888	24,680 12,033	21,675 10,227	23,711 10,844
Support staff	-	2,826 2,191	3,945 3,773	6,160 5,087	6,576 5,132
Other categories	-	611 349	96 124	811 568	570 698
(*) Note: from these indicators onwards, the scope of employee data for 2021 covers 99% of the Group's employees (companies integrated in SAP systems, Afterbanks, Paradigma and Flat101), except where a different scope is expressly indicated. For scope limitations for previous years, please refer to the corresponding reports.					
Women in income-generating positions (%) (*)					
(*) Note: scope 97%					
Women in income-generating positions (%)	-	-	-	23	23
Women on STEM positions (%) (*)					
(*) Note: scope 97%					
Women on STEM positions (%)	-	-	-	33	33
Breakdown of workforce by age range (m/f) (%)					
> 50 years	8.61 3.93	8.72 4.19	8.46 4.24	9.50 4.73	9.63 5
between 30 and 50 years	43.16 22.74	41.84 21.40	38.84 21.06	40.83 21.52	38.45 21.09
< 30 years	14.61 6.94	16.45 7.40	18.06 9.33	17.09 8.32	17.79 8.05
Types of employment contract (m/f) (%)					
Employees with a permanent contract by category					
Senior management	-	1.1 0.2	98.58 100	98.86 100	98.82 100
Middle management	-	7.2 2.3	99 98.95	99.18 98.92	99.04 98.96
Technical staff	-	52.9 25.7	91.82 91.32	91.99 93.36	90.91 93.60
Support staff	-	4.5 5.2	74.6 95.04	82.02 92.86	80.67 92.78
Other categories	-	0.5 0.4	91.67 96.77	94.12 98.16	91.49 95.26
Employees with a permanent contract by age range					
> 50 years	-	9.4 4.5	96.87 97.01	96.6 97.71	96.57 97.83
between 30 and 50 years	-	43.7 22.4	93.36 93.38	92.94 94.36	92.65 94.57
< 30 years	-	13 6.9	81.13 89.04	82.73 89.96	79.75 89.14
Employees with a permanent contract by geographical area					
Spain	-	-	93.04 92.38	96.11 95.5	93.97 95.99
Europe	-	-	89.82 89.25	93.03 94	95.32 97.45
America	-	-	87.91 94.03	83.84 92.11	84.12 90.86
Asia, Middle East and Africa	-	-	76.16 85.91	71.6 83.22	70.89 82.38
Full-time employees by category					
Senior management	-	1.1 0.2	100 100	100 100	100 100
Middle management	-	7.2 2.1	98.75 90.41	99.08 91.67	99.28 93.01
Technical staff	-	57 22.6	96.83 81.94	97.84 85.69	98.24 87.45
Support staff	-	6.2 2.6	73.71 43.02	85.32 58.02	86.2 62.04
Other categories	-	0.6 0.3	71.88 62.10	75.32 72.61	99.08 99.24
Full-time employees by age range					
> 50 years	-	9.7 4.2	98.05 86.86	98.01 87.91	98.02 89.44
between 30 and 50 years	-	45.4 17.7	95.32 73.33	95.93 76.58	96.49 79.57
< 30 years	-	17.1 6.0	89.72 68.62	91.12 72.12	94.02 78.7
Full-time employees by geographical area					
Spain	-	-	97.09 79.58	97.09 79.58	97.54 81.87
Europe	-	-	98.30 92.68	98.30 92.68	98.94 92.34
America	-	-	89.95 69.17	89.95 69.17	92.56 75.38
Asia, Middle East and Africa	-	-	100 99.83	100 99.83	100 99.82
Turnover [GRI 401-1] (*)					
(*) Nota: the total turnover figure is calculated taking into account desired and undesired departures as a percentage of the average workforce. Unwanted departures are considered to be those that are motivated by the employee's voluntary decision.					
Total turnover (%)	24	25	22	21	27
Total turnover by gender (m/f) (%)				20.48 20.40	27.80 25.96
Total turnover by geographical areas (%)					
Spain	-	-	-	11.33	15.09
Europe	-	-	-	11.64	14.8
America	-	-	-	39.28	48.58
Asia, Middle East and Africa	-	-	-	14.33	30.33

Indicators	2017	2018	2019	2020	2021
Turnover by age range (m/f) (%)					
> 50 years	-	-	-	12.48 10.02	13.22 9.28
between 30 and 50 years	-	-	-	17.11 15.13	23.95 20.87
< 30 years	-	-	-	33.45 40.62	46.19 51.57
Turnover of employees with disabilities (*)					
(*) Note: scope 97%					
Turnover of employees with disabilities (%)	-	-	-	6.24	8.41
Turnover by category (%)					
Senior management	-	-	-	10.36	12
Middle management	-	-	-	8.89	10.72
Technical staff	-	-	-	17.22	24.87
Support staff	-	-	-	34.28	36.74
Other categories	-	-	-	17.54	72.71
Turnover by nationality (%) (*)					
(*) Note: scope 97%					
Local nationality	-	-	-	20.48	18.83
Other nationalities	-	-	-	19.73	8.37
Unwanted external turnover (%)	11	13	13	8	15.63
Unwanted external turnover by gender (m/f) (%) (*)				9.46 5.26	18.31 10.53
Unwanted external turnover by geographical areas (%)					
Spain	9	10	10	6.16	11.84
Europe	11	15	15	9.67	11.54
America	16	19	19	10.99	20.95
Asia, Middle East and Africa	10	17	19	11.22	26.41
Unwanted external turnover by age range (h/m) (%)					
> 50 years	2 1	2 1	4 2	2.41 0.95	4.45 2.08
between 30 and 50 years	11 6	13 8	14 8	8.31 4.36	16.74 9.61
< 30 years	26 16	30 22	25 16	16.42 10.24	30.74 18.86
Unwanted external turnover of employees with disabilities					
Unwanted external turnover of employees with disabilities (%) (*)	-	-	-	2.16	5.18
(*) Note: scope 97%					
Unwanted external turnover by categories (%)					
Senior management	-	-	-	1.82	3.37
Middle management	-	-	-	3.36	6.25
Technical staff	-	-	-	9.81	19.25
Support staff	-	-	-	5.59	9.76
Other categories	-	-	-	3.33	7.66
Unwanted external turnover by nationality (%) (*)					
(*) Note: scope 97%					
Local nationality	-	-	-	7.46	8.97
Other nationalities	-	-	-	12.56	6.55
Dismissals by category (m/f) (n°)					
Senior management	-	35 11	22 1	37 8	20 6
Middle management	-	97 28	53 18	162 44	75 23
Technical staff	-	819 378	655 342	973 438	527 248
Support staff	-	103 176	167 315	715 932	508 913
Other categories	-	75 23	9 8	14 5	33 23
Dismissals by age range (m/f) (n°)					
> 50 years	-	217 59	143 34	401 179	250 111
between 30 and 50 years	-	675 376	492 372	954 665	547 576
< 30 years	-	231 176	271 278	546 583	366 526
New recruits [GRI 401-1]					
Total new recruits (n°)	-	12,953	15,426	8,288	16,731
New recruits by gender (m/f) (%)				69.43 30.57	66.09 33.91
New recruits by age range (m/f) (%)					
> 50 years	-	3.50	2.36 1.17	4.95 1.58	2.85 1.15
between 30 and 50 years	-	43.62	27.45 16.83	34.82 14	29.02 16.33
< 30 years	-	52.88	32.12 20.06	29.9 14.76	34.22 16.44
New recruits by geographical areas (%)					
Spain	-	36.63	29.49	29.93	28.58

Indicators	2017	2018	2019	2020	2021
Europe	-	4.16	3.33	4.27	8.96
America	-	54.81	63.66	62.45	59.49
Asia, Middle East and Africa	-	4.40	3.52	3.34	2.97
New recruits of employees with disabilities	-	-	-	60	42
New recruits by nationality and gender (n°)					
Local nationality	-	-	-	5,563 2,450	10,235 5,375
Other nationalities	-	-	-	211 64	822 299
New recruits by category and gender (m/f) (n°)					
Senior management	-	-	-	29 4	20 5
Middle management	-	-	-	112 44	187 51
Technical staff	-	-	-	3,399 1,028	8,093 3,014
Support staff	-	-	-	1,398 1,039	2,316 2,071
Other categories	-	-	-	836 399	441 533
Vacancies covered with internal candidates (*)					
(*) Note: the scope of this indicator is 83%, which corresponds to Spain, Colombia, Panama, Portugal, Mexico, Brazil and Italy.					
Total vacancies covered with internal candidates (n°)	-	-	-	626	563
Vacancies covered with internal candidates by gender (%)	-	-	-	54 46	66 34
Vacancies covered with internal candidates by age range and gender (m/f) (%)					
> 50 years	-	-	-	2 1	12 8
between 30 and 50 years	-	-	-	27 19	38 17
< 30 years	-	-	-	25 26	16 09
Vacancies covered with internal candidates by geographical areas (%)					
Spain	-	-	-	16.8	67
Europe	-	-	-	0.3	2
America	-	-	-	82.9	31
Asia, Middle East and Africa	-	-	-	-	-
Vacancies covered with internal candidates with disabilities	-	-	-	0.5	-
Vacancies covered with internal candidates by nationality					
Local nationality	-	-	-	621	549
Other nationalities	-	-	-	5	14
Vacancies covered with internal candidates by category					
Senior management	-	-	-	-	-
Middle management	-	-	-	19	49
Technical staff	-	-	-	216	335
Support staff	-	-	-	379	73
Other categories	-	-	-	12	106
Average cost of contracting per FTE (*)					
(*) Note: scope 98%. The calculation is based on the budget of the recruitment department divided by the number of new recruits in 2021.					
Average cost of contracting per FTE (€)	-	-	-	385	252
Remuneration of the members of the Board of Directors (thousand euros) (m/f)					
Average remuneration for Directors (thousand euros) (m/f) (*)	132.8 105.3	134.2 101.3	133.8 104.8	117 113.4	158 122
(*)The remuneration of directors in their capacity as such is determined based on their membership of the various management bodies. It consists exclusively of a fixed allowance and is paid entirely in cash. In 2021, the greater difference in remuneration between men and women is because the calculation includes the remuneration earned by the non-executive Chairman from May 2021.					
Remuneration of the Management Committee (thousand euros) (h/m) (*) economic criterion					
Average remuneration of the Management Committee	858 502.8	812.7 1,009.1	825 994.2	743.9 704	1,165.9 1,171.2
President and CEO	3,565.4 -	2,100 -	2,262 -	2,001.7 -	- -
CEOs	-	-	-	-	2,550.6 2,550.6
Managing Directors	1,674.4 -	1,680 1,680	1,665 1,665	1,420.6 1,420.6	-
Department and Market Managers	586.9 502.8	633.1 338.3	635.2 323.3	568 345.7	992.9 481.4
(*) Note: the figure is calculated for senior management members of the Management Committee in annualized terms as the average of the sum of the fixed remuneration, the variable remuneration accrued in the reference year and the portion of the MTI (Medium-Term Incentive) allocable to each year. As regards the calculation of the MTI, one third of the provision considered in the Company's annual accounts has been included in 2021, i.e. 100% of one third of the MTI target for the period 2021-2023.					

Average workforce remuneration and other remuneration ratios									
Average workforce remuneration		-	-	26,601	26,454	25,950			
Ratio between the chairman's salary and the average salary earned by employees (*)		-	-	85.0	75.7	98.3			
(*) Note: in 2021 the figure has been calculated considering the ratio of the average salary of the two Executive Directors in their capacity as executives of the company.									
Average remuneration by category (euros) (m/f) (*)									
(*) Note: calculated considering fixed and variable salary paid. Does not include additional items such as: cash allowances, bonuses, long-term incentives, stock-based remuneration, etc.									
		2018		2019		2020		2021	
		Male	Female	Male	Female	Male	Female	Male	Female
Senior management	> 50 years	157,131	106,915	167,654	114,917	167,305	148,532	155,023	143,219
	between 30 and 50 years	147,830	129,784	157,982	146,719	147,848	120,223	143,997	123,149
Middle management	> 50 years	64,589	61,363	64,795	60,135	64,374	58,759	62,750	57,270
	between 30 and 50 years	57,150	52,600	58,786	53,980	57,146	53,077	57,100	52,841
	< 30 years	41,753	48,784	49,828	62,227	43,954	61,390	52,838	42,011
Technical staff	> 50 years	35,745	31,584	34,851	30,976	36,505	33,661	35,865	32,905
	between 30 and 50 years	27,314	24,734	26,904	24,029	27,998	26,017	27,657	25,483
	< 30 years	16,973	15,023	17,254	15,628	18,172	17,314	18,352	17,030
Support staff	> 50 years	14,425	21,493	11,969	18,878	22,735	19,208	21,528	17,987
	between 30 and 50 years	12,175	11,257	10,053	8,162	14,839	11,236	14,122	11,026
	< 30 years	11,611	5,879	10,084	4,695	10,435	5,472	10,945	5,609
Other categories	> 50 years	45,932	32,128	29,137	15,929	23,086	17,180	13,133	9,956
	between 30 and 50 years	34,215	27,060	15,813	11,611	5,996	5,811	9,705	5,518
	< 30 years	11,872	12,286	8,760	6,134	3,772	3,718	4,272	3,597

Total gender pay gap by category (%) (*)	2017	2018	2019	2020	2021
Senior management	-	10.14	7.48	5.48	7.63
Middle management	-	4.18	6.02	4.05	3.80
Technical staff	-	2.56	2.54	3.14	2.87
Support staff	-	1.30	3.97	3.12	3.55
Other categories	-	20.08	4.42	-	-
Total	3.64	2.79	3.03	3.21	3.11

(*) Note: the gender pay gap is defined as the difference in salaries for homogeneous groups of professionals. The gender pay gap has been calculated by comparing salaries between equivalent professional segments (same category, same business unit, same region/country). In other words, it represents the percentage that women earn less than men, considering similar positions and responsibilities. Professional segments in which there is not at least one female and one male employee are not included in this calculation, which represents a real workforce coverage of 90%. The calculation considers fixed and variable salaries paid. Additional items such as cash allowances, bonuses, long-term incentives, share-based remuneration, etc. are not included. For more information on indicators on remuneration broken down by gender and age, see Annex 11.6 with the "Table of non-financial indicators". Scope of data 97% of total workforce at year-end.

Gross gender pay inequality by category (%) (*)	2017	2018	2019	2020	2021
Senior management	-	21	18	17	12
Middle management	-	8	9	8	8
Technical staff	-	8	9	5	5
Support staff	-	20	32	27	26
Other categories	-	27	32	9	36

(*) Note: gross wage inequality is calculated as (average male wage-average female wage) / (average male wage), regardless of other factors that may affect an individual's remuneration, such as geographic location or the department in which he/she works

and/or job category. The calculation considers fixed and variable salaries paid. Additional items such as cash allowances, bonuses, long-term incentives, share-based remuneration, etc. are not included. For more information on indicators on remuneration broken down by gender and age, see Annex 11.6 with the "Table of non-financial indicators". Scope of data 97% of total workforce at year-end.

Gross gender pay inequality by geography and category (%) [GRI 405-2]

	2021	2021	2021	2021
	Spain	Italy	Latin America (*)	Philippines
Senior management	9	21	43	0
Middle management	5	12	11	1
Technical staff	7	15	12	-12
Support staff	9	1	19	-8
Other categories	11	0	12	0
Total	13	23	36	-21

(*) Note: Latin America includes Brazil, Colombia, Mexico and Peru.

Indicators	2017	2018	2019	2020	2021
Relationship between the standard starting salary and the local minimum wage for each country in which significant operations are carried out (%) (*) [GRI 202-1]					
(*) Note: the seven countries reported have been chosen based on the number of professionals in recent years, with those that have had the largest number of professionals being selected. Specifically, these 7 countries correspond to about 90% of the total workforce at closing year. The minimum entry salary is considered to be the average of the fixed salaries of the lower categories (technicians and support) in each country, as it is more representative than the minimum salary of a single person whose activity may not be representative of the activity carried out by the company.					
Brazil	2.06	1.86	1.88	2.20	1.78
Mexico	6.31	5.76	6.19	5.80	4.37
Colombia	1.81	1.98	1.62	1.72	1.78
Spain	1.78	1.85	1.39	1.39	1.42
Philippines	1.61	1.71	1.77	1.68	1.75
Peru	2.54	2.59	2.66	2.53	2.73
Italy (*)	N.A.	N.A.	N.A.	N.A.	N.A.
(*) Note: the local minimum wage is not defined officially					
Difference between the total annual remuneration of the organisation's highest paid person in each country where significant operations are carried out and the average remuneration of the whole workforce (not taking into account the highest paid person) (*) [GRI 102-38]					
(*) Note: calculated considering the fixed salary, variable accrued and the portion of the MTI (Mid-term Incentive) assignable to each year.					
Brazil	13.54	20.44	24.31	21.61	24.91
Mexico	24.31	27.46	25.37	24.26	31.17
Colombia	14.82	19.28	22.27	21.20	26.71
Spain	106.07	62.69	66.92	59.66	45.67
Philippines	9.80	9.65	10.94	11.85	14.11
Peru	8.52	8.86	9.13	8.98	9.77
Italy	5.89	6.40	5.09	6.02	8.80
Difference between the percentage increase of the total annual remuneration of the organisation's highest paid person in each country where significant operations are carried out with the percentage increase in the total average annual remuneration of the whole workforce (not taking into account the highest paid person) (*) [GRI 102-39]					
(*) Note: calculated considering annual fixed salary, accrued variable and the portion of the MTI (Medium Term Incentive) allocable to each year. The ratio is calculated by dividing the percentage increases (best-paid person increase/average pay increase) and in the event that both increases are negative, the result will be positive. This is the case in Peru in 2020. In Italy in 2020 the increase is due to the fact that the highest paid person is a new recruit.					
Brazil	2.48	7.87	0.55	0.26	0.60
Mexico	2.10	1.99	-1.87	-0.05	-0.62
Colombia	5.70	2.27	0.39	0.43	-4.27
Spain	-1.29	-9.36	8.53	-7.38	-6.28

Indicators	2017	2018	2019	2020	2021
Philippines	3.30	2.32	4.98	-0.80	3.42
Peru	0.75	8.02	-4.05	36.42	0.19
Italy	0.51	3.88	-19.82	24.09	-2.22
Diversity [GRI 405-1]					
Nationalities (n ^o)	105	98	101	106	105
Percentage of nationalities over total workforce					
Spanish	-	-	-	56	53
Brazilian	-	-	-	17	15.8
Colombian	-	-	-	7	7.7
Mexican	-	-	-	4	5.3
Peruvian	-	-	-	4	3.7
Philippine	-	-	-	3	3
Italian	-	-	-	3	4.4
Chilean	-	-	-	1	1.3
Portuguese	-	-	-	1	1.3
Argentina	-	-	-	1	0.8
Other nationalities with a weight in the total of less than 1%	-	-	-	4	3.6
Percentage of nationalities over the leadership and management team					
Spanish	-	-	-	77	76.5
Brazilian	-	-	-	4	3.9
Italian	-	-	-	3	3.2
Mexican	-	-	-	3	3.0
Colombian	-	-	-	2	2.1
Philippine	-	-	-	2	1.8
Portuguese	-	-	-	2	2.1
Argentina	-	-	-	1	1.1
Other nationalities with a weight in the total of less than 1%	-	-	-	6	6.2
Employees with disabilities (%) (*)	1	0.93	1.1	1.37	1.02
(*) Note: data for 2017 included Spain, 2018 and 2019 also include Brazil, in 2020, the scope is 74%, due to the incorporation of Paradigma and SmartPaper and in 2021 the scope is 89% of the total workforce.					
Contribution to local development [GRI 202-2]					
(*) Note: the scope of all the local contribution indicators is 97%					
Local employees (%)	96	90	88	97	95
Total executives from the local community (%)	92	89	89	92	89
Executives from the local community by geographic area (%)					
Spain	97	96	96	97	94
Europe	93	90	87	88	88
America	69	52	51	67	67
Asia, Middle East and Africa	50	45	33	44	36
Professionals length of service					
Average length of service	7.86	7.4	6.8	7.51	7.29
Promotion (*)					
(*) Note: the scope is 97%					
Promoted employees (%) (*)	21	23	22	24	22
Females promoted (as a % of total number of people promoted in the company)	30	28	29	27	28
(*) Nota: data on promoted employees refer to employees promoted during year x as a result of the evaluation corresponding to fiscal year x-1. The percentage indicates employees promoted over the total number of employees evaluated.					
Performance review [GRI 404-3] (*)					
(*) Nota: the data refer to the professionals who have received a communication about their evaluation in the year reported. The performance evaluation is carried out on a yearly basis; that is, in year x the data refer to the professionals who have received an evaluation of their performance for year x-1.					

Indicators	2017	2018	2019	2020	2021
Employees that participated in the performance review (m/f) (%)	79 58	80.5 64.6	71.8 54.6	87.73 76.82	84.62 72.32
Participating employees by category (m/f) (n°)					
Senior management	-	374 81	377 81	359 81	401 80
Middle management	-	2,655 887	2,748 893	2,800 927	3,048 1,079
Technical staff	-	16,611 6,878	17,784 7,534	18,985 8,741	20,765 9,176
Support staff	-	1,196 614	1,731 682	5,041 2,584	4,428 2,328
Other categories	-	358 150	- -	3 -	- 1
Employees under a multidimensional performance review system (%)	-	-	-	47	39
Employees with a comparative performance review system (%)	-	-	-	100	100
Work/life balance [GRI 401-3]					
Employees who took paternity/maternity leave (m/f) (n°)	517 436	672 510	696 465	616 341	810 318
Employees who returned to work after paternity/maternity leave (m/f) (n°)	478 395	631 453	628 406	594 312	738 286
Retention after paternity/maternity leave (%)	92	92	89	95	91
Occupational Health and Safety (*) [GRI 403-9] (*)					
(*) Nota: the scope of the Occupational Health and Safety data is 98.72% of the Group's companies, except for absenteeism, which is 95%. Accidents with and without medical leave are included, excluding in itinere.					
Occupational accidents (work accidents with and without medical leave, excluding injuries occurring during the commute to or from work) by geographical area (*)					
(*) Note: the formulas for calculating the accident rate (Incidence, Severity, Frequency and Medical Duration Index) are those contained in NTP 1: Accident rate statistics in the company of the National Institute of Occupational Safety and Hygiene of the Spanish Ministry of Labor and Social Affairs.					
Nº of accidents	132	167	167	100	115
Spain	108	129	130	70	83
Europe	0	2	4	0	1
America	23	32	31	30	30
Asia, Middle East and Africa	1	4	2	0	1
Injury frequency rate by geographical area and by gender (*)					
(*) Note: the injury frequency rate (FR) relates the number of injuries to the total number of hours worked by the group of workers at risk. $FR = (\text{No. injuries} / \text{No. hours worked}) * 1,000 \text{ hours worked}$					
Spain (m/f)	-	2.04 0.99	2.08 0.83	1.00 0.46	1.50 0.25
Europe (m/f)	-	0.40 0.40	0.59 0.59	0.00 0.00	0.17 0.00
America (m/f)	-	1.05 0.55	0.74 0.30	0.81 0.16	0.65 0.13
Asia, Middle East and Africa (m/f)	-	16.68 0.00	4.79 0.00	0.00 0.00	0.28 0.00
Incidence rate by geographical area (*)					
(*) Note: the incident rate (IR) relates the number of injuries to the average number of workers at risk. $IR = (\text{No. injuries} / \text{Number of workers}) * 1,000 \text{ workers}$					
Spain	4.31	5.08	3.44 1.37	1.70 0.78	2.55 0.43
Europe	3.46	1.53	1.11 1.11	0.00 0.00	0.32 0.00
America	1.97	3.18	1.47 0.60	1.63 0.33	1.46 0.29
Asia, Middle East and Africa	0	30.95	9.80 0.00	0.00 0.00	0.53 0.00
Severity rate by geographical area and by gender (*)					
(*) Note: the severity rate (SR) relates the time not worked because of workplace accidents, to the time worked by workers at risk. $SR = (\text{No. of days lost} / \text{number of hours worked}) * 1,000 \text{ hours worked}$.					
Spain (m/f)	-	0.02 0.01	0.01 0.01	0.01 0.00	0.02 0.00
Europe (m/f)	-	0.00 0.00	0.01 0.00	0.00 0.00	0.01 0.00
America (m/f)	-	0.02 0.01	0.01 0.00	0.00 0.00	0.01 0.00
Asia, Middle East and Africa (m/f)	-	0.03 0.00	0.01 0.00	0.00 0.00	0.00 0.00
Average duration in number of days of sick leave by geographical area (*)					
(*) Note: the average duration (AD) indicates the average number of sick days due to injuries caused by workplace accidents. $AD = \text{N}^\circ \text{ of work days lost} / \text{N}^\circ \text{ of injuries}$					
Spain (m/f)	4.15	8.98	6.67	8.25 (5.66 2.59)	11.25 (9.62 1.63)
Europe (m/f)	0	7.06	2.48	0.00 (0.00 0.00)	32.96 (32.96 0.00)

Indicators	2017	2018	2019	2020	2021
America (m/f)	10.43	20.11	3.40	4.97 (4.14 0.83)	15.91 (13.26 2.65)
Asia, Middle East and Africa (m/f)	2.73	2.08	0.25	0.00 (0.00 0.00)	0.25 (0.25 0.00)
Accidents resulting in fatalities (n°) (m/f)	0	0	0	0 (0 0)	0 (0 0)
Number of hours of absenteeism (*)	-	2,872,339	3,230,775	3,010,018	2,977,938
(*) Note: scope 95%. Absenteeism hours are considered to be those that have been allocated by employees in Indra's working time management system to the concept of "Absence", which corresponds to the set of hours of employee absence corresponding to, among others, leaves of absence, medical leave, medical visits, maternity and paternity leave, among others, not including vacations and personal days.					
Absenteeism by geographical areas (%) (*)					
(*) Note: the following percentages refer to the number of hours of absenteeism with respect to own and direct hours, not including vacations and hours of free time established by the collective labour agreement for all professionals.					
Spain	-	5.0	5.2	5.08	4.55
Europe	-	4.9	4.3	3.56	4.40
America	-	2.9	3.5	2.30	1.84
Asia, Middle East and Africa	-	1.6	1.6	1.18	1.13
Collective bargaining					
Employees covered by a collective agreement (%) Employees with access to instruments to safeguard their rights on a collective basis (%) (*)	-	-	81	78 97	77 99
(*) Note: the scopes of the reported data in 2019, 2020 and 2021 are 96%, 98% and 99.7% of the total workforce at closing year.					
Germany	-	-	-	100 100	100 100
Saudi Arabia	-	-	-	0 0	0 0
Algeria	-	-	-	100 100	100 100
Argentina	-	-	90	89 89	89 89
Australia	-	-	-	72 100	55 100
Bahrein	-	-	-	0 0	0 0
Belgium	-	-	-	100 100	100 100
Bolivia	-	-	-	-	0 100
Bulgaria	-	-	-	100 100	100 100
Brazil	-	98	99	98 100	98 100
Chile	-	-	48	56 100	32 100
Colombia	-	0	0	0 100	0 100
Costa Rica	-	-	-	0 0	0 100
Ecuador	-	-	-	-	0 100
El Salvador	-	-	-	0 0	0 100
United Arab Emirates	-	-	-	0 0	0 0
Spain	100	100 (*)	100 (*)	100 100 (*)	100 100 (*)
(*) Note: excluding the two executive directors, who maintain a commercial relationship with the company. Additionally, two executives have an employment relationship with the company under Royal Decree 1382/1985 of August 1, 1985, which regulates the special employment relationship of senior management personnel.					
Slovakia	-	-	-	0 100	0 100
USA	-	-	0	0 100	0 100
Philippines	-	0	0	0 100	0 100
Guatemala	-	-	-	0 0	0 100
Italy	-	98	100	100 100	100 100
Kenia	-	-	-	0 100	0 100
Latvia	-	-	-	-	0 0
Mexico	-	0	0	0 100	0 100
Moldavia	-	-	-	0 100	0 100
Norway	-	-	100	100 100	100 100
Panama	-	-	0	0 0	0 100
Peru	-	0	0	0 100	0 100
Portugal	-	-	100	100 100	92 100
United Kingdom	-	-	-	100 100	100 100

Indicators	2017	2018	2019	2020	2021
Check Republic	-	-	-	0 100	0 100
Dominican Republic	-	-	0	0 100	0 100
Romania	-	-	-	100 100	100 100
Uruguay	-	-	0	0 100	0 100
Professionals engagement					
(*) Note: in 2020, Indra improved the methodology used to measure employee engagement. The improvement consisted of broadening the scope of the measurement to cover a representative sample of the entire company through three separate surveys that include specific questions to assess the level of engagement. The three surveys capture a representative sample from all units and geographies of the company. Each of the three surveys has its own methodologies, questionnaires and scales, but in all cases they include questions aimed at measuring the level of engagement. To calculate the overall result, the scales of the different questionnaires have been harmonised, including employees with a high and very high level of engagement in the index. Until 2019 the scale of the survey was 0-500. From 2020 onwards the scale is from 0% to 100%. The results include a breakdown by the top 5 nationalities of Indra's workforce, which account for 88% of the workforce. The data for 2020 and 2021 are the same as the survey conducted in 2021 is for the year 2020.					
Global engagement (0-100)	-	258	271	75.5	75.5
Scope of the survey (%)	-	2	13	100	100
Engagement by gender					
Women	-	251	266	75.8	75.8
Men	-	260	272	75.3	75.3
Engagement by nationality					
Brazilian	-	285	302	91 91	91 91
Colombian	-	251	266	100 94.4	100 94.4
Spanish	-	260	259	64.9 65.2	64.9 65.2
Mexican	-	250	277	94.4 94.4	94.4 94.4
Peruvian	-	292	276	100 80	100 80
Engagement by age group					
> 50 years	-	-	-	73.6	73.6
between 30 and 50 years	-	-	-	68.9	68.9
< 30 years	-	-	-	69.8	69.8
Engagement by category					
Senior management	-	285	302	78.3	78.3
Middle management	-	251	266	68.5	68.5
Technical staff	-	260	259	68.7	68.7
Junior staff	-	-	-	71.4	71.4
Support staff	-	250	277	73.2	73.2
Other categories	-	292	276	100	100

Indicators	2017	2018	2019	2020	2021
Training and knowledge (*) [GRI 404-1]					
(*) Note: training data has been calculated considering that if the student exceeds 75% of the attendance hours, 100% of the hours are counted. The average workforce has been used to calculate the breakdowns.					
Participating professionals	25,341	41,425	49,836	41,712	54,605
Online training hours	421,160	433,856	456,196	550,131	587,768
Total hours of training including online	803,262	736,551	862,518	820,623	1,002,100
Compulsory training	-	-	-	169,469	324,152
Non-compulsory training	-	-	-	651,154	677,948
Total training hours by gender					
Male	-	-	-	576,998	738,630
Female	-	-	-	243,634	263,470
Total training hours by category					
Senior management	-	-	-	5,180	5,755
Middle management	-	-	-	70,962	97,600
Technical staff	-	-	-	603,351	726,218
Support staff	-	-	-	139,610	170,040

Indicators	2017	2018	2019	2020	2021
Other categories	-	-	-	1,520	2,487
Total training hours by age range					
> 50 years	-	-	-	120,058	134,447
between 30 and 50 years	-	-	-	490,343	545,282
< 30 years	-	-	-	210,222	322,371
Total training hours by geographic area					
Spain	-	-	-	649,057	817,008
Europe	-	-	-	30,784	35,527
America	-	-	-	123,912	133,432
Asia, Middle East and Africa	-	-	-	16,869	16,133
Average training hours by professional	20	18	18	17	20
Compulsory training	-	-	-	3	6
Non-compulsory training	-	-	-	13	14
Average training hours by gender					
Male	21	19	20	18	22
Female	18	16	15	15	15
Average training hours by category					
Senior management	-	10	9	9	10
Middle management	-	23	18	17	24
Technical staff	-	17	17	19	22
Support staff	-	23	26	12	15
Other categories	-	9	4	1	2
Average training hours by age range					
> 50 years	-	-	-	17	18
between 30 and 50 years	-	-	-	17	18
< 30 years	-	-	-	18	27
Average training hours by geographic area					
Spain	-	-	-	23	29
Europe	-	-	-	13	10
America	-	-	-	8	8
Asia, Middle East and Africa	-	-	-	8	8
Training expenditure					
Total training expenditure (euros)	-	-	-	5,955,000	6,794,939
Average training expenditure by professional (euros)	-	-	-	122	134
Training expenditure on compulsory training (euros)	-	-	-	9,415	18,446
Training expenditure on non-compulsory training (euros)	-	-	-	5,945,585	6,776,493
Total training expenditure by professional by gender (euros)					
Male	-	-	-	4,152,061	5,217,773
Female	-	-	-	1,802,939	1,577,166
Total training expenditure by professional by category (euros)					
Senior management	-	-	-	314,421	159,747
Middle management	-	-	-	1,271,683	1,304,833
Technical staff	-	-	-	4,040,257	4,566,698
Support staff	-	-	-	327,639	763,661
Other categories	-	-	-	1,000	-
Total training expenditure by professional by age range (euros)					
> 50 years	-	-	-	1,118,000	894,755
between 30 and 50 years	-	-	-	3,600,812	3,492,549
< 30 years	-	-	-	1,236,188	2,407,635
Total training expenditure by professional by geographic area (euros)					

Indicators	2017	2018	2019	2020	2021
Spain	-	-	-	5,709,012	5.966,781
Europe	-	-	-	38,999	447,769
America	-	-	-	180,271	130,521
Asia, Middle East and Africa	-	-	-	26,718	249,867
Average training expenditure by professional by gender (euros)					
Male	-	-	-	129	158
Female	-	-	-	110	90
Average training expenditure by professional by category (euros)					
Senior management	-	-	-	569	289
Middle management	-	-	-	310	320
Technical staff	-	-	-	129	138
Support staff	-	-	-	29	66
Other categories	-	-	-	1	0
Average training expenditure by professional by age range (euros)					
> 50 years	-	-	-	160	118
between 30 and 50 years	-	-	-	124	117
< 30 years	-	-	-	106	205
Average training expenditure by professional by geographic region (euros)					
Spain	-	-	-	202	214
Europe	-	-	-	17	131
America	-	-	-	11	8
Asia, Middle East and Africa	-	-	-	13	122
Employee satisfaction with training (scale 0-5)	-	-	4	3.3	4.36

Technology offer with impact

Indicators	2017	2018	2019	2020	2021
Clients					
Client profile					
Client satisfaction and loyalty (1-100)	-	-	79	80	86
Innovation					
R&D (thousand euros)	202	210	225	265	293
R&D over revenues (%)	7	7	7	8.7	8.6
Suppliers [GRI 204-1] [GRI 308-1] [GRI 308-2]					
Volume of orders in million euros	1,085	1,406	1,281	1,195	1,133
Approved suppliers (n°)	6,661	7,347	7,314	6,716	6,338
Local suppliers (%)	81	78	82	80	80
SME type suppliers in Spain (%) (*)	-	-	-	78	79
(*) Note: a local supplier is a supplier whose registered office, according to its tax identification number, is located in the same country in which the company makes the purchase.					
Supplier distribution by geographical areas (%)					
Spain	45	41	51	41	41
Europe	17	18	11	18	18
America	30	31	28	30	30
Asia, Middle East and Africa	8	10	10	11	11
Purchase volume by geographical areas (%)					
Spain	-	-	73	60	75
Europe	-	-	6	20	9
America	-	-	17	12	11
Asia, Middle East and Africa	-	-	4	8	5
Purchase volume by type of product or service (%)					

Indicators	2017	2018	2019	2020	2021
Professional services	-	-	32	36	31
Production outsourcing	-	-	8	20	17
Material and equipment	-	-	26	25	27
Other services	-	-	34	19	25
Purchases from local suppliers (%)	81	78	82	80	80
New suppliers that have been certified under environmental and social criteria (%)	40	44	56	65	91
Suppliers evaluated annually according to environmental and social criteria (%)	-	-	-	52.5	72

Society

Indicators	2017	2018	2019	2020	2021
Economic contribution to the Community (euros)					
Investment in Social Action	1,502,916	1,057,701	297,060	504,173	1,812,903
Investment linked to comply with the General Law on the Rights of Persons with Disabilities and their Social Inclusion	-	-	102,543	156,673	1,279,618
Monetary contributions to foundations, non-profit organisations and academic institutions	-	-	169,192	347,501	280,907
Probono projects and volunteering	-	-	25,326	0	0
Beneficiaries of the activities (nº) (*)	-	-	8,335	1,095,284	77,542
Direct beneficiaries (nº)	-	-	7,985	372,749	19,127
Indirect beneficiaries (nº)	-	-	350	722,535	58,415
(*) Note: total number of beneficiaries of the activities conducted by Indra volunteers and accompanying persons in volunteering activities, regardless of the degree of benefit provided.					
Type of philanthropic (%)					
Donations	-	-	28	156,026	86,107
Community investment (*)	-	-	17	132,859	1,214,218
Commercial initiatives	-	-	55	215,888	260,200
(*) Note: in 2021, Indra's investment in social action increased by 89% compared to 2020, mainly due to the application of the General Law on the Rights of Persons with Disabilities and their Social Inclusion to a larger workforce and new companies.					
Type of contribution (*)					
Monetary contribution	-	-	57	504,173	1,560,525
Volunteering	-	-	9	0	0
In kind contribution (waiver of services)	-	-	34	0	36,150
Management overhead	-	-	-	197,000	216,228
(*) Note: from 2020 onwards, data is reported in absolute values. In 2019, data is reported as a percentage of total investment in social action.					
Corporate volunteering					
Hours of volunteering	4,672	4,766	9,537	6,843	6,688
Hours of volunteering within outside of the working day (%)	-	-	18 82	39 61	25 75
Volunteers (nº)	894	616	880	1,034	2,120
Companions (nº)	167	153	298	309	756
Collaborating entities (nº)	-	-	62	107	81
Country	Accessible and social technologies	Climate Change and environment	Risk of exclusion and infancy		
Brazil			Fundraising and donation of funds for terrestrial and marine institutions related to cancer treatment, childhood, disability, the elderly and families at risk of exclusion and groups affected by Covid-19, among others.		

Chile			<p>Solidarity December: initiatives with a social impact aimed at encouraging employee participation and solidarity with the most disadvantaged groups (solidarity concert).</p> <p>Digital support through video calls between volunteers and residents of the home for the elderly, in which a number of mobile phones were also donated to carry out the activity, with advice on connectivity and networks.</p> <p>Vocational and professional orientation program for students in 3rd and 4th year of secondary school at the Liceo Bicentenario de Linares.</p> <p>Donation of computers and Wi-Fi connectivity for the SOS Children's Village in Santiago so that children and adolescents could have access to their education during the pandemic.</p>
Colombia			<p>Promotion of technological vocations in children and young people through donations of equipment, fitting out classrooms, motivational talks and skills development.</p> <p>Financing scholarships for university students.</p>
Spain	<p>6th call for the Accessible Technologies competition to support research projects with Universia Foundation.</p> <p>Ventures4inclusion: Technology-based entrepreneurship Launchpad for people with disabilities and organizations.</p>	<p>Inclusive reforestation with seed bombs by the Juan XXIII Foundation.</p> <p>Cleaning of natural spaces on land and at sea with volunteers.</p>	<p>Financing of Radia scholarships by Once Foundation to support the integration of women with disabilities in the technology sector.</p> <p>Mates solidarity marathons with a donation to the IMANCorp Foundation and JuanXXIII, which work for the social and labor insertion of people with disabilities.</p> <p>Donation of tablets to 600 students from 5 schools in the Polígono Sur area of Seville through the Educo Foundation to contribute to the fight against child suffering.</p> <p>Mentoring of young people at risk of exclusion and young university students with disabilities to guide them in their future employment through Exit Foundation (Coach Program) and Universia Foundation respectively.</p> <p>Mentoring for people with disabilities and unemployed people through Integra Foundation.</p> <p>Solidarity December: a series of initiatives to promote solidarity among professionals in support of those affected by the eruption of the volcano on La Palma and other disadvantaged groups (workshops, concert, crowdfunding, solidarity race).</p> <p>Discovering STEAM for Girls: program to promote technological vocations among the daughters of professionals aged between 7 and 12.</p> <p>Inclusive sports days through the FDI Foundation to raise awareness of the importance of the social integration of people with disabilities.</p>
Philippines			<p>On-line activities for children with special needs through La Salle University for Social Concern and Action.</p> <p>Fundraising with employees to purchase equipment and hygiene kits for participants.</p>
Italy		<p>Waste clean-up on the beach (Naples)</p> <p>Environmental protection project active in Italy that aims to reforest by planting and growing new trees to offset the CO2 emissions produced by polluting activities.</p>	<p>Technical training carried out by volunteers to improve the digital skills and employability of women at risk of exclusion.</p> <p>Solidarity race in support of the fight against cancer.</p> <p>Monthly donations via Mates acknowledgements to support disadvantaged groups.</p> <p>Solidarity December: fundraising for the food bank with the sale of panettone and solidarity market; donation of books for pediatric patients at Santobono hospital.</p>
Mexico		<p>Reforestation day with the Advanced Technologies Team</p>	<p>Donations of toys, books, school supplies and food for children from vulnerable backgrounds and people with disabilities.</p>
Peru			<p>December in solidarity: holiday toy donations and entertainment activities for hospitalized children and children from vulnerable backgrounds.</p>
Portugal		<p>Clean-up of the Monsanto Forest Park</p>	<p>Donation of computers for children from underprivileged families.</p> <p>Donation of clothes and food for vulnerable families.</p>

Stakeholder relationship

Indicators	2017	2018	2019	2020	2021
Relations with associations and foundations [GRI 415-1]					
Lobbying, lobbying, interest representation or similar organizations	0	0	0	0	0
Contributions to political campaigns, organizations or candidates	0	0	0	0	0
Industry associations or tax-exempt organizations	1,924,741	1,632,757	1,568,798	1,704,005	1,717,605
Other possible expenses associated with political influence	0	0	0	0	0
Total contribution	1,924,741	1,632,757	1,568,798	1,704,005	1,717,605

11.7 GRI table of indicators

[GRI 102-55]

GRI disclosure description and	Page / Reference	Comments / Notes
General content (GRI 102: General Content 2019)		
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102-1 Name of the organisation	4	
102-2 Activities, brands, products and services	12, 99	
102-3 Location of headquarters	14	
102-4 Location of operations	Indra's Consolidated Annual Accounts 2021, Annex I	
102-5 Ownership and legal form	82	
102-6 Markets served	12	
102-7 Scale of the organisation	11, 14	
102-8 Information on employees and other workers	45	
102-9 Supply chain	75	
102-10 Significant changes to the organisation and its supply chain	Indra's Consolidated Annual Accounts 2021, Notes 1 and 5	
102-11 Precautionary principle or approach	87	
102-12 External Initiatives	85	
102-13 Membership of associations	83	
Strategy		
102-14 Statement from senior decision-maker	5	
102-15 Key impacts, risks and opportunities	87, 96	
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102-16 Values, principles, standards and norms of behaviour	16, 80	
102-17 Mechanisms for advice and concerns about ethics	24	
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102-18 Governance structure	19	
102-19 Delegating authority	17	
102-20 Executive-level responsibility for economic,	16, 17	

environmental, and social topics		
102-21 Consulting stakeholders on economic, environmental and social topics	71, 96	
102-22 Composition of the highest governance body and its committees	19, 20	
102-23 Chair of the highest governance body	19	
102-24 Nominating and selecting the highest governance body	17, 105	
102-25 Conflicts of interest	17	
102-26 Role of highest governance body in setting purpose, values and strategy	16, 17	
102-27 Collective knowledge of the highest governance body	105	
102-28 Evaluating the highest governance body's performance	22	
102-29 Identifying and managing economic, environmental and social impacts	88, 96	
102-30 Effectiveness of risk management processes	87	
102-31 Review of economic, environmental and social topics	87, 96	
102-32 Highest governance body's role in sustainability reporting	94	
102-33 Communicating critical concerns	24, 96	
102-34 Nature and total number of critical concerns	24, 96	
102-35 Remuneration policies	18, 52	
102-36 Process for determining remuneration	18, 52	
102-37 Stakeholders' involvement in remuneration	18, 52	
102-38 Annual total compensation ratio	113	
102-39 Percentage increase in the total annual compensation	114	
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102-40 List of stakeholder groups	80	
102-41 Collective bargaining agreements	58	
102-42 Identifying and selecting stakeholders	80	
102-43 Approach to stakeholder engagement	80	
102-44 Key topics and concerns raised	80, 96	
Reporting practices		
102-45 Entities included in the consolidated financial statements	Indra's Consolidated Annual Accounts 2021, Notes 1 and 5	
102-46 Defining report content and topic Boundaries	96	
102-47 List of material topics	96	
102-48 Restatements of information	94	
102-49 Changes in reporting	94	
102-50 Reporting period	94	
102-51 Date of most recent report	94	
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102-53 Point of contact for questions regarding the report	Indra's contact web page	
102-54 Claims of reporting in accordance with GRI standards	94	
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Topic specific content		
Economic performance		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
201-1 Direct economic value generated and distributed	100	
201-2 Financial implications and other risks and opportunities due to climate change	35	
201-3 Defined benefit plan obligations and other retirement plans	Indra's Consolidated Annual Accounts 2021, Note 24	
201-4 Financial assistance received from government	Indra's Consolidated Annual Accounts 2021, Note 23	
Market Presence		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	113	
202-2 Proportion of senior management hired from the local community	114	
Indirect economic impacts		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
203-1 Infrastructure investments and services supported	78, 100	
203-2 Significant indirect economic impacts	78, 100	
Procurement practices		

103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
204-1 Proportion of spending on local suppliers	75, 119	
Anticorruption		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
205-1 Operations assessed for risks related to corruption	23, 26	
205-2 Communication and training about anticorruption policies and procedures	23, 26	
205-3 Confirmed incidents of corruption and actions taken	24	
Anti-competitive behaviour		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	27	
Tax		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
207-1 Approach to tax	96	
207-2 Tax governance, control, and risk management	31	
207-3 Stakeholder engagement and management of concerns related to tax	31	

207-4 Country-by-country reporting	32	
Materials		
103-1 Explanation of the material topic and its boundary	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-2 The management approach and its components	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-3 Evaluation of the management approach	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
301-1 Materials used by weight or volume	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
301-2 Recycled input materials used	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
301-3 Reclaimed products and their packaging materials	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
Energy		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
302-1 Energy consumption within the organisation	40, 105, 106	
302-2 Energy consumption outside of the organisation	40, 105, 106	
302-3 Energy intensity	40, 105, 106	
302-4 Reduction of energy consumption	40, 105, 106	
302-5 Reductions in energy requirements of products and services	72	
Water		
103-1 Explanation of the material topic and its boundary	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-2 The management approach and its components	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-3 Evaluation of the management approach	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
303-1 Water withdrawal by source	43, 107 Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
303-2 Water sources significantly affected by withdrawal of water	43, 107 Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis

303-3 Water recycled and reused	43, 107 Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
Biodiversity		
103-1 Explanation of the material topic and its boundary	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-2 The management approach and its components	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-3 Evaluation of the management approach	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
304-1 Operational sites owned, leased or managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
304-2 Significant impacts of activities, products and services on biodiversity	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
304-3 Habitats protected or restored	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
Emissions		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
305-1 Direct (Scope 1) GHG emissions	37, 106	
305-2 Energy indirect (Scope 2) GHG emissions	37, 106	
305-3 Other indirect (Scope 3) GHG emissions	37, 106	
305-4 GHG emissions intensity	37, 106	
305-5 Reduction of GHG emissions	37, 106	
305-6 Emissions of ozone-depleting substances (ODS)	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
305-7 Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis

Effluents and waste		
103-1 Explanation of the material topic and its boundary	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-2 The management approach and its components	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-3 Evaluation of the management approach	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
306-1 Water discharge by quality and destination	107 Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
306-2 Waste by type and disposal method	41, 107	
306-3 Significant spills	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
306-4 Transportation of hazardous waste	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
306-5 Water bodies affected by water discharges and/or runoff	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
Environmental compliance		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
307-1 Non-compliance with environmental laws and regulations	Indra's Consolidated Annual Accounts 2021, Note 41	
Supplier environmental assessment		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
308-1 New suppliers that were screened using environmental criteria	76, 119	
308-2 Negative environmental impacts in the supply chain and actions taken	76, 119	
Labour		
103-1 Explanation of the material topic and its boundary	96	

103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
401-1 New employee hires and employee turnover	48, 110, 111	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	There are no significant differences in the benefits received by professionals depending on the type of contract	
401-3 Parental leave	53, 56, 115	
Labour/management relations		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
402-1 Minimum notice periods regarding operational changes	58	
Occupational Health and Safety		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
403-1 Workers representation in formal management-worker health and safety committees	54	
403-2 Types of injury, occupational diseases, lost days, and absenteeism and number of work-related fatalities	54	
403-3 Workers with high incidence or high risk of diseases related to their occupation	54	
403-4 Health and safety topics covered in formal agreements with trade unions	54	
403-5 Worker training on occupational health and safety	57	

403-6 Promotion of worker health	56, 57	
403-7 Prevention and mitigation of occupational health and safety impacts	54	
directly linked by business relationships	54	
403-8 Workers covered by an occupational health and safety management system	54, 115	
403-9 Work-related injuries	54, 115	

Training and education		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
404-1 Average hours of training per year per employee	50, 117	
404-2 Programmes for upgrading employee skills and transition assistance programmes	49	
404-3 Percentage of employees receiving regular performance and career development reviews	49, 115	
Diversity and equal opportunities		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
405-1 Diversity of governance bodies and employees	19, 45, 114	
405-2 Ratio of basic salary and remuneration of women to men	113	
Non-discrimination		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
406-1 Incidents of discrimination and corrective actions taken	24	
Freedom of association and collective bargaining		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	

103-3 Evaluation of the management approach	96	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	58, 76	The policy on this aspect is reported
Child labour		
103-1 Explanation of the material topic and its boundary	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-2 The management approach and its components	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
103-3 Evaluation of the management approach	Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
408-1 Operations and suppliers at significant risk for incidents of child labor	28, 76 Not material according to Indra's Materiality Analysis	Not material according to Indra's Materiality Analysis
Forced or compulsory labour		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	28, 76	The policy on this aspect is reported
Security practices		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
410-1 Security personnel trained in Human Rights policies or procedures	28 Indra has subcontracted a security company. The security personnel of this company working for Indra in Spain, Mexico, Brazil and Colombia have received human rights training.	
Rights of indigenous people		
103-1 Explanation of the material topic and its boundary	96	

103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
411-1 Incidents of violations involving rights of indigenous peoples	24 In this respect, no significant cases have been detected.	The total number of complaints received for any reason through the Group's whistleblowing channels is reported.
Human Rights Assessment		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
412-1 Operations that have been subject to Human Rights reviews or impact assessments	28, 76	The policy on this aspect is reported
412-2 Employee training on human rights policies or procedures	28, 50	The number of employees trained is reported
412-3 Significant investment agreements and contracts with Human Rights clauses or that underwent Human Rights screening	28	The policy on this aspect is reported
Local communities		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
413-1 Operations with local community engagement, impact assessments and development programs	78	Information is provided on volunteer programmes, accessible technologies and donations
413-2 Operations with significant actual and potential negative impacts on local communities	No significant negative effects have been identified	
Supplier social assessment		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	

103-3 Evaluation of the management approach	96	
414-1 New suppliers that were screened using social criteria	76	
414-2 Negative social impacts in the supply chain and actions taken	76	
Public policy		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
415-1 Political contributions	83, 122	
Customer health and safety		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
416-1 Assessment of the health and safety impacts of product and service categories	44, 70	It is reported qualitatively
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	24, 71	
Marketing and labelling		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
417-1 Requirements for product and service information and labelling	70	It is reported qualitatively
417-2 Incidents of non-compliance concerning product and service information and labelling	24	
417-3 Incidents of non-compliance concerning marketing communications	24, 71	

Customer privacy		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	24, 71, 72	
Socioeconomic compliance		
103-1 Explanation of the material topic and its boundary	96	
103-2 The management approach and its components	96	
103-3 Evaluation of the management approach	96	
419-1 Non-compliance with laws and regulations in the social and economic area	24	

11.8 Table of contents of the Non-Financial Information Statement

Contents of the Non-Financial Information Statement		
Contents of Law 11/2018 INF Standard adopted	Contents of Law 11/2018 INF Standard adopted	Page / Reference
Business Model		
Description of the group's business model		
Brief description of the group's business model, which will include its business environment, its organisation and structure, the markets in which it operates, its objectives and strategies, and the main factors and trends that may affect its future performance.	GRI 102-2 Activities, brands, products and services	12, 99
	GRI 102-4 Location of operations	Indra's Consolidated Annual Accounts 2021, Annex I
	GRI 102-6 Markets served	12
	GRI 102-15 Key impacts, risks and opportunities	87, 96
	GRI 102-7 Scale of the organisation	11, 14
Environmental information		
Policies		
Policies applied by the group, including the due diligence procedures applied to identify, evaluate, prevent and mitigate significant risks and impacts, and to verify and monitor them, as well as the measures that have been adopted.	GRI 103-2 The management approach and its components	96
	GRI 103-3 Evaluation of the management approach	96
Risks		
Main risks		
Main risks related to those issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each issue. This should include information on the impacts that have been identified, providing a breakdown of these impacts, in particular the main short, medium and long-term risks.	GRI 102-15 Key impacts, risks and opportunities	87, 96
	GRI 102-11 Precautionary principle or approach	87
	GRI 102-30 Effectiveness of risk management processes	35, CDP Climate Change 2021 Questionnaire (C2. Risks and opportunities)
General		
Current and foreseeable effects of the company's activities on the environment and, where applicable, on health and safety	GRI 102-15 Key impacts, risks and opportunities	87, 96
	GRI 102-29 Identifying and managing economic, environmental and social impacts	88, 96

	GRI 102-31 Review of economic, environmental and social topics	87, 96
Environmental assessment or certification procedures	GRI 102-11 Precautionary principle or approach	86
	GRI 102-29 Identifying and managing economic, environmental and social impacts	87, 95
	GRI 102-30 Effectiveness of risk management processes	87
Resources dedicated to environmental risk prevention	GRI 102-29 Identifying and managing economic, environmental and social impacts	88, 96
Application of the precautionary principle	GRI 102-11 Precautionary principle or approach	87
Provisions and guarantees for environmental risks	GRI 307-1 Non-compliance with environmental laws and regulations	Indra's Consolidated Annual Accounts 2021, Note 41
Pollution		
Measures to prevent, reduce or rectify carbon emissions that seriously affect the environment, taking into account any form of air pollution specific to an activity, including noise and light pollution	GRI 103-2 Management Approach (with a view to GRI 302 and 305)	96
	GRI 302-4 Reduction of energy consumption	40, 105, 106
	GRI 302-5 Reductions in energy requirements of products and services	72
	GRI 305-5 Reduction of GHG emissions	37, 106
	GRI 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Not material according to Indra's Materiality Analysis
Circular economy and waste management		
Measures to prevent, recycle and reuse, and other ways of recovering and eliminating waste. Actions to combat food waste.	GRI 301-2 Recycled input materials used	Not material according to Indra's Materiality Analysis
	GRI 301-3 Reclaimed products and their packaging materials	Not material according to Indra's Materiality Analysis
	GRI 303-3 Water recycled and reused	Not material according to Indra's Materiality Analysis
	GRI 306-1 Water discharge by quality and destination	Not material according to Indra's Materiality Analysis
	GRI 306-2 Waste by type and disposal method	Not material according to Indra's Materiality Analysis
	GRI 306-3 Significant spills	41, 107
	GRI 301-1 Materials used by weight or volume	Not material according to Indra's Materiality Analysis
Sustainable use of resources		
Water consumption and water supply according to local constraints	GRI 303-1 Water withdrawal by source	Not material according to Indra's Materiality Analysis
	GRI 303-2 Water sources significantly affected by water withdrawal	Not material according to Indra's Materiality Analysis
	GRI 303-3 Water recycled and reused	Not material according to Indra's Materiality Analysis

Consumption of raw materials and the measures adopted to improve their efficient use	GRI 301-1 Materials used by weight or volume	Not material according to Indra's Materiality Analysis
	GRI 301-2 Recycled input materials used	Not material according to Indra's Materiality Analysis
	GRI 301-3 Reclaimed products and their packaging materials	Not material according to Indra's Materiality Analysis
Energy: Direct and indirect consumption; Measures taken to improve energy efficiency, Use of renewable energy	GRI 103-2 Management Approach (Energy)	96
	GRI 302-1 Energy consumption within the organisation (energy from renewable and non-renewable sources)	40, 105, 106
	GRI 302-2 Energy consumption outside of the organisation	40, 105, 106
	GRI 302-3 Energy intensity	40, 105, 106
	GRI 302-4 Reduction of energy consumption	40, 105, 106
	GRI 302-5 Reductions in energy requirements of products and services	72
Climate Change		
Greenhouse Gas Emissions	GRI 305-1 Direct (Scope 1) GHG emissions	37, 106
	GRI 305-2 Energy indirect (Scope 2) GHG emissions	37, 106
	GRI 305-3 Other indirect (Scope 3) GHG emissions	37, 106
	GRI 305-4 GHG emissions intensity	37, 106
Measures adopted to adapt to the effects of Climate Change	GRI 102-15 Key impacts, risks and opportunities	87, 96
	GRI 103-2 The management approach and its components	96
	GRI 201-2 Financial implications and other risks and opportunities due to climate change	35 CDP Climate Change Questionnaire 2021 (C2. Risks and opportunities)
	GRI 305-5 Reduction of GHG emissions	37,106
Reduction goals established voluntarily in the medium and long term to reduce GHG emissions and measures implemented for this purpose.	GRI 103-2 Management Approach (Emissions and contamination)	96
Protection of biodiversity		
Measures taken to preserve or restore biodiversity	GRI 304-3 Habitats protected or restored	Not material according to Indra's Materiality Analysis
Impacts caused by activities or operations in protected areas	GRI 304-1 Operational sites owned, leased or managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not material according to Indra's Materiality Analysis
	GRI 304-2 Significant impacts of activities, products and services on biodiversity	Not material according to Indra's Materiality Analysis

	GRI 304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not material according to Indra's Materiality Analysis
Information about social and staff-related matters		
Policies		
Policies applied by the group, including the due diligence procedures applied to identify, evaluate, prevent and mitigate significant risks and impacts, and to verify and monitor them, as well as the measures that have been adopted.	GRI 103-2 The management approach and its components	96
	GRI 103-3 Evaluation of the management approach	96
	GRI 102-35 Remuneration policies	Directors Remuneration Policy
Main risks		
Main risks related to those issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each issue. This should include information on the impacts that have been identified, providing a breakdown of these impacts, in particular the main short, medium and long-term risks.	GRI 102-15 Key impacts, risks and opportunities	87, 96
	GRI 102-30 Effectiveness of risk management processes	87
Employment		
Total number of employees and distribution by gender, age, nationality and role. Consolidated Annual Report 2020 Indra, Note 28	GRI 102-7 Scale of the organisation	11, 14 45
	GRI 102-8 Information on employees and other workers	19, 45, 114
	GRI 405-1. b) Percentage of employees per employee category in each of the following diversity categories: gender and age group	45
Total number and distribution of work contract types	GRI 102-8 Information on employees and other workers	No significant differences in the typology of permanent and full-time contracts at year-end 2021 compared to the annual average of permanent and full-time contracts in 2021.
Number of dismissals by gender, age and role	GRI 401-1.b) Total number and turnover rate of staff during the reporting period, by age group, gender and region (in relation to dismissals)	48, 110, 111
Average remuneration broken down by gender, age and role or equal value	GRI 405-2: Ratio of basic salary and remuneration of women to men by each labor category	113
Wage Gap		

Salary for similar jobs or the average for society	GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage	113
The average remuneration of directors and executives, including variable remuneration, per diems, compensation, payment to long-term savings and retirement systems and any other perception broken down by gender	GRI 102-35 Remuneration policies	18, 52 Directors Remuneration Policy
	GRI 102-36 Process for determining remuneration (for management approach)	18, 52 Directors Remuneration Policy
	GRI 201-3 Defined benefit plan obligations and other retirement plans	Indra's Consolidated Annual Accounts 2021, Note 24
Implementation of labor disconnection measures	GRI 103-2 Management Approach (employment rights)	96
Employees with disabilities	GRI 405-1. b) Percentage of employees per employee category in each of the following diversity categories (iii. Vulnerable groups).	19, 45, 114
Work organisation		
Organisation of working time	GRI 102-8. c) Total number of employees by employment type (full-time or part-time) and by gender.	45
	GRI 103-2 Management Approach (employment rights)	96
Number of hours of absenteeism	GRI 403-2 Types of injury, occupational diseases, lost days, and absenteeism and number of work-related fatalities (section a)	54
Measures designed to facilitate the enjoyment of work-life integration and encourage the responsible use of these measures by both parents.	GRI 401-3 Parental leave	53, 56, 115
	GRI 103-2 Management approach	96
Health and safety		
Health and safety conditions in the workplace	GRI 103-2 Management Approach (Staff health and safety)	96
Occupational injuries (frequency and seriousness) broken down by gender	GRI 403-2 Types of injury, occupational diseases, lost days, and absenteeism and number of work-related fatalities	54
	GRI 403-3 Workers with a high incidence or high risk of activity-related diseases	No professions with an elevated risk of disease have been identified
Occupational illnesses (frequency and seriousness) broken down by gender	GRI 403-2 Types of injury, occupational diseases, lost days, and absenteeism and number of work-related fatalities	54
	GRI 403-3 Workers with a high incidence or high risk of activity-related diseases	No professions with an elevated risk of disease have been identified
Social Relations		
Organization of social dialogue, including procedures for informing	GRI 102-43 Approach to stakeholder engagement (regarding trade unions and collective bargaining)	80

and consulting staff and negotiating with them	GRI 402-1 Minimum notice periods regarding operational changes	58
	GRI 403-1 Workers representation in joint health and safety committees	54
Percentage of employees covered by a collective bargaining agreement by country	GRI 102-41 Collective bargaining agreements	58
Assessment of collective agreements, particularly in the field of occupational health and safety	GRI 403-1 Workers representation in joint health and safety committees	54
	GRI 403-4 Health and safety topics covered in formal agreements with workers' legal representation	54
	All group companies in Spain apply sectoral collective bargaining agreements, so there is no negotiating or monitoring body for these agreements. However, the Workers' Representation has the necessary legal tools at its disposal to ensure that everything regulated in the sectoral agreements is being applied by the company.	
Training		
Policies implemented in the field of training	GRI 103-2 Management approach (Career development)	96
	GRI 404-2 Programs for upgrading employee skills and programs	49
Total number of hours of training by professional categories	GRI 404-1 Average hours of training per year per employee	50, 117
Accessibility		
Universal accessibility for people with disabilities	GRI 103-2 Management approach (Workforce diversity)	96
Equality		
Measures taken to promote equal treatment and opportunities for men and women	GRI 103-2 Management Approach (Workforce diversity)	96
Equality plans	GRI 103-2 Management Approach (Workforce diversity)	96
Measures taken to promote employment	GRI 103-2 Management Approach (Attracting and retaining talent)	96
	GRI 404-2 Programs for upgrading employee skills and transition assistance programs	49
Protocols to prevent sexual harassment and harassment on the grounds of gender	GRI 103-2 Management Approach (Workforce diversity)	96
Integration and universal accessibility for people with disabilities	GRI 103-2 Management Approach (Workforce diversity)	96
Policy against all types of discrimination and, where appropriate, diversity management	GRI 103-2 Management Approach (Workforce diversity)	96
	GRI 406-1 Incidents of discrimination and corrective actions taken	24
Information on respect for Human Rights		
Policies		

Policies applied by the group, including the due diligence procedures applied to identify, evaluate, prevent and mitigate significant risks and impacts, and to verify and monitor them, as well as the measures that have been adopted	GRI 103-2 The management approach and its components	96
	GRI 103-3 Evaluation of the management approach	96
	GRI 410-1 Security personnel trained in Human Rights policies or procedures	28, Indra has subcontracted a security company. The security personnel of this company working for Indra in Spain, Mexico, Brazil and Colombia have received human rights training.
	GRI 412-2 Employee training on Human Rights policies or procedures	28,50
Main risks		
Main risks related to those issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each issue. This should include information on the impacts that have been identified, providing a breakdown of these impacts, in particular the main short, medium and long-term risks.	GRI 102-15 Key impacts, risks and opportunities	87, 96
	GRI 102-30 Effectiveness of risk management processes	87
Human Rights		
Application of due diligence processes in Human Rights	GRI 103-2 Management Approach (Human Rights Assessment)	96
	GRI 414-2 Negative social impacts in the supply chain and actions taken	76
Prevention of the risks of violation of Human Rights and, where applicable, measures to mitigate, manage and repair possible abuses committed	GRI 103-2 Management Approach (Human Rights)	96
	GRI 412-1 Operations that have been subject to Human Rights reviews or impact assessments	28, 76
	GRI 410-1 Security personnel trained in Human Rights policies or procedures	28 Indra has subcontracted a security company. The security personnel of this company working for Indra in Spain, Mexico, Brazil and Colombia have received human rights training.
Complaints about Human Rights violations	GRI 102-17 Mechanisms for advice and concerns about ethics	24
	GRI 103-2 Management Approach (Human Rights)	96
	GRI 411-1 Rights of indigenous peoples	24

	GRI 419-1 Non-compliance with laws and regulations in the social and economic area	24
Promotion and compliance with the provisions of the fundamental ILO conventions relating to respect for freedom of association and the right to collective bargaining, the elimination of discrimination in employment and occupation, the elimination of forced or compulsory labor and the effective abolition of child labor	GRI 103-2 Management Approach (Employment rights and human rights)	96
Information related to the fight against corruption and bribery		
Policies		
Policies applied by the group, including the due diligence procedures applied to identify, evaluate, prevent and mitigate significant risks and impacts, and to verify and monitor them, as well as the measures that have been adopted.	GRI 103-2 The management approach and its components	96
	GRI 103-3 Evaluation of the management approach	96
	GRI 205-2 Communication and training about anticorruption policies and procedures	23, 26
Main risks		
Main risks related to those issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each issue. This should include information on the impacts that have been identified, providing a breakdown of these impacts, in particular the main short, medium and long-term risks.	GRI 102-15 Key impacts, risks and opportunities	87, 96
	GRI 102-30 Effectiveness of risk management processes	87
	GRI 205-1 Operations assessed for risks related to corruption	23, 26
Corruption and bribery		
Measures adopted to prevent corruption and bribery	GRI 103-2 Management Approach (with a view to GRI 205 Anticorruption)	96
Measures to combat money laundering	GRI 103-2 Management Approach (Corruption and bribery)	96
Contributions to foundations and non-profit organizations	GRI 103-2 Management Approach (Corruption and bribery)	96
	GRI 201-1 Direct economic value generated and distributed (Investments in the Community)	100
	GRI 203-2 Significant indirect economic impacts	78, 100
	GRI 415-1 Political contributions	83, 122
Company information		

Policies		
Policies applied by the group, including the due diligence procedures applied to identify, evaluate, prevent and mitigate significant risks and impacts, and to verify and monitor them, as well as the measures that have been adopted.	GRI 103-2 The management approach and its components	96
	GRI 103-3 Evaluation of the management approach	96
Main risks		
Main risks related to those issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services that may have an adverse impact on those areas, and how the group manages those risks, explaining the procedures used to identify and assess them in accordance with the relevant national, European or international frameworks for each issue. This should include information on the impacts that have been identified, providing a breakdown of these impacts, in particular the main short, medium and long-term risks.	GRI 102-15 Key impacts, risks and opportunities	87, 96
	GRI 102-30 Effectiveness of risk management processes	87
Company's commitment to sustainable development		
Impact of company activity on local employment and development	GRI 203-1 Infrastructure investments and services supported	78, 100
	GRI 203-2 Significant indirect economic impacts	78, 100
	GRI 204-1 Proportion of spending on local suppliers	75, 119
	GRI 413-1 Operations with local community engagement, impact assessments, and development programs	78
	GRI 413-2 Operations with significant actual and potential negative impacts on local communities	No significant negative effects have been identified
Impact of company activity on local communities and the surrounding area	GRI 203-1 Infrastructure investments and services supported	78, 100
	GRI 203-2 Significant indirect economic impacts	78, 100
	GRI 413-1 Operations with local community engagement, impact assessments, and development programs	78
	GRI 413-2 Operations with significant actual and potential negative impacts on local communities	No significant negative effects have been identified
Relationships with local community players and forms of dialogue with them	GRI 102-43 Approach to stakeholder engagement (in relation to the community)	80

	GRI 413-1 Operations with local community engagement, impact assessments, and development programs	78
Association or sponsorship activities	GRI 102-13 Membership of associations	83
	GRI 203-1 Infrastructure investments and services supported	78, 100
	GRI 201-1 Direct economic value generated and distributed (Investments in the Community)	100
Subcontracting and suppliers		
Inclusion of social issues, gender equality and environmental issues in the procurement policy	GRI 103-3 Management approach (supply chain)	96
Consideration of social and environmental responsibility in relationships with suppliers and subcontractors	GRI 102-9 Supply chain	75
	GRI 103-3 Management approach (supply chain)	96
	GRI 308-1 New suppliers that were screened using environmental criteria	76, 119
	GRI 308-2 Negative environmental impacts in the supply chain and actions taken	76, 119
	GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	58, 76
	GRI 409-1 GRI Operations and suppliers at significant risk for incidents of forced or compulsory labor	28, 76
	GRI 414-1 New suppliers that were screened using social criteria	76
	GRI 414-2 Negative social impacts in the supply chain and actions taken	76
Monitoring and auditing systems and their results	GRI 308-1 New suppliers that were screened using environmental criteria	76,119
	GRI 308-2 Negative environmental impacts in the supply chain and actions taken	76,119
	GRI 414-2 Negative social impacts in the supply chain and actions taken	76
Consumers		
Consumer health and safety measures	GRI 416-1 Assessment of the health and safety impacts of product and service categories	44, 70
	GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	24,71
	GRI 417-1 Requirements for product and service information and labeling	70

Complaints and claims systems and resolution processes	GRI 102-17 Mechanisms for advice and concerns about ethics (complaints received and resolutions thereof)	24		
	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	24, 71, 72		
Tax information				
Profits by country	GRI 201-1 with relation to payments to public administrations in line with OECD guidelines	100		
Impuestos sobre beneficios pagados	GRI 201-1 with relation to payments to public administrations in line with OECD guidelines	100		
Income tax paid	GRI 201-4 Financial assistance received from government	Indra's Consolidated Accounts 2021, Note 23	Annual	

11.9 Climate related financial disclosure (TCFD) table

With the aim of adopting international best practice in climate reporting, the following details the location of content that responds to the voluntary recommendations of the Task Force on Climate Related Financial Disclosure (TCFD) on how to integrate climate risk information into corporate reporting.

TCFD recommendations	Location of the information responding to the TCFD recommendation
Governance	
Disclose the organization's governance of risks and opportunities related to climate change	
a) Board oversight of risks and opportunities related to climate change.	Page 35 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C1. Governance)
b) Description of management's role in analysing and assessing risks and opportunities related to climate change.	Page 35 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C1. Governance)
Strategy	
Disclose actual and potential impacts of climate change-related risks and opportunities on the organization's business, strategy, and planning, where such information is material.	
a) Description of the risks and opportunities related to climate change identified by the organization in the short, medium and long term.	Pages 35-43 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C2. Risks and opportunities)
b) Description of the impact of climate change-related risks and opportunities on the organization's business, strategy and financial planning.	Pages 35-43 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C2. Risks and opportunities y C3. Business Strategy)
c) Description of the organization's resilience under different climate scenarios.	Page 35 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C.2 Risks and opportunities y C3. Business Strategy)
Risk management	
Disclose how the organization identifies, assesses, and manages risks related to climate change.	
a) Processes for identifying and assessing risks related to climate change.	Pages 35-43 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C2. Risks and opportunities)
b) Processes for managing risks related to climate change.	Pages 35-43 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C2. Risks and opportunities)
c) Integration of processes for identifying, assessing and managing risks related to climate change.	Pages 35-43 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C2. Risks and opportunities)
Metrics and objectives	
Disclose metrics and objectives used to assess and manage risks and opportunities related to climate change, where such information is material	
a) Metrics used to assess risks and opportunities related to climate change.	CDP Climate Change questionnaire 2021 (C2. Risks and opportunities y C5. Emissions methodology)
b) Calculation of GHG emissions of Scope 1, 2 and if applicable Scope 3 and related risks	Pages 37-38 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C6. Emissions data y C7. Emissions breakdowns)
c) Targets used to manage climate risks and opportunities, and performance against targets.	Pages 36-43 of the Sustainability Report 2021 CDP Climate Change questionnaire 2021 (C4. Targets and performance)

11.10 Independent verification report

[GRI 102-56]



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Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT LIMITED ASSURANCE REPORT ON THE SUSTAINABILITY REPORT 2021 - CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT OF INDRA SISTEMAS, S.A. AND SUBSIDIARIES FOR 2021

To the Shareholders of Indra Sistemas, S.A.:

In accordance with Article 49 of the Spanish Commercial Code, we have performed the verification, with a scope of limited assurance, of the Sustainability Report 2021 - Consolidated Non-Financial Information Statement for the year ended 31 December 2021 of Indra Sistemas, S.A. and subsidiaries (the Group) which forms part of the Consolidated Directors' Report for 2021 of the Group.

The Sustainability Report 2021 - Consolidated Non-Financial Information Statement includes information additional to that required by current Spanish corporate legislation relating to non-financial reporting and by the Global Reporting Initiative Standards ("GRI standards") that was not the subject matter of our verification. In this regard, our work was limited solely to verification of the information identified in the "GRI table of indicators" in the appendix 11.7 and "Table of contents of the Non-Financial Information Statement" in the appendix 11.8 to the Sustainability Report 2021 - Consolidated Non-Financial Information Statement.

Responsibilities of the Directors

The preparation and content of the Consolidated Non-Financial Information Statement are the responsibility of the directors of Indra Sistemas, S.A. The Sustainability Report 2021 was prepared in accordance with the GRI standards in their comprehensive option in accordance with what is mentioned for each subject in the "GRI table of indicators" in the appendix 11.7 to the Sustainability Report 2021 - Consolidated Non-Financial Information Statement. The Consolidated Non-Financial Information Statement, which forms part of the Consolidated Directors' Report, was prepared in accordance with the content specified in current Spanish corporate legislation and with the criteria of the selected GRI standards, as well as other criteria described as indicated for each matter in the "Table of contents of the Non-Financial Information Statement" in the appendix 11.8 to the Sustainability Report 2021 - Consolidated Non-Financial Information Statement.

These responsibilities also include the design, implementation and maintenance of such internal control as is determined to be necessary to enable the Sustainability Report 2021 - Consolidated Non-Financial Information Statement to be free from material misstatement, whether due to fraud or error.

The directors of Indra Sistemas, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the Sustainability Report 2021 - Consolidated Non-Financial Information Statement is obtained.

Deloitte, S.L. inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja N-54434, inscripción 96ª. C.I.F.: B-79104469.
Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

Our Independence and quality control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of non-financial information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our review in accordance with the requirements established in International Standard on Assurance Engagements 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines published by the Spanish Institute of Certified Public Accountants on attestation engagements regarding non-financial information statements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is also substantially lower.

Our work consisted of making inquiries of management and the various units of the Group that participated in the preparation of the Sustainability Report 2021 - Consolidated Non-Financial Information Statement, reviewing the processes used to compile and validate the information presented in the Sustainability Report 2021 - Consolidated Non-Financial Information Statement and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with Group personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external review.

- Analysis of the scope, relevance and completeness of the contents of the Sustainability Report 2021 - Consolidated Non-Financial Information Statement based on the materiality analysis performed by the Group and described in the appendix 11.2 "Double materiality assessment" to the Sustainability Report 2021 - Consolidated Non-Financial Information Statement, taking into account the contents required under current Spanish corporate legislation.
- Analysis of the processes used to compile and validate the data presented in the Sustainability Report 2021 - Consolidated Non-Financial Information Statement.
- Review of the information relating to risks, the policies and management approaches applied in relation to the material matters identified and described in the appendix 11.2 "Double materiality assessment" appendix to the Sustainability Report 2021 - Consolidated Non-Financial Information Statement.
- Verification, by means of sample-based tests, of the information relating to the non-financial information contents of the Sustainability Report 2021 - Consolidated Non-Financial Information Statement and the appropriate compilation thereof based on the data furnished by the Group information sources.
- Obtainment of a representation letter from the directors and management.

Paragraph of emphasis

Regulation (EU) 2020/852 of the European Parliament and the Council, June 18 2020, on the establishment of a framework to facilitate sustainable investments settles the obligation to disclose information on how and to what extent the company's activities are associated with economic activities that are considered environmentally sustainable in relation to climate change mitigation and adaptation objectives for the first time for the financial year 2021, provided that the Non-Financial Information Statement is published as of 1 January 2022. Consequently, comparative information on this matter was not included in the Consolidated Non-Financial Information Statement. Additionally, information was included for which the directors of Indra Sistemas, S.A. chose to apply the criteria that, in their opinion, best enable compliance with the new obligation and which are defined within content 7.1 "Analysis of application of the EU Taxonomy" and 7.2 "Eligible activities under the Taxonomy" of the Sustainability Report 2021 - Consolidated Non-Financial Information Statement. Our conclusion has not been modified in relation to this matter.

Conclusion

Based on the procedures performed in our verification and the evidence obtained, nothing has come to our attention that causes us to believe that:

- a) The non-financial information identified in the "GRI table of indicators" in the appendix 11.7 to the Sustainability Report 2021 for the year ended 31 December 2021 was not prepared, in all material respects, in accordance with the GRI standards in their comprehensive option.

- b) The Consolidated Non-Financial Information Statement of Indra Sistemas, S.A. and subsidiaries for the year ended 31 December 2021 was not prepared, in all material respects, in accordance with the content specified in current Spanish corporate legislation and with the criteria of the selected GRI standards, as well as other criteria described as indicated for each matter in the "Table of contents of the Non-Financial Information Statement" in the appendix 11.8 to the Sustainability Report 2021 - Consolidated Non-Financial Information Statement.

Use and distribution

This report has been prepared in response to the requirement established in corporate legislation in force in Spain and, therefore, it might not be appropriate for other purposes or jurisdictions.

DELOITTE, S.L.



Ana Sánchez Palacios

29 March 2022

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