

MARC MURTRA: SUSTAINABILITY REPRESENTS A COMPETITIVE ADVANTAGE AND HAS GREAT VALUE CREATION POTENTIAL FOR COMPANIES

- **Companies demonstrating a good performance in sustainability find better business opportunities and are better positioned to attract and retain talent, while commanding a significant valuation premium from investors, states Indra's Chairman**
- **Indra's mission is to contribute to SDGs through technology, for example, by achieving more sustainable mobility or the energy transition, ensuring the sustainability of cities and the way in which Indra enables sustainable value services for citizens through the digitalization of public authorities, industry, healthcare, education and justice**

Madrid September 21, 2021.- "Sustainability must now be a priority in all areas of business because, for companies which have a key role to play in contributing to the Sustainable Development Goals (SDGs), it not only implies obligations, but also it has great potential for creating value," stated Marc Murtra, Chairman of Indra, in his speech today at the *Foro Enclave ODS* (SDG Forum) organized by La Caixa Foundation and El Español.

Murtra explained that sustainability offers business opportunities in sectors that require innovation and technology to achieve their goals in this area (as is the case with energy efficiency, the circular economy and sustainable mobility) and that good performance in terms of sustainability provides a differential positioning and a competitive advantage.

Indra's Chairman stressed that more sustainable companies are better positioned to attract and retain talent, especially among younger generations. Moreover, he recalled that investors also have more confidence in the value-generating capacity of companies with good Environmental, Social and Governance (ESG) performance, and grant them a significant valuation premium. On this point, he stressed that investors already systematically include ESG aspects in their decisions, that rating agencies incorporate ESG ratings in their valuations (and analysts increasingly take them into account) and that the better the companies' ESG performance is, the more favorable debt financing terms they obtain.

Sustainability has made sizable headway in the national and European political agenda, with examples such as the EU Green Deal or, in Spain, the Law on Climate Change and Energy Transition approved last May, which is configured as the key instrument to modernize and transform the energy model, stated Murtra, who predicted that all these processes will accelerate with the increase in demand and interest from companies, which not only generate value for their shareholders, but also social and environmental welfare.

He concluded that in this context of increased pressure to demonstrate sustainable behavior, SDGs provide companies with a frame of reference to express their action priorities, which means that ESG must take up a portion of the company's strategy and purpose.

In analyzing Indra's strategy on sustainability, Murtra highlighted that "our purpose as a company is to contribute to SDGs through technology, which is a fundamental tool for transforming the world. At Indra, we firmly believe in the catalytic power of technology to respond to the challenges we face, and we are firmly committed to working continuously to achieve SDGs by putting all our talent and technology at the service of people and the planet".

Indra's Chairman listed some of the examples of how the company's technological innovation has a real impact on SDGs by favoring more sustainable economic development and demonstrating the strong link between sustainability and digitalization. These include the promotion of a more sustainable mobility, the facilitation of the energy transition, guaranteeing the sustainability of cities and urban centers, among many

others. He also stressed that Indra enables sustainable value services for citizens through the digitalization of public authorities, industry, healthcare, education and justice.

Murtra added that Indra makes ambitious corporate commitments in the key aspects of sustainability. Regarding climate change, it has set itself the goal of reducing its energy consumption emissions by 50% by 2030, reaching zero emissions in this area by 2040 and extending decarbonization throughout its supply chain to become completely carbon neutral by 2050.

Indra also works to promote respect for human rights in all the countries where it operates, facilitating a global work environment that favors the integration and development of all professionals, respect, the fight against discrimination, the promotion of diversity and equal opportunities as well as the integration of groups at risk of exclusion.

Indra's Sustainability Policy, approved in March 2020, is inspired by the SDGs included in the UN's 2030 Agenda and contains four key commitments:

- To strengthen the governance model for a responsible business; adopting best practices in corporate governance, pursuing the social interest and sustainability of the group and complying with the principles of action in our Code of Ethics, respecting human rights as established by the UN.
- To promote technology which has an impact on sustainable development, including social and environmental criteria in the development of its products and services.
- To combat climate change and protect the environment by minimizing the environmental impact of its operations and using resources rationally in accordance with the principles of the circular economy.
- To strengthen its relationship with stakeholders, communicating with them and sharing information in a free-flowing and transparent manner.