

External report on the proposed re-election of Mr. Marc Murtra Millar as a director

Objectives and structure of the report

On June 30, 2024, Mr. Marc Murtra Millar, the chairman of Indra Sistemas, S.A. (hereinafter referred to as "Indra," "the Company," or "the Group"), will mark three years of statutory tenure as a director.

In accordance with legal provisions, the Board of Directors (hereinafter also referred to as the "Board"), following a favorable report from the Appointments, Remuneration, and Corporate Governance Committee, must conduct the pertinent analysis of the competencies, experience, and merits of the chairman for his re-election as an executive director.

In this context, the Company has deemed it appropriate to request PricewaterhouseCoopers, as an external expert, to prepare this report with the aim of assessing the proposal for the re-election of Mr. Marc Murtra Millar as a director while retaining his position as chairman of Indra.

To this end, we analyze different aspects that the market considers of greater importance regarding this matter. Thus, the document is structured into the following sections:

1. Indra's operational and financial performance, in terms of business and value generation for shareholders and society, for the 2021 – 2023 period:
 - Strategic guidelines for the 2021 – 2023 period.
 - Financial performance of the Company.
 - Creation of economic value for the shareholders.
 - Social and sustainability strategy.
 - Support received for the management from shareholders and analysts.
 - Strong management performance.
2. Basis of Indra's new 2024 – 2030 Strategic Plan, financial market assessment and first results:
 - Basis of the 2024 – 2030 Strategic Plan.
 - Support received for the strategic plan.
 - Main milestones achieved during the first quarter of 2024.
3. Suitability of the profile of Mr. Marc Murtra Millar for the exercise of his duties as chairman¹ of Indra:
 - Analysis of the professional profile of Mr. Marc Murtra Millar.
 - Evolution of the role played by Mr. Marc Murtra Millar as the chairman in each of the strategic periods.
 - Evaluation of the chairman's role as promoter of the current governance system.
4. Analysis of the characteristics of the Company's corporate governance, its alignment with best practices and its response to the Company's interest:
 - Alignment with recommendations and good practices related to the composition and operation of its governing bodies.
 - Adaptation of the Board of Directors to the changes in the shareholding structure that occurred during the last chairmanship term.

¹ Following the chairman's reclassification to executive director, announced on April 30, 2024, this analysis examines not only his duties as head of the Board but also the essential qualities of his profile needed for the performance in the acquired executive responsibilities.

Executive Summary

I. Between 2021 – 2023, Indra has managed to surpass the performance achieved by comparable companies, garnering support from shareholders and the financial market for its management stewardship

I.A Strategic guidelines for the 2021 – 2023 period

With the onset of the new strategic period in 2021, focused on business development and marked by the appointment of Mr. Marc Murtra Millar as chairman, Indra articulated its **ambition to achieve a leading digital position in target markets**, while consolidating the profitability improvement achieved in previous years.

With this objective, the Company defined a series of strategic guidelines focused on: (i) commitment to **high-value solutions**; (ii) **efficiency** in the operating model; (iii) the **digitalization** of the portfolio; and (iv) the implementation of a **rigorous and responsible management model**.

I.B Financial performance of the Company

The deployment of Indra's strategy and management model has contributed to the **improvement of the Company's financial performance**. Thus, in the 2021 – 2023 period, Indra has not only managed to (i) grow the business, (ii) improve its profitability and (iii) increase its financial soundness, but it has shown **consistently superior performance than its comparable companies**² in all the analyzed indicators:

- **Business growth:** Taking 2020 as the base year, Indra **increased its revenues at an average annual rate of 12.6% to exceed €4.3 billion in 2023**, compared to the 6.7% achieved on average by reference companies.
- **Improved profitability:** As a consequence of its commitment to efficiency, Indra recovered its profitability to pre-COVID levels, **improving its operating margin (EBIT) by 1.1 p.p. and its net profit by 0.9 p.p. compared to 2019 figures**³. Thus, the Company achieved better performance than its competitors in both indicators, in which they achieved an average improvement of 0.1 p.p. and 0.3 p.p. respectively, and some of them even faced relative profitability losses.
- **Financial soundness:** Enhanced cash flow generation and rigorous financial discipline enabled the Company to **reduce its net debt to EBITDA ratio** from 6.2x in 2020 to 0.2x in 2023, reflecting a significant **improvement of 6.0x**. This improvement contrasts with that achieved by its comparable companies, whose ratio improved 0.7x.

I.C Creation of economic value for the shareholders

During the 2021 – 2023 period, the management's strategic decisions and commendable economic and financial performance enabled Indra to consolidate a **business model capable of consistently delivering value to its shareholders**. As a result, the Company's stock experienced an appreciation of +166.7% from the beginning of the fiscal year 2021 to the end of the first quarter of 2024, surpassing global benchmark indices⁴.

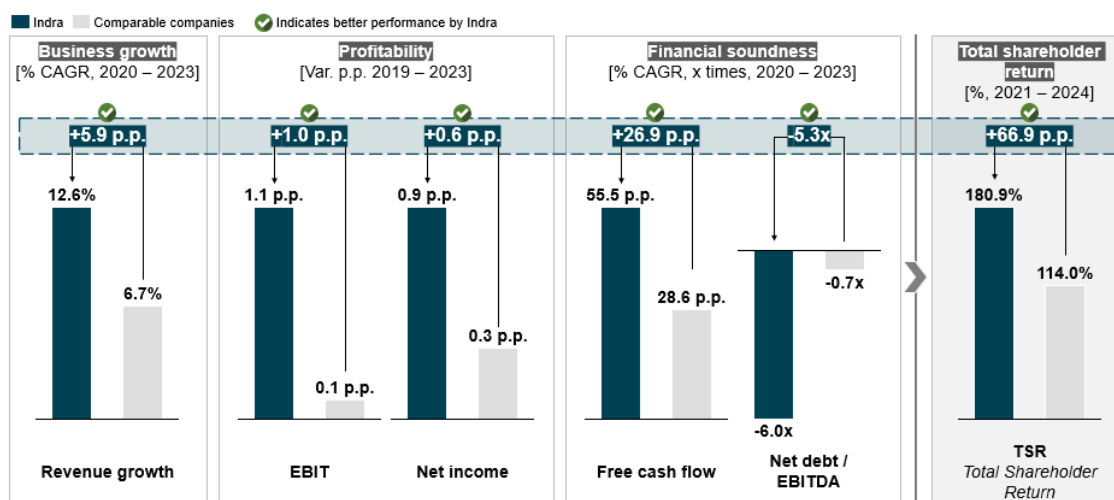
The evolution of Indra's business has enabled the **reinstitution of dividend payments** to shareholders in 2022 (€0.40 per share accumulated during the 2021 – 2023 period), **which had not been distributed since July 2014**. This remuneration, coupled with the appreciation experienced by the stock, has allowed Indra to provide shareholders with a **TSR of 180.9%** over the period, which **exceeds the average total return** of the sample of comparable companies by **66.9 p.p.** (114.0%).

² Sample of comparable companies: Thales, Leonardo, QinetiQ Group, BAE Systems, Saab, Dassault Aviation, Bechtle, Computacenter, Sopra Steria Group and TietoEVERY. See details in appendix A.

³ In the indicators related to profitability, 2019 has been taken as the base year to avoid the distortion that 2020 represented, which especially affects these metrics.

⁴ The following indices are considered: EuroSTOXX Aerospace & Defense (+119.4%, January 2021 – March 2024); EuroSTOXX 600 Technology (+38.2%, January 2021 – March 2024); Ibex 35 (+29.8%, January 2021 – March 2024).

Evolution of key business metrics, financials, and shareholder value creation



I.D Social and sustainability strategy

The 2020 – 2023 Sustainability Plan concluded successfully, promoting environmental, social, and good governance initiatives that have served to consolidate Indra's leadership in sustainability, as evidenced by its recognition by global sustainability indices and reports. Among these mentions, its consideration as the most sustainable company in the world in the IT Services technology sector in the years 2021, 2022, and 2023, according to the Dow Jones Sustainability Index (DJSI) World, stands out.

The objectives linked to ESG (Environmental, Social, and Governance) are part of Indra's current strategy, being a relevant pillar of its new 2024 – 2030 Strategic Plan.

I.E Support received for the management from shareholders and market analysts

Following the appointment of Mr. Marc Murtra Millar as non-executive chairman of the Board of Indra in May 2021, shareholders have consistently supported the management carried out by the governing body of the Company under his leadership. The level of **support has increased from 97.0% in 2021 to 99.0%** obtained at the latest General Meeting, positioning Indra as one of the most supported companies by its shareholders compared to its sample of comparable companies.

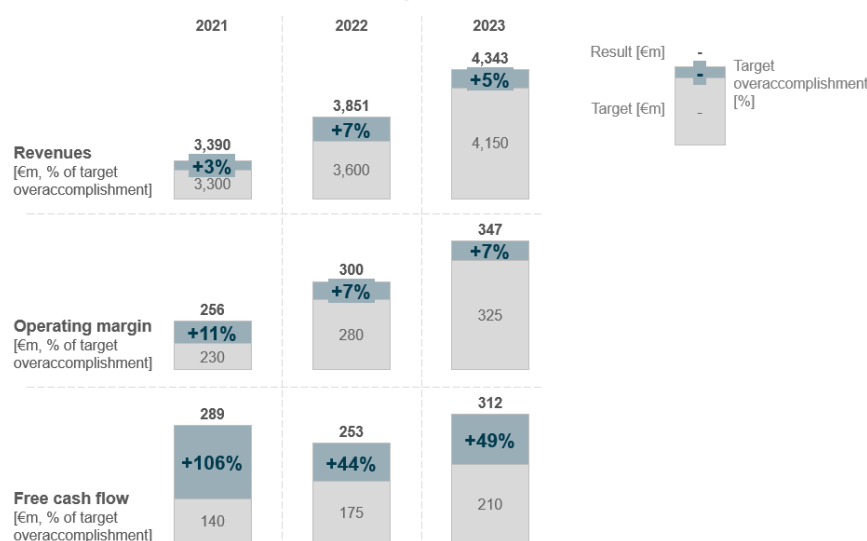
During this period, **analysts monitoring the Company's performance have positively assessed the actions taken by the Board to enhance its governance framework**⁵. BNP Paribas and Banco Santander have favorably evaluated the changes in the Board composition, aimed at restoring balance and independence within the body. Additionally, JP Morgan and UBS have highlighted that the measures implemented by the Board and the modifications to its governance system contribute to strengthening the corporate governance of the Company.

I.F Strong management performance

Overall, upon reviewing the outcomes after this strategic period, it is evident that the 2021 – 2023 Strategic Plan has been effectively executed. The Company has **consistently surpassed** all revenue, operating margin, and cash generation **targets** ("guidance") **communicated to the markets annually**, proving a continuous and robust performance.

⁵ In the course of this analysis, no adverse references or assessments have been noted in any of the reviewed analyst reports.

Execution of Indra's annual financial guidance



II. The leadership of the current management team at Indra and the alignment between the CEO and the chairman facilitates the successful execution of the new 2024 – 2030 Strategic Plan, which has garnered positive appraisals from both shareholders and market analysts

II.A Basis of the 2024 – 2030 Strategic Plan

Indra has developed its 2024 – 2030 Strategic Plan (“Leading the Future”) in which, based on the master lines that were built in the previous period, it aspires to consolidate itself as the **referent Spanish multinational in the defense and aerospace sectors, as well as in advanced digital technologies**. To achieve this, the Company is committed to:

- Accelerate the transition to a multidomain national reference in defense.
- Reach global ATM (Air Traffic Management) leadership.
- Become the advanced technology & services ecosystem coordinator across industries
- Reinforce Indra’s brands to attract talent in the target geographies.

To progress in these areas, Indra is prioritizing (i) the international expansion, (ii) the organic growth and divestment of non-core assets, and (iii) the evolution of the organizational structure model to streamline decision-making.

With this framework in place, the Company aims to achieve €6 billion in sales by 2026, with an EBITDA margin exceeding 12%, while maintaining a stable dividend payment policy.

As outlined in section III, the Board of Directors has decided to assign executive responsibilities to Mr. Marc Murtra Millar to maximize his impact on the implementation of strategic directives.

II.B Support received for the strategic plan

Following its publication, **the market has recognized and supported Indra’s new strategic plan**, positively valuing its value-creation potential. Thus, among other analysts, Banco Santander highlights that *“We obtain a positive vision of Indra’s new strategic plan to reorient its portfolio towards greater growth and greater profitability”* and GVC Gaesco affirms that *“We are positive about the company, mainly due to the strength of its sectors and the good delivery of the last two years, which leads us to believe that the figures presented may be valid”*. Meanwhile, BofA Securities sees *“A very positive midterm outlook for the group and we maintain our Buy rating”* and Renta 4 states *“The combination of Defense and Minsait will allow the leveraging of synergies in two strategic sectors with promising futures”*⁶.

⁶ In the course of this analysis, no adverse references or assessments have been noted in any of the reviewed analyst reports.

This positive assessment was reinforced by the good performance of the Company's share price, which **increased its value by +3.9%** after the Capital Markets Day and the following day, outperforming the benchmark indices on the same period⁷.

Furthermore, the number of **analysts advocating for acquisition** in February 2024 (8 buy recommendations out of the 14 analysts covering the Company) **increased following the strategic plan presentation**, reaching 11 buy recommendations out of 16 in May 2024.

II.C Main milestones achieved during the first quarter of 2024

In line with the proposed calendar, the Company **has begun the implementation of the first actions of the strategic plan**, which include critical milestones such as the creation of Indra Space, a subsidiary of the Group focused on the space business, or the implementation of organizational adjustments focused on streamlining the transformation of the Company.

From a financial standpoint, the quarterly results continue the positive trend achieved in recent years, consolidating the good progression of the most relevant indicators:

- Revenues have reached a **growth of 21.9%** compared to the same period of the previous year.
- The **EBIT margin has improved by 1.0 p.p.** compared to the first quarter of 2023, achieving growth in absolute terms of 38.5%.
- **Free cash flow** has grown by **153.4%**.

The robustness of the results was evident in the stock's performance, which **surged by 8.8% during its market publication day**⁸.

Considering the complex sectoral context, the strategic positioning of the Company, and the favorable results attained during the past three years, **continuing with the current management team would offer stability and maintain the management model** centered on the Group's strong performance.

III. Mr. Marc Murtra Millar's career and experience are relevant for successfully handling the various stages of management and governance that have defined his chairmanship

III.A Analysis of the professional profile of Mr. Marc Murtra Millar

Throughout his professional career, Mr. Marc Murtra Millar has developed skills and capabilities relevant to the role of chairman. Thus, from the analysis of his profile, the following strengths can be highlighted.

- Academic background and commitment to business and economics education. Mr. Marc Murtra Millar holds a degree in **industrial engineering**, specializing in Machine Mechanics, from the Escola Tècnica Superior d'Enginyers Industrials de Barcelona (ETSEIB) of the Universitat Politècnica de Catalunya. He also holds a **Master of Business Administration (MBA), majored in Finance**, from the Leonard School of Business at New York University. Currently, he balances his professional responsibilities with his role as an Adjunct Professor of Financial Management and Financial Economics, and Master of Science in Finance and Banking at Pompeu Fabra University.
- International professional experience. Mr. Marc Murtra Millar has **exposure to the English-Speaking market**, having accumulated both professional and academic experience both in the United Kingdom (British Nuclear Fuels and DiamondCluster, 1996 – 1998 and 2000 – 2003) and the United States (MBA at Leonard School of Business, 1998 – 2000). Additionally, he has **dealt with multiple multinational companies** through his experience in investment banking (Crea Inversión, 2011 – 2019).
- Knowledge of corporate operations procedures. With over **11 years** of experience, he has worked in **investment funds and advised companies in the context of corporate operations** (Crea Inversión and Closa Capital, 2011 – 2019 and 2020 – 2023).
- Ability to develop institutional relationships. **Mr. Marc Murtra Millar** has relevant experience in **public functions and institutional relationship development**. This stems from his roles as the **general manager at Red.es** (2006 – 2008) and the **chief of staff for the Minister of Industry, Tourism, and Commerce** (2006 – 2008).

⁷ Considered indices include: EuroSTOXX Aerospace & Defense (+0.1%), EuroSTOXX 600 Technology (+3.6%), and Ibex 35 (+2.0%). This is based on the variation in stock prices between the closing dates of March 5th, 2024, and March 7th, 2024.

⁸ 6th May 2024.

- Professional experience in the technology sector. He served as an **advisor to major technology companies** during his tenure at DiamondCluster and Closa Capital, and as an **expert in digital transformation and digital strategy** in the public sector.
- Good practices in corporate governance. Mr. Marc Murtra Millar currently serves as a **board member in other companies**, including Ebro Foods (since 2022), where he is a member of the Executive Committee and chairs the Audit, Control, and Sustainability Committee; Industria de Turbo Propulsores (since 2023); and Tess Defence (since 2023).

III.B Evolution of the role played by Mr. Marc Murtra Millar as the chairman in each of the strategic periods

Mr. Marc Murtra Millar's chairmanship can be divided into three distinct phases, reflecting both his responsibilities and leadership style:

- A. Assumption of office by Mr. Marc Murtra Millar, who ensured the effective operation of the governing bodies and coordinated with the executive directors to implement the 2021 – 2023 Strategic Plan.
- B. Incorporation of the new CEO (Mr. José Vicente de los Mozos Obispo) under the guidance of Mr. Marc Murtra Millar, who encouraged (i) a constructive approach to managing the shift in executive responsibility within the Group and (ii) collaboration with the CEO in developing the 2024 – 2030 Strategic Plan.
- C. Assumption of certain executive responsibilities aimed at the successful implementation of the 2024 – 2030 Strategic Plan, working collaboratively and in alignment with the CEO, whose responsibilities are more closely related to the operational aspects of the business.

Among these functions, the most notable due to their contribution to the execution of the strategic plan are:

- Strengthening the capabilities to represent the Company before third parties and developing an adequate institutional strategy.
- Providing new capabilities to lead the key alliance, acquisition, and divestment strategies, as a fundamental tool for achieving strategic objectives.
- Granting leadership in the redefinition of the group structure, towards a more flexible and agile model.

III.C Evaluation of the chairman's role as promoter of the current governance system

In the latest assessment of the chairman conducted by the external advisor⁹, fellow board members commended his role as a champion of stability, consensus, and the effective operation of the Board of Directors.

In this regard, the latest assessment not only **highlighted his role as chairman** (*"There has been significant progress in the information, debate, and agenda of the Board of Directors. I commend the chairman for achieving this"*), but also **praised his "excellent coordination" with the CEO**, as *"the chairman takes care of the institutional aspect so that the CEO can focus on international development"*.

The chairman's average rating saw a 24% improvement from the year of his appointment to 2023 (the most recent fiscal year evaluated), reaching a **score of 6.1 out of 7** (87% of the total points). Furthermore, no negative assessments or comments about the Company's chairman were found in the collected analyst reports.

⁹ KPMG has been the external advisor responsible for conducting this assessment.

IV. Indra's governance model is aligned with best practices and has demonstrated flexibility when responding to the Company's interest without influencing the stability of the Group's activity

IV.A Alignment with recommendations and good practices related to the composition and operation of its governing bodies

Indra's commitment to good governance is evidenced by its alignment with best practices in the field, which facilitate the proper functioning of its administrative bodies. In this regard, the following aspects stand out:

- Composition of the governing bodies and checks and balances system:
 1. Indra has been adjusting its board composition to reflect its shareholder structure, addressing the requests of significant shareholders entitled to board representation. At the same time, it has maintained a level of independence above the percentage represented by the Company's free float.
 2. To carry out its functions, **the Board of Directors relies on five committees**, four of which are advisory.
 3. The **advisory committees** benefit from enhanced independence, not only because independent directors represent at least 50% of the members in all of them, but also because they chair three of the four advisory committees. Moreover, the Audit and Compliance Committee, and the Appointments, Remuneration, and Corporate Governance Committee, which are particularly significant due to their nature, are comprised of 60% independent directors.
 4. In the Group there is the figure of **lead independent director**, who provides the necessary checks and balances to the Company's governance model.
 5. There is a **delimited and defined distribution of executive functions assigned** among the members of the Board of Directors. Following the recent overhaul of the corporate governance framework, a clear division is observed: the CEO focuses primarily on operational management, while the executive chairman oversees institutional duties, representation, and Group organization. Nonetheless, effective collaboration and coordination between these roles are deemed paramount for the Group's success.
- Diversity within the governing bodies:

Indra is deeply committed to diversity, particularly in the selection of independent directors. Here, the Board and the Appointments, Remuneration, and Corporate Governance Committee have greater flexibility, allowing them to consider a wider array of potential female candidates for director positions. In this context and considering the recommendation of 40% female presence outlined by the Spanish Good Governance Code, **66.7% of the 12 independent directors appointed between 2020 and 2023 were women**. Significantly, women occupy crucial **leadership roles**, with 75% of advisory committees being chaired by female directors. Additionally, women serve in roles such as deputy chair and as the board's lead independent director.

- Good governance practices:

Indra complies with **56 good governance recommendations set by the CNMV, in line with those comparable Ibex 35 companies with better performance**, which translates into 93% compliance with those recommendations that apply to the Company.

Among these best practices, it is noteworthy to highlight the Group's effort to develop clear communication regarding matters related to board remuneration, resulting in greater endorsement in this area compared to its sample of comparable companies^{10, 11}. Additionally, they undergo an annual external evaluation of their governance bodies and provide various mechanisms to board members so they can develop efficiently their responsibilities as directors, including external advisory, training sessions, welcome packs, and a dedicated board portal for archiving and accessing documentation related to the meetings and other relevant information.

The Company's shareholders have endorsed this effort **by increasing the attendance ratio** at the General Shareholders' Meeting and providing **increasing support to the agenda items proposed by the Board**

¹⁰ Sample of comparable companies based on market capitalization and shareholder concentration: Acerinox, ACS, Colonial, Fluidra, Merlin Properties, Sacyr, and Solaria.

¹¹ Indra has achieved an average rejection rate of 2.3% for proposals concerning remuneration policies, which is 3.9 p.p. lower than the average obtained by a sample of comparable companies. Rejection is calculated based on the total votes excluding abstentions and blank votes.

of **Directors**, which obtained an average acceptance of over 96.5% of votes cast¹², which is 0.6 p.p. higher than the average received by comparable companies.

IV.B Adaptation of the Board of Directors to the changes in the shareholding structure that occurred during the last chairmanship term

This effort to align the Company's corporate governance with best practices has been carried out in a context of **significant changes**, both in the Company's **shareholder structure** and in the **members of the Board** of Directors.

Since 2021, the shareholder structure has undergone a transformation, with new investors entering Indra's capital or existing ones¹³ increasing their positions, assuming **significant shareholder** status. In response to these shareholders' requests for representation on the Board of Directors, the Company's chairman has successfully led, within the scope of his duties, the analysis by the governing bodies of these **requests to address their right to be part of the Board**.

Overall, under the leadership and guidance of the current chairman, Indra has managed to adapt its Board of Directors to the changing structure of its shareholder base and to the overall Company interest, without compromising corporate governance standards and minimizing disruptions to its business operations.

¹² Excluding abstention and blank votes.

¹³ Among these shareholders, notable are: SAPA Placencia, which increased its stake to 7.94% in January 2024; Escribano Mechanical Engineering, which reached an 8% stake in Indra in November 2023; and Amber Capital, which entered the shareholding in 2022 and raised its stake to 7.24% in May 2023.

Detailed analysis

1. Indra's operational and financial performance, in terms of business and value generation for shareholders and society, for the 2021 – 2023 period.
2. Basis of Indra's new 2024 – 2030 Strategic Plan, financial market assessment and first results.
3. Suitability of the profile of Mr. Marc Murtra Millar for the exercise of his duties as chairman of Indra.
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1. Indra's performance in the 2021 – 2023 period

1. Indra's operational and financial performance, in terms of business and value generation for shareholders and society, for the 2021 – 2023 period

Upon reaching the profitability improvement and margin stabilization targets, the Company decided to embark on a new strategic phase. Consequently, in 2021, the new 2021 – 2023 Strategic Plan was approved, with an increased focus on business development.

In this context, **Mr. Marc Murtra Millar was appointed as a new board member of the Group, with him assuming the chairmanship in this new strategic phase of Indra.**

1.A Strategic guidelines for the 2021 – 2023 period

The economic repercussions of COVID-19 accelerated the predominant trends within technology-driven sectors, a domain in which Indra is actively engaged. The growing significance of digital capabilities and cybersecurity invigorated the information technology industry, while escalating geopolitical tensions drove increased investment in the defense and aerospace sectors. These market dynamics presented business prospects for firms operating in both segments.

Leveraging its technological foundation and benefiting from favorable tailwinds in its business operations, Indra formulated its 2021 – 2023 Strategic Plan with the **ambition of attaining a leading digital position in target markets** while solidifying the margin improvements achieved in previous years. Thus, the Company's strategy focused on the following lines of action:

(i) **Commitment to high-value solutions.**

This strategic driver emphasized growth and profit enhancement, focusing on two main areas: (i) **investment in major defense programs**, reflected in its status as the third-largest participant in the European Defense Fund (EDF) and its involvement in significant European consortia; and (ii) **prioritizing high-value-added segments**, such as the expansion of cloud solutions, which has been instrumental in driving the margin improvement in the digital technology business.

(ii) **Efficiency in the operating model.**

This axis aimed at **standardizing operations**, enhancing execution efficiency, and driving productivity improvements through the deployment of new processes and tools. Among others, notable initiatives included the implementation of the internal tool O2O, which systematizes the proposal preparation process and has led to a reduction in overhead costs, as well as the rollout of the "Minsait Way" operational model, resulting in cost efficiencies of around 7–8%.

(iii) **Digitalization of the portfolio.**

This strategic approach centered on developing a new digital native portfolio and advancing the Company's product and service portfolio beyond its legacy offerings. This strategic shift not only positioned Indra as a recognized market leader in digital solutions (e.g., FCAS) but also facilitated the development of a diverse range of digital solutions across the Defense & Security, ATM, and Mobility sectors.

(iv) **Rigorous and responsible management.**

This strategic lever sought to enhance the **Group's synergies, capabilities, and overall competitiveness**. Indra undertook various initiatives, including the restructuring of the HR department to its business units and conducting studies to integrate digital capabilities horizontally across the organization, thereby achieving the targeted capex objectives for each period.

1.B Financial performance of the Company

The **deployment of Indra's strategy and management model since the arrival of Mr. Marc Murtra Millar as chairman of the Company** has contributed to the improvement of the Group's financial performance. In the period 2021 – 2023, Indra has managed to (i) grow the business, (ii) improve its profitability and (iii) increase its financial soundness, as demonstrated by the evolution of the main indicators.

These results stand out when compared with the outcomes achieved by other comparable companies¹⁴, where Indra has demonstrated either superior or similar performance across all the analyzed indicators.

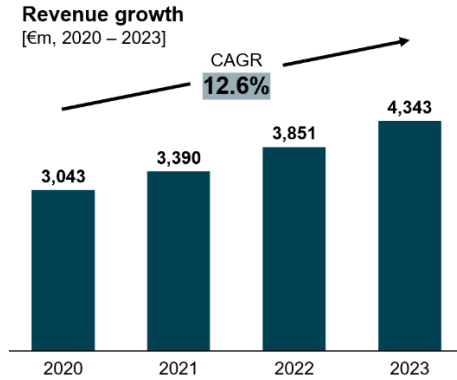
¹⁴ Sample of comparable companies: Thales, Leonardo, QinetiQ Group, BAE Systems, Saab, Dassault Aviation, Bechtle, Computacenter, Sopra Steria Group and TietoEVRY. See details in appendix A.

1. Indra's performance in the 2021 – 2023 period

(i) Business growth

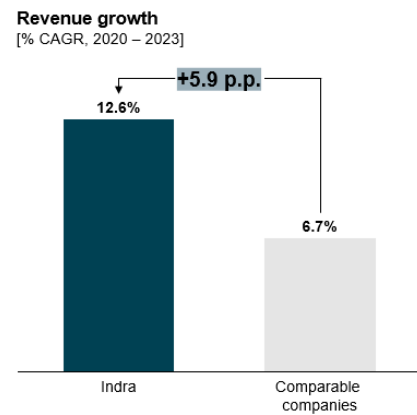
During the 2020 – 2023 period, Indra's **revenues grew at an annual average** (hereinafter also referred to as compound annual growth rate or "CAGR") of **12.6%**, totaling €4,343 m by the end of the stated timeframe.

Figure 1: Indra's income evolution



The **growth achieved by Indra in these three years is higher than the average of its comparable companies**, with its turnover growing at a rate 5.9 p.p. higher than that achieved by the sample of reference companies in the period.

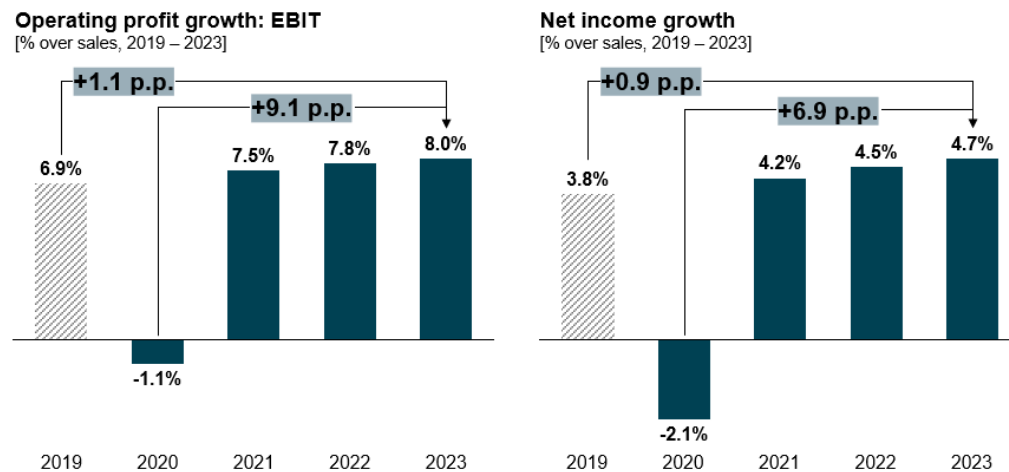
Figure 2: Average annual revenue growth comparative analysis



(ii) Profitability

Indra's ongoing commitment to operational efficiency as a strategic management pillar resulted in an increase of its operating margin (EBIT) by 1.1 p.p. since 2019 (9.1 p.p. if we take 2020 as the base year), and its profit by 0.9 p.p. (6.9 p.p. if we consider 2020 as the base year).

Figure 3: Indra's profitability evolution (operating margin: EBIT and net income)

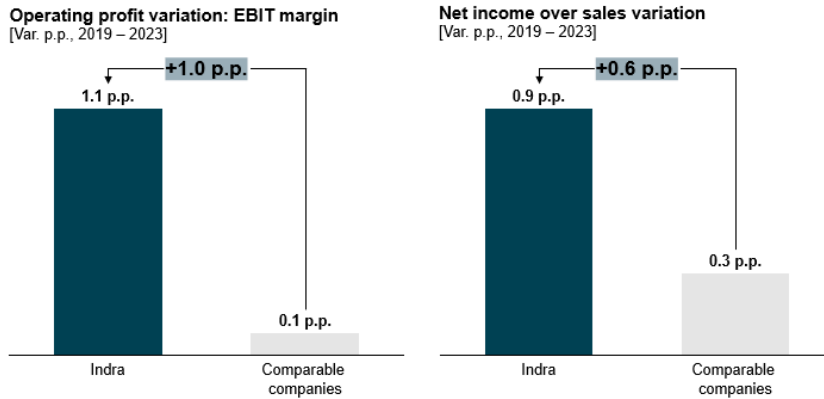


Likewise, using 2019 as a baseline to neutralize the impact of COVID-19, the comparison reveals an improvement of the operative margin for the Group of **1 percentage point greater than for the**

1. Indra's performance in the 2021 – 2023 period

companies in the sample, measured by EBIT over sales (Indra: 1.1 p.p. vs. comparable average: 0.1 p.p.). This trend is also evident in the evolution of net income over sales, where the Group's improvement is 0.6 p.p. greater than that of the companies in the sample (Indra: 0.9 p.p. vs. comparable average: 0.3 p.p.) over the same period.

Figure 4: Profitability evolution comparative analysis¹⁵

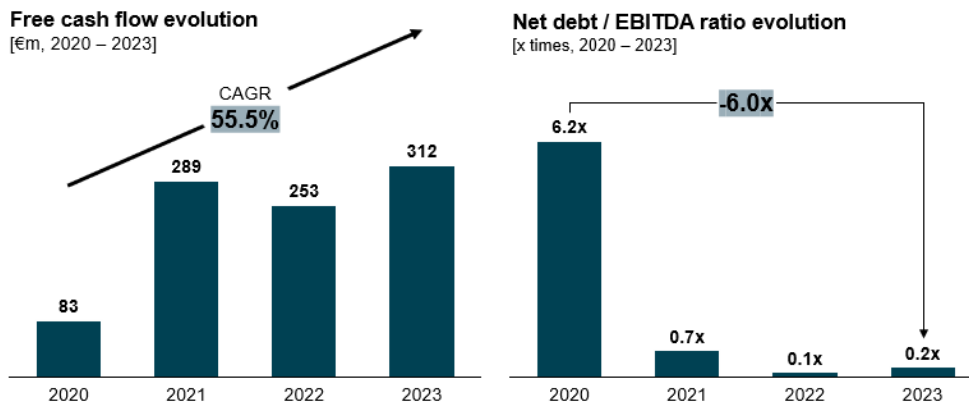


(iii) **Financial soundness**

Despite the growth in its business portfolio, typically associated with intensive investment in new capabilities, Indra managed to strengthen its financial soundness during the last management period. As a result, the Company **improved cash generation**, leading to a **reduction in the net financial debt to EBITDA ratio**.

Indra increased free cash flow at a CAGR of 55.5% since 2020, reaching €312 M in the fiscal year 2023. Concurrently, the Company reduced the net financial debt to EBITDA ratio by 6 times, reaching 0.2 times as of the end of 2023.

Figure 5: Indra's Financial soundness ratios evolution¹⁶



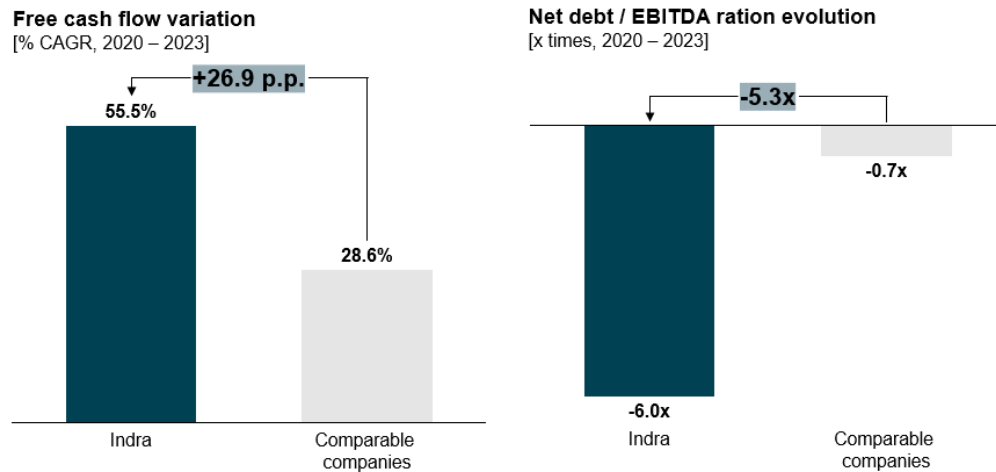
The comparative analysis underscores the **effectiveness of this financial management strategy by outpacing comparable companies, despite their lower business growth rates compared to Indra**. Specifically, it outperforms comparable companies by 26.9 p.p. in terms of the compounded annual growth rate of its free cash flow generation and reduces the ratio of net financial debt to EBITDA at a faster pace than its competitors.

¹⁵ The calculation of the EBIT variation for the 2019 – 2023 period excludes BAE Systems due to the lack of data for this company.

¹⁶ According to reported results, without adjustments.

1. Indra's performance in the 2021 – 2023 period

Figure 6: Financial soundness evolution comparative analysis¹⁷



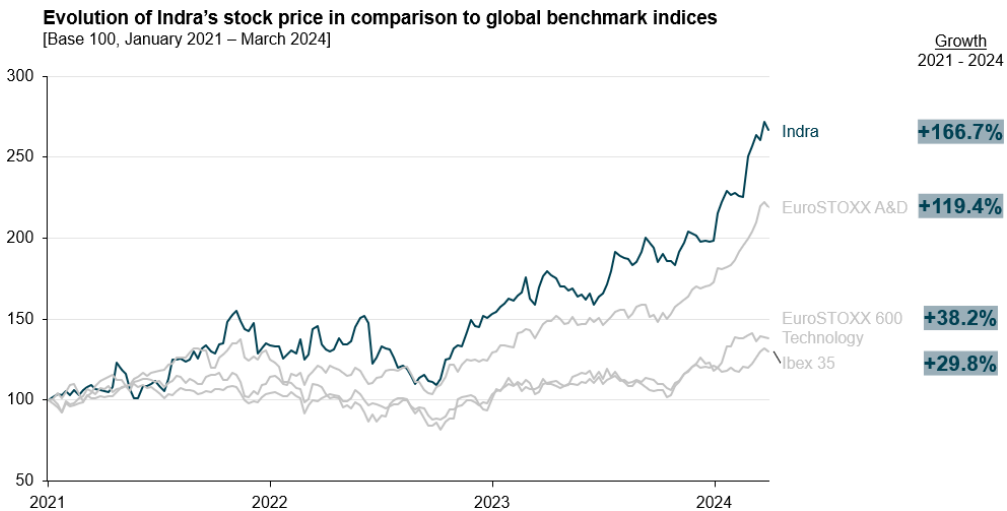
1.C Creation of economic value for the shareholders

The management and strategic decisions adopted during the 2021 – 2023 period and the good financial performance achieved have allowed Indra to **consolidate a business model capable of generating sustained value for its shareholders.**

(i) Capital market support

Indra garnered **support from the capital markets, enhancing its valuation by 166.7% over the period** and outperforming global benchmark indices (+47.3% compared to the EuroSTOXX Aerospace & Defense growth, +128.5% compared to the EuroSTOXX 600 Technology evolution, and +136.9% compared to the performance of the Ibex 35).

Figure 7: Evolution of Indra's stock price in comparison to global benchmark indices



(ii) Total shareholder return

The favorable performance of Indra's business enabled the reinstatement of dividend payments to shareholders, which had not been distributed since July 2014. Thus, throughout the 2021 – 2023 period, €0.40 per share was distributed. This remuneration, **coupled with the appreciation experienced by the stock, has allowed Indra to deliver a TSR¹⁸ of 180.9% over the period.**

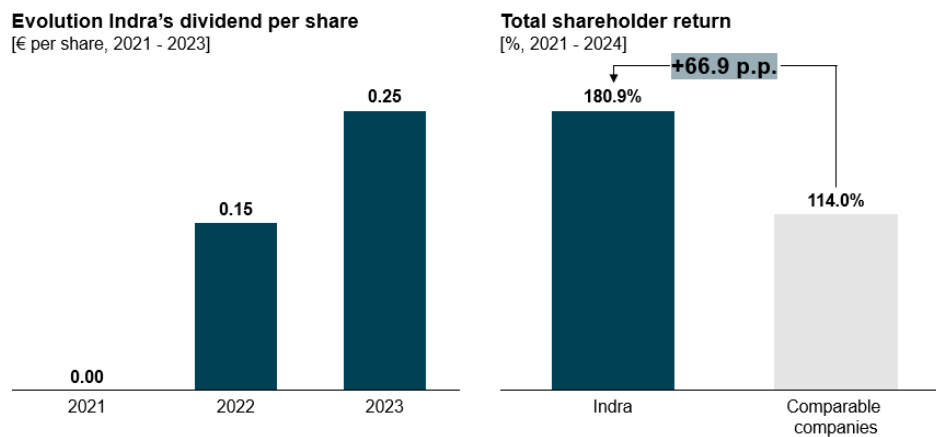
The Company's total return **exceeds by 66.9 p.p. the average total return** of the comparable sample of companies (114.0%), underscoring the strength of its shareholder value creation model relative to its sector comparable companies.

¹⁷ The calculation of the FCF growth for the 2020 – 2023 period excludes Dassault Aviation due to negative figures.

¹⁸ TSR: Total Shareholder Return. Calculated without reinvestment of dividends.

1. Indra's performance in the 2021 – 2023 period

Figure 8: Shareholder remuneration¹⁹



1.D Social and sustainability strategy

In 2020, Indra approved its 2020 – 2023 Sustainability Master Plan. This plan was structured around five strategic axes, which allowed the value generation to be transferred to all the Company's stakeholders:

(i) **Stakeholder relations**

ESG indices. Significant improvement in scores obtained by the main ESG indices: Top 1% company in the S&P Sustainability Yearbook in 2020, 2021, 2022, and 2023; global leader in the IT Services sector in the Dow Jones Sustainability Index (DJSI) in 2021, 2022 and 2023 and leadership level in the CDP Climate Change Index in 2022 and 2023.

Sustainability report. Extending the scope and quality of the Sustainability Report by including the Double Materiality Analysis and the adaptation to the EU Taxonomy Regulation.

(ii) **Governance model**

Formalization of ESG commitments. Board approval of the *Sustainability Policy*, *Human Rights Policy*, *Modern Slavery Statement*, and *Sustainability Policy for Suppliers*.

ESG risks. Reinforcement of ESG risk management mechanisms, including improvements in supplier management and continuous enhancement of the Internal Control over Non-Financial Reporting System (ICNFRS).

(iii) **Planet and climate change**

Emissions reduction. Commitment to renewable energy use with significant progress in the SBT²⁰ CO2 reduction pathway to achieve zero emissions by 2040 and carbon neutrality by 2050.

Reporting. Climate change risk analysis according to TCFD (Task Force on Climate related Financial Disclosure) guidelines.

(iv) **Technology with impact on sustainable development**

Taxonomy. Full application of the EU Taxonomy to Indra's activities (% turnover/capex/opex) for climate change adaptation and mitigation objectives (alignment), and for the rest of the environmental objectives (eligibility).

ESG criteria. Included in the continuous process of supplier homologation and training suppliers in information security and for calculating the carbon footprint.

(v) **People and talent**

Salary gap. Reduction of the global pay gap (2.7% in 2023 vs 3.0% in 2019).

Gender equality plans. Development and implementation of the Gender Equality Plans in Spain.

Training. Sustainability training plan for professionals.







The commitment to ESG matters, as well as its leadership in this area, has led Indra to be recognized by sustainability indices and reports at a global level, highlighting its consideration as **the most sustainable company in the IT Services technology sector in the years 2021, 2022 and 2023**, according to the Dow Jones Sustainability Index (DJSI) World.

¹⁹ Dividends recorded according to payment date and without reinvestment of these. Corporate information of Capital IQ companies.

²⁰ Science Based Targets.

1. Indra's performance in the 2021 – 2023 period

Figure 9: Selection of ESG-related indices in which Indra participates

Index	Ranking details	Index	Ranking details
 Dow Jones Sustainability Index	A member of the index since 2006, Indra has been the highest-rated IT sector company since 2021	 Top employer Spain 2023	Indra and Minsait recognized as two of the best companies to work for, for fifth consecutive year
 CDP Climate Change Index	Indra (currently rated A-) improved from a B rating in 2019 and 2020 to an A- rating in 2021 and an A in 2022	 Sustainalytics ESG Rating	Indra holds an ESG risk rating of 14.5%, excelling in corporate governance
 MSCI Global Sustainability Index	Indra received an AA ranking and outperformed the average in Corporate Governance, emissions and Clean Technology opportunities	 Bloomberg Gender Equality Index	Indra was one of the first 15 companies to be included in the index in 2019, and it maintains its index position among other 23 national companies
 FTSE4Good Index	Indra excels with top scores in climate change, labor standards, and additional criteria, achieving an overall rating of 4.2/5	 Science Based Targets Initiative	Indra's emissions reduction objectives are aligned with the initiative's 1,5 °C ambitions
 EcoVadis Sustainability Index	Indra has enhanced its recognition to Platinum in 2023, the highest achievable, positioning it among the top 1% of analyzed companies	 Communication on progress	Indra's Communication on Progress has been acknowledged with the Advanced Level by the UN Global Compact
 ISS ESG Rating	Indra ranked "Prime" , indicating compliance with extensive ESG requirements	 National Innovation Awards 2020	Indra was acknowledged for its role in the digitalization of various sectors and innovation
 Noite Award 2021	Minsait was awarded for its ongoing support to CPEIG	 XVI Madrid Flexible Business Awards	Indra was commended for its effective and profitable management model that promotes work-life balance for employees
 HCM Excellence Awards 2021	Indra secured two gold awards in the Brandon Hall Group's human capital management awards	 Cegos with Teams & Talent Award 2020	Indra was recognized for its initiatives aimed at enhancing talent attraction and retention
 LinkedIn Top Companies, Spain 2021	Indra ranked second in the ranking assessing companies' ability to attract, retain, and successfully engage top talent	 Equality in the Workplace Badge 2021	Indra renewed the DIE through the implementation of gender equality policies

Additionally, Indra contributes to wealth creation in all the territories where it operates by maintaining a cooperative relationship with the various tax administrations it interacts with as a result of its activity. As a proof of Indra's commitment to responsible taxation, **the Group adhered to the Code of Best Tax Practices of the Spanish Tax Agency**, approved by the Board of Directors in April 2023.

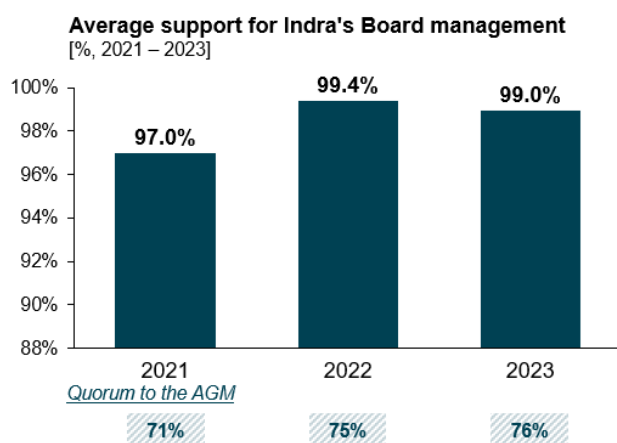
The **2024 – 2030 Strategic Plan reaffirms Indra's ongoing commitment to improving its business performance from an ESG** (Environmental, Social, and Governance) perspective. In this sense, the Company establishes its adherence to the ESG Plan, made up of **16 strategic lines**, which it will supervise, alongside other strategic pillars, using over 15 key performance indicators specific to ESG objectives. This approach reflects the Group's commitment to sustainability and progress, positioning it strongly to achieve its goals in this area.

1.E Support received for the management from shareholders and market analysts

Following the appointment of Mr. Marc Murtra Millar as chairman of the Board of Directors at the Annual General Meeting of Shareholders in 2021, shareholders **have widely supported the management conducted by the Company's governing body**, with support rising from approximately 97.0% in 2021 to around 99.0% at the latest Meeting. This rise in management support has been bolstered by an **increase in shareholder quorum**, which has grown from 71% in 2021 to 76% in 2023.

1. Indra's performance in the 2021 – 2023 period

Figure 10: Average support for Board management at the Annual General Meetings



Thus, analysts highlight the work carried out by the Company over these years²¹:

- JP Morgan highlighted "We believe that Indra is taking steps to improve its corporate governance"²².
- Banco Santander mentioned "Good news as Indra has quickly replaced the vacant independent position on its Board. Furthermore, once the new proposals are approved, it will maintain a balance on the Board between independent and non-independent members, as suggested in the recommendations of a good Corporate Governance"²³.
- Mirabaud underlined "Earnings momentum keeps being strong, there is a trend of positive news flow concerning the three main pillars of the business and trading ratios vs. peers keep being attractive"²⁴.
- Société Générale pointed out "Indra can continue to deliver strong revenue growth in 2024 and improve further its operating margin trajectory. Its current valuation does not reflect its potential, in our view. We reiterate our Buy rating"²⁵.
- UBS concluded "Indra is growing in healthy margin areas and has notably reduced financial debt. Governance on Indra has been a key issue in 2022 [...]. In our view, these [changes in the corporate governance system] are important steps, and the stock has reacted well to recent events"²⁶.
- BNP Paribas published "We believe the Revenue tailwind to begin from H2'23, ramping into 2024. [...]. Likewise, the restoration of a balanced Non/independent board of directors at the EGM will help the corporate governance sentiment that overshadowed the company since June this year"²⁷.

1.F Strong management performance

Overall, and considering the results achieved at the end of this strategic period, it is concluded that the 2021 – 2023 Strategic Plan has been successfully implemented, **consistently exceeding** all revenue, operating margin, and cash generation **targets** ("guidance"²⁸) **annually communicated to the markets** by the Company.

²¹ In the course of this analysis, no adverse references or assessments have been noted in any of the reviewed analyst reports.

²² JPMorgan 06/03/2024.

²³ Banco Santander 26/05/2023.

²⁴ Mirabaud 09/04/2024.

²⁵ Société Générale 29/02/2024.

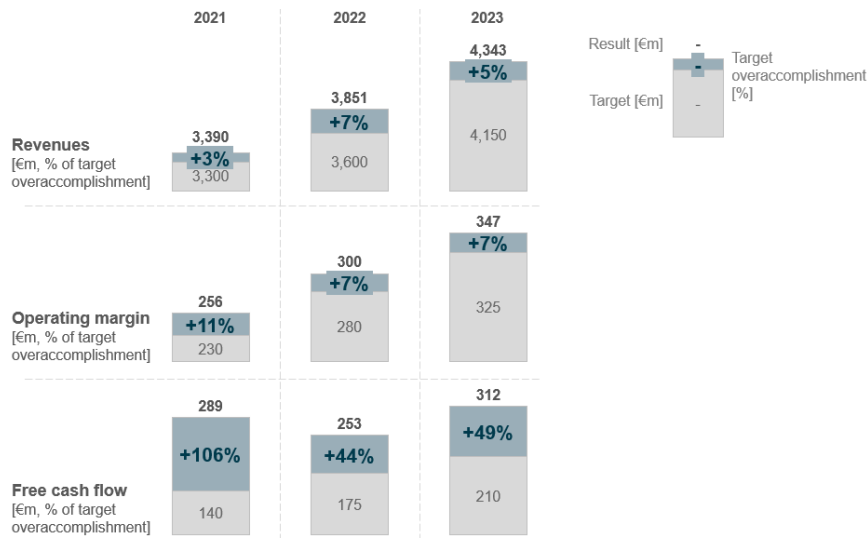
²⁶ UBS 15/11/2022.

²⁷ BNP Paribas 03/11/2022.

²⁸ Guidance refers to the yearly communicated targets to the market regarding primary financial metrics.

1. Indra's performance in the 2021 – 2023 period

Figure 11: Annual financial objectives of Indra (guidance) and compliance²⁹



²⁹ Based on the annual objectives set forth (i.e., guidance), selecting the upper limit in the case of a range and revised values as appropriate.

2. Basis of Indra's new 2024 – 2030 Strategic Plan, financial market assessment and first results

As the end of the 2021 – 2023 strategic period approached and having successfully met all the objectives communicated annually to the markets, Indra considered the convenience of defining a new strategic plan that would consolidate and deepen the business transformation guidelines defined in the previous plan.

2.A Complex sectoral context

Five key trends are shaping the future of the defense and information technology market. Their impacts are expected to intensify in the coming years, generating new business challenges and opportunities for these sectors:

- (i) **Escalation of military conflicts.** The recent escalation of military conflicts in Europe and the Middle East is reshaping the defense programs of major Western countries, leading to a new investment cycle in Europe, which will have to adapt to the minimum investment threshold (2% of Gross Domestic Product). This increased demand for defense systems and equipment is expected to create commercial opportunities and drive technological advances in the field.
- (ii) **New investment cycle in defense in Europe.** The growing investment objectives in defense and the consideration of defense as a strategic sector for European countries will contribute to the development of the value chain for companies located in Europe and will generate new programs with a presumed and active participation of the Spanish industry.
- (iii) **Increasing relevance of technology.** The new European defense investment programs will facilitate the modernization of operational platforms and promote the development and integration of innovative technological solutions for these systems.
- (iv) **Multidomain interoperability.** The need to integrate and combine the different defense platforms across land, sea, and air with the new space and cyberspace domains will force the development of multidomain interoperability solutions.
- (v) **Digitalization.** The impact of new digitalization technologies, with increasingly advanced solutions in artificial intelligence, cloud services, and cybersecurity, will be elements of change in society and the economy, which must adapt to this emerging new digital context.

Overall, these trends should **favor market development and generate business opportunities** for those companies with the appropriate positioning and the necessary capabilities to address them.

In this context, the defense sector has experienced revitalized competition, as companies race to dominate new businesses and geographic markets. **Leveraging inorganic growth through acquisitions has become a recurring strategy for the development of new capabilities.** Several competitors have pursued this approach, including:

- BAE Systems acquired the aerospace business of Ball Corporation in 2023 for €5,090 million, and in 2022 the military GPS division of Collins Aerospace and the tactical air radio business of Raytheon, for €1,736 million and €248 million respectively.
- In 2021, Leonardo acquired 30% of the Company, specialized in short and medium-range sensors for navigation and maritime surveillance, GEM Elettronica, with a purchase and sale option on the Company for 2024.
- Thales strengthened its ground combat simulation and cybersecurity capabilities with the acquisitions of Ruag S&T in 2022 and Imperva in 2023, respectively.
- Saab took over BlueBear, specialized in AI-enabled autonomous swarm systems for complex defense and security applications.

Regarding the IT segment, competitors (e.g., Sopra Steria, TietoEVRY) are betting on the **development of new capabilities to position themselves in high-value segments** such as immersive technologies (e.g., AR/VR, Metaverse), blockchain or quantum computing. They are leveraging their digital capabilities to offer comprehensive solutions or migration to cloud environments. Additionally, there is a tendency to shift traditional services towards **new as-a-service business models**.

2.B Basis of the 2024 – 2030 Strategic Plan

In this market context, Indra presented its **2024 – 2030 Strategic Plan** (“Leading the Future”) in which, **building upon the foundation laid on the previous period**, this plan aims to equip the business with the necessary tools and guidelines to effectively address the challenges faced by the sector and emerge as the leading Spanish multinational in the defense and aerospace sectors, as well as in advanced digital technologies.

2. Basis of 2024 – 2030 Strategic Plan

Thus, the Company is committed to advancing in the following axes:

- Accelerate the transition to a multidomain national reference in defense, continuing the line set out in the 2021 – 2023 Strategic Plan, to increase relevance as a **global systems integrator** and ecosystem coordinator in Spain across air and ground programs, and **develop the space business line**. For the latter, Indra has set as the objective to create a new space company, which aspires to be the national benchmark and a relevant European company.
- Reach global Air Traffic Management (ATM) leadership expanding the activity to North America and Asia-Pacific and expanding into **unmanned traffic management solutions**.
- Become an advanced technology and services ecosystem coordinator in the European and Latin American industry, consolidating the effort carried out by the Group during the previous strategic period to **digitalize the portfolio and promote the development of the most advanced digital technologies** in areas such as artificial intelligence, cloud, and cybersecurity.
- Reinforce Indra's brands to continue being the **preferred employer** for high-value technological talent in priority geographies.

To advance in these axes, Indra considers it necessary to activate enabling actions that facilitate the execution of the established strategy, such as:

- i. Commit to the international expansion of the Group's activities, through three regional clusters and an export model for the rest of the regions. The Company seeks to evolve into a **multinational company**, focus on priority regions, and strengthen proximity to customers.
- ii. Continue with the exercise of divestment in non-core assets and proactively promote acquisitions and partnerships / alliances, to maximize synergies and **accelerate the change of mix towards high value**, both in the defense segment and in digital technologies.
- iii. Evolve the organizational and corporate structure of the Company towards an **Indra Corporation model** that facilitates flexible and efficient decision-making, coordination, and the search for synergies between the different businesses, while preserving its management autonomy.

Regarding the financial objectives associated with the plan, since Indra has shown its ability to consistently exceed the objectives set in the last 2021 – 2023 period, the **objective for 2026 has been set to exceed €6 billion in turnover** (which represents a growth of 38.2% over the figure reached in 2023), with an **EBITDA margin of more than 12%**. As a result, the Company would maintain a **stable dividend payment policy**, with a payout ratio of around 20%, aligned with current levels and consistent with the Company's strategy.

As explained in section 3.B, **the role of the chairman in the different strategic stages has evolved until his current reclassification as an executive chairman**. Thus, the Board has decided to attribute to the chairman certain executive functions linked to the implementation of the strategic plan, which are complementary to those of the CEO.

2.C Support received for the strategic plan

Since its publication on March 6, 2024, the **market has recognized and supported Indra's strategic direction** with direct references of support from the main analysts who follow the Company³⁰, such as, for example:

- BofA Securities positively assesses the prospects of the plan: *"Indra has released its presentation deck ahead of the strategic update today with 2026 guidance & an update regarding potential disposals and M&A. [...] Overall, we see this as a very positive midterm outlook for the group and we maintain our Buy rating, PO €22.5"³¹.*
- Banco Santander highlights *"We obtain a positive view on Indra's new strategic plan to refocus its portfolio on higher growth and increased profitability"³².*
- GVC Gaesco states that *"We are positive about the company, mainly due to the strength of its sectors and the good delivery of the last two years"³³.*
- JB Capital points out *"Indra has presented a plan with ambitious objectives for 2026, exceeding our expectations and those of the consensus, which we believe should lead to positive momentum in profit estimates in the coming weeks. Specifically, the new plan foresees a higher than expected increase in turnover, supported by the defense business, and better margins in the defense division"³⁴.*

³⁰ In the course of this analysis, no adverse references or assessments have been noted in any of the reviewed analyst reports.

³¹ BofA Securities 06/03/2024.

³² Banco Santander 07/03/2024.

³³ GV Gaesco, 07/03/2024.

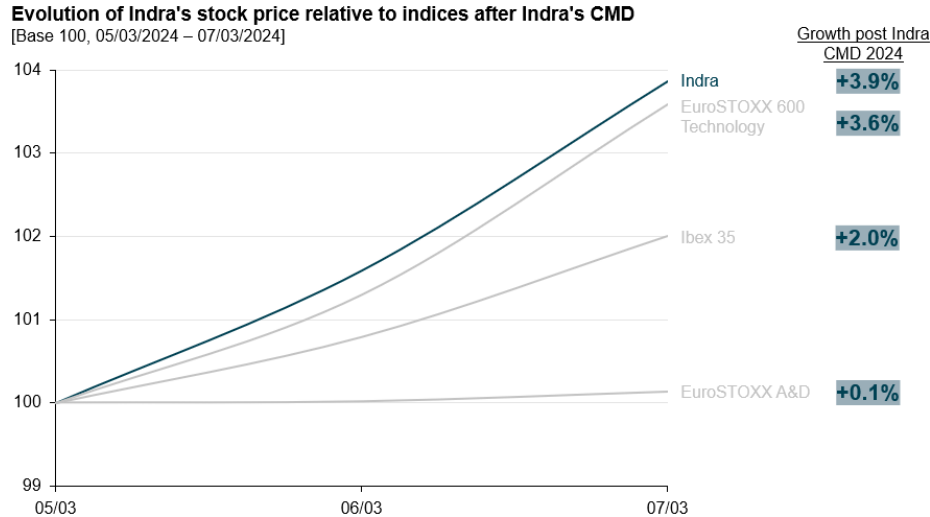
³⁴ JB Capital 11/03/2024.

2. Basis of 2024 – 2030 Strategic Plan

- Renta 4 points out that “The combination of Defense and Minsait will allow us to take advantage of synergies in two strategic sectors with a promising future”³⁵.

This positive assessment was confirmed by the good performance of the Company’s stock throughout the day the plan was presented. Thus, Indra’s **share price rose by +3.9%** after the Capital Markets Day (March 6, 2024) and the subsequent day, **higher than the performance of the benchmark indices** in that same period: EuroSTOXX Aerospace & Defense (+0.1%), Ibex 35 (+2.0%) and EuroSTOXX 600 Technology (+3.6%).

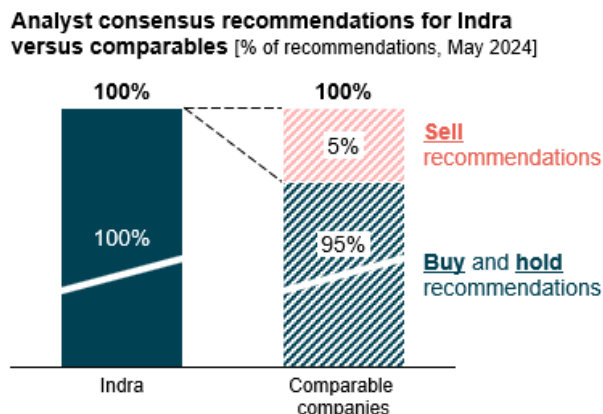
Figure 12: Accumulated appreciation of the company’s stock and benchmark indices on March 6th and 7th, 2024³⁶



This confidence in the Company’s future and its ability to continue generating value for its shareholders is also reflected in the recommendations made by analysts. Thus, the Company does not have any sell recommendation, but rather all analysts position themselves at “Buy” or “Hold”. In fact, after the presentation of the 2024 – 2030 Strategic Plan, **the number of analysts proposing the acquisition of the share has gone from 8 (out of 14 recommendations) to 11 (out of 16)**.

Accordingly, a significant number of analysts **increased the share target price**, going from a consensus valuation of €17.65 on February 28, 2024, to €22.13 on May 10, which represents an **increase of 25.3%** in the period between the publication of the new strategic plan and the communication of the results for the first quarter of 2024.

Figure 13: Recommendations³⁷ from the consensus of analysts for Indra and comparable companies



2.D Main milestones achieved during the first quarter of 2024

In accordance with the proposed calendar, the **Company has begun the implementation of the first actions of the strategic plan**, which include critical milestones such as the creation of Indra Space, a subsidiary of the Group focused on the space business, or the implementation of organizational adjustments

³⁵ Renta 4 20/03/2024.

³⁶ Based on the price variation between the closing of 05/03/2024 and 07/03/2024.

³⁷ Buy, accumulate, or hold recommendations versus sell or reduce recommendations.

2. Basis of 2024 – 2030 Strategic Plan

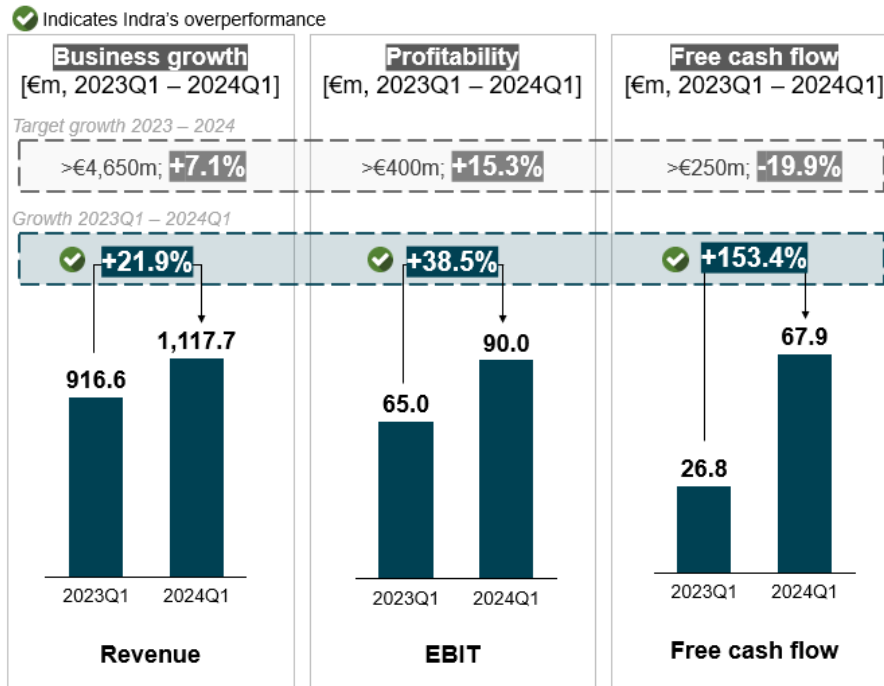
focused on energizing company transformation such as the appointment of a chief technology officer or the leadership of corporate transactions by the CSO.

In this initial phase of execution of the current strategic plan, the financial results show a positive trend, as indicated by data for the first quarter of 2024:

- **Revenues have reached a growth of 21.9%** compared to the same period of the previous year.
- The **EBIT margin has improved by 1.0 p.p.** compared to the first quarter of 2023, achieving growth in absolute terms of 38.5%.
- **Free cash flow has grown by 153.4%.**

The results achieved were reflected in the evolution of the **Company's share price**, which experienced a **revaluation of 8.8%** throughout the day of its presentation to the market.

Figure 14: Economic and financial results of Indra in the first quarter (Q1) of 2024



3. Suitability of the profile of Mr. Marc Murtra Millar for the exercise of his duties as chairman of Indra

3.A Analysis of the professional profile of Mr. Marc Murtra Millar

The analysis of the academic background and professional experience of Mr. Marc Murtra Millar identifies various capabilities and skills relevant to the assessment of **the suitability of his profile to the expected role**. In this examination, the following strengths can be highlighted:

- Academic background and commitment to business and economics education. Mr. Marc Murtra Millar holds a degree in **industrial engineering**, specializing in Machine Mechanics, from the Escola Tècnica Superior d'Enginyers Industrials de Barcelona (ETSEIB) of the Universitat Politècnica de Catalunya. He also holds a **Master of Business Administration (MBA), majored in Finance**, from the Leonard School of Business at New York University. Currently, he balances his professional responsibilities with his role as an Adjunct Professor of Financial Management and Financial Economics, and Master of Science in Finance and Banking at Pompeu Fabra University.
- International professional experience. Mr. Marc Murtra Millar has **exposure to the English-Speaking**, having accumulated both professional and academic experience both in the United Kingdom (British Nuclear Fuels and DiamondCluster, 1996 – 1998 and 2000 – 2003) and the United States (MBA at Leonard School of Business, 1998 – 2000). Additionally, he has **dealt with multiple multinational companies** through his experience in investment banking (Crea Inversión, 2011 – 2019).
- Knowledge of corporate operations procedures. With over **11 years** of experience, he has worked in **investment funds and advised companies in the context of corporate operations** (Crea Inversión and Closa Capital, 2011 – 2019 and 2020 – 2023).
- Ability to develop institutional relationships. **Mr. Marc Murtra Millar** has relevant experience in **public functions and institutional relationship development**. This stems from his roles as the **general manager at Red.es** (2006 – 2008) and the **chief of staff for the Minister of Industry, Tourism, and Commerce** (2006 – 2008).
- Professional experience in the technology sector. He served as an **advisor to major technology companies** during his tenure at DiamondCluster and Closa Capital, and as an **expert in digital transformation and digital strategy** in the public sector.
- Good practices in corporate governance. Mr. Marc Murtra Millar currently serves as a **board member in other companies**, including Ebro Foods (since 2022), where he is a member of the Executive Committee and chairs the Audit, Control, and Sustainability Committee; Industria de Turbo Propulsores (since 2023); and Tess Defence (since 2023).

3.B Evolution of the role played by Mr. Marc Murtra Millar as the chairman in each of the strategic periods

Mr. Marc Murtra Millar's chairmanship can be divided into three phases, based on the functions performed and the nature of his leadership:

- i. Assumption of office and coordination with executive directors to implement the 2021 – 2023 Strategic Plan.

Together with the beginning of the new strategic cycle, Mr. Marc Murtra Millar was appointed as a board member and chairman of Indra in May 2021. Throughout this initial phase, he oversaw the **effective functioning of the governing bodies**, implementing significant changes to streamline the directors' performance and promote consensus in the Board's decisions. This involved ensuring **appropriate coordination between the two CEOs**, each responsible for different business areas of the Group, and overseeing the smooth transition during the executive leadership change in the Information Technologies division in 2022.

- ii. Incorporation of the new CEO (Mr. José Vicente de los Mozos Obispo) and coordination in formulating the 2024 – 2030 Strategic Plan.

In May 2023, Mr. José Vicente de los Mozos Obispo was appointed as the new CEO of Indra. Under the leadership of Mr. Marc Murtra Millar as the chairman of the Board, this **shift in executive responsibility** took place smoothly without significant impact on the Company's operations, which continued to deliver strong results, or on its stock price.

The new CEO, with support from the chairman, assumed responsibility for developing the new 2024 – 2030 Strategic Plan, defining future management guidelines, together with the Managing Director of IT, an executive board member with autonomy in this critical business area, also provided support.

3. Value of the management team

- iii. Assumption of executive responsibilities aimed at successfully implementing the 2024 – 2030 Strategic Plan, in coordination with the CEO.

Following the formulation and approval of the 2024 – 2030 Strategic Plan, the Company's Board recognized Mr. Marc Murtra Millar's contribution to its deployment. Consequently, the decision was made to **delegate certain executive functions to the chairman, complementary to those of the CEO** whose responsibilities are more closely related to operational aspects of the business.

Among these functions, the most notable due to their contribution to the execution of the strategic plan are:

- Strengthening the capabilities to represent the Company before third parties and developing an adequate institutional strategy. The planned internationalization in the strategic plan requires an institutional figure with executive capacity to facilitate the entry into new markets, strengthen alliances both nationally and internationally, and consolidate relationships with key interest groups, such as governments and public administrations. This capability **enables quicker decision-making, a more robust representation** before third parties, and contributes to the success of the Company's institutional strategy.
- Providing new capabilities to lead the key alliance, acquisition, and divestment strategies, as a fundamental tool for achieving strategic objectives. Given the significance of inorganic growth in the current strategic plan, it is advisable for the chairman and CEO to collaborate in identifying new opportunities and leading critical negotiations. **Indra will benefit** from Mr. Marc Murtra Millar's **institutional relationships and expertise in corporate operations**, as well as more dynamic management of these processes. These advantages are critical in a market where inorganic growth has become a strategic pillar for many competitors.
- Granting leadership in the redefinition of the group structure, towards a more flexible and agile model. Granting leadership in reshaping the Group's structure toward a more flexible and agile model is pivotal. Designing and implementing a new organizational and corporate structure are critical elements for **advancing toward the Indra Group model**. This model should facilitate flexible and agile decision-making in business operations, aligning with the Company's strategic objectives. As Mr. Marc Murtra Millar has already taken initial steps towards the governance structure defined in the current plan, the Board of Directors aims to reinforce his role. The chairman will **lead proposals for corporate restructuring** and Group configuration, **establishing guidelines for implementation** in coordination with the CEO, particularly regarding the incorporation of new business lines.

Figure 15: Stages in the tenure of Mr. Marc Murtra Millar as chairman of Indra



3.C Evaluation of the chairman's role as a promoter of the current governance system

Since the appointment of Mr. Marc Murtra Millar as chairman, his role has been evaluated annually within the framework of the Company's governance assessment, with the collaboration of KPMG. The evaluation process relies on the opinions of other Board members to examine the chairman's function, and it has shown a **favorable evolution throughout his tenure**.

The chairman received a rating of **6.1 out of 7** (87% of the points), **improving his initial score by 24%**. His highest-rated capabilities were related to the satisfactory performance of his duties and **contribution to creating a climate of open dialogue**, that allows free expression among board members.

Indra's board members consider the **chairman's role crucial for achieving and maintaining stability in the governance system**. In the latest evaluation, they highlighted the *"work of the chairman and the lead independent director"* in the *"progress"* achieved in the structure and composition of the Board. The report also noted opinions affirming that the chairman acts with *"diligence, attentive listening, and reflection, [...] always in the best interest of the company, with transparency and honesty"*.

Regarding the collaboration between the CEO and the executive chairman to fulfill the strategic plan, several **board members praised the "excellent coordination"** between them, as *"the chairman handles institutional matters, allowing the CEO to focus on international development"*.

Furthermore, in the analyst reports gathered during the preparation of this document, no negative assessments or comments about the Company's chairman were identified.

4. Analysis of the characteristics of the Company's corporate governance, its alignment with best practices and its response to the Company's interest

Indra's commitment to good governance is evident in its **alignment with recommendations and best practices for the composition and functioning of its governing bodies**. This translates into a robust governance system that advocates for the separation of roles, mitigating the risk of power concentration. It fosters balance and effective coordination among members in executing and supervising responsibilities within the Board.

4.A Alignment with recommendations and good practices related to the composition and operation of its governing bodies

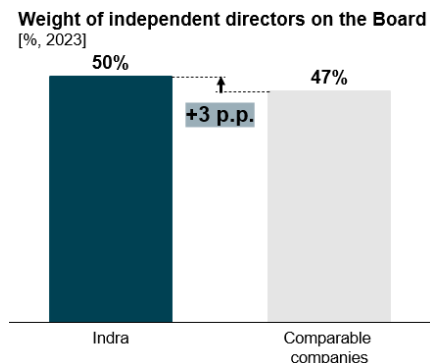
The improvement and ongoing adaptation of Indra's corporate governance during the recent chairmanship period have been centered around ensuring diversity and independence in composition, efficiency, and balance in the governance structure, as well as alignment with other best practices.

Composition of the governing bodies and checks and balances system.

1. Indra has maintained a **minimum of 50% independent directors on its board**. In response to the appointment of three proprietary directors during the previous three years, the Company proposed increasing the total number of board members to sixteen, thereby mitigating the impact of these additions on overall board independence. As of the preparation of this report, Indra **maintains an 8.3 p.p. lead in independent directors over the proportion represented by the Company's free float**.

As a result of these efforts, the presence of independent directors on Indra's Board of Directors exceeds the average of comparable companies in the Ibx 35 index (47%).

Figure 16: Proportion of independent directors on Indra's Board and the average for comparable companies in the Ibx 35



2. During the 2021 – 2023 period, the Board strengthened its governance structure with the aim of giving greater prominence to strategic matters on its agenda and promoting more dynamic executive decision-making. Currently, **the Board relies on five committees**, four of which are advisory. During this period, the following committees were added to the existing ones of Audit and Compliance; Appointments, Remuneration, and Corporate Governance; and Sustainability:
 - The Strategy Committee, an advisory body, was created to ensure continuous oversight of Indra's strategy.
 - The Executive Committee, with executive powers, was implemented following the expansion of Indra's Board to facilitate the efficient decision-making process. It shares executive authority within the Company's governance system alongside the Board of Directors.
3. The advisory committees have reinforced independence, not only because in all of them, **independent directors constitute at least 50% of the members**, but also because they chair three out of the four advisory committees. Furthermore, the Audit and Compliance, and Appointments, Remuneration, and Corporate Governance Committees, which are particularly relevant due to their nature, have 60% independent directors, while the remaining committees have at least 50% independent members.

Additionally, Indra promotes gender diversity in the assignment of committee chair positions. Currently, three out of the four advisory committees are chaired by women, two of which were previously led by men.

4. Corporate governance assessment

Figure 17: Composition of the governing bodies³⁸.

	Executive bodies		Advisory bodies			
	Board	EC	ACC	SC	ARCGC	Strat. C
Chair	Marc Murtra	Marc Murtra	Virginia Arce	Belén Amatriain	Olga San Jacinto	Marc Murtra
Chair type	Executive	Executive	Independent	Independent	Independent	Executive
Independents [%]	50%	50%	60%	80%	60%	50%
Women [%]	37.5%	37.5%	60%	80%	40%	16.6%

Checks and balances system	
Lead Independent Director and Deputy Chairwoman: Virginia Arce	Non executive director meetings in 2023 3 sessions
Executive directors: CEO and Managing Director of IT	

- The Group relies on the **role of a lead independent director** (also present in 71% of the companies in the sample). Although this role was not required by the Regulations of the Board of Directors during the last triennium due to the Company's non-executive chairmanship (similar to 75% of comparable companies in the Ibx 35), it serves essential functions. These include the authority to request the convening or inclusion of new agenda items for a previously scheduled Board sessions, chairing the Board meetings in the absence of the chairman, overseeing the chairman's performance evaluation, and coordinating succession planning. Additionally, the lead independent director is responsible for coordinating and convening non-executive directors, conveying their concerns, and chairing over meetings in which they participate. Consequently, the lead independent director, Mrs. Virginia Arce Peralta, who also holds the position of deputy chair of the Board, provides necessary checks and balances to the Company's governance model.
- The Company views the collaboration between the chairman and the CEO as favorable for successfully implementing the 2024 – 2030 Strategic Plan. The Board reassigned Mr. Marc Murtra as an executive director in April 2024, citing his profile and the effective collaboration between the chairman and the CEO, as highlighted by the Board members in the last evaluation of the chairman.

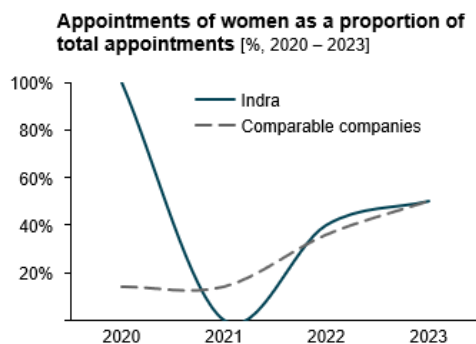
The new role of executive chairman involves **executive powers in the corporate and institutional sphere**.

In this context, one of the elements in which the recent update of the Company's corporate governance system relies on is enhancing coordination among the executive directors. The CEO remains accountable for business management, while the executive chairman assumes new executive responsibilities for institutional representation and organizational affairs within the Group.

Diversity within the governing bodies.

During the last triennium, Indra has realized efforts to maintain gender balance among Board members. Between 2020 and 2023, 66.7% of the twelve independent director appointments were women. The strong commitment to improving this indicator was particularly relevant, considering the resignations and terminations that took place in the 2021 fiscal year, which necessitated rebuilding gender balance on the Board. The gender diversity focus led to assigning extended responsibilities to women. In particular, the positions of deputy chair and the lead independent director of the Board, held by Mrs. Virginia Arce Peralta, along with the chair roles of the legally mandated committees (Audit and Compliance Committee and Appointments, Remuneration and Corporate Governance Committee), as well as the Sustainability Committee, are held by women.

Figure 18: Proportion of female appointments compared to comparable companies in the Ibx 35



³⁸ The acronyms relate to the following bodies: EC: Executive Committee; ACC: Audit and Compliance Committee; SC: Sustainability Committee; ARCGC: Appointments, Remuneration and Corporate Governance Committee; Strat. C: Strategy Committee.

4. Corporate governance assessment

Good governance practices.

As set in the *2023 Annual Report on Corporate Governance*, Indra **complies with 56 recommendations for good governance set by the CNMV** (Spanish Securities Market Commission), in line with comparable companies in the Ibex 35 index that exhibit better performance. This translates to a 93.3% compliance rate for the recommendations that the Company considers applicable.

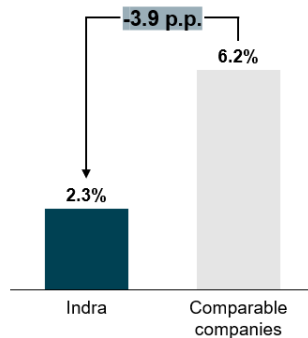
Among these best practices, it is noteworthy to highlight the Group's effort to develop **clear communication regarding matters related to board remuneration**, resulting in greater endorsement in this area compared to its sample of comparable companies^{39, 40}. Additionally, they undergo an **annual external evaluation** of their governance bodies and provide various **mechanisms to board members so they can develop efficiently their responsibilities as directors**, including external advisory, training sessions, welcome packs, and a dedicated board portal for archiving and accessing documentation related to the meetings and other relevant information.

Furthermore, Indra has **adapted its remuneration guidelines** to align with market practices in comparable companies during the 2021 – 2023 period.

- As a result of these policies and their effective communication, Indra has achieved an average rejection rate of its remuneration proposals that is 3.9 p.p. lower than the average of comparable companies.

Figure 19: Average rejection⁴¹ of remuneration policy proposals at General Shareholders' Meetings

Average rejection to proposals relative to the remuneration policies [%; Average 2020 – 2023]



The Company has also continued to annually evaluate its Board of Directors and committees through an independent external assessment since 2021. In this regard, the Group stands out compared to its comparable companies in the Ibex 35 index due to the depth with which it published the action plan for 2024, derived from its latest evaluation.

Additionally, in 2022, a **new training plan** was approved in anticipation of numerous board member additions during that year. This comprehensive process, condensed into four sessions, provides a complete overview of the Company. Newly appointed directors receive training on Indra's business matters, financial information, strategy, and production.

As a result of the Board of Directors' good governance efforts over the last triennium, Indra has achieved an **average support for proposals submitted for voting at General Shareholders' Meetings that surpasses the average of comparable companies** in the Ibex 35. Attendance at these meetings has consistently increased during the period.

- On average, 96.5% of votes (excluding abstentions) have approved proposals presented at the General Shareholders' Meetings. This represents a 0.6 p.p. higher approval rate than the average of Ibex 35 comparable companies.

³⁹ Sample of comparable companies based on market capitalization and shareholder concentration: Acerinox, ACS, Colonial, Fluidra, Merlin Properties, Sacyr, and Solaria.

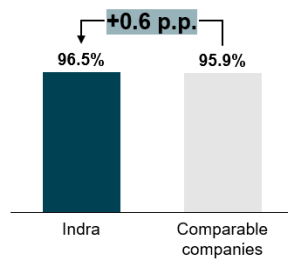
⁴⁰ Indra has achieved an average rejection rate of 2.3% for proposals concerning remuneration policies, which is 3.9 p.p. lower than the average obtained by a sample of comparable companies. Rejection is calculated based on the total votes excluding abstentions and blank votes.

⁴¹ Rejection is calculated as the percentage of votes against the total votes in favor and against (excluding blank votes and abstentions). It excludes votes related to modifications and approvals of compensation policies.

4. Corporate governance assessment

Figure 20: Average support⁴² for proposals presented at General Shareholders' Meetings

Average support to the proposals in the AGM [%; Average 2020 – 2023]



This is the result of the communication policy with shareholders, institutional investors, proxy advisors, and other shareholders that the company maintains.

4.B Adaptation of the Board of Directors to the changes in the shareholding structure that occurred during the last chairmanship term

The effort to align the Company's corporate governance with best governance practices has been carried out in a context of **significant changes**, both in the Company's **shareholding** and among the **members of the Board** of Directors due to the strategic vision shift adopted by the Company.

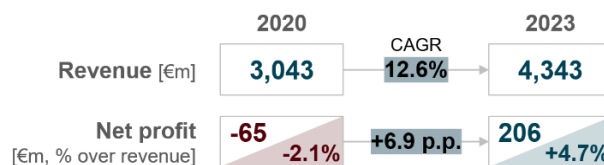
After analyzing macroeconomic and market trends affecting the industries in which the Company operates, Indra decided to pivot its focus toward the defense and aerospace sector, recognizing its strategic relevance for growth and corporate positioning. **This ambition has piqued the interest of investors**, whether accessing the Company's capital for the first time or increasing their stake. **Notable among them are industrial companies** such as SAPA Placencia (which increased its stake to 7.94% in January 2024) and Escribano Mechanical Engineering (which reached an 8% stake in Indra in November 2023), as well as investors like Amber Capital (which entered the shareholding in 2022 and increased its stake to 7.24% in May 2023).

In this context, and exercising their rights as significant shareholders, several of them requested a representative to the Board or an increase in the number of those they already had (as is the case for Sociedad Estatal de Participaciones Industriales, SEPI).

Under the leadership of Mr. Marc Murtra Millar as chairman and, therefore, guarantor of the proper functioning of governance bodies, Indra successfully integrated these shareholding changes and governance adjustments, **minimizing their impact** on business operations and corporate governance standards. Specifically:

- As shown in the first section, during the last triennium, the Group achieved the **successful execution of its strategic plan**, reaching a high level of compliance across all metrics and improving the financial performance compared to other comparable companies in the sector.

Figure 21: Evolution of key financial variables during the last chairmanship term



- The capacity for **value generation for shareholders**, whether through dividends or stock appreciation, **has remained unaffected**, providing a superior return compared to its comparable companies.

Figure 22: Evolution of the value of the share and accumulated dividend



- As explained throughout this report, **these changes have been implemented without compromising corporate governance standards**. These standards include the presence of a proportion of independent directors aligned with the shareholding composition, adherence to best practices, the implementation of a system of checks and balances with the participation of the lead

⁴² Support calculated as the percentage of votes in favor out of the total votes in favor and against (excluding blank votes and abstentions) and excluding the items on the agenda related to dismissals of directors.

4. Corporate governance assessment

independent director, and strong support from shareholders for the management of the Board of Directors.

Appendixes

Appendix A. Sample of sectoral comparable companies selected for financial performance analysis

A sample of ten comparable companies has been selected for the comparative analysis of Indra's performance. The sample includes the six main comparable components from the EuroSTOXX Aerospace and Defense index (Thales, Leonardo, QinetiQ, BAE Systems, Saab, Dassault Aviation), as well as the four main comparable components from the EuroSTOXX 600 Technology index (Bechtle, Computacenter, Sopra Steria Group, TietoEVRY).

Figure 23: Sample of comparable companies selected for the analysis

Rational	#	Company	Geography	Selection criteria
Top components EuroSTOXX Aerospace & Defense	1	Thales	France	<p>The comparable companies sample has been constructed from the companies that make up the EuroSTOXX 600 Technology and EuroSTOXX Aerospace & Defense indices. From the latter index, companies that do not belong to the aerospace and defense sectors, commercial aircraft manufacturing, and satellite manufacturing and design were excluded. Based on these listings, the comparable sample was further refined for the following reasons:</p> <ul style="list-style-type: none"> • Misalignment with Indra's IT business activity (e.g. Amadeus specializes in the tourism industry). • Misalignment with Indra's D&A (Defense & Aerospace) business activity: Companies with a stronger focus on military goods production. • Significant differences in market capitalization and revenue figures compared to Indra (e.g. Capgemini and Softcat).
	2	Leonardo	Italy	
	3	QinetiQ Group	UK	
	4	BAE Systems	UK	
	5	Saab	Sweden	
	6	Dassault Aviation	France	
Top components EuroSTOXX 600 Technology	7	Bechtle	Germany	
	8	Computacenter	UK	
	9	Sopra Steria Group	France	
	10	TietoEVRY	Finland	

Appendix B. Sample of National Comparable Companies Selected for Corporate Governance Analysis

The sample of comparable companies in terms of corporate governance consists of seven companies from the Ibex 35 (Acerinox, ACS, Colonial, Fluidra, Merlin Properties, Sacyr, and Solaria), selected for their similarity to Indra in terms of market capitalization, shareholding structure, and governance system. Banking companies were excluded from this analysis due to the stricter regulations imposed on firms engaged in this activity.

Figure 24: Sample of selected corporate governance comparable companies for the analysis

Rational	#	Company	Sector	Selection criteria
Components IBEX 35	1	Acerinox	Steel	<p>The sample of comparable companies has been developed from the companies that make up the IBEX 35 index (excluding financial entities), selecting those companies whose (i) market capitalization was similar to that of Indra, and (ii) the shareholding structure had comparable capital concentration levels to those of Indra.</p>
	2	ACS	Construction	
	3	Colonial	Real Estate	
	4	Fluidra	Industrial equipment	
	5	Merlin Properties	Real Estate	
	6	Sacyr	Construction	
	7	Solaria	Energy	

Appendix C. Detail of Indra's public documentation consulted

In the preparation of this report, internal company regulations, policies, financial and business information, and other reports have been used as references, with a special focus on the following documents:

- 2024 – 2030 Strategic Plan
- Company Bylaws 2020, 2021, 2022, and 2023
- Regulations of the Board of Directors 2020, 2021, 2022, and 2023
- Sustainability Report 2019, 2020, 2021, 2022, and 2023
- Consolidated annual accounts and Management report 2019, 2020, 2021, 2022, and 2023
- Quarterly and Annual Results Presentations 2019, 2020, 2021, 2022, 2023, and 2024
- Annual report on corporate governance 2019, 2020, 2021, 2022, and 2023

- Communications to the CNMV (Spanish Securities Market Commission) 2019, 2020, 2021, 2022, 2023, and 2024.