



Indra

New Innovation Model (NIM)

Indraventures

12 April 2019

How the New Innovation Model (NIM) for Indra should be: strategic, open and “lean”



Innovation Myths

Innovation ≠ Searching for Subsidies

Subsidies are a mean (among others) to finance strategic projects for the Company, is not an end in itself.

Innovation ≠ High R&D Expenditure

A High investment in innovation helps, but does not define an innovative culture by itself.

Innovation ≠ Startups/Spinoffs Investment

The ecosystem could be a source of innovation, but should not be the only way to achieve innovation due to the specifics of our business

Innovation ≠ A Big Innovation Department with a high budget

The transformational goal is to mutate the corporate DNA to include a more innovative approach and processes to identify and manage innovation.

What do we expect from Innovation in Indra

- Cultural Change: Innovation as part of the Corporate and its 39.000 employees DNA (Everybody innovates).
- Smart investment in innovation using the right financial tools.
- The ultimate goal of every action within the Company is to improve the P&L, both in the short and the long term
 - Innovation should lead to expand the portfolio with new products and services.
 - Innovation should be understood as a mean to maintain our technological competitive advantage
 - Innovation should be “lean”, able to invest in an agile way in today’s highly competitive and fast-changing environment.

The New Innovation Model is based on the following pillars



1

Transform innovation into the strategic lever for Indra's competitive advantage

Innovation should be understood as an strategic priority to differentiate our portfolio from the competitors one.

Become a catalyster to transition from a project company to a products & services company

2

Guiding innovation towards strategic business needs

Focus on tangible impact generation in our business, by incorporating new differential and innovative products and services to our portfolio.

3

Convert Indra in an Innovation Hub both from an internal and external perspective

Indra should be perceived as an Innovation reference within the Market, as a key factor of our brand and values positioning.

Create and maintain an Open Innovation Ecosystem to attract talent.

4

Capitalize Indra's internal Talent through differential and innovative initiatives

Promote an internal change towards an innovative culture to foster creativity and intrapreneurship.

Mobilize and benefit from Indra's internal talent to generate new Innovation initiatives

An Open and “lean” innovation model to help creating disruptive innovation



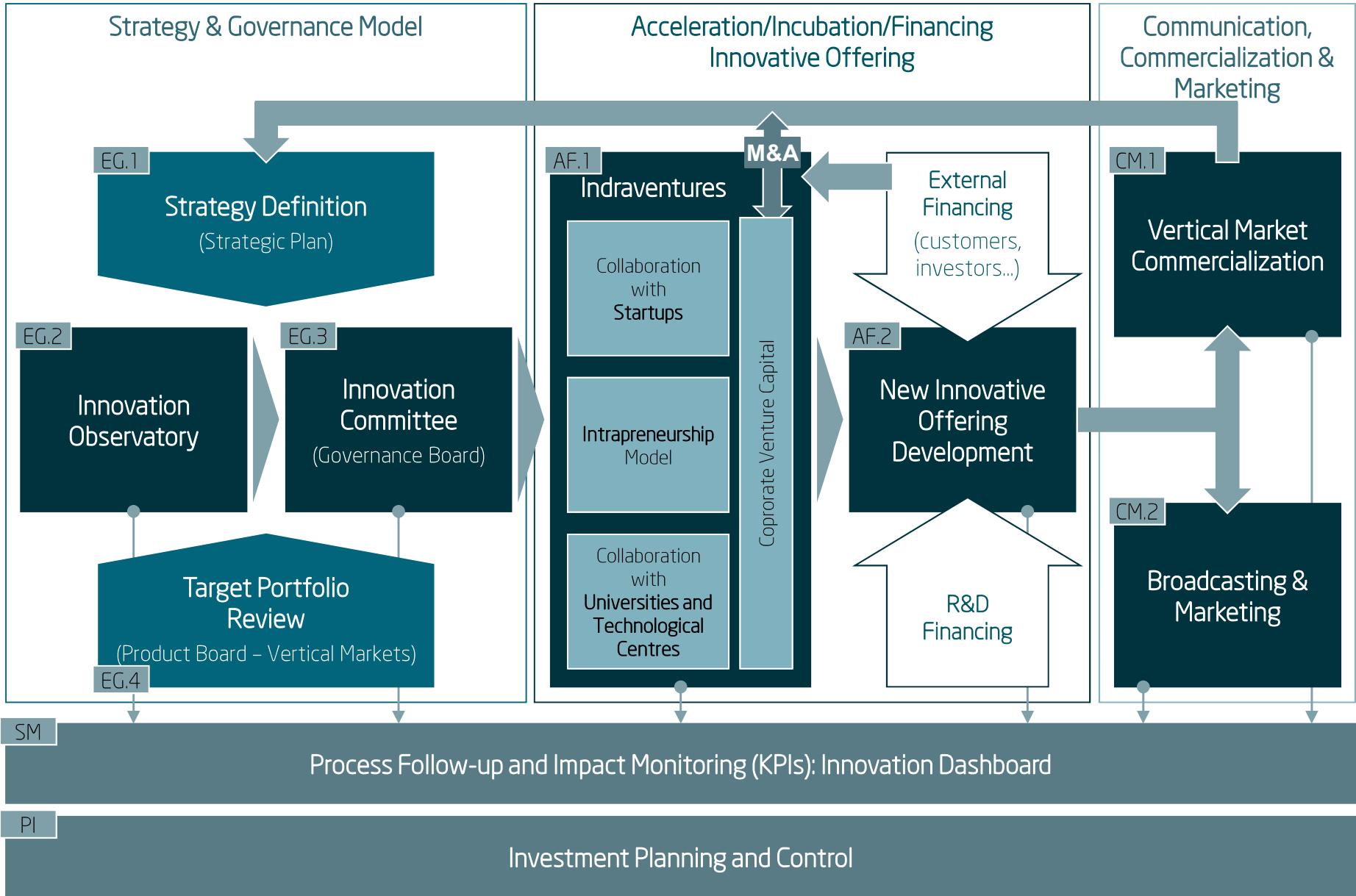
- ✓ Supported by **Indraventures** a new vehicle created to invest, support and incubate several development options in a flexible way.
 - Able to interact with startups, intrapreneurs and Research Groups through a more **agile** and adaptable vehicle than Indra Sistemas.
- ✓ More risk tolerant (assessing risk in an aggregated and strategic way) in order to improve technological ambition
- ✓ Transmitting to the environment, customers, suppliers and stakeholders that our innovation, creativity and ambition level in R&D has been accelerated strategically

We are setting up the cornerstones of our NIM, allowing to innovate in a different way since its inception

The New Innovation Model: Key Elements

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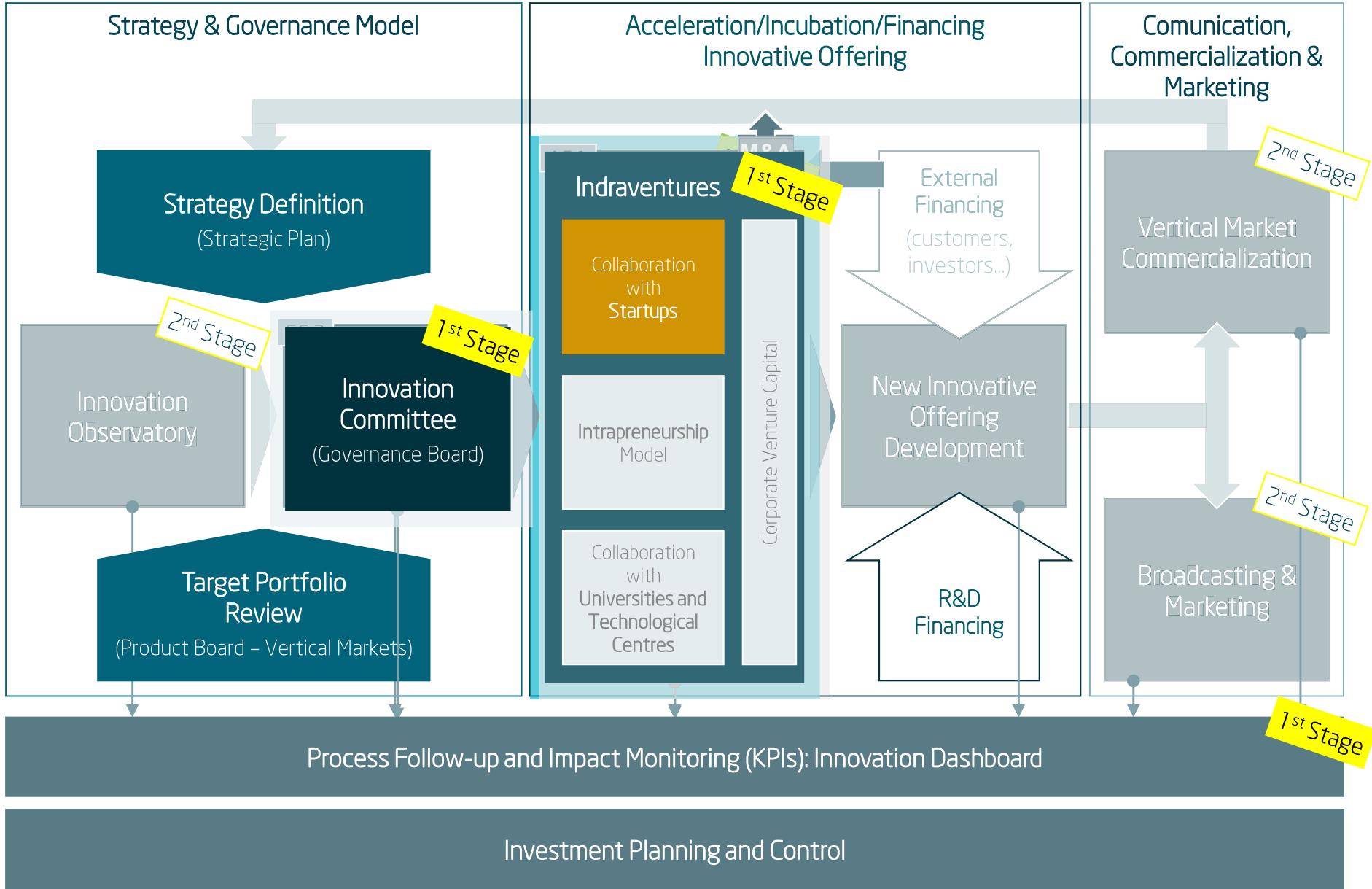
Cultural Change towards Innovation



The New Innovation Model: Key Elements

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Cultural Change towards Innovation



Indraventures: Indra's Corporate Venture Capital Vehicle

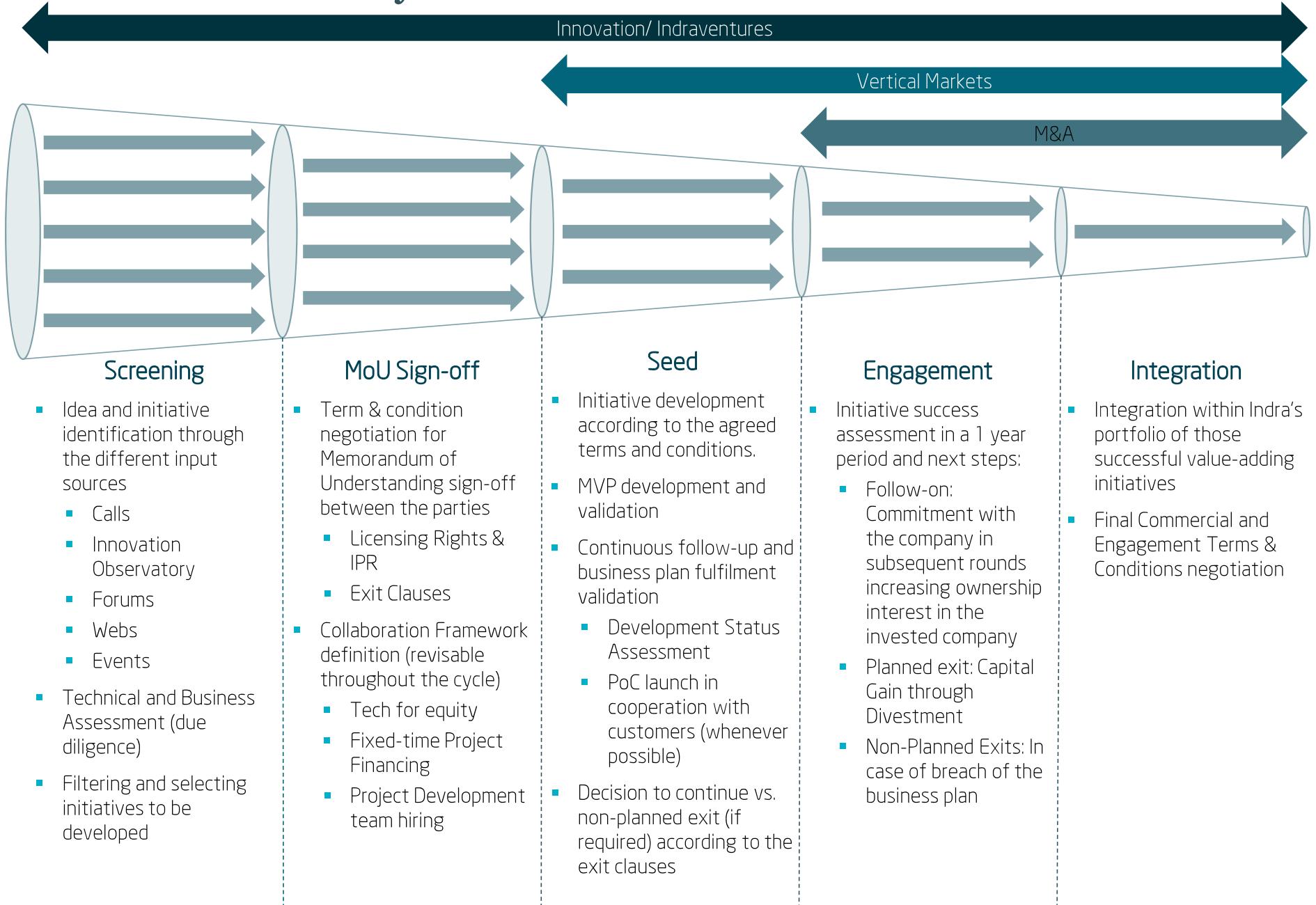


- ① Guiding and centralizing collaboration and partnerships with external entities of the Innovation Ecosystem: universities, technological centres, startups, spinoffs...
 - Lookup & screening of innovative initiatives in pre-seed or seed stages
 - Management of potential Collaboration or Investment Agreements in specific initiatives (mainly MoU)
- ② Investment and acceleration vehicle for startups, spinoffs and innovative initiatives in Early Stage
 - Engagement through direct investment ranging from 50-500k€ in subsequent financing rounds.
 - Involvement in development and acceleration, providing human resources, technology, customer & partner network and infrastructure on a required basis.
 - This approach does not exclude vertical market direct development of innovation initiatives. The innovation Committee will define the responsible unit on each base, based on the specifics of the initiative.
- ③ Incubation Monitoring, until the final integration on the company portfolio or the exit.
- ④ Indra's End-to-End Intrapreneurship lifecycle management
 - Lookup and screening employee ideas: promote corporate mechanisms to acquire internal talent innovative initiatives in a systematic way.
 - In-house initiative development: In-house development model Implementation allowing direct employee involvement.
 - Compensation schema development to foster the innovation model through the complete lifecycle.

CVC with long-term prospects:
Ultimate goal of portfolio integration (vs. Financial return)

Indraventures covers the whole Corporate Innovation Lifecycle

Indra



Indraventures and the Entrepreneurial Ecosystem

Indra



SociosInversores

tandem

GRUPO
LEVEL CAPITAL
STRATEGIC MANAGEMENT 360°

aaban
ASOCIACION ANDALUZA
BUSINESS ANGEL NETWORK

gijón | impulsa
Empresas

Ade
Agencia de Innovación, Financiación
e Internacionalización Empresarial

innobooster
Impulsando la I+D+i

Conektor
Startup Accelerator

yuzz

Fundación
Casa Para Cada La Parte
LAZARUS
PLATAFORMA DE CRIA Y
ACOMPAÑAMIENTO
DE EMPRESAS INNOVADORAS

bantec
group

incibe_

INSTITUTO NACIONAL DE
CIBERSEGURIDAD

Intensifying our relationship with the entrepreneurial ecosystem: Participation in CyberSecurity Ventures by Incibe (1/12)



INCIBE

incibe_
INSTITUTO NACIONAL DE
CIBERSEGURIDAD

- INCIBE launched (01.07.17) Cybersecurity Ventures an acceleration program in Cybersecurity where 10 startups were selected to join a 4 month program, in which they will receive an intensive training, mentoring and investor engagement guidance in order to attract investments and engage with the first customers.
- Indraventures was involved in this call proposing a challenge agreed with our Cybersecurity Unit.

Retos



2. RETOS ESPECÍFICOS DE EMPRESAS (1/4):



Generación de mecanismos de impacto de concienciación en Ciberseguridad

Plataforma que integre diferentes elementos que permitan evaluar el nivel de conciencia en términos de Ciberseguridad de una organización así como hacer un seguimiento de dicho nivel tras diversas acciones de concienciación.

La plataforma debería ser capaz de simular campañas, extremo a extremo, con los ataques más comunes enfocados hacia el usuario interno, como puede ser el phishing o malware, empleando técnicas y herramientas de ingeniería social y generando patrones de evasión contra los principales controles de seguridad con los que las compañías cuentan. Así mismo, debe medir la efectividad de dichas campañas, proponer modelos de concienciación basados en el resultado obtenido y establecer un modelo de seguimiento que mida la evolución en términos de concienciación de la organización a través de distintas oleadas/campañas.

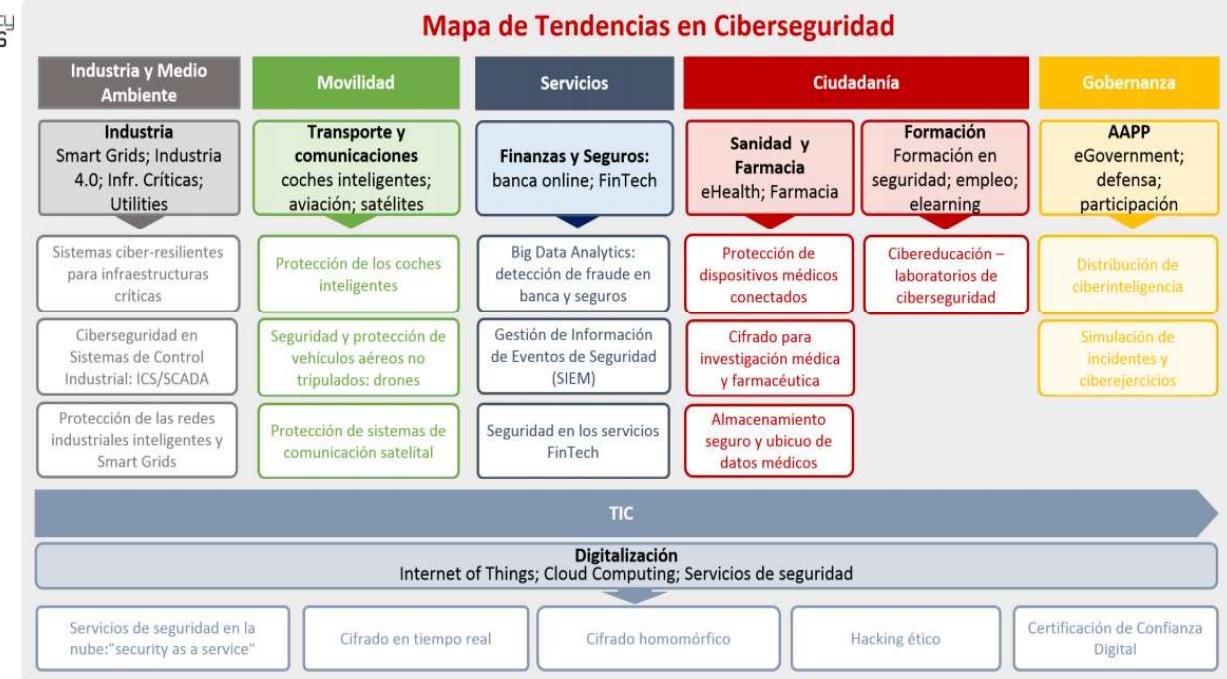


Nuevas herramientas, sistemas y servicios basados en la normativa PSD2

Herramientas o aplicaciones que permitan iniciar pagos, basadas en la normativa PSD2. Sistemas de autenticación que puedan cumplir con PSD2 para firmar transacciones.

Nuevos métodos de pago y ticketing basados en movilidad y/o geolocalización

Nuevos servicios de pago y ticketing, en base a la ubicación del usuario, distancia recorrida, etc. considerando los requerimientos de seguridad en las transacciones y privacidad de los usuarios



Intensifying our relationship with the entrepreneurial ecosystem : Meet-up PlugandPlay (2/12)

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Meet up Indra - Plug and Play. November 22th 2017

PLUG AND PLAY

•PlugAndPlay, an international network startup accelerator, proposed Indraventures to hold a Meet-up on Energy and Mobility where 5 selected startups pitched their projects. Energy & Industry and Telecom & Media vertical markets and Minsait attended the event.

•Startups:

- Wave
- Plactherm
- RiveKids
- Rated Power
- Drivies



Intensifying our relationship with the entrepreneurial ecosystem: B-Venture Investment Forum (3/12)

Indra

B-Venture 2017. Bilbao, October 17th 2017.



- Indraventures attended B-Venture 2017, the biggest startup investment event in northern Spain, sponsored by El Correo.
- 24 startups pitched their projects to raise funds as well as other startups out of pitch.
- Indraventures carried out networking actions with relevant ecosystem players like Wayra, Nauta Capital, Lanzadera, BigBan Angels, ...
- During the event Indraventures identified Creativitic, a VR/AR startup focused on industrial applications as well as other Big Data & Analytics startups.



Intensifying our relationship with the entrepreneurial ecosystem: ENISA Startup Day(4/12)

Indra

ENISA



MINISTERIO
DE ECONOMÍA, INDUSTRIA
Y COMPETITIVIDAD

e
enisa

- Indraventures organized in collaboration with ENISA an startup day on 21.06.17. During this event ENISA and Indra signed off their collaboration agreement and 6 startups from different fields pitched their projects.

10:00 – 10:05 Agreement Sign-off Photo call

10:05 – 10:10 Indraventures Introduction

10:10 – 10:15 ENISA Introduction

10:15 – 11:15 Startup pitches (7' pitch + 3' Q&A):

- Cubelizer
- Enigmedia
- Knowledgefy
- Quantum Analytics
- Sadako
- Siem, Software & Security Services

11:15 – 11:20 Photo call

11:20 – 11:30 Coffee Break - Networking

Intensifying our relationship with the entrepreneurial ecosystem: CTA CVC Day (5/12)



Corporación Tecnológica de Andalucía



- Indraventures attended a Corporate Venture Capital Day organized by Corporación Tecnológica de Andalucía, that also had the presence of relevant companies like Sacyr and Iberdrola. The main goal of this event was to hold one-to-one meetings with startups and relevant Andalusian entrepreneurial ecosystem players (previously selected).
- Intelligent. Startup focused on Natural Language Processing and Data Science.
- IADB-IIOT. Startup that provides IoT sensorization equipment for industrial machines. Product ready with several deployments already.
- Pi-Tech. Startup that has developed a gesture recognition wristband (5 gestures available nowadays) that allows to interact with the surrounding environment through them. Functional prototype available.
- EnergySequence. Startup focused on energy efficiency for commercial/industrial environments with lack of instrumentation. EnergySequence has contracts with Endesa where they worked with Sofia2.
- Intelliment Security. This startup has developed a declarative firewall security policy software that allows to manage them in unified way across the whole company. The product is compatible with different types of firewalls and suppliers.
- DVA. Energy Efficiency platform that allows simulation and optimization of electrical consumption in industrial environments.
- ADEVICE. Startup developing IoT platform communication solutions. Adevice has collaborated with Telefónica
- In addition to the aforementioned startups we also met UMA, UGR, U.Loyola and the accelerator CoSfera.

Intensifying our relationship with spinoffs and university entrepreneurship (6/12):
Indraventures Days @ University

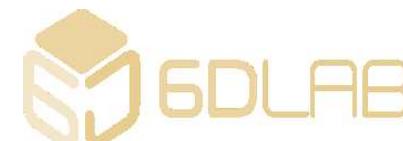


Universidad Carlos III (09.05.17)



Universidad
Carlos III de Madrid

- Indraventures organized together with UC3M an Indraventures Day, where Indraventures was introduced to startups and spinoffs of the Parque Científico UC3M (UC3M Science Park) and several one-to-one meetings were held with some companies previously selected.



Intensifying our relationship with spinoffs and university entrepreneurship (7/12): Indraventures Days @ University

ETSIT (14.06.17)



Indra

{cátedra}ⁿ
Indra+UPM

- Indraventures organized together with UPM ETSI (Escuela Técnica Superior de Ingenieros de Telecomunicaciones), within the framework of Indra + UPM Chair, an event to present to Indra those ETSI's research groups working on Artificial Intelligence/Big Data/Internet of Things/ Cybersecurity / Drones & Robotics.

09:35 – 09:40	Introduction to entrepreneur activities at ETSIT-UPM
09:40 – 09:45	Indraventures Introduction
09:45 – 10:05	Presentation of Indra's Lines of Business
10:00 – 12:20	Session I: Artificial Intelligence/Big Data/Internet of Things/ Cybersecurity
12:20 – 12:30	Medicsen Pitch (spin-off ETSIT-UPM)
10:00 – 12:15	Session II: Drones & Robotics

Intensifying our relationship with spinoffs and university entrepreneurship (8/12):
Indraventures Days @ University

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Parque Científico de Madrid (16.02.17)



- Indraventures organized together with Parque Científico de Madrid (Madrid's Science Park) an event, where Indraventures was introduced to startups of the PCM and several one-to-one meetings were held with some companies previously selected.
- Medicsen. Startup devoted to the prediction of blood glucose levels using Machine Learning techniques.
- Utek. Startup developing USVs (Unmanned Surface Vessels)
- Robomotion. Startup oriented to Security Forces robotics (explosives deactivation). This startup was presented to the Defense Directors.
- NF Advanced Engineering. Startup oriented to firefighting aerial drone development
- Vocalia. Company specialized in the development of voice processing technologies.
- Gnanomat. Startup with a patented process for nanomaterial production

Intensifying our relationship with spinoffs and
university entrepreneurship (9/12):
Indraventures Days @ University



CITIUS (16.03.17)



Centro Singular de Investigación
en Tecnologías da
Información

- Indraventures organized together with CITIUS (Centro Tecnológico Singular de la Universidad de Santiago) an event to present CITIUS capabilities and R&D activities, with an special focus on RPAs and Digital Technologies. Minsait, Defense, Transport and TGP representatives attended along with Indraventures.
- Machine Learning applied to Healthcare Research Group (ECG Analysis, Medication management)
- Data Engineering Research Group (generation and validation of processes through logs)
- Data-to-Text Technologies Research Group
- UAVs & RPAS Research Group
 - Autopilot systems for UAVs
 - Hyperspectral images
 - Artificial Vision (Tracking and target identification)

Intensifying our relationship with spinoffs and university entrepreneurship (10/12)



Madri+d (08.06.17)

madri+d

- Indra organized together with Madri+d an event where 10 startups pitched their initiatives, most of them belong to ESA Incubation Center:

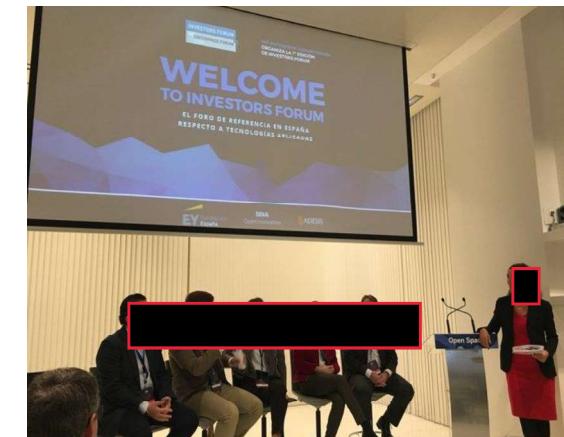
10:00 – 10:05	Indraventures Introduction
10:05 – 10:10	Madrid+d Introduction
10:10 – 11:20	<p>Startup pitches (7' each)</p> <ul style="list-style-type: none">• Automated Devices• Axter Aerospace• BD4BS• Digital Intelligent Solutions• Drone Hopper• Drone Satellital Communications• Fundslink• Geko Navsat• Wireless Sensor Technologies• UTEK
11:20 – 11:25	Closing

Intensifying our relationship with spinoffs and university entrepreneurship (11/12)



MIT Investor Forum 2017

- Indraventures attended to MIT Investors Forum 2017 organized by MIT Enterprise Forum Spain.
- The event selects the best 50 startups of applied technologies with the greatest potential in Spain.
- It is organized around various technology tracks(Artificial Intelligence, Big Data and Industry 4.0) applied to:
 - Applied Technologies
 - Health: Human & animal
 - Cleantech
 - Fintech
- 28 investors participated in the event and attended to 15 one-to-one meetings previously scheduled, following the provided match criteria, with startups.



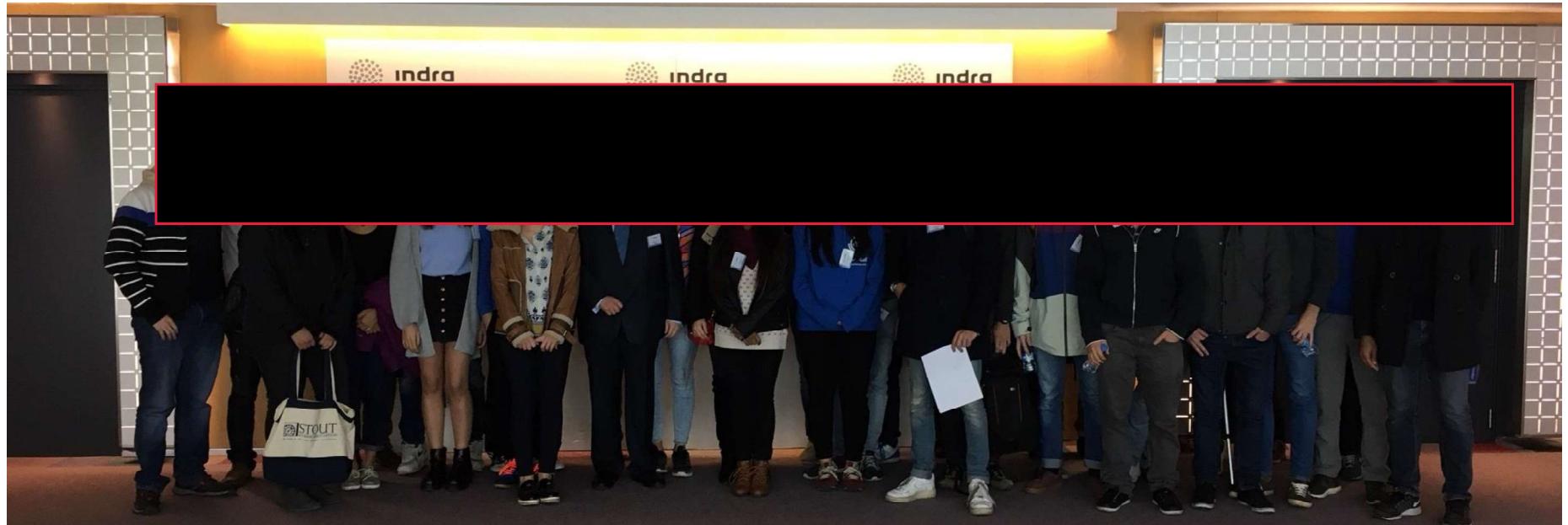
Intensifying our relationship with spinoffs and university entrepreneurship (12/12)



EIT Digital-UPM Master



Event organized by Indraventures with the students of the Master Program in Innovation in Information Technology and Communications of the Polytechnic University of Madrid. During the event, Indra's New Innovation Model was presented to the students of the Master.



Innovators: 1st internal call of disruptive ideas



Description Global, open and internal call for all Indra professionals searching for disruptive ideas related with any Indra market.

Selection Initial shortlist of 10 finalists with a final choice of 4 winning initiatives

Benefits Prize in cash given in the closing ceremony with participation of the President, in order to give greater recognition and visibility, and positive recognition to the finalists in the performance evaluation

Develop The finalist will give the rights in to Indra to be developed by the corresponding Markets

Communication plan (internal & external) throughout the initiative

Launch	8 weeks	End date for the reception of ideas	4 weeks	Selection of the Shortlist of Ideas	10 weeks	Closing Ceremony
02.12.16		27.01.17		24.02.17		18.05.17

Main Facts

Ideas received 466
(from all markets and Geographies)

Professionals
12.805
(+ 35% Company)

Votes
9.454

Visits:
66.765
(each user visit more than 5 ideas)

Among the five ideas that have received more support from the company's professionals (Community award), two are from Brazil, two from Colombia and one from Spain

Creation of the Innovators Community

Indra

The screenshot shows the homepage of the Indra Innovators community. At the top, there's a navigation bar with links like 'EN | ES | PT', 'Buscar' (Search), and social media icons. Below the header, the main content area features a large 'INNOVATORS' logo. To the left, there's a sidebar with sections for 'Community Manager' (with a placeholder image), 'Aulas Virtuales y Eventos' (Noviembre 2017 calendar), 'Noticias' (News 2017), 'Recursos' (Resources), 'Nube de etiquetas' (indraventures), and 'Mis Contactos' (No sigue a nadie, Tienes 3 seguidores). The main content area includes a welcome message, a section about the 'Modelo de Innovación' (Innovation Model) involving 'Indraemprendimiento', and several call-to-action buttons: '¿Indraventures?', 'Calls de Innovators', 'Calls para startups', 'Publicaciones de Interés', 'Indraventures es noticia', 'Foros de Innovación', and 'Coméntanos tus ideas'. At the bottom, there's a video player showing a video related to innovation.

As a company we want to identify, excite and recognize professionals with a more innovative and proactive profile. Through the Call for Ideas we launch Indra's Innovation Club (I2C).

- Access to I2C will be granted participating in the Call for Ideas (either by presenting an idea or voting ideas) or by invitation of the Club members.
- I2C will be an instrument to validate technologies and analyze emerging technologies, including a discussion forum where Innovation related initiatives could be shared. I2C will have a minisite within the Indraweb, with its own Forum and Blog.
- I2C members will have the following benefits:
 - Possibility of pro-bono support to Social Innovation projects.
 - Assistance to conferences/webinars (internal and external) with Innovation leaders.
 - Participation through Twitter in interviews with technological and innovation leaders (internal and external).
 - Possibility to volunteer in corporate innovation initiatives (studies, PoC)
 - Access to reports related with new trends, innovation and disruptive technologies

Conclusions

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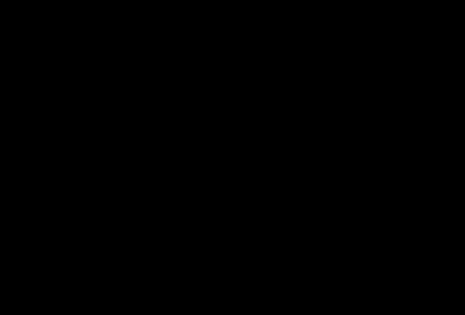
What are we looking for?

- ✓
 - B2B
 - Technological Startups
 - Blockchain
 - AI, Big data
 - IoT
 - Augmented & Virtual Reality
 - Cybersecurity
 - Biometric dispositives
 - Photonic
 - Robotics
 - Drones
 - Seed state y round A

What we provide?

- ✓
 - Invest (50k-500k€)
 - Tech for Equity
 - Industrial Partner:
 - vocation of permanence
 - non-intrusive (<20% of capital)
 - Open to co-investment and ability to attract new investors
 - Access to our client and partner networks
 - Possibility of using and integrating their solution with Indra assets
 - Entry into global markets and Internationalization

**Focus on the search for technological profitability
In the creation of disruptive solutions**



Indra

At the core

www.indracompany.com