

# 2015 ANNUAL REPORT



Isdefe

# ANNUAL REPORT 2015

This document is the 2015 Isdefe Annual Report on the corporate governance of the company and its performance over the course of the year in three main areas: financial, social and environmental.

Isdefe publishes a corporate social responsibility (CSR) report annually based on the directives and principles of the Global Reporting Initiative (GRI), which specifies the methods for determining the content, scope and coverage of the report and ensures the quality of the information presented.

In keeping with its environmental commitment, the paper versions of the 2015 Annual Report and the Executive Summary are issued in very limited quantities.

The digital formats of both documents are available on our website, [www.isdefe.es](http://www.isdefe.es). The information contained in this document complies with the G4 “Comprehensive” requirements specified by the GRI.



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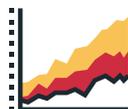
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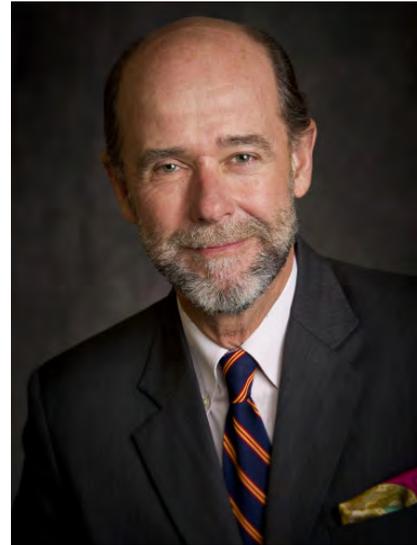
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## LETTER FROM THE PRESIDENT

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I am pleased to present the 2015 Isdefe Annual Corporate Social Responsibility Report, which reflects Management's efforts to achieve its sustainability objectives.

Isdefe, which in 2015 marked the 30th anniversary of its founding in 1985, has evolved positively to become the benchmark in-house public sector provider of outstanding technology and strategic consulting services in every area where it conducts its business, but particularly in the Defence and Security industries, from which Isdefe has been able to expand its know-how, synergies and experience to other areas of government.

Of note is Isdefe's merit in having managed to consolidate its position as a public consultancy both in Spain and abroad in sectors of technological and strategic interest in the Latin American, European and Middle Eastern markets and in the multilateral organizations of which Spain is a member.

This achievement would not have been possible without key values like independence, a global vision, know-how, commitment and experience, which have advanced the company to a leading position in multidisciplinary consulting and engineering through projects that are innovative, viable, high in quality, financially profitable and socially necessary.

Finally, I would be remiss not to acknowledge the trust that our clients place in our services year after year. I also want to recognise the talent and effort of Isdefe's employees, who represent the greatest asset available to the organization, and to whom I am most sincerely thankful. I encourage them to continue with their mission.

Pedro Argüelles Salaverría  
*Secretary of State for Defence*  
*President of Isdefe*





## LETTER FROM THE CEO

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It is once again my pleasure this year to introduce the Isdefe Annual Report, this time for 2015, which describes the organization's main activities, both operational and corporate, with a special emphasis on its financial, social and environmental facets.

The year's finances reflect a revenue of 143.19 million euros, a 2.75% increase over the previous year. This consolidation of our revenue reflects the positive trend in the economic recovery and the effects of the transformation that the Company, and its operations, is undergoing as we implement the main areas of activity of the 2014-16 Strategic Plan.

In 2015, Isdefe continued to provide the engineering and consulting services requested of the company, enhancing its position as the leading in-house provider for defence and security services, as well as for activities involving transport, telecommunications, aerospace, energy and the modernisation of government agencies. Internationally, Isdefe carried out new projects for the European Defence Agency (EDA), the Organization for Security and Cooperation in Europe (OSCE), the European Satellite Navigation Agency (GSA) and the Inter-American Development Bank (IDB).

In the area of R&D, we drafted proposals for the European Commission's H2020 programme, having participated in projects in the areas of security and transport. The organization also launched the first internal call for project proposals intended to improve the quality of Isdefe's services. The overwhelming response is a testament to the entrepreneurial spirit of our employees.

Following the enactment in 2014 of the Law on Transparency, Isdefe continued to publish all of the information required by this Law on its Transparency Portal every month, reinforcing the company's strong commitment to ethics, corporate responsibility, transparency and best practices in good corporate governance.

Finally, I want to thank the Board of Directors for their support, and express our firmest commitment to maintaining the quality of Isdefe's services so that we can continue to earn the trust of those institutions and clients that rely on us. Staying this course is only possible if we combine the individual commitments of each and every employee. I want to thank them for their effort and dedication to Isdefe's project.

Francisco Quereda Rubio  
*CEO of Isdefe*





**01**

# **THE ORGANIZATION**

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# PRESENT AND FUTURE

## IN-HOUSE PROVIDER OF DEFENCE AND SECURITY SERVICES



Ingeniería de Sistemas para la Defensa de España, S.A. (Isdefe) is a stock corporation owned by the Ministry of Defence that serves as the in-house technical services provider for the Spanish government.

Created in 1985, Isdefe, the in-house defence and security services provider, provides engineering, consulting and technical assistance services to government agencies and national institutions in areas of technological and strategic interest. Part of Spain's Ministry of Defence, the president of the company is the Secretary of State for Defence.

The main areas in which it carries out its activity are Defence and Security, Space, Transport, Government Agencies, Information and Communications Technologies (ICT) and Energy. It also operates and maintains NASA, ESA and INTA space facilities in Spain.

On 31 December 2015, Isdefe had a team of 1,548 devoted individuals committed to excellence.

## MISSION, VISION, VALUES

### Mission

To support the Ministry of Defence, state and local governments and international institutions in the areas of technological and strategic interest by providing top-quality consulting and engineering services, as well as by managing, operating and maintaining aerospace complexes.

### Vision

To advance as a leader in multidisciplinary consulting and engineering by developing innovative, high quality projects that are financially and socially profitable.

### Values

<b>INDEPENDENCE</b>	We set ourselves apart by always defending our clients' interests in the face of any industrial, commercial or financial factors.
<b>INTEGRATE VISION</b>	We are a multidisciplinary organization with a broad diversity of professionals who, combined, provide integrated coverage in the provision of their services.
<b>PROACTIVENESS</b>	We anticipate the needs of our clients and of their projects, providing innovative solutions.
<b>COMMITMENT</b>	We have a three-fold commitment: to our clients, to our organization and also to the rest of society, working ethically and professionally.
<b>EXPERIENCE AND KNOW-HOW</b>	Isdefe's activity is based on supplying the know-how built up over its 25+ years of providing services, offering efficient solutions that are adapted to the needs of its clients.



## STRATEGY AND OBJECTIVES

Since its creation in 1985, Isdefe has experienced sustained growth with periods of expansion and development, during which its turnover increased and its staff grew gradually, becoming a benchmark within the Ministry of Defence and the national government.

The difficult financial environment of recent years and the merger of Isdefe and Insa in 2012 led the company to formulate a new strategy in 2013, materialising in the current 2014-2016 Strategic Plan, which redefined the company's mission, vision and values.

During this period, as we implement the 2014-2016 Strategic Plan, we are consolidating the transformation of the company and its operations around four key pillars, Business Development, Improved Productivity, Financial Sustainability and Excellence in Management, as we continue to advance toward meeting the strategic goals specified in the Plan.

Building on these pillars, in 2015 Isdefe crafted and implemented a series of specific plans that resulted in the creation of national and international sales plans for the company, a reorientation of production in strategic sectors and areas, the company's financial sustainability, and other actions and initiatives.

In 2015 Isdefe strengthened its consulting and technical assistance activity as an in-house resource, focusing its efforts in the defence and security industry while at

the same time projecting its know-how, synergies and experience in government, air transport, ICT, energy and space to those activities that comprise the company's objectives.

Over the course of 2015 Isdefe also enhanced the transparency of its activity by actively publishing institutional, organizational, financial and budget information on its website every month.

Also in 2015 Isdefe developed a Criminal Risk Prevention Plan, which identifies those criminal risks to which the company might potentially be exposed and lays out the measures needed to track these risks.



# OUR BUSINESS MODEL



*Isdefe helps public organizations by providing consulting, technical assistance and engineering services as well as turnkey projects, offering independent management.*

## SERVICES

### CONSULTING AND TECHNICAL ASSISTANCE

**“Supporting decision making”**

Isdefe works alongside the client to:

- Plan and support system life cycles.
- Develop the organization of their projects.
- Assist with the regulatory, verification and certification processes.

### ENGINEERING

**“Designing solutions”**

Isdefe is capable of transforming a client’s requirements into detailed projects that provides a complete solution so its needs.

### TURNKEY PROJECTS

**“Implementing solutions”**

When so requested, Isdefe is able to provide with the comprehensive solutions they need.

## LEADERS IN OUR SECTORS

Isdefe's position is determined by its condition as an in-house provider for Spain's government, which allows it to engage in activities that satisfy the needs demanded of it by the national government, with those relating to the Ministry of Defence and the defence and security sectors comprising the bulk of the company's activity.

Isdefe offers its clients capabilities in sectors of strategic and technological interest in the following areas of knowledge:



**DEFENCE & SECURITY**



**SPACE**



**TRANSPORT**



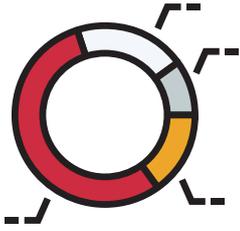
**ICT**



**GOVERNMENT AGENCIES**



**ENERGY**

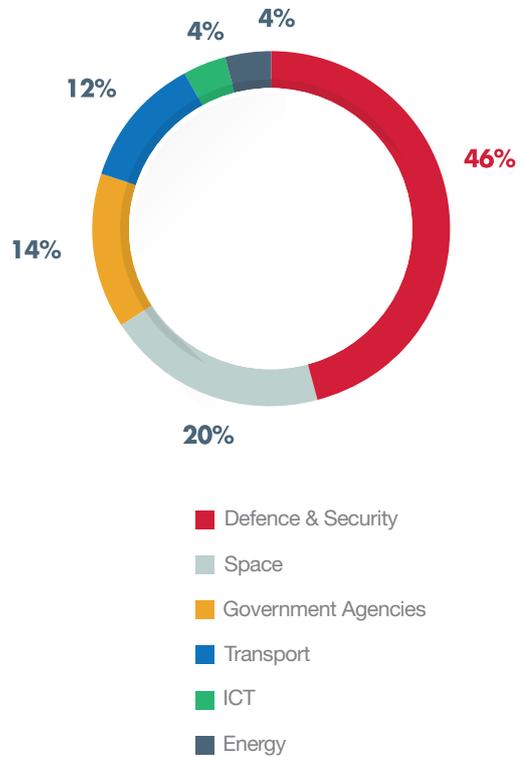


## BUSINESS VOLUME

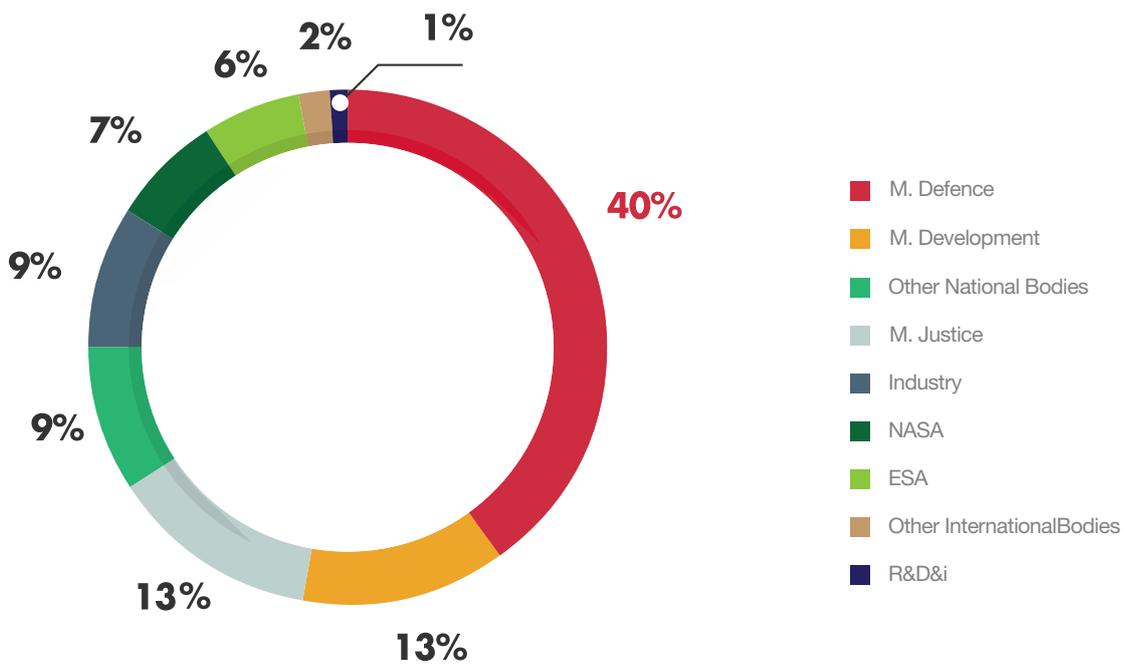
As the government's in-house provider of consulting, technical assistance and engineering Defence and Security services, this sector is key to Isdefe and provided the bulk of the company's turnover, at 46%, followed by Space, at 20%, and Government Agencies, at 14%.

The company's main clients continue to be the Ministry of Defence, Ministry of Development, Ministry of Justice and Ministry of the Interior.

### 2015 Turnover by sector of activity

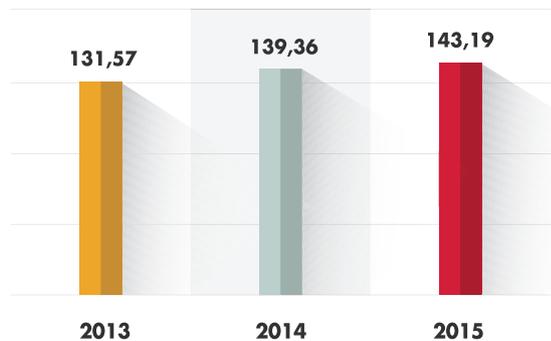


### 2015 Turnover by clients

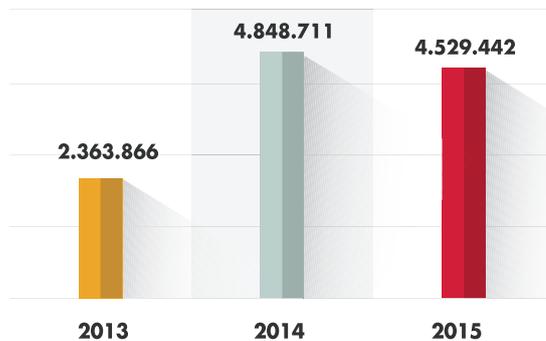


## ISDEFE BY THE NUMBERS

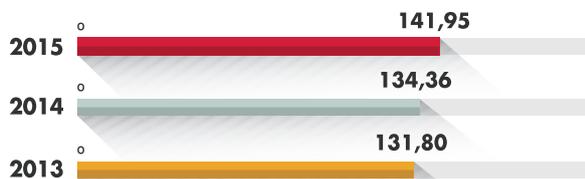
### Turnover (M€)



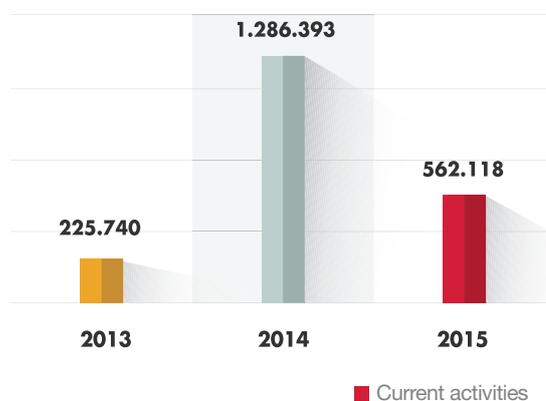
### Net result (€)



### Operating cost (M€)



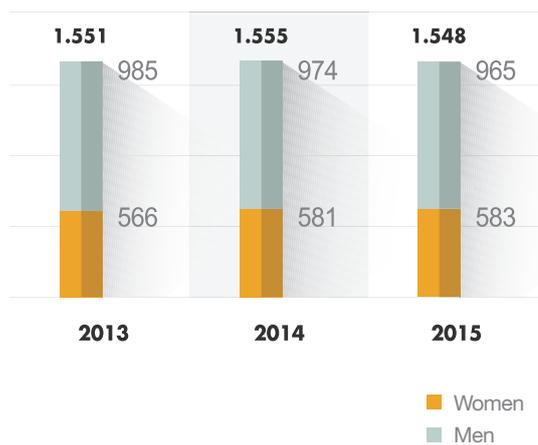
### Investments (€)



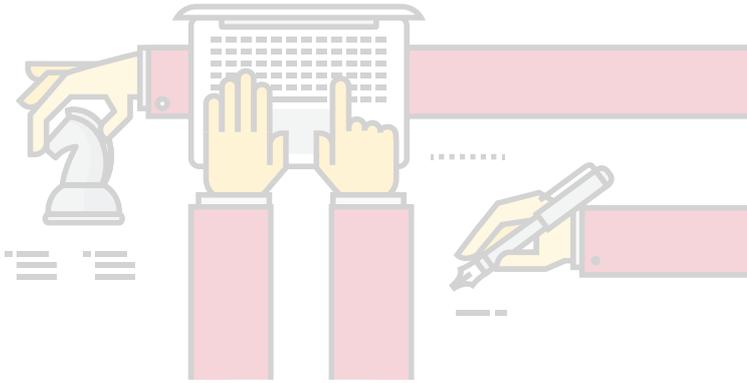
### R&D&i projects (M€)



### Staff

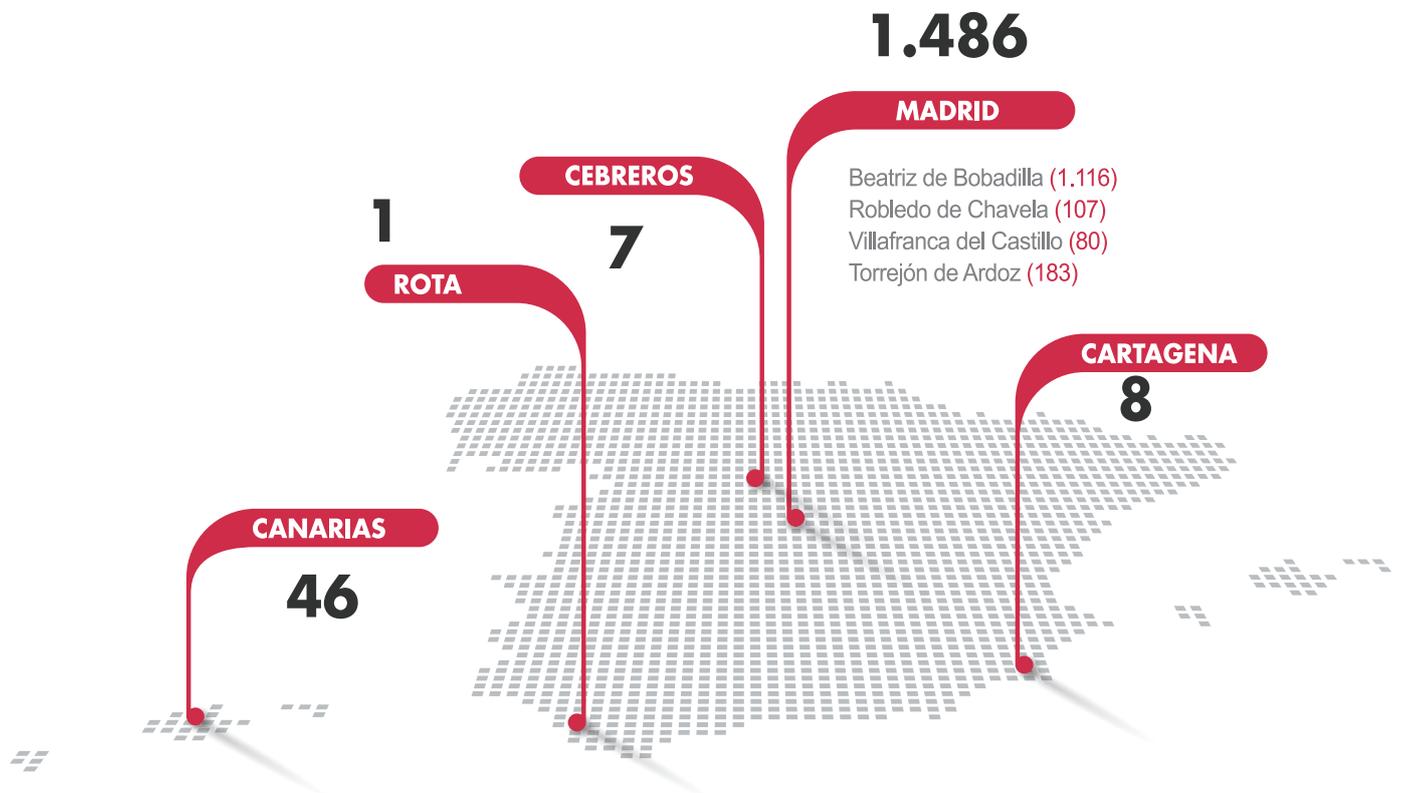


# ISDEFE AROUND THE WORLD



## GEOGRAPHIC PRESENCE

Isdefe has several offices and work centres throughout Spain. Our headquarters are at no. 3 Beatriz de Bobadilla St. in Madrid.





## INTERNATIONAL PRESENCE

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Isdefe managed to consolidate its international standing as a public consulting company in the areas of technological and strategic interest defined by the company in its 2014-2016 Strategic Plan, focusing its activity in the Latin American, European and Middle Eastern markets and in the multilateral bodies that work in these territories.

In 2015, Isdefe solidified its international presence in the Latin American market, primarily in Ecuador and Peru. Of note are the services provided to Peru's Navy, as well as the company's partnership with the Polytechnic School of the Ecuadorian army.

The company also collaborated with the Inter-American Development Bank (IDB) by way of various security studies for centres and along the Ecuador-Honduras border.

Similarly, in 2015 Isdefe managed to increase its activity and involvement within specialised groups in Europe and in multilateral organizations. In security and defence, the company enhanced its position by carrying out various projects and activities for the European Defence Agency (EDA), NATO's Communication and Information Agency (NCIA), the European Border Agency (FRONTEX) and the Organization for Security and Cooperation in Europe (OSCE). In the field of aerospace,

Isdefe continued its cooperation with the Supervisory Authority of Europe's Global Navigation Satellite System (GNSS) and with the European Space Agency (ESA); and in the field of transport, with the European Aviation Safety Agency (EASA) and Eurocontrol.

Lastly, in 2015 Isdefe maintained its presence in the Middle East by providing its services to the Military Industries Corporation (MIC) of Saudi Arabia's Ministry of Defence.

# MARKET

## THE AMERICAS

- 1 Chile
- 2 Colombia
- 3 Ecuador
- 4 Guatemala
- 5 Honduras
- 6 México
- 7 Panamá
- 8 Perú

## AFRICA

- 1 Angola
- 2 Algeria
- 3 Cape Verde
- 4 Congo
- 5 Egypt
- 6 Equatorial Guinea
- 7 Kenya
- 8 Morocco
- 9 Mauritania
- 10 DR Congo
- 11 South Africa
- 12 Sudan
- 13 Tunisia





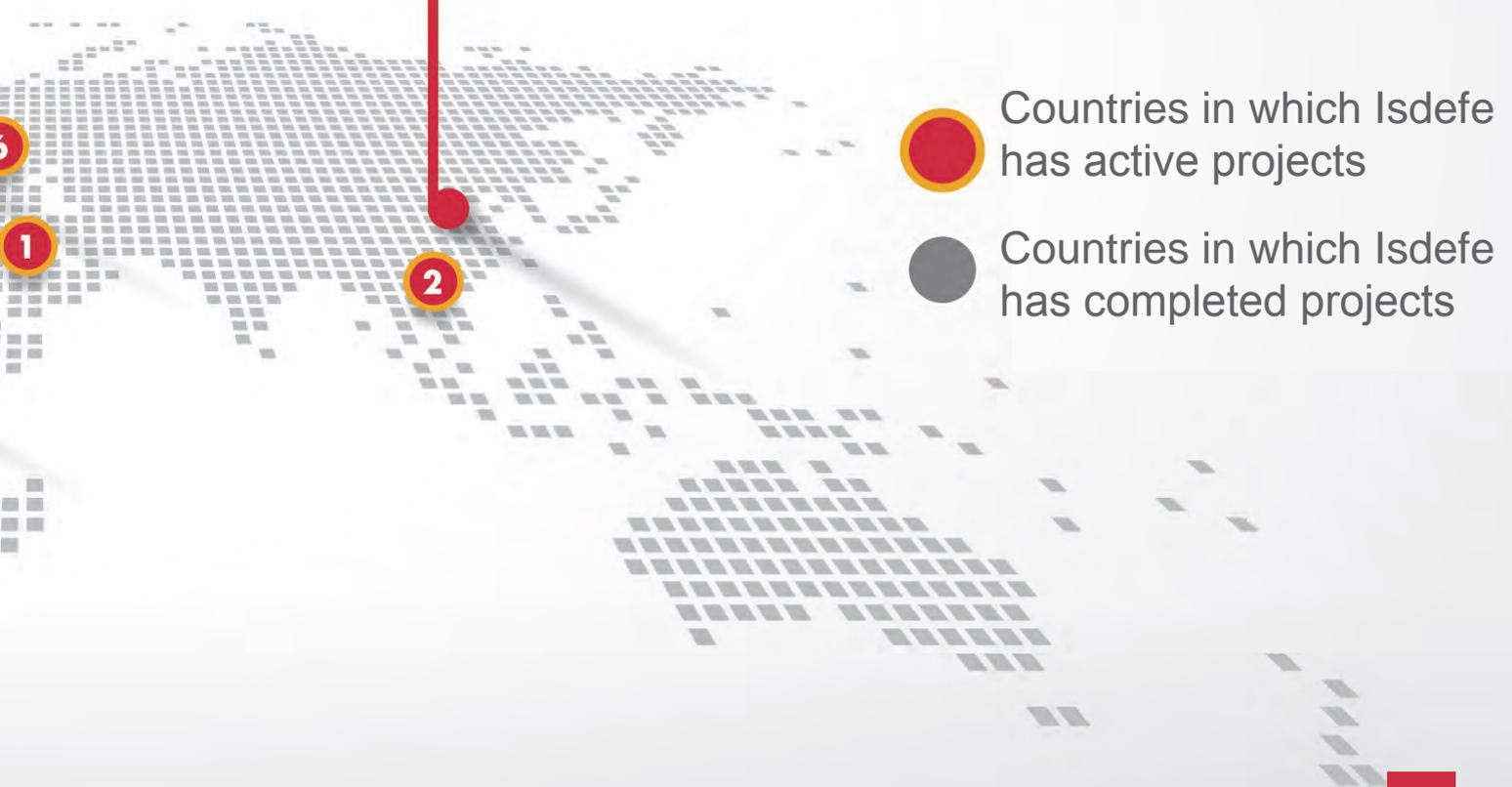
Isdefe

## EUROPE

- 1 Germany (ESA)
- 2 Belgium
- 3 Spain
- 4 Estonia
- 5 Norway
- 6 Poland
- 7 Portugal

## ASIA

- 1 Saudi Arabia (**KAS**)
- 2 Vietnam



 Countries in which Isdefe has active projects

 Countries in which Isdefe has completed projects

# CLIENTS

## NATIONAL ORGANIZATIONS

### • PUBLIC ADMINISTRATION



### • KEY NATIONAL ORGANIZATIONS AND OTHER CLIENTS



## INTERNATIONAL ORGANIZATIONS

### • PUBLIC ORGANIZATIONS



République Algérienne Démocratique et Populaire  
Ministère des Transports Direction de la Marine Marchande et des Ports

### • MULTILATERAL ORGANIZATIONS



# RESPONSIBLE APPROACH

## CSR COMMITMENT

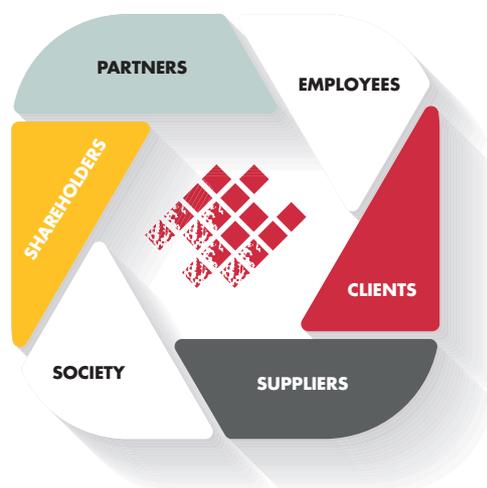
The year 2015 saw Isdefe consolidate the implementation of the four pillars of action defined in its 2014-2016 Marketing and CSR Plan. These pillars are:

- **Corporate ethics and reputation**, by consolidating Isdefe’s values and promoting a culture of ethics that provides a reference for conduct in every area of activity.
- **Transparency and good governance**, by updating the Transparency Portal on the Isdefe website, in concert with Law 19/2013 of 9 December on transparency, access to information and good governance, as well as by publishing the Annual Report by using the new version G4 of the GRI methodology. This report includes a sustainability report, a Corporate Governance report and an activities report, all in keeping with the guidelines specified in the Law on Sustainable Economy.
- **Developing Social Action** by creating a Social Action Programme that promotes the values of social innovation and commitment to society.
- And lastly, by creating a **CSR Observatory** at Isdefe intended to promote good corporate practices and seek out strategic alliances within our area of activity.

CHANNELS OF COMMUNICATION	STAKEHOLDERS					
	EMPLOYEES	CLIENTES	SUPPLIERS	SOCIETY	SHAREHOLDERS	PARTNERS
Corporate Website	•	•	•	•	•	•
Transparency portal	•	•	•	•	•	•
CSR Report (annual)	•	•	•	•	•	•
Corporate Website	•					
Employee Portal	•					
Bulletin and Argos Classroom	•					
Generic mail accounts	•					
Internal memos	•					
Periodic internal meetings	•					
Annual Satisfaction Survey		•				
Periodic visits		•				
Technical workshops		•				
Contractor’s profile on the State Platform			•			
Alliances with groups/associations				•		
Partnership agreements and chairs with universities		•		•		
Social projects				•		
Monthly report to the Board of Directors					•	
Shareholders meeting					•	

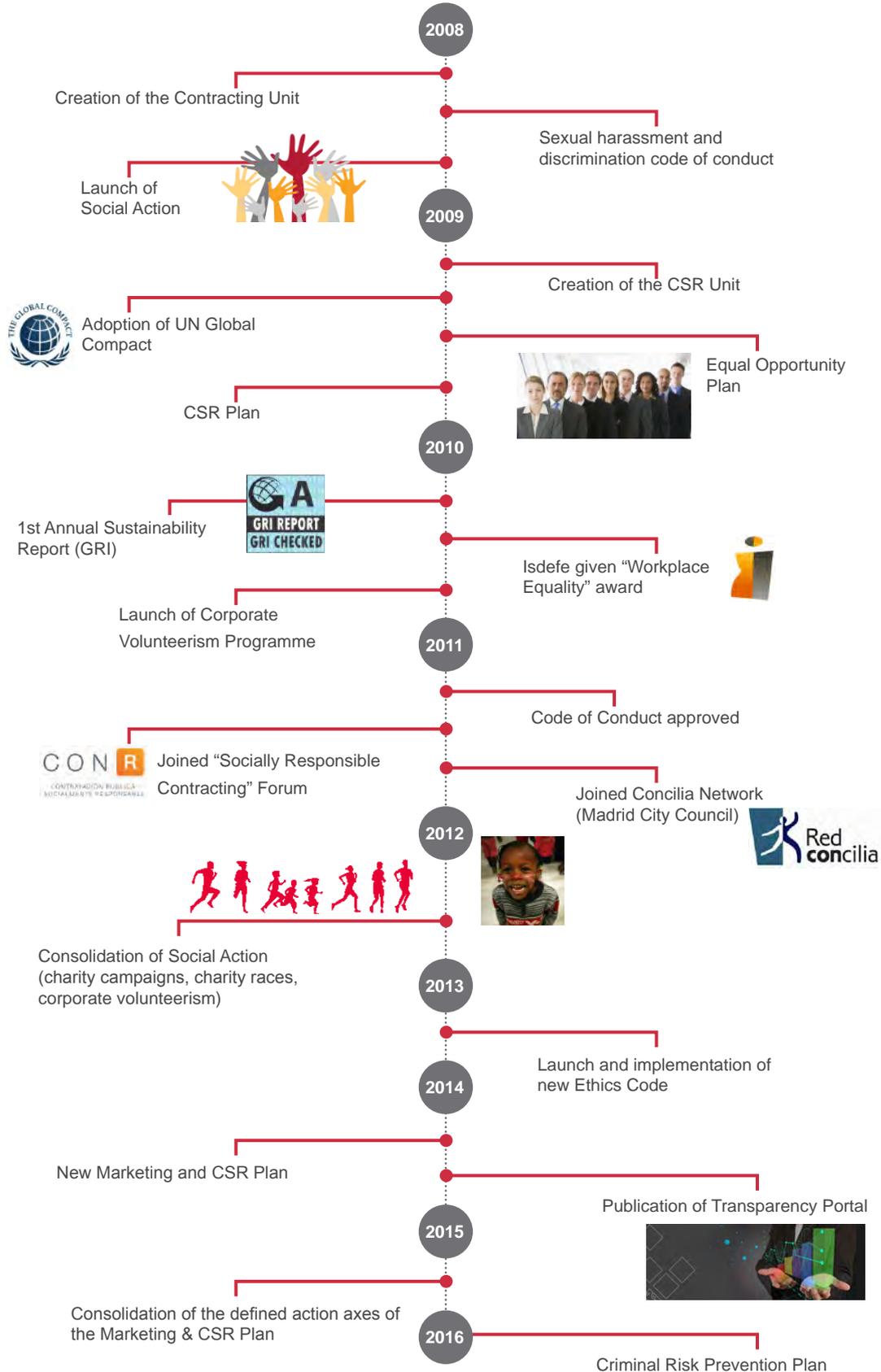
## ENGAGEMENT WITH STAKEHOLDERS

As part of its CSR policy, Isdefe offers various channels for constantly communicating and engaging with its stakeholders:



# CSR MILESTONES

2015 marked the seventh year since the creation of the Social Responsibility Unit. These seven years have seen the consolidation of a socially responsible culture within the organisation.





# 09

## ACTIVITIES REPORT

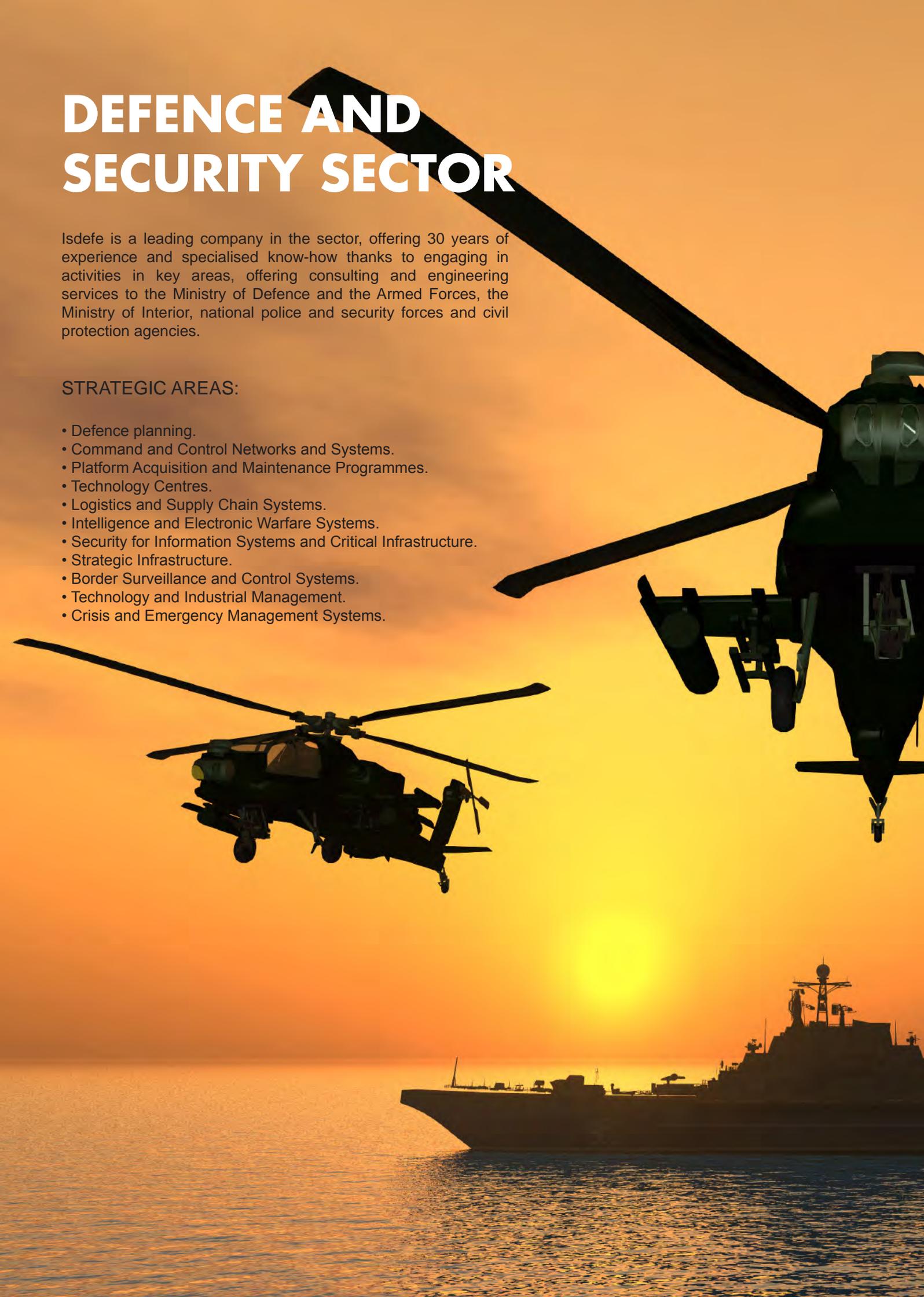
- Defence and Security Sector 26
- Space Sector 46
- Transport Sector 52
- Government Agencies Sector 56
- Information and Communications Technology (ICT) Sector 62
- Energy Sector 66

# DEFENCE AND SECURITY SECTOR

Isdefe is a leading company in the sector, offering 30 years of experience and specialised know-how thanks to engaging in activities in key areas, offering consulting and engineering services to the Ministry of Defence and the Armed Forces, the Ministry of Interior, national police and security forces and civil protection agencies.

## STRATEGIC AREAS:

- Defence planning.
- Command and Control Networks and Systems.
- Platform Acquisition and Maintenance Programmes.
- Technology Centres.
- Logistics and Supply Chain Systems.
- Intelligence and Electronic Warfare Systems.
- Security for Information Systems and Critical Infrastructure.
- Strategic Infrastructure.
- Border Surveillance and Control Systems.
- Technology and Industrial Management.
- Crisis and Emergency Management Systems.



## DEFENCE PLANNING

### MINISTRY OF DEFENCE

Isdefe's main activities in this area involve defence planning, with the company supporting the Ministry of Defence in its efforts to procure the means and resources needed to obtain those capabilities that allow it to achieve the objectives defined in Spain's Defence Policy, as these pertain to both military and resource planning.

### DEFENCE STAFF (EMAD)

Isdefe supports the Planning Division of the Defence Staff in activities involving military planning, such as preparing for the next planning cycle and with the future "Military Capability Objective", an essential defence planning document that, once approved by the government, will pave the way for the Armed Forces to acquire the resources they need.

### SECRETARY OF STATE FOR THE MINISTRY OF DEFENCE

Isdefe provides technical assistance to the General Directorate for Armaments and Materiel's (DGAM) Planning and Control Office, part of the Sub-Directorate for Planning, Technology and Innovation.

This assistance is in areas like defence planning and activities related to the planning of financial and material resources. Specifically, Isdefe aids in drafting the master systems plans and in executing all associated activities, in drafting the resource material objectives, identifying needs, writing the annual R&D Sector Contracting plan, draft projects and budget reassignments, and in managing planning documents.

### EUROPEAN DEFENCE AGENCY (EDA)

In 2015, Isdefe led the consortium that presented the winning proposal to the EDA to define and implement its Technology Watch Pilot Study (14.CAT.OP.076). Isdefe handled two of the key work packages: defining the EDA's technology watch methodology, and implementing the prototype of the tool.

The EDA wants to acquire its own technology watch and foresight capabilities as a way to prioritise technologies that are critical to Europe's defence, and to launch new research and technology projects.

To support the EDA in its planning activities, Isdefe took part in two projects in 2015:

- CDP TOOL, to design, develop and implement the European Capability Development Plan (CDP) at the EDA and in member States. The EDA focuses on capabilities and the ultimate goal of all its programmes, projects and activities is to help improve the military capabilities needed for the Joint Security and Defence Policy. In this regard, the CDP is the comprehensive strategic tool that guides the long-term strategy of the EDA.
- Defence Policies Database, to analyse the defence policies of EDA member States and classify and catalogue their contents.



# COMMAND AND CONTROL NETWORKS AND SYSTEMS

## MINISTRY OF DEFENCE

Isdefe provides engineering and management support to the Military Command and Control (SMCM) Programme Office, which oversees the information system (SIM), the telecommunications system (STM) and the satellite communications system (SECOMSAT) on which the joint Armed Forces Command and Control relies.

It also offers consulting services to the Centre for Information and Communications Systems and Technologies on systems architecture and technology on integrated information infrastructure for defence, and to procure command and control systems. Isdefe also collaborates in the areas of information security, strategic planning and regulatory development.

## DEFENCE STAFF (EMAD)

With the creation of the new Armed Forces Information and Telecommunications Systems Office (JCISFAS), Isdefe provided technical assistance to its various departments in areas involving information and telecommunications systems planning, frequency management and network and system management.

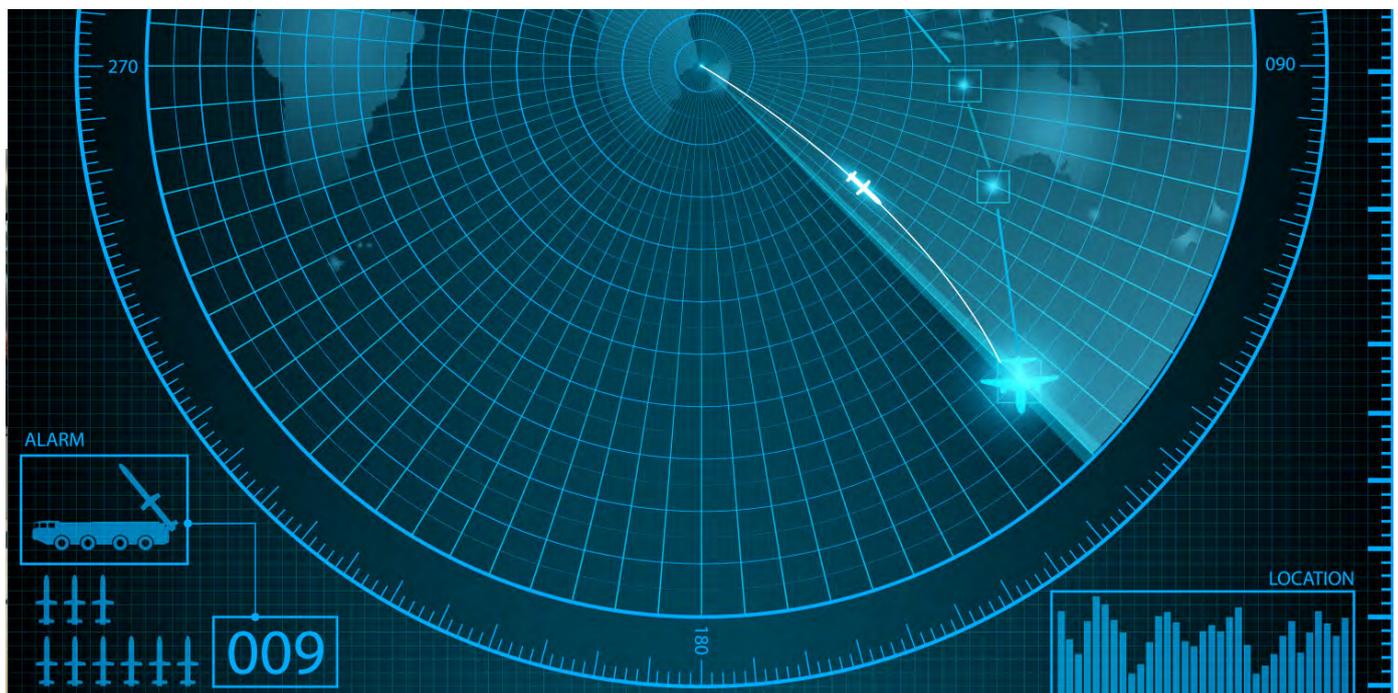
Isdefe took part in defining and implementing the new network and system infrastructure at the Retamares Base, and in transferring the Operations Command and the Armed Forces Intelligence Centre.

Isdefe also aided in defining and updating the knowledge and cooperative work management systems, and in specifying the concrete requirements for the Armed Forces Intelligence Centre (CIFAS) and for the Excellence Centre against Improvised Explosives in Hoyo de Manzanares.

## ARMY

Isdefe, through the Engineering Office at the Army's Logistical Support Command (MALE), participated in modernising the command and control systems and networks, which were based on the MC3 plan (modernisation of command, control and communications systems). In 2015, Isdefe supported the progress made in implementing new IP networks to integrate command posts, such as those used for coastal artillery or the permanent headquarters of the NATO Rapid Deployable Corps (NRDC).

As part of its work supporting the CIS Office and providing technical assistance to the Army, Isdefe continued to define national data interoperability standards, thus enhancing its involvement in the international MIP Programme. Isdefe also helped this Office to procure the BMS-Lince system for the Leopard tank, and put into operation the central node in the NATO Secret WAN, at the Headquarters of the Spanish Army, as well as the first secondary node. Isdefe also assisted the Security Department at the CIS Office with the operation of the command and control subsystems at the Security Operations Centre.





## AIR FORCE

Isdefe supported Spain's Air Force by helping complete the integration of its legacy systems with the ADP system, developed by ACSI (a French-American consortium) and run by the NATO Communications and Information Agency (NCIA), allowing for the start of the acceptance testing phase.

Within this same framework, Isdefe monitored the development and testing phase of the voice communications system developed by INDRA and that, along with the ADP system, will comprise the technological foundation of NATO's Air Command & Control ARS-TO, which is tasked with defending and monitoring the airspace within its area of responsibility. Both systems were financed nationally and by the NATO Security Investment Programme (NSIP).

## OTAN

Isdefe is providing programme management services for NATO's information systems as part of the Bi-SC AIS Programme Management and Integration Capability (PMIC), which is run by the NCIA at its facilities in Brussels and The Hague.

This project has managed to consolidate a modern programme management model that relies heavily on information tools and repositories that the NCIA plans to expand to other NATO programmes involving telecommunications and ground surveillance.

In 2015 Isdefe also provided consulting services to the NCIA's Communications Engineering division by helping to define, oversee and conduct testing at DARS (Deployment ARS), in Poggio Renatico, Italy, as well as by defining the technical specifications for integrating NATO's C2 systems into the NCGS (NATO General Purpose Segment Communication System) network.

## PLATFORM ACQUISITION AND MAINTENANCE PROGRAMME

### GENERAL DIRECTORATE FOR ARMAMENTS AND MATERIEL (DGAM)

The year 2015 saw a consolidation of the Special Weapons Programmes of the various DGAM sub-directorates, which were previously managed from each armed forces' own headquarters.

Isdefe continued to work with the Programme Management Sub-Directorate on various activities related to the review and analysis of processes and methods involved in managing procurement programmes.

In the area of joint support, Isdefe helped the Sub-Directorate to draft new Framework Agreements for Automatic Test Benches, the SECOMSAT terminals and the Turbine agreement. Isdefe also provided support in defining the logistical support for the NH90 helicopter and for the SPIKE LR missile system.

In the **Procurement Sub-Directorate**, Isdefe provided its services in three areas; the international contracting department, which handles the procurement of new products and services needed for international programmes, like the EF2000, A-400M and Tigre, as well as financial-contractual monitoring of these programmes; the national contracting department, whose main function is to provide financial-contractual monitoring of key land, air and sea national programmes; and lastly, the accountability, budget and finance department, which oversees the expenses and the administrative paperwork involved with contract files. Isdefe's activity ranged from reviewing technical specifications and statements of work, to enforcing contractual penalties, monitoring key performance indexes, tracking contract execution and deliveries, supporting Programme Offices and other organizations, like the Economic Directorate's Budget Office and the Cost Evaluation Group of the General Contracting Sub-Directorate.

Isdefe continued to support the Ministry of Defence's Sub-Directorate General for Industrial Inspection, Regulation and Strategy with its quality assurance activities for the Ariane and A-400M programmes. In addition, in 2015 the company was actively involved in preparing, developing and implementing the PERAM (Spanish Publications on Military Airworthiness Requirements) regulation. Isdefe also assisted with various airworthiness authority certification processes, which resulted in mutual certifications by the Authorities of the four nations involved in the Eurofighter programme.

Isdefe likewise continued to support the DGAM with its armament control and dual-use material processes, like the REACH programme to control chemicals and the monitoring of weapons manufacturers.

With the DGAM's **ground programmes**, Isdefe aided the Pizarro, Munitions, Tiger and 8x8 programmes. Of note in this last programme was Isdefe's preparation of the contract documentation which resulted in agreements on the six technology projects that make up its procurement phase and that will serve to temper risks before the start of this programme's upcoming production phase.



As for **air programmes**, Isdefe continued to support the EF2000 Programme Office in coordinating airplane control and receipt activities, as well as in defining new capabilities and in planning their implementations. Isdefe also continued to aid the A400M Programme Office in aspects like defining the logistical support for the fleet and the strategies for maintaining the airplanes that are procured operational.

Isdefe provided aeronautical engineering support to the NH-90 Programme Office by aiding in accepting the first helicopters, which will go to the Army's Air Mobility Command (FAMET), and by defining the new configuration of the Air Force's version of the NH-90.

In 2015 Isdefe also collaborated with the Programme Office in procuring the MQ-9 Reaper drones, which will be used by the Air Force on intelligence, surveillance, target acquisition and reconnaissance missions.

Isdefe continued to support **naval programmes** by aiding the S-80, BAM and F-110 programme offices. In particular, Isdefe worked to launch the technology programmes associated with the F-110 and to draft the Viability Document.

## DIRECTORATE FOR ECONOMIC AFFAIRS (DIGENECO)

Isdefe has been providing technical support to the Cost Evaluation Group (CEG), the agency responsible for auditing and analysing costs of companies that are involved in defence programmes.

The CEG is also responsible for estimating life-cycle costs for new programmes, thus ensuring their financial viability and sustainability.

Of note is the GEC's involvement in various studies for key programmes, such as the A400M, the S-80, the NH-90 and the technology programmes for the future 8x8 vehicle and the new F-110 frigate.

## ARMY

Isdefe carried out consulting activities for the Army involving various current and future weapons systems, such as anti-air guns, field artillery, and ground and air platforms, thus providing a valuable service by defining systems and requirements, as well as by adding value to the entire procurement cycle. Isdefe thus provides increased effectiveness, reliability and adaptability to the required mission.

In the area of maintenance, Isdefe worked with the Army's Logistical Support Command (MALE) to prepare ten-year forward-looking studies for the main logistical agencies to propose a maintenance management model for this period that is based on strategic planning data,

anticipated maintenance demands and the capabilities of Spain's Army.

Of note also is the "Life-Cycle Model for Army Systems", through which models are being defined that will be used to calculate, manage and analyse the life cycles of various weapons systems by grouping them into families of systems.

## AIR FORCE

As for the Air Force's Logistical Support Command, Isdefe collaborates by supporting fleet maintenance activities. Of note is the work done to support materials management for the Eurofighter by attending the meetings of the Eurofighter Order Administration Working Group and the Order Progression meeting.

Isdefe also aided with the initial outfitting of the A400M via AECMA ASD-2000M, both as concerns the exchange of electronic information on requisitions and the tracking of material deliveries carried out during this time.

Isdefe also continued to assist with the reviews of the maintenance programmes for the Falcon-900 fleet, with managing repair contracts for various fleets and by overseeing the transport of classified and explosive materials.

## ARMADA

Isdefe continued to provide support services to the various departments of the Navy's Logistical Support Command (JAL).

At the **Naval Construction Office**, the most notable activities focused on implementing the experience learned as a member of the BAM Series II Programme working group, as well as the activities involving the studies and analyses of technology programme budgets,



and the definition and development phase of the F-110 Frigate.

Isdefe also worked on the Technical Submarine Certification Programme (PCTSUB). Isdefe was involved in two important milestones in this programme in 2015. In one, as part of the partnership agreement between the Spanish and American navies, the PCTSUB Programme Office was invited to provide training support during a NAVSEA SUBSAFE audit of one of its submarines in Newport in August. Also held in 2015 were meetings of the International Forum on Submarine Safety at the Arsenal in Cartagena, the first meeting of this type held in Spain. The purpose of this Forum is to provide a platform for exchanging experience and know-how in topics related to submarine safety by the navies of the Forum's member countries, which are: the United Kingdom, Netherlands, Norway, Sweden, the United States, Canada, Australia and Spain. The Forum holds meetings annually, rotating them among its member countries.

Isdefe also aided with the structural analysis activities for the BAM Series II ships, the LPD ship and the S-80 PLUS submarine. It also took part in reviewing the Weight Control instruction for Navy ships during the project and construction phases, and in reviewing the document for the re-design of the S-80 PLUS SDR/PDR.

Isdefe continued to provide support to the **CIS Sub-Directorate General (SUBCIS)** of the **Maintenance Directorate** to define, negotiate and monitor the maintenance contracts for its CIS systems; to identify and mitigate industrial risks; to decrease/eliminate its dependence on contractors; to establish and subsequently monitor measures for contractor performance and productivity and Service Level Agreements (ANS), penalties and bonuses; and to implement a management model based on best practices in ICT management, focusing its efforts on starting up the CIS Configuration Management tool.

In addition, through the services provided to the Programmes Support Unit, Isdefe continued to assist this office in drafting, negotiating and tracking maintenance contract specifications for Navy systems. Isdefe also took part in the activities to monitor the major refit of the S-74 submarine, "Tramontana".

Isdefe worked with the Logistical Support Coordination office to stabilise the information on the contribution of systems and equipment to ship missions and their operating times. Similarly, as part of the project to merge ship maintenance systems, Isdefe conducted studies of the specifications in the maintenance plans for the various pieces of equipment used in the Navy.





## ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE (OSCE)

Isdefe developed a consulting project for the OSCE's Special Monitoring Mission to Ukraine, the purpose of which was to select the best provider of drone surveillance services, as well as the most suitable payloads, for verifying compliance with the Minsk Protocol at the Ukrainian border.

The project was carried out in three phases, defined by way of three different contracts. The first phase involved a market study of the various technology alternatives to support UAS and improve the efficiency of the system used to date.

In the second phase, the actual conditions in the theatre of operations were studied in an effort to identify critical elements and actionable objectives, as well as to assess the operational and technological requirements to consider prior to engaging in a bidding process.

In the third phase, Isdefe collaborated with the OSCE in said tender process, assessing bids and taking part in negotiations with potential tenderers so as to obtain the most favourable terms.

## TECHNOLOGY CENTRES

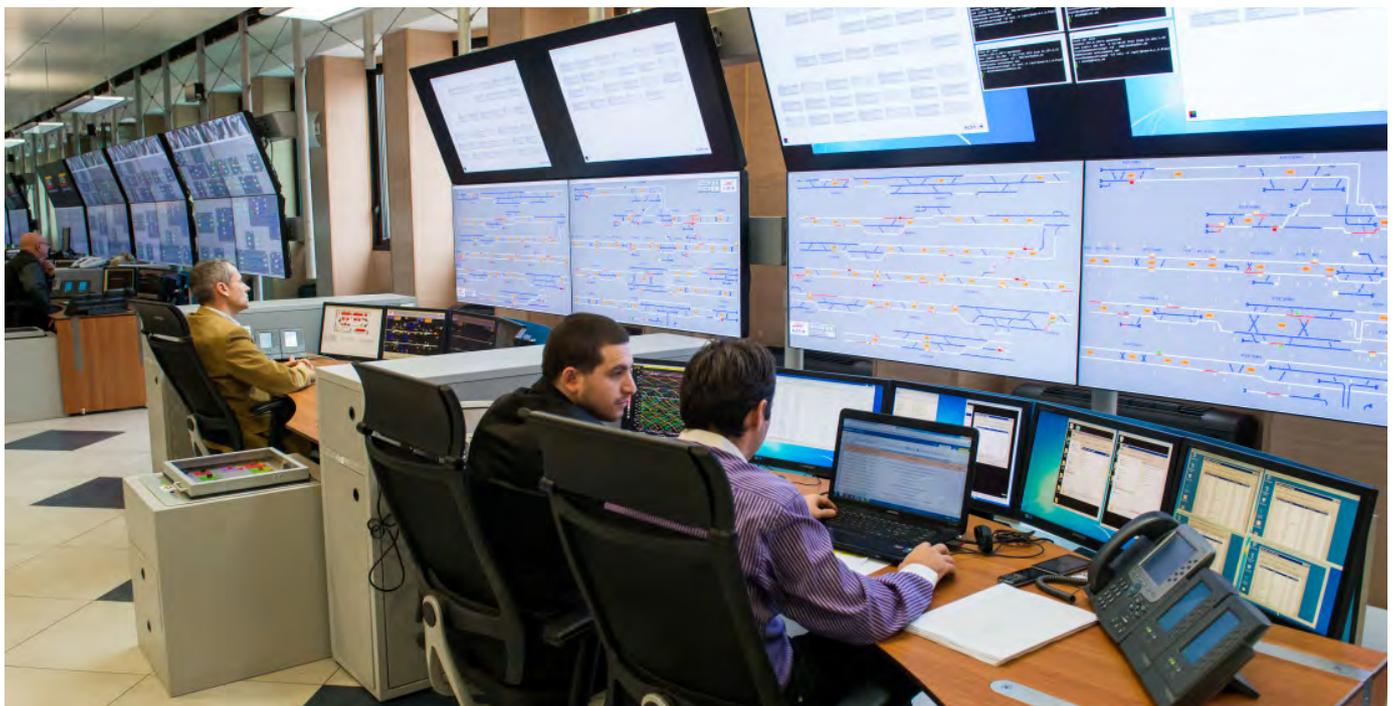
### NATIONAL INSTITUTE FOR AEROSPACE TECHNOLOGY (INTA)

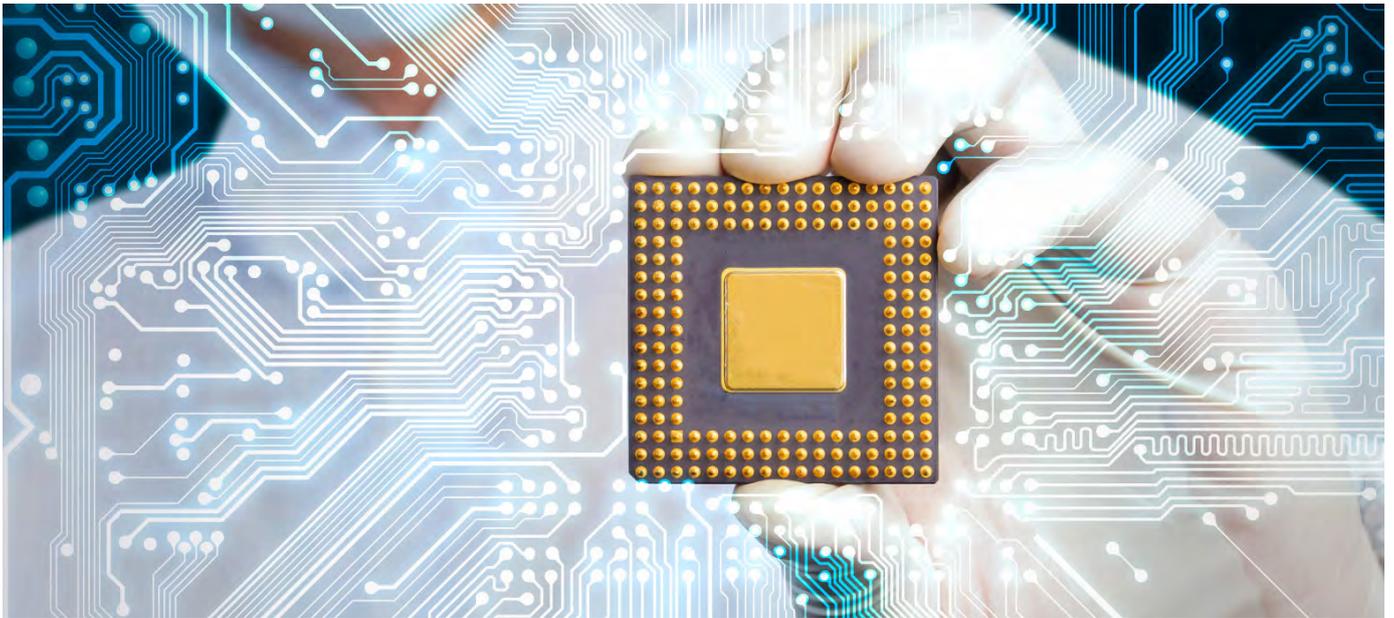
Isdefe has qualified specialists who can provide scientific-technical support to the activities that take place at the Ministry of Defence's Technology Centres, and specifically at INTA (National Institute for Aerospace Technology). The most important activities that took place in 2015 are detailed below.

#### Aviation Systems

The most notable activities involving aviation in 2015 were as follows:

- **Aircraft Certification:** Apoyo a la Gestión y conducción de actividades de Ensayos en Vuelo, certificación, calificación y aeronavegabilidad continuada de aeronaves militares tripuladas al INTA, tanto en el ámbito de programas de Certificación y Calificación de aeronaves militares (A400M, Eurofighter, Tigre HADE, NH90 GSPA, A330 MRTT y FSTA, AB212 ARMADA, C295, Atlante...) como en programas internos de I+D (DIANA, EXTICE,). Participación como Formadores e Instructores en actividades de formación interna y externa (Universidad Politécnica de Madrid y Society of Flight Test Engineers). Soporte en el seguimiento de las Organizaciones de Diseño reconocidas como ROD.
- **Turbojet Testing:** Support with certification testing and development of XWB engines, and with the initial tests of the new generation of the TRENT 1000 engines with electronic ignition, and participation in the FLITES Clean Sky Project.
- **Unmanned Aircraft:** Support with operations of the SIVA UAS and the DIANA target airplane. Assistance with STANAG certification of systems. Development of applications for mission planning, automatic piloting and payload operator.
- **Missile Testing Centre:** Testing and development tests of missile and weapons systems, certification of onboard weapons, development and certification testing of equipment for the aviation industry, certification of airport explosives detection equipment.
- **Aerodynamics.** Development of simulation, testing and data processing tools, testing and measurements in the field and in wind tunnels. Dynamic noise and fluid studies and testing.





### Ground Platforms

- **Testing and Certification of Vehicles and Technologies for Transport Safety:** Support in automobile, motorcycle, truck and farm vehicle testing and certification, with laboratory activities in active and passive safety systems, motorcycles, performance and emissions. Isdefe also provided support with individual vehicle certification procedures. In support of the Ministry of Transport, Isdefe participated in international gatherings to generate and adapt regulatory measures. Lastly, Isdefe tested fuels and lubricants used by Spain's armed forces in its weapon systems and support vehicles. Support with the full operation of the INTA vehicle testing tracks.
- **Weapons:** Study to extend the useful life of the ASPIDE missile. Characterisation of the propellant in the IRIS-T and SPIKE missiles. Vibration testing of artillery projectiles. Modelling and simulation of hollow charges in RPG munitions. Support to civilian companies to develop guided rocket munition (CAT-70 and MC25). Check of the process for measuring certified instruments for munitions testing. Tests with jammers, frequency programming and radio compatibility with communications equipment.
- **NBC and Materials:** Analysis and synthesis of environmental samples to verify chemical warfare attacks. Chemical decontamination testing. Update of immunological diagnostic methods to detect biological warfare agents, bacteria and toxins. Synthesis of energetic materials and conventional stabilisers of powders and explosives.
- **Metrology and Calibration:** Calibration of measuring instruments and standards.
- **Torregorda Testing Centre:** Support activities involving the development, evaluation, receipt, certification and monitoring of weapons.

### Space Systems

- **Radio Frequency and Electronic Technologies.** Design and testing of communication antennas, radar components, GPS geo-referencing components, vario control SW, signal processing SW, certification SW, simulation of RF circuits, programming of robots and drivers for cards, space components, etc. Magnetic characterisation testing.
- **Solar Cell Laboratory.** Testing of photovoltaic solar cells for use in space (ESA specifications) and on the ground.
- **Space Programmes and Payloads.** Electronic, structural and thermal design, testing of space systems and vehicles. Space project and programme management. Development, calibration, certification and validation of payloads.
- **Space Materials and Structures.** Development and testing of composite, protective and metallic materials. Structural calculations and tests of structures for space vehicles and other systems. Generation of protective coatings for the aeronautical and energy industries.
- **Astrobiology Centre:** Studies of microbial communities in extreme environments. Studies of molecular adaptation mechanisms in microorganisms.

## LOGISTICS AND SUPPLY CHAIN SYSTEMS

### GENERAL DIRECTORATE FOR ARMAMENTS AND MATERIEL (DGAM)

Isdefe continued to provide support to the National Cataloguing Office to maintain and develop new features of the SICAD cataloguing system, and to support Spain and other countries that use the system (Belgium, Poland, Colombia and the Saudi Arabian MIC). Of note is the development of the Supply Chain Module, which links NATO's cataloguing system with RIC (Reportable Item Code), CPV (Common Procurement Vocabulary), UNSPSC (United Nations), Customs and ATC (Anatomical Therapeutic Chemical Classification).

### ARMY

In the field of supply and transport, Isdefe's engineering support to MALE focused on developing various projects to improve the management of different types of materials.

- The Distribution Management Centre saw improvements to its weapons management with the development of algorithms to improve weapons distribution between BIAMUNes (magazines) so as to optimise inventories and maximise shelf life. Similarly, in the area of fuel management Isdefe upgraded the processes of the SIGECAR Fuel Management System to reflect the new control requirements stemming from framework agreements with Spain's Revenue and Defence ministries.
- Isdefe conducted forward-looking studies on supply capabilities, specifically to anticipate the organic capacities of the main logistical agencies from 2015 to 2025.
- In the area of transport management, Isdefe participated in various improvement initiatives, like the viability study to implement a transport route optimiser and to define a model for internal transport capabilities based on the type of transport vehicle and fleet available at each of the military units included in the model.
- Isdefe took part in establishing the technical, logistical and textile requirements for the clothing supply contract that is expected to be outsourced for 2017-2021.

- In the Logistical Coordination Section, Isdefe continued to support the project to introduce e-Commerce into the Spanish Army, having started the work needed to implement it in transport management.

Isdefe also offered support to programme offices, primarily to MALE, with activities related to software life-cycle management, by applying lessons learned and best practices that guarantee compliance with the needs outsourced to third parties by the Ministry of Defence in the area of software engineering. One example of this is the technical assistance given to the Logistical Coordination Section or the work to improve the SIGLE logistical system.

Isdefe also helped to modernise logistical processes involving consulting activities on information technologies, and to automate logistical processes in an effort to improve their efficiency and effectiveness so as to ensure oversight and prevent the loss of data. Examples of these efforts are the technical assistance given to the Material Control Centre and the work to improve inventory control processes through the application of automation.

### AIR FORCE

At the MALOG, Isdefe continued to support the Standardisation and Cataloguing Office to adapt to the NATO system. Isdefe also reviewed the internal procedures used to process transactions in an effort to reduce rejections from the third tier of the cataloguing system.

### NAVY

As part of its support to the Transport and Supply Office, Isdefe continued to assist in drafting the Navy's logistical documentation and in maintaining the support applications. Isdefe also took part in providing courses on these applications at the Navy Centre for Management Studies.

### MILITARY INDUSTRIES CORPORATION (MIC)

Isdefe completed its logistics consulting work for the MIC with the delivery of the strategic plan developed for the Logistics Department. In this area, Isdefe also coordinated the transfer of material from one set of warehouses to another to optimise its management. In the area of cataloguing, Isdefe continued to identify material in keeping with NATO cataloguing system procedures.

## INTELLIGENCE AND ELECTRONIC WARFARE SYSTEMS

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### DEFENCE STAFF (EMAD)

Isdefe continued to collaborate with the Defence Staff by providing technical assistance to the joint SANTIAGO system. This was a key activity in 2015 for Isdefe's Intelligence and Electronic Warfare Division. The completion of the implementation and start-up tasks for this system gave way to support with the maintenance, configuration control and operation of the SIGLO (Santiago Comprehensive Integration System) Technical Centre, whose equipment Isdefe also worked on upgrading with a view to having this centre be INFOSEC certified.

### GENERAL DIRECTORATE FOR ARMAMENTS AND MATERIEL (DGAM)

The year 2015 saw the start of technical support activities at the C4ISR Office of the Sub-Directorate for Programme Management involving the viability phase of the future SANTIAGO Programme, phase II. Work focused on helping draft the Viability Document (DDV) as per Directive 67/2011, which regulates the process of procuring material resources and focuses its analysis on the programme's technical, industrial, logistical and life-cycle cost aspects so as to choose the most viable alternative.

Another activity that started in 2015 involves support of the Space and Satellite Division at this same directorate, providing technical support for the SATCOM Programme (NATO, EDA) and for satellite navigation systems, to observation and surveillance systems and to space monitoring systems, as these pertain to both national and international coordination initiatives.

Isdefe continued to support the Sub-Directorate for Technology Planning and Innovation with the Navy's electronic warfare programmes and with ISTAR, with national initiatives involving the "Coincidente" programme, as well as with international UAS/RPA projects.



## SECURITY FOR INFORMATION SYSTEMS AND CRITICAL INFRASTRUCTURE

In 2015, Isdefe collaborated with various public bodies of the Ministry of Defence, Ministry of the Interior, Ministry of Justice and others, as well as with different companies on the action items specified by the National Cybersecurity Strategy, to engage in different technical consulting activities and cybersecurity audits.



### JOINT CYBERDEFENCE COMMAND (MCCD)

The Joint Cyberdefence Command (MCCD) is responsible for planning and carrying out cyberdefence actions involving the information and telecommunications networks and systems of the Ministry of Defence, as well as for providing a suitable response to threats or aggressions in cyberspace that could affect national defence.

The MCCD thus faces the challenge of developing highly specialised capabilities to provide these services in a constantly evolving threat scenario.

Isdefe supports the MCCD in this challenge by providing consulting and technical assistance services in areas pertaining to obtaining operational capabilities, including planning and development, conducting audits and vulnerability analyses of ICS, procurement, project management and monitoring and evaluating products on the market.

Given the complexity of these activities, Isdefe's services rely on its in-depth knowledge of information security in classified national, NATO and European Union Information and Computer Systems.

### MINISTRY OF THE INTERIOR

For years Isdefe has been supporting the Ministry of the Interior's Technology Innovation and Information Security Service of the Civil Guard by conducting audits to ensure compliance with Organic Law 15/1999 of 13 December on the Protection of Personal Information, writing reports to adapt to the National Security Scheme, and by conducting technical risk and vulnerability analyses of the systems and networks of Spain's Civil Guard.

### MINISTRY OF JUSTICE

Isdefe assisted the Ministry of Justice's General Directorate for Records and Notaries by providing technical support to oversee security, quality, interoperability and efficiency aspects related to the implementation of the new Civil Registry model.

Isdefe also provides information assurance services intended to help the Ministry develop its critical information systems. Examples of these services include:

- **The Online Justice Communications project**, which allows all legal communications to be handled digitally. This system relies on the LexnET online reporting system, developed in concert with Isdefe.
- **The Integrated Judicial System**, which progressed considerably in 2015 following the completion of its features in the area of civil law.
- **The traditional Minerva case management system**, which has evolved, with Isdefe's help, to become the core of the digital justice initiative.



- **Isdefe's planning, design and execution of the acceptance tests for legal computer applications**, as an efficient method of quality control that contributes to improving the applications by providing useful information on operational faults before the system is implemented.
- Isdefe is also helping the Ministry of Justice to draft the regulations of the Judicial Interoperability and Security Scheme, and with the activities of the Technical State Committee for the Electronic Administration of Justice.
- And finally, along with the testing, the services provided by Isdefe to manage the development life cycle and the configuration of legal applications improve the control of both the documentation and of the computer programs.

### NATIONAL CENTRE FOR THE PROTECTION OF CRITICAL INFRASTRUCTURE (CNPIC)

In 2015, Isdefe continued to work with the National Centre for the Protection of Critical Infrastructure

(CNPIC) on several of its activities. Of special relevance is the company's involvement in the group working on Strategic Sector Plans, on which Isdefe worked with leading authorities and officials in the sector, as per the policies and guidelines of the CNPIC. This work led to the approval of new Strategic Sector Plans by the National Commission for the Protection of Critical Infrastructure. When combined with the plans already approved, this initiative represents a firm commitment to the regulations on the protection of critical infrastructure and the realisation of the directives laid out in the National Security Strategy.

### EUROPEAN SATELLITE NAVIGATION AGENCY (GSA)

In 2015 Isdefe also provided certification support services to the European Satellite Navigation Agency (GSA), reviewing aspects involving document security and conducting independent tests of the security of the computer systems under the Agency's responsibility.

## STRATEGIC INFRASTRUCTURE

Of all the actions involving infrastructure that are considered to be of a special or strategic nature, Isdefe provides a significant added value to its clients throughout their entire implementation cycle, from the identification of functional requirements, to viability, design and engineering studies, and finally to the execution support phase and even the subsequent maintenance phase.

In this cycle, the engineering and consulting work is undertaken with a comprehensive view of the issue that covers not only the typical architectural and civil engineering aspects, but also those related to energy management and the environment. Isdefe thus offers comprehensive management for infrastructure projects.

The technical know-how and methods applied by Isdefe in the area of Security and Defence have been applied to other areas of interest to the government. One such case is the technical assistance given on projects to establish a Spanish industrial presence in countries of commercial interest to Spain.

This area is specialised and has the capabilities needed to manage complex infrastructure projects that combine typical construction management issues (overseeing contractors, materials, licences, budget control, etc.) with more specific factors like security, energy, operations and deployment, or the need to coordinate various national and international organizations (NATO, EU, UN projects).

The most important projects are:

- Construction management of the work on the new station for Spain's National Police in Lorca.
- Project to remodel the border crossing at Farhana (Melilla).
- Modification and supervision of the project to upgrade the border crossing and customs office between Línea de Concepción (Cádiz) and Gibraltar.

- Management of the project to build and develop Phase 1 of the urban area of the Civil Guard's special forces training range.
- Support to the Defence Military Hospital to develop a functional plan for its facilities for highly contagious diseases.
- Construction project for the indoor live fire range for the Navy's special forces unit at the Algameca Naval Base in Murcia.
- Projects to repair the pier at the Puntales Naval Base and pier no. 2 at the Ferrol Arsenal.
- Draft project for the Navy's General Archives in Bermeja.
- MOUT (Military Operations in Urban Terrain) Project
- Logistics platform project at the Rota Naval Base.

### PERUVIAN NAVY

In 2015 Isdefe developed the Master Plan for the future naval base at Callao, designing the layout and capabilities of the base over a projected lifetime of over 40 years. This Master Plan was carried out to address both the Navy's need to grow as part of its strategic development plan, and the need to expand the existing port of Callao.

### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA)

In addition to the activities that Isdefe carries out involving the operation and management of the satellite tracking stations that both NASA and ESA have in Spain, in 2015 Isdefe, as the Project Manager, began work on a project to design, manufacture and assemble the two new antennas (DSS-53 and DSS-56) at the Madrid Deep Space Communications Complex in Robledo de Chavela, Madrid. This work is part of NASA's DAEP (Deep Space Network Aperture Enhancement Program) Programme and will run until 2020, when both antennas will be fully operational.

Isdefe is receiving technical advice on this project from the JPL (Jet Propulsion Laboratory). This is highly complex work, as it involves 34-metre diameter antennas that are subject to pointing accuracy requirements of hundredths of a degree. This means that the entire project must comply with the highest quality standards.



## MINISTRY OF ECONOMY AND COMPETITIVENESS

In 2015, Isdefe consolidated its activities as a provider of specialised technical assistance and comprehensive consulting services to this Ministry by developing and overseeing international infrastructure and energy projects. These projects are related to the development of bilateral or multilateral agreements between the government of Spain and other countries. Isdefe thus gave technical support to ensure the successful execution of the projects it is overseeing while at the same time providing technical and institutional support to Spanish industry wherever it may be located, safeguarding the interests of the Spain brand and the technical excellence of the work that represents. Isdefe does all this while observing the basic principles of transparency and equal opportunity that comprise the company's corporate culture.

In the area of Debt Conversion Programmes (DCP) between Spain and other countries managed by the Treasury and Financial Policy Department, in 2015 Isdefe started a new area of activity that focuses on providing

complete technical oversight of these DCP. The main examples of this are the Spain-Mauritania and Spain-Honduras DCP, for which Isdefe provides the technical activities necessary to properly execute the projects included in these DCP. Other examples include the Spain-Jordan DCP, under which Isdefe satisfactorily completed the onsite supervision for the construction of a new 2.17-MW solar plant in Azraq, and the Spain-Uganda DCP, for which Isdefe completed the detailed engineering studies to upgrade the Kawolo general hospital.

In addition, as part of its support for initiatives to internationalise Spanish industry led by the Trade Office, Isdefe concluded the work assigned to it to draft the Specifications for the tender directed at Spanish companies to bid on the project management services for the construction of line 5 of the Ho Chi Minh metro in Vietnam. Isdefe also did important work for this Office in the area of projects financed by the FIEM Fund. Of note in this regard is the work to oversee and control the construction of a new 120-MW wind farm in Gulf El-Zayt (Egypt), as well as several smaller projects carried out in Ecuador, Kenya, Cameroon and Sri Lanka.



## BORDER SURVEILLANCE AND CONTROL SYSTEMS

### CIVIL GUARD

Isdefe continued to provide its services intended to modernise and update the deployments of the Comprehensive External Surveillance System (SIVE), as well as to offer responses to as of yet unmet needs. From a maintenance standpoint, Isdefe is continuing to work on implementing a comprehensive strategy that allows optimising resources, thus yielding considerable cost savings.

Isdefe also continued to develop new capabilities, such as providing interoperability to the system. It also developed the tools needed to integrate and centralise the needs of European border protection systems (EUROSUR-NCC), and to analyse new technologies and platforms.

The continuing growth of the resources used to monitor maritime borders relies on a firm commitment to adopt the rules and regulations of the European Union, as well as on the increased capabilities provided by new geographical deployments and new surveillance techniques.



### MINISTRY OF THE INTERIOR

In the State Security Office, Isdefe is assisting the CIS Sub-Directorate with the specification, development and implementation of new automated border crossing (ABC) system, which has so far been implemented at seven airports, one land crossing and one maritime crossing. Isdefe is also collaborating in defining and developing the new information and control centres, such as the Border Post Coordination Centre for the Straits of Gibraltar, and the National Border Post Coordination Centre. Isdefe also assists the SIRDEE Programme Office and provides software quality assurance for the projects of the Sub-Directorate.

### EUROPEAN COMMISSION

In 2015, Isdefe engaged in work involving projects co-financed by the European Union, like the "Exchange of the NSP between the NCCs of Spain and Portugal", "Provision of Satellite Capabilities" to aid in the development of joint surveillance tools as part of EUROSUR, and the "SEAHORSE Mediterranean Network", the goal of which is to enhance cooperation with countries in North Africa.

### EUROPEAN BORDER AGENCY (FRONTEX)

The Frontex agency has been relying on Isdefe for several years to carry out studies in the area of border control. Specifically, this agency has been commissioning studies on unique technologies and resources applicable to the surveillance of unregulated land borders, like the theoretical studies carried out in wooded areas with fixed and mobile resources.

In coming years Isdefe expects to collaborate with Frontex to define its future technology strategy.

### ALGERIAN MINISTRY OF TRANSPORT

Since the project was launched in December 2013, Isdefe has taken part in monitoring the activities and work of the lead contractor in an effort to implement the system.

This system, which is conceptually based on the SIVE, will cover the entire Algerian coastline and the country's eleven main ports. It will include maritime services like VTS and SAR, as per the requirements defined by the International Association of Lighthouse Authorities (IALA-AISM).

## TECHNOLOGY AND INDUSTRIAL MANAGEMENT

### MINISTRY OF DEFENCE

Isdefe supports the Ministry of Defence's industrial policy by providing technical assistance to the Industrial Management Office of the Ministry's Sub-Directorate General for Industrial Inspection, Regulation and Strategy.

The main activities in 2015 involved the initial identification of the Critical Industrial Capabilities for Defence (CICD) and monitoring said CICDs by visiting the main defence companies, designing the information system and supporting the implementation of the DGAM's Industrial Intelligence Unit, preparing the Industrial Defence Strategy and managing the Industrial Cooperation Agreements stemming from the development of the weapons and materiel programmes.

Isdefe also aided the Ministry with its Technology Policy through technical assistance to the Observing System and Technology Foresight (SOPT), providing managerial and organizational support to the central node and to each of the Technology Observatories that comprise the SOPT. Isdefe also aided with technology foresight activities and disseminated knowledge on technology, and took part in the process of procuring high-tech equipment and in planning defence R&D.

In 2015 Isdefe was an active participant in drafting the Technology and Innovation Strategy and in maintaining the Ministry of Defence's Technology and Innovation Portal.



### MINISTRY OF ECONOMY AND COMPETITIVENESS

Isdefe assisted the Ministry with its policy to encourage corporate innovation, in particular as it pertains to managing the Binding Detailed Opinions for tax deductions for R&D activities.

Isdefe similarly supported the science and technology policy and Innovative Public Purchases (IPP) by writing science and technology tracking reports, execution reports and reports on ERDF certification for all of the contracts managed by the Sub-Directorate General to Promote Corporate Innovation. These partnership agreements, signed with several of Spain's regions, are intended to coordinate activities relating to R&D on science and technology.



## CRISIS AND EMERGENCY MANAGEMENT SYSTEMS

### MILITARY EMERGENCIES UNIT (UME)

Isdefe, which has become a benchmark not only nationally but also abroad in the area of emergencies management, continued to lend its support to the UME in several areas, as it has since its creation.

In the area of Communications and Information Systems, Isdefe, through the UME's ICS Programme Office, part of the DGAM's Sub-Directorate for Programme Management's C4ISR and Space Systems Office, developed technical proposals and improvements, integrating and tracking projects to implement ICS capabilities in the Permanent Stations of the Command Post, and Secondary and Tertiary posts, and in deployable ICS stations.

This includes monitoring over 30 different projects in various stages of development and operation:

- level I and II deployable stations and upgrade of existing level I stations for on-the-move operations, deployable battalion command posts, forward command posts, satellite communication terminals on the quick halt, TETRAPOL resources, TETRAPOL infrastructure reconstruction node, distributed positioning system for every UME element, receipt of images from helicopters, reception and production node for audiovisual media, fixed and deployable HF stations, battalion and headquarters satellite anchor stations, transportable anchor land infrastructure reconstruction satellite station, mesh technology radio communications system, deployable air control towers, encryption system, satellite terminal and network management, portable satellite terminals, communications integration and management, projectable CIS and C2 nodes, system mock-ups, battalion operations centres and joint operations centres.





Isdefe also provided technical assistance to the UME on the Integrated Military Emergency Management System (SIMGE) and to the National Emergencies Network (RENEM). This work involved tracking, monitoring and improving the implementation of previous information systems, as well as support in managing the connections to outside agencies to facilitate the exchange of information and the oversight of any traffic and information that was exchanged, and the incorporation of shared tools.

Lastly, Isdefe aided with the management and coordination of logistical activities and with tracking the maintenance contracts.



# SPACE SECTOR

Isdefe's experience in this area goes back to 1992 when it started to provide operational and maintenance services for space complexes. Isdefe engages in engineering and service activities involving the definition, design, development, management, operation and maintenance of space centres.

Aerospace activity is characterised by the need to constantly adopt new and increasingly complex technologies, and to have the requisite knowledge of science and technology. This requires making a permanent effort in development and innovation, and in personnel training.

Isdefe offers these high-quality services to important clients like NASA (National Aeronautics and Space Administration), ESA (European Space Agency), INTA, the European Commission, satellite operators, and the Ministries of Defence, Development and Foreign Affairs.

The two main areas included in this sector span the entire life cycle of space programmes:

- Space Stations and Infrastructure
- Satellite Applications



## SPACE STATIONS AND INFRASTRUCTURE

### NASA NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

**The Madrid Deep Space Communications Complex (MDSCC)**, devoted to tracking satellites that are exploring our solar system, is one of the three NASA centres that comprise its Deep Space Network (DSN).

The governments of the United States and Spain signed an agreement in 1964 to install the MDSCC, and in March 2016, the Official Journal of Spain published news that this agreement had been renewed until November 2024, thus ensuring that this very important collaboration will continue. This agreement relies on a contract between NASA and INTA to handle the operation, maintenance and construction of new capabilities. INTA, in turn, has entrusted these activities to Isdefe, which manages the entire centre.

The MDSCC currently boasts six large antennas, four of which are operational (used to track satellites). One is being used as a radiotelescope for educational use as part of the PARTNeR programme, and the other was decommissioned in 2008. The antennas in use are DSS-63, 70 metres in diameter, DSS-65, 34 metres in diameter, and DSS-54 and DSS-55, 34-metre beam waveguide antennas. NASA recently assigned Isdefe

the responsibility of overseeing the construction of two new 34-metre beam waveguide antennas similar to the two already in existence, and which will go into operation in 2019 and 2020. Isdefe oversaw the execution of the work to excavate the hole for the first antenna. The documentation for tendering the construction of the pedestal and antenna itself is currently being prepared.

In the meantime, the MDSCC continues to fulfil its assigned objectives by supporting over 30 active missions. In 2015 the MDSCC was used to support the New Horizons spacecraft as it travelled toward Pluto, made its closest approach on 14 July 2015 and then continued on. Scientific data from this mission were gathered until early 2016.

The performance of the MDSCC is rated as “Extraordinary”, with a telemetry, command and radiometric data supply rate of 99.5%, well above the contractually required 95%.

Next to the MDSCC is the Training and Visitors Centre, which is used to educate the public on space activity in general, and on the specific missions carried out at the Centre.





## EUROPEAN SPACE AGENCY (ESA)

Isdefe handles the provision of Telemetry, Telecommand and Tracking (TTT) services for ESA missions at the Cebreros station, where it operates a deep space station that provides tracking services for various missions. This station, which belongs to the ESA, has a 35-m diameter antenna for deep-space missions, which operates as part of the network that includes the stations in New Norcia (Australia) and Malargüe (Mendoza – Argentina).

The activity at Cebreros focuses on supporting missions like Venus Express and Mars Express, Rosetta and Cluster, and the launches of resupply vehicles to the International Space Station (ISS). Cebreros is also used to control a station located at the European Space Astronomy Centre (ESAC), which complements its capabilities.

In addition, Isdefe provides operation and maintenance services for the ground segment and user services for the SMOS (Soil Moisture Ocean Salinity) satellite. Isdefe handles the maintenance of the tracking antenna and operates the equipment that processes the scientific data received from the satellite.

Lastly, in 2015 Isdefe also managed the general services at the ESA's European Space Astronomy Centre in Villanueva de Cañada through a Facility Management contract.

## CANARIES SPACE CENTRE (CEC)

This centre, located in Maspalomas, Gran Canaria, is owned by INTA. Isdefe operates and maintains all of the facilities, which serve various national and international space agencies. The activities carried out at Maspalomas include:

- **Reception, processing and archiving of ground observation images:** The CEC is part of the ESA's EARTHNET, for which various activities involving the receipt, processing and archiving of data are carried out. The Maspalomas station is certified to receive data from the ESA's Sentinel missions. Data are also processed, archived and distributed for other clients.
- **Satellite tracking (TTC):** The CEC is part of the ESA's ESTRACK network and is the backup control centre for the Spainsat satellite. It also provides satellite tracking services for the Japanese space agency (JAXA), and the EUMETSAT, HISPASAT, HISDESAT and XTAR weather satellite agency.
- **Satellite search and rescue missions:** The COSPAS-SARSAT and MEOLUT systems, which receive and locate emergency beacon signals from ships, aircraft and vehicles in distress, are operated from Maspalomas.



## SATELLITE APPLICATIONS

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### EUROPEAN SPACE AGENCY (ESA)

In 2015, Isdefe provided planning, operational, data processing and storage and general support services to the ESA's science missions at its European Space Astronomy Centre (ESAC). The Rosetta, Herschel, XMM and Gaia missions are just some of the ones that Isdefe was involved in. Isdefe also takes part in several astrophysics and astronomy studies, and provides technical assistance to the Astrobiology Centre as it engages in astrophysical activities.

In the field of Earth observation, Isdefe remained involved with the DESIRE (Dual Use of European Infrared Element) and DEVA (Definition & Experimental Validation Activities) projects, both run by the ESA in support of the Copernicus Programme. DESIRE involved the development of a simulator to process space data to support the design of new instruments and to validate applications, and DEVA involved the development of new applications associated with high-temperature events.

In 2015 Isdefe continued to take part in developing the Ground Segment of the Spanish space agency's PAZ and INGENIO Earth observation systems.

As part of the Space Situational Awareness (SSA/SST) Programme, Isdefe is leading a European consortium to develop a robotic telescope to detect threats from objects close to the Earth. The goal is to systematise the search for meteorites or space trash that is prone to impacting the Earth's surface. This involves the integration of advanced optical, mechanical, software control and image processing techniques. The result will be two prototype telescopes that will monitor the skies from Cebreros in Ávila and Izaña in Tenerife.

### EUROPEAN SATELLITE NAVIGATION AGENCY (GSA)

The activities of the Global Navigation Satellite System (GNSS) have been linked to the Galileo Programme in two ways:

- Start-up of the Galileo Public Regulated Service (PRS) in Spain, through which government agencies and authorised users will have access to position and time data that can be used in critical applications and that offer additional availability, continuity, robustness and reliability guarantees. In 2015, Isdefe designed the core infrastructure of the Competent PRS Authority and developed the relevant critical technologies.
- The GNSS Service Centre (GSC) comprises an essential part of the Programme by providing the only interface between the system and the community of Open Service and Commercial users. In 2015 Isdefe continued to collaborate with the European GNSS Agency (GAS) in the design and specification of GSC operations as part of the "GSC Operations and Hosting Services" contract, which includes start-up and operational support of the GSC-Nucleus services.





## SATELLITE ENGINEERING

In 2015, Isdefe continued to conduct engineering projects, especially in the area of ground segment. Isdefe's projects included the development of the ground segment for the future INGENIO optical satellite, and the upgrade of the Canaries Space Centre to host part of the ground segment for the PAZ and INGENIO satellites.

Isdefe continued to provide support to the Defence and Foreign Affairs ministries by defining and implementing the government communications networks. Lastly, Isdefe also continued with the installation and modernisation of various communications nodes for aviation communications networks (Luanda, Dakar, Nuakchot and Lisbon).

# TRANSPORT SECTOR



Thirty years of experience in the Transport sector certify Isdefe as a leader in consulting, technical assistance, and providing management and engineering services in an effort to facilitate the attainment of new capabilities, to improve safety and to optimise the operating procedures of organizations involved in providing and overseeing transport-related services.

Isdefe also provides services in fields directly related to the sectors, such as developing R&D solutions.

The activities fall under the following three areas:

- Traffic Management
- Transport Centres
- Advanced Concepts

## TRAFFIC MANAGEMENT

### ENAIRES

Isdefe works with Spain's air navigation services provider, ENAIRES, by engaging in systems engineering and consulting activities involving air navigation.

In 2015 Isdefe provided support services for defining, developing, deploying and starting up automation and communications systems; services pertaining to the structure, organization and use of airspace; services to support the execution of projects within the SESAR and iTEC programmes and the launch of the SESAR 2020 Programme; services to analyse, develop and implement mechanisms to secure and protect critical infrastructure; services to aid in the development and start-up of a new control position for the SACTA air traffic control system; and services involving the operational safety of the CNS/ATM systems.

The most significant activities in 2015 were the support for the start-up of the new control tower at the Sabadell Airport, and the support for the entry into service of the CF2 Mode in the East and Balearic regions of the SACTA system, thus improving the processes of coordinating and transferring flights between control sectors and centres, leading to safer and more efficient operations.

As part of the iTEC Programme, in which Germany, the United Kingdom, Netherlands and Spain are taking part, the specifications were developed in 2015 for processing data from flights in high and low airspaces.

As concerns the structure, organization and use of airspace, Isdefe took part in the periodic revision of the flight procedures in the Aeronautical Information Publication (AIP), as well as in other operational safety and viability studies that were used to develop advanced flight procedures and solve particularly complex operational problems.

Finally, in the area of safety risk analysis, in 2015 Isdefe developed a general map of the communications systems and networks that support essential air navigation services and started a risk analysis of these systems.

### DGAC AND AESA

Isdefe cooperates with the General Directorate for Civil Aviation (DGAC) and with the National Aviation Safety Agency (AESA) to set policy in the sector through strategies for airports, air navigation and air transport. It does so by conducting strategic studies on market trends, setting public prices, the entry of new operators and other public service requirements; for the USOAP programme office, to ensure that International Civil Aviation Organization (ICAO) regulations are implemented in Spain; and for Spain's National Aviation Safety Agency (EASA), to support the regulatory development of the Single European Sky and its implementation nationally by doing enforcement inspections involving operational safety at air navigation service providers, air transport operators and aviation personnel.

Isdefe also collaborates in restructuring airspace by supporting the design of operational arrival and departure manoeuvres at airports, primarily orienting them toward flight procedures based on satellite navigation (RNAV/RPN).

### CIVIL AVIATION ACCIDENT AND INCIDENT INVESTIGATION COMMISSION (CIAIAC)

Isdefe provides support to the CIAIAC by analysing serious air traffic incidents and evaluating and processing safety recommendations. Isdefe also carries out specialised studies to categorise accidents, the internal procedures of investigation groups and to write corporate reports.



## TRANSPORT CENTRES

### AENA AEROPUERTOS

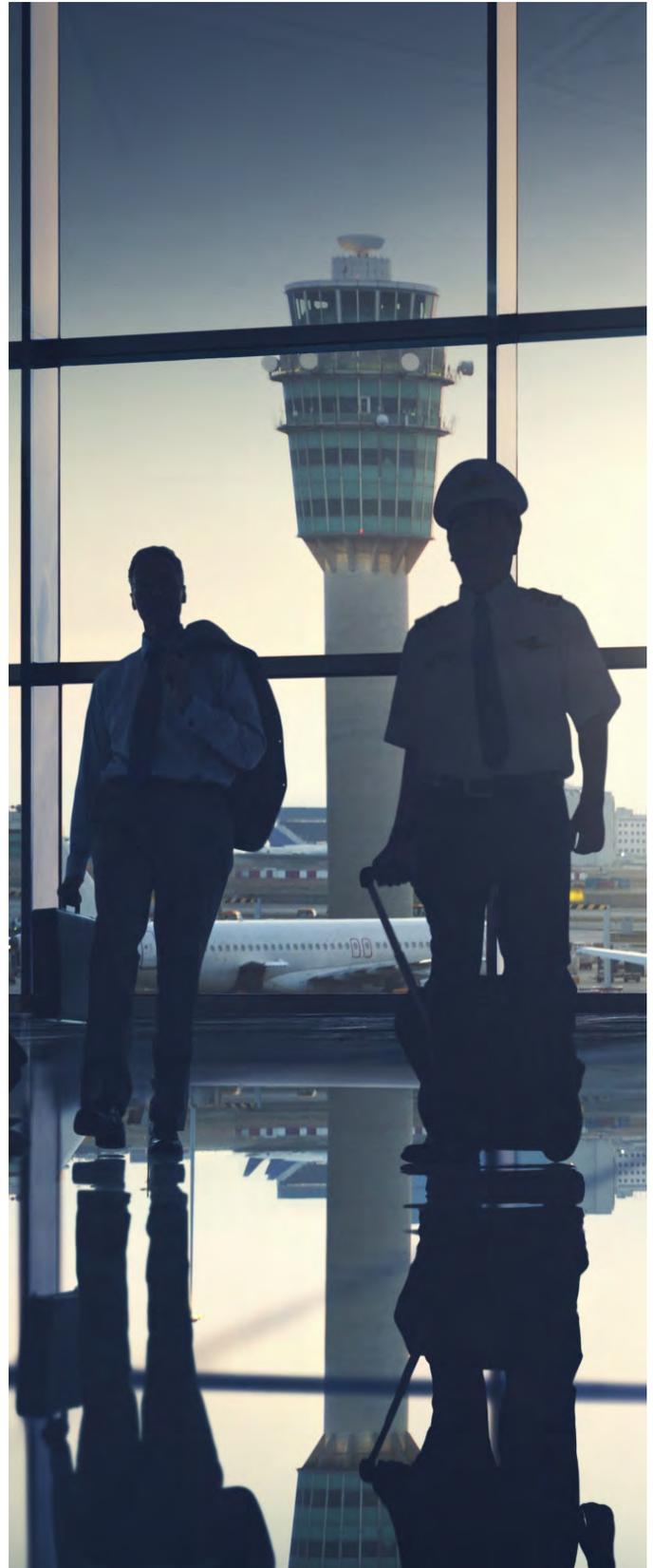
Isdefe provides the following specialised services to Aena, in addition to serving as the binding element for ICT policies, information systems standards and the infrastructure plans developed by Aena for its entire airport network:

- Overall ICT coordination, functional and technical definition of systems and infrastructure, life-cycle management of computer applications (operational, sales management, security, facilities control, etc.), functional support to users, management of ICT project offices, quality and testing of computer applications, systems integration, support with the entry into operation of infrastructures and coordination centres (CPD, data networks, voice communications systems, servers, safety equipment and systems, public information systems, baggage handling and boarding equipment, etc.).

In 2015 Isdefe took part in various projects that, through technological innovation and by searching for efficiency and assimilating trends from other sectors, allowed passengers and other parties involved to have the tools needed to speed up airport processes and to obtain information of interest in real time. Some of these include:

- The process of deploying the Airport Collaborative Decision Making (A-CDM) platform, including its certification at the Barcelona airport. This platform seeks to improve operational efficiency at airports by increasing on-time performance, anticipating events over the course of various flights and optimising the use of airport resources.
- Specialised consulting to Aena to contract the means (tools and human resources) needed to, on the one hand, ensure the protection of information and related assets through the application of preventive and corrective measures to the vulnerabilities detected, and on the other, to implement a suitable and comprehensive information security process.

Lastly, Isdefe provided consulting services on airport systems and services both by supporting various ICT modernisation projects (standardisation of ICT infrastructure to manage car parks and incorporate geolocation technology at airports), and by coordinating the financial and system audits carried out by Aena.



## ADVANCED CONCEPTS

### DGAC AND AESA

Isdefe works with the Civil Aviation General Directorate (DGAC) and the National Aviation Safety Agency (AESA) to implement the National Security Programme at every airport in the national network. Isdefe conducts audits, inspections, tests and drills at the various airports to ensure that all of the airport service providers are in compliance with the physical security programme. Isdefe also cooperates with AESA in overseeing the operational safety of airport systems and of the activities performed by handling services providers at airports. The company is also involved in evaluating security by conducting technical internal audits of AESA.

### PORT AUTHORITY OF THE BAY OF ALGECIRAS (APBA)

The Port Authority of the Bay of Algeciras (APBA) manages the ports of Algeciras and Tarifa which, due to their geostrategic locations at the junction of the world's main maritime routes for transporting cargo, comprise a hub in the western Mediterranean for transferring. This situation, combined with growing competition in the port sector, led the APBA to launch a Technology Improvement Programme that allows it to more efficiently provide the services requested of it. To this end, Isdefe took part in carrying out the following Systems Integration activities, intended to have the systems involved in port activities work in a way that is coordinated and efficient, thus maximising the operability of port facilities.

### PUERTOS DEL ESTADO

In 2015 Isdefe started a new activity with Ports of the State aimed at developing, implementing and applying the findings from an inspection system that will ensure that the national implementation of the regulation on maritime protection is periodically monitored, as required by the applicable law. This regulation lays out measures for the protection of ports and maritime transport.

The activities carried out by Isdefe in the area of Advanced Transportation Concepts involving Global Navigation Satellite Systems (GNSS) were as follows:

### ENAIRE

Isdefe cooperates with the Satellite Navigation Department at ENAIRE in implementing GNSS operations and services.

In 2015, Isdefe assisted with the deployment and operation of instrument approaches based on GPS (Global Positioning System), EGNOS (European Geostationary Navigation Overlay Service) and GBAS (Ground Based Augmentation System), as well as of terminal area arrival/departure procedures, the goal being to have GNSS approach procedures available in 2016, as per ICAO directives.



### EUROPEAN SATELLITE SERVICES PROVIDE (ESSP)

In 2015 Isdefe assisted the ESSP (European Satellite Services Provider) Service Provision Unit in the operational implementation of EGNOS in aviation. Specifically, Isdefe addressed the use of EGNOS for helicopter operations, advanced applications and military uses.

# GOVERNMENT AGENCIES SECTOR

Over its long history, Isdefe has developed knowledge and instruments that allow it to offer solutions to constantly improve the results of government agencies and national and international public service providers by increasing their capacities, efficiency and sustainability.

Isdefe provides an integrated vision of the entire process: Planning, Organization, Implementation and Monitoring.

Isdefe's specialised services set the standard for consulting in the Government Agencies sector, with the following areas of activity:

- Improving and Modernising Government Agencies
- Market Regulation and Oversight.



## IMPROVING AND MODERNISING GOVERNMENT AGENCIES

### MINISTRY OF DEFENCE

The services provided by Isdefe to the Ministry of Defence in the area of public administration focused on several activities.

In 2015, Isdefe assisted the **General Directorate for Armaments and Materiel** with the launch of its Balanced Scorecard, which provides high-level information on management indicators, such as tracking of procurement programmes, R&D activity and human resources management.

Isdefe collaborated with the Sub-Directorate General for International Relations to define its institutional management model by establishing its mission, vision and strategic objectives, its service catalogue and services map, and finally its ideal staffing needs, including a description of the jobs and skills required.

Isdefe similarly worked with various agencies of the Under-Secretary of Defence to provide management support; specifically, with the Sub-Directorate General for Recruiting and Career Guidance on the SAPROMIL project to transition former military members to civilian life; with the Financial Services and Payments office to handle transfers; and with the Centro Universitario de Defensa on various management aspects.

Isdefe assisted the **Air Force Chief of Staff's** Logistical Division by providing consulting services involving the definition of models and business rules to aid in decision making in the areas of resource optimisation and improved organizational efficiency.

Isdefe completed the Balanced Scorecard for the Army's Logistical Support Command, to provide information on advanced management indicators. Specifically, Isdefe incorporated predictive analysis capabilities, greater control over the productivity of technical personnel, and added new data analysis tools that are more oriented to user analysts.

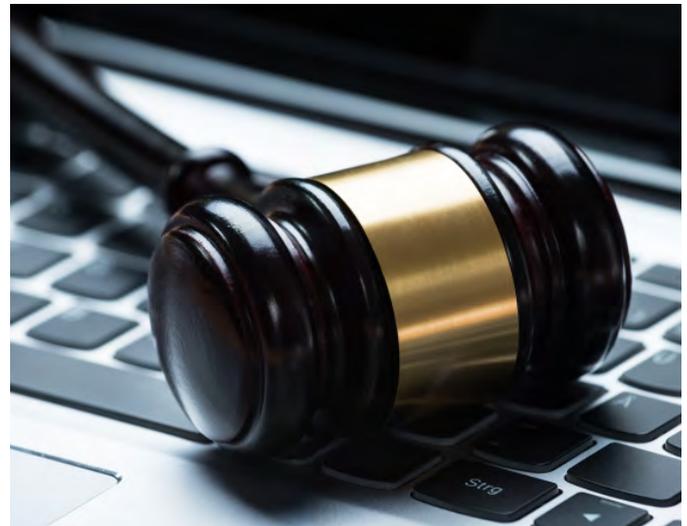
Isdefe helped the Air Force Personnel Command to define and study its basic processes for managing personnel and to identify improvements associated with the automation of these processes.

### MINISTRY OF JUSTICE

Isdefe provided specialised change management support to the ongoing activity of deploying the new Judicial Office organizational model, which is now in service in the cities of Murcia and Ponferrada, and the new Tax Office, already in operation in Ceuta, Melilla, Cáceres, Cuenca and Murcia.

Internationally, the Ministry of Justice successfully contributed to the e-CODEX European initiative, designed to facilitate the online exchange of information between the justice departments of participating countries. Isdefe aided the Ministry in developing and validating pilot systems and in coordinating with other participating countries.

Lastly, Isdefe is also helping the Ministry of Justice to draft the regulations of the Judicial Interoperability and Security Scheme and with the activities of the Technical State Committee for the Electronic Administration of Justice.



## MINISTRY OF LABOUR AND SOCIAL SECURITY

The project management service entrusted to Isdefe by the State Employment Public Service (SEPE), a Ministry of Labour and Social Security agency, is an efficient service that facilitates the daily management and decision making involved in complying with the scope, deadline, cost and quality objectives of projects to evolve the computer systems used in active labour policies.

The specialised technology consulting activities relative to the strategic definition, planning, management, control and monitoring of activities and projects involving information systems in the area of active labour policies allow SEPE to address the most urgent needs concerning the control and monitoring of training financed with public funds. It also lets SEPE advance those instruments designed to improve employability and gain a greater understanding into the needs of employers.

## ADMINISTRATOR OF THE RAILWAY INFRASTRUCTURE (ADIF)

Isdefe worked with ADIF to manage and control its portfolio of information technology projects, as well as to monitor the activities undertaken by third parties to ensure compliance with service level requirements in the area of software maintenance and development, such as with the ANS Programme Office.

Isdefe also provided support to this agency by enhancing the e-Administration capabilities of its project management offices. In particular, in 2015 Isdefe assisted in defining and implementing e-signature, e-documentation and e-filing tools. In addition, Isdefe aided ADIF's Information Systems and Technology Office with overseeing the maintenance and growth of key information systems, primarily in the areas of finance and control.



## MINISTRY OF REVENUE AND PUBLIC ADMINISTRATIONS

Since 2014 Isdefe has been working with the Office to Streamline and Centralise Contracts, an agency of the Ministry of Revenue and Public Administrations, on technical activities involving the centralised contract to supply electricity to the national government.

## AENA

In 2015 Isdefe conducted a study for Aena on the profitability of the fuel supply market at airports in an effort to have objective data for negotiating this type of service at the airports it manages.

## RADIO TELEVISIÓN ESPAÑOLA (RTVE)

In 2015 Isdefe collaborated with Spain's public television broadcaster RTVE in analysing and defining its purchasing strategy and in its process for tendering its centralised electricity supply. Isdefe is currently advising this organization on how to manage, monitor and control this contract.

## STATE AGENCIES

The Law on State Agencies, published for the purpose of modernising the management of the General State Administration, aims to improve the quality of public services and to increase their efficiency, as made clear by the report of the Commission for the Reform of State Agencies (CORA) written in mid-2013.

Isdefe contributed to this effort by providing technical consulting and assistance services, from the definition and establishment of the requirements for this new goal-based management model, to its deployment and implementation in the organizations. In particular, Isdefe is helping state agencies with: implementing the full planning cycle, from the strategic to the operational phase; managing performance through indicator systems; analysing and improving the financial management (analytical accounting and management systems); establishing public fees and prices through market analyses and studies; proposing self-financing strategies to optimise management by reengineering and automating processes and procedures; and improving the management of projects and programmes.

Isdefe provides these types of services to the National Aviation Safety Agency (AESA), to the Spanish Agency for Drugs and Healthcare Products (AEMPS), the National Weather Agency (AEMET), and to the Spanish Agency for International Development Cooperation (AECID).

## OFFICE FOR INDUSTRY AND SMALL AND MEDIUM ENTERPRISES (SGIPYME)

Isdefe's collaboration with SGIPYME has consolidated over the past two years, since its inception in 2013. Isdefe provides specialised consulting services and technical assistance, providing support with the executive tracking of aid programmes in the framework of Spain's public policy on reindustrialisation. The actions taken were both in the areas of managing and validating the information in the aid programmes and of defining proposals for improvements in the application of electronic administration procedures.

In 2015, Isdefe played an active role in the various phases of the calls for financing for industrial projects involving the Reindustrialisation and Increased Competitiveness programmes, sponsored by the Ministry of Industry, Energy and Tourism.

The first phase consists of the call for financing, in which Isdefe provided support by reviewing and evaluating the industrial projects presented. This evaluation resulted in a ranking of the requests intended to define those activities that will receive financial support, and the amount of this support. It also led to the provisional resolutions to provide financing that, after a study of the technical arguments presented, will become permanent.

The second phase involved executive tracking, in which the execution of the industrial project is reviewed to ensure that the public financing awarded was used as per the terms of the resolution. Isdefe also took part in reviewing and validating the inspection reports on the technical aspects of the projects' execution.

Lastly, Isdefe is also providing support during the incident resolution phase, which spans the life of the industrial financing project, to process, evaluate and assess any incidents related to the projects.

The budget in 2015 for the Reindustrialisation and Increased Competitiveness programmes was about 750 million euros, with 475 industrial projects vying for these funds. Isdefe was also involved in the executive tracking of some 800 projects in 2011 and 2012, and reviewed technical reports on about 1,000 projects in 2010, 2011 and 2012.

## NATIONAL COMPANY FOR INNOVATION (ENISA)

The year 2015 saw Isdefe continue to provide support to ENISA, as it has since 2013. The activities undertaken consisted of evaluating the financial aspects of the 372 requests presented by Spanish companies as part of the 2015 tender process for the Reindustrialisation and Increased Competitiveness programmes.

## TRABAJO PENITENCIARIO Y FORMACIÓN PARA EL EMPLEO (TPFE)

The state agency Penal Work and Job Training, part of the Ministry of the Interior, has as its main objective that of reintegrating prisoners into the workplace through work and training, providing them with job skills and habits so that once they are released, they can compete on equal terms with the rest of the population. Isdefe provides specialised consulting services in support of corporate network systems and electronic administration applications of the TPFE. Isdefe analysed the status of these systems and developed proposals to improve them, analysed and supported projects to develop the information systems and analysed and evaluated actions within the scope of the corrective and preventive maintenance activities.

## MARKET REGULATION AND OVERSIGHT

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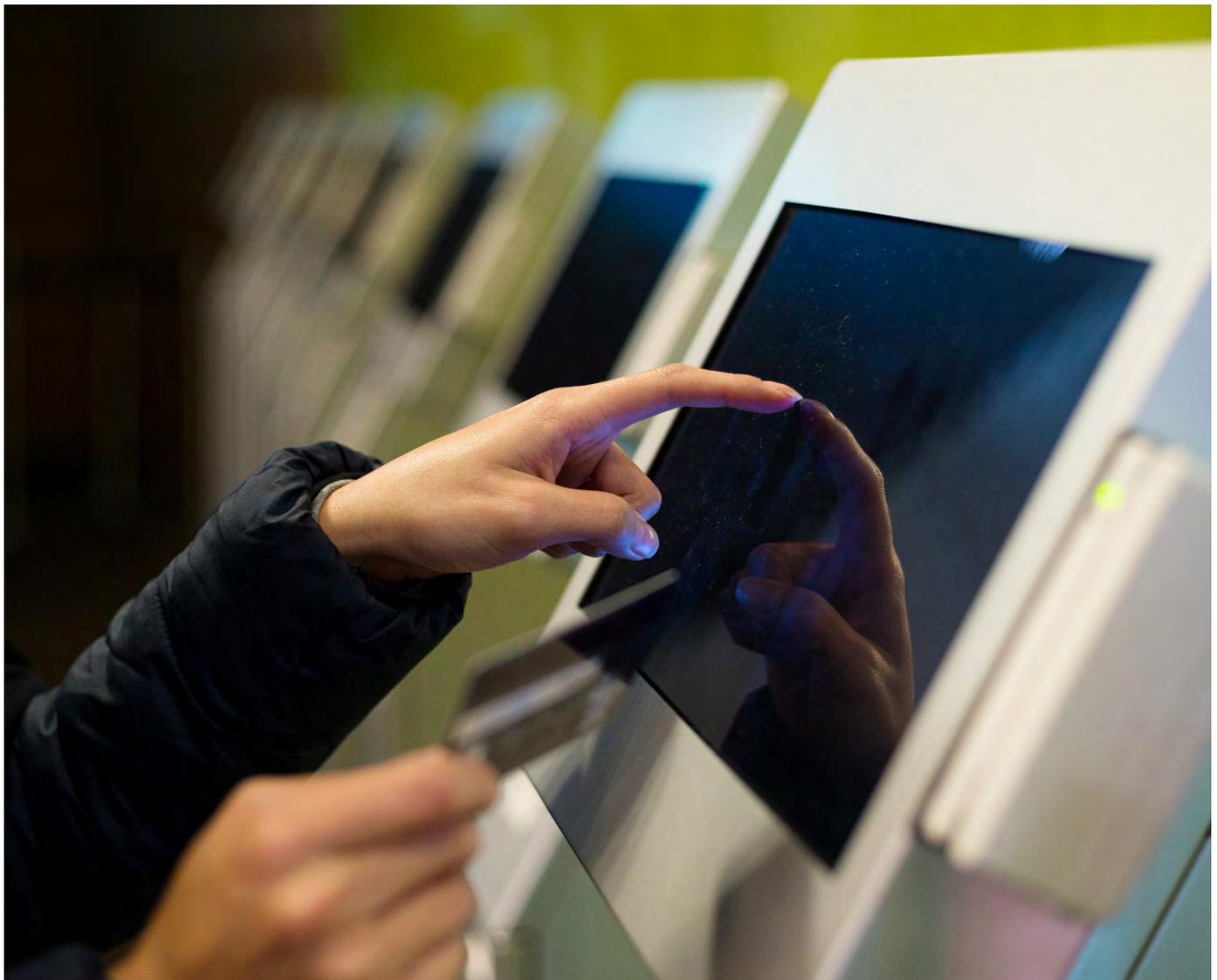
### NATIONAL MARKET AND COMPETITION COMMISSION (CNMC)

Isdefe provides various consulting services in the area of sector regulation for the CNMC. This organization, created in 2013, brought together all of the regulatory agencies that existed before to promote free trade. Its mission is to ensure free competition among the various production sectors of Spain's economy for the benefit of consumers and users.

The multidisciplinary knowledge and experience of the Isdefe working group in regulations in the sector allow the CNMC to receive a highly specialised consulting service. Isdefe provides its support in those activities that rely on market data of a confidential nature or that

require a guarantee of objectivity and independence from any third-party interests. These include the analysis of sensitive business information from various parties, the definition of methods to determine and evaluate the costs of regulated services, and the conduct of specific benchmarking studies that the CNMC needs to carry out its regulatory function in the various sectors that it oversees (telecommunications, television, postal and transport sectors).

Isdefe's activities in the regulation of telecommunications in 2015 included a verification of the 2014 results of the regulatory accounting systems of certain operators,





and an analysis of the evolution of the broadband infrastructure and competition conditions in the market as part of the process of defining and analysing those broadband markets commissioned by the CNMC in 2015. In the area of postal services, Isdefe confirmed the analytical accounting results of Spain's postal services provider for the 2013 fiscal year, and reviewed the methodology used to determine the service's net cost and the unfair financial burden. This included a sensitivity analysis of various methodological proposals and calculating an international benchmark of the different methodological approaches used in Europe.

Isdefe is also providing support to the CNMC general secretariat in various processes involving accounting and the closing of annual accounts, the processes of assigning analytical accounts, and inventory management and control (tangible and intangible assets).

Isdefe collaborated in the design, development and implementation of the Regulatory Cost Information Model for the regulated sectors of electricity and natural gas transport and for the operators of these systems.

Isdefe also worked on developing procedures to evaluate and audit the information presented by said operators and on designing methods for establishing compensation proposals for regulated sectors based on their stated costs.

Isdefe worked on analysing and evaluating the information provided by regulated financial operators as a result of the information model that was developed.

Isdefe also collaborated in the development of specific regulations to control financial and compensation aspects of the regulated gas and electricity sectors.

# INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) SECTOR

Isdefe has 30 years of experience in the Information and Communications Technology (ICT) sector, which allows it to guarantee quality services to Government Agencies involving:

- Consulting for electronic administration and digital public services
- Consulting and technical assistance in the area of information security and trust and promotion of the digital economy.
- Engineering and consulting services for planning and managing the radio spectrum and regulating networks and services.

The various activities carried out by Isdefe in the area of ICT are concentrated in two broad areas of action:

- Radio Spectrum
- Communication Networks and Systems

## RADIO SPECTRUM

In the area of telecommunications and information technology, Isdefe is closely involved in planning and managing the radio spectrum and in other activities related to developing radio communications services, such as:

- analysing operators' proposals concerning technical projects for radio stations and fixed wireless loop;
- a technical analysis of the frequency requests presented for fixed and fixed satellite service point-to-point links;
- a technical analysis of the frequency assignment requests for mobile and space services;

Isdefe was also constantly involved in the transition toward digital television, from creating the specific plan to transition toward DTT and supporting the execution of the Digital Dividend, to coordinating the pilot projects on electromagnetic compatibility between the LTE and DTT services in the 800-MHz band. Isdefe also tracked and oversaw the activities to correct faults in the two services, and the technology migration plan to allocate frequencies following the 2nd Digital Dividend.

This fruitful partnership has allowed the company to put together a multidisciplinary working team that is highly adaptable to our clients' current and future needs.

## COMMUNICATION NETWORKS AND SYSTEMS

### SECRETARÍA DE ESTADO DE TELECOMUNICACIONES Y PARA LA SOCIEDAD DE LA INFORMACIÓN (SETSI)

Isdefe cooperated with SETSI in 2015 as part of the Digital Agenda for Spain programme and its two main areas of activity: the development of telecommunications and promoting the Information Society. Isdefe's activities included:

- conducting situational analyses and comparative studies in various trend-setting countries in the areas of new technologies and emergent services;
- providing constant support to manage information systems, both during their functional description and in their subsequent evaluation and validation;

Isdefe likewise cooperated with the SETSI in managing and executing the New Infrastructures programme to aid in the deployment of superfast networks and broadband infrastructure, and in sharing the infrastructures of telecommunications operators with the public domain.

In the framework of the Information Society, Isdefe assisted in monitoring the actions associated with the Trust Plan in the area of cyber-security and provided support to track the activities with autonomous communities and other entities. Isdefe also took part in creating a reference framework for digital trust professionals to identify the jobs, knowledge, skills, competencies and qualifications of these professionals, and in defining an organizational, responsibility and training framework for organizations involved in digital trust.

A new facet of Isdefe's cooperation with the SETSI was its support with the oversight, communication and coordination of the Digital Agenda for Spain programme. This resulted in technical support activities for the creation and operation of the Intermediate Body in the SETSI for the ERDF Operational Programme on Smart Growth for the 2014-2020 period: Cooperation in the implementation of project control and monitoring procedures, and support for the Managing Authority, national and European institutions and regional governments with their coordination activities.

In 2015 Isdefe engaged in new activities to support the Office for the Promotion of the Information Society in tracking technical and financial aspects of projects of the Strategic Action for the Economy and Digital Society and Call for Training programmes. Isdefe also supported the internationalisation activities of technology companies, the direct and inverse institutional missions related to international organizations and the European Union, and the monitoring of the Plan to Internationalise ICT Companies.

### CORPORACIÓN RADIOTELEVISIÓN ESPAÑOLA (RTVE)

The Corporación Radiotelevisión Española (RTVE) is a state-owned company that is charged with offering and guaranteeing a public radio and television service. Isdefe provides strategic consulting services to this company so that it can streamline its technical broadcasting services and in support of its television and radio signals, as well as of its corporate electronic and production communications, which the company began in 2015. This collaboration identified various alternatives for optimising these services based on the criteria and needs formulated by RTVE.

# ENERGY SECTOR

Isdefe provides technical support to the main plans and programmes to execute energy policies, both as these concern energy efficiency and renewable energies. Isdefe's activities in this area involve the application and development of the energy security concept, as defined in the National Energy Security Strategy (ESEN), released in 2015. Along these lines, Isdefe's activities are focused on the regulatory and legal objectives, on the safety of the supply and promoting domestic sources of energy, on financial and environmental sustainability and on expanding the safety culture.

In the Energy sector, Isdefe provides specialised services in the following areas of activity:

- Energy diversity and efficiency



## ENERGY DIVERSITY AND EFFICIENCY

### MINISTRY OF DEFENCE, EDA AND NATO

Isdefe represents the Ministry of Defence at EDA gatherings to develop common energy efficiency strategies. Of note is the CF SEDSS (Consultation Forum for Sustainable Energy in the Defence&Security Sector), and within this forum, the working group on energy efficiency, for which Isdefe is a co-moderator. Isdefe is also part of the European Defence Agency's CAP TECH network.

Isdefe continues to collaborate with NATO's Energy Security Centre of Excellence (NATO ENSE CoE) in Vilnius, actively participating in workshops to evaluate energy efficiency technologies and solutions, and to ensure supply in operational settings.



### INSTITUTE FOR ENERGY DIVERSIFICATION AND SAVINGS (IDAE)

Isdefe continues to work closely with the IDAE. Specifically, Isdefe successfully completed its technical support for the execution of the JESSICA-FIDAE portfolio fund by conducting energy studies and drafting tender specifications for organizations that submitted a proposal in 2015. The most specialised activities include those focused on projects involving public lighting, district heating networks and energy improvement studies for public buildings (hospitals, large office buildings, etc.).

In 2015 the Spanish government was very prolific in implementing various plans to encourage energy efficiency, such as the initiatives associated with the National Energy Efficiency Fund in the industrial and SME sectors, and the PAREER-CRECE programme to upgrade the energy facilities in existing buildings, pursuant to Directive 2012/27/EU. Isdefe provides technical assistance and consulting services for both programmes.

Isdefe also provided technical support as pertains to changing ideas about energy use in the vehicle industry. A clear example of this collaboration is the Plan to Incentivise Efficient Vehicles (PIVE), for which it is important to note the ad-hoc methods developed. Also developed was a system to verify and validate the subsidy requests.

For the IDAE Technical Office for Energy Efficiency in Government Agencies, Isdefe continued its work on the European Energy Efficiency Directive aimed at achieving the 3% annual energy renewal commitments at consumption centres for government agencies.

Isdefe continues to assist the IDAE with managing financial instruments co-financed by European funds and intended to promote renewable energy and energy efficiency projects. In the final phase of the previous financial timeline (2007-2013), Isdefe's activity was focused more on providing technical support to shape the projects to finance, on final certifications and on closing out the period.

Isdefe also provided technical consulting, development and operation services for the information systems designed to encourage emissions reduction policies through public subsidies, thus ensuring compliance with national safety and interoperability standards. These include ongoing Plans to Incentivise Efficient Vehicles (PIVE) and subsidies from the European national fund to industry and to information systems for electronically handling administrative filings.

## MINISTRY OF INDUSTRY, ENERGY AND TOURISM

Of note are the technical support activities carried out by Isdefe for the Energy Policy and Mining Office of the Ministry of Industry, Energy and Tourism to apply Ministry of Industry, Energy and Tourism Order IET/1045/2014 on compensation parameters, which implements Royal

Decree 413/14, which lays out the new “compensation scheme specific to facilities that produce electricity from sources of renewable energy, cogeneration and waste”.





## PORTS OF THE STATE

The year 2015 was one in which Isdefe consolidated its standing as an in-house resource specialising in developing strategies, technical studies and energy projects for public ports.

Isdefe continued to work with Ports of the State by providing technical assistance to promote R&D within the Ports of the State's energy management framework. An example of this is the Smart Green Energy Ports and Harbours (SEPORHA), which evaluates the implementation of various innovative technologies involving the generation, storage, distribution and use of electricity in public ports,

and which is intended to position Spanish ports as leaders in Europe in the development and demonstration of a new sustainable and innovative energy model.

Isdefe also continued working with several port authorities to implement shore power systems for ships (cold ironing) in their ports. In the process, Isdefe has become a technical reference in this area. The main activities were carried out for the port authorities of the Balearic Islands and of the Bay of Algeciras.

# SUSTAINABLE INNOVATION

## AREAS OF KNOWLEDGE

In the area of R&D, Isdefe remains a leader in the area of defence and security (with the areas of Unmanned Aerial Vehicles, Border Surveillance and Control and the Protection of Critical Infrastructure being of particular interest), and boasts extensive experience in the Transport sector (especially in Traffic Management).

The project allocation figures for 2015 reflect 70% for Defence and Security and 30% in the area of Transport, a distribution that is mirrored by the level of pledged self-financing in each of these sectors. This allocation reflects the R&D policies implemented in 2014, which established the objective of adapting the scope of R&D to Isdefe's objectives as the in-house resource of the national government.

Isdefe assisted the Ministries of Defence, Interior and Development with managing, coordinating, preparing and carrying out R&D activities. The most relevant examples include: support to ENAIRE and AENA in coordinating their involvement in the SESAR and SESAR 2020 programmes; support to the Civil Guard in coordinating and managing large R&D projects like CLOSEYE; and support to the Sub-Directorate for Planning, Technology and Innovation to coordinate the Ministry of Defence's participation in the H2020 programme.

## R&D PROJECTS IN PROGRESS

Isdefe's participation in R&D projects went down with respect to previous years due primarily to two factors: lower internal investments in the past year; and the slowdown generated between the end of the European Commission's **7th Framework Programme (FP7)** and the start of the **Horizon 2020 Framework Programme (H2020)**.

With a view to Isdefe's involvement in the H2020 Programme, the company worked to prepare proposals for the various announcements that are being made, in particular in the area of Security, where Isdefe is known for its participation and standing.

Another aspect to note is Isdefe's commitment to internal R&D activities, the two most important of which are the Isdefe Horizons Project and the initial Call for Internal R&D Projects.

Isdefe's Horizons Project is a corporate R&D project that was created as a mechanism for channelling the organization's capabilities for the purposes of analysing and studying new future challenges that may yet materialise, developing innovative ideas and positioning plans, and carrying activities to reach out to or influence potential decision makers. The project encompasses five areas of technology: Cybersecurity, Defence and Security, Economy and Public Management, Air Navigation and Information and Communication Technologies. It also includes methodological areas in the fields of Systems Engineering, Programme Management and Logistics Chain. The project will be launched sometime in 2016.

The first call for internal R&D projects was made in the first quarter of 2015, going out to all company employees. The goal was to identify ideas that could be turned into R&D projects. The call resulted in two internal proposals being selected to receive financing and become internal R&D projects.

### Source of financing



### Isdefe R&D Projects (M€)



### Partial operating and financing subsidies for R&D projects (M€)





## SUCCESS STORIES

### ePOOLICE

Over the years, Isdefe has consolidated itself as one of the most experienced Spanish companies in the area of security research. Although Isdefe has conducted many R&D projects in this area, the defining success story has been the ePOOLICE project.

The ePOOLICE project is financed by the European Commission under the 7th Framework Programme and is led by Isdefe. Its main goal is to develop an effective and efficient system to monitor the environment as part of an early-warning system to detect emerging organised crime activities.

Organised crime is becoming more diverse in its activities and methods including "greater levels of collaboration between criminal groups, greater mobility in and around the EU, a diversification of illicit activity, and a growing dependence on a dynamic infrastructure, anchored in key locations and facilitated by widespread use of the Internet" (the Director of Europol, in his foreword to the OCTA 2011 report).

An important means for law enforcement in combatting such crime is strategic early warning which is heavily dependent on efficient and effective environmental scanning. For this, the e-POOLICE project—in close collaboration with law enforcement partners (EUROPOL, UNICRI, Civil Guard, West Yorkshire Police and the Bavarian police academy), as well other police forces from various member States and criminological and legal experts—has developed a prototype of an environmental scanning system implementing solutions applying the most promising technological advances and breakthroughs as provided by the RTD partners.

The project is based on refining strategic analysis methods and on developing technical tools to support these methods. The solutions proposed were tested and evaluated through running realistic use case scenarios that were developed by our user partners. Specifically, the main scenarios chosen for the proof of concept were cocaine smuggling, human trafficking and the theft of copper. Central to the solution is the development of an environmental knowledge repository of all relevant information and knowledge, including scanned information and derived, learned or hypothesised knowledge, as well as the metadata needed for credibi-



lity and confidence assessment, traceability, and privacy protection management. For effective and efficient utilisation, as well as for interoperability, the repository will apply a standard representation form for all information and knowledge. For effective and efficient scanning of the raw information sources, the project will develop an intelligent environmental radar that will utilise the knowledge repository for focusing the scanning. Isdefe is considering continuing with the R&D activities carried out for the ePOOLICE project in the medium term.

## NOTABLE R&D PROJECTS

### SEVENTH FRAMEWORK PROGRAMME (FP7)



#### AEROCEPTOR

The goal of this project is to study how to effectively use innovative methods and RPAS (Remotely Piloted Aircraft Systems) to control uncooperative vehicles. Intended for use by law enforcement agencies, it provides an effective solution that limits the risks to which vehicle occupants and law enforcement officers are subjected during routine operations. Its scope includes the development of the operational concept, system integration, design of the RPAS and the preliminary development of innovative stopping techniques. The project was completed in 2015 following the system validation flights.

During the project, Isdefe led the horizontal activities involved with security, safety, airspace integration, certification, standardisation and interoperability. It also provided the mechanisms and tools needed to guide the development of the project within the regulatory limits specified by current and future national and international regulations.

#### AIRBEAM

**AIRBorne information for Emergency Situation Awareness and Monitoring.** The purpose of this project is to develop a crisis

management platform that makes use of the benefits of optimised unmanned aerial platforms, including satellites, balloons and drones. Its scope includes the development of the crisis management platform, the integration of the various systems involved and the executions of ambitious demonstration flights. Isdefe focused its efforts on validating the system, including defining the validation methodology and designing the experimental plans for the actual and simulated exercises. These activities culminated with an assessment of the results of the test flights, which closed out the project's activities in 2015.

#### CLOSEYE

Pre-Operational Validation (POV) project led by Spain's Civil Guard, which brings together agencies responsible for safeguarding maritime borders in Spain, Portugal and Italy. From April 2013 to November 2016, CLOSEYE will help define, develop and integrate surveillance solutions to detect, identify and track small vessels in the waters off Europe's southern border.

The POV of the CLOSEYE project is the European Commission's first attempt at innovative public purchase models (specifically, Pre-Commercial Purchase, or PCP), which will be used and consolidated during the H2020 Programme in the area of Security. The CLOSEYE project involves a tender process to provide R&D services that will serve as a vehicle for validating innovative solutions. By awarding two of the contracts to four of Europe's leading Security companies, the CLOSEYE partners, which includes Isdefe in the role of the Common Validation Entity, seek to enhance Europe's ability to monitor its maritime borders and to improve market visibility with a view to promoting the combined use of future surveillance tools by authorities in member States.

#### ENCOUNTER

**Explosive neutralisation and mitigation countermeasures for IEDs in urban/civil environment,** is a project financed by the EU and formed by a seven-member consortium whose objective is to develop innovative techniques for mitigating and neutralising improvised explosive devices (IED) in urban areas.

Isdefe's main contribution has been the mitigation technologies and the definition of scenarios. Isdefe led the development of innovative mitigation solutions by spearheading the research and application of a novel wave cancellation mechanism that relies on composite materials. This work resulted in the creation of a portable mitigation device. Simulations and live-fire explosive tests also yielded promising results. The cooperation of the Civil Guard in the live-fire tests was vital. Isdefe also played a prominent role in developing the scenarios by applying its own threat analysis methodology to design a series of relevant scenarios.

The project will help prevent the explosion of an IED after it is found while keeping residents aware of the danger and reducing their fear.



#### PERSEUS

PERSEUS contributes to enhancing border surveillance capabilities, in keeping with the implementation of

the EUROSUR regulation. Its goal is to support decision making by defining an improved system architecture that meets the EUROSUR requirements, to develop technology proposals that address the operational obstacles defined by the end users, and to validate the solutions proposed through demonstrations in actual and relevant scenarios. The PERSEUS activities were completed in June 2015 after more than four years of work and two live-scenario demonstration campaigns. The findings and recommendations issued by the project partners will feed new areas of research and development in the area of border surveillance for years to come.

Isdefe's involvement as the head of user integration and system validation has contributed to reinforcing the consistency of the proposed solution and to define forward-looking lines of work for developing, testing and validating systems through innovative user-driven initiatives.

## VIDEOSENSE

The **Virtual centre of excellence for ethically-guided and privacy-respecting video analytics** is a project financed by EU funds whose goal is to develop a video analysis solution that strikes a balance between ethics and privacy.

The area of video analysis, meaning the analysis of videos captured by surveillance systems, has given rise to a debate on laws, ethics, civil liberties and the needs of citizens. As a result, industry organizations and researchers in the fields of ethics, privacy and technological advances in data intelligence joined forces to develop a reliable platform. All of the efforts made took into account the deficiencies in the area of capabilities and the need for technical, ethical and legal security.

The project's activities included twelve PhD student exchanges, internships at companies and visits by scientists, all of which served to support the joint research commitments. A workshop was also held to explore related projects, and an event was organised to evaluate technology and standards on privacy filters. There were also talks, summer courses and conferences.

In summary, Videosense has led to better collaboration by research groups nationwide and enhanced the debate and progress on surveillance technologies. Its goal is to provide ethical, useful and profitable solutions, as well as to create a Virtual Excellence Centre that provides a meaningful contribution to creating a security model that is more respectful of privacy and ethics standards.



## SINGLE EUROPEAN SKY (SESAR) PROGRAMME

### DEMORPAS

**Demonstration Activities for Integration of RPAs.** This project is being carried out by a multidisciplinary consortium led by Isdefe, and which includes ENAIRE, CRIDA, FADACATEC and INTA, as well as the Spanish Air Force and Spain's National Aviation Safety Agency (AESA). The project will conclude in the first quarter of 2016 with the final analysis and the presentation of the results.

In 2015, Isdefe successfully took part in conducting two exercises for the DEMORPAS Project that demonstrated the viability of integrating remotely-piloted aerial systems (RPAS) into the general air traffic management system.

The first exercise was done at the Matacán Air Base (Salamanca) using an ALO platform developed entirely by INTA with a 60-kg weight (PMD) and a range in excess of 50 km. It involved operational and emergency flight exercises.

The second exercise included a STEMME S-15 test airplane to share the same airspace in a coordinated flight involving the two aircraft using operational and emergency procedures and simulating a conflict between the two.



### TREE

**Tree REactionary delays in ECAC Areas** is a project led by Isdefe in concert with the Institute for Physics and Complex Systems (IFISC) of the University of the Balearic Islands (UIB). The project's goal was to develop and validate a computer model for predicting the propagation of delays in Europe's air transport network based on historical data. The model, which eventually fulfilled all the goals and requirements defined at the start of the project, was developed and validated in 2015.





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# COMMITMENT TO OUR STAKEHOLDERS

- ▣ To clients **74**
- ▣ To employees **76**
- ▣ To society **84**
- ▣ To suppliers **94**
- ▣ To the environment **96**

# TO CLIENTS

## QUALITY OF SERVICE

### QUALITY POLICY

Isdefe has a Quality Policy that is geared to achieving the following objectives:

- Interpreting the client's needs.
- Establishing control measures at every level of the organization that prevent, insofar as possible, the appearance of non-conformities in the area of quality.
- Raising awareness in and motivating the personnel to the need for quality services and products.
- Contributing to streamlining the costs of our services and products.
- Contributing to the constant improvement of the quality of our services and products.

In an effort to achieve these objectives, management establishes measurable, short-term goals every year that are consistent with policies. These are then passed along to every employee at the company.

Isdefe is committed to delivering services and products that satisfy clients' expectations such that the company is recognized as a Quality leader. In order to fulfill this commitment, Isdefe has established the following directives:

- The client is the focus of Isdefe's attention.
- Every department, area and section is responsible for achieving quality in services and products in every phase of execution under the deadlines and conditions required by established plans. The Quality of the products and services generated by Isdefe, then, is the responsibility of everyone at the company.
- Isdefe personnel are responsible for implementing a continuous improvement process in their area of activity, promoting and supporting teamwork and encouraging training.
- The prevention of errors is a management priority; nevertheless, the early and fast detection of nonconformities and swift corrective actions are ensured through periodic Quality System checks. Isdefe is permanently striving for continuous improvement and excellence as a way to offer increasingly better service to its clients.

In 2015 the ISO 9001 quality certification was expanded to include the management, operation and maintenance activities at the space centres where Isdefe provides its services. Efforts also continued to modernise Isdefe's internal procedures, the goal being to expand the use of the electronic signature to documents and to implement e-billing. Risk management was also implemented to consulting contracts.

### Isdefe's certificates



**UNE-EN ISO 9001 Standard from AENOR:** Consulting and engineering services in the areas of Defense and Security, Aerospace, Transport, Public Administration, Information and Communication Technologies (ICT) and Energy.



**PECAL/AQAP 2110. PECAL/AQAP 2110**

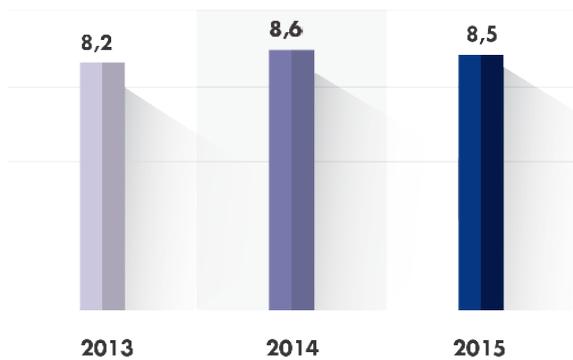
Quality Management System, by Ministry of Defence for consulting services and technical support in the area of systems engineering to Ministry of Defence. Certified since 8 November 2002.

## CLIENT SATISFACTION

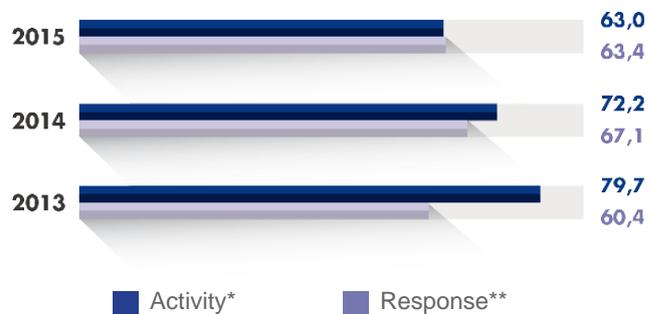
Isdefe, in keeping with the quality commitment it has with its clients, conducts an annual "Satisfaction Survey" of all its clients so as to determine both those aspects of its service that the clients consider most important and their degree of satisfaction with each aspect. This survey is conducted at the end of our contractual obligation and provides us with important feedback on the opinion that clients have of the services provided by Isdefe.

All of the claims and complaints received from clients, either through the satisfaction survey or by any other means, are recorded to ensure they are tracked and resolved.

### Average level of satisfaction by year



### Response rate (%)



\* Response rate in economic valuation

\*\* Response rate on number of contracts

### Assessment of the importance and satisfaction with each aspect



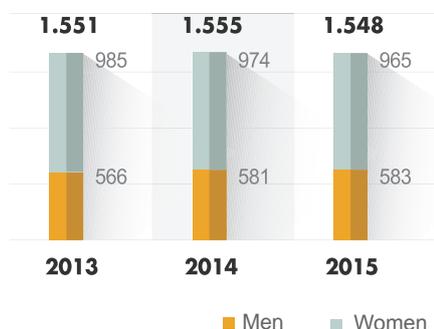
# TO EMPLOYEES

## THE STAFF

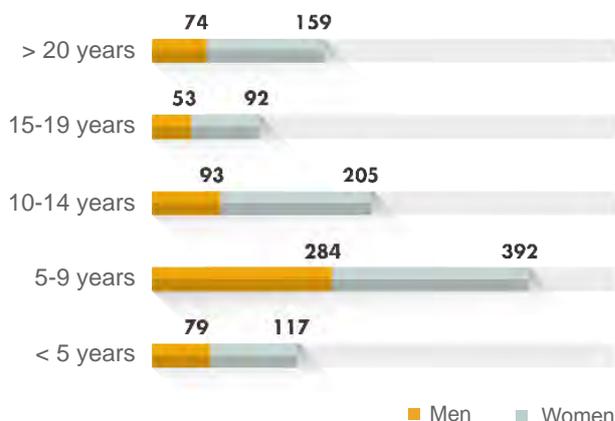
Isdefe cuenta con un equipo de profesionales muy cualificado, con una alta formación y comprometido con la organización y con sus clientes.



### Growth of workforce

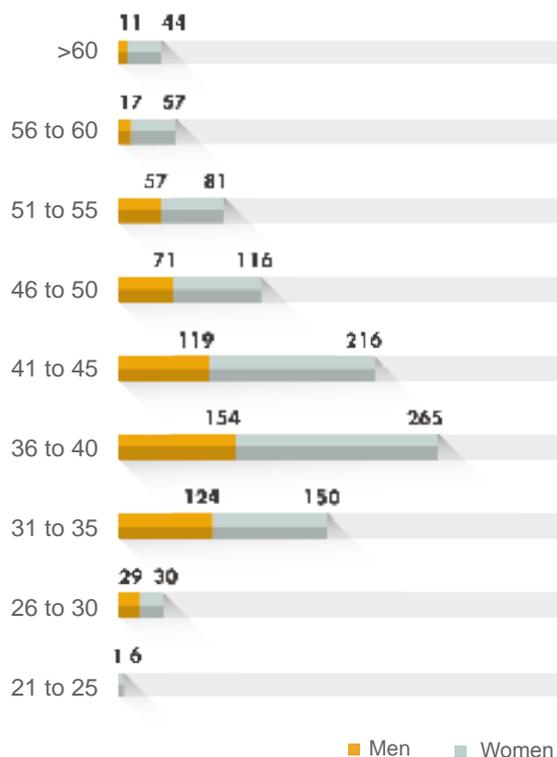


### Experience of workforce



Staff Indicator	
No. of employees on 31/12/2015	1,548
Personnel expenses	96,983,380
No. of employees with university degrees	1,281
Gender (men/women)	965 M/583 W
No. of permanent employees	1,392
Investment in Training	921,847
No. of reduced-workday or part-time employees	105
No. of disabled employees	19
Average age	42.15

### Distribution by age and gender



Contract type		Women	Men	Total 2015	%Women	%Men	% Total
Permanent contract	Full Time	430	863	1,293	27.78%	55.75%	83.53%
	Part Time	86	13	99	5.56%	0.84%	6.40%
Temporary contract	Full Time	63	87	150	4.07%	5.62%	9.69%
	Part Time	4	2	6	0.26%	0.1%	0.39%
	<b>Total</b>	583	965	1,548	37.66%	62.34%	100%

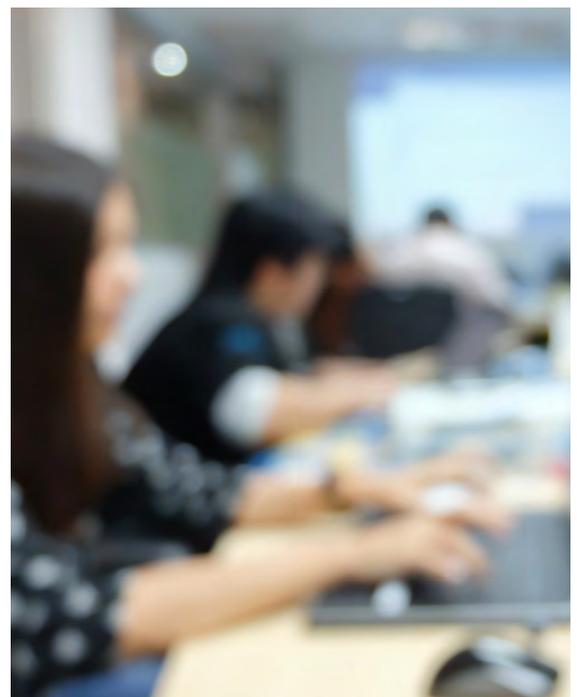
La Ley 2/2012, de 29 de junio, de Presupuestos Generales del Estado dispone que las sociedades mercantiles públicas no podrán proceder a la contratación de nuevo personal, salvo en casos excepcionales y para cubrir necesidades urgentes e inaplazables, en los cuales podrán llevar a cabo contrataciones temporales. La Ley excluye las contrataciones que respondan a convocatorias iniciadas en ejercicios anteriores o que resulten obligatorias en el marco de programas o planes plurianuales que estén en ejecución a la entrada en vigor de esta Ley. La contratación temporal, teniendo en cuenta lo indicado anteriormente, se hará de conformidad con los criterios e instrucciones que, previo informe favorable del Ministerio de Hacienda y Administraciones Públicas, se dicten por el accionista mayoritario de las respectivas sociedades.

	Women			Men			TOTAL
	<30	30 - 50	>50	<30	30 - 50	>50	
Hired	7	13	0	15	29	2	66
Resignations	3	15	1	6	34	14	73
Hire rate (%)		2,77%			3.82%	1.08%	4.26%
Resignation rate (%)	13.04%	3.19%	1.37%	15.38%	4.47%	7.53%	4.71%

## GRANTS AND PARTNERSHIPS

To aid in the education of senior-year undergraduate and graduate students, and to encourage and support professional careers, Isdefe collaborates with different institutions and universities. In 2015, Isdefe offered:

- Citius Grants to 30 recent graduates as part of a programme promoted by the University Company Foundation.
- Internships, senior-year project, final project and Master's grants to seven students at the School of Aeronautical Engineers as part of a specific partnership agreement between the UPM and Isdefe.
- Internships to two students at the CEU Institute for Professional Studies as part of a partnership agreement between the school and the company.
- Internship for one student from the University of Huelva as part of a partnership agreement between that school and the company.



## LABOUR RELATIONS AND UNIONISATION

Isdefe's employees are covered by the 17th National Collective Bargaining Agreement for Engineering Companies and Technical Firms and by the Workers' Statute. A small percentage of the staff is covered by the 1st Collective Bargaining Agreement for national government personnel, which regulates those areas not included in their work contracts.

For the 2014-2016 period, the challenge is to define a set of working conditions for Isdefe that includes the common working conditions shared by the work centres as part of the new Company Agreement negotiated in 2014.

Isdefe currently has five work centres in which the employees enjoy legal representation.

### CAREER PLANNING

Isdefe has had a professional career and remuneration system in place since 2011. A new, internal collective bargaining agreement is currently being negotiated that will include a new career plan for all employees.

### PAY POLICY

Isdefe employs a salary policy that relies on internal equality criteria while at the same time seeking to be competitive in the job market.

The company's financial policy improves on the legally required conditions, with Isdefe's minimum starting salary (€16,000) being 1.74 times higher than the minimum salary (€9,172.80).

There is a one-to-one ratio in the salaries for men and women.

### BENEFITS

Isdefe complements staff salaries with a range of benefits that include life and medical insurance, pension plans, food assistance (or discounted cafeteria meals depending on the work centre) and pay or bonus advances. Additionally, for employees on maternity, paternity or temporary disability leave, the company improves on the legally required benefits to provide 100 % of an employee's actual salary.



## SUCCESS STORIES

### AWARDS AND DISTINCTIONS FOR ISDEFE EMPLOYEES

The Minister of Defence awarded the following distinctions:

#### D. JUAN CARLOS GARCÍA BENITO

received the Military Merit Cross with White Band in recognition of the merits and circumstances thereto (B.O.D. no. 2 of 5 January 2015). Juan Carlos joined Isdefe in April 2006. He currently works in the Army Maintenance Office, part of the Energy Management and Processes Consulting Department.

#### D. VÍCTOR RAMOS DEL POZO

received the Aviation Merit Cross with White Band in recognition of the merits and circumstances thereto (B.O.D. no. 118 of 19 June 2015). Victor joined Isdefe in September 2007. He currently works in the Programme Process and Methods Office, part of the Management and Processes Consulting Department.

Personnel expenses (M€)	
Salaries	73,166,544
Social security paid by the company	18,372,532
Benefits	5,444,304
<b>Total</b>	<b>96,983,380</b>



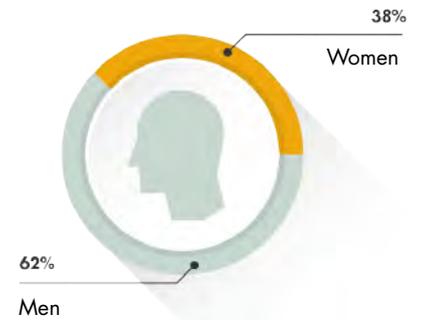
# EQUAL OPPORTUNITY AND DIVERSITY

## EQUALITY

### Distribution by gender, academic degree and age

Category	Women				Men			
	<=30	31 - 50	>50	Total	<=30	31-50	>50	Total
Bachelor's Degree	18	286	26	330	13	489	97	599
Associate's Degree	10	86	11	107	18	148	44	210
Non-degreed Technician	1	21	2	24	5	95	35	135
Miscellaneous trades						6	3	9
Administrative	1	75	46	122		9	3	12
<b>Total</b>	<b>30</b>	<b>468</b>	<b>85</b>	<b>583</b>	<b>36</b>	<b>747</b>	<b>182</b>	<b>965</b>

### Distribution by gender



## RECONCILIATION

	Women	Men
Employees entitled to maternity/paternity leave	86	54
Employees who took maternity/paternity leave	86	54
Employees who returned to work following maternity/paternity leave	100%	100%
Employees who were still working 12 months after returning to their jobs following leave	100%	100%

### Recognitions

 Renewal of the following awards: "Workplace equality" from the Ministry of Labor and Social Security.

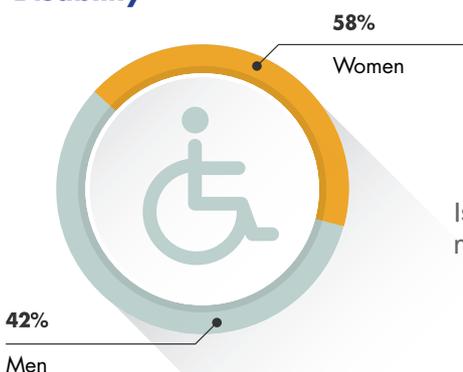
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 Concilia Network, an initiative of the Madrid City Hall.

## DIVERSITY

	Women			Men			Total
	<30	30 - 50	>50	<30	30 - 50	>50	
Staff	15	471	97	25	732	208	1,548
No of disabled employeeed	1	6	4	0	8	0	19

### Disability



Isdefe's workforce includes disabled employees, who enjoy alternative measures with special work centers and donated materials.

**CON R**  
CONTRIBUCION PUBLICA SOCIALMENTE RESPONSABLE

Isdefe has been a member of the Socially Responsible Hiring Forum, an initiative of the Once Foundation, the Fundosa Group and Cermi (Spanish Committee of Representatives for the Disabled) whose objective is to create and maintain jobs for persons with disabilities, as well as to ensure universal accessibility through public contracts.

## HEALTH AND SAFETY

From its beginning Isdefe has been committed to fostering a healthy working environment and job characteristics that are conducive to preserving the health and safety of all its employees.

Isdefe's Prevention Policy restates the principles of prevention, planning and compliance in order to attain the highest levels of health and safety so as to enable the development of an occupational hazard prevention management system that is integrated into the company's activity.

### HEALTH AND SAFETY COMMITTEE

A total of four committees were set up in 2015, one for each of the work centres with more than 50 employees. The fifth work centre, with under 50 employees, has a prevention specialist.

The health and safety aspects covered in formal agreements with these committees include: personal protective equipment, joint health and safety committees, involvement by employee representatives in health and safety audits, employee training and information, claim mechanisms, tracking of the protection measures proposed and periodic onsite inspections.

### OCCUPATIONAL RISK PREVENTION

The Prevention of Occupational Risks at Isdefe is based on a management system that is integrated into the company's activity. Prevention efforts are intended to prevent risks and assess those that cannot be eliminated, as well as to plan the prevention. These are the fundamental pillars of the prevention policy, not only so as to comply with regulations, but to go further, as a philosophy that contributes by "preserving and developing the physical and human resources, reducing the losses and the legal liabilities that stem from the presence of occupational risks".

Occupational risk prevention at Isdefe includes the evaluation and training programmes established pursuant to the annual plans, as well as consulting programmes and prevention reports. The Prevention Service's technical office organises courses and workshops to promote the health and well-being of employees in an effort to have a healthy company.

In light of the diverse activities performed by Isdefe's employees, the constant improvement of our procedures strives to detect any need that arises in this area so as to ensure the health and safety of workers in all work-related situations.

### INDICATORS

Absenteeism	2013	2014	2015
No. of injuries	31	27	37
No. of occupational diseases	0	0	0
No. of work days lost due to workplace related disease or injury	444	278	297
Absenteeism (not including authorized absences)	10,949	12,102	14,062

Average total no. of hours worked/year	2013	2014	2015
Average number of hours worked per employee	1,733	1,732	1,734
Total workforce	1,551	1,555	1,548
Average total number of hours worked per year	2,687,883	2,693,260	2,684,232

Injuries	2013	2014	2015
Lost-time injuries (excluding en-route injuries)	8	9	9
Injuries w/o lost time	15	9	24
Injuries en route	8	9	4
Occupational diseases	0	0	0
Total Injuries	31	27	37



## HEALTH MONITORING

The Health Monitoring Program at Isdefe includes, among others: completely confidential mandatory, voluntary and return from temporary disability check-ups, as requested by the Medical Service or by the employee; the collection of information on the health status of the workers; and the promotion of on-the-job health and cooperation in health issues with various public health agencies. The programme is thus intended to ensure and protect the health of all employees while at work.

In 2015, the Health Monitoring Program offered a walk-in service at the main headquarters in Beatriz de Bobadilla and a health care consultation service outsourced to an external contractor at the other work centres.

Some of the indicators associated with the health monitoring service are:

- Medical check-ups: **1,106.**
- Medical consultations: **2,250**
- Nursing consultations: **1,130**
- Vaccinations: **204**



## SUCCESS STORIES

### NEW BICYCLE PARKING MODULES AT BDB3

In response to Isdefe's commitment to sustainable mobility, and to an agreement of the Health and Safety Committee, new bicycle racks were installed outside the BdB3 building to complement the space already available for this type of vehicle on the first floor of the garage.



# TRAINING

## TRAINING PLAN

Within the 2014-2016 Strategic Plan, training becomes a strategic element, given that its people are regarded as Isdefe's greatest asset.

As a strategic tool for improving the company's competitiveness, the investment in training was primarily devoted to technical training to contribute to the development of those sectors and areas that are key to the company's activity.

Obtaining professional certificates, specialisation in computer security and cybersecurity, and gaining in-depth knowledge of new tools and technologies for extracting relevant information from data mining were some of the core areas of the 2015 Training Plan.

The plan's objectives also include providing continuity to medium- and long-term training, with the creation of a training plan through 2016.

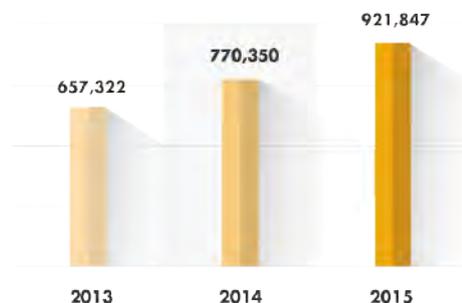
The total number of training hours in 2015 was **77,011**, which translates into an average of **49.74 hours per employee**.

## MAIN TRAINING ACTIVITIES

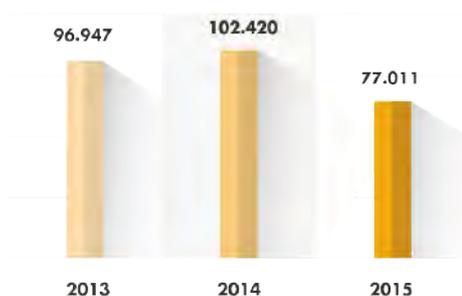
- Certified Ethical Hacker (CEH).
- Preparation course for the INCOSE (Systems Engineering) certification taught by the Australian company Certification Training International.
- PMP certification.
- Data mining.
- CISSP.
- Development of online course on corporate computer and management tools for new hires and for employees who change work centres.
- ECSS-E-ST-40C Software Engineering Standards and ECSS Q 80 Software Product Assurance Standards, taught by INTECS.
- Advanced course on Cogeneration Plan Engineering.
- Building Information Modelling (BIM).
- Interferometry and polarimetry for security and emergency applications.
- Virtualisation courses: vSphere: Fast Track (v5.5.) + VCP5-DCV Certification.
- VMware vSphere: Install, Configure and Manage 6.

The Training Plan also includes specialised postgraduate courses in areas of interest to Isdefe and provided by academic institutions.

### Investment in training



### Training hours



## SUCCESS STORIES

### TRAINING PROGRAMME ON CYBERSECURITY FOR MOBILITY

Endorsed by the Operations Office, its purpose is to adapt employees to the needs of the company so as to increase the number of professionals in this area.

The programme involves CISSP (Certified Information Systems Security Professional) first, followed by highly specific training on cybersecurity depending on the new job to be performed.

## COURSES OFFERED

Considering that Isdefe's greatest asset is the knowledge of its workforce, the 2014-2016 Training Plan promoted the following initiatives to enhance knowledge management, to optimise resources and to save time and money.

- Internal training**  
 As a leading technology company, Isdefe's employees are experts in specialised sectors. To this end, Isdefe facilitates employee participation in the training initiatives it offers.
- Online training platform**  
 The 2014-2016 Training Plan marks a new milestone in promoting training through new technologies with the availability of a corporate e-learning platform. There are also online courses that provide access to training to every employee.
  - Introduction to the Ethics Code
  - Language training
  - Occupational Risk Prevention
  - Technical courses and certifications
  - Environmental awareness



## SUCCESS STORIES

### COMMITMENT TO PREVENTION AND PROTECTION AGAINST CARDIAC ARREST

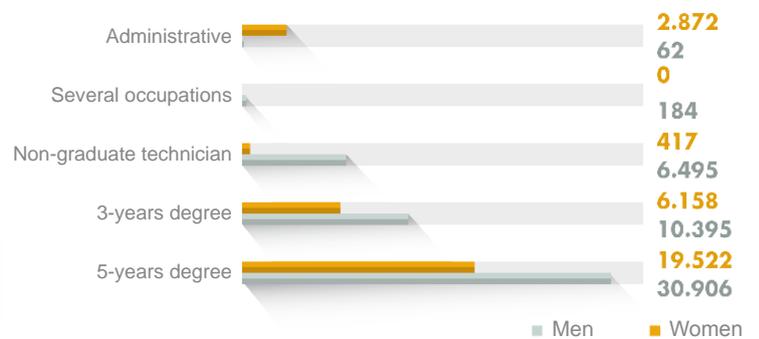
Isdefe turned its headquarters ad BdB3 into a heart-friendly space by installing three semi-automatic defibrillators and training several employees on their use and on basic life support. The goal is to have the technical and human resources needed to properly stabilise a person exhibiting symptoms of a cardiac arrest or sudden cardiac death.

Many employees, as well as safety and emergency teams also trained on this equipment, are responsible for providing this service in the event that a potential cardiac arrest situation is detected.

## Indicators

- No. of employees who received training: **1.365**
- Training costs as a percent of total costs (salaries and actual expenses): **0,99%**
- Total number of employees registered for training courses offered by the company: **4,553, of which 1,705 were taken by women and 2,848 by men.**
- Subsidies and individual training initiatives: Se ha destinado **Language subsidies for the amount of €26,298** were offered to 98 individuals, and €18,302 was offered to 47 individuals to obtain official certifications.

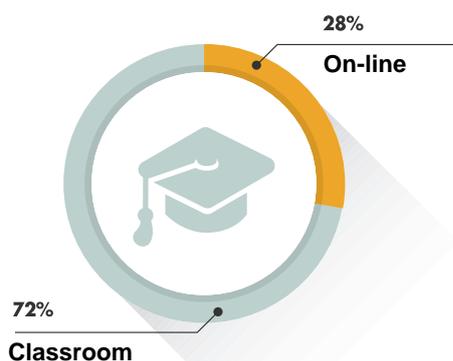
### Distribution by hours / gender & degree



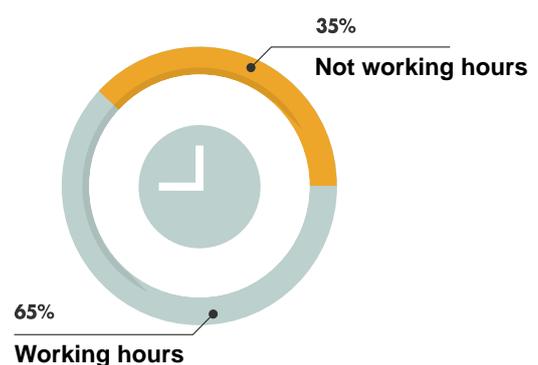
### Proportion of trained employees with respect to total staff



### Course listing



### Distribution by hours type



# TO SOCIETY

## SOCIAL INVESTMENT

***Isdefe has a Social Action Programme that lays out the social initiatives carried out every year in concert with foundations, charities and NGOs. These initiatives are channelled through charity campaigns, corporate volunteer days and donations that are consistent with the company's business strategy and serve to channel its employees' concern.***



### CHARITY CAMPAIGNS

#### 8th Charity Christmas Campaign 2015

Isdefe's employees once again demonstrated their support during the 8th Charity Christmas Campaign in December, which collected toys, maternity and baby clothes and food.

Once more the drop-off area was full of toys, which in 2015 were donated to the various charities that Isdefe works with at that time of year to be delivered to children on January 6th, and to the Operations Command of the Joint Chiefs, so they could be handed out in operational areas for humanitarian purposes.



#### "Caps for a new life" campaign



In 2015, Isdefe reached the one-tonne milestone in the amount of caps donated by employees since the campaign was started in 2012. This symbolic figure conveys the support of Isdefe's employees for their society, a support that was recognised by the Seur Foundation by way of a certificate of cooperation that was presented during our last delivery in October.

Over the course of the year, these caps helped finance the medical treatments and orthopaedics for 76 boys and girls that were not covered by the public healthcare system.

Also, by recycling these caps, Isdefe avoided the emission of 1,265 tonnes of CO<sub>2</sub>, the main gas responsible for climate change, to the atmosphere.



### Isdefe employees donate 4,394 euros to the Red Cross

On 28 January, an event was held at the Spanish Red Cross offices to present this organization with a cheque to support the School Success Project, the goal of which is to support children with social problems.

The Director of Business Development, Jesus María Alonso, was tasked with delivering a cheque for almost 4,400 euros on behalf of Isdefe employees to the national director of the Youth Red Cross, Aitor Murciano, raised during the “€1 for Charity” campaign held at Isdefe in 2014.



### Christmas Cards

Every year Isdefe send digital Merry Christmas wished to its clients, and in 2015 it did so using the Medicus Mundi Christmas cards.

**“Give the gift of life”**  
Por fuera, llevas una pequeña tirita.



Por dentro, un orgullo inmenso.

Twice-yearly campaign organised by the medical service at Isdefe in concert with the Spanish Red Cross. A mobile blood donation bus.

A mobile blood donation bus is sent twice a year to the Medical Service at BdB3 to ensure the availability of blood in hospitals.

## CORPORATE VOLUNTEERISM

Isdefe encourages community spirit by organising several Corporate Volunteering days every year. The following volunteering campaigns were organised in 2015:

### Visit to NASA’s Training and Visitors Centre

On Saturday, 25 April, over 70 people from the Association of Families of Children with Cancer of Castilla-La Mancha (AFANION) visited the NASA Training and Visitors Centre in Robledo de Chavela.

At the Centre, located in front of the Madrid Deep Space Communications Complex, a group of Isdefe employees guided children and family members of the Association through various learning activities with movies and tours of the exhibit hall, where they learned about NASA’s activities, the centres in the Deep Space Network, space missions and the planets in the Solar System. There were also science and astronomy workshops for all the participants.

The group picture was taken at the base of the DS63 tracking antenna, one of the largest in the world and used for a third of all communications between Earth and space probes.



### Masnatur Christmas Party

As part of the Christmas Charity Campaign, a corporate volunteering day sponsored by Isdefe took place on 12 December with the Masnatur Foundation at the Hotel Ilunion Pio XII in Madrid.

Almost 50 children in the Foundation celebrated Christmas, and Isdefe employees had the chance to work alongside Masnatur volunteers to collaborate in this very special day.

It was a great party with Isdefe employee Juan Sacades playing the role of Santa, handing out gifts bought using donations made by Isdefe employees.



### Charity race “Corre con todas tus Fuerzas”



**CORRE CON TODAS  
TUS FUERZAS 2015**

Isdefe supports this type of activity, which, in addition to helping charity and financing social projects, encourage employees to be fit and athletic.

Seventy Isdefe employees took part in the “Run with all your might” charity race, held on 7 June and organised by the Armed Forces and Civil Guard Assistance Foundation.

As part of Isdefe’s collaboration with this foundation, the CSR Unit sponsored this second running of the race, whose goal is to raise funds for underprivileged military families while promoting sports and healthy lifestyles. Almost 2,000 civilian and military personnel took part in the race.





## DONATIONS

Isdefe aligns this type of activity with its business strategy by making donations to organizations and groups that work in the area of Defence and Security.

To this end, Isdefe engaged in a new area of cooperation through the Civilian-Military Units (CIMIC) of the Defence Staff Operations Command, whose tasks include contributing to the development, stability and growth of areas of operation while at the same time improving society's view of the work done by our Armed Forces.

Isdefe cooperated with the Spanish Red Cross and the Spanish Cancer Society by means of the donations collected at the charity drives organised at the Defence Staff and at defence headquarters.

Isdefe also sponsored the Armed Forces and Civil Guard Assistance Foundation, whose mission is professional development and job placement, as well as similar types of aid to Armed Forces or Civil Guard family members at risk of social exclusion, especially those with disabilities.



## SUCCESS STORIES

### COMPUTERS DONATED IN LEBANON

On 16 October Isdefe donated 57 laptops to three schools in the Marjaryoun area, in the south of Lebanon, as part of the agreement with the Operations Command of the Defence Staff to donate computer material in operational areas for humanitarian purposes.

The Operations Command invited the head of the computer department and of the CSR Unit at Isdefe to take part in the presentation of the materials in towns near the Spanish base "Miguel de Cervantes", part of the UN's mission in Lebanon (UNIFIL): The School for Teachers in Marjayoun, the primary school in Kfer Kila and the vocational school in Meis.

During the various presentations, which were attended by the directors of the schools and representatives from CIMIC, Isdefe and the local communities, the directors of the schools expressed their gratitude to Isdefe for the donation of this computer equipment, which will help develop the skills of their students and improve their knowledge of technology. They also thanked the Spanish forces for supporting the local population.

## COOPERATION WITH SOCIETY

### ISDEFE PARTNERSHIPS WITH ASSOCIATION AND FOUNDATIONS IN 2015

#### Technology Sector, R&D:

- Spanish Aeronautics and Astronautics Foundations.
- Foundation of Defence and Security Technologies.
- Asociación Clúster Marítimo Español.
- ASDA – Association for the Scientific Development of ATM in Europe.
- EARSC - European Association of Remote Sensing Companies.
- ISMS Fórum España - Spanish Society to Promote Information Security.
- Royal Academy of Engineering – Pro Rebus Academiae Foundation

#### Sector Social

- Forum for Socially Responsible Contracting
- UN Global Compact
- Spanish Network of the Global Compact
- Karibu Association
- ONG Cruz Roja
- Fundación Asistencial para las Fuerzas Armadas y Guardia Civil
- Fundación Madrina
- Fundación Masnatur
- Fundación Seur



## SUCCESS STORIES



### Network Spain WE SUPPORT

#### GLOBAL COMPACT

Since November 2009, Isdefe has expressed its voluntary commitment to social responsibility through its adoption of the United Nations Global Compact and its involvement as a member of the Spanish Network of the Global Compact.

The Global Compact is an international initiative that promotes an ethical commitment among companies to ensure their strategy and their daily operations comply with the ten basic principles of conduct and action in the areas of human rights, labour, environment and anti-corruption.

Membership in the Global Compact offers a benefit that is reflected in the possibility to interact with other companies, to implement good corporate practices, and to have the company's activities and strategies abide by the ten basic principles of conduct and action.

## CONGRESSES AND FAIRS IN 2015

Over the course of 2015, Isdefe took part in numerous events, conferences and fair, including:



### HOMSEC 2015

Isdefe took part in the 5th edition of HomSec, the International Fair on Homeland Security Technologies, with a joint stand with INTA and the Ministry of Defence, on 10 and 11 March at Madrid's Ifema fairgrounds. The event provided a strategic meeting place for institutions and agencies in the sector and for R&D centres, where they were able to learn of the latest developments aimed at the European, Latin America, North African and Middle Eastern markets.



### SITDEF Perú

The 5th International Fair on Natural Disaster Defence and Prevention was held in Lima, Peru from 15 to 17 May. Every two years this event, organised jointly by Peru's Ministry of Defence and its Armed Forces, brings together the most important national and international Defence and Security technology companies. Isdefe was present with a stand in the Spanish Pavilion, where it was able to showcase its capabilities and services to top officials in Peru's Navy and to military leaders from other Latin American countries.

### World ATM Congress 2015

The World ATM Congress was held from 8 to 10 March at the Ifema fairgrounds in Madrid. This event is organised by the CANSO (Civil Air Navigation Services Organization) and the Air Traffic Control Association (ATCA). Isdefe had a stand at the Congress and presented the results of the DEMORPAS R&D project, part of the SESAR (Single European Sky ATM Research) programme, whose consortium is led by the company.



### The Air Force's Aerospace Week

From 26 to 28 May, the Air Force organised its "Aerospace Week", held at the Air Force's headquarters in Madrid. Isdefe took part in the programme of conferences and set up a stand in the exhibit hall. The event, which was opened and closed by the Air Force Chief of Staff, Francisco Javier García Arnaiz, brought together officials and top executives from companies in the aerospace sector to promote aerospace activities and culture as these relate to Defence and Security.

### 3rd National Congress on R&D in Defence & Security - DESEI+D 2015

Isdefe, along with the Marín Naval Military School's Centre for Defence, the General Directorate for Armaments and Materiel's (DGAM) Sub-Directorate for Planning, Technology and Innovation, and other University Centres for Defence, took part in this forum to meet and share ideas with various players involved in research and development on Defence and Security. The congress was held on 19 and 20 November at the Marín Naval School (Pontevedra).

## PROMOTING EXCELLENCE AND KNOWLEDGE

### COOPERATION WITH UNIVERSITIES

#### Isdefe Horizons Network

Isdefe promoted its Horizons corporate R&D project by launching a network within academia. The network comprises an “idea laboratory”, supported by several university research groups, that brings together leading national and international experts, allowing them to engage in technology foresight work or in other types of academic activity. The network will, in turn, coordinate with other government agencies that engage in technology foresight, as well as will other organizations of interest. This project brings together:

- The Isdefe-UPM Defence and Security Chair at the UPM’s School of Telecommunications Engineers.
- The School of Aeronautical and Space Engineers at the Universidad Politécnica de Madrid.
- The School of Engineering at the Universidad Carlos III
- The School of Engineering at the Universidad de Alcalá de Henares
- The School of Economy and Business at the Universidad Complutense de Madrid.



Since April 2005, the Chair has worked extensively at the UPM’s School of Telecommunications Engineers (ETSIT). At a ceremony honouring the Chair, the numerous courses given and books published were remembered, as was the Chair’s collaboration with various seminars, workshops and highly specialised Master’s courses. Also noted was the Chair’s support of the Ministry of Defence in its launch of the initial National Congress on R&D in Defence & Security (DESEI+D), the third edition of which was held at the Marín Naval Military School.

#### Partnership Agreements with Universities and other agreements

- Universidad Complutense de Madrid
- Universidad Carlos III de Madrid
- Universidad de Alcalá de Henares
- Universidad de Huelva : Máster RPAs
- Instituto Universitario Gutiérrez Mellado/ Universidad Nacional de Educación a Distancia: Master’s in Public Sector Contracts and Programmes
- Universidad Complutense de Madrid: Master’s in Defence Logistics and Financial Management.

### SUMMER COURSES

#### Summer course, Universidad Politécnica de Madrid: “Satellite Navigation: Critical Safety Systems, Services and Applications”

Isdefe worked with the UPM Foundation (Universidad Politécnica de Madrid) to organise the 11th Summer Courses, which covered the subject of satellite navigation systems in operation and in development, with special emphasis on the European EGNOS and Galileo systems. This course was given on 20 and 21 June at the Granja de San Ildefonso, Segovia.

#### Summer course, Universidad de Granada: Cyberdefence and rights protection online.

Held in July as part of the 24th International City of Melilla Summer Courses, it was organised by the Universidad de Granada and the City of Melilla, in concert with the Melilla General Command, the Bar Association of Melilla and the Consulting Council of Andalusia. The teachers for this course included the Director of Defence and Security at Isdefe, Mr. DAniel Acuña Calviño.



## OTHER PARTNERSHIPS

### Association of Telecommunications Engineers (COIT)

Every year Isdefe awards a COIT prize to the best doctoral thesis in the area of defence. Isdefe has been sponsoring these awards for several years to encourage academic development in those areas of interest to the company. The Isdefe Award for the Best Academic Record was presented to Mr. Gonzalo Expósito Domínguez at the UPM for his work “Contribution of Active Antenna Arrays in Microwaves”.

Isdefe was also involved in the workshops organised by the COIT and the Spanish Association of Telecommunications Engineers as part of the ASLAN2015 Congress, which brought together in Madrid the leading professionals in IT infrastructure solutions and network applications.

### Spanish Association of Aeronautical Engineers (COIAE)

Isdefe took part in various events and workshops organised by the COIAE in 2015. In June, the COIAE organised the 1st Space Engineering Congress, at which Isdefe made two presentations. And at the end of the year the COIAE celebrated its 50th anniversary at an event that brought together distinguished aeronautical engineering professionals. Francisco Quereda, Isdefe’s CEO, took part in one presentation.

### PARTNeR and CESAR educational programmes.

Isdefe took part in two educational science and astronomy projects called PARTNeR and CESAR. PARTNeR (Academic Project with the NADA Radiotelescope at Robledo) is an educational project that provides access to NASA’s 34-m parabolic antenna at the MDSCC in Robledo de Chavela (Madrid) to conduct hands-on radioastronomy projects. It is intended primarily for secondary and university students and is the result of a collaboration between NASA and INTA.

CESAR (Cooperation through Education in Science and Astronomy Research) is an educational project from ESA, INTA and Isdefe that takes place at the European Space Astronomy Centre in Villafranca del Castillo, Madrid. It is directed at secondary and university students with hands-on experience in astronomy research in general and radioastronomy and optical astronomy in particular. It allows students to control five telescopes remotely from their classrooms thanks to software developed by the project’s scientists and engineers.

### NASA’s Training and Visitors Centre

Located next to Madrid Deep Space Communications Complex (MDSCC), the Centre is a place to learn about space activity in general and about the NASA complex in particular.

The Centre is open to the public and is constantly visited by school groups and individuals. The number of visitors rose in 2015 thanks to the exposure given to its activities through social networks and to the new attraction, “Science on Sphere”, which shows 3-D projections of different planets using actual data obtained from various NASA satellites.

### Training partnership with the Ministry of Defence

In 2015, Isdefe expanded its partnership with the Management Body at the General Directorate for Armaments and Materiel (DGAM) to develop the DGAM’s Programme Management Courses: the 9th Advanced Course and the 6th Basic Course, as well as two courses on Managing Executive Skills and Risk Management. Similarly, at the end of the year Isdefe helped to design a new model for a Programme Management Course, to be taught in 2016, that combines the contents of the two previous courses in both scope and duration.

Isdefe also took part in the working group coordinated by the Management Body and the Zaragoza University Centre for Defence to develop a new university Master’s course in Defence Systems Procurement Management, which is expected to be launched in 2017.

### 9th STIC Workshop on national cybersecurity

Titled “Detection and exchange, key factors”, and organised by the National Centre for Cryptology (CCN), this event now brings together the largest number of cybersecurity experts in the country, along with top security officials from government agencies and companies of strategic interest.

### Workshop on the new Draft Law on Public Sector Contracts

Sponsored by AESMIDE, it was held as part of the Master’s course on Managing Public Sector Contracts and Programmes, with special application to the area of Defence. The CEO of Isdefe, Francisco Quereda Rubio, took part in the roundtable titled “Contracting using the government’s own resources”.



**Workshop on “New Technologies for Managing Emergencies in Urban Settings”**

Organised by the Foundation for Defence and Security Technologies and the Military Emergencies Unit (UME), Isdefe took part through a presentation titled “Outlook for communications technologies in emergency services”.

**Workshop on digital forensic investigation**

Isdefe hosted the Forum on Public-Private Cooperation in Cybersecurity, which organised a workshop on digital forensic investigation on 29 and 30 June.

**Seminar on “Satellites as a key element for defence and government applications”**

Isdefe took part in the seminar held at the Science and Technology Park in Cantabria.

**Workshop on “R&D challenges and opportunities in new Defence and Security scenarios”**

Francisco Quereda Rubio, CEO of Isdefe, took part in the workshop organised jointly by the School of Telecommunications Engineers (ETSIT) at the Universidad Politécnica de Madrid, the Network for Innovation in the Defence and Security Sector, and the Foundation for Defence and Security Technologies, and held as part of the 50th anniversary celebrations of the ETSIT.

**“Engineering, Industry and Defence” workshops of the Royal Academy of Engineering (RAI)**



Isdefe’s Director of Business Development, Jesús Alonso Martín, participated in these workshop organised by the RAI, along with other leading industry representatives and officials from the Ministry of Defence and the Armed Forces.

**Workshop on Financial Control in Special Weapons Programmes**

Held on 11 December at the Centre for Higher National Defence Studies (CESEDEN), Angel Sanz Sanz, Director of Consulting and Strategic Processes at Isdefe, took part with a presentation on “The risk manager as the key to using the matrix”.

**ADESyD held its second congress at the Isdefe headquarters**

The Association of Spanish Graduates in Security and Defence (ADESyD) celebrated its second congress on the theme of “Sharing (visions of) Security”, where numerous analysts and experts in different areas gathered to exchange experiences on subjects that affect our security. The event was closed out by Diego López Garrido, Vice-President of the NATO parliamentary assembly and honorary member of ADESyD.

**NASA Outreach talks**

In June, as part of the NASA outreach programme in Spain, Badri Younes, Deputy Associate Administrator for Space Communications and Navigation at NASA gave a speech on “New Horizons at NASA”. Then in September at the Isdefe lecture hall, leading figures in space research offered details on two of the most important projects currently in progress. William H. Gerstenmaier, Associate Administrator, Human Exploration and Operations at NASA gave a presentation titled “A Journey to Mars”. He was followed by Mr. Larry James, Deputy Director at the JPL, with a talk on “Exploring our Solar System and Beyond”. The event was organised jointly by Isdefe and the National Institute for Aerospace Technology (INTA).



### Air Force Awards and Excellence in Maintenance and Safety Awards

Isdefe took part in the 37th annual Air Force Awards as a partner in the event. Isdefe is also involved in the Air Force's Excellence in Maintenance and Safety Awards. On this occasion Isdefe engineer Silvia Marcos Blasco, who works in the Logistical Support Command, received the award in the "Supply" category from the Airbus Group.

### 2015 Army's "Great Captain" Awards

Isdefe took part as a sponsor in the presentation ceremony for the 2015 Army Awards, held on 11 June at the War School. The star of this year's event was Gonzalo Fernández de Córdoba, the Great Captain, on the occasion of the 500th anniversary of his death.

### "Technology and Innovation" award of the Clúster Marítimo Español

Isdefe received the 2015 "Technology and Innovation" award from the Cluster Marítimo Español at a ceremony presided over by the Minister of Industry, Energy and Tourism, José Manuel Soria.

As in previous years, Isdefe cooperated in the 5th annual Master's in Information Security Management.



# TO SUPPLIERS

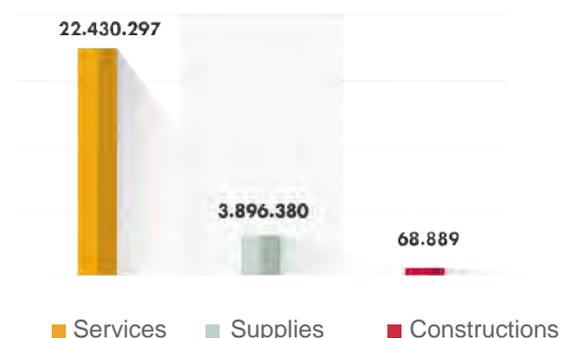
## DESCRIPTION OF THE SUPPLY CHAIN

*Isdefe's relations with its contractors are strictly bound by the principles of:*

- Disclosure and competition.
- Transparency.
- Equality and non-discrimination.
- Confidentiality.



### Purchases, contracts and subcontracts processed in 2015 (€)



Bid processes	Bids Received	Awarded	Ratio
Published online	453	153	2,96
Bids selected	51	20	2,55
<b>Total bids</b>	<b>504</b>	<b>173</b>	<b>2,91</b>

Bids	2015
No. of project committees	44
No. of unsuccessful tenders	7
Claims handled	3

These principles are detailed in the instructions and general conditions on contracts, which are available on the government's contracting website (<https://contrataciondelestado.es>). They are also on Isdefe's website for information purposes only and lack any legal validity.

The Contracting Unit oversees these processes, from identifying a need to preparing bid requests, evaluating offers, and awarding and signing contracts. Isdefe, in compliance with Article 2 of Royal Legislative Decree 3/2011 of 14 November, and so as to ensure transparency and the public's access to all information on its contracting activities, available on the State's contracting platform and on Isdefe's website, has a Contracting section on its site, <https://www.isdefe.es/proveedores/>, where it publishes all tender announcements for contracts in excess of 50,000 €, as well as the applicable regulations and procedures:

- General Contracting Conditions.
- Contracting Instructions.

As a public company, Isdefe places the same capacity and solvency requirements on its contractors as the Administration does, and applies the same standards concerning restrictions and conflicts of interest. This is all regulated by Royal Legislative Decree 3/2011.

Interested parties can send any queries or comments to: [UnidadContratacion@isdefe.es](mailto:UnidadContratacion@isdefe.es)

## RELEVANT SUSTAINABILITY INITIATIVES

### Of a social nature

Isdefe works with several Special Employment Centres for services such as landscaping and supplying Christmas cards.

### Of an environmental nature

In 2015 Isdefe signed several contracts with environmental clauses, such as for the purchase of computers and paper.



### Transport subsidy

In 2015 Isdefe maintained its transportation assistance service employees, thus promoting the use of public transportation in urban areas, in keeping with the company's financial and environmental commitment.



### Waste management

Isdefe has a contract for the handling, sorting, transportation and management of all of the waste that is generated at its headquarters.



### E-billing

Isdefe issues electronic invoices in an e-invoice format and sends them to its public sector clients through the FACE portal.



### Recycled paper

In 2015, 58.56% of the paper used was recycled.



### Electronic signature

Isdefe implemented an electronic signature that uses an Isdefe card to ensure the authenticity, integrity and non-repudiation of a document.

This procedure reduces the need for paper files and facilitates the publishing and distribution of files. It also increases reliability by:

- Making it impossible to alter or modify a document.
- Ensuring the signer's identity.
- Ensuring the integrity of the document received.
- Ensuring non-repudiation.

# TO THE ENVIRONMENT



## ENVIRONMENTAL POLICY

Isdefe has an environmental policy and an environmental management system that has been UNE-EN ISO 14001:2004 certified by AENOR since 2007 and is renewed annually, which forces us to constantly improve our management.

- Comply with all laws applicable to our activities, as well as with any environmental commitments made with clients.
- Identify and evaluate any environmental aspects associated with our activities so as to prevent negative impacts on the environment.
- Properly handle all the waste generated through reuse, sorting and recycling.
- Promote energy efficiency and use all available resources properly.
- Raise the environmental awareness of all employees by promoting the adoption of good environmental practices in the workplace.
- Establish a process of constant improvement for our environmental performance by periodically reviewing our EMS and our environmental goals and targets.
- Promote and disseminate this policy among Isdefe employees, partners, subcontractors and suppliers and make it available to all interested parties.

## ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

Management at Isdefe reviews the EMS annually to ensure its ongoing suitability, adaptation and efficiency. This review relies on the information provided in the performance report on the EMS in place at Isdefe, a report that is prepared every year by the Safety Department.

### SCOPE OF THE EMS



Consulting, engineering and technical assistance involving the conception, design, development, implementation and maintenance of communications systems, command and control, air navigation, airports, logistics, security, information technologies and infrastructure management, as well as overseeing industrial cooperation and technology transfer agreements.

## GREEN PURCHASING

In 2015 Isdefe continued to apply environmental criteria to its purchasing processes. In our requirements to providers, Isdefe continued to encourage the inclusion of environmental clauses in the purchasing and contracting processes whenever allowed by the scope.

## Environmental expenses and investments at Isdefe in 2015

Expenses (€)	2013	2014	2015
Waste management	26.137,82	28.845,34	23.160,28
Maintain Environmental Management System Certificate	2.710,00	2.710,00	4.493,00
Other	1.000,00		
<b>Total expenses</b>	<b>29.847,82</b>	<b>31.555,34</b>	<b>27.653,28</b>

# CONTROL OF CONSUMPTION

Isdefe monitors the energy demand associated with the electricity, gas and water used at its headquarters by tracking and analysing the performance and operation of the equipment and installations that consume them.

## ENERGY

Isdefe's energy consumption is due to its use of electricity and natural gas, both of which are supplied from external sources. An exception to the above is the renewable installations that are used to provide:

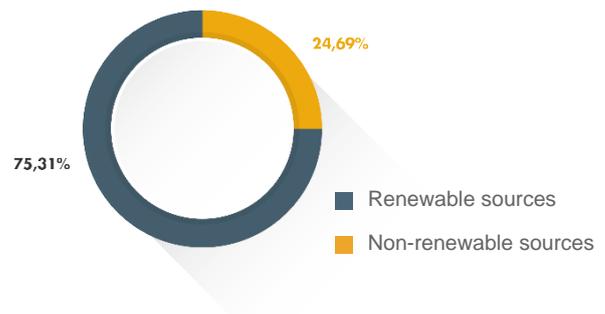
- hot potable water through the solar thermal installation which uses the solar energy installation located on the building's roof.
- heat and electricity during the winter to the building's climate control system by means of the building's micro-cogeneration facility.
- electricity for the building's own use supplied by the solar photovoltaic installation.

### Direct energy consumption by primary source (GJ)

	2015
Non-renewable sources (natural gas)	895,79

### Indirect energy consumption by primary source (GJ)

	2015
Renewable sources (electricity)	1.598,32
Non-renewable sources (electricity)	4.873,98

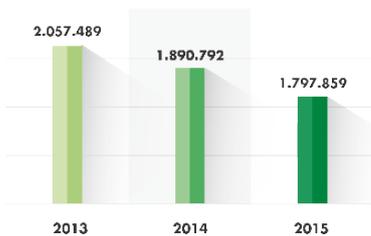


## Consumption

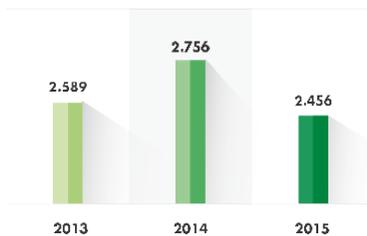
The primary objective year after year is to optimise the consumption of electricity and gas supplied from non-renewable sources so as to ensure better energy efficiency.

In 2015, the annual consumption recorded at the company resulted in the following values:

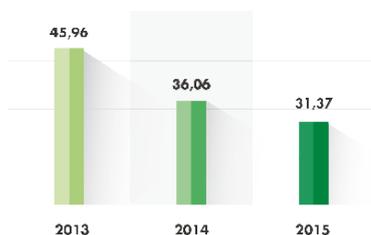
### Electricity (kWh)



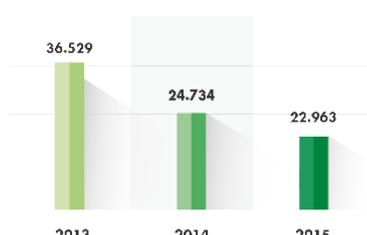
### Electricity (kWh) / employee



### Natural gas (m3)



### Natural gas (m3) / employee



As concerns the thermal energy and electricity produced by the building's own renewable energy installations, the consumption values obtained in 2015 were as follows:

- Solar photovoltaic installation: 19,408 kWh (electrical)
- Solar thermal installation: 25,570 kWh (thermal)
- Cogeneration installation: 24,786 kWh (electrical) 69,688 kWh (thermal)

## Energy savings and efficiency initiatives

Isdefe has implemented an energy control and tracking system called the “Energy Management System”, whose goal is to improve energy use. The year 2015 saw a significant reduction in energy consumption at the headquarters, resulting in an associated drop in greenhouse gas emissions of 64 tonnes of CO<sub>2</sub> equivalent (4.99%) and in energy costs (5.54%) with respect to the previous year.

The following measures were adopted:

### Electricity

- Optimisation of HVAC consumption in the Data Processing Centre by adjusting and controlling the ventilation and dehumidification ducts in the indoor cooling units inside the complex.
- Replacement of dichroic halogen bulbs (50W) installed in lobbies and bathrooms by LED bulbs (8W).
- Installation of 22 remote ambient temperature control probes in the climate-control system and fine tuning the speed of internal units.
- Replacement of fluorescent bulbs with LED lights and installation of motion sensors in elevator cabins.
- Detailed tracking and reduction of individualised consumption tracking periods for different spaces in the building.



### As a result of these initiatives, electricity consumption was reduced as follows:

**Energy:** Annual savings of 22,129 kWh, equivalent to a 7.16 % drop in consumption compared to 2014.

**Financial:** 4.7% reduction in the electricity bill with respect to 2014.

**Environmental:** Reduction in greenhouse gas emissions equivalent to four tonnes of CO<sub>2</sub> per year.

### Natural Gas:

- Provide continuity to detailed monthly tracking of natural gas consumption in the building's heat producing units (boilers and microturbine).
- Reduction in gas usage from April to September due to improved usage of the building's solar thermal energy system.
- More efficient regulation of the operating and consumption ranges of the cogeneration system.



Isdefe's headquarters continue to maintain their "B" energy efficiency rating.

HVAC variable refrigerant volume (VRV) system. Stopping of pump groups due to stoppage of interior HVAC system for a floor once the temperature setpoint is reached in the spring or autumn.

- Use of residual heat from Secondary Communications Centre to heat bathrooms and ventilate rooms in the winter (January, February, March, November and December).
- Adjustment and optimisation of boiler heat output to the actual consumption curve of the VRV in the building. Regulation of maximum and minimum power available (burner modulation curve) to minimise performance losses associated with constant starts and stops of the system in the spring and autumn.

**As a result of these initiatives, natural gas consumption was reduced as follows:**

**Energy:** Annual savings of 92,933 kWh, equivalent to a 4.9 % drop in consumption compared to 2014.

**Financial:** 5.6% reduction in the electricity bill with respect to 2014.

**Environmental:** Reduction in greenhouse gas emissions equivalent to 60 tonnes of CO<sub>2</sub> per year.

Isdefe also took measures to provide efficient services and lower the consumption of electricity and natural gas. These initiatives were as follows:

- Adjustment of the output voltages at secondary transformer windings in the substation that supplies the building (415V to 400V).
- Reduction of the installed electrical capacity in the building (cost saving measure).
- Optimisation of the operation of each floor's individual HVAC system by programming a start/stop strategy based on temperature.
- Optimisation of the operation of the lighting installed in common areas of the building (central hallways).
- Optimisation of the operation during working hours of the secondary pump groups in the

## WATER

**Prevention is the best type of Environmental Management that can be implemented. By eliminating or noticeably reducing the causes that lead to use, we are eliminating consumption.**

As part of its environmental commitment and to benefit society, Isdefe has been tracking water use since 2012 by conducting a detailed analysis of how water is used at its headquarters and facilities by:

1. Tracking the demand for the cold water supplied to bathrooms, HVAC cooling towers and adiabatic humidification in air treatment units.
2. Tracking the demand for hot water supplied to bathrooms.
3. Tracking the demand for hot water supplied to bathrooms.

As an additional water saving measure, the building is equipped with a recovery system to process grey water from faucets, showers and HVAC system condensation, as well as rain water, for use in flushing devices and for watering the green roof and the landscaped areas on the ground floor.

The wastewater generated is exclusively from bathroom use and is all routed to the city sewage system. In light of the activity conducted by Isdefe at its headquarters and facilities, there is no risk of a spill or pollution associated with this activity.

In an effort to reduce water usage, a target was set in 2015 to maintain the same consumption indicators as in 2014.

The initiatives were:

- Reduce hot water wait times by optimising the temperature in the installation's supply and return lines. Installation of an automatic two-way valve to recirculate water in the return line through tanks when there is no consumption.

While the target was not achieved, the application of control policies served to determine the causes that resulted in this situation.

While the target was not achieved, the application of control policies served to determine the causes that resulted in this situation.

If the 2011-2015 period is used as a reference, the water cost and usage savings obtained following the application of management and control policies reveal the following:

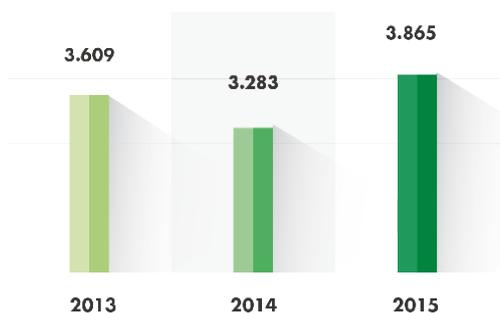
Average annual savings from 2011 to 2015:

- Financial: 16,8%
- Water usage: 16,2%

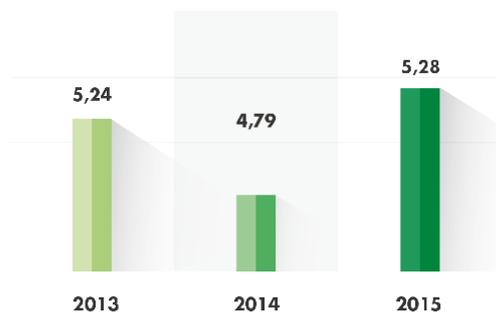
**Consumption**

**Initiatives to reduce water consumption**

**Water use (m3) at BdB3**



**Water use (m3) per employee**

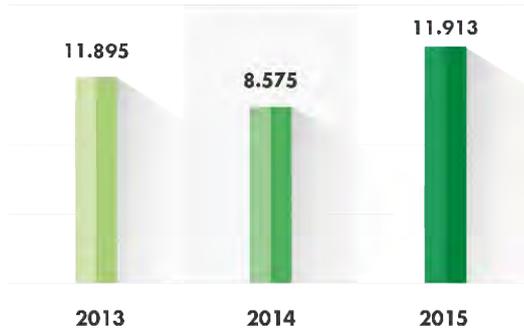


## PAPER

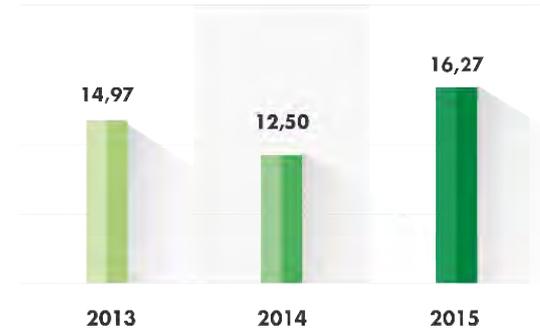
The volume of paper used relied more on the consumption of paper made from recycled fibres, which accounted for 54.52% of all the paper used.

### Consumption

#### Paper use (kg)



#### Paper use (kg) per employee



### Initiatives to reduce paper consumption

In September Isdefe started a campaign to instil in our workforce the responsible attitude we should have toward the rational use of paper.

With this goal in mind, the company started sending out a monthly e-mail with the number of pages printed so that all employees were able to quickly and easily check their paper consumption.



### Other Consumption

The usage figures for the BdB3 building in 2015 were:

	Absolute figures			Figures per employee*			
	2013	2014	2015	2013	2014	2015	VARIATION
Ink and toner cartridges (ea.)	504	340	354	0,63	0,50	0,48	-2,43%
Fluorescent and other bulbs (kg)	53,20	63,00	63,60	0,07	0,09	0,09	-5,39%
Plastic cups (Kg)	430,50	680,60	660,46	0,54	0,99	0,90	-9,06%

Avg. number of employees en 2015: 732

# WASTE MANAGEMENT

## WASTE PICK-UP

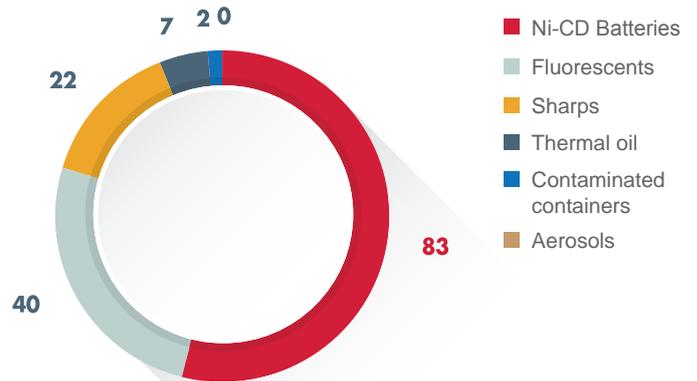
Isdefe has a waste sorting and selective pick-up plan in various areas and makes available containers for sorting waste at the point of origin.

There is a recycling Centre located in basement six of the Isdefe headquarters that houses various containers for segregating and storing the different types of waste generated in the building. There, in addition to the destruction of paper and computer media, the waste is compressed and packaged. There is also a series of special containers for waste classified as hazardous (fluorescent bulbs, aerosols, batteries, used cooling motor oils, contaminated packaging, antibacterial liquids and biocides, oils, etc.). The recycling Centre provides proof that the waste is properly separated, of the amounts produced, that it is properly labelled and that it is transported offsite by an authorised handler.

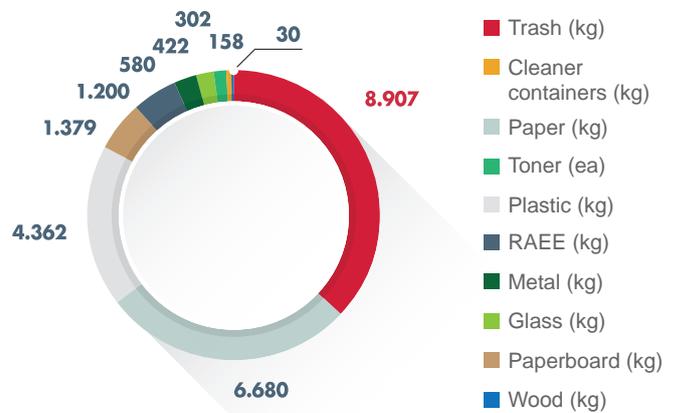
### Types of waste

	Amount generated	Treatment method
Hazardous waste (Kg)	154	Recycling; Disposal
Non-hazardous waste (kg)	25.616	Recycling

### Hazardous waste 2015 (Kg)



### Non-hazardous waste 2015



## Total waste generated at BdB3 in 2015

	Absolute figures			Figures per employee		
	2013	2014	2015	2013	2014	2015
Paper and cardboard (kg)	10.122,00	10.070,00	8.059,00	12,73	12,73	11,01
Used toner and ink cartridges (ea)	259,00	296,00	302,00	0,33	0,33	0,41
Electrical and electronic equipment (kg)	230,00	226,00	1.200,00	0,29	0,29	1,64
Used fluorescent bulbs (kg)	35,00	30,00	40,00	0,04	0,04	0,05
Yellow container (kg)	3.120,00	3.709,00	4.362,00	3,92	3,92	5,96
Glass containers (kg)	348,00	302,00	422,00	0,44	0,44	0,58
Metal and scrap metal	287,00	634,00	580,00	0,36	0,36	0,79
Organic waste	7.945,00	8.014,00	8.907,00	9,99	9,99	12,17
Medical-sanitary (kg)	52,30	55,20	55,20	0,07	0,07	0,08
Batteries	50,00	70,00	83,00	0,06	0,06	0,11
Plastic cups (kg)	823,00	1.010,00	1.541,00	1,04	1,04	2,11

## GREENHOUSE GAS EMISSIONS

The method used in 2015 to determine the carbon footprint was the Carbon Footprint Calculator developed by the Ministry of Agriculture, Food and the Environment.

This tool calculates the greenhouse gas emissions associated with the organization's activities and considers both direct emissions (Scope 1) and indirect emissions (Scope 2) caused by electricity usage.

<b>Scope 1</b>	<b>12,0084 t CO<sub>2</sub>eq</b>
Fixed installations	5,6484 t CO <sub>2</sub> eq
Vehicle travel	6,3600 t CO <sub>2</sub> eq
HVAC	00,0000 t CO <sub>2</sub> eq
<b>Scope 2</b>	<b>637,5262 t CO<sub>2</sub>eq</b>
Electricity	637,5262 t CO <sub>2</sub> eq
<b>Scope 1+2 carbon</b>	<b>649,5345 t CO<sub>2</sub>eq</b>

## Carbon footprint by scope (t CO<sub>2</sub>eq)







# CORPORATE GOVERNANCE

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# PROFILE OF THE ORGANIZATION

## LEGAL NATURE

Ingeniería de Sistemas para la Defensa de España, S.A., Isdefe, is a company that is part of the Public State Sector. It belongs to the Ministry of Defence and the entirety of its shares is owned by the National Institute for Aerospace Technology (INTA). It was created in Madrid on 17 October 1985, pursuant to Article 6.1 of the General Law on Budgets (11/1977).

Company name	Company address	Tax identification n:	website	Contact	Period closing date
Ingeniería y Sistemas para la Defensa de España S.A. Isdefe	Beatriz de Bobadilla 3, 28040 Madrid	A78085719	isdefe.es	general@isdefe.es	2015 FY 31/12/2015

The Company is governed by its corporate charter, by any applicable trade, civil and labour laws, by Law 47/2003 on General Budgets, by the revised text of the Law on Public Sector Contracts (3/2011), by the Law on the Patrimony of Government Agencies (33/2003), as well as by any other regulations that apply to public companies.

- Organic Law 2/2012 of 27 April, on Budget Stability and Financial Sustainability.
- Law 4/2007 of 3 April, on the transparency of financial relationships between government agencies and public companies, and on the financial transparency of certain companies.
- Law 19/2013 of 9 December, on transparency, access to public information and good governance.

Isdefe is the in-house technical services provider for Spain's national government and for those agencies, entities and organizations associated with or reporting to it.

The company specialises in technical/management consulting and in technical assistance and engineering projects and in other services. The main areas in which it carries out its activity are Defence, Security, Government Agencies, Transport, Information and Communications Technologies, Space and Energy. It also carries out projects and provides maintenance and management services for NASA, ESA and INTA space facilities in Spain.



## COMPANY OBJECTIVE

- To provide consulting, engineering and technical assistance services, in particular in the areas of Defence and Security.
- To plan, develop and execute projects and programs involving construction, supply and service contracts in those areas specified above.
- To provide consulting and assistance services in the area of Industrial Cooperation Agreements involving materiel acquisition programs and Defence contracts, as well as to aid in the negotiation, execution and monitoring of those international Defence programs in which Spain is a participant and in Defence projects abroad, including humanitarian aid and peacekeeping programs.
- To support, assist and advise Spanish industry as requested by the Ministry of Defence.
- To provide specialized technical support in cutting-edge technologies, such as:
  - Monitoring and data acquisition stations for space vehicles.
  - Launch and landing pads, facilities for the calibration, testing and certification of equipment used in aerospace projects.
  - Facilities for testing new aerospace projects.
  - Space information and documentation centers, as well as others devoted to treating, analyzing, processing and distributing information collected from satellites.
  - Other activities involving aeronautical and space engineering

## OWNERSHIP AND COMPANY OPERATIONS

Date of last modification		Net worth (€)		Number of shares		
27 June 2012		41.372.100		137.907		
Shareholder			Percentage			
Organismo Autónomo Instituto Nacional de Técnica Aeroespacial Esteban Terradas, INTA			100%			
Listing of direct/indirect stake by the company in other companies						
Company name	Percentage owned		Board members provided	Conflict of Interests	Related Operations	
Hidesat Servicios Estratégicos SA	Directo 30%	Indirecto 0	0	---	---	

# ADMINISTRATIVE BODIES

According to Article 15 of the Isdefe Corporate Charter, the governance and administration of the company are entrusted to the Board of Shareholders and to the Board of Directors.

## BOARD OF SHAREHOLDERS

The Board of Shareholders is structured pursuant to Law 33/2003 of 3 November on the Patrimony of Government Agencies, which includes the stipulations for the representation and custody of the national government's corporate assets, as well as special stipulations for state-owned companies whose capital is entirely and either directly or indirectly owned by the national government or its public agencies, in the case of Isdefe its sole owner being the Esteban Terradas National Institute for Aerospace Technology (INTA), an autonomous organization.

### GENERAL OPERATING GUIDELINES

Board of Shareholders meetings may be ordinary or extraordinary and shall be convened by the Board of Directors.

### FUNCTIONS

- Any matters that fall within its purview.
- Appointment of Account Auditors.
- Approval of corporate management, of the previous year's account and resolution on the application of the results.
- Final appointment of Board Members, renewal and termination of terms.
- Modifications to Corporate Charter.

### ADOPTION OF AGREEMENTS

At the first meeting, the shareholders present or represented must own at least 50% of the outstanding capital. At the second meeting, the shareholders present must own at least 25% of the outstanding capital. In any event, the provisions of Article 194 of the Law on Public Corporations shall apply. Agreements shall require a majority, with the President casting the tie-breaking vote if needed.

### COMPOSITION

The President and Secretary of the Board shall be the same person as the Chairman of the Board of Directors, as stipulated in Article 181 of the Law on the Patrimony of Government Agencies and Isdefe's Corporate Charter. In the case of Isdefe, the President of the Board of Shareholders is the Secretary of State for Defence.

#### Stipulation of the General Meeting of Shareholders

Ordinary General Meeting of Shareholders (Art. 18 Corporate Charter)	Extraordinary General Meeting of Shareholders
Convened by the Board of Directors. Must meet within the first six months of each fiscal year.	Announcement: by the Board of Directors. Any meeting not described in Article 18 of the Corporate Charter shall be regarded as extraordinary.

## BOARD OF DIRECTORS

The company shall be administered and run by a Board of Directors, which shall represent the company and is fully empowered to act on its behalf (Article 28 of the Corporate Charter).

### GENERAL OPERATING GUIDELINES

The Board of Directors consists of members named by the General Board and selected in a vote. The Board elects a Chairman of the Board and a Managing Director, who shall preside over the Board in the absence of the Chairman. The Board also elects a Secretary, who is currently not regarded as a member of the Board.

The Board meets at least once a month and as convened by the Chairman of the Board or by a third of its members. A quorum for any meeting shall be the majority of its members, any of whom may allow another to represent him or her, though none of the members present, except for the Chairman or his designee, may have more than two votes. The Board of Directors met 11 times in 2015.



#### Number of Board Members specified in Art. 28 of the Corporate Charter.

Article 28 Corporate Charter of Isdefe / Royal Decree 451/2012 of 5 March.	Maximum	Minimum
		15

### FUNCTIONS

- Fully empowered to represent the company.
- Define the company's strategy.
- Exert full control over the company.

### ADOPTION OF AGREEMENTS

All agreements require a majority vote from the Members present at the meeting, with the tie-breaking vote being cast by the Chairman.

- As stated by the members of the Board of Directors, and pursuant to Royal Legislative Decree 1/2010 of 2 July, which approved the revised text of the Law on Public Corporations, Article 229, modified in the text of the new Law 31/2014 of 3 December, no member has a direct or indirect conflict of interest with those of the company.
- There are no restrictions on the age of the board members.
- The wages of the members of the Board of Directors are dictated by Royal Decree 451/2012 of 5 March, which regulates the salary structure for top management of state-owned companies and other entities, and by Article 28 of Isdefe's Corporate Charter.

## COMPOSITION

<b>Voting members</b>		
<b>Chairman</b>	<b>Other positions</b>	<b>Appointed</b>
<b>Pedro Argüelles Salaverría</b>	Secretary of State for Defence	24/01/2012
<b>CEO</b>		
<b>Francisco Quereda Rubio</b>	Chief Executive Officer	13/03/2012
<b>Members</b>		
<b>Ignacio Azqueta Ortiz</b>	Lieutenant General, General Director of INTA	25/09/2012
<b>Juan Campins Miralles</b>	Lieutenant General, Vice-Chairman of the Joint Chiefs of Staff of the Ministry of Defence	29/05/2014
<b>Juan Antonio Carrasco Juan</b>	Lieutenant General, Chairman of the Joint Chiefs of Staff of the Ministry of Defence	26/06/2012
<b>José Cordón Perogil</b>	Construction Vice-President of the Directorate General of Highways of the Ministry of Development	26/04/2012
<b>Carmen Gandarillas Rodríguez</b>	Purchasing Vice-President of the Ministry of Finance and Public Administrations the Ministry of Development	29/11/2012
<b>Juan Manuel García Montaña</b>	Lieutenant General, Director of Armaments and Materiel of the Ministry of Defence	25/09/2012
<b>Juan Bautista García Sánchez</b>	Lieutenant General, Chief of the Army Logistics Support Command	30/05/2013
<b>José Luis Gil López</b>	Vice-President of Information and Communications Technology of the Ministry of Economy and Competitiveness	30/10/2014
<b>Eduardo Gil Rosella</b>	Lieutenant General, Vice-Chairman of the Air Force Chief of Staff	17/12/2013
<b>Vicente Gimeno Arángüez</b>	Division Director, Director of Financial Affairs of the Ministry of Defence	20/12/2012
<b>Ana María Molina Sánchez</b>	Cabinet Director, Office of the Ministry of Defence	13/03/2012
<b>José M<sup>a</sup> Orea Malo</b>	Lieutenant General, Chief of the Air Force Logistics Support Command	25/09/2014
<b>José Antonio Ruesta Botella</b>	Admiral, Vice-Chairman of the Navy Chief of Staff	24/09/2015
<b>Non-Voting Member</b>		
<b>Secretary and Legal Counsel</b>	<b>Other positions</b>	<b>Appointed</b>
<b>Isabel María Torres Fernández</b>	Attorney for the State	06/02/2012

*Dismissals*

- Mr. Francisco Javier Franco Suanzes, who was dismissed as a member of the Isdefe Board of Directors at the Extraordinary General Meeting of 29 July 2015.

## AUDIT AND SUPERVISORY COMMISSION

The Board of Directors makes up and appoints the Audit and Supervisory Commission with a minimum of three members and a maximum of five. The majority of this commission's members must be non-executive members. The President is elected from among the non-executive members of the Board. The commission's secretary shall be the secretary of the Board of Directors (Art. 34, Corporate Charter).

### FUNCTIONS

- Review the financial information to be released by the company.
- Review the information given to the General Board and the Board of Directors regarding its activities.
- Review all relevant questions deemed of interest.

### COMPOSITION

<b>President</b>	D. Vicente Gimeno Aránguez
<b>Members</b>	D <sup>a</sup> Carmen Gandarillas Rodríguez D. Juan Manuel García Montaña
<b>Secretary</b>	D <sup>a</sup> Isabel María Torres Fernández

## MEETINGS OF THE ADMINISTRATIVE BODIES

<b>Secretary</b>	<b>Meetings in 2015</b>
Ordinary/Extraordinary General Board	1 / 1
Board of Directors	11
Audit and Supervisory Commission of the Isdefe Board of Directors	1



# MANAGEMENT BODIES

## MANAGEMENT COMMITTEE

The mission of this Committee is to define and coordinate the company's strategy and progress in all its areas of activity.

### GENERAL OPERATING GUIDELINES:

The Management Committee meets as convened by the Chief Executive Officer, or as proposed by the directors after consulting with the CEO. Decisions are made by consensus following deliberations on the subjects specified in the order of business.

The Management Committee met 13 times in 2015.

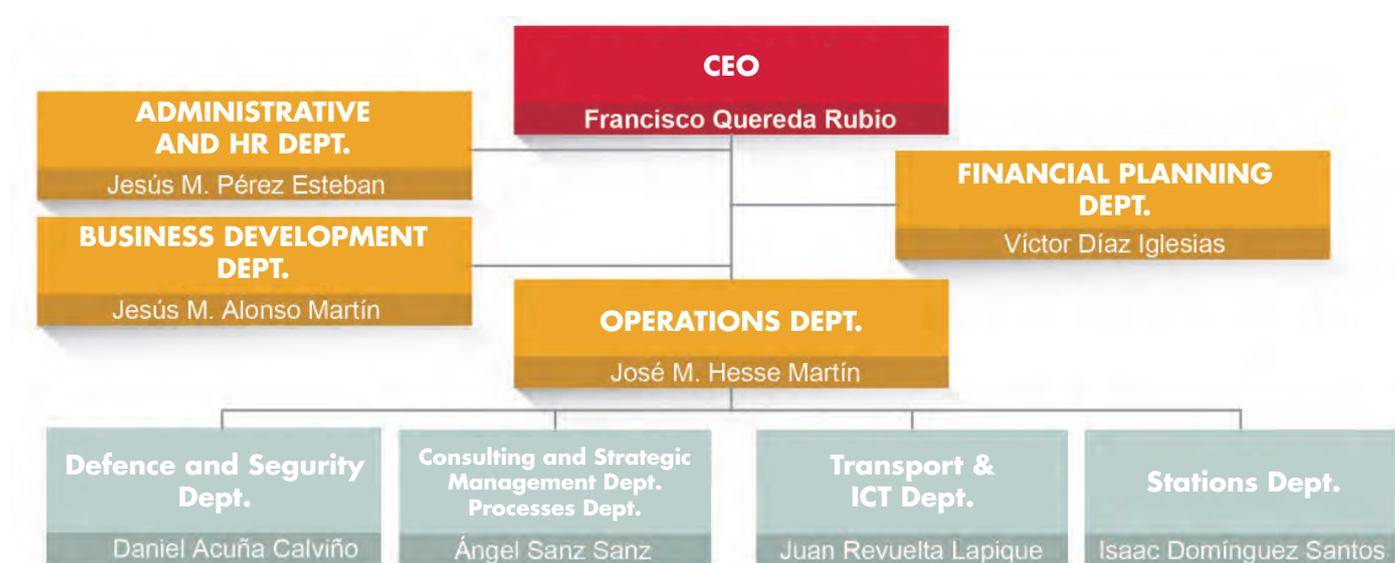
### FUNCTIONS OF THE MANAGEMENT COMMITTEE:

- To advise the CEO.
- To coordinate the implementation of the strategies.
- To monitor the company's progress.

## COMPOSITION OF THE MANAGEMENT COMMITTEE

President	Post
Francisco Quereda Rubio	
Members	Post
Jesús M. Alonso Martín	Director of Business Development
Víctor Díaz Iglesias	Director of Financial Planning
José M. Hesse Martín	Director of Operations
Jesús M. Pérez Esteban	Director of Administration and HR
Daniel Acuña Calviño	Director of Defence & Security
Isaac Domínguez Santos	Director of Space Stations
Juan Revuelta Lapique	Director of Transport and ICT
Ángel L. Sanz Sanz	Director of Consulting and Strategic Management Processes
Secretary	Post
Miguel Ángel Plaza Uceda	Director of Financial Department

## ORGANIZATION CHART OF THE COMPANY (31/12/2015)



## AGE PYRAMID FOR GOVERNANCE BODIES

	Women			Men			Total
	<30	30 - 50	>50	<30	30 - 50	>50	
Board of Directors	0	2	0	0	0	13	15
Management Advisory Cmte.	0	0	0	0	2	8	10
<b>Total Governance Bodies</b>	0	2	0	0	2	21	25
<b>Total percentage GB.</b>		8%			8%	84%	100%

The salaries of Isdefe's top managers and executives are regulated and within the limits established by Article 4 of RD 451/2012 of 5 March, and by the Order of the Ministry of Revenue and Government Agencies of 30 March 2012, which implements it.

## OTHER INTERNAL MANAGEMENT BODIES

The company has other governance and management bodies:

### COORDINATION AND MANAGEMENT ADVISORY COMMITTEES

Their creation, modification, dismissal, composition, competencies and operations are subject to the will of Isdefe management. Their main mission involves operations and management.

- Operations Committee
- Sales Steering Committee
- R&D Steering Committee
- Quality Advisory Committee
- Transparency, Good Governance and CSR Committee
- Ethics Committee
- Commission for the Security of Private Information
- Process Advisory Committee
- Contracting Committee
- R&D Technical Group
- Commercial Group

### COMMITTEES WITH EMPLOYEE AND UNION REPRESENTATION

Their creation, modification, dismissal, composition, competencies and operations are based on a regulation or on an agreement with employee representative groups, and their main mission is to involve workers in certain decisions and to enforce those regulations that affect workers as a whole.

- Ethics Committee
- Equal Opportunity Committee
- BdB3 Health and Safety Committee
- Training Committee

### COMMITTEES EXTERNAL TO ISDEFE

These are created for other interests specific to workers and are unrelated to management.

- Commission to Oversee the Pension Plan

# GOOD GOVERNANCE PRACTICES

## CODE OF ETHICS

From its beginnings Isdefe has always expressed its commitment to the development of ethical codes, as evidenced by the approval of a Moral Code in 1989 and the Code of Conduct, published in 2011. In 2013 a further step was taken with the launch of a new Ethics Code that includes tools to enhance its implementation and enforcement.

The Code of Ethics provides an operating guide for how Isdefe employees should behave in their jobs. This new Code reinforces the corporate culture under the umbrella of three fundamental ethics principles; integrity, professionalism and respect.

In 2015, Isdefe consolidated the establishment of a culture of ethics by implementing a programme to promote the Code of Ethics that, among other things, ensures its dissemination and training for new employees on the subject.

The most significant aspect of this Code of Ethics is that, in addition to its legal stipulations, it exemplifies Isdefe’s desire to go even further by adopting the voluntary principles in leading international guidelines such as the Universal Declaration of Human Rights, the United Nations Global Compact and the OECD’s Principles of Corporate Governance, which establish international values involving human rights, labour relations, the environment and anti-corruption.

## OVERSIGHT MECHANISMS

### INTERNAL OVERSIGHT

Within the Board of Directors there is an Audit and Oversight Commission consisting of three Board members who review the financial information presented to the Board of Directors at the Ordinary General Assembly, and inform the Board of the results of the annual account audits conducted by external auditors.

Once the fiscal year is closed out, the Board of Directors is required to finalise the annual accounts, the Management Report and the proposed distribution of income within three months.

Isdefe, as a privately held company, submits all of its annual accounts and its Management Report for external audit. The account auditors are named at the general shareholders’ meeting pursuant to the stipulations in Article 36 of the Isdefe Corporate Charter.

Company name	Appointment Date
Grant Thornton S.L.P	26 November 2013





## EXTERNAL OVERSIGHT

As a state-owned company, every year, in accordance with the General Law on Budgets, Isdefe presents its Multi-Year Plan of Action and its Operating Budgets and Capital, along with a three-year forecast, for inclusion in the next year's General State Budgets. As a company within the Ministry of Defence, these budgets are sent to this Ministry's Budget Office.

The approved annual budgets are sent to the State Comptroller, a branch of the Ministry of Economy and Revenue, and then forwarded to the Court of Audit for review as part of the government's general accounts for the year.

Another external oversight mechanism is the Ministry of Revenue's General Directorate of Personnel Costs and Public Pensions.

## REPORTING MECHANISMS

Isdefe has implemented a Code of Ethics and the control mechanisms that facilitate its implementation and compliance, such as an e-mail hotline available to all employees, [buzonetico@isdefe.es](mailto:buzonetico@isdefe.es), a monitoring body called the Technology-Ethics Committee, and a "Procedure for implementing the Code of Ethics", which, in addition to defining the reporting protocol and the operation of the committee, lays out a resolution timeline and guarantees the confidentiality of the individuals involved and of the information they provide.

In addition, Isdefe has reporting mechanisms in place to prevent any type of moral and/or sexual harassment in the workplace, including all kinds of discriminatory treatment that might take place within the company. These are the "Harassment and Discrimination Procedures".

These guidelines, implemented in 2008, are based on the responsibility of every employee to ensure respect, dignity and freedom in the workplace, as well as to ensure training in these areas. The guidelines include a clear procedure to be followed and establish the Ethics Committee, which is responsible for evaluating any situation involving harassment or discrimination that may arise and propose the opportune disciplinary measures, enforcing the content of the Procedures and resolving any interpretation or question that may arise concerning their application.

## RISK MANAGEMENT

---

Isdefe safeguards the company's strategic targets and goals through proper risk management that complies with legal requirements and by establishing internal guidelines. These are available on the employee portal to ensure the correct conduct of their activities.

Isdefe has an ISO 9001 Quality Management System that guarantees the quality of our services and an ISO 14001 Environmental Management System that minimises the potential environmental risks associated with our activity. Likewise the Occupational Risk Prevention Policy is an integrated management system within the company's activity that is designed to prevent risks and evaluate those that cannot be eliminated, as well as to plan prevention.

In the area of Information Security, Isdefe has the highest principles for safeguarding classified information. These are used to define the set of technical, organizational and technological security rules, regulations, procedures, practices and measures needed to obtain a proper, proportionate and reasonable level of protection for classified information, as required by our clients.

As concerns the security of information of a personal nature, Isdefe handles the risk by creating a commission that coordinates and standardises security aspects at Isdefe and tracks and enforces said aspects.

Isdefe also has a General Risk Management Procedure for Consulting Contracts that describes the method for managing risks of these contracts so as to reach the planned objectives that apply, particularly in one of the industries of such relevance to the company's objective as

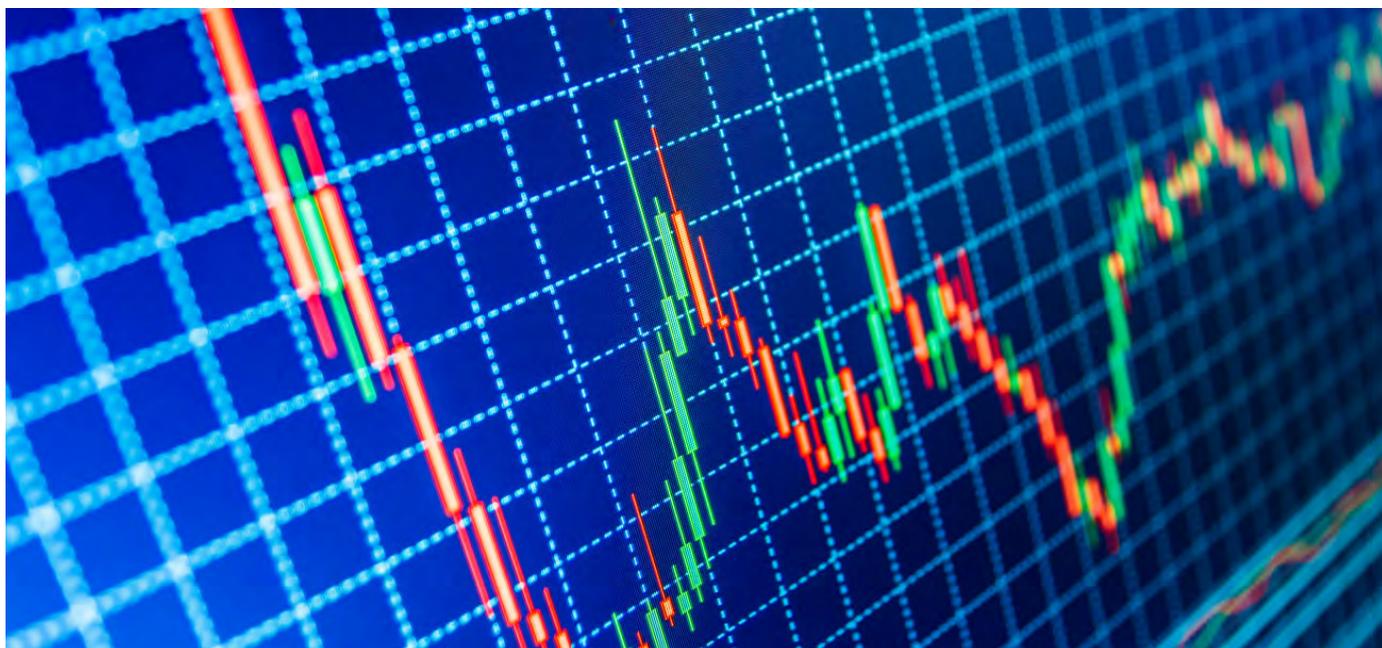
defence, one that, by its synergistic nature, is addressed in every contractual relationship that is crafted.

In addition, pursuant to Organic Law 5/2010 of 22 June, as well as to Organic Law 1/2015 of 30 March, which amends the Penal Code and which went into effect on 1 July 2015, Isdefe created a Criminal Risk Prevention Plan to identify any potential criminal risks to which the company could be exposed and the controls needed to track these risks. The goal is to incorporate the management and prevention of criminal risks that could affect the company as a result of its business activity to the due oversight already exercised by Isdefe.

Finally, as a fundamental risk principle, is top management's involvement in the overall supervision of risk management through its active participation in both the definition and tracking of risks, given the competitive advantage that prudent risk management offers in today's financial environment.

### RISK MONITORING

This is an ongoing process involving permanent observation and analysis by the stakeholders and effected through the various committees in place at Isdefe. These committees take in constantly updated information, not only from clients but on the progress of various parameters that provide a snapshot of the company at any given moment.





## TRANSPARENCY

Isdefe also publishes on its corporate website information pertaining to contractual activities. Users can check published bids and their relevant documents and all other required paperwork, along with their status and any contracts awarded, as required by Royal Legislative Decree 3/2011 of 14 November, which approved the revised text of the Law on Public Sector Contracts.

Moreover, since 2014 and the entry into force of Law 19/2013 of 9 December, on transparency, access to public information and good governance, Isdefe increased its transparency by publishing the Transparency Portal on its corporate website. The publication of this Portal represents an improvement for the public by reinforcing transparency in the company's management and activity and by providing information on how public funds are used.

On the website, users can download the Code of Ethics, as required by the Law on the Patrimony of Government Agencies. Also accessible is the Annual Report, including the Corporate Social Responsibility report, the Activities Report and the Corporate Governance Report, as required by the Law on Sustainable Financing and the Activities Report.

Additionally, Isdefe has an Employee Portal containing all the information of interest to employees, such as corporate information, company policies, management processes, as well as company and industry news. It also serves as a work tool that facilitates communications between different departments at the company.

## COMMUNICATION

Isdefe has a corporate website where all of the relevant information on the company is published, such as corporate information, the sectors in which it operates and all the latest news. In 2015, due to the growing importance of digital communications, Isdefe opened a LinkedIn profile where it shares important corporate news and events. By the end of the year it had 4,336 followers.

The company also monitors corporate topics and issues related to its activity in various strategic sectors through the Clipping media monitoring service, as part of an effort to improve its communications strategy.

### ISDEFE UPDATES ITS CORPORATE IMAGE

In 2015 Isdefe updated its image by creating a new **Corporate Identity Manual** that is adapted to the company's changing needs, the goal being to enhance and boost the brand's visual impact.

Other activities carried out included streamlining marketing material by publishing new corporate presentations and brochures, like the abbreviated corporate presentation "Isdefe en un minuto", which contains the most important information on the company as well as new marketing presentations on the Defence and Security, Space, Transport, Government Agencies and ICT sectors.



25%

35%

**ANEXO A**

# **ANNUAL ACCOUNTS**

Balance sheet **120**

Income statement **122**

Audit report **123**



## BALANCE SHEET AT 31.12.2015 (in euros)

ASSETS	NOTES	2015	2014
<b>A) NON-CURRENT ASSETS</b>		<b>129,486,994.94</b>	<b>131,356,349.86</b>
<b>I. Intangible assets</b>	<b>NOTE 7</b>	<b>342,629.03</b>	<b>586,305.34</b>
3. Patents, licences, trademarks and other		2,462.35	3,357.74
5. Computer software		340,166.68	582,947.60
<b>II. Property, plant and equipment</b>	<b>NOTE 5</b>	<b>92,286,076.13</b>	<b>93,746,689.89</b>
1. Land and buildings		88,960,943.76	90,040,429.51
2. Plant and other items of property, plant and equipment		3,325,132.37	3,706,260.38
3. Work in progress and advances		0.00	0.00
<b>III. Investment property</b>	<b>NOTE 6</b>	<b>1,164,331.10</b>	<b>1,189,180.88</b>
1. Land		389,170.24	389,170.24
2. Buildings		775,160.86	800,010.64
<b>IV. Non-current investments in Group companies and associates</b>	<b>NOTE 9.4</b>	<b>32,454,000.00</b>	<b>32,454,000.00</b>
1. Equity instruments		32,454,000.00	32,454,000.00
<b>V. Non-current financial assets</b>	<b>NOTE 9.1</b>	<b>161,288.48</b>	<b>193,841.63</b>
2. Loans to third parties		159,688.48	191,981.63
5. Other financial assets		1,600.00	1,860.00
<b>VI. Deferred tax assets</b>	<b>NOTE 11.4</b>	<b>3,078,670.20</b>	<b>3,186,332.12</b>
<b>B) CURRENT ASSETS</b>		<b>43,484,203.63</b>	<b>59,492,568.27</b>
<b>II. Inventories</b>		<b>17,347.62</b>	<b>24,872.12</b>
6. Advances to suppliers		17,347.62	24,872.12
<b>III. Trade and other receivables</b>		<b>37,430,565.25</b>	<b>50,302,296.51</b>
1. Trade receivables for sales and services	<b>NOTE 9.1</b>	30,360,533.51	41,828,941.61
2. Receivables from group companies and associates	<b>NOTE 9.1 and 19.1</b>	6,063,890.52	7,474,485.68
3. Sundry accounts receivable	<b>NOTE 9.1</b>	62,303.41	0.00
4. Staff	<b>NOTE 9.1</b>	49,313.02	58,499.98
5. Current tax assets	<b>NOTE 11.1</b>	3,412.73	656,559.25
6. Other accounts receivable from Public Authorities	<b>NOTE 11.1</b>	891,112.06	283,809.99
<b>V. Current financial investments</b>	<b>NOTE 9.1</b>	<b>75,595.67</b>	<b>187,980.61</b>
2. Loans to companies		53,518.91	50,729.92
3. Debt securities		0.00	0.00
5. Other financial assets		22,076.76	137,250.69
<b>VI. Current accruals and deferred income</b>		<b>279,005.86</b>	<b>118,249.70</b>
<b>VII. Cash and cash equivalents</b>	<b>NOTE 9.1</b>	<b>5,681,689.23</b>	<b>8,859,169.33</b>
1. Cash		5,681,689.23	8,859,169.33
<b>TOTAL ASSETS (A+B)</b>		<b>172,971,198.57</b>	<b>190,848,918.13</b>


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EQUITY AND LIABILITIES	NOTES	2015	2014
<b>A) EQUITY</b>		<b>137,277,999.52</b>	<b>134,748,557.52</b>
<b>A-1) SHAREHOLDERS' EQUITY</b>	<b>NOTE 9.5</b>	<b>137,277,999.52</b>	<b>134,748,557.52</b>
<b>I. Share capital</b>		<b>41,372,100.00</b>	<b>41,372,100.00</b>
1. Registered capital		41,372,100.00	41,372,100.00
<b>III. Reserves</b>		<b>91,376,457.52</b>	<b>88,527,746.69</b>
1. Legal and bylaw reserves		2,432,938.28	1,948,067.20
2. Other reserves		88,943,519.24	86,579,679.49
<b>VII. Profit (loss) for the year</b>	<b>NOTE 3</b>	<b>4,529,442.00</b>	<b>4,848,710.83</b>
<b>A-2) ADJUSTMENTS ON CHANGE OF VALUE</b>		<b>0.00</b>	<b>0.00</b>
<b>A-3) SUBSIDIES, DONATIONS AND BEQUESTS RECEIVED</b>		<b>0.00</b>	<b>0.00</b>
<b>B) NON-CURRENT LIABILITIES</b>		<b>3,919,327.85</b>	<b>4,170,084.81</b>
<b>I. Long-term provisions</b>	<b>NOTE 13</b>	<b>3,078,564.95</b>	<b>3,078,564.95</b>
4. Other provisions		3,078,564.95	3,078,564.95
<b>II. Non-current payables</b>	<b>NOTE 9.2</b>	<b>840,762.90</b>	<b>1,091,519.86</b>
2. Bank borrowings		0.00	0.00
5. Other financial liabilities		840,762.90	1,091,519.86
<b>C) CURRENT LIABILITIES</b>		<b>31,773,871.20</b>	<b>51,930,275.80</b>
<b>I. Liabilities linked to non-current assets held for sale</b>		<b>0.00</b>	<b>0.00</b>
<b>II. Short-term provisions</b>	<b>NOTE 13</b>	<b>6,203,562.86</b>	<b>5,507,262.14</b>
<b>III. Current payables</b>	<b>NOTE 9.2</b>	<b>1,807,731.62</b>	<b>976,369.33</b>
2. Bank borrowings		1,333.74	3,962.70
5. Other financial liabilities		1,806,397.88	972,406.63
<b>IV. Short-term debts with group and associated companies</b>		<b>0.00</b>	<b>0.00</b>
<b>V. Trade and other payables</b>		<b>23,762,576.72</b>	<b>45,446,644.33</b>
1. Suppliers	<b>NOTE 9.2</b>	11,654,781.07	12,162,659.32
3. Sundry accounts payable	<b>NOTE 9.2</b>	185,361.54	185,073.56
4. Staff (remuneration payable)	<b>NOTE 9.2</b>	3,608,933.21	3,536,018.94
5. Current tax liabilities	<b>NOTE 11.1</b>	460,239.31	111,429.37
6. Other accounts payable to Public Authorities	<b>NOTE 11.1</b>	4,158,705.12	5,873,788.07
7. Customer advances	<b>NOTE 9.2</b>	3,694,556.47	23,577,675.07
<b>VI. Short-term timing adjustments</b>		<b>0.00</b>	<b>0.00</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>172,971,198.57</b>	<b>190,848,918.13</b>


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# INCOME STATEMENT

## PROFIT AND LOSS ACCOUNT

INCOME STATEMENT	NOTES	2015	2014
<b>A) CONTINUING OPERATIONS</b>			
<b>1. Net revenue</b>	<b>NOTE 22</b>	<b>143,192,576.97</b>	<b>139,361,678.47</b>
b) Services		143,192,576.97	139,361,678.47
<b>4. Supplies</b>		<b>-34,429,993.87</b>	<b>-29,650,547.43</b>
a) Cost of goods held for resale used	<b>NOTE 12</b>	-3,567,263.32	-4,080,235.12
b) Cost of raw materials and other consumables used	<b>NOTE 12</b>	-64.20	-877.84
c) Works performed by other companies		-30,862,666.35	-25,569,434.47
<b>5. Other operating income</b>		<b>3,824,505.80</b>	<b>322,324.91</b>
a) Non-core and other current operating income		335,588.30	313,353.02
b) Operating grants transferred to profit or loss	<b>NOTE 16</b>	3,488,917.50	8,971.89
<b>6. Staff costs</b>		<b>-96,983,380.18</b>	<b>-93,603,516.19</b>
a) Wages, salaries and similar expenses		-73,166,544.47	-70,506,012.00
b) Employee benefit costs	<b>NOTE 12</b>	-23,816,835.71	-23,097,504.19
<b>7. Other operating expenses</b>		<b>-8,231,878.55</b>	<b>-8,664,018.85</b>
a) Outside services		-7,814,008.10	-7,279,117.29
b) Taxes		-416,101.87	-381,406.91
c) Losses on, impairment of and change in allowances for trade receivables		22,225.70	-991,964.49
d) Other current operating expenses		-23,994.28	-11,530.16
<b>8. Depreciation and amortisation charge</b>	<b>NOTE 5/6/7</b>	<b>-2,301,085.99</b>	<b>-2,434,950.53</b>
<b>10. Excessive provisions</b>		<b>701,715.00</b>	<b>207,498.00</b>
<b>11. Impairment and gains or losses on disposals of non-current assets</b>		<b>-144.74</b>	<b>-7,736.21</b>
a) Impairment and losses	<b>NOTE 5/7</b>	0.00	10,192.49
b) Gains or losses on disposals and others		-144.74	-17,928.70
<b>A.1) PROFIT (LOSS) FROM OPERATIONS (1+2+3+4+5+6+7+8+9+10+11)</b>		<b>5,772,314.44</b>	<b>5,530,732.17</b>
<b>12. Finance income</b>		<b>43,330.92</b>	<b>80,307.95</b>
b) From marketable securities and other financial instruments		43,330.92	80,307.95
b2) From third parties		43,330.92	80,307.95
<b>13. Finance costs</b>		<b>-17,500.65</b>	<b>-31,699.14</b>
b) On debts to third parties		-17,500.65	-31,699.14
<b>15. Translation differences</b>	<b>NOTE 10</b>	<b>408,545.05</b>	<b>278,063.46</b>
<b>16. Impairment and gains or losses on disposals of financial instruments</b>		<b>0.00</b>	<b>-17,036.98</b>
<b>A.2) FINANCIAL PROFIT (LOSS) (12+13+14+15+16)</b>		<b>434,375.32</b>	<b>309,635.29</b>
<b>A.3) PROFIT (LOSS) BEFORE TAX (A.1+A.2)</b>		<b>6,206,689.76</b>	<b>5,840,367.46</b>
<b>17. Income tax</b>	<b>NOTE 11.2</b>	<b>-1,677,247.76</b>	<b>-991,656.63</b>
<b>A.4) PROFIT (LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS (A.3+17)</b>		<b>4,529,442.00</b>	<b>4,848,710.83</b>
<b>B) DISCONTINUED OPERATIONS</b>			
<b>18. Profit (loss) for the year from discontinued operations net of tax</b>		<b>0.00</b>	<b>0.00</b>
<b>PROFIT (LOSS) FOR THE YEAR (A.4+18)</b>		<b>4,529,442.00</b>	<b>4,848,710.83</b>


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- SHOW BUSINESS
- NETWORK
- MUSIC
- CINEMA
- BUSINESS/FINANCE
- WORLD NEWS

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- CULTURE
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- PEOPLE
- CREATIVE
- TUTORIALS
- INVESTMENT
- NETWORKING



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NETWORK SEARCH  
 - NEWS  
 - FORUMS  
 - MAIL  
 - SHOP  
 - BUY  
 - SALE

- SHOW BUSINESS
- NETWORK
- MUSIC
- CINEMA
- BUSINESS/FINANCE
- WORLD NEWS

WORLD



WORLD  
 EUROPE  
 MEXICO  
 ASIA  
 AFRICA

WORLD  
 EUROPE  
 MEXICO  
 ASIA  
 AFRICA

WORLD

# ANNEX B

# ABOUT THIS REPORT

- Result and challenges **126**
- Principles for writing the CSR Report **128**
- CSR Report **130**

# RESULTS AND CHALLENGES

EMPLOYEES	
RESULTS	
OBJECTIVES	COMPLIANCE
Implement a Mobility Plan at the company that helps to reduce the number of accidents on the way to/from work.	
CHALLENGES	
OBJECTIVES	
Negotiation of the new Labour Relations Framework	

THE ENVIRONMENT	
RESULTS	
TARGETS	COMPLIANCE
Reduce paper usage per employee by 1.5 % with respect to the previous year.	The amount of paper usage rose by 30.20%, well in excess of the proposed goal. Target not met due to reduction of stock in 2014.
1% reduction in relative (per building occupancy) electricity usage with respect to 2014.	The year was closed out with a reduction in relative electricity use of 10.89%. Target met.
Maintain constant with respect to 2014 the energy per occupancy performance indicators for water consumption.	The year was closed out with an increase in per occupancy consumption of 10.33%. Target not met due to external factors.
Maintain constant with respect to 2014 the energy per occupancy performance indicators for natural gas consumption.	Gas consumption in the building fell by 13%. Target met.
CHALLENGES	
TARGETS	
Reduce paper use per person (average occupancy) by 2% with respect to previous years (2011-2015).	
Reduce relative (per building occupancy) electricity use by 1.5% with respect to 2015.	
Reduce relative (per building occupancy) water use by 0.5 % with respect to 2015.	
Keep relative (per building occupancy) gas use unchanged with respect to 2015.	

SUPPLY CHAIN		
RESULTS		
TARGETS		COMPLIANCE
Continue to require suppliers to include environmental clauses in their purchasing and contracting processes.		Environmental clauses have been included, as described in the section on suppliers in Chapter 3 of this document.
Continue increasing the use of hybrid paper.		This challenge was not met, with hybrid paper use going from 69.83% to 58.56% in 2015, due to fewer requests for this type of paper, especially in the second half of the year. In an effort to meet this target in 2016, Isdefe will implement more exhaustive checks of requests every quarter and promote requests for hybrid paper.

CHALLENGES		
TARGETS		
Continue to require suppliers to include environmental clauses in their purchasing and contracting processes whenever allowed by their scope.		
Continue increasing the use of hybrid paper.		

SOCIETY		
RESULTS		
TARGETS		COMPLIANCE
Publication of the Social Action Programme		Goal planned as part of the 2014-2016 Strategic Plan and within the Marketing and CSR Master Plan. Numerous social initiatives were undertaken in 2015, as described in Chapter 3, investment section. The directives of the Social Action Programme were also defined.
Consolidated implementation of the Code of Ethics		

CHALLENGES		
Launch of the Social Action Programme		
Creation of a CSR Observatory to implement good corporate practices and promote strategic alliances with our clients in the area of CSR.		

# PRINCIPLES FOR WRITING THE CSR REPORT

This 2015 Annual Report is the seventh edition of the CSR report written as per the new standards specified in version G4 of the Global Reporting Initiative (GRI), and is deemed to be “In accordance - Comprehensive”. In addition, Isdefe lists in the table of GRI indicators its compliance with the 10 principles of the United Nations Global Compact, thus also responding to the commitment accepted as a signatory of this Compact to present an annual Progress Report.

## PRINCIPLES FOR DEFINING REPORT CONTENT

---

The new G4 version requires defining the materiality analysis process that is used to identify areas of relevance to Isdefe and its stakeholders. Isdefe applies the principles contained in the guidelines for sustainable reporting to determine the content. These principles detail the process for deciding what information to include in the report based on the activities, their repercussions and the expectations of stakeholders. These principles are described below:

### STAKEHOLDER INCLUSIVENESS

Since the creation of the CSR Unit in 2009, Isdefe has defined in its CSR strategy those stakeholders that affect the conduct of its activity and with which it has set up channels of communication, ongoing dialogue and transparency, as described in page 22 of the first chapter of this report.

These aspects were analysed and evaluated using internal and external sources.

*Internal sources:* Obtained from the 2014-2016 Isdefe Strategic Plan and the resulting corporate plans, the Annual Accounts, the Criminal Risk Prevention Plan, the Marketing and CSR Plan, the Coordination and Management Guidance Committees, as well as the Employee Representation Committee and the findings drawn from the constant engagement with stakeholders through the various communications channels in place.

### SUSTAINABILITY CONTEXT

When writing this report, the three aspects of sustainability were considered: financial, social and environmental. Isdefe considered the sustainability context in its daily activities, noting that the actions and policies carried out adhere to CSR criteria and comply with the national and international settings in which it operates.

*External sources:* Imposed by applicable laws, public policies that affect the company, the media and various external studies published nationally in the area of CSR.

### MATERIALITY

The process used to determine the relevant material aspects covered in this Annual Report was as follows:

#### 1. Identification of relevant topics

Isdefe conducted a materiality study based on the listing of aspect categories defined in the Global Reporting Initiative, these being:

1. Financial aspects
2. Social aspects, including labour practices, human rights, society and product responsibility.
3. Environmental aspects

#### 2. Prioritisation.

The second step in determining the materiality was to prioritise those aspects that affect the organization's capability, taking into account the assessments and decisions of stakeholders and the importance of company's economic, social and environmental impacts. A materiality matrix was used to prioritise and evaluate the most important aspects to the organization.

#### 3. Materiality results

The last part of the process was to obtain a list of aspects that are relevant to the company's financial, social and environmental performance and that were used to determine the content of this Annual Report.

Financial performance

- Financial performance
- Market presence and international outlook
- Areas of Activity
- Innovation
- Client satisfaction
- The supply chain

Social Aspects

- Labour Relations
- Employees
- Training
- Health and Safety
- Diversity and Equal Opportunity
- Ethics and Good Governance
- Social investment
- Promotion of Knowledge and Excellence

Environmental aspects

- Compliance with EMS
- Managing Consumption and Waste
- Carbon Footprint

In addition to those aspects identified as relevant, Isdefe accounts for other subjects of interest and that provide greater transparency to the organization.

**Principles of Completeness:**

The principle of completeness covers the following aspects:

Scope: In this report, Isdefe accounts for those areas that have been identified as relevant to the organization.

Aspect boundary: The information included in this Report refers to the activity undertaken by Isdefe.

Time: The information presented is for 2015, though reference data from the two previous years are included to facilitate the evaluation of the current situation and ensure the quality of the information provided.

## PRINCIPLES FOR DEFINING REPORT QUALITY

---

The information provides suitable quality guarantees as it is based on the following principles:

Balance: The annual report clearly presents the positive and negative aspects of Isdefe's performance and includes the level of compliance with respect to the previous year's commitment, thus allowing the reader to make a reasonable assessment of the organization's social responsibility.

Comparability: The information contained in this annual report includes, whenever possible, figures from the last three years.

Accuracy: All of the information contained in this report is accurate and sufficiently detailed so that stakeholders can properly judge the company's performance.

Timeliness: Isdefe is publishing its seventh CSR Report as tangible proof of its commitment to CSR.

Clarity: The information is presented in a way that is understandable, accessible and useful.

Reliability: The data contained in this report is supported by the management systems of the various departments responsible for the data. Said systems are managed rigorously and transparently.



## PARTICIPACIÓN DE LOS GRUPOS DE INTERÉS

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G4-31	Punto de contacto para cuestiones relativas al reporte o su contenido	2
G4-32	Nivel alcanzado, Tabla GRI de indicadores y referencia a la verificación externa del Reporte	129

## PERFIL DE LA MEMORIA

G4-33	Política y práctica sobre verificación externa	No se ha solicitado verificación externa
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## GOBIERNO CORPORATIVO

G4-34	Estructura de gobierno de la organización y sus comités	106-113
G4-35	Proceso de delegación de autoridad en temas económicos, ambientales y sociales del máximo órgano de gobierno hacia los altos ejecutivos y otros empleados.	108-109, 111-113
G4-36	Designación de una posición ejecutiva o no ejecutiva con responsabilidad en temas económicos, ambientales y sociales, y si la misma reporta directamente al máximo órgano de gobierno	112-113
G4-37	Procesos de consulta entre los grupos de interés y el máximo órgano de gobierno, en temas económicos, ambientales y sociales	112-113
G4-38	Composición del máximo órgano de gobierno y sus comités	106-113
G4-39	Indicar si el presidente del máximo órgano de gobierno ocupa también un cargo ejecutivo	El Presidente no ocupa un cargo ejecutivo
G4-40	Procesos de nominación y selección para el máximo órgano de gobierno y sus comités, y criterio utilizado para la nominación y selección de los miembros del máximo órgano de gobierno	106-113
G4-41	Procedimientos para evitar y gestionar conflictos de intereses en el máximo órgano de gobierno	109
G4-42	Describe las funciones del órgano superior de gobierno y de la alta dirección en el desarrollo, la aprobación y la actualización del propósito, los valores o las declaraciones de misión, las estrategias, las políticas y los objetivos relativos a los impactos económico, ambiental y social de la organización	108-109, 111
G4-43	Medidas adoptadas para desarrollar y mejorar el conocimiento del máximo órgano de gobierno de los temas económicos, ambientales y sociales	106-113
G4-44	Procesos de evaluación del desempeño de órgano superior de gobierno con respecto a la gobernanza de los temas económicos, ambientales y sociales	106-113
G4-45	Función del órgano superior de gobierno en la identificación y gestión de los impactos, riesgos y oportunidades de carácter económico, ambiental y social	106-113

G4-46	Rol del máximo órgano de gobierno en el análisis de la eficacia de los procesos organizacionales de gestión del riesgo de temas económicos ambientales y sociales		106-113
G4-47	Frecuencia de supervisión del máximo órgano de gobierno sobre impactos, riesgos y oportunidades económicas, ambientales y sociales		106-113
G4-48	Máximo comité o posición que revisa y aprueba formalmente el reporte de sostenibilidad de la organización y asegura que todos los aspectos materiales estén cubiertos		109
G4-49	Proceso para comunicar preocupaciones críticas al máximo órgano de gobierno		109
G4-50	Naturaleza y número total de preocupaciones críticas que fueron comunicadas al máximo órgano de gobierno y mecanismos utilizados para su resolución		109
G4-51	Políticas remunerativas para el órgano superior de gobierno y la alta dirección		109
G4-52	Proceso para determinar la remuneración		109
<b>GOBIERNO CORPORATIVO</b>			
G4-53	Indicar cómo son consideradas y tenidas en cuenta las opiniones de los grupos de interés en relación a la remuneración		109
G4-54	Relación entre la retribución total anual de la persona mejor pagada de la organización en cada país donde se lleven a cabo operaciones significativas con la retribución total anual media de toda la plantilla del país correspondiente		No se tiene información sobre este dato
G4-55	Ratio entre el incremento porcentual de la compensación total del individuo mejor pagado y el incremento porcentual promedio de la compensación total anual para todos los empleados, en cada país de operaciones significativas		No se tiene información sobre este dato
<b>ÉTICA E INTEGRIDAD</b>			
G4-56	Declaraciones de misión, valores y códigos de conducta	GC10	10,114
G4-57	Mecanismos internos y externos para el asesoramiento sobre comportamiento ético y legal, y asuntos relacionados con la integridad organizacional, tales como líneas de ayuda	GC10	114-115
G4-58	Mecanismos internos y externos para reportar preocupaciones sobre comportamiento no ético o ilegal, y asuntos relacionados con la integridad organizacional, tales como la denuncia de irregularidades o líneas directas	GC10	115

## INDICADORES ESPECÍFICOS

DESCRIPCIÓN	PACTO MUNDIAL	PÁGINA
<b>DESEMPEÑO ECONÓMICO</b>		
Desempeño Económico		
Enfoque de Gestión		14-15
G4-EC1	Valor económico directo generado y distribuido	14-15,120-122
G4-EC2	Consecuencias económicas y otros riesgos y oportunidades para las actividades de la organización que se derivan del cambio climático.	Principio 7 No existen implicaciones, riesgos y oportunidades debido al cambio climático en relación a las actividades de Isdefe.
G4-EC3	Cobertura de las obligaciones de la organización derivadas de su plan de prestaciones.	78. Plan de Pensiones inactivo desde el año 2012 según Real Decreto Ley 20/2011 de 30 de diciembre, de medidas urgentes en materia presupuestaria, tributaria y financiera para la corrección del déficit público.
G4-EC4	Ayudas económicas recibidas otorgadas por entes del gobierno.	68, 120-122
<b>PRESENCIA EN EL MERCADO</b>		
G4-EC5	Relación entre el salario inicial estándar y el salario mínimo local por género en lugares donde se desarrollan operaciones significativas.	Principio 6 78
G4-EC6	Porcentaje de altos directivos procedentes de la comunidad local, en lugares donde se desarrollan operaciones significativas.	Principio 6 Las necesidades de contratación local no son relevantes en la actividad de Isdefe en el extranjero.
<b>IMPACTOS ECONÓMICOS INDIRECTOS</b>		
G4-EC7	Desarrollo e impacto de las inversiones en infraestructuras y los servicios	15, 120-122
G4-EC8	Impactos económicos indirectos significativos, y su alcance.	87,94
<b>PRÁCTICAS DE CONTRATACIÓN</b>		
Enfoque de Gestión		94-95
G4-7	Porcentaje del gasto en los lugares con operaciones significativas que corresponde a proveedores locales.	94
<b>DESEMPEÑO AMBIENTAL</b>		
<b>MATERIALES</b>		
Enfoque de Gestión		96
G4-EN1	Materiales utilizados, por peso o volumen	Principio 7,8 101-103
G4-EN2	Porcentaje de materiales utilizados que son reciclados	Principio 8 95

ENERGÍA			
Enfoque de Gestión			97
G4-EN3	Consumo energético interno	Principio 7,8	97
G4-EN4	Consumo energético externo	Principio 8	97
G4-EN5	Intensidad energética	Principio 8	97
G4-EN6	Reducción del consumo energético	Principio 8,9	98-99
G4-EN7	Reducciones de los requisitos energéticos de los productos y servicios.	Principio 8,9	98-99
AGUA			
Enfoque de Gestión			100
G4-EN8	Captación total de agua según la fuente.	Principio 7,8	100
G4-EN9	Fuentes de agua que han sido afectadas significativamente por la captación de agua.	Principio 8	100
G4-EN10	Porcentaje y volumen total de agua reciclada y reutilizada.	Principio 8	100
BIODIVERSIDAD			
G4-EN11	Instalaciones operativas propias, arrendadas, gestionadas que sean adyacentes, contengan o estén ubicadas en protegidas y áreas no protegidas de gran valor para la biodiversidad.	Principio 7-9	Las instalaciones de Isdefe están ubicadas en terrenos urbanos, excepto el Complejo de Comunicaciones del Espacio Profundo de Madrid (MDSCC) situado en el término municipal de Robledo de Chabela.
G4-EN12	Descripción de los impactos más significativos en la biodiversidad de áreas protegidas o áreas de alto valor en términos de diversidad biológica no protegidas que se derivan de las actividades, los productos y los servicios.		No se tienen datos.
G4-EN13	Hábitats protegidos o restaurados.	Principio 7-9	El MDSCC se encuentra en una Zona de Especial Protección para Aves (04 ZEPA ES0000056, "Encinares de los ríos Alberche y Cofio").
G4-EN14	Número de especies incluidas en la Lista Roja de la UICN y en listados nacionales de conservación cuyos hábitats se encuentran en áreas afectadas por las operaciones, según el nivel de peligro de extinción de la especie.	Principio 7-9	Este Espacio Protegido constituye un área clave para la conservación de diversas especies de aves singulares incluidas en el anexo I de la Directiva "Aves", tales como el águila imperial ibérica, águila real, halcón peregrino, buitre negro y cigüeña negra.
EMISIONES			
Enfoque de Gestión			103
G4-EN15	Emissiones directas de gases de efecto invernadero (Alcance 1).	Principio 7-9	103

G4-EN16	Emissiones indirectas de gases de efecto de invernadero (Alcance 2).	Principio 7-9	103
G4-EN17	Otras emisiones indirectas de gases de efecto invernadero (Alcance 3), ambientales y sociales.		No se tienen datos.
G4-EN18	Intensidad de las emisiones de gases de efecto de invernadero.		No se tienen datos.
G4-EN19	Reducción de las emisiones de gases de efecto de invernadero.	Principio 7-9	98-99
G4-EN20	Emissiones de sustancias destructoras de la capa de ozono.	Principio 7-9	En 2015 no se han emitido este tipo de sustancias.
G4-EN21	NOX, SOX y otras emisiones atmosféricas significativas.		No se tienen datos.
<b>EFLUENTES Y RESIDUOS</b>			
Enfoque de Gestión			102-103
G4-EN22	Vertido total de aguas, según su calidad y destino.	Principio 8	100
G4-EN23	Peso total de los residuos, según tipo y método de tratamiento.	Principio 8	102
G4-EN24	Número y volumen totales de los derrames significativos.	Principio 8	Ninguno.
G4-EN25	Peso de los residuos transportados, importados, exportados o tratados que se consideran peligrosos en virtud de los anexos i,ii, y viii del convenio de Basilea2, y porcentaje de residuos transportados internacionalmente.	Principio 8	Isdefe no transporta, importa ni exporta residuos peligrosos.
G4-EN26	Identificación, tamaño, estado de protección y valor en términos de biodiversidad de las masas de agua y los hábitats relacionados afectados significativamente por vertidos y escorrentía procedentes de la organización.	Principio 8	Isdefe no realiza vertidos de agua desde ninguna de sus instalaciones.
<b>PRODUCTOS Y SERVICIOS</b>			
Enfoque de Gestión			96
G4-EN27	Mitigación del impacto ambiental de los productos y servicios.	Principio 7-9	64-67, 98-106
G4-EN28	Porcentaje de productos vendidos, y sus materiales de embalaje, que se recuperan al final de su vida útil, desglosado por categoría.	Principio 8	Dada la naturaleza de la actividad de Isdefe, como proveedor de servicios profesionales, no vende productos que utilicen materiales de embalaje.
<b>CUMPLIMIENTO NORMATIVO</b>			
Enfoque de Gestión			98
G4-EN29	Valor monetario de multas significativas y número de sanciones no monetarias por incumplimiento de la normativa ambiental.	Principio 8	No se han generado incidentes de este tipo. 96
<b>TRANSPORTE</b>			
G4-EN30	Impactos ambientales significativos del transporte de productos y otros bienes y materiales utilizados para las actividades de la organización, así como del transporte de personal.	Principio 8	Isdefe no realiza transporte de productos y otros bienes y materiales que sean significativos en su actividad empresarial.

## INVERSIONES AMBIENTALES

G4-EN31	Desglose de gastos e inversiones para la protección de medio ambiente.	Principio 7-9	96
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## EVALUACIÓN AMBIENTAL DE PROVEEDORES

Enfoque de Gestión			94-95
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G4-EN32	Porcentaje de nuevos proveedores que fueron evaluados en función de criterios ambientales.	Principio 8	En Isdefe se contratan principalmente servicios siendo la cifra del porcentaje muy baja. 95
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G4-EN33	Impactos ambientales negativos significativos reales y potenciales en la cadena de suministro, y medidas adoptadas.	Principio 8	Ninguno. En Isdefe se contratan principalmente servicios no siendo aplicable. 95
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## RECLAMACIONES AMBIENTALES

G4-EN34	Número de reclamos ambientales que se han presentado, abordado y resuelto mediante mecanismos formales de reclamación.	Principio 8	Ninguno.
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## DESEMPEÑO SOCIAL: PRÁCTICAS LABORALES Y TRABAJO DIGNO

## EMPLEO

Enfoque de Gestión			76-79
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G4-LA1	Número y tasa de nuevos empleados contratados y rotación media de empleados, desglosados por edad, género y región.	Principio 6	77
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G4-LA2	Prestaciones sociales para los empleados a jornada completa que no se ofrecen a los empleados temporales o a media jornada, desglosado por ubicaciones significativas de actividad.		78
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G4-LA3	Índices de reincorporación al trabajo y de retención tras la baja por maternidad o paternidad, desglosados por género.	Principio 6	79
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## RELACIONES ENTRE LOS TRABAJADORES Y LA DIRECCIÓN

Enfoque de Gestión			78
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G4-LA4	Período(s) mínimo(s) de preaviso relativo(s) a cambios organizativos.	Principio 6	Los periodos mínimos de comunicación cumplen la legislación vigente (15 días).
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## SEGURIDAD Y SALUD

Enfoque de Gestión			80-81
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G4-LA5	Porcentaje del total de trabajadores que está representado en comités de salud y seguridad conjuntos de dirección-empleados, establecidos para ayudar a controlar y asesorar sobre programas de seguridad y salud en el trabajo.		80
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G4-LA6	Tipo y tasas de absentismo, enfermedades profesionales, días perdidos y número de víctimas mortales relacionadas con el trabajo por región y género		80
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G4-LA7	Trabajadores con alta incidencia o riesgo de contraer enfermedades relacionadas con su ocupación.		80
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G4-LA8	Asuntos de salud y seguridad cubiertos en acuerdos formales con sindicatos.		80
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**FORMACIÓN Y EDUCACIÓN**

Enfoque de Gestión 82-83

G4-LA9 Promedio de horas de formación al año por empleado, desglosado por género y por categoría de empleado. Principio 6 84

G4-LA10 Programas de gestión de habilidades y de formación continua. 82-83

G4-LA11 Porcentaje de empleados que reciben evaluaciones regulares del desempeño y de desarrollo profesional, por categoría profesional y por género. Principio 6 78

**DIVERSIDAD E IGUALDAD DE OPORTUNIDADES**

Enfoque de Gestión 79

G4-LA12 Órganos de gobierno corporativo y plantilla por categoría profesional, edad, género y pertenencia a minorías y otros indicadores de diversidad. Principio 6 79,113

**IGUALDAD DE RETRIBUCIÓN ENTRE MUJERES Y HOMBRES**

Enfoque de Gestión 78

G4-LA13 Relación entre el salario base de los hombres con respecto al de las mujeres, desglosado por ubicaciones significativas de actividad. Principio 6 78

**EVALUACIÓN DE LAS PRÁCTICAS LABORALES DE LOS PROVEEDORES**

Enfoque de Gestión 94

G4-LA14 Porcentaje de nuevos proveedores que fueron evaluados en función de criterios de prácticas laborales.

La contratación se rige por la LCSP. En ninguna de las actividades de Isdefe y/o subcontrataciones se producen situaciones que alteren los derechos humanos. Isdefe está adherida al Pacto Global y cumple escrupulosamente la legislación vigente.

G4-LA15 Impactos negativos significativos reales y potenciales sobre prácticas laborales en la cadena de suministro, y medidas adoptadas.

La contratación se rige por la LCSP. En ninguna de las actividades de Isdefe y/o subcontrataciones se producen situaciones que alteren los derechos humanos. Isdefe está adherida al Pacto Global y cumple escrupulosamente la legislación vigente.

**MECANISMOS DE RECLAMACIÓN SOBRE PRÁCTICAS LABORALES**

Enfoque de Gestión

G4-LA16 Número de reclamaciones sobre prácticas laborales que se han presentado, abordado y resuelto mediante mecanismos formales de reclamación. Se han presentado 50 reclamaciones.

## DESEMPEÑO SOCIAL: DERECHOS HUMANOS

## INVERSIÓN

## Enfoque de Gestión

G4-HR1	Porcentaje y número total de acuerdos y contratos de inversión significativos que incluyan cláusulas incorporando preocupaciones por los derechos humanos o que hayan sido objeto de análisis en materia de derechos humanos.	Principio 2	Isdefe no ha desarrollado este tipo de acuerdos y debido a la naturaleza de sus actividades y su ubicación no se prevén riesgos de violación de los derechos humanos. Los procesos de contratación de Isdefe cumplen con el Texto Refundido de la LCSP.
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G4-HR2	Horas de formación de empleados sobre políticas y procedimientos relacionados a los derechos humanos, incluyendo porcentaje de empleados formado.	Principio 1	75 empleado realizaron el curso de formación del Código Ético donde se abordan aspectos de derechos humano.
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## NO DISCRIMINACIÓN

G4-HR3	Número total de incidentes de discriminación y medidas correctivas adoptadas.	Principio 6	Se ha registrado un incidente de discriminación.115
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## LIBERTAD DE ASOCIACIÓN Y NEGOCIACIÓN COLECTIVA

G4-HR4	Identificación de centros y proveedores en los que la libertad de asociación y el derecho de acogerse a convenios colectivos pueden infringirse o estar amenazados, y medidas adoptadas para defender estos derechos.	Principio 3	No se ha detectado ninguna actividad de Isdefe donde puedan surgir estos riesgos. 78
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## EXPLOTACIÓN INFANTIL

G4-HR5	Actividades y proveedores significativos identificados que conllevan un riesgo potencial de incidentes de explotación infantil, y medidas adoptadas para contribuir a su eliminación.	Principio 5	En ninguna de las actividades de Isdefe y/o subcontrataciones se produce situaciones de explotación infantil. Isdefe está adherida al Pacto Mundial y cumple escrupulosamente la legislación vigente.
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## TRABAJO FORZOSO

G4-HR6	Operaciones y proveedores significativos identificados como de riesgo significativo de ser origen de episodios de trabajo forzado o no consentido, y las medidas adoptadas para contribuir a su eliminación.	Principio 4	En ninguna de las actividades de Isdefe y/o subcontrataciones se produce situaciones de trabajo forzado. Isdefe está adherida al Pacto Mundial y cumple escrupulosamente la legislación vigente.
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## MEDIDAS DE SEGURIDAD

G4-HR7	Porcentaje de personal de seguridad que ha recibido capacitación sobre las políticas o procedimientos de la organización en materia de derechos humanos relevantes para las operaciones.	Principio 1	Isdefe está adherida al Pacto Mundial y cumple escrupulosamente con la legislación vigente. 88
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## DERECHOS DE LA POBLACIÓN INDÍGENA

G4-HR8	Número total de incidentes relacionados con violaciones de los	Principio 1	Isdefe no realiza actividades que puedan violar los derechos de los indígenas.
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**EVALUACIÓN**

G4-HR9	Porcentaje y número total de operaciones que han sido objeto de evaluaciones de sus impactos en Derechos Humanos.	Principio 1	Las operaciones de Isdefe no requieren este tipo de revisiones.
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**EVALUACIÓN DE PROVEEDORES SOBRE DERECHOS HUMANOS**

Enfoque de Gestión		94-95	
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G4-HR10	Porcentaje de nuevos proveedores que fueron evaluados utilizando criterios de derechos humanos.	Principio 2	La contratación se rige por el Texto Refundido de la LCSP. En ninguna de las actividades de Isdefe y/o subcontrataciones se producen situaciones que alteren los derechos humanos. Isdefe está adherida al Pacto Global y cumple escrupulosamente la legislación vigente.
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G4-HR11	Impactos negativos significativos reales y potenciales sobre derechos humanos en la cadena de suministro, y medidas adoptadas.	Principio 2	La contratación se rige por el Texto Refundido de la LCSP. En ninguna de las actividades de Isdefe y/o subcontrataciones se producen situaciones que alteren los derechos humanos. Isdefe está adherida al Pacto Global y cumple escrupulosamente la legislación vigente.
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**MECANISMOS DE RECLAMACIÓN EN MATERIA DE DERECHOS HUMANOS**

G4-HR12	Número de reclamaciones sobre derechos humanos que se han presentado, abordado y resuelto mediante mecanismos formales de reclamación.	Principio 2	No se han registrado incidentes de esta naturaleza.
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**DESEMPEÑO SOCIAL: SOCIEDAD**

**COMUNIDADES LOCALES**

Enfoque de Gestión		84-87	
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G4-SO1	Porcentaje de operaciones con engarzamiento con la comunidad local en la ejecución, las evaluaciones de impacto, y los programas de desarrollo.	Principio 1	84-87
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G4-SO2	Operaciones con importantes repercusiones negativa reales o potenciales en las comunidades locales.	Principio 1	Isdefe no realiza acciones de esta naturaleza.
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**LUCHA CON LA CORRUPCIÓN**

Enfoque de Gestión		114-117	
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G4-SO3	Número y porcentaje de centros en los que se han evaluado riesgos relacionados con la corrupción y riesgos significativos detectados.	Principio 10	114-115
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G4-SO4	Políticas y procedimientos de comunicación y formación sobre la lucha contra la corrupción		
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G4-SO5	Casos confirmados de corrupción y medidas adoptadas.	Principio 10	Durante 2015 no ha habido ningún incidente de corrupción. Isdefe tiene unos mecanismos de control internos y externos para evitar este tipo de incidencias. 114-115
<b>POLÍTICAS PÚBLICAS</b>			
Enfoque de Gestión			114-115
G4-SO6	Valor de las contribuciones políticas, por país y destinatario.	Principio 10	Isdefe no realiza aportaciones de esta naturaleza.
<b>PRÁCTICAS DE COMPETENCIA DESLEAL</b>			
Enfoque de Gestión			114-115
G4-SO7	Número de procedimientos legales por causas relacionadas con prácticas monopolísticas y contra la libre competencia, y sus resultados.		No se ha tenido conocimiento de ninguna sanción por este motivo.
<b>CUMPLIMIENTO NORMATIVA</b>			
G4-SO8	Valor monetario de sanciones y multas significativas y número Total de sanciones no monetarias derivadas del incumplimiento de las leyes y regulaciones.		No se ha tenido conocimiento de ninguna sanción por este motivo.
<b>EVALUACIÓN DE PROVEEDORES</b>			
G4-SO9	Porcentaje de nuevos proveedores que se examinaron en función de criterios relacionados con la repercusión social.		Ninguno. La contratación se rige por el Texto Refundido de la LCSP. En ninguna de las actividades de Isdefe y/o subcontrataciones se producen situaciones que alteren los derechos humanos. Isdefe está adherida al Pacto Global y cumple escrupulosamente la legislación vigente.
G4-SO10	Medidas de prevención y de mitigación aplicadas en operaciones con importantes repercusiones negativas reales o potenciales en las comunidades locales.		Isdefe no realiza aportaciones de esta naturaleza.
<b>MECANISMOS DE RECLAMACIÓN POR IMPACTO SOCIAL</b>			
G4-SO11	Número de reclamaciones sobre impactos en la sociedad presentadas, tratadas, y resueltas a través de mecanismos formales.		Ninguna
<b>MECANISMOS DE RECLAMACIÓN POR IMPACTO SOCIAL</b>			
<b>SALUD Y SEGURIDAD DE LOS CLIENTES</b>			
Enfoque de Gestión			
G4-PR1	Porcentaje de categorías de productos y servicios significativos cuyos impactos en materia de salud y seguridad se han evaluado para promover mejoras.		La actividad de Isdefe no incluye productos ni servicios que puedan afectar a la seguridad y la salud de los clientes.

G4-PR2	Número de incidentes derivados del incumplimiento de la normativa o de los impactos de los productos y servicios en la salud y la seguridad durante su ciclo de vida, desglosados en función de tipo de resultados de dichos incidentes.	Los servicios ofrecidos por Isdefe no tienen impacto significativo sobre la salud o seguridad.
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**ETIQUETADO DE PRODUCTOS Y SERVICIOS**

Enfoque de Gestión

G4-PR3	Tipos de información sobre los productos y servicios que son requeridos por los procedimientos en vigor y la normativa, y porcentaje de productos y servicios sujetos a tales requerimientos informativos.	Isdefe comunica de forma constante a sus clientes toda la información necesaria sobre los servicios que proporciona, aplicando la legislación vigente al respecto.
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G4-PR4	Número total de incumplimientos de la regulación y de los códigos voluntarios relativos a la información y al etiquetado de los productos y servicios, distribuidos en función del tipo de resultado de dichos incidentes.	No se han registrado incidentes de esta naturaleza.
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G4-PR5	Resultados de las encuestas para medir la satisfacción de los clientes.	75
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**COMUNICACIÓN MERCADOTECNIA**

Enfoque de Gestión

G4-PR6	Venta de productos prohibidos o en litigio	Isdefe no vende productos de esta naturaleza.
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G4-PR7	Número total de incidentes fruto del incumplimiento de las regulaciones relativas a las comunicaciones de marketing, incluyendo la publicidad, la promoción y el patrocinio, distribuidos en función del tipo de resultado de dichos incidentes.	No se ha detectado ningún incidente de este tipo.
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**PRIVACIDAD DEL CLIENTE**

Enfoque de Gestión

G4-PR8	Número total de reclamaciones debidamente fundamentadas en relación con el respeto a la privacidad y la fuga de datos personales de clientes.	No se ha tenido conocimiento de ningún incidente de este tipo.
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**CUMPLIMIENTO REGULATORIO**

G4-PR9	Coste de aquellas multas significativas fruto del incumplimiento de la normativa en relación con el suministro y el uso de productos y servicios	No se ha detectado ningún incidente de este tipo.
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