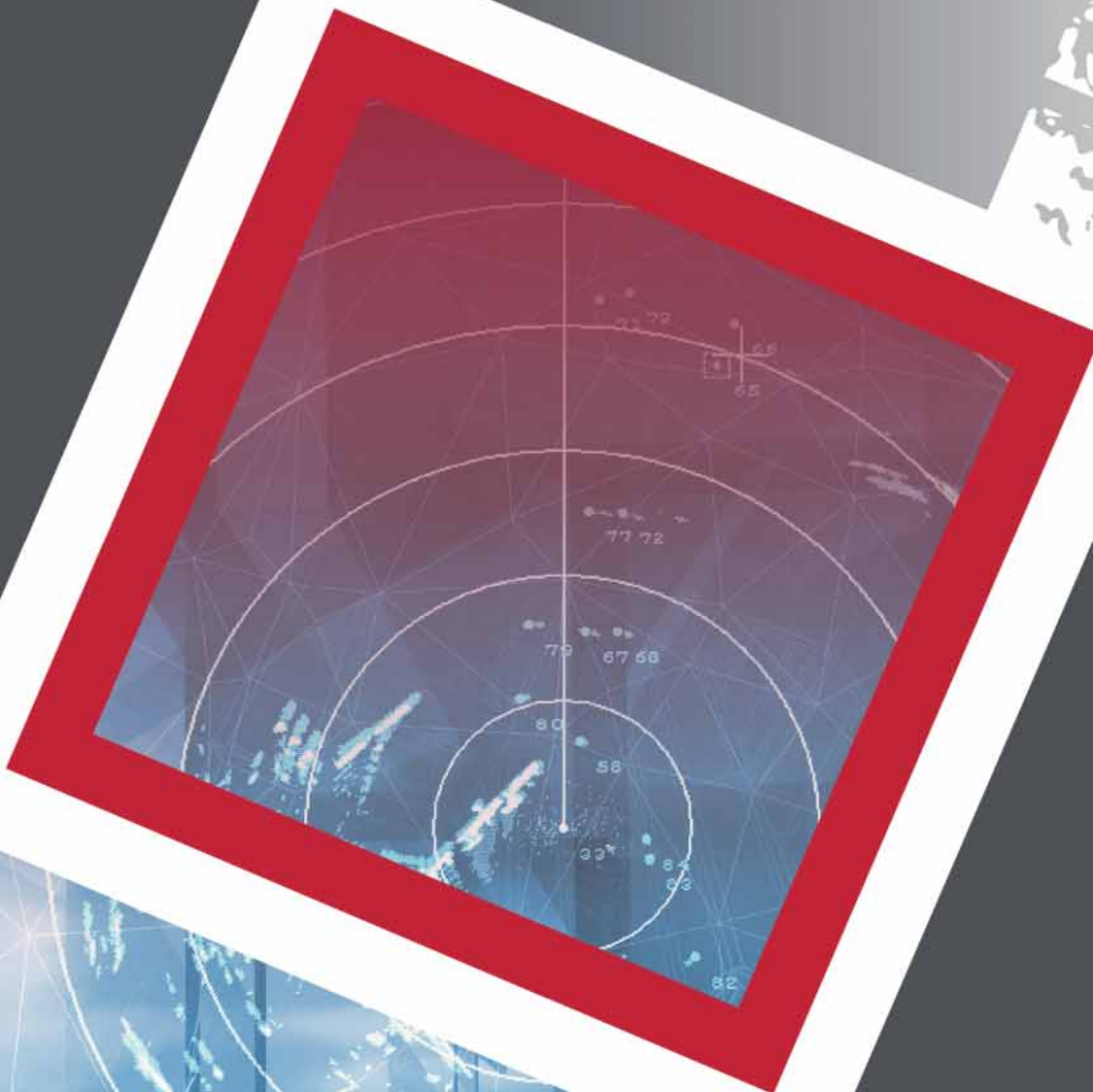


Annual Report
2016
EXECUTIVE SUMMARY



Isdefe
your best ally

Annual Report 2016

EXECUTIVE SUMMARY

This document is a summary of the 2016 Isdefe Annual Report, a sustainable document that reports on the organisation's performance over the course of the year in three main areas: financial, social and environmental.

For eight years now, Isdefe has been publishing a report annually according to the directives and principles of the Global Reporting Initiative (GRI), which specifies the methods for determining the content, scope and coverage of the document and ensures the quality of the information presented. The information contained in this document complies with the requirements contained in version G4 of the GRI, "exhaustive" option, the most demanding guidelines for preparing sustainability reports.

As part of its environmental commitment, Isdefe is publishing the 2016 Annual Report digitally on its website, www.isdefe.es, along with a very limited number of paper editions.



The organisation

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Activities report

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Commitments to our stakeholders

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www.informeanualisdefe.es



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LETTER FROM THE PRESIDENT

It is an honour for me to present for the first time the Isdefe Annual Report, which reflects the activity carried out by the company and its financial, social and environmental management over the course of 2016, when I took over the post of Secretary of State for Defence and became President of the organisation.

Isdefe was created in the 1980s in order to, as described in the Council of Ministers agreement, "have at its service highly qualified technical personnel able to undertake the task of specifying the technical needs that, stemming from the Joint Strategic Plan, define the Military Staffs from an operational standpoint". Since then, Isdefe has become a leader in systems engineering in Spain. Today, with our society facing new risks and threats, the function that the company performs as the In house technical service provider is just as relevant as it was when it was created. Its experience in providing engineering and consulting services to the Ministry of Defence make it a powerful instrument for facing the challenges of the future, such as aiding in defining new programmes and boosting Spain's involvement in the European Defence Action Plan, to cite some examples.

I should also like to underscore the organisation's ability to project its know-how into other areas of the Public Administration, providing crucial and continuous support to the public sector as part of its effort to increase the efficiency of the services it offers the nation through the use of new technologies and by adopting new organisations and procedures. Also worth noting is Isdefe's commitment to innovation, which has turned it into the benchmark for European R&D programmes through its participation in international projects like the European Commission's Horizon 2020 Framework Programme.



Agustín Conde Bajén
Secretary of State for Defence
President of Isdefe

Finally, I would like to thank the entities and organisations who, year after year, place their trust in Isdefe's services, as well as to acknowledge the talent, dedication and efforts of our staff.

These men and women are without a doubt the organisation's finest asset, and I encourage them to keep up the good work so that Isdefe can continue to be the best ally to the Ministry of Defence and to the public administration.

LETTER FROM THE CEO

It is my pleasure to present the Isdefe Annual Report for 2016, which offers an overview of the activities carried out by the company, its financial results and relevant information on sustainability and corporate social responsibility.

In 2016, we progressed in the strategic areas specified, consolidating our condition as the In house technical service provider of the Public Administrations in technological areas, primarily in Defence and Security, as well as in those that are required of us due to their high specialisation, such as transport, space, modernisation of Public Administrations, ICT, sustainable energy and innovation.

The year 2016 saw the continued recovery of the company's activity already begun in recent years, with a 3.37% increase in turnover with respect to 2015, primarily due to activities relating to our status as the in-house service provider to the Public Administration.

As concerns our international activity, the company focused on supporting multinational organisations and institutions, including the North Atlantic Treaty Organization, the European Defence Agency, the European Space Agency, the European Global Navigation Satellite Systems Agency, the European Border Agency and the Organization for Security and Co-operation in Europe. Also of note is the support we provide to the National Aeronautics and Space Administration (NASA) through the agreement between the governments of Spain and the United States.

Another aspect worth noting is Isdefe's support for internal innovation projects that promote the generation and sharing of knowledge among all our employees. I would also like to note the company's commitment to training, with an investment of 1.04 million euros. This training focused primarily on technical subjects, with special emphasis in areas of strategic interest.



Francisco Quereda Rubio
CEO of Isdefe

In 2016, Isdefe continued to promote activities to enhance its Corporate Social Responsibility, including the Board of Directors' approval of the Criminal Risk Prevention Manual, indicative of the company's pledge to transparent and socially responsible management.

Finally, I would like to express my appreciation to the company's Board of Directors for its support during the year, as well as to all our employees for their commitment and effort to strengthen this common project that is Isdefe.

THE ORGANISATION

IN-HOUSE PROVIDER OF REFERENCE IN DEFENCE AND SECURITY SERVICES

Ingeniería de Sistemas para la Defensa de España, S.A., S.M.E, M.P. is a state-owned public company created in 1985 and owned by the Ministry of Defence.

Isdefe is the Spanish Administration in-house technical service provider of reference in the area of Defence and Security, and as such, it renders services to the Ministry of Defence, the Ministry of the Interior and to the rest of Spanish Administration. We also make our knowledge and experience available to the Public Administration of allied nations and international public organisations, which allows us to have a presence on initiatives that are of interest to Defence and Security and to enhance our activity as an in-house provider.

As a state-owned public company, Isdefe operates under a cost-recovery model to ensure its own sustainability.

STRATEGY AND OBJECTIVES

In the past year, Isdefe focused its efforts in the Defence and Security sector while at the same time projecting its know-how, synergies and experience in Public Administration, air transport, ICT, energy and space to those activities that comprise the company's objectives.

The company also enhanced the transparency of its activity by actively continuing to publish institutional, organisational, financial and budgetary information and by approving the Criminal Risk Prevention Programme.

The implementation of the 2014-2016 Strategic Plan contributed to shaping the Company as a reference and technology instrument for the Ministry of Defence and for Public Administrations as a whole.

MISSION, VISION AND VALUES

MISSION

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

VISION

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




148,02 M€
turnover


1,35 M€
in R&D projects


6,82 M€
net profit

 
590 996
women men

VALUES



Independence: we set ourselves apart by always defending the Spanish Administrations interests in the face of any industrial, commercial or financial factors.

Integrated Vision: we are a multidisciplinary organisation with a wide range of professionals who, combined, provide integrated coverage in the provision of their services.

Proactivity: we anticipate needs, providing innovative solutions.

Commitment: we work ethically and professionally and are committed to the entities we work for, to our organisation and to the rest of society.

Experience and know-how: our activity relies on providing knowledge developed over more than 30 years rendering services and offering efficient solutions.

INTERNATIONAL PRESENCE

Isdefe engages in international activity based on criteria such as playing a role in the initiatives and organisations of interest to defence and security, aligning its activities with the needs of the Ministry of Defence and acquiring know-how and capabilities to enhance its function as an in-house service provider. To this end, Isdefe's activities are geared primarily toward its participation in areas of interest within new defence and security initiatives inside the European Union, as well as in other activities in Latin America and the Middle East.

KEY INTERNATIONAL INITIATIVES



DEFENCE AND SECURITY: Various projects in:

- ✓ NATO Communications and Information Agency (NCIA), The Netherlands.
- ✓ NATO Airborne Early Warning & Control Programme Agency (NAPMA), The Netherlands.
- ✓ NATO Cooperative Cyber Defence Centre of Excellence (CCDCoE), Tallin (Estonia).
- ✓ European Defence Agency (EDA), Belgium.
- ✓ European Border and Coast Guard Agency (FRONTEX), Warsaw (Poland).
- ✓ Organization for Security and Co-operation in Europe (OSCE), Vienna.
- ✓ SENASA, Ecuadorian National Customs Service, through the Inter-American Development Bank (IDB).



TRANSPORT: Collaboration with agencies like:

- ✓ European Aviation Safety Agency (EASA), Cologne (Germany).
- ✓ Eurocontrol, Belgium.
- ✓ Single European Sky Joint Undertaking (SESAR-JU), Brussels.



SPACE: Presence in international forums and project development for:

- ✓ European Space Agency (ESA), Germany and The Netherlands.
- ✓ Supervisory Authority for the Global Satellite Navigation System.



PUBLIC ADMINISTRATIONS AND ENERGY: As a result of Isdefe's activity with the Ministry of Economy, Industry and Competitiveness (MINECO), Isdefe works with the:

- ✓ National Renewable Energy Agency (NREA) in Egypt.
- ✓ Metro authorities in Ho Chi Minh City (MAUR), Vietnam.
- ✓ MINECO energy projects (electrical grids, renewables and new technologies) in Kenya, Camerún and Madagascar.
- ✓ General hospitals (Kawolo and Busolwe), Ministry of Health of Uganda.
- ✓ Central American Bank for Economic Integration (BCIE), Palmerola International Airport in Honduras.
- ✓ MINECO projects in Mauritania.
- ✓ MINECO energy projects in Senegal.
- ✓ Ministry of Energy and Mineral resources (MEMR) of Jordan.

WORK CENTRES

Isdefe employs **1,586 PEOPLE** at eight work centres in Spain.

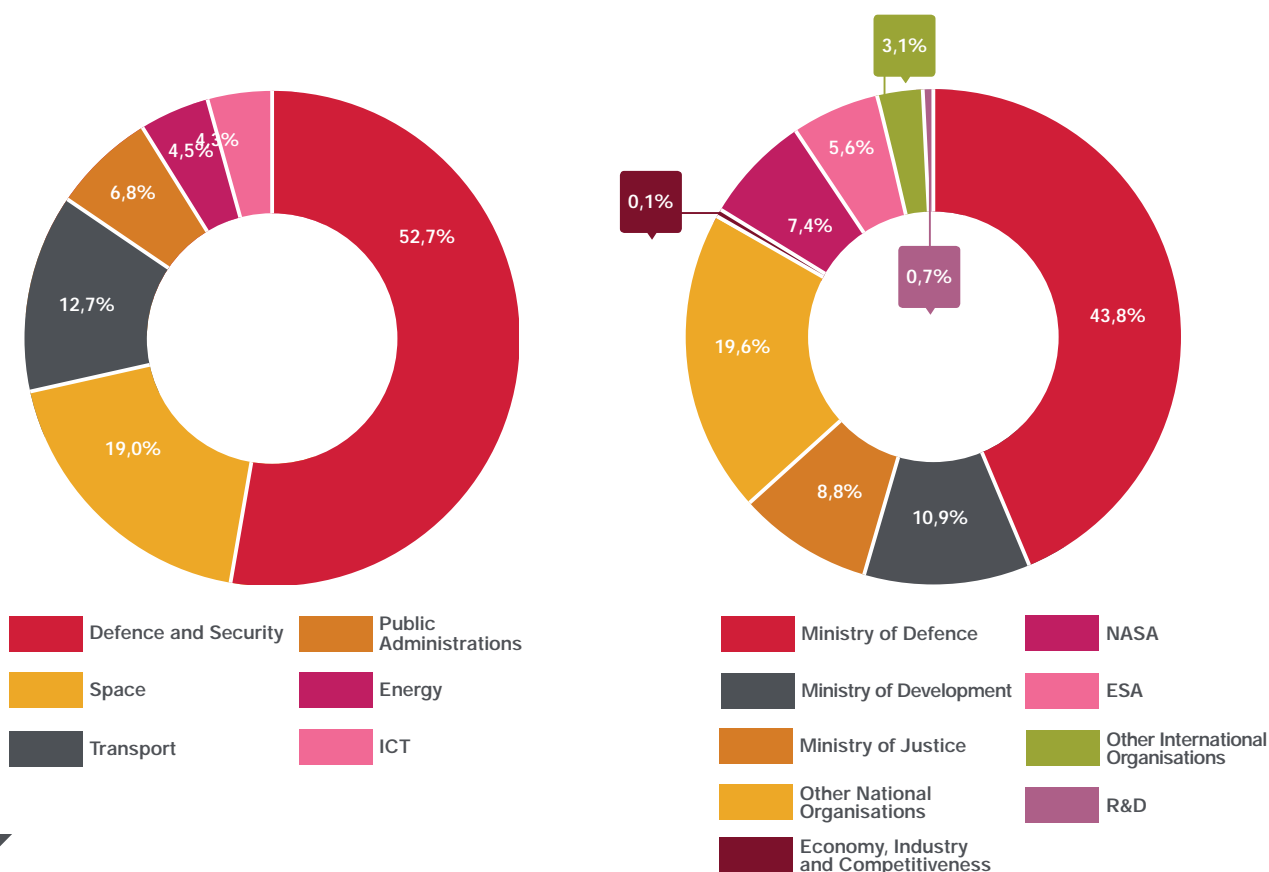
The headquarters are at no. 3 Beatriz de Bobadilla St. in Madrid.



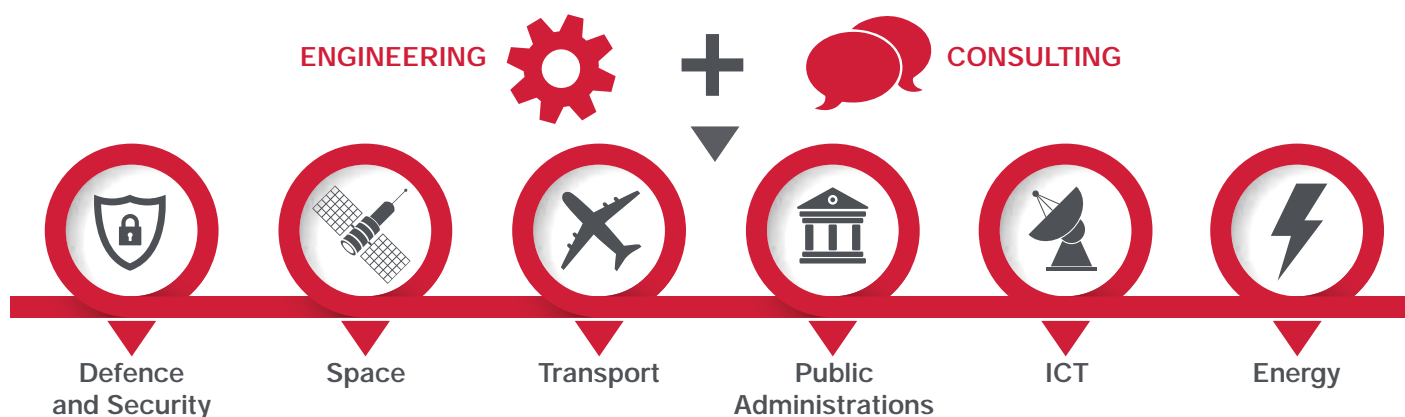
BUSINESS VOLUME

In keeping with its status as the in house technical service provider in the Defence and Security sector, Isdefe's main activity in 2016 was the provision of consulting, technical and engineering services for this sector, which accounted for most of the company's revenue (52.7%). This was followed by Space (19.0%), Transport (12.7%), Public Administration (6.8%), Energy (4.5%) and Information Technology (4.3%).

Isdefe, as the Administration's in-house service provider, receives most of its work from the Ministry of Defence (including the National Institute for Aerospace Technology, INTA), followed by other ministries like Development, Justice, Economy, Industry and Competitiveness, Energy, Tourism and the Digital Agenda, Interior, and others.



AREAS OF ACTIVITY AND SERVICES



ENTITIES AND ORGANISATIONS TO WHICH WE PROVIDE SERVICES

PUBLIC ADMINISTRATIONS

	GOBIERNO DE ESPAÑA MINISTERIO DE DEFENSA
	GOBIERNO DE ESPAÑA MINISTERIO DE FOMENTO
	GOBIERNO DE ESPAÑA MINISTERIO DE EDUCACIÓN, CULTURA Y DEPORTE
	GOBIERNO DE ESPAÑA MINISTERIO DE EMPLEO Y SEGURIDAD SOCIAL
	GOBIERNO DE ESPAÑA MINISTERIO DE AGRICULTURA Y PESCA, ALIMENTACIÓN Y MEDIO AMBIENTE
	GOBIERNO DE ESPAÑA MINISTERIO DE JUSTICIA
	GOBIERNO DE ESPAÑA MINISTERIO DE SANIDAD, SERVICIOS SOCIALES E IGUALDAD
	GOBIERNO DE ESPAÑA MINISTERIO DEL INTERIOR
	GOBIERNO DE ESPAÑA MINISTERIO DE ECONOMÍA, INDUSTRIA Y COMPETITIVIDAD
	GOBIERNO DE ESPAÑA MINISTERIO DE HACIENDA Y FUNCIÓN PÚBLICA
	GOBIERNO DE ESPAÑA MINISTERIO DE ENERGÍA, TURISMO Y AGENDA DIGITAL
	GOBIERNO DE ESPAÑA VICEPRESIDENCIA DEL GOBIERNO MINISTERIO DE LA PRESIDENCIA Y ADMINISTRACIONES TERRITORIALES
	GOBIERNO DE ESPAÑA MINISTERIO DE ASUNTOS EXTERIORES Y DE COOPERACIÓN



INTERNATIONAL ORGANISATIONS



MULTILATERAL



DEFENCE AND SECURITY SECTOR



Isdefe is the Spanish Administration in-house technical service provider in the area of Defence and Security, and as such, it renders engineering and consulting services to the Ministry of Defence and Armed Forces, the Ministry of the Interior and law enforcement and civil protection agencies, as well as to international and multilateral organisations.

The strategic areas are:

Defence planning - Command and Control Networks and Systems

Platform Acquisition and Maintenance Programs - Logistics and Supply Chain Systems - Technology Centres

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



Key activities



Ministry of Defence

✓ Secretary of State for Defence

- General Directorate for Armaments and Materiel (DGAM)
 - Technical support for process development, integrated management methods to consolidate and improve the centralised model for specialised weapons programmes, as well as to the Programme Offices, including the acceptance of the first aeroplane in the A400M fleet.
 - Technical support services to international R&D programmes and technology radar and electronic warfare programmes for the F110 frigate.
- National Institute for Aerospace Technology (INTA), technical support services in the areas of approval, certification, qualification, calibration and testing.
- Centre for Information and Communications Systems and Technologies (CESTIC), consulting on aspects to transform the system architecture and technology of the Integrated Defence Information Infrastructure (I3D).

✓ Defence Staff (EMAD)

- Joint Cyberdefence Command (MCCD), technical risk management assistance, threat monitoring, vulnerability analysis, cyberincident response and organisation of cyber-exercises like Locked Shields and Cyber Coalition.

✓ Armed Forces Logistical Support Commands

- Army: Development of lean manufacturing techniques to constantly improve and increase the efficiency of production environments and to define areas of activity adapted to the new organisation of force units, based on the model for the Multi-Purpose Organic Brigades.
- Air Force: Engineering services for the maintenance and onboard weapons of the Eurofighter fleet, to manage procurements of material for the A400M cargo aeroplane and support of Single European Sky (SES) activities.
- Navy: Support for the construction programmes for the Maritime Action Ship (BAM) and the S-80 submarine, and technical consulting for financial analysis of the F-110 frigate programme.



European Defence Agency (EDA)

- ✓ **Study on the European logistics network** for the deployment, withdrawal and support of operations and on the multinational capabilities for deployable camps at civilian and military missions of the European Union.
- ✓ **Technical support** for the development and implementation of the Tech Watch system and the technology prioritisation methodology (OSRA).



North Atlantic Treaty Organization (NATO)

- ✓ **Communications and Information Agency (NCIA)**, programme management services for the implementation of the Alliance's information and communications systems at its facilities in The Hague, Brussels and Mons.
- ✓ **NATO AEW&C Programme Management Agency (NAPMA)**, studies conducted to determine the viability of upgrading the command, control and communications systems of the airborne early warning and control (AWACS) aeroplanes.



Organization for Security and Co-operation in Europe (OSCE)

- ✓ **Consulting** on RPAS procurement processes to support compliance with the Minsk accords.



Ministry of the Interior

✓ **Secretary of State for Security**

- Modernisation and upgrading of the currently operative deployments of the Comprehensive External Surveillance System (SIVE), with special consideration of the international EUROSUR directives.
- Support in deploying the passenger registration and identification system, with most of the regulated passage systems at domestic airports and international ports being covered by their respective Command and Control Centres.
- Collaboration in defining Strategic Sector Plans for Space and ICT at the Centre for the Protection of Critical Infrastructure.
- Performance of the site and construction management and health and safety coordination for the project to upgrade the facilities at the Farhana border post in the autonomous city of Melilla.



Ministry of the Presidency and for Territorial Administrations

- ✓ **National Cryptology Centre (CCN)**, support in preparing a Catalogue of Security Products for ICT, intended to provide a reference for trusted and objectively qualified products that can be used in the networks of Public Administrations.



Ministry of Justice

✓ **National Justice Office**

- Implementation of the Electronic Justice Communications project for the secure exchange of information, which was expanded for use by new groups (attorneys, law enforcement agencies and state attorneys).
- Support to the evolution of the traditional legal processing system toward digital processing and reducing the paperwork involved in the legal system.

SPACE SECTOR



Isdefe is responsible for managing, operating and maintaining space communications centres and complexes in Spain for National Institute for Aerospace Technology (INTA), European Space Agency (ESA) and National Aeronautics and Space Administration (NASA).

In the area of satellite navigation and communications, Isdefe offers solutions to scientific space programmes and in areas like satellite navigation, Earth observation and monitoring of space trash through Space Situational Awareness (SSA) programmes.

The two main strategic areas included in this sector are:

Space Stations and Infrastructure - Satellite Applications

Key activities



01 Ministry of Defence

✓ National Institute for Aerospace Technology (INTA)

- Operation and maintenance of the Canaries Space Centre (CEC) in Maspalomas, which provides services to international space agencies and satellite operators.
- Technical assistance to the Astrobiology Centre (CAB) to engage in activities in the areas of astrophysics and science outreach.



02 European Space Agency (ESA)

- ✓ **Operation of the DSA-2 Space Centre** in Cebreros (Avila) to track the Agency's deep-space missions.



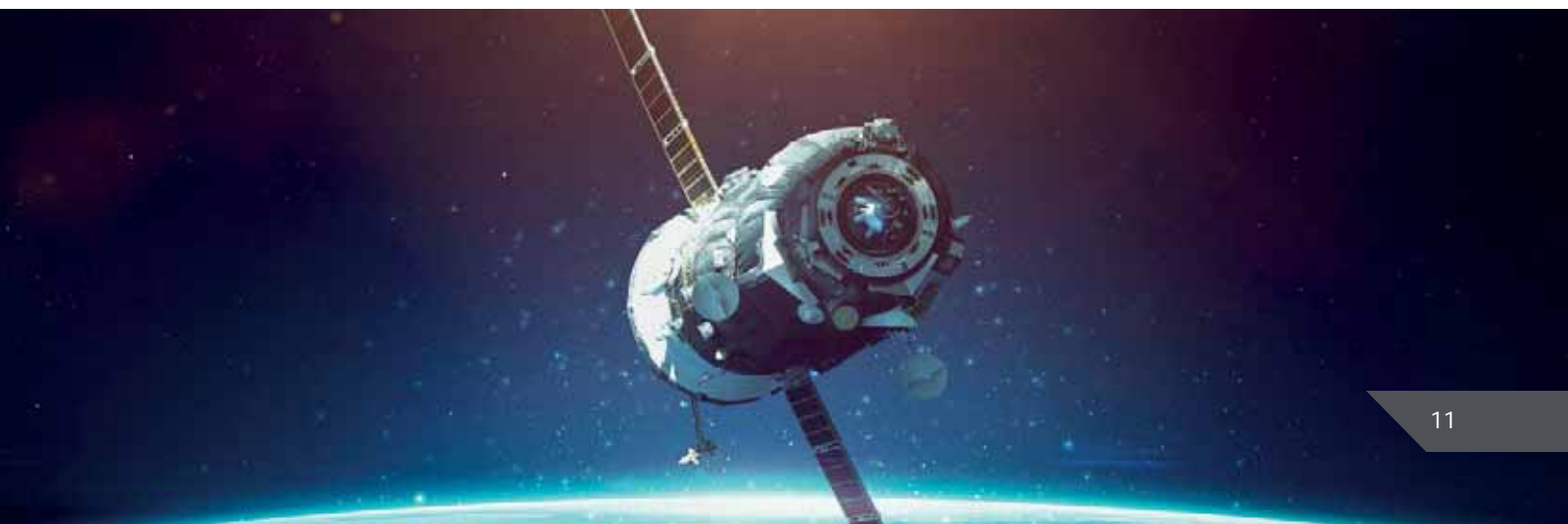
03 National Aeronautics and Space Administration (NASA)

- ✓ **Operation and maintenance of the Madrid Deep Space Communications Complex (MDSCC)** in Robledo de Chavela (Madrid), a node of NASA's Deep Space Network (DSN), resulting from the scientific cooperation agreement between Spain and the United States. Technical support to erect two new 35-metre antennas at the centre.



04 Ministry of Foreign Affairs and Cooperation and Ministry of the Presidency and for Territorial Administrations

- ✓ **Services to support** the operation and maintenance of Spain's secure network for activities abroad.



TRANSPORT SECTOR



Isdefe engages in consulting, technical assistance and management and engineering services to yield new capabilities, the results of which have provided notable improvements to the safety and optimisation of the operating procedures used by the organisations responsible for regulating, overseeing and providing transport services.

The activities fall under the following three areas:

Traffic Management - Transport Centres - Advanced Concepts

Key activities



Ministry of Development

- ✓ **ENAIRE**, incorporation of various features to the Automated Air Traffic Control System (SACTA), including the Arrivals Manager (AMAN) and the Future Air Navigation System (FANS) projects.
- ✓ **Civil Aviation General Directorate (DGAC)**, cooperation in setting policy for the sector through strategies for airports, air navigation and air transport, carrying out strategic studies on market trends, setting public prices and new operator access.
- ✓ **National Aviation Safety Agency (AESA)**, consulting activities intended to yield constant improvements in aviation safety in areas such as Airspace Management (ASM), implementation of Performance-Based Navigation (PBN), operational safety and aviation accident and incident analysis.
- ✓ **Ports of the State**, draft project for the Port Coordination Centre at the Port of Algeciras and development and roll-out of the interoperability mechanism for port systems in the testing environment.



AENA

- ✓ **Support designing** the Airport Collaborative Decision Making (A-CDM) platform at the Palma de Mallorca Airport and on the Advanced Control Tower project at various airports in its network.



PUBLIC ADMINISTRATIONS SECTOR



Isdefe provides solutions, know-how and instruments that allow improving the efficiency of the management and operating models of national and international public sector agencies, ensuring their increased capacity, efficiency and sustainability. Isdefe provides its support to the Public Administration under a broad overview of the processes and considering the cycle involved in the planning, implementation, progress and monitoring stages.

Isdefe is the leading consultancy in specialised services in the areas of:

Improving and modernising Public Administrations - Market regulation and oversight

Key activities



01 Ministry of Defence

- ✓ **General Directorate for Armaments and Materiel (DGAM)**, support to expand its balanced scorecard, to which economic-financial management has been incorporated and for which the processes involving the strategy, regulation and inspection of the defence industry have been identified.
- ✓ **General Directorate for Economic Affairs (DIGENECO)**, services to the Cost Evaluation Group (GEC) to design and optimise management processes and to further its automation by means of a computerised tool to handle cost evaluation tasks.
- ✓ **Air Force Staff (EMA)**, services to optimise its processes and tools for planning and controlling its financial resources and for the strategic planning of its infrastructure.
- ✓ **Army, integration and analysis** of data pertaining to its logistical functions by using business intelligence tools.



02 Ministry of Economy, Industry and Competitiveness

- ✓ **General Directorate of International Trade and Investments**, collaboration in technical assistance work involving the management of the Fund for the Internationalisation of the Company (FIEM).



03 Ministry of Energy, Tourism and the Digital Agenda

- ✓ **State Office for the Information Society and the Digital Agenda (SESIAD)**, support of the stewardship, communication and coordination of the Digital Agenda for Spain, which has given rise to technical support activities for the creation and operation of the Intermediate Organisation for the Operational Programme of the European Regional Development Fund (FEDER) on Intelligent Growth.



04 Ministry of Revenue and Public Functions

- ✓ **General Directorate for the Streamlining and Centralisation of Contracts**, technical assistance involving the centralised purchase of electricity so as to obtain more competitive prices.



05 National Market and Competition Commission (CNMC)

- ✓ **Technical support** in the implementation of a Regulatory Cost Information Model (IRC) for regulated gas and electricity transport activities that allows assessing and monitoring the costs to be offset for the companies in charge of these activities.

INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) SECTOR



In this area, Isdefe boasts a long track record of providing engineering and consulting services for planning and managing the radio spectrum and for promoting the development of communications networks and systems through its support of organisations like the State Office for the Information Society and the Digital Agenda (SESIAD).

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

Radio Spectrum
Communication Networks and Systems

Key activities



Ministry of Energy, Tourism and the Digital Agenda

- ✓ **State Office for the Information Society and the Digital Agenda (SESIAD)**
 - Collaboration on promoting the Digital Agenda for Spain, planning and managing the radio spectrum, coordinating pilot electromagnetic compatibility projects between services and other activities involving the development of different radiocommunication services.
 - Support to the technology migration plan to allocate frequencies following the 2nd Digital Dividend.
 - Technical support to manage and execute 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.
 - Support to direct and inverse institutional missions related to international and European Union organisations, and the monitoring of the Plan to Internationalise ICT Companies

ENERGY SECTOR



Isdefe provides technical support for the large plans and programmes to implement policies involving energy diversification and efficiency, as well as to apply and develop the concept of energy security by cooperating with various ministries and the Institute for Energy Diversification and Savings (IDAE). Isdefe also works to define scenarios to guarantee the energy supply, analyse vulnerabilities and threats, diversify resources and secure operating facilities and networks.

Isdefe provides specialised services in the following area of activity:

Energy diversity and efficiency

Key activities



Ministry of Energy, Tourism and the Digital Agenda

- ✓ **Secretary of State for Energy**
 - Analysis of the status of installing smart meters in the electrical grid and studies on energy security aspects as well as on complying with the regulations and recommendations of the European Commission.
 - Preparation of an energy foresight methodology and model to characterise the consumption demand for the electricity, gas and oil sectors as part of the energy security and security of supply programmes.
 - Multidisciplinary support to the Institute for Energy Diversification and Savings (IDAE) to carry out its energy efficiency programmes as part of the National Energy Efficiency Fund.

SUSTAINABLE INNOVATION

Isdefe's commitment to Research and Development (R&D) has been present since the founding of the company. As concerns projects co-financed by the European Union, Isdefe has been involved since the 3rd Framework Programme.

In 2016, solid steps were taken in an effort to adapt R&D to the company's objectives, or, put another way, to underscore the R&D investment ceiling available to the company so that it can be used as an innovative tool in strategic areas, and particularly in Defence and Security.

This optimisation of the investment ceiling has allowed Isdefe to diversify its activity, which was traditionally focused on carrying out projects co-financed by the EU. This diversification falls into two main areas:



**Innovation
activities**



**Research and
development
activities**

Investment in R&D

R&D projects	1,35 M€
In partial operating and financing subsidies for R&D projects	1,08 M€

SUCCESS STORY: DEMORPAS



One of the success stories from recent years involving Isdefe and remotely-piloted aircraft systems (RPAS) is the DEMORPAS Project (Demonstration Activities for Integration of RPAS in SESAR), whose main goal was to demonstrate how to integrate drones into unsegregated airspace in a mixed environment with multiple manned and unmanned aircraft, for the purpose of exploring the general viability of integrating RPAS into the air traffic management system.

The demonstration was carried out via actual flights of drones and manned aircraft under air traffic control guidance from several control stations (ground, tower, approach and ACC).

The project, which lasted just over two years, finished in the first quarter of 2016. It was conducted by a multidisciplinary consortium of companies led by Isdefe and featuring ENAIRE, INTA, Crida and FADA-CATEC, in collaboration with Spain's Air Force and the National Aviation Safety Agency.

The project included an applicability study for SESAR concepts, procedures and technologies, regulatory and safety aspects stemming from RPAS operations in unsegregated airspace, alternate solutions for procedures and technologies, the impact of normal and emergency operations on air controllers, remote pilots and conventional pilots and limitations on the exchange of flight paths.

Isdefe was successfully involved in conducting the exercises and assisted in preparing all of the documentation needed for the flight (definition of operational concept, operational and physical safety studies, development of procedures). It also processed the request with the Air Force to conduct the tests in its airspace at the Matacán Air Base, it requested the NOTAMS and it took part in carrying out the tests by collecting flight data onsite, which was required to analyse the results of the project.

COMMITMENTS

TO EMPLOYEES

Isdefe boasts a very qualified team of professionals that is highly trained and committed to both the organisation and its clients.

Employees on 31/12/2016	1,586
Personnel expenses	€95,020,757
Employees with a university degree	1,332
Average age	42.58 years

Equal Opportunity, Work-Life Balance and Diversity

Isdefe promotes the professional and personal development of all its employees, guaranteeing equal opportunity. The organisation has an explicit equality policy, backed by an Opportunity Equality Plan that was signed by Management and employee representatives.

Isdefe also supports and is committed to taking actions to promote greater equality in opportunities and to encourage a corporate culture that is based on merit.



Training

Culminating in 2016 was the 2014-2017 Training Plan, which is aligned with the Strategic Plan to contribute to developing the sectors and areas of priority defined within it. The training activity focused on technical training, combining the increased professional qualifications of the human resources with Isdefe's improved positioning.

Training hours	107.719
Invested in training	€ 1,039,818.68
Employees received training	1.540

TO SOCIETY

Global Compact

Since 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.

Promoting excellence and knowledge

Isdefe entered into educational partnership agreements with every university in the Horizons Network that allow students to intern at the company and that provide support through grants or specialised training programmes. These types of agreements, which encourage university-corporate cooperation, were also made with the University of Oviedo and with the Instituto Universitario Gutiérrez Mellado.

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 implemented through charity campaigns, corporate volunteering days and donations.

ENTITIES AND ORGANISATIONS TO WHICH WE PROVIDE SERVICES

Isdefe has a Quality System that is tailored to the demands of the national and international markets. This system is the result of an in-depth analysis translated into plans, objectives, actions and monitoring, and is the company's response to its commitment to provide quality and excellence to clients. For 2017, the challenge is to continue to push for the technical modernisation of the Isdefe's internal processes, with automated billing, with management systems and the implementation of a Comprehensive Risk Management System.

Isdefe certificates



AENOR certification for the Quality Management System as per the UNE-EN ISO 9001 (ER-0929/1998) Standard for activities to provide consulting and technical assistance services to the Defence and Security, Aerospace, Transport, Public Administrations, Information and Communications Technologies (ICT) and Energy sectors.



IQNET ISO 9001:2008 certification



Ministry of Defence Certification of its Quality Management System, as per the PECAL/AQAP 2110 (DOC. No 0077/03/01/01) standard for consulting and engineering technical assistance services for the Ministry of Defence. Certified since 08/11/2002.

Client satisfaction

Isdefe, in keeping with the quality commitment it has with its clients, conducts an annual satisfaction survey of all its clients in order 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 information about the opinion that clients have of the services provided.

The degree of satisfaction attained in 2016 was 8.58 out of 10.

TO SUPPLIERS

Isdefe's contracts are governed by the Law on Public Sector Contracts and rigorously adhere to the principles of disclosure, competition, transparency, equality, non-discrimination and confidentiality. In the contracting section of the Public Sector Contracting Platform website (<https://contrataciondelestado.es>), and on the Isdefe website (www.isdefe.es), in compliance with Article 2 of Royal Legislative Decree 3/2011 of 14 November, and in an effort to ensure transparency and the public's access to information on its contractual activity, Isdefe publishes all tender announcements for contracts in excess of €18,000, as well as the applicable regulations and procedures: As a public company, Isdefe imposes 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.

PURCHASES, CONTRACT AND SUBCONTRACTS PROCESSED IN 2016

Services	€14,428,567
Supplies	€1,293,659
Construction	€0
Total	€15,722,226

TO THE ENVIRONMENT

Isdefe has an environmental policy and an Environmental Management System (EMS) that has been UNE-EN ISO 14001:2004 certified by AENOR and is renewed annually, which forces us to constantly improve our management.

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.



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