

# ECONOMIC AND SOCIAL IMPACT — 2021



**Navantia**



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# 1 INTRODUCTION AND OBJECTIVES

The aim of this presentation is to show the main results of Navantia's economic and social contribution in Spain in 2021.

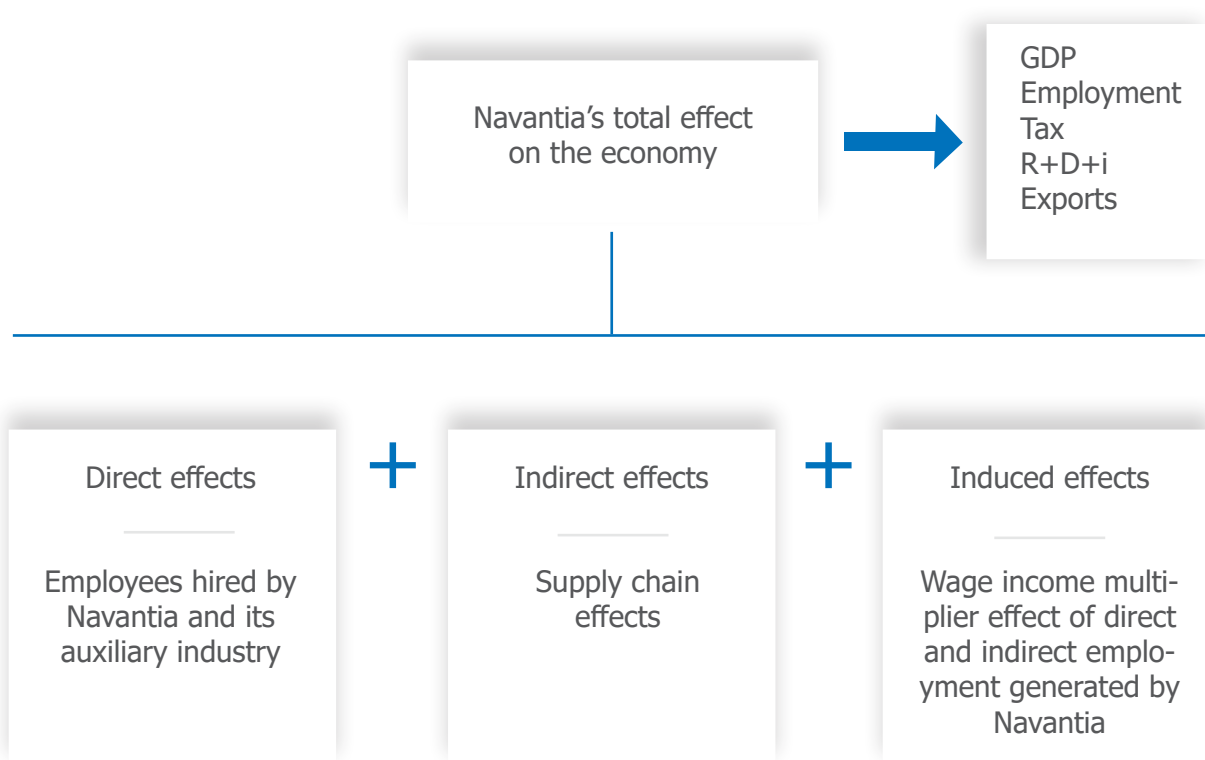
The sources used to measure this contribution are Navantia's economic and financial information, as well as public statistical sources.

In order to estimate Navantia's economic and employment impact, the input-output methodology was used, which is the standard tool for quantifying the direct, indirect and induced effects of a sector or company on the economic activity of a country or region.

The main advantage when using the input-output system is, the possibility to use linear algebra (the so-called inverse of Leontief's inverse) to calculate the effects of a change in demand in one sector in comparison with the others by its transmission along the supply chain.

Each element of Leontief's inverse matrix represents the cumulative effects (direct and indirect) underlying the production structure that the input-output tables (IOT) represents.

This methodology allows to obtain the multipliers of demand, GDP, employment and income for a given sector or company.

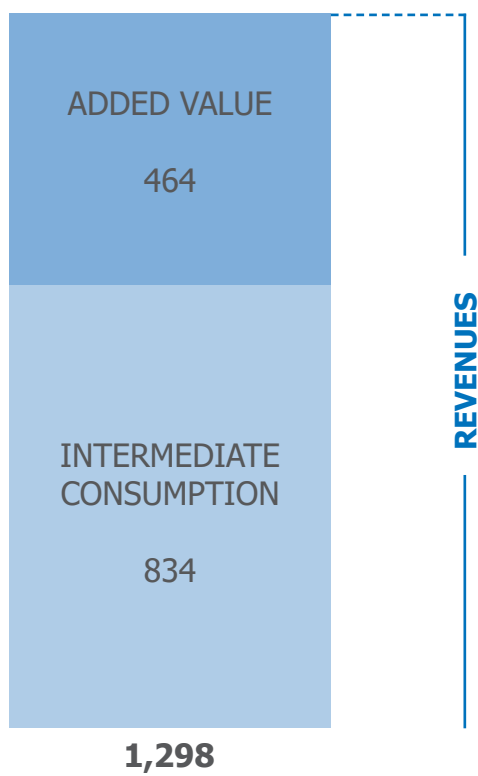




# NAVANTIA'S MACRO IMPACT

## KEY FIGURES

Composition of the added value of Navantia and its auxiliary industry in 2021  
€ Million



GDP is the basic indicator for measuring the generation of wealth at the macroeconomic level in a country or region during a given period.

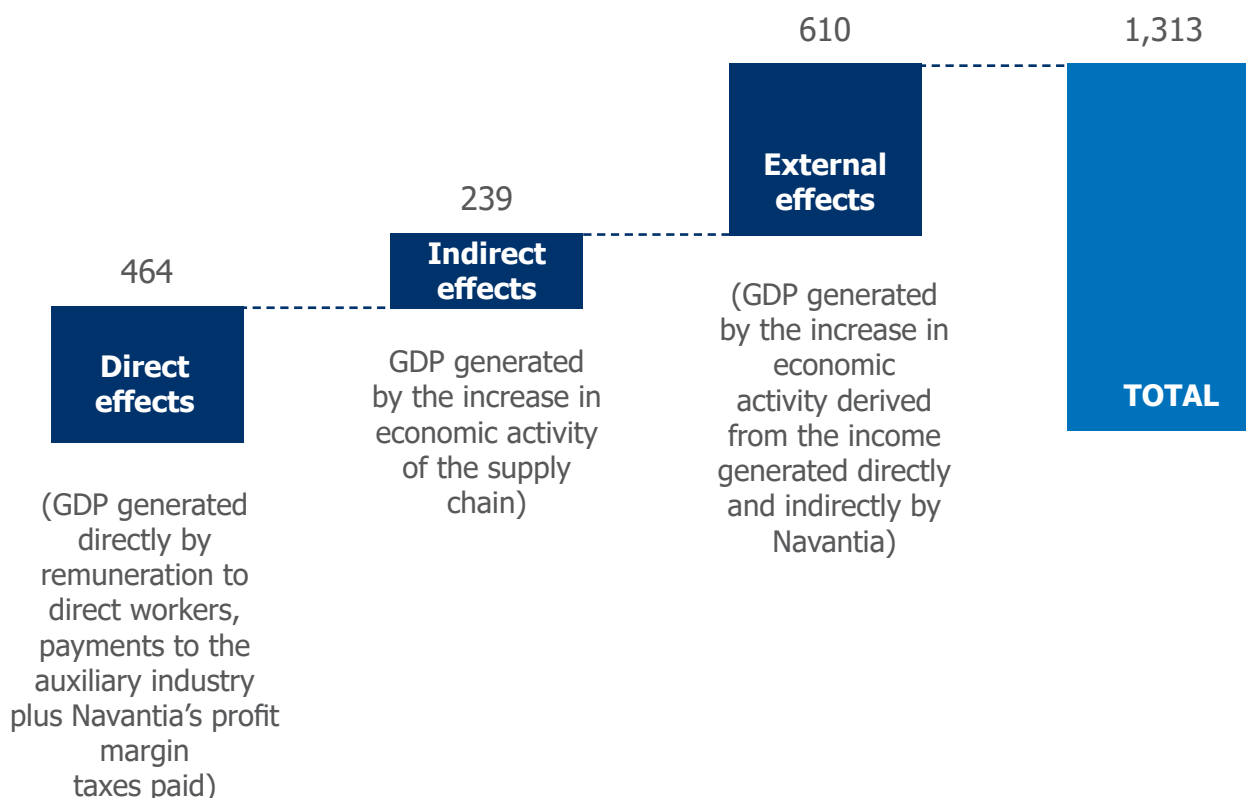
For a sector or a specific company, value added is usually used.

Added value, as a measure of the economic value generated by the company, is calculated as the difference between revenues and the intermediate inputs required to obtain those revenues.

## GDP generated by Navantia in 2021

€ Million

Source: WIID and Navantia



For every euro of Navantia's turnover, 1.01 euros of GDP are generated in the Spanish economy.



More than a third of the total impact arises to Navantia's direct contribution plus its auxiliary industry. 20% is accounted for Navantia's supply chain.



For each euro of GDP generated directly, 1.8 euros of GDP are generated in the Spanish economy.

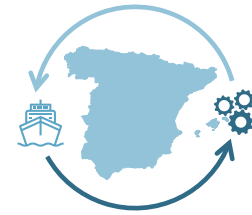


Navantia contributed €1,313 m to the Spanish economy in 2021, representing 0.95% of Spain's industrial GDP.



**€464m**

direct contribution to national GDP

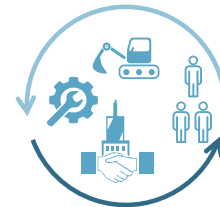


In 2021, Navantia's direct contribution (including its auxiliary industry) to national GDP amounted to €464m. This contribution is generated through the remuneration of its own employees and of its auxiliary industry (wage income + profit margin).



**€1,313m**

total contribution to national GDP



In 2021, Navantia contributed €1,313m to the Spanish GDP, which represents 0.95% of the national industrial GDP. This is the aggregate contribution including the direct effect and Navantia's auxiliary industry, the indirect effect generated by the backward linkage effect in the supply chain and the effect of the wage income generated by Navantia.



**€1.8**

in GDP generated per direct euro and from auxiliary industry

For every direct euro of GDP, an additional 1.8 euros is generated in the economy.



**€1.01**

generated in GDP for every euro of Navantia's turnover

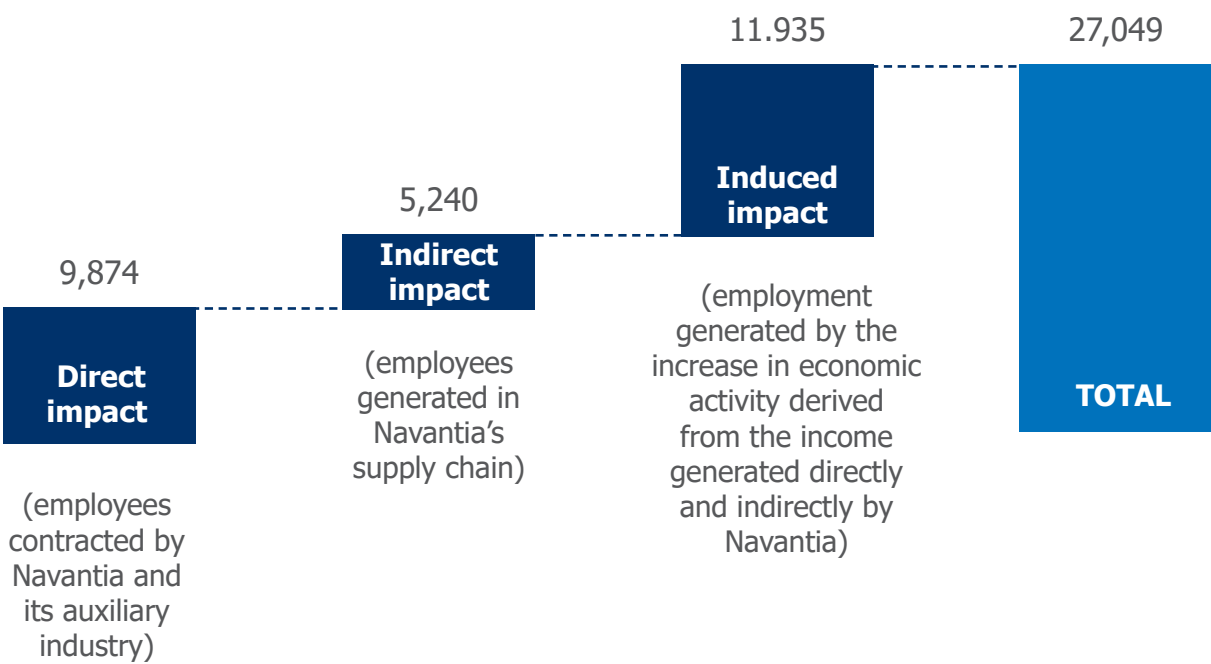
For every euro of Navantia's turnover, nearly 1.01 euros of GDP is generated in the Spanish economy.





Employment generated by Navantia in 2021  
Number of employees

Source: WIID and Navantia



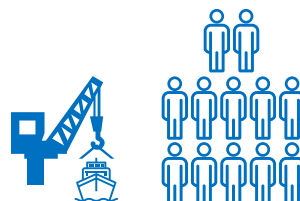
For each direct Navantia job, up to six additional jobs are created in Spain (auxiliary and indirect industry and induced employment).



Therefore, Navantia contributed 1% of the total Spanish industrial employment.

### 9,900

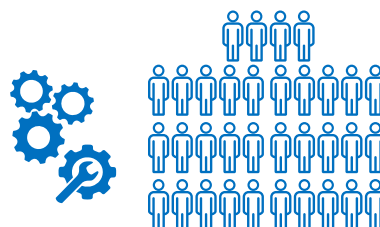
direct and auxiliary  
industry jobs



In 2021, with a turnover of about €1,300m, Navantia contributed to Spain's employability with more than 9,900 quality jobs, both direct and in partner industries.

### 27,050

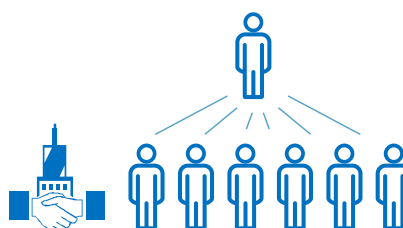
Direct, indirect and  
induced employ-  
ment generated



Navantia makes an aggregate contribution (direct, auxiliary industry, indirect and induced) to national employment, accounting for 1% of Spanish industrial employment.

### 6

jobs created for  
every direct job in  
Navantia



For each direct Navantia job, up to six additional jobs (auxiliary and indirect industry and induced employment) are created at the national level.

### 90%

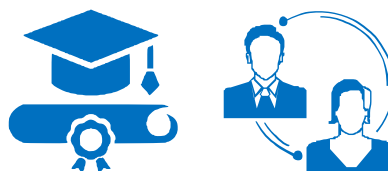
permanent contracts  
in Navantia



The direct employment generated by Navantia is highly stable, both with respect to the average of the industrial sector and with respect to the average of the Spanish economy.

### 20.8 hours

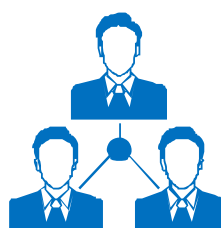
in training  
per employee



Navantia invests 20.8 hours in training per employee per year, a figure higher than industrial sector and national average.

### 1,500

own engineers and  
graduates



Navantia's workers are highly qualified, with more than 1,500 engineers and graduates representing more than 38% of the workforce. By including the engineering service providers that work for Navantia, the total comes to 2,000 engineers.



# NAVANTIA'S MACRO EFFECTS ON THE REGIONS

IMPACT ON AREAS OF  
INFLUENCE IN 2021

**9,900**

Direct and jobs  
generated and  
auxiliary industry

**€464m**

Direct  
contribution to  
GDP

**€1,313m**

Total contribution to  
national GDP

**90%**

Permanent contracts  
in Navantia

**€+1.8**

GDP per direct  
euro and  
auxiliary industry

**27,050**

Direct, indirect  
and induced jobs  
generated

**€+1.01**

GDP per euro of  
turnover of  
Navantia

**20,8 hours**

in training per  
employee

**6**

Jobs created for  
every direct job in  
Navantia

**1,500**

Own engineers and  
graduates

## IMPACT IN SPAIN

Navantia is the main industrial employer in the provinces where it operates, providing high quality jobs and technological sophistication

# IMPACT OF INDUSTRIAL ACTIVITY ON PROVINCES

**8,992**

jobs created<sup>1</sup>

**2.0%**

of employment

**15.1%**

of industrial employment

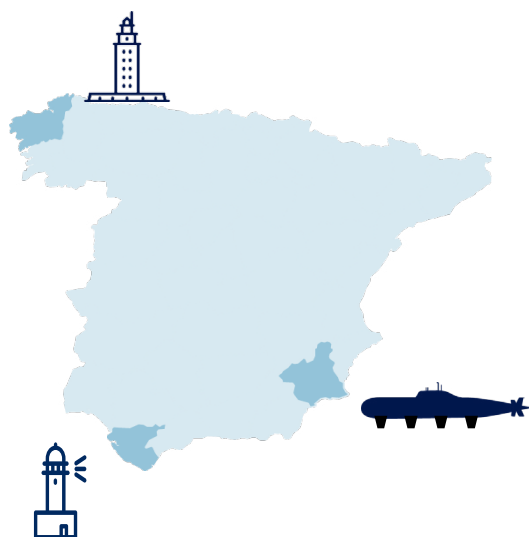
**1.4%**

of the province's GDP

**13.8%**

of industrial GVA

## A CORUÑA



## MURCIA

**6,447**

jobs created<sup>1</sup>

**1.0%**

of employment

**7.5%**

of industrial employment

**0.9%**

of the province's GDP

**6.8%**

of industrial GVA

## CÁDIZ

**11,611**

jobs created<sup>1</sup>

**2.7%**

of employment

**26.4%**

of industrial employment

**2.2%**

of the province's GDP

**23.9%**

of industrial GVA

<sup>1</sup> Direct, auxiliary industry and indirect employment generated  
Source OECD, Input-Output Tables (IOTs)

# 4 TECHNOLOGICAL IMPACT

**71.7 M€**

spent on R&D and innovation by Navantia



In 2021, with revenues of €1,298m, Navantia's investment in R&D and innovation amounted to €71.7m. This commitment to innovation is based on the collaboration with Defence/Navy and the support of SEPI.

**5.5 %**

of revenues are spent on R&D and innovation



Navantia's rate of R&D and innovation spending - the ratio between its R&D and innovation expenditure and sales - is higher than that of Spain's leading technology sectors.

## Navantia has 4 University Chairs

with Spanish universities to support R&D and innovation



Navantia relies on partnership agreements with leading Spanish universities and technological centres. The José Romero Landa Chair (UPM), the Isaac Peral UPC Chair, the José Patiño Rosales Chair (UC), the Cosme Álvarez de los Ríos Chair (U. A Coruña).

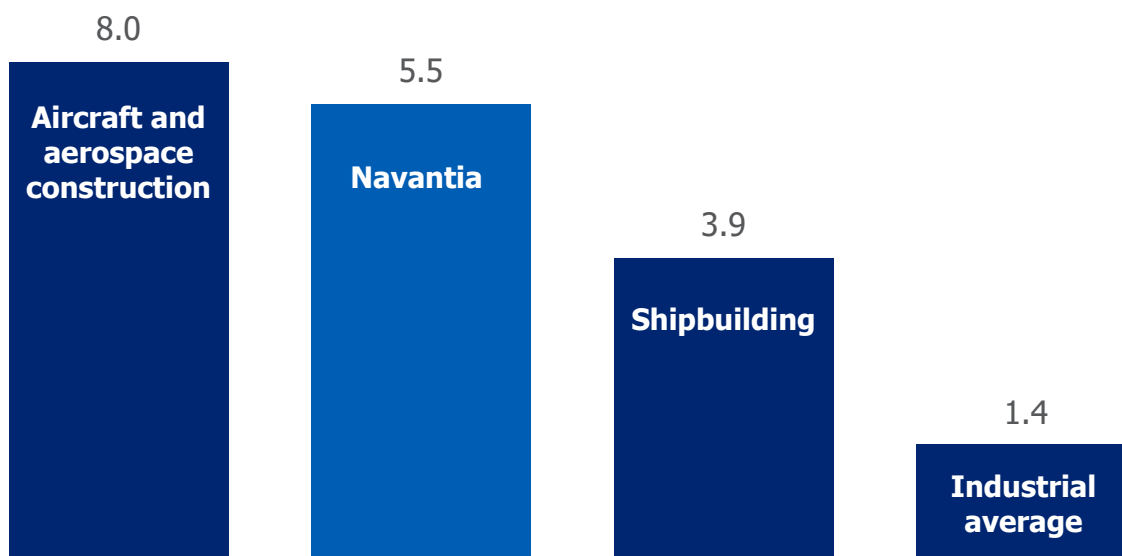
## Navantia is among the leading Spanish companies

in R&D and innovation investment





# RATE OF INNOVATION SPENDING OF COMPANIES WITH INNOVATION EXPENDITURE IN 2020\* (% of revenues)



Navantia's investment in R&D&I is €57.7m 1 in 2020 and €71.7m in 2021.



Navantia's rate of R&D and innovation spending is higher than that of Spain's leading technology sectors.



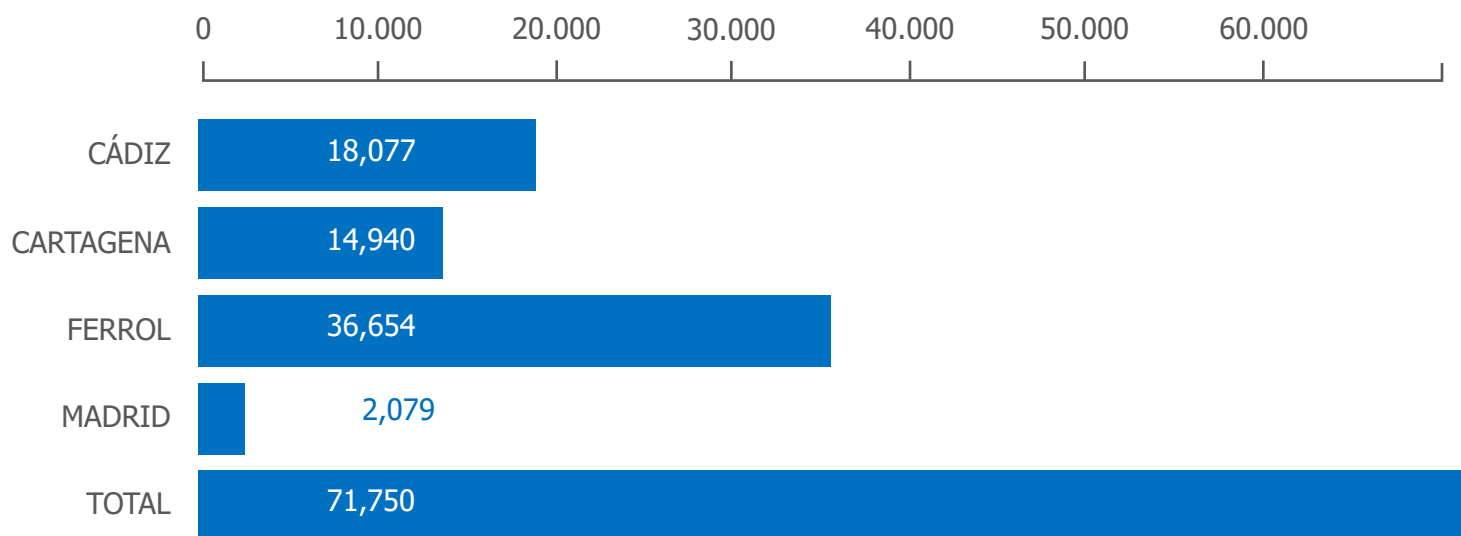
Collaboration with Defence/Navy is the main driver of Navantia's R&D and innovation investments.

<sup>1</sup> This figure includes total investment in R&D and innovation.

\*Latest available figure for 2020. Annual update in December of each year with respect to the previous year.

Source: INE, Business innovation survey; Navantia.

## R&D AND INNOVATION EXPENDITURE (€ MILL.) IN 2021



In order to maintain the level of investment in R&D and innovation, Navantia relies on partnership agreements with leading Spanish universities and technology centres.

Established 4 university chairs:

- José Romero Landa Chair, with the Polytechnic University of Madrid
- Isaac Peral Chair, with the Polytechnic University of Cartagena
- José Patiño Rosales Chair, with the University of Cádiz
- Cosme Álvarez de los Ríos Chair with the University of A Coruña

Agreement with universities and technology centres in Australia.



# 5 TAX IMPACT

Navantia contributes to improving Spain's tax revenue, both through the directly collected taxes and those indirectly paid via the additional economic activity generated in the country.

Navantia's overall  
tax impact

=

Direct tax revenue  
from Navantia

+

Navantia's indirect  
tax impact

Taxes collected  
and paid

Wage income multiplier  
effect of direct and  
indirect employment  
generated by Navantia

Corporate  
income tax  
revenue

Property tax,  
business activity  
tax, etc

Social Security  
contributions

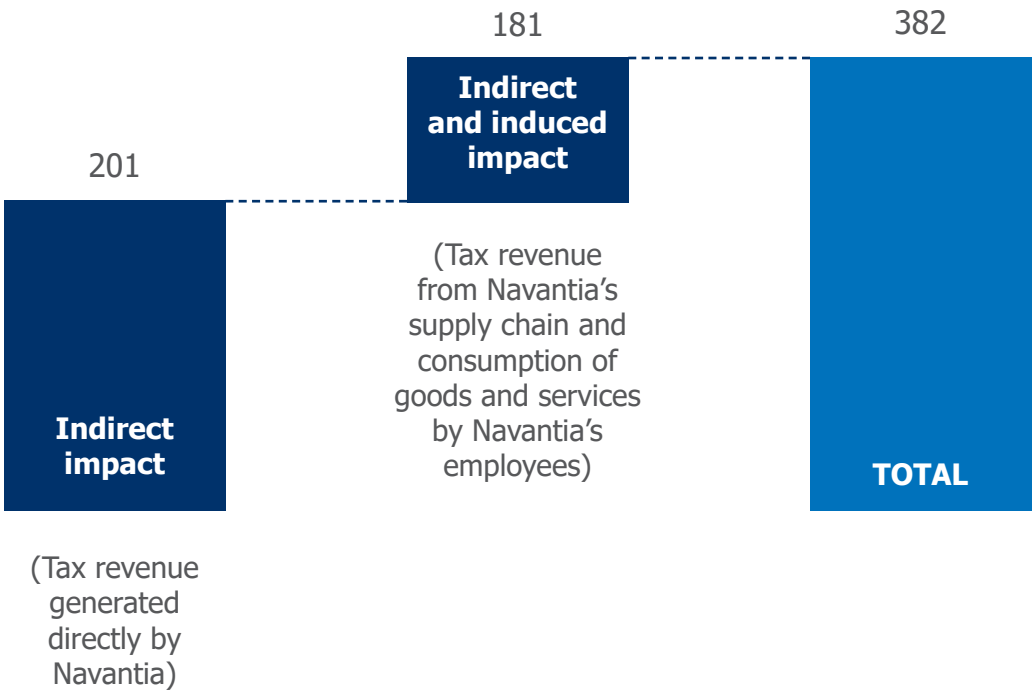
Income tax  
revenue

VAT revenue

# Navantia's tax impact in 2021

€ Million

Source: WIID and Navantia



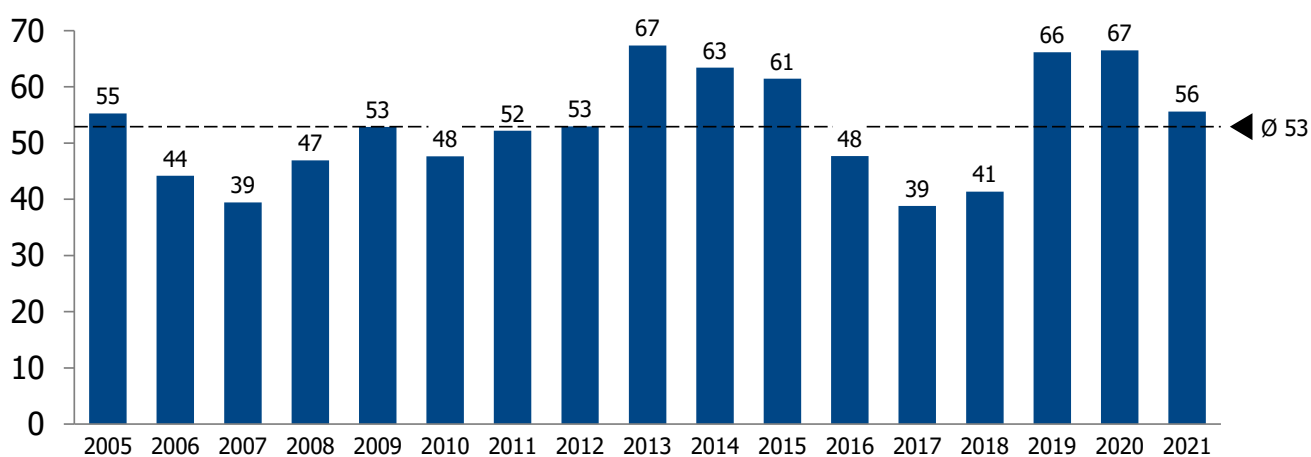
Navantia contributes €201m directly to public revenues and €181m indirectly and through induced channels.

This represents 0.8% of total public sector revenue.

# 6 EXPORT RATIO

## Navantia's export ratio

% Exports/total turnover



In 2021, Navantia exported €722m, which makes 56% of its revenue.



On average, since its creation, Navantia has exported 53% of its revenues.

## Destination of sales by region

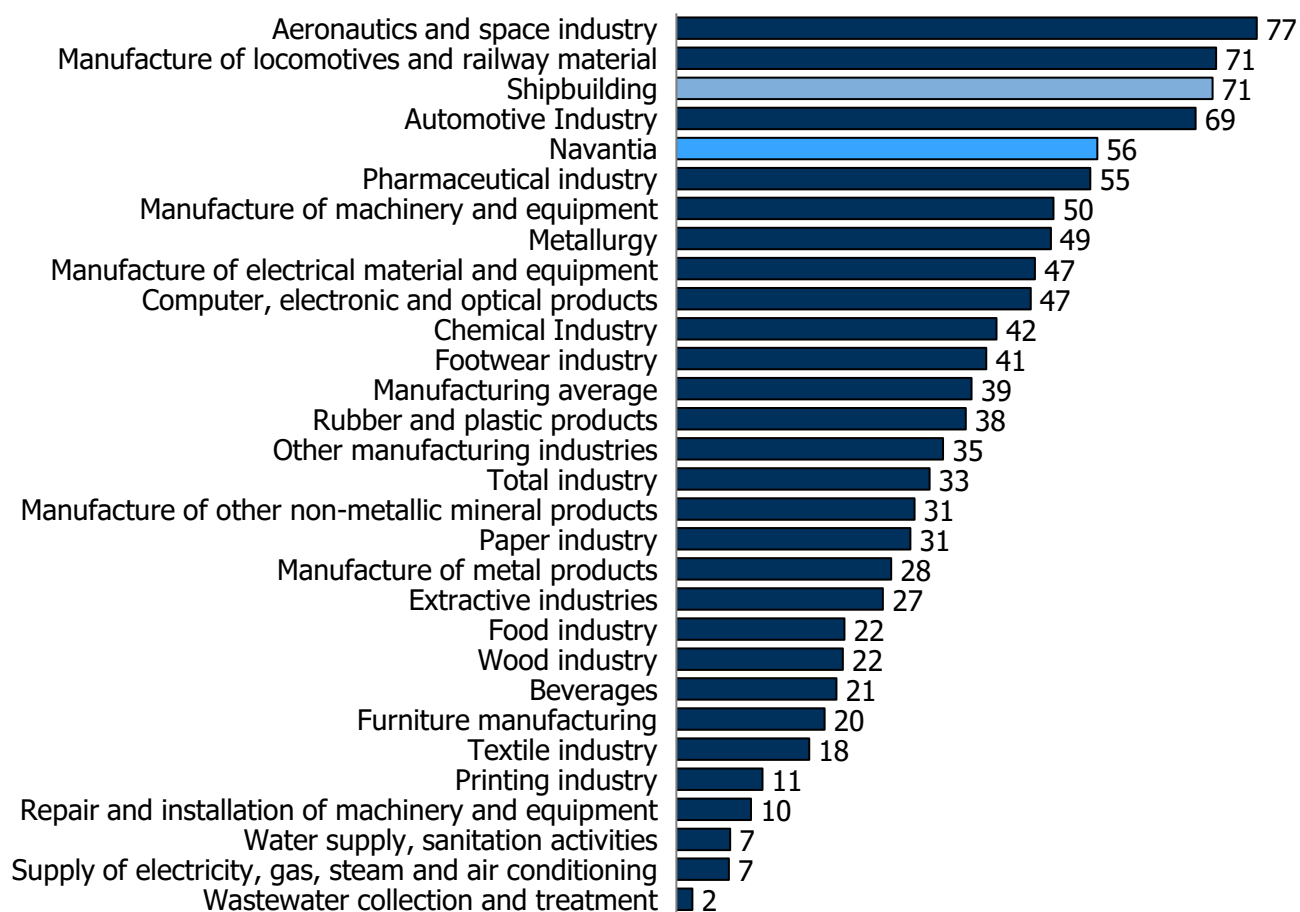
% of total sales



## Export ratio by sector

% of exports/revenue

Source: INE and Navantia



In 2021, Navantia's export volume represented 0.17% of total Spanish exports.

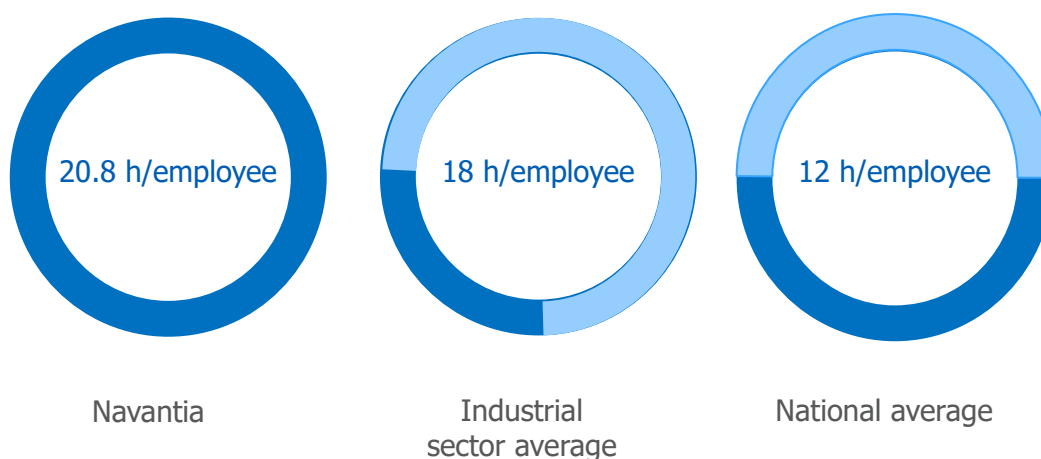
Compared to other sectors of the Spanish economy, Navantia has an export ratio above the industrial average and is among the industrial sectors with the highest exports.



# 7 SOCIAL AND LABOUR INDICATORS

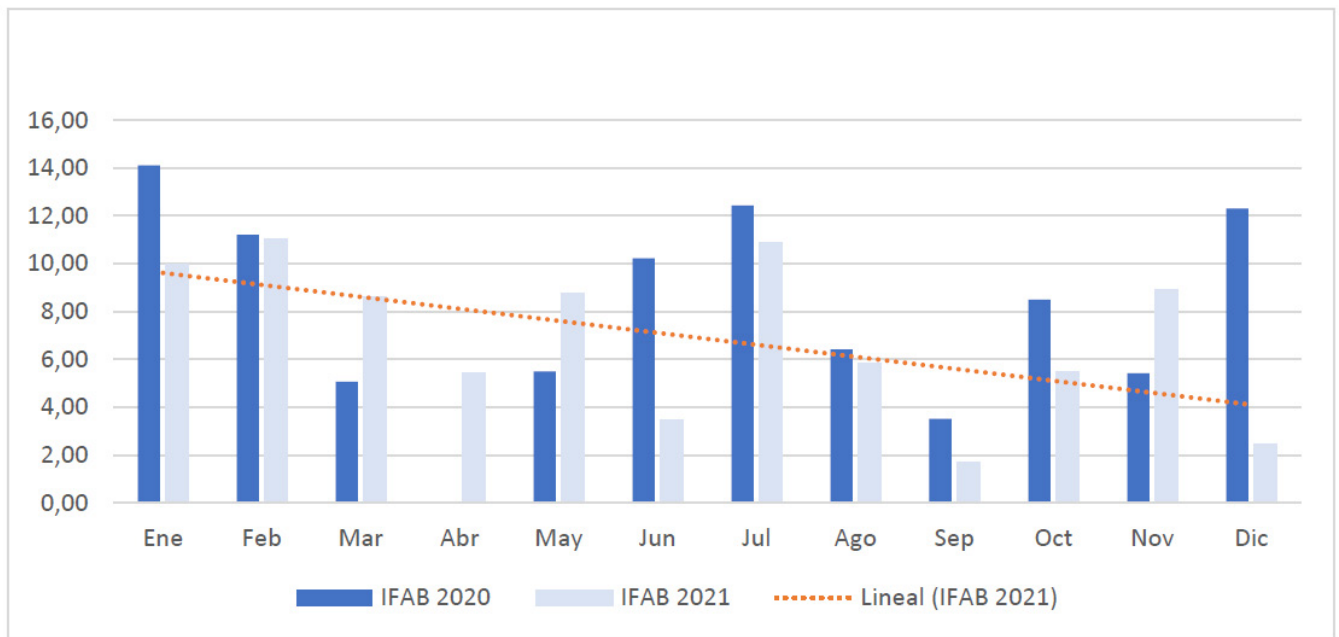
## TRAINING

**Training hours per year per employee in Navantia, industrial sector average and national average**



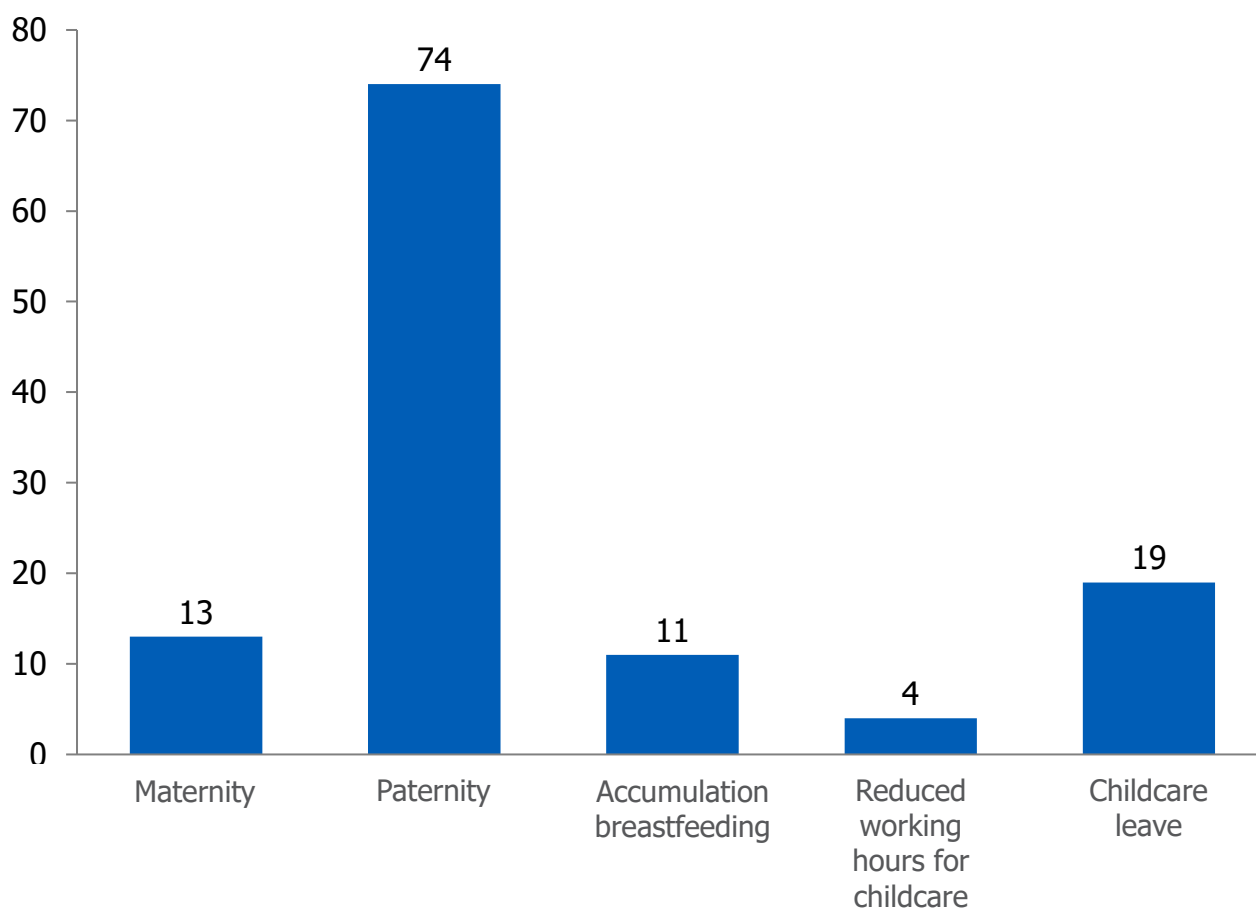
Training hours per employee in Navantia are higher than both the industrial sector average and the national average.

### Accident Frequency Rate (AFR)



Navantia's own workforce accident rate indicators show a significant improvement in 2021 compared to the previous year and continue a positive trend.

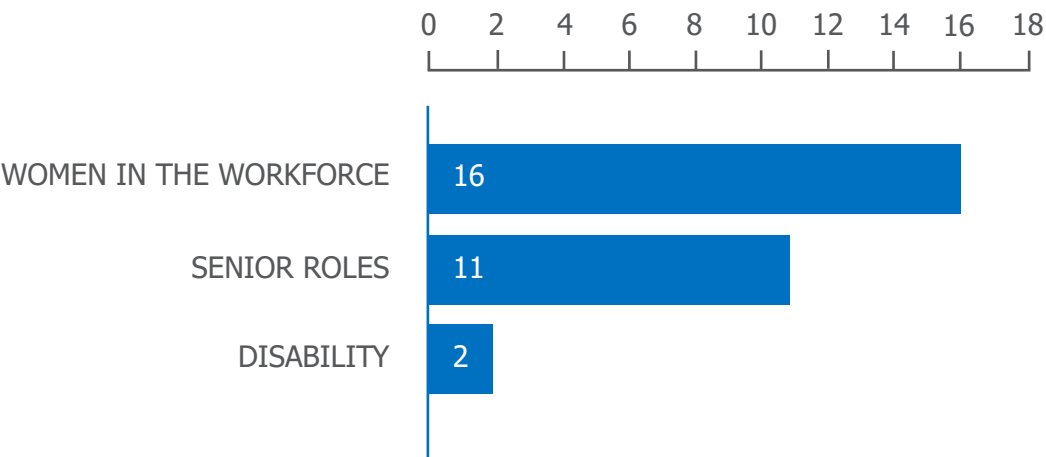
## Temporary absences, leaves and furloughs in 2021 (number of employees)



Navantia has specific plans, policies and measures in place to promote work-life balance and flexibility.

The company extends and improves on the legal provisions related to work-life balance and offers staff flexible working hours to reconcile their work and personal life.

Diversity indicators  
(% of number of employees on staff)



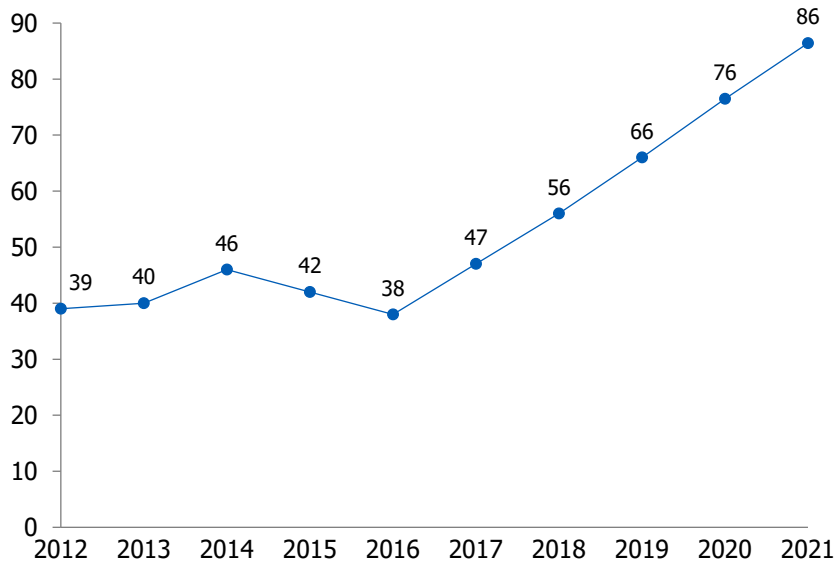
Navantia sees diversity as a value-generating asset that fosters innovation and enriches all our employees both personally and professionally.

The main objectives of Navantia’s gender diversity and equality strategy are:

- Encourage diversity as a source of talent.
- Foster an open, non-discriminatory and flexible culture in the organisation.
- Removing barriers that hinder women’s professional development.
- Make the most of our talent.
- Raise public awareness of this issue by disseminating our best practices.

## Waste valorisation rate

(% of waste recovered as a percentage of total waste)



Navantia establishes circular economy criteria to maximise waste prevention and valorisation actions (reuse, recycling and energy recovery).

In 2021, the valorisation rate, defined as the percentage of waste (both hazardous and non-hazardous) subject to valorisation at Navantia was 86%, the highest in recent years, consolidating the upward trend.

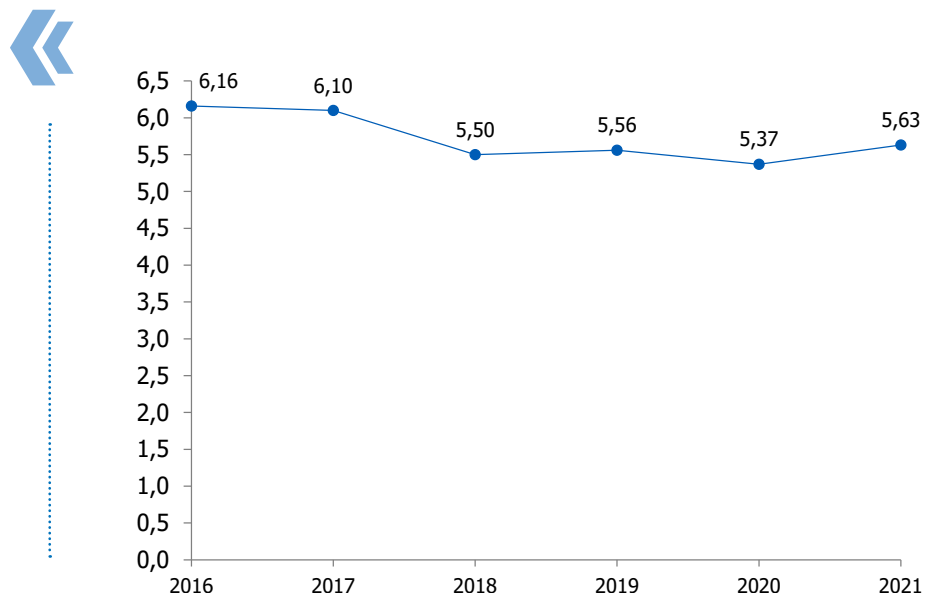
# ENERGY CONSUMPTION

## Electricity consumption per hour worked

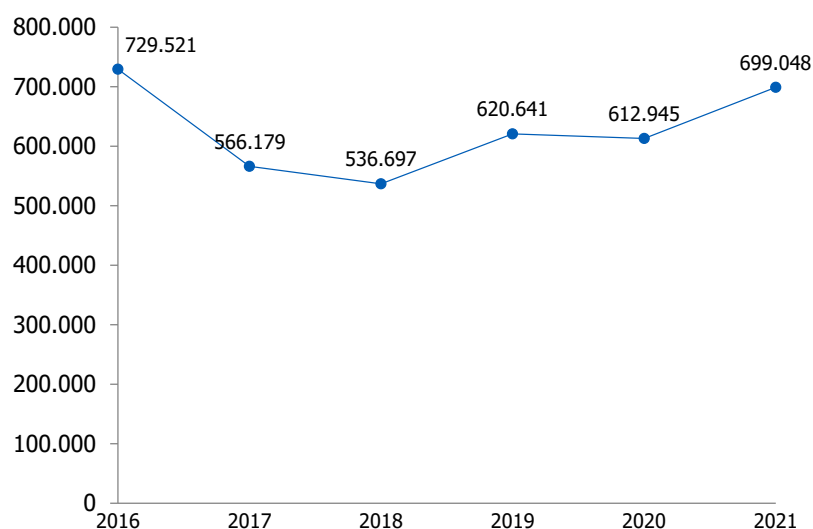
(kWh/hour worked)

In 2021, the electricity consumed in the geographical centres of Ferrol estuary, Cartagena dock and Cadiz bay was of renewable origin.

In addition, there has been a downward trend in consumption per hour worked since 2016, and greater efficiency in electricity consumption.



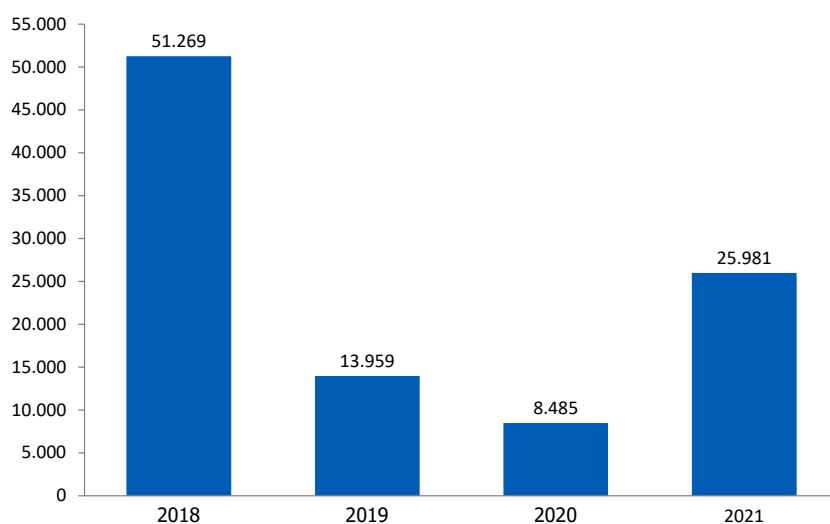
## Water consumption (m<sup>3</sup>)



In 2021, the total water consumption was 37.9 litres per hour worked and includes consumption of drinking water and consumption of water from other sources.

# EMISSIONS

## Greenhouse Gas Emissions (Scopes 1 and 2) (tonnes of CO<sub>2</sub> equivalents)



In 2021 Navantia generated a total of 25,981 tonnes of CO<sub>2</sub> equivalent, of which all corresponds to direct emissions (Scope 1) and the rest to indirect emissions from the generation of electricity consumed (Scope 2).







[www.navantia.es](http://www.navantia.es)

