

Cad It España

“Adding value to core business”

THE UNITED NATIONS GLOBAL COMPACT

Communication on Progress 2020



Letter of Commitment & Company Overview

LETTER OF COMMITMENT



To our stakeholders:

I am please to confirm that **Cad It España** reaffirms its support to the **Ten Principles of the United Nations Global Compact** in the areas of **Human Rights Labour, Environment and Anti-Corruption**.

This past year has been an exercise in managing unprecedented uncertainty. We watched as a single virus wreaked havoc on the lives of people around the globe. **Cad It España**, like many companies, has had to change its strategic plans due to the **Covid-19 pandemic**. Focusing its initiatives on strengthening its relationships with internal and external customers, with the main objective of maintaining trust and confidence and reinforce the **brand image**.

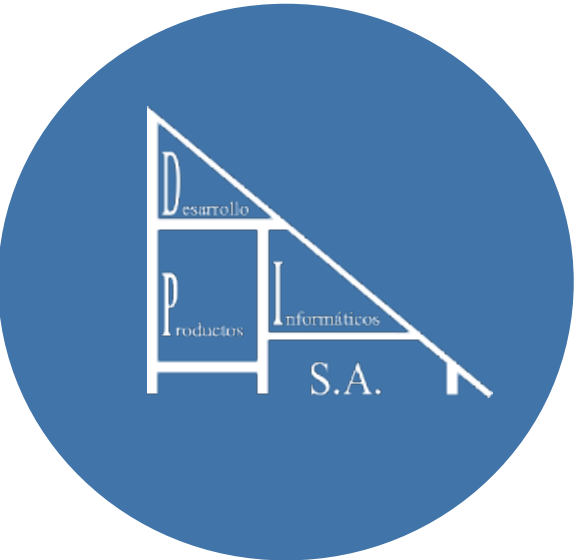
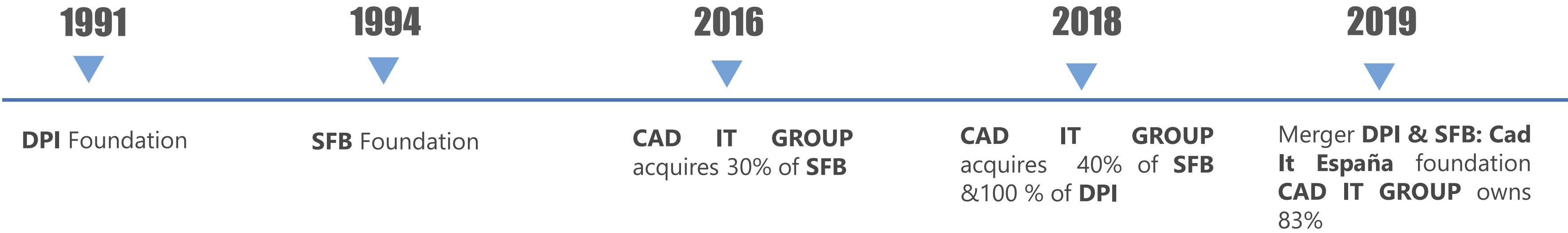
In this annual **communication on progress**, we describe our actions to continually improve the integration of the Global Compact and its principles into our **business strategy**, **culture**, and **day to-day operations**. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Cándido Pérez

Head Country Manager Cad It España

CAD IT ESPAÑA: INTEGRATING COMPANY CULTURES AFTER A MERGER



Desarrollo de Productos Informático a company founded in 1991.

Leader in Spain for the supply of software solutions for Fund Investment, Pension Fund, Insurance and Private Banking companies.

100% owned by **CAD IT S.p.A.**



More than **100 projects** in wide range of worldwide financial entities.

25 years of experience in Front to Back solutions.

Leader in Spain for the supply of **Front, Middle and Back Office software solutions** for Fund Investment, Pension Fund, Insurance, Private Banking companies and brokerage firms

110 employees

Headquarters located in **Madrid**.



Software Financiero Bolsa a company founded in 1994

Leader in Spain for the supply of front, middle and back-office software solutions focused on brokerage firms.

70% owned by **CAD IT S.p.A.**

OUR TARGET

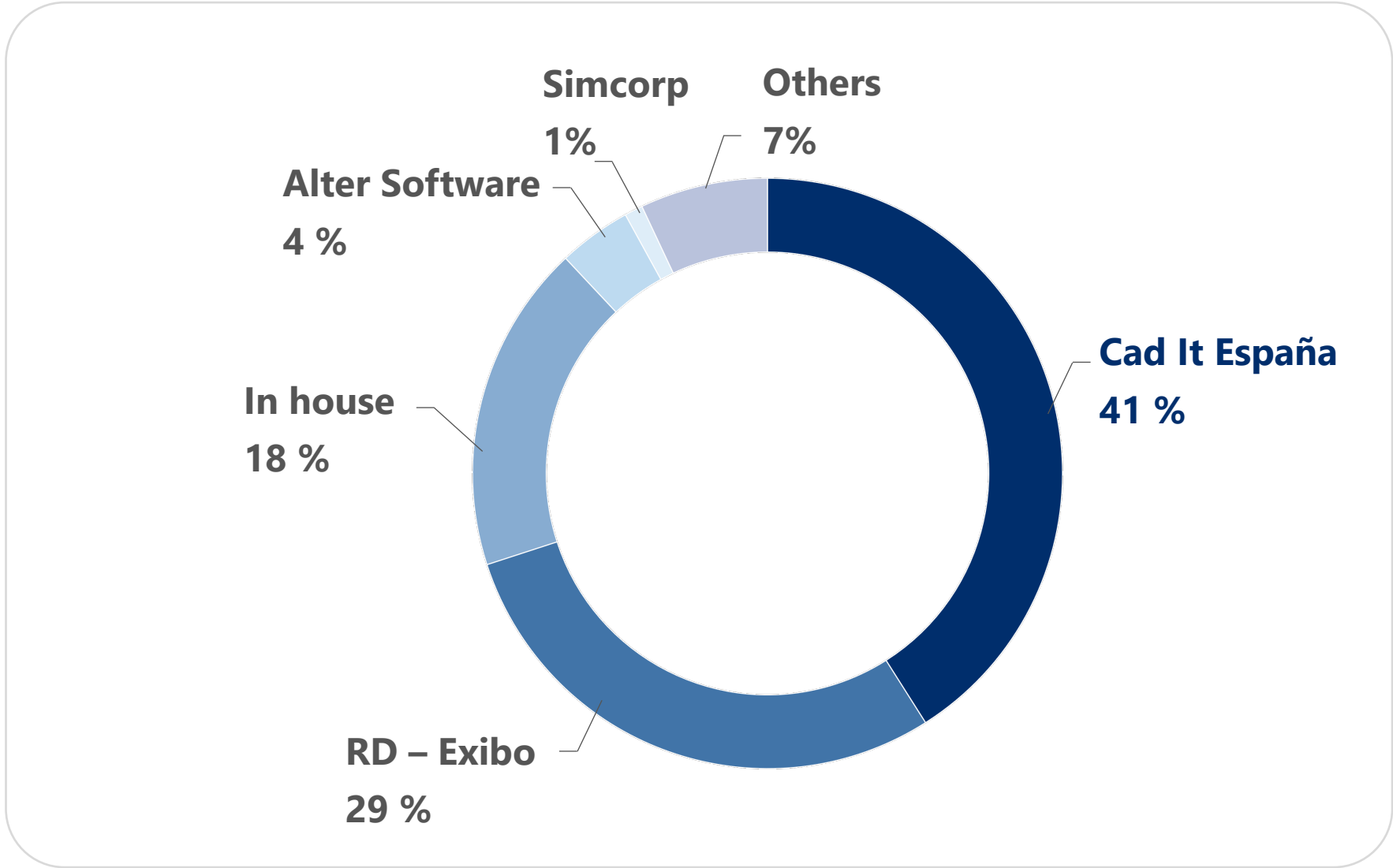


FUNDS AREA: HOW ARE WE POSITIONED

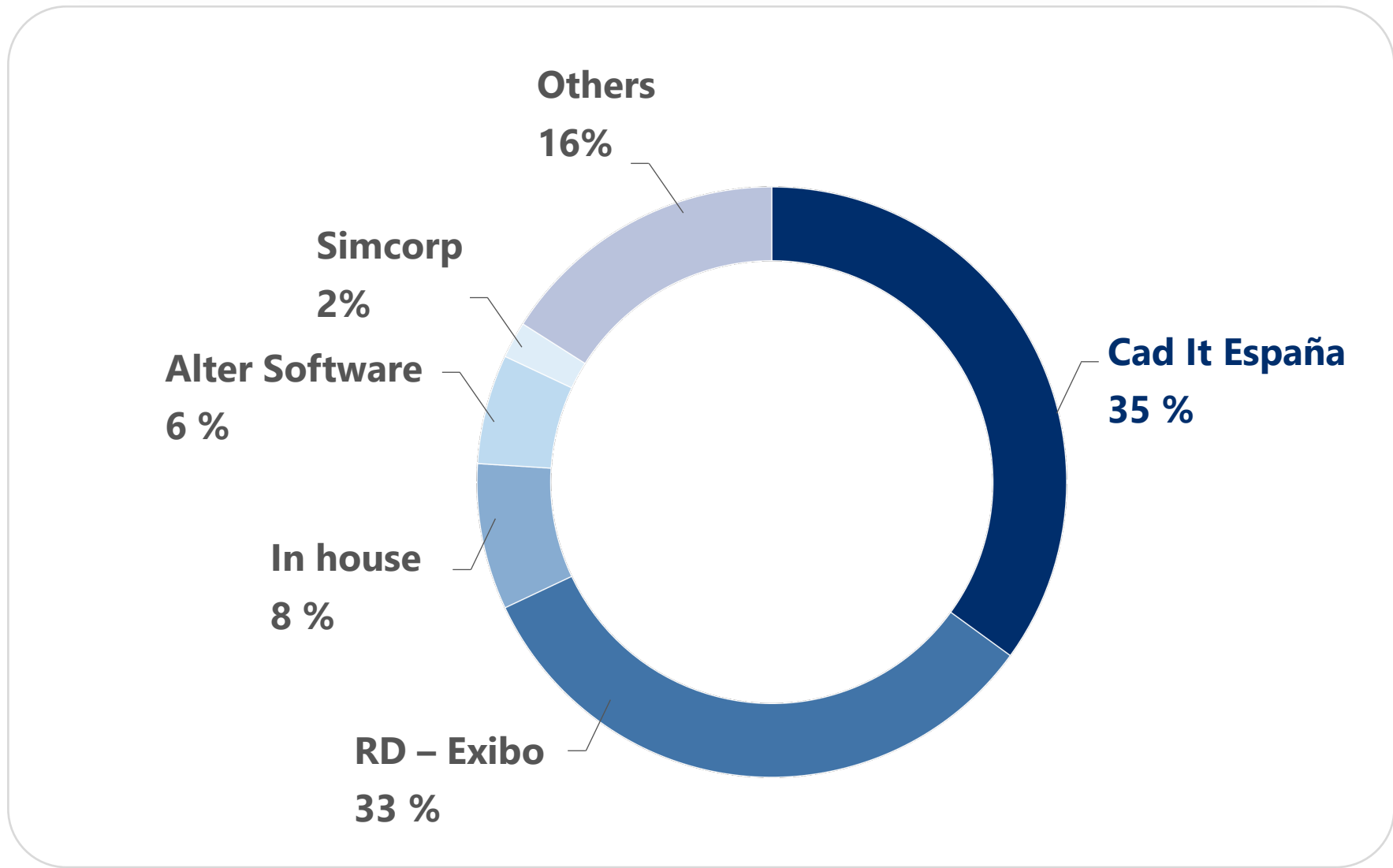


“ 40% Fund Managers and 35% Pension Managers use Cad It España’s Solutions ”

FUND MANAGERS BY SOFTWARE PROVIDER



PENSION MANAGERS BY SOFTWARE PROVIDER



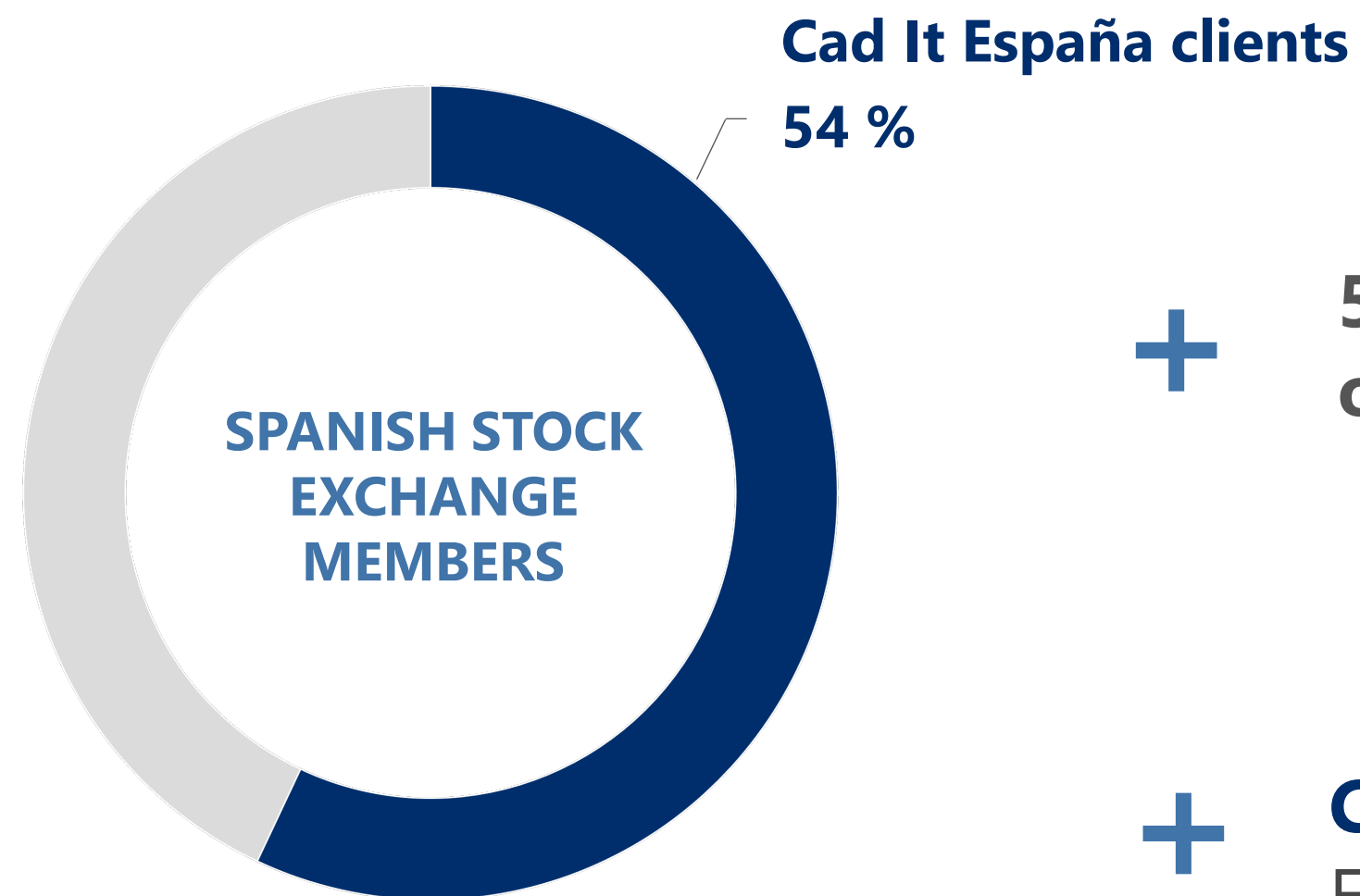
- ✓ 88.400 millions AUM are managed/administered by our solutions
- ✓ 12.000 millions AUM come from our Fund Admin Services

FUND ADMIN REFERENCES



MARKETS AREA

HOW ARE WE POSITIONED



- + **54 % of the Trading Members** of the Spanish Stock Exchange (27 entities) and **40 % of BME Clearing Members** use our Front, Middle or Back Office solutions.
- + **Cad It España's solutions** manage **35 % of the traded volume** in the Spanish Stock Exchange.

CAD IT ESPAÑA CLIENTS



//ABANCA



ALANTRA



bankinter.

bankinter.
Securities



cecabank



J.P.Morgan



renta4banco



CAD IT ESPAÑA CLIENTS





COVID 19: Reshaping the Company's Culture

>> ***Refining our purpose and values***

Accountability, commitment to customers, collaboration, agility, integrity and people-centricity

>> ***Stronger, more transformational leadership***

Creating environment where people feel valued and supported

>> ***Flexible remote working culture***

Remote working practices that are more accommodating to employees are likely to be favored

>> ***More and better communication among teams***

Technology is enabling businesses to continue to communicate and function effectively and maintain positive morale

>> ***Better collaboration***

Feelings of empathy and comradery heightened among team members as business connections form an important support network during challenging times

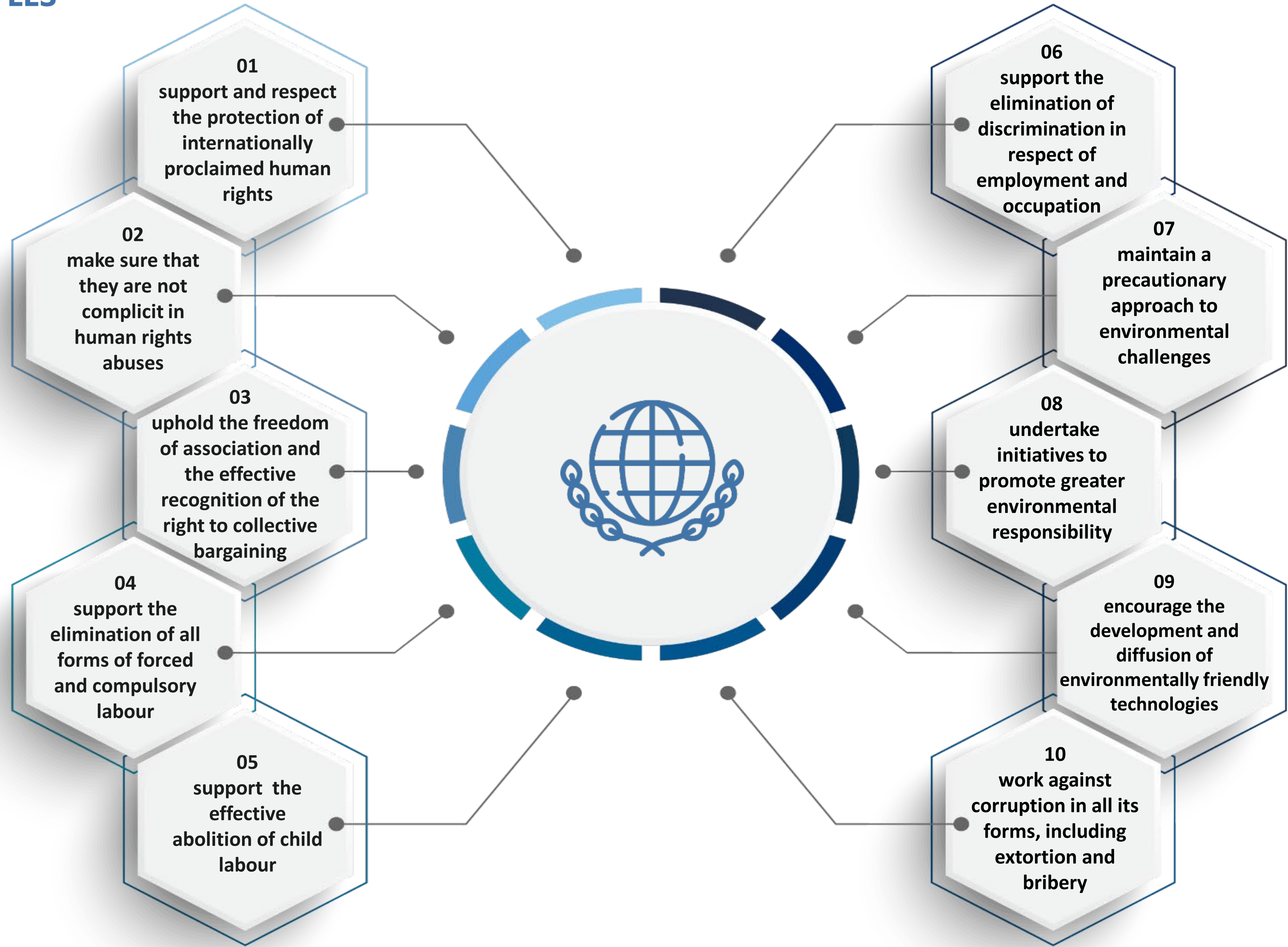
>> ***Focus on employee wellbeing***

Organizations will have to strengthen their empathy, compassion and listening skills in order to support employees on many levels



UN Global Compact

THE 10 PRINCIPLES



OUR COMMITMENT



The **United Nations Global Compact** is a strategic alliance between companies. These companies commit to the fact that they connect their operations and organizational strategies to the ten worldwide accepted principles, on **4 domains: human rights, labor, environment and anti-corruption**.

The **UN Global Compact** asks companies to embrace, support and enable these **10 principles** in their entire environment. **Cad It España** has a fundamental ethical and investment belief in responsible behavior. This is the reason we fully comply with the universal commitments contained in the **Ten Principles** since they are so obvious for us. The company purpose seeks to execute this belief across our firm's culture as well as in our business practices.

This year our **risk and impact analysis** still confirms that we continue to have a low overall level of risk given the legal and socio-economic environment in which our Company operates.

In the following section of this report, we will describe the actions implemented. It has been a complicate year for all our stakeholders due to the pandemic crisis, but we are very happy with the progress we have made throughout the year and look forward to improving the lines of progress that **Cad It España** has set for **2021**.



Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2

Make sure that they are not complicit in human rights abuses.

Cad It España is based in a democratic country and therefore the risk of human rights violations is of low magnitude. We consider and review our **HR practices** to ensure that we do not violate fundamental human rights.

HUMAN RIGHTS



PRINCIPLE 1

- ❑ **Cad It España** is aware of the importance of guaranteeing the **Health and Safety of its workers** and has established this in its **Occupational Risk Prevention Policy (ORP)**. The company organizes its preventive activity based on monitoring the health of its employees and auditing and correcting any deviations found.
- ❑ We comply with the **Data Protection Act**, which is why all employees sign additional annexes to their employment contracts when they start their employment relationship with the Company, in which they are obliged to respect and comply with this legislation.
- ❑ Adoption and review of **HR practices** and policies to help us **attract, motivate and retain talent**. This premise begins with the management of selection processes where we guarantee the dignified, fair and merit-based treatment of all candidates. Our main pillar this year has been internal communication. We have provided our employees with all the information to ensure they were equipped with everything they need to perform their roles efficiently, safely, and to the best of their ability. This method has improved productivity and morale, reduces risk and improves employee engagement.
- ❑ **Personalized Onboarding process** for new employees, the objective is to transmit the company's way of working and its philosophy and to integrate them completely into our organization from the moment they join. This year has been particularly challenging since the **Onboarding** have been done **virtually**. It has proven a success we have establish a system of **team bodies** and **tutors** to ensure all new employees felt part of the company since minute one and all the new recruits still within the company nowadays.
- ❑ Our **remuneration policy** seeks internal and external **equity** based on **objective criteria**.

HUMAN RIGHTS



PRINCIPLE 1

- ❑ We promote a **positive working environment** based on respect and trust. Tolerance among all members of staff is essential, as well as equal treatment and common sense. Communication, comradeship and pride in belonging are our hallmarks. This year **95 % of the staff** has been working from home that is the reason that we have increase communication using this 3 main channels:
 - **By teams or calls:** Both Two-way and bottom-up communication and peer to peer have been vital.
 - **Corporate email communication:** Internal communications have been information-focused using different tones depending on the issues to address
 - **Campaigns:** Address to enhance the feeling of belonging
- ❑ We promote **training** to boost the **personal and professional development of our employees**. To this end, we provide continuous training that allows them to keep up to date with any innovation relevant to our sector, providing technical, language and skills training, among others. This year **online training** has been essential to been able to keep up with **Cad It España's employees career plans**.
- ❑ We have a **two-way internal communication policy**. For this, it is necessary not only to inform properly, clearly and concisely, but also to listen to everyone's ideas and initiatives and to be accessible. It is also very important that the entire workforce is aware of the reasons and motives behind the decisions taken and the objectives being pursued. As mentioned before, communication has been our **main pillar** helping us to steer employees through an uncertain territory.
- ❑ The **achievement of a charitable goal** can bring people together which makes them interact, come to decisions and get them to know each other while building new relationships. This year we have collaborate with different social causes, the **Madrid Food Bank** and with **Fundación Theodora**. There has been great actions to keep the engagement with the staff.

HUMAN RIGHTS



PRINCIPLE 2

Cad It España does not have many suppliers who provide us with their services, which is one of the reasons why our relations with them are based on **mutual trust** and **shared values**.

We are aware of the importance of optimal management of suppliers, which is why we select them according to **criteria of transparency, objectivity and free competition**.

- Our main partners are **UN Compact partners**
- We value very positively the fact that our suppliers have a **progress report** and are adhered to the **Global Compact**.



Principle 3

Uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4

Elimination of all forms of forced and compulsory labour

Principle 5

Effective abolition of child labour

Principle 6

Elimination of discrimination in respect of employment and occupation

LABOUR



PRINCIPLE 3

- ❑ **Cad It España** strictly complies with **labour rights**, respecting all legal requirements under **Spanish law**, including freedom of association. We provide mechanisms that allow our staff to share their concerns or suggestions for improvement, enabling individual or collective meetings to help us improve the working environment. The Company is free from sanctions with **Labour Ministry** and **Social Security Agencies**.

PRINCIPLE 4

- ❑ **Cad It España** is ruled by the **Consultancy Agreement** which regulates the working conditions for our entire workforce. The agreement establishes specific measures regarding the annual working hours, remuneration and social benefits, among others. There is no risk of forced labour due to the activity performed by **Cad It España**, and this is indicated in the **Occupational Risk Assessment** that we do on an annual base. The Company is committed to **Work-Life Balance**. Our employees have full coverage for maternity and paternity leave, continuous working days in the summer, the possibility of reduced working hours to accommodate the needs of our youngest children and a responsible work and meeting schedule. During the Pandemic, the Company has supported all employees considering their family conditions in order to guarantee employees wellbeing.

LABOUR



PRINCIPLE 5

- ❑ Given the economic area in which **Cad It España** does its activity, there is no risk of hiring child labour. In all personnel selection and recruitment processes, the current legislation is respected. The **Workers' Statute** establishes the impossibility of employing minors under 16 years of age. In this sense, in **Cad It España** 100% of our contracts are made to people of legal age. The Company rejects any type of child labour, whether in Spain or anywhere else in the world, and undertakes to report any evidence of such practices that we may witness.

PRINCIPLE 6

- ❑ **Cad It España** respects local and national beliefs, ideologies and customs. We support the abolition of any discriminatory practices based on ethnicity, origin or nationality, age or gender. We currently have **HR policies** and procedures in place to ensure objectivity in new hires, organizational changes, promotions and talent management.



Principle 7

Support a precautionary approach to environmental challenges

Principle 8

Undertake initiatives to promote greater environmental responsibility

Principle 9

encourage the development and diffusion of environmentally friendly technologies

ENVIRONMENT



PRINCIPLE 7

- ❑ **Cad It España's environmental management** is included in our **Global Sustainability Policy**. From it emanates a series of principles and actions that reflect the company's strategy.

Recycling and better management of materials:

- **Separation of waste** for subsequent recycling. (paper, plastic and organic).
- Gradual **implementation** of **LED bulbs** throughout the office to reduce pollution from normal lights.
- **Digitization** of Company **documentation**.
- **Use of misprinted paper** such as dirty sheets and use of recycled paper.
- The purchase of **tickets** for corporate travel is done in **passbook format**.

ENVIRONMENT



PRINCIPLE 8

□ **Cad It España** has performed the following actions aimed at reducing our energy consumption:

- Implementation of the **0-paper program** aimed at minimizing or eliminating the use of paper.
- **Minimization of trips and visits to customers** by promoting the use of videoconferencing and therefore avoiding the use of environmentally harmful means of transport. In that case, the Pandemic has help us realize that avoiding trips it is a very easy task to tackle.
- This year we have performed our second **energy consumption analysis**, our objective has been to be able to measure the environmental impact of energy consumption at Company level and proceed to reduce it. The results aren't representative since we have been mostly working from home.

PRINCIPLE 9

- Acquisition of equipment and **technologies** that are **less aggressive** towards the **environment**.
- We encourage the use of **electronic formats**.
- We use **electronic certificates** and **signatures**.
- We **avoid paper documentation** as much as possible (only what is indispensable and required by law).
- Implementation of the **three R's: Reduce, Recycle and Reuse** in the daily activity of the office.



Principle 10

Work against corruption in all its forms, including extortion and bribery.

- ❑ **Cad It España** acts ethically and responsibly in any transaction with the stakeholders with whom it interacts:
 - We comply with **current legislation** and collaborate with the **competent authorities**.
 - We respect **property rights, pay for licenses** and **anti-piracy activities**.
 - We have always conducted our business in a manner that is ethical and respectful of the environment where we have influence. However, being a signatory to the **United Nations Compact** has allowed us to discover the benefits of being proactive in developing **socially responsible policies**.

2021

CAD IT ESPAÑA OBJECTIVES

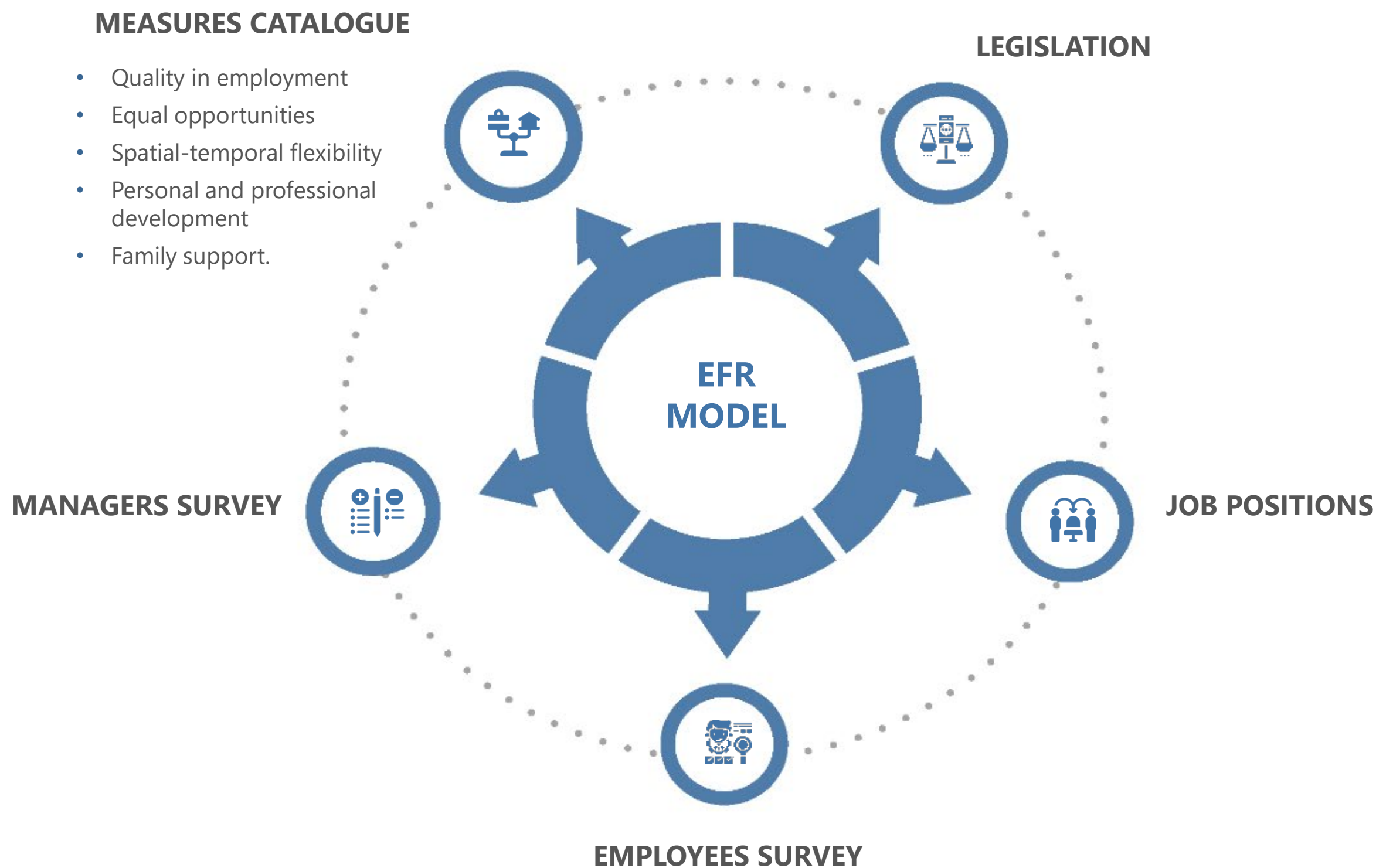


- ❑ **Maintaining an active vigilance** on our **Human Rights related policies** in order to be able to modify them in an agile and efficient manner if necessary.
- ❑ **Training all employees** and **new recruits** on all issues related to the **Company's Code of Ethics**.
- ❑ Continue with our firm commitment to achieve the **highest level of Health and Safety** in the workplace, improving the management of documentation related to **ORP** and offering more specific training in this area.



EFR Seal: Work-life Balance Certification (granted by Fundación Másfamilia with the backing of the Spanish Ministry of Health).

EFR Model includes the **design, implementation, evaluation, and continual improvement** of the practices and measures aimed at fostering a **work and personal life balance**.



Benefits:

- Work-Lifestyle Balance **KPI's**.
- **Image of commitment** with its employees and society
- **Attracting** and **retaining talent**.
- **Increase** in **competitiveness** and productivity
- **Reduction** in **absenteeism** and **staff turnover**
- More **committed** and **motivated employees** (improvement of the work environment)
- **Greater flexibility**

ENVIRONMENT



- ❑ **Improvements to our purchasing policy**, prioritizing the hiring of sustainable suppliers.
- ❑ **Promotion of greater environmental awareness among our staff**: launch of recycling campaigns, promotion of digital formats instead of physical ones, talks, etc.



ANTI-CORRUPTION



- ☐ **Review of our Code of Ethics** and training for staff on corruption risks affecting the Company.
- ☐ **Maintenance** of the different **internal control procedures** associated with the **fight against corruption**.
- ☐ **Cad It España** undertakes to report any type of corrupt practice of which it becomes aware.

THANK YOU FOR YOUR ATENTION

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