

# Cad It España

**Communication on Progress 2021** 



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4 Actions performed in 2021

#### **LETTER COMMITMENT**

To our staff and stakeholders:

I am pleased to confirm that **Cad It España** strongly reaffirms its support to the **United Nations Global Compact**.

As we move towards an uncertain future with conflict throughout the world, division in our societies and looming climate change. This is the moment when we need to remind us the **10 principles of the UN Global Compact** to which we are committed.



Principles that underpin the vision, mission and strategy within our sphere of influence, committing ourselves to promoting sustainable development in our different areas of action, and taking responsibility for the impacts that our decisions and activities have on the environment, as well as have on society.

We are in a period of history where **technology and science can reverse the damaging trends of past decades.** Never has there been such drive, passion and momentum to change our world, and corporations of all sizes have immense potential for positive change and change we must.

**Corporate responsibility** starts with a **company's value system and a principles-based approach to doing business**. This means we are obliged to operate in ways that, at a minimum, meet fundamental responsibilities.

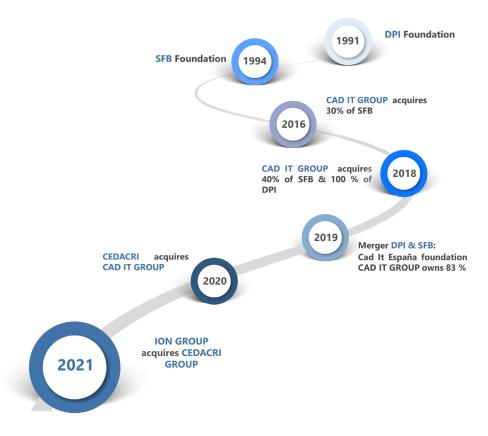
In this **annual Communication on Progress**, we describe our actions to continually improve the **integration of the Global Compact and its principles into our business strategy**, **culture and daily operations**.

Sincerely yours,

**Cándido Perez** 

**Head Country Manager Cad It España** 

Cad It España is specialized in applications development for Credit Institutions, Asset managers, Investment Institutions, Pension funds, Insurance Companies. We are leaders in the Spanish Market, as well as in the Italian through our Holding Company CAD IT (ION Group), with a market quota close to 60% and 90% respectively, also having clients in Germany, Austria, Switzerland, Czech Republic, Luxembourg, United Kingdom and Portugal.



Cad It España: Integrating Company culture after a merger

**Cad It España** offices are in Madrid, and the **CAD IT Group** headquarters are in Verona, the rest of the Group's subsidiaries are in Milan, Padua, Prato and Rome.



### **ABOUT CAD IT (ION GROUP)**

**CAD IT** is recognized for its long-standing expertise in the financial market, mainly for the following strengths:

Solutions that guarantee current **regulatory compliance**, constant adaptation to the different regulatory changes in the markets, as well as technological evolution.

Currently, **CAD IT invests around 30%** of its annual turnover in **R&D** and we maintain constant collaborations with different business partners, technology, universities, and regulatory bodies.

More than **200,000 users** who use our applications provide extensive experience that allows us to continue developing and improving our products day after day.

For **CAD IT**, each client is unique. This is the reason why our products, starting from a solid and efficient core, are tailored and their modularity is based on components that allow the implementation of a solution according to the needs of our clients.

**CAD IT clients** include banks, insurers, fund managers, brokers, service providers and national authorities.



Within Europe Group figures show the following results:

- 1,5 billion euros AUM (Asset Under Management)
- 200.000 users
- 25.000.000 accounts

#### INTERNATIONAL PRESENCE



We currently have projects implemented in Italy, Germany, Switzerland and Spain. Our company generates a community by establishing contact with its main stakeholders:



**Clients:** Encouraging the creation of **Working Groups** that address important issues for the sector (New regulations, technological changes, new types of products ...)



**Partners:** Collaborating in the **dissemination of financial and technological knowledge** in different areas (collaboration agreements with universities, training courses with financial institutions, collaboration with technological partners, etc.)



**Organizations: Cad It España** actively participates in the main debate forums related to the sector (**CNMV**, **Bank of Spain**, **DGSFP**, etc.) and is a member of **Inverco** as part of our commitment to be part of any change that could affect the sector.

#### WHAT DIFFERENCIATES OUR PROJECT

#### Our keys: Innovation, specialization and customization

Understanding and facing the reality of our clients is our reason for being. We translate the needs of our clients into projects, offering the best solutions aligned to the particularities and characteristics of each business.

Our team offers solutions profoundly committed to its practical implementation and commissioning. The ability to fully and, in a global way, resolve the requirements of a project constitutes our differentiating element. We can address all the phases that lead to success, from the initial strategic understanding of the requirements to its effective implementation, passing through the functional, organizational, and operational stages.

- Complete and reinforced value chain, which facilitates the development of solutions with tighter times and a more accurate approach.
- Ability and critical mass to tackle highly complex projects, with the possibility
  of responding to all customer needs.
- Own methodology for project management, supported by complementary methodologies to each practice and enriched by our own experience.
- Own technological solutions, which offers great independence and flexibility.



Native Helpdesk at your Service

Specialized consulting service in each area



Up-to-date

- We allocate 30 % of our profits to R&D
- - Up to date with Regulation



Straight Through Processing

Front to Back task



**Tailor made** 

We adapt our solutions and developments



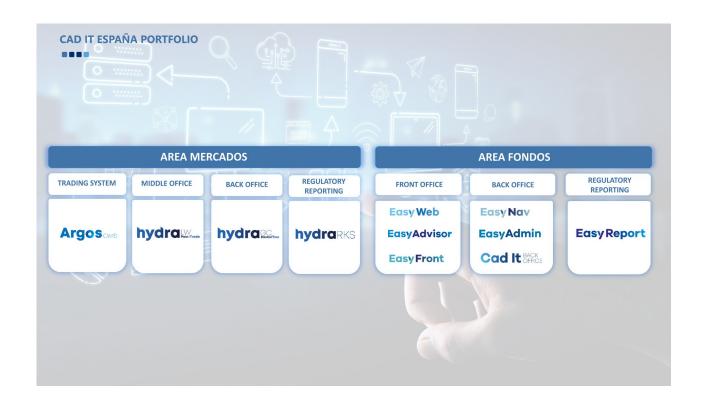
Agile configuration of new products



#### **SOLUTIONS AND SERVICES**

We develop and implement **Front to Back IT solutions** for all types of organizations that make up the market: banking, insurance companies, investment companies, broker-dealers, managers, etc.

Our **deep knowledge of the sector**, the technological innovation applied to the business together with our great team of professionals, allow us to provide scalable and tailored solutions, which makes us the perfect technological partner for our clients.



**Solutions Catalogue** available for all participating areas, whose modularity allows both covering specific needs and covering a complete flow of Front to Back operations:

### Trading Systems

**Cad It España** suite covers, in a global and integrated way, the needs of financial institutions in the field of negotiation, including all types of assets and providing services to Equities, Fixed income and Treasury trading desks, of investment companies or banking and financial organizations

#### **SOLUTIONS AND SERVICES**

#### Front office: Portfolio Management & Financial Advisor

With constantly changing business conditions and increasing competition, it is essential to use tools that allow managers and advisers to operate in a reliable system, which provides them with sufficient information and security to make the best investment decisions.

Our **Front Desk tools** are a complete Front-to-Back solution, whose modularity and scalability allow adaptation to any scenario, and in turn link perfectly with our Trading, Middle and Back Office systems.

#### Middle office

Our solutions in the **Middle office area** solve all post-trading tasks in the national and international securities markets for financial and credit institutions. It considers the flow of the operation from the receipt of the client's order to its settlement; managing the relationship with the ordering parties, end customers, clearing / settlement banks and with all the infrastructures of the different trading venues Trading systems.

#### • Back office: Portfolio Management

Our wide range of **portfolio management applications** are the ideal solution for the different types of organizations and services of Private Banking and collective investment, such as: Collective investment Managers, Pension Funds Managers, Investment Service Companies, Credit Institutions, and Insurance Companies.

With more than 20 years of experience in the sector, our team of professionals and the trust that more than a hundred clients have placed in us, have allowed the creation of an Integrated System of Applications in constant evolution that responds to all the needs that the Departments Middle and Back office required.



#### **SOLUTIONS AND SERVICES**

Further to our solutions catalogue, we have a set of **services** available to give greater value to the projects we implement:

#### Consulting, implementation and custom development

Our experience in project planning and consulting comes from the work we carry out in very diverse financial organizations: from the analysis and resolution of simple problems in small local institutions, to complex problems in international organizations.

#### Applications Management and Support

We offer an immediate response service, capable of identifying and solving incidents that arise in any of the elements that intervene in the daily development of the business. Through this service, we take care of the health of the systems involved, carrying out preventive work that minimizes the number and importance of incidents.

#### • BPO: Business Process Outsourcing

Cost savings, flexibility in the use of resources and speed of adaptation to changes have become three of the main premises in the management of companies. More and more, companies are betting on outsourcing processes that are not part of their core business.

A BPO is not about a simple outsourcing, it is about the radical redefinition of the conditions of business processes, in order to achieve results that completely exceed those that would be obtained simply by cutting costs.

### • ITO: Information Technology Outsourcing Services

At **Cad It España** we are experts in structuring Outsourcing projects based on our technological solutions, on our certified quality processes and on the capacity of our team. Right advice and optimal technological investment in computer systems and tools is essential for an organization to increase its productivity and become increasingly competitive.

## • BCP: Business Continuity Plan

At **Cad It España**, based on our experience in business continuity, we carry out a study of the requirements to meet the recovery objectives of the activity and we find solutions that are technically and economically adjusted to the needs of our customers.

#### **OUR CERTIFICATIONS: CREATING A CULTURE OF CONTINUOS IMPROVEMENT**

The main values that define the philosophy and mission of **Cad It España** are:

- Seeking processes and systems continuous improvement, that allows us to guarantee the highest quality of our solutions and services.
- The commitment to promote technological innovation in our projects.

These values are reflected both in the internal policies and strategic plans that regulate our day-to-day operations and are endorsed by the external third-party certification of these efforts:



**Cad It España** is certified as **Innovative SME** by the Ministry of Science, Innovation and Universities.



The internationally-recognized **ISO 9001** is a measurement of quality management. This achievement demonstrates **Cad It España's** commitment to consistently providing products that meet customer and regulatory requirements, as well as to continuous improvement throughout the business.



Cad It España has achieved ISO 27001 certification, showcasing our determination to uphold information security and bring secure, trustworthy services to our clients. This certification is in line with our Future Ready vision as we foresee the significant trend of data reliance in projects of all kinds.



The **EFR certificate**, or work-life balance management model, promoted by the Másfamilia Foundation, and approved by the Ministry of Health, Consumer Affairs and Social Welfare, recognizes organizations involved in creating a new work culture, implementing a management model that allows for a balance between work and personal life, based on flexibility, respect and mutual commitment.

#### **OUR VALUES**

#### We are leaders in the industry

This position requires a high level of excellence. We are dedicated to the culture of service, the people that belong to **Cad It España** highlights their service vocation. We know the problems that our customers must deal with daily, and we are sensitive to how important immediate attention is.

#### We learn with our clients

Our market presence offers a unique privileged position; from here we can obtain a comprehensive understanding of the market, which in turn we apply in our products and services.

Fulfilling the purpose and values of our company is a commitment and a common way of doing our work. We understand that our actions and behavior in the performance of our responsibility as an employee must be guided by our ethical and moral principles, with honesty, excellence, integrity and transparency being our priority.

#### **OUR CORE VALUES**



**Honesty** 



**Accountability** 



Integrity



**Passion** 



**Transparency** 

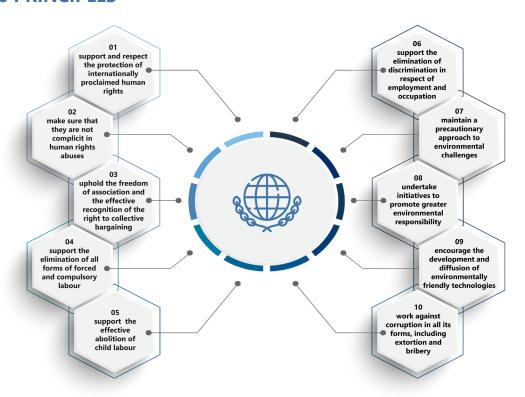


**Constant Improvement** 



**Commitment to Customers** 

#### THE 10 PRINCIPLES



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 2022.

#### **THE 10 PRINCIPLES**

#### **HUMAN RIGHTS**

#### Principle 1 → Protection of fundamental human rights

**Cad It España** supports and respects the protection of internationally recognized fundamental human rights. Our **Organization** has been a signatory to the Global Compact since 2014 and shares the conviction that business practices, based on universal principles, contribute to build a more stable, equitable and inclusive global marketplace that fosters more prosperous societies.

**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.

### Principle 2 → Human Rights Violation

**Cad It España** has a purchasing policy, in which it compiles its responsible purchasing criteria, based on the ethical, labour, social, quality and environmental aspects that it considers appropriate and that go beyond the applicable legal requirements.

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.

#### **THE 10 PRINCIPLES**

#### **LABOUR**

 Principle 3 → Uphold the freedom of association and the effective recognition of the right to collective bargaining

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 → Elimination of all forms of forced and compulsory labour

**Cad It España** rejects all forms of forced or compulsory labour and does not under any circumstances contemplate that forced or compulsory labour will occur.

**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.

Principle 5 → Elimination of child labour

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. 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 -> Elimination of discrimination in respect of employment and occupation

**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.

#### **THE 10 PRINCIPLES**

#### **ENVIRONMENT**

Principle 7 → Support a precautionary approach to environmental challenges

Although **Cad It España's activities** do not have a large environmental impact, the company is aware that it must make responsible use of natural resources and therefore adopts a precautionary approach to environmental preservation and care.

**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 scrap paper and use of recycled paper.
- The purchase of tickets for corporate travel is done in passbook format.



#### **THE 10 PRINCIPLES**

#### **ENVIRONMENT**

 Principle 8 → Undertake initiatives to promote greater environmental responsibility

**Cad It España** promotes the responsible consumption of resources and complies with non-hazardous waste management regulations. It is also working towards becoming a zero-waste company. We have 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 third 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 yet since we have been mostly working from home.
- Principle 9 → Encourage the development and diffusion of environmentally friendly technologies
  - 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.

#### **THE 10 PRINCIPLES**

#### **ANTI-CORRUPTION**

 Principle 10 → Work against corruption in all its forms, including extortion and bribery.

**Cad It España** expressly rejects any form of corruption and bribery in the award of contracts, purchases or sale of its services. The **ethical policy** in this regard is published and accessible to our employees.



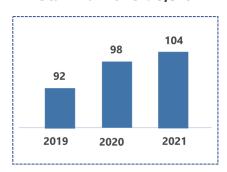
**Cad It España** acts ethically and responsibly in any transaction with the stakeholders with whom it interacts:

- 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.

#### PEOPLE MANAGEMENT

Cad It España's 2021 year-end figures are as follows:

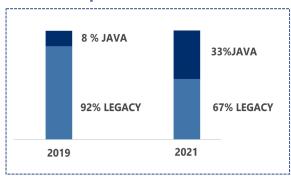
**Staff Turnover: 0,5%** 



**Gender Position Distribution** 



Reskilling the workforce for a post pandemic future



As a people-centric organization, our employees are our greatest strength. Our growth in the last few years has seen the company's diversity increase, with each new hire bringing fresh perspectives and ideas that shape who we are today.

We value our employees and are proud of our **minimal staff turnover levels**. In 2021, turnover was just **0,5** % which is very low when compared with industry statistics.

We are aware of the gender imbalance in the company. This situation is caused by different reasons, among which the following stand out: the sector we work in, the software sector is still very masculinized, but it is also inherited from the HR policies of the two companies that together form **Cad It España** (**DPI and SFB**). These 2 companies were small family businesses, and nothing was done to address these imbalances. Since December 2018 we are working on changing this trend actively through recruitment and the internships program.

#### PEOPLE MANAGEMENT

### Becoming efr, our greatest achievement this year

#### What is efr?

The **efr certificate** is a professional and innovative tool, which provides an effective methodology to enable the management of work-life balance processes implemented in companies. The efr-1000 management models establish a series of requirements that a company must meet in order to demonstrate its ability to reconcile the work and personal lives of its employees, and at the same time its business efficiency.

These efr management models for family-friendly companies are set out in a series of regulatory documents that have been designed, from the outset, to meet the needs and expectations of both large companies (EFR-1000-1) and SMEs (EFR-1000-2).

This important recognition is designed and managed at a global level by the **Másfamilia Foundation**, an organization that promotes respect, equality and responsibility for people, and which works especially in the area of work-life balance.



At **Cad It España** we are committed to achieving a balance between the personal and professional lives of each one of the people who form part of our organization. We know that this balance contributes to the fulfilment of our objectives.

We understand work-life balance management as the creation and monitoring of the ideal organizational conditions that allow our team to reconcile their personal and professional lives, while achieving the results set by the organization and satisfying their wellbeing needs. **50 measures** have been adopted with the aim of making personal and professional life more compatible and balanced. These measures revolve around job quality, flexibility, family support, personal and professional development, equal opportunities and leadership.

**Cad It España** focuses its work-life balance model on a satisfactory working environment, which favors effective equality between men and women, improves family relations and contributes to environmental protection, thus improving efficiency and productivity.

#### PEOPLE MANAGEMENT

#### **Growth Strategy**

Thanks to the experience we gained in 2020 of quickly adapting to digital recruitment processes, our recruitment activities were more successful than ever in 2021.

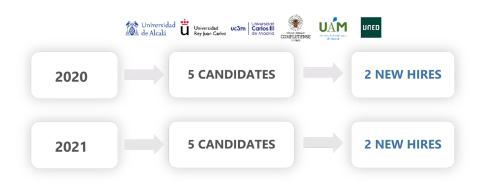
Having the right person for a specific position, at the right time, is one of the fundamental objectives when selecting candidates according to the planning of the sizing and specific needs of the teams.

At **Cad It España**, we promote internal vacancies with the aim of offering development opportunities to our employees, so that they can grow professionally and take on new challenges within the company. Due to the Company's strong growth this year, new jobs were created, and external talent was brought in.

We believe a diverse culture is a sustainable culture. As a company, **Cad It España** cultivates a work environment where everyone feels valued and included. We have developed a framework for improving diversity and inclusion that involves us focusing on three areas: ensuring representation of diverse talent, enabling equality of opportunity through fairness and transparency, and tackling microaggressions and promoting multivariate diversity becoming efr is helping us address this matters.

### **Internship Programs**

Our successful program for graduates this year has been working great in 2021 despite Covid-19 and the associated restrictions. Our passionate graduates specialize variously in development, business consulting, design and test management for what will be a great start to their careers, both professionally and socially due to their involvement in exciting customer projects. Cad It España main objective is that this profiles stay in the Company.



#### PEOPLE MANAGEMENT

#### Reskilling the workforce for a post pandemic future



A world in constant evolution means that we all need to be constantly moving in terms of our education, knowledge and skills. Expertise development is key to attracting talented employees but most of all to retaining existing employees. Our different training activities support our employees' process of continuous improvement throughout their career at Cad It España.

The technology sector is a fast moving, innovative, rapidly evolving and highly competitive sector. Our staff development process starts with the internships to attract young individuals into our company. We also are making a conscious effort to help our people advance their careers and promote them from within the company where possible.

### Keeping Cad It España safe and healthy during the second year of COVID-19

Like the previous year, the **COVID-19** pandemic was the biggest threat to the health and safety of our employees in 2021. Since the pandemic broke out in the start of 2020, we have kept an even closer eye on the well-being of our employees. To deal with the unprecedented situation our employees have had to adapt their work and personal lives, and, for many, this new situation came with the risk of added pressure on their mental wellbeing. As a responsible employer, we felt obligated to do everything in our power to keep our employees safe and make the work-from-home transition as stress free as possible.

During **Q4**, we ran an **employee survey** (mandatory for our efr certification) to monitor the overall well-being of our workforce. The results showed that our employees are feeling well when working remotely, and that our managers were doing a good job supporting remote employees. The fact that our employees were still feeling well overall after working remotely for so long told us that working-from-home is working for us to a large extent, confirming that we can be confident moving forward as a hybrid workplace.

#### **PEOPLE MANAGEMENT**

## Keeping track of our employee engagement

The happiness and well-being of our employees is a top priority, which is why we put a lot of effort into maintaining a workplace culture that nurtures professional growth and maximizes employee happiness. Thanks to the **efr** and the surveys we need to perform, we can monitor how our employees are doing and identify areas where we need to up our game.

Our results are a great opportunity to focus on things that will take us to the next level as a workplace.

Our highest scoring results show that the vast majority still takes great pride in working for **Cad It España** and feel they are working together effectively in their teams. The staff also trust their managers and feel they can speak freely and share ideas, concerns, or feedback if necessary.

Moving forward, we are committed to keeping a finger on the pulse and gathering and acting on feedback from our workforce.



#### **GIVING BACK TO COMMUNITY**

**Corporate Social Responsibility** has become one of our company's assets. The organization is aware that with its daily actions and **corporate culture** it is contributing to the construction of a fairer, more sustainable and balanced world.

Below, we detail the main actions we have implemented, and which reflect the progress and goals achieved:

#### **Environmental Management**

In the past year, one of our main initiatives to continue promoting environmentally responsible behavior and with the active participation of our employees has been the planting of a forest. With the help of the **NGO Areas Verdes**, the **Cad It España corporate forest** was born. Create a forest means a great intangible value for the company that promotes it that cannot be quantified by the usual standards. The result of this activity, apart from being an intimate family day for all the people who are part of the **Cad It España Community**, was the obtaining of the **Green Certificate** that is received by the companies that participate through their CSR programs and that accredits the active participation in the projects of the association areas verdes sponsoring the planting of trees, as a tool to fix the atmospheric CO2 that causes climate change and desertification due to global warming.



## **GIVING BACK TO COMMUNITY**









#### **GIVING BACK TO COMMUNITY**

#### **Social Action**

Collaborations with Foundations and Corporate volunteering actions:



**Madrid Food Bank:** We are aware that the **Covid-19 pandemic** added to the economic crisis we have suffered in recent years has meant that the role of food banks has been fundamental for many groups to cover their basic needs.



**Fundación Theodora: Cad It España** collaborates with volunteering actions and occasional donations with this foundation, whose mission is to humanize the stay of the smallest hospitalized children, through the 'smile doctors' (clowns, magicians, storytellers, musicians, actresses and actors).



#### **GIVING BACK TO COMMUNITY**

**Social Action** 



**Aldeas Infantiles:** This **NGO** is dedicated to the **care of children and young people** in vulnerable situations. **Cad It España** is a partner of this **NGO** because we firmly believe that children are the future.



## **MOVING FORWARD**

Key to our employee strategy is making sure it's connected to our brand essence and purpose and that it supports our mission.

At the same time, support and leadership from the top are essential, they are key to the success of our initiatives.

Our **company's DNA** is based on the development of a sustainable organizational model, with a strategy that is not only based on figures.

The actions performed by **Cad It España** are aimed at strengthening our commitment to society. We are aware that sustainability drives and develops the growth of the organization at all levels and, for this reason, we will continue to dedicate our efforts in this direction.

We expect that our story will only become richer over the coming years, as we've made a commitment to ambitious goals that align with the **UN Sustainable Development Goals**. Our main objective being to reduce our effect on the planet and make a genuine human impact for our people, our clients and our community.







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