



Dominion Hosting Holding S.p.A.

● PROCEDURE FOR MANAGING TRANSACTIONS WITH RELATED PARTIES ●

Milan (MI), 28 September 2020

Dominion Hosting Holding S.p.A. – Milan (MI), Via Caldera 21
Tax code and VAT no. 09150720960

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1. INTRODUCTION

- 1.1 This related-parties transactions procedure (“**Procedure**”) governs the procedure for managing transactions with related parties carried out by Dominion Hosting Holding S.p.A. (“**DHH**”, “**Company**” or “**Issuer**”) – whose financial instruments are listed on AIM Italia, a multilateral trading facility organised and managed by Borsa Italiana S.p.A. (respectively, “**AIM Italia**” and “**Borsa Italiana**”) – and its subsidiaries, in order to ensure that such transactions are transparent and accurate from a substantive and procedural point of view.
- 1.2 In accordance with Article 13 of the AIM Italia Issuers’ Regulation (“**AIM Issuers’ Regulation**”), this Procedure has been drafted in accordance with Article 10 of the regulation concerning transactions with related parties, adopted through CONSOB Resolution No. 17221 of 12 March 2010, as subsequently amended and supplemented (“**CONSOB Regulation**”).
- 1.3 The Procedure sets out the rules that apply to two (2) types of transactions with related parties: *(i)* Significant Transactions with Related Parties (as defined below); and *(ii)* Less Significant Transactions with Related Parties (as also defined below), envisaging specific provisions governing the preliminary review and approval of such transactions.
- 1.4 The Procedure does not apply to certain types of related-party transactions, including Minor Transactions (as defined below) and resolutions concerning remuneration of members of the Board of Directors and, where existing, the Executive Committee of the Company.
- 1.5 This Procedure was approved by the Board of Directors of DHH on 28 September 2020.
- 1.6 Reference should be made to the CONSOB Regulation (as applicable to the Company in accordance with the AIM Issuers’ Regulation) concerning any matters not explicitly governed by this Procedure.
- 1.7 Any amendments to the CONSOB Regulation (as applicable to the Company in accordance with the AIM Issuers’ Regulation) – in particular concerning “Transactions with Related Parties” provisions, “Significant Transactions with Related Parties” and “Related Parties” – are considered as being automatically incorporated into this Procedure and the related provisions are consequently considered as being amended.
- 1.8 Without prejudice to the following section of this Procedure, the Board of Directors is primarily responsible for duly and consistently applying the Procedure.
- 1.9 It is understood that, in accordance with Article 4, paragraph 6 of the CONSOB Regulation, the Board of Statutory Auditors must ensure that this Procedure is in line with the CONSOB Regulation and that the Procedure is complied with, and must report on these matters to the Shareholders’ Meeting as per the second paragraph of Article 2429 of the Italian Civil Code.

2. DEFINITIONS

- 2.1 In addition to the terms defined in other sections of this Procedure, the terms below have the following meanings, it being understood that singular terms are construed to mean the plural where necessary, and plural terms the singular.

AIM Related Parties Provisions: AIM Italia provisions on Related Parties.

Appointed Officers: directors of the Company with members of DHH’s Board of Directors with management powers.

CLF: Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance), as amended and supplemented.

Competent Function: refers to the function responsible for each Transaction with Related Parties as

per the internal rules of the Company, or the body or appointed party if no internal structures are involved. With reference to Transactions carried out through subsidiaries, the Competent Function is the corporate function responsible for reviewing or the advance approval of each Transaction that the subsidiary intends to carry out.

Direct Related Parties: the Related Parties under (a) and (d) of the following definition of “Related Parties”;

Equivalent Remedies: the provisions under Article 5 of this Procedure below, to be adopted in protection of the substantive correctness of the Transaction where, in relation to a particular Transaction, the Committee cannot not be constituted as required.

Independent Directors: directors who meet independence requirements laid out in Article 148, paragraph 3 of the Consolidated Law on Finance and Article 3 of the Borsa Italiana Corporate Governance Code.

Less-Significant Transactions: all Related-Party Transactions other than Significant Transactions and Minor Transactions.

MAR: Regulation 2014/596/EU on market abuse (Market Abuse Regulation) and related implementing regulations.

Market or Standard Equivalent Terms: terms similar to those usually applied to parties not considered to be Related Parties in Transactions of an equivalent nature, extent and risk. This category includes conditions based on regulated tariffs or prices set or practiced with parties with whom the Company is obliged to contract at a fixed price.

Minor Transactions: Transactions the annual value of which (net of taxes, duties or charges) is less than €50,000.00 (fifty thousand euros and zero cents) per Transaction.

Ordinary Transactions: all Transactions carried out in the ordinary course of the Company’s business or that of its subsidiaries or within the framework of the related financial activities and that are entered into at market conditions or equivalent terms.

Related Parties: for the purposes of this Procedure, a party is considered a “Related Party” if the party:

- (a) directly, or indirectly, including through subsidiaries¹, trustees or nominees: (i) controls² the Company, is controlled by it, or is subject to common control; (ii) has an interest in the Company such that it has a significant influence³ over the Company; or (iii) controls the Company jointly with other parties⁴;

¹ Under Annex 1 to the AIM Related Parties Provisions, a “subsidiary company” is: “an entity, even without legal personality, as in the case of a partnership, controlled by another entity”.

² Under Annex 1 to the AIM Related Parties Provisions, “control” is defined as: “the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Control is presumed to exist when a party holds, directly or indirectly through its subsidiaries, more than half of the voting rights of an entity except where, in exceptional circumstances, it can be clearly demonstrated that this holding does not constitute control. Control also exists when a person owns half or less of the voting rights exercisable at shareholders’ meeting if they have: (a) control of more than half of the voting rights by virtue of agreement with other investors; (b) the power to govern the financial and operating policies of the entity under a statute or agreement; (c) the power to appoint or remove the majority of the members of the board of directors or equivalent body of corporate governance, and control of the entity held by that board or body; (d) the power to cast the majority of the voting rights at meetings of the board of directors or equivalent body for corporate governance, and control of the entity held by that board or body”.

³ Under Annex 1 of the AIM Related Parties Provisions, “significant influence” is defined as: “the power to participate in the financial and operating policy decisions of an entity, however not exercising control over those policies. Significant influence may be gained by share ownership, articles of association or agreements. If an investor holds, directly or indirectly (e.g. through subsidiaries), 20% or more of the voting rights of the investee, it is presumed that the investor has significant influence, unless it can be clearly demonstrated that this is not the case. Conversely, if the investor holds, directly or indirectly (e.g. through subsidiaries), less than 20% of the voting rights of the investee, it is presumed that the investor does not have significant influence, unless such influence can be clearly demonstrated. A substantial or majority ownership by another investor does not necessarily preclude an investor from having significant influence. The existence of significant influence by an investor is usually apparent in one or more of the following ways: (a) representation on the board of directors or equivalent governing body of the investee; (b) participation in policy-making processes, including participation in decisions about dividends or other profit distributions; (c) material transactions between the investor and the investee; (d) interchange of managerial personnel; (e) provision of essential technical information.

⁴ Under Annex 1 of the AIM Related Parties Provisions, “joint control” is defined as: “the contractually agreed sharing of control over any economic activity”.

- (b) is an associated company⁵ of the Company;
- (c) is a joint venture⁶ in which the Company has a holding;
- (d) is a director, a statutory auditor or a senior executive⁷ of the Company or its parent company;
- (e) is a close family member⁸ of a party under letters (a) or (d);
- (f) is an entity in which one of the parties under letters (d) or (e) exercises control, joint control or significant influence or holds, directly or indirectly, a significant holding that is in any case no less than 20% (twenty per cent) of the voting rights;
- (g) is a supplementary, collective or individual pension fund in Italy or overseas that was created on behalf of Company employees or employees or any other related entity.

Related-Party Transactions or Transaction: the transfer of resources, services or obligations between the Company and one or more Related Parties, regardless of whether remuneration is agreed. This includes: **(i)** mergers, demergers, whether by incorporation and on a strictly non-proportional basis, carried out with Related Parties; **(ii)** all decisions concerning the allocation of remuneration or benefits of any kind to members of corporate boards and to senior executives, except in the cases as per Article 17 below. Transactions involving all shareholders on equal terms (including proportional de-mergers and capital increases by way of a rights offering) do not fall under the scope of this definition.

Related-Party Transactions Committee or Committee: the committee comprising all Independent Directors in office at the time, it being understood that, where the Board of Directors includes a single Independent Director, the Committee will be deemed to be validly constituted only if the Independent Director is attending and with the application of one of the Equivalent Remedies under Article 5 of this Procedure.

Related-Party Transactions Undertaken Through Subsidiaries: Related-Party Transactions that are carried out by subsidiaries with Related Parties to the Company and subject to its prior review or approval, by virtue of the provisions issued by the Company in the course of its management and coordination activity, internal decision-making processes, or powers delegated to the Company's officers.

Significant Interests: for the purposes of this Procedure, the significance of a Related Party's interest in a Transaction is assessed based on the nature and value of the Transaction and any other considerations deemed useful for the assessment. This assessment is carried out by the Appointed Officers, who can request the opinion of the Committee or, where necessary, of appointed independent experts. Interests will not be considered as significant interests if deriving from the mere sharing of one or more directors or other managers holding strategic responsibilities between the Company and its subsidiaries or associated companies. Significant interests can exist when, in addition to the mere sharing of one or more directors or other senior directors, these individuals also benefit from incentive plans based on financial instruments that significantly depend on results achieved by the subsidiary or associated companies with which the Transaction is carried out. The significance assessment must be carried out in consideration of the weight of the remuneration that directly depends on the subsidiary or associated company's performance (including any incentive plans) with respect to the overall remuneration of the director or senior executive with strategic responsibilities.

Significant Transactions: "*transactions of greater importance*" as defined on the basis of the criteria set out in Annex 2 to the AIM Related Parties Provisions (the content of which is contained in [Annex A](#) to this

⁵ Under Annex 1 of the AIM Related Parties Provisions, an "associated company" is defined as: "an entity, also without legal form, as in the case of a partnership, on which a shareholder exercises significant influence but not control or joint control".

⁶ Under Annex 1 of the AIM Related Parties Provisions, a "joint venture" is defined as: "an arrangement whereby two or more parties carry on an economic activity that is subject to joint control".

⁷ Under Annex 1 of the AIM Related Parties Provisions, "senior executives" are "those persons who have the power and responsibility, directly or indirectly, for planning, directing and controlling activities of the company, including directors (whether executive or otherwise) of the company".

⁸ Under Annex 1 of the AIM Related Parties Provisions, an individual's "close family members" are "those family members who may be expected to influence or be influenced by, that individual in their dealings with the company".

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Unrelated Shareholders: shareholders – other than the counterparty in a particular Transaction and other than the parties related to the counterparty in a particular Transaction or to the Company – with the right to vote;

- 2.2 All terms in capital letters and not specifically defined in this Procedure will have the meaning assigned to them in the CONSOB Regulation.

3. **IDENTIFICATION OF RELATED PARTIES**

- 3.1 For the purposes of identifying Related Parties, the definition of the term given in the article above is applied in view of the specific circumstances of each case and in reference to the entire corpus of international accounting standards, the interpretations adopted by the competent authorities, to the extent applicable, and accounting standard IAS 24 – Related Party Disclosures⁹.
- 3.2 The Appointed Officers must keep – directly and through a specific company function – a constantly-updated register of Related Parties and inform the Board of Statutory Auditors regarding potential Related Parties in the event of doubts and/or disputes. For the purpose of verifying whether a party is a Related Party, the above register is available to the Appointed Officers and any competent company functions at the subsidiary companies.
- 3.3 To facilitate the Company’s monitoring and control processes, Direct Related Parties are required, including with regard to Related Parties associated with them, to provide the Appointed Officers, in writing (using the reporting form appended to this Procedure as Annex B), with data and necessary to identify in a timely manner all existing Related Parties and to promptly update the information as necessary.
- 3.4 Each Direct Related Party must notify the Appointed Officers in advance where the Direct Related Party or a Related Party attributable to the Direct Related Party intends to directly or indirectly carry out non-Minor Transactions of any kind with the Company or its subsidiary companies.
- 3.5 Appointed Officers can avail themselves of a specific company function in applying the provisions of this Procedure.

4. **RELATED-PARTIES TRANSACTIONS COMMITTEE**

- 4.1 The Committee meets at the request of the chairman of the Board of Directors or the Appointed Officers in the cases envisaged under Article 6 of this Procedure. The request must state: **(i)** the members of the Committee, in accordance with the composition rules set out in Article 1, paragraph one, letter c) of the AIM Related Parties Provisions; **(ii)** the name of the person tasked with acting as the chairman of the Committee; and **(iii)** the deadline by which the Committee is required to issue its opinion as per Article 7 below.
- 4.2 Those identified as members of the Committee are required to declare, in a timely manner, the existence of related-party relationships in respect of the specific Transaction with regard to which the Committee is called to meet, in order to permit the possible application of the Equivalent Remedies as per Article 5 below.
- 4.3 The Committee can also meet via video or audioconferencing or through a written consultation procedure, provided that each member is ensured access to adequate information and can actively participate in the decision-making. Decisions must be adopted in writing by a majority of the members of the Committee in attendance. In the event of a tie, the chairman’s vote must be counted twice.

⁹ Under Annex 1 of the AIM Related Parties Provisions, “*In considering each possible related-party relationship, attention must be directed at the substance of the relationship and not merely its legal form*”.

5. **EQUIVALENT REMEDIES**

- 5.1 If the Committee cannot be constituted in a collective form, the opinion must be issued by the individual, unrelated Independent Director, where present, who will act and decide jointly with: **(i)** the chairman of the Board of Statutory Auditors, provided that this person is not a Related Party in respect of a specific Transaction; **(ii)** the most senior Statutory Auditor, provided that this person is not a Related Party in respect of a specific Transaction; or **(iii)** an independent expert selected by the Board of Directors among individuals who are recognised as competent professionals in the matters at stake and who is assessed as being independent and having no conflicts of interest. If the Independent Director cannot perform the above activities (including due to a related-party relationship), as an alternative two (2) of the other Equivalent Remedies will (jointly) apply.
- 5.2 If one or more of the Equivalent Remedies under this Article 5 are applied, the provisions cited with regard to the procedure adopted by the Related-Party Transactions Committee will apply insofar as applicable.

6. **PRELIMINARY REVIEW OF RELATED-PARTY TRANSACTIONS**

- 6.1 Before a Transaction is carried out, the Competent Function must verify whether the counterparty is a Related Party.
- 6.2 When a Transaction is found to be a Related-Party Transaction, the Competent Function must provide the Appointed Officers with the details of the Transaction so that the Appointed Officers can verify whether:
- a) the Transaction falls under exempted cases;
 - b) the Transaction is in implementation of a Framework Resolution (as defined hereunder); and
 - c) the Transaction qualifies as a Significant Transaction or a Less Significant Transaction.
- 6.3 If the Transaction falls into one of the categories under Article 6.2 (a) and (b) above, the Appointed Officers must inform the Competent Function. The Competent Function will inform the Appointed Officers that the Transaction has been carried out as soon as it is completed.
- 6.4 If the Transaction does not fall into one of the categories under Article 6.2 (a) and (b) above, the Appointed Officers must promptly submit the Transaction to the Committee's attention and provide the Committee with the information in their possession, indicating, where necessary, the deadline by which the Committee must express its opinion. The Committee will then assess the Transaction as per this Procedure.
- 6.5 In the event of doubt as to whether the Transaction falls within one of the categories under Article 6.2 (a) and (b) above, the Appointed Officers must request that the Committee conduct the assessment, providing it with all information in their possession.
- 6.6 So as to allow the Committee to issue a reasoned opinion: **(i)** the Appointed Officers, assisted by the Competent Function, must provide the Committee with complete and adequate information, suitably in advance, regarding the specific Related-Party Transaction. This information must include, at the very least, the Related Party, the nature of the relationship, the scope of the Transaction, the agreed consideration, and the other main terms and conditions of the Transaction, the agreed timing, the justification underlying the Transaction, and the possible risks for the Company and its subsidiary companies; **(ii)** if the terms of the Transaction are found to reflect the Market or Standard Equivalent Terms, the Appointed Officers, assisted by the Competent Function, must provide objective supporting evidence.

7. **OPINION OF THE RELATED-PARTIES TRANSACTIONS COMMITTEE**

- 7.1 Once the Committee has received the information from the Appointed Officers, it must, in good time

for the approval of the Transaction and in any event no later than the deadline indicated by the Appointed Officers as per Article 6.4 above, provide the body which is competent to decide on the approval of the Transaction with an adequate report on the preliminary review of the Transaction and issue a reasoned opinion regarding the Company's interest in carrying out the Transaction and the expedience and substantive correctness of the related terms.

- 7.2 If the Related-Party Transactions Committee considers it necessary and beneficial, it can avail itself – at the Company's expense – of the assistance of one or more independent experts of its choice. The experts must be chosen from among individuals who are recognised as competent professionals in the matters at stake and who are assessed as being independent and having no conflicts of interest. In such cases, the overall cost of the independent experts' services cannot exceed 2% (two per cent) of the Transaction value.
- 7.3 The Committee's report must explicitly state the logical process underlying its position and, at the very least, the nature of the relationship, the scope, main terms and conditions, including of an economic nature, and methods of carrying out the Transaction and any risks for the Company and its subsidiaries. The Committee must also forward, to the body that will decide on the approval of the Transaction, the full versions of any other opinions issued with regard to the Transaction, including opinions issued by independent experts.

8. APPROVAL OF RELATED-PARTY TRANSACTIONS

- 8.1 In accordance with the provisions of Article 13 of the AIM Italia Issuers' Regulation and Article 10 of COMSOB Regulation, the Company has opted to apply, to Significant Related-Party Transactions, the procedure for Less Significant Related-Party Transactions. Therefore, this Article 8 applies to both Significant Transactions and Less Significant Transactions.
- 8.2 The body that approved Related-Party Transaction must make its decision after receiving the non-binding reasoned opinion of the Committee as per Article 7 of this Procedure.
- 8.3 Once it makes its decision, the competent body must inform the Appointed Officers and the Competent Function without delay.

9. TRANSACTIONS WITHIN THE BOARD OF DIRECTORS' REMIT

- 9.1 If the Transaction falls within the Board of Directors' remit, a thorough report on the Transaction must be provided to the Board of Directors in enough time, no later than five (5) business days before the date of the related Board of Directors' meeting, for the board to thoroughly assess the Transaction. The report must describe:
- a) the general features of the Transaction (including the scope, rationale, consideration, timescale and nature of the relationship);
 - b) the methods used to determine the consideration and/or the main terms and conditions that could give rise to obligations for the Company;
 - c) the interests that the members of the company bodies (on their own account or on account of third parties) have in the Transaction;
- 9.2 The minutes of the meeting of the Board of Directors approving the Related-Party Transaction must specify the rationale for the Company's interest in carrying out the Transaction as well as the expedience and substantive correctness of the related terms.
- 9.3 If the Transaction conditions are established based on market standards, the documentation must contain objective evidence of this.
- 9.4 The Board of Directors can also approve Significant Related-Party Transactions within its remit regardless of an adverse opinion by the Committee, or, in any event, without taking into account the

Committee's observations, provided that the Transaction is conditional upon the authorisation of an ordinary session of the Company's Shareholders' Meeting. The Shareholders' Meeting must approve the Transaction through a statutory majority, and the Transaction is blocked if the majority of the Unrelated Shareholders votes against the Transaction. The Transaction can only be blocked if the Unrelated Shareholders present at the Shareholders' Meeting represent at least 10% of the share capital with voting rights.

- 9.5 The procedure under this Article 9 also applies to the approval, by the Board of Directors, of draft resolutions approving Related-Party Transactions to be brought before the Shareholders' Meeting if the Transactions fall within the remit of or must be authorised by the Shareholders' Meeting.

10. **TRANSACTIONS SUBJECT TO APPROVAL BY THE SHAREHOLDERS' MEETING**

- 10.1 If a Related-Party Transaction falls within the remit of, or must be authorised by, the Shareholders' Meeting, the provisions on the procedure for the preliminary review, assessment and approval of Related-Party Transactions set out in this Procedure will apply to the negotiation phase, preliminary review phase, and approval phase of the draft resolution to be brought before the Shareholders' Meeting.

- 10.2 The minutes of the Shareholders' Meetings that approve a Related-Party Transaction must specify an adequate interest for the Company in the Transaction, as well as the expedience and substantive correctness of the related terms.

- 10.3 Significant Related-Party Transactions that fall under the remit of or must be authorised by or submitted to the Shareholders' Meeting must be approved through a statutory majority, and the Transaction is blocked if the majority of voting Unrelated Shareholders votes against the Transaction. The Transaction can only be blocked if the Unrelated Shareholders attending the Shareholders' Meeting represent at least 10% of the share capital with voting rights.

11. **APPROVAL OF FRAMEWORK RESOLUTIONS**

- 11.1 The Board of Directors can adopt framework resolutions approving the Company's carrying out, directly or through its subsidiaries, a series of similar Transactions with specific categories of Related Parties as identified on a case-by-case basis by the Board of Directors ("**Framework Resolutions**").

- 11.2 Framework Resolutions must be adopted in accordance with the procedure for the approval of individual Transactions with Related Parties based on the maximum total amount established, and must regard appropriately-defined Transactions and contain at least the following information:

- a) the duration of the Framework Resolution, which in each case must not be more than one year;
- b) the maximum amount in euro of the series of Transactions under the Framework Resolution;
- c) the maximum number of Transactions to be carried out in the period and the reasoning behind the conditions established;
- d) the commitment to provide to the Board of Directors with complete disclosure on the implementation of the Framework Resolution at least on a quarterly basis.

- 11.3 If the maximum amount of the Transactions is expected to exceed the threshold for identifying Significant Transactions, as per Annex 2 to the AIM Related Parties Provisions (see [Annex A](#) to this Procedure), the Company, on approval of the Framework Resolution, must publish a disclosure document in accordance with Article 15 below.

- 11.4 The above provisions regarding the preliminary review, assessment and approval procedure do not apply to individual Transactions carried out under a Framework Resolution.

- 11.5 The Appointed Officers must report to the Board of Directors at least every 3 (three) months concerning Framework Resolutions that have been implemented in the related quarter.

- 11.6 The Appointed Officers must inform the Board of Directors of Transactions carried out in implementation of Framework Resolutions and indicate the following for each Transaction:
- a) the counterparty with which the Transaction was carried out;
 - b) the key features, terms and conditions of the Transaction;
 - c) the rationale for and interest in the Transaction and its effects from a financial position, operating results, and financial performance perspective;
 - d) the methods used to determine the economic terms applied and (where relevant) the Transaction's being in line with market standards.

12. **SUBSIDIARIES AND ASSOCIATED COMPANIES, MANAGEMENT AND COORDINATION**

- 12.1 The above provisions regarding the preliminary review, assessment and approval procedure do not apply to Transactions with or between subsidiary or associated companies, provided that other Related Parties to the Company do not have Significant Interests in the subsidiary or associated companies that are the counterparties to the Transaction.
- 12.2 If the Company is subject to management and coordination, in Transactions with Related Parties influence by such management and coordination, the opinion under Article 7 must indicate the reasons for and the expediency of the Transaction, also in light of the overall effect of the management and coordination and of Transactions designed to eliminate damage arising from an individual Related-Party Transaction.

13. **RELATED-PARTY TRANSACTIONS THROUGH SUBSIDIARIES**

- 13.1 This Procedure also applies, *mutatis mutandis*, to Transactions carried out through subsidiaries, trustees and nominees.
- 13.2 Before carrying out a Transaction, the subsidiary must internally verify whether the counterparty is to be considered a Related Party.
- 13.3 Where no cases of exclusion apply, the subsidiary must promptly inform the Appointed Officers and send them the information and documentation required to ensure the implementation of this Procedure. Based on the information received, the Appointed Officers must assess whether to initiate the procedure under Articles 7, 8, 9 e 10 above.
- 13.4 Once the Transaction has been approved or carried out, the subsidiary must promptly provide the Appointed Officers with the information required for the Company to fulfil its disclosure obligations as per this Procedure, and draw up a report to be submitted at the following Board of Directors' meeting.

14. **PERIODIC REPORTING**

- 14.1 The Appointed Officers must submit a full report concerning Related-Party Transactions to the Board of Directors and to the Board of Statutory Auditors at least on a quarterly basis.
- 14.2 The details regarding each Related-Party Transactions must include at least the following information:
- a) the counterparty with which the Transaction was carried out;
 - b) the key features, terms and conditions of each Transaction;
 - c) the rationale behind each Transaction and the related interests, in addition to the equity, earnings and financial effects.
- 14.3 The Company's Board of Directors must provide the following information in their interim directors' report and their annual directors' report:

- a) Significant Transactions carried out in the related reporting period;
 - b) information concerning other Related-Party Transactions, as defined in the second paragraph of Article 2427 of the Italian Civil Code, that were carried out in the related reporting period and that had a significant impact on the Company's financial position or overall performance;
 - c) information concerning any changes or developments in the Related-Party Transactions discussed in the previous annual report and that had a significant impact on the Company's financial position or overall performance in the reporting period.
- 14.4 This information can also be included in the periodic financial documentation by referencing any Disclosure Documents (as defined below) published upon the approval of a Significant Transaction, together with any relevant updates.
- 14.5 If for any reason a press release to the market is not issued concerning Related-Party Transactions carried out and/or approved despite an adverse opinion by the Committee, within 15 days from the closing of each quarter of the financial year, a document indicating the counterparty, the scope, and the consideration involved in the Related-Party Transactions approved in the quarter despite the adverse opinion of the Committee, as well as the reasons why the opinion was not agreed with, must be made available to the public at the Company's registered office. The Committee's opinion must also be made available to the public within the above deadline as an annex to the document or on the Company's website.

15. **INFORMING THE PUBLIC OF RELATED-PARTY TRANSACTIONS**

- 15.1 In the event of Significant Transactions, including if they are to be carried out by subsidiary companies, the Company's Board of Directors must draw up a disclosure document, in accordance with Article 13 of the AIM Issuers' Regulation, drafted as per Article 2 and Annex 3 to the AIM Related Parties Provisions (the contents of which are contained in Annex C to this Procedure) ("**Disclosure Document**").
- 15.2 The Disclosure Document must also be drawn up if, during a financial year, the Company and a Related Party or parties related to the Related Party or to the Company carry out similar Transactions or Transactions that are carried out as part of an overall plan and that, despite not individually qualifying as Significant Transactions, cumulatively exceed the threshold for identifying Significant Transactions as per Annex 2 to the AIM Related Parties Provisions and the CONSOB Regulation. Transactions carried out by Italian and foreign subsidiaries fall under the scope of this section, with the exception of any that are excluded as per this Procedure. If the use of the ratios as per the CONSOB Regulation yields a clearly unjustified result in view of the specific circumstances, the chairman of the Board of Directors can request that Borsa Italiana indicate alternative methods to be used to calculate the cumulative value of the Transactions.
- 15.3 The Company must make the Disclosure Document available to the public at the Company's registered office, as per Article 26 of the AIM Issuers' Regulation, within seven days of the approval of the Transaction by the competent body or, if the competent body decides to present a contractual proposal, from the moment in which the agreement, preliminary or otherwise, is drawn up in accordance with applicable law.
- 15.4 Within the above period envisaged for the publication of the Disclosure Document, the Company must publish, as an annex to the Disclosure Document or on its website, any opinions of the Related-Party Transactions Committee and/or any appointed independent experts.
- 15.5 If the approval of a Significant Transaction falls within the remit of an ordinary Shareholders' Meeting of the Company, the Disclosure Document must be made available within seven (7) days from approval of the proposal to be submitted to the Shareholders' Meeting. If significant updates must be made to the Disclosure Document, the Company must make available a new version of the Disclosure Document to the public at its registered office in advance enough to allow the shareholders to

thoroughly assess the Significant Transaction.

- 15.6 If a combination of Related-Party Transactions exceeds the threshold for identifying Significant Transactions, the information document must be made available to the public within fifteen days of the approval of the Related-Party Transactions or of the conclusion of the agreement that causes the threshold to be exceeded. The Disclosure Document must contain information, including on an aggregate basis for similar Transactions, on all Transactions in the overall plan. If the Transactions exceeding the threshold for identifying Significant Transactions are carried out by subsidiary companies, the Disclosure Document must be made available to the public no later than fifteen days from when the Company becomes aware of the approval of the Transaction or the conclusion of the agreement leading to the threshold for identifying Significant Transactions.

16. **PRIVILEGED INFORMATION**

- 16.1 If a Related-Party Transaction is also subject to price-sensitive reporting obligations envisaged under applicable laws and regulations, especially the MAR, and therefore must be disclosed to the public in accordance with the Company's "Procedure for the Processing of Privileged Information and Setting up and Keeping of the Insider Register", the document must also indicate:

- a) whether the counterparty to the Transaction is a Related Party and contain a description of the type of relationship;
- b) the name of the Related Party;
- c) whether the threshold for identifying Significant Transactions was exceeded and the deadline for publishing the Disclosure Document as per Article 14 of this Procedure;
- d) the procedure that was or will be followed for the approval of the Transaction and, especially, whether the Company availed itself of the exemption as per Article 17 of this Procedure;
- e) whether the Transaction was approved despite an adverse opinion of the Related-Party Transactions Committee.

17. **DISAPPLICATION AND EXEMPTIONS**

- 17.1 In accordance with Article 13 of the CONSOB Regulation, this Procedure does not apply to:

- a) Shareholders' Meeting resolutions as per the first paragraph of Article 2389 of the Italian Civil Code concerning remuneration paid to the members of the Board of Directors and the Executive Committee (if this latter committee is set up), or resolutions concerning the remuneration of directors with specific duties within the overall amounts established by the Shareholders' Meeting as per the third paragraph of Article 2389 of the Italian Civil Code;
- b) Shareholders' Meeting resolutions, as per Article 2402 of the Italian Civil Code, concerning remuneration of the members of the Board of Statutory Auditors;
- c) Minor Transactions, as identified under Article 2.1 of this Procedure.

- 17.2 Without prejudice to Article 16 of this Procedure, where applicable, the following are outside of the scope of this Procedure:

- a) resolutions other than those indicated in Article 17.1, letter a) above concerning the remuneration of directors with specific duties, in addition to other key management personnel, on the condition that:
 - i. the Company has adopted a remuneration policy;
 - ii. the remuneration policy was drawn up with the involvement of a committee exclusively composed of non-executive directors, the majority of whom are independent;

- iii. a report setting out the remuneration policy was submitted for the approval or advisory vote of the Shareholders' Meeting;
 - iv. the remuneration awarded was in line with the policy;
- b) ordinary Transactions at market or standard conditions, as the disclosure obligations that apply to Significant Transactions under Article 14 of this Procedure do not apply to these Transactions, without prejudice to applicable laws and regulations concerning the circulation of Privileged Information, and in particular the MAR, the Company must:
- i. indicate, in the interim directors' report and the annual directors' report, which of the Transactions subject to disclosure requirements were concluded under the exemptions under this point;
 - ii. disclose, in its directors' report, if the Company qualifies as a widely held company, the counterparty, the scope, and the consideration of the Significant Transactions carried out in the year under the exemption under this section;
- c) Transactions to be carried out in accordance with the instructions issued by the Supervisory Authority or based on provisions issued by the parent company to carry out instructions given by the Supervisory Authority in the interest of the group's stability.
- d) Transactions with or between subsidiary companies, separately or jointly, and Transactions with associated companies, where other Related Parties do not have Significant Interests in the subsidiary companies or associated companies that are the counterparties in the Transaction. Interests are regarded as such by the Appointed Officers – it being understood that interests arising from merely being one or more common directors or other key management personnel at the Company and its subsidiary companies or associated companies are not considered Significant Interests, and it being further understood that, in any event, other Related Parties to the Company are considered as having Significant Interests – (i) where one or more directors or key management of the Company benefit from incentive plans based on financial instruments or on variable remuneration that depends on the results achieved by the subsidiary or associated companies with which the Transaction is carried out; and (ii) where the party that directly or indirectly controls the Company holds an equity interest in the subsidiary or associated company with which the Transaction is carried out, the extent of which exceeds the extent of the interest held by that same party in the Company;
- e) other Transactions indicated in Article 7 of the AIM Related Parties Provisions, to the extent that they are compatible with the provisions applicable to the Company (including Transactions carried out based on instructions from the Supervisory Authority).

17.3 The above exemptions must be reported to the public in accordance with Article 5 of the CONSOB Regulation, as applicable in accordance with Article 10 of the CONSOB Regulation and Article 13 of the AIM Issuers' Regulation.

17.4 The grounds for disapplication under this section also apply to Related-Party Transactions carried out through subsidiary companies as per Article 13 of this Procedure.

17.5 In urgent cases, and if the approval of a Transaction does not fall within the remit of, or require approval from, the Shareholders' Meeting, the Transaction can be approved in derogation from the provisions of this Procedure provided that:

- a) the Transaction falls within the scope of an Appointed Officer or of the Executive Committee, (if the committee has been set up), and the chairman of the Board of Directors is informed of the reasons for the Transaction's urgency before it is carried out;
- b) the Transaction is subsequently, without prejudice to its effectiveness, subject to a non-binding resolution of the forthcoming ordinary Shareholders' Meeting;

- c) the body calling the Shareholders' Meeting draws up a report containing an adequate rationale for the urgency of the Transaction. The control body must then report to the Shareholders' Meeting concerning its assessment of whether or not the urgent situation exists;
- d) the report and assessments under c) above must be made available to the public on the Company's website at least 21 (twenty-one) days before the date scheduled for the Shareholders' Meeting and in accordance with Article 17 of the AIM Issuers' Regulation. These documents can be part of the Disclosure Document;
- e) by the day immediately following the Shareholders' Meeting, the Company must make available to the public, in accordance with Article 17 of the AIM Issuers' Regulations, details concerning the voting, especially the number of total votes cast by Unrelated Shareholders.

18. **RELATED-PARTY TRANSACTIONS REGISTER**

- 18.1 Without prejudice to paragraph 3.1 of this Procedure, the Appointed Officers must set up and update a register, which can also be in electronic form, in which all Related-Party Transactions are recorded as well as the Related Party, scope, date and value in euro of each Transaction.

19. **AMENDMENTS**

- 19.1 Any amendments to this Procedure must be made in writing and in accordance with Article 1, paragraph 3, of the AIM Related Parties Provisions.

20. **FINAL PROVISIONS**

- 20.1 This Procedure is subject to review every three years or in the event of a significant change in the Company's ownership structure, or when its application is found to be lacking.

ANNEX A

IDENTIFICATION OF SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

1. The internal procedures identify quantitative criteria in order to identify “significant transactions” so as to include at least the categories of transactions listed below.

1.1 Transactions whereby at least one of the following relevance indicators, applicable based on the transaction, is greater than the 5% (five per cent) threshold:

a. **Significance value ratio:** the ratio of the transaction value to net equity, as reported in the latest published statement of assets and liabilities (consolidated, if drawn up), or for listed companies, if greater, the capitalisation of the company at the end of the last trading day of the most recently-published accounting document (annual financial statements, half-yearly financial statements, or interim directors’ report). For banks, this is the ratio between the value of the transaction and the regulatory capital as per the most recently-published statement of assets and liabilities (consolidated, if drawn up).

If the economic conditions of the transaction are established, the value of the transaction is:

- i. regarding the cash component, the amount paid to/by the counterparty;
- ii. regarding components comprised of financial instruments, the fair value at the date of the transaction in accordance with international accounting standards adopted under Regulation (EC) No 1606/2002;
- iii. regarding funding transactions or guarantees given, the maximum amount disbursable.

If the financial terms of the transaction depend in whole or in part on still-unknown amounts, the value of the transaction is the maximum amount receivable or payable under the agreement.

b. **Asset threshold:** the ratio between the total assets of the counterparty and the total assets of the company. The company’s most recently-published statement of assets and liabilities (consolidated, if drawn up) must be used; if possible, similar data must be used to establish the total assets of the counterparty to the transaction.

For transactions involving the acquisition or disposal of investments in entities impacting the scope of consolidation, the value of the numerator is the investee’s total assets, regardless of the percentage of corporate capital available.

For transactions involving the acquisition or disposal of investments in entities not impacting the scope of consolidation, the value of the numerator is:

- i. in the event of acquisitions, the corresponding value of the transaction plus liabilities of the purchased entity that could be assumed by the purchaser;
- ii. in the event of disposals, the consideration paid on disposal.

For transactions involving the purchase or disposal of other assets (other than equity interests), the value of the numerator is:

- i. in the event of acquisitions, the higher between the purchase price and the book value attributable to the asset;
- ii. in the event of disposals, the book value of the asset.

c. **Liabilities threshold:** the ratio between the total liabilities of the entity purchased and the total assets of the company. The company’s most recently-published balance sheet (consolidated, if drawn up)

must be used; if possible, similar data must be used to determine the total liabilities of the company or the business unit purchased.

- 1.2 Transactions with the listed parent company or with parties related to the listed parent company that are in turn related to the company, where at least one indicator of significance as per paragraph 1.1. above is higher than the threshold of 2.5%.
 - 1.3 Companies must evaluate whether to identify thresholds of significance lower than that as per paragraphs 1.1 and 1.2 above for transactions that could affect the management independence of the issuer (*e.g.* disposal of intangible assets such as trademarks or patents).
 - 1.4 In the event of multiple overlapping transactions as per Article 2, subsection 2, companies must first establish the relevance of each individual transaction based on the ratio or ratios, as per 1.1 above. To verify whether the thresholds as per paragraphs 1.1, 1.2 and 1.3 are exceeded, the results for each indicator must be added together.
2. If a transaction or multiple cumulative transactions as per Article 2, subsection 2, are identified as “significant” as per the ratios established under subsection 1 and this result is manifestly unreasonable in view of special circumstances, Borsa Italiana can indicate, at the request of the company, alternative calculation methods. For this purpose, the company must provide Borsa Italiana with the key features of the transaction and the special circumstances underlying the request prior to the conclusion of the negotiations.

ANNEX B

RELATED PARTY REGISTRATION REPORTING FORM

[this form must be filled out based on applicable rules; additional forms and statements could be required of related parties]

To:

Dominion Hosting Holding S.p.A.
Milan (MI), Via Caldera 21
Tax code and VAT no. 09150720960
via email to: info@dbh.international

Related Parties Report

I, (surname, name) _____, born in _____ on _____, a citizen of _____, tax code _____, resident at (address, postal code, city, country) _____

as a:

- A) member of the management body of Dominion Hosting Holding S.p.A.
- B) member of the supervisory body of Dominion Hosting Holding S.p.A.
- C) executive of Dominion Hosting Holding S.p.A.
- D) party exercising control over Dominion Hosting Holding S.p.A.
- E) representative/executive with strategic responsibilities within the following company that exercises control over Dominion Hosting Holding S.p.A.: name: _____, VAT no. _____, registered office (address, postal code, city, province, country) _____
- F) other (please specify type of relationship): _____

hereby – in accordance with the regulation concerning transactions with related parties, adopted through CONSOB Resolution No. 17221 of 12 March 2010, as amended and supplemented, and being aware of the definition of a “related party” as per the CONSOB regulation and having read the “Procedure for Managing Transactions with Related Parties” adopted by the Board of Directors of Dominion Hosting Holding S.p.A., acknowledging that I have received and read a copy of the procedure and that I understand the definitions and provisions therein –

declare

that I do not exercise control or joint control over, have a significant influence on or hold a significant share in – and in any case less than 20% – the voting rights of any company or entity

or

that I exercise control or joint control over, have a significant influence on or hold a significant share in – and in any case less than 20% – the voting rights of the following company/ies or entity/ies:

Company/Entity	Registered office	VAT no.	Type of relationship
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[only for parties that check letter E above]

that the **following executives have strategic responsibilities** within the parent company of Dominion Hosting Holding S.p.A.:

Ref.	Role	Name and surname	Date and place of birth	Tax code
1.				
2.				
3.				

[for the parties under A, B, C, D and E and for executives with strategic responsibilities of the entity that controls Dominion Hosting Holding S.p.A.]

I also declare

that I **do not have** close family members as per applicable legislation,

or

that my **close family members** as per applicable legislation are the following:

Ref.	Role	Name and surname	Date and place of birth	Tax code
1.				
2.				
3.				

and that they:

do not exercise control or joint control over, have a significant influence on or hold a significant share in – and in any case less than 20% – the voting rights of any company or entity,

or

exercise control or joint control over, have a significant influence on or hold a significant share in – and in any case less than 20% – the voting rights of the following company/ies or entity/ies:

Name of company/entity	Registered office	VAT no.	Type of relationship	Close family member
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I **(i)** hereby undertake to promptly inform Dominion Hosting Holding S.p.A of all future changes and additions to the information that I have provided herein; **(ii)** declare that I will strive with the utmost diligence, to the extent that this is within my purview in respect of the position I occupy within the group, to comply with the Procedure; and **(iii)** undertake, where necessary, to ensure that related parties to me and that are relevant as per the Procedure make the appropriate declarations.

I understand that the purpose of this form, which is confidential, is to provide the information necessary for compliance with regulations on related-party transactions. In signing this form, I also confirm that I have read and understood the personal data processing policy ([Annex D](#)) and consent to the processing of my personal data as per Regulation (EU) 2016/679 (GDPR) and any other applicable personal data protection legislation.

Place, date

Signature

ANNEX C

DISCLOSURE DOCUMENT FOR SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

1. NOTICES

Highlight, on a summary basis, the risks related to potential conflicts of interest arising from the transaction with related parties described in the disclosure document.

2. INFORMATION CONCERNING THE TRANSACTION

2.1 Key features, terms and conditions of the transaction.

2.2 Related parties with whom the transaction is carried out, the type of the relationship and, where disclosed to the board of directors, the type and extent of the interests of such parties in the transaction.

2.3 Economic basis and the benefit for the company in the transaction. If the transaction is approved despite the adverse opinion of the independent directors, a detailed and adequate justification as to why this opinion was disregarded.

2.4 Method for determining the consideration for the transaction and comparisons with market values for similar transactions. If the financial terms and conditions of the transaction are defined as market-equivalent or standard, provide adequate justification and elements for comparison. State whether there are independent expert opinions in support of the adequacy of the consideration and their conclusions, specifying:

- the bodies or individuals who commissioned the opinions and chose the experts;
- the assessments conducted to select the independent experts. Include any financial, equity and financial relationships between the independent experts, and: **(i)** the Issuer; **(ii)** the parties that control the issuer, are subsidiaries of the issuer, or are under the same control as the issuer; **(iii)** the directors of the companies under (i) and (ii), taken into account for purposes of classifying the expert as independent, and the reasons why these relationships were disregarded in evaluating the independence of the experts. Information concerning any relationships can be provided by attaching a statement by the independent experts;
- the terms and scope of the experts' engagement;
- the names of experts appointed to assess the adequacy of the consideration.

Indicate that the opinions of independent experts or the essential elements of the opinions, as per Article 2 of this document, are attached to the information document or published on the company website. The key aspects of the opinion must be provided:

- the specific limits encountered in performing the engagement (e.g. with regard to accessing relevant information), the assumptions used, and the conditions to which the opinion is subject;
- any issues reported by the experts concerning the specific transaction;
- the valuation methods adopted by the experts to comment on the adequacy of the consideration;
- the related importance attributed to each of the valuation methods adopted for the above purposes;
- the values resulting from each valuation method adopted;
- if the valuation methods used provided a range of values, the criteria whereby the final consideration was decided;

- sources used to compile the relevant data being processed;
- key parameters (or variables) taken as a reference for the application of each method.

Concerning the elements of the publicly-available expert opinion, confirm that this information was used in keeping with the content of opinions to which it refers, and that, as known to the issuer, there are no omissions that would make the information inaccurate or misleading.

- 2.5 Economic, equity and financial effects of the transaction, with at least the applicable significance ratios.
- 2.6 If the remuneration of the members of the board of the company and/or any subsidiaries is bound to change as a result of the transaction, provide details of the variations. Otherwise, indicate if no changes are foreseen.
- 2.7 In the event of transactions where the related parties involved are the members of the administrative and control bodies, top executives and directors of the issuer, provide information concerning the securities of the issuer that are held by the above parties and to their interests in extraordinary transactions as per paragraphs 14.2 and 17.2 of Annex I of Regulation (EC) No 809/2004.
- 2.8 Indication of the bodies or directors conducting or participating in negotiations and/or preparing and/or approving the transaction, specifying the respective roles, with particular regard to the independent directors, where present. Concerning resolutions approving the transaction, specify the names of those who voted for or against the transaction or abstained, giving the reasons for any dissent or abstentions. Indicate whether any opinions of independent directors are attached to the information document or published on the company's website.
- 2.9 If the significance of the transaction arises from the cumulation – as per Article 2, subsection 2 – of several transactions carried out during the year with the same related party, or parties related to both the related party and the company, the information specified above must be provided with reference to all the transactions.

Annex D

Personal data processing policy

The purpose of this policy is to describe the processing of your personal data that is provided in connection with and for the purposes of the Procedure for Managing Transactions with Related Parties of Dominion Hosting Holding S.p.A. (respectively, “**Procedure**” and “**DHH**”), of which this policy is an integral part.

The data controller is DHH, with registered office at Via Caldera 21, Milan (MI).

Nature of the personal data processed

The personal data processed by DHH is the data that you provide, as a Related Party, in filling out Annex B to the Procedure.

Purposes, methods and duration of processing

Your personal data will be processed solely for the purposes of the Procedure. DHH guarantees the confidentiality of the data, ensuring that it will adopt the necessary protection and security measures to prevent the risk of accidental or unlawful destruction, loss, modification or disclosure or of unauthorised access to and/or use of the data. DHH also guarantees that it will comply with the principles of lawfulness, fairness, transparency, restriction, minimisation, updating, correction and integrity envisaged under applicable legislation.

The personal data will be retained only for the time necessary for the purposes for which it was collected.

Provision of data and legal basis of processing

Your data must be provided in order to fulfil the legal obligations associated with the Procedure, as specified therein.

Disclosure to third parties and transfer abroad

Your personal data will be disclosed to the third parties indicated in the Procedure solely for the purposes stated therein. Specifically, your data could be disclosed to DHH’s nominated adviser, Borsa Italiana S.p.A., and to the competent market supervisory authorities.

Additionally, as some of the personal data provided must be released to the public under Italian and European laws and regulations, DHH will release the data to the public in accordance with the related laws and regulations.

Your personal data will not be transferred abroad.

Rights of data subjects

As the data subject, you can exercise the following rights concerning the personal data you provide: the right to access to the data and information regarding the data; the right to request that the data be corrected/rectified if it is incomplete or inaccurate; the right to withdraw your consent (where possible); the right to portability of the data in a structured format (where possible); the right to have the data erased (where possible); and the right to lodge a complaint with the supervisory authority.

Refusal to provide data

Refusal to provide the personal data requested will make it impossible to implement the Procedure, with all related consequences under applicable laws, including penalties.

Contact information

If you wish to receive additional information regarding the collection, use, disclosure, transfer or processing of your personal data or to exercise one of your rights listed above, you can address any questions, requests or observations to Giandomenico Sica, DHH's Executive President and data protection officer, at info@dhh.international.

For further information concerning your rights or to lodge a complaint, you can contact the supervisory authority – the Italian Data Protection Authority – at Via Monte Citorio 121, 00186, Rome, www.garanteprivacy.it, garante@gdpd.it.