



DHH Group

sustainability report
year 2023

*The Internet Platform
of Southern Europe*

Index

Sustainable development strategy.....2

About the company.....2

Reporting information3

Stakeholder engagement.....4

Environment6

People8

Network and region12

Business model and innovation.....13

Leadership and governance14

GRI Content Index.....16

Sustainable development strategy

GRI 2-22

Dear all,

As the Chairperson of DHH SpA, I'd like to share some insights into our company's journey, particularly in the emerging economies of Europe. We've made it our mission to work in regions that have faced significant challenges, including past conflicts. Our approach has been to foster collaboration and innovation in these areas, aiming to bring people together and contribute positively to their development. Our efforts extend beyond these regions. In areas where resources are scarce, we strive to innovate and create value for the local communities. We believe in building up skills and sharing knowledge in places that are often neglected, offering employment opportunities in innovation-oriented environments. It's important for us to support these communities, not just economically but also by contributing to their social fabric. At DHH SpA, respecting the communities we operate in is a cornerstone of our philosophy. This respect extends from our employees to every citizen in the regions we touch. We are particularly conscious of our environmental responsibilities, with many of our companies using renewable energy sources and adopting practices aimed at fostering sustainability. The decision to create and regularly update an ESG report is part of our commitment to being transparent and accountable for our actions. It's a way for us to document our journey, acknowledging both our achievements and the areas where we can improve. This is an ongoing process, and we are dedicated to making a positive impact through our work.

*Giandomenico (Nico) Sica,
Executive chairman of the Board of directors*

About the company

GRI 2-1, GRI 2-2

DHH SpA (also referred to as "DHH" or "Company"), founded in 2015, is a privately owned technology group that offers integrated cloud and internet access products to around 124.000 corporate and professional clients. The Company operates throughout Southern Europe, notably in the fast-growing Adriatic Sea region. DHH is listed on Euronext Growth Milan (EGM), a Multilateral Trading Facility regulated by Borsa Italiana and registered as an SME Growth Market.

DHH is headquartered in Milano (Lombardia), Italy. In addition to the holding company, DHH comprises a portfolio of nine fully owned enterprises. Together, DHH SpA and nine portfolio companies are referred to as the publicly listed DHH Group. Portfolio companies are located in Bulgaria (Evolink AD), Croatia (Plus Hosting Grupa doo, System Bee doo), Italy (Seeweb SRL, Tophost SRL, Connesi SpA), Serbia (mCloud doo), Slovenia (Webtasy doo), and Switzerland (DHH Switzerland SA). Additionally, the company holds three minority stakes in start-up and scale-up companies, Materialuce, Icona Technology, and Sync. Throughout 2023, nine of DHH's 14 businesses were directly consolidated on a line-by-line basis. As of

December 31, 2023, DHH Group owned 13 firms¹, including nine controlled, one non-controlled, and three minority holdings.

The Company's main goal is to offer a wide range of dependable products to corporate and professional clients at a fair price. The Company's broad product portfolio includes various options based on minimum-duration subscriptions and automatic renewal.

This report represents the sustainability efforts of DHH Group.

Reporting information

GRI 2-3, GRI 2-5

The Company has been publishing an annual Sustainability Report that contains information on environmental and social sustainability since 2021.

This Sustainability Report has been prepared for the period 01 January 2023 - 31 December 2023 with reference to the GRI Standards, as they were defined in the Global Reporting Initiative (GRI Standards) published in 2021. The report hasn't been audited. It was based on the questionnaire distributed to DHH by Synesgy available at <http://www.synesgy.com>.

This report is posted on the DHH SpA's website at <https://www.dhh.international>. To request further information about the report, please contact info@dhh.international.

Why Synesgy?

For the 2023 Sustainability Report, DHH Group chose to partner with Synesgy to accelerate the shift towards environmental, social, and governmental sustainability. Firstly, the platform enables companies to build strong relations with their clients, suppliers, and other stakeholders. Secondly, Synesgy uses questionnaires made in reference to international reporting criteria (GRI) and UN SDGs (UN Sustainable Development Goals). In addition, the information is exchanged in real-time which allows for facilitated data collection. ESG-View platform enables the reports to be generated automatically. And finally, Synesgy is overseen by CRIF, a well-known player worldwide. Due to its experience, CRIF has played a significant role in the creation of sustainable business development methods, models, and tools by offering a range of services that incorporate ESG considerations into Risk Management and Procurement models and procedures.

¹ Aticon had merged into Connesi.

Stakeholder engagement

GRI 2-23, GRI 2-29

Stakeholder engagement builds meaningful and transparent communication channels among all relevant parties. It enables organisations to understand different points of view, solve problems, and work to accomplish common goals, ensuring that stakeholder interests are recognized and included in the decision-making processes. The process enhances accountability and drives sustainable decision-making.

Six out of ten companies – the bigger in the Group - have established policies to regularly consult stakeholders. On the other hand, the majority regularly consult workers (6), clients (3), the local community (1), and suppliers (1). Plus Hosting Grupa doo engages all four categories.

SDGs: UN’s sustainable development goals

193 UN member nations signed the 2030 Agenda for Sustainable Development on September 25, 2015. The overall programme of action that the UN General Assembly approved consists of 17 specific Sustainable Development Goals and 169 targets that describe them.

The organisations align with the Sustainable Development Goals (SDGs) because they provide an internationally recognised framework for addressing critical issues holistically. By aligning with the SDGs, DHH hopes to contribute to global efforts to eradicate poverty, preserve the environment, and promote inclusive prosperity, while also improving its reputation, encouraging innovation, and embracing new cooperation opportunities. This alignment demonstrates the Company’s commitment to having a significant positive influence on society and the environment.

The 17 Goals apply equally to governments and countries as well as private companies. The minimum requirements for businesses are outlined in ESG principles below:

- Environmental
 - reduce dependence on fossil fuels
 - reduce water footprint
 - evaluate complicity in the deforestation
 - manage waste disposal
 - protect diversity
- Social
 - avoid conflicts with local communities
 - pay attention to the safety and health of employees
 - pay attention to employee satisfaction
 - award employees for their efforts
- Governance
 - evade corruption-related scandals
 - comply with the local law

DHH and SDGs

Synesgy’s questionnaire allowed DHH Group to map important sustainability-related topics. The questionnaire offers stakeholders an immediate overview of the DHH Group’s activities and it helped to gather the most essential information related to the reporting year. DHH Group is aligned with the goals as follows:

Environmental goals		Social goals	
	#11 Sustainable cities and communities		#4 Quality education
	#12 Responsible consumption and production		#5 Gender equality
Governance goals			#8 Decent work and economic growth
	#9 Industry, innovation, and infrastructure		#10 Reduced inequalities

Through a range of sustainability actions, the Group maintained its focus on SDG 4 on Quality Education and SDG 11 on Sustainable Cities and Communities as important impact areas across the Group.

Environment

GRI 302-1

Key challenges for companies in the ICT industry are energy consumption, greenhouse gas emissions, and electronic waste. Prioritising energy-efficient strategies, such as optimising data centres and minimising device idle power use, are critical for lowering environmental impact. Furthermore, controlling electronic waste through appropriate recycling and disposal is critical for reducing the industry’s contribution to global e-waste buildup. Adopting these steps not only demonstrates corporate responsibility but also encourages innovation and assures long-term competitiveness in the ICT sector.

Energy consumption

Using renewable energy sources such as solar or wind power can improve organisation’s sustainability as it lowers dependency on fossil fuels and minimises environmental impacts. Furthermore, integrating smart energy management systems and adopting energy-saving technology, such as power management software and hardware, can optimise energy usage and reduce total consumption significantly.

Total electricity consumed in the reporting year in owned and rented locations across DHH Group was 9.318.747kWh. Tophost SRL employs two individuals and utilises no power due to their remote work policy. DHH SpA also employs two individuals who work at the Seeweb offices. On the other hand, Seeweb SRL, Evolink AD, Connesi SpA, and Webtasy doo run complex operations and data centres that require a large amount of energy.

Company name	Total electricity consumed (kWh)	Energy coming from fossil fuels (%)	Total surface used in operations (m ² of offices, factories, plants, warehouses, land, etc.).
DHH SpA	-	-	-
Tophost SRL	-	-	-
Evolink AD	2.034.207	10%	1.325
Seeweb SRL	6.500.000	-	5.400
Connesi SpA	325.000	69%	1.200
DHH Switzerland SA	14.500	50%	90
Webtasy doo	180.000	-	357
mCloud doo	56.940	-	150
Plus Hosting Grupa doo	204.000	-	250
System Bee doo	4.100	75%	90

Table 1. Details on the energy consumption of DHH subsidiaries.

Four companies do not report any energy coming from fossil fuels, while two - System Bee doo and Connesi SpA - are still predominantly reliant on them (75% and 69% respectively).

Seeweb SRL’s server farms are powered entirely by renewable energy. The company is a Gold Partner of [The Green Web Foundation](#), an international organisation that creates awareness in

the IT sector about a complete transition to the use of renewable energy. Seeweb serves as an example of good practice in reducing the environmental impact of data centres.

Seeweb joined [CISPE](#) in 2021 by signing the Neutral Datacenter Pact, an initiative that aims to achieve climate neutrality by 2030. The management of the company has been working on accomplishing this goal not just by optimising data centre power usage, but also water and electrical components, to smartly reuse the generated heat.

Emissions

The primary sources of greenhouse gas (GHG) emissions in the ICT sector are data centres, manufacturing, and electronic device disposal. These emissions are divided into three categories: direct emissions stemming from owned sources, indirect emissions stemming from purchased power, and other indirect sources, such as supply chain and product usage. The most significant contributors are emissions from power usage in data centres and energy consumption during product use. Reducing the industry's carbon footprint requires addressing these emissions through energy efficiency programs, the use of renewable energy sources, and responsible end-of-life equipment disposal.

Seeweb SRL and Connesi SpA have initiatives in place to reduce their environmental impact. For instance, both companies offer incentives to employees to use public transportation or eco-friendly vehicles to reach the workplace. At the moment, the Group companies do not measure greenhouse gas emissions, but it is a topic of analysis and interest for the following years.

In 2023, Connesi invested 6.000EUR to install heat pumps and 50.000EUR to install a photovoltaic system. Similarly, Seeweb invested around 1M EUR to improve data centre process efficiency. It further implemented environmental impact reduction when it comes to emissions, water consumption, and energy performance of data centre systems. Today's systems achieved Power Usage Effectiveness (PUE) of less than 1,20.

Seeweb set a Global Warming Potential (GWP) reduction plan with a 5-year target of reaching lower than 10 GWP. Apart from this pledge, other Group members did not report medium (5 years) and long (10 years) term percentage reduction targets. Additionally, Webtasy doo committed to reducing its environmental impact through future actions.

Seeweb is implementing climate change adaptation initiatives such as certification of internal management systems (e.g. health and safety, environment, quality, etc.), emergency strategic plans (e.g. exogenous health risks, cyber risks, etc.), and insurance products aimed at supporting mitigation and adaptation to climate change. Connesi is planning to gradually replace the entire car fleet with electric cars.

Waste

GRI 306-3

Waste management is essential in the ICT sector because of the large amount of discarded outdated electronic equipment. Electronic equipment must be recycled and disposed of properly

to reduce threats to the environment and human health. Organisations should promote strategies such as designing products for components' recyclability and refurbishment. This would reduce waste creation and enhance circularity industrywide.

Company name	Total waste produced in the reporting period (tonnes)	Promoting waste separation			
		Paper	Plastic	Glass	Electronic components/ computer material
DHH SpA	-	-	-	-	-
Tophost SRL	0	Yes	Yes	Yes	-
Evolink AD	5	Yes	Yes	-	Yes
Seeweb SRL	5,4	Yes	Yes	Yes	Yes
Connesi SpA	3	Yes	Yes	-	Yes
DHH Switzerland SA	1	Yes	Yes	Yes	Yes
Webtasy doo	0	Yes	Yes	Yes	Yes
mCloud doo	3	No	No	No	No
Plus Hosting Grupa	4	No	No	No	No
System Bee doo	0,4	Yes	Yes	Yes	Yes

Table 2. Details of waste management of DHH subsidiaries.

During the reporting year, the Group jointly produced a total of 21,8 tonnes of waste. Seeweb and Evolink produced the biggest quantities, 5,4 and 5 tonnes respectively. Seven out of nine companies carry out separate waste collection, delivering paper, plastic, glass, and electronic components for recycling.

People

GRI 2-7, GRI 2-8, GRI 2-23, GRI 403-1, GRI 403-9, GRI 405-1, GRI 405-2

Employment

DHH Group employed 229 individuals in total located across the Adriatic region. The Company's mission is to provide an inclusive work environment for its employees. Its approach to people and employment is built around three pillars: job security, talent development, and satisfactory working conditions.

Directors: 89% men, 11% women (8, 1, total 9)

Managers: 68% men, 32% women (15, 7, total 22)

Total employees: 71% males, 29% females (162, 67, 229 in total)

DHH Group prioritises full-time employment, delivering long-term work to provide stability and security to its employees. By offering full-time positions, the Group wants to reduce job uncertainty and foster a sense of connection and commitment among its employees. Steady work not only benefits individuals and their families but also improves the overall well-being of the communities.

The group’s recruitment, selection, and people development strategy is focused on choosing individuals who share the Group’s values, culture, and vision for sustainable growth. At the moment, Seeweb SRL and Connesi SpA have employed individuals belonging to protected classes and underrepresented minorities (3% each). However, DHH Group understands the value of varied viewpoints and experiences in driving innovation and success and therefore intends to include more minority representatives in the coming years. mCloud doo adopted and published policies on *Equity, diversity, and inclusion* that covers discrimination based on gender, race, religion, sex, or sexual orientation, and *Respect for human rights policy* that forbids child, forced, or compulsory labour.

Company name	Number of Directors	Number of Managers	Number of Office Workers	Number of Workers	Number of Apprentices	Consultants/ Self-employed
DHH SpA	-	-	2	-	-	-
Tophost SRL	-	-	1	-	-	-
Evolink AD	-	3	9	-	-	-
Seeweb SRL	1	-	7	-	1	7
Connesi SpA	-	1	7	-	-	4
DHH Switzerland SA	-	-	-	-	-	-
Webtasy doo	-	2	4	-	-	-
mCloud doo	-	1	3	-	-	-
Plus Hosting Grupa doo	-	-	11	-	-	-
System Bee doo	-	-	3	-	-	-

Table 3. Number of female employees (including apprentices).

Company name	Number of Directors	Number of Managers	Number of Office Workers	Number of Workers	Number of Apprentices	Consultants/ Self-employed
DHH SpA	-	-	2	-	-	-
Tophost SRL	-	-	1	-	-	-
Evolink AD	2	5	21	-	-	-
Seeweb SRL	1	4	19	1	3	23
Connesi SpA	-	4	14	10	-	5
DHH Switzerland SA	1	2	4	-	-	-
Webtasy doo	1	-	16	-	-	1
mCloud doo	1	-	4	-	-	-
Plus Hosting Grupa doo	1	-	12	-	-	-
System Bee doo	1	-	3	-	-	-

Table 4. Number of male employees (including apprentices).

Employee retention and wages

Five out of ten companies measure employee satisfaction regularly. DHH Group places a high priority on retaining exceptional talent, and it invests in various retention strategies to ensure employee satisfaction and engagement. The majority of workers have permanent contracts (84%-100% across companies). A smaller percentage of workers are employed on fixed-term and part-time contracts (up to 16%).

Over the past year, 29 employees joined the Group, nine of which joined Connesi and seven of which joined Seeweb. The number of workers fluctuated during the year, with DHH Group counting 180 on December 31, 2023. The following table shows the fluctuations in the number of employees throughout the year and the final number of employees at the end of 2023.

Company name	Employees who joined	Employees who left	The final number of employees as of 31 12 2023
DHH SpA	1	2	2
Tophost SRL	-	-	2
Evolink AD	4	9	40
Seeweb SRL	7	5	30
Connesi SpA	9	6	36
DHH Switzerland SA	-	-	7
Webtasy doo	6	8	23
mCloud doo	-	-	8
Plus Hosting Grupa doo	2	1	25
System Bee doo	-	-	7

Table 5. Employee turnover in 2023.

The retention initiatives include competitive compensation and benefits (6 out of 10 companies), opportunities for skill development and career advancement, flexible work hours and remote work (8 out of 10 companies), and a supportive work environment that prioritises work-life balance. Seeweb SRL and Connesi SpA have agreements with local businesses to supply employees with fuel vouchers, supermarket vouchers, or discounts. Connesi SpA also introduced incentives for sharing parental leave for their male employees.

Company name	Permanent	Fixed-Term	Part-time
DHH SpA	100 %	-	-
Tophost SRL	100 %	-	-
Evolink AD	100 %	-	-
Seeweb SRL	90 %	7%	3 %
Connesi SpA	92 %	-	8 %
DHH Switzerland SA	100 %	-	-
Webtasy doo	84 %	16 %	-
mCloud doo	100 %	-	-
Plus Hosting Grupa doo	100 %	-	-
System Bee doo	100 %	-	-

Table 6. Number of employees according to the type of contract.

The Group strives to ensure that the employees are fairly compensated for their efforts, abilities, and experience. The Group's companies recruit and retain talented individuals in the technology and cloud computing industries, with competitive salaries, and performance-based incentives. By emphasising fair remuneration procedures, the Group builds a culture of mutual respect, acknowledgment, and financial security inside the organisation.

Three out of ten companies reported a difference between the average salary of male and female employees in the most represented professional category. For Tophost SRL, that difference was 41%, for DHH it was 34%, while at Seeweb SRL it was 8%. The ratio between the highest salary and the median salary ranged from one to three times across companies, while the Group's average was two times.

Operational health and safety

GRI 403-1, GRI 403-9

DHH Group is committed to providing a safe, healthy, and welcoming work environment for all employees. To promote both physical and mental well-being, the Group continuously assesses and improves work conditions, and the companies' facilities adhere to strict safety regulations.

In the past ten years, no companies in the Group had cases of death at the workplace. In all companies of DHH Group, less than 3 work-related accidents occurred over the last 5 years. Only Seeweb SRL reported work days lost because of work-related commuting accidents in the reporting period (22 days).

The total average number of hours worked across the Group over the past year was 292.684.

Training

GRI 403-5, GRI 404-2

Training improves individual performance and work satisfaction while also helping the company remain competitive by keeping staff updated on industry developments and best practices. By investing in ongoing learning and development opportunities, the DHH Group provides employees with the skills, information, and expertise they need to adapt to technology developments, face new challenges, and drive innovation.

Nine out of ten companies in the Group provided training to their employees. During the year, among the main topics covered by the training were privacy, healthcare and workplace safety, and digital innovation for sustainable transformation. Topics were covered as follows:

- healthcare and workplace safety (organised at 6 companies)
- new production and consumption models (e.g. green economy and circular economy) (organised at 2 companies)
- digital innovation for sustainable transformation (organised at 4 companies)
- main environmental issues (e.g. fight against waste of materials and natural resources, waste management, water resources management, energy efficiency, etc.) (organised at 4 companies)
- privacy (e.g. GDPR, Laws and Acts on Data Protection) (organised at 6 companies)
- sustainable transformation: what it consists of, opportunities and risks, what it means for a company (organised at 2 companies)
- Sustainable development: main environmental, social, and economic goals (organised at 1 company)

In Connesi, the training on the topics "digital innovation for sustainable transformation" and "environmental issues" are carried out daily at the office. As these hours are difficult to account for, they are excluded from the final count. The hours related to training on "occupational health and safety" (20 hrs long for each of the ten employees involved) and "privacy" (1hr long for each of the ten employees involved) are included.

In total, DHH Group devoted 3.163 hours to training in 2023. Each company’s cumulative number of hours for all employees is represented below:

Company name	Hours devoted to training
DHH SpA	12
Tophost SRL	185
Evolink AD	80
Seeweb SRL	2.631
Connesi SpA	210
DHH Switzerland SA	30
Webtasy doo	13
mCloud doo	-
Plus Hosting Grupa doo	2
System Bee doo	-
Total	3.163

Table 7. Details on training hours in 2023 of DHH subsidiaries.

Network and region

GRI 203-1, GRI 413-1

Local community

When an organisation empowers its local community, it shows them their opinions matter and they can actively influence corporate operational decisions. Establishing trust with the community fosters long-term development and creates shared value through direct communication, collaboration, and proactive community involvement. As a result, an organisation reinforces its commitment to ethical business practices while contributing to the long-term prosperity and well-being of their stakeholders.

While Seeweb SRL, Connesi SpA, and DHH Switzerland SA reported making monetary donations for the benefit of the community in the area in which they operate, Plus Hosting Grupa doo reported organising a charity, school, or community project in the past year.

In September, Seeweb organised a presentation at an IT high school in Frosinone. The aim of the “AI and Cyber Security” project was to teach the students about the current topics: generative AI, machine learning, and deep learning.

Client relations

GRI 2-23

Client relations in the ICT sector are characterised by a strong commitment to privacy protection. Organisations must ensure that privacy issues are addressed properly and prioritise building honest and trusting relationships with clients.

By establishing strong data security procedures and keeping open communication channels, DHH Group hopes to enable clients to make informed data decisions. The Group's strategy emphasises accurate information exchange and proactive interaction, to develop strong, mutually beneficial partnerships based on privacy rights and industry best practices.

In compliance with this commitment, all companies have established detailed Data Privacy and Security policies. These documents describe safeguards and protocols to protect sensitive information and maintain the highest levels of privacy and security across all activities.

Business model and innovation

GRI 2-6, GRI 2-29

The cornerstone of DHH's unique business approach is the idea of an ecosystem with a common theme, where digital entrepreneurs can cooperate, share best practices, and grow as a community of like-minded people. DHH's investment approach is founded on the premise that investing in businesses for the long term is the only certain method to achieve sustainable profits.

Every portfolio company maintains its independence and retains its own management team, organisational structure, and brand identity. Group members are not subjected to DHH's strategic decisions or requested to comply with operational modifications. Rather, DHH is a committed partner that offers support on a range of topics, including business growth, technology, and finance.

Optical fibre rings connect the Group's data centres as well as other Italian and international points of presence. DHH Group serves around 124.000 clients in seven countries: Croatia, Slovenia, Bosnia and Herzegovina, Bulgaria, Italy, Serbia, and Switzerland. It consists of cloud computing providers (Sysbee, Seeweb, mCloud, DHH Switzerland), cloud hosting providers (Plus Hosting Grupa, Tophost, Webtasy), and B2B internet service providers (Connesi, Evolink, Warian 45% stake held by Seeweb).

To support organic growth in portfolio companies, DHH focuses on improving go-to-market strategy, launching proprietary solutions, and increasing average revenue per unit value. The Group's business model focuses on providing four main products "as a service": infrastructure as a service (IaaS), platform as a service (PaaS), premium internet access, and data centre & networking. The majority of products are recurring and delivered to clients through a model or monthly subscription.

Seven out of ten companies in the Group revised their strategy to seize the opportunities of the new development model focused on sustainability. The most common approaches were:

- assessing the regulatory impacts (3 companies)
- investing in technological upgrades (6 companies)
- changing the product catalogue (1 company)
- changing the organisational model (1 company)
- appointing a figure dedicated to sustainability (1 company)
- introducing an ESG impact assessment process (1 company)

Suppliers and engagement practices

When an organisation engages with its suppliers, it commits by establishing platforms for regular contact, feedback, and cooperation. It also sets expectations and criteria for the suppliers, including ethical sourcing, environmental sustainability, and social responsibility.

DHH recognizes the value of developing solid partnerships with suppliers based on openness, fairness, and ethical concerns. While DHH Group recognizes that its previous contact with suppliers has been limited, each of the companies is dedicated to taking action to improve the procedures.

In the reporting year, Evolink AD conducted supplier ESG assessments based on their environmental certifications. Furthermore, there is an opportunity for mCloud doo to extend its internally focused *Respect for human rights policy* across its supply chain.

Leadership and governance

GRI 2-9, GRI 405-1

Governance

Human rights, the environment, and the economy are all impacted by an organisation's governance structure, knowledge base, and duties. The strategy and activities of an organisation are interconnected with governance, highlighting the degree to which the business is able to supervise impact management.

Each company in the Group has its own Board of Directors/Sole Director, CEO, and its own management team. DHH Group is organised as a decentralised group, where decisions are made at the local level by the local governing bodies.

When a portfolio company joins the Group, DHH appoints the local governing body and works with them to define goals, incentives, budget, and control management systems. Then the local Board of Directors works to execute the plan and to develop the business. The organisational structure of the local companies varies from company to company and is not standardised.

In DHH, the corporate governing body consists of a Board of Directors. There are four director members (Tamara Arduini, CFO; Antonio Baldassarra, CEO; Matija Jekovec, COO; Giandomenico Sica, Executive chairman of the Board of Directors) and one independent member (Andrea Arrigo Panato). The presence of women in the governing body is 20%.

In addition, there is a Board of Auditors that conducts impartial and expert audits on the effectiveness of financial operations, the accounting system, internal financial controls, and, in general, administration and management. It consists of five members: Umberto Lombardi, President of the Board of Auditors; Stefano Pizzutelli and Pierluigi Pipolo Executive Auditors; Simona Secchi and Stefania Giorgi, Deputy Auditors. The presence of women members in the audit body is 40%.

Professional ethics

GRI 2-23, GRI 2-26, GRI 2-27

Responsible corporate behaviour, which includes respect for human rights, must be the focus of any organisation's commitment. Within the framework of its financial goals, these commitments form the organisation's values, guiding principles, and standards of conduct. Corporate activities must consider human rights as defined in national and international standards, as well as take actions to prevent or mitigate potential negative impacts for each material issue. This makes professional ethics an essential component of the Company's strategy.

Once organisations consider social and environmental concerns, long-term initiatives likewise take these into account. A business tracks its sustainability performance concerning environmental challenges and personnel management using relevant quantitative measures.

Six out of ten DHH Group companies are insured against one or more physical risks. Connesi, DHH Switzerland, mCloud, and Plus Hosting Grupa each appointed an internal figure who receives negative evidence regarding any offenses, violations of laws, or crimes during its activity (e.g. whistleblowing). None of the companies in the Group received any penalty for litigation arising from violations of environmental, corruption, or consumer protection laws during the reporting year.

Most DHH Group companies implemented policies to define and manage supplier payments, ethical concerns, and conduct. These have been published on their websites. The most common policies were as follows:

- Code of ethics (7 companies)
- Legality rating (1 company)
- Monitoring of payment terms to suppliers (5 companies)
- Code of conduct (6 companies)

Two companies that have introduced a Code of Ethics have a program for adequate training for employees, consultants, and suppliers (Connesi and Plus Hosting Grupa).

Five out of ten companies in the Group comply with ISO 9001 (Quality management systems). Even though the ISO 9001 standard does not specifically cover safety, to comply, companies

must meet stakeholder safety demands, define risks, take action to reduce them and provide a safe workplace.

In the coming years, DHH Group will work to implement the international standard ISO 45001 to better manage occupational health and safety. The companies will consider adopting the anti-bribery management system ISO 37001 and the energy management system ISO 50001.

GRI Content Index

Statement of use	DHH has reported the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None applicable

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organisational details	page 2
	2-2 Entities included in the organisation's sustainability reporting	page 2
	2-3 Reporting period, frequency, and contact point	page 3
	2-5 External assurance	page 3
	2-6 Activities, value chain, and other business relationships	page 13
	2-7 Employees	page 8
	2-8 Workers who are not employees	page 8
	2-9 Governance structure and composition	page 14
	2-22 Statement on sustainable development strategy	page 2
	2-23 Policy commitments	page 4, 8, 13, 15

	2-26 Mechanisms for seeking advice and raising concerns	page 15
	2-27 Compliance with laws and regulations	page 15
	2-29 Approach to stakeholder engagement	page 4, 13
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	page 12
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	page 6
GRI 306: Waste 2020	306-3 Waste generated	page 7
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	page 11
	403-9 Work-related injuries	page 8, 11
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	page 11
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	page 8, 14
	405-2 Ratio of basic salary and remuneration of women to men	page 8
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	page 12