



## REPORT OF THE BOARD OF DIRECTORS ON REMUNERATION AND COMPENSATION PAID

to the Annual General Meeting of the  
Company's Shareholders to be held on April  
18th, 2023



*d'Amico*  
INTERNATIONAL SHIPPING S.A.

## LETTER OF THE CHAIRMAN OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders,

As Chairman of the Nomination and Remuneration Committee of d'Amico International Shipping, I am pleased to present the 2023 Report on Remuneration Policy and Compensation Paid.

The Committee has drafted and submitted to the Board of Directors a remuneration policy for 2023 which, in the absence of regulatory updates, is positioned in continuity with the past in terms of content and intends to be as clear and transparent as possible to read, which starts from the description of the Governance process, defines the purposes and then provides a framework for the components of remuneration.

The remuneration policy of the Company intends to ensure alignment with international best practices and compliance with the reference legislation in order to support the Group's strategy.

In this sense, this Policy takes into account the business context in recent times characterized by a strong volatility due to the evolution and transformation scenarios that the shipping industry is facing.

In this context, among other things, the theme of sustainability in its reverberation on corporate strategies will not fail to be accepted in remuneration policies: the objective of generating value in the long term will be increasingly based on the link between "sustainability" of the business and income parameters that ensure economic and financial performance and soundness of the business. On the other hand, clear and transparent governance processes will increasingly guarantee the solidity of remuneration policies and their functionality in the implementation of corporate strategies.

The d'Amico Group has embarked on a path of gradual rapprochement to the United Nations' Agenda 2030, so as to make the contribution that choices and activities make to the achievement of sustainable development

objectives credible and verifiable, considering in particular the application of adequate remuneration and economic benefits for personnel that include adequate social protection.

The aims of the Remuneration Policy presented here are therefore twofold, intending to enhance the value of the fixed component in order to limit the assumption of excessive risks, and at the same time to incentivize the commitment to improving company performance and the commitment to developing a sustainable business, aligning the interests of the beneficiaries with those of the shareholders.

Emblematic in this regard is the launch of the new LTI Plan, which contributes to the pursuit of the company's long-term interests and sustainability from economic, social and environmental perspectives.

I trust that this Report provides evidence of our ongoing commitment to ensure adequate representation to our Shareholders and to the market of the purposes underlying the remuneration strategy adopted by d'Amico International Shipping, in support of its business objectives and in line with corporate values and principles.

Finally, on behalf of the Committee, I would like to thank Shareholders for taking the time to read this Report and for the support I hope will be given to the implementation of the policies contained herein.

9<sup>th</sup> March 2023

Chairman of the Committee

Tom Loesch

## TABLE OF CONTENTS

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EXECUTIVE SUMMARY OF THE REMUNERATION POLICY 2023	4
INTRODUCTION	7
<b>SECTION I</b>	<b>10</b>
<b>1 ROLES AND RESPONSIBILITIES OF THE BODIES INVOLVED IN THE PROCESS OF PROVISION AND IMPLEMENTATION OF REMUNERATION POLICIES</b>	<b>10</b>
1.1 SHAREHOLDERS' MEETING	10
1.2 BOARD OF DIRECTORS	10
1.3 NOMINATION AND REMUNERATION COMMITTEE	11
1.4 CHIEF EXECUTIVE OFFICER	13
1.5 HUMAN RESOURCES	13
1.6 <i>INTERNAL AUDITING</i>	13
1.7 INDEPENDENT AUDITORS	13
1.8 EXTERNAL ADVISORS USED IN CREATING THE REMUNERATION POLICY	14
<b>2 REASONS AND PURPOSES PURSUED THROUGH THE REMUNERATION POLICY</b>	<b>14</b>
<b>3 LINK BETWEEN REMUNERATION POLICY AND THE COMPANY'S STRATEGIC DIRECTIONS</b>	<b>15</b>
<b>4 REMUNERATION STRUCTURE</b>	<b>16</b>
4.1 RECIPIENTS OF THE REMUNERATION POLICY	16
4.2 FIXED REMUNERATION POLICY	16
4.3 VARIABLE REMUNERATION POLICY	17
4.4 ADDITIONAL ELEMENTS OF REMUNERATION	21
<b>5 LINK BETWEEN THE CHANGE IN RESULTS AND VARIABLE REMUNERATION</b>	<b>21</b>
<b>6 TREATMENT PROVIDED IN CASE OF EARLY TERMINATION OF THE EMPLOYMENT RELATIONSHIP</b>	<b>21</b>
<b>SECTION II</b>	<b>23</b>
<b>1 IMPLEMENTATION OF REMUNERATION POLICY IN 2022</b>	<b>23</b>
<b>2 GOVERNANCE</b>	<b>23</b>
2.1 MEETINGS AND COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE	23
2.2 EXTERNAL CONSULTANTS	23
<b>3 VARIABLE AND FIXED REMUNERATION</b>	<b>24</b>
<b>4 INDEMNITY IN THE EVENT OF THE EARLY TERMINATION OF THE RELATIONSHIP OR OF OFFICE</b>	<b>25</b>
<b>5 PAY FOR PERFORMANCE</b>	<b>25</b>
<b>GLOSSARY</b>	<b>35</b>

## EXECUTIVE SUMMARY OF THE REMUNERATION POLICY 2023

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At the last Shareholders' Meeting held on April 19, 2022, the Report on Remuneration Policy 2022 and Compensation Paid 2021 received a positive opinion on its substance and content, which led to an assessment of substantial continuity with the past. Some investors highlighted points of attention related to disclosure issues, which this year's Report considers, intending to offer the clearest and most transparent representation possible.

In order to offer an organic overview of the Policy the document starts with the description of the Governance process for the definition of the Policy, the purposes are defined next, then it is provided the composition of the remuneration package, succeeded by a description of any ex-post correction clauses. This is followed by Section II which provides details of the compensation paid for 2022.

In addition, with the aim of offering greater usability and synthesis of the contents, compared to the past, more detail is provided on the contents of the Policy in the Summary Table in this paragraph.

Subject	Purpose	Contents	Reference
Governance	<p>The Governance process for the definition and approval of the Remuneration Policies is determined in order to ensure maximum transparency, clarity and reliability of the decision-making processes. Furthermore, through the involvement of the <b>corporate functions of Human Resources and Internal Audit</b>, the aim is to align the Policies to market practices and ensure the proper management of the impacts that the adopted Policy might have on the <b>Strategic Risk Management Policy</b>.</p> <p><b>The Shareholders' Meeting</b> casts a <b>consultative vote on Sections I and II</b> of the Policy (in line with applicable Luxembourg legislation) <b>approved</b> by the <b>Board of Directors</b> after hearing the opinion of the <b>Nomination and Remuneration Committee</b>.</p>		Section I, Par. 1
Remuneration Policy	<p>The purposes of this policy are defined in accordance with the recommendations of Borsa Italiana's Corporate Governance Code and aim to:</p> <ul style="list-style-type: none"> <li>o <b>attract, hire and retain</b> individuals characterized by <b>professionalism</b> and <b>skills</b> suited to the needs of the Company</li> <li>o provide an <b>incentive</b> to <b>strengthen the commitment</b> to improving company <b>performance</b></li> </ul>	<p>Remuneration packages are composed of the following component of remuneration:</p> <ul style="list-style-type: none"> <li>o Fixed component of remuneration</li> <li>o Short-term variable component</li> <li>o Long-term variable component (partly share-based)</li> <li>o Benefits</li> </ul>	Section I, Par. 4
Fixed component of remuneration	<p>The fixed component is defined in such a way as to allow the variable part to decrease significantly or go to zero, in relation to the results actually achieved, so as to discourage high-risk initiatives focused on short-term results, which could jeopardise sustainability and the creation of value in the medium and long term.</p>	<p>The Shareholders' Meeting resolves the total amount of fixed remuneration for Directors' fees, totaling € 330,000, and authorizes the Board of Directors to allocate this amount among the Directors, including those who hold special offices.</p> <p>For executive directors, a fixed fee is established to remunerate their professionalism and expected level of responsibility. Complementing the fixed component are non-monetary benefits for Executive Directors.</p>	Section I, Par. 4.2
Short-term variable component	<p>The short-term variable component promotes and enhances the achievement of results linked to annual targets.</p> <p>It also aims to make the link between economic recognition and goal achievement transparent.</p>	<p>Beneficiaries: Executive Directors, Directors with special offices, Top Management, Roles supporting the Company's business.</p> <p>Exceeding the trigger threshold of the plan, the sizing of the Bonus Pool will take place by <b>allocating up to 5 percent of DIS's consolidated EBITDA</b>.</p>	Section I, Par. 4.3
Long-term variable component	<p>The long-term variable component is defined in such a way as to <b>align</b> the <b>interests</b> of the stakeholders with the <b>achievement of the priority objective of creating value for the shareholders and</b></p>	<p>This is a mixed <b>cash</b> and <b>instruments</b> plan for Executive Directors and "strategic" Personnel identified by the BoD.</p>	Section I, Par. 4.3

	<p>is functional to the pursuit of the sustainable success of the Company.</p>	<p>The condition for access to the Plan is an <b>average ROCE above 5%</b> achieved in the vesting period.</p> <p>A share of the <b>extra EBIT generated</b> relative to average EBIT in the vesting and EBIT with ROCE at 5% is then allocated.</p> <p>Payment is made based on the achievement of KPIs and the application of a <b>corrective mechanism</b> defined on the basis of benchmarking compared with a panel of "peer" companies.</p> <p><b>Payment involves 70% upfront cash and 30% deferred in shares (2-year deferral)</b></p>	
<p><b>Additional element of remuneration</b></p>	<p>Additional elements of remuneration are intended to build ad hoc compensation packages to ensure the <b>attractiveness</b> of DIS with respect to <b>talent entry</b>.</p>	<p>The Company does not normally award discretionary <b>one-off bonuses</b> or retention bonuses. However, on an exceptional basis, <b>limited to the first year of employment</b>, and no more than once to the same person, variable remuneration may be awarded as an <b>entry bonus</b>.</p>	<p>Section I, Par. 4.4</p>
<p><b>Ex-post corrections</b></p>	<p>These are clauses that allow the company to <b>protect itself</b> from fraudulent behavior and data proven to be incorrect that may have triggered the bonus payments.</p>	<p>The Company applies <b>ex-post correction clauses</b> (<i>malus and clawback</i>) that allow it to request the <b>return or not to proceed with the payment of deferred components of the variable part</b>.</p> <p>For the Long-Term Plan, it is noted that the claw back clauses shall be applied within 3 (three) years from the end of the vesting period.</p>	<p>Section I, Par. 5</p>
<p><b>Severance</b></p>	<p>These are ex ante agreements that <b>protect the company</b> from competitive risk and potential labor litigation.</p>	<p><b>No agreement has been defined</b> that provides for the payment of an indemnity for the termination of the relationship or office, nor for <b>Executive Directors</b>, other <b>directors holding particular positions or for Top Management</b>.</p> <p><b>Non-competition agreements:</b> at the date of this Report, <b>no non-competition agreements have been entered</b> into for key figures</p>	<p>Section I, Par. 6</p>



## INTRODUCTION

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Compliant with the current regulations, the 2023 Remuneration Policy regarding the Members of the Board of Directors and the Top Management of d'Amico International Shipping (hereinafter, "the Company" or "DIS") is defined herein.

This report, drawn up pursuant to legislation in force<sup>1</sup> and approved by the Board of Directors on 9 March 2023, on proposal of the Nomination and Remuneration Committee, is divided into two sections:

**I. Section on the annual remuneration policy for 2023**

- a. Provides a description of the procedures used for the definition and implementation of said policy;
- b. Illustrates the policy adopted by DIS on remuneration of members of the Board of Directors, of Directors with specific duties and of Top Management as far as the year 2023 is concerned.

**II. Section on the compensation paid for the previous year (2022)**

- a. contains the detailed information related to the implementation of policies of the previous year 2022 and the operation mechanisms of the incentive systems adopted;
- b. adequately shows each of the items that make up the remuneration and analytically displays compensation paid by DIS and the subsidiaries or associates during the year concerned for any reason and of any type. It also highlights any parts of the aforementioned compensation regarding activities carried out in years prior to the reference year and also shows compensation to be paid in one or more subsequent years, based on the activity carried out during the reference year; potentially giving an estimated value for parts that are not objectively quantifiable in the reference year.

The information will also be made available on the website of the Company ([www.damicointernationalshipping.com](http://www.damicointernationalshipping.com)).

Considering the fact that the Company's registered office is in Luxembourg and it is listed on the STAR segment of the Italian Stock Exchange, this document has been prepared in compliance with the applicable Luxembourg laws and regulations<sup>1</sup>, with the company's Articles of Association, and, where relevant, with the Corporate Governance Code (*Codice di Corporate Governance di Borsa Italiana*) and the Regulation for companies listed on the stock exchange (*Regolamento Emittenti CONSOB*)

Moreover, in accordance with the provisions of Article 7 bis of Grand Ducal Law no. 562 of 1 August 2019, both sections of the Report on Remuneration Policy and Compensation Paid (sections I and II) are subject to approval by the Shareholders' Meeting by means of a vote.

The company pays compensation only on the basis of a remuneration policy voted in the general Shareholders' Meeting.

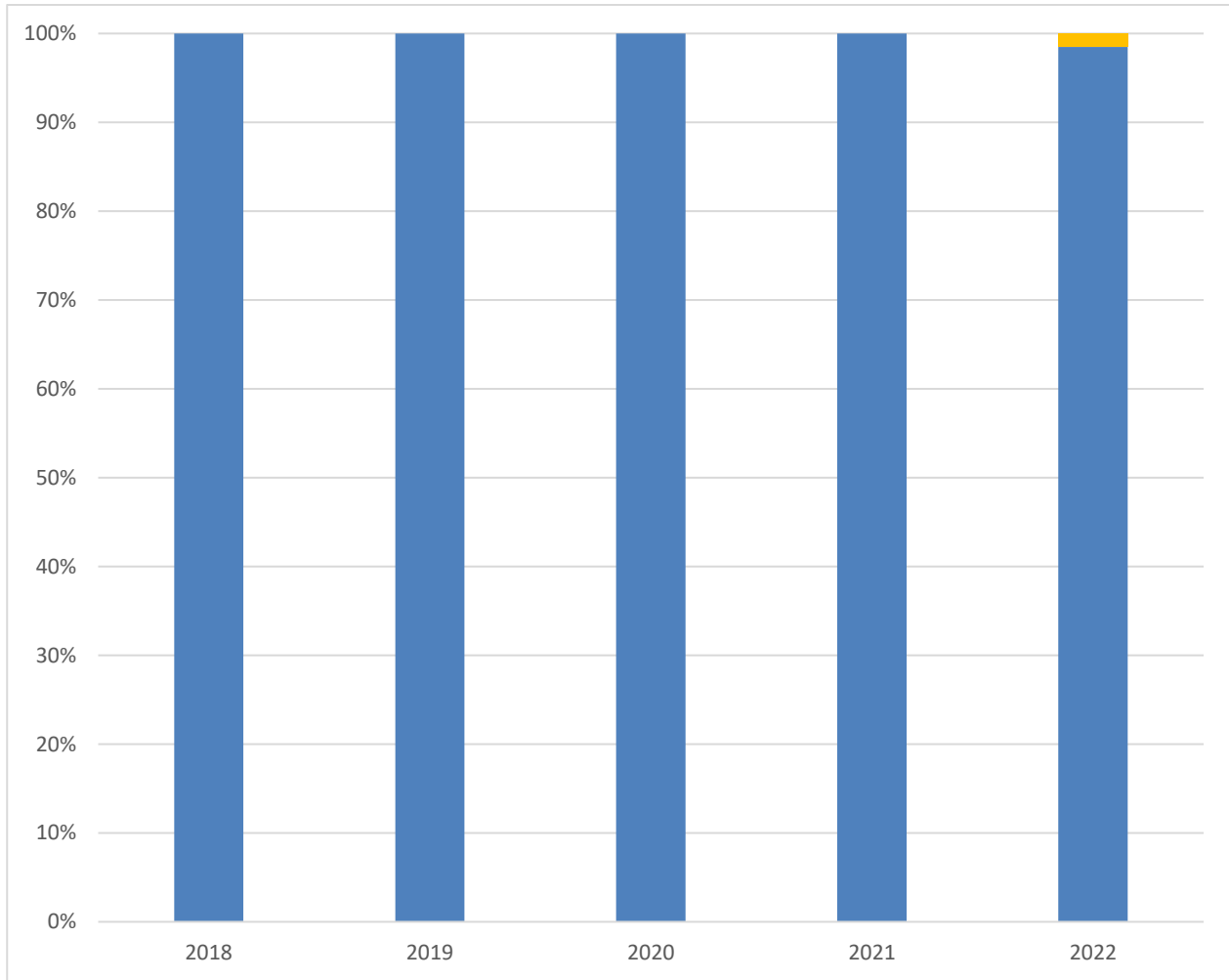
If the Shareholders' Meeting rejects the Remuneration Policy subject to a consultative vote, the Company shall submit a revised Policy to the next Shareholders' Meeting to a vote.

It is also noted that the Report was drawn up considering the analyses and investigation of the results of the Shareholders' voting and the feedback received from the Shareholders on the 2022 Report.

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<sup>1</sup> Reference is made, in particular, to Grand Ducal Law of 1 August 2019, which amends Law dated 24 May 2011 to endorse the European Directive 2017/828 (SHRD 2), published in Memorial A of 20 August 2019. The Report is also drawn up, where relevant, in compliance with the Corporate Governance Code approved by the Corporate Governance Committee of Borsa Italiana on 31 January 2020, applicable from the first financial year beginning after 31 December 2020).

TREND IN OUTCOMES OF VOTING ON THE ANNUAL REMUNERATION REPORT (2018-2022)



	2018	2019	2020	2021	2022
<b>Abstained</b>	0%	0%	0%	0%	0%
<b>Against</b>	0%	0%	0%	0%	1,5%
<b>In Favour</b>	100%	100%	100%	100%	98,5%





## SECTION I (2023)

d'Amico International Shipping S.A.

## SECTION I

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### 1 Roles and responsibilities of the bodies involved in the process of provision and implementation of remuneration policies

In compliance with the Articles of Association, the recommendations of Article 5 of the Corporate Governance Code of Borsa Italiana (hereinafter, the "Corporate Governance Code") - which the Company has adopted - and with laws applicable on each occasion, the approval processes of the remuneration of **Executive Directors, non-executive Directors, other Directors with specific duties and Top Management** involve the following:

- Shareholders' Meeting
- The Board of Directors
- Nomination and Remuneration Committee
- Company's Function of Human Resources and Internal Auditing
- Independent Auditors

In addition, the Company employs consultants and adopts market benchmarks in setting Compensation Policies.

#### 1.1 Shareholders' Meeting

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In compliance with the Articles of Association of the Company, the compensation of the **members of the Board of Directors** is established by the **Shareholder's Meeting** and the Board of Directors may determine the compensation of the **Directors who are in charge of specific duties**.

The **Shareholder's Meeting** may nevertheless **establish** a maximum **total gross amount** for the **remuneration of all Directors**, including those with specific duties, assigning and authorizing the Board of Directors - on the recommendation of the Nomination and Remuneration Committee - to allot said amount among all of its members, whether executive Directors or non-executive, including therein, if approved by resolution, parties covering specific duties.

The **Shareholders' Meeting** is called upon to **examine** and **evaluate** (in line with the Luxembourg legislation implementing European Directive SHRD2):

- 1) the Remuneration Policy contained in **Section I of the Report**, in order to express a **consultative vote**; and
- 2) **section II** on the Compensation paid for the previous year, in order to express a **consultative vote**.

#### 1.2 Board of Directors

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The **Board of Directors** - in its role of strategic supervision - **defines and re-examines**, at least **annually**, the **Remuneration Policy** of the Company and is responsible for its **proper implementation**.

The Board is the final body in charge **of the approval and maintenance in effect of the Remuneration Policy** adopted by the Company, with the duty of **supervising its application** and **approving any exceptions or amendments** aided by the Nomination and Remuneration Committee and, if necessary, of the respective company departments concerned.

In compliance with the Articles of Association of the Company, and subject to the authorization of the Shareholders, the Board of Directors **allots the gross total** amount of **compensation to Directors** and can determine the **compensation of the Directors** who have specific duties within the Company on proposal of the Nomination and Remuneration Committee.

Moreover, the **Board of Directors identifies Top Management** and, on proposal of the **Nomination and Remuneration Committee**, proposes to the CEO the guidelines in order to establish and to maintain in effect a **Remuneration Policy for Top Management**.

### 1.3 Nomination and Remuneration Committee

In compliance with recommendations contained in Articles 4, 5 and 6 of the Corporate Governance Code of Borsa Italiana then in force, and with Article 2.2.3 of the Regulation of markets organized and managed by Borsa Italiana S.p.A., the Board of Directors' meeting held on 6 May 2008 approved a resolution, inter alia, for the establishment of a Nomination Committee and of a Remuneration Committee.

On 28 April 2009, the Board of Directors passed a resolution to approve the merging of the two aforementioned committees into one, the Nomination and Remuneration Committee, assigning to it all the functions required by the Corporate Governance Code of Borsa Italiana then in force.

The establishment of the Nomination and Remuneration Committee was confirmed by a written approval of the Directors of the Company on 10 December 2012 by which the aforementioned Committee was attributed the duties required by the Corporate Governance Code of Borsa Italiana, as amended<sup>2</sup>.

The **Nomination and Remuneration Committee** is composed of **non-executive members of the Board of Directors**, all of them **Independent** Directors with **adequate experience in accounting and finance**, as evaluated by the Board of Directors. In compliance with the recommendation contained in Article 5 of the Corporate Governance Code, the Chairman of the Committee is an Independent Director.

In 2023 the Nomination and Remuneration Committee is composed of the following non-executive board members:

President	Independent Director	Tom Loesch
Members	Independent Director	Monique I.A. Maller
	Independent Director	Marcel C. Saucy

The Nomination and Remuneration Committee has **powers of proposal, consulting and instructing**, which are exerted in the **formulation of proposals, recommendations, and opinions** with the objective of enabling the Board of Directors to adopt its own decisions with greater awareness.

The Nomination and Remuneration Committee is in charge, among other responsibilities, of the following:

- ❖ **submitting proposals to the Board of Directors on defining and maintaining** in effect a **Remuneration Policy of the executive Directors and other Directors with specific duties**, as well as issuing **guidelines**, on the proposal of the CEO, on defining and maintaining in effect a Remuneration Policy of **Top Management**, in compliance with what has been established, from time to time, by the Board of Directors of the Company or of its subsidiaries. **Said Policy comprises all types of compensation**, including in particular fixed remuneration and the remuneration systems linked to performance.
- ❖ submitting **proposals related to remuneration systems linked to performance** accompanied by recommendations on respective objectives and evaluation criteria, with particular attention to the alignment of the compensation with the long-term interests of shareholders and fixed objectives of the Board of Directors of the Company.
- ❖ **periodically assessing and checking**, also based on information received by the CEO and by company departments, **the adequacy and coherent and effective implementation** of the remuneration policy, specifically verifying the achievement of performance objectives.

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<sup>2</sup> To date, the duties of the Committee are aligned with the provisions of Article 5 of the Corporate Governance Code of Borsa Italiana.

- ❖ **assisting the Board of Directors in supervising** the process aimed at verifying that the Company fulfils all existing provisions on disclosure of the elements contained in the remuneration (with specific reference to the application of the remuneration policy and the attribution of individual remuneration).

Regarding the remuneration of **Executive Directors, and of other Directors with specific duties**, the Nomination and Remuneration Committee:

- ❖ may forward **proposals to the Board of Directors on individual remuneration to be attributed**, ensuring that said proposals are in line with the remuneration policy adopted by the Company and with the performance evaluation of concerned Directors, having comprehensively collected information on the total compensation obtained by Directors from other subsidiaries of the Company.
- ❖ submits related **proposals to the Board of Directors about the contract format**.

As far as the **stock-based remuneration plans** that may be implemented for Executive Directors, Top Management or other employees, **the Nomination and Remuneration Committee**:

- ❖ **examines**, with the **Board of Directors**, the proposal about the allotment of said systems of remuneration as part of the remuneration policy, submitting suggestions in this regard.
- ❖ **verifies the information provided** on the above-mentioned topic in the **Annual Financial Report** and, where necessary, at the **Shareholder's Meeting**.
- ❖ submits to the **Board of Directors** proposals on assignment of **options** with the right to subscribe shares and assignment of options to purchase shares, specifying the **reasons** for that choice as well as the relevant **consequences**.

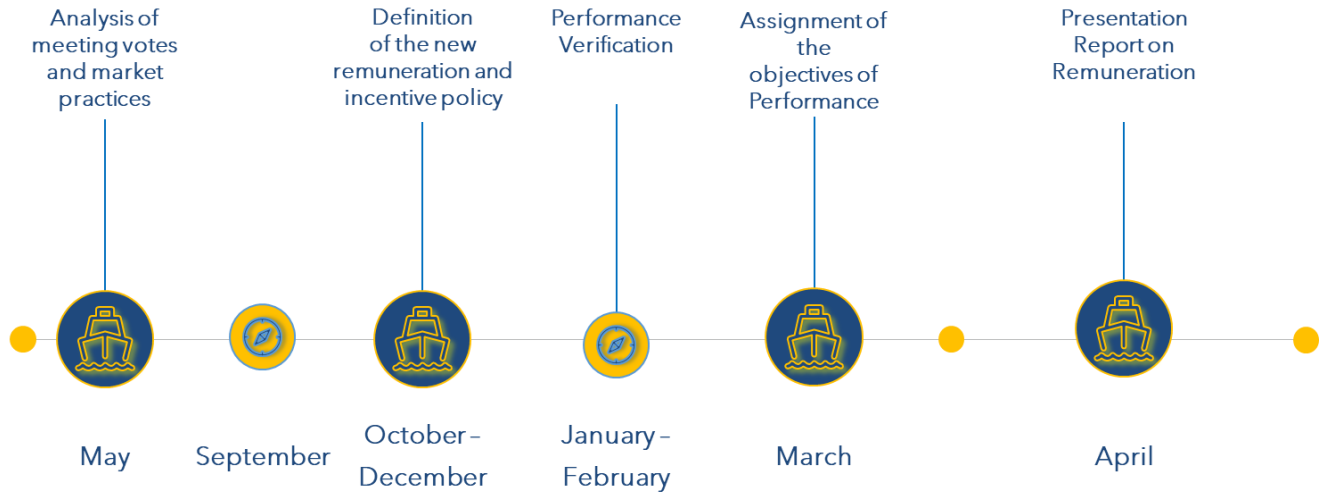
The Nomination and Remuneration Committee **reports to the Shareholders' Meeting**; for this reason, the **Chairman of the Committee** or one of its **members participates in the Annual Shareholder's Meeting**.

The Nomination and Remuneration Committee is convened with adequate frequency for the proper implementation of its functions. **The Director of the Human Resources Department** routinely participates in the meetings. From time to time, the Chairman may invite other **members** of the **Board of Directors** or company department managers or **third parties** to the meetings of the Committee, where their presence **may facilitate** the functions of the Committee. **No Director** takes part to the meetings of the Committee in which **proposals** are formulated to the Board of Directors about **its own remuneration**, unless dealing with proposals that regard the overall members of the Committees established by the Board of Directors. For the validity of the Committee meeting, the **majority of members** in office must be present. Resolutions of the Committee are passed by absolute majority of those ones who are present; in case of a tie, the vote of the Chairman prevails.

The Chairman of the Committee reports to the Board of Directors, at least annually, regarding the activity carried out by the Nomination and Remuneration Committee.

The Committee's activities are part of an annual process of monitoring and review of remuneration policies:





#### 1.4 Chief Executive Officer

The CEO, within the framework of the assigned powers, **ensures** that **management of remuneration of Top Management** is **implemented in compliance with the guidelines** approved by the Company.

#### 1.5 Human Resources

The Human Resources Department collaborates with the competent departments in defining remuneration policy, initially proceeding to analyze the related regulations and study trends and practices of the market on the matter.

In addition, also with the potential support of the Company departments concerned, the Department:

- ❖ Guarantees the consistency of the remuneration structure with (i) the guidelines approved by the Company and (ii) current legislation and that applicable on each occasion (in the latter case with the support of the Legal Department);
- ❖ provides support with the drafting of the Report on the Remuneration Policy and Compensation Paid adopted by the Company;
- ❖ launches and manages the process of assigning and final reporting on the performance objectives of the recipients of the remuneration policy;
- ❖ coordinates and strengthens the ability to monitor the coherent and effective application of the remuneration policy adopted by the Company;
- ❖ upholds the contractual terms and conditions.

#### 1.6 Internal Auditing

The Internal Auditing Department may carry out independent reviews of the effects that the remuneration policy adopted by the Company could have on Strategic Risk Management Policy.

#### 1.7 Independent auditors

The independent auditors assigned to audit the financial statements, in line with the new reference framework for listed companies, verifies annually that directors have drawn up Section II of the Report, through a mere control of the form of the publication of information, without expressing an opinion on that information, either as being consistent with the financial statement or complying with the rules, equivalent to that set out for the audit of the preparation of the non-financial report ("NFR") pursuant to Italian Legislative Decree 254/2016.

### 1.8 External advisors used in creating the Remuneration Policy

No advisors were involved in the drafting of the policy.

#### Benchmarks

To adopt **effective salary practices** that also can **appropriately support business strategies** and **resource management**, **general market trends** are continuously monitored to correctly define **competitive compensation levels** and ensure **internal fairness** and **transparency**.

Participation in compensation surveys on specific panels of companies operating in one or more reference markets and corresponding to organizational profiles that match similar roles and positions, **allows for the recording of benchmarks for the fixed and the variable component as well as the total remuneration**.

For said reasons **the appointed departments** ensure the **constant participation in remuneration surveys and studies**, implemented by **the leading national and sector players**.

## 2 Reasons and purposes pursued through the Remuneration Policy

The duration of this policy is one year, with **no possibility** for the Company to **derogate** from it during the period of validity and it is defined in line with the recommendations of the **Corporate Governance Code** (with some principles of application referenced below) and pursues both the **objective** of:

- **attracting, hiring and retaining** personnel with the level of **professionalism** and **skills** suited to the needs of the Company (Article 5 of the Code),
- providing an **incentive** to **strengthen the commitment** to improving company **performance**, through personal satisfaction and motivation.

Moreover, the implementation of the remuneration policy allows a **better alignment between the interest of the Company** and that of the **management team of DIS**, based on both a **short-term perspective**, by maximizing **value creation**, and in the **long-term**, through careful **management of business risks** and the pursuit of **long-term strategies**.

In this regard, **the remuneration and incentive criteria** based on **objective parameters linked to the Company performance** and in line **with medium/long-term strategic goals**, are able to better stimulate the engagement of all the persons involved and consequently to better meet the interests of the Company.

In particular, in order to strengthen the connection between remuneration and the long-term interests of the Company, **the Remuneration Policy** provides that:

CORPORATE GOVERNANCE CODE	
Art. 5, Recommendation 29	❖ the compensation of non-executive Directors is commensurate to their responsibilities, professionalism and the commitment required by the duties assigned to them within the Board of Directors and the Board Committees;
Art. 5 Recommendation 29	❖ unless otherwise approved by the Shareholders' Meeting, non-executive Directors are excluded from participating in variable type incentive plans;
Art. 5 Recommendation 27 points. a, b, c	❖ the remuneration structure for the CEO and for the Top Management is an adequate balance between: i) a fixed component and ii) a variable component which is set up to a maximum amount, based on predetermined, measurable objectives, and aimed to link remuneration to performance actually achieved, taking into account the risks connected to the business performed;

<p>Art. 5, Recommendation 27 point c</p>	<ul style="list-style-type: none"> <li>❖ the variable part is distributed subject to achievement of the performance objectives. Said objectives are predetermined, measurable and in line with the company's strategic objectives, for the purpose of promoting its sustainable success. They are indicative of the efficiency and effectiveness of the Company, as well as the capacity of the latter to remunerate capital invested and to generate medium to long-term cash flow for shareholders;</li> </ul>
<p>Art. 5, Recommendation 27 point d</p>	<ul style="list-style-type: none"> <li>❖ in the event in which a person has the right to variable remuneration, and the same reaches a predetermined percentage of the fixed amount, the payment of a substantial part of said variable remuneration is postponed for a period ranging from 12 to 18 months;</li> </ul>
<p>Art. 5, Recommendation 27 point e</p>	<ul style="list-style-type: none"> <li>❖ contractual agreements allow the Company to ask for restitution, of all or part of variable components of the remuneration paid, where these variable components have been determined based on data that are later proved to be incorrect.</li> </ul>

**Non-monetary benefits** are **consistent** with the **local regulations**, with the aim of completing and **adding value** to the total compensation package taking into account the **roles** and/or the **responsibilities** attributed, favoring **social security** and **insurance** components.

The Company has also accepted the results of a process conducted by the parent company d'Amico Società di Navigazione which, through the involvement of internal and external stakeholders, has identified those areas of activity that have a direct or indirect impact on the ability to create and preserve economic, social and environmental value, defining their level of relevance and priority and thus giving rise to the sustainability matrix that guides the company's commitment to sustainability on a strategic level.

The d'Amico Group has also embarked on a process of gradual rapprochement with the United Nations 2030 Agenda, so as to make credible and verifiable the contribution that the company's choices and activities make to the achievement of sustainable development objectives, considering in particular the application of adequate salaries and economic benefits for staff that ensure adequate social protection.

The Company, to ensure compliance with the requirements of the European Regulation (EU Directive 95/2014) and the consequent references to accounting representation standards (Global Reporting Initiative and IFRS Sustainability Disclosure Standards), has also implemented in the preparation of the draft Financial Statements 2022 the "Non-Financial Statement" Section, giving evidence of the activities attributable to its commitment to ESG matters.

In this direction can be understood the confirmation in the DIS long-term incentive system that introduced specific targets for measuring the environmental impact of the managed fleet

The remuneration policy applied is, therefore, aimed at enhancing sustainable performance and the achievement of strategic priorities in both the short and long term.

### 3 Link between Remuneration Policy and the Company's strategic directions

DIS's strategy for the coming years is moving toward directions of further growth in results. The last few years have seen excellent performance levels and extremely significant economic growth, which are an additional stimulus for the future. In this context, ESG issues play a key role in achieving these goals. They are, in fact, integrated into DIS's strategy through specific objectives related to operational activities and technological investments aimed at improving the energy efficiency of the fleet.

The remuneration policy contributes to the company's strategy, the pursuit of long-term interests and sustainability, including through the new Long-Term Plan (partly delivered in shares) aimed at integrating both economic/financial objectives and ESG priorities related mainly to the reduction of CO<sub>2</sub> emissions. In addition, again with a view to proper risk management, ex-post correction mechanisms are provided for incentive systems to ensure sustainability in payments.



## 4 Remuneration structure

The remuneration structure adopted for Executive Directors, for Directors with specific duties and for Top Management envisages a **fixed component**, that rewards the role covered and the scope of responsibility, reflecting experience, know-how and abilities required for each position, and a **variable incentive component** that seeks to **recognize the results achieved**, enabling a **direct link between the compensation and actual results** of the company and of individuals, in the short-term and in the medium-long term.

**Other components** of the compensation package are comprised of **non-monetary benefits** (e.g. health insurance and D&O Policy) while **no insurance or social security coverage is provided other than that required as per mandatory requirements**.

The Remuneration Policy with regard to the **duration of contracts or agreements with management and notice periods, supplementary pension or early retirement plans, termination conditions** and payments related to termination shall implement the **applicable national collective bargaining agreement** when applicable, however based on the best market practices.

### 4.1 Recipients of the remuneration policy

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This Remuneration Policy applies to the Members of the Board of Directors, and Top Management, in particular:

- ❖ Executive Directors and other Directors with specific duties, such as the Chairman and/or the CEO and/or the CFO of the Company;
- ❖ Non-executive and independent directors;
- ❖ Top Management is, from time in time, identified by the respective interested company, whether the Company or its subsidiary, including the Chief Operating Officer and the Head of Operations.
- ❖ The Remuneration Policy may also be applied to individuals who are identified by the DIS Board of Directors with key roles (e.g., business development/commercial roles) for the Company's activities who are employed by other d'Amico Group Companies and who are not consolidated by DIS and whose activities for DIS are managed through Infragroup service agreements.

With regard to the members of the control body, the Company does not appoint a Board of Statutory Auditors, as this is not contemplated by Luxembourg corporate law (lex societatis).

#### **Remuneration of the Head of Control and Risk Management, of the Person in charge of Internal Controls and of the Manager responsible for preparing the company's financial reports**

Since the role of Head of Control and Risk Management (Executive Director in charge of the Internal Control and Risk Management System) is held by the Chairman of the Board of Directors of DIS, there are no further significant provisions relating to his remuneration, neither in terms of fixed nor variable remuneration.

Since the figure responsible for preparing the company's financial reports is the Chief Financial Officer - who is already covered by the policy applicable to Top Management - there are no further significant provisions relating to his remuneration, either in terms of fixed or variable remuneration.

The figure responsible of *Internal Auditing* is a person external to the Company, employed by its indirect parent company. His remuneration consists of a fixed component plus an annual bonus based on objectives related to the effectiveness and quality of the control action to guarantee the independence of the function.

### 4.2 Fixed Remuneration policy

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The weight of the fixed component in the total packages is as such to discourage initiatives focused on short-term results that could jeopardize sustainability and creation of medium/long-term value.

Moreover, the fixed component of remuneration is structured in such an amount to allow the variable component of total remuneration to decrease considerably or zero out, in relation to the results actually achieved and according to the key objectives and risk management policies of the Company.

The Shareholders' Meeting resolves the total **amount for the remuneration for the roles of Directors**, for a total of **€ 330,000**, and authorizing and empowering the Board of directors to allocate the said amount amongst the Directors, including those vested with particular offices.

In particular, **non-executive Directors** are **exclusively** attributed a **fixed remuneration**

The remuneration of executive directors and other directors who have specific duties as well as the compensation package of the Top Management may include non-monetary benefits such as social security and insurance components.

### 4.3 Variable Remuneration policy

The Variable Remuneration Policy applicable to **Executive Directors**, to **other Directors with specific duties** and to **Top Management** is defined to **align the interests** of the previously mentioned persons with the **attainment of the priority objective of creation of value for shareholders** and pursuit of the **sustainable success of the Company**. Moreover, the Variable Remuneration Policy takes into account best practices on remuneration policies in the industry.

The Company adopts a completely flexible policy for variable remuneration, meaning that the variable remuneration could decrease in case of negative performance, and in some cases, may be zero and is composed by:

- ❖ Short-term variable remuneration - annual incentive plan
- ❖ Long-term variable remuneration - LTI Plan

In line with the strategic risk management policy and the remuneration policy, Company Departments are engaged in defining the overall remuneration policy in order to support efficient risk management.

As mentioned above, **non-executive directors** (including independent directors) **are not included** among the recipients of **the variable remuneration policy** and related guidelines, since the remuneration of a non-executive director is not linked to the economic result achieved by the Company and its subsidiaries. Similarly, non-executive directors (including independent directors) are not included among the beneficiaries of share-based remuneration plans, unless otherwise decided by the Ordinary Annual Shareholders' Meeting, which must, in this case, justify its decision.

#### Variable Short-Term Remuneration

##### Beneficiaries

The perimeter of recipients of the annual incentive Plan includes various positions:

- ❖ Executive directors
- ❖ Directors with specific duties
- ❖ Top Management
- ❖ Supporting roles to Company business

##### Architecture

From year to year, DIS will assess a minimum performance level with regard to EBITDA, which will serve as the gateway to the plan, in relation to assessments of sustainability of bonus pool and achievement of satisfactory performance levels to the point of rewarding plan beneficiaries.

Once the threshold for triggering the plan has been exceeded, as envisaged, the sizing of the Bonus Pool will take place by allocating up to 5 percent of DIS's consolidated EBITDA, which will then be allocated among the beneficiaries identified for the plan, through percentages defined ex-ante, based on strategic and organizational reasoning.

## Variable Long-Term Remuneration

The new Medium-Long-Term Variable Incentive Plan (LTI Rolling Plan) is developed in continuity with the previous one and consists of three cycles, with two-year performance, starting in fiscal years 2022, 2023, and 2024.

This plan confirms the main objective of aligning the interests of management and the long-term development of the Company, and is determined in compliance with applicable compensation governance processes as well as disbursed under terms and conditions consistent with applicable regulations.

It is described below the framework of the new LTI plan for the second cycle currently in place (2023-2024), as defined by the regulations and information document published together with this Report for their approval at the April 18, 2023 Shareholders' Meeting.

### Objectives and beneficiaries

The plan pursues the following purposes:

- Align management interests with the achievement of objectives to generate value for shareholders in the medium and long term.
- Focus the attention of Beneficiaries on strategic interests.
- Increase the commitment of key resources and favour their retention in the Group.

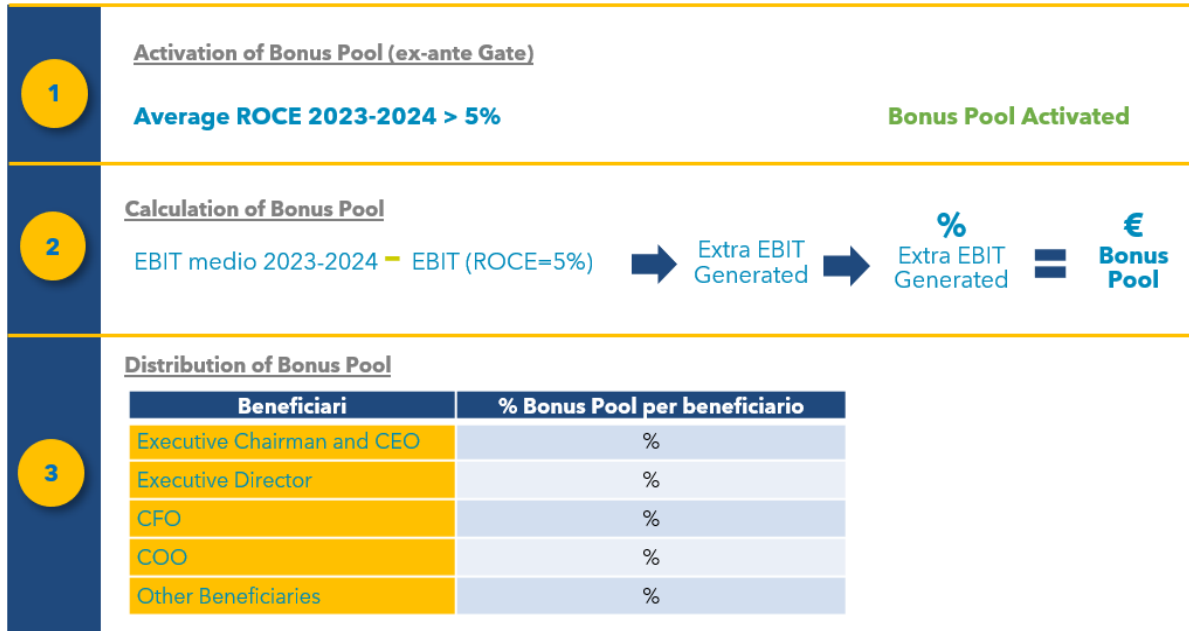
The rolling medium/long-term 2023-2024 plan is geared towards directors of the Company and personnel that hold or carry out strategically important functions that merit a remuneration policy that increases their retention for the purpose of generating long-term value. The following are included among the Beneficiaries of the Plan:

- Executive directors.
- "Strategic" resources (also in commercial and operational departments).

### Bonus pool determination and participation

The access condition for the Plan (i.e. Gate ex ante) is the average ROCE, calculated over the vesting period, which must be above 5%.

The mechanism for calculating the bonus pool follows a top-down logic and is determined as a percentage of EBIT. A bonus pool cap for the amount that can be distributed is also in place and linked to the average ROCE value achieved during the period (7.5%). Below is a detailed description of the process for activation and distribution of the Bonus Pool under the Plan:



Performance Objectives

Once the bonus pool is activated, the actual bonus given to Beneficiaries depends on the achievement of specific objectives by the end of the performance period, namely:

- o Adjusted ROCE<sup>3</sup> - measures the return on capital employed.
- o Hedging Effectiveness - compares fixed-term agreements and spot agreements.
- o Daily G&A - refers to the reduction in general and administrative costs per ship day available.
- o Daily direct operating costs - to be calculated as the percentage reduction or increase in annual average daily direct operating costs.
- o CO2 per ton-mile owned, bareboat, and operated in the spot market - to be calculated as the percentage reduction in average CO2 emissions per ton-mile.

These performance objectives, defined in close relation with the company's medium/long-term objectives and aligned with the strategic plan, have a different percentage weight and their evaluation is based on progressive thresholds (from minimum to maximum achievement), as seen in the table below:

Performance Indicator	Weight	Achievement Level	Pay-out
Adjusted ROCE (a)	75.0%	Max	110%
		Target	100%
		Min	70%

<sup>3</sup> Return on Capital Employed (ROCE) is "adjusted" by means of a matrix comparing the loan to value and hedging rate.

Hedging Effectiveness (b)	5.0%	<b>Max</b>	<b>110%</b>
		<b>Target%</b>	<b>100%</b>
		<b>Min%</b>	<b>50%</b>
Daily G&A (c)	5.0%	<b>Max</b>	<b>110%</b>
		<b>Target</b>	<b>100%</b>
		<b>Min</b>	<b>50%</b>
Direct Operating Costs (d)	5.0%	<b>Max</b>	<b>110%</b>
		<b>Target</b>	<b>100%</b>
		<b>Min</b>	<b>50%</b>
EEDI/EEXI - CO2 per dwt ton-miles for owned and bareboat vessels operated on the spot market (e)	5.0%	<b>Max</b>	<b>110%</b>
		<b>Target</b>	<b>100%</b>
		<b>Min</b>	<b>50%</b>
EEOI - CO2 per ton-miles for all owned and bareboat vessels (e)	5.0%	<b>Max</b>	<b>110%</b>
		<b>Target</b>	<b>100%</b>
		<b>Min</b>	<b>50%</b>

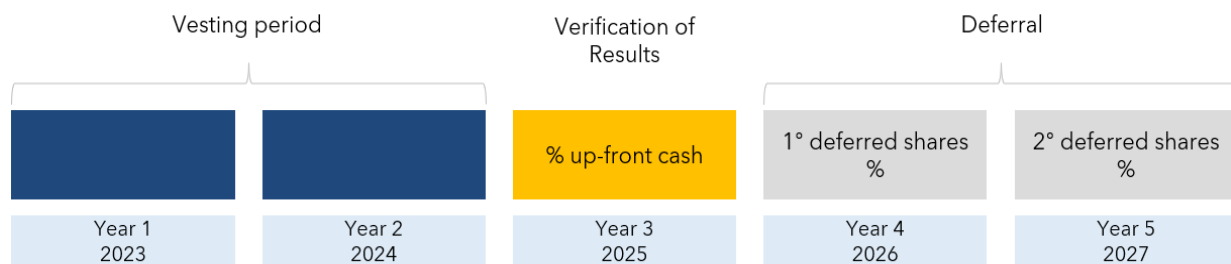
#### Corrective mechanisms

Once the objectives have been evaluated and recorded, the actual quantification of the bonus is also subject to a relative indicator that measures shareholder return (Relative Total Shareholder Return) compared to an international reference panel consisting of the following companies: Ardmore, Skorpio Tankers, Hafnia Tankers and Torm which acts as a multiplier/demultiplier equal to +/- 10% of the amount determined.

#### Operation Mechanism of the Plan

The plan is structured over 3 cycles, with a two-year performance, starting in 2022, 2023 and 2024. The reason for choosing a rolling plan with a 2-year vesting period is due to the peculiarity of the sector where DIS operates, which is a highly volatile market and an exogenous variable, freight costs, that are difficult to forecast.

The chart below shows as example the duration and operation of cycle II of the Plan:



The Plan provides for the assignment of DIS shares free of charge. After the vesting period of two years, the bonus will be partly paid in up-front cash (70%) and partly in deferred DIS shares (30%) that will actually be made available

after 1 and 2 years. In addition, the Company intends to use the treasury shares held in its portfolio to fulfil its obligations to allocate DIS Shares under the Plan.

The Beneficiaries shall have the right to receive the bonus accrued, in any event, only if they are in office or in their role at the end of the vesting period and in any event, at the time of payment, save for the right of the Board of Directors to decide on any exceptions to that rule.

For more details on the Long-Term Plan, refer to the specific information document published on the Company's website ([www.damicointernationalshipping.com](http://www.damicointernationalshipping.com)).

#### 4.4 Additional elements of remuneration

It is Company policy not to assign Executive Directors or Top Management discretionary one-off bonuses including retention bonuses, in order to limit the risk of resignation of key figures.

As an extraordinary case, only with the view to attracting key figures from the market that cover positions deemed strategic, variable remuneration may be agreed, limited to **the first year of employment**, such as **entry bonuses** which, in line with market best practices, **cannot be paid more than once to the same person**. The payment of those elements of remuneration is **non-discretionary** in nature and is implemented as part of **governance processes on remuneration**.

### 5 Link between the change in results and variable remuneration

In consideration of the performance objectives adopted, the short- and long-term incentive systems seek to ensure an adequate connection between changes in results and changes in variable remuneration.

#### a) Malus

The Company adopts suitable contractual provisions that allows **not to disburse** all or part of the variable components (both short and long-term, whether in cash or paid in financial instruments), which have already vested or are vesting, **to take account of the performance** net of the risks effectively assumed or attained, of the equity and liquidity position of the Company or of the individual entity, as well as in the event of disciplinary measures in response to fraudulent behavior or gross negligence that harms the Company, on the part of the personnel to whom the incentive is intended.

For the Long-Term Plan, the deferred portions shall be effectively disbursed if the Gate (ROCE) to access the Plan is reached in the reference year.

#### b) Claw back

The Company also adopts claw back mechanisms (as far as legally applicable), on the basis of which the Company has the right to **request** the repayment **of all or part of the variable components** (both short and long-term, whether in cash or paid in financial instruments) disbursed in previous years, determined on the basis of data revealed to be manifestly incorrect, as well as in the event of disciplinary measures in response to fraudulent behavior or gross negligence that harms the Company on the part of the personnel to whom the incentive is intended, in consideration of the legal limits set.

For the Long-Term Plan, it is noted that the claw back clauses shall be applied within 3 (three) years from the end of the vesting period.

### 6 Treatment provided in case of early termination of the employment relationship

**No arrangement is in place** that envisages the payment of an indemnity for the termination of the relationship or of office, for **Executive Directors**, the **other Directors** with specific duties or for **Top Management**.

At the date of this Report, **no non-competition agreements** have been entered into for the recipients of this policy.





## SECTION II (2022)

d'Amico International Shipping S.A.



## SECTION II

### 1 Implementation of Remuneration Policy in 2022

The remuneration system adopted by the Company for Executive Directors, for other Directors with specific duties and for Personnel with strategic responsibilities<sup>4</sup>, in 2022 consisted of a pay-mix as such to ensure sound and prudent Group management, avoiding the assumption of excessive risks. This section seeks to illustrate the choices and the criteria adopted by the Company to establish fixed and variable remuneration in 2022.

More specifically:

- The first part contains detailed information related to the implementation of policies of the previous year and to the operating mechanisms of the incentive systems adopted; and
- The second part adequately shows, in table format, each item included in remuneration and analytically displays compensation paid by the Company and by subsidiaries or associates for any reason and of any type, in relation to the year concerned.

### 2 Governance

#### 2.1 Meetings and composition of the Nomination and Remuneration Committee

The meetings held by the Nomination and Compensation Committee during 2022 are reported below.

Role	Members	Meetings of the Committee in 2022
Independent Chairman	Tom Loesch	Meeting 04.03.2022
Independent Director	Monique I.A. Maller	
Independent Director	Marcel C. Saucy	
Role	Members	Meetings of the Committee in 2022
Independent Chairman	Tom Loesch	Meeting 03.05.2022
Independent Director	Monique I.A. Maller	
Independent Director	Marcel C. Saucy	

#### 2.2 External consultants

In 2022, the Company availed itself of a leading advisory company, operating in the shipping sector (Spinnaker), in order to guarantee maximum reliability of the support provided on the subject of remuneration. This thanks to the help of compensation surveys conducted in the shipping sector with reference to the industry databanks

<sup>4</sup> This means the persons having authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly, according to the definition set out in Attachment 1 to the CONSOB Regulations relating to Transactions with Related Parties. It is noted that, from 2021 that definition was replaced with "Top Management", pursuant to the Corporate Governance Code.

### 3 Variable and Fixed Remuneration

For 2022, the overall remuneration of the members of the Board of Directors and of Personnel with strategic responsibilities envisaged **the disbursement of a fixed component**, based on the office held, levels of skills, experience and impact on company results.

#### *Fixed remuneration*

For the purposes of determining the compensation levels of the Group, remuneration **benchmarking analyses** were used through a comparison of fixed and variable components related to a panel of companies representative of the Italian market.

The **fixed** component is also **determined considering the values of internal fairness** along with professional characteristics, degree of **availability on the market** and **company risk** in the case of termination of the employment relationship.

#### Variable short-term remuneration

With reference to 2022, the minimum performance with respect to ROCE (5%) was exceeded, enabling the payment of the annual incentives, which will be paid after the approval of the Annual Report by the Shareholders' Meeting.

#### Variable long-term remuneration

The third cycle of the "Medium-Long Term Variable Incentive Plan 2019-2021" ended with 2022. The Board of Directors, having verified that the Gate had been exceeded (i.e. average ROCE achieved in the vesting period above 5%), the consequent activation of the Bonus Pool and the level of achievement of the targets set at the time, determined the amount to be awarded to each beneficiary.

The Plan provides for up-front cash disbursement (70% of the bonus) and deferral of the bonus recognized in shares (30%) over the two years following the performance period. The number of shares to be paid will be determined on the basis of the arithmetic average of the official closing market prices of DIS ordinary shares recorded in the month preceding the board resolution verifying the performance achieved in the corresponding vesting period (fair market value).

Disclosure of target achievement levels for the 3rd cycle of the Plan is given below:

#### ❖ Gate

After necessary adjustments to EBIT, ROCE for the period 2021 - 2022 was above the minimum threshold of 5.0%, which was required for plan activation.

#### ❖ Bonus Pool

Bonus Pool (BP) corresponds to 10% of EBIT (after adjustment) in excess of that required to generate a 5% ROCE.

#### ❖ Performance indicator

- While over-performance was achieved for Adjusted ROCE, which allows a payout at 110%, the other targets in the plan were not achieved.
- **Application of TSR correction: failure to meet target, payout -10% of Bonus Pool**

#### Benefit

With regards to benefits, for the various categories of personnel, packages were offered with similar features for parties belonging to the same category. The main benefits granted to Personnel with strategic responsibilities in 2022 included:

- Healthcare insurance;

- Supplementary pension.

Executive Directors and Employees with strategic responsibilities are beneficiaries of Directors & Officers (D&O) policies.

#### 4 Indemnity in the event of the early termination of the relationship or of office

No ex ante arrangement is in place that envisages the payment of an indemnity for the termination of the relationship or of office nor has any compensation been paid at this level for Executive Directors, the other Directors with specific duties or for Personnel with strategic responsibilities.

#### 5 Pay for performance

In compliance with that set out in the Issuers' Regulation<sup>5</sup>, disclosure is provided below, for the last five years, relating to:

- ❖ Change in the Company's results;
- ❖ Change in the average compensation based on Full-Time-Equivalent of employees other than for which disclosure is provided;
- ❖ Change on the total compensation of each of the parties for which name-specific disclosure is provided (i.e. Chairman and CEO and Executive Directors).

In view of the disclosure of the annual changes in remuneration, the company's performance and the average full-time equivalent remuneration of the company's employees other than managers during the last five years, illustrated below is a comparison between the Total Remuneration of the Board of Directors and the company performance. While, with reference to the DIS employee population, it should be noted that no average remuneration data is provided, given the small number of DIS employees.

Variation	Indicator	2018	2019	2020	2021	2022
Corporate Performance	EBITDA (\$)	17.519.575	104.226.241	128.571.000	64.322.163	226.612.000
Overall Remuneration of the Board of Directors	Total remuneration (€)	1.834.000	1.023.200	1.144.199	955.541	1.026.296

In consideration of the disclosure of the annual changes in the total compensation of the Chairman and CEO and the Executive Directors, a comparison is provided below:

	2018	2019	2020	2021	2022
Executive Chairman	460.000	460.000	499.476	477.000	678.916
Executive Director	240.700	233.200	328.733	273.000	533.964
Executive Director	55.000	55.000	72.990	64.000	145.117

<sup>5</sup> Issuers' Regulation, Attachment 3, Table 7-bis

**Table 1** (Attachment 3A, scheme 7-bis, of the Issuers' Regulation - Compensation paid to members of the administrative and control bodies, general managers and other executives with strategic responsibilities).

Name and Surname	Office	Period during which offices was held	Office Expiry	Fixed Compensation	Compensation for committee participation	Variable non-equity compensation		Non-monetary benefit	Other remuneration	Total	Fair Value of equity compensation	Severance indemnity for end or termination of employment
						Bonuses and other incentives	Profit sharing					
(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Paolo d'Amico	Executive Chairman	01.01 - 31.12	Approval of 2023 Financial Statements									
(I) Compensation in the Company preparing the financial statements				117.000		201.916				318.916	86.536	
(II) Compensation from subsidiaries and associates				360.000*						360.000		
(III) Total				477.000		201.916				678.916	86.536	
Cesare d'Amico	Executive Director	01.01 - 31.12	Approval of 2023 Financial Statements									
(I) Compensation in the Company preparing the financial statements				64.350		80.767				145.117	34.614	
(II) Compensation from subsidiaries and associates												
(III) Total				64.350		80.767				145.117	34.614	
Carlos Balestra di Mottola	Executive Director	01.01 - 31.12	Approval of 2023 Financial Statements									
(I) Compensation in the Company preparing the financial statements				104.350		149.418				253.768	64.036	

(II) Compensation from subsidiaries and associates				240.196**		40.000				280.196		
(III) Total				344.546		189.418				533.964	64.036	

<b>Thomas Joseph Fernand Loesch</b>	<b>Indipendent Director</b>	<b>01.01 - 31.12</b>	<b>Approval of 2023 Financial Statements</b>									
(I) Compensation in the Company preparing the financial statements				46.800						46.800		
(II) Compensation from subsidiaries and associates												
(III) Total				46.800						46.800		

<b>Monique Irma Anastasia Maller</b>	<b>Indipendent Director</b>	<b>01.01 - 31.12</b>	<b>Approval of 2023 Financial Statements</b>									
(I) Compensation in the Company preparing the financial statements				46.800						46.800		
(II) Compensation from subsidiaries and associates												
(III) Total				46.800						46.800		

<b>Marcel Claude Saucy</b>	<b>Indipendent Director</b>	<b>01.01 - 31.12</b>	<b>Approval of 2023 Financial Statements</b>									
(I) Compensation in the Company preparing the financial statements				46.800						46.800		
(II) Compensation from subsidiaries and associates												
(III) Total				46.800						46.800		

\* Of which 10.000 as compensation from DTL and 350.000 DTM

\*\* compensation from DTM

VAT Included

**Table 1** (Attachment 3A, scheme 7-bis, of the Issuers' Regulation - Compensation paid to members of the administrative and control bodies, general managers and other executives with strategic responsibilities).

Name and Surname	Office	Period during which offices was held	Office Expiry	Fixed Compensation	Compensation for committee participation	Variable non-equity compensation		Non-monetary benefit	Other remuneration	Total	Fair Value of equity compensation	Severance indemnity for end or termination of employment
						Bonuses and other incentives	Profit sharing					
(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Total - No. 2 Managers with Strategic responsibilities *												
<b>(I) Compensation in the Company preparing the financial statements</b>						189.801				189.801	81.343	
<b>(II) Compensation from subsidiaries and associates</b>				550.993		56.043				607.036		
<b>(III) Total</b>				550.993		245.844				796.837	81.343	

\* of which 5.000 as compensation from DTL, 363.525 from DTK and 182.468 from DTM.

**Table 2:** Stock-options assigned to the members of the Board of Directors, general managers and other managers with strategic responsibilities.

Not filled in due to the absence of stock options assigned



**Table 3A:** Incentive plans based on financial instruments, other than stock options, in favor of the members of the Board of Directors, general managers and other executives with strategic responsibilities.

A	B	(1)	Financial Instruments assigned in the previous years "not vested" in the current year		Financial instruments assigned during the year					Financial instruments vested in the year and not assigned	Financial instruments vested in the year and attributable		Financial instruments related to the year	
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Name and Surname	Role	Plan	Number and typology of financial instruments	Vesting period	Number and typology of financial instruments	Fair value at the date of awarding	Vesting period	Date of awarding	Market price at the date of awarding	Number and typology of financial instruments	Number and typology of financial instruments	Value at the date of the maturity	Fair value	
Paolo D'Amico	Chairman and CEO													
<b>(I) Compensation in the Company preparing the financial statements</b>		Medium-Long Term Incentive Plan 2019-2021 (III cycle)										194.571	0,44	86.536
<b>(II) Compensation from subsidiaries and associates</b>														
<b>(III) Total</b>												194.571	0,44	86.536
Cesare d'Amico	Executive Director													
<b>(I) Compensation in the Company preparing the financial statements</b>		Medium-Long Term Incentive Plan 2019-2021 (III cycle)										77.829	0,44	34.614
<b>(II) Compensation from subsidiaries and associates</b>														
<b>(III) Total</b>												77.829	0,44	34.614
Carlos Balestra di Mottola	Executive Director													
<b>(I) Compensation in the Company preparing the financial statements</b>		Medium-Long Term Incentive Plan 2019-2021 (III cycle)										143.983	0,44	64.036
<b>(II) Compensation from subsidiaries and associates</b>														
<b>(III) Total</b>												143.983	0,44	64.036

No. 2 Managers with Strategic responsibilities												
<b>(I) Compensation in the Company preparing the financial statements</b>	Medium-Long Term Incentive Plan 2019-2021 (III cycle)									182.897	0,44	81.343
<b>(II) Compensation from subsidiaries and associates</b>												
<b>(III) Total</b>										182.897	0,44	81.343

Tab. 3B: Monetary incentive plans for members of the management body, general managers, and other executives with strategic responsibilities.

A	B	(1)	(2)			(3)			(4)
Name and Surname	Role	Plan	Bonus of the year			Bonus previous year			Other Bonus
			(A)	(B)	(C)	(A)	(B)	(C)	
Paolo D'Amico	Chairman and CEO		Distributable/ Distributed	Deferred	Deferred Period	Not longer attributable	Distributable/ Distributed	Still Deffered	
(I) Compensation in the Company preparing the financial statements		Medium-Long Term Incentive Plan 2019-2021 (III cycle)	201.916						
(II) Compensation from subsidiaries and associates									
(III) Total			201.916						
Cesare d'Amico	Executive Director		Distributable/ Distributed	Deferred	Deferred Period	Not longer attributable	Distributable/ Distributed	Still Deffered	
(I) Compensation in the Company preparing the financial statements		Medium-Long Term Incentive Plan 2019-2021(III cycle)	80.767						
(II) Compensation from subsidiaries and associates									
(III) Total			80.767						
Carlos Balestra di Mottola	Executive Director		Distributable/ Distributed	Deferred	Deferred Period	Not longer attributable	Distributable/ Distributed	Still Deffered	
(I) Compensation in the Company preparing the financial statements		Medium-Long Term Incentive Plan 2019-2021(III cycle)	149.418						
(II) Compensation from subsidiaries and associates		Short-term incentive plan	40.000						
(III) Total			189.418						
No. 2 Managers with Strategic responsibilities			Distributable/ Distributed	Deferred	Deferred Period	Not longer attributable	Distributable/ Distributed	Still Deffered	
(I) Compensation in the Company preparing the financial statements		Medium-Long Term Incentive Plan 2019-2021(III cycle)	189.801						
(II) Compensation from subsidiaries and associates									
(III) Total			189.801						

**Table 1:** (Attachment 3A, scheme 7-ter, of the Issuers' Regulation - Equity investments of members of the administrative and control bodies and general managers)

Name and Surname	Role	Investee company	Number of shares held at end of previous year	Number of shares purchased	Number of shares assigned	Number of shares sold	Number of shares held at end of current year
Paolo d'Amico	Executive member of the Board of Directors (Chairman and CEO)	N/A (direct ownership)	0	0	39.168	0	39.168
		d'Amico International S.A.	814.800.352	0	N/A	0	814.800.352
Cesare d'Amico	Executive member of the Board of Directors	d'Amico International Shipping S.A.	18.326.911	0	-156.673	0	18.170.238
		N/A (direct ownership)	1.974.000	0	15.667	0	1.989.667
		d'Amico International S.A.	814.800.352	0	N/A	0	814.800.352
		FI.PA. Finanziaria di Partecipazione S.p.A.	4.381.000	781.986	N/A	0	5.162.986
		d'Amico International Shipping S.A.	18.326.911	0	-156.673	0	18.170.238
		N/A (indirect ownership through a natural person)	0	250.000	N/A	250.000	0
Carlos Balestra di Mottola	Executive member of the Board of Directors (CFO)	N/A (direct ownership)	231.341	0	28.984	0	260.325
Monique I.A. Maller	Non-executive and independent member of the Board of Directors (since 20.4.2021)	N/A	0	0	N/A	0	0
Marcel C. Saucy	Non-executive and independent member of the Board of Directors (since 20.4.2021)	N/A	0	0	N/A	0	0
Tom Loesch	Non-executive and independent member of the Board of Directors (since 20.4.2021)	N/A	0	0	N/A	0	0

**Table 2:** (Attachment 3A, scheme 7-ter, of the Issuers' Regulation - Participation of other executives with strategic responsibility)

Name and Surname	Role	Investee company	Number of shares held at end of previous year	Number of shares purchased	Number of shares assigned	Number of shares sold	Number of shares held at end of current year
No. 2 Managers with Strategic responsibilities	N/A	N/A	0	0	36.818	0	36.818

## GLOSSARY

<b>Directors with specific duties</b>	These are the Chairman of the Board of Directors and the Chief Executive Officer.
<b>Executive Directors</b>	There are 3 directors to whom individual management powers have been delegated (including the Chairman and the Chief Executive Officer).
<b>Independent Directors</b>	These are DIS Directors who meet the requirements of independence established by national regulations and by Article 2 of the Corporate Governance Code.
<b>Non-Executive directors</b>	These are directors not vested with specific duties by the Board of Directors and without individual management powers.
<b>Shareholders' Meeting</b>	The Company's joint decision-making body. All holders of voting rights are represented at the meeting (directly or via proxy).
<b>Shares</b>	These refer to the ordinary shares of DIS listed on the Italian equity market.
<b>Non-Monetary benefits</b>	These are the non-monetary elements included in the remuneration, targeted at enhancing the personal and family well-being of workers from an economic and social perspective.
<b>Bonus Pool</b>	This is the total financial allocation linked to short and long-term incentive systems.
<b>Claw back</b>	This is a contractual clause that provides the Company with the possibility to request the full or partial repayment of variable components of remuneration paid, under given conditions.
<b>Corporate Governance Code (or "Code")</b>	This is the Corporate Governance Code for Listed Companies, approved on 31 January 2020 by the Corporate Governance Committee and applicable from the first financial year starting after 31 December 2020. The Code indicates the best practices regarding corporate governance recommended by the Corporate Governance Committee, to be applied according to the "comply or explain" principle into line with one or more recommendations contained in the principles or the application criteria.
<b>Consob Issuers' Regulation</b>	Concerning the regulation of issuers, last amended in December 2020.
<b>Nomination and Remuneration Committee</b>	This committee is composed of non-Executive Directors, the majority of whom are independent (from which the Chairman is identified) and is responsible for assisting the Board of Directors with investigatory, advisory and proposal functions regarding
<b>Board of Directors</b>	The Board of Directors of d'Amico International Shipping.
<b>Daily G&amp;A (general and administrative expense)</b>	General and administrative costs per ship day available
<b>EBIT (Earnings Before Interest and Taxes)</b>	A profitability indicator obtained by subtracting amortisation/depreciation and provisions from EBITDA.
<b>EBITDA (Earnings Before interest, tax, depreciation and amortization)</b>	A profitability indicator which highlights the company's income deriving from ordinary operations, therefore net of interest expense, taxes and amortisation/depreciation.
<b>Group</b>	The d'Amico Group which the Company belongs to.

Hedging Effectiveness	Comparison between period agreements and spot agreements.
Post-employment (or termination of office) benefits	Refers to the cash amount to be paid to directors on cessation of their administration relationship.
Severance Indemnities	Refers to the cash amount to be paid to workers at the moment of termination of their employment contract as executives.
Malus	These relate to ex-post corrective mechanisms, based on which the bonuses accrued may decrease until they reach zero.
Management by Objectives (MbO)	Indicates an incentive system that recognises an annual bonus in cash to beneficiaries, based on the objectives established and agreed with each person participating in said Plan.
Top Management	According to the definition in the new Corporate Governance Code, this means the other executives that are not members of the management body and have the authority and responsibility for planning, directing, and controlling the activities of the Company and its group
Variable short-term remuneration	This refers to the annual incentive plan by objectives (MbO Plan) and the short-term incentive plan (IBT 2020 Plan), which entitle the persons involved to receive an annual bonus in cash based on the results achieved in the previous year with respect to the objectives defined, based on the prior final results of the competent bodies and functions.
Variable long-term remuneration	This refers to the 2019-2021 rolling long-term Plan which entitles participants to receive a bonus, partly in cash and partly in shares, based on a prior assessment of the attainment of the results at the end of a two-year vesting period and a subsequent two-year deferral period.
Annual Gross Remuneration	Includes all fixed annual compensation, gross of taxes and social security expenses for the part payable by the employee; therefore, it does not include annual bonuses, other bonuses, indemnities, fringe benefits, reimbursement of expenses, and any other form of variable or occasional pay.
ROCE (return on capital employed)	Measures return on capital employed
ROTA (Return on Total Assets Beginning)	Measures the profitability of EBIT over total assets.
Company (or "DIS" or the "Issuer")	The company d'Amico International Shipping S.A.
Stakeholder	All entities, individual or organisations, actively involved in a financial initiative, both a company or a project.
Company Articles of Association	The Company Articles of Association approved at the moment of its incorporation and subsequent amendments.
TSR (Total shareholder return)	Measures the total shareholder return.
Target value	Indicates the target performance level established by an objective in the incentive system.
Vesting period	This is the period that runs from the assignment to the accrual of the ownership of the right to receive the incentive.