



**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 20, 2021



*d'Amico*  
INTERNATIONAL SHIPPING S.A.

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

Dear Shareholders,

As Chairman of d'Amico International Shipping's Nomination and Remuneration Committee, it is my pleasure to present the Report on the remuneration policy and compensations paid for 2021.

The Committee drew up and submitted to the Board of Directors a remuneration policy for 2021 aimed at strengthening the alignment of management's interests in pursuing of the priority objective of generating value for shareholders in the medium and long term, as well as attracting, retaining and motivating resources with the level of professionalism required to successfully manage the Company and its Group.

The Company's remuneration policy is aligned with its business plan, is part of a business scenario whose strong volatility is reflected in the company's income results and has the aim of ensuring, first of all, alignment with international best practices and applicable legislation and, secondly, ensuring the incentive capacity of existing system.

This remuneration policy implements the regulatory changes introduced through the adoption of the new Corporate Governance Code and the new CONSOB Issuers' Regulation and at the same time, while maintaining continuity with the previous year's policy in terms of structure and operation of the incentive systems, improves their level of disclosure, based on market best practices.

The main interventions include:

- ❖ Inclusion of a paragraph relating to the sustainability strategy of the d'Amico Group and the link between sustainability and remuneration.
- ❖ Inclusion of a paragraph that declares that the Company does not make use of one-off bonuses, retention bonuses and non-competition agreements, permitting the use, only and exclusively in clearly defined circumstances, of entry bonuses.

In 2021 the third cycle of the long-term incentive plan will be launched, and final reporting will be carried out on the first cycle regarding the vesting period 2019 – 2020. To date, the 2019-2021 Rolling Plan may be considered a strategic element that guarantees the alignment between the interests of the management and Shareholders, as well as an element that pursues the Company's sustainable success, as it provides for the disbursement of the bonus partly in shares and partly in

cash over the medium/long-term, in compliance with the economic-financial sustainability of the performance achieved.

Thus, the issue of sustainability is increasingly the focus of the Group's business strategy and the remuneration strategy

With the renewal of the Board of Directors let me express my sincere thanks to the Executive Chairman and the other members of the Nomination and Remuneration Committee who have always given their constant and valuable support, their knowledge and expertise to set up an effective remuneration policy, in line with the strategies of the Group and the new challenges of the industry.

Lastly, on behalf of the Committee, I would like to thank you in advance for taking the time to read this Report and for the support that I am sure you will give to the approval of the policies it contains, which are subject to the consultative vote.

11 March 2021

Chairman of the Committee  
Stas A. Jozwiak

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## INTRODUCTION

Compliant with the current regulations, the 2021 Remuneration Policy regarding the Members of the Board of Directors and the Top Management 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 11 March 2021, on proposal of the Nomination and Remuneration Committee, is divided into two sections:

### I. Section on the annual remuneration policy for 2021

- 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 2021 is concerned.

### II. Section on the compensation paid for the previous year

- a. contains the detailed information related to the implementation of policies of the previous year 2020 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 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 indirectly controlled by d'Amico Navigazione S.p.A which, instead, has its registered office in Italy, 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 new Corporate Governance Code for companies listed on the stock exchange.

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.

In relation to the current economic-financial scenario, which continues to be significantly impacted by the health emergency, the Company decided to apply the option, pursuant to Article 7 bis of Gran Ducal Law of 1 August 2019, to temporarily deviate from the Remuneration Policy most recently approved by the Shareholders, in the presence of exceptional circumstances (including the effects of the pandemic deriving from the spread of COVID-19) to ensure the Company's ability to remain on the market. The deviation may apply to both the short-term and long-term incentive systems.

Each temporary deviation from the Remuneration Policy, if any, must be approved by the Board of Directors, after consulting with the Nomination and Remuneration Committee, with the possible support of independent third-party experts, and must be illustrated in detail in Section II of the Report regarding the subsequent year.

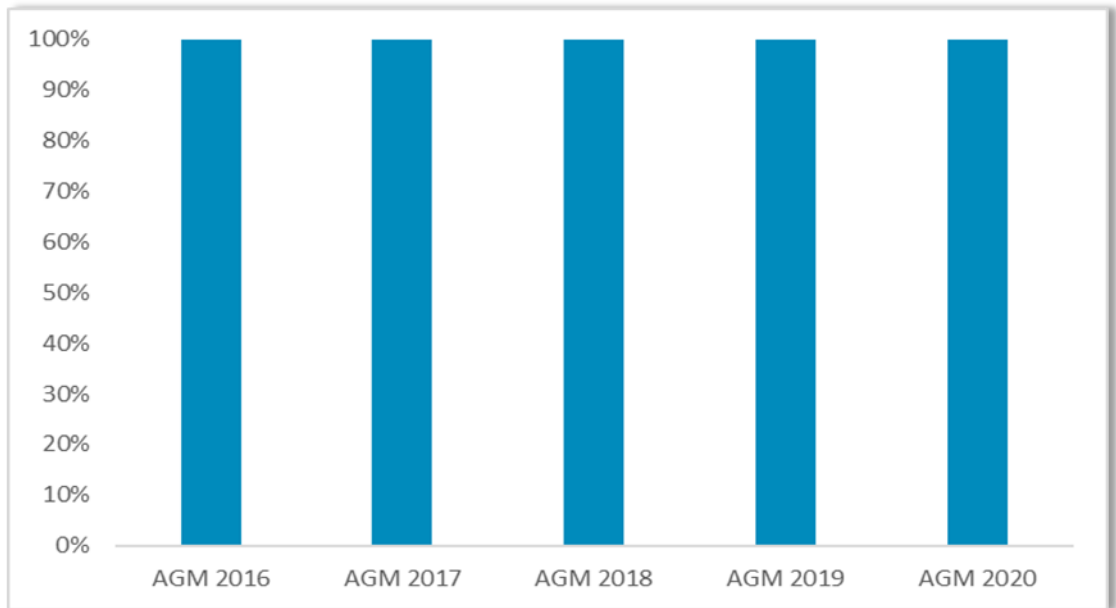
It is also noted that the Report was drawn up considering the analyses and investigation of the results of the Shareholders' voting and the feedback received from the Shareholders' on the 2020 Report.

<sup>1</sup> At national level, reference is made, in particular, to Grand Ducal Law no. 564 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).

**EXECUTIVE SUMMARY OF THE REMUNERATION POLICY 2020**

Component	Purposes and Characteristics	Beneficiaries
Fixed remuneration	<p><b>Purpose</b> To reward the competences, the experience and the contribution required of the assigned role.</p> <p><b>Characteristics</b></p> <ul style="list-style-type: none"> <li>• Fees resolved by the Shareholders' Meeting</li> <li>• Gross Annual Compensation as employee</li> </ul>	<ul style="list-style-type: none"> <li>• Members of the Board of Directors</li> <li>• Top Management</li> </ul>
Variable short-term remuneration	<p><b>Purpose</b> To reward performance and the contribution to business results, also in consideration of the current reference context.</p> <p><b>Characteristics</b></p> <ul style="list-style-type: none"> <li>• Annual incentive (<b>MbO Plan</b>) up to a maximum of 80% of fixed remuneration:</li> <li>• <u>Performance objectives</u>: Consolidated EBITDA</li> <li>• <u>Bonus Pool</u>: up to 5% of Consolidated EBITDA</li> </ul>	<ul style="list-style-type: none"> <li>• Executive Directors</li> <li>• Directors with specific duties</li> <li>• Top Management</li> <li>• Supporting roles to Company business</li> </ul>
Variable long-term remuneration	<p><b>Purpose</b> Align the medium/long-term interests of management and shareholders and increase the commitment and retention of key resources.</p> <p><b>Characteristics</b></p> <ul style="list-style-type: none"> <li>- Long-term incentive (third cycle, referred to the two-year performance 2021-2022, of the <b>rolling medium/long-term IBT 2019-2021 Plan</b>) with a cash/stock option bonus for beneficiaries.</li> <li>- <u>Performance objectives</u>:               <ol style="list-style-type: none"> <li>1. Adjusted ROCE (50%)</li> <li>2. Hedging Effectiveness (30%)</li> <li>3. Daily D&amp;A (20%)</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Executive Directors</li> <li>• Top Management with specific duties in the "core functions" (commercial and operations)</li> </ul>
Benefits	<p><b>Purpose</b> To complete the compensation package as a whole and to make it competitive on the market</p> <p><b>Characteristics</b></p> <ul style="list-style-type: none"> <li>• Non-monetary benefits (e.g. social security and insurance components, including D&amp;O policies)</li> </ul>	<ul style="list-style-type: none"> <li>• Members of the Board</li> <li>• Top Management</li> </ul>

**TREND IN OUTCOMES OF VOTING ON THE ANNUAL REMUNERATION REPORT (2016-2020)**



	AGM 2016	AGM 2017	AGM 2018	AGM 2019	AGM 2020
<b>Abstained</b>	0%	0%	0%	0%	0%
<b>Opposed</b>	0%	0%	0%	0%	0%
<b>In favour</b>	100%	100%	100%	100%	100%





**SECTION I (2021)**  
d'Amico International Shipping S.A.

## SECTION I

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### 1 The way forward: the route to sustainability

The d'Amico Group is increasingly moving towards the concept of sustainable business. Through a process that first involved internal stakeholders and then, subsequently, external stakeholders, the Company identified issues that have direct and indirect impacts on the ability to create and preserve economic, social and environmental value, defining their levels of importance and priority, thereby giving rise to the sustainability matrix that represents the important issues for d'Amico's sustainability and guides its action in the three areas: social, environmental and economic.

The d'Amico Group also started a process of gradually moving closer to the United Nations Agenda 2030, in order to ensure the credibility and verifiability of the contribution that our choices and activities produce to achieve the sustainable development goals. In our first Sustainability Report, we set out a clear connection between the SDG and company business to identify the priority UN goals intercepted by the Company.

The context of a remuneration policy that pursues the Company's sustainable success comprises the Long-Term Incentive Plan, launched in 2019, which provides for the disbursement of the bonus partly in shares and partly in cash over the medium/long-term, in compliance with the economic-financial sustainability of the performance achieved.

It is noted that the Company shall decide whether to introduce ESG KPIs in the incentive system in line with the sustainability goals that the Company has identified as "material" and aligned with a mechanism of sustainable value creation over the medium/long-term.

### 2 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, other Directors with specific duties and Top Management involve the following corporate bodies and company departments, to each of which specific responsibilities are attributed.

#### 2.1. 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 authorising the Board of Directors - on the recommendation of the Nomination and Remuneration Committee - to allot said amount among all of its members, whether non-executive or executive Directors, 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.

#### 2.2. 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 authorisation 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.

### 2.3. 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 organised 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, and in particular holds the office of Lead Independent Director.

In 2021 the Nomination and Remuneration Committee is composed of the following non-executive board members:

<b>Chairman</b>	<b>Independent Director</b>	Mr. Stas A. Jozwiak
<b>Members</b>	<b>Independent Director</b>	Mr. Massimo Castrogiovanni
	<b>Independent Director</b>	Mr. John J. Danilovich

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;

<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.

- ❖ 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;
- ❖ 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).

In particular, regarding the remuneration of Executive Directors, and of other Directors with specific duties, the Nomination and Remuneration Committee:

- ❖ submits 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.

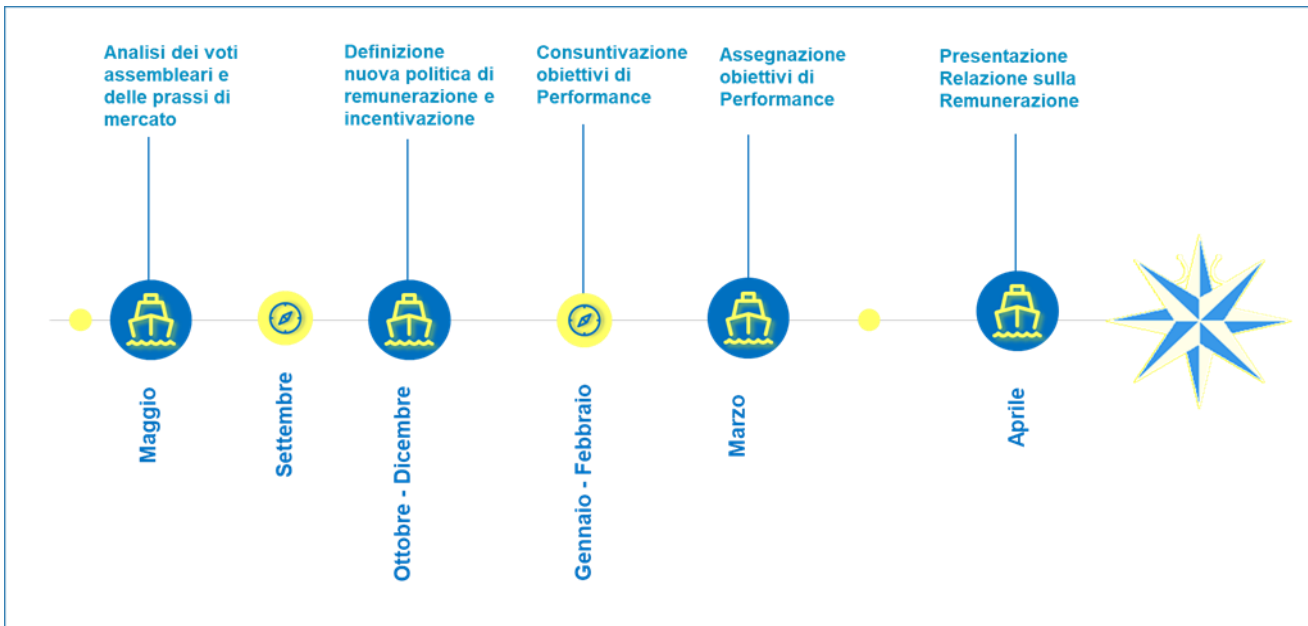
The Nomination and Remuneration Committee reports to the Shareholders' Meeting; for this reason, the Chairman of the Committee or one of its members participates in the Annual Shareholder's Meeting which has the role of examining and evaluating (in line with the regulatory framework renewed European 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.

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:



<i>Analysis of shareholders' meeting votes and market practices</i>		<i>Definition of new remuneration and incentive policy</i>	<i>Final reporting on the performance objectives</i>	<i>Assignment of performance objectives</i>	<i>Presentation of Remuneration Report</i>
<i>May</i>	<i>September</i>	<i>October-December</i>	<i>January-February</i>	<i>March</i>	<i>April</i>

#### 2.4. 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.

#### 2.5. Human Resources

The Human Resources Department collaborates with the competent departments in defining remuneration policy, initially proceeding to analyse 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.

#### 2.6. 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.

## 2.7. 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.

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

The Company makes use of several leading advisory companies (e.g. Deloitte Consulting S.r.l.) in order to guarantee maximum reliability of the support provided regarding remuneration (thanks also to the assistance of customized remuneration surveys carried out with reference to industry databases) and alignment with market best practices.

### 4 Reasons and purposes pursued through the Remuneration Policy

The Remuneration Policy of the Company for 2021, continuing from 2020, 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), and of providing an incentive to strengthen the commitment to improving company performance, through personal satisfaction and motivation. To this end, the remuneration policy has taken into account the conditions of remuneration and employment of the company's employees.

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 maximising 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	
Article 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;
Article 5, Recommendation 29	❖ unless otherwise approved by the Shareholders' Meeting, non-executive Directors are excluded from participating in variable type incentive plans;
Article 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><b>Article 5, Recommendation 27, point c</b></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><b>Article 5, Recommendation 27, point d</b></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><b>Article 5, Recommendation 27, point e</b></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, favouring social security and insurance components.

The remuneration policy applied must therefore be aimed at enhancing sustainable performance and the attainment of the key priorities from a short and long-term perspective. As a confirmation of this, in 2019 the company introduced a new long-term incentive system (rolling medium/long-term IBT 2019-2021 Plan) geared towards strategic corporate resources and consists in determining a cash/stock option bonus for those who achieve specific performance objectives on three two-year performance measurement horizons and a subsequent deferral period to take account of the peculiarities of the reference sector characterised by high volatility and an exogenous variable, the freight price, which is difficult to forecast (see section 5.2 for a detailed description).

## 5 Changes to the 2021 Remuneration Policy in comparison to 2020

The changes made in the 2021 Remuneration Policy meet the need, on one hand, to align with the new reference regulations and, on the other, the increasing intention to provide disclosure to the market.

The main changes regard:

- ❖ Alignment with the Corporate Governance Code of the Corporate Governance Committee of Borsa Italiana and the new Issuers' Regulation, as per the latest amendments in December 2020.
- ❖ Inclusion of a paragraph dedicated to sustainability and its link to remuneration
- ❖ Inclusion of a paragraph regarding (if any) the one-off bonus, retention bonus, entry bonus and non-competition agreements

## 6 Benchmarks

In order 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 organisational 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.



## 7 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 recognise 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.

Non-Executive Directors are excluded from any variable incentive system.

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.

### 7.1 Recipients of the remuneration policy

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In the scope of this Remuneration Policy, as set forth in the Corporate Governance Code, the following categories must be included:

- ❖ Executive Directors and other Directors with specific duties, such as the Chairman and /or the CEO and/or the CFO of the Company
- ❖ Top Management (not Directors) such as the Chief Operating Officer and the Operations Manager.

Top Management is, from time in time, identified by the respective interested company, whether the Company or its subsidiary.

Non-executive Directors are not recipients of the guidelines concerning the variable component of remuneration or in terms of fixed remuneration, they receive a fee resolved overall by the Shareholders' Meeting (equal to € 275,000).

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*).

### 7.2 Variable and 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 jeopardise 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 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.

Variable remuneration is divided into two components:

- Short-term remuneration – MbO Plan
- Long-term remuneration - medium/long-term 2019-2021 rolling Plan

The 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 Remuneration Policy takes into account best practices on remuneration policies in the industry.

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.

**a) Variable Short-Term Remuneration**

Beneficiaries

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

- ❖ Members of the Board of Directors
- ❖ Directors with specific duties
- ❖ Top Management
- ❖ supporting roles to Company business.

Bonus pool determination and participation

Essentially, the annual incentive plan is based on two conditions:

- i. the payment of the bonus is carried out only upon attainment of DIS annual performance measured by means of the consolidated EBITDA indicator (*ex-ante* Gate);
- ii. the bonus pool to be distributed is set as a percentage of the annual consolidated EBITDA.

Perimeter	Objectives	Bonus pool
d'Amico International Shipping	DIS Consolidated EBITDA	Up to 5% of DIS Consolidated EBITDA (net of extraordinary activities - e.g. sales and purchase of vessels -)

Performance Objectives

The Annual Variable Incentive Plan (**MbO Plan**) is based on the attainment of predefined quantitative – financial and non-financial – objectives that are measurable and consistent with the company strategies.

Regarding non-financial parameters, the incentive component is related to a qualitative evaluation that objectively considers the activity performed by the corporate/organisational positions (activities planned in the previous year for the evaluation year, ordinary activities carried out by the department/business unit, etc.) and the effectiveness and the efficiency of said activity.

As outlined previously, in addition to the performance objectives, the disbursement of the annual bonus is also subject to the non-financial parameters described below in the document.

**b) Variable Long-Term Remuneration**

In 2021 the third assignment cycle was introduced for the two-year performance 2021-2022 of the **medium/long-term 2019-2021 rolling plan**, which entails the disbursement of bonus partly in cash and partly in shares for strategic corporate resources.

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 2019-2021 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**

Participation in the plan (i.e. the *ex-ante* Gate) depends on the ROCE average achieved during the vesting period (greater than 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:

1

**Activation of Bonus Pool (ex-ante Gate)**

Average ROCE 2019-2020 > 5%  Bonus Pool Activated

2

**Calculation of Bonus Pool**

Avg. EBIT 2019-2020 – EBIT (ROCE =5%)  Extra EBIT Generated  Extra EBIT =  
€ BONUS Pool

3

**Distribution of Bonus Pool**

Beneficiari	% Bonus Pool per beneficiario
Executive Chairman and CEO	%
Executive Director	%
CFO	%
COO	%
Other Beneficiaries	%

### 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:

- Adjusted ROCE3 – measures the return on capital employed.
- Hedging Effectiveness – compares fixed-term agreements and spot agreements.
- Daily G&A – refers to the reduction in general and administrative costs per ship day available.

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:

KPI	Weight	Level of Achievement	Pay-out
ROCE Adjusted	50%	Max	110%
		Target	100%
		Min	70%
Hedging Effectiveness	30%	Max	110%
		Target	100%
		Min	50%
Daily G&A	20%	Max	110%
		Target	100%
		Min	50%

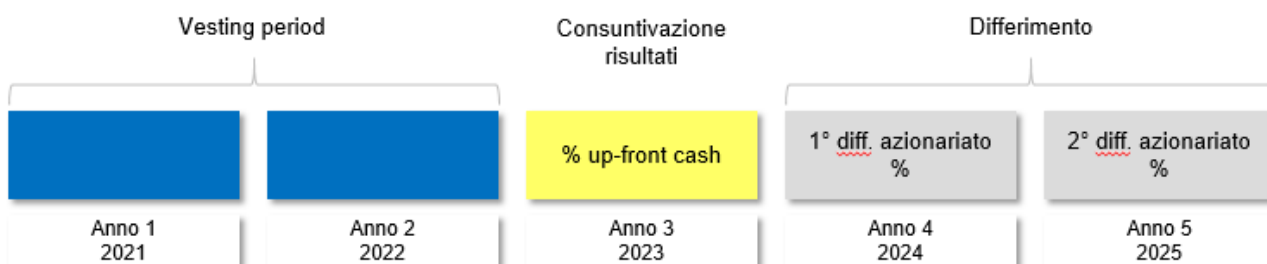
### Corrective mechanisms

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<sup>4</sup> 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 2019, 2020 and 2021. 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 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.

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

<sup>4</sup> These 3 companies are in the reference panel: Ardmore, Skorpio Tankers and Torm.

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, as defined in paragraph 2.2. of the Information Document on the Plan 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)).

## **7.2 Policy on non-monetary benefits**

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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.

## **7.3 Additional elements of remuneration**

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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.

At the date of this Report, no non-competition agreements were entered into for key figures.

## **8 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 behaviour 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) *Clawback***

The Company also adopts clawback 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 behaviour 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 clawback clauses shall be applied within 3 (three) years from the end of the vesting period.



## 9 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.

## 10 Remuneration adopted by the Company as regards: (i) independent Directors, (ii) Directors who are members of internal committees of the Company and (iii) directors with specific duties.

In compliance with the remuneration policy:

- Non-executive Directors (including therein, Independent Directors) are not included in the recipients of the variable remuneration policy and related guidelines because the remuneration of a non-executive Director is not linked to financial results achieved by the Company and by its subsidiaries. Non-executive Directors (including therein, Independent Directors) are not included among the beneficiaries of stock-based remuneration plans, unless otherwise decided by the Annual Ordinary Shareholders Meeting which, in this case, must justify its decision;
- members of the Board of Directors that are members of internal committees of the Company may receive additional compensation for said position;
- Directors with specific duties have the right to additional compensation based on their responsibilities and the activities they perform.

## 11 Remuneration of the Chief Risk Officer, the Person in charge of Internal Auditing and the Executive responsible for corporate accounting documents

Since the role of Chief Risk Officer (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 additional noteworthy provisions for his remuneration, as regards both fixed and variable components.

Since the Executive responsible for corporate accounting documents is the CFO - already an addressee of the policy applicable to Top Management - there are no further significant provisions for his remuneration, as regards both fixed and variable components.

The Internal Auditing Manager is an external party to the Company, employed by its indirect parent company. The remuneration of the latter comprises by a fixed and a variable component plus an annual bonus based on objectives connected with the effectiveness and quality of the control actions to guarantee the independence of the function.

## 12 Duration of the Remuneration policy

This policy is arranged on an annual basis with no chance for the Company to change it during the year of reference.



## SECTION II (2020)

d'Amico International Shipping S.A.

## SECTION II

### 1 Implementation of Remuneration Policy in 2020

The remuneration system adopted by the Company for Executive Directors, for other Directors with specific duties and for Personnel with strategic responsibilities<sup>5</sup>, in 2020 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 2020.

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

Position	Members	Meetings of the Committee in 2020
Lead Independent Chairman	Mr. Stas A. Jozwiak	2
Independent Director	Mr. Massimo Castrogiovanni	
Independent Director	Mr. John J. Danilovich	

#### 2.2 External consultants

In 2020, the Company availed itself of a leading advisory company in order to guarantee maximum reliability of the support provided on the subject of remuneration, also with the help of compensation surveys conducted with reference to the industry databanks.

<sup>5</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 2020, 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*

The total remuneration of the Executive Directors and of the Personnel with strategic responsibilities forecasts the disbursement of an annual variable component (MbO Plan). Table 1 – “Compensation paid to executive directors, other Directors with specific duties and Personnel with strategic responsibilities” reports the amount that can be paid out in April 2021 on 2020 performance (2020 MbO Plan).

#### *Variable long-term remuneration*

With 2020, the first cycle of the “Medium/Long-term remuneration - 2019-2021 Plan” concluded. Having verified that the Gate (i.e. average ROCE achieved in the vesting period of more than 5%) has been exceeded, the Bonus Pool has been activated as a result and the level of achievement of the objectives set at the time, the Board of Directors determined the amount to attribute to each beneficiary.

The Plan envisages an up-front cash payment (70% of the bonus) and the deferral of the bonus paid in shares (30%) over the two years following the performance period. The number of shares to be paid shall be determined based on the arithmetic average of the official closing market prices of DIS ordinary shares recorded in the month prior to the Board resolution verifying the results achieved in the corresponding vesting period (fair market value).

Disclosure is provided below of the levels of achievement of the objectives of the first cycle of the Plan:

#### ❖ **Gate: exceeded**

After the necessary adjustments to the EBIT, the ROCE for the period '19 -'20 was slightly higher than the minimum threshold of 5.0% required to activate the plan.

#### ❖ **Bonus Pool**

The Bonus Pool (BP) amounts to 10% of the amount of EBIT (following adjustments) that exceeds the necessary amount to generate an ROCE of 5.0%.

#### ❖ **Objectives**

- **Adjusted ROCE:** minimum threshold reached, 70% payout

The result falls within the minimum bracket and, therefore, the pay-out is disbursed based on the specific bracket.

- **Hedging Effectiveness:** under the minimum threshold, 0 payout

The premium obtained from the TCE contracts relating to the spot profit of 4.5% is insufficient to generate a pay-out for this target.

- **Daily G&A Evolution:** target achieved, 100% payout

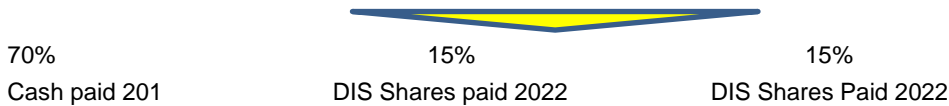
The objective was fully achieved.



❖ **Application of TSR corrective measures: target achieved, payout +0% of the Bonus Pool**

The objective was reached with an investment in DIS shares which led to the second higher overall return.

Objectives	Weight	Achievement	% Payout
Adjusted ROCE	50%	yes	70%
Hedge Effectiveness	30%	no	
Daily G&A	20%	yes	100%
Bonus Pool distributable among all beneficiaries: USD 128,432			
TSR Corrective Measures			0% increase
<b>Bonus Pool distributable among all beneficiaries post TSR: USD 128,432</b>			



- *Benefit*

With regard 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 2020 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>6</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 other than that for which disclosure is provided 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.

<sup>6</sup> Issuers' Regulation, Attachment 3, Table 7-bis



	KPI	2016	2017	2018	2019	2020
<b>Company Performance</b>	<b>EBITDA (\$)</b>	54,988,931	36,838,086	17,519,575	104,226,241	128,571,000
<b>Overall remuneration of the Board of Directors</b>	<b>Total Remuneration (€)</b>	1,665,000	1,420,000	1,855,900	1,023,200	954,400

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:

	2016	2017	2018	2019	2020
<b>Executive Chairman</b>	360,000	460,000	460,000	460,000	46,000
<b>Executive Director</b>	809,000	809,000	825,200	==	==
<b>Executive Director</b>	148,00	235,000	240,700	233,200	233,200
<b>Executive Director</b>	55,000	55,000	55,000	55,000	55,000
<b>Executive Director</b>	18,000	==	==	==	==

EUR (net of any tax if due)

**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 Director (Chairman of BoD)	01.01 - 31.12	Approval of the 2020 Financial Statements	477.000*		22.476				499.476		
Cesare D'Amico	Executive Director	01.01 - 31.12	Approval of the 2020 Financial Statements	64.000		8.990				72.990		
Carlos Balestra di Mottola	Executive Director (Chief Financial Officer)	01.01 - 31.12	Approval of the 2020 Financial Statements	263.000**		15.733				278.733		
Stas Jozwiak	Non-executive directors	01.01 - 31.12	Approval of the 2020 Financial Statements	81.000						81.000		
Massimo Castrogiovanni	Non-executive directors	01.01 - 31.12	Approval of the 2020 Financial Statements 2020	81.000						81.000		
John J. Danilovich	Non-executive directors	01.01 - 31.12	Approval of the 2020 Financial Statements	81.000						81.000		
<b>(I) Compensation in the Company preparing the financial statements*</b>				488.000		47.199				535.199		
<b>(II) Compensation from subsidiaries and associates**</b>				559.000						559.000		
<b>(III) Total</b>				1.047.000		47.199				1.094.199		

VAT gross if due.

\*of which 10.000 paid as fees from DTL and 350.000 as fees from DTM

\*\* of which 198.000 paid as fees from DTM

**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 n.2 Personnel with strategic responsibilities				535.000		20.228				555.228		
<b>(I) Compensation in the Company preparing the financial statements</b>						20.228				20.228		
<b>(II) Compensation from subsidiaries and associates</b>				535.000						535.000		
<b>(III) Total</b>				535.000		20.228				555.228		

**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	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
		(1)	(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	Executive Chairman and CEO												
(I) Compensation in the Company preparing the financial statements		Medium-Long Term Incentive Plan 2019-2021(I cycle)										78,321.02	8,099.89
(II) Compensation from subsidiaries and associates													
(II) Total												78,321.02	8,099.89

**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
<b>Cesare d'Amico</b>	Executive Director												
(I) Compensation in the Company preparing the financial statements		Medium-Long Term Incentive Plan 2019-2021(I cycle)										31,328.41	3,239.95
(II) Compensation from subsidiaries and associates													
<b>(III) Total</b>												31,328.41	3,239.95
<b>Carlos Balestra di Mottola</b>	Executive Director												
(I) Compensation in the Company preparing the financial statements		Medium-Long Term Incentive Plan 2019-2021(I cycle)										54,824.71	85,669.92
(II) Compensation from subsidiaries and associates													
<b>(III) Total</b>												54,824.71	85,669.92
<b>No. 2 Managers with Strategic responsibilities</b>													
(I) Compensation in the Company preparing the financial statements		Medium-Long Term Incentive Plan 2019-2021(I cycle)										7,488.92	7,289.90
(II) Compensation from subsidiaries and associates													
<b>(III) Total</b>												7,488.92	7,289.90

The 25% of the Bonus pool is attributed to those Beneficiaries of the Plan not relevant for disclosure







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

Surname and Name	Office	Investee company	Number of shares held at end of previous year (31/12/2020)	Number of shares purchased 2020	Number of shares sold 2020	Number of shares held at end of current year (31/12/2020)
Paolo d'Amico	Executive Director (Chairman of BoD)	d'Amico International Shipping S.A. (indirect participation through d'Amico International S.A.)	814.800.352			814.800.352
		d'Amico International Shipping S.A. (indirect participation through d'Amico International S.A.)	7.760.027	7.687.869		15.447.896
Cesare d'Amico	Executive Director	d'Amico International Shipping S.A. (direct participation)	1.974.000			1.974.000
		d'Amico International Shipping S.A. (indirect participation through FIPA Finanziaria di Partecipazione S.p.A.)	3.381.000			3.381.000
		d'Amico International Shipping S.A. (indirect participation through d'Amico International S.A.)	814.800.352			814.800.352
		d'Amico International Shipping S.A. (partecipazione indiretta per il tramite di d'Amico International Shipping S.A.)	7.760.027	7.687.869		15.447.896
Carlos Balestra di Mottola	Executive Director (Chief Financial Officer)	d'Amico International Shipping S.A. (direct participation)	199.441	31.000		230.441
John J. Danilovich	Non-executive Director (Independent)	d'Amico International Shipping S.A. (direct participation)	731.687			731.687

Table 1 provided for in attachment 3A, scheme 7-ter, of the Issuers' Regulation - Equity investments of other executives with strategic responsibility

Surname and Name	Office	Investee company	Number of shares held at end of previous year (31/12/2020)	Number of shares purchased 2020	Number of shares sold 2020	Number of shares held at end of current year (31/12/2020)
No. 2 personnel with strategic responsibilities		d'Amico International Shipping S.A.	None	None	None	None

**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>Clawback</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>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 remuneration and nominations.
<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 amortisation)</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.

<b>Hedging Effectiveness</b>	Comparison between period agreements and spot agreements.
<b>Post-employment (or termination of office) benefits</b>	Refers to the cash amount to be paid to directors on cessation of their administration relationship.
<b>Severance Indemnities</b>	Refers to the cash amount to be paid to workers at the moment of termination of their employment contract as executives.
<b>Malus</b>	These relate to <i>ex-post</i> corrective mechanisms, based on which the bonuses accrued may decrease until they reach zero.
<b>Management by Objectives (MbO)</b>	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.
<b>Top Management</b>	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
<b>Variable short-term remuneration</b>	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.
<b>Variable long-term remuneration</b>	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.
<b>Annual Gross Remuneration</b>	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.
<b>ROCE (return on capital employed)</b>	Measures return on capital employed
<b>Return on Total Assets Beginning (ROTA)</b>	Measures the profitability of EBIT over total assets.
<b>Company (or “DIS” or the “Issuer”)</b>	The company d'Amico International Shipping S.A.
<b>Stakeholder</b>	All entities, individual or organisations, actively involved in a financial initiative, both a company or a project.
<b>Company Articles of Association</b>	The Company Articles of Association approved at the moment of its incorporation and subsequent amendments.
<b>TSR (Total shareholder return)</b>	Measures the total shareholder return.
<b>Target value</b>	Indicates the target performance level established by an objective in the incentive system.
<b>Vesting period</b>	This is the period that runs from the assignment to the accrual of the ownership of the right to receive the incentive.