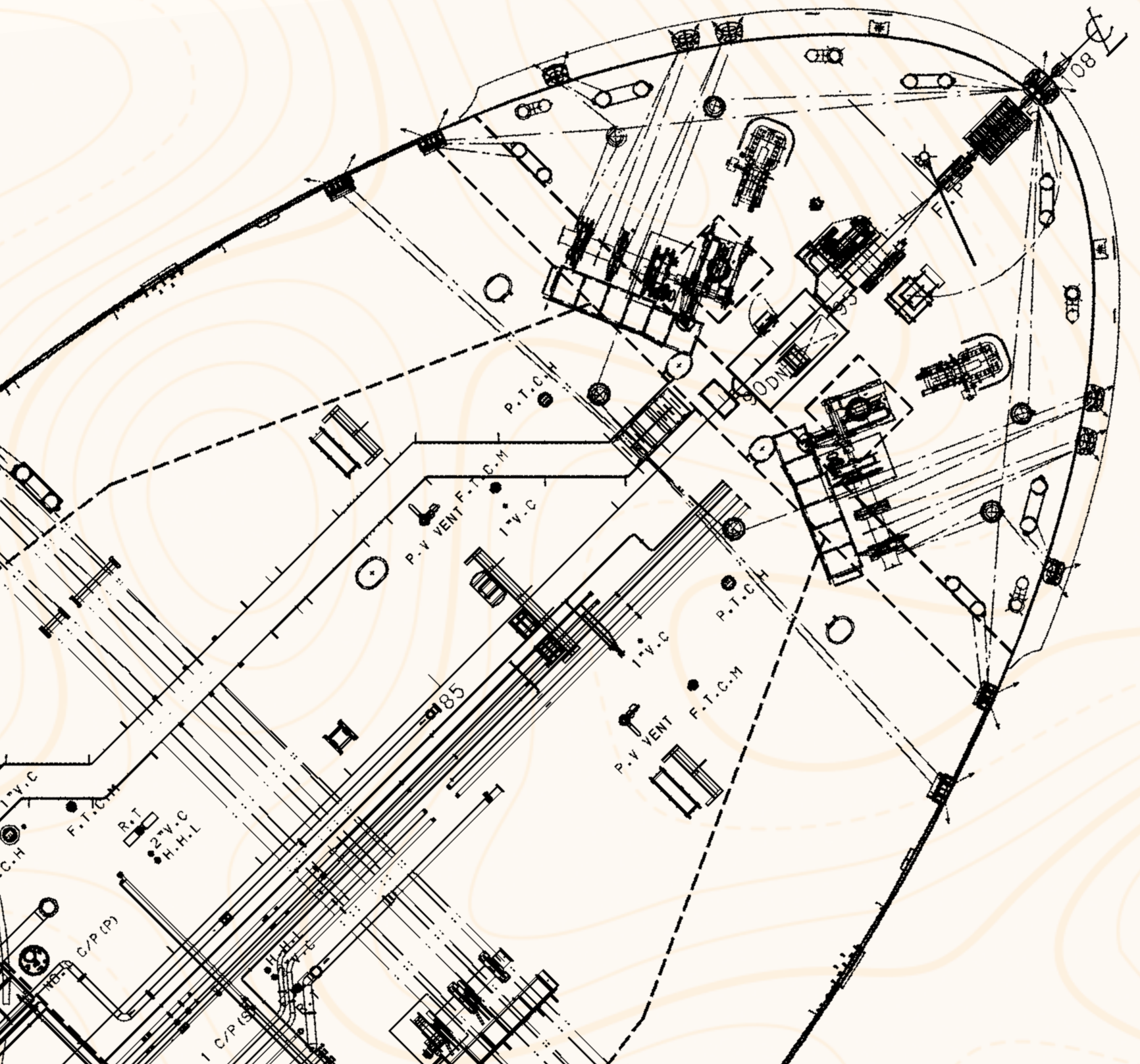




A SHIP AHEAD

2020 Sustainability Report

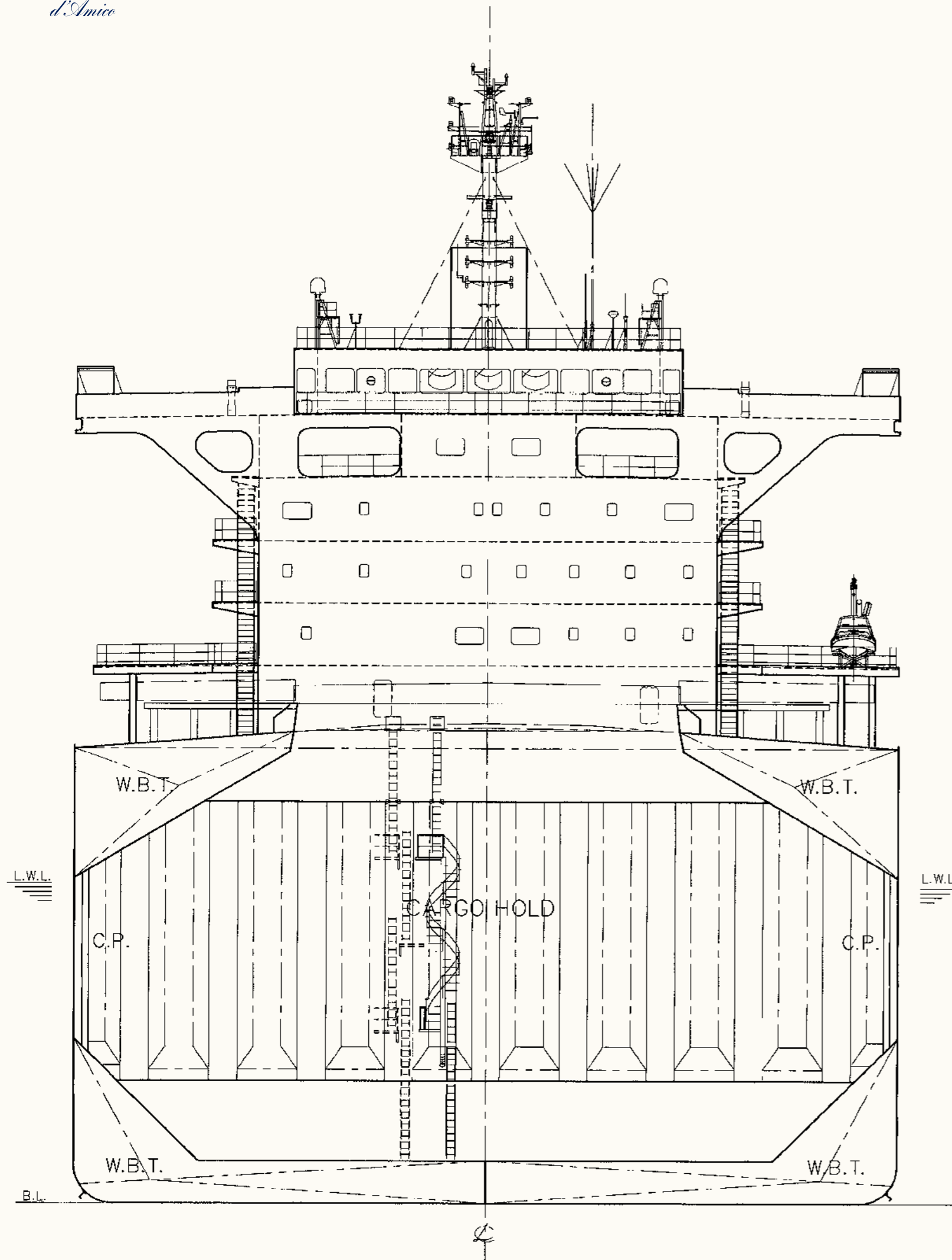


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Shipowners' letter

A SHIP AHEAD



Never like this year, we have had to navigate such troubled waters. A year marked by the pandemic, and the extreme and persistent volatility of the markets that has continued to present new challenges to our Company.

Yet, the commitment, the cooperation and the sense of belonging of our people ashore and on board of our vessels, with their incredible response to the storm kicked up by the pandemic, have enabled us to maintain an even keel. The resilience of our staff and our managers has become the resilience of the Company.

During these months of great uncertainty, we have further consolidated our trusting relationships with our people, the true pillars of the organisation. Together we have worked with the sole objective of guaranteeing the best service for our stakeholders and of strengthening our commitment to sustainability.

Our heartfelt thanks go to all our staff for their untiring work over this long and difficult year.

To our people ashore who guaranteed the continuity of our activities and ensured it was business as usual from the safety of their own homes, since the early days of the pandemic and despite the various restrictions in place.

To our crew on board, who was asked to make incredible and unprecedented sacrifices, forced to spend long periods away from home, away from their loved ones, because of the difficulties in crew change. A challenge within a challenge which, thanks to their commitment, self-sacrifice, and passion for this business, was overcome to enable all of our vessels to continue operating.

However, despite the extraordinary situation we did not lower our guard from our daily commitment to one of the company's most intrinsic values: our full compliance with all applicable safety and environmental protection procedures and regulations.

For years, our daily activities and working models have been focused on the goal of achieving greater sustainability. With this ongoing commitment in mind, it is with great pride that

we present the third edition of our Sustainability Report.

For this Sustainability Report, as we did with the first edition, we decided to take another step forward and request the contribution of our Stakeholders. The aim of the internal and external survey was to assess if, and to what degree, the priorities of our stakeholders have changed in the last two years, in response to the pandemic and to the various different aspects of sustainability.

In this third edition, the concept of environmental sustainability and social responsibility is even more present and keenly felt. In fact, at d'Amico we strive every day to implement processes and spread sustainable behaviours among the people that work with us.

Our strict adherence to safety standards and procedures is not just a question of "compliance", but an aspect that characterises our values and business culture, and to this end we accept no compromises.

Our route to sustainability has above all the aim to guarantee a better future to the next generations. Working hard every day to make our vessels safer and more sustainable through continuous inspections, analysis and targeted actions that take us above and beyond the standards of compliance.

Major challenges await in the immediate future. Decarbonisation and digitalisation will be the main drivers that will guide the activities of the energy and shipping sector in the coming years. But thanks to the contribution and the expertise of our people, we are working towards this direction, with the focus and passion that have always driven our company forward. One step at a time, one ship ahead.


Paolo d'Amico


Cesare d'Amico



OUR SUSTAINABILITY REPORT

In this third edition of the Sustainability Report, the **d'Amico Group continues to confirm and consolidate its commitment to social responsibility and sustainability**, started in 2018. This Report measures and communicates its social, environmental and economic performance, as well as the organization's future perspectives, allowing the stakeholders to express a conscious and informed evaluation on how the Group interprets and realizes its mission and strategies.

The **objectives** that guided the development of this third edition are:

- to strengthen **governance on sustainability** by increasing the involvement of all the internal company areas and the awareness on accountability issues
- to update the Group **materiality matrix**, that represents the most relevant topics for corporate and business sustainability
- to consolidate the **reporting process** and in particular to increase the reporting of policies and performance related to the environmental dimension in terms of fleet characteristics, decarbonisation, waste management and sustainable management of facilities
- to strengthen the measurement of the Group contribution to the achievement of the Sustainable Development Goals of the **UN Agenda 2030**

This edition, moreover, highlights the commitment of the Group and the activities implemented in order to face the COVID-19 emergency and to ensure the continuity of the activities providing maximum safety to employees, in particular of seagoing personnel.

The document, outcome of the path developed according to the **Refe method of 'Taking stock to report back'**, is prepared according to the **"GRI Sustainability Reporting Standards"** of the Global Reporting Initiative and is structured in five sections: Group profile, Sustainability for the d'Amico Group, Social Responsibility, Environmental Responsibility and Economic Responsibility.

2020 HIGHLIGHTS

SOCIAL RESPONSIBILITY

227
onshore personnel

1,723
total training hours
for onshore personnel

Euro
95.2
million
the economic
value distributed
to employees

2,731
seagoing personnel

7.6
total per capita training hours
for onshore personnel

Retention rate
86.3%
for onshore personnel

63,280
total training hours
for seagoing personnel

Zero
injuries

84.5%
for seagoing personnel

23.0
total per capita training hours
for seagoing personnel

Euro
209,000
disbursed as
membership fees for shipping national
and international shipowners and other
associations in 2020, doubled since 2018

ECONOMIC RESPONSIBILITY

Euro
620.2
million
the economic
value generated by
the Group

Euro
509.3
million
the economic
value distributed to
stakeholders, 82% of the
economic value generated

68.8%
the economic value
distributed to suppliers
in 2020

Euro
445.9
million
the total amount
of supplies in 2020

**Selection
of suppliers**
according to quality
and environmental
certifications

**Supplier
assessment**
including assessments on
suppliers' level of awareness
and ability to control the
environmental impacts



ENVIRONMENTAL RESPONSIBILITY

-6.9%
reduction CO₂
emissions per nautical
mile (2020 vs. 2018)

97.9%
low-sulphur bunker
fuel: from 15.9%
in 2018

-7.1%
reduction of bunker
consumption per nautical
mile (2020 vs. 2018)

-85.0%
reduction in SO_x
emissions per nautical
mile (2020 vs. 2018)

-7.1%
reduction in NO_x
emissions per nautical
mile (2020 vs. 2018)

Zero
accident and spills
in 2018, 2019
and 2020

68%
of owned fleet
compliant with
EEDI phase II

100%
of the managed vessels are
currently monitored by the
Group to collect data

Robotics technologies
for tanks inspection

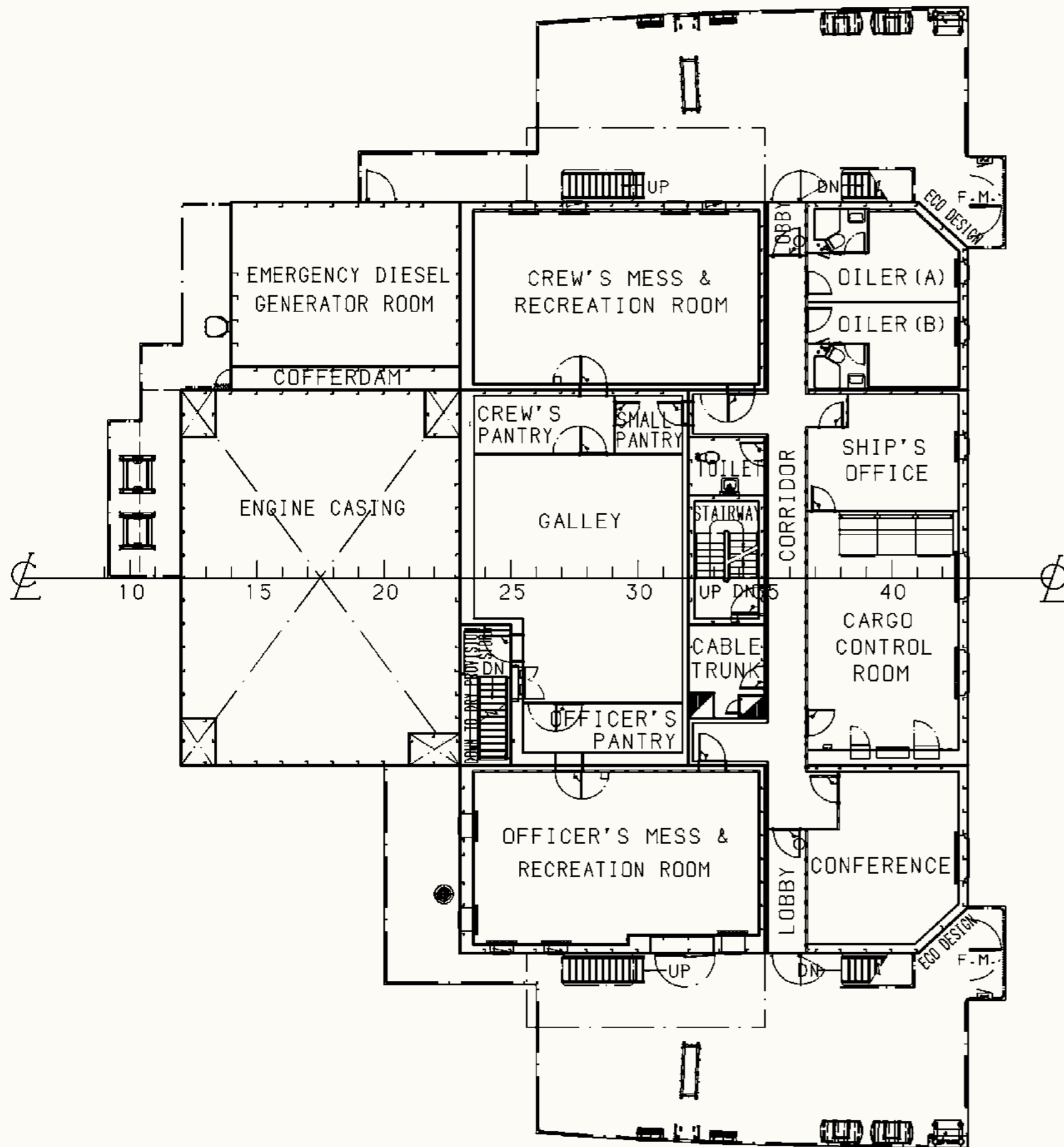
80%
of owned fleet compliant
with EEXI - calculated at
75% of MCR limited

5,268.56 mc
the total waste produced onboard
in 2020 -21.4% since 2019

An aerial photograph of a ship's wake in the ocean. The water is a deep blue, and the wake is a turbulent, white and grey trail of churning water that extends from the bottom center towards the top of the frame. In the foreground, a red-painted metal railing is visible, consisting of a horizontal bar and vertical posts, partially obscuring the view of the water. The overall scene is bright and clear, suggesting a sunny day.

GROUP OVERVIEW

A-DECK



Group profile

The d'Amico Group is a leading global shipping company focusing mainly in the Dry Cargo and Product Tankers sectors and auxiliary maritime services. Its offices are located in the most important maritime hubs. Respect and protection of the environment, focus on customer care, and the professional excellence of its employees are the basis of its mission and the principles underlying its strategy.



MISSION

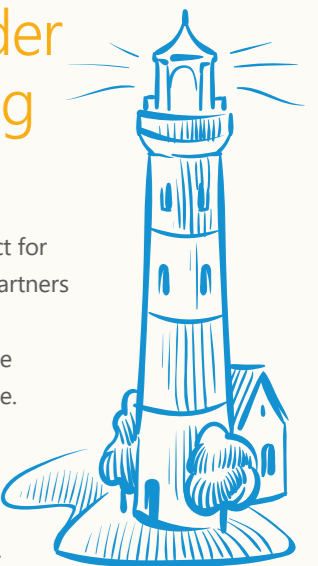
**Innovation,
Trust, Care**

To offer our clients services of excellence through the professionalism of our people and a technologically advanced fleet, guaranteeing reliability and high standards of safety and protection of the environment.

VISION

**To be the leader
in the Shipping
sector**

With passion and constant respect for the environment, to ensure our partners have an exclusive competitive advantage and to offer our people an extraordinary career experience.





OUR VALUES



LONG-TERM VISION

Guided by the values of our family tradition,

we build our success on long-term planning and turning our promises into actions.



PROFESSIONAL EXCELLENCE

We reach excellence by encouraging

our employees to be responsible, flexible and professional. For that reason, we support the development of their skills and their professional growth.



PASSION AND COMMITMENT

We are passionate about shipping and the people

who are part of our Company. Success is achieved by encouraging involvement and commitment.

TEAM BUILDING AND MULTI-CULTURALISM

As a global operator, at all levels of the organisation,

we embrace the spirit of teamwork and multi-cultural integration, both in our offices and on board our vessels.



FOCUS ON THE ENVIRONMENT AND SAFETY

We do not compromise

when it comes to environmental matters. Care and attention, prudence and respect for the environment are priorities imbedded in our daily operations. We aspire to prevent any human injury, to avoid damage to the environment and pursue a policy of zero incidents and zero spills at sea.

RELIABILITY

We strive to maintain a positive relationship,

an open dialogue and transparency in business practices with all our stakeholders. Our ethical values are essential to running our business and guide the behaviour of our employees.



IDENTIFICATION

Our daily work and our success

are characterised by a strong sense of belonging between the company and its staff.

SOCIAL RESPONSIBILITY

Our strong sense of social responsibility

towards cultural, environmental and solidarity-related issues is an added value for our business and is valued highly by our stakeholders.



OVER 80 YEARS OF HISTORY

1936-1959

The origins of d'Amico Società di Navigazione S.p.A.

The history of d'Amico begins in the 1930s. Massimino Ciro d'Amico transforms the timber merchant business into a service industry, transporting wood by sea to provide an easier route to emerging markets. d'Amico Società di Navigazione is established in 1952, at the same time the Rome offices are opened.

1960-1969

From tramp trade to liner services with the launch of new commercial activities

After the initial phase, which involved the transport of crude oil, the company begins to specialise in shipping refined products. The opening of the Genoa office, one of Italy's major cargo ports, marks the launch of a significant logistical expansion project, enabling the beginning of liner services.

1970-1979

Consolidation of the business and strengthening of the fleet

In order to consolidate the business and safeguard its competitive position, the 1970s sees d'Amico strengthening its fleet for both petroleum products and liner services. Offices are opened in Monte Carlo. In this same period, a company with a liner service operating in Morocco was acquired.

1980-1989

Debut in new business areas

With its fleet expansion, d'Amico starts a strategy to diversify its services: this decade sees the purchase of new dry cargo ships and new businesses are launched to exploit additional opportunities in the shipping sector.

2000-2009

Focus on the core business

d'Amico International Shipping (DIS), which manages the Product Tankers segment, is listed on the Italian Stock Exchange in 2007. A decade of international development and growth: offices in London, Singapore, Dublin and Mumbai are opened. Partnerships and joint ventures expand the range of d'Amico's commercial solutions and increase fleet management flexibility and route coverage.

1990-1999

Specialisation and growth via external lines

Italia di Navigazione S.p.A. is acquired in 1998. This acquisition allows d'Amico to penetrate the container ship market. Subsequent plans for rationalisation will lead to its sale, allowing the Group to focus more on strategies and investments. This is also a period in which d'Amico specialises in dry cargo shipping, including through the purchase of box-shaped vessels.

2020 Today

New route

The 2020 pandemic has provided an opportunity for enforcing a continuous improvement plan aimed at achieving and guaranteeing high standards in safety and respect for the environment. Digitalisation and decarbonisation projects will trace the two main routes of d'Amico Group in the next decade.

2010-2012

International expansion and strengthening of the CSR strategy

The d'Amico Group celebrates 60 years in 2012. During these years, the Stamford, Manila and Casablanca offices are opened, and a new Corporate Social Responsibility strategy is adopted. Continuously monitored, this strategy reflects a renewed level of knowledge and awareness of the environmental and social issues of its business activities and is an expression of all the energies and resources that the Group implements in these areas.

2013-2019

Fleet renewal

Between 2013 and 2019, the d'Amico Group launches an extensive fleet renewal programme involving over 40 ships and including bulk carriers and product tankers. Thanks to this investment plan, the d'Amico Group now owns a young, modern and "eco" fleet. All of d'Amico's ships are equipped with highly advanced technologies and strongly reduce environmental impact. This is achieved thanks to a significant increase in efficiency, made possible by energy savings and by reducing consumption and emissions. Throughout 2019, d'Amico Group has prepared its fleet for IMO 2020: ready-to-use fuels with a maximum sulphur content of 0.50%.

future...

TIMELINE

1936 time 2020



PRESENCE AROUND THE WORLD

The d'Amico Group operates in all leading maritime trade areas in Italy and abroad



Vancouver
Shipping Agency/Forest products line

USA, Connecticut
Chartering/Operations

Santiago de Chile
Shipping Agency/Chartering/Operations

Dublin
Finance/Operations

London
Chartering/Operations

Luxembourg
Finance

Monaco
Chartering/Operations/Finance

Genoa
Crew Management

Rome
Holding HQ Technical Management/SQE/Legal & Insurance/HR/ICT

Casablanca
Liner Service

Mumbai
Crew Management

Singapore
Chartering/Operation/Shipping Agency/Ship Management

Manila
Crew Management

LEGEND:

- d'Amico Group Main Offices
- d'Amico Group presence



GROUP STRUCTURE

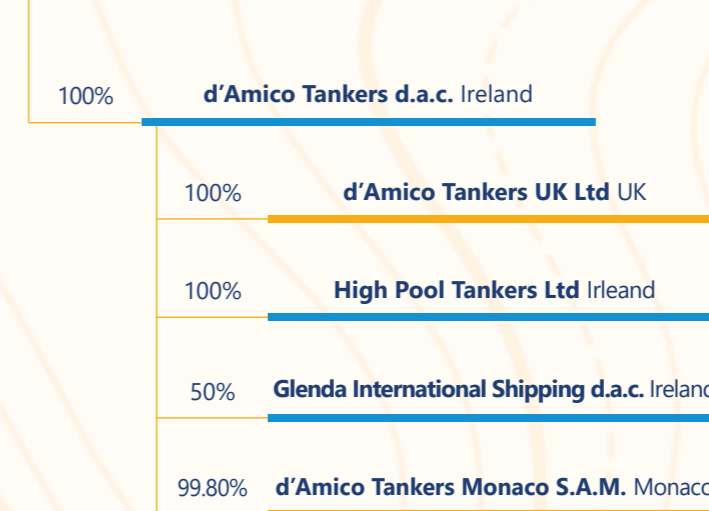
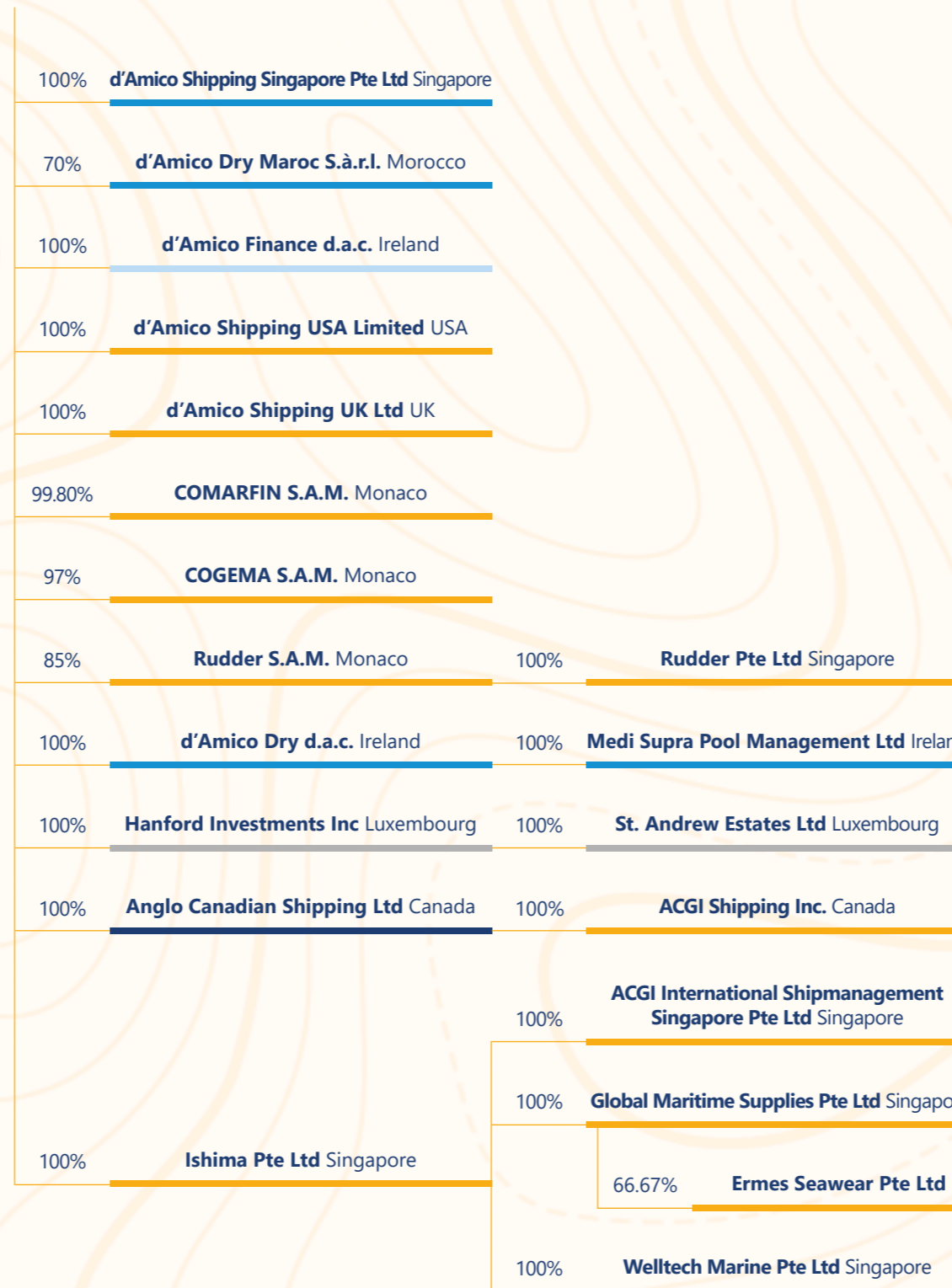
**d'AMICO SOCIETÀ
DI NAVIGAZIONE SPA ITALY**

100%

**d'AMICO INTERNATIONAL S.A.
LUXEMBOURG**

65.65%

**d'AMICO INTERNATIONAL
SHIPPING S.A. LUXEMBOURG**



LEGEND:

- █ Holding company
- █ Shipping company
- █ Service company
- █ Financial holding/Finance company
- █ Real estate company



Group structure as at 31 December 2020

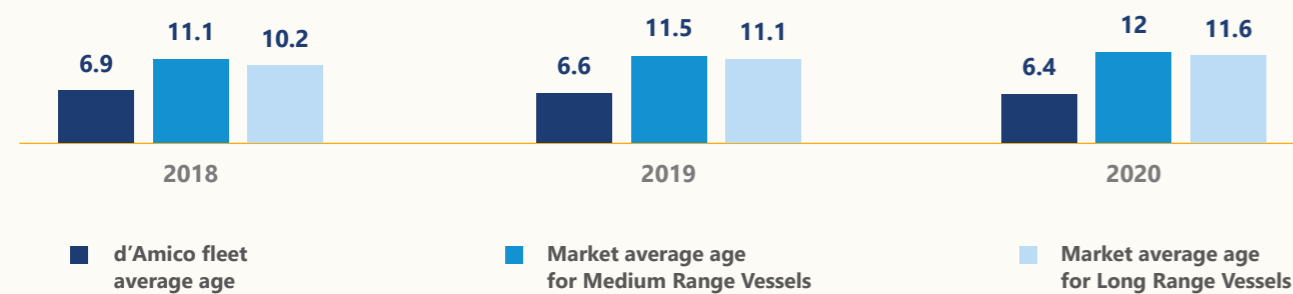
BUSINESS AREAS

Product Tankers

d'Amico International Shipping S.A. (DIS) is the division of the d'Amico Group operating in the product tankers sector. It has been listed on the Milan Stock Exchange in the STAR segment since 2007.




The Product Tankers fleet comprises vessels that have double hulls and are primarily employed in **shipping refined petroleum products, chemical products and vegetable oils**. It provides maritime shipping services on a global scale to the major oil companies and trading firms, either directly or through partnerships. **The fleet consists of 40 product tankers¹ with an average age of 6.4 years**, 3% lower than in 2019, and is therefore **one of the youngest in the world** considering that the industry average age for Medium Range vessels (25,000-54,999 DWT) is 12.0 years and for Long Range 1 vessels (55,000-84,999 DWT) is 11.6 years².

AVERAGE AGE* - PRODUCT TANKERS



*The age of the fleet is expressed in years

TYPE OF VESSELS AND TONNAGE [dwt³]

Handysize		36,000 - 40,000 dwt
MR/Medium Range		45,000 - 51,000 dwt
LR1/Long Range 1		55,000 - 79,999 dwt

¹ Fleet as at 31 December 2020 in the d'Amico Società di Navigazione 2020 Annual Report

² Source: Clarksons Research Services, as at February 2021

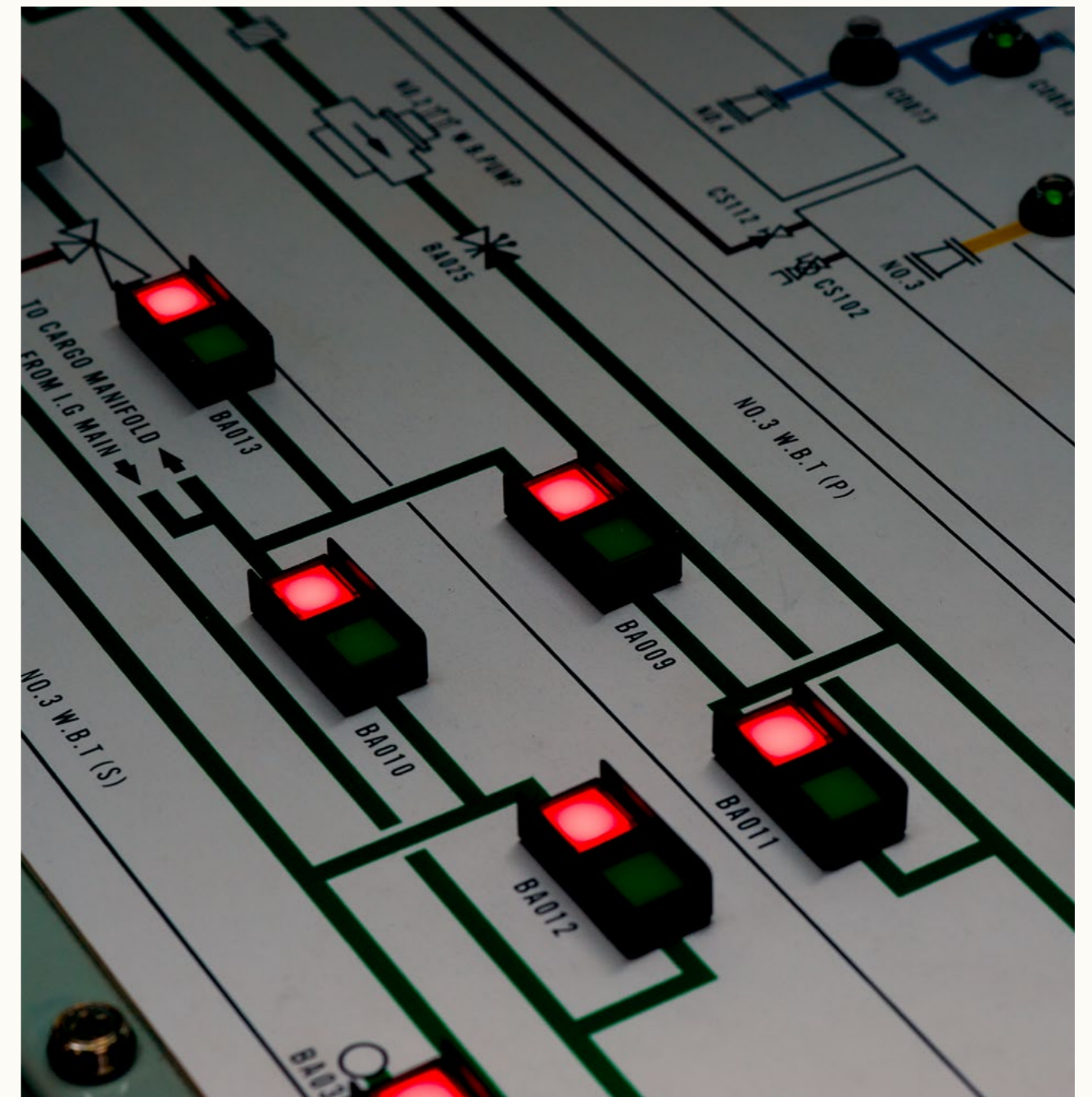
³ Dead Weight Tonnage: the carrying capacity of a ship in metric tonnes.

As at 31 December 2020, 77.5% of DIS' controlled fleet was IMO Classed, an increase of 4.5 percentage points from 2019 - compared to a market average of 39% - and 75% of DIS fleet (owned and bare-boat) was 'Eco', an increase of 15.4 percentage points from 2019, compared to an average sector figures of 25.7%⁴.

Our modern fleet which consists mostly of MR vessels is both energy efficient and commercially flexible. Our most recent investments in the larger LR1 vessels, further increases the energy efficiency of our fleet.

A portion of the fleet is operated through joint ventures:

- **Glenda International Shipping d.a.c.** is a joint venture between d'Amico Tankers d.a.c. and the Glencore group, in which d'Amico Tankers has a 50% interest
- **Eco Tankers Limited⁵** is a joint venture with Venice Shipping Logistics S.p.A., in which DIS has a 33% interest.



⁴ Source: Clarksons Research Services, as at February 2021

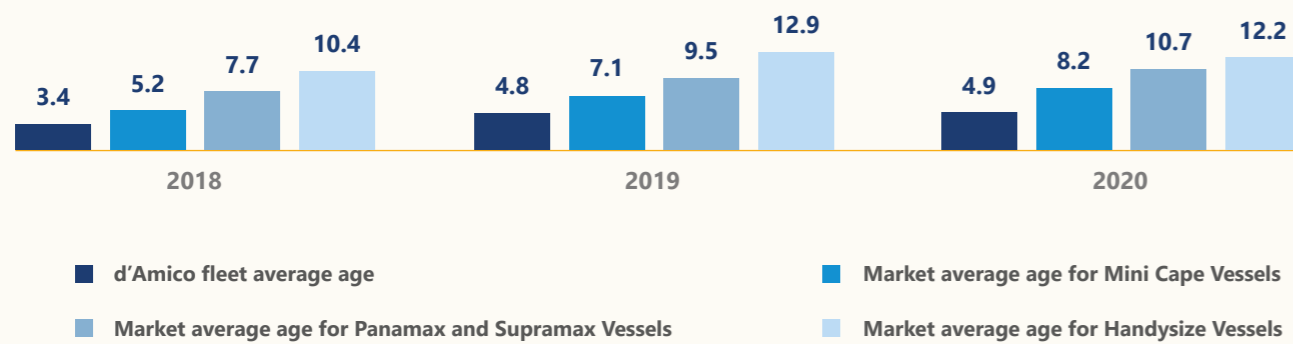
⁵ Eco Tankers Limited is undergoing a voluntary strike-off process.

Dry Cargo

The Dry Cargo business area operates 48 vessels⁶. It provides **shipping services on a global scale transporting bulk grain, coal, ores, fertilisers, cement and petcoke, as well as steel products, steel pipes and timber for leading market operators**. More specifically, the Dry Cargo business area operates in the following segments: Handysize (from 37,000 DWT to 39,000 DWT), Handymax/Supramax (from 56,000 DWT to 64,000 DWT), Kamsarmax/Post-Panamax (from 82,000 DWT to 89,000 DWT) and Minicape with two ships (117,000 DWT). In addition to the core fleet in the Dry Cargo segment, the Group manages 20-25 additional vessels to perform its Contracts of Affreightment (COA) and forward cargoes.





The average age of the d'Amico Dry Cargo fleet is 4.9 years, considerably lower than the average age within the sector of 10.2 years, according to IHS Markit. In greater detail, the Dry Cargo business unit exceeds the industry benchmark in the Mini Cape segment (5.4 years compared to 8.2), Panamax (3.2 compared to 10.7), Supramax (5.1 compared to 10.8) and Handysize (6.6 compared to 12.2). Besides operating in d'Amico Dry d.a.c., d'Amico Shipping Italia SpA, and d'Amico Shipping Singapore Pte Ltd, the dry cargo business unit has also a J/V with Mitsui called Mida Maritime d.a.c. owning 2 Kamsarmax built in 2018.

AVERAGE AGE* - DRY CARGO



*The age of the fleet is expressed in years

TYPE OF VESSELS AND TONNAGE [dwt⁷]

Handysize		37,000 - 39,000 dwt
Handymax/Supramax		56,000 - 64,000 dwt
Kamsarmax/Post-Panamax		82,000 - 89,000 dwt
Minicape		117,000 dwt

⁶ Figure as at 31 December 2020 in the d'Amico Società di Navigazione S.p.A. 2020 Annual report

⁷ Dead Weight Tonnage: the carrying capacity of a ship in metric tonnes.

In 2010, after more than forty years' experience in the containership sector, d'Amico Dry Maroc was founded. It performs mainly cabotage services between various Moroccan ports (Agadir, Tangier Med and Casablanca), alongside feeder services among the maritime centres of the western Mediterranean (mainly Italy, France, Spain and Tunisia).

The commercial and operational departments that handle both business areas are located in the main global maritime centres: Casablanca (Morocco), Dublin (Ireland), London (United Kingdom), Monte Carlo (Monaco), Singapore, USA (Connecticut), Vancouver (Canada).

Maritime services

The Group provides also - through sister companies - ship management services and bunkering services.

These services are carried out not only for d'Amico's fleet, but also for third-party clients. **Ship management services** constitute one of the main lines of business of the Parent Company, d'Amico Società di Navigazione S.p.A., which, in part through other Group companies, and in particular through the indirect subsidiary Ishima Pte Limited, offers services to Group companies and third parties. **Bunkering operations** are conducted by Rudder SAM, also through its subsidiaries in Argentina and Singapore for Group companies and for third parties.

Since 2017, the crew management process has been handled by a Crew Director assisted by one of d'Amico Group's companies - Sirius Ship Management S.r.l. - that is responsible for recruiting, providing payroll services and managing the seagoing personnel according to the legal provisions and in compliance with the Company's procedures. Sirius Ship Management has also offices in Mumbai (India) and an agency in Manila (Philippines).

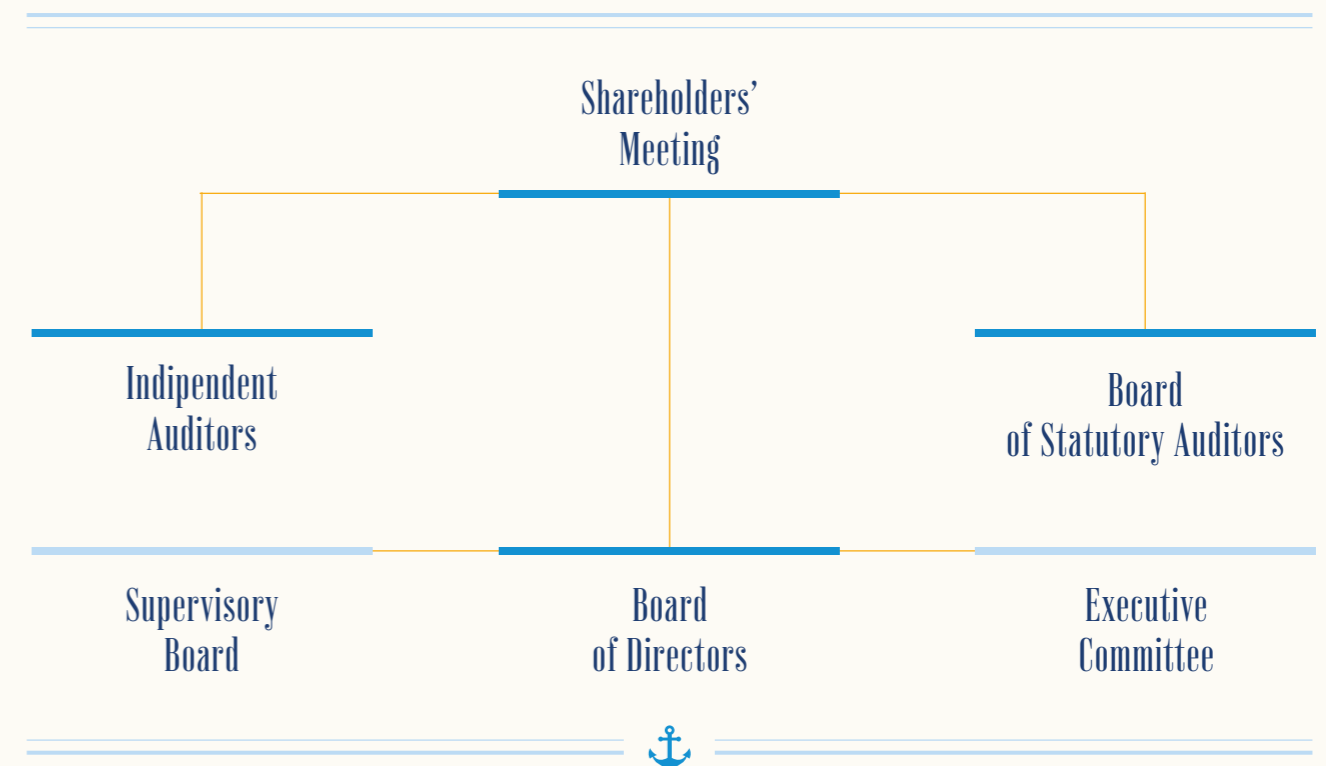
Sirius' services, as Manning Agent, include also the **implementation of the training and development plans of the seagoing personnel** according to the Owner's instructions and in compliance with both national and international regulatory standards and rules.

The activities carried out by Sirius and the sub-agencies is periodically checked by the Group's crewing department.



CORPORATE GOVERNANCE

The Corporate Governance system adopted by the parent company d'Amico Società di Navigazione S.p.A. is **inspired by the highest standards of transparency and fairness** in the management of the company. Shaped by the provisions of all relevant laws, it is **in line with international best practices**, a particularly important factor given the d'Amico Group's broad geographical distribution and the listing on the Italian stock exchange of d'Amico International Shipping S.A., the indirect subsidiary under Luxembourg law⁸.



Governance and corporate control bodies

The Board of Directors

In accordance with the Articles of Association, the Board of Directors ("BoD") currently comprises **five Directors**, three of whom are Executive Directors - including the Chairman - with two Non-Executive Directors. The Directors - all male and over the age of 50 - were **appointed by the Company's Shareholders' Meeting of 29 May 2018 for the three-year period 2018-2020** and will therefore hold office in this composition until the date of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2020.

The Board of Directors **is responsible for the Company's ordinary and extraordinary management and administration**. It has the power to carry out all operations deemed necessary or appropriate for achieving the Company's goals, except for subjects and matters that are the exclusive competence of the Shareholders' Meeting as established by the law. **In 2020, the percentage of attendance at Board of Directors meetings was approximately 100%** with reference to all Directors in office.

⁸ For information about d'Amico International Shipping S.A.'s corporate governance visit the site <https://en.damicointernationalshipping.com/corporate-governance/>.

The Executive Committee

The meeting of the Board of Directors of 5 June 2018 confirmed the establishment of the Executive Committee ("EC"). The Executive Committee **is made up of the Chairman of the Board of Directors and the CEO, it has a three-year term, from 2018 to 2020, and all the powers permitted by the Articles of Association are conferred on this body.**

The Executive Committee, as the body appointed pursuant to art. 2381 of the Italian Civil Code, has the task, amongst others, of "reporting to the Board of Directors and the Board of Statutory Auditors on the general operating performance and expected future developments, as well as on the most significant operations carried out by the company and its subsidiaries, providing ongoing and adequate information on the activities carried out within the scope of the tasks assigned to it".

The Board of Statutory Auditors

The Board of Statutory Auditors (BoSA) currently **comprises three Effective Statutory Auditors** - including the Chairman of the BoSA- **and two Alternate Statutory Auditors**. They are all male (two Effective Statutory Auditors are over 50 years of age and one is between 30 and 50 years of age) and were **appointed by the Ordinary Shareholders' Meeting of 29 May 2018**, in compliance with the current regulations of the Italian Civil Code, **for the three-year period 2018-2020**. They will therefore hold office until the date of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2020. Pursuant to Articles 2403 and subsequent of the Italian Civil Code, the Board of Statutory Auditors is required to supervise "compliance with the laws and the articles of association, observance of the principles of sound management and, in particular, the adequacy of the administrative, organisational and accounting system adopted by the company and that system's functioning in practice".

In 2020, the percentage of attendance of the BoSA at the meetings of the Board of Directors was close to 95% with regard to all members in office.

Independent Auditors

Pursuant to art. 13 of Italian Legislative Decree 39/2010, the Ordinary Shareholders' Meeting of 23 June 2020 appointed Axis S.r.l. of Reggio Emilia, belonging to the Moore Global Network to audit the Company's ordinary and consolidated financial statements for the three-year period 2020-2022, and therefore up until the approval of the Financial Statements for the year ending 31 December 2022.



Ethics and integrity

The d'Amico Group has always believed that it is important to conduct its business and professional negotiations, at different organisational levels, with integrity and transparency, **acting in a professional, fair and honest manner, fully aware that these qualities are evidence of a strong sense of social responsibility.**

In fact, by taking a **“zero tolerance” approach**, the anti-corruption policy implemented by the Company and recently updated seeks to prevent all forms of corruption, including all those arising from the behaviour of consultants, agents or contractors.

Anti-corruption policy

Corruption means any conduct on the basis of which any person acting directly or indirectly on behalf or in the interest of d'Amico Group's companies offers, promises, receives or provides undue rewards, either directly or indirectly (including through third parties), which are likely to improperly influence the actions of another party for personal benefit, for the benefit of the Group's companies or of third parties.

The anti-corruption policy (the “Policy”) **particularly focuses on the concept of hospitality and gifts that must be acceptable and proportionate** (and in no case shall consist of sums of money) **and on lobbying activities that must be based on criteria of legitimacy, fairness and transparency.** For the purposes of this Policy, there is no difference between the corruption of a public official and the corruption of a private party.

The Policy **applies to all d'Amico personnel** with any type of employment contract, in any company or legal entity of the Group, **and in general to whoever acts in the name, on behalf or in the interest of the Group and who holds business and professional relations with it** (the “Recipients of the Policy”). All Recipients of the Policy are responsible for preventing, identifying and reporting any acts of corruption and are required to avoid any activity that may lead to or suggest a violation of this policy.

The d'Amico Group ensures that **all cases of suspected corruption are dealt with consistently**, whether they are confirmed or not by an investigation, and that there will be no retaliation or adverse consequences for the person reporting the possible violation of the Policy or applicable anti-corruption rules and regulations. Likewise, no employee will suffer retaliation or adverse consequences for refusing to engage in illegal conduct.

All reports shall be submitted via the whistleblowing channels identified and publicised by the Company for the entire d'Amico Group.

Code of Ethics

With the voluntary adoption of 231 Organisation Model, d'Amico Società di Navigazione S.p.A. has approved and adopted the Code of Ethics **since 2008**, which defines the **fundamental ethical principles** with which the Company, its directors, statutory auditors, employees, consultants and partners, and in general all those who act in the Company's name and on its behalf, are required to comply. On the Supervisory Committee's initiative, on 11 April 2014 the Board of Directors approved a new version of the Company's Code of Ethics, also recommending it be adopted by the subsidiaries of d'Amico Società di Navigazione S.p.A. As such, it also issued and approved the Group's Code of Ethics.

The Company's Code of Ethics and the Group's Code of Ethics **were updated on 26 November 2018** following the entry into force of EU Regulation 679/2016 (“GDPR”) in the section relating to “Data Protection”, **and subsequently on 17 December 2019** following the entry into force of Law 179/2017 regarding “provisions for the protection of those that have reported crimes or irregularities, which came to light during a public or private employment relationship”.

CODE OF ETHICS: PRINCIPLES

General ethical principles

- compliance with the law
- honesty, fairness and transparency
- respect for the dignity of the person
- data protection
- treatment of confidential information
- conflicts of interest
- relations with competitors
- responsibility to the community
- respect for the environment
- liberality
- innovation

Ethical principles in corporate governance

- corporate bodies/social bodies
- relations with shareholders
- Internal Control and Risk Management System

Ethical principles in human resources management

- selection and recruitment
- formalisation of the employment relationship
- professional management and development
- health and working conditions

Ethical principles in relations with customers, partners, suppliers, public administration and other public institutions

- customer relations
- relations with partners and suppliers
- relations with public administration and other public institutions

Organisation, Management and Control Model (pursuant to Italian Legislative Decree 231/2001)

In voluntarily applying Italian Legislative Decree no. 231/2001, d'Amico Società di Navigazione S.p.A. has adopted the Organisation, Management and Control Model (“231 Organisation Model”) **since 2008 and therefore implemented an organic system of procedures, rules and controls aimed at preventing and/or systematically reducing**, during the performance of so-called sensitive activities, **the risk of the offences cited in the aforementioned decree from being committed.** In this sense the Company has decided to update the Integrated Management System with a reference to the controls required by 231 Organisation Model as regards existing procedures, and with the introduction of new procedures in the Integrated Management System where necessary and required for the effective implementation of the Model. **The Company's 231 Organisation Model is constantly updated in accordance with the organisational and legislative changes** made over time with regard to the scope of application of Italian Legislative Decree 231/2001.

On 17 April 2019, the Board of Directors approved the update to the Organisation, Management and Control model adopted pursuant to Italian Legislative Decree no. 231/2001 - in particular the General Part, the Disciplinary System and Special Parts 0 (Explicated list of the predicate offences), II (Corporate crimes), IX (Offences against individuals), X (Offences related to the employment of foreigners without a residence permit) and XII (Racism and Xenophobia). The updated 231 Organisation Model takes also into consideration the regulation of “Whistleblowing” **and the adoption of an internal system for reporting violations.** The above also led to the updating of the Company Code of Ethics with the addition of the adoption of the **“Whistleblowing” management system**, as well as all procedures and protocols affected by this amendment.

In addition, by the end of 2020, the Company had almost completed **a new update of the Risk Plan as resolved by the Company's Board of Directors on 2019 in order to perform a general revision of the 231 Organisation Model** in light of the most recent crimes introduced by Italian Legislative Decree no. 231/2001, and in particular tax offences, as well as several significant company reorganisations.

Supervisory Committee

The Supervisory Committee was established pursuant to Italian Legislative Decree no. 231/01. Its specific duties regard the **implementation, application, adequacy and effectiveness of the 231 Organisation Model**. In greater detail, among the Committee's other duties, it must:

- supervise the effectiveness of the 231 Organisation Model by promoting the implementation of control procedures for specific actions or acts identified as being sensitive;
- periodically check its efficiency and adequacy;
- assess the opportunity for its updating;
- ensure necessary information flows with other company functions, also by promoting appropriate initiatives for raising awareness on and understanding the 231 Organisation Model in the company.

The Company's Supervisory Committee was established in 2008. It is collegial in form and currently consists of **three members appointed by decision of the Board of Directors on 18 May 2020 for the three-year period 2020-2022** and identified following two assessments and consideration of the requirements established for such function by Decree no. 231: autonomous initiative, independence, professionalism, continuity of action, absence of conflicts of interest and integrity.

It should be noted that **during 2020 no reports of violations of the 231 Organisation Model or of the Code of Ethics were received by the Supervisory Committee of the Group companies that adopted it.**

Data Protection

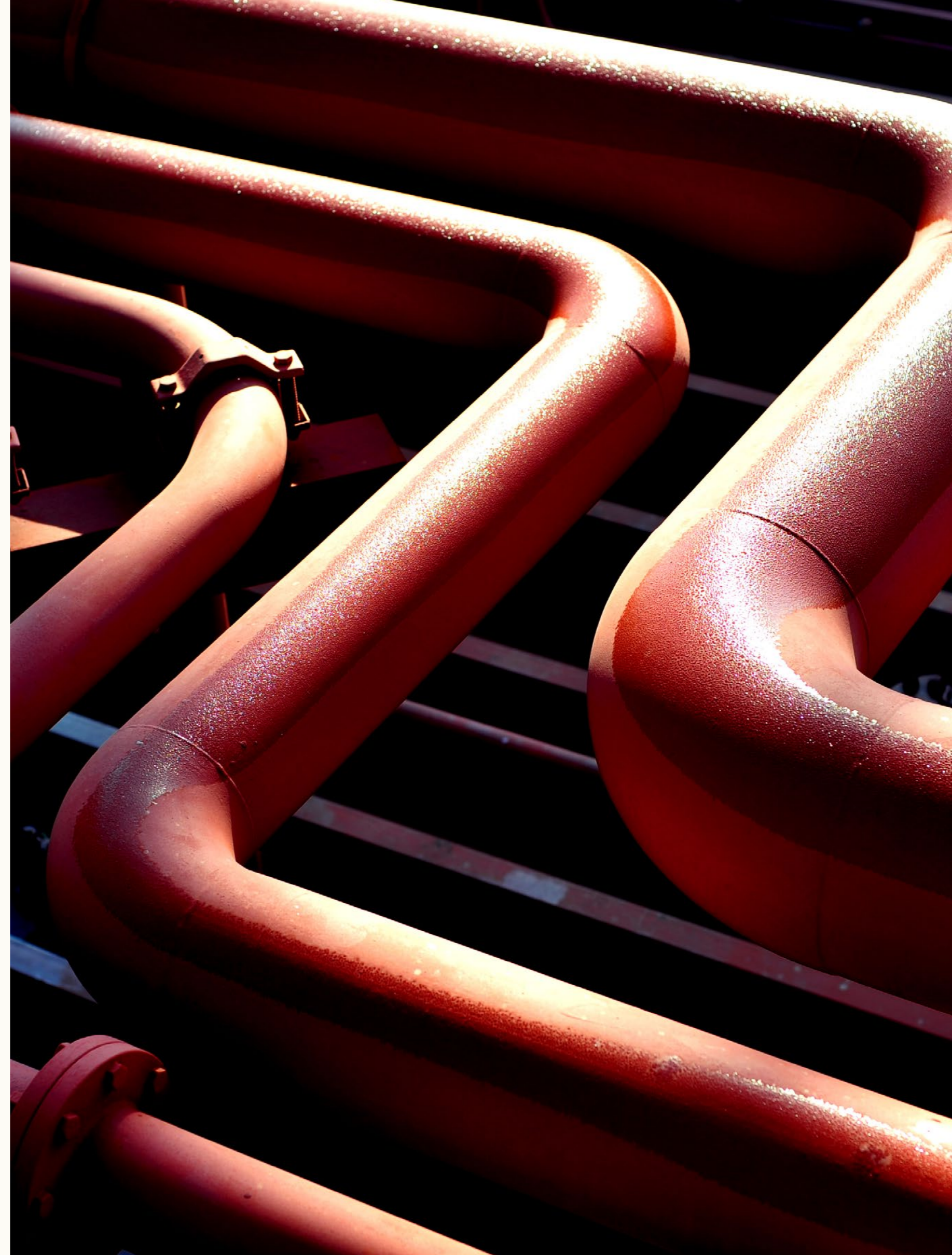
In 2020, d'Amico Società di Navigazione S.p.A., as Data Controller of personal data, has continued to maintain the Group Privacy Regulation. The Group Privacy Regulation has been adopted in 2018 in compliance with the regulatory provisions of European Regulation no. 679/2016 as amended and supplemented, and it is based on the principles of lawfulness, fairness and transparency of personal data processing.

The Group Data Protection model was defined starting with the mapping of the processing work carried out within the d'Amico Group, as well as the related categories of data subjects and of the purposes of processing. It was formalised within the Group Privacy Regulation, containing the Binding Company Regulations for the intercompany transfer of the data subjects' data outside the European Union, approved by the Board of Directors of d'Amico Società di Navigazione S.p.A. on 23 April 2018 and subsequently transposed by all Group companies included in the Data Protection model.

During 2020, the d'Amico Group has implemented **specific protocols containing the provisions for the containment of the spread of COVID-19 in the workplace**. To this end, specific informative has been prepared and provided to interested parties for the protection of personal data.

In addition, the data protection structure also launched during the second half of 2020, an internal audit program with the scope to verify compliance with data protection and the correct implementation of the Group privacy regulation **with respect to the provision of the d'Amico Group Privacy Regulation**. In particular, two of the companies in the scope of the Group Privacy Regulation model have been audited on remote. The audit plan will continue over the next year.

Also during the year, the **e-learning training sessions on Data Protection have been completed** for all subjects authorised to process personal data.





Environmental Compliance

In line with the d'Amico Group's commitment to open communication, **an environmental reporting procedure was adopted to provide staff with a tool to report incidents of environmental non-compliance without fear of retaliation.** Also according to the Group Code of Ethics, no responsibility or prejudice will be expressed towards personnel in the event of reports of environmental non-compliance. The purpose of these procedures is to maintain an open environmental reporting system. Information on this reporting system is available on all fleet vessels.

Through this Open Reporting System, **both onshore and seagoing personnel can anonymously report**, via a free web portal, an independent email account or freephone telephone numbers, **any cases of non-compliance** with the Company's environmental management system, marine environmental protection requirements and the environmental compliance plan implemented by the Company, according to the Company Whistleblowing Policy.

Whistleblowing

In accordance with Italian Law no. 179 of 30 November 2017 and in line with international best practices, the Company, always particularly attentive to preventing risks that could compromise the responsible and sustainable management of the d'Amico Group's functions, **has adopted a series of guidelines for the management of all reports by whistleblowers.**

The d'Amico Group has therefore developed **a website, which**, guaranteeing the identity confidentiality of whistleblowers who may also include third parties outside the Group, **makes it possible to report any irregularity and/or illegal conduct, act or omission** that constitutes a violation, also presumed, of the principles outlined in the Group Code of Ethics (on which the Code adopted by the Company is based) and the Organisation and Management Models pursuant to Italian Legislative Decree 231/2001 of the d'Amico Group companies that have adopted them, or of the anti-corruption guidelines, as well as cases of workplace bullying and/or sexual harassment and in general violations of company policies and regulations that may result in fraud or damage, also potentially, to colleagues, shareholders and stakeholders in general, or which constitute harmful or illegal acts with regard to the interests and reputation of the company. The report may also refer to cases, even suspected or attempted, of workplace bullying and/or sexual harassment.

This website is joined by the pre-existing Open Reporting System used exclusively for reporting incidents on board ships and/or reports by crew members and is consistent with the one already adopted by the Company with regard to the flow of information towards the Supervisory Committee.

On March 2021 a new Group whistleblowing channel merging the two previous systems (on-board violations Open Reporting System and ashore violations whistleblowing website) was launched.

The new d'Amico whistleblowing platform is available at <https://openreportingsystem.damicoship.com/> - with access also from Darwin portal, DSN and DIS websites - and can be used to report any irregularities and/or unlawful behaviours, acts or omissions, occurring both on board and ashore, that could constitute violations or attempted violations, even suspected, of:

- the legislative provisions referred to the Italian Legislative Decree 231/2001 (i.e. suspected commission or suspected attempted commission of the offenses as listed in the Decree),
- the principles ratified in the Group Code of Ethics and in the Organisation, Management and Control Models pursuant to Italian Legislative Decree 231/01 of the Group companies that have adopted them (d'Amico Società di Navigazione S.p.A., d'Amico Shipping Italia S.p.A. and d'Amico International Shipping S.A.),
- the Group's procedures, policies and rules in general (the so called "Integrated Management System") and, in particular, the Group Anti-Corruption Policy

that may constitute fraud or damage, even potential, towards colleagues, shareholders and stakeholders, or unlawful acts detrimental to the interests and reputation of the Company.

The report may also refer to cases even suspected or attempted of "bullying", sexual harassment, violations of privacy legislation and situations of real, potential and apparent conflicts of interest for which adequate disclosure has not been made by the parties involved and which may have consequences on the impartiality and good performance of the Company.

THE INTEGRATED MANAGEMENT SYSTEM

The implementation of an Integrated Management System **is the result of a corporate choice that puts key focus on the quality of services provided to customers, occupational health and safety, energy efficiency, environmental protection and corporate social responsibility**, through the adoption of recognised international standards and certifications. The Integrated Management System has been developed with a business process-oriented approach. It allows the d'Amico Group to identify, maintain and improve a dynamic organisation and management model. Its unified perspective meets the needs and specificities of different sectors and makes optimum use of possible strategies, in accordance with the many national and international laws and regulations. Continuous monitoring, the adequate measurement of performance indicators, stringent internal inspections, detailed analysis of the data collected, and prompt implementation of corrective and improvement actions allow the company to continuously increase its performance in terms of safety, environmental protection and customer satisfaction, as well as that of all stakeholders.

The system, already compliant with ISM (International Safety Management Code), was extended to the following standards: ISO 9001 (quality), ISO 14001 (environment), ISO 45001 (Occupational Health and Safety) and ISO 50001 (energy efficiency) certified by RINA. The application of all these standards enabled the d'Amico Group to be the first in Italy to obtain, in 2014, the prestigious RINA Best 4 Plus certification, which recognises compliance with main standards in force.

In 2014, the d'Amico Group also received the ISO 26000 certificate for the application of guidelines on correct integration of corporate social responsibility into its activities, policies, strategies, procedures and goals.

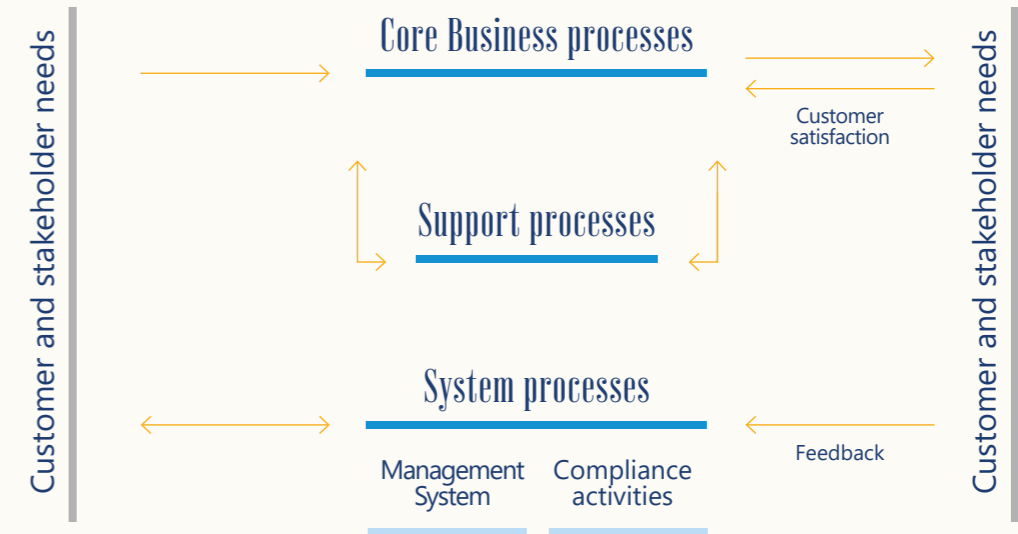
COMPANY	TYPE OF COMPANY			LOCATION	CERTIFICATIONS				
	HOLDING	⁹ SERVICE	¹⁰ SHIPPING		ISM	ISO 45001	ISO 9001	ISO 14001	ISO 50001
d'Amico Società di Navigazione S.p.A.	●	●		Rome (IT) Genoa (IT)	●	●	●	●	●
d'Amico Shipping Italia S.p.A.		●	●	Rome (IT) Genoa (IT)		●	●	●	
d'Amico Dry d.a.c.			●	Dublin (IE)		●	●	●	
d'Amico Tankers d.a.c.			●	Dublin (IE)		●	●	●	
d'Amico Shipping Singapore Pte. Limited		●	●	Singapore		●	●	●	
CO.GE.MA. SAM		●		Monaco (MC)				●	
d'Amico Tankers Monaco SAM		●		Monaco (MC)				●	
d'Amico Shipping UK Limited		●		London (GB)		●	●		
d'Amico Tankers UK Limited		●		London (GB)		●	●		
d'Amico Shipping USA Limited		●		Stamford (US)			●		
Ishima Pte. Ltd.		●		Singapore	●	●	●	●	●

⁹ Service company: company that provides services to the shipping industry or to other Group companies including but not limited to auxiliary and consultancy general services, administrative, commercial, operation management services and technical management and crew manning service.

¹⁰ Shipping company: Company that operates in the dry cargo or in the product tankers sector through owned, bareboat chartered vessels and/or time-chartered vessels.

Management system features

The activities and processes of the d'Amico Group have been classified into three main groups: core business processes, processes supporting main business activities and system processes, which includes the management system and compliance activities connected with it. The interaction of these processes determines the Group's efficiency, stakeholder satisfaction and the identification of improvements to be pursued in the future to increase its performance.



The specific documentation of the Integrated Management System describes the activities of each single process including responsibilities, inputs, outputs, timing, controls, records, general goals and main measures to be implemented to achieve the goals.

This system allows the Group's staff, the captains of the managed vessels, as well as any other interested party, to be aware of the actions and measures established to comply with international standards, ensuring quality activities that comply with the contractual requirements laid down by law.

SUSTAINABILITY FOR THE d'AMICO GROUP



Signora del Vento

In the photo the Training Ship "Signora del Vento", sailing ship dating back to 1962. the vessel has sailed for more than thirty years from the North Sea to the Caribbean. Since the 90's, the sailing ship is used as a Training Ship in the seas around the world, participating in countless gatherings of sailing ships. In December 2016 the sailing ship was donated to the Institute of Secondary Nautical Education "Giovanni Caboto" in Gaeta, in Italy, which revisited and adapted it to be used for training activities on board. In 2019, following a strong storm the ship was severely damaged and no longer used as Training Ship.

d'AMICO GROUP'S SUSTAINABILITY ROUTE

In drawing up its first Sustainability Report in 2018, d'Amico Group identified **the most relevant topics for corporate and business sustainability**, i.e. topics that have a direct or indirect impact on the ability to create and preserve value over time in the three responsibility areas: economic, social and environmental. The topics were chosen based on the reference standards - GRI Sustainability Reporting Standards - but above all by taking into consideration the company's distinctive features, such as mission and values, quality, safety and environmental management systems, and climate change strategies.

For this third edition of the Report, d'Amico Group proceeded with the updating of its materiality analysis. The main improvement carried out by the Group was the expansion of the number of stakeholders involved, which increased **from 67 in 2018**, 41 of which for the external analysis and 26 for the internal analysis, **to 94 people** involved, **38 for the internal and 56 for the external analysis**, with a growth of 40.3%.

The identification of material topics and the definition of their level of importance was carried out in **two phases**: the first involved the organisation internally - **internal analysis** - while the second involved the main external stakeholders - **external analysis**.

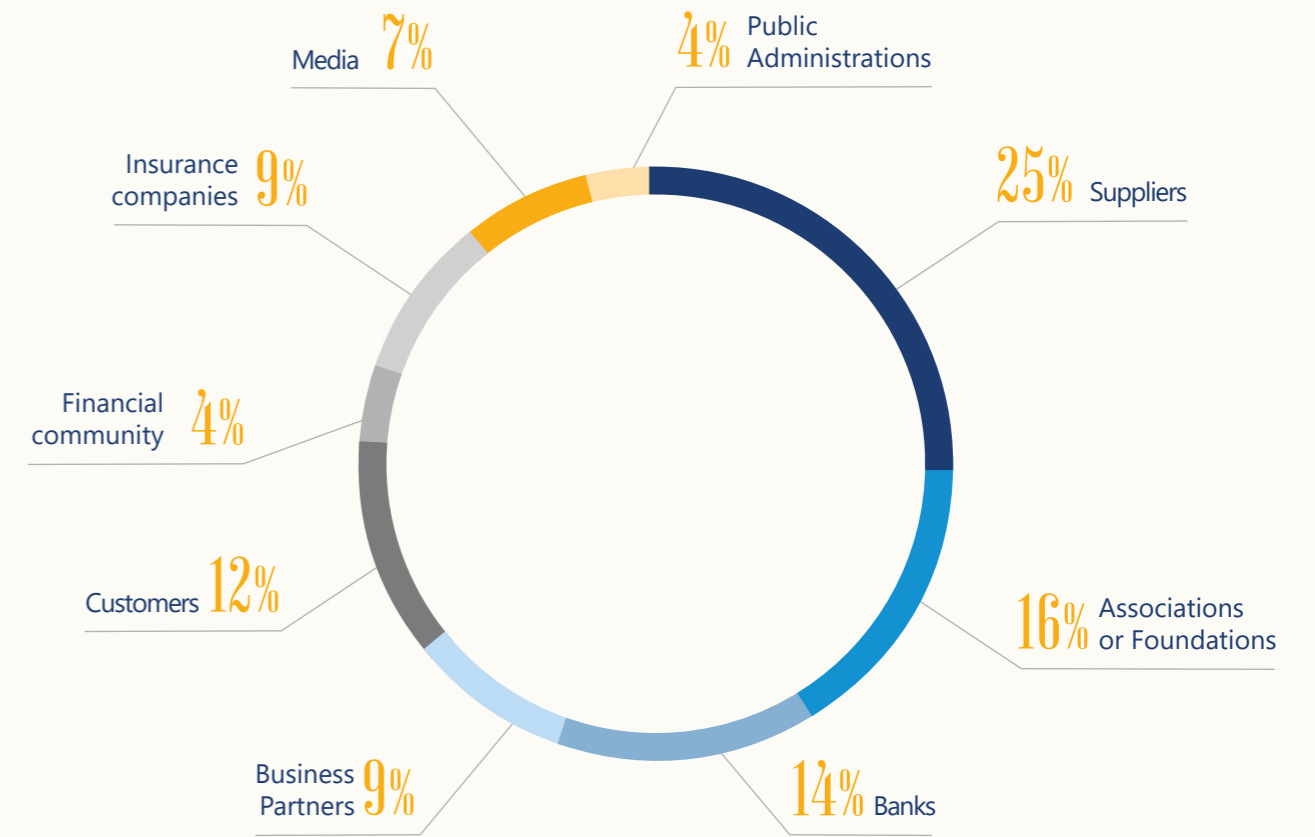
The internal analysis consisted of **identifying the topics and assessing their relevance in relation to the company's performance and to the possible improvement of its reputation and competitive advantage**, taking into account the related risks. The importance of each material topic was investigated by asking everyone to express an opinion regarding the impact of the topic on d'Amico's business and the **probability of occurrence of a negative event related to each topic**, considering the related risk due to the actions implemented by the Group.

In 2020, the Group carried out **3 workshops dedicated to updating the internal analysis**, which involved all d'Amico offices including the top and middle managers of d'Amico and Ishima. These workshops were also an opportunity to share internally the sustainability path carried out by the Group and to underline the logic of the analysis.

For the external analysis, instead, each stakeholder was asked to make its own assessment **on the importance to be attributed to each of the material aspects** considering the shipping sector in general. The following graph represents the number of stakeholders involved for each category.



STAKEHOLDERS INVOLVED IN THE EXTERNAL ANALYSIS



In order to obtain an objective result and given the accurate and representative composition of d'Amico's stakeholders, the same weight has been assigned to the evaluation that each of them submitted.

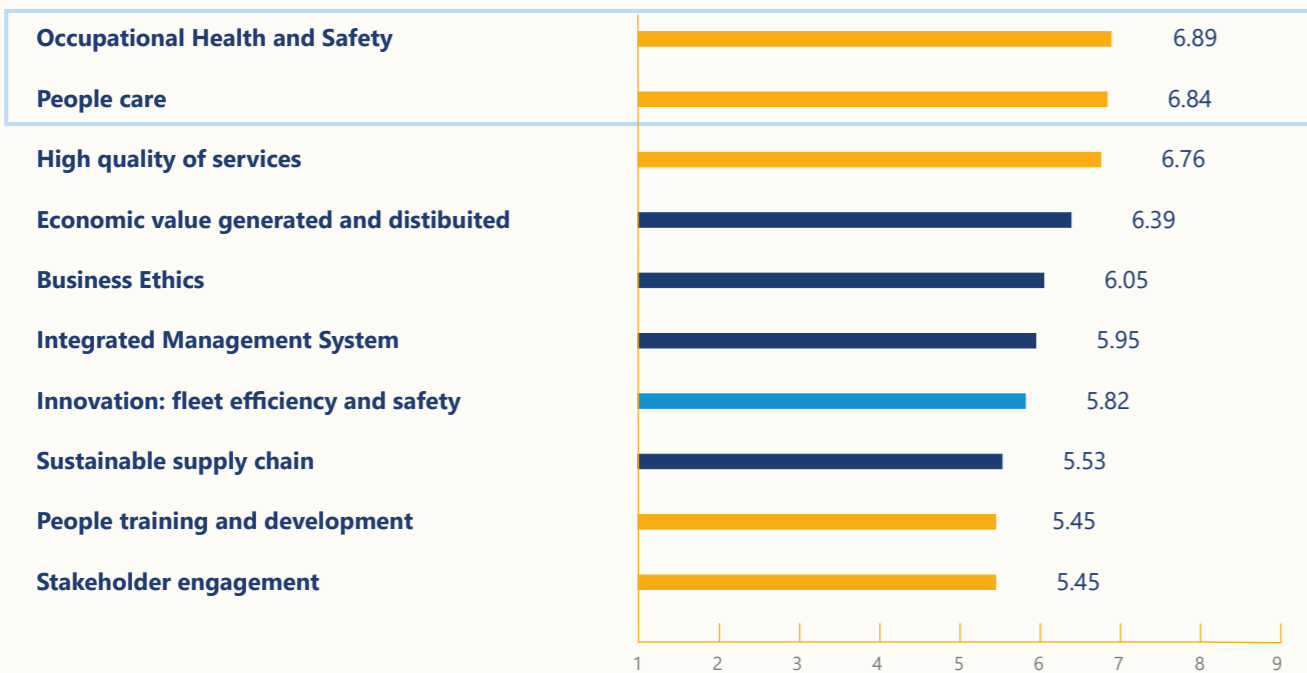
A particularity that distinguishes the 2020 analysis from the one carried out in 2018 concerns the inclusion of a new section within the analysis, aimed at understanding the impact of the COVID-19 pandemic on the material topics identified by d'Amico, both for internal and external stakeholders.

IMPACT OF COVID-19

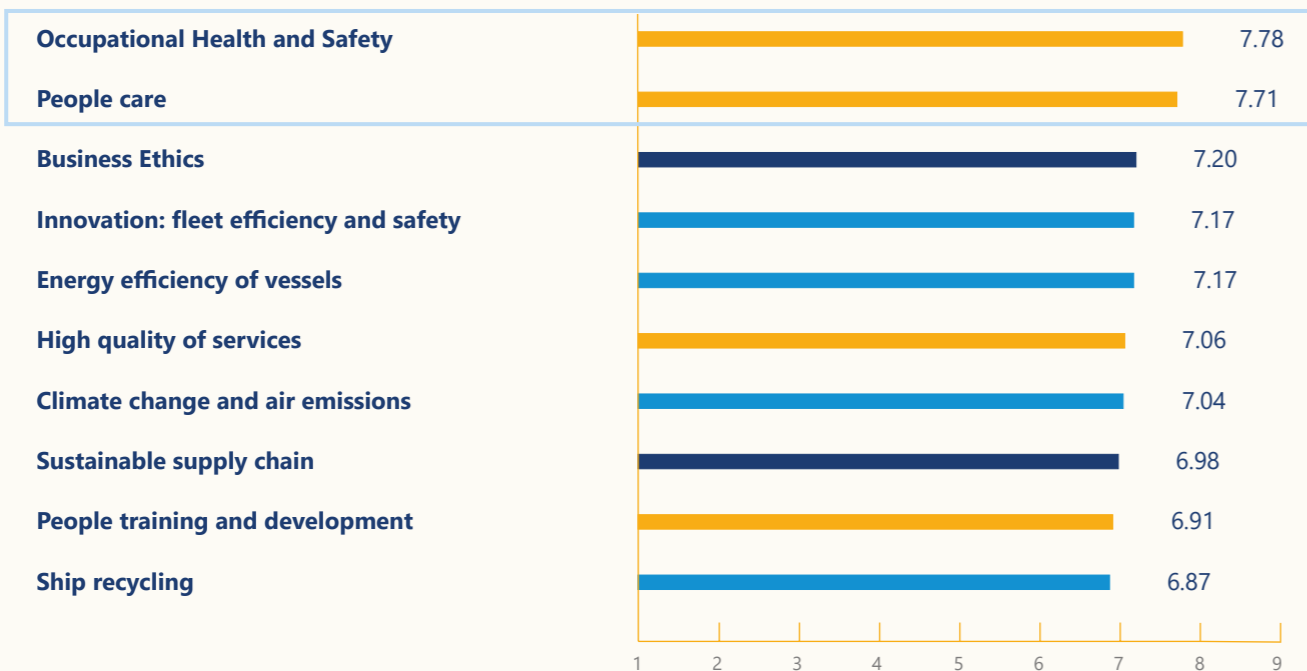
Everyday life has been unavoidably impacted by COVID-19, **influencing the personal perception and evaluation criteria about sustainability topics**. This influence has been confirmed by the results shown in the material matrix that will be presented later in this document.

For this reason and to provide a better understanding of the material matrix conclusions, the results of the stakeholders' evaluation about the impact of COVID-19 are herein anticipated and presented below.

COVID IMPACT ON MATERIAL TOPICS ACCORDING TO INTERNAL STAKEHOLDERS



COVID IMPACT ON MATERIAL TOPICS ACCORDING TO EXTERNAL STAKEHOLDERS



LEGEND: ■ economic responsibility ■ environmental responsibility ■ social responsibility

It is observed that according to the stakeholders the topics that were most affected by the pandemic were **occupational health and safety** and attention to **people care**. In actual fact, these matters have received a much higher evaluation than the others from both categories of stakeholders, internal and external, in particular from the latter.

The result was partly predictable as, due to the pandemic emergency, **attention has been drastically raised on health and safety conditions** in the workplace, to avoid the spread of the infection. The focus has also shifted on the topic of **smart working**, on which d'Amico was already working in 2019, facilitating the transition to a new way of working.

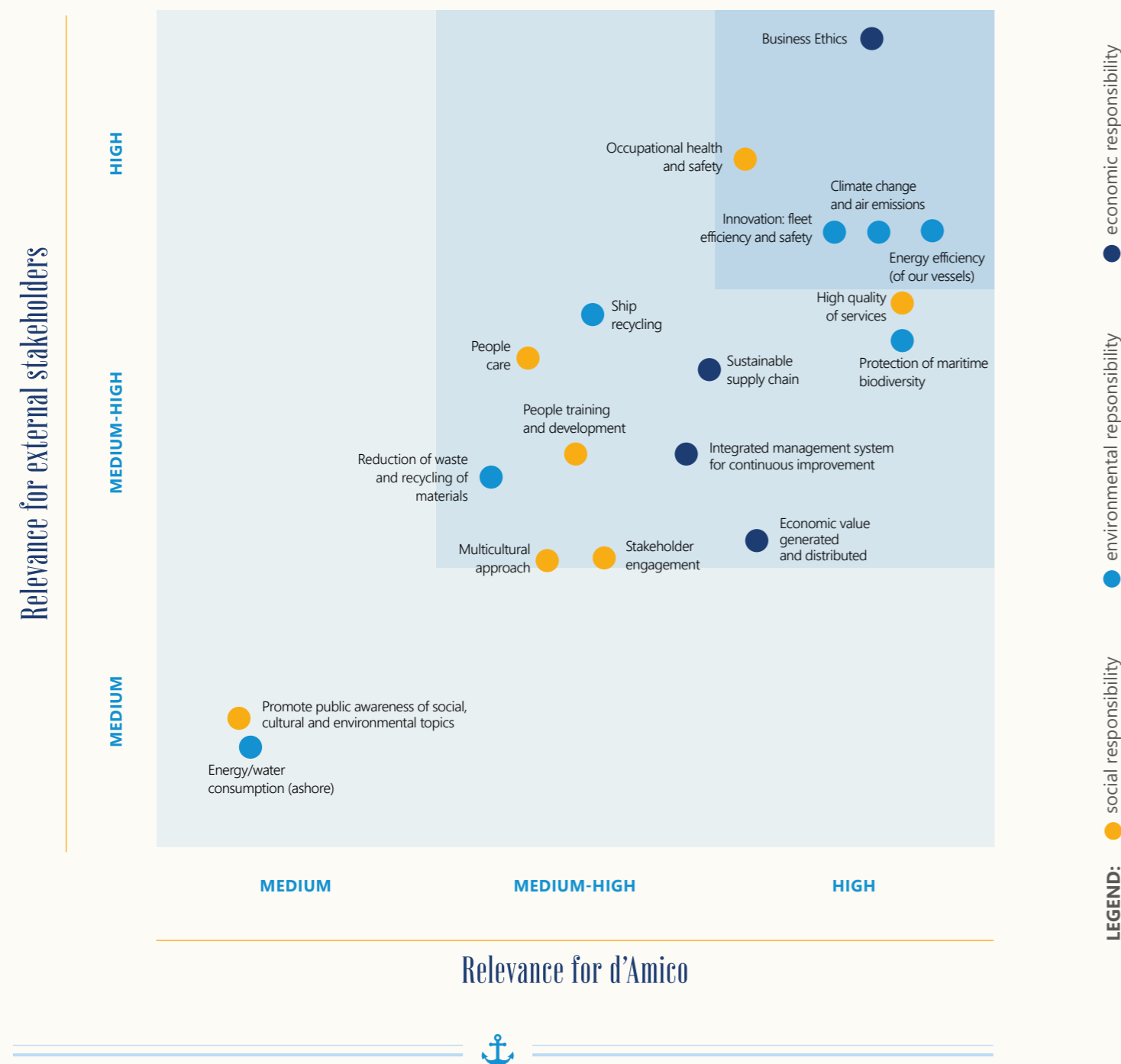
Among the environmental topics, the only one that has been evaluated, both by internal and external stakeholders, as highly impacted by COVID-19 is the one related to **innovation, efficiency and safety of the fleet**. In fact, the latter element is also linked to occupational health which was the most relevant subject for both categories of stakeholders.

Moreover, the main differences between the views of the two stakeholder groups concerned environmental and economic topics. While **internal stakeholders believe that economic topics have been more severely impacted by COVID-19**, in particular the economic value generated by the Organisation, external stakeholders focused on energy efficiency of vessels, climate change and air emissions and ship recycling as the topics most impacted by COVID-19, confirming their **attention and sensibility to environmental matters**.



MATERIALITY MATRIX

The materiality matrix presented below shows the results of the materiality analysis, in connection with what was anticipated above. The matrix **represents the topics considered relevant for d'Amico's sustainability** and which guide its actions. Topics are linked to the three dimensions of sustainability - social, environmental and economic - and are **positioned on the graph based on the relevance defined by d'Amico** (internal analysis) **and by the external stakeholders** (external analysis).



All stakeholders were given the possibility to choose, for each topic, a value between 1 and 9, leading to 5 scoring areas: low, medium-low, medium, medium-high and high. To better represent the outcomes of the surveys and given that all answers were above the medium value (score of 4 or higher), the below matrix reports and underlines that all the scoring values were between medium and high.

Environmental topics, in general, have an influence from medium-high to high, both for internal and external stakeholders. Four among the seven environmental topics are included or close to the highest range: energy efficiency of vessels, climate change and air emissions and innovation regarding safety and fleet efficiency and protection of marine biodiversity. Energy and water consumption ashore is one of the two topics with lower importance for all the interviewed stakeholders, but both were still rated in the medium range.

Economic and governance topics are, on average, all relevant. One aspect that has particular relevance from the internal stakeholders' perspective is the quality of the service offered. While the point concerning business ethics is, from both the internal and external point of view, the most important aspect, and is also the only topic of this area to rank in the highest range.

Social topics significantly increased their relevance within the matrix compared to the last survey carried out in 2018, where the main focus was on Environmental topics. Occupational health and safety remain the most important subjects for both internal and external stakeholders, and for the first time gained a position in the highest range. This was quite predictable considering the analysis of the results of the COVID-19 impact assessment. The remaining topics have a medium-high relevance, except for the promotion of public awareness of social cultural and environmental topics, which was rated in the medium range.

In general, in 2020, likely due to the COVID-19 emergency which inevitably characterised the activities of all companies, an **increase** was observed **in the importance assigned to social topics** and to those related to governance and the economic dimension. **Environmental topics still retain a very high importance.**



OUR STRATEGY



SUSTAINABLE DEVELOPMENT GOALS

d'AMICO'S CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS

On 25 September 2015, the United Nations approved the Global Agenda for Sustainable Development and 17 Sustainable Development Goals (SDGs), divided into 169 targets to be reached by 2030.

The Agenda 2030 for Sustainable Development is a **plan of action for people, the planet and prosperity, with the goal to guide the world over the next decade**. The goals represent common targets related to a range of fundamental issues for a new development model: the fight against poverty, the eradication of hunger and the fight against climate change are just some of these goals. **They involve all countries and all individuals**: no one is excluded from them and no one must be left behind on the path towards global sustainability.

In line with the vision expressed by the 2030 Agenda, the Group believes that its strong commitment to **making a true contribution** to the sustainable development of businesses and the economy is crucial.

The connections between the topics of relevance for d'Amico's sustainability, the goals of UN's 2030 Agenda and the actions taken by the Group are presented below and will then be reported in the document at the beginning of every section, representing the initiatives and monitored KPI related to the Group's activities and connected with the UN targets.

Sustainable Development Goals

SUSTAINABLE DEVELOPMENT GOALS

d'Amico's Sustainability Topics	Personnel training and development	Multicultural approach	People care	Occupational health and safety	High quality of services	Stakeholder engagement	Promoting public attention towards social, cultural and environmental topics	Atmospheric emissions and climate change	Vessel energy efficiency
Sustainable Development Goals		 	 					 	
Activity performed by the Group	<ul style="list-style-type: none"> Adequate training for all personnel, without distinction of gender or ethnicity 	<ul style="list-style-type: none"> Cultural integration in the Group's offices and onboard all ships 	<ul style="list-style-type: none"> Application of adequate remuneration and economic benefits for personnel, also to ensure adequate social protection 	<ul style="list-style-type: none"> Protection of the health and well-being of employees Prevention of hazardous activities, injuries, illnesses, accidents to personnel Improvement of an internal culture of safety 	<ul style="list-style-type: none"> Highest attention to the service offered, through qualified staff, appropriate equipment, on-board inspections, process control and internal communications Customer engagement through direct communications, complaints and reports and feedback on service quality 	<ul style="list-style-type: none"> Stakeholder mapping and identification of needs and expectations of each category and of related actions 	<ul style="list-style-type: none"> Donation and sponsorship for several association and initiative as well as registrations to industry organization Training activities in support of solidarity initiatives and cultural initiatives 	<ul style="list-style-type: none"> Activities to raise awareness on climate change issues and to reduce harm to individuals caused by water and air pollution 	<ul style="list-style-type: none"> Renewal of "Eco ships" fleet, in line with IMO directives, thanks to the implementation of innovative technologies
KPI 2020	<p>23.0 total per capita training hours provided to seagoing personnel</p> <p>7.6 for onshore personnel</p> <p>83% the percentage of people trained</p> <p>93% of expected performance assessment evaluation received</p>	<p>No reporting received in relation to discriminatory acts</p> <p>16 different nationalities within the crew members</p> <p>24 different nationalities within the onshore personnel</p>	<p>Most welfare services are guaranteed to all employees, for example health care is guaranteed to the entire company population</p> <p>96.8% the onshore personnel with open-ended contracts</p> <p>91.0% the seafarers with open-ended contracts</p>	<p>0 injuries in 2018, 2019 and in 2020</p>	<p>10 complaints received</p> <p>22.2% resolved complaints relating to previous years</p>	<p>94 stakeholders involved in the new materiality analysis, 38 for the internal and 56 for the external analysis</p> <p>+19.7% of the media publications compared to 2019</p>	<p>209,000 € disbursed as membership fees for Confitarma, Intercargo, Intertanko and for other associations</p> <p>110,000 € disbursed as donations and sponsorships</p>	<p>Green Flag Award 80% for reduction of air and water pollution in 2017</p> <p>0.2931 tCO₂ emissions per nautical mile, -6.9% since 2018</p> <p>0.0009 tSO_x emissions per nautical mile, -85.0% since 2018</p>	<p>80% the percentage of Eco vessels</p> <p>0.0935 Tons of fuel consumption per nautical mile, -7.1% since 2018</p> <p>5 Tons/Day less in bunker consumption for an 'Eco' vessel compared to a conventional vessel at same speed</p>

SUSTAINABLE DEVELOPMENT GOALS

d'Amico's Sustainability Topics	Innovation: fleet efficiency and safety	Protection of marine biodiversity	Ship recycling	Waste reduction and material recycling	Consumption of water and energy in offices	Business ethics	Integrated management system for ongoing improvement	Value generated and distributed	Sustainable supply chain
Sustainable Development Goals									
Activity performed by the Group	<ul style="list-style-type: none"> Project aimed at improving vessel performance from an environmental point of view and in term of on-board safety and efficiency 	<ul style="list-style-type: none"> Minimum impact of activities on environmental integrity Ongoing prevention of every possible form of pollution, with a zero-pollution goal 	<ul style="list-style-type: none"> Preparation of hazardous material inventories on all new buildings and on the existing fleet 	<ul style="list-style-type: none"> Waste management policies on board the vessels Projects promoting awareness on responsible use of plastic in the Group's offices Separate waste collection in all d'Amico offices 	<ul style="list-style-type: none"> Reducing the consumption of electricity and water inside the Group facilities, through specific policies and precautions Reducing travel between offices and increasing use of video conference and conference call systems 	<ul style="list-style-type: none"> Compliance with laws and regulations Honesty, fairness and transparency, avoiding situations of conflict of interest and unfairness Respect for privacy, dignity of individuals, environment and community 	<ul style="list-style-type: none"> Transparent statement of policies governing operations and of the methods to respond to unscheduled events Identification of a basic reference for all management documents necessary for checking the Group's daily activities 	<ul style="list-style-type: none"> Production of economic value by the Group and consisting mainly of revenue from sales related to shipping and services Distribution of economic value generated 	<ul style="list-style-type: none"> Accurate supplier assessment and selection, also based on energy performance, including the possibility of inspections and controls
KPI 2020	<p>80% of owned fleet compliant with EEXI</p> <p>34% of owned fleet applies a condition-based maintenance approach</p> <p>100% of the managed vessels are currently monitored by the group to collect data</p>	<p>More than 80% of the vessels own a ballast water treatment system</p> <p>0 oil spills</p> <p>Biofouling management through a consolidated programme of hull inspection and cleaning</p>	<p>Hazardous material inventories available providing a complete map of all materials on board</p>	<p>5,269 mc of total waste onboard in 2020, -21.4% since 2019</p> <p>0.00196 the total waste per nautical miles (mc/nm) in 2020, -21.4% since 2019</p>	<p>1,328 m³ the water supplied from the public mains in Rome and Singapore offices, -56.3% since 2018</p> <p>2,370 KWh per employee the consumption of electricity in the Group sites</p> <p>60% the sustainable mobility rate for going to work</p>	<p>No reports received regarding the conduct of violent and prevaricating behaviour</p>	<p>6 certifications owned by the Group's companies: ISM, ISO 9001, ISO 14001, ISO 26000, ISO 45001 and ISO 50001</p>	<p>€ 620.2 mln the total value generated</p> <p>€ 95.2 mln the economic value distributed to employees</p> <p>€ 1.4 mln the economic value distributed to Public Administration</p>	<p>€ 350.4 mln the economic value distributed to suppliers</p> <p>Obligation for all suppliers to comply with the company's policies in about ethics, integrity and environmental regulations</p>

d'AMICO STAKEHOLDERS

d'Amico Group's main categories of stakeholders are detailed below.

STAKEHOLDER MAPPING

INTERNAL STAKEHOLDERS

Personnel

Owners & Shareholders



EXTERNAL STAKEHOLDERS

Clients

- Dry-cargo and container vessels
- Product tankers

Investors and insurers

- Banks
- Investment funds
- Insurance

d'Amico International Shipping's Shareholders

- d'Amico International S.A.
- Other investors

Trade partners

- Port agents
- Brokers

Suppliers

- Qualified suppliers of goods, services and work

Maritime and Flag Authorities

Local communities

- Local Institution
- Local Organisation

Governments, Institutions and NGOs

- Governments
- National and International Institutions
- NGOs

Other unlisted subsidiaries



Relations with stakeholders

For each type of stakeholder, d'Amico has identified needs, expectations and related strategies.

INTERNAL

Stakeholders	Needs and expectations	Strategy
Personnel	<ul style="list-style-type: none"> • Employment guarantees • Competitive remuneration • Occupational health and safety • Professional qualification • Positive organisational environment • Flexible working hours • Participation • Cutting-edge information systems • Corporate culture • Focus on the local environment 	<ul style="list-style-type: none"> • Reviewing the organisational structure to keep up with personnel needs • Ongoing professional development for all personnel • Continuous performance evaluation • Welfare initiatives for employees • Internal process management • Technological innovation and updating of equipment and software
Owners and shareholders	<ul style="list-style-type: none"> • Group stability • Process efficiency • Satisfactory and growing economic and financial performance • Optimisation of the organisation's resources • Ship management in compliance with contractual terms • Continuous innovation processes • Compliance with management systems 	<ul style="list-style-type: none"> • Increasing attention levels towards market dynamics • Seeking new markets, areas and consumers by changing the product offered • Goal-oriented approach • Technological innovation around new services

EXTERNAL

Stakeholders	Needs and expectations	Strategy
d'Amico International Shipping's shareholders	<ul style="list-style-type: none"> • Soundness of the organisation • Process efficiency • Sustainable increase in profitability • Growth in ROI • Continuous innovation • Satisfactory financial performance of the Group 	<ul style="list-style-type: none"> • Increasing attention levels towards market dynamics • Seeking new markets, areas and consumers by changing the product offered
Other unlisted subsidiaries	<ul style="list-style-type: none"> • Economic and financial soundness • Group efficiency 	<ul style="list-style-type: none"> • Reviewing how business is conducted and the performance of the company • Examining current and future market needs

Stakeholders	Needs and expectations	Strategy
Clients	<ul style="list-style-type: none"> • Efficiency of services purchased • Quality and reliability of service • Affordable prices • Service satisfaction • Respect for workers' rights • Compliance with contractual requirements • Services in line with safety standards • Activities preventing pollution and improving the environmental situation 	<ul style="list-style-type: none"> • All-round customer assistance and service • Departments specifically ensuring service quality • HSQE department strategy for pollution prevention and workers' safety activities • Customer legal department for contracts
Trade and strategic partnerships	<ul style="list-style-type: none"> • Continuity of operations and start of new collaborations • Markets and sustainable deals • Prompt payment of fees due • Clear and accurate instructions 	<ul style="list-style-type: none"> • Remuneration • Corporate reputation and business vision • Creation and strengthening of personal relations for commercial and strategic partner
Suppliers	<ul style="list-style-type: none"> • Continuity • Solvency • Compliance with contractual conditions • Rapid and prompt payments 	<ul style="list-style-type: none"> • Updating the supply chain frequently, improving its efficiency through new suppliers and new agreements
Investors and insurers	<ul style="list-style-type: none"> • Solidity of organisations • Compliance with undertaken commitments • Excellent financial performance • Transparency on information requested and received • No complaints or issues • Risk management 	<ul style="list-style-type: none"> • Structure with a goal-oriented approach • High degree of transparency in information, fairness of financial and sustainability reporting, • Solid financial position and balanced source structure
Community	<ul style="list-style-type: none"> • Improvement of life quality and conditions • Respect for the environment and improvement of local environmental conditions • Positive relations • Collaboration 	<ul style="list-style-type: none"> • Establishing a positive and collaborative relationship with all local institutions and bodies, as well as with the community in general
Governments, National and International Institutions, NGOs and Organisations	<ul style="list-style-type: none"> • Compliance with rules and regulations • Transparency • Improving the environment in which the company operates 	<ul style="list-style-type: none"> • Identifying existing political opportunities and using them to create value for the future
Port and flag authorities	<ul style="list-style-type: none"> • Compliance with flag requirements • Compliance with class requirements • Compliance with local and international requirements, including those regarding the environment 	<ul style="list-style-type: none"> • Adopting a proactive style in complying with these regulations, anticipating the requests provided for by law

Communication with stakeholders

Furthermore, for each stakeholder category, the Group has identified the main stakeholder relationship methods, distinguishing between:

- **informative moments:** one-way communication from the company to the stakeholders;
- **dialogue moments and partnerships:** in which the company asks for its stakeholders' opinion (e.g. through polls, surveys, focus groups, etc.), holds ongoing dialogue groups or implements/manages specific projects.

Informative moments and documentation

Stakeholders

Sustainability Report

- Personnel
- Owners and shareholders
- d'Amico International Shipping's shareholders
- Clients
- Trade and strategic partnerships
- Suppliers
- Investors and insurers
- Community
- Governments, national and international institutions, NGOs and organisations
- Port and flag authorities

Financial Report

- Owners and shareholders
- d'Amico International Shipping's shareholders
- Investors and insurers
- Governments, national and international institutions, NGOs and organisations
- Port and flag authorities

Investor Relations

- Owners and shareholders
- d'Amico International Shipping's shareholders

Press releases

- Owners and shareholders
- d'Amico International Shipping's shareholders

Communications regarding the company's performance

- Personnel

Internal regulations and disciplinary system

- Personnel

Integrated Management System

- Personnel

Lighthouse

- Personnel

Informative moments and documentation

Stakeholders

Social media account

- Personnel
- Community

Emails and letters

- Clients
- Trade and strategic partnerships
- Suppliers
- Investors and insurers
- Governments, national and international institutions, NGOs and organisations
- Port and flag authorities

Industry trade shows and Road shows

- Clients
- Trade and strategic partnerships
- Investors and insurers

Group websites

- Clients
- Community

Formal and institutional communications

- Governments, national and international institutions, NGOs and organisations
- Port and flag authorities

Dialogue moments and partnerships

Stakeholders

Ongoing communication with the HR department and head of crew

- Personnel
- Community

Personnel assessment system

- Personnel

Meetings, events and seminars organised by the Group

- Personnel
- Owners and shareholders
- d'Amico International Shipping's shareholders
- Clients
- Trade and strategic partnerships
- Suppliers
- Investors and insurers
- Port and flag authorities

Communication with the Board of Directors

- d'Amico International Shipping's shareholders

Dialogue moments and partnerships

Contacts with Sales and Purchasing department

Communication and contacts with finance department

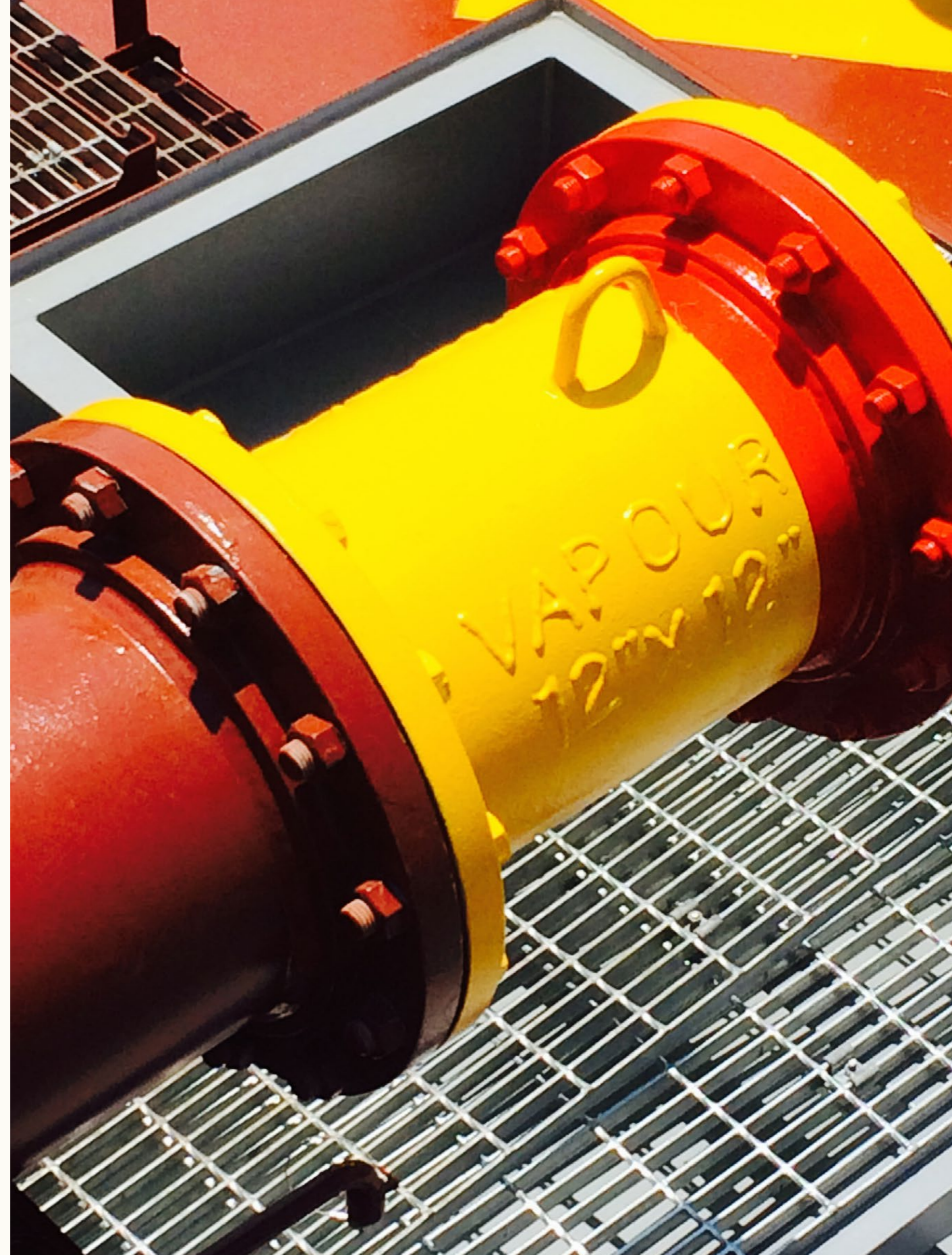
Relations and communications with Top Management and HR, Training and Development Departments and Finance Department

Continuous relations with Top Management, Fleet Director, Health and Safety Department, Political Affairs and Training and Development

Round tables

Stakeholders

- Clients
- Trade and strategic partnerships
- Suppliers
- Investors and insurers
- Governments, national and international institutions, NGOs and organisations
- Port and flag authorities
- Port and flag authorities



SOCIAL RESPONSIBILITY



2020 HIGHLIGHTS

2,731 seagoing personnel

227 onshore personnel

Euro
95.2 million

the economic value distributed to employees

63,280 total training hours for seagoing personnel

1,723 total training hours for onshore personnel

23.0 total per capita training hours for seagoing personnel

7.6 total per capita training hours for onshore personnel

Retention rate

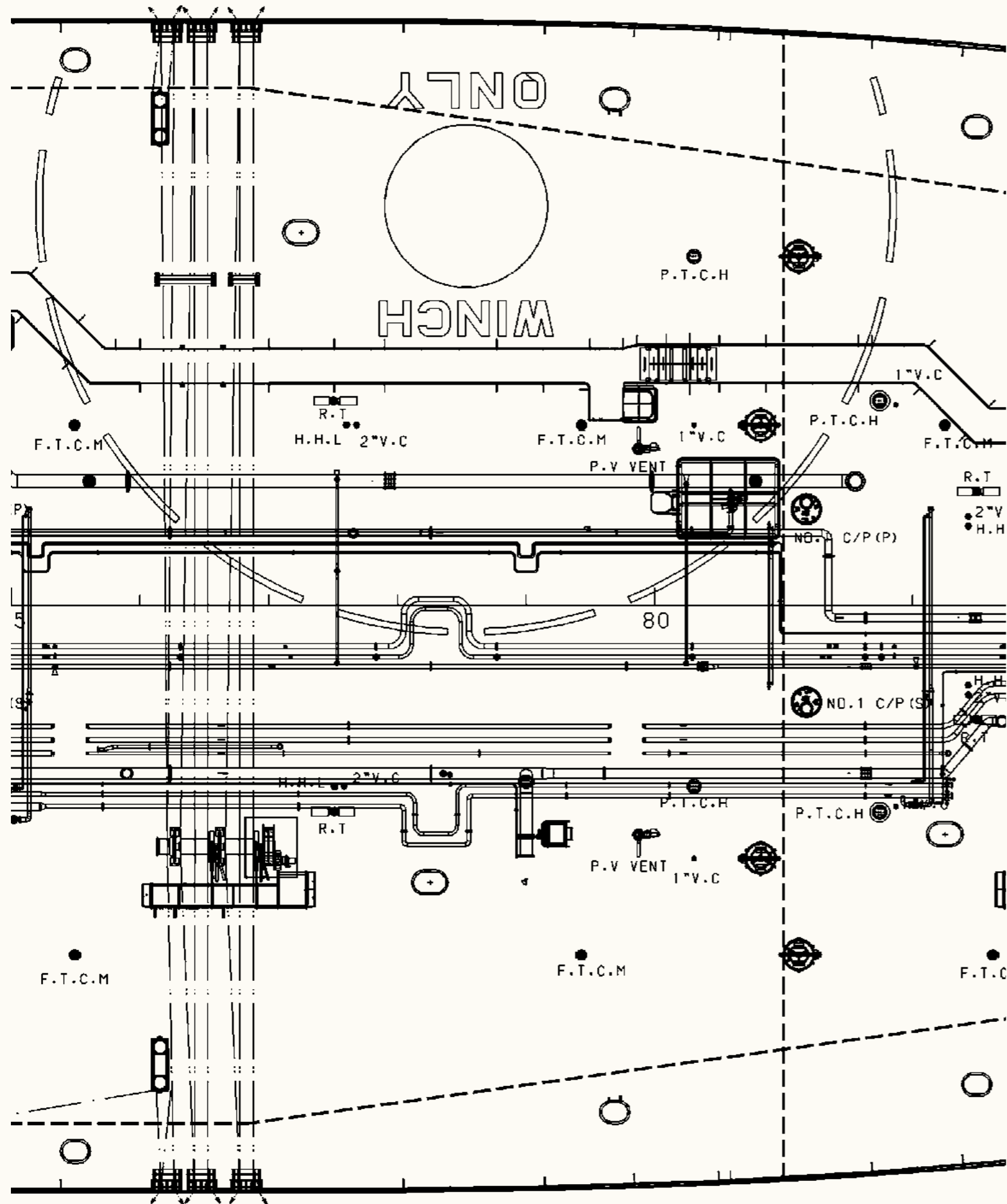
84.5% for seagoing personnel

86.3% for onshore personnel

Zero injuries

Euro
209,000 disbursed as membership fees for national and international shipowners associations and other organizations





Our people

SDGs	Sections of the Sustainability Report	Activities
	Remuneration and performance assessment system People care	<ul style="list-style-type: none"> Application of adequate remuneration and economic benefits for personnel, including adequate social protection
	Multi-cultural approach Training and development Remuneration and performance assessment system	<ul style="list-style-type: none"> Adequate training for all personnel enabling them to better carry out their job and responsibilities, and improve their skills and abilities
	The people who work for the company Remuneration and performance assessment system	<ul style="list-style-type: none"> Gender equity in all of the group's offices, for both managers and other employees
	The people who work for the company Multi-cultural approach Remuneration and performance assessment system Workers health and safety	<ul style="list-style-type: none"> Protecting the health and well-being of employees by reducing occupational risks and improving the safety of all employees, reducing inequalities between the group's employees and achieving full and productive employment and decent work conditions for everyone
	Multi-cultural approach	<ul style="list-style-type: none"> Cultural integration in the group's offices and on board all ships
	Human rights	<ul style="list-style-type: none"> Practices on diversity and inclusion in respect for individuals and for human rights

THE IMPACT OF COVID-19 ON SEAFARERS AND ONSHORE PERSONNEL

In 2020, d'Amico Group's HR was greatly involved in following the COVID-19 emergency and implementing the necessary measures to contrast the spreading of the pandemic. Indeed, **2020 has been intensively impacted by the pandemic forcing the Company to focus its efforts to ensure the safety and health of its employees** both on-board and onshore.

The COVID-19 pandemic has highlighted the professionalism and sacrifice of the two million seafarers who serve on the world's merchant fleet. As the frontline workers of the maritime industry carrying 90% of global trade, **seafarers play a vital role in ensuring the global flow of goods that the world depends on such as food, medicines, and medical supplies in unprecedented way.** Ships and ports needed to remain fully operational to maintain complete functionality of supply chains.

Inevitably **COVID-19 pandemic has also impacted the daily lives and wellbeing of seafarers.** The pandemic is still causing a humanitarian crisis at sea because hundreds of thousands of seafarers worldwide have been stranded working on board ships beyond the expiry of their contracts.

In the last year, the **shipping industry has appealed to Governments to address their plight by formally designating seafarers and other marine personnel as "key workers"**, ensuring safe crew changes and implementing the protocols developed by UN agencies, as well as by the International Chamber of Shipping and the International Transport Workers' Federation, allowing stranded seafarers to be repatriated and others to join ships.

The main objective of the shipping industry was to recognize all seafarers as "key workers", which means to **remove any barriers to their documentation and to lift national travel restrictions allowing easier crew changes and repatriation on conclusion of their contract.**

For all these reasons, in the end of 2020 the **"Neptune Declaration on Seafarer Wellbeing and Crew Change"** was signed by many members of the maritime industry (i.e. Bimco, Intercargo, Intertanko, Intermanager, ICS, Iacs, Lumi and by four Italian shipping companies: d'Amico Società di Navigazione, the Grimaldi Group, Ignazio Messina & C., Michele Bottiglieri Armatore) and human rights leaders. It is the result of a task force for the crew change created by Global Maritime Forum, whose aim is to designate professional seafarers and marine personnel as "key workers" providing an essential service.

The Neptune Declaration urges the implementation of four main actions to address the crisis, as follows:

- recognize seafarers as key workers and **give them priority access to COVID-19 vaccines;**
- establish and implement **gold standard health protocols** based on existing best practice;
- **increase collaboration between ship operators and charterers** to facilitate crew changes;
- **ensure air connectivity between key maritime hubs** for seafarers.

How d'Amico faced the health emergency

Despite COVID-19 d'Amico Group has continued its path towards promoting a culture based on policies and practices aimed at maximising and retaining talent, embracing the use of technology and innovation, improving employee well-being, and ensuring prevention of unlawful behaviour. Its goal is to **create a workplace environment where all employees have the capacity to reach their fullest potential, at the same time ensuring work-life balance for both genders.**

Since the starting of the Pandemic, all the Group's staff were informed of the recommendations highlighted by the World Health Organization (WHO), with employees strongly advised to limit their travels (above all to those countries dealing with a severe epidemic) to follow the specific recommendations regularly issued by their country of destination.

In addition to following government and state regulations, the World Health Organization's and relevant Health Institutions' advice and recommendations, the Group HR Department issued the **Outbreak Management Plan** containing provisions for the containment of the spread of COVID-19 in the workplace so as to limit the exposure to major risk factors, including that of work commuting.

Furthermore, d'Amico Group has also **safeguarded the health and safety of onshore personnel during this extraordinary period.**

The Smart Working project started during the second half of 2019 for the Italian companies, in accordance with the Italian regulations on "agile work", **has facilitated its adoption globally. The d'Amico Group, in fact, was ready both at a technological and organizational level to work remotely ensuring business continuity at all levels.**

The various d'Amico offices located in 10 different countries and 4 different continents faced also major challenges. **d'Amico Group has adopted all the emergency restrictions, the various standards and indications issued by the different local administrations.** For the d'Amico Group, ensuring the health and safety of its people has been a top priority by following all the necessary precautions, standards and protocols, it has guaranteed the uninterrupted flow of its business activities.

In addition, in countries where the control of infections has allowed people to return to their offices, d'Amico Group has adopted all the precautionary measures and started a prevention campaign against Covid-19 with periodic screening for all employees.

As mentioned above, ensuring crew changes has been one of the main challenges during most of 2020.

The global pandemic continues to dramatically affect how seafarers are managed and employed; how they travel to and from ships; how the length of time onboard is managed; and how mental and physical welfare is maintained.

Because of COVID-19 the d'Amico Group has asked its seafarers to remain aboard ships beyond the expiry of their contracts. Thanks to an important sense of belonging, nurtured by the company during the years, the requests for additional effort during this difficult period have been well received.

d'Amico Group has worked incessantly to get seafarers back to their homes and to ensure the crew changes on board. Sirius Ship Management, the d'Amico Group Company in charge of crew management, in collaboration with international authorities, was able to repatriate a large part of company seafarers stuck on the ships due to the pandemic. Sirius has also chartered airplanes, deviated ships and signed agreements with the various local authorities in order to assure crew turnover.

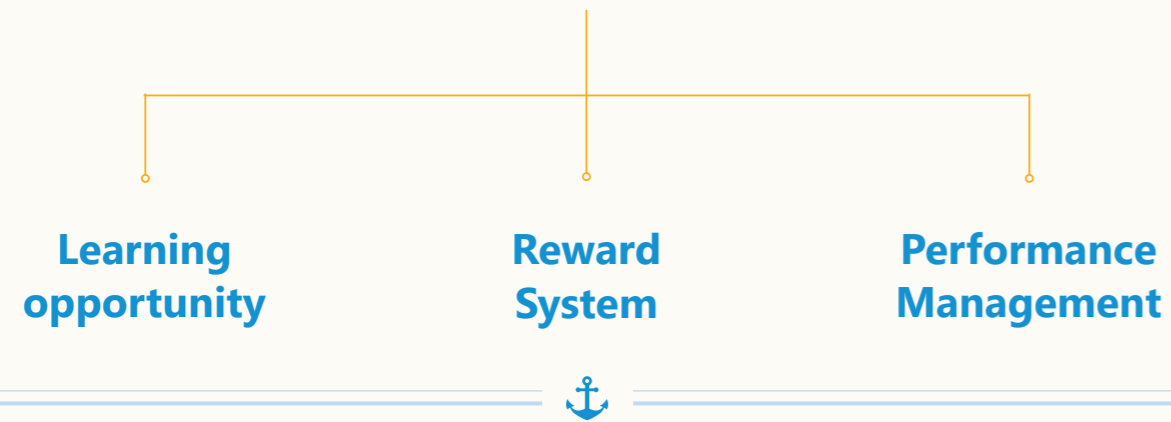


HUMAN RESOURCES MANAGEMENT POLICY

The competitive challenges of the market require the **constant development of know-how that supports ongoing innovation and increased productivity and efficiency**. For this reason, d'Amico invests in its people and adopts personnel management policies and tools aimed at improving professional skills, foster a sense of belonging and develop talent. These goals are applied to both onshore and seagoing personnel and are achieved through:

- a thorough **recruitment** process
- proper **training** activities
- an **ongoing monitoring and assessment system**.

d'Amico Policies for Human Resources



Furthermore, **defining the right skills and capabilities within an organisation** requires an internal analysis not only aimed at identifying its own needs, but also, and primarily, aimed at identifying the needs of external customers and business partners. The acquisition and development of **customer-focused skills** shifts HR management from a purely internal approach to one focused on meeting external requirements.



PEOPLE WHO WORK FOR THE COMPANY

SDGs

UN TARGET

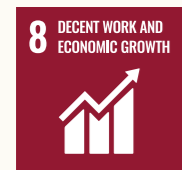
ACTIVITIES AND KPIs IN 2020



5.5
Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life

33.3% the percentage of female managers (onshore personnel)

96.3% the percentage of women with open-ended contracts (onshore personnel)



8.6
By 2020, substantially reduce the proportion of youth not in employment, education or training

44.4% the percentage of new hires under 30 (onshore personnel)

39.4% the percentage of new hires under 30 (seagoing personnel)

246 trainees in 2020 (seagoing personnel)

In 2020, d'Amico Group's workforce consisted of 2,958 employees¹¹, 227¹² of whom were onshore personnel (7.7%) and 2,731 employed on board vessels (92.3%).

The two types of resources, given their distinct characteristics, are managed by **dedicated departments** - the Human Resources Department for onshore personnel and the Crewing Department for seagoing personnel - sharing however the common d'Amico Group policy on Human Resources Management.

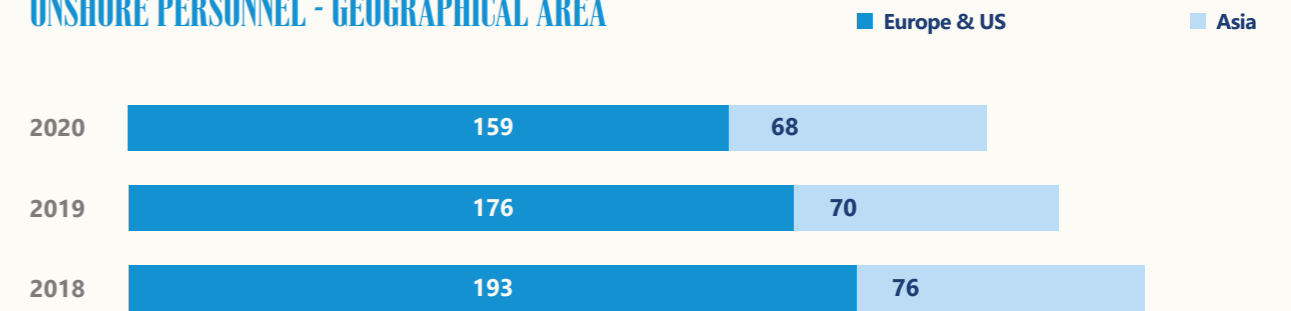
Compared to 2019, onshore personnel recorded a sharp decrease: -9.7%, in Europe and America, and -11.4% in Asia. The **percentage of women** in relation to the total number **increased** compared the previous years (36.1%).

The decrease in onshore personnel numbers reflects the reorganization process that the d'Amico Group has undertaken during the year 2019. The d'Amico Group decided to **implement a reorganization of some work activities with the aim to improve efficiency and remedy any imbalances within the organization, thus improving cost optimization**. This entailed a series of interventions and investments aimed at rationalisation and renewal. Following this process some activities have been more centralised and moved from peripheral offices to more central offices, where management is located.

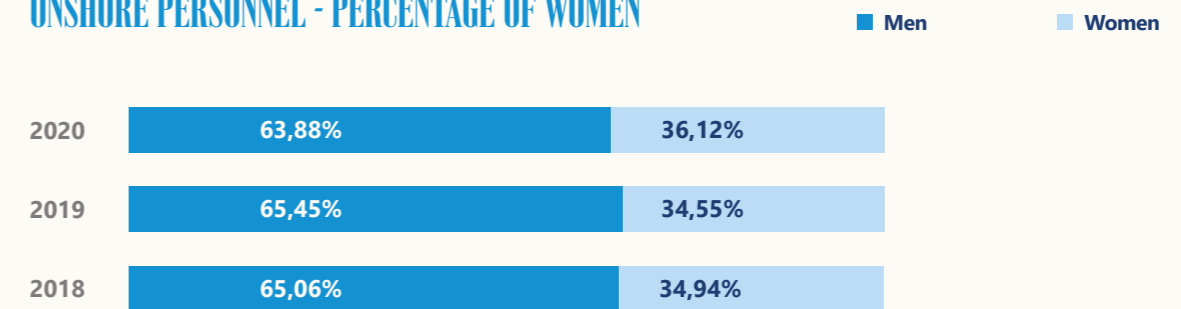
¹¹ This number takes into account the staff rotation on d'Amico Group ships.

¹² The consolidated number of onshore employees is equal to 280; the data reported below refers only to the personnel related to d'Amico and Ishima, equal to 227 units.

ONSHORE PERSONNEL - GEOGRAPHICAL AREA

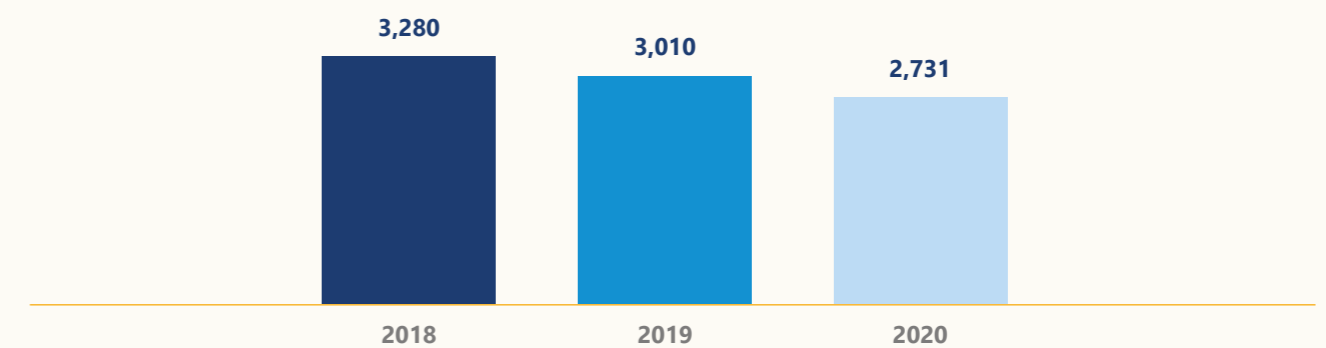


ONSHORE PERSONNEL - PERCENTAGE OF WOMEN



ONSHORE PERSONNEL	2018				2019				2020			
	M	W	Tot	% W	M	W	Tot	% W	M	W	Tot	% W
Europe and America	127	68	193	35.2%	120	56	176	31.8%	105	54	159	34.0%
Asia	48	28	76	36.8%	41	29	70	41.4%	40	28	68	41.2%
TOTAL	175	94	269	34.9%	161	85	246	34.6%	145	82	227	36.1%

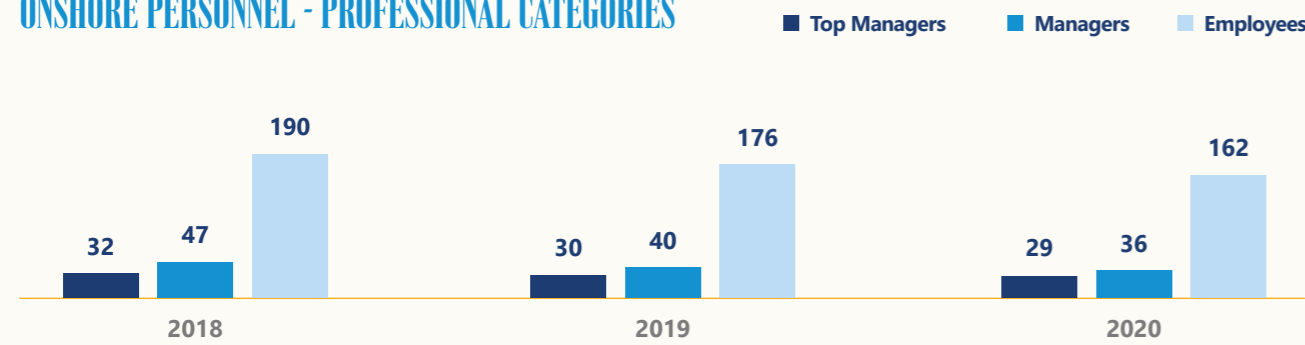
SEAGOING PERSONNEL



A 9.3% drop is reported in the number of seagoing personnel compared to 2019, equal to 279 seafarers. In 2020, **the composition of the ship management operational tables was revised**, favouring the consolidation of resources already present within the organisation, instead of investing in new operational resources. In addition, compared to 2019, d'Amico Group has sold 7 of its oldest vessels to focus only on modern and efficient 'Eco' vessels for its fleet.

The reduction in onshore personnel mainly involved employees (-14) and managers (-4), while there is substantial stability in Top Management.

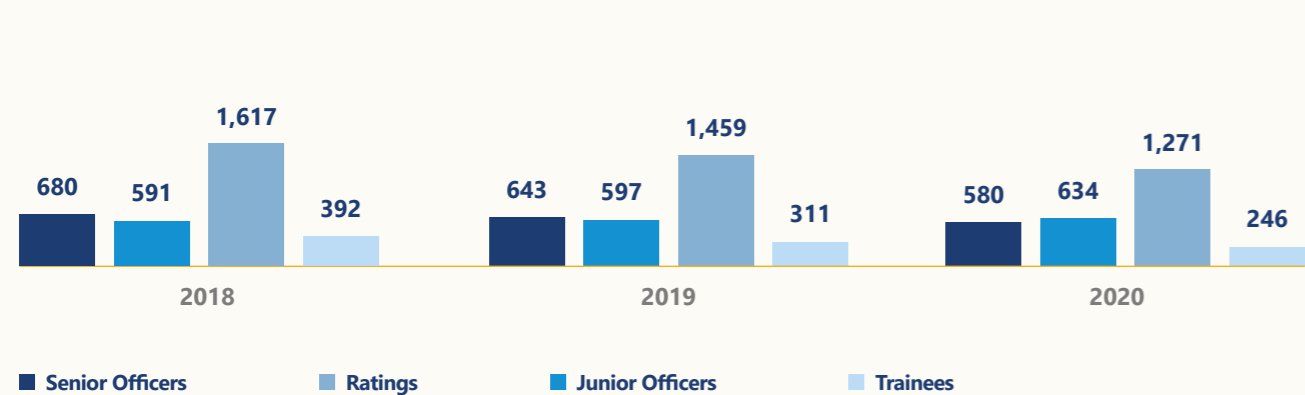
ONSHORE PERSONNEL - PROFESSIONAL CATEGORIES



ONSHORE PERSONNEL	2018				2019				2020			
	M	W	Tot	% W	M	W	Tot	% W	M	W	Tot	% W
PROFESSIONAL CATEGORIES												
Top Managers	31	1	32	3.1%	29	1	30	3.3%	28	1	29	3.5%
Managers	30	17	47	36.2%	25	15	40	37.5%	24	12	36	33.3%
Employees	114	76	190	40.0%	107	69	176	39.2%	93	69	162	42.6%
TOTAL	175	94	269	34.9%	161	85	246	34.6%	145	82	227	36.1%

As regards seagoing personnel, the reduction affects mainly trainees (-20.9%) and senior officers (-9.8%), while there is an increase in junior officers (+6.5%) and ratings¹³ (+3.8%)

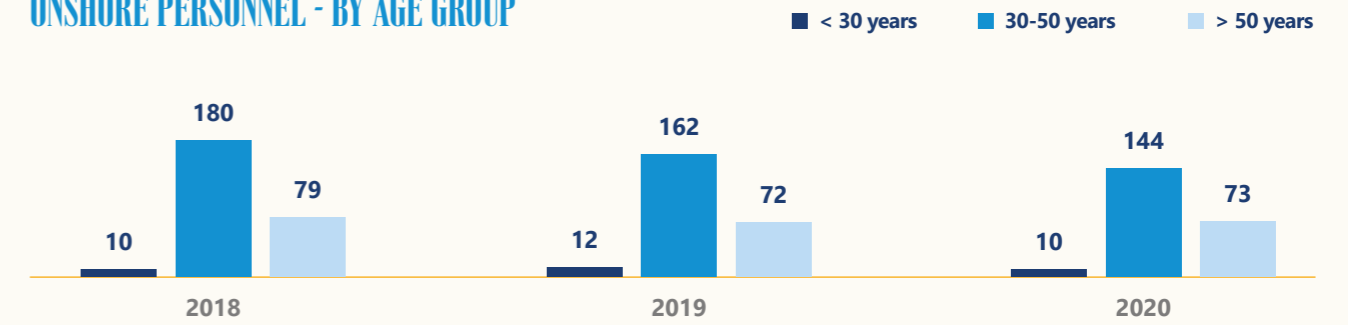
SEAGOING PERSONNEL - PROFESSIONAL CATEGORIES



¹³ Ratings: Petty officers and Seamen.

63.4% of the Group's onshore personnel is between 30 and 50 years of age, 4.4% is under 30 of which 70% are women.

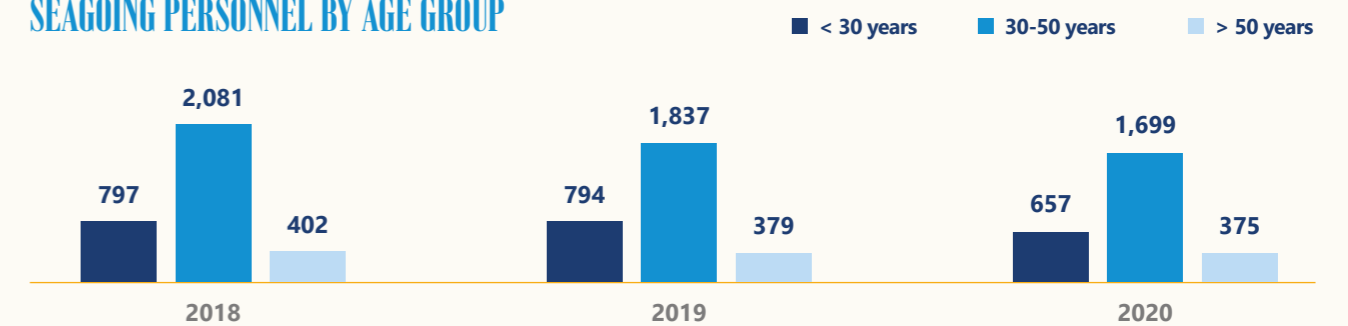
ONSHORE PERSONNEL - BY AGE GROUP



ONSHORE PERSONNEL	2018				2019				2020			
	M	W	Tot	% W	M	W	Tot	% W	M	W	Tot	% W
AGE												
<30 years	3	7	10	70.0%	5	7	12	58.3%	3	7	10	70.0%
30 - 50 years	108	72	180	40.0%	97	65	162	40.1%	87	57	144	39.6%
>50 years	64	15	79	19.0%	59	13	72	18.1%	55	18	73	24.7%
TOTAL	175	94	269	34.9%	161	85	246	34.6%	145	82	227	36.1%

On average, seagoing personnel are younger: 24.0% are under 30 years of age, 62.2% are between 30 and 50 and the remaining 13.8% are over 50.

SEAGOING PERSONNEL BY AGE GROUP

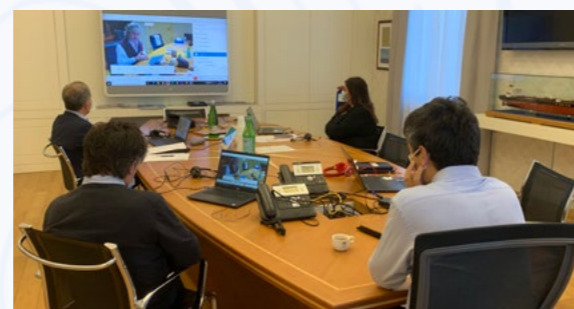


SHIP AND SHORE STAFF SEMINAR 2020

Periodic meetings and targeted actions are organised **to promote integration between onshore and seagoing personnel.**

Every year the Company organises two editions of the **“Ship and Shore Seminar”**, generally in Italy and India. In addition to the actual purposes of the seminar - which include **activities for learning and sharing topics** related to health, safety, environment and any other matter of relevance to the shipping industry - the event also allows seagoing personnel, their families and office staff **to develop strong bonds.** Ideas and experiences are shared on a platform and commitments are made **to spread sustainability values, the knowledge of new maritime regulations, and safety and health procedures.** These are a cultural rather than operational imperative, in addition to being a distinctive characteristic in order to actively respond to the changes in the sector and succeed in becoming a leading company in an increasingly complex and regulated market. The interaction between sea and shore staff provides the right platform **to learn lessons from past incidents** and highlights how safety can be achieved and safeguarded onboard through various aspects.

In 2020 the d’Amico Group organised the annual seminar from Italy, with the theme “Mariners of the Sea”, entirely in digital form due to the COVID-19 pandemic. During three days of workshops and presentations, international experts and d’Amico managers together with an important number of crew members gathered online to discuss and emphasize the **importance of compliance in the shipping sector** to both national and international **standards and regulations, which are increasingly stringent.** The culture of safety and environmental compliance was once more a crucial aspect at d’Amico Group’s Annual Seminar. **Particular attention was dedicated to MRV and IMO DCS compliance and Cybersecurity.** This year external representatives of P&I Clubs have been invited to discuss about insurance matters and attention was given to Bunker Claims. The seminar was appreciated by all participants and increased their commitment to the d’Amico Group.



TYPE KNOT

- Figure Eight Knot



LIGHTHOUSE

Starting in January 2014, d’Amico Group began publishing “The Lighthouse” on a quarterly basis, which is an **internal magazine** that provides **interesting content and represents an efficient shore-and-ship communication link.**

“The Lighthouse” magazine helps d’Amico Group to communicate across teams dynamically and comprehensively, **creating community throughout the Group.** All departments contribute to each edition of “The Lighthouse” with articles about new regulations, new projects, best practices development, and analysis and comments on marine casualties. In line with the Group policies, the magazine is aimed at **focusing the attention of all crew members on individual health, safety procedures and protection of the environment.** Nevertheless, “The Lighthouse” also includes **sections dedicated to life on board,** more generally to the well-being of seafarers and also information about company events onshore.

This year emphasis has been placed on the spread of the COVID-19 pandemic. An important informative **campaign has been put in place to minimize the risk of Coro-**

navirus contagion for our seafarers. These are challenging times for many seafarers. Both their physical and mental health are being put to the test. The difficulties in conducting crew changeovers, providing medical care for sick and injured crew, allowing for shore leave and the inability to resupply or repatriate crews have never been faced before. Our Group, during this very difficult time, has been able to ensure full continuity of its activities because the technologies have allowed us to adopt a way of working (remote working) that has guaranteed maximum protection for the health of our staff.

“The Lighthouse” magazine is also **an opportunity to congratulate our seafarers,** through the “Service with Pride” section, **for seniority within the organisation.** Starting with five years of service in the organisation, we proudly list officers and crew with a seniority of twenty years and more. This is a special way of making the d’Amico community aware of the seniority reached by our onboard people within the organisation.

TYPE KNOT

- Double Carrick Bend



HR INFORMATIONAL SYSTEM

The d'Amico People global database uses a **global approach in supporting the management of all d'Amico Group employee data, as well as organisational, training and compensation information.**

The system is now up and running with the great advantage for the HR Group to manage personnel information **in real time** across all the offices worldwide.

With a view to the continuous improvement of the processes, a further module will be implemented in relation to the **People Performance Management process**. The module will collect information and relevant rates on people performance in the d'Amico People database in a more centralized manner, highlighting performance trends during an employee's history within the d'Amico Group. On the one hand, this will support the career development process and, on the other, the reward decision making process.

TYPE KNOT

- Square Knot



Types of Contracts

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020



8.5

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

96.9% The percentage of employees with open-ended contracts (**onshore personnel**)

91.0% The percentage of seafarers with open-ended contracts (**seagoing personnel**)

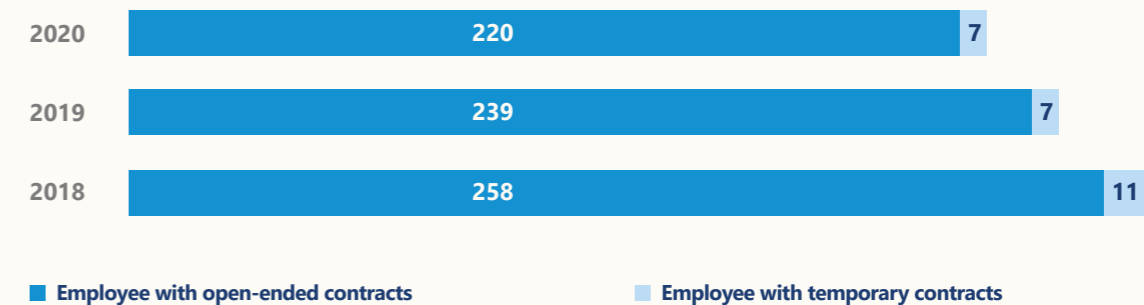
86.3% The retention rate of onshore personnel

84.2% The retention rate of tanker ship seafarers

84.8% The retention rate of dry ship seafarers

The percentage of onshore **personnel employed with an open-ended contract increased from 95.9% in 2018 to 96.9% in 2020** as clear evidence of the high level of attention that the Group places on retention activities, connected to long-term investment in its resources.

ONSHORE PERSONNEL - BY CONTRACT TYPE

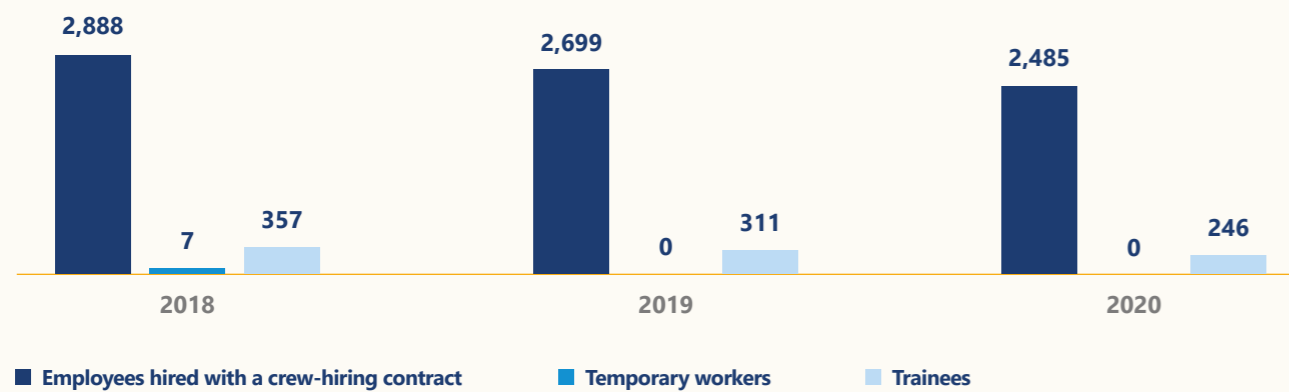


ONSHORE PERSONNEL	2018						2019						2020					
	Europe and America		Asia		Tot	Europe and America		Asia		Tot	Europe and America		Asia		Tot			
	M	W	M	W	T	M	W	M	W	T	M	W	M	W	T			
Open-ended contract	119	63	48	28	258	115	55	40	29	239	102	52	39	27	220			
Fixed-term contract	8	3	0	0	11	5	1	1	0	7	3	2	1	1	7			
TOTAL	127	66	48	28	269	120	56	41	29	246	105	54	40	28	227			

The Group employs seagoing personnel under a seafarer employment agreement in line with international standards and regulations (2006 Maritime Labour Agreement) and as described in the Collective Bargaining Agreement (CBA). It also guarantees the **continuity of staff rotation on similar types of ships, as shown by the high retention rate of 84.2%**, which is an extremely satisfactory result, **in line with market standards**.

In 2020, the Company had **246 trainees in its fleet**, i.e. 9% of total staff employed on board.

SEAGOING PERSONNEL - BY CONTRACT TYPE



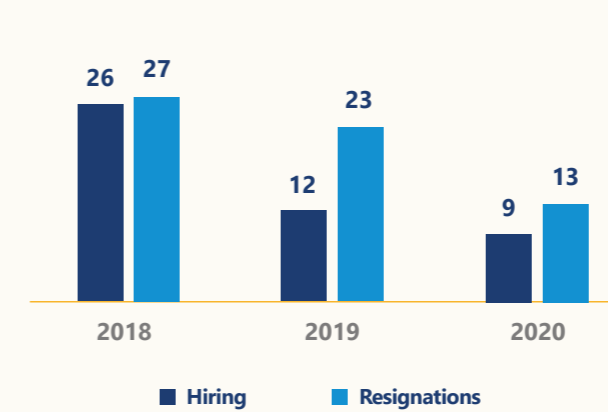
SEAGOING PERSONNEL	2018	2019	2020
TYPE OF CONTRACT	Total	Total	Total
Employees hired with a crew-hiring contract	2,888	2,699	2,485
Temporary workers	7	0	0
Trainees	392	311	246
TOTAL	3,287*	3,010	2,731

* For 2018, the total number of employees differs from the previous representation because now 7 Temporary Workers are also included.

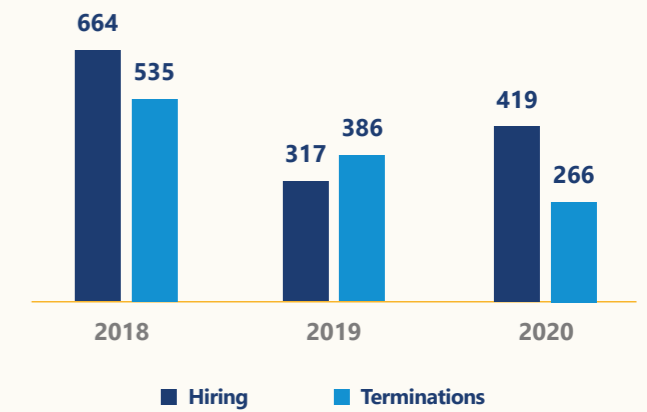
Hiring and Resignations

In 2020, d'Amico Group recorded **positive turnover of 149 people** with a significant decrease in seagoing personnel (+153 people). In the same year, the Group hired **9 new onshore employees** (5 men and 4 women), 44.4% of whom under 30, and **419 (all men) seagoing employees**, 39.4% of whom under 30.

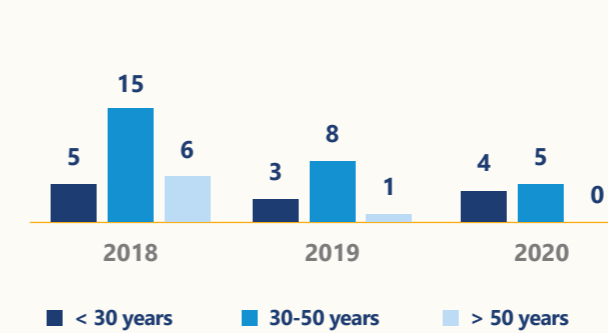
TURNOVER - ONSHORE PERSONNEL



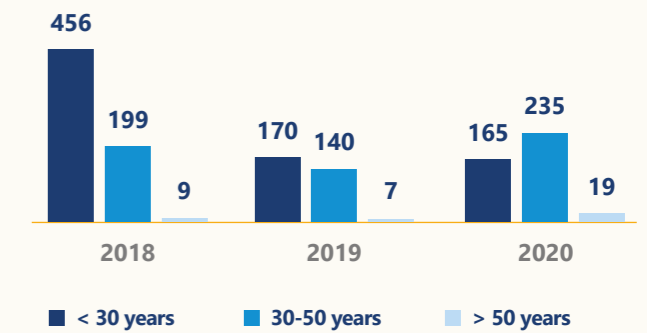
TURNOVER - SEAGOING PERSONNEL



HIRING BY AGE - ONSHORE PERSONNEL



HIRING BY AGE - SEAGOING PERSONNEL



ONSHORE PERSONNEL	2018						2019						2020					
	Europe and America		Asia		Tot	Europe and America		Asia		Tot	Europe and America		Asia		Tot			
	M	W	M	W	T	M	W	M	W	T	M	W	M	W	T			
<30 years	1	0	0	4	5	2	1	0	0	3	1	1	0	2	4			
30-50 years	1	7	4	3	15	3	1	2	2	8	1	0	3	1	5			
>50 years	5	0	0	1	6	1	0	0	0	1	0	0	0	0	0			
TOTAL	7	7	4	8	26	6	2	2	2	12	2	1	3	3	9			

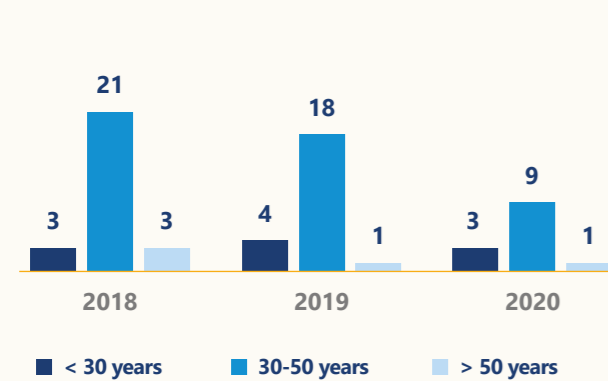
SEAGOING PERSONNEL	2018	2019	2020
HIRING	Total	Total	Total
<30 years	456	170	165
30-50 years	199	140	235
>50 years	9	7	19
TOTAL	664	317	419

Regarding exiting **staff**, in 2020, 13 resignations were recorded among onshore personnel and 266 resignations among seagoing personnel. **The Group has satisfactory retention levels for both onshore (86.3%) and onboard personnel**, in particular, the retention rate is **84.3% on tanker ships and 84.8% on dry vessels of d'Amico Società di Navigazione while 86.2% on tankers and 81.5% on Dry for Ishima. The sector's retention rate¹⁴, as regards tanker ships, is instead 80%**, under every aspect lower than the Groups' retention rate.

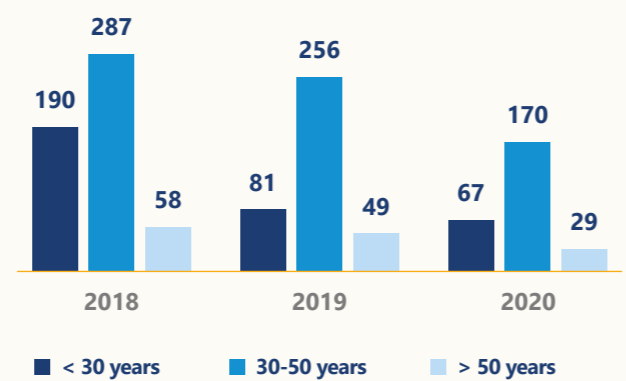
A considerable number of captains have spent their entire careers with d'Amico, starting out as cadets and rising, in some cases, to fill management positions in the offices.

The **reorganization** of some professional activities undertaken during the previous year with the aim of improving efficiency and resolving any imbalances within the organisation, resulting in cost optimisation, has confirmed throughout 2020 the effectiveness of the operation which has been guaranteed by the interventions and investments undertaken as well as the renewal and consolidation of the same activities, now more centralized.

RESIGNATIONS BY AGE - ONSHORE PERSONNEL



TERMINATIONS BY AGE - SEAGOING PERSONNEL



¹⁴ OCIMF, Tanker Management and Self Assessment 3 (TMSA3), Third Edition 2017

ONSHORE PERSONNEL	2018			2019			2020								
	Europe and America		Asia	Tot	Europe and America		Asia	Tot	Europe and America		Asia	Tot			
	M	W	M	W	T	M	W	M	W	T	M	W	M	W	T
RESIGNATIONS*															
<30 years	1	0	0	2	3	1	2	1	0	4	1	0	0	2	3
30-50 years	7	8	1	5	21	4	3	8	3	18	1	4	2	2	9
>50 years	1	0	0	2	3	0	0	1	0	1	1	0	0	0	1
TOTAL	9	8	1	9	27	5	5	10	3	23	3	4	2	4	13

* The Intertanko formula describes the total number of terminations from any cause (in effect this means the total number of employees who left the company for any reason). Retirement, long-term illness, or staff that do leave providing benefit to the company by virtue of leaving, are not counted for the retention.

SEAGOING PERSONNEL	2018	2019	2020
TERMINATIONS**	Total	Total	Total
<30 years	190	81	67
30-50 years	287	256	170
>50 years	58	49	29
TOTAL	535	386	266

**Total number of seafarers who, for various reasons, have stopped sailing with d'Amico Group.

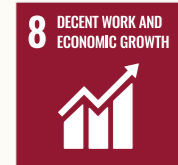


Multicultural Approach

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020



8.5

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.8

Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular female migrants, and those in precarious employment



10.2

By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

NO REPORTING

Received in relation to discriminatory acts against people of different ethnicity or nationality

16

Different nationalities within the crew members

24

Different nationalities within the onshore personnel

80%

Of the personnel is from Asia

As a global operator, d'Amico Group recognises multi-cultural integration and team building as a **value at all levels of the organisation, both in the offices as well as on board our vessels.**

Multi-culturalism as a value embodies equal opportunities, diversity and inclusion policies in the workplace. A **diverse workplace gives a company a competitive advantage**, especially for an international business. In fact, a multi-cultural approach promotes the integration of different cultures and a mutual exchange of ideas, experiences and perspectives, which leads to new innovations for the business and more favourable and positive working relationships.

It offers **opportunities for businesses to expand globally**, achieving and improving corporate social responsibility, and is one of the **key indicators of a global organisation.**

Open-mindedness and communication are the core advantages of multi-culturalism that can benefit the workplace. It encourages open dialogue to create understanding, collaboration and teamwork among staff. Above all, multi-culturalism demonstrates tolerance, respect and acceptance which improves the Company's culture and reduces conflict within the workplace, giving equal attention and representation to cultural needs. It entails the removal of barriers to consider the great potential for cultural, and even professional, growth represented by the diverse traveling community aboard a ship, which may often share this condition for a long time.

The ships' crews come from 16 different countries, with the majority made up of Indians 60.3%, Filipinos 18.3 % and Ukrainians 8.4%. The remaining 13% come from countries such as Italy, Romania, Russia, Morocco, Bangladesh as well as Ethiopia, Liberia and the Maldives.

The onshore personnel, on the other hand, **comes from 24 different countries**: more than half of the staff is Italian (54.2%), while the remaining part is mainly composed by Singaporeans (10.6%), Indians (7.5%), French (5.7%), English (3.1%), Filipinos (3.1%) and Malaysians (2.2%).

MULTICULTURAL INITIATIVES

d'Amico Group encourages and supports intercultural initiatives within the Company as well as on board its vessels, confirming its commitment to implement a policy based on diversity and inclusion, regarded as success factors for the organisation.

Singapore Office and Ishima Chinese New Year Celebration

Our Singapore office celebrated the Chinese New Year and awarded d'Amico and Ishima employees with the 10-year service award.

After the traditional Lion dance and giving blessings to every corner in both d'Amico Shipping and Ishima offices, they proceeded to give the 10-year service

award to the following staff. The lion dance is a form of traditional cultural dance in China and other Asian countries in which performers mimic a lion's movements, wearing a lion costume, to bring good luck and fortune. In this occasion, 5 employees from the Singapore office were rewarded with the Long Service Award Programme for their 10-year service in d'Amico Group. We applaud the determination and effort of our colleagues who have demonstrated their attachment to the company and their commitment during their time with us. We hope that everyone does keep up the good work for many years to come!

On the same day, the celebration continued with the traditional luncheon and Yusheng in the office.



TYPE KNOT

- Stevedore's Knot



RECRUITMENT AND SELECTION

Onshore Personnel

Recruitment is a crucial process because it is during this phase that the Company identifies and selects the human resources capable of providing an important contribution to the organisation, consistent with its corporate culture and values. The **quality of people**, in fact, remains a **strategic asset for the Company**. The accurate identification of the professional profile to be recruited, in terms of skills, capabilities, seniority and experience, represents an important moment.

For this purpose, the Company invests in **talent acquisition through sector networking and partnerships with reputable universities and educational/training institutions** supporting a constant commitment to all "brand employment" actions. When there is a job vacancy, in order to be able to recruit the most qualified and talented candidates, the Human Resources Department identifies the best mix of recruitment channels available on the market, develops a detailed job profile description and determines the appropriate seniority required. **An important recruitment channel** for highly qualified professionals, especially for positions that directly support the operations and the management of vessels, **is the onboard personnel**. As such, the synergy between the vessel and the office allows to offer opportunities for professional growth with the intention also of strengthening d'Amico Group's culture. In this respect, during the year 2020 one of the Masters from the d'Amico Tanker fleet was transferred to the Marine Department with the role of marine superintendent. In line with the mission of the role, he is in charge of overseeing the operations of the Group of vessels assigned to him, ensuring that they are operated safely, economically and efficiently maintained to a standard that allows them to fulfil operational requirements of either the organization and / or charter parties and / or other commercial contracts.

In addition, other two candidates have been selected from the d'Amico onboard personnel (navigational officers) to strengthen the Operation Department – Ship Control Unit. Their effective shore employment started in early 2021.

During the selection process, the Human Resources Department works closely with the line manager of the relevant unit so that the best candidate is selected in terms of **skills, experience, motivation and compatibility with the organisational context and working group**. With regard to the latter aspects, **adherence to the values and culture of the d'Amico Group** is a key attribute that guides the selection of the candidate.

	2018	2019	2020
Jobs and selection processes opened*	14	12	4
Candidates	1,965	1,673	1,460
<i>Of which spontaneous</i>	1,416	1,131	1,393
Candidates for job vacancies that are reviewed	549	542	67

*For each open position, approximately 5 or 6 candidates were short listed and examined in the final phase of the selection.

In order to immediately build a deep understanding of the expected role and to strengthen integration in the organisational environment, **new recruits are accompanied through an induction training process** (On-Boarding). This consists of meetings with their line manager and the HR Department as well as on-the-job training and ensures that recruits acquire all the necessary tools and information to become a member of the team and the organisation.

INDUCTION TRAINING PROCESS FOR ONSHORE PERSONNEL

The aim of the induction process is to facilitate the orientation of new hires in d'Amico Group and to provide them with a proper induction path. This is **a strategic process for the Group, which seeks to develop deep commitment, a key to the Company's success.**

The supervisor is responsible for ensuring that the induction path is properly completed, while the HR Department is responsible for providing the initial orientation training and for supporting and monitoring the new hires throughout the entire path.

On day 1, new employees are welcomed by the manager and the HR Department and have the chance to meet their team and all of the personnel in the local office. During the first week, they receive some orientation training sessions, while in week two they meet with their manager to set the shared objectives. After three months, new employees get a periodic review of the individual objectives, and the manager determines each employee's training needs. After six months, the new hires receive a formal final review from the manager.



TYPE KNOT

- Overhand Knot



Seagoing personnel

The quality of the crew is a key aspect for d'Amico, as it guarantees safety, efficiency and reliability in the management of the fleet. In fact, on average, d'Amico crew members spend much of their time on board, so it is very important to identify high quality personnel.

In 2020, officers spent 6.2 months on board, while ratings spent an average of 8.8 months on board. The period is longer than the previous year due to difficulties in arranging crew changes because of COVID -19 travel restrictions. The time spent on board is calculated as the sum of the durations of the various contracts of each person. A person can have multiple contracts during the year. The typical staff rotation (especially officers) provides an average of 3 months of rest for every 5 months spent on board.

Access to highly qualified personnel requires an effective recruitment and retention programme. In order to meet these needs fully, a selection strategy has been adopted for seagoing personnel, resulting in recent years in the implementation of specific initiatives, such as the consolidation of relations with the company, Sirius Ship Management Srl, entrusted with recruitment activities.

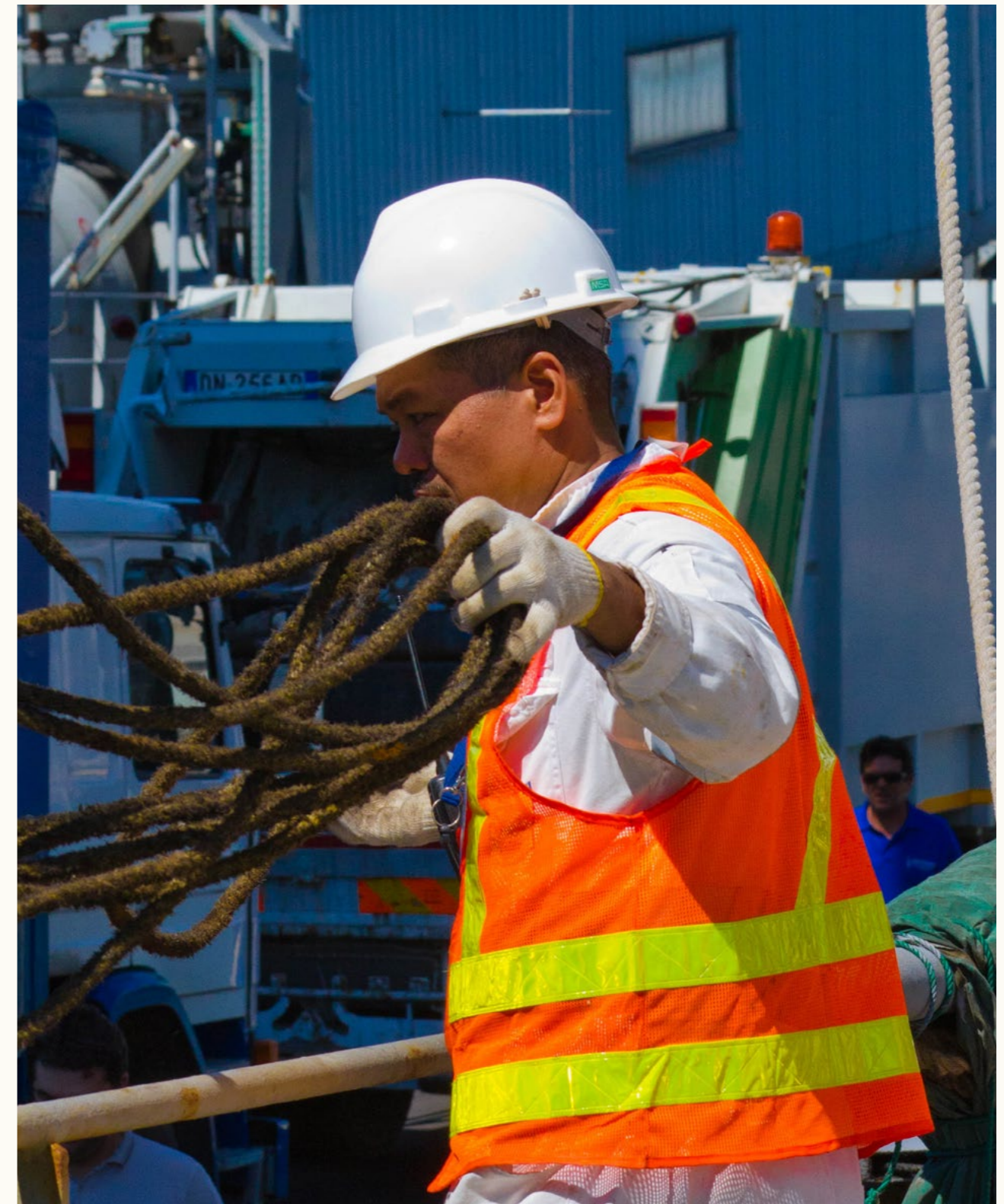
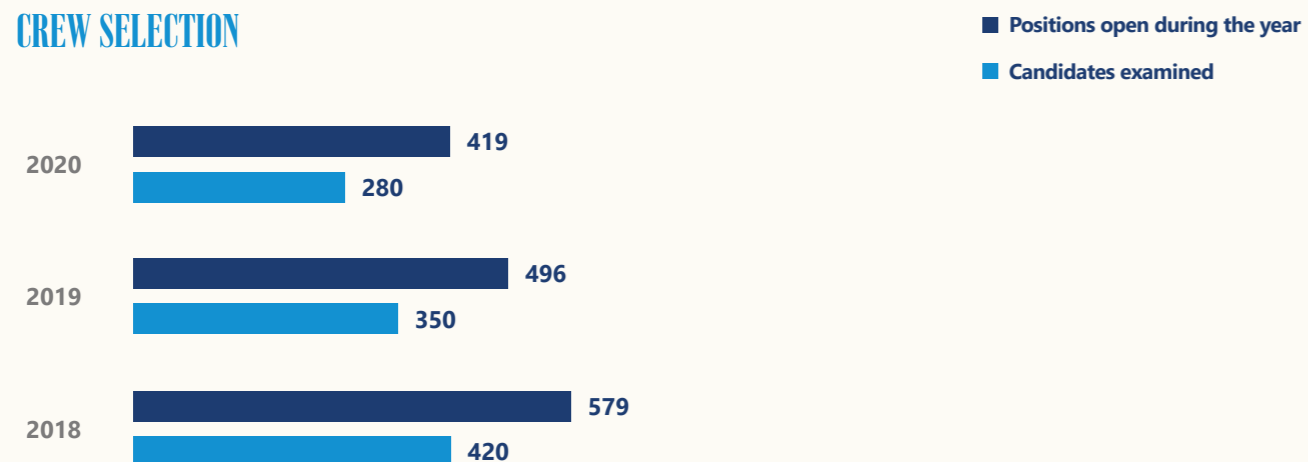
Identification and loyalty are core values for the Group and in line with its values. d'Amico Group believes that the presence of a crewing and training structure in its seafarers' countries of origin will strengthen their sense of belonging to the Company. It ensures an easy mutual understanding and sharing of Group strategy and values. It is, in fact, **the Group's general policy to recruit personnel from the countries where it has established crewing and training structures.** In line with this, cadet recruitment and training centres will be supported in all locations where there are an in-house established crewing and training structure that can supervise their training and skill progression.

Among these initiatives, the greater involvement of the Mumbai office and the selection of an external provider in the Philippines should be noted. Both initiatives respond to the need to **play a significant role in countries where the labour market features strong demand and suitable availability of qualified personnel.** Apart from the traditional presence in India and Philippines, the Group has recently reinforced its presence in Ukraine and Romania for the recruitment of officers for both the Dry and Tanker Fleet. The d'Amico Group encourages and supports intercultural values within the Company, confirming its commitment to implementing a policy based on diversity and inclusion, regarded as success factors for the organisation.

For the selection of personnel holding positions of responsibility in ship management, the Company's policy is to select – where possible - these positions from among the seagoing personnel of its fleet. Candidates are identified through feedback and assessments received from DPA, maritime managers and technicians. For these positions, as a rule, senior officers are preferred. Recruitment activities are entrusted to a company within the Sirius Group (and its subsidiaries), which is duly certified to fully operate in compliance with the MLC 1.4 standard. Specific selection and recruitment criteria in line with international standards and regulations (2006 Maritime Labour Agreement) and with Collective Bargaining Agreements (CBAs) have been defined by the Group to ensure that highly qualified personnel are selected and that they are offered extensive protection of their rights.

SEAGOING PERSONNEL	2018	2019	2020
Positions open during the year	579	496	419
Of which for internal positions	275	256	204
Candidates examined	420	350	280

CREW SELECTION



THE DAY OF THE SEAFARER

International shipping and related industries are dependent on qualified seafarers to operate ships and on shore-based personnel to support ship operations. The maritime community contributes to quality of life, particularly in developing countries, by employing 1.5 million seafarers and many more land-based personnel, thereby directly enhancing economic prosperity in local communities. The safety and security of life at sea, the protection of the marine environment and the efficient movement

of global trade depend on the professionalism and competence of seafarers.

The seafaring profession is promoted through the annual Day of the Seafarer, which provides a platform for seafarers and maritime sector personnel **to celebrate and share their experiences with the general public and to raise awareness of the value and importance of maritime transport.** The Day of the Seafarer (25th of June) is recognized in the list of annual United Nations Observances.



TYPE KNOT

- Double Overhand



TRAINING AND DEVELOPMENT

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020

4.4

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship



4.5

By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

7.6

Total per capita training hours provided to onshore personnel

23.0

Total per capita training hours provided to seagoing personnel

83%

The percentage of people trained out of total employees

1.1

The ratio between per-capita training hours for women and per-capita training hours for men (onshore personnel)

1.4

The ratio between per-capita training hours for women and per-capita training hours for men (seagoing personnel)

The Group assigns great importance to training and to defining growth and professional development processes for both onboard and onshore personnel. Through its **training programmes**, d'Amico ensures that people build new competencies and update those they already possess, in order **to maintain high quality performance, to support the development of talents** through growth in terms of roles and responsibilities, **and to reinforce the sense of belonging** to the Company.

Onshore Personnel

Training and development are a fundamental part of the people management system and, together with the reward and performance evaluation system, contribute to maintaining and strengthening high quality performance by the people working within the Group. The aim of the training policies and initiatives is to create a **context of continuous learning that supports the process for developing and maintaining skills**.

Within this framework, the **d'Amico Academy** was created for onshore personnel. The goal of the Academy is to build a community of employees, colleagues and experts who **share management and shipping knowledge in a common learning platform**. The Academy brings together all learning and development initiatives to create an environment for developing skills and strengthening professional relationships and hence enhancing and consolidating the learning culture at all organisational levels, mixing different approaches and tools. Since 2019, all d'Amico personnel can access, through a dedicated Academy section in the **Darwin intranet portal**, e-learning training courses, orientation training programs, as well as the upcoming shipping courses; that is, a list of training initiatives relevant to the shipping industry that the HR Department selects and assembles from different training providers. This is the result of the **Group's recent focus on innovation in terms of training methods adopted**. In addition to more traditional classroom training, several e-learning courses

have been delivered to ensure a flexible, modular and interactive approach to learning (24/7 from different devices), which is also the result of planning inspired by both case studies and by the motivating and engaging use of gamification. The Academy includes several **pillars**:

- **Technical and shipping training:** this area aims to develop specific skills typical of the professional category as well as skills closely related to the shipping sector. Many courses, including some that are tailored to specific business needs, are carried out in collaboration with leading players in the sector, for example, BIMCO (Baltic and International Maritime Council), Lloyd's Maritime Academy, DNV GL, RINA Academy, National Cargo Bureau, ASBA Education (Association of Shipbrokers and Agents - USA), ASDEM, etc.
- **Managerial training:** this area aims to develop soft skills and, through the design and implementation of specific training programmes, to develop skills for effectively and professionally operating in an increasingly complex organisational environment. High-performing organisations increasingly recognise that it is not only what people do but how they do their jobs that makes the difference in achieving business objectives. It is a crucial development system and ensures practices that are geared towards defining, assessing, maintaining and developing the soft skills of our personnel that enhance the culture of high performance, which can be observed through people's actions and behaviours.
- **Institutional and compliance-related training:** this pillar is designed to meet the requirements of compliance with the standards imposed by law and includes institutional initiatives for the entire organisational workforce.
- **Language & IT training:** these courses are designed to ensure that employees are kept up to date with the latest software used in the Company and available on the market, as well as to improve communication flow among the d'Amico offices. These are both targeted initiatives related to the launch of new systems and ongoing initiatives aimed at ensuring high levels of language and technology skills to help employees operate at an optimum level in an international and increasingly innovative environment.

Alongside these four key reference areas, the Company offers the opportunity to participate **in postgraduate training programmes**, supports professional certifications and encourages participation in industry-specific conferences, both as participants and as speakers.

Due to the COVID-19 emergency, some trainings courses, which were planned to be conducted in class form during the year have been postponed or converted into e-learning initiatives. Some were in continuation with those launched during the previous year and continued throughout 2020. The decrease in training hours compared to 2019 for a total of 3,740, was due to the COVID-19 emergency which did not allow carrying out those activities that required being physically present.

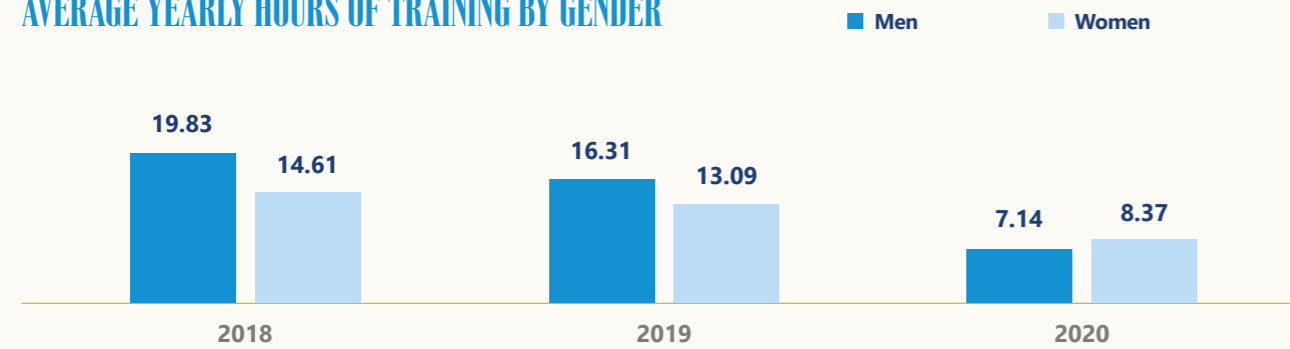
d'Amico Group employees have responded well to the remote mode thanks also to the commitment of the company which had already boosted the e-learning training initiatives since 2019, and then consolidated them during 2020, aware of the advantages that this methodology brings to its people. Learning in the e-learning mode is characterised by flexibility, modularity, interactivity and, above all, the accessibility guaranteed, by Darwin, the Group intranet portal.

In 2020, 59 training initiatives have been completed involving 189 employees with a total of 1,722.15 hours.

Most of the training hours were concentrated on the e-learning platform and webinar, amounting to 82% of the training provided.

In addition, in 2020 the company has provided, in e-learning mode to all its Italian employees, the training refresher on Health and Safety in the workplace as required by Legislative Decree 81/08.

AVERAGE YEARLY HOURS OF TRAINING BY GENDER



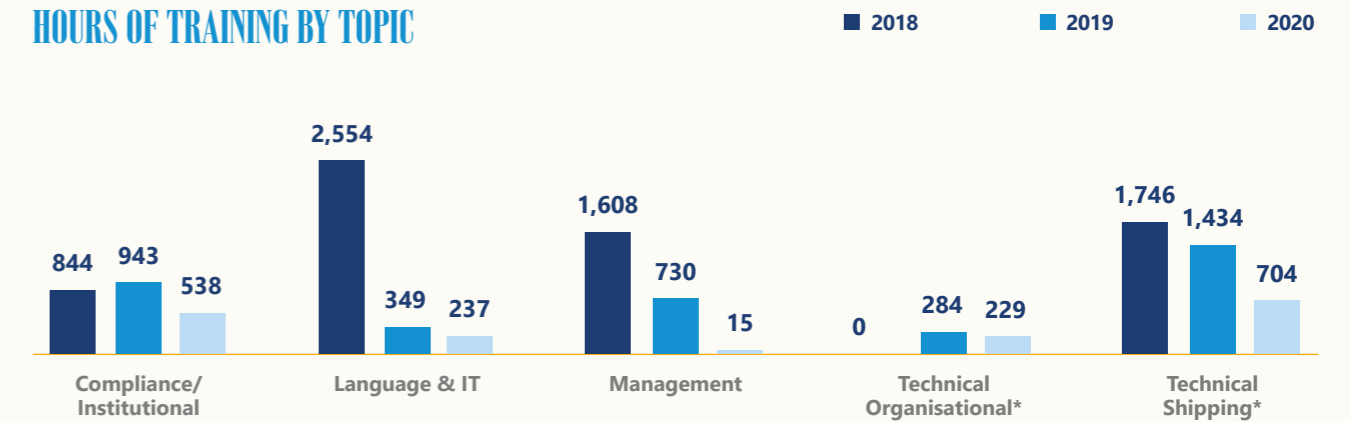
ONSHORE PERSONNEL	2018		2019		2020	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
AVERAGE YEARLY HOURS OF TRAINING						
Top Managers	9.84	14.00	13.31	3	3.82	1.3
Managers	19.17	23.20	15.98	17.40	2.26	19.10
Employees	22.72	12.83	17.21	12.30	9.40	6.61

ONSHORE PERSONNEL	2018		2019		2020							
	Europe and America		Asia		Europe and America		Asia					
	M	W	M	W	M	W	M	W				
AVERAGE YEARLY HOURS OF TRAINING BY GENDER AND AREA												
Top Managers	9.8	14.0	10.1	/	12.2	3.0	18.8	/	4.7	1.3	0.5	/
Managers	20.4	22.7	17.5	27.0	11.2	19.6	23.1	3.3	3.2	22.4	0.7	2.7
Employees	20.5	13.6	29.6	11.4	16.4	14.6	19.9	8.8	12.2	8.4	1.8	3.6
TOTAL	13.3	12.4	21.8	18.4	14.9	15.5	20.5	8.4	9.3	10.9	1.4	3.6

40% of the training hours have been dedicated to develop skills and competencies on **Technical Shipping** areas, (9 initiatives have been done during the first part of the year (pre-lock down): i.e. Approved HazMat Expert - ISO 50001:2018 which has involved the Fleet department (Purchasing – SQE – Technical).

30% on Institutional trainings such as Health and Safety for all Italian employees which was coming due at the end of 2020 and GDPR – started during last quarter of 2019 – and that involved all d’Amico Group employees included in scope of the d’Amico GDPR Privacy Regulation.

HOURS OF TRAINING BY TOPIC



ONSHORE PERSONNEL	2018		2019		2020							
	Europe and America		Asia		Europe and America		Asia					
	M	W	M	W	M	W	M	W				
HOURS OF TRAINING BY GEOGRAPHICAL AREA, GENDER AND TOPIC												
Compliance/Institutional	329	93	36	76	450	228	148	117	281	196	23	38
Language & IT	682	595	196	204	89	141	66	53	75	127	15	20
Management	551	253	160	76	418	149	144	19	-	15	-	-
Technical – Organisational*	-	-	-	-	59	107	116	2	96	121	10	2
Technical -Shipping*	765	108	696	24	763	228	374	69	528	128	8	40
TOTAL	2,327	1,049	1,088	380	1,779	853	848	260	980	587	56	100

*In 2019, technical training has been divided in two different categories: organisational training and shipping training



TRAINING INITIATIVES

SANCTION POLICY – THOMSON REUTERS WORLD-CHECK TRAINING

The Webinar training follows the **d'Amico Sanctions Policy and Procedures** issued by the Legal Department. Scope of the training course has been to familiarize with the on-line program called "Thomson Reuters World-Check" to perform the compliance checks on new counterparts and businesses opportunities as clearly explained in the Sanctions Policy and Procedures.

The training initiative has involved all Users and PIC with the aim to familiarize with the use of the program. 45 people involved.

SMART & CHANGE CULTURE

Intended audience: all the d'Amico Società di Navigazione and d'Amico Shipping Italia personnel.

The training initiatives launched during the second half of 2019 turned out to be extremely positive during the COVID 19 Pandemic and lock-down periods, when all our people were working remotely from their homes.

The goal is to **build sense-making within the Smart Working Journey project and a roadmap** providing the appropriate sense-making, facilitating an evolutionary transition in cultural and managerial terms and therefore motivate individual and team actions and behaviours that are consistent with a flexible and agile mindset.

Empowerment, integration and trust are the basis for lasting changes, and it is in this direction that the training initiative has been oriented in **providing tools and practices to be increasingly effective in "flexible" contexts** by increasing awareness both as leaders and as people and providing the transition **from a task-oriented culture to a culture focused on empowerment and awareness.**

Sharing of the Smart Working model in d'Amico, accountability and empowerment, mindful time management, effective remote communication, meeting management, and work for objectives have been the main topics of the training, along with providing the most functional tools and practices for a better approach to the new way of working.

In order to implement the health and safety obligations, the Company pro-

vided adequate information and training on the specific risks associated with the performance of Smart Working.

FOREIGN LANGUAGES TRAINING PROGRAM

Intended audience: All d'Amico Group employees

Through the e-learning language training program the employees have the possibility to **build a personalized language course based on their training needs.** It is an on-line platform easy to navigate in flat mode, with employees planning their training sessions in a date and time most convenient for them, but respecting the organization demands, deadlines and working routine.

Numerous tools are available within the eLearning platform:

- More than 7,500 regularly updated **learning resources**, including videos, articles, how-tos, vocabulary and grammar
- **Training paths** divided by General English, Industry Specific English and Business Communication
- **Resources available in the following languages:** English, Italian, French, Spanish, Portuguese, German, Chinese
- **English Virtual Classrooms:** group lessons available for different levels with live trainers. Students have the possibility to check the topic of the classroom on the scheduler.

In addition, d'Amico has also given the opportunity to register up to two family members on the foreign language platform.

TYPE KNOT

- Running Knot



Seagoing Personnel

A rigorous onshore and onboard training programme is envisaged for crew, starting with the pre-embarkation period and covering the officer's entire career. Training capitalises on the knowledge developed within the Company, involving the participation of specialised trainers and senior staff with seagoing experience.

d'Amico Group provides **career development for junior officers** starting from cadets and aims to promote senior officers from within the Company, with specific programmes and performance evaluations that have the main purpose of enhancing and developing their rank competencies. The Company provides career development opportunities by arranging, whenever practicable, temporary shore-based assignments for vessel personnel as subject matter experts for specific projects or to support periodic management review. At d'Amico, **promotions are based on sustained performance in terms of results and behaviours, as well as future potential.**

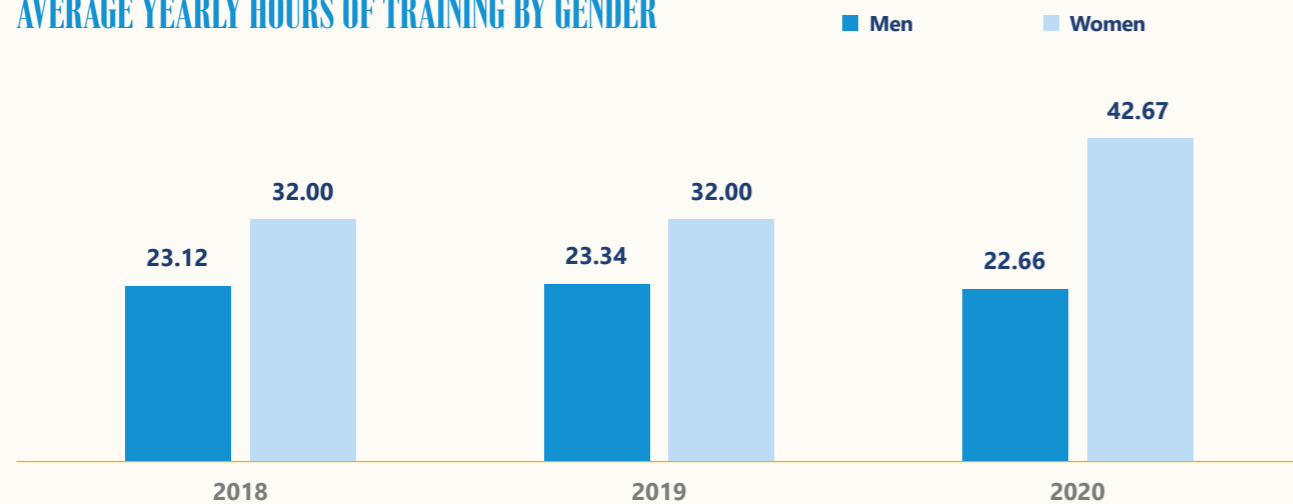
In addition, the Group **implements a long-standing policy of collaboration with various maritime training institutions** with the aim of increasing awareness of safety and environmental issues, key priorities for the business. The Group continues its partnership with the **European Training & Competence Centre (ETCC)** in Manila and the **Italian Maritime Academy Technologies (IMAT)** in Italy both to provide many courses, most of which are approved by National Administrations of the Philippines and Italy. The centres are equipped with modern simulators that successfully mirror scenarios that are likely to occur on board the ships, allowing seafarers participating in training sessions to interact with the virtual realities that are created at a given time. In particular, ECDIS, BTRM and ETRM courses are conducted with great attention and with high competency by the instructors. The Group plans to implement shortly, through dedicated train-the-trainer sessions, the qualification of the instructors also on specific projects developed by d'Amico, and in particular the activities concerning the Fleet Performance Monitoring, Shipnet (PMS) and ELB-ORB. The Group looks forward to the contribution ETCC/IMAT can provide to support the professional growth of the seafarers and hopes that the collaboration will extend over time.

The **"Home Grown Officers" philosophy is a key aspect of the personnel development strategy.** In this regard, d'Amico Group implements specific personnel career development plans, which are constantly monitored and updated. The starting point is the strategy through which d'Amico Group cooperates with nautical institutions for the selection and training of its young cadets. One of these institutions is the **"ITS Fondazione G. Caboto"** Higher Education Technical Institution, which offers cadet training programmes, divided into courses, which combine theoretical study and hands-on training. The aim is to provide an excellent technical background to young recruits and at the same time transfer the knowledge of d'Amico Group's organisational structure, policies, expertise and vision, thus facilitating job placement within the Group.

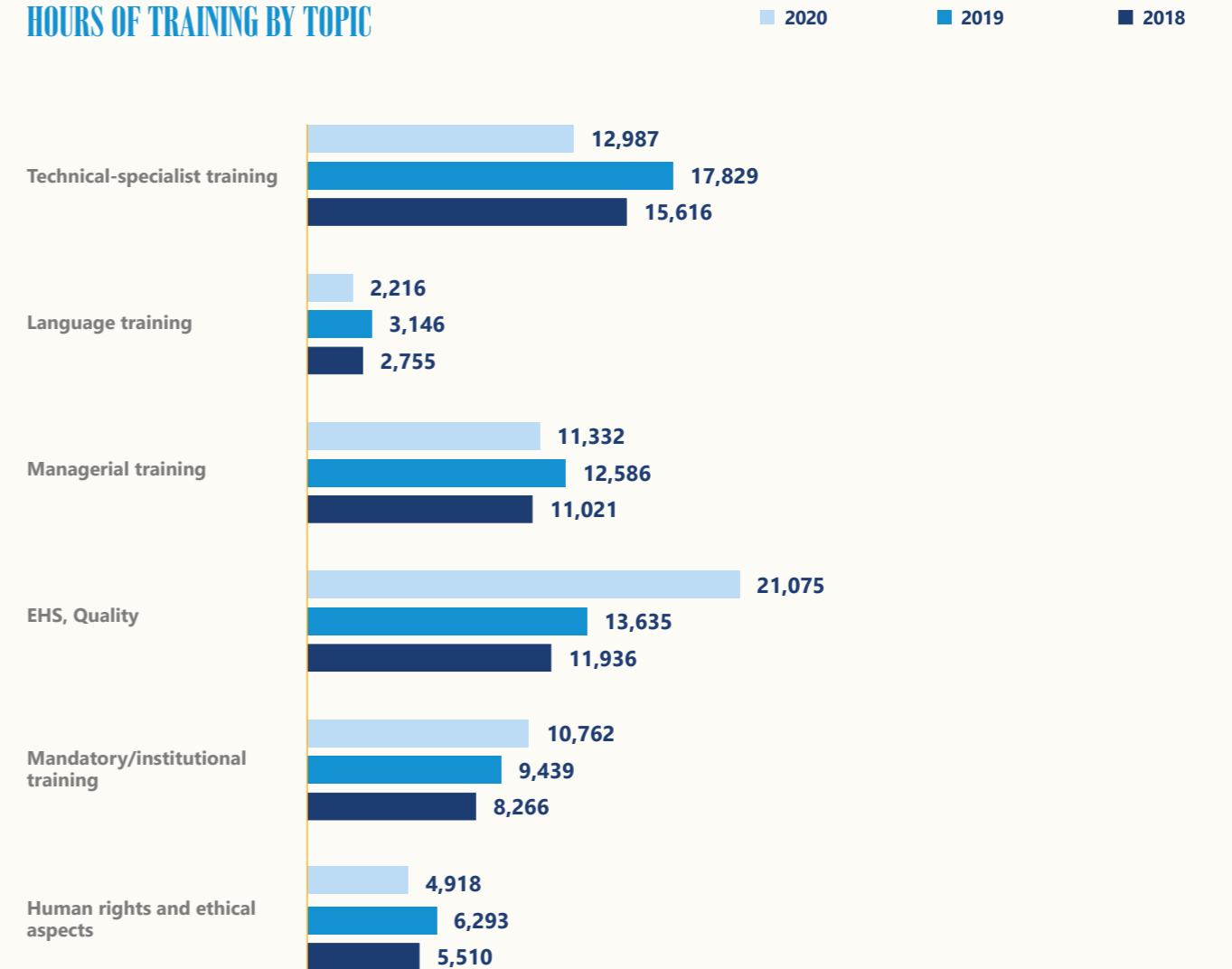
Particular attention is given to behavioural skills: in addition to the key technical skills required by the specific role, great importance is given to "how" staff work. For this reason, the Group promotes specific initiatives to encourage communication, leadership and teamwork on board its ships.

In 2020, **a total of 6,609 in-house and out-sourced courses were provided**, corresponding to 63,152 total hours of training for seagoing personnel; average yearly hours per employee were equal to 23, a stable value since 2017. Out of the total, 87% were in-house courses and 73% were for personnel in India.

AVERAGE YEARLY HOURS OF TRAINING BY GENDER



HOURS OF TRAINING BY TOPIC



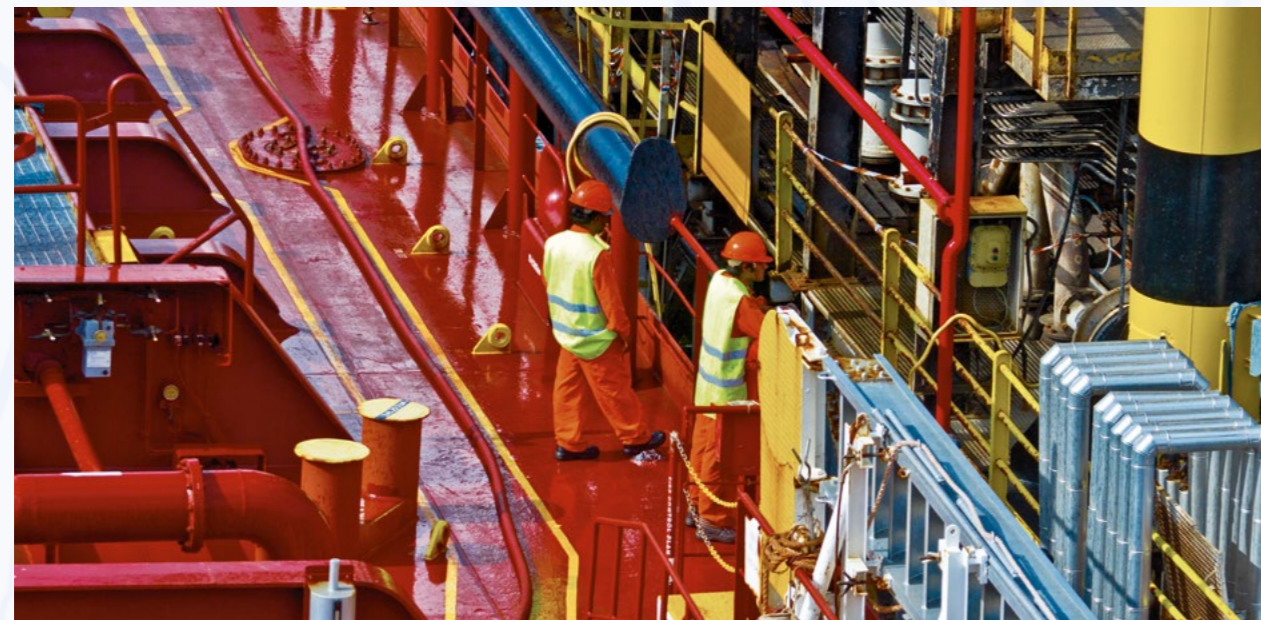
SEAGOING PERSONNEL	2018	2019	2020
HOURS OF TRAINING BY TOPIC	TOTAL	TOTAL	TOTAL
Technical-specialist training	15,616	17,829	12,987
Language training	2,755	3,146	2,216
Managerial training	11,021	12,586	11,332
EHS, Quality	11,936	13,635	21,075
Mandatory/institutional training	8,266	9,439	10,762
Human rights and ethical aspects	5,510	6,293	4,918
TOTAL	55,104	62,928	63,290

PARTNERSHIP WITH THE LIBERIA MARITIME TRAINING INSTITUTE

During 2019 a new challenge was launched to **encourage the employment of new engine trainees** from Liberia and, in particular, from the Liberian Maritime Training Institute (LMTI) of Monrovia. The first two graduates joined the fleet as Engine Rating Trainees and successfully completed their assignments. **The project has been pursued in 2020 with 8 openings for Liberian cadets.**

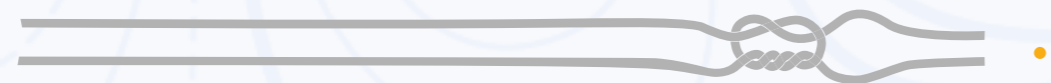
The scenic campus of Liberia Maritime Training Institute, spreads over 17 acres, sits adjacent to the Junk, Farmington and Du rivers and the Atlantic Ocean. It is a

world-class learning community of excellence. Ship owners around the world require competent and trained seafarers to man their vessels. As **Liberia is the owner of the second largest ship registry in the world**, it is responding to the needs of its customers and the international marketplace by opening the LMTI, to facilitate quality training and to **produce well-trained, fully qualified and certified seafarers** in accordance with the Standards of Training, Certifications and Watch-keeping (STCW) Conventions and Code.



TYPE KNOT

- Surgeon's Knot



ONBOARD TEAM AND GROWING IN d'AMICO PROFILE ASSESSMENT

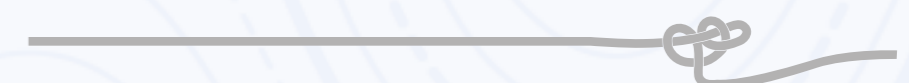
d'Amico is continuing to implement the Profile Assessment system started a few years ago aimed at fully developing teamwork and leadership through the definition of the d'Amico seafarer role profiles. **In 2020, 528 people were involved** in the Profile Assessment project.

The system is supported using the Profile XT tool, which is the most technologically advanced, state-of-the-art system available today for measuring human potential and predicting job performance. As a key part of the teambuilding system, it helps to uncover why some of our seafarers perform at extraordinary levels, while others who appear to be equally qualified, are only average performers. **Placing the right people in the right positions will have a positive impact on board the vessels.** The system is also used for employee management and development. In particular, it helps in managing performance, effectively managing employee development, developing more efficient training and building better performing teams. The Group enhances people's potential in working together. The three main assessment areas are:

- **thinking style** - The cognitive capabilities to cover the specific role. It is important that the cognitive demands of the job align with the abilities of the individual, which is the strongest predictor of job performance.
- **behavioural traits** - The behavioural traits that are applicable to the role. Individuals who possess the desired traits for a job tend to be more comfortable in the position than those who are forced to behave in a manner inconsistent with their personality.
- **professional interests** - The professional motivations to perform the role.

TYPE KNOT

- Sailor's Knot



ITS FONDAZIONE G. CABOTO - HIGHER EDUCATION TECHNICAL INSTITUTION

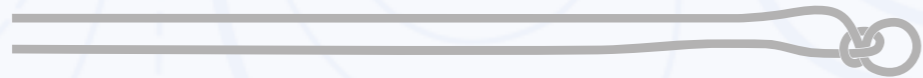
The d'Amico Group is one of the founding members of the "ITS Fondazione G. Caboto" Higher Education Technical Institution for Sustainable Mobility - a public body under private law for the **training of specialised technicians** that offers two-year post-diploma courses for students who wish to pursue an **international career in the shipping industry**.

The educational approach applies a method according to which students are called upon to actively build their skills. At least 50% of the teachers are experts from the business world. Training includes a minimum of 600 hours of internship for ground professionals, and up to 12 months of internship on board ships. **Since 2011**, the "ITS Fondazione G. Caboto" Higher Education Technical Institution **has trained 255 students, with an employment level of almost 100%**, exceeding the already high rate (81.1%) achieved by the entire system of Higher Education Technical Institutions. The training offer is constantly expanding. It offers a wide range of courses and responds to the needs of companies and shipping part-

ners, which require specific professional roles in their workforce as a result of the evolution of maritime professions. The ITS Fondazione G. Caboto also had to adapt its training methods **due to COVID-19 pandemic**. For the safety of all students and staff members **all courses have been organised online, ensuring the continuity of the training** for the future generations of young officers. Despite the pandemic, **all students have also completed their training with the internship onboard the vessels**.

TYPE KNOT

- Lariat Loop



REMUNERATION AND PERFORMANCE ASSESSMENT SYSTEMS

SDGs



UN TARGET

1.3

Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable



4.4

By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

ACTIVITIES AND KPIs IN 2020

ALL EMPLOYEES

Benefit from an adjustment to national collective agreements, to which are often applied better contractual conditions and exceeding the minimum expected

93%

Of expected performance assessment evaluation received during the year (174 employees)

A high-performance culture supported by differentiated rewards and development is **key to achieving individual and business objectives**. This is driven by the alignment of clear and challenging responsibilities and ensuring that employees are aware of how their work impacts d'Amico Group.

Principles of openness, transparency and accountability are imbedded in the culture of d'Amico Group and where **performance is driven by values**.

People performance management is a **key process** within the Group **for enhancing professional skills and encouraging the retention and development of talent**. By analysing the training needs and the growth prospects in the role, the process bolsters organisational and individual development and the professional growth of personnel. d'Amico Group aims to retain and motivate employees by offering attractive but realistic career moves allowing them to develop their skills in the long term.

It also seeks **to improve the motivation and commitment of our people and strengthen their individual contribution to the Group's results**. To this end, the Group has implemented reward systems that sharply target individual performance and compensation policies aimed at fostering an effective pay-for-performance system.

The line manager and employee work together to ensure that **challenging objectives** are set and effectively evaluated throughout the year. Focus is also given to **projects**, non-routine tasks and, in general, the initiatives aimed at enhancing and reinforcing the Group's main policies. The individual objectives are set according to the following criteria:

- quantitative and realistic,
- consistent with d'Amico Group policies,
- coherent with one another.

Further, this enables managers to acknowledge high performance and reward employees accordingly, while ensuring low performance is properly managed with integrity.

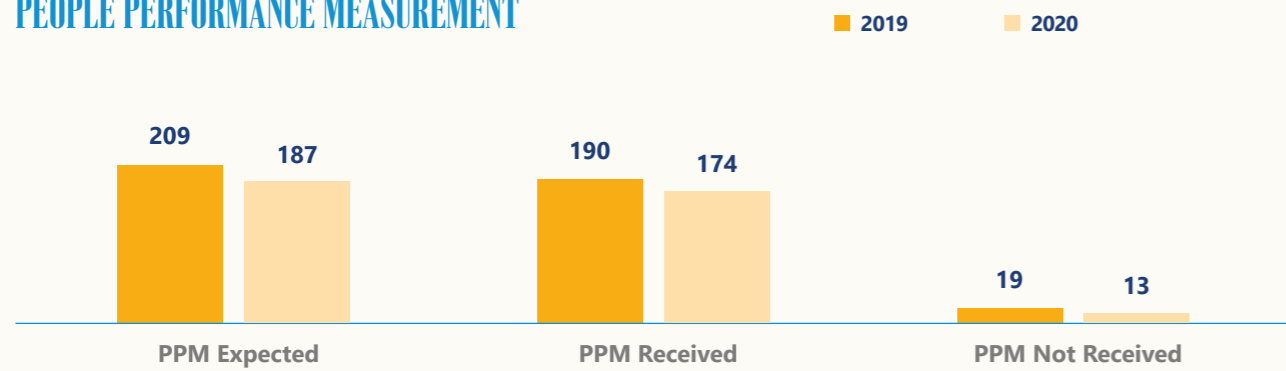
The Group's remuneration policies are based on:

- financial sustainability: the total cost of personnel must be "consistent" with the cost structure and with the Group's profitability goals;
- external comparability: in setting the remuneration policy goals, the Group takes into account the benchmarks offered by the sector at international level;
- internal equity: people must be remunerated on the basis of uniform criteria that relate to the organisational structure;
- differentiate people based on performance, talent enhancement and development of high potential;
- performance management: any salary review and/or bonus must be guided by the assessment of results. Bonuses should reward the achievement of goals set for extraordinary projects and activities, and a strong commitment to the Company.

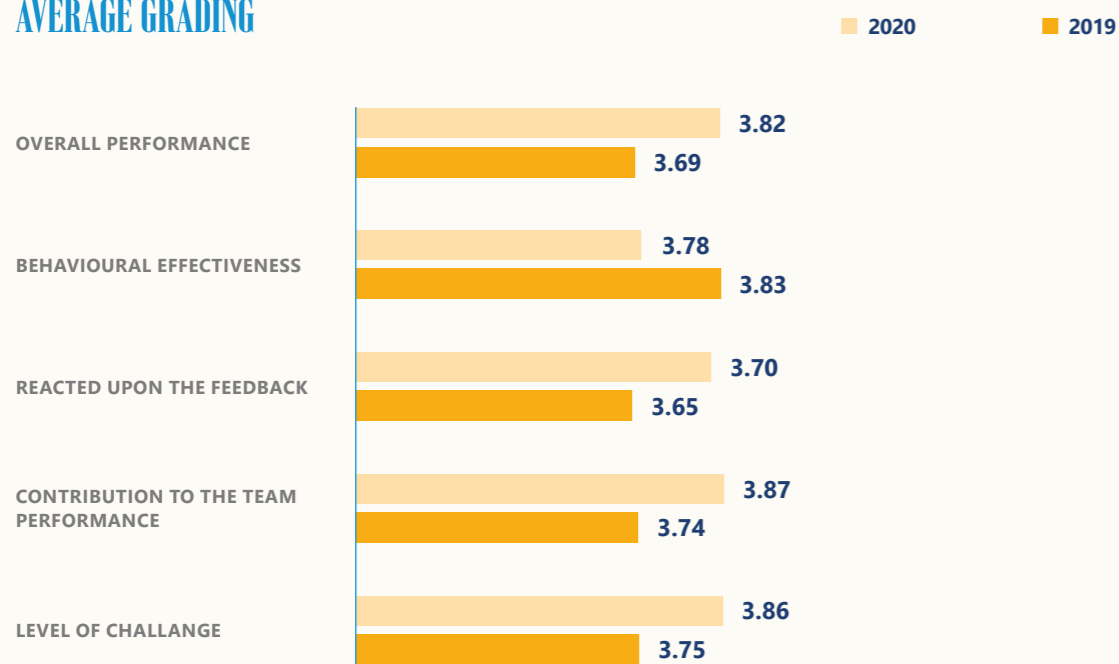
For seagoing staff, the Group's minimum reference salary is set by the ILO (International Labour Organisation) which sets the minimum salary every three years for the reference position, i.e. expert sailor, which is used as a benchmark for building the salaries of all the other positions.

In 2020, 93% of the staff subject to evaluation have been evaluated, with 42% of the population considered role model in terms of overall performance and 14% with outstanding performance.

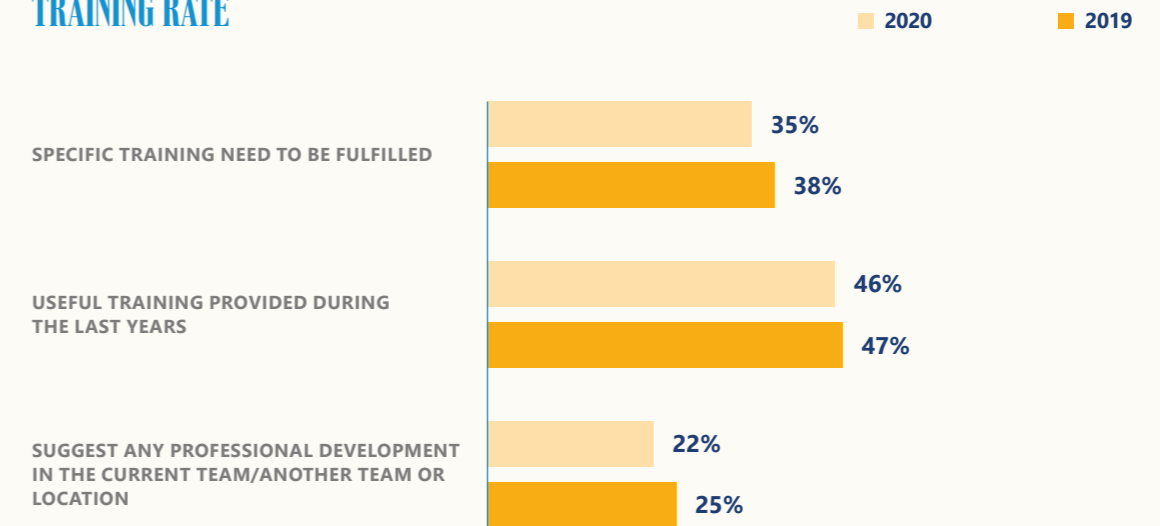
PEOPLE PERFORMANCE MEASUREMENT



AVERAGE GRADING



TRAINING RATE



The people performance feed form remains **very strongly focused on projects**, non-routine tasks, remarkable efforts, i.e. implementation of a new system, process improvement and enhancement / reinforcement of the Group's main policy. At the same time great importance is given to the Group's expected behaviours in particular, attention to organisational targets based on multicultural approach, accountability, attention to excellence and continuous improvements, effective integration within the team and department, integration to the corporate values and commitment.



AN AWARD FOR THE PEOPLE WHO HAVE WORKED FOR d'AMICO FOR OVER 10 YEARS

In the years, in recognition of the loyalty of its onshore personnel, d'Amico Group has adopted and consolidated a **Long Service Award programme**, which rewards employees from any office who have reached 10 years of service with the Company. To date, the programme has rewarded more than half of the total workforce, once again confirming the employees' strong commitment to the Group.

In **"The Lighthouse"**, the internal ship-shore magazine published quarterly, d'Amico Group congratulates its seafarers through the **"Service with Pride"** section for seniority within the organisation. By starting with five years of service, we proudly list officers and crew with seniority of twenty years and more. This is a special communication tool to make the d'Amico community aware of the seniority reached by our onboard people within the organisation.

AWARDS OF THE BRONZE AND SILVER MEDALS BY THE PRINCIPALITY OF MONACO TO d'AMICO EMPLOYEES

d'Amico Group is proud to announce that, in 2020 and 2019, 14 of its employees from the Monaco Office were awarded with the bronze and silver medals. Established by Sovereign Ordinance of 6 December 1924, amended by Sovereign Ordinances of 29 January 2007, these medals reward workers who have reached 20 and 30 years of good service within the same company.

Due to the Pandemic, a proper and formal award ceremony wasn't possible in 2020 and the medals were presented inside our Monaco offices.

This award is even more important to the Group because it underlines the trust between the company and its employees.

TYPE KNOT

- Tiller's Hitch



PEOPLE CARE

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020



1.3

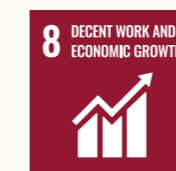
Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

1.4

By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance

MOST WELFARE SERVICES ARE GUARANTEED TO ALL EMPLOYEES

Health care, for example, is guaranteed to the entire company population, regardless of the position held in the company.



8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

The training initiatives launched during the second half of 2019 turned out to be extremely positive during the COVID-19 pandemic and lockdown periods when all our people were working remotely from their homes

The Company has carried out several initiatives to **increase the well-being of its staff and their families**.

The objective is to create a working environment where every employee can operate at a high level, also guaranteeing **work-life balance programmes** that support people in balancing their family needs with work duties. **Work responsibility and participation** are therefore a determining factor for the Company in **creating a business that is attentive to the social dimension**. People's well-being affects the energy levels in the Company and has an impact on organisational welfare and on results. The welfare and benefits-related initiatives implemented range from personal well-being and health protection to recreational and entertainment activities for the entire workforce.

Among the initiatives to help balance personal life, work and family life, personnel can use family leave, i.e. additional leave for special family needs such as, for example, taking care of children and relatives in the event of illness. Included in the products and services offered to the employees relating to personnel health, prevention and well-being, the Company supports, in different percentages, its employees' **social security position** by participating in supplementary pension schemes, depending on the location and in certain cases.

Special attention is given to the state of **health** and the **preventive healthcare** for employees and their families. Depending on the location, the Company provides supplementary healthcare to employees and the members of their family. In addition to this, special deals with gyms and other centres are also provided, as well as the free supply of water, hot drinks, fruit or meal vouchers in certain countries.

During the year of the Pandemic, ensuring the health and safety of its people has been a top priority within d'Amico Group's strategy, and following all the necessary precautions, standards and protocols guaranteed the business continuity of the activities in a safe environment. This was confirmed by the fact that none of our onshore employees contracted the COVID-19 virus within the various office premises, resulting in no spreading among colleagues.

In all this, the Company confirms its commitment to support the Protection of Health and Safety, providing a healthy and safe workplace in compliance with the laws in force, thus minimizing the risk of injury, and guaranteeing the right of access to preventive health care and the benefit of medical care. In the latter regard, the Company has opened an insurance coverage for all employees to cover medical expenses in the event of COVID-19 infection. In addition, in 2020 the company offered its employees, in e-learning mode, a refresher training course on Health and Safety in the workplace (as required for Italian companies by Legislative Decree 81/08).

Mental health support for all crew on board

Starting from 2021, d'Amico Group has been offering a mental health support program to all crew members. The agreement has been signed with "Mental Health Support & Solutions" (MHSS), a mental health and wellbeing specialists in the maritime industry.

Therefore, d'Amico Group commits **to offering a pragmatic and effective support system for all of its staff** – who may be personally facing issues, or need support/guidance on how to help others as the COVID-19 pandemic has reinforced the need for mental health and wellbeing care.

Mental Health Support & Solutions run a 24/7 support line and is:

1. Available 24/7, by freephone, WhatsApp, email or SMS (posters and pamphlets containing this information will be distributed shortly).
2. Run by MHSS' professional psychologists, who speak the following languages: English, Turkish, Filipino, Russian, German, Chinese, Spanish and more.
3. Entirely confidential and anonymous. The office is not involved in the 24/7 crisis line and will receive no information about private conversations.

The MHSS team has spent time onboard vessels (and understands the complexities of seafaring). Typically, once contact is made with the support line, that professional will "stay" with the caller until the issue has been resolved. Through this service d'Amico Group encourages everyone to get-to-know the MHSS team.

This partnership with MHSS will create a real support network for all the seagoing personnel, providing colleagues and families at home comfort through professional advice and support that is available at any time and in any situation.

Smart Working – The Smart Change Journey

Among the welfare and well-being initiatives, the Italian companies d'Amico Società di Navigazione S.p.A. and d'Amico Shipping Italia launched **Smart Working** in October of 2019 - **The Smart Change Journey pilot project**. By taking advantage of Italian Law 81/2017 (Art 18-24), which provides a regulatory framework and legal basis for the application of Smart Working, the HR Department has developed the necessary steps to implement it. **The already started smart working project has made it easier to adopt it globally** as it was in the SW project plan; d'Amico Group was in fact ready both at a technological and organizational level.

Modern technologies allow greater flexibility in the work environment, increasingly favouring the efficiency and productivity of enterprises and allowing **new and flexible models of work**. By doing this the organisation seeks to consolidate and strengthen its commitment to welfare initiatives and **better work-life balance**, in the belief that this can

encourage greater staff motivation and therefore, through a greater level of engagement, also improvement in job performance.

An improvement in the worker's quality of life is noticed, the worker values the initiative of the company and this in return attracts talents to the business.

The Smart Working implementation process used an integrated approach which envisages planning, training, and communication aimed at supporting and driving the people in the cultural changes toward a smarter working approach. Indeed, Smart Working provides for a work environment that facilitates more employee flexibility in terms of work organisation and effort, by relying on tools and technologies capable of guaranteeing productivity even outside of corporate offices. On the other hand, **it shifts** ever more significantly **the relationship between the employer and employee to a dimension of trust and management by objectives**, mitigating the strictly controlling approach.

These factors **support the strengthened Sustainability** strategy, expressing the full understanding and importance of both the **environmental and social aspects**.

The Group also organises **several recreational and entertainment initiatives**. These include events in which the Company supports charitable events such as:

- **Movember**, organised by the Singapore offices to support health and the treatment of certain pathologies specific to the male population;
- **No Finish Line** in Monaco, a race in which each kilometre covered by our employees generates 1.20 euro which the Company then donates to charity. In 2020, 14 participants covered a distance of 1,130 km. The d'Amico team collected 1,130 euros which was donated to Children & Future. Considering the COVID-19 emergency, the 2020 edition took place in a sort of virtual way. The principle of "connected" running was to practice the run or walk throughout the week in the place which seemed appropriate to the participants. Therefore, this year colleagues from other offices worldwide were also able to participate. The kilometres were accumulated via a connected watch or via the app that every participant downloaded from the No Finish Line® site.
- Before the **Christmas** holidays, the Company usually organises a recreational get-together to exchange greetings. In 2020 however, always due to the COVID-19 pandemic, the shipowners were obliged to send their holiday wishes to their co-workers digitally. An online event was organised to which more than 180 d'Amico people from all around the world participated. Everyone had a cup of coffee or tea, a glass to raise a toast together with their colleagues. Also, because this year the owners were unable to visit the different offices for the usual Christmas parties, they have allocated part of the budget destined to these events for Christmas gift cards offered to all d'Amico Group employees.

HUMAN RIGHTS

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020



16.1

Significantly reduce all forms of violence and related death rates everywhere

NO REPORTS

Were received regarding the conduct of violent and prevaricating behaviour in all the group's ships and offices

16.3

Promote the rule of law at the national and international levels and ensure equal access to justice for all

ANY DISPUTE OR CLAIM

arising in connection with the group is governed by and construed in accordance with the local law. the parties irrevocably agree that the local courts shall have exclusive jurisdiction to settle this kind of dispute or claim.

In 2020, d'Amico Group consolidated its policy on diversity and inclusion for individuals and, more generally, **in respect of the human rights to apply to both ship and shore personnel.**

One of the main goals of the Group's HR is making employees feel valued, respected, involved in the Company, with access to equal opportunities, going well beyond mere compliance with equal employment opportunities or non-exclusionary laws. In this respect, d'Amico Group encourages the **promotion of ethical conduct within the workplace as embedded in the d'Amico Group values and Code of Ethics.** The Code of Ethics adopted by the Group contains the principles which govern internal and external activities and pursues the objectives in accordance with the values of fairness, honesty and transparency. These values have become the assets and the reference point for the Company's organisational culture. The purpose of the document is to ensure that the ethical values expressed therein are clearly defined and shared, and form the basis of its corporate culture, as well as serving as a constant reference for the conduct which all the Code of Ethics recipients are invited to follow when carrying out their activities, conducting Company business and in relationships with stakeholders. The first 3 statements of the Code of Ethics (indicated below) underline a clear commitment of the d'Amico Group in respecting human rights:

- 1. Compliance with laws:** When carrying out their activities, recipients must act to ensure that they fully comply with all applicable regulations of both the legal systems of the countries in which they operate on behalf of the Company, and on a European and transnational level, and with the principles referred to in this Code of Ethics and agree to comply with them with impartiality and objectivity. Staff are also required to comply with the instructions and business procedures forming part of the Integrated Management System and ensure that their work is also compliant.
- 2. Honesty, fairness and transparency:** Relationships which the Company has with the various recipients are based on the standards of transparency, honesty, cooperation, integrity, equity, fairness and mutual respect. Recipients are required to comply with the rules of ethical, professional and expert conduct applicable to operations performed on the Company's behalf. They are also required to comply with business regulations, implement ethical, specialist and/or professional obligations, and comply with the principle of transparency.
- 3. Respect for a person's dignity:** Recipients must respect the fundamental rights of individuals, safeguard their physical, moral and cultural integrity and provide equal opportunities. In relationships within and outside of the Company, practices of a discriminatory nature based on a person's sensitive data and relating to, by way of example but not limited to, racial or ethnic

origin, their religious, philosophical or other beliefs, political opinions, membership of parties, trade unions, associations or organisations of a religious, philosophical, political or a trade union nature, and relating to personal data likely to reveal their state of health and/or sex life are not allowed.

In these regards, the values stated by the Code of Ethics find their translation and implementation in any policy, process, procedure and daily practice related to all the people management activities.

Moreover, the Company gives particular attention to its firm commitment to **respecting human rights from a broader perspective.**

On board of managed vessels, work and rest hours are timely and constantly monitored to avoid any breach of applicable regulations. The Company assures that all seafarers receive medical care during the whole service tenure and guarantees they are assisted even after contract termination in case of illness or injury. In any case, the seafarers' right to be safely repatriated is always guaranteed. The Group also follows strict procedures relating to respect for human rights, avoiding bullying and harassment on board its ships. In 2021, the Group has extended the rules applied to shipboard personnel to onshore personnel. In March 2021, a new Group whistleblowing channel merging the two previous systems (onboard violations Open Reporting System and onshore violations whistleblowing website) was launched. The procedure aims at **avoiding bullying and harassment situations** and manages them when they occur and is relevant to all employees on board managed vessels. Bullying and harassment shall be deemed to be a form of discrimination when unwanted conduct takes place that has the purpose or effect of violating the dignity of a person and of creating an intimidating, hostile, degrading, humiliating or offensive environment. Hence, the Company does not tolerate any kind of harassment and/or bullying, and employees are encouraged to report any instances immediately so that appropriate action can be initiated.



WORKERS' HEALTH AND SAFETY

SDGs

UN TARGET ONU

ACTIVITIES AND KPIs IN 2020



8.8

Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

ZERO

Injuries in 2018, 2019 and in 2020

The health and safety of its workers is of key importance to d'Amico Group and must be ensured at all times. To this end, the Group has implemented a certified occupational health and safety management system compliant with the ISO 45001 standard aimed at:

- **Protecting the health and well-being of employees** by reducing occupational risks from unfavourable exposure to hazards
- **Preventing hazardous actions, injuries, illnesses, accidents** to personnel, material and environmental damage
- Ensuring that **priority is given to collective protection measures** rather than individual protection measures
- **Pursuing the ongoing improvement of health and safety management performance**
- Making continuous and systematic efforts in order to reduce and/or **eliminate the negative repercussions on health and safety resulting from its processes and activities**, including accidents
- Clearly **stating the commitment to complying with applicable legal requirements** and with other requirements endorsed by the d'Amico Group and related to the hazards identified
- **Improving the safety of everyone and promoting a "safety first" culture** in order to create a working environment free of injuries and illnesses

The policy is distributed to all personnel working under d'Amico's control so that they have knowledge of their individual duties when managing health and safety issues. It is available to all interested parties and is reviewed periodically to make sure it is always relevant and appropriate.

In relation to the 2020 COVID-19 pandemic emergency, d'Amico was among the first to issue a detailed **Contingency Plan**, with all the preventive measures to be implemented on board, before boarding and during navigation, and in presence of positive or suspicious cases.

Seafarers' Safety

d'Amico Group's policy is that **all seafarers, of all ranks, must be in good health and fit for the work** they do on board. For this purpose, **each crew member must undergo a medical check-up every two years** and a thorough **medical check-up before embarkation** by a competent doctor employed directly by the Company. Appropriate medical assistance is ensured on board its ships.

To ensure adequate rest for all staff, the Group adopts several measures and best practices:

- All crew members must always have **sufficient hours of continuous rest**;
- The **hours of rest without interruption must comply with employment contracts and STCW** (Standards of Training, Certification and Watchkeeping for Seafarers) requirements and, as regards Italian vessels, also with ILO 180 and Italian Leg. Decree 271/99 and must be monitored using updated records.

The vessels are equipped with a system that uses a software to monitor hours of work and rest, ensuring compliance with regulations and the crews' wellbeing.



INTERNATIONAL RADIO MEDICAL CENTRE

d'Amico Group has been a partner and supporter of the **International Radio Medical Centre** (C.I.R.M.) for many years. C.I.R.M. was established in 1935 to provide medical assistance via radio to seafarers on ships with no doctor on board, of any nationality, sailing on all seas. From its base in Rome, C.I.R.M. provides continuous medical services 24/7 and free of charge. **In almost 80 years, the organization has assisted about 70,000 patients and provided**

no less than 800,000 medical consultations via radio. These figures make it the most renowned centre worldwide. In June 2021, d'Amico Group signed a contract with CIRM (International Medical Radio Center) for their Top-Class service. With this paid service d'Amico Group will be able to better monitor the health of its seafarers 24/7 both on board and ashore thanks to a team of highly specialized doctors.



TYPE KNOT

- Bowline



Health and Safety Performance

The special attention paid by d'Amico to occupational health and safety issues and management brought the **number of accidents to zero in 2018, 2019 and 2020.**

ACCIDENTS	2018	2019	2020
FREQUENCY INDEX ¹⁵	0	0	0

Incident Investigation Analysis

The injuries on board are categorized according to the OCIMF "Marine injury guidelines" and are duly investigated through the internal process for incident¹⁶ investigation.

The purpose of investigating incidents is to provide practical learning through an investigation structured approach to allow the development of effective analysis and preventive activities.

The Company Incident Investigation Model encapsulates a process for conducting investigations following losses related to people, structures, machinery, equipment, outfitting, pollution, commercial/financial or media/reputation.

d'Amico Group uses the Marine Root Cause Analysis Technique, called Why-Tree of 5-Why, which is **designed for use in investigating and categorizing the underlying causes of incidents**, including accidents and near misses, with safety, health, environmental, quality, reliability, production, media and financial impacts. The method of the root cause analysis requires determining how the sequential causes of a failure event occurred and identifying the cause-effect failure path.

'Why' is asked to find each preceding trigger until arriving at the root cause of the incident.

The result of the investigation and the actions implemented are considered as a valuable tool to:

- Protect the safety and health of workers and the public
- Preserve the organization's human and capital resources
- Improve quality, reliability and productivity
- Ensure continued service to clients and customers
- Comply with regulatory and insurance requirements
- Comply with organizational and industry policies
- Respond to legal, regulatory, organization, community and/or employee concerns
- Educate management, staff and employees
- Demonstrate management concern and promote employee involvement
- Advise others of unrecognized risks and/or more effective risk management strategies.

¹⁵ The frequency index measures the number of occupational accidents per million hours occurred in a given period, in relation to the number of hours worked in the same period.

¹⁶ Collision, contact, grounding, non-accidental structural failure, fire, and explosion.

Health and Safety management at facilities

d'Amico Group's commitment to the management of occupational health and safety issues is also applied in its offices across the world. The Group obtained the **ISO 45001** certifications related to health and safety.

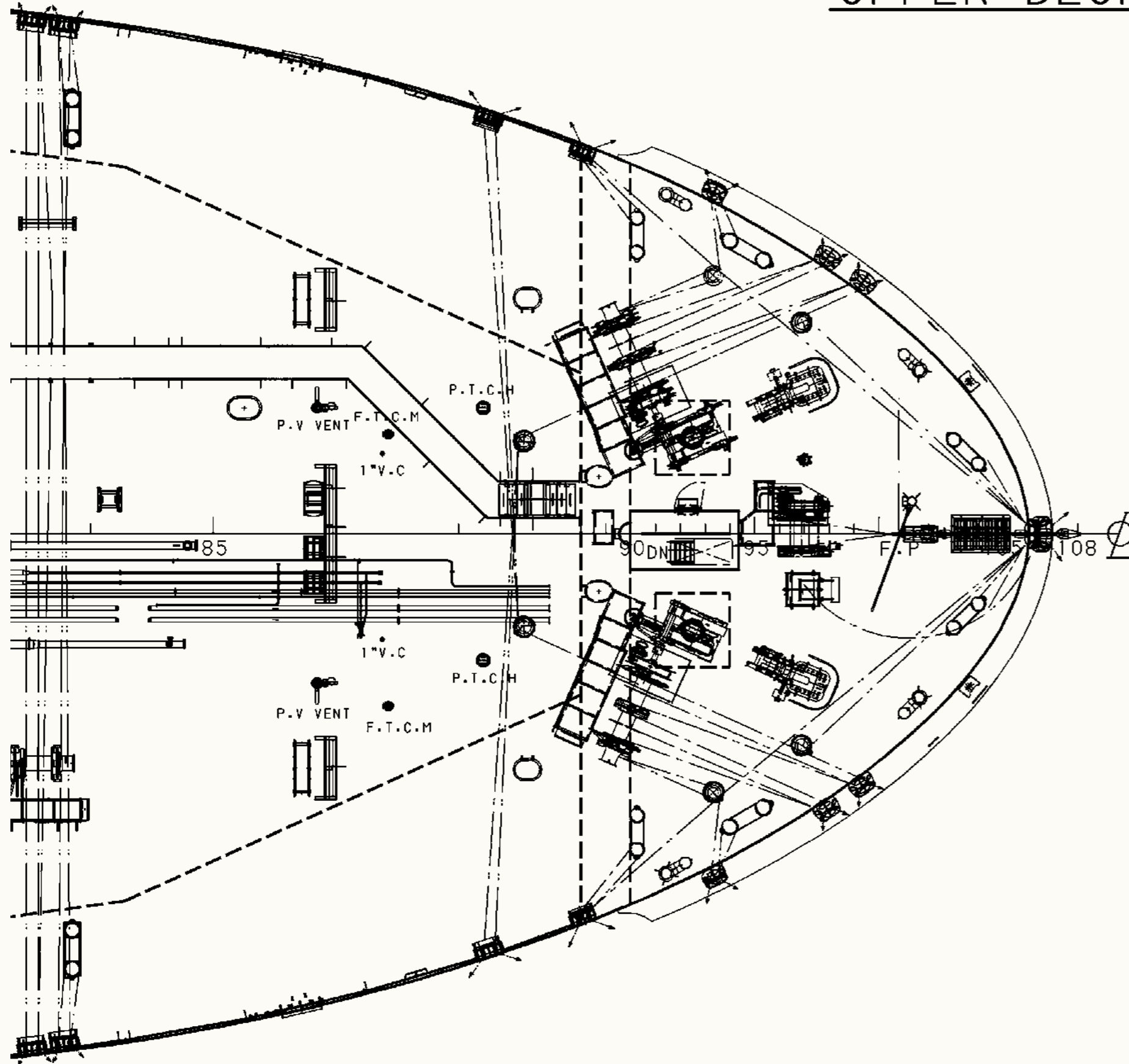
HEALTH AND SAFETY KPIs	2018	2019	2020
Number of injuries to employees (>1 day of absence, excluding injuries in transit) [n]	0	0	0
Total number of lost days [n]	0	0	0
Loss of business time due to infrastructure failure	0	0	0

In 2020, due to the pandemic emergency, the owned offices remained closed for part of the year and reduced their in-office staff for the rest of the year, increasing the use of remote working in order to ensure business continuity. All d'Amico offices have respected the local rules and restrictions. Since offices have been able to reopen, the number of people allowed on site has been regulated to avoid any situation which could put employees at risk.

Thanks to all these measures, **there have been no COVID-19 clusters in any of the Group's offices and in the workplace.**



UPPER DECK



Clients

SDGs

Sections of the Sustainability Report

Activities



Complaints and reports

- Highest attention to the service offered, through qualified and trained staff, appropriate equipment, onboard inspections, process control and effective internal communications



Communication to clients

- Customer engagement through: direct communications, complaints and reports, internal ship reports and feedback on service quality

Thanks to its **global presence, with offices in 10 countries on 4 continents**, and the employment of highly qualified personnel, d'Amico provides its customers with a wide range of different services and ongoing, timely assistance 24/7.

In order to provide the Group's services, the **Chartering Department** is responsible for screening the employment opportunities for vessels, negotiating terms and conditions of the contracts under which the vessels are going to be chartered and entering into a chartering agreement. The **Operations Department** instead, provides post-fixture support to the vessels, issues voyage instructions and ensures that the ships perform as per the charter-party agreements; it also ensures the safe and efficient transportation and delivery of cargoes. The department supervises the disbursement of necessary funds, arranges for freight / hire / demurrage collection from charterers and, finally, arranges for the provision of the vessels with bunkers.

In addition to the above activities, the Group offers **technical ship management services** and support in the management of quality, safety and environmental protection systems, as well as dealing with legal and insurance aspects.

In 2017, with the fleet growing, the Company believed it was the right moment to strengthen and unite the Operations departments of Dry Cargo and Tankers into one team: **The Global Operations ("Global Ops")**. **The Global Ops' goal is to strengthen the Group business model ensuring an outstanding service towards d'Amico Group's clients.** It focuses on:

- taking advantage of commercial synergies of both Dry cargo and Tanker business units
- developing parallel procedures and working instructions
- streamlining operators' daily tasks
- maximizing operators' efficiencies.

The Global Ops is involved, together with Chartering, Technical, Performance Monitoring, HSQE (Health, Safety, Quality and Environment) and Legal departments, in several strategic meetings and acts as a reference point for dry and tanker Operations Regional managers and the Shipping Control Unit.

Among the main activities, Global Ops is specifically involved in:

- **High Level Coordination** - facilitating the correct flow of information among the different departments, thanks to its central role in getting information from each of them
- **Emergency** - participating in Emergency Group Onshore, as well as being the first line of contact and response for operations when accidents occur; participating in drill exercises organized by our HSQE teams
- **Charter Party fulfilment** - assisting chartering department in relation to the hired fleet with any kind of information needed (deadline extensions, declaration of options...)
- **Ad hoc issues** - supporting regional managers
- **Third parties Contract** - reviewing vendor contracts such as agencies, towage and other contract proposals
- **Reports** - releasing reports in relation to Operational activities
- **End of Month Accounting Closure** - coordinating and supervising end of month closure
- **Management of Commercial software**
- **Procedures / HSQE manual** - reviewing and amending the documentation related to Operational processes, support during internal and external audits.

ORGANIZATION CHART



BUSINESS AREAS AND CLIENTS

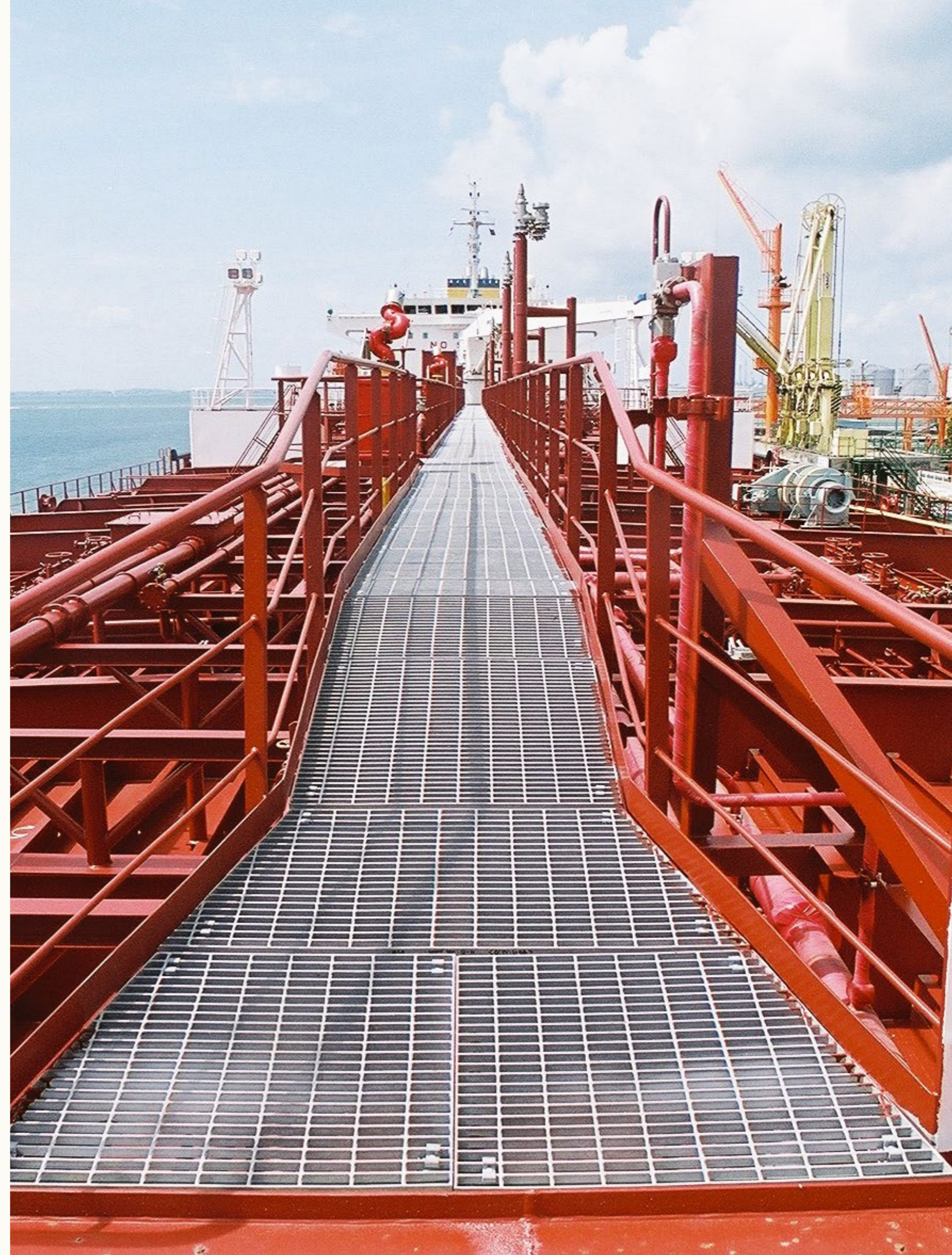
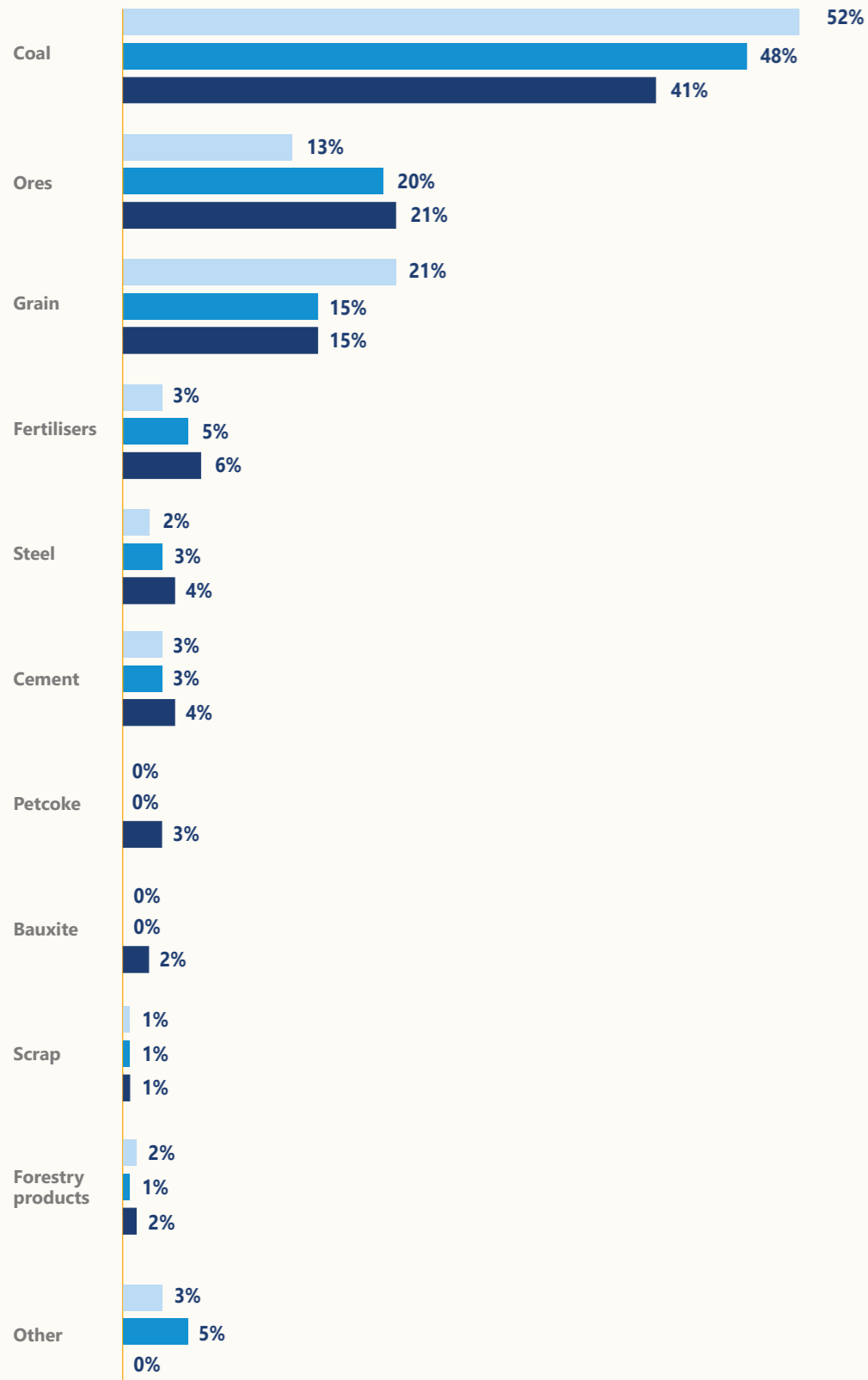
Dry Cargo

The Group operates in the dry-cargo shipping sector. The **raw material segments** of the shipping market in which the Group operates globally include the **grain, coal and ore sectors**, in which d'Amico boasts longstanding experience. **Other bulk commodities** may be added to these raw materials, such as fertilisers, cement, petcoke, steel products and steel pipes. This business also includes the shipping of forestry products from Chile to ports in the Mediterranean, as well as from Brazil to South Africa. These shipments are based on long-term contracts with the major wood pulp producers and on spot contracts allowing to maximise short-term opportunities presented by the market and to guarantee maximum flexibility in fleet use. The Dry cargo vessels are mainly employed under voyage-based and short-term charter contracts and, depending on market opportunities, also under "time-charter" (medium/long-term) contracts to ensure highly flexible use of the fleet.



PRODUCTS TRANSPORTED BY TYPE

2020 2019 2018



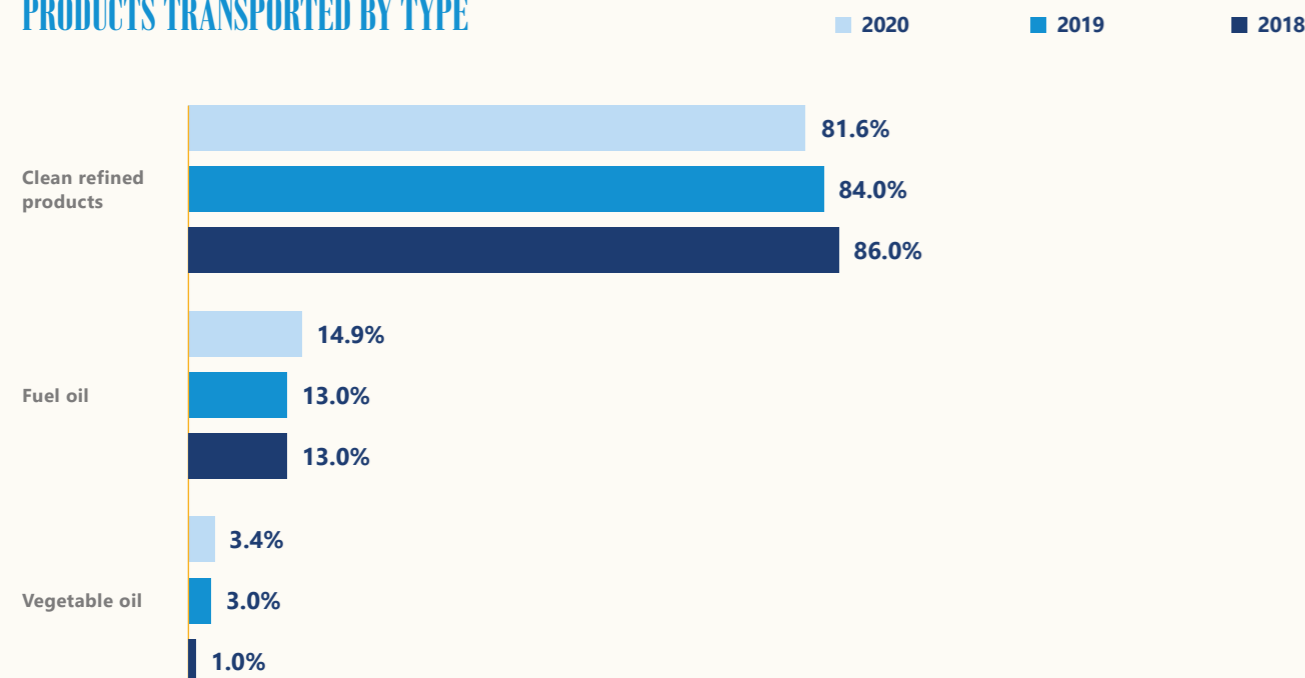
2020 was extremely volatile for the transportation of dry bulk commodities. The Chinese economy, supported by government aids for infrastructure, has generated the growth for 70% of the total improvement of the dry cargo market, and continued to contribute towards **increasing volumes not only of iron ore imports but also of grains and soya beans**. The transportation of coal has also been supported during 2020 by tensions between China and Australia¹⁷.

Based on the assumption of a recovery in the world economy, the **International Energy Agency report forecasts a 2.6% rise in global coal demand in 2021**, driven by higher electricity demand and industrial output, mainly due to a growth in consumption in China, India and Southeast Asia. Today, **China** - representing half of the world's coal consumption - **and India account for 65% of global coal demand**. By adding Japan, Korea, Taiwan and Southeast Asia the percentage reaches 75%¹⁸.

Product Tankers

The Group's tanker sector mainly deals with shipping **refined petroleum products**, providing maritime shipping services on a global scale to the major oil companies and commercial intermediaries. Pursuant to MARPOL/IMO regulations, cargoes such as palm oil, vegetable oil and some other chemical products may only be transported by IMO-classed tankers. As **at 31 December 2020, 77.5% of our fleet was IMO-classed, allowing the Group to transport a wide range of products**.

PRODUCTS TRANSPORTED BY TYPE



Clean refined products represent the vast majority of products transported by the Group. In particular, some of the clean refined products transported by the Group include diesel oil, unleaded gasoline, naphtha, kerosene, jet fuel and gasoline blending components. Other products transported by the Group include fuel oil, easy chemicals, molasses, and urea ammonium nitrate (UAN).

The product tanker market has been exceptionally volatile in 2020. After easing back in early 2020 from a robust Q4 2019, tanker earnings soared to historically high levels in March-April 2020. The negative impacts from COVID-19 on global oil demand, coupled with the initial surge in output from Saudi Arabia and Russia, resulted in a steep contango for future oil prices, leading to a sharp increase in onshore storage which rapidly reached capacity in many locations, also resulting in a

fast and pronounced increase in floating storage of both crude and products. However, after deep oil output cuts by major producers came into effect from the beginning of May, spot tanker earnings fell sharply and by the end of the year stood at a two-year low.

Jet Fuel was the refined product whose consumption was affected most by the pandemic. While Jet fuel represented 9.1% of total volumes transported by the Group in 2019, this percentage fell to only 4.9% in 2020.

Maritime Services

Within the Group, certain companies perform **complementary and service-related activities** for the core shipping business to take advantage of common synergies. The services offered **benefit not only the d'Amico fleet, but also external clients**, and comprise, in particular, **ship management and intermediation in ship fuel purchases** (bunkering). The services offered include:

- technical management (supervision of construction and maintenance projects)
- planning, procurement and management of planned maintenance ("PM")
- crew management (selection, recruitment and compensation management of maritime personnel)
- management of quality, safety and environmental protection systems
- management of information technology systems
- management of legal and insurance issues.



¹⁷ d'Amico Società di Navigazione S.p.A 2020 Annual Report
¹⁸ Coal 2020, IEA <https://www.iea.org/reports/coal-2020>

SERVICE QUALITY

d'Amico Group's quality policy includes goals that cut across the company areas and is based on several key elements:

- qualified, expert, and trained **personnel**
- equipment and facilities suitable for the **services** provided
- **inspections** of the managed fleet and adoption of necessary measures to remedy issues and deficiencies
- process **control**, performance **monitoring, auditing** and implementation of **corrective measures**
- effective **communication and cooperation** with all stakeholders, including customers, charters, manufacturers, suppliers, vendors and authorities, as well as between company offices and managed ships.

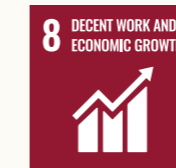
In particular, d'Amico Group is aware that its effective positioning on the market largely depends on understanding and meeting both the current and future needs of its existing and potential customers. For this reason, the Group defines its customers' needs and requirements and communicates them to all departments in charge of the service, which strive towards meeting the goals and increasing customer satisfaction. **The Group uses different channels and tools to verify customers' perception of the services offered and their satisfaction.** These include:

- direct communication with customers
- customer complaints and reports
- reports from ship command and ship agents
- results of audits carried out by appointed organisations
- internal relations of the Operational Department with feedback from people in direct contact with customers.

Furthermore, to collect annual feedback on the quality of the service offered, the Company meets its customers directly, through the sales department. The results of the meetings are collected in the management review and help identify the goals that d'Amico sets to continue improving the quality of its service.

Complaints and reports

SDGs



UN TARGET

8.2

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors

ACTIVITIES AND KPIs IN 2020

10

Complaints received during 2020

22.2%

The percentage of complaints relating to previous years resolved on the total of complaints from previous years

The legal department is the office which is responsible for handling claims received from third parties and claims that d'Amico Group brings against them. Complaints may be divided into the following categories:

- **cargo claim:** complaints usually regarding the quality or the quantity of the cargo
- **charter-party disputes:** disputes arising from the contractual terms, for example from the charter contract
- disputes relating to a Memorandum of Agreement for the sale of the ship (**MOA claim**)
- **ship underperformance disputes:** complaints received from customers for inadequate ship performance, as established by the charter contracts. For example, these contracts often guarantee vessel speed that is monitored during the voyage by external companies, which then issue a report on the ship's performance. If vessel's speed is lower and/or vessel's consumption is higher than those contractually agreed between the shipowner and the charterer, the latter is entitled to financial compensation.

CLAIMS BY TYPE¹⁹

	CARGO CLAIM	CHARTER-PARTY DISPUTES	MOA CLAIMS ²⁰	FFO ²¹ / COLLISION	BUNKER CONTAMINATION	UNDER-PERFORMANCE	TOTAL
2018	10	0	1	0	0	0	11
2019	9	0	0	0	0	0	9
2020	13	1	0	2	1	0	17

Most claims received fall within the P&I (Protection and Indemnity) or the FD&D (Freight, Demurrage and Defence) insurance coverage. Once the complaint is received by the Legal Department, it is also communicated to the insurers, who assist with handling the complaint and contribute financially if the counterparty's claim is well-founded. Complaints are settled both out of court, without the help of external legal assistance, and in court. In the latter case, d'Amico Group can rely on a **large network of external lawyers** appointed to represent the Company's interests in court.

In 2020, 7 out of 17 were claims from previous years and still unresolved. Two of them, both regarding cargo claims, have been settled during the current year, representing 22.2% of the previous claim. At the same time, in 2020, 10 new claims have been received by the Groups, mainly for cargo claim (6 out of 10) and also for FFO and Collision (2 out of 10).

¹⁹ The complaints entered refer only to those received by the clients or still outstanding in 2020 and only to those above 50,000USD.

²⁰ Disputes relating to a Memorandum of Agreement for sale of the ship

²¹ Damage to docks, jetties, locks or piers, as well as fishing nets, which are commonly referred to as Fixed and Floating Objects (FFO).

Communication to clients

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020



16.7

ensure responsive, inclusive, participatory and representative decision-making at all levels

16.10

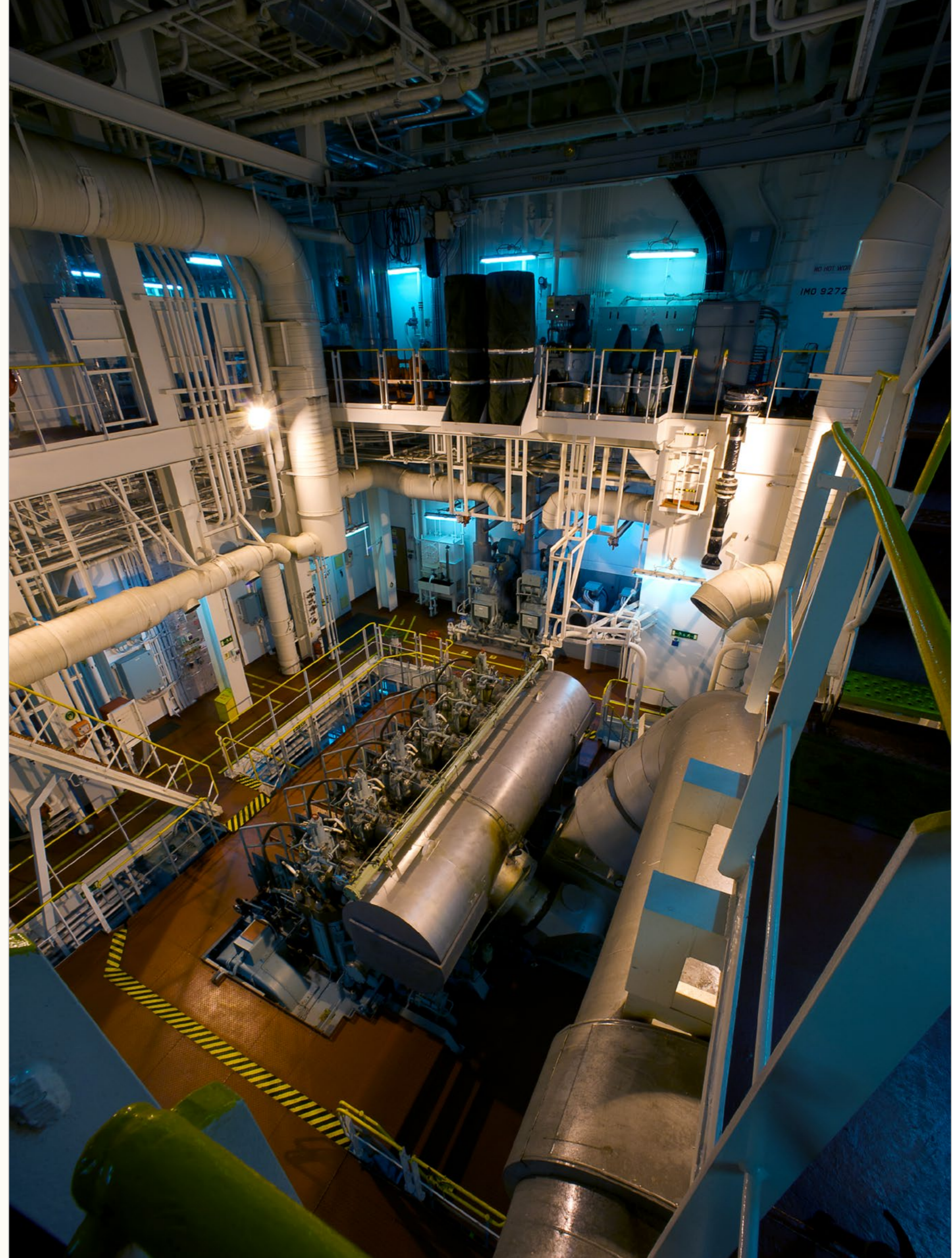
ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

+19.7% of the media publications compared to 2019

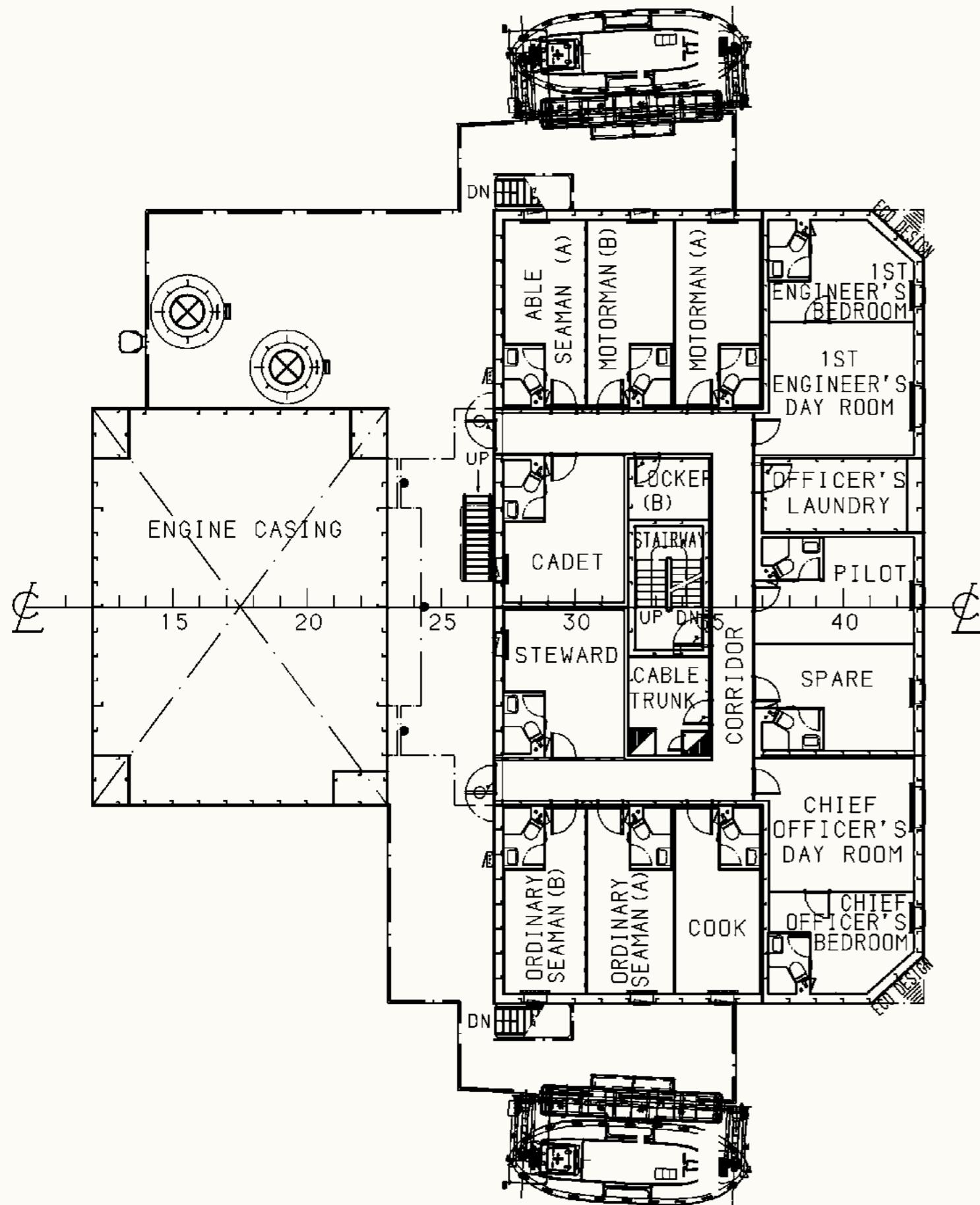
Most business contacts, both for tankers and dry cargo ships, are made through brokers associated **with brokerage companies with which the Group has been working for some time**. In certain geographical areas, such as Japan, some relationships date back to the 1970s, when d'Amico Group was one of the first Italian companies to enter into business relations with the Far East. Brokers play a key role: **they act as a mediator for both sides**, they know the shipowner's fleet and the needs associated with the specific aspects of the customer's product, especially the logistical and operational aspects. An important opportunity for more direct relations and communication between the parties are **sector-related conferences**, often specific to the type of product, providing an opportunity for all shipping companies and customers to meet. The d'Amico Group also participates annually in these kinds of events, especially in Asia, the US and Europe, to **strengthen existing business relationships and build new ones**. The Group usually organises important **business and institutional events**, especially in Japan, Singapore and USA, in order to facilitate communication with leading industry players and as a gesture of gratitude towards its partners. The Product Tankers business area, i.e. d'Amico International Shipping S.A., listed on the Milan Stock Exchange, participates in the Star conferences organised by the London Stock Exchange to meet investors and analysts. In 2020, due to the pandemic all events have been cancelled. However, d'Amico Group participated with its shipowners and Top Managers in many on-line conferences and events organized during the emergency by the main players of the shipping industry and the financial community.

The Group also uses the web to provide customers and stakeholders with main institutional and business information which can be accessed both through the **Group's website** - <https://en.damicoship.com/> - and through the websites dedicated to the main business areas (<https://en.damicodry.com/> and <https://en.damicointernationalshipping.com>).

The media coverage of the first half of 2020 was influenced by the COVID 19 emergency as it has produced 30 articles related to: quarterly results, crew changes emergency and innovative technologies (remote inspections and surveys, etc.). The year 2020 was strongly influenced by 2 main factors: DIS H1 and Q3 results (27.1% of the total) and the sales of a few dry and tanker vessels (19.9% of the total).



B-DECK



Community

SDGs

Sections of the Sustainability Report

Activities

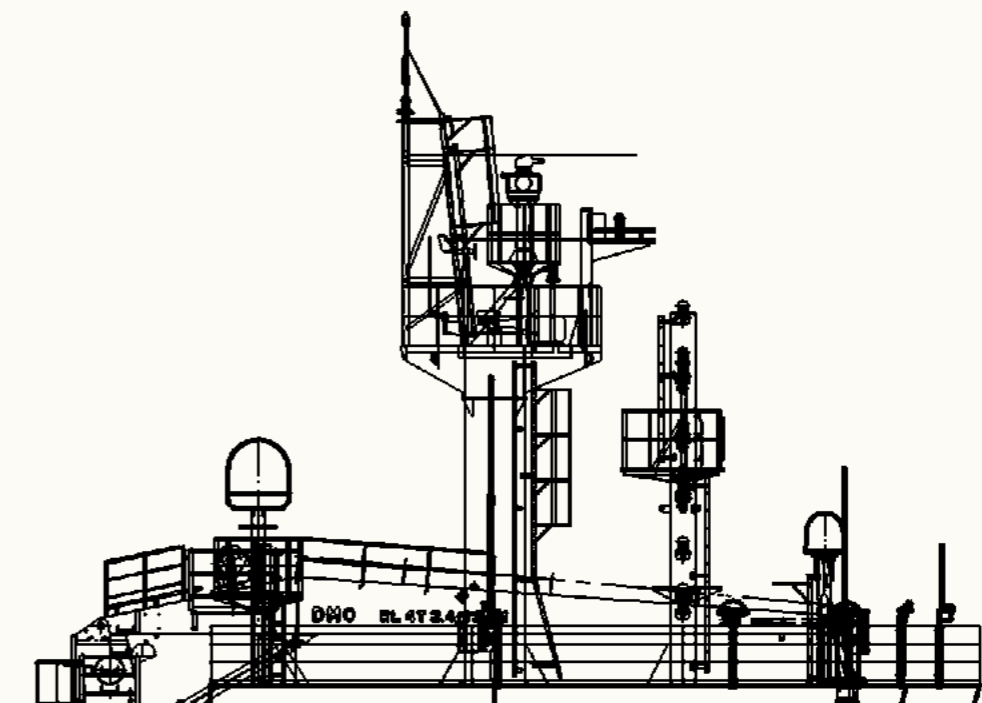


Participation in leading industry associations and organisations

Participation in leading industry associations and organisations d'Amico Group's commitment to community

- Increase awareness, at global and national level, on the issues of climate change and environmental sustainability, by funding associations promoting a more sustainable business style

- Act in a systemic logic, to support local entities and associations, in order to develop a strong and cohesive infrastructure that allows greater success in achieving sustainable development as well as the goals of d'Amico group and the community.



PARTICIPATION IN LEADING INDUSTRY ASSOCIATIONS AND ORGANISATIONS

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020



17.17
Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

209,000€
disbursed as membership fees for national and international shipowners and other associations in 2020, **doubled since 2018**



12.8
By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

ACTIVE PARTICIPATION

With leading roles in **several international organizations and associations** within the shipping sector



13.3
Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

The d'Amico Group actively participates in leading national and international industry organisations and associations, holding top positions. The Company's shipowners and managers continue with the long-standing tradition of ensuring their constant and stable participation in key international shipping contexts.

CONFITARMA

The Italian Confederation of Shipowners (Confitarma) is the **main association of the Italian shipping industry**. It represents nearly the entire merchant fleet and gathers shipping companies and ship-owning groups operating in all sectors of freight and passenger transport, cruises and auxiliary traffic services. The d'Amico Group has been a member since its foundation. Three d'Amico family members were appointed as chairmen over the course of the years and were involved in significant events of the Confederation's history. **Ciro d'Amico**, Chairman from 1972 to 1975, contributed to the unification of the three different shipowner associations that later merged into Confitarma. **Antonio d'Amico**, Chairman from 1989 to 1995, worked actively towards joining Confindustria. **Paolo d'Amico** led Confitarma during a highly complex three-year period (2010-2013) in terms of international maritime safety. **Cesare d'Amico** also played a key role in Confitarma. He is currently a member of the Executive Committee and for many years chaired the "Ship Operations" working group focused on safety on board merchant ships.

Another generation of d'Amico's joined the Young Shipowners Group. The Young Shipowners Group was established in 1995 in compliance with the Confitarma's Statute and it comprises over 60 members, including shipowners, sons of shipowners, managers and employees directly engaged in the enterprises represented by Confitarma and coming from about 50 member companies. The Young Shipowners are actively involved in the life of the Confederation: the president is a statutory member of the Board and the Executive Committee of Confitarma; the members of the Board participate in the Advisory Committees on issues related to the shipping industry and the maritime system.

REGISTRO NAVALE ITALIANO

Paolo d'Amico has been, since 2020, Chairman of the Registro Italiano Navale (Italian Naval Register), following the previous appointment as Vice Chairman and member of the Board of Directors. He will be in charge for the period 2020-2023. Among his priorities: a global approach to sustainability and digitalization to restart the economy after the pandemic emergency.

Registro Italiano Navale is the majority shareholder (70%) of RINA S.p.A., thus of the RINA Group. Its Board of Directors includes representatives of the key categories connected with the shipping industry.

INTERTANKO

The International Association of Independent Tanker Owners (INTERTANKO) has 204 members from more than 40 countries. **The Association**, chaired by Paolo d'Amico since November 2018, **is committed to ensuring a highly competitive, transparent and sustainable industry with the objective of achieving high international standards**. Two of d'Amico Group's staff also hold a role at INTERTANKO: an HR Manager chairs the Human Element in Shipping Committee (HEiSC), and the Technical Director is a member of the Safety and Technical Committee (ISTEC) and the Environmental Committee.

THE STANDARD CLUB

The Standard Club **is the fourth largest Protection and Indemnity Club in the world** and handles around 10% of the international insurance market. A network of **650 agents in 130 countries** are responsible for monitoring and assisting a fleet exceeding 130 million gross tonnes. **Cesare d'Amico** is currently the Chairman and is the first Italian to have achieved this important position.

INTERCARGO

INTERCARGO, International Association of Dry Cargo Shipowners, **represents the interests of the leading dry cargo shipowners, with a view to promoting free and fair competition**. The d'Amico Group is also highly involved in this association: the Top Managers of the Dry Cargo business area is a member of the Executive Committee, while the Deputy Technical Director is a member of the Technical Committee, which also participates in the IMO Correspondence Group on air pollution and energy efficiency and the IMO Correspondence Group on CII and reduction measures.

ESSF - European Sustainable Shipping Forum

Since 2017, d'Amico Group has been an expert member of the Environmental Sustainable Shipping Forum (ESSF) with the Performance Manager as member of the Air Emission from Ships Subgroup and since the end of 2019 also in the Ship Energy Efficiency Subgroup. The Forum was created to promote structural dialogue, the exchange of technical knowledge, cooperation and coordination between parties, with a view **to encouraging sustainable, competitive and quality shipping without compromising safety**.

ECSA - European Community Shipowners Association

Founded in 1965, ECSA is a **trade association representing the national shipowners' associations of the EU and Norway**. European shipowners control 40% of the global commercial fleet. ECSA is involved in safety and environmental issues, maritime and trade policies and social affairs. It promotes shipping interests and seeks to create a free and competitive business environment. **In 2020 ECSA created a pool of Shipowner Expert Members in order to**

participate at the Draft delegated act published in November 2020 which includes: Manufacture of low carbon technologies for transport, Sea and coastal freight water transport and Sea and coastal passenger water transport. One of d'Amico's managers is also a **member of the CSA EU Maritime Taxonomy Group committed to becoming a global leader in sustainable finance.** The European Commission (Commission) established the High-Level Expert Group on Sustainable Finance (HLEG) in 2016, tasked with developing a comprehensive EU strategy on sustainable finance. The ECSA Board of Directors gathers the directors of its 20 national member associations. The Board has authority to make decisions on all relevant issues and is chaired by a President who serves for two years. The President is elected by the General Assembly of ECSA. One of d'Amico's Managers represents Ireland in the Board of Directors.

ICS - International Chamber of Shipping

The International Chamber of Shipping (ICS) is the **leading international trade association for the shipbuilding industry.** It comprises shipowners from Asia, Europe and the Americas. Overall, the shipping companies associated with ICS manage over 80% of the world's merchant shipping tonnage. One of d'Amico Group's Top Managers serves as Chairman of the Construction & Equipment sub-committee.

Irish Chamber of Shipping

Ireland's **leading trade association for the shipping industry represents shipowners and operators in all sectors and trades in Ireland.** The Irish Chamber of Shipping is Ireland's representative on the ECSA (European Community Shipowners' Association) and the International Chamber of Shipping.

SSA - Singapore Shipping Association

d'Amico Società di Navigazione SpA and Ishima Pte Limited are members of the Singapore Shipping Association (SSA). The association was founded in 1985 and **represents over 460 member companies,** including shipowners, ship managers and operators, brokers, bunker suppliers, insurers, lawyers and bankers specialising in the maritime sector.

ICCS - Italian Chamber of Commerce in Singapore

The Italian Chamber of Commerce in Singapore is a **non-profit association that aims to strengthen bilateral relations between Italy and Singapore.** It focuses on collaboration between strategic partners belonging to the two countries. d'Amico Group is now one of the Italian companies with the greatest presence in Singapore and has an office that represents the Company's hub in Southeast Asia.

BIMCO

d'Amico Group is a member of BIMCO, **the largest international maritime association.** It is accredited as an NGO with all relevant UN bodies and controls about 65% of the world's tonnage, with members in 120 countries. In the past, Group executives have been members of the Association's technical committees.

d'AMICO GROUP'S COMMITMENT TO COMMUNITY

SDGs



UN TARGET ONU

17.17

Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

ACTIVITIES AND KPIs IN 2020

110,000€

Disbursed by the group as donations and sponsorships in 2020, **-31% since 2018.**

TRAINING

Student Naval Architect Award

The Student Naval Architect Award is a **prestigious award** that, for over 12 years, has been given to Genoa University students who have studied in the faculty of Naval Engineering or in similar subjects and graduated with honours. The aim is to reward excellence in the field of naval engineering with a view to building the future of shipping. d'Amico Group co-funds this award together with the Royal Institution of Naval Architects, the British professional association of naval engineers founded in London in 1860.

In 2020, a member of the d'Amico family and Top Manager of the Group was elected President of the Royal Institution of Naval Architects (RINA) for the 2020-2022 two-year period.

IPE - Naples Institute for Research and Education

The Master's Degree in Hr & Social Recruiting held by IPE (Institute for Research and Education) in Naples is a unique educational programme in Italy. Its aim is to train professional experts in selection, management and evaluation processes of Human Resources that, in addition to basic skills, acquire the skills necessary for digital corporate transformation through social recruiting techniques, employer branding, change management. Thanks to this collaboration every year students can develop a final project work in the company; d'Amico also gives the most deserving students the opportunity to do an internship at the HR department. The Master's programme boasts a 100% placement rate and is accessible annually through a scholarship provided by d'Amico Group.

National Maritime College of Ireland – Cadet training programme

d'Amico Group has supported the National Maritime College of Ireland for over five years, offering 18 cadets the opportunity to board the vessels of the d'Amico fleet for 90 days each year. The new Navy officers can complete their education with a period of onboard training and receive the certificate of competency required for navigation. **Through its cooperation with the National Maritime College of Ireland, d'Amico Group is also a partner of Chiltern Maritime, a company specialising in the recruitment, training and administration of officer trainees for British Merchant Marine scholarship programmes.**

The Connecticut Maritime Association - CMA Essay Contest

The Connecticut Maritime Association is a **non-profit association of the US shipping industry**. The Group has been an active member of the association since 2001. Since 2014, d'Amico Group has sponsored the "Business of Shipping Competition", organized by the CMA and the CMA Education Foundation. The competition **rewards the best essays written by students attending American colleges and universities with programmes and/or courses specialising in shipping, international trade, marine biology and maritime engineering.**

SOLIDARITY

d'Amico Group supports charitable activities across the globe. It sponsors events for the protection of human life and scientific research, and projects to assist the neediest populations and areas in which it operates - paying special attention to the protection of children and the most vulnerable.

Projects in Asia

- **Vietnam**

In 2017, following the Damrey typhoon that struck the province of Khanh Hoa in Vietnam, **d'Amico Group made donations to both the Khanh Hoa Provincial People's Committee and the Hyundai Vinashin Shipyard Co. shipyard** (where many of d'Amico's product tankers vessels have been built) to help employees and their families rebuild their homes. In addition, the Group has made a further donation to the families of the 5 cities most affected by the typhoon and in the vicinity of the yard.

- **Philippines**

Following the typhoon that devastated many areas in 2013, **d'Amico Group made an important donation for the construction of ambulance boats for the city of Iloilo**. This was one of the areas most affected by the disaster and is home to some of the seafarers who work for the Group. At the beginning of 2014, d'Amico immediately helped the families of the Filipino seafarers and employees with a contribution to rebuild their homes.

- **Japan**

Following the 2011 earthquake and tsunami off the coast of the Tōhoku region in northern Japan, which is still the most powerful ever recorded in the country, **d'Amico Group made a significant donation to the "Italians for Tohoku" Association, directly supported by the Italian Embassy in Tokyo**. The association literally "adopted" the city of Rikuzentakata, which had been completely destroyed by the tsunami and is carrying out reconstruction projects thanks to fundraising activities.

Il Porto dei Piccoli (The Children's Harbour)

d'Amico Group supports the Association "Il Porto dei Piccoli" (The Children's Harbour) which helps children facing illness and their families. Its aim is to provide support throughout the treatment period, regardless of the pathology, and offer a safe harbour where children and their families can find understanding and support. The sea is the constant companion during the recreational and educational activities offered every day by the association's volunteers. In its more than 14 years of activity and over fifty thousand hours of initiatives, Il Porto dei Piccoli has assisted more than thirteen thousand children in different Italian regions.

Children's Emergency Fund - Save the Children

The Children's Emergency Fund of Save the Children seeks to **rescue and provide assistance to people affected by natural disasters and conflicts**. d'Amico Group collaborates with the organisation in providing first response at the onset of an emergency to ensure that children and families receive food, water, hygiene kits, medical care and temporary shelters.

The Group also supports projects dealing with health and education designed to guarantee a better and safer future for children all over the world.

Telethon Foundation

For many years, d'Amico Group has supported the activities of the Telethon Foundation - aimed at **helping research progress towards the treatment of genetic diseases** - and helps the Foundation in financing top researchers and research institutes.

Children's Kidney Disease Foundation

For many years, d'Amico Group has supported the "Fondazione Malattie Renali del Bambino" (Children's Kidney Disease Foundation), an **Italian non-profit organization for the prevention, treatment and study of kidney disease in children**. Its aim is to help them receive the assistance they need to go back to living a perfectly normal life.

ART AND CULTURE

d'Amico Group supports art and culture, driven by its close bonds with many of the local communities in which it operates worldwide and by its desire to spread Italian culture beyond its national borders. The Group has developed several projects enabling it to introduce social, economic and environmental issues to an ever-growing public, and to personally contribute to the preservation of artistic, cultural and traditional heritage.

The Owner's Cabin

In 2015, d'Amico Group launched the project - The Owner's Cabin, a one-of-a-kind artist's residency that combines art, culture and shipping, and hosts international artists on board the Group's vessels, offering them a unique perspective. Interlacing industry and art, trade and creativity, isolation and global interaction in the creative process, several artists from all over the world have already produced a body of artwork inspired by these features.

FAI - Fondo Ambiente Italiano (Italian Environmental Fund)

d'Amico Società di Navigazione is part of "The 200 of FAI", a group of generous sponsors who, together with their companies, support FAI - Fondo Ambiente Italiano (Italian Environmental Fund) - in its mission to protect, care for and enhance Italy's historical, artistic and environmental heritage.

ENVIRONMENT

Association of Sea Museum Promoters - Galata Sea Museum of Genoa

d'Amico Group has always had a special relationship with the city of Genoa. Recently, the Group contributed in creating the "Shipowners' Hall" in the Galata Sea Museum. The room is situated on the third floor of the museum and tells the story of Genoa and its port through its protagonists: the shipowners and Italian maritime history since 1861. The museum also includes the "Antonio d'Amico Room". This room is dedicated to the memory of one of the three brothers who founded d'Amico Società di Navigazione. It contains the bell that belonged to the transatlantic liner REX and other mementos given by the Company to the city of Genoa through a free loan, as a testament to the close bond between d'Amico and the city.

Battibaleno

d'Amico Group believes in the **protection of the marine environment** and for that reason has decided to support Battibaleno and the Delphis 2020 operation.

Battibaleno is an **International Non-Profit Association that protects the Mediterranean environment**. It was founded in July 1995 with the objective of improving the knowledge and awareness of whales and dolphins regularly seen in the Mediterranean Sea. Every year, thousands of boaters positioned at predetermined sea coordinates, lend their knowledge as navigators to make simultaneous observations on the surface of the sea and cetaceans.

The aim of the operations is to get a great panoramic photo of the surface of the sea. This is precious for the scientific community and, for raising awareness among the public about the importance of protecting the marine biodiversity.

Istituto Italiano di Navigazione

d'Amico Group is a partner of the **Italian Navigation Institute**. Founded in 1959, the body acts as a connecting element between the various institutions and companies to promote the development and dissemination of the technical-scientific culture of navigation (both maritime, land, air and space), and to provide insight into the legal, judicial, management and economics aspects of the sector.



ENVIRONMENTAL RESPONSIBILITY



CIELO DI CAPALBIO
NONROVIA
IMO 8555151

2020 HIGHLIGHTS

-6.9%

reduction CO₂ emissions per nautical mile (2020 vs. 2018)

97.9%

low-sulphur bunker fuel: from 15,9% in 2018

-7.1%

reduction of bunker consumption per nautical mile (2020 vs. 2018)

-85.0%

reduction SO_x emissions per nautical mile (2020 vs. 2018)

-7.1%

reduction NO_x emissions per nautical mile (2020 vs. 2018)

Zero

accidents, spills in 2018, 2019 and 2020

68%

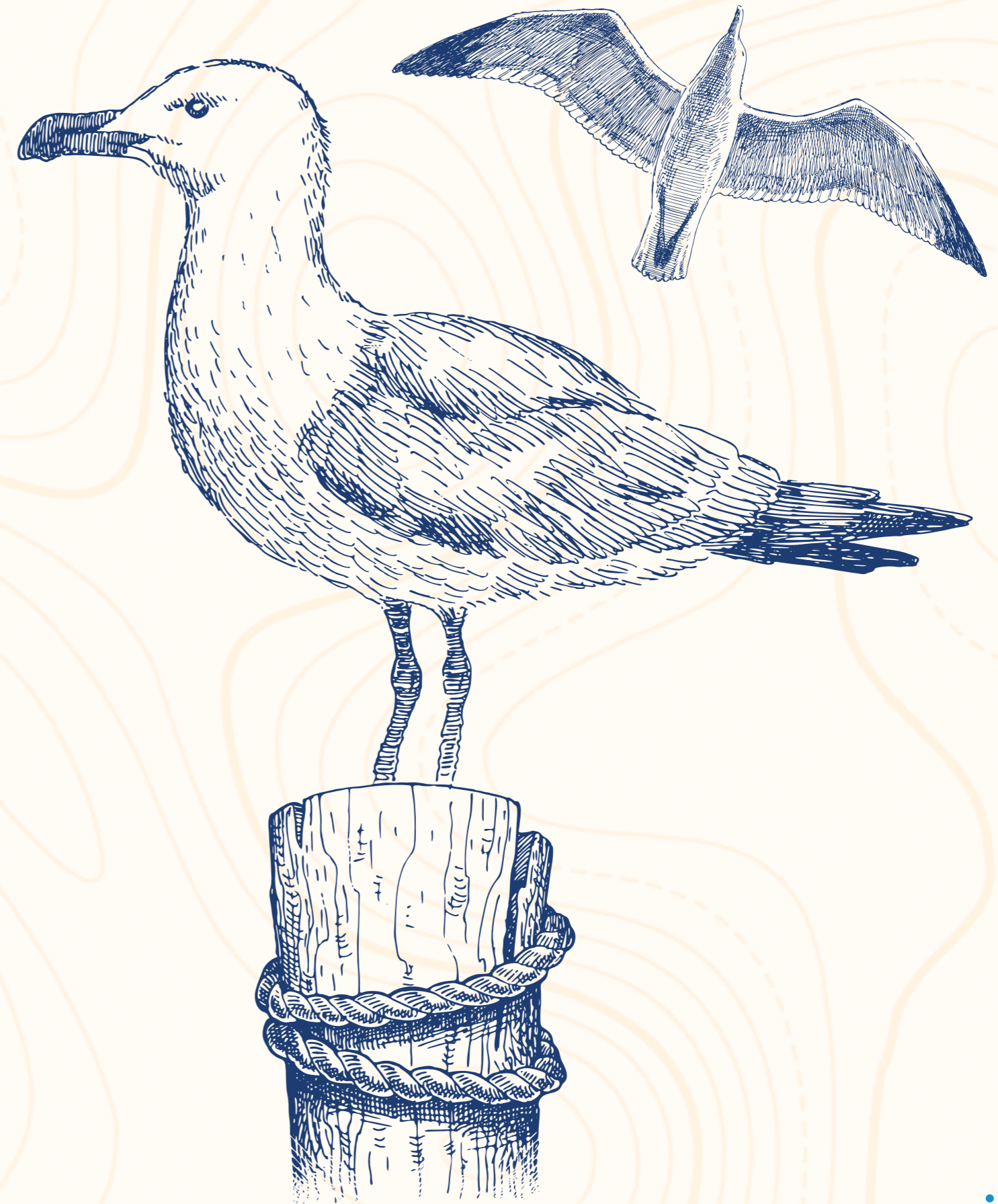
of owned fleet compliant with EEDI phase II

80%

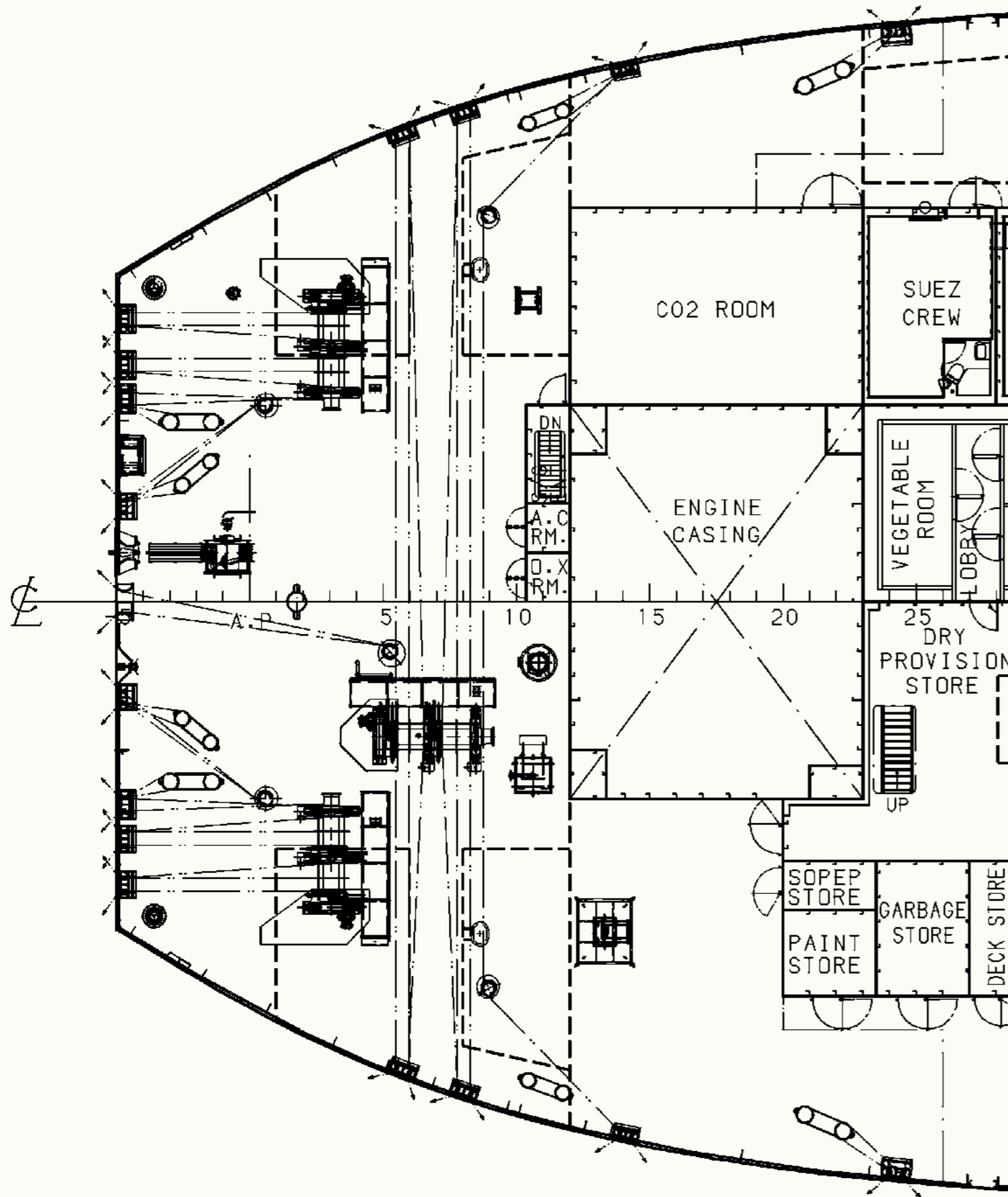
of owned fleet compliant with EEXI - calculated at 75% of MCR limited

5,268.56 mc

the total waste produced onboard in 2020 -21.4% since 2019



Environmental Responsibility



SDGs	Sections of the Sustainability Report	Activities
	Environmental policy	<ul style="list-style-type: none"> Application of policies and implementation of activities to reduce harm to individuals and deaths caused by water, air pollution and other emissions
	Environmental management at facilities	<ul style="list-style-type: none"> Achieve an efficient consumption of water within the offices and the group facilities
	Environmental policy Environmental performance Environmental management at facilities	<ul style="list-style-type: none"> Renewal of "Eco ships" fleet, in line with IMO directives, thanks to the implementation of innovative technologies Achieve an increasingly efficient energy consumption within the offices
	Environmental policy	<ul style="list-style-type: none"> Preventing hazardous actions, injuries, illnesses, accidents to personnel, material and environmental damage Improving the safety of all employees by developing an internal culture of safety
	A fleet at the forefront Environmental management at facilities	<ul style="list-style-type: none"> Projects aimed at improving vessel performance from an environmental perspective and in terms of onboard safety and efficiency Reducing travel between offices and increasing use of video conference and conference call systems
	Sea and Marine environmental safety Waste management Environmental management at facilities	<ul style="list-style-type: none"> Preparation of hazardous material inventories on all new buildings and on the existing fleet Plastic-free project in the group's offices Separate waste collection in all d'Amico offices
	Environmental performance	<ul style="list-style-type: none"> Activities to raise awareness on climate change issues among personnel and in the community Implementation of activities seeking to reduce harm to individuals caused by water and air pollution
	Sea and Marine environmental Safety	<ul style="list-style-type: none"> Minimum impact of activities on environmental integrity at all times and in all places Ongoing prevention of every possible form of pollution, with a zero pollution goal

The d'Amico Group regards **environmental protection and respect for the environment as a mission**. Its environmental policy is a key reference point for its Integrated Management System and when adopting international certifications. The d'Amico Group is aware of the importance of its role and **constantly promotes responsible behaviour towards the environment**. It takes part in several projects, focusing its efforts on preserving the sea environment from pollution and over-exploitation.

ENVIRONMENTAL IMPACT AND REGULATORY FRAMEWORK

Around 90% of global trade is based on maritime transportation. This is the most efficient and cost-effective method of transport for most goods and is constantly expanding, driven by the liberalisation and globalisation of economy. Currently this industry involves over 150 countries, with more than 50,000 cargo vessels that employ more than a million seafarers of all nationalities. From an environmental perspective, **shipping is the least environmentally damaging form of transport, since it is more efficient and has a much lower environmental impact than other existing forms of transport.** Considering the size of this industry, 2.7% of global CO2 emissions are attributable to shipping. However, the sector has a highly cohesive approach when adopting and implementing international safety standards, under the umbrella of the International Maritime Organization - IMO, which regulates this huge and diverse sector, irrespective of nationality.



IMO - INTERNATIONAL MARITIME ORGANIZATION

IMO is the United Nations agency that **handles shipping safety and security and the prevention of marine and air pollution by ships**. IMO membership implies compliance with specific standards. As an international industry by definition, shipping can only operate effectively if regulations and standards are agreed upon, adopted and implemented on an international basis. IMO measures cover all aspects

of international shipping – including ship design, construction, equipment, manning, operation and disposal. **The goal is to ensure that the shipping sector** – which plays a vital role in the economy – **is secure, environmentally friendly, energy efficient and safe**. Finally, IMO works towards supporting the United Nations Sustainable Development Goals, which the d'Amico Group has also adhered to.

The d'Amico Group is subject to the provisions of the International Convention for the Prevention of Pollution from Ships (MARPOL), which aims to prevent and reduce both accidental and operational pollution.

MARPOL

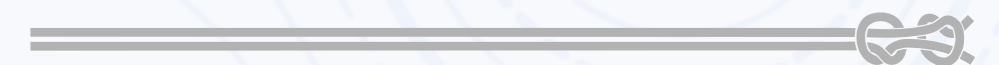
The MARPOL Convention was adopted on 2 November 1973 by the IMO and subsequently updated by the 1978 and 1997 protocols. It consists of six annexes, each addressing the prevention and/or control of pollution by petroleum products - crude oil and fuel oil - carriage of

noxious liquid substances in bulk, carriage of noxious substances in packaged form, sewage, waste and air pollution emissions - substances that deplete the ozone layer, nitrogen oxides (NOx), sulphur oxides (SOx), volatile organic compounds.



TYPE KNOT

- Fisherman's Knot



The main certificates that a vessel must have to demonstrate compliance with the MARPOL Convention are:

- **IOPP** - International Oil Pollution Prevention Certificate
- **ISPP** - International Sewage Pollution Prevention Certificate
- **IAPP** - International Air Pollution Prevention Certificate
- **NLS** - International Pollution Prevention Certificate for the Carriage of Noxious Liquid Substances.

In April 2018, the IMO reached a climate agreement regarding the adoption of a strategy to reduce greenhouse gas emissions from international shipping consistent with the Paris Agreement goals adopted by the United Nations in 2015.

The agreement has two main objectives:

- **reduce CO₂ emissions from international shipping** per tonnes of cargo carried and nautical miles covered by at least 40% by 2030 and 70% by 2050, compared to 2008 values;
- **reduce greenhouse gas emissions** from international shipping by at least 50% by 2050 compared to 2008, consistent with the strategies implemented by the Paris Agreement.

The IMO Marine Environment Protection Committee (MEPC) has also reviewed the terms of MARPOL Annex VI with the following additions:

- adoption of a new Regulation (22A) establishing a **mandatory system for collecting and reporting data**, starting from 1 January 2019 for each year, on the consumption of each type of fuel oil used on board all vessels having 5,000 or more gross tonnage and engaged in international voyages - Resolution MEPC.278 (70);
- **adjustment of the level of sulphur oxide and nitrogen oxide emissions** by redefining the sulphur threshold that can be contained in the fuels used by vessels, which ranges from 3.5% to 0.5%, starting from January 2020 at a global level. An exception is made for vessels travelling through SECA (Sulphur Emission Control Area) areas, for which a maximum threshold of 0.1% has been defined as already envisaged by the previous version and by Directive (EU) 2012/33²² in European ports.



²² Directive (EU) 2012/33 of 21 November 2012, known as the "Sulphur Directive" establishes that, from 1 January 2015, cargo vessels operating in the maritime areas of Member States may no longer use fuel with a sulphur content exceeding 0.1% by mass.

"Sustainable Shipping for a sustainable Planet"

The year 2020 marked the beginning of a decade of action and delivery for a more sustainable life on planet. The IMO is convinced that the upcoming decade will be decisive not only for the shipping industry, but for life on the planet. For this reason, in 2019 IMO has launched the initiative "Sustainable Shipping for a sustainable Planet" for the year 2020. The aim of the initiative was to provide an opportunity to **raise awareness of the UN SDGs and showcase the work that IMO and its Member States are undertaking to achieve the targets.** The shipping industry, with the support of the IMO regulatory framework, has already started the transition towards this sustainable future. **IMO's objectives are: safe, secure and efficient shipping on clean oceans.**

Among the IMO's main objectives there is the commitment to fight climate change by continuing to develop measures to cut greenhouse gas emissions, reducing the sulphur content of ships' fuel oil, implementing the Ballast Water Management Convention, protecting the polar regions and reducing marine litter.

The fundamental purpose of IMO, as described in the IMO Convention, is rooted in the **conservation and sustainable use of oceans and their resources.** IMO supports the targets for managing and protecting marine and coastal ecosystems through the establishment of **Special Areas under MARPOL and Particularly Sensitive Sea Areas.** Regarding **ocean acidification**, IMO has established a regulatory framework that will contribute to climate change mitigation by regulating for carbon capture and sequestration in subsea geological formations and for marine geoengineering.

Its commitment also includes adopting measures to **improve the efficiency of shipping through the electronic exchange of information**, meeting the challenges of the digitalization of shipping and enhancing the participation of women in the maritime community.

The adopted measures made mandatory the Energy Efficiency Design Index (EEDI) for new ships and the Ship Energy Efficiency Management Plan (SEEMP) for all ships. These measures will require ships built in 2025 to be 30% more energy efficient than those built in 2014.



Moreover, IMO adopted a **mandatory data collection system for fuel oil consumption.** This is the first step in a three-step approach, the second being data analysis, and the third decision-making on whether further measures are needed to **enhance energy efficiency and address GHG emissions from international shipping.** IMO contributes to international cooperation to **facilitate access to clean energy research and technology**, in particular energy efficiency and advanced, cleaner fossil-fuel technology, and promotes investment in energy infrastructure and clean energy technology.

The COVID-19 pandemic has demonstrated the importance of shipping as the most reliable, efficient and cost-effective method of transporting goods internationally, thus highlighting the fact that shipping is an essential component of sustainable economic growth. **Security is also essential for a well-functioning transport system.** The shipping sector today is on the front-line facing security threats from global terrorism and modern-day piracy on the world's oceans. IMO also **promotes maritime security coordination and cooperation among States, regions, organizations and industry**, as well as assisting Member States to implement the International Ship and Port Facility Security (ISPS) Code on board all ships and in all ports engaged in international maritime transport.



ENVIRONMENTAL POLICY

SDGs

UN TARGET

ACTIVITIES AND KPIS IN 2020



3.9
By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination

In 2017 d'Amico's dry and tanker vessels have received the **Green Flag award** for reduction of air and water pollution



7.3
By 2030, double the global rate of improvement in energy efficiency

80%
the percentage of 'Eco' vessels in d'Amico Group's fleet



8.4
Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead

5 tons / day
Less in bunker consumption for an 'Eco' vessel compared to a conventional vessel at same speed



The d'Amico Group is committed to managing the environmental aspects and improving energy performance as an integral part of its business. To this end, it has implemented a **certified environmental management system** compliant with ISO 14001 and a **certified energy efficiency management system** compliant with ISO 50001, aimed at:

- ensuring that its activities have a minimum impact on the environment at all times and in all places
- protecting the marine environment
- preventing pollution (goal: zero pollution)
- reducing emissions
- continuously monitoring fuel consumption and air emissions
- encouraging innovation by identifying technologies to increase the energy efficiency of ships and reduce environmental impact
- complying with applicable legal requirements and with the commitments undertaken by the companies regarding environmental legislation and energy consumption and efficiency
- promoting the purchase of energy-efficient products and services as well as solutions for improving energy performance
- spreading the Environmental Policy to all employees on land, on board and at all levels within the organisation, making it available to the public and keeping it constantly updated.

The requirements of the International Maritime Organization

The International Maritime Organization (IMO) has identified further potential for improving the efficiency of maritime transport and for reducing greenhouse gas emissions. In 2011, it approved the adoption of both technical measures (EEDI²³), to **ensure efficient ship design with respect to environmental impact, and operational measures** (SEEMP²⁴), both mandatory. The new regulations entered into force in 2013. SEEMP Part I is the operational measure that establishes a virtuous mechanism for **improving a ship's energy efficiency**. It introduces a systematic process for goal planning, including implementation of activities to achieve them, monitoring and measurements, continuous improvement as well as an operational efficiency indicator (EEOI²⁵).

As of 1 January 2019, SEEMP Part II requires **full monitoring of the ship's propulsion system efficiency**. Methods are established for collecting data on annual fuel oil consumption in metric tonnes including the use of bunker delivery notes (BDN²⁶), flow meters, monitoring of bunker fuel oil tank on board and direct measurement of CO2 emissions (although not required by Regulation 22A).

In addition, SEEMP Part II includes **methods selected for measuring distance travelled**, hours underway, the procedure for reporting data to ground-based offices and to the administration that will be responsible for transmitting the data to the IMO. At the same time, on 1 January 2018 the European Union introduced EU regulation 2015/757 MRV - Monitoring, Reporting, Verification. This regulation was developed in response to the 2050 goals set by the European Union **aimed at reducing greenhouse gas emissions, which by 2030 must be at least 40% lower than 1990 levels**. It also establishes a European system for monitoring, reporting and verifying greenhouse gas emissions from maritime transport. The aim is to improve information about the efficiency of vessels and encourage the reduction of emissions and fuel consumption.

²³ Energy Efficiency Management Design Index
²⁴ Ship Energy Efficiency Management Plan
²⁵ Energy Efficiency Operational Indicator
²⁶ Bunker Delivery Note

The IMO and the EU therefore both have clear targets for reducing greenhouse gas emissions from vessels. Both have introduced two mandatory requirements for collecting and analysing emissions-related data:

- EU MRV - EU Monitoring, Reporting and Verification for CO₂ emissions
- IMO DCS - IMO Data Collection System on fuel consumption.

For the future, three additional measures have been approved, expected to enter into force on 1 January 2023, that will affect all existing cargo and cruise ships:

- The **retroactive application of the EEDI to all existing cargo and cruise ships above a certain size**, known as the Energy Efficiency Design Index for Existing Ships (EEXI). This will impose a requirement equivalent to EEDI Phase 2 or 3 for all existing ships regardless of year of build and is intended as a one-off certification. The EEXI is to be verified by the Administration and a new IEEC issued no later than the first annual survey on or after 1 January 2023.
- A **mandatory Carbon Intensity Indicator - grams of CO₂ per dwt (Deadweight tonnage)-mile - and rating scheme** where all cargo and cruise ships above 5,000 GT (Gross Tonnage) are given a rating of A to E every year²⁷. The rating thresholds will become increasingly stringent towards 2030. For ships that achieve a D rating for three consecutive years or an E rating, a corrective action plan needs to be developed as part of the SEEMP and approved.
- A **strengthening of the SEEMP** by including mandatory content, such as an implementation plan on how to achieve the CII targets, and making it subject to approval. The implementation of the SEEMP will also be subject to audits.

The **EEXI - Energy Efficiency Design Index for Existing Ships** - is a technical measure, and the required value for d'Amico Group's Bunkers and Tankers is equal to a reduction of 20% against the EEDI phase 0 reference line, hence in line with the EEDI phase 2.

With the release of MEPC 76 adopted on mid-June 2021, d'Amico has already started working on the calculation of the new indicator anticipating the requests for 2023, and the results of the first analyses carried out are explained in the next chapters regarding the Fleet and the Decarbonization Projects.

Positioning of d'Amico with regards to the International Regulations

The d'Amico Group's fleet was one of the first fleets in the world to be fully compliant with the MRV criteria and to be certified by RINA, as well as responding in advance to the verification performed for SEEMP Part II IMO Data Collection (MARPOL Annex VI). Today's challenge for a shipping company such as the d'Amico Group is to have a system that is able to constantly monitor the data gathered from automation and navigation equipment, both manually and through sophisticated software on board its vessels.

This allows the Group to fully monitor energy efficiency on board and to integrate data from different equipment and sources. **The fleet is therefore more efficient and can provide all emission compliance data required.** Since 2011, the Fleet Performance Monitoring department has gained a significant competitive advantage since it systematically integrates the needs of all departments (technical, operational, commercial and environmental) and provides all the information needed for managing Energy Efficiency on board ships.

IMO data collection verification

MRV emission report verification

Hull and propeller management

Energy efficiency audit 50001

TMSA audit Oil majors

²⁷ Technical specifications regarding baselines, methods of calculations and ship-specific requirements will be established through guidelines to be finalized and approved at MEPC 76.

IN 2017 d'AMICO DRY D.A.C. AND d'AMICO TANKERS D.A.C. HAVE RECEIVED THE GREEN FLAG AWARD

Green Flag is a programme promoted by the port of Long Beach that rewards operators for **slowing down the speed of ships to 12 knots or less within 40 nautical miles of Point Fermin, near the entrance to the port.** The programme has been highly successful in **improving air quality due to the reduction in emissions** from ships. The speed of every vessel in the speed reduction zone

is measured and recorded by the Marine Exchange of Southern California. **The programme prevents more than 1,000 tonnes a year of air pollution.** The d'Amico Group voluntarily committed to the Green Flag programme and obtained certification for d'Amico Tankers d.a.c. and d'Amico Dry d.a.c. This recognition also had a positive impact on operational management given the reduced docking fees.



TYPE KNOT

- Surgeon's Knot



ENVIRONMENTAL PERFORMANCE

SDGs

UN TARGET

ACTIVITIES AND KPIS IN 2020



7.3
By 2030, double the global rate of improvement in energy efficiency

0.0935 Tons of fuel consumption per nautical mile, **-7.1% since 2018**



13.2
Integrate climate change measures into national policies, strategies and planning

0.2931 tCO₂ emissions per nautical mile, **-6.9% since 2018**

0.0009 tSO_x emissions per nautical mile, **-85% since 2018**

0.0053 tNO_x emissions per nautical mile, **-7.1% since 2018**

The d'Amico Group's environmental and energy performance is improved mainly through the adoption of new technologies that **reduce consumption and increase the fleet's energy efficiency**. In support of its environmental policy, the d'Amico Group is committed to implementing programmes and procedures seeking to **ensure strict compliance with international regulations** and to define higher standards where existing laws and regulations do not adequately guarantee sufficient protection of the ecosystem. Furthermore, **its management systems are specifically designed to prevent activities and conditions that may pose a threat**. They reduce risks involving onshore activities, vessels and personnel, thanks to safe operating procedures designed to handle any emergency whatsoever.

An essential aspect is also informing its employees and stakeholders about the commitment to reduce environmental impact and energy consumption by inviting them to contribute and offer their assistance in achieving specific goals and by periodically reporting on the results achieved.

The d'Amico Group has also developed and is currently implementing **two internal audits dedicated to environmental management**. These audits are carried out on an annual basis, by Marine and Technical Superintendents respectively, with the aim of verifying environmental compliance with all laws, rules and regulations and the continuous implementation of the best environmental management practices on board. Results of this audit set the highest standards in vessel environmental management and contribute to reaching them.

Energy efficiency

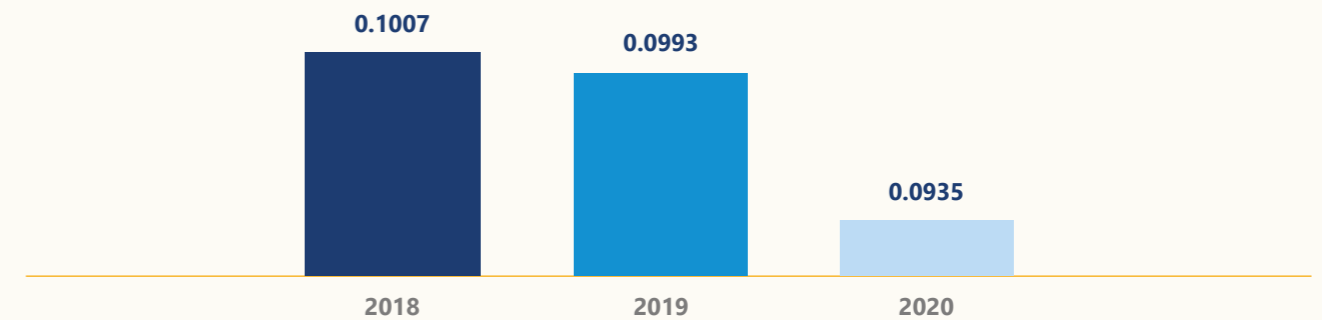
d'Amico Group **has implemented various technologies designed to reduce the energy consumption of its own fleet**. Specifically, the decision to install two-stroke engines with greater power than necessary, but de-rated and electronically controlled, on one hand, lowers the specific consumption curve and, on the other, reduces the revolutions per minute of the engine shaft making it possible to combine it with larger and thus more efficient propellers. In addition, the Mewis duct and the Stator fins, which optimise the flow of water to the propeller, enable vessels to sail at the same speed with, respectively, 2% - 4% and 3% - 5% less power.

Improved hull forms, **a more hydrodynamic bulb**, hull paints with extremely low friction coefficients as well as more aerodynamic shapes for the vessel's housings have also significantly reduced ship resistance in sailing conditions. Finally, the **use of LED bulbs** for on-board lighting allows for a significant reduction in electrical power compared to ships with traditional lighting. Moreover, all 'Eco' vessels have been designed with the aim of optimizing the speed which is lower than in the previous generation of conventional ship. The combination of these technical measures has led to a drop in the fuel consumption of d'Amico's fleet of about 6 tonnes per day/ship compared to previous generation ships.

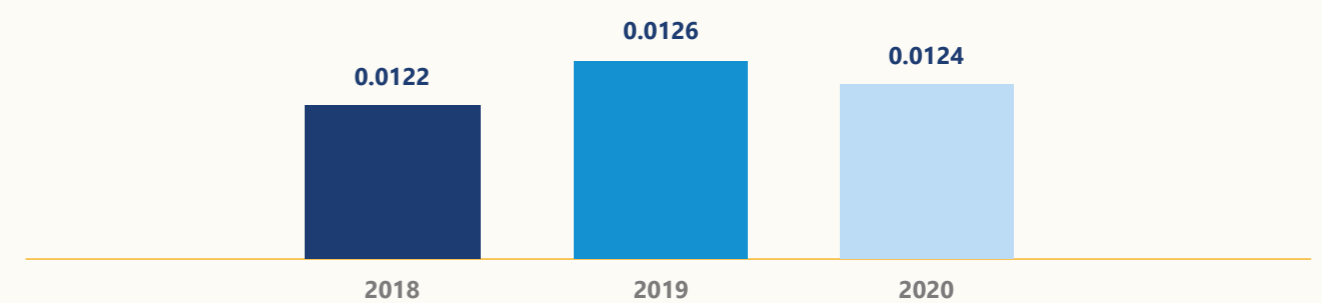
FUEL	2018	2019	2020	Var. 19-20
Bunker [t]	279,003.4	279,476.3	251,743.0	-9.9%
Bunker per nautical mile [t/NM]	0.1007	0.0993	0.0935	-5.8%
Bunker per transport unit [t/t]	0.0122	0.0126	0.0124	-1.9%

Although the decrease in the consumption (-9.9%) can be justified mainly by a reduction in the number of vessels since 2019, the figure for bunker per nautical mile shows a **5.8% reduction in tonnes of bunker per nautical mile since 2019** (compared to 2018 the reduction was 7.1%) underlining the better energy policy of the d'Amico Group, for example in terms of type of fuel consumed.

BUNKER CONSUMPTION PER NAUTICAL MILE [t/NM]



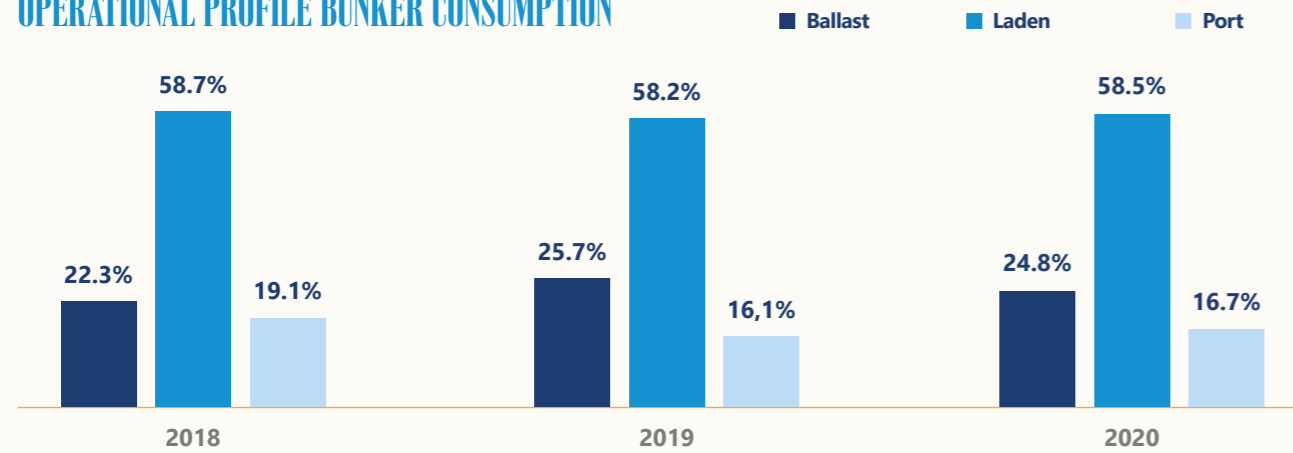
BUNKER CONSUMPTION PER TRANSPORT UNIT [t/t]



Furthermore, by analysing the use of each individual d'Amico ship, it is also possible to investigate the fuel consumption of the vessels, in relation to the type of activity carried out.

In particular, it is possible to analyse the percentage of fuel consumption in relation to the operational profile: namely ballast journeys, laden journeys and the period of stay in port.

OPERATIONAL PROFILE BUNKER CONSUMPTION



From the graph it can be understood that **most of the consumption of the d'Amico Group**, and consequently of the emissions, **comes from trips made with loaded vessels** for the transport of goods, while a smaller share is attributable to trips in ballast mode and only 16.7% (in 2020) is attributable to consumption within the port facilities.

With reference to the latter consumption, there has been a significant improvement in the Group's performance recently, with a reduction of approximately 2.4 percentage points compared to 2018.

Compared to 2019, on the other hand, there is an increase in the percentage of consumption associated to laden voyages, which identifies, indeed, an improvement in the management of the whole fleet by the Group and an optimization of the miles travelled, while the increase in the consumption in port is due to the longer stop time connected with the COVID-19 pandemic.



Emissions

According to IMO International Maritime Organization, the main GHG emissions from shipping that should be monitored and then reduced are CO₂ emissions, SO_x emissions and NO_x emissions.

CO₂ Emission²⁸

Data for 2020 on CO₂ emissions reflect the results obtained in fuel consumption savings and energy reduction. **Carbon dioxide emissions per nautical mile dropped by 5.7%** since the CO₂ emission decreased more than the miles travelled in 2019 (compared to 2018 the reduction was 6.9%).

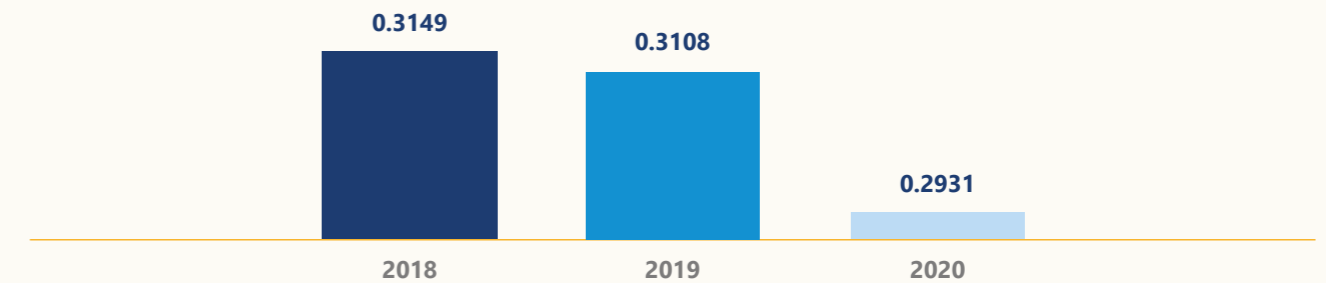
If we consider the CO₂ emissions per transport unit, a reduction between 2020 and 2019 has been recorded (-1.8%) while there is a little increase when considering 2018 data (+1.6%).

However, considering the fact that the reduction compared to previous years in emissions per Nautical Miles decreases significantly, this slight worsening of the indicator compared to 2018 may be due to the fact that the reduction in the carried load was more than proportional to the reduction in miles travelled.

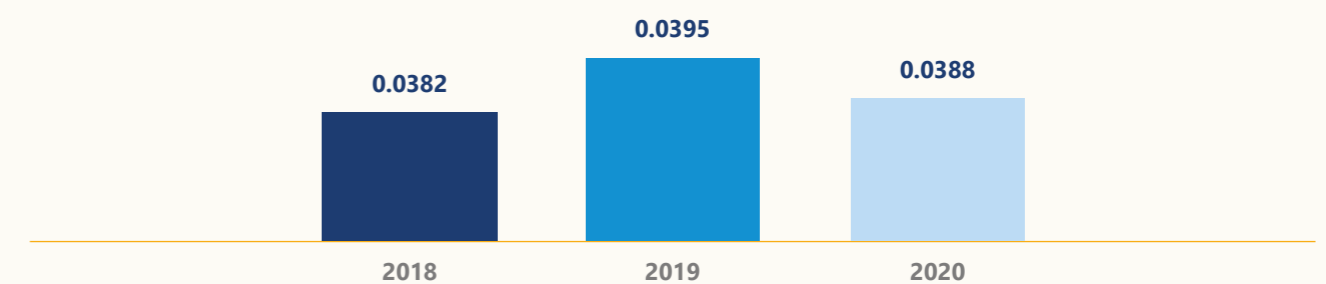
Furthermore, as we can see from the graph in the previous page, this can be explained by the fact that there is a small reduction in the bunker consumed during laden voyage, with the same consumption (while there is a slight increase between 2019 and 2020).

EMISSIONS	2018	2019	2020	Var. 19-20
CO ₂ emissions [tCO ₂]	872,888.0	874,512.4	788,716.3	-9.8%
CO ₂ per nautical mile [tCO ₂ /NM]	0.3149	0.3108	0.2931	-5.7%
CO ₂ per transport unit [tCO ₂ /t]	0.0382	0.0395	0.0388	-1.8%

CO₂ EMISSIONS PER NAUTICAL MILE [tCO₂/NM]



CO₂ CONSUMPTION PER TRANSPORT UNIT (tCO₂/t)



²⁸ In order to measure the CO₂ emitted in burning fuel, IMO provides the following formula: CO₂ [tonnes-CO₂] = CF [tonnes-CO₂ / MT] x Fuel consumed [MT], where CF is the Carbon Factor that is related to the different type of fuel. Detailed information can be found in the "Methodological Note", p.210

SO_x Emission²⁹

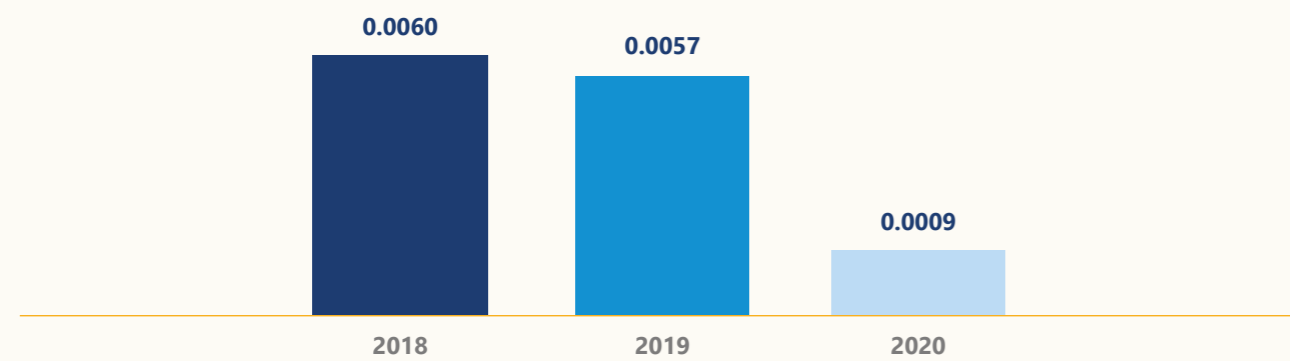
In 2020, due to the increase of use of low-sulphur fuel, sulphur oxides show a reduction of 84.7% compared to 2019. In particular, following the new IMO regulation, the use of low sulphur fuel has been incremented from 15.9% in 2018 and 19.3% in 2019 to 97.9% in 2020.

By comparing the **SO_x per nautical mile, a total reduction of 84.2% is observed.**

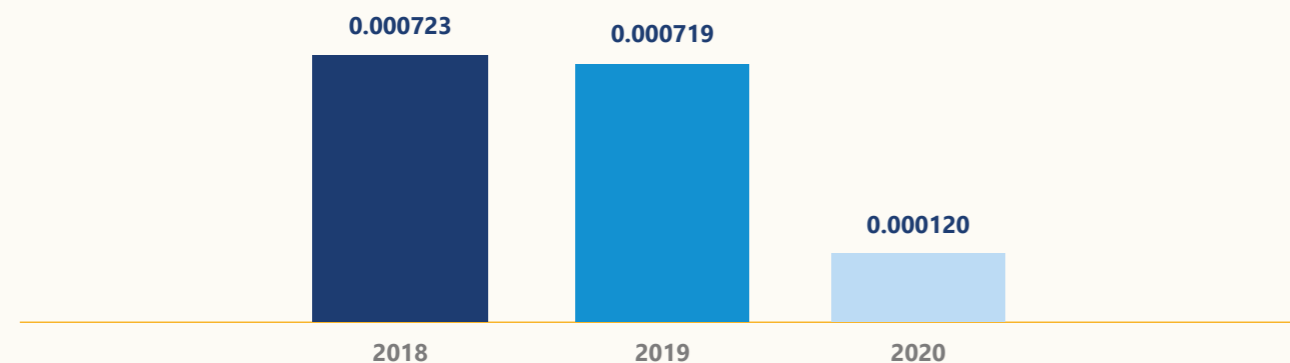
The same trend is observable from trend in SO_x per transport units, with a **reduction of 83.4% since 2019.**

EMISSIONS	2018	2019	2020	Var. 19-20
SO _x emissions [tSO _x]	16,518.8	15,944.5	2,434.0	-84.7%
SO _x per nautical mile [tSO _x /NM]	0.0060	0.0057	0.0009	-84.2%
SO _x per transport unit [tSO _x /t]	0.000723	0.000719	0.000120	-83.4%

SO_x EMISSIONS PER NAUTICAL MILE [tSO_x/NM]



SO_x CONSUMPTION PER TRANSPORT UNIT (tSO_x/T)



²⁹ In order to calculate the SO_x content in the fuel burned, the following formula has been used:

SO_x [tonnes] = Fuel Consumed [MT] x Sulphur Content [%] x 20 [kg/MT] / 1000, where 20 is the conversion factor related to the molecular weight of oxygen. Sulphur content [%] is the actual content of sulphur of the fuel burned. Detailed information can be found in the "Methodological Note", p.210

NO_x Emission³⁰

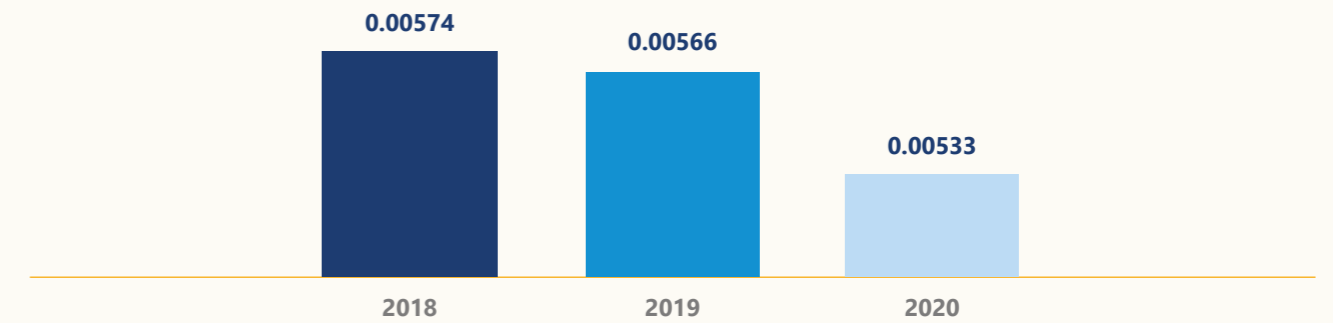
Nitrous oxides are more complicated to calculate, as they are related to the type and speed of the engine according to values provide by IMO. As a result, NO_x emissions show the same trend as CO₂ emissions, for which the same outcomes are valid.

EMISSIONS	2018	2019	2020	Var. 19-20
NO _x emissions [tNO _x]	15,903.2	15,930.1	14,349.3	-9.9%
NO _x per nautical mile [tNO _x /NM]	0.00574	0.00566	0.00533	-5.8%
NO ₂ per transport unit [tNO _x /t]	0.000696	0.000719	0.000705	-1.9%

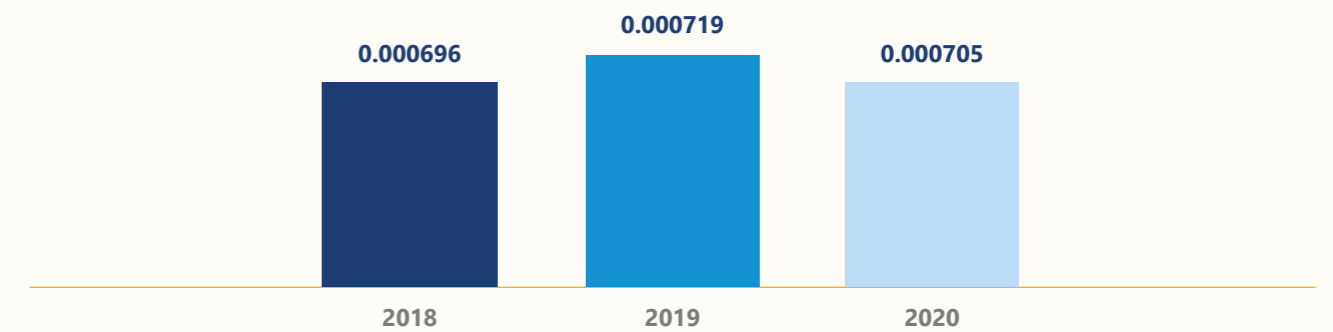
The improvement in the Group's emission levels is also due to the fact that the new ships (Tier 2) emit less (14g/KWh) than the old ones, which emitted around 17 g/KWh.

In 2020, as a result of the changes to the fleet portfolio, about ten ships of the old type have been sold. This has led to a general reduction in NOx emissions, which is expected to continue over the next few years.

NO_x EMISSIONS PER NAUTICAL MILE [tNO_x/NM]



NO_x CONSUMPTION PER TRANSPORT UNIT (tNO_x/T)



³⁰ In the analysis, an approximate formula suggested by IMO has been used:

NO_x [tonnes] = Fuel Consumed [MT] x 57 [kg/MT] / 1000, where 57 [kg/MT] is the average Emission Factor for NO_x. Detailed information can be found in the "Methodological Note", p.210

INTERTANKO GUIDE ON THE BEST PRACTICE FOR TANKER PERFORMANCE MONITORING

Through the participation of the Performance Monitoring Manager as Expert Member of the Intertanko Safety and Technical Committee (ISTEC) of the Performance Monitoring Working Group, d'Amico Group

provided substantial support for the upcoming INTERTANKO Guide on Best Practices for Tanker Performance Monitoring, which will be the **first performance monitoring guide for the entire shipping industry.**



TYPE KNOT

- Sheershank



A FLEET AT THE FOREFRONT

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020



9.4

by 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

68%

of owned fleet compliant with EEDI phase II

12%

of owned fleet compliant with EEDI phase III

11%

of owned fleet compliant with EEDI phase I)

80%

of owned fleet compliant with EEXI - calculated at 75% of MCR limited

Digitalization of record books, big data analysis and CBM

allow the group to monitor, analyse and perform the operations efficiently

34%

of owned fleet applies a Condition-Based Maintenance approach

25%

of owned fleet, planned to reach 100% by Q3 of 2021, applies an Electronic LOGBOOK onboard

100%

of the managed vessels are currently monitored by the Group to collect data

The d'Amico Group's Eco-ships have an **extremely innovative and environmentally friendly footprint thanks to their design, construction choices and the use of technologies that significantly reduce consumption and emissions.** These parameters are monitored by applying the ENERGY EFFICIENCY DESIGN INDEX (EEDI), i.e., the IMO reference index that expresses the ratio between "environmental impact" and "benefit for society", i.e., between "carbon dioxide emitted" and the "tonnes of cargo transported per miles travelled" (gCO₂/tonne-miles). IMO requires the technical efficiency improvement of ships, and therefore of EEDI, over 3 phases.

The phases envisage that the “EEDI required” by type of ship be subject to a gradual percentage reduction with respect to the reference value as follows:

- Phase I (2015-2019): 10% with respect to the reference value
- Phase II (2020-2024): 20% with respect to the reference value
- Phase III (2025 onwards): 30% with respect to the reference value.

The value of the “EEDI obtained” for a ship under construction must therefore always be equal to or less than the “EEDI required” for the type of ship under consideration. The ECO fleet of the d’Amico Group, which includes around 80 % of the total number of vessels owned, meets Phase II given that the average EEDI obtained is roughly 25% lower than the reference values. This is due to the adoption of the most recent technologies which reduce consumption and emissions.

Throughout 2020 d’Amico has worked towards getting the owned fleet ready to comply with the short term measures for the GHG reduction adopted at the last MEPC 75, that took place from 16 to 20 November 2020.

With reference to EEXI, the new IMO indicator that will come into effect from 2023 and which has already been anticipated in the “Environmental Policy” chapter, there are several methods of compliance with the requirements as alternative fuels excluding the drop in, the installation of Energy Saving Devices (EDS) and to limit the Maximum Continuous Rating (MCR).

It is quite likely that the effect of the EEXI on the existing ships will primarily be to push towards a **power reduction rather than the fitting of energy saving devices**, and this is basically due to the timescale but also because the **EDS are not effective in reducing the EEXI**. Conceptually, the approach is to reduce the MCR, and it is suggested that this be done via shaft or engine power limitation. Such solution will be predominant, also, as mentioned above, due to the timescale restraint, with no impact on the safety of the vessels, because it’s not a permanent derating but rather an overridable power limit which allows the reserve of power to be released in case of adverse weather conditions.

Awaiting the finalization of the next Marine Environment Protection Committee (MEPC), **d’Amico Group has started the calculation based on 75% of MCR limited**, determining the power reduction needed to comply with the EEXI. Based on the exceedance versus the required EEXI, to install an EDS, if the exceedance is marginal, or an engine power limit (EPL) if the exceedance is severe.

The next step over the course of 2021 will be to select the best EPL to be applied on the ships requiring a power reduction to comply with the EEXI and to amend the calculation based on the outcome of MEPC 76³¹.

³¹ During the 76 session of MEPC the Committee considered the report of the 8th meeting of the intersessional working group on reduction of GHG emissions from Ships ISWG-GHG8 and adopted the following Guidelines:
 draft 2021 Guidelines on the method of calculation of the attained energy efficiency existing ship index (EEXI)
 - Includes adopting the power of main engines PME(i) being 83% of the limited installed power MCRlim
 - Includes the decision by ISWG-GHG 8 not to use in-service sea trial data to complement or obtain sea trial data when sea trial data at design/EEDI draught is unavailable

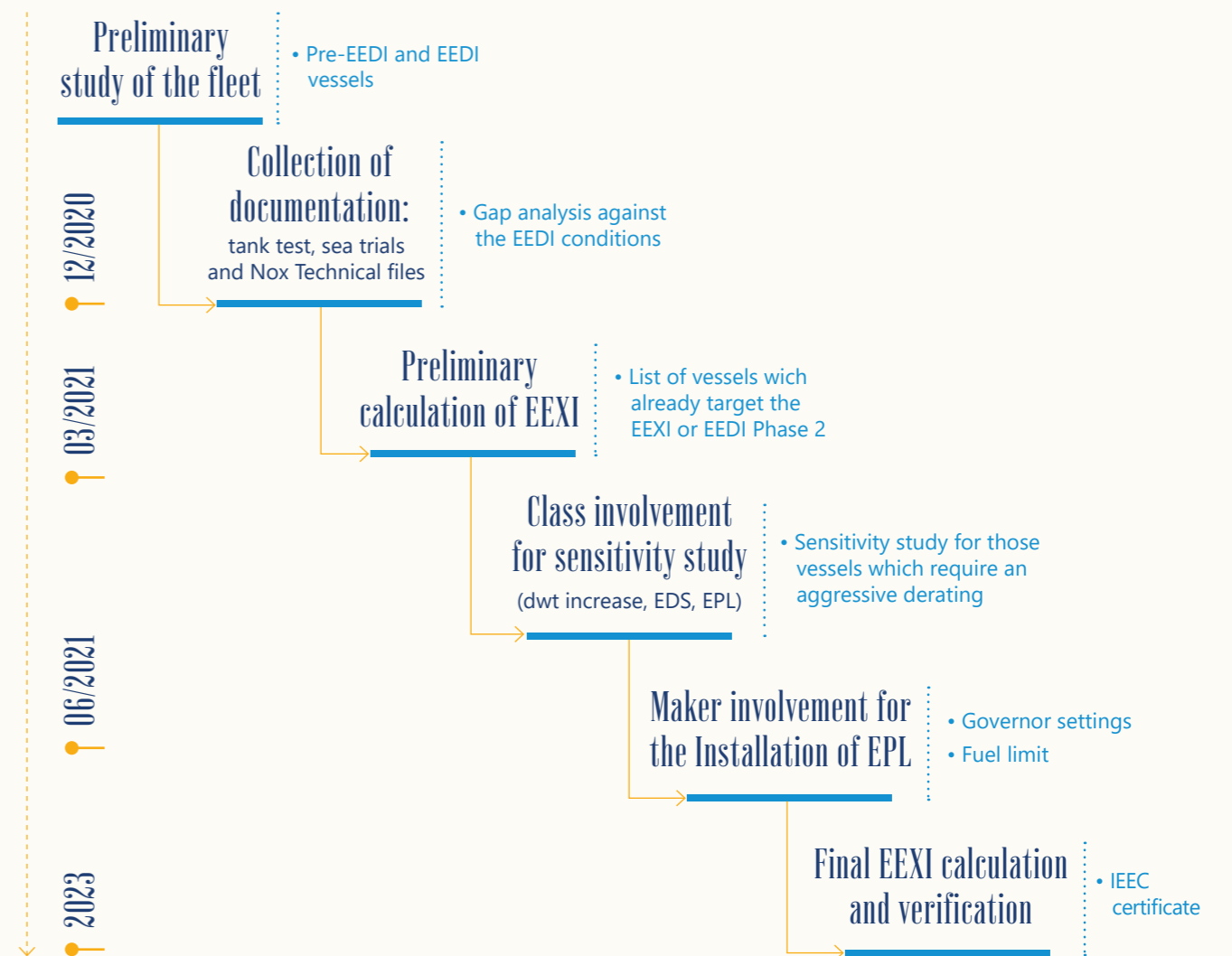
DECARBONIZATION AND DIGITALIZATION PROJECTS

The fleet of the future will be “an ongoing digital conversation between its managers and fleet operator centres”. **Fleet managers will be able to analyse engineered data**, enabling them to advise the captain and crew on navigation topics, weather routing, fuel consumption, smart maintenance, remote diagnostics, and structure stress analysis. **This will help to reduce the risks of human error leading to accidents, increase efficiency and reliability, and improve environmental performance**. In this scenario, the d’Amico Group is working on several fleet innovation and digitalization projects.

Decarbonization Projects

Decarbonization along with digitalization are the main two challenges that the shipping industry will face in the future.

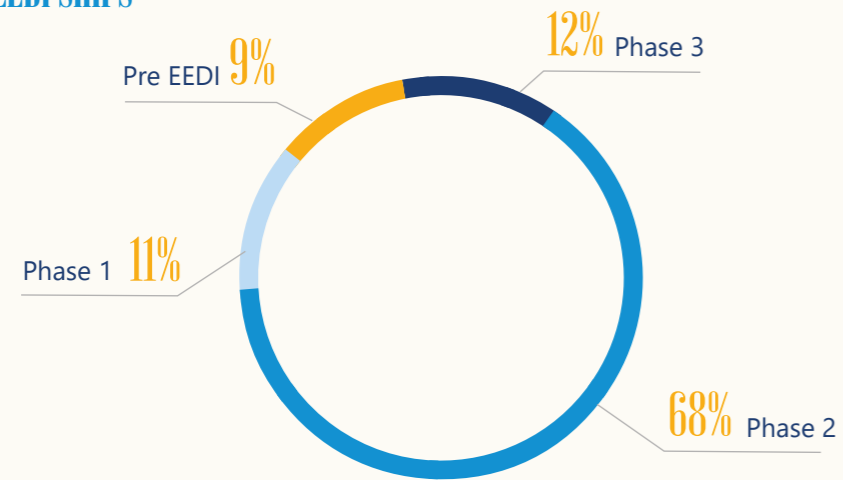
In order to reduce the GHG, the IMO has approved dedicated technical measures: the EEXI (Energy Efficiency Existing Shipping Index) along with an operative measure called CII (Carbon Intensity Indicator), for which the metrics are still not defined. The formal approval will be by June 2021 and entering into force after 15 months from the ratification. This means that the first annual survey will be held in 2023 on all existing tonnage in the world. Either EEDI vessels or pre EEDI vessels must be compliant with the regulation.



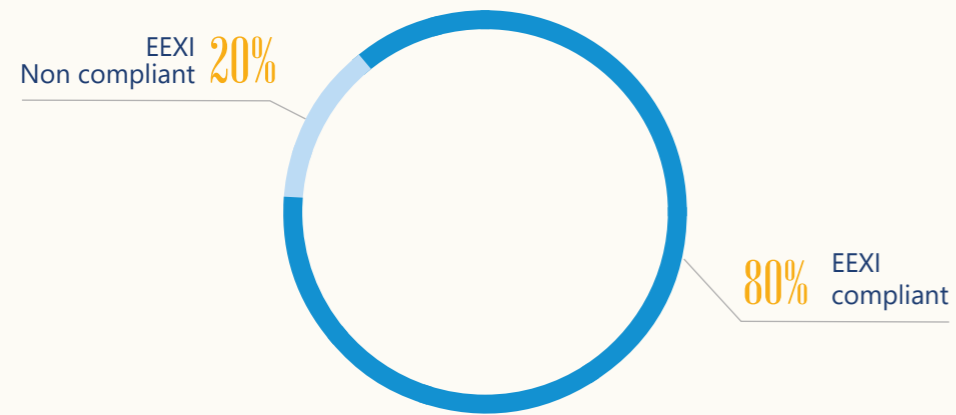
The plan above shows how d'Amico Group, since the end of 2020, has already **started to assess its full owned fleet anticipating the regulations**, in order to be prepared for the final calculation and verification of the Energy Efficiency Existing Shipping Index (EEXI) in 2023.

The graphs below show d'Amico' vessels compliancy with the EEXI requirements being EEDI phase 2 and 3³².

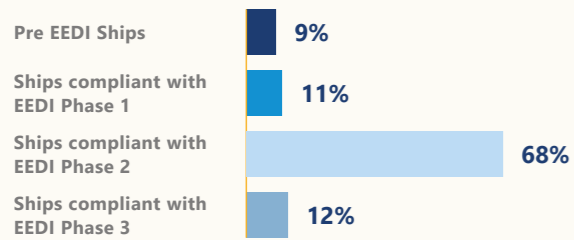
POST AND PRE EEDI SHIPS



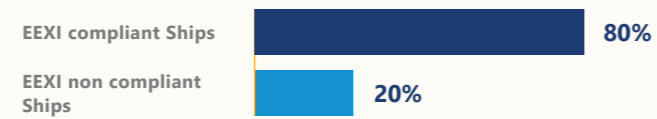
EEXI COMPLIANT SHIPS



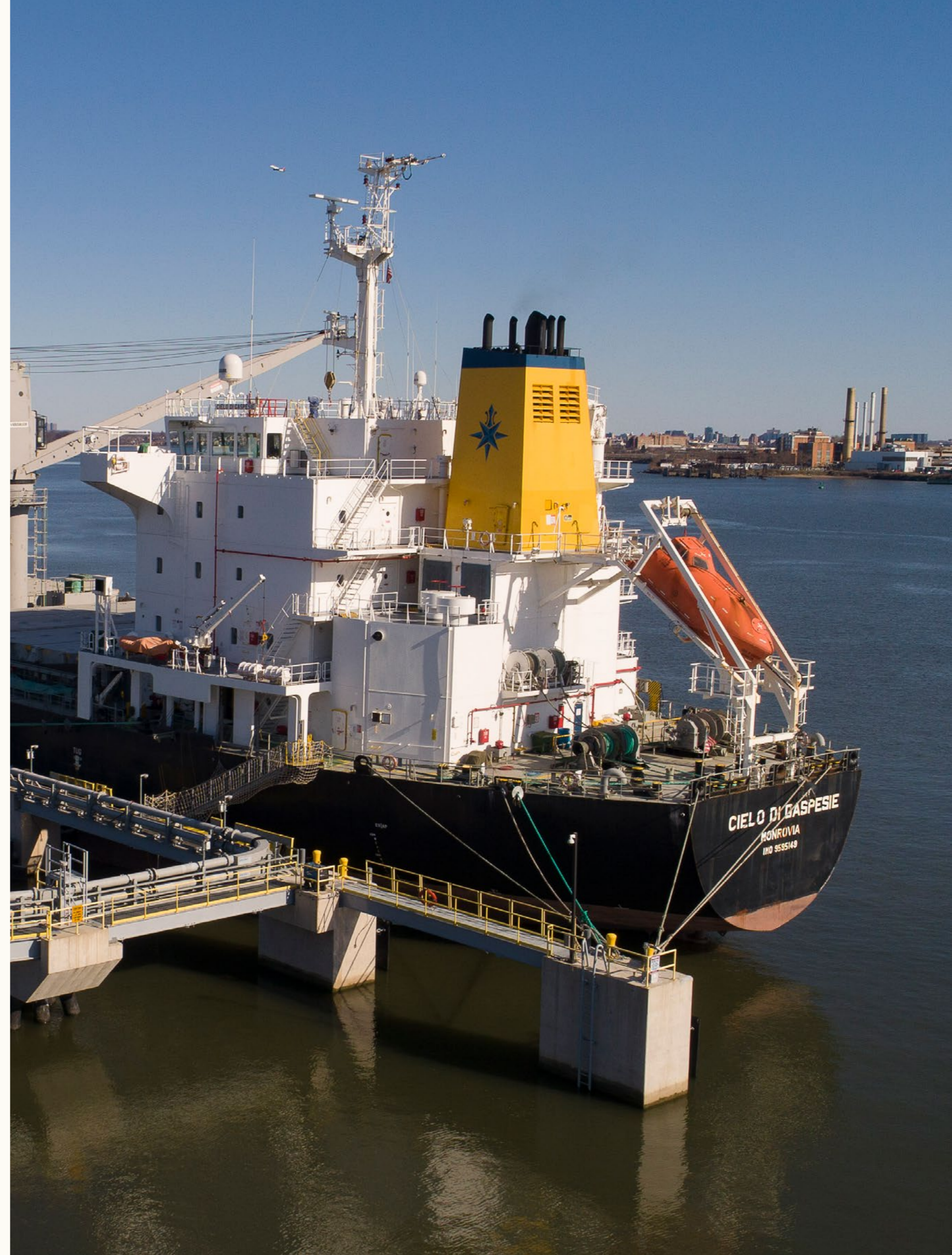
POST AND PRE EEDI SHIPS - YEAR 2020



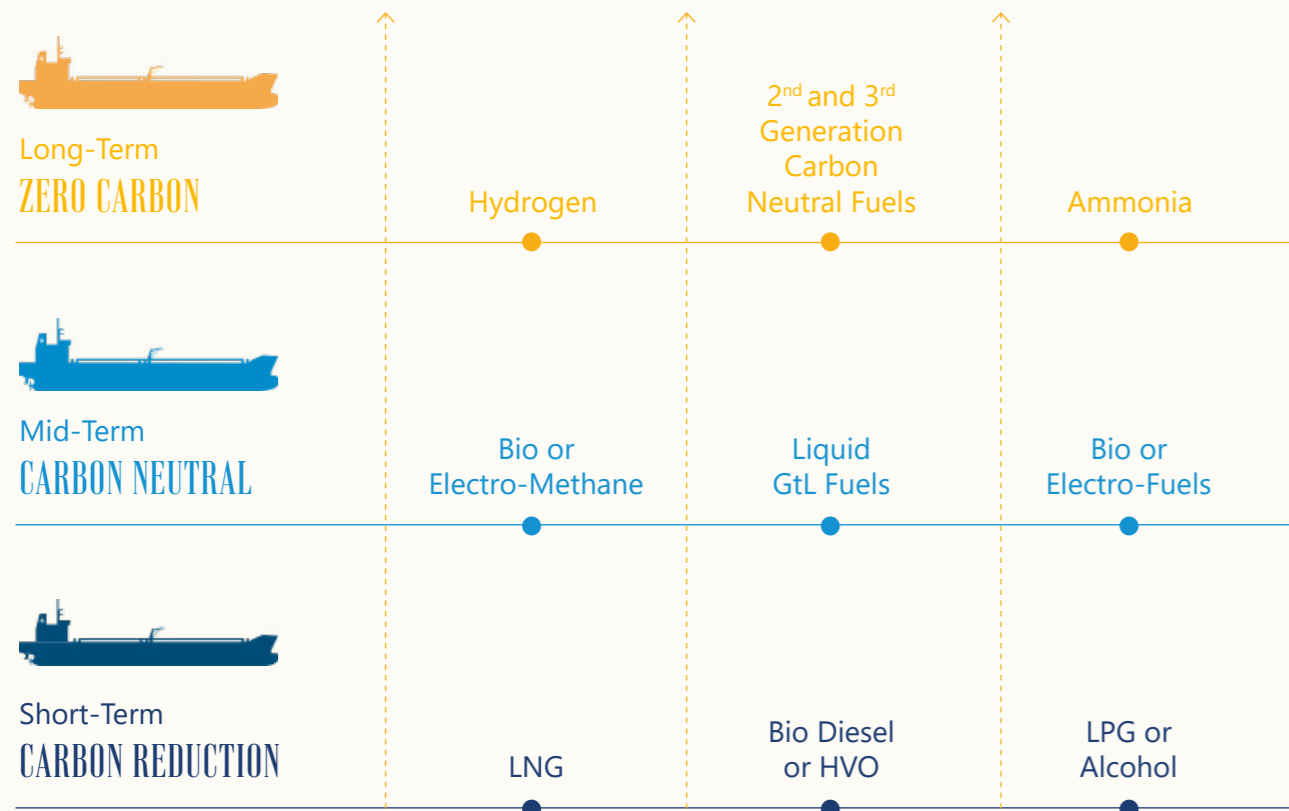
d'AMICO EEXI COMPLIANT SHIPS - YEAR 2020



³² In accordance with the preliminary formula established at the MEPC 75



In order to exploit, study and scout all options for shipping decarbonization, the d'Amico group has set up a "carbon war room". The room was created involving managers from different departments: Technical, HSQE, New buildings, Performance monitoring to gather ideas, proposals engaging the OEMs, Shipyards and regulatory bodies in the Company strategy and exploring/testing new technologies, for example alternative fuels, propulsion systems and Energy saving devices - to help the "green deal" of the shipping industry³³.



Source: American Bureau of Shipping – ABS

In line with the American Bureau Shipping (ABS) vision about the 3 possible pathways for shipping decarbonization, the d'Amico Group has already **started working on the evolution of biodiesel and biofuels**, following the central pathway of biofuel as a potential low carbon fuel of the future.

In fact, during 2021 d'Amico Group launched a Joint Industry Project and has tested, on one of its vessels the third generation of Biofuel blend, with a GHG lifecycle strategy. Such strategy will keep in consideration not only the direct emissions on board - Tank To Wheel (TTW) - but those of the entire cycle **Well To Tank (WTT) and Tank To Wheel (TTW)**.

³³ During the 76 session of MEPC, the Committee adopted the previously agreed and approved short term measure to reduce Greenhouse Gas Emissions from ships: **EEXI**

The measure will Enter into Force on 01 November 2022.

The Committee considered the report of the 8th meeting of the intersessional working group on reduction of GHG emissions from Ships ISWG-GHG8 and adopted the Guidelines on the method of calculation of the attained energy efficiency existing ship index (EEXI).

CII and Reduction Rate/Factors

Following a lengthy debate on setting the Reduction Factors (i.e., how much to reduce emissions by 2030) the Committee, by a small majority, agreed to adopt a 3 phased approach. In phase 1 (2020-2022) a reduction of 1% is decided; in phase 2 they decided to adopt a reduction of 2% and the phase 3 will be further strengthened and developed following review of the short-term measure.

Although not discussed at MEPC 76, the adoption of the Reduction factors includes the decision by ISWG-GHG 8 that flat reduction factors (i.e., not ship type specific) would be applied.

As for the other two pathways towards decarbonization, the carbon war room studied different solutions leading to the following **preliminary considerations**.

1. Reciprocating Engines

The diesel engine is currently the most widespread marine prime mover. It is a well understood technology and a reliable form of marine propulsion system and auxiliary engine, with engine manufacturers having well established repair and spare parts networks.

3. LNG Fuelled ships

LNG fuelled ships will be widely used and such will be a common trend for all possible emission pathways, due to the high maturity in the industry, for the next 1,5 decades; it will be, however, a bridge technology towards the zero-carbon emission goal.

5. Scale up and sustainability

The common problems for alternative fuels (Green Ammonia, Green Hydrogen) toward the decarbonization of shipping are scale-up and their production from renewable energies.

2. Dual Fuel technology

The Dual fuel technology will become progressively predominant, offering more flexibility in case of lack of supply chain infrastructure of alternative fuels.

4. Ammonia fuelled ships

Green Ammonia will be, most probably, the fuel and the cargo of the future, offering a better energy by volume value than hydrogen.

6. Deep water vessels redesign

Deep water vessels need a holistic approach in redesign due to the very low-density energy of alternative fuel (Ammonia, Hydrogen) against the conventional fuel.

BIOFUEL AND BIODIESEL

Biodiesel is a form of diesel fuel derived from plants or animals and consisting of long-chain fatty acid esters. It is typically made by chemically reacting lipids such as animal fat (tallow), soybean oil, or some other vegetable oil with an alcohol, producing a methyl, ethyl or propyl ester by the process of transesterification. Unlike

the vegetable and waste oils used to fuel converted diesel engines, biodiesel is a drop-in biofuel, meaning it is compatible with existing diesel engines and distribution infrastructure. However, it is usually blended with petrodiesel (typically to less than 10%) since most engines cannot run on pure Biodiesel without modification³⁴.



TYPE KNOT

- Figure Eight Knot



³⁴Source: Wikipedia, <https://en.wikipedia.org/wiki/Biodiesel>

Digitalization Projects

Robotics Technologies

The Company's first Remotely Operated Aerial Vehicles (ROAV) - or drone - inspection of a cargo oil tank took place on board the M/T High Valor, an MR tanker owned by d'Amico Tankers d.a.c. in Panama, followed by the MR tanker High Courage. **The Company has specific requirements to visually inspect cargo tanks for integrity, damage assessment and specific assessment** requested both by class and oil majors (CAP survey) for vessels that are more than 15 years old. The inspections in the pipeline have been carried out on the MR tanker High Venture in the Second Quarter of 2021.

This type of inspection is usually conducted either using staging or by rope access technicians (RAT), who are suspended on ropes to inspect the tank structures, focusing on areas of high stress, corrugated bulkheads, upper stools and deck heads. **The inspection is conducted using close-up criteria and requires the thickness of the internal structures to be gauged according to specific guidelines and frequency.**

The drone used for this inspection was specifically assembled with a **UT-certified probe** capable of ensuring a strong grip against the surface to be gauged, which was the innovative part of the project.

One of the Company's main priorities was to **reduce the risk factors for human, related to rope access**, which includes working at heights for sustained periods of time as well as working in confined spaces. **Inspecting the tank with ROAV allowed the Company to undertake a quick and safe inspection of the tanks**, thereby allowing them to identify and more efficiently plan for any possible contact-based inspections.

For this purpose, the Technical Office mobilized an experienced two-person ROAV team, consisting of an ROAV pilot and ROV UT specialist, along with two class surveyors and one technical superintendent.

The inspection of the close-up areas of the tanks was completed within 3 days, in comparison with rope access, which would usually take between 6 days for the same work and more than 12 days using staging with the VSL in service.

The successful completion of this project has demonstrated that this is now possible not only to conduct a visual inspection in a confined space but also UT by drone. **ROAV inspection** has succeeded not only in removing **one of the most significant risks associated with tank inspection (working at heights)**, but also in producing **significant cost and time savings**.

Thanks to these types of technologies, d'Amico's Technical Office, coordinated in partnership with RINA and the Liberian international Ship and Corporate Registry (LISCR), has set up and fine-tuned remote surveys on the oil and chemical tanker **High Loyalty** in March 2020. This preparatory test was aimed at finalizing the first world remote live streaming statutory and class intermediate surveys which were carried out on the bulk carrier **Cielo di Gaspesie**. Nowadays remote surveys are a consolidated practice.

Condition-Based Maintenance (CBM)

CBM is a maintenance approach that uses smart technologies to carry out maintenance when absolutely necessary. These technologies include:

- **Video-endoscopy** for internal inspection of machinery without opening it
- **Thermography of electrical equipment** for early detection of potential failures by analysing their thermal images
- **Vibration analysis of rotating machinery** to identify failure trigger points and causes by analysing their vibrational spectrograms
- **Digital measurement of main engine liners**, allowing the measurement of the relevant wear without having to open the main engine cylinder cover.

These technologies have all been integrated with more traditional techniques, such as tribology and machinery performance analysis, and are aimed at providing more flexibility in managing maintenance when there is a change in the

operating conditions of the vessel and its machinery. This results in:

- **less invasive projects;**
- **greater fleet flexibility**, in terms of stoppage for maintenance;
- **better knowledge of machinery** and of its behaviour when operating conditions change;
- **greater fleet reliability and availability;**
- **higher efficiency** and thus better energy performance.

The use of these techniques has also enabled the Company to achieve the highest level required by the TMSA 3 (Tanker Management and Self-Assessment programme) - in the field of maintenance management.

During 2020 almost all new buildings delivered from 2013 have been certified PMS-CM (PMS-Condition Monitoring) by RINA. The certification was possible after a positive inspection conducted on board confirming that such maintenance strategy is now accepted and approved by the Class. **This modus operandi was an effective tool during the pandemic as it enabled to check remotely the health status of machinery without requiring physical presence on board.**

The growing trends in digitalization and mobile applications have clearly highlighted the need to **move toward a change in the tools for fleet management in order to exploit the value of data and information as assets.** During 2020, the d'Amico Group selected ABS-Nautical System to drive the digital transformation of its managed fleet. The project, started in September 2020, will go live by the end of 2021 on the whole owned fleet.

Digitization of record books - Electronic logbook

Digitalization of the majority of record books - oil record book part 1 and part 2, garbage record book, cargo record book and ballast management record book - **allows the Company to monitor, in real time, the operations performed on board for the proper handling and disposal of bilge water, sludge and waste produced.** It also provides technical management with an important dashboard on the production levels of bilge and sludge by geographical area, days of navigation and season.

It is not simply an electronic register, but **a digitalization closely associated with the on-board processes.** It is a tool that helps perform operations correctly, in compliance with current environmental and MARPOL regulations and with the Company's instructions, also based on the ship's capabilities, according to its certificates and as-built drawings. It is also **an important verification tool that compares what has been disposed against the rated capacity of the machinery used for this purpose, such as the incinerator and bilge separator.**

The d'Amico Group started to digitalize its record books well in advance of their official approval in May 2019 during the MEPC 74. This confirms the Group's great attention to MARPOL issues and its focus on innovation.

During 2019, the Technical Office completed the development of the ORB part I and the garbage record book and began working on the oil record book part II. During the same time, it was decided to develop three additional modules: ECS (environmental control system) log, Wilden Pump log and purifier de-slugging time log.

During 2020, the Technical and the HSQE departments have worked on the development of additional record books: **Ballast Water Record Book, Cargo Record Book, Oil Record Book Part II** and **Dashboards.**

After an effective use among a limited number of vessels, at the end of 2020 d'Amico Group decided to extend the application to the whole owned fleet with a go live planned at the end of the Third Quarter of 2021.

Big data analysis

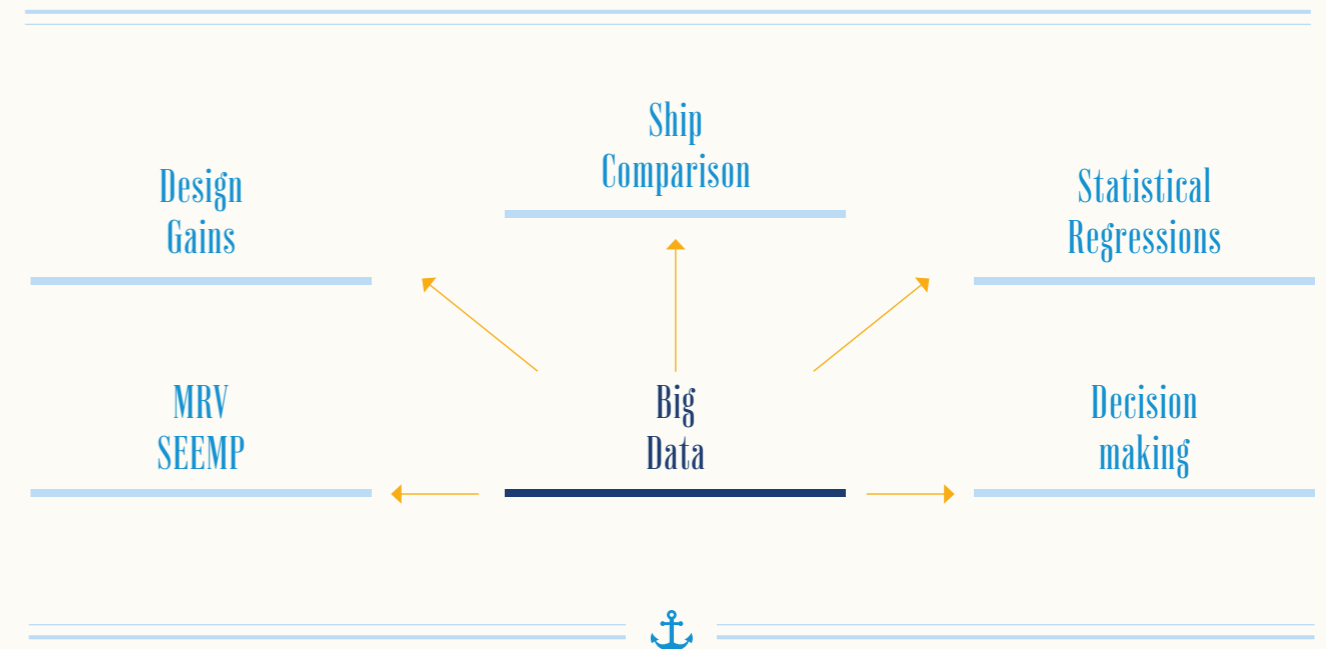
The amount, variety and speed of information continues to grow rapidly, making data highly valuable. Data is acquired through very accurate and reliable real-time monitoring systems. It has allowed the maritime sector to **shift from a culture of generic data to one of accurate and reliable data.**

The d'Amico Group currently monitors the data of 100% of the ships, including owned vessels and those under Join Ventures, time charter and pool agreements. At least one manual report is sent every day per ship and the

average amount of data per report is one hundred. **Around 5.5 million manual data are managed per year.** Furthermore, the Company uses specific software to manage 31 ships. The software receives signals for automation and navigation data every 5 minutes.

Big data analysis has therefore become an important decision-making support also for Group fleet management. Its application allows d'Amico to:

- determine when it is best to clean the hull/propeller (Hull & Propeller Management ISO 19030)
- evaluate the impact of CO₂-saving devices
- evaluate the condition of low-friction anti-fouling paint
- validate the ship's performance model by taking into account waves, wind, trim, draught and current
- assess hydrodynamic efficiency. Production levels of bilge and sludge by geographical area, days of navigation and season.

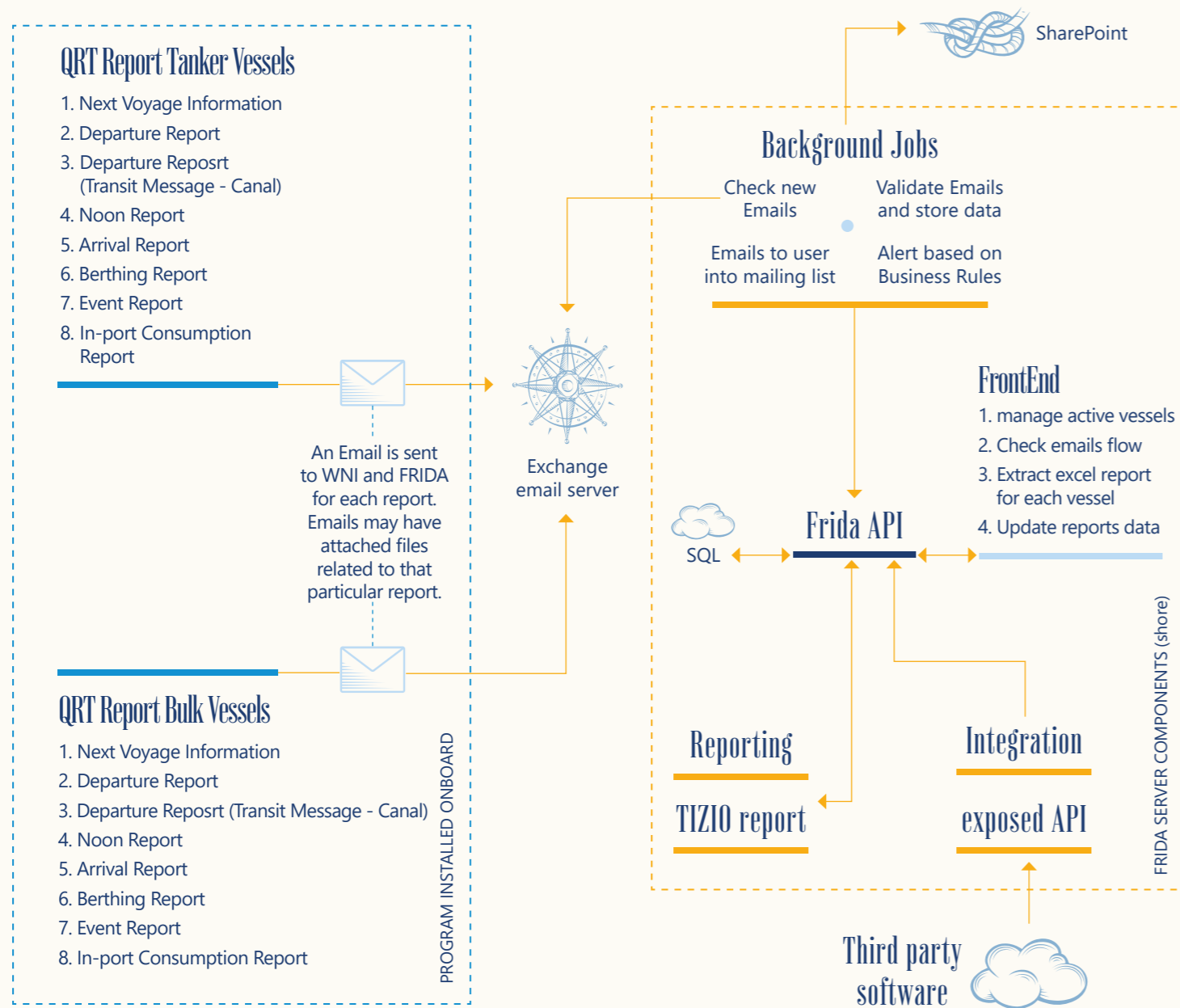


F.R.I.D.A. Fleet Reporting Intelligence d'Amico

d'Amico developed a new inhouse database, FRIDA, able to **receive data directly from vessels and share it both internally, with dedicated templates for each department, and also externally with third parties.**

FRIDA is able to check each email received and also to validate each single data point contained in the reports received. Future development will also include a complete system able to create and manage automatically all the reports necessary to comply with emission regulations as well as internal requests and needs (June 2021 IMO's directives).

The use of these data will allow to specify in real time whether the ship is in the rating area determined by the IMO for each type of vessel.



These projects are pioneering ideas because they show how the **shipping industry will switch from projects developed by the single operators to collaborative and shared projects** aimed at reaching decarbonisation goals.

In this way, with the support of the new generation software, d'Amico Group is able to use combined data. This software, indeed, **uses manual data and data collected from sensors installed onboard.** This target is even more important as it represents a shared objective to be reached with charterers. In 2020, these considerations led to the development of two projects: route optimization and speed optimization.

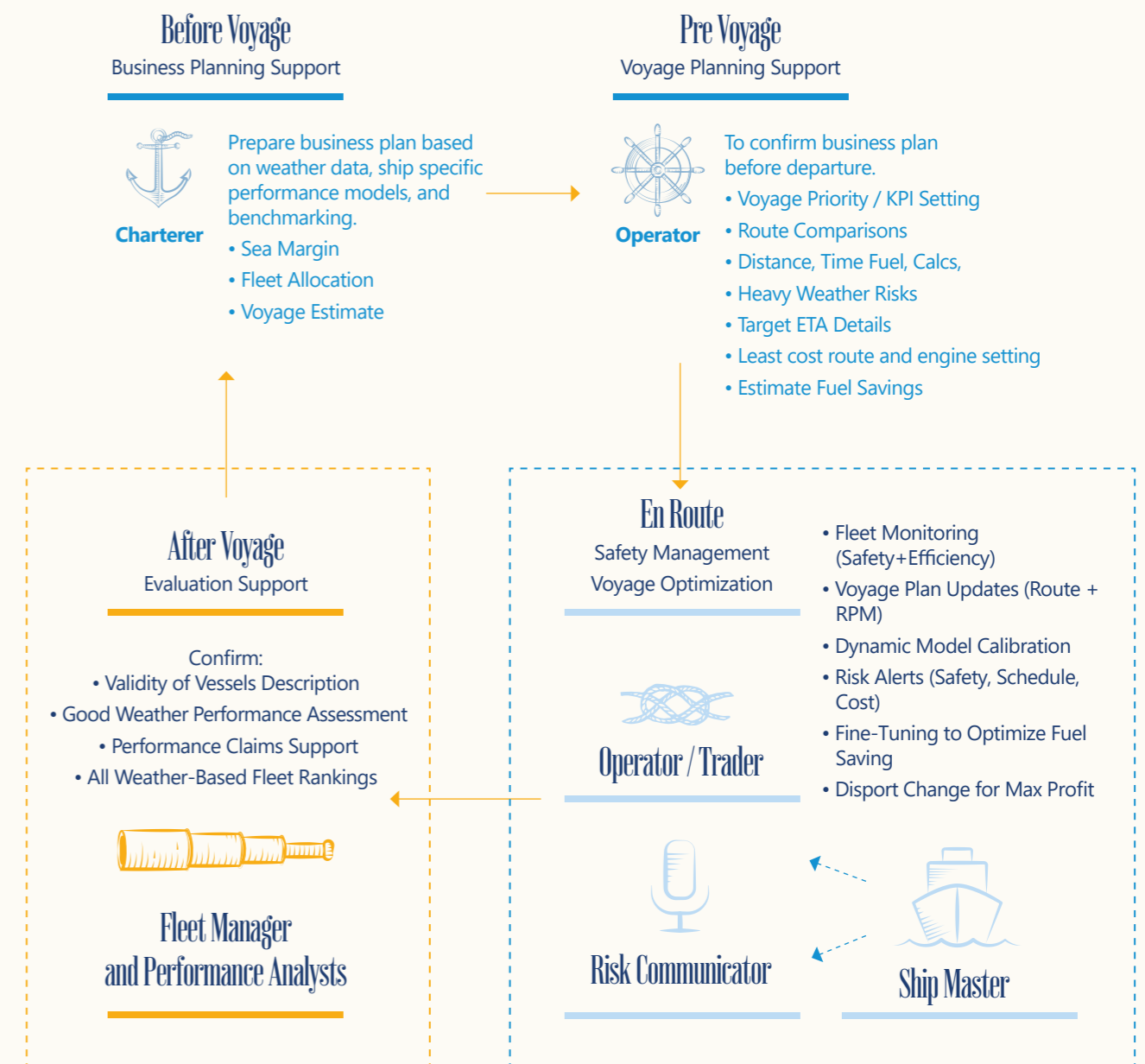
Route Optimization

This project – developed together with a charterer - started at the end of 2020 and will be pursued in 2021. The route optimization process is divided in three steps.

The **first step consists in taking the actual route sailed and re-simulate the route after removing the position reports.** The term “re-simulate” refers to running a computational analysis on the environmental factors - including wind speed and direction, wave height and direction and currents - and how they were encountered along the vessel's path, ultimately estimating the effects of those factors on the vessel's over-ground speed and fuel consumption.

The **second step, consists in a re-simulating route, adjusting it to match the actual departure and arrival times.** So, thanks to this simulation it is demonstrated that the calculated Fuel Oil Consumption for the re-simulated route closely matches the actual Fuel Oil Consumption reported during the voyage. So, it can be asserted that the unbiased re-simulation accurately matches the actual voyage.

During the **third and last step**, there is another simulation using a similar procedure to the one detailed above. The result of this simulation, along with a comparison with the output from the actual route, provides a **good estimate for how much extra fuel the vessel would have had consumed if the intended route was followed.** During the project, moreover, several KPIs have been identified. These KPIs will be monitored as well as shared.



Speed optimization

The Speed optimization project will be entirely developed during 2021. It will allow to identify the most efficient speed profile over the entire voyage of a vessel and to meet the required arrival time or laycan at the lowest fuel consumption.

It is important to underline that these projects are **very important for the path to decarbonisation in the shipping industry** and how **charterers' inclination to collaboration and sharing has increased with regard to ship-owners**.

The charterer's approach to data in order to lower emissions is no longer only technical but also operational.

One of the pioneering Machine Learning companies in the Ship Performance Monitoring sector, has been **collecting high frequency data on the ship Cielo Di Cagliari** since April 2018. Using this data, d'Amico started to review the potential fuel consumption and emissions savings that could be achieved following optimal speed profiles and just in time arrival. From 19 voyages completed in 2020, a **total saving of 109.71 MT was estimated** based on actual departure and arrival times.

This pilot project between Owner and Charterer has the aim at collaborating to run shadow speed optimisations for the Cielo Di Cagliari. The optimisation output has been shared with the charter and owner throughout the voyage. The advised speed profile has not been shared with the master, so the potential savings versus the master's normal behaviour and the operators' normal instructions could be assessed. After that, the third stage of the trial will be to **run an optimisation on a voyage and share the instructions with the master to follow**.



SEA AND MARINE ENVIRONMENTAL SAFETY

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020



12.4

By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

Hazardous material inventories available

on all new constructions and on the entire existing fleet, providing a complete map of all materials on board



14.1

By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution

More than 80%

of the d'Amico Group vessels own a ballast water treatment system

0

oil spills from the Group's vessels

8.4

By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans

Use of latest technology for **hull treatment coating** with green patented biocides

Biofouling management through a consolidated programme of **hull inspection and cleaning**

The d'Amico Group believes that **safety at sea, preventing accidents** or the loss of human life and **preventing environmental damage**, especially damage to the marine environment, **must always be its top priorities and must never be jeopardised**. Situations or conditions that compromise safety on board and that can be avoided using common sense and appropriate practices are not tolerated on d'Amico's fleet.

The effort of captains, officers and crew members **must be preventive rather than reactive**. Favouring a proactive approach limits risks and any related costs. Ship captains, officers and crew members comply with the following guidelines every day during navigation and operations:

- zero spills
- zero accidents
- all employees are responsible for their own safety and the safety of others
- there is no corporate goal important enough to sacrifice safety
- work is well done only if performed safely.

QUALSHIP 21

The Coast QUALSHIP 21 is an initiative implemented by the US Coast Guard to **identify high-quality ships and provide incentives to encourage quality operations**. Its name refers to quality shipping for the 21st century. A quality vessel associated with a well-run company, is classed by an organization with a quality track record, is registered with a flag administration with a superior Port State Control record and has an outstanding Port State Control history in U.S. waters in the last three years.

Beginning 1 July 2017, vessels enrolled in the QUALSHIP 21 programme may also seek the E-Zero designation if they meet

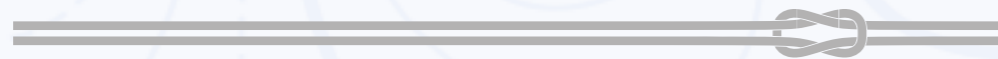
the requirements set forth below. **The E-Zero programme is a new addition to the existing QUALSHIP 21 programme**, and the goal of this program is to recognize those exemplary vessels that have consistently been compliant with environmental regulations, while also demonstrating an intense commitment to environmental stewardship. These vessels will receive the E-Zero designation on their QUALSHIP 21 certificate.

Currently 21 vessels are enrolled in the QUALSHIP 21 - two more than in 2019 - and two of these have the E-Zero designation.



TYPE KNOT

- Square Knot



Biodiversity protection Water ballast treatment system

In September 2017, the new IMO Convention on ballast water management came into effect. Ballast water contains various organisms, such as marine and coastal flora and fauna, from different areas around the world. If gathered in one place and released in another, some of these organisms could survive and prosper in the new environment; these “non-native species” could lead to a serious ecological and economic impact and an impact on the public health of the recipient environment. **To prevent the problem of releasing invasive species in ballast waters, IMO adopted in 2004 the first International Convention for the Control and Management of Ships’ Ballast Water and Sediments.**

The d’Amico Group has drawn up and is implementing plans, records and procedures not only to meet the Convention’s requirements but, above all, to **ensure prevention of this type of pollution from its vessels**. In this respect, a dedicated **ballast water treatment system (WBTS) has already been installed in more than 85% of the ships owned**, well in advance of the compliance date established by either IMO or by the US federal code as an alternate mode.

All new vessels are provided with this equipment, while the installation on the remaining ships was planned in conjunction with the next dry docks. Furthermore, **specific contingency measures are in place to prevent and respond to any failure and improper operation of these systems with clear reporting and communication requirements**. In 2020, almost all of the remaining existing ships have been fitted with the WBTS type approved by the USCG, and the previously installed ones were retrofitted to operate also in fresh water mode and to obtain compliance with the USCG type approval certificate.



d'AMICO GROUP ADHERES TO THE VOLUNTARY SLOW ZONES

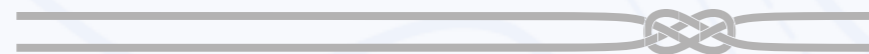
d'Amico Group always adheres to any measures put into place to protect the marine biodiversity. Lately, in July 2021, among others, it has adhered to the vessel speed reduction to protect the Right

Wale in the North Atlantic. The Right Whale Slow Zones is a program that notifies vessel operators of areas where maintaining speeds of 10 knots or less can help protect right whales from vessel collisions.



TYPE KNOT

- Double Carrick Bend



Ship maintenance

The d'Amico Group's ships and their machinery and equipment are maintained so as to always **ensure full reliability and extremely high efficiency** and that commercial operations in port and navigation are performed in compliance with the highest safety criteria, in accordance with applicable rules and regulations. All maintenance plans are approved by classification societies and therefore are an alternative to continuous machinery surveys, and are supported by a computerized system that exchanges data in real time with the Group's technical management.

Preventive maintenance is not only based on the recommendations and instructions provided by the manufacturers or on recognised standards, but also on the **continuous monitoring of equipment conditions**, allowing the full integration of the traditional running hours-based or time-based maintenance with condition-based maintenance (CBM).

The maintenance approach uses a mix of maintenance policies, and the best combination is chosen through a **risk-analysis approach**. Thus, a risk-based maintenance strategy is employed.

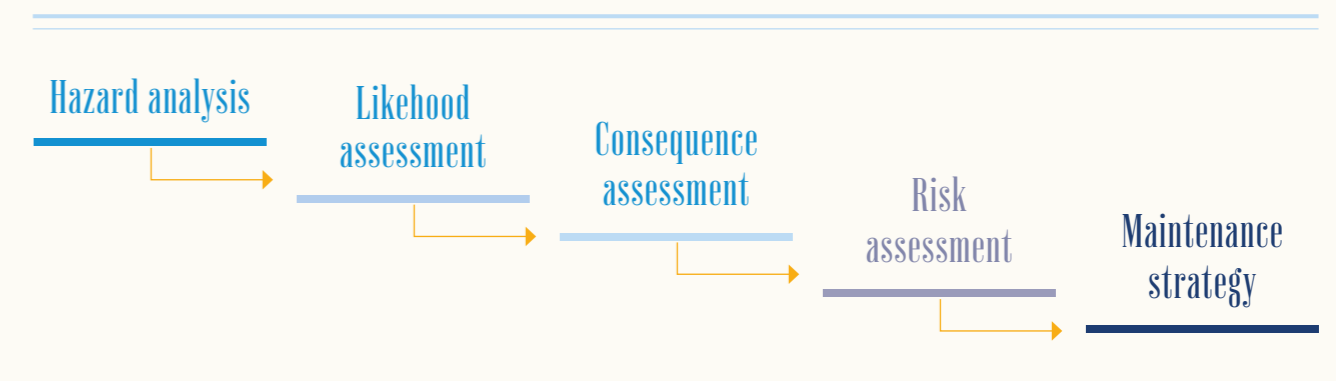
This strategy makes it possible to:

- **select critical machinery that, if suddenly damaged**, could put the ship or its crew in a situation of imminent danger or could seriously affect the safety of navigation and the protection of the environment.
- **identify all critical spare parts that can immediately restore machinery to working order**, should there be any failure. In addition to critical spare parts, the Company has also defined optimal spare parts that are implemented on the basis of considerations relating to ship trade, material delivery times and load of machinery in particular trades.
- **dynamically set the structural inspection frequency based on the quality of construction, trade pattern of the vessel**, number of loading and unloading operations and age of the vessel. This approach is a best practise and in line with the requirements of the shipping industry (TMSA).

The maintenance model has a process-based management which defines inputs, outputs and performance indicators for each process. The most important indicators that are monitored on a quarterly basis are:

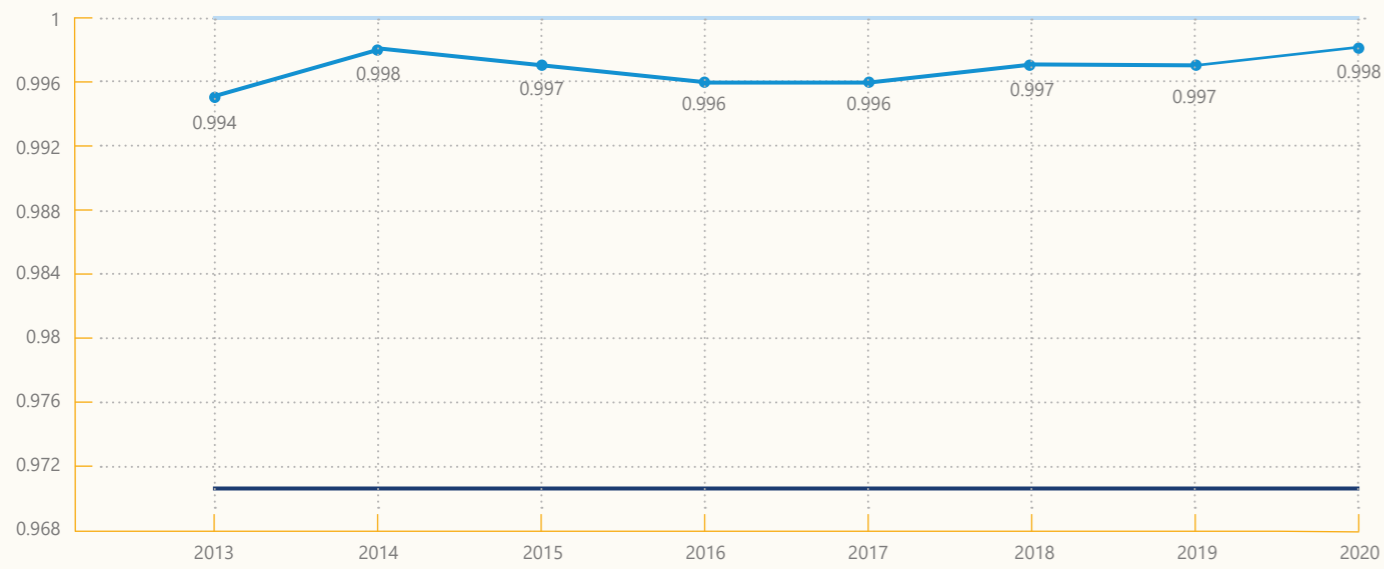
- fleet reliability
- fleet availability
- outstanding maintenance tasks on critical machinery
- outstanding maintenance tasks on non-critical machinery
- the number of failures on critical machinery as a percentage of total failures
- the number of unplanned maintenance tasks as a percentage of total maintenance tasks
- drydock planning performance
- number of sailing inspections/total number of inspections.

Increasing fleet reliability which, since 2011, has been well above industry standards, **confirms the excellence of the Group's maintenance strategies**. The reduction in outstanding maintenance tasks on critical equipment since 2011, confirms the growing attention paid to the management of on-board critical systems.



FLEET WIDE VIEW RELIABILITY INDEX

■ Lower limit (industry standard) ■ Fleet reliability ■ Target

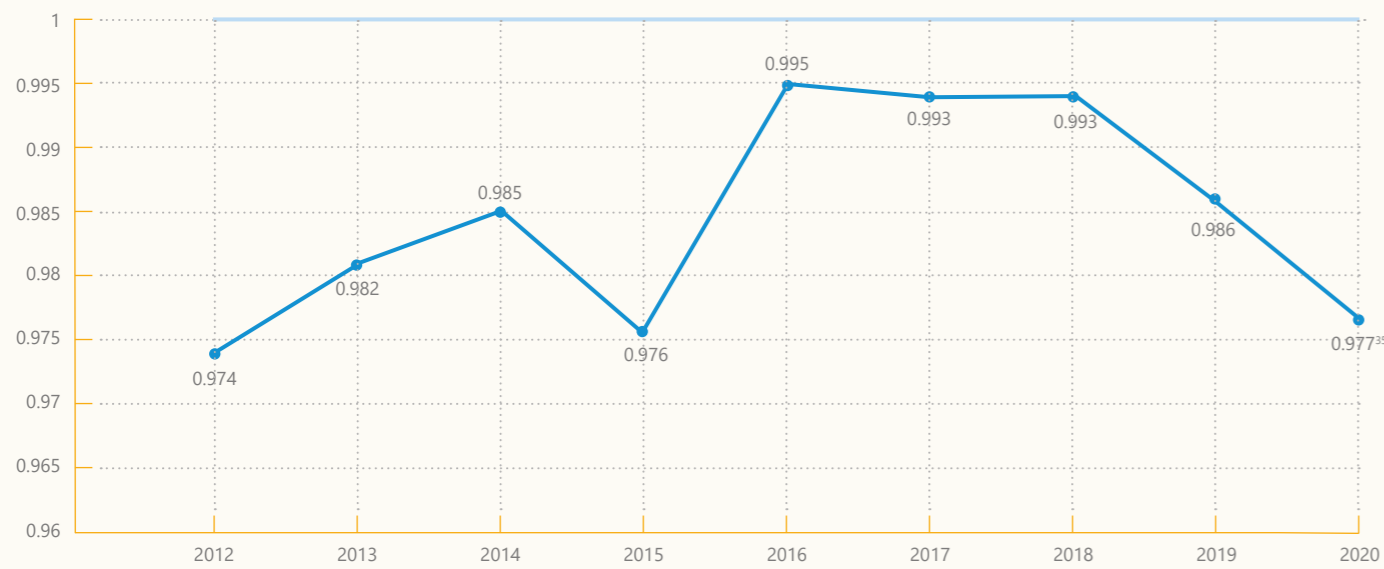


This indicator measures the reliability of the fleet and there is a constant fluctuating trend over the years, but always close to the set maximum target and much higher than the limit set by the Industry Standard.

In particular, in 2020 an increase can be noted both compared to 2019 and the previous 5 years.

FLEET WIDE VIEW AVAILABILITY INDEX

■ Fleet availability ■ Max Value



Fleet availability, compared to the previous indicator (fleet reliability), is affected not only by the failures but also by the ship's days off for the scheduled drydocks.

The drop in 2020 is therefore due basically to the number of drydocks (19) that have been executed in the year, compared to 8 in 2019 and 1 in 2018.

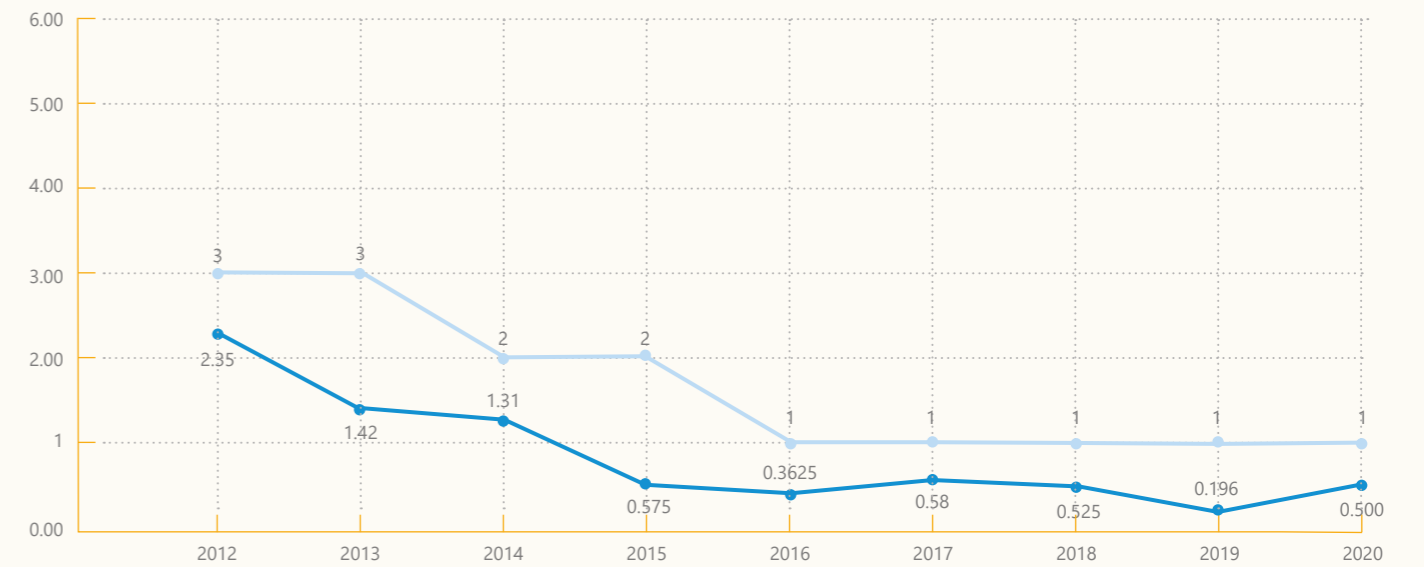
The figure for stops due to technical topics improves, and therefore the decrease is essentially due to the stops scheduled for each drydock, which are generally performed on a five-year basis.

The last year in which the indicator has achieved lower results is in fact 2015, the year in which numerous drydocks were performed.

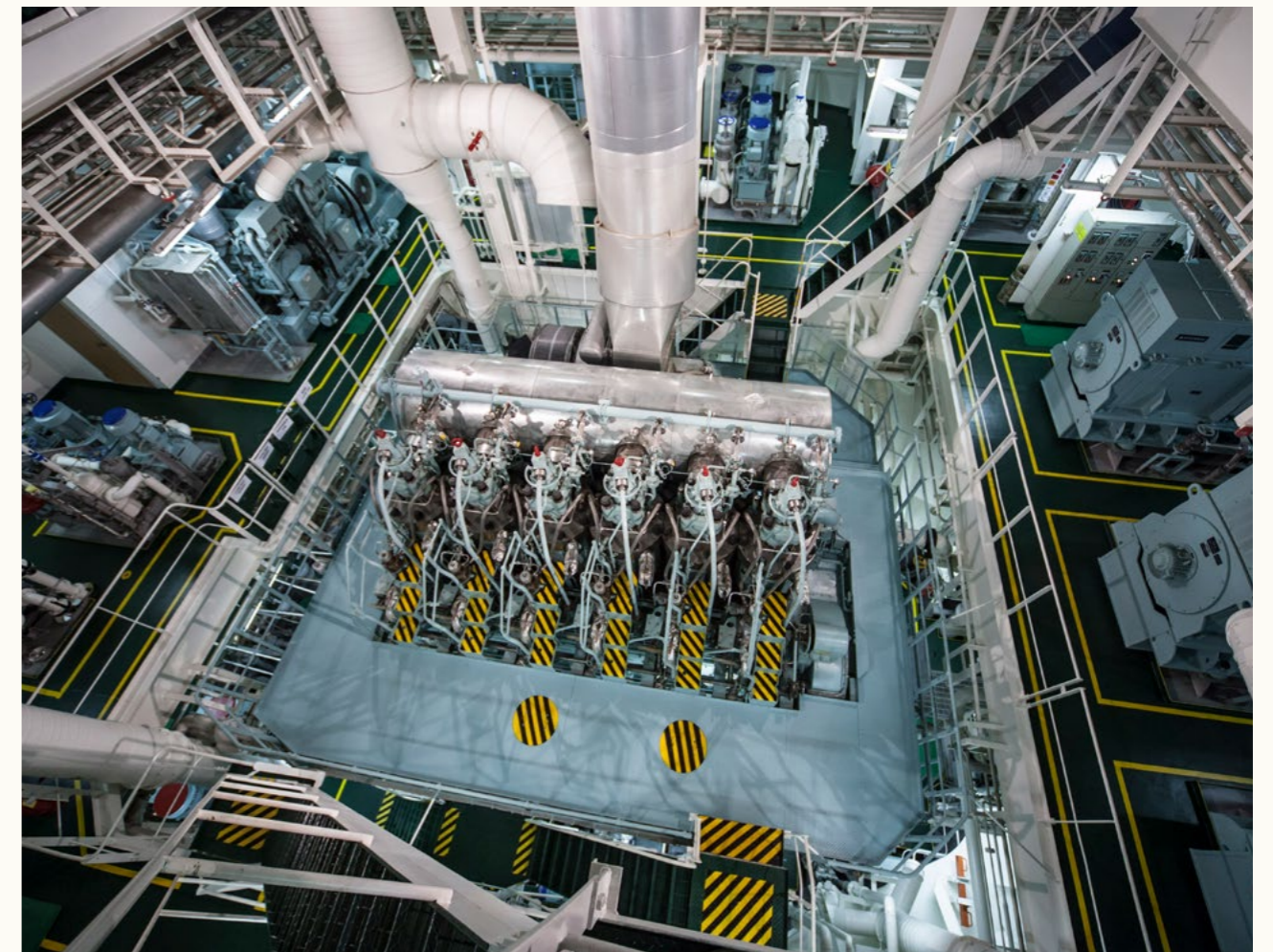
³⁵ Basically this is due only to the numbers of drydocks performed during the 2020, which reduced the number of days available

OUTSTANDING MAINTENANCE TASKS OF NON-CRITICAL EQUIPMENT - FLEET WIDE VIEW

■ Outstanding fleet ■ Target



The trend of the indicator may also be due to the timing of the measurements, and the fluctuation may depend on various reasons. Therefore, the very important thing, in this case, is to remain below the target set by the Industry Standard.



Recently, the Company has integrated the CBM with field data from ship automation, moving from condition monitoring to process monitoring: propulsion, navigation, loading and unloading. The development of a Fleet Operating Center (FOC) is under study, with the aim to aggregate in a common platform a set of key parameters and information selected from different applications available. The main objectives of the FOC are:

- defining a **risk profile** for each vessel
- understanding **how the ships are operated**
- facilitating the **analysis of any triggered alarm**
- monitoring the **compliance with company instructions and policies**.

Furthermore, any non-conformity detected following an inspection or test is documented, reported, reviewed, investigated and analysed to implement the necessary corrective actions. **Any defect, malfunction or failure of ship machinery, systems or structure which may have an impact on the safety of personnel or of the ship or on pollution prevention, and which cannot be resolved by the personnel on board, shall be promptly reported to the Company through an electronic reporting system.** Fault analysis and related implementation of preventive actions and/or "barriers" make the system efficient and live. In order to check that maintenance is carried out in accordance with mandatory provisions and regulations and with corporate policies, the defect correction plan is actually carried out and the maintenance standard levels are high. In order to verify any need for maintenance of machinery, equipment, structures and technical systems essential for safety and environmental protection, the Company has put in place a system of planned visits and periodic inspections which are conducted during navigation by onshore personnel. Recently, structural inspections have been carried out using robotic technologies (drones) allowing safer and faster close-up inspections and thickness measurements of cargo tanks and cargo holds.

The meticulous attention to environmental aspects has driven the Company to review the MARPOL inspection, which was completely redesigned as detailed check lists with specific reference to the business policies, procedures, circular letters, international standards, business tools - electronic logbook - and engineering requirements -as oil-to-sea interface, ECS and critical spare parts. Key focus on the "CODE 6" equipment in terms of functional/performance tests witnessed by superintendents was also addressed in the new regime of MARPOL inspections and specifically applied to: **incinerator, OWS, ODME, sewage system, ballast water treatment system, and IBTS.**

Thanks to the adoption of new technologies Electronic Logbook (ELB) **the Technical Office is now able to perform part of the inspection remotely**, with specific reference to the spot verification of the daily sounding log, oil record book part I, seals log, production and disposal data for bilge, sludge and garbage.

The environmental audit is now part of the routine vessel inspection with the aim of ensuring the highest environmental compliance at each level, surpassing industry standards.



VESSEL AWARD PROGRAMME

To encourage good practices and appropriate behaviour related to safety, respect for the environment, reputation and good ship operations, each year the d'Amico Group rewards the vessel that has had the highest level of compliance with the following criteria. The Best Vessel of the Year award goes to the vessel that throughout the year has followed the best practices becoming an example for all other vessels.

Safety Culture:

- Best Practices
- Lost Time Injuries on board
- Near-misses Safety

Reputation Management:

- Vessel rejected during Vetting Inspection
- Remarks per Vetting Inspection

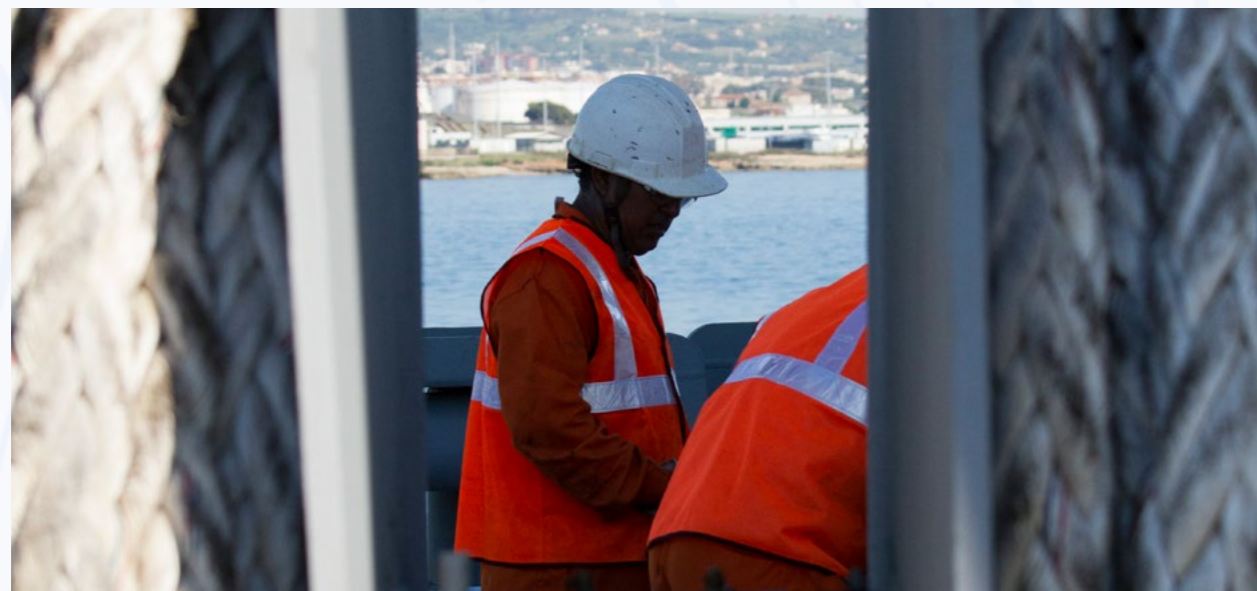
- Vessel Detained in Port State Control (PSC)
- Remarks per PSC Inspection
- Non-Conformities per vessel
- Accidents on Board

Environmental Performance:

- Pollution
- Contained Spills
- Ballast Water Management Violation
- MARPOL Violation

Technical:

- Reliability
- Availability
- Vessel Inspection Performance
- Outstanding Maintenance Task of Non - Critical Equipment
- Outstanding Maintenance Task of Critical Equipment.



TYPE KNOT

- Stevedore's Knot



d'AMICO GROUP AND THE ONE OCEAN PROJECT PROMOTED BY CSSA

d'Amico Group commitment towards the Environment and the Oceans lead to the active participation to the Plastic and Whale Survey. The project, started requiring vessels to observe/survey and collect data regarding sighting of plastic waste and/or whales. The data collection has started in 2019 and it pursued and finished in 2020 providing

CSSA with several interesting information. Vessels had to send a weekly report on plastic waste monitoring (reporting dates and geographical coordinates; reporting waste type, approximate area covered and observation distance) and on biodiversity monitoring (reporting species, numbers of mammals and observation distance).



TYPE KNOT

- Overhand Knot



WASTE MANAGEMENT³⁶

SDGs

UN TARGET

ACTIVITIES AND KPIs IN 2020



12.4

By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

12.5

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse

-11.1 percentage point

The amount of waste discharged at sea

+11.2 percentage point

The amount of waste disposed ashore

5,269 mc

of total waste onboard in 2020, -21.4% since 2019

0.00196

The total waste per nautical miles (mc/nm) in 2020, -21.4% since 2019

The d'Amico Group is committed to **reducing the production of waste, through specific processes and a corporate policy** that focuses on environmental pollution. Waste management on the fleet's vessels is carried out according to a detailed procedure in compliance with IMO/MARPOL 73/78³⁷.

This procedure is part of d'Amico's environmental policy, which uses a combination of complementary techniques to achieve and manage more environmentally friendly results, such as:

- **reduction of waste generation** at source
- **reuse or recycling**
- **waste treatment on board**
- **discharge at the port facility.**

Procedures have been defined for the waste generated on board which allow the crew to order material that can be reused or recycled in appropriate port facilities.

Waste production by type and disposal method is shown in the table below³⁸.

³⁶ In 2019, d'Amico Group changed categories to report the waste produced on board according to the revised MARPOL Annex V. For this reason, no comparison is possible with previous years, due to a completely different method for aggregating and categorizing waste. Today, the reported data is aligned with the official Garbage Record Book, so in the future we will be able to better analyse the trends.

³⁷ Resolution IMO MEPC.71 (38) for implementation of Annex V

³⁸ Estimated figure

WASTE	2019	2020
DISCHARGED AT SEA (mc)	4420.38	2884.83
CAT ³⁹ B - Food	234.66	239.52
CAT F - Operational	0.00	376.00
CAT J - Cargo residues (Non-HME) ⁴⁰	4185.72	2269.31
INCINERATED (mc)	94.06	77.09
CAT E - Incinerator ashes	M	M
DISPOSED ASHORE (mc)	2186.42	2306.64
CAT A - Plastics	954.17	906.90
CAT C - Domestic	758.14	715.89
CAT F - Operational	394.97	650.73
CAT I - Electronic	45.14	31.12
CAT K - Cargo residues (HME) ⁴⁰	34.00	2.00
TOTAL	6700.86	5268.56

Incinerator ashes are the ashes produced by the incineration of what is allowed by Marpol, generally paper and oily rags. These wastes are discharged to the ground, and using the incinerator obviously means reducing the amount of waste for each ship. **The total amount of incinerated waste decreased in 2020**, but the percentage on the total remained the same, both for Dry Cargo and Product Tanker.v

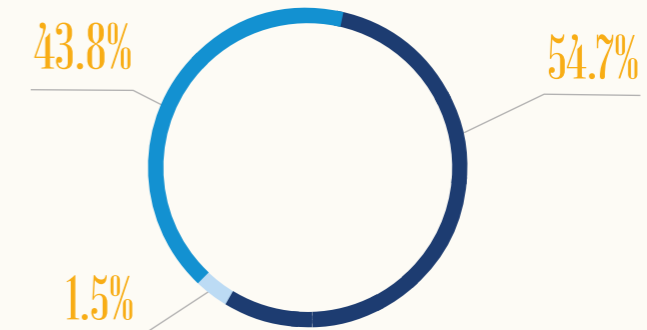
The **percentage of waste discharged at sea, instead, decreased in 2020**, because of the cut in the cargo residues (Category J) that cannot be unloaded during normal operations and, as they are not considered dangerous for the marine environment, as per accompanying documentation, they can be unloaded into the sea - e.g., cereals and cellulose.

Category K waste too are cargo residues but they refer to **residues considered Harmful to the Marine Environment (HME)** - such as heavy metals - and cannot be discharged into the sea. This kind of waste **decreased in 2020 of 94.1%**. Both of these categories (J and K) apply only to DRY ships.

Operational (Category F), that contain external surface wash water, expired pyrotechnics, oily rags and any other oily materials, paint and chemical drums, cleaning agents and additives contained in deck – increased in 2020, but **the major part is disposed ashore** (63%).

WASTE 2020 (mc)

- Discharged at Sea (mc)
- Disposed Ashore (mc)
- Incinerated (mc)

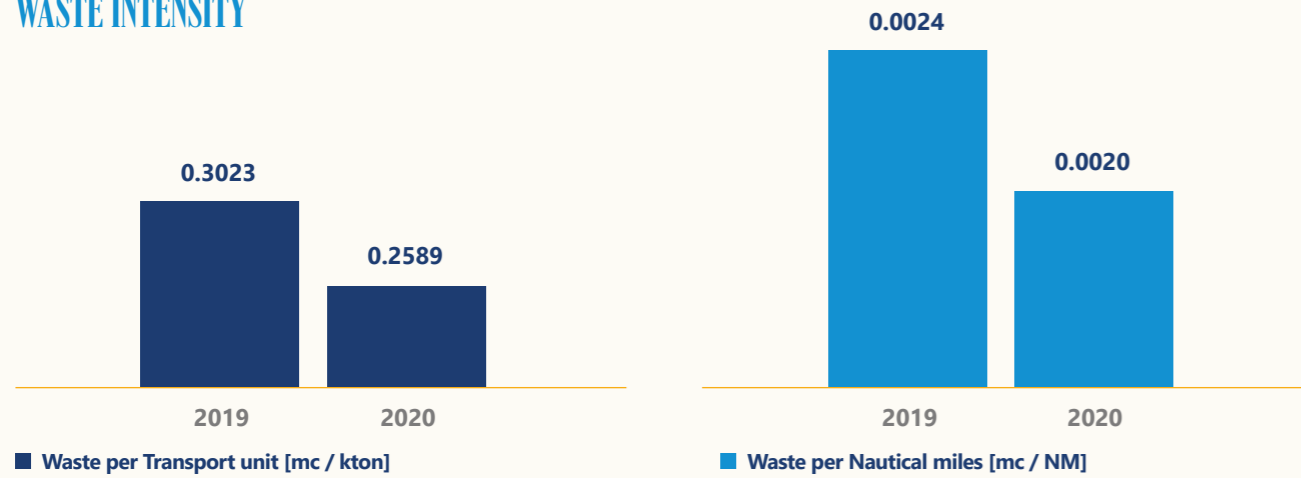


WASTE INTENSITY	2019	2020	Var. 19-20
Total Waste [mc]	6,700.86	5,268.56	-21.4%
Waste per Nautical miles [mc/NM]	0.002381	0.001958	-17.8%
Waste per Transport unit [mc/kt]	0.302342	0.258893	-14.4%

³⁹ CAT is the abbreviation for Category

⁴⁰ Only from Dry Vessels

WASTE INTENSITY



As can be seen from the previous graph, in addition to a decrease in the absolute value of the waste produced by d'Amico (-21.4% from 2019), the value of the waste intensity indicators also decreased, both as regards the "Waste per Nautical Miles" (-17.8%) and the "Waste per Transport Unit" (-14.4%).

This identifies an increasing attention of d'Amico Group towards the reduction of waste produced and towards the efficiency of navigation and transport processes.

Ship recycling

To prevent damaging practices when dismantling and recycling end-of-life ships, **the International Maritime Organization (IMO)**, in agreement with the International Labour Organization (ILO), **has established**, through the Hong Kong Convention (HKC), **a number of protocols, criteria and procedures to be adopted for the construction, demolition and eco-friendly recycling of ships and particularly for treating any hazardous waste onboard ships.**

On 22 October 2013, the European Parliament issued the EU Ship Recycling Regulation (EU SRR) to facilitate faster implementation of the Hong Kong Convention, through surveys of ships and land-based facilities.

The new regulation **requires that new ships belonging to EU countries have on board a verified Inventory of Hazardous Materials (IHM) and a Statement of Compliance, and that existing ships belonging to EU countries and ships belonging to non-EU countries that call at EU ports have the IHM and the Statement of Compliance on board** by 31 December 2020.

The d'Amico Group has completed hazardous material inventories on all new constructions and on board its entire existing fleet, providing a complete map of all materials on board, their location and the risk levels for the health and safety of people and the environment.

A dedicated procedure to maintain the inventories, with a Responsible person and a cooperation team has been prepared and named, in order to assure that the Group's Ship Recycling Process is continually updated during material purchase phases and during replacement and repair activities in the dock.

d'Amico ships are usually sold before the recycling time and the end of their life cycle, in order to always have and maintain a basically **young fleet**.

ENVIRONMENTAL MANAGEMENT AT FACILITIES

SDGs	UN TARGET	ACTIVITIES AND KPIs IN 2020
	<p>6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</p>	<p>1,328m³ The water supplied from the public mains in rome and singapore offices, -56.3% since 2018</p>
	<p>7.3 By 2020, double the global rate of improvement in energy efficiency</p>	<p>2,370 KWh per employee was the consumption of electricity in the Group sites in 2020</p>
	<p>9.c Significantly increase access to information and communications technology and strive to provide universal and affordable access to the internet in least developed countries by 2020</p>	<p>Implemented a travel management application to reduce travel between different facilities and replace it with new video and call conference systems</p> <p>60% the sustainable mobility rate for going to work among all the d'Amico offices</p>
	<p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources</p>	<p>1,715 Kg the consumption of paper in 2020, -64.5% from 2018</p>

The d'Amico Group's commitment to the management of environmental and energy saving issues is also applied in its offices across the world.

The Group obtained the following certifications: **ISO 14001** related to the environment and **ISO 50001** for energy management.

Best practices have also been implemented at Group level, such as:

- **plastic-free project** - plastic bottles are no longer used and have been replaced by water filtered from the tap or from water containers. All Group employees have been given 750 ml aluminium bottles.

- **employee travel reduction** - over the last 4 years, a travel management application has been implemented at a global level, which is accessed via the intranet portal. The application has allowed better control of travel. Travel regulations were updated in January 2017 to reduce travel between different facilities and replace it with new video and call conference systems. As a result, d'Amico has reduced the direct and indirect environmental impact of flights.
- **Waste** - all d'Amico Group offices collect waste separately. More specifically, with regard to the Rome offices, an agreement was signed with Ecof Italia for the collection of separate waste.

d'Amico Group has also started to collect environmental and health and safety data in relation to their offices in order to define improvement objectives and monitor its performance. The data concern: energy, materials and water consumption, waste production and people mobility.

ENERGY CONSUMPTION DATA	2018	2019	2020	Var. 18-20
Consumption of electricity [kWh]*	717,580	630,536	497,749	-30.6%
KPI – kWh per employee	2,929	2,695	2,370	-19.1%
Consumption of Natural Gas [m³]**	10,548	8,764	10,018	-5.0%
KPI – m3 per employee	131.9	110.9	135.4	+2.7%

* the consumption of electricity contained in this table differ from those reported in the same table present in the 2018 and 2019 Sustainability Report, due to a change in the calculation methods.

**consumption of Natural Gas data is available only for the Rome office. The consumption per employee figure is therefore calculated taking into account only the employees of said office

The consumption of electricity in the offices decreased a lot in 2020, even if already in 2019 there was a reduction in both general consumption and consumption per employee.

The reduction in 2020, in particular, is also partly due to the Covid-19 pandemic emergency, following which the Rome offices were closed during the lockdown months. The other offices have never closed permanently, but access has been reduced to only a part of the employees.

WATER CONSUMPTION DATA*	2018	2019	2020	Var. 18-20
Water supplied from public mains [m³]	3,038.4	2,206.5	1,327.8	-56.3%
KPI – m3 per employee	23.7	18.4	11.3	-52.3%

* the water supplied from public mains is available only for the Rome and the Singapore (ISHIMA) office. The figure of water supplied per employee is therefore calculated taking into account only the employees of said offices

Water consumption decreased a lot in 2020, both from 2019 and from 2018, especially for the Rome office. As said before this was due also to the office being closed for the entire lockdown period.

MATERIAL CONSUMPTION DATA*	2018	2019	2020	Var. 18-20
Consumption of paper** [Kg]	4,830.9	3,562.4	1,715.9	-64.5%
KPI – Kg of paper per employee	19.7	15.2	8.2	-58.4%

* the data contained in this table differ from those reported in the same table present in the 2018 and 2019 Sustainability Report, due to a change in the calculation methods. In previous years, some values were estimated on the basis of the number of people in the offices

**the consumption of paper for the Rome office has been estimated by the Group, while paper consumption for the Munich office is calculated on the basis of its cost, using a price of € 37.79 for 5,000 sheets of paper

The same trend is followed also by the consumption of paper. In 2020, in fact, a reduction of 64.5% from 2018 (-51.8% from 2019) in the total consumption and a reduction of 58.4% from 2018 in the consumption per employees were observed.

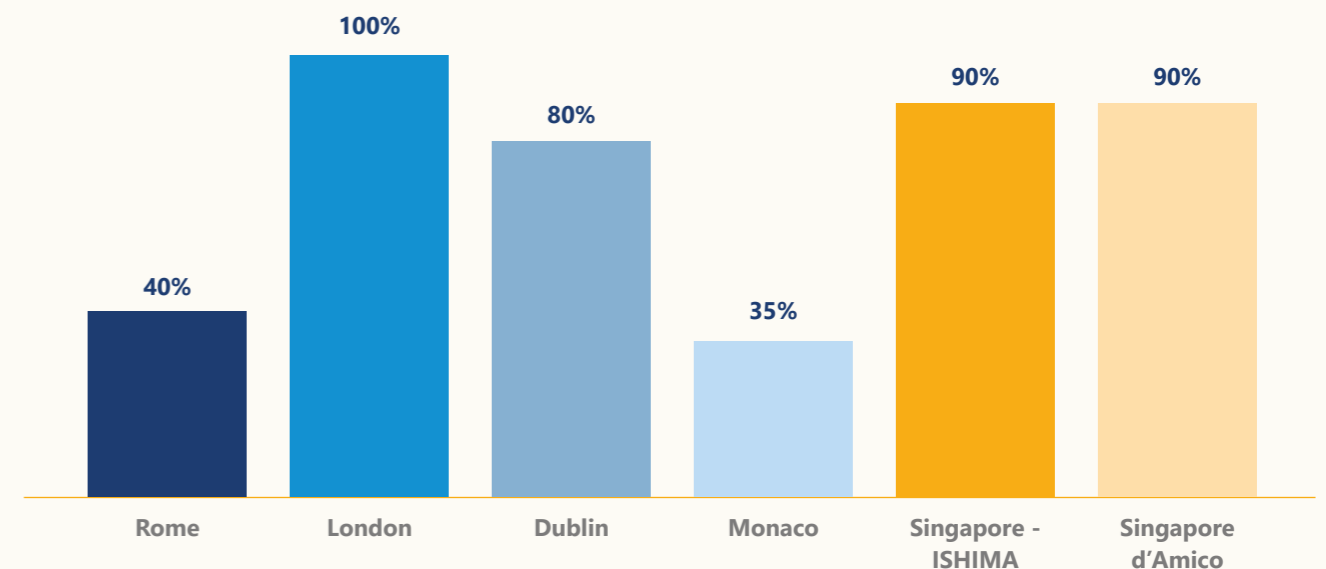
Sustainable Mobility in the d'Amico offices

The Group monitors the means of transportation used by its employees to reach their offices and encourages the use of shared mobility, public transport, walking and cycling.

In 2020, in 4 out of 6 of d'Amico's offices, the percentage of sustainable mobility among employees reached at least 80%, with a share of 100% in London and 90% in the two Singapore offices.

In the Italian office in Rome, on the other hand, sustainable mobility has decreased among employees due to the Covid-19 pandemic, which has led to the increase in the use of cars and to a reduction in the use of public transport.

SUSTAINABLE MOBILITY (PUBLIC TRANSPORT, FOOT AND BIKE) AMONG EMPLOYEES IN 2020



ECONOMIC RESPONSIBILITY



2020 HIGHLIGHTS

Euro
620.2 million
Economic Value
generated

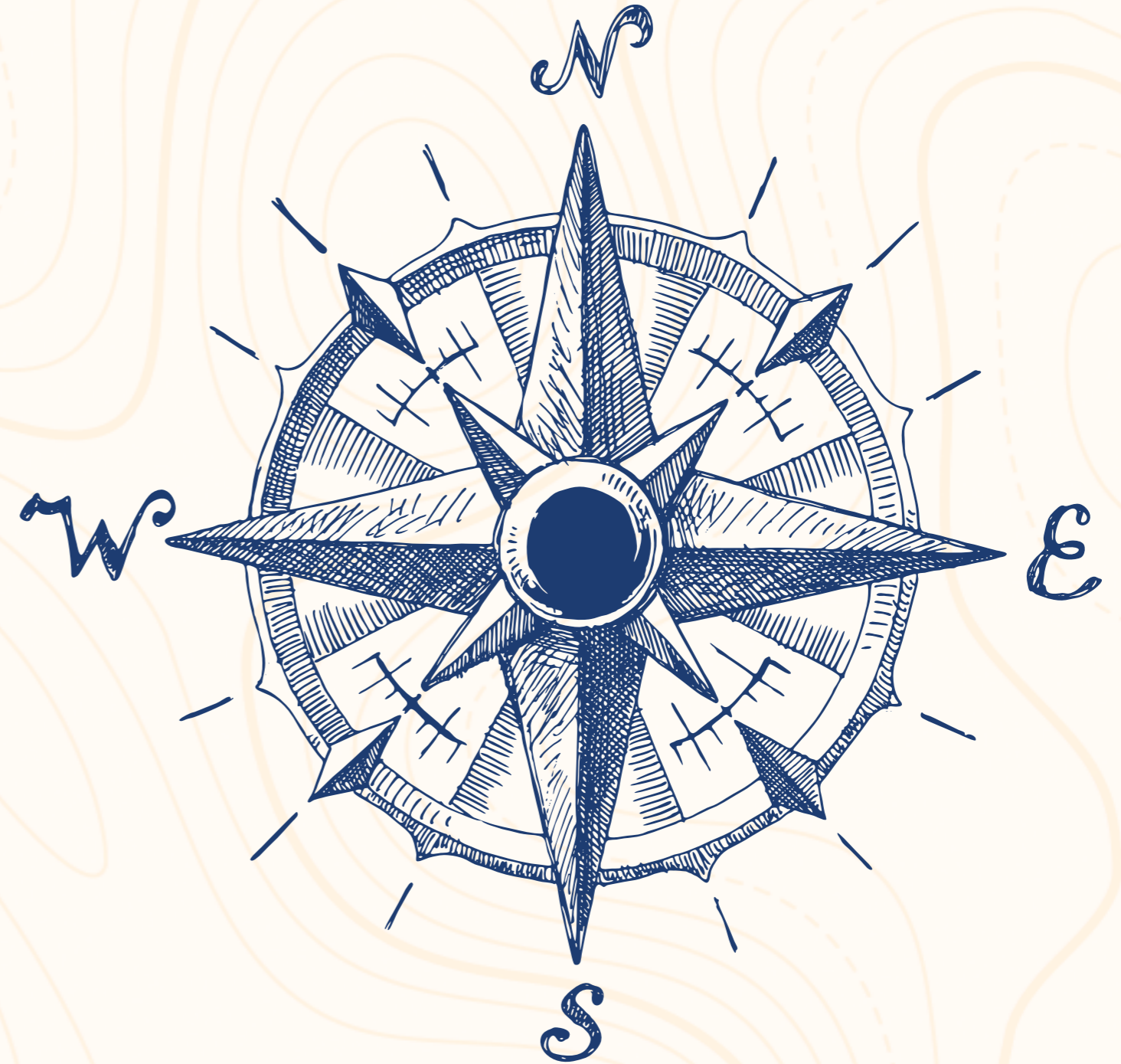
Euro
509.3 million
Economic Value distributed
to stakeholders

68.8%
Economic Value
distributed to
Suppliers

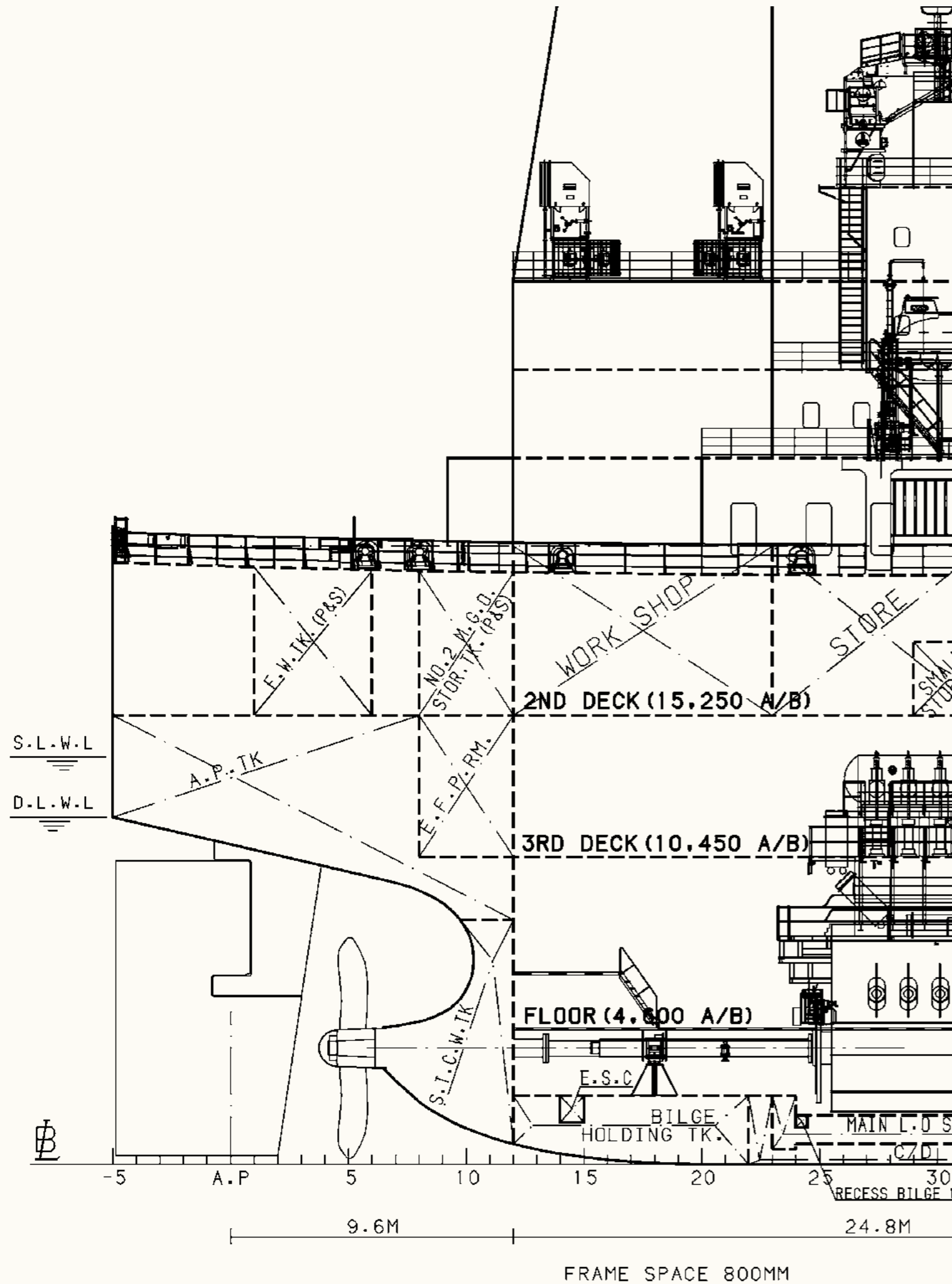
USD
1.2 billions
invested between 2013
and 2019 in 40 newbuildings
Eco-ships

Euro
445.9 million
the total amount
of supplies in 2020

*Selection of suppliers
according to quality
and environmental
certifications*



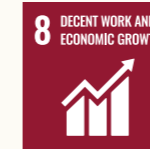
Economic Responsibility



SDGs

Sections of the Sustainability Report

Activities



Economic value generated and distributed
The supply chain

- The d'Amico Group recognizes the importance of a balanced distribution of the value generated by its activities to its stakeholders



The supply chain

- Accurate supplier assessment and selection, also based on energy performance and including possible performance of inspections and controls
- Collection of full and clear details on purchase orders and on responsibilities



Economic value generated and distributed

- d'Amico is accountable and transparent with all institutions at all levels

MARKET TREND AND PERFORMANCE OF THE d'AMICO GROUP ⁴¹

Dry Cargo

The **dry cargo market was extremely volatile during 2020**, with the **first half severely shaken by the reduction in revenue** due to the collapse in demand caused by the COVID-19 pandemic. In the **second half** instead, there was a **recovery** in the market thanks to prospects linked to arrival of the vaccines and the **stimulus to the economy** announced by the main governments.

The **reference indices for the sectors in which the d'Amico Group operates decreased during 2020** compared to the previous year, respectively by 23% in the Panamax, 18% in the Supramax and 16% in the Handysize.

In the first quarter of 2020, **demand**, already weak due to the usual market seasonality, was increasingly **depressed by the spread of the COVID-19 pandemic and the lockdown measures** gradually applied in different parts of the world. At the beginning of the second quarter, the spot market continued to weaken, reaching the minimum level of operating costs only coverage, in correspondence with global macroeconomic weakness due both to the very low levels of demand for raw materials and to port closures in the main importing and exporting countries.

In the last weeks of June, the freight level showed the first signs of a limited recovery and **in the second half of the year, the Dry market continued to improve**, especially with the China demand, which generated 70% of the total growth. This was connected, in first place, with the **increase in imports of coal and iron ore**, then with the **growth of the grain and soybeans** transportation and with the support of the government.

The market was also affected by logistical inefficiencies at ports linked to the quarantine measures imposed by the different countries and by the stringent regulations applied to crew changes, as well as by the tensions between China and Australia with regard to coal imports, all factors that contributed to congestion in loading and unloading activities.

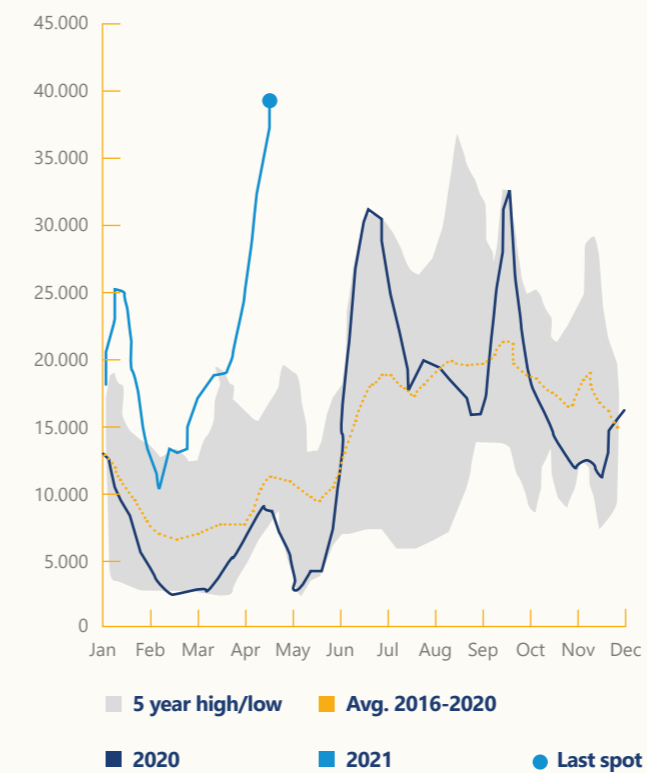
At the end of 2020, the signals were mixed: on the one hand, the **new wave of COVID-19 infections caused a slow-down in the general economic recovery** but, on the other hand, the **election of the new President of the United States facilitated the increase in wheat exports** to China, particularly supporting the Kamsarmax and Supramax segments. Australia also saw an increase in wheat exports after a couple of years of severe drought. Lastly, towards the end of the year, there was an increase in coal imports by China in anticipation of a particularly cold winter.

Thanks to the quality of the d'Amico Group fleet and to the flexibility achieved, the Dry Cargo Business Unit was able to maximise performance, achieving an **improvement in the average Time Charter Equivalent⁴² figures compared to sector rates**, equal to 19% for the Panamax and the Supramax segment and by 7% for the Handysize segment.

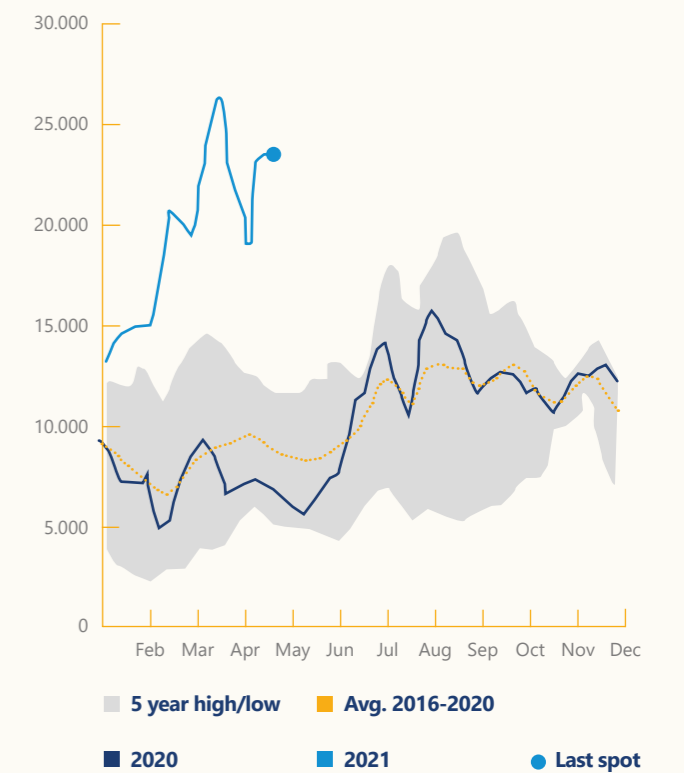
⁴¹ Those comments refer to the d'Amico Società di Navigazione 2020 Annual Report

⁴² Time Charter Equivalent (TCE) rate is a standard shipping industry performance measure used primarily to compare period-to-period changes in a shipping company's performance despite changes in the mix of charter types

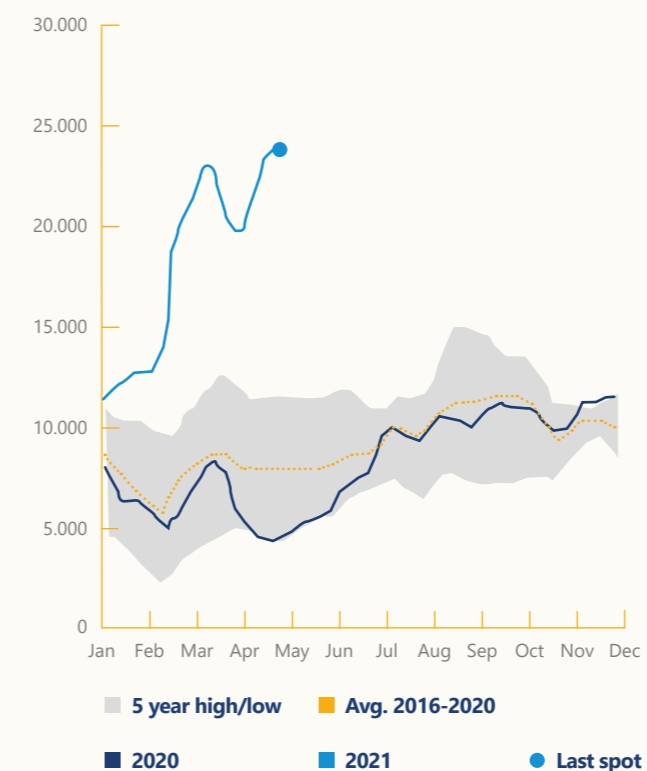
CAPE SIZE SPOT EARNINGS (USD/DAY)



PANAMAX SPOT EARNINGS (USD/DAY)



SUPRAMAX EARNINGS (USD/DAY)



Source: Clarkson Research Services Ltd., Clarksons Platou Securities AS

Product Tankers⁴³

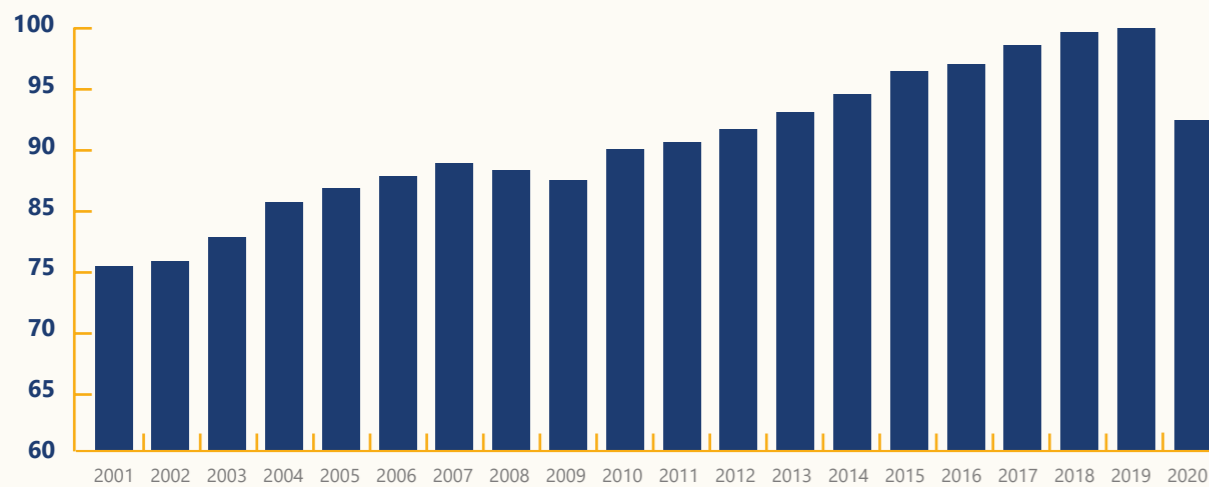
In 2020, the tanker market was characterized by exceptional volatility. After a slowdown at the beginning of the year, following a solid fourth quarter in 2019, **tanker revenues reached historically high levels in March and April 2020**. The negative effects of COVID-19 on global oil demand, when combined with the initial increase in oil production from Saudi Arabia and Russia, caused a sharp contango in forward oil prices, leading to a spike in stocks on land, and triggering a rapid and pronounced increase in the floating storage of both crude oil and refined products.

This increase in floating storage as well as rising ports congestion, reduce fleet availability, contributing to a surge in rates. As expected, **the initial increase in earnings was, however, followed by a sharp correction and a prolonged stagnation starting from June 2020**, as the market absorbed the surplus of refined product stocks and the floating storage gradually unwound.

According to Clarksons, **global oil demand fell by around 8.8% year on year in 2020**, averaging 91.4 million barrels per day. It is estimated that the **US and European oil demand recorded the sharpest decline year-on-year**, in both cases of around 12%. In December, the rapid increase in COVID-19 cases at global level weighed heavily on oil demand, especially in Europe and the United States, where governments reintroduced or strengthened lockdown measures.

Despite the sharp correction in consumption in 2020, oil demand has been growing steadily since 2001 as highlighted by the graph below:

WORLD CRUDE OIL DEMAND (MILLION BARRELS PER DAY) SINCE 2001



Source: IEA Annual Statistical Supplement for 2019 and Oil Market Report Feb 2021

⁴³ Those comments refer to the d'Amico Società di Navigazione 2020 Annual Report and to the d'Amico International Shipping Q2 2021 Results

Maritime services

The **activities of the companies that carry out "maritime services"** within the group and to third parties, **clearly slowed down**, both in the production of revenue and in the corresponding profits, due to the global health situation.

The decrease in profit compared to the previous year, as well as the decrease in revenue, down by almost 50%, observed by Ishima, which provides technical support services on vessels, is due to the COVID-19 pandemic, as already mentioned.

The same applies to intermediation activity managed by Rudder with its Singapore subsidiary relating to bunker fuel purchases, which recorded a slight profit also in 2020.

Lastly, Sirius continued its crew management and training activities and ended the year with a profit of over EUR 500 thousand.

ICT strategy

2020 was a year of particular stress for the Group's IT services, due to the issues created by the COVID-19 pandemic and the consequent need to allow all employees to work remotely.

The choices made in previous years, especially the transfer to cloud environments of almost all services, made it possible to respond promptly and effectively to the changed needs.

In particular, it was not only possible to remotely access all the Group's IT resources, but above all it was possible to guarantee all users secure access, protected from the dangers of cybercrime.

The Group's ICT infrastructure has therefore proved to be perfectly capable of supporting the new working method. Moreover, in order to strengthen the safety of the infrastructure, the risk treatment areas were further analysed, also conducting a "what if" analysis to identify possible disaster profiles.

The changed management requirements and the greater operational efficiency required by the market made it necessary to update the Fleet Management IT system. After intense market analysis, the Group decided to select new software to guarantee a high level of service and total regulatory compliance in future years.

The system offered by ABS Nautical Systems, a leader in the reference market, was selected, proposed by the American Bureau of Shipping Standards, which is extremely reliable also as a leading maritime classification authority.

Implementation will be carried out throughout 2021.

Fleet renewal and growth

In 2013, the d'Amico Group launched an **extensive fleet renewal programme investing a total of USD 1.2 billion** in more than 40 state-of-the-art Eco-ships, both dry-cargo vessels and product tankers. Thanks to this investment plan, the **d'Amico Group now owns and manages a young, modern and environmentally friendly fleet**. All d'Amico ships are equipped with the most advanced technologies that minimise environmental impact. This is achieved thanks to a **significant increase in efficiency made possible by energy saving and a significant reduction in consumption and emissions**.

Once the fleet renewal program ended, d'Amico Group has pursued its strategy of dismissing the older vessels concentrating on a fleet of 'Eco' vessels. By end of 2020 80% of the d'Amico Group fleet is composed by 'Eco' vessels.

BUSINESS OUTLOOK

Dry Cargo⁴⁴

During the first few months of 2021, the **spot market of the Dry Cargo sector strengthened considerably**, already in February **reaching levels well above the peaks of the last 5 years**, despite the period of the year, historically weaker due to seasonality.

A set of concomitant factors contributed to supporting demand:

- the **slowdown in port activities** both in the Pacific and in the Atlantic due to low temperatures
- the **recovery of economic activities** at global level
- the **increase in the prices of raw materials**
- the **use of vessels to export grain** from Brazil, where the slowdown of the harvest has created ever increasing congestion
- the **strong demand for containers** that not only drive the container market but have also increased the demand for Handysize vessels for certain types of goods

Moreover, the **easing of restrictions linked to the COVID-19** pandemic, also thanks to progress in the vaccination campaign **and the definition of stimulus plans for the economies** of the main international players, in particular Europe and the United States, after China had already defined them in the previous months, **have a very positive effect on market sentiment** for the next few months of 2021.

Demand for bulk raw materials continues to increase due both to infrastructure investments and to the increase in consumption linked to the global economic recovery, although significant volatility is expected to remain a dominant factor in the coming months.

In the medium term, the limited growth of the dry cargo fleet and the slowdown in orders for new vessels are also key elements for a favourable balance of demand and supply: **current expectations are for the fleet to grow - in terms of tonnage - by 2.5% in 2021 and by 2% in 2022 after growing 4.1% in 2020.**

Orders were equal to 12 million DWT in 2020, the lowest level in the last ten years, against 19 million in 2019 and 100 million in 2015. In addition to the weakness of the market in 2020, it is **the uncertainty linked to future developments of new designs and eco-sustainable propulsion technologies**, in line with IMO 2030 regulation requirements, that is sure to **have held back shipowners from ordering new vessels**, though the good market prospects for the next few years could contribute to the slowdown in demolitions, driving opportunistic attitudes in the short term.

In conclusion, **d'Amico fleet**, almost entirely composed of modern and eco-friendly vessels, is well positioned in the market context described, to **offer flexible and high-quality commercial services** and is **able to capture the market opportunities** thanks to careful management of risk and volatility through medium-term hedges and short-term arbitrage.

⁴⁴ Those comments refer to the d'Amico Società di Navigazione 2020 Annual Report

Product Tankers⁴⁵

According to Clarksons' June report, crude tanker demand is expected to grow by 3.4% in '21, while product tanker demand is expected to expand by an even more robust 7.8%, remaining, however, for both segments below 2019 levels as impacts from Covid-19 linger.

Over the remainder of the year robust global economic growth, rising vaccination rates, steadily increasing mobility levels and the easing of social distancing measures should combine to underpin stronger global oil demand, with second-half 2021 oil demand on course to rise by 4.6 million b/d versus first half 2021 levels, to 98.7 million b/d.

The IEA's oil demand growth forecast mirrors the economic trend and the assumed expansion of vaccination campaigns to prevent a resurgence of Covid-19 cases. The global economy is expected to continue expand steadily in the remainder of the year and in 2022. According to the IEA's latest estimates, world GDP is expected to expand by 6.2% in 2021 and by 4.6% in 2022, largely unchanged versus their June report. US GDP growth should be particularly strong, at close to 7% in 2021, thanks to high vaccination rates, savings accumulated by households during the Covid-19 crisis and continuing fiscal and monetary measures. Furthermore, fiscal stimulus packages will not end in 2021, with the American Jobs Plan expected to boost US GDP growth in 2022 to 4.3%. In Europe, the recent lifting of some Covid restrictions has had a positive effect on the economy. Pent-up demand, the re-opening of hotels and restaurants, and large household savings should contribute to a strong rebound in economic activity during the summer, pushing European growth close to 4.9% in 2021. Growth should remain above 4.5% in 2022, assuming vaccination campaigns continue to expand.

Oil supply should largely follow the demand developments. At the 19th OPEC+ Ministerial Meeting, members agreed to raise output by around 400,000 b/d per month from August until the remaining 5.8 million b/d of current supply cuts are fully unwound. At the same meeting it was also agreed that baseline production for several countries including the UAE, will be raised from May '22. The IEA estimates, however, that despite the agreed output increases the oil market will remain undersupplied by around 1.5 million bpd in the second-half of this year.

Despite the ongoing improvements, considerable uncertainty remains regarding the strength and timing of the recovery. In countries where vaccination campaigns are lagging, the latest dominant and more transmissible variant may have a devastating impact. Covid cases are surging in Indonesia, with Vietnam and Thailand also recording a fast rise in contamination rates. Recent data from various sources show that several African countries show new Covid cases rising strongly in recent weeks. Japan and Korea have been forced to introduce very strict measures. This new wave of infections is cutting mobility and oil demand in many countries with low rates of vaccinations and could very well slow the economic (and oil demand) recovery currently underway.

The key drivers that should affect the product tankers freight markets and d'Amico International Shipping's performance are (I) the growth in global oil supply (II) refinery margins and throughput, (III) demand for refined products, (IV) the structure of forward prices for both crude oil and refined petroleum products and (V) the product tankers' fleet growth rate. Some of the factors that could drive a recovery in the product tankers market in the medium-term are detailed below:

Product Tanker Demand

- According to IEA's July report, global refinery throughput in June is estimated to have surged 1.6 million b/d month-on-month, the largest monthly increase since July 2020. In May, refinery intake was flat from April levels, but up 7 million b/d from May 2020, the lowest point during the pandemic. Runs are expected to ramp up another 2.7 million b/d through August from June levels.
- According to the IEA, OECD total industry oil stocks at the end of Q2 '21 stood at 2 945 million barrels, 75.8 million barrels below the 2016-2020 average and 10.8 million barrels below the pre-Covid 2015-19 average. Preliminary June data for the US, Europe and Japan show that industry stocks fell by a combined 21.8 million barrels.

- More than 70% of new refining capacity in the next four years will be located east of Suez. The EIA estimates that around 800,000 b/d of refining capacity has been closed in North America since the pandemic began. Engen have announced the conversion of their 120,000 b/d refinery in Durban (responsible for approximately 17% of the country's fuel production) into a terminal / storage facility. In the long run, recovering demand and structural shifts in the refining landscape are likely to boost long-haul product trades.

Product Tanker Supply

- At the beginning of the year Clarksons estimated 97 MRs and LR1s would have been delivered in 2021, of which 50 in the first-half of the year; actual deliveries in the first six months of '21 were, however, of only 38 vessels.
- In their June 2021 outlook, Clarksons estimate that in 2022 the product tanker fleet will grow by 1.8% while the demand for the transportation of refined products will grow by 5.5%.
- A large number of demolition yards were temporarily shut in 2020 during the pandemic. However, the rebound in steel prices has improved demand for tonnage recycling. According to Clarksons around 43 product tankers have been sold for scrap in the first half of 2021. This equates to around 2 million tonnes of deadweight capacity, of which 26 tankers (1.13 million deadweight) are in the MR sector.
- According to Clarksons, 6.6% of the MR fleet and LR1 fleet is over 20 years old.
- According to Clarksons, the orderbook to fleet ratio (in dwt) at the end of June '21, for the MR and LR1 product tankers fleet, stood at only 4.6%.
- The IMO's 2030 and 2050 targets for reducing greenhouse gas emissions are high on the shipping agenda. Many owners and banks now require 'green recycling' of vessels in line with EU and IMO conventions, while the EU is set to include shipping in its Emissions Trading Scheme. Furthermore, important cargo charterers including oil majors such as Shell and Total, as well as leading trading houses such as Trafigura, have recently signed the Sea cargo charter with the aim of disclosing the CO2 emissions of the vessels they operate, and reducing these in line with the IMO targets. During the Marine Environmental Committee's (MEPC) last meeting (MEPC 76) in June this year, measures were adopted which will be enforceable from 1 November 2022, requiring operators to measure their vessels' energy efficiency existing ship index (EEXI), reflecting their technical efficiency, and their carbon intensity indicator (CII), reflecting how efficiently they are managed. Both of these measures aim to cut emissions progressively from 2023 to 2030.
- The expected technological change to meet increasingly demanding environmental and other regulations is reducing appetite for newbuilding orders, since such vessels could be obsolete soon after delivery.

⁴⁵ Those comments refer to the d'Amico Società di Navigazione 2020 Annual Report and to the d'Amico International Shipping S.A. Q2 2021 Financial results.

ECONOMIC VALUE GENERATED AND DISTRIBUTED

SDGs

UN TARGETS

ACTIONS AND KPIS IN 2020



8.1

Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7% gross domestic product growth per annum in developing countries

Euro

620.2 million

The total value generated by d'Amico Group

8.5

By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

Euro

95.2 million

The economic value distributed to employees in 2020



16.6

Develop effective, accountable and transparent institutions at all levels

Euro

1.4 million

The economic value distributed to Public Administration in 2020

The d'Amico Group recognizes the importance of a **balanced distribution of the value generated by its activities to its stakeholders**, since it is a value that they have contributed to producing, either directly or indirectly. By analysing the value generated and distributed, the d'Amico Group highlights the flow of economic resources to its employees, its suppliers of goods, services and capital, the Public Administration and the communities in which it operates.

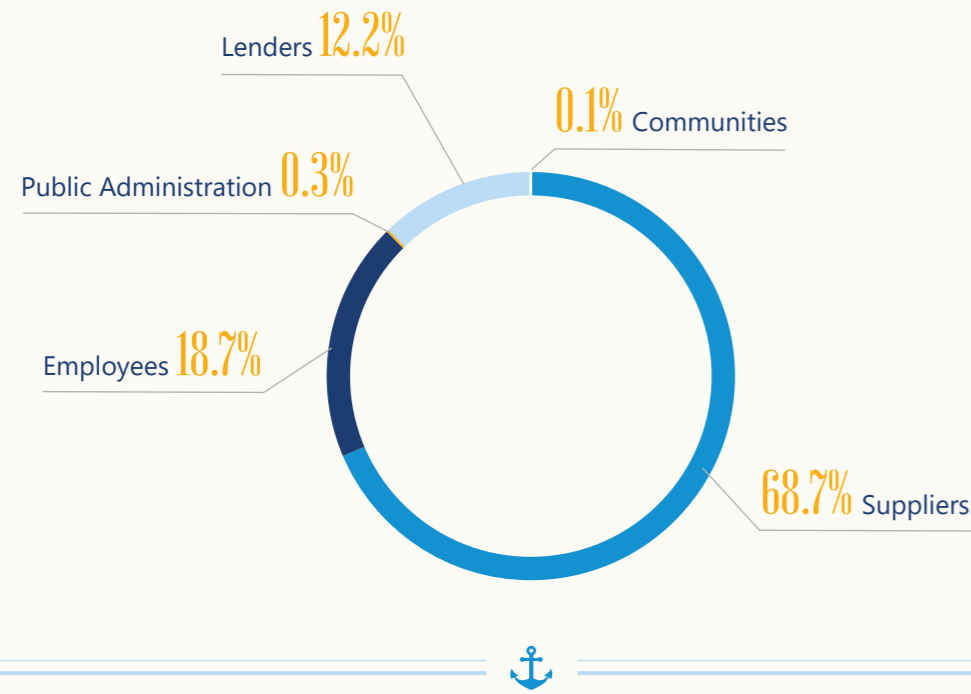
ECONOMIC VALUE GENERATED AND DISTRIBUTED (THOUSANDS OF EUROS)	2017	2018	2019	2020
ECONOMIC VALUE GENERATED	729,382	778,769	725,331	620,172
Revenue from sales (shipping and services)	678,694	711,038	696,880	613,407
Other revenue (disposal of fixed assets)	20,719	161	4,443	2,888
Financial Income	29,969	67,570	24,008	3,877
ECONOMIC VALUE DISTRIBUTED	647,542	681,352	603,844	509,298
Suppliers	490,042	507,901	424,556	350,391
Employees	104,096	104,060	102,537	95,239
Lenders	42,691	61,196	74,999	61,972
Public Administration	6,295	3,941	1,387	1,377
Shareholders (dividends distributed during the year)	4,000	4,000	0	0
Community (donations, sponsorships and trade associations)	418	254	365	319
ECONOMIC VALUE INVESTED IN THE COMPANY	81,840	97,417	121,487	110,874

The **Economic Value generated** by the Group as at 31 December 2020 amounted to **EUR 620.2 million** and consisted mainly of revenue from sales resulting from shipping and services, as well as other revenue from real property sales and financial income (interest, foreign exchange gains/losses and results of Group companies valued with the equity method).

The **Economic Value distributed** by the Group as at 31 December 2020 amounted to **EUR 509.3 million**, divided among the following stakeholders as detailed below:

- **to suppliers approximately EUR 351 million**, comprising typical maritime operating costs related to the use of fleet vessels, which mainly include fuel purchases, port expenses, fee and commission expenses and charters. The following expenses should also be added: technical management and quality control expenses, other ship operating costs, insurance, lubricants as well as general and administrative expenses;
- **to employees, seafarers and administrative staff approximately EUR 95.2 million**, consisting of wages, salaries, social security and welfare charges and defined-contribution plans;
- **to lenders approximately EUR 62.0 million**, as bank interest on short and medium/long-term loans;
- **to the Public Administration approximately EUR 1.4 million** for direct and indirect taxes and duties;
- **to communities EUR 319 thousand** in the form of donations, gratuities, sponsorships and registration fees to trade associations;
- to shareholders no dividends were distributed during 2020.

2020 - ECONOMIC VALUE DISTRIBUTED [%]



Lastly, the **Economic Value invested by the Group** amounted to **EUR 110.9 million** as at 31 December 2020 and consisted of amortisation and depreciation, write-downs and provisions to ensure business continuity and sustainability.



THE SUPPLY CHAIN

SDGs

UN TARGETS

ACTIONS AND KPIs IN 2020



8.1 Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7% gross domestic product growth per annum in developing countries

Euro **350.4** million the economic value distributed to suppliers in 2020



12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

Obligation for all suppliers of goods and services to review and comply with the company's policies in the area of ethics, integrity and environmental regulations

In managing the supply chain - thanks to its Integrated Management System (IMS) - the d'Amico Group has taken measures to **ensure that the products and services it purchases comply with quality, safety and respect for the environment**. More specifically, these measures apply to the products and services that have or could have a **significant impact on energy consumption**, those required to ensure optimal supply of the Group's shipping activities (e.g. dry-dock interventions, ship maintenance and repair activities and the supply of fuels) and the services that d'Amico outsources.

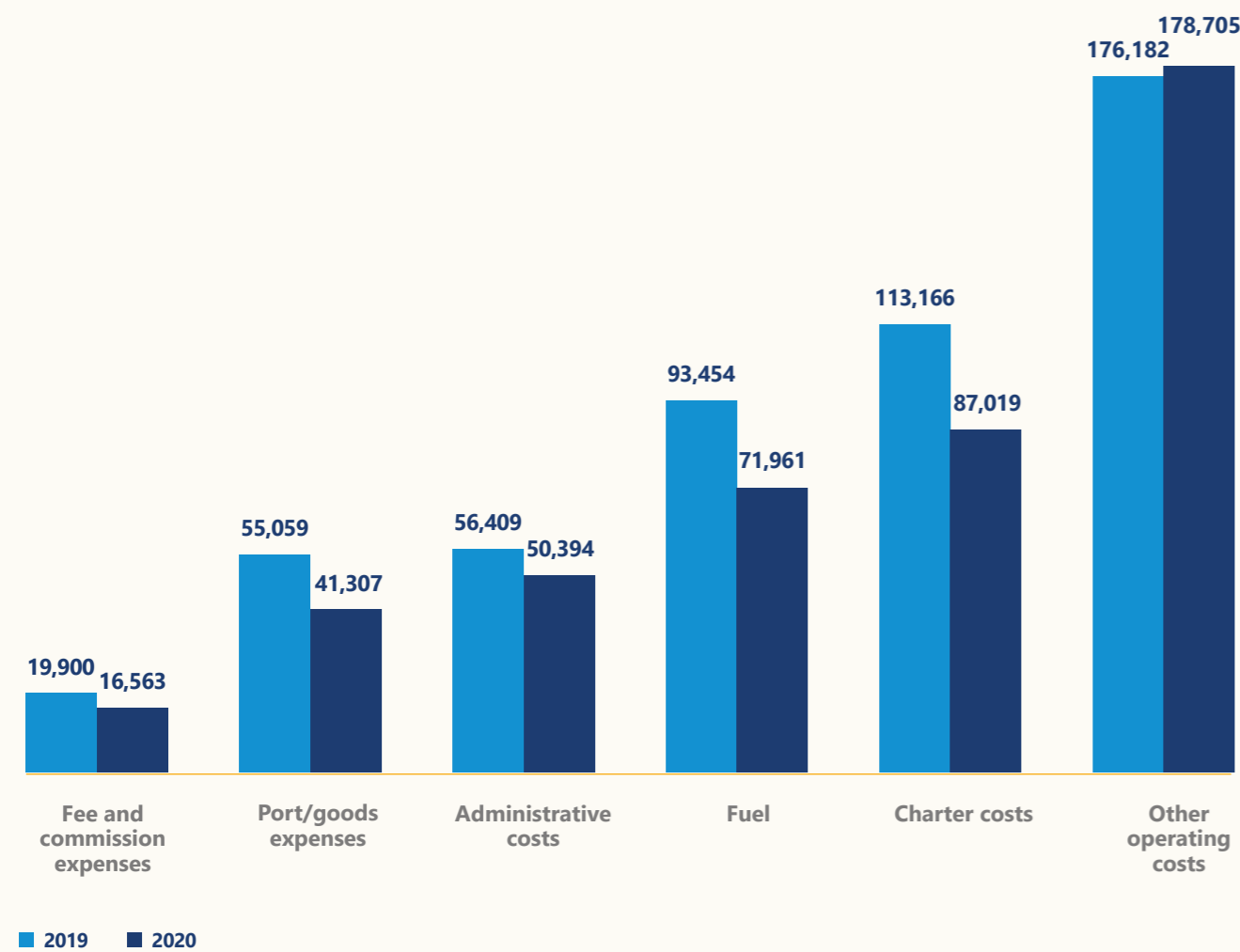
The measures include:

- **Accurate supplier assessment and selection;**
- Full and clear **details on purchase orders** and on responsibilities;
- Performance of **inspections and controls** as necessary;
- Assessments based on **energy performance;**
- **Requests for information from suppliers**, if services are outsourced, regarding potential impacts on processes, products and services offered.

The following table describes orders by type.

SUPPLIES BY TYPE ⁴⁶ (THOUSANDS OF EUROS)	2019	2020
SUPPLIES FOR OPERATING COSTS (OF WHICH)	457,761	395,555
fuel	93,454	71,961
port/goods expenses	55,059	41,307
fee and commission expenses	19,900	16,563
charter costs	113,166	87,019
other operating costs (such as technical expenses, ship management, insurance)	176,182	178,705
SUPPLIES FOR ADMINISTRATIVE COSTS	56,409	50,394
TOTAL	514,170	445,949

SUPPLIES BY TYPE (THOUSANDS OF EUROS)⁴⁶



⁴⁶ Since 2019 data in the figures are calculated by d'Amico Group in accordance with the new IFRS 16 accounting standard. For this reason, only the figures starting from 2019 are reported.

Supplier selection

The d'Amico Group has a register of suppliers selected on the basis of their reliability, quality, price, delivery times and history. The suppliers included in this list must meet the following criteria:

- **Proven ability to comply with d'Amico Group's** current requirements applicable to the products or services to be purchased;
- **Possession of certifications of compliance** with ISO 9001 and ISO 14001 standards, obtained from a recognized third party, for products and services that have an impact on the environment;
- **References from other recognized companies or organizations;**
- **Compliance with d'Amico Group's requirements with regard to consumption and energy efficiency.**

Supplier assessment

The products and services purchased are checked by contractually defined type, quantity and quality; any defects are also checked. The checks are normally carried out upon receipt on board by ship's personnel and on shore by the purchase department. The results of the checks are recorded and submitted to the Technical Office for possible supplier performance updating. Furthermore, at least once a year, the relevant department assesses strategic suppliers through a scoring system that gives a final ranking.

For suppliers belonging to the Environment and Safety category, the evaluation is more stringent because the final ranking includes assessments on suppliers' level of awareness and resulting ability to control the environmental impacts of the activities they carry out.

In the contracts or letters of appointment, suppliers declare that they have read and understood the content of the Code of Ethics and the Organization, Management and Control Model (pursuant to Italian Leg. Decree 231/01) adopted by d'Amico Società di Navigazione S.p.A. **The suppliers commit to accept and comply with the rules, procedures and ethical and behavioural principles adopted by the Company.** They also commit to ensuring that their senior staff and the employees reporting to them will comply. **Failure to do so will result in a serious breach of contractual obligations and will entitle d'Amico Società di Navigazione S.p.A. to terminate the contract immediately,** without prejudice to the right to claim compensation for the damages caused to the Company, such as, for example, damages arising from application of the sanctions set out in above Italian Leg. Decree no. 231/2001, as subsequently amended or supplemented.

METHODOLOGICAL NOTE

The d'Amico Group's Sustainability Report for the year ended 31 December 2020 was prepared in accordance with the GRI Standards of the Global Reporting Initiative, using the reporting option "In accordance - core".

To ensure a quality report, d'Amico complied with the principles for defining the content and quality of the report as set out in the GRI Standards, which provide a set of criteria for selecting the information to be included in the report and relevant presentation methods.

Principles for defining report content

- Stakeholder Inclusiveness** - The application of this principle has allowed d'Amico to map its stakeholders, identifying their needs, expectations and the strategies required to meet them. For each stakeholder category, the Company has also described the main methods for conducting relations with them, distinguishing between informative moments, opportunities for dialogue and partnerships. The details are described in the paragraph *d'Amico's stakeholders in the chapter Sustainability for the d'Amico Group*.
- Sustainability Context** - In the chapter *Environmental Responsibility* - specifically in the paragraphs *Environmental impact and regulatory framework and Environmental policy* - d'Amico has provided a clear description of its approach, which seeks to anticipate the goals regarding ship energy efficiency and the reduction of emissions defined by the IMO and the EU.
- Materiality** - The d'Amico Group has carried out a materiality analysis and identified topics that reflect the organization's significant economic, environmental and social impacts and substantially influence stakeholder assessments and decisions. The method used and the results obtained are described in the paragraph *Relevant topics for sustainability in the chapter Sustainability for the d'Amico Group*.
- Completeness** - The report has been designed to give stakeholders a complete picture of the activities carried out by d'Amico. The reporting boundary refers to the Group, as indicated in the Consolidated Financial Statements as at 31 December 2020. The paragraph *Significant events since end of the period and business outlook* - contained in the chapter *Economic Responsibility* - also anticipates some information that underline market trends and development for 2021, in particular in relation to the Covid-19 pandemic.

The following table, the material topics, the aspects defined by the GRI Standards and the relevant boundaries were cross-referenced, highlighting any limitations in reporting for the latter.

MATERIAL TOPICS FOR d'AMICO	MATERIAL ASPECT GRI STANDARDS	ASPECT BOUNDARY		REPORTING LIMITATIONS ON BOUNDARY	
		Internal	External	Internal	External
Vessel energy efficiency	Energy; Emissions	Group	-	-	Reporting partially extended to suppliers
Innovation: fleet safety and digitisation	Energy	Group	-	-	-
High quality of services	Stakeholder engagement	Group	-	-	-
Business ethics	Ethics and integrity; Anti-corruption	Group	-	-	-
Protection of marine biodiversity	Biodiversity	Group	-	-	-
Atmospheric emissions and climate change	Emissions	Group	Suppliers	-	Reporting not extended to suppliers
Integrated management system	Environmental compliance; Social and economic compliance	Group	-	-	-

MATERIAL TOPICS FOR d'AMICO	MATERIAL ASPECT GRI STANDARDS	ASPECT BOUNDARY		REPORTING LIMITATIONS ON BOUNDARY	
		Internal	External	Internal	External
Occupational health and safety	Occupational health and safety	Group	Suppliers	-	Reporting not extended to suppliers
Well-being of individuals	Employment	Group	-	-	-
Value generated and distributed	Economic performance	Group	-	-	-
Personnel training and development	Education and training	Group	-	-	-
Sustainable supply chain	Supplier environmental assessment; Supplier social assessment	Group	Suppliers	-	Reporting partially extended to suppliers
Ship recycling	Effluents and waste	Group	Suppliers	-	Reporting not extended to suppliers
Stakeholder engagement	Stakeholder engagement	Group	-	-	-
Waste reduction and material recycling	Energy; Effluents and waste	Group	Suppliers	-	Reporting not extended to suppliers
Multi-cultural approach	Diversity and equal opportunities	Group	-	-	-
Promotion of social, cultural and environmental topics	Local communities	Group	-	-	-
Consumption of water and energy in offices	Energy	Group	Suppliers	-	Reporting not extended to suppliers

Principles for report quality

- Accuracy** - The economic, qualitative and quantitative data refer directly to the 2020 Consolidated Financial Statements, while the accuracy of the environmental, health & safety and quality data are the result of certified management systems, particularly ISO 9001, ISO 14001, OHSAS 18001 and ISO 50001 and of the Fleet Performance Monitoring Department. Corporate data are mainly drawn from the Company's operating systems. To calculate the CO₂ emissions, have been used the following Carbon Factors related to the different type of Fuel.

FUEL OIL TYPE	cf (tons-CO ₂ /MT)
Heavy Fuel Oil (Reference: ISO 8217 Grades RME through RMK)	3,114
Light Fuel Oil (Reference: ISO 8217 Grades RMA through RMD)	3,151
Diesel/Gas Oil (Reference: ISO 8217 Grades DMX through DBM)	3,206
Very Low Sulphur Fuel Oil (0,5% Sulphur)	3,114
Liquefied Petroleum Gas (Propane)	3,000
Liquefied Petroleum Gas (Butane)	3,030
Liquefied Natural Gas	2,750
Methanol	1,375
Ethanol	1,913

To calculate the SO_x emissions, the following percentages of sulphur currently contained in the fuel burned has been used: HSFO High Sulphur Fuel Oil = 3.5% S; LSFO Low Sulphur Fuel Oil = 1% S; VLSFO Very Low Sulphur Fuel Oil = 0.5% S; HSDO High Sulphur Diesel Oil = 0.5% S; LSDO Low Sulphur Diesel Oil = 0.1 % S.

NO_x emissions are related to the type and speed of engine; the calculation was made according to the following values given by the IMO.

IMO Tier	Eng speed/type	Fuel type	SFOC ME/Aux	ME EFbaseline (kg/tonne fuel)	Aux eng EF baseline (kg/tonne fuel)	Reference
0	SSD MSD HSD	HFO HFO HFO	195/na 215/227 na/227	92.82 65.12 na	na 64.76 51.10	ENTEC, 2002 ENTEC, 2002 ENTEC, 2002
1	SSD MSD HSD	HFO HFO HFO	195/na 215/227 na/227	87.18 60.47 na	na 57.27 45.81	IMO Tier I IMO Tier I IMO Tier I
2	SSD MSD HSD	HFO HFO MDO	195/na 215/227 na/227	78.46 52.09 na	na 49.34 36.12	IMO Tier II IMO Tier II IMO Tier II
all	Otto	LNG	166	7.83	7.83	Kristensen, 2012
na	GT	HFO	305	20.00	na	IVL, 2004
na	STM	HFO	305	6.89	na	IVL, 2004

Notes: GT - gas turbine; STM - steam boiler

- **Balance** - In describing the results of the activities performed, both positive and negative aspects were considered to allow a balanced assessment of the Company's performance.
- **Comparability** - To enable stakeholders to analyse changes in performance, the Sustainability Report presents triennial data⁴⁷. The reporting boundary is indicated in this methodological note.
- **Timeliness** - The Sustainability Report is prepared annually. In order to better meet stakeholders' information needs, events that occurred after the end of 2020 were reported, where significant.
- **Clarity** - The structure of the report was defined to make it easy for stakeholders to find relevant information. The level of detail of the information was chosen to make the report comprehensible, accessible and easy to use by the different stakeholders. The meaning of the acronyms used was also explained in special notes.
- **Reliability** - The 2020 Sustainability Report was approved by the Board of Directors at its meeting of 22/06/2021. The document also contains contact details to receive further explanation and clarification of the information contained therein.

⁴⁷ For those data, where the triennial comparison is unavailable, the biennial comparison - between 2019 and 2020 - is reported.

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103-1	Explanation of the material topic and its Boundary	pp. 44; 51; 210-212
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103-3	Evaluation of the management approach	p. 30
205-3	Confirmed incidents of corruption and actions taken	No corruption episode in 2020
ENVIRONMENTAL		
ENERGY		
103-1	Explanation of the material topic and its Boundary	pp. 44; 49-51; 210-212
103-2	The management approach and its components	pp. 148-172
103-3	Evaluation of the management approach	pp. 152-172
302-1	Energy consumption within the organization	pp. 153-154
302-3	Energy intensity	pp. 153-154
302-4	Reduction of energy consumption	pp. 153-154
302-5	Reductions in energy requirements of products and services	pp. 164-165; 171-172
BIODIVERSITY		
103-1	Explanation of the material topic and its Boundary	pp. 39; 41; 158-160
103-2	The management approach and its components	pp. 130-132
103-3	Evaluation of the management approach	pp. 130-132
304-2	Significant impacts of activities, products, and services on biodiversity	pp. 130-132
304-3	Habitats protected or restored	pp. 105-106
EMISSIONS		
103-1	Explanation of the material topic and its Boundary	pp. 44; 49; 210-212
103-2	The management approach and its components	pp. 148-172
103-3	Evaluation of the management approach	pp. 148-172
305-1	Direct (Scope 1) GHG emissions	p. 155
305-5	Reduction of GHG emissions	p. 155
EFFLUENTS AND WASTE		
103-1	Explanation of the material topic and its Boundary	pp. 44; 50-51; 210-212
103-2	The management approach and its components	pp. 184-188
103-3	Evaluation of the management approach	pp. 184-188
306-2	Waste by type and disposal method	pp. 184-185; 188
306-3	Significant spills	pp. 173-175
ENVIRONMENTAL COMPLIANCE		
103-1	Explanation of the material topic and its Boundary	pp. 44; 49; 51; 210-212
103-2	The management approach and its components	pp. 35-37
103-3	Evaluation of the management approach	pp. 35-37
307-1	Non-compliance with environmental laws and regulations	No non-compliance with environmental laws and regulations in 2020
SUPPLIER ENVIRONMENTAL ASSESSMENT		
103-1	Explanation of the material topic and its Boundary	pp. 44; 51; 210-212
103-2	The management approach and its components	pp. 207-209
103-3	Evaluation of the management approach	pp. 207-209
308-1	New suppliers that were screened using environmental criteria	p. 209

SPECIFIC INFORMATION	Page/ Direct response	Any omissions and reasons for omission
SOCIAL		
EMPLOYMENT		
103-1	Explanation of the material topic and its Boundary	pp. 44; 48; 210-212
103-2	The management approach and its components	pp. 68; 84-87; 101-107
103-3	Evaluation of the management approach	pp. 68; 84-87; 101-107
401-1	New employee hires and employee turnover	pp. 79-81
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	pp. 105-107
OCCUPATIONAL HEALTH AND SAFETY		
103-1	Explanation of the material topic and its Boundary	pp. 44; 48; 210-212
103-2	The management approach and its components	pp. 110-114
103-3	Evaluation of the management approach	pp. 110-114
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	pp. 113-114
TRAINING AND EDUCATION		
103-1	Explanation of the material topic and its Boundary	pp. 44; 48; 210-212
103-2	The management approach and its components	pp. 90-104
103-3	Evaluation of the management approach	pp. 90-104
404-1	Average hours of training per year per employee	pp. 90; 92-93; 96-97
404-2	Programs of upgrading employee skills and transition assistance programs	pp. 101-104
LOCAL COMMUNITIES		
103-1	Explanation of the material topic and its Boundary	pp. 44; 49; 210-212
103-2	The management approach and its components	pp. 133-136
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413-1	Operations with local community engagement, impact assessments, and development programs	pp. 133-136

Credits

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