



ESG: ANOTHER MILE

SUSTAINABILITY REPORT 2022

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Shipowners' letter

EVERY MILE COUNTS

We are delighted to present our 2022 Sustainability Report.

In this fifth edition we want to highlight the Group's ongoing commitment in pursuing sustainability in all its activities and to provide a reliable and efficient service to our customers, confirming our responsibility in protecting and safeguarding the future of generations to come.

In 2022, the world faced a series of major social and economic challenges, attempting to overcome the significant changes they triggered. Especially the crisis caused by the war in Ukraine that had such a massive impact on global economic trends.

Despite these uncertainties, in 2022 the Group has achieved encouraging results which makes us confident for the future. These achievements come from the hard work, professionalism, and dedication of everyone in the Group, both on board the vessels and in the offices. A heartfelt and profound thank you goes to our people who are the core resources of our shipping tradition.

The sixth assessment report of the Intergovernmental Panel on Climate Change (AR6 Climate Change 2022) paints a critical picture of the current state of the climate. Yet, it also shows us that we have the tools to reverse its course and points towards decisions that can mitigate the damage inflicted by climate change.

In this regard, the d'Amico Group is implementing various measures and projects to improve its environmental performance, reduce emissions, and increase awareness towards sustainability issues in general. To achieve this, an environmental strategy based on five pillars has been defined: fleet efficiency (by optimizing propellers and hulls through the installation of devices), reduction of main engine power, development of projects on alternative fuels, research and development on carbon capture and storage on board, and implementation of digitization to monitor and improve vessel performance in real-time.

The European Union's regulatory framework is becoming more demanding with the approval of Directive No.

2022/2464 (Corporate Sustainability Reporting Directive) which promotes the integration of sustainability into business models and requires the disclosure of non-financial information by large companies. To emphasise the need to adopt a coordinated reporting framework, the CSRD assigned definition of the new reporting standards to EFRAG (the European Financial Reporting Advisory Group). So far, EFRAG has already submitted its first set of draft ESRS (European Sustainability Reporting Standards) to the European Commission, which will adopt them in their final version on conclusion of the consultation procedure.

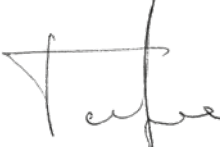
We view these new reporting standards as an opportunity to define and communicate our sustainability strategy clearly and transparently, recognizing that sustainability is not just a legal obligation but also a moral and ethical imperative that guides our business actions. Our daily uncompromising commitment to reduce our impact on the environment must be the goal of our legacy for the next generations to come.

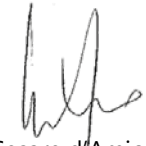
All of this while not forgetting our ongoing commitment to our people and their families. Throughout 2022, the d'Amico Group proactively intensified its efforts to support "wellbeing" projects, for our people in both our offices and on board our vessels, exploring new possibilities for improving living and working conditions on board the ships.

There are many challenges ahead. However, we are confident that professionalism, innovation and research will enable us to meet these challenges successfully.

As always, we will continue to work hard to achieve these goals and ensure a sustainable future for our industry.

Every mile counts!


Paolo d'Amico


Cesare d'Amico



Our sustainability report

The fifth edition of the d'Amico Group Sustainability Report reaffirms the **unwavering commitment of the Group to sustainability and social responsibility**. Building on the path laid in previous editions, the Group has continued to enhance its capacity for **measuring and transparently communicating its social, environmental, and economic progress**.

By providing deeper insights into the organization's future aspirations and strategies, this report empowers stakeholders to make thoughtful and well-informed evaluations of how the Group is fulfilling its mission and translating vision into impactful action.

The main news of the 2022 edition of the Sustainability Report:

- **Strengthening of the ESG measurement system**, through the integration of **GRI** standard indicators and a selection of KPIs provided by the **SASB (Sustainable Accounting Standards)** and **ESRS (European Sustainability Reporting Standards)** standards, also consistent with the first reporting system set up for d'Amico International Shipping S.A. (DIS)
- **Inclusion in the sustainability section of a chapter focusing on ESG risks**, as a preparatory step to implement the double materiality required by the CSRD
- **Development of the impact measurement of d'Amico Group environmental footprint**, through the integration of a new chapter dedicated to water management (water withdrawals and consumption).

To facilitate an effective communication of the Sustainability Report, also this year, a **comprehensive condensed summary version** has been prepared. Additionally, communication tools, such as a **video release**, are available on the website, in order to help convey the key highlights.

This Report is developed according to the **'Taking stock to report back®' method, developed by Refe - Sustainable Development Strategies** which has been guiding d'Amico sustainability path since its beginning.

The Sustainability Report is structured in **five sections**: Group profile, Sustainability for the d'Amico Group, Social Responsibility, Environmental Responsibility and Economic Responsibility.

2022 HIGHLIGHTS

SOCIAL RESPONSIBILITY

2,543

total personnel

91.8%

seagoing personnel

8.2%

onshore personnel

34.4%

percentage of female managers among onshore personnel

55.6%

percentage of new hires under 30 among onshore personnel

53.3%

percentage of new hires under 30 among seagoing personnel

82.4%

retention rate for seagoing personnel

92.2%

retention rate for onshore personnel

51,985

total training hours for onshore and seagoing personnel

230,000 USD

invested in training activities

1

injury in 2022

0

injuries in 2020 and 2021

122,000€

as membership fees for shipowners' associations and other associations

219,000€

disbursed as donations and sponsorships in 2022

ECONOMIC RESPONSIBILITY

Euro

1,091.4

million economic value generated by the Group

66.6%

economic value distributed to stakeholders, as a share of the economic value generated

67.9%

economic value distributed to suppliers, as a share of the economic value generated

Euro

771.0

million total amount of supplies

91.0%

supplies for operative costs

Obligation

for suppliers to comply with d'Amico's policies and regulations

ENVIRONMENTAL RESPONSIBILITY

86%

share of 'Eco' vessels in the d'Amico Group's total fleet

88.2%

Dry Cargo fleet* compliant with EEDI - Energy Efficiency Design Index - phase II and with EEXI - Energy Efficiency Design Index for Existing Ships

60.7%

Product Tanker fleet* compliant with EEDI phase II and with EEXI

17.9%

Product Tanker fleet* compliant with EEDI phase III and with EEXI

-11%

Improvement in the AER - Annual Efficiency Ratio - of the d'Amico fleet (vs 2019)

-1.5%

reduction of CO₂ emissions per transport unit (vs 2020)

-2.9%

reduction of NO_x emissions per transport unit (vs 2020)

-1.3%

reduction of bunker consumption per transport unit (vs 2020)

97.7%

Low Sulphur bunker fuel out of total bunker fuel consumed

Zero

accidents and spills in the last three years

96.3%

fresh water produced by fresh water generators out of total fresh water used onboard

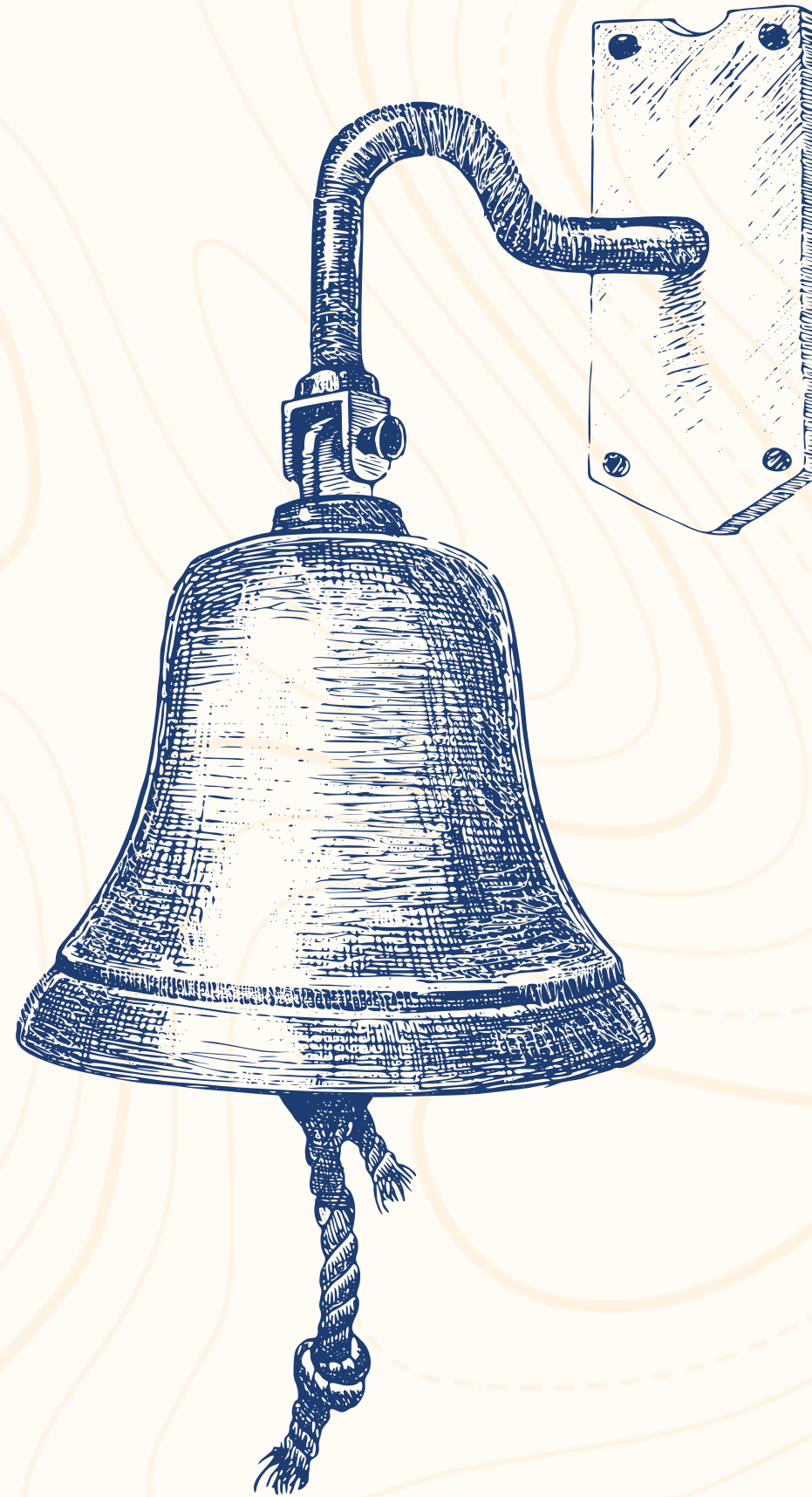
0.999

fleet reliability index, considering the maximum target of 1

100%

d'Amico vessels that own a Ballast Water Treatment System

*owned and bareboat fleet



Chapter 1

Group overview



Group profile

The d'Amico Group (henceforth also named the Group or d'Amico, or the Company) is a leading global shipping company focusing its business mainly in the Dry Cargo and Product Tankers sectors and providing 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 excellent services 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 achieve excellence

by encouraging our employees to be responsible, flexible and professional. We therefore prioritise the importance of developing their skills to enable professional growth.



PASSION AND COMMITMENT

We are passionate about shipping

and we care about the people who are part of the Company. Success is achieved by encouraging involvement and commitment.

TEAM BUILDING AND MULTI-CULTURALISM

As a global operator, we embrace the spirit of teamwork

and multi-cultural integration at all levels of the organisation, both in our offices and on board our vessels.

FOCUS ON THE ENVIRONMENT AND SAFETY

Care and attention,

prudence and respect for the environment, are qualities embedded in our daily operations. We aim to prevent any human injury, to avoid damage to the environment and to pursue a policy of zero incidents and zero spills at sea.

ETHICS AND RELIABILITY

A constant attention to business ethics

is one of the pillars of our Company. We strive to respect commitments and maintain an open dialogue and transparency in business practices with all our stakeholders.



BELONGING

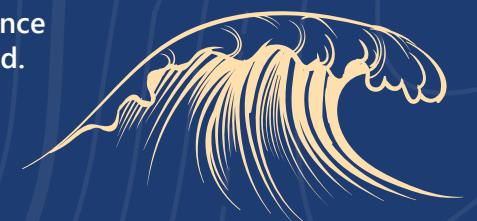
Our daily work and our success

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

SOCIAL RESPONSIBILITY

We have a strong sense of social responsibility,

and therefore promote initiatives linked to culture, the environment and the assistance of those in need.



d'AMICO OVER THE YEARS

1936-1959

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

The history of d'Amico began in the 1930s. Massimino Ciro d'Amico transformed 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 was established in 1952, at the same time the Rome offices were opened.

1960-1969

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

After the initial phase involving the transport of crude oil, the company began to specialise in shipping refined products. The opening of the Genoa office, one of Italy's major cargo ports, marked 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, in the 1970s d'Amico strengthened its fleet for both petroleum products and liner services. Offices were 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 launched a strategy to diversify its services: this decade saw the purchase of new Dry Cargo ships and new businesses were 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, was listed on the Italian Stock Exchange in 2007. The company benefitted from international development and growth in this decade: offices in London, Singapore, Dublin and Mumbai were opened. Partnerships and joint ventures expanded the range of d'Amico's commercial solutions and increased fleet management flexibility and route coverage.

1990-1999

Specialisation and growth via external lines

Ilitalia di Navigazione S.p.A. was acquired in 1998. This acquisition allowed d'Amico to penetrate the container ship market. Subsequent plans for rationalisation led to its sale, allowing the Group to further focus on strategies and investments. During this period d'Amico also specialised in Dry Cargo shipping, including through the purchase of box-shaped vessels.

2020-Today

New route

The Covid pandemic provided an opportunity to implement a continuous improvement plans aimed at achieving and guaranteeing high standards in safety and respect for the environment. Digitalisation and decarbonisation projects will be the two main paths of d'Amico Group in the next decade.

2010-2012

International expansion and strengthening of the CSR strategy

The d'Amico Group celebrated 60 years in 2012. During these years, the Stamford, Manila and Casablanca offices were opened, and a new Corporate Social Responsibility strategy was 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 launched 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 that 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 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

**USA, New York
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

100%	d'Amico Shipping Italia SpA Italy
75%	DOMAS Immobiliare S.r.l. Italy
76.90%	Sirius Ship Management Srl Italy
99%	d'Amico Ship Ishima India Pte Ltd India
1.00%	
55.55%	d'Amico Partecipazioni Finanziarie Srl Italy

100%	d'Amico Shipping Singapore Pte Ltd Singapore
100%	d'Amico Dry Maroc S.à.r.l. Morocco
100%	d'Amico Finance d.a.c. Ireland
100%	d'Amico Shipping USA Limited USA
100%	d'Amico Shipping UK Ltd UK
95%	COGEMA S.A.M. Monaco
85%	Rudder S.A.M. Monaco
100%	d'Amico Dry d.a.c. Ireland
100%	Hanford Investments Inc SARL Luxembourg
100%	Anglo Canadian Shipping Ltd Canada
100%	Ishima Pte Ltd Singapore
100%	Rudder Pte Ltd Singapore
100%	Medi Supra Pool Management Ltd Ireland
100%	St. Andrew Estates Limited SARL Luxembourg
100%	ACGI Shipping Inc. Canada
100%	ACGI International Shipmanagement Singapore Pte Ltd Singapore
100%	Global Maritime Supplies Pte Ltd Singapore
100%	Welltech Marine Pte Ltd Singapore

100%	d'Amico Tankers d.a.c. Ireland
100%	d'Amico Tankers UK Ltd UK
100%	High Pool Tankers Ltd Ireland
100%	Glenda International Shipping d.a.c. Ireland
99.80%	d'Amico Tankers Monaco S.A.M. Monaco

LEGEND:

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



Group structure as of 31 December 2022

BUSINESS AREAS

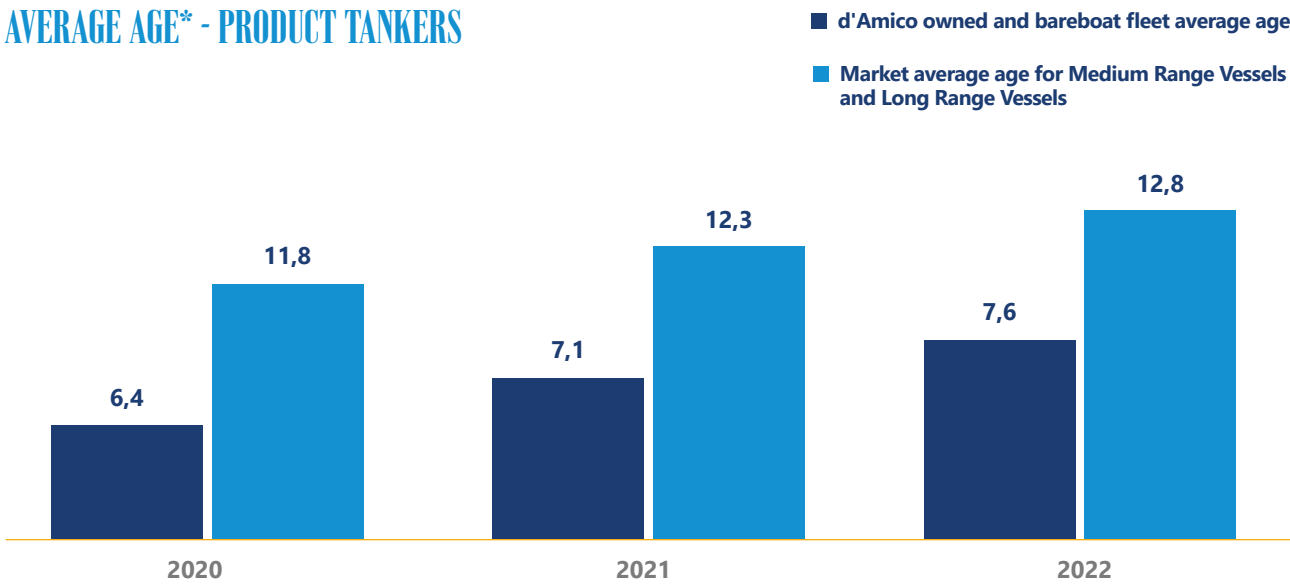
Product Tankers

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 with double hulls that 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 36 Product Tankers¹** owned and bareboat with an **average age of 7.6 years** and is therefore **one of the youngest in the world** compared to an average in the Product Tankers industry of 12.8 years for MRs and for LR1s (25,000 – 84,999 dwt)².

Within the Product Tankers industry, d’Amico International Shipping primarily operates in Medium Range vessels (MRs), which comprises sizes ranging from 25,000 dwt to 55,000 dwt. This specific vessel size provides the greatest flexibility in terms of trade routes and port access. In addition, as at year-end 2022, DIS had six Long Range 1 vessels (LR1s), with a size of 75,000 dwt, which also have a degree of flexibility, whilst providing better economies of scale on longer voyages.

AVERAGE AGE* - PRODUCT TANKERS



*The age of the fleet is expressed in years

As at 31 December 2022, **77.8% of DIS’ controlled fleet was IMO Classed** (77.5% in 2020) - compared to a market average of 45% - and **79% of DIS’ fleet was ‘Eco’³** (75% in 2020), compared to a sector average of 30⁴.

d’Amico’s modern Product Tanker fleet consisting mostly of MR vessels is both energy efficient and commercially flexible, and the most recent investments in the larger LR1 vessels further increases the efficiency of the fleet.

Some of DIS’ vessels were employed through its joint venture GLENDA International Shipping d.a.c., a jointly controlled entity with the Glencore Group, in which d’Amico Tankers d.a.c. had a 50% interest. However, in August 2022, d’Amico Tankers d.a.c. gained control of 100% of Glenda International Shipping d.a.c. through the redemption of the shares owned by Topley Corporation in the JV. Subsequently, in September 2022, the four MR vessels owned by Glenda International Shipping d.a.c. and built between February 2010 and February 2011, were acquired by d’Amico Tankers d.a.c.

¹ Fleet as at 31 December 2022 in the d’Amico Società di Navigazione 2022 Annual Report.

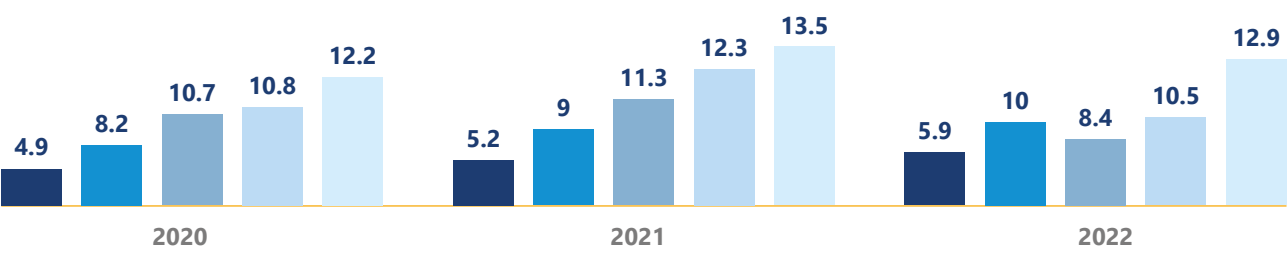
² Source: Clarksons Research Services, as at January 2023.

Dry Cargo

The Dry Cargo business unit operates a core fleet of of **42 vessels⁵** (owned and bareboat). It provides **shipping services on a global scale, transporting bulk grain, coal, ore, 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 40,000 dwt) all open hatch box shaped, Handymax/Supramax (from 56,000 dwt to 64,000 dwt) fitted with grabs, Kamsarmax/Post-Panamax (from 80,000 DWT to 89,000 dwt) and Minicape with two vessels (116,000 dwt).

In addition to the core fleet and in line with its business model, d’Amico Dry operated vessels on short period charters for freight arbitrage purposes, amounting to an average of 15.0 equivalent vessels.

AVERAGE AGE* - DRY CARGO



*The age of the fleet is expressed in years (not including Cielo di Rabat)

The average age of the d’Amico Dry Cargo fleet is 6 years, considerably lower than the average sector age of 10.8 years (according to IHS Markit), as a result of the fleet renewal investment plan that was completed in 2018. In greater detail, the Dry Cargo business unit exceeds the industry benchmark in the Capesize (7.4 years compared to 10), Post Panamax and Kamsarmax (5.3 compared to 8.4), Supramax (6.0 compared to 10.5) and Handysize segments (7.1 compared to 12.9⁶).

In 2010, after more than forty years’ experience in the containership sector, **d’Amico Dry Maroc** was founded. It mainly performs 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).

³ Eco-ships are a new generation of eco-friendly vessels. At the centre of the concept is the Energy Efficiency Design Index (EEDI), whose purpose is to highlight energy efficiency of ships and hence the ability to obtain reductions of Greenhouse Gas emissions. Furthermore, the ‘Eco’ denomination reflects the commitment to achieve high standards with respect to energy efficiency, emissions, pollution, health and safety performances throughout the whole life cycle of the vessels - from design, construction to operation and recycling.

⁴ Source: Clarksons Research Services, as at January 2023.

⁵ Figure as at 31 December 2022. For the list of the fleet refer to the List of Fleet Vessels page 232.

⁶ Data retrieved from IHS Markit. Markit and calculated considering the following segments as a reference: Mini Cape for Capesize; Post Panamax and Kamsarmax for Panamax; Ultramax and Supramax for Supramax; Large Handy for Handysize.

Maritime services

The Group provides ship management services and bunkering services through sister companies. These services are carried out not only for d'Amico's fleet, but also for third-party clients.

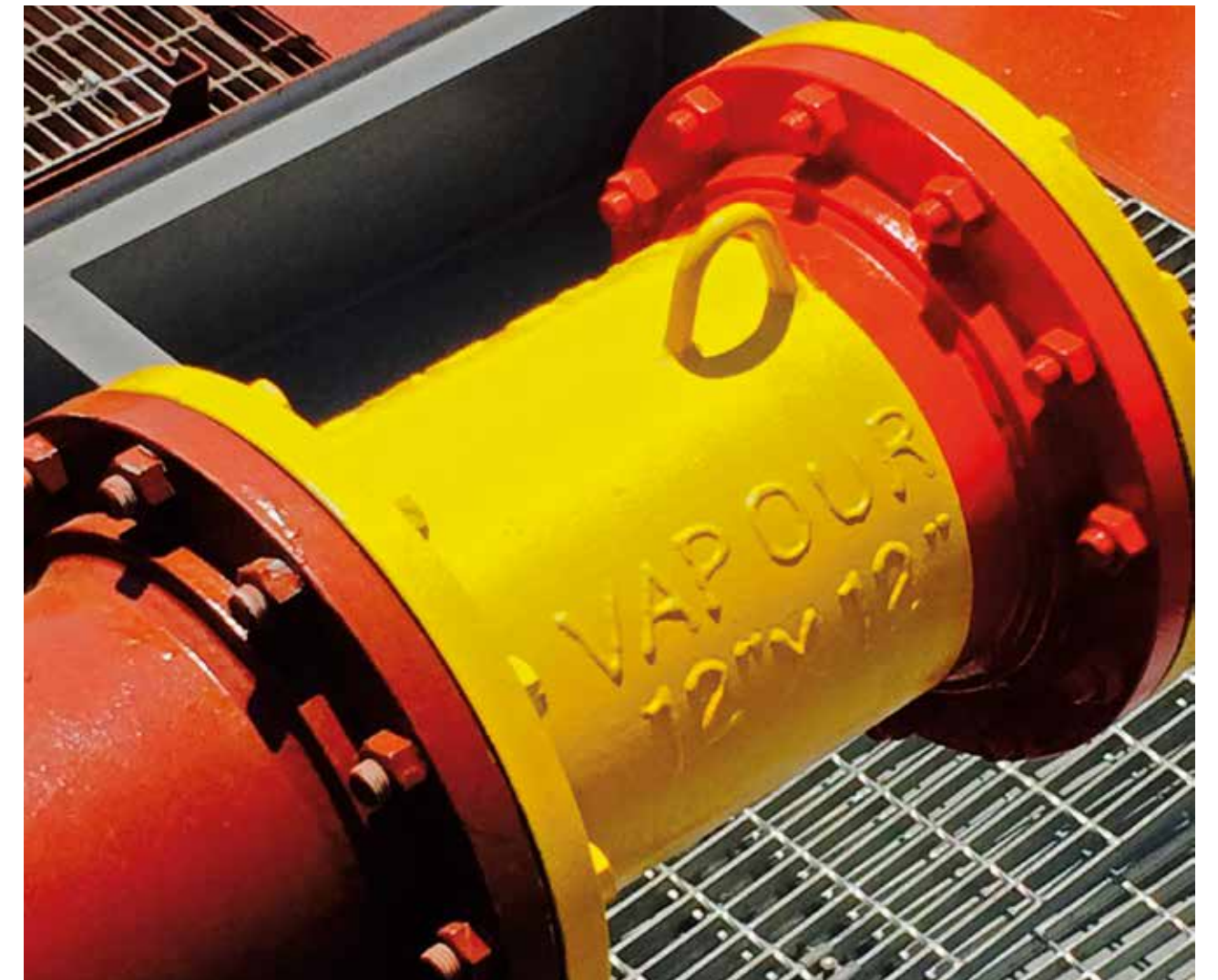
Ship management services constitute one of the main business lines of the Parent Company, d'Amico Società di Navigazione S.p.A. (henceforth the Company), which, in part through other Group's companies, and in particular through the indirect subsidiary Ishima Pte Limited, offers services to Group's companies and third parties.

Bunkering operations are conducted by Rudder SAM from the Monaco office, also through its subsidiary in Singapore and a representative office in Miami, for Group's companies and for third parties. The operations start from a constant monitoring of the reliability of the traders operating in the field and are based on a consolidated relationship with the major oil companies (oil majors).

The crew management department and its processes are handled by one of d'Amico Group's companies - Sirius Ship Management S.r.l. - which 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).

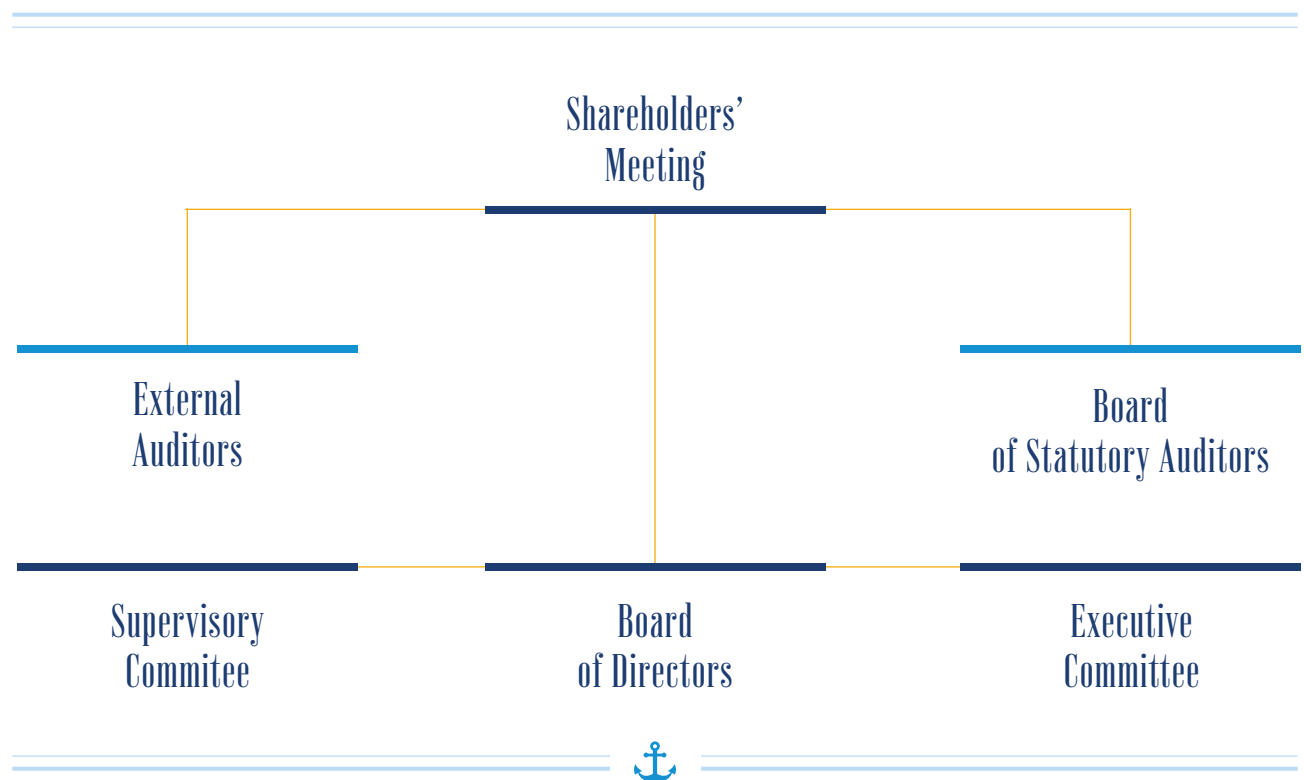
As Manning Agent, Sirius services also include the implementation of the training and development plans of the seagoing personnel according to the Owner's instructions and in compliance with both national and international regulatory standards and rules.

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**. Shaped by the provisions of all relevant laws, it **is in line with the 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 incorporated under Luxembourg law⁷.



Governance and corporate control bodies

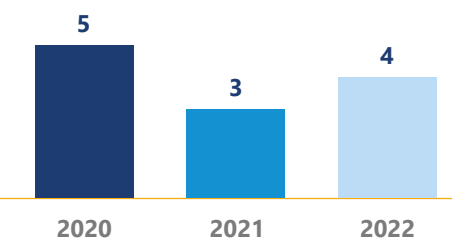
The Board of Directors

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 current Directors are all male and over the age of 50. The Board of Directors was **appointed by the Company's Shareholders' Meeting of 22 June 2021 for the three-year period 2021-2023** 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 ending 31 December 2023. It is to be noted that following the resignation of a Director occurred on 6 April 2022, the Shareholders' Meeting called to approve the 2021 financial statements, appointed a new Director for the two-year period 2022/2023.

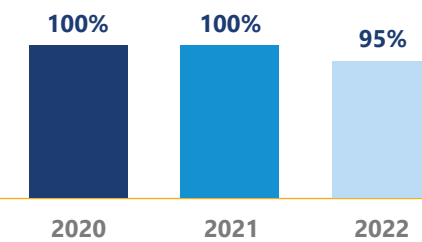
The Board of Directors **is responsible for the Company's ordinary and extraordinary management and administration**. It has the power to carry out all operations deemed necessary or appropriate for achieving the Company's goals, except for subjects and matters that are the exclusive competence of the Shareholders' Meeting as established by law. **In 2022, the percentage of attendance at Board of Directors meetings was 95%** with reference to all Directors in office.

⁷ For information about d'Amico International Shipping S.A.'s corporate governance, visit the site <https://en.damicointernationalshipping.com/corporate-governance/>.

Number of meetings - Board of Directors



Attendance rate - Board of Directors



The Executive Committee

The meeting of the Board of Directors of 22 June 2021 confirmed the establishment of the Executive Committee ("EC"). The Executive Committee **includes the Chairman of the Board of Directors and the CEO (both male over 50 years old), has a three-year term from 2021 to 2023, and has been attributed the related powers within the limits established by law and by the Articles of Association as amended by the resolution of the Extraordinary Shareholders' Meeting of 15 December 2022**.

As the body appointed pursuant to art. 2381 of the Italian Civil Code, the Executive Committee 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 22 June 2021**, in compliance with the current regulations of the Italian Civil Code, **for the three-year period 2021-2023**. 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 2023.

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".

The Board of Statutory Auditors meets approximately five times a year with a high participation rate of all members.

Independent Auditors

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 constantly 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 the d'Amico Group's companies - offers, promises, receives or provides undue rewards, which are likely to improperly influence the actions of another party for personal benefit, for the Group's companies' benefit or that of third parties.

The Group introduced a new Anti-corruption Policy in 2019 which **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 holds business and professional relations with it** (the "Policy Recipients"). All Policy Recipients are responsible for preventing, identifying and reporting any acts of corruption and they 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**, regardless of whether they are confirmed 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.

Compliance with the Anti-corruption Policy is verified through various methods, including but not limited to, active monitoring of the expense reimbursement and gift tracking systems, internal and external audits, and self-assessment reports of potential violations.

All reports shall be submitted via the whistleblowing platform 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"
- **on 17 December 2019**, following the entry into force of Law 179/2017 regarding "provisions or the protection of those who have reported crimes or irregularities, which came to light during a public or private employment relationship (Whistleblowing)".

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
- avoidance of conflicts of interest
- fair relations with competitors
- responsibility towards the community
- care for the environment
- solidarity
- promotion of innovation

Ethical principles in corporate governance

- duty of care of members of corporate and social bodies
- transparency procedures for appointment of corporate bodies
- promotion of a fair, transparent and prompt dialogue with shareholders
- efficiency and effectiveness of the Internal Control and Risk Management System

Ethical principles in human resources management

- equality and equal opportunities in selection and recruitment
- formalisation of the employment relationship
- promotion of professional development of employees
- care for health and working conditions

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

- respect for the law and contracts, honesty and transparency in relations with customers, partners suppliers, the public administration and other public institutions.

Organisation, Management and Control Model

In voluntarily applying Italian Legislative Decree no. 231/2001, d'Amico Società di Navigazione S.p.A. has adopted the Organisation, Management and Control Model⁸ ("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 reference to the controls required by the 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 231 Organisation Model.

The Company's 231 Organisation Model is constantly updated in accordance with the internal organisational restructurings and the legislative framework changes made over time. **On 17 April 2019, the Board of Directors approved the update** of the 231 Organisation Model, in particular the General Part, the Disciplinary System and the Special Parts⁹. The updated 231 Organisation Model also considers the regulation of Whistleblowing **and the adoption of an internal system for reporting violations**. The above also led to the updating of the Company's Code of Ethics with **the adoption of the Whistleblowing management system**, as well as all procedures and protocols affected by this amendment.

By the end of 2021, the Company completed **a new update of the Risk Plan 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 reorganisations¹⁰.

Lastly, **during 2022**, due to the changes that have taken place with respect to the reference regulatory framework – in particular, regarding the introduction of the following new types of offenses: crimes relating to payment instruments other than cash, crimes against cultural heritage, laundering of cultural assets and devastation and looting of cultural and landscape assets – the Company's Board of Directors, as decided in its meeting of October 2021, resolved to **launch an update of the CRSA**, to evaluate the level of risk and the necessity to update the Model 231. This updating activity was promptly launched with the support of the Supervisory Committee and completed in July 2022.

⁸ Pursuant to Italian Legislative Decree 231/2001
⁹ Explicated list of the predicate offences, Corporate crimes, Offences against individuals, Offences related to the employment of foreigners without a residence permit, Racism and Xenophobia
¹⁰ For more details on Control & Risk Self-Assessment (CRSA) performed by the Company during 2020 and 2021 see d'Amico Group 2021 Sustainability Report page: 30.

The outcomes of the CRSA led to the identification of a new sensitive activity namely "Management of real estate assets" that it was deemed relevant exclusively with reference to the crimes against cultural heritage pursuant to what provided by the Decree. On the other hand, as regards the crimes relating to payment instruments other than cash, pursuant to what provided by the Decree, the risk of committing the said crimes was considered remote since it is currently not possible to recognize the concrete possibility that a representative or employee of the Company carries out a conduct of improper use or forgery of a payment instrument in the interest or for the benefit of the Company. Consequently, no sensitive activities relevant to the aforesaid category of crime were identified as a result of the above CRSA.

Therefore, the Board of Directors on 8 November 2022 approved the update of the Risk Assessment and consequently of the 231 Model both in the General Part and with the inclusion of the new Special Part XII named "Corporate Real Estate and other Assets Management".

In 2022, the **Company launched a new training program**, supported by the Supervisory Committee, through the Group's Human Resources function. This program was aimed at all DIS' ashore employees and top management to explain the new restructured 231 Model and the Whistleblowing system.

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 of and understanding the 231 Organisation Model in the Group.

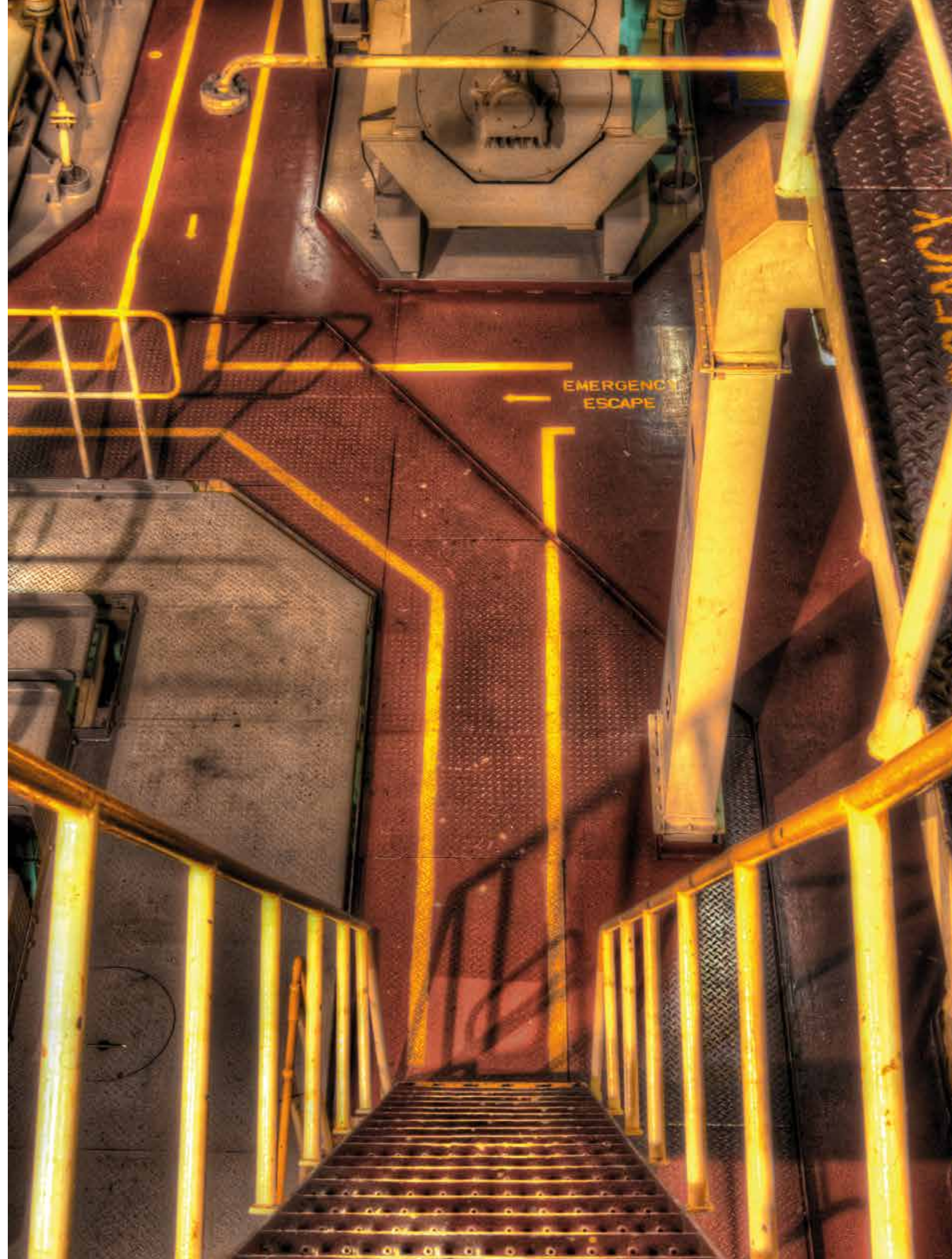
The Company's Supervisory Committee was established in 2008. It is in collegial form and currently consists of **three members appointed by decision of the Board of Directors on 18 May 2020 for the three-year period 2020-2022** and identified following two assessments and considerations of the requirements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

Data Protection

In 2022, d'Amico Società di Navigazione S.p.A., as Data Controller of personal data, continued to maintain the **Group Privacy Regulation adopted in 2018 in compliance with the regulatory provisions of European Regulation no. 679/2016** as amended and supplemented. The Regulation is based on the principles of **lawfulness, fairness and transparency** of personal data processing.

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

During 2021, d'Amico Società di Navigazione S.p.A. carried out a **revision of the documentation already prepared for the management of compliance with regulations** (e.g., information, register of processing activities; etc.). In addition, the Group has adapted protocol on the safety measures to be taken to contain the spread of COVID-19 in the workplace in accordance with the current legal provisions. To this end, specific information has been prepared and provided to interested parties for the protection of personal data.



The **Data Protection Officer** (DPO) advises the Data Controller on the current legislation on the protection of personal data, monitoring compliance.

Whistleblowing

The d'Amico Group is always particularly attentive to preventing risks that could compromise the responsible and sustainable management of the d'Amico Group's functions, thereby **adopting a whistleblowing policy and procedure for the management of all reports by whistleblowers**.

On March 2021 the d'Amico Group adopted a **platform** that guarantees the confidentiality of the identity as well as the anonymity of whistleblowers - who may also include third parties outside the Group. It **allows to report any irregularity and/or unlawful behaviours, acts or omissions** that could constitute violations or attempted violations, even suspected, of:

- the legislative provisions referred to in Italian Legislative Decree 231/2001
- the principles ratified in the Group Code of Ethics and in the 231 Organisation Models of the d'Amico Group's companies that have adopted them (d'Amico Società di Navigazione S.p.A., d'Amico Shipping Italia S.p.A. e d'Amico International Shipping S.A.)
- the Group's procedures, policies and rules in general (Integrated Management System)
- the Group's 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.

Merely by way of non-limiting example, the reports may also refer to circumstances of alleged **violations of environmental and workplace safety rules**: corruption in fulfilling responsibilities, corruption due to an act contrary to official duties, abuse of powers granted to obtain private benefits, accounting irregularities, false declarations, deskilling and non-transparent recruitments.

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 interests 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.

This platform replaces the pre-existing Open Reporting System and can therefore also be used for reporting events occurring on board a vessel or any events related to a vessel. The new d'Amico whistleblowing platform is available at <https://openreportingsystem.damicoship.com/Home/About> - with access from the Darwin portal, DSN and DIS websites as well.

It should be noted that **no reports of violations of the 231 Organisation Model or of the Code of Ethics were received in 2022 by the Supervisory Committee of the Group's companies that adopted it, neither directly nor through the whistleblowing platform**.

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 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 the d’Amico Group is committed to comply with.

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 improve its performance and that of its stakeholders, in terms of safety, environmental protection and customer satisfaction.

The Integrated Management System, already compliant with the **International Safety Management Code**, has been extended to the following standards certified by RINA (Italian Maritime Register): **ISO 9001 (quality), ISO 14001 (environment), ISO 45001 (safety) and ISO 50001 (energy efficiency)**.

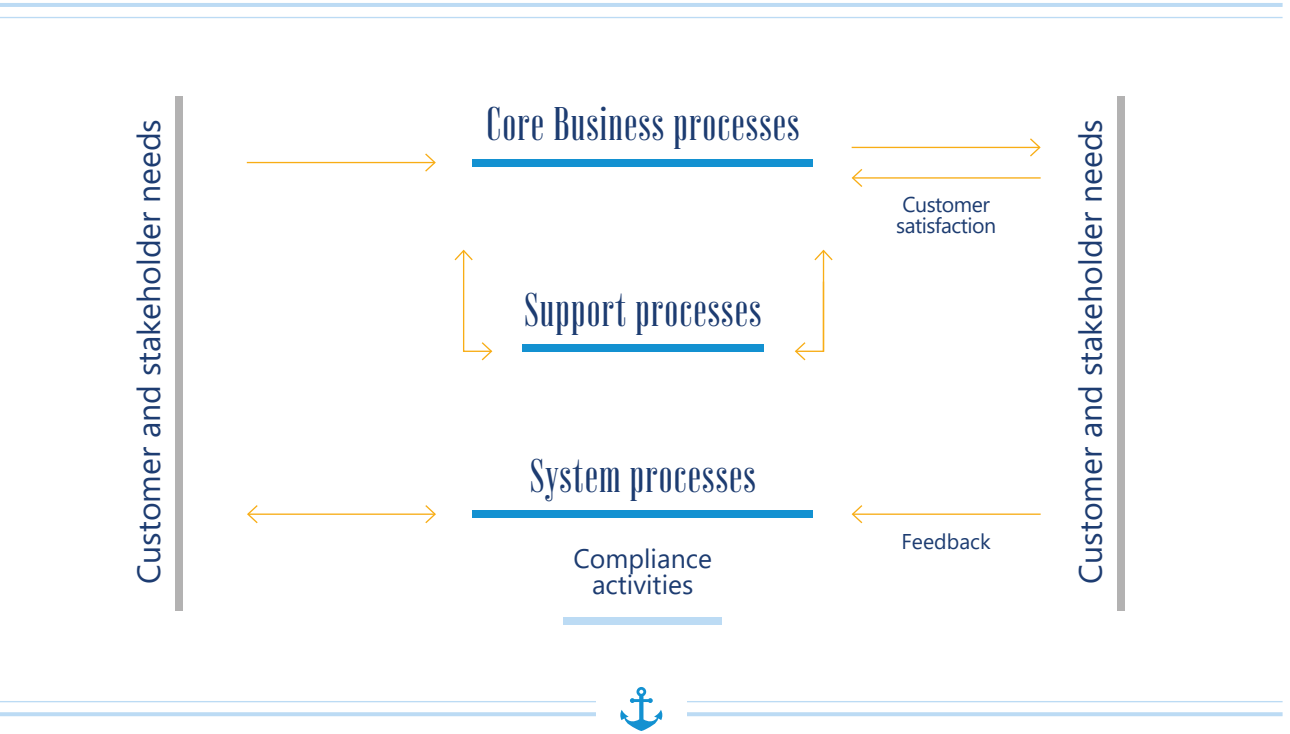
COMPANY	TYPE OF COMPANY			LOCATION	CERTIFICATIONS				
	HOLDING	¹¹ SERVICE	¹² SHIPPING		ISM	ISO 9001	ISO 14001	ISO 45001	ISO 50001
d'Amico Società di Navigazione S.p.A.	●	●		Rome (IT) Genoa (IT)	●	●	●	●	●
d'Amico Shipping Italia S.p.A.		●	●	Rome (IT) Genoa (IT)	●	●	●	●	
d'Amico Dry d.a.c.			●	Dublin (IE)		●	●	●	
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	●	●	●	●	●

¹¹ 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.
¹² 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 Integrated Management System of d’Amico Group is organized in activities and processes that have been classified into three main groups: **core business processes, processes supporting main business activities and system processes**, which includes the 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 masters 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**, and ensuring quality activities that comply with the **contractual requirements** laid down by law.

Sustainability for d'Amico Group



THE d'AMICO GROUP'S SUSTAINABILITY PATH

d'Amico sustainability path started in **2018** with the **first edition of the Sustainability Report**. In the following years, the Group continuously increased the attention devoted to sustainability topics and progressively strengthened its management system to consolidate the path towards d'Amico's sustainable development.

In 2021 d'Amico Group started the **Sustainability Framework** project aimed to increase internal awareness on sustainability matters. This project took a new form in 2022, when the Group started the process, that will continue in 2023, to define a **Sustainability Plan** embracing all the Company's business goals. The Plan will be redacted by the ESG Department, in collaboration with all the others, and will set the Group's commitments to sustainability and the KPIs through which their achievement will be measured.

The newly ESG Department, is consistent with the aim of involving, raising and spreading more awareness of people's contribution to achieving the Group's sustainability goals.

The **ESG Department** marks an **unequivocal decision in positioning the d'Amico commitment to sustainability more strongly at the heart of the Group's corporate governance**.

Furthermore, the ESG Department will work to:

- **Support top management in defining the strategy regarding sustainability issues**
- **Coordinate and support projects** developed within individual department to create an environment fostering an integrated vision of sustainability throughout the Group
- **Promote** environmental, social and governance activities and project among all departments
- **Draw up an annual Sustainability Report** with the aim of spreading knowledge, information, and awareness on the matter.



MATERIALITY MATRIX

In drawing up its first Sustainability Report in 2018, the 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 areas of responsibility: Environmental, Social, Economic and Governance. 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.

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**.

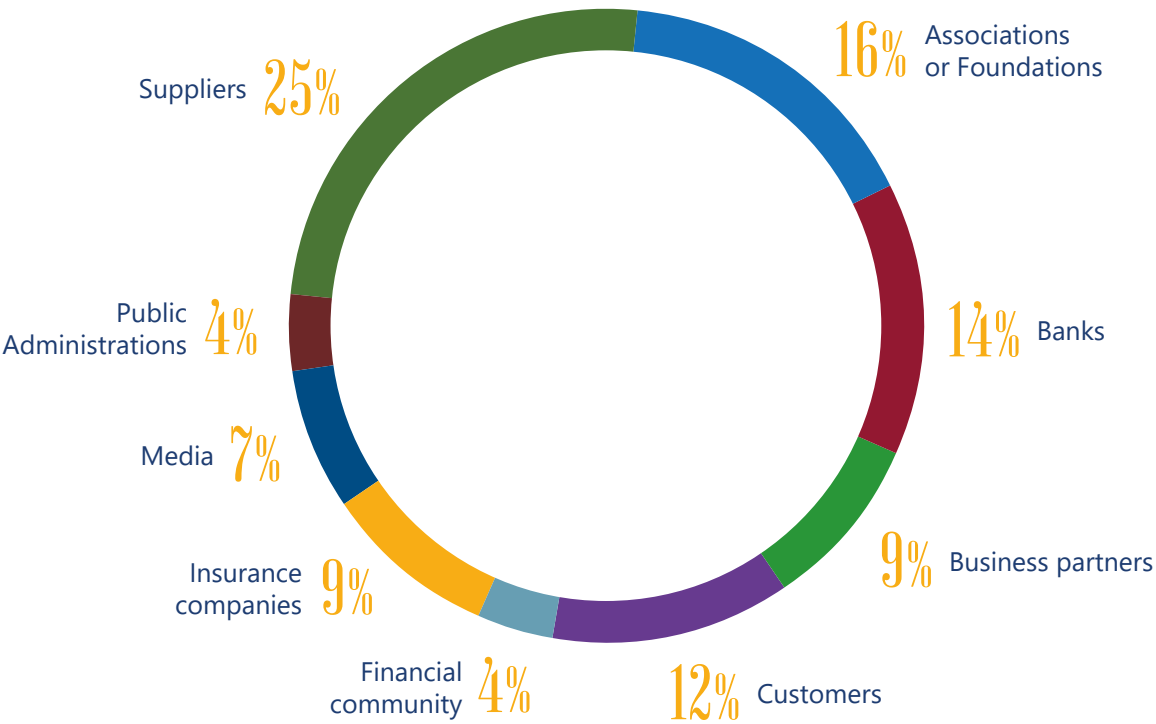
The internal analysis consisted of **identifying the topics and assessing their relevance in relation to the Company's performance and to the possible improvement of its reputation and competitive advantage**, taking into account the related risks. The importance of each material topic was investigated 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.

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.

In 2020, for the third edition of the Report, the 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 grew **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**, marking a 40.3% increase.

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.

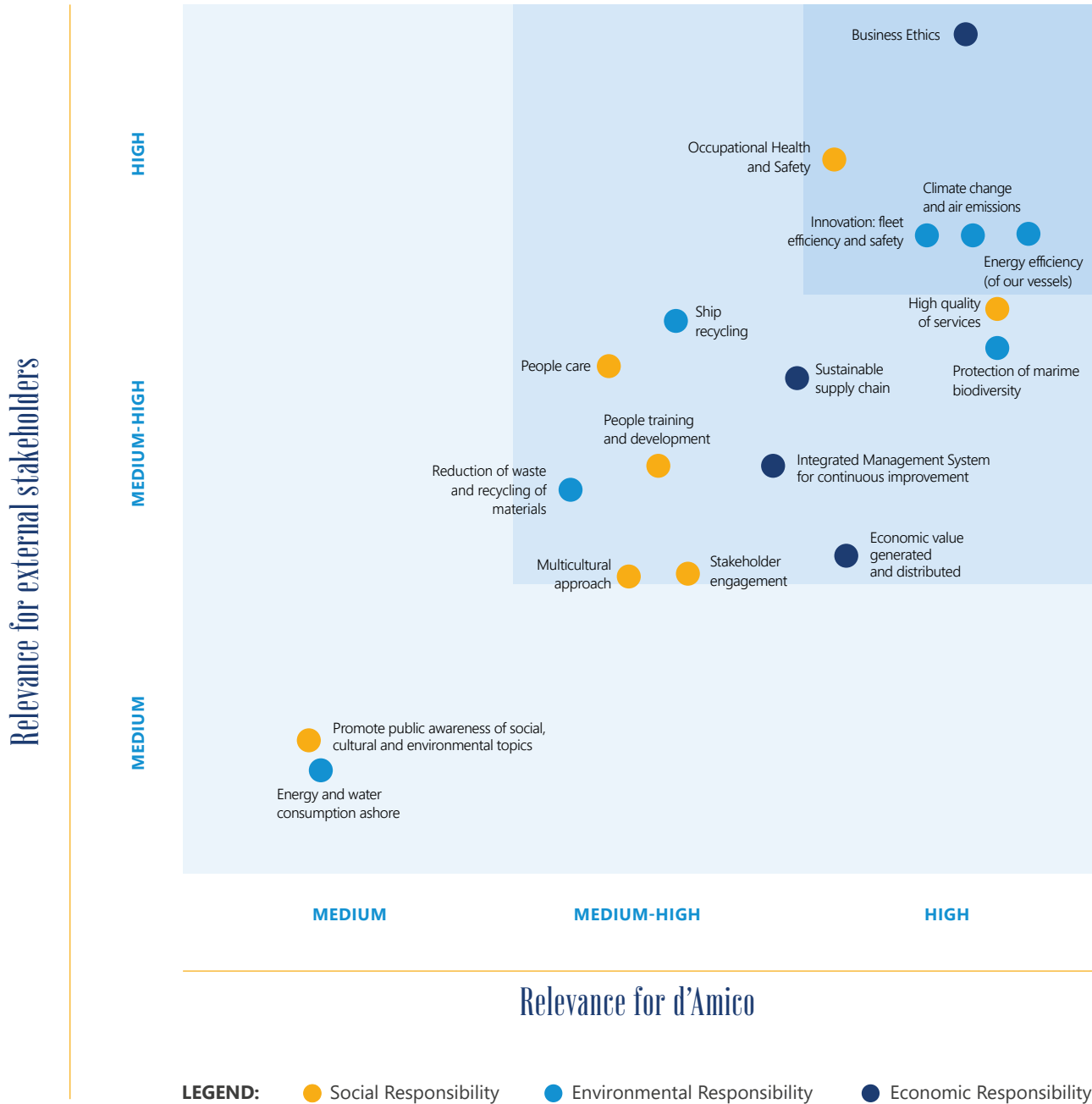
STAKEHOLDERS INVOLVED IN THE EXTERNAL ANALYSIS



The materiality matrix presented below shows the results of the materiality analysis, realised for the 2020 Sustainability Report. In the 2021 and 2022 editions, d’Amico Group chose to keep the analysis consistent and to update it in the following editions of the Sustainability Report.

The matrix **represents the topics considered relevant for d’Amico’s sustainability**. Topics are linked to the three dimensions of sustainability - Environmental, Social, Economic and Governance - 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, to score each topic 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.**

ESG RISKS

d’Amico Group is putting in place structured risk assessment system. The risk categories identified by the Risk Assessment are summarized in the table below with the reference to the sustainability areas they could affect.

ESG risk categories			
Risk categories	Environmental	Social	Economic and Governance
Macroeconomic environment	●		●
Reputation			●
Assets	●		●
Fraud	●		●
People	●	●	●
ICT systems	●	●	●
Internal Information	●	●	●
Organization	●	●	●
Financial			●
Technological Change			●
Natural & Geopolitical	●	●	●
Market	●	●	●
External Information			●
Compliance	●	●	●
Social change		●	

Details of **some of the most important risk factors** related to the business activities of the d'Amico Group are presented below:

- **Macro-economic environment risk**, which mainly refers to **financial risks related to the market's volatility and cyclicalit**y. It is driven by:
 - **Freight rates**: the Group is exposed to significant changes in freight rates due to changes in the supply and demand for the seaborne transportation of products. d'Amico mitigates this risk by employing part of its fleet through period contracts at fixed rates, as well as by hedging of some of the spot market exposure through Freight Future Agreements.
 - **Vessel prices**: the same factors that influence freight rates also impact vessel prices. Furthermore, in severe market downturns, the second-hand market liquidity for vessels can affects the Group's ability to sell its assets.
 - **Interest rates and exchange rates**: which affect respectively the Group's financing cost on variable rate loans, and general administrative and operating costs. The Group hedges these risks through interest rate swaps and forwards contracts.
- **Reputation risk**, which mainly regards negative media communication. The Group mitigates this risk through press monitoring, active and reactive communication and enforcing employees' accountability.
- **Asset risk**, which mainly refers to failures risks, and is mitigated through vessels inspections, a planned maintenance system and critical items monitoring. **Ship collision and grounding** are serious casualties which could lead to the total loss of the vessel. Damages to the ship as well as the total loss or constructive total loss of the vessel are covered by the Hull & Machinery Policy. Other major casualties that can cause business interruption (i.e collision, grounding event), are covered by different insurance policies (i.e the Loss of Hire and/or Strike Shipboard).

The Group adopts a planned maintenance system (PMS) to reduce vessel failure risk. The management of dry-docks and repairs are coordinated at Group level, providing economies of scale and a proper benchmarking for the cost and quality of such services. The objective of always controlling a young fleet also helps to minimize such risks. The PMS includes scheduled technical inspections and the appropriate management of critical spare parts (engines). The d'Amico Group has established preferred yards in key trade areas based on criteria such as the quality of jobs performed, ISO certifications and other volunteer or mandatory certifications, compliance with ethical principles, past experience and a list of references. The dry-docks are planned in advance, to secure the required slots and the dry-dock specification is finalized through a pre-docking inspection. A Group representative is always onsite to monitor the quality of the work performed and the progress of the whole project. d'Amico has established as a key performance indicator, the "Dry-dock planning performance", to monitor and control costs and delays.

- **Fraud risk**, which mainly refers to market abuse, fraudulent reporting and cybercrime. The Supervisory Committee is focused on evaluating the measures adopted to prevent this risk.
- **Cybercrime** could affect security and business continuity. It could influence ICT services availability (i.e system; network; data centre) and data confidentiality. A cyber security contingency plan, a disaster recovery and business continuity plan, a crisis management team and an emergency plan have been shared with employees, together with a training program and a periodical internal bulletin to make employee aware about the arising risks and the proper behaviour to manage them.
- **Market abuse** includes the **insider trading** risk, which could generate administrative legal liability for the Group. The Organizational Model (Italian L.D. 231/2001), the management of an insider register, staff training on market abuse regulation, the use of non-disclosure agreements for third parties and the maintenance of records of third parties receiving financial forecasts, reduce the risk to an acceptable level. Regarding the Fraudulent reporting risk, d'Amico has implemented a system of administrative and accounting procedures aimed at ensuring that financial reporting is accurate, correct, reliable and timely.

Other risks which should be closely monitored and disclosed, are the following:

- **Political risk**, which could involve sanctions and extra costs. To mitigate this kind of risk the Group has adopted a specific policy on the sanctions topic and supported the daily operations by the main of specific tools,
- **Meteorological risk**, which can lead to delays, damages to vessels and extra costs. The mitigating strategies include guidelines to the navigation, technical support, adoption of technology for vessel performance monitoring, double

communication systems (different bands), use of weather-news services by external providers and adoption of an optimum-ship-routing system.

- **Piracy risk**, which can entail security and economic risks for the vessel and/or risks to complete the vessel voyage as planned. Piracy risk is a major issue in the Southern Red Sea/ Gulf of Aden, and in the Gulf of Guinea. In this respect, d'Amico has taken measures to:
 - minimize the risk during transit in the Gulf of Aden promoting any relevant activity for a safer navigation;
 - check the suitability of the insurance policies currently in force to ensure such risks are adequately covered.

A detailed analysis of the situation has allowed the Group, to prepare guidelines to be followed by any vessel while in the risk zone. Moreover, to obtain as much information as possible and to stay updated on all issues, d'Amico monitors websites dedicated to piracy issues regularly.

Regarding insurance, the main piracy risks are adequately covered through:

- loss of hire insurance, which covers the Group for the loss of income resulting from physical damages to the vessel caused by a piracy attack (risk covered under the Hull & Machinery policy);
- kidnap and ransom insurance, which covers the perils of kidnap, wrongful detention, and hijacking;
- piracy loss of hire, which covers the payment of hire during the period of detention by pirates (a physical damage of the vessel is not required to be covered under this policy);
- third parties' liabilities – included in the P&I cover.

In addition to the above-mentioned security measures the Group adopts armed guards to reduce the risk to an acceptable level.

- **People availability risk** relates to the Group's ability to both attract and retain employees. The risk is mitigated through external and internal communication plans, together with proper people management policies and procedures which are set on every aspect of employment relationship (i.e compensation and professional development programs).
- **Risks linked to voyage management**. Voyage planning and control is managed to ensure a high-quality service to charterers, through constant attention to the fulfilment of contractual requirements, with the objective of reducing costs and minimizing delays. Port agencies and towage are managed through general agreements and are based on a reliable network of agents operating at high standards, with the aim of maximizing the efficiency of vessels' turnaround during port stays, providing qualified husbandry services to owned vessels and taking advantage of economies of scale. d'Amico Group's insurance plan provides coverage for a wide range of risks which may arise from ship ownership and management and which may expose the Group to financial losses. With regards to the vessels' operation and transportation of cargoes, the coverage includes personal injury, environmental damage and pollution, third-party casualty and liability, hull and engine damage, total loss, war risks and piracy risks.
- **Risks linked to bunker management**. When bunkering its vessels, the Group has several objectives, including reducing direct purchase costs, minimizing vessel deviations and ensuring supplies are in line with the most recent ISO standards in force. Bunkering is managed with the support of a d'Amico Group's company, Rudder SAM, which has an in-depth knowledge of the market and uses a network of reliable suppliers with high-quality standards. A constant supervision of physical deliveries (as per planned timing and quantities) and analysis of the quality of bunker samples, ensures quality and quantity issues are kept under control.
- **Loss or theft of ICT assets** could give rise to confidentiality breaches. To reduce such risk the Group adopted a strict encryption policy on all portable devices.

OUR STRATEGY

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.



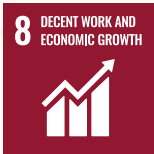











The 2030 Agenda for Sustainable Development is a **plan of action for people, the planet and prosperity, with the goal to guide the world over the next decade**. The goals represent common targets related to a range of fundamental issues for a new development model: the fight against poverty, the eradication 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, the actions taken by the Group and the main KPIs are presented below and will then be reported in the document at the beginning of every section, representing the initiatives and the monitored KPIs related to the Group's activities and connected with the UN targets.

SUSTAINABLE DEVELOPMENT GOALS

d'Amico's Sustainability Topics	Personnel training and development	Multicultural approach	Well-being	Occupational health and safety	High quality of services	Stakeholder engagement	Promoting public attention towards social, cultural and environmental topics	Vessel energy efficiency	Atmospheric emissions and climate change
SDGs	 	 	 					 	 
KPI 2022	<p>20.9 total per capita training hours provided to seagoing personnel</p> <p>11.8 for onshore personnel</p> <p>67.9% people trained out of the total</p> <p>230,000 USD invested in training activities</p> <p>100% expected performance assessment evaluation received (onshore personnel)</p>	<p>No reporting received in relation to discriminatory acts</p> <p>19 different nationalities within crew members</p> <p>23 different nationalities within onshore personnel</p>	<p>89.4% seafarers with open-ended contracts</p> <p>97.1% onshore personnel with open-ended contracts</p> <p>In addition to the insurances required by the local laws, d'amico promotes an expanded employer-sponsored coverage for most of its employees</p>	<p>1 injury in 2022</p> <p>0 injuries in 2020 and 2021</p> <p>100% personnel covered by the health and safety management system</p>	<p>360° and 24/7 in house client services guaranteed worldwide</p> <p>3 complaints received during 2022</p> <p>35.0% resolved complaints relating to previous years</p>	<p>+19.1% in international media coverage compared to 2021</p> <p>94 stakeholders involved in the last Materiality Analysis, 38 for the internal analysis and 56 for the external analysis</p>	<p>122,000 € membership fees for Confitarma, Intertanko, Intercargo and other Associations</p> <p>219,000 € disbursed as donations and sponsorships</p>	<p>86% 'Eco' vessels in d'Amico's fleet</p> <p>0.0121 Tonnes fuel consumption per transport unit for Dry Cargo vessels (-3.2% vs 2020)</p> <p>0.0126 Tonnes fuel consumption per transport unit for Product Tanker vessels (-0.5% vs 2020)</p> <p>5 Tonnes/Day less in bunker consumption for an 'Eco' vessel compared to a conventional vessel at same speed</p>	<p>0.0388 tCO₂ emissions per transport unit (-1.5% vs 2020)</p> <p>0.0001 tSO_x emissions per transport unit (+2.1% vs 2020)</p> <p>0.0007 tNO_x emissions per transport unit (-2.9% vs 2020)</p>
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 associations and initiatives as well as registration to industry organizations Training activities in support of solidarity initiatives and cultural initiatives 	<ul style="list-style-type: none"> Renewal of "Eco ships" fleet, in line with IMO directives, thanks to the implementation of innovative technologies 	<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

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
SDGs					  				 
KPI 2022	89% of fleet compliant with EEXI -5.3% improvement in the AER index of d'Amico's fleet (vs 2020) -2.8% improvement in the EEOI index of d'Amico's fleet (vs 2020) 5.9 years the average age of the dry cargo fleet and 7.6 years the average age of the product tanker fleet, lower than the market average age	0 oil spills 100% of d'Amico vessels own a ballast water treatment system All Vessels are equipped with an Integrated Bilge Treatment System, an Oil Discharge Monitoring Equipment, a sewage treatment plant with a holding retention tank and a grey water tank	Hazardous material inventories available, providing a complete map of all materials on board	9,256 m³ total waste produced onboard 205.7 m³/Vessel total waste per vessels	1,856 kWh consumption of electricity per employee in the Group's sites 63.8% sustainable mobility rate for going to work 2,014 m³ water supplied from the public mains in the Rome office	No reports received regarding the conduct of violent, unlawful, and unethical behaviour Zero tolerance approach with respect to the anti-corruption policy implemented by the Group	ESG Department established in 2022 5 certifications owned by the Group's societies: ISM, ISO 9001, ISO 14001, ISO 45001 and ISO 50001	€ 1,091.4 mln total economic value generated by the d'Amico group 66.6% economic value distributed as a share of the total value generated	€ 493.7 mln economic value distributed to suppliers 91.0% supplies for operative costs Obligation for suppliers to comply with d'Amico's policies and regulations
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 terms 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 the 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

d'AMICO'S STAKEHOLDERS

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

STAKEHOLDER MAPPING



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 company’s performance• 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 partners
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
Debt providers and insurance companies	<ul style="list-style-type: none">• Solidity of organisations• Compliance with commitments undertaken• 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
Local communities	<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, Institutions and NGOs	<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
Maritime 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	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Owners and shareholders• d’Amico International Shipping’s shareholders
Press releases	<ul style="list-style-type: none">• Owners and shareholders• d’Amico International Shipping’s shareholders
Communications regarding the company’s performance	<ul style="list-style-type: none">• Personnel
Internal regulations and disciplinary system	<ul style="list-style-type: none">• Personnel
Integrated Management System	<ul style="list-style-type: none">• Personnel
Lighthouse	<ul style="list-style-type: none">• Personnel

Informative moments and documentation	Stakeholders
LinkedIn account	<ul style="list-style-type: none">• Personnel• Community
Emails and letters	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Clients• Trade and strategic partnerships• Investors and insurers
Group websites	<ul style="list-style-type: none">• Clients• Community
Formal and institutional communications	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Personnel• Community
Personnel assessment system	<ul style="list-style-type: none">• Personnel
Meetings, events and seminars organised by the Group	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• d’Amico International Shipping’s shareholders

Dialogue moments and partnerships

Contacts with Sales and Purchasing department

Stakeholders

- Clients
- Trade and strategic partnerships
- Suppliers

Communication and contacts with finance department

- Investors and insurers

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

- Governments, national and international institutions, NGOs and organisations

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

- Port and flag authorities

Round tables

- Port and flag authorities



Social Responsibility



2022 HIGHLIGHTS

2,335 seagoing personnel

208 onshore personnel

48,918 total training hours for seagoing personnel

20.9 total per capita training hours for seagoing personnel

3,067 total training hours for onshore personnel

11.8 total per capita training hours for onshore personnel

Retention rate

82.4% for seagoing personnel

92.2% for onshore personnel

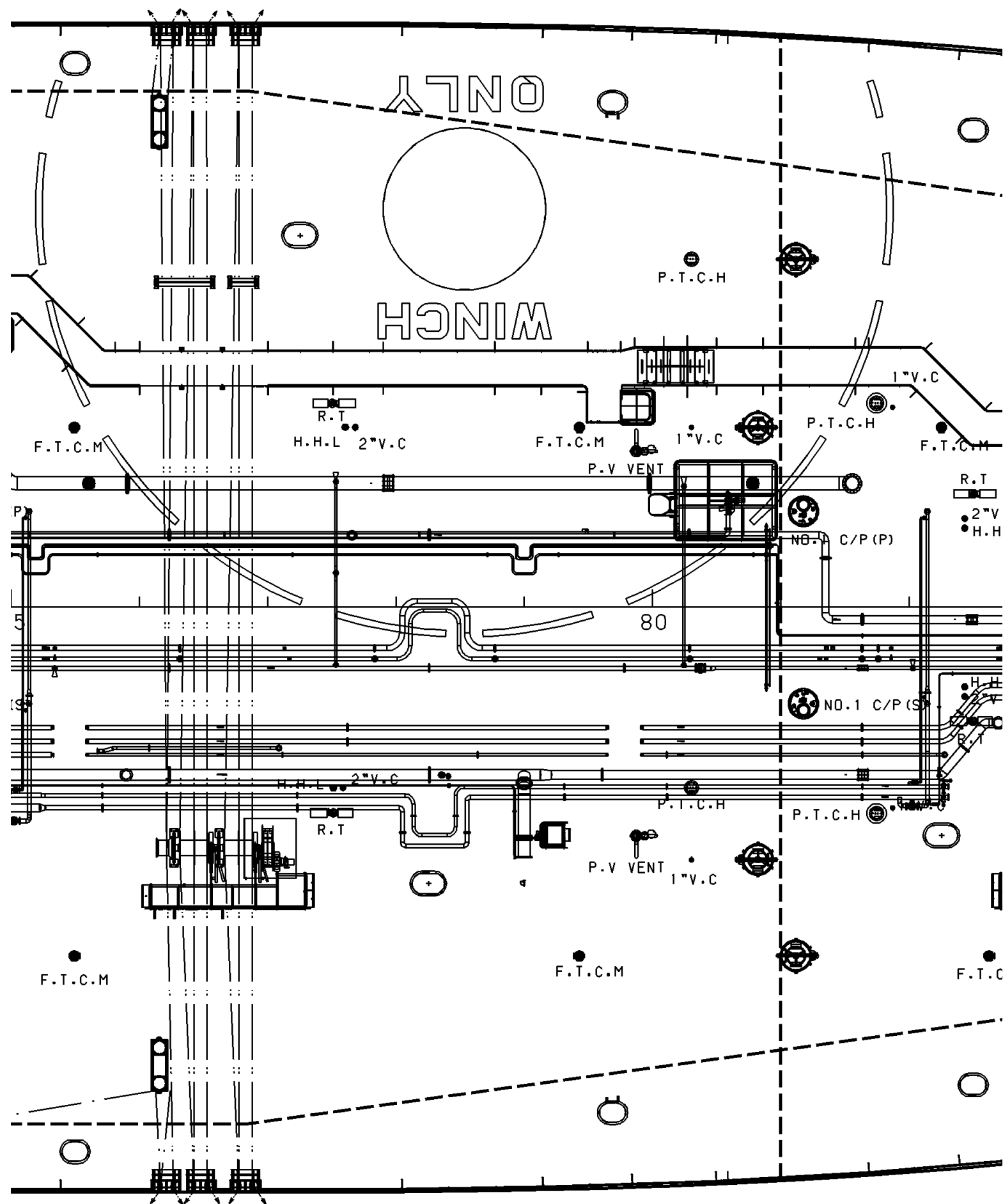
1 injury in 2022

0 injuries in 2020 and 2021

Euro

122,000 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

EMPLOYER BRANDING STRATEGY

In an increasingly competitive, connected and flexible labour market, the d'Amico Group works confidently in **creating an attractive "job experience"** for its people. Sensitivity to sustainability, diversity and inclusion practices, well-being and people-development, objectivity in the evaluation of the performance of the human capital are the dimensions through which the d'Amico Group has created its **Human Resource Framework**. A framework **supported and driven by the use of data** as a tool to monitor and improve employees' performance, productivity and well-being of the entire organization. Data-driven HR means using data intelligently to extract insights that contribute to the improvement and overall success of organisations.

Attracting, engaging and retaining talents are the primary objectives of the HR Strategy which is embedded in the broader **Employer branding strategy**, as an expression of the Employees proposition. d'Amico considers the **Employee Value Proposition** as a unique value offered to employees in return for their skills, experience, and commitment to the Company. It plays a key role in elevating d'Amico Group's employer brand, which consists in what the Group communicates as its identity to both potential and current d'Amico's people. **d'Amico Group's employer brand fosters the organisation's mission, values, culture and personality**, both internally, by spreading a corporate culture that satisfies the needs of all d'Amico people, and externally, by working on brand awareness and brand identity.

CULTURE AND VALUES



Of great importance for d'Amico Group has always been the constant attention in creating a **workplace that enhances employees well-being and satisfaction**. To this aim, the particular attention to the employees is a trait that has always characterized d'Amico Group over the years. It was initially possible thanks to a direct relational dynamic with the owners and management, but also through recreational and convivial moments of sharing where all employees, management, ownership and related families were involved together to create an **extended d'Amico family**.

PEOPLE CARE

People care has proved to be a very powerful tool for team building and corporate engagement.

Over time, the same attention has materialized through more structured measures such as the flexibility plan and the welfare plan, both aimed at increasing the well-being of d'Amico's people and their families. The understanding of the role of a person within an organization, the enhancement of the individual and the recognition of their merits, being included in the right teams, the confidence in the abilities of each person, the accountability with respect to business objectives (empowerment), the development of soft skills, are all fundamental elements of a corporate engagement model that aims to attract the right candidates and retain the best talents.



PEOPLE CARE

Employee experience

d'Amico considers the employee experience as **the perception that each employee matures during every occasion of contact with the Company**. For this reason, the work experience of d'Amico's employees is improved through ad hoc practices that allow them to **work well and to achieve a state of** psycho-physical and relational **well-being**. The employee experience encompasses everything that a worker observes and perceives during the entire work experience with the Company. The quality of the experience is influenced by elements such as workspaces and flexibility in managing time and objectives, interactions with colleagues and managers, work-life balance, the provision of technological tools enabling optimal performance on the job and, obviously, the remuneration package. Therefore, in planning the employee experience, it is essential for d'Amico to take into account the **three macro areas: work environment, technologies and mindset**.

As for the work environment, it is possible to note how **the offices are located in strategic areas of their respective cities**, for example near large green parks, in the city centre, overlooking the sea. This allows the workers not only to enjoy a beautiful view, but also to have easy access to numerous benefits, including the enjoyment of green spaces for taking a break from work, enabling them to do regular physical activity.

In addition, in order to promote an increasingly **agile business**, the d'Amico Group has provided its employees with **technological tools** such as PCs, tablets, corporate phones, wireless systems.

Employee experience has its roots in the **organisational culture, mindset and values**. The d'Amico Group has always been strongly committed to proper operating procedures, safety, environmental protection, and sustainable development. In fact, **processes and widespread sustainable behaviours** have been fostered among the people who work in the Company and for the Company. All efforts are focused on safeguarding the marine environment from pollution and on promoting responsible behaviour towards the environment. **Professional excellence** follows, encouraging people to be responsible, flexible and pragmatic. For this reason, both the development of their skills and their continuous professional growth are ensured. The Group is committed to preventing all types of accidents at work, protecting the **health and well-being** of employees,



thus developing the sense of safety that people feel both on board ships and in offices while working. Furthermore, **reliability** is strongly valued: it is considered a central value in relations with all stakeholders insofar as it guarantees maximum transparency, openness and positive relationships. The people who are part of the Company show passion and commitment to shipping and the goals that are achieved demonstrate their involvement, commitment and team spirit. On top of this, is the **multicultural integration** in the offices and on-board ships. The **strong sense of belonging** and identification that people feel towards the Company is crucial for the success and continuity of the Group. The deep sense of social responsibility on cultural, solidarity and environmental issues is an added value.

Ultimately, the Group cares about people and supports their well-being, thus maintaining a high level of **motivation and engagement**. This approach is well represented by the **engagement survey** that was distributed during 2022. d'Amico recognizes the value of its employees' feedback and through the **survey** they had the opportunity to express their needs and opinion on different organisational subjects.

THEMES OF THE ENGAGEMENT SURVEY

- | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none">• Participation Rate• Engagement• Feedback and Communication• Autonomy• Meaningfulness and Participation | <ul style="list-style-type: none">• Workload• Health• Workplace and Tools• Learning and Development• Goals and Goal Achievement | <ul style="list-style-type: none">• Strategy, Vision and Culture• Relationship with Manager• Relationships with Colleagues |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|

The engagement survey has been distributed to the entire d'Amico Group population of the different geographical locations. The **participation rate was 69% and the final engagement index score was 3.7**, against a benchmark of 3.8¹³. The survey result is a fundamental step to offer an always better work environment and employees experience and a way to enhance the Employee Value Proposition.

¹³ The benchmark value is based on an average of all users belonging to a specific industry that have answered Eletive's Engagement Survey, with an average participation rate of 80-82%.

PEOPLE WHO WORK FOR THE COMPANY

SDGs

5 GENDER EQUALITY

UN TARGET

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

KPIs 2022

34.4%

the percentage of female managers (onshore personnel)

8 DECENT WORK AND ECONOMIC GROWTH

8.6

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

55.6%

the percentage of new hires under 30 (onshore personnel)

53.3%

the percentage of new hires under 30 (seagoing personnel)

248

trainees in 2022 (seagoing personnel)

In 2022, d’Amico Group’s workforce consisted of 2,543 employees¹⁴, 208¹⁵ of whom were onshore personnel (8.2%) and 2,335 employed on board vessels (91.8%).

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.

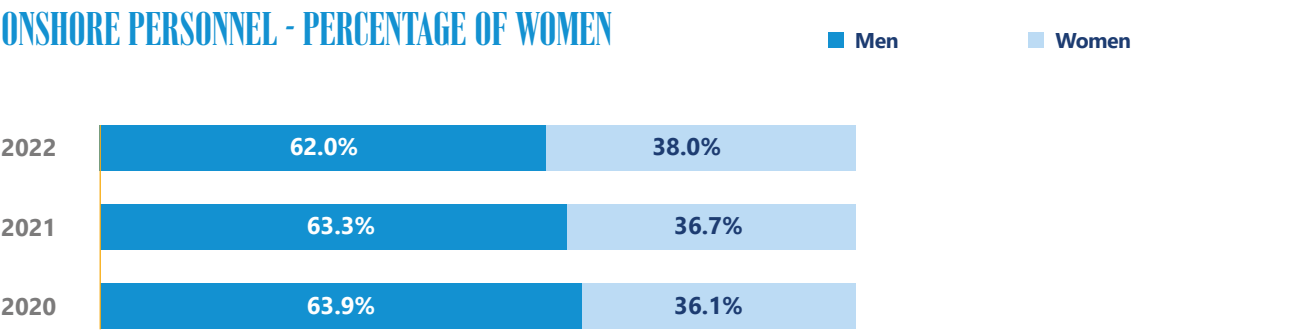
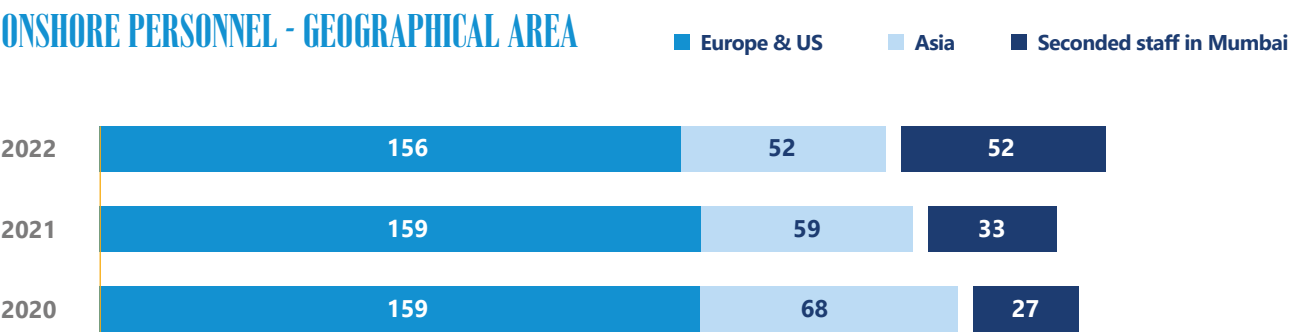
Onshore Personnel

Compared to 2020, onshore personnel recorded a decrease: it remained stable in Europe and America, but decreased in Asia (-23.5%) **due to the organisational development process** undertaken by d’Amico Ship Ishima India company.

During 2022, in fact, **the organisational structure has seen** an increase in the number of **seconded staff in Mumbai**, not included in d’Amico’s personnel, particularly for those professions such as technical and marine superintendents, ICT support groups and purchasing. In these areas the Indian market has a proven track record of providing highly professional and **skilled personnel** with **excellent** command of the English language. The purchase department has setup a new team in the Mumbai office, even if responsibility remains under Ishima - Singapore.

In the following graph are represented the total values of d’Amico onshore personnel by geographical area and the seconded staff located in Mumbai.

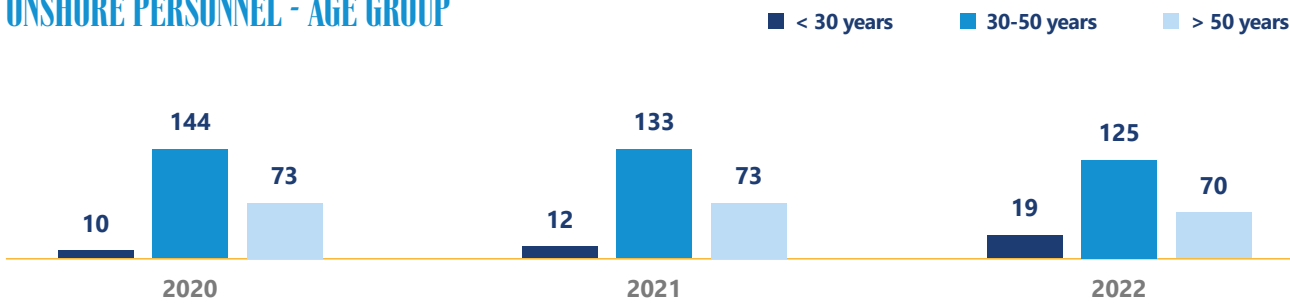
¹⁴ This number takes into account the staff rotation on d’Amico Group ships.
¹⁵ The consolidated number of onshore employees is equal to 260. Unless specified otherwise, the data reported in the rest of this chapter refers only to the personnel related to d’Amico and Ishima, equal to 208 units.



The **percentage of women** in relation to the total number of onshore employees (38.0%) **increased** compared to the previous years.

ONSHORE PERSONNEL	2020				2021				2022			
GEOGRAPHICAL AREA	M	W	Tot	% W	M	W	Tot	% W	M	W	Tot	% W
Europe & US	105	54	159	34.0%	105	54	159	35.8%	98	58	156	37.2%
Asia	40	28	68	41.2%	40	28	59	39.0%	31	21	52	40.4%
TOTAL	145	82	227	36.1%	145	82	218	36.7%	129	79	208	38.0%

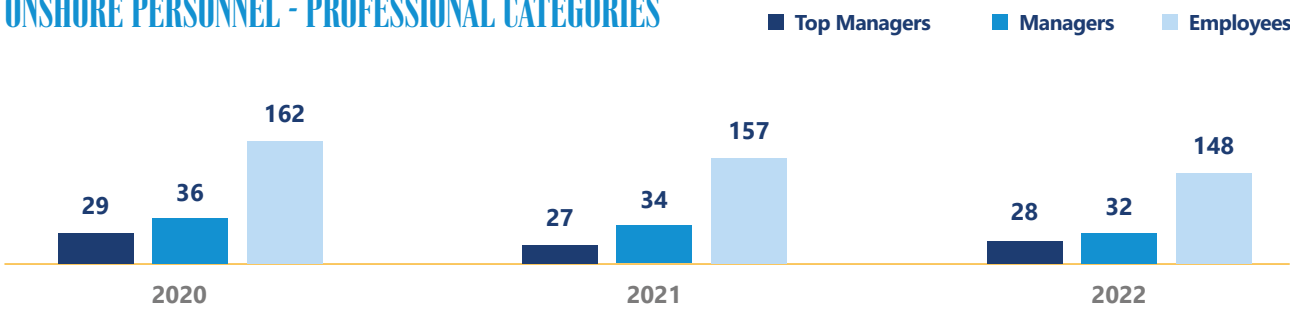
ONSHORE PERSONNEL - AGE GROUP



60.1% of the Group's onshore personnel is between 30 and 50 years of age, 6.3% is under 30 of which 53.8% are women.

ONSHORE PERSONNEL	2020				2021				2022			
AGE GROUP	M	W	Tot	% W	M	W	Tot	% W	M	W	Tot	% W
<30 years	3	7	10	70.0%	5	7	12	58.3%	11	8	19	42.1%
30 - 50 years	87	57	144	39.6%	82	51	133	38.3%	73	52	133	41.6%
>50 years	55	18	73	24.7%	51	22	73	30.1%	50	20	73	28.6%
TOTAL	145	82	227	36.1%	138	80	218	36.7%	129	79	208	38.0%

ONSHORE PERSONNEL - PROFESSIONAL CATEGORIES



Onshore personnel consist of 71.2% employees and 28.8% managers and top managers. The reduction in onshore personnel with respect to 2021 involved employees (-9) and managers (-2).

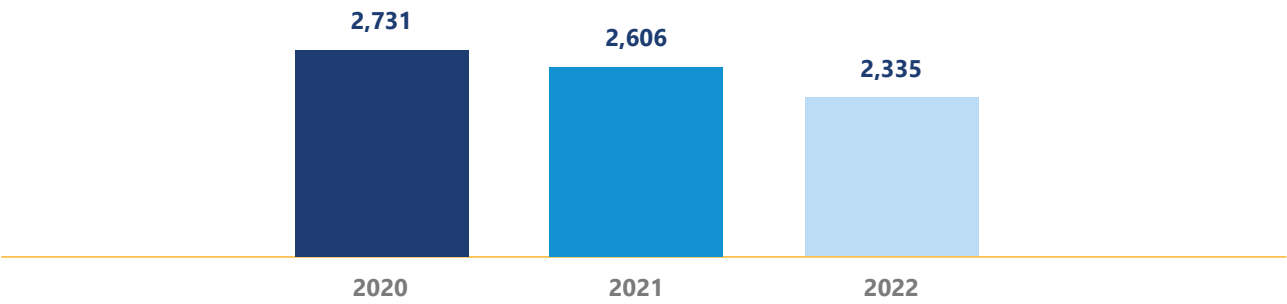
ONSHORE PERSONNEL	2020				2021				2022			
PROFESSIONAL CATEGORIES	M	W	Tot	% W	M	W	Tot	% W	M	W	Tot	% W
Top Managers	28	1	29	3.4%	26	1	27	3.7%	26	2	28	7.1%
Managers	24	12	36	33.3%	22	12	34	35.3%	21	11	32	34.4%
Employees	93	69	162	42.6%	90	67	157	42.7%	82	66	148	44.6%
TOTAL	145	82	227	36.1%	138	80	218	36.7%	129	79	208	38.0%

Seagoing Personnel

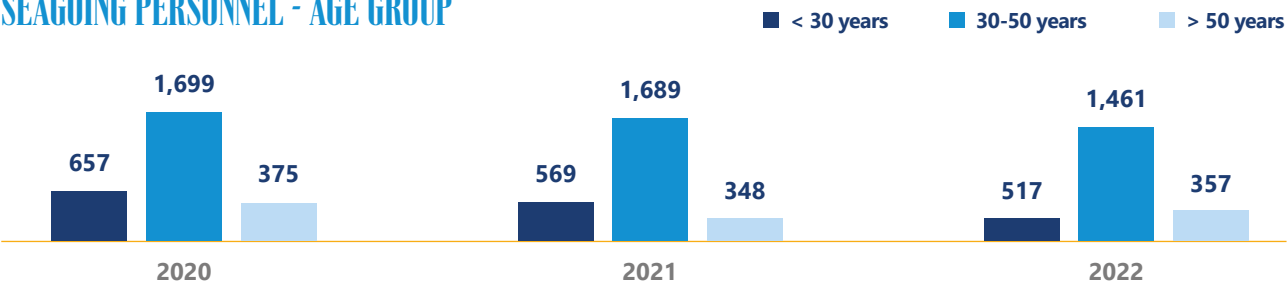
d'Amico seagoing personnel amounts to **2,335 in 2022**, with a **10.4% drop from 2021**.

In 2021, **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, since 2020, **d'Amico Group's fleet was reduced** by 10 of its oldest vessels to focus only on modern and efficient Eco vessels. This reduction in the number of ships managed directly affected the number of seafarers.

SEAGOING PERSONNEL - TREND

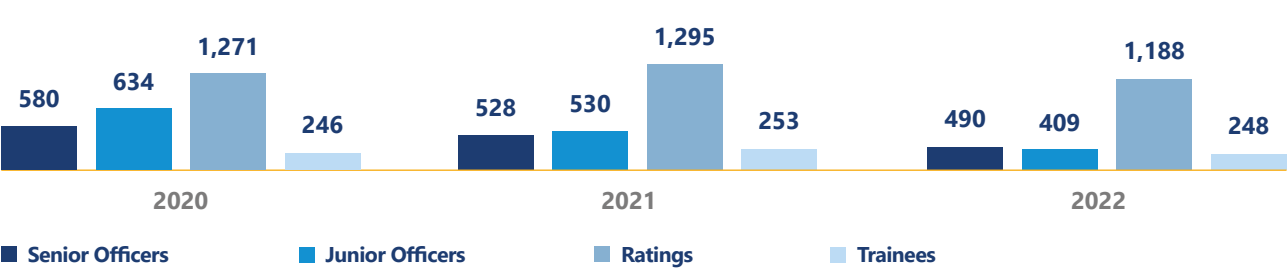


SEAGOING PERSONNEL - AGE GROUP



On average, the age of the seagoing personnel remains constant during the years: 22.1% under 30 years of age, 62.6% between 30 and 50 and the remaining 15.3% over 50.

SEAGOING PERSONNEL - PROFESSIONAL CATEGORIES



Seagoing personnel consist of 50.9% ratings¹⁶, 21.0% senior officers, 17.5% junior officers and 10.6% trainees.

With respect to 2021, the decrease affects trainees (-2%), ratings (-8.3%), junior officers (-22.8%) and senior officers (-7.2%).

¹⁶ Ratings: Petty officers and Seamen.

SHIP AND SHORE STAFF SEMINAR 2022

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

Every year the Company organises 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 2022 the d'Amico Group - together with Ishima - organised **a seminar, in November in Italy**, that, after Covid emergency, has been carried out in presence again. **Another seminar has been carried out in India on May 2023**. Besides the important topics presented by all Company's departments the highlights of the 2022 edition were: the focus on safety standards on board, the revision of SIRE inspection program, the Marine Environment Protection Committee (MEPC) latest development on environmental indexes (EEXI and CII) and the Performance Monitoring and Crew competence.



LIGHTHOUSE

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

“The Lighthouse” magazine helps d'Amico Group to communicate across teams dynamically and comprehensively, **creating a sense of community throughout the Group**. All departments contribute to each edition, 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, as well as information about company events onshore.

These continue to be challenging times for many of d'Amico's seafarers. In this regard, d'Amico Group also focused

its efforts on safeguarding their **mental health**. Bullying and harassment are still present in the maritime shipping industry, and for this reason it is essential to prevent any kind of behaviour that could harm the crew.

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





Types of Contracts

SDGs

8

DECENT WORK AND ECONOMIC GROWTH

UN TARGET

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

KPIs 2022

97.1%

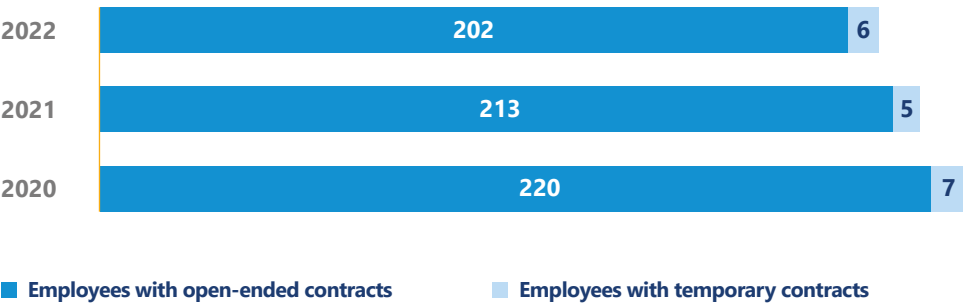
Of employees with open-ended contracts (onshore personnel)

89.4%

Of seafarers with open-ended contracts (seagoing personnel)

In 2022 the percentage of onshore **personnel employed with an open-ended contract remained in line with 2021**, 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 - TYPES OF CONTRACTS



ONSHORE PERSONNEL	2020					2021					2022				
	Europe & US		Asia		Tot	Europe & US		Asia		Tot	Europe & US		Asia		Tot
	M	W	M	W	T	M	W	M	W	T	M	W	M	W	T
Employees with open-ended contracts	102	52	39	27	220	99	56	35	23	213	95	55	31	21	202
Employees with temporary contracts	3	2	1	1	7	2	2 ¹⁷	1	0	5	3	3	0	0	6
TOTAL	105	54	40	28	227	102	57	36	23	218	102	57	36	23	218

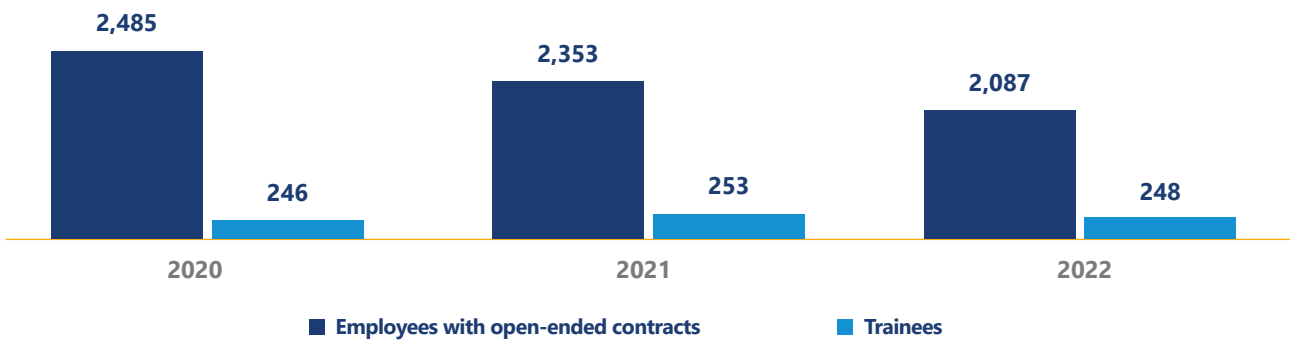
¹⁷ Both contracts were commuted to open-ended contracts in 2022.

The whole Group’s seagoing personnel is employed 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). This also guarantees the **continuity of staff rotation** on similar types of ships, as shown by the **high retention rate of 82.2%**, overall, which is a satisfactory result **in line with market standards**.

In 2022, **officers spent 5.0 months on board, while ratings spent 7.6 months on board on average**. The **period is shorter than the previous year and in line with standard onboard period** thanks to the normalization of crew change after the difficulties of the previous years related to the COVID-19 travel restrictions. The time spent on board is calculated as the sum of the durations of each person’s various contracts, as 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.

In 2022, the Company had **248 trainees in its fleet**, i.e., 10.6% of total staff employed on board.

SEAGOING PERSONNEL - TYPES OF CONTRACTS



Turnover and retention rate

SDGs

UN TARGET

8.5

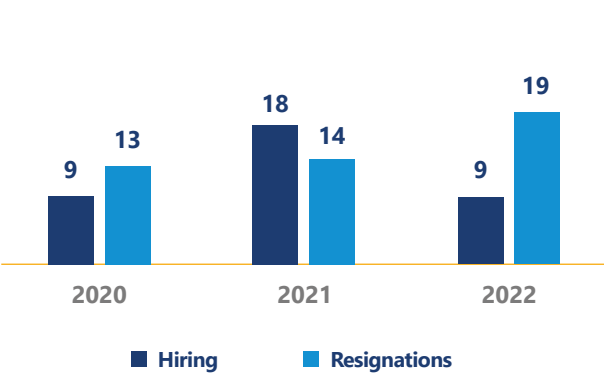
By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

KPIs 2022

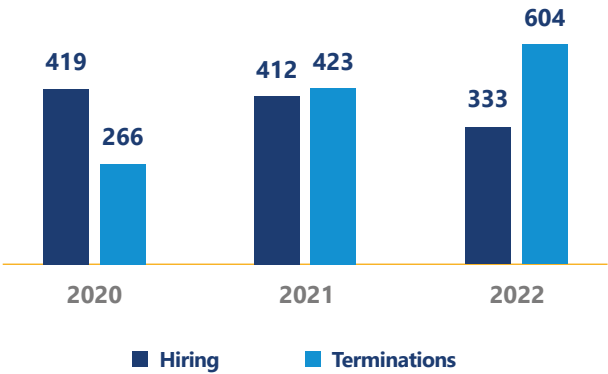
92.2%	The retention rate of onshore personnel
83.7%	The retention rate of tanker ship seafarers
81.1%	The retention rate of dry ship seafarers

In 2022, d’Amico Group recorded a **negative turnover of 281 people**.
The Group hired **9 new onshore employees** (1 man and 8 women), 55.6% of whom are under 30, and **333 seagoing employees**, including 1 woman and 53.2% of whom are under 30.

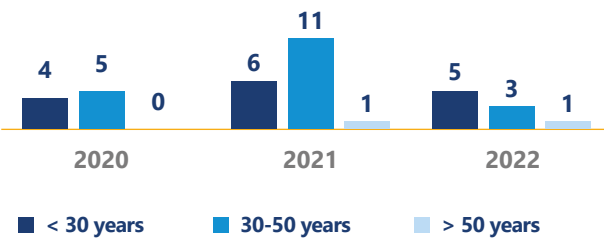
ONSHORE PERSONNEL - TURNOVER



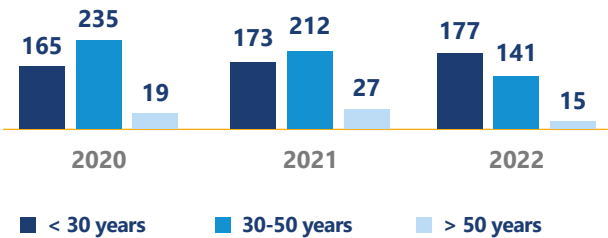
SEAGOING PERSONNEL - TURNOVER



ONSHORE PERSONNEL - HIRING BY AGE

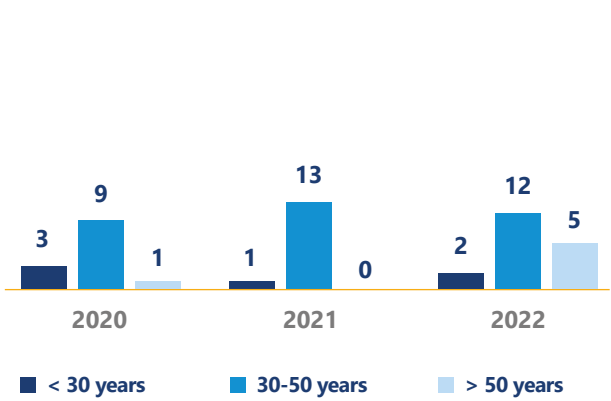


SEAGOING PERSONNEL - HIRING BY AGE

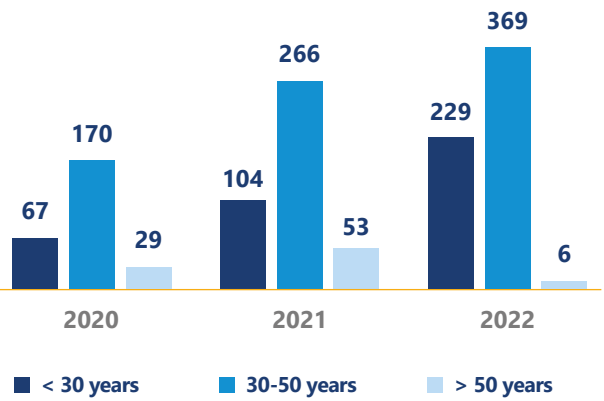


ONSHORE PERSONNEL	2020					2021					2022				
	Europe & US		Asia		Tot	Europe & US		Asia		Tot	Europe & US		Asia		Tot
	M	W	M	W	T	M	W	M	W	T	M	W	M	W	T
<30 years	1	1	0	2	4	2	2	2	0	6	1	4	0	0	5
30-50 years	1	0	3	1	5	7	4	0	0	11	0	2	0	1	3
>50 years	0	0	0	0	0	1	0	0	0	1	0	1	0	0	1
TOTAL	2	1	3	3	9	10	6	2	0	18	1	7	0	1	9

ONSHORE PERSONNEL - RESIGNATION BY AGE



SEAGOING PERSONNEL - TERMINATIONS BY AGE



Regarding exiting **staff**, in 2022, **19 resignations** were recorded among **onshore personnel** and **604 terminations** were registered for **seagoing personnel**.

ONSHORE PERSONNEL	2020					2021					2022				
	Europe & US		Asia		Tot	Europe & US		Asia		Tot	Europe & US		Asia		Tot
	M	W	M	W	T	M	W	M	W	T	M	W	M	W	T
RESIGNATIONS*	1	0	0	2	3	1	0	0	0	1	0	1	0	1	2
<30 years	1	0	2	2	9	2	3	4	4	13	3	5	3	1	12
30-50 years	1	0	0	0	1	0	0	0	0	0	1	2	1	1	5
>50 years	3	4	2	4	13	3	3	4	4	14	4	8	4	3	19
TOTAL	3	4	2	4	13	3	3	4	4	14	4	8	4	3	19

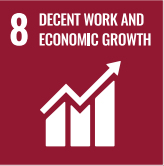

* The Intertanko formula describes the total number of terminations from any cause (in effect this means the total number of employees who left the company for any reason). Retirement, long-term illness, or staff that do leave providing benefit to the company by virtue of leaving, are not counted for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

The Group had very good retention levels for both onshore (92.2%) and onboard personnel. In particular, for seagoing personnel, the retention rate was 83.5% on tanker ships and 80.2% on dry vessels of d’Amico Società di Navigazione, 83.9% on tankers and 81.9% on Dry for Ishima. The sector’s retention rate¹⁸, as regards tanker ships, is instead 80%, under every aspect lower than the Groups’ 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 **reorganisation** of some professional activities undertaken during the previous years - with the aim of improving efficiency and resolving any imbalances within the organisation, resulting in cost optimisation - **has confirmed throughout 2022 the effectiveness of the operation**, which has been guaranteed by the interventions and investments undertaken as well as by the renewal and consolidation of the same activities, now more centralised.

¹⁸ OCIMF, Tanker Management and Self Assessment 3 (TMSA3), Third Edition 2017.

Multicultural Approach

SDGs	UN TARGET	KPIs 2022
	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	NO REPORTING Received in relation to discriminatory acts against people of different ethnicity or nationality
	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	19 Different nationalities within the crew members
		23 Different nationalities within the onshore personnel
		78% Of the personnel is from Asia

As a global operator, d’Amico Group recognises multi-cultural integration and team building as pillars of its Diversity Equity and Inclusion policy and a **value at all levels of the organisation, both in the offices as well as on board 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 innovation for the business and more favourable and positive working relationships. It offers opportunities for businesses to expand globally, demonstrates the attention of the Company to social sustainability 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 travelling community aboard a ship, which may often share this condition for a long time.

The ships’ crews come from 19 different countries, with the majority made up of Indians 61.8%, Filipinos 15.7% and Ukrainians 9.9%. The remaining 12.6% comes from countries such as Italy, Romania, Russia, Morocco, Indonesia, Bangladesh as well as Ethiopia, Liberia, Australia, Latvia and Portugal.

The onshore personnel, on the other hand, **comes from 23 different countries**: more than half of the staff is Italian (55.3%), while the remaining part is mainly composed by Singaporeans (9.6%), Indians (6.3%), French (5.3%) and people from the United Kingdom (5.3%).

RECRUITMENT AND SELECTION

d’Amico **continued to hire new people** during 2022, consolidating the **new methods**, which require **the entire people acquisition process to be carried out remotely**, from the selection phase to the signing of the contract: all the steps have been reviewed and adapted in light of the new needs. All interviews take place on platforms such as Skype and MS Teams, both the first cognitive meeting, in which the soft and professional skills of the candidate are assessed, and the technical one, until hiring.

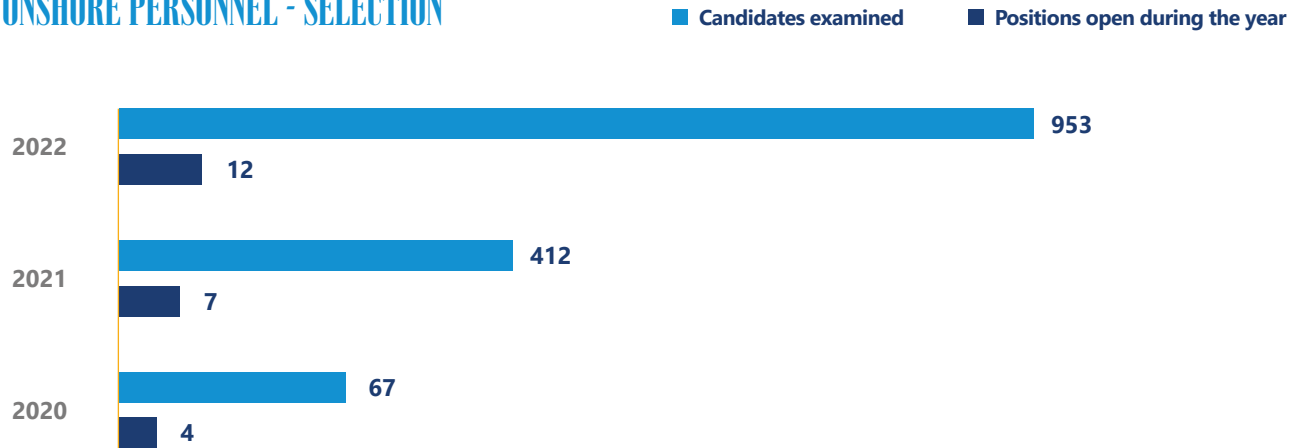
Onshore Personnel

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, is 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, educational and training institutions**, and 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.

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.

ONSHORE PERSONNEL - SELECTION



ONSHORE SELECTION PROCESS	2020	2021	2022
Jobs and selection processes opened*	4	7	12
Candidates	1,460	1,558	1,845
Of which spontaneous	1,393	1,146	890
Candidates for job vacancies that are reviewed	67	412	953

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

As can be seen from the previous figures, the number of candidates underlines the **d’Amico Group’s ability to attract and fascinate new talent**. At the same time, also the Human Resources Department’s ability to evaluate, interview and review many more candidates for each position have been improved during the last year, in order to better search and find talents to be included within the organisation.

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 Human Resources 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.

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, d’Amico crew members spend much of their time on board, therefore it is very important to identify high quality personnel.

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 Sirius Ship Management S.r.l., the company entrusted with recruitment activities.

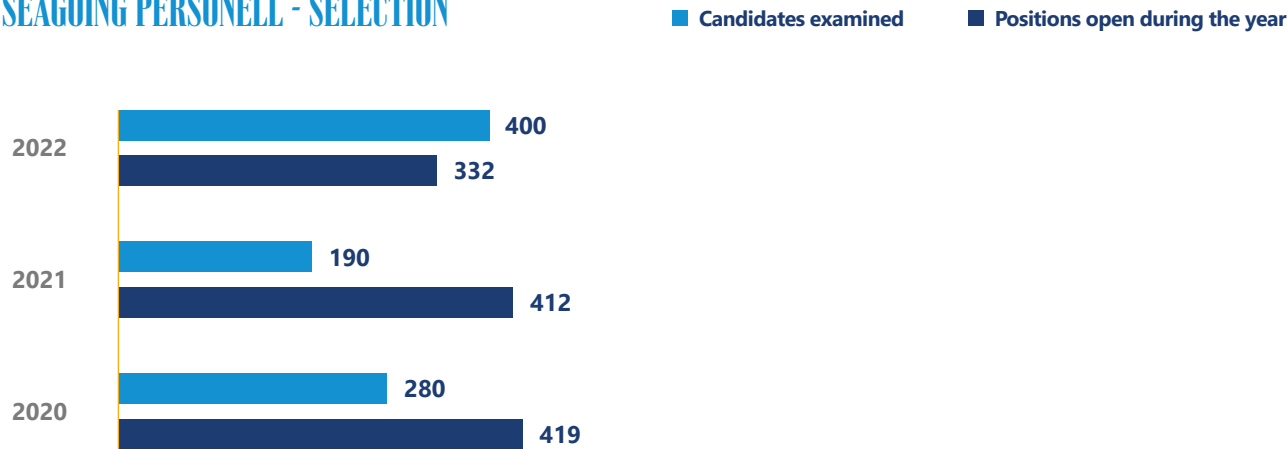
Loyalty and identification with the Company’s corporate culture are core values for the Group.

The 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 mutual understanding and sharing of the 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 is an in-house established crewing and training structure. 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. In addition to 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.

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 PERSONELL - SELECTION



CREW SELECTION	2020	2021	2022
Positions open during the year	419	412	332
Of which for internal positions	204	142	84
Candidates examined	280	190	400



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 the improvement of standards of living, particularly in developing countries, by employing 1.5 million seafarers and much 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.



TRAINING AND DEVELOPMENT¹⁹

SDGs	UN TARGET	KPIs 2022
	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	11.8 Total per capita training hours provided to onshore personnel
		20.9 Total per capita training hours provided to seagoing personnel
		67.9% The percentage of people trained out of total
	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	230,000 USD The investment in training activities for the people working for the Group
	36.7% The percentage of women among people trained onshore	

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.

In 2022 the d’Amico Group **invested a total of 230k USD in training activities**. Most activities are based on master agreements with the trainings and development providers, stipulated by the Group’s HR function. The master agreements allow the Group to maintain a consistent approach among the Group’s companies, as well as to obtain advantageous prices over the individual activations.

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 maintain and strengthen 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

¹⁹ The data presented by this chapter is reported including both d’Amico’s employees from Mumbai office.

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 and orientation training programs, as well as the 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 is based on several **pillars**:

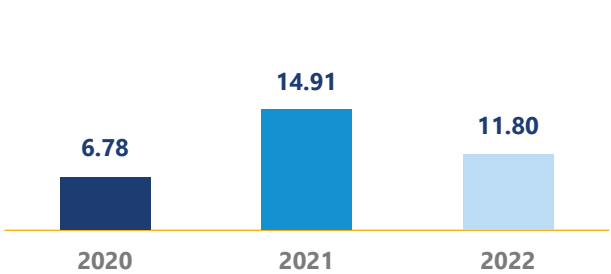
- **Technical and shipping training:** this area aims to develop specific skills typical of the professional category as well as skills closely related to the shipping sector. Many courses, including some that are tailored to specific business needs, are carried out in collaboration with leading players in the sector, for example, BIMCO, Lloyd’s Maritime Academy, DNV GL, RINA Academy, National Cargo Bureau, ASBA Education and ASDEM.
- **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 recognise, in fact, that it is not only what people do but how they do their jobs that makes the difference in achieving business objectives. This is a crucial development system and ensures practices that are geared towards defining, assessing, maintaining, and developing the soft skills of the Group’s personnel that enhance the culture of high performance.
- **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 to **postgraduate training programmes**, supports **professional certifications** and encourages participation in **industry-specific conferences**, both as participants and as speakers.

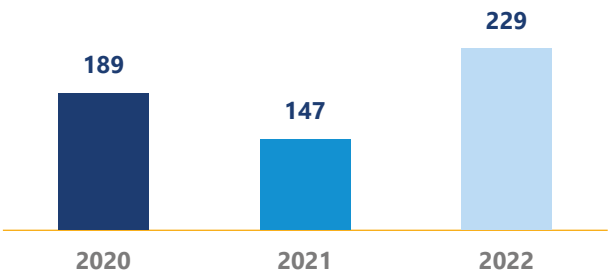
In 2022, 490 training projects were completed, generating around 987 trainings editions with the involvement of 229 people - including both d’Amico’s employees and people working in Mumbai - and the delivery of **3,077 training hours** (383 days).



ONSHORE PERSONNEL
AVERAGE YEARLY HOURS OF TRAINING



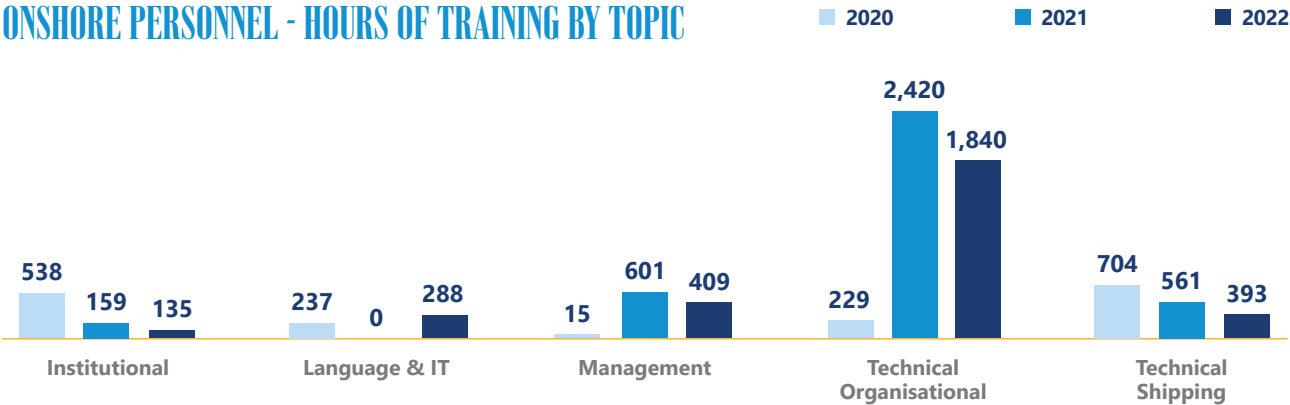
ONSHORE PERSONNEL
NUMBER OF PEOPLE TRAINED*



*The values for people trained include seconded staff located in Mumbai

60% of the training initiatives hours have been dedicated to developing skills and competencies on Technical Organisational area (ABS program). Out of the total hours, 13% were dedicated to the Managerial and to the Technical Shipping areas, 4% to the Institutional area and 9% to the Language & IT area. During 2022, the Group also conducted a special training programme focused on the Code of Ethics and the 231 Organisation Model: 196 employees were involved, for a total of 294 hours of training.

ONSHORE PERSONNEL - HOURS OF TRAINING BY TOPIC



ONSHORE PERSONNEL	2020				2021				2022			
	Europe and America		Asia		Europe and America		Asia		Europe and America		Asia	
	M	W	M	W	M	W	M	W	M	W	M	W
Compliance/Institutional	281	196	23	38	24	21	102	13	41	73	12	9
Language & IT	75	127	15	20	-	-	-	-	29	229	30	1
Management	-	15	-	-	380	133	74	15	101	162	143	3
Technical - Organisational	96	121	10	2	446	278	1,340	356	732	667	161	280
Tchnical - Shipping	528	128	8	40	249	272	40	-	93	64	222	15
TOTAL	980	587	56	100	1,098	704	1,556	384	995	1,196	568	308

TRAINING INITIATIVES 2022

Micro-learning

In the last period a new approach has emerged in terms of training methodology, along with e-learning. Micro-learning is **an approach useful to learn new information in small chunks over time**. In fact, memory does not remain consistent throughout long hours of training; it can increase, decrease, and fluctuate many times. Splitting the content into small pieces and recalling different parts of it over time can substantially help in improving knowledge retention and performance.

The Ambrosetti AP business community

Among the training initiatives, in 2022 d'Amico renewed its participation in the Ambrosetti AP Business Community, **“a learning environment dedicated to managers”**. Through this important initiative, the Group intended **to start a path of inspiration and reflection for its management, including the ownership members**, to consolidate its mission, strengthen its competitiveness and rethink new managerial skills, adapting the capabilities of the organisation.

In particular, the focus of the initiative has been on **managing change processes** in a context in which the transformation due to innovation, digitalisation, energy transition, sustainability, and socio economic evolution strongly influences business models, organisational models, processes, and necessary skills.

Transitional effectiveness training program

During 2022, the Company has launched for all its people the Transitional Effectiveness training program. The program aims to **strengthen those human skills that are crucial in a continuously changing environment and to conso idate a common and widespread skill set**, supporting each person in dealing with the challenges that innovation, digitalisation, and sustainability bring to any organisation, and working on motivation and resilience, time management, and team building.

Digital transformation

Arm in arm with the development of human skills, the Company is also developing a training path to move towards a new system application: **Microsoft Dynamics 365 Business Central**. The aim of the project is to complete the digital transformation process of the d'Amico Group, with the implementation of an application to support administrative accounting processes, improve internal processes, integrate new applications, and support company control solutions.

Seagoing personnel

A rigorous onshore and onboard training programme is envisaged for crew, starting with the pre-embarkation period and covering the officers’ entire career. The training programmes capitalise on the knowledge developed within the Company, thanks to the participation of specialised trainers and senior staff with relevant seagoing experience.

The 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.

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 and key priorities for the business. The Group continues its partnership with the **Italian Maritime Academy Technologies** (IMAT) to provide a multitude of courses, most of which are officially recognised by the National Administrations of Italy.

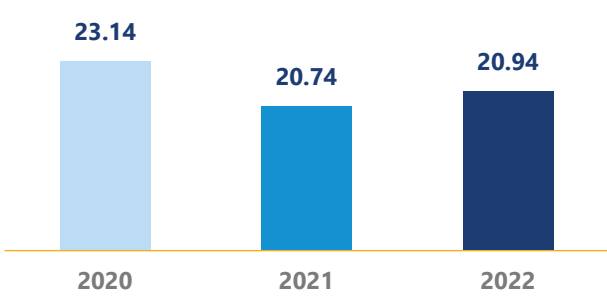
The training centres used for d’Amico seagoing personnel are **modern simulators** that successfully mirror scenarios that are likely to occur on board the ships, allowing the seafarers participating in training sessions to interact with the virtual realities that are created at a given time. In particular, 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 on the activities concerning the Fleet Performance Monitoring, Shipnet (PMS), ABS-NS, IHM and ELB-ORB. The Group looks forward to the contribution 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 that 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.

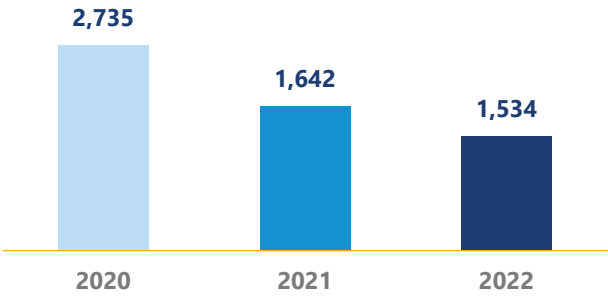
Particular attention is given to behavioural skills: in addition to the key technical skills required by the specific role, great importance is given to “how” staff work. For this reason, the Group promotes specific initiatives to encourage communication, leadership, and teamwork on board its ships.

In 2022, **a total of 8,153 in-house and out-sourced courses were provided**, corresponding to 48,918 total hours of training for seagoing personnel.

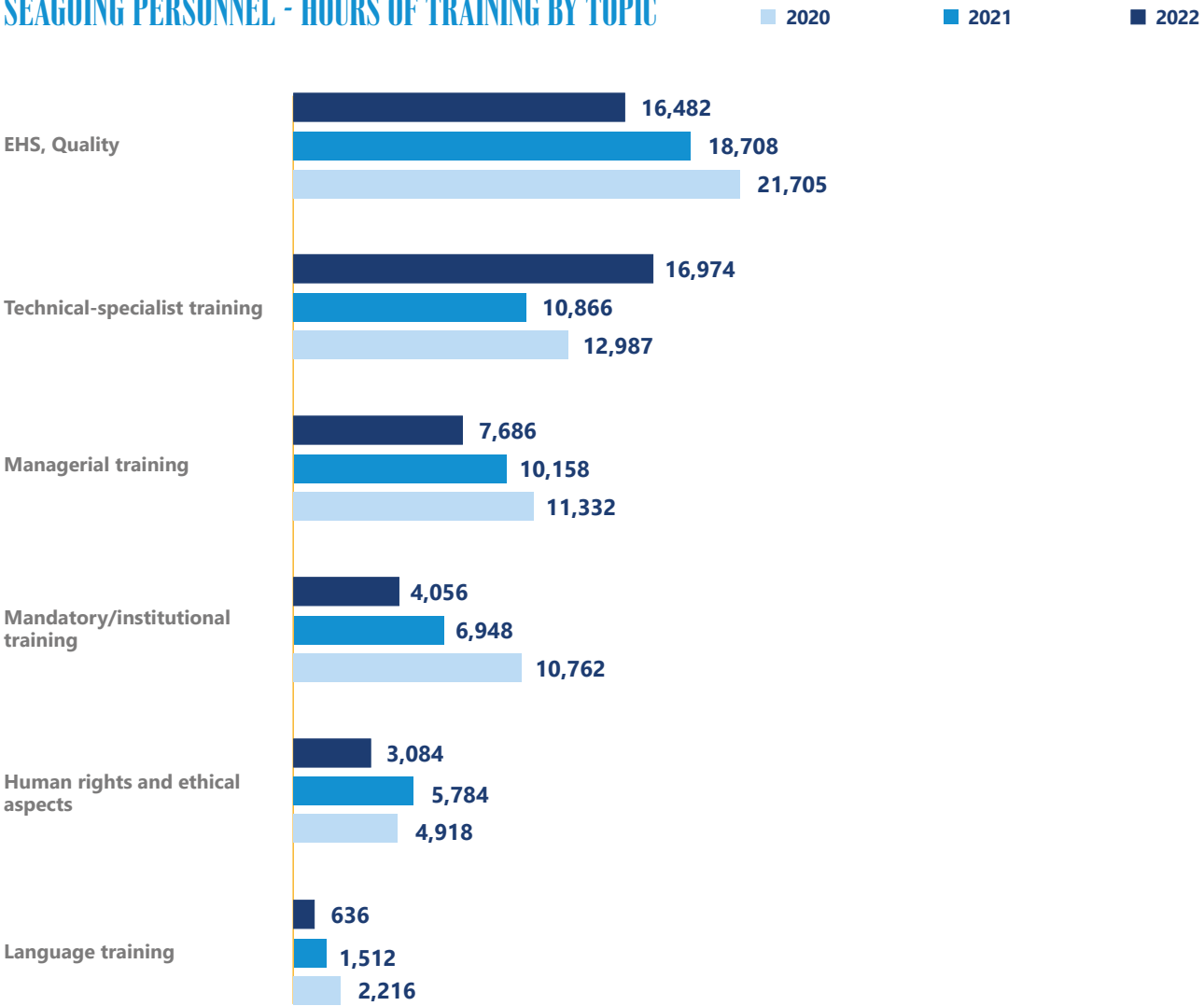
SEAGOING PERSONNEL
AVERAGE YEARLY HOURS OF TRAINING



SEAGOING PERSONNEL
NUMBER OF PEOPLE TRAINED



SEAGOING PERSONNEL - HOURS OF TRAINING BY TOPIC



THE CREW TRAINING MATRIX

A crew training matrix was established, providing **guidelines to all crew-management offices**. The matrix is a dynamic tool, which is continuously kept up to date by the Crew department, used to comply with any modification or amendment with respect to the Convention on Standards of Training,

and the Certification and Watchkeeping for Seafarers; it is kept on board vessels performing international voyages. The quality of crew training is measured during the inspection of the vessels carried out by technical and marine superintendents.



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 2022, 438 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 team-building system, it helps to uncover why some of the Group's 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 taking

care of 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.



PARTNERSHIP WITH THE LIBERIA MARITIME TRAINING INSTITUTE

Started in 2019, the project to encourage the employment of new Engine rating trainees from Liberia and, in particular, from the Liberian Maritime Training Institute (LMTI) of Monrovia, gave d'Amico the possibility to employ 8 graduates from LMTI on board the Group's ships. Some of them were promoted from the Engine rating trainee position to the position of Wiper. The project will continue in the next year with an additional batch of 8 Liberian Engine rating trainees. The scenic campus of Liberia Maritime Training Institute, spreading 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.

ITS ACADEMY FONDAZIONE G. CABOTO TECNOLOGIE PER IL MARE E LA LOGISTICA

The d'Amico Group is one of the founding members of the "ITS Academy Fondazione G. Caboto. Tecnologie per il mare e la logistica" a public body under private law for the **training of specialised technicians** that offers two or three years post-diploma courses for students who wish to pursue an **international career in the shipping and logistics 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 both internships and classroom courses.

Since 2011, the "ITS Academy Fondazione G. Caboto. Tecnologie per il mare e la logistica" **has trained 409 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 partners, that require specific professional roles in their workforce as a result of the evolution of maritime professions.

PERFORMANCE ASSESSMENT SYSTEMS AND REMUNERATION

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

KPIs 2022

ALL EMPLOYEES

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

100%

Of expected performance assessment evaluation received during the year (208 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 the impact their work has in d'Amico Group. Principles of openness, transparency and accountability are embedded in the culture of d'Amico Group, where **performance is driven by values**.

Onshore Personnel

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 the employees 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 the employees 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.

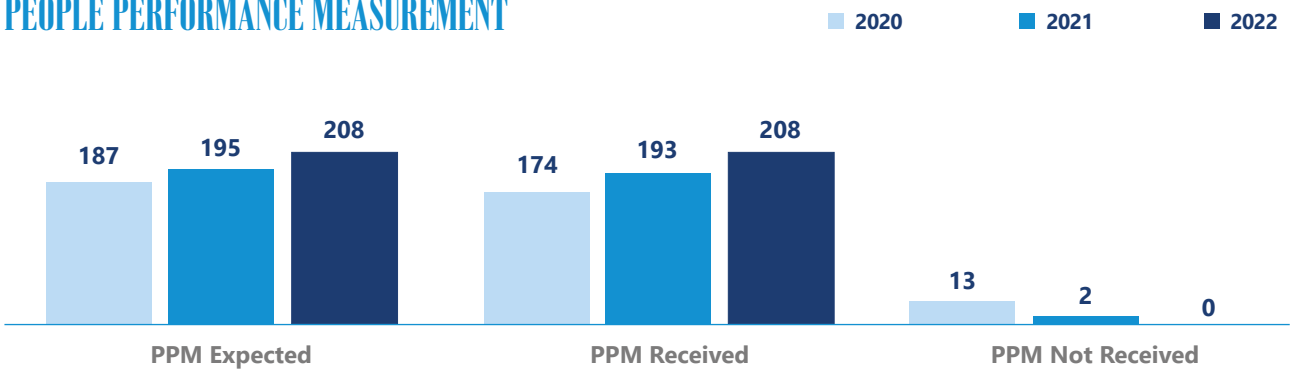
The individual objectives are set according to the following criteria:

- adherence to a quantitative and realistic framework
- consistency with d'Amico Group policies
- coherency with one another.

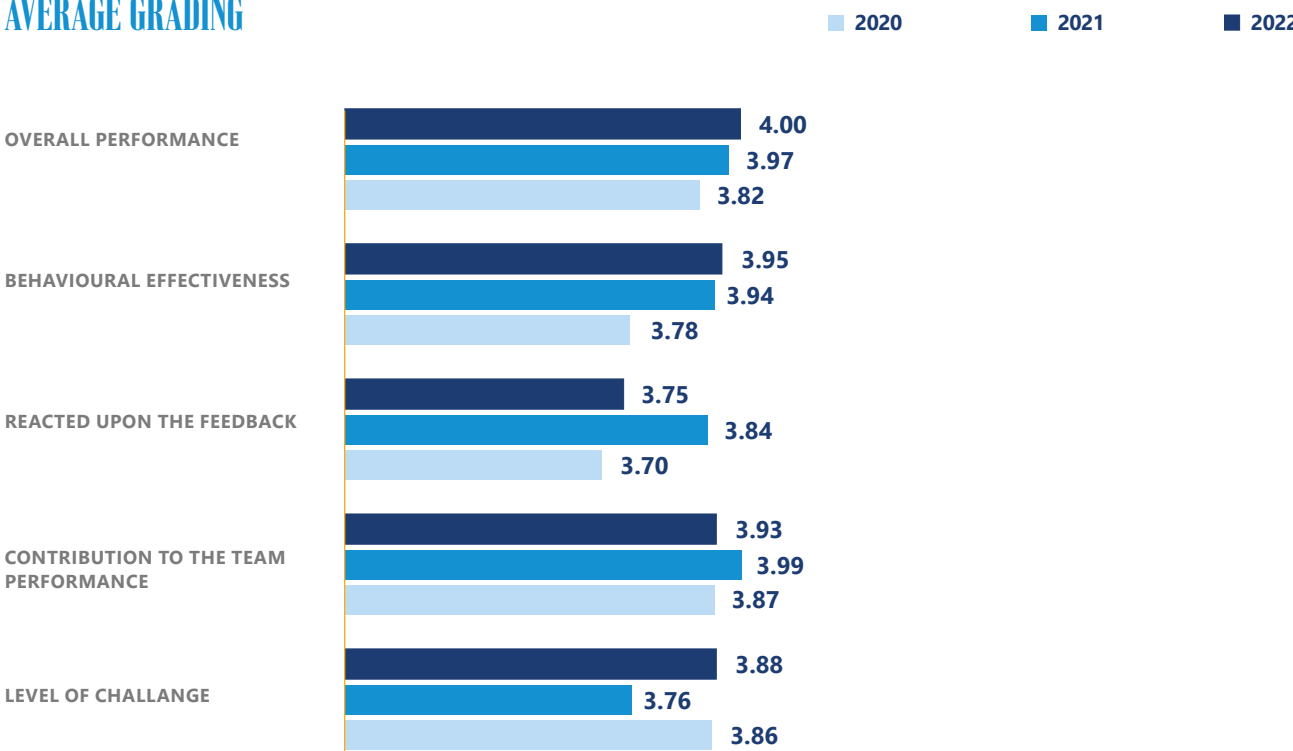
This enables managers to acknowledge high performance and reward employees accordingly, while ensuring low performance is properly managed with integrity.

in 2022, **100% of the onshore personnel were evaluated**, with 18% of the population considered role model in terms of overall performance and 29% the percentage of population that met the expectation.

PEOPLE PERFORMANCE MEASUREMENT



AVERAGE GRADING



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.

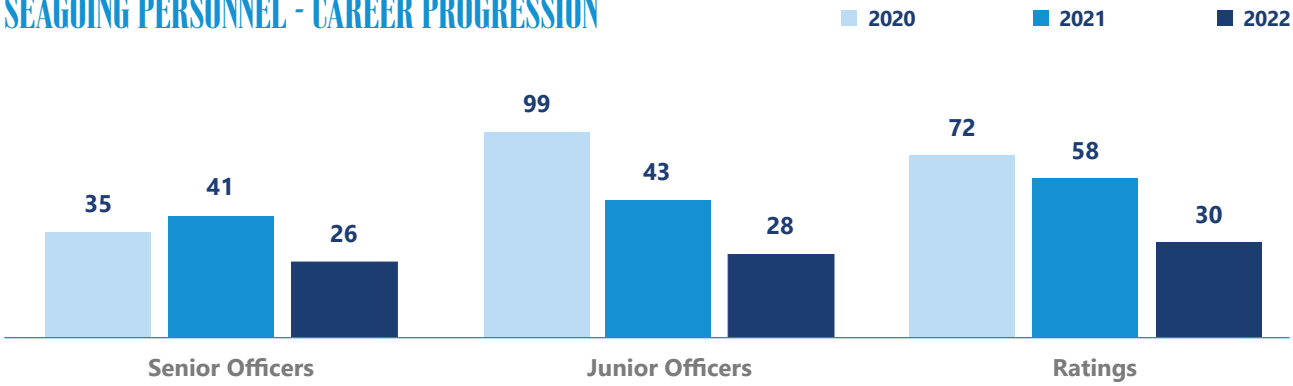
The Group's remuneration policies are based on:

- **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 the international level
- **internal equity:** people must be remunerated on the basis of uniform criteria that relate to the organisational structure
- **talent enhancement:** people are differentiated based on performance and potential development
- **performance management:** any salary review 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.

Seagoing Personnel

All seagoing employees receive regular performance evaluations. The graph below displays the number of seafarers whose evaluation led to a **career advancement**.

SEAGOING PERSONNEL - CAREER PROGRESSION



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.

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

As of today, almost 20 employees have been awarded in the years 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.

WELL-BEING

SDGs

UN TARGET

KPIs 2022



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

ALL d'AMICO'S EMPLOYEES

receive the statutory insurances required by the local employment laws

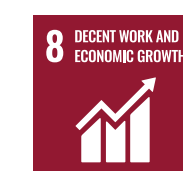


3.4

By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

930 SEAFARERS

took part to Project Apollo to carry out research to alleviate stress on the workplace



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

REMOTE WORKING POLICY

has been implemented, ensuring a work environment that favours employees' flexibility in terms of organisation and work commitment

Paradigms of **engagement and commitment** are the pillars for well-being practices. The link between employee engagement and well-being being reciprocal, each influences the future state of the other.

Well-being and, more in general, a culture of people care is something that is becoming more and more important as employer of choice.

All d’Amico’s employees receive the statutory insurances required by the local employment laws. In addition, d’Amico promotes **an expanded employer-sponsored coverage** as described in the following tables:

Onshore personnel with benefits beyond legal requirements	2022
Life insurance	104
Health care insurance	142
Disability and invalidity coverage	140
Parental leave	6
Pension benefits	25
Stock ownership	8

Seagoing personnel with benefits beyond legal requirements	2022
Life insurance	2,335
Health care insurance	367
Disability and invalidity coverage	2,335
Pension benefits	67

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. Moreover, personnel can use **family leave and additional leave** for special family needs such as taking care of children and relatives in the event of illness.

Onshore personnel - parental leave	2022	
	M	W
Employees that were entitled to parental leave	57	44
Employees that took parental leave	5	3
Employees that returned to work after parental leave ended	5	3
Employees that returned to work after parental leave ended that were still employed 12 months after their return to work	5	2

As part of the products and services offered to the employees related to personnel health, prevention and well-being, the Company supports its employees’ **social security position** by participating in supplementary pension schemes, in different percentages depending on location and other characteristics. Special attention is given to the state of **health** and the **preventive healthcare**, for example, providing 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.

d’Amico defined and implemented a **remote working policy**, with the main purpose of disentangling it from the COVID-19 emergency and bringing it back to its original meaning of a tool that guarantees work-life balance. Remote working, in fact, ensures a work environment that favours greater flexibility of employees in terms of organisation and work commitment, relying on tools and technologies capable of guaranteeing productivity even outside the Company

offices. On the other hand, it shifts the relationship between managers and their resources more and more towards a dimension of trust and management by objectives, mitigating the strictly control approach.

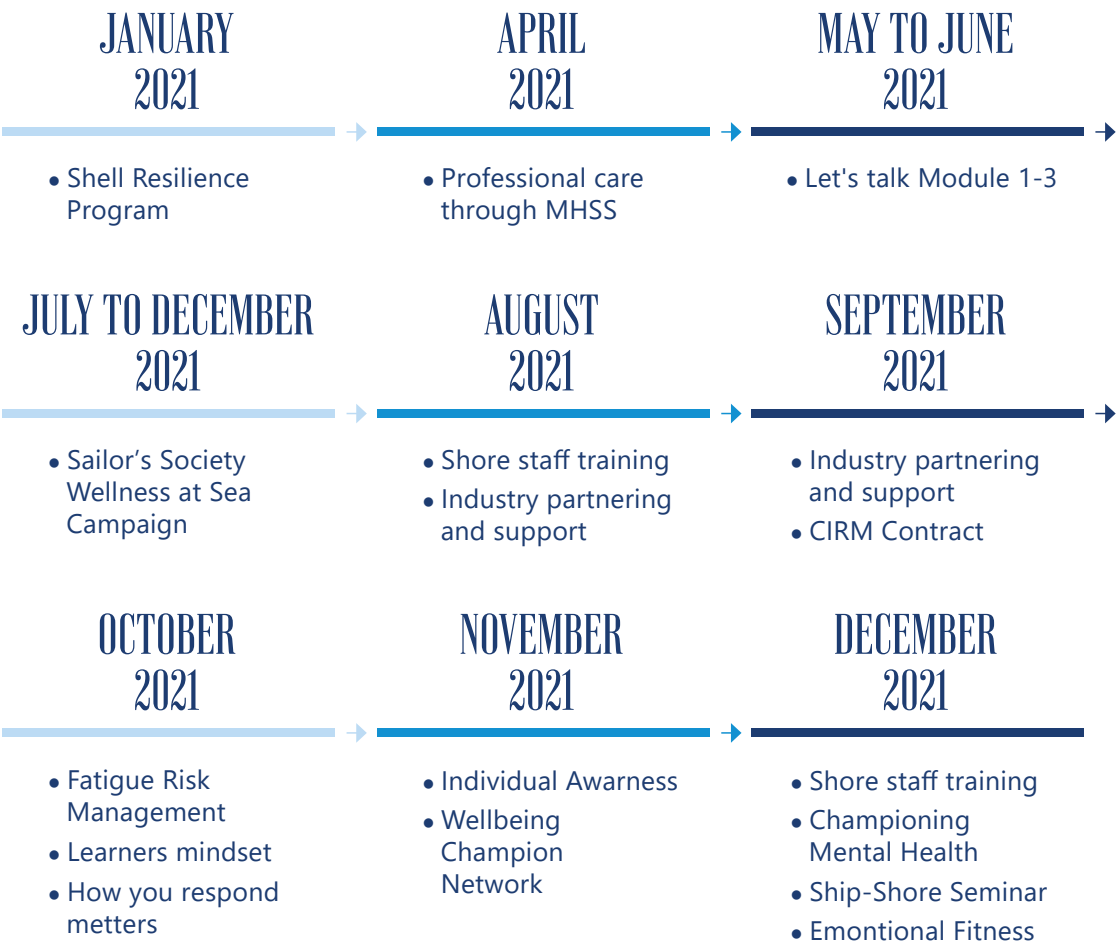
Well-being of seafarers

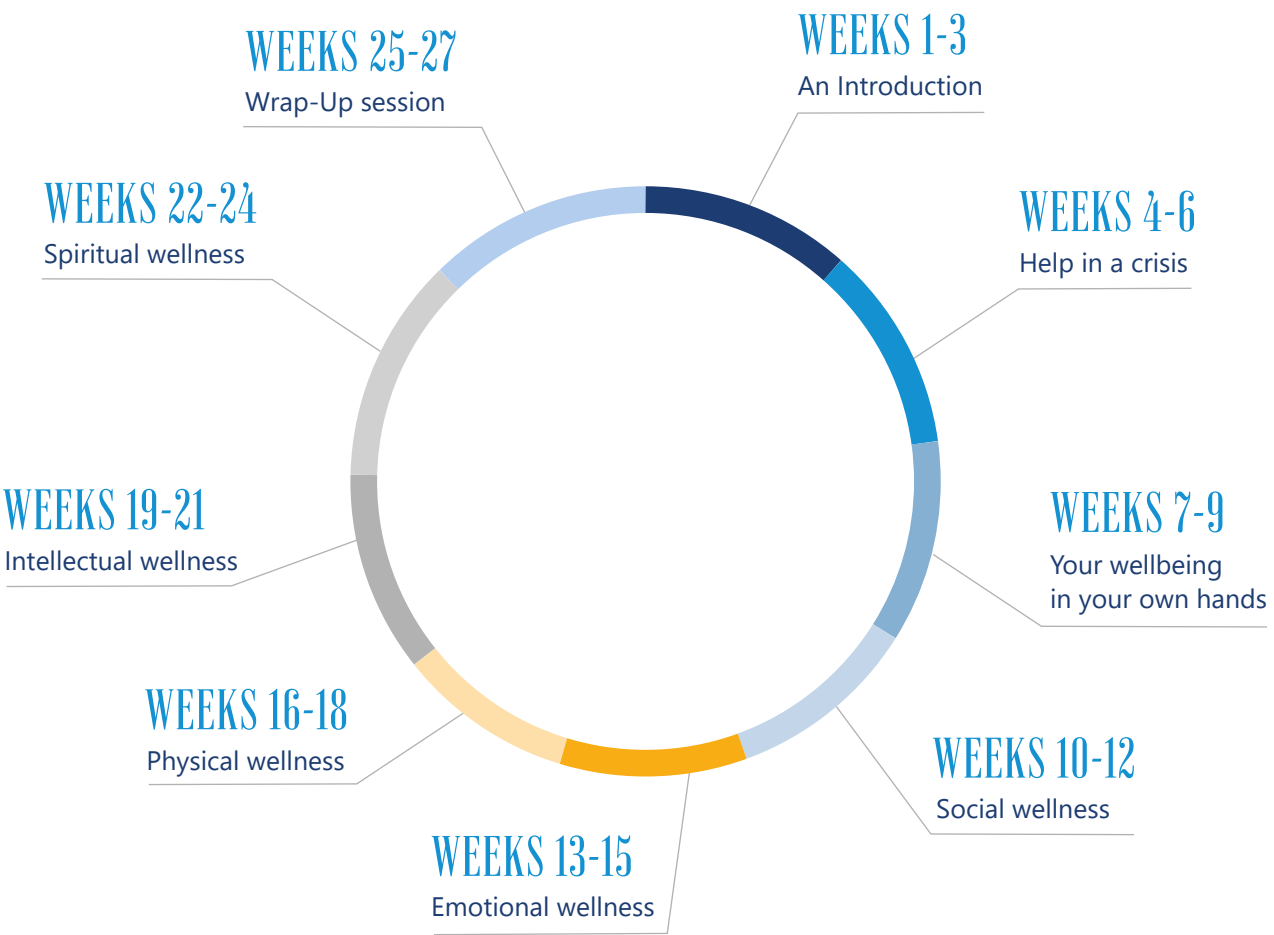
Seafarers face unique challenges due to the nature of their work. The global pandemic further added to the pressure, bringing additional anxieties about health, family, extended contracts, and uncertainty.

The objective of the **Company’s well-being program** is to:

- generate awareness about mental health issues
- provide training to seagoing personnel so that they have the necessary tools to understand the various factors governing the state of mind
- support crew mental health, when required, through external service providers
- promote positive mental health and reduce stigma
- build resilience through regular training
- promote leadership skills to support well-being
- have a robust support structure in the Company to assist seafarers
- monitor the progress and opportunities of improvement through feedback received.

A **dedicated program** was devised in 2021 to achieve the established objectives:





- 1. Leadership visits:** the senior management communicated with the seafarers during seminars and ship visits to reinforce their commitment to well-being, improving upon existing conditions.
- 2. Shell Partners in Safety Program (PinS):** the Company continued to implement Shell PinS program onboard the Tanker fleet: “Resilience”, “Let’s Talk”, “Fatigue Risk management”, “Champions Network”, and “Individual awareness” were some of the training modules covered.
- 3. Professional care through MHSS:** the Company concluded an agreement with “Mental Health Support & Solutions” (MHSS), mental health and wellbeing specialists in the maritime industry running a 24/7 support line.
- 4. CIRM contract for premium medical care of seafarers:** the Company concluded an agreement with CIRM, to improve access to medical care and treatment for seafarers while onboard.
- 5. Wellness Campaign:** sailing staff from selected vessels, their families and shore staff participated in the ‘Wellness at Sea’ (WAS) campaign by the Seafarer’s society.
- 6. Shore staff training:** the Company started a mental well-being program also for onshore staff.
- 7. Discussion in the Company Seminar:** well-being was discussed in the ship-shore seminar and first-hand interactions with seafarers provided vital inputs for improvement of their wellbeing.
- 8. CEO Communication and commitment:** the Company’s CEO maintained constant communication with fleet vessels to assure them of the Company’s commitment and support at the highest level.
- 9. Support during the Covid-19 pandemic:** the Company intensified efforts to provide support to seafarers during the Covid-19 pandemic, also arranging for the vaccination of crew members at convenient ports, free of cost.
- 10. Feedback:** written and verbal feedback was collected from seafarers to gauge the effectiveness and acceptability of the Company’s wellbeing initiatives.

For some of the above steps, specific forms and documents were distributed on the fleet vessels in order to collect data and information aimed at reporting the yearly results of the process.

During 2022, the Group proactively intensified its efforts to support mental health services and explore new possibilities for improvement. In particular, the Company took further steps to **enhance living and working conditions onboard vessels** by providing better communication systems and recreational facilities. Furthermore, the Company launched **Project Apollo** to carry out research for alleviating the effects of workplace stress factors on seafarers’ psychological capital and improving life satisfaction. The total participants were **930 seafarers**. Overall, while challenges remained, the Company made important strides in **promoting the well-being of its seafarers** and will maintain Project Apollo during 2023.

d’Amico is committed to ensuring that the seafarers working onboard vessels have access to medical care and treatment in the best conditions possible. The objectives of the year 2022 have been achieved, paving the road to new challenging improvement actions through:

- **continuing existing initiatives**
- **providing additional shore-based training** to key onboard ranks to increase their awareness and understanding of Well-being topics, so that wellbeing training can be facilitated fleetwide
- **training** of seafarers on: Social Style at work, Values, Emotions and developing one’s own strengths, Building healthy habits, Active listening, Observing and taking action, Managing Conflict and Using Social skills.



HUMAN RIGHTS

SDGs	UN TARGET	KPIs 2022
	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

One of the main goals of the Group's HR department 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 said document is to ensure that the ethical values expressed therein are clearly defined and shared, and form the basis of d'Amico's corporate culture. The Code of Ethics serves as a constant reference for the conduct which all the recipients are invited to follow when carrying out their activities, conducting Company business and in relationships with stakeholders.

The following three statements of the Code of Ethics underline a **clear commitment of d'Amico Group to respect human rights**:

- **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 in on behalf of d'Amico, and with the principles referred to in the Code of Ethics, agreeing 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.
- **Honesty, fairness and transparency** - the relationships which d'Amico has with the various recipients are based on the standards of transparency, honesty, cooperation, integrity, equity, fairness and mutual respect. Recipients of the Code of Ethics are expected to comply with these principles in all their business dealings.
- **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 Group, 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 extended the rules applied to shipboard personnel to onshore personnel. 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**, 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 all employees are encouraged to report any instances immediately so that appropriate action can be initiated.



WORKERS' HEALTH AND SAFETY

SDGs

UN TARGET

KPIs 2022



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

1 Injury in 2022, 0 in 2020 and in 2021

ALL

vessels managed by the Group hold a valid maritime labour certificate

100%

of the personnel covered by the health and safety management system

The shipping industry is highly regulated and strict with its operators when it comes to compliance with international standards on security and safety. To further reduce the risks inherent in its shipping activities, the d'Amico Group's Crew Department has very **restrictive policies** to protect the safety of life and, in general, to prevent any incident that may result in serious casualties, injuries, or illnesses. **All crew members** responsible for safety or environmental protection **are duly trained and regularly evaluated**. To manage the risks related to the seafarers' conditions of employment, all seagoing personnel are recruited through manning agents duly authorized by the local state authorities or by recognized organizations to ensure that the principles and rules of the Maritime Labour Convention (MLC 2006) are fully met. The Crew Department furthermore periodically inspects those agencies to ensure compliance with its own procedures as well. In accordance with MLC 2006 provisions, every ship and ship management company must be periodically inspected by the flag authority, which releases a certificate of compliance for the vessel and the manager.

d'Amico Group promotes safety onboard and respect for the environment, aiming to eliminate the risk of incidents such as groundings, fires, collisions, and petroleum spills, which could also result in considerable economic impact for the Company. In this respect, the parent company d'Amico Società di Navigazione S.p.A. operates both

- the **Tanker Management and Self-Assessment Programme (TMSA)**, launched in 2004 by the OCIMF (Oil Companies International Marine Forum)
- the **Integrated Management System for Health, Safety, Quality, Environment and Energy Efficiency (HSQE)**, since 2003.

Although not compulsory, major oil companies recommend the TMSA programme - **Tanker Management and Self-Assessment Programme** - as a means of encouraging ship operators to measure, evaluate, and improve their safety management systems against listed Key Performance Indicators (KPIs). Additionally, the programme establishes best practices to solve problems and optimize safety and environmental performance. Electronic tools to control and measure KPIs for different areas of the technical management system have been implemented, and the TMSA review is conducted every six months. The TMSA is also the starting point for a **continuous improvement plan** aimed at achieving and guaranteeing high standards of safety and respect for the environment.

Since before the introduction of the TMSA programme, the d'Amico Group has been promoting **internal HSQE management procedures** and operating an Integrated Management System on all its vessels in conformity with the quality and environmental standards **ISO 9001** and **ISO 14001** established by the International Organisation for Standardization, as certified by the international classification society RINA S.p.A. (Registro Italiano Navale) in 2003.

To promote crew safety, the Integrated Management System also includes certification of compliance with the international standard **ISO 45001**, covering 100% of the Group's workforce and obtained with new certificates at the annual RINA audit in 2020, 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.

The Company has a robust **quantitative risk management framework**, through which it performs a systematic analysis to prevent the development and progression of any unsafe act and condition from becoming an incident. d'Amico invests in **crew and office staff training** and preparedness, suitable, adequate, and effective ship operation plans, safe navigation emergency procedures, environment and energy management systems, and effective planned maintenance systems, while providing strong support and oversight from shore management. All vessels can count on technologically advanced equipment and the required resources to support the crew in the implementation of the Company's safety and environmental standards for the prevention of incidents such as grounding and collisions, including environmental pollution. Furthermore, the Company adopts an insurance policy, which covers pollution damages from bunker fuel or cargo (Protecting and Indemnity Insurance) for up to one billion US dollars.

Furthermore, an **analysis and risk assessment of the potential hazards** to which seafarers may be exposed has been carried out taking into consideration three different lines:

- the first involves the risk assessment connected to the **work area**
- the second involves the quantitative risk assessment connected to the **specific task**
- finally, the risk assessment related to **work activities**.

With regard to the potential causes of injury, the hazards deriving from facilities, machines, video-terminals, electric contacts, and dangerous substances have been examined. For matters relating to occupational diseases, the risks caused by chemical, physical, biological, and ergonomic agents, for which, when necessary, a specific assessment criterion has been adopted, have been considered. The different parameters involved in the Risk Assessment for work task and work area were then quantified in order to define any necessary corrective actions to be programmed with an emergency or those considered but cannot be postponed. The corrective and preventive actions are included in the procedures used on board and become an integral part of the IMS. Finally, as described in previous paragraphs, a structured ongoing risk assessment is in place to evaluate the risks before carrying out an activity.

MAIN HAZARDS IN THE MANAGEMENT OF THE OCCUPATIONAL HEALTH AND SAFETY

The **main hazards** identified and taken in consideration by d'Amico in the management of the occupational health and safety are the following:

- Physical
- Mechanical
- Thermal
- Noise
- Electrical (direct lightning strikes; indirect lightning strikes)
- Vibrations (hand-arm vibrations; whole body vibrations)
- Radiation (electro-magnetic field; artificial optical radiation; ionizing radiation)
- Video-terminals (VDT) ergonomics (unfavourable posture; manual handling of the loads; repeated and continuous movements)
- Chemical (Dusts, aerosol, fogs, fumes, liquids, contact with hazardous substances or mixtures; inhalation of dangerous substances and/or mixtures; inhalation of dangerous substances and/or mixtures)
- Stress factors at work (objective stress factors and mental work load; psychosocial stress factors; content and organization of the work)
- Exposure to cancerous and/or mutagenic agents
- Exposure to biological agents
- Fire and explosion (presence/use of explosive/ inflammable materials; presence of large amounts of combustible substances)
- Means of transport (driving of lift trucks; driving of trucks/articulated lorries; driving of cars)
- Lifting means (use of overhead travelling crane; use of platforms; driving of cranes)
- Workplaces/workstations (ergonomic workstations and posture; ergonomics of the machines and equipment; raised workstations; workstations in confined spaces; potentially unstable workstations; workstations next to watercourses or underwater; workstations that involve; isolation/loneliness; hygienic conditions; fixed and movable stairs; floors; emergency exit distance; width of escape routes; horizontal/vertical signposting; lighting; emergency lights; environmental noise; vibrations; wet floor surfaces; ship's movements)

Seafarers' good health

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 before any embarkation**. Appropriate medical assistance is ensured on board 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 the Maritime Labour Convention 2006, with employment contracts and STCW** (Standards of Training, Certification and Watchkeeping for Seafarers) **requirements** and, in line with MLC 2006, they are 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.

THE CONTINGENCY PLAN

In 2020, to confront the Covid pandemic, the d'Amico Group issued a dedicated Contingency Plan ("the Plan") to reduce the risk of Covid infections on board. The Plan has been continuously updated with practices and preventive measures, including manning activities throughout 2022. Internal inspections and audits have been performed remotely with

strict cooperation between the audit and the vessels' management. Throughout 2021 and 2022, the Group continued communicating to all its employees the recommendations of the World Health Organization (WHO) relating to the COVID-19 pandemic, including a weekly bulletin on the world pandemic situation.

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 2020 and 2021**. Only one incident occurred in 2022 on board a dry vessel, an injury during maintenance to fuel oil filter at auxiliary engine.

ACCIDENTS	2020	2021	2022
Lost Time Frequency Index ²⁰	0	0	0.126

MARINE CASUALTIES	2020	2021	2022
Deaths occurred directly in connection with the operations of a ship	0	0	0
Serious injuries occurred directly in connection with the operation of a ship	0	0	0
Losses of a person from a ship ²¹	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 incident investigation. The purpose of investigating incidents is to **provide practical learning through a structured investigation approach** to allow for 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” or “5-Whys”, 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 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 determination of 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 organisation’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 organisational and industry policies

²⁰ The Lost Time 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.
²¹ The data relates to crew members which go missing (cannot be found).

- respond to legal, regulatory, organisation, 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.

Health and Safety management at facilities

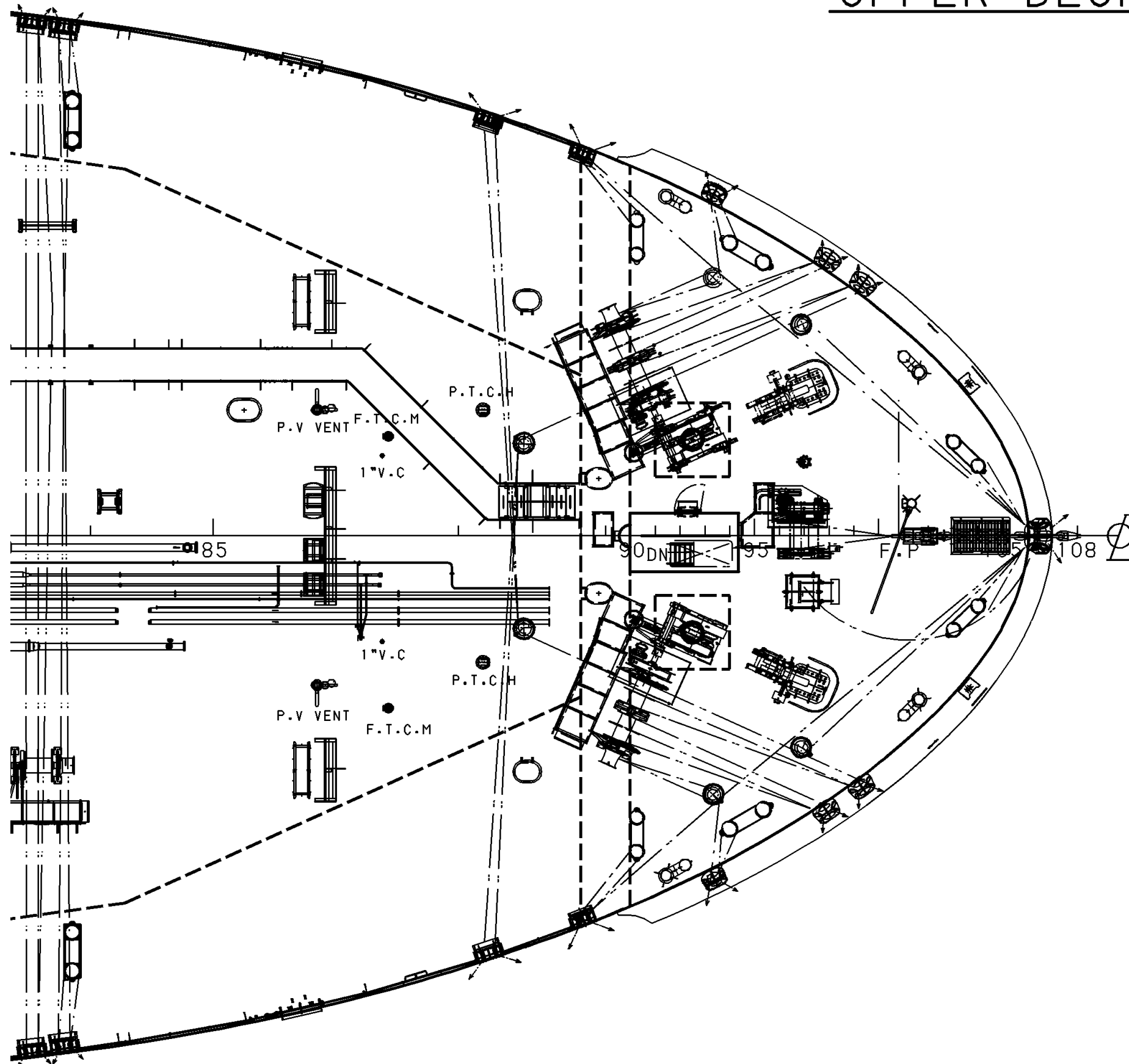
d’Amico Group’s commitment to the management of occupational health and safety issues is also applied at its offices across the world. The Group obtained the **ISO 45001** certifications related to health and safety.

HEALTH AND SAFETY KPIs	2020	2021	2022
Injuries to employees ²² [n]	0	0	0
Total number of lost days [n]	0	0	0
Loss of business time due to infrastructure failure	0	0	0



²² More than 1 day of absence, excluding injuries in transit.

UPPER DECK

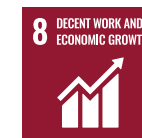


Clients

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 12 countries on 4 continents**, and to 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. Instead, the **Operations Department** 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 safety and efficiency transportation and delivery of cargoes. The department supervises the disbursement of necessary funds, it arranges for freight, hire and demurrage collection from charterers and, finally, it arranges for the provision of the vessels with bunkers. In addition to the above activities, the Group offers **technical ship management services** and it supports the management of quality, safety and environmental protection systems, as well as the 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 it 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 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

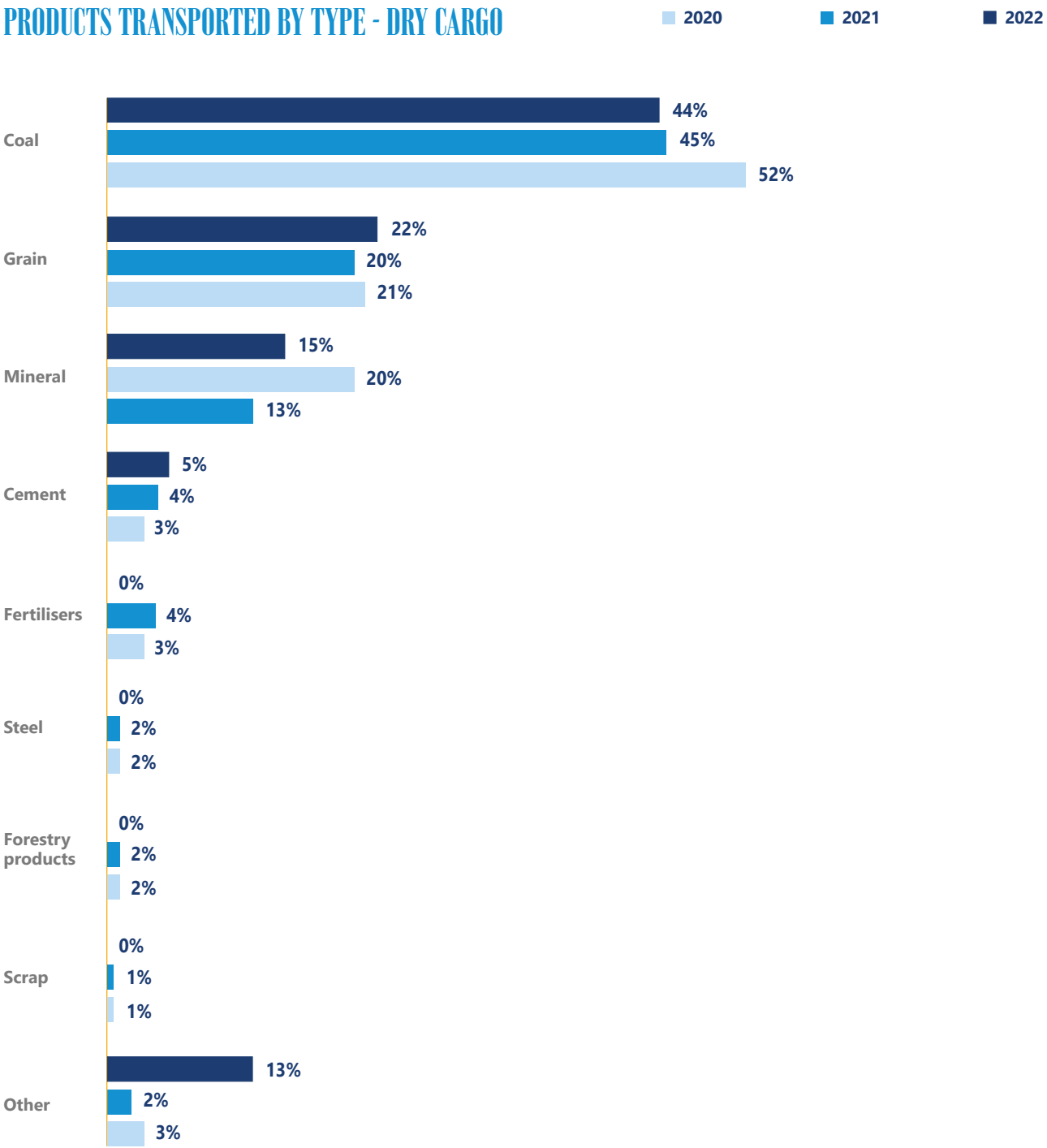
The Group operates in the dry cargo shipping sector. Its market segments include the **transport of grain, coal and mineral sectors**, where d'Amico boasts longstanding experience.

Other transported bulk commodities are: fertilisers, cement, forestry products, steel products and steel pipes. This business also includes shipping 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 that allow to maximise short-term opportunities presented by the market and 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 medium and long-term "time-charter" contracts, to ensure highly flexible fleet use.

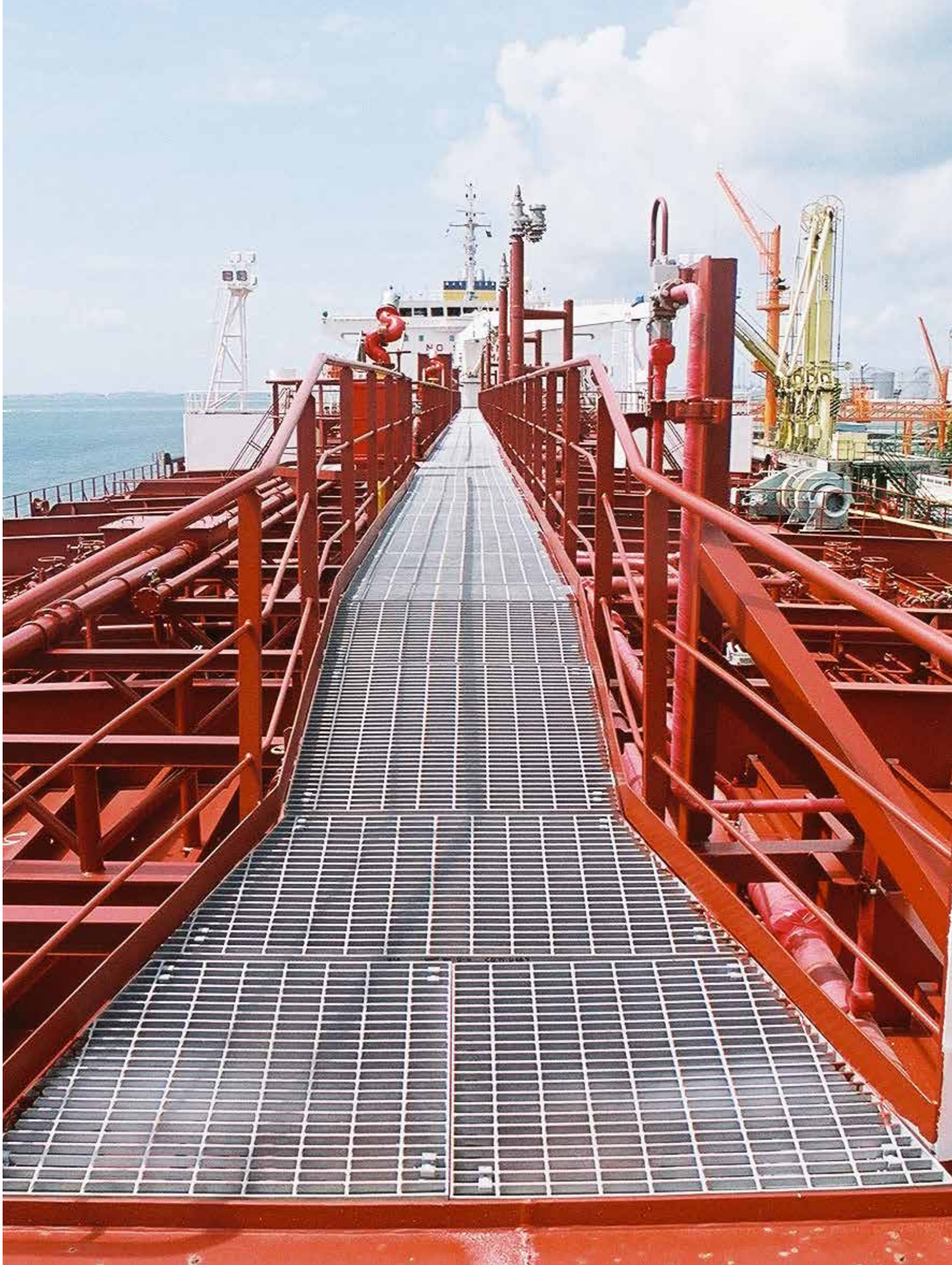


PRODUCTS TRANSPORTED BY TYPE - DRY CARGO



2022 was a tale of two halves for the dry bulk freight market. The first half began with earnings at the high levels seen in 2021. China's Covid-Zero policy remained in force, but congestion and disruption were still significant. Strong minor bulk shipments continued thanks to the strong container market and there was good demand for steelmaking raw materials in China, due to firm margins for the mills. However, the events in Ukraine combined with stubbornly high inflation forced a change in trade patterns and sentiment from Q2, that would ultimately make the market change direction.

Seaborne transportation of coal (288mt) decreased by -3% compared to Q1 2021. In early January Indonesia announced a sudden, month long and immediate ban of coal exports (-62% compared to Q1 2021). Exports subsequently recovered strongly in February and March. China imported less overall (-31% compared to Q1 2021) but in late February the Ukraine hostilities started and buyers started to avoid Russian coal. This partially offset the large reduction in China.



Seaborne transportation of grains (155 mt) decreased by 3% compared to Q1 2021. The Black Sea was initially strong in January and February due to a good harvest, but it was significantly impacted when the war in Ukraine started. USA exports were affected by poor Chinese demand (16% decrease compared to Q1 2021) but were partially offset by better Australia and East Coast South America exports (increased by 7% and 9% respectively compared to the first quarter 2021).

Furthermore, China’s Covid-zero policy lasted much longer than market expectations, impacting coal imports (-24% compared to Q2 2021) as industrial demand slowed but also in part due to record domestic production (+10% compared to Q2 2021).

Seaborne transportation of coal (331 mt) increased by 4% compared to Q3 2021. Europe continued to build coal stocks but, because of the Pacific to Atlantic nature of the imports, it also contributed to an Atlantic tonnage oversupply. Russian exports were strong (10% increase compared to Q3 2021) despite the challenges. China’s imports improved as domestic railing and mining issues emerged.

Seaborne transportation of coal (330 mt) increased by 6% compared to the same period in 2021. Europe continued with winter re-stocking along with China, Japan, Korea and Taiwan. In late Q4 China abruptly announced the lifting of most Covid-zero controls and launched an economic recovery²³.

Product Tankers

Product Tankers have coated tanks and primarily carry a **range of refined petroleum products, typically gasoline, jet fuel, kerosene, fuel oil, and naphtha**. As at 31 December 2022, 77.8% of DIS’ fleet was IMO-classed; therefore, cargoes such **as palm oil, vegetable oil, urea ammonium nitrate (UAN) and some other easy chemical products** can also be transported by DIS’ IMO-classed tankers.

The seaborne movement of refined oil products between different world regions addresses demand and supply imbalances, mainly caused by the lack of resources or refining capacity in consuming countries. Additional ‘arbitrage’ also occurs, taking advantage of differences in price and specific product demand between refining centres. Through d’Amico International Shipping (DIS) and its subsidiaries, the Group’s tanker sector is involved mainly in the transportation of refined petroleum products, providing services on a global scale to the major oil companies and to the leading commodities’ trading houses.

The **key drivers** that affect the Product Tankers’ freight markets and d’Amico International Shipping’s performance are the growth in global oil supply, refinery margins and throughput, demand for refined products, the structure of forward prices for both crude oil and refined petroleum products, the Product Tankers’ fleet growth rate, the efficiency of the fleet due to factors such as congestion, transhipments, average sailing speeds, average sailing distances and ballast to laden ratios.

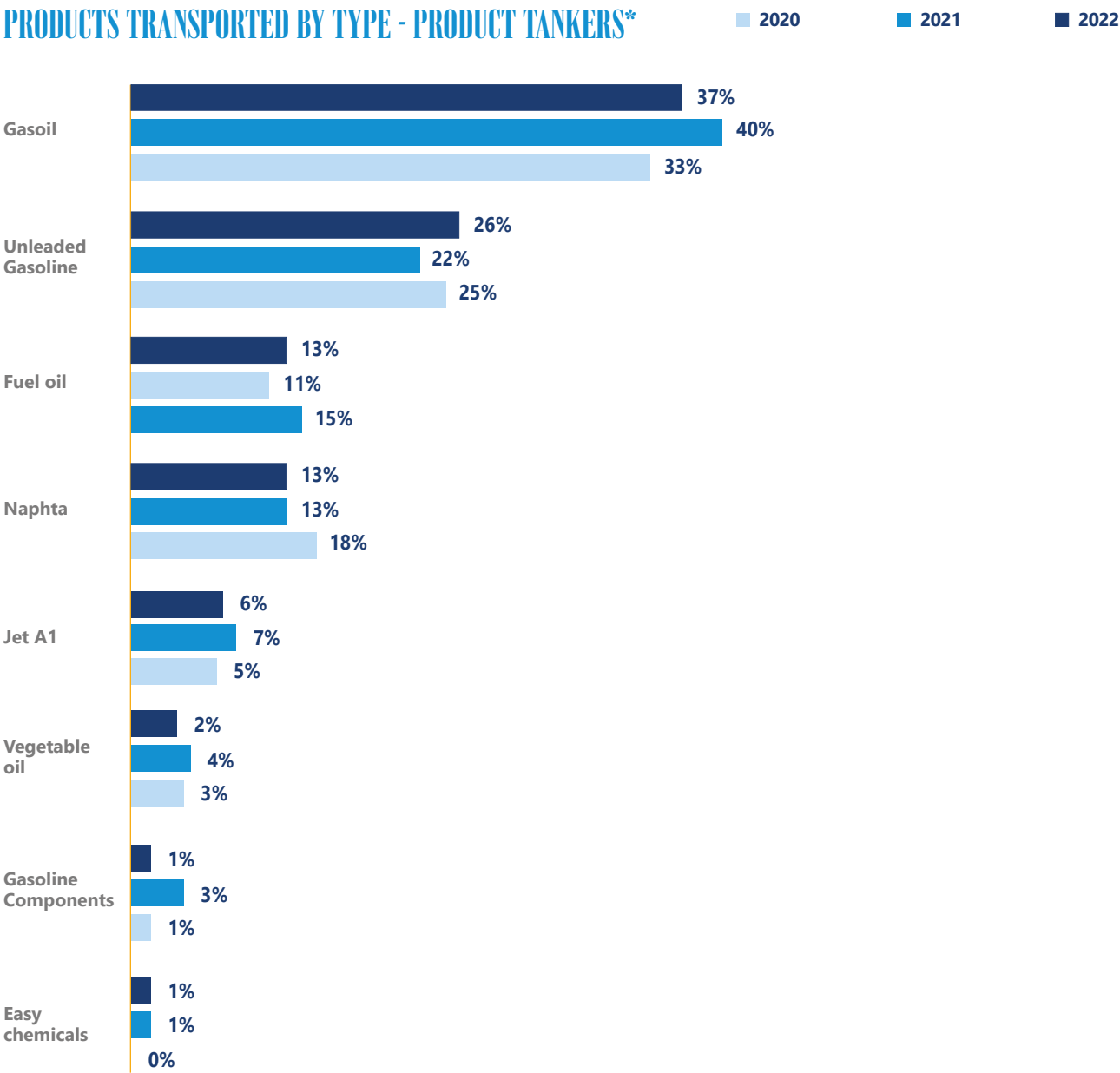
The Product Tanker market has strengthened significantly since the onset of the war in Ukraine in February 2022, and remained at **historically high levels** throughout the year. The sanctions that gradually came into force in 2022 and self-sanctioning by many important operators led to a redirection of trade flows out of Russia.

In addition to the above-mentioned changes in trade patterns and the associated increase in tonne-miles, the market generally benefitted from an increase in inefficiencies, as a large portion of the refined products exported by Russia was involved in transhipment activities before arriving at final destination. Despite higher imports from other locations, Europe continued importing high volumes of refined products from Russia last year.

Freight markets in the last quarter of 2022 were especially strong and were impacted by a front loading of imports by Europe, in anticipation of the sanctions which were going to come into force in February 2023, as well as by higher volumes out of China, due to an important increase in government-allocated export quotas to local refineries.

²³ Data source: Baltic Exchange, S&P Global / IHS Markit

PRODUCTS TRANSPORTED BY TYPE - PRODUCT TANKERS*



*% estimated on a selection of the top 8 products transported

Maritime Services

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

The core 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.

SERVICE QUALITY

The d’Amico Group’s quality policy includes goals that cut across the Company’s 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 shortcomings
- process **control**, performance **monitoring**, **auditing** and implementation of **corrective measures**
- effective **communication and cooperation** with all stakeholders, including customers, charterers, manufacturers, suppliers, vendors and authorities, as well as between company offices and managed ships.

In particular, the 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, d’Amico 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:

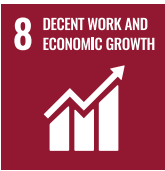
- direct communication with customers
- customer complaints and reports
- reports from ship command and ship agents
- results of audits carried out by appointed organisations
- internal relations of the Operational Department with feedback from people in direct contact with customers.

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



Claims and reports

SDGs



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

UN TARGET

3

Complaints received during 2022

35%

Of complaints relating to previous years resolved compared to the total of complaints from previous years

The Legal Department is responsible for handling claims received from third parties and those that d’Amico Group brings against them. Claims can be divided into the following main categories:

- **cargo claims:** claims that usually relate to the quality or quantity of cargo
- **charter-party disputes:** disputes arising from contractual terms, for example from charter contracts
- **MOA Claims:** disputes relating to a Memorandum of Agreement for the sale and purchase of a ship
- **demurrage:** dispute arising from the failure to load or discharge the ship within an agreed period in a charter agreement
- **FFO/collisions:** disputes relating to collisions with other vessels or allisions with FFOs
- **bunker contamination:** disputes relating to the contamination/off-specification of bunker supplied to the vessel
- **underperformance disputes:** claims 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 the vessel’s speed is lower and/or her consumption is higher than what has been contractually agreed between the shipowner and the charterer, the latter is entitled to claim damages.

CLAIMS BY TYPE								
	CARGO CLAIM	CHARTER-PARTY DISPUTES	MOA CLAIMS	DEMURRAGE	FFO ²⁴ / COLLISION	BUNKER CONTAMINATION	UNDERPERFORMANCE	TOTAL
2020	13	1	0	0	2	1	0	17
2021 ²⁵	12	2	0	1	3	2	0	20
2022	12	2	0	1	2	2	0	19

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

In 2022, 16 out of the 19 total claims were from previous years. Seven of them (four regarding cargo claims, one bunker contamination, one fines and one a charterparty dispute) were settled during the current year (35.0% of the previous complaints).

Three new claims were received by the Group in 2022 for cargo claim (2) and charter-party dispute (1). In conclusion, there are a total of 16 continuing claims in 2022.

²⁴ Fixed and Floating Objects, including damage to property such as piers, jetties, light-buoys and pipelines
²⁵ For 2021 and 2022, not only claims coming from usual clients and charterers have been included, but all the claims received from third parties against the vessels owned by the d’Amico Group and with a value of more than 50,000 USD

COMMUNICATION TO CLIENTS

SDGs

UN TARGET

KPIs 2022

**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

+ 19.1% international media coverage

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 the 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 participates in these events annually, especially in Asia, the USA and Europe to **strengthen existing business relationships and build new ones**. The Group also organised important **business and institutional events**, especially in Japan, Singapore and the USA, in order to facilitate communication with leading industry players and as a gesture of gratitude towards its partners.

The Product Tankers business area (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.

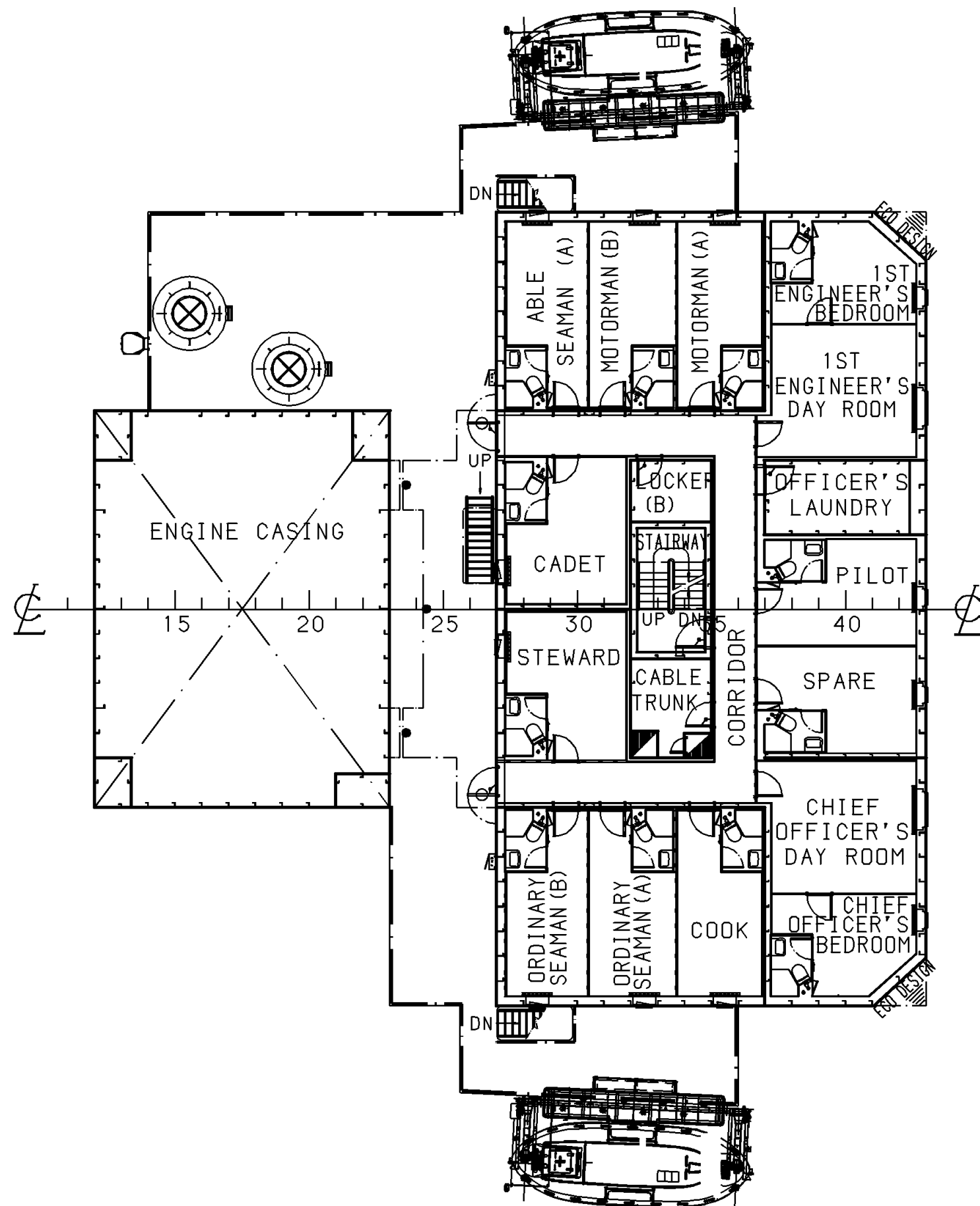
2022 featured the return of physical events. However, as in the previous year, the d'Amico Group also participated with its Shipowners and Top Managers in many on-line conferences and events organised by the main players of the shipping industry and the financial community.

The Group uses the web to provide customers and stakeholders with essential 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>).

In general, media coverage in 2022 has increased by 7.7% compared to 2021. The coverage of 2022 was characterised by articles concerning: DIS Financial results (15.8% of the total) and DIS refinancing count (13.3%), dry and tankers market (17.3%). The year **2022 marked an important increase in terms of international media coverage (+19.1% compared to 2021)**. The Group obtained high visibility thanks to the active presence of the Shipowners and the management in national and international shipping associations and institutions.



B-DECK



Community

SDGs

Sections of the Sustainability Report

Activities



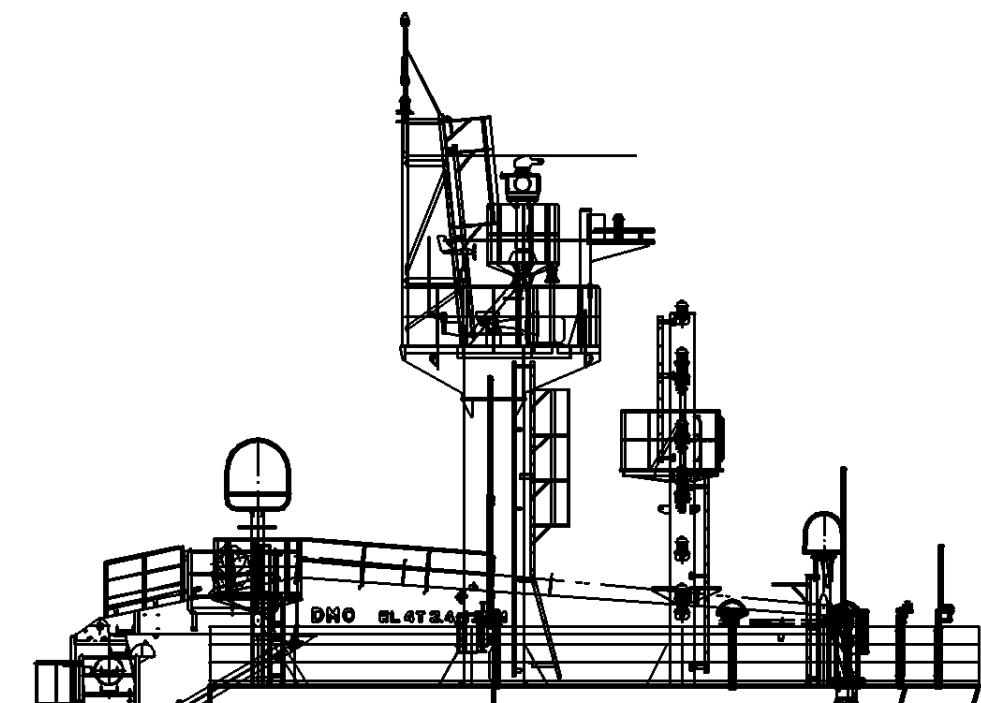
Participation in leading industry associations and organisations

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

KPIs 2022



17.17

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

122,000€

disbursed as membership fees for national and international shipowners and other associations in 2022



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 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 Chairman of the Cyber / Maritime Security Working Group. **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. In June 2021 Salvatore d'Amico was nominated President of Confitarma Young Shipowners Group.

REGISTRO ITALIANO NAVALE

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 2020-2023 period. 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**.

NORTHSTANDARD

The NorthStandard **is one of the world's leading Protection and Indemnity Club** with 650 employees worldwide and it insures approximately 350 million gross tonnage across all sectors. In 2017 Cesare d'Amico has been appointed as Chairman of The Standard Club Ltd. following the merge with the North of England P&I he was appointed as Chairman of the NorthStandard Ltd.

INTERCARGO

INTERCARGO, International Association of Dry Cargo Shipowners, **represents the interests of the leading Dry Cargo shipowners, with the aim of promoting free and fair competition**. The d'Amico Group is also highly involved in the association: Emanuele d'Amico is member of the Executive Committee, while the Technical Director is a member of the Technical Committee, who 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 **European Sustainable Shipping Forum (ESSF)**. The Forum was created to promote structural dialogue, the exchange of technical knowledge, cooperation and coordination between parties, with the aim of encouraging sustainable, competitive and quality shipping without compromising safety. Within the ESSF, the Group participates to **subgroup on "Air Emissions from Ships" and the subgroup on "Ship Energy Efficiency"**.

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 and 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 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 it 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.

ECPSF - European Commission Platform on Sustainable Finance

The platform is an advisory body subject to the Commission's horizontal rules for expert groups. Its main purpose is to **advise the European Commission on several tasks and topics related to further developing the EU taxonomy and to support the Commission in the technical preparation of delegated acts, in order to implement the EU taxonomy**.

The Platform brings together world leading sustainability experts across all stakeholder groups: private stakeholders from financial, non-financial and business sectors, NGOs and civil society, academia and think-tanks, experts in personal capacity, as well as public and international institutions.

One of d'Amico Group's managers has been nominated in 2021 as Tech Expert Member.

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. One of d'Amico's managers is Chairman of the Irish Chamber of Shipping.

SSA - Singapore Shipping Association

d'Amico Società di Navigazione S.p.A. and Ishima Pte Limited are members of the Singapore Shipping Association (SSA). The association was founded in 1985 and **represents over 470 member companies**, including shipowners, ship managers and operators, brokers, bunker suppliers, insurers, lawyers and bankers specialised 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 it 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, its membership represents approximately 60 percent of the world's merchant shipping tonnage in more than 120 countries, including shipowners, brokers and agents, etc. In the past, d'Amico Group's executives were members of the Association's technical committees.

THE LIBERIAN SHIPOWNERS' COUNCIL LTD

The Liberian Shipowners' Council Ltd. (LSC) is the national association of Liberian-flag shipowners. Membership enables shipowners to gain strength, through numbers, to better manage the significant threats and issues we are facing today, including:

Maritime legislation promoted by politicians who have limited knowledge or interest in marine transportation or the concerns of shipowners; Regulations that vary by region, state, and port; Threats to free trade and the ability to operate ships under an open register; and Criminal liability resulting from pollution, security or safety accidents.

As the voice of Liberian-flag shipowners, LSC articulates and advocates shipowner and industry positions to the Liberian Registry and works closely with the Registry to implement shipowner cost reductions, while maintaining the high standards of quality, safety, and environmental protection, for which the Liberian fleet is renowned.

LSC members represent all sectors of the shipowner community, including but not limited to, oil tankers, product tankers, chemical tankers, orange juice carriers, latex carriers, gas tankers, container ships, reefer ships, general cargo ships, bulk carriers, car carriers, livestock carriers, heavy-lift vessels, deep-water drilling rigs, offshore support vessels, research vessels, and passenger ships.

LSC directly influences the outcome of rules and regulations that affect shipowners. As a member of the International Chamber of Shipping, LSC represented shipowners' interests in Geneva during negotiations of the ILO Maritime Labour Convention. LSC is the only shipowner association dedicated to protecting the shipowners' right to operate under an open register. This is one of the reasons why many shipowners, who are members of traditional national shipowner associations, are also members of the LSC.

A major advantage enjoyed by LSC members is that their voice can influence the vote at IMO and ILO. As the national shipowner association of the world's largest white-listed register, LSC can ensure that its members' positions are favorably considered by the Liberian Administration in the IMO and ILO voting process.

The d'Amico Group Fleet Director is member of the Liberian Shipowner' Council Ltd.



d'AMICO GROUP'S COMMITMENT TO COMMUNITY

SDGs

UN TARGET

KPIs 2022



17.17

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

219,000€

Disbursed by the Group as donations and sponsorships in 2022

TRAINING

Student Naval Architect Award

The Student Naval Architect Award is a **prestigious award** that, for over 15 years, has been assigned to Genoa University students who have studied in the faculty of Naval Engineering or in similar subjects and who have 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 also a 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 and change management.

Thanks to this collaboration **every year students can develop a final work-project with the Group**. 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 many years, offering cadets the opportunity to board the vessels of the d'Amico fleet. The new Navy officers can complete their education with a period of onboard training and they can 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 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.

Atlantic Youth Trust

In 2022 the d'Amico Group, with d'Amico Tankers d.a.c and d'Amico Dry d.a.c., has signed a **partnership with the Atlantic Youth Trust** in order to support the social and environmental activities of the Charity. The goal of the Atlantic Youth Trust is **to connect young people with the ocean and its values** by involving them not only in the development of their maritime skills, but also with educational programs on ecological conservation and sustainability that incorporate the use and learning of ocean science data collection methods. To pursue these aims, the Atlantic Youth Trust has purchased a triple-mast vessel that will sail under the Irish flag around Ireland.

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 to 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 17 years of activity "Il Porto dei Piccoli" has assisted more than eleven 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 it 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 receiving the assistance they need to go back to live 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 it **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 in its mission to protect, care for and enhance Italy's historical, artistic and environmental heritage.

ENVIRONMENT

d'Amico Group believes in the **protection of the marine environment** and for that reason it supports Associations and NGOs which dedicate their efforts in preserving the marine environment.

Promotori Musei del Mare e della Navigazione Onlus Galata Sea Museum of Genoa

With the aim of promoting and developing the Italian maritime heritage, including its care for the environment, the d'Amico Group also supports the non-governmental "Associazione Promotori Musei del Mare e della Navigazione Onlus".

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 it 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.

Istituto Italiano di Navigazione

d'Amico Group is partner of the **Istituto Italiano di Navigazione**. Founded in 1959, the organization considers itself a link between the various institutions and businesses to promote the technical and scientific development of navigation and shipping.



Environmental Responsibility



2022 HIGHLIGHTS

88.2%

Dry Cargo fleet* compliant with EEDI - Energy Efficiency Design Index - phase II and with EEXI - Energy Efficiency Existing Ship Index

60.7%

Product Tanker fleet* compliant with EEDI phase II and with EEXI

17.9%

Product Tanker fleet* compliant with EEDI phase III and with EEXI

-11%

reduction of the AER - Annual Efficiency Ratio - of the d'Amico fleet (2019 vs 2022)

-1.5%

reduction of CO₂ emissions per transport unit (2022 vs 2020)

-2.9%

reduction of NO_x emissions per transport unit (2022 vs 2020)

-1.3%

reduction of bunker consumption per transport unit (2022 vs 2020)

97.7%

low-sulphur bunker fuel out of total bunker fuel consumed

Zero

accidents and spills in the last three years

96.3%

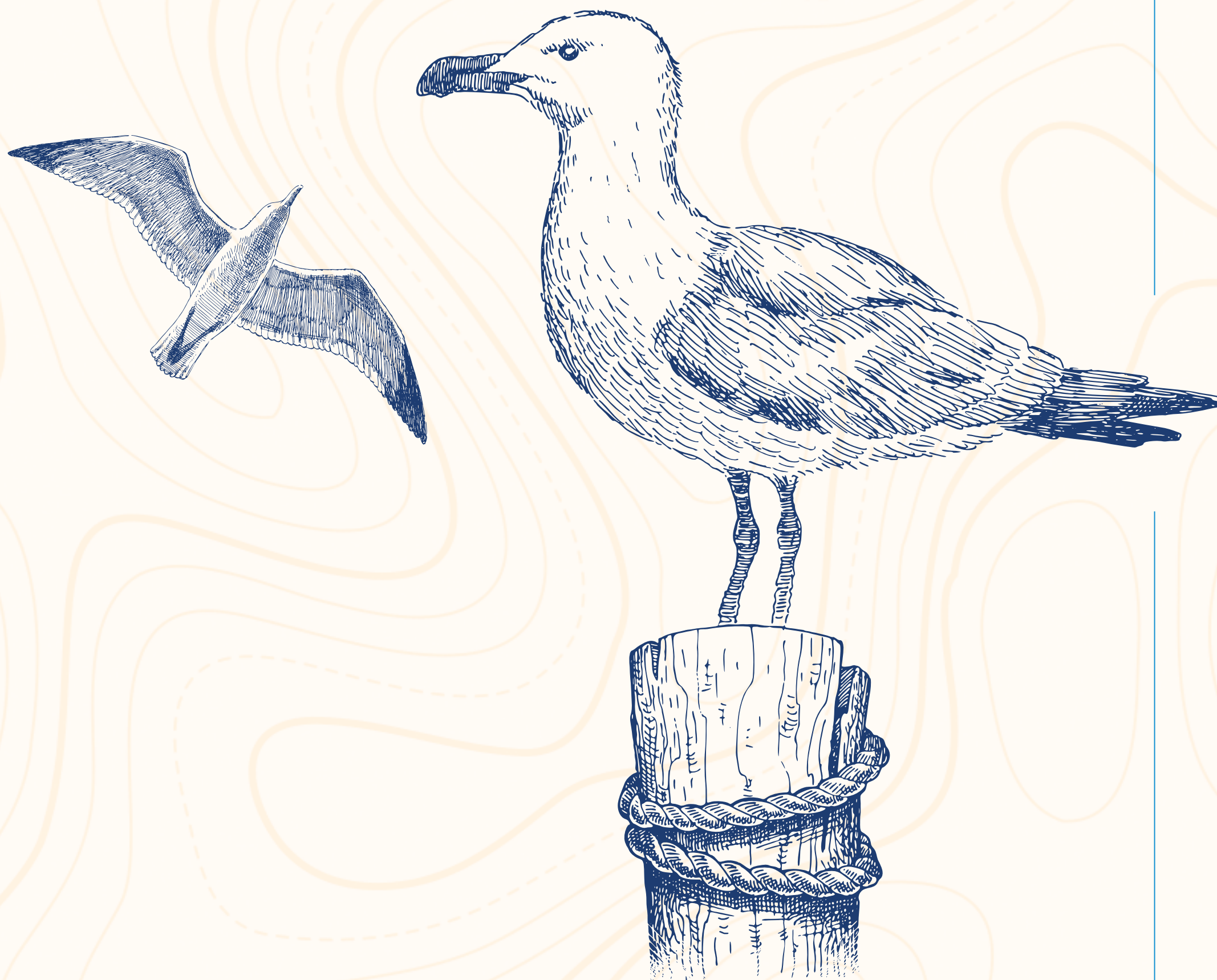
of the total fresh water used in 2022 onboard was produced by fresh water generators

0.999

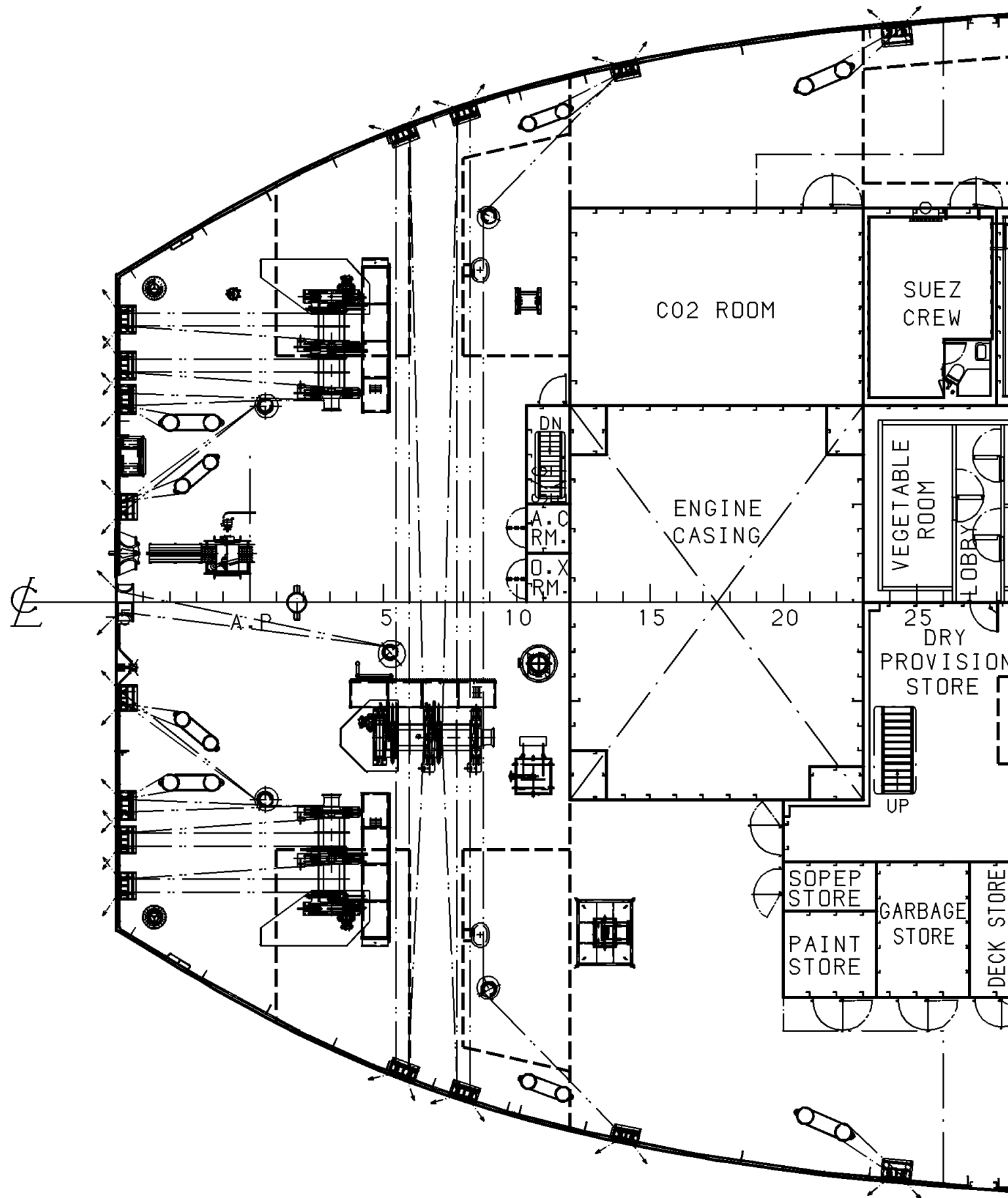
fleet reliability index, considering the maximum target of 1

63.8%

the sustainable mobility rate for going to work among all the d'Amico offices



*owned and bareboat fleet



Environmental Responsibility

SDGs	Sections of the Sustainability Report	Activities
	Environmental policy and strategy	<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
	Water management	<ul style="list-style-type: none"> Achieve an efficient consumption of water within vessels, offices and Group's facilities.
	Environmental policy and strategy Fleet environmental performance Environmental management at facilities	<ul style="list-style-type: none"> Renewal of "Eco" fleet, in line with IMO directives, thanks to the implementation of innovative technologies Achieve increasingly efficient energy consumption within the offices
	Environmental policy and strategy	<ul style="list-style-type: none"> Prevent hazardous actions, injuries, illnesses, accidents to personnel, material and environmental damage Improve the safety of all employees by developing an internal culture of safety
	Decarbonisation and digitalisation strategy 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 Reduce travel between offices and increase 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
	Fleet 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 which are caused by water and air pollution
	Sea and Marine environmental Safety Water management	<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 considers **environmental protection and respect for the environment a mission**. Its environmental policy is a key reference point for its Integrated Management System and in the adoption of international certifications. d'Amico 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 marine 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 the economy. 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, as 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.

The sector has a highly cohesive approach when adopting and implementing **international safety standards**, under the umbrella of the International Maritime Organisation - IMO, which regulates this huge and diverse sector.



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 is secure, environmentally friendly, energy efficient and safe. Lastly, **IMO works towards supporting the United Nations' Sustainable Development Goals**, to which the d'Amico Group also adheres.

The shipping industry 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.

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 2015, the Paris Climate Agreement dealing with greenhouse gas emissions set out a global action plan to put the world on track to avoid dangerous climate change by limiting global warming to well below 2°C. Subsequently, **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.** 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;
- **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) 2012/33²⁶ in European ports.



²⁶ 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 progress for a more sustainable life on the planet. The shipping industry, with the support of the IMO regulatory framework, has already started the transition towards this sustainable future. The **IMO’s objectives are: safe, secure and efficient shipping on clean oceans.**

The IMO’s main objectives include the commitment to fight climate change by continuing to develop measures to cut greenhouse gas emissions, reduce the sulphur content of ships’ fuel oil, implement the Ballast Water Management Convention, protect the polar regions and reduce marine litter.

The fundamental purpose of the IMO is rooted in the **conservation and sustainable use of the oceans and their resources.** The 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**, the 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 **digitalisation** of shipping and enhancing the **participation of women** in the maritime community.

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



Moreover, the 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 investments 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 is on the front-line today, facing security threats from **global terrorism and modern-day piracy** on the world’s oceans. For this reason, the IMO promotes maritime security coordination and cooperation among States, regions, organisations and industry, and support Member States in the implementation of the International Ship and Port Facility Security (ISPS) Code on board all ships and in all ports engaged in international maritime transport.



2023 WORLD MARITIME THEME: MARPOL AT 50 - OUR COMMITMENT GOES ON.

The theme reflects the organization's long history of protecting the environment from the impact of shipping via a robust regulatory framework and emphasises its ongoing commitment to this important work. **The 2023 theme** promotes discussions on the next phase of IMO's work to further protect the planet and the oceans and is also linked to the UN 2030 Agenda for Sustainable Development.

Among the 17 Sustainable Development Goals (SDGs), it is in particular connected to:

- **SDG 7** on affordable and clean energy
- **SDG 9** on industry, innovation and infrastructure
- **SDGs 13** and **14**, which highlight climate action and sustainable use of the oceans, seas and marine resources
- and **SDG 17** on the importance of partnerships and implementation to achieve these goals.



The requirements of the International Maritime Organisation and the European Union

The International Maritime Organisation (IMO) has identified further potential for improving the efficiency of maritime transport and reducing greenhouse gas emissions. In 2011, it approved the adoption of both technical measures (EEDI²⁷), to **ensure efficient ship design with respect to environmental impact, and operational measures** (SEEMP²⁸), 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 the implementation of activities to achieve them, monitoring and measurements, continuous improvement as well as an operational efficiency indicator (EEOI²⁹).

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 Note (BDN), flow meters, bunker fuel oil tank monitoring 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 **with the aim of 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 to improve information about the efficiency of vessels and to encourage the reduction of emissions and fuel consumption.

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

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

For the future, three additional measures have been approved and entered 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), that will impose a requirement equivalent to EEDI Phase 2 or 3 for all existing ships regardless of their year built. The EEXI is to be verified by the Administration and a new IEEC³⁰ 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 year³¹. 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. At the MEPC 78 in June 2022, the correction factors to be applied for the calculation of the Carbon Intensity Indicator (CII) have been 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 - required for the 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 in mid-June 2021, d'Amico 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 chapters regarding the Fleet and the Decarbonisation Projects.

²⁷ Energy Efficiency Management Design Index

²⁸ Ship Energy Efficiency Management Plan

²⁹ Energy Efficiency Operational Indicator

³⁰ International Energy Efficiency Certificate

³¹ Corrective factors and relevant methods of calculations will be finalised and approved at MEPC 78.

The Poseidon Principles³²

The Poseidon Principles is a **global framework for responsible ship finance** that provide a structure for integrating climate considerations into lending decisions to **promote the decarbonisation of international shipping**. The Poseidon Principles are a global framework for assessing and disclosing the climate alignment of financial institutions’ shipping portfolios. Therefore they also serve as an important tool to support responsible decision-making.

These Principles apply to lenders, relevant lessors, and financial guarantors including export credit agencies. They must be applied by all Signatories in all business activities:

- regarding **credit products** - including bilateral loans, syndicated loans, club deals, and guarantees - secured by vessel mortgages, finance leases secured by title over vessel, or unmortgaged ECA loans tied to a vessel
- where a vessel or vessels fall **under the purview of the IMO**.

The Poseidon Principles are consistent with the policies and ambitions of the IMO, including its ambition for GHG emissions to peak as soon as possible and to reduce the total annual GHG emissions.

Currently, **27 financial institutions** are Signatories to the Poseidon Principles - **representing a bank loan portfolio to global shipping of approximately \$185 billion - nearly 50% of the global shipping finance portfolio**, and more banks are expected to join in the near future. Signatories commit to implementing the Poseidon Principles in their internal policies, procedures, and standards and to work in partnership to implement the Poseidon Principles.

The Poseidon Principles are intended to evolve over time to include other issues where the collective influence of financial institutions can help improve the contribution the industry and its leaders can make to society.

The Poseidon Principles **rely specifically on the Annual Efficiency Ratio (AER) as the carbon intensity metric**. It is the ratio of a ship’s carbon emissions per actual capacity distance (e.g., dwt/nm sailed). The AER uses the parameters of fuel consumption, distance travelled and design deadweight tonnage.

To assess the climate alignment of a single vessel, its annual carbon intensity is compared with the decarbonisation trajectory³³ for its ship type and size class. The climate alignment of a product and or portfolio is a weighted average of the vessel carbon intensities in each product or portfolio.

Standard decarbonisation trajectories are produced by the Secretariat of the Poseidon Principles for each ship type and size class.

The Poseidon Principles for Marine Insurance recognize the role insurers play in the shipping industry and promote responsible environmental stewardship throughout the maritime value chain. They set a benchmark for what it means to be a responsible insurer in the maritime sector and provide actionable guidance on how to achieve this.

The Poseidon Principles for Marine Insurance are consistent with the policies and ambitions of the International Maritime Organization (IMO) and they have also chosen to take steps toward alignment with the Paris Agreement.

As a result, the Poseidon Principles for Marine Insurance enable insurers to assess and disclose their portfolios with responsible environmental impacts and incentivize international shipping’s decarbonization - to support a better future for the shipping industry and society.

The Poseidon Principles for Marine Insurance are applicable to insurance providers with hull and machinery coverage and are supported by insurance brokers and business partners. They apply globally, to all shipping activities where a vessel or vessels fall under the purview of the IMO.

³² <https://www.poseidonprinciples.org/finance/about/>

³³ A decarbonisation trajectory is a representation of how many grams of CO₂ a single ship can emit to move one tonne of goods one nautical mile over a time horizon.

Future environmental regulations and directives

"Fit for 55" is part of the European Commission's ambitious decarbonisation strategy, which aims to reduce greenhouse gas emissions in the EU by 55% by 2030. The directive will have a direct impact on the maritime sector through the **Emission Trading System (ETS)**, the **Fuel EU** and the **Energy Taxation Directive (ETD)**, in addition to the **IMO's decarbonisation targets**.


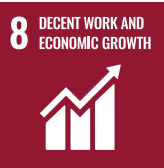
First and foremost, the EU Emission Trading System will be extended to maritime transport. The **cap-and-trade system** will be applied to all voyages between ports in the European Economic Area (EEA) and which either commence or terminate in a EEA port. The directive will cover not only CO₂ emissions, from 1 January 2024, but also methane (CH₄) and nitrous oxide (N₂O) from 1 January 2026. The monitoring tool will be the EU MRV (Monitoring, Reporting and Verification), which will have to be partially modified, but with which d’Amico’s fleet has been compliant since 2017.

Fuel EU, which sets a **maximum limit on the greenhouse gas intensity of fuels used onboard**, will enter into force in 2025 to promote the use of neutral emission fuels, fuels from renewable sources (such as biofuels) or low carbon fuels. Companies will be requested to provide data on the carbon intensity and sustainability characteristics of biofuels, while verifiers will issue a certificate of conformity to complying ships. The Required GHG intensity improvements will increase every five years and reach 75% with respect to 2025 in 2050.

The Energy Taxation Directive, which will introduce a **minimum tax rate on certain fuels**, is the European Union’s framework for the taxation of energy products. Unlike the ETS and the Fuel EU, the ETD will be paid by the bunker procurer, and it will apply to all bunkers sold in the EEA. Taxation will start on January 1st, 2023, with a 10-year transition period. The tax is just 12% of what other sectors that use fossil fuels such as gasoline and diesel will be charged, to reduce the risk that shipowners and operators would source bunkers outside the EU. Ammonia and advanced biofuels used in shipping will be exempt to encourage sustainable alternative fuels.

These add to the IMO’s decarbonisation targets. The industry’s resulting **transition towards a low-carbon economy comes with opportunities as well as risks**. Many indicators, such as the CII and EEXI, are coming into force in the next years, forcing shipping companies to report their emissions. Climate change and GHG emissions may adversely affect d’Amico’s operating results. Therefore, in the last few years, d’Amico Group’s technical department has constantly studied and sought new technologies and innovative solutions (such as the testing of biofuels on its vessels), anticipating and when possible foreseeing new industry regulations, to guarantee the Group’s commercial relevance. d’Amico, thanks to its young and modern eco-fleet, guarantees a commercial activity aligned and compliant with the forthcoming EU regulations mentioned above.



ENVIRONMENTAL POLICY AND STRATEGY

SDGs	UN TARGET	KPIs 2022
	7.3 By 2030, double the global rate of improvement in energy efficiency	86% “Eco” vessels in the d’Amico Group’s (owned and bareboat)
	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 tonnes / 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 environmental aspects and improving energy performance as an integral part of its business. To achieve this goal, 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
- 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.

FLEET ENVIRONMENTAL PERFORMANCE

SDGs	UN TARGET	KPIs 2022
	7.3 By 2030, double the global rate of improvement in energy efficiency	0.0121 tonnes of fuel consumption per transport unit (-3.2% since 2020) for Dry Cargo vessels 0.0126 tonnes of fuel consumption per transport unit (-0.5% since 2020) for Product Tankers vessels
	13.2 Integrate climate change measures into national policies, strategies and planning	0.0388 tCO ₂ emissions per transport unit (-1.5% since 2020) 0.0001 tSO _x emissions per transport unit (+2.1% since 2020) 0.0007 tNO _x emissions per transport unit (-2.9% since 2020)

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.

The Group is committed to implement 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, inviting them to contribute and offer their assistance in achieving specific goals and 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.

The following tables represent the evolution of the **composition of d’Amico’s fleet during the last three years**, in order to provide useful information to better understand the environmental performance reported in the following chapters. Both the Dry Cargo and the Product Tankers sectors saw a reduction in the number of owned and bareboat vessels (-15.0% and -9.7% since 2021), while the total deadweight tonnage increased for Dry Cargo (+5.2% since 2021) and decreased for Product Tankers (-10.2% since 2021).

DRY CARGO FLEET (owned and bareboat)	2020	2021	2022	Var. 21-22
Number of vessels	20	20	17	-15.0%
Total deadweight tonnage	1,162,011	1,162,011	1,222,916	+5.2%

PRODUCT TANKER FLEET (owned and bareboat)	2020	2021	2022	Var. 21-22
Number of vessels ³⁴	34	31	28	-9.7%
Total deadweight tonnage	1,751,565	1,638,093	1,470,802	-10.2%

Energy efficiency

The d’Amico Group **has implemented various technologies designed to reduce the energy consumption of its own fleet at the new building stage.**

Specifically, the decision to install two-stroke engines with greater power than necessary, but de-rated and electronically controlled, lowers the specific consumption curve on the one hand and reduces the revolutions per minute of the engine shaft on the other, 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 2% - 4% and 3% - 5% less power, respectively. 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. Moreover, all ‘Eco’ vessels have been designed with the aim of **optimising speed**, which is lower than in the previous generation of conventional ships.

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.

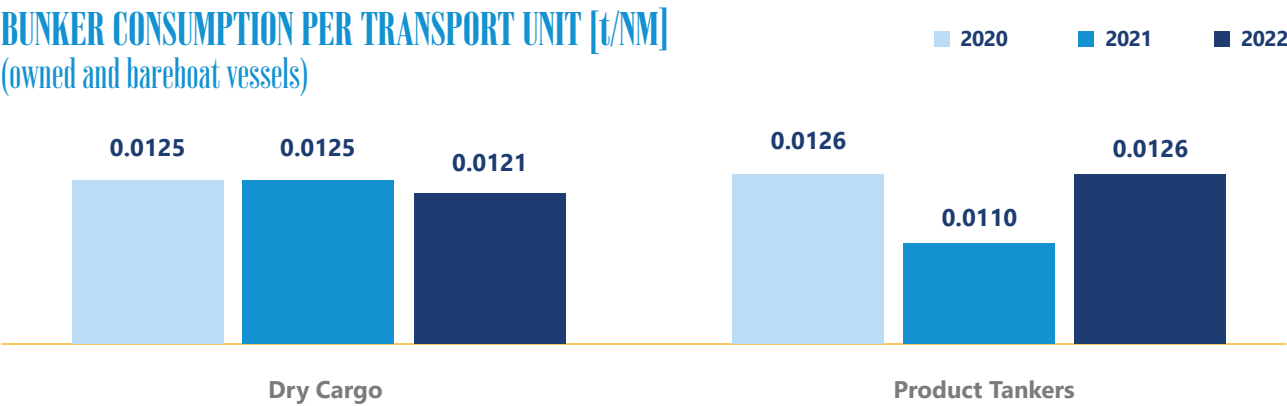
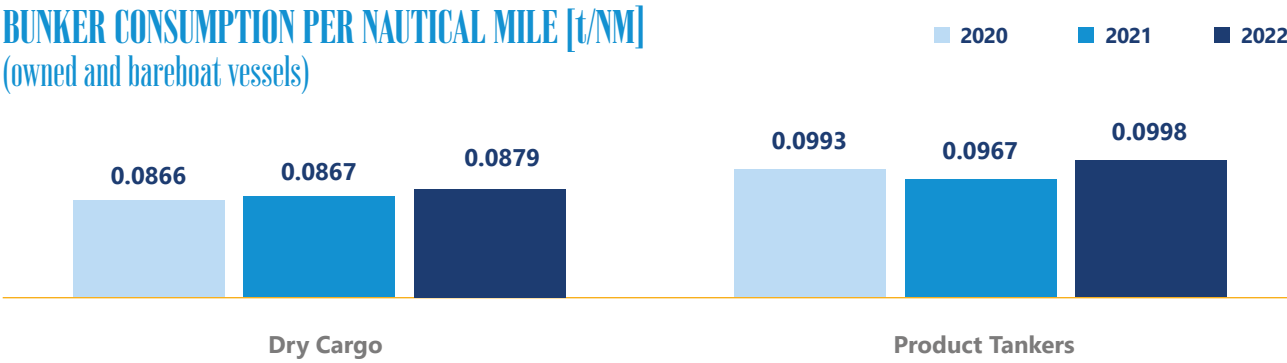
FUEL DRY CARGO (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
Bunker [t]	91,168.5	91,101.4	81,249.4	-10.8%
Bunker per nautical mile [t/NM]	0.0866	0.0867	0.0879	+1.4%
Bunker per transport unit [t/t]	0.0125	0.0125	0.0121	-3.2%

FUEL PRODUCT TANKERS (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
Bunker [t]	175,565.3	151,130.6	153,143.4	+1.3%
Bunker per nautical mile [t/NM]	0.0993	0.0967	0.0998	+3.2%
Bunker per transport unit [t/t]	0.0126	0.0110	0.0126	+14.2%

³⁴ Glenda's vessels were employed through a joint venture at 50%. For this reason, emissions were calculated at 50%. In August 2022 d’Amico Tankers d.a.c. gained control of 100% of the joint venture. Subsequently, in September 2022, the four MR vessels were employed at 100%.

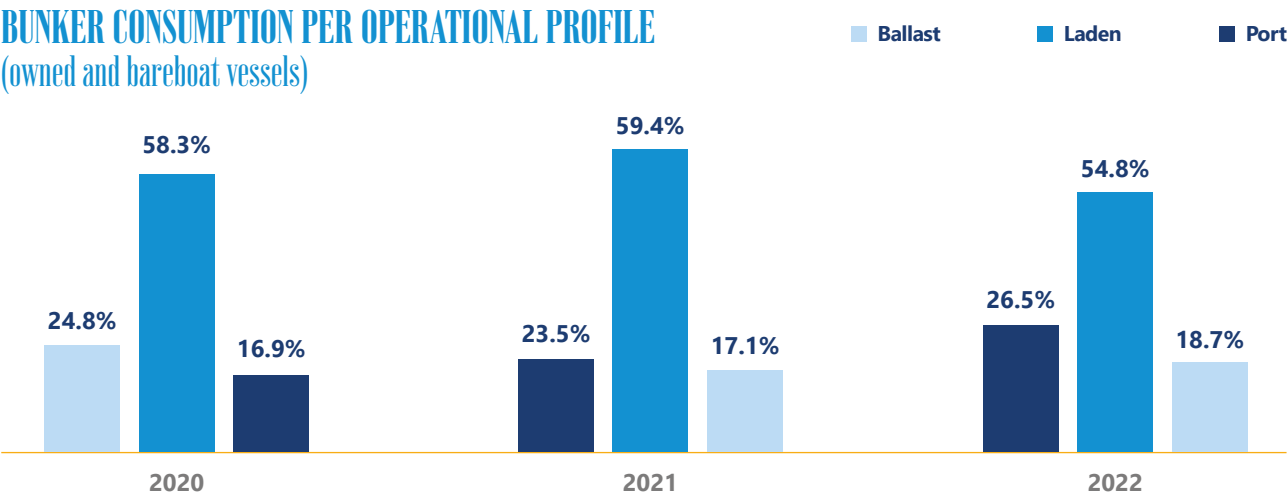
In 2022 the bunker consumption in the Dry Cargo business unit decreased significantly (-10.8%). Both the consumption per nautical mile (+1.4%) and per transport unit (-3.2%) registered lower variations but the second marked a relevant decrease, nonetheless.

Meanwhile, the **Product Tanker business unit slightly increased its bunker consumption since 2021**, but maintained it significantly inferior **with respect to 2020 (-12.8%)**. The consumption per transport unit and the consumption per nautical mile registered respectively a slight increase (+3.2%) and a significant one (+14.2%) with respect to 2021, but both variations realigned the indicators to the values registered in 2020.



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 fuel consumption percentage in relation to the operational profile**, namely: ballast journeys, laden journeys and the period of stay in port.



Among the three operating profiles, **Laden identifies the productive profile which the Group uses to create profit**, as it represents the use of the ship to transport cargo and therefore also the most profitable profile. Instead, the ballast profile - which represents trips with an empty ship and with only ballast water on board - and the port profile represent two unprofitable and non-productive moments in a vessel utilisation cycle. The **goal of d'Amico**, and in general of a shipping company, **must therefore be to minimise the ballast legs and waiting time/port days**.

From the graph it can be understood that **most of the consumption of the d'Amico Group**, and consequently of emissions, **comes from trips carried out with loaded vessels** for the transport of goods, while a smaller share is attributable to trips in ballast mode and only 18.7% is attributable to consumption within port facilities.

Compared to 2021, there has been a slight increase of the bunker consumptions in ports and with empty ships (+1.0% and +3.0%) due to various factors, among which waiting time in ports and frequency of short voyages play a key role.

Emissions

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

CO₂ EMISSIONS³⁵

CO₂ emissions data reflect the results obtained in fuel consumption savings and energy reduction.

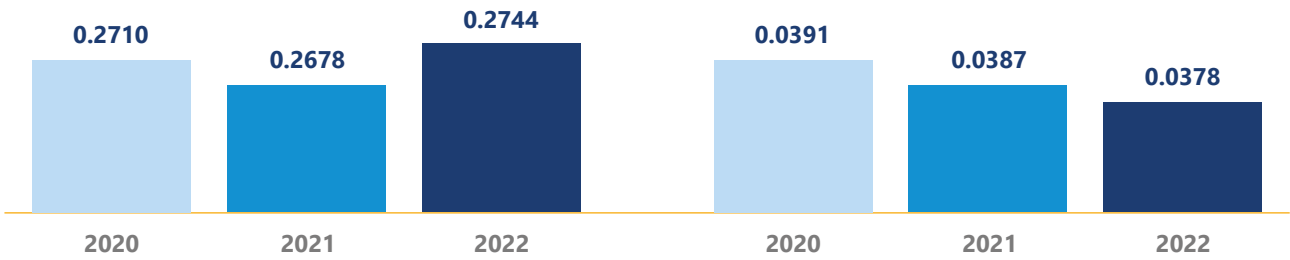
Dry Cargo

EMISSIONS (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
CO ₂ emissions [tCO ₂]	285,437.0	281,530.0	253,697.2	-9.9%
CO ₂ per nautical mile [tCO ₂ /NM]	0.2710	0.2678	0.2744	+2.5%
CO ₂ per transport unit [tCO ₂ /t]	0.0391	0.0387	0.0378	-2.2%

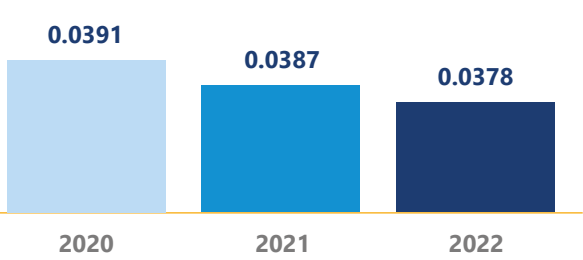
In the Dry Cargo business unit, **CO₂ emissions continue to fall, dropping by 9.9% from 2021**. Similarly to the variations for bunker consumption, CO₂ emissions per nautical mile rose by 2.5%.

Instead, the emissions per transport unit continued decreasing in 2022 (-2.2%) thanks to a reduction in overall emissions more than proportional to the reduction of the transported load.

CO₂ EMISSIONS PER NAUTICAL MILE [tCO₂/NM] (owned and bareboat vessels)



CO₂ EMISSIONS PER TRANSPORT UNIT (tCO₂/t) (owned and bareboat vessels)



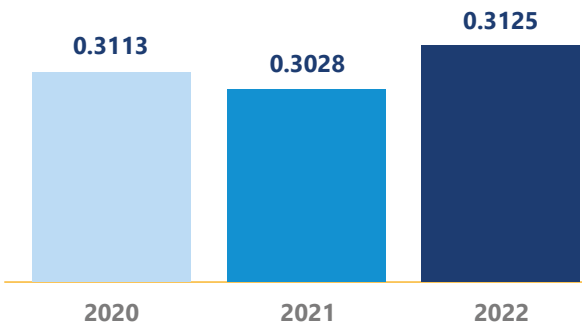
³⁵ The IMO provides the following formula for measuring the CO₂ emitted in burning fuel:
CO₂ [tonnes-CO₂] = CF [tonnes-CO₂ / MT] x Fuel consumed [MT], where CF is the Carbon Factor that is related to the different type of fuel. Detailed information can be found in the "Methodological Note"

Product Tanker

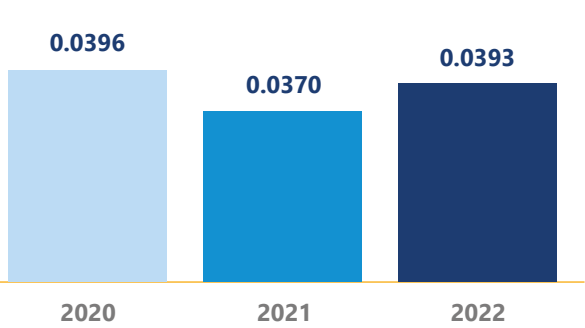
EMISSIONS ³⁶ (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
CO ₂ emissions [tCO ₂]	550,165.9	473,174.1	479,286.3	+1.3%
CO ₂ per nautical mile [tCO ₂ /NM]	0.3113	0.3028	0.3125	+3.2%
CO ₂ per transport unit [tCO ₂ /t]	0.0396	0.0370	0.0393	+6.4%

In 2022 the carbon dioxide emissions **in the Product Tanker business unit registered a slight increase (+1.3% since 2021)**, in line with the fuel consumption trend, **remaining at a significantly lower level than that of 2020**. This particularly affected CO₂ emissions per transport unit, which increased by 6.4% in 2022, while emissions per nautical mile experienced a smaller rise (+3.2% since 2021). Both values are close to those recorded in 2020.

CO₂ EMISSIONS PER NAUTICAL MILE [tCO₂/NM] (owned and bareboat vessels)



CO₂ EMISSIONS PER TRANSPORT UNIT (tCO₂/t) (owned and bareboat vessels)



³⁶ The 2021 and 2022 values have been adjusted with respect to what was included in the d'Amico Group's 2021 Sustainability Report and in d'Amico International Shipping Annual Report 2022, due to more precise data collection.

SO_x EMISSIONS³⁷

Following the new IMO regulation entered into force in 2019, the **use of low-sulphur fuel in the d’Amico’s fleet** increased from 19.3% in 2019 to 97.7% in 2022 fostering a sharp reduction of the SO_x emissions. As a result, **SOx emissions for the total fleet declined by 87.2% since 2019**.

Dry Cargo

EMISSIONS (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
SO _x emissions [tSO _x]	778.0	821.0	752.8	-8.3%
SO _x per nautical mile [tSO _x /NM]	0.00074	0.00078	0.00081	+4.3%
SO _x per transport unit [tSO _x /t]	0.00011	0.00011	0.00011	-0.4%

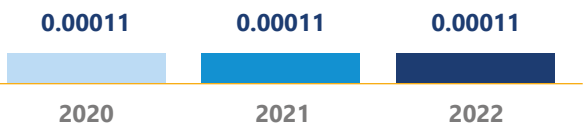
In the Dry Cargo business unit, SOX emission shows a reduction of 8.3% with respect to 2021. At the same time, SO_x emissions per nautical mile increased by 4.3% during 2022, while emissions per transport unit remained almost unchanged. This increase is largely due to the different mix of time each individual ship spent outside the emission control area where the allowed sulphur content is 0.5%, and inside the emission control area where the required sulphur content is 0.1%. This difference in ship routing can produce minimal changes in SO_x emissions between the years.

In the pipeline for 2023 the Dry Cargo division has planned the installation of two scrubbers ready for closed loop operation.

SO_x EMISSIONS PER NAUTICAL MILE [tSO_x/NM]
(owned and bareboat vessels)



SO_x EMISSIONS PER TRANSPORT UNIT (tSO_x/t)
(owned and bareboat vessels)



³⁷ The following formula was used to calculate the SOX content in the fuel burned:
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"

Product Tanker

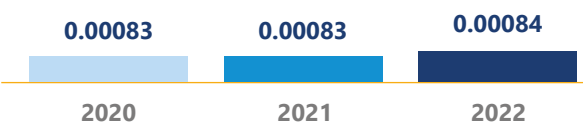
EMISSIONS (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
SO _x emissions [tSO _x]	1,471.5	1,292.0	1,293.2	+0.1%
SO _x per nautical mile [tSO _x /NM]	0.00083	0.00083	0.00084	+2.0%
SO _x per transport unit [tSO _x /t]	0.00011	0.00010	0.00011	+5.1%

In the Product Tanker business unit, sulphur oxide emissions were affected by a significant reduction in 2021, while in 2022 they remained aligned to the level reached in 2021 (+0.1%). Overall, in the three years considered sulphur oxide emissions declined by 12.1%.

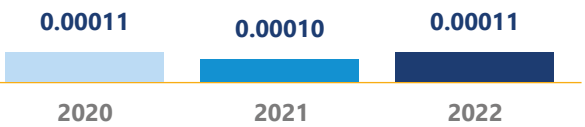
In 2022 sulphur emissions per nautical mile increased by 2.0%, while sulphur emissions per transport unit increased by 5.1% returning to the level reached in 2020.

In the pipeline for 2023 the Product Tanker division has planned the installation of two scrubbers ready for closed loop operation.

SO_x EMISSIONS PER NAUTICAL MILE [tSO_x/NM]
(owned and bareboat vessels)



SO_x EMISSIONS PER TRANSPORT UNIT (tSO_x/t)
(owned and bareboat vessels)



NO_x EMISSIONS³⁸

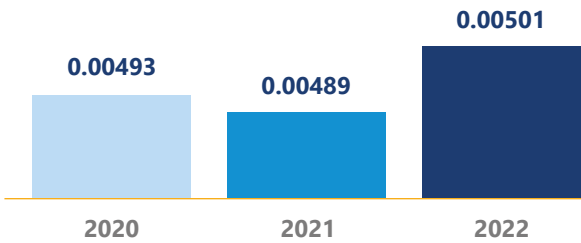
Nitrous oxides are more complicated to calculate, as they are related to the type and speed of the engine according to values provide by the IMO.

Dry Cargo

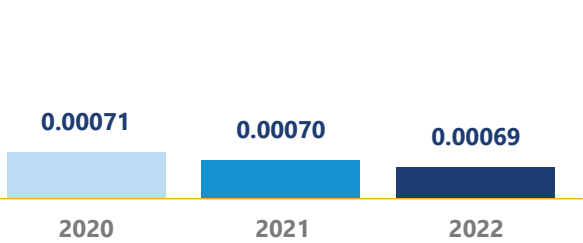
EMISSIONS (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
NO _x emissions [tNO _x]	5,197.0	5,136.0	4,631,2	-9.8%
NO _x per nautical mile [tNO _x /NM]	0.00493	0.00489	0.00501	+2.5%
NO ₂ per transport unit [tNO _x /t]	0.00071	0.00071	0.00069	-2.1%

In the Dry Cargo business unit, nitrous oxide emissions continued to fall, with a decline of 9.8% in 2022. Similarly to CO₂ emissions, NOX emissions per nautical mile rose by 2.5% and emissions per transport unit fell by 2.1%.

NO_x EMISSIONS PER NAUTICAL MILE [tNO_x/NM]
(owned and bareboat vessels)



NO_x EMISSIONS PER TRANSPORT UNIT (tNO_x/t)
(owned and bareboat vessels)



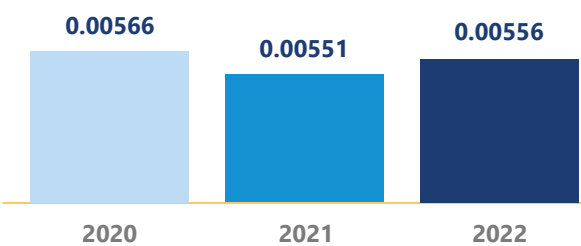
³⁸ In the analysis, an approximate formula suggested by the IMO has been used:
NO_x [tonnes] = Fuel Consumed [MT] x 57 [kg/MT] /1000, where 57 [kg/MT] is the average Emission Factor for NOX. Detailed information can be found in the "Methodological Note"

Product Tanker

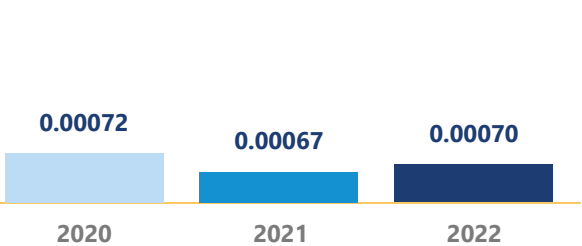
EMISSIONS (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
NO _x emissions [tNO _x]	10,007.20	8,614.40	8,525.70	-1.0%
NO _x per nautical mile [tNO _x /NM]	0.00566	0.00551	0.00556	+0.8%
NO ₂ per transport unit [tNO _x /t]	0.00072	0.00067	0.00070	+3.9%

In the Product Tanker business unit, following a significant decline in 2021, nitrous oxide emissions further decreased in 2022 (-1.0%). Overall, a reduction of 14.8% was achieved in the three-year period 2020-2022. NOX per transport unit emissions remained aligned to 2021 (+0.8%), whereas emissions per nautical mile increased slightly (+3.9%), both remaining inferior to the value registered in 2020.

NO_x EMISSIONS PER NAUTICAL MILE [tNO_x/NM]
(owned and bareboat vessels)



NO_x EMISSIONS PER TRANSPORT UNIT (tNO_x/t)
(owned and bareboat vessels)



d'AMICO SUPPORT TO INTERTANKO GUIDE ON THE BEST PRACTICES 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, the d'Amico Group provided

substantial support for the Intertanko Guide on Best Practices for Tanker Performance Monitoring, which is the **first performance monitoring guide for the entire shipping industry.**



DECARBONISATION AND DIGITALISATION STRATEGY

SDGs

UN TARGET

KPIs 2022



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

71%

of fleet compliant with Energy Efficiency Design Index (EEDI) phase II and **11%** with EEDI phase III regardless of construction date

89%

of fleet compliant with Energy Efficiency Existing Ship Index (EEXI)

-2.8%

the Energy Efficiency Operational Index (EEOI) achieved by d'Amico total fleet, with respect to 2020

Digitalisation of record books, big data analysis and CBM

allow the Group to monitor, analyse and perform operations efficiently

33%

of fleet applies a Condition-Based Maintenance approach

44%

of fleet applies an Electronic LOGBOOK onboard

100%

of 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**. This is possible thanks to the d'Amico Group's long-term vision that anticipated the development of various projects aimed at achieving decarbonisation.

IMO ENERGY EFFICIENCY REQUIREMENTS AND DATA COLLECTION SYSTEM

The parameters that allow to measure decarbonisation are monitored by applying the **ENERGY EFFICIENCY DESIGN INDEX (EEDI)** - the IMO reference index that expresses the ratio between "environmental impact" and "benefit for society" or between "carbon dioxide emitted" and "deadweight tonnes per miles travelled". The IMO requires the technical efficiency improvement of ships, and therefore of EEDI, over three 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 lower than the "EEDI required" for the type of ship under consideration.

82% of the total owned and bareboat vessels of d'Amico Group's fleet meet at least Phase II, given that the average EEDI obtained is 27.5% lower than the reference value. This is due to the adoption of the most recent technologies in order to reduce consumption and emissions.

Among the additional measures that have been approved and entered into force in 2023, there is a mandatory Carbon Intensity Indicator - grams of CO₂ per dwt (Deadweight tonnage) per mile - and a rating scheme where all cargo and cruise ships above 5,000 gross tonnage are given a rating of A to E every year. 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. At the MEPC 78 in June 2022, the correction factors which will be applied for the calculation of the Carbon Intensity Indicator (CII) have been approved.

At the same time, the **IMO has amended the MARPOL Annex VI for the prevention of air pollution from ships, introducing a data collection system for fuel oil consumption by ships**.

Under the amendments – from January 2019 – ships of 5,000 gross tonnage and above, are required to collect consumption data for each type of fuel oil used, as well as other additional specified data, including proxies for transport work. The aggregated data is reported to the ship's flag state after the end of each calendar year and the flag state, having determined that the data has been reported in accordance with the requirements, issues a Statement of Compliance for the ship and subsequently transfers such data to an IMO Ship Fuel Oil Consumption Database. The IMO will be required to present an annual report to the Marine Environment Protection Committee (MEPC) summarising the data collected and the methodology used to collect and report the data must be included in a new part of the existing Ship Energy Efficiency Management Plan (SEEMP).

During 2018, **d'Amico updated all its vessels' SEEMP, obtaining the Confirmation of Compliance from the respective Flag States**. Furthermore, starting from 2020 all of DIS' vessels regularly receive the Statement of Compliance relating to the data submitted covering the operation of such ships in the previous calendar year. Currently all vessel data collected for the year 2022 have been transmitted to the verifier, and **all Group vessels have received the Statement of Compliance by the ships' flag states**.

EU PLAN FOR DECARBONISATION AND MRV CRITERIA

The European Union was the first major economy to submit its intended plan to reduce greenhouse gas emissions by at least 40% before 2030. In this respect, the EU issued Regulation 757 (2015) for the **Monitoring, Reporting and Verification (MRV) of CO₂ emissions** by vessels for voyages between European ports.

To comply with this regulation, **the d'Amico Group has prepared a specific Monitoring and Reporting Plan for each vessel** - beginning from 2018 - together with the procedure to provide all data needed for monitoring and reporting. At the end of each calendar year, all data must be verified and a report with the CO₂ emissions must be submitted to the EU Commission, which then issues a specific certificate for each vessel. **All d'Amico vessels involved in EU voyages have obtained the proper certificates**. Currently, all vessel data collected for the year 2022 have been reviewed and submitted to the EU. The Group has received the Document of Compliance for each vessel.

After Brexit, a very similar process has been implemented for all UK voyages as well, inasmuch as the UK has established its own monitoring, reporting and verification regime.

The d'Amico Group has prepared an addendum to each of its vessels' Monitoring and Reporting Plan to include this new requirement and has submitted the plan for assessment by the suitable Recognised Organisation. Data collection started on January 2022 and in 2023 the reports have been submitted for verification for each vessel.

The d'Amico Group fleet was one of the first fleets in the world to become fully compliant with the EU Monitoring, Reporting and Verification criteria and to be certified by RINA, as well as responding in advance to the verification performed for SEEMP Part II IMO Data Collection. Today's challenge, for a shipping company such as the d'Amico Group, is having 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.



d'AMICO'S COMMITMENT TO GREEN FLAG PROGRAMME

The Green Flag programme is promoted by the port of Long Beach; it 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 in 2017 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.



Decarbonisation and digitalisation at d'Amico Group

Decarbonisation and digitalisation are **the main challenges that the shipping industry is facing** and will continue to face in the near future. The d'Amico Group is facing these challenges through its environmental strategy and its commitment to decarbonise its fleet by making it even more efficient, digitalised and technologically advanced.

The **d'Amico Group's fleet is among the youngest of the industry**, with an average age of 7.6 years for tankers and 5.9 years for Dry Cargo. Compared to the industry average age (12.8 years), the Tankers are 5.2 years younger, while with regard to Dry Cargo, d'Amico's vessels are 4.9 years younger than the average market age of 10.8 years. This is possible thanks to an important and an extensive fleet renewal programme launched by the d'Amico Group between 2013 and 2019, which involved over 40 ships. Thanks to these investments, **all d'Amico's vessels are equipped with highly advanced technologies that strongly reduce their environmental impact with significant increases in efficiency and energy savings and a reduction in consumption and emissions.**

The d'Amico Group monitors and measures all the decarbonisation related KPIs - required by the IMO, the EU, the Poseidon Principles and all the other institutions - **and also outperforms the standards**, always studying and analysing new solutions aimed at expediting the decarbonisation of its fleet.

Moreover, **in 2020 the Group set up a "carbon war room"** in order to:

- reduce the risk connected to the time scale for the implementation of short-term measures adopted by the IMO
- comply with the next Fuel EU Regulation - with kick-in in 2025
- accelerate the adoption and exploitation of technical solution for ship efficiency and deratings - low and zero carbon.

On a monthly basis, the fleet management department discusses the opportunities offered by the industry, shipyards and OEM (Original Equipment Manufacturing) regarding new technologies - for example alternative and transitional fuels, propulsion systems and energy-saving devices - allowing to speed up the implementation of short terms measures adopted by the IMO on the existing tonnage, but also looking at long-term measures (alternative fuels).



The carbon war room has studied different leading solutions in conjunction with the projects carried out according 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, with engine manufacturers having well-established repair and spare parts networks.

3. LNG Fuelled ships



LNG fuelled ships for not tramp business will be widely used and be a common trend for all possible emission pathways, due to the high maturity in the industry, for the next 1.5 decades; however, it will be a bridge technology towards the zero-carbon emission goal.

5. Scale up and sustainability



The common problems for alternative fuels (green ammonia, green hydrogen, green methanol, biofuels) toward the decarbonisation of shipping are scale-up and their production from renewable energies.

7. Biofuel blends



Biofuel blends from renewable feedstock can speed up decarbonisation in the short and medium terms with an immediate effect on the existing tonnage equipped with conventional engines for which the conversion to alternative fuels is not practicable. In fact, biofuel blends bring immediate benefit to the environment with very low investments.

9. Green Corridors



Green corridors would establish favourable conditions for decarbonisation, allowing policy makers to create an enabling ecosystem - with targeted regulatory measures, financial incentives, and safety regulations - and to encourage lowering the cost of green-fuel production, which could in turn help to mobilise demand for green shipping. Furthermore, green corridors could create a secondary effect, reducing shipping emissions on other routes.

2. Dual Fuel technology



Dual fuel technology for not tramp business will become progressively predominant, offering more flexibility in case of a shortcoming in supply chain infrastructure of alternative fuels.

4. Ammonia and methanol fuelled ships



Green Ammonia, which offers a better energy by volume value than hydrogen and green methanol, will most likely be one of the fuels of the future in not tramp business.

6. Deep water vessels redesign



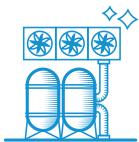
Deep water vessels need a holistic approach in redesign due to the very low-density energy of alternative fuel (ammonia, hydrogen) compared to conventional fuel.

8. Efficiency



Efficiency is another key dimension - in the short-term period - of decarbonisation. Well-known technologies and simple measures - instead of draconian ones - can give good results in terms of efficiency and savings, with a very fast return on investment.

10. Carbon Capture Technology



Carbon capture and storage is expected to play a key role in meeting the CO₂ reduction target in the tramp business combined with the use of Biofuels blends

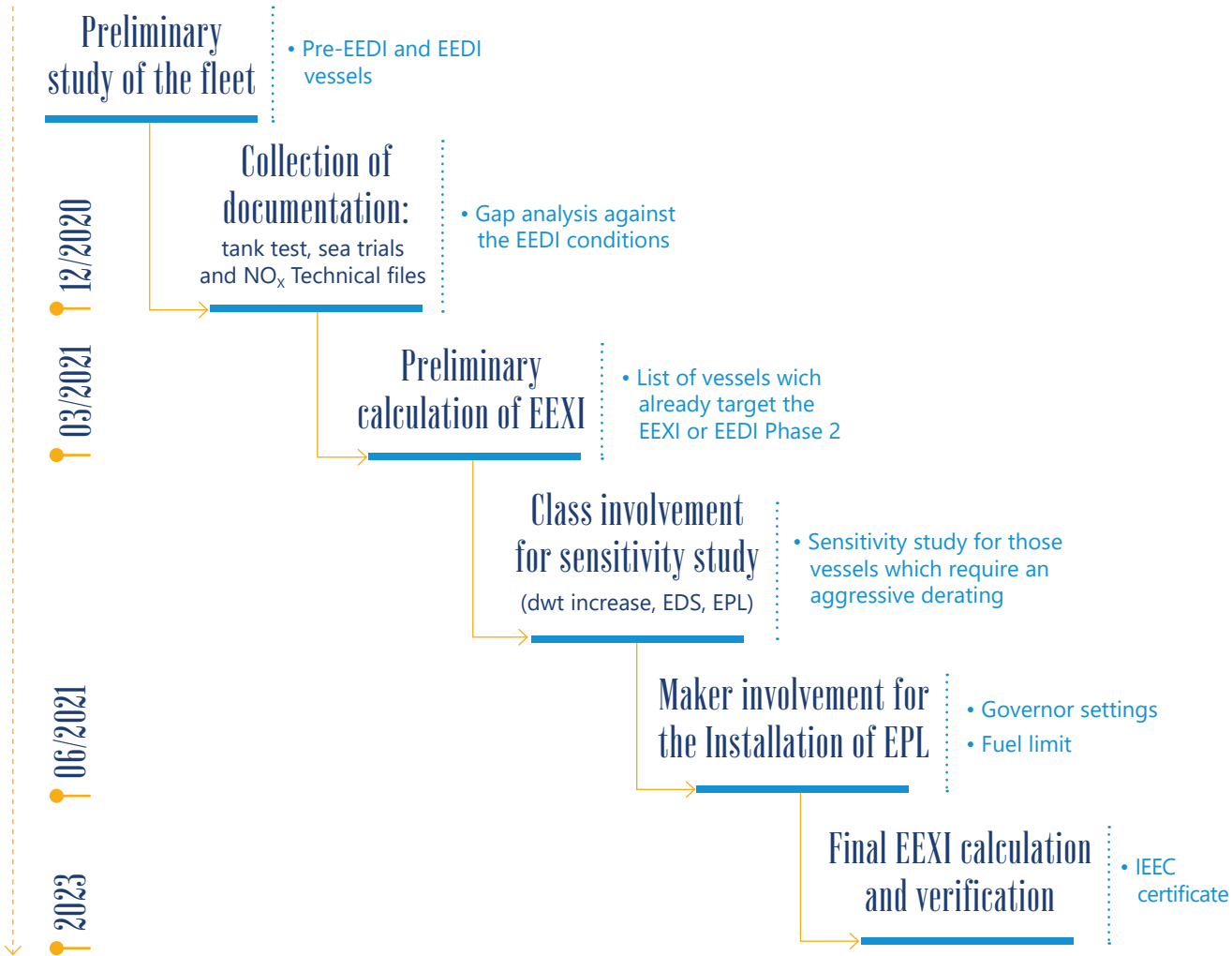
Short term measures adopted by the IMO

EEXI – Energy Efficiency Existing Ship Index

Since the end of 2020, the d'Amico Group has **started to assess its fully owned fleet, anticipating regulations** in order to be prepared for the final calculation and verification of the Energy Efficiency Existing Shipping Index (EEXI) in 2023. Throughout 2020, 2021 and 2022, the d'Amico Group started the preparation of its owned fleet to comply with the short-term measures for the GHG reduction adopted at the IMO MEPC 76³⁹ that took place from 10 to 17 June 2021. The revised Annex VI requires ships to calculate their Energy Efficiency Existing Ship Index (EEXI) and establish an annual operational Carbon Intensity Indicator (CII) and rating. The amendments to MARPOL Annex VI have entered into force on 1 November 2022, while **the requirements for EEXI and CII certification entered into force from 1 January 2023**.

The EEXI requires existing ships to improve their technical efficiency to the extent that they are comparable to that of an equivalent new ship of the same type and deadweight which would be required to comply with the applicable EEDI Phase, which for the d'Amico fleet is Phase II.

The primary method of compliance on the existing ships is to reduce the power installed rather than fitting energy-saving devices, and this mainly due to the timing of the two approaches, but also because the EDS (Energy-Saving Devices) are not so effective in reducing the attained EEXI. However, to improve the efficiency of the fleet and to comply with the EEXI requirements, **the Group's technical management decided to combine both methods: overridable power limit (OPL) with energy-saving devices (EDS)**. To understand the risk profile of the d'Amico fleet, the Group started the preparation for the compliance well in advance, as shown by the plan below.



³⁹ The 80th session of the IMO's Marine Environment Protection Committee (MEPC 80) adopted a revised GHG Strategy. The revised strategy aims to significantly curb GHG emissions from international shipping. The new targets include a 20% reduction in emissions by 2030, a 70% reduction by 2040 (compared to 2008 levels), and the ultimate goal of achieving net-zero emissions by 2050. New regulations are expected to enter into force around mid-2027.

As of today, **the risk profile of d’Amico’s overall fleet is minimal**, because only 13% of the fleet - pre-EEDI ships - is required to comply with the EEXI by installing an OPL.

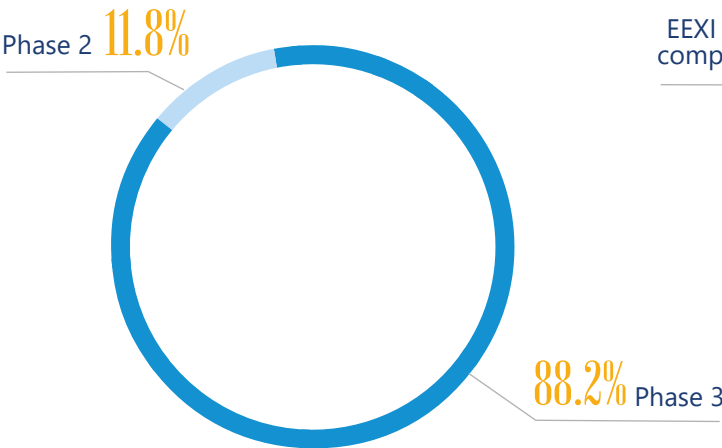
The graphs below show d’Amico vessels’ compliancy with the EEXI requirements, being already compliant with EEDI phase 2 in the Dry Cargo sector and phase 2 and 3 in the Products Tanker business sector.

Dry Cargo

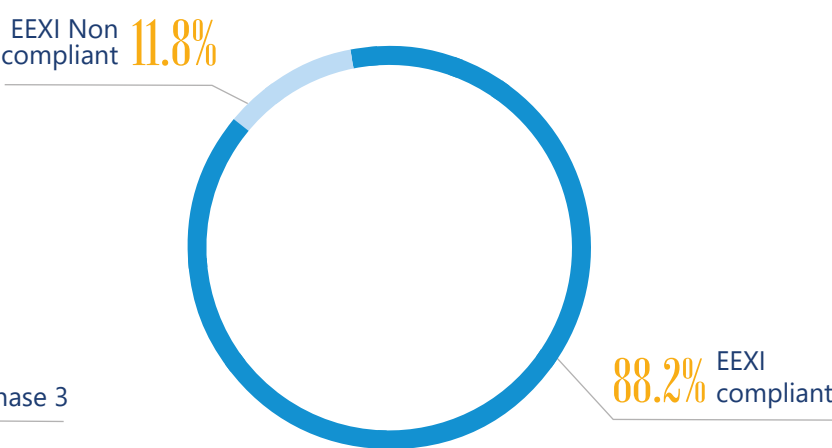
In 2022, **88.2% of d’Amico Dry Cargo ships is already compliant with EEDI Phase II**, while only 11.8% (two ships) are still non-compliant, even if they still pass Phase I.

As a result, even with regard to the EEXI - which includes ships that have passed Phases II and II -II there is an 88.2% compliance rate in the Dry Cargo sector.

POST AND PRE EEDI SHIPS



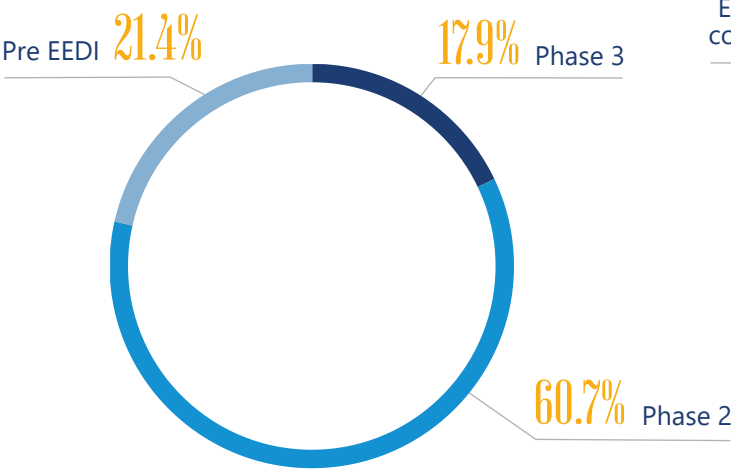
EEXI COMPLIANT SHIPS



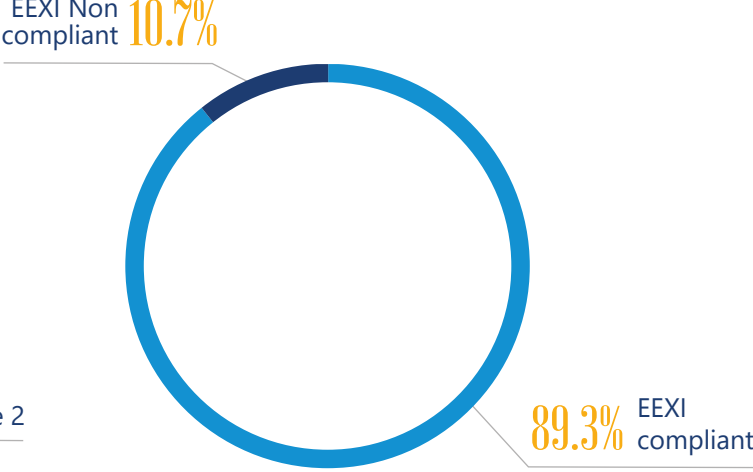
Product Tanker

As instead regards the Product Tanker sector, **60.7% of the ships are already compliant with Phase II of the EEDI and 17.9% of them are also compliant with Phase III in 2022**. There are six ships in the pre-EEDI Phase (21.4%). The percentage of ships compliant with the "Energy Efficiency Design Index for Existing Ships" is therefore 89.3%, a value even higher than the EEXI recorded by Dry Cargo vessels.

POST AND PRE EEDI SHIPS



EEXI COMPLIANT SHIPS

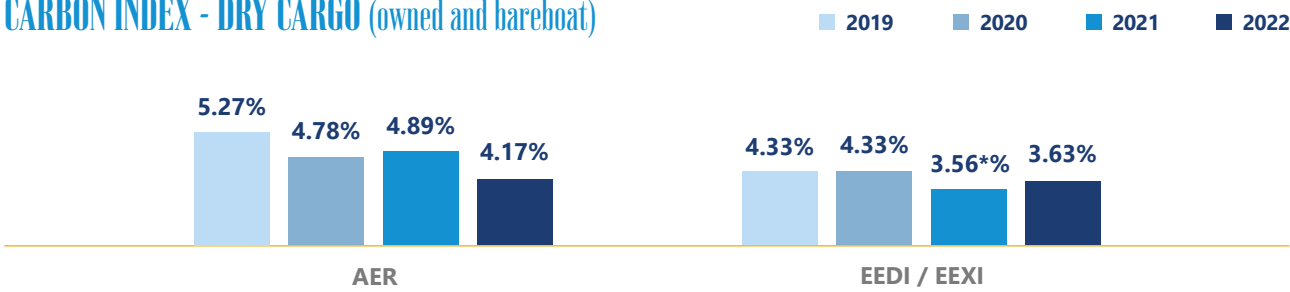


Carbon intensity and energy efficiency indicators

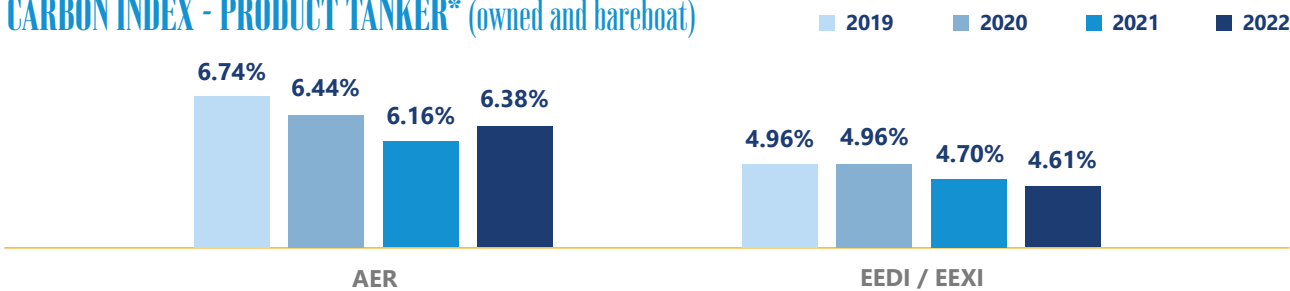
In 2021 the Group launched a project to calculate and monitor the attained CII in real time, with the aim of promptly undertaking the corrective actions deemed necessary to keep or to improve the CII, and by the end of 2022 the project has been **satisfactorily completed**.

To understand the risk profile related to vessel size, type of cargo (heated or not), adverse weather conditions, waiting time and short voyages, the d’Amico Group conducted an **internal study** on its fleet using the AER (Annual Efficiency Ratio), the metric chosen by the IMO.

CARBON INDEX - DRY CARGO (owned and bareboat)



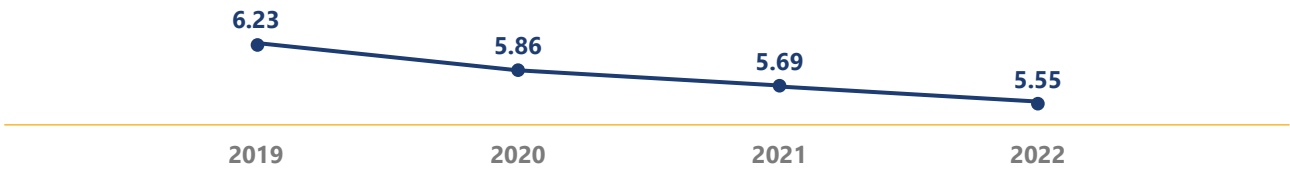
CARBON INDEX - PRODUCT TANKER* (owned and bareboat)



* The 2019 value reported for the Dry Cargo sector's EEDI/EEXI and all the values reported for the Product Tankers sector's AER have been adjusted with respect to what was included in the d'Amico Group's 2021 Sustainability Report due to more precise data collection.

During 2022, the Dry Cargo fleet achieved an improvement with respect to the AER (-14.7% since 2021) and registered a slight increase with respect to the EEDI/EEXI obtained in 2021 (+2.0%). The Product Tanker fleet registered instead a slight increase with respect to the AER (+3.6% since 2021) and an improvement with regards the EEDI/EEXI obtained (-1.9% since 2021). Overall, considering the time span **from 2019 to 2022, the performance of d’Amico’s fleet improved substantially**, as can be seen in the following graph. In particular, considering the total fleet’s AER there has been a 10.9% reduction since 2019.

ANNUAL EFFICIENCY RATIO (AER) - d’AMICO FLEET* (owned and bareboat)



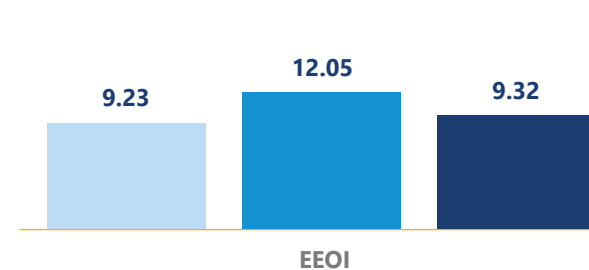
* The values reported for the d'Amico fleet's AER have been adjusted with respect to what was included in the d'Amico Group's 2021 Sustainability Report due to more precise data collection.

Having the cargo effectively carried out and the fuel oil actually consumed in the formula, **the EEOI index (Energy Efficiency Operational Indicator) is more representative of a good and efficient operational management rather than AER**, which also uses the fuel actually consumed in the formula, but then uses the vessel’s DWT instead of the actual amount of cargo transported.

For both Dry Cargo and Product Tankers a marginal increase with respect to 2020 is registered (+1.0% and +3.2%), partly due to the variation in the bunker consumption per operational profile presented in the chapter "Fleet environmental performance", explained by a reduction of miles in laden condition.

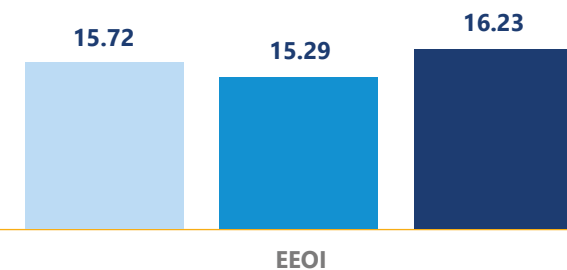
EEOI INDEX - DRY CARGO

■ 2020 ■ 2021 ■ 2022



EEOI INDEX - PRODUCT TANKERS*

■ 2020 ■ 2021 ■ 2022



* The 2019 value reported for the Product Tanker sector's EEOI have been adjusted with respect to what was included in the d'Amico Group's 2021 Sustainability Report due to more precise data collection.



The pillars of the d'Amico Group decarbonisation strategy

d'Amico has set **five pillars** to guide, implement and develop its environmental strategy, focusing on both technical and managerial aspects and on the research of new frontiers to lead its business towards:

FLEET EFFICIENCY



Improvement of propulsion, propeller, hull and electric load efficiency

ALTERNATIVE FUELS PROJECTS



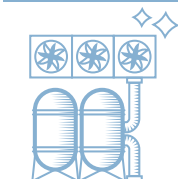
Use of biofuel blends from renewable sources, targeting permanent certification on owned vessels

MAIN ENGINE DERATING



Main Engine derating by installing overridable power limit

CARBON CAPTURE AND STORAGE ON BOARD



Use of post combustion technologies to reduce the CO₂ footprint of the fleet

DIGITALISATION PROJECTS



Use of IT and digital solutions to improve vessels' performance, reduce energy consumption and implement real-time monitoring of the CII

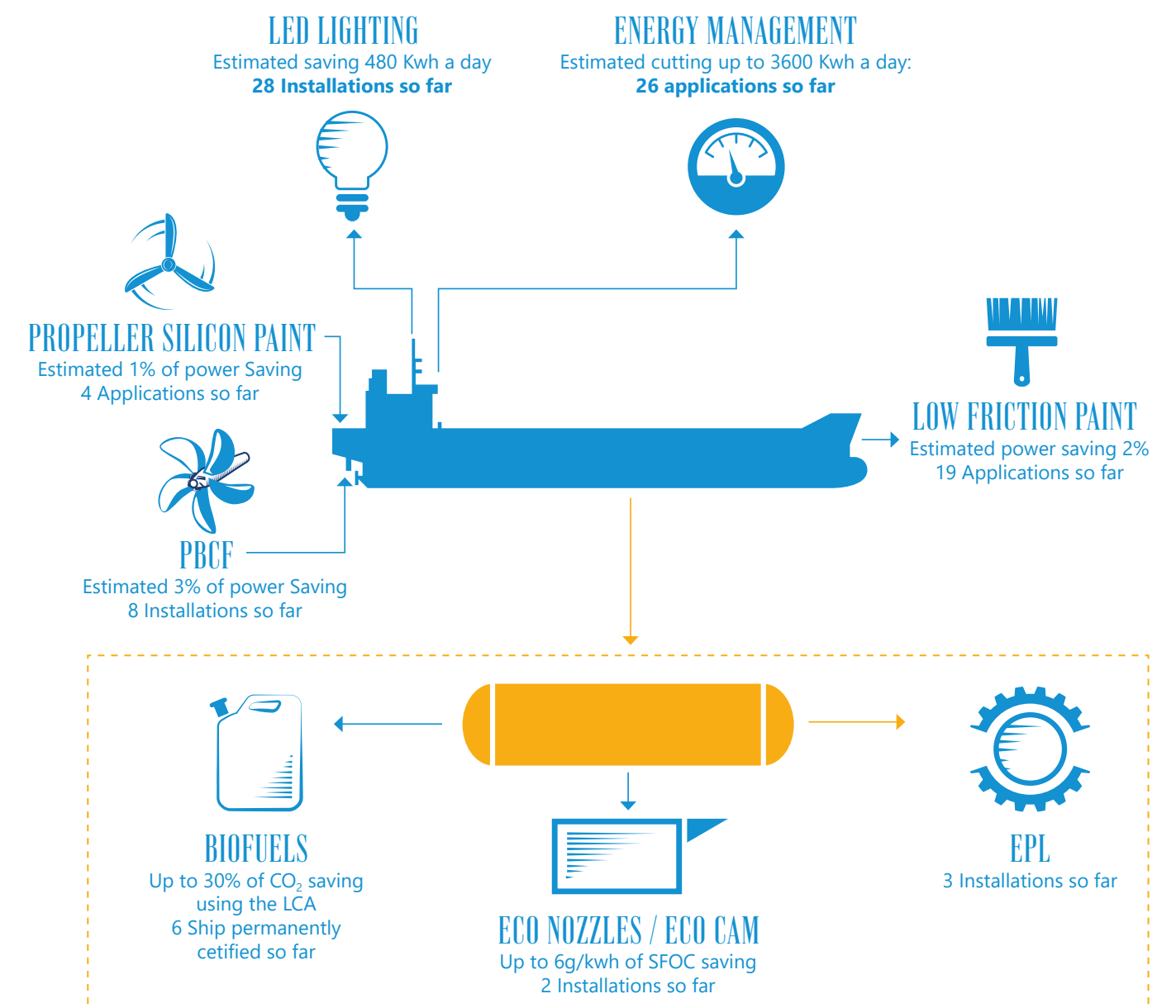
MAIN ENGINE DERATING AND EFFICIENCY

While studying the medium and long-term strategy for decarbonisation, the d'Amico Group technical department is committed to the **deployment of short-term solutions**. In particular, the d'Amico Group is working on two different aspects: vessel efficiency and derating activities.

As regards the **efficiency measures implemented by the Group**, the following should be mentioned:

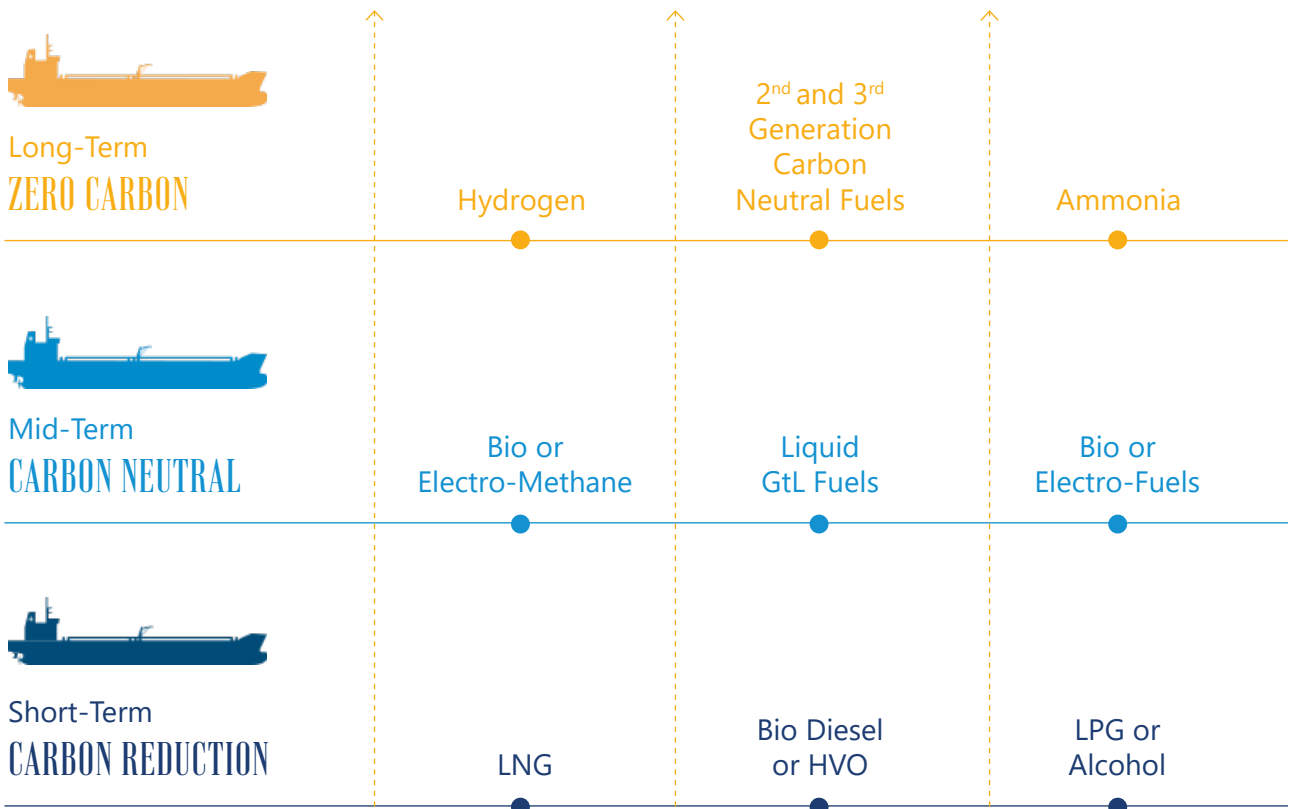
- the installation of a main engine Eco Nozzle to boost propulsion efficiency
- the installation of Propeller Boss Cap Fins (PBCF) to improve propeller efficiency
- the application of very low friction rates to improve hull efficiency
- the soft cleaning of hull and propeller to keep the hull efficient
- the application of Silicon Paint on the propeller
- the replacement of traditional neon with LED lights to increase electric load efficiency
- the cutting of non-essential consumption in different operational profiles to improve electric load efficiency

On the other hand, the Group is working on the installation of an Overridable Power Limit on its vessels to derate the main engine.



ALTERNATIVE FUELS

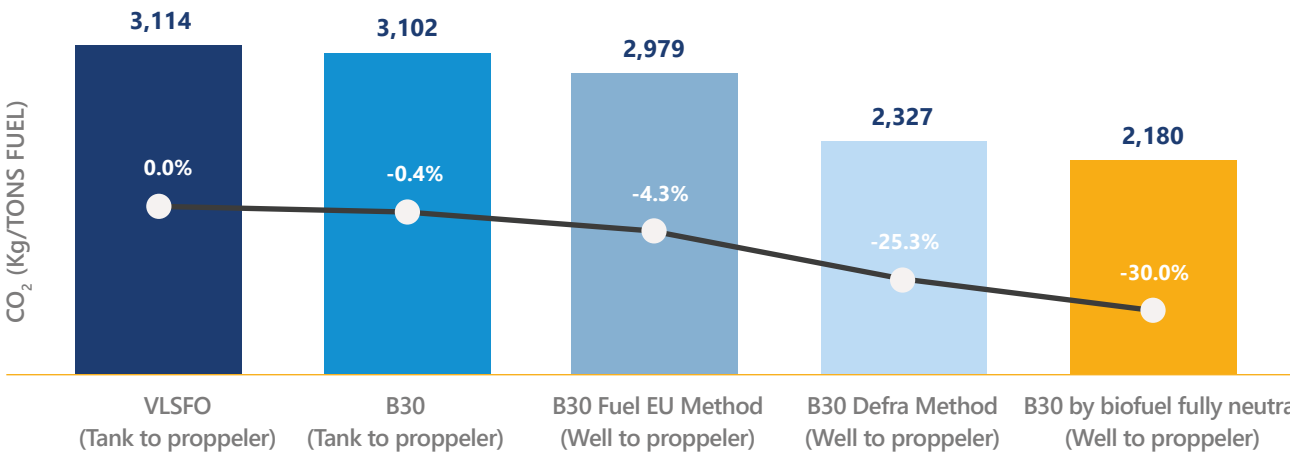
In line with the most common vision of the three possible pathways for shipping decarbonisation, the d'Amico Group has already **started working on the evolution of biodiesel and biofuel blends**, following the central pathway of biofuel from renewable feedstock as a potential low-carbon fuel of the future.



Source: American Bureau of Shipping – ABS

In June 2021 the Group launched a Joint Industry Project (JIP) to test the biofuel blends (B30) derived from advanced second-generation feedstock on board of one of its Product Tankers. The trials showed **very positive results on the reduction of CO₂ emissions** - using the LCA (lifecycle analysis) - **and on the NOX emissions which remained stable and within the limits allowed**.

LIFE CYCLE ANALYSIS RESULTS



The results of the trials underline that the biofuel blend is a viable solution to comply with the Fuel EU regulation and, pending the availability of feedstock and scale up of production worldwide, a “Drop In” solution to speed up the decarbonisation of the existing tonnage, contributing to the level of ambitions set by the IMO - which currently call for international shipping to reduce its CO₂ emissions and halve them by 2050.

According to the results achieved on the M/T Cielo di Rotterdam, the **d'Amico Group has strategically certified all LR1 vessels to operate permanently with the B30 biofuel blend by the Flag administration**. The plan for 2023 is to certify the entire fleet and to test B40 and B50 biofuel following the same methodology.

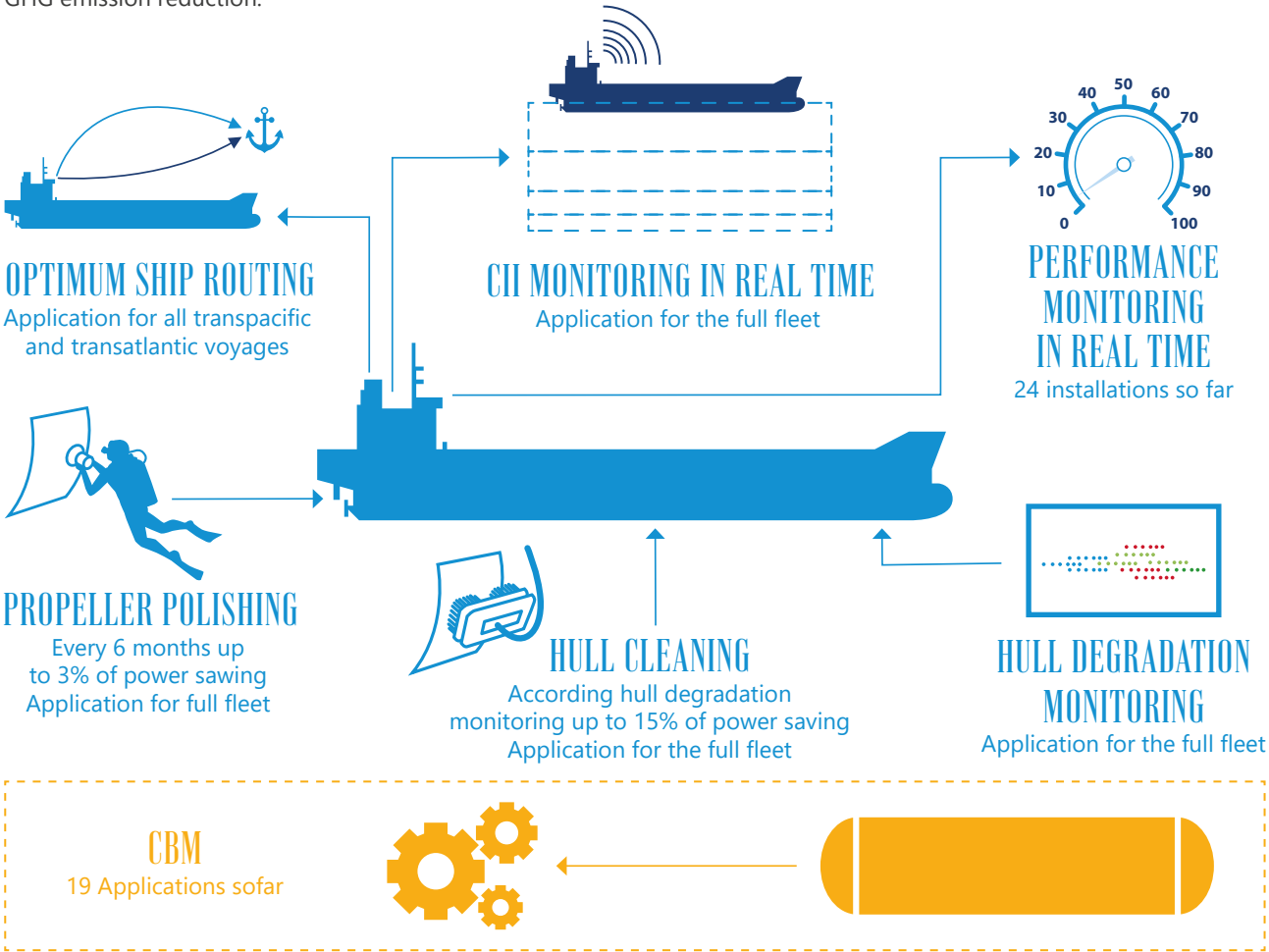
CARBON CAPTURE TECHNOLOGIES

Through the carbon war room, the d'Amico Group has started the **study of the post combustion technology**, scouting the different solutions available in the market for the storage of CO₂ on board and the availability of shore reception facilities for the CO₂ disposal.

DIGITALISATION PROJECTS

The fleet of the future will be “an ongoing digital conversation between its managers and the 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 digitalisation projects**. Since 2016, the technical management of the d'Amico Group has strengthened vessel performance monitoring through a dedicated team and the adoption of specific on-board tools - sensors and data platform - integrated with software systems. This will definitively enable more accurate vessel performance analysis to optimise vessel efficiency, leading to bunker savings and GHG emission reduction.



Robotics Technologies and remote surveys

In the future, onshore fleet operators, through a continuous flow of data from the ships, will be able to monitor vessels at all times and provide valuable assistance to the crew on board. Fleet managers will be able to analyse data flows received, allowing 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 reduce the risks of human error leading to accidents, increase efficiency and reliability and improve environmental performance.

During 2021, the d'Amico Group's first Remotely Operated Aerial Vehicles (ROAV) (drone) inspections of a cargo oil tank took place on board the MR tanker High Valor, followed by a ROAV inspection of the MR tanker High Courage. The first Ultrasonic Testing (UT) gauging using the ROAV was carried out in the second quarter of 2021 on the MR tanker High Venture, in partnership with the ABS classification society. 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. The ROAV inspection needs to be conducted close-up and requires the thickness of the internal structures to be gauged according to specific guidelines and frequency. This type of inspection is usually conducted using either staging or by rope access technicians (RAT), with the person in charge suspended on ropes to inspect the tank structures, focusing on areas of high stress, corrugated bulkheads, upper stools and deck heads.

One of the Group's main priorities in experimenting these innovations is **reducing the risk factors for humans** related to rope access, which include working at heights for sustained periods of time as well as working in confined spaces. Inspecting the tank with a ROAV allowed the Company to conduct 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 mobilised an experienced two-person ROAV team, consisting of a ROAV pilot and a 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 three days, in comparison with rope access which would usually take between six days for the same work and more than 12 days using staging with the vessels in service.

The successful completion of these projects has demonstrated that now it is not only possible to conduct a visual inspection in a confined space, but also UT gauging 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 and in reducing the impact on the availability of cargo tanks** for commercial purposes.



Condition-Based Maintenance (CBM)

The Group adopted and implemented condition-based maintenance (CBM) through specific tools, techniques, hardware and software systems, with the aim of achieving:

- operational cost savings by increasing the average life of spare parts;
- higher efficiency and therefore better energy performance;
- reduced off-hire days through higher machinery and fleet reliability;
- greater flexibility in the management of maintenance plans;
- better knowledge of machineries and of their behaviour with changing operating conditions.

CBM **involves the adoption of new technologies and techniques**, such as:

- video-endoscopy for internal inspection of machinery;
- 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.

These have 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 are changes in the operating conditions of the vessels and its machinery.

Through the adoption of CBM, d'Amico Group was able to achieve the highest level required by TMSA 3 (Tanker Management and Self-Assessment programme), with respect to maintenance management. As at the end of 2022, almost all of d'Amico Product Tanker new constructions delivered from 2013 have been certified PMS-CM (PMS-Condition monitoring) by RINA after positive audits conducted on board confirming that such strategy of maintenance is now approved by the Class. The Group's plan is to further extend the CBM and the relevant certification also to the LR1 fleet with a completion target by the end of 2023. Furthermore, during 2022, the Group vessels enrolled under the vibration monitoring program have replaced the tool to monitor the vibrations with high-performance condition monitoring solutions and the Company started evaluating the possibility of adopting a specific software for the performance analysis of the main engine and diesel generators, with the aim of improving their efficiency.

The growing trends in digitalisation and mobile applications have clearly highlighted the need to modernize the fleet's management tools, to better exploit the value of data by treating them as assets. During 2020, the whole **d'Amico Group selected ABS-NS to drive the digital transformation of its fleet management**. The project started in September 2020 and was completed in January 2022.



Digitalisation of record books - Electronic Logbook

Thanks to the adoption of the new Electronic Logbook (ELB), **the technical department is now able to perform part of the inspections remotely**, with specific reference to the verification of the daily sounding logs, the Oil record book part I, the seals log and the production and disposal data for bilge, sludge and garbage. The environmental audit is now part of the Group's routine vessel inspection, with the aim of ensuring the highest environmental compliance while surpassing industry standards.

The **digitalisation of the majority of the record books** (Oil record books, Garbage record book, Cargo record book, Ballast management record book), **allows the Company to monitor in real time** the operations performed on board for the proper handling and disposal of the bilge water, sludge and waste produced by the vessels. It also provides the technical management department 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 also a tool that helps d'Amico to perform operations correctly, in compliance with current environmental and MARPOL regulations, also based on the ships' specifications according to its certificates and as-built drawings.

The d'Amico Group started to digitise its record books well in advance of the guidelines established in May 2019 by MEPC 74. This confirms the Company's great attention to MARPOL issues and its focus on innovation. After being initially used among a limited number of vessels, at the end of 2020 **the Group took the decision to extend the application to its whole fleet, with completion expected in the first half of 2023.**

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 all its owned and bareboat vessels. At least one report per vessel is sent every day (with manually entered data) and the average amount of data points for each of these reports is one hundred, equivalent to 6.5 million data points per year. Furthermore, for the large majority of its owned and bareboat Product Tankers, DIS digitally receives every five minutes data related to machinery and navigation.

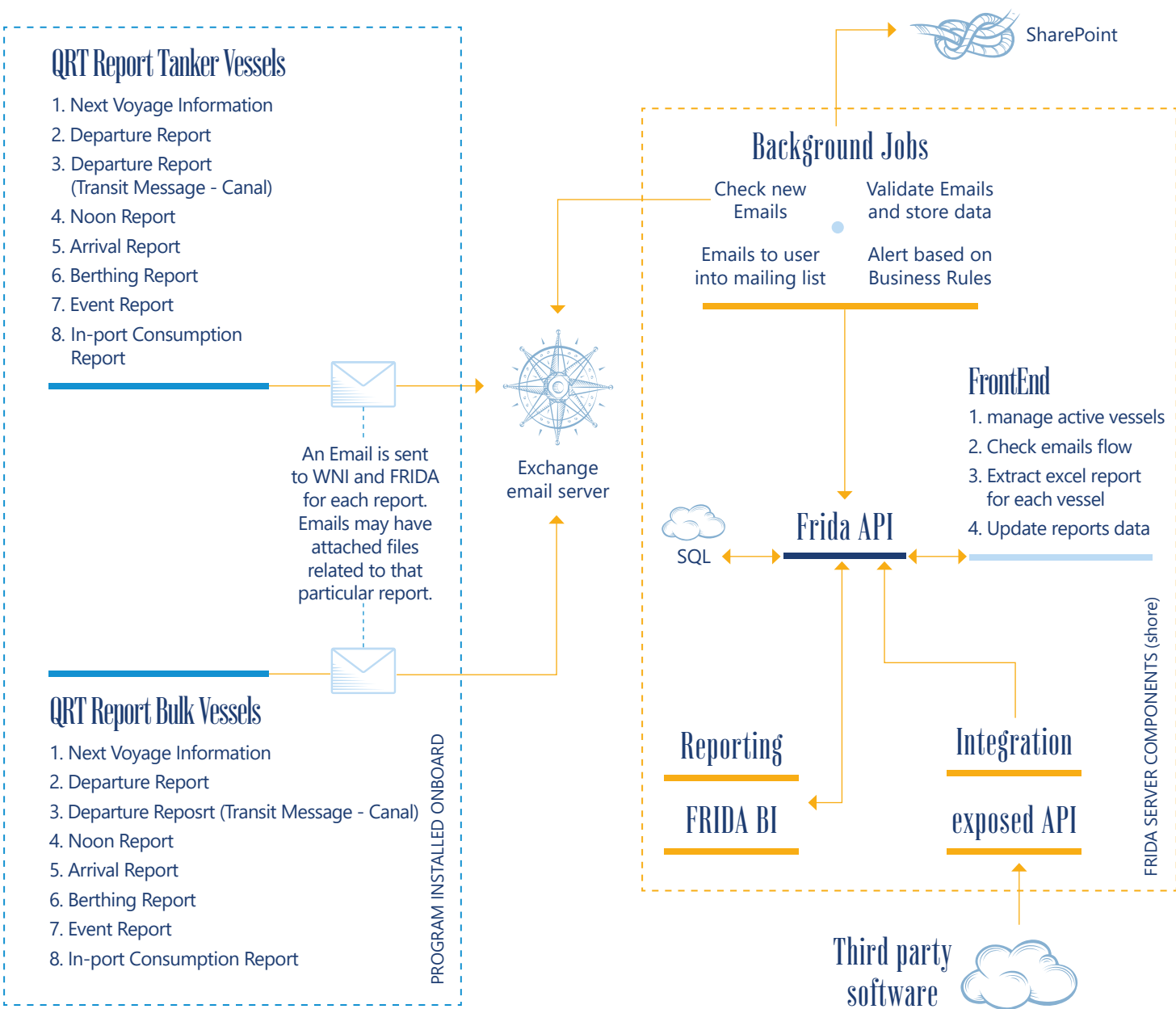
The growing trends in digitalisation and mobile applications have clearly highlighted the need to modernise the fleet's management tools to better exploit the value of data by treating them as assets. **Big data analysis has become therefore an important decision-making support.** The availability and analysis of such data 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.



FRIDA - Fleet Reporting Intelligence d'Amico

To further enhance the resourcefulness of data, the d'Amico Group developed an in-house database called FRIDA, which can receive data directly from vessels and share it both internally, with dedicated templates for each department, and externally with third parties. **FRIDA can check each data reporting received and create an alert to validate every single data point.** Recent developments included a complete system able to automatically create and manage all the reports necessary to comply with emissions regulations (IMO and EU directives) as well as with internal standards. In particular, **in 2022 FRIDA has been further developed to monitor in real time the Carbon Intensity Indicator (CII).**



Route Optimisation

This project – developed together with a charterer – started at the end of 2020. During 2022, indeed, **27 voyages have been managed with the Route Optimisation procedure.** The voyage plan was structured following five different ship priorities in order to save fuel, reduce emissions and maintain the vessel in conditions of safety during the voyage: charter party compliance; instructed speed; special care cargo/vessel; on-time arrival; minimum voyage cost (hire+fuel).

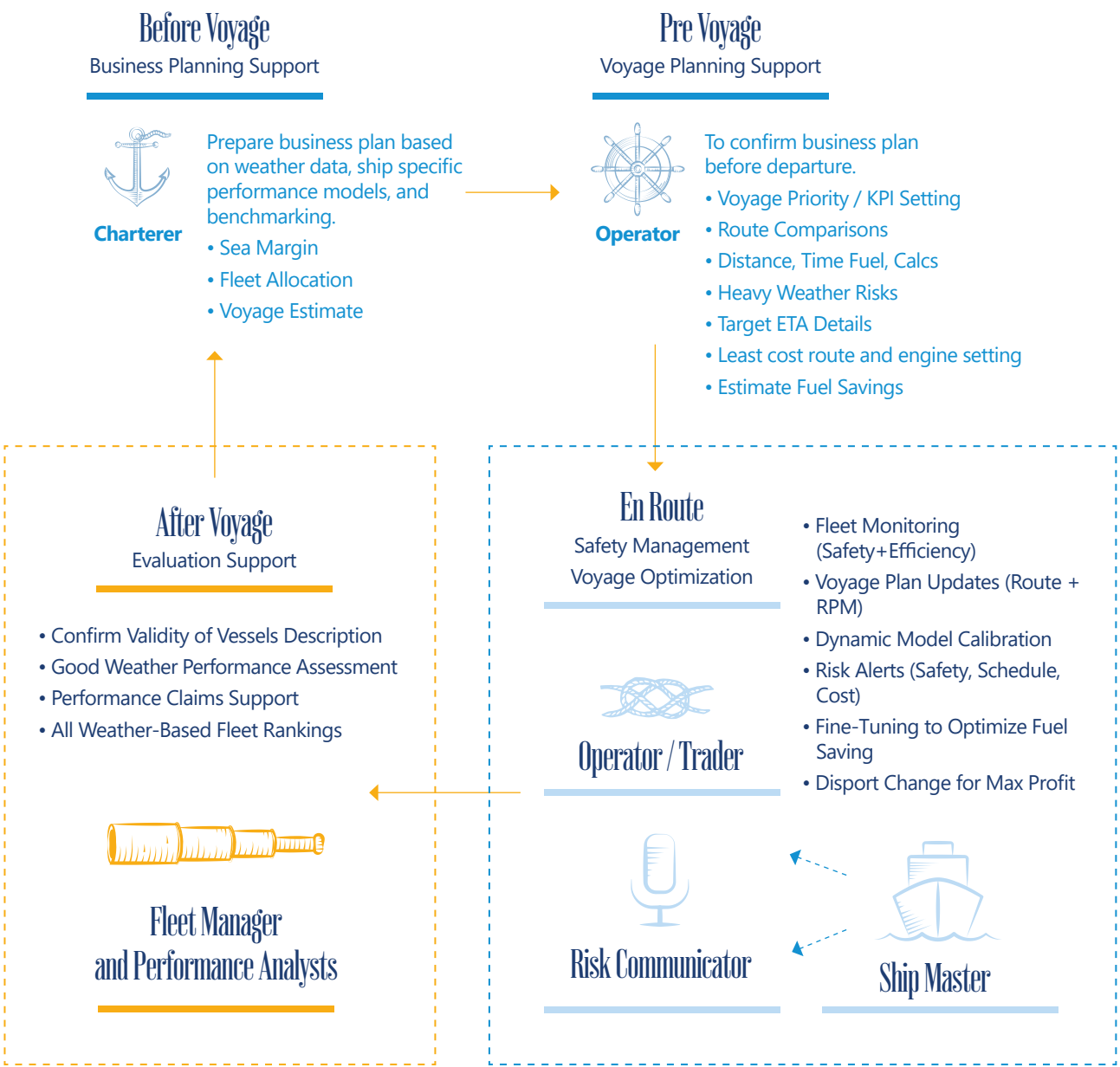
The route optimisation process is divided into three steps.

The **first step consists of taking the actual route sailed and simulating it** by running a computational analysis on the environmental factors – including wind speed and direction, wave height and direction and currents – encountered along the vessel's path, estimating the effects of those factors on the vessel's over-ground speed and fuel consumption.

The **second step consists of re-simulating route, adjusting it to match the actual departure and arrival times.** Therefore, this simulation allows to demonstrate that the calculated Fuel Oil Consumption for the re-simulated route closely matches the actual Fuel Oil Consumption reported during the voyage. Thus, 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 consumed had it followed the intended route.** Moreover, several KPIs were measured during the project. These KPIs will be monitored as well as shared.





Speed optimisation

The Speed optimisation project was entirely developed during 2021 in cooperation with one of d’Amico Group’s most important charterers. The project aimed to **identify the most efficient speed profile** over the entire voyage of a vessel and **meet the required arrival time or laycan at the lowest fuel consumption and maintaining the best level of carbon intensity indicator (CII)**.

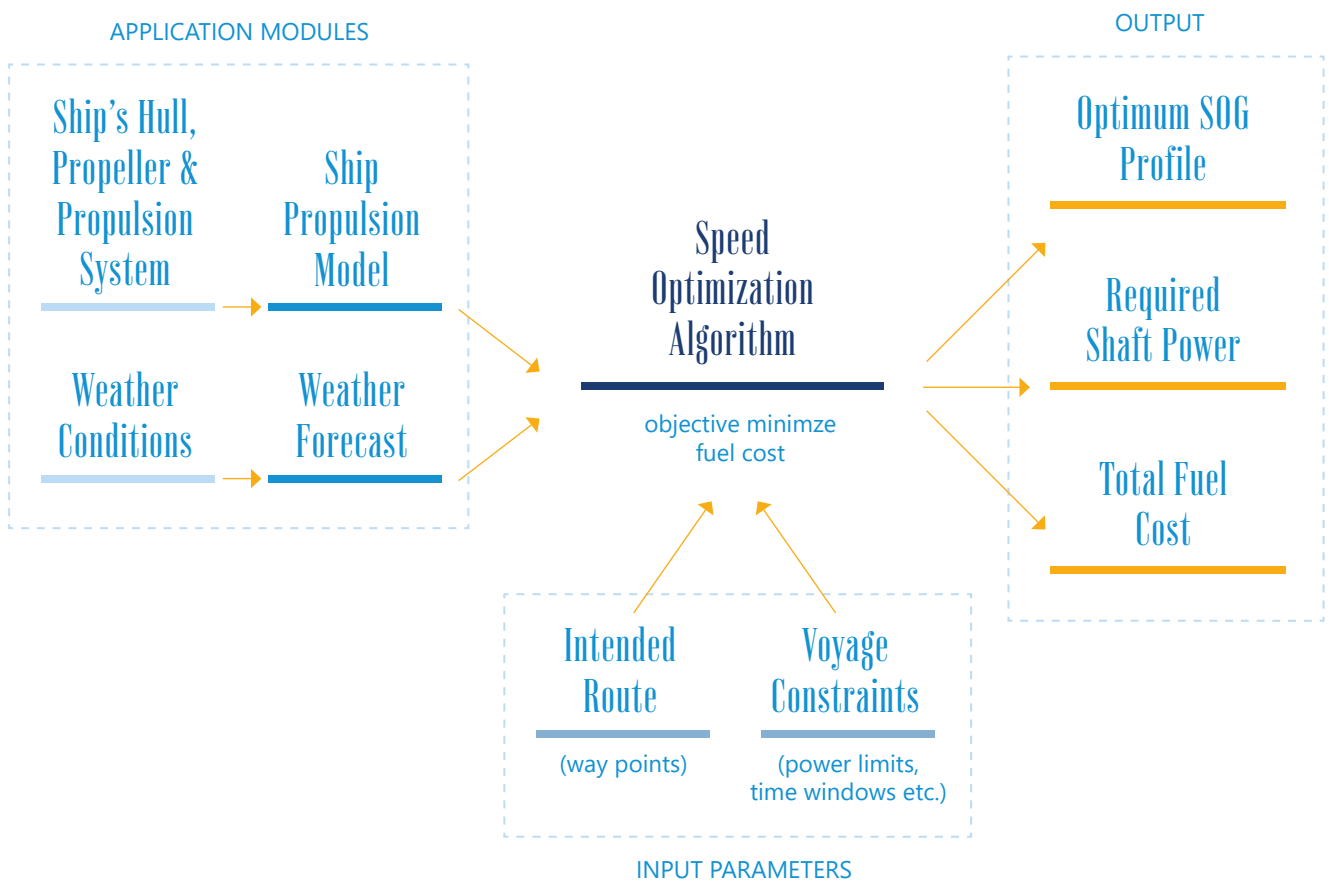
The importance of applying Speed Optimisation has gained momentum following the global efforts to reduce greenhouse gas (GHG) emissions and the strict targets set by the IMO (MEPC 74, 75, 76, 77 and 78), the Sea Cargo Charter, and other initiatives as mentioned by the IMO’s (2018) initial strategy on the reduction of GHG emissions from ships. Operational measures have appeared as one of the prominent short-term measures to achieve such goals.

Nevertheless, the race to **reduce emissions is going to have many side effects on the competitiveness and commercial benchmark of ships worldwide**. Ship managers and owners that demonstrate lower CO2 emissions will earn higher ratings from the IMO according to the CII scheme. Inevitably, there will be incentives for the charterers to transfer cargo with more efficient and less emitting ships, to demonstrate eco-friendly operations and the increased sustainability of their business. In this context, the speed optimisation of every voyage could be considered a competitive advantage or even an industry standard. The charterer’s approach to data in order to lower emissions is no longer only technical but also operational.

This project involved a four-week long trans-pacific voyage, which was optimised through a cooperation amongst d’Amico, GreenSteam, and the charterer Total Energies. The scope of the voyage was to validate the effectiveness of the algorithm and the ship propulsion model behind it through a real-life trial. The main result achieved was **savings in terms of fuel and emission**.

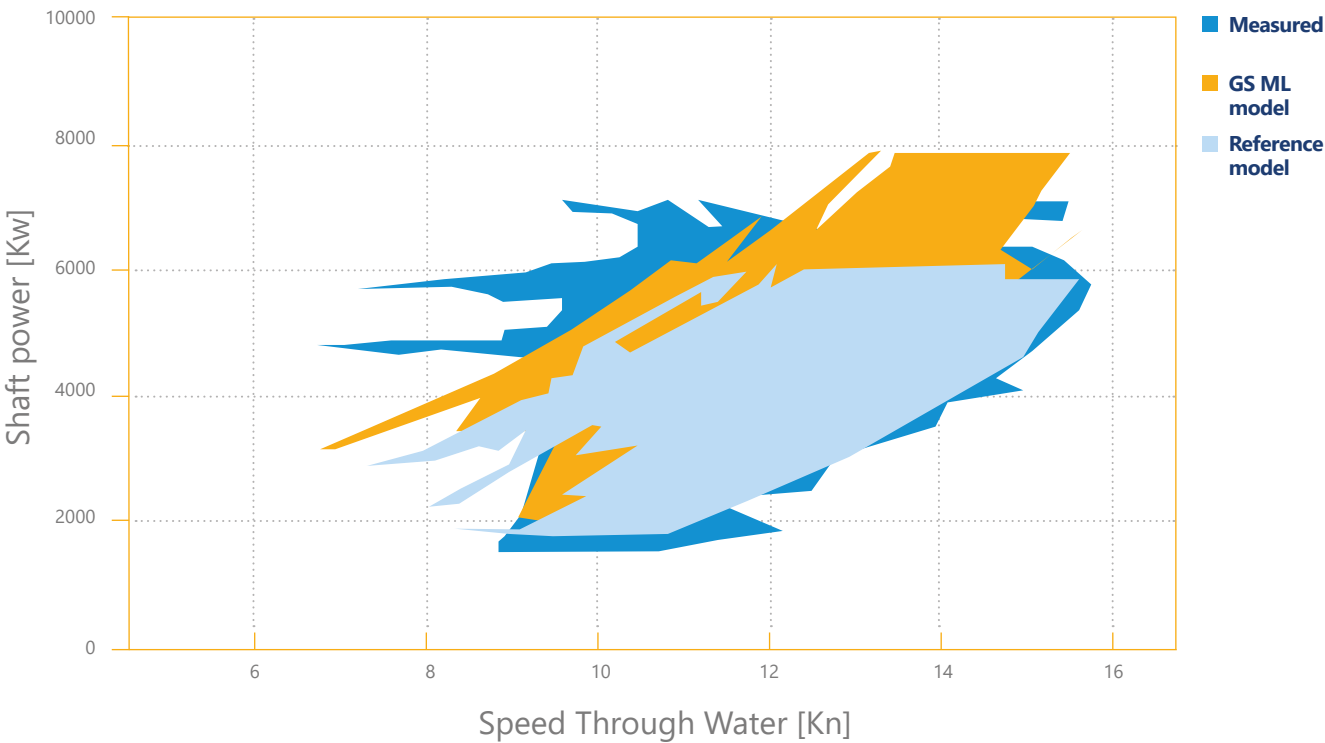
The aforementioned method follows the steps outlined below:

1. advise an “optimal” Speed Over Ground (SOG) profile;
2. for each vessel, a Speed - Fuel model was established in order to predict the expected consumption and find its minima;
3. the Speed - Fuel model considered the weather conditions (forecast) and provided an accurate prediction of Fuel Consumption.

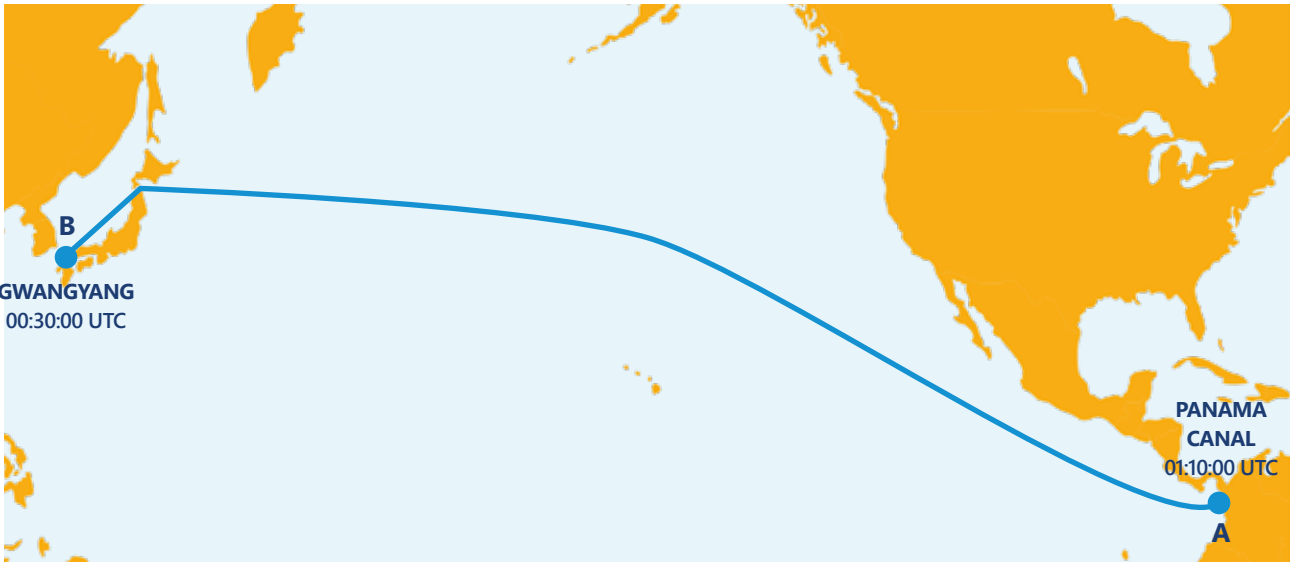


GreenSteam Speed Optimisation utilises a state-of-the-art, developed in-house **Hybrid model that harnesses Machine Learning and Operational Data (Big Data)** to achieve higher prediction accuracy by learning from the data.

The reference model is the **DTU (Digital Twin for Vessels Performance) Simulation Workbench**, which utilises physical and empirical Naval Architecture formulas but does not consider hull fouling, in contrast to the GreenSteam Machine Learning model.



This image shows the 10-minute values of measured and predicted Shaft Power as a function of the Speed Through Water. The voyage route is shown in the second image.



The trial implementation was carried out through three continuous recommendations:

1. GreenSteam ran the Speed Optimisation for Cielo Di Cagliari voyage from Panama to South Korea before the beginning of the voyage and every six hours with the updated weather forecast and the vessel's actual position
2. the crew received "power advice" from GreenSteam in order to achieve the optimal Speed over ground more easily, as estimated by the algorithm
3. the implementation is monitored by GreenSteam on every step of the process.

The total fuel consumption and emissions of the actual voyage are compared to the predicted consumption and emissions for the voyage under constant speed - equal to the actual voyage average SOG.

SPEED OPTIMIZATION RESULTS	ACTUAL VOYAGE	CONSTANT SOG*	SAVINGS
Total Fuel Oil Consumption	643 MT	666.4 MT	24.7 MT (3.7%)
CO ₂ emissions	3.559 [g.CO ₂ /dwt.nm]	3.682 [g.CO ₂ /dwt.nm]	0.123 [g.CO ₂ /dwt.nm] (3.7%)
CII Rating	A	A	

*Estimated

The **fuel consumption savings** of the optimised voyage **are also translated into emissions reduction** for the particular voyage and into CII benchmark. **An estimated reduction of 3.7% is found in the mass of CO₂ and a CII A-rating is achieved.** Using a precise model that can adapt to operational data from the vessel and handle fouling can considerably improve the Speed Optimisation application's overall performance and metrics.

Real Time Monitoring

At the same time, in 2021, the d'Amico Group launched a **project to calculate and monitor the attained CII in real time**, with the aim of promptly undertaking the corrective actions deemed necessary to improve the CII rating and update in real time the risk profile of d'Amico's fleet. Furthermore, after the adoption of the CII correction factors by the MEPC 78 in June 2022, the d'Amico Group has completed in December 2022 the modification of the in-house database (FRIDA) to collect, analyse and include the approved correction factors in the CII formula.

RE-ROUTING RISKS

According to several studies on **climate change**, due to the continuous ice melting around the North Pole caused by global warming, sea levels are rising, coastal erosion is worsening, and sedimentation patterns are changing. These significant changes and the risk of adverse weather conditions may impact sea routes, ship channels and river transits. Therefore, **since existing routes are no longer as safe or easy to navigate as they were before, new routes have to be planned.** Re-routing may have a positive impact on costs, but less so on freight rates. In this regard, while respecting constraints in commercial contracts, d'Amico has always paid particular attention to determine the best routes and the best speed to

optimise each single voyage, to reduce emissions and bunker consumption. Thanks to **innovative digitalization projects** developed in 2020 and 2021 (FRIDA and Speed and Route Optimisation projects) and to the implementation of the latest software (ABS-NS, an integrated digital platform), **the Group exploits the value of big-data and information as assets to support its operational performance.** Big data analysis has therefore become an important decision-making tool for d'Amico Group's fleet management, allowing it to evaluate, for example, the impact of CO₂-saving devices, validate the ship's performance model by considering weather conditions and to assess the hydrodynamic efficiency of vessels.



SEA AND MARINE ENVIRONMENTAL SAFETY

SDGs



UN TARGET

12.4

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

KPIs 2022

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

14.2

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

100%

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

0

oil spills from the Group's vessels

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

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

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.**

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 for the safety of others
- there is no corporate goal important enough to sacrifice safety
- work is done well only if performed safely.

QUALSHIP 21

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 is associated with a well-run company, is classed by an organisation 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 on 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 programme is to recognise 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.

Today, 27 d'Amico's vessels are enrolled in QUALSHIP 21.



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, the IMO adopted the first International Convention for the Control and Management of Ships' Ballast Water and Sediments in 2004.**

The d'Amico Group, has prepared and is implementing plans, record books and procedures not only to comply with the convention's requirements, but most importantly to guarantee the prevention of this kind of pollution. All new vessels are provided with this equipment while the installation on the remaining existing ships has been completed during 2022.

100% of d'Amico's owned and bareboat vessels are fitted with Ballast Water Treatment System (BWTS). Furthermore, specific contingency measures are in place to prevent and respond to any failure and improper operation of these systems. During 2023, d'Amico plans also to complete the required retrofits to obtain the USCG certifications for all its owned and bareboat vessels.

The d'Amico Group is now focused on improving its BWTSs so that they can be used also in situations involving turbid water and the presence of mud.



THE d'AMICO GROUP ADHERES TO THE VOLUNTARY SLOW ZONES

The d'Amico Group has always adhered to any measures put in place to protect marine biodiversity.

Most recently and among others, in July 2021 it adhered to **vessel speed reduction to protect the right wales**

in the North Atlantic.

The Right Whale Slow Zones is a programme that notifies vessel operators of areas in which maintaining speeds of 10 knots or less can help protect right whales from vessel collisions.



Ship maintenance

The d'Amico Group's ships and their machinery and equipment are maintained in order to always ensure **full reliability and extremely high efficiency** and to guarantee 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 are therefore supported by a computerised system that exchanges data in real time with the Group's technical management.

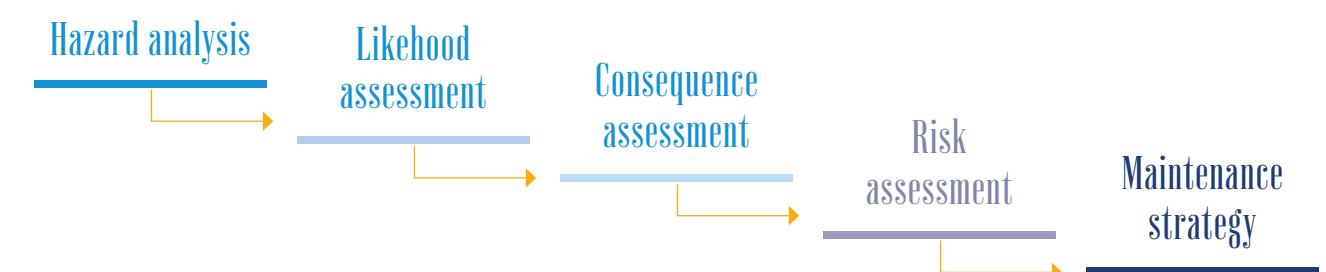
Preventive maintenance is not only based on the recommendations and instructions provided by the manufacturers or on recognised standards, but also on the **continuous monitoring of equipment conditions**, allowing the full integration of the traditional running hours-based or time-based maintenance with condition-based maintenance (CBM). The best combination is chosen through a risk-analysis approach, employing therefore a **risk-based maintenance strategy** that makes it possible to:

- **select critical machinery** which, if suddenly damaged, could put the ship or its crew in a situation of danger or could seriously affect safety and the protection of the environment
- **identify all critical spare parts that can immediately restore machinery to working order**, should there be any failure. The Group has also defined optimal spare parts that are implemented on the basis of considerations relating to ship trade, material delivery times and the 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 system has process-based management which defines inputs, outputs and performance indicators for each process, among which the most important are:

- fleet reliability
- fleet availability
- outstanding maintenance tasks on non-critical machinery
- outstanding maintenance tasks on critical machinery
- number of failures on critical machinery as a percentage of total failures
- 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 has been well above industry standards since 2011, **confirms the excellence of the Group's maintenance strategies**. The reduction in outstanding maintenance tasks of non-critical equipment since 2011 confirms the growing attention of management to on-board equipment regardless of its criticality. Furthermore, in 2020 d'Amico introduced a more challenging target for the management of critical equipment – "0%" percentage of outstanding maintenance tasks – with the aim of boosting the attention to the management of critical machinery.

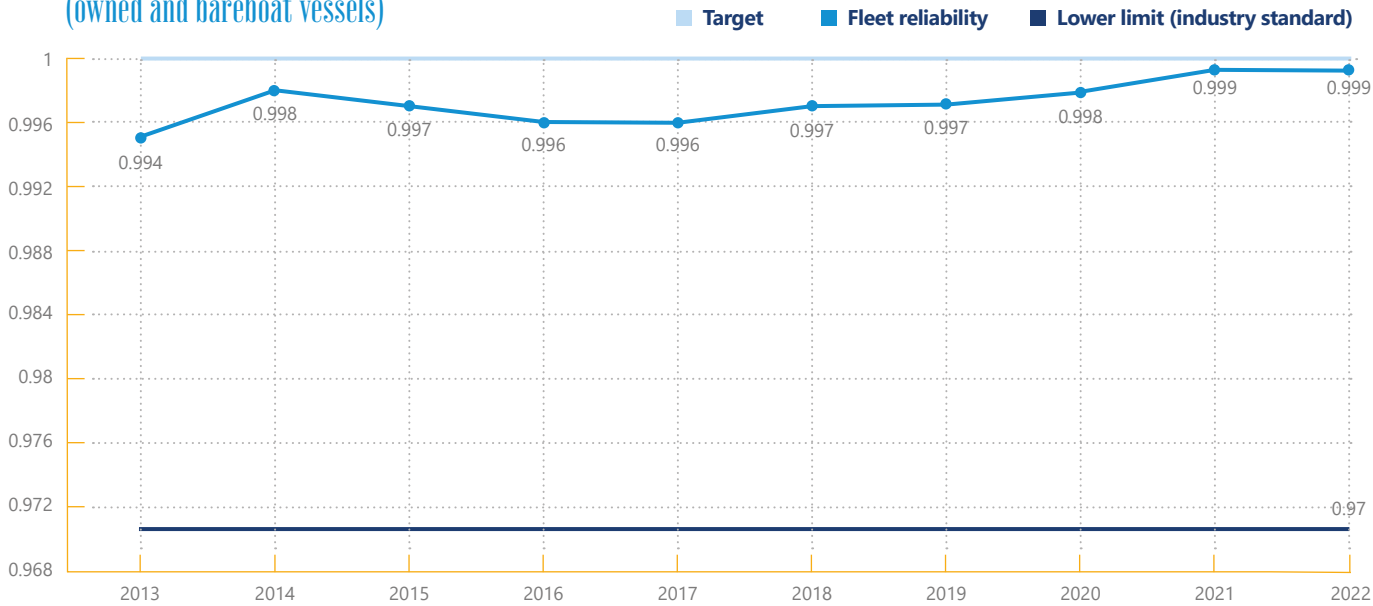


Reliability Index

This indicator measures the reliability of the fleet - it 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.

RELIABILITY INDEX - FLEET WIDE VIEW

(owned and bareboat vessels)



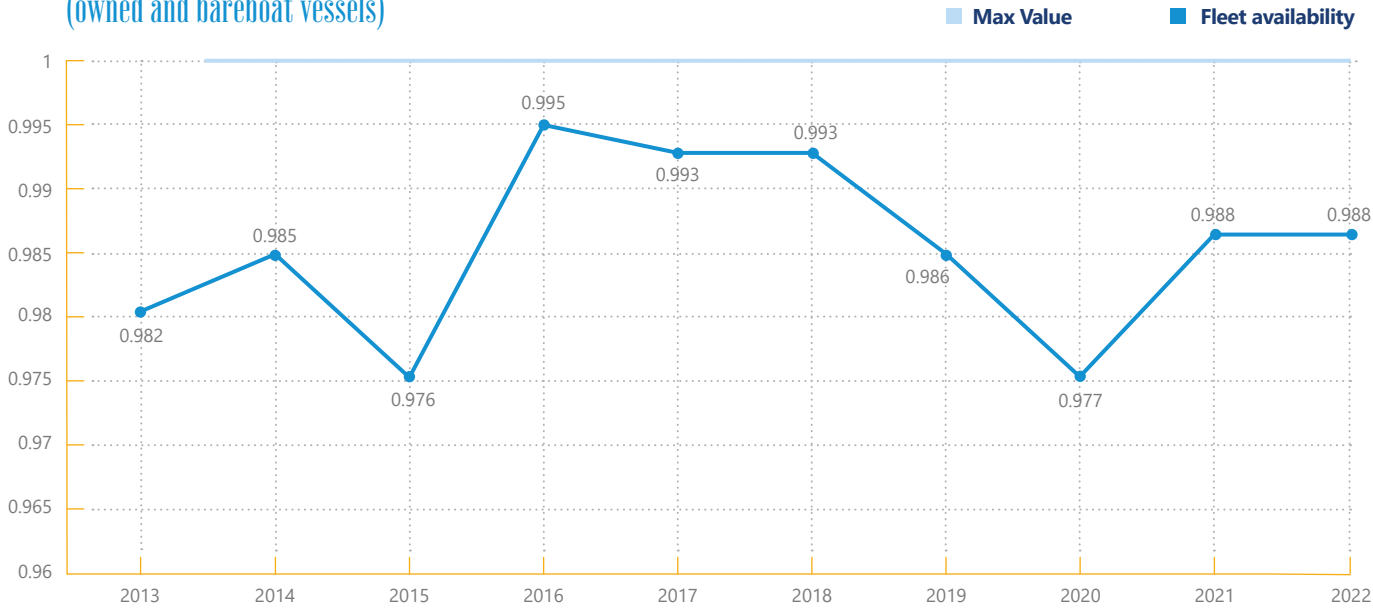
In particular, **in 2022 d’Amico confirmed the best result in the last ten years**, validating the effectiveness of the maintenance policy in reducing the unplanned off-hire.

Availability Index

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

AVAILABILITY INDEX - FLEET WIDE VIEW

(owned and bareboat vessels)



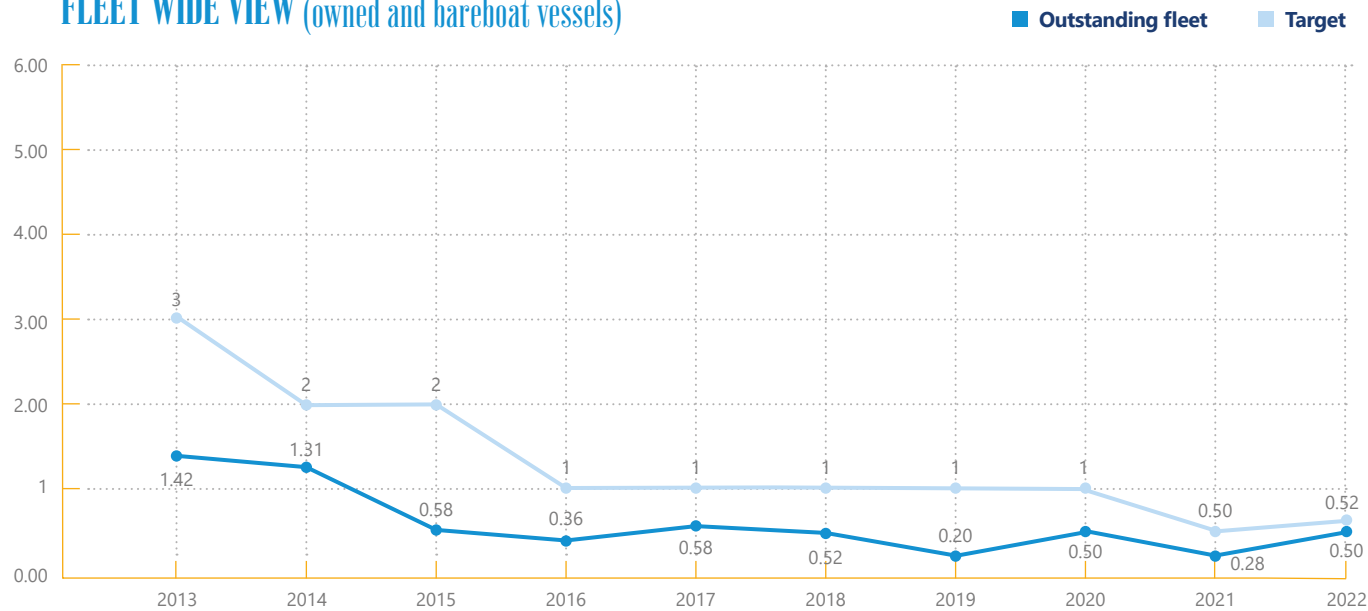
After the drop in 2020, also due to the higher number of drydocks (13) that were executed in the year, **in 2021 and 2022 the index registered a sensitive improvement**. According to the Company Policy and class rules, in fact, the drydock is performed every five years and the next peak will likely be in 2025. The figures for off hire due to technical problems improved, the number of drydocks executed lowered (10 in 2021 and 5 in 2022), and this, together with the phase out of the oldest vessels, contributed to the improvement of the indicator.

Outstanding maintenance tasks of non-critical equipment

The main goal related to the maintenance of the non-critical equipment is to remain below the target set by the TMSA Industry Standard.

OUTSTANDING MAINTENANCE TASKS OF NON-CRITICAL EQUIPMENT -

FLEET WIDE VIEW (owned and bareboat vessels)

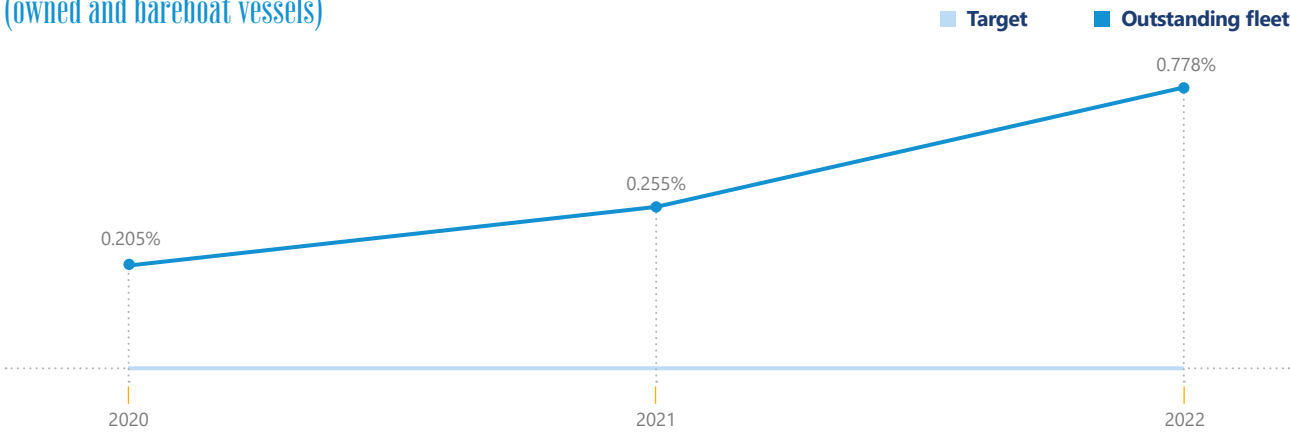


The indicator fluctuated during the years, also due to the timing of the measurements, always maintaining low values and showing a decreasing trend. d’Amico established the target of “less than 0.5%” in 2021. In 2022 the Group registered a slightly higher value (0.52%).

Outstanding maintenance tasks of critical equipment - Fleet wide view

The indicator was introduced in 2020, with the aim of boosting attention to critical equipment, fixing the target at 0%.

OUTSTANDING MAINTENANCE TASKS OF CRITICAL EQUIPMENT – FLEET WIDE VIEW
(owned and bareboat vessels)

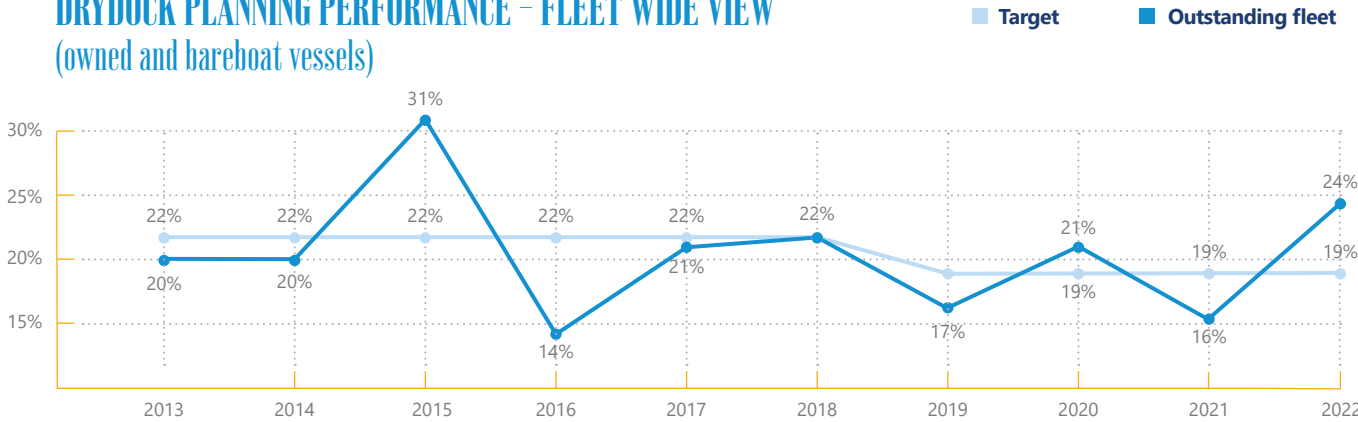


As for the outstanding maintenance tasks on non-critical equipment, the fluctuation registered over the years may depend on various reasons. The aim is to improve the planning performance considering trade patterns, commercial and operational needs. **The results given by the first three years of monitoring confirm good planning capability**, since the figures are **close to the target**. The increase in 2022 displayed by the graph is due to the fact that, differently from the previous years, this value refers to the whole fleet of the d’Amico Group.

Drydock planning performance - Fleet wide view

The indicator - built to show the d’Amico Group’s ability to plan drydocking operations as predictable costs, budgeting and scheduling - expresses costs and duration deviation during drydocking with respect to those planned.

DRYDOCK PLANNING PERFORMANCE – FLEET WIDE VIEW
(owned and bareboat vessels)



The KPI highlights any gap, whether positive or negative. During the last 10 years of monitoring, the **target has been reduced from 22% to 19%** and the fluctuation’s narrowing around the target since 2017 confirms a **very good planning capability**, even though 2022 performance is slightly worse than that registered in the last few years. This is due to vessels docked in China, for which the actual drydock days exceeded the planned days because the shipyard stopped all activities for Covid-related reasons.

Inspection process

To further innovate the maintenance management, the development of a Fleet Operating Centre (FOC), with the aim of aggregating a set of key parameters and information selected from different applications available within a common platform, **has been studied throughout 2022** and will be implemented as a pilot project by the end of June 2023. 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 compliance with company instructions and policies.

Recently, an additional feature has been added to the FOC project: monitoring policies developed by the Group for **cutting non-essential consumption** during the different phases of operation (sailing, anchorage, loading, unloading and cargo handling), with the aim of improving the energy management on board as a key activity in achieving fleet decarbonisation.

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, is promptly reported to the competent departments through an electronic reporting system. Moreover, fault analysis and related implementation of preventive actions or “barriers” make the system efficient and reactive.

To verify the need for maintenance of machinery, equipment, structures and technical systems essential for safety and environmental protection, the d’Amico Group has implemented a **system of planned visits and periodic inspections which are conducted during navigation by onshore personnel**. After the recent implementation of the new software ABS-NS, **all inspection forms are now digitised**.

The meticulous attention to environmental aspects has driven the Company to **review its MARPOL inspection form**, which was completely redesigned to include detailed checklists with specific reference to business policies, procedures, circular letters, international standards, business tools such as the electronic Logbook, engineering requirements such as the oil-to-sea interface, the environmental control system and critical spare parts. Furthermore, according to d’Amico’s policy the superintendent must be present during the tests of the critical equipment (known as “CODE 6”), which are the incinerator, OWS (oil water separator), ODME (oil discharging monitoring equipment), sewage system, BWTS (ballast water treatment system), and IBTS (integrated bilge treatment system).

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 has followed the best practices throughout the year, 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)

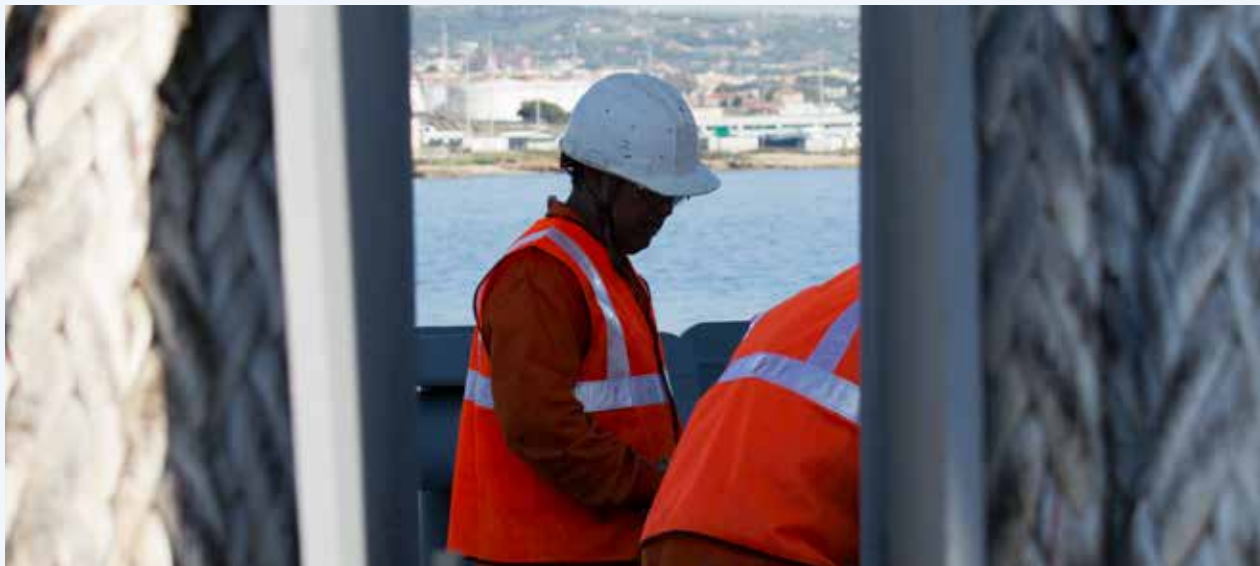
- Remarks per PSC Inspection
- Non-Conformities per vessel
- Accidents on Board

Environmental Performance:

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

Technical Performance:

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



WASTE MANAGEMENT

SDGs

UN TARGET

KPIs 2022



12.4

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

80%

the amount of waste discharged at sea

-23.8%

the amount of waste disposed ashore, since 2020

12.5

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

9,255.7 m³

the total waste produced onboard in 2022

205.7

the total waste per vessel (m³/vessel) in 2022

The d'Amico Group is committed to **reduce the production of waste through specific processes and a corporate policy** that focuses on environmental pollution prevention. Waste management on the fleet's vessels is carried out according to a detailed procedure in compliance with IMO/MARPOL 73/78⁴⁰.

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 the 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.

⁴⁰ Resolution IMO MEPC.71 (38) for implementation of Annex V

Waste production by type and disposal method is shown in the table below⁴¹.

WASTE (owned and bareboat vessels) ⁴²	2020	2021	2022
DISCHARGED AT SEA (m³)	2,909.52	4,324.82	7,380.34
CAT ⁴³ B - Food	251.84	224.31	215.13
CAT F - Operational	376.00	4.19	22.53
CAT J - Cargo residues (Non-HME ⁴⁴) ⁴⁵	2,281.68	4,096.32	7,142.68
INCINERATED (m³)	80.54	74.03	72.52
CAT E - Incinerator ashes	80.54	74.03	72.52
DISPOSED ASHORE (m³)	2,366.89	2,081.04	1,802.86
CAT A - Plastics	945.99	834.17	773.30
CAT C - Domestic	584,00	529.04	483.74
CAT F - Operational	729.51	567.11	464.11
CAT I - Electronic	101.73	144.48	73.81
CAT K - Cargo residues (HME) ⁴²	5.66	6.24	7.90
TOTAL	5,356.95	6,479.89	9,255.72

The total amount of waste produced in 2022 is **9,255.72 m³**, with a growth of 42.8% with respect to the last year, after the drop caused by the pandemic period in 2020.

Incinerator ashes are the ashes produced by the incineration of what is allowed by MARPOL, generally paper and oily rags. These wastes are then discharged to the ground, obviously reducing the amount of waste for each ship. In 2022, the **total amount of incinerated waste decreased even more than in 2021, to 72.52 m³**.

The **percentage of waste discharged at sea has risen**, mainly due to an increase in cargo residues (Category J). This increase, which grew significantly in 2022, is related to the greater number of hold washings required due to load changes and partly due to the types of cargo transported. In fact, following each voyage, the ships of the Group are thoroughly washed with great care to ensure a careful cleaning and to minimise contamination, especially when switching from coal to food products. The ships that most influenced this figure in 2022 were the M/V Medi Serapo and Medi Geneva, which, due to their particular trade, often changed the cargo transported from coal to cereals.

Category K waste are also cargo residues, but they refer to **residues considered dangerous for the marine environment** - such as heavy metals - which cannot be discharged into the sea. This kind of waste has practically vanished since 2020.

Both of these categories (J and K) apply only to Dry Cargo vessels.

Operational waste (Category F), which 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 - **decreased in 2022**. Operational waste discharged at sea increased slightly in 2022, at 22.53 m³, from 4.19 m³ in the previous year. This, however, was more than counterbalanced by the decrease in Operational waste disposed ashore: from 567.11 in 2021 to 464.11 m³ in 2022.

Electronic waste (Category I) has also dropped in volume, from 144.48 m³ in 2021 to 73.81 m³ in 2022.

⁴¹ Estimated figure

⁴² The values for 2020 and 2021 have been adjusted with respect to what was included in the d’Amico Group’s 2020 and 2021 Sustainability Reports due to more precise data collection.

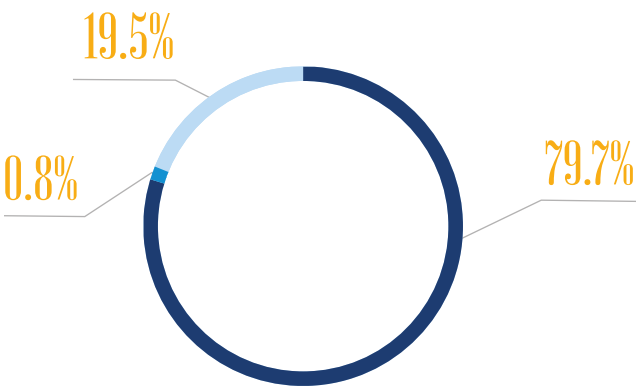
⁴³ CAT is the abbreviation for Category

⁴⁴ Non-Hazardous for Environmental

⁴⁵ Only from Dry Cargo Vessels

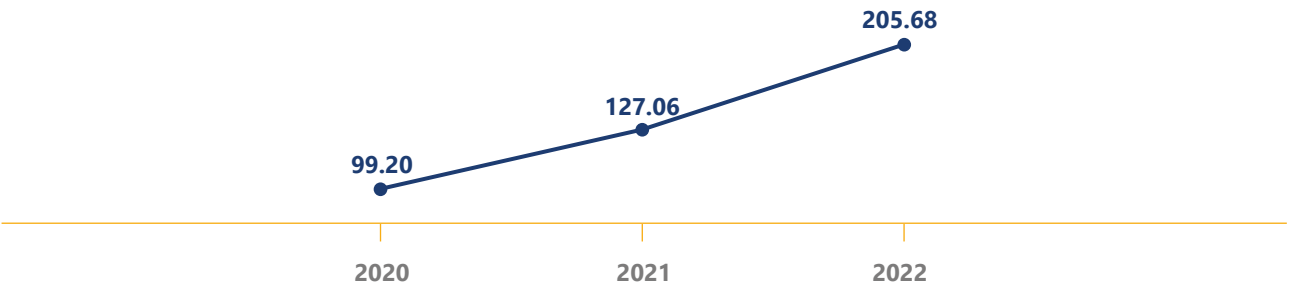
WASTE 2022 (m³)
(owned and bareboat vessels)

- Discharged at Sea
- Incinerited
- Disposed Ashore



WASTE INTENSITY (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
Total Waste [m³]	5,356.95	6,479.89	9,255.72	+42.8%
Waste per vessels ⁴⁶ [m³/vessels]	99.20	127.06	205.68	+61.9%

WASTE PER VESSELS [m³/vessels]



As can be seen from the previous graph, in 2022 the amount of waste per vessel produced rose substantially, mainly due to the increased frequency of hold washings required for load changes.

⁴⁶ The number of ships used to calculate the indicator (56 in 2019, 51 in 2020, and 47 in 2021), includes only the owned ships, excluding those in time charter and in JV.

CARE FOR ENVIRONMENT, 3R CAMPAIGN ONBOARD d'AMICO FLEET

The shipping industry is evolving faster than ever towards a more and more sustainable approach, improving its commitment to protect the environment. Therefore, the d'Amico Group launched a so-called **3R Campaign** in 2021, focused on Waste management by concentrating on **reducing, reusing and recycling**.

The campaign aims to:

- educate, teach and reinforce basic operational measures to reduce, reuse and recycle.
- rekindle Master and crew dormant conscientiousness and gain traction.
- define and monitor additional KPIs.
- do our part in reversing the destruction of the ecosystem.

Why Practise the 3Rs?

- Protect the environment
- Conserve limited resources
- Save energy
- Reduce space needed for waste
- Disposal facilities



The campaign will be performed in three phases:

Phase I (Recycle)

The campaign **sensitized crews on asking for all the possibilities of recycling and reusing waste in ports**. However, due the lack of homogeneity in the countries touched, the Group was confronted with very different realities, which did not allow for consistently establishing recycle and reuse practices, even if some best practices were introduced.

During the progress of phase II of the campaign, d'Amico shared its experienced best practices in **reducing fuel**

Phase II (Reduce)

Phase III (Reuse)

Analysis of Results

consumption in ports, such as by optimising power consumption.

Interesting results were also obtained with respect to the **return of packaging to suppliers**, which sometimes occurred at an average of more than 50% return.

After executing the campaign for about 6 months a reduction of about 8% was measured, although the high number of variables into play may hinder the usefulness of this indicator.

Ship recycling

To prevent damaging practices when dismantling and recycling end-of-life ships, **the International Maritime Organisation (IMO)**, in agreement with the International Labour Organisation (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 on board 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 regulation **requires that new ships belonging to EU countries have a verified Inventory of Hazardous Materials (IHM) and a Statement of Compliance on board**, 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 inventory 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 recycling time and the end of their life cycle, in order to always have and maintain a young fleet.



WATER MANAGEMENT

SDGs



6 CLEAN WATER AND SANITATION

UN TARGET


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

KPIs 2022

96.3%

of the total fresh water used in 2022 onboard d’Amico’s vessels was produced by fresh water generators



14 LIFE BELOW WATER

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

All vessels

are equipped with an integrated bilge treatment system, an oil discharge monitoring equipment, a sewage treatment plant with a holding retention tank and a grey water tank

Fresh water

Through a **fresh water generator**, the Company vessels produced **fresh water from sea water** at a rate of around 10-15 tons/day in sailing conditions. The fresh water produced is collected in the freshwater storage tanks and from those tanks is directly supplied to:

- cabin, toilet, galley and laundry for human uses (after sterilization and remineralization);
- boilers, hot well and main engine cooling jacket for technical uses.

Rarely the fresh water is supplied by, when:

- the freshwater generator is out of service
- the vessel is in idle conditions for a long time
- required for cargo tanks washing.

In addition, the majority of d’Amico Group vessels are equipped with an **Integrated Bilge Treatment System (IBTS)** which enables the vessels to separate the clean drains produced by the ME air cooler and the air conditioning units, from the bilge water. Clean drains, after being tested with a 15 ppm detector, can be either discharged overboard or collected as technical water in the Aft peak tank to be used for tank cleaning.

The fresh water used by seafarers, either **grey water** (showers, wash basins, laundries, and galleys) or **sewage** (toilets, urinals and hospitals), is disposed at sea in compliance with the relevant regulations.

In 2022, the freshwater generator produced 105,176 litres (-1.0% vs 2021), equal to 92.6% of the total fresh water used.

FRESH WATER USED BY SOURCE [LITRES] (owned and bareboat vessels)	2020	2021	2022	Var. 21-22
Produced water (fresh water generator)	117,122	106,26	105,176	-1.0%
Third-party water	10,852	9,362	8,425	-10.0%

Tank washing water

All d’Amico’s Product Tankers are equipped with an **Oil Discharge Monitoring Equipment (ODME)**, according to Marpol Annex I, **and a slop tank arrangement to process water resulting from tank washing**. In fact, water used for tank cleaning is disposed at sea after being decanted, through the ODME. Recently, the Company performed an upgrading of the ODMEs which now are able to process all tank washing water coming from cargo tanks loaded with **biofuel blends**. Subject to the provision of regulation 4 of Annex I, any discharge at sea is prohibited except when all the following condition are satisfied:

- the vessel is not within a special area;
- the vessel is more than 50 nautical miles from nearest land;
- the vessel is proceeding enroute;
- the instantaneous rate of discharge of oil content does not exceed 30 litres per nautical mile;
- the total quantity of oil discharge into sea does not exceed 1/30,000 of the total quantity of the particular cargo of which the residues formed a part of;
- the vessel has in operation an ODME and a slop tank arrangement.

WATER PROCESSED BY OIL DISCHARGE MONITORING EQUIPMENT (PRODUCT TANKERS OWNED AND BAREBOAT) ⁴⁷	2020	2021	2022	Var. 21-22
Oil Discharge Monitoring Equipment [m³]	43,216.59	41,443.89	46,393.03	+ 11.9%

The increase in the amount of washing water decanted and disposed of through the ODME is explained by the increase in the carriage of cargoes that require, after unloading, a tank wash before loading the next cargo.

⁴⁷ The values have been adjusted with respect to what was included in the d’Amico International Shipping Annual Report 2022 due to more precise data collection.

Sewage effluents

All d’Amico Group vessels are equipped with a sewage treatment plant with a holding retention tank, approved by the flag administration according to the requirements of MARPOL Annex IV. All chemicals used for tank washing are environmentally friendly.

The discharge of sewage at sea is prohibited except when:

- the vessel has in operation an approved sewage treatment plant which has been certified by the flag administration to meet the operational requirements referred to in regulation 9.1.1 of the MARPOL Annex IV and the effluent shall not produce visible floating solids nor cause discoloration of the surrounding water
- for non-treated sewage at a distance of more than 12 nautical miles from the nearest land, provided that in any case, the sewage that has been stored in the holding tank shall not be discharged instantaneously but at a moderate rate when the ship is sailing and proceeding at not less than 4 knots. The rate of discharge must be approved by the flag administration.

Any local authority can add additional requirements or establish a **Non-Discharge Zone (NDZ)** prohibiting the discharge of sewage in their water even if the vessel is equipped with a sewage treatment plant approved by the flag administration.

Grey water effluent

All d’Amico’s vessels are equipped with a means of retention of grey waters (grey water tank) to be used in zones where discharge is prohibited. d’Amico’s environmental policy includes, according to the requirement of Vessel General Permits (VGP), specific analyses to verify the presence of BOD (biochemical oxygen demand) and COD (chemical oxygen demand) pollutants.

Grey water is still not regulated by international regulations but mainly by local regulations. The Company has in place a specific procedure to guide the ship’s crew on how to treat grey water in the different regions.

ENVIRONMENTAL MANAGEMENT AT FACILITIES⁴⁸

SDGs	UN TARGET	KPIs 2022
	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	2,014 m³ The water supplied from the public mains in the Rome office, +56.5% since 2020
	7.3 By 2020, double the global rate of improvement in energy efficiency	1,856 KWh per employee the consumption of electricity in the Group sites in 2022 -21.3% since 2020
	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	Implemented a travel management application to reduce travel between different facilities and replace it with new video and call conference systems 63.8% the sustainable mobility rate for going to work among all the d'Amico offices +3.8 percentage point since 2020
	12.2 By 2030, achieve the sustainable management and efficient use of natural resources	2,161 Kg the consumption of paper in 2022, +25.9% from 2020

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 the **50001** for energy management.

⁴⁸ Consumption data related to the onshore facility located in Genoa is not reported because the facility is shared with other companies and d’Amico’s employees only constitute a marginal share of the total employees.

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 four 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 work-related travels and transportation - such as 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.

The d'Amico Group has also started to collect environmental, 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	2020	2021	2022	Var. 20-22
Consumption of electricity [kWh]	497,749	509,057	352,583	-29.2%
KPI – KWh per employee	2,359*	2,390	1,856	-21.3%
Consumption of Natural Gas [m³] **	10,018	9,877	2,822	-71.8%
KPI – m³ per employee	135.4	121.9	38.7	-80.9%

* The value has been adjusted with respect to that published in the 2020 sustainability report
** 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 that office

In 2022 energy consumption in the onshore facilities showed a significant decline. In particular, electricity consumption declined by 29.2% (21.3% per employee) and natural gas consumption declined by 71.8% (80.9% per employee).

WATER CONSUMPTION DATA*	2020	2021	2022	Var. 20-22**
Water supplied from public mains [m³]	1,327.8	1,923.1	2,014	+56.5%
KPI – m³ per employee	11.3	16.3	27.6	+144.2%

* The water supplied from public mains is available only for the Rome and the Singapore (ISHIMA) offices for 2020 and 2021, and only for the Rome office for 2022. The figure of water supplied per employee is therefore calculated taking into account only the employees of the offices considered in every year.
** The difference between 2020 and 2022 has been calculated taking into account only data for the Rome office in 2020

MATERIAL CONSUMPTION DATA	2020	2021	2022	Var. 20-22
Consumption of paper* [Kg]	1,715.9	1,483.0	2160.7	+25.9%
KPI - Kg of paper per employee	8.1**	7.0	11.4	+40.7%

* Consumption of paper for the Rome office in 2022 has been estimated by the Group, while paper consumption for the Monaco office is calculated for every year on the basis of its cost, using a price of € 37.79 for 5,000 sheets of paper
** The value has been adjusted with respect to that published in the 2020 sustainability report

Both water consumption and paper consumption rose in 2022, respectively by 56.5 (144.2% per employee) and 25.9% (40.7% per employee), with respect to 2021, realigning to the pre-pandemic levels after a natural reduction due to remote working policies in 2020 and 2021.

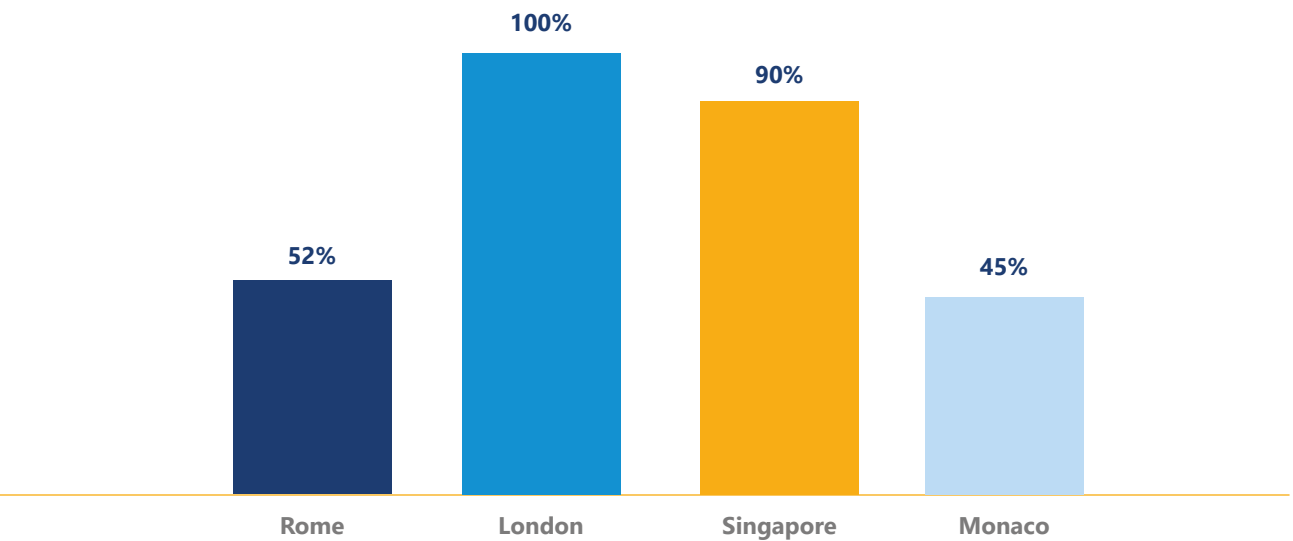
Sustainable Mobility in the d’Amico offices

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

In 2022, the percentage of **sustainable mobility in three out of six of d’Amico’s offices reached at least 90%, with a share of 100% in London and 90%** in the Singapore office, in line with 2021.

On the contrary, data from the offices in Rome and Monaco show that only 52% and 45% among the employees used at least one between sustainable vehicles, while offices in Dublin were closed due to Covid-19 and thus data were not recorded for 2022 (80% in 2020).

SUSTAINABLE MOBILITY (PUBLIC TRANSPORT, FOOT AND BIKE) AMONG EMPLOYEES IN 2022



Chapter 5

Economic Responsibility



2022 HIGHLIGHTS

Euro
1,091.4 million
 Economic Value generated

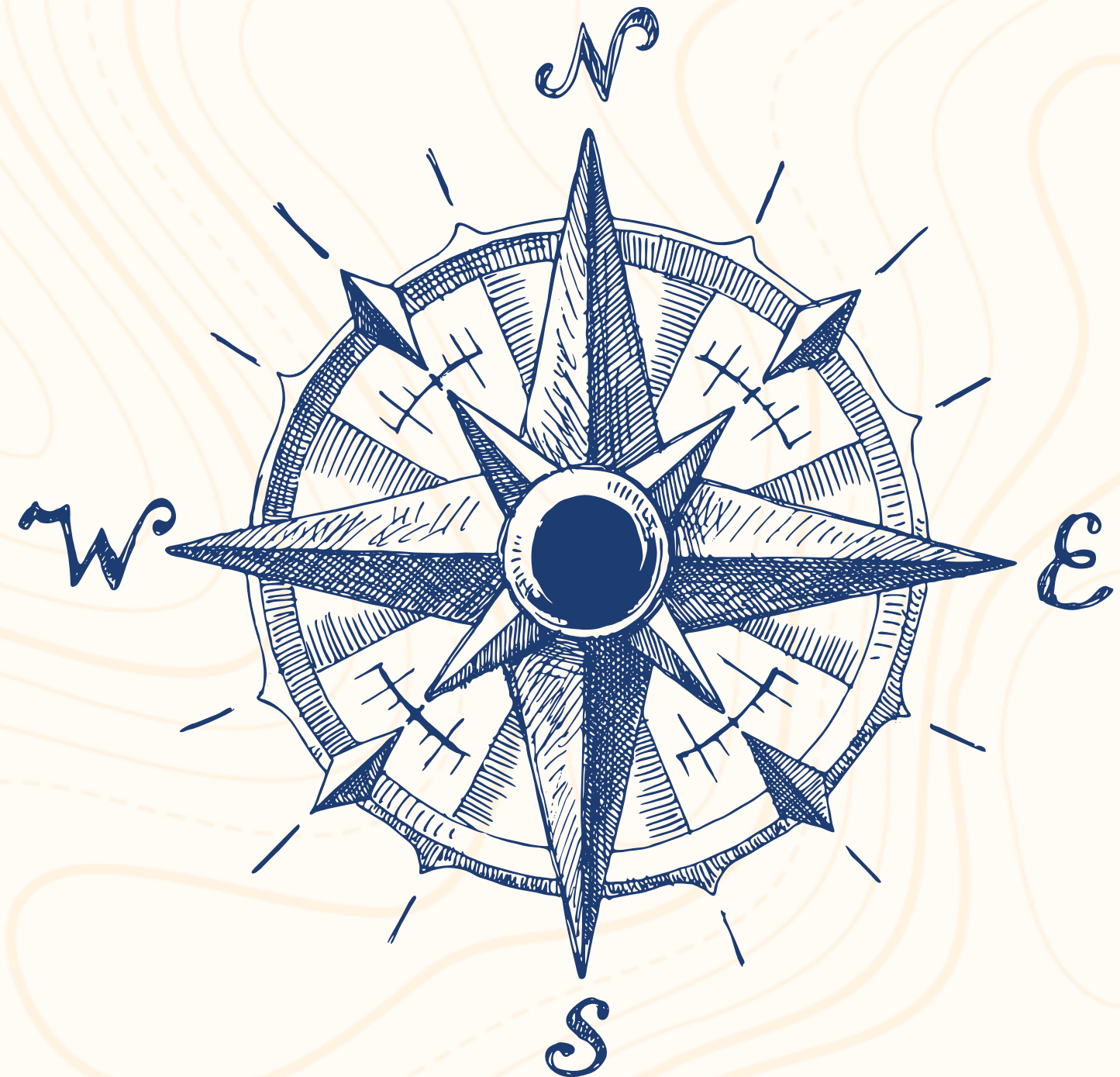
Euro
726.7 million
 Economic Value distributed to stakeholders

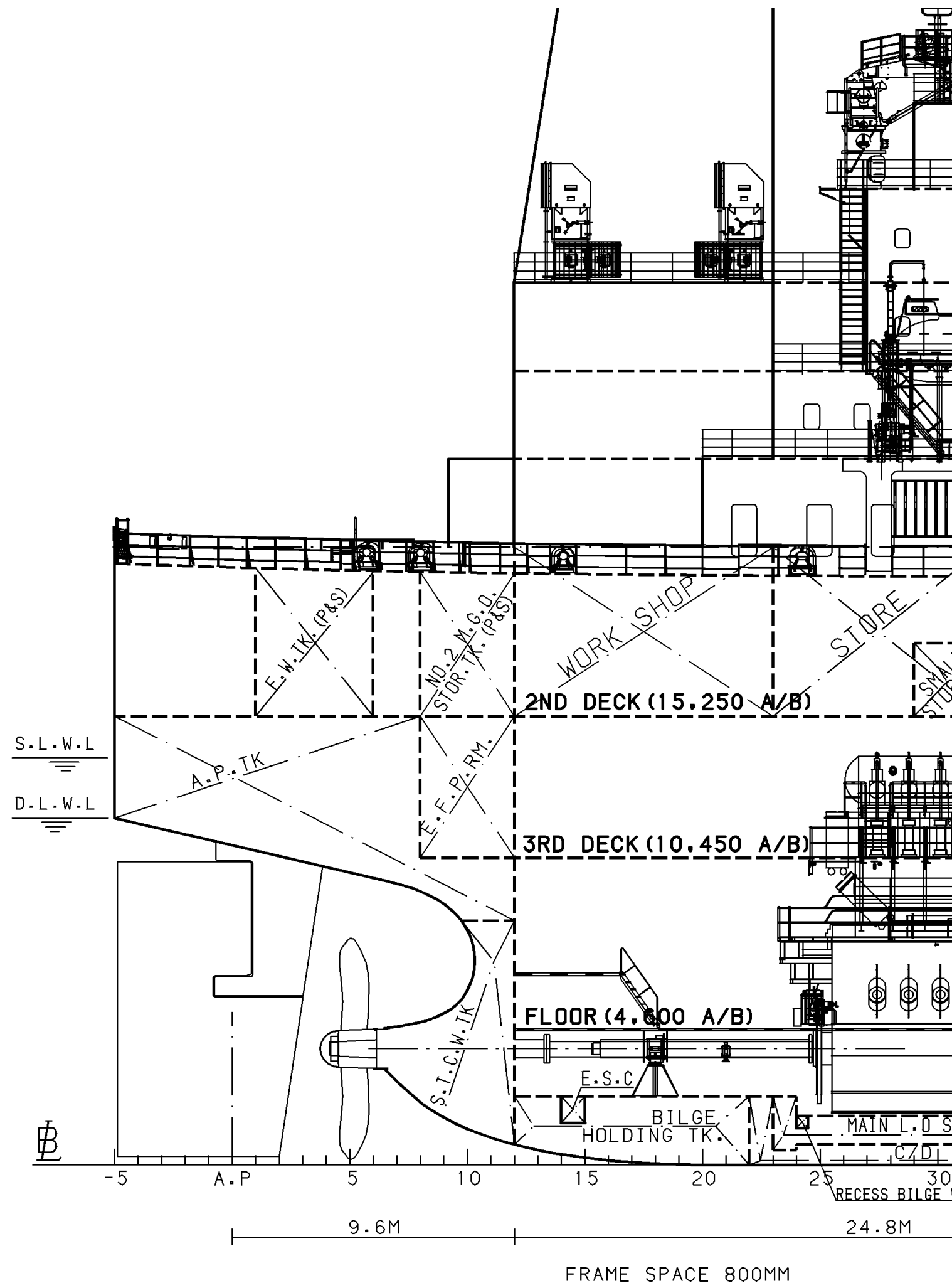
67.9%
 Economic Value distributed to Suppliers

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

Euro
771.0 million
 the total value of supplies

Selection of suppliers according to quality and environmental certifications



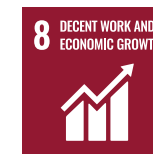


Economic Responsibility

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

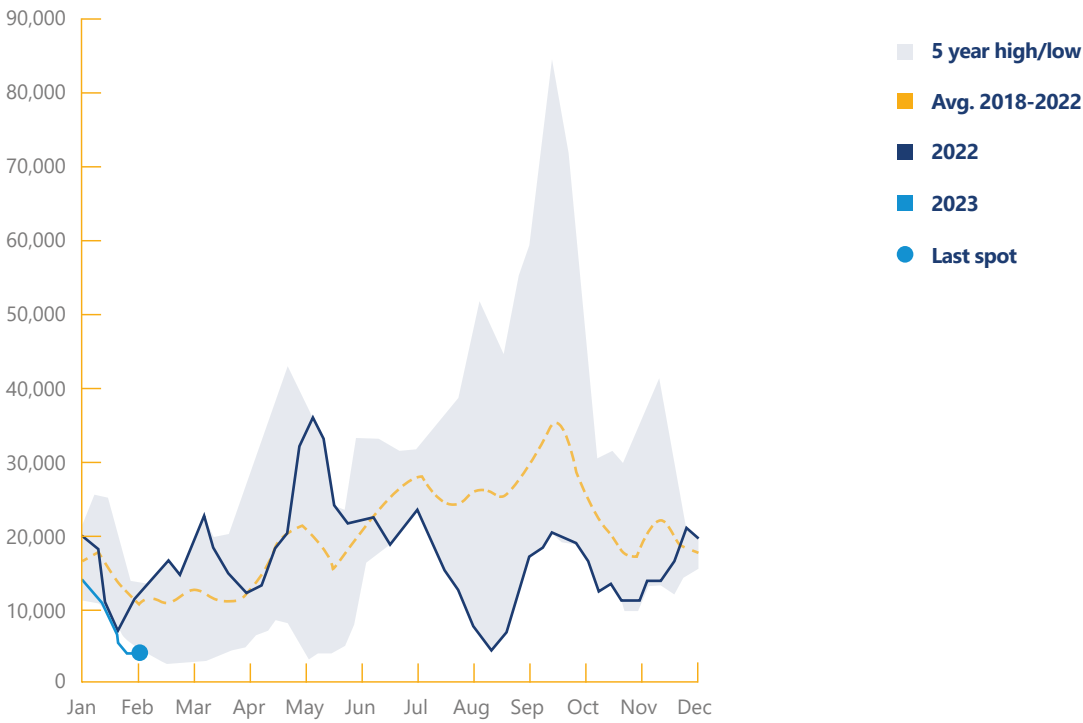
Dry Cargo⁴⁹

2022 was a tale of two halves for the dry bulk freight market. **The first half began with earnings at the high levels seen in 2021.** China's Covid-Zero policy remained in force, but congestion and disruption remained significant. Strong minor bulk shipments continued thanks to the strong container market and there was good demand for steelmaking raw materials in China due to firm margins for the mills. However, the events in Ukraine combined with stubbornly high inflation forced a **change in trade patterns and sentiment from Q2**, that would ultimately force the market to change direction.

As a result, Baltic rates performed as per below:

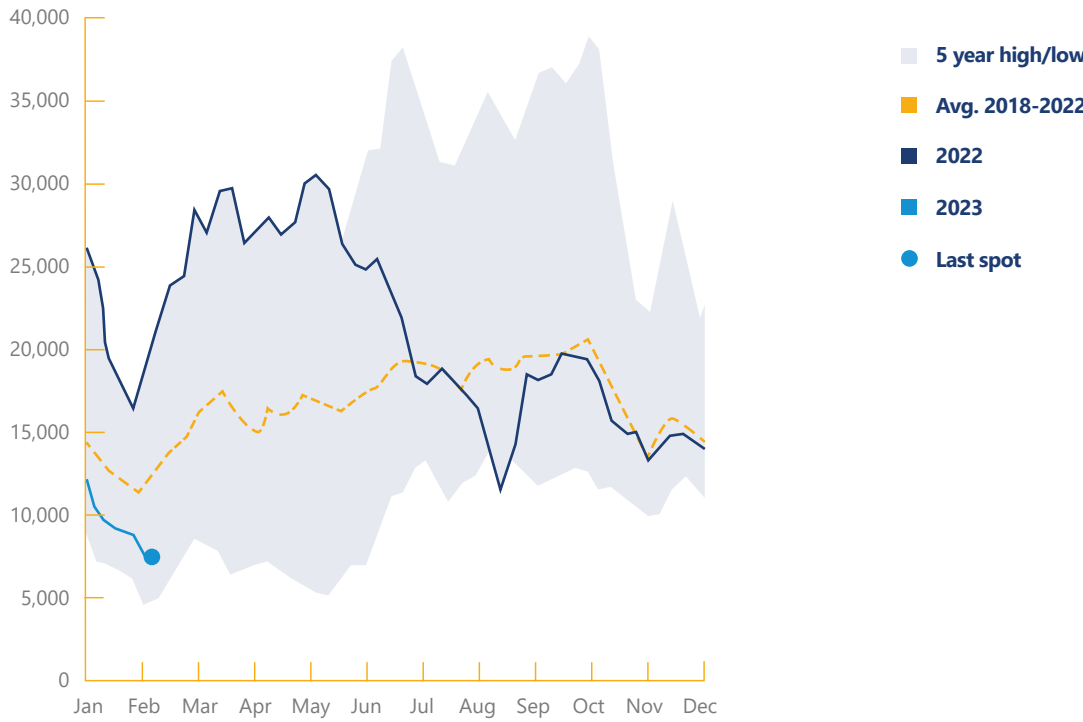
- Panamax 5TC average: \$20,736 per day, 23% decrease compared to 2021
- Supramax 10TC average: \$22,152 per day, 17% decrease compared to 2021
- Handysize 6TC average: \$21,337 per day, 17% decrease compared to 2021.

CAPE SIZE SPOT EARNINGS (USD/DAY)

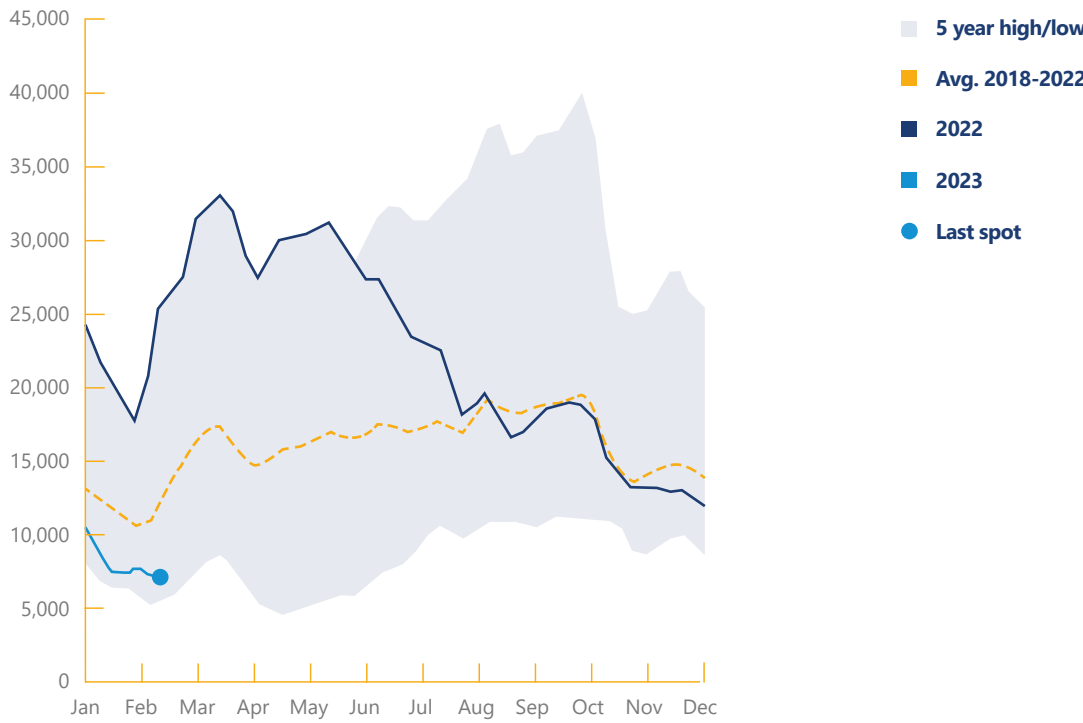


Source: Clarkson Research Services Ltd.. Clarksons Platou Securities AS

PANAMAX SPOT EARNINGS (USD/DAY)



SUPRAMAX EARNINGS (USD/DAY)



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

⁴⁹ Those comments refer to the d'Amico Società di Navigazione 2022 Annual Report

Seaborne transportation of grains

Q1 2022 (155 mt)

-3% compared to the same period last year. Black Sea was initially strong in January and February due to a good harvest, but it was significantly impacted when the war in Ukraine started. USA exports were affected by poor Chinese demand (-16% compared Q1 2021) but were partially offset by better Australia and East Coast South America exports (+7% and +9% respectively compared to Q1 2021).

Q2 2022 (150 mt)

-9% compared to the same period last year due to low volumes out of Black Sea affected by the war in Ukraine and softer Brazil's exports due to bad weather and slower Chinese demand.

Q3 2022 (150 mt)

-3% compared to the same period last year. Brazil firm with record corn exports plus seasonal soybean and Australia's solid grain season continued, only partially offset Black Sea exports losses due to the continuing conflict in Ukraine.

Q4 2022 (166 mt)

+3.5% compared to the same period last year despite Black Sea export losses (-22% compared to Q4 2021), thanks to Australia and Brazil's exports (respectively increased by +42% and +35%).

Seaborne transportation of iron ore

Q1 2022 (368 mt)

-4% compared to the same period last year due to extended rains in Brazil and China lockdown whereas Australian exports remained steady. Strong bauxite exports from West Africa sustained the demand (+8% compared to Q1 2021).

Q2 2022 (393 mt)

-5% compared to the same period last year with Brazil's exports seasonally on the rise but still underperforming and Australian volumes flat. West Africa Bauxite exports continued strongly (10% increase compared to Q2 2021).

Q3 2022 (409 mt)

-2% compared to the same period last year as Brazilian exports underperformed on the year and Australian volumes remained flat. West Africa Bauxite exports continued stronger than the previous quarter (+23% compared to Q3 2021).

Q4 2022 (412 mt)

Remained flat. India exports increased significantly (+62% compared to Q4 2021) on improved Chinese interests as export taxes were reduced.

Seaborne transportation of coal

Q1 2022 (288 mt)

-3% compared to the same period last year. In early January Indonesia announced a sudden, month long and immediate ban of coal exports (-62% compared to January 2021). Exports subsequently recovered strongly in February and March partially offsetting previous month decline. China imported less overall (-32% compared to Q1 2021) but in late February when Ukraine conflict started, buyers started to avoid Russian coal. This partially offset the large reduction in China.

Q2 2022 (334 mt)

+9% compared to the same period last year. After the conflict in Ukarine began coal trade surged amid an emerging energy crisis. The EU started replacing Russian Gas with coal (+74% compared to Q2 2021). After the January shock, Indonesian volumes more than recovered in second quarter. China's Covid-zero policy lasted much longer than market expectations, impacting coal imports (-24% compared to Q2 2021) as industrial demand slowed but also in part due to record domestic production (+10% compared to Q2 2021).

Q3 2022 (331 mt)

+4% compared to the same period last year. Europe continued to build coal stocks but because of the Pacific to Atlantic nature of the imports, it also contributed to an Atlantic tonnage oversupply. Russian exports were strong (+10% compared to Q3 2021) despite the challenges. China's imports improved as domestic railing and mining issues emerged.

Q4 2022 (330 mt)

+6% compared to the same period last year. Europe continued with winter re-stocking along with China, Japan, Korea and Taiwan. In late Q4 China abruptly announced it was lifting most Covid-zero controls and launched an economic recovery.

Seaborne transportation of 'minor' bulk

Q1 2022 (347 mt)

+9% compared to the same period last year thanks to Container earnings still on the high side, albeit softer on China lockdowns and global inflationary pressures. Congestions in China moderated for bigger size ships but remained for Supramax and Handysize vessels.

Q2 2022 (375 mt)

+4% compared to the same period last year. Demand confidence started to decline in June due to high energy costs curbing industrial production. Container earnings fell on consumer demand slowdown but still at a level three times higher than the pre-Covid average. The previously high bulker congestion in China started to unwind at the end of the quarter due to the slower demand.

Q3 2022 (358 mt)

Remained flat. Demand confidence weakened amid steep energy costs. Container earnings fell to just about 2 times more than the pre-Covid average and bulkers port congestion was back to pre-Covid levels.

Q4 2022 (362 mt)

-1.8% compared to the same period last year due to amid difficult macroeconomic conditions and falling industrial activity

Product Tankers⁵⁰

The product tanker market has strengthened significantly since the onset of the war in Ukraine in February 2022, and remained at **historically high levels throughout the year**. The sanctions that gradually came into force in 2022 and self-sanctioning by many important operators led to a redirection of trade flows out of Russia. In particular, India increased imports of Russian crude from under 200 thousand b/d prior to the invasion of Ukraine to almost 1.8 million b/d by the end of 2022. China, which was already an important importer of crude oil from Russia also increased its imports over the same period, from just under 1.0 million b/d to around 1.6 million b/d by the end of last year.

The same importers of Russian crude ramped up exports of refined product towards Europe last year. Combined exports of middle distillates to Europe from China and India averaged 166 thousand b/d in 2021, but surged to 403 thousand b/d in Q4 2022, reaching a record 493 thousand b/d in December 2022. The Middle East also increased exports of refined products to Europe from an average of 532 thousand b/d in 2021 to 702 thousand b/d in 2022.

In addition to the above-mentioned **changes in trade patterns** and the associated **increase in tonne-miles**, the market last year benefitted generally from an increase in inefficiencies, as a large portion of the refined products exported by Russia was involved in transshipment activities before arriving at final destination.

Despite higher imports from these other locations, Europe continued importing high volumes of refined products from Russia last year. The G7 price caps and EU sanctions on exports of Russian refined products that came into force on 5 February 2023, are likely to stimulate a rerouting also of Russian refined products towards other countries, with Europe having to replace the lost Russian cargoes, with imports from more distant locations. The initial indications are that Russian exports of refined products are being redirected mostly to North Africa and Turkey. North Africa in particular increased imports of Russian diesel from insignificant levels (less than 10 thousand b/d) to around 250 thousand b/d in February 2023.

Freight markets in the last quarter of last year was especially strong and were impacted by a front loading of imports by Europe in anticipation of the sanctions which were going to come into force in February 2023, as well as higher volumes out of China, due to an important increase in government-allocated export quotas to local refineries.

The one-year time-charter rate is always the best indicator of spot market expectations and as at the end of December 2022 was assessed at around US\$ 28,000 per day for a conventional MR2, with **an Eco MR2 assessed at a premium of around US\$ 4,000 per day**.

Maritime services

The **activities of the companies that provide maritime services** within the Group and to third parties continued in 2022.

Ishima, which provides technical support on vessels owned by the Group and by third parties, closed the year with a profit of € 1.8 million.

The intermediation activity regarding bunker fuel purchases carried out by Rudder and by its Singapore subsidiary broke even in 2022.

Lastly, Sirius continued its crew management and training activities and ended the year with a profit of approximately € 650,000.

ICT strategy

2022 was a particularly intense year from the point of view of application implementations, due to the expansion of the **fleet management system (ABS)** renovation project, which overlapped with the activities for the implementation of the **new accounting information system (Microsoft Business Central)**. The completion of the fleet management system with the latest functionalities and final tuning is scheduled for the second quarter of 2023, while the new accounting information system project has met all the work plan deadlines and has been fully operational since January 2023.

In order to respond to the changing fleet performance analysis and reporting needs, in terms of effectiveness, efficiency and environmental sustainability, a project has been launched to expand and upgrade the database which, by aggregating information from the fleet, feeds into **FRIDA's reporting system** analyses. At the same time, new algorithms were implemented to detect the KPIs required by the market and regulatory bodies.

As part of cybercrime **defence activities**, in 2022 there was a decisive paradigm shift, with the activation of two innovative projects: with the help of external consultants, a **financial risk analysis** was conducted at Group level to determine the relevance of the residual risk downstream of the countermeasures adopted; at the same time an intense training and awareness campaign was launched to increase operators' sensitivity to cyber threats and thus reduce the **"human factor"** issue, which continues to represent the most critical aspect in the protection against **cyber-attacks**.

The upgrading of on-board systems continues, with the introduction of an infrastructure more suited to the new, rapidly growing needs, and more suitable to manage cyber threats that can also be significant on board; this activity, conducted without compromising vessels operational continuity in any way, will be completed in 2023.

Fleet renewal and growth

The d'Amico Group has recently completed an **extensive fleet renewal programme in which it invested 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**.

Following the conclusion of the fleet renewal program, d'Amico Group has been pursuing its strategy of **dismissing older vessels** concentrating on a fleet of 'Eco' vessels. By end of 2022 **86% of the d'Amico Group fleet was composed by 'Eco' vessels. The d'Amico Group 'Eco' fleet is among the newest in the industry** with an average age of 7.6 years for the Product Tankers, and 5.9 years for the Dry Cargo. Therefore, considering the industry average age of 12.8 years for Product Tankers and 10.8 for Dry Cargo, the d'Amico Group vessels are 5.2 years and 4.9 years newer respectively, on average.

⁵⁰ Those comments refer to the d'Amico International Shipping S.A. 2022 Annual Report.

BUSINESS OUTLOOK

Dry Cargo⁵¹

In the first few months of 2023, the typical **seasonality** of the dry bulk market increased the pressure on freight rates levels due to the **weakness of the global economy** and the **reduction in port traffic**. The first signs of recovery were recorded as early as March, mainly linked to the role of China, which, following the removal of post-Covid restrictions, represents an important driver for supporting demand.

For the year 2023, **demand is expected to increase by 1.9% tonnes per mile** (and by 1.1% in terms of total tonnes) thanks to the increase in the average voyage duration linked to both the structural change in some routes, as a result of the Russia-Ukraine conflict, and the constant reduction in navigation speed.

Over a medium/long-term time frame, orders for dry vessels are confirmed at the **lowest values in the last 30 years** (about 7% of the fleet in the water) and, despite the fact that the market has been particularly strong in the last two years (2021-2022), they have remained under control due to the following disincentive factors:

- uncertainty about the technologies that will become dominant in the pursuit of the decarbonisation goals;
- inflation and raw material costs and their impact on the price of newly-built vessels;
- shipyards offering deliveries more than two years ahead, due to container vessels orders.

In the market context described, the d'Amico Group believes that its fleet, almost entirely composed of young, modern and eco-friendly vessels, is well-positioned to offer flexible and high-quality business services and will be able to **capture market opportunities** by carefully managing risk and volatility, through medium-term hedges extending to 2024/2025 and short-term arbitrage.

Specifically, **China** remains **key for the dry bulk market**. The sudden, unprepared lifting of covid-zero measures before Chinese New Year came after an extended period of strict movement controls and economic hardship, improving mobility and consumption indicators.

Iron ore trade is highly reliant on the health of the Chinese economy. Looking ahead, seaborne iron ore trade is projected to remain relatively flat in 2023 on the back of continued weak demand from China in the early part of the year, a gradual recovery is expected into 2024 supported by improving economic trends in Europe, China and other key regions.

The loss of Russian coal imports and tightening gas supplies in Europe are expected to lead to an increase in **seaborne coal imports** from Pacific suppliers, while shipments from Atlantic exporters are expected to remain elevated for the next 12 months. All eyes will be on China, particularly if the economy manages to bounce back strongly, as many expect. China's domestic coal production may stay strong to support their energy security, particularly if we see another year of weak hydropower. India is likely to provide firm support as well, with good economic growth expected. Europe is also likely to continue building ample stocks in preparation for the next summer and winter season, although high natural gas inventories and lower gas prices may reduce the demand for the Asia-Continent coal trade.

Grain trades possess good potential to rebound (expected to increase by 4-6% in 2023), with harvests from Brazil and Australia looking promising and possibly able to offset softer volumes from Argentina and other regions. The wildcard remains the Black Sea with changes in estimates dependent on the **development of the War**: Ukrainian grain exports are expected to continue at a rate of around 500 kt per week in early 2023 if the security of the Black Sea export corridor is maintained, although shipments are vulnerable to inspection delays in Turkish waters. Chinese demand is also key, which links closely back to the pace of economic recovery there.

⁵¹ Those comments refer to the d'Amico Società di Navigazione 2022 Annual Report

In contrast to a less certain short-term demand outlook, **the outlook for fleet supply is positive**. The introduction of the **Energy Efficiency Existing Ship Index**, or EEXI, is expected to have a significant effect on fleet efficiency. Commencing in 2023, all vessels in the global fleet will be required to meet new energy efficiency standards. Most vessels built before 2014 will have limited options to meet the EEXI standards aside from reducing their sailing speeds. This gives further potential for early retirement of less efficient vessels where it is uneconomic to bring them up to the new standards. In the current market environment, with CII emissions counting commenced with the first rating to be reflected on Jan 1st 2024, **modern, fuel-efficient vessels and vessels fitted with exhaust gas cleaning systems are earning a substantial premium** compared to older tonnage due to the elevated fuel prices and fuel spreads (High Sulphur v Low Sulphur).

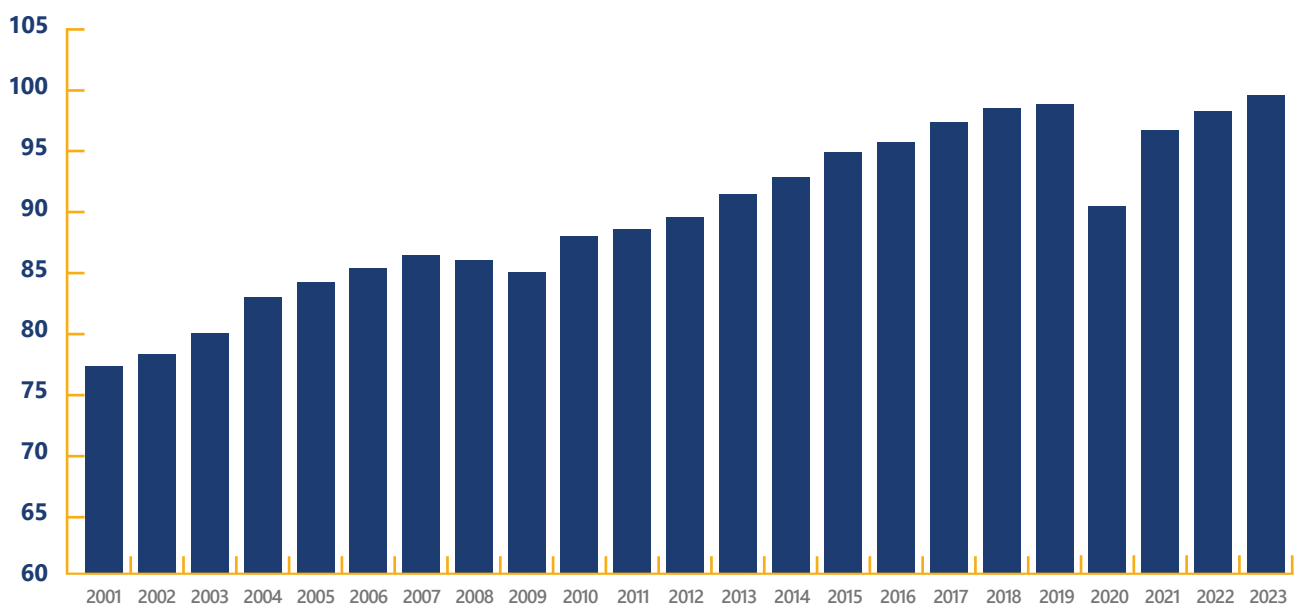
The Company is closely **monitoring macro-economic factors** and potential impacts on the dry bulk trades and is well-positioned in the near term, with profitable charter **coverage in excess of 70%** of its available days in 2023 and over 25% in 2024. The Company expects the market environment to experience weakness in 2023 before recovering in mid-2024 due to new regulation, better demand, and low orderbook.

Product Tankers⁵²

The key **drivers** that should affect the product tankers' freight markets and d'Amico International Shipping's performance are:

- the growth in global oil supply
- the refinery margins and throughput
- the demand for refined products
- the structure of forward prices for both crude oil and refined petroleum products
- the product tankers' fleet growth rate
- the efficiency of the fleet due to factors such as congestion, transhipments and average sailing speeds
- average sailing distances and ballast to laden ratios.

WORLD CRUDE OIL PRODUCT DEMAND (MILLION BARRELS PER DAY)



Source: IEA Annual Statistical Supplement for 2021 (2022 Edition) and IEA-Oil Market Report Feb 2023

⁵² Those comments refer to the d'Amico Società di Navigazione 2022 Annual Report and to the d'Amico International Shipping S.A. 2022 Annual Report.

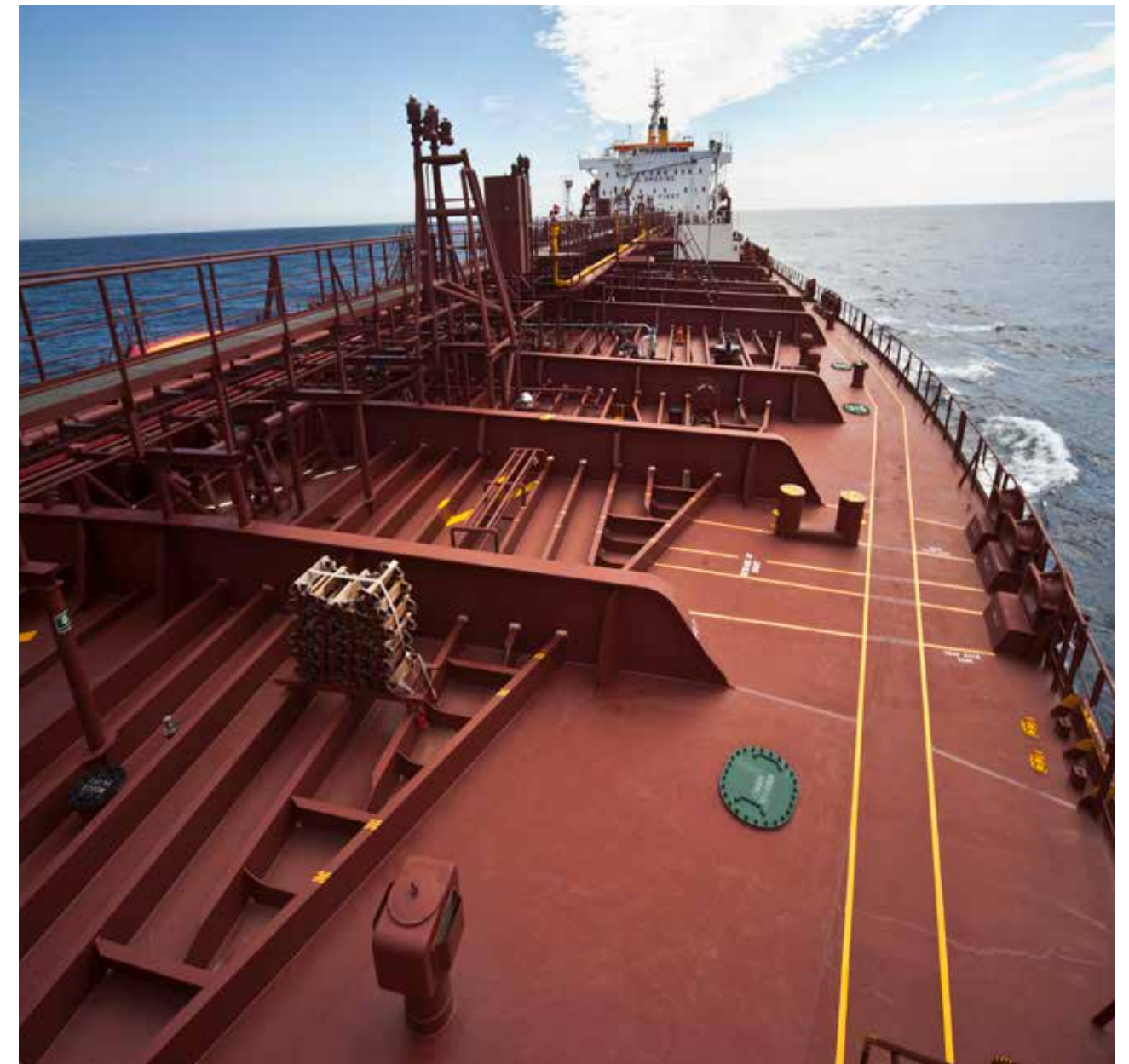
Product Tanker Demand

- According to the IEA's February Oil Market Report, following the Arctic freeze in the US at the end of last year, **US refinery throughput fell** by 1.5 million b/d from their post-pandemic peak of 16.4 million b/d in November '22 and is not expected to reach that level again before April-May 2023. Chinese runs have also moderated since the spike in November 2022.
- According to IEA's February report, **world oil demand will climb by 2.0 million b/d in 2023** to reach 101.9 million b/d. The Asia-Pacific region (+1.6 million b/d), fuelled by a resurgent China (+900 kb/d), will be the main growth driver. Looking at demand growth by refined product, it will be led mostly by jet/kerosene, whose consumption is expected to rise by 1.1 million b/d this year, to reach 7.2 million b/d, equivalent to 90% of 2019 levels.
- In their February report, the IEA expects refinery runs to increase on average by 1.8 million b/d in d 2023, up from 80.3 million b/d in 2022. Most of the net increase comes from East of Suez as Russian run-cuts offset gains elsewhere in the Atlantic Basin. If all refinery startups materialise as expected, there should be sufficient capacity to meet refined product demand this year, even with the expectations of lower Russian product exports.
- According to IEA's February report, oil supply is expected to increase by 1.2 million b/d in 2023, much less than the anticipated increase in oil demand. **The oil market is expected to be slightly oversupplied in Q1 '23, balanced in Q2 '23, and swing to an important deficit in the second half of the year.**
- Oil supply growth in 2023 will be driven by the US (+1.0 million b/d), Brazil (+0.3 million b/d), Norway (+0.1 million b/d) and Canada (+0.1 million b/d). Overall non-OPEC volume is expected to increase by 1.8 million b/d, compensated by an-OPEC decline of 590 thousand b/d, with Russian output expected to decline by 1.0 million b/d. Given this scenario it is likely that oil prices will be well supported in 2023 and that OPEC+ will have to step-up production in the second half of the year to rebalance the market.
- According to Clarksons' January 2023 outlook, seaborne products trade volumes are projected to increase by approximately 4% in 2023, on the back of oil demand gains, with new refineries in the Middle East in particular expected to drive regional export growth. However, **the market is experiencing significant shifts in product trade patterns and inefficiencies** arising from the sanctions being imposed on Russian exports of refined products, which from the 5th February 2023 includes also those from the EU. Clarksons therefore expects total products tonne-mile trade to increase by around 11.2% in 2023, to be followed by a robust 8.3% expansion in 2024.
- In the longer-term, **recovering demand and structural shifts in the location of refineries are likely to continue boosting long-haul product trades.**

Product Tanker Supply

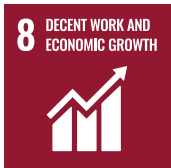
- At the beginning of the year, Clarksons estimated 67 MRs and LR1s would have been delivered in 2022; only 57 such vessels were delivered.
- Trading inefficiencies, as transshipments of cargoes and ballast to laden ratios increased, have been one of the factors **reducing fleet productivity** and contributing to the **strong freight markets** since the onset of the war in Ukraine.
- In their January 2023 outlook, Clarksons estimated the product tanker fleet will grow by only 0.4% in 2023.
- Despite the strong freight markets, 23 vessels in the MR and LR1 sector have been scrapped in 2022.
- According to Clarksons, as at February 2023, 7.5% of the MR and LR1 fleet was over 20 years old (in dwt), whilst the current order book in these segments represented only 3.2% of the current trading fleet (in dwt). As at the same date, 35.5% of the MR and LR1 fleet (in dwt) was more than 15 years old, and this percentage should continue rising fast over the coming years.

- **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. From January 2023 operators are required to **measure** their vessels' energy efficiency existing ship index (EEXI), reflecting their technical efficiency and their carbon intensity indicator (CII), assessing how efficiently they are managed. Both measures aim to **cut emissions progressively from 2023 to 2030**. The expected technological change required to meet the increasingly demanding environmental regulations is reducing appetite for new building orders, since such vessels could be obsolete soon after delivery. Furthermore, the increase in new building costs and decrease in yard availability is also negatively affecting the appetite for new orders.



ECONOMIC VALUE GENERATED AND DISTRIBUTED

SDGs



8 DECENT WORK AND ECONOMIC GROWTH

UN TARGETS

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

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

KPIs 2022

Euro

1,091.4 million

the total value generated by d'Amico Group

Euro

104.2 million

the economic value distributed to employees

Euro

2.3 million

the economic value distributed to the Public Administration

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 produce, 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

The economic value generated by the Group as at 31 December 2022 amounted to **EUR 1,091.4 million** (+43.0% since 2021) 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). This value confirms the growing trend recorded after the reduction in both the value created by the Group and the value subsequently distributed registered in 2020..

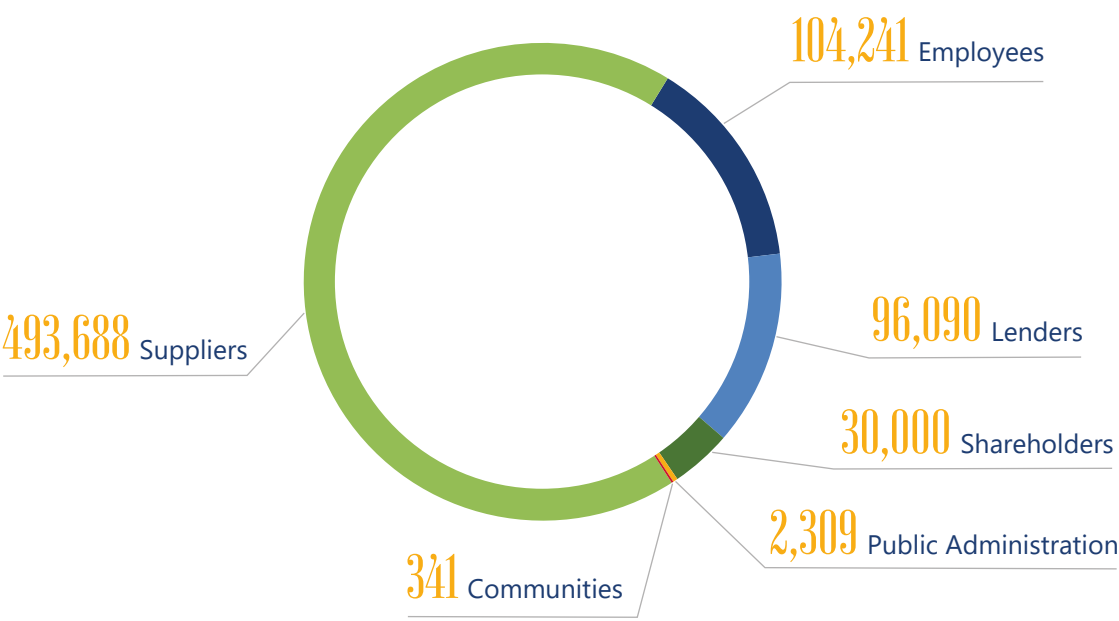
ECONOMIC VALUE GENERATED AND DISTRIBUTED (THOUSANDS OF EUROS)	2020 ⁵³	2021	2022
ECONOMIC VALUE GENERATED	608,533	763,290	1,091.446
Revenue from sales (shipping and services)	613,407	707,550	1,073.320
Other revenue (disposal of fixed assets)	2,888	2,734	11,335
Financial results	-7,762	53,006	6,791
ECONOMIC VALUE DISTRIBUTED	509,297	539,351	726.669
Suppliers	350,390	373,445	493,688
Employees	95,239	90,897	104,241
Lenders	61,972	52,347	96,090
Shareholders (dividends distributed during the year)	0	20,000	30,000
Public Administration	1,377	2,396	2,309
Community (donations, sponsorships and trade associations)	319	266	341
ECONOMIC VALUE INVESTED IN THE COMPANY	99,236	223,939	364,777

The **economic value distributed** by the Group as at 31 December 2022 amounted to **EUR 726.7 million (+34.7% since 2021)**, divided among the following stakeholders as detailed below:

- **to suppliers, approximately EUR 494 million (+32.2%)**, 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 104 million (+14.7%)**, consisting of wages, salaries, social security and welfare charges and defined-contribution plans;
- **to lenders, approximately EUR 96 million (+83.6%)**, as bank interest on short and medium/long-term loans;
- **to shareholders, EUR 30 million** of dividends were distributed during 2022;
- **to the Public Administration, approximately EUR 2.3 million (-3.6%)** for direct and indirect taxes and duties;
- **to communities, EUR 341 thousand (+28.1%)** in the form of donations, gratuities, sponsorships and registration fees to trade associations.

⁵³ The “Financial results”, “Economic value distributed” and “Suppliers” values for 2020 have been adjusted with respect to the d’Amico Group’s 2020 and 2021 Sustainability Reports.

2022 - ECONOMIC VALUE DISTRIBUTED [in million €]



Lastly, the **economic value invested by the Group** amounted to **EUR 364.8 million** as at 31 December 2022 (+62.9%) and consisted of amortisation and depreciation, write-downs, and provisions to ensure business continuity and sustainability.



THE SUPPLY CHAIN

SDGs	UN TARGETS	KPIs 2022
	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 493.7 million the economic value distributed to suppliers
	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

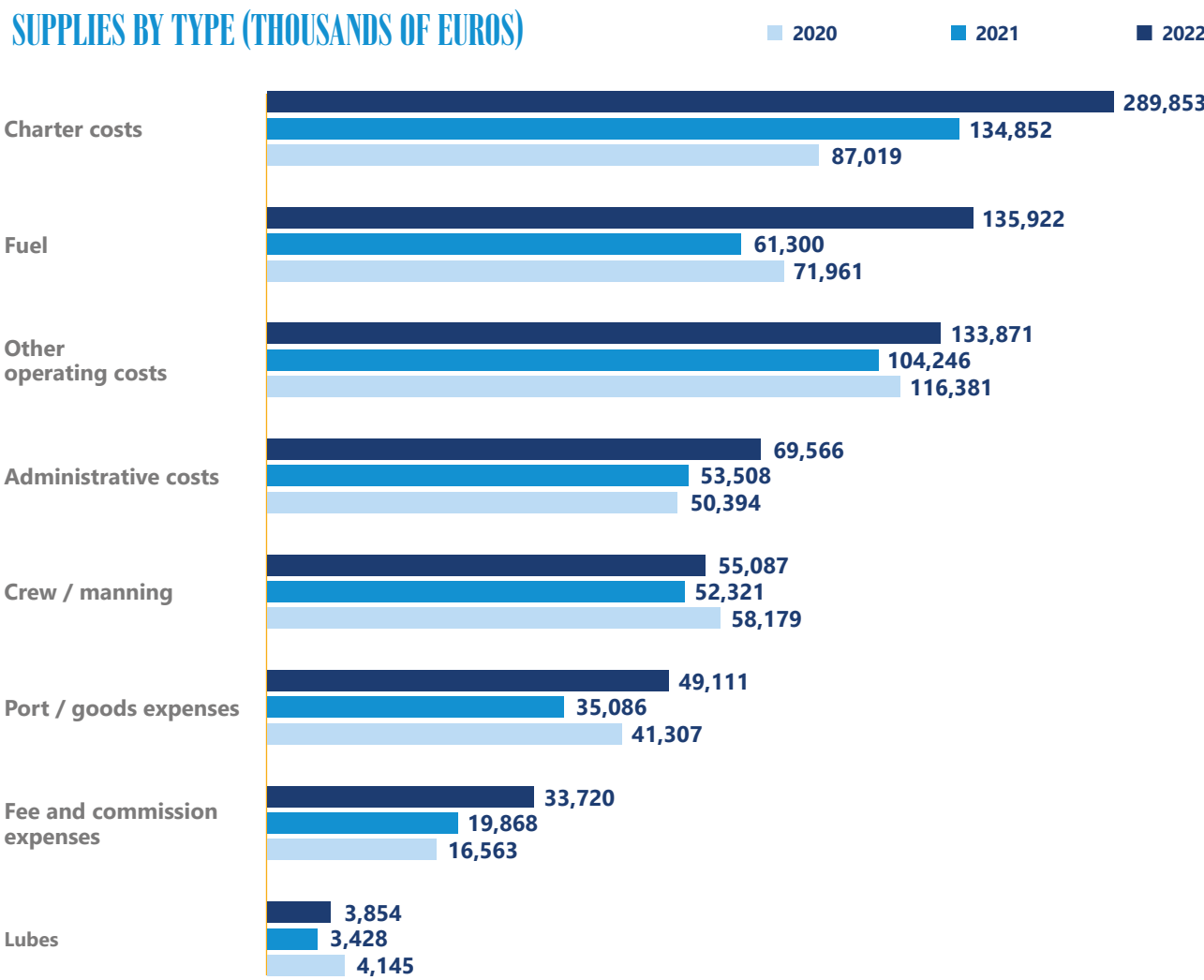
In managing the supply chain - thanks to its Integrated Management System (IMS) - the d'Amico Group has taken measures to **ensure that the products and services it purchases comply with quality, safety, and respect for the environment**. More specifically, these measures apply to the products and services 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 (THOUSANDS OF EUROS)	2020	2021	2022
SUPPLIES FOR OPERATING COSTS (OF WHICH)	395,555	411,101	701,417
fuel	71,961	61,300	135,922
port/goods expenses	41,307	35,086	49,111
fee and commission expenses	16,563	19,868	33,720
charter costs	87,019	134,852	289,853
manning	58,179	52,321	55,087
lube oil	4,145	3,428	3,854
other operating costs (such as technical expenses, ship management, insurance)	116,381	104,246	133,871
SUPPLIES FOR ADMINISTRATIVE COSTS	50,394	53,508	69,566
TOTAL	445,949	464,609	770,982



Supplier selection

The d'Amico Group has a **register of suppliers selected based on their reliability, quality, price, delivery times, and history**. The suppliers included in this list must meet the following criteria:

- **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
- **compliance with d'Amico Group's requirements regarding consumption and energy efficiency**.

Supplier assessment

The products and services purchased are checked by type, quantity, and quality as contractually defined; any defects are also checked. The checks are normally carried out upon receipt onboard, by ship's personnel, and onshore, 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 2022 has been prepared following the GRI Standards of the Global Reporting Initiative, using the reporting option “with reference to”.

To ensure a quality report, d’Amico has 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 d’Amico Group*.
- **Sustainability Context** - In the chapter *Environmental Responsibility* - specifically in the paragraphs “*Environmental impact and regulatory framework*”, “*Environmental policy and strategy*” and “*Decarbonisation and digitalisation strategy*” - d’Amico has provided a clear description of its approach, which seeks to anticipate the present and future goals regarding ship energy efficiency and the reduction of emissions defined by the IMO and the EU.
- **Materiality** - In 2020 the d’Amico Group carried out a materiality analysis and identified topics that reflect the organisation’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 “*The d’Amico Group’s Sustainability Path*”, in the chapter *Sustainability for 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 2022. The paragraph “*Business outlook*” - contained in the chapter *Economic Responsibility* - also anticipates some information that underline market trends and development for 2023, in particular in relation to the evolution of the global geopolitical situation, exasperated by the war between Russia and Ukraine.

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; Water and effluents	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 2022 Consolidated Financial Statements, while the accuracy of the environmental, health & safety and quality data are the result of certified management systems, particularly Internal Safety Management Code, ISO 9001, ISO 14001, ISO 45001 and ISO 50001, and of the Fleet Performance Monitoring Department. Corporate data have been mainly drawn from the Company’s operating systems.

To calculate the CO₂ emissions, the following Carbon Factors related to the different type of Fuel have been used.

FUEL OIL TYPE	c _f (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% Sulpur)	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 have 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.

On the other hand, for the calculation of NO_x emissions, no distinction has been made between low-speed engines (main engine) and generators (medium speed), using an average emission factor equal to 57 kg NO_x /ton of fuel.

- **Balance** - In describing the results of the activities performed, both positive and negative aspects have been considered to allow a balanced assessment of the Company's performance.
- **Comparability** - To enable stakeholders to analyse changes in performance, the Sustainability Report presents data over a three-year period, with the exception of the EEDI/EEXI and AER indexes in the chapter *Environmental Responsibility*, reported over a four-year period. 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 2022 have been reported, where significant.
- **Clarity** - The structure of the report has been defined to make it easy for stakeholders to find relevant information. The level of detail of the information has been chosen to make the report comprehensible, accessible and easy to use by the different stakeholders. The meaning of the acronyms used has also been explained in special notes.
- **Reliability** - The 2022 Sustainability Report has been approved by the Board of Directors at its meeting of 19/04/2023. The document also contains contact details to ask for further explanation and clarification of the information contained therein.

CONTENT INDEX

GRI CONTENT INDEX

STATEMENT OF USE	d'Amico has reported the information cited in this content index for the period 01/01/2022 - 31/12/2022 with reference to the GRI Standards.
GRI 1 USED	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	PAGES
GRI 2: General Disclosures 2021	2-1 Organizational details	18-21
	2-2 Entities included in the organization's sustainability reporting	20-21
	2-3 Reporting period, frequency and contact point	226-228
	2-6 Activities, value chain and other business relationships	12-25; 113-122; 223-225
	2-7 Employees	68-111
	2-8 Workers who are not employees	68-111
	2-9 Governance structure and composition	26-27
	2-14 Role of the highest governance body in sustainability reporting	226-228
	2-22 Statement on sustainable development strategy	5
	2-23 Policy commitments	27-33; 104-105
	2-26 Mechanisms for seeking advice and raising concerns	27-33
	2-27 Compliance with laws and regulations	No incidents of non-compliance with laws and regulations
	2-28 Membership associations	125-132
	2-29 Approach to stakeholder engagement	38; 50-56
	2-30 Collective bargaining agreements	75-76
GRI 3: Material Topics 2021	3-1 Process to determine material topics	39-41
	3-2 List of material topics	39-41; 44-49
	3-3 Management of material topics	63-225
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	220-222
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	No incidents of corruption
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No incidents of anti-competitive behavior
GRI 302: Energy 2016	302-1 Energy consumption within the organization	149-182; 201-203
	302-3 Energy intensity	149-182; 201-203
	302-4 Reduction of energy consumption	149-182; 201-203
	302-5 Reductions in energy requirements of products and services	149-182
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	198-200; 201-203
	303-3 Water withdrawal	198-200; 201-203
	303-5 Water consumption	198-200; 201-203
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	183-192
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	149-182
	305-4 GHG emissions intensity	149-182
	305-5 Reduction of GHG emissions	149-182
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	149-182
GRI 306: Effluents and waste 2016	306-3 Significant spills	183-192
GRI 306: Waste 2020	306-3 Waste generated	193-197
	306-5 Waste directed to disposal	193-197
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	223-225

GRI 401: Employment 2016	401-1 New employee hires and employee turnover	81-84
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	99-103
	401-3 Parental leave	99-103
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	106-111
	403-2 Hazard identification, risk assessment, and incident investigation	106-111
	403-3 Occupational health services	106-111
	403-5 Worker training on occupational health and safety	86-94
	403-8 Workers covered by an occupational health and safety management system	106-111
GRI 404: Training and Education 2016	403-9 Work-related injuries	106-111
	404-1 Average hours of training per year per employee	86-94
	404-2 Programs for upgrading employee skills and transition assistance programs	86-94
	404-3 Percentage of employees receiving regular performance and career development reviews	95-98
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	26-27; 68-73
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	125-132

SASB CONTENT INDEX

STATEMENT OF USE	d'Amico has reported the information cited in this content index for the period 01/01/2022 - 31/12/2022 with reference to the Marine Transportation SASB standard version 2018-10.
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SASB STANDARD	DISCLOSURE	PAGES
TR-MT-160a.3	Spills and releases to the environment	183-192
TR-MT-320a.1	Lost time incident rate	106-111
TR-MT-540a.1	Marine casualties	106-111

ESRS CONTENT INDEX

STATEMENT OF USE	d'Amico has reported the information cited in this content index for the period 01/01/2022 – 31/12/2022 with reference to the European Sustainability Reporting Standard – Exposure Draft April 2022.
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ESRS STANDARD	DISCLOSURE	PAGES
G1-1	Governance structure and composition	26-27
G1-2	Corporate governance code or policy	26-33
G1-7	Risk management processes	41-43
G1-10	Meetings and attendance rate	26-27
G2-1	Business conduct culture	26-33
G2-3	Prevention and detection of corruption and bribery	26-33
S1-9	Training and Skills Development indicators	86-94
S1-11	Performance of the health and safety management system	106-111

LIST OF FLEET VESSELS

The following tables set forth information about d’Amico Group’s fleet on the water as at 31 December 2022.

DRY CARGO				
NAME OF VESSEL	VESSEL TYPE	DWT	YEAR	COMPANY
OWNED				
Cielo d'Italia	Mini Capesize	116,900	2015	d'Amico Dry d.a.c.
Cielo d'Europa	Mini Capesize	116,900	2016	d'Amico Dry d.a.c.
Medi Eolie	Panamax	81,600	2016	d'Amico Dry d.a.c.
Medi Amalfi	Panamax	87,605	2017	d'Amico Dry d.a.c.
Medi Serapo	Panamax	86,600	2018	d'Amico Dry d.a.c.
Medi Ginevra	Panamax	86,600	2018	d'Amico Dry d.a.c.
Medi Palmarola	Panamax	81,600	2018	d'Amico Dry d.a.c.
Medi Egadi	Panamax	81,600	2018	d'Amico Dry d.a.c.
Medi Hakata ⁵⁴	Supramax	58,078	2014	d'Amico Dry d.a.c.
Medi Tirreno	Supramax	60,250	2015	d'Amico Dry d.a.c.
Medi Egeo	Supramax	60,250	2015	d'Amico Dry d.a.c.
Medi Adriatico	Supramax	60,250	2016	d'Amico Dry d.a.c.
Medi Atlantico	Supramax	60,250	2016	d'Amico Dry d.a.c.
Medi Zuoz	Supramax	60,250	2017	d'Amico Dry d.a.c.
Medi Roma	Supramax	60,250	2017	d'Amico Dry d.a.c.
Cielo di Valparaiso	Handysize	38,670	2015	d'Amico Dry d.a.c.
Cielo di Angra	Handysize	38,670	2015	d'Amico Dry d.a.c.
Cielo di Tampa	Handysize	38,670	2016	d'Amico Dry d.a.c.
Cielo di Rabat ⁵⁵	Containers Carrier	30,200	1997	d'Amico Dry Maroc Sarl
CHARTERED				
Medi Matsuura	Panamax	81,500	2015	d'Amico Dry d.a.c.
Medi Sydney	Panamax	81,600	2015	d'Amico Dry d.a.c.
Medi Chiba	Panamax	82,000	2016	d'Amico Dry d.a.c.
Medi Kazahaya	Panamax	81,600	2017	d'Amico Dry d.a.c.
Medi Newport	Panamax	81,800	2017	d'Amico Dry d.a.c.
Medi Kyoto	Panamax	88,500	2018	d'Amico Dry d.a.c.
Medi Nagoya	Panamax	81,600	2018	d'Amico Dry d.a.c.
Medi Tokyo	Panamax	88,500	2018	d'Amico Dry d.a.c.
Medi Oita	Panamax	81,600	2019	d'Amico Dry d.a.c.
Medi Fuji	Panamax	81,500	2020	d'Amico Dry d.a.c.
Medi Yokohama	Supramax	57,700	2014	d'Amico Dry d.a.c.
Medi Manila	Supramax	57,700	2014	d'Amico Dry d.a.c.
Medi Aero	Supramax	57,475	2016	d'Amico Dry d.a.c.
Medi Brisbane	Supramax	60,000	2016	d'Amico Dry d.a.c.
Medi Astoria	Supramax	61,000	2017	d'Amico Dry d.a.c.
Medi Perth	Supramax	60,000	2017	d'Amico Dry d.a.c.
Medi Portland	Supramax	60,000	2018	d'Amico Dry d.a.c.
Medi Norfolk	Supramax	60,000	2019	d'Amico Dry d.a.c.
Medi Osaka	Supramax	63,000	2019	d'Amico Dry d.a.c.
Medi Hiroshima	Supramax	63,000	2020	d'Amico Dry d.a.c.
Cielo di Palermo	Handysize	37,059	2013	d'Amico Dry d.a.c.
Cielo di Iyo	Handysize	37,000	2017	d'Amico Dry d.a.c.
Cielo di Seto	Handysize	37,000	2017	d'Amico Dry d.a.c.

^{54/55} Due to technical reasons, Medi Hakata and Cielo di Rabat were not taken into account in the report.

PRODUCT TANKERS				
NAME OF VESSEL	VESSEL TYPE	DWT	YEAR	COMPANY
OWNED				
Cielo di Londra / Bright Future	LR1	75,000	2019	d'Amico Tankers d.a.c.
Cielo di Cagliari	LR1	75,000	2018	d'Amico Tankers d.a.c.
Cielo Rosso	LR1	75,000	2018	d'Amico Tankers d.a.c.
Cielo di Rotterdam	LR1	75,000	2018	d'Amico Tankers d.a.c.
Cielo Bianco	LR1	75,000	2017	d'Amico Tankers d.a.c.
High Adventurer	MR	50,000	2017	d'Amico Tankers d.a.c.
High Challenge	MR	50,000	2017	d'Amico Tankers d.a.c.
High Wind	MR	50,000	2016	d'Amico Tankers d.a.c.
High Tide	MR	51,768	2012	d'Amico Tankers d.a.c.
High Seas	MR	51,678	2012	d'Amico Tankers d.a.c.
GLENDА Melissa	MR	47,203	2011	d'Amico Tankers d.a.c.
GLENDА Meryl	MR	47,251	2011	d'Amico Tankers d.a.c.
GLENDА Melody	MR	47,238	2011	d'Amico Tankers d.a.c.
GLENDА Melanie	MR	47,162	2010	d'Amico Tankers d.a.c.
Cielo di Salerno	Handysize	39,043	2016	d'Amico Tankers d.a.c.
Cielo di Hanoi	Handysize	39,043	2016	d'Amico Tankers d.a.c.
Cielo di Capri	Handysize	39,043	2016	d'Amico Tankers d.a.c.
Cielo di Ulsan	Handysize	39,060	2015	d'Amico Tankers d.a.c.
Cielo di New York	Handysize	39,990	2014	d'Amico Tankers d.a.c.
Cielo di Gaeta	Handysize	39,990	2014	d'Amico Tankers d.a.c.
BAREBOAT				
Cielo di Houston	LR1	75,000	2019	d'Amico Tankers d.a.c.
High Trust	MR	49,990	2016	d'Amico Tankers d.a.c.
High Trader	MR	49,990	2015	d'Amico Tankers d.a.c.
High Loyalty	MR	49,990	2015	d'Amico Tankers d.a.c.
High Freedom	MR	49,990	2014	d'Amico Tankers d.a.c.
High Discovery	MR	50,036	2014	d'Amico Tankers d.a.c.
High Fidelity	MR	49,990	2014	d'Amico Tankers d.a.c.
High Voyager	MR	45,999	2014	d'Amico Tankers d.a.c.
CHARTERED				
High Leader	MR	50,000	2018	d'Amico Tankers d.a.c.
High Navigator	MR	50,000	2018	d'Amico Tankers d.a.c.
High Explorer	MR	50,000	2018	d'Amico Tankers d.a.c.
Crimson Pearl	MR	50,000	2017	d'Amico Tankers d.a.c.
Crimson Jade	MR	50,000	2017	d'Amico Tankers d.a.c.
Green Planet	MR	50,843	2014	d'Amico Tankers d.a.c.
High Prosperity	MR	48,711	2006	d'Amico Tankers d.a.c.
High SD Yihe	MR	48,700	2005	d'Amico Tankers d.a.c.

Credits

Graphic project and coordination:



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Photo:

Photographic archive of d'Amico Group

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