



References: *Articles of Association*
Guidelines for the Internal Control and Risk Management System
Borsa Italiana Corporate Governance Code
Luxembourg law of 23 July 2016 on the audit profession

CONTROL AND RISK COMMITTEE REGULATION

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1. ESTABLISHMENT

The Control and Risk Committee (the “Committee”) was originally established within the Board of Directors of d’Amico International Shipping S.A. (the “Company”) on February 23rd, 2007.

1.1 Organisation and independence

The Board of Directors of the Company sets up the Committee and appoints the Committee’s members from among its non-executive members. The Committee shall be composed of at least three non-executive directors.

All the Committee’s non-executive members shall also be independent. Nevertheless, if the Committee’s Chairman is appointed amongst the independent directors the Committee may include among its members also some non-independent provided that the independent members constitute the majority.

To be considered “independent”, a director must satisfy all the requirements set out in the Corporate Governance Code issued by Borsa Italiana S.p.A. on March 2006 as amended (the “Corporate Governance Code”).

The independence’s assessment is performed by the Board of Directors upon its appointment and, subsequently, at least once a year.

The Board of Directors may remove any member from the Committee as well as appoint any new member of the Committee at any time.

When, for whatever reason, there is a vacancy on the Committee, the Board of Directors shall appoint a new member in accordance with the indications given above.

The Committee’s term of office is the same as that of the Board of Directors and if, for whatever reason, the latter is dissolved before its term, the Committee is dissolved simultaneously.

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1.2 Chairmanship

Unless the Board of Directors appoints the Committee Chairman (the “Chairman”), the members of the Committee shall appoint the Chairman by majority vote of the members of the Committee present or represented.

1.3 Qualifications of members

At least one of the members of the Committee shall have adequate experience in accounting and finance and/or risk management matters, as required by the Corporate Governance Code.

The above requirements are discretionary assessed by the Board of Directors upon its appointment.

Each member shall, in the discretionary judgement of the Board of Directors, have the ability to read and understand basic financial statements captions and international accounting standards or have basic knowledge of internal control and risk management matters.

2. THE COMMITTEE’S PURPOSE

The Committee performs proposing and consultative functions to the Board of Directors in the pursuit of the latter’s responsibilities with respect to the internal control and risk management system of the Company and its subsidiaries.

The Committee shall collaborate with the Board of Directors, on a preliminary proposing and consultative basis, in periodically monitoring the adequacy and effectiveness of the organisational framework of the internal control and risk management system by means of formulating proposals, recommendations and opinions.

The internal control and risk management system is an integral part of the organizational and management model of the Company and involves, different roles, administrative bodies, supervisory bodies, the management and all the staff. An effective Internal Control System contributes to the safeguarding of the Company's assets, the

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efficiency and effectiveness of operations, the reliability of financial reporting, the compliance with laws and regulations.

The Committee shall carry out its duties in line with the principles contained in the Code of Ethics, the Corporate Governance Code of Borsa Italiana, the legal framework applicable, the reference framework "COSO Report" and on the best national and international practices.

Therefore, by way of example, the purposes of the Committee shall include the following tasks.

2.1 Advice

The Committee shall provide advice and submit proposals to the Board of Directors on the following subjects:

- a) the appointment and revocation of the Internal Audit Manager and its remuneration that has to be in line with the Company's general remuneration policy;
- b) the definition of the Internal Audit Function budget;
- c) specific aspects linked with the identification of the main risks for the Company and its subsidiaries;
- d) the findings reported in the External Independent Auditor's report and in any of their written suggestions;
- e) the process of approval of those major transactions and significant transactions with related parties which the Company or its subsidiaries are involved in. The Committee is also called to express opinions on the Rules governing said transactions.

2.2 Assistance

The Committee shall assist the Board of Directors in:

- (a) evaluating the correct application of the accounting principles, as well as their consistency for the purpose of the preparation of the Consolidated Financial

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Statements providing its preventive opinion (with the assistance of the manager in charge of the preparation of the Company's Financial Reports and having interviewed the External Independent Auditor - réviseurs d'entreprise agrees);

- (b) the process of approval of the Internal Audit Plan providing its preventive opinion;
- (c) requesting the Internal Audit Manager to carry out reviews of specific operational areas;
- (d) the definition of the guidelines of the internal control and risk management system.

2.3 Overview, reporting and other duties

In addition to the above mentioned tasks to assist the Board of Directors in the performance of its duties the Committee shall:

- (a) review and preliminary evaluate the Internal Audit Function's periodic reports concerning the assessment of the internal control and risk management system, as well as those other Internal Audit Function's reports that are considered to be particularly significant;
- (b) Monitor the independence, adequacy, efficiency and efficacy of the Internal Audit Function;
- (c) Review and monitor the independence of the statutory auditors and audit firms, and their selection process according to what established by the law of 23 July 2016 on the audit profession;
- (d) report to the Board of Directors on its activity as well as on the adequacy and efficacy of the internal control and risk management system of the Company and its subsidiaries at least twice a year, on the occasion of the approval both of the annual and the half-year Financial Accounts,;
- (e) perform any additional duties assigned to it from time to time by the Board of Directors.

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3. MEETINGS

The Committee shall meet as frequently as the Chairman or any two (2) members of the Committee deem it necessary to carry out its duties as well as upon request of the Chief Risk Officer of the Company and in any case at least twice in a financial year.

At the beginning of each financial year the Committee may establish its own meetings' plan, which in case it will provide to the Chief Risk Officer in advance.

The Chairman may call meetings by telegram, fax or e-mail, giving at least two (2) calendar days of notice to all the members of the Committee. A meeting of the Committee must be convened if any two (2) of its members so require. The notice may be waived both in cases of urgency but only with the unanimous consent of all the members of the Committee and if all the members of the Committee are present at the meeting of the Committee held without notice.

The notice calling the meeting shall indicate the venue, date, time and agenda of the meeting and shall be sent for reference to the Chief Risk Officer of the Company.

The Committee may hold its meetings in any location, even abroad.

The Committee may use the services of a Secretary (the "Secretary"), appointed from time to time by the Committee which could be also an external to the Committee itself.

Meetings shall be chaired by the Chairman or, if he is absent, by the most senior member by age (the "Chairman pro-tempore").

Meetings may be held by audio or video-conference, provided that all the participants can be identified and are able to follow the discussions and participate in real time; if these conditions are met, the meeting shall be considered as held in the place where the Chairman is in attendance.

Those members who cannot physically attend the meetings can participate by means of representation filling a proxy in favour of another member of the Committee.

All the non-executive directors who are not members of the Committee may attend meetings upon invitation with reference to particular items of the agenda but may not vote.

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Additionally, the Committee may invite to its meetings with reference to particular items of the agenda, any executive directors, managers of the Company, the Internal Audit Manager or such other persons as it deems appropriate in order to carry out its duties but without voting rights.

The Committee may also exclude from its meetings any person, other than committee members, if it deems this to be appropriate in order to discharge its duties.

Each director of the Company who's not a Committee's member shall avoid participating and those who are Committee's members shall participate but abstain from voting in those Committee's meetings where proposals are submitted to the Board of Directors where there is a possible conflict of interests (so called legal abstention).

In cases of urgency, a written decision, signed by all the members of the Committee, is proper and valid as though it had been adopted at a meeting of the Committee which was duly convened and held. Such a decision may be documented in a single document or in several separate documents having the same content and each of them signed by one or several members of the Committee.

4. MINUTES

The Committee shall keep written minutes of its meetings (the "Minutes"), which are drafted by the Chairman or the Chairman pro-tempore and/or the appointed Secretary.

The Minutes shall be signed by the Chairman or, in its absence, by Chairman pro-tempore provided that they are circulated and approved by all members.

The signed Minutes shall be sent to all the members of the Committee and duly filed with the minutes of the Board of Directors' meetings at the registered office of the Company.

Copies of the Minutes shall be fully valid if signed by at least one of the Committee's members who attended the related meeting.

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5. QUORUM AND VOTING

The meetings of the Committee are valid when at least the majority of its members in office is present or represented (so called constituting quorum).

The Committee's resolutions are valid when taken with the favourable vote of the majority of the members present or represented (so called voting quorum) where the legal abstention is not considered in the majority's calculation of the voting quorum.

Each member of the Committee shall have one vote on any matters requiring action by the Committee.

6. AUTHORITY

The Committee shall have the adequate financial resources to discharge its duties within the limits of the budget annually approved by the Board of Directors. Any expenses that exceed the budget shall be approved by the Board of Directors.

In discharging its proposing and consulting role, the Committee is empowered to investigate any matter brought to its attention and function and, according to the procedures established from time to time by the Board of Directors, shall have access to the Company's information, books, facilities functions and personnel.

The Committee may avail itself, through the Company's structures, of the services of independent external consultants as it deems appropriate and within the budget established by the Board of Directors. Moreover it has the authority, as it deems appropriate, to request the assistance of the Internal Audit Manager.

Any communications between the Committee and independent external consultants shall be considered privileged and confidential information. The Committee shall take all necessary steps to preserve the confidentiality of these communications.

When using the services of an external consultant the Committee shall previously verify that the consultant concerned is not in a position which might compromise its independence.

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7. REMUNERATION

The remuneration paid to the Committee members for the discharging of their particular office shall be determined by the Board of Directors within the range of the annual aggregate fixed gross amount determined by the Shareholders of the Company unless the Shareholders have determined the above amount excluding those directors vested with particular offices in which case the Board of Directors shall in turn determine at its sole discretion the Committee's members remuneration taking into consideration the fact that the remuneration of non-executive directors shall be proportionate to the commitment required from each of them also taking into account their participation in the Committee and shall not be linked to the economic results achieved by the Company.

Non – executive directors shall not be beneficiaries of share based compensation plans, unless it is so decided by the Shareholders with shall accurately motivate the decision and provided that the plan covers an insignificant portion of the remuneration of the non-executive director.

8. AMENDMENTS TO THE REGULATION

The Committee approves its own Regulation and shall verify annually its adequacy. In case of major amendments the Committee shall submit a copy of the amended Regulation to the Board of Directors for acknowledgement.