

ANTI DRUG DECLARATION

v.2025-1, May 2025

INTRODUCTION AND PURPOSE

This Anti-Drug Declaration (the “Declaration”) outlines the principles and procedures adopted by Cool Carriers Ltd. (the “Company”, “we”, “us”) to ensure its compliance with all conventions, laws and regulations that aim to prevent illicit production, distribution and use of narcotic drugs, psychotropic substances, and new psychoactive substances in international maritime shipping industry as applicable to the Company and its role.

We acknowledge that the illicit production, distribution and use of narcotic drugs, psychotropic substances, and new psychoactive substances constitute a serious threat to public health, social well-being, security, and economic development worldwide. The drug trade fuels organized crime, corruption, undermines the rule of law, destabilizes communities, facilitates money-laundering, and contributes to violence, conflict and human rights abuses.

As a company operating globally, we recognize our responsibility to ensure that involved vessels, cargoes, services, and operations are not used to facilitate any activity in breach of applicable laws and regulations.

1. APPLICABLE REGULATIONS

We recognize importance and applicability of major international drug control treaties such as:

- The United Nations Single Convention on Narcotic Drugs of 1961 (as amended by the 1972 Protocol) (accessible here: https://www.unodc.org/pdf/convention_1961_en.pdf);
- Convention on Psychotropic Substances, 1971 (accessible here: https://www.unodc.org/pdf/convention_1971_en.pdf);
- United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988 (accessible here: https://www.unodc.org/pdf/convention_1988_en.pdf);
- Standards regarding prevention of smuggling of drugs on-board of vessels adopted by IMO's Maritime Safety Committee (MSC) - 82/24/Add.2, ANNEX 14, Facilitation Committee - FAL 34/19, ANNEX 2,
- other relevant laws and regulations.

Within the abovementioned Standards IMO adopted the *Revised Guidelines For The Prevention And Suppression Of The Smuggling Of Drugs, Psychotropic Substances And Precursor Chemicals On Ships Engaged In International Maritime Traffic*, which we also comply with to the extent applicable to our activities. These Guidelines provide general advice that may give guidance to shipowners, seafarers and other parties closely involved with the operation of ships. The aim of the Guidelines is to help shipping companies, operators and managers, ships' masters and officers to prevent and combat illicit drug trafficking and to recognize the main symptoms of drug dependence among crew members. On the basis of these Guidelines, shipowners may wish to examine the possibility of adopting or improving procedures aimed at preventing drug trafficking offences and the diversion of chemical products aboard their ships.

Such procedures will necessarily vary from one ship to another, depending on the types of ship, their cargo and the routes they serve.

2. ZERO-TOLERANCE DECLARATION

We hereby declare a strict Zero-Tolerance Declaration towards the use, possession, trafficking, or distribution of all kinds of narcotics and illegal drugs.

We confirm our commitment to cooperate with all relevant governmental and public authorities, including, but not limited to, customs, port authorities, and international enforcement bodies to prevent the misuse of the ships under our commercial management for drug trafficking, allow unrestricted inspections and support any investigation required.

This Declaration serves as a confirmation of our commitment to maintaining the highest standards of integrity, safety, and legal compliance in all our operations.

The Directors, senior management and all employees are responsible to adhere to this Declaration and should ensure they follow the procedures set out herein to disclose any suspected wrongdoing. The Directors, senior management and all employees are invited to comment on this Declaration implementation and suggest ways in which it and the practices might be improved.

Along with any criminal or administrative consequences, we place great importance on reputational damage if our name appears to be linked or associated in any way with violations related to illegal drug trafficking.

Any breach of this Declaration, including any action condoning such conduct, will be regarded as serious misconduct and may result in severe consequences, which could include internal disciplinary action or termination of employment or other engagement. Any employee that is aware of a breach of this Declaration is required to report to us immediately.

3. ROLE AND RESPONSIBILITY OF A COMMERCIAL OPERATOR

The Company, in its capacity of marine vessels commercial operator, is responsible for arranging of commercial employment of vessels. With regards to inspection, verification, or physical examination of a vessel or cargo contents, the Company must rely on shipper-provided cargo declarations and bears no obligation, authority, or competence to inspect a ship or cargo, to open, inspect, or verify the contents of sealed containers or packages. Commercial operator's obligation is to perform commercial function, which is typically comprising chartering, voyage planning, issuance of voyage instructions, arranging bunkers and port services (if applicable), liaising with charterers, and handling commercial accounting. These activities concern only the commercial utilization of the vessel and do not involve technical management, maintenance, safety compliance, or crew oversight.

4. COMPLIANCE CHECKS

Acting as a commercial operator, the Company must maintain compliance framework including KYC and AML screening of its business partners and customers, ongoing sanctions checks against widely used international sanctions lists, and periodic reviews of vessel-related compliance checks. In addition, we

maintain and perform verification of cargo-related documentation in line with generally accepted industry standards and practices. The ISPS Code and other international maritime safety and security regulations, establish a comprehensive framework governing cargo-related security functions. This framework assigns every security responsibility related to cargo handling, inspection, access control, and verification to the relevant authorities, namely, to designated security officers and expressly excludes shipowners and commercial operators from participating in such activities. In particular, under Part A, Section 9, the Port Facility Security Officer (PFSO) is responsible for cargo screening, monitoring access to restricted areas within the port facility, supervising cargo checks prior to loading, and reporting irregularities.

We ensure that we implement all necessary actions for prevention of drug trafficking within our role of commercial operator as required by the relevant legislation and regulations, including risk-based screening of cargo lists, vessel route, and involved counterparties. High-risk shipments may require enhanced due diligence, additional documentary checks and verifications. Complete and consistent documentation is mandatory. In the event of a suspected or confirmed incident, we will notify law enforcement, assist with investigations, and preserve evidence. All our staff involved in chartering and operations shall be trained regularly to identify red flags, report and respond appropriately.

It is necessary to note that in accordance with applicable regulations we neither perform nor participate in any form of cargo inspection or physical verification and rely exclusively on the shipper's cargo declarations and the security procedures undertaken by authorized officers (PFSO). However, we are fully committed to collaborate with the port authorities and any other authorities to bring our input into prevention and suppression of the smuggling of drugs, psychotropic substances and precursor chemicals on ships.

5. ROLES AND RESPONSIBILITIES

The Directors, Senior Management and employees on all levels of the Company are responsible for the robust compliance with this Declaration and should ensure they follow the procedures set out herein to disclose and report any suspected wrongdoing. It is the responsibility of all employees to ensure that no activities occur in violation of applicable laws, regulations and this Declaration.

Any employee or stakeholder who becomes aware of a suspected or actual breach of this policy must immediately report it to the Company's Compliance Officer at compliance@cool-carriers.com.

Reports will be treated confidentially and investigated without retaliation.

6. MONITORING AND REVIEW

This Declaration is maintained by the Compliance Department and approved by the Company's Board of Directors. Effectiveness and review the implementation of this Declaration shall be regularly performed by the Directors, considering its suitability, adequacy and effectiveness. Any deficiencies identified will be rectified as soon as possible.

This Declaration will be regularly reviewed to ensure its ongoing appropriateness. It may also be amended at any time where necessary.

7. TRAINING AND AWARENESS

Compliance Officer of the Company provides appropriate training to all employees of the Company including the Board of Directors to ensure that they understand the provisions of the Declaration.

8. QUERIES

If you have any questions about how this Declaration should be followed in a particular case, please contact the Compliance Officer or the Managing Director of the Company in the first instance on compliance@cool-carriers.com.