COOLCO

ENVIRONMENTAL SOCIAL AND GOVERNANCE REPORT **2023**

CONTENTS

" In less than two years, CoolCo
has built on its history to become
a leading force in LNG shipping.

ABOUT THIS REPORT

This is the Annual Sustainability Report of Cool Company Ltd.; the report covers our activities for the year 2023.

We have established a set of Key Performance Indicators (KPIs) for each of our ESG focus areas to effectively measure our performance and progress towards our goals and objectives. These KPIs serve as benchmarks and we have implemented a robust monitoring system that enables us to regularly track and evaluate our performance against these KPIs, and areas for improvement.

To ensure accountability and transparency, progress reports are regularly presented to our Board of Directors, who provide oversight on our performance and ensure that our actions are in line with the company's values and ethical standards.

Through continuous performance monitoring and using KPIs, we gain insights that empower informed decision-making. This allows us to take corrective actions when needed, all while keeping safety, environmental responsibility, and ethical conduct at the forefront.

The European Union Corporate Sustainability Directive (CSRD) requires certain companies to report on their environmental and social impact activities starting in 2024. Although CoolCo is not subject to the CSRD, we have aligned our report with the CSRD requirements to allow for easier peer review and comparison.

01
INTRODUCTION

SUSTAINABILITY HIGHLIGHTS IN 2023

24% reduction in carbon intensity
(vs 2019 AER compared to 35% target by 2030)

Zero spills

Achieved **B fleet CII rating**

Over **94%** retention rate for onshore and offshore employees

General waste **reduced by** **19%** (from 2021)

Zero fatalities

Zero serious marine incidents

50 hours safety training per employee

37% office employees are female

JOINT STATEMENT FROM THE CHAIR AND CEO

Cyril Ducau
CoolCo Chairman
of the Board

Richard Tyrrell
CoolCo CEO

In less than two years, CoolCo has built on its history to become a leading force in LNG shipping. This fast-track transition started with the addition of modern tonnage to our fleet and culminated with the Company's listing on the New York Stock Exchange in March 2023.

While some of the vessel transactions were opportunistic, the overall accelerated growth of CoolCo is certainly by design. The demand for LNG tonnage is increasing rapidly together with the role of natural gas in the global energy transition, especially as Europe and emerging markets now look to import from new sources and diversify away from coal, respectively. Accordingly, CoolCo has rapidly scaled its business.

We will always be focused on creating value for our shareholders, but we will remain equally focused on emission-lowering efforts. This means finding the right balance between commercial fundamentals and compliance with the efficiency index for existing ships (EEXI), carbon intensity indicator (CII), and carbon taxes (including shipping's inclusion in the EU ETS program). Additionally, CoolCo is dedicating resources to go above and beyond the mandated requirements to become a leader in LNG shipping decarbonisation and environmental preservation efforts.

On the social side, CoolCo has created a winning and inclusive culture within the organisation. CoolCo's people are essential to

growing the business quickly and safely. We will continue to provide the tools and resources they need to succeed professionally and to ensure their long-term physical and mental well-being are taken care of.

CoolCo's Board is confident that the Company will use the foundation laid since its formation as a springboard for success.

The Board is confident that CoolCo will continue to capitalise on the momentum created to establish itself as an ESG leader in LNG shipping.

01

INTRODUCTION

KEY AREAS IN OUR REPORT

Whilst not applicable to CoolCo, our 2023 ESG Report has been restructured to better align with the European Sustainability Reporting Standards (ESRS).

The content of the report is based on the outcome of an updated double material assessment (see page 15) (DMA) competed in 2024.

ENVIRONMENT

Our approach, policies, actions and results for our environmental material matters.

- Climate change
- Pollution
- Biodiversity and ecosystems
- Circular economy

SOCIAL

Our approach, policies, actions and results for our social material matters.

- Own Workforce
- Worker in the value chain

GOVERNANCE

Our approach, policies, actions and results for our governance material matters.

- Corporate culture
- Cybersecurity
- Corruption and bribery
- Protection of whistleblowers

ABOUT US AND OUR VALUES

CoolCo has a rich history spanning over 50 years in the LNG shipping industry. Since our inception in 1970, we have been at the forefront of innovation and have continuously provided safe and reliable transportation solutions for liquefied natural gas (LNG), with LNG Carriers and Floating Storage and Regasification Units (FSRUs) around the world.

CoolCo is today a pure-play LNG shipping company with a renewed focus on leveraging our extensive industry experience and expertise to meet the evolving needs of our customers. We take pride in our commitment to safety, quality, and sustainability and employ

approximately 1,530 people both at sea and on land.

Pursuant to our own goals, CoolCo is proud to support the principles of the 2015 United Nations Paris Agreement and the wider UN sustainability agenda, including the associated 17 Sustainable Development Goals.

CoolCo has offices in Croatia, Malaysia, Norway and the United Kingdom. CoolCo's shares are listed on the NYSE and Euronext Growth Oslo exchanges (NYSE: CLCO / CLCO.OL). More information can be found on our website **www.coolcoltd.com**

UN GLOBAL COMPACT

02

GENERAL

COOLCO VISION AND VALUES

CoolCo is a value driven company. Our values act as guiding principles, in the pursuit of our vision.

OUR VISION

OUR CORE BUSINESS

Chosen	We aim to be the chosen operator of LNG carriers through flawless collaboration and delivering a first-class professional service.
carrier of	
cleaner	LNG is a key transition fuel towards a more sustainable future. It's enabling a move away from burning coal and oil with substantially lower emissions.
more	
secure	The supply of LNG is proving to be a consistent and reliable source of energy in our ever-changing world.
energy	

OUR VALUES

Caring
We put the needs of people and the environment first for a safe and sustainable future.

Collaboration
We thrive by working together to deliver the best results.

Professional
We commit to high standards, deliver on our commitments, and strive to be better.

COOLCO'S HISTORY IN BRIEF

1946
The Gotaas-Larsen Shipping Corporation is founded

1970
Gotaas-Larsen enters the LNG shipping market, ordering the LNG carrier HIlli

2001
World shipholding Ltd acquires Gotaas-Larsen from Osprey Maritime. The company is renamed Golar LNG

2008
Golar puts the world's first FSRU conversion into operation

2010
Ordering 10 carriers and 4 FSRU's at HHI and SHI

2013
Delivery of the 1st SHI carrier

2013-2015:
Eight sister ships delivered

2021
Establishes third party Fleet Management business that includes FSRUs

2022
IPO of Cool company, establishing a pureplay LNG transportation company with a fleet of 8 carriers, listed on the Euronext Growth Oslo through a $275m equity private placement

Introduction of an affiliate of Eastern Pacific Shipping Pte. Ltd as a main shareholder

Publication of 2021 ESG report.

Acquisition of four LNG carriers, including two vessels with the latest reliquefication and two stroke propulsion technology through a $170m follow-on offering on the Euronext Growth Oslo

2023
Opportunistic sale of the Seal TFDE vessel

Direct listing on the New York Stock Exchange

Publication of 2022 ESG report and stricter emissions reduction plan

Exercised option to aquire two newbuilds vessels

KEY FACTS AND FIGURES – COOLCO'S FLEET

METRIC	YE2022	YE2023
OWNED LNG CARRIERS	12	11
MANAGED CARRIERS	7	7
MANAGED FSRUs	8	8
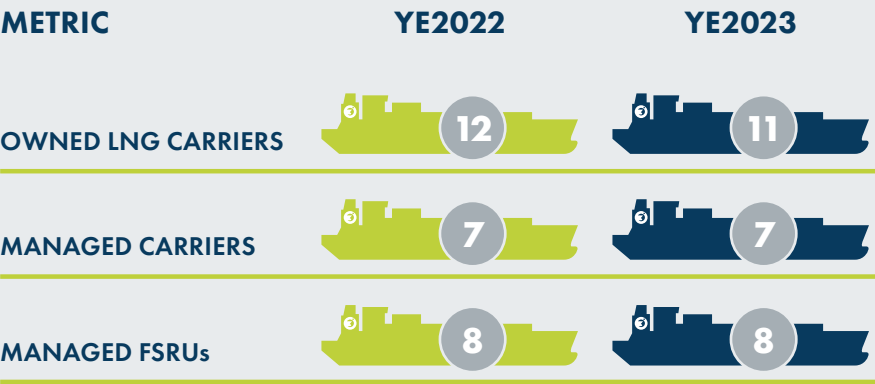
In this report our environmental data relates to our fleet of owned LNGCs for 2023 (11 at the year-end, a decrease from 12 after one vessel was sold in March 2023). Other data relates to our entire operations, including managed vessels. Developments across our owned LNG carriers:

- Modern fleet of TFDE ships, delivered in 2014 and 2015 set to benefit from environmentally focused upgrade program during dry-dock cycles in 2024/25.
- Addition of two 2-stroke 2020 and 2021 built ships in 2022.
- Two new state-of-the-art LNGCs to be delivered in 2024.
- A 24% improvement in carbon transport intensity over the last 4 years (2019-2023) across the fleet.

02

GENERAL

COOLCO SUSTAINABILITY STRATEGY

We believe that LNG is a key transition fuel and a bridge to a cleaner energy future. In the transition phase we therefore support the use of LNG to replace more carbon intensive and particulate laden fossil fuels. Until alternative solutions have been identified and scaled up, natural gas is immediately able to displace more carbon intensive fuels such as coal and oil – available on a scale sufficient to support base load energy requirements, and a flexible, reliable companion to intermittent renewables. This is what makes natural gas and LNG a transition fuel of choice.

Our business, and sustainability priority, is to ship energy to customers and countries across the globe in a safe and reliable manner. In these times of turmoil, the supply of LNG has become critical to securing living standards and stability in several parts of the world.

We have developed a range of bold but achievable goals designed to make a positive impact on our ESG performance by 2030.

7 AFFORDABLE AND CLEAN ENERGY

ENVIRONMENT

OVERALL AMBITION

To exceed the IMO's reduction targets by exploring and implementing improvements in efficiency and emissions reductions.

FOCUS AREA

Reduce emissions of GHG from our fleet.

SOCIAL

OVERALL AMBITION

To be the preferred employer through our culture of continuous learning and our commitment to the safety of our people and our communities.

FOCUS AREA

The safety and wellbeing of our own workers.

GOVERNANCE

OVERALL AMBITION

To maintain the highest standards of governance and ethical conduct throughout our organisation.

FOCUS AREA

To continue to maintain a strong corporate governance and compliance culture to preserve integrity, transparency and accountability.

SUSTAINABILITY GOVERNANCE

At CoolCo, we are aligned on our governance and sustainability matters, across onshore and offshore staff. Our ESG governance framework applies equally to managing climate-related risks, corruption, cybersecurity and other sustainability matters. As the date of this report, our sustainability governance matrix is set out on this page.

BOARD OF DIRECTORS

FREQUENCY OF MEETINGS: At least 5 times a year and discuss ESG twice a year

The Board of Directors are responsible for approving the Company's strategy, policies and business plans, including the Company's ESG policy and all governance policies. The board includes one member who is a Fellow of the Institute of Directors.

BOARD COMMITTEES

FREQUENCY OF MEETINGS: Quarterly

COMMITTEE	MEMBERS
Audit	4 Board Members

SM ESG COMMITTEES

FREQUENCY OF MEETINGS: Quarterly

COMMITTEE	MEMBERS
Management review	Operations managers
Risk and compliance	Sr. and operations managers
Environmental	Operations managers

SENIOR MANAGEMENT (SM)

FREQUENCY OF MEETINGS: Weekly

The executive team is led by the CEO, who reports to the Board of Directors. The executive team are responsible for strategy, including governance and ESG policies, and overseeing day-to-day operations.

CATEGORY SPECIFIC GOVERNANCE

ENVIRONMENT

FREQUENCY OF MEETINGS: Quarterly

CATEGORY	OWNERS
Climate change	COO
Ecological impact	Head of HSSEQ
Circular economy	Sr. management
CII, EU ETS, FuelEU Maritme	COO

SOCIAL

FREQUENCY OF MEETINGS: Quarterly

CATEGORY	OWNERS
Seafarers	Head of Crewing
Office employees	Head of HR
Workers in the value chain	Head of HSSEQ

GOVERNANCE

FREQUENCY OF MEETINGS: Quarterly

CATEGORY	OWNERS
Corporate culture	CEO
Supplier relationship	Head of Procurement
Cybersecurity	Head of IT
Corruption & bribery	General Counsel

■ **FIGURE 1** Overview of CoolCo's governance model including sustainability matters.

GENERAL

ESG MANAGEMENT HIGHLIGHTS IN 2023

The following main actions were completed in 2023 as a part of our efforts to strengthen our sustainability strategy.

ENVIRONMENT

Entered into contracts for upgrading 5 vessels with Air Lubrication Systems (ALS), sub-coolers and other energy saving devices.

Strengthened the monitoring of engine load and fuel consumption.

Revised the environmental policy to include compliance with The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships.

SOCIAL

Completed the RightShip seafarer's human right self-assessment.

Improved mapping of supplier database to enhance our ability to identify potential risks.

Completed the crew long term strategy 2023-2026 – focusing on initiatives for the healthy retention of our on-board personnel.

Concluded a shore and sea engagement survey.

Implemented a mobile social app connecting all employees at sea and onshore.

GOVERNANCE

Prepared all internal processes to manage the EU emissions trading scheme.

Updated and strengthened misc. ESG-related company policies.

Established a Speak Up Platform.

Joined the Maritime Anti-Corruption Network, working towards the elimination of all forms of maritime corruption.

Created an operational security cybersecurity manual and established a dedicated cyber team.

RISK MANAGEMENT IN ESG REPORTING

In preparing this report, we have focused on the accuracy of reported data and information. We have identified the data and figures in order to provide insight, transparency and comparability on what we consider to be our most important ESG topics.

Where possible, we have aligned our reporting with industry standards to enable comparison, and where industry standards are not available, we use ESG frameworks (e.g., SASB) to support our calculation/methodology. In some instances where there is no agreed comparable definition, we have included a footnote to disclose how we have calculated the figure, including the definitions used and, where applicable, the standard we have followed.

All reported figures from the fleet are assured and followed-up by shore personnel in a timely manner. Offshore personnel conduct internal assurance of reported fuel and passage information before sending it to DNV for approval on behalf of the EU and IMO. All other ESG related metrics are subject to internal QA before a limited assurance is conducted by a third-party assurer.

We engaged DNV to provide limited assurance on selected key figures for 2023 according to CoolCo's ESG Methodology Statement and DNV's Independent Assurance Statement, in accordance with the ISAE3000 standard, which can be found in Appendix 2.

DOUBLE MATERIALITY ASSESSMENT

We have revisited and completed a double materiality assessment (DMA) to assess material sustainability related impacts risks and opportunities.

Double materiality refers to the approach of assessing both the financial impact of sustainability issues on our business and our business's impact on the environment and society. This concept encompasses two dimensions: financial materiality, which examines how environmental, social, and governance (ESG) factors influence the company's financial performance, and environmental and social materiality, which considers the broader effects of the company's operations on external stakeholders and the planet. By integrating these perspectives, we aim to provide a clear understanding of our company's sustainability performance and risks, ensuring that all pertinent information is disclosed.
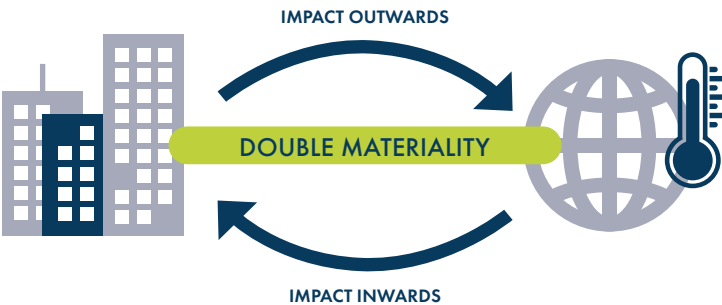
Materiality Dimensions

Impact materiality focuses on evaluating both actual and potential sustainability impacts stemming from our operations and business relationships throughout the value chain. This analysis involves identifying and mitigating adverse effects on the environment, society, and the economy, while also enhancing and promoting beneficial sustainability practices.

Financial materiality examines the financial implications of sustainability issues. This includes assessing potential reputational, financial, and commercial risks associated with sustainability challenges and identifying opportunities for financial gain and strategic advantage through sustainable practices.

In line with ESRD standard, the materiality assessment incorporated data from internal documents, publicly available resources, and insights from our internal experts who were chosen based on their knowledge of sustainability matters within the organization. We collaborated with an independent third party to identify and engage relevant stakeholders, including clients, investors, and employees. These stakeholders were engaged through detailed surveys and interviews to gather input on material sustainability issues.

All identified sustainability impacts, risks, and opportunities deemed material for stakeholders or users of CoolCo's sustainability report are presented in the graphical representation of material topics on the next page. Additionally, we have included a separate chapter on a CoolCo-specific governance topic: cybersecurity.

IMPACT MATERIALITY
CoolCo's impact on people and planet

FINANCIAL MATERIALITY
Sustainability and climate impact on CoolCo

IMPACT OUTWARDS

DOUBLE MATERIALITY

IMPACT INWARDS

Outcome
The results of the DMA process revealed that the following topics are viewed as our most material sustainability issues.

ENVIRONMENT

1. Climate change
2. Pollution ESRS E1
3. Biodiversity and ecosystems
4. Circular economy

SOCIAL

1. Own Workforce
2. Workers in the value chain

GOVERNANCE

1. Corporate culture
2. Cybersecurity
3. Corruption and bribery
4. Protection of whistleblowers

Since the Company's first DMA was concluded early in 2024, we are still in the process of establishing targets and processes for managing and reporting metrics for all matters. We however aim to establish internal targets and processes for addressing these material matters later in 2024.

02

GENERAL

Material topic	Impact, risks and opportunities	Description
CLIMATE CHANGE (E1)		
Climate change mitigation	(!) ($) ($)	Related to GHG emissions mainly from our operations
Energy	(!)	Our use of energy from renewable and non-renewable sources
POLLUTION (E2)		
Pollution of air	(!)	Pollution of the air, mainly from our operations
Pollution of water	(!)	Water pollution mainly from our operations, including spills and pollutant releases during vessel operations
Substances of concern	(!)	Substances of concern (e.g. chemicals, hazardous material, toxic substances) associated with vessel construction, operations and waste management
BIODIVERSITY AND ECOSYSTEMS (E4)		
Direct impact drivers of biodiversity loss	(!) ($)	Biodiversity loss driven by our operations, including changes in land and freshwater use and the introduction of invasive species by our vessels
Impacts on state of species	(!)	Impact on species in locations where we operate, including interference with wildlife and the introduction of non-native species through ballast water
RESOURCE USE AND CIRCULAR ECONOMY (E5)		
Resource inflows, including resource use	(!)	Use of resources in our operations and across our value chain, such as ship construction, use of raw materials, and other components
Resource outflows, related to products and services	(!)	Resource outflows from our products and services through circular economy practices like ship recycling
Waste	($)	Waste generation during our operations and the management of waste across our value chain through collection, transport, recovery, and disposal
OWN WORKFORCE (S1)		
Working conditions	(!) (!) ($) ($)	Employee wellbeing, workplace safety, social protection and secure employment within our workforce
Equal treatment and opportunities in our own workforce	(!) (!) ($)	Employee training and development, promoting diversity and inclusion, and managing potential harassment within our workforce
WORKERS IN THE VALUE CHAIN (S2)		
Work-related rights in the value chain	(!)	Our indirect connection to potential instances of forced and child labour in our upstream and downstream value chain (e.g. ship building and recycling)
Working conditions in the value chain	(!)	Our indirect connection to working conditions issues (e.g. worker exploitation, safety violations, poor wages, lack collective bargaining) in our upstream and downstream value chain
Equal treatment and opportunities for all workers in the value chain	(!)	Related to equal treatment and opportunities for all employees in the value chain (e.g. diversity, equity, equality, prevention of violence and harassment)
GOVERNANCE AND BUSINESS CONDUCT (G1)		
Corporate culture	(!) (!) ($) ($)	Corporate culture related to establishing policies on business conduct to promote good values, purpose, vision and mission
Cybersecurity	(!) ($)	Cybersecurity incidents, including leakage of sensitive personal/company data and hacking of critical infrastructure
Corruption and bribery	(!) ($)	Corruption and bribery across our value chain
Protection of whistleblowers	(!)	Ensuring the safety of employees and stakeholders by setting up whistleblowing channels, preventing retaliation, and following up on reports

ENVIRONMENT · **SOCIAL** · **GOVERNANCE**

(!) Negative Impact   (!) Positive Impact   ($) Risk $ ($) Opportunity $

> "
> Double materiality refers to the approach of assessing both the financial impact of sustainability issues on our business and our business's impact on the environment and society.

The Environmental section covers Climate Change, Pollution, Biodiversity and Ecosystems, and the Circular Economy. Our efforts are concentrated on reducing GHG emissions, managing energy consumption, and minimizing our impact on air and water pollution. We also address the use of potentially harmful substances and the factors contributing to biodiversity loss. Further, we consider our use of resources and adoption of circular economy practices to reduce waste.

> "
> Understanding and reducing our environmental impact is a top priority for CoolCo. We aim to be an industry leader in this regard, focusing on cutting air emissions and energy consumption

ENVIRONMENT

" We are investing in our assets to improve efficiency and reduce our emissions.

ENVIRONMENT

CLIMATE CHANGE

WHY IT MATTERS

Through our materiality assessment we have assessed that climate change is the most material matter, and this aligns with our review in 2023. We are significantly investing in our vessels to improve efficiency and reduce emissions. We are also participating in industry initiatives to reduce emissions and actively working with companies with promising technology.

The global climate in 2023 set records for being the warmest on record, with rising GHG levels, record sea surface temperatures, sea level increases, and record low Antarctic Sea ice. Extreme weather events caused death and devastation worldwide The IPCC's Sixth Assessment Report highlighted the urgent need for drastic emissions reductions to limit global warming to 1.5 degrees Celsius and protect the planet. Atmospheric CO2 levels continued to rise, reaching 419.2 parts per million, posing a serious threat to the environment. The state of the climate in 2023 emphasized the critical need for immediate action to address climate change and its devastating consequences.

Climate change impact, risk and opportunity
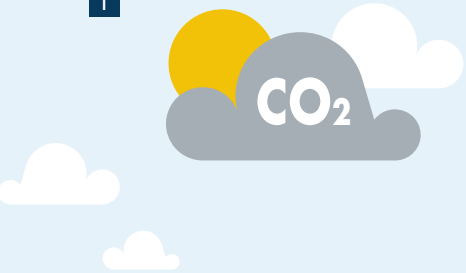
NEGATIVE IMPACT

1 **Climate change mitigation** – negative impact from GHG emissions (CO_2 and CH_4) from our vessels transporting LNG and across our value chain.

2 **Energy** – negative impact from our own operations from our consumption of both renewable and non-renewable sources of energy.

RISK

1 **Climate change mitigation** – financial risk from the increasing environmental regulations that may result in our vessels being non-compliant.

OPPORTUNITY

1 **Climate change mitigation** – opportunities arise from climate change mitigation as we expect increased demand for transitional fuels, such as natural gas. This may result in increased revenue and an enhanced competitive edge. Additionally, we find opportunities in investing in more sustainable vessels, positively affecting the expected lifetime of our fleet.

CLIMATE CHANGE MITIGATION – ACHIEVEMENTS

METRIC ACHIEVEMENTS				
METRIC TARGET	METRICS	2022	2023	STATUS
35% reduction (AER) in Scope 1 carbon intensity by 2030 (vs 2019 baseline)	% reduction of Scope 1 CO_2 carbon intensity vs the 2018 baseline (45% vs the 2008 baseline)	-18%	-24%	On track
B fleet average AER shall meet a CII rating of B or better	Grams of CO_2 emitted per cargo-carrying capacity and nautical mile. The CII rating of AER where A (best) → E (worst)	C	B	Achieved

NONMETRIC ACHIEVEMENTS		
COLLABORATION Proactively share efficiency data with our charterers and work closely with them to maximise the use of boil off gas, which reduces total lifecycle emissions for the LNG we transport.	✓ ✓	Work in progress
METHANE SLIP Take action to reduce methane emissions arising from "methane slip".	– ✓	Work in progress

13 CLIMATE ACTION

OUR APPROACH AND POLICIES

Understanding and reducing our environmental impact is a top priority for CoolCo. We aim to be an industry leader in this regard, focusing on cutting air emissions and energy consumption.
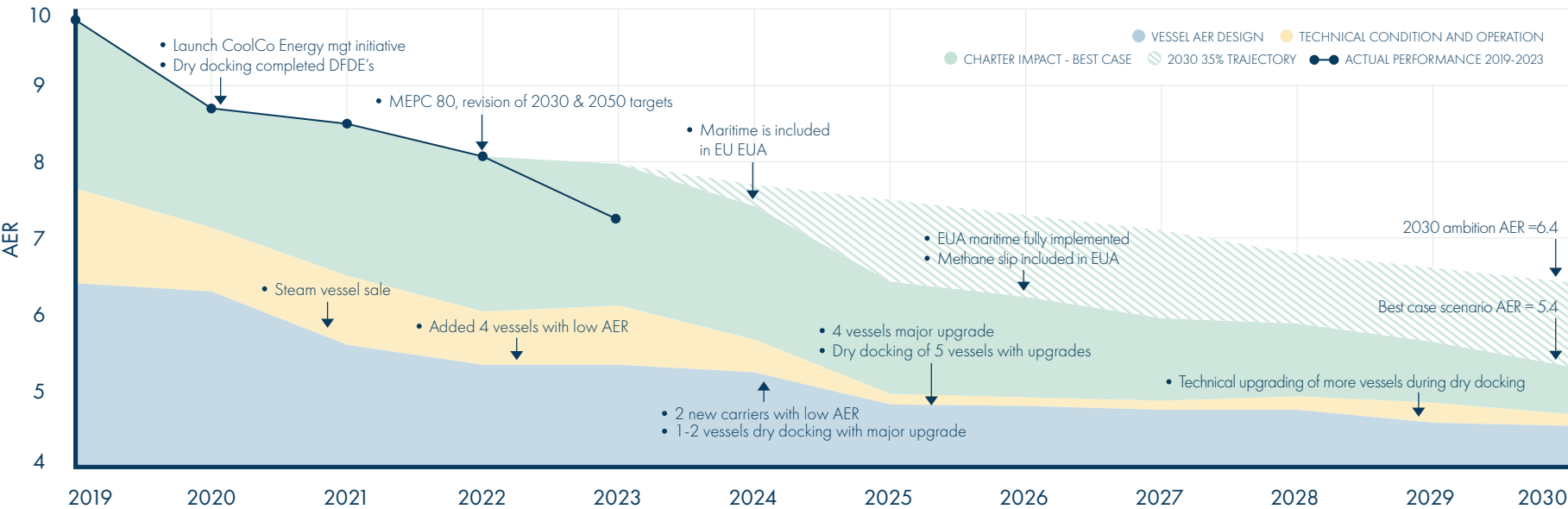
In 2020 we launched an initiative across our entire fleet to reduce emissions by: (i) closely monitoring vessel emissions and working with charterers to help reduce these; and (ii) commencing a fleet upgrade program to further reduce emissions in line with set targets and the IMO´s GHG strategy.
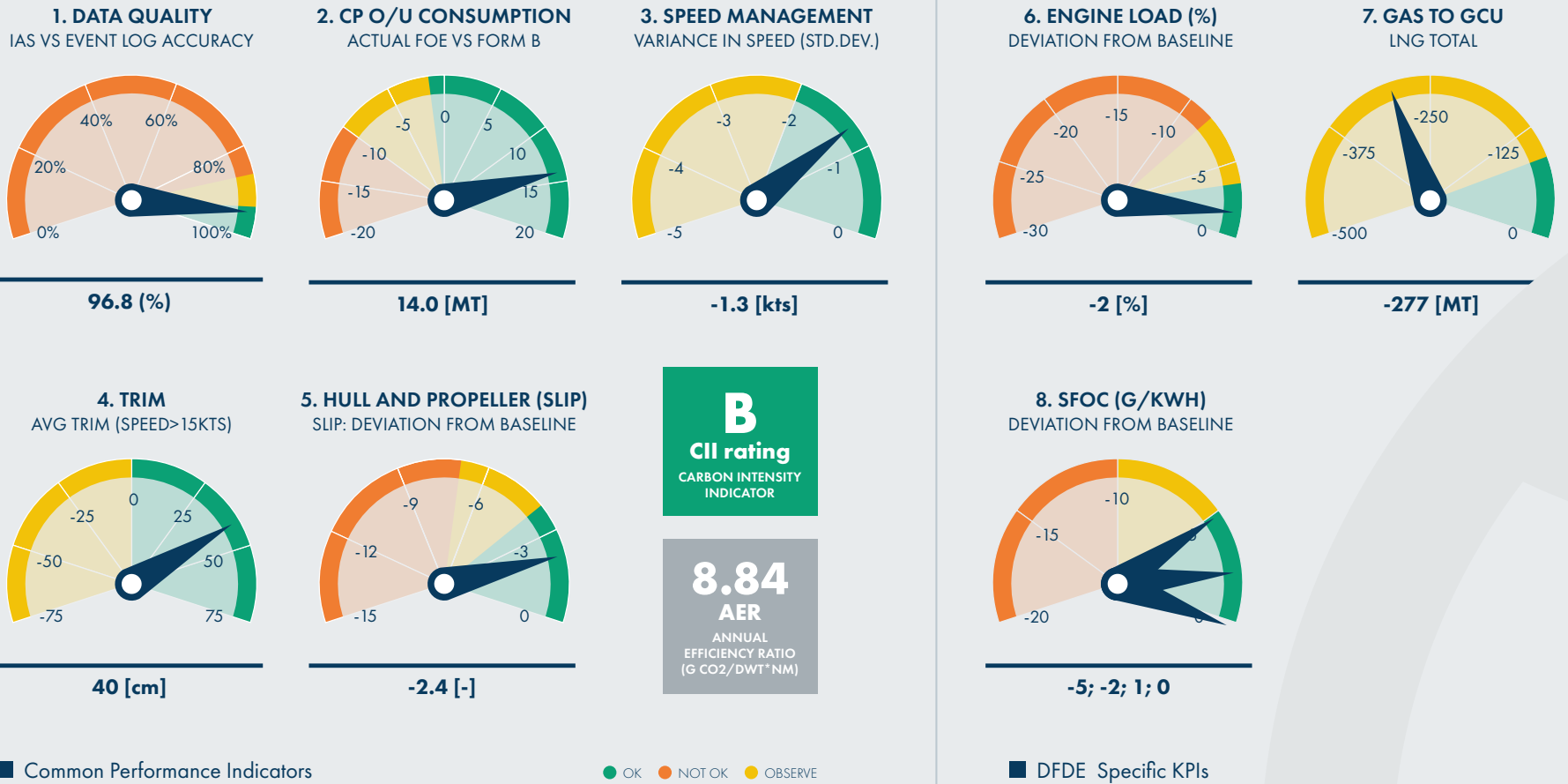
We have set a target to deliver a further 50% reduction in emissions intensity by 2030, based on the annual efficiency ratio against our 2008 performance, or 35% based on our 2019 performance.

In addition and in line with our environmental policy, we are endeavouring to minimise our carbon footprint and air emissions for each stage of our value chain, from business development and project execution, to operations.

Our policy also set requirements to how we should manage and improve our environmental performance related to planning, execution, reporting, monitoring, and follow-up.

Overview of our key measures to achieve the 50% reduction in emission intensity by 2030

1. DATA QUALITY
IAS VS EVENT LOG ACCURACY

96.8 (%)

2. CP O/U CONSUMPTION
ACTUAL FOE VS FORM B

14.0 [MT]

3. SPEED MANAGEMENT
VARIANCE IN SPEED (STD.DEV.)

-1.3 [kts]

6. ENGINE LOAD (%)
DEVIATION FROM BASELINE

-2 [%]

7. GAS TO GCU
LNG TOTAL

-277 [MT]

4. TRIM
AVG TRIM (SPEED>15KTS)

40 [cm]

5. HULL AND PROPELLER (SLIP)
SLIP: DEVIATION FROM BASELINE

-2.4 [-]

B
CII rating
CARBON INTENSITY INDICATOR

8.84
AER
ANNUAL EFFICIENCY RATIO
(G CO2/DWT*NM)

8. SFOC (G/KWH)
DEVIATION FROM BASELINE

-5; -2; 1; 0

■ Common Performance Indicators   ● OK ● NOT OK ● OBSERVE   ■ DFDE Specific KPIs

"

We endeavour to minimise our footprint and air emissions for each stage of our value chain, from business development and project execution, to operations.

Our approach has been to initiate certain measures (detailed below) to reduce GHG emissions in line with our decarbonisation strategy. See also overview table Table 1 on page 25.

A. Optimise vessel technical condition and operations

We continuously monitor, track and report environmental performance, including GHG emissions. Our operations team is responsible for managing and monitoring our environmental impact against targets and baseline performance levels. Our achievements are reported to management on a quarterly basis. We have two focus areas to improve efficiency and reduce emissions:

a. Vessel condition: to always ensure that vessel engines, hulls and propellers are in the best possible condition.

b. Minimise onboard energy consumption: e.g. hotel load, number of engines running etc.

B. Collaboration with charterers

Charterers direct the vessel route, speed, and choose the fuel consumed. The resultant emissions of a vessel are therefore substantially under their control. Charterers' orders can have up to 3 to 5 times the impact on our emissions performance as compared to technical vessel upgrades, which are within our control. Good collaboration with charterers is therefore essential to optimise our environmental performance.

We are therefore exploring improvements related to scheduling and passage planning with our charterers, even if commercial considerations can sometimes limit the upside. We also encourage and follow-up with both our masters, and charterers to use the safest and most energy efficient route, speed, and fuel.

C. Technical upgrading of vessels

CoolCo has approved and initiated an upgrade plan to further enhance the energy efficiency of our vessels. We have also invested in CO_2 and methane emissions abatement technologies. The fleet upgrades will include:

- Hull efficiency measures to reduce resistance through water.
- Tools to help masters plan passages with the lowest energy consumption.
- Cargo boil-off measures to minimise cargo boil-off.

Further, we have joined initiatives to minimise methane slip from diesel engines. For example, CoolCo joined the MAMii initiative – a joint industry initiative, headed by Lloyds Register, to identify, accelerate and advocate technology solutions for the maritime industry to measure and manage methane emissions activity.

D. Low-low emission LNGCs designs

We are exploring designs for next generation low-low emission LNG carriers with the goal of rendering them compliant with the IMP 2050 net-zero targets. Below is a summary of the initiatives.

CLIMATE CHANGE MITIGATION – ACTIONS 2023

In 2023, we undertook the following initiatives to enhance our operational efficiency and environmental performance:

Optimize Vessel Technical Condition and Operations:
- Enhanced monitoring of engine load and fuel consumption by assigning a dedicated engineer to analyse and optimise engine performance, thereby reducing emissions to air.
- Initiated a fleet-wide upgrade to LED lighting, which is expected to reduce energy consumption by an average of 70%.
- Started a program to install variable frequency drives for main power consumers like compressors, aiming to decrease power consumption by 35-40%.

- Invested in a hull cleaning system, known as Ship Shaver, for four vessels to improve hull performance and enhance energy efficiency, leading to reduced emissions.
- Implemented and tested dynamic trim systems on four vessels in collaboration with a major charterer to optimise fuel consumption, with full implementation scheduled for Q3 2024.

Collaboration with Charters:
- Conducted a pilot project with one charterer to improve vessel environmental performance by sharing vessel performance data through a third-party application, facilitating better management of vessel operations.

Technical Upgrading of Vessels:
- Invested $80 million in upgrading five vessels with cargo sub-coolers and hull air lubrication systems to further improve energy and environmental efficiency.
- Initiated a pilot project to measure methane slip in real-time on one LNGCs carrier's four-stroke dual-fuel generators, aiming to identify measures to minimise methane emissions.

Compliance with New Regulations:
- Conducted a pilot project with one charterer to prepare for compliance with the new EU Emissions Trading System (ETS) requirements, ensuring readiness for its implementation in 2024.

03
ENVIRONMENT

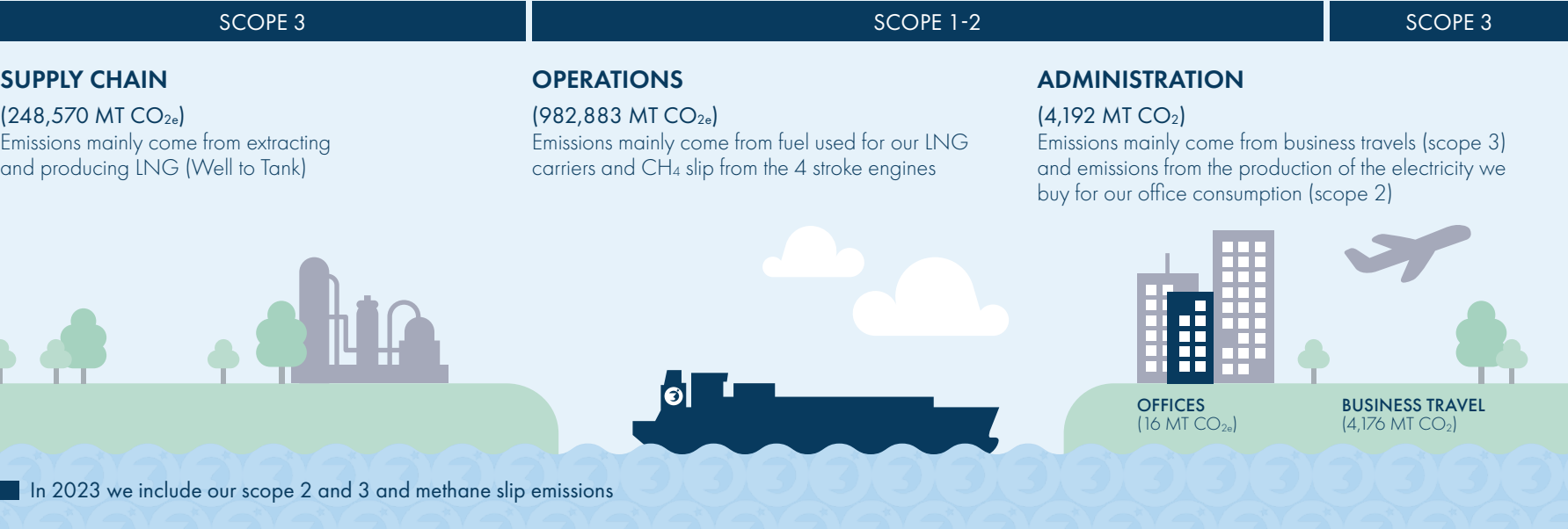**TABLE 1** Overview of current and planned CoolCo actions to decarbonise our operations

*Potential reduction of Methane slip

	AREA	SAVING POTENTIAL	IMPLEMENTED	PILOTING	PLANNING
A OPTIMAL TECHNICAL CONDITION AND OPERATIONS	Fuel and passage data quality assurance	-	•		
	Monitoring of consumption vs. charter-party agreement	-	•		
	Speed management optimisation	=5-10%	•		
	Trim optimisation	=5%	•		
	Hull and propeller condition monitoring	10%<	•		
	Engine load optimisation	=5%	•		
	Gas to gas combustion unit monitoring	-	•		
	Optimise engine specific fuel oil consumption	=5%	•		
	Planning and passage applications to use less fuel	=5-10%		•	
B CHARTERERS COLLABORATION	Reporting of passage performance	-		•	
	Explored areas of improvement with charter	=0-20%		•	
	Incentive scheme for reducing fuel consumption	=0-20%		•	
C TECHNICAL UPGRADING OF VESSELS	Hull Air Lubrication Systems	=5-8%		•	
	Cargo boil-off sub-cooler	=5-10%		•	
	Propeller boss cap fin	=3%	•		
	Passage planning tools to minimise the cargo boil off	5%<		•	
	State of the art hull coating	10%<		•	
	Variable frequency control of major consumers	=3%		•	
	Lighting fixtures with LED technology	=1%	•		
	Increasing electric efficiency	=3-8%		•	
	Power usage optimisation system	=2-4%		•	
	Monitoring of methane slip	-		•	
	Methane abatement	=60-90%*			•
D ECO LNG CARRIER NEWBUILDING	ECO power generation/propulsion systems	-			•
	Alternative fuels	-			•
	New cargo containment system	-			•
	Hull shape modifications	-			•
	Optimal logistic agreement	-			•

MAIN SOURCES OF EMISSION

Below is a summary of the main sources of emissions for CoolCo by category.

Main source of emission per category

SCOPE 3	SCOPE 1-2	SCOPE 3

SUPPLY CHAIN

(248,570 MT CO_{2e})
Emissions mainly come from extracting and producing LNG (Well to Tank)

OPERATIONS

(982,883 MT CO_{2e})
Emissions mainly come from fuel used for our LNG carriers and CH_4 slip from the 4 stroke engines

ADMINISTRATION

(4,192 MT CO_2)
Emissions mainly come from business travels (scope 3) and emissions from the production of the electricity we buy for our office consumption (scope 2)

OFFICES
(16 MT CO_{2e})

BUSINESS TRAVEL
(4,176 MT CO_2)

■ In 2023 we include our scope 2 and 3 and methane slip emissions

CLIMATE CHANGE MITIGATION PERFORMANCE

We continue to explore improvements in efficiency and emissions reductions that will help us target to exceed the IMO's reduction targets. In 2023 we have made significant progress towards the 2030 target.

METRIC	UNIT	2022	2023
Annual Efficiency Ration	gr CO_2 /DWT - nm	8.11	7.49
Carbon Intensity Indicator	A – E	C	B
Scope 1 total emissions / LNGC CO_{2e} emissions	Metric tons	Not reported	982,883
Scope 1 emissions / LNGC CO_2 emissions	Metric tons	725,336	791,170
Scope 1 emissions / LNGC CH_4 emissions	Metric tons	Not reported	6,847
Scope 2 emissions / (Offices CO_{2e} emissions due use of electricity)	Metric tons	Not reported	16
Scope 3 emissions / Business travel CO_2 emissions	Metric tons	Not reported	4,176
Scope 3 CO_{2e} emissions – Well to Tank (WtT)	Metric tons	Not reported	248,570
Energy consumption fleet	GWh	Not reported	3537
Energy consumption offices	MWh	Not reported	112
Energy mix fleet	MT	Gas: 157367 LSFO: 43636 VLSFO: 27314	Gas: 235409 MGO: 17257 VLSFO: 10579

■ Climate related metrics for the CoolCo owned fleet, 2022 and 2023

03

ENVIRONMENT

ANALYSIS OF PERFORMANCE

Our performance trend in 2023 is in-line with our yearly improvement targets without major corrective actions. We will continue to pursue and implement the climate measures (A-D) defined in our strategy.

In 2023 the AER continued to drop, and we performed better than the targets we set in our decarbonisation strategy. The improvement was a result of:

1. **Gas combustion (GCU) usage**
   We experienced fewer days of idling and serving as storage in 2023 resulting in greater transport distance. As a result, the use of gas combustion units was about half in 2023 compared to 2022.

2. **A cleaner fuel mix**
   LNG is cleaner than other vessel fossil fuels. Therefore, the use of our LNG cargo as fuel, lowered our emissions. In 2023, the consumption of low sulphur fuel oil was reduced about four times as compared to 2022, resulting in an increase in LNG

consumption. The change in fuel mix corresponds to the significant drop in global LNG prices from 2022 to 2023, which resulted in charterers directing shipowners to use LNG as fuel for the ballast voyages thereby reducing costs and emissions.

3. **Voyage planning and follow-up**
   CoolCo's onboard officers and personnel involved in operations onshore have continued to carefully plan and review voyages, which has helped to minimise fuel consumption and ensure environmental efficiency.

As a result, our [average/median] CII improved from a "C" rating in 2022 to a "B" rating in 2023.

A major focus for 2024 has been to prepare and optimise our internal processes for the new enforced EU ETS scheme and to prepare for the upcoming FuelEU Maritime regulation.

POLLUTION, BIODIVERSITY AND ECOSYSTEMS

WHY IT MATTERS

The shipping industry's footprint remains a major concern for the health of the world's oceans. Despite regulations, oil spills from ships still occur, contaminating waters and coastlines. In addition, ships take on ballast water in one region and discharge it in another, inadvertently transporting invasive aquatic species across ecosystems. Furthermore, underwater noise pollution from ships disrupts marine life's communication and behaviour.
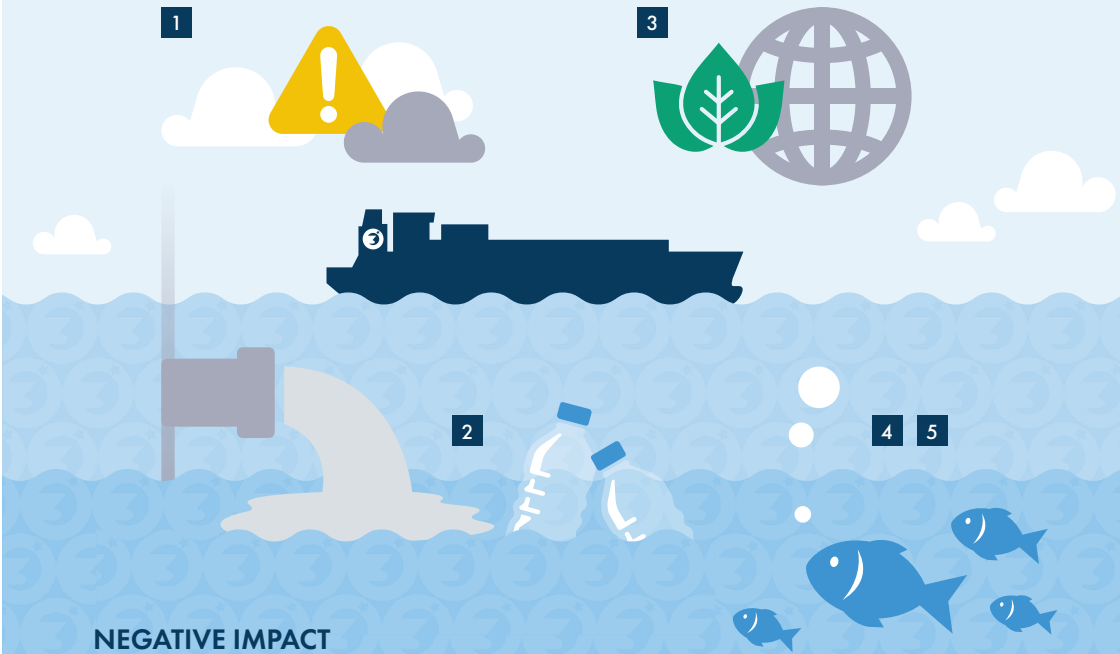
14 LIFE BELOW WATER

"

The shipping industry's ecological footprint remains a major concern for the health of the world's oceans.

03
ENVIRONMENT

Pollution, biodiversity and ecosystems impact and risk

NEGATIVE IMPACT

1 **Pollution of air** – impacts from air pollutants from our operations.

2 **Pollution of water** – impact on water arising from emissions and other pollutants generated from our operations, which may be harmful to bodies of water.

3 **Substances of concern** – pollution to the environment from our value chain such as vessel construction, operations or waste management.

4 **Biodiversity loss** – impact on biodiversity loss through changes in land, fresh water, and sea use, introduction of invasive species, exploitation of wildlife, and GHG emissions and pollution.

5 **Impacts on species and habitats** – impact related to the risk of affecting species through habitat destruction, restriction of movement, wildlife interference and introduction of invasive species and pests.

RISK

4 **Biodiversity loss** – financial loss, reputational damage and legal repercussions from possible contribution to biodiversity loss.

POLLUTION, BIODIVERSITY AND ECOSYSTEMS – ACHIEVEMENTS

TARGET ACHIEVEMENTS	METRICS	2023	STATUS
Zero spills No spills or releases of oil or spills[1]	m^3 of releases of oil or oily spills	Zero	Zero
10% yearly reduction in general waste	% reduction of m^3 general waste	- 19%	+1%
10% yearly reduction in oily waste	% reduction of m^3 oily waste	-6%	+28%

Ecological impact covers pollution of water and air, use of marine and water resources and impact on biodiversity and ecosystems.

[1] According to CoolCo's ESG Methodlogy Statement as this states "Major oil spills oil classified impact as moderate or above according to our risk matrix. I.e., spills that may have a measurable effect on the ecosystem

OUR APPROACH AND POLICIES

At CoolCo we are continuously working to reduce the ecological impact from our fleet. CoolCo has established an Environmental Management System (EMS) in compliance with the ISO 14001:2015 Standard. The ESG reporting of ecological matters based on our existing, and approved, environmental practices, are in line with this standard. Any deviations or breaches of our environmental policy are investigated in a timely manner and corrective measures implemented. Furthermore, reported environmental figures are subject to yearly assurance and audits by third parties.

Waste
Our environmental management program waste reporting is based on what is being generated onboard our owned and managed LNGC and FSRU vessels. We have clear procedures for waste handling and discharge, and set yearly reduction targets.

Ballast Water
All of our LNGCs have approved ballast water management systems installed to avoid transporting invasive aquatic species across ecosystems.

Hull coating
We use hull coating systems which are non-toxic and are compliant with IMO international conventions on the control of harmful anti-fouling systems on ships. This convention prohibits the use of harmful organotin compounds in anti-fouling paints used on ships.

Air pollution and spills
With reference to our environmental policy, we aim for zero spills and minimise the emissions to air.

MAIN SOURCES OF IMPACT

ECOLOGICAL IMPACT

AIR POLLUTION
(NO, 4,827 MT, SO, 133 MT, PM 108 MT)
The emissions come from fuel used for operation of our owned LNG carriers.

WASTE
(2630m^3) total general and oily waste from our owned and managed fleet.

OIL SPILLS
(Zero) Total oil spill from our owned and managed fleet.

POLLUTION, BIODIVERSITY AND ECOSYSTEM PERFORMANCE

Our industry is highly regulated under international laws and regulations, including those of the International Maritime Organization (IMO) and ship classification rules. Our vessels undergo regular audits by customers, Flag States, classification societies, and Port State Control to ensure compliance. In 2023, our LNG carriers were fully compliant with all applicable laws and regulations.

METRIC	UNIT	2022	2023
AIR POLLUTION			
NOx emissions	MT	5,794	4,827
SOx emissions	MT	480	133
PM emissions	MT	245	108
WASTE			
Total general and oily waste for all fleet	m^3	3070	2630
Total general waste for all fleet	m^3	1842	1491
Owned vessels general waste	m^3	563	622
Managed vessel general waste	m^3	1279	869
Total oily waste for all fleet	m^3	1228	1153
Owned vessel oily waste	m^3	873	948
Managed vessels oily waste		355	205
Total oil spills and releases	m^3	0	0

03
ENVIRONMENT

POLLUTION, BIODIVERSITY AND ECOSYSTEM – ACTIONS

In 2023, we took the following actions:

Pollution to air
See climate actions 2023.

Pollution of water
Initiative to Cease Supplying Plastic Drinking Bottles Across Vessels and Offices
In a concerted effort to mitigate the proliferation of single-use plastics, we have implemented a comprehensive ban on the procurement and utilization of plastic water bottles across our entire fleet. Our approach involves the installation of additional water filtration systems and comprehensive training sessions for crew members to proficiently analyze potable water quality. Furthermore, we have equipped all vessels with glass bottles and/or tetra pack water options, readily available for purchase through our slop chest facilities.

Food Waste Reduction Program
In alignment with our commitment to sustainability, we have launched a robust campaign both on board and in office spaces to meticulously measure and report food waste. Galley personnel have undergone specialized training facilitated by professional chefs, empowering them with the skills and knowledge necessary to minimize waste generation. Concurrently, a meticulous reporting and monitoring framework has been established to track and mitigate food wastage at every stage of our operations.

ANALYSIS OF PERFORMANCE

Overall our ecological impact performance was in line with the set yearly improvement targets. In 2024 we will continue our efforts to improve our performance and major changes in priorities are planned.

Air pollutants
The overall fleet air pollutants emissions improved from 2022 to 2023 as a result of less usage of low sulphur fuel oil and an increase in the use of LNG for ballast voyages. This results in lower NOx, SOx and particular matter (PM) emissions.

Waste
Waste reporting is based on what is being generated onboard our owned and managed FSRU and LNGC vessels. As a part of our Environmental Management System efforts, general waste was reduced by 19% and oil waste by 7% from 2022 to 2023.

In 2023 there was an increase of oily waste on some of the owed carriers because heavy fuel oil on board was removed to be in compliance with the new IMO low sulphur fuel requirements. The removed fuel was drained to the vessel sludge tanks, resulting in an increase of reported oily water waste. The result was that the 10% reduction in oily waste target was not met. We expect the 2024 reduction target will be met because most of the heavy fuel oil was discharged.

"
We are in the process of establishing internal targets and strengthen existing processes for Circular Economy.

CIRCULAR ECONOMY

WHY IT MATTERS

Circular economy concerns minimising waste and maximising resource efficiency in production and consumption, for example, by designing products to last longer and/or can be easily repaired, reused, refurbished, and recycled.

This is a new material risk for CoolCo because the company is involved in ship construction, ship docking activities and ship operations that are resource intensive. The production, operation and demolition of LNCCs are conducted in line with the circular economy principles.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Ship Construction
- Shipyards are increasingly applying modular design principles to enable easier repair, maintenance, and upgrades during operation. Most of the components and systems installed are maintainable and repairable.
- To some extent the materials are recycled like aluminium, steel, and composites

Ship Operation
- Component and system suppliers often offer product-life extension services such as repair, maintenance, refurbishment, and repainting to maximize the usable life of vessels.
- Our LNGs have a design life of 40 years before they are sent for demolition and scrapping. Commercial considerations and upcoming

environmental regulations may result in our vessels being sent for scrapping earlier.

Ship Recycling
- Most of the material from ship demolition is reused and recycled. To date, CoolCo has not scrapped any vessels.

OUR APPROACH AND POLICIES

We undertook the following actions in 2023 in respect of our policies:

- Revised the environmental policy to include compliance with The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships.

- Mapped all hazardous materials, and inventory documented in accordance with the IMO Guidelines MEPC 269(68). The inventory of hazardous materials ensures compliance with the Hong Kong international convention for the safe and environmentally sound recycling of ships.

ANALYSIS OF PERFORMANCE

General
As the latest DMA was concluded early in 2024, we have not yet established targets or processes for reporting metrics for circular economy matters. However, we are in the process of establishing internal targets and strengthening existing processes for addressing these new material matters throughout 2024.

Circular economy impact and risk
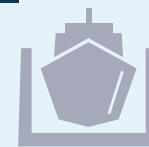
1 **2** **3**

NEGATIVE IMPACT

1 **Ship construction** – possible impact from resource use, particularly in steel, fossil fuels, chemicals, and paint for ship construction.

POSITIVE IMPACT

2 **Ship recycling** – possible impact from contribution through the large-scale recycling of ships which can significantly contribute to the circular economy by generating substantial quantities of reusable resources, particularly steel.

RISK

3 **Hazardous waste** – financial risks from hazardous waste management, including reputational damage leading to lower revenues and higher costs.

❝

A safe, healthy, and competent workforce is crucial for CoolCo to achieve its day-to-day operations and strategic goals

SOCIAL

The Social section encompasses both our own workforce and workers within our value chain. We prioritize improving working conditions, ensuring equal treatment, and creating opportunities for all employees, whether they are part of our internal team or part of our broader value chain.

OWN WORKERS

WHY IT MATTERS

At the end of 2023, CoolCo employed 834 ratings and 666 officers at sea, along with 111 shore-based employees across our four offices in Kuala Lumpur, London, Oslo, and Split.

CoolCo is committed to ensuring a safe and inclusive working environment that promotes psychological safety for all employees and contractors. This commitment is in line with statutory requirements and industry standards, including seafarer unions. A safe, healthy, and competent workforce is crucial for CoolCo to

achieve its day-to-day operations and strategic goals. Failure to provide a healthy working environment can result in accidents, downtime, reputational damage, loss of trust, fines, and legal proceedings.

CoolCo has the opportunity to positively impact its workers by offering secure employment, fair contractual terms, competitive remuneration, comprehensive training, career development, and social protection, all within an inclusive working environment.

We operate in an international and predominantly male-dominated industry, which requires focused attention on diversity issues, including gender distribution.

CoolCo is committed to addressing this imbalance as discussed further in this report.

OWN WORKERS – ACHIEVEMENTS

| TARGET	METRICS	2023	STATUS
95% Retention rate for crew	Retention rate for the last 24 months	94.60%	Partly achieved
90% Retention rate for office staff	Retention rate for the last 24 months	95.90%	Achieved
Zero yearly reduction in fatalities	Number of fatalities	Zero	Achieved
Zero Lost-time injury frequency	Lost-time injury frequency per million exposure hours 12 months running	0.73	Not Achieved

3 GOOD HEALTH AND WELL-BEING   **4** QUALITY EDUCATION   **5** GENDER EQUALITY   **8** DECENT WORK AND ECONOMIC GROWTH

Own workforce impact, risk and opportunity
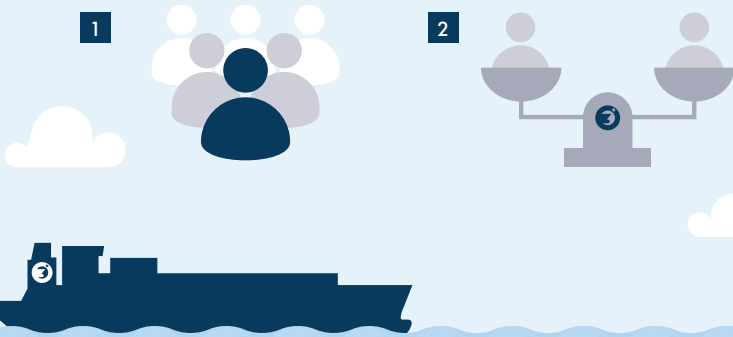
POSITIVE AND NEGATIVE IMPACT

1 **Working conditions** – potential impact on the well-being and safety of our own workforce.

2 **Equal treatment and opportunities** – potential impact on the training and development, and diversity and inclusion or our own workforce.

RISK

1 **Working conditions** – failure to provide a safe working environment, and provide training and development opportunities may lead to poor company performance and reputational damage.

OPPORTUNITY

1 **Working conditions** – good working conditions increase workplace attractiveness, and enhance employee satisfaction and well-being, all of which contribute to greater operational efficiency.

2 **Equal treatment and opportunities** – Talent development and workforce training can reduce turnover, improve processes, and increase profitability.

WORKING CONDITIONS

OUR APPROACH AND POLICIES

We strive to be a preferred employer, prioritizing the well-being of our employees. Consequently, CoolCo is committed to providing excellent working conditions.

SAFETY
At CoolCo safety is our number one priority. We achieve this by cultivating a company culture that emphasizes safety awareness among our employees and by implementing practical and well-considered risk management both onboard and onshore. CoolCo also focuses on learning by analysing incidents and near misses. We believe that serious issues can be prevented by focusing on the minor issues that arise and learning from these.

Learning through analysis
We believe that openly discussing challenges, learning from them, and sharing experiences with others strengthens our team and enhances safety. All incidents are reported in CoolCo's improvement system (SAFIR) and closed out systematically based on the DNV M-Scat methodology. If an incident is classified as a major or severe incident or if a near misses with a risk level between 15 and 25 is reported in the improvement system, then the investigation will be led by the shore organization. As a learning organization the results and recommendations of the investigations

are published as 'Shared Learning' in the Marine Summary and distributed to the fleet.

In 2023, we have seen an increase in incidents which has resulted in the company implemented the IOGP "Life-Saving Rules". We have also focused on near miss reporting and built this into our learning through analysis approach. Our weekly safety meetings with the on board management team and office staff are an opportunity to present lessons learnt in a safe environment.

Compliance with international safety management regulations
We are certified under the ISM Code, ISO 9001, ISO 14001, and ISO 45001 systems, and fully comply with all relevant industry standards.

We conduct rigorous health and safety audits of our vessels and offices, and our vessels are regularly audited by flag states, port states, charterers, and other stakeholders to ensure they meet or exceed all required standards.

An integrated management system
CoolCo has an integrated management system that is based on a PDCA (Plan-Do-Check-Act) continual improvement cycle, and CoolCo integrated Management System("CiMS") is certified to ISM Code, ISO9001, ISO14001 and ISO45001.

EMPLOYEE WELLBEING
Benefits offered to our seafarers include an industry leading medical insurance plan which covers costs for medical treatment in the seafarer's country of

residence during leave and for the seafarers family all year. Office personnel are primarily employed in full-time, permanent positions. However, we hire temporary employees or contractors when necessary to cover long-term sick leave and leaves of absence, complete projects on time, or address temporary needs for specialized competency. We offer flexible working hours and the option to work from home. Benefits include pension schemes, health insurance, parental leave, paid sick leave, employment injury benefit, survivor/death benefits and disability benefits.

In our context, social protection means ensuring income security for our employees. We provide industry-leading benefits, including a comprehensive medical insurance plan for our seafarers that includes local medical treatment and health benefits for their family members.

Our onshore employees are predominantly on full-time permanent contracts.

We are certified under the ISM Code, ISO 9001, ISO 14001, and ISO 45001 systems, and fully comply with all relevant industry standards.

We conduct rigorous health and safety audits of our vessels and offices, and our vessels are regularly audited by flag states, port states, charterers, and other stakeholders to ensure they meet or exceed all required standards..

SECURE EMPLOYMENT
CoolCo adheres to internationally recognised human rights and labour standards in all our workplaces and by following our internal principles set out in our Code of Business Ethics and

Conduct. All seafarers employed in CoolCo are represented by a union through the International Transport Workers' Federation (ITF). The ITF is a global union federation that advocates for the rights and welfare of our seafarers, including job security and fair labour practices through the Collective Bargaining Agreements (CBA's).

TRAINING
We provide comprehensive training to our employees, to ensure that we can meet our objectives and targets. Our training schemes include all statutory training for seafarers working on LNG vessels and include various maker specific training for the on-board equipment, engine-and control systems. The Training Matrix undergoes an annual review to ensure training is kept up to date and in

accordance with industry standards. We have implemented extensive audit and assurance activities to verify compliance with the requirements. At the crew conferences, we present and discuss safety, health and wellbeing, vessel performance optimization and other relevant subjects.

WORKING CONDITIONS – ACTIONS

In 2023, we undertook the following actions:

Crew Long Term Strategy
We completed the Crew Long Term Strategy 2023-2026 and this focused on several initiatives for the retention and development of our onboard personnel. This strategy emphasizes promoting diversity and inclusion in our crewing practices to create an inclusive workplace on our vessels with equal opportunities for all employees.

Crew engagement survey
A crew engagement survey was conducted to understand their perspective on work, safety, company culture, and leadership. This feedback is crucial for our long-term crewing strategy, helping us identify areas for improvement to enhance retention and maintain a healthy working environment.

RightShip seafarers Crew Welfare Self-Assessment
We completed the RightShip seafarers Crew Welfare Self-Assessment. The RightShip Self-Assessment is a tool provided by RightShip, a maritime risk management company. By completing the Self-Assessment, CoolCo was able to evaluate our compliance with industry standards and best practices, and further enhance our current operations.
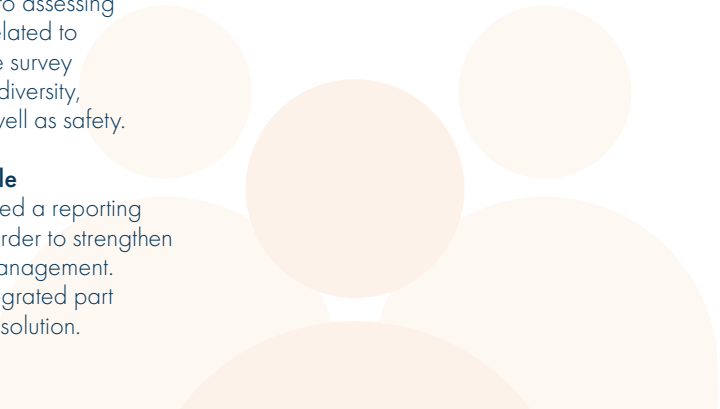
BeeKeeper/Intranet
We rolled out BeeKeeper, the company intranet for onshore and offshore employees, to improve communication and collaboration between onshore and offshore employees.

Engagement Survey
We completed a people engagement survey for office staff and seafarers, achieving an 83% participation rate onshore and 67% participation rate for seafarers. In addition to assessing engagement measures related to employment retention, the survey also included aspects of diversity, equity and inclusion, as well as safety.

Safety Reporting Module
In July 2023, we introduced a reporting module called SAFIR in order to strengthen and simplify our safety management. It was included as an integrated part of our fleet management solution.

Online Videos
As part of the implementation of our new HSEQ modules, we produced an information video that explains our quality management system thereby achieving our objective that all officers have a shared understanding of our core quality management processes.

WORKING CONDITIONS IMPACT 2023

OWN WORKER CONDITIONS

Retention rate
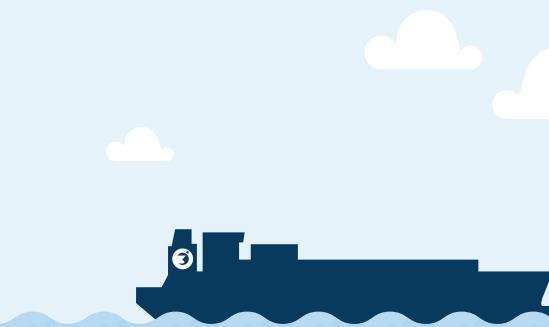94.60% seafarers
96.96% office employees

Serious marine incidents
Zero

Incidents
LTIF 0.73, TRCF 1.6
Loss time incident and total recordable case frequency

Training
50 hours yearly per seafarer

WORKING CONDITIONS PERFORMANCE 2023

METRIC	UNIT	2022	2023
Total number of employees		**1333**	**1638**
Office employees	Number	190	111
Seafarers	Number	1143	1527
Employee Retention Rate for Office staff	Percentage	95.30%	95.90%
Employee Retention Rate for Sea based staff	Percentage	96.96%	94.60%
SAFETY PERFORMANCE			
Number of serious marine incidents	Number	0	0
Fatalities	Number	0	0
Lost time injury frequency (LTIF)	Number	0.16	.73
Total recordable case frequency (TRCF)	Number	1.13	1.6
Number of hours per seafarer/ offshore worker spent on safety training in the year	Average hours	.51	.50

The engagement survey results are positive compared to the transportation benchmarking used by our survey provider. We achieved an 82% response rate among shore personnel and scored 78 in satisfaction and motivation, surpassing the transportation benchmark of 71. While we have not yet established internal performance indicators, we now have data to set future objectives for these and related elements.

ANALYSIS OF PERFORMANCE

Overall, the performance metrics for our own workers were in line with the set yearly improvement targets. In 2024 we will continue our efforts to improve our performance.

Lost Time Injury Frequency (LTIF) & Total Recordable Case Frequency (TRCF)
Lost time injury frequency increased from 0.16 in 2022 to 0.73 in 2023. The LTI in 2022 occurred during leisure hours and not during work activity. In 2023 we had 5 LTIs, and 11 TRCs recorded. The TRCs include medical treatment cases, restricted work cases and lost time injuries. While best efforts are made to prevent injuries, incidents will likely occur during the lifetime of our vessels. To raise safety awareness regarding preventing personnel injury, we have introduced two monthly publications.

- The Marine Summary presents an overview of the highlighted 'near miss reports' received from the vessels in the previous month.

- The Safety Brief gives an overview of current LTIF & TRCF, and a description of any injuries occurred.

At the end of 2023 we started to give more focus on near miss reporting, and actively published statistics on BeeKeeper to promote near miss reporting. This has proven to be a good driver in reminding vessels to keep up with reporting, and we have seen an increase in number of reports received.

Retention rates
The high retention rate for both office-based staff and seafarers is very satisfactory. Although we did not meet our objectives, we have a high retention rate for both office and shore based staff.

EQUAL TREATMENT AND OPPORTUNITIES FOR WORKERS

OUR APPROACH AND POLICIES

At CoolCo, we are committed to continuous improvement and to fostering greater inclusion, equity, and diversity within the company. We have implemented routines and practices to create a respectful and inclusive environment for all workers. Below is an overview of our current initiatives.

The Code of Business Conduct and Ethics explicitly states a zero-tolerance policy towards discrimination or harassment in any form. Our Speak-Up policy encourages staff to speak-up where they observe misconduct or unfair treatment. Employees can submit concerns anonymously using the online Speak-Up portal or on a lower level as applicable. These policies are conveniently accessible to all employees through our internal communication platform, ensuring widespread awareness and adherence across the organization. The policies apply to all Company directors, employees and contractors alike. Training and development opportunities are provided

without discrimination. The Company arranges and supports a variety of learning and competence development initiatives, incorporating social, on-the-job, and formal training methods. Social events such as networking sessions, workshops, gatherings, officers' conferences, sporting events, and more are organized and offered on an all-inclusive basis. We engage sea personnel in onshore projects when suitable and hire them whenever feasible. Visits to ships at sea, in harbours, and at yards are also regular occurrences.

Our cadet programs aim to foster career growth for young seafarers and provide valuable development opportunities. Since the program's inception in 2013, 70% of our cadets continue to be employed by CoolCo with a few candidates being promoted to officer positions on our vessels.

There has been a positive trend with an increased number of female seafarers in 2023 compared to previous years. Supporting more female seafarers is part of our Long-Term Crewing strategy and remains a key goal for the company.

Our Cadet program is an excellent opportunity to recruit and educate female candidates for our fleet, thereby improving gender balance at sea.

Additionally, our internship programs serve as an excellent platform to promote the company and the industry to young students, with a particular focus on engaging female students.

The company intranet functions as both an information platform and a social medium for personnel. It ensures the even distribution of information and encourages communication and informal information sharing across the organization.

As a learning organization, listening to our employees is crucial. Our annual engagement survey addresses various topics, including diversity, equity, and inclusion. Onshore annual appraisal meetings provide a platform for discussing career development and workplace well-being. Additionally, we consult work environment committees where applicable. At sea, handover notes offer valuable learning opportunities.

We acknowledge Diversity-Equity and Inclusion-related events such as Pride, International Women's Day, International Day for Women in Maritime, and World Mental Health Day by sharing posts and information on our intranet.

EQUAL TREATMENT AND OPPORTUNITIES – ACTIONS

In 2023, we launched an engagement survey for both sea and shore employees, which includes measures on diversity, equity, and inclusion.

We have selected a new leadership training provider to conduct leadership training for onshore personnel starting in 2024. This program will focus on enhancing awareness and skills for leading diversity and promoting inclusion, among other topics.

ANALYSIS OF PERFORMANCE

The number of female seafarers is low in respect of our onshore employees – 37% are female. We acknowledge that we need to focus on increasing Long-Tern Crewing strategy.

We have included metrics for diversity, equity and inclusion in our annual engagement survey. The Engagement Survey for 2023 shows a high degree of satisfaction of our female seafarers on these parameters. We have not established performance indicators for the DEI area, but now have internal data for future reference.

> " 70% of all our cadets remain in our employment, with some now having reached senior officer positions on our vessels.

EQUAL TREATMENT AND OPPORTUNITIES PERFORMANCE

METRIC	UNIT	2022	2023
Diversity – Number of nationalities on board	Number	20	19
Diversity – Number of nationalities onshore	Number	14	12

	MALE	FEMALE	AGE <35	AGE 35-55	AGE >55
Seafarers – Ratings	834	15	157	509	183
Seafarers – Officers	666	12	119	453	106
Board of directors	6	1	0	4	3
Office employees	70	41	41	56	14
Senior management team	4	1	0	3	2
Line managers (all levels)	21	9	4	20	6

■ Company diversity overview 2023 (number)

WORKERS IN THE VALUE CHAIN

WHY IT MATTERS

CoolCo sources goods and services globally, ranging from yard work and spare parts to food and consumables. Due to the varying working conditions in different regions, we have a responsibility to ensure that our suppliers adhere to sustainable standards. By setting these standards as clients, we can make more informed decisions on suppliers. Various regulations, such as the UK Anti-Slavery Act, the Hong Kong Convention and the Norwegian Transparency Act, address these issues.

## OUR APPROACH AND POLICIES

CoolCo mitigates risks related to suppliers by implementing rigorous screening procedures as mandated by our internal policies and incorporating the UK Modern Slavery Act and the Norwegian Transparency Act. Vendors categorized as high risk, particularly those operating in sectors such as manning, provisions, dry docking, PPE, and asset construction, undergo additional scrutiny. The process

includes assessing whether the goods or services come from high-risk locations based on modern slavery prevalence, workers' rights, corruption perceptions, and bribery risk scores. Sources like the Global Slavery Index, ITUC Global Rights Index, Transparency International, TRACE Matrix, and the US Department of Labor are used to identify these risks. If significant risks are detected, further investigation is done to ensure that suppliers' operations and supply chains are free from forced, involuntary, or child labor, complying with the CoolCo Code of Business Conduct and Ethics and CoolCo Anti-bribery and Anti-corruption policies and relevant international laws.

Our "Managing Repairs and Upgrades" procedure involves a review of the yard's HSEQ standards and safety records. Before selecting a yard, we conduct a safety verification audit, focusing on ethical issues such as workers' agreements, modern slavery and human trafficking, working and living conditions, safety procedures, permit-to-work systems, and the use of personal protective equipment. Safety-related interactions between our vessel's crew and the yard workers are discussed in daily meetings during the yard stay.

8 DECENT WORK AND ECONOMIC GROWTH

Workers in the value chain impacts
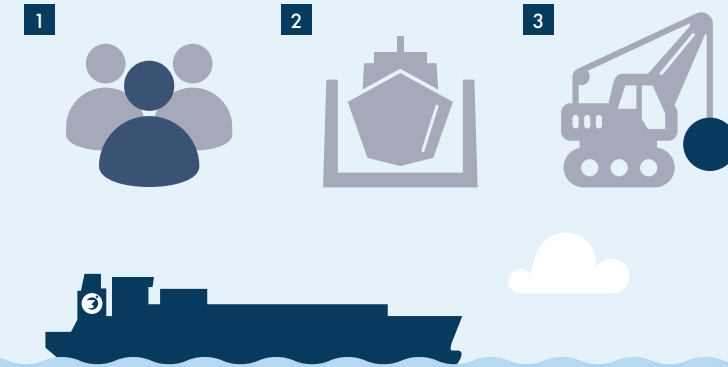
NEGATIVE IMPACT

1 **Working conditions for workers in the value chain** – indirect impact on working conditions in the value chain, including health and safety violations, wellbeing, safety, social protection and secure employment in the value chain.

2 **Other work-related rights for workers in the value chain** – indirect impacts on the rights of workers across our value chain including freedom of association and collective bargaining, modern slavery and child labour.

3 **Equal treatment and opportunities for all workers in the value chain** – indirect impacts on diversity, equity, and inclusion (DEI) in the shipping value chain include issues related to gender equality, equal pay, training and skills development, employment and inclusion of persons with disabilities, violence and harassment, and overall diversity.

WORKERS IN THE VALUE CHAIN – ACTIONS

Improved mapping of our supplier database to enhance our ability to identify potential risks

We updated high-risk locations/countries based on reports from ITUC and the Global Slavery Index for 2023. These reports allow us to identify countries with high risk, which we consider a crucial factor during the registration evaluation process for new suppliers.
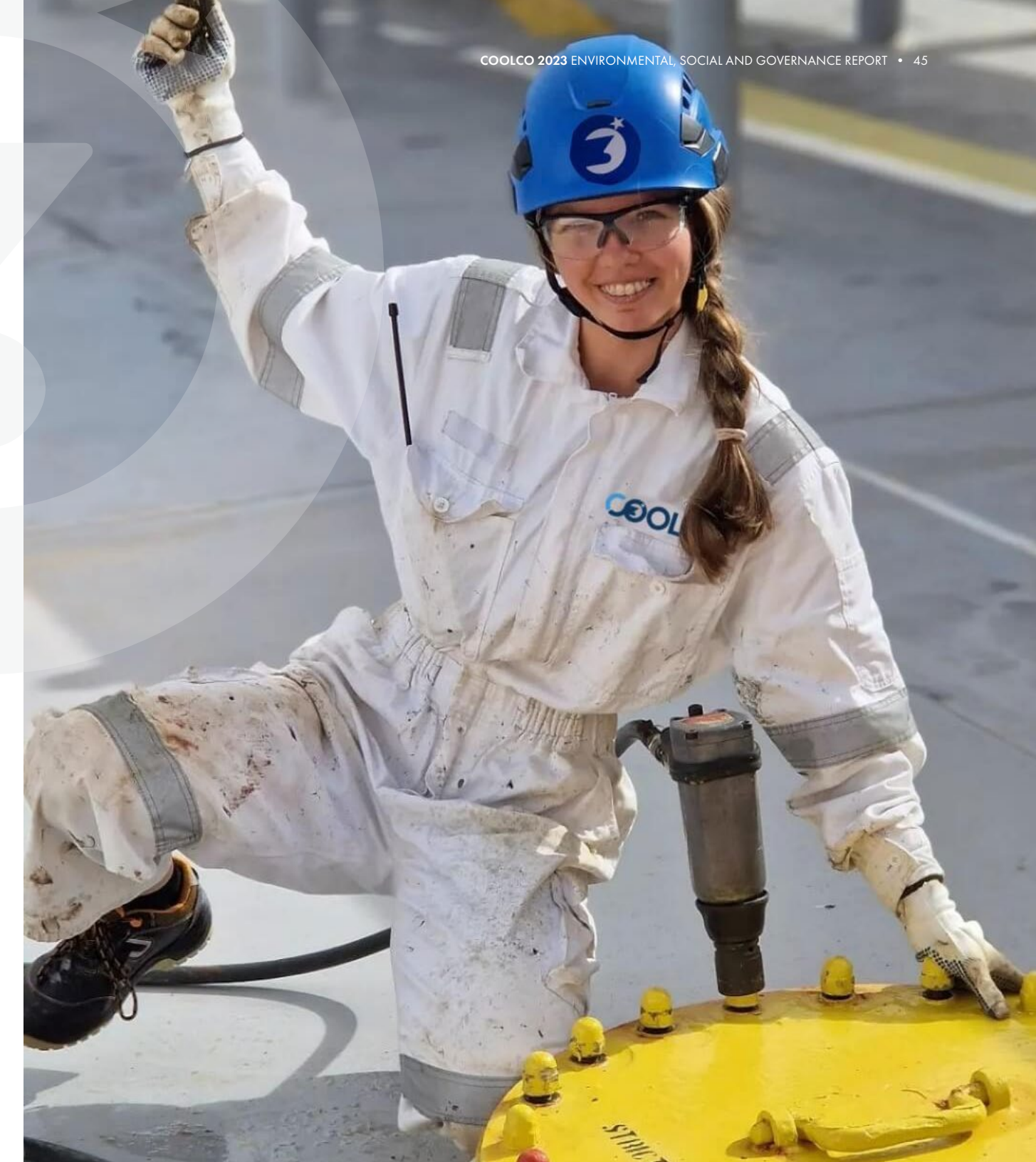
Implemented the Norwegian Transparency Act and the UK Modern Slavery Act for 2015.

We have signed a contract with Dow Jones Risk and Compliance for screening and monitoring our suppliers. This platform will identify if a party has been prosecuted for breaching the Norwegian Transparency Act and/or Modern Slavery Act, hence, assisting in our evaluation of suppliers.

ANALYSIS OF PERFORMANCE

General
As the latest DMA was concluded early in 2024, we have not yet established targets or processes for reporting metrics for workers in the value chain matters. However, we are in the process of establishing internal targets and strengthen existing processes for addressing these new material matters throughout 2024.

"

Embracing a risk-based compliance approach empowers the Company to stay ahead of compliance challenges while optimizing resource utilization and resilience.

The Governance section encompasses Corporate Culture and Cybersecurity, Corruption and Bribery and Protection of Whistleblowers. Our focus is on fostering a strong corporate culture that promotes ethical behaviour and integrity. We prioritize robust cybersecurity measures to safeguard our digital assets and data. Additionally, we are committed to combating corruption and bribery, ensuring the protection of whistleblowers.

05
GOVERNANCE AND BUSINESS CONDUCT

WHY IT MATTERS

Corporate governance is crucial for organizations because it establishes the framework of rules, practices, and processes that guide how a company is directed and controlled.

Strong corporate governance helps cultivate a culture of integrity, transparency, and accountability within the company. This leads to several key benefits:

- Improved decision-making and strategic planning by the board of directors
- Enhanced trust and confidence from shareholders and other stakeholders
- Reduced legal and reputational risks through compliance and ethical behaviour.
- Better adaptation to changing market conditions.
- Improved financial performance and access to capital.

Effective corporate governance requires clearly defining the roles and responsibilities of the board, executives, and management, establishing a code of conduct, promoting transparent financial reporting, and regularly engaging with stakeholders.

By implementing robust corporate governance practices, organizations can maximize long-term value, safeguard stakeholder interests, and ensure the Company's sustainability.
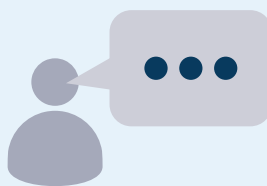
Governance impacts and risks

IMPACT

1 **Corporate culture** – positive impacts from implementing policies and incentivising corporate values, purpose, vision and mission.

2 **Cybersecurity** – cyberattacks on vessels can put both the crew and environment at risk.

3 **Corruption and bribery** – possible negative impact from operating in a sector where there is a high likelihood of encountering bribery and corruption

4 **Protection of whistleblowers** – impacts on employees' and stakeholders' safety by establishing and managing whistleblowing channels, ensuring non-retaliation, and following up on reports.

RISK

1 **Corporate culture** – potential reputational damage and the inability to attract and retain a reliable workforce.

2 **Cybersecurity** – threats to our systems that may lead to reputational damage and fines.

3 **Corruption and bribery** – financial risk from reputational damage, fines, a general loss of market and stricter regulation.

4 **Protection of whistleblowers** – financial risk such as fines, legal fees, reputational damage, loss of customer base and increased regulations.

OPPORTUNITY

1 **Corporate culture** – opportunities to increase workplace attractiveness and employee satisfaction leading to greater efficiency.

OUR APPROACH AND POLICIES

CoolCo, as a company publicly listed on the NYSE and Euronext Growth Oslo, is subject to stringent legal and regulatory requirements in respect of the governance of the company. The Company is required to comply with UN, US, UK, EU, Norwegian and Bermudian laws and regulations, in addition to the requirements imposed by the SEC and Oslo Stock Exchange in order to maintain the Company's listing status.

CoolCo is committed to adhering to these standards across its entire business chain and any breach would seriously damage our reputation as a leading LNGC owner and operator, and impact investor confidence. Further, these laws and regulations create the governance framework in which the Company operates and the oversight for ESG matters.

We uphold these standards throughout our operations, overseen by our Board of Directors, Audit Committee, General Counsel, and Head of Internal Audit and Risk.

The Company adopts a risk-based approach to governance, focusing on mitigating high-risk areas whilst streamlining processes in low-risk areas. This approach not only enhances efficiency but also strengthens overall compliance by targeting efforts where they are most needed. Moreover, it fosters a culture of proactive risk management, enabling the Company to adapt swiftly to evolving regulatory landscapes and emerging threats. Embracing a risk-based compliance approach empowers the Company to stay ahead of compliance challenges while optimizing resource utilization and resilience. This enables the Company to effectively manage risk, ensure transparency and accountability, align strategy and build shareholder and stakeholder trust.

POLICIES

Our business operates globally and we are committed to maintaining procedures that ensure a high level of ethical conduct that ensures the Company complies with UN, US, UK, EU, Norwegian and Bermudian laws and regulations. These principles are entrenched in the company culture and have resulted in the development and implementation of several governance policies, which are available on the CoolCo website:

Code of Business Conduct and Ethics
The Code of Business Conduct and Ethics sets the basic requirements for business conduct and serves as a foundation for Company policies, procedures and guidelines, all of which provide additional guidance on expected behaviours. The Code of Business Conduct and Ethics is designed to promote integrity and deter wrongdoing. All representatives, including employees, contractors and suppliers, are expected to adhere to the highest ethical standards and uphold our corporate values and principles, which include honesty, integrity and respect for others.

Global Sanctions and Export Control Policy

The Company is committed to adhering to (collectively, the "Sanctions Laws"), to the extent permissible by local law. This Global Sanctions Policy facilitates the Company's compliance with the applicable economic sanctions and export control laws and regulations of the United Nations, Bermuda, Norway, European Union, United Kingdom, any member states of the European Union and European Economic Area, the United States and other jurisdictions in which the Company operates, and to reduce the reputational, operational, and legal risks that could arise from a potential breach of such laws.

Anti-Bribery and Anti-Corruption Policy

All Company personnel are expected to conduct business in a legal and ethical manner at all times, regardless of any competitive pressures or pressures exerted by local custom in a particular region. The policy therefore ensures the Company complies with all applicable anti-bribery and anti-corruption

laws and regulations, such as the US Foreign Corrupt Practices Act, the UK Bribery Act, Bermuda Bribery Act, and any laws, domestic or foreign, prohibiting bribes or improper payments, gifts or inducements of any kind to or from any person, including officials in the private or public sector, customers and suppliers.

Speak-Up Policy

This Policy establishes procedures for confidential, anonymous submissions ("Ethics Reports") by employees, representatives and associates of the Company regarding accounting practices, auditing matters and any known or suspected violations of the Anti-Bribery and Anti-Corruption Policy or other corporate polices. This Policy has been adopted to establish and describe procedures governing the receipt, retention, investigation and treatment of Ethics Reports, to encourage concerned parties to report suspected wrongdoing or misconduct in a timely way and to protect employees who make good faith reports from retaliation.

Statements on the Modern Slavery Act and Norwegian Transparency Act

The Company is committed to the ethical and human rights principles that there should be no slavery or human trafficking. As such, CoolCo is dedicated to ensuring transparency in its supply chains and business operations. The purpose of this statement is to provide transparency and disclosure of relevant information about the Company's operations and practices in accordance with: (i) the UK Modern Slavery Act 2015; and (ii) the Norwegian Transparency Act.

All corporate policies are reviewed annually by the Audit Committee and Board of Directors to maintain effectiveness and are updated throughout the year if required.
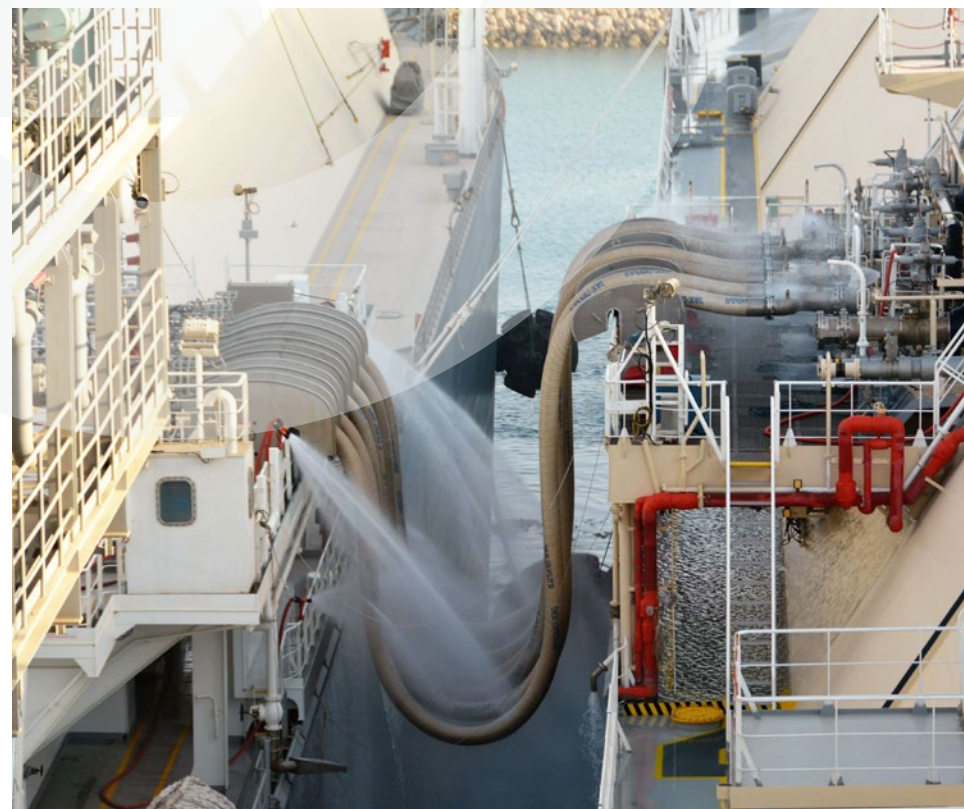
MAIN SOURCES OF IMPACT

Corporate culture

CoolCo is committed to its core values, which serve as guiding principles to pursue the Company's aims and goals. We actively promote and embed these values throughout our organisation. We expect our employees at all levels, both on board and onshore, to embody these values. Our formal feedback, appraisal processes and leadership training incorporate our values as part of working life. We continuously assess our culture by closely engaging with our people, and incorporate our values into all aspects of our personnel and crew processes.

Cybersecurity

The Board actively governs cybersecurity with a structured process, ensuring informed decision-making and SEC compliance through regular, detailed updates. The Head of IT and Digitalization manages the cybersecurity framework, overseeing robust controls for IT and OT systems and fostering interdepartmental coordination.

Over the past year, the company has enhanced its cyber capabilities by engaging external consultants and recruiting utilising OT cybersecurity resources.

We are methodically improving our cybersecurity maturity by aligning our practices with customer-specific requirements, the ISO 27001 standard, DNV's Cyber Secure guidelines, the IMO's recommendations for cybersecurity, and the C2M2 cybersecurity maturity model. The SOC service from Orange cyber defence was launched last year. CoolCo has recently become a member of Norma Cyber, joining a network of maritime professionals dedicated to advancing cybersecurity standards and practices within the industry.

Corruption and bribery

We have a zero tolerance policy for bribery, corruption and other financial crimes and we explicitly prohibit behaviours that are not consistent with fair, respectful, and decent business practices.

- **Suppliers and Agents:** Please also see page 44 – workers in the value chain, for further details on our approach and policies in respect of our agents and suppliers.
- **MACN:** We are a member of MACN (Maritime Anti-Corruption Network), which provides our company and crew with training to deal with situations involving corruption and bribery during port calls in high-risk locations.

Protection of whistleblowers
The Company is legally required to implement a Speak-Up policy and maintain a confidential hotline for employees, contractors, vendors, third parties and other stakeholders to report concerns. Reports to the confidential hotline are treated in confidence and received by the Audit Committee Chair, General Counsel and Head of Internal Audit and Risk. The Company policy also protects employees who make good faith reports from any form of retaliation ensuring their protection and encouraging such individuals to share their concerns.

GOVERNANCE – ACTIONS

Governance Policies
- Updated the Audit Committee Charter to reflect the Committee's oversight of the Internal Audit function, and Cybersecurity reporting.

Corporate culture
- Updated our Code of Business Conduct and Ethics to incorporate the Company's commitment to the Norwegian Transparency Act and UK Modern Slavery Act Statements.
- Updated employee processes to incorporate the Company's core values.

Corruption and bribery
- Established a Speak-Up Platform and policy.
- Joined the Maritime Anti-Corruption Network (MACN), working towards the elimination of all forms of maritime corruption.
- Issued Norwegian Transparency Act and UK Modern Slavery Act Statements.

Cybersecurity
- Developed a comprehensive OT Cybersecurity Manual that guides secure operations and mitigates risks within operational technology systems.
- Established a cross departmental cybersecurity team to ensure the cybersecurity and integrity of both IT and OT environments.
- Successfully implemented customer-specific cybersecurity requirements for OT systems in FSRUs, that are defined as a critical infrastructure by the EU.
- Expanded our cybersecurity capabilities to support the implementation of cybersecurity controls across our fleet by utilising specialized OT Cybersecurity Resources.

ANALYSIS OF PERFORMANCE

General
As the latest DMA was concluded early in 2024, we have not yet established targets or processes for reporting metrics for governance matters. However, we are in the process of establishing internal targets and strengthen existing processes for addressing these new material matters throughout 2024.

"
CoolCo is committed to its core values, which serve as guiding principles to pursue the Company's aims and goals.

"We engaged DNV to provide limited assurance of 2023 selected key figures according to CoolCo's ESG Methodology Statement.

06

APPENDICES

APPENDIX 1 – KEY FACTS AND FIGURES

We have identified the data and figures below in order to provide insight, transparency and comparability on what we consider to be our most important ESG topics. Where possible, we have aligned our reporting with industry standards to enable comparison, and where industry standards are not available, we use ESG frameworks (for example SASB or GRI) to support our calculation/methodology. In some instances, there is no agreed comparable definition, and therefore in the footnote section we disclose how we have calculated the figure, including the definitions used and, where applicable, which standard we have followed.

We engaged DNV to provide limited assurance of 2023 selected key figures (tagged with "1" in the table below) according to CoolCo's ESG Methodology Statement. DNV's assurance opinion for the selected key figures for 2023 data can be found on our website and in Appendix 2. The selected key figures for 2023 have been assured by DNV in accordance with the ISAE3000 standard.

The figures in the table below relate to the entire CoolCo owned and managed fleet, except for emissions data which relates only to vessels owned by CoolCo. The detail behind the calculations can be seen in our methodology statement that can be found on our website.

We are in the process of establishing reporting routines for following SASB metrics to be included in the 2024 independent assurance: TR-MT-110a.2, TR-MT-160a.1, TR-MT-510a.1, TR-MT-510a.2, TR-MT-540a.2, TR-MT-540a.3.

DESCRIPTION	UNIT	2022	2023	SASB CODE	FOOTNOTES
1. General Operation data					
Total number of vessels in operation	Number	27	26	TR-MT-000.F	
Owned LNG Carriers[1]	Number	12	11	TR-MT-000.F	1
Managed Carriers[1]	Number	7	7	TR-MT-000.F	1
Managed FSRUs[1]	Number	8	8	TR-MT-000.F	1
Total distance travelled by vessel	Nautical miles	1,039,300	1,183,604	TR-MT-000.B	2
Operating days	Days	3168	3445	TR-MT-000.C	2
Deadweight tonnage	Thousand deadweight tonnes	1,045,265	963,217	TR-MT-000.D	2
Number of vessel port calls	Number	181	162	TR-MT-000.F	2
Total number of employees[1]	Number	1,535	1,638		
Office employees[1]	Number	72	111		
Seafarers[1]	Number	1,463	1,527	TR-MT-000.A	
2. Environment / Air pollution					
Total GHG emission (CO_2)	Metric tons				3
Scope 1 total emissions LNGC CO_{2e} emissions[1]	Metric tons	Not reported	982,883	TR-MT-110a.1	3
Scope 1 emissions LNGC CO_2 emissions[1]	Metric tons	725,336	791,170		3
Scope 1 emissions LNGC CH_4 emissions[1]	Metric tons	Not reported	6,847		3
Scope 2 emissions (Offices CO_{2e} emissions due to use of electricity)[1]	Metric tons	Not reported	16	Additional (GRI 305-2)	3
Scope 3 CO_2 emissions – Business travel[1]	Metric tons	Not reported	4,176	Additional	3
Scope 3 CO_{2e} emissions – WtT[1]	Metric tons	Not reported	248,570		3
Air pollution (except GHG gases)	Metric tons				4
LNGC NOx emissions[1]	Metric tons	5,794	4,827	TR-MT-120a.1	4
LNGC SOx emissions[1]	Metric tons	480	133	TR-MT-120a.1	4
LNGC PM emissions[1]	Metric tons	245	108	TR-MT-120a.1	4

[1] FOOTNOTES

DESCRIPTION	UNIT	2022	2023	SASB CODE	FOOTNOTES
3. Environment / Ecological impact					
Total general and oily waste (hazardous and non hazardous waste) for all fleet	m³	3,070	2,630		
Total general waste for all fleet	m³	1,842	1,491		
Owned vessels general waste[1]	m³	563	622		5
Managed vessel general waste	m³	1,279	869		5
Total oily waste for all fleet	m³	1,228	1,153		
Owned vessel oily waste[1]	m³	873	948	TR-MT-160a.3	5
Managed vessels oily waste	m³	355	205	TR-MT-160a.3	5
Total oil spills and releases to the environment for all fleet[1]	Metric tons	0	0	TR-MT-160a.3	
Energy efficiency					
Total energy consumed[1]	GwH	Not reported	3537 (Office energy consumption 112 MWh Fleet energy consumption 3,537 GWh)	TR-MT-110a.3	6
Energy mix[1]	-	Not reported	Gas: 235,409 MT MGO: 17,257 MT HFO: 10,579 MT	TR-MT-110a.3	
LNGC % of energy consumed from heavy fuel oil[1]	Percentage	0%	0%	TR-MT-110a.3	
Intensity measure					
LNGC – EEOI[1]		19.88	17.13	TR-MT-110a.4	7
LNGC – AER[1]		8.11	7.49	Additional	7

DESCRIPTION	UNIT	2022	2023	SASB CODE	FOOTNOTES
4. Social					
Employee Retention Rate (%) for Office staff[1]	Percentage	95.30%	95.90%		8
Employee Retention Rate (%) for Sea based staff[1]	Percentage	96.96%	94.60%		8
Diversity – Number of nationalities on board[1]	Number	20	19		
Diversity – Number of nationalities onshore[1]	Number	14	12		
Safety					
Number of serious marine incidents[1]	Number	0	0	TR-MT- 540a.1	9
Fatalities[1]	Number	0	0	TR-MT- 540a.1	9
Lost time injury frequency (LTIF)[1]	Number	0.16	0.73	TR-MT- 320a.1	10
Total recordable case frequency (TRCF) [1]	Number	1.13	1.6		11
Number of hours per seafarer/ offshore worker spent on safety training in the year[1]	Avrg Hours	51	50		12

DIVERSITY 2023						
		Male	**Female**	**Age <35**	**Age 35-55**	**Age >55**
Seafarers – Ratings	Number	834	15	157	509	183
Seafarers – Officers	Number	666	12	119	453	106
Board of directors	Number	6	1	0	4	3
Office employees	Number	70	41	41	56	14
Senior management team	Number	4	1	0	3	2
Line managers (all levels)	Number	21	9	4	20	6

[1] FOOTNOTES

FOOTNOTES

1   The figures the total vessels operated and or manages as a LNGC or as a FSRU at year end. For emissions we report only for owned vessels.

2   Numbers are for vessels owned and operated by CoolCo.

3   Scope 1 emissions are direct emissions from vessels owned and operated by CoolCo.

   Scope 2 are indirect emissions from our offices due to use of electricity.

   Scope 3 are emissions from business travels for all employees and Well to Tank emissions for transported amount of LNG.

   A detailed description of our calculation and methodology used can be seen in our Methodology statement ("CoolCo LNG methodology statement"), located on our website.

4   Our air emissions are based on fuel consumption.

5   The sum of all waste generated throughout the reporting year which falls under the "general waste" and "oily waste" type category within the MARPOL standards.

6   Calculation: Based on the vessel's Noon Reporting consumption data multiplied by fuel lower heating value (ISO 8217).

7   Calculations:
   a. Energy Efficiency Operational Indicator (EEOI)= Annual average Co2 emission per transport work (volume) [g CO2 / (MT x miles)].

   b. Average Efficiency Ratio ("AER") = CO2 emissions divided by design deadweight of the vessels multiplied by distance travelled.

8   Calculated based on the INTERTANKO methodology which is set out by the TMSA. The calculation takes into account all terminations excluding unavoidable (retirements or long-term illness) and beneficial (staff whose departure benefits the company, e.g. under-performers) terminations divided by the average number of employees working for the company during the same period. The reporting period is 24 months.

9   Standard used: SASB TR-MT-540a.1. Number of marine casualties, percentage classified as very serious" and also the IMO (RESOLUTION MSC.55(84)).

10   Calculation: LTIs x (1,000,000/ Exposure hours) Standard used: OCIMF standards.

11   Calculation: (LTIs + Restricted Work Cases (RWCs) + Medical Treatment Cases (MTCs)) x (1,000,000/ Exposure hours) Standard used: OCIMF standards.

12   Calculation: (hours spent on safety training)/number of offshore workers. The number of hours spent on safety training are based on the recommended amount of hours to complete the training module and includes both mandatory and non-mandatory training per year. An average will be calculated where training modules have to be repeated every few years.

" All pictures in this report are taken by CoolCo seafarers and office employees.

APPENDIX 2 – INDEPENDENT LIMITED ASSURANCE STATEMENT

DNV Business Assurance Norway AS ('DNV') has been commissioned by Cool Company Management AS to undertake an independent assurance of a sub-set of data and information disclosed in Cool Company Ltd. (hereafter referred to as CoolCo or 'the Company') ESG Report 2023 Appendix 1 – Key facts and figures (hereafter referred as the 'Appendix') for the year ended 31st December 2023.

Assurance approach
This assurance engagement has been carried out in accordance with DNV's VeriSustain protocol, V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited and reasonable assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 – Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We performed the activities applying a limited level of assurance for a selection of indicators, as described in the following sections.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Appendix and/or on CoolCo's website for the current reporting period.

Reporting criteria for selected information
The Selected Information has been prepared by CoolCo with reference to CoolCo's own Reporting Criteria described in the "CoolCo ESG methodology statement" dated 16.04. 2024 ("Reporting Criteria").

The SASB Standards have not been used as a reporting criteria for the Selected Information in this assurance engagement, although they have been referenced in the Appendix 1 table.

Responsibilities of the Directors of CoolCo and of the assurance providers

The Management of CoolCo has sole responsibility for:

- Preparing and presenting the selected information;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the selected Information that is free from material misstatements;
- Measuring and reporting the selected information.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the selected information has been prepared with reference to the reporting requirements and to report to CoolCo in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Appendices except for this Independent Assurance Statement.

Scope of assurance

The scope of our engagement includes the following disclosures ('Selected information'):

- ESG Performance Indicators disclosed in the Appendix 1 of CoolCo's ESG Report, which are tagged with "1" in the Appendix table.

Our competence, independence and quality control

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with CoolCo.

Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

Inherent limitations

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatement. Because of the selected nature (sampling) and other inherent limitations of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected.

The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, and any third parties mentioned in the Appendices. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data, governance, and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process.

We did not review financial disclosures and data as they are not within the scope of our assurance engagement.

The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Basis of our conclusions

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of CoolCo. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- Review of the disclosures according to reporting requirements. Our focus included selected ESG disclosures and management processes;
- Understanding of the key systems, processes and controls for collecting, managing and reporting disclosures and KPIs in the Appendix;
- Walk-through of key data sets. Understanding and testing, on a sample basis, of the processes used to adhere to and evaluate adherence to the reporting requirements;
- Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles and requirements;

- Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data consolidation and reporting of the selected information;

As part of our data review of the ESG Metrics, our assurance scope for waste data was limited to CoolCo's owned vessels in 2023. The data testing included Kool Frost and Kool Crystal.

On the basis of the work undertaken, nothing came to our attention to suggest that the Selected Information as described in 'Scope of assurance' is not fairly stated and has not been prepared, in all material respects, in accordance with the Reporting Criteria specified in this Statement.

For and on behalf of DNV Business Assurance Norway AS Høvik, Norway
17.05.2024

Torp, Catharina
Lead Verifier

Horenfelt, Marc-Antoine
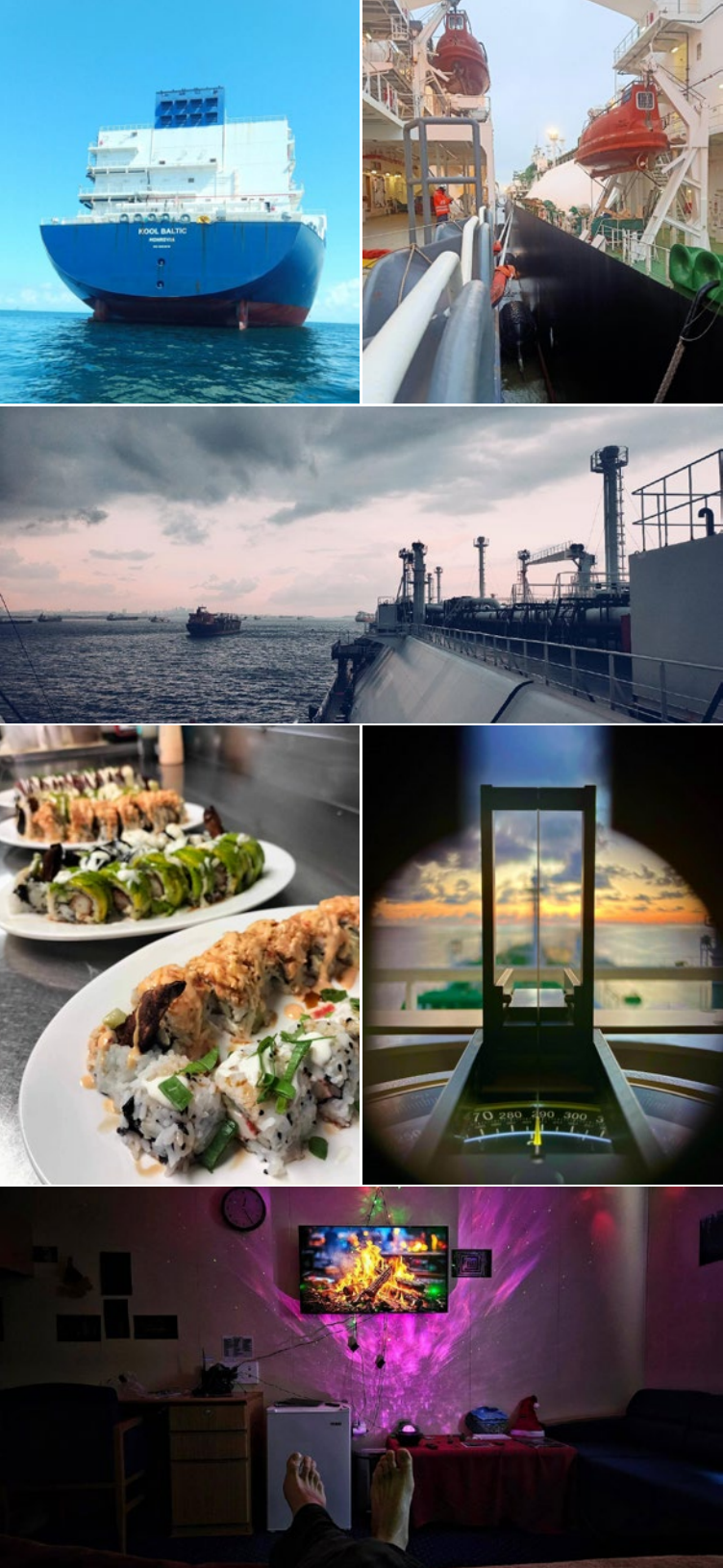Technical Reviewer

PHOTO COMPETITION

During the preparation of our latest ESG Report we wanted to capture what it is like to be part of the CoolCo team – life on board a ship, in the offices, the places we see and people we encounter.

We decided the best way of achieving this was to launch a photo competition. Open to all team members, we asked people to submit pictures that captured their personal CoolCo experience. Images selected and used in the ESG Report received a reward for their time and creativity. The response was amazing with over 200 photos uploaded for consideration through BeeKeeper. A total of 32 outstanding pictures were selected for publication, plus a group of runners-up which deserved recognition but do not appear in this report., although they did not make it into the report.

Thanks to all who sent in photos, sharing their experiences. We are proud of the services and facilities we provide on a day-to-day basis and seeing these images enhanced our appreciation of the importance of working together as a team.

PHOTO CREDITS

The front cover photograph shows our crew on the Kool Baltic assisting a sailboat that had run out of fuel on our trip from France to Trinidad Tobago.

Sergei Liutko (Kool Baltic), Mark Christopher Banas Ibones (Kool Glacier), Mark Laurence Madrinan (Energos Grand), Alcris De Villa Salazar (Methane Princess), Damir Pinteric (Methane Princess), Pepito Justiniane Monterola (Golar Maria), Evgenii Fedorchenko (Kool Baltic), Aleksandr Zhidik (Kool Ice), Tommy Andre Strømsborg (Oslo Office), Fredrik Meltzer (Oslo Office), Lauro Kragic (Kool Ice), Carl Mauricio Montevirgen (Kool Firn), Mark John Bantad Maximo (Golar Maria), Sergei Liutko (Kool Baltic), Andrei Dolgov (Kool Orca), Aleksei Riabenko (Kool Orca), Robert Pavic (Hoegh Gandria).

Thank you to all our employees who contributed their photos for this report, portraying life onboard and working within our offices.

This ESG report contains forward looking statements, which include statements regarding sustainability, governance and business ethics, health, safety and security, environmental impact, people and communities, targets and progress, and climate related risks and opportunities. Forward-looking statements are typically identified by words or phrases, such as "about," "believe," "expect," "plan," "goal," "target," "strategy," and similar expressions or future or conditional verbs such as "may," "will," "should," "would," and "could." These statements are based on current expectations, estimates, assumptions and projections and you should not place undue reliance on them. Forward-looking statements do not guarantee future performance and involve risks and uncertainties. These risks and uncertainties include risks indicated in the risk factors included in CoolCo's Annual Report on Form 20-F for the year ended December 31, 2023 and other filings with the U.S. Securities and Exchange Commission. These forward-looking statements are made only as of the date of this document. We do not undertake to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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