

Sustainable Development Report 2021

CADELER



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This report constitutes Cadeler's statutory reporting on corporate responsibility
cf. §99a and §99b of the Danish Financial Statements Act

Letter from the CEO

Cadeler marked its first full year as a publicly listed company in 2021. Our challenge remains the same: how should we continue to grow? We believe our work must deliver products and services that unquestionably benefit society. At the same time, we must continuously improve our processes, so that we have less impact on the environment. The year was highly focused on implementing our new business model, while also planning for the future.

We are increasingly focused on improving Cadeler's environmental performance and understand that this is a critical concern for investors, clients, employees and other stakeholders. Our main environmental impact is associated with the operation of our vessels, so our search for improvements is largely focused on their performance. Cadeler has ordered two new-build assets that will have much lower carbon emissions than our current fleet. We have also ensured that these new vessels can be adapted to incorporate renewable technologies, when they mature for commercial use.

Additionally, Cadeler is in the process of identifying improvements to our existing O-class installation vessels, ensuring our performance is not limited by the technologies available when the vessels were delivered a decade ago. We have already approved the installation of improved fuel monitoring systems in 2022 and plan to select at least one more major vessel improvement project to push forward during 2022.

Another point of concern is how we can govern our operations in a more responsible way – treating our employees and the personnel in our supply chains fairly, and providing opportunities for personal development. Cadeler has joined two initiatives in the past year that support this goal. We became a signatory of the UN Global Compact and signed Danish Shipping's "Charter for More Women in Shipping".

On the strategic side, Cadeler has the benefit of being involved in an activity which contributes directly to decarbonisation and sustainable energy development. We will remain focused on the offshore renewables business where we can continue to deploy our capabilities towards the green energy transition.

It is vital to ensure our people and stakeholders can be proud of every project we deliver, and that our work always contributes to a more sustainable future. In 2021, we completed two major installation projects in the United Kingdom, supporting the delivery of renewable energy equivalent to the consumption of over two million average households. Wind Orca installed 114 of 165 monopile foundations at Hornsea 2 offshore wind farm, and Wind Osprey installed all 90 wind turbines at Triton Knoll offshore wind farm. We intend to accelerate our work, which will ultimately enable millions more people to switch over to renewable energy sources during the coming years.

Finally, it is with great pleasure that I announce Cadeler's commitment to a net zero greenhouse gas emissions target. The company will aim to achieve net zero emissions by 2035. Our strategy will focus on reducing emissions from operations as much as possible, rather than relying on offsetting emissions. We believe reduction targets can only be met at a global level if the responsible parties cut emissions at their source.



Mikkel Gleerup
CEO

Company Overview

Cadeler owns and operates wind farm installation vessels and is a key supplier to the offshore wind industry for the transportation, installation and maintenance of offshore wind turbine generators and their foundations. We proudly deliver our services with a strong focus on safety and the environment, as we help the world transition to a greener tomorrow, turbine by turbine.

Cadeler is headquartered in Copenhagen, Denmark. We have more than 200 employees working in our offices and on board our vessels. We currently own and operate two wind farm installation vessels capable of installing the most advanced turbines available to the offshore wind market, and we have a further two purpose designed vessels under construction.

We are committed to serving the current and future offshore wind markets, and our investment in new-build vessels and upgraded cranes for our existing fleet shows our commitment to maintaining our status as a leading player in the market.

Our mission to enable the transition to renewable energy is a worthy endeavour in itself. However, the values we uphold in pursuit of this mission are also fundamental to our responsible and sustainable operations.

Key points of our sustainable development strategy:

- ▶ The health and safety of our people is always our number one priority.
- ▶ Our operations should do no significant or lasting harm to the marine environment in which we operate.
- ▶ We strive to reduce environmental impact and to minimise our contribution to global climate change.
- ▶ We provide a working environment with equal opportunity and zero tolerance for discrimination.
- ▶ We are focused on corporate governance and business ethics. We have zero tolerance for corruption, bribery, human rights violations and other unethical practices within our company and across our value chain.

384 wind turbines
installed

528 foundations
installed

Selected Sustainable Development Goals

SDG 7

Cadeler's core business is the installation and maintenance for offshore wind farms. The Company's operations enable the transition of the global energy system to affordable renewable sources. By the end of 2021, Cadeler had installed 384 wind turbines and 528 wind turbine foundations, and performed maintenance for more than 20 offshore wind farms in European waters. So far, we have been a key supplier in the development of renewable, offshore wind energy capacity equivalent to the consumption of over 5 million European households.

SDG 8

Our employees are the backbone of our business. We need to ensure we provide a workplace that attracts and develops talented individuals. We can do this by offering competitive benefits and learning opportunities, building a diverse workforce, and ensuring that people always feel they are treated fairly and with respect.

SDG 12

Although Cadeler's vessels serve a worthy purpose, we understand our operations still have an environmental and social impact. The Company is actively looking for solutions to reduce its impacts, and is investigating ways to cut down its consumption of marine gas oil, move away from single-use plastics, and limit its overall production of waste. We have procurement policies in place that are aimed at eradicating corruption, protecting human rights and ensuring labour standards are met across our entire value chain. We are in the process of implementing improvements to our systems that should help us to better assess supplier compliance with our policies.

SDG 13

Cadeler's contributions to SDG 7 directly support climate action. Even though the Company enables the decarbonization of the energy grid, we also understand that our own carbon footprint must be reduced wherever possible. Our new-build vessels are designed to emit significantly less carbon per turbine installation than our current vessels. In 2021, we took the decision to invest in improved fuel tracking systems on Wind Orca and Wind Osprey as a major step towards reducing emissions from our existing O-class vessels.

SDG 14

At its heart, Cadeler is a maritime transportation company, and is working to ensure that operations have as small an impact on the marine environment as possible. In 2021, we had some notable successes and made several improvements. We purchased no single-use water bottles for our vessels, had no spills of hydrocarbons or other toxic substances into the oceans, and installed D2-compliant ballast water treatment systems on board our vessels. This helped avoid the introduction of invasive species to new waters.



Our Sustainable Development Strategy

01

Improve the emission intensity of our vessels

We believe the most promising way to reduce our carbon footprint is by investing in greener designs for vessels under development. The Company sees potential in shore power connections, battery packs, biofuels, and eventually the use of fuel cells run by power-to-X technologies. Additionally, we are working to improve the performance of our existing assets. We have approved plans to install fuel monitoring systems on board Wind Orca and Wind Osprey, and these systems will be valuable in tracking our performance and diagnosing key areas for operational improvements. We are also committed to selecting another major technical improvement to push forward in 2022.

02

Protect the marine environment

Single-use plastics are especially damaging in the marine environment, where they can break down into microplastics in the water and become a part of the food chain. Cadeler aims to reduce consumption of single-use plastics wherever possible, and has avoided purchasing single-use water bottles for vessel operations in 2021. Cadeler also has a zero spill target, which was met in 2021. D2-compliant ballast water treatment systems were installed on O-class vessels, avoiding contamination of seawater with invasive plant, animal and microbe species.

03

Focus on Corporate responsibility

The Company maintains a focus on anti-corruption policies, supply chain management, compliance with human rights and labour standards, and transparency. We strive to maintain ethical business practices and view any violations, either internally or in our supply chains, as unacceptable. We have policies in place that are reviewed annually, and we are currently improving our supply chain management processes to ensure our values are upheld across the value chain.

04

Focus on the health, safety and well-being of our people

No business can thrive without its employees. We believe a consistent focus on workplace safety and the provision of a work environment that promotes learning and respect will help our people thrive. This year, we rewrote our management system and implemented new permit-to-work systems to improve our management and awareness of health and safety performance.

Health and Safety

Our Commitment to Health and Safety

Cadeler's number-one priority remains the health and safety of the people on board our vessels and in our offices. We continuously work to improve our health and safety processes to ensure our employees and project partners have a secure workspace.

Maintaining a safe work environment is not a simple task, as our primary operations take place in the harsh and ever-changing offshore environment. Cadeler has redeveloped its safety management manual and safety management system to better support our objective of ensuring safety at sea, preventing human injury and loss of life, and avoiding negative impacts to the environment. The safety management objectives of Cadeler remain focused on providing safe practices in vessel operations; controlling all identified risks to our ships, personnel, and the environment, and establishing appropriate safeguards.

Cadeler's safety management system promotes safe operations in compliance with the mandatory rules and regulations of relevant international jurisdictions and flag state legislation. We operate with certification under ISM and are in the process of gaining ISO 45001 certification. The processes that ensure continuous improvements in safety and efficiency are an integrated part of our system.

Cadeler operates a Stop Work policy. Every person at a Cadeler work site has the authority and the responsibility to stop any job where there is a concern for safety.



Health, Safety, Environment & Quality (HSEQ): Statistics¹

Cadeler uses two metrics as primary indicators of overall safety performance: total recordable case frequency (TRCF) and lost time injury (LTI) frequency.

Over the past year, we also developed a stronger focus on safety observations, both proactive and reactive. Our crews have shown excellent initiative and are now making several hundred observations each month related to their working environment, noting risks and suggesting potential improvements.

Looking ahead, Cadeler intends to introduce additional leading indicators to supplement the indicators currently in place. The Company's ultimate goal is to create a safety culture strong enough to achieve zero workplace incidents.

¹Statistics cover Cadeler's seafarers and shoreside employees while at work sites for which Cadeler is responsible (in our office, onboard our vessels, on the quayside reserved for our project works)

²Total recordable case frequency rate = total recordable cases / total person exposure hours x 1,000,000

³Lost time injury frequency rate = lost time incidents / total person exposure hours x 1,000,000

⁴Total person exposure hours: For office employees, calculated based on monthly hours worked as per contract. For seafarers, calculated as vessel days x 24hrs

	2021	2020	2019	2018	2017
Total person exposure hours ⁴	818,927	745,610	657,670	747,857	658,816
Fatalities	0	0	0	0	0
Lost time incidents	1	0	0	3	2
Total recordable cases	3	1	1	4	2
Total recordable case frequency rate (per million hours worked)²	3.66	1.34	1.52	5.35	3.04
Lost time injury frequency rate (per million hours worked)³	1.22	0.00	0.00	4.01	3.04

HSEQ Improvement Programme

Every year, Cadeler aims to improve its processes and performance in the areas where the Company sees the most potential for improving safety.

Improvements made in 2021	Improvements planned for 2022
Improvements made to permit-to-work system. Procedures developed and rolled out on Wind Orca and Wind Osprey.	Improve HSEQ processes within our new vessel management system (Sertica). Cadeler implemented Sertica in October 2021, and we are still in the process of fully integrating the system into our daily operations.
Implemented jacking course training – with Mærsk Training Centre – to further strengthen our competence pool, and systemised and structured training to ensure more individuals are qualified to safely operate our jacking systems. Cadeler also became a certified member of IJUBOA (International Jack Up Barge Operators Association).	Continue to improve and customise our HSEQ management system, so that it better meets the unique needs of our business. Our revised HSEQ management system is adapted to our operations as a transportation and installation contractor.
Adapted our management systems to fit Cadeler's new Company structure.	Implement improved toolbox talk process.
Moved to Danish Flag, which has stricter compliance obligations for operations.	Implement HSEQ e-Learning.
Reporting focus expanded to include proactive and reactive safety observations. This move has brought about a higher level of involvement from crews in recognising and maintaining our workplace safety environments.	

People

Cadeler as a Workplace

Cadeler has two core policies that guide our actions when it comes to employment matters: people policy and human rights policy.

We are strongly committed to ensuring that all people are treated with dignity and respect. As a company, we support diversity and inclusion and do not tolerate any form of discrimination or harassment in the workplace. Additionally, Cadeler intends to maintain its status as an attractive employer, and is committed to offering fair and market-competitive remuneration to its employees.

The Company operates in full compliance with laws applicable to wages, working hours, overtime and benefits, and expects its supply chain to do the same. Cadeler prioritises human rights and the fair treatment of its employees.

Employee statistics	2021	2020	2019	2018	2017
Total employees ¹	58	42	33	32	28

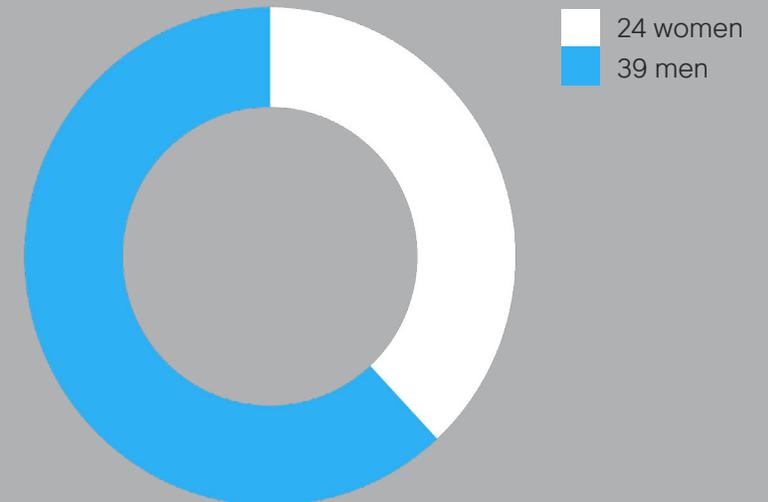
¹ Average number of onshore employees for the full year. Figures do not include consultants or contractors.



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Nationalities working in Cadeler
offices at the end of 2021

Gender Balance

Onshore - End of 2021



Cadeler also has a supply chain sustainability code of conduct which outlines our expectations for the companies with which we work. There is both a business and a moral case for ensuring that human rights and anti-corruption principles are upheld during our operations and throughout the value chain. To further reduce any risk of poor practice within the supply chains, we are strengthening our system for ensuring suppliers comply with our requirements. Our new process includes a more structured approach for gathering suppliers' approval of our policies, and allows for supply chain audits of key suppliers to ensure standards are upheld.

Throughout 2021, Cadeler's office-based workforce also continued to grow as we strengthened our team with additional resources. We value our workforce, and understand that any company is only as strong as its people. We continually look for innovative ways to attract new talent, we respect the diversity of our team, and we remain committed to making improvements in our workplace environment. Cadeler encourages high levels of employee involvement, and is in continuous dialogue with staff about the future direction of our company. Cadeler provides opportunities for learning and development, and now has an updated annual performance management process in place.

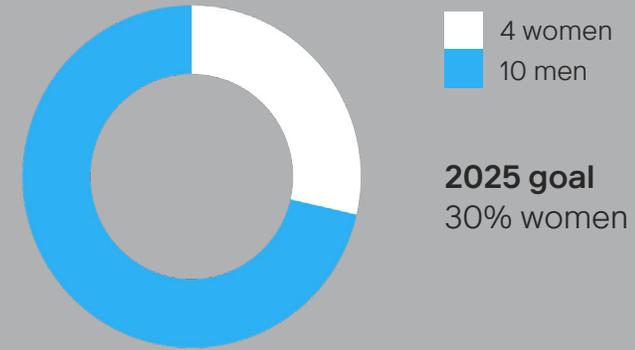
To promote diversity and equal opportunities, Cadeler maintains a diversity requirement at the interview stage for managerial positions. If qualified candidates of different genders have applied, at least one person of each gender must be invited to interview.

In 2021, the Covid-19 pandemic continued to put additional pressure on the physical and mental well-being of our employees, caused by the risk to health and lockdowns. Cadeler has put great focus on protecting our employees during this time by prescribing guidelines, providing protective equipment, and offering equipment to office based employees for working from home. This has, among other things, helped to keep our employees healthy and ensured continued operations.

Management Positions

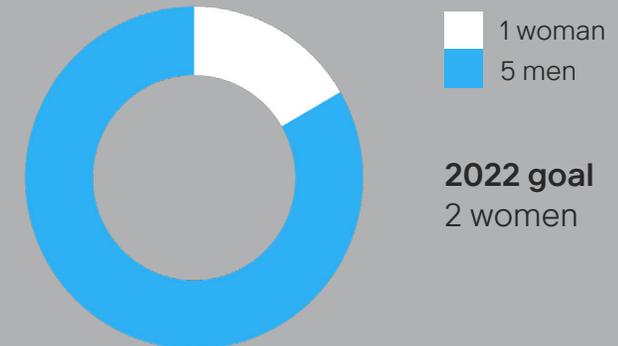
Onshore

Account of the gender composition of management cf. §99b



Board of Directors

Account of the gender composition of the Board of Directors cf. §99b



On 29 November 2021, Cadeler moved Wind Osprey and Wind Orca under the Danish flag and welcomed their crews onto a Danish working agreement. Through this decision, we placed our seafarers on Cadeler contracts rather than continuing to hire them through a staffing agency. The reflagging came after a broad majority in the Danish Parliament decided to adopt the DIS scheme to apply to offshore vessels, making such a move possible. The company views the change as advantageous for our seafarers, as they are now fully covered by Danish social security laws and Collective Bargaining Agreements.

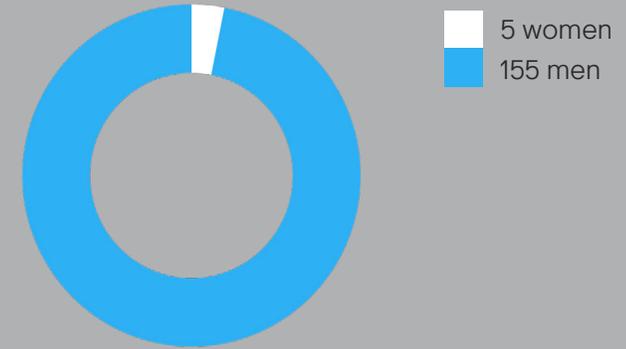
With the flag change, the Company was proud to welcome 160 employees into our team. We also expect to hire around 150 new offshore-based employees before we take delivery of the two X-class new-build vessels in 2024-2025. We are happy to have integrated our crew into the Cadeler team, as we want them to be part of our journey and ensure they receive the right training, and employment terms and conditions.



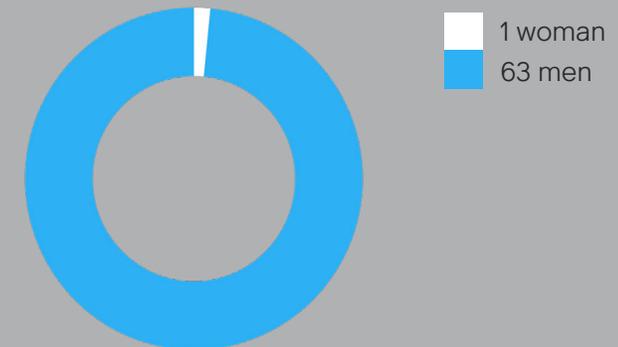
16

Nationalities working onboard Cadeler vessels at the end of 2021

Gender Balance Offshore



Management Positions Offshore



Workplace Opportunities and Initiatives

01

Management training programme

Four employees at Cadeler were selected for a management training programme. This was intended to develop management skills and prepare employees for more senior roles. The programme connected the individuals with a personal coach and a network of people from external companies undergoing the same development process. The employees benefited from personal development and preparedness to take on new responsibilities within Cadeler.

02

Employee physical wellness

Ensuring the physical wellbeing of employees is a priority. Over the past few years, Cadeler has organised annual health check-ups for employees, offered them vitamins and provided them with equipment for working from home. A fitness centre was established in our main office. On board the vessels, all personnel have access to a gym, nutritious food and medical services.

03

Opportunities for students

Cadeler opened up two student positions during 2021. We also supported a master's student from the University of Southern Denmark to deliver a thesis on materiality assessment of the CSR topics related to our Company. The findings of the thesis were used to ensure our sustainable development report touched upon topics that were of interest to our stakeholders.

04

Education and training

Cadeler is committed to ensuring our employees maintain the competencies that contribute value to our business, and we support the development of new skill sets. Cadeler encourages employee education through a broad range of tools, including enrolment in external courses and training sessions. Cadeler has also supported three employees in pursuing full degrees in parallel with their work.

Environment

Environmental Performance

Cadeler meets all the environmental legal requirements of the countries in which we operate. The Company also aims to deliver effective monitoring of its impacts on the environment, ensuring all risks associated with our operations are appropriately identified and managed.

To control and improve environmental performance, the Company has an environmental management manual, environmental policy and sustainable development policy in place. These documents outline our corporate practices on working towards a sustainable future, by maximising positive environmental impacts, minimising negative impacts, and holding ourselves accountable for any damage we may cause.

Cadeler has equipment in place on board the vessels for tracking the consumption of fuel, lube oils and other materials that eventually result in the release of CO₂ and other gases into the atmosphere. Emissions for Scope 1, 2, and 3 activities are tracked and reported annually. The mileage driven and flights booked for business purposes are tracked. The marine gas oil we purchase is required to meet the sulphur emission caps in the North Sea and Baltic regions (0.1% concentration) which is stricter than the global cap (0.5% concentration).

As well as monitoring emissions, Cadeler strives to reduce the carbon intensity of operations by 3%, year-on-year, and to contribute to the International Maritime Organization (IMO) goals for the shipping sector (For international shipping, IMO aims for a worldwide average reduction in carbon intensity of 40% by 2030 and 70% by 2050, compared with 2008 emissions, with the highest focus on greatly increased energy efficiency design indices for new-build vessels).

Cadeler intends to implement technological advancements that were not available in 2012, and which will improve the energy efficiency of new-build assets. Additionally, Cadeler is continually investigating changes (both operational and technological) that can be made on the existing assets to reduce carbon intensity.

Looking forward, we intend to keep taking voluntary steps to improve environmental performance, measure our environmental performance and report transparently on our impact. The Company has a designated person responsible for sustainable development and environmental issues, and Cadeler intends to be more active in conducting and supporting research on environmental issues. We will place a greater focus on educating, training and motivating employees and stakeholders in environmental matters.

Organisational Boundaries for 2021

CO_{2e} Emissions



Source

Vessel off-hire marine gas oil and lube oil consumption, company cars, vessel HFC and HCFC emissions

Source

Office electricity consumption, office heat consumption, electricity for company electric cars

Source

Air travel for vessel and office personnel, helicopter crew changes, vessel on-hire (time charter), marine gas oil and lube oil consumption, personal vehicle miles driven for work

Tonnes CO_{2e}

6,631

Tonnes CO_{2e}

15.65

Tonnes CO_{2e}

30,632

% of Cadeler's emissions in 2021

17.79%

% of Cadeler's emissions in 2021

0.04%

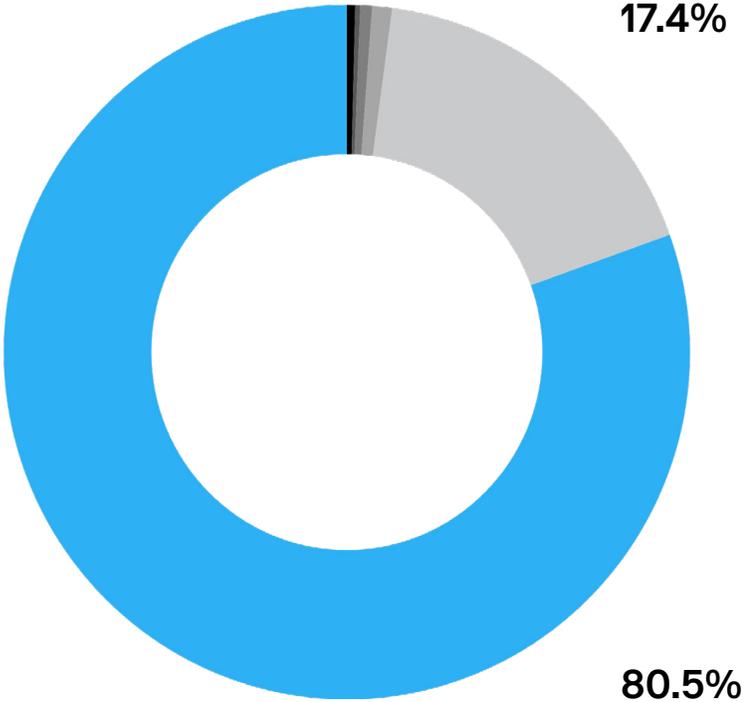
% of Cadeler's emissions in 2021

82.17%

Environmental Performance Data

Environmental Data	Unit	2021	2020	2019	2018
Scope 1 CO _{2e}	Tonnes	6,631.61	5,801.42	7,902.73	8,193.22
Scope 2 CO _{2e}	Tonnes	15.65	7.78	10.07	8.32
Scope 3 CO _{2e}	Tonnes	30,632.74	16,428.81	14,911.43	17,082.14
SOx	Tonnes	224.57	133.12	138.22	152.57
NOx	Tonnes	490.68	290.85	302.00	333.37
Particulates	Tonnes	13.47	7.99	8.29	9.15
VOCs	Tonnes	108.92	64.56	67.04	74.00
Fresh water consumed on board	m ³	11,672.00	12,769.00	9,992.00	11,900.00
Plastic waste disposed (vessels)	m ³	279.4	195.64	269.20	245.40
HFC-134A	Kg	1.00	15.00	0.75	0.210
HFC-404A (We have phased out use of HFC-404A from 2020)	Kg	0	0	6.03	1.64
HFC-407C	Kg	19.00	80.20	144.90	64.79
HFC-410A	Kg	0	0	0.53	1.00
HFC-R32	Kg	0	0	0	0
HFC-452A	Kg	0	0	0	0
Uncontained Spills (hydrocarbon or chemical)	Occurrences	0	0	0	0

Breakdown of CO_{2e} Emissions by Source



Vast majority GHG emissions (>97.9%) due to combustion of marine gas oil

- Other
- Lubricant oil - Scope 1
- Lubricant oil - Scope 3
- Air travel emissions
- Marine distillate fuel oils - Scope 1
- Marine distillate fuel oils - Scope 3

2021 Initiatives

01

Cadeler became a signatory of the UN Global Compact

We decided to join more than 14,000 businesses and 4,000 organisations that have signed the UN Global Compact. We support the Global Compact's 10 principles and the 17 UN Sustainable Development Goals. Cadeler commits to integrating basic principles related to human rights, worker rights, environmental protection and anti-corruption into our business practices.

02

Lifecycle Assessment for Project Seafastening

Cadeler continued its collaboration with the Technical University of Denmark, providing a case study for a group of students enrolled on a course focused on product lifecycle assessments. This year, the students investigated the lifetime impact for building, using and decommissioning project seafastening.

The collaboration gave Cadeler some insight into the impacts our consumer choices can have. Variables to consider included the location of steel manufacturing, the use of secondary steel where possible, the impact of more efficient design, and the impact from the plan for the end of product life. Cadeler intends to implement these findings in the development of our seafastening for upcoming projects.

03

Contribution to green initiatives on Hornsea 2 and Triton Knoll

Cadeler decided to contribute to a green initiative led by DEME Offshore for our works on the Hornsea 2 and Triton Knoll offshore wind farms. We donated 750 trees to the Eden Project in Nepal via Tree-Nation – enough to offset the carbon emissions from the flights used to transport our crews to and from the load-out ports.

04

Company car policy

We have set a new policy in place to reduce the impact of transportation. From 2021 to 2023, we will only lease vehicles meeting a carbon efficiency limit of <50g CO_{2e} per km. From the end of 2023, we will commit to leasing only electric vehicles or vehicles running on renewable fuel cells (if available).

Environmental Improvement Strategy

Reducing emissions

X-class green design

Cadeler previously announced plans to build two new wind farm installation vessels. The Company confirms its intention to deliver vessels that are more eco-friendly than Wind Orca and Wind Osprey. A decade of innovative solutions since delivery of the O-class vessels will enable us to implement energy efficiency and emission reduction technologies. Improvements to the design include shore power connections (expected to reduce fuel consumption by up to 15%), fuel efficient engines and optimised engine sizing, batteries covering >10% of energy required for crane operations & ~10% of energy required for DP and manoeuvring, and regeneration of power from the jacking system.

Planned improvements for Wind Orca and Wind Osprey

We made the decision to invest in improved fuel tracking systems for our O-class vessels. This system should be installed by the end of 2022, and will enable us to track our fuel consumption more accurately, identify operational areas for improvements, and set best practice standards for engine efficiency. Additionally, by the end of 2022, Cadeler commits to selecting at least one additional investment in technological improvements aimed at reducing emissions from our O-class vessels.

Prioritising emission reductions rather than offsets

As part of the Swire Pacific Offshore group, we had committed to offsetting our Scope 1 emissions. We will now seek to reduce the footprint of our operations by improving the efficiency of our vessels which we believe offers better carbon reduction potential than offsets. In 2021, our Scope 1 footprint was 6,632 tonnes CO_{2e}.

Net zero greenhouse gas emissions target: running a carbon neutral business by 2035

This goal requires emissions reductions across our fleet, innovations in our operations, and research into reliable solutions for sequestering the greenhouse gases that we cannot avoid emitting.

Protecting the marine environment

Zero spills

We placed a high priority on ensuring zero spills of hydrocarbons and other toxic substances into the marine environment. Regular checks were performed to ensure proper storage of chemicals and hydrocarbons on board. Vessels carry a shipboard marine pollution emergency plan (SMPEP).

Ballast water protocols

To prevent the spread of invasive aquatic species, Cadeler complies with the Ballast Water Management Convention. Our vessels have a ballast water management plan, keep a ballast water record book and have an international ballast water management certificate. In 2021, we installed ballast water treatment plants on board, ensuring we comply with the D-2 Ballast Water Performance Standard.

Limiting consumption of single-use plastics

The company has largely eliminated one-time use water bottles, with none purchased in 2021. We are searching for additional areas in our operations where consumption of plastics can be avoided.

Governance

Cadeler Certifications and Management Systems

Company management systems

Safety Management System (SMS)

Our SMS consists of company policies, general operating procedures, areas of accountability, emergency plans and risk registers. The system is under continuous improvement as Cadeler adapts its SMS, based on lessons learned, both within the Company and throughout the wider industry.

Environmental Management System (EMS)

This establishes Cadeler's environmental policy, outlines management of significant aspects, implements necessary controls, and sets objectives to improve environmental performance. It manages our compliance with legal requirements and stakeholder obligations, and is under continuous review – Cadeler is always aiming to improve.

Quality Management System (QMS)

This is our set of policies, processes and procedures that help us to consistently provide services that meet customer and legal requirements. Our system enables us to systematically plan our processes and address potential risks and opportunities.

Migration to a fully integrated management system in 2022

The reason for adapting our system is to end up with a management system that is more user-friendly and effective. It should be as simple as possible for our crews and onshore staff to identify the correct courses of action.

Company certifications

IMO International Safety Management (ISM)

Certified by DNVGL.

ISO 14001

Certified by DNVGL – assurance of our Company environmental management system.

ISO 9001

Certified by DNVGL – assurance of our Company quality management system.

ISO 45001

Cadeler is working towards DNVGL certification for onshore and offshore sites in addition to ISM. Certification is expected within Q2 2022.

eCMID certification

The IMCA eCMID system, which provides the marine and offshore industry with a standardised format for vessel inspection, is performed by accredited independent IMCA inspectors. It offers a health check of the safety management system. Cadeler has been inspected annually since 2014.

Company Policies

Our company policies outline our social, environmental and corporate responsibilities and establish the key actions which our Company should take to uphold our values and reach our targets.

Health and safety policy

This outlines Cadeler's commitment to delivering services in a manner that safeguards the health and safety of people, prevents damage and protects the environment.

Human rights policy

Cadeler has a responsibility to respect human rights and contribute to positive impacts. The approach is based on the UN Guiding Principles on Business and Human Rights. We prohibit all forms of modern slavery and the employment of children under the legal minimum age. We support diversity, inclusion and fair compensation.

Environmental policy

Cadeler commits to effectively monitoring and minimising its impact on the environment. This policy outlines the key practices for achieving this target.

Sustainable development policy

Cadeler aims to work towards a sustainable future in everything it does, and to create lasting and added value for stakeholders. We focus on the sustainability of our practices concerning the environment, health and safety, employment, business partnerships and community matters where we operate.

Financial governance policy

This is our commitment to ensuring prudent and responsible financial management. The financial governance policy sets out how assets and resources that support decision making for Cadeler will be controlled.

People policy

This is the set of commitments, standards and procedures that clearly lay out what our employees can expect from Cadeler and what we, in return, expect from them.

Company Policies

Continued from previous page

Supply chain sustainability code of conduct

This sets out our expectations with regard to respect for human rights (including labour rights of the workers in our supply value chain), environment, health and safety, business ethics and community issues.

Procurement policy

This policy lays out how we supply, equip and maintain our assets through best-practice procurement practices and standards.

Stop work policy

It is the right, obligation, authority and responsibility of all our employees and contractors, irrespective of position, seniority or discipline, to stop work that they consider to be unsafe, or that may become unsafe.

Corporate code of conduct

This outlines the expectations placed on all employees to operate with a high level of integrity and ethical behaviour, and establishes general principles for proper business ethics. Focus is placed on anti-bribery, anti-corruption, proper procurement practice, and respectful behaviour in the workforce.

Quality policy

This policy sets out how we manage quality to be consistently aligned with our clients' requirements, and in conformance with regulatory, contractual, health, safety and environmental requirements.

Unless otherwise noted, all Cadeler policies apply to all employees, contractors and suppliers and third-party personnel employed or working on board our vessels, or at our offices and other workplaces ashore. Cadeler reviews company policies on an annual basis for their level of effectiveness, and requires suppliers to operate in accordance with our Company policies.

Sustainability Accounting Principles

Reporting framework – inspired by GRI standards

The 2021 Sustainable Development Report covers Cadeler's performance from 1 Jan 2021 – 31 Dec 2021.

Boundaries for the scope of this report

Not all indirect impacts of our operations are covered in this report. For safety statistics, data covers employees while at work sites for which Cadeler has responsibility. Safety management and improvement processes are focused on keeping all persons safe while present on a Cadeler-controlled work site. The boundaries placed on environmental impacts are as follows: Cadeler considers direct impacts from operation of its vessels and offices, and use of company cars. The company considers indirect impacts from flights taken by office employees and offshore crew for business purposes, helicopter crew changes, kilometres driven in personal vehicles for business purposes, etc. Cadeler has not accounted for all indirect impacts of operations such as the environmental impacts from our supply chain (i.e. production and transportation of goods and equipment from production sites to our vessels).

Materiality

The main factors contributing to the selection of material topics to cover in this report: CSR reporting requirements under the Danish Financial Statements Act §99a, §99b; CSR-related questionnaires received from potential clients, focusing Cadeler's reporting on the topics which came up with the greatest frequency; and a materiality assessment aimed at Cadeler management. Our materiality assess-

ment was performed by a student producing his master's thesis, which focused on identifying the material aspects that Cadeler's management team view as most important to our business operations.

Data accuracy

Documented data: financial data, air emissions, energy consumption

Documented data is data for which it is possible to confirm that data sets are valid and complete. Financial data (covered in the Cadeler 2021 Annual Report) is externally audited. Energy and emissions data extracted from technical systems.

Probable data: safety data, waste, water consumption

Probable data is operationally scoped, but Cadeler's management does not have a way to ensure that every data point that should be recorded has been recorded. This is due to the fact that recording this data requires active participation from employees. Nevertheless, there is a high level of confidence that Company procedures have been followed and data sets should capture most relevant information.

Sustainability Accounting Principles

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Emission conversions and calculations

Scope 1 CO_{2e}

Direct GHG (Kyoto Protocol gases) based on emissions of CO₂, CH₄, and N₂O from burning of marine gas oil (MGO) and consumption of lube oils when vessels are not leased out, when vessels are on T&I contracts (if Cadeler maintains operational control of vessel) and emissions from company cars. All SF₆, NF₃, HFC and HCFC emissions reported as resulting from Scope 1 emissions. Carbon intensity factors extracted from UK Government GHG Conversion Factors for Company Reporting. Cadeler fuel records verified by DNV-GL for IMO DCS reporting.

Scope 2 CO_{2e}

Indirect GHG based on consumed electricity/heat and electricity consumption for electric company cars. CO_{2e} is considered to be the summation of the CO₂ equivalent emissions for CO₂, CH₄, and N₂O. Carbon intensity (per kWh) is calculated using the emissions data for the Danish electrical grid as published in the annual Environmental Report released by Energinet.dk: <https://energinet.dk/-/media/B7E426904F8447AFB233F40B69598131.xlsx>. Global warming potential for each gas extracted from the US Environmental Protection Agency Website: <https://www.epa.gov/ghgemissions/understanding-global-warming-potentials>.

Scope 3 CO_{2e}

Emissions of CO₂, CH₄, and N₂O from burning of marine gas oil (MGO) and consumption of lube oils when vessels are on lease (on time charter contracts where Cadeler does not maintain operational control). Emissions of SF₆, NF₃, HFC and HCFC emissions not accounted for as they are considered as Scope 1 emissions regardless of chartering status. Flight GHG data provided by our travel

agency, Marine Travel, based on all flights booked for Cadeler seafarers and office personnel in 2021. Marine Travel uses a conversion factor of 0.00018 tonne CO_{2e}/km for flights < 1,000 km and 0.00011 tonne CO_{2e}/km for flights > 1,000 km. Helicopter crew transfer: fuel consumption per flight (stated by flight provider) x percentage of passengers who are Cadeler crew x CO_{2e} emission factor.

SOx

We only track SOx as a product of marine gas oil combustion. Cadeler uses MGO with a sulphur content of maximum 0.01% of the fuel weight. Conversion figure, from Lloyd's Register Engineering Services (1995), given as 20 x fuel sulphur content (kg/tonne)

NOx

NOx is also only tracked as product of marine gas oil combustion. Same source used as for SOx conversion reference. Assume equal amounts of time spent in transit mode, manoeuvring mode, and "hotelling" mode. Cadeler took an average NOx emission intensity across all vessel modes for an emission factor of 43.7kg/tonne fuel.

Particulates

As per Lloyd Register Engineering Services, the PM emission factor is considered to be 1.2kg/tonne marine gas oil.

VOCs

Similarly to NOx emissions, Lloyds Register gives values for various operating modes. Cadeler assumes equal time spent in all operating modes for an average emission factor of 9.7kg/tonne marine gas oil.

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Cadeler has also published its 2021 Annual Report and Remuneration Report on the Company website.

Please visit www.cadeler.com/en/investor-relations/interim-annual-reports/ to view these documents.

