



CADELER

GREEN FINANCE FRAMEWORK

December 2023

About Cadeler

Cadeler A/S (“Cadeler” or “the Company”) is on a clear mission to facilitate the world’s transition to a more sustainable planet built on renewable energy by being the key supplier in the development of offshore wind energy. The company is listed on the Oslo Stock Exchange with headquarters in Denmark.

Since its inception in 2008, Cadeler has installed over 600 offshore wind turbines and over 500 foundations - equivalent to wind energy powering more than 7 million European households. The company offers a wide range of offshore services including Operations & Maintenance (“O&M”), Transportation & Installation (“T&I”), and other marine and engineering operations. The company delivers all services with a strong focus on safety and the environment. Cadeler currently operates two windfarm installation vessels, Wind Orca and Wind Osprey. The fleet is expanding with four new installation vessels as well as upgraded cranes for the existing O-Class¹ vessels.

The investments show Cadeler’s commitment to maintaining its status as a leading player in the offshore wind industry. As Cadeler’s expansion improves its capacity to bring renewable energy to customers across Europe and around the world, the increased size of the Company’s footprint also emphasises the importance of ensuring the net environmental and social impacts from operations remain positive. Continuous improvement of the Company’s governance, policies and procedures are more important than ever to ensure growth is sustainable and continues to benefit society. Through this approach, Cadeler strives to support the generation of more clean energy than ever before while minimising any negative impacts from operations.

¹ Existing windfarm installation vessels with a six leg design, current lifting capacity of 1,600 metric tons and a 132 meter hook height above deck.

Combination of Cadeler and Eneti

In June 2023, Cadeler A/S and Eneti Inc. announced that they had entered into a business combination agreement to create the preferred partner for the offshore wind industry. The combined group will be named Cadeler and headquartered in Copenhagen, Denmark, with its shares to be listed on the New York Stock Exchange (NYSE) in addition to its current listing on the Oslo Stock Exchange (OSE).

The combination will position Cadeler as a robust and reliable player in the market with a true global presence through scale, a complementary fleet, and deep industry relationships which will enable the company to target still larger and more complex projects in response to consistent customer demand.

The combined group will operate four vessels on water today, and six large-scale state-of-the art newbuilds scheduled for delivery from 2024 to 2026.

Eneti Inc. is a leading provider of installation and maintenance vessels to the offshore wind sector and has invested in the next generation of wind turbine installation vessels. The company is listed on the New York Stock Exchange under the ticker symbol NETI.

A large global, agile, and flexible fleet in response to customer demand

The combined group will upon delivery offer its customers a fleet consisting of ten modern, capable, and complementary vessels. The effective operational homogeneity of the fleet will allow for substitution opportunities and increased vessel utilization. This will further strengthen the ability to service customers, continuously pushing the project boundaries in size and complexity to accelerate the green transition.

Please visit our website for more information.

Key sustainability topics and targets

Cadeler integrates sustainability in every part of its operations through the Company's sustainable development strategy. Cadeler supports the United Nations Global Compact's 10 principles and the 17 UN Sustainable Development Goals and is committed to integrating basic principles related to human rights, worker rights, environmental protection, and anti-corruption into its business practices. The company has zero tolerance for corruption, bribery, human rights violations, and other unethical practices within the company and across the value chain. Cadeler aims to provide employees with a working environment characterized by equal opportunity and zero tolerance for discrimination.

The material topics are defined based on engagement with stakeholders through a materiality assessment and have led to the following key topics and targets

Sustainability reporting

Cadeler is focused on transparent reporting in line with internationally recognised principles and standards. The Company's sustainability reporting framework is inspired by the GRI standard and includes mapping against the SASB Sustainability Disclosure Topics and Accounting Metrics for Engineering and Construction Services and Marine Transport.

Cadeler's core purpose is to support the installation of offshore renewable energy sources. The company's operations support and enable climate change mitigation, which is one of the EU's six overarching environmental objectives, and a full assessment of Cadeler's alignment with the EU Taxonomy can be found in the annual report.

Environment

Focus on circularity and reduced consumption of resources

Key target:

- Reduce waste from own operations by 50% by 2030

Protect the marine environment

Key targets:

- Zero spills to the marine environment
- Meet all environmental regulations for operation of vessels in accordance with the laws under which the Company operates and the Danish Flag State

Reduce the emissions intensity of our business

Key targets:

- Net zero operations by 2035
- Reduce company-wide scope 1 & 2 emission intensity by 50% by 2030
- With the 2024 Annual Report, present full overview of scope 3 emissions and set a target for reduction
- 100% of electricity consumption from renewable sources by 2030

Social

Provide a positive workplace environment

Key target:

- Achieve 30% women in onshore management positions by 2025

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

Key target:

- Zero lost time incidents

Governance

Focus on corporate responsibility

Key target:

- By 2024, 100% of key personnel trained on core responsible business topics, including Anti-bribery and Corruption as well as Data Protection and Privacy

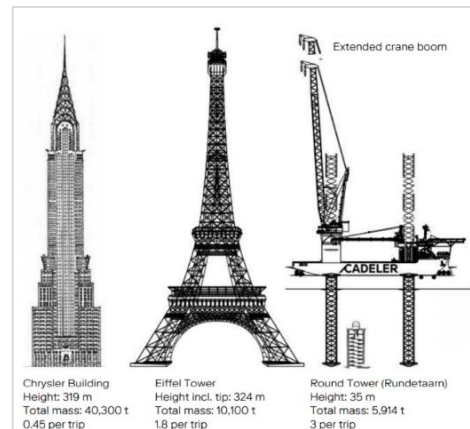
Next generation vessels: X-Class and F-Class

X-Class wind-turbine installation vessels

Wind Peak and Wind Pace

In late 2024 and the first half of 2025, two new-build wind turbine installation vessels, X-class, will be completed. The two X-class vessels will integrate the most advanced equipment in the industry and are constructed to be able to operate at locations around the world with more complex soil conditions and deeper waters. The vessels will have a deck space of 5,600 m², a payload of over 17,600 tons and a main extended crane capacity of above 2,000 tons at 53 meters.

The vessels maximize volume, installation speed, and longevity. The vessels will offer increased transit capacity, being able to transport and install seven complete 15MW turbine sets per load or five sets of 20+ MW turbines. The addition of the two vessels will result in the acceleration of installation speed as the number of trips needed for each project is cut while also reducing the carbon footprint for installing offshore wind farms.



F-Class foundation installation vessels

Wind Ally and Wind Ace

A new milestone will be reached in 2026 when Cadeler launches the operation of the F-class foundation installation vessels that will be unique in the industry, judged by today's standards. The design of these new vessels is similar to the specifications of the two X-class vessels, with a deck space of 5,600m² and a payload of more than 17,600 tons, but with specialized cranes and deck layouts enabling the handling of the next generation of foundations.

The vessels will be able to transport and install six sets of 2XL monopile foundations per load, reducing the number of transits needed for each project as well as improving the efficiency significantly. In line with the X-class vessels, the F-class will cater for some of the largest dimensions in the offshore wind industry.



Decreased environmental footprint of new vessels

The X- and F-class vessels underpin Cadeler's mission to facilitate the world's transition to a more sustainable planet built on renewable energy. In addition, these vessels have been specifically designed to minimize carbon emissions and negative environmental impact.

One of the key factors contributing to the vessels' improved environmental footprint is the increased load capacity reducing the number of transits needed. In addition, an onboard energy saving system with increased battery capacity significantly reduces fuel consumption. The implementation of shore power connection is projected to further decrease fuel consumption. The fuel-efficient engines have the option to run partly on biofuels and the vessels are designed with the option to be upgraded to use alternative renewable fuel sources.

The vessels are also expected to generate fuel savings by implementation of various other energy efficiency focused improvements, including: intelligent LED lighting; shut down of unused equipment; heat recovery from engines and ventilation; demand controlled cooling, heating and ventilation; minimisation of idle consumption; and installation of 3 engine sizes for optimisation of the SFOC (specific fuel oil consumption).

The vessels will also prioritize the reduction of hazardous substances and Cadeler requires the use of biodegradable grease and oil where systems are directly exposed to the outside environment to prevent any potential hazardous discharges.



Cadeler and Green Finance

Cadeler's mission to help the world transition to a greener tomorrow is deeply rooted in the Company's history. The offshore wind industry will play a major role in reaching the global climate goals and Cadeler is ready to do its part by creating value at multiple levels and for all stakeholders. To promote dialogue with Cadeler's investors, lenders, and other stakeholders on Cadeler's sustainability agenda, this Green Finance Framework (the "Framework") has been established.

The Framework is aligned with the 2021 ICMA Green Bond Principles (including June 2022 Appendix) and the 2023 LMA Green Loan Principles and enables the issuance of Green Bonds and Green Loans (hereafter collectively referred to as "Green Finance Instruments").

The Framework defines the criteria for issuing Green Finance Instruments. Green Finance Instruments can either be used to finance assets and projects aligned with the Green Project Eligibility Criteria ("Green Projects") or for general corporate purposes Green Loan facilities if aligned with the Green Company Eligibility Criteria, hereafter referred to as Green Project Financing and Green Company Financing respectively

Each Green Finance Instrument issued under this Framework should in their relevant transaction documentation refer to this Framework. This Framework may in the future be updated to harmonise with market and/or company developments. Any such future changes will however not apply to Green Finance Instruments issued under previous versions of the Framework.

Use of Proceeds

Green Project Financing

An amount equal to the net proceeds from Green Finance Instruments issued under this Framework will be used to finance a portfolio of Green Projects, in whole or in part, that promote the transition towards a low-carbon and climate-resilient society.

Only such assets and projects that comply with the list of Green Projects below are deemed eligible to be financed by Green Finance Instruments.









Net proceeds from Green Finance Instruments can be used for the financing of new assets and projects, as well as for refinancing purposes.

Exclusions

Green Finance Instruments will not be used to finance investments directly linked to fossil fuel energy generation, nuclear energy generation, research and/or development within weapons and defence, potentially environmentally negative resource extraction, gambling or tobacco.

Green Project Eligibility Criteria

Green Finance Instruments issued under this Framework can finance and refinance Green Projects as defined below. Investments include capital and operating expenditures related to Green Projects, acquisitions of Green Projects and/or investments in share capital of companies that generate at least 95% of revenues from Green Projects. In such cases net proceeds will be allocated to Cadeler's ownership share. For operating expenditures, a three-year lookback period will apply.

Green Projects	Description	ICMA	UN SDGs
Installation and maintenance vessels	<p>Existing vessels: Operation, maintenance, refurbishment, upgrade, and ownership of existing vessels dedicated to installation and maintenance of offshore renewable energy generation and transmission activities as well as other activities supporting renewable energy generation, transmission and consumption.</p> <p>Newbuilds: Development, construction, and acquisition of new vessels meeting any of the following requirements:</p> <ul style="list-style-type: none"> Vessels intended for installation and maintenance of wind farms are purpose-built and able to serve the next generation of offshore wind projects (i.e. turbines with 14MW and above) and are in addition optimized to lower the environmental footprint per installed unit compared to the average performance of existing vessels (at the time of issuance of a Green Finance Instrument). Vessels intended for other enabling and supporting purposes within offshore renewable energy generation and transmission should be optimized to lower the environmental footprint during operation compared to the average performance of existing vessels. <p>For vessels to remain eligible, the following criteria should be met on an annual basis:</p> <ul style="list-style-type: none"> No more than 5% of their annual turnover should be derived from other activities than installation and maintenance related to offshore renewable energy generation and transmission activities, and No turnover from vessel should be derived from installation/maintenance related to oil and gas fields. 	<i>Renewable Energy</i>	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>13 CLIMATE ACTION</div>  
Key enabling equipment	Equipment to be used on the vessels, such as cranes, relevant tools and seafastening structures, equipment to enable access to and use of shore-based power, as well as investments aimed at reducing the environmental impact of the vessels, such as alternative fuel engines.	<i>Renewable Energy</i>	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>13 CLIMATE ACTION</div>  
Weather stations	Installation of weather stations onboard vessels aimed at improving marine meteorological observation and supporting the long-term understanding of the global climate.	<i>Climate Change Adaptation</i>	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>13 CLIMATE ACTION</div>  
Waste and wastewater management	Installation and operation of water treatment and production plants onboard vessels, as well as equipment improving waste recycling practices.	<i>Sustainable water and wastewater management</i> <i>Pollution prevention and control</i>	<div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>14 LIFE BELOW WATER</div>  

Green Company Financing

Green Company Eligibility Criteria

General corporate purpose loan facilities (such as term loans and revolving credit facilities) can be eligible as Green Loans for as long as the Borrower fulfils the following criteria, confirmed on an annual basis and as further detailed in the relevant transaction-specific terms and conditions.

- 1) No more than 5% of the annual turnover of the borrower is derived from non-offshore renewable energy activities,
- 2) no turnover of the borrower is derived from the commissioning of new or existing oil and gas installations, and
- 3) at least 95% of the capital expenditures of the borrower are aligned with the green project categories in the Green Finance Framework.

Process for Project Evaluation and Selection

For all projects conducted by Cadeler, environmental and social risks are considered as part of the decision-making and investment processes. In order to manage ESG-related topics, Cadeler has designated various departments responsible for portions of the ESG landscape. The company has an established HSEQ department that responsible for matters related to health and safety, environmental management, and quality; a People and Culture department and a Marine HR department responsible for employment matters within the business; a Business Ethics and Legal Compliance Partner focused at improving company governance issues as well as improving the company safeguards in areas such as human rights and anticorruption; and finally, a Decarbonization and Sustainability department driving the company's efforts to reduce its carbon footprint and

manage the overall sustainability strategy, with focus both on the company's direct performance and across its supply chain.

To ensure transparency and accountability around the selection of Green Projects, Cadeler has established a Green Finance Committee. This committee will consist of members from the Senior Management team, Finance, Decarbonization and Sustainability department and Business Ethics functions. The Green Finance Committee will ensure that any asset or project funded with Green Finance Instruments is in compliance with the Group's responsible business practices, including but not limited to policies on human rights as well as ecological and environmental impact.

Green Finance Instruments can either be used to finance assets and projects aligned with the Green Project Eligibility Criteria ("Green Projects") or for general corporate purposes loan facilities if aligned with the Green Company Eligibility Criteria.

The Green Finance Committee will keep a register of all identified Green Projects. Decisions on eligibility will be made in consensus, and to ensure traceability all decisions will be documented and filed.

The Green Finance Committee has the right to exclude any Green Project already funded by Green Finance Instruments, which is further described below under Management of Proceeds.

For Green Company Financing, the Green Finance Committee will ensure an annual Compliance Certificate is shared with the lenders, confirming alignment with the Green Company Eligibility Criteria. If the criteria are not met, the loan will no longer qualify as green.

The Green Finance Committee will monitor the development of the green finance market and may update this Framework to reflect future market practices or company developments.

Management of Proceeds

Green Project Financing

An amount equal to the net proceeds from issued Green Finance Instruments will be earmarked for financing and/or refinancing of Green Projects as defined in this Green Finance Framework.

Cadeler aims to fully allocate an amount equal to the net proceeds from a Green Finance Instrument towards Green Projects within three years from the issue date. Cadeler will keep an internal register of the net proceeds, which will be continuously adjusted for allocations either at time of investment or at least on a quarterly basis.

If a Green Project already funded by Green Finance Instruments is sold, or for other reasons loses its eligibility in line with the criteria in this Framework, Cadeler will strive to replace such project with another qualifying Green Project.

Net proceeds from Green Finance Instruments awaiting allocation to Green Projects will be managed according to Cadeler's overall liquidity management policy and may be invested in short term money market instruments or held as cash.

Green Company Financing

Proceeds from Green Loans may be used for general corporate purposes, if the Green Company Eligibility Criteria are fulfilled, and confirmed on an annual basis.



Reporting

Green Project Financing

To keep investors, lenders and other stakeholders informed about the progress of the Green Projects funded by Green Finance Instruments, a Green Finance Report will be made available on Cadeler's website either as a separate document or as information integrated in the company's annual sustainability reporting. The Green Finance Report will include an Allocation Report and an Impact Report. It will be published annually as long as there are Green Finance Instruments outstanding.

Allocation Report

The allocation report will include the following information.

- Amounts allocated to each of the Green Project categories and the share of new financing versus refinancing.
- Examples of Green Projects that have been funded by Green Finance Instruments.
- The nominal amount of Green Finance Instruments outstanding and the split between Green Bonds and Green Loans.
- The amount of net proceeds awaiting allocation to Green Projects (if any).

Impact Report

The impact report aims to disclose the environmental impact of the Green Projects financed under this Framework, and will, where possible, be measured, otherwise estimated. Impact reporting will, to some extent, be aggregated and depending on data availability, calculations will be made on a best intention basis. Methods and assumptions used in calculations will be disclosed. The impact assessment may, where applicable, be based on the metrics listed below.

- Number of installed offshore wind turbine foundations.
- Number of installed/serviced offshore wind turbines.
- Share of annual revenue from renewable energy projects
- Installed power generation capacity.
- GHG emissions and/or fuel consumption from offshore wind installation activities.

Green Company Financing

For Green Loans used for general corporate purposes to qualify as Green Finance Instruments, the Borrower will need to show alignment with the Green Company Eligibility Criteria on an annual basis via a Compliance Certificate shared with the relevant lenders. In addition, Cadeler will report on the above mentioned impact report metrics on company level as part of their annual report.

External Review

Cadeler has obtained a Second Party Opinion from S&P Global Ratings to confirm the transparency of this Green Finance Framework and its alignment with the 2021 ICMA Green Bond Principles (including June 2022 Appendix) and the 2023 LMA Green Loan Principles. The Second Party Opinion will be made available on Cadeler's website together with this Green Finance Framework.

For Green Project Financing, an independent auditor appointed by Cadeler will on an annual basis provide a limited assurance report confirming that an amount equal to the net proceeds from such Green Finance Instruments have been allocated to Green Projects. For Green Company Financings qualifying as Green Finance Instruments, an externally verified Compliance Certificate, outlining alignment with the Green Company Eligibility Criteria will be shared with the relevant lenders.