

Sustainable Development Report 2020

CADELER



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“We will focus on reducing the emission levels of greenhouse gases and other air pollutants and take precautions to further limit our impact on the marine environment in which we operate”

Mikkel Gleerup / CEO



Letter from the CEO

2020 was a year of challenges and a year of change for Cadeler. We continued to deliver first class vessel operations in a world with ever changing pandemic era regulations and restrictions, making the task of ensuring our vessels remained operational a challenge. The constant efforts of our seafarers, office staff and project partners meant that we were able to function almost as normal, continuing to provide services to offshore windfarms across Europe, ensuring renewable energy supplies were not impacted.

Simultaneously, we underwent a comprehensive restructuring and rebranding of our company. After a decade as a subsidiary company of Swire Pacific Offshore Operations (Pte) Ltd, we decided to establish an independent, publicly listed company. Our initial public offering on the Oslo Stock Exchange took place on 27 November 2020. The move was intended to raise capital with the purpose of improving and expanding our offshore wind installation fleet, enabling the expected growth of the global offshore wind market.

The changes undertaken by Cadeler over the last year mean that we have growth to focus on, and we intend to find a way to ensure that we grow sustainably. As we grow in terms of the number of employees, we have to find a way to preserve the aspects of the work culture that our employees are satisfied with, and we have to continue to find new methods to ensure our workplace is focused on providing the highest standards in terms of equal opportunity, zero tolerance of discrimination, fair compensation, and other considerations relating to our general workplace environment. We are committed to ensuring a positive workspace both in our offices and onboard our vessels and protecting the rights of persons working for companies in our supply chains.

Additionally, we should view our opportunity to grow also as an opening to develop in such a way that our future operations have a lesser impact on the environment. As we deliver new vessels, we will focus on reducing the emission levels of greenhouse gases and other air pollutants and take precautions to further limit our impact on the marine environment in which we operate. We will also investigate whether any new technologies can also be applied to our existing fleet.

Cadeler fully understands that it has the responsibility to operate with consideration for our company's potential impacts on and opportunities to improve conditions for the natural environment, our employees, the employees working within our supply chains, and the broader communities we serve. Cadeler is here to support the development of the offshore wind market, and do so sustainably.



Mikkel Gleerup
CEO

Company Overview

Cadeler provides marine and engineering operations to the offshore wind industry with a strong focus on safety and the environment. Our reputation as provider of high-quality offshore wind support services, combined with our innovative vessel design, positions us to deliver premium level services to the industry.

We continue to pursue new levels of efficiency, pushing beyond the current boundaries of the supply chain. We will enable and facilitate the global energy transition towards a future built on renewable energy.

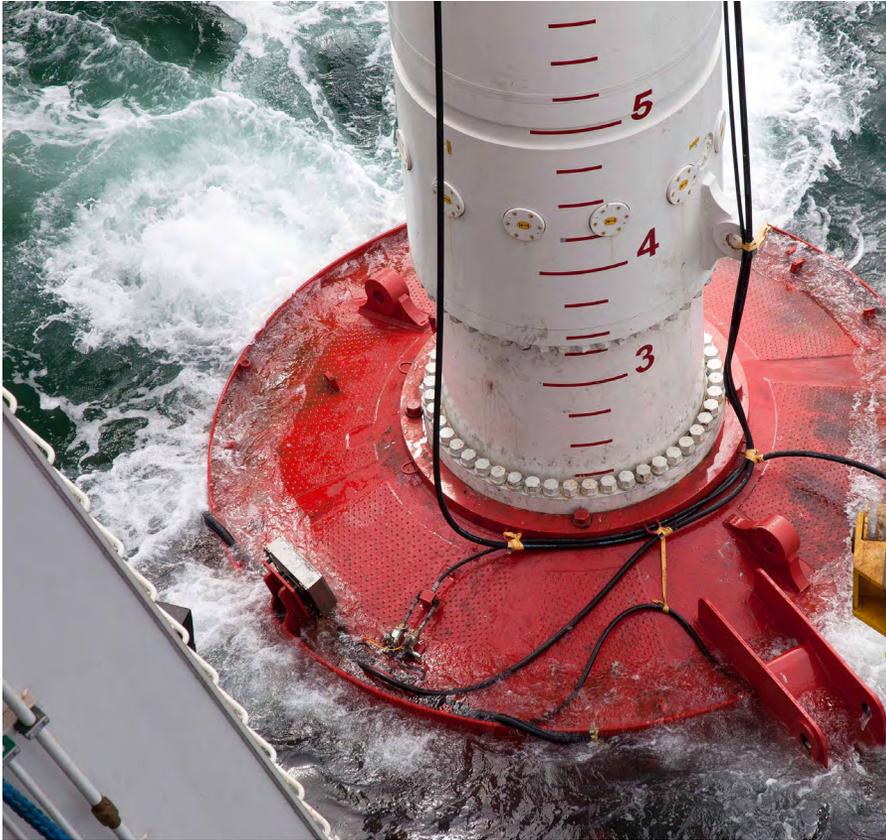
We are expanding with a new office in Vejle



287

Turbines
installed





While Cadeler believes its mission to enable the transition to renewable energy is a worthy endeavor, we also realize that the end goal is not the only thing that matters. The values upheld along the way also hold a great deal of importance when it comes to building sustainable operations. For this reason, a conscious effort to ensure the Company operates in a responsible manner is at the forefront of our decision making processes.

- The health and safety of our people is always our number one priority
- Cadeler's operations should do no significant or lasting harm to the marine environment we operate in
- The Company strives to reduce environmental impacts and minimize contribution to global climate change
- Provision of an optimal working environment with equal opportunity and zero tolerance for discrimination
- Sustainable management of supply chains with zero tolerance for corruption, bribery, human rights violations or other unethical practices

Foundations
installed

414



Selected Sustainable Development Goals

SDG 7

Cadeler's core business is to install and perform maintenance for offshore wind-farms. The Company's operations are performed with the purpose of enabling the transition of the global energy system to affordable renewable energy sources. By the end of 2020, Cadeler had installed 287 wind turbines, 414 wind turbine foundations, and performed maintenance for over 20 offshore windfarms operating in European waters. We continue to search for optimizations in the installation and maintenance of offshore windfarms, so prices can continue to fall for consumers.

SDG 12

Although Cadeler's vessels serve a worthy purpose, providing installation and maintenance services to the offshore wind industry, 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. Additionally, we have procurement policies in place which are aimed at anticorruption, protecting human rights and ensuring labour standards are met across our entire value chain.

SDG 13

Cadeler's contributions to SDG 7 also directly support climate action. Even though the Company enables the decarbonisation of the energy grid, we also understand that our own carbon footprint must be reduced, where possible, and otherwise, offset via certified carbon credit programs. Carbon credits for scope 1 and 2 emissions have been purchased via a REDD+ program since delivery of Wind Orca and Wind Osprey in 2012 and 2013, and we are investigating methods for ensuring new build vessels are greener upon delivery.

SDG 14

Cadeler is, at its heart, a maritime transportation company, and as such, understands the need to ensure that operations have as little impact on the marine environment, and the incredible biodiversity it supports, as possible. Cadeler is focused on reducing consumption of single use plastics, as these items often end up negatively affecting marine ecosystems at the end of their product life. Cadeler also aims to have zero spills of hydrocarbons and other toxic substances into the oceans.





Our Sustainable Development Strategy

01

Improve the performance of our vessels

Worldwide, emissions from vessel operations contribute significantly to anthropogenic caused climate change. Cadeler views the most promising area for the reduction of our carbon footprint to be the investment in greener designs for vessels under development. The Company sees potential in shore power connections, battery packs, biofuels, and eventually, use of fuel cells running on power to X technologies.

02

Eliminate single use plastics and improve recycling rates

Single use plastics are especially damaging in the context of the marine environment where they can pose a direct threat to wildlife and eventually 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 implemented initiatives including reusable water bottles and reusable shoe covers on board.

03

Focus on Corporate responsibility

The Company maintains a focus on anti-corruption, supply chain management, compliance with human rights standards, labour standards and transparency. We strive to maintain ethical business practices and view any violations, either internally and in our supply chains as unacceptable. We have policies in place which are reviewed annually and promote a proactive approach which empowers Cadeler employees to uphold our values, both within the Company and across our supply chain. In 2020, zero incidences of corruption and no breaches of our Code of Conduct were reported. Moving forward, we will continue to emphasize ethical business practices.

04

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

No business can thrive without quality employees. Cadeler is focused on becoming a model workplace capable of attracting competent personnel who are interested in the work they perform. This goal requires a consistent focus on workplace safety and provision of a work environment which promotes learning and respect.

Health and Safety





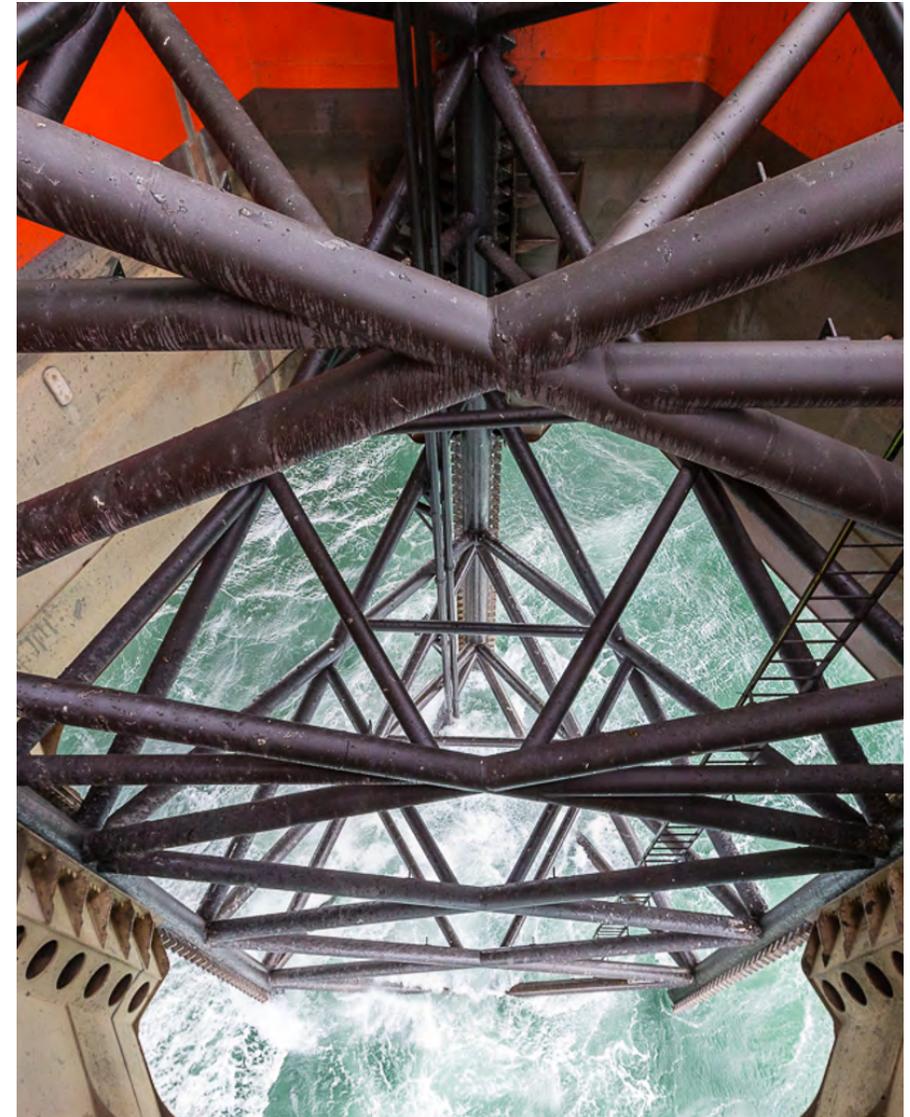
Our commitment to health and safety

Cadeler's number one priority is the health and safety of all persons on board its vessels and in its office spaces. The company continuously works on improving its health and safety processes to ensure all employees and project partners have a secure work space. At Cadeler, we are driven by the understanding that a work environment focused on maintaining the health and safety of our employees is one of the key requirements for a successful and sustainable business.

Maintaining a safe work environment is not a simple task when the Company's primary operations take place in the harsh and ever changing marine environment. Cadeler has a Safety Management Manual and Safety Management System developed with the objective of ensuring safety at sea, prevention of human injury or loss of life, and avoidance of damage to the environment, in particular, to the marine environment. The safety management objectives of Cadeler are focused on providing for safe practices in vessel operations; controlling all identified risks to its ships, personnel and the environment and establishing appropriate safeguards; and continuously improving the safety management skills of personnel ashore and aboard ships.

Cadeler's Safety Management System ensures safe operations in compliance with mandatory rules and regulations of relevant international jurisdictions and Flag State legislation. An integrated part of the system are the processes that ensure continuous improvement of safety & efficiency; these include: learning from incidents, conducting proactive audits, active involvement from senior management in safety and reviewing the Company performance regularly.

Cadeler has a 'stop work policy' – Every person at Cadeler work sites has the authority and the responsibility to stop any job due a concern for safety.





Health, Safety, Environment & Quality – Statistics

Cadeler presently uses two metrics as primary indicators of overall safety performance: total recordable cases frequency (TRCF) and Lost time injury (LTI) frequency. Looking ahead, Cadeler will introduce additional indicators to supplement these. The Company’s ultimate goal is to create a safety culture strong enough to achieve zero workplace incidents.

1. Statistics 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)
2. Total recordable case frequency rate = total recordable cases / total man exposure hours * 1,000,000
3. Lost time injury frequency rate = lost time incidents / total man exposure hours * 1,000,000

EUR'000	2020	2019	2018	2017	2016
Total Man Exposure hours	745,610	657,670	747,857	658,816	686,874
Fatalities	0	0	0	0	0
Lost Time Incidents	0	0	3	2	0
Total Recordable Cases	1	1	4	2	1
Total recordable cases frequency rate (per million hours worked)	1.34	1.52	5.35	3.04	1.46
Lost time injury frequency rate (per million hours worked)	0.00	0.00	4.01	3.04	0.00



Incident prevention – Leading safety indicators



Wind Osprey

Toolbox Talks completed:

12,693

Wind Orca

Toolbox Talks completed:

8,008

New Risk Assessments completed:

683

New Risk Assessments completed:

280



HSEQ Improvement Program

To push performance beyond compliance with industry standards, every year, Cadeler defines an HSEQ improvement program aimed at the areas where the Company sees the most potential for improving safety performance.

This ensures continuous development in our journey towards improving our safety culture, processes, systems and performance. This year, the Cadeler improvement program focuses on reviewing and updating the HSE risk management core tools we use: Tool Box Talk, Permit To Work and Risk Assessment.

Safety is an embedded part of all activities in Cadeler. As part of this year's improvements, we will also implement a leadership development program. Safety leadership is, in our view, not separate from general leadership, it is just another aspect of leadership and is required to be a successful manager and role model. The program will be developed together with Mærsk Training, will integrate safety leadership into our management skillset and will target both on & offshore managers.

Key elements of the 2021 Improvement Plan

Improve processes around toolbox talks

Improve permit to work process

Introduce checklists to risk assessments

Implement improved 2nd and 3rd tier emergency response plans

Clarify the focus of monthly KPI monitoring

Implement a Leadership Development Program to integrate safety leadership into general leadership competences

People



Cadeler as a workplace

As a workplace, Cadeler has two policies which guide our actions when it comes to employment matters: our People Policy and our Human Rights Policy.

As a global operator, 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 discrimination or harassment in the workplace. Additionally, Cadeler intends to maintain its status as an attractive employer and is committed 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 prioritizes human rights and the fair treatment of its employees as a failure to do so would be morally unacceptable and have high potential to cause reputational damage.

Employee statistics	2020	2019	2018	2017	2016
Total Employees ¹	42	33	32	28	27

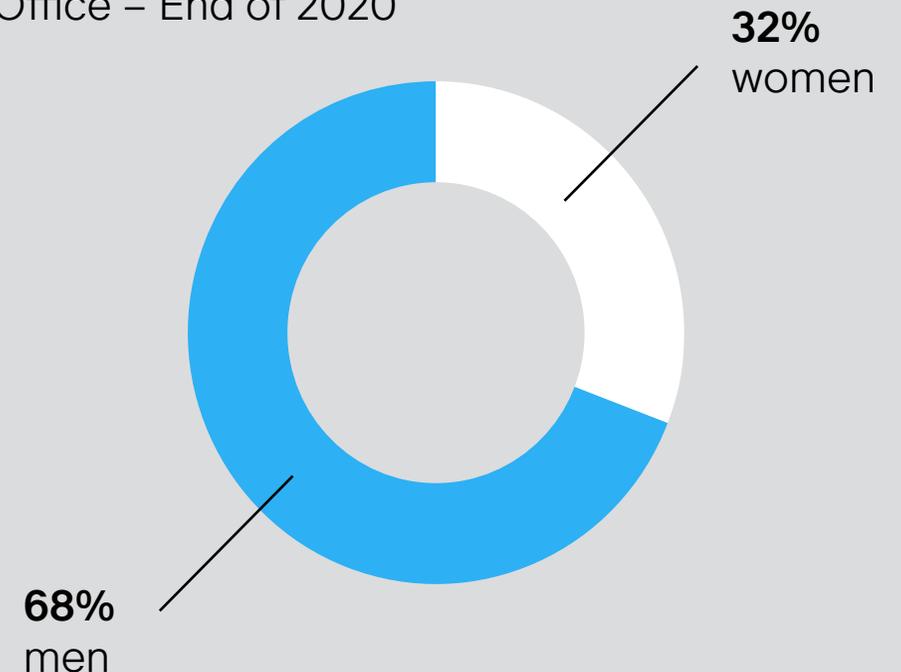
¹ Average number of full time employees. Figures do not include consultants or contractors.

Nationalities at Cadeler at the end of 2020

17

Gender Balance

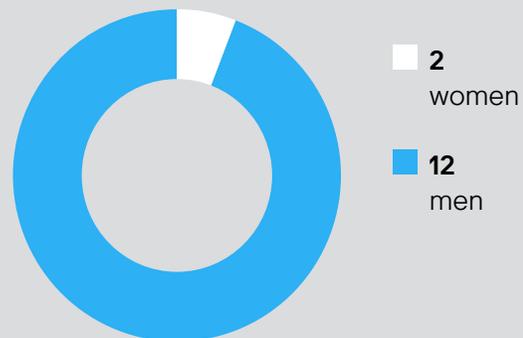
Office – End of 2020





Management Positions

2025 goal



**30%
women**

Cadeler has a Supply Chain Sustainability Code of Conduct which outlines our expectations for the companies we work with. There is both a business and a moral case for ensuring that human rights are upheld during our operations and throughout our value chain.

Cadeler's seafarers are currently employed via Swire Pacific Ship Manning services and WRS, but Cadeler is committed to ensuring our manning providers offer employment in accordance with our company policies and principles.

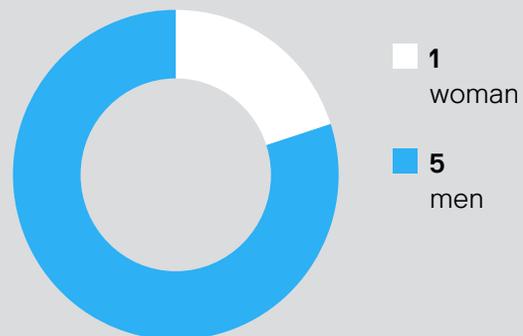
Cadeler encourages high levels of employee involvement and is always in dialogue with its staff about the future direction of the company. Cadeler provides opportunities for learning and development and has an annual performance management process in place.

To promote diversity and equal opportunity, Cadeler has initiated 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 for an interview.

Cadeler had set a goal of having at least one woman included in the Board of Directors before 2020. This target was achieved in 2020. The Company's updated goal is to have two women on the Board of Directors by the end of 2022.

Board of Directors

2022 goal



**2
women**



Well-being and opportunities for self-improvement

01

Overcoming the challenges of working in a pandemic

2020 proved to be a challenge. Cadeler worked, to the best of its ability, to ensure that personnel had the equipment they needed to remain productive. Cadeler has offered employees equipment for working at home, delivered guides for working effectively from home, a program for exercising with limited space, and has organized periodic team building events adapted to the current climate in the form of outdoor events or virtual gatherings.

02

Employee Physical Wellness

Ensuring the physical well-being of employees is a priority. Over the past few years, Cadeler has organized annual health check-ups for employees, developed a personalized nutrition plan which employees can make use of (starting in 2021), and has established an opportunity for discounted fitness membership at the fitness center nearest to our office. Onboard the vessels, all personnel have access to a gym and medical services.

03

Happy at Work

Cadeler has a Happy at Work Committee which empowers employees to have direct influence on the workplace environment. All departments within Cadeler have at least one representative in the committee which is a forum for suggesting new initiatives to improve the social environment at the workplace and raise any concerns on behalf of their colleagues. Activities organised in the past include yoga, crossfit, and 'lunch and learn' – a lunchtime meeting focused on knowledge sharing.

04

Education and Training

Cadeler is committed to ensuring our employees maintain the competences which contribute value to our business and is highly interested in supporting the development of new skillsets. Cadeler supports employee education using a broad range of tools. Some employees are pursuing full degrees in parallel to their work for Cadeler, and the Company also supports enrolment in courses and offers training sessions. The COVID-19 pandemic reduced our overall ability to provide educational opportunities in 2020, but ensuring our employees continue to learn will be of high priority in 2021.

Environment





Environmental Performance

Cadeler is committed to meeting or exceeding all environmental legal requirements of the location in which we operate. The Company also aims to deliver effective monitoring and minimization of its impacts on the environment, ensuring all risks associated with our operations are appropriately identified and managed. In order to control and improve environmental performance, the Company has an Environmental Management Manual, Environmental Policy and Sustainable Development Policy in place. These documents outline the corporate practices which enable Cadeler to work towards a sustainable future in everything we do, maximize our positive environmental impacts, minimize negative impacts, and hold ourselves accountable for any damage we may cause.

In 2020, Cadeler's environmental performance was externally reviewed by CICERO Shades of Green. CICERO Shades of Green is 'a leading provider of independent, research-based evaluations of green bond investment frameworks to determine their environmental robustness.' CICERO rates companies based on how well a green bond aligns with a low-carbon, climate resilient future: Cadeler was rated Medium Green. See the report [here](#).

Cadeler has equipment in place on board the vessels for tracking consumption of fuel, lube oils, and other materials which 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. Mileage driven for business purposes as well as 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).

In addition to monitoring emissions, Cadeler strives to reduce the carbon intensity of operations by 3% year on year and contribute the International Maritime Organization's (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 to 2008 emissions with highest focus on greatly increased energy efficiency design indices for new built vessels). Cadeler intends to implement technological advancements, which were not available in 2012, and will improve the energy efficiency of new build assets. Additionally, Cadeler is continuously investigating changes (both operational and technological) which can be made on the existing assets to reduce carbon intensity.

Since delivery of the vessels, the Company has invested in carbon credits equivalent to emissions from scope 1 and 2 operations via a UNFCCC REDD+ forest conservation program.

Looking forward, Cadeler intends to take voluntary steps to improve environmental performance, accurately measure our environmental performance and report transparently on our impact. Additionally, the Company has recently hired a person responsible for sustainable development and environmental issues; Cadeler intends to be more active in the conducting and supporting of research on environmental issues as well as educating, training and motivating employees and stakeholders in environmental matters.

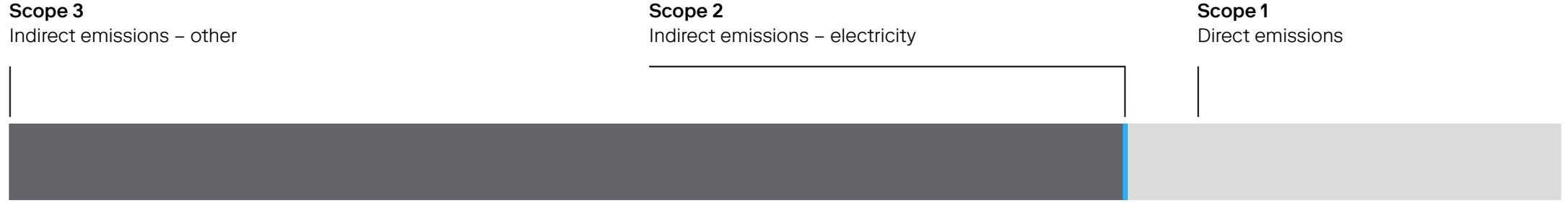


Environmental Performance Data

Environmental Data	unit	2020	2019	2018	2017
Scope 1 CO _{2e}	Tonnes	6,553.52	7,902.73	8,193.22	8,034.15
Scope 2 CO _{2e}	Tonnes	7.78	10.07	8.32	6.48
Scope 3 CO _{2e}	Tonnes	16,926.51	14,911.43	17,082.14	13,751.13
SOx	Tonnes	140.68	138.22	152.57	131.46
NOx	Tonnes	307.39	302.00	333.37	287.23
Particulates	Tonnes	8.44	8.29	9.15	7.89
VOCs	Tonnes	68.23	67.04	74.00	63.76
Fresh water consumed on board	m ³	12,769.00	9,992.00	11,900.00	10,407.00
Plastic waste	m ³	195.64	269.20	245.40	174.65
HCFC-21	Kg	0	0	0	0
HCFC-22	Kg	0	0	1.00	0
HCFC-31	Kg	0	0	0	0
HFC-134A	Kg	15.00	0.75	0.210	1.30
HFC-404A	Kg	0	6.03	1.64	0
HFC-407C	Kg	80.20	144.90	64.79	0
HFC-410A	Kg	0	0.53	1.00	40.00
HFC-417	Kg	0	0	0	18.20
Uncontained Spills (hydrocarbon or chemical)	Occurrences	0	0	0	0



Organizational Boundaries of CO_{2e} emissions 2020



Source: Air travel for vessel and office personnel, vessel on-hire marine gas oil and lube oil consumption

Source: Office electricity consumption

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

Tonnes CO_{2e}

16,926.51

Tonnes CO_{2e}

7.78

Tonnes CO_{2e}

6,533.52

% of Cadeler's emissions in 2020

72.13%

% of Cadeler's emissions in 2020

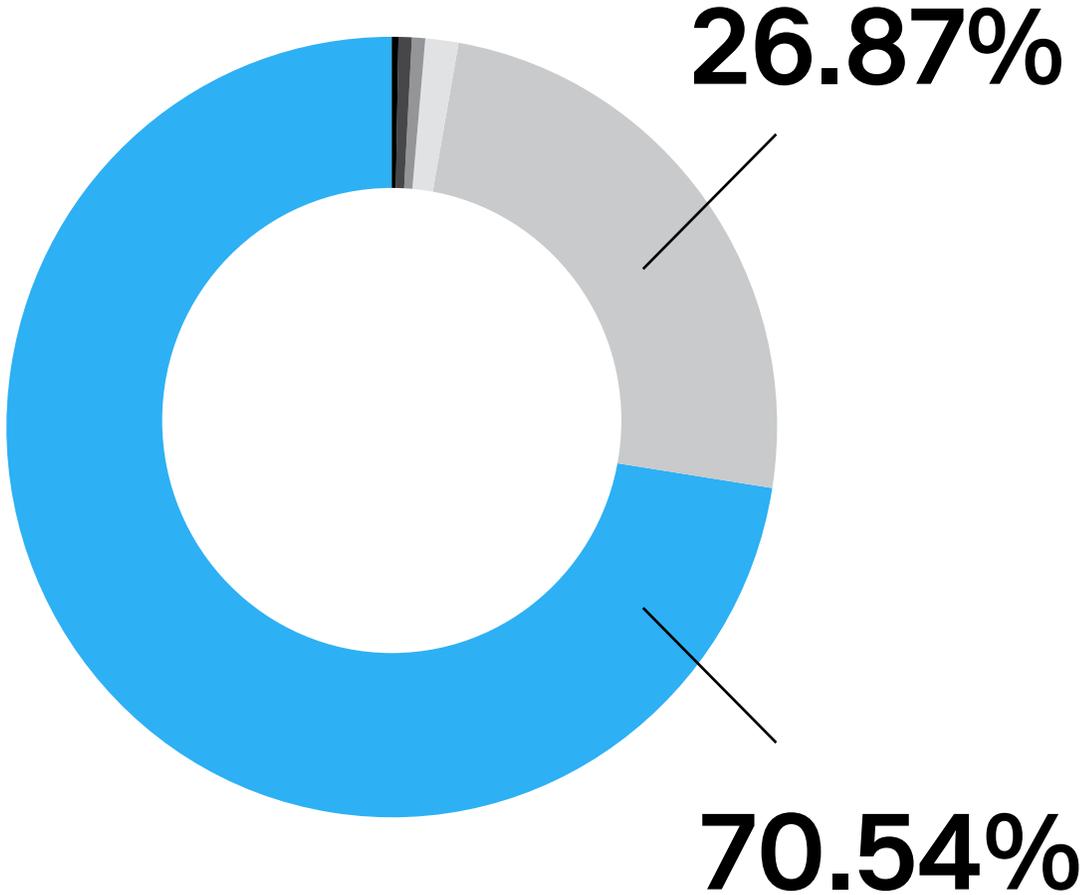
0.03%

% of Cadeler's emissions in 2020

27.84%



Breakdown of CO_{2e} emissions by source



Vast majority GHG emissions (>97%) due to combustion of marine gas oil

- Marine Distillate Fuel Oils - Scope 3
- Marine Distillate Fuel Oils - Scope 1
- Air Travel emissions
- HFC-407C
- Lubricant oil - Scope 3
- Diesel (company cars)
- Lubricant oil - Scope 1
- HFC-134C
- Office Electricity
- Diesel (vessels)



2020 improvements and initiatives

01

Consumption in connection with a rebranding

Taking on a new name and a new logo has an environmental impact as equipment and marketing materials bearing the old logo are no longer relevant. To minimize the potential impacts, Cadeler took the decision to rebrand existing items, where possible. For example, on many items of clothing and PPE, we have opted to place patches over the logos rather than ordering new items.

02

Lifecycle Assessment for Wind Orca

In a collaborative effort with the Technical University of Denmark, Cadeler provided a case study for a group of students enrolled in a course focused on product lifecycle assessments. The students investigated the lifetime impact for building, operating and decommissioning Wind Orca and provided Cadeler with an assessment. The project signalled Cadeler's intention to work towards understanding the environmental impact associated with its business and reconfirmed expectations that the greatest room for improvements relate to the running of our vessels' engines and avoidance of fuel consumption.

03

Offsetting Scope 1 and 2 emissions

Since 2011, while a subsidiary of Swire Pacific Offshore, Cadeler offset all scope 1 and 2 emissions from our operations via investment in a REDD+ project. The Company chose the Paraguay forest conservation project as it met the standards for designation as a UNFCCC REDD+ program, was of benefit to local communities and preserved a tract of forest with significant value in terms of biodiversity. As an independent company, Cadeler intends to continue offsetting scope 1 and 2 emissions and, in the course of 2021, will work to find a carbon offset program offering equivalent value as the Paraguay project.

04

Bike to Work Campaign

In September 2020, Cadeler participated in Denmark's national bike to work campaign. The initiative was meant to promote employee awareness for the impacts a simple decision, in this case, the mode of transport chosen for a daily commute, can have in terms of benefits for personal health and the environment. 23 Cadeler employees participated: we biked a total of 8,389 km, burning approximately 250,000 calories and saving over 2 tonnes of CO2 emissions compared to commutes driven by car.



Environmental improvement strategy

Reducing Emissions

X-Class Green Design: Cadeler has previously announced plans to build a new windfarm installation vessel. The Company confirms its intentions to ensure the vessel is more eco-friendly than Wind Orca and Wind Osprey. A decade of innovative solutions since delivery of the O-Class enables Cadeler to implement power saving and emission avoiding technologies. Planned improvements include a shore power connection (expected to reduce fuel consumption by up to 15%), fuel efficient engines and optimized 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.

Reducing flights: Cadeler aims to reduce travel related emissions by holding meetings virtually, where possible, and via organization of more efficient trainings for seafarers and onshore staff. For example, when multiple people require a training course, the more environmentally effective solution is to bring one instructor to a vessel rather than flying 10 people to a course.

Investigate further improvements for Wind Orca and Wind Osprey: We intend to run an investigation, considering whether any of the improvements developed for the X-Class design can also be economically applied to the O-Class.

Commit to offsetting Scope 1 and 2 emissions: As an independent company, we recommit to continuing our practice of offsetting GHG emissions from our scope 1 and 2 activities.

Protecting the marine environment

Zero spills: High priority placed on zero spills of hydrocarbons and other toxic substances into the marine environment. Regular checks 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.

Reducing jacking grease consumption: Cadeler uses biodegradable jacking grease which is not toxic in the quantities released into the water. Nevertheless, the company aims to reduce consumption via collection and reuse where possible, further limiting marine impact.

Aim for zero consumption of single use plastics: The company has largely eliminated one-time use water bottles, with only 1400 purchased in 2020. Additionally, in 2020, our onboard crews were going through an average of a few pairs of disposable plastic shoe covers every day, resulting in the use of over 250,000 shoe covers, producing approximately 2500 kg of plastic waste during the course of the year. In 2021, we are switching to reusable shoe covers onboard, reducing consumption per seafarer from a few pairs every day to a few pairs every month. Going forward, Cadeler expects to use approximately 5100 pairs of reusable shoe covers per year, avoiding 2450 kg of plastic waste.

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, risk registers. The system is under constant improvement as Cadeler adapts its SMS based on lessons learned, both within the Company and throughout the wider industry.

Environmental Management System (EMS): Establishes Cadeler's environmental policy, outlines management of significant aspects, implements necessary controls, and sets objectives to improve environmental performance. Manages our compliance with legal requirements and stakeholder obligations. Under continuous review as Cadeler is always aiming to improve.

Quality Management System (QMS): Our set of policies, processes and procedures which 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.

Company Certifications

IMO International Safety Management (ISM) – Certified by DNVGL (During 2021, Cadeler will become ISO 45001 certified)

ISO 14001 – Certified by DNVGL – Assurance of our Company Environmental Management System.

ISO 9001 – Certified by DNVGL – Assurance of our Company Quality Management System

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 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

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

Environmental Policy

Cadeler commits to effectively monitoring and minimizing 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 we do and create lasting and added value for our stakeholders. We focus on the sustainability of our practices concerning the environment, health & safety, employment, business partnerships and community matters where we operate.

Financial Governance Policy

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

The set of commitments, standards and procedures which clearly lay out what our employees can expect from Cadeler and what we, in return, expect from them.



Supply Chain Sustainability Code of Conduct

Sets out our expectations with regards to the respect for human rights, including labor 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 which they consider to be unsafe, or that may become unsafe.

Corporate Code of Conduct

Outlines 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 onboard 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, Cadeler intends to produce a GRI compliant report in 2021 for its first full year as an independent company.

The 2020 Sustainable development report covers Cadeler's performance from 01 Jan 2020 - 31 Dec 2020. The Company's IPO was on 27 November 2020.

Boundaries for 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 worksite. The boundaries placed on environmental impacts are as follows: Cadeler considers impacts from operation of its vessels, offices, use of company cars. The company considers indirect impacts from flights taken by office employees and offshore crew for business purposes. Cadeler has not accounted for 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: 4 main factors contributed 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 focused Cadeler's reporting towards the topics which came up with the most frequency, Life Cycle Assessment with DTU pointed towards environmental topics with most potential for significant impacts in terms of Cadeler operations, and finally, an interview with Cadeler's management team concerning the topics which they saw as most significant for Cadeler's operation as a business. Cadeler intends to run a

more thorough materiality process for selection of topics in the first full year report, to be released in 2021.

Data accuracy:

Documented Data – Air emissions, energy consumption. Documented data is data for which it is possible to confirm that datasets are valid and complete. Energy and emissions data are extracted from technical systems, so it is possible to confirm if and when all expected data is recorded.

Probable data – safety data, waste, water consumption – Probable data is operationally scoped, and recording this data requires active participation from employees. Cadeler has a high level of confidence that Company procedures have been followed and datasets should very nearly capture relevant information.

Emission conversions/calculations

1. Scope 1 CO_{2e} – Direct GHG (from Kyoto 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 as well as emissions from company cars. All SF₆, NF₃, HFC and HCFC emissions reported as resulting from direct consumption. Carbon intensity factors extracted from UK Government GHG Conversion Factors for Company Reporting. Cadeler has edited its fuel values to match figures reported in our verified IMO DCS fuel consumption reporting. Emission figures are affected as the IMO DCS values take density of the fuel, as stated in bunkering delivery notes, into account rather than using a fixed conversion factor as was done in the first issue of the SD report.
2. Scope 2 CO_{2e} – Indirect GHG based on consumed electricity. CO_{2e} is considered 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>
3. 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 contract). Refer to UK Government GHG Conversion Factors for Company Reporting for conversion factors. 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 2020. Marine travel uses a conversion factor of 0.00018 tonne CO_{2e} /km for flights <1000 km and 0.00011 tonne CO_{2e} /km for flights > 1000 km.
4. SOx – We track SOx as a product of fuel 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*fuel sulphur content (kg/tonne)
5. NOx – NOx also tracked as product of fuel combustion. Again, Cadeler refers to Lloyd's Register Engineering Services for conversion factors. Values vary depending on operational mode, so we assume equal amounts of time spent in transit mode, manoeuvring mode, and 'hotelling' mode. Take the average NOx emission intensity across all vessel modes and we find an emission factor of 43.7kg/tonne fuel.
6. Particulates – As per Lloyd Register Engineering Services, the PM emission factor is considered as 1.2kg/tonne fuel
7. 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 9.7 kg /tonne fuel.

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Cadeler has also published
its 2020 Annual Report and
Remuneration Report on the
[Company website](#)

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