Ørsted

Investor presentation Q1 2023

3 May 2023

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This presentation contains certain forward-looking statements which include projections of our short- and long-term financial performance and targets as well as our financial policies, including but not limited to, the statements and expectations contained in the "Financial Outlook" section of this presentation. Statements herein, other than statements of historical fact, regarding our future results of operations, financial condition, cash flows, business strategy, plans and future objectives are forward-looking statements. Words such as "targets", "believe", "expect", "aim", "intend", "plan", "seek", "will", "may", "should", "anticipate", "continue", "predict" or variations of these words, as well as other statements regarding matters that are not historical facts or regarding future events or prospects, constitute forward-looking statements.

These forward-looking statements are based on current views with respect to future events and financial performance. These statements are by nature uncertain and associated with risk. Many factors may cause the actual development to differ materially from our expectations. These factors, include, but are not limited to changes in temperature, wind conditions, wake and blockage effects, precipitation levels, the development in power, coal, carbon, gas, oil, currency, interest rate markets, the ability to uphold hedge accounting, inflation rates, changes in legislation, regulations, or standards, the renegotiation of contracts, changes in the competitive environment in our markets, reliability of supply, and market volatility and disruptions from geopolitical tensions. As a result, you should not rely on these forward-looking statements. Please read more about the risks in the chapter 'Risks and risk management' on p. 38 and in note 6 of the 2022 annual report, available at www.orsted.com.

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All time high earnings in offshore sites and FID on Greater Changhua 2b & 4

Strategic highlights – Q1 2023

- Final investment decision on the 920 MW offshore wind farms Greater Changhua 2b & 4 in Taiwan
- 884 MW proposal submitted to Rhode Island's offshore wind solicitation together with JV partner, Eversource
- Floating wind lease awarded for the 100 MW Scottish Salamander Project
- MoU signed with Acciona to explore options for floating offshore wind foundations in Spain
- 150 MW corporate power purchase agreement signed with Google from the 268 MW onshore project Helena Wind, US
- Acquisition of the 160 MW Irish solar project, Garrenleen
- EU legislation introducing binding targets for green hydrogen in industry, transport, shipping and aviation
- Submitted bid to the Danish Energy Agency for our carbon capture and storage project, Kalundborg Hub

Continued acceleration of annual tendering of offshore wind

> 25 GW expected to be auctioned in 2023

Bids submitted

Award Q2 2023
New York 3
2,000 - 4,600 MW

Award Q2 2023
Rhode Island
600 - 1,000 MW

Upcoming auctions and tenders

Q2 2023
New Jersey 3
1,200 – 4,000 MW

H1 2023
Germany
9 GW

H1 2023
Japan auctions
>1,500 MW

H1 2023
ORESS 1
1,900 - 2,500 MW

2023
Sørlige Nordsjø II site 1
1,500 MW

H1 2023
CfD R5
TBD

H2 2023
Taiwan auction
3,000 MW

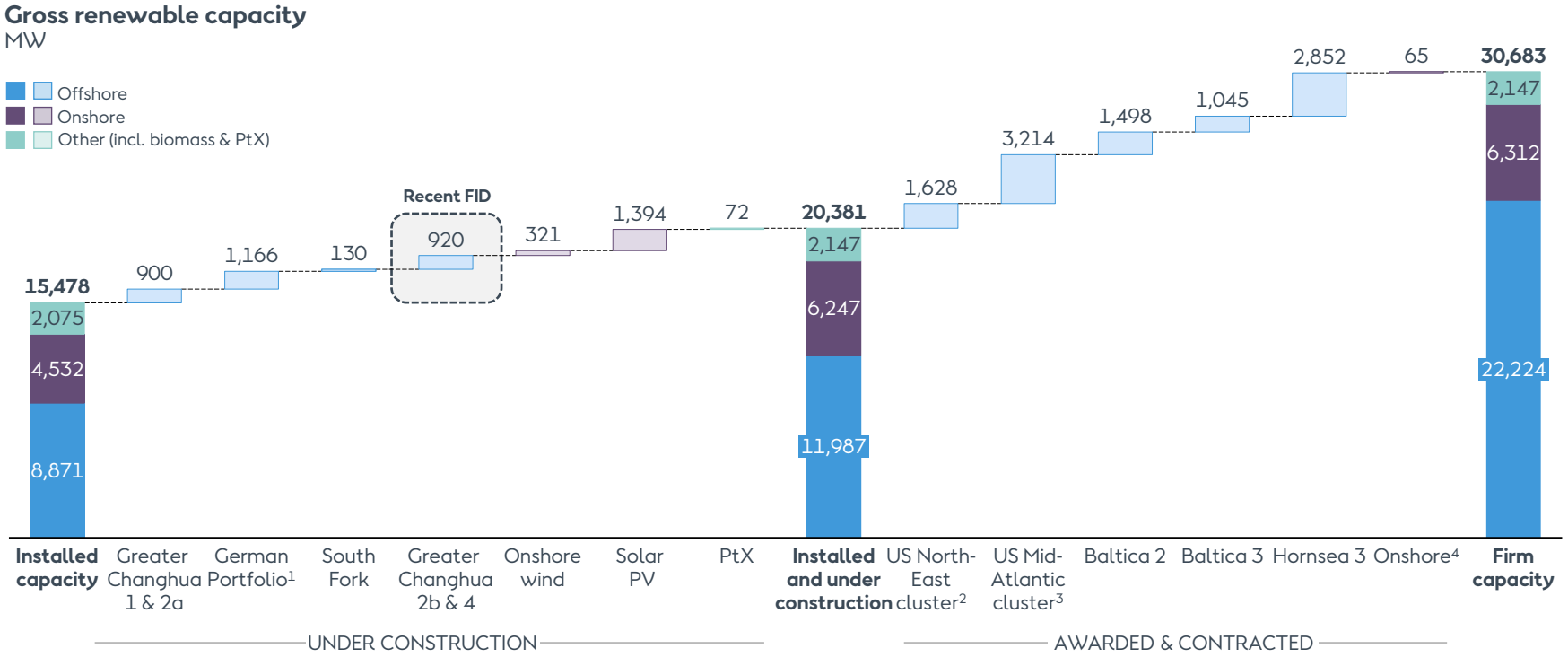
H2 2023
IJmuiden Ver
4 GW

2023
Connecticut
Up to 1,200 MW

Q1 2024
Massachusetts 4
Up to 3,600 MW

All auction and tender timelines and capacities based on current expectations and subject to change. Timeline reflects bid submission deadline, not time of award (unless specifically stated)

Ørsted construction programme and pipeline



1.German Portfolio: Gode Wind 3 (253 MW) and Borkum Riffgrund 3 (913 MW), 2.US North-East cluster: Revolution Wind (704 MW) and Sunrise Wind (924 MW), 3.US Mid-Atlantic cluster: Skipjack 1 (120 MW), Skipjack 2 (846 MW), Ocean Wind 1 (1,100 MW) and Ocean Wind 2 (1,148 MW), 4. Ballinrea Solar Farm
Onshore firm capacity (6,312 MW) consist of 3,785 MW wind, 2,187 MW solar PV, and 340 MW storage

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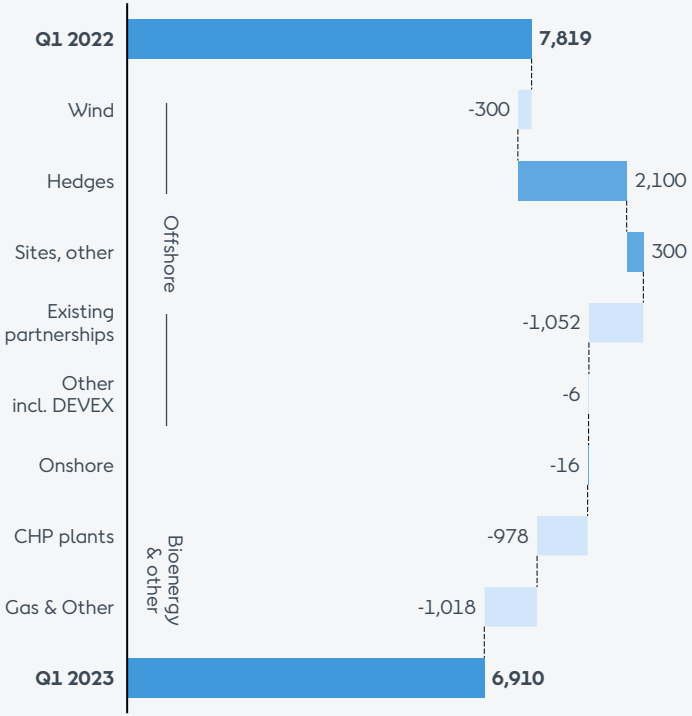
Offshore sites earnings increased by 58 %

EBITDA of DKK 6.9 in Q1 2023[1]

DKKm



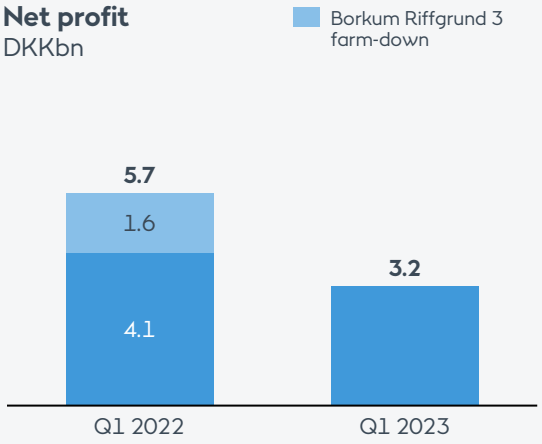
EBITDA excluding new partnerships

- Offshore wind speeds marginally below norm (10.9 m/s in Q1 2023 vs. norm of 11.0 m/s), and below last year (11.3 m/s in Q1 2022)
- Positive hedge impact of DKK 2.1 bn, driven by negative effects in Q1 2022 from overhedging and ineffective hedges related to delayed ramp-up of Hornsea 2 (DKK 1.6 bn), as well as a partial reversal of the ineffective IFRS 9-related hedges recognized in 2022 (DKK 0.5 bn)
- Positive impact on sites earnings mainly from ramp-up generation at Hornsea 2 and Greater Changhua 1 & 2a
- No material earnings from existing partnerships in Q1 2023. Positive effect in Q1 2022 from partial reversal of the cable protection system provision (DKK -0.5), as well as earnings related to construction progress at Greater Changhua 1 & 2a
- Onshore earnings in line with Q1 2022, generation up 17 % due to ramp-up from new assets, offset by lower prices
- Lower earnings from CHP plants mainly due to unfavourable spreads for power condensing generation
- Lower earnings from our gas activities mainly driven by positive revaluation of gas storage facilities in Q1 2022

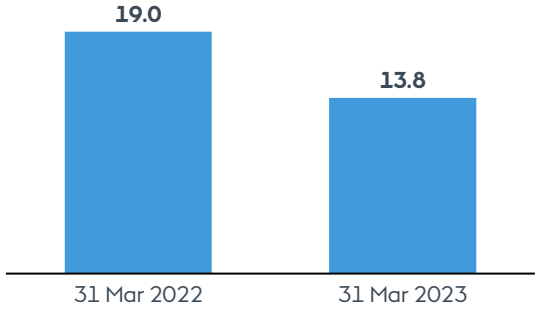
1. Q1 2022 EBITDA of DKK 9.4 bn, incl. farm-down gain of DKK 1.6 bn related to 50 % divestment of Borkum Riffgrund 3

Net profit, ROCE and Equity

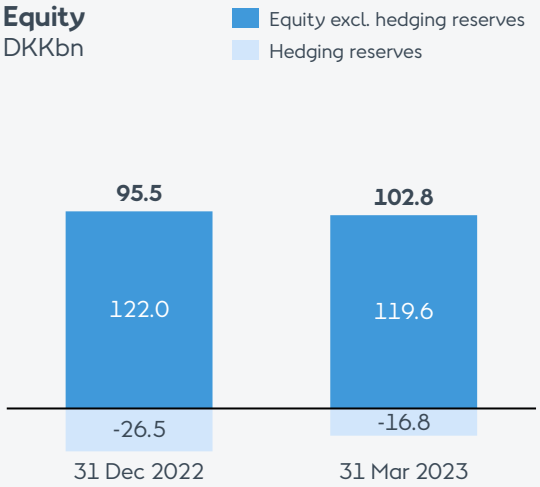
Net profit
DKKbn



ROCE
%, last 12 months



Equity
DKKbn



Net profit of DKK 3.2 bn

- Lower EBITDA as well as higher depreciations from assets in operation
- Increased financial expenses driven by exchange rate adjustments and higher interest expense

ROCE of 13.8 %

- Decrease driven by lower EBIT and higher capital employed
- On track to achieve average ROCE of 11 – 12 % between 2020 – 2027

Equity of DKK 102.8 bn

- Reduced hedge reserve driven by hedge run off and lower forward power prices

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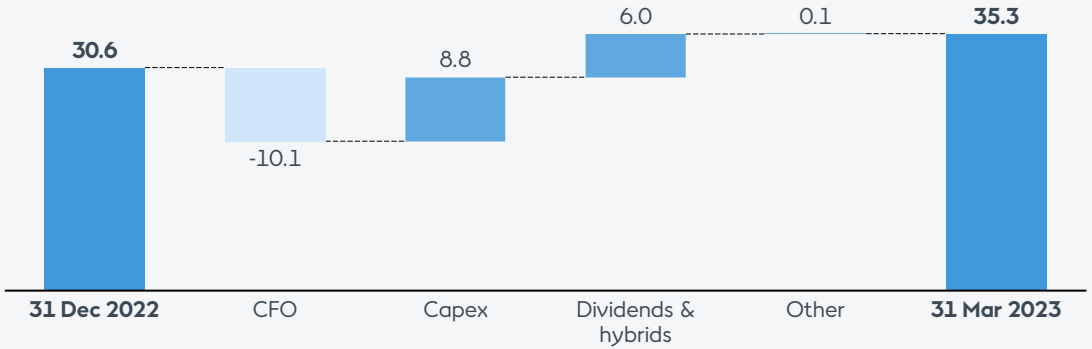
Net interest-bearing debt and credit metric

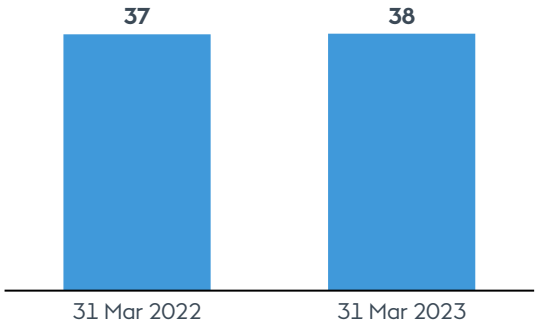
Net interest-bearing debt
DKKbn



Net interest-bearing debt of DKK 35.3 bn, up DKK 4.7 bn

- Positive operating cash flow from EBITDA and release of collateral (net DKK 3.3 bn during Q1)
- Gross investments relating to construction of offshore and onshore assets
- Distribution of dividends to shareholders in March 2023

FFO / Adj. net debt
%[1]



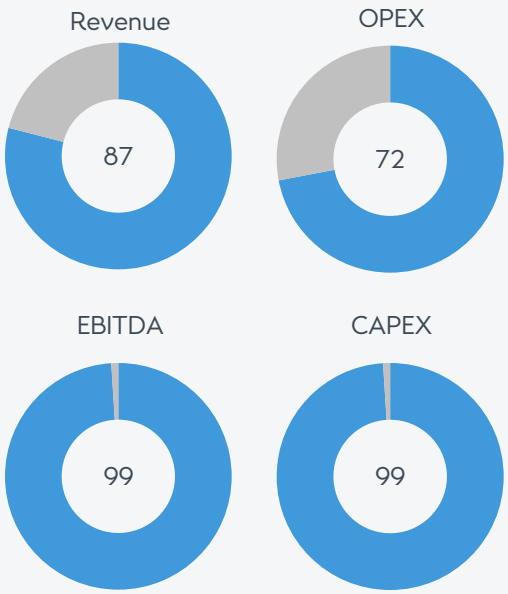
FFO / Adj. net debt of 38 %

- Higher adj. NIBD was offset by higher FFO
- Remain committed to our target of 25 %

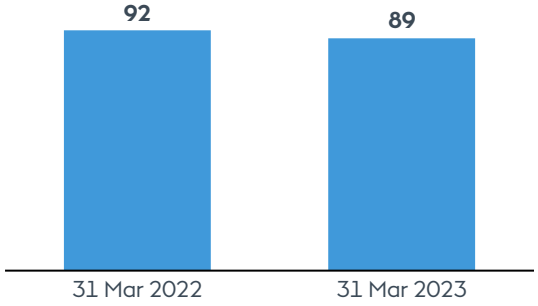
1: See appendix p. 40 for detailed calculation of the FFO / Adj. net debt ratio

Non-financial ratios

Taxonomy-eligible KPIs
%, YTD



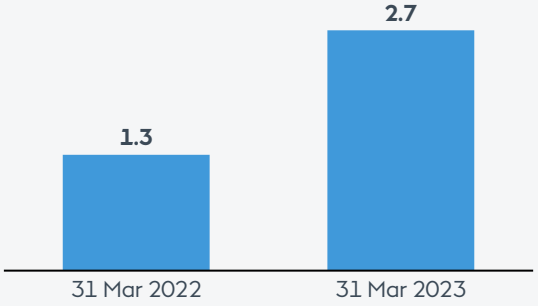
Green share of energy generation
%, YTD



Green share of energy at 89 %

- Decrease driven by switch from biomass to coal-based generation at Studstrup Power Station, following the silo fire in September 2022
- Partly offset by higher generation from our wind and solar farms

Safety
Total recordable injury rate, YTD



TRIR of 2.7

- Increase in number of injuries driven by contractor related incidents
- Several initiatives implemented to improve safety performance

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2023 guidance & financial estimates

2023 guidance	DKKbn
EBITDA (excluding new partnerships)	20 – 23
Gross investments	50 – 54

Financial estimates	Target	Year
Fully loaded unlevered lifecycle spread to WACC at the time of bid/FID[1]	150-300 bps	Continuous
Average yearly increase in EBITDA from offshore and onshore assets in operation	~12 %	2020-2027
Average return on capital employed (ROCE)	11-12 %	2020-2027
Average share of EBITDA from long-term regulated and contracted activities	~90 %	2020-2027

1. Targeted range for spread to WACC at time of bid/FID (whichever comes first) for individual projects

Capital Markets Day 2023

Date

8 June 2023

Venue

Science Museum, London

Registration

www.orsted.com/capital-markets-day

Programme
(UTC+1)

09.00 – 10.00	**Registration and breakfast**
10.00 – 14.00	**Presentations incl. Q&A**
14.00 – 16.00	**Lunch and networking**

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Q&A

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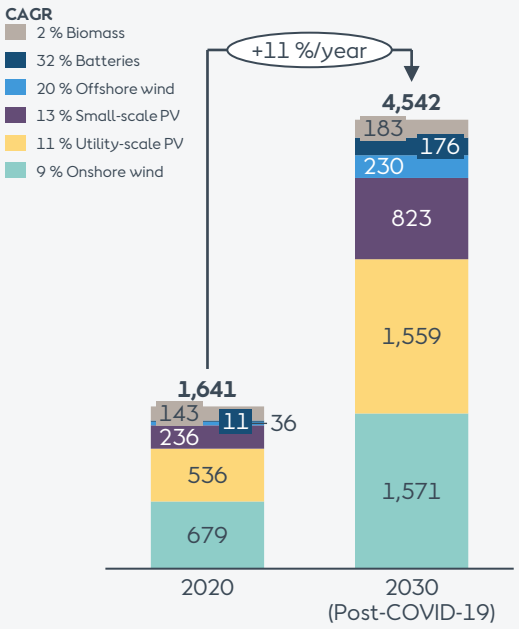
PIN: 994005

For questions, please press 5*

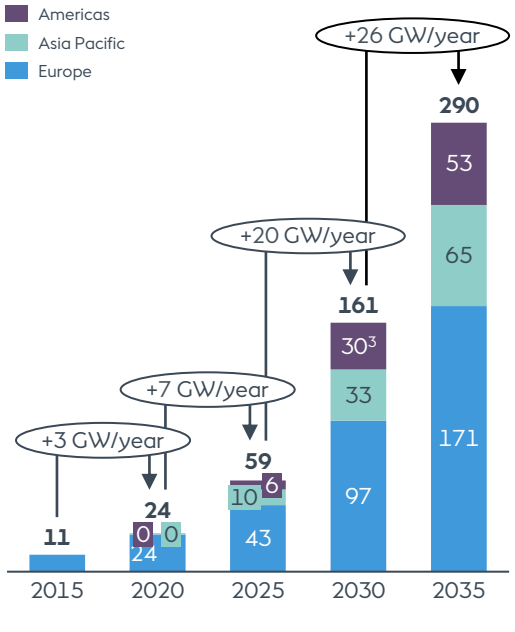
Appendix

Forecasted renewable capacity build-out

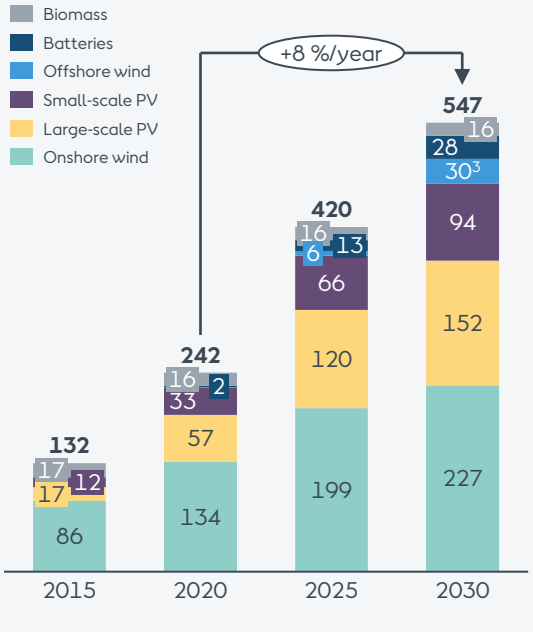
Global renewable energy capacity by technology[1]
GW installed



Global offshore wind capacity excl. mainland China
GW installed



North American renewable capacity by technology[2]
GW installed



1. Excludes solar thermal, geothermal, marine, tidal, and others which combined account for less than 1 % of capacity, 2. North America includes the United States and Canada. Excludes solar thermal, geothermal, marine, and tidal which combined account for less than 1 % of capacity, 3. Considering 30 GW offshore wind capacity target announced by US administration
Source: BNEF New Energy Outlook 2021 for capacity of all technologies except offshore wind. Offshore wind figures from BNEF Offshore Wind Market Outlook H2 2021

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Renewable capacity as of 31 March 2023

Indicator, MW, gross	Q1 2023	Q1 2022	Δ	FY 2022
Installed renewable capacity	**15,478**	**13,275**	**2,203**	**15,121**
Offshore, wind power	8,871	7,551	1,320	8,871
Onshore	4,532	3,649	883	4,175
- Wind power	3,464	2,952	512	3,464
- Solar PV power	1,028	657	371	671
- Battery storage	40	40	-	40
Other (incl. P2X)	2,075	2,075	-	2,075
- Biomass, thermal heat	2,054	2,054	-	2,054
- Battery storage	21	21	-	21
Decided (FID) renewable capacity	**4,903**	**4,573**	**330**	**4,340**
Offshore, wind power	3,116	3,516	(400)	2,196
Onshore	1,715	1,055	660	2,072
- Onshore wind power	321	375	(54)	321
- Solar PV power	1,094	680	414	1,451
- Battery storage	300	-	300	300
Other (incl. P2X)	72	2	70	72
Awarded/contracted renewable capacity (no FID yet)	**10,562**	**8,305**	**2,257**	**11,222**
Offshore, wind power	10,337	8,305	2,032	11,157
Onshore, solar PV power	225	-	225	65
Sum of installed and FID capacity	**20,381**	**17,848**	**2,533**	**19,461**
Sum of installed, FID, and awarded/contracted capacity	**30,943**	**26,153**	**4,790**	**30,683**

Installed renewable capacity
The installed renewable capacity is calculated as the cumulative renewable gross capacity installed by Ørsted before divestments.

For installed renewable thermal capacity, we use the heat capacity, as heat is the primary outcome of thermal energy generation, and as bioconversions of the combined heat and power plants are driven by heat contracts.

Decided (FID) renewable capacity
Decided (FID) capacity is the renewable capacity for which a final investment decision (FID) has been made.

Awarded and contracted renewable capacity
The awarded renewable capacity is based on the capacities which have been awarded to Ørsted in auctions and tenders. The contracted capacity is the capacity for which Ørsted has signed a contract or power purchase agreement (PPA) concerning a new renewable energy plant. Typically, offshore wind farms are awarded, whereas onshore wind farms are contracted. We include the full capacity if more than 50 % of PPAs/offtake are secured.

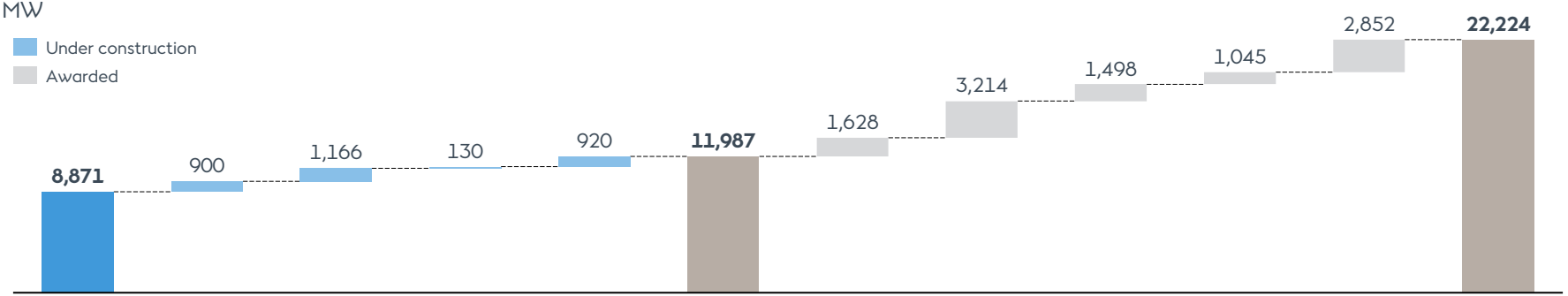
Installed storage capacity
The battery storage capacity is included after commercial operation date (COD) has been achieved. The capacity is presented as megawatts of alternating current (MW_{ac}).

Note: In Q4 2021, we aligned our definition of installed capacity, hence all assets (installed or FID'ed) are reported using nameplate capacity. Previously a few wind farms were reported using 'power optimised capacity' or 'export cable limit capacity'

Offshore wind build-out plan

Installed capacity

MW



	Installed capacity Q1 2023	Greater Changhua 1 & 2a	German Portfolio[1]	South Fork Wind	Greater Changhua 2b & 4	Decided (FID'ed) and installed capacity	US North-East cluster[2]	US Mid-Atlantic cluster[3]	Baltica 2	Baltica 3	Hornsea 3	Decided (FID'ed), installed and awarded capacity
Country		Taiwan	Germany	US	Taiwan		US	US	Poland	Poland	UK	
Expected completion		2023	2024/2025	2023	2025		2025	2025/2026/ 2029	2027	By 2029	2027	
Construction status		Delayed	On track	On track	On track		Pending FID	Pending FID	Pending FID	Pending FID	Pending FID	
Turbine		111 x 8 MW Siemens Gamesa	106 x 11 MW Siemens Gamesa	12 x 11 MW Siemens Gamesa	66 x 14 MW				107 x 14 MW Siemens Gamesa			

1. German Portfolio: Gode Wind 3 (253 MW) and Borkum Riffgrund 3 (913 MW); 2. Revolution Wind (704 MW) and Sunrise Wind (924 MW); 3. Ocean Wind 1 (1,100 MW), Skipjack 1 (120 MW), Skipjack 2 (846 MW) and Ocean Wind 2 (1,148 MW)

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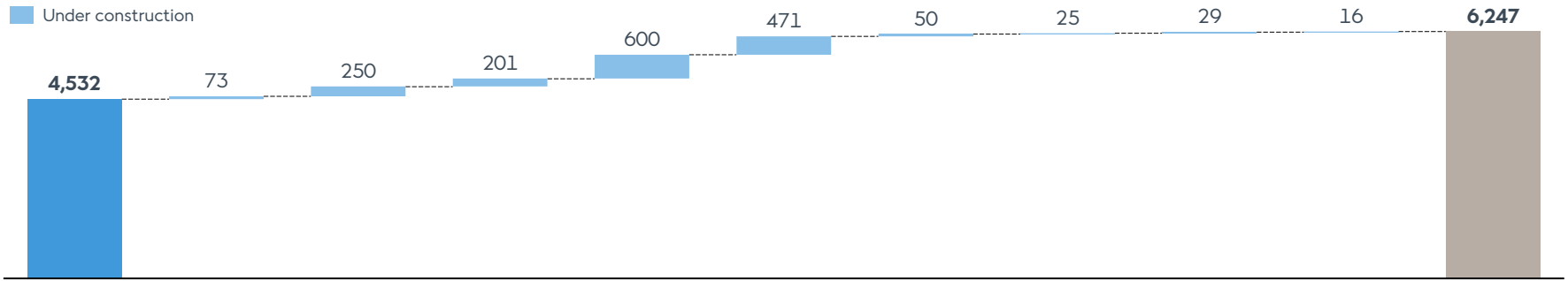
Onshore build-out plan

Installed capacity
MW



	Installed capacity Q1 2023	Old 300[1]	Sparta[2]	Sunflower	Eleven Mile	Mockingbird	German portfolio[4]	French portfolio[5]	Irish portfolio[6]	UK portfolio[7]	Decided (FID'ed) and installed capacity
Region		ERCOT, TX	ERCOT, TX	SPP, KS	WECC, AZ	ERCOT, TX	Germany	France	Ireland	Northern Ireland	
Expected completion		2024	2024	H2 2023	H1 2024	H2 2024	H2 2024	2023/2024	H2 2023	H1 2023	
Status		Partly commissioned	Delayed	On track	On track	On track	On track	On track	On track	On track	
Platform		Solar PV	Solar PV	Wind	Solar PV and BESS[3]	Solar PV	Wind	Wind	Wind	Wind	
Offtake Solution		PPA with Microsoft	PPA with Target	PPA signed	AZ state contract	PPA with DSM	Expected with Government contract	Government contract	PPA with Meta	PPA with Amazon	

1. Full park capacity of 430 MW; 2. Solar PV phase of Helena Energy Center; 3. 1,200 MWh for BESS; 3. Bahren West 1 50 MW; 3. Les Dix-Huit 7 MW, Gatineau 9 MW, Delta Sèvre-Argent 9 MW; 3. Lisheen 3 29 MW; 7. Ballykeel 16 MW

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Offshore market development – UK, Ireland and Isle of Man

United Kingdom	• In April 2021 the UK Government increased its ambition for offshore wind to 50 GW by 2030, including 5 GW of floating offshore wind, to reduce reliance on imports and improve energy security. This ambition was reiterated in the Government's Powering Up Britain report in March 2023 • Commitment to decarbonise electricity system by 2035 and binding target to reach net zero emissions across the whole economy by 2050 • CfD allocation rounds to be held annually in an effort to speed up the deployment of renewable energy projects. Allocation Round 5 (AR5) is currently open • UK Government programme in place to tackle barriers to accelerated deployment (grid, planning etc.) as well as a fundamental review of the electricity market in support of decarbonising the electricity system (REMA) and targeted support for offshore wind supply chain investment • UK Government has introduced a new tax targeting exceptional electricity generation receipts with effect from 1 January 2023 • Ørsted and its partner Simply Blue Energy have been offered seabed exclusivity for the 100MW Salamander 'steppingstone' floating project in Scotland following the conclusion of Crown Estate Scotland's competitive INTOG leasing process. This was one of five successful bids in the Innovation element of the leasing round • The Information Memorandum for the Celtic Sea Leasing round announced by The Crown Estate for total of 4 GW of floating projects for delivery by 2035 will be released in Spring 2023. The tender process will begin in mid-2023 for pre-defined sites
Ireland	• Climate Action Plan published in Nov. 2021 providing a plan to achieve 51 % reduction in overall greenhouse gas emissions by 2030 and to reach net zero emissions by 2050; also includes target of 80 % of electricity demand from renewables by 2030 and an aspiration for 7 GW offshore wind by 2030 • The Maritime Area Regulatory Authority is expected to be established in mid-2023 and its responsibilities will include granting seabed exclusivity by way of a Maritime Area Consent (MAC) • The first MACs were awarded to seven qualified projects in December 2022 ahead of the first Offshore Renewable Energy Support Scheme (ORESS) which is expected to open in H1 2023 and conclude before end of June for approximately 2.5GW with a capped price of EUR 150/MWh • In March 2023, the Irish Government published its "Phase Two Policy Statement", which signalled an unexpected acceleration from a developer-led approach to a plan-led approach to seabed leasing, which will allow for a total of 5GW of grid-connected projects by 2030. There are currently expected to be 2x 400MW sites made available in 2023. Further policy is awaited from the Irish Government, including the creation of Designated Maritime Area Plans which will pre-define zones of seabed areas
Isle of Man	• The Isle of Man is a Crown Dependency and, as it is not part of the United Kingdom, energy projects in its territorial waters are not eligible to participate in UK CfD auctions • In 2014 the Isle of Man Government ran a formal tender for offshore wind and Ørsted was successful in being awarded the first and only Agreement for Lease in 2015 • The Island has now introduced its own Climate Change Act and set out its pathway to net zero by 2050 and the framework for setting 5 year rolling plans and interim carbon emission reduction plans • In October 2022, Tynwald (parliament) in the Isle of Man approved the first Climate Change Action Plan 2022-2027. This sets a target for 100 % carbon neutral electricity by 2030 and at least 20 MW of local renewable energy generation on the Island by 2026 • Ørsted continues to engage with key stakeholders, including the Isle of Man Government, regularly and we continue to be excited the opportunity to deliver a large scale offshore wind farm off the east coast of the Island

All auction and tender timelines and capacities based on current expectations and subject to change

Offshore market development – Continental Europe

Germany	• New government has ambitions to increase offshore wind targets to 30 GW by 2030, 40 GW by 2035 and 70 GW by 2045, necessary to achieve the countries target of GHG-neutrality by 2045 with 80% renewables in the energy mix by 2030 • Tender volumes for 2023 increased to 9 GW and are expected to be allocated in auctions including both price and qualitative elements. 7 GW to be tendered through a price-only mechanism with deadline by 1 June 2023. Remaining 2GW to be tendered through a combined price and non-price process with deadline by 1 August 2023. Volumes for 2024 expected to be 8 GW
Netherlands	• The government doubled its 10.7 GW by 2030 capacity target to more than 21 GW • The government has published an updated auction calendar: 4 GW in H2 2023, 4 GW in H1 2025, 4 GW in 2026 and 4.7 GW in 2027 • Next tender is IJmuiden Ver (2 x 2GW) in H2 2023 - government has opted for a tender design that includes a capped payment and qualitative criteria focused on ecology and system integration
Denmark	• The Danish State has paused the Open-Door applications for offshore wind farms due to state aid concerns. Final outcome is still being assessed • Political agreement on conditions for the tendering of 9 GW new offshore wind with additional opportunity for overplanting and open-door projects • The tender process for the North Sea Energy Island has still not been initiated. Latest expectation is for the process to begin in mid-2023, deadline in 2025, with completion by 2033
Poland	• Draft regulation published for new CfD subsidy scheme with increased capacity targets from 5 GW to 12 GW towards 2031 • Seabed auctions of total capacity of 11-13 GW offshore wind has commenced – 5 of 11 sites have been awarded, with remaining 6 to follow over coming months. Winners of awarded seabed can participate in auctions for a CfD subsidy scheme
Belgium	• Capacity will grow from current 2.2 GW in operation to 5.8 GW in total before 2030. Tenders expected in 2025 with exact timings driven by onshore grid reinforcement • First tender 700 MW expected H2 2025 – tenders for remaining volumes in new Princess Elisabeth zone are expected for 2026-2028 • MoU signed with Denmark for large scale offshore wind power imports
Sweden	• 100 % fossil free electricity target by 2040 and carbon neutrality by 2045. Energy Agency tasked to find areas for another 90 TWh offshore for the next version of MSP • Energy Agency forecasts electricity demand could double by 2035, TSO planning grid reinforcement of SEK 100 bn to support increased electricity demand • Government has announced plans to simplify permitting process for wind, solar and nuclear, with concrete initiatives to come throughout 2023
Norway	• Target of awarding 30 GW of offshore wind by 2040. Tenders for Utsira Nord (UN) and Sørlige Nordsjø II (SNII) launched for conclusion in 2023 with total of 3 GW capacity • UN consists of 3 x 500 MW leases areas allocated through a qualitative competition with bids due 1 September and award in December. Subsidy auction will run later • SNII is a bottom-fixed 1.5 GW project radially connected to Norway with price auction and allocation in December 2023
Iberia	• Spain: Target of up to 3 GW floating offshore wind by 2030 supported by planned investment of EUR 200m in research and innovation with first auction 2023/24 • Portugal: An ambition of 10 GW auctioned capacity by 2030 with a potential first auction starting in 2023
Baltic States	• Estonia: Confirmed seabed auction in September 2023 and work started to explore design of offshore wind framework • Lithuania: Auction for first 700 MW project opened with bid in May 2023. Auction for second 700 MW project expected to start in September 2023

All auction and tender timelines and capacities based on current expectations and subject to change

Offshore market development – US

Massachusetts	• Target of 5.6 GW offshore wind by 2027 of which 3.2 GW has already been awarded • Next OSW procurement for up to 3.6 GW released, with bid submission by January 2024
Connecticut	• Target of up to 2.3 GW of offshore wind capacity by 2030, of which 1.2 GW remains available • CT targeting OSW procurement for up to 1.2 GW in 2023, potentially in coordination with Massachusetts Round 4
New York	• Target 9 GW offshore wind by 2035. 4.3 GW awarded in total • Ongoing NY-3 RFP for 2.0-4.6 GW with estimated timeline for award in Q2 2023
New Jersey	• 21 September 2022, Governor Murphy announced an increase in the state's offshore wind goal to 11 GW by 2040 • Third solicitation of between 1.2 GW and 4 GW with bids due in Q2 2023 and anticipated decision by the end of 2023
Maryland	• Legislation setting 8.5 GW goal passed in April 2023
Rhode Island	• Executive order signed to power the state with 100 % renewable energy by 2030 • Current OSW procurement for 0.6 – 1.0 GW with award expected in Q2 2023. Revolution Wind 2 is only bidder
California	• In 2022 BOEM completed a sale of five seabed leases located in deep waters off California's central and northern coasts • Preliminary planning target updated to 25 GW by 2045
Other	• Louisiana's first ever Climate Action Plan outlined a 5 GW by 2035 offshore wind goal • BOEM lease auctions expected in Gulf of Mexico, Central Atlantic, Oregon, and Gulf of Maine between 2023 and 2024

All auction and tender timelines and capacities based on current expectations and subject to change

Offshore market development – APAC

Taiwan	• Taiwan has met its target of awarding 5.5 GW to be commissioned by 2025 • Ørsted has more than 3 GW of developing pipeline in preparation to participate future auctions • Third round auction announced with 15 GW offshore wind target to be constructed from 2026-2035 • Auction round 3.2 bid submission deadline expected in Q4 2023 / Q1 2024
Japan	• Target of 10 GW offshore wind towards 2030 and 30-45 GW by 2040 • 18 sites have been designated as potentially suitable for the development of offshore wind for upcoming auctions onwards with a capacity of ~7 GW • Auction round 2 was released in December 2022 with bid submission deadline in June 2023 and expected award announcement in Q4 2023
South Korea	• The previous administration's NDC pledge for 40 % GHG reduction by 2030 against 2018 levels is set to be maintained by President Yoon • Electricity Business License "EBL" submitted for Incheon 1.6 GW. Approval expected within 2023 • Hydrogen Act announced in February 2021 setting targets for 15 GW of hydrogen fuel cells for power generation and production of 6.2 million hydrogen FCEVs by 2040 • The baseline of OSW REC multiplier is increased from 2.0 to 2.5 and REC mandate has been reformed from 10 % by 2022 to 25 % by 2026
Vietnam	• The adoption of the 2030 energy policy including finalization of the master plan (PDP8) remains delayed. The adoption of the policy is required to put the relevant secondary legislation in place • Offshore Wind is officially stated to be a technology of strategic importance for VN to achieve its 2050 net zero target
Australia	• Australian federal government has released its secondary offshore energy legislation, outlining guidelines for application requirements/assessment criteria and recovery costs • The feasibility license application process to grant seabed exclusivity for sites in Victoria has now been launched with submissions due by 27 April 2023 with results known by Q4 2023. Total number of licenses available for award has not been disclosed • Australia's Victorian government has announced a preliminary target of 9 GW by 2040, preceded by 2 GW by 2032 and 5 GW by 2035

All auction and tender timelines and capacities based on current expectations and subject to change

Offshore seabed competition

Ongoing
Poland
11 - 13 GW

H2 2023
Gulf of Mexico
~8 GW

2023
Gippsland
TBA

2024
Central Atlantic
TBD

2023
Utsira Nord (floating)
1.5 GW

2023
Celtic Sea (floating)
4 GW

2024
Oregon
~3 GW

2024
Gulf of Maine
TBD

All timelines and capacities based on authorities communication and subject to change. Timeline reflects bid submission deadline, not time of award

Ørsted

Power-to-X: Renewable hydrogen & e-fuels updates for Q1 2023

Signals for significant market growth

National & cross-national ambition setting

42 countries now have a hydrogen strategy (up from 3 in 2019). The total electrolyser target across these hydrogen strategies is approx. 90 GW by 2030. An additional 36 markets are preparing a hydrogen strategy.

Substantial progress in visibility of push and pull policies

Critical regulatory success has been achieved in the EU by getting visibility on the definition of renewable hydrogen and with the introduction of binding targets for hydrogen in industry and transport, mandates for e-fuels in shipping and aviation, and by opening up new direct funding instruments.

Project announcements & increasing demand

Global announced projects indicate significant build-out ambitions of c.290 GW_e electrolyser capacity toward 2030. Evidence of growing offtake e-fuel demand includes c.110 methanol vessels on order or operating (up from c.80 at the end of 2022).

Ørsted Power-to-X highlights during Q1 2023

Project development

Ørsted Power-to-X continues to mature a pipeline of renewable hydrogen and e-fuels projects, primarily building on a foundation of project opportunities in Northern Europe and North America.

Scalable hubs

Ørsted Power-to-X is pursuing synergies from co-locating projects– for example, the SeaH2Land project portfolio in the Netherlands and exploring scaled project phasing at Idomlund in Denmark.

FlagshipONE maturation

Ørsted's board of directors approved the 50,000 tpa e-methanol Swedish project in December 2022. Construction will start in May 2023 and COD is expected in 2025.

Source: BNEF Global Hydrogen Strategy Tracker, S&P/IHS Markit, DNV Alternative Fuels Insight

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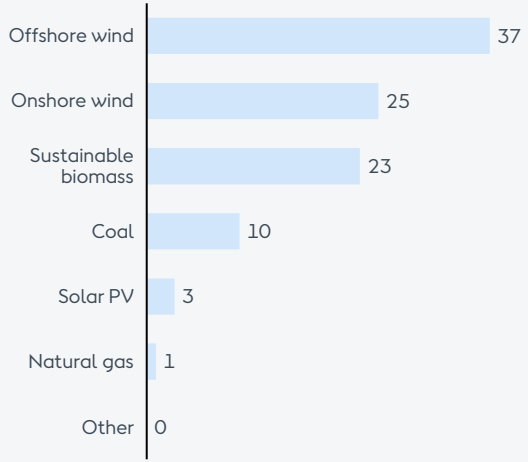
ESG Performance

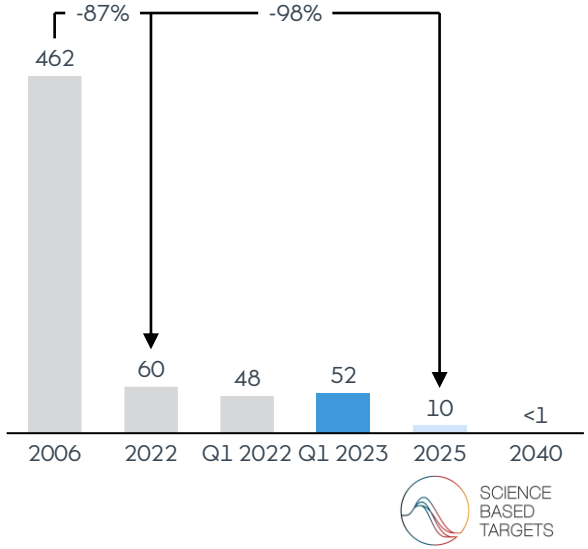
Total heat and power generation Q1 2023
Energy source, %



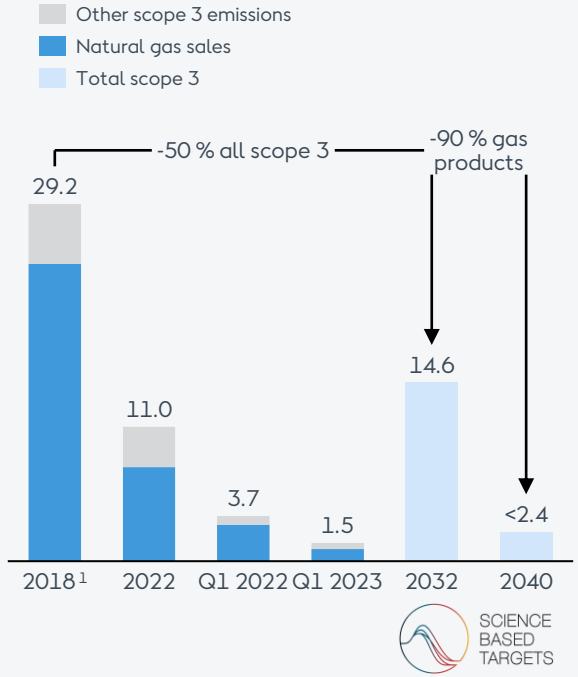
Green share of energy generation, Q1 2023

89 %

Scope 1 and 2 GHG intensity
g CO_2e/kWh



Scope 3 greenhouse gas emissions,
million tonnes CO_2e



1. 2018 is adjusted base year

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Sustainability leadership in Ørsted

Globally recognised sustainability leadership

Net-zero in 2040 across scope 1-3

First energy company in the world with an approved science-based net-zero target for the full value chain (scope 1-3) to help limit global warming to <1.5 °C.

Industry leading supply chain decarbonisation programme

We work strategically with our suppliers to decarbonise our supply chain. Key initiatives to meet our ambition include:

1) Expect all tier 1 suppliers to cover their electricity consumption **with 100% renewable electricity** by 2025
2) Signed an agreement on the world's first service operation vessel that can **run on 100% green fuels**
3) Committed to **procure at least 10 % 'near-zero' concrete** per year by 2030 as part of the First Movers Coalition

Net-positive biodiversity impact from all new renewable energy projects commissioned from 2030 at the latest

Key initiatives launched to meet our ambition include:

1) Five-year **global partnership with WWF** to improve ocean biodiversity
2) Launched **five new biodiversity pilot projects** with the aim of scaling successful solutions

Ban on landfilling of wind turbine blades

We work actively to develop industry solutions to recycle wind turbine blades, e.g. through cross-industry project DecomBlades

SCIENCE BASED TARGETS

First Movers Coalition

CLIMATE GROUP STEELZERO

Read about our net-positive biodiversity projects here

Working together for ocean biodiversity

DecomBlades

ESG rating performance

Rating agency	Score	Benchmark
CDP A LIST 2022 CLIMATE	A	**Climate:** Highest possible rating for four consecutive years and recognised as a global leader on climate action
CDP B 2022 WATER	B	**Water:** awarded the score 'B' in 2022
MSCI	AAA	Highest possible rating for six consecutive ratings
SUSTAINALYTICS ESG INDUSTRY TOP RATED	**16.4** (low risk)	Assessed as "low risk" and placed as no. 1 among direct utility peers measured by market cap
Corporate ESG Performance Prime RATED BY ISS ESG	A-	Ranked in 1st decile among electric utilities and awarded highest possible 'Prime' status
PLATINUM 2021 ecovadis Sustainability Rating	78	Platinum Medal for being among top 1 % of companies assessed by EcoVadis

Our reporting

Annual report 2022
Read more about our sustainability journey

ESG performance report 2022
Read more about Ørsted's ESG indicators

Sustainability report 2022
Read more in detail about Ørsted's sustainability priorities and programmes

Green bond impact report 2022
Read more about Ørsted's green bond portfolio and its' sustainability impacts

1. Scotland Innovation and Targeted Oil & Gas Decarbonisation
All timelines and capacities based on authorities communication and subject to change. Timeline reflects bid submission deadline, not time of award

Ørsted

Our strategic sustainability priorities & targets

Science-aligned climate action

Aspiration
We scale our green energy business while delivering science-aligned emissions reductions, thereby enabling our customers to also take climate action.

Key sustainability targets

- **2025:** 98% reduction in scope 1-2 emissions intensity (from 2006)
- **2032:** 50% absolute reduction in scope 3 emissions (from 2018)
- **2040:** Net-zero emissions in scope 1-3 and 90 % reduction in absolute emissions (scope 3, from gas sales)

Green energy in that revives nature

Aspiration
We work to ensure that each of our energy projects contributes positively to a thriving nature.

Key sustainability targets

- **2025:** 40 % reduction in freshwater withdrawal intensity (m3 per GWh)
- **2030:** Net-positive biodiversity impact from all new renewable energy projects commissioned from 2030 at the latest
- **Today:** Zero wind turbine blade waste directed to landfill

A green transformation that works for people

Aspiration
We focus our efforts on making the green energy transition just and inclusive.

Key sustainability targets

- **2023:** Develop external human rights reporting and track our most salient human rights risks
- **2025:** Achieve a total recordable injury rate (TRIR) of 2.5 per million hours worked
- **2030:** Reach a 40:60 gender balance in our total workforce (women:men)
- **Employee satisfaction**: Be in the top 10 % among benchmarking companies

Governance that enables the right decisions

Aspiration
To deliver on our sustainability goals, we continuously work to integrate sustainability and integrity into processes and decision-making across our organisation.

Key sustainability targets

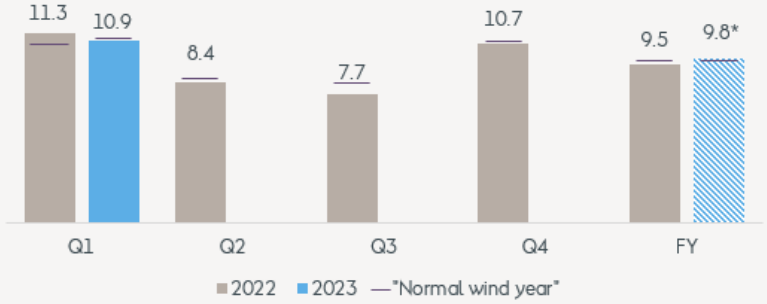
- Sustainability embedded consistently across relevant steps of our operating model
- All future projects are EU taxonomy-aligned
- Code of conduct risk screenings on all sourcing contracts above DKK 3 million

Group – Financial highlights

Financial highlights		Q1 2023	Q1 2022	Δ	FY 2022	FY 2021	Δ
EBITDA	DKKm	6,910	9,429	(27 %)	32,057	24,296	32 %
- New partnerships		-	1,610	n.a.	10,993	8,507	29 %
- EBITDA excl. new partnerships		6,910	7,819	(12 %)	21,064	15,789	33 %
• Offshore		5,412	5,919	(9 %)	19,569	18,021	9 %
• Onshore		834	850	(2 %)	3,644	1,349	170 %
• Bioenergy & Other		517	2,514	(79 %)	8,619	4,747	82 %
Operating profit (EBIT)		4,472	7,301	(39 %)	19,774	16,195	22 %
Total net profit		3,202	5,701	(44 %)	14,996	10,887	38 %
Operating cash flow		10,119	(37)	n.a.	11,924	12,148	(2 %)
Gross investments		(8,768)	(6,832)	28 %	(37,447)	(39,307)	(5 %)
Divestments		(16)	1,927	n.a.	25,636	21,519	19 %
Free cash flow		1,335	(4,942)	n.a.	113	(5,640)	n.a.
Net interest-bearing debt		35,261	30,026	17 %	30,571	24,280	26 %
FFO/Adjusted net debt[1]	%	37.4	37.5	0 %p	42.7	26.3	16 %p
ROCE[1]	%	13.8	19.0	(5 %p)	16.8	14.8	2 %p

Offshore – Financial Highlights

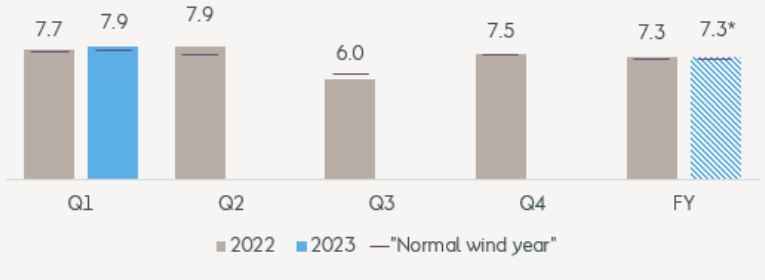
Financial highlights		Q1 2023	Q1 2022	Δ	FY 2022	FY 2021	Δ
EBITDA	DKKm	5,412	5,919	(9 %)	19,569	18,021	9 %
• Sites, O&Ms and PPAs		5,859	3,698	58 %	9,940	13,059	(24 %)
• Construction agreements and divestment gains		(42)	2,620	n.a.	12,277	7,535	63 %
• Other, incl. project development		(405)	(399)	2 %	(2,648)	(2,573)	3 %
Key business drivers							
Power generation	GWh	5,162	4,502	15 %	16,483	13,808	19 %
Wind speed	m/s	10.9	11.3	(3 %)	9.5	9.1	4 %
Availability	%	95	95	0 %p	94	94	(0 %p)
Load factor	%	53	54	(1 %p)	42	39	3 %p
Decided (FID) and installed capacity[1]	GW	12.0	11.1	8 %	11.1	10.9	1 %
Installed capacity[1]	GW	8.9	7.6	17 %	8.9	7.6	17 %
Generation capacity[2]	GW	4.7	4.2	12 %	4.7	4.0	17 %



1. Installed capacity: Gross offshore wind capacity installed by Ørsted before divestments. 2. Generation capacity: Gunfleet Sands and Walney 1 & 2 are consolidated according to ownership interest. Other wind farms are financially consolidated.
* Indicates m/s for full year 2023 (if Q2, Q3 and Q4 follow the normal wind year)

Onshore – Financial Highlights

Financial highlights		Q1 2023	Q1 2022	Δ	FY 2022	FY 2021	Δ
EBITDA	DKKm	834	850	(2 %)	3,644	1,349	170 %
• Sites		324	496	(35 %)	2,097	535	292 %
• Production tax credits and tax attributes		759	568	34 %	2,556	1,382	85 %
• Other, incl. project development		(249)	(214)	16 %	(1,009)	(568)	77 %
Key business drivers							
Power generation	GWh	3,751	3,203	17 %	13,146	8,352	57 %
Wind speed[1]	m/s	8.1	7.9	3 %	7.4	7.4	(0 %)
Availability, wind[1]	%	91	96	(5 %p)	93	96	(3 %p)
Availability, solar PV[1]	%	99	99	(0 %p)	98	96	2 %p
Load factor, wind[1]	%	45	47	(2 %p)	40	42	(2 %p)
Load factor, solar PV[1]	%	16	21	(5 %p)	25	24	1 %p
Installed capacity	GW	4.5	3.6	25 %	4.2	3.4	25 %



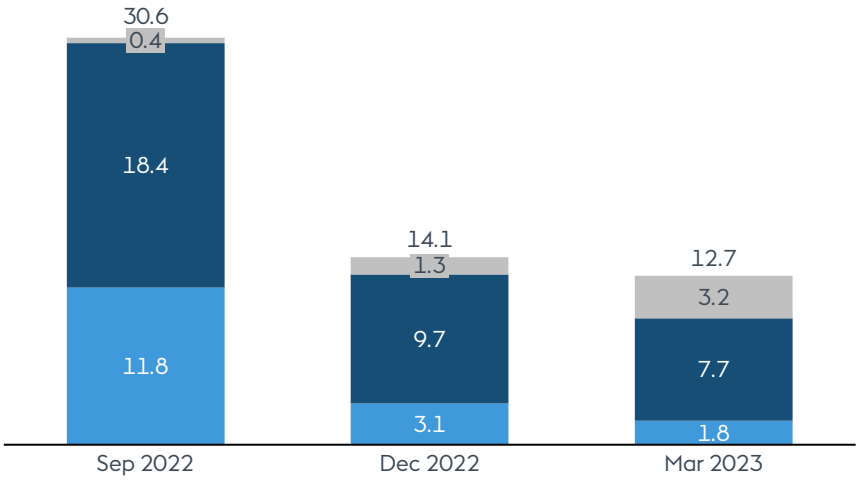
1. For 2021, these business drivers are for US only, whereas they are for the entire portfolio in 2022
* Indicates m/s for full year 2023 (if Q2, Q3 and Q4 follow the normal wind year)

Bioenergy & Other – Financial Highlights

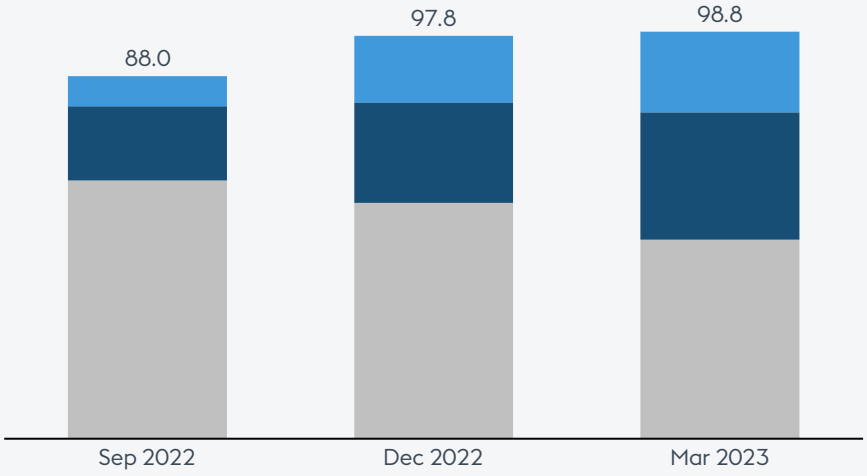
Financial highlights		Q1 2023	Q1 2022	Δ	FY 2022	FY 2021	Δ
EBITDA	DKKm	517	2,514	(79 %)	8,619	4,747	82 %
• CHP plants		845	1,823	(54 %)	5,851	3,202	83 %
• Gas Markets & Infrastructure		(237)	725	n.a.	3,117	1,829	70 %
• Other, incl. project development		(91)	(34)	168 %	(349)	(284)	23 %
Key business drivers							
Heat generation	GWh	3,178	3,243	(2 %)	6,368	7,907	(19 %)
Power generation	GWh	1,697	2,138	(21 %)	6,012	6,890	(13 %)
Degree days	#	1,157	1,141	1 %	2,548	2,820	(10 %)

Liquidity reserve significantly above target

Collateral and margin postings,
DKKbn



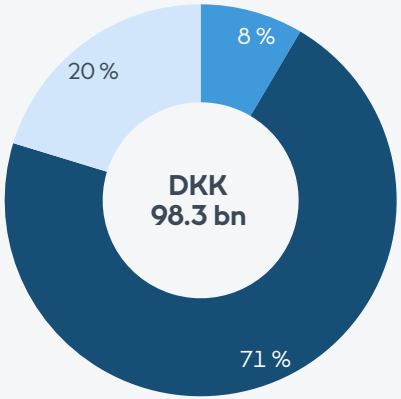
Liquidity reserve
DKKbn



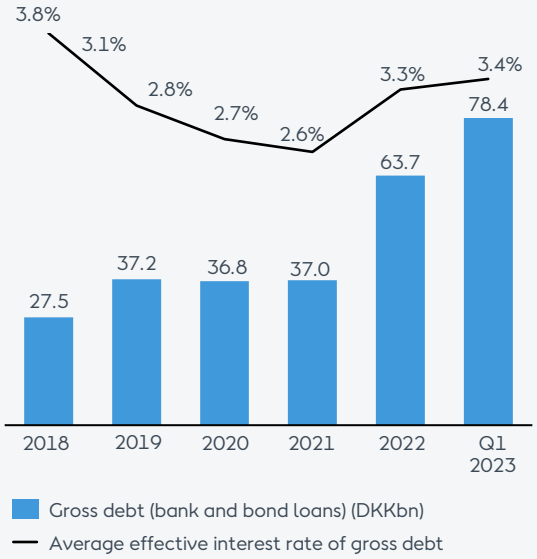
Debt and hybrids overview

Total gross debt and hybrids
31 March 2023, DKKbn

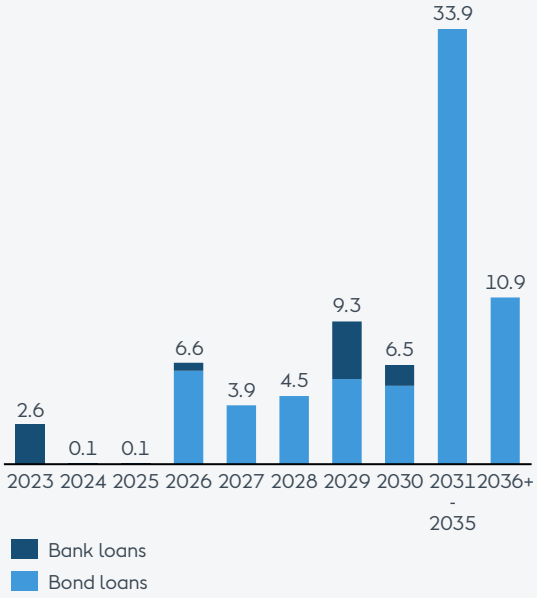
>95 % of gross debt (bond and bank loans) fixed interest rate. Remainder floating or inflation-linked



Effective funding costs – Gross debt

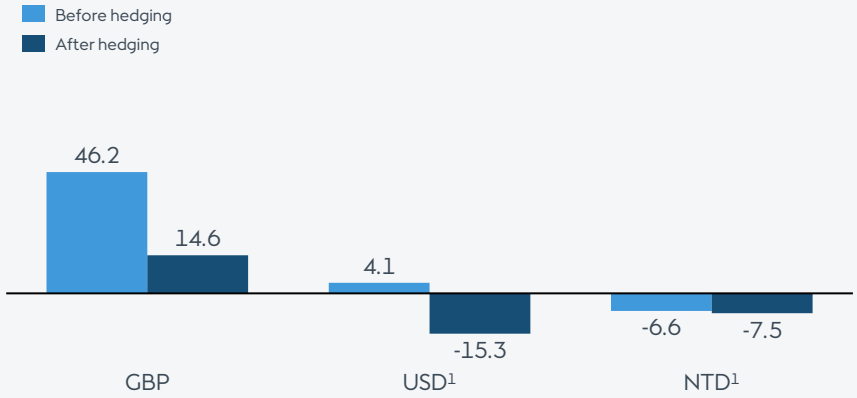


Maturity profile of gross debt
DKKbn



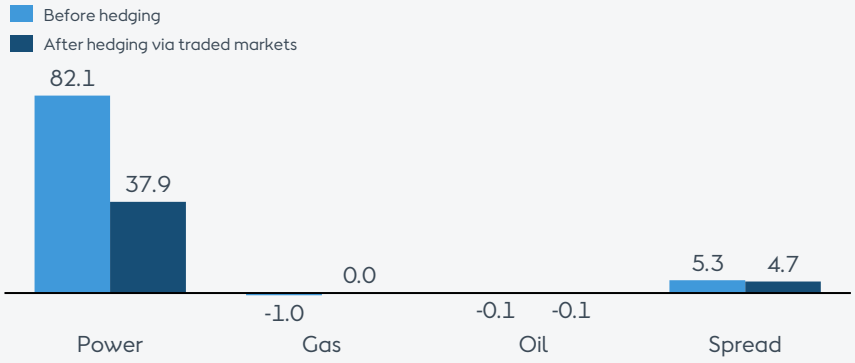
Currency and energy exposure

Currency exposure Q2 2023 – Q1 2028
DKKbn



Risk after hedging, DKKbn	Effect of price +10 %	Effect of price -10 %
GBP: 14.6 sales position	+1.5	-1.5
USD: 15.3 purchase position	-1.5	+1.5
NTD: 7.5 purchase position	-0.8	+0.8

Energy exposure Q2 2023 – Q1 2028*
DKKbn

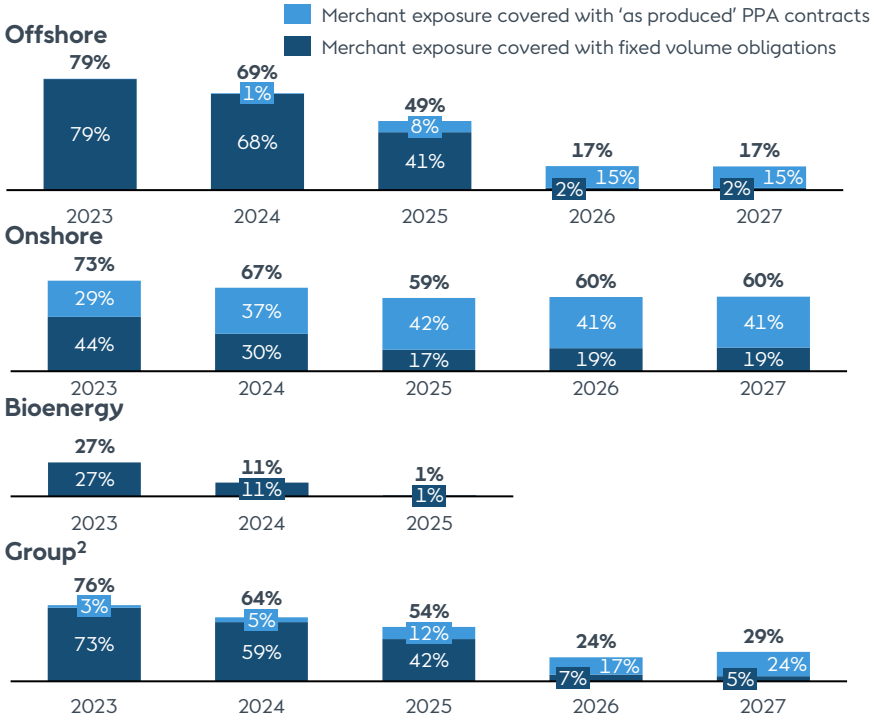


Risk after hedging DKKbn	Effect of price +10 %	Effect of price -10 %
Power: 37.9 sales position	+3.8	-3.8
Gas: 0.0 position	-0.0	+0.0
Oil: -0.1 purchase position	-0.0	+0.0
Spread (power): 4.7 sales position	+0.5	-0.5

1. For USD and NTD, we manage our risk to a natural time spread between front-end capital expenditures and long-term revenue. In the five-year horizon, we are therefore seeing that our hedges increase our net exposure to USD, but in the longer horizon, our hedges reduce the USD risk.
* Bioenergy exposure excluded from Q4 2025

Hedge levels for merchant exposure[1]

As of 31 March 2023

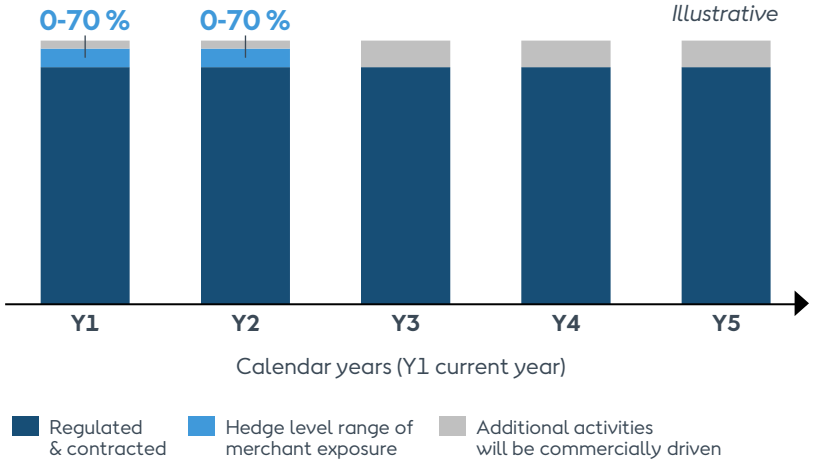


1. Exposure is calculated as the expected production times the forward price. The total hedge level is expressed as merchant volumes that are covered either by 'as produced' PPAs or fixed volume obligations traded in the market 2. Group hedge level include exposure from offshore, onshore, contract exposure from IPPAs and Bioenergy

New approach better suited for the characteristics of our portfolio

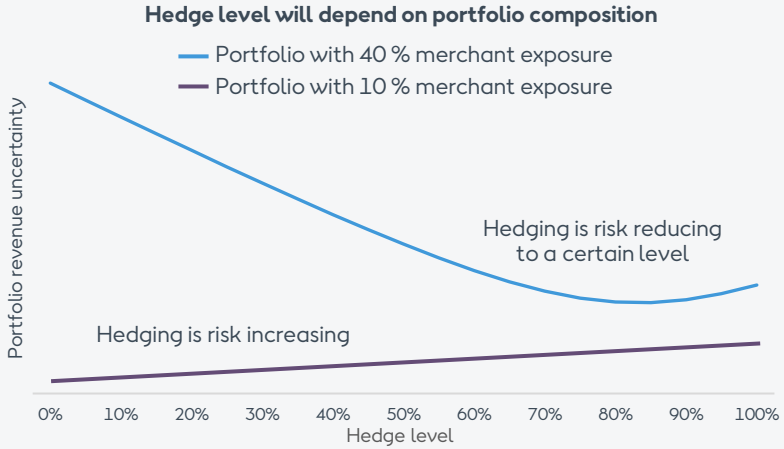
Lower hedge level and shorter time horizon. Hedge level of merchant exposure between 0-70 % in Y1 & Y2

- Risk of overhedging and IFRS 9 ineffective hedges significantly reduced
- Hedging no more than 70 % will lead to overhedged volumes in 1 out of 20 months, instead of 1 out of 3 months with previous approach
- Reduction in liquidity and counterparty risk



Hedge level will depend on portfolio composition

- Leveraging portfolio diversification as natural hedge between price and production variability
- Desired year-to-year level will account for portfolio effects
- Low share of merchant power exposure in front years leads to low hedges levels and vice versa



Note: Program for hedging open (non-regulated, non-contracted) power price exposure from offshore wind, onshore wind, and solar PV only. Illustration of hedging program is simplified for illustrative purposes

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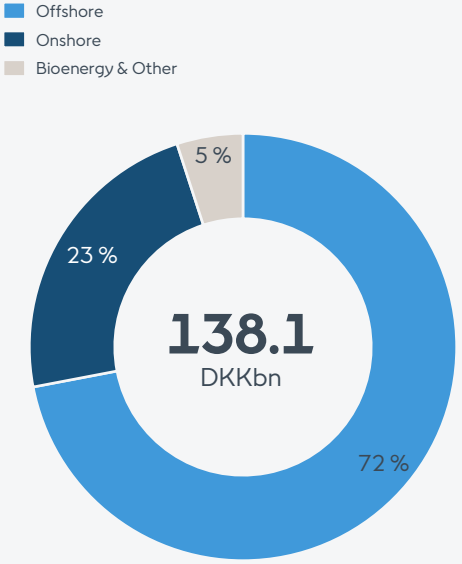
Capital employed

Capital employed, DKKm	Q1 2023	FY 2022	Q1 2022	FY 2021
Intangible assets, and property and equipment	186,799	181,694	166,727	162,939
Assets classified as held for sale, net	-	-	684	860
Equity investments and non-current receivables	1,055	996	923	828
Net working capital, capital expenditures	(4,743)	(5,665)	(7,101)	(8,913)
Net working capital, work in progress	3,872	1,471	6,821	5,948
Net working capital, tax equity	(14,482)	(15,157)	(13,262)	(13,268)
Net working capital, other items	9,058	11,928	11,965	10,820
Derivatives, net	(21,294)	(32,322)	(46,202)	(32,995)
Decommissioning obligations	(14,268)	(14,076)	(9,039)	(8,851)
Other provisions	(5,771)	(5,630)	(6,527)	(7,037)
Tax, net	(255)	1,609	6,454	3,844
Other receivables and other payables, net	(1,884)	1,255	(4,698)	(4,759)
TOTAL CAPITAL EMPLOYED	**138,087**	**126,103**	**106,745**	**109,416**

Capital employed by segment

%, Q1 2023



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Taxonomy-aligned KPIs

	Unit	Q1 2023	Q1 2022	Δ	FY 2022
Revenue	**DKKm**	**29,369**	**33,762**	**(13 %)**	**132,227**
Taxonomy-aligned revenue	**%**	**87**	**68**	**19 %p**	**73**
- Electricity generation from solar PV and storage electricity	%	0	0	0 %p	0
- Electricity generation from wind power	%	76	58	18 %p	65
- Cogeneration of heat and power from bioenergy	%	11	10	1 %p	8
Taxonomy-non-eligible revenue	**%**	**13**	**32**	**(19 %p)**	**27**
- Gas sale	%	8	22	(14 %p)	16
- Coal-based activities	%	4	2	2 %p	4
- Other activities	%	1	18	(7 %p)	7
CAPEX	**DKKm**	**7,938**	**5,129**	**55 %**	**35,595**
Taxonomy-aligned CAPEX	%	**99**	**99**	**0 %p**	**99**
Taxonomy-non-eligible CAPEX	**%**	**1**	**1**	**0 %p**	**1**
OPEX	**DKKm**	**1,629**	**1,175**	**39 %**	**7,049**
Taxonomy-aligned OPEX	**%**	**72**	**79**	**(7 %p)**	**80**
Taxonomy-non-eligible OPEX	**%**	**28**	**21**	**7 %p**	**20**
EBITDA	**DKKm**	**6,910**	**9,429**	**(27 %)**	**32,057**
Taxonomy-aligned EBITDA (voluntary)	**%**	**99**	**87**	**12 %p**	**85**
- Electricity generation from solar PV and storage electricity	%	2	1	1 %p	2
- Electricity generation from wind power	%	89	71	18 %p	71
- Cogeneration of heat and power from bioenergy	%	8	15	(7 %p)	12
Taxonomy-non-eligible EBITDA (voluntary)	**%**	**1**	**13**	**(12 %p)**	**15**

For further details, please see p. 7 in the Interim ESG performance report Q1 2023

FFO/Adjusted net debt calculation

Funds from operations (FFO), DKKm[1]	**31 Mar 2023**	**31 Dec 2022**	**31 Mar 2022**
EBITDA	**29,538**	**32,057**	**28,862**
Change in provisions and other adjustments	(1,538)	(2,213)	(1,820)
Change in derivatives	434	(8,687)	(5,203)
Variation margin (add back)	1,419	10,332	6,447
Reversal of gain (loss) on divestment of assets	(9,146)	(10,885)	(9,563)
Income tax paid	(1,827)	(1,263)	(737)
Interests and similar items, received/paid	(646)	(563)	(430)
Reversal of interest expenses transferred to assets	(511)	(586)	(851)
50 % of coupon payments on hybrid capital	(262)	(264)	(237)
Dividends received and capital reductions	23	23	29
FUNDS FROM OPERATION (FFO)	**17,484**	**17,951**	**16,497**

Adjusted interest-bearing net debt, DKKm	**31 Mar 2023**	**31 Dec 2022**	**31 Mar 2022**
Total interest-bearing net debt	**35,261**	**30,571**	**30,026**
50 % of hybrid capital	9,897	9,897	8,992
Other interest-bearing debt (add back)	(3,852)	(4,924)	(1,411)
Other receivables (add back)	4,801	3,290	5,243
Cash and securities, not available for distribution, excl. repo loans	670	3,241	1,114
ADJUSTED INTEREST-BEARING NET DEBT	**46,777**	**42,075**	**43,964**

FFO / ADJUSTED INTEREST-BEARING NET DEBT	**37.4 %**	**42.7 %**	**37.5 %**

1. Last 12 months.

Hybrid capital in short

Hybrid capital can broadly be defined as funding instruments that combine features of debt and equity in a cost-efficient manner:

- Hybrid capital encompasses the credit-supportive features of equity and improves rating ratios
- Perpetual or long-dated final maturity (1,000 years for Ørsted)
- Absolute discretion to defer coupon payments and such deferrals do not constitute default nor trigger cross-default
- Deeply subordinated and only senior to common equity
- Without being dilutive to equity holders (no ownership and voting rights, no right to dividend)

Due to hybrid's equity-like features, rating agencies assign equity content to the hybrids when calculating central rating ratios (e.g. FFO/NIBD).

The hybrid capital increases Ørsted's investment capacity and supports our growth strategy and rating target.

Ørsted has made use of hybrid capital to maintain our ratings at target level in connection with the merger with Danish power distribution and production companies back in 2006 and in recent years to support our growth in the offshore wind sector.

Accounting treatment

- Hybrid bonds are classified as equity
- Coupon payments are recognised in equity and do not have any effect on profit (loss) for the year
- Coupon payments are recognised in the statement of cash flows in the same way as dividend payments
- For further information see note 5.3 in the 2022 Annual Report

Hybrids issued by Ørsted A/S[1]	Outstanding amount	Type	First Reset Date[3]	Coupon	Accounting treatment[2]	Tax treatment	Rating treatment
6.25 % hybrid due 3013	EUR 93.9 m	Hybrid capital (subordinated)	Jun. 2023	Fixed during the first 10 years, first 25bp step-up in Jun. 2023	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
2.25 % Green hybrid due 3017	EUR 500 m	Hybrid capital (subordinated)	Nov. 2024	Fixed during the first 7 years, first 25bp step-up in Nov. 2029	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
1.75 % Green hybrid due 3019	EUR 600 m	Hybrid capital (subordinated)	Dec. 2027	Fixed during the first 8 years, first 25bp step-up in Dec. 2032	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
1.50 % Green hybrid due 3021	EUR 500 m	Hybrid capital (subordinated)	Feb. 2031	Fixed during the first 10 years, first 25bp step-up in Feb. 2031	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
2.50 % Green hybrid due 3021	GBP 425 m	Hybrid capital (subordinated)	Feb. 2033	Fixed during the first 12 years, first 25bp step-up in Feb. 2033	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
5.25 % Green hybrid due 3022	EUR 500 m	Hybrid capital (subordinated)	Dec. 2028	Fixed during the first 6 years, first 25bp step-up in Dec. 2028	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt

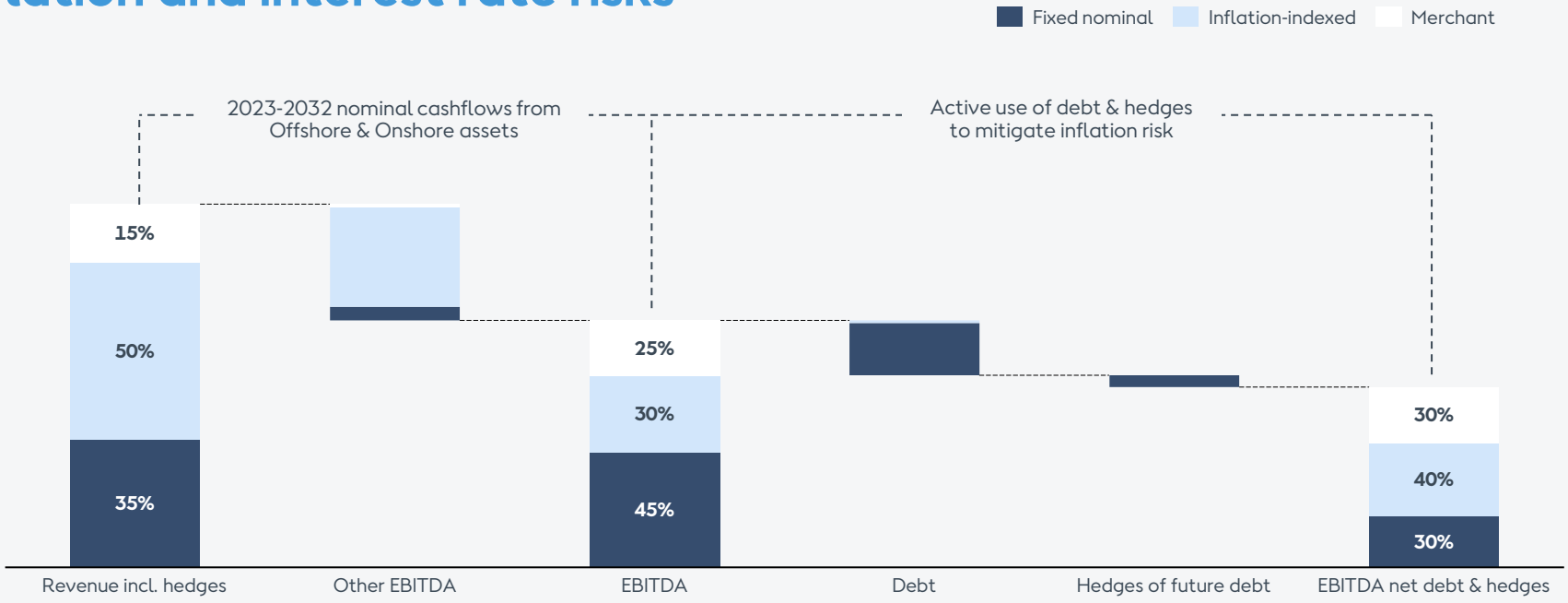
1. All listed on Luxembourg Stock Exchange and rated Baa3 (Moody's), BB+ (S&P) and BBB- (Fitch). The four Green hybrids are furthermore listed on the Luxembourg Green Exchange (LGX); 2. Due to the 1,000-year structure; 3. First Par Call Date

Ørsted's outstanding senior bonds

Bond Type	Issue date	Maturity	Face Value	Outstanding amount	Fixed/Floating rate	Coupon	Coupon payments	Green bond	Allocated to green projects (DKKm)	Avoided emissions (thousand tons CO_2/year)
Senior Unsecured	Nov. 2017	26 Nov. 2029	EUR 750m	EUR 750m	Fixed	1.5%	Every 26 Nov.	Yes	5,499	545
Senior Unsecured	Jun. 2022	14 Jun. 2028	EUR 600m	EUR 600m	Fixed	2.25%	Every 14 Jun.	Yes	4,260	684
Senior Unsecured	Jun. 2022	14 Jun. 2033	EUR 750m	EUR 750m	Fixed	2.875%	Every 14 Jun.	Yes	0	0
Senior Unsecured	Sep. 2022	13 Sep. 2031	EUR 900m	EUR 900m	Fixed	3.25%	Every 13 Sep.	Yes	0	0
Senior Unsecured	Mar. 2023	1 Mar. 2026	EUR 700m	EUR 700m	Fixed	3.625%	Every 1 Mar.	Yes	0	0
Senior Unsecured	Mar. 2023	1 Mar. 2030	EUR 600m	EUR 600m	Fixed	3.75%	Every 1 Mar.	Yes	0	0
Senior Unsecured	Mar. 2023	1 Mar. 2035	EUR 700m	EUR 700m	Fixed	4.125%	Every 1 Mar.	Yes	0	0
Senior Unsecured	Apr. 2010	9 Apr. 2040	GBP 500m	GBP 500m	Fixed	5.75%	Every 9 Apr.	No	n/a	n/a
Senior Unsecured	Jan. 2012	12 Jan. 2032	GBP 750m	GBP 750m	Fixed	4.875%	Every 12 Jan.	No	n/a	n/a
Senior Unsecured	May 2019	17 May 2027	GBP 350m	GBP 350m	Fixed	2.125%	Every 17 May	Yes	2,968	311
Senior Unsecured	May 2019	16 May 2033	GBP 300m	GBP 300m	Fixed	2.5%	Every 16 May	Yes	2,518	257
Senior Unsecured/CPI-linked	May 2019	16 May 2034	GBP 250m	GBP 295m	Inflation-linked	0.375%	Every 16 May & 16 Nov.	Yes	2,128	223
Senior Unsecured	Sep. 2022	13 Sep. 2034	GBP 375m	GBP 375m	Fixed	5.125%	Every 13 Sep.	Yes	0	0
Senior Unsecured	Sep. 2022	13 Sep. 2042	GBP 575m	GBP 575m	Fixed	5.375%	Every 13 Sep.	Yes	0	0
Senior Unsecured	Nov. 2019	19 Nov. 2026	TWD 4,000m	TWD 4,000m	Fixed	0.92%	Every 19 Nov.	Yes	882	69
Senior Unsecured	Nov. 2019	19 Nov. 2034	TWD 8,000m	TWD 8,000m	Fixed	1.5%	Every 19 Nov.	Yes	1,765	138
Senior Unsecured	Nov. 2020	13 Nov. 2027	TWD 4,000m	TWD 4,000m	Fixed	0.6%	Every 13 Nov.	Yes	882	69
Senior Unsecured	Nov. 2020	13 Nov. 2030	TWD 3,000m	TWD 3,000m	Fixed	0.7%	Every 13 Nov.	Yes	661	52
Senior Unsecured	Nov. 2020	13 Nov. 2040	TWD 8,000m	TWD 8,000m	Fixed	0.98%	Every 13 Nov.	Yes	1,763	138

Ørsted's green finance framework, allocated the dark green shading in the second-party opinion from CICERO Shades of Green, includes green bonds, green loans and other types of green financing instruments. Ørsted applies green proceeds exclusively for the financing of eligible projects, currently offshore wind projects, onshore wind projects and solar PV projects.

Inflation and interest rate risks



Objectives of interest rate and inflation risk management

1. Protect long-term real value of equity by offsetting interest and inflation risk exposure embedded in assets by allocating debt with similar, but opposite risk exposure
2. Cost of funding optimized by actively managing debt portfolio
3. Cost of hedging minimised by using natural portfolio synergies between assets, allowing matching of up to 100 % of asset value with appropriate debt

Framework for risk management

- Asset cash flows divided into risk categories based on nature of inflation, fixed nominal or merchant exposure
- Fixed nominal revenue service fixed costs and has first priority for debt allocation to protect shareholders against inflation
- Inflation-indexed revenues service inflation-linked costs and protect the real value of equity return for shareholders

See more in note 6.4 in the 2022 Annual Report

Ørsted

Glossary

Balancing costs

The cost of settling intraday differences between expected (day-ahead) and actual (real-time) production

Intermittency costs

As hedges are settled against a fixed baseload production (volume x market price), this is the cost associated with when our actual production is either above or below the baseload production.

When approaching the delivery period, some costs can be proactively addressed by shaping baseload hedges from a P50 volume profile to the expected actual volume profile, minimising profile risk (i.e. real-time pricing impacted by volume of renewables generating at that time)

Overhedging

Misalignment between volume of actual production versus volume that was hedged. Potential causes include delayed ramp-up and low wind

Ineffective hedges

Expected overhedging of future periods, which we, according to IFRS, have to recognise already in the quarter where we report

Price-ineffective hedges under IFRS 9

In 2021, we started reporting according to IFRS 9 instead of the previous 'Business Performance' principle, as it had become easier to apply IFRS hedge accounting for our energy hedges. However, as we hedge up to five years ahead and within markets with low liquidity, we often use proxy hedging in addition to hedges that directly matches our exposures. In periods with 'normal' price levels and volatility, the impact of proxy hedging is insignificant.

However, due to the very high energy prices and volatility in 2022, this has led to a larger part of our trades being deemed ineffective under IFRS 9 (if value of proxy hedge is larger than the change in the exposure), compared to the former business performance principle.

Consequently, we have recognised the negative market value of these ineffective hedges in EBITDA in our Offshore and Bioenergy segments. Compared with the former business performance principle we have therefore included a higher loss on hedges in the current period at the benefit of a lower loss in future periods.

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