



Orsted

Investor presentation

Q2 2021

The image features a large, white, curved sail of a sailboat against a clear blue sky. The sail has three red circular spots. The Orsted logo, consisting of a stylized 'O' with a vertical bar and a dot, is positioned to the left of the word 'Orsted'. Below the logo, the text 'Investor presentation' and 'Q2 2021' is displayed in a clean, white, sans-serif font.

12 August 2021

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Significant US offshore capacity awarded, and several strategic partnerships established

Highlights – Q2 2021

- Full-year EBITDA guidance maintained despite low wind speeds
- Ocean Wind 2 awarded 1,148 MW 20-year OREC contract in the competitive solicitation in New Jersey
- Launched key strategic partnerships in Japan, Korea, Norway, and Scotland
- Closed the agreement to enter a 50/50 joint venture with PGE for the Baltica 2 & 3 offshore wind projects in Poland
- Closed the agreement to acquire Brookfield Renewable Ireland, a European onshore wind platform
- Closed the agreement with Norges Bank IM to farm-down 50 % of the 752 MW offshore wind farm Borssele 1 & 2
- Started constructing our first renewable hydrogen project, H2RES
- Commissioned Permian Energy Center in Texas, our first combined 420 MW_{AC} solar PV and 40 MW_{AC} storage facility
- Commissioned our largest onshore wind project to date, the 367 MW Western Trail wind farm in August



Ørsted awarded 1,148 MW offshore wind contract in New Jersey

1,148 MW Ocean Wind 2 project

- Selected to negotiate a 20-year Offshore Renewable Energy Certificate (OREC) following a competitive solicitation
- The 20-year OREC price is USD 84.03 per MWh from 2029, with a 2% annual escalator (corresponding to a levelized 2017 price of USD 67 per MWh)
- With the award the Ocean Wind lease will be utilised to its maximum capacity of c. 2.3 GW
- Subject to final investment decision, Ocean Wind 2 is expected to be commissioned in 2029
- Ørsted has been awarded a total of 4.1 GW offshore wind projects in the US, which unlocks significant synergies in procurement, construction, and operations
- In addition to the awarded capacity, Ørsted and our partners have rights to c. 4 GW of seabed leases on the US East Coast



Ørsted construction programme and pipeline

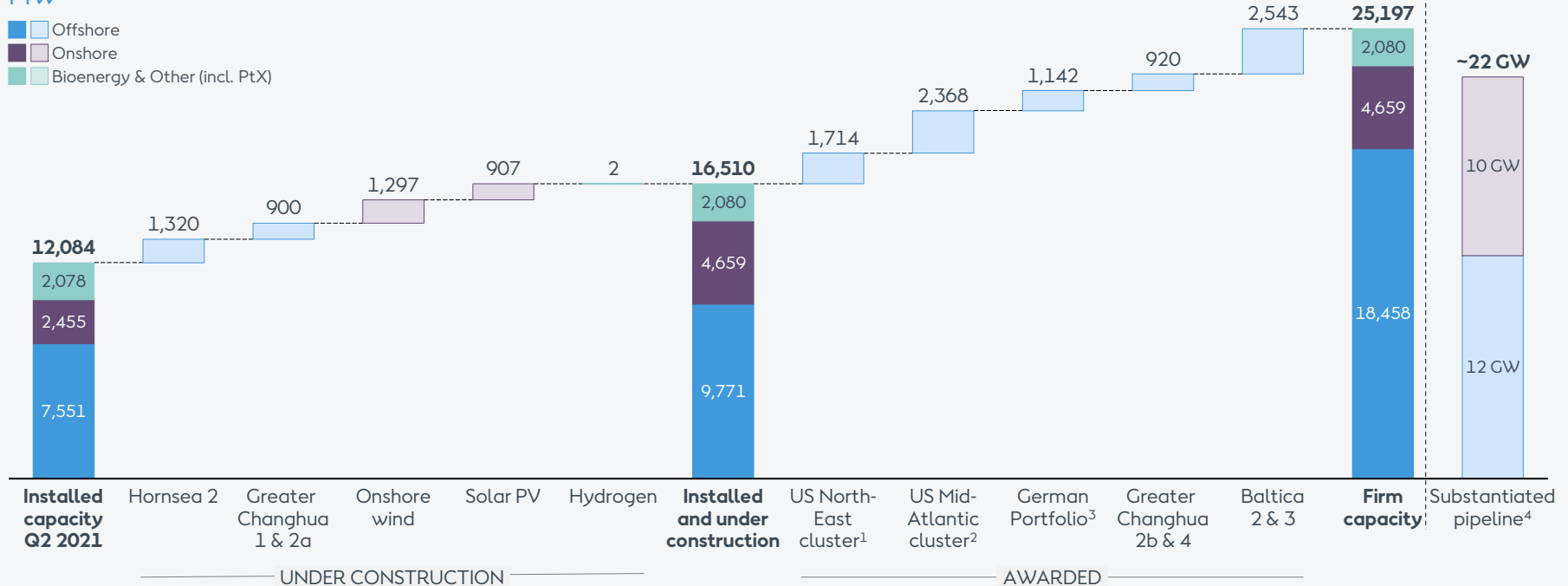
Gross renewable capacity

MW

Offshore

Onshore

Bioenergy & Other (incl. PtX)



1. US North-East cluster: South Fork (130 MW), Revolution Wind (704 MW) and Sunrise Wind (880 MW)

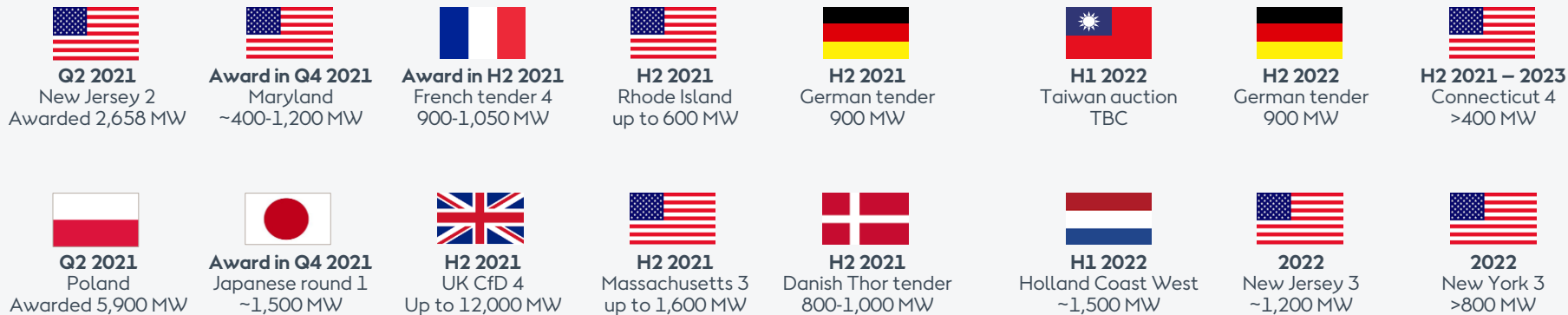
2. US Mid-Atlantic cluster: Skipjack (120 MW), Ocean Wind (1,100 MW) and Ocean Wind 2 (1,148 MW)

3. German Portfolio: Gode Wind 3 (242 MW) and Borkum Riffgrund 3 (900 MW)

4. Offshore: Projects that have reached a certain level of maturity in a market with a regulatory framework such as secured consent, exclusivity through lease, secured EIA or established partnership.

Onshore: Combination of land control/options and or interconnection studies/positions

Significant number of offshore wind auctions and tenders in the coming months

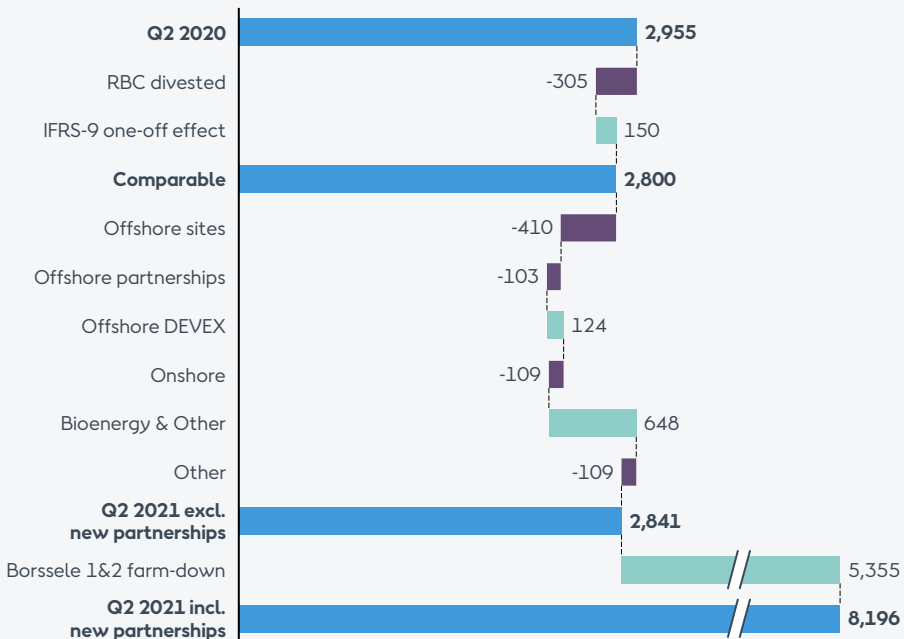


2021 up to 25 GW

2022 onwards

Q2 2021 – Low wind speeds offset by strong performance from Bioenergy & Other

Group EBITDA increased DKK 5.2 bn - Comparable EBITDA in line DKKm



Effects impacting comparability

- No EBITDA from the divested Distribution, B2C, and city light businesses
- Positive accounting effect as we ceased to report on business performance principle in 2021¹

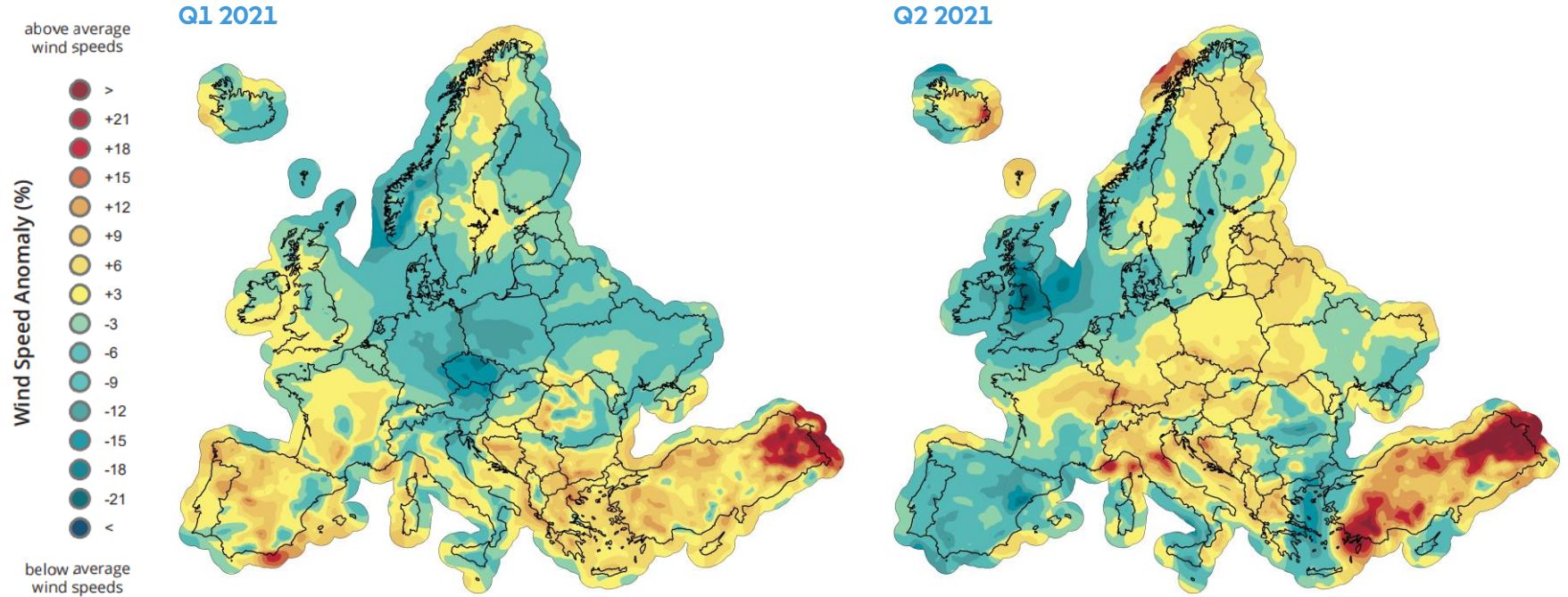
Underlying effects

- Wind speeds in Q2 2021 (7.8 m/s) significantly lower than normal wind speeds (8.6 m/s). Impact versus normal wind speed of DKK -0.9 bn. Positive effect from ramp-up of Borssele 1 & 2 and addition of the last 400 MW of Hornsea 1 receiving CfD
- Partnership earnings in Q2 2021 related to adjustments to finalised construction projects
- Increased Onshore generation driven by ramp-up more than offset by lower wind speeds, higher fixed costs, minor subsequent credit loss related to the winter storm in Texas, and the gain from Oak Solar divestment in Q2 2020
- Increased earnings from CHP plants due to higher power prices and sale of ancillary services. Positive effect from revaluating our gas at storage from increasing gas prices

New partnerships

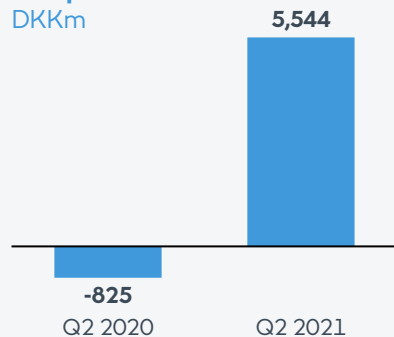
- DKK 5.4 bn farm-down gain from 50 % Borssele 1&2 divestment

Low wind speeds in North-western Europe during H1 2021



Q2 2021 – Financial performance

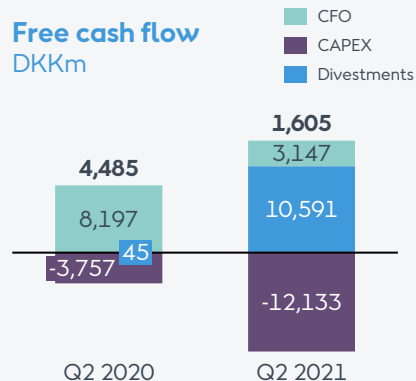
Net profit DKKm



Net profit up DKK 6.4 bn

- Higher EBITDA in Q2 2021
- Lower net interest expenses due to lower net debt
- Effective tax rate significantly impacted by the tax exempt gain from Borssele 1 & 2 farm-down

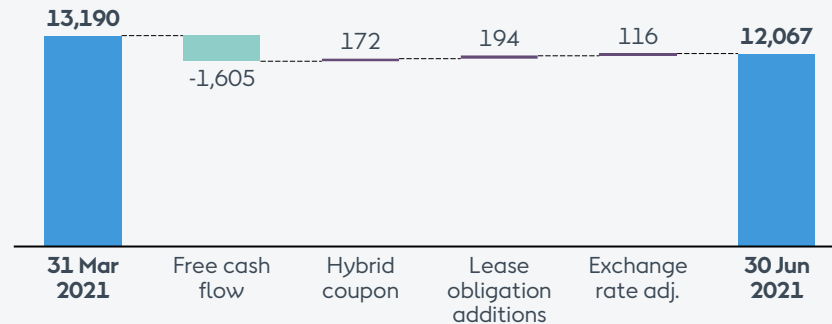
Free cash flow DKKm



FCF totalled DKK 1.6 bn

- Operating cash flow including tax equity contribution from partner at Permian Energy Center
- Divestments relating to 50 % farm-down of Borssele 1 & 2 and 25 % of Ocean Wind 1, and final settlement with GIP regarding Hornsea 1 divestment

Net interest-bearing debt development DKKm

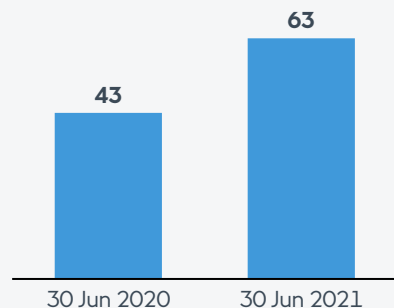


Net interest-bearing debt of DKK 12.1 bn, down DKK 1.1 bn

- Positive free cash flow of DKK 1.6 bn

Q2 2021 – Financial and non-financial ratios

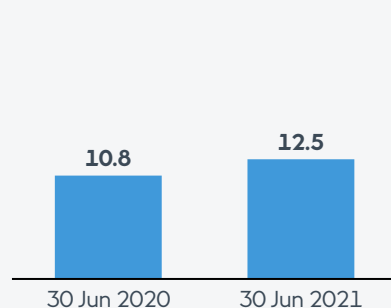
FFO / Adj. net debt %



FFO / Adj. net debt of 63 %

- Positively impacted by Borssele 1 & 2 farm-down
- Credit metric above our target of around 25 %

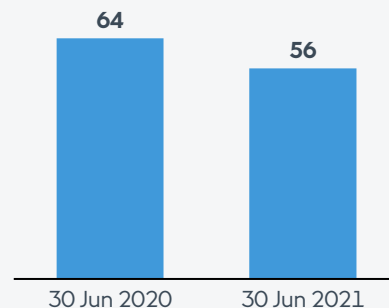
ROCE %



ROCE of 12.5 %

- Increase driven by higher EBIT over the 12-month period
- On track to achieve average ROCE of 11-12% in 2020-2027

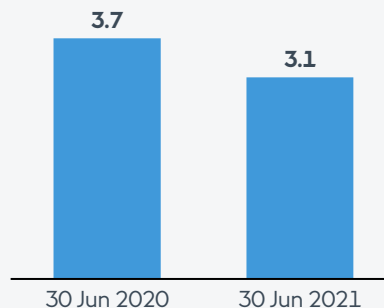
Greenhouse gas emissions (scopes 1 & 2), g CO₂e/kWh, YTD



Reduced emissions

- Decrease due to additional offshore and onshore capacity
- Partly offset by higher thermal generation from coal-fuelled units where we have a regulatory obligation to make all our energy capacities available to the market

Safety Total recordable injury rate, YTD

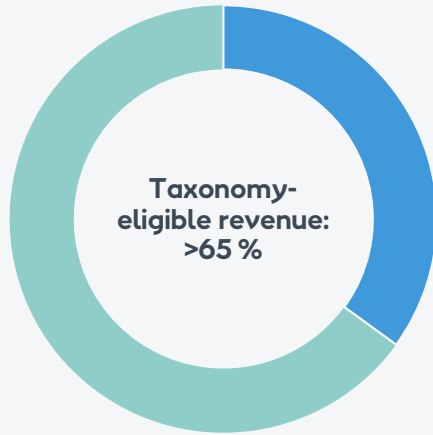


TRIR of 3.1

- 10 % reduction in injuries leading to a decline in the total recordable injury rate (TRIR)

Implementation of the EU taxonomy

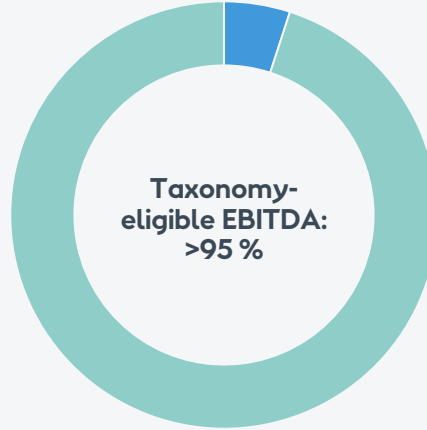
■ Taxonomy-non-eligible
■ Taxonomy-eligible



Revenue

Taxonomy-eligible: Offshore, onshore, and bioenergy-based heat and power generation; renewable certificates/grants; partner revenue from construction, O&M, and power sales agreements

Non-eligible: Legacy natural gas activities; fossil-based heat and power generation; power sales to end customers



EBITDA

Taxonomy-eligible: Offshore, onshore, and bioenergy heat and power generation; renewable certificates/grants; construction agreements and divestment gains

Non-eligible: Fossil-based part of our CHP activities and gas sales business



CAPEX

Taxonomy-eligible: Mainly related to the construction of offshore and onshore wind farms and solar PV assets

2021 guidance, strategic ambition and financial guidance

2021 guidance

	DKKbn
EBITDA without new partnerships	15-16
Gross investments	39-41

Business unit EBITDA FY 2021 vs. FY 2020

	Direction
Offshore	Significantly lower
Onshore	Higher
Bioenergy & Other	Higher

Strategic ambition and financial guidance

Ambition for installed renewable capacity by 2030	~50 GW
- Offshore	~30 GW
- Onshore	~17.5 GW
Total CAPEX spend, 2020-2027	DKK 350 bn
- Offshore & Hydrogen	~80 %
- Onshore	~20 %
Average ROCE, 2020-2027	11-12 %
Average share of EBITDA from regulated and contracted activities, 2020-2027	~90 %
Average yearly increase in EBITDA from offshore and onshore assets in operation, 2020-2027	~12 %
Rating (Moody's/S&P/Fitch)	Baa1/BBB+/BBB+
FFO/Adjusted net debt threshold	~25 %
Ambition to increase the dividend paid by a high single-digit rate compared to the dividend for the previous year up until 2025	

Q&A

Earnings call

DK: +45 78 15 01 09

UK: +44 333 300 9268

US: +1 833 823 0590

For questions, please press 01



Appendix

Renewable capacity as of 30 June 2021

Indicator, MW	H1 2021	H1 2020	Δ	FY 2020
Installed renewable capacity	12,084	10,460	1,624	11,318
Offshore wind power	7,551	6,820	731	7,572
Onshore wind power	1,985	1,555	430	1,658
Solar PV power	430	10	420	10
Other (incl. PtX)	2,118	2,075	43	2,078
- Biomass, thermal heat	2,054	2,054	-	2,054
- Biogas, power	3	-	3	3
- Battery storage	61	21	40	21
Decided (FID) renewable capacity	4,426	3,601	825	4,068
Offshore wind power	2,220	3,038	(818)	2,286
Onshore wind power	1,297	103	1,194	665
Solar PV power	907	420	487	1,077
Battery storage	-	40	(40)	40
Hydrogen	2	-	2	-
Awarded/contracted renewable capacity (no FID yet)	8,687	4,996	3,691	4,996
Offshore wind power	8,687	4,996	3,691	4,996
Sum of installed and FID capacity	16,510	14,061	2,449	15,386
Sum of installed, FID, and awarded/contracted capacity	25,197	19,057	6,140	20,382

Note: In Q2 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'.

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}).

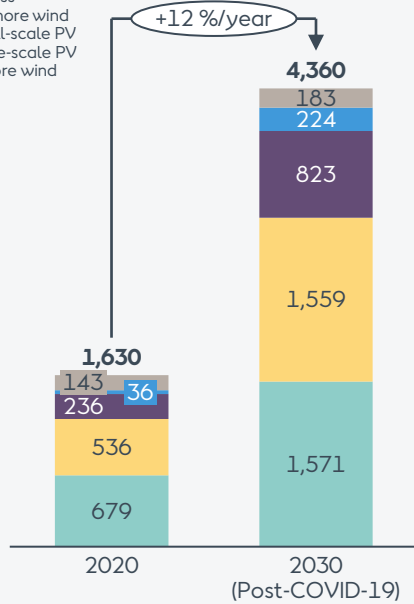
Forecasted renewable capacity build-out

Global renewable energy capacity by technology¹

GW installed

CAGR

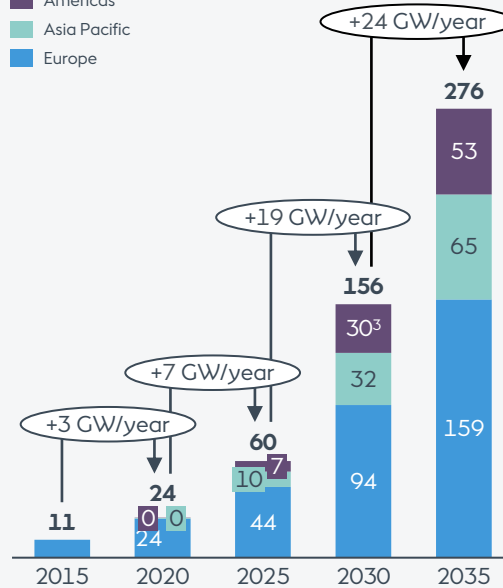
- 2 % biomass
- 20 % Offshore wind
- 13 % Small-scale PV
- 11 % Large-scale PV
- 9 % Onshore wind



Global offshore wind capacity excl. mainland China

GW installed

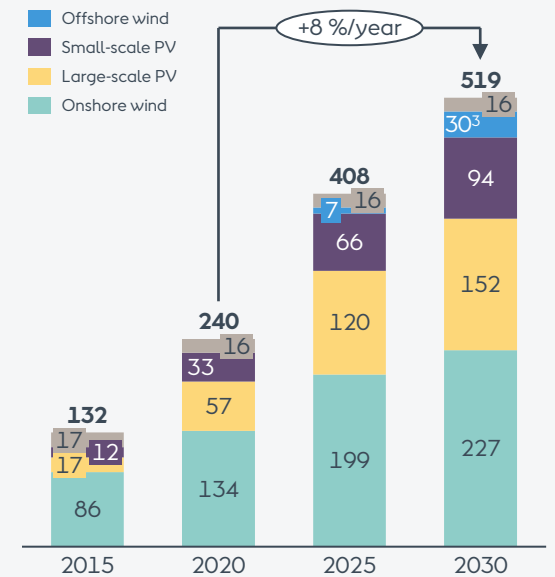
- Americas
- Asia Pacific
- Europe



North American renewable capacity by technology²

GW installed

- Biomass
- Offshore wind
- Small-scale PV
- Large-scale PV
- Onshore wind



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 (not yet passed into law)

Source: BNEF New Energy Outlook 2020 for capacity of all technologies except offshore wind. Offshore wind figures from BNEF Offshore Wind Market Outlook H2 2021 for current capacity and post-COVID-19 forecasts

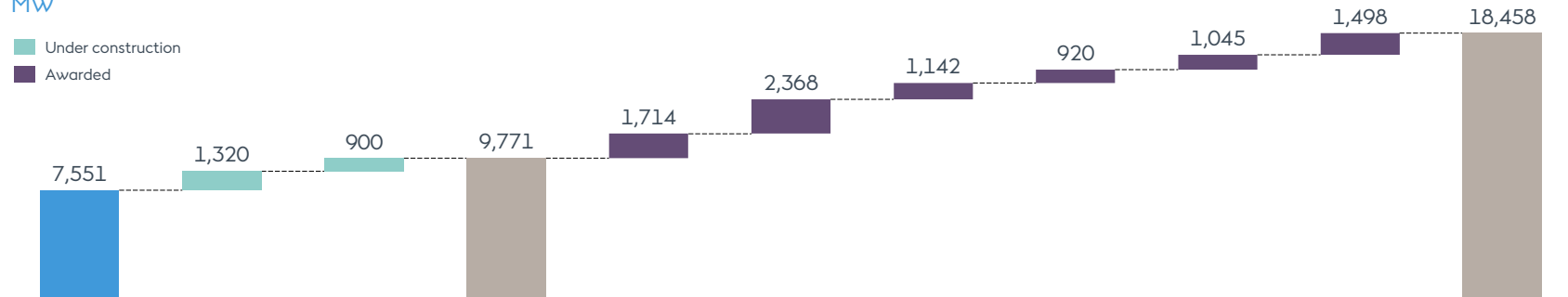
Offshore wind build-out plan

Installed capacity

MW

Under construction

Awarded



	Hornsea 2	Greater Changhua 1 & 2a	Decided (FID'ed) and installed capacity (2022)	US North-East cluster ¹	US Mid-Atlantic cluster ²	German Portfolio ³	Greater Changhua 2b & 4	Baltica 3	Baltica 2	Decided (FID'ed), installed and awarded capacity
Country	UK	Taiwan		US	US	Germany	Taiwan	Poland	Poland	
Expected completion	H1 2022	H2 2022		Before 2025	Before 2025, 2026, 2029	2024-2025	2025/2026	2026	Before 2030	
Construction status	On track	On track		Pending FID	Pending FID	Pending FID end-2021	Pending FID end-2023	Pending FID	Pending FID	
Turbine	165 x 8 MW Siemens Gamesa	111 x 8 MW Siemens Gamesa		Siemens Gamesa	GE 12 MW & GE 14 MW	11 MW Siemens Gamesa	Turbine selection pending	Turbine selection pending	Turbine selection pending	

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1. US North-East cluster: South Fork (130 MW), Revolution Wind (704 MW), and Sunrise Wind (880 MW)
2. US Mid-Atlantic cluster: Skipjack (120 MW), Ocean Wind 1 (1,100 MW) and Ocean Wind 2 (1,148 MW)
3. German Portfolio: Gode Wind 3 (242 MW) and Borkum Riffgrund 3 (900 MW)

Offshore market development – US

Massachusetts	<ul style="list-style-type: none">• Target of 3.2 GW of offshore wind capacity by 2030 target• Current auction ongoing for up to 1.6 GW of offshore wind capacity with bid award expected 17 December 2021
Connecticut	<ul style="list-style-type: none">• Target of 2 GW of offshore wind capacity by 2030, of which 1.2 GW remains available• Next auction of approx. 1 GW expected in H2 2021 – 2023
New York	<ul style="list-style-type: none">• Target 9 GW offshore wind by 2035• 2.5 GW awarded in Q1 2021 and 4.2 GW in total• BOEM announced a proposed sale of lease areas in the New York Bight that could unlock up to 7 GW. Sale expected to commence in H2 2021/H1 2022
New Jersey	<ul style="list-style-type: none">• Target of 7.5 GW offshore wind capacity by 2035, of which 3.8 GW remains available following recent awards to Ocean Wind 2 and Atlantic Shores• Next auction of 1.2 GW expected in 2022
Maryland	<ul style="list-style-type: none">• Target of approx. 1.6 GW offshore wind by 2030, of which 1.2 GW remains available• Current solicitation ongoing with bid award expected by end 2021• Solicitations in 2020, 2021 and 2022 to procure around 1.2 GW cumulatively
Virginia	<ul style="list-style-type: none">• Signed Clean Economy Act for development of at least 5.2 GW of offshore wind by 2034• Executive order signed establishing a non-binding 2.5 GW offshore wind target by 2026
Rhode Island	<ul style="list-style-type: none">• Executive order signed to power the state with 100 % renewable energy by 2030• Next auction of up to 600 MW expected in H2 2021
California	<ul style="list-style-type: none">• First BOEM lease auction expected in 2022• State modeling shows approx. 10 GW of offshore wind needed to meet the legislative mandate for 100 % clean power by 2045

Offshore market development – UK and Continental Europe

United Kingdom	<ul style="list-style-type: none"> • UK Government target annual build-out of 3 GW to reach 40 GW capacity by 2030, including 1 GW of floating wind by 2030 • Leasing round in Scotland for 10 GW underway with applications due mid July 2021, results expected by end 2021/early 2022 • Announcement of an upcoming leasing round for ~300 MW floating wind projects in the Celtic Sea, timing to be confirmed • CfD auction expected to open end of 2021 for up to 12 GW of low carbon capacity. Separate pots for onshore wind, solar PV, bottom-fixed and floating offshore wind
Germany	<ul style="list-style-type: none"> • Legally fixed target for offshore wind capacity is 20 GW by 2030 and 40 GW by 2040 • First centralised tender launched in February 2021. 0.9-4 GW to be built annually from 2026 • New tender framework confirmed, introducing caps of bid levels; selection criteria in case of several zero subsidy bids to be evaluated in 2022
Netherlands	<ul style="list-style-type: none"> • Government target of 11.5 GW offshore wind by 2030, and new government expected to increase target in 2021 by 5-10 GW by 2030 • Next tender of 1,520 MW for Holland Coast West with bid deadline H1 2022
Denmark	<ul style="list-style-type: none"> • Tender for Thor (0.8-1.0 GW) in Q4 2021. Hesselø tender (0.8-1.0 GW) delayed due to complex seabed conditions • Tender for designing, building and co-owning an artificial island in the North Sea as hub for up to 10 GW offshore wind in Q1 2023 • Tenders for 5 GW of offshore wind farms in total connected to the Bornholm and North Sea Energy Hubs towards 2033
France	<ul style="list-style-type: none"> • Government ambition for tendered capacity of 8.75 GW for the period 2020-2028 • Round 4 tender has commenced with a capacity of c. 1 GW
Poland	<ul style="list-style-type: none"> • Offshore Wind Act with aim to award 10.9 GW offshore wind by 2027 signed into law. CfD auctions in 2025 and 2027 with expected total 5 GW
Belgium	<ul style="list-style-type: none"> • Allocation of approx. 2 GW towards target to construct approx. 4 GW by 2030 and MoU with Denmark for large scale offshore wind power imports
Baltic States	<ul style="list-style-type: none"> • Lithuania: Draft laws for 700 MW 2024 offshore wind tender under review by Lithuanian parliament. Second tender of 700 MW planned for 2025 • Latvia and Estonia: MoU between Latvia and Estonia in place for the development of a joint offshore wind project of up to 1 GW
Sweden	<ul style="list-style-type: none"> • 100% renewable electricity target by 2040 and carbon neutrality by 2045 • National electrification and hydrogen strategies being developed. Government proposal to ease wind farm environmental permitting • Proposed Offshore transmission scheme pending
Norway	<ul style="list-style-type: none"> • Norwegian authorities have opened two areas for offshore wind projects (bottom-fixed and floating) with a max capacity of 4.5 GW to be allocated through competitive process in 2022. Details of auction model to be clarified and announced during H1 2022

Offshore market development – APAC

Taiwan

- Taiwan has met its target of awarding 5.5 GW to be commissioned by 2025
- 600 MW Greater Changhua 3 project ready for future auctions
- Draft regulation for third round auction announced with 15 GW offshore wind target to be constructed from 2026-2035 up from previously 10GW
- The third round auction is expected to take place in June 2022

Japan

- Authorities have announced a sector deal confirming 10 GW offshore wind target towards 2030 and 30-45 GW by 2040
- Bids submitted in first round auction in Japan in Choshi with TEPCO and in Noshiro and Yurihonjo with JWD/EURUS. Award expected in Q4 2021
- 11 areas designated as potentially suitable for development of offshore wind for 2nd round onwards with a capacity of approx. 7 GW – among these, four areas (three in West Coast and one in Kyusyu (southwest)) have been selected as promising for the 2nd round of promotional zones

South Korea

- 12 GW offshore wind build-out has been targeted in order to reach the 20 % renewable mix towards 2030 and up to 35 % by 2040
- The government announced 'Green New Deal' to fast track the build-out of renewable projects and industries
- Authorities have further announced the 9th power supply demand plan in Jan. 2021 confirming renewable energy will be 77.8 GW to towards 2034 this equals 62.3 GW new renewable capacity and of those 25 GW is expected from wind power
- Floating lidars deployed and site exclusivity secured off the coast of Incheon to collect data for potential offshore wind sites of 1.6 GW
- Hydrogen Act announced in February 2021 and road map for implementation will follow mid 2021
- MoU with POSCO Group to expand relations and support the development of Ørsted's 1.6GW offshore wind project

Other markets

- Vietnamese government released draft Energy Master Plan including a minimum 3-5GW offshore wind target in 2030 and a 9-11GW target for 2035
- Ørsted has set up base in Vietnam to build local team and engage with local authorities and partners
- Australian government is drafting OFW framework for introduction of legislation by Q3/Q4 2021, following which the government will undertake a number of studies to declare official zones/areas for offshore wind

Upcoming offshore seabed auctions



H2 2021
ScotWind
~ 10 GW



H2 2021 / H1 2022
New York Bight
~ 7 GW



H2 2021 / H1 2022
Poland
~ 7 GW



2022
Norway
~ 4.5 GW



2022
California
~ 4.5 GW



2022+
Hawaii
TBC



2022
North Carolina
TBC











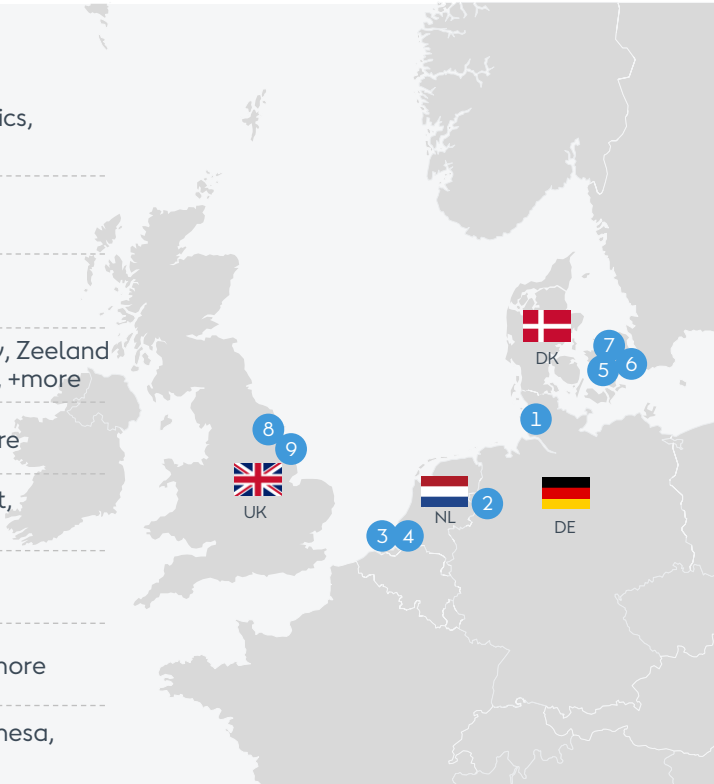
2022+
Gulf of Maine
TBC



2022+
Gulf of Mexico
TBC

Hydrogen project pipeline of +3GW

	Project	Current potential (MW)	Country	Application	Partners
1	Westküste 100 / HySCALE100	700-2,100			Raffinerie Heide, Hynamics, Holchim, +more
2	Lingen Green Hydrogen	550			bp
3	Yara Sluiskil	100			Yara
4	SeaH2Land	1,000			Yara, ArcelorMittal, Dow, Zeeland Refinery, North Sea Port, +more
5	H2RES	2			Everfuel, DSV, GHS, +more
6	Green Fuels for Denmark	1,300			Maersk, SAS, CPH Airport, DFDS, DSV, +more
7	DFDS Europe Seaways	TBD			DFDS, Ballard, Lloyd's Register, +more
8	Gigastack	100			Philips 66, ITM Power, +more
9	Oyster	1		Offshore H ₂	ITM Power, Siemens Gamesa, Element Energy



Overview of US offshore wind federal permitting process

Planning & Analysis

~ 2 years

BOEM¹ conducts a process of area identification, environmental reviews, etc.

Leasing

1-2 years

BOEM conducts auctions and issues leases

Site Assessment

Up to 5 years

BOEM grants developer up to five years (not all time must be taken) to complete requirements

Requirements include conducting site characterization surveys and submitting a Site Assessment Plan (SAP)

BOEM must approve the SAP

Submit COP for NOI

~ 6 months

Developer submits a Construction and Operations Plan (COP) before the five-year site assessment period expires

BOEM issues a Notice of Intent (NOI) once it deems the developer's COP submission as Complete and Sufficient

BOEM may issue an Initiation of Action Notice (IAN) ~2-3 months before issuing its NOI. This can provide an indication on timing

Construction & Operations

~ 2 years

Construction and Operations Plan (COP)

~ 2 years

BOEM's issuance of the NOI starts the ~2-year clock for BOEM to approve the COP, disapprove it, or approve it with modifications. If the COP is approved, then the developer has its final federal permitting needed to start construction

Environmental Impact Statement (EIS)

< 2 years

BOEM prepares a Draft Environmental Impact Statement (EIS) and a Final EIS. BOEM explores alternatives to the proposed COP

A Record of Decision (ROD) is issued at the end of this process. This is not the final approval but is a framework for any further required reviews, site-specific actions, or broad regional mandates

Final Permit Approvals

< 2 years

BOEM coordinates inter-agency approval. Approval timing varies per agency, but the last approval deadline is 90 days after the ROD. This generally coincides with the COP approval

Approvals come from: NOAA,³ The US Army Corps of Engineers, the Fish and Wildlife Service, and the Environmental Protection Agency

Federal permitting overview²

BOEM oversees a four-step process: Planning & Analysis, Leasing, Site Assessment, and Construction & Operations. It can take up to roughly a decade in total

We highlight key milestones within each step

This is a new process for BOEM, who have yet to permit any Projects under this federal process

1: BOEM stands for the Bureau of Ocean Energy Management

2: State-level permitting processes vary across states and typically run concurrent with the federal process

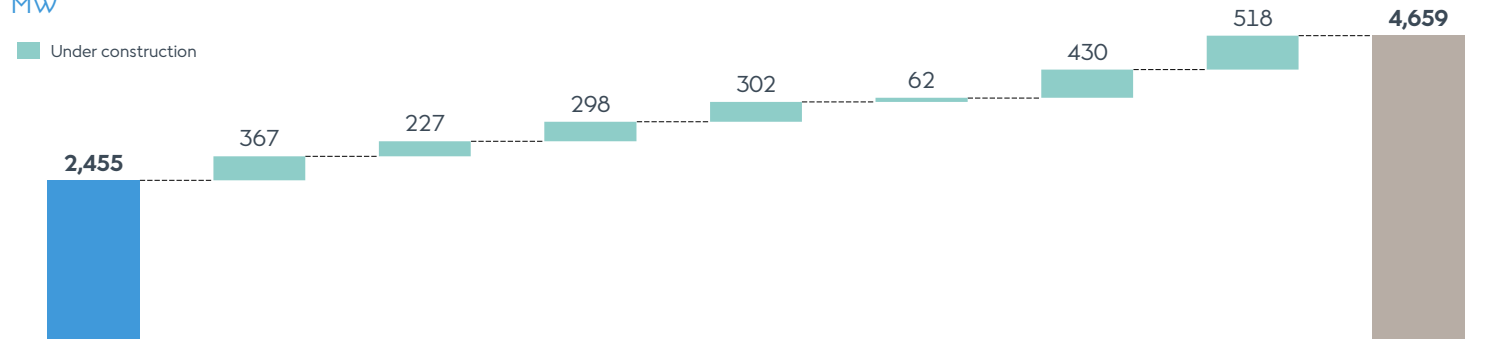
3: NOAA stands for National Oceanic and Atmospheric Administration

Onshore build-out plan

Installed capacity

MW

Under construction

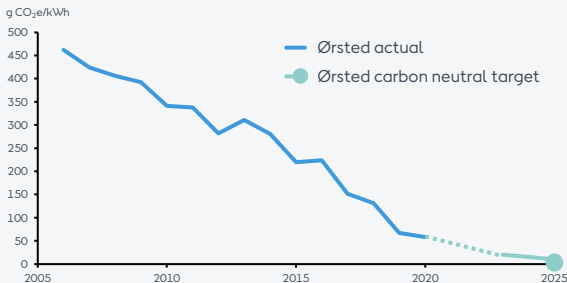


	Western Trail	Muscle Shoals	Haystack	Lincoln Land	Kennoxhead 1	Old 300	Helena Energy Center ¹	Decided (FID'ed) and installed capacity
Installed capacity Q2 2021								
Region	ERCOT, TX	SERC, AL	SPP, NE	MISO, IL	Scotland, UK	ERCOT, TX	ERCOT, TX	
Expected completion	Q3 2021	Q3 2021	Q4 2021	Q4 2021	Q1 2022	Q2 2022	Q2 2022	
Status	Commissioned August 2021	On track	On track	On track	On track	On track	On track	
Platform	Wind	Solar PV	Wind	Wind	Wind	Solar PV	Wind & Solar PV	
Offtake solution	PPAs with PepsiCo & Nucor	PPA with Tennessee Valley Authority (TVA)	PPAs with PepsiCo Target & Hormel Foods	N/A	PPA with Amazon	PPA signed	PPAs with Henkel & Target	

Sustainability and ESG at Ørsted

Green leadership

- In Q2 2021, 93 % of our energy generation was green. We target 99 % green energy generation by 2025.
- By 2025, we aim to be carbon neutral (scopes 1-2) by reducing ≥ 98 % of our carbon emissions vs. 2006, and by eliminating or covering the remaining < 2 % with offset projects certified to remove atmospheric carbon.
- By 2040, we aim to reach net-zero emissions across our entire carbon footprint (scopes 1-3), with a midway target to reduce our scope 3 emissions by 50 % by 2032.
- In 2021, we have placed a ban on landfilling of wind turbine blades.
- No later than 2030, all projects commissioned must have net positive biodiversity impact.



Contributing to the global goals



Ørsted is an active and LEAD participant of the UN Global Compact and adheres to its ten principles for responsible business behaviour.



Our targets are approved by the Science Based Targets initiative to help keep global warming below 1.5 °C and are the most ambitious science-based targets in our sector.

Catalysing the green energy transformation

With our core business, we aspire to have a transformational impact on SDG 7 on affordable and clean energy and SDG 13 on climate action:



Ensure access to affordable, reliable, sustainable and modern energy for all



Take urgent action to combat climate change and its impacts

ESG ratings of Ørsted

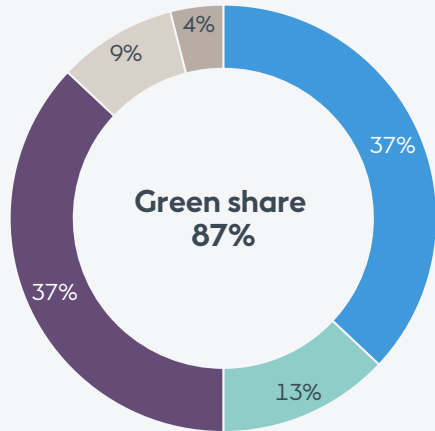
Rating agency	Score	Benchmark
	A	Highest possible rating and recognised as a global leader on climate action
	AAA	Highest possible rating for four consecutive years
	B+	No. 1 of all utilities and awarded highest possible 'Prime' status
	80	Platinum Medal for being among top 1 % of companies assessed by EcoVadis

ESG Performance

Green Share

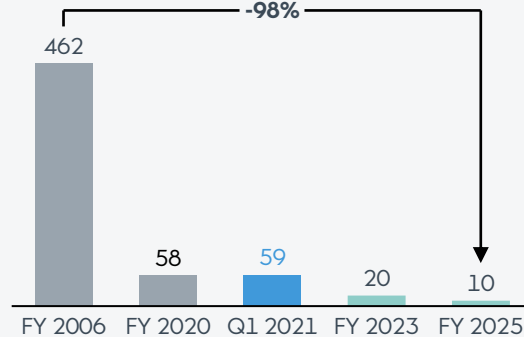
Total heat and power generation Q1 2021
Energy source, %

- Offshore wind
- Onshore wind
- Biomass
- Coal
- Natural gas



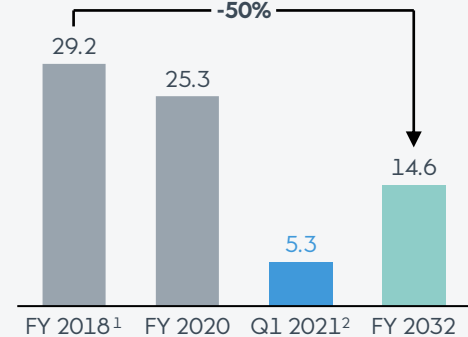
Scope 1 and 2 Emissions

Scope 1 and 2 greenhouse gas emissions,
g CO₂e/kWh



Scope 3 Emissions

Scope 3 greenhouse gas emissions,
million tonnes CO₂e



Group – Financial highlights

FINANCIAL HIGHLIGHTS		Q2 2021	Q2 2020	Δ	FY 2020	FY 2019	Δ
EBITDA	DKKm	8,196	2,956	177 %	18,124	17,484	4 %
• Offshore		7,527	2,361	219 %	14,750	15,161	(3 %)
• Onshore		178	312	(43 %)	1,131	786	44 %
• Bioenergy & Other		503	185	172 %	2,136	1,495	43 %
Operating profit (EBIT)		6,237	1,129	452 %	10,536	10,052	5 %
Total net profit		5,544	(825)	n.a.	16,716	6,044	177 %
Operating cash flow		3,147	8,197	(62 %)	16,466	13,079	26 %
Gross investments		(12,133)	(3,757)	223 %	(26,967)	(23,305)	16 %
Divestments		10,591	45	n.a.	19,039	3,329	472 %
Free cash flow – continuing operations		1,605	4,485	(64 %)	8,538	(6,897)	n.a.
Net interest-bearing debt		12,067	22,272	(46 %)	12,343	17,230	(28 %)
FFO/Adjusted net debt ¹	%	62.9	43.4	20 %p	48.3	31.0	17 %p
ROCE ¹	%	12.5	10.8	2 %p	9.7	10.6	(1 %p)



Offshore – Financial highlights

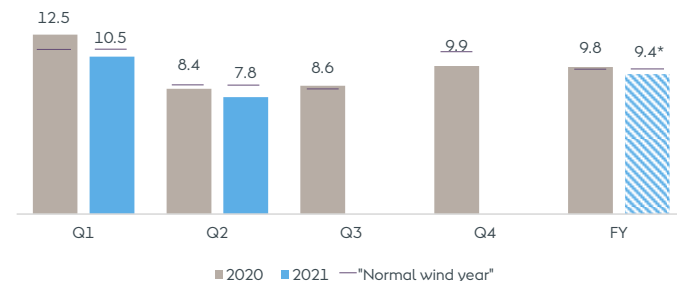
FINANCIAL HIGHLIGHTS		Q2 2021	Q2 2020	Δ	FY 2020	FY 2019	Δ
EBITDA	DKKmn	7,527	2,361	219 %	14,750	15,161	(3 %)
• Sites, O&Ms and PPAs		2,368	2,578	(8 %)	15,476	13,750	13 %
• Construction agreements and divestment gains		5,648	396	n.a.	1,593	3,765	(58 %)
• Other, incl. project development		(489)	(613)	(20 %)	(2,319)	(2,354)	(1 %)

KEY BUSINESS DRIVERS

Power generation	TWh	2.5	2.6	(4 %)	15.2	12.0	27 %
Wind speed	m/s	7.8	8.4	(7 %)	9.8	9.2	7 %
Availability	%	93	95	(2 %p)	94	93	1 %p
Load factor	%	29	32	(3 %p)	45	42	3 %p
Decided (FID) and installed capacity*	CW	9.8	9.9	(1 %)	9.9	9.9	0 %
Installed capacity*	CW	7.6	6.8	12 %	7.6	6.8	11 %
Generation capacity**	CW	4.0	3.8	5 %	4.4	3.6	21 %

In Q2 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 using 'power optimised capacity' or 'export cable limit capacity'. We have improved the accuracy of our offshore wind speed calculations in 2021 and restated 2020 wind speed data to support comparison. In 2021 we have used an improved input data set for calculating wind speeds for offshore wind farms. Previously individual wind speed measuring points covered several wind farms and were reported for an average hub height. Now each offshore wind farm has its own specific wind speed measuring point for the actual wind farm height. For comparison reasons we have also updated the actual and normal wind speed data reported for 2020 using the new more detailed wind speed datasets.

Wind speed (m/s), offshore wind farms



The wind speed indicates how many metres per second the wind has blown in the areas where we have offshore wind farms. The weighting is based on our generation capacity
* Indicates m/s for full year 2021 (if Q3 and Q4 follows the normal wind year)

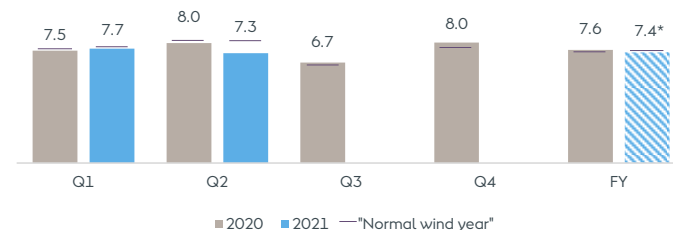
Onshore – Financial highlights

FINANCIAL HIGHLIGHTS		Q2 2021	Q2 2020	Δ	FY 2020	FY 2019	Δ
EBITDA	DKKm	178	312	(43 %)	1,131	786	44 %
• Sites		(5)	103	n.a.	451	466	(3 %)
• Production tax credits and tax attributes		312	268	16 %	1,004	628	60 %
• Other, incl. project development		(129)	(59)	119 %	(324)	(308)	5 %

KEY BUSINESS DRIVERS

Power generation	TWh	2.0	1.6	25 %	5.7	3.5	64 %
Wind speed, US	m/s	7.3	8.0	(9 %)	7.6	7.3	4 %
Availability, US wind	%	97	96	1 %p	96	98	(2 %p)
Availability, US solar PV	%	90	n.a.	n.a.	n.a.	n.a.	n.a.
Load factor, US wind	%	45	49	(4 %p)	45	45	0 %p
Load factor, US solar PV	%	29	n.a.	n.a.	n.a.	n.a.	n.a.
Installed capacity	CW	2.5	1.6	50 %	1.7	1.0	67 %

Wind speed (m/s), US onshore wind farms



The wind speed indicates how many metres per second the wind has blown in the areas where we have onshore wind farms. The weighting is based on our generation capacity
 * Indicates m/s for full year 2021 (if Q3 and Q4 follows the normal wind year)

Bioenergy & Other – Financial highlights

FINANCIAL HIGHLIGHTS		Q2 2021	Q2 2020	Δ	FY 2020	FY 2019	Δ
EBITDA	DKKm	503	185	172 %	2,136	1,495	43 %
• CHP plants		351	152	131 %	1,111	1,152	(4 %)
• Gas Markets & Infrastructure		232	(190)	n.a.	411	390	5 %
• LNG		-	-	n.a.	-	(957)	n.a.
• Distribution, B2C, and city light		-	305	n.a.	926	1,280	(28 %)
• Other, incl. project development		(80)	(82)	(2 %)	(312)	(370)	(16 %)

KEY BUSINESS DRIVERS

Heat generation	TWh	1.1	1.0	10 %	6.7	8.3	(20 %)
Power generation	TWh	1.5	0.9	67 %	4.4	4.6	(4 %)
Degree days	#	487	436	12 %	2,432	2,399	1 %

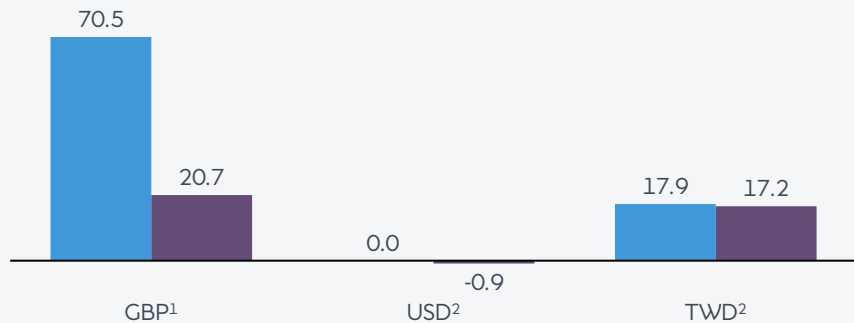


Currency and energy exposure

Currency exposure Q3 2021 – Q2 2026

DKKbn

■ Before hedging
■ After hedging

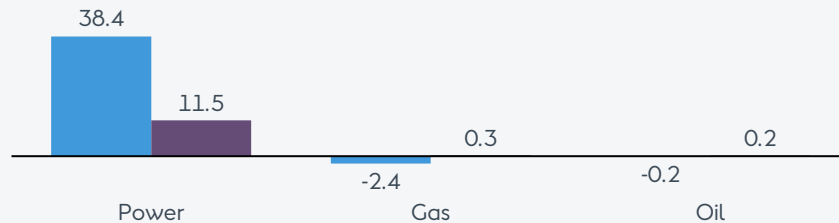


Risk after hedging, DKKbn	Effect of price +10 %	Effect of price -10 %
GBP: 20.7 sales position	+2.1	-2.1
USD: 0.9 purchase position	-0.1	+0.1
TWD: 17.2 sales position	+1.7	-1.7

Energy exposure Q3 2021 – Q2 2026

DKKbn

■ Before hedging
■ After hedging



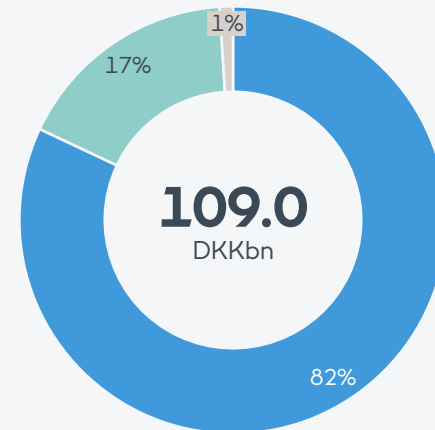
Risk after hedging, DKKbn	Effect of price +10 %	Effect of price -10 %
Power: 9.3 sales position	+0.9	-0.9
Gas: 0.3 sales position	+0.0	-0.0
Oil: 0.2 sales position	+0.0	-0.0

Capital employed

Capital employed, DKKm	H1 2021	FY 2020	H1 2020	FY 2019
Intangible assets and property and equipment	138,459	122,249	114,496	106,685
Equity Investments and non-current receivables	902	1,928	2,241	1,044
Net working capital, work in progress	6,463	9,775	10,030	8,756
Net working capital, tax equity	(8,338)	(7,246)	(7,588)	(4,587)
Net working capital, capital expenditures	(4,991)	(4,040)	(9,121)	(3,304)
Net working capital, other items	1,699	2,228	1,092	2,540
Derivatives, net	(11,466)	(209)	2,454	782
Assets classified as held for sale, net	654	793	8,182	8,211
Decommissioning obligations	(7,768)	(7,002)	(6,490)	(6,158)
Other provisions	(6,811)	(6,861)	(6,168)	(6,443)
Tax, net	451	(771)	(334)	(253)
Other receivables and other payables, net	(277)	(1,172)	(591)	(481)
TOTAL CAPITAL EMPLOYED	108,977	109,672	108,237	106,792

Capital employed by segment %, H1 2021

- Offshore
- Onshore
- Bioenergy & Other



FFO/Adjusted net debt calculation

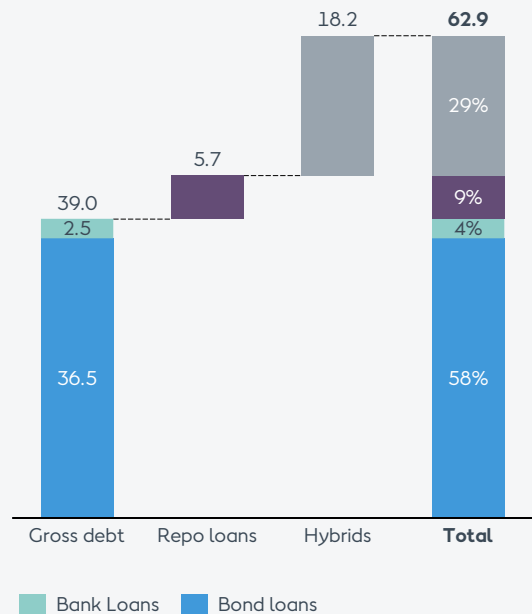
Funds from operations (FFO), DKKm	H1 2021	FY 2020	H1 2020
EBITDA*	21,423	18,124	18,489
Change in provisions and other adjustments	606	(403)	(1,003)
Reversal of gain (loss) on divestment of assets	(5,196)	(805)	(878)
Income tax paid	(952)	(1,118)	(1,296)
Interests and similar items, received/paid	(1,301)	(1,829)	(1,439)
Reversal of interest expenses transferred to assets	(545)	(449)	(377)
50 % of coupon payments on hybrid capital	(215)	(245)	(278)
Dividends received and capital reductions	46	18	15
FUNDS FROM OPERATION (FFO)	13,866	13,293	13,233
Adjusted interest-bearing net debt, DKKm	H1 2021	FY 2020	H1 2020
Total interest-bearing net debt	12,067	12,343	22,272
50 % of hybrid capital	8,992	6,616	6,616
Cash and securities, not available for distribution	977	1,485	1,628
ADJUSTED INTEREST-BEARING NET DEBT	22,036	20,444	30,516
FFO / ADJUSTED INTEREST-BEARING NET DEBT	62.9 %	65.0 %	43.4 %

*Last 12 months – EBITDA according to business performance up until end of 2020



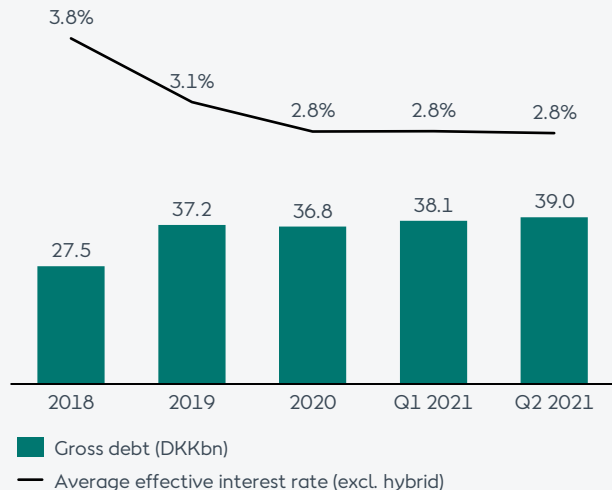
Debt overview

Total gross debt 30 June 2021, DKKbn

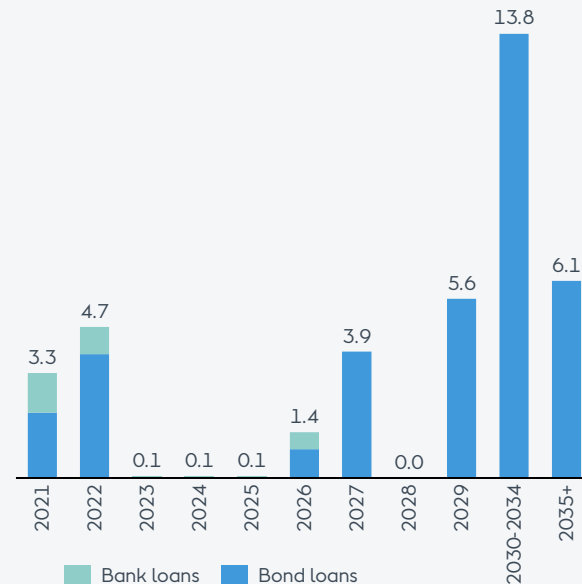


Effective funding costs – Gross debt

	Cost of debt (%)	Modified duration (%)	Avg. time to maturity (years)
Bond loans	2.9	8.3	9.8
Bank loans	0.9	0.3	1.7
Total	2.8	7.8	9.2



Maturity profile DKKbn



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 6.3 in the 2020 Annual Report

Hybrids issued by Ørsted A/S ¹	Principal amount	Type	First par call	Coupon	Accounting treatment ²	Tax treatment	Rating treatment
6.25 % hybrid due 3013	EUR 350 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

Ørsted's outstanding bonds

Bond Type	Issue date	Maturity	Face Value	Principal amount	Coupon	Coupon payments	Green bond	Allocated to green projects (DKKm)	Avoided emissions (t CO ₂ /year) attributable to the bonds
Senior Unsecured	Dec. 2009	16 Dec. 2021	EUR 500m	EUR 272m	4.875%	Every 16 Dec.	No	n/a	n/a
Senior Unsecured	Sep. 2012	19 Sep. 2022	EUR 750m	EUR 517m	2.625%	Every 19 Sep.	No	n/a	n/a
Senior Unsecured	Nov. 2017	26 Nov. 2029	EUR 750m	EUR 750m	1.5%	Every 26 Nov.	Yes	5,499	632,000
Senior Unsecured	Apr. 2010	9 Apr. 2040	GBP 500m	GBP 500m	5.750%	Every 9 Apr.	No	n/a	n/a
Senior Unsecured	Jan. 2012	12 Jan. 2032	GBP 750m	GBP 750m	4.875%	Every 12 Jan.	No	n/a	n/a
Senior Unsecured	May 2019	17 May 2027	GBP 350m	GBP 350m	2.125%	Every 17 May	Yes	2,968	346,000
Senior Unsecured	May 2019	16 May 2033	GBP 300m	GBP 300m	2.5%	Every 16 May	Yes	2,518	283,000
Senior Unsecured/CPI-linked	May 2019	16 May 2034	GBP 250m	GBP 250m	0.375%	Every 16 May & 16 Nov.	Yes	1,800	198,000
Senior Unsecured	Nov. 2019	19 Nov. 2026	TWD 4,000m	TWD 4,000m	0.92%	Every 19 Nov.	Yes	882	76,000
Senior Unsecured	Nov. 2019	19 Nov. 2034	TWD 8,000m	TWD 8,000m	1.5%	Every 19 Nov.	Yes	1,765	152,000
Senior Unsecured	Nov. 2020	13 Nov. 2027	TWD 4,000m	TWD 4,000m	0.6%	Every 13 Nov.	Yes	500	43,000
Senior Unsecured	Nov. 2020	13 Nov. 2030	TWD 3,000m	TWD 3,000m	0.7%	Every 13 Nov.	Yes	661	57,000
Senior Unsecured	Nov. 2020	13 Nov. 2040	TWD 8,000m	TWD 8,000m	0.98%	Every 13 Nov.	Yes	1,000	86,000
Hybrid capital	Jun. 2013	26 Jun. 3013	EUR 700m	EUR 350m	6.25%	Every 26 Jun.	No	n/a	n/a
Hybrid capital	Nov. 2017	24 Nov. 3017	EUR 500m	EUR 500m	2.25%	Every 24 Nov.	Yes	3,674	423,000
Hybrid capital	Dec. 2019	9 Dec. 3019	EUR 600m	EUR 600m	1.75%	Every 9 Dec.	Yes	2,800	413,000
Hybrid capital	Feb. 2021	18 Feb. 3021	EUR 500m	EUR 500m	1.50%	Every 18 Feb.	Yes	n/a	n/a
Hybrid capital	Feb. 2021	18 Feb. 3021	GBP425m	GBP425m	2.50%	Every 18 Feb.	Yes	n/a	n/a

Financing strategy



At Ørsted, we have a centralised financing strategy utilizing our strong balance sheet and diverse portfolio.

The strategy supports:

- A capital structure supportive of our BBB+ rating ambition
- Concentration of and scale in financing activities
- Cost efficient financing based on a strong parent rating
- Optimal terms and conditions and uniform documentation
- Transparent and simple debt structure
- No financial covenants and restrictions on operating arrangements
- Corporate market more stable and predictable than project finance market
- Avoidance of structural subordination

The financing strategy optimizes the effect of a fully integrated cash pool where cash at practically all of the company's more than 200 subsidiaries is made available for the company's financing and liquidity purposes.

Financing of activities at subsidiary level is provided by Ørsted A/S in a standardised and cost-efficient setup.

Widespread use of project financing is not considered cost-efficient and dilutes the creditworthiness of the company.

Currency risk management

General principles

- Highly certain cash flows are hedged
- Cost-of-hedging is minimized by netting of exposures in the portfolio of projects, as well as use of construction contracts and debt in local currencies.

Managing outright long risk

- Operations: 5-year minimum hedging staircase mandate by the Board of Directors with 100 % in year 1 – declining to 20 % in year 5. The hedging staircase is a compromise between stabilizing cash flows in the front-end and ensuring a balanced FFO/NIBD.
- Beyond the 5-year horizon the currency exposures are to some extent hedged with foreign-currency debt.

Managing time-spread risk (new markets)

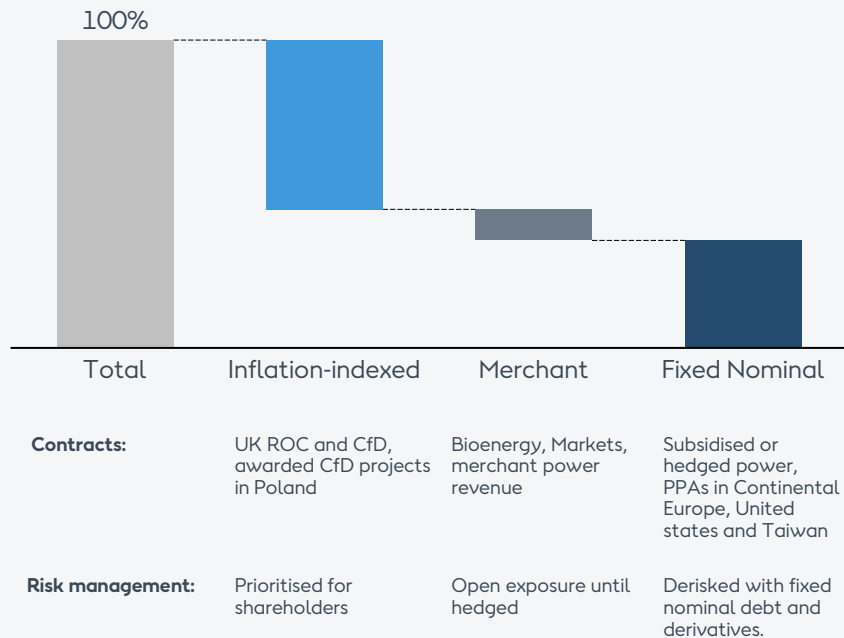
- Construction period: Hedge 100 % of year 1 currency cash flow risk by swapping the exposure to a year with the same currency revenue.
- In new markets the capital expenditures beyond year 1 are netted with future revenue in the same currency.



Interest rate and inflation risk management

Assets and debt allocation

Illustrative



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

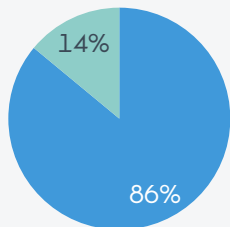
- Assets divided into risk categories based on nature of inflation and interest rate risk exposure
- Simple risk metrics are used to match assets with appropriate debt within each category
- Fixed nominal-category has first priority for debt allocation to protect shareholders against inflation
- Inflation-indexed revenues reserved to service equity return for shareholders thereby to a large extent protecting the real value of equity against fluctuations in inflation

Energy risk management

Risk picture

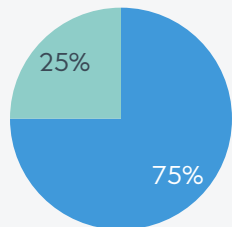
- We manage energy market risks to protect Ørsted against price volatility and to ensure stable and robust financial ratios that support our growth strategy
- For Offshore, a substantial share of energy production is subsidized through either fixed tariffs or green certificates. Remaining exposure is hedged at a declining rate up to five years
- Onshore mitigate their power exposure by entering into long-term power sales agreements and commodity hedges
- Markets & Bioenergy manage their market risk actively by hedging with derivatives in the energy markets up to five years

Offshore exposure



■ Subsidized exposure
■ Market exposure

Onshore exposure



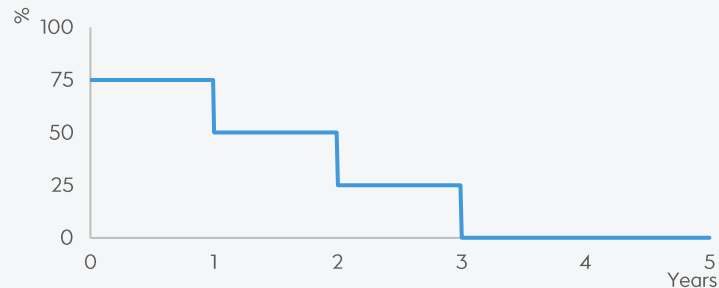
■ Power purchase agreements
■ Market exposure

Note: expected exposure 2021-2025, as of 31/12/2020

Hedging of open exposure

- Open energy exposure is reduced actively
- Minimum hedging requirements are determined by the Board of Directors. In the first two years, a high degree of hedging ensures stable cash flows
- The degree of hedging is declining in subsequent years. This is due to: 1) reduced certainty about long-term production volumes and 2) increasing hedging costs in the medium to long term: both spread costs and potential cost of collateral

Offshore minimum power hedging requirement



Note: actual hedging level is significantly higher



Allan Bødskov Andersen

Head of Investor Relations
alban@orsted.com

Rasmus Hærvig

Senior Manager
rakol@orsted.com

Alex Morgan

Lead Investor Relations Officer
alxmo@orsted.com

Sabine Lohse

Senior Investor Relations Officer
sablo@orsted.com

Henriette Stenderup

IR Coordinator
hnste@orsted.com

Orsted