Ørsted

Investor presentation Q4 2022

1 February 2023

DISCLAIMER

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.

Unless required by law, Ørsted is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this presentation, whether as a result of new information, future events or otherwise.

Strong operational performance and significant strategic progress

Offshore

- Commissioned Hornsea 2, the world's largest operating offshore wind farm
- First power at Greater Changhua 1 & 2a
- FID on first utility scale US offshore wind project, South Fork Wind
- Awarded CfD for Hornsea 3, the world's single largest offshore wind
- Partnership with CIP for potential of up to 5.2 GW through open-door scheme
- Applied to build 15 GW of offshore capacity in Sweden
- Floating wind partnership in Spain with Repsol and entry into Scotland
- Recycled capital through farm-down of Hornsea 2 and Borkum Riffgrund 3

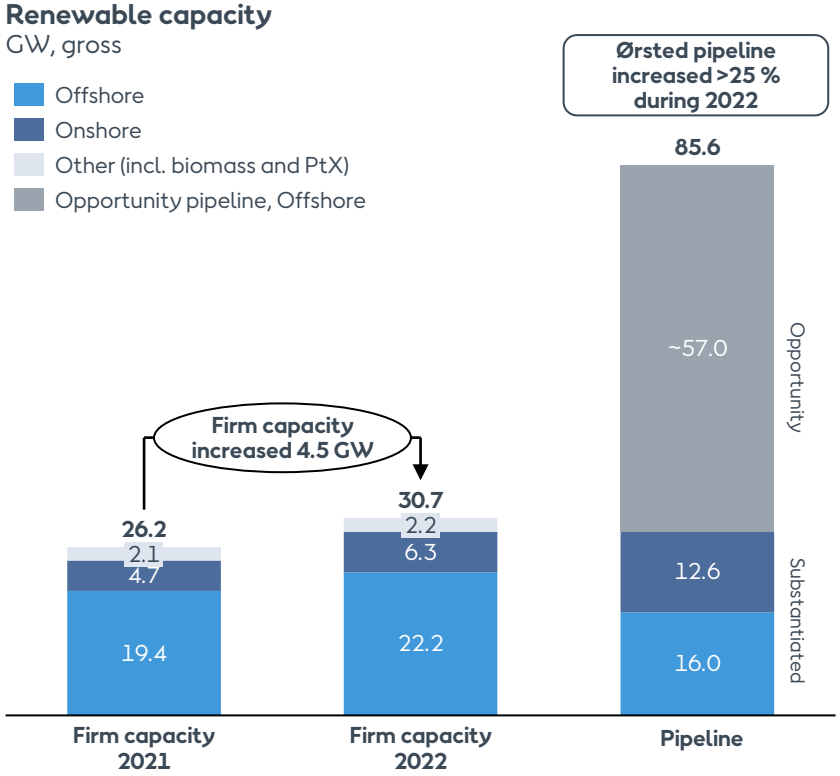
Onshore

- FID on a total of 1.4 GW onshore projects
- Expansion into Germany and France with the acquisition of Ostwind
- Partnerships in Spain to pursue early-stage solar PV and onshore wind projects
- Completed farm-down of US project portfolio, the first ever in Onshore

P2X

- FID on the largest European e-methanol facility, FlagshipONE, located in Sweden
- US market entry with the development of 300,000 tonnes e-methanol facility

The Board of Directors recommends a dividend of DKK 13.5 per share, an increase of 8 %



Firm capacity defined as: Installed + Decided + Awarded capacity
Offshore substantiated pipeline: 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 substantiated pipeline: Combination of land control/options and or interconnection studies/positions. Offshore opportunity pipeline: Less mature projects that we are actively working on, where we have not secured exclusivity yet, where the regulatory regime is immature or where there are centralized tenders with no exclusivity options

Significant political support for accelerated renewable build-out

Ørsted is well-positioned to tap into political support with a portfolio spanning several renewable technologies across key growth markets

- 'Fit-for-55' focus on enabling carbon emissions reduction through increased build-out of renewables and robust carbon pricing
- Significant increase in renewable buildout targets across numerous countries and at EU level
- 'Green Deal Industrial Plan' including 'Net Zero Industry Act' would materially increase the attractiveness of renewables
- EU progress on ensuring faster permitting of renewable projects

- 'Inflation Reduction Act' a key driver for the Renewable energy and green fuels industries for years to come
- Several coastal states have increased targets for offshore wind build-out

- Continued expansion of renewable ambitions across APAC
- The Australian offshore market opening up and expanding over several technologies

Continued acceleration of annual build-out of offshore wind

> 25 GW expected to be auctioned 2023

H1 2023
New York 3
2,000 - 4,600 MW

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

H2 2023
Taiwan auction
3,000 MW

2023
Massachusetts 4
TBA

H1 2023
Rhode Island
600 - 1,000 MW

H1 2023
Japan auctions
>1,500 MW

H2 2023
CfD R5
TBD

2023
Sørlige Nordsjø II site 1
1,500 MW

H1 2023
New Jersey 3
>1,200 MW

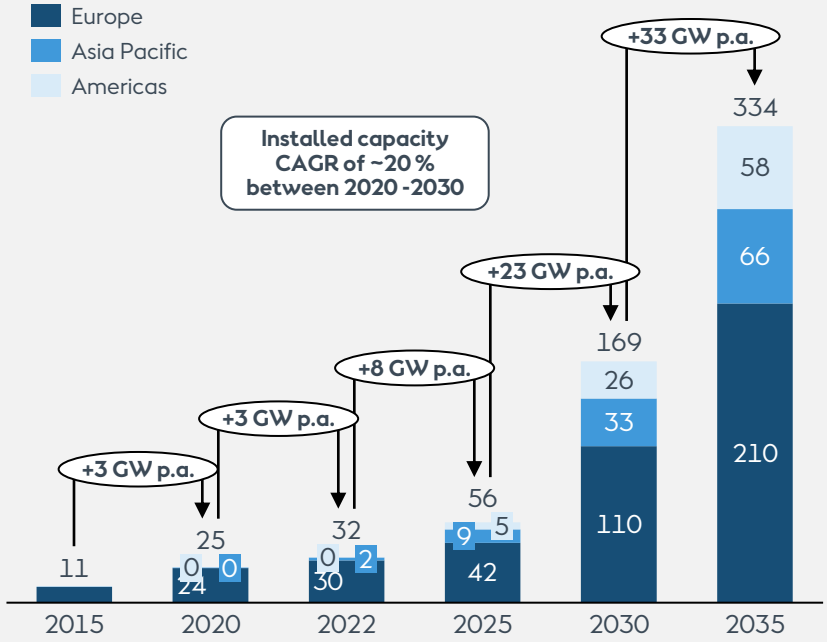
H1 2023
Germany
9 GW

H2 2023
IJmuiden Ver
4 GW

2023-2024
Connecticut
TBA

Offshore build-out, excluding China mainland

Installed capacity, GW



All auction and tender timelines and capacities based on current expectations and subject to change. Timeline reflects bid submission deadline, not time of award
Source: BNEF Offshore Wind Market Outlook H2 2022

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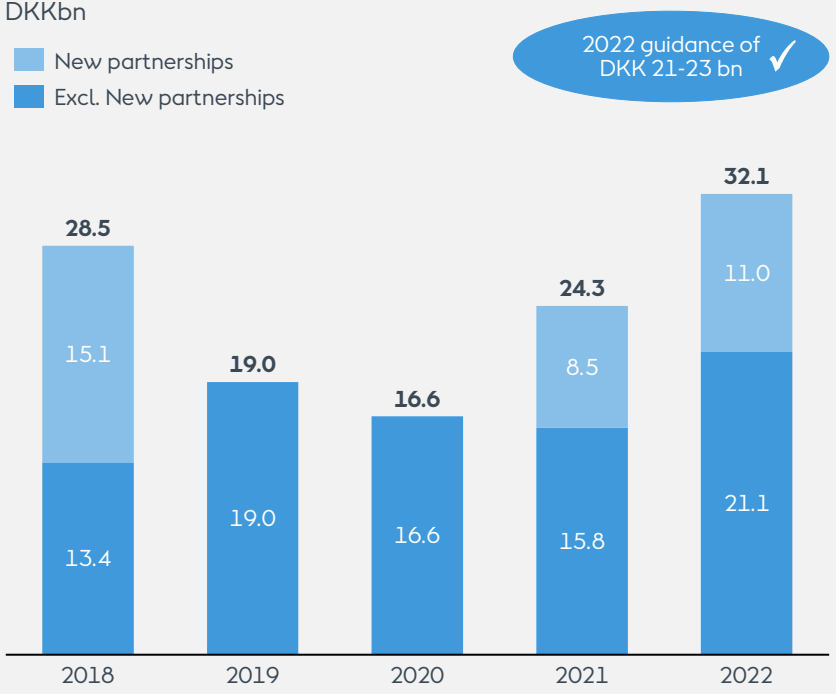
2022 guidance delivered with different earnings composition

Achieved guidance in 2022

- EBITDA including new partnerships amounted to DKK 32.1 bn, a record-high EBITDA
- EBITDA excluding new partnerships of DKK 21.1 bn, exceeding initial expectations for the year
- Earnings composition demonstrates the strength of our diversified portfolio of assets
- Strong performance from our onshore wind and solar PV business, CHP plants, and gas activities
- Adverse impact from overhedging, ineffective hedges, and delays at Hornsea 2 and Greater Changhua 1 & 2a

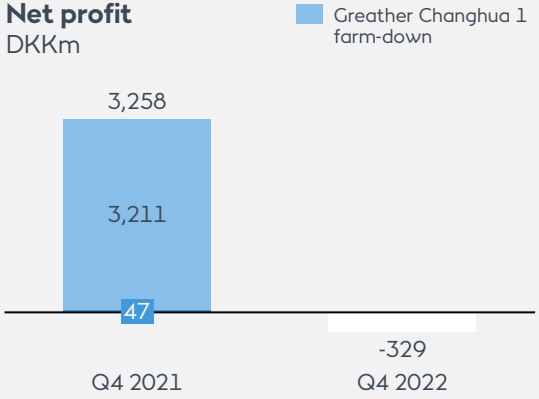
Remain confident in our long-term EBITDA growth

Group EBITDA
DKKbn



Net profit, ROCE and Equity

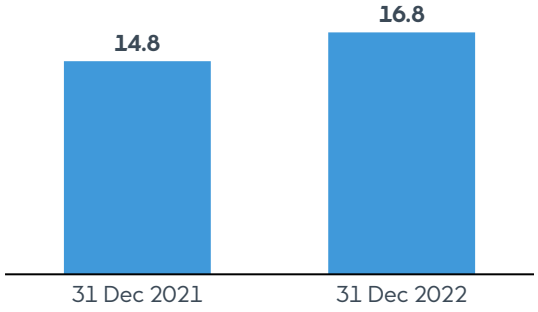
Net profit
DKKm



Net profit of DKK -0.3 bn

- Slightly lower underlying net profit
- Higher EBITDA excluding new partnerships offset by farm-down gain in Q4 2021 and impairment in Q4 2022

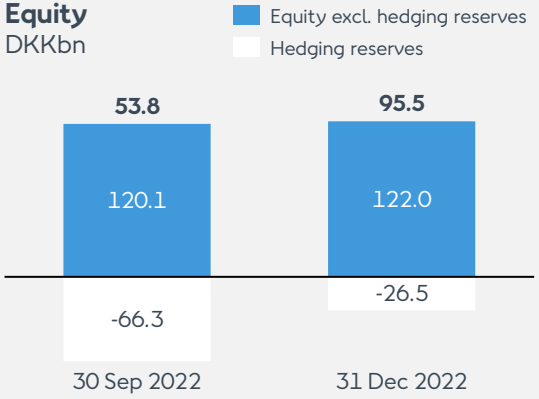
ROCE
%, last 12 months



ROCE of 16.8 %

- Increase driven by higher EBIT
- On track to achieve average ROCE of 11 – 12 % between 2020 – 2027

Equity
DKKbn



Equity of DKK 95.5 bn

- Reduced hedge reserve driven by hedge run off and lower forward power prices
- By end of 2023, approx. 30 % of hedge reserve will materialise

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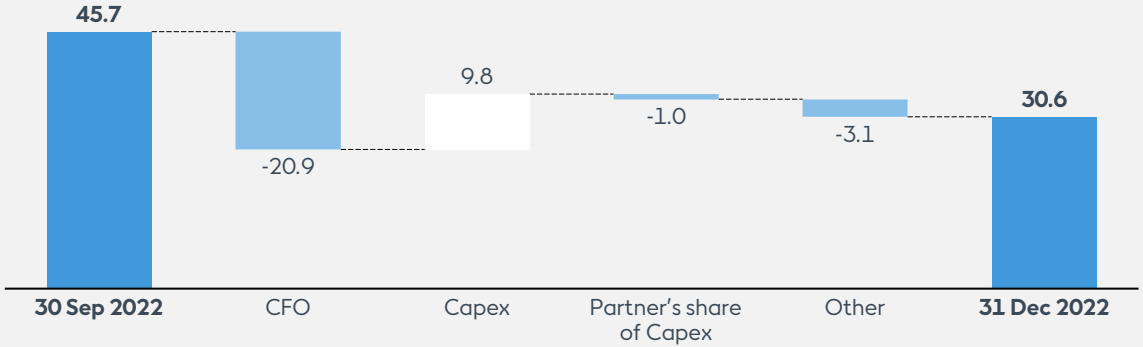
Net interest-bearing debt and credit metric

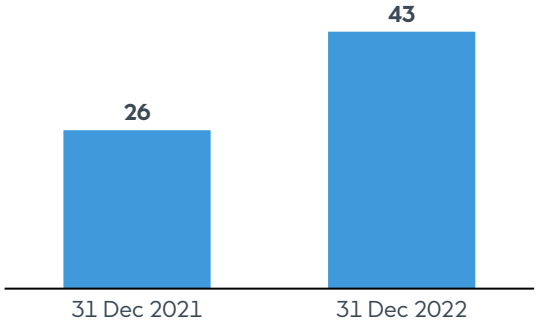
Net interest-bearing debt
Q4 2022, DKKbn



Net interest-bearing debt of DKK 30.6 bn, down DKK 15.1 bn

- Operating cash flow positive due to release of collateral postings, net DKK 17.4 bn during Q4
- Gross investments relating to construction of offshore and onshore assets
- Decrease in 'Other' due to issuance of hybrid capital and from exchange rate adjustments of decreased GBP

FFO / Adj. net debt
%[1]



FFO / Adj. net debt of 43 %

- Increase mainly due to higher FFO in 2022, driven by higher EBITDA

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

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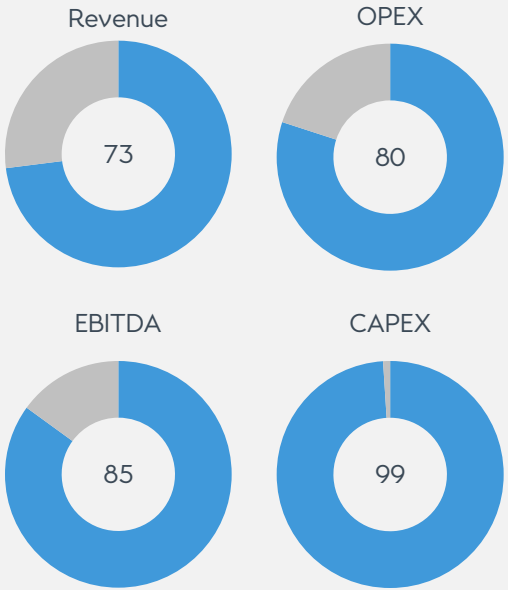
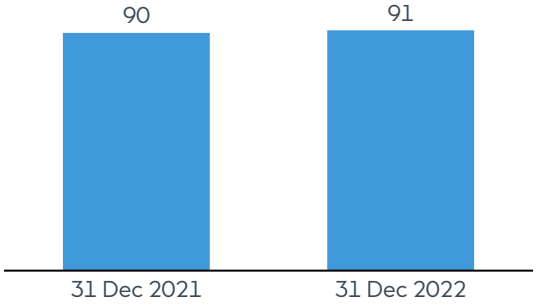
Non-financial ratios

Taxonomy-aligned KPIs
%, YTD



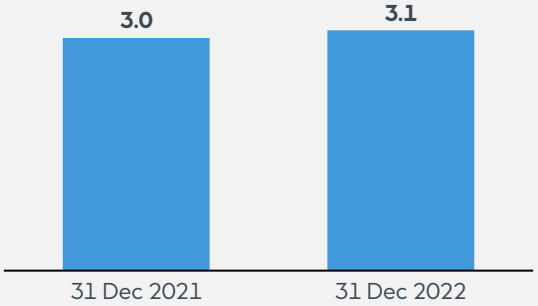
Green share of energy generation
%, YTD



Green share of energy at 91 %

- More wind and solar assets in operation
- Higher wind speeds
- Partly offset by higher coal-based heat and power generation

Safety
Total recordable injury rate, YTD



TRIR of 3.1

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

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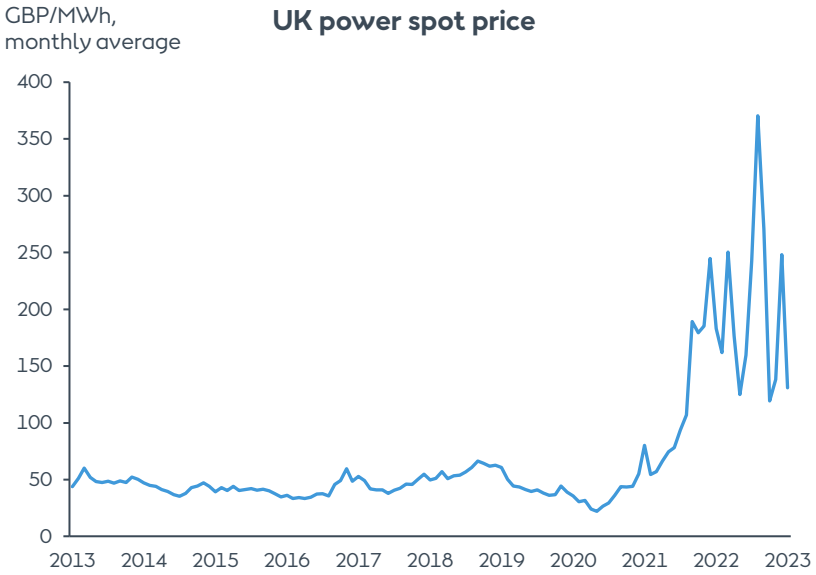
Previous power price hedging approach no longer fit-for-purpose

Minimum hedging requirements in previous approach was too high in volatile markets



A set of criteria has been established to design the new hedging framework

- Protect results against downside by reducing risk of overhedging and reduce IFRS-9 ineffective hedges
- Ensure sufficient stability in credit rating metrics by reducing risk of large collateral postings from hedging power prices
- Provide flexibility to lock-in attractive power prices and support commercial initiatives

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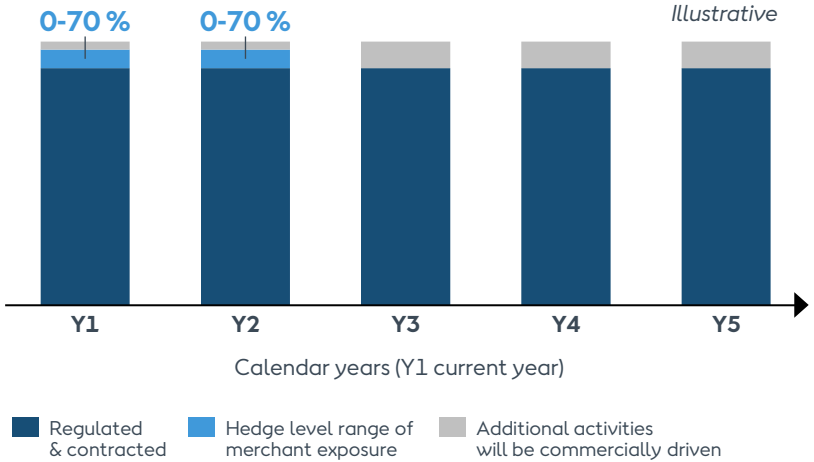
New approach better suited for the characteristics of our portfolio

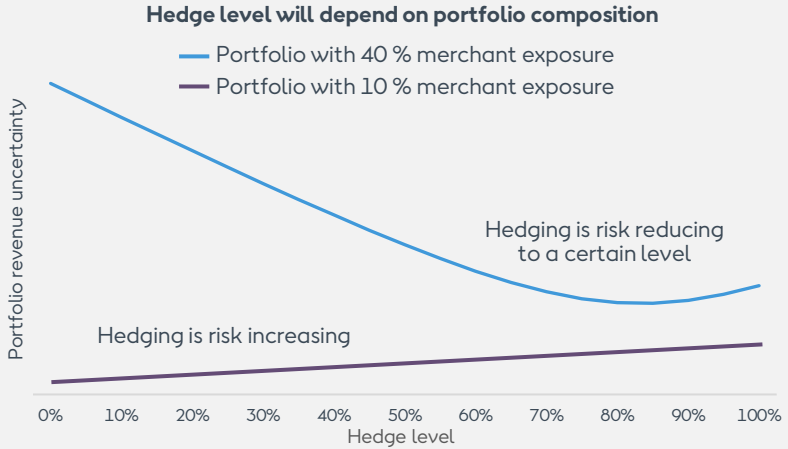
Lower hedge level and shorter time horizon. Hedge level of merchant exposure between 0-70 % in Y1 & Y2

- 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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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	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

Capital Markets Day
Save the date - 8 June 2023

Q&A

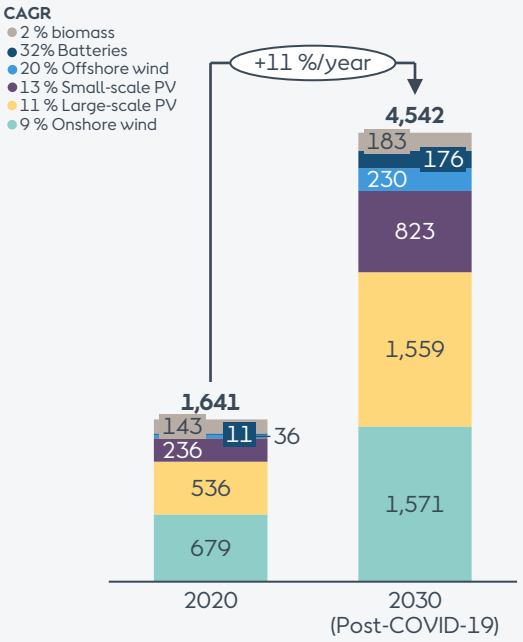
DK: +45 78 76 84 90
UK: +44 203 769 6819
US: +1 646 787 0157
PIN: 994005

For questions, please press 5*

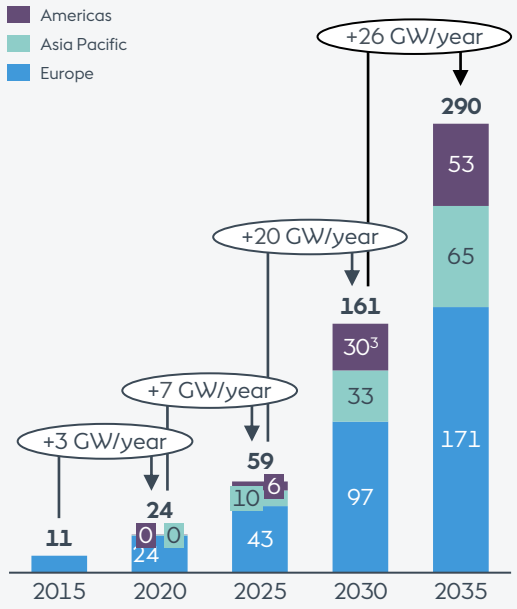
Appendix

Forecasted renewable capacity build-out

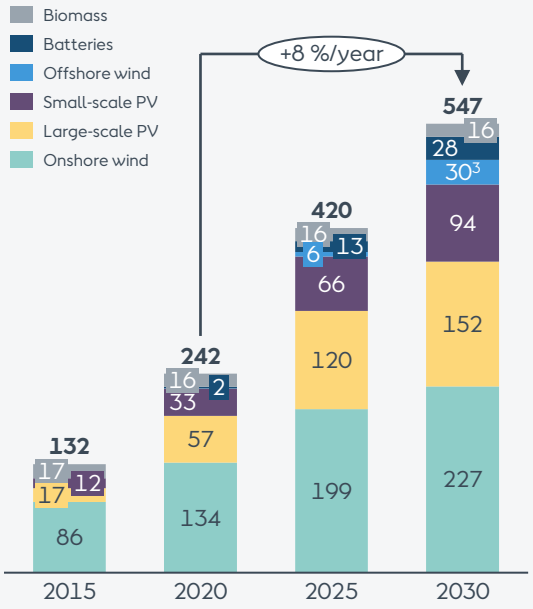
Global renewable energy capacity by technology[1]
GW installed



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 December 2022

Indicator, MW, gross	FY 2022	FY 2021	Δ
Installed renewable capacity	**15,121**	**12,977**	**2,144**
Offshore, wind power	8,871	7,551	1,320
Onshore	4,175	3,351	824
- Wind power	3,464	2,654	810
- Solar PV power	671	657	14
- Battery storage	40	40	-
Other (incl. P2X)	2,075	2,075	-
- Biomass, thermal heat	2,054	2,054	-
- Battery storage	21	21	-
Decided (FID) renewable capacity	**4,340**	**4,725**	**(385)**
Offshore, wind power	2,196	3,386	(1,190)
Onshore	2,072	1,337	735
- Onshore wind power	321	657	(336)
- Solar PV power	1,451	680	771
- Battery storage	300	-	300
Other (incl. P2X), hydrogen	72	2	70
Awarded/contracted renewable capacity (no FID yet)	**11,222**	**8,435**	**2,787**
Offshore, wind power	11,157	8,435	2,722
Onshore, solar PV power	65	-	65
Sum of installed and FID capacity	**19,461**	**17,702**	**1,759**
Sum of installed, FID, and awarded/contracted capacity	**30,683**	**26,137**	**4,546**

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.

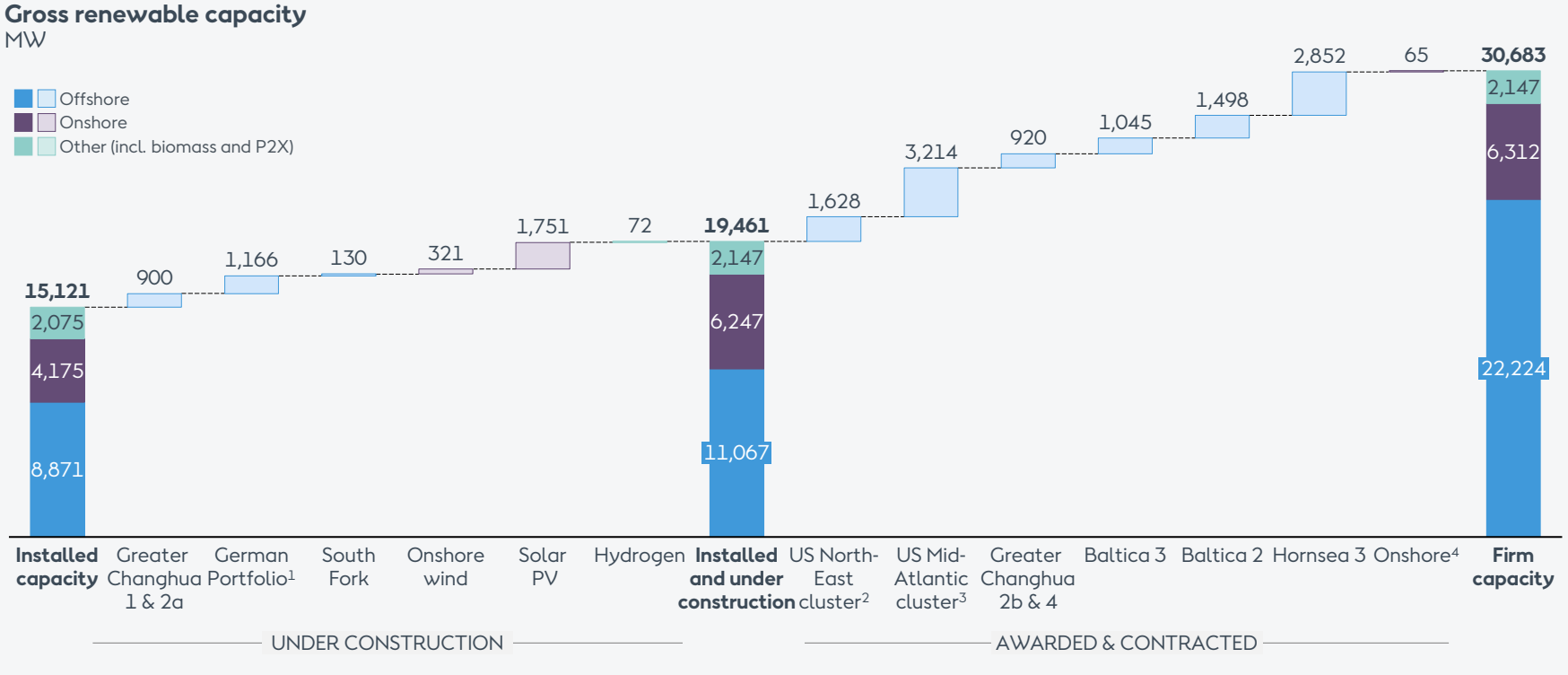
Decided (FID) renewable capacity
Decided (FID) capacity is the renewable capacity for which a final investment decision (FID) has been made.

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'

Ørsted construction programme and pipeline

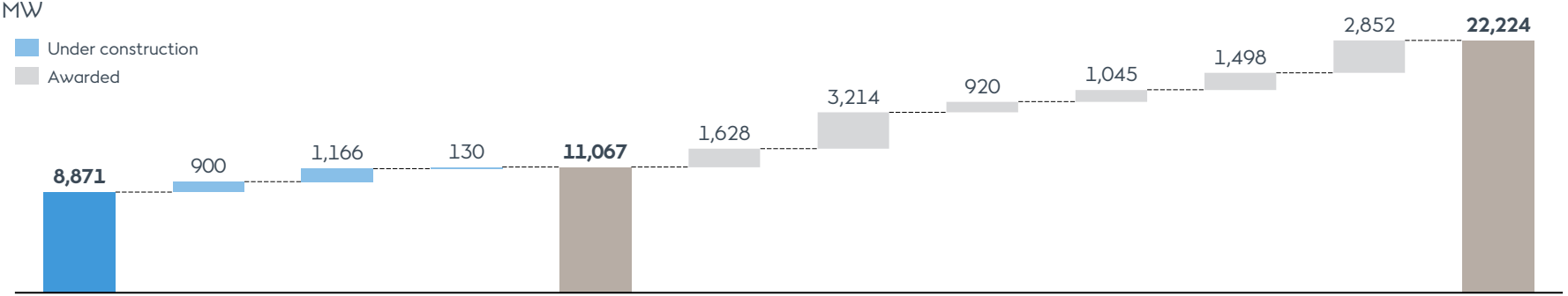


1.German Portfolio: Gode Wind 3 (253 MW) and Borkum Riffgrund 3 (913 MW), 2.US North-East cluster: Revolution Wind (704 MW) and Sunrise Wind (924 MW), 3.US Mid-Atlantic cluster: Skipjack 1 (120 MW), Skipjack 2 (846 MW), Ocean Wind 1 (1,100 MW) and Ocean Wind 2 (1,148 MW), 4. Ballinrea Solar Farm
Onshore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

Offshore wind build-out plan

Installed capacity

MW

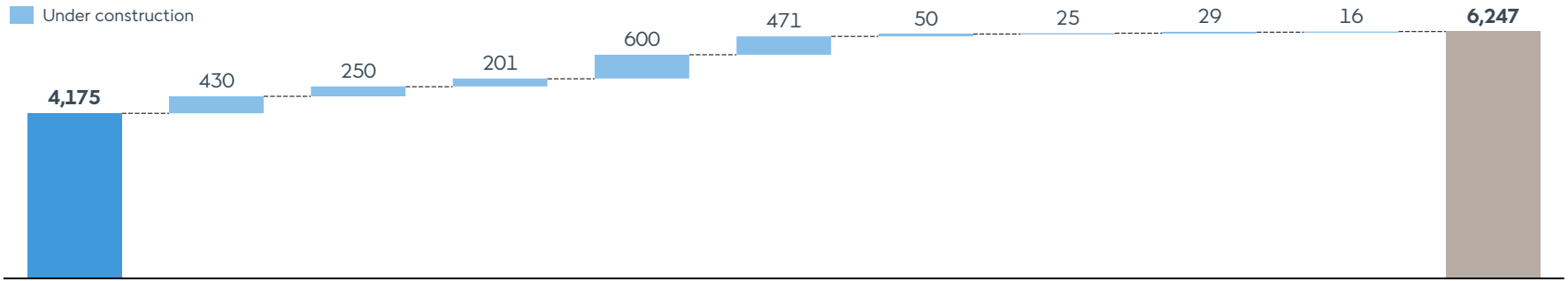


	Installed capacity Q4 2022	Greater Changhua 1 & 2a	German Portfolio[1]	South Fork Wind	Decided (FID'ed) and installed capacity	US North-East cluster[2]	US Mid-Atlantic cluster[3]	Greater Changhua 2b & 4	Baltica 3	Baltica 2	Hornsea 3	Decided (FID'ed), installed and awarded capacity
Country		Taiwan	Germany	US		US	US	Taiwan	Poland	Poland	UK	
Expected completion		2023	2024/2025	2023		2025	2025/2026/ 2029	2025/2026	2026	2027	2027	
Construction status		Delayed	On track	On track		Pending FID	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								

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. Skipjack 1 (120 MW), Skipjack 2 (846 MW), Ocean Wind 1 (1,100 MW) and Ocean Wind 2 (1,148 MW)

Onshore build-out plan

Installed capacity
MW



Installed Capacity Q4 2022	Old 300	Helena Energy Center[1]	Sunflower	Eleven Mile	Mockingbird	German portfolio[3]	French portfolio[4]	Irish portfolio[5]	UK portfolio[6]	**Decided (FID'ed) and installed capacity**
Region	ERCOT, TX	ERCOT, TX	SPP, KS	WECC, AZ	ERCOT, TX	Germany	France	Ireland	Northern Ireland	
Expected completion	H2 2023	H2 2023	H2 2023	H1 2024	H2 2024	H2 2024	2023/2024	H2 2023	H1 2023	
Status	Delayed	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[2]	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. Solar PV phase; 2. 1,200 MWh for BESS; 3. Bahren West 1 50 MW; 4. Les Dix-Huit 7 MW, Gatineau 9 MW, Delta Sèvre-Argent 9 MW; 5. Lisheen 3 29 MW; 6. Ballykeel 16 MW

Offshore market development – UK, Ireland and Isle of Man

United Kingdom	• UK Government increased in April 2022 the ambition of offshore wind to 50 GW by 2030, including 5 GW of floating offshore wind to reduce reliance on imports and improve energy security • Commitment to decarbonise electricity system by 2035 and binding target to reach net zero emissions 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) will be carried out in H2 2023 • 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 • Results of Allocation Round 4 announced 7 July, where Ørsted was awarded a CfD for the up to 2.9 GW Hornsea 3 project • Innovation and Targeted Oil & Gas (INTOG) offshore leasing round by Crown Estate Scotland targeting up to 500 MW of Innovation projects and up to 5.7 GW of Targeted Oil & Gas Decarbonisation projects closed in November 2022 with results expected end of April 2023 • 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 (MARA), a dedicated maritime area agency, is expected to be established in early 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
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

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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 • Tender volumes for 2023 have been increased to 9 GW and are expected to be allocated in auctions including both price and qualitative elements. 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 (4 x 1 GW or 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 potentially system integration
Denmark	• Political agreement on tendering 4 GW new offshore wind before 2030 in addition to the existing agreement on 2 GW and potential 1 GW extra dedicated for P2X. First tenders are expected to take place in 2024 • Hesselø tender has been reallocated to a new site due to seabed conditions. New site investigation is started, and the auction is expected to be kicked off in 2024 • Political agreement on expanding tender for offshore wind farms connected to the Bornholm Energy Island from 2 GW to 3 GW
Poland	• Draft regulation published for new CfD subsidy scheme with increased capacity targets from 5 GW to 12 GW towards 2031 • Seabed auctions of 11-13 GW offshore wind started – 3 of 11 sites have been awarded, with remaining 8 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 2024/2025 with exact timings driven by onshore grid reinforcement • First tender 700 MW expected H1 2024 – tenders for remaining volumes in new Princess Elisabeth zone are expected for 2025 • MoU signed with Denmark for large scale offshore wind power imports
Baltic States	• 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	• 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 • End of December 2023, Government announced national dialogue process to simplify permitting process for wind, solar and nuclear, to run throughout 2023
Norway	• Target of awarding 30 GW of offshore wind by 2040. Currently, two areas opened with max. capacity of 3 GW • Utsira Nord consists of multiple smaller floating projects (500 MW each) allocated through a qualitative competition in 2023 with subsidy competition at a later date • Sørlige Nordsjø II is a bottom-fixed 1.5 GW project radially connected to Norway and allocated through a price-only auction in 2023.
Iberia	• Spain: Target of up to 3 GW floating offshore wind by 2030 supported by planned investment of EUR 200 mio. in research and innovation • Portugal: An ambition of 10 GW installed capacity by 2030 with an expected first auction in 2023

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

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Offshore market development – US

Massachusetts	• Target of 5.6 GW offshore wind by 2027 of which 3.2 GW has already been awarded, through and including Dec. 2021 awards • Next auction expected in 2023
Connecticut	• Target of 2 GW of offshore wind capacity by 2030, of which 1.2 GW remains available • CT has announced they will not procure more offshore wind until certain transmission issues have been resolved
New York	• Target 9 GW offshore wind by 2035. NY-3 RFP for 2-4.6 GW award expected H1 2023 • 2.5 GW awarded in Q1 2021 and 4.3 GW in total • BOEM completed a sale of six new seabed lease areas in the New York Bight, all leases can serve both New York and New Jersey markets
New Jersey	• 21 September, Governor Murphy announced an increase in the state's offshore wind goal to 11 GW by 2040 • Next auction is expected to be at least 1.2 GW and held in H1 2023
Maryland	• Awarded 1.6 GW across two projects in Dec. 2021, meeting its solicitation target and therefore closing future solicitation rounds • No firm targets for offshore wind beyond awarded projects – new administration has not announced additional targets.
Rhode Island	• Executive order signed to power the state with 100 % renewable energy by 2030 • Ongoing action for 600-1,000 MW with bids due 13 March 2023
California	• BOEM complected a sale of five seabed leases in 2022. Sites are in deep waters off California's central and northern coasts • Preliminary planning target updated to 25 GW by 2045
North Carolina	• Legislation requires electric sector to reach 70 % decarbonisation by 2030 and 100 % by 2050. Executive Order targets 2.8 GW of offshore wind by 2030 and 8 GW by 2040
Other	• 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

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Offshore market development – APAC

Taiwan	• Taiwan has met its target of awarding 5.5 GW to be commissioned by 2025 • 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, up from 10 GW previously • Auction round 3.2 bid submission deadline expected in H2 2023
Japan	• Authorities announced the 1st Offshore Wind Vision confirming 10 GW offshore wind target 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 H1 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 remains delayed, but with an expected 7 GW target by 2030 for offshore wind. The adoption of the policy is required to put the relevant secondary legislation in place • High gas prices delay finalization of Vietnam's energy master plan as gas targets are revised, hence awaiting finalization of the mater plan (PDP8) • Prime Minister issues resolution clarifying rules for awarding site survey permits for offshore wind projects including a 90-day process limit for authorities managing applications • 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

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Offshore seabed competition

Ongoing
Poland
11 - 13 GW

H1 2023
Gulf of Mexico
~8 GW

2023
Gibbsland
TBA

Ongoing
Scotland INTOG [1]

2023
Oregon
~3 GW

2023
Celtic Sea floating
4 GW

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

Signals for significant market growth within renewable hydrogen & e-fuels

National & cross-national ambition setting

12 new countries announced their hydrogen strategies in 2022 resulting in 38 countries now having a hydrogen strategy (up from 3 in 2019). The total electrolyser target across these hydrogen strategies is approx. 88 GW by 2030.

Regulatory & support schemes see increased activity

Tangible legislation and support schemes are materialising, this includes: the Inflation Reduction Act passing the Senate in US, the expansion of the EU ETS to cover the maritime sector and an EU Hydrogen Bank.

Project announcements & increasing demand

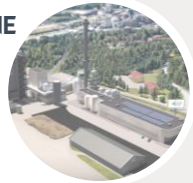
Global announced projects indicate significant build-out ambitions of c.290 GW_e electrolyser capacity toward 2030, however the majority of projects are still pre-FID. Evidence of tangible offtake e-fuel demand includes over 80 methanol vessels on order or operating.

Ørsted Power-to-X highlights during Q4 2022

Maturing a 3GW+ pipeline across a portfolio of project opportunities

Final investment decision taken on FlagshipONE

Ørsted's board of directors approved the 50,000 tpa e-methanol Swedish project in December 2022. FlagshipONE now enters the execution phase and COD is expected in 2025.



IPCEI funding achieved by the Haddock and Green Fuels for Denmark (GFDK) projects

Both projects received IPCEI status earlier in 2022. In December they were awarded funding by their respective member states.

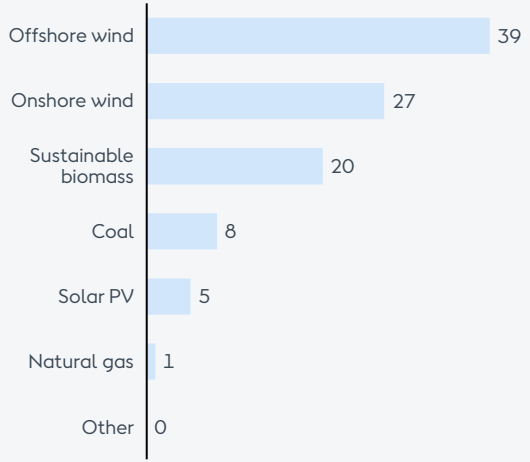
Exploration of partnership opportunities

Building on Ørsted's partnership approach, Ørsted and Skovgaard Energy will partner to explore an opportunity to establish a hydrogen project in Idomlund, Denmark.

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

ESG Performance

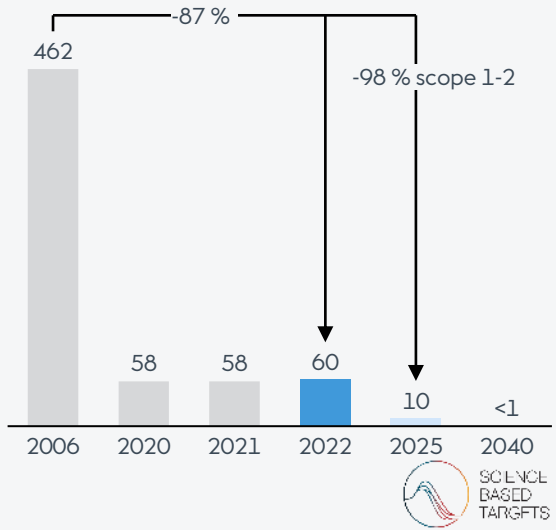
Total heat and power generation FY 2022
Energy source, %



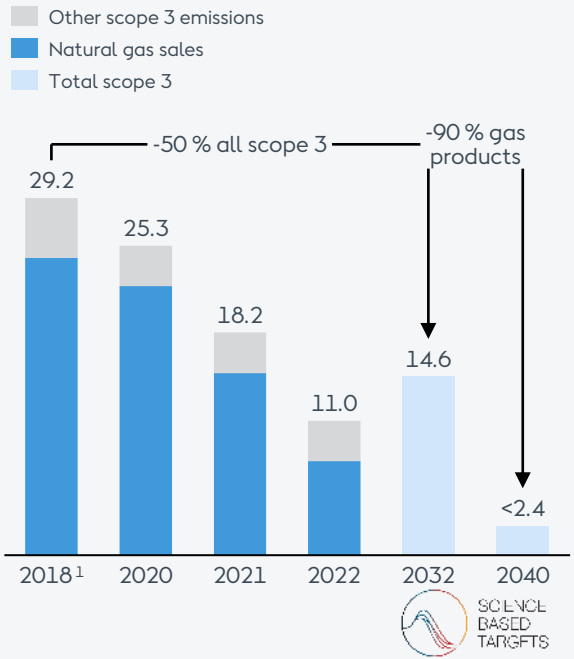
Green share of energy generation, 2022

91 %

Greenhouse gas emission intensity
g CO_2e/kWh



Scope 3 greenhouse gas emissions,
million tonnes CO_2e



1. 2018 is adjusted base year

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

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 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

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

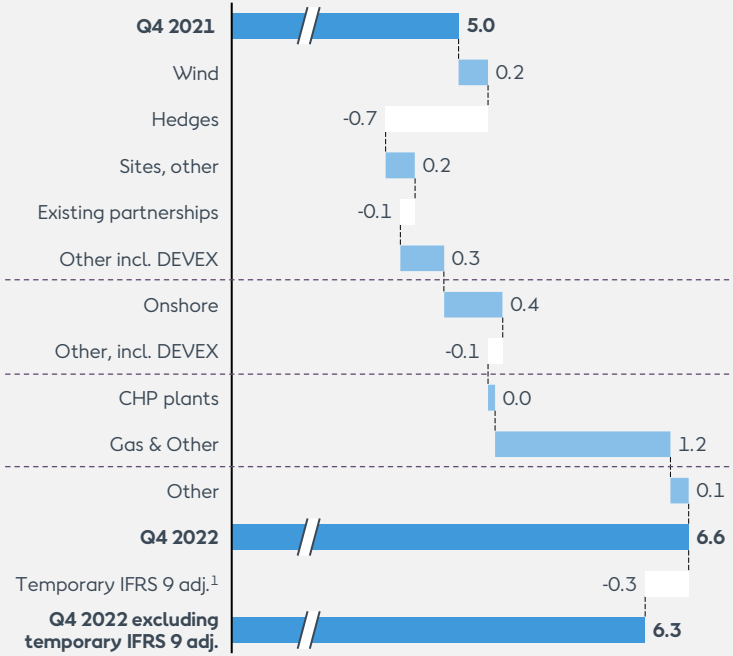
Aspiration
To deliver on our sustainability goals, we continuously work to integrate sustainability and integrity into processes and decision-making across our organisation.

Key sustainability targets

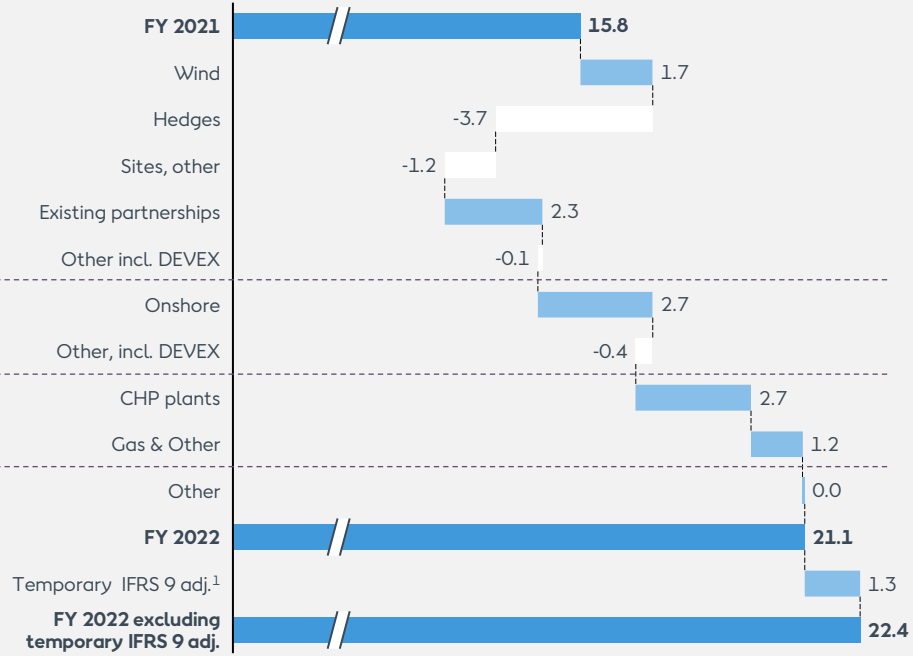
- Sustainability embedded consistently across relevant steps of our operating model
- All future projects are EU taxonomy-aligned
- Code of conduct risk screenings on all sourcing contracts above DKK 3 million

Q4 and FY 2022 EBITDA

Q4 EBITDA excluding new partnerships
DKKbn



FY EBITDA excluding new partnerships
DKKbn



1. Absolute effects from IFRS 9 hedge effects in Q4 and FY 2022, respectively

Group – Financial highlights

Financial highlights		Q4 2022	Q4 2021	Δ	FY 2022	FY 2021	Δ
EBITDA	DKKm	6,696	8,253	(19 %)	32,057	24,296	32 %
- New partnerships		77	3,211	(98 %)	10,993	8,507	29 %
- EBITDA excl. new partnerships		6,619	5,042	31 %	21,064	15,789	33 %
• Offshore		2,094	5,244	(60 %)	19,569	18,021	9 %
• Onshore		852	530	61 %	3,644	1,349	170 %
• Bioenergy & Other		3,609	2,416	49 %	8,619	4,747	82 %
Operating profit (EBIT)		1,375	5,980	(77 %)	19,774	16,195	22 %
Total net profit		(329)	3,258	n.a.	14,996	10,887	38 %
Operating cash flow		20,915	668	3031 %	11,924	12,148	(2 %)
Gross investments		(9,826)	(11,752)	(16 %)	(37,447)	(39,307)	(5 %)
Divestments		983	10,952	(91 %)	25,636	21,519	19 %
Free cash flow		12,072	(132)	n.a.	113	(5,640)	n.a.
Net interest-bearing debt		30,571	24,280	26 %	30,571	24,280	26 %
FFO/Adjusted net debt[1]	%	42.7	26.3	16 %p	42.7	26.3	16 %p
ROCE[1]	%	16.8	14.8	2 %p	16.8	14.8	2 %p

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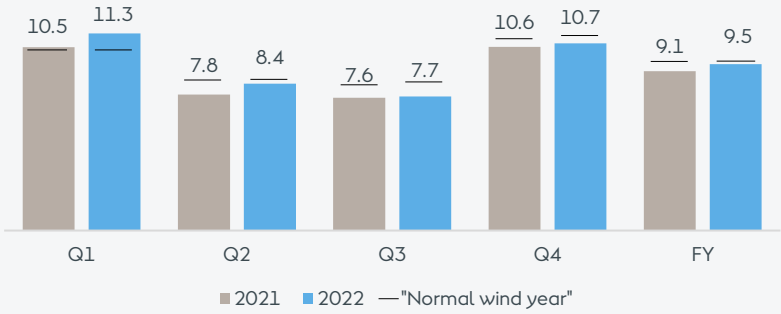
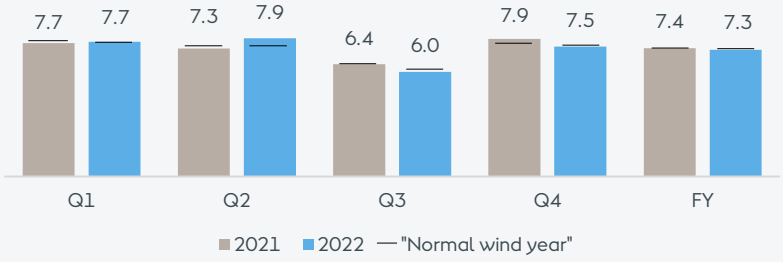
Offshore – Financial Highlights

Financial highlights		Q4 2022	Q4 2021	Δ	FY 2022	FY 2021	Δ
EBITDA	DKKm	2,094	5,244	(60 %)	19,569	18,021	9 %
• Sites, O&Ms and PPAs		3,746	3,983	(6 %)	9,940	13,059	(24 %)
• Construction agreements and divestment gains		(715)	2,469	n.a.	12,277	7,535	63 %
• Other, incl. project development		(937)	(1,208)	(22 %)	(2,648)	(2,573)	3 %
Key business drivers							
Power generation	GWh	5,411	4,452	22 %	16,483	13,808	19 %
Wind speed	m/s	10.7	10.6	1 %	9.5	9.1	4 %
Availability	%	95	95	0 %p	94	94	(0 %p)
Load factor	%	54	53	1 %p	42	39	3 %p
Decided (FID) and installed capacity[1]	GW	11.1	10.9	1 %	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	4.0	17 %	4.7	4.0	17 %



Onshore – Financial Highlights

Financial highlights		Q4 2022	Q4 2021	Δ	FY 2022	FY 2021	Δ
EBITDA	DKKm	852	530	61 %	3,644	1,349	170 %
• Sites		420	211	99 %	2,097	535	292 %
• Production tax credits and tax attributes		712	480	48 %	2,556	1,382	85 %
• Other, incl. project development		(280)	(161)	73 %	(1,009)	(568)	77 %
Key business drivers							
Power generation	GWh	3,425	2,818	22 %	13,146	8,352	57 %
Wind speed[1]	m/s	7.7	7.9	(2 %)	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]	%	40	47	(7 %p)	40	42	(2 %p)
Load factor, solar PV[1]	%	17	19	(2 %)	25	24	1 %p
Installed capacity	GW	4.2	3.4	25 %	4.2	3.4	25 %



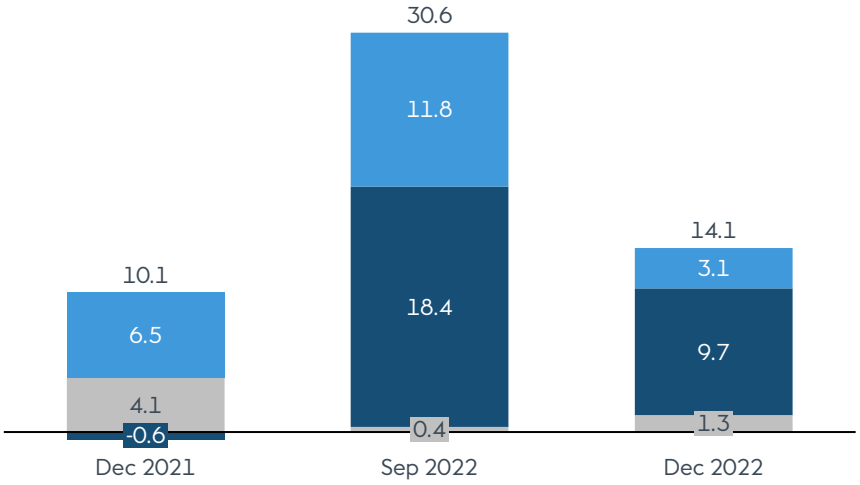
1. For 2021, these business drivers are for US only, whereas they are for the entire portfolio in 2022

Bioenergy & Other – Financial Highlights

Financial highlights		Q4 2022	Q4 2021	Δ	FY 2022	FY 2021	Δ
EBITDA	DKKm	3,609	2,416	49 %	8,619	4,747	82 %
• CHP plants		1,718	1,715	0 %	5,851	3,202	83 %
• Gas Markets & Infrastructure		2,073	770	169 %	3,117	1,829	70 %
• Other, incl. project development		(182)	(69)	164 %	(349)	(284)	23 %
Key business drivers							
Heat generation	GWh	2,064	2,467	(16 %)	6,368	7,907	(19 %)
Power generation	GWh	1,409	2,096	(33 %)	6,012	6,890	(13 %)
Degree days	#	861	927	(7 %)	2,548	2,820	(10 %)

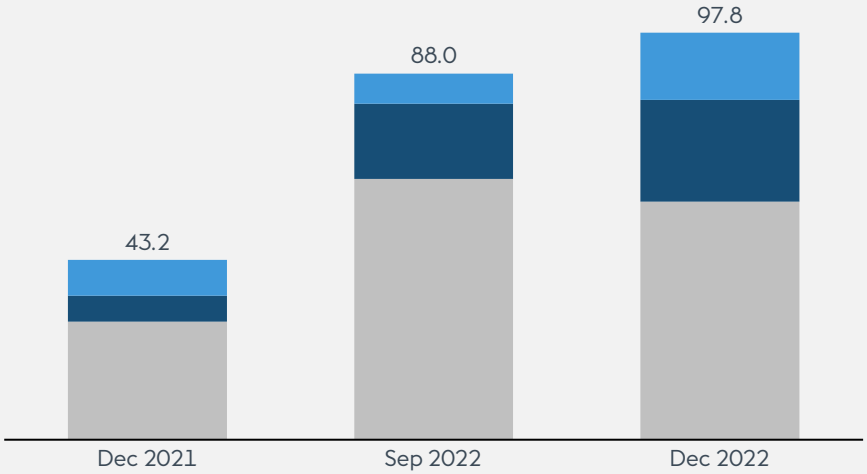
Liquidity reserve significantly above target

Collateral and margin postings,
DKKbn



Initial margin
Variation margin
Treasury collateral

Liquidity reserve
DKKbn

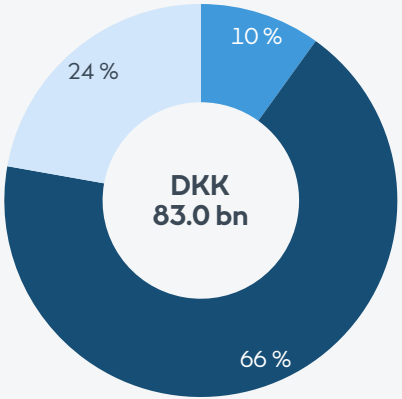


Cash, available
Securities, available
Undrawn, non-cancellable credit facilities

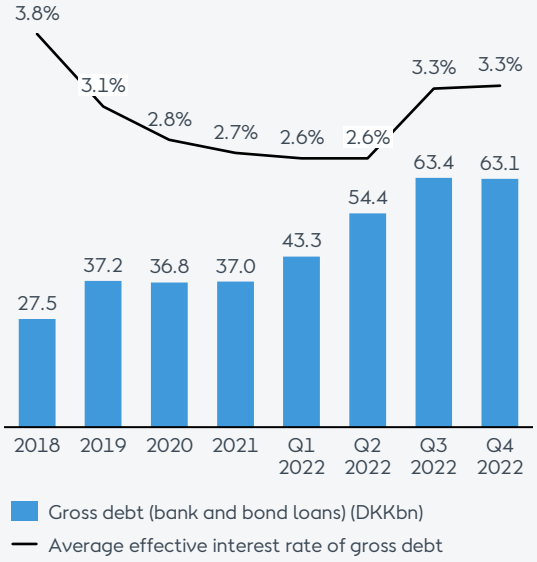
Debt and hybrids overview

Total gross debt and hybrids
31 December 2022, DKKbn

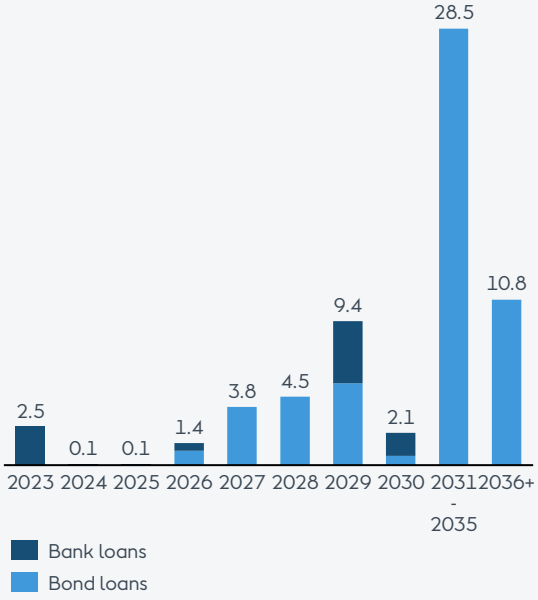
>95 % of gross debt (bond and bank loans) fixed interest rate. Remainder floating or inflation-linked



Effective funding costs – Gross debt



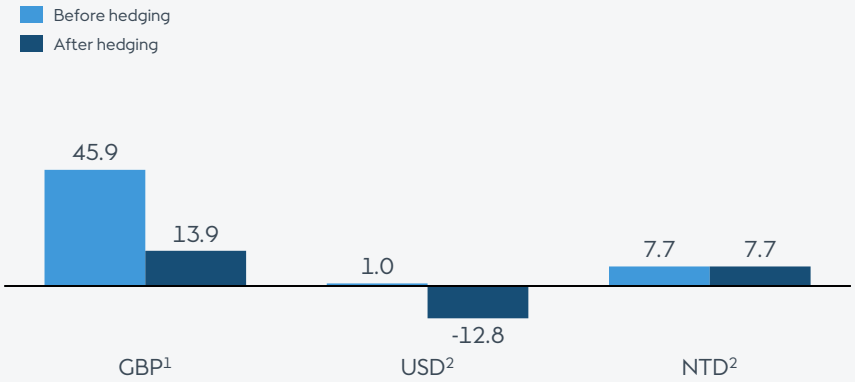
Maturity profile of gross debt
DKKbn



Currency and energy exposure

Currency exposure Q1 2023 – Q4 2027

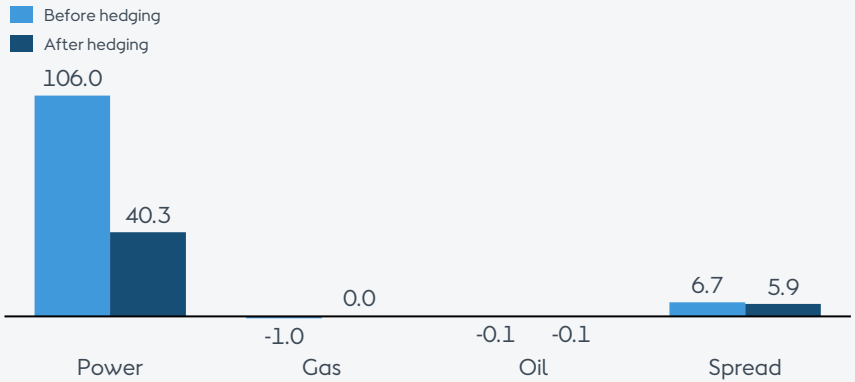
DKKbn



Risk after hedging, DKKbn	Effect of price +10 %	Effect of price -10 %
GBP: 13.9 sales position	+1.4	-1.4
USD: 12.8 purchase position	-1.3	+1.3
NTD: 7.7 sales position	+0.8	-0.8

Energy exposure Q1 2023 – Q4 2027

DKKbn

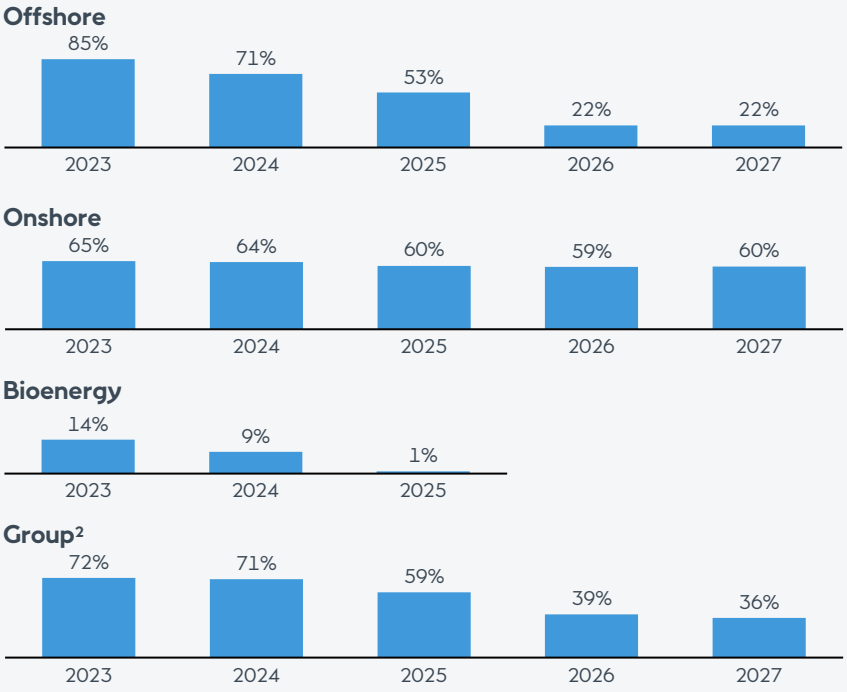


Risk after hedging DKKbn	Effect of price +10 %	Effect of price -10 %
Power: 40.3 sales position	+4.0	-4.0
Gas: 0.0 position	-0.0	+0.0
Oil: -0.1 purchase position	-0.0	+0.0
Spread (power): 5.9 sales position	+0.6	-0.6

1. The average GBP exchange rate for hedges impacting EBITDA in 2023 and 2024 is around 8.4 and 8.3 DKK/GBP respectively
2. 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.

Hedging levels

Hedging level of total exposures[1], as of 31/12/2022



1. Exposure is calculated as the expected production (or net purchase/sale) times the forward price for the respective years
2. Group hedge levels include exposure from offshore, onshore, contract exposure from IPPAs and Bioenergy.

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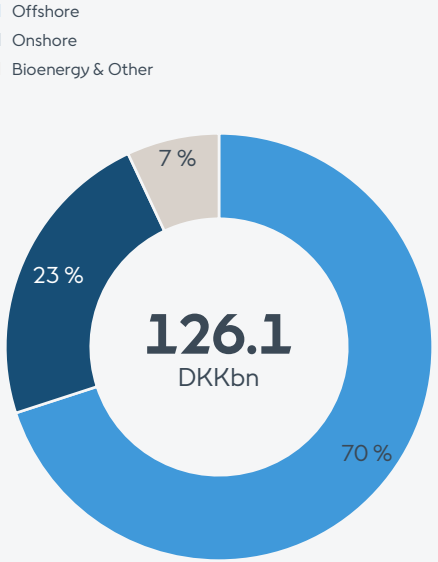
Capital employed

Capital employed, DKKm	FY 2022	FY 2021
Intangible assets, and property and equipment	181,694	162,939
Assets classified as held for sale, net	-	860
Equity investments and non-current receivables	996	828
Net working capital, capital expenditures	(5,665)	(8,913)
Net working capital, work in progress	1,471	5,948
Net working capital, tax equity	(15,157)	(13,268)
Net working capital, other items	11,928	10,820
Derivatives, net	(32,322)	(32,995)
Decommissioning obligations	(14,076)	(8,851)
Other provisions	(5,630)	(7,037)
Tax, net	1,609	3,844
Other receivables and other payables, net	1,255	(4,759)
TOTAL CAPITAL EMPLOYED	**126,103**	**109,416**

Capital employed by segment
%, FY 2022



Taxonomy-aligned KPIs

	Unit	FY 2022	FY 2021	Δ
Revenue	**DKKm**	**132,227**	**77,673**	**70 %**
Taxonomy-aligned revenue	**%**	**73**	**66**	**7 %p**
- Taxonomy-aligned revenue adjusted for green bonds financing	%	71	-	-
Taxonomy-non-eligible revenue	**%**	**27**	**34**	**(7 %p)**
- Gas sale	%	16	21	(5 %p)
- Coal-based activities	%	4	2	2 %p
- Other activities	%	7	11	(4 %p)
CAPEX	**DKKm**	**36,175**	**49,618**	**(27 %)**
Taxonomy-aligned CAPEX	%	**99**	**99**	**0 %p**
- Taxonomy-aligned revenue adjusted for green bonds financing	%	99	-	-
Taxonomy-non-eligible CAPEX	**%**	**1**	**1**	**0 %p**
OPEX	**DKKm**	**7,049**	**5,760**	**22 %**
Taxonomy-aligned OPEX	**%**	**80**	**80**	**0 %p**
Taxonomy-non-eligible OPEX	**%**	**20**	**20**	**0 %p**
EBITDA	**DKKm**	**32,057**	**24,296**	**32 %**
Taxonomy-aligned EBITDA (voluntary)	**%**	**85**	**90**	**(5 %p)**
- Electricity generation from solar PV and storage electricity	%	2	1	1 %p
- Electricity generation from wind power	%	71	79	(8 %p)
- Cogeneration of heat and power from bioenergy	%	12	10	2 %p
Taxonomy-non-eligible EBITDA (voluntary)	**%**	**15**	**10**	**5 %p**

For further details, please see p. 10 in the ESG performance report 2022

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FFO/Adjusted net debt calculation

Funds from operations (FFO), DKKm[1]	**31 Dec 2022**	**31 Dec 2021**
EBITDA	**32,057**	**24,296**
Change in provisions and other adjustments	(2,213)	(422)
Change in derivatives	(8,687)	(2,050)
Variation margin (add back)	10,332	(627)
Reversal of gain (loss) on divestment of assets	(10,885)	(7,920)
Income tax paid	(1,263)	(1,380)
Interests and similar items, received/paid	(563)	(467)
Reversal of interest expenses transferred to assets	(586)	(782)
50 % of coupon payments on hybrid capital	(264)	(215)
Dividends received and capital reductions	23	29
FUNDS FROM OPERATION (FFO)	**17,951**	**10,462**

Adjusted interest-bearing net debt, DKKm	**31 Dec 2022**	**31 Dec 2021**
Total interest-bearing net debt	**30,571**	**24,280**
50 % of hybrid capital	9,897	8,992
Other interest-bearing debt (add back)	(4,924)	(535)
Other receivables (add back)	3,290	4,907
Cash and securities, not available for distribution, excl. repo loans	3,241	2,130
ADJUSTED INTEREST-BEARING NET DEBT	**40,075**	**39,774**

FFO / ADJUSTED INTEREST-BEARING NET DEBT	**42.7 %**	**26.3 %**

1. Last 12 months. Note: We have adjusted our definition of FFO / adjusted net debt. We have excluded variation margin payments in our FFO definition, to reflect the changes implemented by the rating agencies. Furthermore, we have excluded 'other interest-bearing debt' and 'other interest-bearing receivables' from adjusted net debt, to align with common methodology used by the rating agencies. Comparative figures for 2021 are restated in accordance with the new definition of FFO/adjusted net debt.

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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

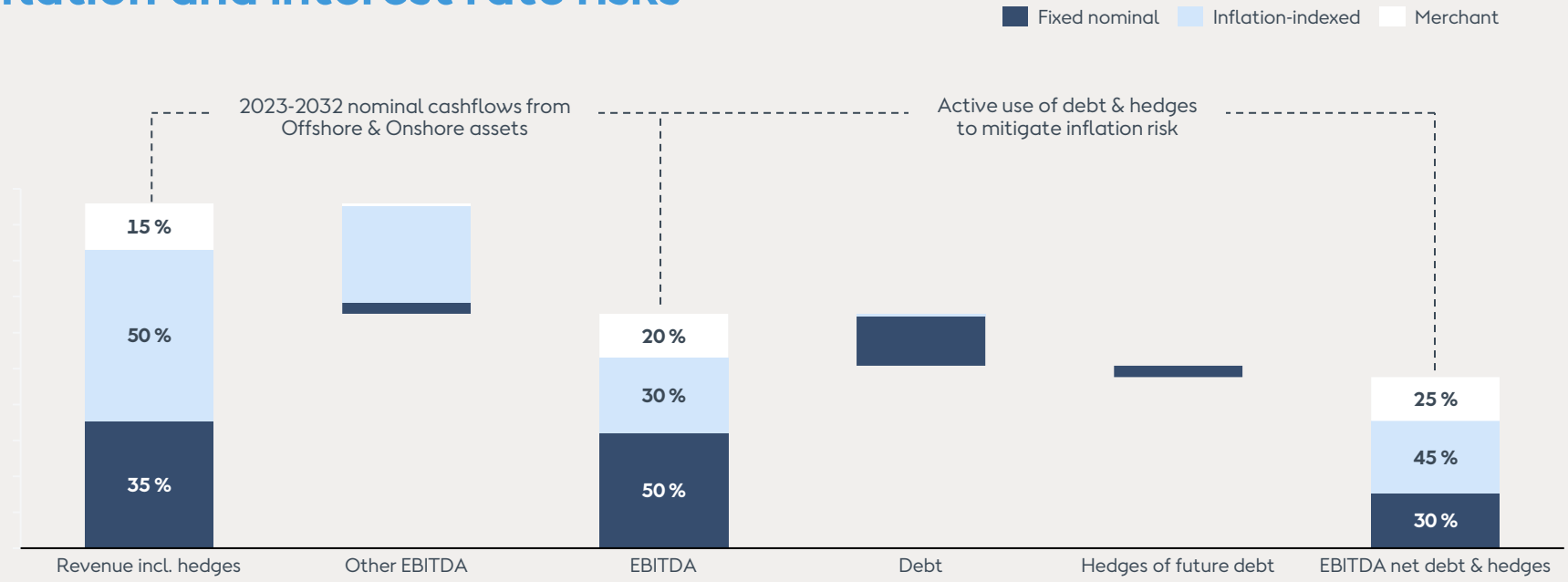
1. All listed on Luxembourg Stock Exchange and rated Baa3 (Moody's), BB+ (S&P) and BBB- (Fitch). The four Green hybrids are furthermore listed on the Luxembourg Green Exchange (LGX); 2. Due to the 1,000-year structure; 3. First Par Call Date

Ørsted's outstanding 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..250%	Every 13 Sep.	Yes	0	0
Senior Unsecured	Apr. 2010	9 Apr. 2040	GBP 500m	GBP 500m	Fixed	5.750%	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
Hybrid capital	Jun. 2013	26 Jun. 3013	EUR 700m	EUR 93.9m	Fixed	6.25%	Every 26 Jun.	No	n/a	n/a
Hybrid capital	Nov. 2017	24 Nov. 3017	EUR 500m	EUR 500m	Fixed	2.25%	Every 24 Nov.	Yes	3,674	373
Hybrid capital	Dec. 2019	9 Dec. 3019	EUR 600m	EUR 600m	Fixed	1.75%	Every 9 Dec.	Yes	4,424	484
Hybrid capital	Feb. 2021	18 Feb. 3021	EUR 500m	EUR 500m	Fixed	1.50%	Every 18 Feb.	Yes	3,697	423
Hybrid capital	Dec. 2022	22 Dec. 3022	EUR 500m	EUR 500m	Fixed	5.25%	Every 22 Dec.	Yes	0	0
Hybrid capital	Feb. 2021	18 Feb. 3021	GBP425m	GBP425m	Fixed	2.50%	Every 18 Feb.	Yes	3,630	468

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. Besides the outstanding green bonds, Ørsted additionally has a TWD 25bn green RCF to finance the construction of the offshore wind projects in Taiwan.

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

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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.

Rasmus Hærvig
Head of Investor Relations
rakol@orsted.com

Henriette Stenderup
Investor Relations Coordinator
hnste@orsted.com

Sabine Lohse
Lead Investor Relations Officer
sablo@orsted.com

Valdemar Høgh Andersen
Investor Relations Officer
vehan@orsted.com

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