Ørsted

Interim ESG performance report

First quarter 2022

Contents

Interim financial report, Q1 2022

1.1 CFO's review

Our green share of heat and power generation increased to 92 % in Q1 2022

- In Q1 2022, we commissioned the onshore wind farm Haystack in the US
- Our green share of energy increased by 5 percentage points to 92 %
- Scope 1 and 2 greenhouse gas intensity decreased by 19 % to 48 g CO_2e/kWh compared to Q1 2021
- Scope 3 emissions decreased by 30 % compared to Q1 2021
- EU taxonomy-eligible revenue was 68 %, EBITDA 87 %, and CAPEX 98 %.

Renewable energy capacity

In March 2022, we commissioned the 298 MW onshore wind farm Haystack in Nebraska, the US. The new wind farm expands our geographic footprint into the Midwest.

This brings our installed renewable capacity up to 13.3 GW at the end of Q1 2022.

Heat and power generation

Total heat and power generation increased by 6 % to 13.1 TWh, driven by a 94 % increase in onshore wind and solar generation and a 12 % decline in thermal generation.

Offshore power generation decreased by 1 % compared to Q1 2021. The decrease was due to the 50 % farm-down of Borssele 1 & 2 in Q2 2021, partly offset by increased generation due to higher wind speeds and the ramp-up effect from Hornsea 2 in Q1 2022.

Onshore wind power generation increased by 82 % compared to Q1 2021 due to additional generation from our new onshore sites in the US and Ireland.

Solar PV power generation increased by 502 % to 0.3 TWh due to generation from our two new solar PV assets, Permian Energy Center and Muscle Shoals, which were commissioned in Q2 and Q3 2021, respectively.

Thermal power generation was 5 % lower in Q1 2022 compared to Q1 2021, primarily due to lower combined heat and power generation driven by lower heat demand.

Heat generation was 17 % lower in Q1 2022 relative to Q1 2021 due to warmer weather in Q1 2022.

Green key performance indicators

Our green share of energy generation increased by 5 percentage points to 92 % in Q1 2022 compared to Q1 2021. The increase was driven by the increased onshore wind and solar PV based generation, partly offset by the reduction in offshore power generation and thermal heat and power generation.

Scope 1 and 2 greenhouse gas intensity decreased by 19 % to 48 g CO_2e/kWh in Q1 2022 due to a reduction in the use of both natural gas and coal at our power stations, combined with an increase in total energy generation.

Scope 3 emissions decreased by 30 % in Q1 2022, mainly due to a 31 % reduction in natural gas sales.

> "I'm committed to continuing our work as a frontrunner in developing and operating cost-effective green energy solutions to drive the global energy transformation from fossil fuels to renewables.

EU sustainability taxonomy

Our taxonomy-eligible share of revenue decreased by 6 percentage points to 68 % in Q1 2022. The reduction was primarily due to increased revenue from our gas sales activities, driven by the extraordinary high gas prices in Q1 2022.

Our taxonomy-eligible share of EBITDA decreased by 9 percentage points to 87 % in Q1 2022 compared to Q1 2021. This was due to increased EBITDA from our non-eligible gas sales, primarily due to a temporary positive impact from the high gas prices through a revaluation of our gas at storage.

Our taxonomy-eligible share of CAPEX in Q1 2022 was maintained at 98 % compared to Q1 2021.

Concluding remark

I am very proud and humbled to succeed Marianne Wiinholt as CFO of Ørsted. I am committed to continuing our work as a frontrunner in developing and operating cost-effective green energy solutions to drive the global energy transformation from fossil fuels to renewables.

At this point in time, we can see huge international efforts to consolidate ESG standards and further integrate ESG with financial reporting. We will continue to take an active part in this development. We always strive to apply new ESG reporting requirements, such as the EU taxonomy and the upcoming EU Corporate Sustainability Reporting Directive (CSRD), in the best possible way to support our business and inform our stakeholders about our ESG performance.

Daniel Lerup
CFO

1.2 ESG target overview

Note	Indicator	Unit	Target	Q1 2022	Q1 2021	Δ	2021
	Strategic targets						
3.1	Installed renewable capacity	MW	~50 GW (2030)	13,278	11,318	17 %	12,980
3.1	- Installed offshore capacity	MW	~15 GW (2025) ,~30 GW (2030)	7,551	7,572	(0 %)	7,551
3.1	- Installed onshore capacity	MW	~17.5 GW (2030)	3,649	1,668	119 %	3,351
3.1	- Installed other (incl. PtX) capacity	MW	~2.5 GW (2030)	2,078	2,078	0 %	2,078
4.1	Green share of energy generation	%	95 (2023), 99 (2025)	92	87	5 %p	90
4.2	Greenhouse gas emissions (scope 3)	Million tonnes CO_2e	50 % reduction from 2018 (2032)	3.7	5.3	(30 %)	18.2
4.2	Greenhouse gas emissions (scope 3: use of sold products (natural gas sales))	Million tonnes CO_2e	90 % reduction from 2018 (2040)	3.0	4.4	(31 %)	14.2
4.3	Greenhouse gas intensity (scope 1 and 2)	g CO_2e/kWh	20 (2023), 10 (2025), 1 (2040)	48	59	(19 %)	58
4.3	Greenhouse gas intensity (scope 1, 2, and 3)	g CO_2e/kWh	2.9 (2040)[1]	100	130	(23 %)	165
n.a.	Employee satisfaction	Index 0-100	Top 10 % (ongoing)[2]	n.a.	n.a.	-	77
5.2	Total recordable injury rate (TRIR)	Per million hours worked	2.5 (2025)	1.3	3.0	(57 %)	3.0
	Additional sustainability targets						
4.4	Certified sustainable wooden biomass sourced	%	100 (ongoing)	100	100	0 %p	100
4.4	Coal consumption	Thousand tonnes	0 (from Q2 2023)[3]	241	263	(8 %)	803
4.4	Own power consumption covered by renewable energy certificates	%	100 (ongoing)	100	100	0 %p	100
n.a.	Electric vehicles in the company vehicle fleet	%	100 (2025)	n.a.	n.a.	-	41
n.a.	Total blade waste directed to landfill	%	0 (ongoing)	n.a.	n.a.	-	0
n.a.	Gender with lowest representation (female)	%	40 (2030)[4]	n.a.	n.a.	-	31

[1] Our GHG intensity (scope 1, 2, and 3) target excludes scope 3 emissions from use of sold products (natural gas sales).

[2] Our target is to have an employee satisfaction survey result in the top ten percentile every year compared to an external benchmark group.

[3] Our target is to stop using coal in 2023. Our plan is to close the last unit (Esbjerg Power Station) at the end of Q1 2023.

[4] Our new 2030 gender diversity ambition will be measured and assessed against three scopes: (1) senior directors and above, (2) people managers, and (3) all employees.

SBTi approved net-zero greenhouse gas emissions target for 2040

Our 2040 net-zero greenhouse gas emissions target is comprised of the above GHG reduction targets. We will neutralise the residual emissions through certified carbon-removal projects.

Net-positive biodiversity impact target

Our target for biodiversity is that all newly commissioned projects must have a net-positive biodiversity impact no later than in 2030.

1.3 Overview by business unit

Note	Indicator	Unit	Offshore	Onshore	Bioenergy & Other	Other activities/ eliminations	Q1 2022	Q1 2021	Δ	2021
	Revenue	DKK million	19,806	690	14,474	(1,208))	33,762	18,944	78 %	77,673
	EBITDA	DKK million	5,919	850	2,514	146	9,429	4,863	94 %	24,296
3.1	**Installed renewable capacity**	**MW**	**7,551**	**3,649**	**2,078**	**-**	**13,278**	**11,318**	**17 %**	**12,980**
3.1	- Offshore wind power	MW	7,551	-	-	-	7,551	7,572	(0 %)	7,551
3.1	- Onshore wind power	MW	-	2,952	-	-	2,952	1,658	78 %	2,654
3.1	- Solar PV power	MW	-	657	-	-	657	10	6470 %	657
3.1	- Battery storage	MW	-	40	21	-	61	21	190 %	61
3.1	- Thermal biomass-based heat	MW	-	-	2,054	-	2,054	2,054	0 %	2,054
3.1	- Biogas power (Renescience)	MW	-	-	3	-	3	3	0 %	3
3.1	**Decided (FID'ed) renewable capacity**	**MW**	**3,516**	**1,055**	**2**	**-**	**4,573**	**4,588**	**(0 %)**	**4,725**
3.1	**Awarded and contracted renewable capacity**	**MW**	**8,305**	**-**	**-**	**-**	**8,305**	**4,996**	**66 %**	**8,435**
3.1	**Firm capacity (installed, FID'ed, and awarded/contracted capacity)**	**MW**	**19,372**	**4,704**	**2,080**	**-**	**26,156**	**20,902**	**25 %**	**26,140**
3.2	Power generation capacity	MW	4,234	3,594	2,543	-	10,371	8,884	17 %	9,809
3.2	Heat generation capacity, thermal	MW	-	-	3,353	-	3,353	3,487	(4 %)	3,353
3.3	Power generation	GWh	4,502	3,203	2,138	-	9,843	8,455	16 %	29,050
3.3	Heat generation	GWh	-	-	3,243	-	3,243	3,890	(17 %)	7,907
4.1	Green share of energy generation	%	100	100	81	-	92	87	5 %p	90
4.2	Greenhouse gas emissions (scope 1 and 2)	Thousand tonnes CO_2e	6	0	625	0	631	728	(13 %)	2,143
4.2	Greenhouse gas emissions (scope 3)	Thousand tonnes CO_2e	40	136	3,505	7	3,688	5,263	(30 %)	18,179
4.2	Greenhouse gas emissions (scope 3: use of sold products)[1]	Thousand tonnes CO_2e	-	-	3,007	-	3,007	4,386	(31 %)	14,206
4.3	Greenhouse gas intensity (scope 1 and 2)	g CO_2e/kWh	1	0	116	-	48	59	(19 %)	58
4.3	Greenhouse gas intensity (scope 1, 2, and 3)[2]	g CO_2e/kWh	10	43	209	-	100	130	(23 %)	165
5.1	Number of employees (as of 31 December)	FTEs	3,551	276	954	2,235	7,016	6,311	11 %	6,836
5.2	Total recordable injury rate (TRIR)	Injuries per million hours worked	1.3	1.6	3.3	0	1.3	3.0	(57 %)	3.0

[1] Scope 3 emissions from wholesale buying and selling of natural gas.

[2] Excludes scope 3 emissions from use of sold products (natural gas sales).

1.4 Overview by country

Note	Indicator	Unit	Denmark	The UK	Germany	The Netherlands	The US	Taiwan	Poland	Other countries	Q1 2022	Q1 2021	Δ	2021
3.1	**Installed renewable capacity**	**MW**	**3,061**	**4,400**	**1,346**	**752**	**3,352**	**45**	**-**	**322**	**13,278**	**11,318**	**17 %**	**12,980**
3.1	- Offshore wind power	MW	1,006	4,372	1,346	752	30	45	-	-	7,551	7,572	(0 %)	7,551
3.1	- Onshore wind power	MW	-	5	-	-	2,625	-	-	322	2,952	1,658	78 %	2,654
3.1	- Solar PV power	MW	-	-	-	-	657	-	-	-	657	10	6470 %	657
3.1	- Battery storage	MW	1	20	-	-	40	-	-	-	61	21	190 %	61
3.1	- Thermal biomass-based heat	MW	2,054	-	-	-	-	-	-	-	2,054	2,054	0 %	2,054
3.1	- Biogas power (Renescience)	MW	-	3	-	-	-	-	-	-	3	3	0 %	3
3.1	**Decided (FID'ed) renewable capacity**	**MW**	**2**	**1,398**	**1,166**	**-**	**1,078**	**900**	**-**	**29**	**4,573**	**4,588**	**(0 %)**	**4,725**
3.1	- Offshore wind power	MW	-	1,320	1,166	-	130	900	-	-	3,516	2,286	54 %	3,386
3.1	- Onshore wind power	MW	-	78	-	-	268	-	-	29	375	933	(60 %)	657
3.1	- Solar PV power	MW	-	-	-	-	680	-	-	-	680	1,327	(49 %)	680
3.1	- Battery storage	MW	-	-	-	-	-	-	-	-	-	40	(100 %)	-
3.1	- Hydrogen	MW	2	-	-	-	-	-	-	-	2	2	0 %	2
3.1	**Awarded and contracted renewable capacity**	**MW**	**-**	**-**	**-**	**-**	**4,842**	**920**	**2,543**	**-**	**8,305**	**4,996**	**66 %**	**8,435**
3.1	**Firm capacity (installed, FID'ed, and awarded/ contracted capacity)**	**MW**	**3,063**	**5,798**	**2,512**	**752**	**9,272**	**1,865**	**2,543**	**351**	**26,156**	**20,902**	**25 %**	**26,140**
3.2	**Power generation capacity**	**MW**	**3,103**	**2,595**	**673**	**376**	**3,302**	**-**	**-**	**322**	**10,371**	**8,884**	**17 %**	**9,809**
3.2	- Offshore wind	MW	563	2,592	673	376	30	-	-	-	4,234	4,379	(3 %)	3,970
3.2	- Onshore wind	MW	-	-	-	-	2,625	-	-	322	2,947	1,658	78 %	2,649
3.2	- Solar PV	MW	-	-	-	-	647	-	-	-	647	-	-	647
3.2	- Thermal	MW	2,540	3	-	-	-	-	-	-	2,543	2,847	(11 %)	2,543
3.2	**Heat generation capacity, thermal**	**MW**	**3,353**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,353**	**3,487**	**(4 %)**	**3,353**
3.3	Power generation	GWh	2,779	2,862	565	400	2,998	-	-	239	9,843	8,455	16 %	29,050
3.3	Heat generation	GWh	3,243	-	-	-	-	-	-	-	3,243	3,890	(17 %)	7,907
4.1	Green share of energy generation	%	83	100	100	100	100	-	-	100	92	87	5 %p	90
4.2	Greenhouse gas emissions (scope 1 and 2)	Thousand tonnes CO_2e	626	4	1	0	0	0	0	0	631	728	(13 %)	2,143
4.3	Greenhouse gas intensity (scope 1 and 2)	g CO_2e/kWh	104	1	2	1	0	0	0	0	48	59	(19 %)	58
5.1	Number of employees (end of period)	FTEs	4,032	1,168	256	66	508	175	325	486	7,016	6,311	11 %	6,836

2.1 Taxonomy-eligible KPIs

	Unit	Q1 2022	Q1 2021	Δ	2021
Revenue	**DKKm**	**33,762**	**18,944**	**78 %**	**77,673**
Taxonomy-eligible revenue	**%**	**68**	**74**	**(6 %p)**	**66**
- Electricity generation from solar PV (4.1) and wind power (4.3)	%	58	64	(6 %p)	56
- Cogeneration of heat/cool and power from bioenergy (4.20)	%	10	10	0 %p	10
Taxonomy-non-eligible revenue	**%**	**32**	**26**	**6 %p**	**34**
- Gas sales	%	22	15	7 %p	21
- Coal-based activities	%	2	2	0 %p	2
- Other activities[1]	%	8	9	(1 %p)	11
OPEX	**DKKm**	**1,175**	**462**	**154 %**	**5,760**
Taxonomy-eligible OPEX	**%**	**79**	**72**	**7 %p**	**80**
- Electricity generation from solar PV (4.1) and wind power (4.3)	%	70	61	9 %p	71
- Cogeneration of heat/cool and power from bioenergy (4.20)	%	9	11	(2 %p)	9
Taxonomy-non-eligible OPEX	**%**	**21**	**28**	**(7 %p)**	**20**
EBITDA	**DKKm**	**9,429**	**4,863**	**94 %**	**24,296**
Taxonomy-eligible EBITDA	**%**	**87**	**96**	**(9 %p)**	**90**
- Electricity generation from solar PV (4.1) and wind power (4.3)	%	72	86	(14 %p)	80
- Cogeneration of heat/cool and power from bioenergy (4.20)	%	15	10	5 %p	10
Taxonomy-non-eligible EBITDA	**%**	**13**	**4**	**9 %p**	**10**
- Gas sales	%	7	1	6 %p	8
- Coal-based activities	%	3	3	0 %p	2
- Other activities[1]	%	3	0	3 %p	0
CAPEX	**DKKm**	**5,422**	**6,552**	**(17 %)**	**50,415**
Taxonomy-eligible CAPEX[2]	**%**	**98**	**98**	**0 %p**	**99**
- Electricity generation from solar PV (4.1) and wind power (4.3)	%	93	96	(3 %p)	97
- Cogeneration of heat/cool and power from bioenergy (4.20)	%	5	2	3 %p	2
Taxonomy-non-eligible CAPEX	**%**	**2**	**2**	**0 %p**	**1**

[1] Other activities primarily consist of non-eligible power sales (incl. end customer sales), gas- and oil-based generation at the CHPs, oil distribution, and trading.

[2] The taxonomy-eligible CAPEX ratio is also applied to gross investments (DKKm 6,832 - see interim financial report Q1 2022, p 28) to calculate taxonomy-eligible gross investments.

Taxonomy-eligible revenue

Our taxonomy-eligible share of revenue in Q1 2022 was 68 %, a decrease of 6 percentage points compared to Q1 2021.

This was primarily due to increased revenue from our gas sales activities (+7 percentage points), driven by the extraordinary high gas prices in Q1 2022.

In absolute terms, revenue has increased by 78 % in Q1 2022 compared to Q1 2021, primarily due to the significantly higher gas and power prices across all markets. The taxonomy-eligible revenue increased by 64 % compared to Q1 2021 (in absolute terms).

Taxonomy-eligible OPEX

Our taxonomy-eligible share of OPEX in Q1 2022 was 79 %, an increase of 7 percentage points compared to Q1 2021. This was primarily due to an increase in OPEX for our wind and solar farms as a result of more assets in operation.

Taxonomy-eligible EBITDA

Our taxonomy-eligible share of EBITDA in Q1 2022 was 87 %, a decrease of 9 percentage points compared to Q1 2021. This was due to increased EBITDA from our non-eligible gas sales (+6 percentage points), primarily due to a temporary positive impact from the high gas prices through a revaluation of our gas at storage.

As with revenue, in absolute terms, the taxonomy-eligible EBITDA has increased by 76 % compared to Q1 2021.

Taxonomy-eligible CAPEX

Our taxonomy-eligible share of CAPEX in Q1 2022 was maintained at 98 % compared to Q1 2021.

3.1 Renewable capacity

Indicator	Unit	Target	Q1 2022	Q1 2021	Δ	2021
Installed renewable capacity	**MW**	**~50 GW (2030)**	**13,278**	**11,318**	**1,960**	**12,980**
Offshore wind power	MW	~30 GW (2030)[1]	7,551	7,572	(21)	7,551
Onshore	MW	~17.5 GW (2030)	3,649	1,668	1,981	3,351
- Wind power	MW		2,952	1,658	1,294	2,654
- Solar PV power[2]	MW		657	10	647	657
- Battery storage[2]	MW		40	-	40	40
Other (incl. PtX)	MW	~2.5 GW (2030)	2,078	2,078	-	2,078
- Biomass, thermal heat	MW		2,054	2,054	-	2,054
- Biogas, power	MW		3	3	-	3
- Battery storage	MW		21	21	-	21
Decided (FID'ed) renewable capacity	**MW**		**4,573**	**4,588**	**(15)**	**4,725**
Offshore wind power	MW		3,516	2,286	1,230	3,386
Onshore	MW		1,055	2,300	(1,245)	1,337
- Wind power	MW		375	933	(558)	657
- Solar PV power[2]	MW		680	1,327	(647)	680
- Battery storage[2]	MW		-	40	(40)	-
Other (incl. PtX), hydrogen	MW		2	2	-	2
Awarded and contracted renewable capacity	**MW**		**8,305**	**4,996**	**3,309**	**8,435**
Offshore wind power	MW		8,305	4,996	3,309	8,435
Sum of installed and FID'ed capacity	**MW**		**17,851**	**15,906**	**1,945**	**17,705**
Firm capacity (installed, FID'ed, and awarded/contracted capacity)	**MW**		**26,156**	**20,902**	**5,254**	**26,140**

[1] Additional target is ~15 GW in 2025.

[2] Both the solar PV and battery storage capacities are measured in megawatts of alternating current (MW_{AC}).

Construction progress (FID'ed capacity)

We are currently constructing two of the largest offshore wind farms in the world, Hornsea 2 and Greater Changhua 1 & 2a, which are both on track to be commissioned later this year.

In our Onshore business, we are currently constructing the solar farm Old 300 and our first combined onshore wind and solar PV project, Helena Energy Center in the US. The wind portion of the Helena Energy Center is expected to be commissioned during 2022, whereas the commissioning of the solar portion of the Helena Energy Center is expected to be delayed into 2023, and the commissioning of the Old 300 is expected to be pushed into H1 2023. Both solar PV farms are delayed due to continued challenges in the solar panel supply chain.

In Europe, we are constructing three onshore wind farms, Kennoxhead 1 in Scotland, Ballykeel in Northern Ireland and Lisheen 3 in Ireland.

Additions for the last 12 months

Q2 2021

- Permian Energy Center, solar PV (420 MW_{AC})
- Permian Energy Center, battery storage (40 MW_{AC})
- Lincoln Land, onshore wind (302 MW)
- Ocean Wind 2, offshore wind (1,148 MW)
- Brookfield Renewable, onshore wind (322 MW)
- Brookfield Renewable, onshore wind (5 MW)
- Brookfield Renewable, onshore wind (62 MW)
- Baltica 2 & 3, offshore wind (2,543 MW)

Q3 2021

- Western Trail, onshore wind (367 MW)
- Muscle Shoals, solar PV (227 MW_{AC})

Q4 2021

- Lincoln Land, onshore wind (302 MW)
- Skipjack Wind 2, offshore wind (846 MW)
- Borkum Riffgrund 3, offshore wind (913 MW)
- Gode Wind 3, offshore wind (253 MW)
- Lisheen 3, onshore wind (29 MW)

Q1 2022

- Haystack, onshore wind (298 MW)
- South Fork, offshore wind (130 MW)
- Ballykeel, onshore wind (16 MW)

Installed capacity
Decided (FID'ed) capacity
Awarded (offshore) and contraced (onshore) capacity

3.2 Generation capacity

Indicator	Unit	Q1 2022	2021	Δ	Q1 2022	Q1 2021	Δ
Power generation capacity	**MW**	**10,371**	**9,809**	**562**	**10,371**	**8,884**	**1,487**
Offshore wind	MW	4,234	3,970	264	4,234	4,379	(145)
- Denmark	MW	563	563	-	563	563	-
- The UK	MW	2,592	2,328	264	2,592	2,342	250
- Germany	MW	673	673	-	673	692	(19)
- The Netherlands	MW	376	376	-	376	752	(376)
- The US	MW	30	30	-	30	30	-
Onshore wind	MW	2,947	2,649	298	2,947	1,658	1,289
- The US	MW	2,625	2,327	298	2,625	1,658	967
- Ireland	MW	322	322	-	322	-	322
Solar PV, the US	MW	647	647	-	647	-	647
Thermal	MW	2,543	2,543	-	2,543	2,847	(304)
- Denmark (CHP plants)	MW	2,540	2,540	-	2,540	2,844	(304)
- The UK (Renescience)	MW	3	3	-	3	3	-
Heat generation capacity, thermal	**MW**	**3,353**	**3,353**	**-**	**3,353**	**3,487**	**(134)**
Based on biomass	MW	2,032	2,032	-	2,032	2,022	10
Based on coal	MW	1,300	1,300	-	1,300	1,300	-
Based on natural gas	MW	1,617	1,617	-	1,617	1,761	(144)
Heat generation capacity, electric	**MW**	**25**	**25**	**-**	**25**	**25**	**-**
Power generation capacity, thermal	**MW**	**2,543**	**2,543**	**-**	**2,543**	**2,847**	**(304)**
Based on biomass	MW	1,228	1,228	-	1,228	1,228	-
Based on coal	MW	991	991	-	991	991	-
Based on natural gas	MW	951	951	-	951	995	(44)
Based on biogas (Renescience)	MW	3	3	-	3	3	-

Our power generation capacity increased by 562 MW corresponding to 6 % during Q1 2022, due to ramp-up of Hornsea 2 in the UK and the commissioning of the 298 MW onshore wind farm Haystack in Nebraska, the US.

3.3 Energy generation

Indicator	Unit	Q1 2022	Q1 2021	Δ	2021
Power generation	**GWh**	**9,843**	**8,455**	**16 %**	**29,050**
Offshore wind	GWh	4,502	4,549	(1 %)	13,808
- Denmark	GWh	641	546	17 %	1,918
- The UK	GWh	2,862	2,525	13 %	7,880
- Germany	GWh	565	611	(8 %)	2,022
- The Netherlands	GWh	400	835	(52 %)	1,904
- The US	GWh	34	32	6 %	84
Onshore wind	GWh	2,914	1,599	82 %	7,334
- The US	GWh	2,675	1,599	67 %	6,997
- Ireland	GWh	239	-	-	337
Solar PV, the US	GWh	289	48	502 %	1,018
Thermal	GWh	2,138	2,259	(5 %)	6,890
Heat generation	**GWh**	**3,243**	**3,890**	**(17 %)**	**7,907**
Total heat and power generation	**GWh**	**13,086**	**12,345**	**6 %**	**36,957**
- Of which, wind and solar PV power generation	GWh	7,704	6,196	24 %	22,160
- Of which, thermal heat and power generation	GWh	5,382	6,149	(12 %)	14,797
- Of which, thermal heat and power generation	%	41	50	(9 %p)	40

Power generation increased by 16 % to 9.8 TWh in Q1 2022 compared to Q1 2021. The main driver was the new onshore wind and solar capacities that contributed to a significant increase in both onshore wind and solar generation, partly offset by a small reduction in offshore wind and thermal power generation.

Offshore power generation decreased by 1 % in Q1 2022 relative to Q1 2021. The decrease was primarily due to the 50 % farm-down of Borssele 1 & 2 in Q2 2021, partly offset by increased generation from higher wind speeds and the ramp-up effect from Hornsea 2.

Onshore wind power generation increased by 82 % in Q1 2022 relative to Q1 2021. The increase was primarily due to additional generation from our new onshore sites in the US (Western Trail commissioned in Q3 2021, Lincoln Land commissioned in Q4 2021, and Haystack commissioned in Q1 2022) and in Ireland (Brookfield Renewable acquired in Q2 2021).

Solar PV power generation increased by 502 % due to generation from Permian Energy Center (commissioned in Q2 2021) and Muscle Shoals (commissioned in Q3 2021).

Thermal power generation was 5 % lower in Q1 2022 compared to Q1 2021, primarily due to lower combined heat and power generation driven by lower heat demand.

Heat generation was 17 % lower in Q1 2022 relative to Q1 2021 due to warmer weather in 2022.

3.4 Energy business drivers

Indicator	Unit	Q1 2022	Q1 2021	Δ	2021
Offshore wind					
Wind speed	m/s	11.3	10.5	8 %	9.1
Wind speed, normal wind year	m/s	10.9	10.9	0 %	9.7
Availability	%	95	95	0 %p	94
Load factor	%	54	50	4 %p	39
Onshore wind, the US					
Wind speed	m/s	7.7	7.7	0 %	7.4
Wind speed, normal wind year	m/s	7.6	7.8	(3 %)	7.6
Availability	%	96	93	3 %p	96
Load factor	%	49	45	4 %p	42
Onshore wind, Ireland					
Wind speed	m/s	9.3	-	-	5.1
Availability	%	97	-	-	96
Load factor	%	34	-	-	20
Solar PV, the US					
Availability	%	99	-	-	96
Load factor	%	21	-	-	24
Other					
Degree days, Denmark	Number	1,141	1,325	(14 %)	2,820

Offshore wind

Offshore wind speeds in Q1 2022 were 8 % higher than in Q1 2021 and 4 % higher than a normal wind year.

Availability in Q1 2022 was at the same level as in Q1 2021.

The higher wind speeds contributed to the 4 percentage point increase in the load factor in Q1 2022 compared to Q1 2021.

Onshore wind, the US

Wind speeds in Q1 2022 were at the same level as in Q1 2021 and 1 % above a normal wind year.

Availability was 3 percentage points higher than in Q1 2021, which was adversely impacted by the winter storm in Texas.

The higher availability contributed to the 4 percentage point increase in the load factor in Q1 2022 compared to Q1 2021.

Onshore wind, Ireland

We acquired our Irish onshore assets in Q2 2021.

Other

The number of degree days was 14 % lower than in Q1 2021, indicating that the weather in Q1 2022 was significantly warmer than in Q1 2021.

3.5 Energy sales

Indicator	Unit	Q1 2022	Q1 2021	Δ	2021
Gas sales	**GWh**	**12,993**	**18,945**	**(31 %)**	**61,349**
Power sales	**GWh**	**9,166**	**6,885**	**33 %**	**25,020**
- Green power to end customers[1]	GWh	769	1,193	(36 %)	4,062
- Regular power to end customers[2]	GWh	644	932	(31 %)	3,044
- Power wholesale	GWh	7,753	4,760	63 %	17,914

[1] Power sold with renewable certificates.

[2] Power sold without renewable certificates.

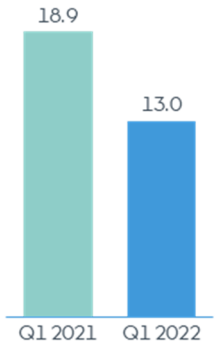
Gas sales decreased by 31 % to 13.0 TWh in Q1 2022 compared to Q1 2021. This was primarily due to less UK sourcing volumes, mainly due to the phasing out of our UK B2B activities, as well as expired contracts and lower offtake by counterparts.

Power sales increased by 33 % to 9.2 TWh in Q1 2022 compared to Q1 2021. This was due to a 63 % increase in wholesale power to 7.8 TWh, primarily due to increased power volumes sold from third-party wind farms where we are responsible for balancing.

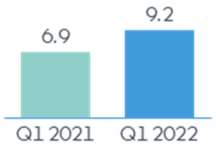
The increase was also partly due to an increase in wholesale in the UK after the partial divestment of our B2B customers in April 2021. After the divestment, we will, for a limited time period, continue to sell the same power volume to the company that acquired our B2B customers (i.e. wholesale), instead of selling it directly to end customers.

The increase was partly offset by a 36 % and 31 % decrease in green and regular power sales, respectively, to end customers in Q1 2022 compared to Q1 2021, primarily due to the phasing out of our UK B2B business and decreased power volumes following the partial divestment of our UK B2B activities in April 2021.

Gas sales, TWh



Power sales, TWh



4.1 Green share of energy generation

Indicator	Unit	Target	Q1 2022	Q1 2021	Δ	2021
Total heat and power generation	**%**		**100**	**100**	**0 %p**	**100**
- From offshore wind	%		35	37	(2 %p)	37
- From onshore wind	%		22	13	9 %p	20
- From solar PV	%		2	0	2 %p	3
- From sustainable biomass	%		33	37	(4 %p)	30
- From other renewable energy sources	%		0	0	0 %p	0
- From coal	%		7	9	(2 %p)	8
- From natural gas	%		1	4	(3 %p)	2
- From other fossil energy sources	%		0	0	0 %p	0
Green share of energy generation	**%**	**95 (2023), 99 (2025)**	**92**	**87**	**5 %p**	**90**
- Offshore	%		100	100	0 %p	100
- Onshore	%		100	100	0 %p	100
- Bioenergy & Other	%		81	74	7 %p	76

The green share of our heat and power generation increased by 5 percentage points to 92 % in Q1 2022 compared to Q1 2021.

The 5 percentage point increase was the result of a 9 percentage point increase in onshore wind-based generation and a 2 percentage point increase in solar-based generation, partly offset by a 4 percentage point decrease in sustainable biomass-based generation and a 2 percentage point reduction in offshore wind generation.

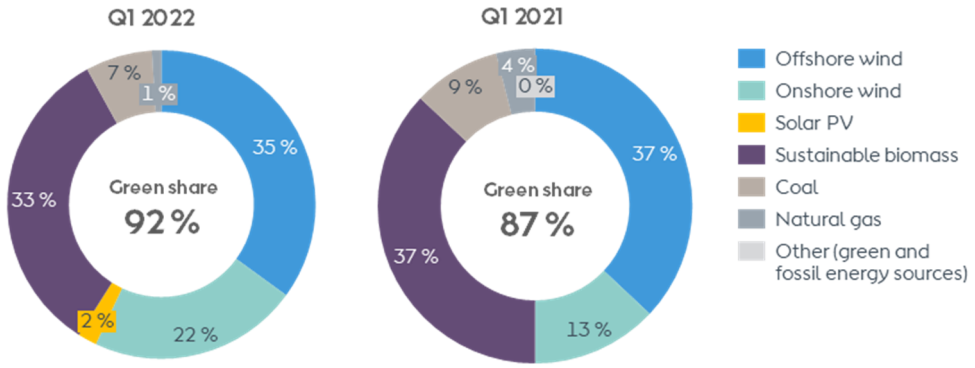
The increases in onshore wind- and solar-based generation were primarily due to new onshore generation capacity in the US and Ireland.

The decreased generation based on sustainable biomass was due to lower heat generation because of the warmer weather in 2022.

The share of coal-based generation decreased by 2 percentage points, also driven by the reduced heat generation.

We are regulatorily obliged to make all of our energy capacities available to the market in the most cost-efficient way, and until our coal-based generation capacity is fully phased out in 2023, we may see fluctuations in coal consumption driven by supplier obligations, market conditions, and weather conditions.

Total heat and power generation by energy source, %



4.2 Greenhouse gas (GHG) emissions

Indicator	Unit	Target	Q1 2022	Q1 2021	Δ	2021
Direct GHG emissions (scope 1)	**Thousand tonnes CO_2e**		**631**	**728**	**(13 %)**	**2,142**
Indirect GHG emissions (scope 2)						
Location-based	Thousand tonnes CO_2e		12	14	(14 %)	53
Market-based	Thousand tonnes CO_2e		0	0	0 %	1
Indirect GHG emissions (scope 3)	**Thousand tonnes CO_2e**	50 % (2032)[1]	**3,688**	**5,263**	**(30 %)**	**18,179**
- Category 2: capital goods[2]	Thousand tonnes CO_2e		127	-	-	1,621
- Category 3: fuel- and energy-related activities[3]	Thousand tonnes CO_2e		485	809	(40 %)	2,011
- Category 11: use of sold products[4]	Thousand tonnes CO_2e	90 % (2040)[1]	3,007	4,386	(31 %)	14,206
- Other	Thousand tonnes CO_2e		69	68	1 %	341
Avoided carbon emissions	**Million tonnes CO_2e**		**5.2**	**4.4**	**18 %**	**15.1**
- From wind generation, offshore	Million tonnes CO_2e		2.2	2.4	(8 %)	7.3
- From wind and solar PV generation, onshore	Million tonnes CO_2e		2.1	1.1	91 %	5.4
- From biomass-converted generation	Million tonnes CO_2e		0.9	0.9	0 %	2.4

[1] Our targets are a 50 % reduction in total scope 3 emissions and a 90 % reduction in scope 3 emissions from wholesale buying and selling of natural gas from the base year 2018.

[2] Primary source of emissions: installed renewable assets. [3] Primary source of emissions: regular power sales. [4] Primary source of emissions: natural gas sales.

Scope 1

Scope 1 greenhouse gas (GHG) emissions decreased by 13 % from Q1 2021 to Q1 2022. The main driver was the 67 % reduction in the use of natural gas and the 6 % reduction in the use of coal at the power stations.

Scope 2

The main source of location-based scope 2 emissions was power purchased for the generation of heat in boilers at our CHP plants. Other sources were power consumption during standstill and shutdown periods at our CHP plants and wind farms as well as heat and power for office buildings.

All power purchased and consumed by Ørsted is certified green power. Therefore, our market-based scope 2 greenhouse gas emissions from power consumption amount to zero.

Scope 3

Scope 3 greenhouse gas emissions decreased by 30 % from Q1 2021 to Q1 2022, primarily driven by the 31 % reduction in gas sales (category 11).

Scope 3 emissions from fuel- and energy-related activities (category 3) were 40 % lower in Q1 2022 than in Q1 2021, primarily due to the reduced sale of regular power to end customers.

Scope 3 emissions from capital goods (category 2) in Q1 2022 were related to the commissioning of the onshore wind farm Haystack. We did not commission any new assets in Q1 2021.

Avoided carbon emissions

Avoided carbon emissions increased by 18 % in Q1 2022 compared to Q1 2021 due to the increase in onshore wind- and solar-based power generation, partly offset by lower avoided emissions from offshore wind.

The changes were also partially impacted by our annual update of country-specific carbon emissions factors used for the calculation.

4.3 Greenhouse gas (GHG) intensity

Indicator	Unit	Target	Q1 2022	Q1 2021	Δ	2021
GHG intensity (scope 1 and 2)						
GHG intensity, energy generation	g CO_2e/kWh	10 (2025)[1], 1 (2040)	48	59	(19 %)	58
- Offshore	g CO_2e/kWh		1	1	0 %	2
- Onshore	g CO_2e/kWh		0	0	-	0
- Bioenergy & Other	g CO_2e/kWh		116	117	(1 %)	143
GHG intensity, revenue	g CO_2e/DKK		19	38	(50 %)	28
GHG intensity, EBITDA	g CO_2e/DKK		67	150	(55 %)	88
GHG intensity (scope 1, 2, and 3)	**g CO_2e/kWh**	**2.9 (2040)[2]**	**100**	**130**	**(23 %)**	**165**

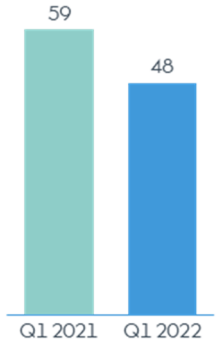
[1] Additional target: 20 g CO_2e/kWh (2023).

[2] Excludes scope 3 emissions from use of sold products (natual gas sales).

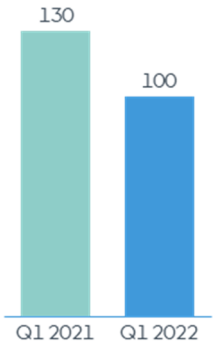
Our scope 1 and 2 greenhouse gas (GHG) emission intensity decreased by 19 % in Q1 2022 compared to Q1 2021. This was due to 13 % lower scope 1 and 2 emissions (numerator), driven by reduced fossil fuel usage at the power stations, in combination with a 6 % increase in heat and power generation (denominator).

Scope 1, 2, and 3 GHG intensity (excluding emissions from gas sales) decreased by 23 % in Q1 2022 compared to the same period last year. The reasons for the reduction were the same as for the reduction in scope 1 and 2 GHG intensity plus additional reductions in scope 3 emissions due to reduced sales of regular power to end customers.

Scope 1 & 2 GHG intensity (g CO_2e/kWh)



Scope 1, 2 & 3 GHG intensity (g CO_2e/kWh)



4.4 Energy consumption

Indicator	Unit	Target	Q1 2022	Q1 2021	Δ	2021
Direct energy consumption (GHG, scope 1)	**GWh**		**7,093**	**7,693**	**(8 %)**	**21,729**
Fuel used in thermal heat and power generation	GWh		7,052	7,658	(8 %)	21,559
- Sustainable biomass	GWh		5,140	5,331	(4 %)	14,976
- Coal	GWh	0 (Q2 2023)[1]	1,659	1,769	(6 %)	5,471
- Natural gas	GWh		175	530	(67 %)	920
- Oil	GWh		78	28	179 %	192
Other energy usage (oil, gas, and diesel for vessels and cars)	GWh		41	35	6 %	170
Coal used in thermal heat and power generation	Thousand tonnes	0 (Q2 2023)[1]	241	263	(8 %)	803
Certified sustainable wooden biomass sourced	%	100 (ongoing)[2]	100	100	0 %p	100
Indirect energy consumption (GHG, scope 2)	**GWh**		**95**	**92**	**3 %**	**314**
Power sourced for own consumption	GWh		89	88	1 %	303
Own power consumption covered by renewable energy certificates	%	100 (ongoing)[3]	100	100	0 %p	100
Heat sourced for own consumption	GWh		6	4	50 %	11
Total direct and indirect energy consumption	**GWh**		**7,188**	**7,785**	**(8 %)**	**22,043**
Green share of total direct and indirect energy consumption	**%**		**73**	**70**	**3 %p**	**69**

[1] Our target is to stop using coal in 2023. Our plan is to close the last unit (Esbjerg Power Station) at the end of Q1 2023.

[2] Our target is to source 100 % certified sustainable wooden biomass every year.

[3] Our target is to have our own power consumption 100 % covered by renewable energy certificates every year.

Total fuel consumption for thermal heat and power generation was reduced by 8 % in Q1 2022 compared to Q1 2021, driven by the 17 % decrease in thermal heat generation and 5 % reduction in thermal power generation (see note 3.3).

There was a reduction in consumption for all types of thermal generation fuels (except for oil), but the absolute reduction in energy content was larger for fossil fuels (natural gas and coal) than for sustainable biomass.

5.1 Human capital

Indicator	Unit	Q1 2022	Q1 2021	Δ	2021
Number of employees					
Total number of employees (end of period)	FTEs	7,016	6,311	11 %	6,836
- Denmark	FTEs	4,032	3,867	4 %	4,002
- The UK	FTEs	1,168	1,103	6 %	1,154
- The US	FTEs	508	323	57 %	453
- Malaysia	FTEs	358	294	22 %	343
- Poland	FTEs	325	240	35 %	282
- Germany	FTEs	256	224	14 %	251
- Taiwan	FTEs	175	151	16 %	170
- Other[1]	FTEs	194	109	78 %	181
Sickness absence	%	2.2	1.6	0.6 %p	1.8
Turnover					
Total employee turnover rate	%	11.2	8.2	3.0 %p	10.6
Voluntary employee turnover rate	%	8.5	5.2	3.3 %p	7.7

[1] FTE distribution in other countries in Q1 2022: Ireland (84), the Netherlands (66), Japan (23), Korea (11), Sweden (6), and Singapore (4).

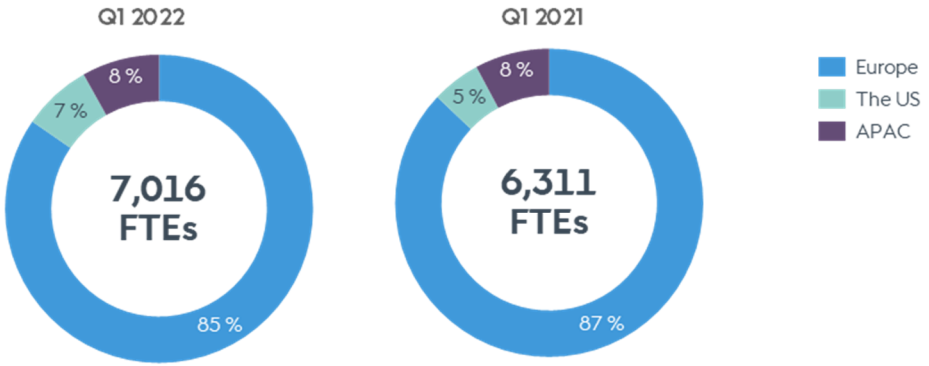
The number of employees was 11 % higher at the end of Q1 2022 compared to Q1 2021. Although we saw increases across all geographies, the increase primarily continues to occur outside of Denmark.

At the end of Q1 2022, the total employee turnover rate increased by 3.0 percentage points to 11.2 %, and the voluntary employee turnover rate increased by 3.3 percentage points to 8.5 % compared to Q1 2021.

The past two years were marked by two main developments in voluntary turnover. Firstly, as the COVID-19 pandemic struck in the beginning of 2020, the number of resignations dropped significantly. Ultimately, it resulted in the lowest turnover rate we have ever recorded in December 2020 (5 %).

Secondly, following that low point, the turnover rate started to increase again in Q1 2021, although at a very slow rate (< 1 percentage point). The increase sped up in the second half of 2021, and turnover went above pre-COVID levels, reaching a plateau in March 2022, where it appears to have stabilised at 8.5 %. This development is not unlike what is observed in other companies that have been affected by the so-called 'great resignation' following the pandemic.

Geographical distribution of FTEs, %



5.2 Safety

Indicator	Unit	Target	Q1 2022	Q1 2021	Δ	12M rolling Q1 2022	12M rolling Q1 2021	Δ	2021
Total recordable injuries (TRIs)	**Number**		**8**	**15**	**(47 %)**	**67**	**74**	**(9 %)**	**74**
- Own employees	Number		5	6	(17 %)	27	19	42 %	28
- Contractor employees	Number		3	9	(67 %)	40	55	(27 %)	46
Lost-time injuries (LTIs)	**Number**		**5**	**8**	**(38 %)**	**29**	**37**	**(22 %)**	**32**
- Own employees	Number		3	3	0 %	16	11	45 %	16
- Contractor employees	Number		2	5	(60 %)	13	26	(50 %)	16
Hours worked	**Million hours worked**		**6.1**	**5.0**	**22 %**	**25.9**	**21.5**	**20 %**	**24.8**
- Own employees	Million hours worked		2.9	2.6	12 %	11.1	10.7	4 %	10.8
- Contractor employees	Million hours worked		3.2	2.4	33 %	14.8	10.8	37 %	14.0
Total recordable injury rate (TRIR)	**Injuries per million hours worked**	**2.5 (2025)**	**1.3**	**3.0**	**(57 %)**	**2.6**	**3.4**	**(24 %)**	**3.0**
- Own employees	Injuries per million hours worked		1.7	2.3	(26 %)	2.4	1.8	33 %	2.6
- Contractor employees	Injuries per million hours worked		0.9	3.8	(76 %)	2.7	5.1	(47 %)	3.3
Lost-time injury frequency (LTIF)	**Injuries per million hours worked**		**0.8**	**1.6**	**(50 %)**	**1.1**	**1.7**	**(35 %)**	**1.3**
- Own employees	Injuries per million hours worked		1.0	1.1	(9 %)	1.4	1.0	40 %	1.5
- Contractor employees	Injuries per million hours worked		0.6	2.1	(71 %)	0.9	2.4	(63 %)	1.1
Fatalities	**Number**		**0**	**0**	**0 %**	**0**	**0**	**0 %**	**0**
Permanent disability cases	**Number**		**0**	**0**	**0 %**	**0**	**0**	**0 %**	**0**

The overall safety performance developed positively in Q1 2022 compared to Q1 2021.

Total recordable injuries in Q1 2022 decreased by 47 % (seven recordable injuries less) and lost-time injuries decreased by 38 % (three lost-time injuries less) compared to Q1 2021.

The total amount of hours worked in Q1 2022 was 22 % higher than in Q1 2021.

Consequently, the total recordable injury rate (TRIR) was 1.3, which was 57 % lower than in Q1 2021, and the lost-time injury frequency (LTIF) was 0.8, which was 50 % lower than in Q1 2021.

To further enhance our employees' safety, we have kicked off a new safety campaign named *'Be aware, take care'*. We work in challenging situations, and it is our goal that all employees and contractors return from work every day without any injuries. We believe that all injuries can be avoided by becoming better at identifying, communicating, and managing risks.

6.1 Supplier due diligence

Indicator	Unit	Q1 2022	Q1 2021	Δ	2021
Risk screenings					
Risk screenings (all contracts above DKK 3 million)	Number	105	82	28 %	326
Extended risk screenings	Number	22	26	(15 %)	75
Know-your-counterparty (KYC) screenings	Number	472	520	(9 %)	1,099
Due diligence activities conducted					
Code of conduct (COC) desktop assessments	Number	12	6	100 %	31
Code of conduct (COC) site assessments	Number	0	0	-	1
Health, safety, and environment (HSE) desktop assessments	Number	29	83	(65 %)	265
Health, safety, and environment (HSE) site assessments	Number	1	4	(75 %)	16
Desktop vessel inspections	Number	14	7	100 %	53
Physical vessel inspections	Number	108	101	7 %	336

The number of screenings and due diligence activities conducted is determined by the time schedule of the individual construction projects and the procurement priorities from year to year.

In Q1 2022, there was a 28 % increase in the number of risk screenings based on country and category risk compared to Q1 2021. This was due to the complete integration of Onshore procurement into our risk screening process. Based on the risk screenings, 22 extended risk screenings were carried out with additional risk parameters included, e.g. use of migrant workers and provision of accommodation facilities.

The number of know-your-counterparty (KYC) screenings, focusing on suppliers' integrity and legal compliance, decreased by 9 % in Q1 2022 compared to Q1 2021 due to the bulk screening of a large number of Ørsted's business partners that took place in Q1 2021.

In Q1 2022, the number of code of conduct (COC) desktop assessments doubled compared to Q1 2022, reflecting an increase in the number of high-risk suppliers. The number of HSE desktop assessments was reduced significantly by 65 % reflecting the updated sourcing strategy across Ørsted. The number of site assessments continued to be impacted by the COVID-19 travel restrictions; zero COC site assessments were performed, and the only HSE site assessment was conducted virtually in Q1 2022.

In comparison, the number of physical inspections increased by 7 % in Q1 2022 compared to Q1 2021. Physical vessel inspections have not been impacted by COVID-19 compared to the COC and HSE programmes as they use local inspectors and perform virtual inspections, although less inspections were performed virtually in Q1 2022 compared to Q1 2021.

The results from the assessments are managed throughout the different programmes, and improvement plans are developed and implemented in collaboration with the suppliers.

Accounting policies

ESG data quality and consolidation

All our ESG data is reported to the same consolidation system, and we apply the same processes and tools to our ESG reporting as to our financial reporting. The data is consolidated according to the same principles as the financial statements. Thus, the consolidated ESG performance data comprises the parent company Ørsted A/S and subsidiaries controlled by Ørsted A/S. Joint operations are also included with Ørsted's proportionate share. Data from associates and joint ventures is not included in the consolidated ESG performance data.

The scoping and consolidation of health, safety, and environment (HSE) incidents deviate from the above-described principles. HSE incident data is collected using an operational scope. This means that irrespective of our ownership share, we include 100 % of injuries, environmental incidents, hours worked, etc., from all operations where Ørsted is responsible for HSE, including safety for our external suppliers.

All data presented follows the principles above, unless otherwise specified in the accounting policy for the individual indicator. Accounting policies for all our ESG data can be found next to each data table in the individual notes. The calculation factors used in this report are listed at the end of the report together with references.

2.1 Taxonomy-eligible KPIs

Taxonomy-eligible revenue

The share of Ørsted's taxonomy-eligible revenue is calculated as the revenue derived from products or services associated with taxonomy-eligible economic activities as a proportion of Ørsted's total net revenue.

Taxonomy-eligible OPEX

The share of Ørsted's taxonomy-eligible OPEX is calculated as the OPEX related to assets or processes associated with taxonomy-eligible economic activities as a proportion of Ørsted's OPEX that is included in 'Other external expenses'.

Taxonomy-eligible EBITDA

The share of Ørsted's taxonomy-eligible EBITDA is calculated as the EBITDA derived from products or services associated with taxonomy-eligible economic activities as a proportion of Ørsted's total net EBITDA.

Taxonomy-eligible CAPEX

The share of Ørsted's taxonomy-eligible CAPEX is calculated as the CAPEX related to assets or processes associated with taxonomy-eligible economic activities as a proportion of Ørsted's CAPEX that is accounted for based on IAS 16 (73: (e) (i) and (iii)), IAS 38 (118: (e) (i)), and IFRS 16 (53: (h)) and thereby included in 'Additions'.

3.1 Renewable capacity

Installed renewable capacity

The installed renewable capacity is calculated as renewable gross capacity installed by Ørsted accumulated over time. We include all capacities after commercial operation date (COD) has been reached, and where we had an ownership share and an EPC role (engineering, procurement, and construction) in the project. Capacities from acquisitions are added to the installed capacity. 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'ed) renewable capacity

Decided (FID'ed) capacity is 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. We include the full capacity if more than 50 % of PPAs or offtake are secured.

3.2 Generation capacity

Power generation capacity

Power generation capacity from an offshore wind farm is calculated and included from the time when the individual wind turbine has passed a 240-hour test. Power generation capacity for onshore wind and solar PV is included after commercial operation date (COD) has been reached. The offshore wind farms Gunfleet Sands 1 & 2 and Walney 1 & 2 have been consolidated according to ownership interest. Other wind farms, solar farms, and CHP plants have been financially consolidated.

Heat and power generation capacity, thermal

Thermal heat and power generation capacity is a measure of the maximum capability to generate heat and power. The capacity can change over time with plant modifications. For each CHP plant, the capacity is given for generation with the primary fuel mix. Overload is not included. CHP plants which have been taken out of primary operation and put on standby are not included.

Fuel-specific thermal heat and power generation capacities measure the maximum capacity using the specified fuel as primary fuel at the multi-fuel plants. They cannot be added to total thermal capacity, as they are defined individually for each fuel type for our multi-fuel plants. All fuels cannot be used at the same time. Therefore, the total sum amounts to more than 100 %.

3.3 Energy generation

Power generation

Power generation from wind farms is determined as generation sold. The offshore wind farms Gunfleet Sands 1 & 2 and Walney 1 & 2 have been consolidated according to ownership interest. Other wind farms, solar farms, and CHP plants have been financially consolidated.

Thermal power generation is determined as net generation sold, based on settlements from the official Danish production database. Data for generation from foreign facilities is provided by the operators.

Heat generation

Heat (including steam) generation is measured as net output sold to heat customers.

3.4 Energy business drivers

Wind speed

Wind speeds for the areas where Ørsted's offshore and onshore wind farms are located are provided to Ørsted by an external supplier, except for our Irish onshore assets where wind speeds are measured on site. Wind speeds are weighted on the basis of the capacities of the individual wind farms and consolidated to an Ørsted total for offshore and onshore, respectively. 'Normal wind speed' is a historical wind speed average (over a minimum 20-year period).

Availability

Availability is calculated as the ratio of actual production to the possible production, which is the sum of lost production and actual production in a given period. The production-based availability (PBA) is impacted by grid and wind turbine outages, which are technical production losses. PBA is not impacted by market-requested shutdowns and wind farm curtailments as these are due to external factors. Total availability is determined by weighting the individual wind farm's availability against its capacity.

Load factor

The load factor is calculated as the ratio between actual generation over a period relative to potential generation, which is possible by continuously exploit-

ing the maximum capacity over the same period. The load factor is commercially adjusted. This means that the offshore wind farm has been financially compensated by the transmission system operators when it is available for generation, but the output cannot be supplied to the grid due to maintenance or grid interruptions. New offshore wind turbines are included in the calculations of availability and load factor once they have passed a 240-hour test. Onshore wind turbines are included once they have passed commercial operation date (COD).

Degree days
The number of degree days expresses the difference between an average indoor temperature of 17 °C and the outside mean temperature for a given period. It helps compare the heat demand for a given year with a normal year.

3.5 Energy sales

Gas and power sales
Sales of gas and power are calculated as physical sales to retail customers, wholesale customers, and exchanges. Sales are based on readings from Ørsted's trading systems. Internal sales to Bioenergy are not included in the statement.

4.1 Green share of energy generation

Green share of energy generation
The green (renewable energy) share of our heat and power generation and the distribution of the generation volume on the individual energy sources and fuels are calculated on the basis of the energy sources used and the energy generated at the different energy plants.

For combined heat and power (CHP) plants, the share of the specific fuel (e.g. sustainable biomass) is calculated relative to the total fuel consumption for a given plant or unit within a given time period. The specific fuel share is then multiplied by the total heat and power generation for the specific plant or unit in the specific period. The result is the fuel-based generation for the individual unit, for example the sustainable biomass-based generation of heat and power from the CHP plant unit within a given time period.

The percentage shares of the individual energy sources are calculated by dividing the generation from the individual energy source by the total generation.

The following energy sources and fuels are considered to be renewable energy: wind, solar PV, sustainable biomass, biogas, and power sourced with renewable energy certificates. The following energy sources are considered to be fossil energy sources: coal, natural gas, and oil.

4.2 Greenhouse gas (GHG) emissions

Direct GHG emissions (scope 1)
The reporting of direct scope 1 emissions is based on the Greenhouse Gas Protocol and covers all direct emissions of greenhouse gases from Ørsted: carbon dioxide, methane, nitrous oxide, and sulphur hexafluoride. The direct carbon emissions from the combined heat and power plants are determined on the basis of the fuel quantities used in accordance with the EU Emissions Trading System (ETS). Carbon dioxide and other greenhouse gas emissions outside the EU ETS scheme are, for the most part, calculated as energy consumption multiplied by emission factors.

Indirect GHG emissions (scope 2)
The reporting of indirect scope 2 emissions is based on the Greenhouse Gas Protocol and includes the indirect GHG emissions from the generation of power, heat, and steam purchased and consumed by Ørsted. Scope 2 emissions are primarily calculated as the power volumes purchased multiplied by country-specific emission factors. Location-based emissions are calculated based on average emission factors for each country, whereas market-based emissions take the green power purchased into account and assume that the regular power is delivered as residual power where the green part has been taken out.

Indirect GHG emissions (scope 3)
Scope 3 GHG emissions are reported based on the Greenhouse Gas Protocol, which divides the scope 3 inventory into 15 subcategories.

GHG emissions from capital goods include upstream GHG emissions from acquired and installed wind and solar farms in the month when the wind or solar farm has reached commercial operation date (COD). Carbon emissions are included from cradle to operations.

GHG emissions from fuel- and energy-related activities are calculated based on actual fuel consumption and power sales, multiplied by relevant emission factors. We include all power sales to end customers and use separate emission factors for green (with certificates) and regular (without certificates) power sales.

GHG emissions from use of sold products are calculated based on actual sales of gas to both end users and wholesale as reported in our ESG consolidation system. The total gas sale is divided into natural gas and biogas which have specific upstream and downstream emission factors.

'Other' includes GHG emissions from:
- category 1: purchased goods and services
- category 4: upstream transportation and distribution
- category 5: waste generated in operations
- category 6: business travel
- category 7: employee commuting
- category 9: downstream transportation and distribution.

Avoided carbon emissions
The avoided carbon emissions due to generation from wind and solar farms are calculated on the basis of the assumption that the generation from wind and solar farms replaces an equal quantity of power generated using fossil fuels.

The carbon emission factor from fossil fuels is based on an average fossil-fuel mix in the specific country or US state. Data is extracted from the International Energy Agency (IEA) and the US Environmental Protection Agency (EPA).

Power generation at a wind farm does not have direct carbon emissions, and indirect emissions from a wind farm are not included. The avoided carbon emissions are calculated as the wind farm's generation multiplied by the emission factor.

The avoided carbon emissions due to the conversions of the CHP plants and the subsequent switch from fossil fuels to sustainable biomass are calculated on the basis of the energy content of the fuel used at the CHP plants. It is assumed that the use of 1 GJ of sustainable biomass fuel avoids the use of 1 GJ of fossil fuels. The upstream carbon emissions from production, manufacture, and transport of sustainable biomass are included in the calculation.

The accounting policies for avoided carbon emissions follow the principles of the GHG Project Protocol and the United Nation's Framework Convention on Climate Change (UNFCCC) methodology.

4.3 Greenhouse gas (GHG) intensity

GHG intensity (scope 1 and 2)
GHG intensity (scope 1 and 2) is calculated as total scope 1 and scope 2 (market-based) emissions divided by total heat and power generation, revenue, and EBITDA, respectively.

GHG intensity (scope 1, 2, and 3)
GHG intensity (scope 1, 2, and 3) is calculated as total scope 1, scope 2 (market-based), and scope 3 emissions (excluding natural gas sales) divided by total heat and power generation.

4.4 Energy consumption

Direct energy consumption (GHG, scope 1)
Direct energy consumption includes all energy consumption, including energy consumption that leads to scope 1 GHG emissions. Energy consumption includes all fuels used at CHP plants (lower caloric values) and other energy usage (oil, natural gas, and diesel).

Certified sustainable wooden biomass sourced
Certified sustainable wooden biomass sourced is calculated as the amount of certified sustainable wooden biomass sourced divided by the total amount of sourced wooden biomass, i.e. wood pellets and wood chips, delivered to individual CHP plants within the reporting period.

Certified sustainable wooden biomass must be certified within at least one of the claim categories accepted by the Danish industry agreement on certified biomass. Accepted claim categories are: FSC 100 %, FSC Mix, PEFC 100 %, and SBP compliant.

Indirect energy consumption (GHG scope 2)
Heat and power purchased and consumed by Ørsted are reported for CHP plants, other facilities, and administrative buildings. Heat and power consumption excludes consumption of own generated heat and power at our CHP plants. For consumption related to administration and other processes, we calculate direct consumption on the basis of invoices.

Green share of total direct and indirect energy consumption
The green share is calculated as renewable energy sourced (biomass and certified green power) for own consumption divided by total energy sourced for own consumption.

5.1 Human capital

Number of employees
Employee data is recognised based on records from the Group's ordinary registration systems. The number of employees is determined as the number of employees at the end of each month converted to full-time equivalents (FTEs).

Employees who have been made redundant are recognised until the expiry of their notice period, regardless of whether they have been released from all or some of their duties during their notice period.

Sickness absence
Sickness absence is calculated as the ratio between the number of sick days and the planned number of annual working days.

Turnover
The employee turnover rate is calculated as the number of permanent employees who have left the company relative to the average number of permanent employees in the financial year.

5.2 Safety

Safety
Occupational injuries are calculated according to operational scope. Data from companies wholly or partly owned by Ørsted, and where Ørsted is responsible for safety, is included. Occupational injuries and lost-time injuries are calculated for both our own employees and our contractors. Data from all Ørsted locations are recognised.

The lost-time injury frequency (LTIF) is calculated as the number of lost-time injuries per one million hours worked. The number of hours worked is based on 1,667 working hours annually per full-time employee and monthly records of the number of employees converted into full-time employees. For suppliers, the actual number of hours worked is recognised on the basis of data provided by the supplier, access control systems at locations, or estimates. LTIF includes lost-time injuries defined as injuries that result in an incapacity to work for one or more calendar days in addition to the day of the incident.

Total recordable injury rate (TRIR) is calculated in the same way as LTIF, but in addition to lost-time injuries, TRIR also includes injuries where the injured person is able to perform restricted work the day after the accident as well as injuries where the injured person has received medical treatment.

Fatalities are the number of employees who lost their lives as a result of a work-related incident.

Permanent disability cases are injuries resulting in irreversible damage with permanent impairment which is not expected to improve.

6.1 Supplier due diligence

ESG supplier and business partner due diligence is carried out by different departments in Ørsted.

Risk screenings
The Responsible Business Partner Programme (RPP) team apply a risk-based due diligence framework to identify areas within our code of conduct (COC) for business partners where relevant suppliers need to improve their adherence to the code.

Risk screenings are conducted by the RPP team on all new sourcing contracts above DKK 3 million based on country and category risk. Based on the risk screening evaluation, RPP conducts extended risk screenings of selected contracts with additional parameters. Screenings and extended screenings also take place for suppliers of coal and sustainable biomass as well as top-spend suppliers.

The Business Ethics Compliance (BEC) team conducts know-your-counterparty (KYC) screenings of all new suppliers and business partners to ensure legal compliance.

Risk-screened procurement spend and KYC-screened procurement spend are both calculated on an annual basis for the reporting year.

Due diligence activities conducted
Due diligence activities are carried out by our RPP, Health, Safety & Environment (HSE), and Marine Inspection teams, based on the results of individual screenings and risk assessments.

The activities are conducted either as desktop assessments or inspections or as on-site assessments or physical inspections, which often include a visit to the production facilities by Ørsted or a third party.

Assessments also include potential suppliers (i.e. no signed contracts yet) as part of the tender process.

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