

Presentation by Lene Skole, Chair of the Board of Directors

2024 was a year when the Board of Directors and I, in close cooperation with the Executive Board, have taken several measures to advance numerous transformational business priorities across the Ørsted. Initiatives to help improve our competitiveness and strengthen our value creation.

Our business progressed significantly during 2024, although we operate in an industry characterised by regulatory and macroeconomic challenges as well as supply chains under continuous pressure. Combined with project-specific challenges related to our ongoing US offshore wind projects, these challenges have led us to adjust our business plan. We've done this to strengthen our capital structure, to support our target of maintaining our strong credit rating, and to ensure that we become more efficient and focused in our investments.

As part of this, we've decided to reduce our investment programme and to step away from our long-term build-out ambitions. Instead, we'll sharpen our focus on value rather than volume. In the coming period, we'll prioritise to deliver on our committed construction portfolio with a capacity of around 9 GW. Beyond this, we have a sizeable investment capacity which we can use to pursue new development opportunities. When we invest, we'll first and foremost prioritise the most financially attractive offshore wind opportunities given that offshore wind is where we have our unique core capabilities.

In January, the Board appointed Rasmus Errboe as new CEO of Ørsted. Rasmus has been a valued colleague in Ørsted since 2012 and has held various key positions such as Deputy CEO, CCO, and interim CFO. With 13 years of experience working for Ørsted, he has a deep understanding of our business and extensive knowledge of the energy industry. Therefore, the Board of Directors is convinced that Rasmus is the right person to lead Ørsted through the challenges facing the industry and Ørsted. Together with the Board of Directors, I look forward to collaborating with Rasmus on ensuring strong results for Ørsted.

Based on the challenges we've experienced in recent years, we've carefully reviewed our approach towards developing and constructing our large-scale offshore wind projects, and during 2024, we've implemented and initiated a number of initiatives to strengthen this.

This includes the roll-out of a new project operating model. Among other things, it involves independent project reviews, which are intended to ensure that we even more critically review and assess key assumptions related to project costs and scheduling. As part of that, we'll also focus our efforts on limiting the financial commitments of our project development until we're sufficiently comfortable with the maturity of the projects. This will ensure greater flexibility with respect to project timelines, commissioning dates, and phasing of capital expenditures.

We've also strengthened our approach to proactive risk management in our projects. This includes the possibility of entering into contracts with suppliers to ensure necessary backup capacities for the construction of projects as well as a closer follow-up on the progress of our projects and the work with our suppliers.

In addition, we've established an Asset Project Committee at board level, with regular project reviews and monitoring of project risks as its key focus. The committee also carries out risk reviews of selected projects and reports the results to the Group Executive Team and the Board of Directors.

With our updated business plan, we've taken measures to strengthen our capital structure and ensure we'll become a more focused and efficient company. A central component in this is the decision to reduce our investment programme towards 2030 by 25 %.

Even with the adjustment to our investment programme, we're still on track to grow significantly. In the coming years, we'll almost double our installed offshore wind capacity through the execution of our construction portfolio. In addition to the current investments, we have an investment capacity of DKK 40-60 billion, which we'll prioritise for the most financially attractive opportunities. We'll continue to be active across our three regions, but first and foremost, we'll prioritise investing in offshore wind projects in the regions and countries where we see the most attractive framework conditions and investment environment.

Milestones 2024: Offshore

Let us turn to 2024 and the progress that we've made during the year, starting with our Offshore business.

During the year, we commissioned 1 GW of renewable offshore capacity across two projects.

In Taiwan, we commissioned our Greater Changhua 1 and 2a project, which is the largest offshore wind project in the APAC region with a capacity of 900 MW.

We've also commissioned our South Fork project in the US, which is the first utility scale offshore wind farm in the US. At full capacity, the 132 MW project can provide renewable energy to approximately 70,000 homes in the state of New York.

In addition to this, we've progressed almost 2.5 GW of offshore capacity to final investment decision when including the final investment decision for Baltica 2 earlier this year. At the beginning of 2024, our Sunrise Wind project secured a new and improved power purchase agreement by rebidding in the New York Round 4 tender. Later in the year, once we'd secured the final key federal permits, we took final investment decision on the project.

As mentioned, we took final investment decision together with our partner PGE on our 1.5 GW Baltica 2 project earlier in 2025. Baltica 2 has a 25-year inflation-linked power purchase agreement and has obtained all regulatory permits. We expect the project to be fully commissioned by the end of 2027.

In the UK, we reached a significant milestone in 2024, when we secured power purchase agreements of 3.5 GW in total for our offshore wind farms Hornsea 3 and Hornsea 4. Once operational, Hornsea 3 will be the world's single largest offshore wind farm with a capacity of 3 GW.

Overall, we continue the progress of our partnership and divestment programme, and we remain on target to deliver proceeds in the range of DKK 70-80 billion for 2024 to 2026. During 2024, we made significant progress, including in the UK where we signed an agreement with Brookfield Renewable to divest a minority stake in four operational offshore wind farms with a combined total capacity of 3.5 GW. In Taiwan, we closed an agreement to divest 50 % of our offshore wind farm Greater Changhua 4 to Cathay Life Insurance, the leading insurance company in Taiwan.

Milestones 2024: Onshore, P2X and Bioenergy

In our Onshore business, we commissioned a total of 1.4 GW of renewable capacity during 2024. In the US, we commissioned Sparta Solar and Mockingbird Solar Center. Mockingbird is the largest solar farm in our portfolio to date. Furthermore, Eleven Mile, our combined solar and battery storage project, was commissioned.

We also took final investment decision on several projects during the year, including our 259 MW onshore wind farm Badger Wind as well as our Old 300 battery energy storage system (BESS) project, located adjacent to our solar farm Old 300. By the end of 2024, we had around 800 MW of onshore capacity under construction.

Our Onshore business has also contributed to material progress on our partnership and divestment programme through the closing of a number of transactions. In the US, we've divested a stake in a portfolio consisting of four operational onshore wind farms to Stonepeak and completed a partial divestment of three projects to Energy Capital Partners. We also made a strategic decision to deprioritise the French market and divested our French onshore business to ENGIE.

In our Bioenergy & Other business, we've also seen a number of developments during the year.

As part of our carbon capture and storage project, 'Ørsted Kalundborg CO₂ Hub', we've entered a new major agreement on carbon removal with Microsoft to sell a further 1 million tonnes of the captured and stored carbon dioxide from Avedøre Power Station over a ten-year period. The new agreement builds on an existing carbon capture and storage commitment by Microsoft to buy 2.67 million tonnes. At the beginning of 2025, we've taken significant steps with the installation of the main components of the project, and we expect to commission the project in early 2026.

We took the strategic decision to deprioritise our projects within e-fuels. This included that we decided to cease the development of FlagshipONE, our liquid e-fuels project. The decision was driven by a slower-than-expected industrialisation of the technology, the commercial development of the offtake market, and a deteriorating business case.

Renewable energy

We remain dedicated to advancing the global shift toward renewable energy, and our efforts in decarbonising our energy systems have continued in 2024. Since installing the first offshore wind farm in 1991, our massive investments in renewables have ensured that we're on track to deliver on our ambitious industry-leading, science-based target of a 99 % green share of energy generation by 2025. In 2024, the renewable share of our heat and power generation amounted to 97 %, up 4 percentage points relative to 2023.

In 2021, we established a net-zero emissions target for our scope 1-3 emissions by 2040, making us the first energy company with a science-based target.

Sustainability

In continuation of this, we've also delivered on our sustainability efforts. Our work on sustainability is divided into three strategic priorities: decarbonisation, biodiversity, and impact on society. Our work with sustainability ensures that our projects create value not only for our business, but also for nature and people.

Decarbonisation is important to us. During 2024, we shut down our last coal-based power station in Esbjerg. It marked a major step in transforming our entire energy production to renewable energy.

In addition, we're working determinedly to reduce our scope 3 emissions, as exemplified by our long-term lower-emissions heavy plate steel agreement with the steel manufacturer Dillinger in 2024. This agreement contributes to the decarbonisation of materials essential to the build-out of renewable energy while supporting Dillinger's efforts to decarbonise steel production.

In terms of our biodiversity impact, we were the first in the industry to launch a new biodiversity measurement framework to ensure transparent measurement and reporting to demonstrate that renewable energy benefits nature. Also, we piloted one of our innovative biodiversity projects in Taiwan, where we're planning to grow corals on offshore wind turbines.

During the year, we also developed and applied a new technology for noiseless installation of monopiles, thus improving the protection of marine life. In addition to noise reduction, this technology may also lead to significant reductions in costs and installation time in future.

In terms of community impact, we continued to integrate local jobs, training, and community engagement into our project delivery. An example of this is in the US where we supported the development programme of a local workforce that has provided more than 300 workers with the necessary credentials for working offshore.

Sustainability is an integral part of our activities and the way we operate, and by 2024, we've ensured an even clearer anchoring of responsibility for this area in our Group Executive Team.

CSRD

In 2024, we fully implemented and carried out sustainability reporting in compliance with the new EU rules on corporate sustainability reporting (CSRD). Our sustainability reporting will continue until the end of 2025, with additional focus on e.g. identifying risks, reassessing controls, and establishing additional controls where necessary.

We fully support the intention of transparency and standardisation on relevant issues – and we see the CSRD regulation as a way of working in addition to being a reporting framework. We do, however, also support current discussions about the need to simplify the framework by eliminating reporting obligations that are less relevant and pose an administrative burden. Hence, we're closely following the debate in the EU on the issue. This is an important discussion to ensure that the focus is both on sustainability and on competitiveness.

Key financials

Our operational earnings before interest, tax, depreciation, amortisation and impairment – also called EBITDA – amounted to DKK 32 billion for the year. The result was positively affected by the finalisation of contract settlements with better outcomes than assumed in relation to our decision to cease development of the Ocean Wind 1 project in the US.

EBITDA excluding new partnerships and excluding costs related to discontinued project development – this is what we call cancellation fees – amounted to DKK 24.8 billion, which was approx. DKK 800 million higher than in 2023 and in line with our guidance for the year of DKK 24-26 billion.

The earnings from our offshore sites improved by more than DKK 3.5 billion during the year due to higher wind speeds, ramp-up of generation, and higher prices on both green certificates and inflation-indexed power purchase agreements.

The reported net profit for the year was DKK 16 million, which was significantly impacted by the impairments of around DKK 14 billion related to our US portfolio.

Adjusted for impairment losses and cancellation fees of a total of DKK 6.3 billion, our net profit for the year amounted to DKK 6.4 billion, which was lower than in 2023 due to lower earnings from new partnerships, higher financing costs, and higher tax. However, this was partially offset by higher underlying earnings.

Adjusted for impairments and cancellation fees, our return on capital employed stood at 10.1 % at the end of the year. The reported return on capital employed stood at 4.5 % for 2024, and this is expected to increase over the coming years, in line with our target of an average of approximately 13 % for the period 2024-2030.

Cash flows, investments, divestments, and net debt

Cash flows from operating activities amounted to DKK 18.4 billion during 2024. This was lower than in 2023, primarily driven by the payment of cancellation fees related to Ocean Wind 1.

Our gross investments amounted to DKK 42.8 billion in 2024. The majority of our investments were related to the build-out of offshore wind projects in Europe, the US, and Taiwan. The remainder of the investments were related to the build-out of onshore projects in the US and Europe and the construction of our carbon capture and storage facility in Denmark.

Our divestments amounted to close to DKK 22 billion during 2024, which includes proceeds of DKK 6.2 billion related to prepayments of power following the divestment of a minority stake in a portfolio consisting of four UK offshore wind farms.

Our interest-bearing net debt stood at DKK 58 billion at the end of 2024, up DKK 10.6 billion relative to the year before. The increase was driven by our increased investments as well as payments of cancellation fees related to Ocean Wind 1.

Our key credit metric, which is a measure of our ability to generate funds from operations to service our debt, also known as FFO relative to adjusted interest-bearing net debt, stood at 13 % at the end of 2024 compared to 29 % at the beginning of the year. The decrease is primarily attributable to the payment of cancellation fees related to Ocean Wind 1. Removing the impact of these cancellation fees, our credit metric at the end of the year would have been approximately 22 %.

To ensure we have financial robustness and the strength to operate in the international energy and financial markets, we target a solid investment grade rating with all three credit rating agencies.

Remuneration report for 2024

The remuneration report for this year reflects the changes that we've seen at executive board level during the year. First, on 1 April 2024, we established a new Commercial area under Rasmus Errboe, who was appointed Deputy CEO and Chief Commercial Officer (CCO). At the same time, Trond Westlie was appointed CFO. On 1 February 2025, Rasmus Errboe was

appointed new Group President and CEO of Ørsted replacing Mads Nipper. This recent event does not impact the remuneration reported for 2024.

For the shared KPIs in the short-term incentive (STI) scheme, the results varied, utilising the whole performance span across financial, ESG, and individual targets. The Executive Board's shared short-term incentive score ended at 31 %, reflecting the delivery of the earnings in line with expectations as well as the continued challenges with the execution of our US offshore wind portfolio. In the long-term incentive scheme, the Executive Board didn't receive shares in 2024 due to Ørsted's share price development relative to peers in the energy industry.

Employees

Our employees continue to be the core of our business. I'm thankful for the many talented and dedicated employees working for Ørsted. Even through a year of uncertainty and redundancies, they've once again proved their unwavering commitment and taken us further towards our vision of a world that runs entirely on green energy.

We're navigating a rapidly changing industry, and that requires us to constantly adapt. In 2024, we had to make organisational adjustments, including redundancies, to maintain our competitive edge. While employee satisfaction, motivation, and voluntary turnover levels remain healthy compared to industry benchmarks, the changes have had a noticeable impact and led to significant drops in 2024. We'll actively address these challenges. We're increasing our focus on internal communication and change management, strengthening our focus on good leadership and mental health, and reaffirming our commitment to transparency and the well-being of our workforce. The executive management team continues to have it as an ambition and a key priority that job satisfaction and motivation should be at the top tier level.

In 2024, we reduced our total recordable injury rate, and it's the second year in a row that we experience a reduction in this number. We continue to deliver on our long-term focused efforts on safety, welcome the trend, and will continue our safety improvement initiatives to ensure the trend continues.

It was with great sadness that we recently received the news that two wind technicians at our Plum Creek Wind Farm in the US had been the victims of a fatal accident. Our deepest condolences go to their families and friends, and we're working with our external suppliers to support the families in any way we can. Right now, we're focusing on the current investigation that the relevant authorities are conducting.

We'll continue our efforts on recruiting and retaining female employees in Ørsted to promote diversity and a more balanced gender composition across the organisation. Across the entire Ørsted workforce, we have an ambition to reach a gender balance of 40 % women and 60 % men by 2030.

Even though we succeeded in increasing the share of female leaders at our most senior levels during 2024, we didn't improve our overall gender diversity as planned. To achieve our ambition, we have a talent development team dedicated to ensuring that diversity and equality are taken into account in the ongoing organisational review process. This team is crucial for including diversity considerations in our succession planning and promoting a balanced representation of men and women in leadership positions.

Distribution of profit

As part of the Capital Markets Update in February 2024, we announced our decision to suspend the dividend distribution for the financial calendar years 2023-2025 to strengthen our capital structure. Consequently, the Board of Directors proposes that no dividends are to be distributed to the shareholders for the financial year 2024.

Financial guidance 2025

For the financial year 2025, we expect EBITDA excluding new partnerships and impact from potential changes in cancellation fees in the range of DKK 25-28 billion.

Our gross investments for 2025, which are planned to be invested in our current construction portfolio, are expected to amount to DKK 50-54 billion in 2025.

Summary

With that, I'll summarise with a few concluding remarks.

Throughout 2024, we navigated an energy industry characterised by regulatory and macroeconomic challenges and continued pressured supply chains.

Combined with project-specific challenges related to our US offshore wind projects, this has had an adverse impact on our capital structure.

Therefore, we've updated our business plan to strengthen our capital structure and support our target of maintaining a solid investment grade rating. We've decided to step away from our long-term build-out ambition as we want to prioritise value creation over growth and ensure full focus on the delivery of our construction portfolio, which will ensure close to a doubling of our installed offshore wind capacity in the years to come.

During the year, we've carefully reviewed our approach to project development and construction, and we've taken several steps to strengthen this at both Group Executive Team and Board level.

We delivered solid operational earnings in 2024 with a total EBITDA of DKK 32 billion. In addition, we achieved a number of strategic milestones, including the commissioning of approx. 2.4 GW renewable energy capacity, final investment decision on 2.5 GW of offshore wind capacity, and secured power purchase agreements of 3.5 GW in the UK's allocation round 6.

Finally, I would like to express my sincere gratitude to our skilled colleagues, who, throughout a year of uncertainty and redundancies, yet again proved their unwavering commitment, and who continue to drive the energy transition forward.