



Ørsted

Green bond impact report 2023

Industry-leading sustainability ambition

2040

Net-zero value chain¹



2030

No later than 2030, all new renewable energy projects commissioned must have a net-positive biodiversity impact

2025

98 % reduction in emissions intensity²

Today

Ban on landfilling of wind turbine blades and solar PV modules

Front page:

Hornsea 2, located in the North Sea, became fully operational in August 2022 and consists of 165 wind turbines.

With a total capacity of 1.32 GW, the wind farm generates enough renewable energy to power over 1.4 million UK homes.



1. Scope 1-3 emissions. See full overview of our science-based targets in our annual report.

2. Scope 1-2 emissions (CO₂e/kWh) from a 2006 base year.

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Our publications



→ **Green finance framework**



→ **Annual report 2023**

In the annual report 2023, we have started to prepare for the Corporate Sustainability Reporting Directive (CSRD) by making our first integrated reporting and double materiality assessment.



→ **Climate advocacy report 2023**

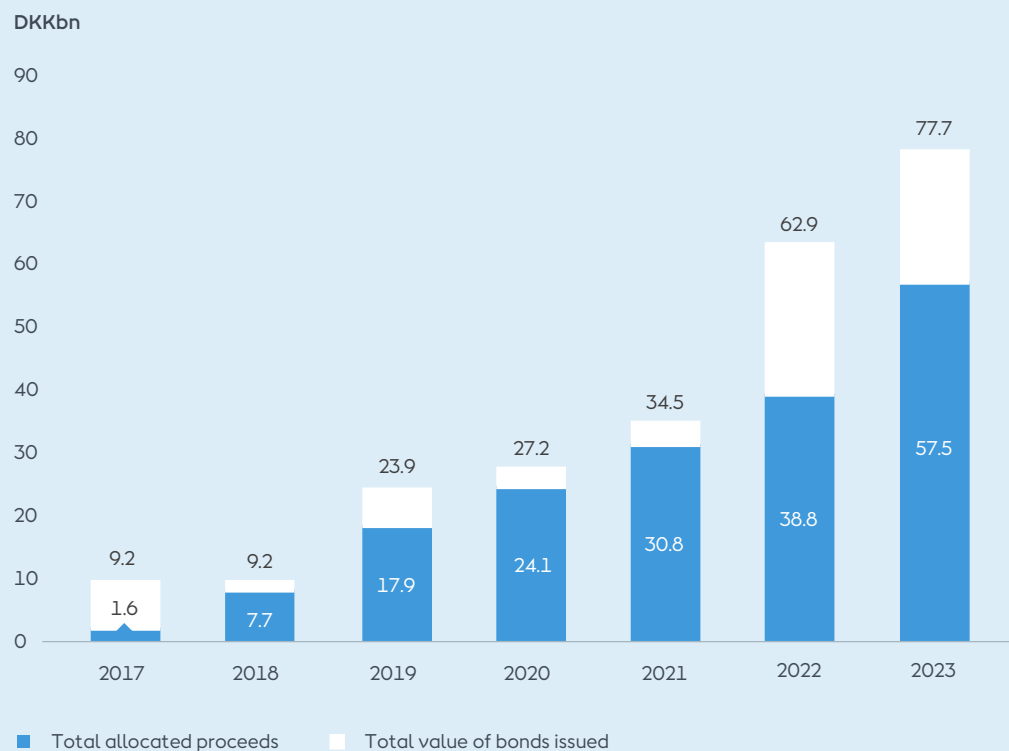
Highlights 2023

- Our 'Green finance framework' is aligned with best practice and has received the highest possible grading, 'a dark green shading', from CICERO Shades of Green.
- In 2023, we issued three new green bonds totalling DKK 14.7 billion, bringing the total issuance to DKK 77.7 billion since 2017.
- To date, we have allocated DKK 57.5 billion, of which DKK 18.7 billion was allocated in 2023 to the following 11 projects:

Offshore wind	Onshore wind
<ul style="list-style-type: none"> • Greater Changhua 1 and 2a (TW) • Greater Changhua 2b and 4 (TW) • Gode Wind 3 (DE) • Borkum Riffgrund 3 (DE) • Hornsea 3 (UK) • South Fork Wind (US) • Revolution Wind (US) 	<ul style="list-style-type: none"> • Sunflower Wind (US)
	Solar PV
	<ul style="list-style-type: none"> • Eleven Mile (US) • Mockingbird (US) • Helena Energy Center (Sparta Solar) (US)

- In 2023, we reported all our projects with green bond allocations as aligned with the EU taxonomy requirements. We expect the practices for taxonomy reporting to evolve and will continue to align our reporting with industry practices and EU guidance as it emerges.
- Since 2017, all new Ørsted bonds and hybrid bonds have been issued in a green format, and we are committed to exclusively deploying long-term green and sustainable financing going forward. Outstanding green bonds and green hybrid bonds currently account for more than 88 % of Ørsted's total portfolio of bonds and hybrid capital

Total green bond proceeds development



Renewable energy projects with green bond allocations

Project	Capacity MW	Country	Project status	Construction period Year	Proceeds allocated 2023 DKKm	Total allocated proceeds DKKm	Energy generation 2023 GWh	EU taxonomy- aligned
Offshore wind								
Hornsea 2	1,320	UK	In operation	2018-2022	–	9,134	5,003	✓
Hornsea 1	1,218	UK	In operation	2016-2019	–	10,274	4,871	✓
Borkum Riffgrund 2	450	DE	In operation	2016-2018	–	2,649	1,340	✓
Walney Extension	659	UK	In operation	2015-2018	–	1,250	2,546	✓
Race Bank	546	UK	In operation	2015-2018	–	400	2,188	✓
Greater Changhua 1 and 2a	900	TW	Under construction ³	2019-2024	3,750	14,664	1,805	✓
South Fork Wind	130	US	Under construction	2022-2024	1,090	1,720	2	✓
Gode Wind 3	253	DE	Under construction	2021-2024	890	1,640	–	✓
Borkum Riffgrund 3	913	DE	Under construction	2021-2025	920	1,520	–	✓
Greater Changhua 2b and 4	920	TW	Under construction	2023-2025	2,090	2,090	–	✓
Revolution Wind	704	US	Under construction	2023-2025	2,879	2,879	–	✓
Hornsea 3	2,825	UK	Under construction	2023-2027	3,963	3,963	–	✓
Onshore wind								
Sunflower Wind	201	US	In operation	2022-2023	65	865	348	✓
Solar PV								
Old 300	430	US	Under construction ⁴	2021-2024	–	1,350	796	✓
Eleven Mile	600	US	Under construction	2023-2024	2,580	2,580	–	✓
Mockingbird	471	US	Under construction	2023-2024	30	30	–	✓
Helena Energy Center (Sparta Solar)	250	US	Under construction	2021-2024	490	490	–	✓
Total allocation					18,747	57,498	18,900	

3. The project generated first power in April 2022, but due to COVID-related impacts, commissioning of the last wind turbines has been pushed into 2024.

4. The project is close to complete and is expected to be commissioned in H1 2024.

The climate impacts of our 2023 allocations

With our allocated green bond proceeds, we support progress towards the Paris Agreement and aspire to have a transformative impact on the United Nations' (UN) Sustainable Development Goals (SDGs) #7 on affordable and clean energy and #13 on climate action.



Avoided emissions*

5.9 million tonnes CO₂

avoided annually from the allocation of our green bond proceeds, of which 2.8 million tonnes are avoided from projects in operation and 3.1 million tonnes are potentially avoided emissions from projects under construction.



People powered

5.9 million people

can be powered annually from the allocation of our green bond proceeds, of which 3.4 million are powered by projects in operation and 2.5 million are expected to be powered by projects under construction.

See methodology details on [p. 13](#)
'Climate impacts'



* Our auditor, PwC, has provided limited assurance on selected ESG data, including avoided emissions, in the sustainability statements of our annual report for 2023.

Accelerated renewable energy build-out is more needed than ever

We need a new, shared vision for how we deliver renewable energy. A vision that accelerates the energy transition in a way that actively supports our nature and societies as well as a resilient and competitive renewable energy industry. Green financing is instrumental to boosting this transition by raising capital that will be specifically allocated to investments in renewable energy that is built right.

The global transition to renewable energy is the most important step we can take to combat climate change. Fossil-based energy continues to make up 74 % of global carbon emissions, and any remaining hope of keeping the rise in global temperatures to 1.5 °C, let alone below 2 °C, hinges on immediate action to transform global energy systems at a speed and scale we have not seen before.

While we have seen the transition gathering pace in recent years, we still need far more action than current stated policies and commitments. And with the present challenges facing parts of the renewable energy industry, we risk further delays. Delays that we do not have the time for. We must find a way to build renewable energy now – but to do so, we must also build it right. By right, we mean a build-out that addresses the need for speed and scale as

much as the need to build in balance with nature and for the benefit of people.

Building renewable energy right to triple renewable energy by 2030

The number of investments required to succeed with the green transition is significant and represents the most impactful investment opportunity of this century. According to BloombergNEF, the world must invest an annual average of USD 4.55 trillion for the remainder of this decade in order to get on track to reach net-zero targets.⁵

This is further backed by the global pledge of tripling the world's installed renewable energy generation capacity by 2030 launched at COP28. To meet this pledge, governments, companies, and investors must continue to collaborate on building a strong pipeline of renewable projects with existing and new technologies. We are committed to providing our investors with an opportunity to invest in projects that create a long-lasting positive impact on nature and people.

ESG data at the core of investment decisions

We continue to see investors further integrate sustainability and ESG into their investment decisions and align their portfolios with the goals of the Paris Agreement. As ESG information becomes further

integrated in decision-making, it highlights the need for using credible and comparable data to evaluate companies. New regulatory disclosure requirements, including the EU taxonomy and Corporate Sustainability Reporting Directive (CSRD), will help investors evaluate companies' sustainability performance on par with financial data.

In Ørsted, we work proactively to enhance our ESG reporting. This involves ongoing dialogue with our investors, engagement with ESG rating agencies, reporting taxonomy-aligned KPIs, and allocating green bond proceeds exclusively to EU taxonomy-aligned projects. We have also started looking ahead towards the upcoming disclosure requirements from the CSRD by reporting with reference to the underlying European Sustainability Reporting Standards (ESRS) one year in advance and for the first time integrating sustainability statements in the annual report for 2023.

Sustainable financing in Ørsted

We aim to continue using only green and sustainable financing instruments for all our future long-term financing, and we continue to look for ways to innovate in the sustainable financing space. In 2023, we issued three new green bonds amounting to DKK 14.7 billion. Through our green bonds, our bond investors contribute

to our strategy of building renewable energy generation capacity to the benefit of society and our shareholders.

During 2023, we were the first energy company to pursue blue financing through blue bonds. On 8 June 2023, we issued a five-year EUR 100 million private placement blue bond, building on our strong record in green financing and sustainable ocean stewardship. According to the World Resources Institute and the Ocean Panel⁶, only 1 % of the ocean economy's total value was invested in sustainable projects over the last ten years. Blue bonds can help bridge this gap. Specifically, this bond will help us gain the learnings we need to innovate and scale ocean-based renewable energy solutions while contributing to ocean health.

By joining forces with our investors, we can help the world reduce emissions at an unprecedented pace and build renewable energy the right way, creating a more just and prosperous world for nature, society, and the economy.

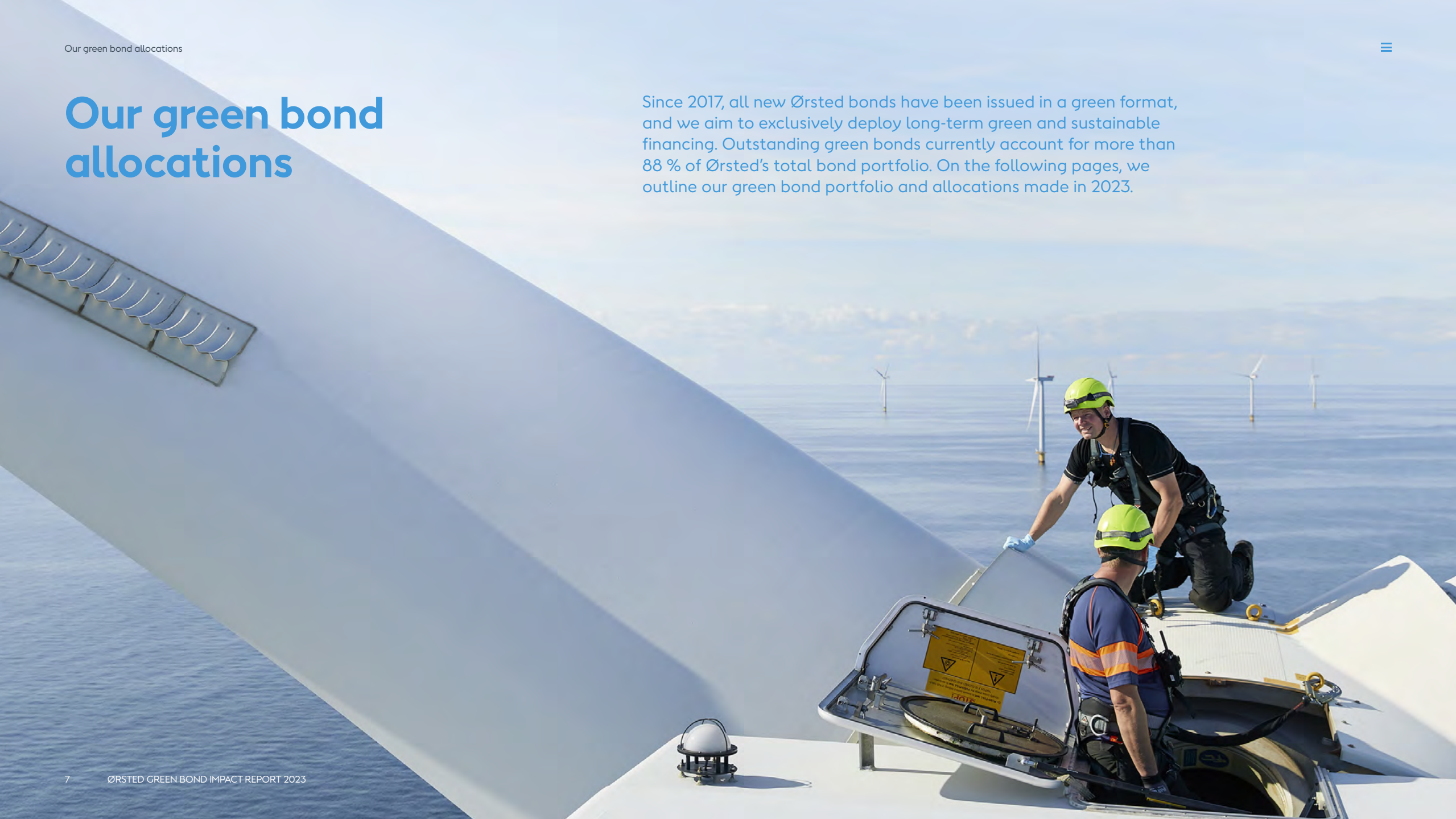
Best regards,



Rasmus Errboe
Interim CFO

Our green bond allocations

Since 2017, all new Ørsted bonds have been issued in a green format, and we aim to exclusively deploy long-term green and sustainable financing. Outstanding green bonds currently account for more than 88 % of Ørsted's total bond portfolio. On the following pages, we outline our green bond portfolio and allocations made in 2023.



Total amounts allocated by bond

The table provides details on Ørsted's 22 outstanding green bonds and green hybrid bonds, including total allocated amounts.

All our green bonds are listed on the Luxembourg Stock Exchange, with the exception of those denominated in TWD, which are listed on the Taipei Exchange in Taiwan.

ISIN	Bond type	Face value	Coupon	Issue date	Maturity	Net proceeds DKKm	Total allocated proceeds DKKm	Proceeds allocated 2023 DKKm	Unallocated proceeds DKKm
XS1721760541	Senior	EUR 750 m	1.50 %	24-11-2017	26-11-2029	5,499	5,499	–	–
XS1720192696	Hybrid	EUR 500 m	2.25 %	24-11-2017	24-11-3017	3,674	3,674	–	–
XS1997070781	Senior	GBP 350 m	2.125 %	16-05-2019	17-05-2027	2,968	2,968	–	–
XS1997070864	Senior	GBP 300 m	2.50 %	16-05-2019	16-05-2033	2,518	2,518	–	–
XS1997071086	Senior, CPI-linked	GBP 250 m	0.375 %	16-05-2019	16-05-2034	2,128	2,128	–	–
XS2010036874	Hybrid	EUR 600 m	1.75 %	09-12-2019	09-12-3019	4,424	4,424	–	–
TW000F156013	Senior	TWD 4,000 m	0.92 %	19-11-2019	19-11-2026	882	882	–	–
TW000F156021	Senior	TWD 8,000 m	1.50 %	19-11-2019	19-11-2034	1,765	1,765	–	–
TW000F156039	Senior	TWD 4,000 m	0.60 %	13-11-2020	13-11-2027	882	882	–	–
TW000F156047	Senior	TWD 3,000 m	0.70 %	13-11-2020	13-11-2030	661	661	–	–
TW000F156054	Senior	TWD 8,000 m	0.98 %	13-11-2020	13-11-2040	1,763	1,763	–	–
XS2293075680	Hybrid	EUR 500 m	1.50 %	18-02-2021	18-02-3021	3,697	3,697	–	–
XS2293681685	Hybrid	GBP 425 m	2.5 %	18-02-2021	18-02-3021	3,630	3,630	–	–
XS2490471807	Senior	EUR 600 m	2.25 %	14-06-2022	14-06-2028	4,430	4,430	170	–
XS2490472102	Senior	EUR 750 m	2.875 %	14-06-2022	14-06-2033	5,553	5,553	5,553	–
XS2531569965	Senior	EUR 900 m	3.25 %	13-09-2022	13-09-2031	6,668	1,705	1,705	4,963
XS2531570039	Senior	GBP 375 m	5.125 %	13-09-2022	13-09-2034	3,193	1,100	1,100	2,093
XS2531570112	Senior	GBP 575 m	5.375 %	13-09-2022	13-09-2042	4,890	1,340	1,340	3,550
XS2563353361	Hybrid	EUR 500 m	5.25 %	08-12-2022	08-12-3022	3,692	3,692	3,692	–
XS2591026856	Senior	EUR 700 m	3.625 %	01-03-2023	01-03-2026	5,187	5,187	5,187	–
XS2591029876	Senior	EUR 600 m	3.75 %	01-03-2023	01-03-2030	4,414	–	–	4,414
XS2591032235	Senior	EUR 700 m	4.125 %	01-03-2023	01-03-2035	5,146	–	–	5,146
Total						77,664	57,498	18,747	20,166

Fully allocated

Green bond allocations by project

During the period 2017-2023, a total of DKK 57.5 billion green bond proceeds has been allocated to 17 renewable energy projects (see p. 5).

In 2023, a total of DKK 18.7 billion of green bond proceeds was allocated to 11 projects:

- Borkum Riffgrund 3
- Eleven Mile
- Helena Energy Center (Sparta Solar)
- Hornsea 3
- Code Wind 3
- Greater Changhua 1 and 2a
- Greater Changhua 2b and 4
- Mockingbird
- Revolution Wind
- South Fork Wind
- Sunflower Wind

Green bond allocations by project 2023

DKKm

ISIN	Bond	Issued	Type of project	Name of project	2023
XS2490471807	Senior, EUR 600 m	2022	Offshore wind	Gode Wind 3	170
XS2490472102	Senior, EUR 750 m	2022	Offshore wind	South Fork Wind	1,090
			Offshore wind	Hornsea 3	2,603
			Solar PV	Eleven Mile	1,860
XS2531569965	Senior, EUR 900 m	2022	Offshore wind	Gode Wind 3	720
			Offshore wind	Borkum Riffgrund 3	920
			Onshore wind	Sunflower Wind	65
XS2531570039	Senior, GBP 375 m	2022	Offshore wind	Hornsea 3	1,000
			Solar PV	Mockingbird	10
			Solar PV	Helena Energy Center (Sparta Solar)	90
XS2531570112	Senior, GBP 575 m	2022	Offshore wind	Greater Changhua 2b and 4	560
			Offshore wind	Hornsea 3	360
			Solar PV	Mockingbird	20
			Solar PV	Helena Energy Center (Sparta Solar)	400
XS2563353361	Hybrid, EUR 500 m	2022	Offshore wind	Greater Changhua 1 and 2a	1,780
			Offshore wind	Revolution Wind	1,192
			Solar PV	Eleven Mile	720
XS2591026856	Senior, EUR 700 m	2023	Offshore wind	Greater Changhua 1 and 2a	1,970
			Offshore wind	Greater Changhua 2b and 4	1,530
			Offshore wind	Revolution Wind	1,687
Total					18,747

Green bond allocations by project 2017-2022

DKKm

ISIN	Bond	Issued	Hornsea 1	Hornsea 2	Walney Extension	Race Bank	Borkum Riffgrund 2	Borkum Riffgrund 3	Greater Changhua 1 and 2a	Gode Wind 3	Old 300	South Fork Wind	Sunflower Wind
XS1721760541	Senior, EUR 750 m	2017	2,350	100	500	400	2149	-	-	-	-	-	-
XS1720192696	Hybrid, EUR 500 m	2017	1,924	500	750	-	500	-	-	-	-	-	-
XS1997070781	Senior, GBP 350 m	2019	2,200	768	-	-	-	-	-	-	-	-	-
XS1997070864	Senior, GBP 300 m	2019	2,100	418	-	-	-	-	-	-	-	-	-
XS1997071086	Senior, CPI-linked, GBP 250 m	2019	1,600	528	-	-	-	-	-	-	-	-	-
XS2010036874	Hybrid, EUR 600 m	2019	100	2,700	-	-	-	-	1,624	-	-	-	-
TW000F156013	Senior, TWD 4,000 m	2019	-	-	-	-	-	-	882	-	-	-	-
TW000F156021	Senior, TWD 8,000 m	2019	-	-	-	-	-	-	1,765	-	-	-	-
TW000F156039	Senior, TWD 4,000 m	2020	-	-	-	-	-	-	882	-	-	-	-
TW000F156047	Senior, TWD 3,000 m	2020	-	-	-	-	-	-	661	-	-	-	-
TW000F156054	Senior, TWD 8,000 m	2020	-	-	-	-	-	-	1,763	-	-	-	-
XS2293681685	Hybrid, GBP 425 m	2021	-	3,630	-	-	-	-	-	-	-	-	-
XS2293075680	Hybrid, EUR 500 m	2021	-	-	-	-	-	-	1,837	640	290	-	300
XS2490471807	Senior, EUR 600 m	2022	-	490	-	-	-	600	1,500	110	1060	630	500
Total			10,274	9,134	1,250	400	2,649	600	10,914	750	1,350	630	800

Sustainability impacts of our projects with green bond allocations

The biggest benefit of building renewable energy projects is the reduction and avoidance of greenhouse gas emissions. If done right, renewable energy projects can deliver positive value for the climate, nature, and wider society. In addition to decarbonising our energy systems, renewable energy provides clean, affordable, and reliable energy, it improves air quality and health, and it strengthens energy security. On the following pages, you can read about the positive impact created by our renewable energy projects with green bond allocations.

Our strategic sustainability priorities

Sustainability is integral to how we operate as a business. Throughout everything we do, we are guided by how and where we can create the most value for both society and our business.

As the first company to build an offshore wind farm, we played a leading role in bringing down the cost of renewable energy generation, particularly for offshore wind. Today, our focus is on creating a lasting positive impact for people and nature through the deployment of our projects.

We have four strategic sustainability focus areas – climate, nature, people, and governance – each with underlying priorities. Together, the four areas respond to our material sustainability impacts, risks, and opportunities. And they support our efforts to deliver a fast build-out at scale that works for both the planet and people while laying the foundation for a resilient business.

For more information on how sustainability can help accelerate a fast build-out at scale, please refer to our [annual report 2023](#).



ENVIRONMENT

Science-aligned climate action

Green energy that revives nature

APPROACH

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

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

PRIORITIES

- Scale renewable energy deployment
- Decarbonise own operations by 2025
- Decarbonise our supply chains by 2040
- Mobilise sustainable financing
- Deliver net-positive biodiversity impact from new renewable energy projects commissioned from 2030
- Transition to circular resource use
- Continue to use 100 % certified sustainable wooden biomass

READ MORE IN THE ANNUAL REPORT 2023

EU taxonomy
ESRS E1 Climate change

ESRS E4 Biodiversity and ecosystems
ESRS E5 Resource use and circular economy



SOCIAL

A green transformation that works for people

APPROACH

We focus our efforts on making the renewable energy transition just and inclusive

PRIORITIES

- Respect human rights and the rights of Indigenous Peoples
- Support diversity, equity, and inclusion in the workplace
- Ensure health, safety, and satisfaction of employees
- Ensure safety of contractors
- Develop skills and talent for the renewable energy sector
- Support local communities

READ MORE IN THE ANNUAL REPORT 2023

ESRS S1 Own workforce
ESRS S2 Workers in the value chain
ESRS S3 Affected communities



GOVERNANCE

Governance that enables the right decisions

APPROACH

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

PRIORITIES

- Promote and enable responsible business conduct
- Conduct proper due diligence of suppliers and partners
- Embed sustainability throughout our business
- Advocate for and engage in a sustainable industry

READ MORE IN THE ANNUAL REPORT 2023

ESRS G1 Business conduct

Responsible tax practices:
Section 4 in the financial statements

Climate impacts

With the allocations of green bond proceeds, we and our investors support progress towards the Paris Agreement and on the UN SDGs #7 on affordable and clean energy and #13 on climate action.

The net proceeds from our green financing instruments are used to finance the development, construction, and installation of our renewable energy projects. To capture the climate impact from the allocation of green bond proceeds, we calculate avoided emissions and the equivalent number of people that could be powered by these projects.

Avoided emissions

Avoided emissions are the carbon emissions estimated to be avoided each year as a result of replacing power generated by fossil fuels with power generated by offshore wind, onshore wind, or solar PV assets. The 17 renewable energy projects, to which we have allocated green bond proceeds, annually contribute to a total of 5.9 million tonnes CO₂ avoided, of which 2.8 million tonnes are avoided from projects in operation and 3.1 million tonnes are potentially avoided emissions from projects under construction.

For assets in operation for at least 12 months after reaching commercial operation date (COD), the calculation is based on the actual annual energy generation of the asset. For all other assets, an expected average annual energy generation is used.

The annual generation figure, actual or expected, is then multiplied by an emissions factor – the average emissions of electricity produced from fossil fuels at the specific geographical location of the asset.

People powered

People powered is an illustrative average, which represents the estimated number of equivalent people to whom our renewable assets could provide power. The 17 renewable energy projects, to which we have allocated green bond proceeds, annually contribute to powering a total of 5.9 million people, of which 3.4 million are powered by projects in operation and 2.5 million are expected to be powered by projects under construction.

For assets in operation for at least 12 months after reaching COD, the calculation is based on the actual energy generation of the asset. For all other assets, the expected average annual energy generation is used. The annual generation figure, actual or expected, is divided by the annual average electricity consumption per person in the specific geographical location of the renewable energy asset.

General accounting principles

Accounting policies for the calculation of energy generation, avoided emissions, and the equivalent of people powered are available in [appendix I](#).



Avoided emissions*

5.9 million tonnes CO₂

avoided annually from the allocation of our green bond proceeds, of which 2.8 million tonnes are avoided from projects in operation and 3.1 million tonnes are potential avoided emissions from projects under construction.



People powered

5.9 million people

can be powered annually from the allocation of our green bond proceeds, of which 3.4 million are powered by projects in operation and 2.5 million are expected to be powered by projects under construction.

ISIN	Bond type	Avoided emissions	
		Thousand tonnes CO ₂ e/year	People powered Thousand
XS1721760541	Senior, EUR 750 m, 2017	541	649
XS1720192696	Hybrid, EUR 500 m, 2017	365	480
XS1997070781	Senior, GBP 350 m, 2019	303	416
XS1997070864	Senior, GBP 300 m, 2019	252	345
XS1997071086	Senior, CPI-linked, GBP 250 m, 2019	217	297
XS2010036874	Hybrid, EUR 600 m, 2019	460	552
TW000F156013	Senior, TWD 4,000 m, 2019	69	52
TW000F156021	Senior, TWD 8,000 m, 2019	139	105
TW000F156039	Senior, TWD 4,000 m, 2020	69	52
TW000F156047	Senior, TWD 3,000 m, 2020	52	39
TW000F156054	Senior, TWD 8,000 m, 2020	139	105
XS2293075680	Hybrid, EUR 500 m, 2021	412	257
XS2293681685	Hybrid, GBP 425 m, 2021	434	595
XS2490471807	Senior, EUR 600 m, 2022	757	481
XS2490472102	Senior, EUR 750 m, 2022	356	358
XS2531569965	Senior, EUR 900 m, 2022	400	363
XS2531570039	Senior, GBP 375 m, 2022	100	115
XS2531570112	Senior, GBP 575 m, 2022	160	100
XS2563353361	Hybrid, EUR 500 m, 2022	277	203
XS2591026856	Senior, EUR 700 m, 2023	405	321
XS2591029876	Senior, EUR 600 m, 2023	0	0
XS2591032235	Senior, EUR 700 m, 2023	0	0
Total		5,908	5,887

* Our auditor, PwC, has provided limited assurance on selected ESG data, including avoided emissions, in the sustainability statements of our annual report for 2023.

Nature impacts



Green energy that revives nature

To meet the goals of the Paris Agreement, the renewable energy industry will need access to more space at land and sea, and responsible management of our ecological and environmental impact is crucial for securing this access. At Ørsted, we consistently take steps to prevent, mitigate, and address potential harm to the biodiversity and ecosystems surrounding our projects.

If built right, renewable energy also holds the potential to enhance biodiversity and improve ecosystems. We are dedicated to delivering projects that do just that, and therefore, we have an ambition that all new renewable energy projects we commission from 2030 onwards should deliver a net-positive biodiversity impact.

In addition, circularity is material to our overall sustainability efforts. By working to increase recycling and reuse of materials, we can reduce the demand for virgin materials and alleviate capacity pressures, all while minimising negative impact throughout the value chain. Therefore, we work to eliminate waste, maximise the reuse and recycling of our key components and materials, and help nature to thrive.

→ [Read more in the annual report 2023](#)

Positive nature impacts from projects with green bond allocations

Project: Hornsea 3 (the UK)

Developing environmental compensation measures

As part of the ecological compensation measures for our offshore wind farm Hornsea 3, we have started the work of providing artificial nesting structures for the kittiwake bird species along the east coast of England. The offshore artificial nesting structures are the first of their kind, and we are working on new and innovative designs for future structures. These nesting structures are needed to support this vulnerable species and will enable Hornsea 3 to be built and generate renewable electricity.

Project: Sunflower Wind (the US)

Protecting nature and enhancing biodiversity

In August 2023, we partnered with The Conservation Fund and The Nature Conservancy to support habitat protection and restoration of up to 3,000 acres of tallgrass prairie in the Kansas Flint Hills near our Sunflower Wind Farm in Kansas, the US. In addition to land protection through conservation easements on native tallgrass prairie, restoration activities will include prescribed burns, invasive species removal, grazing management, wildlife support, and scientific assessments.

Projects: Eleven Mile, Mockingbird, and Helena Energy Center (the US)

Circular use of resources

As the world's first energy developer, we have committed to reuse or recycle all solar panels from our global portfolio of solar farms. To support our commitment, we have made agreements with First Solar and SOLARCYCLE to reuse and recycle our end-of-life solar modules in the US. So far, we have sent around 4,000 panels to reuse and recycling due to malfunctioning or damages sustained during installation and construction, recovering 140 metric tonnes of materials.

↑ The initiatives are funded through a combination of Ørsted's financing mechanisms, including green bonds.

People impacts



A green transformation that works for people

To accelerate the pace and scale of the renewable energy build-out, we must deliver a build-out that works for people. Support from the communities where we build our assets is critical. This requires us to respect human and labour rights, promote a diverse and inclusive industry, and deliver tangible benefits to the communities where we construct and operate our assets.

Tripling the global renewable energy capacity by 2030 will affect many societies and communities. It will bring new jobs, affect the way we use our land and sea areas, and create new green opportunities. Ensuring that these changes benefit local communities is important. Without frontline community support, meeting the Paris Agreement targets is unattainable. For us, this means that we must deliver a just and equitable transition where we engage with our local stakeholders, address their concerns, and deliver economic and social opportunities locally.

At Ørsted, we aim to be a trusted renewable energy partner, unlocking the positive potential of the build-out. Drawing on over two decades of experience, we have honed our approach to ensure a just and equitable renewable energy expansion, fostering lasting positive impact in our communities.

→ [Read more in the annual report 2023](#)

Positive impacts on local communities from our projects with green bond allocations

Project: Hornsea 3 (the UK)

Creating local benefits through community consultations

Cooperation is a cornerstone of how we build our projects. For Ørsted, it is important to engage early on with local stakeholders to understand their perspectives on our project and its local impact. In the Humber region, we have established the Hornsea 3 Community Fund, earmarking GBP 700,000 annually for an initial ten-year period. Prior to its launch, we initiated a community consultation involving over 500 stakeholders, with their insights shaping the fund's criteria. Grants from the fund will be allocated to projects supporting community, environmental, and sports initiatives.

Projects: South Fork Wind and Revolution Wind (the US)

Collaborating with trade unions to create quality jobs

We continue our partnership with North America's Building Trades Unions (NABTU) through the National Offshore Wind Agreement (NOWA). Through NOWA, we have implemented diversity targets, local training programmes, and performance monitoring for workforce diversity across all of our contractors and subcontractors involved in offshore wind farm construction in the US.

Project: Greater Changhua 1 and 2a (TW)

Growing local supply chains by nurturing talent and technologies

In Taiwan, funds from our Industrial Development Fund (IDF) made it possible to upgrade technical capacity at local suppliers to our Greater Changhua wind farms. In total, 33 companies and 200 people were funded by IDF, providing training in welding and safety as well as funding for production expansion and research projects. The fund demonstrates our efforts to help build a healthy offshore wind ecosystem by unlocking the potential of local suppliers.

↑ The initiatives are funded through a combination of Ørsted's financing mechanisms, including green bonds.

Overview of projects with green bond allocations

Activities

- Offshore wind
- Onshore wind
- Solar

The US

South Fork Wind
 Capacity: 130 MW
 Ørsted ownership: 50 %
 Total allocated proceeds: DKK 1,720 m
 Project status: Under construction

Sunflower Wind
 Capacity: 201 MW
 Ørsted ownership: 100 %
 Total allocated proceeds: DKK 865 m
 Project status: Under construction

Old 300
 Capacity: 430 MW
 Ørsted ownership: 100 %
 Total allocated proceeds: DKK 1,350 m
 Project status: Under construction

Revolution Wind
 Capacity: 704 MW
 Ørsted ownership: 50 %
 Total allocated proceeds: DKK 2,879 m
 Project status: Under construction

Eleven Mile
 Capacity: 600 MW
 Ørsted ownership: 100 %
 Total allocated proceeds: DKK 2,580 m
 Project status: Under construction

Mockingbird
 Capacity: 471 MW
 Ørsted ownership: 100 %
 Total allocated proceeds: DKK 30 m
 Project status: Under construction

Helena Energy Center (Sparta Solar)
 Capacity: 250 MW
 Ørsted ownership: 100 %
 Total allocated proceeds: DKK 490 m
 Project status: Under construction

Germany

Borkum Riffgrund 2
 Capacity: 450 MW
 Ørsted ownership: 50 %
 Total allocated proceeds: DKK 2,649 m
 Project status: In operation

Borkum Riffgrund 3
 Capacity: 913 MW
 Ørsted ownership: 50 %
 Total allocated proceeds: DKK 1,520 m
 Project status: Under construction

Gode Wind 3
 Capacity: 253 MW
 Ørsted ownership: 50 %
 Total allocated proceeds: DKK 1,640 m
 Project status: Under construction

The UK

Walney Extension
 Capacity: 659 MW
 Ørsted ownership: 50 %
 Total allocated proceeds: DKK 1,250 m
 Project status: In operation

Race Bank
 Capacity: 546 MW
 Ørsted ownership: 50 %
 Total allocated proceeds: DKK 400 m
 Project status: In operation

Hornsea 1
 Capacity: 1,218 MW
 Ørsted ownership: 50 %
 Total allocated proceeds: DKK 10,274 m
 Project status: In operation

Hornsea 2
 Capacity: 1,320 MW
 Ørsted ownership: 50 %
 Total allocated proceeds: DKK 9,134 m
 Project status: In operation

Taiwan

Hornsea 3
 Capacity: 2,825 MW
 Ørsted ownership: 100 %
 Total allocated proceeds: DKK 3,963 m
 Project status: Under construction

Taiwan

Greater Changhua 1 and 2a
 Capacity: 900 MW
 Ørsted ownership: CHW01 50 %
 CHW02a 100 %
 Total allocated proceeds: DKK 14,664 m
 Project status: Under construction

Greater Changhua 2b and 4
 Capacity: 920 MW
 Ørsted ownership: 100 %
 Total allocated proceeds: DKK 2,090 m
 Project status: Under construction

Sustainability memberships and ratings

Below, we present an overview of selected memberships and alliances as well as the key ratings and rankings we received in 2023.

UN Global Compact participant

WE SUPPORT



Ørsted is a participant in the United Nations' Global Compact (UNGC), and we adhere to its ten principles on human rights, labour, environment, and anti-corruption. We report annually on progress through the 'Communication on Progress'.

We are a member of 'Caring for Climate', the 'Ocean Stewardship Coalition', and 'Think Lab on Just Transition', through which we aim to serve as a catalyst for taking action to meet the ambitions of the Paris Agreement and the UN SDGs.

WE SUPPORT

Caring for Climate



Selected memberships and alliances



Key ratings and rankings

Elaboration and benchmark

Score



In 2023, Ørsted was awarded the highest possible CDP rating for the fifth consecutive year and recognised as a global leader on climate action.

A



In 2023, Ørsted made our second publicly available CDP water security report, and we achieved a score on par with our best performing peers among major energy companies.

A-



For the seventh consecutive year Ørsted has been recognised as one of the world's 100 most sustainable companies in the Corporate Knights Global 100 ranking. For 2024, we rank no. 17 across all industries globally and no. 1 among energy developers.

1st place (power generation)
17th place (overall)



For the third consecutive time, Ørsted ranked no. 1 in the WBA Electric Utilities Climate and Energy Benchmark, which assesses how the world's most influential energy companies are powering the transition to a low-carbon economy.

1st place



In 2023, Ørsted received a rating of AAA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.¹

AAA



Ørsted categorised as a 'low risk' company and placed as no. 4 among direct utility peers measured by market cap by Sustainalytics. A low score indicates good performance.²

17.2 of 100



Ørsted ranked in the first decile among electric utilities and has maintained 'Prime' status in the ISS ESG Rating 2023.

A-



Ørsted awarded a Platinum medal for being in the top 1% of companies assessed by EcoVadis in 2023.

78 of 100



Ørsted ranked 1st among 12 electric utility companies in the 2023 Renewable Energy & Human Rights Benchmark performed by the Business & Human Rights Resource Center (BHRRC).

1st place

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Statement by the Executive Board

The Executive Board has today considered and adopted the Ørsted A/S Green bond impact report for 2023.

In our opinion, the Green bond impact report represents a reasonable, fair, and balanced representation of the green bond proceeds allocations and is prepared in accordance with Ørsted's Green finance framework, May 2022.

Gentofte, 7 February 2024

Executive Board

Mads Nipper
Group President and CEO

Rasmus Errboe
Interim CFO

Henriette Fenger Ellekrog
Chief HR Officer

Independent limited assurance report on Selected Information in the Green bond impact report

To the Board of Directors of Ørsted A/S and Ørsted Wind Power TW Holding A/S and the green bond investors

Ørsted A/S engaged us to provide limited assurance on selected information as described below in Ørsted's Green bond impact report for 2023 on page 8-10 in the section 'Our green bond allocations' (the "Selected Information").

Our conclusion

Based on the procedures we performed and the evidence we obtained, nothing has come to our attention that causes us not to believe that the Selected Information for the period 1 January – 31 December 2023 for Ørsted A/S are prepared, in all material aspects, in accordance with Ørsted's 'Green finance framework'.

This conclusion is to be read in the context of what we state in the remainder of our report.

What we are assuring

The scope of our work was limited to assurance over the Selected Information as defined in the first paragraph of our report, which comprise total amounts allocated by bond and bond allocations by project.

We express limited assurance in our conclusion.

Professional standards applied and level of assurance
We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (revised), 'Assurance Engagements other than Audits and Reviews of Historical Financial Information'.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks; consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality control

We have complied with the independence requirements and other ethical requirements in the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, and ethical requirements applicable in Denmark.

PricewaterhouseCoopers applies International Standard on Quality Management 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Understanding reporting

The Selected Information needs to be read and understood together with the criteria for preparing the Selected Information as described in Ørsted's 'Green finance framework'. The criteria used for the preparation of the Selected Information are developed by Ørsted A/S, which Management is solely responsible for selecting and applying.

Work performed

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. In doing so and based on our professional judgement, we:

- accessed the design of the processes and internal controls for managing, recording, and reporting the Selected Information;
- made enquiries of relevant Ørsted management to assess whether the reporting has been prepared in accordance with Ørsted's 'Green finance framework';
- checked the Selected Information on a sample basis to underlying documentation and evaluated the compliance with the criteria in Ørsted's 'Green finance framework';
- performed analytical review of the Selected Information, including the allocation of amounts as presented in Ørsted's 'Green bond impact report 2023';
- considered the disclosure and presentation of the Selected Information
- evaluated the evidence obtained.

Management's responsibility

Management of Ørsted A/S and Ørsted Wind Power TW Holding A/S are responsible for:

- designing, implementing and maintaining internal control over information relevant to the preparation of the Selected Information that are free from material misstatement, whether due to fraud or error;
- establishing objective criteria for preparing the Selected Information as described in the Ørsted 'Green finance framework';
- measuring and reporting the Selected Information based on the Ørsted 'Green finance framework'; and
- the content of the Selected Information.

Our responsibility

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information are prepared, in all material respects, in accordance with Ørsted's 'Green finance framework';
- forming an independent conclusion, based on the procedures performed and the evidence obtained; and
- reporting our conclusion to the Board of Directors of Ørsted A/S and Ørsted Wind Power TW Holding A/S and the green bond investors.

This report, including our conclusions, has been prepared solely for the Board of Directors of Ørsted A/S and Ørsted Wind Power TW Holding A/S and the green bond investors in accordance with the agreement between us, to assist the Board of Directors in reporting on Ørsted's green bonds. We permit this report to be disclosed online at Ørsted A/S' homepage in respect of the 2023 reporting year to assist Ørsted A/S in responding to their governance responsibilities by obtaining an independent assurance report on the Selected Information.

Hellerup, 7 February 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR No 3377 1231

Anders Stig Lauritsen

State Authorised Public Accountant
mne32800

Thomas Wraae Holm

State Authorised Public Accountant
mne30141

Appendix I:

Accounting policies

Energy generation

Energy generation from assets in operation is determined as power generation sold. The expected energy generation from assets under construction is calculated using the capacity of the renewable assets and an average load factor from technology-specific business cases.

The indicator is calculated based on the full generation from each wind or solar farm, independent of Ørsted's ownership share. Energy generation is reported when the individual wind or solar farm has been fully operational for at least one year.

Avoided emissions

The carbon emissions avoided due to generation by wind and solar farms are calculated assuming that the generation from the assets replaces an equal quantity of electricity generated using fossil fuels. The avoided carbon emissions are calculated as the wind or solar farm's actual or expected annual energy generation multiplied by an emissions factor.

The emissions factor used is based on an average fossil fuel mix in the specific country where the wind or solar farm is located and is updated on an annual basis. The data is extracted from the International Energy Agency (IEA) and the US Environmental Protection Agency (US EPA).

Power generation from wind or solar PV does not have any direct carbon emissions (scope 1), and no secondary effects (scope 2-3) are included.

The total avoided emissions from allocated proceeds includes both projects under construction and projects in operation. For projects which are under construction or have been in full operation for less than a year, we use the expected annual energy generation. For projects that have been in full operation for at least one year after reaching commercial operation date (COD), we use the actual annual energy generation from the asset. The actual and expected annual energy generation as well as the resulting avoided emissions are total figures, regardless of Ørsted's ownership share.

The annual avoided emissions for each bond is the sum of avoided emissions for the projects attributable to the allocated green bond proceeds. This is calculated as the relative share of green bond allocation to total CAPEX for a project multiplied by the avoided emissions for the project. For competitive reasons, we do not disclose total CAPEX or other figures at project level. The accounting policy for avoided carbon emissions follow the principles of the GHG Project Protocol and the United Nations Framework Convention on Climate Change (UNFCCC) methodology.

People powered

The figures for equivalent of people powered are calculated using the wind or solar farms' power generation and country- or state-specific power consumption per person. The indicator is calculated based on the full generation from the renewable asset, independent of Ørsted's ownership share.

For projects which are under construction or have been in full operation for less than a year, we use the capacity of the wind or solar farm as the basis for the calculation, using an average load factor from business cases for wind and solar PV to calculate the expected energy generation. For projects that have been in full operation for at least one full year, we use the actual energy generation from the wind or solar farm as the basis for the calculation.