

Ørsted

Investor presentation Q3 2021



3 November 2021

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Robust business model and active risk management approach ensured good results despite low wind speeds and unusual market conditions

Highlights – Q3 2021

- Exceptional performance by CHP plants and high earnings from gas business keeps us on track for full-year guidance despite lower wind speeds
- Offshore construction progressing according to plan
- Signed agreement to farm-down 50 % of the 900 MW German offshore wind farm Borkum Riffgrund 3 to Glenmont Partners
- Signed 100 MW long-term PPA with REWE for Borkum Riffgrund 3, bringing total contracted capacity to 450 MW with an advanced pipeline of additional PPAs
- Submitted several strategic proposals for offshore wind transmission in New Jersey with long-time partner PSEG
- Launched key strategic partnerships in Vietnam, the US, Germany, and Poland for offshore wind and hydrogen
- Commissioned Muscle Shoals in Alabama, our second solar PV asset
- First and only energy company in the world with a net-zero target across full value chain (scope 1-3) approved by the Science Based Targets initiative



Ørsted construction programme and pipeline

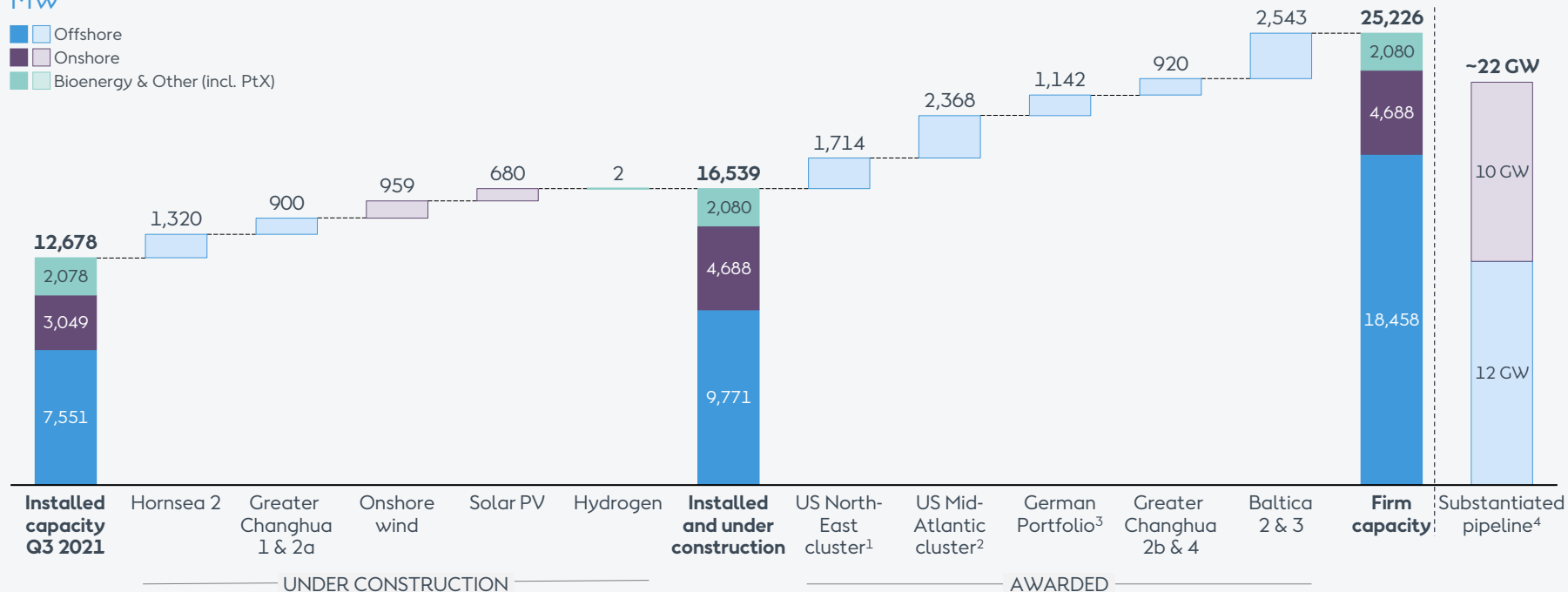
Gross renewable capacity

MW

Offshore

Onshore

Bioenergy & Other (incl. PtX)



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

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

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

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

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

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



Awarded Q2 2021
New Jersey 2
2,658 MW



Award in H2 2021
Maryland
~400-1,200 MW



Awarded Q2 2021
Poland
5,900 MW



Award in late 2021 / early 2022
Japanese round 1
~1,500 MW



H2 2021
Thor tender
800-1,000 MW



H1 2022
Holland Coast West
1,520 MW



H2 2022
New Jersey 3
~2,400 MW



2022
Japanese round 2
~1,400 MW



2022
Connecticut 4
>400 MW



H1 2022
UK CfD 4
~6,000-12,000 MW



H2 2022
Taiwan auction
3,000MW



H2 2022
German tender
930 MW



2022
Rhode Island
~600 MW



2022
Maryland¹
<800 MW



H1 2022
New York 3
~2,500 MW



H2 2022
Wadden Islands
700 MW



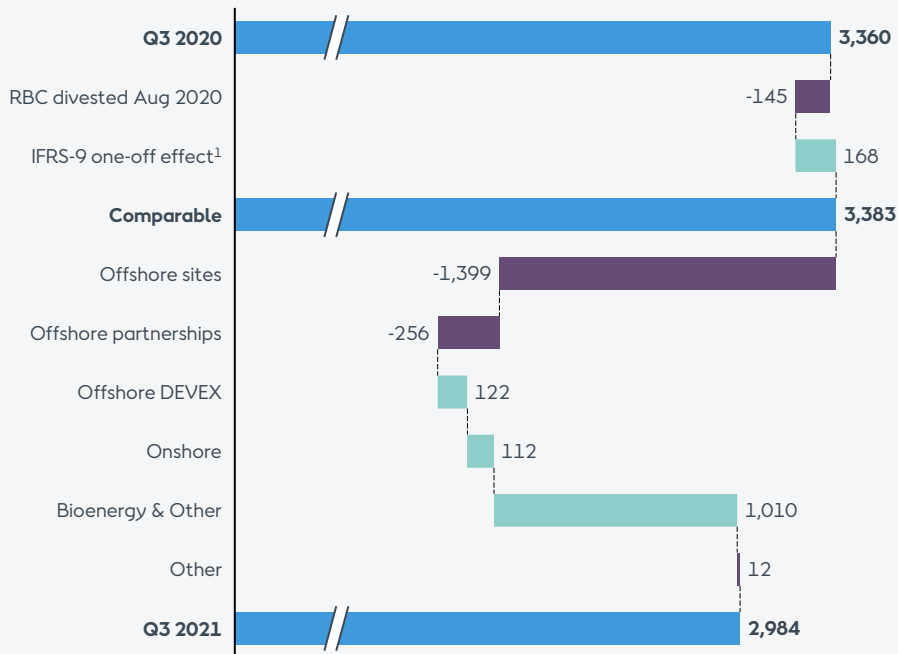
H2 2022
NL Open door
Offshore and PtX
800-2,000 MW

Awarded and ongoing Ørsted bids

Upcoming

Low wind speeds offset by exceptional performance from CHP plants and gas business

Group EBITDA of DKK 3.0 bn, down DKK 0.4bn on Q3 2020
DKKm



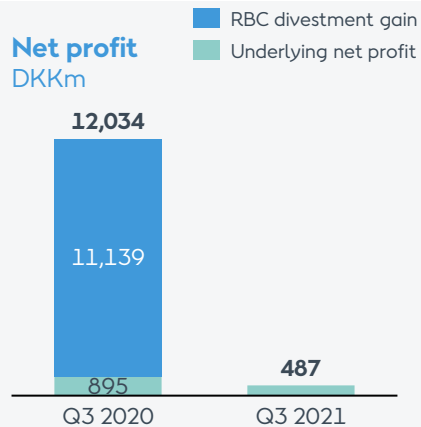
Effects impacting comparability

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

Underlying effects

- Wind speeds in Q3 2021 (7.6 m/s) lower than normal wind speeds (8.3 m/s). Impact versus normal wind speed of DKK -0.6 bn and DKK -0.8 bn versus last year. Lower earnings from power portfolio due to higher balancing costs and lower volumes, higher TNUoS tariffs following divestment of the Hornsea 1 OFTO and expired subsidy at Horns Rev 2. Partly offset by addition of the last 400 MW of Hornsea 1 receiving CfD
- Partnership earnings in Q3 2020 related to Virginia EPC demo project and lower CAPEX spend at Hornsea 1. No earnings from partnerships in Q3 2021
- Offshore project development expenses slightly lower than last year
- Significant increase in Onshore generation driven by ramp-up partly offset by lower wind speeds, and higher fixed costs, M&A costs, and project development expenses relating to continued expansion
- Increased earnings from CHP plants due to high generation, power prices, and sale of ancillary services. Positive effect from renegotiation of gas purchase contracts and strong underlying performance

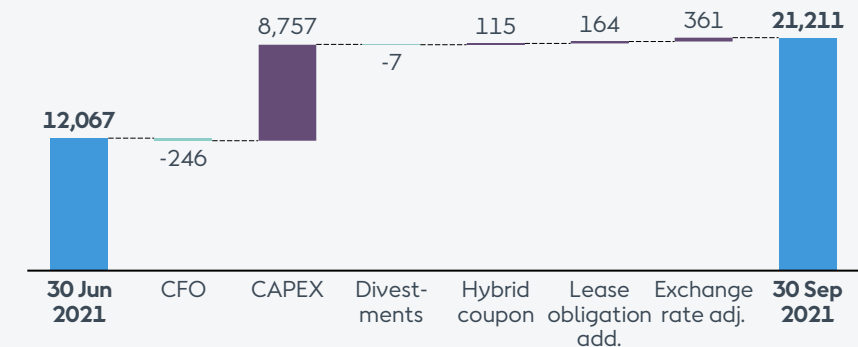
Net profit, net interest-bearing debt, and credit metric



Net profit of DKK 0.5 bn

- Gain on divestment of RBC in Q3 2020 of DKK 11.1bn¹
- Lower EBITDA in Q3 2021

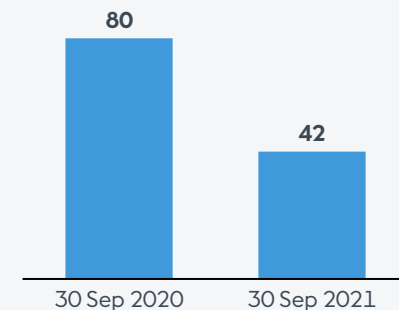
Cash flow and net debt DKKm



Net interest-bearing debt of DKK 21.2 bn, up DKK 9.1 bn

- Operating cash flow including EBITDA and tax equity contribution from partners at Western Trail and Muscle Shoals, offset by margin payments on hedges of DKK 2.4 bn, and a high spend to fill gas storages
- Gross investments related to our Offshore and Onshore portfolio

FFO / Adj. net debt %

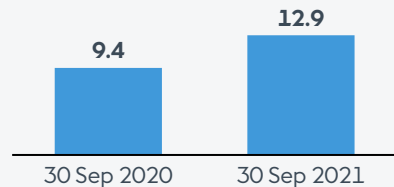


FFO / Adj. net debt of 42 %

- Credit metric above our target of around 25 %

Financial and non-financial ratios

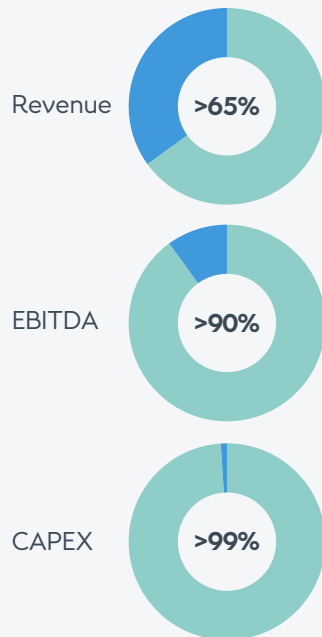
ROCE %



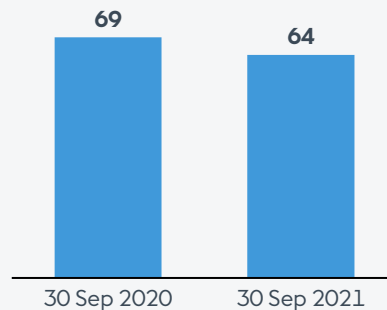
ROCE of 12.9 %

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

Taxonomy-eligible KPIs YTD



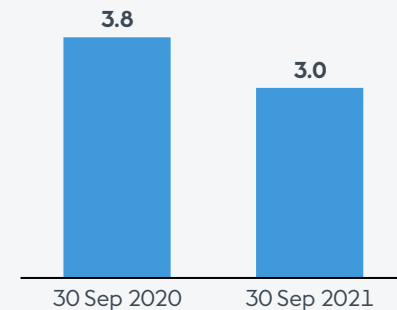
Greenhouse gas emissions (scope 1 & 2), g CO₂e/kWh, YTD



Reduced emissions

- Higher relative share of biomass-fuelled heat and power generation mainly due to biomass being used as fuel for a larger part of the condensing power generation

Safety Total recordable injury rate, YTD



TRIR of 3.0

- 13 % reduction in injuries leading to a decline in the total recordable injury rate (TRIR)

2021 guidance, strategic ambition and financial guidance

2021 guidance

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

Business unit EBITDA FY 2021 vs. FY 2020

	Direction
Offshore	Significantly lower
Onshore	Higher
Bioenergy & Other	Significantly higher

Strategic ambition and financial guidance

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

Q&A

Earnings call

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UK: +44 333 300 9035

US: +1 844 625 1570

For questions, please press 01



Appendix

Renewable capacity as of 30 September 2021

Indicator, MW	9M 2021	9M 2020	Δ	FY 2020
Installed renewable capacity	12,678	10,563	2,115	11,318
Offshore, wind power	7,551	6,820	731	7,572
Onshore	3,049	1,668	1,381	1,668
- Wind power	2,352	1,658	694	1,658
- Solar PV power	657	10	647	10
- Battery storage	40	-	40	-
Other (incl. PtX)	2,078	2,075	3	2,078
- Biomass, thermal heat	2,054	2,054	-	2,054
- Biogas, power	3	-	3	3
- Battery storage	21	21	-	21
Decided (FID) renewable capacity	3,832	4,092	(260)	4,068
Offshore, wind power	2,220	3,038	(818)	2,286
Onshore	1,610	1,054	556	1,782
- Onshore wind power	930	367	563	665
- Solar PV power	680	647	33	1,077
- Battery storage	-	40	(40)	40
Other (incl. PtX), hydrogen	2	-	2	-
Awarded/contracted renewable capacity (no FID yet)	8,687	4,996	3,691	4,996
Offshore, wind power	8,687	4,996	3,691	4,996
Sum of installed and FID capacity	16,510	14,655	1,855	15,386
Sum of installed, FID, and awarded/contracted capacity	25,197	19,651	5,546	20,382

Note: In Q2 2021, we aligned our definition of installed capacity, hence all assets (installed or FID'ed) are reported using nameplate capacity. Previously a few wind farms were reported using 'power optimised capacity' or 'export cable limit capacity'.

Installed renewable capacity

The installed renewable capacity is calculated as the cumulative renewable gross capacity installed by Ørsted before divestments.

For installed renewable thermal capacity, we use the heat capacity, as heat is the primary outcome of thermal energy generation, and as bioconversions of the combined heat and power plants are driven by heat contracts.

Decided (FID) renewable capacity

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

Awarded and contracted renewable capacity

The awarded renewable capacity is based on the capacities which have been awarded to Ørsted in auctions and tenders. The contracted capacity is the capacity for which Ørsted has signed a contract or power purchase agreement (PPA) concerning a new renewable energy plant. Typically, offshore wind farms are awarded, whereas onshore wind farms are contracted. We include the full capacity if more than 50 % of PPAs/offtake are secured.

Installed storage capacity

The battery storage capacity is included after commercial operation date (COD) has been achieved. The capacity is presented as megawatts of alternating current (MW_{ac}).

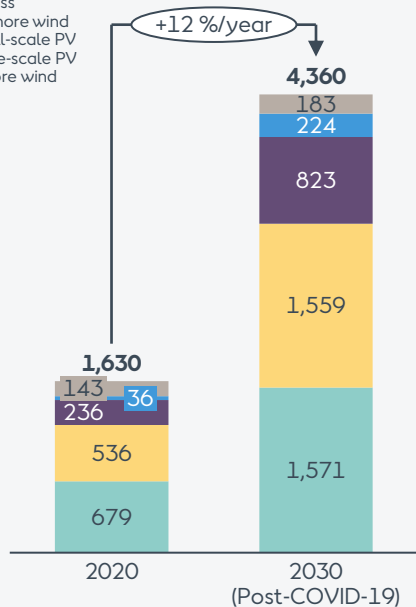
Forecasted renewable capacity build-out

Global renewable energy capacity by technology¹

GW installed

CAGR

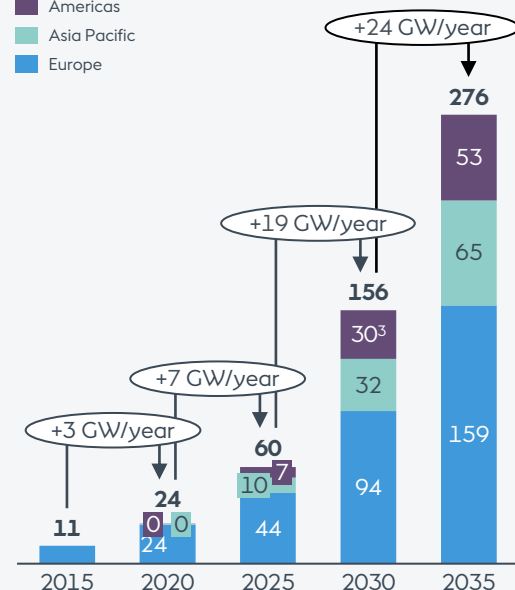
- 2 % biomass
- 20 % Offshore wind
- 13 % Small-scale PV
- 11 % Large-scale PV
- 9 % Onshore wind



Global offshore wind capacity excl. mainland China

GW installed

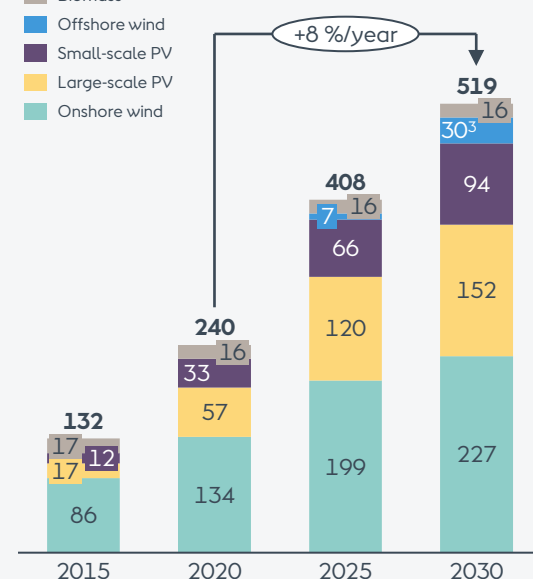
- Americas
- Asia Pacific
- Europe



North American renewable capacity by technology²

GW installed

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



1. Excludes solar thermal, geothermal, marine, tidal, and others which combined account for less than 1 % of capacity

2. North America includes the United States and Canada. Excludes solar thermal, geothermal, marine, and tidal which combined account for less than 1 % of capacity

3. Considering 30 GW offshore wind capacity target announced by US administration (not yet passed into law)

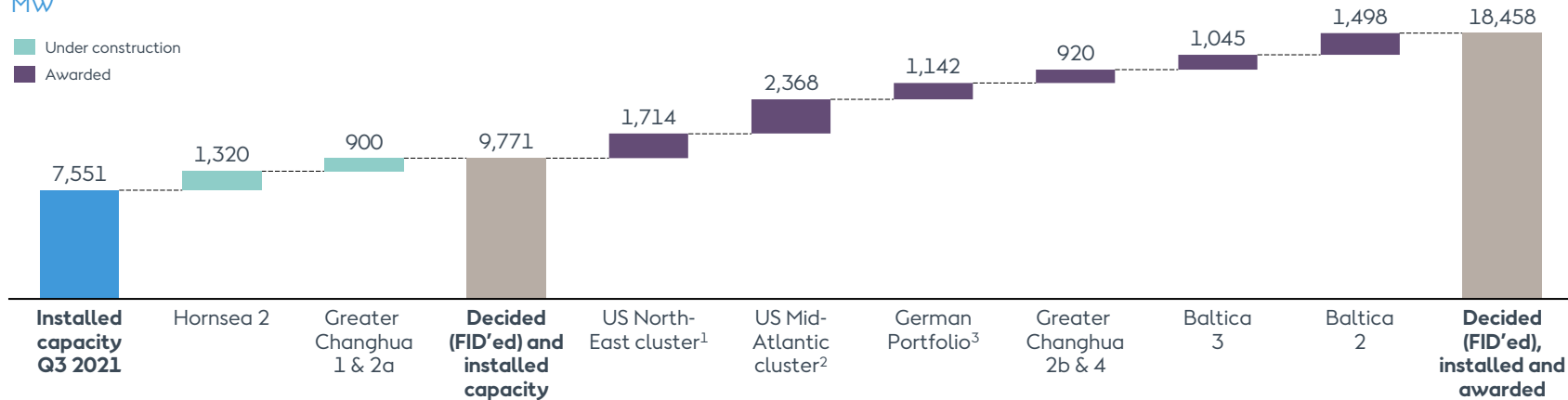
Source: BNEF New Energy Outlook 2020 for capacity of all technologies except offshore wind. Offshore wind figures from BNEF Offshore Wind Market Outlook H2 2021 for current capacity and post-COVID-19 forecasts

Offshore wind build-out plan

Installed capacity

MW

Under construction
Awarded



	Hornsea 2	Greater Changhua 1 & 2a	Decided (FID'ed) and installed capacity	US North-East cluster ¹	US Mid-Atlantic cluster ²	German Portfolio ³	Greater Changhua 2b & 4	Baltica 3	Baltica 2	Decided (FID'ed), installed and awarded capacity
Country	UK	Taiwan		US	US	Germany	Taiwan	Poland	Poland	
Expected completion	H1 2022	H2 2022		2023, 2025, 2025	2025, 2026, 2029	2024/2025	2025/2026	2026	2027	
Construction status	On track	On track		Pending FID	Pending FID	Pending FID end-2021	Pending FID Q1 2023	Pending FID	Pending FID	
Turbine	165 x 8 MW Siemens Gamesa	111 x 8 MW Siemens Gamesa								

14

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

Offshore market development – US

Massachusetts	<ul style="list-style-type: none">• Target of 3.2 GW of offshore wind capacity by 2030 target• Current auction ongoing for up to 1.6 GW of offshore wind capacity with bid award expected around the end of 2021
Connecticut	<ul style="list-style-type: none">• Target of 2 GW of offshore wind capacity by 2030, of which 1.2 GW remains available• Next auction of approx. 1 GW expected in H2 2021 – 2023
New York	<ul style="list-style-type: none">• Target 9 GW offshore wind by 2035• 2.5 GW awarded in Q1 2021 and 4.2 GW in total• BOEM announced a proposed sale of lease areas in the New York Bight that could unlock up to 7 GW. Sale expected to commence in H1 2022
New Jersey	<ul style="list-style-type: none">• Target of 7.5 GW offshore wind capacity by 2035, of which 3.7 GW remains available following recent awards to Ocean Wind 2 and Atlantic Shores• Next auction of 1.2 GW expected in H2 2022• Ongoing offshore wind transmission competitive solicitation launched by the NJ Board of Public Utilities and managed by PJM
Maryland	<ul style="list-style-type: none">• Target of approx. 1.6 GW offshore wind by 2030, of which 1.2 GW remains available• Current solicitation ongoing with bid award expected around end 2021
Virginia	<ul style="list-style-type: none">• Signed Clean Economy Act for development of at least 5.2 GW of offshore wind by 2034• Executive order signed establishing a non-binding 2.5 GW offshore wind target by 2026
Rhode Island	<ul style="list-style-type: none">• Executive order signed to power the state with 100 % renewable energy by 2030• Next auction of up to 600 MW expected in 2022
California	<ul style="list-style-type: none">• First BOEM lease auction expected in H2 2022• State modeling shows approx. 10 GW of offshore wind needed to meet the legislative mandate for 100 % clean power by 2045
Other	<ul style="list-style-type: none">• BOEM lease auctions expected in North Carolina, Gulf of Mexico, Central Atlantic, Oregon, and Gulf of Maine between 2022 and 2024

Offshore market development – UK and Continental Europe

United Kingdom	<ul style="list-style-type: none"> • UK Government target annual build-out of 3 GW to reach 40 GW capacity by 2030, including 1 GW of floating wind by 2030 • Bids submitted for Scotwind leasing round in July 2021, results expected H1 2022 • CfD auction to open December 2021 with an allocated pot of GBP 200 m for bottom-fixed or floating offshore wind, but no capacity cap • Innovation and Oil and Gas Transition (INTOG) offshore leasing round announced by Crown Estate Scotland, further details expected to be announced around the end of 2021 • Leasing round for ~300 MW floating wind projects in the Celtic Sea still expected but timing to be confirmed
Germany	<ul style="list-style-type: none"> • Legally-fixed target for offshore wind capacity is 20 GW by 2030 and 40 GW by 2040 • First centralised tender launched in February 2021. 0.9-4 GW to be built annually from 2026 • 900 MW awarded in September 2021
Netherlands	<ul style="list-style-type: none"> • Government target of 11.5 GW offshore wind by 2030, and new government expected to increase target in 2021 by 5-10 GW by 2030 • Next tender of 1,520 MW for Holland Coast West with bid deadline H1 2022
Denmark	<ul style="list-style-type: none"> • Tender for Thor (0.8-1.0 GW) in H2 2021. Hesselø tender (0.8-1.0 GW) delayed due to complex seabed conditions • Tender for designing, building and co-owning an artificial island in the North Sea as hub for up to 10 GW offshore wind in H2 2023 • Tenders for 5 GW of offshore wind farms in total connected to the Bornholm and North Sea Energy Hubs towards 2033
France	<ul style="list-style-type: none"> • Government ambition for tendered capacity of 8.75 GW for the period 2020-2028
Poland	<ul style="list-style-type: none"> • Upcoming seabed auctions of 6-8 GW offshore wind expected to progress in H2 2021 / H1 2022 • Winners of awarded sea bed can participate in auctions for a CFD subsidy scheme in 2025 and 2027 with an expected award of 5 GW OFW capacity
Belgium	<ul style="list-style-type: none"> • Allocation of approx. 3.8 GW towards target to construct approx. 5.8 GW by 2030 and MoU with Denmark for large scale offshore wind power imports
Baltic States	<ul style="list-style-type: none"> • Lithuania: Draft laws for 700 MW 2024 offshore wind tender under review by Lithuanian parliament. Second tender of 700 MW planned for 2025 • Latvia and Estonia: MoU between Latvia and Estonia in place for the development of a joint offshore wind project of up to 1 GW
Sweden	<ul style="list-style-type: none"> • 100% renewable electricity target by 2040 and carbon neutrality by 2045 • National electrification and hydrogen strategies being developed. Government proposal to ease wind farm environmental permitting • Proposed Offshore transmission scheme has been decided upon
Norway	<ul style="list-style-type: none"> • Norwegian authorities have opened two areas for offshore wind projects (bottom-fixed and floating) with a max capacity of 4.5 GW to be allocated through competitive process in 2022. Details of auction model to be clarified and announced during H1 2022

Offshore market development – APAC

Taiwan	<ul style="list-style-type: none">• Taiwan has met its target of awarding 5.5 GW to be commissioned by 2025• 600 MW Greater Changhua 3 project ready for future auctions• Draft regulation for third round auction announced with 15 GW offshore wind target to be constructed from 2026-2035 up from previously 10GW• The third round auction is expected to take place in H2 2022
Japan	<ul style="list-style-type: none">• Authorities have announced their 1st Offshore Wind Vision confirming 10 GW offshore wind target towards 2030 and 30-45 GW by 2040• Bids submitted in first round auction in Japan in Choshi with TEPCO and in Noshiro and Yurihonjo with JWD/EURUS. Award expected around end 2021• 11 areas designated as potentially suitable for development of offshore wind for 2nd round onwards with a capacity of approx. 7 GW – among these, four areas (three in West Coast and one in Kyusyu (southwest)) have been selected as promising for the 2nd round of promotional zones
South Korea	<ul style="list-style-type: none">• 12 GW offshore wind build-out by 2030 has been targeted by South Korea under its 'Green New Deal'. A Wind Power Special Act is now being drafted which would potentially streamline offshore wind planning and consenting under a 'one-stop shop' system• In the wider electricity sector, a 35 % renewable mix towards 2030 and up to 42 % by 2034 is targeted under the 9th Basic Plan on Supply and Demand of Electricity. The plan also confirms renewable energy will be 77.8 GW to towards 2034 this equals 62.3 GW new renewable capacity and of those 25 GW is expected from wind power. The Carbon Neutrality Framework Act passed in 2021 also formally legislates for net-zero by 2050, and targets at least 35% GHG emissions reductions from 2018 levels by 2030• The baseline of OSW REC multiplier is increased from 2.0 to 2.5 and REC mandate has been reformed from 10% by 2022 to 25% by 2026• Floating lidars deployed and site exclusivity secured off the coast of Incheon to collect data for potential offshore wind sites of 1.6 GW• Hydrogen Act announced in February 2021 setting targets for 15GW of hydrogen fuel cells for power generation and production of 6.2 million hydrogen FCEVs by 2040• MoU with POSCO Group to expand relations and support the development of Ørsted's 1.6GW offshore wind project and hydrogen
Vietnam	<ul style="list-style-type: none">• Vietnamese government expected to finalize & release 8th Power Development Plan ('PDP8') by end 2021 which will include 2030 & 2035 targets for offshore wind• Strategic MOU on offshore wind with Vietnamese conglomerate T&T Group, combining a multi-GW pipeline in the two provinces with Vietnam's best offshore wind resources• Ørsted submits site application for a GW sized project in the North of Vietnam to help meet strong government demand for large renewable development in the North
Other markets	<ul style="list-style-type: none">• Australia's federal government has submitted the Offshore Energy Bill into parliament with approval expected in late 2021, which would establish a licensing system for developing offshore wind projects and allow the federal minister to declare offshore wind zones. State governments are also developing state level legislation, some of which is expected to be passed in late 2021. These may include concepts of offshore wind targets and supporting funding mechanisms

Upcoming offshore seabed auctions



H2 2021 / H1 2022
Poland
~ 7 GW



H1 2022
New York Bight
~ 7 GW



2022
Norway
~ 4.5 GW



Q4 2022 / Q1 2023
Gulf of Mexico
TBC



H2 2023
Oregon
TBC



H1 2022
Scotland O&G
Decarbonisation



H1 2022
North Carolina
TBC



H2 2022
California
~ 4.5 GW




















H2 2023
Central Atlantic
TBC



H2 2024
Gulf of Maine
TBC

Hydrogen project pipeline of +3GW

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

Additional announced development partnerships

- **Ørsted and POSCO** signed a Memorandum of Understanding (MoU) in May 2021 to expand their relationship. This will involve conducting feasibility studies on potential collaboration on renewable hydrogen
- **Ørsted and Uniper** signed an MoU in Sept 2021 and are planning a strategic partnership with the goal of large-scale production of hydrogen from offshore wind power at the Wilhelmshaven site on the German North Sea coast
- **Ørsted and Williams** signed an MOU in Sept 2021 to explore potential jointly developed Power-to-X projects in Wyoming, USA
- **Ørsted and Edinburgh Airport** signed an MOU in Oct 2021 to explore decarbonizing the airport, vehicles, and aircrafts

Overview of US offshore wind federal permitting process

Planning & Analysis

~ 2 years

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

Leasing

1-2 years

BOEM conducts auctions and issues leases

Site Assessment

Up to 5 years

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

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

BOEM must approve the SAP

Submit COP for NOI

~ 6 months

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

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

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

Construction & Operations

~ 2 years

Construction and Operations Plan (COP)

~ 2 years

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

Environmental Impact Statement (EIS)

< 2 years

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

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

Final Permit Approvals

< 2 years

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

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

Federal permitting overview²

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

We highlight key milestones within each step

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

1: BOEM stands for the Bureau of Ocean Energy Management

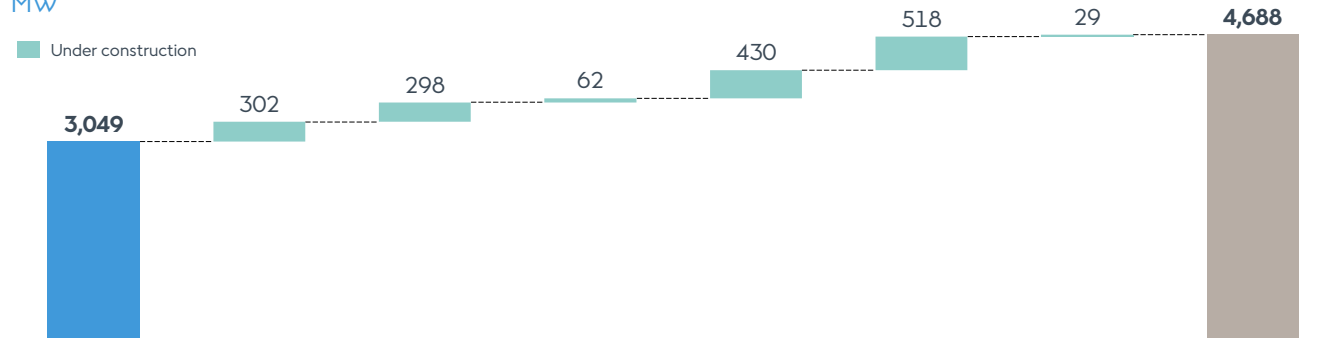
2: State-level permitting processes vary across states and typically run concurrent with the federal process

3: NOAA stands for National Oceanic and Atmospheric Administration

Onshore build-out plan

Installed capacity

MW



Installed capacity Q3 2021	Lincoln Land	Haystack	Kennoxhead 1	Old 300	Helena Energy Center ¹	Lisheen 3	Decided (FID'ed) and installed capacity
Region	MISO, IL	SPP, NE	Scotland, UK	ERCOT, TX	ERCOT, TX	Ireland	
Expected completion	Q4 2021	Q4 2021	H1 2022	H2 2022	H2 2022	H2 2022	
Status	On track	On track	On track	Delayed	Delayed	On track	
Platform	Wind	Wind	Wind	Solar PV	Wind & Solar PV	Wind	
Offtake solution	PPAs with Meta ² and McDonalds	PPAs with PepsiCo Target & Hormel Foods	PPA signed	PPA with Microsoft	PPAs with Henkel & Target	PPA with Meta ²	

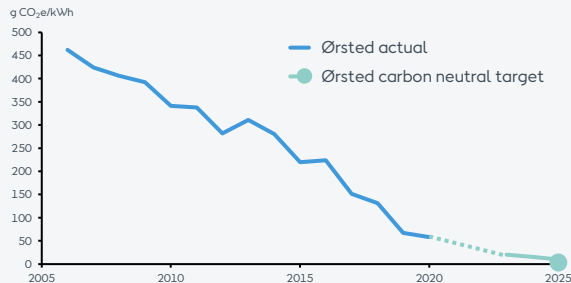
21

1. Helena Energy Center consists of 268 MW onshore wind and 250 MW_{AC} solar PV
2. Meta was previously known as Facebook

Sustainability and ESG at Ørsted

Green leadership

- In 9M 2021, 89 % of our energy generation was green. We target 99 % green energy generation by 2025.
- By 2025, we aim to be carbon neutral (scope 1-2) by reducing ≥ 98 % of our carbon emissions vs. 2006, and by eliminating or covering the remaining < 2 % with offset projects certified to remove atmospheric carbon.
- By 2040, we aim to reach net-zero emissions across our entire carbon footprint (scope 1-3), with a midway target to reduce our scope 3 emissions by 50 % by 2032.
- In 2021, we have placed a ban on landfilling of wind turbine blades.
- No later than 2030, all projects commissioned must have net positive biodiversity impact.



Contributing to the global goals



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



First and only energy company in the world with an approved science-based net-zero target for the full value chain to help keep global warming below 1.5 °C.

Catalysing the green energy transformation

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



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



Take urgent action to combat climate change and its impacts

ESG ratings of Ørsted

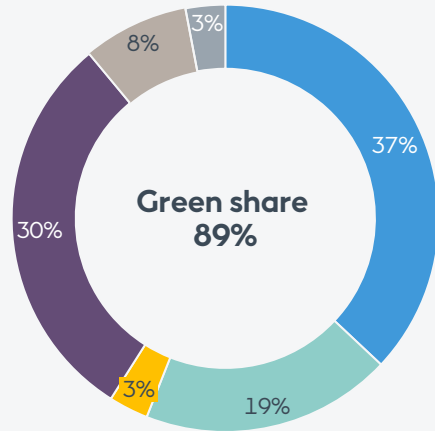
Rating agency	Score	Benchmark
CDP A LIST 2020 CLIMATE	A	Highest possible rating and recognised as a global leader on climate action
MSCI	AAA	Highest possible rating for four consecutive years
SUSTAINALYTICS	16.3	No. 1 and only company assessed as "low risk" among direct utility peers measured by market cap
Corporate ESG Performance ISS ESG Prime	B+	No. 1 of all utilities and awarded highest possible 'Prime' status
PLATINUM 2021 ecovadis Sustainability Rating	80	Platinum Medal for being among top 1 % of companies assessed by EcoVadis

ESG Performance

Green Share

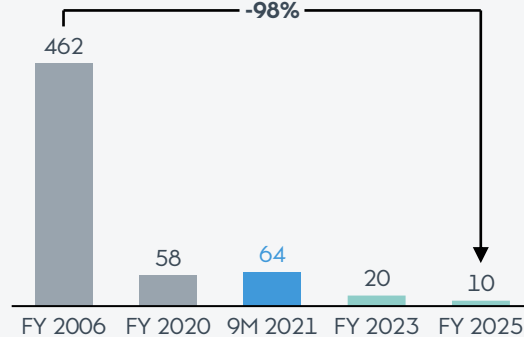
Total heat and power generation 9M 2021
Energy source, %

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



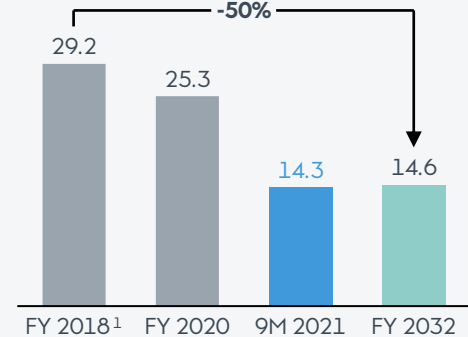
Scope 1 and 2 Emissions

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



Scope 3 Emissions

Scope 3 greenhouse gas emissions,
million tonnes CO₂e



Group – Financial highlights

FINANCIAL HIGHLIGHTS		Q3 2021	Q3 2020	Δ	FY 2020	FY 2019	Δ
EBITDA	DKKm	2,984	3,360	(11 %)	18,124	17,484	4 %
• Offshore		1,304	2,629	(50 %)	14,750	15,161	(3 %)
• Onshore		413	304	34 %	1,131	786	44 %
• Bioenergy & Other		1,206	375	222 %	2,136	1,495	43 %
Operating profit (EBIT)		1,045	1,265	(17 %)	10,536	10,052	5 %
Total net profit		487	12,034	(96 %)	16,716	6,044	177 %
Operating cash flow		246	1,941	(87 %)	16,466	13,079	26 %
Gross investments		(8,757)	(9,263)	(5 %)	(26,967)	(23,305)	16 %
Divestments		7	20,506	(100 %)	19,039	3,329	472 %
Free cash flow – continuing operations		8,504	(13,184)	n.a.	8,538	(6,897)	n.a.
Net interest-bearing debt		21,211	8,216	158 %	12,343	17,230	(28 %)
FFO/Adjusted net debt ¹	%	42.3	79.9	(38 %p)	48.3	31.0	17 %p
ROCE ¹	%	12.9	9.4	4 %p	9.7	10.6	(1 %p)



Offshore – Financial highlights

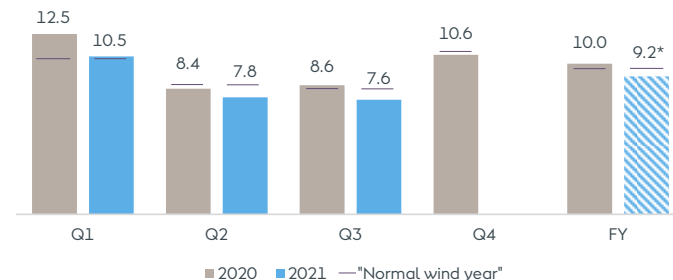
FINANCIAL HIGHLIGHTS		Q3 2021	Q3 2020	Δ	FY 2020	FY 2019	Δ
EBITDA	DKKmn	1,304	2,629	(50 %)	14,750	15,161	(3 %)
• Sites, O&Ms and PPAs		1,822	3,012	(40 %)	15,476	13,750	13 %
• Construction agreements and divestment gains		(9)	247	n.a.	1,593	3,765	(58 %)
• Other, incl. project development		(509)	(630)	(19 %)	(2,319)	(2,354)	(1 %)

KEY BUSINESS DRIVERS

Power generation	TWh	2.3	3.2	(28 %)	15.2	12.0	27 %
Wind speed	m/s	7.6	8.6	(11 %)	9.8	9.2	7 %
Availability	%	93	94	(1 %p)	94	93	1 %p
Load factor	%	27	35	(8 %p)	45	42	3 %p
Decided (FID) and installed capacity*	CW	9.8	9.9	(1 %)	9.9	9.9	0 %
Installed capacity*	CW	7.6	6.8	11 %	7.6	6.8	11 %
Generation capacity**	CW	4.0	4.1	(3 %)	4.4	3.6	21 %

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

Wind speed (m/s), offshore wind farms



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

Onshore – Financial highlights

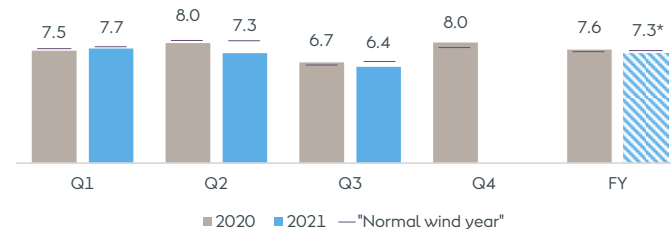
FINANCIAL HIGHLIGHTS		Q3 2021	Q3 2020	Δ	FY 2020	FY 2019	Δ
EBITDA	DKKm	413	308	34 %	1,131	786	44 %
• Sites		285	176	62 %	451	466	(3 %)
• Production tax credits and tax attributes		307	213	44 %	1,004	628	60 %
• Other, incl. project development		(179)	(81)	121 %	(324)	(308)	5 %

KEY BUSINESS DRIVERS

Power generation	TWh	1.9	1.2	56 %	5.7	3.5	64 %
Wind speed, US	m/s	6.4	6.7	(8 %)	7.6	7.3	4 %
Availability, US wind	%	98	97	1 %p	96	98	(2 %p)
Availability, US solar PV	%	98	-	n.a.	-	-	n.a.
Load factor, US wind	%	33	36	(3 %p)	45	45	0 %p
Load factor, US solar PV	%	27	-	n.a.	-	-	n.a.
Installed capacity	GW	3.0	1.7	90 %	1.7	1.0	67 %

Wind speed

(m/s), US onshore wind farms



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

Bioenergy & Other – Financial highlights

FINANCIAL HIGHLIGHTS		Q3 2021	Q3 2020	Δ	FY 2020	FY 2019	Δ
EBITDA	DKKm	1,206	375	222 %	2,136	1,495	43 %
• CHP plants		460	93	395 %	1,111	1,152	(4 %)
• Gas Markets & Infrastructure		808	201	302 %	411	390	5 %
• LNG		-	-	n.a.	-	(957)	n.a.
• Distribution, B2C, and city light		-	145	n.a.	926	1,280	(28 %)
• Other, incl. project development		(62)	(64)	(3 %)	(312)	(370)	(16 %)

KEY BUSINESS DRIVERS

Heat generation	TWh	0.4	0.3	25 %	6.7	8.3	(20 %)
Power generation	TWh	1.0	0.6	74 %	4.4	4.6	(4 %)
Degree days	#	81	106	(24 %)	2,432	2,399	1 %

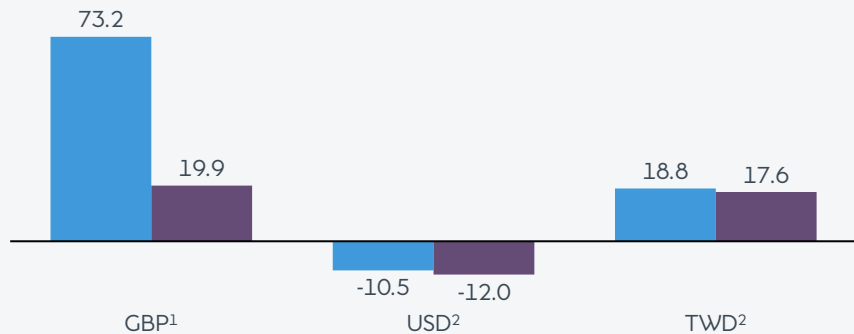


Currency and energy exposure

Currency exposure Q4 2021 – Q3 2026

DKKbn

■ Before hedging
■ After hedging

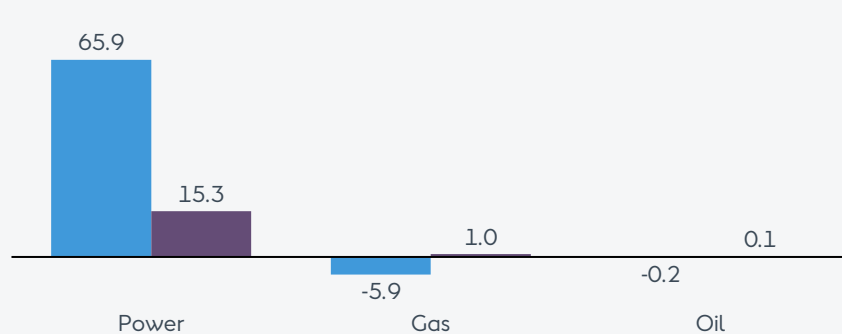


Risk after hedging, DKKbn	Effect of price +10 %	Effect of price -10 %
GBP: 19.9 sales position	+2.0	-2.0
USD: 12.0 purchase position	-1.2	+1.2
TWD: 17.6 sales position	+1.8	-1.8

Energy exposure Q4 2021 – Q3 2026

DKKbn

■ Before hedging
■ After hedging



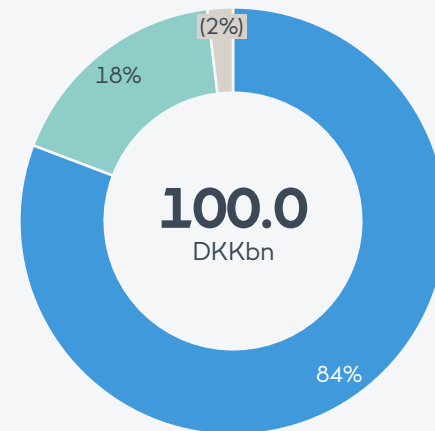
Risk after hedging, DKKbn	Effect of price +10 %	Effect of price -10 %
Power: 15.3 sales position	+1.5	-1.5
Gas: 1.0 sales position	+0.1	-0.1
Oil: 0.1 sales position	+0.0	-0.0

Capital employed

Capital employed, DKKm	9M 2021	FY 2020	9M 2020	FY 2019
Intangible assets and property and equipment	149,954	122,249	116,638	106,685
Equity investments and non-current receivables	882	1,928	2,188	1,044
Net working capital, work in progress	7,062	9,775	10,121	8,756
Net working capital, tax equity	(10,744)	(7,246)	(7,761)	(4,587)
Net working capital, capital expenditures	(7,690)	(4,040)	(5,217)	(3,304)
Net working capital, other items	5,191	2,228	2,601	2,540
Derivatives, net	(35,529)	(209)	1,474	782
Assets classified as held for sale, net	694	793	(359)	8,211
Decommissioning obligations	(8,263)	(7,002)	(6,659)	(6,158)
Other provisions	(6,059)	(6,861)	(6,590)	(6,443)
Tax, net	5,386	(771)	(440)	(253)
Other receivables and other payables, net	(523)	(1,172)	(1,308)	(481)
TOTAL CAPITAL EMPLOYED	100,361	109,672	104,688	106,792

Capital employed by segment %, 9M 2021

- Offshore
- Onshore
- Bioenergy & Other



FFO/Adjusted net debt calculation

Funds from operations (FFO), DKKm	9M 2021	FY 2020	9M 2020
EBITDA*	21,047	18,124	17,734
Change in provisions and other adjustments	72	(403)	(214)
Reversal of gain (loss) on divestment of assets	(5,175)	(805)	(840)
Income tax paid	(1,115)	(1,118)	(1,300)
Interests and similar items, received/paid	(834)	(1,829)	(1,855)
Reversal of interest expenses transferred to assets	(616)	(449)	(372)
50 % of coupon payments on hybrid capital	(215)	(245)	(278)
Dividends received and capital reductions	39	18	7
FUNDS FROM OPERATION (FFO)	13,203	13,293	12,882
Adjusted interest-bearing net debt, DKKm	9M 2021	FY 2020	9M 2020
Total interest-bearing net debt	21,211	12,343	8,216
50 % of hybrid capital	8,992	6,616	6,616
Cash and securities, not available for distribution	977	1,485	1,291
ADJUSTED INTEREST-BEARING NET DEBT	31,180	20,444	16,123
FFO / ADJUSTED INTEREST-BEARING NET DEBT	42.3 %	65.0 %	79.9 %

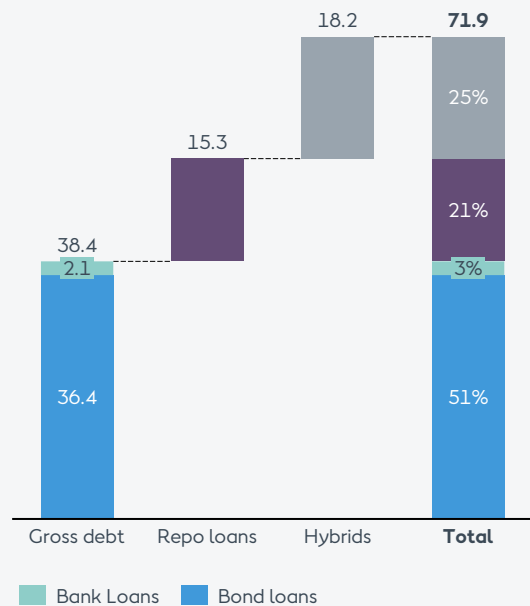
*Last 12 months – EBITDA according to business performance up until end of 2020



Debt overview

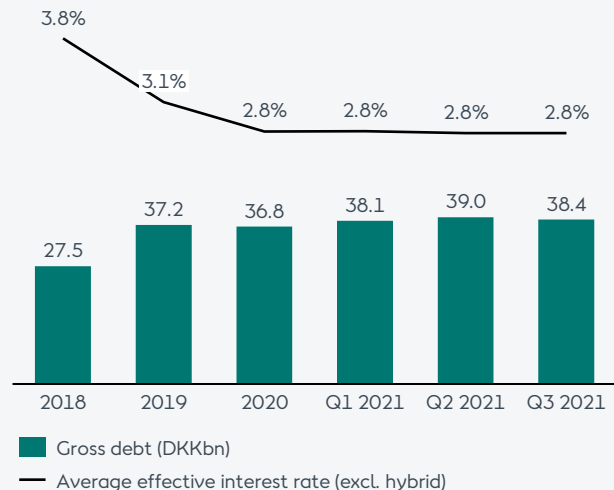
Total gross debt

30 September 2021, DKKbn



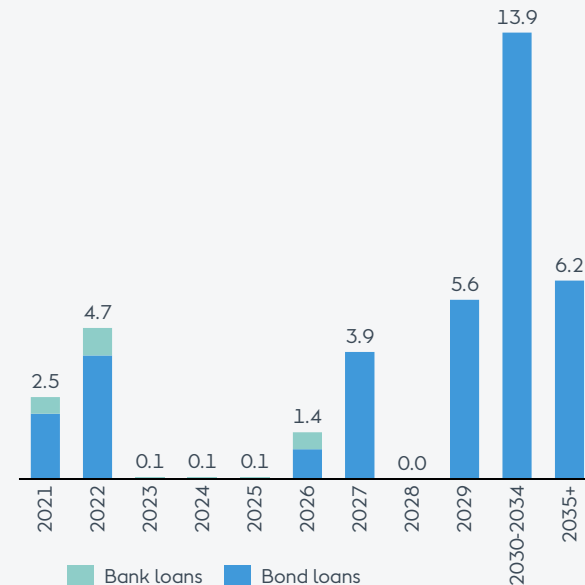
Effective funding costs – Gross debt

	Cost of debt (%)	Modified duration (%)	Avg. time to maturity (years)
Bond loans	2.9	8.1	9.6
Bank loans	0.5	0.2	2.1
Total	2.8	7.7	9.2



Maturity profile

DKKbn



Hybrid capital in short

Hybrid capital can broadly be defined as funding instruments that combine features of debt and equity in a cost-efficient manner:

- Hybrid capital encompasses the credit-supportive features of equity and improves rating ratios
- Perpetual or long-dated final maturity (1,000 years for Ørsted)
- Absolute discretion to defer coupon payments and such deferrals do not constitute default nor trigger cross-default
- Deeply subordinated and only senior to common equity
- Without being dilutive to equity holders (no ownership and voting rights, no right to dividend)

Due to hybrid's equity-like features, rating agencies assign equity content to the hybrids when calculating central rating ratios (e.g. FFO/NIBD).

The hybrid capital increases Ørsted's investment capacity and supports our growth strategy and rating target.

Ørsted has made use of hybrid capital to maintain our ratings at target level in connection with the merger with Danish power distribution and production companies back in 2006 and in recent years to support our growth in the offshore wind sector.

Accounting treatment

- Hybrid bonds are classified as equity
- Coupon payments are recognised in equity and do not have any effect on profit (loss) for the year
- Coupon payments are recognised in the statement of cash flows in the same way as dividend payments
- For further information see note 6.3 in the 2020 Annual Report

Hybrids issued by Ørsted A/S ¹	Principal amount	Type	First Reset Date ³	Coupon	Accounting treatment ²	Tax treatment	Rating treatment
6.25 % hybrid due 3013	EUR 350 m	Hybrid capital (subordinated)	Jun. 2023	Fixed during the first 10 years, first 25bp step-up in Jun. 2023	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
2.25 % Green hybrid due 3017	EUR 500 m	Hybrid capital (subordinated)	Nov. 2024	Fixed during the first 7 years, first 25bp step-up in Nov. 2029	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
1.75 % Green hybrid due 3019	EUR 600 m	Hybrid capital (subordinated)	Dec. 2027	Fixed during the first 8 years, first 25bp step-up in Dec. 2032	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
1.50 % Green hybrid due 3021	EUR 500 m	Hybrid capital (subordinated)	Feb. 2031	Fixed during the first 10 years, first 25bp step-up in Feb. 2031	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
2.50 % Green hybrid due 3021	GBP 425 m	Hybrid capital (subordinated)	Feb. 2033	Fixed during the first 12 years, first 25bp step-up in Feb. 2033	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt

1. All listed on Luxembourg Stock Exchange and rated Baa3 (Moody's), BB+ (S&P) and BBB- (Fitch). The four Green hybrids are furthermore listed on the Luxembourg Green Exchange (LGX)

32 2. Due to the 1,000-year structure

3. First Par Call Date

Ørsted's outstanding bonds

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

Financing strategy



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

The strategy supports:

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

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

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

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

Currency risk management

General principles

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

Managing outright long risk

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

Managing time-spread risk (new markets)

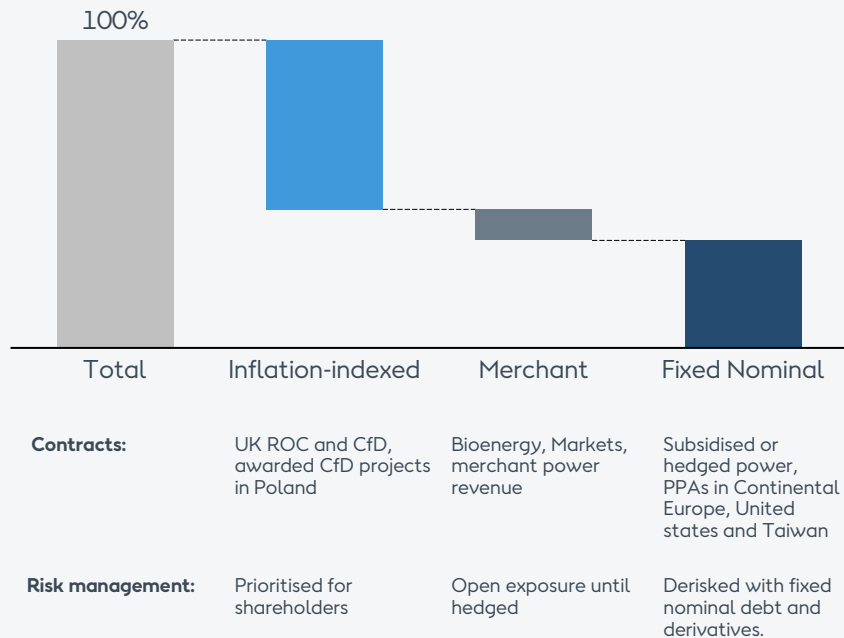
- Construction period: Hedge 100 % of year 1 currency cash flow risk by swapping the exposure to a year with the same currency revenue.
- In new markets the capital expenditures beyond year 1 are netted with future revenue in the same currency.



Interest rate and inflation risk management

Assets and debt allocation

Illustrative



Objectives of interest rate and inflation risk management

1. Protect long-term real value of equity by offsetting interest and inflation risk exposure embedded in assets by allocating debt with similar, but opposite risk exposure
2. Cost of funding optimized by actively managing debt portfolio
3. Cost of hedging minimised by using natural portfolio synergies between assets, allowing matching of up to 100 % of asset value with appropriate debt

Framework for risk management

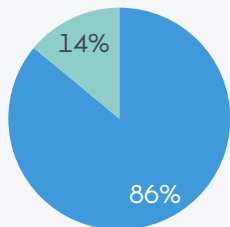
- Assets divided into risk categories based on nature of inflation and interest rate risk exposure
- Simple risk metrics are used to match assets with appropriate debt within each category
- Fixed nominal-category has first priority for debt allocation to protect shareholders against inflation
- Inflation-indexed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

Energy risk management

Risk picture

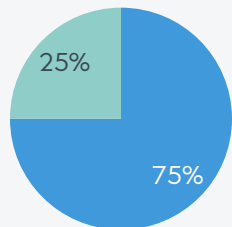
- We manage energy market risks to protect Ørsted against price volatility and to ensure stable and robust financial ratios that support our growth strategy
- For Offshore, a substantial share of energy production is subsidized through either fixed tariffs or green certificates. Remaining exposure is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

Offshore exposure



■ Subsidized exposure
■ Market exposure

Onshore exposure



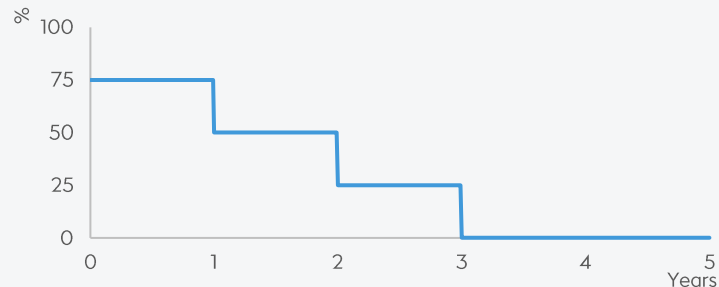
■ Power purchase agreements
■ Market exposure

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

Hedging of open exposure

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

Offshore minimum power hedging requirement



Note: actual hedging level is significantly higher



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