Ørsted

Green bond impact report 2022

Industry-leading sustainability ambition

2040 Net-zero emissions (scope 1-3)

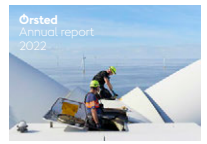
SCIENCE BASED TARGETS

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

Today Ban on landfilling of wind turbine blades

Contents

Other annual reports



→ Annual report 2022

→ Sustainability report 2022

→ ESG performance report 2022

→ Green finance framework

Highlights 2022

- **We issued DKK 28.4 billion in green bonds and green hybrid bonds in 2022.** It is the largest amount issued in one single calendar year by Ørsted and reflects our growing portfolio of projects and our ambition to have ~50 GW of installed capacity in 2030. It brings our total issuances from 2017-2022 to DKK 62.9 billion.

- **We updated our 'Green finance framework' to reflect our growing onshore business** by broadening the use of eligible proceeds to include onshore wind and solar PV, in addition to offshore wind. Our framework is aligned with best practice and has received the highest possible grading – a dark green shading – from CICERO Shades of Green.

- **To date, we have allocated DKK 38.8 billion, of which DKK 8 billion was allocated in 2022** to the following seven projects:

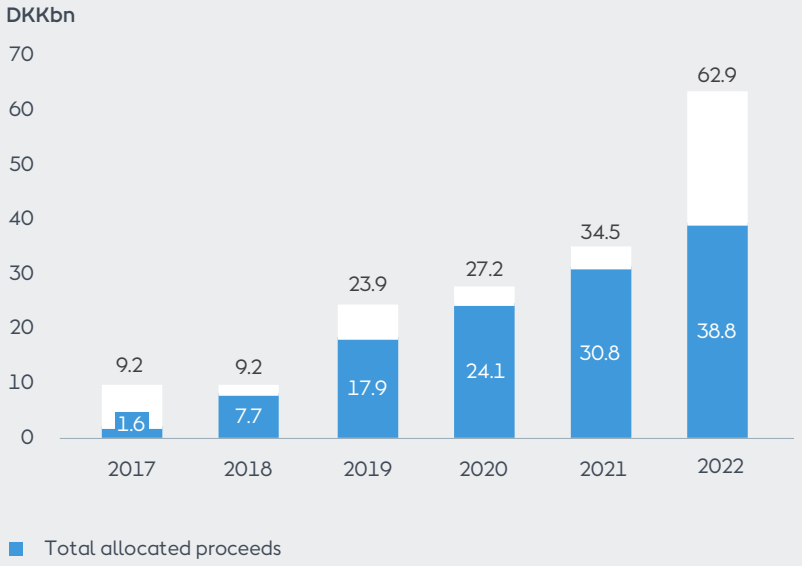
  – Offshore wind: Hornsea 2 (UK), Greater Changhua 1 & 2a (TW), Gode Wind 3 (DE), Borkum Riffgrund 3 (DE), and South Fork Wind (US)
  – Onshore wind: Sunflower Wind (US)
  – Solar PV: Old 300 (US)

- **We reported all our projects with green bond allocations as aligned with the EU taxonomy requirements.** We will continue to align our taxonomy reporting and practices with EU guidance and industry practices as they further mature in the coming years.

- **Since 2017, all new Ørsted bonds and hybrid bonds have been issued in a green format,** and we will continue to issue long-term bonds in a green and sustainable format. Outstanding green bonds and green hybrid bonds currently account for more than 80 % of Ørsted's total outstanding portfolio of bonds and hybrid capital.

EU taxonomy-aligned

Total green bond proceeds development



Green energy projects with green bond allocations

Project	Capacity MW	Country	Project status	Construction period Year	Proceeds allocated 2022 DKKm	Total allocated proceeds DKKm	Energy generation 2022 GWh[3]
Offshore wind							
Walney Extension	659	UK	In operation	2015-2018		1,250	2,666
Race Bank	546	UK	In operation	2015-2018		400	2,148
Borkum Riffgrund 2	450	DE	In operation	2016-2018		2,649	1,305
Hornsea 1	1,218	UK	In operation	2016-2019		10,274	5,037
Hornsea 2	1,320	UK	In operation	2018-2022	490	9,134	
Greater Changhua 1 & 2a	900	TW	Under construction[1]	2019-2023	3,337	10,914	
South Fork Wind	130	US	Under construction	2022-2023	630	630	
Gode Wind 3	253	DE	Under construction	2021-2024	750	750	
Borkum Riffgrund 3	913	DE	Under construction	2021-2025	600	600	
Onshore wind							
Sunflower Wind	201	US	Under construction	2022-2023	800	800	
Solar PV							
Old 300	430	US	Under construction[2]	2021-2023	1,350	1,350	
Total allocation					**7,957**	**38,751**	**11,156**

1. The project generated first power in April 2022, but due to COVID-related impacts, commissioning of the last wind turbines has been pushed into 2023.
2. The project is close to complete and is expected to be commissioned in H1 2023.
3. Energy generation by the wind or solar farms are totals, regardless of Ørsted's ownership share. For projects not yet in full operation for at least one year, energy generation is not reported. Detailed accounting policy is available in appendix I.

The climate impacts of our 2022 allocations

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

Calculated avoided emissions

4.2 million tonnes CO_2

Assuming annual power generation replaces fossil-fuel-based generation 1:1, the avoided emissions potential is 4.2 million tonnes carbon emissions from green bond allocations to projects in operation and under construction.

Calculated people powered

4.5 million people

The annual power generation from green bond proceeds allocated to projects in operation and under construction is equivalent to the power consumption of 4.5 million people.

See methodology details on p. 12: 'The climate impacts of our bond allocations'.

Scaling investments for a sustainable world

2022 has been a volatile year for the global economy dominated by the European energy crisis, rising inflation, and the increased cost of living, which has impacted companies and people significantly. At the same time, extreme weather events, including heatwaves across Europe and floods in Pakistan, yet again demonstrated the devastating impacts of global heating.

The situation calls for immediate action and a need to give up business as usual and build green energy right, now. This is the single most effective way to reduce carbon emissions in line with what science demands. For us, this means leveraging our build-out of green energy to leave a lasting positive impact on climate, biodiversity, and local communities.

Accelerate investments in the green transformation

While the number of investments still needed for the green transformation is striking, it also presents the greatest investment opportunity of our lifetime. In fact, investments in green energy projects need to increase almost sixfold annually to reach a total of USD 33 trillion by 2030, according to Bloomberg New Energy Finance.

To meet this target, governments, companies, and investors must continue collaborating to build a strong pipeline of green energy projects in existing and new technologies. Through our build-out target of having ~50 GW installed renewable capacity by 2030, we are committed to providing our investors with investment opportunities in projects that create lasting positive impacts on climate, nature, and people.

Sustainable financing in Ørsted

To finance our ambition, we exclusively use sustainable financing instruments for all our future long-term financing activities. In 2022, we issued five new green bonds and one new green hybrid bond amounting to DKK 28.4 billion. This is the largest amount ever issued by Ørsted in a single calendar year and reflects our growing business and the investments needed to meet our build-out target.

Integrate ESG into the core of investment decisions

To further scale up investments in projects with positive sustainability impacts, ESG must be at the core of investment decisions.

It is encouraging to see investors continuing to align their portfolios with the goals of the Paris Agreement and taking positions on issues such as biodiversity and human rights.

In Ørsted, we are increasingly engaged in dialogue with our investors to meet their ESG information needs and support its integration. We strongly encourage this dialogue, as the sustainability challenges of a large-scale, global build-out of green energy are complex and require close collaboration to create a shared understanding of how they are best addressed and evaluated.

As ESG is further integrated into investor decision-making, it amplifies the need for credible, comparable information to evaluate companies.

We are already prioritising to provide our investors with robust ESG information through our regular ESG reports and by engaging with ESG rating agencies. New regulatory disclosure requirements, such as the EU taxonomy and CSRD, will help investors further in evaluating companies' ESG performance on a par with financial data. We highly welcome this development, and in 2022, we reported on our taxonomy-aligned KPIs for the first time with revenue 73 %, EBITDA 85 %, CAPEX 99 %, and OPEX 80 %. All our green bond proceeds are allocated to taxonomy-aligned projects.

We are also working to prepare for the disclosure requirements in the upcoming CSRD.

Joining forces with our investors

By working together with our bond investors, we can reduce emissions at an unprecedented pace and build green energy the right way, creating a more just and prosperous world for nature, society, and the economy.

Daniel Lerup
Chief Financial Officer

Our green bond allocations

Since 2017, all new Ørsted 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 currently account for more than 80 % of Ørsted's total bond portfolio. On the following pages, you can learn more about our green bond portfolio and allocations made in 2022.

Total amounts allocated by bond

The table provides details on Ørsted's 19 outstanding green bonds and green hybrid bonds, including total allocated amounts.

Ørsted's green bonds and green hybrid bonds

ISIN	Bond type	Face value	Coupon	Issue date	Maturity	Net proceeds DKKm	Total allocated proceeds DKKm	Proceeds allocated 2022 DKKm	Unallocated proceeds DKKm
XS1721760541	Senior	EUR 750 m	1.50 %	24-11-2017	26-11-2029	5,499	5,499	Fully allocated	
XS1720192696	Hybrid	EUR 500 m	2.25 %	24-11-2017	24-11-3017	3,674	3,674	Fully allocated	
XS1997070781	Senior	GBP 350 m	2.125 %	16-05-2019	17-05-2027	2,968	2,968	Fully allocated	
XS1997070864	Senior	GBP 300 m	2.50 %	16-05-2019	16-05-2033	2,518	2,518	Fully allocated	
XS1997071086	Senior CPI-linked	GBP 250 m	0.375 %	16-05-2019	16-05-2034	2,128	2,128	Fully allocated	
XS2010036874	Hybrid	EUR 600 m	1.75 %	09-12-2019	09-12-3019	4,424	4,424	Fully allocated	
TW000F156013	Senior	TWD 4,000 m	0.92 %	19-11-2019	19-11-2026	882	882	Fully allocated	
TW000F156021	Senior	TWD 8,000 m	1.50 %	19-11-2019	19-11-2034	1,765	1,765	Fully allocated	
TW000F156039	Senior	TWD 4,000 m	0.60 %	13-11-2020	13-11-2027	882	882	Fully allocated	
TW000F156047	Senior	TWD 3,000 m	0.70 %	13-11-2020	13-11-2030	661	661	Fully allocated	
TW000F156054	Senior	TWD 8,000 m	0.98 %	13-11-2020	13-11-2040	1,763	1,763	Fully allocated	
XS2293681685	Hybrid	GBP 425 m	2.50 %	18-02-2021	18-02-3021	3,630	3,630	Fully allocated	
XS2293075680	Hybrid	EUR 500 m	1.50 %	18-02-2021	18-02-3021	3,697	3,697	3,697	0
XS2490471807	Senior	EUR 600 m	2.25 %	14-06-2022	14-06-2028	4,430	4,260	4,260	170
XS2490472102	Senior	EUR 750 m	2.875 %	14-06-2022	14-06-2033	5,553	0	0	5,553
XS2531569965	Senior	EUR 900 m	3.25 %	13-09-2022	13-09-2031	6,668	0	0	6,668
XS2531570039	Senior	GBP 375 m	5.125 %	13-09-2022	13-09-2034	3,193	0	0	3,193
XS2531570112	Senior	GBP 575 m	5.375 %	13-09-2022	13-09-2042	4,890	0	0	4,890
XS2563353361	Hybrid	EUR 500 m	5.25 %	08-12-2022	08-12-3022	3,692	0	0	3,692
Total						**62,917**	**38,751**	**7,957**	**24,166**

Green bond allocations by project

By January 2023, a total of DKK 38,751 million green bond proceeds had been allocated to 11 green energy projects in the period 2017-2022.

In 2022, the green bond proceeds were allocated to seven projects: Hornsea 2, Greater Changhua 1 & 2a, Gode Wind 3, Borkum Riffgrund 3, South Fork Wind, Old 300, and Sunflower Wind.

Allocated green bond proceeds cannot exceed 100 % of Ørsted's share of total project investments.

Green bond allocations by project 2022

DKKm

ISIN	Bond	Type of project	Project name	Proceeds allocated 2022
XS2293075680	Hybrid EUR 500 m issued 2021	Offshore wind	Greater Changhua 1 & 2a	1,837
		Offshore wind	Gode Wind 3	640
		Offshore wind	South Fork Wind	630
		Solar PV	Old 300	290
		Onshore wind	Sunflower Wind	300
XS2490471807	Senior EUR 600 m issued 2022	Offshore wind	Hornsea 2	490
		Offshore wind	Greater Changhua 1 & 2a	1,500
		Offshore wind	Borkum Riffgrund 3	600
		Offshore wind	Gode Wind 3	110
		Solar PV	Old 300	1,060
		Onshore wind	Sunflower Wind	500
Total				**7,957**

Green bond allocations by project 2017-2021

DKKm

ISIN	Bond	Hornsea 1	Hornsea 2	Walney Extension	Race Bank	Borkum Riffgrund 2	Greater Changhua 1 & 2a
XS1721760541	Senior EUR 750 m issued 2017	2,350	100	500	400	2,149	0
XS1720192696	Hybrid EUR 500 m issued 2017	1,924	500	750	0	500	0
XS1997070781	Senior GBP 350 m issued 2019	2,200	768	0	0	0	0
XS1997070864	Senior GBP 300 m issued 2019	2,100	418	0	0	0	0
XS1997071086	Senior CPI-linked GBP 250 m issued 2019	1,600	528	0	0	0	0
XS2010036874	Hybrid EUR 600 m issued 2019	100	2,700	0	0	0	1,624
TW000F156013	Senior TWD 4,000 m issued 2019	0	0	0	0	0	882
TW000F156021	Senior TWD 8,000 m issued 2019	0	0	0	0	0	1,765
TW000F156039	Senior TWD 4,000 m issued 2020	0	0	0	0	0	882
TW000F156047	Senior TWD 3,000 m issued 2020	0	0	0	0	0	661
TW000F156054	Senior TWD 8,000 m issued 2020	0	0	0	0	0	1,763
XS2293681685	Hybrid GBP 425 m issued 2021	0	3,630	0	0	0	0
Total		**10,274**	**8,644**	**1,250**	**400**	**2,649**	**7,577**

The sustainability impacts of our projects with green bond allocations

The single biggest benefit of building green energy projects is the reduction of greenhouse gas emissions. But if done right, green energy projects can deliver value far beyond climate change mitigation and leave a lasting positive impact on oceans, biodiversity, local communities, and economies in the areas where they are built. On the following pages, you can read about the positive impacts on climate, nature, and people created by our green energy projects with green bond allocations.

Our strategic sustainability priorities

At Ørsted, our vision is a world that runs entirely on green energy. Over the past 13 years, we have transformed from one of the most carbon-intensive utilities in Europe to one of the most sustainable energy companies in the world, developing, constructing, and operating renewable energy assets, including offshore wind, onshore wind, and solar farms. To ensure we continue to deliver a sustainable build-out, we have defined four sustainability priorities.

Science-aligned climate action

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

Key sustainability targets

- 2025: 98 % reduction in scope 1-2 emissions intensity (from 2006)
- 2032: 50 % absolute reduction in scope 3 emissions (from 2018)
- 2040: Net-zero emissions in scope 1-3 and 90 % reduction in absolute emissions (scope 3, from gas sales)

SCIENCE BASED TARGETS

Green energy that revives nature

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

Key sustainability targets

- 2025: 40 % reduction in freshwater withdrawal intensity (m^3 per GWh)
- 2030: Net-positive biodiversity impact from all new renewable energy projects commissioned from 2030 at the latest
- Zero wind turbine blade waste directed to landfill

A green transformation that works for people

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

Key sustainability targets

- 2023: Develop external human rights reporting and track our most salient human rights risks
- 2025: Achieve a total recordable injury rate (TRIR) of 2.5 per million hours worked
- 2030: Reach a 40:60 gender balance in our total workforce (women:men)
- Employee satisfaction: Be in the top 10 % among benchmarking companies

Governance that enables the right decisions

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

Key sustainability targets

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

→ **Read more about our priorities in the sustainability report 2022.**

The climate impacts of our projects

With our allocated green bond proceeds, we and our investors support progress towards the Paris Agreement and on the UN Sustainable Development Goals #7 on affordable and clean energy and #13 on climate action.

The net proceeds from our green financing instruments can be used to finance the development, construction, and installation of our green energy projects. We estimate the climate impacts of allocated green bond proceeds by calculating the avoided emissions and the number of people that could be powered by green energy.

Calculated avoided emissions

Calculated avoided emissions are the carbon emissions avoided each year as a result of replacing electricity generated using fossil fuels with generation from offshore wind, onshore wind, or solar PV.
The annual avoided emissions for each bond are calculated as the sum of avoided emissions for the projects attributable to the allocated green bond proceeds. The calculation is updated annually with the current fossil fuel mix in each country where the individual renewable energy projects are placed. The lifetime of a wind farm is expected to be at least 25 years.

Calculated people powered

The number of people powered represents the number of people the offshore wind, onshore wind, or solar farm could provide power for. This is an illustrative average based on the project's actual or expected power generation in the country where the renewable energy project is placed and country-specific power consumption per person. The people powered estimate changes depending on how the average energy consumption of households changes year after year. The number of people powered annually for each bond is calculated as the sum of people powered for the projects attributable to the allocated green bond proceeds.

General accounting principles

Both indicators are based on total allocations and include both projects under construction and in operation. For projects not yet in full operation for at least one year, the indicators are based on expected generation. Energy generation and the number of people that could be powered by the wind and solar farms are totals, regardless of Ørsted's ownership share. In general, when we calculate avoided emissions and people powered, the results have a degree of uncertainty. Accounting policies are available in appendix I.

Calculated avoided emissions

4.2 million tonnes CO_2

can be avoided as a result of green bond proceeds allocated to our projects in operation and under construction.

Calculated people powered

4.5 million people

can be powered as a result of green bond proceeds allocated to our projects in operation and under construction.

ISIN	Bond type	Calculated avoided emissions Thousand tonnes CO_2e/year	People powered Thousand
XS1721760541	Senior EUR 750 m 2017	545	657
XS1720192696	Hybrid EUR 500 m 2017	373	501
XS1997070781	Senior GBP 350 m 2019	311	440
XS1997070864	Senior GBP 300 m 2019	257	362
XS1997071086	Senior CPI-linked GBP 250 m 2019	223	314
XS2010036874	Hybrid EUR 600 m 2019	484	598
TW000F156013	Senior TWD 4,000 m 2019	69	51
TW000F156021	Senior TWD 8,000 m 2019	138	102
TW000F156039	Senior TWD 4,000 m 2020	69	51
TW000F156047	Senior TWD 3,000 m 2020	52	38
TW000F156054	Senior TWD 8,000 m 2020	138	101
XS2293075680	Hybrid EUR 500 m 2021	423	257
XS2293681685	Hybrid GBP 425 m 2021	468	660
XS2490471807	Senior EUR 600 m 2022	684	400
XS2490472102	Senior EUR 750 m 2022	0	0
XS2531569965	Senior EUR 900 m 2022	0	0
XS2531570039	Senior GBP 375 m 2022	0	0
XS2531570112	Senior GBP 575 m 2022	0	0
XS2563353361	Hybrid EUR 500 m 2022	0	0
Total		**4,234**	**4,532**

Impacts on nature at our projects

Green energy that revives nature

If built right, renewable energy holds the potential of enhancing biodiversity and improving ecosystems. We are dedicated to delivering projects that do just that and therefore, we have set the ambition to deliver a net-positive biodiversity impact from all new green energy energy projects we commission from 2030 at the latest.

To ensure our projects are not doing harm to biodiversity and ecosystems, we always take the necessary steps to avoid, mitigate, and address potential negative impacts from our projects. However, to deliver on our ambition, our projects must also leave the surrounding ecosystems and wildlife in a better state than we found them.

We are taking several exciting steps towards leaving a positive impact on biodiversity from our projects. For example, we have entered an innovative partnership with WWF, the World Wide Fund for Nature, to set a new standard for biodiversity protection and restoration in offshore wind, and we are developing and piloting innovative biodiversity projects to understand how we can positively impact biodiversity at an asset level across geographies.

→ Read more in the sustainability report 2022, pp. 19-25.

Working together for ocean biodiversity | WWF

Positive biodiversity impacts at projects with green bond allocations

Project: Hornsea 1 and 2 (the UK)

Restoring local ecosystems

At the Humber Estuary, we are investing more than GBP 2.5 million to replenish and strengthen the local ecosystem by introducing native oysters and planting salt marsh and seagrass.

Project: Greater Changhua 1 & 2a (Taiwan)

Restoring coral reefs

We are plotting a world-first attempt to grow corals on the jacket foundations of offshore wind turbines, testing the potential biodiversity benefits with an aim to scale up across other Ørsted assets.

Project: Borkum Riffgrund 2 (Germany)

Reducing impacts on sensitive species

We have installed suction bucket jacket foundations, reducing noise impacts on sensitive species.

Project: South Fork Wind (the US)

Mapping species to understand potential impacts

To better understand and mitigate potential biodiversity impacts from our offshore wind projects, we are mapping the presence of the endangered North Atlantic right whale near New Jersey and Massachusetts.

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

Impacts on people from our projects

A green transformation that works for people

To succeed with our renewable energy ambitions, we must also drive a build-out that works for people – a just build-out. This requires that we respect fundamental human and labour rights, promote a diverse and inclusive sector, take active part in developing talent, and support thriving communities where we construct and operate our assets.

The renewable energy transition will affect many societies and communities. It will bring new jobs, affect the way we use our land and sea, and create new green opportunities. With it comes a responsibility to drive a just transition, addressing local concerns while delivering sustainable economic and social opportunities for affected commmunities.

Our projects form a very tangible part of the communities in which they are built, and at Ørsted, we want to be a trusted renewable energy partner to our customers and communities, fulfilling the positive potential of the build-out. For more than ten years, we have gained experience and knowledge of what a just build-out can bring. For example, we have developed renewable energy talents in the UK and expanded renewable energy supply chains in Taiwan.

→ Read more in the sustainability report 2022, pp. 26-34.

The sustainability impacts are funded through a combination of Ørsted's financing mechanisms, including green bonds. →

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

Project: Hornsea 1 and 2 (the UK)

Developing local talents
We have created a global hub for offshore wind in the Humber region, leading to job creation, higher salaries, and local economic growth.

Project: Borkum Riffgrund 2 (Germany)

Contributing to local history
We collaborated with the municipalities to decommission the Borkumriff lightship, creating a local tourist attraction raising awareness about the history and special habitat of the Wadden Sea.

Project: Greater Changhua 1 & 2a (Taiwan)

Building local supply chains
Ørsted's Offshore Wind Industrial Development Fund (IDF) is training local talent in welding and safety with the aim of developing a world-class offshore wind supply chain in Taiwan.

Project: South Fork Wind (the US)

Coexistence with other users of the sea
Together with other developers, we have designed a wind turbine layout that safeguards corridors for fishing boats across all New England offshore wind lease areas to ensure our projects can coexist with other users of the sea.

Collaborating with trade unions to create quality jobs
We have entered a partnership with North America's Building Trades Unions (NABTU) designed to transition trade union construction workers into the offshore wind industry.

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:	DKKm 630
Project status:	Under construction

Sunflower Wind

Capacity:	201 MW
Ørsted ownership:	100 %
Total allocated proceeds:	DKKm 800
Project status:	Under construction

Old 300

Capacity:	430 MW
Ørsted ownership:	100 %
Total allocated proceeds:	DKKm 1,350
Project status:	Under construction

Germany

Borkum Riffgrund 2

Capacity:	450 MW
Ørsted ownership:	50 %
Total allocated proceeds:	DKKm 2,649
Project status:	In operation

Borkum Riffgrund 3

Capacity:	913 MW
Ørsted ownership:	50 %
Total allocated proceeds:	DKKm 600
Project status:	Under construction

Gode Wind 3

Capacity:	253 MW
Ørsted ownership:	100 %
Total allocated proceeds:	DKKm 750
Project status:	Under construction

The UK

Walney Extension

Capacity:	659 MW
Ørsted ownership:	50 %
Total allocated proceeds:	DKKm 1,250
Project status:	In operation

Race Bank

Capacity:	546 MW
Ørsted ownership:	50 %
Total allocated proceeds:	DKKm 400
Project status:	In operation

Hornsea 1

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

Hornsea 2

Capacity:	1,320 MW
Ørsted ownership:	50 %
Total allocated proceeds:	DKKm 9,134
Project status:	In operation

Taiwan

Greater Changhua 1 & 2a

Capacity:	900 MW
Ørsted ownership:	CHW01 50 % CHW02a 100 %
Total allocated proceeds:	DKKm 10,914
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 2022.

UN Global Compact participant

Ørsted is a participant in the United Nations' Global Compact (UNGC), and we adhere to its ten principles around 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 enhancing action to meet the ambitions of the Paris Agreement and the UN SDGs.

Selected memberships and alliances

Key ratings and rankings

Key ratings and rankings	Elaboration and benchmark	Score
CDP A LIST 2022 CLIMATE	Ørsted awarded the highest possible CDP rating for four consecutive years and recognised as a global leader on climate action.	A
CDP B 2022 WATER	Ørsted achieved a score on par with the average score for major energy companies for our first publicly available CDP water security report.	B
GLOBAL100 2023	Ørsted is for the sixth consecutive year recognised as one of the world's 100 most sustainable companies in the Corporate Knights Global 100 ranking. In 2023, we rank no. 13 across all industries globally, and no. 1 in the GICS industry 'electric utilities'.	13th place (overall)
MSCI ESG RATINGS AAA	Ørsted awarded the highest possible rating by MSCI in six consecutive ratings.[1]	AAA
SUSTAINALYTICS ESG INDUSTRY TOP RATED	Ørsted categorised as a 'low risk' company and placed as no. 1 among direct utility peers measured by market cap by Sustainalytics. A low score indicates good performance.[2]	16.4 of 100
Corporate ESG Performance Prime ISS ESG	Ørsted ranked in the 1st decile among electric utilities and has maintained 'Prime' status in the ISS ESG Rating 2022.	A-
PLATINUM 2022 ecovadis	Ørsted awarded a Platinum Medal for being among the top 1% of companies assessed by EcoVadis in 2022.	78 of 100
THE DANISH INSTITUTE FOR HUMAN RIGHTS	Ørsted ranked 4th (with 13.5 of 24 points) in a Corporate Human Benchmark performed by the Danish Institute for Human Rights on top 30 Danish companies. We perform well on our human rights policy commitment and will work further on strengthening and reporting on our human rights management system.	4th place

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Assurance report of the independent auditor

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

Our conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information for the 2022 reporting year has not been 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.

Selected Information

The scope of our work was limited to assurance over the information presented in Ørsted's 'Green bond impact report 2022', section 'Our green bond allocations' on p. 8 and 9 (the 'Selected Information'), comprise total amounts allocated by bond and bond allocations by project.

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' and additional requirements under Danish auditor regulation to obtain limited assurance in respect of our conclusion. 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

PricewaterhouseCoopers is subject to the International Standard on Quality Control, ISQC 1, and thus applies a comprehensive quality control system, including documented policies and procedures concerning compliance with ethical requirements, professional standards and current statutory requirements and other regulation.

We have complied with the independence 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.

Work done

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, we:

- made enquiries of relevant Ørsted management to assess whether the reporting has been prepared in accordance with the Ørsted 'Green finance framework';
- accessed the design of the processes and internal controls for managing, recording, and reporting the Selected Information;
- performed analytical review of the Selected Information, including the allocation of amounts as presented in the Ørsted 'Green bond impact report 2022'; and
- evaluated the evidence obtained.

Management's responsibility

The Board of Directors 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 is 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.

Auditor's responsibility

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error and are prepared, in all material respects, in accordance with the Ørsted 'Green finance framework';
- forming an independent conclusion, based on the procedures we have performed and the evidence we have 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 2022 reporting year, to assist Ørsted A/S in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information.

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 3377 1231

Rasmus Friis Jørgensen
State Authorised Public Accountant

Anders Stig Lauritsen
State Authorised Public Accountant

Hellerup, 1 February 2023

Appendix I:
Accounting policies

Avoided emissions

The avoided carbon emissions due to generation from wind and solar farms are calculated assuming that the generation from the assets replaces an equal quantity of electricity generated using fossil fuels. The carbon emissions factor from fossil fuels 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. Data is extracted from the International Energy Agency (IEA).

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 avoided carbon emissions are calculated as the wind or solar farm's generation or expected generation multiplied by the emissions factor. The total avoided emissions potential from allocated proceeds includes both projects under construction and projects in operation. For projects under construction or not yet fully operational for at least one year, we use the capacity of the wind or solar farm as the basis for the calculation, with 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 year, we use the actual energy generation from the asset as the basis for the calculation.

The annual avoided emissions potential 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 which may indicate this at project level.

The accounting policies for avoided carbon emissions follow the principles of the GHG Project Protocol and the UNFCCC methodology.

Avoided emissions from allocated green bond proceeds are reviewed by PwC as part of the ESG performance report.

Energy generation

Energy generation from wind or solar farms is determined as sold power generation. 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. Energy generation is reviewed by PwC as part of the ESG performance report.

People powered

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

The total number of people powered shows the projects' potential and includes both projects under construction and projects in operation. For projects under construction or not yet fully operational for at least one 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.