

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Ørsted is an energy company which focusses on renewable energy. Our vision is a world that runs entirely on green energy. Ørsted develops, constructs and operates offshore and onshore wind farms, solar farms, energy storage facilities, renewable hydrogen facilities, and bioenergy plants, and provides energy products to our customers.

Ørsted has transformed from an energy company based on fossil fuels to a global leader in renewable energy, and we plan to further accelerate our build-out of renewable energy. Our strategic ambition is supported by an extensive investment programme. From 2020 to 2027, we will invest approx. DKK 350 billion in renewable energy. By 2025, more than 99% of our energy generation will come from renewable sources, and by 2030, our ambition is to reach approx. 50GW installed renewable capacity.

We have 6,800 employees and our headquarter is in Denmark. Ørsted's shares are listed on Nasdaq Copenhagen (Orsted). In 2021, Ørsted's revenue was DKK 77.6 billion and our operating profit was DKK 24.3 billion.

We divide our operations into three business areas:

- Offshore (OF), capital employed 78%: We are active in all parts of the value chain and develop, construct, own, and operate offshore wind farms in the UK, Germany, Denmark, Poland, the Netherlands, the US, Taiwan, Vietnam, and Korea. We are the market leader within global offshore wind power generation with 28 wind farms in operation by the end of 2021.
- Onshore (ON), capital employed 20%: We develop, operate, and own onshore wind, solar PV, and storage projects across the southern and midwestern US (primarily in ERCOT, SPP, and the South-East) and in Europe (UK and Ireland). We owned and operated 30 onshore, solar PV and storage assets globally by the end of 2021.
- Bioenergy & Other (BIO), capital employed 2%: We provide heat, power and ancillary services in Denmark through our CHP plants. We develop biomass ancillary services that can be effectively integrated with our offshore products to deliver integrated customer offerings. We provide route-to-market services for our own and third-parties' electricity, power certificates and gas, and also manage Renaissance, our patented waste-to-energy technology.

Note to table in W-EU0.1b:

- Fuel-specific capacities measure the maximum capacity using the specified fuel as primary fuel at the multi-fuel CHP plants. We have reported the sum of the individual fuel-specific capacities as a total at the bottom of the table. But please notice that the actual total power capacity of 9,809 MW reported in the 2021 ESG performance report is less than the mathematical sum of the maximum generation capacities above in the table by fuel from our assets. See p. 14 in our ESG report for further explanation and a full overview of generation capacities. We calculated the individual % of total nameplate capacity based on the mathematical sum.
- Gross-electricity generation: We have reported the sum of our gross heat and power generation in that column, as we do not report on heat and power generation separately in relation to fuel consumption. We do this because we generally generate combined heat and power on our CHP assets.
- Data presented under 'other renewable' - is the sum of power capacity and power generation from biogas at the Renaissance plant, and heat capacity and heat generation from boilers.

W-EU0.1a

(W-EU0.1a) Which activities in the electric utilities sector does your organization engage in?

Electricity generation

W-EU0.1b

(W-EU0.1b) For your electricity generation activities, provide details of your nameplate capacity and the generation for each technology.

	Nameplate capacity (MW)	% of total nameplate capacity	Gross electricity generation (GWh)
Coal – hard	991	9	2892
Lignite	0	0	0
Oil	474	4	83
Gas	951	9	742
Biomass	1228	11	11561
Waste (non-biomass)	0	0	0
Nuclear	0	0	0
Fossil-fuel plants fitted with carbon capture and storage	0	0	0
Geothermal	0	0	0
Hydropower	0	0	0
Wind	6619	61	21142
Solar	647	6	1018
Marine	0	0	0
Other renewable	28	0	184
Other non-renewable	0	0	0
Total	10439	100	37623

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2021	December 31 2021

W0.3

(W0.3) Select the countries/areas in which you operate.

Denmark
 Germany
 Ireland
 Netherlands
 United Kingdom of Great Britain and Northern Ireland
 United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

DKK

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which financial control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	DK0060094928

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Neutral	i) In 2021, 57% of Ørsted's total heat and power generation was from wind energy, requiring little or no direct freshwater withdrawals. In 2021, less than 1% of Ørsted's total water withdrawals were freshwater. The main direct use of freshwater is at our Danish combined heat and power plants. Our direct freshwater withdrawals are primarily for the following uses: – Process use (boilers, flue gas cleaning, fly ash management, etc.) – Converted to steam or hot water and resold to business partners – For use in offices and other buildings ii) For indirect water use in Ørsted's offshore wind supply chain, the primary indirect use is in the process of raw material extraction and a secondary indirect use is for manufacturing processes. This applies both for good quality freshwater and for recycled or produced water. iii) Rationale for direct use importance rating: In 2021, more than 99% of our water withdrawals were seawater, used for cooling at the power plants. Furthermore, in 2021 we had no water withdrawals in areas with high levels of water stress. However as we do use freshwater as a key input for process use at combined heat and power plants, and to provide steam and hot water to business partners, we have selected the direct use importance rating to be "important". iv) Rationale for indirect use importance rating: In 2021, 90% of Ørsted's total heat and power generation was from renewable sources: Offshore wind (37%), onshore wind (20%), solar pv (3%), and sustainable biomass (30%). Using the Science Based Targets Network (SBTN) Sectorial Materiality Tool, upstream impacts on "water resource use" is assessed to be of "medium" materiality for wind energy, solar energy and sustainable biomass, and in comparison the direct impacts on "water resource use" is assessed to be "very high" for solar energy and "high" for sustainable biomass. For this reason, we have selected the indirect use importance rating to be: "neutral".
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Neutral	i) In 2021, more than 99% of our water withdrawals were seawater. The main direct use of seawater and brackish water (not of drinking quality) is for cooling at our Danish combined heat and power plants. The cooling water is circulated in a closed system and returned to the sea with no other impact than a slight increase in temperature (meeting requirements specified in local EIA at sites). At one of our power plants, we also use seawater as process water to reduce our consumption of groundwater from the municipality. ii) For indirect water use in Ørsted's offshore wind supply chain, the primary indirect use is in the process of raw material extraction and a secondary indirect use is for manufacturing processes. This applies both for good quality freshwater and for recycled or produced water. iii) Rationale for direct use importance rating: More than 99% of our direct water withdrawals were seawater, used for cooling at the power plants. For this reason, we consider the direct use importance rating to be: "important". iv) Rationale for indirect use importance rating: In 2021, 90% of Ørsted's total heat and power generation was from renewable sources: Offshore wind (37%), onshore wind (20%), solar pv (3%), and sustainable biomass (30%). Using the Science Based Targets Network (SBTN) Sectorial Materiality Tool, upstream impacts on "water resource use" is assessed to be of "medium" materiality for wind energy, solar energy and sustainable biomass, and in comparison the direct impacts on "water resource use" is assessed to be "very high" for solar energy and "high" for sustainable biomass. For this reason, we have selected the indirect use importance rating to be: "neutral".

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor water withdrawals (total volume) at all relevant sites. As some of our sites do not have any water withdrawals and are not relevant for this water aspect, data on volumes are only measured and collected for the relevant sites. i) Measurements have been taken monthly, with on-site, physical gages. For some sites with very low volumes of water withdrawals or wastewater discharges, the volumes have been estimated.
Water withdrawals – volumes by source	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor water withdrawals (volumes by source) at all relevant sites. As some of our sites do not have any water withdrawals and are not relevant for this water aspect, data on volumes are only measured and collected for the relevant sites. i) Measurements have been taken monthly, with on-site, physical gages. For some sites with very low volumes of water withdrawals or wastewater discharges, the volumes have been estimated.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor water withdrawals (quality) at all relevant sites. However it is only relevant to measure and collect data at some sites, including our Danish power stations and the Nybro gas treatment facility. i) Measurements have been taken monthly, with on-site, physical gages. For some sites with very low volumes of water withdrawals or wastewater discharges, the volumes have been estimated.
Water discharges – total volumes	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor water discharges (total volumes) at all relevant sites. As some of our sites do not have any water discharges and are not relevant for this water aspect, data on volumes are only measured and collected for the relevant sites. i) Measurements have been taken monthly, with on-site, physical gages. For some sites with very low volumes of water withdrawals or wastewater discharges, the volumes have been estimated.
Water discharges – volumes by destination	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor water discharges (volumes by destination) at all relevant sites. As some of our sites do not have any water discharges and are not relevant for this water aspect, volumes are only measured and collected for the relevant sites. i) Measurements have been taken monthly, with on-site, physical gages. For some sites with very low volumes of water withdrawals or wastewater discharges, the volumes have been estimated.
Water discharges – volumes by treatment method	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor water discharges (volumes by treatment method) at all relevant sites. However it is only relevant to measure and collect data at some sites, including our Danish power stations. i) Measurements have been taken monthly, with on-site, physical gages. For some sites with very low volumes of water withdrawals or wastewater discharges, the volumes have been estimated.
Water discharge quality – by standard effluent parameters	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor water discharges (quality by standard effluent parameters) at all relevant sites. However it is only relevant to measure and collect data at some sites, including our Danish power stations. This datapoint is not included in our ESG reporting, but is a legal requirement that we monitor and report performance to authorities at our power stations. i) Measurements have been taken monthly, with on-site, physical gages. For some sites with very low volumes of water withdrawals or wastewater discharges, the volumes have been estimated.
Water discharge quality – temperature	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor water discharges (quality, temperature) at all relevant sites. However it is only relevant to measure and collect data at some sites, including our Danish power stations. This datapoint is not included in our ESG reporting, but is a legal requirement that we monitor and report performance to authorities at our power stations. i) Measurements have been taken monthly, with on-site, physical gages. For some sites with very low volumes of water withdrawals or wastewater discharges, the volumes have been estimated.
Water consumption – total volume	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor water consumption (total volume) at all relevant sites. As some of our sites do not have any water consumption and are not relevant for this water aspect, data on volumes are only measured and collected for the relevant sites. i) Water consumption is not directly measured, but calculated from the measured water withdrawals and discharges. These measurements have been taken monthly, with on-site, physical gages. For some sites with very low volumes of water withdrawals or wastewater discharges, the volumes have been estimated.
Water recycled/reused	Not monitored	Not monitored at corporate level but is monitored at combined heat and power stations sites. We have water reuse and recycling initiatives to minimize our water withdrawal at our CHP plants, which is our main source of water withdrawals. Recycling water in the operations of wind energy is not a material focus, as water withdrawals in the direct operations are very low.
The provision of fully-functioning, safely managed WASH services to all workers	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it includes >99% of relevant volumes. We monitor WASH services at all relevant sites. All our relevant sites have fully-functioning, safely managed WASH services to all workers.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	1033303	Higher	In 2021 more than 99% of our water withdrawals were seawater, which is used for cooling at the power plants. Less than 1% of Ørsted's water withdrawals were freshwater. In addition, in 2021 we had no water withdrawals in areas with high levels of water stress. i) More than 99% of Ørsted's water withdrawals are seawater used for cooling at power plants. These volume of these water withdrawals depend on Ørsted's energy production at our power plants. Because our overall production from our power plant was higher in 2021 compared to 2020, our withdrawals of brackish water and seawater increased in 2021. Therefore our total water withdrawals were higher in 2021 than in 2020.
Total discharges	807	Lower	Wastewater includes all planned and unplanned discharges of water from Ørsted. However cooling water from CHP plants is excluded from these volumes and excluding water sold to third-party companies. i) Our power station that discharges the highest volume of wastewater had a significant lower discharge volumes in 2021 compared to 2022. Therefore our total water discharges were lower in 2021 than in 2020.
Total consumption	1200	This is our first year of measurement	Explanation why consumption does not equal withdrawals minus discharges: In Ørsted's water withdrawal volumes we include all sources of water withdrawals, consistent with the breakdown we provide in W1.2h. The majority of our withdrawals is seawater used for cooling at our Danish combined heat and power plants, where it is circulated in a closed system and returned to the sea with no other impact than a slight increase in temperature (meeting regulatory requirements from the environmental authorities, with basis in site specific Environmental Impact Assessments). We don't include these volumes in our water discharges. Water consumption is therefore calculated as: Total consumption (1,200 thousand m3) = Total freshwater withdrawals (2,007 thousand m3) - Total water discharges (807 thousand m3) Ørsted also sell water to external companies as steam. These volumes are currently not deducted from the water consumption. i) This is our first year of reporting and we do therefore not have a previous reporting year to compare volumes with.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	No	<Not Applicable >	<Not Applicable>	WRI Aqueeduct	i) Water stress is measured at site level. The methodology used to assess water stress is WRI's Aqueeduct Water Risk Atlas. The calculated output of this accounting practice is Ørsted's total withdrawal of water from water-stressed areas. Only groundwater and third-party water is included. It is the indicator "Baseline water stress" we have applied, and we have screened the geographical location of each of our sites to be able to disclose consolidated information on water stress in our ESG performance report. In 2021, we had no water withdrawals in areas with high levels of water stress. To elaborate, no sites had a baseline water stress categorized as either "high" or "extremely high" using the Water Risk Atlas, and for this reason we have responded "no" in the column to the left.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	649	Lower	Surface water and seawater is used for cooling at the power plants. i) Compared to 2020 it rained less in the area where we collect rainwater. This entailed that lower volumes of fresh surface water was used. Also the power plant where surface water is a significant part of the operation had lower production in 2021.
Brackish surface water/Seawater	Relevant	1031087	Higher	In 2021, more than 99% of our water withdrawals were seawater. Brackish water and seawater is used for cooling at the power plants. It is circulated in a closed system and returned to the sea with no other impact than a slight increase in temperature. i) The overall production from our powerplant was higher in 2021 compared to 2020. Therefore our withdrawal of seawater for cooling was higher in 2021.
Groundwater – renewable	Relevant	977	About the same	In 2021, less than 1% of Ørsted's water withdrawals were freshwater. In addition, we had no water withdrawals in areas with high levels of water stress. i) The withdrawals of groundwater is about the same as last year, despite that our sites power plants generally have had higher production in 2021 than in 2020, which is the key driver for our withdrawals. However, water reduction and substitution initiatives have entailed that we've experienced a stable withdrawal of renewable groundwater.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	i) Ørsted does not have any water withdrawals from non-renewable groundwater aquifers, and this source is therefore not relevant.
Produced/Entrained water	Relevant	209	This is our first year of measurement	i) This is our first year of reporting and we do therefore not have a previous reporting year to compare volumes with.
Third party sources	Relevant	381	About the same	In 2021, less than 1% of Ørsted's water withdrawals were freshwater. In addition, we had no water withdrawals in areas with high levels of water stress. i) The withdrawals of third party water is about the same as last year, despite that our sites power plants generally have had higher production in 2021 than in 2020, which is the key driver for our withdrawals. However, water reduction and substitution initiatives have entailed that we've experienced a stable withdrawal of water from third party sources.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	107	This is our first year of measurement	This volume is rainwater collected from a single operational site that is discharged directly to a neighboring stream. i) This is our first year of reporting and we do therefore not have a previous reporting year to compare volumes with.
Brackish surface water/seawater	Relevant	146	Lower	Seawater is used for cooling at the power plants, where it is circulated in a closed system and returned to the sea with no other impact than a slight increase in temperature. However these discharge volumes contain only the 'non-cooling' wastewater discharges. i) Discharges from one key site have been reclassified in this reporting year, and is no longer reported as discharge to brackish water. Volumes are therefore lower than in 2020.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	i) Ørsted does not have any water discharges to groundwater recipients, and this destination is therefore not relevant.
Third-party destinations	Relevant	554	Lower	i) This volume was lower in 2021 than 2020, mainly because the power plant discharging the most water to third party destinations had lower production in 2021.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	17.5	This is our first year of measurement	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it include >99% of relevant volumes. i) This level of treatment is applied to comply with the discharge permits at our power stations. ii) We comply with relevant regulatory standards for the discharged volumes of wastewater.
Secondary treatment	Relevant	21.4	This is our first year of measurement	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it include >99% of relevant volumes. i) This level of treatment is applied to comply with the discharge permits at our power stations. ii) We comply with relevant regulatory standards for the discharged volumes of wastewater.
Primary treatment only	Relevant	75.7	This is our first year of measurement	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it include >99% of relevant volumes. i) This level of treatment is applied to comply with the discharge permits at our power stations. ii) We comply with relevant regulatory standards for the discharged volumes of wastewater.
Discharge to the natural environment without treatment	Relevant	146	Lower	100%	We define the total number of sites as all Ørsted entities (physical locations) for which non-financial data are collected and consolidated in Ørsted's ESG reporting. This includes both production facilities and office sites. From a materiality perspective our water reporting is complete and it include >99% of relevant volumes. i) This level of treatment is applied to comply with the discharge permits at our power stations. ii) We comply with relevant regulatory standards for the discharged volumes of wastewater.
Discharge to a third party without treatment	Relevant	546	About the same	100%	We define the total number of sites as all relevant Ørsted' physical locations that have wastewater discharges to water cleaning facility. This includes both production facilities and office sites. We estimate that our reporting covers more than 99% of the total volumes. i) This level of treatment is applied to comply with the discharge permits at our power stations. ii) We comply with relevant regulatory standards for the discharged volumes of wastewater.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	i) We also sell water to third part, but these volumes are currently not disclosed in our reporting. Therefore we currently do not have any volumes in our water reporting that are not covered in the discharge categories above, and the category 'other' is therefore not relevant.

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	7767300000	1033303	75169.6259470842	Efficiency is anticipated to increase. Ørsted has a target to reduce groupwide freshwater withdrawals per unit of energy generated [m3 per MWh] with 40% from 2021 to 2025.

W-EU1.3

(W-EU1.3) Do you calculate water intensity for your electricity generation activities?

Yes

W-EU1.3a

(W-EU1.3a) Provide the following intensity information associated with your electricity generation activities.

Water intensity value (m3)	Numerator: water aspect	Denominator	Comparison with previous reporting year	Please explain
0.05	Freshwater withdrawals	MWh	Much lower	i) Ørsted's water intensity is much lower compared to 2020. This is due to higher production and lower freshwater withdrawal. Ørsted's water types are defined according to GRI 303. In 2021, the water intensity has been based on freshwater withdrawals from the following sources: Groundwater, surface water, and Third-party water. Our total freshwater withdrawal was 2,007 thousand m3 (2021). Our total heat and power generation (across all business units) was 36,957 GWh (net generation reported in ESG performance report 2021). The water intensity disclosed here was therefore: 0.05 m3/MWh, which is 18% lower than last year. Ørsted has rated this as "much lower". ii) Ørsted has set a 2025 freshwater intensity target of 40% reduction compared to 2021. The intensity figures is part of the monthly reporting. There is a water efficiency programme where initiatives to reduce or substitute water types are identified, rated, matured, and implemented in the operations. iii) Water intensity is anticipated to decrease towards 2025 due to the freshwater intensity target outlined above.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

No, we do not engage on water with our value chain

W1.4d

(W1.4d) Why do you not engage with any stages of your value chain on water-related issues and what are your plans?

	Primary reason	Please explain
Row 1	Important but not an immediate business priority	We consider supplier engagement to be an important option in our overall approach to strengthening our groupwide management of water impacts. We have developed a stepwise action plan approved by senior management, where we have initially focused on key water-related actions as more immediate priorities, incl. full disclosure of relevant water data for our direct operations and setting a reduction target for our direct water withdrawals. For the time being, we require that our main suppliers work in accordance with an ISO 14001 certified environmental management system. Thereby we require that our main suppliers themselves have performed an Environmental Impact Assessment and have processes in place to continually and proactively prevent or reduce their most important environmental impacts, incl. water related impacts.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Yes, fines, enforcement orders or other penalties but none that are considered as significant

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

Total number of fines

0

Total value of fines

0

% of total facilities/operations associated

0

Number of fines compared to previous reporting year

About the same

Comment

In our response in W2.2a we responded "yes", because we have received an enforcement order related to a major environmental incident. The incident was at Kyndby Power Station where diesel oil-contaminated water ran into the nearby fjord due to an overrun. The emergency response team reacted by setting up a floating barrier to contain and subsequent clean up the oil from the fjord. While we transparently disclose any major environmental incidents in our ESG reporting, we don't consider this water related incident to have a substantive financial impact. The reason is that the resulting costs of the incident is well below our thresholds that defines substantive impacts for our CDP reporting (an EBITDA impact of more than DKK 100 million per year, as disclosed in W4.1a).

W3. Procedures

W-EU3.1

(W-EU3.1) How does your organization identify and classify potential water pollutants associated with your business activities in the electric utilities sector that could have a detrimental impact on water ecosystems or human health?

i) Ørsted policies and processes to identify water pollutants

We have a company-wide water policy, which is publicly available on our website.

Link: [Sustainability Governance, Policies & More | Ørsted \(orsted.com\)](#)

We have an annual process to identify water impacts, incl. impacts on water bodies and ecosystems. This is done in our environmental materiality assessment, where significant impacts are monitored and handled. Due to regulation, we also measure potential water pollutants before discharge. In case some thresholds are exceeded, water is cleaned on site or by a 3rd party to ensure legislation is met.

ii) Standard followed to manage impacts

More than 99% of our water withdrawals come from our CHP plants, offshore sites, and our administrative buildings, which are all in accordance with ISO 14001, meaning that we continuously work with water improving initiatives.

iii) Value chain coverage of policies and processes

The policies and processes described above cover Ørsted's direct water related impacts from our own sites.

For our value chain we do not have specific water policies and processes beyond our Code of Conduct for business partners. In the Code of Conduct, we state that we expect our business partners to carry out operations with care for the environment, comply with all relevant local and national environmental regulations and maintain all applicable licenses, registrations or permits. Our business partners shall strive to minimise adverse impacts on the environment, human health and livelihoods of their products or services throughout their life cycle. We also require that our main suppliers work in accordance with an ISO 14001 certified environmental management system.

Link: [Sustainability Governance, Policies & More | Ørsted \(orsted.com\)](#)

W-EU3.1a

(W-EU3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants associated with your activities in the electric utilities sector on water ecosystems or human health.

Potential water pollutant	Description of water pollutant and potential impacts	Management procedures	Please explain
Hydrocarbons	Hydrocarbons are primarily relevant due to potential pollution to seawater and coastal areas.	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Community/stakeholder engagement Emergency preparedness	i) Ørsted has an environmental management system which; - emphasizes environmental compliance, where we have tools in place to control and monitor our permits and legislations - have measures to prevent spillage, in relation to the Ørsted QHSE risk matrix, and principles for integrity management of our assets. To mitigate risks of spillage, specific areas are sealed. - contains processes for stakeholder management, as outlined in our ISO 14001 certified environmental management system - has emergency preparedness procedure for all relevant sites, in corporation with authorities, where Ørsted has implemented an Emergency Response Control Center that is contacted in case of relevant incidents These management procedures are all an integrated part of our environmental management system. The management procedures are implemented to ensure a sound environmental management of potential water impacts. ii) These processes in our environmental management system are internally and externally audited and reviewed annually. Success criteria is to maintain our ISO 14001 certification, reduce pollutants, minimise water consumption and be compliant with legislations.
Coal combustion residuals	Coal combustion residuals are primarily relevant due to potential pollution to seawater and coastal areas.	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Community/stakeholder engagement Emergency preparedness	i) Ørsted has an environmental management system which; - emphasizes environmental compliance, where we have tools in place to control and monitor our permits and legislations - have measures to prevent spillage, in relation to the Ørsted QHSE risk matrix, and principles for integrity management of our assets. To mitigate risks of spillage, specific areas are sealed. - contains processes for stakeholder management, as outlined in our ISO 14001 certified environmental management system - has emergency preparedness procedure for all relevant sites, in corporation with authorities, where Ørsted has implemented an Emergency Response Control Center that is contacted in case of relevant incidents These management procedures are all an integrated part of our environmental management system. The management procedures are implemented to ensure a sound environmental management of potential water impacts. ii) These processes in our environmental management system are internally and externally audited and reviewed annually. Success criteria is to maintain our ISO 14001 certification, reduce pollutants, minimise water consumption and be compliant with legislations.
Contaminated cooling water	Contaminated cooling water is primarily relevant due to potential pollution to seawater and coastal areas.	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Community/stakeholder engagement Emergency preparedness	i) Ørsted has an environmental management system which; - emphasizes environmental compliance, where we have tools in place to control and monitor our permits and legislations - have measures to prevent spillage, in relation to the Ørsted QHSE risk matrix, and principles for integrity management of our assets. To mitigate risks of spillage, specific areas are sealed. - contains processes for stakeholder management, as outlined in our ISO 14001 certified environmental management system - has emergency preparedness procedure for all relevant sites, in corporation with authorities, where Ørsted has implemented an Emergency Response Control Center that is contacted in case of relevant incidents These management procedures are all an integrated part of our environmental management system. The management procedures are implemented to ensure a sound environmental management of potential water impacts. ii) These processes in our environmental management system are internally and externally audited and reviewed annually. Success criteria is to maintain our ISO 14001 certification, reduce pollutants, minimise water consumption and be compliant with legislations.
Thermal pollution	Thermal pollution is primarily relevant due to potential pollution to seawater and coastal areas.	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Community/stakeholder engagement Emergency preparedness	i) Ørsted has an environmental management system which; - emphasizes environmental compliance, where we have tools in place to control and monitor our permits and legislations - have measures to prevent spillage, in relation to the Ørsted QHSE risk matrix, and principles for integrity management of our assets. To mitigate risks of spillage, specific areas are sealed. - contains processes for stakeholder management, as outlined in our ISO 14001 certified environmental management system - has emergency preparedness procedure for all relevant sites, in corporation with authorities, where Ørsted has implemented an Emergency Response Control Center that is contacted in case of relevant incidents These management procedures are all an integrated part of our environmental management system. The management procedures are implemented to ensure a sound environmental management of potential water impacts. ii) These processes in our environmental management system are internally and externally audited and reviewed annually. Success criteria is to maintain our ISO 14001 certification, reduce pollutants, minimise water consumption and be compliant with legislations.
Other, please specify	- Biomass combustion residuals - Heavy metals - Nutrients (primarily relevant due to potential pollution to seawater and coastal areas)	Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Community/stakeholder engagement Emergency preparedness	i) Ørsted has an environmental management system which; - emphasizes environmental compliance, where we have tools in place to control and monitor our permits and legislations - have measures to prevent spillage, in relation to the Ørsted QHSE risk matrix, and principles for integrity management of our assets. To mitigate risks of spillage, specific areas are sealed. - contains processes for stakeholder management, as outlined in our ISO 14001 certified environmental management system - has emergency preparedness procedure for all relevant sites, in corporation with authorities, where Ørsted has implemented an Emergency Response Control Center that is contacted in case of relevant incidents These management procedures are all an integrated part of our environmental management system. The management procedures are implemented to ensure a sound environmental management of potential water impacts. ii) These processes in our environmental management system are internally and externally audited and reviewed annually. Success criteria is to maintain our ISO 14001 certification, reduce pollutants, minimise water consumption and be compliant with legislations.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Partial

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

International methodologies and standards

Tools and methods used

Environmental Impact Assessment

Life Cycle Assessment

ISO 14001 Environmental Management Standard

Contextual issues considered

Water availability at a basin/catchment level

Water quality at a basin/catchment level

Stakeholder conflicts concerning water resources at a basin/catchment level

Water regulatory frameworks

Status of ecosystems and habitats

Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

Customers

Employees

Investors

Local communities

NGOs

Regulators

Suppliers

Water utilities at a local level

Other water users at the basin/catchment level

Comment

Our water related risk identification and management process cover 98% of Ørsted's sites. Therefore, we have selected 'partial' in the column 'coverage'. Also on the power stations (the sites most exposed to water risks) we conduct an impact assessment on an annual basis. Our Offshore windpower and power station sites are ISO 14001 certified and therefore have a system for evaluating the different environmental impact on an annual basis. We conduct a thorough EIA in the project phase of new renewable energy projects. This has an asset lifetime outlook (an average of 25 years), hence 'more than 6 years' into the future.

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Annually

How far into the future are risks considered?

1 to 3 years

Type of tools and methods used

International methodologies and standards

Tools and methods used

ISO 14001 Environmental Management Standard

Contextual issues considered

Other, please specify (Cover all relevant contextual water issues to achieve ISO 14001 certification)

Stakeholders considered

Other, please specify (Cover all relevant stakeholders to work in accordance with ISO 14001 certification)

Comment

We require that our main suppliers work in accordance with an ISO 14001 certified environmental management system. Thereby we require that our main suppliers themselves have performed an Environmental Impact Assessment and have processes in place to continually and proactively prevent or reduce their most important environmental impacts, incl. water impacts. As this is a requirement for main suppliers, we have selected "partial" in the coverage. We have selected 'annual' in the frequency of assessment, but in practice our suppliers do this assessment on an ongoing basis to ensure continual improvements following the plan-do-check-act cycle of their management system. We have selected "1-3 years" in the time horizon, as any certified environmental management system needs to have a forward looking perspective of at least more than a year.

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

i) Application of tools and methods

- ISO 14001 Environmental Management Standard is the relevant standard to which our environmental management is certified, and the relevant system for how we work to continually improve our water performance. We also require that our main suppliers work in accordance with an ISO 14001 certified environmental management system. Thereby we require that our main suppliers themselves have performed an Environmental Impact Assessment and have processes in place to continually and proactively prevent or reduce their most important environmental impacts.
- Environmental impact assessments are carried out for relevant projects at combined heat and power stations, and when developing new renewable energy assets. Thereby this method is used to guide the management of material environmental aspects, incl. water-related impacts.
- Life Cycle assessments are carried out for offshore wind projects to monitor and improve our performance.

ii) How outcomes of risk assessment are used to inform the internal decision making process

With Ørsted's process for identifying and managing water related risks, we do not carry out a consolidated groupwide risk assessment of water related risks from our direct operations, but instead the risk identification and management is anchored in each of our business units. In our onshore business unit, water withdrawals are low, and the materiality of water related issues also low. Our response thus focus on our other business units and shared functions. Water related incidents are defined as an uncertain event that, when occurring, the results can be either negative (risk) or positive (opportunity). We identify and prepare a gross list of possible risks every year. This list shall identify all significant environmental conditions and health and safety hazards related to the project or operation.

- It is essential for the risk and opportunities assessment that input from all relevant personnel are taken into account. When Risks and Opportunities have been identified they are assessed systematically and accurately. The assessment is done by determining the potential frequency (probability or likelihood) and the potential consequence (severity).
- If a risk is considered to be unacceptable then mitigating steps need to be taken to control or respond to it.

iii) Rationale for why contextual issues (in w3.3a) are included in the assessment

- Water availability at a basin/catchment level: Considered at basin level in our Bioenergy & other (BIO) business unit, where water withdrawal occurs in our cooling processes.
- Water quality at a basin/catchment level: Considered both our BIO and Offshore (OF) business units, where potential contamination of water is always included in our environmental impact assessments.
- Stakeholder conflicts concerning water resources at a basin/catchment level: Considered in BIO where extensive use of groundwater potentially can harm wetlands, and in OF where we assess the potential impacts to commercial fisheries.
- Water-related regulatory frameworks: Considered in BIO and OF, as regulatory frameworks have major impact on our projects and operations, due to the requirements we must ensure are being met.
- Status of ecosystems and habitats: Considered in BIO and OF since we consider their impact on our projects and operations to be major, due to the requirements we must ensure are being met.
- Access to fully-functioning, safely managed WASH services for all employees: We consider this to be important at all our facilities due to the employee health and safety.

iii) Rationale for why stakeholders (in w3.3a) are included in the assessment

- Customers: Considered in BIO assessments, but only when relevant.
- Employees: Considered across all business units, but only when relevant. Particularly important when considering WASH aspects.
- Investors: Considered across all business units, but only when relevant. In particular for OF, investor concerns related to water scarcity is of low materiality due to low water withdrawals.
- Local communities: In BIO and OF, it is considered if projects have possible impacts on local communities, and if water related risks are relevant for this group.
- NGOs: In BIO and OF, NGOs are always considered, and if water related risks are relevant, this is included here.
- Regulators: Considered in BIO and OF, as regulatory impacts are always considered, and it is always a focus to ensure that regulatory frameworks are met .
- Suppliers: Considered in BIO assessments, but only when relevant.
- Water utilities at a local level: In BIO water utilities are always considered in our risk assessments. Certainty of supply and quality of water is important for the processes at our CHP plants.
- Other water users at a basin/catchment level: In OF, potential impacts on other water users incl. fisheries are always considered.

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Our company approach to risks is similar across our business areas and areas of risks, including water risks. We use the following definitions:

Definition of 'substantive financial impact'

Business risks are defined as incidents or strategic risks that, with reasonable probability, will materialise and cause negative impact on Ørsted's earnings, rating metrics and value based on the current financial forecast. The negative financial impact of risks is used to define a "substantive financial impact".

The applied threshold that defines a "substantive financial impact" varies from year to year based on Ørsted's financial situation. The risks with the highest negative financial impact (NPV) are viewed as most significant and are given the highest level of priority. For the purpose of disclosing water risks in this CDP response, we define a "substantive financial impact" as risks that may impact Ørsted's earnings (EBITDA) with a magnitude of more than DKK 100 million per year.

Description of the quantifiable indicators used to define substantive financial impact

The quantitative prioritization of risks is based on a financial impact assessment. The significance of each of the identified risks is evaluated based the quantifiable indicators:

- Impact on Ørsted's value (NPV), quantified as impact on earnings (EBITDA) per year
- Impact on Ørsted's rating metric (FFO/NIBD)

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	1	1-25	The site is part of our Danish Infrastructure Assets. In general, Ørsted's exposure to water related risks is low. In 2021, more than 99% of our water withdrawals were seawater, which is used for cooling at the power plants. In addition, in 2021 we had no water withdrawals in areas with high levels of water stress.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Denmark	Other, please specify (The risk is associated with the offshore part of our pipeline, west of Filsø.)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

Less than 1%

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Denmark	Other, please specify (The risk is associated with the offshore part of our pipeline, west of Filsø.)
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Type of risk & Primary risk driver

Acute physical	Pollution incident
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Primary potential impact

Increased operating costs

Company-specific description

i) The risk disclosed here relates to the potential cleanup of a spill, in case of a rupture in the offshore pipeline in our Infrastructure Assets, located in the North Sea, west of Filsø on the Danish west coast. As disclosed in W5.1 we don't have any water withdrawals or discharges from the offshore pipeline site, and these indicators are therefore not related to the incident risk we disclose. There are no water withdrawals at the site because operating the pipeline doesn't require any withdrawal of water resources for the pipeline to function. As the risk is associated with an offshore pipeline, there no adjacent water stressed areas or river basins are directly impacted by the risk. Since the risk is limited to the offshore pipeline in our Infrastructure Assets, Ørsted's direct operations of our main area of business, renewable energy generating assets, would not be impacted by this risk. In case of any environmental accidents or other types of damage caused by our gas and oil transport, Ørsted is liable to pay compensation according to legislation. This also applies if there is no proof of negligence (strict liability). We have taken out insurance to cover any such claims.

Timeframe

More than 6 years

Magnitude of potential impact

High

Likelihood

Exceptionally unlikely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

ii) We consider this as an incident where major impact on the integrity of the installations could occur. However, due to the improbable nature of this extreme event, it is considered too remote to quantify with a financial impact figure. In the exceptionally unlikely event this risk materialize, it would have a significant impact on both Ørsted's financials and reputation.

Primary response to risk

Improve maintenance of infrastructure

Description of response

iii) Our risk mitigation activities in response to this risk is performed in relation to the Ørsted QHSE risk matrix and the Ørsted 'VDE'-model incidents. The overall aim is to ensure pipeline integrity management and pipeline maintenance. The accountability and responsibilities risk mitigating activities lies with the Ørsted Infrastructure Assets business area. This risk mitigating actions comprise of some of the following activities below. We assess that the timescale of implementation is short-term because the activities are carried out on recurring basis at least annually. Description of Integrity Management and Pipeline Maintenance: - Inspection and maintenance of the offshore section of the offshore oil pipeline system is performed through continuous integrity assessment based a preventive maintenance philosophy. This includes but is not limited to: - Maintain the pipeline integrity management system to guard against deterioration of the pipeline. This is a quality management system in compliance with the plan-do-act-check cycle through preventive maintenance and inspection measures. - Monitor third party activities that can impact the pipeline safety and integrity. - Maintain the emergency preparedness to ensure that necessary means are implemented in reasonable time for repairs of major damage to the pipeline. - Maintain the inspection programme including corrosion control, in-line inspection and subsea inspections. - Perform corrective maintenance if required. - Carry out Risk Based Inspection (RBI) of the pipeline system.

Cost of response

0

Explanation of cost of response

We have not quantified the cost of response to the risk.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	We have joined the Science Based Targets Network's Corporate Engagement Program to help advance long-term development of tools to measure impact and dependencies on e.g. biodiversity and water, and through the collaboration in the network, we are working to map our value chain impacts. Using the Science Based Targets Network (SBTN) Sectorial Materiality Tool, we have assessed water related risks. Upstream impacts on "water resource use" is assessed to be of "medium" materiality for wind energy, solar energy and sustainable biomass. In comparison the direct impacts on "water resource use" is assessed to be "very high" for solar energy and "high" for sustainable biomass. We therefore assess that for Ørsted's business, our most material water risks are within in our direct operations. For that reason, we acknowledge that water risks exist beyond our direct operations, but do not anticipate that these have a substantive financial impact.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

No

W4.3b

(W4.3b) Why does your organization not consider itself to have water-related opportunities?

	Primary reason	Please explain
Row 1	Evaluation in progress	i) Ørsted is exploring business opportunities in renewable hydrogen production. We have ambitious plans to accelerate deployment of renewable hydrogen production, with a focus on North-western Europe and the US, and with an eye on other parts of the world. In only a few years, Ørsted has together with our partners established 10+ renewable hydrogen projects. Our projects under development span from pilot projects to industrial scale assets. We have started the construction work on our first pilot project for renewable hydrogen, the H2RES project situated on Ørsted's Avedøre power station, which will have a capacity of 2 MW and is expected to go into operation during 2022. As examples of industrial scale assets, we are developing the potentially 1,300 MW 'Green Fuels for Denmark' project, and we recently entered an agreement with Maersk to develop a 675 MW renewable hydrogen asset in the US to produce methanol for their vessel fleet. i) Because the production of renewable hydrogen uses water for the electrolysis process, we are currently assessing water-related business opportunities in relation to the production of renewable hydrogen. This assessment is carried out as an integrated part of Ørsted's strategy process, led by the P2X department and Corporate Strategy department. ii) Opportunities related to production of renewable hydrogen is assessed on an ongoing basis, and the timeframe for the assessment is therefore that it is updated at least annually.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Danish Infrastructure Asset

Country/Area & River basin

Denmark	Other, please specify (The risk is associated with the offshore part of our pipeline, west of Filsø)
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Latitude

55.580819

Longitude

4.758776

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

Not applicable

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

The risk disclosed here relates to the potential cleanup of a spill, in case of a rupture in the offshore pipeline in our Infrastructure Assets, located in the North Sea, west of Filsø on the Danish west coast. As the pollution risk incident disclosed here relates solely to the exceptionally unlikely event of offshore oil spill, the risk is not related to any water withdrawals or water discharges at our pipeline site. The 0 volumes disclosed in this response, represents that Ørsted has no water withdrawals or discharges at our offshore pipeline site. There are no water withdrawals at the site because operating the pipeline doesn't require any withdrawal of water resources for the pipeline to function. Therefore, these water withdrawals and discharges are not relevant for the incident risk we disclose. Also, because the risk is associated with an offshore pipeline, there no adjacent water stressed areas or river basins are directly impacted by the risk.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

Not relevant

Verification standard used

<Not Applicable>

Please explain

Verification of this water aspect is not relevant because we don't have any water withdrawals, consumption, or discharges at our offshore pipeline site, which is the only site for which we have a substantive water related risk.

Water withdrawals – volume by source

% verified

Not relevant

Verification standard used

<Not Applicable>

Please explain

Verification of this water aspect is not relevant because we don't have any water withdrawals, consumption, or discharges at our offshore pipeline site, which is the only site for which we have a substantive water related risk.

Water withdrawals – quality by standard water quality parameters

% verified

Not relevant

Verification standard used

<Not Applicable>

Please explain

Verification of this water aspect is not relevant because we don't have any water withdrawals, consumption, or discharges at our offshore pipeline site, which is the only site for which we have a substantive water related risk.

Water discharges – total volumes

% verified

Not relevant

Verification standard used

<Not Applicable>

Please explain

Verification of this water aspect is not relevant because we don't have any water withdrawals, consumption, or discharges at our offshore pipeline site, which is the only site for which we have a substantive water related risk.

Water discharges – volume by destination

% verified

Not relevant

Verification standard used

<Not Applicable>

Please explain

Verification of this water aspect is not relevant because we don't have any water withdrawals, consumption, or discharges at our offshore pipeline site, which is the only site for which we have a substantive water related risk.

Water discharges – volume by final treatment level

% verified

Not relevant

Verification standard used

<Not Applicable>

Please explain

Verification of this water aspect is not relevant because we don't have any water withdrawals, consumption, or discharges at our offshore pipeline site, which is the only site for which we have a substantive water related risk.

Water discharges – quality by standard water quality parameters

% verified

Not relevant

Verification standard used

<Not Applicable>

Please explain

Verification of this water aspect is not relevant because we don't have any water withdrawals, consumption, or discharges at our offshore pipeline site, which is the only site for which we have a substantive water related risk.

Water consumption – total volume

% verified

Not relevant

Verification standard used

<Not Applicable>

Please explain

Verification of this water aspect is not relevant because we don't have any water withdrawals, consumption, or discharges at our offshore pipeline site, which is the only site for which we have a substantive water related risk.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Description of water-related standards for procurement Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to water-related innovation Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	i) Application of water policy in Ørsted: We have a company-wide water policy, which is publicly available on our website. Link: https://orsted.com/en/sustainability/our-priorities/governance-that-enables-the-right-decisions#policies-water-management The policy is an integrated part of our environmental management system. It sets out the guiding principles for our water management processes, where we identify measures to reduce water withdrawals and water impacts, and anchor these with clear operational responsibilities in the organisation. The policy is applicable to all Ørsted's activities, locations, employees, and parties working on behalf of Ørsted. ii) Overview of the content in the water policy In the policy we acknowledge that our production of energy depends on access to water and commit to ensure that water consumption and discharges are managed responsibly. We further state that access to clean water and sanitation is a basic human right. In the policy, we also recognise the opportunity of contributing to prevent global water shortages by applying new tools and innovative technologies, as there are indisputable links between climate change and freshwater supplies. In this way, we can reduce our impacts and accelerate the global green energy transition towards a world that runs entirely on green energy. Heads of organisational units are accountable for understanding the impacts of water management, communication of its significance, and for ensuring that appropriate measures are taken to reduce the applicable impacts. Moreover, we strive to (see full overview in policy): – raise awareness of water related environmental impacts and possible actions that can be taken to reduce those impacts, – set environmental criteria for selection and monitoring of our suppliers – engage with local stakeholders around water management – set metrics and targets, establish processes, implement action plans, and continuously improve performance – minimise water consumption by reusing water and replacing freshwater with other types of water, especially in regions where there is a risk of freshwater scarcity – ensure measures are in place to treat process water effluent before discharge – preserve aquatic biodiversity near our sites We ensure compliance with any prevailing legislation, regardless of where we operate, and we apply recognised norms and standards relevant to the scope of work and strive to exceed compliance obligations

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board Chair	In C6.2 we have disclosed that the Board of Directors (BoD) has oversight of water-related issues. We have selected this option because our board is informed of any massive environmental incidents, incl. water related incidents with a massive environmental impact. The 'board chair' is only informed if such event occurs. In addition, our BoD, incl. the 'board chair', receive our annual ESG performance report for information. In the ESG performance report we disclose our water-related performance, incl. major environmental incidents, water withdrawals, water withdrawal from water-stressed areas, wastewater discharges. Our ESG performance report is approved by our CEO.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Sporadic - as important matters arise	Other, please specify (Informed if incidents occur)	In C6.2 we have disclosed that the Board of Directors (BoD) has oversight of water-related issues. We have selected this option because our board is informed of any massive environmental incidents, incl. water related incidents with a massive environmental impact. The 'board chair' is only informed if such event occurs. In addition, our BoD, incl. the 'board chair', receive our annual ESG performance report for information. In the ESG performance report we disclose our water-related performance, incl. major environmental incidents, water withdrawals, water withdrawal from water-stressed areas, wastewater discharges. Our ESG performance report is approved by our CEO.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	In Ørsted, we assess and select our board members based on their skills, knowledge and expertise within key functional areas relevant to our business, including Risk management, and Environmental, Social and Governance (ESG). Among our current board members, all our independent members have competencies within ESG, and our dependent members (employee representatives) represent areas of our business with responsibility for our two most water intensive energy technologies (bioenergy and renewable hydrogen).	<Not Applicable>	<Not Applicable>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Operating Officer (COO)

Responsibility

Assessing water-related risks and opportunities
 Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

More frequently than quarterly

Please explain

Ørsted's Chief Operating Officer and Chief Commercial Officer are both members of our QHSE Committee, which is the highest level committee with responsibility for assessing and managing water related issues. We have therefore reported that our COO is the highest management level position with water responsibility. i) The QHSE Committee reports to the Executive Committee (EC) on a monthly basis. This briefing includes a status on Ørsted's freshwater withdrawals and progress towards meeting our 2025 target to reduce freshwater intensity 40% from a 2021 base year (m3 per GWh energy generated), and a status on environmental incidents that may have occurred, incl. water related incidents. ii) The water related responsibilities of the QHSE Committee include: Development of policies, target setting, implementing water strategy and corresponding action plans, monitoring performance, and ensuring continual improvements as part of our ISO 14001 certified environmental management system.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	No, not currently but we plan to introduce them in the next two years	In Ørsted, our aspiration is to become the world's leading green energy major by 2030. We recognize the role executive remuneration plays to ensure that our organizational focus and strategic priorities support progress on our sustainability performance. In 2021, we have therefore updated the Executive Committee's short-term incentive (STI) scheme to have a stronger and more systematic integration of ESG KPIs, which is effective from 2022. We do not currently have any incentives directly linked to water KPIs, as we from a materiality perspective have focused on other sustainability priorities. All Ørsted's operational assets have low water withdrawals or are in areas with low water stress. We are continually assessing the materiality of sustainability aspects incl. water to inform what initiatives to implement. We will year-on-year assess the most suitable ESG KPIs to include in EC incentives to deliver on our sustainability ambitions, incl. considering options related to water.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

No

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	No, water-related issues were reviewed but not considered as strategically relevant/significant	> 30	Ørsted is exploring business opportunities in renewable hydrogen production. Because the production of renewable hydrogen uses water for the electrolysis process, we are currently assessing water-related business opportunities in relation to the production of renewable hydrogen.
Strategy for achieving long-term objectives	No, water-related issues were reviewed but not considered as strategically relevant/significant	> 30	Ørsted is exploring business opportunities in renewable hydrogen production. Because the production of renewable hydrogen uses water for the electrolysis process, we are currently assessing water-related business opportunities in relation to the production of renewable hydrogen.
Financial planning	No, water-related issues were reviewed but not considered as strategically relevant/significant	> 30	Ørsted is exploring business opportunities in renewable hydrogen production. Because the production of renewable hydrogen uses water for the electrolysis process, we are currently assessing water-related business opportunities in relation to the production of renewable hydrogen.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

All our investments are aimed at our green energy portfolio. We expect to invest DKK 350 billion in the period 2020-2027 to continue our growth towards an installed renewables capacity of 50GW by 2030. Our capital will be allocated to the best risk-return project opportunities in our portfolio. In this period, we expect to allocate approx. 80% of our gross investments to offshore wind (incl. hydrogen), and approx. 20% to onshore renewables (onshore wind, solar PV, and storage solutions). In 2021, 80% of our OPEX and 99% of our CAPEX were EU Taxonomy eligible. For this reason, we have disclosed "0" in the CAPEX and OPEX rows here, as we in general terms consider our investments and operating expenses to be climate-related and not directly water-related.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	Ørsted's use of climate scenario analysis have been twofold: 1) Firstly, Ørsted is the first energy company in the world to receive SBTi validation of our 2040 net-zero target as being fully aligned with what climate science requires. To achieve this, we have worked with relevant climate scenarios, in particular the power sector specific 1.5C pathway developed by SBTi and the Sectoral Decarbonization Approach (SDA). 2) Secondly, we have carried out scenario analysis to identify and assess the potential impact climate change could have on Ørsted's business. In this scenario analysis, we specifically looked at the following scenarios: - RCP 4.5: A 1.5-2°C temperature rise by 2100, anticipating a world that succeeds in meeting global climate targets, with efficient transition to a low-carbon future - RCP 8.5: A 3-4°C temperature rise by 2100, anticipating a world that wants to take climate action but struggles to implement.	i) From this climate scenario analysis, we concluded that our offshore business is well positioned to manage potential climate-related transitional and physical impacts in both climate scenarios. Physical impacts from climate change presented no material risk to our offshore wind business. Due to engineering safety factors integrated into wind farm design, the assets are resilient to physical climate change impacts, such as sea level rise and more extreme weather. A general conclusion from the scenario analysis was that across all Ørsted's sites, a near-term increase in frequency and intensity of heavy precipitation is likely due to climate change. At Ørsted's Danish sites in particular, the annual precipitation is projected to increase by 6.9% in the 3-4 C warming scenario. These water-related impacts were however concluded not to present a material risk for Ørsted's offshore wind business.	i) Because water-related impacts in the scenario analysis were concluded not to present a material risk, the findings did not materialize into a strategic response. However, water stress is already a challenge in several regions in the world, and this situation is likely to worsen due to climate change and other pressures on water resources. Ørsted has committed to a target to reduce our total freshwater withdrawal intensity (m3 per MWh) 40% from 2021 to 2025. Our vision is to help build a world that runs entirely on green energy, and we want to ensure that this buildout of green energy happens in balance with nature. Our freshwater withdrawal target is therefore an important step for Ørsted towards our aspiration to lead a build-out of green energy where each energy project contributes positively to a thriving nature. In support of this aspiration, we set a biodiversity target in 2021, where we committed to net-positive biodiversity impacts from new projects commissioned from 2030 at the latest. And now in 2022, we have set a water target. This water target reduces the environmental impact of Ørsted's energy products - while at the same time not compromising the security of supply for our customers. ii) Because Ørsted's target year for water withdrawals is 2025, it will require near term action to meet the target. The timescale of Ørsted's response in this case is < 5 years.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

Yes

Please explain

We use an internal price on freshwater to inform decision making in business cases for initiatives at our CHP plants. It is applied as a shadow price and specifically relates to initiatives that potentially lead to water savings or energy savings. The internal price on water applied is based on LCA studies.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	For electricity and heat, the operational water withdrawals [m3/MWh] or the lifecycle water withdrawals [m3/MWh] are relevant metrics to determine whether products should be classified as "low water impact".	<Not Applicable>	In existing benchmarks of water withdrawals, wind energy and solar pv are consistently found to have lower water withdrawals than fossil alternatives, both in direct operations and throughout the product lifecycle. Another important aspect is the local water stress in the area where the withdrawals take place. In 2021 Ørsted had no water withdrawals in areas with high levels of water stress.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Business level specific targets and/or goals Site/facility specific targets and/or goals	Targets are monitored at the corporate level	Ørsted has set a 2025 water intensity target, to reduce freshwater withdrawals per unit of energy generated with 40% reduction compared to 2021. i) Ørsted's approach to setting water targets: Our vision is to help build a world that runs entirely on green energy, and we want to ensure that this buildout of green energy happens in balance with nature. Our freshwater withdrawal target is therefore an important step for Ørsted towards our aspiration to lead a build-out of green energy where each energy project contributes positively to a thriving nature. In support of this aspiration, we set a biodiversity target in 2021, where we committed to net-positive biodiversity impacts from new projects commissioned from 2030 at the latest. And now in 2022, we have set a water target. This water target reduces the environmental impact of Ørsted's energy products - while at the same time not compromising the security of supply for our customers. To ensure progress towards our water target, we have a water efficiency programme where initiatives to reduce or substitute water types are identified, rated, matured, and implemented in the operations. The intensity figures are part of the monthly reporting to monitor water performance. Ørsted's water types are defined according to GRI 303. The water intensity has been based on freshwater withdrawals from the following sources: Groundwater, surface water, and third-party water. In 2021, our total freshwater consumption was 2,007 thousand m3, and our total heat and power generation was 36,957 GWh. In addition our groupwide corporate water target, Ørsted has site level water related targets are set at our combined heat and power stations. The basis for these targets are environmental impact assessments, and the targets we have set follow the regulatory requirements from the environmental authorities. As specific examples, we have targets for water discharge quality at sites, on effluent values, and on maximum temperature increase of cooling water.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Product water intensity

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

Reduce groupwide water withdrawal intensity per unit of energy generated [m3 per MWh] with 40% from 2021 to 2025.

Quantitative metric

% reduction per product

Baseline year

2021

Start year

2021

Target year

2025

% of target achieved

10

Please explain

The datapoint provided in "% of target achieved" is based on a 12 period from June 2021 to May 2022, which is compared to our 2021 base year water intensity. As this is a new target, 2022 will be the first full year where we will disclose our progress towards meeting the target.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, but we are actively considering verifying within the next two years

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Reusing and recycling our effluents

In Ørsted we have a range of initiatives to reuse or recycle effluents. As an example, we reuse effluents by using wastewater from Copenhagen's water-distribution utility HOFOR at our combined heat and power plants. An example of Ørsted reusing effluents is that we in 2020 agreed with Equinor Kalundborg (the plant has since been sold to Klesch Group) that 65 million liters of smoke condensate from our power plant Asnæsværket will be used as boiler water at Equinor Kalundborg's refinery covering about a third of needed boiler water. This is an example of how we recycle our effluents through collaboration with an external industry stakeholder.

Addressing water risks through multistakeholder collaboration

Ørsted participates in industry initiatives to address water risks. As a key example, Ørsted is a partner in the world's leading industrial symbiosis 'Kalundborg Symbiosis', that applies the circular economy principles where industrial waste (water, materials, emissions, etc.) are processed and used as a raw material for other industries. This is a multistakeholder collaboration bringing together all users and regulators of water in the Kalundborg area. The project aims to provide these stakeholders with a toolkit that enable them to plan the use of and utilise the resource water whatever its origin and history of usage. The project thereby obtains significant energy savings in terms of avoiding treatment of water and wastewater and releasing pressure (quantity abstracted and pollution released) over green water sources.

Ørsted contribution to 'Kalundborg Symbiosis' is through our ownership of Asnæs Power Plant in Kalundborg, which produces steam, electricity and heat. The steam is delivered to Novo Nordisk and Novozymes. In the plant itself, the steam is used to drive turbines which, with the help of big generators, produce electricity for the power grid. The residual heat from that production is utilized as district heating for households and companies in Kalundborg. Ørsted also has a close cooperation with Kalundborg Refinery on the exchange of special water from flue gas condensate. In this way, the extraction and use of drinking water, of the basic or surface water from Lake Tissø is reduced. The project overall saves the partners of Kalundborg Symbiosis and the environment 4 million m³ of groundwater by using surface water, 586,000 tonnes of CO₂, and has resulted in 62,000 tonnes of residual materials being recycled since the start of the project.

Stakeholder engagement to monitor and mitigate potential impacts on freshwater resources

All Ørsted's sites and location deemed within the scope of ISO 14001 are certified to the standard. To achieve ISO 14001 certification Ørsted has documented to the independent verifier that we perform Environmental Impact Assessments when operating and building new sites, which includes gaining an understanding of the expressed needs and expectations of internal and external interested parties that can be impacted by the project and engaging these stakeholders. These Environmental Impact Assessments address impacts on freshwater resources, if relevant for the site in question.

Ørsted's impact on freshwater resources is minimal. In 2021, less than 0.2% of our water withdrawal was from freshwater resources.

Incident investigation and corrective actions implemented

Ørsted has a thorough process for incident investigation and corrective actions to ensure minimal impact in case of accidents with our effluents. In 2021, Ørsted performed one incident investigation related to effluent management. At one of our combined heat and power plants we used process water to pre-heat oil, and a small amount of oil-containing effluent water was led to the coastal line by accident. Ørsted performed a thorough incident investigation to determine needed corrective actions, and it was decided that we will not use water to pre-heat oil anymore eliminating the hazard and minimising the risk of oil-containing effluent water being led into the recipient. In addition, we have installed a new oil detector and a buoyancy barrier to minimize the probability of future effluent accidents leading to pollution of the coastal area near the combined heat and power plant.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer (CFO)	Chief Financial Officer (CFO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	77673000000

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No, CDP supply chain members do not buy goods or services from facilities listed in W5.1

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	No, not currently but we intend to provide it within the next two years	We currently do not disclose geolocation data, but would consider sharing with CDP supply chain members, if we are asked to do so.

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

The European Climate Pact Submission

Please indicate your consent for CDP to showcase your disclosed environmental actions on the European Climate Pact website as pledges to the Pact.

Yes, we wish to pledge to the European Climate Pact through our CDP disclosure

Please confirm below

I have read and accept the applicable Terms