

# Ørsted Interim ESG performance report

First nine months 2021



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# 1.1 CFO's review

## Installed onshore capacity increased by 83 % in 9M 2021

- In Q3, we commissioned Western Trail (onshore wind) and Muscle Shoals (solar PV) in the US.
- Green share of heat and power generation was at 89 %.
- Scope 1 and 2 greenhouse gas intensity decreased by 7 % to 64 g CO<sub>2</sub>e/kWh compared to 9M 2020.
- Scope 3 emissions decreased by 26 % compared to 9M 2020.
- Safety performance indicator TRIR reduced by 21 %, driven by a 13 % reduction in the number of total recordable injuries.
- EU taxonomy-eligible revenue continues to be above 65 % despite decreased offshore generation and higher gas prices.

## Renewable energy capacity

In Q3 2021, we commissioned the 367 MW onshore wind farm Western Trail and the 227 MW<sub>ac</sub> solar PV farm Muscle Shoals in the US. Together with Permian Energy Center and the assets from Brookfield Renewable Ireland, this brings our installed onshore capacity up to 3,049 MW, an 83 % increase in 9M 2021 compared to 9M 2020.

## Heat and power generation

Offshore wind power generation decreased by 9 % to 9.4 TWh in 9M 2021 compared to

9M 2020, mainly due to significantly lower wind speeds, partly offset by generation from Borssele 1 & 2 which was commissioned in December 2020.

Onshore wind power generation increased by 22 % to 4.8 TWh in 9M 2021 compared to 9M 2020. The increase was mainly due to new capacity. In addition, our new solar PV assets generated 746 MWh in 9M 2021.

Thermal heat generation increased by 22 % to 5.4 TWh, primarily due to the colder weather in H1 2021, slightly offset by a warmer Q3 2021, compared to the same periods last year.

Thermal power generation increased by 52 % to 4.8 TWh in 9M 2021 compared to 9M 2020. The increase was driven by higher condensing power generation due to high power prices as well as increased generation of combined heat and power due to the higher heat demand.

## Green key performance indicators

Our green share of heat and power generation was 89 % in 9M 2021 similar to 9M 2020. The share of generation from offshore wind was 10 percentage points lower in 9M 2021 due to lower than normal wind speeds. This was offset by an increased share of generation from sustainable biomass (up 7 percentage points) due to the increased heat demand and higher power prices which to a large extent was met using sustainable biomass because fossil fuel prices were also higher than in 2020.

In addition, our new solar PV assets accounted for 3 percentage points of the total generation.

Despite the unchanged green share of energy for Ørsted, our greenhouse gas intensity (scope 1 and 2) decreased by 7 % to 64 g CO<sub>2</sub>e/kWh in 9M 2021. This was due to sustainable biomass being used as fuel for a larger part of the condensing power generation.

Our scope 3 emissions decreased by 26 % in 9M 2021, mainly due to a 39 % decrease in natural gas sales following the divestment of our LNG activities in 2020, partly offset by increased scope 3 emissions from our new onshore wind and solar assets.

## Safety

The total recordable injury rate (TRIR) for 9M 2021 was 3.0 injuries per million hours worked compared with 3.8 in 9M 2020. The improvement was driven by a 13 % reduction in the number of total recordable injuries for our contractors and a 9 % increase in the number of hours worked.

## EU sustainability taxonomy

The taxonomy-eligible share of our revenue and EBITDA was above 65 % and 90 %, respectively, in 9M 2021. The taxonomy-eligible share of CAPEX was above 99 %.

The taxonomy non-eligible part of our revenue primarily concerned our long-term legacy activities related to sourcing and sale of natural gas.

## New carbon net-zero target approved by the Science Based Target initiative (SBTi)

In coordination with the launch of the new Net-Zero Corporate Standard by the SBTi in October, we published our new science-based carbon net-zero target for 2040. The target covers scope 1-3 emissions and is aligned with limiting global warming to 1.5 °C.

A key part of the new standard is to ensure a 5-10 % limit on the amount of residual emissions that companies can offset through carbon-removal projects.

We are very proud to be the first energy company in the world to have our net-zero target verified by the SBTi.



*Marianne Winholt*  
Marianne Winholt  
CFO

# 1.2 ESG target overview

Note	Indicator	Unit	Target	9M 2021	9M 2020	Δ	2020
<b>Strategic targets</b>							
2.1	Installed renewable capacity	MW	~50 GW (2030)	12,678	10,563	20 %	11,318
2.1	- Installed offshore capacity	MW	~15 GW (2025), ~30 GW (2030)	7,551	6,820	11 %	7,572
2.1	- Installed onshore capacity	MW	~17.5 GW (2030)	3,049	1,668	83 %	1,668
2.1	- Installed other (incl. PtX) capacity	MW	~2.5 GW (2030)	2,078	2,075	0 %	2,078
2.4	Green share of energy generation	%	95 (2023), 99 (2025)	89	89	0 %p	90
2.7	Greenhouse gas intensity (scope 1 and 2)	g CO <sub>2</sub> e/kWh	20 (2023), 10 (2025) <sup>1</sup>	64	69	(7 %)	58
2.7	Greenhouse gas emissions (scope 3)	Million tonnes CO <sub>2</sub> e	50 % (2032) <sup>2</sup>	14.3	19.4	(26 %)	25.3
n.a. <sup>4</sup>	Employee satisfaction	Index 0-100	Top 10 % (ongoing) <sup>3</sup>	n.a.	n.a.	-	78
3.2	Total recordable injury rate (TRIR)	Per million hours worked	2.9 (2025)	3.0	3.8	(21 %)	3.6
<b>Additional sustainability targets</b>							
2.9	Certified sustainable wooden biomass sourced	%	100 (ongoing)	100	100	0 %p	100
2.9	Coal consumption	Thousand tonnes	0 (2023)	605	526	15 %	629
2.9	Own power consumption covered by renewable energy certificates	%	100 (ongoing)	100	100	0 %p	100
n.a. <sup>4</sup>	Internal energy savings, accumulated from 2018	GWh	15 (2023)	n.a.	n.a.	-	10.3
n.a. <sup>4</sup>	Share of electric vehicles	%	100 (2025)	n.a.	n.a.	-	38
n.a. <sup>4</sup>	Women in leadership positions, Leadership Conference	% female	22 (2023)	n.a.	n.a.	-	20
n.a. <sup>4</sup>	Women in leadership positions, middle management	% female	30 (2023)	n.a.	n.a.	-	26




<sup>1</sup>In addition to the emission reduction targets, we have a target of being carbon-neutral in 2025. We will continue to investigate solutions for the remaining emissions, which could also include investing in certified carbon-removal projects.

<sup>2</sup>A 50 % reduction in total scope 3 emissions from the base year 2018. In addition, we want our scope 3 emissions to be carbon-neutral by 2040.

<sup>3</sup>Our target is to have an employee satisfaction survey result in the top ten percentile every year compared to an external benchmark group.








<sup>4</sup>The targets marked with 'n.a.' in the note column are not reported in the interim reports. They will be reported in the annual report for 2021.

# 1.3 Overview by business unit

Note	Indicator	Unit	 Offshore	 Onshore	 Bioenergy & Other	Other activities/ eliminations	9M 2021	9M 2020	Δ	2020
	Revenue <sup>1</sup>	DKK million	31,381	633	19,138	(4,145)	47,007	37,042	27 %	52,601
	EBITDA <sup>1</sup>	DKK million	12,777	819	2,331	116	16,043	13,121	22 %	18,124
<b>2.1</b>	<b>Installed renewable capacity</b>	<b>MW</b>	<b>7,551</b>	<b>3,049</b>	<b>2,078</b>	<b>-</b>	<b>12,678</b>	<b>10,563</b>	<b>20 %</b>	<b>11,318</b>
2.1	- Offshore wind power	MW	7,551	-	-	-	7,551	6,820	11 %	7,572
2.1	- Onshore wind power	MW	-	2,352	-	-	2,352	1,658	42 %	1,658
2.1	- Solar PV power	MW	-	657	-	-	657	10	6470 %	10
2.1	- Battery storage	MW	-	40	21	-	61	21	190 %	21
2.1	- Thermal biomass-based heat	MW	-	-	2,054	-	2,054	2,054	0 %	2,054
2.1	- Biogas power (Renescience)	MW	-	-	3	-	3	-	-	3
<b>2.1</b>	<b>Decided (FID'ed) renewable capacity</b>	<b>MW</b>	<b>2,220</b>	<b>1,610</b>	<b>2</b>	<b>-</b>	<b>3,832</b>	<b>4,092</b>	<b>(6 %)</b>	<b>4,068</b>
<b>2.1</b>	<b>Awarded and contracted renewable capacity</b>	<b>MW</b>	<b>8,687</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,687</b>	<b>4,996</b>	<b>74 %</b>	<b>4,996</b>
<b>2.1</b>	<b>Total renewable capacity (installed, FID'ed, and awarded/contracted)</b>	<b>MW</b>	<b>18,458</b>	<b>4,659</b>	<b>2,080</b>	<b>-</b>	<b>25,197</b>	<b>19,651</b>	<b>28 %</b>	<b>20,382</b>
2.2	Power generation capacity	MW	3,970	2,993	2,803	-	9,766	8,582	14 %	8,884
2.2	Heat generation capacity, thermal	MW	-	-	3,343	-	3,343	3,491	(4 %)	3,487
2.3	Power generation	GWh	9,356	5,534	4,794	-	19,684	17,404	13 %	25,424
2.3	Heat generation	GWh	-	-	5,440	-	5,440	4,441	22 %	6,671
2.4	Green share of energy generation	%	100	100	74	-	89	89	0 % <sub>p</sub>	90
2.7	Greenhouse gas emissions (scope 1 and 2)	Thousand tonnes CO <sub>2</sub> e	20	0	1,584	0	1,604	1,502	7 %	1,853
2.7	Greenhouse gas emissions (scope 3)	Thousand tonnes CO <sub>2</sub> e	122	1,590	12,522	17	14,251	19,350	(26 %)	25,333
2.7	Greenhouse gas intensity (scope 1 and 2)	g CO <sub>2</sub> e/kWh	2	0	155	-	64	69	(7 %)	58
3.1	Number of employees (end of period)	FTEs	3,375	237	953	2,107	6,672	6,120	9 %	6,179
3.2	Total recordable injury rate (TRIR)	Injuries per million hours worked	2.9	7.2	3.8	0.7	3.0	3.8	(21 %)	3.6

<sup>1</sup> 2020 financial figures are based on the business performance principle.

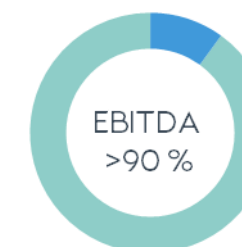
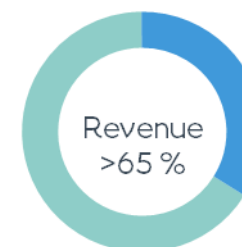
# 1.4 Overview by country

Note	Indicator	Unit	 Denmark	 The UK	 Germany	 The Netherlands	 The US	 Taiwan	 Poland	Other countries	9M 2021	9M 2020	Δ	2020
<b>2.1</b>	<b>Installed renewable capacity</b>	<b>MW</b>	<b>3,061</b>	<b>4,400</b>	<b>1,346</b>	<b>752</b>	<b>2,752</b>	<b>45</b>	-	<b>322</b>	<b>12,678</b>	<b>10,563</b>	<b>20 %</b>	<b>11,318</b>
2.1	- Offshore wind power	MW	1,006	4,372	1,346	752	30	45	-	-	7,551	6,820	11 %	7,572
2.1	- Onshore wind power	MW	-	5	-	-	2,025	-	-	322	2,352	1,658	42 %	1,658
2.1	- Solar PV power	MW	-	-	-	-	657	-	-	-	657	10	6470 %	10
2.1	- Battery storage	MW	1	20	-	-	40	-	-	-	61	21	190 %	21
2.1	- Thermal biomass-based heat	MW	2,054	-	-	-	-	-	-	-	2,054	2,054	0 %	2,054
2.1	- Biogas power (Renescience)	MW	-	3	-	-	-	-	-	-	3	-	-	3
<b>2.1</b>	<b>Decided (FID'ed) renewable capacity</b>	<b>MW</b>	<b>2</b>	<b>1,382</b>	-	-	<b>1,548</b>	<b>900</b>	-	-	<b>3,832</b>	<b>4,092</b>	<b>(6 %)</b>	<b>4,068</b>
<b>2.1</b>	<b>Awarded and contracted renewable capacity</b>	<b>MW</b>	-	-	<b>1,142</b>	-	<b>4,082</b>	<b>920</b>	<b>2,543</b>	-	<b>8,687</b>	<b>4,996</b>	<b>74 %</b>	<b>4,996</b>
<b>2.1</b>	<b>Total renewable capacity (installed, FID'ed, and awarded/contracted)</b>	<b>MW</b>	<b>3,063</b>	<b>5,782</b>	<b>2,488</b>	<b>752</b>	<b>8,382</b>	<b>1,865</b>	<b>2,543</b>	<b>322</b>	<b>25,197</b>	<b>19,651</b>	<b>28 %</b>	<b>20,382</b>
<b>2.2</b>	<b>Power generation capacity</b>	<b>MW</b>	<b>3,363</b>	<b>2,331</b>	<b>673</b>	<b>376</b>	<b>2,701</b>	-	-	<b>322</b>	<b>9,766</b>	<b>8,582</b>	<b>14 %</b>	<b>8,884</b>
2.2	- Offshore wind	MW	563	2,328	673	376	30	-	-	-	3,970	4,091	(3 %)	4,379
2.2	- Onshore wind	MW	-	-	-	-	2,024	-	-	322	2,346	1,658	41 %	1,658
2.2	- Solar PV	MW	-	-	-	-	647	-	-	-	647	-	-	-
2.2	- Thermal	MW	2,800	3	-	-	-	-	-	-	2,803	2,833	(1 %)	2,847
<b>2.2</b>	<b>Heat generation capacity, thermal</b>	<b>MW</b>	<b>3,343</b>	-	-	-	-	-	-	-	<b>3,343</b>	<b>3,491</b>	<b>(4 %)</b>	<b>3,487</b>
2.3	Power generation	GWh	6,099	5,125	1,342	1,521	5,470	-	-	127	19,684	17,404	13 %	25,424
2.3	Heat generation	GWh	5,440	-	-	-	-	-	-	-	5,440	4,441	22 %	6,671
2.4	Green share of energy generation	%	77	100	100	100	100	-	-	100	89	89	0 %p	90
2.7	Greenhouse gas emissions (scope 1 and 2)	Thousand tonnes CO <sub>2</sub> e	1,586	11	5	2	0	0	0	0	1,604	1,502	7 %	1,853
2.7	Greenhouse gas intensity (scope 1 and 2)	g CO <sub>2</sub> e/kWh	138	2	3	1	0	0	0	0	64	69	(7 %)	58
3.1	Number of employees (end of period)	FTEs	3,962	1,132	242	55	407	155	263	456	6,672	6,120	9 %	6,179

# 1.5 Taxonomy-eligible KPIs

Economic activities, revenue	Unit	9M 2021
<b>Taxonomy-eligible activities</b>	<b>%</b>	<b>&gt;65</b>
- Electricity generation from solar PV (4.1)	%	~1
- Electricity generation from wind power (4.3)	%	>54
- Cogeneration of heat/cool and power from bioenergy (4.20)	%	~10
<b>Taxonomy-non-eligible activities</b>	<b>%</b>	<b>&lt;35</b>
- Gas sales	%	~20
- Coal-based activities	%	~3
- Other activities	%	<12
<b>Sum of activities</b>	<b>%</b>	<b>100</b>

■ Taxonomy-eligible  
■ Taxonomy-non-eligible



## Taxonomy-eligible revenue

Ørsted's share of revenue associated with taxonomy-eligible activities in 9M 2021 was above 65 %. This proportion predominantly included revenue from generation of power and associated renewable certificates and grants from our offshore and onshore wind farms. It also included partner revenue from construction, operation and maintenance, and power sales agreements at our wind farms as well as sustainable biomass-based heat and power generation from our Danish combined heat and power (CHP) plants.

Our share of revenue from taxonomy-non-eligible activities was primarily associated with our long-term legacy activities related to the sourcing and sale of natural gas. Furthermore, it covered the sale of power to end customers as the retailing of energy is not in the taxonomy.

Finally, it was related to our fossil-based heat and power generation from the CHP plants where coal, natural gas, and oil still account for 33 % of the fuels used for generation. As planned, coal will be phased out completely in 2023.

## Taxonomy-eligible EBITDA

Ørsted's taxonomy-eligible share of EBITDA in 9M 2021 was above 90 % and primarily concerned generation of power and related certificates and grants from our offshore wind farms, as well as construction agreements and divestment gains related to our offshore wind farms. Heat and power generation from our CHP plants and our Onshore business also contributes to the share, although to a lesser extent. The non-eligible share primarily concerned the fossil-based part of our CHP activities and gas sales business.

The higher share of taxonomy-eligible EBITDA compared to the share of taxonomy-eligible revenue is primarily due to the nature of our gas business and sale of power to end customers, which have a significantly lower margin than our power generation and construction agreements.

The decrease in the taxonomy-eligible EBITDA from the 'above 95 %' level for H1 2021 to above 90 % was primarily due to increased earnings from our gas sales business in Q3 2021 .

## Taxonomy-eligible CAPEX

Ørsted's taxonomy-eligible share of investments in 9M 2021 was above 99 % and mainly related to the construction of offshore and onshore wind farms and solar PV assets.

# 2.1 Renewable capacity

Indicator	Unit	Target	9M 2021	9M 2020	Δ	2020
<b>Installed renewable capacity</b>	<b>MW</b>	<b>~50 GW (2030)</b>	<b>12,678</b>	<b>10,563</b>	<b>2,115</b>	<b>11,318</b>
Offshore, wind power	MW	~30 GW (2030) <sup>1</sup>	7,551	6,820	731	7,572
Onshore	MW	~17.5 GW (2030)	3,049	1,668	1,381	1,668
- Wind power	MW		2,352	1,658	694	1,658
- Solar PV power	MW		657	10	647	10
- Battery storage	MW		40	-	40	-
Other (incl. PtX)	MW	~2.5 GW (2030)	2,078	2,075	3	2,078
- Biomass, thermal heat	MW		2,054	2,054	-	2,054
- Biogas, power	MW		3	-	3	3
- Battery storage	MW		21	21	-	21
<b>Decided (FID'ed) renewable capacity</b>	<b>MW</b>		<b>3,832</b>	<b>4,092</b>	<b>(260)</b>	<b>4,068</b>
Offshore, wind power	MW		2,220	3,038	(818)	2,286
Onshore	MW		1,610	1,054	556	1,782
- Wind power	MW		930	367	563	665
- Solar PV power	MW		680	647	33	1,077
- Battery storage	MW		-	40	(40)	40
Other (incl. PtX), hydrogen	MW		2	-	2	-
<b>Awarded and contracted renewable capacity</b>	<b>MW</b>		<b>8,687</b>	<b>4,996</b>	<b>3,691</b>	<b>4,996</b>
Offshore, wind power	MW		8,687	4,996	3,691	4,996
<b>Sum of installed and FID'ed capacity</b>	<b>MW</b>		<b>16,510</b>	<b>14,655</b>	<b>1,855</b>	<b>15,386</b>
<b>Sum of installed, FID'ed, and awarded/contracted capacity</b>	<b>MW</b>		<b>25,197</b>	<b>19,651</b>	<b>5,546</b>	<b>20,382</b>

<sup>1</sup> Additional target is ~15 GW in 2025.



### Installed offshore wind power

In Q2 2021, we aligned the definition of both onshore and offshore installed wind farm capacity. Since Q2 2021, all assets (installed or FID'ed) have been reported using nameplate capacity. Previously, a few wind farms were reported using 'power optimised capacity' or 'export cable limit capacity'.

For awarded or contracted capacity, we report based on 'granted capacity'.

Furthermore, we have clarified the accounting policy for calculating the share of the asset's capacity to be included. The ownership share and the EPC role determine the capacity included in installed capacity.

See accounting principles on page 20 for details.

### Additions for the last 12 months

Q4 2020	Q1 2021	Q2 2021	Q3 2021
<ul style="list-style-type: none"> <li> Borssele 1 &amp; 2, offshore wind (752 MW)</li> <li> Renescence, Northwich, biogas (3 MW)</li> <li> Haystack, onshore wind (298 MW)</li> <li> Old 300, onshore wind (430 MW)</li> </ul>	<ul style="list-style-type: none"> <li> Helena Energy Center, onshore wind (268 MW)</li> <li> Helena Energy Center, solar PV (250 MW<sub>ac</sub>)</li> <li> H2RES demo project, renewable hydrogen (2 MW)</li> </ul>	<ul style="list-style-type: none"> <li> Permian Energy Center, solar PV (420 MW<sub>ac</sub>)</li> <li> Permian Energy Center, battery storage (40 MW<sub>ac</sub>)</li> <li> Lincoln Land, onshore wind (302 MW)</li> <li> Ocean Wind 2, offshore wind (1,148 MW)</li> <li> Brookfield Renewable, onshore wind (322 MW)</li> <li> Brookfield Renewable, onshore wind (5 MW)</li> <li> Brookfield Renewable, onshore wind (62 MW)</li> <li> Baltica 2 &amp; 3, offshore wind (2,543 MW)</li> </ul>	<ul style="list-style-type: none"> <li> Western Trail, onshore wind (367 MW)</li> <li> Muscle Shoals, solar PV (227 MW<sub>ac</sub>)</li> </ul>

- Installed renewable capacity
- Decided (FID'ed) renewable capacity
- Awarded and contracted renewable capacity



## 2.2 Generation capacity

Indicator	Unit	9M 2021	HI 2021	Δ	9M 2021	9M 2020	Δ	2020
<b>Power generation capacity</b>	<b>MW</b>	<b>9,766</b>	<b>9,217</b>	<b>549</b>	<b>9,766</b>	<b>8,582</b>	<b>1,184</b>	<b>8,884</b>
Offshore wind	MW	3,970	3,970	-	3,970	4,091	(121)	4,379
- Denmark	MW	563	563	-	563	563	-	563
- The UK	MW	2,328	2,328	-	2,328	2,342	(14)	2,342
- Germany	MW	673	673	-	673	692	(19)	692
- The Netherlands	MW	376	376	-	376	464	(88)	752
- The US	MW	30	30	-	30	30	-	30
Onshore wind	MW	2,346	1,980	366	2,346	1,658	688	1,658
- The US	MW	2,024	1,658	366	2,024	1,658	366	1,658
- Ireland	MW	322	322	-	322	-	322	-
Solar PV, the US	MW	647	420	227	647	-	647	-
Thermal	MW	2,803	2,847	(44)	2,803	2,833	(30)	2,847
- Denmark (power plants)	MW	2,800	2,844	(44)	2,800	2,833	(33)	2,844
- The UK (Renescience)	MW	3	3	-	3	-	3	3
<b>Heat generation capacity, thermal<sup>1</sup></b>	<b>MW</b>	<b>3,343</b>	<b>3,486</b>	<b>(143)</b>	<b>3,343</b>	<b>3,491</b>	<b>(148)</b>	<b>3,487</b>
Based on biomass	MW	2,022	2,022	-	2,022	2,054	(32)	2,022
Based on coal	MW	1,300	1,300	-	1,300	1,300	-	1,300
Based on natural gas	MW	1,617	1,760	(143)	1,617	1,782	(165)	1,761
<b>Heat generation capacity, electric</b>	<b>MW</b>	<b>25</b>	<b>25</b>	<b>-</b>	<b>25</b>	<b>25</b>	<b>-</b>	<b>25</b>
<b>Power generation capacity, thermal<sup>1</sup></b>	<b>MW</b>	<b>2,803</b>	<b>2,847</b>	<b>(44)</b>	<b>2,803</b>	<b>2,833</b>	<b>(30)</b>	<b>2,847</b>
Based on biomass	MW	1,228	1,228	-	1,228	1,216	12	1,228
Based on coal	MW	991	991	-	991	991	-	991
Based on natural gas	MW	951	995	(44)	951	1,006	(55)	995
Based on biogas (Renescience)	MW	3	3	-	3	-	3	3

<sup>1</sup>Fuel-specific thermal power and heat generation capacities cannot be added to total thermal capacity, as they are defined individually for each fuel type for our multi-fuel plants. All fuels cannot be used at the same time.

In Q3 2021, the thermal heat generation and thermal power generation capacities were reduced by 143 MW and 44 MW, respectively.

Heat and power capacities based on natural gas were also reduced in Q3 2021 by 143 MW and 44 MW, respectively. This was due to

unit 7 at the power plant H.C. Ørsted Power Station being taken out of operation as of 1 August 2021.

## 2.3 Energy generation

Indicator	Unit	Q3 2021	Q3 2020	Δ	9M 2021	9M 2020	Δ	2020
<b>Power generation</b>	<b>GWh</b>	<b>5,218</b>	<b>5,118</b>	<b>2 %</b>	<b>19,684</b>	<b>17,404</b>	<b>13 %</b>	<b>25,424</b>
Offshore wind	GWh	2,286	3,164	(28 %)	9,356	10,336	(9 %)	15,248
- Denmark	GWh	375	431	(13 %)	1,307	1,561	(16 %)	2,165
- The UK	GWh	1,271	1,942	(35 %)	5,123	6,672	(23 %)	9,456
- Germany	GWh	399	463	(14 %)	1,342	1,645	(18 %)	2,300
- The Netherlands	GWh	235	308	(24 %)	1,521	372	309 %	1,207
- The US	GWh	6	20	(70 %)	63	86	(27 %)	120
Onshore wind	GWh	1,529	1,262	21 %	4,788	3,914	22 %	5,731
- The US	GWh	1,441	1,262	14 %	4,661	3,914	19 %	5,731
- Ireland	GWh	88	-	-	127	-	-	-
Solar PV, the US	GWh	375	-	-	746	7	10557 %	7
Thermal	GWh	1,028	692	49 %	4,794	3,147	52 %	4,438
<b>Heat generation</b>	<b>GWh</b>	<b>402</b>	<b>321</b>	<b>25 %</b>	<b>5,440</b>	<b>4,441</b>	<b>22 %</b>	<b>6,671</b>
<b>Total heat and power generation</b>	<b>GWh</b>	<b>5,620</b>	<b>5,439</b>	<b>3 %</b>	<b>25,124</b>	<b>21,845</b>	<b>15 %</b>	<b>32,095</b>
- Of which thermal heat and power generation	GWh	1,430	1,013	41 %	10,234	7,588	35 %	11,109
- Of which thermal heat and power generation	%	25	19	6 %p	41	35	6 %p	35

Offshore power generation decreased by 9 % in 9M 2021 relative to 9M 2020. The decrease was primarily due to lower wind speeds, partly offset by ramp-up generation from Borssele 1 & 2 (commissioned in Q4 2020).

Onshore wind power generation increased by 22 % in 9M 2021 relative to 9M 2020. The increase was primarily due to additional generation from Plum Creek (commissioned in Q2 2020), Willow Creek (commissioned in Q3 2020), and Western Trail (commissioned in Q3 2021).

Solar PV power generation increased by 739 GWh due to generation from Permian Energy Center (commissioned in Q2 2021) and Muscle Shoals (commissioned in Q3 2021).

Thermal power generation was 52 % higher in 9M 2021 compared to 9M 2020, primarily due to higher condensing power generation driven by high power prices and higher combined heat and power generation driven by higher heat demand.

Heat generation was 22 % higher in 9M 2021 relative to 9M 2020 due to colder weather in 2021.

## 2.4 Green share of energy generation

Indicator	Unit	Target	Q3 2021	Q3 2020	Δ	9M 2021	9M 2020	Δ	2020
<b>Total heat and power generation</b>	%		<b>100</b>	<b>100</b>	<b>0 %p</b>	<b>100</b>	<b>100</b>	<b>0 %p</b>	<b>100</b>
- From offshore wind	%		41	58	(17 %p)	37	47	(10 %p)	47
- From onshore wind	%		27	24	3 %p	19	18	1 %p	18
- From solar PV	%		7	0	7 %p	3	0	3 %p	0
- From sustainable biomass	%		14	8	6 %p	30	23	7 %p	24
- From other green energy sources	%		0	0	0 %p	0	1	(1 %p)	1
- From coal	%		9	8	1 %p	8	8	0 %p	7
- From natural gas	%		2	2	0 %p	3	3	0 %p	3
- From other fossil energy sources	%		0	0	0 %p	0	0	0 %p	0
<b>Green share of energy generation</b>	%	<b>99 (2025)<sup>1</sup></b>	<b>89</b>	<b>90</b>	<b>(1 %p)</b>	<b>89</b>	<b>89</b>	<b>0 %p</b>	<b>90</b>
- Offshore	%		100	100	0 %p	100	100	0 %p	100
- Onshore	%		100	100	0 %p	100	100	0 %p	100
- Bioenergy & Other	%		57	45	12 %p	74	68	6 %p	71

<sup>1</sup>Additional target is 95 % in 2023.

The green share of our heat and power generation was 89 % in 9M 2021, which was the same result as in 9M 2020.

The share of generation from offshore wind decreased by 10 percentage points in 9M 2021 as offshore generation was reduced by 9 %, whereas onshore and thermal generation increased by 22 % and 52 %, respectively.

The share of onshore wind generation increased by 1 percentage point due to new onshore generation capacity in the US (Plum Creek, Willow Creek, and Western Trail).

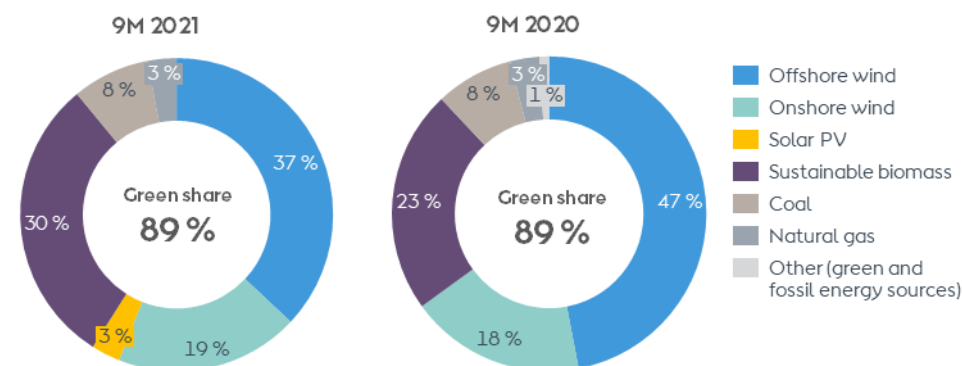
Solar PV power accounted for 3 % of the total energy generation in 9M 2021.

The share of generation based on sustainable biomass increased by 7 percentage points

due to higher heat generation because of the cold weather in 2021 and due to sustainable biomass being more cost-competitive than coal for power generation in 2021, also in the summer period where heat generation is low.

The share of coal-based generation was at the same level in 9M 2021 as in 9M 2020.

We are regulatorily obliged to make all of our energy capacities available to the market in the most cost-efficient way, and until our coal-based generation capacity is fully phased out in 2023, we may see fluctuations in coal consumption driven by supplier obligations, market conditions, and weather conditions.



## 2.5 Energy business drivers

Indicator	Unit	Q3 2021	Q3 2020	Δ	9M 2021	9M 2020	Δ	2020
<b>Offshore wind</b>								
Wind speed	m/s	7.6	8.6	(12 %)	8.7	9.8	(11 %)	10.0
Wind speed, normal wind year	m/s	8.3	8.4	(1 %)	9.3	9.3	0 %	9.7
Availability	%	93	94	(1 %p)	94	94	0 %p	94
Load factor	%	27	35	(8 %p)	35	42	(7 %p)	45
<b>Onshore wind, the US</b>								
Wind speed	m/s	6.4	6.7	(4 %)	7.1	7.4	(4 %)	7.6
Wind speed, normal wind year	m/s	6.8	6.6	3 %	7.6	7.5	1 %	7.5
Availability	%	98	97	1 %p	96	96	0 %p	96
Load factor	%	33	36	(3 %p)	41	43	(2 %p)	45
<b>Onshore wind, Ireland</b>								
Wind speed	m/s	5.0	-	-	5.2	-	-	-
Availability	%	91	-	-	93	-	-	-
Load factor	%	12	-	-	13	-	-	-
<b>Solar PV, the US</b>								
Availability	%	98	-	-	95	-	-	-
Load factor	%	27	-	-	28	-	-	-
<b>Other</b>								
Degree days, Denmark	Number	81	106	(24 %)	1,893	1,607	18 %	2432



We have improved the accuracy of our offshore wind speed calculations in 2021 and restated 2020 wind speed data to support comparisons.

In 2021, we have used an improved input data set for calculating wind speeds for offshore wind farms.

Previously, individual wind speed measuring points covered several wind farms and were reported for an average hub height. Now, each offshore wind farm has its own specific wind speed measuring point for the actual wind farm height.

For comparison purposes, we have also updated the actual and normal wind speed data reported for 2020 using the new, more detailed wind speed data sets.

### Offshore wind

Offshore wind speeds in 9M 2021 were below a normal wind year and 11 % lower than in 9M 2020.

Availability in 9M 2021 was at the same level as in 9M 2020.

The 11 % lower wind speed resulted in a 7 percentage point decrease of the load factor in 9M 2021 compared to 9M 2020.

### Onshore wind, the US

Wind speeds in 9M 2021 were below a normal wind year and 4 % below 9M 2020.

Availability was 1 percentage point higher than in 9M 2020. Combined with the 4 % lower wind speeds, this led to a 2 percentage points lower load factor in 9M 2021 compared to 9M 2020.

### Onshore wind, Ireland

We acquired our Irish onshore assets in Q2 2021.

### Other

The number of degree days in 9M 2021 was 18 % higher than in 9M 2020, indicating that the weather in 9M 2021 was significantly colder than in 9M 2020.

## 2.6 Energy sales

Indicator	Unit	Q3 2021	Q3 2020	Δ	9M 2021	9M 2020	Δ	2020
<b>Gas sales</b>	<b>TWh</b>	<b>13.6</b>	<b>23.2</b>	<b>(41 %)</b>	<b>47.6</b>	<b>69.9</b>	<b>(32 %)</b>	<b>90.3</b>
<b>Power sales</b>	<b>TWh</b>	<b>4.8</b>	<b>6.3</b>	<b>(24 %)</b>	<b>16.2</b>	<b>20.6</b>	<b>(21 %)</b>	<b>29.2</b>
- Green power to end customers <sup>1</sup>	TWh	0.7	1.6	(56 %)	3.1	5.9	(47 %)	7.5
- Regular power to end customers <sup>2</sup>	TWh	0.9	0.6	50 %	2.2	2.2	0 %	2.9
- Power wholesale	TWh	3.2	4.1	(22 %)	10.9	12.5	(13 %)	18.8

<sup>1</sup>Power sold with renewable certificates. <sup>2</sup>Power sold without renewable certificates.

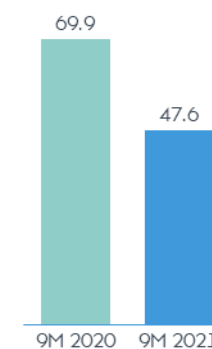
Gas sales decreased by 32 % to 47.6 TWh in 9M 2021 compared to 9M 2020. This was primarily due to the divestment of the LNG business in December 2020.

Power sales decreased by 21 % to 16.2 TWh in 9M 2021 compared to 9M 2020. This was due to a 47 % decrease in green power sales to end customers to 3.1 TWh in 9M 2021, primarily due to the divestment of the Danish B2C customers in August 2020.

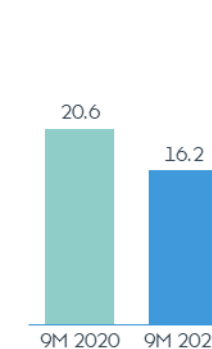
The decrease in power sales in 9M 2021 was also due to a 13 % decrease in power wholesale.

The decrease in power wholesale was primarily due to a decrease in the sale of our partners' share of generation from our wind farms due to lower wind speeds, partly offset by an increase in wholesale in the UK after the divestment of our B2B customers in April 2021. After the divestment, we will, for a limited time period, continue to sell the same power volumes to the company that acquired our B2B customers (i.e. wholesale), instead of selling directly to end customers.

Gas sales, TWh



Power sales, TWh



## 2.7 Greenhouse gas (GHG) emissions

Indicator	Unit	Target	Q3 2021	Q3 2020	Δ	9M 2021	9M 2020	Δ	2020
<b>Direct GHG emissions (scope 1)</b>	Thousand tonnes CO <sub>2</sub> e		512	449	14 %	1,603	1,501	7 %	1,851
<b>Indirect GHG emissions (scope 2)</b>									
Location-based	Thousand tonnes CO <sub>2</sub> e		12	19	(37 %)	40	95	(58 %)	111
Market-based	Thousand tonnes CO <sub>2</sub> e		0	0	0 %	1	1	0 %	2
<b>Indirect GHG emissions (scope 3)</b>	Thousand tonnes CO <sub>2</sub> e	50 % (2032) <sup>4</sup>	4,373	6,261	(30 %)	14,251	19,388	(26 %)	25,333
- Category 2: Capital goods <sup>1</sup>	Thousand tonnes CO <sub>2</sub> e		615	37	1562 %	1,516	235	545 %	657
- Category 3: Fuel- and energy-related activities <sup>2</sup>	Thousand tonnes CO <sub>2</sub> e		512	465	10 %	1,465	1,817	(19 %)	2,437
- Category 11: Use of sold products <sup>3</sup>	Thousand tonnes CO <sub>2</sub> e		3,145	5,676	(45 %)	11,025	17,128	(36 %)	21,980
- Other	Thousand tonnes CO <sub>2</sub> e		101	83	22 %	245	208	18 %	259
<b>GHG intensity (scope 1 and 2)</b>									
GHG intensity, energy generation	g CO <sub>2</sub> e/kWh	10 (2025) <sup>5</sup>	91	83	10 %	64	69	(7 %)	58
- Offshore	g CO <sub>2</sub> e/kWh		3	2	50 %	2	2	0 %	2
- Onshore	g CO <sub>2</sub> e/kWh		0	0	0 %	0	0	-	0
- Bioenergy & Other	g CO <sub>2</sub> e/kWh		353	436	(19 %)	155	195	(21 %)	164
GHG intensity, revenue <sup>6</sup>	g CO <sub>2</sub> e/DKK		35	45	(22 %)	34	41	(17 %)	35
GHG intensity, EBITDA <sup>6</sup>	g CO <sub>2</sub> e/DKK		172	134	28 %	100	114	(12 %)	102

Primary source of emissions: <sup>1</sup>wind farm suppliers, <sup>2</sup>regular power sales, <sup>3</sup>natural gas sales.

<sup>4</sup>A 50 % reduction in total scope 3 emissions from the base year 2018. In addition, we want our scope 3 emissions to be carbon-neutral by 2040.

<sup>5</sup>Additional target is 20 g CO<sub>2</sub>e/kWh (2023).

<sup>6</sup>2020 financial figures are based on the business performance principle.

### Scope 1

Scope 1 greenhouse gas (GHG) emissions increased by 7 % from 9M 2020 to 9M 2021. The main driver was the 7 % increase in the use of coal at our power stations in 9M 2021.

### Scope 2

The main source of location-based scope 2 emissions was power purchased for the generation of heat in boilers at our CHP plants. Other sources were power consumption during standstill and shutdown periods at our

CHP plants and wind farms as well as heat and power for office buildings.

All power purchased and consumed by Ørsted is certified green power. Therefore, our market-based scope 2 greenhouse gas emissions from power consumption amount to zero.

### Scope 3

Scope 3 greenhouse gas emissions decreased by 26 % from 9M 2020 to 9M 2021, driven mainly by the 32 % reduction in gas sales. Scope 3 emissions from fuel- and energy-

related activities were 19 % lower than in 9M 2020 due to lower emissions from power sales.

We have updated our emission factors for calculating carbon emissions from our non-green power sales. The new factors have lower carbon emissions per kWh of generated power.

Scope 3 emissions from capital goods increased by 545 % due to the commissioning of Permian Energy Center (solar PV) in Q2 2021, Western Trail (onshore wind), and Muscle Shoals (solar PV) in Q3 2021.

We have used a conservative generic international scope 3 factor for solar PV farms. In general, the carbon footprint of solar PV farms is higher than that of wind farms, which explains the significant increase compared to previously reported results for capital goods.

## 2.8 Avoided carbon emissions

Indicator	Unit	9M 2021	9M 2020	Δ	2020
<b>Avoided carbon emissions</b>	Million tonnes CO <sub>2</sub> e	<b>10.1</b>	<b>8.7</b>	<b>16 %</b>	<b>13.1</b>
- From wind generation, offshore	Million tonnes CO <sub>2</sub> e	4.9	5.5	(11 %)	8.1
- From wind and solar generation, onshore	Million tonnes CO <sub>2</sub> e	3.6	2.2	64 %	3.5
- From biomass-converted generation	Million tonnes CO <sub>2</sub> e	1.6	1.0	60 %	1.5
<b>Accumulated avoided carbon emissions from 2006 to present year</b>	Million tonnes CO <sub>2</sub> e	<b>68.7</b>	<b>54.2</b>	<b>27 %</b>	<b>58.6</b>
- From wind generation, offshore	Million tonnes CO <sub>2</sub> e	51.2	43.7	17 %	46.3
- From wind and solar generation, onshore	Million tonnes CO <sub>2</sub> e	9.8	4.9	100 %	6.2
- From biomass-converted generation	Million tonnes CO <sub>2</sub> e	7.7	5.6	38 %	6.1
<b>Carbon emissions from heat and power generation</b>					
Carbon emissions from heat and power generation	Million tonnes CO <sub>2</sub> e	1.6	1.5	7 %	1.8
Accumulated (2006 to present year) carbon emissions from heat and power generation	Million tonnes CO <sub>2</sub> e	126.3	124.4	2 %	124.8

Compared to 9M 2020, the avoided carbon emissions increased by 16 % due to an increase in onshore wind-based power generation and biomass-converted energy generation.

The avoided emissions from sustainable biomass-converted generation increased by 60 % in 9M 2021 compared to 9M 2020 due to the increased sustainable biomass-based heat and power generation in 9M 2021.

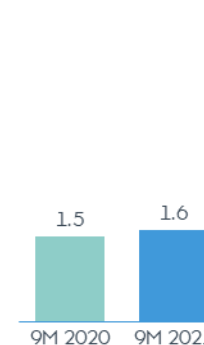
By 9M 2021, we have reached an accumulated total of 69 million tonnes of avoided carbon emissions since 2006.

This is the result of our wind-based, solar-based, and sustainable biomass-converted energy generation and corresponds to 54 % of the accumulated carbon emissions from thermal energy generation at Ørsted since 2006.

Avoided carbon emissions, million tonnes CO<sub>2</sub>e



Carbon emissions, million tonnes CO<sub>2</sub>e



## 2.9 Energy consumption

Indicator	Unit	Target	Q3 2021	Q3 2020	Δ	9M 2021	9M 2020	Δ	2020
<b>Direct energy consumption (GHG, scope 1)</b>	<b>GWh</b>		<b>2,909</b>	<b>2,164</b>	<b>34 %</b>	<b>15,165</b>	<b>10,824</b>	<b>40 %</b>	<b>15,452</b>
Fuel used in thermal heat and power generation	GWh		2,868	2,125	35 %	15,045	10,719	40 %	15,306
- Sustainable biomass	GWh		1,309	768	70 %	10,075	6,019	67 %	9,440
- Coal	GWh	0 (2023)	1,364	1,158	18 %	4,076	3,728	9 %	4,444
- Natural gas	GWh		148	139	6 %	785	837	(6 %)	1,229
- Oil	GWh		47	60	(22 %)	109	135	(19 %)	193
Other energy usage (oil, gas, and diesel for vessels and cars)	GWh		41	39	5 %	120	105	15 %	146
Coal used in thermal heat and power generation	Thousand tonnes	0 (2023)	201	150	34 %	605	526	15 %	629
Certified sustainable wooden biomass sourced	%	100 (ongoing)	100	100	0 %p	100	100	0 %p	100
<b>Indirect energy consumption (GHG, scope 2)</b>	<b>GWh</b>		<b>73</b>	<b>92</b>	<b>(21 %)</b>	<b>239</b>	<b>469</b>	<b>(49 %)</b>	<b>554</b>
Power sourced for own consumption	GWh		71	90	(21 %)	231	455	(49 %)	534
Own power consumption covered by renewable energy certificates	%	100 (ongoing)	100	100	0 %p	100	100	0 %p	100
Heat sourced for own consumption	GWh		2	2	0 %	8	14	(43 %)	20
<b>Total direct and indirect energy consumption</b>	<b>GWh</b>		<b>2,982</b>	<b>2,256</b>	<b>32 %</b>	<b>15,404</b>	<b>11,293</b>	<b>36 %</b>	<b>16,006</b>
<b>Green share of total direct and indirect energy consumption</b>	<b>%</b>		<b>46</b>	<b>38</b>	<b>8 %p</b>	<b>67</b>	<b>57</b>	<b>10 %p</b>	<b>62</b>

Total fuel consumption used for heat and power generation increased by 40 % in 9M 2021 compared to 9M 2020, driven by the 52 % increase in thermal power generation and the 22 % increase in heat generation (see note 2.3).

The consumption of sustainable biomass increased by 67 %, driven by increased heat generation in 9M 2021 and periods with sustainable biomass-fuelled power condensing generation during Q3 2021.

Coal consumption increased by 9 % in 9M 2021 compared to 9M 2020 due to generation at

our two remaining coal-based units at Esbjerg and Studstrup Power Stations. The increase in coal consumption was driven by higher power prices and higher combined heat and power generation due to the colder weather and low wind speeds in 9M 2021.

The power sourced for own consumption by Ørsted decreased by 49 % in 9M 2021 due to the divestment of the power distribution business in Q3 2020, which bought power to cover grid losses.

Power sourced for our own consumption was 100 % certified renewable, primarily from offshore wind.



# 3.1 Human capital

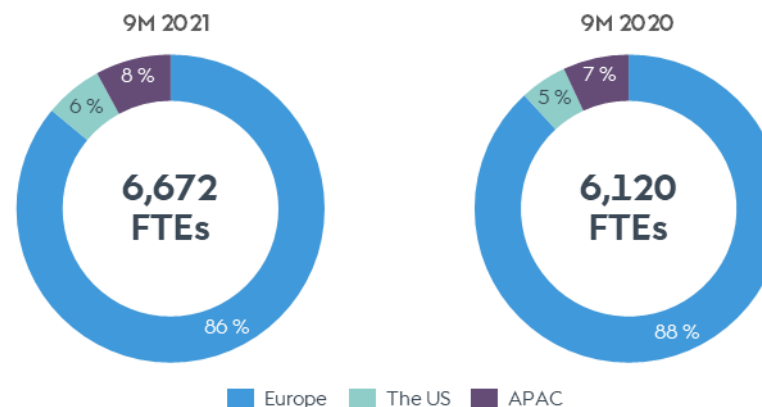
Indicator	Unit	9M 2021	9M 2020	Δ	2020
<b>Number of employees</b>					
Total number of employees (end of period)	FTEs	6,672	6,120	9 %	6,179
- Denmark	FTEs	3,962	3,873	2 %	3,854
- The UK	FTEs	1,132	1,043	9 %	1,057
- The US	FTEs	407	303	34 %	314
- Malaysia	FTEs	330	252	31 %	274
- Poland	FTEs	263	219	20 %	233
- Germany	FTEs	242	219	11 %	219
- Taiwan	FTEs	155	121	28 %	126
- Other <sup>1</sup>	FTEs	181	90	101 %	102
<b>Sickness absence</b>					
	%	1.6	2.1	(0.5 %p)	1.9
<b>Turnover, 12 months rolling</b>					
Total employee turnover rate	%	9.9	9.7	0.2 %p	8.4
Voluntary employee turnover rate	%	7.0	5.6	1.4 %p	5.0

<sup>1</sup>FTE distribution in other countries: Ireland (77), The Netherlands (55), Singapore (16), South Korea (12), Japan (15), and Sweden (6) in 9M 2021.

The number of employees was 9 % higher at the end of 9M 2021 compared to 9M 2020. Although we saw increases in all geographies, the increase primarily occurred outside of Denmark

At the end of 9M 2021, the total employee turnover rate increased by 0.2 percentage points to 9.9 %, and the voluntary employee turnover rate increased by 1.4 percentage points to 7.0 % compared to 9M 2020.

Geographical distribution of FTEs, %



## 3.2 Safety

Indicator	Unit	Target	9M 2021	9M 2020	Δ	12M rolling 9M 2021	12M rolling 9M 2020	Δ	2020
<b>Total recordable injuries (TRIs)</b>	<b>Number</b>		<b>54</b>	<b>62</b>	<b>(13 %)</b>	<b>69</b>	<b>92</b>	<b>(25 %)</b>	<b>77</b>
- Own employees	Number		22	15	47 %	26	23	13 %	19
- Contractor employees	Number		32	47	(32 %)	43	69	(38 %)	58
<b>Lost-time injuries (LTIs)</b>	<b>Number</b>		<b>22</b>	<b>28</b>	<b>(21 %)</b>	<b>30</b>	<b>37</b>	<b>(19 %)</b>	<b>36</b>
- Own employees	Number		12	8	50 %	14	12	17 %	10
- Contractor employees	Number		10	20	(50 %)	16	25	(36 %)	26
<b>Hours worked</b>	<b>Million hours worked</b>		<b>17.7</b>	<b>16.3</b>	<b>9 %</b>	<b>23.0</b>	<b>21.9</b>	<b>5 %</b>	<b>21.5</b>
- Own employees	Million hours worked		8.0	8.3	(4 %)	10.6	11.0	(4 %)	10.8
- Contractor employees	Million hours worked		9.7	8.0	21 %	12.4	10.9	14 %	10.7
<b>Total recordable injury rate (TRIR)</b>	<b>Per million hours worked</b>	<b>2.9 (2025)</b>	<b>3.0</b>	<b>3.8</b>	<b>(21 %)</b>	<b>3.0</b>	<b>4.2</b>	<b>(29 %)</b>	<b>3.6</b>
TRIR, own employees	Per million hours worked		2.7	1.8	50 %	2.5	2.1	19 %	1.8
TRIR, contractor employees	Per million hours worked		3.3	5.9	(44 %)	3.5	6.3	(44 %)	5.4
<b>Lost-time injury frequency (LTIF)</b>	<b>Per million hours worked</b>		<b>1.2</b>	<b>1.7</b>	<b>(29 %)</b>	<b>1.3</b>	<b>1.7</b>	<b>(24 %)</b>	<b>1.7</b>
LTIF, own employees	Per million hours worked		1.5	1.0	50 %	1.3	1.1	18 %	0.9
LTIF, contractor employees	Per million hours worked		1.0	2.5	(60 %)	1.3	2.3	(43 %)	2.4
<b>Fatalities</b>	<b>Number</b>		<b>0</b>	<b>0</b>	<b>0 %</b>	<b>0</b>	<b>0</b>	<b>0 %</b>	<b>0</b>
<b>Permanent disability cases</b>	<b>Number</b>		<b>0</b>	<b>0</b>	<b>0 %</b>	<b>0</b>	<b>0</b>	<b>0 %</b>	<b>0</b>

The overall safety performance developed positively in 9M 2021 compared to 9M 2020.

Total recordable injuries in 9M 2021 decreased by 13 % (8 recordable injuries less) and lost-time injuries decreased by 21 % (6 lost-time injuries less) compared to 9M 2020.

The total amount of hours worked in 9M 2021 was 9 % higher than in 9M 2020. The number of hours worked by Ørsted employees in 9M 2021 was 4 % lower than in 9M 2020, whereas the hours worked by contractor employees increased by 21 %.

Consequently, the total recordable injury rate (TRIR) was 3.0, which was 21 % lower than in 9M 2020, and the lost-time injury frequency (LTIF) was 1.2, which was 29 % lower than in 9M 2020.

## 4.1 Supplier due diligence

Indicator	Unit	9M 2021	9M 2020	Δ	2020
<b>Risk screenings</b>					
Risk screenings (all contracts above DKK 3 million)	Number	246	258	(5 %)	303
Extended risk screenings	Number	47	71	(34 %)	81
Know-your-counterparty (KYC) screenings	Number	858	605	42 %	843
<b>Due diligence activities conducted</b>					
Code of conduct (COC) desktop assessments	Number	19	28	(32 %)	45
Code of conduct (COC) site assessments	Number	1	6	(83 %)	6
Health, safety, and environment (HSE) desktop assessments	Number	140	217	(35 %)	290
Health, safety, and environment (HSE) site assessments	Number	12	15	(20 %)	21
Desktop vessel inspections	Number	39	51	(24 %)	58
Physical vessel inspections	Number	278	257	8 %	339

The number of screenings and due diligence activities conducted is determined by the schedule of the individual construction projects and the procurement priorities from year to year.

In 9M 2021, 246 code of conduct (COC) risk screenings based on country and category risk were conducted with 47 extended risk screenings carried out based on additional risk parameters. The 34 % reduction in extended risk screenings in 9M 2021 reflected less high-risk contracts compared to 9M 2020.

The number of know-your-counterparty (KYC) screenings, focusing on supplier's integrity and legal compliance, increased by 42 % in 9M

2021 compared to 9M 2020. Greater awareness of the KYC screening process within the procurement organisation, as well as increased monitoring efforts, have led to this increase in the number of screenings.

In 9M 2021, 19 COC desktop assessments were conducted, while only one site assessment was performed due to the COVID-19 travel restrictions. The number of HSE desktop assessments was reduced by 35 % in 9M 2021 compared to 9M 2020, reflecting an update in the sourcing strategy across Ørsted. Site assessments continue to be primarily conducted online due to COVID-19.

Desktop vessel inspections decreased by 24 % in 9M 2021 compared to 9M 2020 due to focus spent on preparation for installation campaigns in our various projects and an increase of 8 % in the number of physical inspections in 9M 2021.

The results of the assessments are managed throughout the different programmes, and improvement plans are developed and implemented in collaboration with suppliers.

# Accounting policies

## ESG data quality and consolidation

All our ESG data is reported to the same consolidation system, and we apply the same processes and tools to our ESG reporting as to our financial reporting. The data is consolidated according to the same principles as the financial statements. Thus, the consolidated ESG performance data comprises the parent company Ørsted A/S and subsidiaries controlled by Ørsted A/S. Data from associates and joint ventures is not included in the consolidated ESG performance data. Data from acquisitions and divestments is included or excluded from the date of acquisition or divestment.

The scoping and consolidation of health, safety, and environment (HSE) incidents deviate from the principles described above. HSE incident data is collected using an operational scope. This means that irrespective of our ownership share, we include all injuries, environmental incidents, hours worked, etc. from all operations where Ørsted is responsible for HSE, including safety for our external suppliers.

All data presented follows the principles above, unless otherwise specified in the accounting policy for the individual indicator. Accounting policies for all our ESG data can be found next to each data table in the environmental (E), social (S), and governance (G) sections. The calculation factors used in this report are listed at the end of the report together with references.

## 2.1 Renewable capacity

### Installed renewable capacity

The installed renewable capacity is calculated as renewable gross capacity installed by Ørsted. We include all capacities after the commercial operation date (COD) has been reached, and where we had an ownership share and an EPC role (engineering, procurement, and construction) in the project. Capacities from acquired companies are added to the installed capacity. We do not remove

installed capacities from divested assets or farm-downs because we focus on whether we installed the assets.

Both the solar and battery capacities are measured in megawatts of alternating current (MWac).

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

### Decided (FID'ed) renewable capacity

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

### Awarded and contracted renewable capacity

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

## 2.2 Generation capacity

### Power generation capacity

Power generation capacity from an offshore wind farm is calculated and included from the time when the individual wind turbine has passed a 240-hour test. Generation capacities for onshore wind and solar PV are included after COD.

The offshore wind farms Gunfleet Sands 1 & 2 and Walney 1 & 2 have been consolidated according to ownership interest. Other wind farms, solar farms, and CHP plants have been financially consolidated.

### Heat and power generation capacity, thermal

The thermal heat and power generation capacity is a measure of the maximum capability to generate heat and power.

The capacity can change over time with plant modifications. For each CHP plant, the capacity is given for generation with the primary fuel mix. Overload is not included.

Fuel-specific capacities measure the maximum capacity using the specified fuel as primary fuel at the multi-fuel plants. Therefore, the total sum amounts to more than 100 %.

CHP plants which have been taken out of primary operation and put on standby are not included.

## 2.3 Energy generation

### Power generation

Power generation from wind farms is determined as generation sold. The offshore wind farms Gunfleet Sands 1 & 2 and Walney 1 & 2 have been consolidated according to ownership interest. Other wind farms, solar farms, and CHP plants have been financially consolidated.

Thermal power generation is determined as net generation sold, based on settlements from the official Danish production database. Data for generation from foreign facilities are provided by the operators.

### Heat generation

Heat (including steam) generation is measured as net output sold to heat customers.

## 2.4 Green share of energy generation

### Green share of energy generation

The green (renewable energy) share of our heat and power generation and the distribution of the generation volume on the individual energy sources and

fuels are calculated on the basis of the energy sources used and the energy generated at the different energy plants.

For combined heat and power (CHP) plants, the share of the specific fuel (e.g. sustainable biomass) is calculated relative to the total fuel consumption for a given plant or unit within a given time period. The specific fuel share is then multiplied by the total heat and power generation for the specific plant or unit in the specific period. The result is the fuel-based generation for the individual unit, for example, the sustainable biomass-based generation of heat and power from the CHP plant unit within a given time period.

The percentage share of the individual energy sources is calculated by dividing the generation from the individual energy source by the total generation.

The following energy sources and fuels are considered as renewable energy: wind, solar PV, sustainable biomass, biogas, and power sourced with renewable energy certificates. The following energy sources are considered as fossil energy sources: coal, natural gas, and oil.

## 2.5 Energy business drivers

### Wind speed

Wind speeds for the areas where Ørsted's offshore and onshore wind farms are located are provided to Ørsted by an external supplier, except for our new Irish onshore assets where wind speeds are measured on site. Wind speeds are weighted on the basis of the capacity of the individual wind farms and consolidated to an Ørsted total for offshore and onshore, respectively. 'Normal wind speed' is a historical wind speed average.

### Availability

Availability is calculated as the ratio of actual production to the possible production which is the sum of lost production and actual production in a given period.

The production-based availability (PBA) is impacted by grid and wind turbine outages which are technical production losses. PBA is not impacted by market-requested shutdowns and wind farm curtailments as this is deemed not to be reflective of site performance, but due to external factors.

Total availability is determined by weighting the individual wind farm's availability against the capacity of the wind farm.

#### Load factor

The load factor is calculated as the ratio between actual generation over a period relative to potential generation, which is possible by continuously exploiting the maximum capacity over the same period. The load factor is commercially adjusted. Commercially adjusted means that, for Danish and German offshore wind farms, the load factor is adjusted if the offshore wind farm has been financially compensated by the transmission system operators in situations where the offshore wind farm is available for generation, but the output cannot be supplied to the grid due to maintenance or grid interruptions. Wind farms in other countries are not compensated for non-access to the grid.

New wind turbines are included in the calculation of availability and load factor once they have passed a 240-hour test for offshore wind turbines, and once the commercial operation date (COD) has passed for onshore wind turbines.

#### Degree days

Degree days are a measure of how cold it has been and thus indicate the amount of energy needed to heat a building. The number of degree days helps to compare the heat demand for a given year with a normal year. The number of degree days expresses the difference between an average indoor temperature of 17 °C and the outside mean temperature for a given period. The need for heat increases with the number of degree days.

### 2.6 Energy sales

#### Gas and power sales

Sales of gas and power are calculated as physical sales to retail customers, wholesale customers, and

exchanges. Sales are based on readings from Ørsted's trading systems. Internal sales to Bioenergy are not included in the statement.

### 2.7 Greenhouse gas (GHG) emissions

#### Direct GHG emissions (scope 1)

The reporting of direct scope 1 emissions is based on the Greenhouse Gas Protocol and covers all direct emissions of greenhouse gases from Ørsted: carbon dioxide, methane, nitrous oxide, and sulphur hexafluoride. The direct carbon emissions from the combined heat and power plants are determined on the basis of the fuel quantities used in accordance with the EU Emissions Trading System (ETS). Carbon dioxide and other greenhouse gas emissions outside the EU ETS scheme are, for the most part, calculated as energy consumption multiplied by emission factors.

#### Indirect GHG emissions (scope 2)

The reporting of indirect scope 2 emissions is based on the Greenhouse Gas Protocol and includes the indirect GHG emissions from the generation of power, heat, and steam purchased and consumed by Ørsted. Scope 2 emissions are primarily calculated as the power volumes purchased multiplied by country-specific emission factors. Location-based emissions are calculated based on average emission factors for each country, whereas market-based emissions take the green power purchased into account and assume that the regular power is delivered as residual power where the green part has been taken out.

#### Indirect GHG emissions (scope 3)

The reporting of indirect scope 3 emissions is based on the Greenhouse Gas Protocol which divides the scope 3 inventory into 15 subcategories (C1-C15).

GHG emissions from:

- C1 is categorised spend data multiplied by relevant spend category-specific emission factors
- C2 includes upstream GHG emissions from installed wind and solar PV farms. Carbon emissions are included from cradle to operations and maintenance. Wind and solar PV farms are included from the month when the wind or solar PV farm has reached the commercial operation

date (COD)

- C3 is calculated based on actual fuel consumption and power sales multiplied by relevant emission factors. We include all power sales to end customers and use separate emission factors for green and regular power sales
- C4 only includes fuel for helicopter transport. Emissions from other transport types are included in the emission factors we use for purchased goods and services
- C5 is calculated based on actual waste data multiplied by relevant emission factors
- C6 is calculated based on mileage allowances for employee travel in own cars and GHG emissions from plane travel provided by our travel agent
- C7 is calculated based on estimates of the distance travelled and travel type (e.g. car and train)
- C9 is calculated based on volumes of residual products, estimated distances transported, and relevant GHG emission factors for transport
- C11 is calculated based on actual sales of gas to both end users and wholesale as reported in our ESG consolidation system. The total gas trade is divided into natural gas, LNG, and biogas which have specific up- and downstream emission factors.

The subcategories C8, C10, and C12-C15 are not relevant for Ørsted as we have no greenhouse gas emissions within these categories.

#### GHG intensity (scope 1 and 2)

GHG intensity is calculated as total scope 1 and scope 2 (market-based) emissions divided by total heat and power generation, revenue, and EBITDA, respectively.

### 2.8 Avoided carbon emissions

#### Avoided carbon emissions

The avoided carbon emissions due to generation from wind and solar PV farms are calculated on the basis of the assumption that the generation from wind and solar PV farms replaces an equal quantity of power generated using fossil fuels.

The carbon emission factor from fossil fuels is based on an average fossil-fuel mix in the specific country or US state. Data is extracted from the International Energy Agency (IEA) and the US Environmental Protection Agency (EPA).

Power generation at a wind farm does not have direct carbon emissions, and indirect emissions from a wind farm are not included. The avoided carbon emissions are calculated as the wind farm's generation multiplied by the emission factor.

The avoided carbon emissions due to the conversions of the CHP plants, and the subsequent switch from fossil fuels to sustainable biomass, are calculated on the basis of the energy content of the fuel used at the CHP plants. It is assumed that the use of 1 GJ of sustainable biomass fuel avoids the use of 1 GJ of fossil fuels. The upstream carbon emissions from production, manufacture, and transport of sustainable biomass are included in the calculation.

The following secondary carbon emissions are included in the calculation:

- Fuel used for production of sustainable biomass and conversion into wood pellets and wood chips.
- Fuel used for transport and handling of sustainable biomass.
- Back-up fuel used together with sustainable biomass fuel at the power plants.

The accounting policies for avoided carbon emissions follow the principles of the GHG Project Protocol and the United Nation's Framework Convention on Climate Change (UNFCCC) methodology.

#### Carbon emissions

Carbon emissions include scope 1 greenhouse gas emissions from thermal heat and power generation. For more details, see '2.7 Greenhouse gas (GHG) emissions'.

### 2.9 Energy consumption

#### Direct energy consumption (GHG, scope 1)

Direct energy consumption includes all energy con-

sumption, including energy consumption that leads to scope 1 greenhouse gas emissions. Energy consumption includes all fuels used at CHP plants (lower calorific values) and other energy usage (oil, natural gas, and diesel).

#### Fuels used in thermal heat and power generation

Sustainable biomass covers all kinds of sustainable biomass-based fuels used in thermal generation.

#### Other energy usage

Other energy usage covers usage of oil, natural gas, and diesel. This consumption covers, for example, oil for small power generators at building sites, gas consumption for heating, and diesel for vessels and cars. Emissions from flaring and venting carried out for safety or similar purposes are included. For gas treatment and gas storage facilities, the amounts are calculated on the basis of pressure and the dimensions of the process equipment that is emptied as well as by means of accredited measuring of the continuous safety flaring.

#### Certified sustainable wooden biomass sourced

Certified sustainable wooden biomass is defined as wooden biomass, i.e. wood pellets and wood chips and measured as sourced wooden biomass delivered to individual CHP plants within the reporting period.

Certified sustainable wooden biomass must be certified within at least one of the claim categories accepted by the Danish industry agreement on certified biomass. Accepted claim categories are: FSC 100 %, FSC Mix, PEFC 100 %, and SBP compliant.

Certified sustainable wooden biomass sourced is calculated as the amount of certified sustainable wooden biomass sourced divided by the total amount of wooden sustainable biomass sourced delivered to individual CHP plants within the reporting period.

#### Indirect energy consumption (GHG, scope 2)

Heat and power purchased and consumed by Ør-

sted is reported for CHP plants, other facilities, and administrative buildings. Heat and power consumption excludes consumption of own generated heat and power at the CHP plants. For consumption related to administration and other processes, we calculate direct consumption on the basis of invoices.

#### Green share of total direct and indirect energy consumption

The green share is calculated as renewable energy sourced (sustainable biomass and certified green power) for own consumption divided by total energy sourced for own consumption.

#### 3.1 Human capital Number of employees

Employee data is recognised based on records from the Group's ordinary registration systems. The number of employees is determined as the number of employees at the end of each month converted to full-time equivalents (FTEs).

Employees who have been made redundant are recognised until the expiry of their notice period, regardless of whether they have been released from all or some of their duties during their notice period.

#### Sickness absence

Sickness absence is calculated as the ratio between the number of sick days and the planned number of annual working days.

#### Turnover

The employee turnover rate is calculated as the number of permanent employees who have left the company relative to the average number of permanent employees in the financial year.

#### 3.2 Safety Safety

Occupational injuries are calculated according to operational scope. Data from companies wholly or partly owned by Ørsted, and where Ørsted is responsible for safety, is included. Occupational injuries and lost-time injuries are calculated for both our own em-

ployees and our suppliers. Data from all Ørsted locations are recognised.

The lost-time injury frequency (LTIF) is calculated as the number of lost-time injuries per one million hours worked. The number of hours worked is based on 1,667 working hours annually per full-time employee and monthly records of the number of employees converted into full-time employees. For suppliers, the actual number of hours worked is recognised on the basis of data provided by the supplier, access control systems at locations, or estimates. LTIF includes lost-time injuries defined as injuries that result in an incapacity to work for one or more calendar days in addition to the day of the incident.

Total recordable injury rate (TRIR) is calculated in the same way as LTIF but in addition to lost-time injuries, TRIR also includes injuries where the injured person is able to perform restricted work the day after the accident as well as injuries where the injured person has received medical treatment.

Fatalities are the number of employees who lost their lives as a result of a work-related incident.

Permanent disability cases are injuries resulting in irreversible damage with permanent impairment which is not expected to improve.

#### 4.1 Supplier due diligence

ESG supplier and business partner due diligence is carried out by different departments at Ørsted.

#### Risk screenings

The Responsible Business Partner Programme (RPP) team apply a risk-based due diligence framework to identify areas within our code of conduct (COC) for business partners where relevant suppliers need to improve their adherence to the code.

Risk screenings are conducted by RPP based on country and category risk on all new sourcing contracts above DKK 3 million. Based on the risk

screening evaluation, RPP conducts extended risk screenings of selected contracts with additional parameters. Screenings and extended screenings also take place for coal and sustainable biomass suppliers and top-spend suppliers.

The Business Ethics Compliance (BEC) team also conduct know-your-counterparty (KYC) screenings of all new suppliers and business partners to ensure legal compliance.

Risk-screened procurement spend and KYC-screened procurement spend are both calculated on an annual basis for the reporting year.

#### Due diligence activities conducted

Due diligence activities are carried out by our RPP, Health, Safety, and Environment (HSE), and Marine Inspection teams, based on the results of individual screenings and risk assessments.

The activities are conducted either as desktop assessments or inspections or as on-site assessments or physical inspections which often include a visit to the production facilities by Ørsted or a third party.

Assessments also include potential suppliers (i.e. no signed contracts yet) as part of the tender process.

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