Ørsted

ESG performance report

First quarter 2019

Contents

This report is a condensed version of the full-year ESG performance report. The indicators in this interim report are selected, based on their relevance for quarterly reporting towards investor communities.

The interim ESG performance report can be downloaded at:
orsted.com/en/Investors/IR-material/Financial-reports-and-presentations

FURTHER INFORMATION

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1.1 CFO's review - first quarter

Good performance in our key ESG indicators

- Our installed renewable capacity was 31% higher at the end of Q1 2019 compared to the end of Q1 2018.
- Our green share of generation increased from 68% to 80%.
- Our greenhouse gas intensity decreased by 44% to 82g CO_2e/kWh.
- Our total recordable injury rate (TRIR) fell by 36% to 4.3.

Energy capacity

We achieved first power from the new offshore wind farm Hornsea 1 in February 2019. The construction is progressing according to plan. When Hornsea 1 is fully operational during the second half-year, it will become the world's largest offshore wind farm with a capacity of 1,218MW. The capacity will be almost double the capacity of Walney Extension, which is currently the world's largest offshore wind farm.

Our installed renewable capacity was 8.3GW at the end of Q1 2019, which was 31% higher than by the end of Q1 2018. The increase from Q1 2018 was due to the commission of Walney Extension and Borkum Riffgrund 2, and our new onshore wind farms in 2018.

Power generation

Offshore wind speeds were 0.1m/s higher than last year, but with underlying differences between locations. High wind speeds in Denmark and Germany were almost fully offset by lower wind speeds in the UK. Availability was high at 96%, up 2 percentage points from last year.

The offshore wind power generation increased by 3% to 3.1TWh in Q1 2019. The increase was primarily due to ramp-up of power generation capacity, partly offset by curtailment and outages.

The newly acquired onshore wind farms in the US generated 0.8TWh in Q1 2019.

Thermal power generation decreased by 42% to 1.9TWh relative to Q1 2018. This was mainly due to the divestment of the Dutch power plant Enecogen in 2018 and a lower combined heat and power generation in Q1 2019 driven by lower heat demand.

Our total power generation in Q1 2019 was 5.9TWh, which was 6% lower than in Q1 2018.

Heat generation

The first quarter of 2019 was significantly warmer than last year, causing heat generation to be correspondingly lower.

We generated 3.7TWh heat in Q1 2019 which was a reduction of 23% compared to Q1 2018.

The sourcing of certified sustainable biomass increased by 13 percentage points to 94% certified woody biomass in Q1 2019. Our target is 100% in 2020.

Green share of energy and greenhouse gas intensity

Our total heat and power generation was 9.6TWh in Q1 2019, of which 80% was based on renewable energy sources – an increase of 12 percentage points compared to Q1 last year. The main drivers of the improvement were the increase in wind-based generation, the significantly lower thermal energy generation, combined with the continued transformation from fossil fuels to biomass.

Our coal consumption was reduced by 47%, and natural gas consumption was reduced by 70%. Our total greenhouse gas emissions were thereby reduced by 51% to 0.8 million tonnes CO_2e in Q1 2019.

The reduction in the use of fossil fuels combined with the increased energy generation from wind reduced our greenhouse gas intensity by 44% to 82g CO_2e/kWh in Q1 2019.

Safety

Safety performance continued to improve in 2019. The 12 months rolling total recordable injury rate (TRIR) was reduced by 36% from 6.7 injuries per million hours worked in Q1 2018 to 4.3 injuries per million hours worked in Q1 2019.

The positive development in the 12 months rolling TRIR was supported by 15% fewer injuries and 22% more hours worked in Q1 2019.

> "We generated 9.6TWh heat and power in Q1 2019, of which 80% was based on renewable energy sources.

Marianne Wiinholt
CFO

1.2 Overview by business unit

Note	Indicator	Unit	Offshore	Onshore	Bioenergy	Customer Solutions	Other activities/ eliminations	Q1 2019	Q1 2018	%
	Revenue	DKK million	6,338	114	2,248	9,842	(1,303)	17,239	19,808	(13%)
	EBITDA	DKK million	3,999	152	435	567	(23)	5,130	5,519	(7%)
2.1	Installed renewable capacity	MW	5,602	813	1,888	-	-	8,303	6,336	31%
2.1	Decided (FID) renewable capacity (not yet installed)	MW	3,356	184	125	-	-	3,665	4,590	(20%)
2.1	Awarded and contracted renewable capacity (no FID yet)	MW	3,916	880	-	-	-	4,796	-	-
2.1	Total renewable capacity (installed + FID + awarded)	MW	12,874	1,877	2,013	-	-	16,764	10,926	53%
2.2	Generation capacity, power	MW	3,049	813	2,842	-	-	6,704	6,068	10%
2.2	Generation capacity, heat	MW	-	-	3,425	-	-	3,425	3,415	0%
2.3	Power generation	TWh	3.1	0.8	1.9	-	-	5.9	6.3	(6%)
2.3	Heat generation	TWh	-	-	3.7	-	-	3.7	4.8	(23%)
2.7	GHG scope 1 and 2 emissions	Million tonnes CO_2e	0.0	0.0	0.8	0.0	0.0	0.8	1.7	(53%)
2.9	Greenhouse gas intensity	g CO_2e/kWh	-	-	138	-	-	82	147	(44%)
2.5	Green share of energy generation	%	100	100	67	-	-	80	68	11%p
3.1	Number of employees	Full-time equivalents (FTE)	2,526	54	713	1,213	1,670	6,176	5,662	9%
3.2	TRIR (total recordable injury rate) 12M rolling	Number /million hours worked	3.6	3.4	7.1	7.7	1.6	4.3	6.7	(36%)
3.2	LTIF (lost time injury frequency) 12M rolling	Number /million hours worked	0.8	0.0	2.9	3.7	1.3	1.5	1.7	(12%)
4.1	Suppliers screened regarding code of conduct	Number	75	-	7	3	9	94	51	84%

1.3 Overview by country

Note	Indicator	Unit	Denmark	United Kingdom	Germany	Netherlands	USA	Other countries	Q1 2019	Q1 2018	%
2.1	Installed green capacity	MW	2,894	3,182	1,384	-	843	-	8,303	6,336	31%
2.1	- of which offshore wind	MW	1,006	3,182	1,384	-	30	-	5,602	4,448	26%
2.1	- of which onshore wind	MW	-	-	-	-	803	-	803	-	-
2.1	- of which solar	MW	-	-	-	-	10	-	10	-	-
2.1	- of which thermal	MW	1,888	-	-	-	-	-	1,888	1,888	0%
2.1	Decided (FID) renewable capacity (not yet installed)	MW	125	2,604	-	752	184	-	3,665	4,590	(20%)
2.1	Awarded and contracted renewable capacity (not yet FID'ed)	MW	-	-	1,142	-	1,834	1,820	4,796	-	-
2.1	Total renewable capacity (installed+ FID + awarded)	MW	3,019	5,786	2,526	752	2,861	1,820	16,764	10,926	53%
2.2	Generation capacity, power	MW	3,405	1,764	692	-	843	-	6,704	6,068	10%
2.2	- of which offshore wind	MW	563	1,764	692	-	30	-	3,049	2,677	14%
2.2	- of which onshore wind	MW	-	-	-	-	803	-	803	-	-
2.2	- of which thermal	MW	2,842	-	-	-	-	-	2,842	3,391	(16%)
2.2	- of which solar	MW	-	-	-	-	10	-	10	-	-
2.2	Generation capacity, heat	MW	3,425	-	-	-	-	-	3,425	3,415	0%
2.3	Power generation	TWh	2.5	1.9	0.6	-	0.9	-	5.9	6.3	(6%)
2.3	Heat generation	TWh	3.7	-	-	-	-	-	3.7	4.8	(23%)
2.5	Green share of energy generation	%	70	100	100	-	100	-	80	68	18%
2.7	GHG scope 1 and 2 emissions	Mio t CO_2e	0.8	0.0	0.0	0.0	0.0	0.0	0.8	1.7	(53%)
2.9	Greenhouse gas intensity	g CO_2e/kWh	125	-	-	-	-	-	82	147	(44%)
3.1	Number of employees (FTE)	Number	4,475	997	204	14	129	358	6,176	5,662	9%

2.1 Renewable capacity

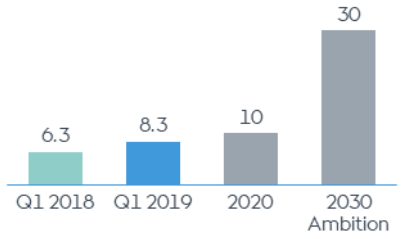
Indicator	Unit	Target/Ambition	Q1 2019	Q1 2018	%	2018	2017
Installed renewable capacity	**MW**	**30GW (2030)***	**8,303**	**6,336**	**31%**	**8,303**	**5,763**
- Offshore wind power	MW	15GW (2025)**	5,602	4,448	26%	5,602	3,875
- Denmark	MW		1,006	1,006	0%	1,006	1,006
- United Kingdom	MW		3,182	2,523	26%	3,182	1,950
- Germany	MW		1,384	919	51%	1,384	919
- USA	MW		30	-	-	30	-
- Onshore wind power, USA	MW		803	-	-	803	-
- Solar power, USA	MW		10	-	-	10	-
- Thermal heat, biomass, Denmark	MW		1,888	1,888	0%	1,888	1,888
Decided (FID) renewable capacity (not yet installed)	**MW**		**3,665**	**4,590**	**(20%)**	**3,665**	**5,178**
- Offshore wind power	MW		3,356	4,465	(25%)	3,356	5,053
- United Kingdom	MW		2,604	3,263	(20%)	2,604	3,836
- Germany	MW		-	450	(100%)	-	465
- Netherlands	MW		752	752	0%	752	752
- Onshore wind power, USA	MW		184	-	-	184	-
- Thermal heat, biomass, Denmark	MW		125	125	0%	125	125
Awarded and contracted capacity (not yet FID) renewable capacity	**MW**		**4,796**	**-**	-	**4,796**	**590**
- Offshore wind power	MW		3,916	-	-	3,916	590
- Germany	MW		1,142	-	-	1,142	590
- USA	MW		954	-	-	954	-
- Taiwan	MW		1,820	-	-	1,820	-
- Onshore wind power, USA	MW		530	-	-	530	-
- Solar power, USA	MW		350	-	-	350	-
Sum of installed and FID capacity	**MW**		**11,968**	**10,926**	**10%**	**11,968**	**10,941**
Sum of Installed + FID + awarded and contracted capacity	**MW**		**16,764**	**10,926**	**53%**	**16,764**	**11,531**

* Ambition 2030 for installed renewable capacity

** Target 2025 for offshore wind power

Installed renewable capacity increased by 31% relative to Q1 2018. We commissioned Walney Extension in May 2018 and Borkum Riffgrund 2 in December 2018. The acquisition of Lincoln Clean Energy and Deepwater Wind in 2018 also contributed to the increase.

Installed renewable capacity, GW



2.2 Generation capacity

Indicator	Unit	Q1 2019	Q1 2018	%	2018	2017
Power generation capacity	**MW**	**6,704**	**6,068**	**10%**	**6,673**	**5,899**
- Offshore	MW	3,049	2,677	14%	3,018	2,508
- Denmark	MW	563	583	(3%)	563	583
- United Kingdom	MW	1,764	1,634	8%	1,733	1,465
- Germany	MW	692	460	50%	692	460
- USA	MW	30	-	-	30	-
- Onshore, USA	MW	803	-	-	803	-
- Solar, USA	MW	10	-	-	10	-
- Thermal	MW	2,842	3,391	(16%)	2,842	3,391
- Denmark	MW	2,842	2,956	(4%)	2,842	2,956
- Netherlands	MW	-	435	(100%)	-	435
Heat generation capacity, thermal	**MW**	**3,425**	**3,415**	**0%**	**3,425**	**3,415**
Based on biomass	MW	1,888	1,888	0%	1,888	1,888
Based on coal	MW	1,384	1,492	(7%)	1,384	1,492
Based on natural gas	MW	1,774	1,774	0%	1,774	1,774
Power generation capacity, thermal	**MW**	**2,842**	**3,391**	**(16%)**	**2,842**	**3,391**
Based on biomass	MW	1,190	1,098	8%	1,190	1,098
Based on coal	MW	1,016	1,130	(10%)	1,016	1,130
Based on natural gas	MW	1,012	1,447	(30%)	1,012	1,447

Since Q1 2018, we have commissioned Walney Extension in the UK and Borkum Riffgrund 2 in Germany, which led to an increase in the offshore generation capacity by 14%.

Through the acquisition of Lincoln Clean Energy (LCE) in October 2018, we have added three operating onshore wind farms, Willow Springs, Amazon and Tahoka as well as the solar PV asset Oak to our power capacity.

Thermal power generation capacity decreased by 16%, primarily because of the divestment of the Dutch natural gas-fired power plant Enecogen. In addition, there has been a technical adjustment of the fossil-based heat and power capacity of Asnæs Power Station.

Fuel-specific thermal power and heat generation capacities cannot be added to total capacity as they are defined individually for our multifuel plants. All fuels cannot be used at the same time.

2.3 Energy generation

Indicator	Unit	Q1 2019	Q1 2018	%	2018	2017
Power generation, Ørsted total	**TWh**	**5.9**	**6.3**	**(6%)**	**17.2**	**16.7**
Power generation, offshore wind	TWh	3.1	3.0	3%	10.0	8.5
- Denmark	TWh	0.6	0.6	0%	2.2	2.5
- United Kingdom	TWh	1.9	2.0	(5%)	6.1	4.5
- Germany	TWh	0.6	0.4	50%	1.7	1.5
- USA	TWh	0.03	-	-	0.02	-
Power generation, onshore wind, USA	TWh	0.8	-	-	0.5	-
Power generation, solar, USA	TWh	0.003	-	-	0.003	-
Power generation, thermal	TWh	1.9	3.3	(42%)	6.7	8.2
- Denmark	TWh	1.9	3.0	(37%)	6.3	6.0
- Netherlands	TWh	-	0.3	(100%)	0.4	2.2
Heat generation, Ørsted total, Denmark	**TWh**	**3.7**	**4.8**	**(23%)**	**8.8**	**9.0**

Offshore power generation increased by 3% (0.1TWh) relative to Q1 2018. The increase was primarily due to ramp-up of generation from Walney Extension and Borkum Riffgrund 2 (additional 0.3TWh) and higher availability. Walney Extension commenced generation in October 2017 and was fully commissioned in May 2018, whereas Borkum Riffgrund 2 was fully commissioned in December 2018.

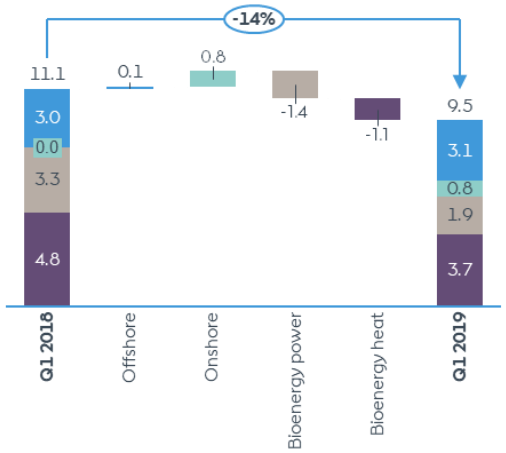
The positive effect from ramp-up was partly offset by curtailments and outages (-0.2TWh), for which we were partly compensated.

Generation in the new Onshore wind segment was 0.8TWh in Q1 2019.

Thermal power generation was 39% lower than in Q1 2018 driven by the divestment of our Dutch power plant Enecogen and only heat and no power generation at Asnæs Power Station.

Thermal heat generation was 23% lower than in Q1 2018 due to warmer weather, leading to a lower demand for heat.

Heat and power generation by business unit, TWh



2.4 Energy sales and distribution

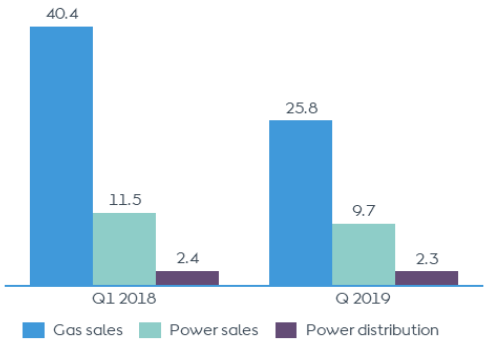
Indicator	Unit	Q1 2019	Q1 2018	%	2018	2017
Sales and distribution						
Gas sales	TWh	25.8	40.4	(36%)	131.1	129.0
Power sales	TWh	9.7	11.5	(16%)	35.2	37.5
Power distribution	TWh	2.3	2.4	(4%)	8.4	8.4
Customer satisfaction						
Customer satisfaction, B2C	Scale 1-100	72	76	(5%)	74	76

Gas sales was down 36% at 25.8TWh in Q1 2019 compared to Q1 2018. This was driven by an average decrease in gas prices of 12% relative to Q1 2018.

Power sales was down 16% at 9.7TWh in Q1 2019 compared to Q1 2018, primarily due to lower power prices.

B2C customer satisfaction, where there has been an interaction between the customer and Ørsted, declined from 76 in Q1 2018 to 72 in Q1 2019 due to a change of IT system which temporarily has impacted the level of customer service. To provide customers a higher level of service we continue to educate employees in the new IT system.

Sales and distribution, TWh



2.5 Green energy share

Indicator	Unit	Target	Q1 2019	Q1 2018	%	2018	2017
Ørsted's total power and heat generation	**%**		**100**	**100**	**(0%p)**	**100**	**100**
- From offshore wind	%		32	27	5%p	39	33
- From onshore wind	%		9	-	9%p	2	-
- From biomass	%		39	41	(2%p)	34	31
- From solar	%		0.03	-	0%p	0,01	-
- From coal	%		14	18	(4%p)	17	19
- From natural gas	%		6	14	(8%p)	8	17
- From oil	%		0.2	0.4	(0%p)	0	0
Green energy share	**%**	**99 (2025) ***	**80**	**68**	**12%p**	**75**	**64**

* additional target is 2023: ≥95%

The green share of heat and power generation amounted to 80% in Q1 2019, up 12 percentage points relative to the same period last year. The increase was due to the addition of generation from onshore wind farms, higher generation from offshore wind farms, and lower heat and power generation based on coal and gas.

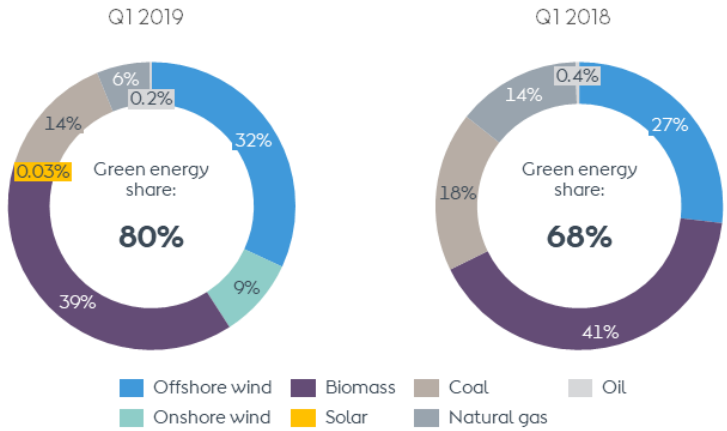
The share of generation from offshore and onshore wind farms increased by 14 percentage points as a result of new offshore generation capacity in the UK and Germany as well as the acquisition of Lincoln Clean Energy in October 2018.

The share of generation based on biomass decreased by 2 percentage points. However the biomass share of energy generation in the combined heat and power plants increased by 9 percentage points to 67% in Q1 2019.

The coal-based share of our generation decreased by 4 percentage points, primarily due to lower generation at the Asnæs power plant.

The reduction of 8 percentage points in the share of generation based on natural gas was due to the divestment of our 50% ownership share in the gas-fired power plant Enecogen in the Netherlands.

Total heat and power generation by energy source, %



2.6 Energy business drivers

Indicator	Unit	Q1 2019	Q1 2018	%	2018	2017
Offshore wind						
Availability	%	96	94	2%p	93	93
Load factor	%	51	55	(4%p)	42	44
Wind speed	m/s	10.4	10.3	1%	9.1	9.3
Onshore wind						
Availability	%	97	-	-	92	-
Load factor	%	47	-	-	41	-
Wind speed	m/s	7.8	-	-	7.3	-
Other						
Degree days, Denmark	Number	1,140	1,417	(20%)	2,526	2,705
Energy efficiency, thermal generation	%	82	75	7%p	71	69

Offshore wind

The availability of 96% was 2 percentage points higher compared to Q1 2018.

Wind speed was slightly higher in Q1 2019 and 0.1m/s higher than a normal wind year. In Denmark and Germany, wind speeds were higher in Q1 2019 compared to Q1 2018, but this was largely offset by lower wind speeds in the UK.

The load factor was lower in Q1 2019 compared with Q1 2018. The main contributor to the decrease was the UK wind farms. The lower wind impacts the load factor. For Denmark, the load factor was higher than Q1 2018. For Germany, the load factor was slightly lower in Q1 2019, due to technical issues at Borkum Riffgrund 2 in the ramp-up period.

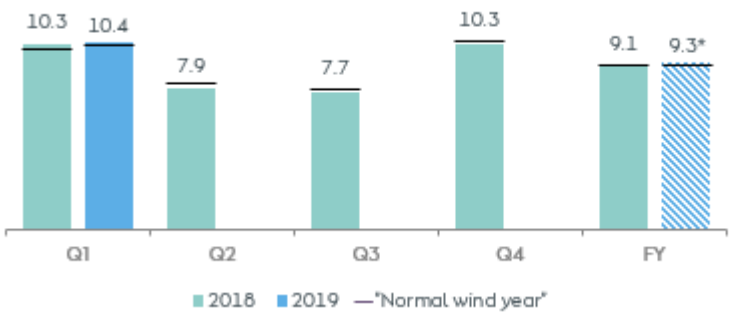
Onshore wind

Wind speeds averaged 7.8m/s, which was lower than in a normal wind year.

Other

The number of degree days was 20% lower in Q1 2019 than in Q1 2018. The warmer Q1 2019 resulted in a lower need for heat, which explains the 23% lower heat generation in Q1 2019 compared to Q1 2018.

Wind speeds for our offshore wind farms, m/s



* Indicates m/s for full-year 2019 (if Q2-Q4 follows the normal wind year)

2.7 Greenhouse gas emissions

Indicator	Unit	Q1 2019	Q1 2018	%	2018	2017
Direct GHG emissions (scope 1)						
Total scope 1 GHG emission	Thousand tonnes CO_2e	799	1,638	(51%)	3,483	3,949
- Carbon dioxide (CO_2)	Thousand tonnes CO_2e	790	1,625	(51%)	3,452	3,916
- Methane (CH_4)	Thousand tonnes CO_2e	4	5	(20%)	14	16
- Nitrogen oxide (N_2O)	Thousand tonnes CO_2e	5	8	(38%)	16	16
- Sulfur hexaflouride (SF_6)	Thousand tonnes CO_2e	0.01	0.02	(50%)	0.6	0.6
Indirect GHG emissions (scope 2)						
Location based	Thousand tonnes CO_2e	35	42	(17%)	151	101
Indirect GHG emissions (scope 3)						
Business travel	Thousand tonnes CO_2e	3	2	50%	8	7

Scope 1

For scope 1 greenhouse gas (GHG) emissions, the main contributor was emissions from the combustion of fossil fuels at power plants. In Q1 2019, the part of the total scope 1 emissions coming from fossil fuel-based heat and power generation was 98%. The 51% reduction in scope 1 was mainly due to lower generation at the Asnæs and Studstrup power plants as well as reduced consumption of natural gas after the sale of the Enecogen power plant in 2018.

The remaining 2% of scope 1 emissions originate from other fuel consumption, including cars and vessels.

Scope 2

The main source of location-based scope 2 emissions was power purchased by Customer Solutions to cover grid losses. In Q1 2019, grid losses accounted for 54% of the total location-based scope 2 emissions.

Bioenergy and Offshore mainly purchased power during standstill and shutdown periods. Bioenergy also purchased power for three heat boilers which generate heat from power.

The rest of the scope 2 emissions originated from purchased power and heat for office buildings.

Scope 3

Scope 3 emissions from business travel increased by 50% due to an increase in employees travelling by plane.

2.8 Avoided carbon emissions

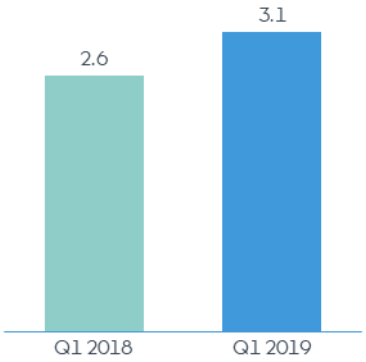
Indicator	Unit	Q1 2019	Q1 2018	%	2018	2017
Avoided carbon emissions	Million tonnes CO_2e	**3.1**	**2.6**	**19%**	**8.1**	**6.7**
- Avoided carbon emissions from wind generation, offshore	Million tonnes CO_2e	2.0	1.8	11%	6.3	5.3
- Avoided carbon emissions from wind generation, onshore	Million tonnes CO_2e	0.5	0.0	-	0.4	-
- Avoided carbon emissions from biomass converted generation	Million tonnes CO_2e	0.6	0.8	(25%)	1.4	1.4
Accumulated avoided carbon emissions	Million tonnes CO_2e	**37.3**	**28.8**	**30%**	**34.2**	**26.1**
- Accumulated avoided carbon emissions, offshore wind generation	Million tonnes CO_2e	32.6	26.2	24%	30.6	24.3
- Accumulated avoided carbon emissions, onshore wind generation	Million tonnes CO_2e	0.9	0.0	-	0.4	-
- Accumulated avoided carbon emissions, biomass-converted generation	Million tonnes CO_2e	3.8	2.6	46%	3.2	1.8
Carbon emissions from heat and power generation						
Carbon emissions from heat and power generation	Million tonnes CO_2e	0.8	1.6	(50%)	3.4	3.9
Accumulated (2006 to present year) Carbon emissions (from heat and power generation	Million tonnes CO_2e	122	119	3%	121	118

Compared to Q1 2018, the avoided emissions increased by 19% due to an increase in wind generation.

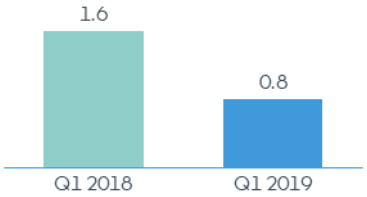
The lower heat generation in Q1 2019 compared to Q1 2018 resulted in a decrease in avoided emissions from biomass-converted generation.

By Q1 2019, we have avoided an accumulated total of 37.4 million tonnes carbon dioxide since 2006. This is the result of our wind-based and biomass-converted energy generation and corresponds to 31% of the accumulated carbon emissions from thermal energy generation at Ørsted since 2006.

Avoided carbon emissions, million tonnes CO_2e



Carbon emissions, million tonnes CO_2e



2.9 Greenhouse gas indicators

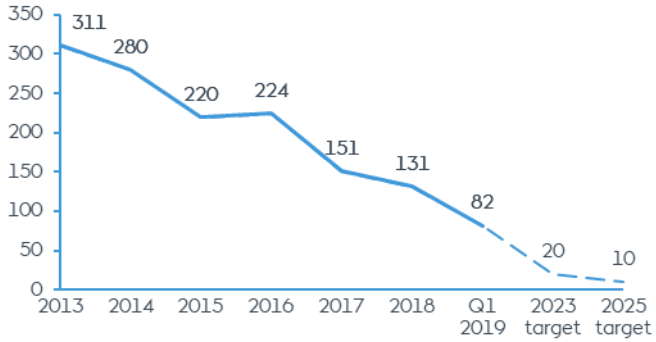
Indicator	Unit	Target	Q1 2019	Q1 2018	%	2018	2017
Greenhouse gas emission intensity							
Greenhouse gas intensity, Ørsted total *	g CO_2e/kWh	≤10 (2025)	82	147	(44%)	131	151
Greenhouse gas intensity, thermal generation	g CO_2e/kWh		138	200	(31%)	222	226
CO_2e per revenue, Ørsted	g CO_2e/DKK		48	85	(44%)	47	68
CO_2e per EBITDA, Ørsted	g CO_2e/DKK		162	304	(47%)	121	180

* Additional target 2023: ≤20

Ørsted's greenhouse gas emission intensity decreased by 44% from Q1 2018 to Q1 2019 due to higher generation from offshore and onshore wind farms, lower thermal heat and power generation, as well as lower use of gas following the divestment of the Enecogen power plant.

The greenhouse gas intensity from thermal generation decreased by 31%.

Greenhouse gas intensity, g CO_2e/kWh



2.10 Fuels used in thermal heat and power generation

Indicator	Unit	Target	Q1 2019	Q1 2018	%	2018	2017
Fuels used in thermal heat and power generation							
Biomass	Thousand tonnes		1,034	1,210	(15%)	2,461	2,357
Coal	Thousand tonnes		281	528	(47%)	1,206	1,100
Oil	Thousand tonnes		3	6	(50%)	16	17
Natural gas	Million Nm^3		59	197	(70%)	252	613
Certified renewable woody biomass sourced	**%**	**100 (2020)**	**94**	**81**	**13%p**	**83**	**72**
Total woody biomass sourced	Thousand tonnes		950	1,106	(14%)	2,326	2,131
- wood pellets	Thousand tonnes		681	849	(20%)	1,721	1,688
- wood chips	Thousand tonnes		270	257	5%	605	443
Certified renewable woody biomass sourced	Thousand tonnes		896	901	(1%)	1,921	1,539
- wood pellets	Thousand tonnes		650	706	(8%)	1,462	1,168
- wood chips	Thousand tonnes		246	195	26%	459	371

The fuel consumption decreased in Q1 2019 compared to Q1 2018, including both biomass and coal consumption.

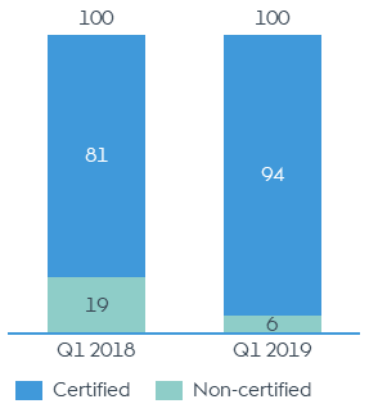
The decrease in biomass and coal consumption was due a to lower generation of heat and power in Q1 2019.

The lower gas consumption was due to the divestment of the Dutch power plant Enecogen.

The certified share of renewable woody biomass increased from 81% in Q1 2018 to 94% in 2019. The suppliers are still in the process of introducing certifications in their production and supply chains, and only a few suppliers have certified their entire production. We expect the suppliers to continually increase their share of certification.

Our target is to source all woody biomass as certified renewable by 2020.

Sourced woody biomass, %



2.11 Energy consumption

Indicator	Unit	Target	Q1 2019	Q1 2018	%	2018	2017
Fuel used in thermal heat and power generation	**Milllion GJ**		**25**	**39**	(36%)	**79**	**89**
- Biomass	Milllion GJ		16	19	(16%)	38	38
- Coal	Milllion GJ		7	13	(46%)	30	26
- Natural gas	Milllion GJ		2	7	(71%)	10	24
- Oil	Milllion GJ		0.1	0.3	(67%)	1	1
Share of fuels in thermal heat and power generation							
- Biomass	%		63	48	15%p	49	42
- Coal	%	0 (2023)	27	33	(6%p)	38	30
- Natural gas	%		10	18	(8%p)	12	27
- Oil	%		0	1	(1%p)	1	1
Other energy usage (oil, natural gas and diesel for vessels and cars)	**Milllion GJ**		0.2	0.2	0%	0.8	0.7

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3.1 Human capital

Indicator	Unit	Q1 2019	Q1 2018	%	2018	2017
Number of employees						
Total number of employees (end of period)	Number of FTEs	6,176	5,662	9%	6,080	5,638
Employees by countries						
Denmark	Number of FTEs	4,475	4,296	4%	4,454	4,307
United Kingdom	Number of FTEs	997	889	12%	964	898
Germany	Number of FTEs	204	200	2%	202	200
USA	Number of FTEs	129	32	303%	115	24
Taiwan	Number of FTEs	43	23	87%	35	20
Other	Number of FTEs	328*	222	48%	310	189
Turnover						
Total employee turnover rate	%	11.0	13.1	(2.1%p)	11.2	13.2
Voluntary employee turnover rate	%	7.0	7.2	(0.2%p)	7.1	7.2
Employees who have left the company	Number	162	163	(1%)	631	740
- Voluntary resignation	Number	107	103	4%	398	405
- Redundancy	Number	41	38	8%	162	249
- Mutual agreement	Number	9	15	(40%)	42	54
- Retirement	Number	1	6	(83%)	22	26
- Miscellaneous	Number	4	1	300%	7	6

* Poland 168, Malaysia 139, Netherlands 14 and Sweden 7

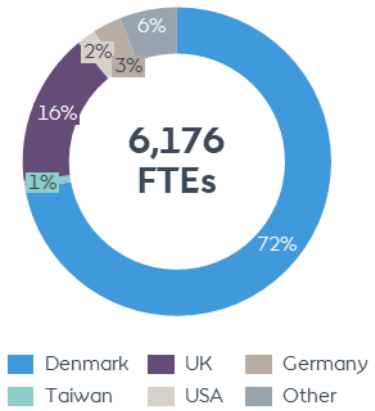
The number of employees was 9% higher at the end of Q1 2019 compared to Q1 2018 due to growth in existing and new markets.

Total employee turnover rate was 11.0% , which was 2.1%p lower than the same quarter last year.

Voluntary employee turnover rate decreased slightly from 7.2% in Q1 2018 to 7.0% in Q1 2019.

We monitor the voluntary employee turnover rate closely to ensure that it continues to stay at a reasonable level.

Geographical distribution of FTEs, %



3.2 Safety

Indicator	Unit	Target	Q1 2019	Q1 2018	%	2018	2017
Number of lost-time injuries (LTIs)	**Number**		**10**	**8**	**25%**	**31**	**32**
- own employees	Number		3	5	(40%)	12	7
- contractor employees	Number		7	3	133%	19	25
Total recorded injuries (TRIs)	**Number**		**22**	**26**	**(15%)**	**98**	**125**
- own employees	Number		11	13	(15%)	37	44
- contractor employees	Number		11	13	(15%)	61	81
Hours worked	**Million hours worked**		**5.0**	**4.1**	**22%**	**21.0**	**19.6**
- own employees	Million hours worked		2.6	2.4	8%	9.7	9.4
- contractor employees	Million hours worked		2.4	1.7	41%	11.3	10.2
Lost-time injury frequency (LTIF), 12M rolling	**Per million hours worked**		**1.5**	**1.7**	**(12%)**	**1.5**	**1.6**
LTIF, own employees, 12M rolling	Per million hours worked		1.0	1.2	(17%)	1.2	0.7
LTIF, contractor employees, 12M rolling	Per million hours worked		1.9	2.3	(17%)	1.7	2.5
Total recorded injury rate (TRIR), 12M rolling	**Per million hours worked**	**3.3 (2020)**	**4.3**	**6.7**	**(36%)**	**4.7**	**6.4**
TRIR, own employees, 12M rolling	Per million hours worked		3.5	5.3	(34%)	3.8	4.7
TRIR, contractor employees, 12M rolling	Per million hours worked		4.9	8.0	(39%)	5.4	7.9
Fatalities	**Number**		**0**	**0**	**0%**	**0**	**0**
Permanent disability cases	**Number**		**0**	**0**	**0%**	**0**	**0**

The safety performance developed positively from Q1 2018 to Q1 2019. Both LTIF and TRIR decreased.

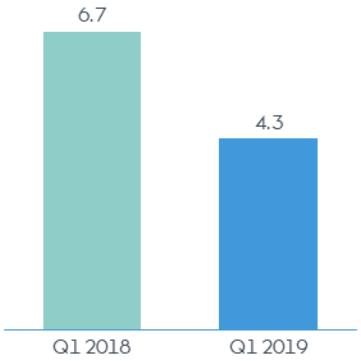
The number of total recorded injuries decreased by 15%. However, the number of lost time injuries increased by 25%.

Compared to Q1 2018, the number of hours worked in Q1 2019 have increased by 0.9 million hours or 22%.

Although Walney Extension and Borkum Riffgrund 2 contributed to the number of contractor hours in Q1 2018, the ongoing construction of Hornsea 1 in Q1 2019 exceeded this, and there was an increase of around 0.4 million contractor hours worked in Offshore.

Furthermore, the ongoing biomass conversion project at Asnæs Power Station contributed with almost 0.3 million contractor hours worked.

TRIR, per million hours worked



4.1 Responsible partner programme

Indicator	Unit	Q1 2019	Q1 2018	%	2018	2017
Screenings						
Pre-qualification screenings in high-risk countries	Number	7	3	133%	22	-
Risk screenings (all contracts above DKK 3 million)	Number	78	33	136%	160	157
Extended risk screenings	Number	9	15	(40%)	66	56
Assessments						
Self-assessments	Number	10	1	900%	13	10
Comprehensive assessments	Number	10	3	233%	11	13
Improvement areas						
Opened improvement areas	Number	38	15	153%	93	51
- Sustainability management	%	63	53	10%p	45	37
- Labour and human rights	%	32	40	(8%p)	37	35
- Environment	%	-	0	(0%p)	4	22
- Anti-corruption	%	5	7	(1%p)	14	6

In Q1 2019, the Responsible Partners Programme (RPP) expanded risk screening of contracted suppliers to also cover potential suppliers in our new markets. The purpose of this is to mitigate the risks associated with entering new markets.

Assessment and rating of eight potential foundation and offshore substation suppliers in Asian-Pacific countries was conducted in Q1 2019.

Common use of migrant workers was observed as a potential risk across most suppliers where excessive working time, withholding of passports and inadequate possibilities of termination of contracts were identified as specific adverse findings.

Most of the assessed suppliers have already progressed on adopting sustainability policies and procedures.

Accounting policies

2.1 Renewable capacity

Installed renewable capacity

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

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

Decided (FID) renewable capacity

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

Awarded and contracted renewable capacity

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

2.2 Generation capacity

Power generation capacity

Power generation capacity from wind farms is calculated and included from the time when the individual wind turbine has passed a 240-hour test.

The Gunfleet Sands and Walney 1 and 2 offshore wind farms have been consolidated according to ownership interest. Other wind farms and CHP plants are 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 power station, 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 multifuel plants. Therefore, the total sum amounts to more than 100%.

Power stations 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 sold generation. The Gunfleet Sands and Walney 1 and 2 offshore wind farms have been consolidated according to ownership interest.

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

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

2.4 Energy sales and distribution

Sales and distribution

Sales of power and natural gas are calculated as physical sales to retail and wholesale customers and exchanges. Sales of power and gas are based on readings from Ørsted's trading systems. Internal sales to Bioenergy are not included in the statement.

Power distribution is determined on the basis of data from the official system in Denmark which measures and calculates total area consumption.

Customer satisfaction

Customer satisfaction for residential customers (B2C) in Denmark is measured according to interaction between the customer and Ørsted. The score is therefore not an expression of customers' overall satisfaction with Ørsted, but is rather related to a given situation. The score is calculated as a weighted score based on a number of different types of touch points. The current touch points are customer service for gas and power, outbound sales and web. An external supplier conducts interviews.

2.5 Green energy share

Green energy share

The green (renewable energy) share of our heat and power generation and the distribution of the generation on the individual energy sources and fuels is calculated on the basis of the energy sources used and the energy generated at the different energy plants.

Wind and solar-based generation is computed as the input from the individual plant (wind and solar), as there is only one source of power for each plant. For CHP plants, the share of the specific fuel (e.g. biomass) is calculated relative to the total fuel consumption for a given plant/unit within a given time period. The specific fuel share is then multiplied with the total heat and power generation for the specific plant/unit in the specific period. The result is the fuel-based generation for the individual unit – for example the biomass-based generation of heat and power from the CHP plant unit within a given time period.

Energy generation based on fuel, wind and solar is added up to a total which tallies with total generation. The percentage share of the individual energy sources is calculated by dividing generation from individual energy source with the total generation.

The following energy sources and fuels are considered renewable energy: wind, solar and biomass. The following energy sources are considered fossil energy sources: coal, natural gas and oil.

2.6 Energy business drivers

Availability

The production-based availability (Offshore) 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 time-based availability factor (Onshore) is calculated as the ratio of the number of hours the wind farms are available for power generation to the total number of hours in a given period.
Total availability is determined by weighting the individual wind farm's availability against the capacity of the wind farm. Availability is not commercially adjusted nor impacted by market regulated factors.

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, 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.

Wind speed

Offshore wind speed shows the wind speeds of the areas for Ørsted's offshore wind farms. The wind speeds where the individual offshore wind farms are located are provided to Ørsted by an external

Accounting policies

supplier. Wind speeds are weighted on the basis of the capacity of the individual offshore wind farms and consolidated to an Ørsted total.
Onshore wind speed is based on wind speed measurements from anemometers on the 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.

Energy efficiency, thermal generation
Energy efficiency is calculated as total thermal heat and power generation divided by total energy content of fuels used in the generation of thermal heat and power.

2.7 Greenhouse gas emissions (GHG)

Direct GHG emissions (scope 1)
The direct scope 1 emissions are all direct emissions of greenhouse gases.

The direct carbon dioxide emissions from the thermal heat and power plants are determined on the basis of the fuel quantities used in accordance with the EU Emissions Trading System sceme (ETS) scheme. Carbon dioxide emissions outside the EU ETS scheme are calculated as energy consumptions multiplied by emission factors.

Methane and nitrous oxide emissions from combustion of fuel at thermal power plants are calculated based on the fuel comsumption and a standard factor. The emissions of methane from Fredericia Oil Terminal are calculated based on a specific on-site emission factor and the oil flow. For both methane and nitrous oxide, the emissions are converted into to carbon dioxide equivalents.

Sulfur hexaflourides are measured as kilogrammes refilled sulfur hexaflouride gas at substations operated by Radius. For Offshore, the sulfur hexaflouride gas consumption is calculated based on the generation capacity and a standard factor.

Indirect GHG emissions (scope 2)
The scope 2 emissions include the indirect GHG emissions from the generation of electricity, heat and steam purchased and consumed by Ørsted. The calculation for Denmark uses the volumes purchased, multiplied by country-specific factors for calculating carbon dioxide equivalents. Only carbon dioxide equivalents are included in our reporting of GHG emissions from countries outside Denmark.

Indirect GHG emissions (scope 3)
Scope 3 emissions only cover business travel with airplanes. Depending on the destination, different emission factors are used and multiplied by distance and the number of trips. Data is delivered by external data providers.

2.8 Avoided carbon emissions

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

The carbon emission factor from fossil fuels is calculated based on an average fossil fuel mix in a specific country. Data is extracted from the International Energy Agency, IEA. Power generation at a wind farm does not directly emit carbon dioxide, and no secondary effects are included, from either power plants or offshore wind farms. The avoided carbon emissions are calculated as the offshore wind farm's generation multiplied by the emission factor.

The avoided carbon emissions due to conversion of combined heat and power plants and subsequent switch of fuel from fossil to biomass (i.e. biomass from dedicated plantations or biomass residues) are calculated on the basis of the energy content of the fuel used at power plants. It is assumed that the use of 1GJ of biomass fuel avoids the use of 1GJ of fossil fuels.

The following secondary carbon emissions are included in the calculation:
- Fuel used for production of biomass and conversion into wood pellets and wood chips.
- Fuel used for transportation and handling of Biomass.
- Back-up fuel used together with biomass combustion at the power plant.

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

Carbon emissions
Accounting policies are described under 2.7 'Greenhouse gas emissions (GHG)'.

2.9 Greenhouse gas indicators

Greenhouse gas emission intensity
Greenhouse gas intensity is defined as the greenhouse gas emissions from the CHP plants divided by the total heat and power generation.
Greenhouse gases comprise greenhouse gas emissions in accordance with the GHG Protocol from the combustion of fuels in thermal heat and power generation. Greenhouse gases thus comprise carbon dioxide (CO_2), nitrous oxide (N_2O) and methane (CH_4).

Carbon dioxide equivalents per revenue and EBITDA are calculated using the sum of emissions from scope 1 and location-based scope 2 (see tabel 2.7) and Ørsted's revenue and EBITDA.

2.10 Fuels used in thermal heat and power generation

Fuels used in thermal heat and power generation
Fuels used in thermal heat and power generation at the power stations are the total of each fuel type used for both heat and power generation.

Biomass covers all kinds of biomass-based fuels used in thermal generation, including wood pellets, wood chips, straw, bio oil and sunflower husk pellets.

Certified renewable woody biomass sourced
Certified biomass is defined as woody biomass, i.e. wood pellets and wood chips. Biomass is measured as sourced woody biomass delivered to the individual combined heat and power plants within the reporting period.

Certified sustainable woody biomass sourced 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%, SBP compliant.

Certified biomass is calculated as the amount of sourced woody biomass compared to the total amount of sourced woody biomass delivered to individual power stations within the reporting period.

2.11 Energy consumption

Fuels used in thermal heat and power generation
Fuels used in thermal heat and power generation cover all fuels used at power stations.

Share of fuels in thermal heat and power generation
The share of the different fuels in thermal heat and power generation is calculated as the share of the individual fuel consumption in GJ relative to the total fuel volume in GJ.

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. Consumption of natural gas, flaring and venting carried out for safety or similar purposes are

Accounting policies

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 continous safety flaring.

3.1 Human capital

Employees

Our reporting covers contractually employed employees in all Ørsted companies in which Ørsted holds an ownership interest of more than 50%. Employees in associates are not included.

Employee data are 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.

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 employees and 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 incapacity to work for one or more calendar days in addition to the day of the incident. 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 accidents 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 Responsible partner programme

The responsible business partner programme (RPP) has been integrated into our procurement department's supplier contract screenings from 2015. The programme applies a risk-based due diligence framework to identify areas within our Code of Conduct where relevant suppliers need to improve their adherence to the code.

Screenings

We do risk screenings on all sourcing contracts above DKK 3 million. Based on the risk screening evaluation, we conduct extended risk screenings of selected suppliers where additional parameters are included. Furthermore, additional extended screening procedures take place for all fuel suppliers as well as for top-spend suppliers.

Assessments

Based on the results from the extended screenings, several suppliers are asked to complete a self-assessment questionnaire, and/or we decide to conduct a comprehensive assessment which often includes a visit to their production facilities.

Improvement areas

Based on the results of the assessment, an improvement plan is developed, covering all findings from the assessment.

Other responsible partner programme procedures

A pilot approach has been implemented where suppliers in new markets are screened as part of the pre-qualification phase.