



Investor Presentation

Non-Deal Roadshow

24-25th April 2023



DISCLAIMER

This presentation may contain certain forward-looking statements which include projections of our short- and long-term financial performance and targets as well as our financial policies. Statements herein, other than statements of historical fact, regarding our future results of operations, financial condition, cash flows, business strategy, plans and future objectives are forward-looking statements. Words such as “targets”, “believe”, “expect”, “aim”, “intend”, “plan”, “seek”, “will”, “may”, “should”, “anticipate”, “continue”, “predict” or variations of these words, as well as other statements regarding matters that are not historical facts or regarding future events or prospects, constitute forward-looking statements.

These forward-looking statements are based on current views with respect to future events and financial performance. These statements are by nature uncertain and associated with risk. Many factors may cause the actual development to differ materially from our expectations. These factors, include, but are not limited to changes in temperature, wind conditions, wake and blockage effects, precipitation levels, the development in power, coal, carbon, gas, oil, currency, interest rate markets, the ability to uphold hedge accounting, inflation rates, changes in legislation, regulations, or standards, the renegotiation of contracts, changes in the competitive environment in our markets, reliability of supply, and market volatility and disruptions from geopolitical tensions. As a result, you should not rely on these forward-looking statements. Please read more about the risks in the chapter ‘Risks and risk management’ on p. 38 and in note 6 of the 2022 annual report, available at www.orsted.com.

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Ørsted at a glance

2030 aspiration: Become the world's leading green energy major

Become the world's leading green energy major



Aspirations to become:



One of the world's largest **green electricity producers**

Global no. 1

in offshore wind



Significant player

in onshore renewables



A global leader in P2X



One of the world's largest and most value creating **deployers of capital** into the green transformation



One of the world's **leading talent platforms** in renewable energy

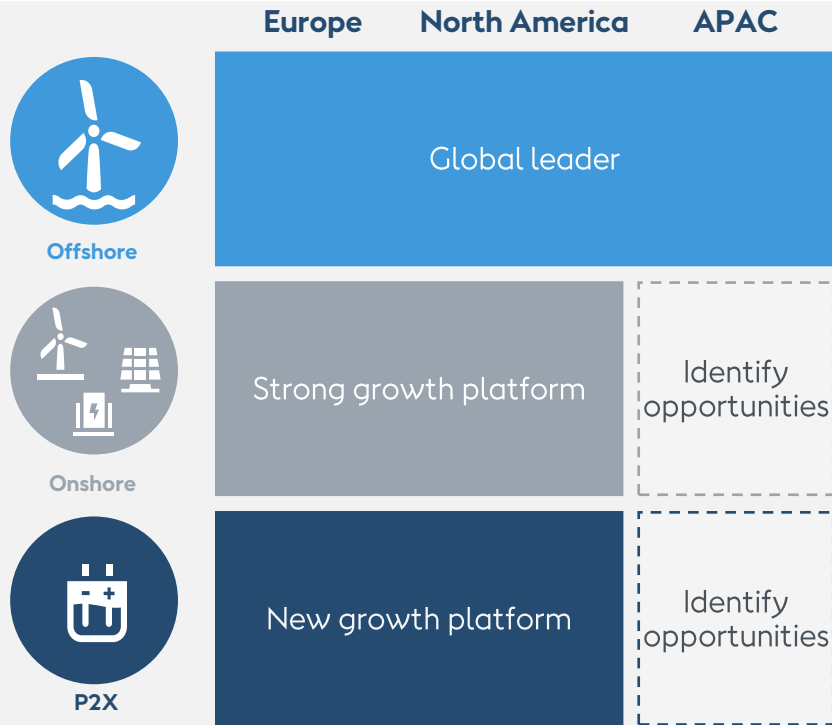


A globally recognised **sustainability leader**



A core contributor and **catalyst for change** towards a world running entirely on green energy

We have defined strategic choices to enable our new growth platform



- Build-out target to reach **~30 GW** in 2030
 - Expand footprint to **the Nordics, the Baltics, Spain, Korea, Japan, Vietnam, Australia** and other growth markets
 - Play a significant role in enabling the commercialisation of **floating offshore wind**
-
- Build-out target to reach **~17.5 GW** in 2030
 - Continue to **accelerate US build-out** across technologies, and **globalise** by scaling EU platform and exploring APAC
 - Create **multi-technology solutions** with hybrid wind and solar PV projects and integrated storage
-
- Build **global leadership position** in renewable hydrogen and green fuels
 - Execute on **+3 GW** project pipeline and pursue global opportunities across our growth platform
 - **Lean into selected** renewable hydrogen and green fuels **value chains** in close collaboration with key offtake partners

Ørsted's key credit highlights



Financials

- **Financial performance** as of Q4 2022 showed a **ROCE** of 16.8 %, above long-term target (11-12 %)¹, **EBITDA** for FY 2022 of DKK 21.1bn² exceeding initial expectations for the year (DKK 19-21 bn) and **FFO/net debt** above target (43 % vs. 25 %)



Limited construction risk

- **Construction risk** distributed across the portfolio with high CAPEX certainty for near term projects
- **Strong risk management measures** in place to mitigate and manage supply chain and consenting risks across the portfolio and markets



Best-in-class financial profile

- **Ørsted's balance sheet funding model** limits the risk from single asset failure and allows for EBITDA returns to be redistributed across the entire asset portfolio
- Strong commitment to maintain credit rating (BBB+/Baa1)
- A proven partnership model for renewable energy expansion
- Strong liquidity profile with proven resilience in current volatile energy markets



Increased scale

- **Increased financial and operational strength** with the **ambition** of ~50 GW in 2030
- Aligned to deliver on EBITDA CAGR target of 12% (2020-2027)



Sustained high share of regulated & contracted earnings

- **High share of regulated and contracted EBITDA** maintained also with the significant Onshore growth in both US and Europe
- **Large-scale CPPAs** successfully secured across the entire portfolio, and good progress in **renewable hydrogen and green fuels**
- On track to deliver on **90% contracted EBITDA (2020-2027)** with slight adjustment of management of residual 10% merchant exposure through updated hedging framework



Geographical diversification

- **EBITDA and CAPEX mix increasingly diversified** across regions – with a significant share expected to come from **outside Europe** (US & APAC) towards 2030



Technological diversification

- **Growth platform expanded** to tap into **new technological opportunities** – with growing CAPEX towards 2030 allocated to onshore, renewable hydrogen, green fuels and other P2X solutions



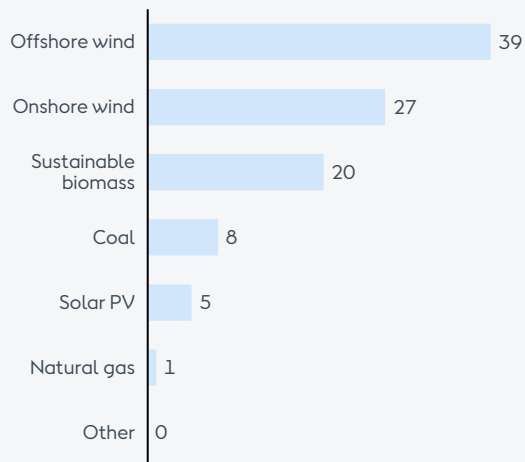
Equity authorisation

- Authorisation to issue up to 20 % of Ørsted's current share capital while maintaining the Kingdom of Denmark's ownership share in Ørsted (50.1 %), which gives Ørsted **additional financial and strategic flexibility** to pursue new growth opportunities

ESG Performance

Total heat and power generation FY 2022

Energy source, %

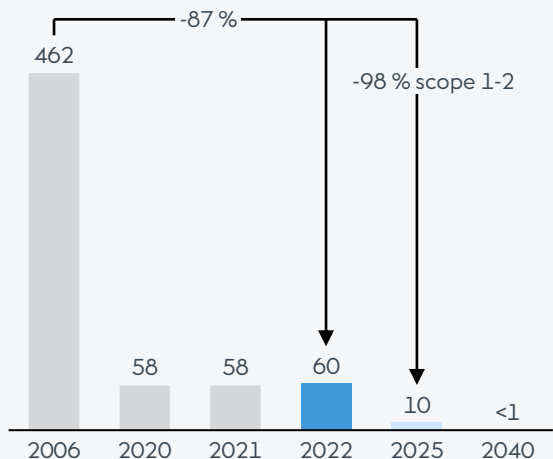


Green share of energy generation, 2022



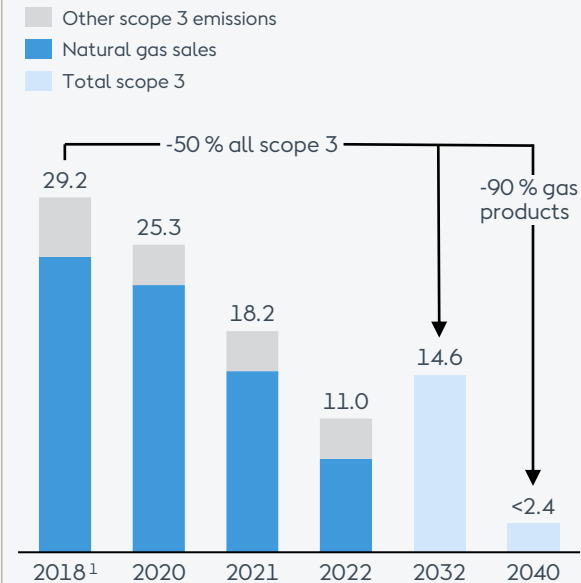
Greenhouse gas emission intensity

g CO₂e/kWh



Scope 3 greenhouse gas emissions

million tonnes CO₂e



Recent Developments

2022 guidance delivered with different earnings composition

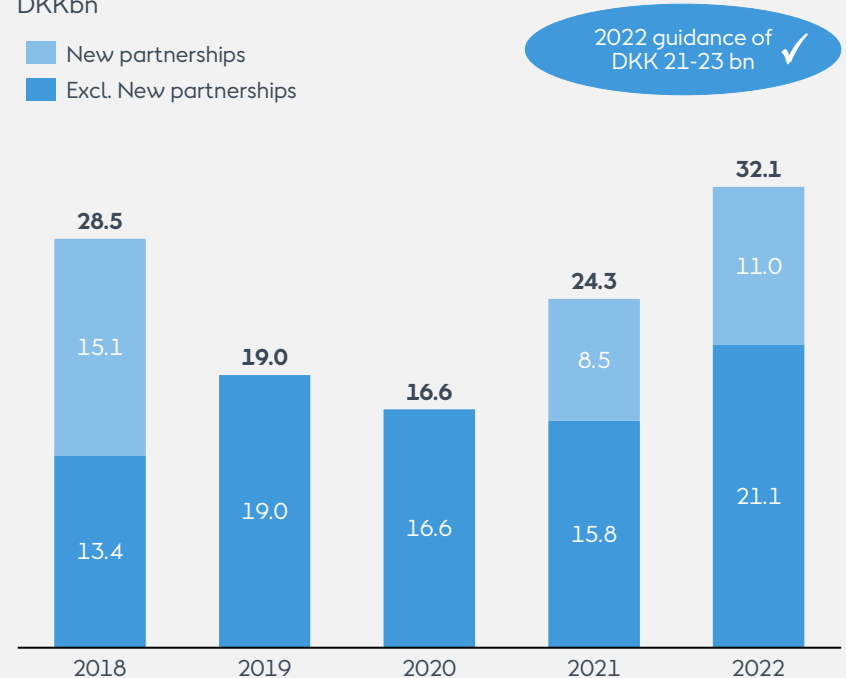
Achieved guidance in 2022

- EBITDA including new partnerships amounted to DKK 32.1 bn, a record-high EBITDA
- EBITDA excluding new partnerships of DKK 21.1 bn, exceeding initial expectations for the year
- Earnings composition demonstrates the strength of our diversified portfolio of assets
- Strong performance from our onshore wind and solar PV business, CHP plants, and gas activities
- Adverse impact from overhedging, ineffective hedges, and delays at Hornsea 2 and Greater Changhua 1 & 2a

Remain confident in our long-term EBITDA growth

Group EBITDA DKKbn

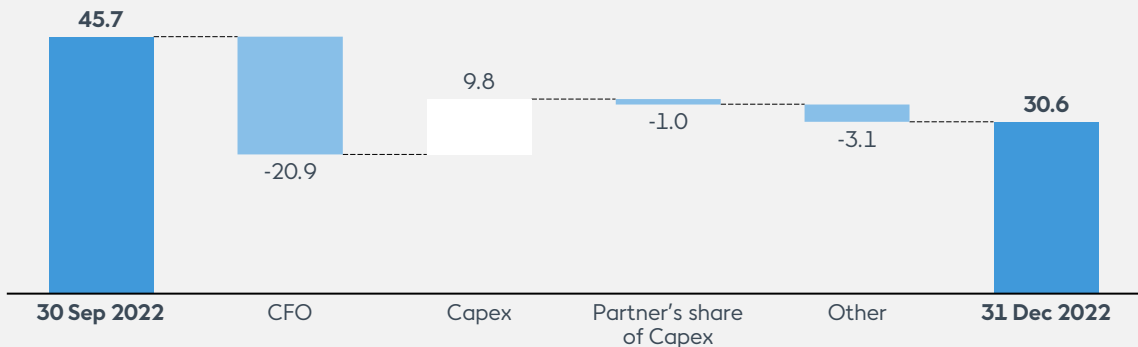
- New partnerships
- Excl. New partnerships



Net interest-bearing debt and credit metrics

Net interest-bearing debt

Q4 2022, DKKbn

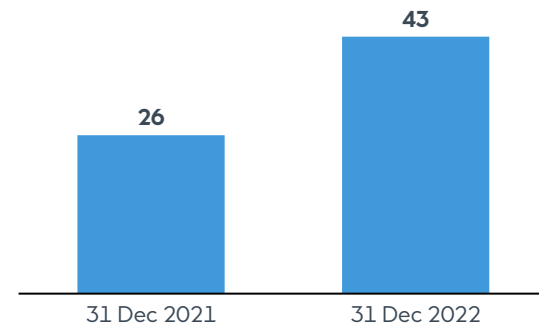


Net interest-bearing debt of DKK 30.6 bn, down DKK 15.1 bn

- Operating cash flow positive due to release of collateral postings, net DKK 17.4 bn during Q4
- Gross investments relating to construction of offshore and onshore assets
- Decrease in 'Other' due to issuance of hybrid capital and from exchange rate adjustments of decreased GBP

FFO / Adj. net debt

%



FFO / Adj. net debt of 43 %

- Increase mainly due to higher FFO in 2022, driven by higher EBITDA

Offshore - Latest strategic developments

- FID on first utility scale US offshore wind project, South Fork Wind
- Commissioned Hornsea 2, the world's largest operating offshore wind farm
- Awarded CfD for Hornsea 3, the world's single largest offshore wind
- First power at Greater Changhua 1 & 2a
- Final investment decision taken on 920 MW Greater Changhua 2b and 4 offshore wind farms in Taiwan with a expected completion end of 2025
- Applied to build 15 GW of offshore capacity in Sweden
- Floating wind partnership in Spain with Repsol and entry into Scotland with 1 GW lease area awarded
- Salamander, a joint venture with Ørsted, wins wind lease area for 100 MW floating offshore
- Acquired 25% equity stake in the 1,100 MW offshore wind energy project Ocean Wind 1 bringing total equity stake to 100%
- Recycled capital through farm-downs of Hornsea 2 and Borkum Riffgrund 3



Onshore and PTX - Latest strategic developments

Onshore

- Acquired the 160 MW Irish solar project Garrenleen. Subject to final investment decision, the project is expected to commission in 2026
- Final investment decision on Mockingbird, a large-scale 471 MW solar project in Texas
- FID on a total of 1.4 GW onshore projects
- Expansion into Germany and France with the acquisition of Ostwind
- Partnerships in Spain to pursue early-stage solar PV and onshore wind projects
- Completed farm-down of US project portfolio, the first ever in Onshore

P2X

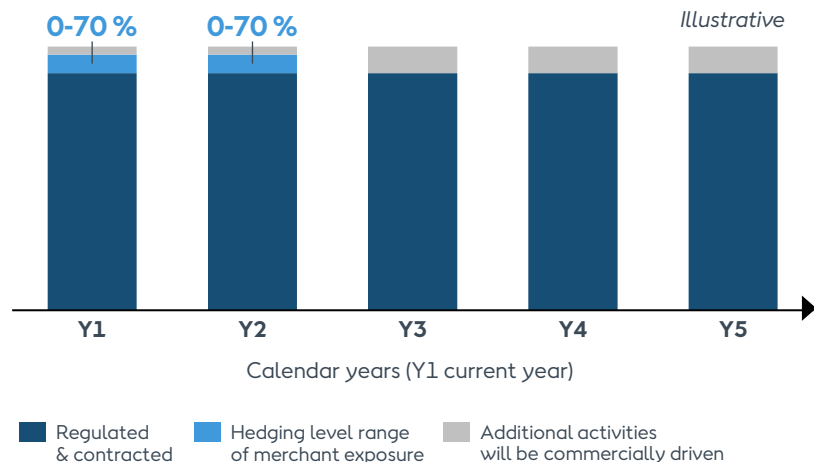
- FID on the largest European e-methanol facility, FlagshipONE, located in Sweden
- US market entry with the development of 300,000 tonnes e-methanol facility



New approach better suited for the characteristics of our portfolio

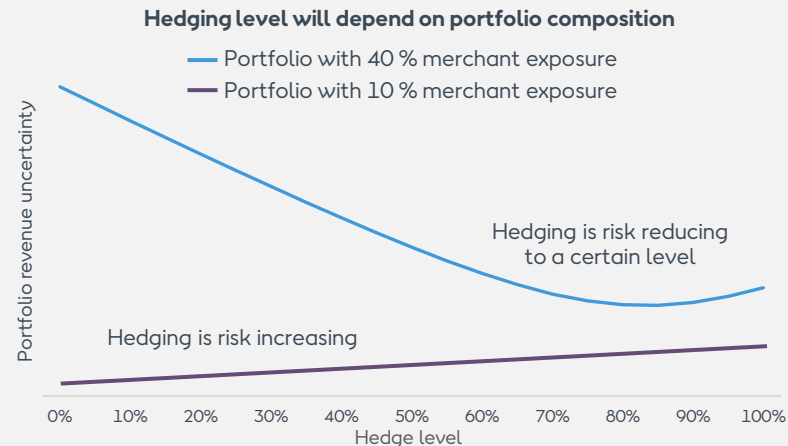
Lower hedging levels and shorter time horizon. Hedging levels of merchant exposure between 0-70 % in Y1 & Y2

- Risk of overhedging and IFRS-9 ineffective hedging significantly reduced
- Hedging no more than 70 % will lead to overhedged volumes in 1 out of 20 months, instead of 1 out of 3 months with previous approach
- Reduction in liquidity and counterparty risk



Hedging level will depend on portfolio composition

- Leveraging portfolio diversification as natural hedge between price and production variability
- Desired year-to-year level will account for portfolio effects
- Low share of merchant power exposure in front years leads to low hedging levels and vice versa



Significant political support for accelerated renewable build-out

Ørsted is well-positioned to tap into political support with a portfolio spanning several renewable technologies across key growth markets



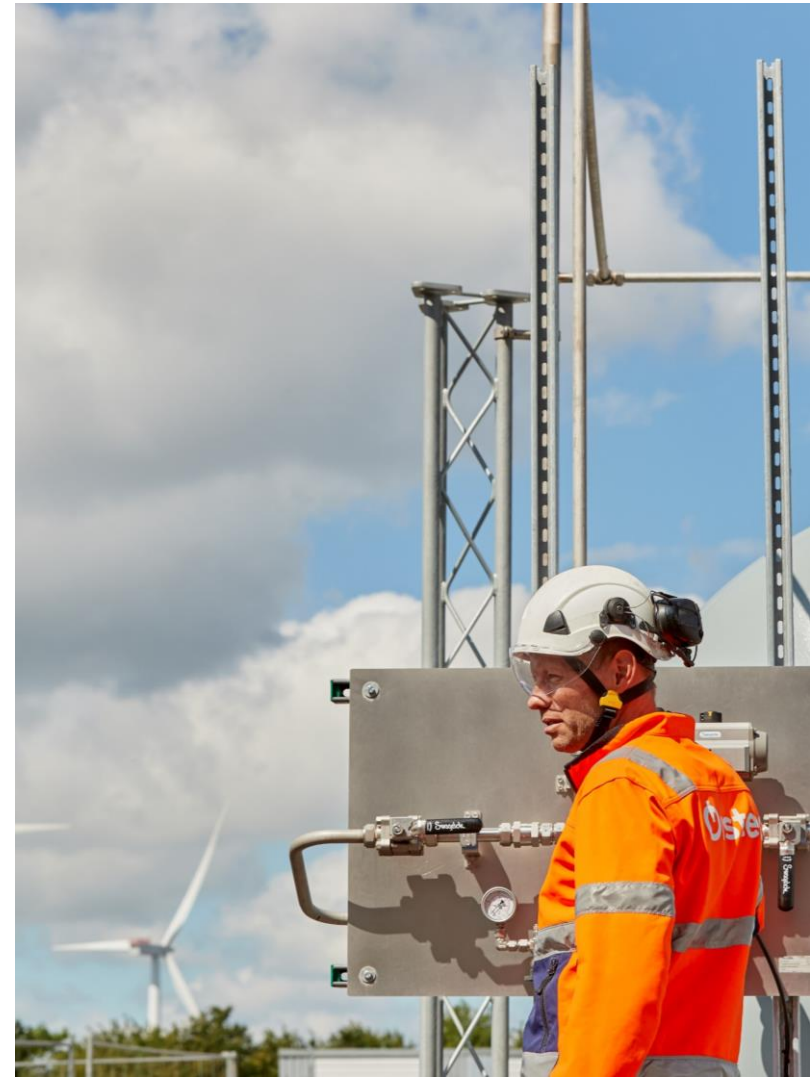
- 'Fit-for-55' is focused on enabling carbon emissions reduction through increased build-out of renewables and robust carbon pricing
- Significant increase in renewable capacity build-out targets across numerous countries and at EU level
- 'Green Deal Industrial Plan' including 'Net Zero Industry Act' would materially increase the attractiveness of renewables
- EU progress on ensuring faster permitting of renewable projects



- 'Inflation Reduction Act' a key driver for the Renewable energy and green fuels industries for years to come
- Several coastal states have increased targets for offshore wind build-out



- Continued expansion of renewable ambitions across APAC
- The Australian offshore market opening up and expanding across several technologies

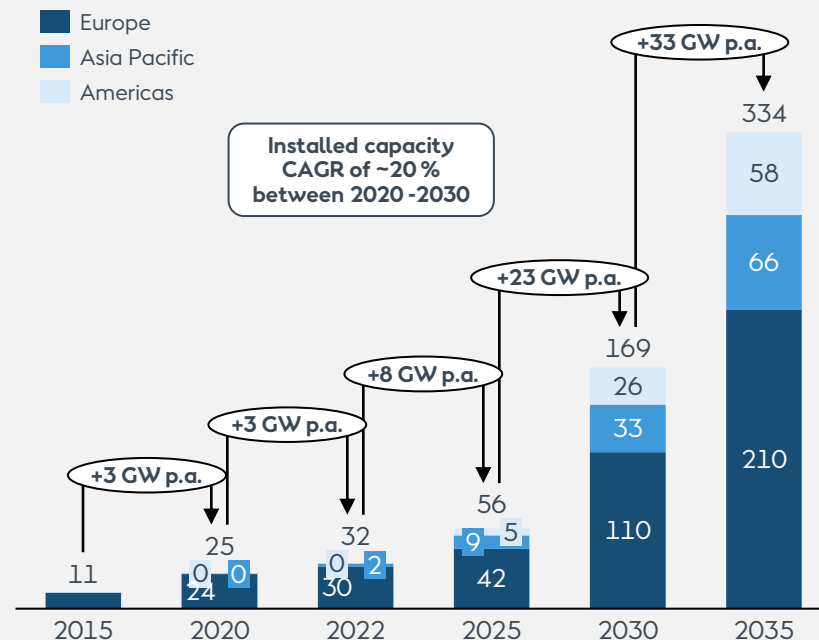


Continued acceleration of annual build-out of offshore wind

> 25 GW expected to be auctioned 2023



Offshore build-out, excluding China mainland Installed capacity, GW



All auction and tender timelines and capacities based on current expectations and subject to change. Timeline reflects bid submission deadline, not time of award
Source: BNEF Offshore Wind Market Outlook H2 2022

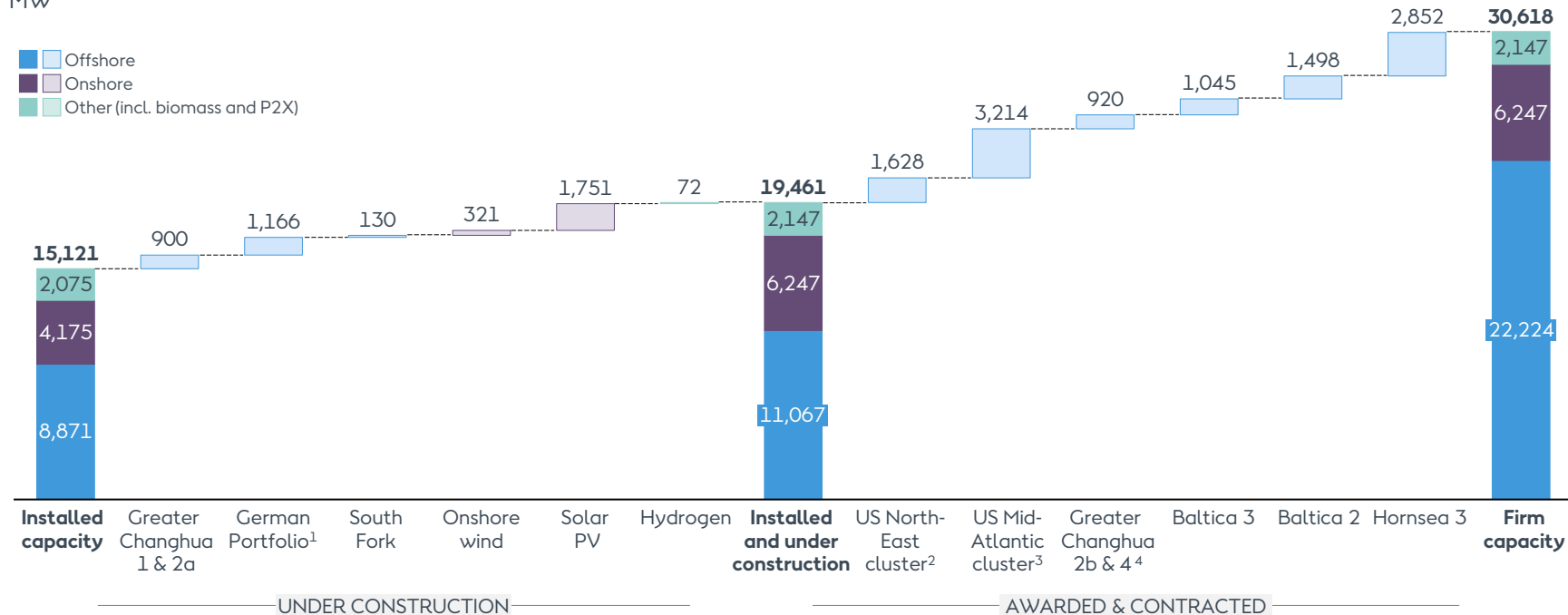
Ørsted construction programme and pipeline

As of 31 December 2022

Gross renewable capacity

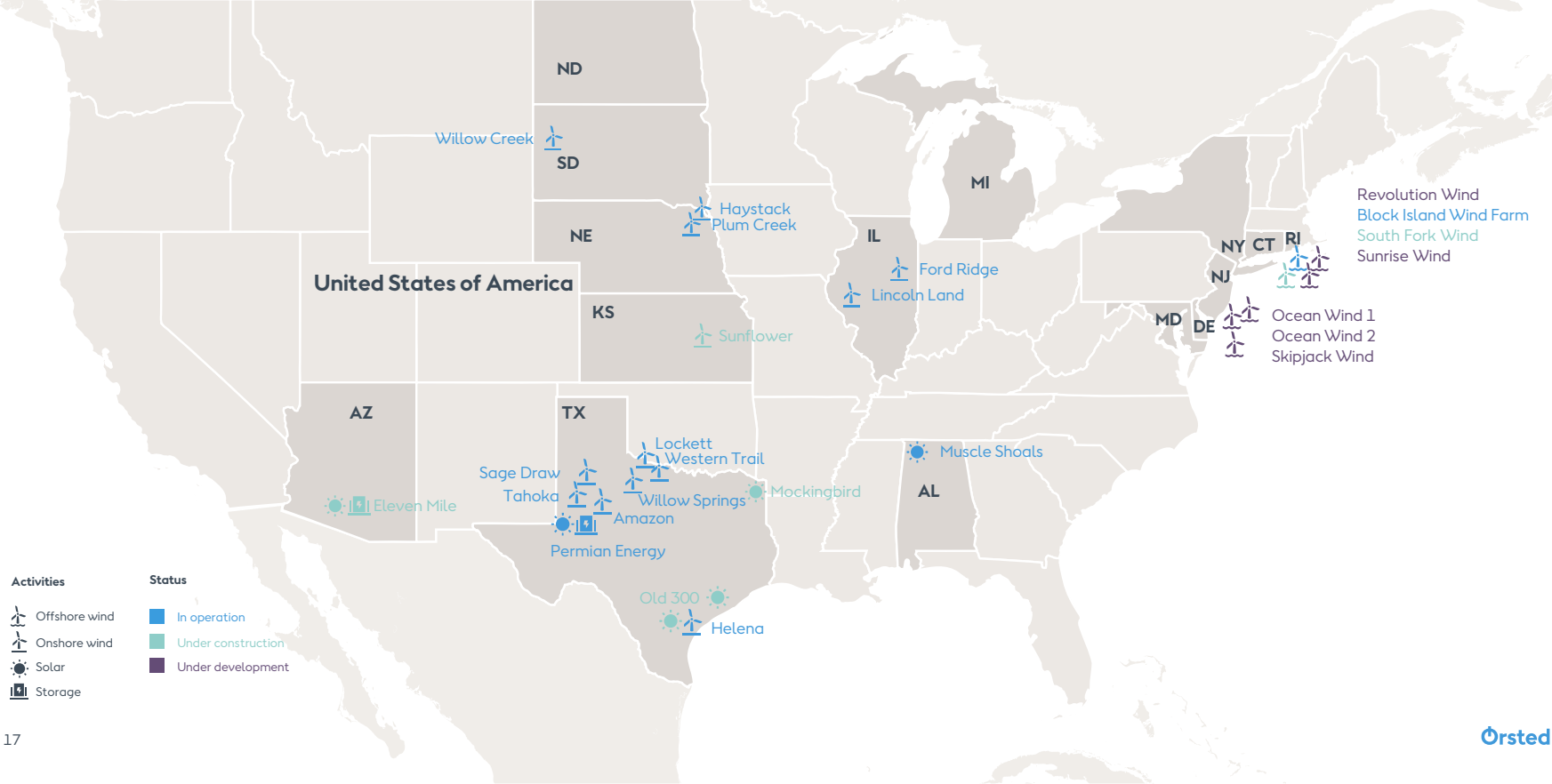
MW

- Offshore
- Onshore
- Other (incl. biomass and P2X)



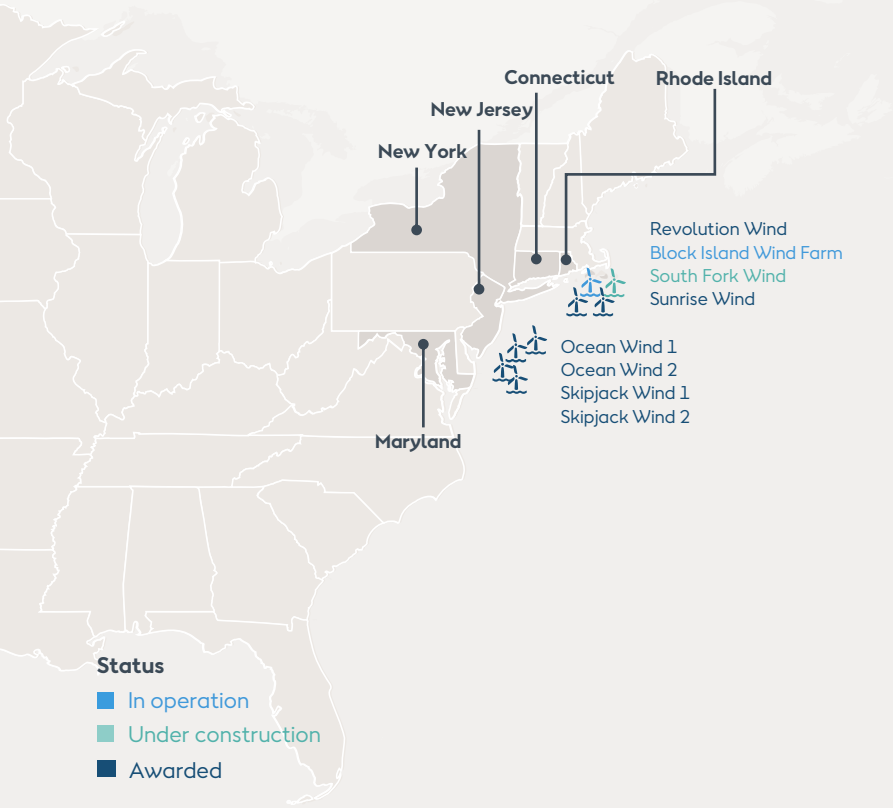
1. German Portfolio: Gode Wind 3 (253 MW) and Borkum Riffgrund 3 (913 MW); 2. US North-East cluster: Revolution Wind (704 MW) and Sunrise Wind (924 MW); 3. US Mid-Atlantic cluster: Skipjack 1 (120 MW), Skipjack 2 (846 MW), Ocean Wind 1 (1,100 MW) and Ocean Wind 2 (1,148 MW); 4. Ørsted have taken final investment decision in Q1, 2023

Our U.S. footprint





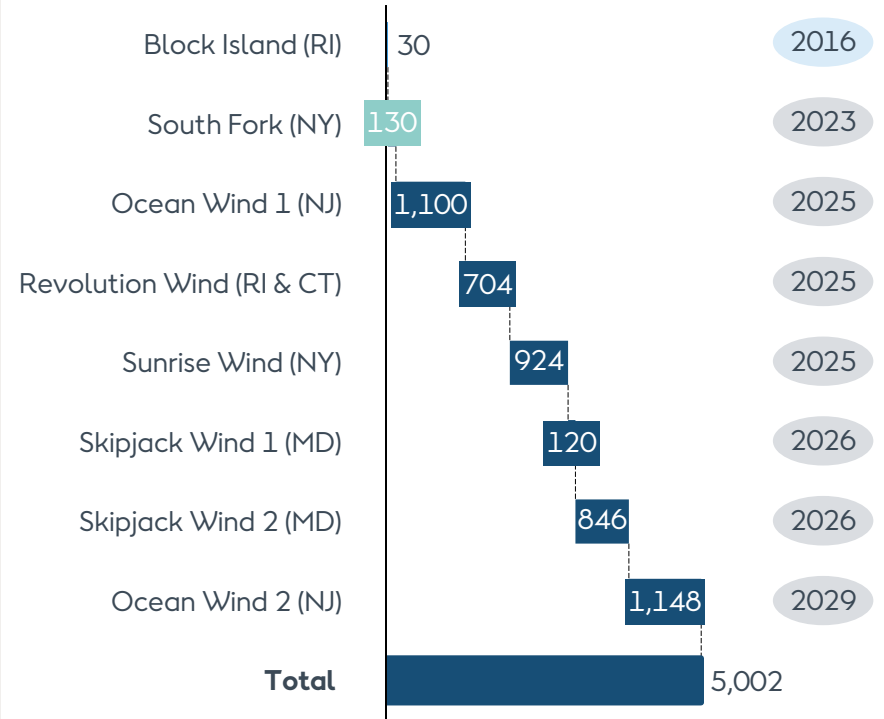
Offshore - We have successfully taken a market-leading US position through competitive auctions



Realized Expected

Awarded and under construction capacity, MW

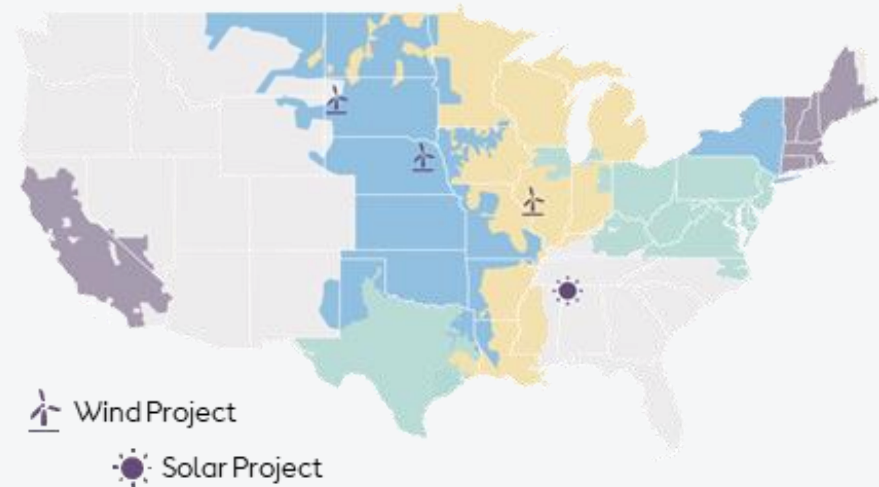
COD



Ørsted's first ever farm-down of onshore assets

50 % farm-down of four onshore US projects






- Consistent with strategy to potentially pursue opportunistic farm-downs within Onshore
- Ørsted's first farm-down of onshore assets and the first time we have farmed-down multiple assets in one transaction
- Transaction successfully recycles capital for growth with around 100 % NPV retention
- Closed transaction with US investor Energy Capital Partners on 21 October 2022
- Portfolio consists of three onshore wind farms and one solar farm in the US (50 % of 862 MW total capacity¹)
- Portfolio spread across four US states and three markets
- Supports our ambition of reaching ~50 GW of installed renewable capacity by 2030








Financing Strategy

USD Bonds, a natural part of Ørsted's financing strategy

Benefits of Ørsted's balance sheet financing model

-  No subordination of debt
-  Lower financing costs
-  Higher scalability and flexibility
-  Simple and transparent debt structure
-  Cost efficient financing based on a strong parent rating

Financing Strategy – USD bonds

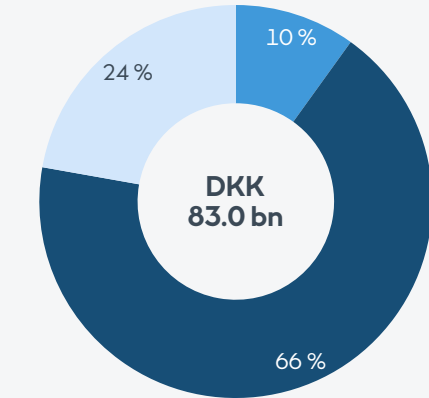
-  Access to new funding markets
-  Increased diversification of funding
-  Stabilize the key metric FFO/NIBD by matching currency of debt with FFO
-  Match tenor of debt with asset life of project
-  Protect long-term value of equity

Debt and hybrids overview

Total gross debt and hybrids

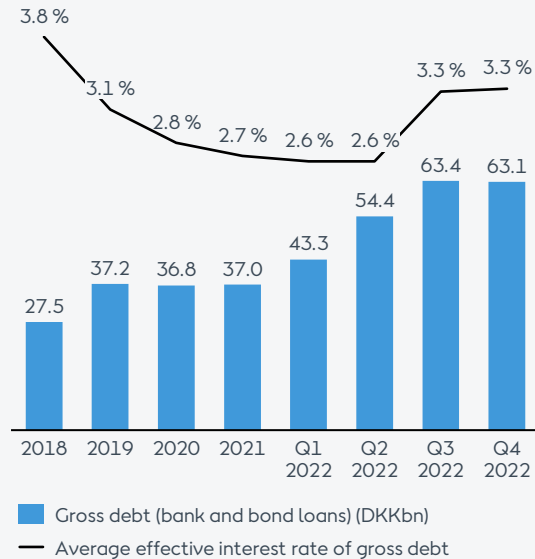
31 December 2022, DKKbn

>95 % of gross debt (bond and bank loans) fixed interest rate. Remainder floating or inflation-linked



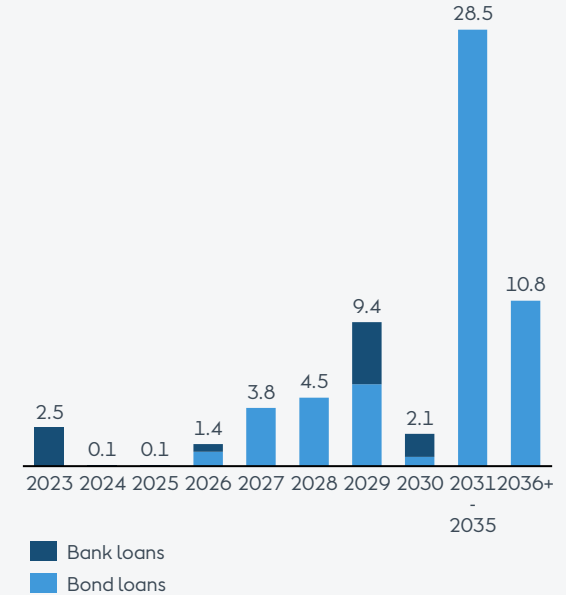
- Bank loans
- Bond loans
- Hybrid securities

Effective funding costs – Gross debt



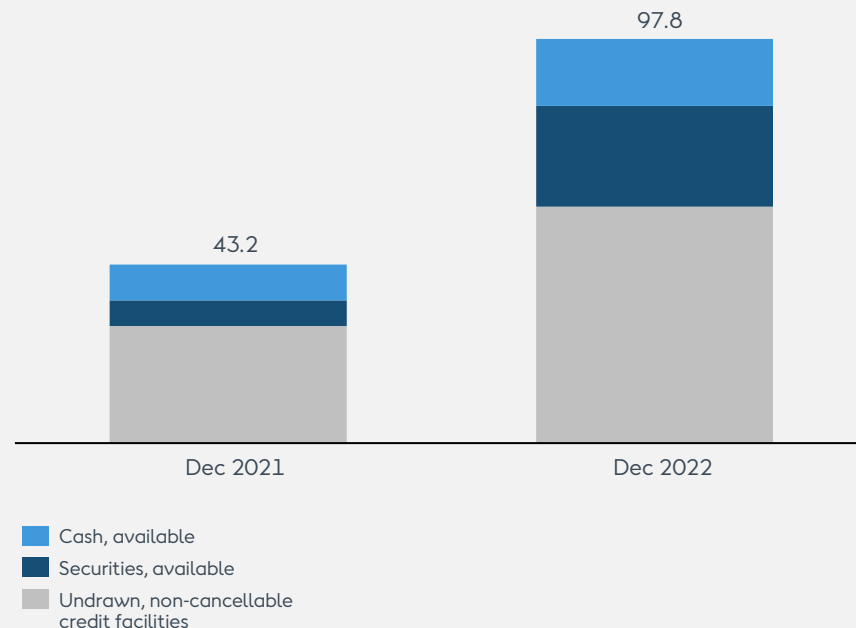
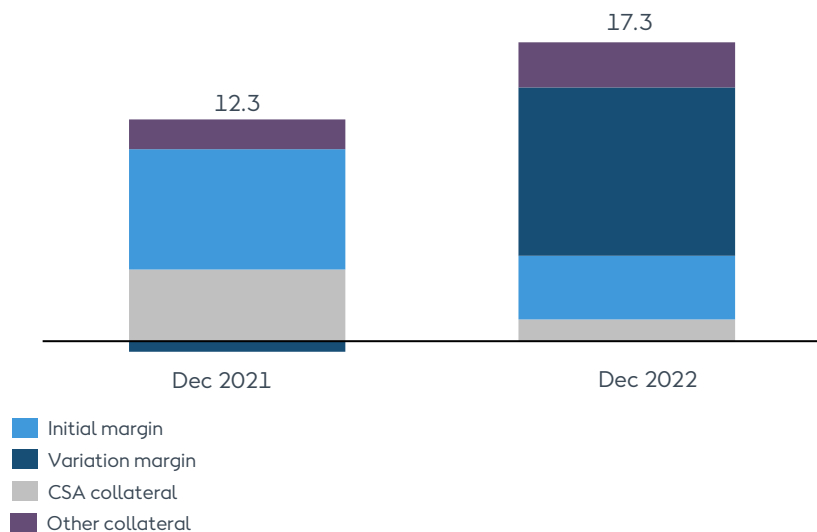
Maturity profile of gross debt

DKKbn



Strengthened liquidity reserve, reflecting current market circumstances

Collateral and margin postings,
DKKbn



Green Financing

- The May 2022 update of Ørsted's **green finance framework**¹ included onshore wind projects and solar power projects as eligible projects, in addition to offshore wind projects
- The May 2022 updated green finance framework also received the highest possible grading – a **dark green shading** – from CICERO Shades of Green¹
- Ørsted has issued 19 green senior bonds and green hybrid bonds, totaling net proceeds of approx. DKK 63bn, of which approx. DKK 28bn were issued in 2022
- DKK 38.8bn has been allocated to 11 different eligible projects as of end 2022
- Since 2017, all new Ørsted bonds have been issued in a green format
- The full overview of use of proceeds can be found in Ørsted's annual green bond impact report

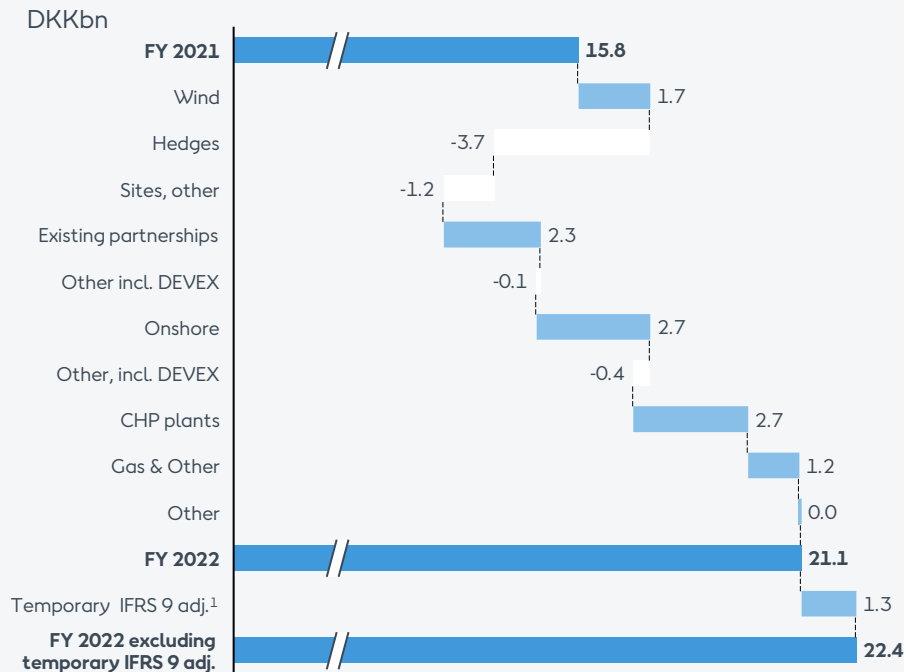
Overview of projects with green bond allocations



Appendix

Robust FY 2022 EBITDA highlights strong portfolio composition

FY 2022 EBITDA excluding new partnerships



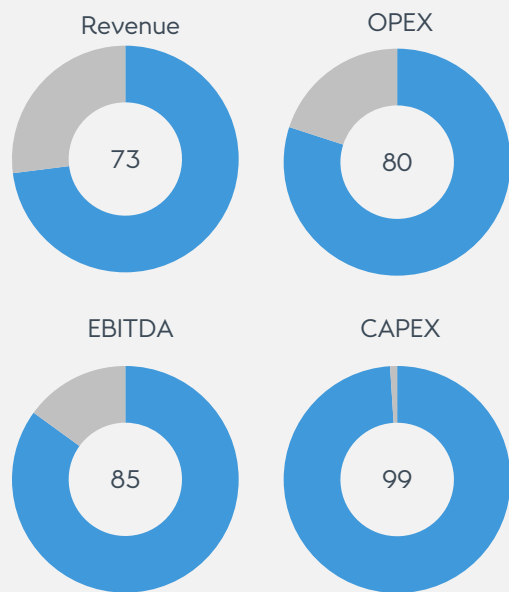
EBITDA excluding new partnerships

- 'Wind impact' was positive due to higher wind speeds than last year (DKK -0.2 billion versus a normal wind year)
- Negative impact on 'Hedges' from ineffectiveness related to inflation-based contracts with partners (DKK -0.7 bn), negative effects from volume-related overhedging (DKK -2.6 bn) and IFRS 9-related ineffective hedges (DKK -0.4 bn)
- Earnings from 'Sites, other' was negatively impacted by high prices and volatility, an expanding portfolio, and from the 50% farm-down of Borssele, partly offset by ramp-up of generation at Hornsea 2, higher achieved prices from one-sided German CfD sites, and from value-creating market trading activities
- Further delays at Greater Changhua 1 & 2a resulted in lower ramp-up generation and lower partnership earnings, partly offset by lower-than-expected DEVEX and positive effects from reversal of provisions incl. CPS issues
- Onshore earnings saw an increase driven by ramp-up of generation and higher achieved prices across the portfolio
- Earnings increase from our CHP plants was mainly due to higher power prices
- Earnings from our gas business increased, mainly driven by a positive effect from our gas storage activities

Non-financial ratios

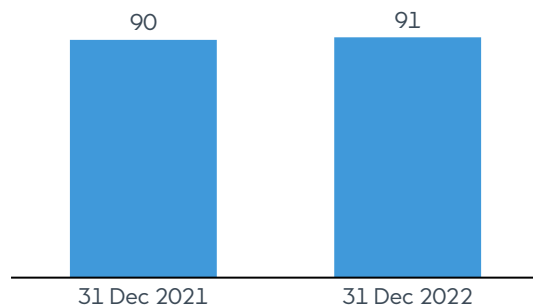
Taxonomy-aligned KPIs

%, YTD



Green share of energy generation

%, YTD

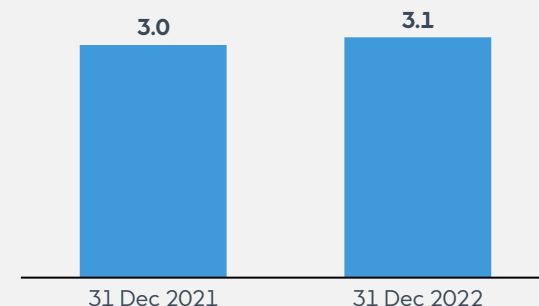


Green share of energy at 91 %

- More wind and solar assets in operation
- Higher wind speeds
- Partly offset by higher coal-based heat and power generation

Safety

Total recordable injury rate, YTD



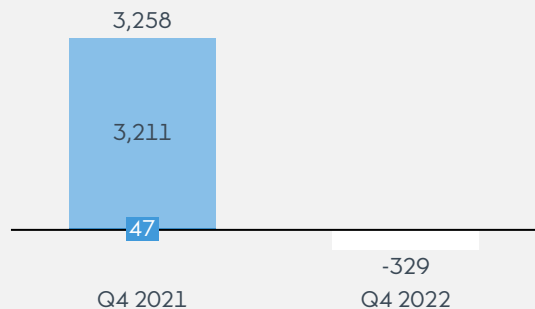
TRIR of 3.1

- Increase in number of injuries driven by contractor related incidents
- Several initiatives implemented to improve safety performance

Net profit, ROCE and Equity

Net profit DKKm

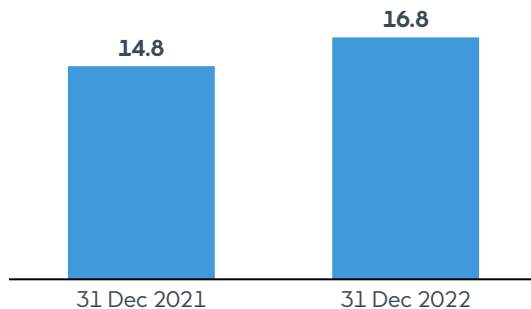
Greater Changhua 1
farm-down



Net profit of DKK -0.3 bn

- Slightly lower underlying net profit
- Higher EBITDA excluding new partnerships offset by farm-down gain in Q4 2021 and impairment in Q4 2022

ROCE %, last 12 months

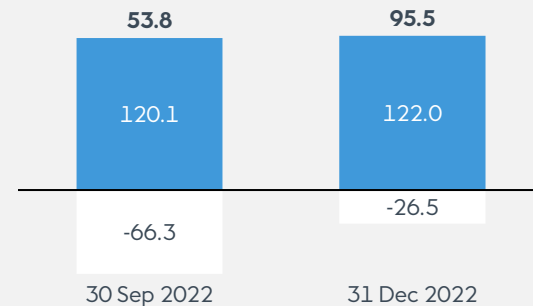


ROCE of 16.8 %

- Increase driven by higher EBIT
- On track to achieve average ROCE of 11 – 12 % between 2020 – 2027

Equity DKKbn

Equity excl. hedging reserves
Hedging reserves

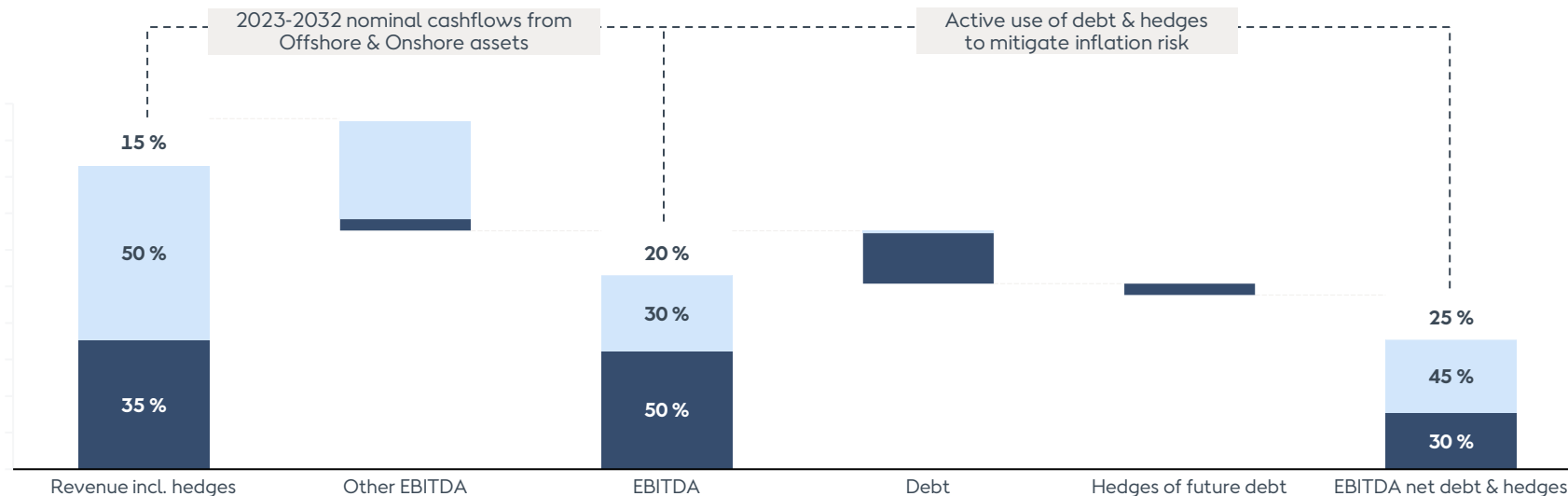


Equity of DKK 95.5 bn

- Reduced hedge reserve driven by hedge run off and lower forward power prices
- By end of 2023, approx. 30 % of hedge reserve will materialise

Inflation and interest rate risks

■ Fixed nominal ■ Inflation-indexed ■ Merchant



Objectives of interest rate and inflation risk management

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

Framework for risk management

- Asset cash flows divided into risk categories based on nature of inflation, fixed nominal or merchant exposure
- Fixed nominal revenue service fixed costs and has first priority for debt allocation to protect shareholders against inflation
- Inflation-indexed revenues service inflation-linked costs and protect the real value of equity return for shareholders

Ørsted develops energy systems that are green, independent and economically viable

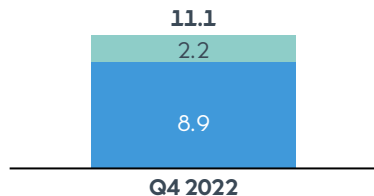


Offshore wind



- Global leader in offshore wind
- Develop, construct, operate, and own offshore wind farms
- **Ambition to reach ~30 GW installed capacity by 2030**

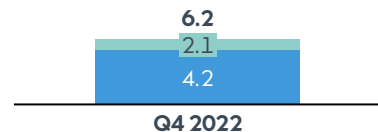
Capacity, GW



Onshore renewables



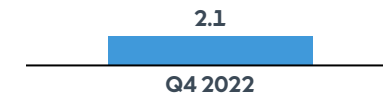
- Strong presence in the United States and Europe
- Develop, construct, operate, and own onshore wind, solar PV and storage projects
- **Ambition to reach ~17.5 GW installed capacity by 2030**



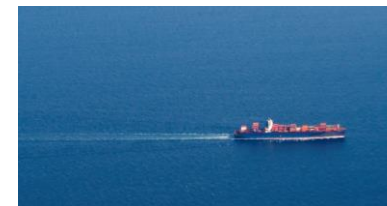
Bioenergy & other



- Presence in Europe, including bioenergy plants and legacy gas activities
- Own and operate bioenergy plants, and optimise gas portfolio



P2X

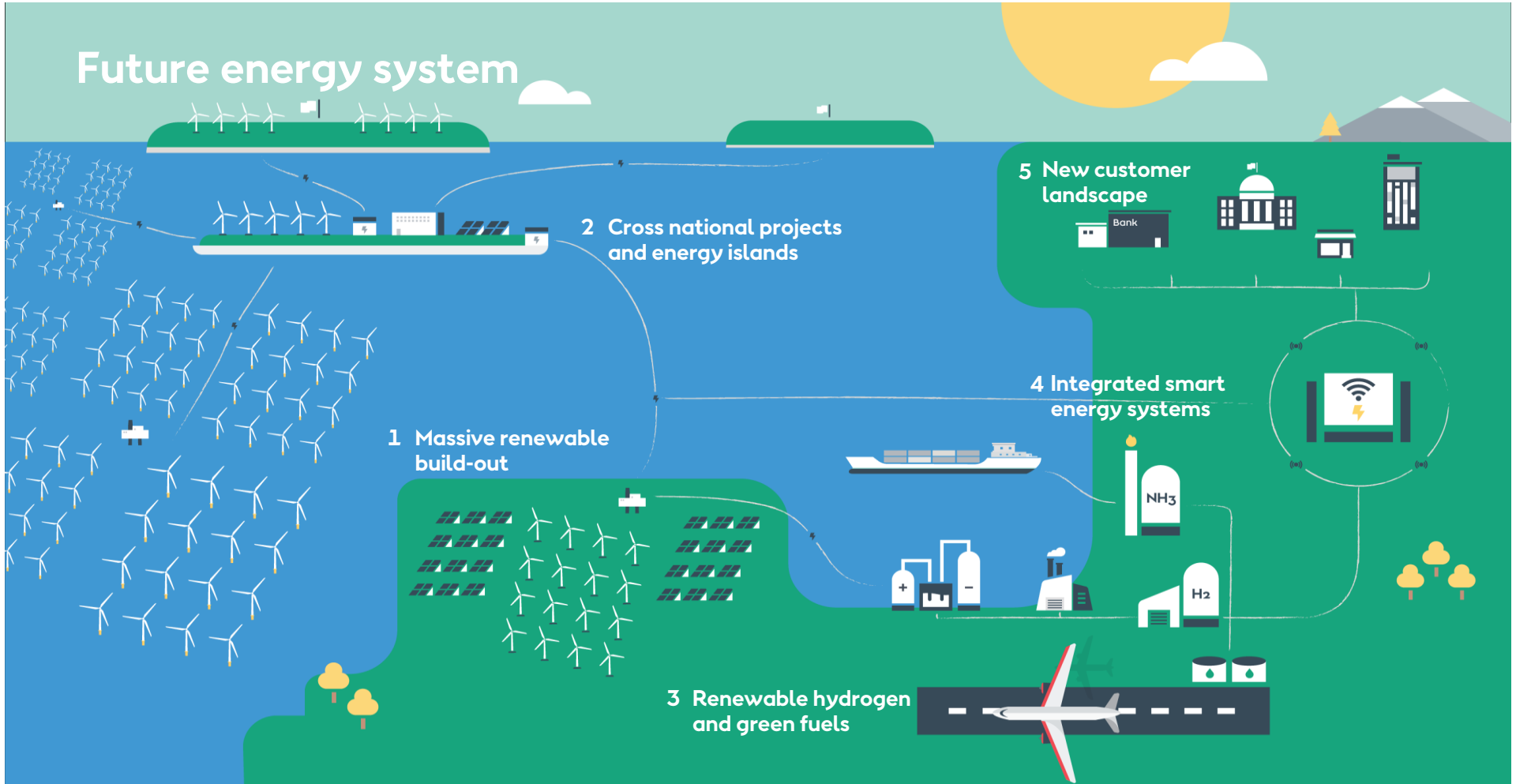


- Emerging platform with pipeline projects of ~3 GW mainly in Europe and the US
- Develop, construct, own and operate hydrogen and e-fuels facilities
- **Ambition to become a global leader in P2X by 2030**



■ Installed ■ Under construction

Future energy system



Sustainability leadership in Ørsted

- Globally recognised sustainability leadership

Net-zero in 2040 across scope 1-3

First energy company in the world with an approved science-based net-zero target for the full value chain (scope 1-3) to help limit global warming to <1.5 °C.

Industry leading supply chain decarbonisation programme

We work strategically with our suppliers to decarbonise our supply chain. Key initiatives to meet our ambition include:

- Expect all tier 1 suppliers to cover their electricity consumption **with 100% renewable electricity** by 2025
- Signed an agreement on the world's first service operation vessel that can **run on 100% green fuels**

Net-positive biodiversity impact from all new renewable energy projects commissioned from 2030 at the latest







Key initiatives launched to meet our ambition include:

- Five-year **global partnership with WWF** to improve ocean biodiversity
- Launched **five new biodiversity pilot projects** with the aim of scaling successful solutions

Ban on landfilling of wind turbine blades

We work actively to develop industry solutions to recycle wind turbine blades, e.g. through cross-industry project DecomBlades

- ESG rating performance

Rating agency	Score	Benchmark
	A	Climate: Highest possible rating for four consecutive years and recognised as a global leader on climate action
	B	Water: awarded the score 'B' in 2022
	AAA	Highest possible rating for six consecutive ratings
	17.0 (low risk)	Assessed as "low risk" and placed as no. 1 among direct utility peers measured by market cap
	A-	Ranked in 1 st decile among electric utilities and awarded highest possible 'Prime' status
	78	Platinum Medal for being among top 1 % of companies assessed by EcoVadis

Our strategic sustainability priorities & targets



Science-aligned climate action

Aspiration

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

Key sustainability targets

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



Green energy in that revives nature

Aspiration

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

Key sustainability targets

- **2025:** 40 % reduction in freshwater withdrawal intensity (m3 per GWh)
- **2030:** Net-positive biodiversity impact from all new renewable energy projects commissioned from 2030 at the latest
- **Today:** Zero wind turbine blade waste directed to landfill



A green transformation that works for people

Aspiration

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

Key sustainability targets

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



Governance that enables the right decisions

Aspiration

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

Key sustainability targets

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

We have recently launched several biodiversity initiatives and partnerships

ReCoral project



Testing **whether offshore wind turbine foundations can provide a safe haven for corals to flourish** together with the Penghu Marine Biology Research Center in Taiwan

ARK project



Exploring the **potential of rewilding principles to restore vital ocean biodiversity** together with ARK Nature

Spoor investment



Investing in the technology company Spoor AI to **improve birdlife data collection and analysis at its offshore wind farms** to minimise birdlife impact

Humber project



Restoring the biodiversity around the Humber in collaboration with the Lincolnshire and Yorkshire Wildlife Trusts

Anholt 3-D reef project



Testing how **3D-printed reefs can benefit biodiversity in the Kattegat** in partnership with the WWF

Ørsted's outstanding senior bonds

Bond Type	Issue date	Maturity	Face value	Outstanding amount	Fixed/floating rate	Coupon	Coupon payments	Green bond	Allocated to green projects (DKKm)	Avoided emissions (thousand tons CO ₂ /year)
Senior Unsecured	Nov. 2017	26 Nov. 2029	EUR 750m	EUR 750m	Fixed	1.5%	Every 26 Nov.	Yes	5,499	545
Senior Unsecured	Jun. 2022	14 Jun. 2028	EUR 600m	EUR 600m	Fixed	2.25%	Every 14 Jun.	Yes	4,260	684
Senior Unsecured	Jun. 2022	14 Jun. 2033	EUR 750m	EUR 750m	Fixed	2.875%	Every 14 Jun.	Yes	0	0
Senior Unsecured	Sep. 2022	13 Sep. 2031	EUR 900m	EUR 900m	Fixed	3.250%	Every 13 Sep.	Yes	0	0
Senior Unsecured	Feb. 2023	1 Mar 2026	EUR 700m	EUR 70mm	Fixed	3.625%	Every 1 Mar.	Yes	0	0
Senior Unsecured	Feb. 2023	1 Mar 2030	EUR 600m	EUR 600m	Fixed	3.75%	Every 1 Mar.	Yes	0	0
Senior Unsecured	Feb. 2023	1 Mar 2035	EUR 700m	EUR 700m	Fixed	4.125%	Every 1 Mar.	Yes	0	0
Senior Unsecured	Apr. 2010	9 Apr. 2040	GBP 500m	GBP 500m	Fixed	5.750%	Every 9 Apr.	No	n/a	n/a
Senior Unsecured	Jan. 2012	12 Jan. 2032	GBP 750m	GBP 750m	Fixed	4.875%	Every 12 Jan.	No	n/a	n/a
Senior Unsecured	May 2019	17 May 2027	GBP 350m	GBP 350m	Fixed	2.125%	Every 17 May	Yes	2,968	311
Senior Unsecured	May 2019	16 May 2033	GBP 300m	GBP 300m	Fixed	2.5%	Every 16 May	Yes	2,518	257
Senior Unsecured/CPI-linked	May 2019	16 May 2034	GBP 250m	GBP 295m	Inflation linked	0.375%	Every 16 May & 16 Nov.	Yes	2,128	223
Senior Unsecured	Sep. 2022	13 Sep. 2034	GBP 375m	GBP 375m	Fixed	5.125%	Every 13 Sep.	Yes	0	0
Senior Unsecured	Sep. 2022	13 Sep. 2042	GBP 575m	GBP 575m	Fixed	5.375%	Every 13 Sep.	Yes	0	0
Senior Unsecured	Nov. 2019	19 Nov. 2026	TWD 4,000m	TWD 4,000m	Fixed	0.92%	Every 19 Nov.	Yes	882	69
Senior Unsecured	Nov. 2019	19 Nov. 2034	TWD 8,000m	TWD 8,000m	Fixed	1.5%	Every 19 Nov.	Yes	1,765	138
Senior Unsecured	Nov. 2020	13 Nov. 2027	TWD 4,000m	TWD 4,000m	Fixed	0.6%	Every 13 Nov.	Yes	882	69
Senior Unsecured	Nov. 2020	13 Nov. 2030	TWD 3,000m	TWD 3,000m	Fixed	0.7%	Every 13 Nov.	Yes	661	52
Senior Unsecured	Nov. 2020	13 Nov. 2040	TWD 8,000m	TWD 8,000m	Fixed	0.98%	Every 13 Nov.	Yes	1,763	138

Ørsted's green finance framework, allocated the dark green shading in the second-party opinion from CICERO Shades of Green, includes green bonds, green loans and other types of green financing instruments. Ørsted applies green proceeds exclusively for the financing of eligible projects, currently offshore wind projects, onshore wind projects and solar PV projects. Besides the outstanding green bonds, Ørsted additionally has a TWD 25bn green RCF to finance the construction of the offshore wind projects in Taiwan.

Ørsted's outstanding hybrid

Bond Type	Issue date	Maturity	Face Value	Outstanding amount	Fixed/Floating rate	Coupon	Coupon payments	Green bond	Allocated to green projects (DKKm)	Avoided emissions (thousand tons CO ₂ /year)
Hybrid capital	Jun. 2013	26 Jun. 3013	EUR 700m	EUR 93.9m	Fixed	6.25%	Every 26 Jun.	No	n/a	n/a
Hybrid capital	Nov. 2017	24 Nov. 3017	EUR 500m	EUR 500m	Fixed	2.25%	Every 24 Nov.	Yes	3,674	373
Hybrid capital	Dec. 2019	9 Dec. 3019	EUR 600m	EUR 600m	Fixed	1.75%	Every 9 Dec.	Yes	4,424	484
Hybrid capital	Feb. 2021	18 Feb. 3021	EUR 500m	EUR 500m	Fixed	1.50%	Every 18 Feb.	Yes	3,697	423
Hybrid capital	Dec. 2022	08 Dec. 3022	EUR 500m	EUR 500m	Fixed	5.25%	Every 08 Dec.	Yes	0	0
Hybrid capital	Feb. 2021	18 Feb. 3021	GBP425m	GBP425m	Fixed	2.50%	Every 18 Feb.	Yes	3,630	468

Ørsted's green finance framework, allocated the dark green shading in the second-party opinion from CICERO Shades of Green, includes green bonds, green loans and other types of green financing instruments. Ørsted applies green proceeds exclusively for the financing of eligible projects, currently offshore wind projects, onshore wind projects and solar PV projects. Besides the outstanding green bonds, Ørsted additionally has a TWD 25bn green RCF to finance the construction of the offshore wind projects in Taiwan.

Hybrid capital in short

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

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

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

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

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

Accounting treatment

- Hybrid bonds are classified as equity
- Coupon payments are recognised in equity and do not have any effect on profit (loss) for the year
- Coupon payments are recognised in the statement of cash flows in the same way as dividend payments
- For further information see note 5.3 in the 2022 Annual Report

Hybrids issued by Ørsted A/S ¹	Outstanding amount	Type	First Reset Date ³	Coupon	Accounting treatment ²	Tax treatment	Rating treatment
6.25 % hybrid due 3013	EUR 93.9 m	Hybrid capital (subordinated)	Jun. 2023	Fixed during the first 10 years, first 25bp step-up in Jun. 2023	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
2.25 % Green hybrid due 3017	EUR 500 m	Hybrid capital (subordinated)	Nov. 2024	Fixed during the first 7 years, first 25bp step-up in Nov. 2029	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
1.75 % Green hybrid due 3019	EUR 600 m	Hybrid capital (subordinated)	Dec. 2027	Fixed during the first 8 years, first 25bp step-up in Dec. 2032	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
1.50 % Green hybrid due 3021	EUR 500 m	Hybrid capital (subordinated)	Feb. 2031	Fixed during the first 10 years, first 25bp step-up in Feb. 2031	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
2.50 % Green hybrid due 3021	GBP 425 m	Hybrid capital (subordinated)	Feb. 2033	Fixed during the first 12 years, first 25bp step-up in Feb. 2033	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt
5.25 % Green hybrid due 3022	EUR 500 m	Hybrid capital (subordinated)	Dec. 2028	Fixed during the first 6 years, first 25bp step-up in Dec. 2028	100 % equity	Debt – tax-deductible coupon payments	50 % equity, 50 % debt