



Introduction

Welcome to Hornsea Three offshore wind farm's 2021 newsletter. We are excited to update you on how the project is progressing.

In this edition, we would like to provide you with an update on the application for Hornsea Three offshore wind farm, which I am delighted to report was granted consent by the Secretary of State (SoS) for Business, Energy, and Industrial Strategy (BEIS) on the 31 December 2020.

While the process was more protracted than we expected, we are confident that the additional work put in by all stakeholders has made the project stronger. We look forward to working and engaging closely with local communities and stakeholders as we develop our detailed plans for the delivery of Hornsea Three, which includes finalising technical design, selecting our supply chain partners and taking a final investment decision (FID).

I would also like to introduce you to our new project team members and provide you with an overview of some key project design changes that we have made since we submitted our Development Consent Order (DCO) application to the Planning Inspectorate in May 2018. We will also introduce our proposed communication methods for keeping you informed prior to and during the construction period for Hornsea Three and our proposed methods for feeding benefits back into the local community.

During the unprecedented times brought about by the coronavirus pandemic, I would like to make clear our commitment to the highest standards of health and safety for our team, our contractors and for the communities we work within. We continue to progress all of our projects (including Hornsea Two) in a COVID safe way, sharing best practice and learnings where we have them. This commitment will reach beyond the end of the pandemic.

We look forward to engaging with you as we take the project forward.

Craig Harwood

Development Project Director, Hornsea Three

Key facts



Hornsea Three is located approximately 121 km northeast off the Norfolk coast.



Hornsea Three could generate enough power to meet the average daily needs of well over 2 million homes.1



The turbines are located in the offshore array area and will not be visible from the coast.



Ørsted is the global leader in developing, building and operating offshore wind farms, with 12 operational wind farms in the UK alone.

Hornsea Three granted development consent

Meet the team

On 31 December 2020, the SoS for BEIS granted consent for Hornsea Three. Prior to this decision, the application underwent a thorough and rigorous planning inspection. This inspection balanced the need to deliver much needed green energy at scale for the UK, helping to contribute towards the Government's offshore wind ambition of 40 gigawatts (GW) by 2030, while seeking to avoid and minimise potential environmental impacts associated with the project.

We would like to thank all those who have engaged with the project to date and for the productive discussions, feedback and comments that have helped shape and refine our proposals.

We will continue to work closely with all of our stakeholders including landowners, local communities, and Non-Governmental Organisations (NGOs) as we take the project forward.

Why is Hornsea Three important?



Once built, Hornsea Three could have an operational capacity of at least 2.4 GW, contributing significantly to the UK Government's target of 40 GW offshore wind capacity by 2030.



The clean power generated by Hornsea Three could offset over 128.2 million tonnes of carbon dioxide over its lifetime.²

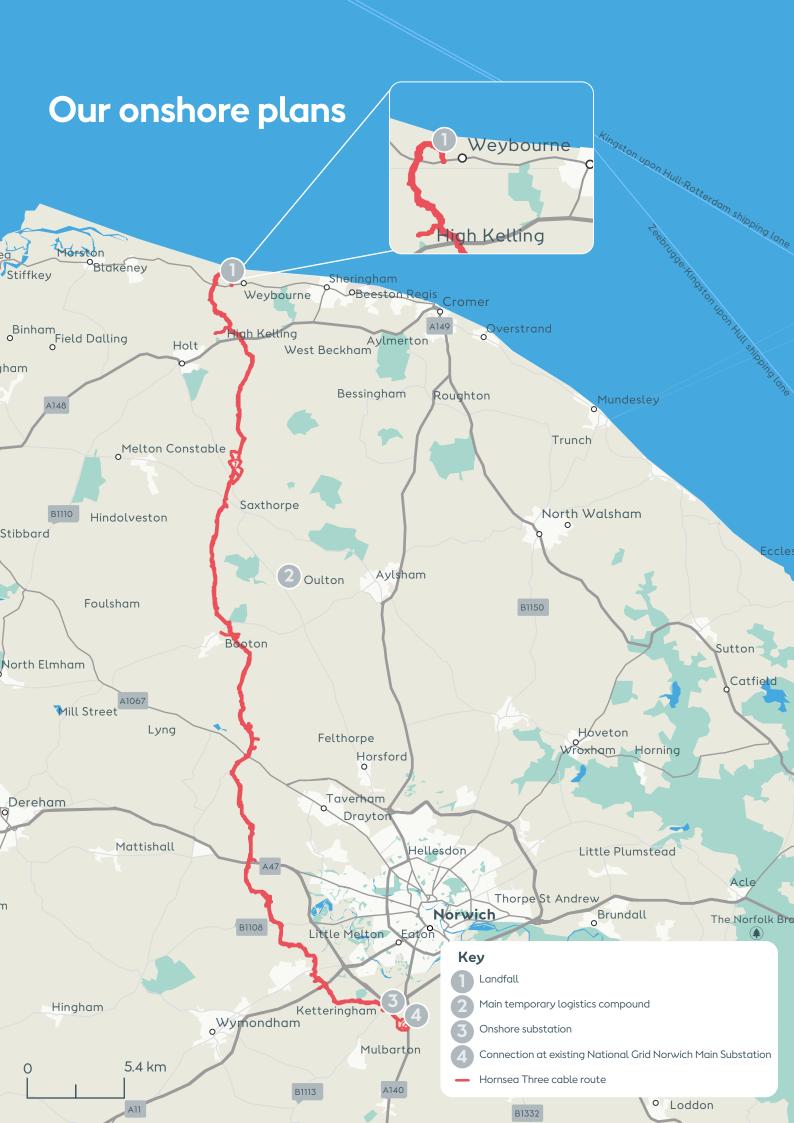


Hornsea Three will make a significant contribution towards meeting the UK's target of hitting net zero carbon emissions by 2050 and in the crucial fight against climate change.

Our Hornsea offshore wind farm projects



²This is based on a capacity of 2.4 GW, a conservative 5-year average load factor for offshore wind of 38.74%, an "all fossil fuels" emissions statistic of 450tonnes/GWh of electricity supplied (BEIS, DUKES, July 2019).



Meet the team

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Imran Nawaz Stakeholder Relations Advisor

As Stakeholder Relations Advisor for Hornsea Three, I will be leading the stakeholder engagement activities before and during construction. I will also lead on the development of a new Community Benefit Fund subject to the project taking a positive final investment decision (FID).



Ant Sahota Onshore Environment Manager

As the Onshore Environment Manager for Hornsea Three, my focus will be on striving to improve the way we work with and for the communities we serve. This includes improving local content and developing our environmental mitigation as we deliver our plans for the project.



Rosy Jones Offshore Environment Manager

As Offshore Environment Manager for Hornsea Three, I am excited to utilise my knowledge of key marine habitats and species and experience working with similar projects located within the southern North Sea to ensure Hornsea Three is developed in a way that minimises offshore and intertidal environmental impact.



lan McKenna Land and Property Manager

As the Land and Property Manager for Hornsea Three, I'm responsible for liaising with any landowners that are directly affected by our proposed onshore works. Ensuring we have acquired the appropriate rights to build the project and coordinating land access for surveys and eventually construction.

Project updates

Meet the team

Since submitting our DCO application in May 2018, and through the examination and determination phases, we have continued to refine Hornsea Three's proposals. Over this period we have worked closely with our stakeholders to further reduce and compensate for potential onshore and offshore environmental impacts associated with the project and are really pleased that we have been able to make a number of significant refinements.

Onshore updates

Onshore surveys

We are set to commence our onshore survey work in 2021, which will continue into 2022. This includes ecological, archaeological, land drainage and geotechnical surveys, which will help us to update our knowledge of the local area. Results from these surveys and additional local knowledge will also enable us to consider additional mitigation proposals as we progress into detailed design. We will continue to keep local communities informed prior to commencement of any onshore construction works.

Transmission update

As part of our final DCO application, we applied for the ability to use either a High Voltage Alternating Current (HVAC) or High Voltage Direct Current (HVDC) transmission system to transfer the electricity produced at the wind farm into the national grid.

We are able to confirm that at this stage our preference is to use HVDC technology for Hornsea Three. Over the next year, we will be engaging with local stakeholders, including local planning authorities and landowners, as we refine our detailed design for the preferred transmission system.

Landfall cable installation methods

We are pleased to confirm that Horizontal Directional Drilling (HDD) is our preferred method for bringing the offshore cables ashore at the landfall point near Weybourne. This trenchless cable installation method is thought to be a viable method after initial analysis by the project and will be confirmed following further detailed investigations and engineering studies.

We will continue to keep local communities informed prior to this work being undertaken.



Horizontal Directional Drilling taking place on Hornsea Two



Example of an onshore substation for Hornsea Two

Minimising offshore impacts

We have also made significant offshore refinements for Hornsea Three. These measures, together with our upcoming offshore surveys and site investigation works, will help us build on our existing knowledge and further refine the project design.



Refinements to the offshore array area

The maximum number of wind turbines which can be installed tip height of the lowest turbine blade has also been increased from 35 metres to 40 metres above mean sea level (MSL). These refinements have been made to minimise impacts to bird species, including potential collision risk.

Conservation Zone (MCZ), which was fully designated on 31 May 2019.



Kittiwake Compensation Plan

Hornsea Three is bringing forward compensation for incombination effects on kittiwake, a common seabird species the provision of additional nesting habitat in locations where there is limited availability of nesting spaces but plentiful natural food. We are continuing to engage with key ecological these artificial nest structures, with two initial search areas for Estuary area.



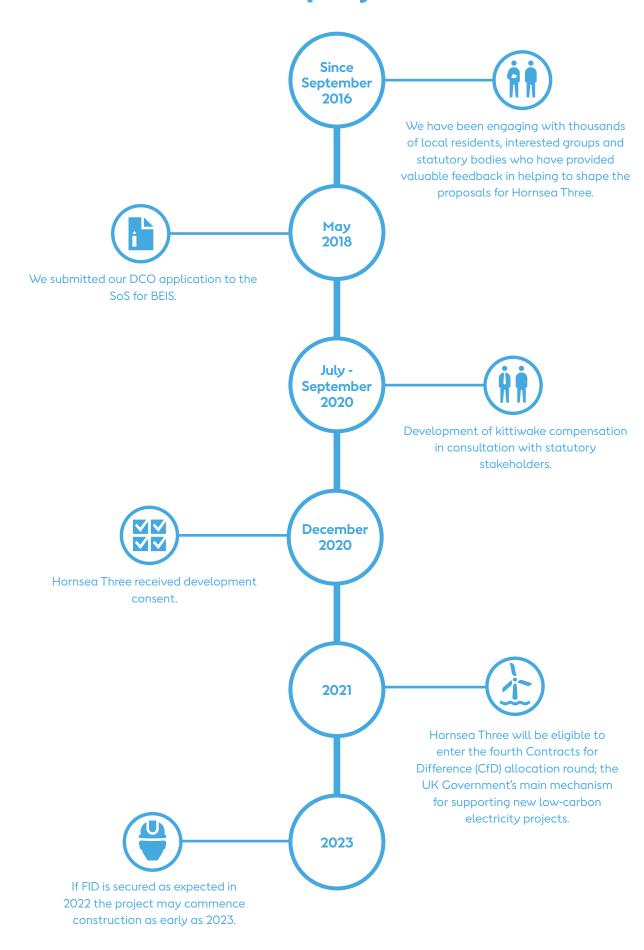
Benthic Compensation

Hornsea Three is continuing to work closely with key stakeholders to implement benthic ('seabed') compensation seabed sandbank features within the offshore North Norfolk Sandbanks and Saturn Reef Designated Special Areas of Conservation (SAC) and nearshore Wash and North Norfolk Coast SAC, which Hornsea Three's offshore cable route will

within the two SACs and awareness campaigns among local communities to reduce the volume of marine debris pollution. We are also developing strategies which will ensure extensive environmental monitoring of certain sections of the cable route within the SACs throughout the lifetime of the project.



What's next for the project?



Ørsted's Community Benefit Funds

Ørsted has a strong track record of delivering Community Benefit Funds (CBFs) across our portfolio of UK offshore wind projects, currently making up to £1.3 million in grants available each year, across our existing CBFs.

Ørsted's existing funds are:

- Burbo Bank Extension in Liverpool Bay – £225,000 per year.
- Walney Extension in the Irish Sea off the Cumbria coastline -£600,000 per year (which includes a £100,000 Skills Fund).
- East Coast Hornsea Projects and Race Bank located in the North Sea off the Yorkshire, Lincolnshire and North Norfolk coastline – £465,000 per year (which includes a £75,000 Skills Fund).



Funds awarded to date:





1. Community activities and services



2. Community buildings and facilities



3. Nature and public open space projects



4. Sports, recreation and play



5. Skills Fund projects

Hornsea Three Community Benefit Fund

It is our intention to establish a new fund for Hornsea. Three, subject to the project taking a positive FID. Once confirmed, the creation of a new fund for Hornsea Three will involve an extensive community consultation process, providing an opportunity for you to discuss, learn more and feed into how the fund is shaped. We hope to undertake this exercise via face-to-face public exhibitions across the onshore route area once it is safe to do so.

For further information on our existing funds, including examples of projects we have funded through our CBFs, please refer to our latest newsletter, which can be found at: www.orsted.co.uk/communitybenefitfunds



Grant award for our East Coast Community Fund

Engaging with local communities

At Ørsted, we prioritise engaging with the communities where we are situated. Throughout the construction of Hornsea Three we will engage with local communities via the communication channels listed below. These include:



Community Liaison Officer (CLO) – The CLO will be working with the local community prior to and during construction and will be the first point of contact for those seeking information, asking questions, or for any complaints that may be lodged. They will also attend public meetings, will be based locally, and can be directly contacted by email and telephone.



Communication Support Team – A Community Support Team will also be on hand to respond to any enquiries via direct email correspondence, and a dedicated freephone information line (taking calls and messages 24/7).



Quarterly Newsletters – Regular community newsletters will provide consistent updates on the progress leading up to and during construction, including information on forthcoming activities, updates on community funding, along with providing insights into how we work and how we plan to better engage with local communities.



Events – When safe to do so, we intend to deliver a series of community information events prior to the construction phase to engage with local communities on forthcoming works. We will also hold further public exhibitions throughout the construction phase of Hornsea Three, covering topics of special interest, such as potential archaeological finds from the local area.



Engaging with fishing communities – Courtney French, Ørsted's fisheries liaison officer, and her team, will be engaging with local fishing associations and operators to ensure the fishing industry is kept informed of any offshore activities.

Prior to construction, we will be working closely with the relevant authorities to further develop our Skills and Employment Plans, which aims to maximise economic opportunities for local people and businesses, particularly in the construction phase of Hornsea Three.

If you are interested in becoming a supplier for Hornsea Three, please register on our procurement portal: www.orstedprocurement.com/web/login.html



Contact us

If you'd like to get in touch or follow the latest updates regarding Hornsea Three and the wider Ørsted UK team, please visit our website or follow us on social media.



Email us at: HornseaProjectThree@orsted.co.uk



@OrstedUK
#HornseaProject3



Visit our website: www.hornseaproject3.co.uk

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Please note we are no longer using contact@Hornsea-Project-Three.co.u for email enquiries. All contact to this email will be redirected to HornseaProjectThree@orsted.co.uk.

