



## ØRSTED A/S

(incorporated as a public limited company in Denmark with CVR number 36213728)

### €500,000,000 Callable Subordinated Capital Securities due 3021 and

### £425,000,000 Callable Subordinated Capital Securities due 3021

ISIN XS2293075680 / XS2293681685

The €500,000,000 Callable Subordinated Capital Securities due 3021 (the "**Euro Securities**") and the £425,000,000 Callable Subordinated Capital Securities due 3021 (the "**Sterling Securities**") and together with the Euro Securities, the "**Securities**" and each a "**Series**") will be issued by Ørsted A/S (the "**Issuer**" or "**Ørsted**") on 18 February 2021 (the "**Issue Date**").

The Euro Securities will bear interest from (and including) 18 February 2021 (the "**Interest Commencement Date**") to (but excluding) 18 February 2031 (the "**Euro First Reset Date**") at a rate of 1.500 per cent. per annum. Thereafter, unless previously redeemed, the Euro Securities will bear interest from (and including) the First Reset Date to (but excluding) 18 February 2051 (the "**Step-up Date**") at the 5-year swap rate for the Reset Period (as defined in the terms and conditions of the Securities (the "**Conditions**")) commencing on the First Reset Date plus a margin of 186.0 basis points per annum (including a step-up of 25 basis points). From (and including) the Step-up Date to (but excluding) the next subsequent Reset Date and thereafter from (and including) each Reset Date to (but excluding) the next subsequent Reset Date until 18 February 3021 (the "**Maturity Date**") the Securities will bear interest at the 5-year swap rate for the relevant Reset Period in which the coupon period falls plus a margin of 261.0 basis points per annum (including a further step-up of 75 basis points). During each such period, interest is scheduled to be paid annually in arrear on 18 February in each year (each a "**Coupon Payment Date**"), commencing on 18 February 2022, as described under "*Terms and Conditions of the Euro Securities – Coupons*".

The Sterling Securities will bear interest from (and including) the Interest Commencement Date to (but excluding) 18 February 2033 (the "**Sterling First Reset Date**") and, together with the Euro First Reset Date, each a "**First Reset Date**") at a rate of 2.500 per cent. per annum. Thereafter, unless previously redeemed, the Sterling Securities will bear interest from (and including) the First Reset Date to (but excluding) the Step-up Date according to the average quoted gross redemption yield of the Benchmark Gilt (as defined in Conditions) for the Reset Period commencing on the First Reset Date plus a margin of 213.6 basis points per annum (including a step-up of 25 basis points). From (and including) the Step-up Date to (but excluding) the next subsequent Reset Date and thereafter from (and including) each Reset Date to (but excluding) the next subsequent Reset Date until the Maturity Date, the Sterling Securities will bear interest according to the average quoted gross redemption yield of the Benchmark Gilt for the Reset Period plus a margin of 288.6 basis points per annum (including a further step-up of 75 basis points). During each such period, interest is scheduled to be paid annually in arrear on 18 February in each year (each a "**Coupon Payment Date**"), commencing on 18 February 2022, as described under "*Terms and Conditions of the Sterling Securities – Coupons*".

Payments of interest on the Securities may be deferred at the option of the Issuer (see "*Terms and Conditions of the Euro Securities – Optional Coupon Deferral*" and "*Terms and Conditions of the Sterling Securities – Optional Coupon Deferral*"). Payments on the Securities will be made without deduction for or on account of taxes of the Kingdom of Denmark to the extent described under the "*Terms and Conditions of the Securities – Taxation*". Unless previously redeemed or purchased by the Issuer as provided below, the Securities will be redeemed on their relevant Maturity Date at their principal amount (together with accrued interest in respect of the Coupon Period (as defined in the Conditions) ending on (but excluding) the relevant Maturity Date). Any Outstanding Payments as defined in the Conditions will be cancelled on the relevant Maturity Date. The Securities will be redeemable at the option of the Issuer, in whole but not in part, on any date during the period commencing (and including) 18 August 2030 (in the case of the Euro Securities) and 18 August 2032 (in the case of the Sterling Securities) to (and including) the relevant First Reset Date, or on any Coupon Payment Date falling after the relevant First Reset Date at their principal amount (together with accrued interest and any Outstanding Payments). In addition, the Securities will be redeemable at the option of the Issuer in whole but not in part at the amount specified in the Conditions (i) for taxation reasons, (ii) for accounting reasons, (iii) on the occurrence of a Ratings Event (as defined herein) or (iv) in the event that the Issuer has purchased and cancelled 75 per cent. or more of the initial principal amount of the Securities, all as more fully described in "*Terms and Conditions of the Euro Securities – Redemption and Purchase*" and "*Terms and Conditions of the Sterling Securities – Redemption and Purchase*". In addition, on any date prior to the First Call Date (as defined in the Conditions), the Securities will be redeemable at the option of the Issuer in whole, but not in part, at the Make-whole Redemption Amount (as defined in the Conditions).

The Securities of each Series and the Coupons will constitute direct, unsecured and subordinated obligations of the Issuer. See "*Terms and Conditions of the Euro Securities – Status*" and "*Terms and Conditions of the Sterling Securities – Status*". The Securities are serially numbered and in bearer form in the denominations of €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000, in the case of the Euro Securities, and denominations of £100,000 and integral multiples of £1,000 in excess thereof, up to and including £199,000, in the case of the Sterling Securities.

This Prospectus (the "**Prospectus**") has been approved by the Commission de Surveillance du Secteur Financier (the "**CSSF**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") as a prospectus within the meaning of Article 6.3 of the Prospectus Regulation for the purpose of giving information relating to the issue by the Issuer of the Securities. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Securities that are the subject of this Prospectus. In accordance with Article 6(4) of the Luxembourg Law of 16 July 2019 on prospectuses for securities, the CSSF does not make any representation as to the economic or financial opportunity of the issue of the Securities nor as to the quality and solvency of the Issuer. Investors should make their own assessment as to the suitability of investing in the Securities.

Application has also been made to the Luxembourg Stock Exchange for the Securities to be admitted to listing on the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market. References in this Prospectus to the Securities being "listed" (and all related references) shall mean that the Securities have been admitted to listing on the Official

List and admitted to trading on the Luxembourg Stock Exchange's regulated market. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU, as amended ("MiFID II"), appearing on the list of regulated markets issued by the European Commission. Application has been made for the Securities to be inscribed on the Luxembourg Green Exchange platform ("LGX").

This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy Securities in any jurisdiction where such offer or solicitation is unlawful. The Securities are subject to U.S. tax law requirements and may, subject to certain exceptions, not be offered, sold or delivered within the United States or to U.S. persons. For a further description of certain restrictions on the offering and sale of the Securities and on the distribution of this Prospectus, see "Selling Restrictions" below.

This Prospectus is valid for a period of twelve months from the date of approval until 15 February 2022. The obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when the Prospectus is no longer valid. For this purpose, "valid" means valid for making offers to the public or admissions to trading on a regulated market by or with the consent of the Issuer and the obligation to supplement the prospectus is only required within its period of validity between the time when the prospectus is approved and the closing of the offer period for the Securities or the time when trading on a regulated market begins, whichever occurs later.

**EEA PRIIPs Regulation / Prohibition of Sales to EEA Retail Investors - The Securities are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. No key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared. Offering or selling the Securities or otherwise making them available to any retail investor in the EEA may therefore be unlawful under the PRIIPs Regulation.**

**MIFID II product governance / Professional investors and ECPs only target market – Solely for the purpose of each manufacturer's product approval process, the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Securities (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.**

**UK PRIIPs Regulation / Prohibition of Sales to UK Retail Investors - The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA ("UK MiFIR"); or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of UK domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.**

**UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Securities has led to the conclusion that: (i) the target market for the Securities is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (COBS) and professional clients, as defined in UK MiFIR; and (ii) all channels for distribution of the Securities to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.**

**The Securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and are being offered and sold in transactions outside the United States of America ("United States") to non-U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")) in reliance on Regulation S.**

The Securities of each Series will initially be represented by a temporary global security (a "Temporary Global Security" and, together with the Temporary Global Security in respect of the other Series, the "Temporary Global Securities"), without interest coupons, which will be deposited on or about the Issue Date with a common depository for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream, Luxembourg"). Interests in each Temporary Global Security will be exchangeable for interests in a permanent global security (a "Permanent Global Security" and, together with the Permanent Global Security in respect of the other Series, the "Permanent Global Securities" and, the Permanent Global Securities together with the Temporary Global Securities, the "Global Securities"), without interest coupons, on or about 30 March 2021, upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Security will be exchangeable for definitive Securities ("Definitive Securities") only in certain limited circumstances – see "Summary of Provisions relating to the Securities while represented by the Global Securities".

The Securities are expected to be rated BB+ by S&P Global Ratings Europe Limited, ("S&P"), Baa3 by Moody's Investors Service Ltd. ("Moody's") and BBB- by Fitch Ratings Ltd. ("Fitch"). Each of S&P, Moody's and Fitch are established in the EEA and registered under the Regulation (EC) No 1060/2009 on credit rating agencies ("CRA Regulation"), as amended, and is included in the list of registered credit rating agencies published by European Securities and Markets Authority ("ESMA") on its website in accordance with CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time by the assigning rating agency.

S&P defines BB+ as follows: Obligations rated 'BB', 'B', 'CCC', 'CC' and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligation will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposure to adverse conditions. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories. Moody's defines Baa3 as follows: Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. Moody's appends numerical modifiers 1, 2 and 3 to each generic rating clarification from Aa through Caa. The modifier 3 indicates that the obligation ranks in the lower end of its generic rating category. Fitch defines BBB- as follows: A 'BBB' rating indicates that expectations of credit risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity. The modifiers plus or minus may be appended to a rating to denote relative status within major rating categories.

Amounts payable under the Euro Securities may be calculated by reference to the Euro Interbank Offered Rate ("EURIBOR") which is provided by the European Money Markets Institute ("EMMI") or the 5-year swap rate for euro swaps with a term of five years which appears on the Reuters screen "ICESWAP2" which is provided by ICE Benchmark Administration Limited ("ICE"). As at the date of this Prospectus, EMMI appears on the register of administrators and benchmarks established and maintained by the European and Securities Markets Authority ("ESMA") pursuant

to Article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) (the “**BMR**”). As far as the Issuer is aware, ICE, as administrator of “ICESWAP2”, is not required to be registered by virtue of Article 2 of the BMR.

Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Prospectus.

**Global Coordinator**

**GOLDMAN SACHS INTERNATIONAL**

**Joint Lead Managers**

**BARCLAYS**

**DEUTSCHE BANK**

**GOLDMAN SACHS  
INTERNATIONAL**

**MORGAN STANLEY**

**NORDEA**

## RESPONSIBILITY STATEMENT

Ørsted A/S (the "**Issuer**" and together with its subsidiaries and affiliates, the "**Group**") accepts responsibility for the information contained or incorporated by reference in this Prospectus and hereby declares that the information contained or incorporated by reference in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

## NOTICE

This Prospectus is to be read in conjunction with any supplement hereto and with all the documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*").

The information contained in this Prospectus has been provided by the Issuer and the other sources identified herein. To the fullest extent permitted by law, no representation or warranty is made or implied by Barclays Bank Ireland PLC, Deutsche Bank Aktiengesellschaft, Goldman Sachs International, Morgan Stanley & Co. International plc and Nordea Bank Abp (the "**Joint Lead Managers**" and each a "**Joint Lead Manager**") or any of their respective affiliates, Deutsche Bank AG, London Branch (the "**Principal Paying Agent**" and "**Calculation Agent**") or Deutsche Trustee Company Limited as trustee (the "**Trustee**"), and neither the Joint Lead Managers nor any of their respective affiliates nor the Principal Paying Agent nor the Calculation Agent nor the Trustee make any representation or warranty or accept any responsibility, as to the accuracy or completeness of the information contained in this Prospectus or for any statement purported to be made by or on behalf of the Joint Lead Managers, the Principal Paying Agent, the Calculation Agent or the Trustee. The Joint Lead Managers, the Principal Paying Agent, the Calculation Agent and the Trustee accordingly disclaim all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Prospectus or any such statement.

No person has been authorised to give any information or to make any representation concerning the Issuer or the Securities (other than as contained in this Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Issuer, the Joint Lead Managers, the Principal Paying Agent, the Calculation Agent or the Trustee. In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the offering, including the merits and risks involved. Any decision to purchase Securities should be based solely on this Prospectus.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Securities is prohibited. Each offeree of the Securities, by accepting delivery of this Prospectus, agrees to the foregoing.

The Issuer has confirmed to the Joint Lead Managers that this Prospectus is true and accurate in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; that there are no other facts with respect to the Issuer the omission of which would make this Prospectus as a whole or any statement herein or opinions or intentions expressed herein misleading in any material respect; and that all reasonable enquiries have been made to verify the foregoing.

The Joint Lead Managers are acting exclusively for the Issuer and no other person in connection with the offering of the Securities. They will not regard any other person (whether or not such person is a recipient of this document) as their client in relation to the offering of the Securities and will not be responsible to anyone other than the Issuer for providing the protections afforded to their respective clients or for giving advice in relation to the offering or any transaction or arrangement referred to herein.

Neither the delivery of this Prospectus nor the offering, sale or delivery of the Securities shall, in any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date upon which this Prospectus has been published or most recently amended or supplemented or that there

has been no adverse change in the financial position of the Issuer since the date hereof or, as the case may be, the date upon which this Prospectus has been most recently amended or supplemented or the date of the consolidated statement of financial position of the most recent financial statements, or that any other information supplied in connection with the Securities is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

None of the Issuer, the Joint Lead Managers, the Principal Paying Agent, the Calculation Agent or the Trustee, or any of their respective representatives, is making any representation to any offeree or purchaser of the Securities regarding the legality of an investment in the Securities by such offeree or purchaser under the laws applicable to such offeree or purchaser. Prospective investors should not construe anything in this Prospectus as legal, tax, business or financial advice. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Securities.

This document may only be communicated or caused to be communicated in circumstances in which Section 21 para. 1 of the FSMA does not apply.

The Securities have not been and will not be registered under the Securities Act and are subject to U.S. tax law requirements. Subject to certain exceptions, the Securities may not be offered, sold or delivered within the United States or to U.S. persons; see "*Selling Restrictions*".

**NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE "SFA")** - In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Securities are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**EEA PRIIPs REGULATION / PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Securities are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. No key information document required by the PRIIPs Regulation for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared. Offering or selling the Securities or otherwise making them available to any retail investor in the EEA may therefore be unlawful.

**UK PRIIPs REGULATION / PROHIBITION OF SALE TO UK RETAIL INVESTORS** – The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA which were relied on to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the UK PRIIPs Regulation

for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

The distribution of this Prospectus as well as the offering, sale, and delivery of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Joint Lead Managers, the Principal Paying Agent, the Calculation Agent and the Trustee to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Securities in any jurisdiction in which such offer, exercise or invitation would be unlawful. None of the Issuer, the Joint Lead Managers, the Principal Paying Agent, the Calculation Agent or the Trustee or any of their respective affiliates accepts any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions.

**This Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.**

This Prospectus does not constitute an offer or an invitation to subscribe for or purchase the Securities and should not be considered as a recommendation by the Issuer, the Joint Lead Managers, the Principal Paying Agent, the Calculation Agent or the Trustee that any recipient of this Prospectus should subscribe for or purchase Securities. Each recipient of this Prospectus shall be considered to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

**IN CONNECTION WITH THE ISSUANCE OF THE SECURITIES, GOLDMAN SACHS INTERNATIONAL (THE "STABILISATION MANAGER") (OR PERSONS ACTING ON BEHALF OF THE STABILISATION MANAGER) MAY OVER-ALLOT THE SECURITIES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE SECURITIES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE SECURITIES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE SECURITIES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISATION MANAGER (OR PERSON(S) ACTING ON BEHALF OF THE STABILISATION MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.**

All references in this Prospectus to (i) "Danish Krone" and "DKK" are to the lawful currency for the time being of Denmark; (ii) "euro", "EUR" and "€" are to the currency introduced as the start of the third stage of European Economic and Monetary Union, pursuant to the Treaty establishing the European Community, as amended; (iii) "pound", "sterling", "GBP" or "£" are to the lawful currency of the United Kingdom; and (iv) "U.S. dollars" and "USD" are to the lawful currency for the time being of the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

Certain terms used in this Prospectus and financial measures presented in the documents incorporated by reference are not recognised financial measures under IFRS ("**Alternative Performance Measures**") and may therefore not be considered as an alternative to the financial measures defined in the accounting standards in accordance with generally accepted accounting principles. The Issuer has provided these Alternative Performance Measures because it believes they provide investors with additional information to assess the economic situation of the Issuer's business activities. The definition of the Alternative Performance Measures may vary from the definition of identically named alternative performance measures used by other companies. The Alternative Performance Measures used by the Issuer should not be considered as an alternative to measures derived in accordance with IFRS as measures of operating performance. These Alternative Performance Measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of results as reported under IFRS.

For definitions and further explanations of Alternative Performance Measures, please see "*Ørsted A/S – Description of Alternative Performance Measures*".

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## **Risk Factors**

*The Issuer believes that the following factors may adversely affect the Issuer's operations or financial condition and cause harm to the Issuer's reputation and thereby affect its ability to fulfil its obligations under the Securities. All of these factors are contingencies which may or may not occur.*

*Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Securities are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Securities. Additional risks and uncertainties relating to the Issuer that are not currently known to the Issuer, or that the Issuer currently deems immaterial, may individually or cumulatively also have a material adverse effect on the business activities, results of operations, financial condition and cash flows of the Issuer and, if any such risk should occur, the price of the Securities may decline and investors could lose all or part of their investment. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.*

*In each sub-section below, the Issuer has arranged the risks with the most material risks first, in its assessment, considering the expected magnitude of their negative impact and the possibility of their occurrence.*

### **Factors that may affect the Issuer's ability to fulfil its obligations with respect to the Securities**

#### **1 Risks relating to the Issuer's business operations**

##### **a) Risks relating to development in market prices and financial market risks**

###### ***Ørsted is exposed to currency exchange, interest rate and inflation risk***

Ørsted's medium to long-term earnings can to some extent be expected to follow the development in consumer and market prices, thereby protecting the real value of Ørsted's assets and equity. However, Ørsted is exposed to interest rate and inflation risk from the fixed nominal subsidies generated by the portfolio of wind assets in Denmark, Germany, the Netherlands and fixed-price power purchase agreements ("PPAs") relating to the assets in the US and Taiwan as an increase in the interest rate and/or inflation will erode the expected present value, nominal and/or real, of the revenue in each of these countries. Ørsted is also exposed to interest rate and/or inflation risk relating to the significant time span between tendering for and being awarded new offshore wind projects and time of construction, capital employment including financing and possible farm down of the projects. These exposures are to some extent hedged by the fixed nominal payment obligations relating to Ørsted fixed rate debt obligations including any hybrid capital.

Ørsted conducts a significant portion of its operational, investment and financial activities, including debt obligations, cash position and bond investments, in currencies other than Danish Kroner and are therefore exposed to fluctuations in currency exchange rates relative to the Danish Kroner. The Group's main currency exposure stems from offshore wind farms in the United Kingdom, which makes Ørsted particularly exposed to adverse development in the Pound Sterling ("GBP") exchange rate and interest and inflation rates. Increasing activities in Taiwan and the US have also increased exposure towards the currencies, interest and inflation rates of these two countries.

Ørsted's net long GBP exposure is significant and mainly stems from the sale of power, ROCs (Receivables Obligation Certificates), CfDs (Contracts for Differences) and OFTO divestments reduced by local currency operating and construction expenditures. Within the Group's five-year hedging horizon (2021-2025), the net exposure after hedging towards GBP totalled DKK 19.1 billion as at 31 December 2020. Furthermore, Ørsted

has significant amounts of net GBP receivables after the five-year hedge horizon, which is only partly hedged through Ørsted's GBP-denominated debt obligations and related swaps.

Within the five-year hedge horizon, Ørsted has a net short currency exposure in USD. The short USD exposure primarily comes from CAPEX on US onshore and Taiwanese offshore construction activities, oil-indexed gas contracts and purchase of biomass quoted in USD, partly offset by revenue from US onshore and offshore wind farms.

Within the five-year hedge horizon, Ørsted has a net long the Taiwanese Dollars (“TWD”) exposure from revenue generated by its Greater Changhua project's 1 and 2a (expected to become operational no later than 2022) and divestment proceeds, net of CAPEX on the Changhua 1 and 2a projects. In certain markets, such as TWD in Taiwan, where the market for financial derivatives are illiquid or non-existing beyond maturities of 1-2 years, Ørsted may only to a limited extent, or not at all, be able to hedge its currency exposure to the extent desired or required by internal policies.

The Group's EUR exposure is subject to continuous assessment but is normally not hedged beyond Ørsted's EUR-denominated interest-bearing debt obligations including bonds and hybrid capital as Ørsted deems it very unlikely for Denmark to abandon its fixed exchange rate policy towards the Euro.

A materialisation of any of these risks may materially and adversely affect Ørsted operations or financial condition and cause harm to Ørsted's reputation.

***Ørsted is exposed to market risks related to energy commodity prices and green certificates***

Ørsted is exposed to fluctuations in and correlation between the prices of power, natural gas, certificates for the emission of carbon dioxide, ROC-certificates in the United Kingdom, biomass and other fuels and additives utilised in relation to Ørsted's energy production. Ørsted hedges commodity price risks after tax on a rolling five-year horizon. The aim is to stabilise cash flows after tax such that hedging of exposures takes local tax rates into account. Ørsted's general strategy is to hedge more of the price risk in the first years and less in the later years within the five-year hedge horizon. This is due to decreasing market liquidity and increasing uncertainty relating to Ørsted's energy exposure over time. The hedging strategy seeks to smoothen and mitigate any near-to mid-term adverse price movements. Any long lasting or permanent shifts in price levels, will eventually feed through and impact earnings and equity of the group.

Ørsted's power price risk is mainly related to sales on market terms of wind-based power generation including physical power acquired from partners on Ørsted's wind farms under long-term PPAs. As of 31 December 2020, the 5-year (2021-2025) net exposure towards power prices after hedges amounted to DKK 8.2 billion. Ørsted has significant exposure to power prices post the 5-year hedge horizon.

Ørsted's generation of power from its thermal power plants entails a spread exposure, measured as the difference between the power price and the fuel price i.e. biomass, gas and CO2 quotas. As at 31 December 2020, the 5-year (2021-2025) net exposure after hedges from spread exposure amounts to DKK 0.7 billion.

Ørsted's gas and oil price risk stems from natural gas sourced on long-term contracts on gas and oil indexed prices, and sale of gas sold at fixed prices. As of 31 December 2020, the 5-year (2021-2025) net exposure after hedges from gas and oil amounts to DKK 0.5 billion

Ørsted is exposed to risks in relation to its hedging and trading activities, which mainly cover hedging of energy commodities price and related currency exchange rate fluctuations, including situations where the hedging in place, which in some cases may be based on expected high correlations between different types of energy commodities, proves not to be efficient or suffers from illiquidity or inefficiencies in the relevant markets, or where hedging activities are based on assumptions about future prices, indices and volumes which may be wrong and cause inefficient commodity and currency hedges.

One example of such inefficiencies and uncertainties is in relation to Ørsted's power price hedges, where the hedges are normally settled against average monthly or yearly power prices, but where in power markets with significant shares of wind energy as e.g. Germany, the correlation between wind power production and the day-ahead power price is negative, i.e. high shares of wind power production has a downward pressure on the power price. Hence an additional risk to Ørsted when hedging its wind power price is to estimate how much lower the average monthly power price achieved by the wind parks is compared to the average power price normally used for hedging purposes.

In certain price areas in the US, where Ørsted has producing onshore wind farms and/or solar PV plants it may only be possible to hedge the power price to a limited extent or not at all, and any PPA's entered into to hedge such power price risks are in some cases proxy hedges with significant basis risk, when the reference price on the PPA does not correspond to the power price at Ørsted's delivery points.

Furthermore, if Ørsted's risk management systems, policies and procedures do not adequately capture the risk exposure from these activities or if the IT systems, including valuation and pricing models, and contingency procedures that support these activities break down or are inadequate, Ørsted may be further exposed to risks from its trading activities.

A materialisation of any of these risks may materially and adversely affect Ørsted's operations or financial condition and cause harm to Ørsted's reputation.

#### ***Ørsted is exposed to financing, liquidity and rating risks***

Ørsted is exposed to changes in the rating methodologies applied by rating agencies, including changes related to (i) the equity content of individual outstanding hybrid capital securities and the ability of structures to obtain a certain level of equity credit, (ii) application of rating uplift for government support, where Ørsted rating is currently supported by the Danish State being its majority shareholder (iii) assessment of criteria for business risk and financial risk, and (iv) consolidation principles and adjustment practices to key credit metrics applied by the rating agencies. Any changes of such methodologies and practices that would result in an adverse effect on Ørsted's rating may materially and adversely affect Ørsted's operations or financial condition, Ørsted's willingness or ability to leave individual transactions outstanding and adversely affect Ørsted's financing costs, capital market reputation and market access.

Ørsted has announced significant growth plans with total investments of DKK 200 billion from 2019 to 2025 part of which will be debt financed. At the same time Ørsted has maturing interest bearing senior debt until 2025 corresponding to DKK 7.2 billion, which it anticipates will need to be refinanced. Ørsted's ability to secure financing through the bank or capital markets may be materially adversely affected by, among other factors, global financial crisis, or a crisis affecting a specific geographic region, industry or economic sector or by potential downgrades of Ørsted's credit ratings. For these or other reasons, the cost of financing may be significantly increased or, if financing proves to be unavailable even at unattractive terms, Ørsted may not be able to raise the liquidity required to finance its business activities.

These risks may materially and adversely affect Ørsted's operations or financial condition and cause harm to Ørsted's reputation.

#### ***Ørsted is exposed to counterparty credit risks***

The Group is dependent on the creditworthiness of its suppliers, partners, customers, debtors and counterparties in relation to its trading activities, bilateral sales of energy commodities and placement of liquidity reserve in banks and securities, as well as other counterparties and is exposed to risks relating to counterparties fulfilling all obligations and/or collateral requirements. Furthermore, the Group is exposed to risks related to the failure of having adequate credit risk management systems and procedures in place, including risks of inaccurate

assumptions related to exposure calculations and the legal positions of the Group and their respective counterparties.

Mainly for the purpose of reducing its risk towards fluctuating power prices, Ørsted is participating actively in the evolving market for corporate power purchase agreements (“CPPA’s”) and has entered into long-term fixed price power sales agreements linked to the power production from specific onshore and offshore wind farms. Such CPPA’s include a 15-year agreement with Nestlé UK related to the Race Bank wind farm in the UK and a 20-year CPPA with Taiwan Semiconductor Manufacturing Company (“TSMC”) relating to the Changhua 2b and 4 wind farms in Taiwan. As some of these agreements are large in volume of power sold and have a long duration, they may represent significant market value to Ørsted in case the contracted sales prices are higher than the relevant market price for power on which Ørsted is exposed to the risk of the counterparty not fulfilling its obligations through default or other and in case a CPPA cannot be replaced at similar terms in the market.

As part of Ørsted’s divestment of its oil and gas exploration and production licenses, including the divestment of the upstream Oil & Gas business to INEOS, Ørsted has assumed secondary liabilities relating to the decommissioning of offshore facilities in Denmark and Norway. In the UK, a potential decommissioning liability follows from the regulation. The terms of Ørsted’s liabilities are different depending on which country it relates to. For further details on the Ørsted’s divestment of its Oil & Gas business, please see the note 3.6 within the Annual Report 2017. Ørsted is exposed to risks relating to the creditworthiness and ability of the buyers and any guarantor, to which Ørsted may have recourse, to meet any and all costs relating to the decommissioning of these offshore facilities.

These counterparty risks including any secondary liability materialising may materially and adversely affect Ørsted’s financial condition and cause harm to Ørsted’s reputation.

## **b) Risks relating to the Issuer’s business operations**

### ***Ørsted faces competition and regulatory risks***

Ørsted’s renewables power businesses are subject to certain risks, including the risks of not being able to source turbines, foundations, cables, machinery and equipment and vessels for the projects at competitive prices and in general compete efficiently for new projects in an increasingly competitive market. Ørsted faces continual rapid pace of technological development in the wind power and solar PV industries and an increasing degree of complexity due to increased water depths and distances to shore in offshore wind projects, which could affect Ørsted’s ability to compete efficiently and/or the profitability of its projects.

Ørsted has obtained the right to and receives fixed tariffs, renewables certificates or other types of subsidies for a fixed period of time on power produced from most of its renewable assets. Ørsted is subject to regulatory or political risks relating to any initiative aimed at changing any of these existing subsidies, price mechanisms, licenses, terms of delivery or other.

Furthermore, in the US, Ørsted is exposed to risks of not obtaining or being able to utilize Federal Tax Credits (the Production Tax Credits (“PTC”) or Investment Tax Credit (“ITC”)), which are important to achieve required project returns. Should the construction of such projects in the US be delayed, Ørsted is exposed to a risk of not qualifying for the expected level of PTCs or ITCs.

In relation to the development of Ørsted’s project pipeline, project development in general contains risks relating to obtaining required consents, grid connections, approvals, permits and licenses needed to ensure a

viable project. These risks are significantly lower in tender regimes such as in Denmark and The Netherlands compared to auction regimes such as applied in the United Kingdom, the United States and Taiwan.

A materialisation of any of these risks may materially and adversely affect Ørsted's operations or financial condition and cause harm to its reputation.

***Ørsted is exposed to construction risk***

With awards of offshore projects in Taiwan and in the United States ("US"), as well as the acquisitions in the US of both producing and development onshore and offshore projects, Ørsted has managed to establish new positions in these two markets, which will involve major investments in renewable production capacity over the coming years. The investments in and construction of large renewable energy projects in these two markets increase Ørsted's risk regarding the completion of construction projects in addition to Ørsted's construction risk relating to projects in existing European markets. Risks relating to Ørsted's construction activities include:

- Local content requirements vary from country to country (and state to state in the US) and are relevant both when submitting bids for new projects and during the construction phase, where the lack of availability of locally manufactured components, facilities and qualified local staff will impact whether Ørsted is successful in delivering the project on time and within budget. Furthermore, local legislation, such as the Jones Act in the US regulates maritime commerce in US waters and between US ports and stipulates that transport of US origin goods between a US harbour and an anchored vessel or installed foundation in federal waters ("US points") can only be performed by US built, owned, flagged, and crewed vessels, can complicate both the construction and operational phases of projects;
- Cultural and other differences in regional markets including obtaining public licenses and consent processes, safety standards and the ability to recruit the necessary competent staff;
- As part of the expansion of the Offshore wind industry to new markets, Ørsted is encountering risks related to the production of components and higher costs due to an undeveloped local supply chain and supporting infrastructure.

Ørsted's investments in offshore wind projects are each multi-billion Danish Kroner investments that are technically complex and physically large in nature. The projects are being constructed far at sea and may encounter unforeseen challenges and obstacles, which may cause delays and result in time and cost overruns. Furthermore, offshore construction works involve risks related to adverse weather conditions, suppliers or sub-suppliers not fulfilling their contractual obligations, availability of and delays in installation and transit vessels and delays in the grid connection provided by transmission system operators.

In some cases, Ørsted's projects have completion deadlines and failure to meet these deadlines may in certain cases result in penalties, partial/full loss of subsidies, grid connections and/or project rights.

Ørsted makes significant long-term capital expenditures and commitments based on forecasts on multiple investment assumptions, including but not limited to capital expenditure and operating expenditure, market prices, subsidy levels, production volumes, currency exchange rates and interest rates which may turn out to be wrong. In the event of any material deviations from such estimates Ørsted may not earn the expected return on related projects or may decide not to proceed with the construction and completion of an investment project where project rights and licenses have been awarded.

These and related factors may consequently materially and adversely affect Ørsted's operations or financial condition and cause harm to Ørsted's reputation.

***Ørsted is exposed to technical and operational risks***

Ørsted is exposed to risks in connection with disruptions to its operation facilities such as power stations and wind power, solar and power storage assets, which may be caused by technical breakdowns or system malfunctions, including serial defects, in equipment and machinery, including transformers, turbines, solar production facilities, foundations, substations, cables or transmission or distribution grid outages, adverse weather conditions, natural disasters, labour disputes, ill-intentioned acts or other accidents or incidents. These disruptions could result in shutdowns, delays or long-term decommissioning in production or transportation of energy.

Ørsted is exposed to risks related to the availability of power transmission and natural gas and heat transmission infrastructure, hub platforms and distribution infrastructure owned by external parties in order to meet contractual supply obligations or for the transportation of its power and heat production. In relation to transmission of offshore wind power production, Ørsted is not compensated for loss of generation in the UK, US and Taiwan and only partly compensated for such losses in the Netherlands and Germany. If an export cable or transmission outage occurs, including main transformers, it may cause generation losses for part of a wind farm or an entire wind farm for up to 6 months or more.

These and related factors may consequently lead to lower-than-forecasted availabilities and production across Ørsted's portfolios and could materially and adversely affect Ørsted's operations or financial condition and cause harm to the reputation.

***Ørsted is exposed to risks related to weather conditions and shifts in climate***

The average wind speed can vary from year to year due to natural fluctuations which will impact Ørsted's earnings and cash flows from the wind assets. On an individual site, the standard deviation of annual wind speeds is estimated to be in the range of 4-5 per cent. This corresponds to a variation in production of 6-7 per cent. when adjusting for load factor. Over a 10-year period, the standard deviation in wind speeds is between 1-2 per cent., corresponding to a variation in production of 2-3 per cent. Currently, Ørsted mainly owns offshore wind farms in Northern Europe, where the weather and therefore the wind speeds are highly correlated. Hence, if the wind speeds in Northern Europe are low, it can potentially affect production from Ørsted's entire European wind portfolio.

Northern European and Scandinavian power prices are normally negatively correlated to the development of temperatures, wind content and precipitation volumes in Norway and Sweden, and the same relation exists for heat demand in Denmark; the higher the temperature, wind speeds and/or precipitation the lower the power price. Ørsted's earnings forecast reflects the forward market in the short term and a normal year in the mid-to-long term development. These and related factors may consequently materially and adversely affect Ørsted operations or financial condition and cause harm to Ørsted's reputation.

**c) Regulatory, tax, IT and other risks**

***Ørsted is exposed to cyber security risks***

The Danish National Centre for Cyber Security have assessed the risk of cyber-attacks, cyber espionage and cyber-crime aimed at the energy sector to be at the top of their defined scale. Thus, Ørsted is exposed to cyber-crime and IT-risks including breakdown in their administrative and production systems potentially affecting power production, business critical supplies of data and core business objectives for Ørsted's wind farms and power stations. Such risks can be triggered by cyber-attacks orchestrated by government supported attackers, organised crime or hacktivists as well as insider threats and accidents. Breakdowns could potentially shut down or destroy generation assets such as an offshore wind farm or a

power plant. These risks may materially and adversely affect Ørsted's financial condition and cause harm to Ørsted's reputation.

***Ørsted is exposed to changes in tax and accounting laws, standards and practices***

Ørsted's activities are complex and include domestic and cross border transactions including acquisitions, divestments and restructurings, and in the course of conducting business internationally, tax and transfer pricing disputes with tax authorities may occur. Judgement is applied to assess the possible outcome of such disputes. Ørsted applies the methods prescribed in IAS 12 Income Taxes and IFRIC 23 'Uncertainty over Income Tax Treatments' when making provisions for uncertain tax positions, and consider the provisions made to be adequate. However, the actual obligation depends on the result of litigations and settlements with the relevant tax authorities may therefore deviate significantly from Ørsted's own estimates.

Ørsted is exposed to adverse changes in tax and customs legislation, rules and regulations, its application or manner of enforcement, including by way of elimination or reduction in tax or levy exemptions, in each jurisdiction in which it operates.

Ørsted is exposed to changes in or interpretation of accounting principles and to the risk of asset impairment if interest rates or other assumptions applied in impairment tests change adversely including a decline in forecasted cash flows. Ørsted has costs relating to the decommissioning of its operating assets such as on- and offshore wind farms, power plants and infrastructure assets at the time of abandonment of each asset. In the Annual Report 2020, note 3.2 on page 110, Ørsted's total decommissioning obligations are stated at DKK 7.0 billion.

These risks may materially and adversely affect Ørsted's financial condition and cause harm to Ørsted's reputation.

***Ørsted is exposed to the risks related to not being insured against all potential losses***

Ørsted is not insured against all potential losses, being partly self-insured, including political risks and business interruption and with losses related to pollution liability and pollution clean-up obligations restricted by insurance coverage currently available on the commercial market. Such potential losses are applicable during both operations and for construction projects. Consequently, Ørsted could be seriously harmed by accidents, operational catastrophes or external attacks, and this may materially and adversely affect Ørsted's operations or financial condition and cause harm to Ørsted's reputation.

***Ørsted is exposed to risks related to litigation and arbitration proceedings***

Ørsted is exposed to risks related to litigation and arbitration proceedings which Ørsted is or may in the future become involved in and Ørsted will remain exposed to such liability in the future. Ørsted has also been, are, and will continue to be subject to competition and other regulatory investigations and decisions by EU, Danish and other national competition authorities and energy regulatory authorities (for example, for alleged abuse of a dominant position or for application of tariffs which allegedly are too high), and this may materially and adversely affect the Group's operations or financial condition and cause harm to the Group's reputation. For further details on material litigation currently affecting the Group please refer to "Legal Proceedings".

***Ørsted is exposed to pandemic risks***

Ørsted is exposed to local, regional, national or international outbreak of a contagious disease, including, but not limited to, COVID-19, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu or any other similar illness, or a fear of any of the foregoing, which could adversely impact us by causing delay in project construction or repair and maintenance works. This could be caused by a shutdown of Ørsted own organization or by closure of third-party supplier and manufacturer facilities resulting in our suppliers or sub-suppliers not fulfilling their contractual obligations, project development delays and disruptions, local labour shortages or

travel disruption and temporary shutdowns (including as a result of government regulation and prevention measures). The effects of a contagious disease can also affect Ørsted indirectly through a reduction in the consumption of electricity due to lower activity in the economies. This could have a material adverse effect on Ørsted's reputation, operational results and/or financial condition.

***Ørsted is exposed to risks regarding sustainability and environmental hazards***

Ørsted operates within the energy-sector and are exposed to general public and political opinion on sustainability. In relation to Ørsted's power plants, forest-based biomass as an energy source can play a significant role in reducing carbon emissions. However, only sustainable biomass can deliver carbon savings, while other types of biomass may lead to increased emissions. As a result, the use of biomass is subject to high levels of scrutiny in Northern Europe and the US, where environmental NGOs lead the debate. In Denmark, the Danish Energy Association has made an agreement with the Ministry of Energy that includes voluntary commitments for the sourcing of sustainable biomass and requires companies to document the sustainability of biomass by means of certification. To continue building its position as a green leader towards all stakeholders, Ørsted will also need to address value chain emissions.

Ørsted operates power plants and oil and gas transmission facilities transporting oil and gas from third party production facilities in the North Sea to the Danish mainland by which it is exposed to the risks of causing significant harm to the natural or human environment. These risks include accidents, external attacks, injuries, oil spills or discharges or other pollution of water, air, or soil, electromagnetic fields and the use and handling of hazardous or toxic chemicals and other materials in or near Ørsted's production facilities and infrastructure assets where Ørsted could meet economic consequences in the form of penalties, compensation payments and obligations to take remedial measures to restore the environment, amongst others.

These risks may materially and adversely affect Ørsted's financial condition and cause harm to Ørsted's reputation.

***The Group is exposed to compliance risks subject to a broad range of financial regulations***

The level and type of financial regulation risks varies from business unit to business unit within the Group. The main risks across the Group are compliance with REMIT disclosure obligations, market abuse prohibitions and reporting obligations pursuant to REMIT, EMIR and MiFID, but the Group is also affected by MAR, Dodd Frank, SFTR and AML. Non-compliance with financial regulation may result in severe legal sanctions, such as imprisonment for involved employees, significant fines or damage claims. Non-compliance may also result in Ørsted or a subsidiary becoming subject to a financial regulator's license requirements which may involve setting up special purpose entities subject to material capital requirements and implementation of burdensome internal procedures and IT requirements. These risks may materially and adversely affect the Group's financial conditions and cause harm to the Group's reputation.

***Ørsted is exposed to risks regarding new and existing tender law***

Ørsted construction projects are of significant size and entails significant purchase orders relating to turbines, transformers, blades, cables, foundations and services etc. In relation to such purchases, Ørsted is to a large extent subject to EU and/or local tender regulation. The tender regulation is difficult to apply, among other things due to the imprecise nature of the regulation, the rapid evolving case law and the different national interpretation of the regulation creating difficulties for tenders involving several countries. Ørsted risks facing legal sanctions in the event of non-compliance incidents that may include suspension of an ongoing tender procedure, annulment of a contract award, order for legalisation of the tender procedure and claims for damages. If no tender procedure has been conducted, the contract is considered null and void. Consequently, a non-compliance incident may also result in a postponement of an investment project, which could have a material adverse effect on Ørsted's reputation, operational results and/or financial condition.



***Ørsted is exposed to risks related to decisions made by Ørsted majority shareholder, the Kingdom of Denmark***

The Kingdom of Denmark is Ørsted's majority shareholder and may control or otherwise influence important actions it takes, such as decisions requiring a simple majority of the share capital and voting rights represented at Ørsted's general meetings, including distribution of dividends. Depending on the extent to which other shareholders are present or represented at Ørsted's general meetings, the Kingdom of Denmark may also be able to control decisions requiring a qualified majority of the votes, such as amendments to Ørsted's Articles of Association. Conversely, if the Kingdom of Denmark ceases to be the majority shareholder, this might trigger new requirements in respect of certain of Ørsted's consents, permits and licenses, may require a renegotiation of certain of Ørsted's loan documents and have other effects due to a change-of-control event. This may materially and adversely affect Ørsted's operations or financial condition and cause harm to Ørsted's reputation.

***Ørsted is subject to risks related to ethical misconduct or breaches of applicable laws by employees, suppliers, agents or other third parties***

Ørsted has implemented compliance policies and procedures with respect to applicable anti-corruption, anti-money laundering and sanctions laws. Ørsted is exposed to risks from unintentional breach of such laws by its employees, suppliers, sub-suppliers, energy customers, agents, joint venture partners or other third parties involved in Ørsted's projects or activities, including situations where trading with such suppliers and energy customers becomes subject to sanctions or if conducted under exemption from sanctions laws, that such exemptions are suddenly withdrawn. Any incidents of non-compliance with applicable laws and regulations, including anti-corruption, sanctions, anti-money laundering or other applicable laws, by the employees, suppliers, agents or other third parties, may cause Ørsted, or a subsidiary to be subject to significant fines, prevent Ørsted from participating in certain projects or may lead to other consequences, including, but not limited to, the termination of existing contracts, which could have a material adverse effect on Ørsted's reputation, business, cash flows, results of operation and/or financial condition.

**Factors that may affect the Issuer's ability to fulfil its obligations with respect to the Securities**

**2 Risks relating to the Securities generally**

**Factors which are material for the purpose of assessing the suitability of the Securities as an investment**

***The Securities are complex financial instruments and may not be a suitable investment for all investors***

Each potential investor in the Securities must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Securities, the merits and risks of investing in the Securities and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Securities and the impact the Securities will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Securities, including where the potential investor's currency is not the euro;
- understand thoroughly the terms of the Securities and be familiar with the behaviour of the relevant financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Securities are complex financial instruments and such instruments may be purchased by potential investors as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Securities unless it has the expertise (either alone or with a financial adviser) to evaluate how the Securities will perform under changing conditions, the resulting effects on the value of the Securities and the impact this investment will have on the potential investor's overall investment portfolio.

***If a loan is used to finance the acquisition of the Securities, the loan may significantly increase the risk of a loss.***

If a loan is used to finance the acquisition of the Securities by a potential investor and the Securities subsequently go into default, or if the trading price diminishes significantly, the investor may not only have to face a potential loss on its investment, but will also have to repay the loan and pay interest thereon. A loan may significantly increase the risk of a loss. Potential investors should not assume that they will be able to repay the loan or pay interest thereon from the profits of an investment in the Securities. Instead, potential investors should assess their financial situation prior to an investment in the Securities, as to whether they are able to pay interest on the loan, repay the loan on demand, and the possibility that they may suffer losses instead of realising gains.

***There can be no assurance that the Securities will be accepted for listing on the Luxembourg Green Exchange and that the use of proceeds of the Securities will be suitable for the investment criteria of an investor***

The Issuer intends to apply the proceeds from the issue the Securities specifically for projects and activities that promote climate-friendly and other environmental purposes ("**Green Projects**") and to apply for the Securities to be inscribed on the Luxembourg Green Exchange platform.

However, no assurance is given by the Issuer or the Joint Lead Managers that the use of proceeds for any Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects.

While it is the intention of the Issuer to apply the proceeds of the Securities in, or substantially in, the manner described above, there can be no assurance that the relevant project(s) or use(s) (including those the subject of, or related to, any Green Projects) will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for such project(s) or use(s). Nor can there be any assurance that any Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Securities.

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or "sustainable" or an equivalently-labelled project, or as to what precise attributes are required for a particular project to be defined as "green" or "sustainable" or such other equivalent label, nor can any assurance be given that such a clear definition or consensus will develop over time. A basis for the determination of such a definition has been established in the EU with the publication in the Official Journal of the EU on 22 June 2020 of Regulation (EU) 2020/852 of the

European Parliament and of the Council of 18 June 2020 (the “**Sustainable Finance Taxonomy Regulation**”) on the establishment of a framework to facilitate sustainable investment (the “**EU Sustainable Finance Taxonomy**”). The EU Sustainable Finance Taxonomy is subject to further development by way of the implementation by the European Commission through delegated regulations of technical screening criteria for the environmental objectives set out in the Sustainable Finance Taxonomy Regulation. Accordingly, alignment of the Issuer’s Green Finance Framework with the EU Sustainable Finance Taxonomy is not certain.

Accordingly, no assurance is or can be given to investors that any project(s) or use(s) the subject of, or related to, any Green Projects will meet any or all investor expectations regarding such "green", "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any project(s) or use(s) the subject of, or related to, any Green Projects.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of the Securities and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification (i) is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus, (ii) is not, nor should be deemed to be, a recommendation by the Issuer, the Joint Lead Managers or any other person to buy, sell or hold the Securities and (iii) would only be current as of the date that it was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in the Securities. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that the Securities are listed or admitted to trading on the Luxembourg Green Exchange or any other dedicated "green", "environmental", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer, the Joint Lead Managers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, for example with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Additionally, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer, the Joint Lead Manager or any other person that any such listing or admission to trading will be obtained in respect of the Securities or, if obtained, that any such listing or admission to trading will be maintained during the life of the Securities.

Any such event or failure to apply the proceeds from the issue of Securities for any project(s) or use(s), including any Green Projects, and/or withdrawal of any opinion or certification as described above or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or the Securities no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of the Securities and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

### **3 Risks related to the structure of the Securities**

#### ***The Securities are subordinated obligations***

The Securities will be subordinated obligations of the Issuer and the Securities will rank pari passu with each other in a winding-up of the Issuer. Upon the occurrence of any winding-up of the Issuer, payments on the Securities will be subordinated in right of payment to the prior payment in full of all creditors of the Issuer, except for payments in respect of any Parity Securities or Issuer Shares. The obligations of the Issuer under the Securities are intended to be senior only to its obligations to the holders of the ordinary shares in the capital of the Issuer.

Securityholders are advised that unsubordinated liabilities of the Issuer may also arise out of events that are not reflected in the financial statements of the Issuer, including, without limitation, the issuance of guarantees on an unsubordinated basis. Claims made under such guarantees will become unsubordinated liabilities of the Issuer which, in a winding-up of the Issuer, will need to be paid in full before the obligations under the Securities may be satisfied.

Although subordinated debt securities may pay a higher rate of interest than comparable debt securities which are not subordinated, there is a real risk that an investor in subordinated securities such as the Securities will lose all or some of his investment should the Issuer become insolvent.

#### ***The Securities are long-dated securities***

The Securities will mature on the Maturity Date. The Issuer is under no obligation to redeem or repurchase the Securities prior to such date, although it may elect to do so in certain circumstances. Securityholders have no right to call for the redemption of the Securities and the Securities will only become due and payable in certain circumstances relating and limited to payment default and a liquidation of the Issuer (see Condition 9). Securityholders should therefore be aware that they may be required to bear the financial risks associated with an investment in long-term securities.

#### ***Early redemption risk***

The Issuer may redeem the Securities, subject as provided in Condition 6(b)(ii), in whole but not in part, on any date during the period commencing (and including) 18 August 2030 (in the case of the Euro Securities) and 18 August 2032 (in the case of the Sterling Securities) to (and including) the First Reset Date or on any Coupon Payment Date thereafter, at their principal amount together with any accrued interest in respect of the immediately preceding Coupon Period and any Outstanding Payments. In addition, the Issuer may redeem the Securities, subject as provided in Condition 6(b)(i), in whole but not in part, on any date prior to 18 August 2030 (in the case of the Euro Securities) and 18 August 2032 (in the case of the Sterling Securities) at the Make-whole Redemption Amount (as defined in the Conditions). Moreover, upon the occurrence of certain other specified events (for taxation reasons, for accounting reasons, on the occurrence of a Ratings Event (as defined in the Conditions) or in the event that the Issuer has purchased and cancelled 75 per cent. or more of the initial principal amount of the Securities, all as set out in the Conditions), the Issuer shall have the option to redeem the Securities at the prices set out in the Conditions, in each case together with any accrued interest to the redemption date and any Outstanding Payments.

During any period when the Issuer is perceived to be able to redeem the Securities, the market value of the Securities generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The Issuer may be expected to redeem the Securities when its cost of borrowing, generally or in respect of instruments which provide similar benefits to the Issuer, is lower than the interest payable on the Securities. At such times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest payable on the Securities being redeemed.

and may only be able to reinvest the redemption proceeds at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

### ***Optional Coupon Deferral***

The Issuer may elect to defer any Coupon Payment for any period of time. Payment of such deferred Coupon Payment (Deferred Payments, as defined in the Conditions) may be subject to certain conditions.

Any such deferral of Coupon Payments will not constitute a default for any purpose. Any deferral of Coupon Payments will likely have an adverse effect on the market price of the Securities. In addition, as a result of the interest deferral provision of the Securities, the market price of the Securities may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such deferral and may be more sensitive generally to adverse changes in the Issuer's financial condition.

### ***Fixed Rate Securities***

The Securities bear interest at a fixed rate until the First Reset Date (and thereafter will be subject to a reset of the initial fixed rate on every Reset Date as set out in the Conditions).

A holder of a fixed interest rate security is exposed to the risk that the price of such security may fall because of changes in the market interest rate. While the nominal interest rate of a fixed interest rate note is fixed during the life of such security or during a certain period of time, the current interest rate on the capital market (the "**market interest rate**") typically changes on a daily basis. As the market interest rate changes, the price of such security tends to change in the opposite direction (barring other factors influencing the price). If the market interest rate increases, the price of such security typically falls, until the yield of such security is approximately equal to the market interest rate. If the market interest rate falls, the price of a fixed interest rate security typically increases, until the yield of such security is approximately equal to the market interest rate. Securityholders should be aware that during the period in which the Securities bear interest at a fixed rate movements of the market interest rate can adversely affect the price of the Securities and can lead to losses for the Securityholders if they sell Securities while the market interest rate exceeds the fixed interest rate of the Securities.

### ***The Holders of the Euro Securities are exposed to risks relating to the reset of interest rates linked to the 5-year swap rate.***

From and including the First Reset Date of the Euro Securities to but excluding the maturity date of the Euro Securities or the date on which the Issuer redeems the Euro Securities in whole pursuant to the Conditions, the Euro Securities bear interest at a rate which will be determined on each Interest Determination Date at the 5-year Swap Rate (the "**5-year Swap Rate**") for the relevant Reset Period plus the relevant Margin for the relevant Reset Period. Potential investors should be aware that the performance of the 5-year Swap Rate and the interest income on the Euro Securities cannot be anticipated. Due to varying interest income, potential investors are not able to determine a definite yield of the Euro Securities at the time they purchase them, therefore their return on investment cannot be compared with that of investments having longer fixed interest periods. In addition, after Coupon Payment Dates, Securityholders are exposed to the reinvestment risk if market interest rates decline. That is, Securityholders may reinvest the interest income paid to them only at the relevant lower interest rates then prevailing.

Potential investors in the Euro Securities should bear in mind that neither the current nor the historical level of the 5-year Swap Rate is an indication of the future development of such 5-year Swap Rate during the term of the Euro Securities.

Furthermore, during each Reset Period, it cannot be ruled out that the price of the Euro Securities may fall as a result of changes in the market interest rate, as the market interest rate fluctuates. During each of these periods,

the Securityholders are exposed to the risks as described under "*Risk factors - Risks relating to the Securities - Fixed Rate Securities*".

***Future discontinuance of EURIBOR or the occurrence of a Benchmark Event may adversely affect the value of the Euro Securities***

*Future discontinuance of EURIBOR and benchmark reforms*

EURIBOR and any other interest rate or other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory discussions and proposals for reform. The BMR, published in the Official Journal of the European Union on 29 June 2016 and applicable from 1 January 2018, could have a material impact on the Euro Securities linked to EURIBOR, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the terms of the BMR, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level of the benchmark.

Following the implementation of any potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or the benchmark could be eliminated entirely, or there could be other consequences that cannot be predicted. The elimination of the EURIBOR benchmark, or changes in the manner of its administration, could require or result in an adjustment to the interest calculation provisions of the Conditions of the Euro Securities, or result in adverse consequences to holders of the relevant Euro Securities. Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Euro Securities, the return on the relevant Euro Securities and the trading market for securities (including the relevant Euro Securities) based on the same benchmark.

*Potential for a fixed rate return*

Investors should be aware that, if EURIBOR were discontinued or otherwise unavailable, the rate of interest on the Euro Securities for the period from (and including) the relevant Reset Date, which is based on a reset mid-swap rate, may be affected. If such rate is not available, the rate of interest on the Euro Securities will be determined by the fall-back provisions applicable to the Euro Securities. This may in certain circumstances result in the effective application of a fixed rate based on the rate which was last observed on the relevant Screen Page.

In addition, any changes to the administration of the applicable annualised mid-swap rate for swap transactions in euro with a term of five years as referred to in the Conditions of the Euro Securities or the emergence of alternatives to such mid-swap rate as a result of these potential reforms, may cause such rate to perform differently than in the past or to be discontinued, or there could be other consequences which cannot be predicted. The potential discontinuation of such rate or changes to its administration could require changes to the way in which the relevant Reset Fixed Rate is calculated on the Euro Securities from (and including) the relevant Reset Date. Uncertainty as to the nature of alternative reference rates and as to potential changes to the relevant mid-swap rate may adversely affect the relevant Reset Fixed Rate, the return on the Euro Securities and the trading market for securities (such as the Euro Securities) based on the same mid-swap rate. The development of alternatives to the relevant mid-swap rate may result in the Euro Securities performing differently than would otherwise have been the case if such alternatives to the relevant mid-swap rate had not developed. Any such consequence could have a material adverse effect on the value of, and return on, the Euro Securities.

*Benchmark Events*

The Conditions of the Euro Securities also provide for certain fall-back arrangements in the event that the Issuer determines that a Benchmark Event has occurred. The Issuer may, having used reasonable endeavours to appoint

and consult an Independent Adviser, determine a Successor Rate or, failing which, an Alternative Reference Rate to be used in place of the relevant mid-swap rate. The use of any such Successor Rate or Alternative Reference Rate to determine the relevant Reset Fixed Rate may result in the Euro Securities performing differently (including paying a lower Reset Fixed Rate than they would do if the relevant mid-swap rate were to continue to apply in its current form).

Furthermore, if a Successor Rate or Alternative Reference Rate is determined by the Issuer, the Conditions of the Euro Securities provide that the Issuer may vary the Conditions of the relevant Euro Securities, the relevant Agency Agreement and/or the relevant Trust Deed, as necessary, to ensure the proper operation of such Successor Rate or Alternative Reference Rate, without any requirement for consent or approval of the relevant Securityholders.

If a Successor Rate or Alternative Reference Rate is determined by the Issuer, the Conditions of the Euro Securities also provide that an Adjustment Spread will be determined by the Issuer to be applied to such Successor Rate or Alternative Reference Rate. Accordingly, while any Adjustment Spread may be expected to be designed to eliminate or minimise any potential transfer of value between counterparties, the application of the Adjustment Spread to the Euro Securities may not do so and may result in the relevant Euro Securities performing differently (which may include payment of a lower interest rate) than they would do if subparagraph (A) of the definition of 5-year Swap Rate in the Conditions were to apply. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, the relevant Euro Securities. However, no Successor Rate or Alternative Rate will be adopted, nor any Adjustment Spread applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to cause a Rating Event (as defined in the Conditions) to occur.

Due to the uncertainty concerning the availability of Successor Rates and Alternative Rates, the involvement of an Independent Adviser, the potential for further regulatory developments and the fact that the provisions of Condition 3(g) will not be applied if the same could reasonably be expected to cause a Rating Event to occur, there is a risk that the relevant fallback provisions may not operate as intended at the relevant time. This may in certain circumstances result in the effective application of a fixed rate based on the rate which was last observed on the relevant Screen Page. Moreover, any of the above matters or any other significant change to the setting or existence of the relevant mid-swap rate could adversely affect the ability of the Issuer to meet its obligations under the Euro Securities and could have a material adverse effect on the value or liquidity of, and the amount payable under, the Euro Securities.

***Securityholders will lose their rights to Outstanding Payments on the Maturity Date***

If not redeemed or purchased and cancelled earlier, the Securities will be redeemed on the Maturity Date at their principal amount, together with accrued but unpaid interest for the immediately preceding Coupon Period ending on (but excluding) the Maturity Date. Any Outstanding Payments will automatically be cancelled on the Maturity Date. Consequently, if the Securities are not redeemed until the Maturity Date, Securityholders will lose all rights and claims in respect of Outstanding Payments at that date.

***The current IFRS accounting classification of financial instruments such as the Securities as equity instruments may change, which may result in the occurrence of an Accounting Event.***

In June 2018, the IASB (International Accounting Standards Board) published the discussion paper DP/2018/1 on "Financial Instruments with Characteristics of Equity" (the "DP/2018/1 Paper") and public meetings were held on 23 October 2019 and 16 December 2020 to discuss the proposals contained therein. During the 16 December 2020 meeting, the IASB decided to add the "Financial Instruments with Characteristics of Equity" project to its standard-setting programme and to continue using the expertise of advisory bodies instead of establishing a dedicated consultative group for the project. If the proposals set out in the DP/2018/1 Paper had been implemented, the current IFRS accounting classification of financial instruments such as the Securities as

equity instruments may have changed and, if such changes had been brought in whilst Securities remained outstanding, this may have resulted in the occurrence of an “Accounting Event” (as described in the Terms and Conditions of the Securities). In such an event, the Issuer may have had the option to redeem, in whole but not in part, the Securities pursuant to the Terms and Conditions of the Securities.

Although the DP/2018/1 Paper proposals will not be pursued for the time being, there can be no assurance that such proposals or any other similar such proposals may not be implemented in the future. Accordingly, no assurance can be given as to the future classification of the Securities from an accounting perspective or whether any such change may result in the occurrence of an Accounting Event, thereby providing the Issuer with the option to redeem the Securities pursuant to the Terms and Conditions of the Securities. The occurrence of an Accounting Event may result in Securityholders receiving a lower than expected yield.

The redemption of the Securities by the Issuer or the perception that the Issuer will exercise its optional redemption right might negatively affect the market value of the Securities. During any period when the Issuer may elect to redeem the Securities, the market value of the Securities generally will not rise substantially above the price at which they can be redeemed.

#### ***Issuer’s intention regarding redemption and repurchase of the Securities***

Whilst the Issuer has expressed its intention (without thereby assuming any legal or contractual obligation whatsoever) that it will only redeem or repurchase Securities subject to a replacement of the equity credit which the Issuer was assigned to at the Issue Date with new equity credit which the Issuer or any subsidiary of the Issuer has received subject to certain exceptions (please see pages 51-52 and 70-71 of this Prospectus for further information), there can be no assurance that the Issuer will follow through with this intention when the time comes.

#### ***No limitation on issuing senior or pari passu securities***

There is no restriction on the amount of securities or other liabilities which the Issuer may issue, guarantee or incur and which rank senior to, or pari passu with, the Securities. The issue of any such securities or the incurrance of any such other liabilities may reduce the amount (if any) recoverable by Securityholders on a winding-up of the Issuer and/or may increase the likelihood of a deferral of interest payments under the Securities.

#### ***Securityholders have no voting rights***

The Securities are non-voting with respect to general meetings of the Issuer. Consequently, the holders of the Securities cannot influence, inter alia, any decisions by the Issuer to defer payments of Coupons or to optionally settle Outstanding Payments or any other decisions by the Issuer's shareholders concerning the capital structure of the Issuer.

#### ***Default and Limited Remedies***

The only remedy against the Issuer available to the Trustee or (where the Trustee has failed to proceed against the Issuer as provided in the Conditions) any Securityholder for recovery of amounts which have become due in respect of the Securities will be the institution of proceedings for bankruptcy of the Issuer and/or proving in such bankruptcy and/or claiming in the liquidation of the Issuer.

#### ***Modification, waivers and substitution***

The Conditions contain provisions for calling meetings of Securityholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Securityholders, including Securityholders who do not attend and vote at the relevant meeting and Securityholders who vote in a manner contrary to the majority.



The Conditions also provide that the Trustee may, without the consent of the Securityholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Securities or (ii) the substitution of another company as principal debtor under the Trust Deed and the Securities in place of the Issuer, in each case in the circumstances described in Conditions 12(b) and (c).

#### ***Substitution and Variation of the Securities without the consent of Securityholders***

If a Ratings Event, a Tax Event or an Accounting Event occurs, then, subject to the provisions of the relevant Conditions 6(g) and 6(h), the Issuer may (without any requirement for the consent or approval of the relevant Securityholders or Couponholders) at any time, instead of giving notice to redeem the Securities, substitute all, but not some only, of the Securities for, or vary the terms of the Securities so that the Securities remain or become, as the case may be, Qualifying Securities. Whilst Qualifying Securities are required to have terms not otherwise materially less favourable to Securityholders than the terms of the Securities, there can be no assurance that the variation to Qualifying Securities will not have a significant adverse impact on the price of, and/or market for, the relevant Securities or the circumstances of relevant individual Securityholders. For example, it is possible that the Qualifying Securities will contain conditions that are contrary to the investment criteria of certain investors and the tax and stamp duty consequences of holding the Qualifying Securities could be different for some categories of Securityholders from the tax and stamp duty consequences for them of holding the relevant Securities prior to such substitution or variation.

#### ***Change of law***

Except for Condition 2, which is governed by, and construed in accordance with, the laws of the Kingdom of Denmark) the Conditions of the Securities are based on English law in effect as at the date of issue of the Securities. No assurance can be given as to the impact of any possible judicial decision or change to English law or the laws of the Kingdom of Denmark or the administrative practice in either jurisdiction after the date of issue of the Securities.

*Judgments entered against Danish entities in the courts of a state which is not subject to the Brussels Regulations, the Lugano Convention or the Hague Choice of Court Convention (all as defined below) may not be recognised or enforceable in Denmark*

A judgment entered against a company incorporated in Denmark in the courts of a state which is not, under the terms of (i) Regulation (EU) No. 1215/2012 of the European Parliament and of the Council on Jurisdiction and the Recognition and Enforcement of Judgments (the “**2012 Brussels Regulation**”), (ii) the bilateral agreement relating to the 2012 Brussels Regulation between Denmark and the European Community of 19 October 2005 (and any protocol and accession convention in respect thereof), (iii) Danish Act No. 1563 of 20 December 2006 (as amended), consolidated in Danish Consolidated Act No. 1282 of 14 November 2018, implementing the 2012 Brussels Regulation, (iv) the Convention on Jurisdiction and the Recognition and Enforcement of Judgments in Civil and Commercial Matters made at Lugano on 30 October 2007 (the “**Lugano Convention**”) or (v) the Convention on Choice of Court Agreements on 30 June 2005 (the “**Hague Choice of Court Convention**”), a Member State (as defined in the 2012 Brussels Regulation) or a Contracting State (as defined in the Lugano Convention and the Hague Choice of Court Convention), will be neither recognised nor enforced by the Danish courts without re-examination of the substantive matters thereby adjudicated. In addition, a judgment entered against a company incorporated in Denmark in the courts of a state which is a Contracting State under the Hague Choice of Court Convention will not be recognised nor enforced by the Danish courts without re-examination of the substantive matters thereby adjudicated unless the parties had agreed to settle their disputes exclusively in the jurisdiction of one Contracting State. In connection with any re-examination, the judgment of a foreign court will generally be accepted as material evidence, but the parties must provide the Danish courts with satisfactory information about the contents of the relevant law of the contract and, if they fail to do so, the Danish courts may apply Danish law instead.

### ***Absence of prior public markets***

The Securities constitute a new issue of securities by the Issuer. Prior to such issue, there will have been no public market for the Securities. Although applications have been made for the Securities to be listed, there can be no assurance that an active public market for the Securities will develop and, if such a market were to develop, neither the Joint Lead Managers nor any other person is under any obligation to maintain such a market. The liquidity and the market prices for the Securities can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer and the Group and other factors that generally influence the market prices of securities. Illiquidity may have an adverse effect on the market value of the Securities.

### ***Global Securities will be held on behalf of Euroclear or Clearstream, Luxembourg***

As the Global Securities will be held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

The Global Securities will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Security, investors will not be entitled to receive Definitive Securities. Euroclear and Clearstream, Luxembourg will maintain records of the interests in the Global Securities. While the Securities are represented by one or more Global Securities, investors will be able to trade their interests only through Euroclear or Clearstream, Luxembourg.

While the Securities are represented by one or more Global Securities, the Issuer will discharge its payment obligations under such Securities by making payments to the common depository for Euroclear and Clearstream, Luxembourg for distribution to their accountholders. A holder of an interest in a Global Security must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Securities. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, interests in the Global Securities.

Holders of interests in the Global Securities will not have a direct right to vote in respect of the Securities. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear or Clearstream, Luxembourg.

### ***Credit ratings may not reflect all risks***

The Securities are expected to be assigned a rating of Moody's, S&P and Fitch. The ratings may not reflect the potential impact of all risks related to the structure, market, additional factors discussed above, and other factors that may affect the value of the Securities. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension, reduction or withdrawal at any time by the relevant organisation. The relationship between ratings assigned to the Issuer's senior securities and the ratings assigned to the Securities (sometimes called "notching") is based on the current practice of the rating agencies.

### ***Integral multiples of less than the specified denomination***

The denominations of the Euro Securities are €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000. The denominations of the Sterling Securities are £100,000 and integral multiples of £1,000 in excess thereof, up to and including £199,000. Therefore, it is possible that the Securities may be traded in amounts in excess of €100,000 or £100,000 that are not integral multiples of €100,000 or £100,000, as the case may be. In such a case, a Securityholder who, as a result of trading such amounts, holds a principal amount of less than €100,000 or £100,000, as the case may be, of the Securities will not receive a Definitive Security in respect of such holding (should Definitive Securities be printed) and would need to purchase a principal amount of Securities such that it holds an amount equal to one or more denominations. If Definitive Securities are issued, the relevant Securityholder should be aware that Definitive Securities which have a

denomination that is not an integral multiple of €100,000 or £100,000, as the case may be, may be illiquid and difficult to trade. Except in circumstances set out in the relevant Global Security, investors will not be entitled to receive Definitive Securities.

#### **4 Risks related to the market generally**

***Incidental costs related in particular to the purchase and sale of Securities may have a significant impact on the profit potential of the Securities.***

When Securities are purchased or sold, several types of incidental costs (including transaction fees and commissions) may be incurred in addition to the purchase or sale price of the Securities. These incidental costs may significantly reduce or eliminate any profit from holding the Securities. Credit institutions as a rule charge commissions which are either fixed minimum commissions or pro rata commissions, depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, investors may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third-party costs).

In addition to such costs directly related to the purchase of Securities (direct costs), investors must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Securities before investing in the Securities. These additional costs may significantly reduce or eliminate any profit from holding the Securities.

***The trading market for debt securities may be volatile and may be adversely impacted by many events.***

The market for debt securities issued by the Issuer is influenced by a number of interrelated factors, including economic, financial and political conditions and events in the Kingdom of Denmark as well as economic conditions and, to varying degrees, market conditions, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in Denmark, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Securities or that economic and market conditions will not have any other adverse effect. Accordingly, the price at which a holder will be able to sell his Securities may be at a discount, which could be substantial, from the issue price or the purchase price paid by such holder.

***Legal considerations may restrict certain investments***

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should determine whether the Securities are a lawful investment for it, and the regulatory implications for it of making such an investment.

***Exchange rate risk and exchange controls***

The Issuer will pay principal and interest on the Securities in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currencies (the "**Investor's Currency**") other than euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to euro would decrease (a) the Investor's Currency equivalent yield on the Securities, (b) the Investor's Currency equivalent value of the principal payable on the Securities and (c) the Investor's Currency equivalent market value of the Securities. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

## Documents Incorporated by Reference

This Prospectus should be read and construed in conjunction with:

- (i) the annual report of Ørsted as at and for the financial year ended 31 December 2020 (the "**Ørsted 2020 Annual Report**") (excluding the section entitled "*Outlook 2021*" appearing on pages 14 to 16 and the section entitled "*Financial estimates and policies*" on page 17), including the audited consolidated annual financial statements of Ørsted, together in each case with the audit report thereon – <https://orstedcdn.azureedge.net/-/media/annual2020/annual-report-2020.ashx?la=en&rev=3f951652f6c243ef83ded864b6b670b2&hash=94C2C2FFBA4837E0D64E8D7CB29C3B38>
- (ii) the annual report of Ørsted as at and for the financial year ended 31 December 2019 (the "**Ørsted 2019 Annual Report**") (excluding the section entitled "*Outlook 2020*" appearing on pages 12 to 14 and the section entitled "*Financial estimates and policies*" on page 15), including the audited consolidated annual financial statements of Ørsted, together with the audit report thereon – <https://orstedcdn.azureedge.net/-/media/annual2019/annual-report-2019.ashx?la=en&rev=334895b2e83e4266afb7e97cfa9024f2&hash=BA390050EDD075C9C7E514CF02BB8D6F>

(together, the "**Documents Incorporated by Reference**"), each of which have been filed with the CSSF and published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Such documents shall be incorporated by reference in and form part of this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in this Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus will be published on Ørsted's website ([www.orsted.com](http://www.orsted.com)) and the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

The table below sets out the relevant page references for the audited consolidated annual financial statements of Ørsted as at and for the financial years ended 31 December 2019 and 31 December 2020 as set out in the Ørsted 2019 Annual Report and the Ørsted 2020 Annual Report respectively.

### Audited consolidated annual financial statements of Ørsted as at and for the financial year ended 31 December 2019

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### Audited consolidated annual financial statements of Ørsted as at and for the financial year ended 31 December 2020

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Any other information incorporated by reference that is not included in the cross-reference list above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of the Commission Delegated Regulation (EU) 2019/980 (the "**Delegated Regulation**").

## Use of Proceeds

An amount equal to the net proceeds from the issuance of (i) the Euro Securities, estimated by the Issuer to be approximately €497,750,000, and (ii) the Sterling Securities, estimated by the Issuer to be approximately £423,087,500, will be allocated by the Issuer for projects and activities that promote climate-friendly and other environmental purposes ("**Green Projects**") in line with the Issuer's Green Finance Framework (please see "*Ørsted A/S - Funding of the Group Investments*" for further information). The estimated total expenses related to the admission to trading of the Securities are estimated by the Issuer to be approximately €20,800.

## Terms and Conditions of the Euro Securities

*The following, subject to alteration and except for paragraphs in italics, are the terms and conditions substantially in the form in which they will be endorsed on each Security in definitive form (if issued).*

The issue of the Callable Subordinated Capital Securities due 3021, ISIN XS2293075680 (the "**Securities**") on 18 February 2021 (the "**Issue Date**") was authorised by a written resolution of the Board of Directors of Ørsted A/S (the "**Issuer**") passed on 26 November 2020 and 2 February 2021. The Securities are constituted by a trust deed (the "**Trust Deed**") dated 18 February 2021 between the Issuer and Deutsche Trustee Company Limited (the "**Trustee**" which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the holders of the Securities (the "**Securityholders**"). These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Securities and the coupons (the "**Coupons**") and talons for further Coupons (the "**Talons**") relating to them. Capitalised terms used in these Conditions and not defined herein shall have the meaning given to them in the Trust Deed. Copies of the Trust Deed and of the agency agreement (the "**Agency Agreement**") dated 18 February 2021 relating to the Securities between the Issuer, the Trustee, Deutsche Bank AG, London Branch as calculation agent (the "**Calculation Agent**" which expression includes any bank appointed as the Calculation Agent from time to time) and the initial principal paying agent and paying agents named in it, are available for inspection by Securityholders during usual business hours at the principal office of the Trustee (presently at Winchester House, 1 Great Winchester Street, London EC2N 2DB) and at the specified offices of the principal paying agent from time to time (the "**Principal Paying Agent**") and the banks appointed as paying agents from time to time (the "**Paying Agents**", which expression shall include the "**Principal Paying Agent**", in addition, "**Agents**" means the Principal Paying Agent and the Calculation Agent or any of them). The Securityholders and the holders of the Coupons and Talons (whether or not such Coupons and Talons are attached to the relevant Securities) (the "**Couponholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

### 1. Form, Denomination and Title

#### (a) *Form and denomination*

The Securities are serially numbered and in bearer form in the denominations of €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000, each with Coupons and a Talon attached on issue.

#### (b) *Title*

Title to the Securities, Coupons and Talons passes by delivery. The holder of any Security, Coupon or Talon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

### 2. Status

The Securities and the Coupons constitute direct, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves.

The rights and claims of the Trustee, the Securityholders and the Couponholders against the Issuer in respect of the Securities and the Coupons shall, save for such exceptions as may be provided by applicable legislation, rank behind the claims of Senior Creditors, *pari passu* with the rights and claims of holders of Parity Securities and in priority only to the rights and claims of holders of all Issuer Shares (as defined below).

Subject to applicable law, no Securityholder or Couponholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Securities or the Coupons and each Securityholder and Couponholder shall, by virtue of his holding of any Security or Coupon, be deemed to have waived all such rights of set-off, compensation or retention.

For the purposes of these Conditions:

**"Issuer Shares"** means Ordinary Shares and any other shares of any class of the Issuer (if any) ranking pari passu among themselves and pari passu with Ordinary Shares.

**"Ordinary Shares"** means ordinary shares in the capital of the Issuer, having on the Issue Date a minimum principal value of DKK10 each.

As at the date of this Prospectus, the Issuer had Ordinary Shares in an aggregate principal value of DKK4,203,810,800 in issue.

**"Parity Securities"** means, in respect of the Issuer, any securities or obligations issued or owed by the Issuer (including guarantees or indemnities given by the Issuer in respect of securities or obligations owed by other persons) which rank or by their terms are expressed to rank pari passu with the Securities, in each case described by their respective initial issuance amount.

*As at the date of this Prospectus, the only Parity Securities outstanding were (i) the €700,000,000 6.25 per cent. Callable Subordinated Capital Securities due 3013, ISIN: XS0943370543; (ii) the €500,000,000 2.250 per cent. Callable Subordinated Capital Securities due 3017 ISIN: XS1720192696; and (iii) the €600,000,000 1.75 per cent. Callable Subordinated Capital Securities due 3019 ISIN: XS2010036874.*

**"Senior Creditors"** means, in respect of the Issuer, all creditors of the Issuer other than creditors whose claims are in respect of (i) the Securities and the Coupons; (ii) Parity Securities; or (iii) Issuer Shares.

### 3. Coupons

#### (a) Coupon Payment Dates

From (and including) 18 February 2021 (the **"Interest Commencement Date"**) to (but excluding) 18 February 2031 (the **"First Reset Date"**), the Securities bear interest at a rate of 1.500 per cent. per annum (the **"First Fixed Rate"**).

From (and including) the First Reset Date to (but excluding) the next subsequent Reset Date and thereafter from (and including) each Reset Date to (but excluding) the next subsequent Reset Date and from (and including) the last Reset Date prior to the Maturity Date to (but excluding) the Maturity Date, the Securities bear interest at the relevant Reset Fixed Rate for the relevant Coupon Period.

During each such period, interest is scheduled to be paid annually in arrear on 18 February in each year, commencing on 18 February 2022 (each a **"Coupon Payment Date"**), and will be due and payable in accordance with Conditions 4 and 5. If any Coupon Payment Date would otherwise fall on a day which is not a Business Day (as defined below), the relevant payment shall be made on the next day which is a Business Day. No further interest or other payment will be made as a consequence of the postponement.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Coupon Payment Date and each successive period beginning on (and including) a Coupon Payment Date and ending on (but excluding) the next succeeding Coupon Payment Date is called a **"Coupon Period"**.

Interest in respect of any Security shall be calculated per €1,000 in principal amount of the Securities (the **"Calculation Amount"**). The amount of interest payable per Calculation Amount on each Security for any



period of time shall be determined by applying the First Fixed Rate or the relevant Reset Fixed Rate, as applicable, to the Calculation Amount.

Where interest is to be calculated in respect of any period (from (and including) the first such day to (but excluding) the last) (the "**Calculation Period**") which is equal to or shorter than the Determination Period during which it falls, the day count fraction used will be calculated on the basis of the number of days in the Calculation Period divided by the number of days in such Determination Period, where "**Determination Period**" means each period from (and including) 18 February in any year, to (but excluding) the next 18 February. For the avoidance of doubt, the first Determination Period will be period from and including 18 February 2021 to but excluding 18 February 2022.

**(b) Cessation of Interest Accrual**

Each Security will cease to bear interest from the due date for redemption or substitution unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 3 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Security up to that day are received by or on behalf of the relevant Securityholder, and (ii) the day seven days after the Trustee or the Principal Paying Agent has notified Securityholders of receipt of all sums due in respect of all the Securities up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

**(c) Publication of Reset Fixed Rates**

The Issuer shall cause notice of each Reset Fixed Rate, the corresponding amount payable per Calculation Amount determined in accordance with this Condition 3 in respect of each relevant Reset Period commencing on or after the First Reset Date and the relevant dates scheduled for payment to be given to the Trustee, the Paying Agents, any stock exchange on which the Securities are for the time being listed or admitted to trading and, in accordance with Condition 16, the Securityholders, in each case as soon as practicable after its determination.

**(d) Definitions**

In this Condition 3:

**"5-year Swap Rate"** means the rate for a Reset Period determined by the Calculation Agent on the Interest Determination Date for the relevant Reset Period and will be:

- (A). the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap transaction which (x) has a term of five years commencing on the date on which the relevant Coupon Period commences, (y) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (z) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis), as such arithmetic mean appears on the Reuters screen "ICESWAP2/EURSFIXA" under the heading "FIXED VS. 6M EURIBOR" (as such headings and captions may appear from time to time) as of 11.00 a.m. (Frankfurt time) (or another screen page of Reuters or another information service, which is the successor to such Reuters screen for the purposes of displaying the arithmetic mean of swap transactions as described in this paragraph) (the "**Reset Screen Page**") on the Interest Determination Date; or
- (B). in the event that any of the information required for the purposes of alternative (A) above does not appear on the Reset Screen Page on the Interest Determination Date, the Reset Reference Bank Rate on the Interest Determination Date,

in each case as determined by the Calculation Agent.

**"5-year Swap Rate Quotations"** means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap transaction which transaction (x) has a term of five years commencing on the date on which the relevant Coupon Period commences, (y) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, and (z) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis).

**"Business Day"** or **"TARGET Business Day"** means a day, other than a Saturday or Sunday, on which the TARGET System is operating.

**"Coupon Payment Date"** has the meaning given to it in Condition 3(a).

**"Interest Determination Date"** means the second TARGET Business Day prior to the date on which the relevant Reset Period commences.

**"Margin"** means:

- (i) in respect of each Coupon Period from (and including) the First Reset Date to (but excluding) the Step-up Date: 186.0 basis points per annum (including a 25 basis points step-up); and
- (ii) in respect of each Coupon Period from (and including) the Step-up Date to (but excluding) the Maturity Date: 261.0 basis points per annum (including a further 75 basis points step-up).

**"Maturity Date"** means 18 February 3021.

**"Reset Date"** means each fifth anniversary of the First Reset Date to (but excluding) the Maturity Date.

**"Reset Fixed Rate"** for each Coupon Period from (and including) the First Reset Date to (but excluding) the Maturity Date means, subject to Condition 3(g), the 5-year Swap Rate for the relevant Reset Period in which the Coupon Period falls plus the relevant Margin, as determined by the Calculation Agent.

**"Reset Period"** means the period from (and including) the First Reset Date to (but excluding) the next subsequent Reset Date and thereafter each period from (and including) a Reset Date to (but excluding) the next subsequent Reset Date.

**"Reset Reference Bank Rate"** means the percentage rate determined by the Calculation Agent on the basis of the 5-year Swap Rate Quotations provided by five leading swap dealers in the Euro-zone interbank market (the **"Reset Reference Banks"**) to the Calculation Agent at the request of the Issuer at approximately 11.00 a.m. (Frankfurt time) on the relevant Interest Determination Date. If at least three quotations are provided, the 5-year Swap Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If fewer than three quotations are provided, and if the International Swaps and Derivatives Association, Inc. (**"ISDA"**) has published a fallback provision for the determination of the 5-year Swap Rate at the relevant time, the Calculation Agent will determine the Reset Reference Bank Rate on the basis of such fallback provision. If ISDA has not published such a fallback provision at the relevant time, the following shall apply: If only two quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be the quotation provided. If no quotations are provided, the applicable Reset Reference Bank Rate shall be equal to the 5-year Swap Rate last appearing on the Reset Screen Page (the **"Last Appearing Rate"**) as determined by the Calculation Agent.

**"Step-up Date"** means 18 February 2051.

**"TARGET System"** means the Trans-European Automated Real-time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

**(e) *Reset Reference Banks and Calculation Agent***

The Issuer will procure that, so long as any Security is outstanding, there shall at all times be identified a number of Reset Reference Banks as provided above (where the relevant Reset Fixed Rate is to be calculated by reference to them) and a Calculation Agent for the purposes of the Securities. If any such bank (acting through its relevant office) is unable or unwilling to continue to act as a Reset Reference Bank or the Calculation Agent, as the case may be, or if the Calculation Agent fails to establish the relevant Reset Fixed Rate for any Reset Period, the Issuer shall appoint another leading bank engaged in the Euro-zone interbank market to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

**(f) *Notifications etc. to be binding***

All notifications, opinions, determinations, certifications, conditions, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 3 by the Calculation Agent, shall (in the absence of wilful default, fraud or manifest error) be binding on the Issuer, the Calculation Agent, the Trustee, the Paying Agents and on all Securityholders and Couponholders and (in the absence of the aforesaid) no liability to the Securityholders, the Couponholders or the Issuer shall attach to the Calculation Agent, the Paying Agents or the Trustee in connection with the exercise or non-exercise by them of any of their powers, duties or discretions.

**(g) *Benchmark Event***

- (i) Notwithstanding the provisions above in this Condition 3, if the Issuer determines that a Benchmark Event has occurred when any Reset Fixed Rate (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer and the Independent Adviser determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 3(g)(ii)) and, in either case, an Adjustment Spread and any Benchmark Amendments (in accordance with Condition 3(g)(iv)).

In making such determination and any other determination pursuant to this Condition 3(g), the Issuer and the Independent Adviser shall act in good faith and in a commercially reasonable manner. In the absence of fraud, the Independent Adviser shall have no liability whatsoever to the Trustee, the Agents, the Securityholders or the Couponholders for any advice given to the Issuer in connection with any determination made, pursuant to this Condition 3(g).

If the (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Issuer and the Independent Adviser fail to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 3(g)(i) prior to the date which is ten business days prior to the relevant Interest Determination Date in respect of a relevant Reset Period, the 5-year Swap Rate applicable to the next succeeding Coupon Period ending during that Reset Period shall be equal to the last annualised mid-swap rate with a term of five years displayed on the Reset Screen Page as determined by the Calculation Agent. For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Reset Period only and any subsequent Reset Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 3(g).

Notwithstanding any other provision of this Condition 3, if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread and/or any Benchmark Adjustments, in the Calculation Agent's opinion there is in relation to the Successor Rate, Alternative Rate, Adjustment Spread, any Benchmark Adjustments (and in particular, any Adjustment Spread) and the operation thereof any uncertainty between two or more alternative courses of action in making any determination or calculation, the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent

is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

- (ii) If the Issuer and the Independent Adviser determine that:
  - (a) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Reset Fixed Rate (or the relevant component part thereof) for all future payments of interest on the Securities from the end of the then current Reset Period onwards (subject to the operation of this Condition 3(g)); or
  - (b) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Reset Fixed Rate (or the relevant component part thereof) for all future payments of interest on the Securities from the end of the then current Reset Period onwards (subject to the operation of this Condition 3(g)).
- (iii) The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be).
- (iv) If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 3(g) and the Issuer and the Independent Adviser determines (i) that amendments to these Conditions, the Agency Agreement and/or the Trust Deed are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 3(g)(v), without any requirement for the consent or approval of the Securityholders or the Couponholders, vary these Conditions, the Agency Agreement and/or the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee, the Calculation Agent and the Principal Paying Agent of a certificate signed by two directors of the Issuer pursuant to Condition 3(g)(v), the Trustee, the Calculation Agent and the Principal Paying Agent shall (at the expense and direction of the Issuer), without any requirement for the consent or approval of the Securityholders or the Couponholders be obliged to concur with the Issuer in using their reasonable endeavours to effect any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed and/or the Agency Agreement) and the Trustee, the Calculation Agent and the Principal Paying Agent shall not be liable to any party for any consequences thereof, provided that the Trustee and the Principal Paying Agent shall not be obliged so to concur if in the opinion of the Trustee, the Calculation Agent or the Principal Paying Agent (as applicable) doing so would (i) expose the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or any documents to which it is a party (including, for the avoidance of doubt, any supplemental trust deed) in any way.

In connection with any such variation in accordance with this Condition 3(g)(iv), the Issuer shall comply with the rules of any stock exchange on which the Securities are for the time being listed or admitted to trading.

Notwithstanding any other provision of this Condition 3(g), no Successor Rate or Alternative Rate will be adopted, nor any Adjustment Spread applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to cause a Ratings Event to occur.

- (v) Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 3(g) will be notified promptly and in any event at least 10 Business Days prior to the next Interest Determination Date by the Issuer to the Trustee, the Agents and, in accordance with Condition 16, the Securityholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

No later than notifying the Trustee and the Agents of the same, the Issuer shall deliver to the Trustee and the Agents a certificate signed by two directors of the Issuer:

- (a) confirming (i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 3(g); and
- (b) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee and the Agents shall be entitled to rely on such certificate (without enquiry or liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's and the Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Agents, the Securityholders and the Couponholders.

- (vi) Without prejudice to the obligations of the Issuer under Condition 3(g)(i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Condition 3(a) and the related definitions will continue to apply (including the application of the Last Appearing Rate, if applicable) unless and until the Issuer determines that a Benchmark Event has occurred and the Trustee and the Agents have been notified of the Successor Rate or the Alternative Rate (as the case may be), and the Adjustment Spread and any Benchmark Amendments, in accordance with Condition 3(g)(v).

- (vii) As used in this Condition 3(g):

**“Adjustment Spread”** means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which is notified to the Calculation Agent as being:

- (a) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate)
- (b) the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate; or (if the Issuer determines that no such spread is customarily applied)

- (c) the Issuer, following consultation with the Independent Adviser and acting in good faith, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be).

“**Alternative Rate**” means an alternative benchmark or screen rate which the Issuer, following consultation with the Independent Adviser, determines and notifies the Calculation Agent is customarily applied in international debt capital markets transactions for the purposes of determining resettable rates of interest (or the relevant component part thereof) in euro.

“**Benchmark Amendments**” has the meaning given to it in Condition 3(g)(iv).

“**Benchmark Event**” means:

- (1) the Original Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or
- (2) a public statement by the administrator of the Original Reference Rate that it has ceased or that it will cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (3) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will be permanently or indefinitely discontinued; or
- (4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally or in respect of the Securities; or
- (5) a public statement by the regulatory supervisor for the administrator of the Original Reference Rate announcing that the Original Reference Rate is no longer representative or may no longer be used; or
- (6) it has or will become unlawful for any Agent or the Issuer to calculate any payments due to be made to any Securityholders using the Original Reference Rate,

provided that in the case of sub-paragraphs (2), (3), (4) and (5), the Benchmark Event shall be deemed to occur on the date of the cessation of publication of the Original Reference Rate, the discontinuation of the Original Reference Rate, or the prohibition of use of the Original Reference Rate, as the case may be, and not the date of the relevant public statement.

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer at their expense under Condition 3(g)(i) and notified in writing to the Trustee, the Principal Paying Agent and the Securityholders.

“**Original Reference Rate**” means the originally specified benchmark or screen rate (as applicable) used to determine the Reset Fixed Rate (or any component part thereof) on the Securities (or, if applicable, any other Successor Rate or Alternative Rate (or any component part thereof) determined and applicable to the Securities pursuant to the earlier application of Condition 3(g)).

“**Relevant Nominating Body**” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

“**Successor Rate**” means a successor to or replacement of the Original Reference Rate which is notified to the Calculation Agent as being formally recommended by any Relevant Nominating Body.

#### 4. **Optional Coupon Deferral**

Interest which accrues during a Coupon Period ending on (but excluding) a Coupon Payment Date will be due and payable on that Coupon Payment Date, unless the Issuer, by giving notice to the Securityholders in accordance with Condition 16, the Calculation Agent, the Principal Paying Agent and the Trustee, not less than 16 Business Days prior to the relevant Coupon Payment Date (an “**Optional Deferral Notice**”), elects to defer the relevant Coupon Payment in whole or in part.

If the Issuer elects not to pay accrued interest on a Coupon Payment Date, it will not have any obligation to pay interest on such Coupon Payment Date.

Each such Coupon Payment that is not due and payable in accordance with this Condition 4 due to an election made by the Issuer shall be referred to as a “**Deferred Payment**”. Any such Deferred Payment will bear interest at the then current rate of interest on the Securities from (and including) the Coupon Payment Date on which such Deferred Payment would otherwise than by reason of the operation of this Condition 4 become due to (but excluding) the date on which the Deferred Payment is satisfied in accordance with Condition 5 or cancelled in accordance with the second sentence of Condition 6(a). The non-payment of any interest deferred by the giving of any Optional Deferral Notice in respect thereof shall not constitute a Default (as defined in Condition 9) or otherwise constitute a default of the Issuer or any other breach of its obligations under the Securities or for any other purpose or be subject to enforcement (in accordance with Condition 9) until such time as such interest shall have become due under Condition 5 and remain unpaid.

The amount of any Deferred Payments, together with any interest accrued thereon, shall constitute “**Outstanding Payments**” from the day following the Coupon Payment Date on which such Deferred Payment would have become due but for the operation of this Condition 4.

#### 5. **Settlement of Outstanding Payments**

##### *(a) Optional Settlement of Outstanding Payments.*

The Issuer will be entitled to pay Outstanding Payments (in whole or in part) at any time by giving notice to the Securityholders in accordance with Condition 16, the Calculation Agent, the Principal Paying Agent and the Trustee, not less than 16 Business Days prior to the date fixed by the Issuer for such payment (the “**Optional Settlement Date**”) which notice shall be irrevocable and shall specify (x) the amount of Outstanding Payments to be paid and (y) the Optional Settlement Date.

Upon such notice being given, the amount of Outstanding Payments specified in the relevant notice will become due and payable, and the Issuer shall pay such amount of Outstanding Payments on the specified Optional Settlement Date.

**(b) Mandatory Settlement of Outstanding Payments.**

The Issuer must pay all Outstanding Payments (in whole but not in part) then outstanding on any Mandatory Settlement Date.

In this Condition 5(b):

**"Compulsory Payment Event"** means any of the following events:

- (A). the shareholders of the Issuer have resolved at the annual general meeting on the proposal by, or with the consent of, the Board of directors of the Issuer to pay or distribute a dividend or make a payment on any Issuer Shares, other than a dividend, distribution or payment which is made in the form of any Issuer Shares;
- (B). the Issuer or any of its subsidiaries pays any dividend, other distribution or other payment in respect of any Parity Security (other than a dividend, distribution or payment which is made in the form of any Issuer Shares); or
- (C). the Issuer or any of its subsidiaries redeems, repurchases or otherwise acquires any Issuer Share or any Parity Security;

provided that, in the cases of (B) and (C) above, no Compulsory Payment Event shall be deemed to occur if:

- (i) the Issuer or the relevant subsidiary is obliged under the terms and conditions of such Parity Security to make such payment, such redemption, such repurchase or such other acquisition;
- (ii) the Issuer or the relevant subsidiary repurchases or otherwise acquires (in each case directly or indirectly) the Issuer Shares pursuant to its obligations under any existing buy-back programme, share option or free share allocation plan or any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants;
- (iii) the Issuer or the relevant subsidiary repurchases or otherwise acquires any Parity Security where such repurchase or acquisition is effected as a public cash tender offer or public exchange offer at a purchase price per security which is below its par value; or
- (iv) as a result of the exchange or conversion of one class of Issuer Shares for another class.

**"Mandatory Settlement Date"** means the earliest of:

- (A). the date falling 10 Business Days after the date on which a Compulsory Payment Event has occurred;
- (B). the date, other than the Maturity Date, on which the Securities fall due for redemption in accordance with Conditions 6(b), (c), (d), (e) or (f);
- (C). the date on which the notice referred to in Condition 6(g) expires and a variation of the terms of or, as the case may be, a substitution of the Securities in accordance with Condition 6(g) takes effect;
- (D). the next scheduled Coupon Payment Date if the Issuer pays interest on the Securities on such date; and
- (E). the date on which an order is made for the bankruptcy (*konkurs*), winding up, liquidation or dissolution of the Issuer (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer).



## 6. Redemption and Purchase

### (a) Maturity Date

If not redeemed or purchased and cancelled earlier, the Securities will be redeemed on the Maturity Date at their principal amount together with accrued interest in respect of the Coupon Period ending on (but excluding) the Maturity Date. Any Outstanding Payments shall automatically be cancelled on the Maturity Date. The Securities may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.

### (b) Redemption at the option of the Issuer

- (i) Unless the redemption provisions contained in Condition 6(c), 6(d) or 6(e) have been exercised, on giving not less than 10 nor more than 40 days' notice (a "**Make-whole Redemption Notice**") to the Trustee and the Securityholders in accordance with Condition 16, which notice shall be irrevocable, the Issuer may redeem all but not some only of the Securities on any date prior to the First Call Date (any such date, a "**Make-whole Redemption Date**") as specified in the Make-whole Redemption Notice at the Make-whole Redemption Amount. The Issuer shall notify the Securityholders in accordance with Condition 16 of the Make-whole Redemption Amount as soon as reasonably practicable after the Issuer is notified of such by the Quotation Agent on the Make-whole Calculation Date.
- (ii) On giving not less than 10 nor more than 40 days' notice (an "**Optional Redemption Notice**") to the Trustee and the Securityholders in accordance with Condition 16, which notice shall be irrevocable, the Issuer may redeem all but not some only of the Securities on any date during the period commencing (and including) the First Call Date to (and including) the First Reset Date or on any Coupon Payment Date thereafter (each an "**Optional Redemption Date**") as specified in the Optional Redemption Notice at their principal amount (together with interest accrued to (but excluding) the relevant Optional Redemption Date and any Outstanding Payments).

### (c) Redemption for taxation reasons

The Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 10 nor more than 40 days' notice to the Securityholders (which notice shall be irrevocable) in accordance with Condition 16, if:

- (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice by providing an opinion of a recognised tax counsel or tax adviser satisfactory to the Trustee (upon which the Trustee shall be entitled to rely on without liability) stating that as a result of a Tax Law Change:
  - (A) the Issuer either has or will become obliged to pay additional amounts as provided or referred to in Condition 8, in which case the Issuer will be entitled to redeem each Security at its principal amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments); or
  - (B) the Issuer's treatment of items of expense with respect to the Securities as deductible interest expense for Danish tax purposes as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by a taxing authority, which subjects the Issuer to more than a *de minimis* amount of additional taxes, duties or governmental charges, in which case the Issuer will be entitled to redeem the Securities (I) at their Early Redemption Amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments) where such redemption occurs before the First Call Date and (II) at their principal amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments) where such redemption occurs on or after the First Call Date,

(each, a "**Tax Event**"), and

(ii) such Tax Event cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Securities then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee (X) a certificate signed by two directors of the Issuer stating that the obligation referred to in Condition 6(c)(i) above cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept and rely without liability on such certificate as sufficient evidence of the satisfaction of the condition precedent set out in Condition 6(c)(ii) above in which event it shall be conclusive and binding on the Securityholders and the Couponholders and (Y) an opinion from a nationally recognised law firm or other nationally recognised tax adviser in the relevant taxing jurisdiction experienced in such matters to the effect that the relevant requirement or circumstance giving rise to such right of redemption applies.

**(d) Redemption for accounting reasons**

The Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 10 nor more than 40 days' notice to the Securityholders (which notice shall be irrevocable) in accordance with Condition 16, (i) at their Early Redemption Amount (together with interest accrued to but excluding the date fixed for redemption and any Outstanding Payments) where such redemption occurs before the First Call Date and (ii) at their principal amount, (together with interest accrued to but excluding the date fixed for redemption and any Outstanding Payments) where such redemption occurs on or after the First Call Date, if a recognised accountancy firm satisfactory to the Trustee, acting upon instructions of the Issuer (and at the Issuer's expense), has delivered an opinion to the Trustee (upon which the Trustee shall be entitled to rely on without liability), stating that as a result of a change in accounting principles (or the application thereof) since the Issue Date the obligations of the Issuer in respect of the Securities may not or may no longer be recorded as "equity" in the consolidated financial statements of the Issuer pursuant to International Financial Reporting Standards ("**IFRS**") or any other accounting standards that may replace IFRS for the purposes of preparing the annual consolidated financial statements of the Issuer (an "**Accounting Event**").

**(e) Redemption for a Ratings Event**

The Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 10 nor more than 40 days' notice to the Securityholders (which notice shall be irrevocable) in accordance with Condition 16, (i) at their Early Redemption Amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments) where such redemption occurs before the First Call Date and (ii) at their principal amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments) where such redemption occurs on or after the First Call Date, if:

(A). (I) any rating agency from whom the Issuer is assigned a Solicited Rating publishes an amendment, clarification or change in hybrid capital methodology, as a result of which change the Securities would no longer be eligible (or if the Securities have been partially or fully re-financed since the Issue Date and are no longer eligible for equity credit in part or in full as a result, the Securities would no longer have been eligible as a result of such amendment, clarification, change in criteria or change in the interpretation had they not been re-financed), for the same or a higher category of "equity credit" or such similar nomenclature as may be used by that rating agency from time to time to describe the degree to which the terms of an instrument are supportive of the Issuer's senior obligations, attributed to the Securities at the Issue Date or at any later date on which the Securities were attributed a higher category of "equity credit" compared to the category of "equity credit" attributed to them on the Issue Date (a "**Loss in Equity Credit**"), or (II) the Issuer has received, and has provided the Trustee with a copy of, a written confirmation or publication from any rating agency from which the Issuer is assigned

a Solicited Rating that due to an amendment, clarification or change in hybrid capital methodology, a Loss in Equity Credit has occurred (a "**Ratings Event**"); and

(B). the Issuer has given notice of such Ratings Event to Securityholders in accordance with Condition 16 prior to giving the notice of redemption pursuant to this Condition 6(e).

In this Condition 6(e), "**Solicited Rating**" means a rating assigned by a rating agency with whom the Issuer has a contractual relationship under which the Securities are assigned a rating and an equity credit.

**(f) *Redemption for a minimum outstanding principal amount***

The Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 10 nor more than 40 days' notice to the Trustee and the Securityholders (which notice shall be irrevocable) in accordance with Condition 16 at their principal amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments), if the Issuer or any of its subsidiaries (as defined in the Trust Deed) has purchased (in accordance with Condition 6(j)) and cancelled (in accordance with Condition 6(k)) Securities with an aggregate principal amount of equal to or greater than 75 per cent. of the initial aggregate principal amount of the Securities (a "**Substantial Repurchase Event**").

**(g) *Substitution or Variation***

If a Ratings Event, a Tax Event or an Accounting Event has occurred and is continuing, then the Issuer may, subject to Condition 9 (without any requirement for the consent or approval of the Securityholders or Couponholders) and subject to its having satisfied the Trustee immediately prior to the giving of any notice referred to herein that the provisions of this Condition 6(g) have been complied with, and having given not less than 10 nor more than 40 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 16, the Securityholders (which notice shall be irrevocable), at any time either (i) substitute all, but not some only, of the Securities for, or (ii) vary the terms of the Securities with the effect that they remain or become, as the case may be, Qualifying Securities, and the Trustee shall (subject to the following provisions of this Condition 6(g) and subject to the receipt by it of the certificate signed by two of the directors of the Issuer referred to in Condition 9 below) agree to such substitution or variation.

Upon expiry of such notice, the Issuer shall either vary the terms of or, as the case may be, substitute the Securities in accordance with this Condition 6(g).

In connection therewith, any accrued but unpaid Outstanding Payment will be satisfied in full in accordance with the provisions of Condition 5(b).

The Trustee shall use reasonable endeavours to enter into such documents, agree such variations and do such things as shall be necessary to give effect to the substitution of the Securities for, or the variation of the terms of the Securities so that they remain, or as the case may be, become, Qualifying Securities, provided that the Trustee shall not be obliged to participate in, or assist with, any such substitution or variation if the terms of the proposed Qualifying Securities, or the participation in or assistance with such substitution or variation, would impose, in the Trustee's opinion, more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or any document to which it is a party (including, for the avoidance of doubt, any supplemental trust deed) in any way. If the Trustee does not participate or assist as provided above, the Issuer may redeem the Securities as provided in Condition 6.

In connection with any substitution or variation in accordance with this Condition 6(g), the Issuer shall comply with the rules of any stock exchange on which the Securities are for the time being listed or admitted to trading.

Any such substitution or variation in accordance with the foregoing provisions shall not be permitted if any such substitution or variation would give rise to a Special Event (other than a Substantial Repurchase Event) with respect to the Securities or the Qualifying Securities.

**(h) *Preconditions to Special Event Redemption, Substitution and Variation***

Prior to the publication of any notice of redemption pursuant to this Condition 6 (other than redemption pursuant to Condition 6(b)) or any notice of substitution or variation pursuant to Condition 6(g), the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or vary is satisfied, and where the relevant Special Event requires measures reasonably available to the Issuer to be taken, the relevant Special Event cannot be avoided by the Issuer taking such measures. In relation to a substitution or variation pursuant to Condition 6(g), such certificate shall also include further certifications that the terms of the Qualifying Securities are not materially less favourable to Securityholders than the terms of the Securities, that such determination was reached by the Issuer in consultation with an independent investment bank or counsel and that the criteria specified in paragraphs (a) to (h) of the definition of Qualifying Securities will be satisfied by the Qualifying Securities upon issue. The Trustee shall be entitled to accept and rely upon such certificate (without any further inquiry or any liability) as sufficient evidence of the satisfaction of the conditions precedent set out in such paragraphs, in which event it shall be conclusive and binding on the Securityholders and the Couponholders.

Any redemption of the Securities in accordance with this Condition 6 or any substitution or variation of the Securities in accordance with Condition 6(g) shall be conditional on all accrued but unpaid Deferred Payment being paid in full in accordance with the provisions of Condition 4 on or prior to the date of such redemption, substitution or, as the case may be, variation, together with any accrued and unpaid interest up to (but excluding) such redemption, substitution or, as the case may be, variation date.

The Trustee is under no obligation to ascertain whether any Special Event or any event which could lead to the occurrence of, or could constitute, any such Special Event has occurred and, until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no such Special Event or such other event has occurred.

**(i) *Notice of Redemption***

Where a notice of redemption is given under this Condition 6 all Securities shall be redeemed on the date specified in such notice in accordance with this Condition 6.

**(j) *Purchase***

The Issuer or any of its subsidiaries may at any time when there are no unsatisfied Outstanding Payments purchase Securities in the open market or otherwise at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them). The Securities so purchased, while held by or on behalf of the Issuer or any such subsidiary, shall not entitle the holder to vote at any meetings of the Securityholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Securityholders or for the purposes of Condition 9(a) or Condition 12(a).

**(k) *Cancellation***

All Securities so redeemed or purchased and any unmatured Coupons or unexchanged Talons attached to or surrendered with them will be cancelled and may not be re-issued or resold.

**(l) *Definitions***

In these Conditions:

**“Benchmark Rate”** means the amount displayed on the Reference Screen Page or, if there is no rate available on the Reference Screen page, the average of the four quotations given by Reference Dealers on the Business Day immediately preceding the Make-whole Calculation Date at market close of the mid-market annual yield to maturity of the Reference Security. If the Reference Security is no longer outstanding or the Reference Screen Rate does not quote the yield on the Reference Security, a Similar Security will be chosen by the Quotation Agent on the Business Day immediately preceding the Make-whole Calculation Date and notified to the Calculation Agent. The Benchmark Rate (and the reference of the Similar Security, if applicable) will be published by the Issuer in accordance with Condition 16.

**“Early Redemption Amount”** means 101.00 per cent. of the principal amount per Security.

**“First Call Date”** means 18 August 2030.

**“Initial Credit Spread”** means 1.61 per cent.

**“Make-whole Calculation Date”** means the third Business Day preceding the Make-whole Redemption Date.

**“Make-whole Redemption Amount”** means the sum of:

- (a) the greater of (x) the principal amount of the Securities so redeemed and (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Securities to 18 August 2030 (exclusive of any interest accrued but not paid on the Securities since the last Coupon Payment Date and any Outstanding Payments) discounted to the relevant Make-whole Redemption Date on an annual basis (based on the actual number of days elapsed divided by 365 or (in the case of a leap year) by 366) at the Make-whole Redemption Rate; and
- (b) any interest accrued but not paid on the Securities (including any Outstanding Payments) to (but excluding) the Make-whole Redemption Date,

as determined by the Quotation Agent and so notified on the Make-whole Calculation Date by the Quotation Agent to the Issuer and the Trustee.

**“Make-whole Redemption Margin”** means 60 basis points per annum.

**“Make-whole Redemption Rate”** means the Benchmark Rate plus the Make-whole Redemption Margin.

**“Quotation Agent”** means an agent, being an independent financial institution of international repute, to be appointed by the Issuer if required for the determination of the Make-whole Redemption Amount.

**“Rating Agencies”** means S&P Global Ratings Europe Limited, Moody’s Investors Service Ltd. and Fitch Ratings Ltd.

**“Recognised Stock Exchange”** means a recognised stock exchange as defined in section 1005 of the Income Tax Act 2007 as the same may be amended from time to time and any provision, statute or statutory instrument replacing the same from time to time.

**“Reference Dealers”** means each of the four banks selected from time to time by the Quotation Agent, at its sole discretion, which are primary European government security dealers or market makers in pricing corporate bond issues.

**“Reference Security”** means Germany, Bund 0% 15 February 2031 (ISIN: DE0001102531) (*German Bundesobligationen*) or, if the Reference Security is no longer outstanding, a Similar Security to be chosen by the Quotation Agent at 11:00 a.m. (CET) on the Make-whole Calculation Date, with the title and ISIN of such Similar Security to be notified by the Issuer to the Securityholders in accordance with Condition 16 as soon as

practicable after the identity of such Similar Security is notified to it by the Quotation Agent on the Make-whole Calculation Date.

“**Reference Screen Page**” means Bloomberg HP page for the Reference Security (using the settings “Mid YTM” and “Daily”) (or any successor or replacement page, section or other part of the information service), or such other page, section or other part as may replace it on the information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying the mid-market yield to maturity for the Reference Security.

“**Remaining Term**” means the period from (and including) the Make-whole Redemption Date to (but excluding) the First Call Date.

“**Similar Security**” means a German *Bundesobligationen* having an actual or interpolated maturity comparable with the Remaining Term that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Remaining Term. “**Special Event**” means any of a Ratings Event, a Tax Event, an Accounting Event or a Substantial Repurchase Event.

“**Tax Law Change**” means as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Denmark or any political sub-division or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date.

“**Qualifying Securities**” means securities that contain terms not materially less favourable to Securityholders than the terms of the Securities (as reasonably determined by the Issuer (in consultation with an independent investment bank or counsel of international standing)) and provided that a certification to such effect (and confirming that the conditions set out in (a) to (h) below have been satisfied) of two directors of the Issuer shall have been delivered to the Trustee prior to the substitution or variation of the Securities upon which certificate the Trustee shall rely absolutely), provided that:

- (a) they shall be issued by the Issuer, or any wholly-owned direct or indirect finance subsidiary of the Issuer; and
- (b) they shall rank *pari passu* on a winding-up or administration (in circumstances where the administrator has given notice of its intention to declare and distribute a dividend) of the Issuer; and
- (c) they shall contain terms which provide for the same rate of interest from time to time applying to the Securities and preserve the same Coupon Payment Dates; and
- (d) they shall preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Securities, including (without limitation) as to timing of, and amounts payable upon, such redemption; and
- (e) they shall not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares; and
- (f) they shall otherwise contain substantially identical terms (as reasonably determined by the Issuer) to the Securities, save where (without prejudice to the requirement that the terms are not materially less favourable to Securityholders than the terms of the Securities as described above) any modifications to such terms are required to be made to avoid the occurrence or effect of a Ratings Event, a Tax Event or, as the case may be, an Accounting Event; and

- (g) they shall be (i) listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's Regulated Market or (ii) listed on such other stock exchange as is a Recognised Stock Exchange at that time as selected by the Issuer; and
- (h) they shall, immediately after such substitution or variation, be assigned at least the same credit rating(s) by the same Rating Agencies as may have been assigned to the Securities at the invitation of or with the consent of the Issuer immediately prior to such substitution or variation.

## **7. Payments and Talons**

### **(a) Method of Payment**

Subject to Condition 4, payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Securities or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent by transfer to a euro account maintained by the payee with a bank in a city in which banks have access to the TARGET System. Payments of interest due in respect of any Security other than on presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Security.

### **(b) Payments subject to laws**

All payments are subject in all cases to

- (i) any applicable fiscal or other laws and regulations; and
- (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Section 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof ("**FATCA**") or any law implementing an intergovernmental approach to FATCA,

but (in each case) without prejudice to the provisions of Condition 8. No commissions or expenses shall be charged to the Securityholders or Couponholders in respect of such payments.

### **(c) Unmatured Coupons and unexchanged Talons**

Each Security should be presented for redemption together with all unmatured Coupons and any unexchanged Talon relating to it, failing which the amount of any such missing unmatured Coupon that is due on a Coupon Payment Date (or in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment and no Coupons shall be delivered in respect of such Talon. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date (as defined in Condition 8) for the relevant payment of principal.

Upon the due date for redemption of any Security, unmatured Coupons that are due on a Coupon Payment Date relating to such Security and unexchanged Talons relating to such Security (in each case, whether or not attached) shall become void and no payment shall be made in respect of such Coupons and no Coupons shall be delivered in respect of such Talons. Where any Security is presented for redemption without all unmatured Coupons or unexchanged Talons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

**(d) *Payments on Payment Business Days***

A Security or Coupon may only be presented for payment on a day which is a Payment Business Day in the place of presentation (and, in the case of payment by transfer to a euro account, in a city where banks have access to the TARGET System). No further interest or other payment will be made as a consequence of the day on which the relevant Security or Coupon may be presented for payment under this Condition 7 falling after the due date. In this Condition 7, "**Payment Business Day**" means a day on which commercial banks and foreign exchange markets are open in the relevant city.

**(e) *Paying Agents***

The initial Paying Agents and Calculation Agent and their initial specified offices are listed below. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of any Paying Agent or the Calculation Agent and appoint additional or other Paying Agents, provided that it will maintain (i) a Principal Paying Agent, (ii) a Calculation Agent and (iii) a Paying Agent having its specified office in a major European city.

If either of the Calculation Agent or Principal Paying Agent is unable or unwilling to act as such or if it fails to make any determination or calculation or otherwise fails to perform its duties under these Conditions or the Agency Agreement (as the case may be), the Issuer shall appoint at its own expense, on terms acceptable to the Trustee, an independent financial institution acceptable to the Trustee to act as such in its place. All calculations and determinations made by the Calculation Agent or the Principal Paying Agent in relation to the Securities shall (save in the case of wilful default, fraud or manifest error) be final and binding on the Issuer, the Trustee, the Paying Agents, the Securityholders and the Couponholders.

**(f) *Talons***

On or after the Coupon Payment Date of the final Coupon forming part of a Coupon sheet issued in respect of any Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent in exchange for a further Coupon sheet (and, if necessary, another Talon for a further Coupon sheet) (but excluding any Coupon that may have become void pursuant to Condition 10).

**8. *Taxation***

All payments of principal and interest by or on behalf of the Issuer in respect of the Securities and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed unless such withholding or deduction is required by law. In the event that any such withholding or deduction is applied by or within the Kingdom of Denmark or any political subdivision thereof or therein having the power to tax, the Issuer shall pay such additional amounts as will result in receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Security or Coupon presented for payment:

**(a) *Other connection***

by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Security or Coupon by reason of his having some connection with the Kingdom of Denmark other than the mere holding of the Security or Coupon; or



**(b) *Presentation more than 30 days after the Relevant Date***

more than 30 days after the Relevant Date (as defined below) except to the extent that the holder of it would have been entitled to such additional amounts on presenting such Security or Coupon for payment on the last day of such period of 30 days.

"**Relevant Date**" means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Securityholders. Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition 8 or any undertaking given in addition to or substitution for it under the Trust Deed and any Outstanding Payments (subject to the application of Condition 5 and Condition 6(a)).

**9. Default and Enforcement**

**(a) *Default and Liquidation***

Subject to Condition 4, if the Issuer fails to pay any interest on any of the Securities when due (a "**Default**"), the Trustee at its discretion may, and if so instructed by Securityholders holding not less than one-fifth in principal amount of the outstanding Securities or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) shall, subject in each case to it being indemnified and/or secured and/or pre-funded to its satisfaction, by written notice addressed to the Issuer, take such steps or actions or institute proceedings to obtain payment of the amounts due or take such steps or actions or institute proceedings in the Kingdom of Denmark (but not elsewhere) for the bankruptcy (*konkurs*) of the Issuer. On a bankruptcy of the Issuer, each Security shall entitle the holder thereof to claim for an amount equal to the principal amount of such Security plus all accrued but unpaid interest in respect of the then current Coupon Period and Outstanding Payments, if any, subject to Condition 2. Notwithstanding the foregoing, no amount in respect of the Securities or the Coupons shall, as a result of any proceedings instituted under this Condition 9(a), be or become payable sooner than the same would otherwise have been payable by the Issuer had no such proceedings been instituted.

**(b) *Breach of Obligations***

Subject to Condition 4, the Trustee may at its discretion institute such steps, actions or proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Securities, the Coupons or the Trust Deed (other than as provided in Condition 9(a)); provided that:

- (i) the Issuer shall not by virtue of the institution of any such steps, actions or proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it; and
- (ii) the Trustee shall not be obligated to take any steps or actions or to institute proceedings unless it has been directed or requested to do so and indemnified and/or secured and/or pre-funded to its satisfaction as described under Condition 9(a).

The proviso to this Condition 9(b) shall not apply to amounts due to the Trustee in its personal capacity under the Trust Deed.

**(c) *Other Remedies and Rights of Securityholders***

No remedy against the Issuer, other than the institution of the proceedings or the taking of steps or actions by the Trustee referred to in Conditions 9(a) and 9(b) or the proving or claiming in any liquidation, bankruptcy or dissolution of the Issuer, shall be available to the Trustee, the Securityholders or the Couponholders whether for the recovery of amounts owing in respect of the Securities or the Coupons or in respect of any breach by the Issuer of any other obligation, condition, undertaking or provision binding on it under the Securities, the

Coupons or the Trust Deed, provided that the proviso to Condition 9(b) shall apply to this Condition 9(c) and includes reference to proving or claiming in the liquidation, bankruptcy or dissolution of the Issuer. No Securityholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound to proceed, fails to do so within a reasonable time and such failure is continuing.

#### **10. Prescription**

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 7 within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

#### **11. Replacement of Securities, Coupons and Talons**

If any Security, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of any Paying Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Securities, Coupons or Talons must be surrendered before replacements will be issued.

#### **12. Meetings of Securityholders, Modification, Waiver and Substitution**

##### **(a) Meetings of Securityholders**

The Trust Deed contains provisions for convening meetings of Securityholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Trustee upon written request by Securityholders holding not less than 10 per cent. in principal amount of the Securities for the time being outstanding (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction). The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the Securities for the time being outstanding, or at any adjourned meeting two or more persons being or representing Securityholders whatever the principal amount of the Securities held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to modify the maturity of the Securities or the dates on which interest is payable in respect of the Securities, (ii) to reduce or cancel the principal amount of, or interest on or to vary the method of calculating the rate of interest on, the Securities, (iii) to change the currency of payment of the Securities or the Coupons, (iv) to modify the provisions of Condition 2 or (v) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Securities for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Securityholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of holders of not less than 75 per cent. in principal amount of the Securities outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Securityholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Securityholders.

**(b) *Modification and Waiver***

The Trustee may agree, without the consent of the Securityholders or Couponholders (except as set out in the Trust Deed), to (i) any modification of any of the provisions of the Trust Deed which, in its opinion, is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Any such modification, authorisation or waiver shall be binding on the Securityholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Securityholders in accordance with Condition 16 as soon as practicable.

**(c) *Substitution***

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Securityholders or the Couponholders, to the substitution of certain subsidiaries, which have the corporate function of raising financing and passing it on to affiliates and which hold no significant operating assets or have any ownership in the operating companies of the Issuer or its subsidiaries in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Securities. In the case of such a substitution the Trustee may agree, without the consent of the Securityholders or Couponholders, to a change of the law governing the Securities, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Securityholders.

**(d) *Entitlement of the Trustee***

In connection with the exercise of its functions (including but not limited to those referred to in this Condition 12) the Trustee shall have regard to the interests of the Securityholders as a class and shall not have regard to the consequences of such exercise for individual Securityholders or Couponholders and the Trustee shall not be entitled to require, nor shall any Securityholder or Couponholder be entitled to claim, from the Issuer or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Securityholders or Couponholders.

**13. *Enforcement***

At any time after the Securities become due and payable and subject to Condition 9, the Trustee may, at its discretion and without further notice, institute such steps, actions or proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Securities and the Coupons, but it need not take any such steps, actions or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Securityholders holding at least one-fifth in principal amount of the Securities outstanding, and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Securityholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

**14. *Indemnification of the Trustee***

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

**15. *Further Issues***

The Issuer may from time to time without the consent of the Securityholders or Couponholders create and issue further securities either (i) having the same terms and conditions as the Securities in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated

and form a single series with the outstanding Securities or (ii) upon such terms as the Issuer may in its sole discretion determine at the time of their issue. References in these Conditions to the "Securities" include (unless the context requires otherwise) any other issued securities as described in (i) above and forming a single series with the Securities. Any further securities forming a single series with the outstanding Securities constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed.

## **16. Notices**

Notice required to be given to Securityholders pursuant to the Conditions shall be made in compliance with § 35(2) of the Danish Capital Markets Act. In particular, the Issuer shall publish notices, or distribute circulars, concerning the place, time and agenda of meetings of Securityholders, the payment of interest, the exercise of any conversion, exchange, subscription, redemption or cancellation rights, and repayment, as well as the right of those Securityholders to participate therein.

In order to comply with § 35(2) of the Danish Capital Markets Act, the Issuer has entered into an agreement with OMX News Service, a Danish regulated information service, through which the Issuer disseminates information to Securityholders.

In addition to disclosure through Intrado, notices to Securityholders shall be published in (i) a leading newspaper having general circulation in London (which is expected to be the Financial Times), and (ii) (so long as the Securities are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange and the rules of that Stock Exchange so require) published either on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, if in the opinion of the Trustee such publication shall not be practicable, in an English language newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Securityholders in accordance with this Condition 16.

## **17. Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999.

## **18. Governing Law**

### **(a) Governing Law**

Save as provided in the following sentence, the Trust Deed, the Securities, the Coupons and the Talons, and any non-contractual obligations arising out of or in connection with them, are governed by and shall be construed in accordance with English law. Condition 2 of the Securities and Clause 5 of the Trust Deed are governed by and shall be construed in accordance with the laws of the Kingdom of Denmark.

### **(b) Jurisdiction**

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Securities, the Coupons or the Talons and accordingly any legal action or proceedings arising out of or in connection with the Securities, the Coupons or the Talons ("**Proceedings**") may be brought in such courts. Pursuant to the Trust Deed, the Issuer has irrevocably submitted to the jurisdiction of such courts.

(c) **Agent for Service of Process**

Pursuant to the Trust Deed, the Issuer has irrevocably appointed Ørsted (UK) Limited as its agent in England to receive service of process in any Proceedings in England based on any of the Securities, the Coupons or the Talons.

**The following will not form part of the Terms and Conditions**

*The Issuer intends (without thereby assuming any legal or contractual obligation whatsoever) that it will only redeem or repurchase Securities to the extent that the equity credit of the Securities to be redeemed or repurchased does not exceed the equity credit resulting from the sale or issuance prior to the date of such redemption or repurchase by the Issuer or any subsidiary of the Issuer of replacement securities to third party purchasers (other than subsidiaries of the Issuer).*

*The foregoing shall not apply if:*

- (a) the issuer rating (or such equivalent nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating on the date of the last additional hybrid issuance (excluding refinancing) and the Issuer is comfortable that such rating would not fall below this level as a result of such redemption or repurchase; or*
- (b) the "stand-alone credit profile" (or such equivalent nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the stand-alone credit profile on the date of the last additional hybrid issuance (excluding refinancing) and the Issuer is of the view that such "stand-alone credit profile" would not fall below this level as a result of such redemption or repurchase; or*
- (c) the Securities are not assigned any equity credit as hybrid securities (or such similar nomenclature then used by S&P) at the time of such redemption or repurchase; or*
- (d) the Securities are (x) redeemed pursuant to Condition 6(c) (Redemption for taxation reasons), 6(d) (Redemption for accounting reasons), 6(e) (Redemption for a Ratings Event) or 6(f) (Redemption for a minimum outstanding principal amount) or (y) cease, or are deemed to have ceased to be, outstanding following a substitution or variation in accordance with Condition 6(g); or*
- (e) less than (x) 10 per cent. of the aggregate principal amount of hybrid capital outstanding is repurchased pursuant to Condition 6(j) (Purchase) in any period of 12 consecutive months or (y) 25 per cent. of the aggregate principal amount of hybrid capital outstanding is repurchased pursuant to Condition 6(j) (Purchase) in any period of 10 consecutive years; or*
- (f) the relevant repurchase pursuant to Condition 6(j) (Purchase) has followed an injection of common equity or other instruments which are granted on issuance high equity content in the Issuer's capital structure where the amount of such injection is equal to or more than the amount of equity credit assigned by S&P to the Securities being repurchased at the time of their issuance; or*
- (g) in the case of a repurchase, such repurchase would cause the Issuer's outstanding hybrid capital which is assigned equity credit by S&P to remain below the maximum aggregate principal amount of hybrid capital which S&P, under its then prevailing methodology, would assign equity credit to based on the Issuer's adjusted total capitalisation; or*
- (h) such redemption or repurchase occurs on or after the Step-up Date.*

*For the avoidance of doubt, the Issuer wishes to clarify that at any time, including during the period up to the fifth anniversary of the Issue Date, the Issuer shall not be required to replace the Securities if paragraph (e) or (f) above applies.*

*For the purposes of the foregoing, "equity credit" (or such similar nomenclature then used by S&P) describes:*

- (i) the part of the nominal amount of the Securities that was assigned equity credit by S&P at the time of their issuance; and*
- (ii) the part of the net proceeds received from issuance of replacement securities that was assigned equity credit by S&P at the time of their sale or issuance (or the equity credit S&P has confirmed will be assigned by it upon expiry or waiver of issuer call rights which prevent the assignment of equity credit by S&P on the issue date of such replacement securities).*

## Terms and Conditions of the Sterling Securities

*The following, subject to alteration and except for paragraphs in italics, are the terms and conditions substantially in the form in which they will be endorsed on each Security in definitive form (if issued).*

The issue of the Callable Subordinated Capital Securities due 3021, ISIN XS2293681685 (the "**Securities**") on 18 February 2021 (the "**Issue Date**") was authorised by a written resolution of the Board of Directors of Ørsted A/S (the "**Issuer**") passed on 26 November 2020 and 2 February 2021. The Securities are constituted by a trust deed (the "**Trust Deed**") dated 18 February 2021 between the Issuer and Deutsche Trustee Company Limited (the "**Trustee**" which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the holders of the Securities (the "**Securityholders**"). These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Securities and the coupons (the "**Coupons**") and talons for further Coupons (the "**Talons**") relating to them. Capitalised terms used in these Conditions and not defined herein shall have the meaning given to them in the Trust Deed. Copies of the Trust Deed and of the agency agreement (the "**Agency Agreement**") dated 18 February 2021 relating to the Securities between the Issuer, the Trustee, Deutsche Bank AG, London Branch as calculation agent (the "**Calculation Agent**" which expression includes any bank appointed as the Calculation Agent from time to time) and the initial principal paying agent and paying agents named in it, are available for inspection by Securityholders during usual business hours at the principal office of the Trustee (presently at Winchester House, 1 Great Winchester Street, London EC2N 2DB) and at the specified offices of the principal paying agent from time to time (the "**Principal Paying Agent**") and the banks appointed as paying agents from time to time (the "**Paying Agents**", which expression shall include the "**Principal Paying Agent**", in addition, "**Agents**" means the Principal Paying Agent and the Calculation Agent or any of them). The Securityholders and the holders of the Coupons and Talons (whether or not such Coupons and Talons are attached to the relevant Securities) (the "**Couponholders**") are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

### 1. Form, Denomination and Title

#### (a) *Form and denomination*

The Securities are serially numbered and in bearer form in the denominations of £100,000 and integral multiples of £1,000 in excess thereof, up to and including £199,000, each with Coupons and a Talon attached on issue.

#### (b) *Title*

Title to the Securities, Coupons and Talons passes by delivery. The holder of any Security, Coupon or Talon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

### 2. Status

The Securities and the Coupons constitute direct, unsecured and subordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves.

The rights and claims of the Trustee, the Securityholders and the Couponholders against the Issuer in respect of the Securities and the Coupons shall, save for such exceptions as may be provided by applicable legislation, rank behind the claims of Senior Creditors, *pari passu* with the rights and claims of holders of Parity Securities and in priority only to the rights and claims of holders of all Issuer Shares (as defined below).

Subject to applicable law, no Securityholder or Couponholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Securities or the Coupons and each Securityholder and Couponholder shall, by virtue of his holding of any Security or Coupon, be deemed to have waived all such rights of set-off, compensation or retention.

For the purposes of these Conditions:

**"Issuer Shares"** means Ordinary Shares and any other shares of any class of the Issuer (if any) ranking pari passu among themselves and pari passu with Ordinary Shares.

**"Ordinary Shares"** means ordinary shares in the capital of the Issuer, having on the Issue Date a minimum principal value of DKK10 each.

As at the date of this Prospectus, the Issuer had Ordinary Shares in an aggregate principal value of DKK4,203,810,800 in issue.

**"Parity Securities"** means, in respect of the Issuer, any securities or obligations issued or owed by the Issuer (including guarantees or indemnities given by the Issuer in respect of securities or obligations owed by other persons) which rank or by their terms are expressed to rank pari passu with the Securities, in each case described by their respective initial issuance amount.

*As at the date of this Prospectus, the only Parity Securities outstanding were (i) the €700,000,000 6.25 per cent. Callable Subordinated Capital Securities due 3013, ISIN: XS0943370543; (ii) the €500,000,000 2.250 per cent. Callable Subordinated Capital Securities due 3017 ISIN: XS1720192696; and (iii) the €600,000,000 1.75 per cent. Callable Subordinated Capital Securities due 3019 ISIN: XS2010036874.*

**"Senior Creditors"** means, in respect of the Issuer, all creditors of the Issuer other than creditors whose claims are in respect of (i) the Securities and the Coupons; (ii) Parity Securities; or (iii) Issuer Shares.

### 3. Coupons

#### (a) *Coupon Payment Dates*

From (and including) 18 February 2021 (the **"Interest Commencement Date"**) to (but excluding) 18 February 2033 (the **"First Reset Date"**), the Securities bear interest at a rate of 2.500 per cent. per annum (the **"First Fixed Rate"**).

From (and including) the First Reset Date to (but excluding) the next subsequent Reset Date and thereafter from (and including) each Reset Date to (but excluding) the next subsequent Reset Date and from (and including) the last Reset Date prior to the Maturity Date to (but excluding) the Maturity Date, the Securities bear interest at the relevant Reset Fixed Rate for the relevant Coupon Period.

During each such period, interest is scheduled to be paid annually in arrear on 18 February in each year, commencing on 18 February 2022 (each a **"Coupon Payment Date"**), and will be due and payable in accordance with Conditions 4 and 5. If any Coupon Payment Date would otherwise fall on a day which is not a Business Day (as defined below), the relevant payment shall be made on the next day which is a Business Day. No further interest or other payment will be made as a consequence of the postponement.

The period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Coupon Payment Date and each successive period beginning on (and including) a Coupon Payment Date and ending on (but excluding) the next succeeding Coupon Payment Date is called a **"Coupon Period"**.

Interest in respect of any Security shall be calculated per £1,000 in principal amount of the Securities (the **"Calculation Amount"**). The amount of interest payable per Calculation Amount on each Security for any



period of time shall be determined by applying the First Fixed Rate or the relevant Reset Fixed Rate, as applicable, to the Calculation Amount.

Where interest is to be calculated in respect of any period (from (and including) the first such day to (but excluding) the last) (the "**Calculation Period**") which is equal to or shorter than the Determination Period during which it falls, the day count fraction used will be calculated on the basis of the number of days in the Calculation Period divided by the number of days in such Determination Period, where "**Determination Period**" means each period from (and including) 18 February in any year, to (but excluding) the next 18 February. For the avoidance of doubt, the first Determination Period will be period from and including 18 February 2021 to but excluding 18 February 2022.

**(b) Cessation of Interest Accrual**

Each Security will cease to bear interest from the due date for redemption or substitution unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 3 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Security up to that day are received by or on behalf of the relevant Securityholder, and (ii) the day seven days after the Trustee or the Principal Paying Agent has notified Securityholders of receipt of all sums due in respect of all the Securities up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

**(c) Publication of Reset Fixed Rates**

The Issuer shall cause notice of each Reset Fixed Rate, the corresponding amount payable per Calculation Amount determined in accordance with this Condition 3 in respect of each relevant Reset Period commencing on or after the First Reset Date and the relevant dates scheduled for payment to be given to the Trustee, the Paying Agents, any stock exchange on which the Securities are for the time being listed or admitted to trading and, in accordance with Condition 16, the Securityholders, in each case as soon as practicable after its determination.

**(d) Definitions**

In this Condition 3:

"**Benchmark Gilt**" means, in respect of a Reset Period, such United Kingdom government security customarily used at the time of selection in the pricing of new issues with a similar tenor having an actual or interpolated maturity date on or about the last day of such Reset Period as the Issuer (on the advice of an investment bank of international repute) may determine to be appropriate following any guidance published by the International Capital Markets Association ("**ICMA**") at the relevant time (if any).

"**Benchmark Gilt Dealing Day**" means a day on which the London Stock Exchange plc (or such other market on which the Benchmark Gilt is at the relevant time admitted to trading) is ordinarily open for the trading of securities.

"**Business Day**" means a day, other than a Saturday or Sunday, on which commercial banks are open in London.

"**Coupon Payment Date**" has the meaning given to it in Condition 3(a).

"**Gross Redemption Yield**" on the Benchmark Gilt or the Securities and the Make-whole Benchmark Security, as the case may be, will be expressed as a percentage and will be calculated by the Reset Agent (in the case of a Benchmark Gilt) and by the Determination Agent (in the case of the Securities and the Make-whole Benchmark Security) on the basis set out by the United Kingdom Debt Management Office in the paper "Formulae for Calculating Gilt Prices from Yields" page 5, Section One: Price/Yield Formulae "Conventional Gilts"; "Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date"

(published on 8 June 1998 and updated on 15 January 2002 and 16 March 2005, and as further updated or amended or supplemented from time to time) or if in the reasonable opinion of the Issuer such basis is no longer in customary market usage at such time, a gross redemption yield calculated in accordance with generally accepted market practice at such time as determined by the Issuer following consultation with the Reset Agent or the Determination Agent, as the case may be, on an annual compounding basis (rounded up (if necessary) to four decimal places).

**"Interest Determination Date"** means the second Business Day prior to the date on which the relevant Reset Period commences.

**"Margin"** means:

- (i) in respect of each Coupon Period from (and including) the First Reset Date to (but excluding) the Step-up Date: 213.6 basis points per annum (including a 25 basis points step-up); and
- (ii) in respect of each Coupon Period from (and including) the Step-up Date to (but excluding) the Maturity Date: 288.6 basis points per annum (including a further 75 basis points step-up).

**"Maturity Date"** means 18 February 2021.

**"Reference Banks"** means five brokers of gilts and/or gilt-edged market makers selected by the Issuer.

**"Reset Agent"** means an independent leading investment, merchant or commercial bank or financial institution in London to be appointed by the Issuer to perform the functions expressed to be performed by the Reset Agent under these Conditions.

**"Reset Date"** means each fifth anniversary of the First Reset Date to (but excluding) the Maturity Date.

**"Reset Fixed Rate"** for each Coupon Period from (and including) the First Reset Date to (but excluding) the Maturity Date means, the Reset Reference Bank Rate for the relevant Reset Period in which the Coupon Period falls plus the relevant Margin, as determined by the Reset Agent.

**"Reset Period"** means the period from (and including) the First Reset Date to (but excluding) the next subsequent Reset Date and thereafter each period from (and including) a Reset Date to (but excluding) the next subsequent Reset Date.

**"Reset Reference Bank Rate"** means, in respect of a Reset Period, the Gross Redemption Yield of the Benchmark Gilt in respect of that Reset Period, with the price of the Benchmark Gilt for the purpose of determining the Gross Redemption Yield being the arithmetic average (rounded up (if necessary) to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered prices of such Benchmark Gilt quoted by the Reference Banks at 11.00 a.m. (London time) on the Interest Determination Date in respect of such Reset Period on a dealing basis for settlement on the next following Benchmark Gilt Dealing Day in London, or such basis as is customarily used at such time. Such quotations shall be obtained by or on behalf of the Issuer and provided to the Reset Agent. If at least four quotations are provided, the Reset Reference Bank Rate will be determined by reference to the rounded arithmetic mean of the quotations provided, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two or three quotations are provided, the Reset Reference Bank Rate will be determined by reference to the rounded arithmetic mean of the quotations provided. If only one quotation is provided, the Reset Reference Bank Rate will be determined by reference to the rounded quotation provided. If no quotations are provided, the Reset Reference Bank Rate will be the previous Reset Reference Bank Rate in respect of the preceding Reset Period or (in the case of the first Reset Period) 2.500 per cent.

**"Step-up Date"** means 18 February 2023.

(e) **Reference Banks, Calculation Agent and Reset Agent**

The Issuer will procure that, so long as any Security is outstanding, there shall at all times be identified a number of Reference Banks as provided above (where the relevant Reset Fixed Rate is to be calculated by reference to them), a Calculation Agent for the purposes of the Securities and, whenever a function expressed in these Conditions to be performed by a Reset Agent falls to be performed, the Issuer will maintain a Reset Agent. If any Reference Bank, the Calculation Agent or the Reset Agent (in each case, acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent or the Reset Agent, as the case may be, or if the Reset Agent fails to establish the relevant Reset Fixed Rate for any Reset Period, the Issuer shall appoint another leading financial institution in London to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

(f) **Notifications etc. to be binding**

All notifications, opinions, determinations, certifications, conditions, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 3 by the Reset Agent, shall (in the absence of wilful default, fraud or manifest error) be binding on the Issuer, the Reset Agent, the Calculation Agent, the Trustee, the Paying Agents and on all Securityholders and Couponholders and (in the absence of the aforesaid) no liability to the Securityholders, the Couponholders or the Issuer shall attach to the Reset Agent, the Calculation Agent, the Paying Agents or the Trustee in connection with the exercise or non-exercise by them of any of their powers, duties or discretions.

**4. Optional Coupon Deferral**

Interest which accrues during a Coupon Period ending on (but excluding) a Coupon Payment Date will be due and payable on that Coupon Payment Date, unless the Issuer, by giving notice to the Securityholders in accordance with Condition 16, the Calculation Agent, the Principal Paying Agent and the Trustee, not less than 16 Business Days prior to the relevant Coupon Payment Date (an "**Optional Deferral Notice**"), elects to defer the relevant Coupon Payment in whole or in part.

If the Issuer elects not to pay accrued interest on a Coupon Payment Date, it will not have any obligation to pay interest on such Coupon Payment Date.

Each such Coupon Payment that is not due and payable in accordance with this Condition 4 due to an election made by the Issuer shall be referred to as a "**Deferred Payment**". Any such Deferred Payment will bear interest at the then current rate of interest on the Securities from (and including) the Coupon Payment Date on which such Deferred Payment would otherwise than by reason of the operation of this Condition 4 become due to (but excluding) the date on which the Deferred Payment is satisfied in accordance with Condition 5 or cancelled in accordance with the second sentence of Condition 6(a). The non-payment of any interest deferred by the giving of any Optional Deferral Notice in respect thereof shall not constitute a Default (as defined in Condition 9) or otherwise constitute a default of the Issuer or any other breach of its obligations under the Securities or for any other purpose or be subject to enforcement (in accordance with Condition 9) until such time as such interest shall have become due under Condition 5 and remain unpaid.

The amount of any Deferred Payments, together with any interest accrued thereon, shall constitute "**Outstanding Payments**" from the day following the Coupon Payment Date on which such Deferred Payment would have become due but for the operation of this Condition 4.

**5. Settlement of Outstanding Payments**

(a) **Optional Settlement of Outstanding Payments.**

The Issuer will be entitled to pay Outstanding Payments (in whole or in part) at any time by giving notice to the Securityholders in accordance with Condition 16, the Calculation Agent, the Principal Paying Agent and the

Trustee, not less than 16 Business Days prior to the date fixed by the Issuer for such payment (the "**Optional Settlement Date**") which notice shall be irrevocable and shall specify (x) the amount of Outstanding Payments to be paid and (y) the Optional Settlement Date.

Upon such notice being given, the amount of Outstanding Payments specified in the relevant notice will become due and payable, and the Issuer shall pay such amount of Outstanding Payments on the specified Optional Settlement Date.

**(b) Mandatory Settlement of Outstanding Payments.**

The Issuer must pay all Outstanding Payments (in whole but not in part) then outstanding on any Mandatory Settlement Date.

In this Condition 5(b):

"**Compulsory Payment Event**" means any of the following events:

- (A). the shareholders of the Issuer have resolved at the annual general meeting on the proposal by, or with the consent of, the Board of directors of the Issuer to pay or distribute a dividend or make a payment on any Issuer Shares, other than a dividend, distribution or payment which is made in the form of any Issuer Shares;
- (B). the Issuer or any of its subsidiaries pays any dividend, other distribution or other payment in respect of any Parity Security (other than a dividend, distribution or payment which is made in the form of any Issuer Shares); or
- (C). the Issuer or any of its subsidiaries redeems, repurchases or otherwise acquires any Issuer Share or any Parity Security;

provided that, in the cases of (B) and (C) above, no Compulsory Payment Event shall be deemed to occur if:

- (i) the Issuer or the relevant subsidiary is obliged under the terms and conditions of such Parity Security to make such payment, such redemption, such repurchase or such other acquisition;
- (ii) the Issuer or the relevant subsidiary repurchases or otherwise acquires (in each case directly or indirectly) the Issuer Shares pursuant to its obligations under any existing buy-back programme, share option or free share allocation plan or any employee benefit plans or similar arrangements with or for the benefit of employees, officers, directors or consultants;
- (iii) the Issuer or the relevant subsidiary repurchases or otherwise acquires any Parity Security where such repurchase or acquisition is effected as a public cash tender offer or public exchange offer at a purchase price per security which is below its par value; or
- (iv) as a result of the exchange or conversion of one class of Issuer Shares for another class.

"**Mandatory Settlement Date**" means the earliest of:

- (A). the date falling 10 Business Days after the date on which a Compulsory Payment Event has occurred;
- (B). the date, other than the Maturity Date, on which the Securities fall due for redemption in accordance with Conditions 6(b), (c), (d), (e) or (f);
- (C). the date on which the notice referred to in Condition 6(g) expires and a variation of the terms of or, as the case may be, a substitution of the Securities in accordance with Condition 6(g) takes effect;
- (D). the next scheduled Coupon Payment Date if the Issuer pays interest on the Securities on such date; and

- (E). the date on which an order is made for the bankruptcy (*konkurs*), winding up, liquidation or dissolution of the Issuer (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer).

## 6. Redemption and Purchase

### (a) Maturity Date

If not redeemed or purchased and cancelled earlier, the Securities will be redeemed on the Maturity Date at their principal amount together with accrued interest in respect of the Coupon Period ending on (but excluding) the Maturity Date. Any Outstanding Payments shall automatically be cancelled on the Maturity Date. The Securities may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.

### (b) Redemption at the option of the Issuer

- (i) Unless the redemption provisions contained in Condition 6(c), 6(d) or 6(e) have been exercised, on giving not less than 10 nor more than 40 days' notice (a "**Make-whole Redemption Notice**") to the Trustee and the Securityholders in accordance with Condition 16, which notice shall be irrevocable, the Issuer may redeem all but not some only of the Securities on any date prior to the First Call Date (any such date, a "**Make-whole Redemption Date**") as specified in the Make-whole Redemption Notice at the Make-whole Redemption Amount. The Issuer shall notify the Securityholders in accordance with Condition 16 of the Make-whole Redemption Amount as soon as reasonably practicable after the Issuer is notified of such by the Determination Agent on the Make-whole Calculation Date.
- (ii) On giving not less than 10 nor more than 40 days' notice (an "**Optional Redemption Notice**") to the Trustee and the Securityholders in accordance with Condition 16, which notice shall be irrevocable, the Issuer may redeem all but not some only of the Securities on any date during the period commencing (and including) the First Call Date to (and including) the First Reset Date or on any Coupon Payment Date thereafter (each an "**Optional Redemption Date**") as specified in the Optional Redemption Notice at their principal amount (together with interest accrued to (but excluding) the relevant Optional Redemption Date and any Outstanding Payments).

### (c) Redemption for taxation reasons

The Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 10 nor more than 40 days' notice to the Securityholders (which notice shall be irrevocable) in accordance with Condition 16, if:

- (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice by providing an opinion of a recognised tax counsel or tax adviser satisfactory to the Trustee (upon which the Trustee shall be entitled to rely on without liability) stating that as a result of a Tax Law Change:
- (A) the Issuer either has or will become obliged to pay additional amounts as provided or referred to in Condition 8, in which case the Issuer will be entitled to redeem each Security at its principal amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments); or
- (B) the Issuer's treatment of items of expense with respect to the Securities as deductible interest expense for Danish tax purposes as reflected on the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be respected by a taxing authority, which subjects the Issuer to more than a *de minimis* amount of additional taxes, duties or governmental charges, in which case the Issuer will be entitled to redeem the Securities (I) at their Early Redemption Amount (together with interest accrued to the date fixed for redemption and any Outstanding

Payments) where such redemption occurs before the First Call Date and (II) at their principal amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments) where such redemption occurs on or after the First Call Date,

(each, a "**Tax Event**"), and

(ii) such Tax Event cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Securities then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Trustee (X) a certificate signed by two directors of the Issuer stating that the obligation referred to in Condition 6(c)(i) above cannot be avoided by the Issuer taking reasonable measures available to it and the Trustee shall be entitled to accept and rely without liability on such certificate as sufficient evidence of the satisfaction of the condition precedent set out in Condition 6(c)(ii) above in which event it shall be conclusive and binding on the Securityholders and the Couponholders and (Y) an opinion from a nationally recognised law firm or other nationally recognised tax adviser in the relevant taxing jurisdiction experienced in such matters to the effect that the relevant requirement or circumstance giving rise to such right of redemption applies.

**(d) Redemption for accounting reasons**

The Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 10 nor more than 40 days' notice to the Securityholders (which notice shall be irrevocable) in accordance with Condition 16, (i) at their Early Redemption Amount (together with interest accrued to but excluding the date fixed for redemption and any Outstanding Payments) where such redemption occurs before the First Call Date and (ii) at their principal amount, (together with interest accrued to but excluding the date fixed for redemption and any Outstanding Payments) where such redemption occurs on or after the First Call Date, if a recognised accountancy firm satisfactory to the Trustee, acting upon instructions of the Issuer (and at the Issuer's expense), has delivered an opinion to the Trustee (upon which the Trustee shall be entitled to rely on without liability), stating that as a result of a change in accounting principles (or the application thereof) since the Issue Date the obligations of the Issuer in respect of the Securities may not or may no longer be recorded as "equity" in the consolidated financial statements of the Issuer pursuant to International Financial Reporting Standards ("**IFRS**") or any other accounting standards that may replace IFRS for the purposes of preparing the annual consolidated financial statements of the Issuer (an "**Accounting Event**").

**(e) Redemption for a Ratings Event**

The Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 10 nor more than 40 days' notice to the Securityholders (which notice shall be irrevocable) in accordance with Condition 16, (i) at their Early Redemption Amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments) where such redemption occurs before the First Call Date and (ii) at their principal amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments) where such redemption occurs on or after the First Call Date, if:

(A). (I) any rating agency from whom the Issuer is assigned a Solicited Rating publishes an amendment, clarification or change in hybrid capital methodology, as a result of which change the Securities would no longer be eligible (or if the Securities have been partially or fully re-financed since the Issue Date and are no longer eligible for equity credit in part or in full as a result, the Securities would no longer have been eligible as a result of such amendment, clarification, change in criteria or change in the interpretation had they not been re-financed), for the same or a higher category of "equity credit" or such similar nomenclature as may be used by that rating agency from time to time to describe the degree to which the terms of an instrument are supportive of the Issuer's senior obligations, attributed

to the Securities at the Issue Date or at any later date on which the Securities were attributed a higher category of "equity credit" compared to the category of "equity credit" attributed to them on the Issue Date (a "**Loss in Equity Credit**"), or (II) the Issuer has received, and has provided the Trustee with a copy of, a written confirmation or publication from any rating agency from which the Issuer is assigned a Solicited Rating that due to an amendment, clarification or change in hybrid capital methodology, a Loss in Equity Credit has occurred (a "**Ratings Event**"); and

(B). the Issuer has given notice of such Ratings Event to Securityholders in accordance with Condition 16 prior to giving the notice of redemption pursuant to this Condition 6(e).

In this Condition 6(e), "**Solicited Rating**" means a rating assigned by a rating agency with whom the Issuer has a contractual relationship under which the Securities are assigned a rating and an equity credit.

*(f) Redemption for a minimum outstanding principal amount*

The Securities may be redeemed at the option of the Issuer in whole, but not in part, at any time on giving not less than 10 nor more than 40 days' notice to the Trustee and the Securityholders (which notice shall be irrevocable) in accordance with Condition 16 at their principal amount (together with interest accrued to the date fixed for redemption and any Outstanding Payments), if the Issuer or any of its subsidiaries (as defined in the Trust Deed) has purchased (in accordance with Condition 6(j)) and cancelled (in accordance with Condition 6(k)) Securities with an aggregate principal amount of equal to or greater than 75 per cent. of the initial aggregate principal amount of the Securities (a "**Substantial Repurchase Event**").

*(g) Substitution or Variation*

If a Ratings Event, a Tax Event or an Accounting Event has occurred and is continuing, then the Issuer may, subject to Condition 9 (without any requirement for the consent or approval of the Securityholders or Couponholders) and subject to its having satisfied the Trustee immediately prior to the giving of any notice referred to herein that the provisions of this Condition 6(g) have been complied with, and having given not less than 10 nor more than 40 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 16, the Securityholders (which notice shall be irrevocable), at any time either (i) substitute all, but not some only, of the Securities for, or (ii) vary the terms of the Securities with the effect that they remain or become, as the case may be, Qualifying Securities, and the Trustee shall (subject to the following provisions of this Condition 6(g) and subject to the receipt by it of the certificate signed by two of the directors of the Issuer referred to in Condition 9 below) agree to such substitution or variation.

Upon expiry of such notice, the Issuer shall either vary the terms of or, as the case may be, substitute the Securities in accordance with this Condition 6(g).

In connection therewith, any accrued but unpaid Outstanding Payment will be satisfied in full in accordance with the provisions of Condition 5(b).

The Trustee shall use reasonable endeavours to enter into such documents, agree such variations and do such things as shall be necessary to give effect to the substitution of the Securities for, or the variation of the terms of the Securities so that they remain, or as the case may be, become, Qualifying Securities, provided that the Trustee shall not be obliged to participate in, or assist with, any such substitution or variation if the terms of the proposed Qualifying Securities, or the participation in or assistance with such substitution or variation, would impose, in the Trustee's opinion, more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the rights and/or the protective provisions afforded to it in these Conditions and/or any document to which it is a party (including, for the avoidance of doubt, any supplemental trust deed) in any way. If the Trustee does not participate or assist as provided above, the Issuer may redeem the Securities as provided in Condition 6.

In connection with any substitution or variation in accordance with this Condition 6(g), the Issuer shall comply with the rules of any stock exchange on which the Securities are for the time being listed or admitted to trading.

Any such substitution or variation in accordance with the foregoing provisions shall not be permitted if any such substitution or variation would give rise to a Special Event (other than a Substantial Repurchase Event) with respect to the Securities or the Qualifying Securities.

**(h) *Preconditions to Special Event Redemption, Substitution and Variation***

Prior to the publication of any notice of redemption pursuant to this Condition 6 (other than redemption pursuant to Condition 6(b)) or any notice of substitution or variation pursuant to Condition 6(g), the Issuer shall deliver to the Trustee a certificate signed by two directors of the Issuer stating that the relevant requirement or circumstance giving rise to the right to redeem, substitute or vary is satisfied, and where the relevant Special Event requires measures reasonably available to the Issuer to be taken, the relevant Special Event cannot be avoided by the Issuer taking such measures. In relation to a substitution or variation pursuant to Condition 6(g), such certificate shall also include further certifications that the terms of the Qualifying Securities are not materially less favourable to Securityholders than the terms of the Securities, that such determination was reached by the Issuer in consultation with an independent investment bank or counsel and that the criteria specified in paragraphs (a) to (h) of the definition of Qualifying Securities will be satisfied by the Qualifying Securities upon issue. The Trustee shall be entitled to accept and rely upon such certificate (without any further inquiry or any liability) as sufficient evidence of the satisfaction of the conditions precedent set out in such paragraphs, in which event it shall be conclusive and binding on the Securityholders and the Couponholders.

Any redemption of the Securities in accordance with this Condition 6 or any substitution or variation of the Securities in accordance with Condition 6(g) shall be conditional on all accrued but unpaid Deferred Payment being paid in full in accordance with the provisions of Condition 4 on or prior to the date of such redemption, substitution or, as the case may be, variation, together with any accrued and unpaid interest up to (but excluding) such redemption, substitution or, as the case may be, variation date.

The Trustee is under no obligation to ascertain whether any Special Event or any event which could lead to the occurrence of, or could constitute, any such Special Event has occurred and, until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no such Special Event or such other event has occurred.

**(i) *Notice of Redemption***

Where a notice of redemption is given under this Condition 6 all Securities shall be redeemed on the date specified in such notice in accordance with this Condition 6.

**(j) *Purchase***

The Issuer or any of its subsidiaries may at any time when there are no unsatisfied Outstanding Payments purchase Securities in the open market or otherwise at any price (provided that they are purchased together with all unmatured Coupons and unexchanged Talons relating to them). The Securities so purchased, while held by or on behalf of the Issuer or any such subsidiary, shall not entitle the holder to vote at any meetings of the Securityholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Securityholders or for the purposes of Condition 9(a) or Condition 12(a).

**(k) *Cancellation***

All Securities so redeemed or purchased and any unmatured Coupons or unexchanged Talons attached to or surrendered with them will be cancelled and may not be re-issued or resold.



(l) *Definitions*

In these Conditions:

“**Benchmark Gilt**” has the meaning given to it in Condition 3(d).

“**Benchmark Gilt Dealing Day**” has the meaning given to it in Condition 3(d).

“**Determination Agent**” means a financial adviser or bank which is independent of the Issuer appointed by the Issuer for the purpose for determining the Make-whole Redemption Amount.

“**Early Redemption Amount**” means 101.00 per cent. of the principal amount per Security.

“**First Call Date**” means 18 August 2032.

“**Gross Redemption Yield**” has the meaning given to it in Condition 3(d).

“**Initial Credit Spread**” means 1.886 per cent.

“**Make-whole Benchmark Security**” means a government security or security selected by the Determination Agent as having an actual or interpolated maturity comparable with the remaining term of the Securities that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency of the Securities and of a comparable maturity to the remaining term of the Securities.

“**Make-whole Calculation Date**” means the third Business Day preceding the Make-whole Redemption Date.

“**Make-whole Redemption Amount**” means the sum of:

- (a) the greater of (x) the principal amount of the Securities so redeemed and (y) the principal amount of such Securities multiplied by the price (as reported in writing to the Issuer and the Trustee by the Determination Agent) expressed as a percentage (rounded to four decimal places, 0.00005 being rounded upwards) at which the Gross Redemption Yield on the Securities on the Make-whole Calculation Date is equal to the Gross Redemption Yield at 11.00 a.m. (London time) on the Make-whole Calculation Date of the Make-whole Benchmark Security plus the Make-whole Redemption Margin, calculating the sum of the then present values of the remaining scheduled payments of principal and interest on such Securities to 18 August 2032 (exclusive of any interest accrued to the Make-whole Redemption Date and any Outstanding Payments) discounted to the Make-whole Redemption Date on an annual basis (based on the actual number of days elapsed divided by 365 or (in the case of a leap year) by 366) at the Gross Redemption Yield; and
- (b) any interest accrued but not paid on the Securities (including any Outstanding Payments) to (but excluding) the Make-whole Redemption Date,

as determined by the Determination Agent and so notified on the Make-whole Calculation Date by the Determination Agent to the Issuer and the Trustee.

“**Make-whole Redemption Margin**” means 60 basis points per annum.

“**Rating Agencies**” means S&P Global Ratings Europe Limited, Moody’s Investors Service Ltd. and Fitch Ratings Ltd.

“**Recognised Stock Exchange**” means a recognised stock exchange as defined in section 1005 of the Income Tax Act 2007 as the same may be amended from time to time and any provision, statute or statutory instrument replacing the same from time to time.

“**Special Event**” means any of a Ratings Event, a Tax Event, an Accounting Event or a Substantial Repurchase Event.

“**Tax Law Change**” means as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Denmark or any political sub-division or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date.

“**Qualifying Securities**” means securities that contain terms not materially less favourable to Securityholders than the terms of the Securities (as reasonably determined by the Issuer (in consultation with an independent investment bank or counsel of international standing)) and provided that a certification to such effect (and confirming that the conditions set out in (a) to (h) below have been satisfied) of two directors of the Issuer shall have been delivered to the Trustee prior to the substitution or variation of the Securities upon which certificate the Trustee shall rely absolutely), provided that:

- (a) they shall be issued by the Issuer, or any wholly-owned direct or indirect finance subsidiary of the Issuer; and
- (b) they shall rank *pari passu* on a winding-up or administration (in circumstances where the administrator has given notice of its intention to declare and distribute a dividend) of the Issuer; and
- (c) they shall contain terms which provide for the same rate of interest from time to time applying to the Securities and preserve the same Coupon Payment Dates; and
- (d) they shall preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer as to redemption of the Securities, including (without limitation) as to timing of, and amounts payable upon, such redemption; and
- (e) they shall not contain terms providing for loss absorption through principal write-down or conversion to ordinary shares; and
- (f) they shall otherwise contain substantially identical terms (as reasonably determined by the Issuer) to the Securities, save where (without prejudice to the requirement that the terms are not materially less favourable to Securityholders than the terms of the Securities as described above) any modifications to such terms are required to be made to avoid the occurrence or effect of a Ratings Event, a Tax Event or, as the case may be, an Accounting Event; and
- (g) they shall be (i) listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange’s Regulated Market or (ii) listed on such other stock exchange as is a Recognised Stock Exchange at that time as selected by the Issuer; and
- (h) they shall, immediately after such substitution or variation, be assigned at least the same credit rating(s) by the same Rating Agencies as may have been assigned to the Securities at the invitation of or with the consent of the Issuer immediately prior to such substitution or variation.

## **7. Payments and Talons**

### **(a) Method of Payment**

Subject to Condition 4, payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Securities or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent by transfer to a sterling account maintained by the payee with a bank in London. Payments of interest due in respect of any Security other than on presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Security.

**(b) *Payments subject to laws***

All payments are subject in all cases to

- (i) any applicable fiscal or other laws and regulations; and
- (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Section 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof ("**FATCA**") or any law implementing an intergovernmental approach to FATCA,

but (in each case) without prejudice to the provisions of Condition 8. No commissions or expenses shall be charged to the Securityholders or Couponholders in respect of such payments.

**(c) *Unmatured Coupons and unexchanged Talons***

Each Security should be presented for redemption together with all unexpired Coupons and any unexchanged Talon relating to it, failing which the amount of any such missing unexpired Coupon that is due on a Coupon Payment Date (or in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment and no Coupons shall be delivered in respect of such Talon. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date (as defined in Condition 8) for the relevant payment of principal.

Upon the due date for redemption of any Security, unexpired Coupons that are due on a Coupon Payment Date relating to such Security and unexchanged Talons relating to such Security (in each case, whether or not attached) shall become void and no payment shall be made in respect of such Coupons and no Coupons shall be delivered in respect of such Talons. Where any Security is presented for redemption without all unexpired Coupons or unexchanged Talons relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

**(d) *Payments on Payment Business Days***

A Security or Coupon may only be presented for payment on a day which is a Payment Business Day in the place of presentation (and, in the case of payment by transfer to a sterling account, in London). No further interest or other payment will be made as a consequence of the day on which the relevant Security or Coupon may be presented for payment under this Condition 7 falling after the due date. In this Condition 7, "**Payment Business Day**" means a day on which commercial banks and foreign exchange markets are open in the relevant city.

**(e) *Paying Agents***

The initial Paying Agents and Calculation Agent and their initial specified offices are listed below. The Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of any Paying Agent or the Calculation Agent and appoint additional or other Paying Agents, provided that it will maintain (i) a Principal Paying Agent, (ii) a Calculation Agent and (iii) a Paying Agent having its specified office in a major European city.

If either of the Calculation Agent, the Principal Paying Agent or the Reset Agent is unable or unwilling to act as such or if it fails to make any determination or calculation or otherwise fails to perform its duties under these Conditions or the Agency Agreement (as the case may be), the Issuer shall appoint at its own expense, on terms acceptable to the Trustee, an independent financial institution acceptable to the Trustee to act as such in its

place. All calculations and determinations made by the Calculation Agent, the Principal Paying Agent or the Reset Agent in relation to the Securities shall (save in the case of wilful default, fraud or manifest error) be final and binding on the Issuer, the Trustee, the Paying Agents, the Securityholders and the Couponholders.

**(f) Talons**

On or after the Coupon Payment Date of the final Coupon forming part of a Coupon sheet issued in respect of any Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent in exchange for a further Coupon sheet (and, if necessary, another Talon for a further Coupon sheet) (but excluding any Coupon that may have become void pursuant to Condition 10).

**8. Taxation**

All payments of principal and interest by or on behalf of the Issuer in respect of the Securities and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed unless such withholding or deduction is required by law. In the event that any such withholding or deduction is applied by or within the Kingdom of Denmark or any political subdivision thereof or therein having the power to tax, the Issuer shall pay such additional amounts as will result in receipt by the Securityholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Security or Coupon presented for payment:

**(a) Other connection**

by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Security or Coupon by reason of his having some connection with the Kingdom of Denmark other than the mere holding of the Security or Coupon; or

**(b) Presentation more than 30 days after the Relevant Date**

more than 30 days after the Relevant Date (as defined below) except to the extent that the holder of it would have been entitled to such additional amounts on presenting such Security or Coupon for payment on the last day of such period of 30 days.

"**Relevant Date**" means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Securityholders. Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition 8 or any undertaking given in addition to or substitution for it under the Trust Deed and any Outstanding Payments (subject to the application of Condition 5 and Condition 6(a)).

**9. Default and Enforcement**

**(a) Default and Liquidation**

Subject to Condition 4, if the Issuer fails to pay any interest on any of the Securities when due (a "**Default**"), the Trustee at its discretion may, and if so instructed by Securityholders holding not less than one-fifth in principal amount of the outstanding Securities or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) shall, subject in each case to it being indemnified and/or secured and/or pre-funded to its satisfaction, by written notice addressed to the Issuer, take such steps or actions or institute proceedings to obtain payment of the amounts due or take such steps or actions or institute proceedings in the Kingdom of Denmark (but not elsewhere) for the bankruptcy (*konkurs*) of the Issuer. On a bankruptcy of the Issuer, each

Security shall entitle the holder thereof to claim for an amount equal to the principal amount of such Security plus all accrued but unpaid interest in respect of the then current Coupon Period and Outstanding Payments, if any, subject to Condition 2. Notwithstanding the foregoing, no amount in respect of the Securities or the Coupons shall, as a result of any proceedings instituted under this Condition 9(a), be or become payable sooner than the same would otherwise have been payable by the Issuer had no such proceedings been instituted.

**(b) Breach of Obligations**

Subject to Condition 4, the Trustee may at its discretion institute such steps, actions or proceedings against the Issuer as it may think fit to enforce any obligation, condition, undertaking or provision binding on the Issuer under the Securities, the Coupons or the Trust Deed (other than as provided in Condition 9(a)); provided that:

- (i) the Issuer shall not by virtue of the institution of any such steps, actions or proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it; and
- (ii) the Trustee shall not be obligated to take any steps or actions or to institute proceedings unless it has been directed or requested to do so and indemnified and/or secured and/or pre-funded to its satisfaction as described under Condition 9(a).

The proviso to this Condition 9(b) shall not apply to amounts due to the Trustee in its personal capacity under the Trust Deed.

**(c) Other Remedies and Rights of Securityholders**

No remedy against the Issuer, other than the institution of the proceedings or the taking of steps or actions by the Trustee referred to in Conditions 9(a) and 9(b) or the proving or claiming in any liquidation, bankruptcy or dissolution of the Issuer, shall be available to the Trustee, the Securityholders or the Couponholders whether for the recovery of amounts owing in respect of the Securities or the Coupons or in respect of any breach by the Issuer of any other obligation, condition, undertaking or provision binding on it under the Securities, the Coupons or the Trust Deed, provided that the proviso to Condition 9(b) shall apply to this Condition 9(c) and includes reference to proving or claiming in the liquidation, bankruptcy or dissolution of the Issuer. No Securityholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound to proceed, fails to do so within a reasonable time and such failure is continuing.

**10. Prescription**

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 7 within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

**11. Replacement of Securities, Coupons and Talons**

If any Security, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of any Paying Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Securities, Coupons or Talons must be surrendered before replacements will be issued.

**12. Meetings of Securityholders, Modification, Waiver and Substitution**

**(a) Meetings of Securityholders**

The Trust Deed contains provisions for convening meetings of Securityholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a

modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Trustee upon written request by Securityholders holding not less than 10 per cent. in principal amount of the Securities for the time being outstanding (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction). The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the Securities for the time being outstanding, or at any adjourned meeting two or more persons being or representing Securityholders whatever the principal amount of the Securities held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to modify the maturity of the Securities or the dates on which interest is payable in respect of the Securities, (ii) to reduce or cancel the principal amount of, or interest on or to vary the method of calculating the rate of interest on, the Securities, (iii) to change the currency of payment of the Securities or the Coupons, (iv) to modify the provisions of Condition 2 or (v) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Securities for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Securityholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Trust Deed provides that a resolution in writing signed by or on behalf of holders of not less than 75 per cent. in principal amount of the Securities outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Securityholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Securityholders.

**(b) *Modification and Waiver***

The Trustee may agree, without the consent of the Securityholders or Couponholders (except as set out in the Trust Deed), to (i) any modification of any of the provisions of the Trust Deed which, in its opinion, is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Securityholders. Any such modification, authorisation or waiver shall be binding on the Securityholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Securityholders in accordance with Condition 16 as soon as practicable.

**(c) *Substitution***

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Securityholders or the Couponholders, to the substitution of certain subsidiaries, which have the corporate function of raising financing and passing it on to affiliates and which hold no significant operating assets or have any ownership in the operating companies of the Issuer or its subsidiaries in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Securities. In the case of such a substitution the Trustee may agree, without the consent of the Securityholders or Couponholders, to a change of the law governing the Securities, the Coupons, the Talons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Securityholders.

**(d) *Entitlement of the Trustee***

In connection with the exercise of its functions (including but not limited to those referred to in this Condition 12) the Trustee shall have regard to the interests of the Securityholders as a class and shall not have regard to the consequences of such exercise for individual Securityholders or Couponholders and the Trustee shall not be

entitled to require, nor shall any Securityholder or Couponholder be entitled to claim, from the Issuer or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Securityholders or Couponholders.

### **13. Enforcement**

At any time after the Securities become due and payable and subject to Condition 9, the Trustee may, at its discretion and without further notice, institute such steps, actions or proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Securities and the Coupons, but it need not take any such steps, actions or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Securityholders holding at least one-fifth in principal amount of the Securities outstanding, and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Securityholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

### **14. Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

### **15. Further Issues**

The Issuer may from time to time without the consent of the Securityholders or Couponholders create and issue further securities either (i) having the same terms and conditions as the Securities in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding Securities or (ii) upon such terms as the Issuer may in its sole discretion determine at the time of their issue. References in these Conditions to the "Securities" include (unless the context requires otherwise) any other issued securities as described in (i) above and forming a single series with the Securities. Any further securities forming a single series with the outstanding Securities constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed.

### **16. Notices**

Notice required to be given to Securityholders pursuant to the Conditions shall be made in compliance with § 35(2) of the Danish Capital Markets Act. In particular, the Issuer shall publish notices, or distribute circulars, concerning the place, time and agenda of meetings of Securityholders, the payment of interest, the exercise of any conversion, exchange, subscription, redemption or cancellation rights, and repayment, as well as the right of those Securityholders to participate therein.

In order to comply with § 35(2) of the Danish Capital Markets Act, the Issuer has entered into an agreement with Intrado, a Danish regulated information service, through which the Issuer disseminates information to Securityholders.

In addition to disclosure through Intrado, notices to Securityholders shall be published in (i) a leading newspaper having general circulation in London (which is expected to be the Financial Times), and (ii) (so long as the Securities are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange and the rules of that Stock Exchange so require) published either on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, if in the opinion of the Trustee such publication shall not be practicable, in an English language newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published

more than once or on different dates, on the first date on which publication is made. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Securityholders in accordance with this Condition 16.

**17. Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999.

**18. Governing Law**

**(a) Governing Law**

Save as provided in the following sentence, the Trust Deed, the Securities, the Coupons and the Talons, and any non-contractual obligations arising out of or in connection with them, are governed by and shall be construed in accordance with English law. Condition 2 of the Securities and Clause 5 of the Trust Deed are governed by and shall be construed in accordance with the laws of the Kingdom of Denmark.

**(b) Jurisdiction**

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Securities, the Coupons or the Talons and accordingly any legal action or proceedings arising out of or in connection with the Securities, the Coupons or the Talons ("**Proceedings**") may be brought in such courts. Pursuant to the Trust Deed, the Issuer has irrevocably submitted to the jurisdiction of such courts.

**(c) Agent for Service of Process**

Pursuant to the Trust Deed, the Issuer has irrevocably appointed Ørsted (UK) Limited as its agent in England to receive service of process in any Proceedings in England based on any of the Securities, the Coupons or the Talons.

**The following will not form part of the Terms and Conditions**

*The Issuer intends (without thereby assuming any legal or contractual obligation whatsoever) that it will only redeem or repurchase Securities to the extent that the equity credit of the Securities to be redeemed or repurchased does not exceed the equity credit resulting from the sale or issuance prior to the date of such redemption or repurchase by the Issuer or any subsidiary of the Issuer of replacement securities to third party purchasers (other than subsidiaries of the Issuer).*

*The foregoing shall not apply if:*

- (a) the issuer rating (or such equivalent nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the rating on the date of the last additional hybrid issuance (excluding refinancing) and the Issuer is comfortable that such rating would not fall below this level as a result of such redemption or repurchase; or*
- (b) the "stand-alone credit profile" (or such equivalent nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the stand-alone credit profile on the date of the last additional hybrid issuance (excluding refinancing) and the Issuer is of the view that such "stand-alone credit profile" would not fall below this level as a result of such redemption or repurchase; or*
- (c) the Securities are not assigned any equity credit as hybrid securities (or such similar nomenclature then used by S&P) at the time of such redemption or repurchase; or*



- (d) *the Securities are (x) redeemed pursuant to Condition 6(c) (Redemption for taxation reasons), 6(d) (Redemption for accounting reasons), 6(e) (Redemption for a Ratings Event) or 6(f) (Redemption for a minimum outstanding principal amount) or (y) cease, or are deemed to have ceased to be, outstanding following a substitution or variation in accordance with Condition 6(g); or*
- (e) *less than (x) 10 per cent. of the aggregate principal amount of hybrid capital outstanding is repurchased pursuant to Condition 6(j) (Purchase) in any period of 12 consecutive months or (y) 25 per cent. of the aggregate principal amount of hybrid capital outstanding is repurchased pursuant to Condition 6(j) (Purchase) in any period of 10 consecutive years; or*
- (f) *the relevant repurchase pursuant to Condition 6(j) (Purchase) has followed an injection of common equity or other instruments which are granted on issuance high equity content in the Issuer's capital structure where the amount of such injection is equal to or more than the amount of equity credit assigned by S&P to the Securities being repurchased at the time of their issuance; or*
- (g) *in the case of a repurchase, such repurchase would cause the Issuer's outstanding hybrid capital which is assigned equity credit by S&P to remain below the maximum aggregate principal amount of hybrid capital which S&P, under its then prevailing methodology, would assign equity credit to based on the Issuer's adjusted total capitalisation; or*
- (h) *such redemption or repurchase occurs on or after the Step-up Date.*

*For the avoidance of doubt, the Issuer wishes to clarify that at any time, including during the period up to the fifth anniversary of the Issue Date, the Issuer shall not be required to replace the Securities if paragraph (e) or (f) above applies.*

*For the purposes of the foregoing, "equity credit" (or such similar nomenclature then used by S&P) describes:*

- (i) *the part of the nominal amount of the Securities that was assigned equity credit by S&P at the time of their issuance; and*
- (ii) *the part of the net proceeds received from issuance of replacement securities that was assigned equity credit by S&P at the time of their sale or issuance (or the equity credit S&P has confirmed will be assigned by it upon expiry or waiver of issuer call rights which prevent the assignment of equity credit by S&P on the issue date of such replacement securities).*

## Overview of Provisions relating to the Securities while in Global Form

The Temporary Global Securities and the Permanent Global Securities contain provisions which apply to the Securities while they are in global form, some of which modify the effect of the terms and conditions of the Securities set out in this document. The following is a summary of certain of those provisions:

### 1 Exchange

The Temporary Global Securities are exchangeable in whole or in part for interests in the Permanent Global Securities on or after a date which is expected to be 30 March 2021, upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Securities. The Permanent Global Securities are exchangeable in whole but not in part (free of charge to the holder) for the Definitive Securities described below if the Permanent Global Securities are held on behalf of a clearing system and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. Thereupon, the holders may give notice to the Principal Paying Agent of their intention to exchange the Permanent Global Securities for Definitive Securities on or after the Exchange Date specified in the notice.

On or after the Exchange Date (as defined below) the holders of the Permanent Global Securities may surrender the Permanent Global Securities to, or to the order of, the Principal Paying Agent. In exchange for the Permanent Global Securities, the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Securities (having attached to them all Coupons and one Talon in respect of interest which has not already been paid on the Permanent Global Securities), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule 1 to the Trust Deed. On exchange of the Permanent Global Securities, the Issuer will, if the holders so request, procure that they are cancelled and returned to the holders together with any relevant Definitive Securities.

"**Exchange Date**" means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located.

### 2 Payments

Principal and interest in respect of the Global Securities shall be paid to the relevant holder against presentation and (if no further payment falls to be made on it) surrender of the relevant Global Security to or to the order of the Principal Paying Agent in respect of the relevant Securities (or to the order of such other Paying Agent as shall have been notified to the Securityholders for this purpose) which shall endorse such payment or cause such payment to be endorsed in the appropriate schedule to the relevant Global Security (such endorsement being prima facie evidence that the payment in question has been made). References in the Conditions to Coupons and Couponholders shall be construed accordingly. No person shall however be entitled to receive any payment on a Global Security falling due after the Exchange Date, unless exchange of the relevant Global Security for Definitive Securities is improperly withheld or refused by or on behalf of the Issuer.

### 3 Notices

So long as the Securities are represented by Global Securities and such Global Securities are held on behalf of a clearing system, notices to Securityholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions except that, (i) notices to Securityholders shall always (as a minimum) be given through OMX News Service, and (ii) so long as the Securities are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, notices shall also be published

either on the website of the Luxembourg Stock Exchange (*www.bourse.lu*) or in a leading newspaper having general circulation in Luxembourg (which is expected to be *the Luxemburger Wort*). Any such notice shall be deemed to have been given to the Securityholders on the day after the day on which such notice is delivered to a clearing system as aforesaid.

#### **4 Prescription**

Claims against the Issuer in respect of principal and interest on the Securities while the Securities are represented by Global Securities will become void unless such Global Securities are presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8).

#### **5 Meetings**

The holder of a Global Security shall (unless the Global Security represents only one Security) be treated as being two persons for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Securityholders and, at any such meeting, as having one vote in respect of each €1,000 in principal amount of Securities.

#### **6 Purchase and Cancellation**

Cancellation of any Security represented by a Global Security which is required by the Conditions to be cancelled will be effected by reduction in the principal amount of the Global Security on its presentation to or to the order of the Principal Paying Agent for notation in the relevant part of the schedule thereto. Securities may only be purchased by the Issuer or any of its subsidiaries if (where they should be cancelled in accordance with the Conditions) they are purchased together with the right to receive interest therein.

#### **7 Trustee's Powers**

In considering the interests of Securityholders while the Global Securities are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Global Securities and may consider such interests, and treat such accountholders, as if such accountholders were the holders of the Global Securities.

#### **8 Electronic Consent**

While any Global Security is held on behalf of a clearing system, then:

- (i) approval of a resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications system of the relevant Clearing System(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. of the outstanding principal amount of the Securities (an "**Electronic Consent**" as defined in the relevant Trust Deed) shall take effect as an Extraordinary Resolution passed at a meeting of Securityholders duly convened and held, and shall be binding on all Securityholders and holders of Coupons and Talons whether or not they participated in such Electronic Consent; and
- (j) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the relevant Trust Deed) has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, (a) by accountholders in the clearing system(s) with entitlements to such Global Security and/or, (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any

such consent or instruction, the Issuer and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "**relevant clearing system**") and in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Securityholders and holders of Coupons and Talons, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal amount of the Securities is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequent found to be forged or not authentic.

## Ørsted A/S

### Information about Ørsted

Ørsted is a limited liability company incorporated in Denmark and operating under Danish law and centrally registered with the Danish Business Authority (*Erhvervsstyrelsen*) in Copenhagen under CVR no. 36 21 37 28. The shares of Ørsted have been listed on Nasdaq Copenhagen since 9 June 2016. The principal registered office of Ørsted is located at Kraftværksvej 53, Skærbæk, DK-7000 Fredericia, Denmark, and the telephone number of Ørsted is +45 99 55 11 11.

The share capital of Ørsted is DKK 4,203,810,800 and is divided into shares of DKK 10 each or multiples thereof. The issued share capital is fully paid-up. There are no other classes of shares besides the ordinary shares. There are no non-voting shares.

According to Article 3 of Ørsted's Articles of Association, the corporate objectives of Ørsted are to carry out business in the energy sector and activities related thereto.

### Major Shareholders

As at the date of this Prospectus, the Kingdom of Denmark holds a 50.1 per cent. ownership interest in Ørsted. Other shareholders holding 5 per cent. or more of the ownership interest and/or voting rights in Ørsted are The Capital Group Companies, Inc. and Andel A.m.b.a ("**Andel**" – previously SEAS-NVE A.m.b.a.). The Kingdom of Denmark exercises its shareholder rights through the Danish Ministry of Finance. The shares owned by the Kingdom of Denmark have the same voting rights as all other shares in Ørsted. The Danish Companies Act provides the minority shareholders with certain minority protection rights, including that no resolutions shall be passed at the general meeting of shareholders that are clearly likely to confer upon certain shareholders an undue advantage over other shareholders of Ørsted.

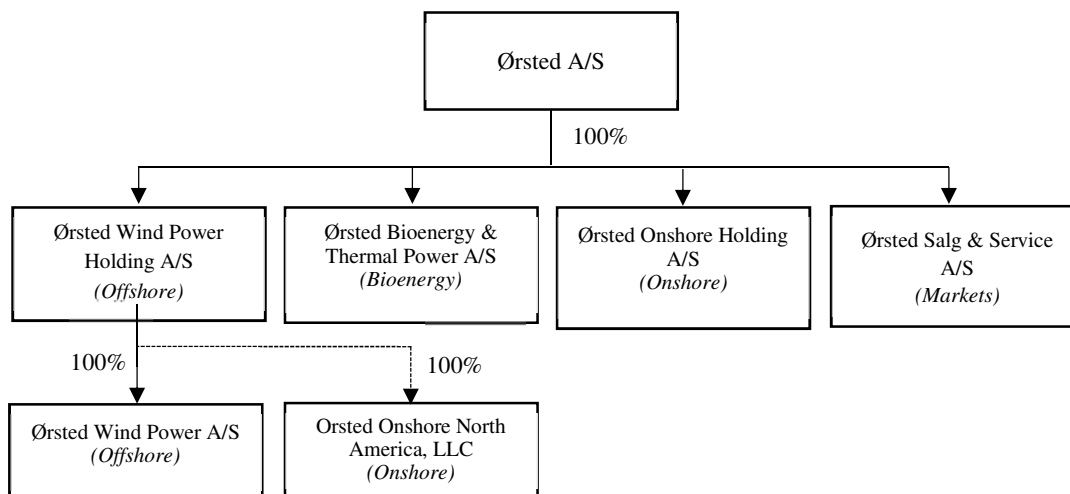
Majority ownership by the Kingdom of Denmark shall ensure that the natural gas infrastructure and oil pipeline facilities currently owned by Ørsted remain under control by the Kingdom of Denmark in accordance with a political agreement from October 2004 between the Danish Government and a broad majority of the parties in the Danish Parliament. This agreement was re-confirmed in October 2007, February 2013 and again in September 2015 (the "**Confirmation Political Agreement**"). According to the Confirmation Political Agreement the Kingdom of Denmark should retain a majority interest in Ørsted at least until 2020, unless the parties backing the Confirmation Political Agreement agree otherwise. Any subsequent changes in the ownership interest of the Kingdom of Denmark also require agreement among the parties to the Confirmation Political Agreement.

The Confirmation Political Agreement states that the Kingdom of Denmark wishes to secure the continued state control over (i) the natural gas infrastructure facilities currently consisting of Ørsted's offshore natural gas pipeline system connecting gas producing assets in the Danish part of the North Sea to the onshore transmission grid and the Nybro gas treatment facility and (ii) the oil pipeline business consisting of the oil pipeline connecting the Gorm E platform in the North Sea to the oil terminal at Fredericia, Jutland in both cases by seeking a sale of Ørsted's gas infrastructure and oil pipeline facilities to the state-owned Energinet on commercial terms.

## Organisational Structure of Ørsted

Ørsted serves as a holding company, with all primary business activities conducted through its subsidiaries. The chart below illustrates the relationship of Ørsted with its principal subsidiaries (all of which are wholly owned by Ørsted):

**Figure 1: Ørsted's principal subsidiaries**



## Business Overview

Ørsted was founded as Dansk Naturgas A/S by the Kingdom of Denmark on 27 March 1972, as a vehicle for the development of Danish energy activities. Ørsted established the Danish gas transmission grid, procured natural gas from the producers in the Danish North Sea and developed from a passive investor in oil exploration and production licenses in the Danish North Sea to become an independent offshore oil and gas explorer and producer in Denmark, Norway and the United Kingdom. In 1999 and 2000, Ørsted acquired the Southern Jutland and Western and Southern Zealand gas distribution and supply companies, comprising two out of five Danish gas distribution and supply companies.

In 2006, the acquisitions of five regional Danish energy companies (Elsam, NESA, Energi E2, part of Københavns Energi, and part of Frederiksberg Forsyning) were completed, and Ørsted's name was changed to DONG Energy A/S. The acquisitions allowed Ørsted to expand into power generation, sales and distribution activities.

In the years following the acquisitions, the growing demand for renewable energy and the need to reduce coal-fired thermal generation capacity in the Nordic area led Ørsted to revise its strategy. International coal-fired power plant projects under preparation were cancelled in 2009, capacity closures of Danish power plants were initiated and a plan to reduce CO2 emissions was adopted.

In 2013 and 2014, a financial action plan was executed for Ørsted to establish a sufficient financial foundation to enable the implementation of Ørsted's 2020 strategic goals and to continue the transformation of the Group into a global leader within offshore wind power. The financial action plan included significant divestments of non-core assets, cost reductions and a capital injection of DKK 13 billion, which took place in February 2014.

Ørsted's gas transmission activity was divested to Energinet.dk in 2004 as part of the unbundling of the Danish energy sector. In September 2016, Ørsted divested its gas distribution network and on 29 September 2017, Ørsted divested its oil & gas exploration and production activities to INEOS UK E&P Holdings Ltd ("INEOS").

Furthermore, on 31 August 2020, Ørsted completed the divestment of its Danish power distribution, residential customer and city light businesses to Andel.

Today, Ørsted is an energy company with a strategic focus on upstream renewable energy production. Ørsted has leading competences in offshore wind and bioenergy, a growing position in onshore wind and solar energy whilst also building out competences and a position in energy storage and green hydrogen.

Ørsted carries out its continued activities in three business areas, referred to as “Offshore”, “Onshore” and “Bioenergy & Other”. The principal activities include (i) development, construction and operation and maintenance of offshore and onshore wind farms, (ii) generation of power from offshore and onshore wind farms, and power and heat from thermal generation assets and (iii) gas and power business-to-business sales activities.

At the end of December 2020, Ørsted employed 6,179 full-time equivalent employees throughout the Group.

## Recent Group Developments

On 1 January 2021, Mads Nipper took office as CEO and Group President of Ørsted. Mads Nipper came from a position of CEO and Group President at Grundfos. The appointment of Mads Nipper followed the decision by Henrik Poulsen, announced on 15 June 2020, to resign his position and step down as CEO of Ørsted.

With effect as of 4 February 2021, Ørsted has changed its organisational structure moving to a more functional structure where the commercially focused functions of Offshore and Markets & Bioenergy will be brought together, while Onshore will remain a separate business unit. However, Offshore and Onshore activities will continue to be reported as previously, while bioenergy, the legacy gas activities and Renaissance will be reported in the Bioenergy & Other segment.

## Summary of Key Operating Data

**Table 1: Summary of Key Operating Data**

	FY 2019 <sup>(2)</sup>	FY 2020 <sup>(2)</sup>
<b>Offshore:</b>		
Decided (FID taken) and installed capacity <sup>(1)</sup> , offshore wind (GW) .....	9.9	9.9
Installed capacity <sup>(1)</sup> , offshore wind (GW)....	6.8	7.6
Generation capacity <sup>(1)</sup> , offshore wind (GW)	3.6	4.4
Wind speed (m/s).....	9.2	9.7
Load factor <sup>(1)</sup> (%).....	42	45
Availability <sup>(1)</sup> (%).....	93	94
Power generation (TWh) .....	12.0	15.2
Volume of power sales (TWh).....	27.6	29.2
<b>Onshore:</b>		
Decided (FID taken) and installed capacity, onshore wind (GW) .....	2.1	3.4
Installed capacity, onshore wind (GW).....	1.0	1.7
Wind speed (m/s).....	7.3	7.6
Load factor (%).....	45	45

	<b>FY 2019<sup>(2)</sup></b>	<b>FY 2020<sup>(2)</sup></b>
	<hr/>	<hr/>
Availability (%) .....	98	96
Power generation (TWh) .....	3.5	5.7
<b>Markets and Bioenergy:</b>		
Degree days <sup>(1)</sup> (number) .....	2,399	2,432
Heat generation (TWh) .....	8.3	6.7
Power generation (TWh) .....	4.6	4.4
Volume of power sales (TWh) .....	14.7	11.6
Volume of gas sales (TWh) .....	125.0	90.3
<b>Environment:</b>		
Carbon emissions (g CO <sub>2</sub> e/kWh) .....	65	58
Green share of heat and power generation (%) .....	86	90

Note:

(1) For definitions, please see the ESG statements from page 168 in the Ørsted 2020 Annual Report.

(2) Source: Audited consolidated annual financial statements of Ørsted as at and for the financial year ended 31 December 2020.

## Statement of Comprehensive Income

**Table 2: Income statement (Business Performance)**

	<b>FY 2019<sup>(3)</sup></b>	<b>FY 2020<sup>(3)</sup></b>
	<hr/>	<hr/>
	<i>(DKK million)</i>	
	<hr/>	<hr/>
<b>Revenue:</b> .....	67,842	52,601
Offshore .....	40,216	34,533
Onshore .....	670	733
Markets and Bioenergy .....	32,816	21,420
Other activities (including eliminations) .....	(5,860)	(4,085)
<b>EBITDA<sup>(4)</sup>:</b> .....	17,484	18,124
Offshore .....	15,161	14,750
Onshore .....	786	1,131
Markets and Bioenergy .....	1,495	2,136
Other activities (including eliminations) .....	42	107
<b>EBIT:</b> .....	10,052	10,536
Profit (loss) for the period continuing operations .....	6,100	16,727
Profit (loss) for the period discontinued operations .....	(56)	(11)
Profit (loss) for the period .....	6,044	16,716



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Notes:

- (3) Source: Audited consolidated annual financial statements of Ørsted as at and for the financial year ended 31 December 2020.
- (4) On 31 August 2020, Ørsted divested its Danish power distribution and other activities to Andel. As at 30 June 2020, these business activities accounted for 7.9 per cent. (DKK 0.7bn) of Ørsted's operating profit (EBITDA) and 9.4 per cent. (DKK 8.6bn) of the capital employed.

For the financial year ending 31 December 2020, Ørsted's employed capital in its businesses made up DKK 109.7 billion, of which 83 per cent. was employed in Offshore, 12 per cent. was employed in Onshore and 5 per cent. was employed in Markets and Bioenergy.

## **Strategic direction and priorities**

### **Ørsted's strategic playing field**

The renewable energy value chain is made up of various components. These range from generation of green power, through storage, transmission and distribution to the consumption side. Within this energy system, Ørsted has taken the following strategic positions.

Offshore wind is Ørsted's core focus and has been since Ørsted decided to transform into a green energy company. It is a rapidly growing market in the global energy system with attractive value-creating opportunities. Ørsted has been successful in leveraging capabilities to become the leading global player in the offshore wind market, representing 30 per cent. share of the total installed capacity in operation in December 2020 (excluding China).

Onshore wind is Ørsted's second growth platform where Ørsted now has a strong regional position, with the acquisition of Lincoln Clean Energy ("LCE") in the U.S in 2018. The U.S. onshore market offers attractive value-creating opportunities and has significant long-term growth potential. The integration of LCE with Ørsted has provided technology and market diversification and enables Ørsted to serve the future energy demand through a multi-technology business platform.

To secure market access, Ørsted has strategic focus on wholesale and corporate customers, which account for the largest share of energy consumption. This position enables a route-to-market for Ørsted's green energy generation.

Besides existing market positions, Ørsted explores the strategic and financial potential of additional green growth opportunities. Green hydrogen offers significant growth opportunities, particularly enabled by the large cost reductions of renewable power in recent years and increasingly ambitious hydrogen strategies and build-out targets in Europe – both at EU and member state levels.

### **Ørsted's strategy and capital allocation**

#### ***Strategic direction and growth***

Ørsted's strategic shift from black to green energy is reflected in its green share of generation. In 2007, only 8 per cent. of Ørsted's total power and heat production came from renewables. By the end of 2020, the green share of generation has increased to 90 per cent.

Ørsted's strategic transformation to become a green energy company has positioned Ørsted as one of the largest commercial renewable energy companies in the world, measured by the capacity of renewable energy that is installed and under construction. By the end of 2020, Ørsted had in aggregate 15.3 GW of renewable energy capacity installed or under construction, with the vast majority being in offshore wind. In addition, Ørsted has

been awarded or contracted projects with a capacity of 5 GW in Offshore where investment decisions are yet to be taken. Furthermore, Ørsted has a strong pipeline of projects under development.

Towards 2030, Ørsted expects that the global market for renewable energy will more than triple to 4,342 GW (excluding hydro, solar thermal, geothermal and batteries). As one of the leading companies in renewable energy, Ørsted is strongly positioned to take part in this growth.

Ørsted is well on track to deliver on its strategic ambition for offshore wind to install 15 GW by 2025. By 2030, Ørsted's strategic ambition is to achieve an installed renewable capacity of more than 30 GW, which will be enough to power more than 55 million people. This is partly attributed to Ørsted's strong growth platform comprising its activities in Offshore, Onshore, Markets and Bioenergy.

Ørsted strives to maintain its global market leadership in offshore wind and intends to continue to expand in Europe, North America, and Asia. The aim is to keep pioneering and innovating the industry as offshore wind remains the strategic core of Ørsted's activities.

The second growth avenue is Ørsted's Onshore business unit, within Onshore, Ørsted is aiming at a leading North American position with focus on onshore wind and solar PV, but also including energy storage. Additionally, our Onshore business unit is looking into global expansion with particular focus on the opportunities for Onshore in Europe.

Markets provides an efficient route to market for commodities, including power and green certificates, for Ørsted and for third parties, while also managing the risk profile of Ørsted's energy portfolio.

Bioenergy includes Ørsted's biomass-converted combined heat and power plants in Denmark and Ørsted's waste-to-energy and biogas technologies.

Ørsted's key milestones for 2020 were as follows:

#### *Offshore*

- UK government granted Ørsted consent to move into the next development phase of the potentially more than 2.4 GW Hornsea 3 Offshore Wind Farm
- Farm-down of 50% of the 605 MW wind farm Greater Changhua 1 to Caisse de dépôt et placement du Québec and Cathay Capital Private Equity, making it the largest-ever renewable energy M&A transaction in Taiwan
- Signed a 10-year corporate power purchase agreement (“CPPA”) with Amazon to buy 250 MW of output from the Borkum Riffgrund 3 project in Germany
- Divested 25% of our 1,100 MW Ocean Wind offshore wind project to New Jersey's largest utility, Public Service Enterprise Group Inc. (“PSEG”)
- Commissioning of Borssele 1 & 2, the largest offshore wind farm in the Netherlands (752MW). With the installation of the 25<sup>th</sup> turbine at Borssele, Ørsted reached its offshore wind turbine number 1500 – a key achievement for offshore wind and for Ørsted
- World largest wind farm, Hornsea 1 (1,218 MW offshore wind in the UK), fully ramped up and up and running
- World's largest renewables energy CPPA signed with Taiwan-based TSMC for the 920MW Greater Changhua 2b & 4 in Taiwan
- TEPCO and Ørsted formed JV company for Offshore wind project in Japan

- Strong traction on hydrogen pipeline – Green Fuels for Denmark consortium launched together with leading Danish transportation players and funding secured for initial phases of the hydrogen projects, WESTKUSTE 100 and Gigastack.

#### *Onshore*

- Final investment decision on constructing Old 300 Solar Center (430 MW onshore wind in Texas)
- Acquisition of Haystack Wind (298 MW onshore wind in Nebraska)
- Final investment decision on constructing Western Trail Wind (367 MW onshore wind in Texas)
- Acquisition of Muscle Shoals (227 MW solar PV in Alabama)
- Successfully commissioned the three US onshore wind farms Sage Draw Wind (338 MW), Plum Creek Wind (230 MW) and Willow Creek Wind (103 MW), located in Texas, Nebraska and South Dakota, respectively

#### *Markets and Bioenergy*

- Completed the divestment of our LNG activities to Glencore
- Signed a 15-year route-to-market agreement with SSE Renewables and Equinor to balance power generation from their offshore wind farm Dogger Bank in the UK
- Signed an agreement to divest most of our UK business-to-business customer portfolio to Total Gas & Power
- Renescence waste treatment plant in Northwich, the UK, was successfully commissioned after passing the final performance test
- Closing the divestment of Ørsted's Danish power distribution, residential customer and City Light businesses to Andel on 31 August 2020

#### ***Capital allocation***

Subject to continued value creation, Ørsted expects to invest around DKK 200 billion in the period 2019-2025 to continue its growth towards an installed renewables capacity of more than 30 GW by 2030. Ørsted's capital will be allocated to the best risk-return project opportunities in its portfolio.

Over the period 2019-2025, Ørsted expects to allocate 75-85 per cent. of its gross investments to Offshore, 15-20 per cent. to Onshore, and 0-5 per cent. to Markets and Bioenergy.

Based on the above anticipated build-out of offshore and onshore wind, Ørsted expects the current financial headroom, relative to its rating target, to be deployed within a few years.

#### **Ørsted's markets**

##### **The market share of renewables is increasing**

The renewable energy share of global power generation is increasing. Excluding hydro, it grew from less than 2 per cent. in 2000 to around 13 per cent. in 2020. This share is expected to continue to grow and to reach 27 per cent. by 2030. With renewable energy representing 25 per cent. of Europe's total power generation in 2020 (excluding hydro), Europe is leading the transformation. By 2030, renewable energy is expected to account for more than half of the European power generation (~55 per cent.).

The global installed capacity of renewables (excluding hydro, solar thermal, and geothermal) was 1,630 GW in 2020 and is forecasted to more than triple by 2030, reaching 4,342 GW according to Bloomberg New Energy Finance (“BNEF”).

In 2020, China and Europe were the regions with most renewable capacity installed, each accounting for approximately 30 per cent. The global installed capacity is expected to continue to grow 10 per cent. annually, with China and Europe remaining the major regions followed by Asia Pacific and North America.

The technologies that constituted the largest share of global installed renewable capacity in 2020 were onshore wind (42 per cent.) and solar PV (47 per cent.). Both technologies will remain the primary sources, accounting for around 90 per cent. of the total renewable capacity in 2030. However, offshore wind is expected to grow the fastest towards 2030 at an annual rate of 19 per cent.

A key driver behind the growth in renewable energy is the rapidly declining costs. Onshore wind has become the most cost-competitive energy technology due to its rapidly expanding global capacity, which has contributed to economies of scale, higher learning effects and more technological innovation. At the same time, conventional non-renewable technologies, such as coal, are facing increased costs due to reduced capacity factors, as they face increasing competition from renewable technologies.

*Sources for the information in this section: Bloomberg New Energy Finance (BNEF), New Energy Outlook 2020 and 2H 2020 offshore wind market outlook.*

### **Offshore wind**

Global installed offshore wind capacity has increased significantly in recent years. Since 2017 it has doubled from 17.7 GW to 35.5 GW by end of 2020. According to BNEF, the offshore wind market is expected to continue this strong growth trajectory.

With an annual addition of more than 10 GW, global capacity is expected to reach 87.2 GW by 2025. Thereafter, it is expected to grow annually by 19 per cent. on average, bringing the global installed capacity to 206 GW in 2030.

Currently, most offshore wind farms are in Europe, which makes up approximately 70 per cent. of the total market. Europe is expected to continue growing at strong double-digit rates towards 2030, thus upholding the position as the largest offshore wind market in the world with an expected share of the global installed capacity of 50 per cent. in 2030.

However, new markets in Asia Pacific and North America are expected to follow with booming growth. Asia Pacific, excluding China, is expected to grow at an average annual growth rate of 58 per cent. towards 2030. North America is also expected to grow significantly after 2020, with installed capacity expected to increase from 42 MW in 2020 to 22.8 GW by 2030 according to BNEF.

The strong growth in offshore wind can be attributed to the significant reduction in costs. From 2012 to 2020, the levelized cost of electricity for newly commissioned generation capacity in North-western Europe was reduced by approximately 69 per cent, and it is expected to decrease further going forward.

Newly built offshore wind has become more competitive than conventional generation technologies using gas and coal. The continuous reductions in offshore wind costs are evident in auctions in Germany and the Netherlands where some developers bid for zero subsidy projects.

With subsidies for renewable power generation trending lower and eventually reaching zero, it becomes increasingly important to find ways to manage the increasing merchant power price exposure. In the business segment, many corporate customers demand greener and more innovative energy solutions that are also sustainable and cost efficient. To address this demand, the market for CPPAs has experienced considerable

growth. In 2020, the global cumulative market size for CPPAs in the renewable sector reached 66.6 GW, up from only 10 GW in 2015.

*Sources for the information in this section: Bloomberg New Energy Finance (BNEF), H2 2020 offshore wind market outlook, Power Purchase Agreements (“PPAs”).*

### **Onshore wind**

The global onshore wind market shows strong growth as the installed capacity reached 680 GW in 2020, up from 417 GW in 2015, growing at 10 per cent. annually. The global market is forecasted to more than double by 2030.

Among key markets, Asia Pacific represents 46 per cent. of the global onshore capacity, driven by China. Europe reached 179 GW installed capacity in 2020, representing 26 per cent. of the market. Another key market is North America with 134 GW, representing 20 per cent. of the global capacity in 2020.

Onshore wind is the most cost-competitive renewable energy resource, with the lowest levelized cost of electricity in the U.S. in 2020. North America is expected to continue its growth trajectory within onshore wind and almost double its capacity by 2030. In the short term, the market will continue to be driven by projects that have secured production tax credits (“PTCs”), but once all PTC-backed projects have been built in 2024, the low cost of onshore wind will be the main driver for further capacity build-outs.

*Sources for the information in this section: Bloomberg New Energy Finance (BNEF), New Energy Outlook 2020, American Wind Energy Association, Production tax credit*

### **Solar PV**

Among the new renewable technologies, Solar PV witnessed the fastest growth, as the global capacity grew by 26 per cent. from 2015 to 2020. The global capacity reached 771 GW in 2020. This strong growth is expected to continue towards 2030, reaching 2,380 GW installed capacity at an annual growth rate of 12 per cent. Large-scale Solar PV, with a power capacity greater than 1 MW, represented 69 per cent. of the total capacity in 2020, while small-scale Solar PV, typically for residential use with a 5kW power capacity, is expected to catch up towards 2030, reaching a share of 35 per cent. of cumulative Solar PV installations.

North America reached 90 GW in 2020, increasing with 17 per cent. from the year before where installed capacity was 77 GW. It is expected to continue this growth trajectory and triple its installed capacity by 2030, reaching 247 GW.

Towards 2023, the levelized cost of electricity for Solar PV is expected to be cheapest in North America, barely overtaking onshore wind. Key drivers supporting cost reductions are scale, material savings due to less waste, and more incentives for technological innovations.

*Sources for the information in this section: Bloomberg New Energy Finance (BNEF), New Energy Outlook 2020.*

### **Energy storage**

As the share of intermittent renewable sources is increasing in the global energy mix, the need for more dynamic dispatchable units to store energy and support rapid load-shifting is also growing. Battery storage solutions can balance electricity supply and demand and may also provide ancillary services.

Global energy storage is expected to rise significantly over the next decade. In 2020, it had grown by 64 per cent. from 2015, reaching 11.2 GW, and it is expected to continue this strong growth path to reach 176 GW by 2030.

Today, the share between small-scale and large-scale storage is balanced, accounting for 47 per cent. and 53 per cent. respectively. Large-scale storage systems (more than 1 MW) primarily provide services directly to the grid, while small-scale storage systems typically provide end-customer services.

A key driver for the strong outlook is the decreasing cost of lithium-ion battery packs. Between 2010 and 2017, prices fell by 80 per cent. and going forward, BNEF forecasts further cost reductions, supported by economies of scale from increasing battery manufacturing capacity.

*Sources for the information in this section: Bloomberg New Energy Finance (BNEF), New Energy Outlook 2020.*

## **Bioenergy**

Global waste volumes are rapidly increasing. In 2004, the municipal solid waste (“MSW”) generated globally amounted to 680 million tonnes per year. According to the World Bank, the volume has tripled to over 2.0 billion tonnes in 2016 and is expected to increase by 70 per cent. to over 3.4 billion tonnes in 2050. In 2016, only 17 per cent. of MSW was recycled, while the majority was sent to landfilling, which can potentially have significant negative effects on the environment. Regulation is attempting to boost the recycling share. The EU has set targets to increase the recycling share of MSW to 60 per cent. by 2030 and reduce landfilling to less than 10 per cent.

Alternatives to landfilling, such as incineration and full-source separation, contribute to high carbon emission levels and only marginally to recycling. Hence, it is increasingly important to find alternative solutions.

In addition to MSW, industries produce waste from their production activities, e.g. organic residues and by-products, that need to be handled. In 2014, waste production, agriculture, forestry, fishing and water treatment in the EU accounted for 157 million tonnes per year. For companies that depend on natural gas and are looking for greener processes, the conversion of organic waste into bio-methane is an appealing solution. The sustainable production of biomass – with harvests replaced by fresh tree planting and stewardship of forest ecosystems – is key to ensuring its Carbon neutrality and minimising its other impacts on the environment.

Combined Heat and Power plants (“CHPs”) are a major contributor to power generation and the backbone of heat generated and supplied to homes and businesses across large parts of Europe. By utilizing the heat produced from generating power, CHPs achieve a high level of energy efficiency.

*Sources for the information in this section: World bank on Urban Development, USDA biofuels annual, EU waste framework directive, Eurostat 2019, EU waste policy review.*

## **Markets**

Generators must manage their exposure to power wholesale market prices, which are difficult to predict across both short- and long-term horizons. Price volatility leads to merchant price risk, particularly on revenue streams that are not covered by long-term offtake agreements or government subsidies. Generators are increasingly developing their power trading capabilities as a means of reducing merchant risk exposure.

Considering the growth in renewables, the consequent increase in intermittent power generation will lead to continuous discrepancies between forecasted and actual production. There is value in efficiently managing this gap for wholesale customers by providing balancing services.

*Sources for the information in this section: IHS Markit, Planning scenario 2019, IEA WEO 2020, Bloomberg New Energy Finance (BNEF), 2H 2020 Corporate Energy Market Outlook, New Energy Outlook 2020.*

## Segments

### Offshore

Ørsted, with more than 25 years of experience, is currently the global market leader in offshore wind<sup>1</sup> and had by the end of January 2021 installed more than 1,500 offshore wind turbines. Offshore wind is Ørsted's core business and continues to be a key strategic priority. Ørsted is currently engaged in developing, constructing, operating and maintaining offshore wind farms in Denmark, the United Kingdom, Germany, the Netherlands, Taiwan and the United States.

#### *Offshore's main strategy*

Ørsted's main strategic focus for Offshore is to:

- Maintain our market leadership in offshore wind with a targeted capacity of 15 GW in 2025;
- Continue to pioneer new markets and develop a global business;
- Continue to reduce the cost of electricity from offshore wind;
- Implement operational excellence and innovation and digitalisation initiatives across the business; and
- Leverage market leading partnership model for incremental value creation and risk diversification.

#### *Major projects and activities in operation*

As of the end of January 2021, Ørsted has installed offshore wind capacity of 7.6 GW in total, of which Ørsted has maintained ownership of 4.4 GW. According to the current build-out plan, the total installed capacity will increase to 9.9 GW by 2022 and 14.9 GW by 2025. In 2020, power generation from Ørsted's offshore wind turbines amounted to 15.2 TWh compared to 12.0 TWh in 2019. The increase is mainly a result of ramp-up of power generation from the Hornsea 1 and Borssele 1&2 projects. Furthermore, wind speeds were higher in 2020 compared to 2019.

In order to maintain its leading position in the market, it is of strategic importance for Ørsted to have a robust and balanced pipeline of offshore wind development projects and to construct, operate and maintain a portfolio of wind farms efficiently. Ørsted currently has a significant pipeline of offshore wind capacity under development across four regions: UK, Continental Europe, the United States and Asia-Pacific.

#### *Continental Europe and UK project development pipeline*

In Germany, Ørsted has an offshore development portfolio with a total capacity of 1,142 MW expected to be constructed and completed by 2024/2025 subject to final investment decisions ("FID's") in 2021/2022. This capacity was originally awarded to 5 development projects (Borkum Riffgrund West 1, Borkum Riffgrund West 2, OWP West, Gode Wind 3 and Gode Wind 4) through the two transitional German offshore wind auctions that took place in April 2017 and April 2018. Later, the 5 projects were combined into two projects; Borkum Riffgrund 3 with a capacity of 900 MW and Gode Wind 3 with a capacity of 242 MW. The Borkum Riffgrund 3 project (900 MW) was won with a zero-subsidy bid hence the project's revenue is subject to electricity price fluctuations. This 900 MW capacity in Germany is the only subsidy free capacity currently secured in Ørsted's offshore wind portfolio. First steps in de-risking the project was taken in December 2019 with signing of a fixed price CPPA with Covestro (the capacity of the CPPA is 100 MW) and in November 2020 another fixed price

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<sup>1</sup> As of end December 2020, Ørsted's share of global capacity constructed and under construction amounted to approximately 26 percent (BNEF, 4C offshore, Ørsted analysis, December 2020). If a project is executed on behalf of a lead developer managing the construction, then 100 percent of capacity is allocated to the lead developer. If construction is executed by an integrated joint venture, capacity is allocated in proportion to the joint venture share.



CPPA with Amazon with a capacity of 250 MW was signed, thereby further de-risking the project. Further CPPA negotiations are in progress.

In the United Kingdom, the Development Consent Order (“**DCO**”) for the Hornsea 3 project was issued in December 2020 and Ørsted expects to participate with the project in the fourth CfD round, expected to take place in the second half of 2021. The Hornsea 4 project is expected to obtain DCO in 2021 and will upon receipt of DCO be eligible for participation in future CfD rounds in the United Kingdom that are scheduled every second year.

### ***United States project pipeline***

In 2019, Ørsted created the leading US offshore wind platform by merging the asset portfolios and competencies of Deepwater Wind and Ørsted US. Through the combined portfolio of projects, Ørsted has secured an offshore wind build-out portfolio on the US East Coast of approximately 2.9 GW to be completed between 2022 and late 2024, subject to receiving project permit by the Bureau of Ocean Energy Management (BOEM) and FID’s in the coming years.

The awarded US portfolio comprises a 1.7 GW North-East cluster (130 MW South Fork, 704 MW Revolution Wind and 880 MW Sunrise Wind 1 deploying Siemens Gamesa Renewable Energy (“**SGRE**”) 11 MW turbines) and a 1.2 GW Mid-Atlantic Cluster (120 MW Skipjack and 1,100 MW Ocean Wind 1 where GE has been selected as the preferred supplier with its 12 MW turbine).

In January 2021, BOEM published the Draft Environmental Impact Statement (“**DEIS**”) for the South Fork project, which is the latest document issued by BOEM in their review of offshore wind projects and represents the next step in the environmental review of the South Fork project. The issuance of the DEIS opens a 45-day public comment period on the document. Additional environmental review documents are expected to be issued for the South Fork project, as well as other offshore wind projects in 2021.

In the fourth quarter of 2020, Ørsted submitted bids in the auctions in Maryland (auction capacity of approx. 0.4 GW) and New Jersey (auction capacity of up to 2.4 GW) where the winners are expected to be announced in the fourth quarter of 2021 and during the first half of 2021, respectively.

### ***Asia-Pacific project development pipeline***

In the price auction in June 2018, Ørsted was awarded a 920 MW for its Greater Changhua 2b and 4 projects which are currently under construction. Subject to Ørsted taking FID on Greater Changhua 2b and 4, these two projects are expected to be connected to the grid in 2025. In July 2020, Ørsted and TSCM, the world’s largest semiconductor foundry based in Taiwan, signed the world’s largest-ever renewables CPPA where TSMC will offtake the full production from the 920 MW Greater Changhua 2b & 4 Offshore Wind Farms for 20 years at fixed prices. It is Ørsted’s expectation to participate with its remaining approximately 600 MW Greater Changhua 3 project in future auction rounds for offshore wind capacity in Taiwan.

In March 2020, Ørsted and Japanese power producer TEPCO (Tokyo electricity Power Company) established a joint venture company to work jointly on offshore wind projects in Japan. By establishing a joint venture company, Ørsted officially entered the Japanese market and formalised the partnership with TEPCO with the initial aim of developing the first offshore wind project in the Chiba prefecture, Choshi city. This includes submitting a bid for the Choshi Offshore Wind Farm project, expectedly during the second quarter of 2021.

In November 2020, Ørsted announced its intention to develop South Korean offshore wind projects with a potential capacity of up to 1.6 GW off the coast of Incheon City.

### ***Construction pipeline***

As of the date of this Prospectus, Ørsted has two offshore wind projects under construction which both are on time and on budget:

- In September 2017, Ørsted was awarded a CfD contract for the 1.4 GW Hornsea 2 offshore wind farm in the United Kingdom. In February 2018, Ørsted signed a contract with SGRE for delivery of its 8 MW turbines for the project. Offshore construction has commenced, and commissioning of the wind farm is expected in the first half of 2022 at which point it is expected to be the world's largest offshore wind farm.
- In April 2018, Ørsted was awarded 900 MW of grid capacity in the first Taiwanese non-price-based grid allocation for its Greater Changhua 1 and 2a projects. FID was taken by Ørsted in April 2019, onshore construction has commenced, and the project is expected to be completed in 2022.

Ørsted has successfully applied its partnership model for the purpose of extracting value from its projects and/or diversifying risks by divesting ownership interests to long-term industrial and financial investors. As part of the FID on the Changhua 1 & 2a projects, Ørsted decided to pursue a farm-down of the Changhua 1 project and announced in December 2020 a 50% equity divestment of the project. In addition, Ørsted signed an agreement in December 2020 with the Public Service Enterprise Group, which acquired 25% of Ocean Wind. Ørsted may also decide to farm-down other of its fully-owned projects.

### *Offshore wind farms in operation*

As of the end of January 2021, Ørsted owns 28 offshore wind farms in operation and two offshore wind farms under construction. The capacity and commercial operational date of the operational wind farms are listed below:

**Table 3: Overview of Ørsted's operating offshore wind farms**

<b>Offshore wind farms Country &amp; equity share</b>	<b>Installed capacity Ørsted share (MW)</b>	<b>Commerical Operational Date</b>	<b>O&amp;M Service Provider</b>
Nysted <i>Denmark – 42.75%</i>	166	2003	Ørsted
Horns Rev 1 <i>Denmark – 40%</i>	160	2003	Vattenfall
Avedøre Holme <i>Denmark – 100%</i>	11	2009/2011	SGRE
Horns Rev 2 <i>Denmark – 100%</i>	209	2010	Ørsted
Anholt <i>Denmark – 50%</i>	400	2013	Ørsted
London Array <i>United Kingdom – 25%</i>	315	2013	London Array Ltd., SGRE, James Fisher
West of Duddon Sands <i>United Kingdom – 50%</i>	389	2014	Ørsted
Walney 1 <i>United Kingdom – 50.1%</i>	184	2011	Ørsted
Walney 2 <i>United Kingdom – 50.1%</i>	184	2012	Ørsted
Lincs <i>United Kingdom – 25%</i>	-	2013	Ørsted

<b>Offshore wind farms Country &amp; equity share</b>	<b>Installed capacity Ørsted share (MW)</b>	<b>Commerical Operational Date</b>	<b>O&amp;M Service Provider</b>
Westermost Rough <i>United Kingdom – 50%</i>	210	2015	Ørsted
Gunfleet Sands 1 <i>United Kingdom – 50.1%</i>	108	2010	Ørsted
Gunfleet Sands 2 <i>United Kingdom – 50.1%</i>	65	2010	Ørsted
Barrow <i>United Kingdom – 100%</i>	45	2006	Ørsted
Burbo Bank <i>United Kingdom – 100%</i>	90	2007	Ørsted
Gunfleet Sands Demo <i>United Kingdom – 100%</i>	12	2013	Ørsted
Burbo Bank Extension <i>United Kingdom – 50%</i>	259	2017	Ørsted
Race Bank <i>United Kingdom – 50%</i>	573	2018	Ørsted
Walney Extension <sup>(3)</sup> <i>United Kingdom – 50%</i>	330	2018	Ørsted
Walney Extension <sup>(4)</sup> <i>United Kingdom – 50%</i>	329	2018	Ørsted
Hornsea 1 <i>United Kingdom – 50%</i>	1,218	2019	Ørsted
Borkum Riffgrund 1 <i>Germany – 50%</i>	312	2015	Ørsted
Borkum Riffgrund 2 <i>Germany – 50%</i>	465	2018	Ørsted
Gode Wind 1 <i>Germany – 50%</i>	345	2016	Ørsted
Gode Wind 2 <i>Germany – 50%</i>	263	2016	Ørsted
Borssele 1&2 <i>Netherlands – 100%</i>	752	2020	Ørsted
Block Island <i>United States – 100%</i>	30	2016	Long-term partnership with the OEM
Coastal Virginia <i>United States – 0% (EPC)</i>	12	2020	SGRE
Formosa I, Phase I & II <i>Taiwan – 35%</i>	-	2017 & 2019	Long-term partnership with the OEM

An overview of Ørsted's operational offshore wind farms and projects under constructions, including details about turbine type, partners and subsidy schemes can be accessed through the "Our business" section on Ørsted's website <https://orsted.com/en/Our-business/Offshore-wind>.

### ***Allocation of offshore wind capacity***

The allocation of offshore wind projects typically takes place through a public procurement process, organised as an auction or a tender. In auctions, project developers compete with one or more of their own developed projects. The auction system is prevalent in countries such as the United Kingdom, the United States, and to some extent Taiwan. Bid price is often the only award criterion, however increasingly more weight is given to local content by authorities when evaluating auction bids.

In tenders, which is the allocation process applied in Denmark, the Netherlands, France and going forward also in Germany (which historically favoured the auction method), the regulatory authority carries out most development activities such as site investigations on wind, seabed and environmental conditions for preselected sites. For project developers who prequalify to bid, tender processes typically require lower up-front investments than auction processes, and the risk for project owners of not obtaining the necessary permissions is also lower. In a tender process, the project is typically awarded to the bidder offering the lowest cost, however other reward criteria such as local content requirements may apply.

### ***Other developments Offshore Segment***

In February 2020, Ørsted together with its partners, Eversource Energy and the State of Connecticut, reached a final agreement on a harbour development plan for State Pier in New London that will transform the pier into a world-class offshore wind centre.

In February 2020, Ørsted signed a 20-year lease with Port of Taichung for its Greater Changhua offshore wind farms and in April 2020, Ørsted signed a long-term vessel contract with Ta San Shang Marine Co. Ltd for the Greater Changhua offshore wind farms, enabling construction of the first Taiwan-flagged Service Operation Vessel (SOV). The SOV will use Port of Taichung as its base port, where Ørsted's future O&M facilities will be located.

In March 2020, Ørsted selected SGRE as the preferred wind turbine supplier for the 900 MW Borkum Riffgrund 3 and 242MW Gode Wind 3 projects. Subject to FID's, the projects will deploy SGRE's 11 MW wind turbine with a 200-metre rotor.

In April 2020, Ørsted signed a 15-year CPPA with Nestlé UK, the UK subsidiary of the world's largest food and beverage company Nestlé, for an offtake of 125 GWh of green power per year from the 573 MW Race Bank offshore wind farm.

In April 2020, Ørsted submitted a subsidy free bid in the Holland Coast North tender in the Netherlands. While Ørsted was not successful in the Holland Coast North tender, offshore wind remains a key pillar in the Netherlands' future energy supply and with a firm build-out plan towards 2030 of 11GW the Netherlands continue to be an important market for Ørsted.

In May 2020, Ørsted, Mærsk, DSV Panalpina, SAS, Copenhagen Airports and DFDS (supported by COWI, Boston Consulting Group and the Municipality of Copenhagen) announced a partnership to develop large-scale production of - and demand for - green fuels in the Greater Copenhagen area. The intention is to develop and scale the project in three phases over the next decade: by 2023 a 10MW electrolysis producing renewable hydrogen for trucks and buses, by 2027 a 250 MW of electrolysis plus CO2 capture and chemical synthesis to produce renewable methanol for shipping and some renewable kerosene for aviation and around 2030 a 1.3 GW of electrolysis to scale the production of renewable kerosene.

In June 2020, Walney Extension Limited, a joint venture owned by Ørsted (50 percent), PKA (25 percent), and PFA (25 percent), signed an agreement for the divestment of its transmission assets to Diamond Transmission Partners Walney Extension. The transmission assets with value of approx. DKK 3.7bn (GBP 447m) include the onshore substation, export cables, and the offshore substation.

In August 2020, Ørsted and its nine partners in the Westküste 100 project in Heide, Schleswig Holstein, Germany, received confirmation from the German Federal Ministry of Economic Affairs and Energy that the consortium had been granted EUR 30 million funding as the first hydrogen project in the German Reallabor program. The nine partners in the project are Refinery Heide, EDF Germany, Holcim Germany, Open Grid Europe, Thyssenkrupp Industrial Solutions, Stadtwerke Heide, Thüga, Entwicklungsagentur Region Heide and Fachhochschule Heide. The project comprises installation of a 30 MW electrolyser at Refinery Heide as well as development and engineering of the project vision to establish a large-scale e-fuel production near Heide (incl. 700 MW of electrolysis). Refinery Heide, EDF Germany and Ørsted have formed a joint venture to develop the 30 MW electrolyser part of the project towards FID, likely in the first half of 2021.

In October 2020, together with Yara, the world's leading fertilizer company, Ørsted launched a joint renewable hydrogen project in the Netherlands. The project will include a 100 MW electrolyser plant, generating green hydrogen based on Ørsted's offshore wind farms. The green hydrogen will replace fossil-based hydrogen in the production of green ammonia at Yara's facility in Sluiskil with the potential to abate more than 100,000 tonnes of carbon emissions per year.

In November 2020, Ørsted together with BP agreed to jointly develop a potential large-scale renewable hydrogen project at BP's Lingen Refinery in North West Germany (Emsland). The project, which is expected to be operational in 2024, will comprise a 50 MW electrolyser system capable of generating one ton of renewable hydrogen per hour. This capacity can replace approx. 20% of the fossil-based hydrogen currently produced at the refinery and is the first stage towards a longer-term ambition to build more than 500 MW of renewable hydrogen capacity at Lingen by 2027. The electrolyser is expected to be powered by an Ørsted North Sea offshore wind farm.

In November 2020, Ørsted commissioned the 12 MW Coastal Virginia demonstration project in the US, which Ørsted as an EPC contractor constructing for Dominion Energy. The two-turbine offshore wind farm is the first ever to be federally permitted and installed in the US federal waters.

In December 2020, Ørsted commissioned the offshore wind farm Borssele 1&2 in the Netherlands on time and within budget. Borssele 1&2 is currently the largest offshore wind farm in the Netherlands and contributed 752 MW to Ørsted's installed capacity.

### ***Risk management***

Ørsted has a clear goal of hedging its merchant power price exposures from its offshore wind projects, including any un-subsidised projects, through corporate and wholesale long-term CPPA's as well as other financial risk mitigating structures – see the section Risk Management of the Group below for further information on Ørsted's risk management policies. Ørsted has been testing the markets in which it operates to determine the appetite and pricing for mitigating merchant power risk.

Many corporate customers are interested in greener, cost efficient and more innovative energy solutions. To address this demand, the market for CPPA's has experienced considerable growth. Despite remaining a small share of the total downstream power market, the global market for CPPAs reached 71 GW through November 2020, up from only 9 GW in 2015. As customers pursue more sustainable solutions, 50 percent of the CPPAs are sourced from wind and 49 percent from solar energy<sup>2</sup>.

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<sup>2</sup> Sources for the information: Bloomberg New Energy Finance (BNEF), Corporate PPA deal tracker, New Energy Outlook November 2020.

CPPA's play an important role in developing the green transformation as it enables the green power producers and business customers to reach their sustainability goals and at the same time offer risk management tools.

## Onshore

Ørsted entered into the U.S. onshore wind market through the acquisition of LCE in October 2018. LCE was a U.S.-based developer, owner and operator of onshore wind and solar PV projects and is now integrated into Ørsted as the business unit Onshore that serves as Ørsted's platform for creating a leading onshore renewables business spanning onshore wind, solar and energy storage, providing a strategic diversification to Ørsted's portfolio. Onshore was further strengthened in May 2019, through the acquisition of the solar and storage development activities of Coronal Project Development LLC.

The main form of U.S. federal support for onshore wind is the Production Tax Credit (PTC). These are tax credits for electricity generated by qualified energy resources for the first ten years of operation and are a significant component of the overall project economics of an onshore wind project in the U.S.

For Solar PV projects, U.S. federal support is in the form of an Investment Tax Credit (ITC) which provides a direct tax credit based on a percentage of the eligible capital expenditures.

### *Operational portfolio*

At the end of 2020, the Ørsted's Onshore business segment had an installed capacity of 1.7 GW in total of onshore wind generation capacity from seven large-scale projects situated in the Electric Reliability Council of Texas (ERCOT) and Southwestern Power Pool (SPP) markets. Onshore has solid offtake counterparties: Amazon Windfarm Texas, a 253 MW 2017 project, has 15-year CPPAs with Amazon and Iron Mountain; Willow Springs Wind, a 250 MW 2017 project, and Tahoka Wind, a 300 MW 2018 project, have 13-year power price hedges with Bank of America Merrill Lynch for 193MW and 231MW of output, respectively, Lockett Wind, a 184 MW project commissioned in July 2019 has an offtake agreement with Allianz for 80 per cent. of its total capacity, Sage Draw, a 338 MW 2020 project has a CPPA with ExxonMobil and Plum Creek, a 230 MW 2020 project in SPP has CPPAs with Smucker Co, Avery Dennison and Vail Resort. These projects benefit from 100 per cent. PTCs.

For the financial year 2020, power generation from Ørsted's onshore assets amounted to 3.5 TWh.

**Table 4. Table of operating projects**

Project name	ISO	Installed capacity (MW)	Commercial Operational Date	Turbines	Tax Equity	Offtake Solution
Amazon Windfarm Texas (Dermott)	ERCOT	252	2017	110 GE/2.5MW	50% GE EFS/50% BAML	CPPA with Amazon and Iron Mountain
Willow Springs Wind	ERCOT	250	2017	100 GE/2.5MW	50% BHE/ 50% BAML	Hedge with BAML
Tahoka Wind	ERCOT	300	2018	120 GE/2.5MW	100% BHE	Hedge with BAML
Lockett Wind	ERCOT	184	2019	75 GE/2.45MW	100% BHE	CPPA with Allianz
Sage Draw	ERCOT	338	2020	120 GE 2.82MW	80% BHE 20% GE EFS	CPPA with ExxonMobil
Plum Creek	SPP	230	2020	82 GE 2.8MW	80% BHE 20% GE EFS	CPPAs with Smucker Co, Avery Dennison and Vail Resort

Willow Creek	SPP	103	2020	38 GE 2.3 / 2.78MW	100% BHE
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Footnote:

SPP: Southwestern Power Pool, EFS: GE Energy Financial Services, BAML: Bank of America Merrill Lynch, BHE: Berkshire Hathaway Energy, Alternating current (AC)

### ***Pipeline***

Ørsted has a robust pipeline of onshore projects and is targeting operational capacity of at least 5GW in aggregate by the end of 2025.

Ørsted has five projects under construction. Ørsted is constructing the Permian Energy Center, a 420 MW<sub>AC</sub> solar PV plus 40 MW<sub>AC</sub> battery energy system project in Texas with expected commercial operations date (“COD”) in the second quarter of 2021. In July 2020, Ørsted bought Muscle Shoals, a 227 MW<sub>AC</sub> solar PV project in Alabama currently under construction with expected COD in the third quarter of 2021. Muscle Shoals is fully contracted under a long-term power purchase agreement with the Tennessee Valley Authority (TVA) and marks the first project in southeast US for Ørsted, an area in which there is a further pipeline of projects in development.

In September 2020, Ørsted took final investment decision of its largest onshore wind project to date, Western Trail Wind. The project is located near the Lockett Wind project, and the 367MW project is expected to reach commercial operation in 2021. In October 2020, Ørsted acquired and took final investment decision on the Haystack Wind project, located in SPP adjacent to Onshore’s Plum Creek project in Nebraska. The 298 MW project is expected to reach COD in the fourth quarter of 2021. Both the Western Trail Wind and Haystack projects have signed PPAs with PepsiCo. In November 2020, Ørsted took final investment decision on its largest solar PV project to date, the Old 300 project near Houston, Texas. The 430MW<sub>AC</sub> project is currently under construction and expected online in the second quarter of 2022.

### **Bioenergy**

Bioenergy’s core activities are producing and selling district heating, power and ancillary services. District heating is sold on long term contracts to Danish district heating distribution companies. Power is traded on the wholesale market via NordPool, the Nordic power exchange. Ancillary services are offered and sold through various Danish and Nordic market platforms managed by Energinet.

Ørsted is the largest producer of heat and power in Denmark. Ørsted’s thermal power generation in 2020 amounted to 4.4 TWh, while heat generated and delivered to Danish households and industries amounted to 6.7 TWh in 2020. In 2019 heat generated at Ørsted’s facilities amounted to approximately 25 per cent.<sup>3</sup> of Danish district heating supplies and in 2019 the power generated at Ørsted’s facilities amounted to approximately 16 per cent.<sup>4</sup> of Danish power production. Ørsted’s portfolio of plants uses a variety of fuels including biomass, coal, natural gas, gas oil and fuel oil to generate heat and power.

**Table 5: Fuels used in thermal heat and power generation**

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<sup>3</sup> Source: calculations from Sales Development & Analysis, BIO

<sup>4</sup> Source: total net production from Energistyrelsen

Million GJ	2020	2019	2018	2017	2016
Biomass .....	34	38	38	38	25
Coal .....	16	14	30	26	42
Natural gas.....	4	7	10	24	24
Oil.....	1	1	1	1	1
<b>Total.....</b>	<b>55</b>	<b>60</b>	<b>79</b>	<b>89</b>	<b>92</b>

Bioenergy's key assets in Denmark are seven large scale CHPs plus the H.C. Ørstedværket plant, which primarily produces heat, the Svanemølleværket heat plant and Kyndbyværket, a peak load power plant. In table 6 the power and heat capacities are listed for the plants.

**Table 6: Total and bio converted capacities for CHP's (December 2020)**

Unit	Total capacity				Bio converted capacity			
	Power capacity (MW)		Heat + steam capacity (MJ/s)		Power capacity (MW)		Heat + steam capacity (MJ/s)	
Avedøre								
Unit 1 <sup>(1)</sup> .....	258	MW	370	MJ/s	258	MW	370	MJ/s
Unit 2.....	548	MW	583	MJ/s	412	MW	503	MJ/s
Studstrup.....								
Unit 3 <sup>(1)</sup> .....	362	MW	513	MJ/s	362	MW	513	MJ/s
Skærbæk .....								
Unit 3 <sup>(2)</sup> .....	390	MW	579	MJ/s	93	MW	330	MJ/s
Asnæs .....								
Unit 6 <sup>(3)</sup> .....	26	MW	125	MJ/s	26	MW	125	MJ/s
Esbjerg.....								
Unit 3.....	373	MW	444	MJ/s	-	MW	-	MJ/s
Herning.....	88	MW	181	MJ/s	77	MW	181	MJ/s
Kyndby .....								
Unit 21.....	260	MW	-	MJ/s	-	MW	-	MJ/s
Unit 22/Unit 41+51+52.	260/144	MW/MW	--	MJ/sMJ/s	--	MW/MW	--	MJ/sMJ/s
Masnød .....	70	MW	-	MJ/s	-	MW	-	MJ/s
H.C. Ørsted.....								
Unit 7.....	44	MW	143	MJ/s	-	MW	-	MJ/s
Unit 8.....	21	MW	94	MJ/s	-	MW	-	MJ/s
Unit 21+22.....	-	MW	199	MJ/s	-	MW	-	MJ/s
Svanemøllen .....	-	MW	256	MJ/s	-	MW	-	MJ/s
<b>Total.....</b>	<b>2,844</b>	<b>MW</b>	<b>3,487</b>	<b>MJ/s</b>	<b>1,228</b>	<b>MW</b>	<b>2,022</b>	<b>MJ/s</b>



Notes:

- (5) AVV1 and SSV3 were bio converted in 2016, but until 2023 it is possible to use a mix of biomass and coal on the units.
- (6) Contains SKV3 and SKV40.
- (7) Asnæs unit 6 was commissioned 1 March 2020.

As a response to deteriorating market conditions in the North-western European power markets over the past several years, the focus of the Bioenergy business segment has shifted from generation and sale of power to generation and sale of heat primarily to municipal district heating companies under long-term contracts. This shift has resulted in a more resilient, stable and growing business. Ørsted has taken the decision that by 2023, coal will be phased out entirely as a fuel from Ørsted's heat and power plants, and Ørsted has already converted most of its CHP plants from fossil fuels to sustainable biomass, see Table 6 above for bio converted capacities.

Ørsted has long-term heat contracts with Danish municipal district heating companies to secure the heat offtake from all its heat producing plants. Table 7 shows the length of the heat contracts for all CHP's. The heat contracts cover the full lifetime of the plants. Ørsted's earnings from heat sales comprise several elements. Overall, the heating companies pay a variable and a fixed price for the heat. The variable heat price is dependent on the fuel prices and ensures that the heating companies cover the fuel costs related to the heat production. The fixed heat price consists primarily of the heat companies' share of CAPEX<sup>5</sup>, their share of OPEX<sup>6</sup> and compensation for forced operation<sup>7</sup>. The purpose of the heat contracts is to secure Ørsted's heat sale through long-term offtake contracts and to split the costs related to heat production with the heating companies. However, the risk for Ørsted relating to weather conditions remains, as heat demand depends on temperatures which can vary.

**Table 7: Heat contract periods for CHP's**

<b>Unit</b>	<b>First year of operation</b>	<b>Year of lifetime extension or bio conversion</b>	<b>Heat contracts</b>
<b>Avedøre</b>			
Unit 1	1990	2016	2016-2033
Unit 2	2002		2015-2027
<b>Studstrup</b>			
Unit 3	1984	2016	2016-2030
Unit 4	1985		
<b>Skærbæk</b>			
Unit 3	1997	2017	2017-2037
<b>Asnæs</b>			
Unit 6	2019 <sup>(1)</sup>	2019 <sup>(1)</sup>	2019-2039
<b>Esbjerg</b>			
Unit 3	1992	-	2019 <sup>(2)</sup>

<sup>5</sup> E.g. CAPEX related to bio conversions or lifetime extension of the plants.

<sup>6</sup> Fixed cost related to operation and maintenance of the plants.

<sup>7</sup> In situations with very low power prices where it is not profitable for Ørsted to produce power, but where it is necessary to produce power to meet the heat demand.

Herning	1982	2009	2019-2033
Kyndby			
Unit 21	1974	2007	-
Unit 22	1976	2008	-
H.C. Ørsted	1985	2006	2015-2033
Svanemøllen	1994	2008	2015-2023

Notes:

(8) Last operation year is 2023 for ESV3.

The power generated by Ørsted in Denmark is sold on the Nordic power exchange Nord Pool. Therefore, an important driver behind the profitability of Bioenergy's operations is the supply-demand balance in the Nordic region, which depends on factors such as wind capacity and levels, volume of water in reservoirs for the Norwegian and Swedish hydro power capacity, and temperature.

Ørsted continues to be focused on ensuring a flexible and efficient operation of its power plants and on helping to achieve a balance in the Danish energy system following the expansion of wind- and solar-generation capacity on the national level. This includes the continuous optimisation of Ørsted's power plant portfolio. At the same time, the process of shifting from coal and natural gas to sustainable biomass is ongoing, while efforts to commercialise *Renescience* continue.

Ørsted is also pursuing growth opportunities in the bioenergy sector, in particular by commercialising the patented innovative enzymatic waste treatment technology, *Renescience*. The first full-scale commercial *Renescience* plant in Northwich in the United Kingdom has processed waste since June 2020 and was commissioned in October 2020.

## Markets

Ørsted's Markets business activities consists of the following:

### *Commodities & Consulting*

Markets is exiting its Commodities and Consulting businesses. The commodity business sells power and gas to small and medium sized businesses in the UK, Germany and Denmark. Ørsted intends to exit this market segment as it does not align with the Strategic direction Ørsted is taking. A process for finding new owners is expected to conclude during 2021.

### *Wholesale*

The Wholesale business operates in North-Western Europe and USA and manages the Group's overall energy portfolio, executes the Group's commodity hedge strategies and sells parts of the physical energy production to the market. It also provides similar services to external parties to increase earnings while utilising its existing resources. The Markets business also has a portfolio of legacy natural gas sourcing contracts and operates the Group's offshore natural gas pipelines in the North Sea and the oil pipeline from the North Sea to Fredericia in Denmark.

### ***Markets main strategy***

Markets provides route-to-market services for Ørsted's product portfolio as it brings Ørsted's power, gas and green certificates to market, while also managing the risk profile of Ørsted's energy commodity portfolio. Ørsted's main strategic focus for Markets is to:

- Provide an efficient route-to-market for Ørsted and third-parties by offering services such as power balancing and green certificates trading
- Manage market risk for Ørsted's energy portfolio through commodity trading and other risk management activities; and
- Optimise Ørsted's natural gas portfolio

### ***Major projects and activities in operation***

*Power sales:* Markets sale of power totalled 11.6 TWh for 2020.

*Natural gas sales:* In 2020, Markets physical natural gas sales totalled 90.3 TWh, of which 27.3 TWh was sold to end customers and 63.1 TWh was sold to wholesale customers and gas hubs.

*Gas sourcing:* Ørsted has concluded renegotiations of the gas prices on all of its long-term gas sourcing contracts relating to the period 2011-2016.

*Gas and oil infrastructure:* Ørsted own and operate offshore natural gas pipelines and oil infrastructure used by oil and gas producers in the North Sea. The upstream gas and oil pipelines enable the transportation of gas to Denmark and crude oil from fields on the Danish shelf to the oil terminal in Fredericia, Denmark. It has been decided that Ørsted shall on market terms seek to divest its Oil Pipeline Business and offshore gas pipeline activities to Energinet at an appropriate time.

Moreover, Ørsted has a portfolio of longer-term capacity agreements for partly owned and leased natural gas storage facilities in Germany and Denmark.

### ***Recent events***

On 31 August 2020 Ørsted closed the divestment of its Danish power distribution, residential customer and city light business to Andel (former SEAS-NVE) for the total proceeds of DKK 20.5 billion.

On 1 December 2020 Ørsted closed the divestment of its LNG business to Glencore

In September 2020, an agreement to divest the vast majority of Ørsted's business-to-business activities the United Kingdom to Total Gas & Power was signed. Closing is expected during the first quarter of 2021. The divestment comprises approximately 3,800 gas customers and 2,200 power customers.

## **Finance and Liquidity**

### **Anticipated Future Investments**

Ørsted's strategy is supported by a range of investment opportunities capitalising on core competencies within Ørsted's business units and new opportunities within the defined strategy. Ørsted's investment portfolio consists both of projects which have been approved by the Board of Directors and projects that are still being considered for approval.

Ørsted expects to invest around DKK 200 billion in the period 2019-2025 and the gross investments for 2021 are expected to amount to DKK 32-34 billion.

Ørsted's investment programme is primarily related to:

- substantial and continuing investments in the development, construction and maintenance of offshore wind projects in the United Kingdom, Germany, the Netherlands, Denmark, North America and Asia;
- investments in the development, construction and maintenance of onshore wind, Solar PV and energy storage projects in North America and other countries and continents where Ørsted conducts business;
- investments in Bioenergy & Market's activities mainly comprising conversion of remaining coal fired plants; and
- investments in new green value creating business opportunities including hydrogen.

### **Anticipated Divestments**

Ørsted may make further divestments of ownership interests in wind farms being developed and constructed in addition to those previously completed if viewed by Ørsted as value creating or risk reducing.

### **Liquidity and cash position**

Ørsted's investment policy for excess liquidity is focused on limiting Ørsted's sensitivity to volatility in financial markets. As at end December 2020, Ørsted's total available liquidity was DKK 45.6 billion, which consisted of cash and cash equivalents in the form of short-term bank deposits of DKK 5.4 billion, liquid assets in the form of securities, primarily liquid AAA-rated Danish mortgage bonds and, to a lesser extent, investment-grade corporate bonds, including hybrid bonds, of DKK 24.4 billion, less cash and securities not available for distribution (excluding repo loans) of DKK 1.5 billion and including undrawn long-term credit facilities entered into with Nordic and international banks and banks in Taiwan of DKK 15.8 billion.

Ørsted has defined a minimum liquidity reserve requirement in line with rating agency requirements, which includes a EUR 1.4 billion back-stop facility which expires in January 2023, and which should always be complied with. Ørsted's available liquidity as at end December 2020 was significantly above such minimum liquidity reserve requirement. This excess cash position is available to fund future capital expenditures and investments in new value creating business opportunities. In case of excess capital beyond such opportunities, this will be applied to prepay debt or returned to shareholders through increased dividends and/or share buy-backs.

### **Funding of the Group Investments**

Ørsted's capital expenditures are generally financed through cash flow from operations, debt financing raised from Scandinavian and international banks and debt capital markets issuances, including hybrid capital. It is expected that planned investments will be funded through similar sources and through reductions of ownership in selected energy producing assets.

In 2017, Ørsted established its Green Bond Framework, which in April 2019 was updated to a Green Finance Framework thereby expanding the framework to also cover green bank loans and other types of debt instruments. Proceeds from securities issued by Ørsted labelled as "Green Bonds" will be applied in accordance with the Green Finance Framework. The Green Finance Framework sets out, amongst other things, the type of projects and investments that are eligible for proceeds raised from Green Bonds or green financing instruments, the process for selection and allocation of proceeds to green projects and how Ørsted will manage and report on the allocation and impact of its green bonds and financing instruments. Ørsted's Green Finance Framework is available on Ørsted's website at <https://orsted.com/en/investors/debt/green-financing>.

In addition to this, Ørsted complies with the requirements for use of proceeds and reporting established by the Taipei Exchange in relation to the TWD denominated bonds issued in Taiwan by Ørsted Wind Power TW Holding A/S and guaranteed by Ørsted.

Pursuant to the International Capital Markets Association's Green Bond Principles 2018 recommendations, CICERO has issued a second-party opinion regarding its Green Finance Framework. The Green Finance Framework, the CICERO Opinion and associated reporting are available on Ørsted's website [www.orsted.com](http://www.orsted.com).

It is Ørsted's policy to primarily finance the Group's activities out of the Group parent company, Ørsted. However, in relation to entering new markets, Ørsted may to some extent take up local currency debt through a subsidiary, with such debt being backed by an unconditional and irrevocable guarantee from Ørsted. Currently, Ørsted is guaranteeing the obligations of Ørsted Wind Power TW Holding A/S relating to the five senior bonds issued by it in Taiwan for an aggregate nominal amount of TWD 27 billion maturing between 2026 and 2040, and the obligations of Taiwan Orsted Financial Services Ltd. relating to the TWD 25 billion 5-year revolving credit facility due in 2024 taken up by it with Taiwanese lenders.

Furthermore, in support of the rating of Ørsted Salg & Service A/S by Moody's and Ørsted Wind Power TW Holding A/S with Taiwan Ratings, Ørsted has unconditionally and irrevocably guaranteed to any person with whom Ørsted Salg & Service A/S or Ørsted Wind Power TW Holding A/S, respectively, has transacted in the ordinary course of its business (for the purposes of this paragraph, a "**Beneficiary**") all actual or contingent, present or future obligations and liabilities which are due, owed or payable by Ørsted Salg & Service A/S or Ørsted Wind Power TW Holding A/S to the Beneficiaries.

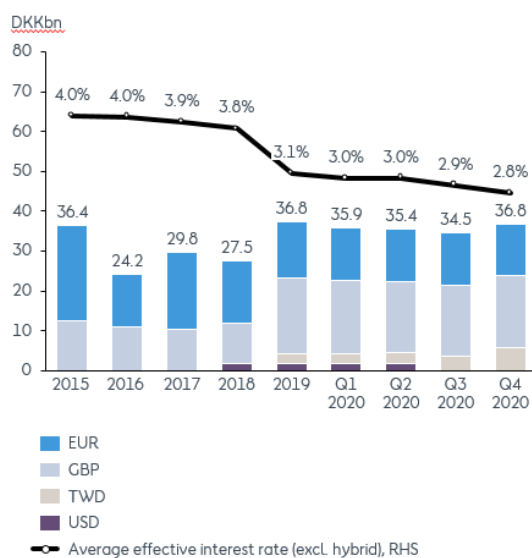
For the purposes of ranking creditors of Ørsted Wind Power TW Holding A/S pari passu with the creditors of Ørsted, Ørsted Wind Power TW Holding A/S has issued an unconditional and irrevocable guarantee, guaranteeing to any owner or investor in any senior bonds issued by Ørsted under its EUR 7,000,000,000 Debt Issuance Programme and other bond documentation (for the purposes of this paragraph, a "**Beneficiary**") all actual or contingent, present or future obligations and liabilities which are due, owed or payable by Ørsted to the Beneficiaries including without limitation all principal, interest, fees, other costs and expenses incurred by the Beneficiaries.

In connection with entering into new markets, Ørsted may deviate from its financing strategy and apply non-recourse project financing on a case-by-case basis depending on the risk relating to a project, partner preferences, structuring possibilities or other factors.

As at the end of December 2020, Ørsted's total interest-bearing debt made up DKK 44.4 billion including tax equity liabilities, lease liabilities and other interest bearing debt (DKK 57.6 billion including hybrid capital issues), while the interest-bearing net debt was DKK 12.3 billion, which compares to DKK 43.4 billion (DKK 56.6 billion including hybrid capital issues) and DKK 17.2 billion, respectively, as at end of December 2019.

Figure 2 and table 8 show the development in Ørsted's gross debt and average funding costs since 2015 and time to maturity.

**Figure 2: Effective funding costs and development in gross debt**



**Table 8: Effective funding costs and gross debt**

	<i>Cost of debt (%)</i>	<i>Modified duration (%)</i>	<i>Avg. time to maturity (years)</i>
Bond loans	2.9	8.7	10.2
Bank loans	0.9	0.5	3.6
Total excl. Hybrid	2.8	8.6	9.9
Hybrid	3.6*	4.1*	4.3*
Total incl. Hybrid	3.0	7.2	8.4

\*) Based on first call and refinancing date

## Credit Ratings

Ørsted is rated by Moody's, S&P, Fitch and Taiwan Ratings. As at the date of this Prospectus:

- Moody's ratings were Baal for Ørsted's corporate and senior debt ratings, and Baa3 for Ørsted's hybrid capital securities (all ratings with stable outlook).<sup>8</sup>

<sup>8</sup> Moody's defines Baa1 and Baa3 for issuer's as follows: Issuer's or issues rated Baa represent average creditworthiness relative to other domestic issuers. Moody's defines Baa for obligations as follows: Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

- Ørsted's corporate and senior debt ratings from S&P were BBB+, and BB+ for Ørsted's hybrid capital securities (all ratings with stable outlook).<sup>9</sup>
- Fitch's ratings were BBB+ for Ørsted's corporate and senior debt ratings, and BBB- for Ørsted's hybrid capital securities (all ratings with stable outlook).<sup>10</sup>
- Taiwan Ratings has provided Ørsted with a long-term issuer credit rating of twAA (stable outlook)<sup>11</sup>.

## Risk Management of the Group

As part of the normal operations, Ørsted encounters, in addition to general operational and business risk, a number of different areas of risk, including market fluctuations in commodity prices, currency exchange rates, interest rates, inflation rates as well as credit and insurance, among others. The purpose of Ørsted's risk management activity is to identify the various areas of risk to which Ørsted is exposed and subsequently decide how to address such risks, including assessing to what extent the individual risks are acceptable or even desirable, in conjunction with an evaluation of the extent to which these risks can be mitigated and associated costs, to ensure an optimal balance between risk and return.

Market and counterparty risk management is governed by overall governance systems, risk policies and mandates. These are approved by the Board of Directors after having been reviewed by its Audit and Risk sub-committee. Mandates are granted to the Executive Board which delegates the risk mandates to the Business Units under supervision of the Executive Risk Committee headed by the Chief Financial Officer ("CFO"). The Executive Risk Committee monitors compliance with market and counterparty risk mandates and limits and serves as advisory functions to the Executive Board on risk matters.

Ørsted has a group level Risk Management function (market risks and counterparty credit risk) which, for the purpose of segregation of duties, is organisationally separated from the operating and risk-taking units. The Risk Management function is responsible for monitoring the risk mandates granted to the Executive Board by the Board of Directors, for reporting of risk limit violations to the Board of Directors and Executive Risk Committee, for reporting of significant events directly to the CFO and for risk calculation methods and models.

Ørsted has a separate Internal Audit function reporting to the Audit and Risk Committee. The mission of Internal Audit is to provide independent and objective assurance and consulting services designed to add value and improve the effectiveness of Ørsted's risk management, control, and governance processes.

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<sup>9</sup> S&P defines BBB+ for issuer's as follows: An obligor rated 'BBB' has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments. S&P defines BBB for obligations as follows: An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. S&P defines BB for obligations as follows: An obligation rated 'BB' is less vulnerable to non-payment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation. The ratings from 'AA' to 'CCC' may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

<sup>10</sup> Fitch defines BBB+ and BBB- for issuer's as follows: 'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity. Fitch defines BBB for obligations as follows: A 'BBB' rating indicates that expectations of credit risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity. The modifiers plus or minus may be appended to a rating to denote relative status within major rating categories.

<sup>11</sup> Taiwan Rating defines twAA for issuer's as follows: An obligor rated "twAA" differs from the highest rated obligors (ttwAAA) only to a small degree and has very strong capacity to meet its financial commitments relative to other Taiwanese obligors. The issuer credit rating is a forward-looking opinion about the overall capacity of a debt issuer, guarantor, or other provider of credit-enhancement ("obligor") to meet its financial obligations relative to other obligors in the Taiwanese domestic financial markets.

## **Market risks**

Ørsted's main market risks relate to commodity prices, currency exchange rates, interest rates and inflation rates. The management of Ørsted's markets risk is based on the Group's desire for stable cash flows and robust financial ratios to ensure a solid foundation for the Group's growth strategy as well as protecting the value of the Group's assets. Ørsted's risk management policies seek to reduce volatility in after tax cash flows that results from fluctuations in market prices (i.e. power, gas, oil, oil products, coal, CO<sub>2</sub> certificates and other relevant commodities) as well as to reduce cash flow volatility caused by fluctuations in currency exchange rates, interest rates and inflation rates. Ørsted's policy is to identify and assess all material market risks, with a reasonably high likelihood of materialising, with a view to assessing if such risks should be included in the overall risk management policy.

Commodity price risk is defined as the forecasted production volumes or sales volumes from energy sourcing contracts that are exposed to fluctuations in market prices multiplied by the forward energy price at the time of risk assessment. The currency risk is defined as future net cash flows in foreign currencies multiplied by the forward currency price. Ørsted has implemented a risk governance structure designed to manage identified market risks by adjusting the risk profile through entering hedging transactions to a level of exposure deemed appropriate by the Board of Directors.

In relation to market risks, whether commodity or financial, Ørsted is primarily focused on the impact that such risks would have on cash flows over the next five years and, secondarily, on the accounting effect of such transactions. Under the business performance measures, value adjustments of contracts hedging energy prices and related currency risks are postponed and recognised in the period in which the hedged exposure materialises. On top of hedging exposures up to five years, Ørsted also uses its debt liabilities to mitigate long-term currency, interest rate and inflation exposures.

### ***Commodity risk***

To reduce fluctuations in cash flows in the short and medium term, market price risks are generally hedged following a staircase principle where front end years are hedged to a high degree where-after hedge ratios decline in the following years over the tradable horizon. The tradable horizon is based on an assessment of the market liquidity. This approach is adopted partly because there is less certainty about long-term production volumes, and partly because the financial and physical markets for hedging instruments are less liquid in the longer-term end of the price curve. Ørsted may use proxy hedges to hedge energy price risk exposures.

Ørsted manages its risk profile by entering into financial or physical contracts (spot transactions, fixed price transactions and contracts for future delivery, as well as swaps, forwards, options and other derivative products).

Long term commodity market price risks beyond the tradable horizon are determined by strategic choices regarding the composition of production assets and long-term physical contracts.

The energy market trading function is responsible for executing the Group's energy commodity hedges in the external market, and in part to support these activities, Ørsted also engages in a limited amount of proprietary trading in gas, power, coal, oil, oil products and CO<sub>2</sub> certificates to take advantage of market opportunities, to discover prices and to maintain high levels of market understanding required to support portfolio optimisation and risk management activities. Market trading also balances physical volumes in the market and takes positions to earn a profit and ensure an ongoing market presence and thus gain more detailed market insight. Furthermore, Ørsted has assumed the role of market maker in the Danish and German power market which involves further market risks as Ørsted must accept certain trades in illiquid markets. Limits for market trading are based on VaR and Stress mandates, which measure the risk of losses on the portfolio from day-to-day, calculated on a fair value basis. VaR is determined as the maximum one-day loss with a 95 per cent. probability based on historical price fluctuations and thus measures the risk under normal market conditions.



### ***Currency risk***

Currency exposures in general consist of cash-flows from production with known sales or purchase prices, the value of hedged energy contracts, revenue from green certificates and fixed tariff elements, divestments, capital expenditure relating to construction of new projects and project development, operating expenses and loans in foreign currency.

Ørsted's main currency risks are in Pound Sterling, U.S. dollar and to a lesser degree Taiwan dollar. Ørsted's Euro-Danish krone risk is normally not hedged due to Denmark's fixed exchange rate policy. The main principle behind the currency risk management is that exposures are hedged when the underlying cash flows are highly certain - following a staircase principle with a declining hedge ratio over time. For new markets, the strategy is to manage the time-spread between construction cost and future revenue in the same currency.

### ***Interest and inflation risk***

The fixed rate, floating rate and inflation indexed composition of Ørsted's debt portfolio is determined by the Group's assets and the interest rate and inflation sensitivity of the cash flows generated by these assets. The issuance currency is usually chosen to align the average currency composition of debt with that of medium- and long-term FFO, providing more stable key financial ratios. Interest and inflation risk are managed by matching the sensitivity (duration) of the assets with the sensitivity (duration) of the corresponding liabilities. Fixed-interest financing over a longer term is sought to match assets with long-term fixed cash flows. Conversely, more variable-interest financing is sought for assets with varying, interest-sensitive cash flows. For assets with inflation-indexed revenues, either inflation-indexed debt is prioritised, or revenue is fixed with inflation-derivatives. Ørsted adjusts interest rate risk exposure through the interest rate terms of its loans and by entering into interest rate derivatives such as interest rate and cross-currency swaps, swaptions (options on interest rate swaps), caps and floors.

### **Credit risks**

Ørsted's credit risk arises partly from the sale of power, gas and green certificates and partly from entry into financial and physical transactions based on fixed or indexed prices. As part of the normal course of business, Ørsted enters into contracts for physical delivery of energy products with customers and suppliers as well as hedging contracts for commodities, currencies and interest rates with different market participants, such as other energy companies, specialised trading houses and international banks. Physical contracts with a maturity of more than one year are common and certain other contracts can have maturities of more than five years such as the increasing number of CPPAs.

Suppliers expose Ørsted to operational project delays, but Ørsted could also incur a financial loss as a consequence of a supplier default and switch of supplier. Pre-payments made under supply agreements are generally subject to advance payment guarantees.

All these contracts expose Ørsted to a cost if the counterparty to a contract cannot fulfil its obligations under the contract. Ørsted could potentially also be exposed to counterparty risk from secondary liabilities relating to the divestment of its Oil & Gas business activities in September 2017 and the LNG business closed in December 2020. The risk of such costs is measured and managed as credit risk.

Ørsted manages credit exposures in such a way as to facilitate business activities without subjecting itself to unreasonable credit exposure in respect of any individual counterparties. Credit terms are part of the commercial negotiations and contractual risk mitigation includes rating triggers/financial covenants, receiving prepayments, bank guarantees, parent company guarantees and margining agreements.

The methodology for calculating credit risk takes into account the risk of non-payment of outstanding receivables from already delivered contracts and a financial element covering current and future replacement

costs arising from changes in the market value for contracts not based on floating prices. Future replacements costs are estimated based on an “add-on factor” derived from the historical price volatility of the underlying contract asset type.

Ørsted manages its counterparty credit risk through its Group Credit Risk Policy which, among other things, defines how credit lines are set along with calculation principles for the actual credit exposure. This Policy also establishes roles and responsibilities within Ørsted’s organisation and is designed to ensure that all major credit exposures are monitored at the group-wide level. Ørsted manages credit lines on the basis of its assessment of the counterparty’s creditworthiness. Where counterparties have been rated externally by, among others, Fitch, Moody’s or S&P, these ratings play a significant role in determining the internal rating for such counterparties. Ørsted uses standardised contractual frameworks and credit support provisions (for example, International Swaps and Derivatives Association, Inc. and the European Federation of Energy Traders) for trading in energy and financial markets.

For the management of Ørsted’s credit risk, its trading and financial counterparties are reported on a daily basis, and all significant credit risk exposures are reported on a regular basis to the Executive Risk Committee and the Board of Directors.

### **Insurable risks**

Ørsted’s insurance programme and type of insurance coverage is based on analysis and mapping of risks related to Ørsted’s activities, including factors such as diversification of risks between the business areas, the geographical spread of assets, the likelihood and frequency of events and the likely impact of such events.

A part of the property insurance cover relates to Ørsted’s membership in the mutual insurance company, Oil Insurance Ltd. Through this membership, Ørsted is insured up to a limit of USD 400 million, with a deductible amount of USD 10 million for each occurrence resulting in damage to assets. In addition to the cover afforded by Oil Insurance Ltd., Ørsted is covered through separate policies designed to ensure adequate insurance coverage for all operational and construction assets. This additional coverage comprises of specific insurance policies established through Lloyd’s of London and other markets.

Ørsted is not insured for business interruption. Ørsted’s risk relating to business interruption is diversified between the various business areas, the geographical spread of assets as well as the introduction of partnerships. Furthermore, the frequency and likelihood for worst-case scenario business interruption losses are considered low.

With a view to optimising the insurance portfolio and managing the property insurance with Oil Insurance Ltd., among others, a subsidiary, Ørsted Insurance A/S, has been established. Ørsted Insurance A/S is reinsured by many reinsurers including Oil Insurance Ltd.

Oil Insurance Ltd. is a mutual insurance company rated A (stable) by S&P and A2 (stable) by Moody’s. In addition to the reinsurance protection, the captive is also protected by a stop loss insurance to limit the potential exposure to the captive in case of frequency losses and claims on the property onshore insurance. Ørsted Insurance A/S is subject to supervision by the Danish Financial Supervisory Authority.

### **Legal Proceedings**

#### **Elsam**

Ørsted is engaged in competition disputes relating to Danish wholesale power prices which could have a significant effect on the Group’s financial position or profitability.

Ørsted has been party to actions with the competition authorities relating to their claim that the former Elsam A/S (“Elsam”), now part of the Group, infringed competition law by charging excessive prices in the Danish wholesale power market in the period 1 July 2003 to 31 December 2006. These cases have now been closed as follows:

- For the period 1 July 2003 to 31 December 2004 the parties have - following the ruling described in the next paragraph - settled the case in favour of Elsam agreeing that investigation made by the competition authorities has not proved that Elsam’s behaviour in this period constituted an infringement of competition law.
- For the period 1 January 2005 to 30 June 2006 the High Court of Western Denmark has ruled – in May 2018 - in favour of Elsam finding that the investigation made by the competition authorities has not proved that Elsam’s behaviour in this period constituted an infringement of competition law.
- For the period 1 July 2006 to 31 December 2006 the Competition Appeals Tribunal has abrogated - in March 2008 - a similar finding of excessive pricing from the Danish Competition Council and referred it back to the Council. This decision was based on the finding that the Danish Competition Council had not proved that Elsam’s behaviour in this period constituted an infringement of competition law. Based on the public statements from the Council it does not seem likely that they will initiate a new investigation.

In connection with the competition authorities’ original claim that Elsam infringed competition law, a number of power consumers filed a claim with the Maritime and Commercial Court for compensation against Ørsted or instead of filing a claim entered into agreements with Ørsted to suspend the statutory limitation of their alleged claims. The biggest claim filed so far is by a group of power consumers claiming compensation which at the moment is calculated as an amount of up to DKK 4,405 million with the addition of interest from the date of the individual payments of allegedly excessive prices until settlement of the claim. i.e. in the period from 1 July 2003 and until a final non-appealable decision has been made by the courts and the amount has been finally paid. The plaintiffs’ claim for interest can therefore exceed any damages which may be awarded to the plaintiffs including the aggregate primary claim of DKK 4,405 million. In a ruling by the Maritime and Commercial Court from March 2020 Elsam was acquitted from the claim, but the plaintiffs have appealed the ruling.

## **Tax**

The Danish Tax Agency has in an administrative decision concluded that Ørsted Wind Power A/S has not acted at arm’s length terms and conditions when charging fees for technical services provided to the two project companies for the Walney Extension and Hornsea 1 offshore windfarms in the UK during the development phase.

The decision entails an additional tax payable of DKK 5.1 bn for the income years 2015 and 2016 plus interest. This decision has been disputed, and the Issuer have lodged an appeal with the Danish National Tax Tribunal and also filed an application for Mutual Agreement Procedure between the Competent Authorities of the Danish Tax Agency and Her Majesty’s Revenue & Customs under both the EU Arbitration Convention and the relevant Double Tax Agreement including the Multilateral Instrument. The Issuer has further requested a deferral of payment until the case is finally decided. Our application for Mutual Agreement Procedure under both instruments was confirmed as admissible by the Danish and UK Competent Authorities on respectively 18 and 21 December 2020. The request for a deferral of payment until the case is finally decided was accepted on 22 December 2020 by the Danish Tax Agency.

In response to the Issuer’s tax risks including the current controversy involving the development fees for the Walney Extension and Hornsea 1 offshore windfarms, tax related provisions have been made in accordance

with IAS 12, IAS 37 and relevant interpretations, such as IFRIC 23. The provisions have been calculated on the basis of differences in tax rates and statistical risks of suffering economic or legal double taxation.

## **Material Contracts**

The following is a summary of material contracts, other than contracts in the ordinary course of business, into which Ørsted or any of its subsidiaries have entered, which contain obligations or entitlements that are material to Ørsted as at the date of this Prospectus. In the course of its ordinary business, Ørsted enters into contracts which have obligations or entitlements that are material to the Group. Amongst these contracts entered into in the ordinary course of its business is, for example, agreements entered into as part of the offshore wind, hydrogen, onshore wind and solar projects (share purchase agreements, shareholders' agreements, joint venture agreements, construction agreements, O&M agreements and PPAs etc.), heat agreements entered into in connection with the conversion of our CHP plants to biomass and long term gas purchase contracts. Certain of such contracts contain provisions relating to change-of-control events, pre-emption rights, transfer restrictions or buy-back arrangements related to specific events or other transfer provisions. Certain of the long-term gas purchase contracts contain provisions on price reviews and take-or-pay obligations.

## **Divestment of upstream oil and gas business**

On 29 September 2017, Ørsted divested the entire share capital of DONG E&P A/S to INEOS, thereby divesting its upstream oil and gas business. As part of the divestment, Ørsted assumed secondary liabilities relating to the decommissioning of the offshore facilities owned by DONG E&P A/S and its subsidiaries in Denmark and Norway. The beneficiaries are the Danish and Norwegian states, respectively, depending on the location of the licenses, and the other participants in the relevant licenses. In the UK, a potential decommissioning liability follows due to regulation. The key terms are different depending on country of license, please see the Interim Financial Report for the first nine months of 2017, note 9. In case of any of the secondary liabilities being exercised, Ørsted has full recourse for such liabilities against INEOS, INEOS Industries Holdings Limited and INEOS Holdings AG.

## **Management**

### **General**

Ørsted is governed by the Board of Directors, which has overall responsibility for the management of Ørsted's business. Ørsted's Group Executive Management oversees the day-to-day management and, in that capacity, follows the directions and guidelines provided by the Board of Directors.

According to the Articles of Association of Ørsted, the Board of Directors must consist of six to eight members elected by the shareholders and the number of members elected by the employees according to legislation (i.e., the Danish Companies Act). The Board of Directors currently consists of six members elected by the shareholders and three members appointed by the employees (the "**Group Representatives**"). The Board of Directors holds a minimum of five meetings each year. Extraordinary board meetings are convened when required.

The Board of Directors has appointed Ørsted's Group Executive Management, including a Chief Executive Officer, CEO and Group President ("**CEO**"), a Chief Financial Officer ("**CFO**") and a Deputy Group CEO. The CEO, CFO and Deputy Group CEO comprise Ørsted's executive board (the "**Executive Board**") and are registered managers with the Danish Business Authority. Ørsted's Group Executive Management currently consists of five members.

The business address of the members of the Board of Directors and Group Executive Management is Ørsted A/S, Kraftværksvej 53, Skærbæk, DK-7000 Fredericia, Denmark.

## Board of Directors

The members of the Board of Directors of Ørsted, as at the date of this Prospectus, were:

Name	Year Born	Year First Appointed	Current Term Expires	Position
Thomas Thune Andersen.....	1955	2014	2021	Chairman
Lene Skole.....	1959	2015	2021	Deputy Chairman
Lynda Armstrong.....	1950	2015	2021	Director
Peter Korsholm.....	1971	2017	2021	Director
Dieter Wemmer .....	1957	2018	2021	Director
Jørgen Kildahl .....	1963	2018	2021	Director
Daniel Tas Sandermann.....	1984	2020	2022	Group Representative
Ole Henriksen .....	1972	2020	2022	Group Representative
Benny Gøbel.....	1967	2011	2022	Group Representative

*Thomas Thune Andersen* is the Chairman of the Board of Directors. He also serves as Chairman of the Board of Directors of VKR Holding A/S, Lloyds Register Group Limited and Lloyds Register Foundation. He also serves as a member of the Board of Directors of BW Group Ltd., IMI plc. and Green Hydrogen Systems A/S. Furthermore, Thomas Thune Andersen is a member of the Remuneration Committee of Lloyds Register Group Limited, the Nomination Committee of Lloyds Register Foundation, the Nomination Committee and Remuneration Committee of IMI plc and the Nomination Committee of VKR Holding A/S.

*Lene Skole* is the Deputy Chairman of the Board of Directors. She is CEO of the Lundbeck Foundation and Lundbeckfond Invest A/S. She also serves as the Chairman of the Board of Directors of LFI Equity A/S. Furthermore, Lene Skole is the Deputy Chairman of the Board of Directors of H. Lundbeck A/S, ALK-Abelló A/S and Falck A/S and member of the Board of Directors of Tryg A/S and Tryg Forsikring A/S. Lene Skole is a member of the Audit & Risk Committee of Tryg A/S and of Tryg Forsikring A/S. Furthermore, Lene Skole is Chairman of the Audit Committee of Falck and member of the Remuneration Committee of Falck A/S and member of the Nomination & Remuneration Committee, the Audit Committee, and the Scientific Committee of ALK-Abelló A/S. She also serves as a member of the Remuneration Committee and the Scientific Committee of H. Lundbeck A/S. *Lynda Armstrong* is a member of the Board of Directors. She is Non-executive Director of KAZ Minerals plc. She also serves as Chairman of the Board of Directors of The Engineering Construction Industry Training Board. Furthermore, Lynda Armstrong is Chair of the Remuneration Committee, member of the HSE Committee and the Project Assurance Committee of KAZ Minerals plc.

*Peter Korsholm* is a member of the Board of Directors. He is CEO of DSVM Invest A/S, DSV Miljø Group A/S, Togu ApS and Totalleveranser Sverige AB. He also serves as Chairman of the Board of Directors of Nymølle Stenindustrier A/S, GDL Transport Holding AB, Lion Danmark I ApS and four wholly-owned subsidiaries of Lion Danmark I ApS. Furthermore, Peter Korsholm is a member of the Board of Directors of DSVM Invest A/S and four wholly-owned subsidiaries of DSVM Invest A/S, A/S United Shipping and Trading Company and three wholly-owned subsidiaries of A/S United Shipping and Trading Company, DANX Holding I ApS and three wholly-owned subsidiaries of DANX Holding I ApS. Peter Korsholm is also Chairman of the Investment Committee of Zoscales Partners.

*Dieter Wemmer* is a member of the Board of Directors. He serves as Chairman of the Board of Directors of Marco Holding, plc. and one wholly owned subsidiary of Marco Holding, plc. Furthermore, he is a member of the Board of Directors of UBS Group AG and UBS AG. Dieter Wemmer is also a member of the Audit

Committee, Governance and Nomination Committee and the Compensation Committee of UBS Group AG and UBS AG.

*Jørgen Kildahl* is a member of the Board of Directors. He is Deputy Chairman of the Board of Directors of Telenor ASA. Furthermore, *Jørgen Kildahl* is as a member of the Board of Directors of Høegh LNG Holding Ltd and Alpiq AG. He also serves as a member of the Audit and Risk Committee, Sustainability and Compliance Committee of Telenor ASA, the Audit Committee of Høegh LNG Holding Ltd and the Governance Committee and the Strategy Committee of Alpiq AG. He also acts as senior advisor of Energy Infrastructure Partners.

*Benny Gøbel, Daniel Tas Sandermann and Ole Henriksen* are Group Representatives and members of the Board of Directors.

### **Group Executive Management**

The members of Ørsted's Group Executive Management, as at the date of this Prospectus, were:

<b>Name</b>	<b>Year Born</b>	<b>Position</b>
Mads Nipper.....	1966	CEO
Marianne Wiinholt .....	1965	Executive Vice President, CFO
Martin Neubert.....	1973	Deputy Group CEO
Henriette Fenger Ellekrog .....	1966	Executive Vice President, Chief HR Officer
Declan Flanagan.....	1974	Executive Vice President

*Mads Nipper* has been the CEO and Group President of Ørsted since 1 January 2021 and is a registered manager of Ørsted with the Danish Business Authority. Mads Nipper was educated at the Aarhus School of Business, where he received his M. Sc. (International Business) in 1991. Prior to joining Ørsted in January 2021, Mads Nipper served six years as CEO and President of Grundfos A/S and prior hereto as Executive Vice President of LEGO. Mads Nipper is Chairman of the Board of Directors of Danish Crown. Furthermore, Mads Nipper is Deputy Chairman of the Confederation of Danish Industry. He also acts as advisor to Axcel.

*Marianne Wiinholt* has been Ørsted's CFO since 3 October 2013 and is a registered manager of Ørsted with the Danish Business Authority. Marianne Wiinholt was educated at Copenhagen Business School, where she received her M.Sc. (Business Administration and Auditing) in 1992. Prior to joining Ørsted in 2004, Marianne Wiinholt served as an accountant at Arthur Andersen and as head of Group Accounting, Controlling & Tax at Borealis AS. Marianne Wiinholt is a member of the Board of Directors and Chairman of the Audit Committee of Norsk Hydro ASA. She is also a member of the Board of Directors and Chairman of Coloplast A/S and member of the Board of Directors of Hempel A/S and Chairman of the Audit Committee of Hempel A/S.

*Martin Neubert* has been Ørsted's Deputy Group CEO since 4 February 2021 and is a registered manager of Ørsted with the Danish Business Authority. Martin Neubert holds a Master's in Economics and Finance and a CFA Charter. Martin Neubert joined Ørsted in 2008 and has served as Head of Group M&A, Head of Partnerships & M&A and Head of Commercial Transactions & Market Development, Chief Strategy Officer and most recently been responsible for the Offshore business unit. Prior to joining Ørsted, Martin Neubert held various positions with Bain Capital, Ernst & Young and Arthur Andersen.

*Henriette Fenger Ellekrog* has been Ørsted's Chief HR Officer since 1 June 2019. Henriette Fenger Ellekrog holds a MA (Cand. ling. merc) from Copenhagen Business School. Prior to joining Ørsted in 2019, Henriette Fenger Ellekrog was Chief HR Officer with Danske Bank and before that Chief HR Officer of SAS AB.

*Declan Flanagan* has been a member of Ørsted's Group Executive Management since December 2019 and is responsible for Ørsted's Onshore business unit. Declan Flanagan holds a Bachelor of Science in Environmental Science from National University of Ireland, Galway and an MBA from Kellogg School of Management, Northwestern University, US. Prior to joining Ørsted in 2018, Declan Flanagan founded Lincoln Clean Energy in 2009 and was the CEO hereof. Before founding Lincoln Clean Energy, Declan Flanagan was CEO of E.On Climate and Renewables North America and Airtricity North America.

### **Statement on Conflicts of Interest**

No actual or potential conflicts of interest exist with respect to the duties of any member of the Board of Directors or Executive Committee towards Ørsted and their private interests and/or duties to other persons.

### **Corporate Governance**

As a listed company, Ørsted assess the Recommendations for Corporate Governance prepared by the Danish Committee on Corporate Governance. As further described in the Annual Report 2020, Ørsted has elected to comply with these recommendations. The Board of Directors of Ørsted review the corporate governance recommendations annually based on best practice.

### **Board Practices**

#### ***Audit & Risk Committee***

After Ørsted's annual general meeting, the Board of Directors of Ørsted appoints members to the Audit & Risk Committee.

The Audit & Risk Committee assists the Board of Directors of Ørsted in overseeing the financial reporting process, financial and business-related risks, internal controls and compliance with statutory and other requirements from public authorities. Moreover, the Audit & Risk Committee decides the framework for the work of Ørsted's external and internal auditors, evaluates the auditor's independence and qualifications as well as monitoring Ørsted's whistle-blower scheme.

As at the date of this Prospectus, the Audit & Risk Committee members are Dieter Wemmer (Chairman), Peter Korsholm, and Jørgen Kildahl.

### **Selected Financial Information**

The following tables set out selected financial information concerning Ørsted's assets and liabilities, financial position and profits and losses as at the dates and for the periods specified therein:

**Table 9: Consolidated Income Statement (Business Performance)**

	FY2019 <sup>(1)</sup>	FY 2020 <sup>(1)</sup>
	<i>(DKK million)</i>	
Revenue .....	67,842	52,601
EBITDA .....	17,484	18,124
Operating profit (EBIT) .....	10,052	10,536
Profit before tax .....	8,856	18,850
Profit (loss) for the period continuing operations .....	6,100	16,727
Profit (loss) for the period discontinued operations .....	(56)	(11)

	FY2019 <sup>(1)</sup>	FY 2020 <sup>(1)</sup>
	<i>(DKK million)</i>	
Profit (loss) for the period.....	6,044	16,716

Note:

(1) Source: Audited consolidated annual financial statements of Ørsted as at and for the financial year ended 31 December 2020.

**Table 10: Consolidated Income Statement IFRS**

	FY2019 <sup>(1)</sup>	FY 2020 <sup>(1)</sup>
	<i>(DKK million)</i>	
Revenue .....	70,398	50,151
EBITDA .....	19,020	16,598
Operating profit (EBIT).....	11,588	9,010
Profit before tax .....	10,392	17,324
Profit (loss) for the period continuing operations .....	7,291	15,548
Profit (loss) for the period discontinued operations .....	(56)	(11)
Profit (loss) for the period.....	7,235	15,537

Notes:

(1) Source: Audited consolidated annual financial statements of Ørsted as at and for the financial year ended 31 December 2020.

**Table 11: Consolidated Balance Sheet as at 31 December 2020**

	FY 2019 <sup>(1)</sup>	FY 2020 <sup>(1)</sup>
	<i>(DKK million)</i>	
<i>Assets</i>		
Intangible assets .....	672	639
Property, plant and equipment.....	106,013	121,610
Other non-current assets.....	9,274	9,473
Non-current assets.....	115,959	131,722
Current assets .....	59,949	63,533
Asset classified as held for sale.....	16,952	1,464
Assets .....	192,860	196,719



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Note:

- (1) Source: Audited consolidated annual financial statements of Ørsted as at and for the financial year ended 31 December 2020.

	<b>FY 2019<sup>(1)</sup></b>	<b>FY 2020<sup>(1)</sup></b>
	<i>(DKK million)</i>	
<i>Equity and Liabilities</i>		
Equity attributable to the equity holders of Ørsted A/S .....	73,082	81,376
Equity .....	89,562	97,329
Non-current liabilities .....	64,995	64,295
Current liabilities.....	29,471	34,408
Liabilities associated with assets classified as held for sale.....	8,832	687
Liabilities .....	94,466	98,703
Equity and liabilities .....	192,860	196,719

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Note:

- (1) Source: Audited consolidated annual financial statements of Ørsted as at and for the financial year ended 31 December 2020.

## DESCRIPTION OF ALTERNATIVE PERFORMANCE MEASURES

This section provides further information in relation to alternative performance measures applied by Ørsted for the purposes of the guidelines published by ESMA.

### Non-IFRS Measures<sup>12</sup>

This Prospectus contains non-IFRS measures and ratios, including those listed below, which are not required by, or presented in accordance with, IFRS as adopted by the EU or the accounting standards of any other jurisdiction. Ørsted presents non-IFRS measures to measure operating performance and as a basis for its strategic planning and forecasting, as well as monitoring certain aspects of operating cash flow and liquidity. Ørsted also believes that non-IFRS measures and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. Ørsted's non-IFRS measures are defined as follows:

- “**EBITDA**” indicates the operating profit or loss (EBIT) before depreciation, amortizations and impairment losses;
- “**EBIT**” is earnings before interest and tax equivalent to operating profit (loss);
- “**Capital employed**” is calculated as non-interest-bearing assets less non-interest-bearing liabilities;
- “**Average capital employed**” is calculated on a rolling 12-month period as the capital employed at the beginning of the 12-month period plus the capital employed at the end of the 12 month period, divided by two;
- “**ROCE**”, or return on capital employed, is calculated on a rolling 12-month period as (i) the EBIT, divided by (ii) the average capital employed;
- “**Gross investments**” is calculated as cash flows from investing activities, excluding dividends received from associates, joint ventures and equity investments, purchase and sale of securities, loans to joint ventures and joint operations, and divestments of assets and enterprises;
- “**Net investments**” is calculated as payments in connection with the purchase and sale of intangible assets, property, plant and equipment and other non-current assets as well as payments in connection with the acquisition and divestment of enterprises and activities;
- “**Free cash flow**” is calculated as cash flows from operating activities less gross investments plus divestments;
- “**Net working capital**” is calculated as inventories, trade receivables, prepayments and other current operating assets less trade payables and deferred income and other operating current liabilities;
- “**Net working capital, excluding trade payables relating to capital expenditures**” is calculated as net working capital excluding trade payables relating to purchases of intangible assets and property, plant and equipment;
- “**FFO**”, or funds from operations, is calculated on a rolling 12 month period on the basis of EBITDA (business performance), adjusted for the effect of gains on the divestments of ownership interests in

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<sup>12</sup> For further information regarding non-IFRS measures, including detailed definitions of various Alternative Performance Measures, please refer to pages 38-46 and notes 1.5 and 1.6 on pages 89 and 90-92 of the Ørsted 2020 Annual Report (<https://orstedcdn.azureedge.net/-/media/annual2019/annual-report-2019.ashx?la=da&rev=888b756c20c24fdf90693c3b07ef4d02&hash=C5F630E8154527E3490749252D103A41>)

offshore wind farms, interest expenses (net) on interest-bearing net debt and hybrid capital (50 per cent.), interest expenses transferred to assets, interest element of decommissioning obligations and current tax. Prior to the implementation of IFRS 16 1 January 2019, operating lease obligations have been recognised as if they were finance lease obligations, whereby operating lease payments have been reversed and calculated interest expenses of the present value of lease payments have been deducted.

- “**Interest-bearing net debt**” is calculated as interest bearing debt less interest-bearing assets;
- “**Adjusted interest-bearing net debt**” is calculated as interest-bearing net debt plus 50 per cent. of hybrid capital, cash and securities not available for use (with the exception of repo transactions) and the present value of decommissioning obligations less deferred tax. Prior to the implementation of IFRS 16 1 January 2019, the present value of lease payments was also included (operating lease obligations calculated as if they were finance lease obligations).
- “**FFO/Adjusted interest-bearing net debt**” is calculated as the ratio between FFO and Adjusted interest-bearing net debt.

The non-IFRS measures, including its business performance measures, may not be comparable to other similarly titled measures of other companies and should be considered together with Ørsted’s IFRS results. Non-IFRS measures and ratios are not measurements of Ørsted’s performance or liquidity under IFRS as adopted by the EU and investors should bear this in mind when considering non-IFRS measures as alternatives to operating profit or profit for the year or other performance measures derived in accordance with IFRS as adopted by the EU or any other generally accepted accounting principles, or as alternatives to cash flow from operating, investing or financing activities. Investors should rely on Ørsted’s IFRS results, supplemented by its non-IFRS measures, to evaluate Ørsted’s performance.

### **Business performance measure**

Business performance measure is a non-IFRS alternative performance measure introduced in 2011 to supplement the Group’s IFRS financial statements. The business performance measures included in this Prospectus represent the financial performance of the Group’s activities in the reporting period, as the result is adjusted for temporary fluctuations in the market value of contracts (including hedging transactions) relating to other periods. The value adjustment of hedging transactions is deferred and recognised for the period in which the hedged exposure materialises with the following three exceptions:

- Ørsted’s long-term oil-indexed purchase contracts, the prices at which Ørsted purchase gas are calculated on the basis of formulas incorporating variables based on market prices for fuel oil, gas oil, etc. over periods of up to 17 months prior to the purchase date. These prices are automatically recalculated periodically, typically quarterly. Accordingly, the impact on earnings and cash flow will be exaggerated in the short-term in periods of increasing and decreasing oil prices, an effect which will be stabilised in the long-term, providing an overall neutral effect unless there is a permanent change in oil prices or the purchase contracts terminate
- Ørsted’s hedging contracts related to the purchase contracts, the changes in the prices of fuel oil, gas oil etc. are mitigated through hedging of the expected price exposure that will exist following the conclusion of renegotiations. The market value of Ørsted’s hedging contracts related to Ørsted’s purchase contracts with a time lag are recognised in the business performance income statement at the time of the settlement of the hedging contracts which is the point in time Ørsted’s exposure cease, which is at an earlier date than the physical delivery date of the underlying gas purchase contract.
- Ørsted’s hedging contracts related to gas at storage, changes in the price of gas in Ørsted’s storage facilities are also mitigated through hedging. The value adjustment of the hedging transaction is

recognised for the period in which the hedged exposure materialises, which is when gas leaves the storage facility for delivery. Each month, Ørsted revalue the current volume of gas in storage, such that the underlying change in gas prices may be recognised earlier than the recognition of the value of the hedge.

Contracts included in business performance measures are hedging contracts concerning energy and related currencies and commercial contracts. When hedging instruments do not fully correspond to the hedged exposure, for example, if proxy hedges are used, any difference between the development in market value of the hedging contract and the market value of the hedged exposure is recognised immediately in the income statement as part of the gain or loss from the trading portfolio. Contracts included in business performance measures are hedging contracts concerning energy and related currencies and commercial contracts.

The main reasons for introducing business performance measures were (i) an inability for Ørsted to achieve the same degree of timing between the recognition of commercial exposure and hedging contracts under the IFRS rules, for example with respect to option premiums and certain commercial fixed price contracts, and (ii) a high risk of hedging contracts being in non-compliance with the IFRS hedge accounting rules, which would require Ørsted to account for the hedging contracts at fair value through profit or loss, while the commercial exposure is accrual accounted.

The timing of the recognition of hedging contracts is the only difference between the two accounting methods, and this difference is eliminated when the hedging contracts expire.

Business performance measures are audited by PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab (“PwC”) as part of their audit of the audited consolidated annual financial statements. To reflect whether an income statement figure is an IFRS or a business performance measure, IFRS or business performance (or BP) is written in connection with the relevant figures in the Prospectus, unless they are identical under IFRS and BP.

### **Auditors of Ørsted**

The auditors of Ørsted for 2020 and 2019 were PwC (authorised by the Danish Commerce and Companies Agency and regulated by the Danish Auditors Act and otherwise by the laws of the Kingdom of Denmark). PwC have audited the consolidated financial statements and the parent company financial statements of Ørsted as at and for the financial years ended 31 December 2020 and 31 December 2019 in accordance with International Financial Reporting Standards as adopted by the European Union and additional requirements under Danish audit regulation. PwC has issued an unqualified auditors’ report without emphasis of matter on such consolidated financial statements and parent company financial statements. PwC has no financial interest in Ørsted.

## Taxation

*The following is a general description of certain tax considerations relating to the purchasing, holding and disposing of Securities. It does not purport to be a complete analysis of all tax considerations relating to the Securities. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular Securityholder. It is therefore not intended to be, and should not be construed to be, legal or tax advice to any particular Securityholder. The discussions that follow for each jurisdiction are based upon the applicable laws in force and their interpretation on the date of this Prospectus. These tax laws and interpretations are subject to change that may occur after such date, even with retroactive effect.*

**Prospective Securityholders should consult their own tax advisers as to the particular tax consequences of subscribing, purchasing, holding and disposing the Securities, including the application and effect of any federal, state or local taxes, under the tax laws of each country of which they are residents or citizens.**

### Denmark

*The following is a summary description of the taxation in Denmark of the Securities according to the Danish tax laws in force as at the date of this Prospectus and is subject to any changes in law and the interpretation and application thereof which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Securities, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules. The tax considerations for Danish resident investors of requiring, holding or disposing the Securities depend on the investor's tax status and the specific terms applicable to every single emission. Potential investors are in all circumstances strongly recommended to contact their own tax advisors to clarify the individual consequences of the investment, holding and disposal of the Securities. No representations with respect to the tax consequences of any particular holder are made hereby. The below description assumes that the Securities qualify as ordinary debt instruments for Danish tax purposes.*

#### **Withholding tax**

Under existing Danish tax laws all payments under the Securities to non-Danish resident holders will be made without deduction of Danish withholding tax except in certain cases on payments between affiliated parties as referred to in sections 2 (1) (d) and 2 (1) (h) of the Danish Corporation Tax Act (Consolidated Act no. 1084 of 26 June 2020, as amended) and section 65 D of the Danish Withholding Tax Act (Consolidated Act no. 117 of 29 January 2016, as amended). According to Danish withholding tax rules, save as set out in the paragraph below, there should be no Danish tax implications for holders of the Securities that are not affiliated with the Issuer pursuant to Chapter 4 of the Danish Tax Control Act (Act. no. 1535 of 19 December 2017, as amended). Under Danish law, affiliated parties would include, but not be limited to, cases where one party directly or indirectly controls the other party by way of ownership of a majority of the share capital or voting rights or by way of agreement or where the two parties are subject to common control.

Pursuant to section 3 of the Danish Tax Assessments Act (Consolidated Act no. 806 of 8 August 2019, as amended), an arrangement or series of arrangements (i) not entered into for commercial reasons reflecting the underlying economic reality and (ii) which are implemented for the primary purpose of obtaining, or one of the primary purposes of which is to obtain, a tax benefit which is against the purpose and intent of the Danish tax laws should be ignored for purposes of calculating the Danish tax liability. The general anti-abuse rule in section 3 of the Danish Tax Assessments Act has recently been enacted in Danish tax law, and it is presently unclear how the rule could be applied. If a holder of Securities is considered to have taken part in an arrangement that is covered by Section 3 of the Danish Tax Assessments Act this could result in the application of withholding tax to payments made to such holder under the Securities.

### ***Danish holders***

Danish tax resident investors will generally be taxable on interest. Both capital gains and losses, if any, will with few exceptions be taxable or respectively deductible. One exception to this concerns private individual investors. Such investors are subject to Danish taxation on gains and losses on bonds denominated in all currencies with the exception of an annual de minimis threshold of DKK 2,000.

For individual investors the Securities are generally taxed on a realised basis, while for corporate entity investors the Securities are generally taxed based on a mark-to-marked principle (in Danish: "*lagerprincip*"), i.e. annually on an unrealised basis.

### **Luxembourg**

*The following is a general description of certain tax laws relating to the Securities as in effect and as applied by the relevant tax authorities as at the date of this Prospectus and does not purport to be a comprehensive discussion of the tax treatment of the Securities.*

*Prospective investors should consult their own professional advisors on the implications of making an investment in, holding or disposing of Securities and the receipt of interest with respect to such Securities under the laws of the countries in which they may be liable to taxation.*

#### ***Withholding tax and self-applied tax***

Under Luxembourg tax law currently in effect and subject to the exception below, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest) or repayment of principal.

In accordance with the law of 23 December 2005, as amended, interest payments made by Luxembourg paying agents to Luxembourg individual residents are subject to a 20 per cent. withholding tax. Responsibility for withholding such tax will be assumed by the Luxembourg paying agent.

### **European Union**

#### ***The proposed financial transactions tax***

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax (the "**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in the Securities (including secondary market transactions) in certain circumstances. The issuance and subscription of the Securities should, however, be exempt.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Securities where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Securities are advised to seek their own professional advice in relation to the FTT.

## United States

### *The U.S. Foreign Account Tax Compliance Act*

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as "**FATCA**", a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Denmark) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional notes (as described under "Terms and Conditions — Further Issues") that are not distinguishable from previously issued Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, the Issuer will not pay any additional amounts as a result of the withholding.

## **Subscription and Sale**

### **Subscription**

The Issuer and the Joint Lead Managers have entered into a subscription agreement dated 16 February 2021 (the "**Subscription Agreement**"). Under the Subscription Agreement, the Issuer has agreed to issue and sell to the Joint Lead Managers, and the Joint Lead Managers have agreed, subject to certain customary closing conditions, to subscribe and pay for the Securities on 18 February 2021. The Issuer has agreed to pay certain fees to the Joint Lead Managers and to reimburse the Joint Lead Managers for certain expenses incurred in connection with the issuance of the Securities.

Under certain circumstances, the Joint Lead Managers may terminate the Subscription Agreement. In such event, no Securities will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Joint Lead Managers against certain liabilities it may incur in connection with the offer and sale of the Securities.

### **Interests of Natural and Legal Persons Involved in the Issue**

From time to time, the Joint Lead Managers and their affiliates have performed, and may be performing or in the future perform, investment banking and advisory services for the Issuer for which they have received, or will receive, customary fees and expenses.

In particular, the Joint Lead Managers have entered into a contractual relationship with the Issuer in connection with the issuance of the Securities.

In addition, in the ordinary course of their business activities, the Joint Lead Managers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Joint Lead Managers and their respective affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer, as applicable, consistent with their customary risk management policies. Typically, the Joint Lead Managers and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, potentially including the Securities. Any such short positions could adversely affect future trading prices of the Securities.

The Joint Lead Managers and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities or instruments.

### **Costs and Expenses Relating to the Purchase of Securities**

The Issuer will not charge any costs, expenses or taxes directly to any investor in connection with the Securities. Investors must, however, inform themselves about any costs, expenses or taxes in connection with the Securities which are generally applicable in their respective country of residence, including any charges their own depository banks charge them for purchasing or holding securities.



## **Selling Restrictions**

### **General**

The Joint Lead Managers have acknowledged that no representation is made by the Issuer or any of the Joint Lead Managers that any action will be taken in any jurisdiction that would permit a public offering of the Securities, or possession or distribution of the Prospectus (in preliminary, proof or final form) or any other offering or publicity material relating to the Securities (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Each of the Joint Lead Managers has represented, warranted and agreed that it will comply to the best of its knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Securities. They will also ensure that no obligations are imposed on the Issuer in any such jurisdiction as a result of any of the foregoing actions. The Issuer will not have any responsibility for, and the Joint Lead Managers will obtain any consent, approval or permission required by it for, the sale of Securities under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes any acquisition, offer, sale or delivery. The Joint Lead Managers are not authorised to make any representation or use any information in connection with the issue, subscription and sale of the Securities other than as contained in, or which is consistent with, the Prospectus or any amendment or supplement to it.

### **United States**

The Securities have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Securities are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Joint Lead Manager has represented and agreed that, except as permitted by the Subscription Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Securities, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date (as defined in the Subscription Agreement) within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Securities during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Securities within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

### **Prohibition of Sales to EEA Retail Investors**

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

- (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

#### **Prohibition of sales to UK Retail Investors**

Each Joint Lead Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities to any retail investor in the UK. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
- (i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
  - (ii) a customer within the meaning of FSMA and any rules or regulations made under FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

#### **United Kingdom**

Each Joint Lead Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

#### **Singapore**

Each Joint Lead Manager has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented and agreed that it has not offered or sold any Securities or caused the Securities to be made the subject of an invitation for subscription or purchase and will not offer or sell any Securities or cause the Securities to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Securities, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA,

(ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

***Notification under Section 309B of the SFA - In connection with Section 309B of the SFA and the CMP Regulations 2018, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Securities are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).***

## General Information

- (1) The Securities have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records) with a Common Code of 229307568 in the case of the Euro Securities and a Common Code of 229368168 in the case of the Sterling Securities. The International Securities Identification Number (ISIN) for the Euro Securities is XS2293075680 and for the Sterling Securities XS2293681685.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg.

- (2) The Legal Entity Identifier code of the Issuer is W9NG6WMZIYEU8VEDOG48.
- (3) The address of Ørsted is Kraftværksvej 53, Skærbæk, DK – 7000 Fredericia, Denmark
- (4) The Issuer has obtained all necessary consents, approvals and authorisations in the Kingdom of Denmark in connection with the issue and performance of the Securities. The issue of the Securities was authorised by a written resolution of the Board of Directors of the Issuer passed on 26 November 2020 and 2 February 2021.
- (5) It is expected that listing of the Securities on the Official List and admission of the Securities to trading on the Luxembourg Stock Exchange's regulated market and Green Exchange Platform will be granted on or around 18 February 2021. The estimated expenses in connection with the admission to trading of the Securities are expected by the Issuer to amount to €20,800.
- (6) An amount equal to the net proceeds from the issuance of the Securities, estimated by the Issuer to be approximately €497,750,000 for the Euro Securities and £423,087,500 for the Sterling Securities, will be allocated by the Issuer for projects and activities that promote climate-friendly and other environmental purposes ("**Green Projects**") in line with the Issuer's Green Finance Framework (please see "*Ørsted A/S - Funding of the Group Investments*" for further information).
- (7) For so long as Securities may be issued pursuant to this Prospectus, the following documents will be available for inspection at *www.orsted.com*:
  - (i) the Trust Deed relating to the Euro Securities;
  - (ii) the Trust Deed relating to the Sterling Securities;
  - (iii) the Agency Agreement relating to the Euro Securities;
  - (iv) the Agency Agreement relating to the Sterling Securities;
  - (v) the Articles of Association of Ørsted;
  - (vi) the audited consolidated annual financial statements of the Ørsted and the Group as at and for the years ended 31 December 2020 and 31 December 2019;
  - (vii) all documents incorporated herein by reference; and
  - (viii) a copy of this Prospectus together with any supplement to this Prospectus or further Prospectus.

This Prospectus will be published on the website of the Luxembourg Stock Exchange at <https://www.bourse.lu/cssf-approvals>.

- (8) Except as disclosed in "*Ørsted A/S - Material Contracts*" on page 106 of this Prospectus there are no material contracts entered into other than in the ordinary course of the Issuer's business, which could

result in any member of the Issuer's group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Securityholders in respect of the Securities being issued.

- (9) There has been no significant change in the financial performance or position of Ørsted or the Group and no material adverse change in the prospects of the Group since 31 December 2020, the date to which the most recent published audited annual accounts were prepared.
- (10) There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Ørsted is aware) during the 12 months preceding the date of this Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Group, except for those disclosed in "*Legal Proceedings*" on pages 104 – 105 of this Prospectus.
- (11) The website of the Issuer is [www.orsted.com](http://www.orsted.com). For the avoidance of doubt, the content of any website referred to in this Prospectus does not form part of this Prospectus, except where that information has been incorporated by reference into this Prospectus and has not been scrutinised or approved by the competent authority.
- (12) The yield in respect of the Euro Securities from the Issue Date to the First Reset Date is 1.500 per cent. per annum, calculated on the basis of the issue price of the Euro Securities. Such yield is calculated in accordance with the ICMA (International Capital Markets Association) Method. The yield in respect of the Sterling Securities from the Issue Date to the First Reset Date is 2.500 per cent. per annum, calculated on the basis of the issue price of the Sterling Securities. The yields are not an indication of future yield.
- (13) Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.
- (14) The auditors of Ørsted and the Group for 2020 and 2019 were PwC at its address of Strandvejen 44, DK-2900 Hellerup, Denmark (authorised by the Danish Business Authority and regulated by the Danish Auditors Act and otherwise by the laws of the Kingdom of Denmark), who have audited in accordance with International Standards on Auditing and additional requirements under Danish audit regulations the consolidated financial statements and parent company financial statements of Ørsted as at and for the years ended 31 December 2020 and 31 December 2019, and have issued an auditors' report on those financial statements of the Group without qualifications. PwC has no financial interest in Ørsted or the Group.
- (15) Each Security and Coupon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

**Registered/Head Office of the Issuer**

**Ørsted A/S**  
Kraftværksvej 53  
Skærbæk  
DK – 7000 Fredericia  
Denmark

**Auditors of the Issuer**

**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup  
Denmark

**Trustee**

**Deutsche Trustee Company Limited**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**Principal Paying Agent**

**Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**Calculation Agent**

**Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**Joint Lead Managers**

**Barclays Bank Ireland PLC**  
One Molesworth Street  
Dublin 2  
D02 RF29  
Ireland

**Deutsche Bank Aktiengesellschaft**  
Mainzer Landstr. 11-17  
Frankfurt am Main  
Germany

**Goldman Sachs International**  
25 Shoe Lane  
London EC4A 4AU  
United Kingdom

**Morgan Stanley & Co. International plc**  
25 Cabot Square  
Canary Wharf  
London E14 4QA  
United Kingdom

**Nordea Bank Abp**  
Satamaradankatu 5  
FI-00020 Helsinki  
Finland

**Legal Advisers**

*To the Issuer*

**Kromann Reumert**  
Sundkrogsgade 5  
DK 2100 Copenhagen Ø  
Denmark

*To the Joint Lead Managers  
and the Trustee*

**Linklaters LLP**  
One Silk Street  
London EC2Y 8HQ  
United Kingdom