



**SDG7 Energy Compact of Ørsted A/S**

**A next Decade Action Agenda to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change**

**SECTION 1: AMBITION**

**1.1. Ambitions to achieve SDG7 by 2030. [ Please select all that apply, and make sure to state the baseline of each target]**

(Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

<input checked="" type="checkbox"/> <b>7.1.</b> By 2030, ensure universal access to affordable, reliable and modern energy services.	<p>Target(s):</p> <ul style="list-style-type: none"> <li>- Increase our installed renewable capacity from 12 to 50 GW.</li> <li>- Power the electricity consumption of more than 55 million people with renewable energy in our markets across.</li> </ul> <p>Time frame: 2030</p> <p>Context for the ambition(s):</p> <p>Since 2012, costs of new offshore wind energy have decreased by 66 %. Onshore wind and solar energy have seen similar cost-out trajectories. By continuing to scale up renewable energy, Ørsted strives to further increase efficiency and decrease costs of renewable energy in order to supply affordable, reliable, and modern energy services.</p>
<input checked="" type="checkbox"/> <b>7.2.</b> By 2030, increase substantially the share of renewable energy in the global energy mix.	<p>Target(s): Increase the green energy share of our energy production to 99 % (scopes 1 and 2).</p> <p>Time frame: 2025</p> <p>Context for the ambition(s): In addition, 98 we have a target of completely phasing out coal by 2023 while we are building out with renewable energy sources.</p>
<input type="checkbox"/> <b>7.3.</b> By 2030, double the global rate of improvement in energy efficiency.	<p>Target(s):</p> <p>Time frame:</p> <p>Context for the ambition(s):</p>
<input checked="" type="checkbox"/> <b>7.a.</b> By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	<p>Target(s):</p> <ul style="list-style-type: none"> <li>- We cooperate with a range of different organisations. Among these is the Science Based Targets initiative, where we have committed to ambitious carbon reductions. This includes reducing scope 1 and 2 greenhouse gas (GHG) emissions by 98 % per kWh energy generated by 2025, compared to 2006.</li> <li>- Ørsted is committed to working with our strategic partners and industrial off-takers of renewable energy and related green products to facilitate decarbonisation of the economy, including heavy industry and heavy transport.</li> <li>- Ørsted works with our suppliers to decarbonise our supply chain and wholesale buying and selling of natural gas (scope 3), with a target of reducing scope 3 emissions by 50 % by 2032 and becoming completely carbon neutral by 2040.</li> </ul> <p>Time frame: 2025/2027/2032/2040</p> <p>Context for the ambition(s):</p>
<input type="checkbox"/> <b>7.b.</b> By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least	<p>Target(s):</p> <p>Time frame:</p> <p>Context for the ambition(s):</p>

developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programs of support.

**1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. [Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]**

Target(s): Ørsted has a target of reaching net-zero emissions in our entire carbon footprint (scopes 1-3).

Time frame: 2040

Context for the ambition(s): We contribute to SDG 7 by increasing the share of renewable energy in the global energy mix, and we aspire to have a transformative impact on SDG 7 (and SDG 13).

**SECTION 2: ACTIONS TO ACHIEVE THE AMBITION**

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. [Please add rows as needed].

<p><i>Description of action (please specify for which ambition from Section 1)</i>          To reach 50 GW of installed renewable capacity, powering 55 million people by 2030:          -&gt; Ørsted plans to invest approx. DKK 350 billion in green energy from 2020 to 2027.</p>	<p><i>Start and end date</i>          2020-2030</p>
<p><i>Description of action (please specify for which ambition from Section 1)</i>          To reach the target of having a green energy share of 99 %, and to reduce our carbon footprint (scopes 1 and 2) by 98 % per kWh energy generated by 2025:          -&gt; we will completely phase out coal from our energy production by 2023          -&gt; we have joined the EV100 initiative and are converting our company vehicle fleet to electric vehicles.</p>	<p><i>Start and end date</i>          2018-2023</p>
<p><i>Description of action (please specify for which ambition from Section 1)</i>          To facilitate deep decarbonisation of heavy transport, including aviation and marine shipping:          -&gt; we will work with strategic partners from the entire value chain to develop and mature renewable hydrogen and e-fuel solutions, based on energy from offshore wind          -&gt; we will work to develop an industrial-scale production facility in our <i>Green Fuels for Denmark</i> project to produce sustainable fuels for road, maritime, and air transport in the Copenhagen area. The partnership brings together the demand and supply side of sustainable fuels, with a vision to realise what could become one of the world's largest electrolyser and sustainable fuel production facilities of approx. 1.3 GW electrolysis by 2030.</p>	<p><i>Start and end date</i>          2020-2030</p>
<p><i>Description of action (please specify for which ambition from Section 1)</i></p>	<p><i>Start and end date</i></p>

**SECTION 3: OUTCOMES**

3.1. Please add at least one measurable and time-based outcome for **each** of the actions from section 2. [Please add rows as needed].

Outcome	Date
Total of 50 GW installed renewable capacity, up from 12 GW in 2021	2030
100 % electric vehicles in own fleet	2025

Complete phase-out of coal from energy production	2023
Scope 1 and 2 emissions per kWh energy generated are reduced by 98 % from 2006 baseline	2025
Carbon footprint halved (scope 3) from 2018 baseline	2032
Carbon neutral footprint (scope 3)	2040
Total of 50 GW installed renewable capacity, up from 12 GW in 2021	2030

**SECTION 4: REQUIRED RESOURCES AND SUPPORT**

4.1. Please specify required finance and investments for **each** of the actions in section 2.

Ørsted plans to invest approx. DKK 350 billion in green energy from 2020 to 2027.

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

*[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]*

<input type="checkbox"/> Financing	Description
<input type="checkbox"/> In-Kind contribution	Description
<input type="checkbox"/> Technical Support	Description
<input type="checkbox"/> Other/Please specify	Description

**SECTION 5: IMPACT**

5.1. Countries planned for implementation including number of people potentially impacted.

UK, US, NL, DE, IE, TW, DK, with more markets to come.  
It is our target to deliver renewable energy equal to the power consumption of 55 million people in the markets we operate in by 2030.

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.  
*[up to 500 words, please upload supporting strategy documents as needed]*

The Ørsted vision is a world that runs entirely on green energy. Ørsted develops, constructs, and operates offshore and onshore wind farms, solar farms, energy storage facilities, and bioenergy plants, and provides energy products to its customers. As a world-leading renewable energy company, our main contributions are to SDGs 7 and 13, where we aspire to have a transformative impact.

By 2030, we plan to have installed a total of 50 GW renewable energy capacity, mainly in offshore and onshore wind and solar energy, delivering renewable energy to more than 55 million people. In this way, we contribute to the core of SDG 7, namely by transforming the energy system to be more sustainable, while also expanding access to affordable, reliable, sustainable, and modern energy to more people around the globe. At the same time, we are committed to both phasing out coal from our own energy generation by 2023 and making our own activities

(scopes 1 and 2) carbon neutral by 2025. We are also committed to making our carbon footprint (scope 3) climate neutral by 2040, ten years ahead of the global target for net-zero emissions as required by climate science to limit global warming to 1.5°C. In this way – through decarbonisation of our own energy production as well as our energy trading and supply chain – we contribute to SDG 13 by taking ambitious climate action.

While contributing to a greener world, we advance the positive ripple effects of the green energy transition and manage any negative effects on local communities and the environment. We have programmes in place to address the sustainability impacts of the green energy transformation, including biodiversity, local communities, biomass sustainability, and reuse and recycling of materials, thus addressing SDGs 8, 11, 12, 14, and 15. We conduct our business with responsibility, accountability, and respect for our employees, business partners, and suppliers, further addressing the challenges posed by SDGs 3, 5, 8, and 16.

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050. [up to 500 words, please upload supporting strategy documents as needed]

Almost 75 % of global emissions come from the use of energy, mainly due to the burning of fossil fuels for power, heat, cooling, transportation, and industrial processes. This makes addressing our fossil fuel use the single most important task to combat climate change. We contribute to reducing the emissions of greenhouse gases by expanding renewable generation, by phasing out our use of fossil fuels, especially coal, and by decarbonising our supply chain and our trading activities. Ørsted has reduced its emissions from energy generation and operations by 87 % since 2006, and we are on track to becoming carbon neutral in 2025. That is more than two decades ahead of what is required by science to limit global warming to 1.5°C. Recently, our carbon reduction targets were approved as being 1.5°C-aligned by the Science Based Targets initiative.

## SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

Each outcome is quantified and reported on a yearly basis in our sustainability report and yearly report. The electric vehicle target is reported through EV100.

## SECTION 7: GUIDING PRINCIPLES CHECKLIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

**I. Stepping up ambition and accelerating action** - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

Yes  No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts?  Yes  No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defied by latest global analysis and data including the outcome of the Technical Working Groups?  Yes  No

**II. Alignment with the 2030 agenda on Sustainable Development Goals** – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030?  Yes  No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps?  Yes  No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action?  Yes  No

**III. Alignment with Paris Agreement and net-zero by 2050** - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050?  Yes  No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs?  Yes  No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050?  Yes  No

**IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies** - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered?  Yes  No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition?  Yes  No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)?  Yes  No

**V. Feasibility and Robustness** - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures?  Yes  No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives?  Yes  No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)?  Yes  No

## SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

*Towards a world running entirely on green energy*

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

Ørsted

8.3. Lead entity type

Government

Local/Regional Government

Multilateral body /Intergovernmental Organization

Non-Governmental Organization (NGO)

Civil Society organization/Youth

Academic Institution /Scientific Community

Private Sector

Philanthropic Organization

Other relevant actor

8.4. Contact Information

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8.5. Please select the geographical coverage of the Energy Compact

Africa  Asia and Pacific  Europe  Latin America and Caribbean  North America  West Asia  Global

8.6. Please select the Energy Compact thematic focus area(s)

Energy Access  Energy Transition  Enabling SDGs through inclusive just Energy Transitions  Innovation, Technology and Data  Finance and Investment.

#### **SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)**

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.

- Sustainability report (2020): <https://orsted.com/sustainability2020>
- ESG report (2020): [esg-performance-report-2020.ashx \(azureedge.net\)](https://azureedge.net/esg-performance-report-2020.ashx)
- Annual report (2020): [annual-report-2020.ashx \(azureedge.net\)](https://azureedge.net/annual-report-2020.ashx)