



RISK AND INSURANCE INFORMATION

Declaration policy: SK4, REI Lykkegård, REI Herning,
Ad hoc projects, Ad hoc repair projects

ENERGINET
TONNE KJÆRSVEJ 65,
7000 FREDERICIA,
CVR. NR. 28980671

ENERGINET

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1. Introduction

The objective of this prospectus is to provide insurance carriers and underwriters with an introduction to Energinet, the Group's core risk governance philosophy, significant technical and executional experiences, key project competencies, and to provide specific risk and insurance information regarding SK4 Cable repair, REInvestment Lykkegård, REInvestment Herning, Ad hoc projects and Ad hoc repair projects.

Vision

Energinet's vision is a balanced and sustainable energy supply. We will work to develop tomorrow's energy supply while the green transition is being implemented. In cooperation with the energy sector, we will find ways of producing reliable and sustainable energy which is also good business for Danish society



Mission

Energinet is owned by the Danish state for the purpose of ensuring public control of critical infrastructure. We must contribute to ensuring a high level of security of supply, integrating renewable energy and well-functioning competitiveness on the electricity and gas markets.

2. Energinet at a glance

2.1 The foundations of Energinet

Energinet is an independent public enterprise owned by the Danish state for the purpose of ensuring public control of critical infrastructure for electricity and gas. Energinet was established by the Danish Parliament through an act of law in 2005, and its ownership falls under the Danish Minister of Climate, Energy, and Utilities. Governed by our social responsibility, Energinet's purpose is to integrate renewable energy, ensure equal access to the grids and ensure security of supply in Denmark.

The act of law in 2005, resulted in a merger between 4 regional operators, Eltra, Elkraft System, Elkraft Transmission, and Gastra to create Energinet.

In 2016, Energinet acquired DONG Energy A/S's (now known as Ørsted A/S) gas distribution grid following a political agreement made in connection with DONG Energy's IPO on the Danish stock exchange. Today the gas distribution grid is operated as part of Energinet's subsidiary, Danish Gas Distribution (DGD).

With the aim of achieving a consolidation of the Danish gas distribution grid, under DGD, Energinet finalized the acquisition of NGF Nature Energy Distribution A/S in 2018. This acquisition comprised of the gas distribution grid on the island of Funen, and 36,000 new gas consumers.

In 2019 Energinet acquired HMN GasNet and their gas distribution grid in the northern and central regions of Jutland as well as the capital area and Northern Zealand. With the latest

acquisition Energinet gained full control over Denmark's gas distribution grid, and thus achieved our goal to ensure security of supply via the consolidation.

Moving forward, following the finalized consolidation, a new independent public enterprise outside of the Energinet group will be established to house the unified gas distribution grid.

2.2 Main energy highways

Energinet owns the Danish natural gas transmission system and the 400 kV, 150 kV and 132 kV electricity transmission systems, as well as being the co-owner of the electrical interconnections to Norway, Holland, Sweden and Germany.

2.3 Reliable energy supplies

Energinet was created to serve the interests of the Danish public. As part of this service the main responsibilities of Energinet is to supply Denmark with electricity and natural gas, ensure fair competition and promote green energy solutions.

This means that the Energinet group's fundamental duty is to ensure that the electricity and gas systems are fully functional, so citizens and businesses are guaranteed secure electricity and gas supply now and in the future.

Energinet lives up to these responsibilities by:

- Maintaining the overall short- and long-term security of electricity and gas supply.
- Developing the main Danish electricity and gas transmission infrastructure.
- Creating objective and transparent conditions for competition on the energy markets and monitoring that competition works.
- Carrying out coherent and holistic planning, taking account of future transmission capacity requirements and long-term security of supply.
- Supporting eco-friendly power generation and the development and demonstration of green energy production technologies.
- Calculating the environmental impact of the energy system as a whole.

2.4 Well-functioning markets

Energinet is Denmark's transmission system operator (TSO). This entails the responsibility for creating the frameworks to support a well-functioning electricity and gas markets to ensure the best possible conditions for competition, and in extension fair prices for consumers and energy producers.

To facilitate competition Energinet has created a centralized market IT platform, DATAHUB, to facilitate and automate the execution of market processes and business transaction in the Danish retail market by registering approximately 3.3 million metering points for settlement purposes.

2.5 Supporting environmentally friendly energy with an efficient transition

Energinet is playing its part in the transition to a green energy system, and is helping to ensure an efficient transition which will benefit the Danish society.

On behalf of the Danish society, Energinet performs many tasks which support the political ambition of a green transition. This includes funding for environmentally friendly energy.

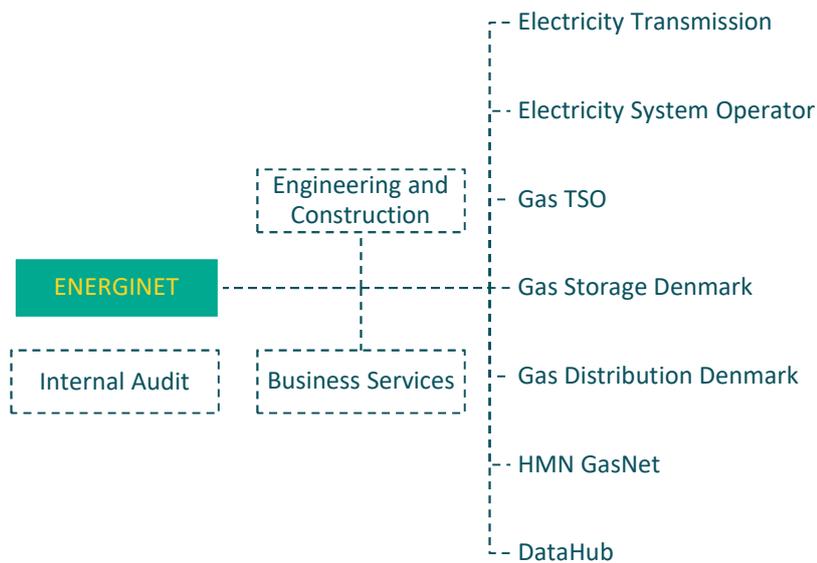
As a member of the UN Global Compact Initiative since 2009, Energinet has obliged itself to take a precautionary approach to potential environmental challenges in our projects, promoting greater environmental responsibility amongst our employees, suppliers and co-operation partners, and encouraging the development and diffusion of environmentally friendly technologies. The group's progress towards these initiatives is published annually, along with the years climate accounts.

2.6 Organization

Energinet is organized as a group consisting of seven subsidiaries, two business service companies, and an internal audit function. The group has a shared mission, vision, and group strategy. Each of the seven subsidiaries and two business service companies have their own executive boards, strategies, articles of association, and positions of strength.

- Engineering and Construction monitors, operates, and maintains the transmission and distribution systems for gas owned by either the Gas TSO, Dansk Gas Distribution, and partly also the gas reservoirs owned by Gas Storage Denmark.
- Business services is responsible for providing business support services within IT, procurement, finance, and facility management, to all other group subsidiaries and group staff functions in Energinet.
- Gas TSO is responsible for system operation, transmission, and maintenance of the Danish gas transmission system as well as future development of the gas market.

- Electricity Transmission is responsible for the operation of, and development of the Danish electricity transmission grid.
- Electricity System Operator is responsible for the operation and development of the electricity market design and balancing the electricity system.
- Gas Storage Denmark operates the two Danish natural gas storage facilities and sells storage services on the northwest European commodity futures markets.
- Dansk Gas distribution ensures the distribution of, and operates the gas grid on Zealand (with the exception of the capital region and northern Zealand), Funen and the southern part of Jutland. This subsidiary is to be a part of the future independent public enterprise.
- HMN GasNet ensures the distribution of, and operates the gas grid on the capital region, northern Zealand, and northern- and central Jutland. This subsidiary is to be a part of the future independent public enterprise.
- Data Hub ensures standardized processes for professional participants in the electricity market to stimulate competition and to optimize market conditions for electricity consumers.



2.7 Strategy

Cooperation across borders, technologies and participants in the value chain is fundamental to Energinet's strategy. Energinet believes that a reliable, and sustainable, supply of energy in the coming years can be achieved by focusing strongly on cooperation between countries - in particular the Nordic countries - on the development and operation of interconnected energy supplies.

Energinet's strategy for its activities in 2018-2020 is entitled "Energy across borders" and includes, besides the company mission, four strategic objectives:

- New security of supply framework
- Denmark as an energy hub
- Social responsibility through efficiency
- Digitalization

Learn more about Energinet's strategy on our website at the following link:

<https://en.energinet.dk/About-our-reports/Reports/Strategy-2018-2020>

3. Corporate Financial Aspects & Highlights

Energinet's economy is based on a break-even principle set out in the Danish executive order on the financial regulation of Energinet. This executive order only permits Energinet to earn the necessary costs of efficient operations plus the required return on the equity. This means that all the necessary costs arising from the activities in question are covered by the market tariffs. Necessary costs are costs which the group incurs, based on considerations of its operating economy, in order to maintain efficient operations.

The consequence of the break-even principle is that over time the financial result for the year will, when disregarding the rate of return on the net capital, be nil.

As an independent public enterprise, Energinet's annual reports are audited by the National Audit Office of Denmark in pursuance of the Danish Financial Statements Act, and the Act on the Auditing of Governmental Accounts.

3.1 Capital investment

Energinet currently plans to invest around DKK 28 billion between 2019 and 2021.

These investments are extensively directed towards securing an efficient and secure energy supply. This is to be achieved by investing in creating the frameworks for the ongoing integration of renewable energies, and facilitating increased trade in both the gas and electricity markets

3.2 Selected key financial information

The tables below show selected summarized financial information which has been selected from Energinet's consolidated financial statement presented in the audited annual report for 2018.

DKK million	Year ending 31 December	
	2018	2017
Income statement		
Total revenue	4,905	4,889
Total operating costs	(2,596)	(2,473)
Net profit	54	(228)
Balance sheet		
Total Non-current assets	43,826	41,426

Total Current assets	3,181	4,155
Total Interest-bearing debt	29,999	27,682
Total equity	5,510	5,455
Cash flow statement		
Cash flow from operating activities	1,878	1,754
Cash flow from financing activities	2,306	2,264
Cash flow from investment activities	(3,986)	(3,456)
of which investments in property, plant, and equipment	(3,600)	(3,151)
Key figures		
Solvency ratio	12%	12%
Credit rating (Standard & Poors)	AA-	AA-
EBITDA-margin %	51.5	49.8

4. Social Tasks and Responsibility

As an independent public enterprise, Energinet carries a significant social responsibility, therefore we strive to perform tasks from a holistic, social, perspective taking security of supply, economy, environmental impact, and the efficiency of energy markets into consideration during our activities. We recognize that in order to fulfill our social responsibility we must be known as a trusted, transparent, and honest enterprise.

As part of ensuring societies interests, Energinet administers public funds for renewable energy, and supports research and development in environmentally friendly power generation. Energinet also calculates the emissions of environmentally hazardous substances from not only not only from Energinet as a group, but Denmark's entire energy system.

5. Transition of the energy systems

The Danish government has a long-term vision of Denmark being independent of fossil fuels, to achieve this the milestone that wind power will cover 50% of the domestic electricity consumption in 2020 was set. In 2018 wind power constituted app. 40.7% of the combined usage of power.

Energinet plays an important facilitating role in Danish electricity and gas sectors transition to renewable energies. By developing and expanding the current systems to be able to integrate the ever-increasing amount of wind, solar power, and biogas into their respective systems.

While the security of supply of gas and power in Denmark is steady and among the highest in Europe, the amount of sustainable energy sources will continue to grow and be facilitated by Energinet.

5.1 Electrical Development Trends

The complexity of the transition renewable energy cannot be underestimated. Given the Danish Government's objective of ensuring continued integration of large amounts of renewable energy, and Energinet's development strategy for the well-functioning electricity- and gas markets towards 2025, the importance of holistic, long-term planning is obvious.

Energinet's holistic plan contains in part the task of developing a robust and flexible energy infrastructure supporting environmental and energy-political objectives – nationally and internationally.

This plan focuses on the balance between several considerations in terms of security of supply, preparedness, the environment, sustainability, markets and economic efficiency.

Given the predicted future trends, the electricity infrastructure must support the increased use of renewable generation sources, while simultaneously ensuring that there is sufficient generation capacity.

To ensure the future security supply, Energinet works with several external collaborators such as 50 Hertz transmission GmbH, National Grid plc, TenneT TSO GmbH, and TenneT B.V. on new power systems, and expanding the connections between Denmark, Germany, the Netherlands, and the UK.

5.2 Gas Development Trends

Developing the existing gas transmission system is essential to support the political ambition of a green transition. While being committed to the future gas grid in Denmark through our role as the Gas TSO, and ownership of the gas reservoirs, Energinet, in union with the Danish Ministry Climate, Energy, and Utilities will be conducting a spin-off, to create a fully independent entity for our gas distribution entities.

New gas pipelines between Denmark it's neighboring countries are helping to ensure that the transition to natural gas will benefit the Danish society at large.

As part of this development, in 2012, Energinet increased the capacity of the gas distribution system in southern Jutland. The expansion consisted of an additional pipeline between Ellund

in Germany and Egtved in Denmark, a new compressor station in Egtved, and an expanded gas storage facility at Lille Torup in central Jutland.

Furthermore, together with the Polish Gas transmission system operator, GAZ-SYSTEM S.A, Energinet is constructing the Baltic Pipe connection connecting Denmark and Poland to the existing Europe I pipeline. The project will expand the Danish gas transmission capacity by up to 10 billion cubic meters of gas per year. Baltic Pipe is expected to begin gas transmission services by October 2022.

6. Enterprise Risk Management and Risk Approach

6.1 ERM framework integrated in Energinet

Energinet has implemented a holistic Enterprise Risk Management approach to obtain a systematic and documented risk management process across the enterprise.

The enterprise risk management approach is supported by Energinet's group wide risk policy which states that risks are to be managed proactively, dynamically and as an integrated part of the business to protect people, assets and reputation and to facilitate Energinet's efficient operation.

This means that Energinet:

- Has a defined governance policy and an overall strategy for risk management in the organization.
- Uses an effective and integrated risk management system, which maintains and allows for business and operational flexibility.
- Identifies and assess significant risks associated with the company, both specifically and in relation to the interfaces between various functions and areas of risk.
- Monitors, manages and limits risks on a continuous basis.
- Reports to and supports the executive management and organization in general in relation to risk.

The holistic approach to enterprise risk management is an important support to Energinet's business performance and our management's decision-making. Due to interfaces between functions and departments, Energinet looks beyond traditional responsibilities and risk

perspectives, and recognizes that risks and the potential consequences occur throughout the value chain or in the interfaces themselves.

Energinet's executive management is responsible for ensuring a systematic, and integrated approach to risk management across the group. In addition, they are to control if the strategic direction of risk management is in line with the overall internal control environment. On a quarterly basis, the Executive Board informs the Supervisory Board on the status and development of the most significant risks.

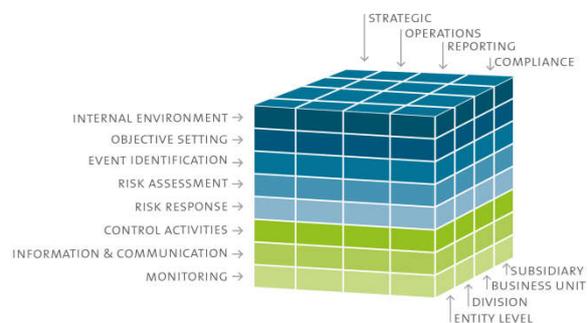
The risk management strategy in Energinet ensures that:

- Risk management is anchored and operated as close to the operational level as possible.
- The risk management operations and activities generally support an overall purpose and plan. The activities are coordinated across the organization to ensure relevance, Best Practice, efficiency, and process and cost optimization.
- Monitoring and reporting takes place and is carried out, using common systems, clear roles and responsibilities, and a centralized organizational structure for risk management and control.
- Learning is based on common systems, semantics, dialogue, and centralized consolidation and support.

Through established business processes, Energinet obtains structured management of strategic, operational and project related risk factors. Energinet has designed business processes, providing an overview of the strategic, operational and project-related risk factors and ensure that risks are managed, supporting Energinet in achieving the agreed objectives for risk management and for the strategy.

The framework for risk management in Energinet follows the COSO framework for Enterprise Risk Management, which assists in strengthening the maturity of the overall control environment for Energinet.

A prerequisite for effective risk management is the way it is tailored to the business. Risk handling varies, depending on where the risks arise. Energinet has set four main risk areas:



- Strategic – high-level goals, aligned with and supporting its mission
- Operations – effective and efficient use of its resources
- Reporting – reliability of reporting
- Compliance – compliance with applicable laws and regulations

The value being added to the business is ensured by a developed risk strategy for each risk area, supporting the overall KPI's (Key Performance Indicators) of Energinet. For each risk area, a specific risk register, risk process/procedure guidelines and risk strategy has been developed. It should be emphasized that the responsibility for risks is deliberately decentralized to its origin.

The mission of Energinet's risk management in the long term, is to facilitate a maturing culture and behavior that supports and develops the foundation for Governance, Risk, and Compliance (GRC). This mission is exercised with the assistance of the risk management Function.

The practical implication of this principle is that a project manager owns the risk management process in Energinet's construction project.

6.2 Risk management in construction projects

One of the key issues for Energinet is the improvement of, and maintenance of the maturity levels in a projects risk management is a key focus for Energinet

The risk management in Energinet is based on the COSO Enterprise Risk Management (ERM). Framework and risk appetite, risk tolerance and governance are described in Energinet's risk policy. To support this model within our construction projects Energinet has elected to use the PRINCE2 model for structured project management, alongside being ISO55001 certified.

7. Projects

7.1 Project introduction

SK 4:

Short description: A fault on the on-shore cable at SK4 was ascertained on 9th October 2019. The repair works will include excavating to access the faulty cable, laying out of a new piece of cable and further earthwork in order to cover the cable again. In addition, transportation of spare cable from storage to the site.

10-year Reinvestment Programme - General introduction:

The complexity of the transition to renewable energy cannot be underestimated. Given the Danish Government's objective of ensuring the continued integration of large amounts of renewable energy, and Energinet's development strategy towards 2025, the importance of holistic, long-term planning is obvious.

As part of supporting and optimizing the current electrical infrastructure Energinet has initiated a long-term investment program, under the name Reinvestment Program (hereafter referred to as "REI"). The REI program consists of a 10-year investment period stretching until 2029, within which approximately DKK 13.8 billion will be invested into Denmark's current electrical grid.

REI consists of two main segments, within which smaller projects characterized as high recurrence projects, covering refurbishments of existing installations and the establishment of new facilities will be undertaken. The REI projects span from renovation, remodeling and / or replacement of, for example, high voltage components, control boards and / or IT-systems split between the two segments of:

1. Aerial wiring
2. Transformer stations

Common to all REI projects are:

- Locations are only onshore within Denmark, including projects with wet works.
- Existing property values at a REI project site always fall within a 200 mio DKK limit
- The project period per project is less than 48 months, however, most are under 36 months
- There is considerable inter-project variation in respect of both exposure to existing buildings and facilities

The two mentioned projects REI Lykkegård and REI Herning below forms part of this program and the main part of this program starts after 1. March 2020.

Reinvestment Lykkegård 150kV station:

Short description: A new maneuver building with new automation is being established at Lykkegård station, and construction components will be reinvested according to the identified need. The neighboring lot is being acquired to make room for a new maneuvering building and the expansion of the busbar as well as moving the coupling bay. The project also comprises a reinvestment in 2 pcs. 150/60 kV-transformers at Lykkegård station. The reinvestment includes an upgrade of the transformer power on both transformers from 75 MVA to 125 MVA.

Reinvestment Herning 150kV station

Short description: In Herning, a new station will be established southwest of the existing Herning station, which will cover the future need for extensions. In addition, the establishment of a new station will result in overhauling a 2.1 km aerial line in connection with changes in the existing 150 kV connections.

+ Ad hoc Onshore Electrical / Gas projects with a limit up to DKK 100 mio. per project and in total.

+ Ad hoc Onshore/Offshore Cable and/or Gas pipeline repairs

Potential ad hoc projects (related to any potential claim to Energinet's existing Cables and/or Gas pipelines that might happen from 15.11.2019 – 01.03.2020 which immediately needs to be repaired.

This Contract determines the terms and conditions of the CAR/EAR insurance that will then be in place upon such repair. Actual average repair cost DKK 32 mio. and historically between 1 and 2 incidents per year.

Maximum limit per repair project DKK 100 mio. and in total.

7.1.1 Overall time schedule:

Construction and Erection Period (incl. Hot Testing):

- SK 4 : 09.10.2019 – 01.12.2019
- REInvestment Lykkegård: 01.01.2020 – 01.07.2022
- REInvestment Herning: 01.01.2020 – 01.04.2022
- Ad hoc onshore/offshore repairs of cables and/or gas pipelines declared from: 15.11.2019 – 01.03.2020
- Ad hoc onshore electrical / gas projects declared from 15.11.2019 – 01.03.2020.

...both days included and followed by a Defects Liability Period of: 60 months extended maintenance cover.

Construction/erection projects with a length of max. 36 months can be declared under this insurance.

The insurance cover will, for each project declared under this insurance, continue until final TOC following the extended maintenance period.

Partial handing over and/or taking into use may be done. The extended maintenance period will expire 5 years after the handing over and/or taking into use of the specific project.

7.1.2 Project organisation:

Not applicable.

7.2 Key project risks

See information in Section 6.

7.2.1 Budget – according to Schedule

Total budget turnover DKK 325 mio. with values and applicable rates as found in the ITT.

Due to the uncertainty regarding Ad hoc works, the maximum turnover for this contract is DKK 500 mio.

The premium will be calculated according to the Evaluation model in the ITT.

The advance premium will be based and calculated upon 100% of the budgeted turnover, DKK 325 mio. Due to uncertainty regarding especially the extent of Ad hoc projects,

No minimum premium shall apply for this contract.

The premium will be adjusted (in April 2020) according to the actual works and the actual declared turnover with the applicable rates for A1/A2/B1/B2.

8. Appendix

ITT
BORL

9. Exhibit Insurance

Not applicable

10. Insurance Schedule – Declaration Policy

CONDITIONS OF CAR / EAR	
INSURANCE PROVIDED BY EMPLOYER	
CONSTRUCTION ALL RISKS INSURANCE	
Schedule	
PROJECT NAMES	<ul style="list-style-type: none"> - SK4 cable repair - Reinvestment Lykkegård 150kV Station - Reinvestment Herning 150kV Station - Ad hoc onshore/offshore repairs of cables and/or gaspipelines - Ad hoc onshore projects
Scope of Work	<p style="text-align: center;">Extent of the procurement: See also Instructions To Tenderers section 3</p> <p>Planned Onshore (3 electrical) projects:</p> <p>SK 4: Short description: A fault on the on-shore cable at SK4 was ascertained on 9th October 2019. The repair works will include excavating to access the faulty cable, laying out of a new piece of cable and further earthwork in order to cover the cable again. In addition, transportation of spare cable from storage to the site.</p> <p>Reinvestment Lykkegård 150kV station: Short description: A new manoeuvre building with new automation is being established at Lykkegård station, and construction components will be reinvested according to the identified need. The neighbouring lot is being acquired to make room for a new manoeuvring building and the expansion of the busbar as well as moving the coupling bay. The project also comprises a reinvestment in 2 pcs. 150/60 kV-transformers at Lykkegård station. The reinvestment includes an upgrade of the transformer power on both transformers from 75 MVA to 125 MVA.</p> <p>Reinvestment Herning 150kV station Short description: In Herning, a new station will be established southwest of the existing Herning station, which will cover the future need for extensions. In addition, the establishment of a new station will result in overhauling a 2.1 km aerial line in connection with changes in the existing 150 kV connections.</p> <p>+ Ad hoc Onshore Electrical / Gas projects with a limit up to DKK 100 mio. per project and in total.</p> <p>+ Ad hoc Onshore/Offshore Cable and/or Gas pipeline repairs</p> <p>Potential ad hoc projects (related to any potential claim to Energinet's existing Cables and/or Gas pipelines that might happen from 15.11.2019 – 01.03.2020 which immediately needs to be repaired.</p>

	<p>This Contract determines the terms and conditions of the CAR/EAR insurance that will then be in place upon such repair. Actual average repair cost DKK 32 mio. and historically between 1 and 2 incidents per year.</p> <p>Maximum limit per repair project DKK 100 mio. and in total.</p>
SITE	Denmark
NAME OF PRINCIPAL INSURED	Energinet
ADDITIONALLY INSURED	<p>Any person or company performing activities on behalf of the Project and any person or company the Employer is obliged by agreement to include as the Insured, i.e. (non exhaustive):</p> <ul style="list-style-type: none"> • Contractors including subcontractors of any tier and/or their parent companies and subsidiary companies. • Suppliers including sub suppliers for their activities on site only. • Engineers, advisors and supervisors for their activities on site only
BASE WORDING	Munich Re Comprehensive Project Insurance (CPI) E 34 7.2-E (1.10.2004)
TERM	The term "Insured" in this Schedule and in the Base Wording it means the Principal Insured and all Additionally Insured's collectively.
TERRITORIAL SCOPE	Worldwide excluding United States of America and Canada.
INSURED LOCATIONS	Any areas within the territorial scope owned, used or occupied by the Insured Parties for the purpose of conducting the Works.
<p>THE WORKS (and the property insured)</p> <p>This definition is Incremental to the Base Wording.</p>	<p>Subject to the insuring agreements, applicable terms, conditions and exclusions, this insurance covers the following activities undertaken in the course of the Project provided such activities are within the reinsured values. Covered activities includes but are not limited to: Procurement, fabrication, construction, load out, loading/unloading, transportation by land, sea or air (including call(s) at port(s) or place(s) as may be required), storage, towage, mating, installation, burying, hook-up, connection and/or tie-in operations, testing and commissioning, existence, initial operations and maintenance, project studies, engineering, design, project management, testing, trials, cable-/pipe laying, trenching, and commissioning.</p> <p>This insurance covers works executed anywhere (restricted only by the Territorial Scope) in the performance of all contracts relating to the Project including but not limited to (provided they are included in the contract values declared to Underwriters and insured herein): Materials, components, parts, machinery, fixtures, equipment and any other property destined to become a part of the completed project, or used up or consumed in the completion of the Project.</p> <p>This insurance shall also cover all temporary works, plant, equipment, machinery, materials, outfits and all property associated therewith, whether such items are intended to form a permanent part of the works or not, including site preparatory work and subsequent operational risks.</p> <p>It is understood and agreed that any insured equipment and/or property that is not for incorporation into the contract works shall be insured by the contractor whilst it is being utilized in the Project and whilst in transit from the Project site(s) until the earlier of the date of arrival at its final destination or the 30th day after its removal from the Project site(s).</p>

CONTRACTS, PERIOD OF INSURANCE AND BASE WORDING	
INSURED CONTRACTS	Any contract entered by the Principal Insured in relation to the completion of the Project and any contract entered between two third-parties of which at least one of those are under contract with the Principal Insured related to the completion of Project.
INDEMNIFICATION	The insurer shall indemnify the Insured for any physical loss of or damages to the property insured under section 1 which occurs within the territorial scope at any time during period of insurance and maintenance period due to any cause not specifically excluded and which results in the property insured under section 1 needing to be repaired or replaced.
PERIOD OF INSURANCE	<p>Construction and Erection Period (incl. Hot Testing):</p> <ul style="list-style-type: none"> - SK 4 : 09.10.2019 – 01.12.2019 - REInvestment Lykkegård: 01.01.2020 – 01.07.2022 - REInvestment Herning: 01.01.2020 – 01.04.2022 - Ad hoc onshore/offshore repairs of cables and/or gas pipelines declared from: 15.11.2019 – 01.03.2020 - Ad hoc onshore electrical / gas projects declared from 15.11.2019 – 01.03.2020. <p>...both days included and followed by a Defects Liability Period of: 60 months extended maintenance cover. Construction/erection projects with a length of max. 36 months can be declared under this insurance.</p> <p>The insurance cover will, for each project declared under this insurance, continue until final TOC following the extended maintenance period. Partial handing over and/or taking into use may be done. The extended maintenance period will expire 5 years after the handing over and/or taking into use of the specific project.</p>
TERRITORIAL LIMITS, SUMS INSURED AND DEDUCTIBLES (Any numeric section references are made to the Base Wording)	
Section 1a, Property Sum Insured	<p>Total Contract value:</p> <p>SK4: DKK 10,000,000</p> <p>REI Lykkegård: DKK 97,000,000</p> <p>REI Herning: DKK 59,500,000</p> <p>Ad hoc repair projects onshore/offshore: max. limit per project DKK 100,000,000 and in total.</p> <p>Ad hoc onshore projects: max. limit per project DKK 100,000,000 and in total.</p>
Section 1a – 3.1 Property belonging to or held in the care, custody or control of the insured	<p>DKK 75,000,000 EEO applying to REI Herning (total PD value)</p> <p>DKK 135,000,000 applying to REI Lykkegård (total PD value)</p> <p>DKK 25,000,000 EEO (in general)</p>

	<p>Damage to Energinet's existing property. This is an absolutely Worst case scenario with very low probability.</p> <p>("EEO is the abbreviation for "Each and Every Occurrence" throughout this Exhibit)</p>
<p>Section 1a – 3.2 Professional Fees</p>	DKK 2,000,000 EEO
<p>Section 1a – 3.3 Plans, Documents and Data</p>	DKK 2,500,000 EEO
<p>Section 1a – 3.4 Removal of Debris</p>	DKK 2,500,000 EEO
<p>Section 1a – 3.5 Expediting Expenses</p>	DKK 5,000,000 EEO
<p>Section 1a – 3.6 Off-site Storage</p>	DKK 10,000,000 EEO
<p>Section 1a – 3 Inland Transit</p>	DKK 25,000,000 per conveyance and cover is limited to Inland transit.
<p>Section 1a – 4.2 Escalation</p>	15% allowed without Additional Premium. When exceeding 15% the remaining overflow is subject to an additional premium proportionally calculated.
<p>Section 1a – 5.2 Premium</p>	If during the period of insurance, the sum insured is decreased the premium shall be adjusted accordingly and the premium proportionally calculated and refunded to the client.
<p>Section 1a, Property Deductibles</p>	<p>Onshore DKK 100,000 EEO</p> <p>Offshore DKK 1,000,000 EEO but DKK 3,000,000 for Offshore Cables.</p> <p>During defects Liability period: As above</p>
<p>Section 2, Third Party Liability Limit of Indemnity</p>	DKK 100,000,000 EEO and in total for the Period of Insurance.
<p>Section 2, Third-Party Liability Secondary Coverage and DIC drop-down</p>	<p>As for any Additionally Insured this Third-Party Liability coverage...</p> <p>i) acts as secondary coverage to said parties' own Third-party liability insurances (which is separately required, and must have independent limits of indemnification of no less than DKK 20,000,000 EEO and in total for the entire duration of said parties' contracts with the Principal Insured),</p> <p>and</p> <p>ii) extends DIC (Difference-In-Conditions) coverage to said parties limited only by the deductible (and as mentioned in the "Deductibles" paragraph below).</p>
<p>Section 2, Third Party Liability Deductibles</p>	<p>DKK 20,000,000 each and every claim except when DIC-coverage is applied a deductible of DKK 500,000.</p> <p>For liability incurred by any of the Principal Insureds carries the following deductibles:</p> <p>DKK 500,000 each and every claim, except for accidental death or bodily injury to or illness of any third parties in which cases the deductible is DKK 50,000.</p>

	In the event of a claim involving several tortfeasors in their capacity as insured parties under this policy, the policy's deductible will apply only once and with the lowest of the above-mentioned deductibles applicable.
Difference in Limit(DIL) Coverage	In the event the contractor's liability insurance has limit deviating from DKK 20,000,000 the excess coverage requested by Energinet should be applied directly from the deviating limit. We expect that some minor contracts may have deviating limits.
Note on both section 1a and 2 Deductibles	In the event of any one occurrence affecting more than one of the Insured, the Deductible shall be apportioned between the affected insured parties in proportion to the total amount of their admissible losses.
72 Hours Clause	Any loss or damage to the Works arising during any one 72 consecutive hours, caused by storm, tempest, flood or earthquake, shall be deemed as a single event and therefore to constitute one occurrence regard to the deductible.
WORDING (Amendments superseding and/or endorsing the above mentioned Base Wording follow below)	
Law of The Policy And Jurisdiction	It is understood and agreed by the Insured and the Insurers that any dispute between them concerning the construction, effect and interpretation of this insurance is to be subject to Danish Law (irrespective of the location of the involved damage loss or incident).
SECTION: "EXCLUSIONS APPLICABLE TO ALL SECTIONS"	
Para 1.3 Any act of terrorism	This exclusion is waived in respect of terrorism covered under Section 1 with a limit of DKK 100 mio. EEO and in the aggregate.
Para 1.6 Weapons	Clarification: Para 1.6 in the Base Wording excludes coverage for any weapon of war employing atomic force or matter. For the avoidance of doubt, conventional munitions of war (e.g. remaining and unexploded munitions) are specifically not excluded or by definition considered "war risks" in the context of the Policy.
BASE WORDING SECTION: "CONDITIONS APPLICABLE TO ALL SECTIONS" CLARIFICATIONS	
Para 9 Fraudulent Claims	Clarification: Fraudulent claims originating from any Insured party will be void according to para 9. For the avoidance of doubt the Policy itself will never become void under this clause as a consequence of a fraudulent claim, unless such fraudulent claim originates fully or partly from the Principal Insured.
Para 12 Entire Agreement	Clarification: Irrespective of para 12 this Schedule is deemed part of the Policy of Insurance and supersedes the base wording where applicable. Other passages are specifically marked as "Incremental". Refer to definition below.

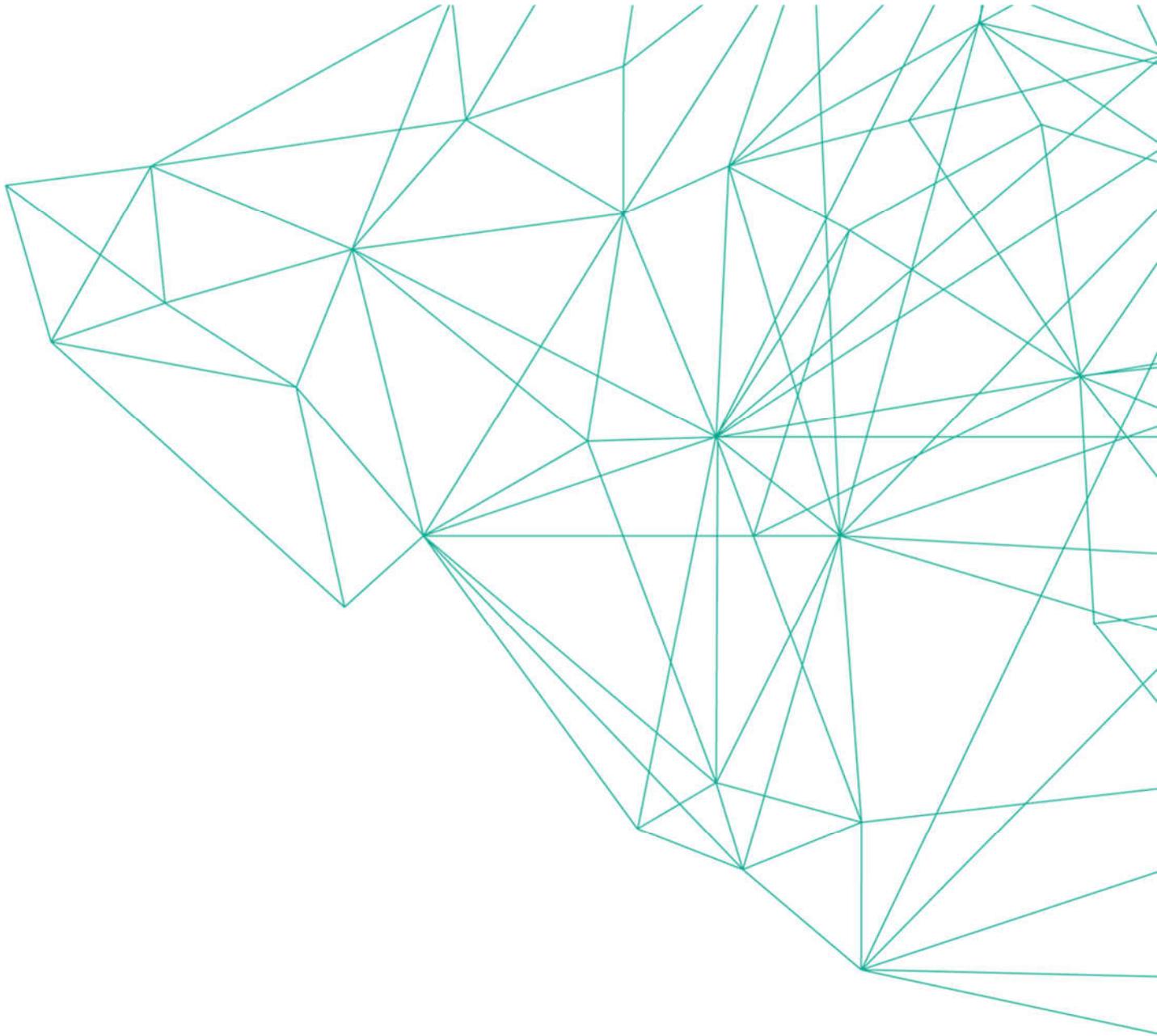
Para 13 Dispute Resolution	Language of Communication is Danish or English, and any dispute must be resolved in the greater Copenhagen area, Denmark.
Knock-for-knock Agreement	When the Insured's liability under contract is based on a mutual knock for knock principle the Policy shall cover the Insured's liability – including vicarious liability – in accordance with this principle and the Insurer will waive all right of recourse against the contracting party.
Cancellation Clause	Upon cancellation of the planned project (whole or partially) by the Danish Parliament or other authoritative entity, which results in cancellation of the Works, the premium is to be reimbursed free of any deductibles or retention. However, we accept to pay pro rata premium of the work begun and for which the Insurer has held coverage.
SECTION 1A PROJECT WORKS	
Para 9 Exclusions	Para 9.1 is replaced by LEG 3/06: The Insurer(s) shall not be liable for All costs rendered necessary by defect of material workmanship design plan specification and should damage occur to any portion of the Insured Property containing any of the said defects the cost of replacement or rectification which is hereby excluded is that cost incurred to improve the original material workmanship design plan or specification For the purpose of this policy and not merely this exclusion it is understood and agreed that any portion of the Insured Property shall not be regarded as damaged solely by virtue of the existence of any defect of material workmanship design plan or specification.
ENDORSEMENT TO THE BASE WORDINGS (SECTION 1A)	
Endorsement 1202 Special Insurance Cover: property insured taken into use or operation	Comprising all insured Property and within the Period of Insurance.
Special Conditions: contract time schedule	The following provisions regarding extension applies: (i) One or more extensions of the Primary Insurance Period and up to 6 (six) months in total is automatically granted and at no Additional Premium. (ii) Extensions exceeding the six months and up to 12 months in total are automatically granted at a uniform monthly rate agreed with the Insurer and as stated in the Policy. Extensions beyond (i) and (ii) above may be granted by Insurers subject to a risk review, and paid by the Insured according to rates to be negotiated.
Endorsement 217: Special Conditions: open trenches, pipes, cables and ducts	This endorsement forms part of section 1a. Open trench length max. 500 meters.

Endorsement 1266: Special conditions: directional drilling	Endorsement forms part of section 1a
Endorsement 1269: Special conditions: marine 50/50 loss sharing	Endorsement forms part of section 1a
Pre-mature Handing Over	Contract works and/or supplies handed over or taken into use to and by the Employer successively/prior to commencement of commercial operation are included in the Insurance until commercial commissioning or TOC has been signed and following the maintenance period. The extended maintenance period will expire 5 years after the last and final taking over / TOC.
General Average and Salvage Charges	General Average and Salvage charges are payable as provided in the contract of affreightment, or if there be no contract of affreightment according to York/Antwerp Rules 1990 amended. In the event the contributory value for the purpose of contribution to General Average or Salvage charges exceed the insured value, it is agreed that such General Average or Salvage charges shall nevertheless be paid in full by Underwriters hereon, provided always that the amount recoverable under Section I in respect of partial loss arising from any one casualty shall not exceed the value applicable to the item. General Average deposits are payable on production of General Average Deposit receipts. Underwriters agree, if required, to provide General Average guarantees or Salvage security in respect of property insured by the Policy.
Marine Warranty Survey	N/A
Stand-by charges	Underwriters shall indemnify the Assureds for the cost of stand-by time on vessels and/or craft and/or equipment actively engaged in the course of repair following an Occurrence covered under Section 1, where the Assureds are prevented from working in, around or about the damaged property by adverse weather, including named hurricanes. Sublimit DKK 5.000.000 EEO
Forwarding charges clause	N/A
Additional Work	N/A
Sue and Labour Clause	N/A
Tests, Leak and/or Damage Search Costs	N/A
Offshore cancellation costs	N/A
Operational Testing	The Insurance is extended to cover loss or damage attributable to hot testing or operational testing for a maximum of 30 days (720 hours).
Incorrect Positioning	N/A

Authority Intervention Clause	N/A
SECTION 2 – THIRD PARTY LIABILITY	
Para 1 Indemnification	<p>Para 1 is replaced by:</p> <p>Insurers hereon agree that if the Insured become legally liable to pay any sum or sums in respect of any responsibility, claim, demand and/or expenses, arising from or occasioned either directly or indirectly by the Insured's' operations in connection with the Project, in respect of:</p> <p>a) accidental loss of life, personal injury (including illness, shock, mental anguish, mental injury or disease) to be contracted by any person, including care and loss of service resulting there from;</p> <p>b) accidental loss of or damage to or loss of use of property or any kind or description (including obstruction, loss of amenity or use of any land, building, property of right of way, trespass, nuisance or any like cause than that which is the unavoidable result of executing the insured contracts in accordance with the plans and specifications), including all other direct or indirect or consequential loss resulting from loss of or damage to the property</p> <p>when such liability happens within the Territorial Limits during the Period of Insurance.</p>
Incremental Endorsement: Additional Indemnities	<p>At the request of the Principal Insured the Insures will extend the indemnity granted by this Section 2 to</p> <ul style="list-style-type: none"> (a) any of the Insured's directors, partners, officers or employees in their personal capacity in circumstances which could constitute the basis of a claim upon any of the Insured within the terms of this Section (b) any employee of the Insured or any other person hired or borrowed by the Insured for the purposes of the Project (c) any officer or member of any canteen, social, sports, welfare, fire, first aid or ambulance services and any other services or associations specifically formed for the Project (d) any director or employee of the Insured or any person accompanying such director or employee whilst travelling in connection with the Project and any personal liability of such persons insofar as such liability is not covered by any other policy (e) any guest at any function or occasion to which such guest has been invited by the Insured <p>Provided that nothing in the above shall be deemed to increase the Limit of Indemnity in respect of any one occurrence as stated in the Schedule.</p>
ENDORSEMENTS TO THE BASE WORDING (SECTION 2)	
Endorsement 1203 Special Insurance Cover: liability consequent upon vibration, removal or weakening of support	This endorsement forms part of section 2
Endorsement 1262: Special Conditions: underground services	Endorsement carries the general Limit and Deductibles as applying to Section 2

Endorsement: Public Relations and Opening Ceremonies	It is noted and agreed that in the course of the Project the Insured may have Exhibition Centre(s) and Publicity Events and Site visits and demonstrations and Opening Ceremonies before the commercial operation of the Project and all of these activities shall be regarded as activities in the performance of the Project.
Endorsement: Contractors Pollution Liability	Contractors Pollution Liability Insurance (CPL) provides cover for third party claim caused by pollution events arising from covered operations performed by or on behalf of the insured at project sites. Insured sum: Onshore – DKK 0,- Offshore – DKK 0,-
SECTION 4 - MARINE CARGO	
Sum Insured:	N/A
Marine Cargo Deductibles	
Coverage:	
Territorial Scope	
GENERAL MEMORANDA	
Incremental Endorsement: Preventive Measures	This Policy extends to include the Insured's liability for costs necessarily and reasonably incurred as a result of emergency action taken where loss or damage or death or bodily injury is imminent or following loss or damage or death or bodily injury in order to prevent or minimize further loss or damage or death or bodily injury to the interest insured. The sub limit under this endorsement shall not exceed DKK 10,000,000 each and every occurrence.
Incremental Endorsement: Temporary Repairs	This Policy extends to include indemnity in respect of the cost of effecting temporary repairs following loss or damage or in order that work on the Project may continue provides that such temporary repairs do not increase the overall cost of repairs. The sub limit under this endorsement shall not exceed DKK 10,000,000 each and every occurrence.
Notes on vessels of any kind (air, sea, road)	Further specifically any liabilities associated to the ownership and/or operation of vessels of any kind in the performance of this Project by a Contractor/sum-contractor must be indemnified by such parties themselves.
Waiver of Subrogation	Applies except for Willful Misconduct or Gross Negligence by the Insured's Representatives, i.e. Managing Board.

End of Schedule



ENERGINET

Energinet.dk
Tonne Kjærvej 65
DK-7000 Fredericia

+45 70 10 22 44
info@energinet.dk
CVR-nr. 28 98 06 71