



RISK AND INSURANCE INFORMATION

ENERGINET
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Project REI 400kV FGD-LAN

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 on the specific REI 400kV FGD-LAN project.

ENERGINET'S STRATEGY AT A GLANCE



SITUATION

The energy sector is undergoing a large-scale transformation as a result of national and international agreements to convert to climate-neutral societies.

The scope and speed of the transformation are on a historical scale. Therefore, Energinet does not have a strategy with a specific term, but a dynamic strategy which is applicable at any time and which is developed continuously to meet the objective: That, over time, citizens and businesses can use renewable energy for everything, with a high level of security of supply and at an affordable price.



VISION

WHAT DO WE WORK FOR?

Green energy for a better world

Every day, we work with designing, maintaining, developing and expanding energy systems that will make it possible to use renewable energy for everything. In Denmark and globally.

Renewable and green energy is one of the most important prerequisites for creating a world in which people can thrive and live good lives without causing damage to future generations or the current populations in the most exposed areas on the globe. A world in which global climate change has been slowed down.



APPROACH

HOW DO WE WORK?

A speedier transition

The green transition must be accelerated. This makes stringent demands on Energinet's culture and our way of working. We need to deliver on our tasks more quickly and become better at learning new things.

We must be willing to assume delimited risks in situations in which action is important to pave the way for the green transition, even though the effect is only likely and not certain.

Persistent focus on cooperation, innovation and utilisation of the possibilities offered by digitisation are key elements if we are to succeed in our green transition work.

We are aware of our social responsibility and manage our resources in line with our objective to contribute to a better world in which global climate change is slowed down.



STRATEGY

WHAT DO WE WORK WITH?

Winds of Change

Energinet's social mission is to convert the energy system with the aim of ensuring that citizens and businesses use renewable energy for everything, with a high level of security of supply and at an affordable price.

In the coming years, we need to do what we can to support energy consumption which can realise and utilise the enormous offshore wind power resources as well as onshore solar energy and wind power which are now becoming more widely available on market terms. So that we can use renewable energy for everything.

We have to exploit 4 potentials:

- Sector coupling
- Large-scale off-shore wind power
- Solar and wind power on market terms
- Collaboration with society

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. Since then Energinet has evolved through mergers and spin offs of other Danish transmission companies. The key highlights of Energinet's growth are described below.

As part of the fusion between DONG Energy A/S (now known as Ørsted A/S), Elsam, Energi E2, Københavns Energi, and Frederiksberg, DONG Energy A/S was mandated by the European Commission to sell one of their two natural gas storage facilities in order to breakdown Dong Energy A/S's monopoly on Gas Storage facilities in Denmark. To ensure the political interest of

nationalizing the gas storage facilities in order to ensure the security of supply, Energinet acquired the Lille Torup facility in 2007 with the intent for it to be driven as an independent commercial company.

In 2008 Energinet entered an agreement to acquire the 132-kV transmission grid in Northern Zealand from DONG Energy A/S, in line with their change in ownership in respect to the Danish law regulating regional transmission grids.

Following the acquisition of Lille Torup, Energinet acquired Dong Energy A/S's second gas storage facility in Stenlille in 2014. With this acquisition Energinet became the sole operator of gas storage facilities in Denmark. Together with Lille Torup the facility is now run independently as a commercial company under Energinet's subsidiary Gas Storage Denmark.

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.

As of January 2020, the consolidated gas distribution network was spun off into a new independent public enterprise, outside of the Energinet group, named Evida.

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.

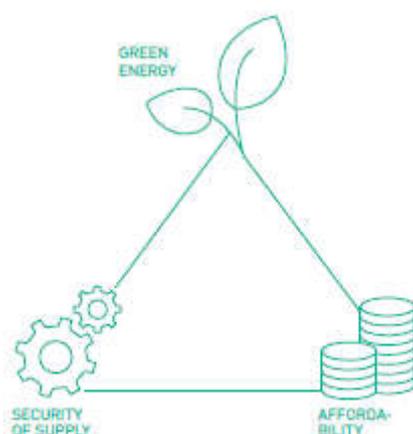
To facilitate competition Energinet has created a centralized market IT platform, DATAHUB, to facilitate and automate the execution of market processes and business transaction in the Danish retail market by registering approximately 3.3 million metering points for settlement purposes.

2.5 Supporting environmentally friendly energy with an efficient transition

With the Danish Parliament aiming to be Climate-neutral before 2050. It is our duty to prepare the energy system for that future.

On behalf of the Danish society, Energinet performs many tasks which support the political ambition of a green transition. A part of this contribution is to convert energy systems with the aim of ensuring that citizens and businesses use renewable energy for everything, with a high

level of security of supply and at an affordable price. Energinet is to create value for society in a broad sense; for citizens, businesses, institutions, and civil society.



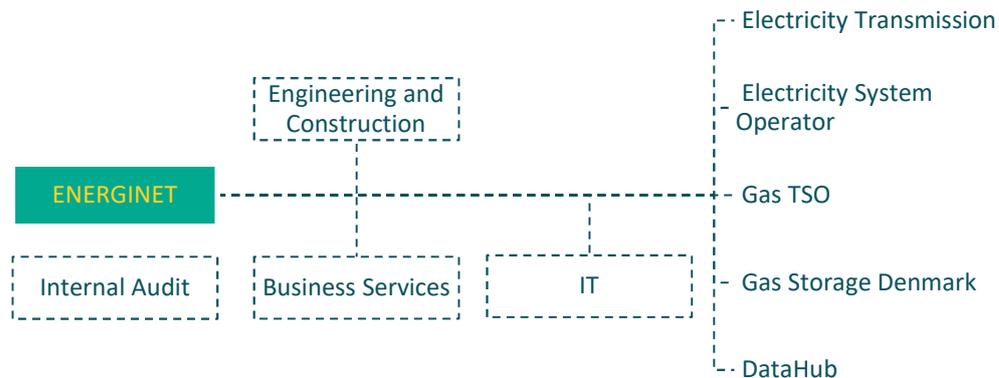
As a member of the UN Global Compact Initiative since 2009, Energinet has obliged itself to take a precautionary approach to potential environmental challenges in our projects, promoting greater environmental responsibility amongst our employees, suppliers and co-operation partners, and encouraging the 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 procurement, finance, and facility management, to all other group subsidiaries and group staff functions in Energinet.
- IT is responsible for providing business support services within IT 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.
- 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 future activities is entitled "Winds of Change" and includes, besides the Groups overarching vision, four strategic potentials to be exploited.

- Sector coupling
- Large-scale off-shore wind power
- Solar and wind power on market terms
- Collaboration with society

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

<https://en.energinet.dk/About-us/Strategy>

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 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.

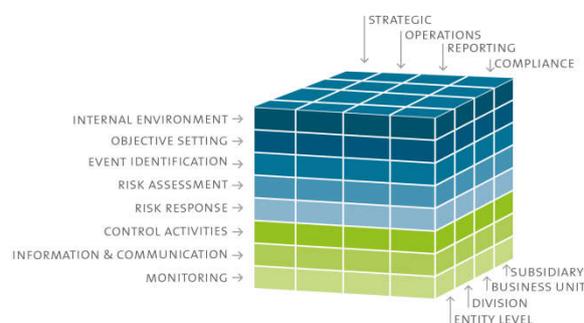
Energinet's executive management is responsible for ensuring a systematic, and integrated approach to risk management across the group. In addition, they are to control if the strategic direction of risk management is in line with the overall internal control environment. On a quarterly basis, the Executive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

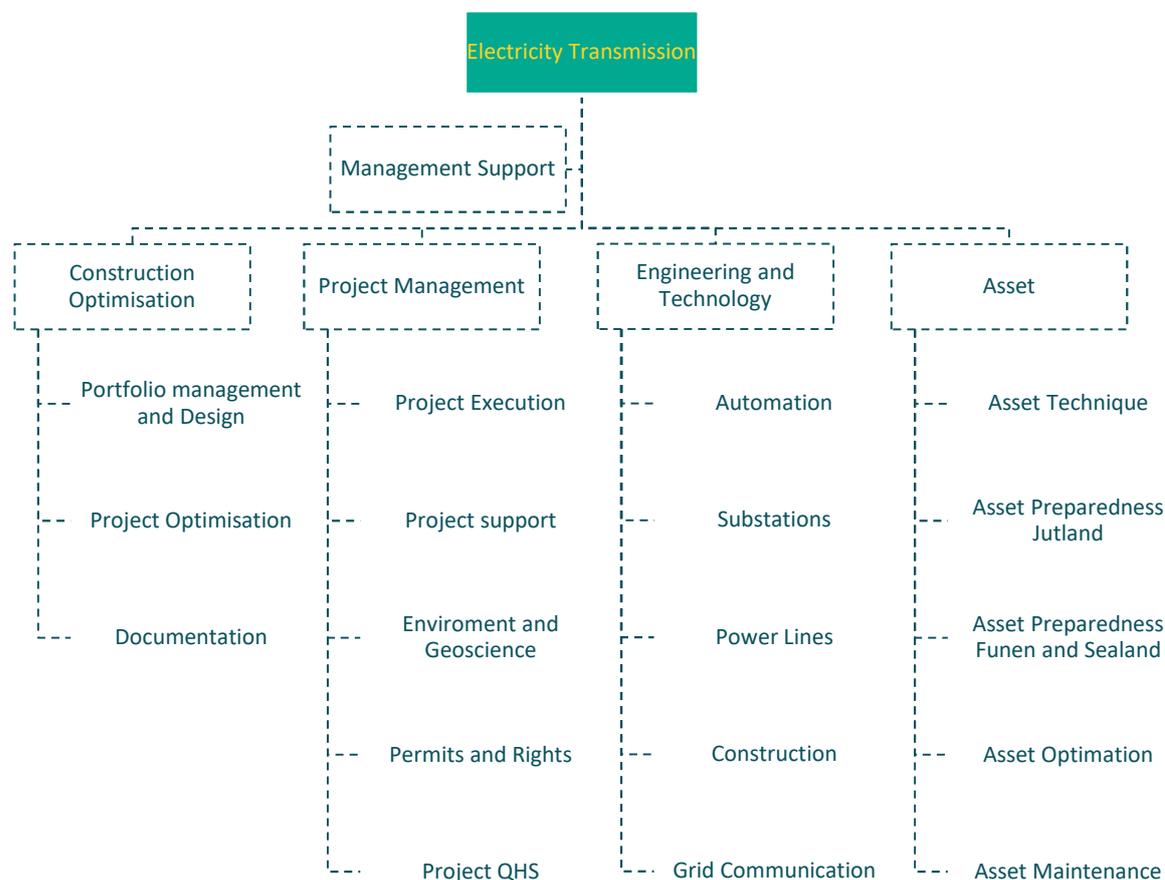
One of the key issues for Energinet is the improvement of, and maintenance of the maturity levels in a projects risk management is a key focus for Energinet

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 Energinet has elected to use the PRINCE2 model for projects, alongside being ISO55001 certified.

The largest projects within the Energinet group are placed with our expertise centre for Project management located under our company Eltransmissionen. This expertise centre is further divided into five supporting divisions, with each subdivision providing their expertise in relation to the project. These subdivisions are duly named:

- Project Execution
- Project Support
- Environment and Geoscience

- Permits and Rights
- Project QHS



On a project level, each construction project is supervised by a Project Manager (PM) that takes on the responsibility of organizing and controlling the given project, one of the key responsibilities of the PM is to ensure efficient management of risks in accordance with the PRINCE2 model. Each PM continuously undergoes training as part of their function, including within risk management, as well as being supported by Energinet's risk management function.

A given project's risk strategy foundation follows the same general standards set as any undertaking within the Energinet Group, as well additional project standards.

This includes standards for:

- Internal risk environment
- Objective setting
- Risk identification

- Risk assessment
- Risk response
- Control activities
- Information and communication
- Monitoring

Besides the general standards, a project must comply with project specific standards for risk management. These include:

- Approval of a risk management strategy by the projects steering group before initiating the 2nd phase of the project,
- Performing ongoing risk assessments
- Performing a risk analysis prior to each phase transition
- Facilitating risk workshops
- Monthly risk reporting to the project steering group
- Quarterly reporting to the executive board.

7. Project Reinvestment of 400kV Landerupgaard to Fraugde

7.1 Project Specifics

The existing 400kV overhead line from Landerupgaard (Jutland) to Fraugde (Funen) will be dismantled and replaced. The oldest masts which are from 1973 will be replaced and the foundations will after an evaluation be either replaced or renovated.

7.2 Project scope of works

The existing 400kV overhead line, phase threads, ground threads, components etc. will be dismantled and replaced. The oldest masts will be replaced and the foundations will either be replaced or renovated.

The new overhead line and the new masts will look like the old ones and the existing Tracee will be used.

Minor refurbishment works will be conducted at both substations (Fraugde and Landerupgård) ie. replacement of phase conductors and ground wires.

Some crossings of railways and freeways will be conducted. Four railways will be crossed (one in Jutland and three on Funen) and two freeways will be crossed (one in Jutland and one on Funen).

Agreements with Banedanmark and Vejdirektoratet states that both railways and freeways will be closed, and traffic redirected during the crossings.

Three off site storage areas will be used. Areas will be fenced and monitored.



Trace: from Landerupgård to Fraugde

7.3 Key Project Risk Objectives

One of the largest risk exposures related to this project is the potential resistance from the local community who would prefer a less visible project solution. Therefore you could consider this issue as an image exposure.

Worst case due to a mast overturn is evaluated to be around DKK 50 mill.

Probability for such a claim is considered very low.

Risks during crossings are minimised due to the closing and redirecting of traffic.

The project will work closely together with Vejdirektoratet and BaneDanmark when these "crossings" are being performed.

Risk exposures related to people working "on site" or on the project will be handled according to Energinet's HSE politics and procedures.

7.4 Environmental Impact Assessment

As the existing Tracee will be used there is no need to apply for a new VVM.

Some tests have indicated contents of PCB and asbestos in the existing foundations, which will be handled according to applicable rules and all relevant measures will be taken in order to avoid polluting to the surroundings.

7.5 Unexploded ordnances (UXO)

Such surveys are not considered relevant for the current project as only the masts and some foundations will be replaced (re-investment).

7.6 Geophysical and geotechnical survey

Not relevant

7.7 Overall time schedule

Construction start 01 JUN 2020 (examinations of existing foundations)

Projection finish 01 MAR 2023

7.8 Budget

Overhead Line:	DKK 148,861,663
Project management:	DKK 5,876,264
Other costs:	DKK 23,917,407
Totals:	DKK 178,655,334

8. Appendix

- Risk and Insurance Information
- Instructions To Tenderers (ITT)
- Broker of Record Letter

9. Exhibit Insurance

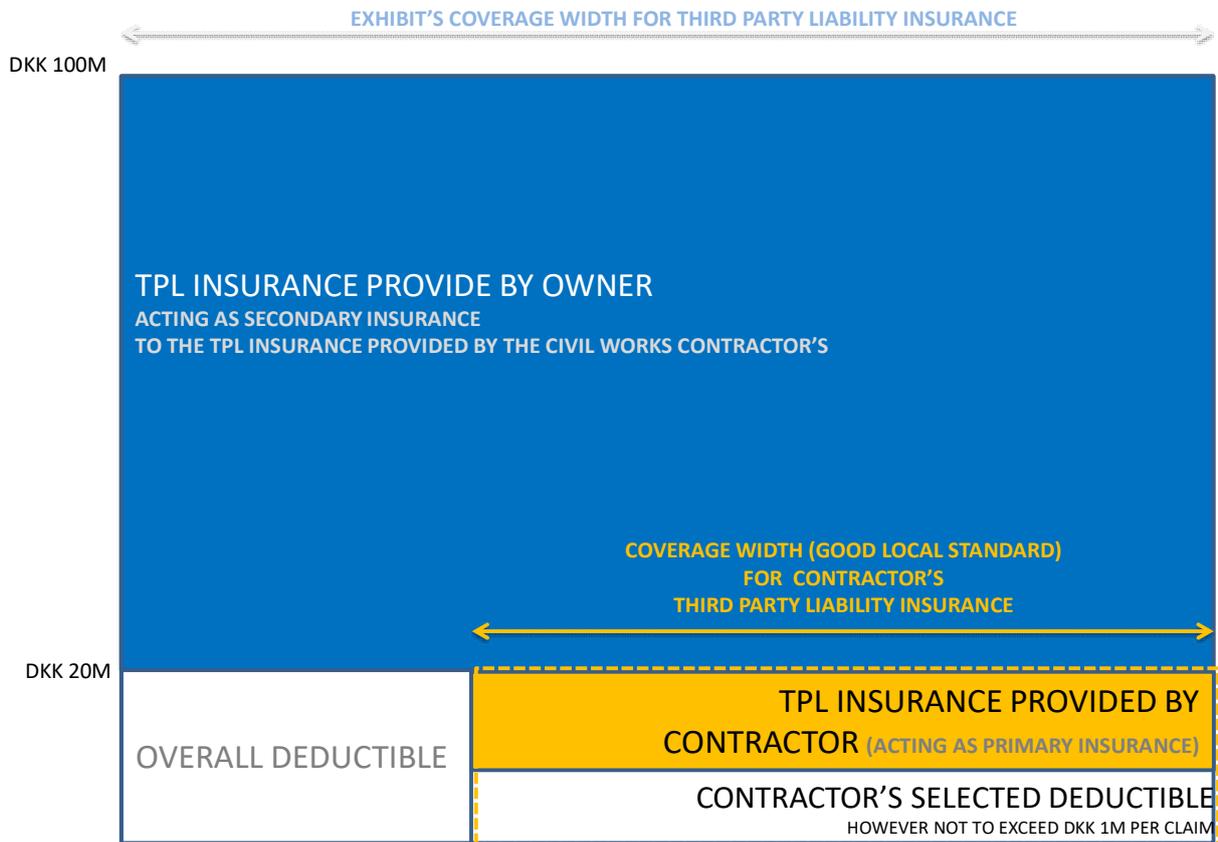
The Employer (Energinet) will procure Construction/Erection All Risk Insurance (“CAR Insurance”) of a good international standard. The CAR Insurance will include any contractor, subcontractor, supplier and/or advisor of any tier as additionally and named insured. Policy inception is 01.06.2020.

Exhibit Insurance			
Type of Risk	Insurance Class and its overall Scope of Coverage	Sum Insured	Insuring Party
The Works	<p>Construction All-Risk Insurance (CAR):</p> <p>Property Insurance covering loss or damage inflicted to the Works prior to Taking Over.</p> <p>The Works includes (provided included in the contract values) 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>Coverage for claims related to design defects arising from faulty design or workmanship in any part of the Project will be covered according to the conditions stated in Construction All-risks Insurance. (CAR-Insurance)</p> <p>Business Interruption (loss of profits from the Project) will not be covered.</p>	Full Contract Value (or Project Investment)	<p>Energinet (the Employer) for the entire Project.</p> <p>CONTRACTOR’s are co-insured and a waiver of subrogation applies.</p> <p>The duration of the Insurance is from construction start-up until the end of the maintenance period specified in the policy.</p>
Existing Property	<p>Add-on to and part of the Construction All-Risk Insurance (CAR):</p> <p>Property Insurance covering loss or damage inflicted to Existing Property and as declared on the Projects overall Construction All-Risk Insurance.</p> <p>Insurance is issued as a first loss insurance meaning that a predefined maximum lump sum is available per occurrence.</p>	Fixed Sum (i.e. Fixed estimated amount based upon an estimation of a potential maximum loss to said Existing Property. The Sum may therefore be significantly lower than the actual total value at risk).	As for the Works above
Both of the Above(The Works and Existing Property)	<p>Construction All-Risk Insurance(CAR):</p> <p>-Deductibles –</p>	<p>Onshore deductible: DKK 1,000,000</p> <p>In case of a claim involving both The Works and Existing Property only one deductible applies.</p>	The Employer for the entire project however in case of a claim the deductible is payable by the party responsible for the claim.
Contractors Equipment	All-Risk Insurance:	Replacement Value	CONTRACTOR

Exhibit Insurance			
Type of Risk	<i>Insurance Class and its overall Scope of Coverage</i>	<i>Sum Insured</i>	<i>Insuring Party</i>
	Property Insurance covering loss or damage inflicted to Contractors own equipment/machinery until Taking Over of Contractors services.		
Transportation to the Site and Project transits	<p>Marine Cargo Insurance:</p> <p>Property Insurance covering loss of or damage to Property to form part of the Project in the course of transportation by road, rail, sea or air.</p>	110% of Full Value of Item	<p>The Employer for the entire Project from the time any Item designated for the Project is delivered at the place (site or off-site) as contractually defined as destination.</p>
			<p>CONTRACTOR for his transportation until such destination as defined above.</p>
Liability towards Employees	<p>Employers Liability Insurance, Employers Contingent Liability Insurance, Workman's Compensation Insurance:</p> <p>Coverage for claims arising from bodily injury of various kind suffered by Employees</p>	As defined by legislation	Each Party for its own Employees.
Liability towards Third-Parties	<p>General Liability Insurance, Products Liability Insurance, Contractors Pollution Insurance</p> <p>collectively referred to as "TPL Insurance"</p> <p>Coverage for claims arising from a third-party's bodily injury and/or property loss/damage (other than the Works itself) as a result of an error or omission attributable to the Insureds work.</p>	DKK 100,000,000	<p>The Employer for the entire Project.</p> <p>Coverage is defined as secondary coverage to CONTRACTORS primary coverage. The latter must have an insured limit of (no less than) DKK 20,000,000</p> <p>Coverage includes a DIC component in favor of the CONTRACTOR, however with a deductible of DKK 500,000</p> <p>Please refer to illustration on the next page</p>
	<p>As for CONTRACTOR's insurance coverage must include liability resulting from his services or products when those services and/or products are incorporated into another service and/or product as an ingredient or component.</p>	DKK 20,000,000	<p>CONTRACTOR for his services and products as primary coverage up to the attachment point of (no less than) DKK 20,000,000.</p> <p>Please refer to illustration on the next page</p>
Automobile	<p>Automobile Liability Insurance:</p> <p>Coverage for any claim arising from the Insureds usage of automobiles.</p>	As defined by legislation	Each party for its own vehicles, and only if applicable.

Exhibit Insurance			
<i>Type of Risk</i>	<i>Insurance Class and its overall Scope of Coverage</i>	<i>Sum Insured</i>	<i>Insuring Party</i>
Marine Vessels	<p>Marine Vessel Liability Insurance (P&I):</p> <p>Coverage for any claim arising from the Insureds usage of marine vessels incl. specialist operations, e.g. dredging, cable jetting etc.</p>	As defined by legislation and conventions	Each party for its own vessels, and only if applicable.
Aircrafts	<p>Aircrafts Liability Insurance:</p> <p>Coverage for any claim arising from the Insureds usage of Aircraft.</p>	As defined by legislation	Each party for its own aircrafts, and only if applicable.

Illustration on Third Party Liability (TPL) Insurance Structure:



10. Insurance Schedule

<p>CONDITIONS OF CAR / EAR</p> <p>REI 400KV FGD – LAN</p> <p>INSURANCE PROVIDED BY EMPLOYER</p>	
<p>CONSTRUCTION ALL RISKS INSURANCE</p> <p>Schedule</p>	
PROJECT NAMES	REI 400kV Fraugde – Landerupgård
Scope of Work	<p>The existing 400kV overhead line, phase threads, ground threads, components etc. will be dismantled and replaced. The oldest masts will be replaced and the foundations will either be replaced or renovated. The new overhead line and the new masts will look like the old ones and the existing Tracee will be used. Minor refurbishment works will be conducted at both substations (Fraugde and Landerupgård) ie. replacement of phase conductors and ground wires.</p> <p>Some crossings of railways and freeways will be conducted. 4 railways will be crossed (1 in Jutland and 3 on Funen) and 2 freeways will be crossed (1 in Jutland and 1 on Funen). Agreements with Banedanmark and Vejdirektoratet states that railways and freeways will be closed, and traffic redirected during the crossings.</p>

SITE	 <p>Trace: from Landerupgård to Fraugde</p>
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.
THE WORKS (and the property insured) This definition is Incremental to the Base Wording.	<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</p>

	<p>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> <p>01.06.2020 – 01.03.2023 both days included, and followed by a Defects Liability Period of: 60 months extended maintenance cover.</p>								
TERRITORIAL LIMITS, SUMS INSURED AND DEDUCTIBLES (Any numeric section references are made to the Base Wording)									
<p>Section 1a, Property</p> <p>Sum Insured</p>	<table> <tr> <td>Overhead Line:</td> <td>DKK 148,861,663</td> </tr> <tr> <td>Project management:</td> <td>DKK 5,876,264</td> </tr> <tr> <td>Other costs:</td> <td>DKK 23,917,407</td> </tr> <tr> <td>Totals: excl. VAT</td> <td>DKK 178,655,334</td> </tr> </table>	Overhead Line:	DKK 148,861,663	Project management:	DKK 5,876,264	Other costs:	DKK 23,917,407	Totals: excl. VAT	DKK 178,655,334
Overhead Line:	DKK 148,861,663								
Project management:	DKK 5,876,264								
Other costs:	DKK 23,917,407								
Totals: excl. VAT	DKK 178,655,334								
Section 1a – 3.1 Property belonging to or held in the care, custody or control of the insured	<p>DKK 50,000,000 EEO</p> <p>("EEO is the abbreviation for "Each and Every Occurrence" throughout this Exhibit)</p>								
Section 1a – Claims Preparation Expenses	<p>The insurer shall be liable for the reasonable and supportable costs, which shall be payable by the insurers, where such costs are incurred by the insured (including utilization by the insured of external consultants, but excluding legal advisors) for the preparation, presentation, certification, advocacy of a non-legal nature and/or verification of any payable claim under this policy resulting from loss, destruction or damage insured under this policy.</p> <p>The amount recoverable under this clause shall not exceed</p> <p>DKK 2,000,000 EEO and in the aggregate</p>								
Section 1a – 3.3 Plans, Documents and Data	DKK 2,000,000 EEO								
Section 1a – 3.4 Removal of Debris	DKK 10,000,000 EEO								

Section 1a – 3.5 Expediting Ex-penses	DKK 5,000,000 EEO
Section 1a – 3.6 Off-site Storage	DKK 100,000,000 EEO (3 off site storage areas will be used. Areas will be fenced and monitored).
Section 1a – 3 Inland Transit	DKK 10,000,000 per conveyance and the cover is limited to “Inland transits”.
Section 1a – 4.2 Escalation	15% allowed without Additional Premium. When exceeding 15% the remaining overflow is subject to an additional premium proportionally calculated.
Section 1a, Prop-erty Deductibles	Onshore DKK 1,000,000 EEO Marine Cargo and during defects Liability period: As above
Section 2, Third Party Liability Limit of Indemnity	DKK 100,000,000 EEO and in total for the Period of Insurance.
Section 2, Third Party Liability Secondary Cover-age and DIC drop-down	As for any Additionally Insured this Third Party Liability coverage... 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), and ii) extends DIC (Difference-In-Conditions) coverage to said parties limited only by the deductible (and as mentioned in the “Deductibles” paragraph below).
Section 2, Third Party Liability Deductibles	DKK 20,000,000 each and every claim and for DIC-coverage DKK 500.000. For liability incurred by the Principal Insured the following deductibles apply: 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. 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.
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 mill. 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 are 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

	<p>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</p> <p>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.</p>
ENDORSEMENT TO THE BASE WORDINGS (SECTION 1A)	
<p>Endorsement 1202 Special Insurance Cover: property insured taken into use or operation</p>	<p>Comprising all insured Property and within the Period of Insurance.</p>
<p>Endorsement 1260: Special Conditions: contract time schedule</p>	<p>The following provisions regarding extension applies:</p> <p>(i) One or more extensions of the Primary Insurance Period and up to 6 (six) months in total are automatically granted and at no Additional Premium.</p> <p>(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.</p> <p>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.</p> <p>Extensions above apply whether or not a claim has occurred.</p>
<p>Endorsement 1264: Special Conditions: open trenches, pipes, cables and ducts</p>	<p>N/A</p>
<p>Endorsement 1266: Special conditions: directional drilling</p>	<p>N/A</p>
<p>Endorsement 1269: Special conditions: marine 50/50 loss sharing</p>	<p>Endorsement forms part of section 1a</p>
<p>Premature Handing Over</p>	<p>Contract works and/or supplies handed over or taken into use to and by the Employer prior to commencement of commercial operation are included in the Insurance until such commencement and also in the following extended maintenance period (defect liability period).</p>
<p>General Average and Salvage Charges</p>	<p>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</p>

	<p>recoverable under Section I in respect of partial loss arising from any one casualty shall not exceed the value applicable to the item.</p> <p>General Average deposits are payable on production of General Average Deposit receipts.</p> <p>Underwriters agree, if required, to provide General Average guarantees or Salvage security in respect of property insured by the Policy.</p>
Marine Warranty Survey	N/A
Stand-by charges	N/A
Forwarding charges clause	N/A
Additional Work	N/A
Sue and Laour Clause	<p>It is further agreed that in the case of any imminent physical loss or physical damage to the property insured hereunder, which is the direct result of a peril insured against, the Assureds, their servants and their agents may sue, labour and travel for, in and about the defence, safeguard and recovery of the subject matters insured without prejudice to this insurance and may incur reasonable expenses in efforts to avert or minimize a loss which may fall under Section I.</p> <p>The expense so incurred shall be borne by the Assureds and Underwriters proportionately to the extent of their respective interests. No acts of Underwriters or the Assureds in recovering, saving or preserving the property insured shall be considered as a waiver or acceptance of abandonment.</p> <p>Sublimit DKK 10,000,000 EEO</p>
Tests, Leak and/or Damage Search Costs	<p>If it becomes necessary to repeat any test(s) and/or trial(s) or to carry out subsequent test(s) and/or trial(s) as a result of a physical loss or physical damage to the insured property arising from an Occurrence covered under Section I, Underwriters will bear the cost of any such repeated and/or subsequent test(s) and/or trial(s) subject to a sub-limit of DKK 5,000,000 EEO</p>
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 45 days (1080 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 other 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>
<p>Incremental Endorsement: Additional Indemnities</p>	<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)	
<p>Endorsement 1203 Special Insurance Cover: liability consequent upon vibration, removal or weakening of support</p>	<p>Endorsement carries the general limit and deductibles for section 2</p>
<p>Endorsement 1262: Special Conditions: underground services</p>	<p>N/A</p>
<p>Endorsement: Public Relations and Opening Ceremonies</p>	<p>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.</p>
<p>Endorsement: Contractors Pollution Liability</p>	<p>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.</p> <p>Insured sum: Onshore – DKK 5,000,000,- Offshore – DKK 0,-</p>

SECTION 4 - MARINE CARGO	
Sum Insured:	DKK 27 mill.
Coverage:	<p>Maximum value for one shipment+ 10%.</p> <p>Buyer's Interest Clause It is hereby noted and agreed to extend the Marine Cargo insurance to <u>include</u> Buyer's Interest (Energinet) as a contingent cover in respect of the insurance taken out by the Seller.</p> <p>This insurance will only cover a loss (maximum value of the goods according to the calculation of the sum insured under the terms and conditions of this policy) suffered by the insured as buyer of the goods if otherwise covered by this policy and provided that it can be substantiated that the Seller has failed to take out insurance cover or if compensation cannot be obtained under the insurance policy taken out by the Seller.</p> <p>This insurance covers Buyer's Interest only and cannot be transferred to 3rd parties. The insured is obliged not to disclose to the Seller or to any third party that this insurance cover has been taken out. In the event of a loss or damage or if loss or damage is pending, the insured must contact the insurance company and carry out the measures stipulated by the insurance company.</p> <p>In the event of a payment under this policy, the Insurer shall be subrogated to the extent of such payment to all the Insured's rights of recovery, to the extent that such rights of recovery have not been waived in the Contract between Seller and Energinet.</p>
Territorial Scope	Worldwide excluding United States of America and Canada.
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

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