

APPENDIX 2

DEFINITIONS

Contract on subsidy for negative emissions carbon capture, transport, and storage

Danish Energy Agency

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1. Introduction

This Appendix sets out definitions used in the Contract and its Appendices. All defined terms are written with an initial capital letter.

2. Definitions

1. Activity means any type of action, task, performance, delivery, etc. or series of actions, tasks, performances, deliveries, etc. in the life cycle of the Contract.
2. Allocated Annual Subsidy means the annual subsidy allocated under the Contract calculated on the basis of the Subsidy Rate applicable for the given year and the Annual Quantity, respectively and if applicable, the 2025 Quantity for 2025.
3. Annual Quantity means the quantity of CO₂ specified in Appendix 6, Offered Rate and Contracted Quantity, that the Operator is obliged to capture and permanently, geologically store every calendar year from 2026 until (and including) 2032 in accordance with the Contract.
4. Appendix means an appendix to the Contract.
5. Business Day means any Day excluding Saturdays, Sundays, Danish public holidays, 24 December, 31 December, and 5 June (Constitution Day).
6. Carbon Capture Plant means either i) a capture plant capturing biogenic CO₂ from a point source, or ii) a direct air capture plant capturing atmospheric CO₂.
7. CCS Activities means the collective Activities performed by the CCS Value Chain.
8. CCS Directive means directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006 with subsequent amendments.
9. Commercial Operation Date (COD) means the date when the Operator shall commence the operation of the full Value Chain. If the Operator's performance of the Contract is based on more than one Carbon Capture Plant, operation of

the full Value Chain (i.e. COD) encompasses operation of all Carbon Capture Plants.

10. Contract means this Contract between the Parties on negative emissions carbon capture, transportation, and storage, including the Appendices, with any changes made in accordance with the change management procedure in Appendix 8, Change management.
11. Contracted Quantity means the quantity of CO₂ specified in Appendix 6, Offered Rate and Contracted Quantity, that the Operator is obliged to capture and permanently, geologically store in accordance with the Contract, i.e. the Annual Quantities and the 2025-Quantity, if any.
12. Day means calendar day.
13. DEA's Requirements mean the Contract excluding appendices, Appendix 2 (Definitions), Appendix 3 (Requirements specification), Appendix 5 (Subsidy and economy scheme), Appendix 6 (Offered Rate and Contracted Quantity) excluding the parts provided / completed by the Operator, Appendix 7 (Code of conduct) , Appendix 8 (Change management), Appendix 9 (Model performance and warranty guarantee), and Appendix 10 (Information about Sub-Suppliers) excluding the parts provided / completed by the Operator.
14. Deliverables means the various documentation, reporting, information, data, etc. that the Operator has provided as part of the offer or which the Operator shall provide and make available to the DEA subject to the Contract and the Appendices, including but not limited to clause 11 of the Contract.
15. Delivered Quantity means the quantity of CO₂ permanently, geologically stored in accordance with the Contract in a given period.
16. Force Majeure means an event as defined in the clause 22 of the Contract.
17. Guarantor means an independent entity domiciled in the EU / EEA and governed by public regulation applicable for financial institutions (banks or credit insurance companies) and is under the supervision of a governmental institution.
18. Intellectual Property Rights means copyrights and related rights, including rights in databases, patents, utility models, trademarks, service marks, trade names, topography rights, design rights, domain names, rights under the Danish Marketing Practices Act (*In Danish: Markedsføringsloven*) and all

applications or pending applications for all the mentioned rights in all cases, whether or not registerable in any country, and all rights and forms of protection of a similar nature or having equivalent or similar effect anywhere.

19. Liability Cap means the limitation of the liability of the Parties as further described in clause 20.4 of the Contract (which also sets out the exclusions from the cap).
20. Offered Rate means the amount per tonne CO₂ excluding VAT offered by the Operator and stated by the Operator in Appendix 6, Offered Rate and Contracted Quantity.
21. Operator means the entity which has entered into the Contract with the DEA or, if the Contract has been transferred in accordance with clause 17.1 of the Contract, the entity to which the Contract has been transferred.
22. Operator's Solution means the Operator's offer and any document provided by the Operator to the DEA after entry into force of the Contract.
23. Parties mean both the Operator and the DEA.
24. Party means either the Operator or the DEA.
25. Penalty / Penalties means an amount to be paid by the Operator to the DEA under the conditions stipulated in the Contract, notwithstanding whether or not the DEA can demonstrate a loss.
26. Performance and Warranty Guarantee means a guarantee as described in clause 12 of the Contract.
27. Project Description means the Operator's project description submitted as part of the Operator's offer and included in the Contract as Sub-appendix 4.A, Project Description, and any final version of the document made in accordance with R-1, Appendix 3, Requirements specifications, , and with any changes made in accordance with the change management procedure in Appendix 8, Change management.
28. Project Schedule means the Operator's project schedule, submitted as part of the Operator's offer and included in the Contract as Sub-appendix 4.B, Project Schedule, and any final version of the document made in accordance with R-1, Appendix 3, Requirements specifications, and with any changes made in

accordance with the change management procedure in Appendix 8, Change management.

29. Solution Description means the Operator's Project Description and Project Schedule.
30. Sub-Supplier means an entity contributing to the Operator's performance of the Contract. The meaning of the term "Sub-Supplier" shall be fully interchangeable with the word "sub-contractor".
31. Subsidy / Subsidies means the subsidies that the Operator may become entitled to under the Contract.
32. Subsidy Rate means an amount per tonne calculated for each calendar year in accordance with Appendix 5, Subsidy and economy scheme, clause 2.1, 3.2 and 3.3.
33. Value Chain means the full range of Activities needed to capture, transport, and permanently, geologically store CO₂.
34. 2025-Quantity means the quantity of CO₂ specified in Appendix 6, Offered Rate and Contracted Quantity, that the Operator is obliged to capture and permanently, geologically store, in the period from start of operating until (and including) 31 December 2025 in accordance with the Contract.