

SusBDe Royalties Insurance Program

19th May 2025

File: 20250519JV_SusBDe Insurance extended

Contents

1	Introduction Risk Mitigation Program.....	3
2	SusBDDe Construction Insurance Program.....	3
2.1	Advantages of OCIP versus CCIP.....	3
2.2	Construction insurance policies (OCIP).....	4
2.2.1	Construction All Risk (CAR).....	4
2.2.2	EAR - Advance Loss of Profit (ALOP).....	5
2.2.3	General Liability.....	5
2.2.4	Marine Cargo Transit.....	5
2.2.5	Marine Delay in Start-up (Marine DSU).....	5
2.3	Optional coverages OCIP.....	5
2.3.1	Contractors Plant & Machinery (CPM).....	5
2.3.2	Professional Indemnity (first party).....	5
2.4	SusBDDe CAR/CEAR Policy Details.....	6
2.5	EAR policy additional coverages.....	7
2.6	EAR policy deductibles.....	9
2.7	EAR warranty's / policy terms & conditions.....	10
2.8	DSU/ALOP policy details.....	10
2.9	General Liability policy details.....	11
2.10	General Liability policy extensions.....	11
2.11	SusBDDe Marine Cargo policy.....	12
3	SusBDDe Operational Insurance program.....	13
3.1	Property Damage (PD).....	13
3.2	Machinery Breakdown (MB).....	13
3.3	Property Damage and Machinery Breakdown - Business Interruption (PD/MB-BI).....	13
3.4	General Liability.....	13
4	Insured Performance Guarantee.....	13
4.1	Scope of insurance coverage.....	14
4.2	Conditions precedent for policy issuance.....	14
4.3	Policy Inception and effective date.....	14
4.4	Policy Term.....	14
4.5	Summary policy structure.....	15

1 Introduction Risk Mitigation Program

This document outlines the insurance program and guarantee structure for all SusBDe projects for the development/construction phase and following 10 years of operations.

SusBDe de-risking of projects is achieved via the integration of the following insurance solutions:

1. Construction All Risk (CAR) and Delay in Start Up (DSU) policies
2. Property & Machinery breakdown All Risk (PDMB) and Business Interruption (BI) policies
3. Comprehensive liability policies including Environmental Impairment Liability (EIL) policy
4. Insured Performance Guarantee policy, compensating any production short fall

This document provides a high-level insight in the above referenced insurance solutions, which all are provided by S&P A rated insurance and reinsurance companies exclusively to SusBDe. The insurances are arranged via SusBDe Royalties Ltd (acting arranger) through renowned global A rated (re)insurance providers by SusBDe Global B.V. the project principals- co insured party on all projects).

2 SusBDe Construction Insurance Program

The SusBDe construction insurance program is based on an Owner Controlled Program (OCIP) providing the best and most comprehensive protection for the investors/owners/principal at the lowest costs compared to the (more traditional) Contractor Controlled Insurance Program (CCIP). Note that the actual policies may slightly differ from the below are subject to local regulatory and admittance by the local supervisory bodies.

2.1 Advantages of OCIP versus CCIP

Advantages of an OCIP where the owner takes out the insurance program for and on behalf of all parties involved with the project including the contractors, advisors, and suppliers are listed below:

1. allows the owner to ensure all contractors, advisors and suppliers are adequately insured for their responsibilities liabilities towards the owner (project principal) under the EPC agreement
2. allows coverage of Delayed Start Up (DSU), also known as Advanced Loss of Profits (ALOP) insurance (business interruption following delayed completion as result of a damage, which includes extra costs for debt service and interest, a coverage welcomed by financiers)
3. premiums are paid by owner (principal) so costs are transparent

4. full control over quality of coverage (this includes important loss payee clauses securing payments following a loss, required by financiers)
5. in case of loss, indemnification is to the owner (principal) and not to the contractor, allows owner to remain in control
6. allows to achieve lowest cost of risk solution (this is lowest true costs for risk).
7. no delays nor arbitration identifying the liable party following loss when more contractors at work

All parties contracted, including the owners, lenders, engineers, consultants, suppliers, contractors and their subcontractors are for all works conducted on site insured via the SusBDe construction program insurances.

2.2 Construction insurance policies (OCIP)

2.2.1 Construction All Risk (CAR)

Covers on a primary basis (is primary over any existing coverage by any of the insured parties), over any other existing coverage, any material loss or damage to the project works and all materials and goods used or for use in connection with the project. Moreover, all the property of the Insured or for which the Insured are responsible for due to any cause not excluded under the policy. The sum insured represents the full erected value of the project. The Principal, contractors and/or sub-contractors are included as additional insured under the policy.

Specific additional coverage is included for:

- Drawings, designs, etc.
- Specific prefab inclusive transport
- Liability related to the Work
- Transport and temporary storage near construction site.
- Sudden and accidental environmental damage
- All tools, sheds, etc. of insured
- Properties of employees and principal

The erection/construction coverage will be followed automatically by a maintenance coverage.

A Full Guarantee Maintenance covers damage of loss during maintenance period with cause in erection/construction period (inherent defect, construction failure and/or materials) and moreover damage with a cause before the erection/construction period.

General excluded risks are: Nuclear reactions, war risks, intent, improvements, gradual decline, gradual environmental liability, personal injury, compulsory legal liability motorcars.

These risks will be insured separately if compulsory, necessary or demanded.

2.2.2 EAR - Advance Loss of Profit (ALOP)

Policy offers cover against loss of anticipated gross profit due to the delay in commissioning of the project following a loss covered under the underlying Erection All Risk (EAR) policy.

2.2.3 General Liability

Policy provides coverage against legal liability arising to the insured out of third-party property damage or third-party bodily injury due to the project works.

2.2.4 Marine Cargo Transit

Policy covers all materials, equipment, machinery and other associated items for incorporation in the Project, against "all risks" of physical loss or damage while in transit by sea, air or land from the country of origin anywhere in the world to the Project site. The insurance responsibility between project principal and supplier would depend on the incoterms / terms of sale.

2.2.5 Marine Delay in Start-up (Marine DSU)

Policy is designed to secure the portion of revenue which the principal requires to service debt and realize anticipated profit. It provides a fairly broad protection against delays arising from physical loss or damage caused by a peril relevant in the Marine Cargo cover.

2.3 Optional coverages OCIP

The contractors insured under the OCIP construction program remain responsible to comply with the required mandatory insurance policies (labor related, automobile, etc.). Optional the SusBDe construction program may include coverage for the contractors equipment on site as well as the design liability in excess of the ruling general terms for consultants/engineers.

2.3.1 Contractors Plant & Machinery (CPM)

Policy covers damages of an accidental nature affecting machines and equipment brought by the contractor at the site for project execution due to any cause not excluded under the policy.

2.3.2 Professional Indemnity (first party)

Though design risks are covered under the CAR, sub limits apply. In order to ensure full coverage on design risks that may result into a claim of the project owner towards the

engineering responsible parties, a first party that provide coverage for the designers liability in excess of the general terms that apply can be made available. This policy would pay on behalf of the insured design engineer the loss which this design engineer is legally liable to pay in respect of a claim alleging an act, error or omission of the Insured in the performance of professional services.

2.4 SusBDe CAR/CEAR Policy Details

The below policy details are illustrative.

Insured name	Project Principal, SusBDe Global B.V. (principal's co-insured), SusBDe Royalties Ltd (arranger), etc
Insured address	Address of principal insured
Period of insurance	Project realization time including testing period until start of operations with possibilities on extension. (18 -21 months inclusive of 3 months testing period).
Risk location address	Actual location of project, they may include locations for storage, preparations, and others directly related to the project, to be included in the policy.
Insured interest	<p>Section I - Material Damage All Works, temporary works, components, machinery and equipment, material, spares, office equipment, and all other property of whatsoever nature or description all being the property the Insured Project or works or elsewhere in the Territorial Limits including whilst in transit or temporarily stored at or away from the site all in connection with the insured contract.</p> <p>Section II - Third Party Liability Legal Liability of the insured to third parties in respect of accidental bodily injury and/or property damage arising out of the Insured Project during the construction period.</p>
Insured project	<p>Storage, Erection, Testing and Commissioning of Zero waste to Energy facility plant.</p> <p>The building components of the CBG facility based on the following:</p> <ol style="list-style-type: none"> 1. Feedstock preparation 2. Biogas plant 3. Biogas Up-grading plant 4. Utilities and other installations
Total Insured Sum	total project capex
Contractor name	Various contractors / sub-contractors to be listed

2.5 EAR policy additional coverages

Earthquake (Fire and Shock)	Full Sum Insured
Storm, Tempest, Flood and Inundation	Full Sum Insured
Riot, Strike and Malicious Damage	Full Sum Insured
Civil Commotion coverage	10% of Sum Insured
Terrorism clause	Full Sum Insured
Escalation clause	30% of Project Sum Insured
Third Party Liability with cross liability and including cover during maintenance period	At least 2.000.000 Euro any one occurrence and in aggregate
Clearance and removal of debris including slush removal, dewatering and other expenses	At least 50.000 Euro any one occurrence and in aggregate. Dewatering expenses at least 100.000 Euro in aggregate
Owner's Surrounding Property with FLEXA risk	% of Project Sum Insured
Full Guaranteed Maintenance period cover	12 - 24 months
Cover for offsite storage / fabrication / fabricators workshop on an unnamed basis	At least 2.000.000 Euro any one location and in aggregate
Design Defect cover	DE4/DE5
Cover for extra charges for overnight work, work on public holidays, express freight including air freight cover	30% of claim amount
Expediting expenses clause including Air freight and Express freight	At least 300.000 Euro any one occurrence and in aggregate
Loss minimization expenses including fire-fighting expenses	At least 300.000 Euro any one occurrence and in aggregate
Free issue material clause	Sum insured is included within the total project sum insured
Waiver of subrogation clause	Waiver of subrogation clause against project principal, lenders / financiers, contractors and sub-contractors
Local Authorities clause	Applicable

Waiver of contribution clause	Restricted between Principal and the contractor
Free automatic reinstatement of sum insured clause	% of Project Sum Insured
Professional fees clause	At least 100.000 Euro any one occurrence and in aggregate
Property in the care, custody and control of the insured	Sum insured is included within the total project sum insured
Valuable plans and documents clause	At least 50.000 Euro any one occurrence and in aggregate
Immediate repair clause	At least 50.000 Euro any one occurrence and in aggregate
Cover for Insured Contract Works Taken Over or Put into Service	3 months as per Munich Re Clause 116
Additional customs duty	Outside EU at least 100.000 Euro any one occurrence and in aggregate
Destruction of Undamaged Property clause	At least 100.000 Euro any one occurrence and in aggregate
Cessation of work clause	Agreed for 60 days, Cessation of work - "Notwithstanding anything contained herein to the contrary, it is hereby agreed and declared that should the work insured or any part thereof be entirely stopped by any cause whatsoever and the Insured give notice thereof, the cover under the Policy shall continue without interruption, provided that the Insured shall take reasonable precautions to protect the Work from physical loss or damage during the period of cessation. The period covered by this Policy shall be prolonged without additional premium for a similar period, up to a maximum period of 60 days for the entire policy period. with any further extension of this period to be agreed by the Insurer/s."
On account payment clause	Agreed On Account Payment Clause - % will be decided on case-to-case basis
50:50 clause	Applicable

72 hours clause	Applicable
Temporary Facilities cover	Sum Insured included within the total project sum insured
Vibration, Removal or Weakening of Support	At least 2.000.000 Euro any one occurrence and in aggregate within TPL limit
Claim Preparation cost clause	At least 500.000 Euro any one occurrence and in aggregate
Decontamination and cost of clean-up expenses	At least 100.000 Euro any one occurrence and in aggregate
Cover of leak search costs when laying pipelines	Agreed for indemnifiable loss for at least 100.000 Euro
Deliberate Destruction / Damage clause	At least 100.000 Euro any one occurrence and in aggregate
Project Improvement Cover: Notwithstanding anything to the contrary contained elsewhere herein, it is agreed that any incident resulting into a claim due to operation of an insured peril, this policy is extended to indemnify the insured against the additional costs incurred in betterment/ improvement / addition/ removal/ repair/ alteration/ replacement of any project related material/work (or part thereof), subject to Insurer's consent	At least 250.000 Euro any one occurrence and in aggregate
Continuity of cover during operational phase for Unit / Plant tested but awaiting integral testing (along with other units/Plants)	At least 3 months
Pro-rata extension up to 6 months if claim ratio is less than 60% as on the date of extension	

2.6 EAR policy deductibles

- Normal claims: % of claim amount subject to minimum of 5.000 Euro
- AOG/ major perils / fire /explosion: % of claim amount subject to minimum of 5.000 Euro
- Testing period: % of claim amount subject to minimum of 5.000 Euro – 20.000 Euro

2.7 EAR warranty's / policy terms & conditions

- Warranted all storages of critical and vulnerable materials under covered premises only
- Warranted that storage methodology should be in compliance with the OEM's instructions and recommendations. Further it is warranted that electronic and electrical items designed for indoor use should be stored within covered premises
- Warranted proper security for materials at the site and at storage locations.
- Second Hand machinery not covered
- Endorsement regarding storage
Endorsement regarding safety measures

2.8 DSU/ALOP policy details

This coverage is for the financial losses incurred by the owner / principal as a result of any loss covered under the CAR/EAR and Marine Cargo policy.

Any proceeds of this coverage are for the owner / principal and or ceded parties.

Co-insured parties do not have any interest in this coverage.

Cover for all AOG perils	Full Sum Insured, Earthquake, Volcanism, tsunami, storm, cyclone, flood, inundation, landslide (and other AOG Perils) covered
Prevention of clause clause	Agreed (Prevention of access with maximum limit of 30 days (over & above the policy time excess) and with maximum radius of 5 kilometers from insured premises & only inland. Coverage under this section shall extend to include loss or reduction resulting from cessation, interruption, interference, or inhabitation to the business as consequence of physical destruction of or damage to property belonging to the Insured or property within a radius of 5 kms from the insured premises (inland only) which prevents or hinders the use of or access to the premises (excluding port blockage)
Terrorism clause	Full Sum Insured
Project Monitoring costs	Project Monitoring clause: Inspection of project works to be carried out by independent qualified Surveyor on half yearly basis. Accordingly, inspection report and monthly progress report to be provided. Project monitoring cost will be borne by the insured.

Named and unnamed Suppliers premises extension	At least 500.000 Euro any one occurrence and in aggregate. Agreed (Coverage restricted to First Tier/ Direct Domestic Suppliers premises Only for FLEXA perils only. Terrorism risk is not covered for this extension. Maximum up to 10% of BI sum insured and not to exceed tbc amount any one loss/aggregate whichever is less. The limits specified are in aggregate across all onshore Customers & Suppliers)
--	---

2.9 General Liability policy details

Insured name	Project Principal, SusBDDe Global B.V. (principal's co-insured), SusBDDe Royalties Ltd (arranger), etc
Insured risk location	Project site details
Policy period	18 - 21 months (depending project specifics) from inception date
Indemnity limits	At least 2.000.000 Euro any one occurrence and in aggregate
Territory & jurisdiction	Territory - Poland / Europe Jurisdiction - Worldwide excluding USA / Canada
Retroactive date	possible

2.10 General Liability policy extensions

Defence Costs included within Limit of Liability	Agreed
Personal & Advertising Injury extension	At least 500.000 Euro
Damage to rented premises	Tbc
Medical Expenses extension	Outside EU at least 20.000 Euro per person
Liability arising out of the travel of Insured's executives worldwide for non-manual business visits	Agreed
Act of God perils extension	Agreed (as per policy form)
Food & Beverages Extension	Agreed (as per policy form)

Terrorism Legal Liability Extension	At least 10.000 Euro
Property under care, custody & control extension	At least 10.000 Euro
Incidental medical malpractice Cover (First Aid only)	Outside EU at least 10.000 Euro per person
Transportation Legal Liability Extension	Outside EU at least 10.000 Euro
Vicarious Liability	Agreed (as per policy form)
Cross Liability Cover	Agreed (as per policy form)
72 hours sudden and accidental pollution extension	In EU to be included in EIL
Additional Insured Coverage - where required by written contract	On review of written contract- SusBDe Global the BV Netherlands
Waiver of subrogation - where required by written contract	Agreed
Group Control Clause	Agreed
Primary and non-contributory clause	Agreed
Civil fines and penalties where insurable by law	tbc

2.11 SusBDe Marine Cargo policy

All inland and international / overseas transport of goods purchased by SusBDe will be insured under a comprehensive transport insurance policy on declaration basis. The actual transport can commence following receipt of confirmation of coverage by SusBDe and the appointed insurance broker.

For all transports the following information needs to be shared with SusBDe.

- Value of goods
- Travel dates
- Packaging description
- Type of transport (road, rail, etc)
- Weight and sizing of goods
- If more than one transport, info per transport/vehicle

- Applicable transport terms (incoterms)

3 SusBDe Operational Insurance program

3.1 Property Damage (PD)

This policy covers any damage to all properties: building, inventory and goods.

All Risks covers inclusive own fault and turns burden of proof to insurer. This contrary to named perils cover where the insured has to prove the damage is due to a named peril.

General exclusions are nuclear reactions, war risks, intent.

3.2 Machinery Breakdown (MB)

This policy offers coverage against material damage to machines and installations. Including errors and negligence of operator. Including inherent defects or due to the nature of products.

3.3 Property Damage and Machinery Breakdown - Business Interruption (PD/MB-BI)

Financial losses due to a covered PD or BI-claim are covered by the Business Interruption policy. The claim consists of fixed costs and gross turnover during period of downtime.

3.4 General Liability

Policy provides coverage against legal liability arising to the insured out of third-party property damage or third-party bodily injury during the construction and operational phase. Depending on the insurance market workers' compensation is included in the general liability policy or will be covered by a separate policy. Contractors are required to have separate General Liability policy in addition to the policy procured by the Principal.

4 Insured Performance Guarantee

The insured performance guarantee is a unique and dedicate financial guarantee that SusBDe Royalties Ltd offers to the project owner/principal. This guarantee will indemnify any shortfall in gas production when dropping below 80% of the designed gas yield or energy production of the plant.

This monetized guarantee is provided by an A (standards & Poor) rated re-insurance panel from Lloyds of London and has been developed specifically for the SusBDe Technology Platform.

The insured performance guarantee can be ceded to any third party (i.e. senior lenders, equity providers, owners/developers, and third parties). The policy therefore provides unrivaled security for investors securing the enterprise value of the project company.

4.1 Scope of insurance coverage

The insurance coverage will insure processing of the feedstock into a defined amount of pipeline quality biogas, for the long-term operation of the plant and insure the product output to generate related revenue to commensurate with the schedule of Loan repayments (but not limited to) shown in the Project Financials for the Policy Term (10 years or 120 months).

4.2 Conditions precedent for policy issuance

In order to benefit this financial guarantee, the project owner agrees a 10-year Service Level Agreement on the platform technology, whereas the technology provider warrants at least 80% of the designed (or agreed following performance test) gas yield.

4.3 Policy Inception and effective date

The Policy Inception Date shall be the date the Policy is issued and will provide the insurance coverage described herein. The Policy will inception upon the completion of all the following

- execution of the Policy and
- completion of payment of the Premium (2 instalments).

Policy Effective Date shall be the date when the Start-up Performance Test ("Field Test") has been successfully completed and the operational control of the facility has been transferred to the owners operator, which shall be no later than the date agreed. This date may be extended by mutual consent of the Parties.

4.4 Policy Term

The Policy liability term shall commence at the Policy Effective Date and shall terminate on the earlier of 120 (one hundred twenty) months after the Policy Effective Date (which Expiration Date shall not be later than the agreed date + 10 years save for any claims that have been notified to the Insurers prior to Expiration Date, the Policy Limit is reached or the expiration and satisfaction of the Loan). The policy liability term shall be effective for up to 10 years (120 months) after commencement regardless of other warranty periods, including the SLA.

4.5 Summary policy structure

The below policy structure is a sample for the CBG plant and illustrative only for the Power Plant project.

Proposed Project	Location, and key project parameters
(re)insurer	Syndicate re-insurance companies, member of Lloyd's of London, rated A/A+/AA- (A.M. Best, S&P, Fitch).
Policyholder	Project Principal, SusBDe Royalties Ltd, SusBDe Global, etc
Coverage	Insurance coverage for Long-term Output to compensate for revenue shortfalls due to technology failures (see Insured Perils below).
Policy Period	Ten (10) years.
Policy Limit	80% attachment level (design gas yield)
Annual Limit	1 year of gas sales to a total of 3 years of gas sales
Deductible	Deductible for the Long-term Output policy will be stated as an attachment level representing the percentage of the Expected Output from Proposed Facility. Attachment level of 80% will be referred to as "Required Output".
Reference Price(s)	On basis of contracted CBG/kg price of RNG suitable for sales/injection in natural gas network (either price for which a long-term contract has been agreed).
Insured Event	A loss will be triggered by a Performance Event. A Performance Event occurs if, due to one of the Insured Perils, Actual Output for an entire Event Period falls below the Required Output.
Insured Perils	This Policy will only cover Losses due to: defective design faulty materials faulty workmanship faulty instruction from the Named Insured (its contractors, agents or assignees).
Event Period	For the purpose of aggregating claims, a period of twelve (12) months that commences at the Policy Effective Date, then at the anniversary of each subsequent 12-month period following the first Event Period. In any Event Period, Claim and payment for Loss for any Insured Event, such individual Claim according to its Root Cause Attributable Loss, if not cured, will be limited to the Annual Limit and the verified cost of necessary repair associated to the Root Cause Attributable Loss.

Root Cause Attributable Loss	Means an analysis by the Independent Engineer that identifies the extent of Loss is due to the Insured Perils. Loss includes both the total cost of repairs and performance shortfalls due to Insured Perils.
Verification of claim	Independent Engineer validates the performance claim and Root Cause Attributable Loss under technical specifications. SusBDe has agreed to appoint a combined Loss Adjuster and Independent Engineer which is accepted by the leader of the re-insurance panel.
Commissioning Procedure	To be provided by Policyholder and approved by Insurer prior to Startup Performance Test, which is a pre-condition for initiating coverage.
Recovery Account	In the event of a Claim, underwriters reserve the right to include a mechanism for recovery of the claim amount via access to revenue generated by the Project. Details of that mechanism are subject to further negotiation between insurer and insured prior to policy execution.
Loss Indemnity	Any payment of Loss under this Policy will be net of payments from EPC or O&M Agreements, and OEM warranties.
Jurisdiction	The Netherlands, or EU country, arbitration via the Amsterdam International Court of Arbitration the Netherlands.

00000000