

**ExxonMobil feedback on supplemental provisions of Danish CO2 Transport Law
as published on the Danish Consultation Portal on January 5th, 2024.**

We appreciate the additions to the Danish CO2 Transport law as published for consultation on January 5th, 2024, covering important additional aspects of CO2 transport as pointed out in our initial feedback on December 21st, 2023.

We would like to add the following comments for the Danish government's consideration:

§26

We welcome the clarifications provided for financial security to address the risks of potential damages.

It is important that financial security requirements are fit for the type and likelihood of risk and do not create excessive and prohibitive requirements on operators.

We support the proposed approach to work the details of the financial security requirements in close cooperation between the operator and the competent authority. The operator is best placed to determine the appropriate type of financial security. Options to provide financial security should be kept broad.

We suggest to the Danish government to establish an independent expert review to determine the amount of the financial security based on a risk assessment. We would also like to highlight that taxation impacts of the financial security need to be factored into the value analysis.

§28/§29

We appreciate the Danish government's objective to establish a process to assess the financial capability of license holders to deliver decommissioning obligations and to ensure that decommissioning cost will be paid for in the event of insolvency of one or more parties responsible for decommissioning.

We suggest adding a process for routine financial checks to ensure license holders continue to have the capability to meet their decommissioning obligations. In this respect the Danish government may consider consulting e.g., the UK model of assessing the financial capability of offshore oil and gas companies to deliver decommissioning obligations as a well-established process. Periodic reviews ensure that updated company accounts and wider changes in a company's and their group's portfolio of assets are considered and where necessary mitigation measures instigated.

The use of independent third-party experts for the review process should be considered.

Please do not hesitate to reach out if you would like to discuss in more detail or if you have any questions.