

*Execution version*

**BOND TERMS**

**FOR**

**VITAL ENERGI MIDCO LIMITED 10.50 % SENIOR SECURED  
GBP 175,000,000 BONDS 2025/2030**

**ISIN NO0013622878**

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<b>BOND TERMS between</b>	
ISSUER:	Vital Energi Midco Limited, a private limited company incorporated under the laws of England and Wales with the company number 16444525 and LEI number 9845003852F03DBFE084; and
BOND TRUSTEE:	Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
DATED:	11 August 2025
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

## 1. INTERPRETATION

### 1.1 Definitions

The following terms will have the following meanings:

"**Acceptable Bank**" means a commercial bank, savings bank or trust company which has a rating of BBB or higher from Standard & Poor's Ratings Service or Baa2 or higher from Moody's Investor Service Limited or a comparable rating from a nationally recognized credit rating agency for its long-term debt obligations.

"**Accounting Standard**" means generally accepted accounting principles in the United Kingdom including, and if used by the Issuer, IFRS.

"**Additional Bonds**" means the debt instruments issued under a Tap Issue.

"**Affiliate**" means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

"**Annual Financial Statements**" means the audited unconsolidated and consolidated annual financial statements of the Issuer and the Parent for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and management commentary or report of the board of directors.

"**Attachment**" means any schedule, appendix or other attachment to these Bond Terms.

**"Bond Currency"** means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Bond Terms"** means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

**"Bond Trustee"** means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

**"Bond Trustee Fee Agreement"** means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

**"Bondholder"** means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

**"Bondholders' Meeting"** means a meeting of Bondholders as set out in Clause 17 (*Bondholders' Decisions*).

**"Bonds"** means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

**"Business Day"** means a day on which both the relevant CSD settlement system is open and the relevant settlement system for the Bond Currency is open, including London.

**"Business Day Convention"** means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

**"Call Option"** has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

**"Call Option Repayment Date"** means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

**"Cash and Cash Equivalents"** means, at the date of calculation (on a consolidated basis for the Parent Group, or, if set out explicitly, the Issuer Group), an amount calculated as:

- (a) the aggregate amount of:
  - (i) cash in hand or amounts standing to the credit of any current and/or on deposit accounts of any Parent Group Company with an Acceptable Bank, but which shall exclude any cash otherwise included in an amount equal to the amount of received governmental or public grants and which have not yet been used for its intended purpose;

- (ii) certificates of deposit maturing within one (1) year after the relevant date of calculation and issued by an Acceptable Bank;
- (iii) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Union or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one (1) year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (iv) commercial paper not convertible or exchangeable to any other security:
  - (A) for which a recognised trading market exists;
  - (B) issued by an issuer incorporated in the United States of America, the United Kingdom, any member state of the European Union;
  - (C) which matures within one (1) year after the relevant date of calculation; and
  - (D) which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;
- (v) sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an Acceptable Bank (or their dematerialised equivalent);
- (vi) any investment in money market funds which:
  - (A) have a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited;
  - (B) invest substantially all their assets in securities of the types described in paragraphs (b) to (h) above; and
  - (C) to the extent that investment can be turned into cash on not more than thirty (30) days' notice;

in each case, denominated in GBP and to which any Parent Group Company or (in the case of the Issuer Group) any Issuer Group Company is alone (or together with any other Parent Group Company or, in the case of the Issuer Group, any Issuer Group Company) beneficially entitled at that time, and which is not issued or guaranteed by any member of the Parent Group or, in the case of the Issuer Group, any Issuer Group Company, and is not subject to any Security (other than Security arising under the Transaction Security Documents),

- (b) less an amount equal to the amounts outstanding under any overdraft facility, revolving credit facility or similar short term or working capital facility of the Parent Group or (in case of the Issuer Group) the Issuer Group.

**"Change of Control Event"** means a person or group of persons under the same Decisive Influence, other than the existing shareholders of the Parent as at the Initial Issue Date, gaining Decisive Influence over the Issuer.

**"Company Certificate"** means a certificate prepared and issued by Issuer to the Bond Trustee for the purposes set out in these Bond Terms, certified by the chief executive officer or the chief financial officer of Parent.

**"Compliance Certificate"** means a statement substantially in the form as set out in Attachment 1 hereto.

**"Cost-to-Complete Test"** means a test, performed by the Technical Advisor prior to the Port Clarence Completion Date:

- (a) prior to and as a condition for each release to the Issuer from the Escrow Account; and
- (b) at such other times as is required under the terms of these Bond Terms,

each with the purpose of ensuring that the Issuer and the Port Clarence Plant Owner has sufficient funds available to achieve the Port Clarence Completion Date, and shall be deemed satisfied when, on the relevant date on which such test is performed:

- (i) the aggregate of amounts deposited on the Escrow Account which may be used to fund Port Clarence Project Costs is equal to or greater than:
  - (ii) the sum of all remaining Port Clarence Project Costs to be paid pursuant to the Port Clarence Financial Model to achieve the Port Clarence Completion Date.
- (c) Any capital requirements needed to achieve the Port Clarence Completion Date, but that fall due after the Port Clarence Completion Date and before the Maturity Date, shall be included in the Cost-to-Complete Test.
- (d) If the Cost-to-Complete Test is not met, no further release from the Escrow Account shall be made (other than to fund Interest Payments), unless the Issuer, through the re-allocation of existing funds or the raising of new cash equity or Subordinated Loans sufficient to cover the funding shortfall (and such new or re-allocated funds are deposited into the Escrow Account or into another bank account in the name of the Issuer or the Port Clarence Plant Owner that is not blocked or subject to Security), satisfies the Cost-to-Complete Test.
- (e) An Event of Default shall occur if the Issuer fails to satisfy the Cost-to-Complete Test within sixty (60) days after the date the Cost-to-Complete Test first failed.

**"CSD"** means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (acting under commercial name Euronext VPS).

**"Cure Amount"** has the meaning given to it in Clause 14.24 (*Equity Cure*).

**"Decisive Influence"** means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

**"Default Notice"** has the meaning ascribed to such term in Clause 16.2 (*Acceleration of the Bonds*).

**"Default Repayment Date"** means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

**"Disposal"** means a sale, lease, transfer or other disposal by the Issuer or any Issuer Group Company of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions).

**"Dissolution of GJ Eco"** means any Disposal of shares in GJ Eco and assets of GJ Eco in the context of the disposal, winding-up, dissolution, liquidation, or other analogous corporate step taken in respect of GJ Eco under the laws of its jurisdiction of incorporation.

**"Distribution"** means:

- (a) any declaration, making or payment of dividend or other distribution (or interest on any unpaid dividend or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital) or making any kind of value transfer;
- (b) repayment or payment in respect of any shareholder loan or Subordinated Loan;
- (c) repayment or distribution of any of its share premium reserve; or
- (d) redemption, repurchase, defeasance, retirement or repayment any of its share capital.

**"Drakelow Assets"** shall have the meaning ascribed to such term in paragraph (a)(viii) of Clause 2.5 (*Transaction Security*).

**"Drakelow Aviva Debt"** means the financing and lease arrangements provided as part of the original financing of the Drakelow Plant, in an aggregate principal amount of approximately GBP 52,000,000.

**"Drakelow Capex"** means the capital expenditure to be incurred by the Issuer Group to improve the performance of the Drakelow Plant, in an aggregate amount not exceeding GBP 5,000,000.

**"Drakelow Debenture Intercreditor Agreement"** shall have the meaning ascribed to such term in paragraph (i) of the definition "Permitted Security".

**"Drakelow EPC Agreement"** means the engineering, procurement and construction agreement dated 27 January 2020 and made between Vital Energi (Drakelow) Limited and Vital Energi Utilities Limited.

**"Drakelow Fuel Supply Agreement"** means the fuel supply agreement dated 27 January 2020 and made between DM Topco Limited and Vital Energi (Drakelow) Limited.

**"Drakelow Leases"** means:

- (a) the lease of the Drakelow Plant dated 27 January 2020 and made between (i) E.ON UK and (ii) Aviva Investors Infrastructure Income No.4B Limited, Aviva Investors Infrastructure Income M No.4D Limited and Aviva Investors Infrastructure Income C No.4F Limited ("**Drakelow Superior Lease**"); and
- (b) the underlease of the Drakelow Plant dated 27 January 2020 made between (i) Aviva Investors Infrastructure Income No.4B Limited and Aviva Investors Infrastructure Income No.4D Limited and Aviva Investors Infrastructure Income C No.4F Limited and (ii) Vital Energi (Drakelow) Limited (the "**Drakelow Underlease**").

**"Drakelow Leases Variation Agreements"** has the meaning given to it in Clause 6.5 (*Conditions subsequent*).

**"Drakelow O&M Agreement"** means the operation and maintenance agreement dated 27 January 2020 and made between Vital Energi (Drakelow) Limited and Vital Energi Utilities Limited.

**"Drakelow Plant"** means the operating 15.30 MWe net output energy-from-waste (EfW) facility on a fully ramped-up basis, located at Drakelow C Power Station, Drakelow, Burton on Trent, DE15 9TZ, United Kingdom.

**"Drakelow Plant Owner"** means Vital Energi (Drakelow) Limited, company number 09780052.

**"Drakelow Plant Project Documents"** means each of:

- (a) the Drakelow Fuel Supply Agreement;
- (b) the Drakelow EPC Agreement;
- (c) the Drakelow Power Purchase Agreement;
- (d) the Drakelow O&M Agreement;
- (e) the Drakelow Leases; and
- (f) contract for Insurances with respect to the Drakelow Plant,

in each case as amended, supplemented and replaced from time to time.

**"Drakelow Power Purchase Agreement"** means the power purchase agreement dated 19 April 2023 and made between BGI Trading Limited and Vital Energi (Drakelow) Limited.



**"EBITDA"** means, in respect of any Relevant Period (or any other relevant period) and in respect of the Parent on a consolidated basis for the Parent Group, the Parent's aggregate earnings before interest, taxes, depreciation, and amortization for that Relevant Period (or any other relevant period):

- (a) excluding any items (positive or negative) of a one off, non-recurring, extraordinary, unusual or exceptional nature in aggregate not exceeding 10.00 per cent. of EBITDA for any Relevant Period;
- (b) before taking into account any unrealised gains or losses on any financial or derivative instrument (other than any derivative instruments which are accounted for on a hedge account basis);
- (c) after deducting any gain over book value and after adding back any loss arising on the Disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset during such period; and
- (d) after adding back any losses to the extent covered by any insurance,

and where the figures for EBITDA shall be further adjusted so that until four (4) full quarters have passed since the Port Clarence Completion Date, the EBITDA attributable to the Port Clarence Plant shall be calculated by annualising on a straight-line basis the EBITDA for the full quarters that have passed since the Port Clarence Completion Date.

**"English Security Trust Deed"** means the security trust deed governed by English law pursuant to which the Security Agent is appointed to act as security trustee for and on behalf of the Secured Parties in respect of the Transaction Security governed by English law.

**"Escrow Account"** means an account in the name of the Issuer, blocked and pledged on first priority as Security for the Issuer's obligations under the Finance Documents, which shall be established by the Issuer prior to the Initial Issue Date for the purpose of receiving the Net Proceeds from the issuance of the Bonds. The Escrow Account shall either (i) be held with a bank located in Norway or such other jurisdiction as approved by the Bond Trustee, or (ii) be a client account of an escrow agent acceptable to the Bond Trustee (and for this purpose, the Paying Agent and Nordic Trustee Services AS are deemed pre-accepted).

**"Escrow Account Pledge"** means the pledge over the Escrow Account and any claim against the account bank (and, if relevant, against any escrow agent) under the escrow arrangement for such account, where the bank operating the account has waived any set-off rights.

**"Event of Default"** means any of the events or circumstances specified in Clause 16.1 (*Events of Default*).

**"Exchange"** means:

- (a) Nordic ABM, a self-regulated marketplace organised and operated by Oslo Børs; or

- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

**"Finance Documents"** means these Bond Terms, the Bond Trustee Fee Agreement, any Transaction Security Document, the Subordination Deed, any other subordination and turn-over agreements entered into in respect of any Subordinated Loan, the Drakelow Debenture Intercreditor Agreement, any other intercreditor agreement entered into under or pursuant to the other Finance Documents, and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

**"Financial Indebtedness"** means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not an Obligor which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than one hundred and twenty (120) calendar days after the date of supply;

- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

**"Financial Reports"** means the Annual Financial Statements and the Interim Accounts.

**"Financial Support"** means (i) any loans, guarantees of the obligations of another person, Security, or other financial assistance (whether actual or contingent), and (ii) the acquisition of shares or other ownership interests in any person who is not an Issuer Group Company.

**"First Call Date"** means the Interest Payment Date falling in February 2028.

**"First Instalment of the Port Clarence Glennmont Debt"** means the initial payment of GBP 10,000,000 of the Port Clarence Glennmont Debt, to be paid as part of the First Release.

**"First Release"** shall have the meaning ascribed to such term in Clause 6.6 (*Additional conditions for releases from the Escrow Account*).

**"GJ Eco"** means GJ Eco Power PVT, a company incorporated in India with registration number U40108KL2016PTC040055.

**"Glennmont"** means Glennmont Clean Energy Fund Europe II Cooperatief U.A.

**"Good Industry Practice"** means the exercise of the degree of skill, care, and practices (i) that would reasonably and ordinarily be expected from a skilled and experienced person engaged in the same type of undertaking as the Obligors, under the same or similar circumstances, with such exercise of skill, care, and practices to be substantially in accordance with recognised best practices in the industry; and (ii) in compliance with all applicable laws, regulations, concessions, permits, authorisations, and agreements entered into with any authority.

**"Guarantee"** means the unconditional and irrevocable Norwegian law guarantee and indemnity (Norwegian: "*selvskyldnerkausjon*") which shall constitute senior obligations of the Guarantors, granted in favour of the Bond Trustee as Security for the Secured Obligations.

**"Guarantor"** means each of the Original Guarantors and each Material Subsidiary from time to time.

**"Guarantor Coverage Test"** has the meaning given to it in Clause 14.10 (*Designation of Material Subsidiaries*).

**"HMRC"** means His Majesty's Revenue and Customs.

**"IFRS"** means the International Financial Reporting Standards within the meaning of the IAS Regulation 1606/2002, in force from time to time and to the extent applicable to the relevant financial statement.

**"Initial Bond Issue"** means the amount to be issued on the Initial Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Initial Issue Date"** means 13 August 2025.

**"Insolvent"** means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

**"Insurance Event"** means any event or circumstance occurs that gives the Issuer Group a claim under the Insurances in excess of GBP 10,000,000 (or its equivalent in other currencies) in relation to the Port Clarence Plant or the Drakelow Plant.

**"Insurances"** has the meaning given to it in Clause 14.11 (*Insurances*).

**"Interest Cover Ratio"** means, in respect of any Relevant Period with respect to the Parent and on a consolidated basis for the Parent Group, the ratio of EBITDA to Net Interest Payable.

**"Interest Payment"** means any payment of the interest of the Bonds and the amount thereof.

**"Interest Payment Date"** means the last day of each Interest Period, the first Interest Payment Date being 13 February 2026 and the last Interest Payment Date being the Maturity Date.

**"Interest Period"** means, subject to adjustment in accordance with the Business Day Convention, the periods between 13 February and 13 August each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

**"Interest Rate"** means 10.50 percentage points per annum.

**"Interim Accounts"** means the unaudited consolidated semi-annual financial statements consisting of a cash-flow statement and the profit and loss and the balance sheet of the Issuer and the Parent for the semi-annual period ending on 30 June and 31 December in each year, prepared in accordance with the Accounting Standard.

**"Intra-Issuer Group Loans"** means any loans granted by an Issuer Group Company to another Issuer Group Company.

**"ISIN"** means International Securities Identification Number.

**"Issuer"** means the company designated as such in the preamble to these Bond Terms.

**"Issuer Group"** means the Issuer and all its Subsidiaries from time to time.

**"Issuer Group Company"** means the Issuer or any of its Subsidiaries.

**"Issuer's Bonds"** means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

**"Listing Failure Event"** means:

- (a) that the Bonds have not been admitted to listing on an Exchange within six (6) months following the Initial Issue Date,
- (b) in the case of a successful admission to listing, that a period of six (6) months has elapsed since the Bonds ceased to be admitted to listing on an Exchange; or
- (c) that the Additional Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within three (3) months following the issue date for such Additional Bonds.

**"Make Whole Amount"** means an amount equal to the sum of the present value on the Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the price as set out in paragraph (a) (ii) of Clause 10.2 (*Voluntary early redemption – Call Option*) as if such payment originally had taken place on the First Call Date; and
- (b) the remaining interest payments of the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds as at the Repayment Date) to and including the First Call Date,

where the present value in respect of both paragraphs (a) and (b) above shall be calculated by using a discount rate of 4.39 per cent. per annum, and where the Interest Rate applied for the remaining Interest Payments until the First Call Date shall be the applicable Interest Rate on the Call Option Repayment Date.

**"Management Report"** has the meaning given to it in Clause 12.1 (*Financial Reports and Management Reports*).

**"Manager"** means Pareto Securities AS, with Norwegian registration number 956 632 374 and business address at Dronning Mauds gt. 3, P.O. Box 1411 Vika, 0115 Oslo, Norway.

**"Mandatory Redemption Repayment Date"** means the settlement date for the Insurance Event pursuant to Clause 10.5 (*Mandatory early redemption due to an Insurance Event*).

**"Material Adverse Effect"** means a material adverse effect on:

- (a) the ability of any Obligor to perform and comply with its obligations under any Finance Document; or
- (b) the validity or enforceability of any Finance Document.

**"Material Subsidiary"** means each Issuer Group Company which has been designated as a Material Subsidiary by the Issuer pursuant to Clause 14.10 (*Designation of Material Subsidiaries*).

**"Maturity Date"** means 13 August 2030, adjusted according to the Business Day Convention.

**"Maximum Issue Amount"** means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Net Interest Payable"** means, in respect of any Relevant Period (or any other relevant period, as the context requires) and with respect to the Issuer and on a consolidated basis for the Issuer Group, interest (and any amounts of a similar nature) paid or payable in respect of the Issuer's Financial Indebtedness during such Relevant Period after deducting any interest payable in that Relevant Period (or any other relevant period, if relevant) to any Issuer Group Company (other than by another Issuer Group Company) on any cash or cash equivalent investment.

**"Net Proceeds"** means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Manager and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

**"Nominal Amount"** means the Nominal Amount of each Bond on the Initial Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*) and at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 18.2 (*The duties and authority of the Bond Trustee*).

**"Non-Compliance Notice"** shall have the meaning ascribed to such term in paragraph (e) of Clause 6.6 (*Additional conditions for releases from the Escrow Account*).

**"Obligor"** means the Issuer and any Guarantor.

**"Original Guarantor"** means the Parent and each Issuer Group Companies listed opposite no. 1-7 in the definition of Original Issuer Group Companies

**"Original Issuer Group Companies"** means the Issuer and each of the following companies:

#	Company name	Company number	Jurisdiction of incorporation	Issuer Group Shareholding percentage
1	Vital Energi Solutions Limited	07828647	England	100
2	Vital Energi Utilities Limited	04050190	England	100
3	Vital Energi Generation Limited	07110216	England	76
3	Vital Energi (Drakelow) Limited	09780052	England	100
5	CEP Teesside Biomass Limited	09731950	England	100
6	Vital Energi (Port Clarence) Limited	16207205	England	100
7	Vital Energi (Drakelow Property) Limited	16103839	England	100
8	Vital Energi Trustee Limited	07127508	England	100
9	Vital Community Energi Limited	07779369	England	100
10	Vital Energi (Bilthorpe) Limited	13801018	England	100
11	Vital Low Carbon Solutions Limited	15635817	England	100
12	Vital Thermotech Limited	15677299	England	90
13	Vital Future Software Limited	15651455	England	100
14	Vital SGN Investments Limited	13787572	England	100

**"Outstanding Bonds"** means any Bonds not redeemed or otherwise discharged.

**"Overdue Amount"** means any amount required to be paid by an Obligor under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

**"Parent"** means Vital Holdings Limited, a private limited company incorporated under the laws of England and Wales, with the company number 06395526.

**"Parent Group"** means the Parent and all its Subsidiaries from time to time.

**"Parent Group Company"** means the Parent or any of its Subsidiaries.

**"Parent Security Agreement"** means the English law governed parent security agreement to be granted by the Parent in favour of the Security Agent, incorporating a share charge in respect of all the issued shares in the Issuer and security over any Subordinated Loan.

**"Partial Payment"** means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

**"Paying Agent"** means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

**"Payment Date"** means any Interest Payment Date or any Repayment Date.

**"Permitted Disposal"** means any Disposal:

- (a) in the ordinary course of business;
- (b) of surplus materials or equipment or material or equipment that are promptly replaced with materials or equipment of equivalent utility;
- (c) of assets that are obsolete, worn out or no longer required for the business of the Issuer Group;
- (d) of shares of an Issuer Group Company (other than an Obligor), on arm's length terms;
- (e) of shares in GJ Eco and assets of GJ Eco in the context of a Dissolution of GJ Eco;
- (f) arising as a result of any Permitted Loan, Permitted Security or Permitted Transaction;
- (g) as required to comply with the existing lift and shift provisions relating to conduits within the Port Clarence Lease Agreements and/or the existing Port Clarence Property Documents;
- (h) resulting from the granting of the license to occupy the Port Clarence Plant made between (i) Vital Energi (Port Clarence) Limited and (ii) Elba Securities Limited to be dated on or around completion of the Port Clarence Lease Agreement, and
- (i) of any other property or assets, provided that the gross proceeds of such Disposals do not exceed of GBP 2,500,000 (or its equivalent in other currencies) per year in the aggregate.

**"Permitted Distribution"** means any Distribution:

- (a) by an Issuer Group Company (other than the Issuer), if such Distribution is made to another Issuer Group Company; and
- (b) by a Parent Group Company (other than an Issuer Group Company), if such Distribution is made to another Parent Group Company,

and provided in each case that, in the event any Distribution is made by a relevant company which is not wholly owned by other Issuer Group Companies or Parent Group Companies (as applicable), then a simultaneous Distribution to the third-party shareholders is permitted provided that such Distribution does not exceed the pro rata share of those third-party shareholders.

**"Permitted Financial Indebtedness"** means any Financial Indebtedness:

- (a) incurred under the Finance Documents;
- (b) up until the First Release from the Escrow Account (or otherwise contemplated by the agreed closing procedure), arising under the Drakelow Aviva Debt;
- (c) incurred under any Subordinated Loan;
- (d) any Intra-Issuer Group Loans;
- (e) arising under a Permitted Loan, a Permitted Guarantee or in connection with a Permitted Security or a Permitted Transaction;
- (f) arising as a result of a contemplated refinancing of the Bond Issue in full provided that an irrevocable and unconditional call notice has been issued;
- (g) existing and future bid-, payment- and performance bonds and/or letters of credit in the ordinary course of business and/or a guarantee facility to facilitate the issue of such;
- (h) arising under any ordinary trade credit extended to it on normal commercial terms;
- (i) arising under any netting, cash pooling, cash management arrangement or set-off arrangement, involving members of the Issuer Group;
- (j) incurred under leasing arrangements for equipment, real property or other operational assets used in the ordinary course of business;
- (k) arising pursuant to any European Union or UK government (or any of their affiliates, subsidies or partners) grant, subsidy and/or loan, in connection with the business undertaken by the Issuer Group;
- (l) related to any foreign exchange transaction, hedging of currency, interest rate fluctuations or products, in each case in the ordinary course of business and on a non-speculative basis; and



- (m) any other Financial Indebtedness not permitted by the preceding paragraphs, provided that the aggregate outstanding principal amount does not exceed GBP 2,500,000 (or its equivalent in other currencies) for the Issuer Group at any time.

**"Permitted Financial Support"** means Financial Support:

- (a) granted under or in connection with the Finance Documents;
- (b) up until the First Release from the Escrow Account (or otherwise contemplated by the agreed closing procedure), granted in respect of the Drakelow Aviva Debt or in respect of the Port Clarence Glennmont Debt;
- (c) constituting Permitted Financial Indebtedness, Permitted Loans, Permitted Guarantees, Permitted Security or arising in connection with a Permitted Transaction;
- (d) Financial Support in the form of investments in the capital of an Issuer Group Company;
- (e) any Financial Indebtedness or loan made or credit extended by the Issuer to its customers in the ordinary course of business; and
- (f) any other Financial Support not falling within the preceding paragraphs, provided that the aggregate outstanding principal amount does not exceed GBP 2,500,000 (or its equivalent in other currencies) for the Issuer Group at any time.

**"Permitted Guarantees"** means:

- (a) any guarantee, performance or bond guaranteeing performance by any Issuer Group Company granted or created in the ordinary course of trade and/or business;
- (b) customary guarantees and indemnities from an Issuer Group Company given or arising in favour of directors, arrangers, underwriters, other contractual parties or professional advisers;
- (c) any guarantee issued to a landlord or other contractual parties in relation to rental obligations of an Issuer Group Company;
- (d) any guarantee given by an Issuer Group Company in connection with any Permitted Financial Indebtedness, any Permitted Disposal or any Permitted Transaction;
- (e) any guarantees and indemnities from the Parent or an Issuer Group Company (other than Vital Energi Generation Limited, Vital Energi (Drakelow) Limited, CEP Teesside Biomass Limited, Vital Energi (Port Clarence) Limited or Vital Energi (Drakelow Property) Limited) in support of any applications for the Financial Indebtedness described in paragraph (k) of the definition of Permitted Financial Indebtedness; and
- (f) any other guarantee not falling within the categories set out above, provided that the aggregate guaranteed amount does not exceed GBP 2,500,000 (or its equivalent in other currencies) for the Issuer Group at any time.

**"Permitted Loan"** means:

- (a) any trade credit extended by an Issuer Group Company to its customers on normal commercial terms and in the ordinary course of their trading activities;
- (b) any Intra-Issuer Group Loans;
- (c) any loan disbursed by an Issuer Group Company to a Parent Group Company prior to the Initial Issue Date and which are listed in Attachment 4 (*List of Intra-Group Loans*) hereto;
- (d) the loan from the Issuer to the Parent up to an amount of GBP 19,000,000 arising from the Issuer's payment of the Port Clarence Glenmont Debt plus any associated interest;
- (e) the loan from Vital Energi Utilities Limited to G.D.G. Properties Limited in the principal amount of approximately GBP 6,300,000;
- (f) the loan from Vital Energi Utilities Limited to Vital Holdings Investments Limited and/or its Subsidiaries in connection with the Berkley project acquisition and Yorkshire Energy Park project in the principal amount of approximately GBP 10,000,000;
- (g) the loan from Vital Energi Utilities Limited to Gary Fielding in the principal amount of approximately GBP 3,000,000; and
- (h) any other loan not falling within the categories set out above, provided that the aggregate outstanding principal amount does not exceed GBP 2,500,000 (or its equivalent in other currencies) for the Issuer Group at any time.

**"Permitted Security"** means:

- (a) the Transaction Security;
- (b) any lien arising by operation of law in the ordinary course of business and not as a result of any default or omission by the Issuer or any Issuer Group Company;
- (c) any netting, close-out netting or set-off arrangement entered into by any Issuer Group Company in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of such Issuer Group Company (including any multi-account overdraft) or pursuant to any derivative transaction that constitutes Permitted Financial Indebtedness;
- (d) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to any Issuer Group Company in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any such Issuer Group Company;
- (e) any Security for obligations or liability incurred by any Issuer Group Company in the ordinary course of business or as part of any acquisition or divestment by any Issuer Group Company (including guarantees, bonds, performance guarantees and indemnities given in the ordinary course of business);

- (f) up until the First Release from the Escrow Account (or otherwise contemplated by the agreed closing procedure), any Security granted by an Issuer Group Company in respect of the Drakelow Aviva Debt;
- (g) any Security granted or to be granted in connection with the Port Clarence Lease Agreements or the Drakelow Leases or over any escrow accounts (for the avoidance of doubt, these escrow accounts are not connected to the Escrow Account and such arrangements are not subject to Transaction Security);
- (h) each existing Security agreement connected to any Connecting Europe Facility and public sector projects granted by Vital Energi Solutions Limited, including, but not limited to, any Security in favour of Birchyard Trustee 1 Limited and Birchyard Trustee 2 Limited acting as joint trustees of Birchyard Property Unit Trust, or in favour of De Lage Landen Leasing Limited, as well as any future Security agreement granted in support of CEF or public sector-funded projects;
- (i) the debenture dated 27 January 2020 granted by Vital Energi (Drakelow) Limited in favour of Vital Energi Generation Limited (formerly Vital Energi Renewables Limited) subject to a customary intercreditor agreement with the Bond Trustee confirming security to be junior to and fully subordinated to the Security taken by the Bond Trustee (including with respect to ranking and administrative/voting rights, such intercreditor agreement shall include provisions whereby the Bond Trustee (in its capacity as security agent for the Transaction Security) shall have sole authority to make all decisions relating to the timing, method, and other matters concerning enforcement, whether consensual, in insolvency or otherwise, as well as the release of junior security in connection with (i) non-distressed disposals permitted under these Bond Terms, and (ii) distressed disposals) (the "**Drakelow Debenture Intercreditor Agreement**");
- (j) the Chattel mortgage dated 29 June 2022 granted by Vital Energi Utilities Limited in favour of Paragon Commercial Finance Limited; and
- (k) any Security securing indebtedness of any Issuer Group Company the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security given by the any Issuer Group Company other than any permitted under the preceding paragraphs) does not exceed GBP 2,500,000 (or its equivalent in other currencies) at any time,

provided in each case that no other Security can be taken over assets subject to Transaction Security, other than the Security referred to in paragraph (i) above, subject to such Security being subject to the Drakelow Debenture Intercreditor Agreement.

**"Permitted Transaction"** means:

- (a) any Disposal required, Financial Indebtedness incurred, guarantee, indemnity or Security or quasi-security given, or other transaction arising, under the Finance Documents;
- (b) the Dissolution of GJ Eco;

- (c) the opening, maintaining and securing of any escrow accounts (or equivalent) required in support of any projects of any Issuer Group Company; and
- (d) the transfer, novation and/or assignment of any Financial Indebtedness described in paragraph (k) of the definition of Permitted Financial Indebtedness from an Issuer Group Company to a non-Issuer Group Company or vice versa.

**"Port Clarence Assets"** shall have the meaning ascribed to such term in paragraph (xii) of Clause 2.5 (*Transaction Security*).

**"Port Clarence Completion Conditions"** means that, in respect of the Port Clarence Plant, the following conditions being satisfied, as confirmed by the Technical Advisor in a Port Clarence Completion Confirmation:

- (a) a Take Over Certificate (as defined in the Port Clarence EPCM Contract) has been issued pursuant to the Port Clarence EPCM Contract, and the Technical Advisor confirms to the Bond Trustee that the appropriate commissioning and take-over tests have been satisfied, and there are no known deficiencies or faults that threaten the operation of the Port Clarence Plant;
- (b) all material authorizations, consents, permits, and approvals necessary for the operation of the Port Clarence Plant have been obtained, and adequate spares are available to support operations;
- (c) the Port Clarence Plant meets, and is capable of performing in accordance with, the specifications in the Port Clarence EPCM Contract; and
- (d) all issued invoices to the Issuer Group pertaining to work and services required for the issuance of the Take Over Certificate have been paid.

**"Port Clarence Completion Confirmation"** means a confirmation from the Technical Advisor to the Bond Trustee, confirming that the Port Clarence Completion Conditions have been satisfied, co-signed by the Issuer and the Port Clarence Plant Owner.

**"Port Clarence Completion Date"** means the date the Port Clarence Completion Confirmation is issued.

**"Port Clarence Construction Plan"** means the documents which together set out the planning, engineering, construction and completion of the Port Clarence Project (as amended, from time to time, in accordance with the provisions of these Bond Terms).

**"Port Clarence EPCM Contract"** means, in respect of the Port Clarence Plant, the engineering, procurement, and construction management agreement to be entered into by the Port Clarence Plant Owner and Vital Energi Solutions Limited, as amended, supplemented and replaced as permitted hereunder.

**"Port Clarence Financial Model"** means the detailed cash flow model (including a capex budget for the Port Clarence Project) reflecting the current expected economic life of the Port Clarence Plant, prepared by the Issuer (as amended, from time to time, in accordance with the provisions of these Bond Terms).

**"Port Clarence Fuel Supply Agreement"** means the contract for the supply of feedstock to any part of the Port Clarence Plant dated on or around the Initial Issue Date and made between Vital Energi (Port Clarence) Limited and N&P Feedstock PCEL Ltd.

**"Port Clarence Glennmont Debt"** means the seller credit owed by the Parent to Glennmont under the Port Clarence SPA, in an aggregate principal amount of approximately GBP 19,000,000, plus any associated interest.

**"Port Clarence Lease Agreements"** means the lease dated 17 September 2015 between Elba Securities Limited and Port Clarence Energy Limited, as amended by a deed of variation dated 8 June 2023 between the same parties, and further amended by a deed of variation dated 2 May 2025 between (i) Elba Securities Limited, (ii) Port Clarence Energy Limited (in administration), and (iii) Howard Smith and Richard John Harrison as joint administrators of Port Clarence Energy Limited (in administration).

**"Port Clarence Plant"** means the partly completed biomass facility located at Clarence Port, Port Clarence, River Tees, North Bank, Teesside, United Kingdom, as more specifically described in the Port Clarence Lease Agreements.

**"Port Clarence Plant Owner"** means Vital Energi (Port Clarence) Limited, company number 16207205.

**"Port Clarence Project"** means the development, construction, completion and conversion of the Port Clarence Plant from a biomass facility to a 27.60 MWe net output energy-from-waste (EfW) from residual waste as more specifically described in the Port Clarence Construction Plan.

**"Port Clarence Project Costs"** means (i) the fees, costs, and expenses described in the Port Clarence Financial Model, being part of the Port Clarence Construction Plan, and incurred or to be incurred to ensure the occurrence of the Port Clarence Completion Date, and (ii) the fees, costs, and expenses that may be paid from the balance of the contingency sum in the Port Clarence Financial Model, including expenditures related to any Port Clarence Project Document or Port Clarence Property Document arising from the exercise of any third-party right.

**"Port Clarence Project Documents"** means each of:

- (a) contract for the engineering, procurement and construction management of any part of the Port Clarence Plant, including the Port Clarence EPCM Contract;
- (b) the Port Clarence Fuel Supply Agreement;
- (c) the Port Clarence Lease Agreements;
- (d) contract for the sale of produce (including electricity/power) from any part of the Port Clarence Plant; and
- (e) contract for Insurances with respect to the Port Clarence Plant,

in each case as amended, supplemented and replaced from time to time.

**"Port Clarence Property Documents"** means deeds, contracts, licences, covenants, rights, and similar instruments: (i) that benefit and/or burden the land demised by, or over which rights are granted under, the Port Clarence Lease Agreements; or (ii) that relate to utilities serving, or drainage from, the Port Clarence Plant.

**"Port Clarence SPA"** means the agreement for the sale and purchase of the entire issued share capital of CEP Teesside Biomass Limited, dated 28 January 2025, and made between (i) Parent, (ii) CEP Teesside Biomass Limited, and (iii) Glennmont, as the same may be varied, amended, replaced or restated from time to time.

**"Pre-Disbursement Conditions Precedent"** has the meaning given to it in Clause 6.2 (*Conditions precedent for releases from the Escrow Account*).

**"Pre-Settlement Conditions Precedent"** has the meaning given to it in Clause 6.1 (*Conditions precedent for disbursement to the Escrow Account*).

**"Put Option"** has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**"Put Option Event"** means a Change of Control Event.

**"Put Option Repayment Date"** means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**"Release Notice"** means a release notice, substantially in the form set out in Attachment 2 (*Release Notice – Escrow Account*) to these Bond Terms, signed by the Issuer and specifying the amount to be released from the Escrow Account, and, where required, countersigned by the Bond Trustee or the Technical Advisor in accordance with these Bond Terms.

**"Relevant Jurisdiction"** means the country in which the Bonds are issued, being Norway.

**"Relevant Period"** means each period of twelve (12) consecutive calendar months ending on each Reporting Date.

**"Relevant Record Date"** means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 17 (*Bondholders' Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

**"Repayment Date"** means any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date, the Mandatory Redemption Repayment Date or the Maturity Date.

**"Reporting Date"** means 31 March, 30 June, 30 September, and 31 December each year.

**"Secured Obligations"** means all present and future liabilities and obligations of the Obligors and any Security Provider to any of the Secured Parties under the Finance Documents.

**"Secured Parties"** means the Security Agent and the Bond Trustee on behalf of itself and the Bondholders, the Bondholders and any supplemental or replacement Bond Trustee or Security Agent and any other creditor representative appointed under or in relation to the Finance Documents.

**"Securities Trading Act"** means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

**"Security"** means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**"Security Agent"** means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.

**"Security Agent Agreement"** means (i) the English Security Trust Deed and (b) any other agreement (other than these Bond Terms) whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders).

**"Security Provider"** means any person granting Transaction Security.

**"Subordinated Loan"** means any loan or credit granted or to be granted to the Issuer, with terms to ensure that such loan:

- (a) is fully subordinated to the liabilities of the Issuer under the Finance Documents;
- (b) does not mature prior to the date on which all amounts under these Bond Terms and any other Finance Documents have been paid in full; and
- (c) does not provide for its acceleration or confer any right to declare any event of default prior to the date on which all amounts under these Bond Terms and any other Finance Documents have been paid in full,

and which is subject to a subordination and turn-over agreement between the Issuer, the Bond Trustee, and the lender of such Subordinated Loan governed by the laws of England and Wales.

**"Subordination Deed"** means the English law governed subordination deed to be entered into originally between the Bond Trustee, the Security Agent, the Parent, the Issuer and Vital Energi Utilities Limited.

**"Subsidiary"** means an entity over which another entity or person has Decisive Influence or which in accordance with the Accounting Standard in any applicable jurisdiction is considered a subsidiary of another entity.

**"Summons"** means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

**"Tap Issue"** has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Tap Issue Addendum"** has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

**"Tax Event Repayment Date"** means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

**"Technical Advisor"** means SLR Consulting Limited, engaged by the Issuer at its own cost to serve as technical advisor in connection with the Port Clarence Project.

**"Technical Advisor's Report"** means a report with respect to the Port Clarence Project delivered by the Technical Advisor to the Bond Trustee as a Pre-Disbursement Conditions Precedent.

**"Transaction Security"** means any guarantee, indemnity or security interest securing or intended to secure the Secured Obligations (including any security trust deed and direct agreements), and includes any Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

**"Transaction Security Documents"** means, collectively, the Escrow Account Pledge and all of the documents which shall be executed or delivered pursuant to Clause 2.5 (*Transaction Security*), including any agreement, document or instrument evidencing the creation, perfection or terms of the Transaction Security (such as notices, acknowledgements, and undertakings issued in respect thereof).

**"Unused Insurance Proceeds Amount"** has the meaning given to it in Clause 10.5 (*Mandatory early redemption due to an Insurance Event*).

**"VEUL Security Agreement"** means the English law governed security agreement to be entered into between Vital Energi Utilities Limited as chargor and the Security Agent, relating to Subordinated Loans made by Vital Energi Utilities Limited as lender and the Issuer as borrower.

**"Voting Bonds"** means the Outstanding Bonds less the Issuer's Bonds.

**"Written Resolution"** means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 17.5 (*Written Resolutions*).

## 1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;



- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of "**law**" are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a "**regulation**" includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a "**person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being "**redeemed**" means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being "**purchased**" or "**repurchased**" by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer's purchase of Bonds*);
- (j) references to persons "**acting in concert**" shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is "**continuing**" if it has not been remedied or waived.

## 2. THE BONDS

### 2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to GBP 175,000,000 (the "**Maximum Issue Amount**"). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of GBP 150,000,000.
- (b) The Issuer may, provided that (i) no Event of Default is continuing and (ii) the conditions set out in Clause 6.3 (*Conditions precedent – Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a "**Tap Issue**") until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Nominal Amount of any previously redeemed Bonds.
- (c) Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a "**Tap Issue Addendum**").
- (d) The Issuer may establish a separate escrow account (with a bank acceptable to the Bond Trustee, or as a client account with the Paying Agent or Nordic Trustee Services AS), where the Net Proceeds from the Tap Issue may be deposited until all conditions precedent for release have been fulfilled. Such escrow account shall be pledged on a

first-priority basis in favour of the Bond Trustee (on behalf of the Bondholders under the relevant Tap Issue) and shall be blocked so that no withdrawals can be made therefrom without the Bond Trustee's prior written consent.

- (e) The Bonds are denominated in GBP, being the legal currency of the United Kingdom.
- (f) The Nominal Amount of each Bond is GBP 1,000.
- (g) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, and (ii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (h) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 17.1 (*Authority of the Bondholders' Meeting*).

## **2.2 Tenor of the Bonds**

The tenor of the Bonds is from and including the Initial Issue Date to but excluding the Maturity Date.

## **2.3 Use of proceeds**

The Issuer shall apply the Net Proceeds from the issuance of the Bonds (including any Additional Bonds) for the following purposes:

- (a) refinancing of the Drakelow Aviva Debt;
- (b) payment of the First Instalment of the Port Clarence Glennmont Debt;
- (c) with the proceeds from any Tap Issue, financing the repayment of the balance of the Port Clarence Glennmont Debt (including interest thereon);
- (d) financing of the Drakelow Capex;
- (e) financing of the Port Clarence Project Costs;
- (f) making Interest Payments owing under these Bond Terms; and
- (g) for any general corporate purposes of the Issuer Group, including, for the avoidance of doubt, the financing of any projects undertaken by any Issuer Group Company.

## **2.4 Status of the Bonds**

The Bonds and each other payment obligation under or in relation to the Finance Documents shall constitute senior debt obligations of each Obligor. The Bonds will rank *pari passu* between themselves and at least *pari passu* with the claims of each Obligor's other unsubordinated creditors (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application). All payment obligations under or in relation to the Finance Documents shall rank ahead of any subordinated debt.

## 2.5 Transaction Security

- (a) As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent on behalf of the Secured Parties, or, in the case of the Pre-Settlement Transaction Security, in favour of the Bond Trustee (on behalf of itself and the Bondholders), with first-ranking and within the time periods agreed in Clause 6 (*Conditions for Disbursement*):

### *Pre-Settlement Transaction Security*

- (i) a pledge over the Escrow Account,

### *Pre-Disbursement Transaction Security*

- (ii) an English Security Trust Deed;
- (iii) a charge over all issued shares in the Issuer, from time to time;
- (iv) the Parent Security Agreement;
- (v) the VEUL Security Agreement;
- (vi) a Guarantee from each of CEP Teesside Biomass Limited and Vital Energi (Port Clarence) Limited;
- (vii) a security assignment over any Subordinated Loan, from time to time; and
- (viii) the Subordination Deed,

### *Post-Disbursement Transaction Security*

- (ix) a security assignment over all Intra-Issuer Group Loans owing by any Obligor (whose shares are subject to Transaction Security) to an Issuer Group Company, from time to time;
- (x) a Guarantee from each Guarantor, other than CEP Teesside Biomass Limited and Vital Energi (Port Clarence) Limited;

### *In respect of the Drakelow Plant:*

- (xi) a debenture granted by the Drakelow Plant Owner, including a fixed charge over the property and assets constituting the Drakelow Plant, an assignment of the Drakelow Plant Project Documents, any Insurances, and land use rights, fixed charges over the Drakelow Plant and any buildings, machinery, vehicles, intellectual property, and all other assets owned by the Drakelow Plant Owner from time to time (the "**Drakelow Assets**"), and a floating charge over all other assets of the Drakelow Plant Owner to the extent permitted under applicable laws and regulations;

- (xii) a debenture granted by Vital Energi (Drakelow Property) Limited to include fixed and floating charges over all of its property and assets from time to time, to the extent permitted under applicable law and regulations;
- (xiii) a charge over all issued shares in Vital Energi Generation Limited, Vital Energi (Drakelow) Limited, and Vital Energi (Drakelow Property) Limited, from time to time, provided that in respect of Vital Energi Generation Limited, the charge shall be limited to the shares held by the Issuer (being no less than 76% of the issued shares);
- (xiv) direct agreements with relevant counterparties in respect of each of the Drakelow Leases, the supplemental leases described in paragraph (a)(iv)(B) and (C) of Clause 6.5 (*Conditions subsequent*) and the Drakelow Fuel Supply Agreement, under which the Bond Trustee shall have step-in and assignment rights in the event of default under those agreements or under the Finance Documents;

*In respect of the Port Clarence Plant:*

- (xv) a debenture granted by the Port Clarence Plant Owner, including a fixed charge over the property and assets constituting the Port Clarence Plant, an assignment of the Port Clarence Project Documents (excluding the document referred to in paragraph (d) of the definition of "Port Clarence Project Documents", and so that the security will be extended to such assets when those documents are entered into), any Insurances, and land use rights, fixed charges over the Port Clarence Plant and buildings, machinery, vehicles, intellectual property, and all other assets owned by the Port Clarence Plant Owner from time to time (the "**Port Clarence Assets**"), and a floating charge over all other assets of the Port Clarence Plant Owner to the extent permitted under applicable law and regulation;
- (xvi) a charge over all issued shares in CEP Teesside Biomass Limited and Vital Energi (Port Clarence) Limited, from time to time; and
- (xvii) direct agreements with relevant counterparties in respect of each of the Port Clarence Lease Agreements and the Port Clarence Fuel Supply Agreement, under which the Bond Trustee shall have step-in and assignment rights in the event of default under those agreements or under the Finance Documents.

## 2.6 Transaction Security Principles

The Transaction Security shall be entered into on such terms and conditions as the Security Agent and the Bond Trustee in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document, and should be based on the following security principles:

- (a) An English Security Trust Deed shall establish the appointment of the Bond Trustee as security trustee on behalf of the Bondholders in respect of the Transaction Security governed by English law.
- (b) The Transaction Security shall be first priority.

- (c) The Security Agent is irrevocably authorised to release any Transaction Security over shares or assets (i) which are sold or otherwise disposed of (directly or indirectly) in connection with any Permitted Transaction, including any de-merger or Disposal permitted in compliance with Clauses 13.5 (*Mergers and de-mergers*), 14.3 (*Disposals*), (ii) as determined by the Bond Trustee, to facilitate a sale of a security asset in connection with any enforcement or insolvency process, and (iii) any Guarantee or Transaction Security provided by a Guarantor that ceases to be a Material Subsidiary (other than an Original Guarantor), either (A) by no longer being required to be a Material Subsidiary in order to satisfy a Guarantor Coverage Test (which shall be confirmed in writing by the Issuer to the Bond Trustee), or (B) through a sale of the shares in that Guarantor under a transaction otherwise permitted under the Finance Documents, provided in each case for releases under subparagraph (C) that, at the time of release, no Event of Default is continuing and no mandatory prepayment, put option or call option has been triggered or otherwise exercised and which remain unpaid (and which shall be confirmed in writing by the Issuer to the Bond Trustee).
- (d) Transaction Security over new or additional assets of a Security Provider, which pursuant to the terms set out in the Pre-Disbursement Transaction Security are required to become subject to Transaction Security, shall (in the case of additional Transaction Security) be agreed and/or supplemental security documents entered into (and/or new perfection or registration actions must be performed within the statutory timeframes) as soon as reasonably practicable and no later than fifteen (15) Business Days after such new or additional asset came into the ownership of the relevant Security Provider. This applies unless already covered by existing Transaction Security. New or additional shares in the Issuer or Insurances shall at all times be subject to Transaction Security.
- (e) Additional Transaction Security shall be entered into on terms similar to the initial Transaction Security or otherwise acceptable to the Bond Trustee (acting reasonably). The Issuer shall, without delay, deliver (or procure the delivery of) to the Bond Trustee such documents and evidence as the Bond Trustee may reasonably require with respect to any relevant Security Provider over which additional Transaction Security is to be taken and shall make the necessary applications for registration at Companies House and/or the Land Registry (as applicable) within the required timeframes, including constitutional documents, corporate authorisations, governmental approvals, and third-party consents. The Bond Trustee may, if reasonable, and at the cost of the Issuer, require legal opinions to be issued. With respect to the Port Clarence Plant and the Drakelow Plant, supplemental or additional direct agreements shall be entered into in respect of any new or additional fuel supply agreements or land lease agreements (or similar agreements) that come into existence after the Initial Issue Date. Such direct agreements shall be entered into as soon as reasonably practicable and no later than twenty (20) Business Days after such supplemental or additional agreement is executed. The direct agreements shall be entered into on terms similar to the initial direct agreements or otherwise acceptable to the Bond Trustee (acting reasonably). The Issuer shall, without delay, deliver (or procure the delivery of) to the Bond Trustee such documents and evidence as the Bond Trustee shall reasonably require with respect to any relevant Security Provider, person, or agreement in respect of which direct agreements will be entered into, including constitutional documents, corporate authorisations, governmental

approvals, and third-party consents. The Bond Trustee may, at the cost of the Issuer, require legal opinions to be issued.

### **3. THE BONDHOLDERS**

#### **3.1 Bond Terms binding on all Bondholders**

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

#### **3.2 Limitation of rights of action**

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

#### **3.3 Bondholders' rights**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

### **4. ADMISSION TO LISTING**

The Issuer shall ensure that the Bonds are listed on an Exchange within six (6) months of the Initial Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.

## 5. REGISTRATION OF THE BONDS

### 5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

### 5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

### 5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

## 6. CONDITIONS FOR DISBURSEMENT

### 6.1 Conditions precedent for disbursement to the Escrow Account

Payment of the Net Proceeds from the issuance of the Bonds to the Escrow Account shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Initial Issue Date each of the following documents and evidence, in form and substance satisfactory to the Bond Trustee (the "**Pre-Settlement Conditions Precedent**"):

*Finance Documents:*

- (a) these Bond Terms duly executed by all parties hereto;
- (b) the Escrow Account Pledge duly executed by all parties thereto and perfected in accordance with Norwegian law with its intended priority, together with evidence that all required notices, acknowledgements, documents, and undertakings to be dispatched or received in connection therewith have been duly dispatched or received;
- (c) the Bond Trustee Fee Agreement duly executed by all parties thereto;

*Corporate and formalities documents:*

- (d) copies of all corporate resolutions required to authorise the Issuer's issuance of the Bonds and the execution and performance of the Finance Documents to which it is a party (including shareholder resolutions, where applicable);
- (e) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party;
- (f) copies of the Issuer's articles of association and certificate of incorporation and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing (or equivalent);

- (g) a director's certificate in respect of the Issuer, including specimen signatures certifying copy documents and confirming that issuing and providing Transaction Security for the Bonds will not breach any borrowing/security restriction applicable to it;

*Other documents and evidence:*

- (h) a copy of the Annual Financial Statements of the Parent for its financial year ending 30 June 2024 and a copy of the Interim Accounts ending 31 December 2024;
- (i) a structure chart for the Parent Group detailing the Parent Group immediately after the Initial Issue Date and showing, *inter alia*, that the Issuer Group includes the Original Issuer Group Companies, confirmed by the Chief Executive Officer of the Parent; such structure chart to acknowledge that the legal ownership of certain shares will not be fully transferred until the HMRC stamping process has been completed;
- (j) a confirmation from the Parent that (i) as at the date of the First Release, the amount of Cash and Cash Equivalents of the Issuer Group is not less than GBP 47,000,000, and (ii) from and including 30 June 2025, no Distributions have been made by (A) any Parent Group Company (excluding the Issuer Group Companies, which term shall include companies intended to become Issuer Group Companies prior to or on or about the Initial Issue Date) other than to another Parent Group Company, or (B) any Issuer Group Company (including companies intended to become Issuer Group Companies prior to or on or about the Initial Issue Date) other than to another Issuer Group Company, such confirmation to be signed by the Chief Executive Officer of the Parent;
- (k) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
- (l) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
- (m) confirmation of acceptance from any process agent of the Issuer;
- (n) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds; and
- (o) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents to be entered into pre-settlement (including the Pre-Settlement Transaction Security)).

## 6.2 Conditions precedent for releases from the Escrow Account

The Net Proceeds from the issuance of the Bonds (on the Escrow Account) will not be disbursed to the Issuer unless the Bond Trustee has received or is satisfied that it will receive in due time (as determined by the Bond Trustee) prior to such disbursement to the Issuer each of the following documents, in form and substance satisfactory to the Bond Trustee (the "**Pre-Disbursement Conditions Precedent**"):

*Finance Documents:*



- (a) a duly executed Release Notice from the Issuer, as set out in Attachment 2;
- (b) the Pre-Disbursement Transaction Security documents, duly executed by all parties thereto, completed in accordance with applicable law and with their intended priority, and accompanied by evidence that all required third-party approvals, waivers, or concessions have been received, and that all notices, documents (including signed, undated stock transfer forms and share certificates, to the extent available), and undertakings required to be dispatched or received thereunder have been duly dispatched or received (as applicable);
- (c) if applicable, duly executed subordination and turnover agreements for Subordinated Loans existing at the Initial Issue Date;
- (d) the Drakelow Debenture Intercreditor Agreement;
- (e) all other required Finance Documents (unless delivered as Pre-Settlement Conditions Precedent or to be delivered as a Post-Disbursement Transaction Security) duly executed by the parties thereto;

*Corporate and formalities documents – in respect of each Obligor and Security Provider:*

- (f) unless delivered under Clause 6.1 (*Conditions precedent for disbursement to the Escrow Account*) above, as Pre-Settlement Conditions Precedent, in respect of each Obligor and Security Provider:
  - (i) copies of all corporate resolutions required to authorise the provision of the Transaction Security and the execution and performance of the Finance Documents to which it is a party (including shareholder resolutions, where applicable);
  - (ii) copies of the articles of association and certificate of incorporation and a full extract from the relevant company register evidencing that it is validly existing (or equivalent);
  - (iii) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Security Provider to relevant individuals for their execution of the Finance Documents to which it is a party;
  - (iv) a director's certificate, including specimen signatures certifying copy documents and confirming that guaranteeing and providing Transaction Security for the Bonds will not breach any guaranteeing/security restriction applicable to it, including a confirmation that the Obligor is not required to comply with Part 21A of the Companies Act 2006;
- (g) in respect of each Issuer Group Company whose shares are subject of the Transaction Security (a "**Charged Company**"), either:
  - (i) a certificate of an authorised signatory of the Issuer certifying that:

(A) each member of the Issuer Group has complied within the relevant timeframe with any notice it has received pursuant to Part 21A of the Companies Act 2006 from that Charged Company; and

(B) no "warning notice" or "restrictions notice" (in each case as defined in Schedule 1B of the Companies Act 2006) has been issued in respect of those shares,

together with

(C) a certified copy of the "PSC register" of that Charged Company; or

(ii) a certificate of an authorised signatory of the Charged Company certifying that such Charged Company is not required to comply with Part 21A of the Companies Act 2006;

*Other documents and evidence:*

(h) a confirmation from the Parent (supported by written calculations and signed by the Chief Executive Officer of the Parent) that, after the repayment of the Drakelow Aviva Debt and the payment of the First Instalment of the Port Clarence Glennmont Debt following the First Release, the balance on the Escrow Account will not be less than GBP 87,000,000;

(i) a copy of the shareholders' agreement for Vital Energi Generation Limited and a confirmation from the Issuer that this agreement has not been amended compared to the copy provided to the Manager prior to the Initial Issue Date;

(j) in respect of the refinancing of the Drakelow Aviva Debt, a pay-off letter from the outgoing lender(s) (or their creditor representative) to the Bond Trustee confirming (i) the total repayment amount that must be received to effect full repayment of the Drakelow Aviva Debt, and (ii) that, upon receipt of such amount, all security, guarantees, and indemnities from any Issuer Group Company, and all Security over the assets of any Issuer Group Company in respect of the Drakelow Aviva Debt, will be released;

(k) in respect of the Drakelow Plant, a copy of each of the Drakelow Plant Project Documents, excluding the variation agreements to the Drakelow O&M Agreement and Drakelow EPC Agreement;

(l) in respect of the Port Clarence Plant:

(i) a copy of the Port Clarence SPA and a confirmation from the Issuer that the transaction contemplated by the Port Clarence SPA has been completed;

(ii) a copy of the deed of variation to the Port Clarence SPA and a confirmation from the Issuer that the transaction contemplated by such deed of variation has been completed;

(iii) in respect of the Port Clarence Glennmont Debt, a pay-off letter from Glennmont confirming that, upon receipt of GBP 10,000,000, all security, guarantees and

indemnities granted by any Issuer Group Company, and any security over assets of any Issuer Group Company in respect of the Port Clarence Glennmont Debt, will be released;

- (iv) in respect of any existing Security held by the Parent over any asset related to the Port Clarence Plant, a confirmation from the Parent that all such Security in its favour will be released;
- (v) confirmation that the Technical Advisor has been engaged by the Issuer;
- (vi) a copy of each of the following, in the form agreed between the Issuer and the Technical Advisor:
  - (A) the Port Clarence Construction Plan; and
  - (B) the Port Clarence Financial Model;
- (vii) a copy of each of the following:
  - (A) the Port Clarence Project Documents (other than the document listed in paragraph (d) of the definition of Port Clarence Project Documents), duly executed by all parties, together with a confirmation from the Issuer that each such document has been or will be entered into in a form materially similar to the version shared with the Manager prior to the Initial Issue Date (and without amendments not otherwise permitted under the terms of the Port Clarence Project Documents);
  - (B) the Technical Advisor's Report;
  - (C) in respect of the Drakelow Plant, a HM Land Registry priority search carried out against title number DY542871 in favour of Vital Energi (Drakelow Property) Limited;
  - (D) in respect of the Port Clarence Plant, where the application to transfer title number CE226013 from Port Clarence Energi Limited (in administration) to Vital Energi (Port Clarence) Limited has not been submitted to HM Land Registry, a HM Land Registry priority search carried out against title number CE226013 in favour of Vital Energi (Port Clarence) Limited; and
- (m) the results of HM Land Registry searches in favour of the Security Agent on the appropriate forms against all of the leasehold registered titles comprising the sites for the Port Clarence Project and the Drakelow Plant, being title numbers DY542871, DY542875 and CE226013, and giving not less than twenty (20) working days' priority beyond the date of such search and showing no adverse entries; and
- (n) legal opinions or other statements as may be required by the Bond Trustee, including in respect of corporate matters relating to the Obligors or the Security Providers entering into the relevant Pre-Disbursement Transaction Security, and the legality, validity and enforceability of the Finance Documents (unless delivered under Clause 6.1 (*Conditions*

*precedent for disbursement to the Escrow Account*) as Pre-Settlement Conditions Precedent).

### **6.3 Conditions precedent – Tap Issues**

Settlement of any Tap Issue and disbursement of the Net Proceeds from such Tap Issue to the Issuer shall be subject to the delivery of certain conditions precedent, to the satisfaction of the Bond Trustee, as is customary for such Tap Issues, including:

- (a) a duly executed Tap Issue Addendum to these Bond Terms;
- (b) confirmation that the representations and warranties contained in these Bond Terms remain true and correct and are repeated by the Issuer as at the date of issuance of such Additional Bonds;
- (c) copies of all corporate resolutions required for the Tap Issue, and any power of attorney or other authorisation required for execution of the Tap Issue Addendum and any other Finance Documents; and
- (d) legal opinions or other statements as may be required by the Bond Trustee, including with respect to corporate matters relating to the Issuer and the legality, validity and enforceability of the Tap Issue Addendum and any other Finance Documents (if applicable).

### **6.4 Bond Trustee's general authority to waive conditions precedent**

The Bond Trustee, acting in its sole discretion, may, regarding Clause 6.1 (*Conditions precedent for disbursement to the Escrow Account*), Clause 6.2 (*Conditions precedent for releases from the Escrow Account*), and Clause 6.3 (*Conditions precedent – Tap Issues*), waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

### **6.5 Conditions subsequent**

- (a) The Issuer shall ensure that, as soon as reasonably practicable and no later than ten (10) Business Days after the date of the First Release to the Issuer from the Escrow Account:
  - (i) in respect of the Drakelow Plant, provide evidence to the Bond Trustee that the notice required to be served by Vital Energi (Drakelow) Limited under clause 46.3A of the Drakelow Underlease for the assignment of the Drakelow Superior Lease and the Drakelow Superior Supplemental Lease has been duly served, together with evidence of completion of the relevant TR1 evidencing assignment of the Drakelow Superior Lease and the Drakelow Superior Supplemental Lease;
  - (ii) the Post-Disbursement Transaction Security has been duly executed by all parties, completed in accordance with applicable law, and with its intended priority, accompanied by evidence that all required third-party approvals, waivers, or concessions have been received, and that all notices, acknowledgements, documents (including, but subject to Clause 6.5(d) below, signed, undated stock transfer forms and share certificates), and undertakings to be delivered or received thereunder have been duly dispatched or received;

- (iii) copies of the completed variation agreements to the Drakelow O&M Agreement and the Drakelow EPC Agreement are delivered to the Bond Trustee;
- (iv) copies of the following completed variations to the Drakelow Leases are delivered to the Bond Trustee:
  - (A) a deed of variation to the superior lease between (i) Aviva Investors Infrastructure Income No 48. Limited, Aviva Investors Infrastructure Income M No. 4D Limited, and Aviva Investors Infrastructure Income C No. 4F Limited, jointly and on behalf of Aviva Investors Infrastructure Income Limited Partnership and Aviva Investors Multi-Asset Alternative Income Fund, SICAV-RAIF SCSp (acting on behalf of sub-compartments IV and V), and (ii) E.ON UK plc (the "**Drakelow Superior Lease**");
  - (B) a supplemental lease to the superior lease between the same parties as in (A) above (the "**Drakelow Superior Supplemental Lease**");
  - (C) a supplemental lease to the underlease between (i) the same Aviva entities as listed in (A) above, and (ii) Vital Energi (Drakelow) Limited (the "**Drakelow Supplemental Underlease**"); and
  - (D) the deed of variation to the underlease between the same Aviva entities as listed in (A) above and Vital Energi (Drakelow) Limited,
 (together the "**Drakelow Leases Variation Agreements**");
- (v) an executed copy of the assignment agreement pursuant to which Vital Energi (Port Clarence) Limited becomes party to the Port Clarence Lease Agreement as tenant;
- (vi) the results of HM Land Registry searches in favour of the Security Agent on the appropriate forms against all of the leasehold registered titles comprising Drakelow Superior Supplemental Lease and the Drakelow Supplemental Underlease, and giving not less than twenty (20) working days' priority beyond the date that such titles became subject to the Transaction Security and showing no adverse entries; and
- (vii) an acceptable undertaking from Squire Patton Boggs (UK) LLP in relation to any HM Land Registry applications and requisitions.
- (b) The Issuer shall ensure that, in respect of the charge over the shares of Vital Energi Generation Limited, any post-execution steps outlined in that agreement or in any separate undertaking are completed in accordance with the relevant provisions of that document.
- (c) The Issuer shall also ensure that, as soon as reasonably practicable and no later than ten (10) Business Days after the date of the First Release to the Issuer from the Escrow Account, the following documents and evidence are provided to the Bond Trustee, in form and substance satisfactory to the Bond Trustee:

- (i) evidence that the Insurances have been taken out, including endorsements in favour of the Bond Trustee, substantially in the form attached to the insurance broker's letter of undertaking set out in paragraph (ii) immediately below; and
  - (ii) a letter from each of the Issuer Group's insurance brokers confirming that the conditions set out in Clause 14.11 (*Insurances*) have been satisfied.
- (d) The Issuer shall, by no later than five (5) Business Days after the date on which the Issuer (or any other Issuer Group Company) receives confirmation that the stock transfer form which evidences the transfer of shares in:
- (i) Vital Energi Generation Limited from the Parent to the Issuer; or
  - (ii) CEP Teesside Biomass Limited from the Parent to the Issuer,

has been stamped by HMRC, deliver to the Bond Trustee:

(A) in respect of Vital Energi Generation Limited:

- (1) a certified true copy of the updated register of members: (showing the Issuer as the registered holder of 152 ordinary shares of £.0005 each in Vital Energi Generation Limited; and
- (2) a share certificate evidencing the ownership of shares in Vital Energi Generation Limited by the Issuer in accordance with paragraph (1) above; and

(B) in respect of CEP Teesside Biomass Limited:

- (1) a certified true copy of the updated register of members: (showing the Issuer as the registered holder of 55,044 ordinary shares of £1.00 each in CEP Teesside Biomass Limited; and
- (2) a share certificate evidencing the ownership of shares in CEP Teesside Biomass Limited by the Issuer in accordance with paragraph (1) above.

## 6.6 Additional conditions for releases from the Escrow Account

Releases of Net Proceeds from the Escrow Account may only take place as contemplated in Clause 2.3 (*Use of proceeds*) and provided that the relevant conditions precedent have been fulfilled or waived by the Bond Trustee. No release from the Escrow Account may occur for as long as an Event of Default under the Finance Documents is continuing or would result therefrom.

*Releases to fund the repayment of the Drakelow Aviva Debt, the First Instalment of the Port Clarence Glennmont Debt and the Drakelow Capex (the "First Release"):*

- (a) The First Release from the Escrow Account is subject to the satisfaction (or waiver) of the conditions precedent in Clause 6.2 (*Conditions precedent for releases from the Escrow Account*) and shall be used to complete the purposes set out in paragraphs

(a) refinancing of the Drakelow Aviva Debt, (b) payment of the First Instalment of the Port Clarence Glennmont Debt, and (d) financing of the Drakelow Capex as contemplated in Clause 2.3 (*Use of proceeds*). No further releases from the Escrow Account shall be permitted until these payments have been completed. Additionally, no further releases from the Escrow Account shall be permitted until all Post-Disbursement Transaction Security has been granted and perfected and formalities, documents, and legal opinions in respect thereof have been received by the Bond Trustee.

*Releases to fund Port Clarence Project Costs:*

- (b) Subject to the satisfaction (or waiver) of the conditions precedent in Clause 6.2 (*Conditions precedent for releases from the Escrow Account*), the conditions subsequent in Clause 6.5 (*Conditions subsequent*), and the repayment of the Drakelow Aviva Debt and the First Instalment of the Port Clarence Glennmont Debt, any release from the Escrow Account to fund Port Clarence Project Costs shall be limited to an amount equal to (as confirmed by the Issuer in each Release Notice), at the relevant release date, the Port Clarence Project Costs incurred plus Port Clarence Project Costs that, under the Port Clarence Financial Model, are projected to fall due for payment within the next ninety (90) calendar days. For clarity, and subject to the foregoing, additional releases from the Escrow Account to fund Port Clarence Project Costs may be made at any time during such ninety (90) calendar day period or any subsequent ninety (90) calendar day period.
- (c) Releases from the Escrow Account may be made by issuing a Release Notice to the account bank. Such notice shall be countersigned by the Bond Trustee. No more than fifteen (15) Release Notices may be issued for the release of funds from the Escrow Account to cover Port Clarence Project Costs. The Issuer may reallocate amounts initially deposited into the Escrow Account for general corporate purposes to instead be used for Port Clarence Project Costs. Moreover, the Issuer may deposit additional amounts into the Escrow Account to fund additional Port Clarence Project Costs.
- (d) Each Release Notice in respect of Port Clarence Project Costs shall include:
  - (i) a confirmation from the Issuer that (i) no Event of Default is continuing or will result from the release, (ii) the Cost-to-Complete Test is satisfied on the date of the Release Notice, (iii) no event or circumstance has occurred requiring the Port Clarence Financial Model and/or the Port Clarence Construction Plan (as shared with the Technical Advisor and the Bond Trustee) to be amended in any material respect in order to accurately and adequately constitute a plan and budget for completion of the Port Clarence Project, and (iv) the release amount will be applied towards Port Clarence Project Costs scheduled (under the Port Clarence Financial Model) in each case to fall due for payment within the next ninety (90) days;
  - (ii) a description of the purpose of the proposed release, including details of the Port Clarence Project Costs to be funded by such release and a confirmation that the released amount will be used for such purpose; and

- (iii) unless a Non-Compliance Notice (as defined below) has been issued solely in respect of disputed Port Clarence Project Costs, a countersignature by the Technical Advisor confirming that (i) the relevant Port Clarence Project Costs are associated with the Port Clarence Project, and (ii) the Cost-to-Complete Test has been satisfied on the date of delivery of the Release Notice to the Bond Trustee.
- (e) If the Technical Advisor does not countersign a Release Notice when required, the Issuer shall procure that the Technical Advisor issues a non-compliance notice (a "**Non-Compliance Notice**") to the Bond Trustee and the Issuer which details why the Release Notice has not been countersigned.
- (f) If the Technical Advisor issues a Non-Compliance Notice solely in respect of disputed Port Clarence Project Costs, the Issuer may nonetheless draw funds from the Escrow Account in respect of any undisputed Port Clarence Project Costs specified in the Release Notice. In such case, the Issuer shall submit a new Release Notice for the undisputed amount only, and such new Release Notice must satisfy the conditions set out in sub-clauses (i) through (iii) of clause (d) above in this Clause 6.6 (*Additional conditions for releases from the Escrow Account*).
- (g) If the Non-Compliance Notice relates to a failure to satisfy the Cost-to-Complete Test, no release shall be made from the Escrow Account, and the Issuer shall not issue any further Release Notices until the Bond Trustee receives a written confirmation, co-signed by the Technical Advisor, that (i) the relevant Obligor has been provided with such additional funds which are required to ensure that the Cost-to-Complete Test is now satisfied (together with supporting evidence in respect thereto required by the Bond Trustee) and/or (ii) a reduction of Port Clarence Project Costs has been made which results in the satisfaction of the Cost-to-Complete Test, at which time releases from the Escrow Account may resume.

*Releases to fund Interest Payments:*

- (h) Subject to the satisfaction (or waiver) of the conditions precedent in Clause 6.2 (*Conditions precedent for releases from the Escrow Account*), the conditions subsequent in Clause 6.5 (*Conditions subsequent*), and the repayment of the Drakelow Aviva Debt and the First Instalment of the Port Clarence Glennmont Debt, the Issuer may at any time thereafter (and irrespective of whether the Cost-to-Complete Test is satisfied) request releases from the Escrow Account to fund the Interest Payments on each Interest Payment Date. The Issuer may only request releases from the Escrow Account in amounts corresponding to the Interest Payment due on each Interest Payment Date.

*Releases to fund the general corporate purposes of the Issuer Group:*

- (i) Subject to the above, after the Port Clarence Completion Date, any release from the Escrow Account can be made to fund the purpose set out in paragraph (g) of Clause 2.3 (*Use of proceeds*) of these Bond Terms.



*Release of the balance following the Port Clarence Completion Date:*

- (j) Any remaining amount deposited on the Escrow Account following the Port Clarence Completion Date shall be released to fund general corporate purposes of the Issuer Group.

## **7. REPRESENTATIONS AND WARRANTIES**

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and Warranties*), in respect of itself and in respect of each Obligor to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Initial Issue Date;
- (c) on each date of disbursement of proceeds from the Escrow Account; and
- (d) on the date of issuance of any Additional Bonds.

### **7.1 Status**

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

### **7.2 Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

### **7.3 Valid, binding and enforceable obligations**

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

### **7.4 Non-conflict with other obligations**

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

### **7.5 No Event of Default**

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.

- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

## **7.6 Authorisations and consents**

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

## **7.7 Litigation**

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

## **7.8 Financial Reports**

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

## **7.9 No Material Adverse Effect**

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

## **7.10 No misleading information**

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

## **7.11 No withholdings**

No Obligor is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

## **7.12 Pari passu ranking**

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

### **7.13 Security**

No Security exists over any of the present assets of any Parent Group Company in conflict with these Bond Terms.

## **8. PAYMENTS IN RESPECT OF THE BONDS**

### **8.1 Covenant to pay**

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

### **8.2 Default interest**

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bond Terms will accrue at the Interest Rate plus one (1) percentage point per annum.

### 8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
  - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any Security Agent);
  - (ii) secondly, towards accrued interest due but unpaid; and
  - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations;
  - (i) if the Bond Trustee has served a Default Notice in accordance with Clause 16.2 (*Acceleration of the Bonds*); or
  - (ii) if a resolution according to Clause 17 (*Bondholders' Decisions*) has been made.

### 8.4 Taxation

- (a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Obligors shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
  - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
  - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

### 8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account

connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.

- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within five (5) Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

## **8.6 Set-off and counterclaims**

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

## **9. INTEREST**

### **9.1 Calculation of interest**

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above. For Tap Issues not falling on an Interest Payment Date, accrued interest will be calculated using standard market practice in the secondary bond market.
- (c) Interest shall be calculated on the basis of a 360-day year comprised of twelve (12) months of thirty (30) days each (30/360-days basis), unless:
  - (i) the last day in the relevant Interest Period is the 31<sup>st</sup> calendar day but the first day of that Interest Period is a day other than the 30<sup>th</sup> or the 31<sup>st</sup> day of a month, in which case the month that includes that last day shall not be shortened to a thirty (30)-day month; or
  - (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a thirty (30)-day month.

### **9.2 Payment of interest**

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

## **10. REDEMPTION AND REPURCHASE OF BONDS**

### **10.1 Redemption of Bonds**

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 101.05 per cent. of the Nominal Amount.

### **10.2 Voluntary early redemption - Call Option**

- (a) The Issuer may redeem all or part of the Outstanding Bonds (the "**Call Option**") on any Business Day from and including:
  - (i) the Initial Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;
  - (ii) the First Call Date to, but not including, the Interest Payment Date in August 2028 at a price equal to 105.25 per cent. of the Nominal Amount for each redeemed Bond;
  - (iii) Interest Payment Date in August 2028 to, but not including, the Interest Payment Date in February 2029 at a price equal to 104.20 per cent. of the Nominal Amount for each redeemed Bond;
  - (iv) Interest Payment Date in February 2029 to, but not including, the Interest Payment Date in August 2029 at a price equal to 103.15 per cent. of the Nominal Amount for each redeemed Bond;
  - (v) Interest Payment Date in August 2029 to, but not including, the Interest Payment Date in February 2030 at a price equal to 102.10 per cent. of the Nominal Amount for each redeemed Bond; and
  - (vi) the Interest Payment Date in February 2030 to, but not including, the Maturity Date at a price equal to 101.05 per cent. of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date (and not based on the date the Call Option was exercised by issue of notice), and shall include accrued but unpaid interest on the redeemed Bonds.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee and the Bondholders at least ten (10) Business Days prior to the proposed Call Option Repayment Date and shall specify the Call Option Repayment Date. Such notice sent by the Issuer is irrevocable, but may, at the Issuer's discretion, be subject to the satisfaction of certain conditions precedent, to be satisfied or waived no later than three (3) Business Days prior to the Call Option Repayment Date. If such conditions precedent have not been satisfied or waived by that date, the notice shall be null and void.
- (d) Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within three (3) Business Days from the date of the notice.

- (e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

### 10.3 **Mandatory repurchase due to a Put Option Event**

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "**Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101.00 per cent. of the Nominal Amount (plus accrued and unpaid interest on the repurchased Bonds).
- (b) The Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.2 (*Put Option Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth (5<sup>th</sup>) Business Day after the end of fifteen (15) Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than ten (10) Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

### 10.4 **Early redemption option due to a tax event**

If the Issuer is required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than forty (40) Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

### 10.5 **Mandatory early redemption due to an Insurance Event**

- (a) Upon an Insurance Event, the Issuer shall:
  - (i) promptly notify the Bond Trustee in writing thereof; and
  - (ii) ensure that, in respect of any payments received by an Issuer Group Company under the Insurances in respect of any Insurance Event (each such received payment, an "**Insurance Proceeds**"), any such Insurance Proceeds (the amount of which is referred to as the "**Unused Insurance Proceeds Amount**") which is not used (including amounts designated for payments under contracts already entered

into) for repair or replacement of the asset(s) subject to the Insurance Event within twelve (12) months after receipt thereof (the last day of such twelve (12)-month period being the "**Insurance Proceeds Reinvestment Long-Stop Date**") shall be used for redemption of Bonds at a price of 100 per cent. of the Nominal Amount (together with all accrued and unpaid interest on the Bonds).

- (b) The redemption shall be made in respect of a number of Bonds with an aggregate Nominal Amount equal to the Unused Insurance Proceeds Amount, provided that if the Unused Insurance Proceeds Amount is less than GBP 1,000,000, no redemption shall be made. The redemption shall take place no later than fifteen (15) Business Days after the Insurance Proceeds Reinvestment Long-Stop Date.
- (c) Any redemption in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

## **11. PURCHASE AND TRANSFER OF BONDS**

### **11.1 Issuer's purchase of Bonds**

The Issuer or the Parent may purchase and hold Bonds and such Bonds may be retained or sold, but not cancelled, in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

### **11.2 Restrictions**

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

## **12. INFORMATION UNDERTAKINGS**

### **12.1 Financial Reports and Management Reports**

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than four (4) months after the end of the relevant financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than two (2) months after the end of the relevant interim period.



- (c) The Issuer shall, without being requested to do so, prepare and deliver (as applicable) to the Bond Trustee, no later than two (2) months after the end of each financial quarter, a management report (the "**Management Report**") which shall:
  - (i) detail the progress of the completion of the Port Clarence Project and performance against the budget and timeline for its completion;
  - (ii) for each of the Drakelow Plant and, following the Port Clarence Completion Date, the Port Clarence Plant, detail, in each case on a monthly basis for the last six months: (A) data on total production (kWh) and the consumption of feed-stock (waste material), (B) average prices achieved for sold electricity and refuse-derived fuels, (C) operational expenditures, and (D) capital expenditures; and
  - (iii) for each financial quarter ending 31 March or 30 September, include the unaudited consolidated quarterly financial statements, consisting of the cash-flow statement, the profit and loss account and balance sheet of the Issuer and the Parent for the relevant financial quarter. The Bond Trustee may make such Management Reports available to the Bondholders.
- (d) The Issuer shall, without being requested to do so, prepare and deliver to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports and Management Reports*) and/or the delivery of the Management Reports, a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Parent, certifying inter alia that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report, and setting out (in reasonable detail) computations evidencing compliance with Clause 14.23 (*Financial covenants*) as at such date (and the Bond Trustee may make such Compliance Certificates available to the Bondholders).
- (e) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports and Management Reports*) are prepared using the Accounting Standard consistently applied.

## **12.2 Put Option Event**

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

## **12.3 Listing Failure Event**

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to Listing*) or (ii) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

## **12.4 Insurance Event**

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that an Insurance Event has occurred.

## 12.5 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD;
- (g) within a reasonable time, provide such information about the Issuer's and the other Parent Group's business, assets and financial condition as the Bond Trustee may reasonably request;
- (h) without being requested to do so, promptly:
  - (i) prepare and deliver to the Bond Trustee, for further circulation to the Bondholders who have requested to receive copies from the Bond Trustee, a completed SFDR Reporting Schedule, substantially in the form set out in Attachment 3 hereto (*SFDR Reporting Schedule*), within ninety (90) calendar days after each financial year-end of the Parent and in respect of that Financial Year (the first time being with respect to the financial year ending in 2025);
  - (ii) notify the Technical Advisor of any event or circumstance requiring a material amendment to the Port Clarence Financial Model and/or the Port Clarence Construction Plan in order for such documents to accurately and adequately constitute a plan and budget for the completion of the Port Clarence Project, including any event or circumstance resulting in an increase in the Port Clarence Project Costs and/or a delay in the Port Clarence Completion Date (as compared to the initial Port Clarence Construction Plan); and
  - (iii) notify the Technical Advisor of any material waiver, change, or amendment to any Port Clarence Project Document, or any termination, supplement, or replacement of a Port Clarence Project Document.

### **13. ISSUER'S GENERAL UNDERTAKINGS**

During the term of the Bonds, the Issuer undertakes to (and shall, where applicable, procure that the other Issuer Group Companies will) comply with the undertakings set forth in this Clause 13.

#### **13.1 Authorisations**

The Issuer shall, and shall procure that each other Issuer Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time, if a failure to do so would have Material Adverse Effect.

#### **13.2 Compliance with laws**

The Issuer shall, and shall procure that each other Issuer Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time (including any environmental laws and regulations).

#### **13.3 Continuation of business**

The Issuer shall procure that no material change is made to the general nature of the business of the Issuer Group from that carried on by and otherwise contemplated by the Issuer Group at the Initial Issue Date.

#### **13.4 Corporate status**

The Issuer shall no later than the date falling six (6) months after the Initial Issue Date complete its corporate conversion into a public limited company. Otherwise, the Issuer shall not change its type of organization or its jurisdiction of incorporation.

#### **13.5 Mergers and de-mergers**

- (a) The Issuer shall not, and shall procure that no other Issuer Group Company will, carry out:
  - (i) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Issuer Group Company or Obligor with any other person other than with an Issuer Group Company or Obligor (other than the Parent); or
  - (ii) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger involving the Issuer or any Issuer Group Company, unless in each case it is a Permitted Transaction and does not have a Material Adverse Effect, and provided that:
    - (A) in a merger involving the Drakelow Plant Owner, Vital Energi (Drakelow Property) Limited or the Port Clarence Plant Owner, each such company shall be the surviving entity;
    - (B) neither the Drakelow Plant Owner, Vital Energi (Drakelow Property) Limited nor the Port Clarence Plant Owner shall merge with any person not being an Obligor and shall in each case be the surviving entity in such merger;

- (C) in any merger involving a Guarantor, the merged entity shall continue to be or immediately become (as relevant) a Guarantor;
- (D) in any merger involving an Issuer Group Company whose shares are subject to Transaction Security, the shares of the merged entity (which are owned by a Parent Group Company) shall be or immediately become (as relevant) subject to Transaction Security;
- (E) the Issuer shall not be the subject of any merger;
- (F) the Issuer shall ensure that (i) any asset subject to Transaction Security immediately prior to a merger shall be and remain subject to the same or substantially similar Transaction Security after the merger, and (ii) that, in respect of any new or additional Guarantor or Transaction Security, the Bond Trustee shall receive such corporate and other formal documentation as the Bond Trustee may reasonably require, provided it is proportionate and in line with usual market practice (including, at the cost of the Issuer, such legal opinions as are customary in such circumstances); and
- (G) in respect of any de-merger involving a distribution of the assets of an Issuer Group Company: (i) such assets shall be distributed to another Issuer Group Company in a proportion not less than the relative direct or indirect ownership interest of the Issuer in that Issuer Group Company, and (ii) if the assets of a Guarantor are distributed to an Issuer Group Company that is not already a Guarantor, such receiving Issuer Group Company shall immediately become a Guarantor.

### **13.6 Arm's length transactions**

The Issuer shall not engage in, or permit any other Issuer Group Company to engage in, directly or indirectly, in any transaction with any party (including without limitation, the purchase, sale or exchange of assets or the rendering of any service), except on an arm's length basis. Any sale of assets from an Issuer Group Company to the Parent Group Company (which is not an Issuer Group Company) shall be for cash only.

### **13.7 Pari passu ranking**

The Issuer shall ensure that its obligations under these Bond Terms and any other Finance Document at all times rank at least pari passu as set out in Clause 2.4 (*Status of the Bonds*) above.

## **14. ISSUER'S SPECIAL UNDERTAKINGS**

During the term of the Bonds, the Issuer undertakes to (and shall, where applicable, procure that the other Issuer Group Companies will) comply with the undertakings set forth in this Clause 14.

### *General:*

#### **14.1 Dividend restrictions**

The Issuer shall not, and shall ensure that no other Issuer Group Company will, make any Distributions other than a Permitted Distribution.

**14.2 Subsidiaries' Distributions**

The Issuer shall not permit any Guarantor (other than the Parent) to create or permit to exist any contractual obligation (or encumbrance) that restricts the right of any Issuer Group Company to:

- (a) pay dividends or make other Distributions to its shareholders;
- (b) service any Financial Indebtedness owed to the Issuer;
- (c) make any loans to the Issuer; or
- (d) transfer any of its assets or properties to the Issuer,

other than where such contractual obligation or encumbrance is not likely to prevent the Issuer from complying with its payment obligations under the Finance Documents.

**14.3 Disposals**

The Issuer shall not, and shall procure that no other Issuer Group Company will, make any Disposal other than a Permitted Disposal. If a material asset of a Guarantor (other than the Parent) is sold or transferred to an Issuer Group Company that is not a Guarantor, the acquiring Issuer Group Company shall become an additional Guarantor in respect of the Bonds no later than ten (10) Business Days after completion of the sale or transfer.

**14.4 Maintenance of ownership**

The Issuer shall ensure that (i) it directly or indirectly owns and controls 100 per cent of the shares and voting rights in each Guarantor (other than the Parent), provided that (A) in respect of Vital Energi Generation Limited, the Issuer shall directly own and control at least 75 per cent of the shares and voting rights, (B) Vital Energi Generation Limited shall directly own and control 100 per cent of the shares and voting rights in the Drakelow Plant Owner and Vital Energi (Drakelow Property) Limited, and (C) CEP Teesside Biomass Limited shall own and control 100 per cent of the shares and voting rights in the Port Clarence Plant Owner; (ii) the Drakelow Plant Owner shall directly own and be the contracting party (as relevant) in respect of the Drakelow Assets; and (iii) the Port Clarence Plant Owner shall directly own and be the contracting party (as relevant) in respect of the Port Clarence Assets.

**14.5 Financial Indebtedness**

The Issuer shall not, and shall ensure that no other Issuer Group Company shall, incur, create or permit to subsist any Financial Indebtedness other than Permitted Financial Indebtedness.

**14.6 Negative pledge**

The Issuer shall not, and shall ensure that no other Issuer Group Company will, create or permit to subsist, retain, provide, prolong or renew any Security over any of its/their assets (whether present or future), other than Permitted Security.

**14.7 Financial Support restrictions and restrictions on acquisition of minority shareholdings**

The Issuer shall not, and shall ensure that no other Issuer Group Company will, grant or permit to subsist any Financial Support to, or for the benefit of, any member of the Parent Group (other than any Issuer Group Company) or any third party, except for Permitted Financial Support.

**14.8 Acquisitions**

The Issuer shall not, and shall ensure that no Issuer Group Company will, acquire (whether through subscription or otherwise) shares or other ownership interests in, or acquire all or substantially all of the assets of, any person who is not already an Issuer Group Company, for as long as an Event of Default is continuing or if such acquisition would otherwise cause an Event of Default.

**14.9 Assets**

The Issuer shall, and shall ensure that each Issuer Group Company will, maintain good and valid title to its assets and keep its assets in a state of repair in line with Good Industry Practice.

**14.10 Designation of Material Subsidiaries**

(a) The Issuer shall, together with the delivery of each of its Financial Reports, nominate as "Material Subsidiaries" (each, a "**Material Subsidiary**"):

- (i) any Issuer Group Company whose EBITDA equals or exceeds 5 per cent of the Issuer Group's consolidated EBITDA for at least two (2) consecutive financial quarters; and
- (ii) any Issuer Group Companies necessary to ensure that the aggregate EBITDA and book value of gross assets of all Guarantors exceed 85 per cent of the consolidated EBITDA and book value of the gross assets of the Issuer Group,

(collectively, the "**Guarantor Coverage Test**")

in each case calculated on an unconsolidated basis and excluding any intra-Group items and investments in Subsidiaries. The names of all Material Subsidiaries and the calculation (including the basis thereof) of the Guarantor Coverage Test shall be set out in the Compliance Certificate to be delivered together with the Financial Reports.

- (b) For the purpose of determining the Material Subsidiaries, gross assets (book value) and EBITDA shall be calculated by reference to the most recent Financial Report.
- (c) The Issuer shall ensure that any new Material Subsidiary accedes as a Guarantor by executing a Guarantee no later than forty (40) Business Days after its nomination pursuant to paragraph (a), and that, within the same period, the Bond Trustee receives, in form and substance satisfactory to it, all formalities documentation as the Bond Trustee may request, including corporate and constitutional documents and legal opinions (at the Issuer's cost).
- (d) The Issuer may separately re-designate any entity that is no longer required to be designated as a Material Subsidiary in order to satisfy the Guarantor Coverage Test, provided that such re-designation occurs no more than once per financial year (in addition to the annual nomination under paragraph (a) above), and that calculations are based on the latest Financial Report (and provided that any Issuer Group Company which has been re-designated and is no longer being a Guarantor shall still be included in the calculation of the Guarantor Coverage Test).

#### 14.11 Insurances

- (a) The Issuer shall take out and maintain (or procure that the same is taken out and maintained) adequate insurance ("**Insurances**") with respect to its assets, operations, liabilities and contingencies (including in respect of the Drakelow Plant and the Port Clarence Plant, and the associated planning, construction, completion and operation), including third-party liability insurance (or a similar insurance package), in each case on terms and against risks typically insured against by prudent owners of comparable assets and projects.
- (b) The Issuer shall not do, and shall ensure that no other Obligor does or knowingly permits to be done, anything that may render any Insurance void, voidable, unavailable or unenforceable, or result in any sums payable under such Insurance becoming repayable in whole or in part. The Issuer shall promptly pay all premiums, calls and contributions due, and shall do all other things necessary to keep each Insurance taken out by or for it in full force and effect. Neither the Bond Trustee nor any Bondholder shall have any liability for the payment of premiums or any other amounts due in respect of any Insurance. If the Issuer fails to pay any such costs, the Bond Trustee may, at its sole discretion, pay them, and the Issuer shall immediately reimburse the Bond Trustee for the full cost of such Insurance.
- (c) The Issuer shall ensure that any Insurances required to be effected and maintained in accordance with the Finance Documents:
  - (i) are at all times the subject of a broker's letter of undertaking duly executed and delivered to the Bond Trustee and in full force and effect; and
  - (ii) attach endorsements substantially in the form attached to the broker's letter of undertaking delivered pursuant to paragraph (c)(ii) of Clause 6.5 (*Conditions subsequent*) (unless such Insurance is a group level insurance policy).

#### 14.12 Hedging

The Issuer shall, and shall procure that each other Issuer Group Company will, only enter into transactions for the hedging of actual or projected real exposures arising in the ordinary course of trading activities of a member of the Issuer Group, for a period not exceeding twelve (12) months and not for speculative purposes, including spot and forward delivery foreign exchange contracts entered into in the ordinary course of business and not for speculative purposes.

#### 14.13 Anti-corruption and sanctions

The Issuer shall, and shall procure that each other Issuer Group Company will (i) ensure that no proceeds from the Bond Issue are used, directly or indirectly, for any purpose that would breach any applicable acts, regulations, or laws relating to bribery, corruption, or similar matters, (ii) conduct its business and maintain policies and procedures in compliance with applicable anti-corruption laws, and (iii) not fund any payment derived from proceeds delivered directly from transactions with a restricted/sanctioned party. The Issuer shall not, and shall ensure that neither the Parent or any other Issuer Group Company will, engage in any conduct prohibited by any sanctions applicable to any such company.

#### **14.14 Insolvency jurisdiction**

The Issuer shall not, and shall ensure that neither the Parent nor any other Issuer Group Company will, take any action whereby the main insolvency proceedings related to it would take place in a jurisdiction other than its jurisdiction of incorporation.

*In particular with respect to the Drakelow Plant and the Port Clarence Plant:*

#### **14.15 Operation, maintenance and completion**

The Issuer shall ensure the diligent development, construction, completion, operation, and maintenance (as applicable) of each of the Drakelow Plant and the Port Clarence Project in a safe, efficient, and business-like manner, and in accordance with each Drakelow Plant Project Document, Port Clarence Project Document, the Finance Documents, and Good Industry Practice.

#### **14.16 Port Clarence Project**

The Issuer shall (i) ensure that the development, construction, and completion of the Port Clarence Project are materially in line with the Port Clarence Construction Plan and the Port Clarence Financial Model, and (ii) ensure that (A) all projected costs related to the development, construction, and completion of the Port Clarence Project are included in the Port Clarence Financial Model, and (B) all material matters relevant to the construction of the Port Clarence Project are included in the Port Clarence Construction Plan, in each case from time to time (to the extent changes and amendments are permitted herein).

#### **14.17 Port Clarence Project Documents**

The Issuer shall ensure that the Port Clarence Plant Owner (and each other relevant Issuer Group Company, if applicable) shall:

- (a) perform and observe all of its material covenants and agreements contained in each Port Clarence Project Document and Port Clarence Property Document in effect from time to time;
- (b) not agree to, and shall take all reasonably necessary actions to prevent, the termination or cancellation of any Port Clarence Project Document (other than by expiration of its term);
- (c) take all actions reasonably necessary to promptly enforce its rights and collect all sums due under the Port Clarence Project Documents;
- (d) not assign, transfer, or otherwise dispose of any part of its interest in any Port Clarence Project Document;
- (e) not waive any default or breach thereof;
- (f) not materially amend, supplement, modify, grant any consent, or exercise any option thereunder; and/or
- (g) not breach or otherwise default under any such document, or take any action likely to result in a material breach or default,



except, in each case, to the extent any such action or omission (in non-compliance with any of the above) would not:

(1)

- (A) (i) have a material adverse impact on the development, completion, or operation of the Port Clarence Project, or (ii) change the Port Clarence Project in any material way, in each case as compared to the description set out in the initial Port Clarence Project Documents and the Port Clarence Construction Plan; or
- (B) in the case where the event or circumstance results in the termination or cancellation of a Port Clarence Project Document, such Port Clarence Project Document is (i) replaced within ninety (90) calendar days, and (ii) the replacement Port Clarence Project Document: (x) contains terms that would have been permissible for the terminated document under the provisions herein; (y) is not on less favourable terms than the terminated document, unless the Issuer has used reasonable endeavours to obtain terms that are no less favourable; and (z) is entered into with a counterparty that is substantially equal in standing, competence, and financial strength to the previous counterparty; or
- (C) result in adverse financial performance of the Port Clarence Plant (as compared to the initial Port Clarence Financial Model) or otherwise have a Material Adverse Effect,

and

- (2) result in the Cost-to-Complete Test not being satisfied immediately after such action or omission is made.

#### **14.18 Changes to the Port Clarence Construction Plan**

- (a) The Issuer shall promptly notify the Bond Trustee and the Technical Advisor of any material changes that need to be made to the Port Clarence Construction Plan which, either independently or together with all other changes to the Port Clarence Construction Plan, may result in any delay of the Port Clarence Completion Date by more than ninety (90) calendar days (as compared to the initial Port Clarence Construction Plan delivered as a Pre-Settlement Conditions Precedent), and the Issuer shall, prior to making any such material changes to the Port Clarence Construction Plan, send to the Bond Trustee and the Technical Advisor a Company Certificate describing in reasonable detail:
  - (i) the nature of the potential change to the Port Clarence Construction Plan;
  - (ii) the cost implication to the Port Clarence Financial Model of such change;
  - (iii) the time implication of such change; and
  - (iv) how the change will be financed (if applicable).

- (b) The Issuer shall be permitted to implement such a change to the Port Clarence Construction Plan provided that (i) the Cost-to-Complete Test will continue to be satisfied, which shall be detailed and confirmed in the Company Certificate, and (ii) the Technical Advisor confirms, by countersigning the Company Certificate, that the requirements for the changes to the Port Clarence Construction Plan are satisfied.

#### **14.19 Changes to the Port Clarence Financial Model**

- (a) The Issuer shall promptly notify the Bond Trustee and the Technical Advisor of any changes to the Port Clarence Financial Model which may result in any material increase in total Port Clarence Project Costs, and which, together with previous increases (if any, and which are not already covered in a previous Company Certificate relating to a permitted change to the Port Clarence Financial Model), result in an aggregate increase of the Port Clarence Project Costs of GBP 1,000,000 (or the equivalent in other currencies) or more. The Issuer shall, prior to making any such change to the Port Clarence Financial Model, send to the Bond Trustee and the Technical Advisor a Company Certificate describing in reasonable detail:
  - (i) the nature of the budget increase;
  - (ii) the cost implication to the Port Clarence Financial Model of such change;
  - (iii) the time implication of such change (if any); and
  - (iv) how the change will be financed (if applicable).
- (b) The Issuer shall be permitted to implement such a change to the Port Clarence Financial Model provided that (i) the Cost-to-Complete Test will continue to be satisfied, which shall be detailed and confirmed in the Company Certificate, and (ii) the Technical Advisor confirms, by countersigning the Company Certificate, that the requirements for the changes to the Port Clarence Financial Model are satisfied.

#### **14.20 Drakelow Plant Project Documents and shareholders' agreement**

The Issuer shall ensure that (i) no substantial amendment to, or termination of, any Drakelow Plant Project Document which would have a material adverse impact on the operations or financial performance of the Drakelow Plant is made or occurs (other than the Drakelow Leases Variation Agreements and the variations to the Drakelow O&M Agreement and the Drakelow EPC Agreement on the terms agreed prior to the Initial Issue Date), and (ii) no amendments are made to the shareholders' agreement for Vital Energi Generation Limited that could negatively impact the charge over the Issuer's shares in Vital Energi Generation Limited or otherwise in any way which could be detrimental to the interests of the Bondholders.

#### **14.21 Authorisations and access to land**

The Issuer shall, and shall procure that the Drakelow Plant Owner, the Port Clarence Plant Owner, and each other Guarantor will, in all material respects, obtain, maintain, and comply with the terms of any authorisation, approval, licence, or consent required for the conduct of their business as carried out from time to time (including for the completion of the Port Clarence Plant). The Drakelow Plant Owner and the Port Clarence Plant Owner shall each hold and maintain all rights necessary to ensure that, at all times, they possess the land use rights required to develop, construct, complete, operate, and maintain the Drakelow Plant and the

Port Clarence Plant, respectively, as well as to carry out the business activities contemplated in respect thereof.

#### 14.22 Technical Advisor

- (a) The Issuer shall, unless the Bond Trustee appoints a replacement Technical Advisor, maintain the appointment of the Technical Advisor until the Port Clarence Completion Date and shall not make any material amendments to the engagement terms of the Technical Advisor without the consent of the Bond Trustee. The Issuer may replace the Technical Advisor with a new technical advisor approved by the Bond Trustee (and the terms hereof shall apply to such new Technical Advisor). The Issuer shall provide the Bond Trustee with a copy of the engagement terms for the Technical Advisor.
- (b) The engagement shall last until the Technical Advisor issues the Port Clarence Completion Confirmation, and the Technical Advisor's scope of work shall be governed by a separate agreement between the Issuer and the Technical Advisor. The Technical Advisor shall, inter alia, (i) review and/or monitor the Port Clarence Construction Plan and the Port Clarence Financial Model, (ii) countersign the Issuer's requests for drawdowns from the Escrow Account, (iii) review any progress reports from the Issuer, and (iv) verify that the Port Clarence Completion Conditions have been satisfied by issuing the Port Clarence Completion Confirmation.
- (c) Reports and confirmations provided by the Technical Advisor to the Bond Trustee shall be provided to the Bond Trustee on a full reliance basis, and the Technical Advisor shall have the same level of care towards the Bond Trustee as if the Bond Trustee were the client of the Technical Advisor.
- (d) The Bond Trustee may only replace the Technical Advisor if the Technical Advisor appointed by the Issuer fails to fulfil its obligations under the engagement terms, fails to carry out its duties as set out herein, or if the Bond Trustee otherwise has reasonable cause to do so. The Bond Trustee shall also have the right to replace or supplement the Technical Advisor with a technical advisor appointed by the Bond Trustee (at the cost of the Issuer), and such replacement technical advisor shall constitute a Technical Advisor for the purpose of these Bond Terms. The Issuer shall ensure that any replacement Technical Advisor is promptly provided with all documentation and information regarding the Port Clarence Plant that it requires.
- (e) The Issuer shall, promptly and at the request of the Bond Trustee from time to time, provide (and facilitate) access to the Bond Trustee and the Technical Advisor (and any of their representatives) (each a "**Relevant Person**") to the site for general inspections to monitor and verify the development and operation of the Port Clarence Plant. The Issuer shall ensure that each Relevant Person shall be able to review all documents on the site and interview all employees and representatives of the Issuer, and the Issuer shall, for that purpose, provide all necessary instructions to the relevant employees and representatives to cooperate in full with the Relevant Person on all matters related to the Port Clarence Plant.

- (f) Any confirmations or reports from the Technical Advisor may be subject to such assumptions and qualifications as the Technical Advisor shall reasonably request.

#### 14.23 Financial covenants

The Issuer shall procure that the Parent comply with the following financial covenants:

- (a) **Minimum liquidity:** The aggregate (on a consolidated basis) of the unrestricted and freely available Cash and Cash Equivalents of the Parent Group shall not be less than GBP 20,000,000 at all times up to and excluding 13 August 2029, and thereafter not less than an amount equivalent to six (6)-months Interest on any Interest Payment Date thereafter.
- (b) **Interest Cover Ratio:** The Interest Cover Ratio in respect of any Relevant Period specified in column 1 shall not be less than the ratio set out in column 2 below opposite that Relevant Period:

<b>Column 1 Relevant Period:</b>	<b>Column 2 Ratio:</b>
Relevant Period expiring 31 December 2027	1.25x
Relevant Period expiring 31 March 2028	1.50x
Relevant Period expiring 30 June 2028	1.50x
Relevant Period expiring 30 September 2028	1.75x
Relevant Period expiring on or after 30 December 2028 to and including 31 December 2029	2.00x
Relevant Period expiring 31 March 2030 and thereafter	2.25x

and provided that (i) the Interest Cover Ratio for the Relevant Period expiring 31 December 2027 shall be based on the EBITDA and the Net Interest Payable for the period of six (6) months ending on that date, and (ii) the Interest Cover Ratio for the Relevant Period expiring 31 March 2028 shall be based on (A) the EBITDA and the Net Interest Payable for a period of nine (9) months ending on that date and (B) not the paid or payable interest for that period, but only interest accrued during that period.

- (c) The financial covenants in this Clause 14.23 shall be calculated on a consolidated basis for the Parent Group, and compliance with the financial covenants shall be measured on the relevant Reporting Dates and certified by the Issuer by the delivery to the Bond Trustee of a Compliance Certificate, setting out such compliance in reasonable detail, together with the delivery of each Financial Report and/or Management Report.

#### 14.24 Equity Cure

- (a) If the Issuer fails (or would otherwise fail) to comply with the Interest Cover Ratio in respect to any Relevant Period, and the Parent receives net cash proceeds from its shareholders in the form of (i) new cash equity or (ii) a subordinated loan (on terms similar to a Subordinated Loan) (collectively a "**Cure Amount**") within twenty (20) Business Days of the date on which the relevant Financial Report and/or Management Report is due, then the Interest Cover Ratio shall be recalculated on the basis that the Cure Amount so received shall be deemed to increase EBITDA with a corresponding amount on the last day of the relevant calculation period (the "**Relevant Increase Date**") - and where the Cure Amount shall increase the EBITDA similarly for any calculation of EBITDA during a Relevant Period in respect of which the EBITDA for the period up

to the Relevant Increase Date is included.

- (b) If, after the Interest Cover Ratio is recalculated as set out above, the breach has been remedied, the Interest Cover Ratio shall be deemed to have been satisfied on the relevant Reporting Date. Only two cures may be made for the purposes set out in this provision during the term of the Bonds and not in respect of consecutive Relevant Periods.

## **15. PARENT'S UNDERTAKINGS**

During the term of the Bonds, the Parent undertakes to (and shall, where applicable, procure that the Parent and each Parent Group Company will) comply with the following additional undertakings set forth in this Clause 15.

### **15.1 Dividend restrictions**

The Parent shall not, and shall ensure that no other Parent Group Company will, make any Distributions other than a Permitted Distribution.

### **15.2 Arm's length transactions**

The Parent shall not engage in, and shall ensure that no other Parent Group Company engages in, directly or indirectly, any material transaction with any third party (including, without limitation, the purchase, sale or exchange of assets or the provision of any service), except on an arm's length basis.

### **15.3 Compliance with laws**

The Parent shall, and shall ensure that each other Parent Group Company does, comply in all material respects with all applicable laws and regulations from time to time (including, without limitation, environmental laws and regulations).

### **15.4 Continuation of business and permitted expansion**

The Parent shall, and shall ensure that each other Parent Group Company does, procure that no material change is made to the general nature of the business of the Parent Group from that carried on, and otherwise contemplated, by the Parent Group as at the Initial Issue Date, being operations in the energy sector within the UK, the Channel Islands, and the Isle of Man, including the provision of low-carbon and renewable energy solutions. Notwithstanding the foregoing, the Parent Group may develop, expand into or undertake business activities that are complementary to, related to, or a logical extension of its existing business, provided that such activities do not result in a fundamental or material deviation from the core nature of its operations.

### **15.5 Maintenance of ownership**

The Parent shall at all times be the direct or indirect holder of all ownership interests in the Issuer.

### **15.6 Anti-corruption and sanctions**

The Parent shall, and shall procure that each other Parent Group Company will (a) conduct its business and maintain policies and procedures in compliance with applicable anti-corruption laws, and (b) not fund any payment derived directly from proceeds of transactions with a restricted or sanctioned party. The Parent shall not, and shall ensure that no other Parent Group

Company will, engage in any conduct prohibited by any sanctions applicable to any Parent Group Company.

## **16. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS**

### **16.1 Events of Default**

Each of the events or circumstances (i) set out in this Clause 16.1 and (ii) otherwise designated as an Event of Default in the Finance Documents, shall in each case constitute an Event of Default:

#### *(a) Non-payment*

An Issuer Group Company or the Parent fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within five (5) Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within five (5) Business Days following the original due date.

#### *(b) Breach of other obligations*

An Issuer Group Company or the Parent does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within twenty (20) Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

#### *(c) Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by an Issuer Group Company or the Parent under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

#### *(d) Cross default*

If for any Issuer Group Company or the Parent:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or

- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of GBP 5,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

An Issuer Group Company or the Parent:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
  - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
  - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its obligations under these Bond Terms; or
  - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
  - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 16.1 (d) (*Cross default*) above; or
  - (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within twenty (20) Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of an Issuer Group Company or the Parent having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within twenty (20) Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for an Issuer Group Company or the Parent to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of such an Issuer Group Company or the Parent to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee or any Security Agent (if another than the Bond Trustee) to exercise any material right or power vested to it under the Finance Documents.

**16.2 Acceleration of the Bonds**

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 16.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

**16.3 Bondholders' instructions**

The Bond Trustee shall serve a Default Notice pursuant to Clause 16.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

**16.4 Calculation of claim**

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of Clause 16.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and



- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

## **17. BONDHOLDERS' DECISIONS**

### **17.1 Authority of the Bondholders' Meeting**

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 18.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a), (i) and (ii) of Clause 19.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

### **17.2 Procedure for arranging a Bondholders' Meeting**

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
  - (i) the Issuer;
  - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
  - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
  - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within ten (10) Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders' Meeting may resolve to exclude the Issuer's Representatives and/or any

person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's Representative and any such other person shall have the right to be present during the voting.

- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

### **17.3 Voting rules**

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 17, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

### **17.4 Repeated Bondholders' Meeting**

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 17.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within ten (10) Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.

- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 17.1 (*Authority of the Bondholders' Meeting*), Clause 17.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 17.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 17.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 17.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 17.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

## 17.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 17.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 17.1 (*Authority of the Bondholders' Meeting*), 17.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 17.3 (*Voting rules*) and Clause 17.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
  - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 17.2 (*Procedure for arranging a Bondholders' Meeting*); or
  - (ii) provisions which are otherwise in conflict with the requirements of this Clause 17.5,

shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
  - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and

- (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least ten (10) Business Days but not more than fifteen (15) Business Days from the date of the Summons (the "**Voting Period**").
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 17.1 (*Authority of the Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the Summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 17.1 (*Authority of the Bondholders' Meeting*).

## **18. THE BOND TRUSTEE**

### **18.1 Power to represent the Bondholders**

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

### **18.2 The duties and authority of the Bond Trustee**

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any Parent Group Company unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no

Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.

- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
  - (i) complying with instructions of the Bondholders; or
  - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 18.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

### **18.3 Equality and conflicts of interest**

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

### **18.4 Expenses, liability and indemnity**

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
  - (i) acting in accordance with advice from or opinions of reputable external experts; or
  - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.

- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any Parent Group Company, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee or the Security Agent in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 16.3 (*Bondholders' instructions*) or Clause 17.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

## **18.5 Replacement of the Bond Trustee**

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 17 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 18.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 18.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.



- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

## 18.6 Security Agent

- (a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Transaction Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.
- (b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.
- (c) Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.
- (d) The functions, rights and obligations of the Security Agent may be determined by a Security Agent Agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require any Parent Group Company and any other party to a Finance Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate Security Agent Agreement has been entered into.
- (e) The provisions set out in Clause 18.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

## **19. AMENDMENTS AND WAIVERS**

### **19.1 Procedure for amendments and waivers**

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
  - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
  - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
  - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 17 (*Bondholders' Decisions*).
- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). If so desired by the Bond Trustee, any or all of the Transaction Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

### **19.2 Authority with respect to documentation**

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

### **19.3 Notification of amendments or waivers**

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 19, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a)(i) of Clause 19.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

## **20. MISCELLANEOUS**

### **20.1 Limitation of claims**

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

## **20.2 Access to information**

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

## **20.3 Notices, contact information**

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
  - (i) if by letter, when delivered at the address of the relevant party;
  - (ii) if by e-mail, when received; and
  - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):

- (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
- (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
- (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

#### 20.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
  - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");
  - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the "**Defeasance Pledge**"); and
  - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

  - (A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.1 (*Financial Reports and Management Reports*), Clause 12.2 (*Put Option Event*), Clause 12.5 (*Information: miscellaneous*), Clause 13 (*Issuer's General Undertakings*), Clause 14 (*Issuer's Special Undertakings*) and the Parent will be relieved from its obligations under Clause 15 (*Parent's Undertakings*);
  - (B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and
  - (C) any Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.

- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 20.4 may not be reversed.

## **21. GOVERNING LAW AND JURISDICTION**

### **21.1 Governing law**

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

### **21.2 Main jurisdiction**

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

### **21.3 Alternative jurisdiction**

Clause 21 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any other relevant Parent Group Company or any of their respective assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

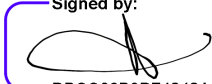
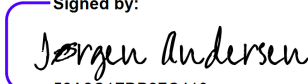
### **21.4 Service of process**

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
  - (i) irrevocably appoints Advokatfirmaet Thommessen AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
  - (ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

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These Bond Terms have been executed by way of electronic signatures.

SIGNATURES:

<p><b>The Issuer:</b></p> <p><b>Vital Energi Midco Limited</b></p> <p>Signed by:</p>  <p>.....DBCC06B9D74242A.....</p> <p>By: Cécile Parker</p> <p>Position: Director</p>	<p><b>As Bond Trustee and Security Agent:</b></p> <p><b>Nordic Trustee AS</b></p> <p>Signed by:</p>  <p>.....68A2C1FDB37C410.....</p> <p>By: Jørgen Andersen</p> <p>Position: Authorised Signatory</p>
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**ATTACHMENT 1  
COMPLIANCE CERTIFICATE**

[date]

**Vital Energi Midco Limited 10.50% Senior Secured GBP 175,000,000 Bonds 2025/2030 ISIN  
NO0013622878**

We refer to the Bond Terms for the above-captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to paragraph (d) of Clause 12.1 (*Financial Reports and Management Reports*) of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.1 (*Financial Reports and Management Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[The financial covenants set out in Clause 14.23 (*Financial covenants*) are met, please see the calculations and figures in respect of the covenants attached hereto.]

[With reference to Clause 14.10 (*Designation of Material Subsidiaries*) the following Group Companies are nominated as Material Subsidiaries: [●]]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

**Vital Energi Midco Limited**

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Name of authorised person

*Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]*

**ATTACHMENT 2**  
**RELEASE NOTICE – ESCROW ACCOUNT**

[date]

To: Nordic Trustee AS as the Bond Trustee

Dear Sirs,

**Vital Energi Midco Limited 10.50% Senior Secured GBP 175,000,000 Bonds 2025/2030 ISIN NO0013622878**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

Pursuant to Clause 6.6 (*Additional conditions for releases from the Escrow Account*) and paragraph(s) [(a)/(b)/(d)/(e)/(f)/(g)]<sup>1</sup> of Clause 2.3 (*Use of proceeds*) of the Bond Terms, we hereby give notice that we wish to draw funds from the Escrow Account on [insert date] (the "**Release Date**") in the amount of [insert amount], to be applied for the following purpose(s)<sup>2</sup>:

- **[First Release:** For the purposes of Clause 2.3 (a), (b) and (d) – repayment of the Drakelow Aviva Debt, payment of the First Instalment of the Port Clarence Glennmont Debt, and financing of Drakelow Capex.]
- **[Port Clarence Project Costs:** For the purpose of Clause 2.3 (e), in an amount equal to (i) incurred Port Clarence Project Costs as of the Release Date, and (ii) Port Clarence Project Costs projected to fall due within the next ninety (90) calendar days, as further detailed in the Port Clarence Financial Model.]
- **[Interest Payment:** For the purpose of Clause 2.3 (f), to fund Interest Payments due on the upcoming Interest Payment Date.]
- **[General Corporate Purposes:** For the purpose of Clause 2.3 (g), following the Port Clarence Completion Date.]<sup>3</sup>
- **[Final Release:** In accordance with Clause 6.6 (j), being the release of any remaining balance on the Escrow Account following the Port Clarence Completion Date to fund general corporate purposes of the Issuer Group.]

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<sup>1</sup> Insert the relevant paragraph(s).

<sup>2</sup> When finalising this Release Notice for execution, please delete any sections or options that are not applicable to the specific purpose of the release.

<sup>3</sup> To be included only if the release is for general corporate purposes, including the financing of projects undertaken by any Issuer Group Company.



We hereby represent and warrant that (i) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account, and (ii) the representations and warranties set out in the Bond Terms are true and accurate in all material respects as of the date hereof.

<sup>4</sup>[We further represent and warrant that (iii) the Cost-to-Complete Test is satisfied on the date of the Release Notice, (iv) no event or circumstance has occurred requiring the Port Clarence Financial Model and/or the Port Clarence Construction Plan (as shared with the Technical Advisor and the Bond Trustee) to be amended in any material respect in order to accurately and adequately constitute a plan and budget for completion of the Port Clarence Project, and (v) the release amount will be applied towards Port Clarence Project Costs scheduled (under the Port Clarence Financial Model) in each case to fall due for payment within the next ninety (90) days.

Please find attached the Cost-to-Complete Test compliance certificate, including a breakdown of the Port Clarence Project Costs to be funded.

*[Insert description of the purpose of the proposed release, including details of the Port Clarence Project Costs to be funded and confirmation that the released amount will be used for such purpose.]]*

Yours faithfully,

**Vital Energi Midco Limited**

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Name:

Title:

<sup>5</sup>*[Countersignature by the Bond Trustee – if applicable]*

We, as Bond Trustee and Security Agent, hereby confirm that the conditions for the release from the Escrow Account, as set out in the purpose specified in this Release Notice, have been satisfied to our satisfaction. For the avoidance of doubt, such confirmation shall not be construed as an acknowledgement or confirmation of the accuracy, completeness, or correctness of any factual statements, representations, or warranties made by the Issuer in this Release Notice or any related documentation.

**Nordic Trustee AS**

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<sup>4</sup> Additional Representations – Port Clarence Project Costs only.

<sup>5</sup> Relevant in respect for Port Clarence Project Costs

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Name:

Title:

<sup>6</sup>[*Countersignature by the Technical Advisor – if applicable*]

The undersigned hereby confirm that: (i) the relevant Port Clarence Project Costs are directly associated with the Port Clarence Project; and (ii) the Cost-to-Complete Test is satisfied as of the date of delivery of this Release Notice to the Bond Trustee.

**[Technical Advisor]**

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Name:

Title:

Enclosures (as applicable under Clause 6.5 (*Conditions subsequent*)):

- [Enclosure I: Flow of Funds]
- [Enclosure II: Confirmation from Technical Advisor]
- [Enclosure III: Cost-to-Complete Test compliance certificate]
- [Enclosure IV: Details of Port Clarence Project Costs to be funded]

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<sup>6</sup> Relevant in respect for Port Clarence Project Costs

**ATTACHMENT 3**  
**SFDR REPORTING SCHEDULE**

*included as a separate document*

**ATTACHMENT 4**  
**LIST OF INTRA-GROUP LOANS**

<b>Borrower</b>	<b>Lender</b>	<b>Loan Balance as at 31/07/25</b>
Vital Energi Midco Ltd	Vital Energi Utilities Ltd	GBP 75,238,251**
Vital Energi Solutions Ltd	Vital Energi Midco Ltd	GBP 55,088
Vital Community Energi Ltd	Vital Energi Midco Ltd	GBP 4,999
Vital Thermotech Ltd	Vital Energi Midco Ltd	GBP 26,916
Vital Energi Power Networks Ltd	Vital Energi Midco Ltd	GBP 515,784
Vital Future Software Ltd	Vital Energi Midco Ltd	GBP 12,250
H2010 Ltd	Vital Energi Midco Ltd	GBP 11,143
The Movement Esco Ltd	Vital Energi Midco Ltd	GBP 14,524
The Paintworks Esco Ltd	Vital Energi Midco Ltd	GBP 17,703
Hepworth Place Ltd	Vital Energi Midco Ltd	GBP 5,773
Vital Energi Generation Ltd	Vital Energi Midco Ltd	GBP 47,122, 899
Vital Holdings Limited	Vital Energi Midco Ltd	GBP 26,643,130
Vital Holdings Limited	Vital Energi Midco Ltd	GBP 10,000,000*
Vital Energi Generation Ltd	Vital Energi Utilities Limited	GBP 8,232,125
Vital Energi Utilities Limited	CEP Teeside Biomass Ltd	GBP 93
Vital Energi (Port Clarence) Ltd	Vital Energi Midco Ltd	GBP 834,431
Vital Energi (Port Clarence) Ltd	Vital Energi Utilities Limited	GBP 1,494,358
Vital Energi (Drakelow) Ltd	Vital Energi Utilities Limited	GBP 14,715,521

(\* this is the loan to Vital Holdings Limited to repay the First Instalment of the Glenmont Debt following the First Release, such amount may increase to GBP 19,000,000 plus associated interest.)

(\*\* this intercompany loan will increase by a further GBP [3,000,000] to reflect a payment made by Vital Energi Utilities Limited on behalf of the Issuer on or around the date of the First Release.)