

REFERENCE PORTFOLIO METHODOLOGY – NOTIONAL DIVERSIFIED REAL ASSETS PORTFOLIO

Telekia (an unregulated securitisation fund (*fonds de titrisation*), also the "**Securitisation Undertaking**") acting for and on behalf of its Compartment 1 (the "**Issuer**") will issue on or about 21 June 2022 ("**Issue Date**") up to 150,000 (in words: one hundred fifty thousand) Sachwertanleihe 3 Notes due 2027 (ISIN XS2488792461, Common Code 248879246) (each a "**Note**" and together the "**Notes**").

The payout of the Notes is linked to the performance of a notional Diversified Real Assets portfolio (the "**Reference Portfolio**").

Aquila Capital Investmentgesellschaft mbH ("**ACI**"), Valentinskamp 70, 20355 Hamburg, Federal Republic of Germany is a regulated investment management company which provides a wide range of asset management services with a particular focus on sustainable investments, including renewable energy and green logistics, as well as real estate. The Reference Portfolio Advisor manages more than EUR 12.5 billion for institutional investors and is among Europe's largest investment companies in clean energy.

ACI, in its role as reference portfolio advisor (the "**Reference Portfolio Advisor**") to the Issuer, has on 21 June 2022 (the "**Fixing Date**") and solely for the purpose of calculation of any amounts payable by the Issuer in respect of the Notes under the Terms and Conditions created the Reference Portfolio.

Capitalised terms used, but not otherwise defined in this Reference Portfolio Methodology shall have the meanings given in the terms and conditions of the Notes (the "Terms and Conditions").

The Reference Portfolio is a static synthetic portfolio which has been proposed and is maintained and whose value is calculated from time to time in accordance with this Reference Portfolio Methodology solely for the purposes of being used as underlying of the Notes.

Section "1.1 *Initial Reference Portfolio*" sets out the composition of the Reference Portfolio as of the Fixing Date and provides detailed description of the Reference Portfolio Components (as defined below) comprised in the Reference Portfolio as of the Fixing Date. Section "1.2 *Calculation of the Reference Portfolio Value; Suspension of the Calculation*" sets out the frequency and methodology for determining the Reference Portfolio Value (as defined below).

It is intended that the composition of the Reference Portfolio shall remain unchanged, *unless* there is an increase in the positive balance of the Notional Cash Position or, exceptionally, certain events occur after the Issue Date which are outside the Reference Portfolio Advisor's control. In such circumstances, the Reference Portfolio Advisor may make certain adjustments to the composition of the Reference Portfolio. Such adjustments may comprise the notional purchase, acquisition or otherwise addition of one or more Reference Portfolio Components, the notional sale or otherwise disposal of one or more Reference Portfolio Components or other adjustments necessary or appropriate to preserve the Reference Portfolio Value.

Section "1.3 *Reference Portfolio Components comprised in the Reference Portfolio*" sets out the eligibility criteria which must be fulfilled by any assets notionally purchased, acquired or otherwise added to the Reference Portfolio after the Fixing Date. Section "1.4 *Changes in Composition; Reference Portfolio Rebalancing; Restrictions*" sets out the limited circumstances in which the Reference Portfolio Advisor may notionally purchase, acquire or otherwise add or, as the case may be, notionally sell or otherwise dispose of one or more Reference Portfolio Components (including, without limitation, the objective, non-discretionary process to be followed by the Reference Portfolio Advisor when selecting one or more Reference Portfolio Components to be notionally sold or otherwise disposed of). Finally, Section "1.5 *Adjustments of the Reference Portfolio*" describes certain disruption events which may occur in respect of the Reference Portfolio or one or more Reference Portfolio Components and the steps which the Reference Portfolio Advisor may take in such circumstances with view to preserving to the greatest extent possible the Reference Portfolio Value.

In case of any change in the composition of the Reference Portfolio, the Reference Portfolio Advisor shall promptly notify the Issuer of such change and the Issuer shall publish the updated composition of the Reference Portfolio, including detailed description of the Reference Portfolio Components comprised in the Reference Portfolio following such change, without undue delay on the website of the Issuer (www.telekia.lu).

There is no obligation on the Issuer to purchase or hold any Reference Portfolio Components and the Noteholders have no rights in, or to require delivery of, any of such Reference Portfolio Components at any time. References to any balancing, rebalancing, disposal, acquisition or financing of a Reference Portfolio Component have to be understood as reference to a notional transaction and should not be construed as imposing any obligation on the Issuer or any of its affiliates or subsidiaries, the Reference Portfolio Advisor or any person actually directly or indirectly, physically or synthetically to acquire, dispose of or effect or take delivery of, or effect transactions in, any Reference Portfolio Components, securities, investments or other property, but are references to the change in the value of, or in notional amounts to be determined for the purposes of calculating the value of, and relate solely to the calculation of the value of any amounts payable in respect of the Notes.

Whilst the Coupon Amounts and the Redemption Amount payable in accordance with the Terms and Conditions of the Notes are linked to the performance of the Reference Portfolio Components comprised in the Reference Portfolio from time to time (and, therefore, to the Reference Portfolio Value from time to time), the Issuer is not obliged to invest the net proceeds received from the issuance of the Notes in any Reference Portfolio Components at any time. The net proceeds will be used by the Issuer to hedge its obligations under the Notes only by tracking the risk and reward profile of the Reference Portfolio. Any hedging entered into by the Issuer shall have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the Notes. The Noteholders do not have any direct interest in, or beneficial ownership of any Reference Portfolio Components at any time.

Information on the Reference Portfolio Components contained herein is solely intended for the description of the Reference Portfolio and for the use of investors in the Notes and does not constitute an offer of any Reference Portfolio Components.

The Reference Portfolio Advisor shall be entitled to resign at any time from its function as reference portfolio advisor in relation to the Reference Portfolio. Such resignation shall only become effective with the appointment of a successor reference portfolio advisor in relation to the Reference Portfolio. Resignation and appointment shall be notified by the Reference Portfolio Advisor to the Issuer and the Calculation Agent without undue delay.

In addition to being set out in full in this Prospectus, this Reference Portfolio Methodology is also freely accessible on the website of the Issuer (www.telekia.lu).

The Noteholders can obtain information about the past and future performance of the Reference Portfolio and its volatility upon request and free of charge from the Reference Portfolio Advisor.

1.1 Initial Reference Portfolio

1.1.1 The Reference Portfolio aims to replicate the performance of:

- (a) a basket of reference fund interests (each, a "**Reference Fund Component**") comprised in the Reference Funds Investment Universe;
- (b) a basket of reference debt securities (each, a "**Reference Debt Security Component**") comprised in the Reference Debt Security Investment Universe; and
- (c) a notional EUR denominated cash position as well as notional EUR denominated cash equivalents (collectively, the "**Notional Cash Position**", and together with the Reference Fund Components and the Reference Debt Security Components, if any, the "**Reference Portfolio Components**"),

thereby mirroring risk adjusted returns of (direct and/or indirect) investments by a hypothetical investor in the form of a Luxembourg securitisation fund (*fonds de titrisation*) (the "**Hypothetical Investor**") in the Reference Fund Components and/or the Reference Debt Security Components.

The objective of the Reference Portfolio (the "**Reference Portfolio Objective**") is to give a Hypothetical Investor indirect exposure to investments in the clean energy and/or real estate sectors which comply with the eligibility criteria and investment limits set out in Section 1.3.1.

1.1.2 The value of the Reference Portfolio on the Fixing Date (the "**Initial Reference Portfolio Value**") is equal to (i) the issuance proceeds from the Notes less (ii) the Liquidity Reserve in respect of the Notes (as defined in the terms and conditions of the Notes). Information about the composition of the Reference Portfolio and about the Initial Reference Portfolio Value as of the Fixing Date and the Reference Portfolio Value as of any Reference Portfolio Valuation Date can be obtained free of charge at any time upon request from the Reference Portfolio Advisor.

The Initial Reference Portfolio Value shall be allocated on the Fixing Date between the following Reference Portfolio Components:

Reference Portfolio Component:	Weighting (expressed as a percentage of the Initial Reference Portfolio Value)
Reference Debt Security Components	62 % in aggregate
EUR 2,000,000 uncleared bearer bonds issued by Albatros Sustainable S.à r.l.	4 %
EUR 4,000,000 uncleared bearer bonds issued by AQ ENRG Investments GmbH	12 %
EUR 4,000,000 uncleared bearer bonds issued by Aquila Renewables INVEST IV GmbH & Co. KG	11 %
EUR 6,000,000 uncleared bearer bonds issued by European Sustainable Projects II S.à r.l.	17 %
EUR 6,000,000 uncleared bearer bonds issued by Fortune Real Estate S.à r.l.	18 %
Reference Fund Components:	20 % in aggregate
EUR 6,000,000 limited partnership interests (<i>Anteilklasse A</i>) in Aquila Capital Infrastructure Fund GmbH & Co. offene Investmentkommanditgesellschaft	20%
Notional Cash Position:	18 %

No individual component shall have a value of more than EUR 25 million.

1.1.3 Reference Portfolio Components comprised in the initial Reference Portfolio

This Section "1.1.3 *Reference Portfolio Components comprised in the initial Reference Portfolio*" provides detailed description of the Reference Portfolio Components comprised in the Reference Portfolio as of the Fixing Date.

1.1.3.1 Albatros Bonds

The EUR 2,000,000 uncleared bearer bonds (the "**Albatros Bonds**") are issued by Albatros Sustainable S.à r.l. ("**Albatros**"), incorporated as a private company with limited liability (*société à responsabilité limitée*) under the laws of the Grand Duchy of Luxembourg, with its registered office at 17, Am Scheerleck, L-6868 Wecker, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies (*Registre de Commerce et des Sociétés*) under number B 206085.

Issuer

Albatros has been established as a development company.

Albatros' corporate object is to take participations, in the Grand Duchy of Luxembourg or abroad, in any form whatsoever, in any commercial, industrial, financial or other companies or enterprises; to acquire by way of subscription, purchase, exchange or in any other manner any stock, shares and/or other participation securities, bonds, debentures, certificates of deposit and/or other debt instruments and more generally any securities and/or financial instruments issued by any public or private entity whatsoever, to grant to enterprises in which Albatros has an interest, any assistance, loans, advances or guarantees, finally to perform any operations which is directly or indirectly related to its purpose.

Albatros can perform all commercial, technical and financial operations, connected directly or indirectly in all areas as described above in order to facilitate the accomplishment of its purpose.

Form and Denomination

The Albatros Bonds are issued by Albatros as uncleared bearer bonds without a fixed denomination.

Each Albatros Bond is constituted by the execution by Albatros of a bearer bond certificate which embodies the rights arising out of such Albatros Bond.

The nominal amount of each Albatros Bond is stated on the relevant bearer bond certificate.

Transfer and Title

The Albatros Bonds are freely transferrable. Title to each Albatros Bond passes by physical transfer of the relevant bearer bond certificate. Each Albatros Bond may be transferred in whole but not in part.

The Albatros Bonds are not cleared.

Maturity

The scheduled maturity date of the Albatros Bonds is 30 June 2023.

Status and Ranking

The Albatros Bonds constitute direct, unsecured obligations of Albatros and rank *pari passu* and rateably, without any preference among themselves, with all other existing direct, unsecured obligations of Albatros arising under or in connection with any debt securities issued by Albatros. The Albatros Bonds rank junior to Albatros' obligations under any loans. In the event of Albatros' insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), the ranking of the Albatros Bonds may be affected by the applicable laws relating to creditors' rights generally.

Interest / Coupon

Each Albatros Bond bears interest on its outstanding nominal amount from and include the issue date at a fixed rate of 6 % per annum, accruing on a daily basis and payable in arrear, upon the redemption of such Albatros Bond.

Redemption Rights

Albatros is entitled to redeem each Albatros Bond in whole or in part without notice. Albatros shall redeem each Albatros Bond at the latest on the scheduled maturity date. Upon redemption, each holder of an Albatros Bond is entitled to receive from Albatros payment of a redemption amount equal to the outstanding nominal amount in respect of such Albatros Bond plus accrued interest. In case of redemption in part, the holder of each Albatros Bond is entitled to elect whether the amount payable by Albatros shall be treated as principal, interest or a combination of the two.

The holders of the Albatros Bonds do not have any ordinary termination, redemption or exercise rights.

Governing Law

The Albatros Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

Originator

The Reference Portfolio Advisor is the originator of the Albatros Bonds. For the full name, address and significant business activities of the Reference Portfolio Advisor, see the introductory paragraphs of this Reference Portfolio Methodology.

Source of Information

The information in respect of the Albatros Bonds contained in this section "1.1.3.1 *Albatros Bonds*" has been provided by Albatros in the terms and conditions of the Albatros Bonds and has been summarised and provided to the Issuer by the Reference Portfolio Advisor.

So far as the Issuer is aware and is able to ascertain from information published by Albatros no facts have been omitted which would render the reproduced information misleading.

1.1.3.2 **AQ ENRG Bonds**

EUR 4,000,000 AQ ENRG uncleared bearer bonds (the "**AQ ENRG Bonds**") are issued by AQ ENRG Investments GmbH ("**AQ ENRG**"), incorporated as a private company with limited liability (*Gesellschaft mit beschränkter Haftung*) under the laws of the Federal Republic of Germany, with its registered office at Valentinskamp 70, 20355 Hamburg, Germany and registered with the District Court (*Amtsgericht*) of Hamburg under number HRB 165004.

Issuer

AQ ENRG has been established as a development company.

AQ ENRG's purpose is to acquire, sell, hold and manage equity interests, in particular in companies that trade in energy, other goods and/or rights, in each case in connection with the energy sector, and to provide services for the German and international energy market, provided that these transactions do not require a license under banking supervision law (in particular the German Banking Act), including the financing of such equity interests and the management of AQ ENRG's own assets. The purpose of AQ ENRG may also be pursued through direct and indirect subsidiaries, including companies in which it holds an equity interest.

Form and Denomination

The AQ ENRG Bonds are issued by AQ ENRG as uncleared bearer bonds without a fixed denomination.

Each AQ ENRG Bond is constituted by the execution by AQ ENRG of a bearer bond certificate which embodies the rights arising out of such AQ ENRG Bond.

The nominal amount of each AQ ENRG Bond is stated on the relevant bearer bond certificate.

Transfer and Title

The AQ ENRG Bonds are freely transferrable. Title to each AQ ENRG Bond passes by physical transfer of the relevant bearer bond certificate. Each AQ ENRG Bond may be transferred in whole but not in part.

The AQ ENRG Bonds are not cleared.

Maturity

The scheduled maturity date of the AQ ENRG Bonds is 30 June 2024.

Status and Ranking

The AQ ENRG Bonds constitute direct, unsecured obligations of AQ ENRG and rank *pari passu* and ratably, without any preference among themselves, with all other existing direct, unsecured obligations of AQ ENRG arising under or in connection with any debt securities issued by AQ ENRG. The AQ ENRG Bonds rank junior to AQ ENRG's obligations under any loans. In the event of AQ ENRG's insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), the ranking of the AQ ENRG Bonds may be affected by the applicable laws relating to creditors' rights generally.

Interest / Coupon

Each AQ ENRG Bond bears interest on its outstanding nominal amount from and include the issue date at a fixed rate of 8.5 % per annum, accruing on a daily basis and payable in arrear, upon the redemption of such AQ ENRG Bond.

Redemption Rights

AQ ENRG is entitled to redeem each AQ ENRG Bond in whole or in part without notice. AQ ENRG shall redeem each AQ ENRG Bond at the latest on the scheduled maturity date. Upon redemption, each holder of an AQ ENRG Bond is entitled to receive from AQ ENRG payment of a redemption amount equal to the outstanding nominal amount in respect of such AQ ENRG Bond plus accrued interest. In case of redemption in part, the holder of each AQ ENRG Bond is entitled to elect whether the amount payable by AQ ENRG shall be treated as principal, interest or a combination of the two.

The holders of the AQ ENRG Bonds do not have any ordinary termination, redemption or exercise rights.

Governing Law

The AQ ENRG Bonds are governed by, and shall be construed in accordance with, German law.

Originator

The Reference Portfolio Advisor is the originator of the AQ ENRG Bonds. For the full name, address and significant business activities of the Reference Portfolio Advisor, see the introductory paragraphs of this Reference Portfolio Methodology.

Source of Information

The information in respect of the AQ ENRG Bonds contained in this section "1.1.3.2 *AQ ENRG Bonds*" has been provided by AQ ENRG in the terms and conditions of the AQ ENRG Bonds and has been summarised and provided to the Issuer by the Reference Portfolio Advisor.

So far as the Issuer is aware and is able to ascertain from information published by AQ ENRG no facts have been omitted which would render the reproduced information misleading.

1.1.3.3 Aquila Renewables Investment Bonds

EUR 4,000,000 uncleared bearer bonds (the "**Aquila Renewables Investment Bonds**") are issued by Aquila Renewables INVEST IV GmbH & Co. KG ("**Aquila Renewables**"), a limited liability company and limited partnership (*Gesellschaft mit beschränkter Haftung & Compagnie Kommanditgesellschaft*) under the laws of the Federal Republic of Germany, with its registered office at Neuer Wall 63, 20354 Hamburg, Germany and registered with the District Court (*Amtsgericht*) of Hamburg under number HRA 115875.

Issuer

Aquila Renewables has been established as a development company.

The object of Aquila Renewables is the acquisition, holding and management of shares in companies in Germany and abroad whose main business activity consists in the acquisition, development, operation and management of hydropower plants, photovoltaic plants and/or wind energy plants, land, rights equivalent to land and real estate, as well as the marketing and sale of the electrical energy generated by such hydropower plants, photovoltaic plants and/or wind energy plants.

Aquila Renewables is entitled to take all measures which are necessary or appear necessary to achieve the corporate purpose. In particular, the company is authorised to issue bearer bonds for the purpose of interim financing of the acquisition.

Form and Denomination

The Aquila Renewables Investment Bonds are issued by Aquila Renewables as uncleared bearer bonds without a fixed denomination.

Each Aquila Renewables Bond is constituted by the execution by Aquila Renewables of a bearer bond certificate which embodies the rights arising out of such Aquila Renewables Bond.

The nominal amount of each Aquila Renewables Bond is stated on the relevant bearer bond certificate.

Transfer and Title

The Aquila Renewables Investment Bonds are freely transferrable. Title to each Aquila Renewables Bond passes by physical transfer of the relevant bearer bond certificate. Each Aquila Renewables Bond may be transferred in whole but not in part.

The Aquila Renewables Investment Bonds are not cleared.

Maturity

The scheduled maturity date of the Aquila Renewables Investment Bonds is 31 January 2023.

Status and Ranking

The Aquila Renewables Investment Bonds constitute direct, unsecured obligations of Aquila Renewables and rank *pari passu* and ratably, without any preference among themselves, with all other existing direct, unsecured obligations of Aquila Renewables arising under or in connection with any debt securities issued by Aquila Renewables. The Aquila Renewables Investment Bonds rank junior to Aquila Renewables' obligations under any loans. In the event of Aquila Renewables' insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), the ranking of the Aquila Renewables Investment Bonds may be affected by the applicable laws relating to creditors' rights generally.

Interest / Coupon

Each Aquila Renewables Bond bears interest on its outstanding nominal amount from and include the issue date at a fixed rate of 6.5 % per annum, accruing on a daily basis and payable in arrear, upon the redemption of such Aquila Renewables Bond.

Redemption Rights

Aquila Renewables is entitled to redeem each Aquila Renewables Bond in whole or in part without notice. Aquila Renewables shall redeem each Aquila Renewables Bond at the latest on the scheduled maturity date. Upon redemption, each holder of an Aquila Renewables Bond is entitled to receive from Aquila Renewables payment of a redemption amount equal to the outstanding nominal amount in respect of such Aquila Renewables Bond plus accrued interest. In case of redemption in part, the holder of each Aquila Renewables Bond is entitled to elect whether the amount payable by Aquila Renewables shall be treated as principal, interest or a combination of the two.

The holders of the Aquila Renewables Investment Bonds do not have any ordinary termination, redemption or exercise rights.

Governing Law

The Aquila Renewables Investment Bonds are governed by, and shall be construed in accordance with, German law.

Originator

The Reference Portfolio Advisor is the originator of the Aquila Renewables Investments Bonds. For the full name, address and significant business activities of the Reference Portfolio Advisor, see the introductory paragraphs of this Reference Portfolio Methodology.

Source of Information

The information in respect of the Aquila Renewables Investment Bonds contained in this section "1.1.3.3 *Aquila Renewables Investment Bonds*" has been provided by Aquila Renewables in the terms and conditions of the Aquila Renewables Investment Bonds and has been summarised and provided to the Issuer by the Reference Portfolio Advisor.

So far as the Issuer is aware and is able to ascertain from information published by Aquila Renewables no facts have been omitted which would render the reproduced information misleading.

1.1.3.4 European Sustainable Projects Bonds

EUR 6,000,000 Euros uncleared bearer bonds (the "**European Sustainable Projects Bonds**") are issued by European Sustainable Projects II S.a r.l. ("**European Sustainable Projects**"), incorporated as a private company with limited liability (*société à responsabilité limitée*) under the laws of the Grand Duchy of Luxembourg, with its registered office at 23, Am Scheerleck, L-6868 Wecker, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies (*Registre de Commerce et des Sociétés*) under number B 249632.

Issuer

European Sustainable Projects has been established as a development company.

The purpose of European Sustainable Projects is the acquisition and holding of participations in any form in existing or to be established domestic and foreign companies or enterprises. In particular, European Sustainable Projects may engage in the following activities in Germany or abroad: (i) the acquisition of participations in companies or enterprises by means of monetary contribution, transfer of assets, merger or in any other permissible manner; (ii) the establishment of companies or enterprises; (iii) borrowing of any kind under all legally permissible conditions, and in particular the issuance of debt instruments of any kind; (iv) the conclusion of or participation in financing or the granting of security for its own purposes or for the benefit of companies or enterprises in which European Sustainable Projects holds direct or indirect participations or which are part of European Sustainable Projects' group of companies; (v) the granting of credit in any form to companies or enterprises in which it holds a direct or indirect interest or which are part of the European Sustainable Projects' group of companies; (vi) carry out studies and provide technical, legal, accounting, financial, commercial and administrative or managerial support services for the account of companies or enterprises.

Form and Denomination

The European Sustainable Projects Bonds are issued by European Sustainable Projects as uncleared bearer bonds without a fixed denomination.

Each European Sustainable Projects Bond is constituted by the execution by European Sustainable Projects of a bearer bond certificate which embodies the rights arising out of such European Sustainable Projects Bond.

The nominal amount of each European Sustainable Projects Bond is stated on the relevant bearer bond certificate.

Transfer and Title

The European Sustainable Projects Bonds are freely transferrable. Title to each European Sustainable Projects Bond passes by physical transfer of the relevant bearer bond certificate. Each European Sustainable Projects Bond may be transferred in whole but not in part.

The European Sustainable Projects Bonds are not cleared.

Maturity

The scheduled maturity date of the European Sustainable Projects Bonds is 31 January 2025.

Status and Ranking

The European Sustainable Projects Bonds constitute direct, unsecured obligations of European Sustainable Projects and rank *pari passu* and rateably, without any preference among themselves, with all other existing direct, unsecured obligations of European Sustainable Projects arising under or in connection with any debt securities issued by European Sustainable Projects. The European Sustainable Projects Bonds rank junior to European Sustainable Projects' obligations under any loans. In the event of European Sustainable Projects' insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), the ranking

of the European Sustainable Projects Bonds may be affected by the applicable laws relating to creditors' rights generally.

Interest / Coupon

Each European Sustainable Projects Bond bears interest on its outstanding nominal amount from and include the issue date at a fixed rate of 13 % per annum, accruing on a daily basis and payable in arrear, upon the redemption of such European Sustainable Projects Bond.

Redemption Rights

European Sustainable Projects is entitled to redeem each European Sustainable Projects Bond in whole or in part without notice. European Sustainable Projects shall redeem each European Sustainable Projects Bond at the latest on the scheduled maturity date. Upon redemption, each holder of an European Sustainable Projects Bond is entitled to receive from European Sustainable Projects payment of a redemption amount equal to the outstanding nominal amount in respect of such European Sustainable Projects Bond plus accrued interest. In case of redemption in part, the holder of each European Sustainable Projects Bond is entitled to elect whether the amount payable by European Sustainable Projects shall be treated as principal, interest or a combination of the two.

The holders of the European Sustainable Projects Bonds do not have any ordinary termination, redemption or exercise rights.

Governing Law

The European Sustainable Projects Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

Originator

The Reference Portfolio Advisor is the originator of the European Sustainable Projects Bonds. For the full name, address and significant business activities of the Reference Portfolio Advisor, see the introductory paragraphs of this Reference Portfolio Methodology.

Source of Information

The information in respect of the European Sustainable Projects Bonds contained in this section "1.1.3.4 EUR 6,000,000 uncleared bearer bonds issued by European Sustainable Projects II S.à r.l." has been provided by European Sustainable Projects in the terms and conditions of the European Sustainable Projects Bonds and has been summarised and provided to the Issuer by the Reference Portfolio Advisor.

So far as the Issuer is aware and is able to ascertain from information published by European Sustainable Projects no facts have been omitted which would render the reproduced information misleading.

1.1.3.5 Fortune Real Estate Bonds

The EUR 6,000,000 uncleared bearer bonds (the "**Fortune Real Estate Bonds**") are issued by Fortune Real Estate S.à r.l. ("**Fortune Real Estate**"), incorporated as a private company with limited liability (*société à responsabilité limitée*) under the laws of the Grand Duchy of Luxembourg, with its registered office at 17, Am Scheerleck, L-6868 Wecker, Grand Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies (*Registre de Commerce et des Sociétés*) under number B 188522.

Issuer

Fortune Real Estate has been established as a development company.

The purpose of Fortune Real Estate is the acquisition and holding of participations in any form in existing or to be established domestic and foreign companies or enterprises. In particular, Fortune Real Estate may engage in the following activities in Germany or abroad: the acquisition of participations in companies or enterprises by means of monetary contribution, transfer of assets, merger or in any other permissible manner; the incorporation of companies or enterprises; borrowing of any kind under any legally permissible conditions, and in particular the issuance of debt instruments of any kind; the conclusion of or participation

in financing or the granting of security for its own purposes or for the benefit of companies or enterprises in which Fortune Real Estate holds direct or indirect participations or which are part of Fortune Real Estate's group of companies; the granting of credit in any form to companies or enterprises in which it holds a direct or indirect interest or which are part of Fortune Real Estate's group of companies; carrying out studies and providing technical, legal, accounting, financial, commercial and administrative or managerial support services for the account of companies or enterprises.

Form and Denomination

The Fortune Real Estate Bonds are issued by Fortune Real Estate as uncleared bearer bonds without a fixed denomination.

Each Fortune Real Estate Bond is constituted by the execution by Fortune Real Estate of a bearer bond certificate which embodies the rights arising out of such Fortune Real Estate Bond.

The nominal amount of each Fortune Real Estate Bond is stated on the relevant bearer bond certificate.

Transfer and Title

The Fortune Real Estate Bonds are freely transferrable. Title to each Fortune Real Estate Bond passes by physical transfer of the relevant bearer bond certificate. Each Fortune Real Estate Bond may be transferred in whole but not in part.

The Fortune Real Estate Bonds are not cleared.

Maturity

The scheduled maturity date of the Fortune Real Estate Bonds is 15 September 2026.

Status and Ranking

The Fortune Real Estate Bonds constitute direct, unsecured obligations of Fortune Real Estate and rank *pari passu* and rateably, without any preference among themselves, with all other existing direct, unsecured obligations of Fortune Real Estate arising under or in connection with any debt securities issued by Fortune Real Estate. The Fortune Real Estate Bonds rank junior to Fortune Real Estate's obligations under any loans. In the event of Fortune Real Estate's insolvency (including bankruptcy, insolvency and voluntary or judicial liquidation), the ranking of the Fortune Real Estate Bonds may be affected by the applicable laws relating to creditors' rights generally.

Interest / Coupon

Each Fortune Real Estate Bond bears interest on its outstanding nominal amount from and include the issue date at a fixed rate of 4 % per annum, accruing on a daily basis and payable in arrear, upon the redemption of such Fortune Real Estate Bond.

Redemption Rights

Fortune Real Estate is entitled to redeem each Fortune Real Estate Bond in whole or in part without notice. Fortune Real Estate shall redeem each Fortune Real Estate Bond at the latest on the scheduled maturity date. Upon redemption, each holder of a Fortune Real Estate Bond is entitled to receive from Fortune Real Estate payment of a redemption amount equal to the outstanding nominal amount in respect of such Fortune Real Estate Bond plus accrued interest. In case of redemption in part, the holder of each Fortune Real Estate Bond is entitled to elect whether the amount payable by Fortune Real Estate shall be treated as principal, interest or a combination of the two.

The holders of the Fortune Real Estate Bonds do not have any ordinary termination, redemption or exercise rights.

Governing Law

The Fortune Real Estate Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

Originator

The Reference Portfolio Advisor is the originator of the Fortune Real Estate Bonds. For the full name, address and significant business activities of the Reference Portfolio Advisor, see the introductory paragraphs of this Reference Portfolio Methodology.

Source of Information

The information in respect of the Fortune Real Estate Bonds contained in this section "1.1.3.5 *Fortune Real Estate Bonds*" has been provided by Fortune Real Estate in the terms and conditions of the Fortune Real Estate Bonds and has been summarised and provided to the Issuer by the Reference Portfolio Advisor.

So far as the Issuer is aware and is able to ascertain from information published by Fortune Real Estate no facts have been omitted which would render the reproduced information misleading.

1.1.3.6 **AC Infrastructure Fund LP Interests**

The EUR 6,000,000 limited partnership interests (*Kommanditanteile*), Class A (*Anteilklasse A*), (the "**AC Infrastructure Fund LP Interests**") are issued by Aquila Capital Infrastructure Fund GmbH & Co. offene Investmentkommanditgesellschaft (the "**AC Infrastructure Fund**"), an open-ended investment limited partnership under the laws of the Federal Republic of Germany, with its registered office at Valentinskamp 70, 20355 Hamburg, Germany and registered with the District Court (*Amtsgericht*) of Hamburg under number HRA 120077.

Issuer; Investment Objective

AC Infrastructure Fund is an alternative investment fund ("**AIF**").

AC Infrastructure Fund pursues the investment strategy "Other" in accordance with the categorisation of the Commission Regulation (EU No. 231/2013) supplementing Directive 2011/61/EU of December 19, 2012. It is a feeder AIF within the meaning of section 1 (19) no. 13 of the German Capital Investment Act (*Kapitalanlagegesetzbuch*, "**KAGB**") and, apart from liquidity investments, invests its assets exclusively (at least 85% of its value) in shares of Aquila Capital Infrastructure Fund S.A., SICAV RAIF.

Aquila Capital Infrastructure Fund S.A., SICAV RAIF is subject to the principle of risk diversification under Luxembourg law. AC Infrastructure Fund thus makes its investments indirectly in accordance with the principle of risk diversification.

The objective of Aquila Capital Infrastructure Fund S.A., SICAV RAIF is to build a diversified portfolio of infrastructure investments and investments in institutional infrastructure funds.

Form and Denomination

The AC Infrastructure Fund LP Interests are in the form of limited partnership interests (*Kommanditanteile*), Class A (*Anteilklasse A*), in the AC Infrastructure Fund.

Therefore, by subscribing for or otherwise acquiring an AC Infrastructure Fund LP Interest, an investor becomes a limited partner in the AC Infrastructure Fund.

An investor may subscribe for an AC Infrastructure Fund LP Interest and become a limited partner in the AC Infrastructure Fund by entering into or acceding to the limited partnership agreement of the AC Infrastructure Fund. Alternatively, an investor may acquire an AC Infrastructure Fund LP Interest from an existing limited partner as described under "*Transfer and Title*" below.

The AC Infrastructure Fund LP Interests do not have a specified denomination.

Transfer and Title

The AC Infrastructure Fund LP Interests can only be transferred in a minimum amount of EUR 5,000,000 and in integral multiples of EUR 1,000 in excess thereafter.

A transfer of the AC Infrastructure Fund LP Interests requires the consent of the managing limited partner (Aquila Capital Investment Management II GmbH or its successor as managing limited partner), to be given

in the managing limited partner's discretion, save that such consent would not be required if the transferee belongs to the same corporate group as the transferor, the transferor guarantees all payment obligations of the transferee in connection with the AC Infrastructure Fund LP Interests, the transferee is always a semiprofessional investor or a professional investor within the meaning of § 1 Para. 19 Nr. 32 or, as the case may be, Nr 33 of the KAGB and the transferee warrants and undertakes to AC Infrastructure Fund that it fulfils the requirements under § 4 Para. 5 or, as the case may be, Para. 6 of the limited partnership agreement. The managing limited partner's consent is also not required with respect to transferors subject to certain insurance supervisory and regulatory requirements.

An investor who meets such requirements may acquire an AC Infrastructure Fund LP Interest from an existing limited partner in the AC Infrastructure Fund, by entering into a transfer agreement with such existing limited partner in respect of the transferred AC Infrastructure Fund LP Interest and by also entering into or acceding to the limited partnership agreement of the AC Infrastructure Fund.

After an investor has entered into such transfer agreement and entered into or acceded to such limited partnership agreement, an investor becomes a limited partner upon its name being entered into the trade register (*Handelsregister*).

The AC Infrastructure Fund LP Interests are not cleared.

Maturity

The AC Infrastructure Fund LP Interests do not have a scheduled maturity date.

Rights of Limited Partners

In accordance with the limited partnership agreement of AC Infrastructure Fund, an investor who holds an AC Infrastructure Fund LP Interest is entitled to, amongst other things, (i) receive periodic information regarding the investments and performance of the AC Infrastructure Fund, (ii) participate in consultations of the partners, (iii) participate and vote in meetings of the partners and adopt resolutions of the partners and (iv) participate in the positive or negative performance of AC Infrastructure Fund (including, without limitation, any cash amounts received by the AC Infrastructure Fund under or in connection with its investments which are not required for further investments by the AC Infrastructure Fund or for the maintenance of a liquidity reserve).

An investor who has entered into or acceded to the limited partnership agreement of AC Infrastructure Fund is obliged to make capital contributions to AC Infrastructure Fund up to its specified capital commitment.

An investor who holds an AC Infrastructure Fund LP Interest may place a redemption request in respect of such AC Infrastructure Fund LP Interest by giving not less than six (6) months' written notice to AC Infrastructure Fund prior to the end of a financial year.

AC Infrastructure Fund LP Interests are redeemed against payment of a pro rata portion of the net asset value of the assets of AC Infrastructure Fund as at the end of the financial year during which the relevant redemption request is given.

AIFM

The AIFM of the AC Infrastructure Fund is ACI. The AIFM was granted permission to operate as an AIFM on 7 March 2014 in accordance with Sections 20, 22 KAGB.

The AIFM thus has long-standing experience in the relevant areas and is focused on generating and managing essential assets on behalf of its clients. By investing in clean energy and sustainable infrastructure, the AIFM contributes to the global energy transition. The AIFM initiates, develops, and manages these essential assets along the entire value chain and lifetime. Currently, the AIFM manages around 13.9 billion euros on behalf of institutional investors worldwide.

The basis for the activities of the AIFM is the AIFM agreement concluded with AC Infrastructure Fund on 31 May 2016. Under this agreement, the AIFM is responsible for the management and representation of AC Infrastructure Fund within the meaning of the KAGB. This includes the investment and management of the assets of AC Infrastructure Fund as well as the execution of the general administrative activities of AC Infrastructure Fund, including sales, i.e. in particular the purchase and sale of assets as well as their

management and maintenance, risk management, investor support, answering business management questions, etc. The AIFM also assumes responsibility for the management and representation of AC Infrastructure Fund within the meaning of the KAGB. In addition, the AIFM is responsible for AC Infrastructure Fund's accounting. Pursuant to Article 8 (3) of the limited partnership agreement of AC Infrastructure Fund, the AIFM assumes the management tasks of the managing limited partner and the third-party management of AC Infrastructure Fund, unless the general partner of AC Infrastructure Fund is required by law to act.

The AIFM agreement is concluded for an indefinite period. AIFM may only terminate it for good cause. Even if the AIFM terminates the agreement for good cause, the period of notice must be in reasonable proportion to the time required to liquidate the assets belonging to AC Infrastructure Fund or to appoint another capital management company. The notice period shall be at least 6 months.

AC Infrastructure Fund may terminate the AIFM Agreement by giving twelve months' notice to the end of any calendar month. This does not affect AC Infrastructure Fund's right to terminate the agreement at any time for good cause.

The AIFM also acts as Reference Portfolio Advisor for the Issuer.

Governing Law

The AC Infrastructure Fund LP Interests are governed by, and shall be construed in accordance with, German law.

Originator

AC Infrastructure Fund has been originated by the Reference Portfolio Advisor. For the full name, address and significant business activities of the Reference Portfolio Advisor, see the introductory paragraphs of this Reference Portfolio Methodology.

Source of Information

The information in respect of the AC Infrastructure Fund LP Interests contained in this section "1.1.3.6 *AC Infrastructure Fund LP Interests*" has been provided by AC Infrastructure Fund in applicable limited partnership agreement and has been summarised and provided to the Issuer by the Reference Portfolio Advisor.

So far as the Issuer is aware and is able to ascertain from information published by AC Infrastructure Fund no facts have been omitted which would render the reproduced information misleading.

1.2 Calculation of the Reference Portfolio Value; Suspension of the Calculation

1.2.1 Following the Fixing Date, the Reference Portfolio Advisor shall, subject to the occurrence of a Reference Portfolio Determination Disruption Event (as defined in Section 1.2.5) determine the value of the Reference Portfolio (the "Reference Portfolio Value") as of each Reference Portfolio Valuation Date as:

- (a) the value of the Reference Fund Components on the relevant Reference Portfolio Valuation Date, as determined by the Reference Portfolio Advisor in accordance with the Components Valuation Principles; **plus**
- (b) the value of any Reference Debt Security Components on the relevant Reference Portfolio Valuation Date, as determined by the Reference Portfolio Advisor in accordance with the Components Valuation Principles; **plus**
- (c) the value of the Notional Cash Position on the relevant Reference Portfolio Valuation Date, as determined by the Reference Portfolio Advisor in accordance with the Components Valuation Principles.

For these purposes, "**Reference Portfolio Valuation Date**" means the last Banking Day of each calendar month and such other Banking Days as the Reference Portfolio Advisor may in its discretion decide, where "**Banking Day**" is every day on which the banks in Luxembourg and

Frankfurt am Main are open for business (excluding Saturdays, Sundays, legal holidays, and 24 December and 31 December of every year).

- 1.2.2 The Reference Portfolio Advisor shall determine the Reference Portfolio Value as of each Reference Portfolio Valuation Date once it has received all necessary information in connection with the relevant Reference Portfolio Components (such date, the "Reference Portfolio Calculation Date").
- 1.2.3 Without prejudice to Section 1.2.1, following the Fixing Date, the Reference Portfolio Advisor shall also determine the value of the Notional Cash Position in accordance with the Components Valuation Principles as of each Variable Coupon Payment Date and as of each date on which Notional Disposition Proceeds are received or Notional Disposition Costs or Notional Acquisition Costs are incurred in accordance with Section 1.4 (each such date and each Reference Portfolio Valuation Date, a "Valuation Date").
- 1.2.4 The value of any relevant Reference Portfolio Components shall be determined for the purposes of Section 1.2.1 or Section 1.2.3, as applicable, in accordance with the following valuation principles (the "Components Valuation Principles"):
- (d) Reference Portfolio Components listed on a stock exchange shall be valued at the last known price at the time of the calculation of the Reference Portfolio Value.
 - (e) Reference Portfolio Components which are not listed on a stock exchange but which are traded on another regulated market which is recognised, open to the public and whose mode of operating is lawful and proper, are valued at a price which is no lower than the bid price and no higher than the ask price at the time of the calculation of the Reference Portfolio Value and which the Reference Portfolio Advisor considers to be the best possible price at which the securities or money market instruments can be sold.
 - (f) Reference Portfolio Components that are neither listed on a stock exchange nor traded on another regulated market are valued at their fair market value at the time of the calculation of the Reference Portfolio Value as determined by the Reference Portfolio Advisor in good faith by using generally accepted valuation rules verifiable by auditors.
 - (g) The valuation of each Reference Fund comprised in the Reference Portfolio as Reference Portfolio Component shall generally be based on the last available valuation of the relevant Reference Fund (such as net asset value or latest available balance sheet).

The Reference Portfolio Advisor relies entirely on the information published in relation to the Reference Funds. If no current valuation of a Reference Fund is available at the time of the calculation of the Reference Portfolio Value, the Reference Portfolio Advisor may use both estimated current valuation and the latest available valuation; this also applies in full to the balance sheet information and values of associated companies. If necessary, the Reference Portfolio Advisor may adjust the net asset values of the Reference Funds or the balance sheet disclosures and values of investment companies if it considers that this more accurately reflects the fair value.

In case of any Reference Fund Components comprising companies whose business purpose relates to the production, trade, marketing or consulting in the sector set out in described in 1.3.1(i)(A)(5) of the Eligibility Criteria, the Reference Portfolio Advisor, in its reasonable discretion, may also take into account any other valuations of the Reference Funds prepared in accordance with the European Private Equity and Venture Capital Association (EVCA) guidelines or, as the case may be, the International Private Equity and Venture Capital Valuation (IPEV) guidelines.

- (h) Unless explicitly stated in Section 1.4, any notional distributions and redemptions in relation to any Reference Portfolio Components received by Hypothetical Investor are not taken into account when calculating the Reference Portfolio Value in accordance with this Section 1.2.

- (i) Cash and cash equivalents comprised in the Reference Portfolio as Reference Portfolio Components are valued at their nominal value plus accrued interest at the time of the calculation of the Reference Portfolio Value or the value of the Notional Cash Position, as applicable. Fixed-term deposits may be valued at the respective yield price, provided that a corresponding contract between the financial institution which holds the fixed-term deposits and the Reference Portfolio Advisor stipulates that these fixed-term deposits may be terminated at any time and that in the event of termination their realisation value corresponds to this yield price.
- (j) All assets and amounts (e.g. any Notional Disposition Proceeds or Notional Disposition Costs determined under Section 1.4.1(g) as well as any Notional Acquisition Costs determined under Section 1.4.1(i)) mirrored in the Reference Portfolio as part of or within any Reference Portfolio Component which are not denominated in the EUR will be valued at the last available average exchange rate at the time of the calculation of the Reference Portfolio Value or the value of the Notional Cash Position, as applicable.
- (k) The pro rata interest on shares, units, interests or debt securities comprised in the Reference Portfolio as Reference Portfolio Components shall be included to the extent that it is not expressed in the market value.
- (l) All other shares, units, interests, debt securities or other assets comprised in the Reference Portfolio as Reference Portfolio Components shall be valued at their fair market value as determined in good faith by the Reference Portfolio Advisor.
- (m) Debt instruments comprised in the Reference Portfolio as Reference Portfolio Components that are not listed or traded on a stock exchange or other regulated market on which trading takes place on a regular basis and which are recognized and available to the public are generally valued at nominal value and, if different from nominal value, at cost plus accrued interest.

All Reference Portfolio Components shall be valued on the basis of their respective value with regard to the relevant Valuation Date.

If, in exceptional circumstances, such valuation is impracticable or inappropriate, the Reference Portfolio Advisor shall be entitled to choose prudently and with great care another method of valuing the Reference Portfolio Components appropriately.

1.2.5 The Reference Portfolio Advisor may at any time suspend the valuation of the Reference Portfolio Components as of each Valuation Date and the calculation of the Reference Portfolio Value on the relevant Reference Portfolio Calculation Date:

- (a) if one or more of the stock exchanges or markets relevant for the valuation of a substantial part of the Reference Portfolio Components comprised in the Reference Portfolio are closed (except on public holidays) or trading on them is restricted or suspended;
- (b) if, due to political, economic, military or monetary events or circumstances beyond the control and responsibility of the Reference Portfolio Advisor or the Hypothetical Investor, the disposal of the Reference Portfolio Components comprised in the Reference Portfolio is not reasonably or ordinarily possible, or would significantly harm the interests of a Hypothetical Investor, or if it is impossible for the Reference Portfolio Advisor to calculate the Reference Portfolio Value;
- (c) in the event of a failure of the communication channels normally used for the valuation of the Reference Portfolio Components comprised in the Reference Portfolio or if for any reason for which the Reference Portfolio Advisor and the Hypothetical Investor are not responsible the value of any Reference Portfolio Components cannot be determined as quickly and accurately as necessary;
- (d) if, due to currency restrictions or other restrictions affecting notional payment transactions, notional transactions in the Reference Portfolio Components comprised in

the Reference Portfolio become impossible or notional purchases and notional sales of Reference Portfolio Components cannot be made at normal exchange rates;

- (e) where the suspension is required by law or by legal process; and/or
- (f) if the Reference Portfolio Advisor, decides for any reason that suspension is in the interest of a Hypothetical Investor,

where each such event constitutes a "**Reference Portfolio Determination Disruption Event**".

Any such suspension shall be notified by the Reference Portfolio Advisor to the Calculation Agent without undue delay.

1.3 Reference Portfolio Components comprised in the Reference Portfolio

1.3.1 Eligibility Criteria

In accordance with the Reference Portfolio Objective, each Reference Fund Component and each Reference Debt Security Component should give a Hypothetical Investor indirect exposure to one or more of the following sectors within the following investment limits (the "**Eligibility Criteria**"):

(i) Sectors:

(A) Clean energy investments

- (1) Renewable energy generation: projects for the development, construction and operation of facilities for the generation of renewable energy, i.e. wind farms, photovoltaics power plants and hydro power plants;
- (2) Energy distribution and storage: projects for the development, construction and operation of distribution and/or storage facilities for energy, i.e. electrical grids and components thereof, battery storage facilities and pumped hydro storage power plants;
- (3) Energy trading: buying and selling electrical power, including the conclusion of power purchase agreements with the aim of achieving or securing positive margins from such trading activity;
- (4) Emissions trading: buying and selling CO₂ certificates;
- (5) Companies whose business purpose relates to the production, trade, marketing or consulting in:
 - a. sectors specified under Section A(1) to A(4) above as well as Section B(5) below;
 - b. technologies in resource and raw material efficiency in the fields of air, water and wastewater, agriculture as well as energy efficiency and energy intermittency;
 - c. decarbonisation in the production and engineering of consumer and capital goods as well as energy;

- d. all aspects of sustainable processes in industry and commerce, transport, private households and public utilities; and
- e. recycling and waste management,

(together, "**Clean Energy Investments**");

(B) Real estate investments

- (1) Data centres: projects for the development, construction and operation of facilities that serve as a central repository for the storage, management and processing of electronic data in any form (such projects, "**Data Centres**");
- (2) Logistics properties: projects for the development, construction and operation of warehouses and distribution centres;
- (3) Hotels: projects for the development, construction and operation of city hotels located in major European cities;
- (4) Residential: projects for the development, construction and operation of residential properties;
- (5) Forest: projects for the acquisition and development of agricultural, fallow and/or forest land with the aim of afforestation and management as forest land; and
- (6) Infrastructure: projects and assets in the sectors of transportation (roads, railways, public transport, air- and seaports), utilities (water and waste distribution and treatment), telecommunications (broadcasting towers, digital networks) and social infrastructure (hospitals, educational facilities, sports and cultural facilities);

(together, "**Real Estate Investments**");

(ii) Investments in any of the above sectors shall be:

- (A) in the case of Clean Energy Investments and Data Centres only, located in:
 - (1) the European Economic Area ("**EEA**") or another European country (including the United Kingdom of Great Britain and Northern Ireland ("**UK**")); or
 - (2) located in the following countries in the Asia-Pacific region: Taiwan, South Korea, Japan, Australia, New Zealand, Singapore, Vietnam, Philippines, Thailand, Indonesia, Malaysia (such countries together, "**APAC**"); and
- (B) in the case of Real Estate Investments under Sections (B)(2) to (B)(4) only, located in the EEA or another European country (including the UK). For the avoidance of doubt, no location restrictions shall apply to Real Estate Investments under Sections (B)(5) or (B)(6).

1.3.2 Reference Fund Components

- (a) Subject to paragraph (b), the Reference Fund Components may comprise long positions in the universe of investments described below (the "**Reference Funds Investment Universe**").

The Reference Funds Investment Universe comprises shares, units or interests in funds (the "**Reference Funds**") which:

- (i) are managed by a legal person whose regular business is the management of one or more collective investment undertakings and who is regulated as an "**AIFM**" under and for the purposes of Directive 2011/61/EU ("**AIFMD**"), as amended from time to time and as implemented into national law by any Member State of the European Union;
- (ii) are constituted under the law of contract, under trust law, under statute or any other legal form;
- (iii) are either "AIFs" within the meaning of AIFMD or reserved alternative investment funds;
- (iv) are managed or advised by an Aquila Group Company in the identification, due diligence and acquisition of the underlying project(s) and/or in the ongoing management of such projects. For these purposes, an "**Aquila Group Company**" means ACI, a company controlled by ACI or a company under common control with ACI;
- (v) in accordance with the respective AIF rules and/or instruments of incorporation are established in the Grand Duchy of Luxembourg or can be marketed with a passport in the Grand Duchy of Luxembourg;
- (vi) are added to the Reference Portfolio either by way of notional primary transactions (fundraising by the relevant Reference Fund) or by way of notional secondary transactions (acquisition from an existing investor);
- (vii) at the time of notional addition to the Reference Portfolio, are either no longer entitled to make any further drawings from their respective investors or are entitled to make further drawings from such investors over a maximum period of five years;
- (viii) are managed by an AIFM who performs an initial due diligence covering potential environmental, social and governance risks, monitors such risks on an ongoing basis over the lifetime of any relevant investments and considers sustainability-related industry standards;
- (ix) are:
 - (A) closed-ended private market funds which are not listed on a public exchange with a maximum term (excluding any extension options) of 15 years starting with the first closing date; or
 - (B) open-ended private market funds which are not listed on a public exchange, provided that the Reference Portfolio Advisor determines in good faith that an actual investment in such funds under normal market circumstances could be disposed of prior to the maturity of the Notes, in order to generate liquidity for the redemption of the Notes, if necessary;
- (x) have a minimum (targeted) volume of EUR 10 million;

- (xi) have a maximum targeted volume of EUR 500 million; and
 - (xii) are denominated in Euro.
- (b) A Reference Fund or Reference Fund Component may not comprise and, accordingly, the Reference Funds' Investments Universe excludes:
- (i) any fund which does not meet the Eligibility Criteria;
 - (ii) mutual funds, whose primary objective is to execute an investment strategy by investing in equity or debt securities of mainly listed issuers;
 - (iii) commodity funds, which pursue a strategy of acquiring and holding direct holdings in commodities and/or commodity-linked derivative instruments;
 - (iv) exchange trade funds, exchange traded commodities and index funds, defined as pooled investment securities that track a particular index, sector, commodity, or other asset and can be traded on an exchange;
 - (v) hedge funds, applying strategies such as long/short, short only, market neutral, merger arbitrage, convertible arbitrage and event-driven strategies; and
 - (vi) fund structures that can be classified as offshore funds, especially if they have been structurally set up in such a way that the structure gives rise to the assumption that it is designed for tax avoidance and/or tax shifting.

For the avoidance of doubt, the Reference Portfolio may not (directly) comprise any short selling positions in relation to Reference Fund Components (this does not apply to any short selling by the managers of any Reference Funds).

- (c) The Reference Portfolio Advisor shall determine the value of the Reference Fund Components comprised in the Reference Portfolio as of each Reference Portfolio Valuation Date in accordance with the Components Valuation Principles (as defined in Section 1.2.4).

1.3.3 Reference Debt Security Components

- (a) Subject to paragraph (b), the Reference Debt Security Components may comprise long positions in the universe of investments described below (the "**Reference Debt Security Investment Universe**").

The Reference Debt Security Investment Universe comprises non-equity securities which:

- (i) are either:
 - (A) non-equity securities with remaining term to maturity of no more than 12 months from the date of notional addition to the Reference Portfolio; or
 - (B) non-equity securities with remaining term to maturity of more than 12 months but not more than 8 years from the date of notional addition to the Reference Portfolio, including non-equity securities scheduled to mature after the date determined in accordance with limb (a) of the definition of "Maturity Date" of the Notes, *provided that* the Reference Portfolio Advisor, acting in good faith, determines that that an actual investment in such non-equity securities, under normal market circumstances, could be realised by an arm's-length sale of such non-equity securities prior to the date determined in accordance with limb (a) of the definition of "Maturity Date" of the Notes;

- (ii) are issued by issuers from various industries and sectors, as long as the business activity of the relevant issuer is consistent with the Eligibility Criteria;
 - (iii) are issued by issuers who are owned or advised by an Aquila Group Company in the identification, due diligence and acquisition of the underlying project(s) and/or in the ongoing management of such project(s);
 - (iv) are either subordinated or not subordinated to other payment obligations of the issuer of such non-equity securities;
 - (v) constitute secured or unsecured payment obligations of the issuer of such non-equity securities;
 - (vi) are listed and admitted to trading on a regulated or other market or are not listed and admitted to trading;
 - (vii) either have a credit rating assigned by a recognised rating agency or are unrated;
 - (viii) are either in bearer or registered form; and
 - (ix) are interest-bearing, *provided that* the relevant rate of interest may be either fixed rate or floating rate. For these purposes, zero-coupon notes and profit participation notes with variable coupon shall not constitute interest-bearing non-equity securities.
- (b) A Reference Debt Security Component may not comprise and, accordingly, the Reference Debt Security Investment Universe excludes:
- (i) bonds issued by issuers whose business activity is inconsistent with the Eligibility Criteria;
 - (ii) securities issued by an issuer that is near to or currently going through insolvency or failing to maintain certain covenants (being obligations incorporated into the debt or security, such as the ability to maintain a certain asset to liability ratio, or a particular credit rating);
 - (iii) asset backed securities created from the pooling of non-mortgage assets such as credit card receivables, student loans and auto loans and mortgage backed securities created from the pooling of mortgages;
 - (iv) collateralized debt obligations, being complex structured finance products backed by pools of loans and other assets;
 - (v) collateralized loan obligations, being single securities backed by a pool of debt such as corporate loans with low credit ratings or loans taken out by private equity firms to conduct leveraged buyouts; and
 - (vi) derivatives (meaning financial contracts whose values are dependent on an underlying asset, a group of assets, or a benchmark) for speculation purposes. For the avoidance of doubt, the Reference Debt Security Investment Universe may include derivatives for hedging purposes such as to minimize interest rate risk or currency risk in other allocations within the Reference Portfolio.

For the avoidance of doubt, the Reference Portfolio may not (directly) comprise any short selling positions in relation to Reference Debt Security Components.

- (c) The Reference Portfolio Advisor shall determine the value of the Reference Debt Security Components comprised in the Reference Portfolio as of each Reference Portfolio Valuation Date in accordance with the Components Valuation Principles.

1.3.4 Notional Cash Position

- (a) The Reference Portfolio comprises the Notional Cash Position, representing a notional EUR denominated cash position as well as notional EUR denominated cash equivalents, where the Notional Cash Position in particular reflects any Notional Disposition Proceeds or Notional Redemption Amount notionally credited to or, as the case may be, any Notional Disposition Costs or Notional Acquisition Costs notionally debited from the Notional Cash Position; as well as any other amounts notionally credited to or, as the case may be, debited from the Notional Cash Position.
- (b) The balance of the Notional Cash Position is always either zero or positive. Any positive balance of the Notional Cash Position notionally accrues interest in accordance with prevailing standard market conditions, which is reflected in the notional value of the Notional Cash Position.
- (c) Certain fees may be levied by the AIFM of each Reference Fund Component or other parties in connection with each Reference Fund Component. Such fees shall be reflected in the value of such Reference Fund Component as determined in accordance with the Components Valuation Principles and shall not be separately taken into account for the purposes of determining the Reference Portfolio Value.
- (d) If, at any time, the Reference Portfolio Advisor determines that the positive balance notionally standing to the credit of the Notional Cash Position is lower than any amounts which should be notionally debited from the Notional Cash Position, the Reference Portfolio Advisor shall notionally redeem certain Reference Portfolio Components in accordance with Section 1.4.1(g) to increase the positive balance notionally standing to the credit of the Notional Cash Position.
- (e) The Notional Cash Position shall be notionally debited on each Variable Coupon Payment Date with an amount equal to (A) the most recent Reference Portfolio Value determined on or prior to such date *minus* the Reference Portfolio Value on the Fixing Date or (B) such lower amount as determined by the Issuer in its sole and absolute discretion and notified to the Reference Portfolio Advisor on or prior to such date.
- (f) The Reference Portfolio Advisor shall determine the value of the Notional Cash Position comprised in the Reference Portfolio in accordance with the Components Valuation Principles as of each Reference Portfolio Valuation Date, as of each Variable Coupon Payment Date and as of each date on which Notional Disposition Proceeds are received or Notional Disposition Costs or Notional Acquisition Costs are incurred in accordance with Section 1.4.

1.4 Changes in Composition; Reference Portfolio Rebalancing; Restrictions

- 1.4.1 Subject to Sections 1.4.1(a) to 1.4.1(h) (inclusive), the Reference Portfolio Advisor may, having regard for the Reference Portfolio Objective, adjust the composition of the Reference Portfolio by re-allocating the Reference Portfolio Components, in particular by notionally subscribing for or otherwise acquiring one or more Reference Portfolio Components in accordance with Section 1.4.1(i) (each such adjustment, a "Reference Portfolio Rebalancing").

For the avoidance of doubt, the Reference Portfolio Advisor shall not be obliged to effect any Reference Portfolio Rebalancings if, in its reasonable discretion, it determines that such Reference Portfolio Rebalancing is contrary to the Reference Portfolio Objective.

- (a) On the first Banking Day of each calendar month and such other Banking Days as the Reference Portfolio Advisor may in its discretion decide (each, a "**Target List Determination Date**"), the Reference Portfolio Advisor shall determine the target notional composition of the Reference Portfolio for the next following Reference Portfolio Valuation Date (the "**Target Composition**"). The target notional composition of the Reference Portfolio shall take into account each notional subscription for or otherwise acquisition of target Reference Portfolio Components which the Reference

Portfolio Advisor determines to notionally take place in accordance with Section 1.4.1(i) during the period from (and including) the Target List Determination Date to (and including) the next following Reference Portfolio Valuation Date in accordance with the provisions of this Section 1.4.

- (b) On each Reference Portfolio Valuation Date, the Reference Portfolio Advisor shall determine the notional composition of the Reference Portfolio as of such Reference Portfolio Valuation Date (the "**Valuation Date Composition**"). The Valuation Date Composition shall be identical to the Target Composition as of the immediately preceding Target List Determination Date, save that:
 - (i) the Reference Portfolio Advisor shall not include in the Valuation Date Composition:
 - (A) any target Reference Portfolio Components identified in the Target Composition for the purposes of Section 1.4.1(i), but which a Hypothetical Investor has been unable to notionally subscribe for or otherwise acquire due to events or circumstances outside its control; and
 - (B) any Reference Portfolio Component notionally redeemed, transferred or otherwise disposed of in accordance with Section 1.4.1(g) on or prior to such Reference Portfolio Valuation Date; and
 - (ii) the Reference Portfolio Advisor shall adjust the Notional Cash Position to reflect (i) an increase of the aggregate outstanding nominal amount of the Notes in accordance with Section 1.4.1(d), (ii) any Notional Distribution Amounts received by a Hypothetical Investor in accordance with Section 1.4.1(e), (iii) any Notional Redemption Amounts received by a Hypothetical Investor in accordance with Section 1.4.1(f), (iv) any Notional Disposition Proceeds received or any Notional Disposition Costs incurred by a Hypothetical Investor in accordance with Section 1.4.1(g) and (v) any Notional Acquisition Costs incurred by a Hypothetical Investor in accordance with Section 1.4.1(i). For the avoidance of doubt, the positive balance of the Notional Cash Position specified in a Valuation Date Composition may be different to the positive balance of the Notional Cash Position specified in the immediately preceding Target Composition.
- (c) In addition to each Target List Composition and each Valuation Date Composition, the Reference Portfolio Advisor, in its reasonable discretion, may determine the composition of the Reference Portfolio from time to time on an interim basis.
- (d) If, at any time after the Fixing Date, the aggregate outstanding nominal amount of the Notes increases (including, without limitation, as a result of an issuance of further Notes), the Reference Portfolio Advisor shall notionally credit an amount reflecting such increase to the Notional Cash Position as of the next following Reference Portfolio Valuation Date (or, if such increase occurs on a Reference Portfolio Valuation Date, as of such Reference Portfolio Valuation Date).
- (e) If, at any time after the Fixing Date, a Hypothetical Investor holding any Reference Portfolio Component would receive a notional distribution or repayment in respect of such Reference Portfolio Component which does not arise out of or in connection with the redemption of such Reference Portfolio Component (the amount of such notional distribution or repayment, the "**Notional Distribution Amount**"), the Reference Portfolio Advisor shall notionally credit such Notional Distribution Amount to the Notional Cash Position as of the next following Reference Portfolio Valuation Date (or, if such notional distribution or repayment occurs on a Reference Portfolio Valuation Date, as of such Reference Portfolio Valuation Date).

- (f) If, at any time any Reference Portfolio Component held by a Hypothetical Investor redeems in accordance with its terms or is otherwise terminated by the issuer of such Reference Portfolio Component and a Hypothetical Investor holding such Reference Portfolio Component would receive a notional distribution or repayment in respect of such Reference Portfolio Component which arises out of or in connection with such redemption or termination (the "**Notional Redemption Amount**"), the Reference Portfolio Advisor shall notionally credit such Notional Redemption Amount to the Notional Cash Position as of the next following Reference Portfolio Valuation Date (or, if such notional distribution or repayment occurs on a Reference Portfolio Valuation Date, as of such Reference Portfolio Valuation Date).
- (g) The Reference Portfolio Advisor shall notionally redeem, transfer or otherwise dispose of any Reference Portfolio Components in the following circumstances:
 - (i) If, at any time, under the terms of any Reference Portfolio Component comprised in the Reference Portfolio or any subscription documentation in connection with such reference Portfolio Component entered into by a Hypothetical Investor, the Hypothetical Investor is obliged to dispose of or otherwise transfer such Reference Portfolio Component, then the Reference Portfolio Advisor shall notionally dispose of or otherwise transfer such Reference Portfolio Component.
 - (ii) If, at any time the Reference Portfolio Advisor determines that the positive balance notionally standing to the credit of the Notional Cash Position is lower than any amounts which should be notionally debited from the Notional Cash Position, the Reference Portfolio Advisor shall notionally redeem, dispose of or otherwise transfer certain Reference Portfolio Components, as selected by the Reference Portfolio Advisor in accordance with Section 1.4.4.

In connection with any notional redemption, transfer or otherwise disposition of any Reference Portfolio Components, the Reference Portfolio Advisor shall determine:

- (A) the notional proceeds in connection with such notional redemption, disposition or transfer received by the Hypothetical Investor and the time of receipt of such disposition or transfer proceeds (the "**Notional Disposition Proceeds**"); and
- (B) the notional costs in connection with such notional redemption, disposition or transfer of such Reference Portfolio Component incurred by such Hypothetical Investor in connection with such redemption, disposition or transfer and the time when such redemption, disposition or transfer costs are incurred (the "**Notional Disposition Costs**").

The Reference Portfolio Advisor shall adjust the composition of the Reference Portfolio to reflect such redemption, disposition, transfer or sale of Reference Portfolio Components and the Reference Portfolio Advisor shall notionally credit the Notional Disposition Proceeds to and notionally debit the Notional Disposition Costs from the Notional Cash Position at the time when such Notional Disposition Proceeds are received or such Notional Disposition Costs are incurred.

- (h) **For the avoidance of doubt:** neither the Hypothetical Investor, nor the Reference Portfolio Advisor shall, at any time, notionally initiate or request the redemption, disposition or voluntary transfer of any Reference Portfolio Components comprised in the Reference Portfolio other than in the circumstances described under Section 1.4.1(g).
- (i) At any time after the Fixing Date when the value of the Notional Cash Position is greater than zero, following a decision by the Reference Portfolio Advisor to notionally add certain Reference Portfolio Components to the Reference Portfolio, the Reference Portfolio Advisor shall determine:

- (i) which Reference Portfolio Components notionally subscribed for or otherwise acquired and the point in time when such notional subscription or acquisition, which shall be the date when a Hypothetical Investor would have notionally subscribed for or otherwise acquired the relevant Reference Portfolio Components, had such Hypothetical Investor initiated such subscription or acquisition at the point in time when the Reference Portfolio Advisor, in consultation with the Calculation Agent, decided to notionally add such Reference Portfolio Components to the Reference Portfolio; and
- (ii) the notional investment costs which would have been incurred by such Hypothetical Investor in connection with such notional subscription or acquisition of Reference Portfolio Components (the "**Notional Acquisition Costs**"), *provided that*, at any time, the Notional Acquisition Costs shall not be higher than the balance of the Notional Cash Position at such time.

The Reference Portfolio Advisor shall adjust the composition of the Reference Portfolio to reflect such addition of Reference Portfolio Components and the Reference Portfolio Advisor shall notionally debit the Notional Acquisition Costs from the Notional Cash Position at the time when such Notional Acquisition Costs are incurred.

1.4.2 When deciding to notionally add certain Reference Portfolio Components to the Reference Portfolio in accordance with Section 1.4.1(i), the Reference Portfolio Advisor shall only be entitled to notionally add such Reference Portfolio Component if the Reference Portfolio Advisor determines that, on the Reference Portfolio Valuation Date immediately following such addition, the following concentration limits shall not be breached or, if they are already breached following such addition, such breach shall not worsen:

- (a) the aggregate value of Clean Energy Investments must constitute a minimum of 25% and a maximum of 75% of the Reference Portfolio Value;
- (b) the aggregate value of Real Estate Investments must constitute a minimum of 10% and a maximum of 50% of the Reference Portfolio Value;
- (c) no individual investment may constitute more than the 50% of the Reference Portfolio Value;
- (d) no individual investment may constitute more than EUR 25 million;
- (e) the aggregate value of Clean Energy Investments and Data Centres located in APAC shall not exceed 50% of the Reference Portfolio Value;
- (f) the value of Reference Fund Components may comprise no more than 25% of the Reference Portfolio Value;
- (g) the value of Reference Debt Security Components may comprise no more than 100% of the Reference Portfolio Value; and
- (h) the value of the Notional Cash Position may comprise no more than 5% of the Reference Portfolio Value.

1.4.3 Each Reference Portfolio Rebalancing in respect of any Reference Portfolio Component shall be effective as follows:

- (a) in case such Reference Portfolio Rebalancing comprises the notional redemption of one or more Reference Portfolio Components, in respect of each Reference Portfolio Component, on the date on which a Hypothetical Investor would have redeemed a holding of the relevant Reference Portfolio Component, had such Hypothetical Investor initiated such redemption on the date when the Reference Portfolio Advisor decided to effect the relevant Reference Portfolio Rebalancing; and

- (b) in case such Reference Portfolio Rebalancing comprises the notional subscription or acquisition of one or more Reference Portfolio Components, in respect of each Reference Portfolio Component, on the date on which a Hypothetical Investor would have notionally subscribed for or otherwise acquired the relevant Reference Portfolio Component, had such Hypothetical Investor initiated such subscription or acquisition on the date when the Reference Portfolio Component was added to the Target Composition.

1.4.4 Each time the Reference Portfolio Advisor is required to notionally redeem, dispose of or otherwise transfer one or more Reference Portfolio Components in the circumstances described in Section 1.4.1(g), the Reference Portfolio Advisor shall:

- (a) assign a ranking to each Reference Portfolio Component (other than the Notional Cash Position) based on the amount of anticipated Notional Disposition Proceeds *less* the anticipated Notional Disposition Costs (the "**Net Notional Disposition Proceeds**" in respect of such Reference Portfolio Component) if the Reference Portfolio Advisor were to redeem, dispose of or otherwise transfer such Reference Portfolio Component, as determined by the Reference Portfolio Advisor in its reasonable discretion. The Reference Portfolio Component with lowest Net Notional Disposition Proceeds shall have the lowest ranking and the Reference Portfolio Component with highest Net Notional Disposition Proceeds shall have the highest ranking;
- (b) assign a ranking to each Reference Portfolio Component (other than the Notional Cash Position) based on the liquidity of such Reference Portfolio Component if the Reference Portfolio Advisor were to redeem, dispose of or otherwise transfer such Reference Portfolio Component, as determined by the Reference Portfolio Advisor in its reasonable discretion. The most liquid Reference Portfolio Component shall have the lowest ranking and the least liquid Reference Portfolio Component shall have the highest ranking; and
- (c) in respect of each Reference Portfolio Component, add up the rankings assigned in accordance with Paragraph (a) and Paragraph (b) above.

The Reference Portfolio Advisor shall then notionally redeem, dispose of or otherwise transfer the Reference Portfolio Component with lowest aggregate ranking, *provided that*:

- (i) if the Net Notional Disposition Proceeds from the Reference Portfolio Component so selected would be lower than the shortfall in the positive balance notionally standing to the credit of the Notional Cash Position, the Reference Portfolio Advisor shall also notionally redeem, dispose of or otherwise transfer one or more Reference Portfolio Component(s) with the next lowest aggregate ranking, until the aggregate Net Notional Disposition Proceeds are sufficient to cover such shortfall; and
- (ii) where the shortfall in the positive balance notionally standing to the credit of the Notional Cash Position can be met by redeeming, disposing of or otherwise transferring only part of a Reference Portfolio Component only (e.g., only some of the units of such Reference Portfolio Component), the Reference Portfolio Advisor shall redeem, dispose of or otherwise transfer the smallest possible part or, as the case may be, fewest number of units of such Reference Portfolio Component and the remaining part or, as the case may be, units of such Reference Portfolio Component shall remain in the Reference Portfolio. For the avoidance of doubt, this Paragraph (ii) shall only apply if all Reference Portfolio Components (if any) with lower aggregate ranking have been redeemed, disposed of or otherwise transferred.

1.5 Adjustments of the Reference Portfolio

1.5.1 If, at any time prior to a Reference Portfolio Valuation Date, the Reference Portfolio Advisor determines that a Reference Portfolio Disruption Event occurs in respect of any one or more Reference Portfolio Components, the Reference Portfolio Advisor shall make such adjustments (if any) to the Reference Portfolio (including, without limitation, the Reference Funds Investment

Universe or, as the case may be, the Reference Debt Securities Investment Universe in respect of the Reference Portfolio) as the Reference Portfolio Advisor determines, acting reasonably and having regard for the Reference Portfolio Objective, are necessary or appropriate to preserve to the greatest extent possible the Reference Portfolio Value which existed immediately prior to the occurrence of such Reference Portfolio Disruption Event.

For these purposes:

"Reference Portfolio Disruption Event" means, in respect of any Reference Portfolio Component, the occurrence of any one or more of the following events:

- (d) such Reference Portfolio Component or any component or underlying thereof is permanently discontinued or unavailable; or
- (e) due to events or circumstances outside its control, a Hypothetical Investor can no longer notionally subscribe for or otherwise acquire or, as the case may be, sell such Reference Portfolio Component,

in each case, as determined by the Reference Portfolio Advisor, acting reasonably.

1.5.2 Adjustments and Determinations

- (a) Any adjustment to and/or determination in respect of the Reference Portfolio made by the Reference Portfolio Advisor in accordance with this Section 1.5 shall not constitute a Rebalancing.
- (b) The Reference Portfolio Advisor shall effect all adjustments to and/or determinations in respect of the Reference Portfolio in accordance with this Section 1.5, acting reasonably, having regard for the Reference Portfolio Objective and under consideration of the market conditions prevailing at the time such adjustments and/or determinations. Any such adjustments and/or determinations made by the Reference Portfolio Advisor shall be final, conclusive and binding, except where there is a manifest error.
- (c) In connection with any adjustment to and/or determination in respect of the Reference Portfolio in accordance with this Section 1.5, the Reference Portfolio Advisor shall (i) determine the date on which such adjustment and/or determination shall take effect (the **"Adjustment Effective Date"**) and, (ii) promptly and, in any event, within one (1) Banking Business Day of deciding to make such adjustment and/or determination, notify such adjustment and/or determination and the relevant Adjustment Effective Date to the Issuer and the Calculation Agent.