

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

of

VICTORY HILL FLEXIBLE POWER LIMITED

(Adopted by Special Resolution passed on 31 October 2021)

1 Preliminary

- 1.1 In these Articles, "Model Articles" means the Model Articles in schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No. 3229) and as otherwise amended prior to the adoption of these Articles (the **Model Articles**). Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles.
- 1.2 The Model Articles, as they relate to a private company limited by shares, shall apply to the Company, except in so far as they are modified or excluded by these Articles and, together with these Articles, constitute the articles of association of the Company.
- 1.3 Article 7(1) (*Directors to take decisions collectively*), 8 (*Unanimous decisions*), 9(2) and 9(3) (*Calling a directors' meeting*), 10 (*Participation in directors' meetings*), 11(2) (*Quorum for directors' meetings*), 12 (*Chairing of directors' meetings*), 13 (*Casting vote*), 14 (*Conflicts of interest*), 17 (*Methods of appointing directors*), 19 (*Directors' remuneration*), 30 (*Procedure for declaring dividends*), 32 (*No interest on distributions*), 34 (*Non-cash distributions*), 36 (*Authority to capitalise and appropriation of capitalised sums*), 44(2) (*Poll votes*), 52 (*Indemnity*) and 53 (*Insurance*) of the Model Articles shall not apply to the Company.
- 1.4 In Article 1 of the Model Articles (defined terms) after the word "articles" (in the first line) the words "and in any articles adapting in whole or part the same" shall be inserted.
- 1.5 In the event of any ambiguity or inconsistency between the Model Articles and these Articles, these Articles shall prevail.

2 Private company

The Company is a private company within the meaning of section 4(1) of the Companies Act 2006.

3 Definitions and interpretation

- 3.1 In these Articles, unless the context otherwise requires, the following expressions have the following meanings:

A Director means any Director appointed by the A Shareholder(s);

A Shares means the A Ordinary Shares with a nominal value of £1.00 each in the capital of the Company, and **A Share** means any of them;

A Shareholder(s) means the holder(s) of A Shares from time to time;

Act means the Companies Act 2006, and every statutory modification, re-enactment or replacement of that Act for the time being in force;

Adjourned Board Meeting has the meaning given in Article 8.1;

B Director means any Director appointed by the B Shareholder;

B Shares means the B Ordinary Shares with a nominal value of £1.00 each in the capital of the Company, and **B Share** means any of them;

B Shareholder means the holder of B Shares from time to time;

Board means the board of directors of the Company for the time being;

Board Meeting means a meeting of the Board from time to time convened in accordance with these Articles;

Business Day means a day other than a Saturday or Sunday on which banks are ordinarily open for the transaction of normal banking business in London;

Chair means the chairperson of the Board;

Company means Victory Hill Flexible Power Limited, a company registered in England and Wales with company number 13586073;

Conflict has the meaning given in Article 10.1;

Control in relation to a body corporate or a partnership means the ability of a Person to ensure that the activities and business of that body corporate or partnership are conducted in accordance with the wishes of that Person, and a Person shall be deemed to have Control:

- (a) of a body corporate if that Person possesses the majority of the issued share capital or the voting rights in that body corporate or the right to appoint or remove directors of that body corporate holding a majority of the voting rights at meetings of the board of directors (or equivalent management organ) on all, or substantially all, matters; and
- (b) of a partnership if that Person has the right to a share of more than one-half of the assets, or of more than one half of the income, of that partnership in circumstances where it can reasonably be expected that such Person directs the affairs of that partnership;

Date of Adoption means the date on which these Articles were adopted by the Company;

Director means a director for the time being of the Company;

Interested Director has the meaning given in Article 10.1;

Person includes persons acting in concert, being persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them of shares or any other interest in another person, to obtain or consolidate Control in relation to that other person, or agree to so co-operate;

Shares means the A Shares and the B Shares, and **Share** means any of them;

Shareholders means the A Shareholder(s) and the B Shareholder together, and **Shareholder** means either of them; and

Shareholders' Agreement means any shareholders' agreement entered into by and between the Company and the Shareholders, as amended from time to time.

- 3.2 In these Articles, words or expressions, the definitions of which are contained or referred to in the Act, shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the Date of Adoption.
- 3.3 In these Articles, words importing the singular include (where appropriate) the plural, words importing any gender include (where appropriate) every gender, and words importing persons include (where appropriate) bodies corporate and unincorporated; and (in each case) vice versa.
- 3.4 In these Articles, in relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned.

4 Share capital

- 4.1 Except as provided otherwise in these Articles and in any Shareholders' Agreement, each Share shall rank *pari passu* in all respects but shall constitute separate classes of shares.
- 4.2 In these Articles, unless the context requires otherwise, references to Shares of a particular class shall include Shares allotted and/or issued after the Date of Adoption and ranking *pari passu* in all respects (or in all respects except only as to the date from which those Shares rank for dividend) with the Shares of the relevant class then in issue.
- 4.3 On a resolution at a general meeting, every member who (being an individual) is present in person or by proxy or (being a body corporate) is present by a duly authorised representative or by proxy shall, on a show of hands, have one vote, and, on a poll, have one vote for each share held by him.
- 4.4 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the Directors may determine".

5 Transfers and issue of new Shares

- 5.1 The A Shareholder(s) may, subject to the provisions of any Shareholders' Agreement, sell, transfer or otherwise dispose of all or any of its Shares at any time to any other person, or agree (whether conditionally or otherwise) to do the same.
- 5.2 The A Shareholder(s) may mortgage (whether by way of fixed or floating charge), pledge, charge or otherwise encumber its legal or beneficial interest in all or any of its Shares.
- 5.3 The B Shareholder shall not:
- (a) mortgage (whether by way of fixed or floating charge), pledge, charge or otherwise encumber its legal or beneficial interest in all or any of its Shares;
 - (b) sell, transfer or otherwise dispose of, or grant any option over, all or any of its Shares or any legal or beneficial interest in them or assign or otherwise purport to deal with them or with any interest in them;
 - (c) enter any agreement with respect to the voting rights attached to all or any of its Shares;
or
 - (d) agree (whether conditionally or otherwise) to do any of the foregoing,

other than, in each such case, in accordance with these Articles and the provisions of any Shareholders' Agreement.

- 5.4 The directors may not refuse to register the transfer of a share where that transfer has been effected in accordance with any Shareholders' Agreement and article 26(5) of the Model Articles shall be amended accordingly.
- 5.5 Subject to the remaining provisions of this Article 5 and any Shareholders' Agreement, the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to allot Shares, grant rights to subscribe for or convert any securities into Shares, or otherwise deal with or dispose of Shares to any persons, at any times and subject to any terms and conditions as the Directors may decide, provided that:
- (a) this authority shall be limited to a maximum nominal amount of £100 million;
 - (b) this authority may only be exercised for a period of five years commencing upon the Date of Adoption; and
 - (c) this authority shall only apply insofar as the Company in general meeting has not waived or revoked it.
- 5.6 In accordance with section 567 of the Act, the requirements of sections 561 and 562 of the Act are excluded in relation to allotments of equity securities by the Company.

6 Distributions

The Company and the Directors may pay dividends and other distributions, and capitalise any profits of the Company, from time to time as they may think fit, provided that any such dividends and distributions are made in accordance with applicable laws and the terms of any Shareholders' Agreement.

7 Appointment and removal of the Board

- 7.1 The Directors may be appointed and removed from their office by notice in writing in accordance with the terms of any Shareholders' Agreement.
- 7.2 The Chair may be appointed and removed from their position in accordance with the terms of any Shareholders' Agreement.
- 7.3 In the Model Articles, references to "chairman" shall be deemed to be references to "Chair" as such term is defined in these Articles.

8 Decision-making by Directors

Board Meetings

- 8.1 The quorum for the transaction of business at any Board Meeting shall, unless provided otherwise in any Shareholders' Agreement, be one A Director and one B Director. If a quorum is not present within one hour of the time specified in the notice of the Board Meeting, then the Board Meeting shall be adjourned for one (1) Business Day at the same time and place (such adjourned Board Meeting being an **Adjourned Board Meeting**), and the quorum at any such validly convened Adjourned Board Meeting shall be one A Director.
- 8.2 Each Director shall have one vote and any Director appointed by a Shareholder can vote on behalf of any Directors appointed by such Shareholder who are not present at the Board Meeting.
- 8.3 Subject to the provisions of any Shareholders' Agreement, no resolution of the Directors shall be effective unless it is voted in favour of by a simple majority of the Directors, including the vote of at least one A Director.
- 8.4 Board Meetings shall take place in the United Kingdom. Any Director or his/her alternate may validly participate in a Board Meeting through the medium of conference telephone, video conference or similar form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote (subject to any contrary provisions contained in these Articles). Subject to the Act, all business transacted in such manner by the Board shall for the purposes of the Articles be deemed to be validly and effectively transacted at a meeting of the Board notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them participates. If they do not so decide, such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chair is.

Written resolutions

- 8.5 A decision of the Directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter. Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing. References in this Article to eligible directors are to directors who would have been entitled to vote, and whose vote would have been counted, on the matter had it been proposed as a

resolution at a directors' meeting. A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.

9 Transactions or other arrangements with the company

- 9.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he/she has declared the nature and extent of his/her interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - (b) shall be an eligible Director for the purposes of any proposed decision of the Board in respect of such contract or proposed contract in which he/she is interested;
 - (c) shall be entitled to vote at a Board Meeting or participate in any unanimous decision, in respect of such contract or proposed contract in which he/she is interested;
 - (d) may act by himself/herself or his/her firm in a professional capacity for the Company (otherwise than as auditor) and he/she or his/her firm shall be entitled to remuneration for professional services as if he/she were not a Director;
 - (e) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - (f) shall not, save as he/she may otherwise agree, be accountable to the Company for any benefit which he/she (or a person connected with him/her (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his/her duty under section 176 of the Act.
- 9.2 Subject to Article 9.3, if a question arises at a meeting of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chair whose ruling in relation to any Director other than the Chair is to be final and conclusive.
- 9.3 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair, the question is to be decided by a decision of the Directors at that meeting,

for which purpose the Chair is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

10 Directors' conflicts of interest

- 10.1 Without prejudice to the provisions of any Shareholders Agreement relating to conflict, the Directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his/her duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 10.2 Any authorisation under this Article 10 will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Board under the provisions of these Articles or in such other manner as the Board may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 10.3 Any authorisation of a Conflict under this Article 10 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at Board Meetings or otherwise) related to the Conflict;
 - (c) provide that the Interested Director shall or shall not be an eligible Director in respect of any future decision of the Board or vote in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Board think fit;
 - (e) provide that, where the Interested Director obtains, or has obtained (through his/her involvement in the Conflict and otherwise than through his/her position as a Director of the

Company) information that is confidential to a third party, he/she will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and

- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any Board Meeting and be excused from reviewing papers prepared by, or for, the Board to the extent they relate to such matters.

10.4 Where the Board authorises a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Board in relation to such Conflict.

10.5 The Board may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

10.6 In authorising a Conflict, the Board may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his/her involvement in the Conflict otherwise than as a Director and in respect of which he/she owes a duty of confidentiality to another person, the Director is under no obligation to:

- (a) disclose such information to the Board or to any Director or other officer or employee of the Company; or
- (b) use or apply any such information in performing his/her duties as a Director, where to do so would amount to a breach of that confidence.

10.7 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he/she derives from or in connection with a relationship involving a Conflict which has been authorised by the Board or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

10.8 For the purposes of Article 9 and this Article 10, references to proposed decisions or discussion of matters includes any Board Meeting or part of a Board Meeting.

11 Records of decisions to be kept

Where decisions of the Board are taken by electronic means, such decisions shall be recorded by the Board in permanent form, so that they may be read with the naked eye.

12 Number of directors

Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate Directors) shall be a maximum of five.

13 Appointment and removal of alternate directors

13.1 Any Director may, by giving notice in writing to the Shareholder(s) which did not appoint him, appoint an alternate (who may be another Director) and may, in the same way, remove an alternate so appointed by him.

13.2 An alternate Director is entitled to receive notice of all Board Meetings and attend and vote at any meeting at which the Director appointing him is not personally present, and generally in the absence of his appointor to do all the things which his appointor is authorised or empowered to do. A Director who is also an alternate shall be entitled, in the absence of his appointor:

- (a) to a separate vote on behalf of his appointor in addition to his own vote; and
- (b) to be counted as part of the quorum of the Board on his own account and in respect of the Director for whom he is the alternate.

14 Rights and responsibilities of alternate Directors

14.1 An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the Board as the alternate's appointor.

14.2 Except as the Articles specify otherwise, alternate Directors:

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors,

and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all Board Meetings and of all meetings of committees of Directors of which his/her appointor is a member.

14.3 A person who is an alternate Director but not a Director:

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- (b) may participate in a unanimous decision of the Board (but only if his/her appointor is an eligible Director in relation to that decision, but does not participate); and
- (c) shall not be counted as more than one Director.

14.4 An alternate Director may be paid expenses and may be indemnified by the Company to the same extent as his/her appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

15 Termination of alternate directorship

An alternate Director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the Company in accordance with Article 13.1;
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor's appointment as a Director terminates.

16 Secretary

The Board may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Board so decide, appoint a replacement, in each case by a decision of the Board.

17 General meetings

- 17.1 Notices convening general meetings of the Company shall comply with the provisions of Chapter 3 of Part 13 of the Act.
- 17.2 The quorum for the transaction of business at a general meeting of the Company is one duly authorised representative of the A Shareholder(s).

18 Poll votes

- 18.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 18.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

19 Proxies

- 19.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 19.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Board, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article.
- 19.3 Proxies must be deposited at the registered office of the Company or by any email address specified in the notice convening such general meeting.
- 19.4 Where there is a vote on a resolution on a show of hands at a general meeting and a member entitled to vote on the resolution has appointed more than one proxy those proxies (when taken together) shall not be entitled to have more votes than the member would have if he/she were present in person.

20 Means of communication to be used

- 20.1 Article 48(1) of the Model Articles shall be deleted and replaced by the following:
- “(a) Any notice, document or other information sent or supplied to the Company or any Shareholder under these Articles (a **Notice**) shall be (i) in writing, (ii) in the English language and (iii) sent by the Permitted Method to the Notified Address.
- (b) The **Permitted Method** means any of the methods set out in column (1) below. A Notice given by a Permitted Method will be deemed to be given and received on the date set out in column (2) below provided the Notice is properly addressed and sent in full to the Notified Address and subject always to paragraph (d).

(1) Permitted Method	(2) Date on which Notice deemed given
Personal delivery	When left at the Notified Address if left before 5pm on a Business Day, otherwise on the next Business Day
Ordinary first class pre-paid post (where the Notified Address is in the same country as that from which the Notice is sent)	Two Business Days after posting
Ordinary prepaid airmail (where the Notified Address is in one country and the Notice is sent from another)	Six Business Days after posting
E-mail	When sent if sent before 5pm on a Business Day, and otherwise on the next Business Day (unless the sender receives an automated notification of non-delivery or rejection by the recipient's e-mail server, in which case the Notice shall be deemed not to have been given or received)

- (c) The **Notified Address** is any such address as may be specified in or in accordance with a Shareholders' Agreement or, where there is no such address, an address to which the relevant Notice could be sent or supplied in accordance with the Act.
- (d) In order for any service on the Company to be effective, a copy thereof shall also be given to the other Shareholder."

20.2 A member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

21 Indemnity

21.1 Subject to Article 21.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his/her duties, or in relation to them; and
 - (ii) in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him/her in defending any civil or criminal proceedings, in which judgment is given in his/her favour or in which he/she is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his/her part or in connection with any application in which the court grants him/her, in his/her capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated Company's) affairs; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him/her in connection with any proceedings or application referred to in Article 21.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

21.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

21.3 In this Article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant officer" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)).

22 Insurance

22.1 The Board may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

22.2 In this Article:

- (a) a "relevant officer" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act));
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.