

**Programme Memorandum for admission of up to EUR 10,000,000,000 term notes on the MARF**

**TRAIANUS DAC**

(a designated activity company with limited liability incorporated in Ireland under company registration number 678014)

**EUR 10,000,000,000 NOTE PROGRAMME**

---

**I. GENERAL INFORMATION**

---

Traianus DAC (the “**Issuer**”), a designated activity company incorporated under the laws of Ireland, with registered office at 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland, registered in the Companies Registration Office of Ireland, with corporation tax registration number 3754662KH and legal entity identifier (LEI) code 549300GE54HN4W1EM031, will request the admission (*incorporación*) to trading of any unsecured, limited recourse notes (*bonos*) (the “**Notes**”) that may be issued by the Issuer under the so-called “EUR 10,000,000,000 note programme” (the “**Programme**”) initially approved by the Issuer on 21 February 2022 with the first renewal of the Programme approved by the Issuer on 23 February 2023, the second renewal of the Programme approved by the Issuer on 13 February 2024, the third renewal of the Programme approved by the Issuer on 13 February 2025 and the fourth renewal of the Programme approved by the Issuer on 18 February 2026, all in accordance with the provisions of this programme memorandum (*documento base informativo de incorporación*) (the “**Programme Memorandum**”) on the Spanish multilateral trading facility for debt securities (Mercado Alternativo de Renta Fija) (the “**MARF**”).

Under the Programme and based on the terms set out in this Programme Memorandum, the Issuer, subject to compliance with all relevant laws, regulations and directives, may from time to time issue the Notes and then will apply for the admission to trading of the Notes on the MARF. The Final Terms (as defined below in this Programme Memorandum) of the Notes will include the specific terms and conditions of each relevant issuance of Notes, which shall determine those terms and conditions not set out in this Programme Memorandum and shall include, where applicable, additional obligations to those set out in the Conditions.

Notes will be issued in series (each series of Notes, a “**Series**”) and references in this Programme Memorandum to the Conditions of any Notes are to the Conditions of a Series, being those set out under “*Master Conditions*” below, as may be supplemented in respect of each issue of Notes by the specific terms and conditions as specified in the applicable Final Terms. All Notes will constitute unsecured, limited recourse obligations of the Issuer and will at all times rank *pari passu* and rateably amongst themselves.

**TERM OF THE PROGRAMME AND NOTES ISSUANCES**

The term of the Programme is one year from the registration date (*fecha de incorporación*) of this Programme Memorandum in the MARF. The Notes may be issued and subscribed for on any day during the one-year term of the Programme. However, the Issuer might not issue any Notes under the Programme.

**PUBLICATION OF THE PROGRAMME MEMORANDUM**

This Programme Memorandum will be published on the website of the MARF ([www.bolsasymercados.es](http://www.bolsasymercados.es)).

MARF is a multilateral trading facility (MTF) (*sistema multilateral de negociación*) established in Spain in accordance with Article 68 of the *Ley del Mercado de Valores y de los Servicios de Inversión approved by the Ley 6/2023, de 17 de marzo* (the “**Securities Market Act**”), constituting an alternative, unofficial and not regulated market for the trading of fixed-income securities in accordance with the provisions of Directive 2004/39/EC. Application will be made to MARF for the Notes to be listed and admitted to trading on the MARF under the Programme Memorandum. The MARF is legally configured as a multilateral trading facility, operated and managed by BME Markets & Exchanges, S.A.U.. The Spanish Securities and Exchange Commission (*Comisión Nacional del Mercado de Valores*) (the “**CNMV**”) supervises the secondary market activity on the MARF.

The Notes will be represented by a Global Registered Certificate and held through Euroclear and / or Clearstream.

This Programme Memorandum is the document required by Circular 1/2025 of June 16 on the incorporation and exclusion of securities in the MARF (the “**Circular 1/2025**”)

An investment in the Notes involves certain risks and the section of this Programme Memorandum entitled “*Risk Factors*” includes a description of certain risks related to the Issuer and the Notes.

Neither the MARF, nor the CNMV has not carried out any type of verification or check in relation to this Programme Memorandum for admission, nor of the content of the documentation and information provided by the Issuer in compliance with Circular 1/2025.

**The Issuer is not and will not be licensed or authorised by the Central Bank of Ireland as a result of issuing the Notes. Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland.**

**ISSUING AND PAYING AGENT**

**The Bank of New York Mellon, London Branch**

**REGISTERED ADVISOR (ASESOR  
REGISTRADO)**

**VGM Advisory Partners, S.L.U.**

The date of this Programme Memorandum is 23 February 2026

---

## II. OTHER INFORMATION

---

### SALES RESTRICTIONS

This Programme Memorandum does not constitute an offer of, or an invitation by or on behalf of, the Issuer to subscribe for or purchase the Notes. The distribution of this Programme Memorandum and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Programme Memorandum comes are required by the Issuer to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of the Notes and on distribution of this Programme Memorandum and other offering material relating to the Notes, see the Annex 2 of this Programme Memorandum entitled “*Subscription and Sale*”.

The Issuer does not represent that this Programme Memorandum may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, nor does the Issuer assume any responsibility for facilitating any such distribution or offering. In particular, the Issuer has not taken any action which would permit a public offering of the Notes or distribution of this Programme Memorandum in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Programme Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Prospective investors should inform themselves as to the legal requirements and tax consequences within their countries of residence and domicile for the acquisition, holding and disposal of the Notes.

### CATEGORY OF INVESTORS

This Programme Memorandum does not constitute a prospectus for the purposes of Article 6 of Regulation (EU) 2017/1129 (as amended or superseded) (the “**Prospectus Regulation**”) and therefore, it has not been approved by, or registered with the CNMV or other competent authority. The Notes to be issued under the Programme and listed on the MARF under the Programme Memorandum will have a minimum denomination of EUR 100,000 (or, if the Notes are denominated in a currency other than euro, a minimum equivalent amount in such currency). Any offer of Notes will be exclusively addressed to “qualified investors” as defined in Article 2 (e) of the Prospectus Regulation and the Securities Market Act. Therefore, any offer of the Notes will not constitute a public offering subject to the obligation to publish a prospectus, in accordance with the provisions of the Prospectus Regulation and the Securities Market Act. The Issuer is not offering the Notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Regulation.

### PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available at any time to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in Article 4(1) of Directive 2014/65/EU (“**MiFID II**”); (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise

making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

## **MIFID II PRODUCT GOVERNANCE**

The target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

## **OTHER IMPORTANT NOTICES**

The Programme has been designed to allow for the issuance of Notes and the Issuer will apply for the admission to trading of the Notes on the MARF. The section in this Programme Memorandum entitled “Terms and Conditions of the Programme and the Notes” contains the “*Master Conditions*” with the text of the terms and conditions which will be applicable to the Notes which may be issued under the Programme together with the provisions of the relevant Final Terms, which may complete any information in this Programme Memorandum. The Annex 2 to this Programme Memorandum entitled “*Subscription and Sale*” contains further details relating to the selling and transfer restrictions applicable to the Notes.

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum and confirms, having made reasonable enquiry, that to the best of its knowledge and belief there are no facts the omission of which would make any statement within the Programme Memorandum misleading.

The Issuer has not authorized anyone to provide information to potential investors different from the information contained in this Programme Memorandum, the information contained in the Final Terms (*términos y condiciones finales*) of each issuance of Notes pursuant to the form attached as Annex 1 (*Form of Final Terms*), and publicly available information. Any information or representation not contained, or referred to, in this Programme Memorandum must not be relied upon as having been authorized by or on behalf of the Issuer.

Therefore, prospective investors should fully and carefully read this Programme Memorandum, including its Annexes, the Final Terms and publicly available information prior to any investment decision regarding the Notes. Therefore, prospective investors should not base their investment decision on information other than that contained in this Programme Memorandum, in the successive Final Terms and other sources of public information.

The information contained in this Programme Memorandum is not and should not be construed as a recommendation by the Issuer that any recipient should purchase the Notes. Each recipient of this Programme Memorandum must make and shall be deemed to have made its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer as it may deem

necessary and must base any investment decision upon such independent assessment and investigation and not on this Programme Memorandum.

The aggregate principal amount of Notes outstanding under the Programme will not at any time exceed EUR 10,000,000,000 or currency equivalent.

The Notes will be unsecured, limited recourse obligations of the Issuer only and will not be obligations or the responsibility of, or guaranteed by, any other person.

A Series of Notes may be rated by Ethifinance Ratings, S.L. (previously Axesor Risk Management, S.L.) (Legal Entity Identifier (LEI): 959800EC2RH76JYS3844) ("**Ethifinance**") and / or any other recognised debt rating agency as may be specified in the relevant Final Terms (each, a "**Rating Agency**") in accordance with its rating methodologies. On April 13, 2022 Ethifinance assigned the rating of BBB to the Programme, on April 26, 2024 Ethifinance assigned the rating of BBB to the Series 1 Notes issued by the Issuer under the Programme and on May 23, 2025 Ethifinance assigned the rating of BBB to the Series 1 Notes issued by the Issuer under the Programme. Ethifinance is established in the European Community and is a registered Credit Rating Agency pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended by Regulation (EU) No 513/2011 (the "**CRA Regulation**"). A credit rating may be assigned to a specific Series of Notes to be issued under the Programme, and any such rating may be specified in the applicable Final Terms. The Issuer will notify any Rating Agency which has assigned a rating to any Series of Notes which is outstanding of any further Series of Notes to be issued which may be unrated or not rated by such Rating Agency and the Issuer shall request a confirmation from such Rating Agency that ratings of existing Series of Notes, rated by such Rating Agency, will not be adversely affected. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning Rating Agency. A suspension, reduction or withdrawal of the rating assigned to the Notes of any Series may adversely affect the market price of the Notes of any Series.

The Notes are only intended to be offered in the primary market to, and held by, investors, who are particularly knowledgeable in investment matters.

A discussion of certain factors which should be considered in connection with an investment in the Notes is set out in the section of this Programme Memorandum entitled "*Risk Factors*".

This Programme Memorandum may include statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this Programme Memorandum, including, without limitation, those regarding the Issuer's future financial position and results of operations, its strategy, plans, objectives, goals and targets, future developments in the markets in which the Issuer operates or are seeking to operate or anticipated regulatory changes in the markets in which the Issuer operates or intends to operate. These forward-looking statements can be identified by the use of terminology such as "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "future", "guidance", "intend", "is/are likely to", "may", "plan", "potential", "predict", "projected", "should" or "will" or the negative of such terms or other similar expressions or terminology.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements speak only as of the date of this Programme Memorandum and are not guarantees of future performance and are

based on numerous assumptions. The Issuer's actual results of operations, financial condition and the development of events may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements. Except as required by law, the Issuer does not undertake any obligation to update any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of anticipated or unanticipated events or circumstances.

In this Programme Memorandum, unless otherwise specified, references to EUR are to the currency of the member states of the European Union that adopt or have adopted the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty of the European Union.

---

### III. TABLE OF CONTENTS

---

	<b>Page No</b>
I. General Information.....	1
II. Other Information.....	3
III. Table of Contents .....	7
IV. Risk Factors .....	8
V. Description of the Issuer .....	44
VI. registered advisor.....	47
VII. Persons Responsible .....	48
VIII. Terms and Conditions of the Programme and the Notes .....	49
<u>Other Information of the Programme</u> .....	89
<u>Form of the Notes</u> .....	92
IX. Taxation.....	93
X. INFORMATION RELATED TO Admission to trading of the Notes .....	94
ANNEX 1: Form of Final Terms.....	96
ANNEX 2: Subscription and Sale .....	103
ANNEX 3: Use of Proceeds.....	105
ANNEX 4. Investment Guidelines .....	106
ANNEX 5: Master Definitions .....	107
ANNEX 6: Additional Information on Taxation .....	120
ANNEX 7: Financial Statements.....	123

---

#### IV. RISK FACTORS

---

*An investment in the Notes involves certain risks, including risks relating to the structure and rights of the Notes and the related arrangements. Prospective investors should carefully consider the following factors, in addition to the matters set forth elsewhere in this Programme Memorandum and the relevant Final Terms prior to investing in the Notes.*

*Prospective investors should ensure that they fully understand the nature of the Notes, as well as the extent of their exposure to risks associated with an investment in the Notes and should consider the suitability of an investment in the Notes in light of their own particular financial, fiscal and other circumstances.*

*In most cases, the risk factors described are contingencies or exposures which may or may not occur. The Issuer cannot express an opinion on the probability that such contingencies or exposures will effectively materialize.*

*However, the risks described in this Programme Memorandum may not be the only risks that the Issuer face. Only those risks that the Issuer currently consider to be material and related to the execution of the Programme are hereby described. There may be additional risks that the Issuer do not currently consider to be material in connection with the Programme, or which the Issuer is not currently aware of. Consequently, the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons, which may not be considered significant risks by the Issuer and based on information currently available to them or which they may not currently be able to anticipate.*

*Any of the following risks and uncertainties could have a material adverse effect on the Issuer's business, prospects, results of operations and financial condition. Each of the risks highlighted below could adversely affect the trading or the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.*

*The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks or of the scope of any potential harm to the Issuer's business, prospects, results of operations and financial condition.*

**ANY LOSSES UNDER THE NOTES WILL BE BORNE SOLELY BY THE NOTEHOLDERS AND NOT BY BLACKROCK OR ANY OF ITS RESPECTIVE AFFILIATES OR SUBSIDIARIES.**

**AN INTEREST IN THE NOTES (I) IS NOT A DEPOSIT, OBLIGATION OF OR ENDORSED OR GUARANTEED IN ANY WAY BY BLACKROCK, THE ISSUER, THE PORTFOLIO MANAGER OR ANY OF THEIR RESPECTIVE AFFILIATES, OR BY ANY BANKING ENTITY; (II) IS NOT INSURED BY THE CENTRAL BANK OF IRELAND, U.S. FEDERAL DEPOSIT INSURANCE CORPORATION, THE U.S. FEDERAL RESERVE BOARD, OR ANY OTHER U.S. GOVERNMENTAL AGENCY; AND (III) IS SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED.**

## **RISKS ASSOCIATED WITH THE NOTES**

### **Investor suitability**

An investment in the Notes may not be suitable for all investors and is only suitable for investors if they:

- (i) have the requisite knowledge and experience in financial and business matters to evaluate the information contained in the Programme Memorandum and the relevant Final Terms and the merits and risks of an investment in the Issuer in the context of the investor's financial position and circumstances;
- (ii) are capable of bearing the economic risk of an investment in the Issuer for an indefinite period of time;
- (iii) are acquiring the Notes for their own account for investment, not with a view to resale, distribution or other disposition of the Notes (subject to any applicable law requiring that the disposition of the investor's property be within its control); and
- (iv) recognise that it may not be possible to make any transfer of the Notes for a substantial period of time, if at all.

Further, the investors must determine, based on their own independent review and such professional advice as they deem appropriate under the circumstances, that their acquisition of the Notes (i) is fully consistent with their financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to them; and (iii) is a fit, proper and suitable investment for them, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. None of the Issuer, the Portfolio Manager nor any other person has or will make any representation or statement as to the suitability of the Notes for the investors.

### **Risk of loss of investment**

Investors should be aware that the Notes may decline in value and should be prepared to sustain a total loss of their investment in the Notes. Accordingly investors should only invest in the Notes if they are able to bear the risk of losing their entire investment. The Notes are not guaranteed by the Portfolio Manager or any of their affiliates and neither the Portfolio Manager nor any of its affiliates has or will have any obligations in respect of the Notes.

### **Illiquidity of the Notes**

Noteholders are not entitled to redeem and nor is the Issuer required to redeem the Notes except in accordance with and subject to the limited early redemption rights set out in the Conditions of the Notes or on the Final Redemption Date for the relevant Series of Notes. On the Redemption Date for the relevant Series of Notes, the Issuer will redeem the relevant Series of Notes. Due to the nature of the Series Portfolio to be acquired by the Issuer and the length of time which may be required to liquidate the Series Portfolio, the redemption of the relevant Series of Notes may not be capable of being redeemed before the relevant Redemption Date. Noteholders must be prepared to bear the economic risk of an investment in the Note until the Final Redemption Date for the relevant Series of Notes.

### **Illiquidity of investments; no assurance of investment return; loss of entire investment**

No assurance can be given as to the Issuer's ability to choose, make and realise investments. Dispositions of investments may require a lengthy time period. The Issuer may be exposed to investments that cannot be sold except pursuant to applicable securities laws. There can be no assurance that private purchasers can be found for such investments. There can be no assurance that investments to which the Issuer will be exposed will be able to generate returns for the Issuer or that the returns will be as forecasted for the risks of investing in the type of companies and transactions described herein. Accordingly, an investment in the Notes should only be considered by persons who can afford a loss of their entire investment and an investment in the Notes should not be considered a complete investment programme. The market value of the Issuer's investments may fluctuate with, among other things, changes in general economic conditions, the condition of financial markets, and developments or trends in any particular industry. During periods of limited liquidity and higher price volatility, the Issuer's ability to acquire or dispose of investments at a price and time that the Portfolio Manager deems advantageous may be impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is unable to acquire desired investments quickly; conversely, the Issuer's inability to dispose fully and promptly of investments in declining markets will cause the value of the Notes to decline as the value of unsold positions is marked to lower prices. The above circumstances could prevent the Issuer from liquidating unfavourable investments promptly and could subject the Issuer to substantial losses.

### **Limited recourse obligations and related risks**

The Notes will be direct, unsecured, limited recourse obligations of the Issuer payable solely out of the relevant Series Portfolio for the relevant Series of Notes. The Issuer will have no other assets or sources of revenue available for payment of any of its obligations under the Notes. The Notes are unsecured and structurally subordinate to the Issuer's expenses (including fees, costs, expenses and indemnities due to the Portfolio Manager, the Custodian, the Registered Advisor or any other agent of the Issuer), and thus the Noteholders may be exposed to greater risk of default and lower recoveries in the event of a default of any of such agents.

### **Liability for the Obligations of Other Series**

The Issuer will undertake not to incur any obligations with respect to any further Series of Notes (a "**Further Series**") unless the recourse of the Noteholders of the Further Series is limited to the proceeds of the Series Portfolio relating to such Further Series. Nevertheless, to the extent there are any creditors with respect to a Series of Notes issued by the Issuer whose recourse is not so limited, holders of the other Series of Notes issued by the Issuer may be exposed to actions taken by such creditors.

### **Relation to other investment results; limited operating history**

There can be no assurance that the investments to which the Issuer will be exposed will perform as well as the past investments of the Portfolio Manager or that the Issuer will be able to avoid losses. The Issuer has limited operating history. The successful investment of the assets of the Issuer will depend on many factors, including, without limitation, upon the skills of the Portfolio Manager.

## **Special Purpose Company**

The Issuer is a “*special purpose company*” and has been established for the purpose of issuing multiple Notes under the Programme. The Issuer has issued share capital only in the amount of EUR 1.00 (one euro). It is a designated activity company incorporated under the laws of Ireland. Should any unforeseen expenses or liabilities (which have not been provided for) arise, the Issuer may be unable to meet them, leading to an event of default under the Notes (an “**Event of Default**”).

## **No liquid secondary market**

Currently no liquid secondary market exists for the Notes. The Portfolio Manager is not under any obligation to make a market in the Notes and it is highly unlikely that any liquid secondary market for the Notes will develop. Although applications are to be made for the Notes to be listed and admitted to trading on the MARF, there is no assurance that such applications will be accepted, that any particular Notes issuance will be so admitted or that an active liquid trading market will develop. In the unlikely event that a liquid secondary market in the Notes does develop, there can be no assurance that it will provide the Noteholders with liquidity of investment or that it will continue for the life of the Notes. Accordingly, the purchase of the Notes is suitable only for the Noteholders if they can bear the risks associated with a lack of liquidity in the Notes and the financial and other risks associated with an investment in the Notes. The Noteholders must be prepared to hold the Notes until maturity.

## **Credit risk in respect of the agents**

The ability of the Issuer to meet its obligations under the Notes will be dependent upon the Paying Agent or its delegates making the relevant payments when due. Accordingly, the Noteholders are exposed, *inter alia*, to the creditworthiness of the Paying Agent and / or its delegates.

Prospective investors should note that the Noteholders will also be exposed to the credit risk of the Custodian in respect of the Series Portfolio in the form of securities or cash held by the Custodian, and, where applicable, the credit risk of any bank, broker, clearing house or financial intermediary that holds any such securities or cash for the account of the Custodian. Any default in its payment obligations by the Custodian, or any such bank, broker, clearing house or financial intermediary may have a material adverse effect on the amounts recoverable, which may, in turn, lead to a reduced recovery on the Notes.

Where the assets comprised in the Series Portfolio are held by a sub-custodian on behalf of the Custodian they will be held pursuant to separate agreements which may vary in relation to any particular Custodian and/or sub-custodian and which may not be governed by Irish law or English law and security interests (if any) in respect of the Series Portfolio may be created pursuant to separate agreements which may not be governed by Irish law or English law. Furthermore, interests in securities held by a Custodian or sub-custodian may take effect as contractual rights only. The Custodian will not necessarily be responsible for the acts, omissions, insolvency or dissolution of a sub-custodian. The insolvency or dissolution of the Custodian or the sub-custodian may affect the ability of the Issuer to meet its obligations under the Notes or to do so on a timely basis.

## **Payments**

Payments under any Series of Notes issued by the Issuer under the Programme will only be made after receipt by the Issuer of payments in respect of the assets comprising the Series Portfolio for such Series.

Therefore, there is a risk that a delay in receipt of such payments could lead to a delay in the scheduled payments by the Issuer on such Series of Notes or in the event of mandatory, early or optional redemption.

**Noteholders must rely on Euroclear and Clearstream, Luxembourg procedures**

The Notes may be represented on issue by a Global Registered Certificate that will be deposited with a common safekeeper or common depository for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in such Global Registered Certificate, investors will not be entitled to receive Notes in definitive form. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the ownership interests in the Global Registered Certificate.

While the Notes are represented by a Global Registered Certificate, investors will be able to trade their ownership interests only through Euroclear and Clearstream, Luxembourg and their respective participants.

While the Notes are represented by a Global Registered Certificate, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of an ownership interest in the Global Registered Certificate must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, ownership interests in the Global Registered Certificate.

Holders of ownership interests in the Global Registered Certificate will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

**Future sale of Notes on the MARF could negatively affect the Notes' market price**

Sales of a substantial number of Notes on the MARF after their admission to trading, or the perception that such sales might occur, could adversely affect the market price of the Notes and/or the Issuer's ability to raise capital in the future.

**The market price of the Notes may be volatile**

The market price of the Notes could be subject to significant fluctuations in response to actual or anticipated variations in the Issuer's operating results, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Notes or other debt securities, as well as other factors. In addition, in recent years the global financial markets have experienced significant price and volume fluctuations which, if repeated in the future, could adversely affect the market price of the Notes without regard to the Issuer's operating results, financial condition or prospects.

**Exchange rate risks and exchange controls may cause Noteholders to receive less interest or principal than expected, or no interest or principal**

The Issuer will pay principal and interest on the Notes in the currency specified in the Final Terms. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the currency in which the Notes are denominated. These include the risk that exchange rates may significantly change (including changes due to devaluation of the currency of the Notes or revaluation of the Investor's Currency) and the

risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the currency of the Notes would decrease (i) the Investor's Currency equivalent yield on the Notes, (ii) the Investor's Currency equivalent value of the principal payable on the Notes, and (iii) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal, as a result of any eventual measures impeding, limiting or imposing conditions on the Investor's Currency exchangeability or capital repatriation.

**Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time**

Ratings from rating agencies are a way to measure risk. In addition, including to the extent that any credit rating agencies assign credit ratings to the Notes, ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes. A rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

The risk of changes to the Issuer's or the Notes' (to the extent any is assigned) credit rating is that it can be revised upward or downward, suspended or even withdrawn by the rating agency. The downward revision, suspension or withdrawal of the credit rating by the rating agencies could alter the price of the Notes in the perception of the markets and hinder the Issuer's access to debt markets and impair its ability to obtain financing. Moreover, in the market investors demand higher returns on higher risk and should assess the likelihood of a downward variation in the credit rating of the Issuer or the Notes (to the extent any is assigned), which could lead to a loss of liquidity in the Notes purchased in the market and a loss in value.

**RISKS ASSOCIATED WITH THE PORTFOLIO MANAGER**

**Role of the Portfolio Manager**

The Issuer has no employees and is dependent on the employees of the Portfolio Manager to identify suitable investment opportunities in accordance with the terms of the Portfolio Management Agreement. Given the range of assets in which the Issuer may potentially invest, the success of the Issuer is expected to be significantly dependent on the financial and managerial expertise of the investment professionals of the Portfolio Manager. No assurance can however be given that the Portfolio Manager will be successful in identifying suitable investments or that, if such investments are made, the objectives of the Issuer will be achieved.

**Termination of appointment of Portfolio Manager**

Under the terms of the Portfolio Management Agreement, the Issuer and the Portfolio Manager are entitled to terminate the appointment of the Portfolio Manager by giving the applicable prior written notice to the other party. A decision by the Portfolio Manager to terminate its appointment may have adverse consequences for the Noteholders as there can be no assurances that the Issuer will be able to appoint a

suitable replacement portfolio manager. The termination of the appointment of the Portfolio Manager will be notified to the MARF through the publication of a regulatory announcement on the MARF's webpage.

### **Reliance on the Portfolio Manager and BlackRock Investment professionals**

The Issuer's investment activities will be directed by the Portfolio Manager. Noteholders have no right or power to make decisions with respect to the management, disposition or other realisation of any investment, or other decisions regarding the business and affairs of the Issuer. Consequently, the success of the Issuer will depend, in large part, on the skill and expertise of the Portfolio Manager, which in turn relies on the services of its personnel. There can be no assurance that the professional personnel of the Portfolio Manager will continue to serve in their current positions or continue to be employed by BlackRock. Although the personnel of the Portfolio Manager will devote such time as they determine in their discretion is necessary to carry out the operations of the Issuer effectively, they will not devote all of their professional time to the affairs of the Issuer. Noteholders must rely solely on the judgment of the Portfolio Manager in selecting investments and should not invest in the Notes unless willing to entrust all aspects of the portfolio management of the Issuer to the Portfolio Manager.

### **Potential Restrictions on the Portfolio Manager's activities on behalf of the Issuer**

From time to time, the Portfolio Manager may be restricted from purchasing or selling securities or taking other actions on behalf of the Issuer because of regulatory, legal or contractual requirements applicable to The BlackRock Inc. group of companies (the "**BlackRock Group**") and any of their affiliates ("**BlackRock Entities**"), other accounts managed and advised by BlackRock Entities for any clients worldwide, such as registered and unregistered funds and owners of separately managed accounts ("**Client Accounts**") and / or the internal policies of BlackRock, Inc. ("**BlackRock**") designed to comply with or limit the applicability of, or which otherwise relate to, such requirements. For example, the Issuer may be restricted from investing in the equity of an issuer where certain BlackRock Entities or certain other Client Accounts hold a position in the debt of that issuer. An investor not advised by BlackRock Entities may not be subject to the same considerations.

### **Highly competitive market for investment opportunities**

The activity of identifying, completing and realising the Issuer's investments is highly competitive and involves a high degree of uncertainty. The Issuer will be competing for exposure to investments with other energy, infrastructure and private investment funds, as well as individuals, financial institutions, strategic players and other investors, some of which may have greater resources than the Portfolio Manager. Moreover, over the past several years, an ever-increasing number of private equity, infrastructure and power funds have been formed (and many such existing funds have grown in size). Additional funds and separately managed accounts, including funds and accounts promoted by BlackRock Entities, with similar objectives may be formed in the future by other unrelated parties. In addition, the availability of investment opportunities generally will be subject to market conditions, as well as, in some cases, the prevailing regulatory or political climate. It is possible that competition for investments may increase, thus reducing the number of investments available to the Issuer and adversely affecting the terms upon which investments can be made. There can be no assurance that the Issuer will be able to locate, consummate and exit investments that satisfy its investment objectives, or that the Issuer will be able to fully invest its committed capital.

## **Foreign Account Tax Compliance Act and Potential Legislation**

Pursuant to U.S. withholding provisions commonly referred to as the Foreign Account Tax Compliance Act (“**FATCA**”), payments of U.S.-source fixed or determinable annual or periodic gains, profits and income (and potentially, based on future guidance, certain payments (or a portion thereof) made by a foreign financial institution to a foreign financial institution or other foreign entity) will be subject to a withholding tax of 30% (“**FATCA Withholding Tax**”), unless certain reporting and other applicable requirements are satisfied. Ireland has entered into a Model I Intergovernmental Agreement (“**IGA**”) with the United States regarding the implementation of FATCA by the Irish financial institutions.

Under the IGA, it is expected that the Issuer will be treated as a “*foreign financial institution*” and will be required to register with the IRS, obtain and verify information on all interest holders to determine which interest holders are “*Specified U.S. Persons*” (i.e., U.S. investors other than tax-exempt entities, publicly traded corporations and certain other persons) and, in certain cases, non-U.S. persons whose owners are Specified U.S. Persons, and annually report information on its interest holders that are non-compliant with FATCA, Specified U.S. Persons and U.S.-owned foreign entities to the Irish tax authorities or the IRS. As such, the Issuer will require the Noteholders to provide documentary evidence of their tax residence and / or the tax residence of their beneficial owners and all other information deemed necessary to comply with FATCA and the IGA.

Should the Issuer become subject to FATCA Withholding Tax, the value of the Notes held by the Noteholders may be materially affected.

The Issuer and / or the Noteholders may also be indirectly affected if a non-U.S. financial entity in which the Issuer invests does not comply with FATCA even if the Issuer satisfies its own FATCA obligations.

### ***Decisions made and actions taken by the Portfolio Manager may raise potential conflicts of interest***

#### **Activities of the Portfolio Manager and its affiliates may affect the value of the Series Portfolio**

The Portfolio Manager and its affiliates may from time to time engage in transactions involving the assets comprising the Series Portfolio for their proprietary accounts and for accounts under their management. Such transactions may have a positive or negative effect on the value of the Series Portfolio and consequently upon the value of the Notes. Furthermore, the Portfolio Manager and its affiliates may also issue other derivative instruments in respect of the Series Portfolio and the introduction of such competing products into the marketplace may affect the value of the Notes. The Portfolio Manager and its affiliates may also act as underwriter in connection with future offerings of the Series Portfolio. Such activities could present certain conflicts of interest and may affect the value of the Notes.

#### **Portfolio Manager decisions may benefit BlackRock Entities and BlackRock accounts**

The BlackRock Entities may derive ancillary benefits from certain decisions made by the Portfolio Manager. While the Portfolio Manager will make decisions for the Issuer in accordance with its obligations to manage the assets comprising the Series Portfolio appropriately, the fees, allocations, compensation and other benefits to the BlackRock Entities (including benefits relating to business relationships of the BlackRock Entities) arising from those decisions may be greater as a result of certain portfolio, investment, service provider or other decisions made by the Portfolio Manager than they would have been had other decisions been made which also might have been appropriate for the Issuer. For example, the Portfolio Manager may

make the decision to have a BlackRock Entity provide services to the Issuer instead of hiring an unaffiliated service provider; provided that such engagement is on reasonable commercial terms, as determined by the Portfolio Manager in its discretion.

### **Other management responsibilities; fee arrangements**

The representatives of the Portfolio Manager are not under any obligation to devote all of their professional time to the affairs of the Issuer, but will devote such time and attention to the affairs of the Issuer as the Portfolio Manager determines in its discretion is necessary to carry out the operations of the Issuer effectively. Representatives of the Portfolio Manager engage in other activities unrelated to the affairs of the Issuer, including managing or advising other accounts managed and advised by BlackRock Entities for any clients worldwide, such as registered and unregistered funds and owners of Client Accounts, which presents potential conflicts in allocating management time, services and functions among the Issuer and other Client Accounts since the time and effort of such persons will not be devoted exclusively to the business of the Issuer but will be allocated among the business of the Issuer and the management of the monies of other Client Accounts.

The existence of fees payable to the BlackRock Entities that are tied to a Client Account's performance may give rise to other conflicts of interest as well. For example, such fees may create an incentive for the BlackRock Entity managing such Client Account to make more speculative investments for such Client Account than it would otherwise make in the absence of such fees. Such fees with respect to a Client Account generally have not been established on the basis of any arm's length negotiation among the Client Account and the Portfolio Manager.

The Portfolio Manager, by way of a delegation of discretion to other BlackRock Entities, may utilise the personnel or services of its affiliates in a variety of ways to make available to the Issuer BlackRock's global capabilities. Although the Portfolio Manager believes this practice is generally in the best interests of its clients, it is possible that conflicts with respect to allocation of investment opportunities, portfolio execution, client servicing or other matters may arise due to differences in regulatory requirements in various jurisdictions, time differences or other reasons. The Portfolio Manager will seek to ameliorate any conflicts that arise and may determine not to utilise the personnel or services of a particular affiliate in circumstances where it believes the potential conflict outweighs the potential benefits.

### **Issues relating to the valuation of assets by the Portfolio Manager**

A significant portion of the securities and other assets which comprise the Series Portfolio may not have a readily ascertainable market value and, subject to applicable law, may be valued by the Portfolio Manager or another BlackRock Entity, in accordance with the Portfolio Manager's valuation policies.

The Portfolio Manager may face a conflict of interest in valuing the securities or assets in the Series Portfolio that lack a readily ascertainable market value as the value of the assets generally will affect the compensation of the Portfolio Manager and (if applicable) other BlackRock Entities (including any management and performance fees). The Portfolio Manager will value such securities and other assets in accordance with the Portfolio Manager's valuation policies; however, the manner in which the Portfolio Manager exercises its discretion with respect to valuation decisions will impact the valuation of securities and, as a result, may adversely affect certain investors in the Notes and, conversely, may positively affect the Portfolio Manager or other BlackRock Entities. In addition, various divisions and units within BlackRock and its affiliates are required to value assets, including in connection with managing or advising other Client

Accounts. These various divisions, units and affiliated entities may, but are under no obligation to, share information regarding valuation techniques and models or other information relevant to the valuation of a specific asset or category of assets. Regardless of whether or not the Portfolio Manager has access to such information, to the extent the Portfolio Manager values the Series Portfolio, the Portfolio Manager will value investments according to its valuation policies, and may value an identical asset differently than such other divisions, units or affiliated entities.

The Portfolio Manager may utilise third-party vendors to perform certain functions, including valuation services, and these vendors may have interests and incentives that differ from those of the Noteholders.

### **Potential restrictions on the Portfolio Manager's activities on behalf of the Issuer**

From time to time, the Portfolio Manager may be restricted from purchasing or selling securities or taking other actions on behalf of the Issuer because of regulatory and legal requirements applicable to BlackRock Entities, other Client Accounts and / or BlackRock's internal policies designed to comply with or limit the applicability of, or which otherwise relate to, such requirements. An investor not advised by BlackRock Entities may not be subject to the same considerations. There may be periods when the Portfolio Manager (on behalf of the Issuer) may not initiate or recommend certain types of transactions, may limit or delay purchases, may sell existing investments, forego transactions or other investment opportunities, restrict or limit the exercise of rights (including voting rights), or may otherwise restrict or limit their advice with respect to securities or instruments issued by or related to companies for which BlackRock Entities are performing advisory or other services. Such policies may restrict the Issuer's activities more than required by applicable regulations. For example, when BlackRock Entities are engaged to provide advisory or risk management services for a company, the Issuer may be prohibited from or limited in purchasing or selling securities of that company, particularly in cases where BlackRock Entities have or may obtain "*inside information*" about the company. Similar prohibitions or limitations could also arise if: (i) BlackRock Entity personnel serve as directors or officers of companies the securities of which BlackRock Entities wishes to purchase or sell or (ii) the Portfolio Manager on behalf of the Issuer participates in a transaction (including a controlled acquisition of a public company) that results in the requirement to restrict all purchases, sales and voting of equity securities of such target company. However, where permitted by applicable law, and where consistent with the BlackRock Entities' policies and procedures, the BlackRock Entities may, but are not obligated to, seek to avoid such prohibitions or limitations (such as through the implementation of appropriate information barriers), and in such cases, the Portfolio Manager on behalf of the Issuer may purchase or sell securities or instruments that are issued by such companies. In addition, certain activities and actions may also be considered to result in reputational risk or disadvantage for the management of the Issuer and / or for the Portfolio Manager and its affiliates, and the Portfolio Manager may decline or limit an investment opportunity or dispose of an existing investment as a result.

In addition, in regulated industries and in certain markets, and in certain futures and derivative transactions, there may be limits on the aggregate amount of investment by affiliated investors that may not be exceeded without a regulatory filing, the grant of a license or other regulatory or corporate consent. To the extent that the Portfolio Manager is subject to such limits, any such limits may prevent positions being acquired on the Issuer's behalf that might otherwise have been desirable or profitable.

### **Other services and activities of the BlackRock Entities**

The BlackRock Entities (including the Portfolio Manager) may provide financial, consulting and other services to, and receive compensation from, an entity which is the issuer of a security held on behalf of the

Issuer. In addition, the BlackRock Entities (including the Portfolio Manager) may purchase property (including securities) from, sell property (including securities) or lend funds to, or otherwise deal with, any entity which is the issuer of a security held on behalf of the Issuer. In addition, it is possible that BlackRock Entities may receive certain transaction fees from companies the securities of which BlackRock Entities wish to purchase or sell on behalf of the Issuer in connection with structuring, negotiating or entering into such investment transactions, as well as ongoing advisory or monitoring fees. The fees or other compensation received by the BlackRock Entities in connection with such activities may not be shared with the Issuer or any investor. Fees and expenses may also be earned by BlackRock Entities or their personnel if such personnel serve as directors or officers of companies the securities of which BlackRock Entities wish to purchase or sell. It is also likely that the Issuer will have multiple business relationships with and will invest in, engage in transactions with, make voting decisions with respect to, or obtain services from entities for which BlackRock Entities perform or seek to perform certain financial services.

The BlackRock Entities may derive ancillary benefits from providing investment advisory, distribution, transfer agency, administrative and other services to the Issuer, and providing such services to the Issuer may enhance the BlackRock Entities' relationships with various parties, facilitate additional business development, and enable the BlackRock Entities to obtain additional business and generate additional revenue.

#### **Potential restrictions and issues relating to information held by BlackRock**

The Portfolio Manager may not have access to information and personnel in other areas of BlackRock, including as a result of informational barriers constructed between different investment teams and groups within BlackRock. Therefore, the Portfolio Manager may not be able to manage the Series Portfolio with the benefit of information held by many other investment teams and groups within BlackRock. However, although it is under no obligation to do so, the Portfolio Manager may consult with personnel on other investment teams and in other groups within BlackRock, or with persons unaffiliated with BlackRock, and in certain circumstances, personnel of affiliates of the Portfolio Manager may receive information regarding the Portfolio Manager's proposed investment activities on behalf of the Issuer that is not generally available to the public. There will be no obligation on the part of such persons to make available for use by the Issuer any information or strategies known to them or developed in connection with their own client, proprietary or other activities. In addition, BlackRock will be under no obligation to make available any research or analysis prior to its public dissemination.

The Portfolio Manager makes decisions on behalf of the Issuer based on the Issuer's investment program. The Portfolio Manager from time to time may have access to certain fundamental analysis, research and proprietary technical models developed by BlackRock Entities and their personnel. There will be no obligation on the part of the BlackRock Entities to make available for use on behalf of the Issuer, or to effect transactions on behalf of the Issuer on the basis of, any such information, strategies, analyses or models known to them or developed in connection with their own proprietary or other activities. In certain cases, such personnel will be prohibited from disclosing or using such information for their own benefit or for the benefit of any other person, including the Issuer. In other cases, fundamental analyses, research and proprietary models developed internally may be used by various BlackRock Entities and their personnel on behalf of different Client Accounts, which could result in purchase or sale transactions in the same security at different times (and could potentially result in certain transactions being made by one portfolio manager on behalf of certain Client Accounts before similar transactions are made by a different portfolio manager on behalf of other Client Accounts), or could also result in different purchase and sale transactions being

made with respect to the same security. The Portfolio Manager may also effect transactions for the Issuer that differs from fundamental analysis, research or proprietary models issued by the BlackRock Entities or by such Portfolio Manager itself in various contexts. The foregoing transactions may negatively impact the Issuer through market movements or by decreasing the pool of available securities or liquidity, which effects can be more pronounced in thinly traded securities and less liquid markets.

The BlackRock Entities and different investment teams and groups within the Portfolio Manager have no obligation to seek information or to make available to or share with the Issuer any information, research, investment strategies, opportunities or ideas known to BlackRock Entity personnel or developed or used in connection with other clients or activities. The BlackRock Entities and different investment teams and groups within the Portfolio Manager may compete with the Issuer for appropriate investment opportunities on behalf of their other Client Accounts. The results of the investment activities of the Issuer may differ materially from the results achieved by BlackRock Entities for other Client Accounts. BlackRock Entities may give advice and take action with respect to other Client Accounts that may compete or conflict with the advice the Portfolio Manager may give to the Issuer, including with respect to their view of the operations or activities of the investment or portfolio company involved and the return of, the timing or nature of action relating to or the method of exiting, an investment of the Issuer.

The Portfolio Manager and its affiliates may acquire non-public information with respect to the Series Portfolio and neither the Portfolio Manager nor any of its affiliates undertakes to disclose any such information to any Noteholders. In addition, the Portfolio Manager or its affiliates may publish research reports with respect to the Series Portfolio. Such activities could present conflicts of interest and may affect the value of the Notes.

### **Insider Information**

The Portfolio Manager and its personnel may not trade on behalf of the Issuer or for their own benefit or recommend trading in financial instruments of a company while they are in possession of material, non-public or price sensitive information (“**Inside Information**”) concerning such company, or disclose such Inside Information to any person not entitled to receive it. The BlackRock Entities (including the Portfolio Manager) may have access to Inside Information. Accordingly, there may be certain cases where the Portfolio Manager may be restricted from effecting purchases and / or sales of financial instruments or entering into certain transactions or exercising certain rights under such transactions on behalf of the Issuer and / or other funds and / or accounts. There can be no assurance that it will not receive Inside Information and that such restrictions will not occur. At times, the Portfolio Manager, in an effort to avoid restriction for the Issuer or its other funds or accounts, may elect not to receive Inside Information, which may be relevant to the Series Portfolio, that other market participants are eligible to receive or have received and could affect decisions that would have otherwise been made.

### **Management fees**

In consideration for its services under the Portfolio Management Agreement, the Portfolio Manager will be entitled to receive management fees from the Issuer. Given that the management fees are calculated as a percentage of average invested capital, the fee potential, both current and future, inherent in a particular transaction could be an incentive for the Portfolio Manager to seek to enter into a particular transaction on behalf of the Issuer.

## **The Issuer's use of investment consultants and BlackRock's relationship with investment consultants**

The Portfolio Manager, on behalf of the Issuer, may work with pension or other institutional investment consultants (collectively, "**Investment Consultants**"). Investment Consultants provide a wide array of services to pension plans and other institutions, including assisting in the selection and monitoring of investment advisers such as the Portfolio Manager. From time to time, Investment Consultants who recommend the Portfolio Manager to, and provide oversight of an Portfolio Manager for, investors may also provide services to or purchase services from the BlackRock Entities. For example, the BlackRock Entities purchase certain index and performance-related databases and human resources-related information from Investment Consultants and their affiliates. The BlackRock Entities also utilise brokerage execution services of Investment Consultants or their affiliates, and BlackRock Entities personnel may attend conferences sponsored by Investment Consultants. Conversely, from time to time, the BlackRock Entities may be hired by Investment Consultants and their affiliates to provide investment management and/or risk management services, creating possible conflicts of interest.

### **Best execution**

When arranging investment transactions on behalf of the Issuer, the Portfolio Manager will seek to obtain the best net results for the Issuer, taking into account such factors as price, size of order, difficulty of execution and operational facilities of the firm involved and the firm's risk in positioning a block of securities. The Portfolio Manager may select brokers (including, without limitation, brokers who are affiliated with the BlackRock Group) that furnish the Portfolio Manager, directly or through third-party or correspondent relationships, with research or execution services which provide, in the Portfolio Manager's view, lawful and appropriate assistance to the Portfolio Manager in the investment decision-making or trade execution processes. Such research or execution services may include, without limitation and to the extent permitted by applicable law: research reports on companies; industries and securities; economic and financial information and analysis; and quantitative analytical software. Research or execution services obtained in this manner may be used in servicing not only the account from which commissions were used to pay for the services, but also other BlackRock Group client accounts. To the extent that the BlackRock Group uses its clients' commissions to obtain research or execution services, the BlackRock Group will not have to pay for those products and services itself. The BlackRock Group may receive research or execution services that are bundled with the trade execution, clearing and / or settlement services provided by a particular broker-dealer. To the extent that the BlackRock Group receives research or execution services on this basis, many of the same potential conflicts related to receipt of these services through third party arrangements exist. For example, the research effectively will be paid by client commissions that also will be used to pay for the execution, clearing and settlement services provided by the broker-dealer and will not be paid by the BlackRock Group. The BlackRock Group may endeavour, subject to best execution, to execute trades through brokers who, pursuant to such arrangements, provide research or execution services in order to ensure the continued receipt of research or execution services the BlackRock Group believes are useful in their investment decision-making or trade execution process. The BlackRock Group may pay, or be deemed to have paid, commission rates higher than it could have otherwise paid in order to obtain research or execution services if the BlackRock Group determines in good faith that the commission paid is reasonable in relation to the value of the research or execution services provided. The BlackRock Group believes that using commissions to obtain the research or execution services enhances its investment research and trading processes, thereby increasing the prospect for higher investment returns. All transactions undertaken on this basis will be subject to the fundamental rule of best execution and will

also be disclosed in the subsequent relevant semi-annual and annual reports of the Issuer. The benefits provided under these arrangements must be those which assist in the provision of investment services to the Issuer.

### **Prime Brokerage**

Where prime brokerage services are offered, it is intended that potential conflicts will be managed and mitigated in accordance with the Portfolio Manager's policies and procedures. These include monitoring counterparty exposure and, where considered appropriate, diversifying the same; using multiple counterparties where appropriate with broad market coverage, for liquidity, risk management, and best execution purposes; and, if deemed appropriate, curtailing an activity to mitigate the conflict of interest arising from such activity or terminating the activity.

### **Alteration to Arrangements**

The BlackRock Group may from time to time choose to alter or choose not to engage in the above described arrangements to varying degrees, without notice to the BlackRock Group clients, to the extent permitted by applicable law.

### **Directors of the Issuer**

Certain of the directors of the Issuer are or may in the future be connected with the BlackRock Group and its affiliates. For the avoidance of doubt, the directors shall not be liable to account to the Issuer in respect of such conflict for example as a result of receiving remuneration as directors, employees or representatives of the Portfolio Manager.

### **Related party transactions**

In addition, because of the widespread operations undertaken by the Portfolio Manager and its holding companies, subsidiaries and affiliates (each an **"Interested Party"**) conflicts of interest may arise. An Interested Party may acquire or dispose of any investment notwithstanding that the same or similar investments may be owned by or for the account of or otherwise connected with the Issuer. Furthermore, an Interested Party may acquire, hold or dispose of investments notwithstanding that such investments had been acquired or disposed of by or on behalf of the Issuer by virtue of a transaction effected on behalf of the Issuer in which the Interested Party was concerned provided that the acquisition by an Interested Party of such investments is effected on normal commercial terms negotiated on an arm's length basis and the investments held by the Issuer are acquired on the best terms reasonably obtainable having regard to the interests of the Issuer. An Interested Party may deal with the Issuer as principal or as agent, provided that any such dealings are in the best interests of the Noteholders and are carried out as if effected on normal commercial terms negotiated on an arm's length basis.

In the event that a conflict of interest does arise, the Portfolio Manager will endeavour, so far as it is reasonably able, to ensure that it is resolved fairly, in the best interests of the Noteholders and that investment opportunities are allocated on a fair and equitable basis.

## **Additional conflicts of interest in the context of delegation**

In addition to the conflicts described above, conflicts may arise between the interests of the Portfolio Manager and its permitted delegates in circumstances where: (i) the Portfolio Manager and the delegate are members of the same group or have any other contractual relationship, if the delegate controls the Portfolio Manager or has the ability to influence its actions (in such cases the likelihood of conflict is likely to increase the greater the extent of such control); (ii) the delegate and the Noteholders are members of the same group or have any other contractual relationship, if the Noteholders controls the delegate or have the ability to influence its actions (in such cases the likelihood of conflict is likely to increase the greater the extent of such control); (iii) there is a likelihood that the delegate makes a financial gain, or avoids a financial loss, at the expense of the Issuer or the Noteholders; (iv) there is a likelihood that the delegate has an interest in the outcome of a service or an activity provided to the Portfolio Manager or the Issuer; (v) there is a likelihood that the delegate has a financial or other incentive to favour the interest of another client over the interests of the Issuer or the Noteholders; (vi) there is a likelihood that a delegate receives or will receive from a person other than the Portfolio Manager an inducement in relation to the collective portfolio management activities provided to the Portfolio Manager and the Issuer in the form of monies, goods or services other than the standard commission or fee for that service.

The BlackRock Group has policies and procedures in place to monitor the conflicts of interest that may arise in the context of the Portfolio Manager's delegation of certain of its functions. To the extent any actual conflicts of interest are determined to have arisen, the BlackRock Group will effectively manage such conflicts to minimise any potential impact on the investment performance, and will also seek to prevent them from reoccurring. Certain activities may be required to be modified or terminated to minimise conflicts of interest which may be identified from time to time.

Any conflicts of interest that arise between the Issuer or the Noteholders, on the one hand, and other Client Accounts or BlackRock Entities, on the other hand (to the extent the Portfolio Manager has actual knowledge of such conflict), will be discussed and resolved on a case-by-case basis by business, legal and compliance officers of the Portfolio Manager and its affiliates, as applicable. Any such discussions will take into consideration the interests of the relevant parties, the circumstances giving rise to the conflict and applicable laws. The Noteholders should be aware that conflicts will not necessarily be resolved in favour of the interests of the Issuer or the Noteholders. There can be no assurance that any actual or potential conflicts of interest will not result in the Issuer receiving less favourable investment or other terms with respect to investments, transactions or services than if such conflicts of interest did not exist.

## **Potential impact on the Issuer**

It is difficult to predict the circumstances under which one or more of the foregoing conflicts could become material, but it is possible that such relationships could require BlackRock to refrain from making all or a portion of any investment or a disposition in order for BlackRock to comply with its fiduciary duties, or other applicable laws.

***The foregoing list of potential and actual conflicts of interest does not purport to be a complete enumeration of the conflicts attendant to an investment in the Notes. Additional conflicts may exist that are not presently known to the Portfolio Manager, BlackRock or their respective affiliates or are deemed immaterial. Prospective investors should read this entire section and consult with their independent advisors before deciding whether to invest in the Notes. In addition, as the investment***

***program of the Issuer develops and changes over time, an investment in the Notes may be subject to additional and different actual and potential conflicts of interest.***

## **OTHER RISKS AFFECTING THE VALUE OF SERIES PORTFOLIO AND THE NOTES**

### **Credit risks, interest rate and other general debt related risks**

Debt securities may be subject to credit and credit rating risks and certain other risks, including liquidity, market value, reinvestment, and interest rate risks. Credit risk may change over the life of an instrument and securities that are rated may be subject to downgrade, which generally results in a decline in their market value. If the Issuer's assumptions regarding the credit risk of an investment are incorrect, the Issuer may incur substantial losses or may not realise the expected gains. In addition, interest rates may change dramatically over the life of the Notes, which may also adversely affect the value of the Issuer's investments.

The Issuer intends to make loans to (and / or otherwise acquire the debt securities of) various entities. Entities to which an Issuer becomes thereby exposed may already have varying degrees of leverage, at fixed or floating interest rates, junior or senior to the obligations of such entities to the Issuer. As a result, any operating issues or other general business and economic problems may have a more pronounced effect on the profitability or survival of such entities, and their ability to generate adequate cash flow for debt service, as compared to other, less leveraged entities. Moreover, a rise in interest rates is more likely to render a highly leveraged entity unable to service its debt. If any such entity cannot generate adequate cash flow to meet all of its debt obligations, the Issuer may suffer a partial or total loss of capital invested in respect of that entity. In some cases, the Issuer may be required to make credit decisions based on incomplete information or information that is impossible or impracticable to verify.

### **Risk of investments without credit ratings**

Investments by the Issuer may or may not have a credit rating but the Portfolio Manager will undertake an internal credit score on every investment. These investments may have a greater than normal risk of future defaults, delinquencies, bankruptcies or fraud losses. There can be no assurance that the investments will perform, the entities to which the Issuer is exposed will pay as expected, or, if the investment defaults, that security in respect of the underlying assets will be able to be enforced and the relevant assets liquidated in a cost effective manner. In addition to the risks of default of the relevant entity, the Issuer will be subject to a variety of risks in connection with such investments, including risks arising from mismanagement or a decline in the value of collateral, contested enforcement proceedings, bankruptcy of the debtor, claims for lender liability, violations of usury laws and the imposition of common law or statutory restrictions on the Issuer's exercise of contractual remedies for defaults on such investments.

### **Limited recourse**

Most investments by the Issuer are likely to comprise limited recourse obligations, payable solely from collateral pledged to secure such assets. In such circumstances the Issuer would need to rely solely on distributions of the collateral pledged to secure the assets for the payment of principal, interest, and premium, if any, thereon. If such distributions were insufficient to make payments, no other assets would be available for the payment of the deficiency.

## **Laws relating to protection of creditors**

The Issuer's investments may be subject to laws enacted in various jurisdictions for the protection of creditors. In particular, debt investments may be subordinated to the secured, unsecured and general creditors. Laws affecting security, restructurings or insolvency may change. As an effect, target returns on investments may be lower than anticipated.

## **Early disposal**

Although the Issuer generally does not expect to make investments that will not be fully repaid prior to any exit date or the anticipated Final Redemption Date of the relevant Series of Notes, it is possible in certain limited circumstances that it could do so. In such circumstances the Issuer could have to dispose of investments at a disadvantageous time and / or on disadvantageous terms as a result of redemption of the relevant Series of Notes.

## **Liquidity**

Securities owned or acquired by the Issuer are not expected to be actively traded. Depending on market activity, volatility, applicable laws and other factors, the Issuer may not be able to promptly liquidate investments at an attractive price or at all. In addition, the Issuer may acquire investments which cannot be sold publicly, for legal or contractual reasons, absent registration or qualification under applicable securities laws (which may be prohibitively expensive or otherwise restricted or unavailable). The types of securities in which the Issuer may intend to invest are frequently illiquid and may remain so for an indefinite period of time. Liquidation of investments may be subject to delays and additional costs and may be possible only at substantial discounts.

## **Non-controlling investments**

The Issuer may not hold a controlling interest in its investments. In such instances, the Noteholders are likely to have limited ability to protect their position in such investments and the Issuer may have no rights to participate in any decisions concerning the relevant entity to which it is exposed (and / or the relevant project underlying such entity, if applicable) or may not be in a position to exercise certain rights associated with such investments. In particular, the Issuer may make co-investments with third parties through special purpose vehicles, joint ventures or other entities thereby acquiring non-controlling interests in certain entities. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third party partner or co-investor may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Issuer, or may be in a position to take (or block) action in a manner contrary to the Issuer's investment objectives. In addition, the Issuer may in certain circumstances be liable for the actions of its third party partners or co-investors.

## **Prepayments**

Certain investments in debt securities may be subject to prepayment. This is more likely to occur when the prevailing level of interest rates falls, thereby exposing the Issuer to the risk that prepayment proceeds will be reinvested at a lower interest rate than those borne by the prepaid obligations.

## **Lender liability**

In certain jurisdictions, a number of judicial decisions have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories, collectively termed “lender liability”. Generally, lender liability is founded on the premise that a lender has either violated a duty, whether implied or contractual, of good faith and fair dealing owed to a borrower or has assumed a degree of control over a borrower resulting in the creation of a fiduciary duty to the borrower or its other creditors or shareholders. The Issuer cannot assure the Noteholders that such claims will not arise or that the Issuer will not be subject to liability if a claim of this type arises.

## **Insolvency considerations with respect to underlying issuers and borrowers**

Assets comprising the Series Portfolio may be subject to various laws enacted for the protection of creditors in the jurisdictions of incorporation of obligors and, if different, the jurisdictions from which the obligors conduct their business and in which they hold their assets. These insolvency considerations will differ depending on the country in which each obligor or its assets is located and may differ depending on the status of the obligor.

## **Investments in small to medium sized entities involve significant risks**

The Issuer may, in pursuit of the investment objective, originate loans to and invest in privately and publicly held issuers that are categorised as small to medium sized entities. Investments in such small to medium sized entities involve a number of risks generally associated with other types of loans described herein. Additional risks associated with such small to medium sized entities include:

- (a) these companies may have limited financial resources and may be unable to meet their obligations, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of the Issuer realising any guarantees it may have obtained in connection with its investment;
- (b) they typically have shorter operating histories, narrower product lines, smaller market shares than larger businesses and may be less geographically diverse, which tend to render them more vulnerable to competitors’ actions and market conditions, as well as general economic downturns;
- (c) they typically depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the business of the entity;
- (d) there is generally little public information about these companies. These companies and their financial information are typically not subject to the rules that govern public companies, and the Portfolio Manager may be unable to uncover all material information about these companies, which may prevent it from making a fully informed investment decision and cause the Issuer to lose money on its investments;
- (e) they generally have less predictable operating results, and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position;
- (f) they may have difficulty accessing the capital markets to meet future capital needs; and

- (g) loans to these entities typically are evidenced by privately negotiated documentation not based on any particular industry standard (eg, Loan Market Association or Loan Syndications Trading Association).

### **Investments in senior loans involve certain risks**

Senior loans hold the most senior position in the capital structure of a business entity, are typically, but not necessarily, secured with specific collateral (including potentially a claim on the assets and / or stock of the borrower) that is senior to that held by unsecured creditors, subordinated debt holders and stockholders of the borrower. The senior loans that the Issuer will originate and in which it will invest will usually be rated below investment grade or may also be unrated. As a result, the risks associated with senior loans are similar to the risks of below investment grade instruments, although senior loans are typically senior and secured in contrast to other below investment grade instruments, which may be subordinated and / or unsecured. Nevertheless, if a borrower under a senior loan defaults, becomes insolvent or goes into bankruptcy, the Issuer may recover only a fraction of what is owed on the senior loan or nothing at all. Senior loans are subject to a number of risks, including credit risk and liquidity risk.

Although the senior loans in which the Issuer will invest may be secured by collateral, there can be no assurance that such collateral could be readily liquidated or that the liquidation of such collateral would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal. In the event of the bankruptcy or insolvency of a borrower, the Issuer could experience delays or limitations with respect to its ability to realise the benefits of the collateral securing a senior loan. Such collateral may be subject to complex, competing legal claims and any applicable legal or regulatory requirements which may restrict the giving of collateral or security by a borrower under a loan, such as, for example, thin capitalisation, over-indebtedness, financial assistance and corporate benefit requirements. In addition, investments in senior loans may be unperfected for a variety of reasons, including the failure to make required filings by lenders, and the Issuer may not have priority over other creditors. In the event of a decline in the value of the already pledged collateral, if the terms of a senior loan do not require the borrower to pledge additional collateral, the Issuer will be exposed to the risk that the value of the collateral will not at all times equal or exceed the amount of the borrower's obligations under the senior loans. Even if such loans do require the borrower to pledge additional collateral, there is no warranty the borrower will be able to pledge collateral of sufficient value or at all. To the extent that a senior loan is collateralised by stock in the borrower or its subsidiaries, such stock may lose some or all of its value in the event of the bankruptcy or insolvency of the borrower. Those senior loans that are under-collateralised involve a greater risk of loss. In the context of cross-border lending it is possible that the rights actually enjoyed by the Issuer, as lender, will be adversely affected by the interplay of the rules of the various applicable legal systems.

### **Lower Ratings**

The Issuer may invest in debt and securities which are or may become rated in the lower rating categories by the various credit rating agencies. Securities in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated and may be considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. A below-investment grade loan obligation or an interest in a below-investment grade loan may become a defaulted obligation for a variety of reasons. A defaulted obligation may become subject to either substantial workout negotiations or restructuring, which may entail, among other things, a substantial reduction in the interest rate, a substantial write-down of principal and a substantial change in the terms, conditions and covenants with respect to such defaulted obligation. In addition, such negotiations or restructuring may be quite extensive and protracted over time,

and therefore may result in substantial uncertainty with respect to the ultimate recovery on such defaulted obligation. The liquidity for defaulted obligations may be limited, and to the extent that defaulted obligations are sold, it is highly unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest thereon.

In addition, the secondary market on which such debt instruments are traded may be less liquid than the market for investment-grade securities, meaning such debt instruments are subject to greater liquidity risk than investment-grade securities, and it may be more difficult to hedge against the risks associated with such debt instruments. Such instruments involve major risk exposure to adverse conditions. Analysis of the creditworthiness of issuers of below investment-grade may be more complex than for issuers of higher-quality debt obligations. The success in achieving these investment strategies may therefore depend more heavily on credit analysis than investments in higher-quality and rated securities.

**The Issuer may be subject to losses on investments as a result of insolvency or clawback legislation and / or fraudulent conveyance findings by courts**

Various laws enacted for the protection of creditors and stakeholders may apply to certain investments that are debt obligations, although the existence and applicability of such laws will vary from jurisdiction to jurisdiction. For example, if a court were to find that a borrower did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an investment and the grant of any security interest or other lien securing such investment, and, after giving effect to such indebtedness, the borrower (i) was insolvent, (ii) was engaged in a business for which the assets remaining in such borrower constituted unreasonably small capital, or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court may invalidate such indebtedness and such security interest or other lien as a fraudulent conveyance, subordinate such indebtedness to existing or future creditors of the borrower or recover amounts previously paid by the borrower (including to the Issuer) in satisfaction of such indebtedness or proceeds of such security interest or other lien previously applied in satisfaction of such indebtedness. In addition, if a borrower or issuer in whose debt the Issuer has an investment becomes insolvent, any payment made on such investment may be subject to avoidance, cancellation and / or clawback as a “preference” if made within a certain period of time before insolvency.

In general, if payments on an investment are voidable, whether as fraudulent conveyances, extortionate transactions or preferences, such payments may be recaptured either from the initial recipient or from subsequent transferees of such payments. To the extent that any such payments are recaptured from the Issuer, the resulting loss will ultimately be borne by the Noteholders.

**Acquisition of loans through novation via transfer certificate, assignment and participation**

The Issuer may acquire loans directly, through novations by transfer certificate and assignments or indirectly through participations. A transferee or the purchaser of an assignment typically succeeds to all the rights and obligations of the selling institution and becomes a lender under the credit agreement with respect to the debt obligation; however, the rights of a purchaser of a loan can be more restricted than those of the assigning institution. In certain limited situations this may lead to a loss of voting rights on the loan, and the Issuer may not be able to unilaterally enforce all rights and remedies under the loan and with regard to any associated collateral. Participation typically results in a contractual relationship only with the institution offering the participation, not with the borrower. Sellers of participations typically include banks, broker-dealers, other financial institutions and lending institutions. In purchasing participations, the Issuer generally will have no right to enforce compliance by the borrower with the terms of the loan agreement against the

borrower, and the Issuer may not directly benefit from the collateral supporting the debt obligation in which it has purchased the participation. As a result, the Issuer will be exposed to the credit risk of both the borrower and the institution selling the participation. Further, in purchasing participations in lending syndicates, the Portfolio Manager, on the Issuer's behalf, will not be able to conduct the due diligence on the borrower or the quality of the loan with respect to which it is buying a participation that the Portfolio Manager would otherwise conduct if it were originating or investing directly in the loan, which may result in the Issuer being exposed to greater potential default risk with respect to the borrower or the loan than the Issuer expected when initially purchasing the participation. As a result, concentrations of participations from any one selling institution subject the Issuer to an additional degree of risk with respect to potential defaults by such selling institution.

#### **The Issuer may be subject to risks associated with owning unlisted debt**

Unlike publicly traded common stock which trades on national exchanges, there is no central place or exchange for loans or fixed-income instruments in respect thereof to trade. Loans and fixed-income instruments generally trade on an "over-the-counter" market, which may be anywhere in the world where the buyer and seller can settle on a price. Due to the lack of centralised information and trading, the valuation of such instruments may carry more risk than that of common stock. Uncertainties in the conditions of the financial market, unreliable reference data, lack of transparency and inconsistency of valuation models and processes may lead to inaccurate asset pricing. In addition, other market participants may value instruments differently than the Portfolio Manager. As a result, the Issuer may be subject to the risk that when such loan or fixed-income is sold in the market, the amount received by the Issuer is less than the value of such instruments carried on the Issuer's books.

#### **The Issuer will be exposed to the risks associated with subordinated debt**

The Portfolio Manager, on behalf of the Issuer may invest in certain lower grade instruments which are subordinated debt instruments that are generally acquired in private placements in connection with an equity security (ie, with attached warrants) or may be convertible into equity securities. Mezzanine instruments may be issued with or without registration rights. Mezzanine instruments are usually subordinated to other obligations of the issuer and may be unsecured.

#### **Revenues generated by entities to which the Issuer is exposed**

The Issuer may be exposed to entities and assets in the infrastructure sector that derive substantially all of their revenues from tolls, tariffs, or other usage fees. Users of the applicable service provided by any such entity may react negatively to any adjustments to the applicable rates, or public pressure may cause a government or agency to challenge such rates. In addition, adverse public opinion, or lobbying efforts by specific interest groups, could result in government pressure on any such entity to reduce its rates or to forego planned rate increases. Such risks could threaten an entity's ability to satisfy its obligations to the Issuer and could adversely affect the Issuer's investments relating to any such entities and assets.

The Issuer may be exposed to entities in the energy sector whose ability to generate income depends on their ability to enter into power purchase agreements ("PPAs"), as this is the medium through which the power generated from power projects is sold. Such entities may not be able to secure PPAs on favourable terms or at all.

In addition, although it is expected that projects to which the Issuer will be exposed will seek to reduce their exposure to fluctuations in market prices for output through the use of fixed price tariffs, the Issuer may invest in entities whose revenues are not fixed under fixed priced tariffs. In such event, revenues generated will depend on market prices for output, which depend on numerous factors outside the Portfolio Manager's or the underlying entities' control and are vulnerable to changes in economic conditions. There can be no assurance that market prices will be at levels that enable the projects to which the Issuer is exposed to operate profitably or as anticipated.

### **Construction activities may not be successful**

The construction of the proposed projects to which the Issuer may be exposed will involve numerous risks. Successful completion of a particular project may be adversely affected by numerous factors, including: (i) unforeseen engineering problems; (ii) construction delays and contractor performance shortfalls; (iii) work stoppages; (iv) cost over-runs; (v) equipment and materials supply; (vi) adverse weather conditions; and (vii) environmental and geological conditions.

If any of these events occur, the construction of a project may be delayed, the project may cost the applicable entity to which the Issuer may be exposed more to complete than originally anticipated, the project may not qualify for governmental supports, the project may miss completion milestones, which could materially and adversely affect the Issuer's performance.

### **Operational and technical risks**

Entities to which the Issuer may be exposed may be subject to operating and technical risks, including the risk of mechanical breakdown, spare parts shortages, failure to perform according to design specifications, labour strikes, labour disputes, work stoppages and other work interruptions, and other unanticipated events, which adversely affect operations. While the Portfolio Manager will seek investment exposure to projects in which creditworthy and appropriately bonded and insured third parties bear much of these risks, there can be no assurance that any or all such risk can be mitigated or that such parties, if present, will perform their obligations or that insurance will be available on commercially reasonable terms. An operating failure may lead to fines, expropriation, termination or loss of a licence, concession or contract on which an entity to which the Issuer is exposed, or an asset owned or controlled by such entity, depends. In addition, the long-term profitability of infrastructure assets is partly dependent upon the efficient operation and maintenance of the assets. Inefficient operations and maintenance, or limitations in the skills, experience or resources of operating companies may adversely impact the ability of an entity to which the Issuer is exposed to service its debt and therefore could have a material adverse effect on the Issuer.

### **Risks related to external counterparties**

The entities to which the Issuer is exposed will have counterparty credit and performance risk with a number of different parties under various contracts. If the contractual parties do not perform their obligations, such entities may have to enter into alternative arrangements that may result in increased overall costs to the applicable Issuer's investments.

Entities to which the Issuer may be exposed may have a narrow customer base. Should any of the customers or counterparties of such entity fail to pay their contractual obligations, or a government appropriate the underlying assets, significant revenues could cease and become irreplaceable. This would affect the profitability of the assets of such entity and the value of any securities or other instruments issued

in connection with such assets, which in turn could impair that entity's ability to service its debt, including any debt which is owed (directly or indirectly) to the Issuer. Such an event may have an indirect material adverse effect on the Issuer's performance.

Entities to which the Issuer will be exposed will enter into warranty and maintenance agreements with the manufacturers of equipment. Such warranties typically cover the non-performance of the equipment under certain conditions and will be subject to time limits, maximum payout clauses and other contractual restrictions. The payments under the warranties depend on the manufacturer's ability to satisfy its obligations, introducing both performance and credit risk related to the counterparty.

Entities to which the Issuer will be exposed may not be able to operate or manage the projects and may therefore be heavily dependent on the operator of assets. The operation and management of the projects is generally performed by an operations and maintenance ("**O&M**") and asset management contractor under contract with the relevant entity. The O&M of a project may be materially and adversely affected by the performance and creditworthiness of such contractors. There are a limited number of operators with the expertise necessary to successfully maintain and operate projects. The loss of an O&M contractor of a project could significantly impair the financial viability of a project, which could impair the relevant entity's ability to repay any debt owed to the Issuer. The applicable entity may be forced to either replace the O&M and / or asset management contractor or assume the O&M and / or asset management responsibilities itself at higher costs or with less effectiveness than anticipated.

### **Operational risk and catastrophic and force majeure events**

The assets to which the Issuer's investments relate may be subject to catastrophic events and other force majeure events, in the construction, technical and operational phases, such as fires, earthquakes, adverse weather conditions, changes in law, eminent domain, war, riots, terrorist attacks, epidemics or pandemics and similar risks, which may be uninsurable or insurable at rates that the Issuer deems uneconomic.

### **Regulatory risks**

Entities to which the Issuer will be exposed, or assets which they own or control, may be subject to statutory and regulatory requirements, including those imposed by zoning, environmental, safety, labour and other regulatory or political authorities. The adoption of new laws or regulations, or changes in the interpretation of existing laws or regulations, could have a material adverse effect on those entities (or assets, as applicable). In addition, failure to obtain, or a delay in obtaining, relevant permits or approvals could hinder construction or operation and could result in fines or additional costs for the entity. These factors may reduce returns to the Noteholders as they could impinge on the ability of entities to satisfy its obligations to the Issuer.

### **Sovereign risk**

Any concessions granted to any entity to which the Issuer is exposed – which is, or which owns or controls, an infrastructure asset – by a governmental agency will be subject to special risks, including the risk that a governmental entity will exercise sovereign rights and take actions contrary to the rights of the Issuer, under the relevant concession agreement. There can be no assurance that the governmental agency will not legislate, impose regulations or change applicable laws or act contrary to the law in a way that would materially and adversely affect the ability of such entity to service its debt owed to the Issuer.

## **Environmental regulation**

Environmental laws, regulations and regulatory initiatives play a significant role in the power industry and can have a substantial impact on investments in this industry. The Issuer may invest in projects that are subject to changing and increasingly stringent environmental and health and safety laws, regulations and permit requirements. There can be no guarantee that all costs and risks regarding compliance with such laws, regulations and permit requirements can be identified or mitigated.

## **Risk of litigation**

The Issuer operates in a legal and regulatory environment that exposes it to potentially significant litigation and regulatory risks. As a result, the Issuer is exposed to the risk that legal proceedings are brought against it. Regardless of whether such claims have merit, the outcome of legal proceedings is inherently uncertain and could result in financial loss. Defending legal proceedings can be expensive and time-consuming and there is no guarantee that all costs incurred will be recovered even if the Issuer is successful. Failure to manage these risks could have a negative impact on the Issuer's reputation, could have an adverse effect on the Issuer's results, financial conditions and prospects and may affect the Issuer's ability to fulfil all or part of its payment obligations under the Notes.

The Issuer may settle litigation or regulatory proceedings prior to a final judgment or determination of liability to avoid the cost, management efforts or negative business, regulatory or reputational consequences of continuing to contest liability, even when the Issuer believes that it has no liability or when the potential consequences of failing to prevail would be disproportionate to the costs of settlement. Furthermore, the Issuer may, for similar reasons, reimburse counterparties for their losses even in situations where the Issuer does not believe that it is legally compelled to do so.

Although the Issuer intends to carefully evaluate the expected impacts of all potential investments, there can be no assurance that the Issuer's projects will not be subject to such litigation.

## **The project insurance procured by the entities to which the issuer may be exposed may be inadequate**

The entities to which the Issuer will be exposed will be expected to maintain insurance consistent with industry standards to protect against certain construction and operating risks. Despite the insurance coverage expected to be procured by such entities, not all risks are insured or insurable, and disputes may develop over insured risks. If certain construction or operation risks occur, there can be no assurance that the proceeds of the applicable insurance policies will be adequate to cover potential lost revenues, increased expenses or the cost of repair or replacement, which in turn could materially and adversely affect the Issuer's investments. Further, there can be no assurance that such insurance coverage will be available or will continue to be available on commercially reasonable terms or at commercially reasonable rates.

## **Political and societal challenges**

Infrastructure projects will be subject to siting requirements. Proposals to site an infrastructure plant may be challenged based on alleged security concerns, disturbances to natural habitats for wildlife and adverse aesthetic impacts. Although the Portfolio Manager intends to carefully evaluate the expected environmental and sociological impact of all potential entities to which the Issuer may be exposed, there can be no assurance that such entities will not be subject to such claims. In addition, there is the possibility that

political and societal challenges could delay or prohibit the construction of a power project or impair its operations.

### **Expedited transactions**

Investment analyses and decisions by the Portfolio Manager may be undertaken on an expedited basis in order for the Issuer to take advantage of investment opportunities. In such cases, the information available to the Portfolio Manager at the time of an investment decision may be limited, and the Portfolio Manager may not have access to the detailed information necessary for a full evaluation of the investment opportunity. In addition, the Portfolio Manager may rely upon independent consultants in connection with its evaluation of proposed investments. There can be no assurance that these consultants will accurately evaluate such investments.

### **Risk of country, sector and issuer concentration**

At any time the investments of the Issuer may be highly concentrated in companies and assets located in a limited number of target jurisdictions. In addition, during the initial stages of the Issuer's investment strategy, the Issuer will be highly concentrated in a few investments and the unfavourable performance of such investments could have a disproportionately adverse effect on the performance of the Issuer. The Issuer may at certain times hold large positions in a relatively limited number of issuers or investments, including in a concentrated number of countries. The Issuer could be subject to significant losses if it holds a relatively large position in a single, country or issuer or a particular type of investment that declines in value, and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

### **Euro and Eurozone Risk**

It is intended that the majority if not all of the Issuer's investments will be denominated in Euro. The deterioration of the sovereign debt of several countries, together with the risk of contagion to other, more stable, countries, exacerbated the global economic crisis. There is a continued possibility that Eurozone countries could be subject to an increase in borrowing costs. This situation as well as the United Kingdom's departure from the European Union on 31 January 2020 have raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union. The departure or risk of departure from the Euro by one or more Eurozone countries could lead to the reintroduction of national currencies in one or more Eurozone countries or, in more extreme circumstances, the possible dissolution of the Euro entirely. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the Issuer's investments. Noteholders should carefully consider how any potential changes to the Eurozone and European Union may affect the value of the Notes.

### **Currency risk**

An investment in Notes denominated or payable in a currency other than the currency of the jurisdiction of a particular purchaser (the "**Purchaser's Currency**"), entails significant risks that are not associated with a similar investment in a security denominated and / or payable in the Purchaser's Currency. These risks include, but are not limited to:

- (i) the possibility of significant market changes in rates of exchange between the Purchaser's Currency and the currency in which the Notes are denominated and/or payable;

- (ii) the possibility of significant changes in rates of exchange between the Purchaser's Currency and the currency in which the Notes are denominated and / or payable resulting from the official redenomination or revaluation of the currency; and
- (iii) the possibility of the imposition or modification of foreign exchange controls by either the jurisdiction of the purchaser or foreign governments.

### **Single project risks**

Infrastructure assets can have a narrow customer base. Should any of the customers or counterparties fail to pay their contractual obligations, or a government appropriate the underlying assets, significant revenues could cease and become irreplaceable. This would affect the profitability of those infrastructure assets and the value of any securities or other instruments issued in connection with such assets, which in turn could impair the ability of an entity to which the Issuer is exposed to service its debt, including any debt which is owed (directly or indirectly) to the Issuer. Infrastructure projects are generally heavily dependent on the operator of the assets. There are a limited number of operators with the expertise necessary to successfully maintain and operate infrastructure projects. The loss of an operator of an infrastructure project could significantly impair the financial viability of an infrastructure project, which could impair the ability of an entity to which the Issuer is exposed to repay any debt owed to the Issuer.

### **Development risks**

Undeveloped land will not produce income until the development is completed and the project is operational. Accordingly, any investments in loans to entities involved with 'greenfield' assets will be subject, indirectly, to the risks normally associated with such assets and development activities. Such risks include risks relating to the availability, expense and timely receipt of zoning, permitting and other regulatory approvals, the cost and timely completion of construction (including risks beyond the control of the Issuer, such as weather, labour conditions, material shortages and cost overruns) and the availability of both construction and permanent and / or bridge financing on favourable terms. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have an adverse effect on the Issuer's investments if the ability of an entity to which the Issuer is exposed to service its loans were affected by any of the foregoing. If cost overruns arising from project developments are significant, the cost overruns may reduce the investment returns from those projects.

### **Third-party involvement**

The Issuer may be exposed to entities which co-invest with third parties through partnerships, joint ventures or other structures. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third-party coventurer or partner may at any time have economic or business interests or goals that are inconsistent with those of the Issuer, might become bankrupt, or may be in a position to take action contrary to the investment objectives of the Issuer.

### **Follow-on investments**

The Issuer may be exposed to entities which are called upon to make follow-on investments to increase their investments in certain companies or to otherwise make investments that preserve, protect or enhance the value of an existing investment in a company. There can be no assurance that such entities will make

follow-on investments or that such entities will have sufficient funds to do so. Any decision not to make a follow-on investment or the inability to make such an investment could potentially have a substantial negative impact on the Issuer's performance. Moreover, to the extent that such an entity does not make a follow-on investment, such investment may seek capital from other investors. Any such arrangements with other investors could rank senior to, and/or cause the dilution of, the investment to which the Issuer is exposed.

### **Valuation risk**

The Issuer will be exposed to securities and other assets that will not have readily assessable market values. In such instances, the Portfolio Manager will determine the fair value of such securities and assets in its reasonable judgment based on various factors and may rely on internal pricing models. Such valuations may vary from similar valuations performed by independent third parties for similar types of securities or assets. The valuation of illiquid securities and other assets is inherently subjective and subject to increased risk that the information utilised to value such assets or to create the price models may be inaccurate or subject to other error. The value of the Issuer's investments may also be affected by changes in accounting standards, policies or practices. Due to a wide variety of market factors and the nature of certain securities and assets to which the Issuer will be exposed, there is no guarantee that the value determined by the Portfolio Manager will represent the value that will be realised on the eventual disposition of the Issuer's investments or that would, in fact, be realised upon an immediate disposition of such investment. Accordingly, Noteholders should be aware that the calculation of the value of the Notes may be dependent upon subjective consideration of a number of factors and that there is no guarantee this can always be accurate. Given the uncertainty inherent in the valuation of assets that lack a readily ascertainable market value, the value of such assets as reflected in the Issuer's valuation may differ materially from the prices at which the Issuer would be able to liquidate such assets. The value of assets that lack a readily ascertainable market value may be subject to adjustment based on valuation information available to the Portfolio Manager at that time including, for example, as a result of year-end audits. Volatile market conditions could also cause reduced liquidity in the market for certain assets, which could result in liquidation values that are materially less than the values of such assets as reflected in the valuation of the Issuer. As the Issuer may invest in assets that lack a readily ascertainable market value, or assets held by the Issuer may not have readily ascertainable market value in the future, the Issuer's valuation will be affected by the valuations of any such assets. If the Portfolio Manager or any other party, is involved in the valuation of the Issuer's assets, including assets that lack a readily ascertainable market value, the Portfolio Manager or such other party may face a conflict of interest in valuing such assets, as their value may affect the compensation owed to the Portfolio Manager or such other party.

### **Legal, tax and regulatory risks**

Legal, tax and regulatory changes could occur and may adversely affect the Issuer. For example, the regulatory environment for debt instruments is evolving, and changes in the direct or indirect regulation of debt instruments may adversely affect the ability of the Issuer to pursue its trading strategies. The Issuer may be required, pursuant to applicable law or regulation, to report certain specified details in connection with the Notes to relevant regulatory or tax authorities. In addition, any intermediaries through which the Issuer may invest may be constituted in any legal form, including as corporate entities, trusts or limited partnerships, which may have material legal or tax consequences for the Noteholders.

Tax legislation, the tax status of the Issuer, the taxation of the Noteholders and any tax relief, and the consequences of such tax status and tax relief, may change from time to time. Any change in the taxation legislation in any jurisdiction where the Issuer, marketed or invested could affect the tax status of the Issuer, affect the value of the Issuer's investments in the affected jurisdiction, affect the Issuer's ability to achieve its investment objective and / or alter the post-tax returns to the Noteholders. The Issuer may be subject to withholding or other taxes on income and / or gains arising from its investments, including without limitation taxes imposed by the jurisdiction in which the issuer of securities held by the Issuer is incorporated, established or resident for tax purposes. Where the Issuer invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be withheld or imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Issuer may not be able to recover such tax and so any such change would have an adverse effect on the value of the Notes. The availability and value of any tax relief available to the Noteholders depends on the individual circumstances of the Noteholders.

Noteholders are urged to consult their tax advisors with respect to their particular tax situation and the tax effects of an investment in the Issuer. Where the Issuer chooses or is required to pay taxation liabilities and / or account for reserves in respect of taxes that are or may be payable in respect of current or prior periods (whether in accordance with current or future accounting standards), this could have an adverse effect on the Notes. This could cause benefits or detriments to the Noteholders, depending on the timing of their entry to and exit from the Issuer. Where the Issuer invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, the Portfolio Manager and the Issuer shall not be liable to account to the Noteholders for any payment made or suffered by the Issuer in good faith to a fiscal authority for taxes or other charges of the Issuer notwithstanding that it is later found that such payments need not or ought not have been made or suffered. Conversely, where through fundamental uncertainty as to the tax liability, adherence to best or common market practice (to the extent that there is an established best practice) that is subsequently challenged, or the lack of a developed mechanism for practical and timely payment of taxes, the Issuer pays taxes relating to previous years, any related interest or late filing penalties will likewise be chargeable to the Issuer. Such late paid taxes will normally be debited to the Issuer at the point the decision to accrue the liability in the accounts of the Issuer is made.

### **Tax treatment**

Potential investors in the Notes should be aware that the tax implications of investing in the Notes may change due to any future amendments to tax legislation. Taxation of the Noteholders will inter alia depend on their tax status and applicable tax laws of the country or countries in which they are resident. For example, it cannot be excluded that in certain jurisdictions the tax authorities may apply a look-through approach and take into account the earnings of the Issuer for the purpose of taxation of the Noteholders. Depending on the relevant Noteholder's jurisdiction, if the Notes are treated as equity from a local tax perspective, repayment of capital and amortisations of the Notes may be reclassified as (taxable) dividend distributions unless tax returns are filed in a timely manner. Furthermore, in certain jurisdictions the use of losses from the Notes may be restricted.

### **Credit Risk Assessment of the Issuer and / or the Notes and Regulatory Treatment**

There can be no assurance that a credit risk assessment of the Issuer and / or the Notes carried out by a Noteholder provides for a true and correct view of the Issuer's financial situation and the default risk of the Notes. Furthermore, the credit risk of the Issuer and the Notes may change during the term of the Notes.

If the credit risk increases, this may have an impact on the eligibility of an investment in the Notes by certain types of Noteholders which are subject to certain regulatory and / or internal investment restrictions. An increase of the credit risk may therefore have the effect that such investors may need to sell the Notes to avoid a breach of applicable investment restrictions.

### **Impact of disease epidemics**

Certain illnesses spread rapidly and have the potential to significantly adversely affect the global economy. For instance, the novel coronavirus, COVID-19, first detected in December 2019, resulted in closing borders, enhanced health screenings, healthcare service preparation and delivery, quarantines (including “stay-at-home” and similar orders), cancellations, disruptions to supply chains and customer activity and market volatility, as well as general concern and uncertainty. The still ongoing outbreak of COVID-19 and the subsequent emergence of further variants of the virus has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive numbers of infections, hospitalizations and deaths. As a result, COVID-19 significantly diminished global economic production and activity of all kinds and contributed to both volatility and a severe decline in all financial markets from which recovery is incomplete and the effects long-lasting. Among other things, these unprecedented developments resulted in material reductions in demand across most categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labour force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, steep increases in unemployment levels in many countries, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment. Disruptions in the capital markets caused by the COVID-19 pandemic increased the spread between the yields realized on risk-free and higher risk securities, resulting in illiquidity in parts of the capital markets.

The impact of COVID-19, and other epidemics and pandemics that may arise in the future, could affect the economies of many nations, the operations, financial condition and performance of any particular industry or individual company and the market, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity, in general in ways that cannot necessarily be foreseen at the present time, all of which may result in significant losses to the Notes. In addition, the impact of infectious diseases in developing or emerging market countries may be greater due to less established health care systems. Health crises caused by the recent coronavirus outbreak may exacerbate other pre-existing political, social and economic risks in certain countries. The extent of COVID-19’s long-term impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the continuance of restrictive countermeasures being undertaken, as well as the effectiveness of and consequences flowing from governmental, legislative and financial and monetary policy interventions designed to mitigate the crisis and address its negative externalities, all of which continue to evolve and may have unpredictable results and unequal effects across different economies and industries. Even as vaccination programs are implemented and have allowed many economies to “re-open,” it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behaviour. The impact of the initial and subsequent COVID-19 outbreaks is likely to last for an extended period of time, and could have an adverse impact on the Notes, the Issuer’s ability to achieve its investment objectives and the Issuer’s investments, and could result in significant losses to the Notes.

## **IRISH LEGAL AND TAX RISKS**

### **Not a bank deposit**

An investment in the Notes does not have the status of a bank deposit in Ireland and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland (the “**Central Bank**”).

### **No license required or authorisation of the Issuer by any regulatory authority**

The Issuer is not required to be licensed or authorised under any current securities, commodities, insurance or banking laws of its jurisdiction of incorporation. In particular, the Issuer is not licensed or authorised by the Central Bank by virtue of the issue of the Notes.

### **Taxation position of the Issuer**

The Issuer expects that it will be a “*qualifying company*” for the purposes of Section 110 of the Taxes Consolidation Act 1997 (as amended) of Ireland (“**Section 110**”). Notwithstanding anything to the contrary herein, the Issuer shall only invest in ‘*qualifying assets*’ within the meaning of Section 110. As a result, it is anticipated that the Issuer should be subject to Irish corporation tax only on its profit calculated under generally accepted accounting practice, after deducting all of its revenue expenses (including interest payable to the Noteholder in respect of the Notes). If, for any reason, the Issuer is not or ceases to be such a “*qualifying company*” for the purposes of Section 110 or any of its expenses are not deductible for tax purposes, the Issuer could be obliged to account for Irish tax in respect of profits for Irish tax purposes, which are in excess of profit calculated under generally accepted accounting practice. This could result in material tax being payable in Ireland which has not been contemplated in the cash flows in respect of the Notes issued to the Noteholders. In such circumstances, the Irish tax treatment of both the Issuer and payments by Issuer in respect of the Notes could be adversely affected. In turn, this may have a material adverse effect on the amounts available for payment to the Noteholders.

**Investors’ attention is also drawn to the Taxation section of this Programme Memorandum.**

**The tax consequences for each investor in the Notes can be different and therefore investors are advised to consult with their tax advisers as to the tax treatment that would apply to any investment in the Notes.**

### **AIFMD**

Although there is an exemption in the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) and the Commission Delegated Regulation (EU) No 231/2013 (“**AIFMD**”) as transposed into Irish law under the European Union (Alternative Investment Fund Managers) Regulations 2013 for “*securitisation special purpose entities*” (the “**SSPE Exemption**”), the European Securities and Markets Authority (“**ESMA**”) has not yet given any formal guidance on the application of the SSPE Exemption or whether a vehicle, such as the Issuer, would fall within it, so there can be no certainty as to whether the Issuer would benefit from the SSPE Exemption. However, the Central Bank of Ireland has issued guidance in the form of the AIFMD Questions and Answers 49<sup>th</sup> Edition ID 1065 as published by the Central Bank of Ireland (the “**AIFMD Q&A**”) stating that entities which are either: (i) registered financial vehicle corporations within the meaning of Article 1(2) of the FVC Regulation (Regulation (EC) No 24/2009 of the European Central Bank); or (ii) financial vehicles engaged solely in activities where economic participation is by way

of debt or other corresponding instruments which do not provide ownership rights in the financial vehicle as are provided by the sale of units or shares, are advised that they do not need to seek authorisation as, or appoint, an Alternative Investment Fund Manager, unless the Central Bank of Ireland issues a Q&A replacing the AIFMD Q&A advising them to do so.

## **Examinership**

Examinership is a court procedure available under Irish company law to facilitate the survival of Irish companies in financial difficulties.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, the examiner may sell assets, the subject of a fixed charge. However, if such power is exercised the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the sale.

During the period of protection, the examiner will formulate proposals for a compromise or scheme of arrangement to assist the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when it is satisfied that:

- (1) a majority in number of creditors whose interests or claims would be impaired by implementation of the proposals, representing a majority in value of the claims that would be impaired by implementation of the proposals, have accepted the proposals; or
- (2)
  - (i) a majority of the voting classes of creditors whose interests or claims would be impaired by the scheme of arrangement have accepted them, provided that at least one of those creditor classes is a class of secured creditors or is senior to the class of ordinary unsecured creditors (for example, creditors whose claims are afforded preferential status pursuant to statute); or
  - (ii) where the condition prescribed in (i) above has not been satisfied, at least one voting class of creditors whose interests or claims would be impaired by the scheme of arrangement and who would be an "in the money creditor" in a liquidation has voted in favour of the scheme of arrangement.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. The primary risks to the Noteholders if an examiner were appointed to the Issuer are as follows:

- the potential for a compromise or scheme of arrangement being approved involving the writing down or rescheduling of the debt due by the Issuer to the Noteholders; and

- in the event that a scheme of arrangement is not approved and the Issuer subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Issuer and approved by the Irish High Court) will take priority over the monies and liabilities which from time to time are or may become due, owing or payable by the Issuer under the Notes.

### **Centre of Main Interests**

Article 3(1) of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on Insolvency Proceedings (recast) (the "**EU Insolvency Regulation**") is in force in Ireland since 26 June 2017 and applies to "*insolvency proceedings*" opened after 26 June 2017. Article 3(1) of the EU Insolvency Regulation provides that the centre of main interests ("**COMI**") shall be "*the place where the debtor conducts the administration of its interests on a regular basis and which is ascertainable by third parties*" and in the case of a company, such as the Issuer, the place of the registered office shall be presumed to be the COMI in the absence of proof to the contrary and provided that the registered office has not been moved from another Member State within the three month period prior to the request for the opening of "*insolvency proceedings*".

In the decision by the Court of Justice of the European Union ("**CJEU**") in relation to Eurofood IFSC Limited, the CJEU restated the presumption in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings, that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "*factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect*". This is consistent with Recital 30 to the EU Insolvency Regulation.

Recital 28 to the EU Insolvency Regulation further indicates that in assessing whether a company's centre of main interests is ascertainable to third parties for these purposes, "*special consideration should be given to the creditors and to their perception as to where a debtor conducts the administration of its interests*". As the Issuer has its registered office in Ireland, has not moved its registered office from another Member State to Ireland within the three month period prior to the request for the opening of "*insolvency proceedings*", has an Irish corporate services provider, has Irish resident directors and is registered for tax in Ireland, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer's COMI is not located in Ireland, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

### **Anti-Tax Avoidance Directive and Anti-Tax Avoidance Directive 2**

As part of its anti-tax avoidance package, and to provide a framework for a harmonised implementation of the BEPS conclusions across the EU, the EU Council adopted Council Directive (EU) 2016/1164 (the "**Anti-Tax Avoidance Directive**") on 12 July 2016.

The EU Council adopted Council Directive (EU) 2017/952 (the "**Anti-Tax Avoidance Directive 2**") on 29 May 2017, amending the Anti-Tax Avoidance Directive, to provide for minimum standards for counteracting hybrid mismatches involving Member States and third countries.

EU member states were required to implement the Anti-Tax Avoidance Directive by 31 December 2018 (subject to derogations for EU member states which have equivalent measures in their domestic law) and were required to implement the Anti-Tax Avoidance Directive 2 by 31 December 2019 (except for measures relating to reverse hybrid mismatches, which had to be implemented by 31 December 2021 to apply as of 1 January 2022).

There are two measures of particular relevance.

First, the Anti-Tax Avoidance Directive provides for an “*interest limitation rule*” similar to the recommendation contained in BEPS Action 4 which restricts the deductible interest of an entity. Ireland has implemented the interest limitation rule to apply to companies with respect to their accounting periods commencing on or after 1 January 2022. The interest limitation rule provides that where an entity has exceeding borrowing costs of more than EUR 3,000,000, its exceeding borrowing costs in excess of 30% of its earnings before interest, tax, depreciation and amortisation will not be deductible in the year in which they are incurred but would remain available for carry forward, subject to certain conditions. For these purposes, “exceeding borrowing costs” mean the amount by which an entity’s borrowing costs exceed “interest revenues and other equivalent taxable revenues”. Accordingly, the Issuer will generally have no exceeding borrowing costs to the extent that it funds interest payments it makes under the Notes from interest payments to which it is entitled under the loans and debt securities that it holds and the restriction may be of limited relevance to the Issuer in those circumstances. If the Issuer does have exceeding borrowing costs, the interest limitation rule may nonetheless permit the Issuer to deduct exceeding borrowing costs in an amount in excess of 30 per cent. (and potentially up to 100 per cent.) of its earnings before interest, tax, depreciation and amortisation, if certain conditions are satisfied.

Secondly, the Anti-Tax Avoidance Directive (as amended by the Anti-Tax Avoidance Directive 2) provides for hybrid mismatch rules. These rules are designed to neutralise arrangements where amounts are deductible from the income of one entity but are not taxable for another, or the same amounts are deductible for two entities. Ireland has already implemented the anti-hybrid rules provided for in the Anti-Tax Avoidance Directive 2. These rules could potentially apply to the Issuer where: (i) the interest that it pays under the Notes, and claims deductions from its taxable income for, is not brought into account as taxable income by the relevant Noteholder, either because of the characterisation of the Notes, or the payments made under them, or because of the nature of the Noteholder itself; and (ii) the mismatch arises between associated enterprises, between the Issuer and an associated enterprise or under a structured arrangement.

Associated for these purposes includes direct and indirect participation in terms of voting rights or capital ownership of 25 per cent. or more or an entitlement to receive 25 per cent. or more (50 per cent. in certain circumstances) of the profits of that entity as well as entities that are part of the same consolidated group for financial accounting purposes or enterprises that have a significant influence in the management of the taxpayer. In this context, ‘significant influence’ means an ability to participate, on the board of directors or other equivalent governing body of the Issuer, in the financial and operating policy decisions of the Issuer, including where that power does not extend to control or joint control of the Issuer.

### **EU Proposal for Anti-Tax Avoidance Directive III**

On 22 December 2021, the European Commission published a proposal for a Council Directive to prevent the misuse of shell entities for tax purposes. The ATAD III proposals were aimed at legal entities which have limited substance and economic activity in their jurisdictions of residence. Where the rules apply, the proposal was that such entities should be denied the benefit of double taxation agreements entered into

between Member States as well as certain EU tax directives, including the Parent Subsidiary Directive and Interest and Royalty Directive.

On January 11, 2023, the European Parliament Committee on Economic and Monetary Affairs published a number of amendments to the proposal. The amended proposal was then approved by the European Parliament on January 17, 2023. The proposal contained exemptions for certain entities including 'securitisation special purpose entity' and entities which have a transferable security admitted to trading or listed on a regulated market or multilateral trading facility.

The EU Council approved an ECOFIN report 9960/25 of 18 June 2025 which confirmed that the proposal for ATAD III will be abandoned. The EU Commission's 2026 Work Programme, which was released on 21 October 2025, confirmed that the EU Commission intends to withdraw the ATAD III proposal within six months of the date of the Work Programme. On 19 November 2025, the EU Commission confirmed in its Report to the European Parliament and the Council on the evaluation of Council Directive 2011/16/EU on administrative cooperation in the field of taxation (the tax reporting framework known as DAC6) that it will explore the feasibility of integrating the principles and concepts extensively examined by the EU Council under the former ATAD III proposal into a simplified DAC6 framework.

This may result in tax reporting of entities which do not satisfy certain minimum substance requirements. Individual tax authorities continue to update their approaches to minimum substance requirements before a taxpayer is entitled to relief and those changes (and any further legislative developments in this area) may affect the returns on the Notes.

It is not possible at this time to provide definitive guidance on the impact of the proposal on the Issuer's Irish tax position.

### **Ireland's GloBE Rules**

Ireland has implemented EU Directive 2022/2523 which introduces a minimum effective tax rate of 15% for MNEs or large scale domestic groups (or in some cases, single entities), with revenues of at least EUR 750 million ("**GloBE Rules**"). If the Issuer is regarded as part an "MNE Group" (or large-scale domestic group) which has revenues of more than EUR 750 million (or has, itself, annual revenue of more than EUR 750 million) in at least two out of the previous four years, it may be within the scope of the GloBE Rules. Broadly, the Issuer will be part of an MNE Group (or a large scale domestic group) for these purposes if it is consolidated with other entities under specified financial accounting standards (or would be but for certain exceptions) or has one or more permanent establishments. If the Issuer is part of an MNE Group (or has, itself, annual revenue of more than EUR 750 million), it could potentially become subject to a 'top-up' tax to the extent that its effective tax rate (as calculated for the purposes of the GloBE Rules) is lower than 15%.

Technical guidance on implementation of the GloBE Rules has continued to be issued from the OECD. This has taken the form of a commentary on the rules. Discussions also remain ongoing on various open issues related to implementation, including ensuring coordination and consistency in the application of the rules

across jurisdictions, as well as providing further administrative guidance. It is possible that further changes to the GloBE Rules, EU Directive 2022/2523 and the related Irish legislation may be made in the future.

### **Irish Value Added Tax Treatment of Management Fees Paid to the Portfolio Manager**

Under current Irish domestic law, the management fees payable by the Issuer to the Portfolio Manager in consideration for the Portfolio Manager's services under the Portfolio Management Agreement should be exempt from VAT. This is on the basis that they should be treated as consideration paid for management services provided to a "qualifying company" as defined in Section 110.

This exemption is based upon Article 135(1)(g) of Council Directive 2006/112/EC on the Common System of Value Added Tax, which provides that Member States shall exempt from VAT the management of "*special investment funds*" as defined by Member States.

On 9 December 2015, the Court of Justice of the European Union handed down its judgment in the case of *Staatssecretaris van Financiën v Fiscale Eenheid X NV* cs Case C-595/13 which concerned whether a Dutch fund investing in real estate could qualify as a "*special investment fund*". Earlier case law had held that all UCITS automatically qualify as "*special investment funds*", but it is not clear to what extent other investment funds can. The Court decided that funds such as those under consideration that are not UCITS could only qualify as "*special investment funds*" if they are "*subject to specific State supervision*" because only "*investment funds that are subject to specific State supervision can be subject to the same conditions of competition and appeal to the same circle of investors*" as UCITS. The Dutch tax authorities have applied this judgment in practice to deny a VAT exemption in the Netherlands to companies which carry on similar business to the Issuer.

The European Commission's Directorate-General Taxation and Customs Union has since asked the European Union's VAT Committee (an advisory body comprising representatives from tax authorities of all of the Member States and chaired by a representative from the European Commission) to shed light on the types of AIFs that can also qualify as "*special investment funds*". A large majority of the VAT Committee concluded that an AIF cannot qualify as a "*special investment fund*" if it cannot be seen to target the same circle of investors as UCITS either because of the characteristics of its investment portfolio or because of the conditions under which investors are permitted to participate in the fund.

The VAT Committee did not consider the circumstances in which an entity that is not an AIF might qualify as a "*special investment fund*". However, it seems likely from the reasoning put to the VAT Committee by the Directorate-General Taxation and Customs Union in Working Paper No 936 that a fund that is not an AIF would also not qualify as a "*special investment fund*" if it cannot be seen to target the same circle of investors as UCITS either because of the characteristics of its investment portfolio or because of the conditions under which investors are permitted to participate in the fund.

The views expressed by the VAT Committee are merely advisory and do not necessarily have the agreement of the European Commission. Furthermore, its views are not legally binding and the courts may disagree with them. There is nevertheless a risk that the European Commission will accept the views of the VAT Committee and will conclude that entities such as the Issuer cannot qualify as a "*special investment fund*" because they are either not subject to the right sort of regulatory supervision in Ireland and/or because they do not target the same circle of investors as UCITS.

It is not clear if the judgment of the CJEU could be relevant to the Issuer or if Irish law could change to effect its decision. It is possible that the Irish government could change its VAT laws to make them more consistent with the CJEU decision and the position taken by many other Member States such as the Netherlands, or the European Commission could require Ireland to do so. The Issuer is not aware of any published proposal to formally amend Irish domestic law to remove the exemption from VAT on management and administration fees paid by entities such as the Issuer. If Irish VAT was imposed on the management fees payable by the Issuer to the Portfolio Manager, the amount of tax due could impact cashflows available to the Issuer to make payments of principal and interest in respect of the Notes. The VAT rate in Ireland is currently 23 per cent.

***The foregoing list of risk factors does not purport to be a complete enumeration of the risks involved in an investment in the Notes. Additional risks may exist that are not presently known to the Issuer or the Portfolio Manager. Noteholders should read this entire Programme Memorandum, the relevant Final Terms and consult with their independent advisors before deciding whether to invest in the Notes. In addition, as the investment program of the Issuer develops and changes over time, an investment in the Notes may be subject to additional and different risk factors.***

---

## V. DESCRIPTION OF THE ISSUER

---

### Introduction

Traianus DAC is an Irish designated activity company duly incorporated under the laws of Ireland under company registration number 678014. The Issuer is registered with the Companies Registration Office of Ireland, its corporation tax registration number is 3754662KH and its legal entity identifier (LEI) code is 549300GE54HN4W1EM031. It was incorporated on 18 September 2020. The registered office of the Issuer is located at 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland (Tel.: +353 1 668 6152). The Issuer does not have a webpage.

### Authorised and Issued Share Capital

The authorised share capital of the Issuer is EUR 100,000,000 divided into 100,000,000 shares of EUR 1.00 each (the “**Shares**”). The Issuer has issued 1 Share (the “**Issued Share**”), which is fully paid. The Issued Share is held directly by CSC Finance Nominees (Ireland) Limited (previously known as Intertrust Nominees (Ireland) Limited) (the “**Share Trustee**”) who holds the Issued Share on trust for charitable purposes pursuant to a declaration of trust dated 15 April 2021.

### Principal Activities

The principal activities of the Issuer are to carry on the business of entering into financial transactions, including but without limitation securitising, purchasing, acquiring, holding, collecting, discounting, financing, negotiating, managing, warehousing, selling, disposing of and otherwise trading or dealing directly or indirectly in real or personal property of whatsoever nature (including, without limitation, (i) securities, instruments or obligations of any nature whatsoever, howsoever described, (ii) derivatives, financial assets of whatsoever nature howsoever described, (iii) trade accounts, receivables and book debts of whatsoever nature howsoever described, (iv) foreign currencies, (v) commodities, and (vi) plant and machinery) and any proceeds arising therefrom or in relation thereto and any participation or interest (whether legal or equitable) therein and any certificates of participation or interest (whether legal or equitable) therein and any agreements in connection therewith.

The Issuer is a special purpose vehicle.

So long as any of the Notes remain outstanding, the Issuer will be subject to the restrictions set out in Condition 8 of the Conditions and each Final Terms.

The Notes are obligations of the Issuer alone and not of, or guaranteed in any way by, the Share Trustee. Furthermore, they are not obligations of, or guaranteed in any way by, the Portfolio Manager or any Agent.

## Description of the subsidiaries of the Issuer

The Issuer does not have any subsidiaries.

## Directors

The directors of the Issuer and their respective professional addresses and other principal activities are:

Name	Date of Appointment	Principal Activity	Professional Address
Sandra Smyth	18 September 2020	Director	1 <sup>st</sup> Floor, 2 Ballsbridge Park, Ballsbridge, Dublin 4, Ireland
Paul Reilly	18 September 2020	Director	Lanoke, 13 Ard Mhuire Park, Dalkey, Dublin, Ireland
Niall Ryan	18 September 2020	Director	1 <sup>st</sup> Floor, 2 Ballsbridge Park, Ballsbridge, Dublin 4, Ireland

## Financial Statements

The Issuer prepared audited financial statements for the financial year ended on 31 December 2023 and audited financial statements for the financial year ended on 31 December 2024 and these audited financial statements have been published on the MARF's webpage and are included in this Programme Memorandum at Annex 7 (*Financial Statements*).

For so long as the Notes listing remains in effect or any Notes shall be outstanding, copies of the most recent publicly available audited annual financial statements of the Issuer may be obtained during normal business hours at the specified office of the Issuer. The audited annual financial statements will also be published on the MARF's webpage.

## Auditors

The auditors of the Issuer are Deloitte who are chartered accountants and are members of the Institute of Chartered Accountants in Ireland and are qualified to practise as auditors in Ireland.

## Litigation

There are no litigation or arbitration proceedings against or affecting the Issuer or any of its assets or revenues, nor is the Issuer aware of any pending or threatened proceedings of such kind, which may have or have had since its incorporation a significant effect on the Issuer's financial position.

## No significant or material adverse change

Since its incorporation, there has been no material adverse change, or any development reasonably likely to involve a material adverse change, in the condition (financial or otherwise) or general affairs of the Issuer.

Since its incorporation, there have been no material adverse changes to:

- (a) the Issuer;
- (b) the Issuer's business or accounting policies; or
- (c) the financial or trading position of the Issuer.

---

## VI. REGISTERED ADVISOR

---

The Issuer has appointed VGM Advisory Partners, S.L.U. ("**VGM**" or the "**Registered Advisor**") as the Issuer's registered advisor (*asesor registrado*) in the MARF. The Registered Advisor is domiciled in Madrid, Spain, with registered office at Calle de Serrano 68, 2º Dcha., 28001 Madrid, its tax identification number (NIF) is B-86790110 and LEI number is 9598002CHMUYHC4RKJ96. VGM is registered with the Commercial Registry of Madrid (*Registro Mercantil de Madrid*) and with the MARF in its registry of registered advisors (*Registro de Asesores Registrados del Mercado*) pursuant to the Instrucción Operativa 4/2014, de 17 de febrero, in accordance with Circular 2/2025.

VGM, as the Registered Advisor of the Programme, has the duties set out in Circular 2/2025, the Market Regulation, and applicable legislation.

---

## VII. PERSONS RESPONSIBLE

---

Sandra Smyth, Paul Reilly and Niall Ryan, acting on behalf of and representing the Issuer, as directors of the Issuer, are responsible for the entire content of this Programme Memorandum and are expressly authorised to execute and grant any public or private documents as may be necessary for the proper admission of the Programme and issuance of the Notes.

Sandra Smyth, Paul Reilly and Niall Ryan hereby declare that the information contained in this Programme Memorandum is, to the best of their knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not omit any relevant fact likely to affect the content of this Programme Memorandum.

---

## VIII. TERMS AND CONDITIONS OF THE PROGRAMME AND THE NOTES

---

### OVERVIEW OF THE PROGRAMME

The following summary of the Programme does not purport to be complete and should be read in conjunction with the remainder of this Programme Memorandum and, in relation to any particular Series of Notes, the relevant Final Terms. Further information in respect of each Series of Notes, and of the terms and conditions specific thereto, may be given in the applicable Final Terms. References herein to the “Conditions” of any Series of Notes are to the conditions of the Notes of a Series, being those set out under “Master Conditions” below, as supplemented in respect of each issue of Notes as specified in the applicable Final Terms. The applicable Final Terms may supplement certain of the “Master Conditions” set out in this Programme Memorandum in certain respects, and the descriptions in this Programme Memorandum shall be read accordingly.

Words and expressions defined in this Overview or in the below “Master Conditions” shall have the same meanings elsewhere in this Programme Memorandum.

<b>Issuer:</b>	Traianus DAC (Legal Entity Identifier (LEI): 549300GE54HN4W1EM031).
<b>Description:</b>	EUR 10,000,000,000 note programme
<b>Instruments</b>	Notes (bonds).
<b>Portfolio Manager:</b>	BlackRock Investment Management (UK) Limited and / or such other portfolio manager as is specified in the applicable Final Terms.
<b>Issuing and Paying Agent:</b>	<p>In relation to a Series of Notes, The Bank of New York Mellon, London Branch will act as issuing and paying agent (the “<b>Issuing and Paying Agent</b>”).</p> <p>The Issuing and Paying Agent is a banking corporation organised under the laws of the State of New York and operating through its branch in London at 160 Queen Victoria Street, London, EC4V 4LA, England.</p>
<b>Paying Agent:</b>	In relation to the Notes of a Series, the Issuing and Paying Agent (being The Bank of New York Mellon, London Branch) will act as paying agent (the “ <b>Paying Agent</b> ”).
<b>Account Bank:</b>	In relation to a Series of Notes, The Bank of New York Mellon, London Branch or such other person as is specified in the applicable Final Terms will act as account bank (the “ <b>Account Bank</b> ”).

<b>Registrar:</b>	If a registrar (the “ <b>Registrar</b> ”) is required in relation to the Notes of a Series in registered form, the Registrar will be The Bank of New York Mellon SA/NV, Dublin Branch or such other person as is specified in the applicable Final Terms.
<b>Custodian:</b>	In relation to the assets comprising the Series Portfolio for a Series of Notes, The Bank of New York Mellon (International) Limited or such other person as is specified in the applicable Final Terms will act as custodian (the “ <b>Custodian</b> ”). The Custodian may appoint a sub-custodian in connection with the performance of its duties under the Custody Agreement.
<b>Listing:</b>	Application will be made to list and admit to trading the Notes on MARF.
<b>Size:</b>	Up to EUR 10,000,000,000 (or the equivalent in other currencies as at the relevant date of issuance of the Notes) aggregate nominal amount of Notes outstanding at any one time in relation to the Issuer.
<b>Status of Notes:</b>	The Notes of each Series will be limited recourse obligations of the Issuer ranking <i>pari passu</i> with the Notes of the same Series and without preference among themselves and in the case of a Series of Notes comprising more than one tranche of Notes, the Notes of each such tranche will rank <i>pari passu</i> and without any preference among themselves and with Notes of other tranches comprised in such Series.
<b>Security:</b>	The Notes of each Series will be unsecured.
<b>Currency:</b>	The Notes of each Series will be denominated in one currency which shall be EUR or such other currency as agreed between the Issuer and the subscriber(s) of the Notes of a Series subject to compliance with all applicable laws and regulations.
<b>Method of issuance:</b>	Notes issued under the Programme will be issued in Series and each Series may comprise one or more tranches of Notes. Further Notes may be issued as part of an existing Series.
<b>Form of Note:</b>	The Notes of a Series will be issued in registered form.
<b>Maturities:</b>	Any maturity as indicated in the applicable Final Terms which is anticipated to be between 1 and 50 years, subject to such minimum or maximum maturity as may be allowed or required from time to time by any competent authority, market operator or all relevant laws, regulations and directives.

<b>Issue Price:</b>	The Notes of a Series may be issued at par or at a discount or premium to par, as specified in the relevant Final Terms.
<b>Denomination of Notes:</b>	The minimum denomination of each Note will be EUR 100,000 (or, if the Notes are denominated in a currency other than euro, a minimum equivalent amount in such currency).
<b>Registration, clearing and settlement:</b>	The clearance and settlement of the Notes will be performed through Euroclear and/or Clearstream, Luxembourg.
<b>Title and transfer:</b>	The Notes will be represented on issue by a Global Registered Certificate that will be deposited with a common safekeeper or common depository for Euroclear and Clearstream, Luxembourg. While the Notes are represented by a Global Registered Certificate, investors will be able to trade their ownership interests only through Euroclear and Clearstream, Luxembourg and their respective participants.
<b>Interest:</b>	The Notes of a Series shall accrue interest in arrears on each Interest Accrual Date in the amount (if any) equal to the Net Revenue for the Interest Period ending on that Interest Accrual Date.
<b>Mandatory Redemption:</b>	If the Issuer's performance of its obligations under the Notes or ancillary thereto has or will become unenforceable, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or prospective law (provided that such law has been enacted), rule, regulation, judgment, order or directive of or in any jurisdiction or any governmental administrative, legislative or judicial power or the interpretation thereof then the Notes shall become due and repayable.
<b>Early Redemption:</b>	The Notes may be redeemed in whole or in part on any date mutually agreed by the Issuer and the Noteholders. On such date (or as soon as practicable thereafter to the extent that the Issuer does not have sufficient Available Cash at such time), the Notes, or the part of the Notes subject to redemption, shall be redeemed by the Issuer in accordance with Condition 3(c).
<b>Series Portfolio:</b>	The Series Portfolio in relation to a Series of Notes will be specified in the relevant Final Terms.
<b>Restrictions:</b>	So long as any of the Notes remains outstanding, the Issuer will not, without the prior written consent of the Noteholders, engage in any business other than transactions contemplated by this Programme Memorandum.

<b>Indebtedness:</b>	The Issuer may incur indebtedness for borrowed money, by or in connection with the issue of Notes for the purposes of financing the acquisition of a Series Portfolio as permitted by this Programme Memorandum. Such indebtedness may (but need not) comprise solely a derivative transaction. In addition, the Issuer may incur indebtedness for borrowed money for the purposes of financing the acquisition of any asset, right or thing or for making payments under any obligation whatsoever, provided that the obligations of the Issuer with respect to the Notes of the Series concerned are limited recourse obligations, as described below.
<b>Cross Default:</b>	None.
<b>Taxation:</b>	Payments of principal and interest in respect of the Notes will be made without deduction for or on account of withholding taxes imposed within Ireland, unless the Issuer or the Paying Agent is required by applicable law to make any such payment (as provided in Condition 16 of the Notes). The Issuer will not be required to pay any additional amounts to the Noteholder to “gross-up” or otherwise compensate Noteholders for any Irish withholding tax.
<b>Events of Default:</b>	The Events of Default which apply to the Notes are set out in Condition 4 of the Notes.
<b>Limited Recourse:</b>	After distribution of the proceeds of the assets which comprise relevant Series Portfolio and, save for lodging a claim in the liquidation of the Issuer initiated by another person or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer, the Noteholder may not take any further steps against the Issuer or any of its assets to recover any sum still unpaid in respect of the Notes nor may the Portfolio Manager take any further steps against the Issuer or any of its assets to recover any sum still unpaid in respect of the Portfolio Management Agreement in respect of such Series and all claims against the Issuer in respect of each of such sums unpaid shall be extinguished.
<b>Final Terms of Notes:</b>	The Final Terms may include provisions which supplement the terms and conditions set out herein as they apply to the Notes.  Upon each issuance of Notes, the relevant Final Terms will be filed with the MARF and made publicly available.
<b>Governing Law:</b>	Irish law, except that the governing law of the Agency Agreement, the Portfolio Management Agreement and the Custody Agreement is English law.

<b>Selling Restrictions:</b>	There are restrictions on the offer or sale of Notes and the distribution of offering material - see " <i>Subscription and Sale</i> " in Annex 2 to this Programme Memorandum. The applicable Final Terms in relation to the Notes of a particular Series may contain additional or other restrictions on the offer or sale of, or grant of a participation in, Notes of the relevant Series.
<b>Use of proceeds:</b>	As set out in Annex 3 to this Programme Memorandum entitled " <i>Use of Proceeds</i> ".
<b>Rating:</b>	A Series of Notes may be rated by EthiFinance Ratings, S.L. (previously Axesor Risk Management, S.L.) (Legal Entity Identifier (LEI): 959800EC2RH76JYS3844) (" <b>EthiFinance</b> ") and / or any other recognised debt rating agency as may be specified in the relevant Final Terms (each, a " <b>Rating Agency</b> "). A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning Rating Agency. A suspension, reduction or withdrawal of the rating assigned to the Notes of any Series may adversely affect the market price of the Notes of any Series.

## **MASTER CONDITIONS**

*The following is the text of the terms and conditions which will be applied to each Series or Tranche of Notes (the “**Master Conditions**”) which, subject to completion and amendment and as supplemented, varied or restated in accordance with the provisions of the relevant Final Terms and save for the italicised text, will be incorporated by reference into each Global Registered Certificate and each definitive Note (if any) (in the latter case, only if permitted by the relevant stock exchange and agreed by the Issuer and the Portfolio Manager at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto the following text of the terms and conditions) issued in exchange for the Global Registered Certificate(s) representing each Series or Tranche (each such capitalised term as defined herein). The relevant Final Terms will indicate those provisions of these Master Conditions and the amendments, variations and the supplementary provisions to such Master Conditions, which are, in each case, applicable to the Notes of such Series or Tranche. References in the Master Conditions to “**Notes**” are to the Notes of one Series only, not to all Notes which may be issued under the Programme.*

The Notes of the Series (as defined below) of which this Note forms a part (in these terms and conditions, the “**Notes**”) are constituted and governed by or pursuant to a Constituting Instrument relating to the Notes (the “**Constituting Instrument**”) dated the Issue Date between Traianus DAC (the “**Issuer**”), BlackRock Investment Management (UK) Limited (the “**Portfolio Manager**”), the Subscriber and other parties (if any) named therein. The Issuer has entered into an agency agreement dated 12 October 2021 as amended and restated on 23 February 2022 (the “**Agency Agreement**”) with The Bank of New York Mellon, London Branch (the “**Issuing and Paying Agent**”), The Bank of New York Mellon SA/NV, Dublin Branch (the “**Registrar**”), The Bank of New York Mellon, London Branch (the “**Account Bank**”) and the Portfolio Manager. The Issuer has entered into a portfolio management agreement dated 21 February 2022 in respect of the Programme (the “**Portfolio Management Agreement**”) with the Portfolio Manager. The Issuer has entered into a custody agreement dated 15 October 2021 in respect of the Programme (the “**Custody Agreement**”) with The Bank of New York Mellon (International) Limited (the “**Custodian**”). The Issuer has entered into a services agreement dated 15 October 2021 in respect of the Programme (the “**Administration Agreement**”) with BNY Mellon Fund Services (Ireland) DAC (the “**Administrator**”). By executing the Constituting Instrument, the Issuer has entered into a subscription agreement in respect of the Notes (the “**Subscription Agreement**”) with the subscriber (the “**Subscriber**”) on the terms (as amended, modified and / or supplemented by the relevant Constituting Instrument) set out in the master subscription terms (as amended from time to time) (the “**Master Subscription Terms**”) as specified in the Constituting Instrument.

Copies of the Master Documents (as defined in the Master Definitions as set out in Annex 5 (*Master Definitions*) to the Programme Memorandum) are available for inspection at the specified offices of the Issuer. In respect of the Notes, references herein to the “**Issuing and Paying Agent**” or to the “**Registrar**” shall include, respectively, any Successor Issuing and Paying Agent or Registrar and references herein to the “**Paying Agent**” shall include any successor Paying Agent appointed in accordance with the Agency Agreement. In respect of the Notes, references herein to “**Agents**” are to the Issuing and Paying Agent, the Paying Agent, the Account Bank, the Registrar and each other agent appointed in accordance with the Agency Agreement, as applicable. The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of,

all the provisions of the relevant Constituting Instrument and to have notice of those provisions of the Agency Agreement, the Custody Agreement, the Administration Agreement, the Subscription Agreement and the Portfolio Management Agreement applicable to them. References to the “**Programme Memorandum**” are references to the latest Programme Memorandum published by the Issuer, as amended, supplemented, restated and replaced from time to time.

References to a “**Tranche**” shall be construed as a reference to a tranche of Notes which form part of the same Series as Notes comprised in another Tranche.

Words and expressions used but not otherwise defined in these Conditions shall have the meanings given to them in the Master Definitions.

## 1 **PRINCIPAL AMOUNT**

### (a) Initial Principal Amount Outstanding

The initial Principal Amount Outstanding of the Notes shall be the amount specified in the Final Terms.

### (b) Increase in the Principal Amount Outstanding

The Principal Amount Outstanding of the Notes may be increased in accordance with Condition 1(e), provided that the aggregate Principal Amount Outstanding of the Notes of any Series may not exceed the Maximum Principal Amount for such Series.

### (c) Maximum Principal Amount Outstanding

The Notes of any Series may not have a Principal Amount Outstanding in excess of the Maximum Principal Amount for such Series. A Principal Drawdown shall not be funded by the Noteholder to the extent that such Principal Drawdown would result in the Notes of any Series having an aggregate Principal Amount Outstanding in excess of the Maximum Principal Amount for such Series.

### (d) Decrease in Principal Amount Outstanding

The Principal Amount Outstanding of the Notes may be decreased from time to time in accordance with Condition 3, provided that the Principal Amount Outstanding of the Notes of any Series may not be reduced below EUR 1,000 (or its foreign currency equivalent) until the Redemption Date.

### (e) Principal Drawdown

The Issuer (or the Portfolio Manager or the Issuing and Paying Agent, in each case, on behalf of the Issuer) may request and the Noteholders shall agree to fund a further drawdown of principal (a “**Principal Drawdown**”) under the Notes of any Series to the Issuer. The Issuer (or the Portfolio Manager on behalf of the Issuer) may request more than one Principal Drawdown.

(f) Principal Drawdown Requests

Whenever the Issuer desires to make a Principal Drawdown under the Notes of any Series, it (or the Portfolio Manager or the Issuing and Paying Agent, in each case, on behalf of the Issuer) shall deliver to the Noteholders a Principal Drawdown Request in the form set out in Annex 1 (*Form of Principal Drawdown Request*) to the Conditions not later than 3 Business Days before the date of the proposed Principal Drawdown specifying the date, the amount of the Principal Drawdown to be funded by the Noteholders and the payments details in respect of such drawdown. All Principal Drawdowns requested by the Issuer (or the Portfolio Manager on behalf of the Issuer) shall be irrevocable and unconditional and binding on the Noteholders and paid in immediately available funds in accordance with the terms of each Principal Drawdown Request.

(g) Limit on Principal Drawdowns

The Issuer (or the Portfolio Manager on behalf of the Issuer) may not issue a Principal Drawdown Request to the Noteholders pursuant to Condition 1(f) if the additional principal amount to be drawn down pursuant to such Principal Drawdown Request would, if funded by the Noteholders, result in the aggregate Principal Amount Outstanding in respect of the Notes of a Series exceeding the Maximum Principal Amount for such Series.

(h) Maximum Principal Amount Request Increase Request

The holder of not less than 100 per cent. of the Principal Amount Outstanding of the Notes of a Series may request the Issuer to increase the Maximum Principal Amount for such Series in the form set out in Annex 3 (*Form of Maximum Principal Amount Request Increase Request*) to the Conditions (such request, a “**Maximum Principal Amount Request Increase Request**”). The Issuer (or the Portfolio Manager on its behalf) may accept this request in its sole and absolute discretion. If the Issuer does not notify the Noteholder making the Maximum Principal Amount Request Increase Request within 30 (thirty) Business Days of receipt of the request whether it has accepted or declined such request, it will be deemed to have declined.

## 2 INTEREST

(a) Interest accrual

Subject to Condition 2(e), the Notes shall accrue interest in arrears on each Interest Accrual Date in the amount (if any) equal to the Net Revenue (which amount shall not be less than zero) for the Interest Period ending on that Interest Accrual Date.

(b) Interest payment

On each Interest Payment Date, to the extent that the Issuer has Available Cash, the Issuer will use such Available Cash to pay accrued but unpaid interest on the Notes.

(c) Available cash

If the Issuer does not have sufficient Available Cash to pay all accrued but unpaid interest on an Interest Payment Date (a “**Relevant Interest Payment Date**”), the shortfall amount of such accrued but unpaid interest shall remain outstanding and shall be paid by the Issuer in respect of the Notes on the first succeeding Interest Payment Date on which the Issuer has sufficient Available Cash to make such payments in priority to any interest which has accrued since the Relevant Interest Payment Date. No interest shall accrue on such accrued but unpaid interest amounts.

(d) Interest due on Redemption Date

All accrued and unpaid interest amounts shall (if not paid at an earlier Interest Payment Date) be due and payable by the Issuer on the Redemption Date.

(e) Losses

To the extent that, for an Interest Period, the Expenses recognised for accounting purposes in that Interest Period are in excess of the Gross Revenue recognised for accounting purposes in that Interest Period (the difference being a “**Loss**”), such Loss shall be set-off against any accrued but unpaid interest so that the amount of accrued but unpaid interest is reduced by the amount of such Loss. Any amount of such Loss (not set-off against accrued but unpaid interest) shall be carried forward to reduce the interest accruing in subsequent Interest Periods.

(f) Notice of Note Payment Notice

At least 10 (ten) Business Days prior to each Interest Payment Date, the Portfolio Manager, on behalf of the Issuer, shall notify the Noteholders pursuant to Condition 7 (*Notices*) of the interest amounts and any other amounts that are payable by the Issuer on the next Interest Payment Date and such notice shall be in the form set out in Annex 2 (*Form of Note Payment Notice*) to the Conditions.

(g) Notice to Registrar

The Portfolio Manager, on behalf of the Issuer, shall notify the Registrar and the Issuing and Paying Agent of all payments in respect of the Notes in accordance with this Condition 2.

(h) Interest Payment Dates

Interest Payment Dates are expected to be quarterly but will be the date or dates specified as the date(s) for the payment of interest in the relevant Final Terms.

### 3 REDEMPTION, PURCHASE AND EXCHANGE

#### (a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, each Note will be redeemed at its Scheduled Redemption Amount (as defined in Condition 3(d)) plus any accrued but unpaid interest (if any) on the date specified as the Final Redemption Date in the Final Terms.

#### (b) Mandatory Redemption

If the Issuer's performance of its obligations under the Notes or ancillary thereto has or will become unenforceable, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or prospective law (provided that such law has been enacted), rule, regulation, judgment, order or directive of or in any jurisdiction or any governmental administrative, legislative or judicial power or the interpretation thereof then the Notes shall become due and repayable as provided by Condition 3(d). The Issuer shall give notice to the Noteholders in accordance with Condition 7 that the Notes are due and repayable at the amounts specified in Condition 3(d) as soon as reasonably practicable after becoming aware of such event or circumstance.

#### (c) Redemption at the Option of the Noteholders and the Issuer

(1) The Notes may be redeemed in whole or in part on any date mutually agreed by the Issuer and the Noteholders (such date, an "**Optional Redemption Date**"). On such date (or as soon as practicable thereafter to the extent that the Issuer does not have sufficient Available Cash at such time), the Notes, or the part of the Notes subject to redemption, shall be redeemed by the Issuer in accordance with this Condition 3(c).

(2) By subscribing or otherwise acquiring the Notes, each Noteholder acknowledges that:

- (i) the Notes (whether in whole or in part) may not be capable of being redeemed by mutual agreement before the Redemption Date due to the nature of the assets comprising the Series Portfolio and the length of time which may be required to liquidate the assets comprising the Series Portfolio;
- (ii) the Issuer, or the Portfolio Manager on its behalf, may not be able to promptly liquidate the assets comprising the Series Portfolio at an attractive price or at all depending on market activity, volatility, applicable laws and other factors;
- (iii) the Issuer may acquire investments which cannot be sold publicly, for legal or contractual reasons, absent registration or qualification under applicable securities laws (which may be prohibitively expensive or otherwise restricted or unavailable);
- (iv) the types of securities in which the Issuer may invest are frequently illiquid and may remain so for an indefinite period of time, and liquidation of such investments may be subject to delays and additional costs and may be possible only at substantial discounts;

- (v) the value of the Issuer's investments as reflected in the Issuer's or Portfolio Manager's valuation may differ materially from the prices at which the Issuer would be able to liquidate such assets given the uncertainty inherent in the valuation of investments that lack a readily ascertainable market value; and
  - (vi) it must be prepared to bear the economic risk of an investment in the Notes until the Final Redemption Date.
- (3) Where the Issuer and the Noteholders agree that the Notes may be redeemed in whole or in part, the Issuer shall, subject to compliance with all relevant laws, regulations and directives, redeem such Note on the Optional Redemption Date at its Scheduled Redemption Amount (such amount being the "**Optional Redemption Amount**"), together with interest accrued to the Optional Redemption Date.

The Noteholders must deposit the relevant Note with the Registrar, together with a duly completed notice of redemption ("**Redemption Notice**") in the form to be agreed between the Issuer and the Noteholder, not more than 30 nor less than 10 days prior to the Optional Redemption Date and provided that, in the case of any Note represented by a Global Registered Certificate registered in the name of a nominee for Euroclear or Clearstream, Luxembourg or an Alternative Clearing System, the Noteholder must deliver such Redemption Notice together with an authority to Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System (in each case, as appropriate) to debit such Noteholder's account accordingly and provided that, in the case of any Note represented by a Global Registered Certificate registered in the name of any other person, the Noteholder must deliver such Redemption Notice together with an instruction to such person to amend its records accordingly (to be reflected in the records of Euroclear and Clearstream Luxembourg as either a pool factor or a reduction in nominal amount). No Note (or authority) so deposited may be withdrawn without the prior written consent of the Issuer.

- (4) As soon as reasonably practicable after the exercise of an option pursuant to this Condition 3(c), the Portfolio Manager shall, if applicable, take such steps as it considers appropriate to effect an orderly and prompt sale of the assets comprising the Series Portfolio or such part thereof as corresponds to the Notes to be redeemed. In carrying out any such sale the Portfolio Manager shall act in good faith and shall sell at its best execution price less any commissions or expenses charged by the Portfolio Manager.
- (5) In order to obtain its best execution price for the above purposes, the Portfolio Manager shall be required to take reasonable care to ascertain the best price that is available for the sale of the assets comprising the Series Portfolio or such part thereof at the time of the sale for transactions of the size and kind concerned but shall not be required to delay the sale for any reason including the possibility of achieving a higher price. The Portfolio Manager shall not be liable (i) to account for anything except the actual net proceeds of the assets comprising the Series Portfolio received by it or (ii) for any costs, charges, losses, damages, liabilities or expenses arising from or connected with the sale or otherwise unless such costs, charges, losses, damages, liabilities or expenses shall have been caused by its own fraud or wilful default. Nor shall the Portfolio Manager be liable to the Issuer, the Noteholders or any other person merely because a higher price could have been obtained

had the sale been delayed or to pay to the Issuer, the Noteholders or any other person interest on any proceeds from the sale held by it at any time. For the avoidance of doubt, this Condition 3(c)(5) shall apply, mutatis mutandis, upon redemption of each Note pursuant to Condition 3(a) and Condition 3(b).

- (6) The sums payable upon an optional redemption pursuant to this Condition 3(c) may be insufficient to pay all the amounts due to the Portfolio Manager and to pay to the Noteholders amounts equal to the Optional Redemption Amount and the interest which would otherwise accrue to the Optional Redemption Date. In such event, any shortfall shall be borne by the Noteholders and the Optional Redemption Amount will reflect such shortfall. None of the holder or holders of the shares in the Issuer (or if it is acting as a share trustee or custodian, the beneficiary or beneficiaries), the Portfolio Manager or any other person has any obligation to any Noteholders for payment of any amount by the Issuer in respect of the Notes.
- (d) Redemption Amount of Notes
- (1) The amount payable upon redemption of each Note on the Final Redemption Date in accordance with Condition 3(a) (the “**Scheduled Redemption Amount**”) shall be its Principal Amount Outstanding.
- (2) Unless the Conditions provide otherwise, the amount payable upon redemption of each Note pursuant to Condition 3(b) or, if applicable, Condition 3(c) or upon its becoming due and payable as provided in Condition 4 shall be the lesser of (i) the Principal Amount Outstanding of such Note plus any accrued but unpaid interest thereon and (ii) the amount available for redemption of such Note by applying the portion available to the Noteholders of the net proceeds of the Series Portfolio *pari passu* and rateably to the Notes (such amount being the “**Early Redemption Amount**” and the term “**Redemption Amount**” includes the Early Redemption Amount, the Scheduled Redemption Amount and any Optional Redemption Amount). No interest shall be payable in addition to the Early Redemption Amount except interest which was due and payable prior to such redemption.
- (3) Upon receipt of the proceeds (if any) of realisation of the Series Portfolio following a determination that the Notes are or will become due and repayable pursuant to Condition 3(b), the Issuer shall give notice to the Noteholders in accordance with Condition 7 of the date on which each Note shall be redeemed at its Redemption Amount.

The net sums (if any) realised on the early redemption of the Notes pursuant to the Conditions (including Condition 3(b) above) may be insufficient to pay all the amounts due to the Portfolio Manager and to pay to the Noteholders amounts equal to the Scheduled Redemption Amount and the interest which would otherwise accrue to the date of redemption as a Redemption Amount pursuant to Condition 3(d). In such event, any shortfall shall be borne by the Noteholders and the Early Redemption Amount will reflect such shortfall. None of the holder or holders of the shares in the Issuer (or if it is acting as a share trustee or custodian, the beneficiary or beneficiaries), the Portfolio Manager or any other person has any obligation to any Noteholders for payment of any amount by the Issuer in respect of the Notes.

- (4) The Portfolio Manager shall determine the Redemption Amount. The Issuer will procure that, so long as any Note remains outstanding, there shall at all times be a Portfolio Manager.

The Portfolio Manager will, on such date as the Portfolio Manager calculates any Redemption Amount, cause such Redemption Amount to be notified to the Issuer and the Issuing and Paying Agent and to be notified to Noteholders in accordance with Condition 7 as soon as possible after its calculation but in no event later than the second Business Day thereafter.

If the Portfolio Manager is unable or unwilling to calculate the Redemption Amount, the Issuer may appoint another suitably qualified calculation agent to do so (such selection and appointment being made at the sole discretion of the Issuer) in its place. The Portfolio Manager may not resign its duty to calculate the Redemption Amount without a Successor having been appointed as aforesaid.

- (5) Subject to the agreement of the Noteholders, the Issuer may elect to satisfy its obligations to the Noteholders to pay the Redemption Amount in respect of each Note by delivery to the relevant Noteholder of the Attributable Series Portfolio (as defined below).

In such case, the Issuer will, subject to the terms and conditions of the assets comprising the Series Portfolio and to all applicable laws, regulations and directives, deliver or shall procure that the Attributable Series Portfolio is delivered to each relevant Noteholder (free and clear of all charges, liens and other encumbrances but together with the benefit of all rights and entitlements attaching thereto at any time after the date of delivery) on the date agreed in writing between the Issuer and the Noteholders (the “**Delivery Date**”).

In order to receive delivery of the relevant amount of the Attributable Series Portfolio, each Noteholder shall, on or prior to the Delivery Date, supply to the Issuer such evidence of the Principal Amount Outstanding of the Notes held by such Noteholder as the Issuer may require. The following shall constitute evidence satisfactory to the Issuer in the case of Notes in global form, a certificate or other document issued by Euroclear or Clearstream, Luxembourg or the Alternative Clearing System as to the Principal Amount Outstanding of the Notes standing to the credit of the account of the Noteholder in question and confirming that such Noteholder has undertaken to Euroclear or Clearstream, Luxembourg or the Alternative Clearing System expressly for the benefit of the Issuer that it will not sell, transfer or otherwise dispose of its Notes (or any of them) or any interest therein at any time on or prior to the Delivery Date, together with confirmation from the Issuing and Paying Agent that the Noteholder has surrendered to it the relevant Notes.

On receipt of such evidence by the Issuer, the relevant amount of the Attributable Series Portfolio shall be delivered to such Noteholder or to such account with Euroclear or Clearstream, Luxembourg or the Alternative Clearing System as will be specified in the delivery instructions given in the manner set out below. Any stamp duty or other tax payable in respect of the transfer of such amount of the Attributable Series Portfolio shall be the responsibility of, and payable by, the relevant Noteholder.

A holder of Notes in definitive form, at the same time as surrendering such Notes to the Issuing and Paying Agent, shall specify to the Issuing and Paying Agent its instructions concerning the delivery to it, or any nominee of it, of the relevant amount of the Attributable Series Portfolio to which it is entitled and the Issuing and Paying Agent shall forthwith notify the Issuer and the Portfolio Manager of such instructions.

A holder of Notes in global form shall notify the Issuer of its instructions concerning the delivery to it, or any nominee of it, of the relevant amount of the Attributable Series Portfolio to which it is entitled, which instructions will, for the avoidance of doubt, be included in any notice given in respect of the Notes by Euroclear or Clearstream, Luxembourg in accordance with the provisions above and the Issuer shall forthwith notify the Portfolio Manager and the Paying Agent of such instructions.

As used herein, “**Attributable Series Portfolio**” shall be the proportion of the Series Portfolio as equals the proportion (rounded to the nearest whole number) which each Noteholder’s holding of Notes bears to the total Principal Amount Outstanding of the Notes as calculated by the Portfolio Manager in its sole and absolute discretion. If the amount of the Attributable Series Portfolio to be delivered to a Noteholder is not divisible by the minimum denomination of the assets comprising the Series Portfolio, the amount of the Attributable Series Portfolio to be delivered to such Noteholder shall be rounded down to the nearest whole multiple of such minimum denomination.

(e) Exchange of Series

If this Condition 3(e) is stated by the Conditions to be applicable, the Noteholders may, with the consent of the Portfolio Manager, and subject to and in accordance with the provisions of the relevant contractual arrangements request the Issuer to issue a further Series of Notes (the “**New Series**”) in exchange for that existing Series of Notes (the “**Existing Series**”) on such terms as may be specified in the relevant contractual arrangements or specified or approved by all holders of such Existing Series.

Application will be made to MARF for the New Series to be listed and admitted to trading on MARF under the Programme and the Issuer shall produce such Final Terms and produce such information as the rules of MARF may require in connection therewith.

(f) Cancellation

All Notes of any Series which are redeemed shall, unless otherwise permitted by these terms and conditions, be cancelled forthwith by the Paying Agent or the Registrar, as the case may be, by or through which they are redeemed or paid. The Paying Agent shall give all relevant details and forward cancelled Notes to the Portfolio Manager and the Issuing and Paying Agent or its designated agent. All relevant details will be notified to the MARF through the publication of a regulatory announcement on the MARF’s webpage.

4 **EVENTS OF DEFAULT**

Unless the Notes have already fallen due for redemption in whole pursuant to these Conditions, the Notes of such Series shall become, due and repayable at their Early

Redemption Amount, calculated as provided by Condition 3(d), if any of the following events occur ("**Events of Default**"):

- (a) if the Issuer fails to perform or observe any term, undertakings or agreement in any material respect contained in these Conditions on its part to be performed or observed and any failure shall remain unremedied for twenty (20) Business Days, after the earlier of:
  - (i) the date on which the Issuer has knowledge of that failure; or
  - (ii) the date on which written notice of that failure, requiring the same to be remedied, shall have been given by the Noteholders and received by the Issuer;
- (b) if any order shall be made by any competent court or other authority or any resolution passed for the winding-up, liquidation or dissolution of, or the appointment of an administrator, examiner, bankruptcy receiver, receiver or other insolvency official to, or any similar procedure in respect of, the Issuer, save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement;
- (c) the Portfolio Manager wilfully takes any action that it knows breaches any material provision of the Portfolio Management Agreement;
- (d) the Portfolio Manager breaches any material provision of the Portfolio Management Agreement applicable to it that, either individually or in the aggregate has a material adverse effect on the Issuer or the interests of the Noteholders of any Series of Notes (excluding any actions referred to in paragraph (c) above) and fails to cure such breach within thirty (30) Business Days of becoming aware of, or receiving notice from the Issuer of, such breach or, if such breach is not capable of cure within thirty (30) Business Days but is capable of being cured, the Portfolio Manager fails to cure such breach within the period in which a reasonably diligent person could cure such breach (but in no event more than ninety (90) Business Days);
- (e) the Portfolio Manager is wound up or dissolved (other than pursuant to a consolidation, amalgamation or merger), or an Insolvency Event occurs with respect to the Portfolio Manager or it is or becomes subject to Insolvency Proceedings that remain undismissed for sixty (60) Business Days; or
- (f) the occurrence of an act by the Portfolio Manager that constitutes fraud or criminal activity in the performance of the Portfolio Manager's obligations under the Portfolio Management Agreement, or the Portfolio Manager being found guilty of having committed a criminal offence materially related to the management of investments similar in nature and character to those which comprise the Series Portfolio.

The occurrence of an event of default under one Series will not constitute an event of default under any other Series.

The Issuer will give notice in writing to the Noteholders promptly upon becoming aware of the occurrence of any Event of Default or Potential Event of Default and, at the same time as giving such notice to the Noteholders, shall procure that a copy of the same is sent to each Rating Agency which has (at the request of the Issuer) assigned a rating to the Notes.

While the Notes of any Series are represented by one or more Global Registered Certificates, the holder of any such Global Registered Certificate (or two or more of them acting together, if more than one) representing at least one-fifth in Principal Amount Outstanding of the Notes of such Series may declare the Notes of such Series due and payable at the relevant amount by request in writing to the Issuer following the occurrence of any Event of Default.

## **5 REMOVAL OF THE PORTFOLIO MANAGER**

- (a) At any time on not less than ninety (90) Business Days' prior written notice to the Issuer (with a copy to the Portfolio Manager), the Noteholders may, direct the Issuer to terminate the Portfolio Management Agreement in accordance with its terms.
- (b) Upon any removal of the Portfolio Manager, to the extent it is permitted to do so in compliance with any applicable law or regulation, the Portfolio Manager will continue to act in such capacity until a Successor Portfolio Manager meeting the criteria described in Condition 5(d) below has been appointed in accordance with the terms of the Portfolio Management Agreement.
- (c) No termination of the appointment of the Portfolio Manager will be effective until a Successor Portfolio Manager is duly appointed by the Issuer. Any Successor Portfolio Manager must satisfy criteria described in Condition 5(d) below.
- (d) Any removal of the Portfolio Manager, or termination of the Portfolio Management Agreement while any Series of Notes is outstanding, will only be effective if:
  - (1) ten (10) Business Days' prior notice is given by the Issuer to the Noteholders in respect of the assumption of the role of Portfolio Manager by an eligible Successor Portfolio Manager; and
  - (2) the Issuer appoints a Successor Portfolio Manager that is legally qualified and has the capacity (including Irish regulatory capacity to provide portfolio management services to Irish counterparties as a matter of the laws of Ireland) to act as Portfolio Manager under the Portfolio Management Agreement.
- (e) The Issuer, the Noteholders and the Successor Portfolio Manager will take such action (or cause the outgoing Portfolio Manager to take such action) consistent with the Portfolio Management Agreement as will be necessary to effectuate any such succession.

## **6 LIMITED RECOURSE AND NON-PETITION**

- (a) Neither the Portfolio Manager nor any Noteholder shall, or shall any party on its behalf, at any time institute, or join any person instituting, against the Issuer, or any or all of its revenues and assets:

- (1) any Insolvency Proceedings;
  - (2) any petition for the appointment of a receiver, examiner, administrator, trustee, liquidator, sequestrator or similar officer of it; or
  - (3) any *ex parte* proceedings.
- (b) Notwithstanding any other provision in the Conditions:
- (1) the obligations of the Issuer arising under a Series of Notes are limited recourse obligations of the Issuer which are payable solely from the relevant Series Portfolio acquired using the proceeds of that Series of Notes after payment of all Senior Obligations, payments and claims which rank in priority to payments under the relevant Series of Notes;
  - (2) the Portfolio Manager and each Noteholder will have recourse in respect of any amount, claim or obligation due or owing to it by the Issuer (the “**Claims**”) only to the extent of available funds pursuant to (1) above after all prior ranking claims have been satisfied and discharged in full;
  - (3) after the application of such funds, the Issuer will not have any assets available for payment of its obligations under the relevant Series of Notes and the other assets (if any) of the Issuer for other Series of Notes will not be available to make up any shortfall and any Claims will accordingly be extinguished to the extent of any shortfall;
  - (4) the obligations of the Issuer under the relevant Series of Notes will not be obligations or responsibilities of, or guaranteed by, any other person or entity; and
  - (5) in such event, any shortfall shall be borne by the Noteholders and the Redemption Amount will reflect such shortfall.
- (c) In accordance with this Condition 6, each Noteholder shall participate in losses of the Issuer where such losses have the effect that there are not sufficient assets in the relevant Series Portfolio to pay the Redemption Amount and the interest which would otherwise accrue to the date of redemption.
- (d) This Condition 6 shall survive the redemption and cancellation of each Series of Notes.

## 7 **NOTICES**

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the seventh day after the date of posting. Other notices to Noteholders will be valid if published in a leading daily newspaper (expected to be the Irish Times) having general circulation in Dublin. Any such notice (other than to holders of Registered Notes as specified above) shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

So long as any Notes are represented by Global Registered Certificates notices in respect of those Notes may be given by delivery of the relevant notice to Euroclear, Clearstream, Luxembourg or the relevant Alternative Clearing System for communication by them to entitled account holders or (in the case of a Global Registered Certificate registered in the name of a person other than a nominee for Euroclear, Clearstream, Luxembourg, or an Alternative Clearing System) to such person for communication by it to those persons entered in the records of such person as being entitled to such notice, in each case, in substitution for publication in a leading daily newspaper with general circulation in Dublin as aforesaid.

For the avoidance of doubt, holders of interests in a Global Registered Certificate will receive notices through Euroclear, Clearstream, Luxembourg or the relevant Alternative Clearing System as aforesaid rather than by post.

Notices to Noteholders will also be published by the Issuer on the MARF's website if required by the MARF's rules.

## 8 RESTRICTIONS

So long as any of the Notes remain outstanding, the Issuer undertakes that it will not, without the prior written consent of the Noteholders:

- (A) engage in any activity or do anything whatsoever (and has represented that it has not engaged in any activity or done anything whatsoever), except:
1. issuing or entering into notes, bonds, or other debt securities, loan obligations, derivatives transactions including, without limitation, currency exchange and currency hedging arrangements, swap transactions (including, without limitation, total return, default and funded default swaps) options or futures transactions, buy-sell back transactions, sale and repurchase transactions, Further Notes (each an "**Investment**" and together the "**Investments**") provided that recourse in respect of such Investments is limited to specific assets of the Issuer which do not form part of the Series Portfolio and on terms which provide for the extinguishment of all claims in respect of such Investments to the extent not paid in full after application of the proceeds of such specific assets relating to such Investments (the "**Permitted Investments**");
  2. otherwise incurring indebtedness or obligations in respect of moneys borrowed or raised or in respect of the issue or creation of other investments where such indebtedness or obligation is incurred on terms that recourse is otherwise limited to specific assets of the Issuer which do not form part of the Series Portfolio and on terms which provide for the extinguishment of all claims in respect of such indebtedness or obligation to the extent not paid in full after application of the proceeds of such specified assets (the "**Permitted Obligations**");

3. enter into any agency agreement, portfolio management agreement or deed or agreement of any other kind related to any Permitted Investment or Permitted Obligation;
  4. acquire, or enter into any agreement constituting the collateral in respect of any Permitted Investment or the assets securing any Permitted Obligations;
  5. perform its obligations under each Permitted Investment or Permitted Obligation and the agency agreement, portfolio management agreement, constituting instrument and / or other deeds or agreements incidental to the issue and constitution of any Permitted Investment or Permitted Obligations;
  6. enforce any of its rights under the agency agreement, the portfolio management agreement, the constituting instrument and / or any other deed or agreement entered into in relation to any Permitted Investment or Permitted Obligations;
  7. arranging for the rating and listing of the Notes and any other matters incidental thereto;
  8. perform any act incidental to or necessary in connection with any of the above;
- (B) have any subsidiaries or employees;
- (C) subject to sub-paragraph (A) above, dispose of any of its property or other assets or any part thereof or interest therein (subject as provided in the Conditions relating to any Permitted Investment or the terms and conditions of any Permitted Obligations);
- (D) purchase, own, lease or otherwise acquire any real property;
- (E) consolidate or merge with any other person;
- (F) issue any shares other than such shares as are in issue as of the Issue Date;
- (G) engage in any business other than the holding, managing or both the holding and managing, in each case in Ireland, of “qualifying assets” within the meaning of section 110 TCA (“**Qualifying Assets**”) and activities ancillary thereto;
- (H) change its tax residency to a location outside of Ireland; or
- (I) have its centre of main interests in any jurisdiction other than Ireland or have any establishment outside Ireland, in each case for the purposes of the EU Insolvency Regulation.

9      **LISTING**

The Issuer shall apply for the Notes to be listed on the MARF. There is no guarantee that such an application will be obtained. The Issuer will use its reasonable endeavours to obtain and maintain the listing of the Notes.

10     **FORM, DENOMINATION AND TITLE**

(a)     Registered Notes

(1)     The Notes shall be issued in registered form ("**Registered Notes**") in an Authorised Denomination or an integral multiple thereof as specified in the relevant Final Terms. Registered Notes will be represented either by one or more definitive certificates (each, a "**Registered Certificate**") registered in the name of the person(s) entitled thereto or by a global registered certificate (a "**Global Registered Certificate**") deposited with a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A./N.V., as operator of the Euroclear system ("**Euroclear**", which expression shall include, where the context so permits, any successor of Euroclear) and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**", which expression shall include, where the context so permits, any successor of Clearstream, Luxembourg) (where the Notes are intended to be issued under the New Safekeeping Structure) or with a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg (where the Notes are not intended to be issued under the New Safekeeping Structure). Any reference herein to Euroclear or Clearstream, Luxembourg shall, wherever the context permits, be deemed to include a reference to any additional or alternative clearing system as specified in the applicable Final Terms in which beneficial interests in the Notes are for the time being recorded (an "**Alternative Clearing System**", together with Euroclear and Clearstream, Luxembourg, a "**Clearing System**") and shall include any successor in business to Euroclear or Clearstream, Luxembourg or any such Alternative Clearing System.

(2)     Payments of principal or interest (if any) in respect of a Global Registered Certificate will be made through Euroclear or Clearstream, Luxembourg or the relevant Alternative Clearing System or, if so specified in the relevant Final Terms, through the person named in such Final Terms, against, in the case of payments of principal only, presentation of the Global Registered Certificate. A Global Registered Certificate will be exchangeable, in whole but not in part, for Registered Certificates if either Euroclear or Clearstream, Luxembourg or any Alternative Clearing System in which the Global Registered Certificate is for the time being deposited is closed for business for a continuous period of 14 days (otherwise than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or to cease to make its book-entry system available for settlement of beneficial interests in such Global Registered Certificate or does in fact do either of such things and no Alternative Clearing System satisfactory to the Registrar is available.

For so long as the Notes are represented by a Global Registered Certificate and the Global Registered Certificate is held on behalf of Euroclear and Clearstream, Luxembourg or on behalf of an Alternative Clearing System, beneficial interests in Notes will only be transferable in accordance with the guidelines and procedures for the time being of

Euroclear and Clearstream, Luxembourg or such Alternative Clearing System, as appropriate, and each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (other than each such clearing system to the extent that it is an account holder with the other clearing system for the purpose of operating the “bridge” between the clearing systems) or an Alternative Clearing System as the holder of a particular principal amount of the Notes (in which regard (a) any certificate or other document issued by Euroclear or Clearstream, Luxembourg or such Alternative Clearing System, or (b) a printout generated by accessing the EUCLID or CEDCOM systems as to the Principal Amount Outstanding of the Notes standing to the account of an Accountholder shall be conclusive and binding for all purposes) shall be treated by the Issuer and the Agents as the holder of such Principal Amount Outstanding of the Notes (and the expression “**Noteholders**” and references to “**holding of Notes**” and to “**holder of the Notes**” shall be construed accordingly) for all purposes other than the entitlement to receive payments of principal, interest or any amounts due on redemption in respect of the Global Registered Certificate.

Each Accountholder must look solely to its Clearing System for such Accountholder’s share of each payment or distribution of any other entitlement made by the Issuer to the registered holder of the Registered Notes represented by the Global Registered Certificate and in relation to all other rights arising under the Global Registered Certificate. The extent to which, and the manner in which Accountholders may exercise any rights arising under the Global Registered Certificate will be determined by the respective rules and procedures of their Clearing System. Accountholders shall have no claim directly against the Issuer or any other person (other than their Clearing System) in respect of payments or distributions of other entitlements due under the Global Registered Certificate which are made by the Issuer to the registered holder of the Registered Notes represented by the Global Registered Certificate and such obligations of the Issuer shall be discharged thereby.

Subject to the restrictions (if any) referred to in the relevant Final Terms, Registered Notes represented by a Registered Certificate may be transferred in whole or in part in an Authorised Denomination or an integral multiple thereof upon the surrender of the Registered Certificate representing such Registered Notes, together with the form of transfer endorsed on it duly completed and executed, at the specified office of the Registrar. In the case of such a transfer, or a transfer of part only of a Registered Certificate, new Registered Certificates in the relevant amounts will be issued to the transferor and the transferee.

Each new Registered Certificate to be issued upon the transfer of Registered Notes will (subject as referred to in the Conditions), within three business days (in the place of the specified office of the Registrar) of receipt of such form of transfer, be available for delivery at the specified office of the Registrar stipulated in the form of transfer, or be mailed at the risk of the holder entitled to the Registered Certificate to such address as may be specified in such form of transfer.

Exchange of Registered Certificates on transfer will (subject as provided in the Conditions) be effected without charge by or on behalf of the Issuer, the Registrar but upon payment (or the giving of such indemnity as the Registrar may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

No Noteholder may require the transfer of a Registered Note to be registered during the period of (i) in respect of Registered Certificates, 15 days and (ii) in respect of Global Registered Certificates, one Business Day, ending on the due date for any payment of principal, interest or any amounts due upon redemption of such Note.

Unless otherwise provided in the Conditions, it is intended that Registered Notes will be sold only outside the United States (as defined in Regulation S (“**Regulation S**”) under the United States Securities Act of 1933, as amended) to non-US persons only in reliance on Regulation 5, and accordingly, Registered Notes will not be represented by a restricted global note.

The International Securities Identification Number (the “**ISIN**”) of the Notes will be obtained and stated in the Final Terms.

(b) Authorised Denomination

“**Authorised Denomination**” means the denomination or denominations specified in the relevant Final Terms which, for the avoidance of doubt, shall not be less than EUR 100,000 (or its foreign currency equivalent).

11 **STATUS**

The Notes of any Series are unsecured, limited recourse obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 6 and will rank *pari passu* without any preference among themselves and in the case of a Series of Notes comprising more than one tranche of Notes, the Notes of each such tranche will rank *pari passu* and without any preference among themselves and with Notes of another tranche comprised in such Series.

12 **PAYMENTS**

(a) Registered Notes

(1) Payments of principal in respect of Registered Notes will be made to the person shown on the register against presentation and surrender of the relevant Registered Certificate at the specified office of any of the Registrar. To the extent that a Noteholder does not present (and, if applicable, surrender) the relevant Registered Certificate at least three Business Days prior to the Final Redemption Date or other date for redemption (as the case may be) none of the Issuer, the Registrar, the Issuing and Paying Agent, the Portfolio Manager or any other person shall be liable in respect of any delay in the payment of the relevant redemption monies to such Noteholder as a consequence thereof.

(2) Interest on Registered Notes payable on any Interest Payment Date will be paid to the persons shown on the Register on the day before the due date for payment thereof (the “**Record Date**”). Payment of interest on each Registered Note will be made in the currency in which such Notes are denominated by transfer to an account in the relevant currency maintained by the payee with a bank in the principal financial centre of the country of that currency. Interest accrued (if any) on a Registered Note from its Final Redemption Date in

respect of which the Registered Certificate has been presented for payment of principal shall, save as otherwise provided in the Conditions, be paid in accordance with this Condition.

- (b) Payments subject to fiscal laws; payments on Global Registered Certificates
- (1) All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives. No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (2) Payments of principal in respect of Registered Notes when represented by a Global Registered Certificate will be made against presentation of the Global Registered Certificate at the specified office of the Issuing and Paying Agent, subject in all cases to any fiscal or other laws, regulations and directives applicable in the place of payment to the Issuer, the Issuing and Paying Agent or the registered owner of the Global Registered Certificate or any person (so long as the Global Registered Certificate is held on behalf of Euroclear and Clearstream, Luxembourg or an Alternative Clearing System) shown in the records of Euroclear, Clearstream, Luxembourg (other than each Clearing System to the extent that it is an account holder with the other Clearing System for the purpose of operating the “bridge” between the Clearing Systems) or such Alternative Clearing System as the holder of a particular principal amount of the Notes. A record of each payment so made will be endorsed on the relevant schedule to the Global Registered Certificate by or on behalf of the Issuing and Paying Agent which endorsement shall be *prima facie* evidence that such payment has been made.
- (3) The registered owner of a Global Registered Certificate shall be the only person entitled to receive payments of principal and interest on the Global Registered Certificate and the Issuer will be discharged by payment to the registered owner of such Global Registered Certificate in respect of each amount paid. So long as the relevant Global Registered Certificate is held by or on behalf of Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System as the holder of a Note must look solely to Euroclear, Clearstream, Luxembourg or such Alternative Clearing System, as the case may be, for its share of each payment so made by the Issuer to the registered owner of the Global Registered Certificate subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System, as the case may be. So long as the relevant Global Registered Certificate is registered in the name of a person other than a nominee for Euroclear, Clearstream, Luxembourg or an Alternative Clearing System, each of the persons shown in the records of such person as the holder of a Note must look solely to such person for its share of each payment so made by the Issuer to such person, subject to the rules and procedures established from time to time by such person. No person other than the registered owner of the Global Registered Certificate shall have any entitlement to payments due by the Issuer on the Notes.

(c) Non-Business Days

Subject as provided in the Conditions, if any date for payment in respect of any Note is not a Business Day, the holder shall not be entitled to payment until the next following Business

Day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**Business Day**” means a day on which banks and foreign exchange markets are open for general business and carrying out transactions (i) in the financial centre for the relevant currency, (ii) if the Notes are in definitive form, in the relevant place of presentation, and (iii) in the case of a payment in Euro, a day on which TARGET is open.

(d) Calculations

All calculations and determinations in relation to any payments (including payments of interest) in respect of a Series of Notes shall be made by the Portfolio Manager (or the Portfolio Manager’s delegate duly appointed in accordance with the Portfolio Management Agreement), on behalf of the Issuer and shall (save in the case of manifest error at the time the relevant calculation and / or determination is made) be final and binding on the Noteholders.

13 **PRESCRIPTION**

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 1 year from the relevant due date for payment.

14 **REPLACEMENT OF NOTES**

If any Registered Note (in global or definitive form) is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to all applicable laws and MARF requirements, at the specified office of the Registrar, upon payment by the claimant of the out-of-pocket expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer and the Registrar may require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

15 **FURTHER ISSUES**

Without prejudice to the issue by the Issuer of a Series of Notes comprising more than one tranche of Notes in the manner contemplated by Condition 11, the Issuer shall be at liberty from time to time without the consent of the Noteholders to (i) create and issue Series of Notes on terms that such Series shall not be consolidated with or form a single series with any other Series of Notes and will not be secured on the assets comprising the Series Portfolio of any such Series and will form a separate Series of Notes or (ii) create and issue Notes (“**Further Notes**”) which shall be consolidated and form a single Series with the Notes of any Existing Series provided that:

- (a) the Conditions of the Further Notes are identical to the Conditions of the Notes of such Existing Series except in respect of the first amount of interest (if any) in respect thereof;
- (b) recourse is limited to the specific assets of the Issuer which comprise or will comprise part of the Series Portfolio of such Existing Series; and
- (c) the Further Notes are constituted by a Constituting Instrument supplemental to the Constituting Instrument in respect of the Notes of such Existing Series (the

“**Further Constituting Instrument**”), and so that, upon the execution of the Further Constituting Instrument, all references to the “**Constituting Instrument**”, shall be construed as being to such document as amended and supplemented by the Further Constituting Instrument.

Upon any issue of Further Notes pursuant to this Condition 15, all references in these Conditions to “**Notes**” and “**Constituting Instrument**” shall be deemed (where the context permits) to be references to the Notes and the Further Notes and the Constituting Instrument and the Further Constituting Instrument, respectively.

## 16 **TAXATION**

All payments in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer or the Paying Agent is required by applicable law to make any such payment in respect of the Notes subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event, the Issuer or the Paying Agent shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer nor the Paying Agent will be obliged to make any additional payments to the Noteholders in respect of such withholding or deduction.

## 17 **GOVERNING LAW AND SUBMISSION TO JURISDICTION**

Save for the Agency Agreement, the Custody Agreement and the Portfolio Management Agreement, the relevant Constituting Instrument, the Notes and all other documents to which, by execution of the Constituting Instrument, the Issuer becomes a party in respect of a Series, are governed by and shall be construed in accordance with Irish law. The Issuer has submitted to the jurisdiction of the Irish courts for all purposes in connection with the Notes. The Agency Agreement, the Custody Agreement and the Portfolio Management Agreement are governed by and shall be construed in accordance with English law and the Issuer has submitted to the jurisdiction of the English courts for such purposes.

## Annex 1

### Form of Principal Drawdown Request



## Principal Drawdown Request

**Issuer:** Traianus DAC

**Noteholder:** [Investor Name]

**Title of Series:** [●] (ISIN: [●]) (the “Notes”)

**Date:** [●]

We refer to the Constituting Instrument dated [●] in respect of the Notes between, amongst others, ourselves and BlackRock Investment Management (UK) Limited, as the same may have been amended and / or supplemented from time to time (the “**Constituting Instrument**”). Terms defined in the terms and conditions of the Notes as set out in, or incorporated by reference into, the Constituting Instrument (the “**Conditions**”) have the same meaning in this Principal Drawdown Request unless otherwise stated herein.

Further to the issuance of the Notes by the Issuer pursuant to the Constituting Instrument and (if applicable) any related Principal Drawdowns and (if applicable) any related redemptions completed prior to the date hereof, the Principal Amount Outstanding of the Notes as of the date of this Principal Drawdown Request is as set out below.

***The Conditions of the Notes shall apply to this Principal Drawdown (as set out in the Final Terms attached to this Principal Drawdown Request).***

We hereby notify you that, in accordance with the Conditions of the Notes, the below is payable by you on the date, time and in the amount set forth herein. Please ensure that this is fully funded no later than the time stated.

<b>Principal Drawdown on the Notes</b>	<b>[EUR / Insert Currency] [###,###,###]</b>
<b>Principal Drawdown date</b>	<b>[DD Month YYYY, TT:TT EST/ Lux etc]</b>

### Intended use of Principal Drawdown

*[To be used for project X / to acquire Y loan etc. Actual use may vary.]*

### Wiring Details

Please wire the Principal Drawdown amount to the account details below so that the payment is received no later than the Principal Drawdown date and time specified above.

- Funds must be received from an account in the exact name of the Noteholder; third party payments may be refused.
- Bank charges may be incurred by source and destination banks: when remitting payment, please ensure that adequate provision is made for bank charges and transfer costs so that we receive the due amount net of any deductions.

- International transfers can take up to three business days to process; we ask that you take this into account when making payment.

Intermediary Bank Name	
Intermediary Bank SWIFT	
Beneficiary Bank Name	
Beneficiary SWIFT	
Beneficiary Sort Code	
Beneficiary Account Name	
Beneficiary Account Number	
For Further Credit To (FFC)	

Should you have any questions regarding the above information, please contact [corpsov2@bnymellon.com](mailto:corpsov2@bnymellon.com) and [AlternativesClientServices@blackrock.com](mailto:AlternativesClientServices@blackrock.com).

---

## FINAL TERMS

---

### Traianus DAC

(a designated activity company with limited liability incorporated in Ireland under company registration number 678014 and legal entity identifier (LEI) code 549300GE54HN4W1EM031)

Issue of [aggregate nominal amount] Series [●] Notes (the “Notes”)

Under the EUR 10,000,000,000 Note Programme

Final Terms dated [●]

The target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

### PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available at any time to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### THESE FINAL TERMS DO NOT CONSTITUTE A PROSPECTUS OR FINAL TERMS FOR THE PURPOSES OF ARTICLES 6.3 OR 8.3 OF THE PROSPECTUS REGULATION.

The following (including the amendments to the Conditions attached hereto) shall complete, modify and amend the Master Conditions as set out in Programme Memorandum which shall apply to the Notes as so completed, modified and amended. Unless the context otherwise requires, capitalised terms used and not otherwise defined in the Master Conditions referred to above as completed, modified and amended by the following, shall have the meaning respectively ascribed to them in the Programme Memorandum (*documento base informativo de incorporación*) dated [●] February

2026 [and the supplement dated [...] to Programme Memorandum] ([together,] the “**Programme Memorandum**”) relating to the EUR 10,000,000,000 Note Programme (the “**Programme**”) initially approved by Traianus DAC (the “**Issuer**”) on 21 February 2022 with the first renewal of the Programme approved by the Issuer on 23 February 2023, the second renewal of the Programme approved by the Issuer on 13 February 2024, the third renewal of the Programme approved by the Issuer on 13 February 2025 and the fourth renewal of the Programme approved by the Issuer on 18 February 2026. This document constitutes the final terms and conditions (*términos y condiciones finales*) of the Notes (the “**Final Terms**”) described herein and must be read in conjunction with the Programme Memorandum. The Programme Memorandum and these Final Terms has been prepared in compliance the *Circular 1/2025, de 16 de junio, sobre incorporación y exclusión de valores en el Mercado Alternativo de Renta Fija*. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Programme Memorandum. The Programme Memorandum has been admitted (*incorporado*) on the Spanish multilateral trading facility for debt securities (Mercado Alternativo de Renta Fija) (the “**MARF**”) and has been published on its website at [www.bolsasymercados.es](http://www.bolsasymercados.es). The Programme Memorandum is the document required by Circular 1/2025 on the incorporation and exclusion of securities for admission on the MARF.

## PERSONS RESPONSIBLE

[Mr./Mrs.] [...], [[Mr./Mrs.] [...]] and [Mr./Mrs.] [...]], acting on behalf of and representing the Issuer, [as [...] of the Issuer/by virtue of [...]], [is/are] responsible for the content of these Final Terms which complement the Programme Memorandum and [is/are] expressly authorized to execute and grant any public or private documents as may be necessary for the proper issuance and admission of the Notes on the MARF.

[Mr./Mrs.] [...], [[Mr./Mrs.] [...]] and [Mr./Mrs.] [...] hereby declare[s] that (i) the information contained in these Final Terms is, to [his/her/their] knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not omit any relevant fact likely to affect its content; and (ii) the Notes issued under these Final Terms [together with the total amount of Notes issued under the Programme] are within the maximum aggregate nominal amount (EUR 10,000,000,000) of the Programme.

- |    |                       |   |
|----|-----------------------|---|
| 1. | Issuer:               | Traianus DAC  |
| 2. | Instruments:          | Notes (bonds)   |
| 3. | (i) Series Number:    | [●]   |
|    | (ii) Series Currency: | [EUR / Insert Currency]   |
| 4. | Fungible:             | [[●]/Not applicable] (If applicable, state name and ISIN of fungible issuance(s)) |
| 5. | Portfolio Manager:    | BlackRock Investment Management (UK) Limited                                      |

- |     |   |   |
|-----|---|---|
| 6.  | Issuing and Paying Agent:   | The Bank of New York Mellon, London Branch          |
| 7.  | Account Bank:   | The Bank of New York Mellon, London Branch          |
| 8.  | Registrar:  | The Bank of New York Mellon SA/NV, Dublin Branch    |
| 9.  | Custodian:  | The Bank of New York Mellon (International) Limited |
| 10. | Registered Advisor:   | VGM Advisory Partners, S.L.U.                       |
| 11. | Number of Notes:  | [●]   |
| 12. | ISIN of the Notes:  | [●]   |
| 13. | (i) Issue Date of the Notes:  | [●]   |
|     | (ii) Principal Drawdown date of the Notes:  | [[DD Month YYYY] / Not Applicable]                  |
| 14. | Final Redemption Date:  | [●]   |
| 15. | Early redemption:   | Permitted   |
| 16. | (i) Principal Amount Outstanding of the Series:   | [●]   |
|     | (ii) Principal Drawdown on the Notes:   | [[EUR / Insert Currency] [●]] / Not Applicable]     |
|     | (iii) Principal Amount Outstanding of the Series (taking into account the Principal Drawdown on the Notes): | [[EUR / Insert Currency] [●]] / Not Applicable]     |
| 17. | Maximum Principal Amount of the Series:   | [●]   |
| 18. | (i) Issue Price:  | [●]   |

- (ii) Cash amount paid for the *[[EUR / Insert Currency] [●]]*  
Series:
- (iii) Cash amount paid for the *[[EUR / Insert Currency] [●]] / Not*  
Principal Drawdown on the *Applicable]*  
Notes:
19. Authorised Denomination: *[●] [No Notes may be issued which have a minimum denomination of less than EUR 100,000 (or its equivalent, as a minimum, in another currency)]*

### Provisions relating to interest payable

20. Interest Rate: Variable.
21. Interest Period: The period from (and including) one Interest Accrual Date to (but excluding) the immediately following Interest Accrual Date, with the first Interest Period commencing on (and including) the Issue Date and ending on (but excluding) the first Interest Accrual Date
22. Interest Payment Date(s): *[[●] calendar days after an Interest Accrual Date, subject to Condition 12(c).]*
23. Interest Accrual Date(s): *[[●] in each calendar year.]*
24. Other interest provisions: *[●]*

### General provisions applicable to the Notes

25. Form: Global Registered Certificate registered in the name of a nominee for a *[Common Depository]/[Common Safekeeper]* for Euroclear and Clearstream, Luxembourg exchangeable for definitive Registered Certificates in accordance with the Conditions.
26. Held under New Safekeeping Structure: *[Applicable/Not applicable]*
27. Clearing and settlement system: *[Euroclear Bank S.A./N.V. and Clearstream Banking, S.A.]*

28. Details of any additions or variations to the Selling Restrictions: [●]
29. *[Intended to be held in a manner which would allow Eurosystem eligibility:* [Yes. Note that the designation “yes” means that the Notes are intended upon issue to be deposited with one of the ICSDs as Common Safekeeper [or registered in the name of a nominee of one of the ICSDs acting as Common Safekeeper,] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]
- [No. Whilst the designation is specified as “no” at the date of [this Final Terms], should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as Common Safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as Common Safekeeper)]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]]*
30. Ratings: *[The Notes to be issued [have been] / [are expected to be] rated as follows by Ethifinance Ratings, S.L. (previously Axesor Risk Management, S.L.) in accordance with its “Methodological Assumptions – Structured Finance Criteria – March 2021” and “Structured Finance – SME CLO criteria – March 2021” methodologies: [●]*

*EthiFinance Ratings, S.L. is established in the EU and registered under Regulation (EC) No 1060/2009 (as amended) (the “CRA Regulation”).*

*A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]*

31. Listing and admission to trading: [Application [has been / will] be made by the Issuer (or on its behalf) for the Notes to be listed and admitted to trading on the Spanish multilateral trading facility for debt securities (*Mercado Alternativo de Renta Fija*) (“**MARF**”). The Issuer undertakes to carry out all the necessary actions for the Notes to be listed and admitted to trading on the MARF within 30 calendar days [from the Issue Date / Principal Drawdown date]. No assurance can be given that such listing will be obtained and / or maintained.] [The Principal Amount Outstanding of the Series is listed and admitted to trading on the MARF.]
32. Estimate of total expenses related to the notes issuance and admission to trading: EUR [●]
33. Governing law of the Notes: The Notes are governed by Irish law.

## **RESOLUTIONS AND APPROVALS UNDER WHICH THE NOTES HAVE BEEN CREATED OR ISSUED**

- The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on [●].

As the persons responsible for these Final Terms on behalf of the Issuer:

---

*[full name]*  
*[title]*

---

*[full name]*  
*[title]*

---

*[full name]*  
*[title]*

Annex 2

Form of Note Payment Notice



## Note Payment Notice

**Issuer:** Traianus DAC

**Note Holder:** [Investor Name]

**Title of Series/Tranche:** [●] (ISIN: [●]) (the “Notes”)

**Payment Date:** [DD Month YYYY]

We hereby notify you that, in accordance with the conditions of the Notes, a payment is due to you on the date and for the amount set forth herein.

All payments will be made in accordance with the wiring instructions on file with the Issuer’s administrator. Please allow 2-3 working days processing time from the Payment Date for funds to be credited.

Interest payment	EUR [###,###,###]
Note Redemption Amortization	EUR [###,###,###]
Note Redemption (subject to recall)	EUR [###,###,###]
<b>Total Payment</b>	<b>EUR [###,###,###]</b>

Should you have any questions regarding the above information, please contact [Luxmb\\_SPS@bnymellon.com](mailto:Luxmb_SPS@bnymellon.com), [corpsov2@bnymellon.com](mailto:corpsov2@bnymellon.com) and [AlternativesClientServices@blackrock.com](mailto:AlternativesClientServices@blackrock.com).

## Annex 3

### Form of Maximum Principal Amount Request Increase Request

To: Traianus DAC (as Issuer)

Copy: BlackRock Investment Management (UK) Limited (as Portfolio Manager)

[Date]

### MAXIMUM PRINCIPAL AMOUNT REQUEST INCREASE REQUEST

#### Traianus DAC

Title of Series/Tranche: [●] (ISIN: [●]) (the “Notes”)

1. Reference is made to the above Notes.
2. We represent and warrant that we are the sole beneficial holder of 100 per cent. of the Principal Amount Outstanding of the Notes in [*Euroclear*]/[*Clearstream, Luxembourg*] (the “**Clearing System**”) as at the date hereof.
3. We attach in Schedule 1 (*Evidence of holding of the Notes*) hereto evidence of our beneficial holding being:
  - (i) a print-out from the Clearing System identifying [*Insert name of custodian/sub-custodian*] (the [“**Custodian**”]/[“**Sub-Custodian**”]) as holding 100 per cent. of the Principal Amount Outstanding of the Notes through its [*Euroclear*]/[*Clearstream, Luxembourg*] account [*account number*]; [and]
  - (ii) [a letter from the Sub-Custodian confirming that it holds 100 per cent. of the Principal Amount Outstanding of the Notes for [Insert name of Custodian] (the “**Custodian**”); and]
  - (iii) [a letter from the Custodian confirming that it holds 100 per cent. of the Principal Amount Outstanding of the Notes in its capacity as the Custodian for [Insert name of beneficial Noteholder], being the beneficial owner of such Notes,

as at the date hereof.

4. We hereby request the Issuer to increase the Maximum Principal Amount of the Notes to [●] (the “**Maximum Principal Amount Request Increase Request**”) and confirm that the Issuer is hereby authorised, instructed and directed to execute such documents, take such actions and give such directions as it may see fit in connection with, or in order to give effect to, this Maximum Principal Amount Request Increase Request.
5. We hereby confirm that the signatory to this letter is authorised to sign for and on behalf of [*Insert name of beneficial Noteholder*] and that we will continue to hold the Notes through the Custodian [and the Sub-Custodian] in the [Sub-]Custodian’s Clearing System account

specified in paragraph 3 above and we agree that we will not transfer any of the Notes until we have received formal confirmation that the Maximum Principal Amount Request Increase Request have been effected or the Issuer confirms in writing that such request has been declined or such request is deemed declined in accordance with the Conditions.

6. We further confirm that, in our capacity as beneficial owner, we shall sign and shall direct the Noteholder to sign such documentation and provide such confirmations, consents and approvals as the parties may consider necessary to give effect to the Maximum Principal Amount Request Increase Request.
7. We hereby discharge and exonerate the Issuer and the directors of the Issuer and any other party in connection with the Maximum Principal Amount Request Increase Request from any liability to the holders of the Notes in respect of the Maximum Principal Amount Request Increase Request.
8. This letter shall be governed by and construed in accordance with Irish law. In relation to any legal action or proceedings arising out of or in connection with this letter ("**Proceedings**"), each party irrevocably submits to the jurisdiction of the courts of Ireland and waives any objection to Proceedings in such courts on the grounds of venue or on the grounds that the Proceedings have been brought in an inconvenient forum. Each such submission is made for the benefit of the other parties hereto or thereto (as the case may be) and shall not affect the right of each other party to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in any court of competent jurisdiction preclude each other party from taking Proceedings in any other court of competent jurisdiction (whether concurrently or not) unless precluded by law.
9. Words and expressions used in this notice and not otherwise defined herein shall have the meanings respectively ascribed to them in the terms and conditions of the Notes.

Yours faithfully

**Name:**

**Title:**

**For and on behalf of [*Insert name of beneficial owner*] as holder of 100 per cent. of the Principal Amount Outstanding of the Notes.**

We hereby [accept / decline] this Maximum Principal Amount Request Increase Request. [The Maximum Principal Amount of the Notes will be increased to [●] with effect from [●] 20[●]. The Issuer shall notify the Agents and the Clearing System accordingly.]

For and on behalf of:

**[Traianus DAC  
(as Issuer)**

/

**BlackRock Investment Management (UK) Limited]  
(as Portfolio Manager)]**

**Schedule 1**

**Evidence of holding of the Notes**



## **OTHER INFORMATION OF THE PROGRAMME**

### **Outstanding Notes**

As of the date of this Programme Memorandum, EUR 143,400,000 in aggregate principal amount of Series 1 Notes have been issued under the Programme, which are currently outstanding and due on March 31, 2072.

### **Term of the Program and Notes issuance**

The term of the Programme is one year from the registration date (*fecha de incorporación*) of the Programme Memorandum in the MARF. The Notes may be issued and subscribed for on any day during the one-year term of the Programme. However, the Issuer might not issue any Notes under the Programme.

### **Maturity of the Notes**

The maturity of the Notes will be specified in the applicable Final Terms of each issuance of Notes and is anticipated to be between 1 and 50 years, subject to such minimum or maximum maturity as may be allowed or required from time to time by any relevant competent authority, market operator or any applicable laws or regulations.

### **Method of issuance**

Notes issued under the Programme will be issued in Series and each Series may comprise one or more tranches of Notes. Further Notes may be issued as part of an existing Series.

### **Issuing and Paying Agent and Paying Agent**

In relation to a Series of Notes, The Bank of New York Mellon, London Branch will act as Issuing and Paying Agent.

In relation to a Series of Notes, the Issuing and Paying Agent will act as Paying Agent.

The Issuing and Paying Agent is a banking corporation organised under the laws of the State of New York and operating through its branch in London at 160 Queen Victoria Street, London, EC4V 4LA, England.

The Issuing and Paying Agent shall act as the paying agent of the Issuer with respect to payments of principal and interest in respect of the Notes and shall make such payments to the Noteholders in accordance with the Conditions. The Issuing and Paying Agent may deliver Principal Drawdown Requests to the Noteholders on behalf of the Issuer.

### **Portfolio Manager**

In relation to a Series of Notes, BlackRock Investment Management (UK) Limited and / or such other portfolio manager as is specified in the applicable Final Terms will act as Portfolio Manager.

BlackRock Investment Management (UK) Limited is an English private limited company with its address at 12 Throgmorton Avenue, London, EC2N 2DL, United Kingdom.

The Portfolio Manager will provide general investment management services to the Issuer in accordance with the terms of the Portfolio Management Agreement.

### **Account Bank**

In relation to a Series of Notes, The Bank of New York Mellon, London Branch or such other person as is specified in the applicable Final Terms will act as Account Bank.

The Bank of New York Mellon, London Branch is a banking corporation organised under the laws of the State of New York and operating through its branch in London at 160 Queen Victoria Street, London, EC4V 4LA, England.

The Account Bank shall hold such moneys as may be deposited from time to time in the cash accounts opened in the name of the Issuer with the Account Bank.

### **Registrar**

If a Registrar is required in relation to the Notes of a Series in registered form, the Registrar will be The Bank of New York Mellon SA/NV, Dublin Branch or such other person as is specified in the applicable Final Terms.

The Bank of New York Mellon SA/NV, Dublin Branch is a limited liability company and credit institution organised under the laws of Belgium, registered in the RPM Brussels with company number 0806.743.159, whose registered office is at 46 Rue Montoyerstraat, B-1000 Brussels, Belgium, acting through its Dublin Branch (registered in Ireland with branch number 907126) and having its registered branch office at Riverside II, Sir John Rogerson's Quay, Dublin 2, Ireland, acting as registrar.

The Registrar shall maintain a Register for the Notes in accordance with the Conditions of the Notes and shall register all transfers of Notes.

### **Custodian**

In relation to the assets comprising the Series Portfolio for a Series of Notes, The Bank of New York Mellon (International) Limited or such other person as is specified in the applicable Final Terms will act as Custodian. The Custodian may appoint a sub-custodian in connection with the performance of its duties under the Custody Agreement.

The Bank of New York Mellon (International) Limited is a banking company incorporated in England and Wales (company number 3236121) whose registered office is at 160 Queen Victoria Street, London, EC4V 4LA, England.

The Custodian holds assets on behalf of the Issuer.

### **Liquidity agreement**

The Issuer has not entered into any liquidity agreement with any entity regarding the Notes to be issued under the Programme.

### **Documents on display**

So long as the Programme remains in effect or any Notes shall be outstanding, copies of the following documents may be inspected during normal business hours at the specified office of the Issuer, namely:

- (a) the constitution of the Issuer;
- (b) the Constituting Instrument in relation to each Series;
- (c) the Programme Memorandum;
- (d) each Final Terms; and
- (e) the most recent audited financial statements of the Issuer.

The information in documents (a), (b) and (e) above does not form part of this Programme Memorandum unless such information is expressly incorporated into this Programme Memorandum.

### **Consents and authorisations**

The establishment of the Programme was authorised by the board of directors of the Issuer on 21 February 2022, its first renewal was authorised by the board of directors of the Issuer on 23 February 2023, its second renewal was authorised by the board of directors of the Issuer on 13 February 2024, its third renewal was authorised by the board of directors of the Issuer on 13 February 2025 and its fourth renewal was authorised by the board of directors of the Issuer on 18 February 2026. The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

## **FORM OF THE NOTES**

The Notes shall be issued in registered form (“**Registered Notes**”). Registered Notes will be represented either by one or more definitive certificates (each, a “**Registered Certificate**”) registered in the name of the person(s) entitled thereto or by a global registered certificate (a “**Global Registered Certificate**”) deposited with a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank S.A./N.V., as operator of the Euroclear system (“**Euroclear**”, which expression shall include, where the context so permits, any successor of Euroclear) and Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”, which expression shall include, where the context so permits, any successor of Clearstream, Luxembourg) (where the Notes are intended to be issued under the New Safekeeping Structure) or with a common depositary (the “**Common Depositary**”) for Euroclear and Clearstream, Luxembourg (where the Notes are not intended to be issued under the New Safekeeping Structure).

---

## IX. TAXATION

---

*In Annex 6 (Additional Information on Taxation) to this Programme Memorandum is included a summary of certain Irish tax consequences of the purchase, ownership and disposition of the Notes. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. The summary relates only to the position of persons who are the absolute beneficial owners of the Notes and may not apply to certain other classes of persons such as dealers in securities.*

*The summary is based upon Irish tax laws and the practice of the Irish Revenue Commissioners as in effect on the date of this Programme Memorandum, which are subject to prospective or retroactive change. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their own advisors as to the Irish or other tax consequences of the purchase, beneficial ownership and disposition of the Notes including, in particular, the effect of any state or local tax laws.*

---

## X. INFORMATION RELATED TO ADMISSION TO TRADING OF THE NOTES

---

### Publication of the Programme Memorandum

This Programme Memorandum will be published on the website of the MARF ([www.bolsasmercados.es](http://www.bolsasmercados.es)).

### Admission to trading of the Notes

Application will be made for the Notes to be listed and admitted to trading on the MARF. The Issuer hereby undertakes to carry out all the necessary actions for the Notes to be listed and admitted to trading on the MARF within 30 calendar days from the date of issuance of the Notes and, in any case, during the period of validity of the Programme. For these purposes, the date of issuance of the Notes is the same as the date of payment. In the event of not meeting such deadline, the reasons for the delay will be notified to the MARF through the publication of a regulatory announcement (*otra información relevante*) on MARF's webpage, regardless of any possible contractual liability that the Issuer may incur.

The MARF is a multilateral trading facility (MTF) (*sistema multilateral de negociación*) established in Spain in accordance with the Securities Market Act. Therefore, the MARF is not a regulated market in accordance with the provisions of MiFID II.

The MARF will inform of the admission (*incorporación*) to trading of the Notes through its website ([www.bolsasmercados.es](http://www.bolsasmercados.es)).

This Programme Memorandum has been prepared in compliance with the Circular 1/2025.

Neither the MARF, the CNMV, the Portfolio Manager nor the Registered Advisor has approved or carried out any verification or testing regarding the content of this Programme Memorandum or with regards to the content of the documentation and information provided by the Issuer to the MARF in compliance with the Circular 1/2025. The admission of the Programme Memorandum by the MARF does not represent a statement or recognition of the fullness, comprehensibility and consistency of the documentation and information provided by the Issuer to the MARF in connection with this Programme Memorandum.

The Issuer hereby expressly declares that it is aware of the necessary requirements and conditions for the admission, permanence and delisting of the Notes on the MARF, according to the applicable regulations and the requirements of the MARF, and expressly agrees to comply with them.

The clearance and settlement of the Notes will be performed through Euroclear and/or Clearstream, Luxembourg. The Issuer hereby expressly declares that it is aware of the requirements for registration and settlement on Euroclear and/or Clearstream, Luxembourg.

As the persons responsible for the Programme Memorandum on behalf of the Issuer:

---

Sandra Smyth  
Director

---

Paul Reilly  
Director

---

Niall Ryan  
Director

---

## ANNEX 1: FORM OF FINAL TERMS

---

### Traianus DAC

(a designated activity company with limited liability incorporated in Ireland under company registration number 678014 and legal entity identifier (LEI) code 549300GE54HN4W1EM031)

Issue of [aggregate nominal amount] Series [●] Notes (the “Notes”)

Under the EUR 10,000,000,000 Note Programme

Final Terms dated [●]

The target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

### PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available at any time to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### THESE FINAL TERMS DO NOT CONSTITUTE A PROSPECTUS OR FINAL TERMS FOR THE PURPOSES OF ARTICLES 6.3 OR 8.3 OF THE PROSPECTUS REGULATION.

The following (including the amendments to the Conditions attached hereto) shall complete, modify and amend the Master Conditions as set out in Programme Memorandum which shall apply to the Notes as so completed, modified and amended. Unless the context otherwise requires, capitalised terms used and not otherwise defined in the Master Conditions referred to above as completed, modified and amended by the following, shall have the meaning respectively ascribed to them in the Programme Memorandum (*documento base informativo de incorporación*) dated 23 February 2026 [and the supplement dated [...] to Programme Memorandum] ([together,] the “**Programme Memorandum**”) relating to the EUR 10,000,000,000 Note Programme (the “**Programme**”) initially

approved by Traianus DAC (the “**Issuer**”) on 21 February 2022 with the first renewal of the Programme approved by the Issuer on 23 February 2023, the second renewal of the Programme approved by the Issuer on 13 February 2024, the third renewal of the Programme approved by the Issuer on 13 February 2025 and the fourth renewal of the Programme approved by the Issuer on 18 February 2026. This document constitutes the final terms and conditions (*términos y condiciones finales*) of the Notes (the “**Final Terms**”) described herein and must be read in conjunction with the Programme Memorandum. The Programme Memorandum and these Final Terms has been prepared in compliance the *Circular 1/2025, de 16 de junio, sobre incorporación y exclusión de valores en el Mercado Alternativo de Renta Fija*. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Programme Memorandum. The Programme Memorandum has been admitted (*incorporado*) on the Spanish multilateral trading facility for debt securities (Mercado Alternativo de Renta Fija) (the “**MARF**”) and has been published on its website at [www.bolsasymercados.es](http://www.bolsasymercados.es).

## PERSONS RESPONSIBLE

[Mr./Mrs.] [...], [[Mr./Mrs.] [...]] and [Mr./Mrs.] [...]], acting on behalf of and representing the Issuer, [as [...] of the Issuer/by virtue of [...]], [is/are] responsible for the content of these Final Terms which complement the Programme Memorandum and [is/are] expressly authorized to execute and grant any public or private documents as may be necessary for the proper issuance and admission of the Notes on the MARF.

[Mr./Mrs.] [...], [[Mr./Mrs.] [...]] and [Mr./Mrs.] [...]] hereby declare[s] that (i) the information contained in these Final Terms is, to [his/her/their] knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not omit any relevant fact likely to affect its content; and (ii) the Notes issued under these Final Terms [together with the total amount of Notes issued under the Programme] are within the maximum aggregate nominal amount (EUR 10,000,000,000) of the Programme.

- |    |                           |  |
|----|---------------------------|--|
| 1. | Issuer:                   | Traianus DAC   |
| 2. | Instruments:              | Notes (bonds)  |
| 3. | (i) Series Number:        | [•]  |
|    | (ii) Series Currency:     | [EUR / Insert Currency]  |
| 4. | Fungible:                 | [[•]/Not applicable] <i>(If applicable, state name and ISIN of fungible issuance(s))</i> |
| 5. | Portfolio Manager:        | BlackRock Investment Management (UK) Limited   |
| 6. | Issuing and Paying Agent: | The Bank of New York Mellon, London Branch   |
| 7. | Account Bank:             | The Bank of New York Mellon, London Branch   |

8. Registrar: The Bank of New York Mellon SA/NV, Dublin Branch
9. Custodian: The Bank of New York Mellon (International) Limited
10. Registered Advisor: VGM Advisory Partners, S.L.U.
11. Number of Notes: [●]
12. ISIN of the Notes: [●]
13. (i) Issue Date of the Notes: [●]
- (ii) Principal Drawdown date of the Notes: *[[DD Month YYYY] / Not Applicable]*
14. Final Redemption Date: [●]
15. Early redemption: Permitted
16. (i) Principal Amount Outstanding of the Series: [●]
- (ii) Principal Drawdown on the Notes: *[[EUR / Insert Currency] [●]] / Not Applicable]*
- (iii) Principal Amount Outstanding of the Series (taking into account the Principal Drawdown on the Notes): *[[EUR / Insert Currency] [●]] / Not Applicable]*
17. Maximum Principal Amount of the Series: [●]
18. (i) Issue Price: [●]
- (ii) Cash amount paid for the Series: *[[EUR / Insert Currency] [●]]*
- (iii) Cash amount paid for the Principal Drawdown on the Notes: *[[EUR / Insert Currency] [●]] / Not Applicable]*

19. Authorised Denomination: [●] *[No Notes may be issued which have a minimum denomination of less than EUR 100,000 (or its equivalent, as a minimum, in another currency)]*

### Provisions relating to interest payable

20. Interest Rate: Variable.
21. Interest Period: The period from (and including) one Interest Accrual Date to (but excluding) the immediately following Interest Accrual Date, with the first Interest Period commencing on (and including) the Issue Date and ending on (but excluding) the first Interest Accrual Date
22. Interest Payment Date(s): [*●*] *calendar days after an Interest Accrual Date, subject to Condition 12(c).*
23. Interest Accrual Date(s): [*●*] *in each calendar year.*
24. Other interest provisions: [●]

### General provisions applicable to the Notes

25. Form: Global Registered Certificate registered in the name of a nominee for a [*Common Depository*]/[*Common Safekeeper*] for Euroclear and Clearstream, Luxembourg exchangeable for definitive Registered Certificates in accordance with the Conditions.
26. Held under New Safekeeping Structure: [*Applicable/Not applicable*]
27. Clearing and settlement system: [*Euroclear Bank S.A./N.V. and Clearstream Banking, S.A.*]
28. Details of any additions or variations to the Selling Restrictions: [●]
29. [*Intended to be held in a manner which would allow Eurosystem eligibility:*] [*Yes. Note that the designation “yes” means that the Notes are intended upon issue to be deposited with one of the ICSDs as Common Safekeeper [or registered in the name of a nominee of*

*one of the ICSDs acting as Common Safekeeper,] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]*

*[No. Whilst the designation is specified as “no” at the date of [this Final Terms], should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as Common Safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as Common Safekeeper)]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]]*

30. Ratings:

*[The Notes to be issued [have been] / [are expected to be] rated as follows by EthiFinance Ratings, S.L. (previously Axesor Risk Management, S.L.) in accordance with its “Methodological Assumptions – Structured Finance Criteria – March 2021” and “Structured Finance – SME CLO criteria – March 2021” methodologies: [●]*

*EthiFinance Ratings, S.L. is established in the EU and registered under Regulation (EC) No 1060/2009 (as amended) (the “**CRA Regulation**”).*

*A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or*

*withdrawal at any time by the assigning rating agency.]*

31. Listing and admission to trading: [Application [has been / will] be made by the Issuer (or on its behalf) for the Notes to be listed and admitted to trading on the Spanish multilateral trading facility for debt securities (*Mercado Alternativo de Renta Fija*) (“**MARF**”). The Issuer undertakes to carry out all the necessary actions for the Notes to be listed and admitted to trading on the MARF within 30 calendar days [from the Issue Date / Principal Drawdown date]. No assurance can be given that such listing will be obtained and / or maintained.] [The Principal Amount Outstanding of the Series is listed and admitted to trading on the MARF.]
32. Estimate of total expenses related to the notes issuance and admission to trading: EUR [●]
33. Governing law of the Notes: The Notes are governed by Irish law.

#### **RESOLUTIONS AND APPROVALS UNDER WHICH THE NOTES HAVE BEEN CREATED OR ISSUED**

- The issue of the Notes was authorised by a resolution of the board of directors of the Issuer passed on [●].

As the persons responsible for these Final Terms on behalf of the Issuer:

---

*[full name]*  
*[title]*

---

*[full name]*  
*[title]*

---

*[full name]*  
*[title]*

---

## ANNEX 2: SUBSCRIPTION AND SALE

---

### ***Selling Restrictions Applicable to the Notes***

#### **Ireland**

Each Noteholder will be required to represent, warrant and agree that it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite any Notes, or do anything in Ireland in respect of any Notes, otherwise than in conformity with the provisions of:

- (a) Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and any applicable supporting law, rule or regulation and any Central Bank rules issued and / or in force pursuant to Section 1363 of the Companies Act;
- (b) the Companies Act;
- (c) the European Union (Markets in Financial Instruments) Regulations 2017 and any rules or codes of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank;
- (d) to the extent relevant, Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the European Union (Market Abuse) Regulations 2016 and any Central Bank rules issued and / or in force pursuant to Section 1370 of the Companies Act;
- (e) Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs); and
- (f) the Central Bank Acts 1942 to 2018 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989.

#### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the Prospectus Regulation (each, a “**Relevant Member State**”), each Noteholder will be required to represent and agree that with effect from and including the date on which the Prospectus Regulation is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes in that Relevant Member State:

- (A) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

- (B) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or
- (C) at any time in any other circumstances falling within Article 3(2) of the Prospectus Regulation, provided that no such offer of Notes referred to in (A) to (C) shall require the Issuer or any dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “*offer of Notes to the public*” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Regulation in that Member State, the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.

### **General**

Selling restrictions in respect of each Series may be modified by the Issuer following a change in a relevant law, regulation or directive. Any such modification and any other or additional restrictions which may be made by the Issuer in respect of a Series will be set out in the Final Terms in respect of that Series.

No action has been or will be taken in any jurisdiction that would permit a public offering of any of the Notes, or possessions or distribution of the Programme Memorandum or any part thereof or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

---

### ANNEX 3: USE OF PROCEEDS

---

The Issuer shall apply all amounts raised by it under each Series of Notes for the purposes of:

- (i) acquiring, enhancing, managing and / or holding “qualifying assets” for the purposes of section 110 of the TCA in accordance with the investment guidelines summarised in the Annex 4 to this Programme Memorandum entitled “*Investment Guidelines*”; and
- (ii) paying costs, taxes, fees and expenses (including but not limited to management fees payable to the Portfolio Manager pursuant to the Portfolio Management Agreement) relating to the day-to-day operation and maintenance of the Issuer and relating to the Programme.

## ANNEX 4. INVESTMENT GUIDELINES

The following contains a summary of the investment guidelines.

### Summary of Key Terms of the Investment Guidelines for the Programme

The following terms summarise the basis on which the Portfolio Manager will provide investment management services in relation to infrastructure debt investments to the Issuer:

Key Terms	
<b>Base Currency</b>	EUR
<b>Term</b>	Evergreen
<b>Reinvestments</b>	The Portfolio Manager has the discretion to reinvest principal repayments and prepayments of the investments made by the Issuer.
<b>Target Return</b>	<p>The Portfolio Manager shall target an average return across the portfolio of investments in excess of a specified gross spread above the relevant average spread on the relevant corporate benchmarks or IBoxx indices, on a transaction-by-transaction basis calculated at the relevant commitment date.</p> <p><b>For the avoidance of doubt, the Portfolio Manager will not give any warranty and/or guidance that this return objective will be met.</b></p>
<b>Benchmark</b>	Bloomberg Barclays Euro-Aggregate: Utility – 7-10 Year TR Unhedged EUR
<b>Eligible Assets</b>	<p>Eligible assets include senior debt investments which are:</p> <ul style="list-style-type: none"> <li>Secured or unsecured</li> <li>Acquired on the primary or secondary market; and/or</li> <li>Give exposure to any counterparty (e.g. borrower) deemed appropriate by the Portfolio Manager</li> </ul> <p>Investments may also include the Portfolio Manager's EUR Institutional Liquidity Fund or other preapproved money market funds</p>
<b>Asset Format</b>	Loans and debt securities (e.g. private and public bond and notes) as well as sub-participations provided that if the investment is a sub-participation and the counterparty is a financial institution, the financial institution must be rated as investment grade by at least one internationally recognized rating agency to the extent that is required for regulatory or legal reasons.
<b>Credit Quality</b>	<p>Investments must either be:</p> <ul style="list-style-type: none"> <li>investment grade by an internationally recognised rating agency, or</li> <li>if unrated, determined to be investment grade quality by the Portfolio Manager based on its own internal credit scoring methodology</li> </ul>
<b>Target Sectors</b>	Social, Transportation, Waste and Water, Power, Energy and Telecoms

---

## ANNEX 5: MASTER DEFINITIONS

---

*Unless the context otherwise requires, the following defined terms shall have the meanings set out below in this Programme Memorandum:*

Words denoting persons only shall include firms and corporations and vice versa.

<b>“Account Bank”</b>	means the person in the capacity of Account Bank and any Successor appointed by the Issuer in accordance with the provisions of the Agency Agreement.
<b>“Accountholder”</b>	means each person who, at a particular time, is shown in the records of Euroclear and Clearstream, or an Alternative Clearing System as the holder of the Principal Amount Outstanding of the Notes.
<b>“Administration Agreement”</b>	has the meaning ascribed to it in the Conditions.
<b>“Administrator”</b>	means each person in the capacity of Administrator and any Successor appointed by the Issuer in accordance with the provisions of the Administration Agreement.
<b>“Agency Agreement”</b>	has the meaning ascribed to it in the Conditions.
<b>“Agents”</b>	means the Paying Agent, the Account Bank and the Registrar, or any of them, and shall include such further or other agent or agents as may be appointed from time to time in accordance with the provisions of the Agency Agreement.
<b>“Alternative Clearing System”</b>	has the meaning ascribed to it in the Conditions.
<b>“AIFMD”</b>	means the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) and the Commission Delegated Regulation (EU) No 231/2013.
<b>“Ancillary Fee”</b>	means a fee of up to EUR 30,000 per annum for certain administrative services which may include, for the avoidance of doubt, corporate secretarial, corporate administration (including general administration, loan administration, treasury management and accounting services), audit oversight, data management, contract administration or other services in relation to the Issuer.
<b>“Attributable Series Portfolio”</b>	has the meaning ascribed to it in the Conditions.

<b>“Authorised Denomination”</b>	means the amount(s) in which the Notes are denominated as specified in the Conditions.
<b>“Available Cash”</b>	means cash amounts from the Series Portfolio that the Portfolio Manager in its sole and absolute discretion determines are not required by the Issuer at that time for payment, investment or reinvestment purposes other than the payment of principal and / or accrued interest in respect of the Notes.
<b>“Business Day”</b>	means a day (other than Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in Dublin, Ireland, London, United Kingdom, Luxembourg, Grand Duchy of Luxembourg and Madrid, Spain.
<b>“Central Bank”</b>	means the Central Bank of Ireland.
<b>“Certificates”</b>	means the registered certificates representing Registered Notes, being Registered Certificates together with any Global Registered Certificates.
<b>“Circular 1/2025”</b>	means Circular 1/2025 of June 16 on the incorporation and exclusion of securities in the MARF.
<b>“Circular 2/2025”</b>	means the MARF <i>Circular 2/2025, de 16 de junio, sobre asesores registrados del Mercado Alternativo de Renta Fija</i> .
<b>“Clearstream, Luxembourg”</b>	means Clearstream Banking, société anonyme.
<b>“Common Depository”</b>	means such depository common to Euroclear and Clearstream, Luxembourg at such offices as shall be notified by both of them to the Issuing and Paying Agent from time to time (where the Notes are not intended to be issued under the New Safekeeping Structure).
<b>“Common Safekeeper”</b>	means the common safekeeper for Euroclear or Clearstream, Luxembourg (where the Notes are intended to be issued under the New Safekeeping Structure).
<b>“Companies Act”</b>	means the Companies Act 2014 (as amended) of Ireland.
<b>“Conditions”</b>	means the Master Conditions (as supplemented by the applicable Final Terms).
<b>“Constituting Instrument”</b>	means the Constituting Instrument into which the Master Conditions are incorporated by reference and, where the

context permits, includes any other document incorporated by reference into the Constituting Instrument.

<b>“Credit Rating Agency”</b>	a registered credit rating agency pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies as amended by Regulation (EU) No 513/2011.
<b>“Custodian”</b>	means each person in the capacity of Custodian and any Successor appointed by the Issuer in accordance with the provisions of the Custody Agreement.
<b>“Custody Agreement”</b>	has the meaning ascribed to it in the Conditions.
<b>“Director”</b>	in relation to any person includes any person (including a corporate person) occupying the position of director of that person, by whatever named called.
<b>“Early Redemption Amount”</b>	has the meaning ascribed to it in the Conditions.
<b>“EU Insolvency Regulation”</b>	means Council Regulation (EU) No. 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).
<b>“Euroclear”</b>	means Euroclear Bank S.A./N.V., as operator of the Euroclear System.
<b>“Events of Default”</b>	has the meaning ascribed to it in the Conditions.
<b>“Existing Series”</b>	has the meaning ascribed to it in the Conditions.
<b>“Expenses”</b>	means all expenses of the Issuer, including but not limited to:  (a) all expenses incurred in connection with the Issuer’s business, affairs and operations, including identifying, structuring, managing, evaluating, trading, conducting due diligence on, investing in, acquiring, holding (including loan servicing), disposition of (including the transfer or sale of), any investments or prospective investments of the Issuer (whether or not consummated), including broken-deal expenses, legal, accounting, engineering fees, fees of finders or sourcing partners and travel and lodging expenses;

- (b) all expenses incurred in connection with the securing of financing (other than any Notes issued by the Issuer), including expenses related to the negotiation and documentation of agreements with one or more lenders (other than the holders of any Notes issued by the Issuer) or the posting of collateral;
- (c) all principal and interest on, and fees, costs and expenses arising out of, all borrowings and guarantees made by, and other indebtedness of, the Issuer other than principal and interest on, and fees, costs and expenses arising out of, all borrowings and guarantees made by, and other indebtedness of, the Issuer in respect of any Notes issued by the Issuer;
- (d) all ongoing legal, regulatory, listing, ratings agency, share trustee and compliance costs, including the costs of any third-party consultants (including, but not limited to, and any costs associated with the implementation of and / or compliance with any change of law or regulation applicable to the Issuer) of the Issuer;
- (e) fees, costs and expenses related to all governmental and company filings of the Issuer;
- (f) all expenses of prosecuting or defending any actual or threatened legal action for or against the Issuer;
- (g) all costs of any litigation, director and officer liability or other insurance of the Issuer;
- (h) all expenses relating to indemnification or guarantee obligations;
- (i) all extraordinary expenses or liabilities incurred by the Issuer;
- (j) all professional fees incurred in connection with the business or management of the Issuer, including reasonable dues for

- professional organisations related to the investment strategy of the Issuer;
- (k) all expenses relating to the potential transfer or actual transfer of Notes (to the extent not paid by the transferor or transferee);
  - (l) all expenses related to the dissolution and liquidation of the Issuer, including any fees and expenses of the Issuer's liquidator;
  - (m) any taxes, fees or other governmental charges and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Issuer;
  - (n) all expenses incurred in connection with any restructuring or amendments or supplements to the constitutional documents of the Issuer or the Notes issued by the Issuer;
  - (o) any amounts paid by the Issuer for or resulting from any hedging transactions (including any amounts necessary to satisfy margin requirements) or permitted borrowing requirements;
  - (p) all expenses incurred in connection with multimedia, analytical, database, news or other third-party research services and related terminals for the delivery of such services in relation to the Issuer;
  - (q) all expenses related to the holding of meetings of the Issuer;
  - (r) all fees charged by third parties for sourcing and/or managing investments of the Issuer, including fees paid to administrators of such investments;
  - (s) all third-party fees and expenses charged to the Issuer, including in connection with tax and legal advice, custodial or corporate administration services and compliance services;

- (t) all costs and expenses relating to the preparation of audits, financial and tax reports, portfolio valuations and tax returns, including fees and expenses of any service provider retained to provide accounting, valuation and/or bookkeeping services to the Issuer or pursuant to any tax information reporting regime;
- (u) all fees charged, and reasonable out-of-pocket expenses incurred, by the corporate administrator appointed by the Issuer, the Administrator, the Custodian and/or any other agent appointed by the Issuer properly incurred by them;
- (v) all of the Issuer's day-to-day operating expenses, such as compensation of its service providers and the cost of office space, office equipment, communications, utilities and other such normal overhead expenses;
- (w) all fees, costs and expenses relating to the formation of the Issuer, including, without limitation, (i) all legal, accounting and other fees, costs and expenses in relation to the establishment of the foregoing, and any related negotiations, and (ii) all fees, costs and expenses in relation to the offering of Notes, including, but not limited to, out-of-pocket printing, travel, filing and administrative fees and expenses;
- (x) all costs and expenses of the Portfolio Manager in the provision of investment management services to the Issuer and all management fees of the Portfolio Manager as agreed in accordance with the terms of the Portfolio Management Agreement;
- (y) all reasonable, ordinary, anticipated out-of-pocket expenses and legal expenses related to a proposed or existing investment of the Issuer properly incurred by the Portfolio Manager in connection with making of such investment;

- (z) any extraordinary, unanticipated, reasonable out-of-pocket expenses (including legal, consulting and other costs incurred in the event that an issuer of an investment of the Issuer were to be involved in bankruptcy proceedings or a similar reorganisation, including any workout expenses), including, in each case, the fees of any administrator and/or loan administration and accounting services;
- (aa) the Ancillary Fee; and
- (bb) any VAT payable in respect of any expenses, fees or costs set forth in Clauses (a) - (aa) above,

in each case, that are apportionable or attributable to the Notes of a Series (such apportionment or attribution as may be determined by the Portfolio Manager in its sole and absolute discretion), other than the interest due under the Notes of a Series in accordance with the Conditions.

<b>“Final Redemption Date”</b>	means the relevant date set out in the Final Terms for the Notes.
<b>“Final Terms”</b>	means the final terms for the relevant Series included as a schedule to the relevant Constituting Instrument for the relevant Series and any final terms attached to a Principal Drawdown Request.
<b>“Further Constituting Instrument”</b>	has the meaning ascribed to it in the Conditions.
<b>“Further Notes”</b>	has the meaning ascribed to it in the Conditions.
<b>“Global Registered Certificates”</b>	means registered certificates representing Registered Notes.
<b>“Gross Revenue”</b>	means all revenues of the Issuer in respect of a Series Portfolio (including, for the avoidance of doubt, unrealised gains on the disposal of such Series Portfolio (if any)).
<b>“Insolvency Event”</b>	means, with respect to any person, any of the following: <ul style="list-style-type: none"> <li>(a) it is unable or admits inability to pay its debts as they fall due or, by reason of actual or anticipated</li> </ul>

financial difficulties, commences negotiations with any class of its creditors with a view to rescheduling any of its indebtedness; or

a moratorium has been declared or takes effect in respect of its indebtedness.

**“Insolvency Proceedings”**

(b) means, in respect of any person, any liquidation, winding-up, dissolution, receivership, examinership, bankruptcy or administration (whether by court action or otherwise) of that person and shall be construed so as to include any equivalent or analogous proceedings under the law of any jurisdiction including the seeking of liquidation, winding-up, dissolution, receivership, examinership, bankruptcy, administration (whether by court action or otherwise) or any other arrangement for the protection or relief of debtors in each case affecting the rights of all creditors generally and not just one particular creditor or group of creditors (excluding any solvent reorganisation, rearrangement or similar arrangement and excluding any winding up petition or other involuntary winding up measures or proceedings of a type described above which is frivolous or vexatious and is discharged, stayed or dismissed within sixty (60) days of commencement).

**“Interest Accrual Date”**

means, in respect of any Series of Notes, the date specified as such in the relevant Final Terms.

**“Interest Payment Date”**

means, in respect of any Series of Notes, the date or dates specified as the date(s) for the payment of interest in the relevant Final Terms.

**“Interest Period”**

means the period from (and including) one Interest Accrual Date to (but excluding) the immediately following Interest Accrual Date, with the first Interest Period commencing on (and including) the Issue Date and ending on (but excluding) the first Interest Accrual Date.

**“Investment Objective”**

means, the objective or objectives specified as such in the Portfolio Management Agreement.

<b>“Issue Date”</b>	means, in respect of any Series of Notes, the date specified as such in the relevant Final Terms.
<b>“Issuer”</b>	means Traianus DAC.
<b>“Issuing and Paying Agent”</b>	means the person in the capacity of Issuing and Paying Agent and any Successor appointed by the Issuer in accordance with the provisions of the Agency Agreement.
<b>“Loss”</b>	has the meaning given to that term in the Conditions.
<b>“MARF”</b>	means Mercado Alternativo de Renta Fija, the Spanish multilateral trading facility for debt securities
<b>“Master Conditions”</b>	means the Master Conditions as set out in the Programme Memorandum.
<b>“Master Definitions”</b>	means these Master Definitions as set out in the Programme Memorandum.
<b>“Master Documents”</b>	means the Master Definitions, the Master Conditions and the Master Subscription Terms.
<b>“Master Subscription Terms”</b>	means the Master Subscription Terms (February 2022 Edition) in the form signed for the purposes of identification by or on behalf of the Issuer incorporated by reference into the Constituting Instrument (as amended from time to time).
<b>“Maximum Principal Amount”</b>	means the amount set out in the Final Terms for the Notes.
<b>“Member State”</b>	means a member state of the European Union.
<b>“MNEs”</b>	means multinational enterprises.
<b>“Net Revenue”</b>	for an Interest Period means the Gross Revenues in that Interest Period, minus both (a) the Expenses for that Interest Period, and (b) EUR 1,000 to be deducted in respect of the final Interest Period in each calendar year and retained by the Issuer for corporate benefit purposes.
<b>“New Safekeeping Structure”</b>	means, in relation to a Series of Notes and if indicated in the relevant Final Terms, the new safekeeping structure pursuant to which a Global Registered Certificate is issued.

<b>“Non-Permitted Holder”</b>	means ‘U.S. Persons’ (as defined in Regulation S under the U.S. Securities Act of 1933, as amended) and ‘United States persons’ (as defined in Section 7701(a)(30) of the U.S. Internal Revenue Code of 1986, as amended).
<b>“Note(s)”</b>	means a Note issued or to be constituted under the Constituting Instrument, which Note shall be represented by a Registered Note (and <b>“Notes”</b> shall be construed accordingly).
<b>“Noteholders”</b>	has the meaning ascribed to it in the Conditions.
<b>“outstanding”</b>	means, in relation to the Notes, all the Notes issued except (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest accrued thereon to the date for such redemption) have been duly paid to the Issuing and Paying Agent and / or the Registrar as provided in the Constituting Instrument and remain available for payment against presentation and surrender of Notes, (c) those which have become void and those in respect of which claims have become prescribed in accordance with the Conditions, (d) those which have been purchased and cancelled as provided in the Conditions, and (e) those mutilated or defaced Notes which have been surrendered in exchange for replacement Notes; provided that for the purposes of (1) the exercise of any right of the relevant Noteholders (other than to payment) and (2) the determination of how many Notes are outstanding for the purposes of the provisions in the Constituting Instrument relating to ascertaining whether a requirement under the Constituting Instrument or the Conditions for a specified percentage of the principal amount of the Notes outstanding has been satisfied, those Notes which are beneficially held by or on behalf of the Issuer and not cancelled shall (unless no longer so held) be deemed not to remain outstanding.
<b>“Paying Agent”</b>	means the person in the capacity of Issuing and Paying Agent or Paying Agent and any Successor appointed by the Issuer in accordance with the provisions of the Agency Agreement.
<b>“Permitted Investments”</b>	has the meaning ascribed to it in the Conditions.

<b>“Permitted Obligations”</b>	has the meaning ascribed to it in the Conditions.
<b>“Person”</b>	means an individual, corporation (including a business trust), partnership, collective investment scheme, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.
<b>“Portfolio Management Agreement”</b>	has the meaning ascribed to it in the Conditions.
<b>“Portfolio Manager”</b>	means the person executing the Portfolio Management Agreement in the capacity of Portfolio Manager and any Successor appointed by the Issuer in accordance with the provisions of the Portfolio Management Agreement.
<b>“Potential Event of Default”</b>	means an event which, with the giving of notice and/or lapse of time and/or the forming of an opinion, would become an Event of Default.
<b>“Principal Amount Outstanding”</b>	means in respect of any Series of Notes at any time, the aggregate amounts of principal funded by the Noteholders from time to time; less the aggregate of all amounts of principal redeemed by the Issuer in accordance with Condition 3 up to that time.
<b>“Principal Drawdown”</b>	has the meaning ascribed to it in the Conditions.
<b>“Principal Drawdown Request”</b>	means a notice in the form attached in Annex 1 ( <i>Form of Principal Drawdown Request</i> ) to the Conditions.
<b>“Programme”</b>	means the EUR 10,000,000,000 note programme.
<b>“Programme Memorandum”</b>	means in respect of the Issuer the programme memorandum, as updated, supplemented or restated from time to time in respect of the issue of Notes under the Programme.
<b>“Prospectus Regulation”</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market.
<b>“Record Date”</b>	has the meaning ascribed to it in the Conditions.

<b>“Redemption Amount”</b>	means the amount specified as such in the Conditions.
<b>“Redemption Date”</b>	means the Final Redemption Date or, if earlier, the date on which the Notes of a Series are redeemed in full in accordance with the Conditions.
<b>“Register”</b>	means the register kept by the Registrar pursuant to the Agency Agreement.
<b>“Registered Certificates”</b>	has the meaning ascribed to it in the Conditions.
<b>“Registered Note(s)”</b>	has the meaning ascribed to it in the Conditions.
<b>“Registrar”</b>	means any person in the capacity of Registrar and any Successor or other registrar appointed by the Issuer in accordance with the provisions of the Agency Agreement.
<b>“Relevant Interest Payment Date”</b>	has the meaning ascribed to it in the Conditions.
<b>“Senior Obligations”</b>	<p>means any and all amounts that are due and payable by the Issuer, from time to time, other than payments of principal and interest to the Noteholders in respect of a Series of Notes or to the holder of any other notes that may be issued by the Issuer, including, without limitation:</p> <ul style="list-style-type: none"> <li>(a) any and all amounts payable by the Issuer under the Programme that are apportionable or attributable to a Series of Notes other than payments of principal and interest to the Noteholders in respect of such Series of Notes;</li> <li>(b) any and all Expenses; and</li> <li>(c) any secured debt (if any) of the Issuer.</li> </ul>
<b>“Series”</b>	means a series of Notes issued under the Programme.
<b>“Series Portfolio”</b>	means all of the assets acquired, originated and / or held by the Issuer using the proceeds of the Notes of a Series from time to time and managed by the Portfolio Manager pursuant to the terms of the Portfolio Management Agreement.
<b>“stock exchange”</b>	means any stock exchange or further stock exchange(s) or securities market(s) on which any Notes may from time to time be admitted to trading or on which any Notes are from time to time to be admitted to trading.

<b>“Subscription Agreement”</b>	has the meaning ascribed to it in the Conditions.
<b>“Subsidiary” and “holding company”</b>	have the meanings referred to in section 7 and section 8, respectively, of the Companies Act.
<b>“Successor”</b>	means, in relation to any of the Agents, such other or further person as may from time to time be appointed by the Issuer in relation to the Notes.
<b>“TARGET”</b>	means the Trans-European Automated Real-Time Gross Settlement Express Transfer System.
<b>“TCA”</b>	means the Taxes Consolidation Act 1997 (as amended) of Ireland.
<b>“Tranche”</b>	has the meaning ascribed to it in the Conditions.
<b>“VAT”</b>	means Value-Added Tax.

---

## ANNEX 6: ADDITIONAL INFORMATION ON TAXATION

---

### 1 Income Tax

In general, persons who are resident in Ireland are liable to Irish taxation on their world-wide income whereas persons who are not resident in Ireland are only liable to Irish taxation on their Irish source income. All persons are under a statutory obligation to account for Irish taxation on a self-assessment basis and there is no requirement for the Irish Revenue Commissioners to issue or raise an assessment.

Notes issued by the Issuer may be regarded as property situate in Ireland (and hence Irish source income) on the grounds that a debt is deemed to be situate where the debtor resides. However, the interest earned on such Notes is exempt from income tax if paid to a person who is not a resident of Ireland and who for the purposes of Section 198 of the Taxes Consolidation Act 1997 (as amended) of Ireland (“**TCA 1997**”) is regarded as being a resident of a relevant territory. A relevant territory for this purpose is a Member State of the European Communities (other than Ireland) or not being such a Member State a territory with which Ireland has entered into a double tax treaty that has the force of law or, on completion of the necessary procedures, will have the force of law and such double tax treaty continues an article dealing with interest or income from debt claims. A list of the countries with which Ireland has entered into a double tax treaty is available on [www.revenue.ie](http://www.revenue.ie). Please note that this website does not form part of this Programme Memorandum.

Relief from Irish income tax may also be available under other exemptions contained in Irish tax legislation or under the specific provisions of a double tax treaty between Ireland and the country of residence of the holder of the Notes.

If the above exemptions do not apply it is understood that there is a long standing unpublished practice whereby no action will be taken to pursue any liability to such Irish tax in respect of persons who are regarded as not being resident in Ireland except where such persons:

- (a) are chargeable in the name of a person (including a trustee) or in the name of an agent or branch in Ireland having the management or control of the interest; or
- (b) seek to claim relief and/or repayment of tax deducted at source in respect of taxed income from Irish sources; or
- (c) are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which the interest is attributable.

There can be no assurance that this practice will continue to apply.

## 2 Withholding Taxes

In general, withholding tax (currently at the rate of 20 per cent) must be deducted from interest payments made by an Irish company such as the Issuer. However, Section 246 TCA 1997 ("**Section 246**") provides that this general obligation to withhold tax does not apply in respect of, inter alia, interest payments made by the Issuer to a person, who by virtue of the law of the relevant territory, is resident for the purposes of tax in a relevant territory (see above for details). This exemption does not apply if the interest is paid to a company in connection with a trade or business which is carried on in Ireland by the company through a branch or agency.

Apart from Section 246, Section 64 TCA 1997 ("**Section 64**") provides for the payment of interest on a "*Quoted Eurobond*" without deduction of tax in certain circumstances. A Quoted Eurobond is defined in Section 64 as a security which:

- (a) is issued by a company;
- (b) is quoted on a recognised stock exchange (this term is not defined but is understood to mean an exchange which is recognised in the country in which it is established); and
- (c) carries a right to interest.

There is no obligation imposed on the Issuer to withhold tax on Quoted Eurobonds where:

- (a) the person by or through whom the payment is made is not in Ireland, or
- (b) the payment is made by or through a person in Ireland, and
  - (i) the Quoted Eurobond is held in a recognised clearing system (Euroclear, Clearstream Banking SA, Clearstream Banking AG and the Depository Trust Company of New York have, amongst others, been designated as recognised clearing systems); or
  - (ii) the person who is the beneficial owner of the Quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made an appropriate written declaration to this effect.

Ireland has implemented taxation measures, referred to as the "outbound payments" rules which apply to certain payments made by Irish companies to "associated entities" located in "specified territories" (which includes jurisdictions on the EU list of non-cooperative jurisdictions, as well as "no-tax" and "zero-tax" jurisdictions). The outbound payment rules can operate to disapply exemptions from withholding tax on quoted Eurobonds, provided that the outbound payments rules shall not apply in respect of quoted Eurobonds held through a clearing system where it is reasonable to consider that the Irish company is not, and should not be, aware that interest is paid to an associated entity. For these purposes, an entity will be associated with an Irish company if it has a direct or indirect majority share (i.e. more than 50%) of the voting rights, capital ownership or profits of the Irish company

(or a third entity has such a direct or indirect majority share in both). Entities will also be associated if one entity has control of another entity through the board of directors (or a third entity has control through the board of directors over both). These rules came into effect on 1 April 2024.

In certain circumstances, Irish encashment tax may be required to be withheld at the standard rate (currently at the rate of 25 per cent) from interest on any Notes, where such interest is collected by a person in Ireland on behalf of any Notes.

### **3 Capital Gains Tax**

A Noteholder will not be subject to Irish taxes on capital gains provided that such Noteholder is neither resident nor ordinarily resident in Ireland and such Noteholder does not have an enterprise, or an interest in an enterprise, which carries on business in Ireland through a branch or agency or a permanent representative to which or to whom the Notes are attributable.

### **4 Capital Acquisitions Tax**

If the Notes are comprised in a gift or inheritance taken from an Irish domiciled, resident or ordinarily resident disponent or if the donee / successor is resident or ordinarily resident in Ireland, or if any of the Notes are regarded as property situate in Ireland, the donee / successor may be liable to Irish capital acquisitions tax. As a result, a donee / successor may be liable to Irish capital acquisitions tax, even though neither the disponent nor the donee / successor may be domiciled, resident or ordinarily resident in Ireland at the relevant time.

### **5 Stamp Duty**

For as long as the Issuer is a qualifying company within the meaning of Section 110 TCA 1997, no Irish stamp duty will be payable on either the issue or transfer of the Notes, provided that the money raised by the issue of the Notes is used in the course of the Issuer's business.

---

## **ANNEX 7: FINANCIAL STATEMENTS**

---

Financial statements for the financial year ended on 31 December 2023 and financial statements for the financial year ended on 31 December 2024, both audited and without qualification

[Attached]

# **Annual report and audited financial statements**

Traianus Designated Activity Company

Company number: 678014

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## CONTENTS

Page

### Overview

General information

2

Background

3

### Governance

Directors' report

4

Independent auditor's report

6

### Financial statements

Statement of comprehensive income

11

Statement of financial position

12

Statement of changes in equity

13

Statement of cash flows

14

Notes to the financial statements

15

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## GENERAL INFORMATION

### Board of Directors<sup>1</sup>

Niall Ryan (Irish)<sup>2</sup>  
Paul Reilly (Irish)  
Sandra Smyth (Irish)<sup>2</sup>

<sup>1</sup> Non-executive Director

<sup>2</sup> Employees of the BlackRock Group

### Portfolio Manager

BlackRock Investment Management (UK) Limited  
12 Throgmorton Avenue  
London EC2N 2DL  
United Kingdom

### Administrator

BNY Mellon Fund Services (Ireland) Designated  
Activity Company  
One Dockland Central  
Guild Street  
International Financial Services Centre  
Dublin 1  
Ireland

### Secretary

Intertrust Management Ireland Limited  
2nd Floor  
1-2 Victoria Buildings  
Haddington Road  
Dublin 4  
Ireland

### Entity's registered office

1-2 Victoria Buildings  
Haddington Road  
Dublin 4  
Ireland

### Independent Auditor

Deloitte Ireland LLP  
Chartered Accountants, Statutory Audit Firm  
29 Earlsfort Terrace  
Dublin 2, D02 AY28  
Ireland

### Legal Advisor as to Irish law

Matheson  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### Custodian

The Bank of New York Mellon (International) Limited  
One Canada Square  
Canary Wharf  
London E14 5AL  
United Kingdom

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## BACKGROUND

Traianus Designated Activity Company (the “Entity”) was incorporated in Ireland as a designated activity company on 18 September 2020, pursuant to the provisions of the Companies Act 2014 (as amended). The Entity was established as a “qualifying company” under Section 110 of the Taxes Consolidation Act, 1997 (as amended) to undertake investment activities.

The Entity was established as a special purpose vehicle to provide investment into debt and debt related instruments linked to infrastructure assets. The Entity funds its investments through the issuance of profit participating notes (“PPN”) to the noteholder. As at 31 December 2023, the PPN are held by Bansabadell Vida, Sociedad Anónima De Seguros Y Reaseguros (the “Noteholder”). The PPN issued by the Entity are listed on the Spanish multilateral trading facility, Mercado Alternativo de Renta Fija (“MARF”).

The term “BlackRock” and “Portfolio Manager” are used to represent BlackRock Investment Management (UK) Limited as appropriate. The term “Directors” means the directors of the Entity.

Further details, including the investment objectives, are set out in the Entity’s private placement memorandum.

### **Changes to the Entity**

On 10 March 2023, Paul Reilly resigned as an employee of the BlackRock Group and was appointed as a non-executive independent Director of the Entity.

There were no other significant changes to the Entity during the financial year.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## DIRECTORS' REPORT

The Directors present their report and audited financial statements of the Entity for the financial year ended 31 December 2023.

### Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the audited financial statements in accordance with applicable Irish law and International Financial Reporting Standards ("IFRS") as adopted by the European Union (the "EU"), and in compliance with the Companies Act 2014 (as amended).

Under Irish law, the Directors shall not approve the audited financial statements unless they are satisfied that they give a true and fair view of the Entity's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Entity for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Entity will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the audited financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Entity;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Entity to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements and Directors' report comply with the Companies Act 2014 (as amended) and enable those financial statements to be audited.

The measures taken by the Directors to secure compliance with the Entity's obligation to keep adequate accounting records are the appointment of BlackRock Investment Management (UK) Limited that has appointed BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator") for the purpose of maintaining adequate accounting records. Accordingly, the accounting records are kept at the following address on behalf of the Administrator:

One Dockland Central  
Guild Street  
International Financial Services Centre  
Dublin 1  
Ireland

The Directors are also responsible for safeguarding the assets of the Entity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors have entrusted the assets of the Entity to the Custodian for safekeeping in accordance with the private placement memorandum of the Entity. In this regard the Directors have appointed The Bank of New York Mellon (International) Limited as Custodian pursuant to the terms of the Custodian Agreement. The address at which this business is conducted is as follows:

One Canada Square  
Canary Wharf  
London E14 5AL  
United Kingdom

### Results and dividends

The results and dividends for the financial year of the Entity are set out in the statement of comprehensive income.

### Review of business and future developments

A description of the Entity can be found in the Background section.

### Risk management objectives and policies

The risks facing the Entity relate to the financial instruments held by it and are set out in the financial risks section of the financial statements.

### Subsequent events after the financial year end

The significant events which have occurred since the statement of financial position date are set out in the notes to the audited financial statements.

### Directors' and Company Secretary's interests and transactions

The Directors and Company Secretary had no interests in the shares of the Entity during or at the end of the financial year (2022: Nil).

The Directors and Company Secretary had no interests in the debentures of the Entity during or at the end of the financial year (2022: Nil).

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## DIRECTORS' REPORT (continued)

### Directors' and Company Secretary's interests and transactions (continued)

Niall Ryan and Sandra Smyth are non-executive Directors and also employees of BlackRock, Inc. and its subsidiaries (the "BlackRock Group"). With effect from 10 March 2023, Paul Reilly resigned as an employee of the BlackRock Group and was appointed as a non-executive independent Director.

No Director had at any time during the financial year, a material interest in any contract of significance, in relation to the business of the Entity (2022: Nil).

### Going concern

The financial statements of the Entity have been prepared on a going concern basis. The Entity is able to meet all of its liabilities from its assets. The performance, marketability and risks of the Entity are reviewed on a regular basis throughout the financial year. Therefore, the Directors believe that the Entity will continue in operational existence for the foreseeable future and is financially sound. The Directors are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements of the Entity.

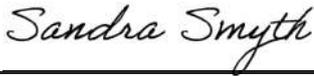
### Independent auditor

The auditors, Deloitte Ireland LLP, will be re-appointed in accordance with Section 380 of the Companies Act 2014 (as amended).

### Statement of relevant audit information

So far as the Directors are aware, there is no relevant audit information of which the Entity's auditors are unaware. The Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Entity's auditors are aware of that information.

On behalf of the Directors



Director

4 April 2024



Director

4 April 2024

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAIANUS DESIGNATED ACTIVITY COMPANY

### Report on the audit of the financial statements

#### Opinion on the financial statements of Traianus Designated Activity Company (the 'company')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities, and financial position of the company as at 31 December 2023 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Statement of Cashflows; and
- the related notes 1 to 16, including material accounting policy information as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and International Financial Reporting Standards as adopted by the European Union ("IFRS") ("the relevant financial reporting framework").

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Summary of our approach

<b>Key audit matters</b>	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"> <li>• Valuation of Financial Assets at Fair Value Through Profit or Loss</li> <li>• Existence of Financial Assets at Fair Value Through Profit or Loss</li> </ul> <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p>
<b>Materiality</b>	The materiality that we used in the current year was €2,150k which was determined on the basis of 2% of fair value of the Profit Participating Note ("PPN").
<b>Significant changes in our approach</b>	There have been no significant changes to our audit approach.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- We challenged the reasonableness of the key assumptions applied by the directors in their assessment;
- We held discussions with management on the directors' going concern assessment, the future plans for the company and the feasibility of those plans;
- We reviewed all board meeting minutes during the year up to the date of approval of the financial statements, for evidence of any discussions and/or decisions that could impact the company's ability to continue as a going concern;
- We reviewed the composition of the investment portfolio subsequent to the financial year end; and
- We assessed the adequacy of the relevant going concern disclosures made in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There have been no significant changes to our audit approach.

Valuation of Financial Assets at Fair Value Through Profit or Loss 	
<b>Key audit matter description</b> 	<p>For the financial year ended, 31 December 2023 the financial assets at fair value through profit or loss of the Company of €129,527,000 make up 97% of total assets of €132,941,000. The valuation of the financial assets at fair value through profit or loss is considered a key audit matter as they represent a significant number on the statement of financial position. There is a risk that they may not be valued correctly in accordance with IFRS.</p>
<b>How the scope of our audit responded to the key audit matter</b> 	<p>We have performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of and assessed the design of the key controls implemented over the valuation of financial assets at fair value through profit or loss.</li> <li>• We ensured the basis on which fair value is determined for each individual investment is appropriate.</li> <li>• We reviewed the independent valuation report prepared by the management expert engaged to provide valuation services to the company and assessed the appropriateness of the work performed.</li> <li>• We reviewed the fair value models (discounted cashflow) where applicable and verified all material inputs to third party documentation and available market data; and with the assistance of our internal valuation specialists, we assessed the reasonableness of the assumptions applied.</li> </ul>
Existence of Financial Assets at Fair Value Through Profit or Loss 	
<b>Key audit matter description</b> 	<p>For the financial year ended, 31 December 2023 the financial assets at fair value through profit or loss of the Company of €129,527,000 make up 97% of total assets of €132,941,000. The existence of the financial assets at fair value through profit or loss is considered a key audit matter as they represent a significant number on the statement of financial position. There is a risk that they may not exist at financial year end.</p>
<b>How the scope of our audit responded to the key audit matter</b> 	<p>We have performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of and assessed the design of the key controls implemented over the existence of financial assets at fair value through profit or loss.</li> <li>• We agreed the cost of new investments to supporting loan agreements and relevant bank statements.</li> <li>• We agreed all investments held at year end to the signed loan agreements.</li> <li>• We obtained independent confirmations from the relevant parties for each investment position.</li> <li>• We assessed the cut-off of trades to ensure that they have been recorded in the correct period.</li> </ul>

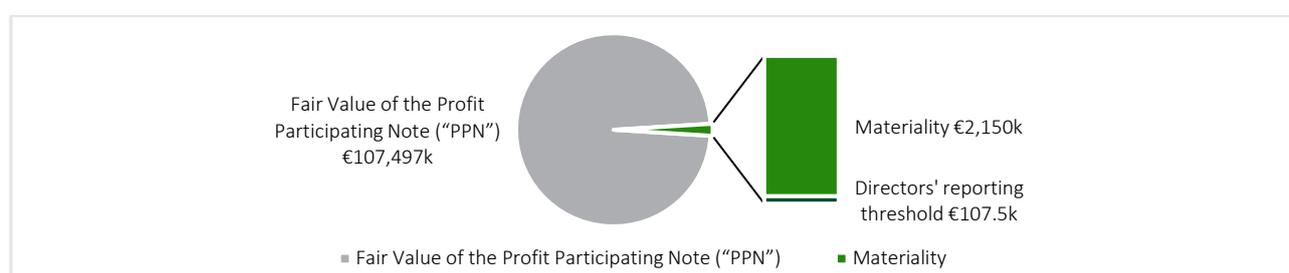
Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

## Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Materiality</b>	€2,150k
<b>Basis for determining materiality</b>	2% of fair value of the Profit Participating Note (“PPN”)
<b>Rationale for the benchmark applied</b>	Considering that the company is a Section 110 company, and the engagement risk for the audit is assessed as normal, a 2% of the PPN amount was deemed an appropriate percentage to apply to the chosen benchmark. This would be considered the industry standard for S.110 entities.



We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

Performance materiality was set at 80% of materiality for the 2023 audit (2022: 80%). In determining performance materiality, we considered the following factors:

- Our understanding of the company - The audit has been assessed as normal risk.
- The reliability of the company’s Internal Control over financial reporting - The company has appointed a third-party administrator, BNY Mellon, whom we have assessed as having a strong control environment in place.
- The willingness to investigate and correct misstatements identified - based on our experience with the client they have always had this willingness.
- The nature and extent of Misstatements identified in previous audits, none were noted other than the capitalised of set up costs; and
- Our expectations in relation to misstatements in the current period, based on procedures performed to date (review of board minutes and discussion with management). No misstatements are expected.

We agreed with the Directors that we would report to them all audit differences in excess of €107,500 as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

## An overview of the scope of our audit

Our audit is a risk-based approach taking into account the structure of the Company, types of investments, the involvement of the third parties service providers, the accounting processes and controls in place and the industry in which the Company operates. The Company is incorporated as a Designated Activity Company limited by shares, registered under part 16 of the Companies Act 2014 to undertake investment activities funded through the Profit Participating Notes (“PPN”) agreement. The Company is established as a “Qualifying Company” under Section 110 of the Taxes Consolidation Act 1997. We have conducted our audit based on the books and records maintained by the administrator Bank of New York Mellon Ireland at One Dockland Central, Guild Street, Dublin 1, Ireland.

## Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Responsibilities of directors

---

As explained more fully in the Statement of Directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

---

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

## Extent to which the audit was considered capable of detecting irregularities, including fraud

---

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

### Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management and the audit committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations, IT, and industry specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (Ireland), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Irish Companies Act and IFRS.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

In common with all audits under ISAs (Ireland), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2014.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty, including Section 110 of the Taxes Consolidation Act 1997.

## Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the audit committee and legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

## Report on other legal and regulatory requirements

### Opinion on other matters prescribed by the Companies Act 2014

---

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

### Matters on which we are required to report by exception

---

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

### Use of our report

---

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jim Meegan  
For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

17 April 2024

## TRAIANUS DESIGNATED ACTIVITY COMPANY

### STATEMENT OF COMPREHENSIVE INCOME For the financial year ended 31 December 2023

	Note	2023 EUR '000	2022* EUR '000
Interest income		3,748	723
Other operating income	5	70	152
Net gains/(losses) on financial instruments	6	-	-
<b>Total investment income/(loss)</b>		<b>3,818</b>	<b>875</b>
Operating expenses	7	(711)	(364)
<b>Operating profit/(loss)</b>		<b>3,107</b>	<b>511</b>
<b>Finance costs</b>			
Interest expense	10	(3,106)	(510)
<b>Total finance costs</b>		<b>(3,106)</b>	<b>(510)</b>
<b>Net profit/(loss) before taxation</b>		<b>1</b>	<b>1</b>
Taxation	8	-	-
<b>Profit/(loss) for the financial year</b>		<b>1</b>	<b>1</b>

\* The Entity commenced operations on 4 May 2022.

The accompanying notes form an integral part of these financial statements.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## STATEMENT OF FINANCIAL POSITION As at 31 December 2023

	Note	31 December 2023 EUR '000	31 December 2022 EUR '000
<b>ASSETS</b>			
Financial assets at fair value through profit or loss	4	129,527	42,790
Receivable for investments repaid		1,379	222
Interest receivable		325	6
Cash and cash equivalents		1,710	746
<b>Total assets</b>		<b>132,941</b>	<b>43,764</b>
<b>EQUITY</b>			
Share capital	12	-	-
Retained earnings		2	1
<b>Total equity</b>		<b>2</b>	<b>1</b>
<b>LIABILITIES</b>			
Financial liabilities at fair value through profit or loss	4, 10	107,497	39,878
Payable for investments purchased		24,700	3,564
Other payables	9	742	321
<b>Total liabilities</b>		<b>132,939</b>	<b>43,763</b>
<b>Total equity and liabilities</b>		<b>132,941</b>	<b>43,764</b>

The accompanying notes form an integral part of these financial statements.

On behalf of the Directors

*Sandra Smyth*

Director

4 April 2024

*Neill Barr*

Director

4 April 2024

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

	Note	2023 EUR '000	2022* EUR '000
Balance at beginning of the financial year		1	-
Profit/(loss) for the financial year		1	1
<b>Capital transactions:</b>			
Share capital issued	12	-	-
<b>Increase/(decrease) in net assets resulting from capital transactions</b>		-	-
<b>Balance at end of the financial year</b>		<b>2</b>	<b>1</b>

\* The Entity commenced operations on 4 May 2022.

The accompanying notes form an integral part of these financial statements.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

	2023 EUR '000	2022* EUR '000
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	1	1
<b>Adjustments for:</b>		
<i>(Increase)/decrease in operating assets:</i>		
(Increase)/decrease in financial assets at fair value through profit or loss	(86,737)	(42,790)
(Increase)/decrease in receivable for investments repaid	(1,157)	(222)
<i>Increase/(decrease) in operating liabilities:</i>		
Increase/(decrease) in payable for investments purchased	21,136	3,564
Increase/(decrease) in other payables	421	321
<i>Other adjustments:</i>		
- Interest income	(3,748)	(723)
- Interest expense	3,106	510
- Net unrealised (gains)/losses on PPN	3,842	(3,632)
	(63,136)	(42,971)
Interest received	3,429	717
<b>Net cash (used in)/provided by operating activities</b>	<b>(59,707)</b>	<b>(42,254)</b>
<b>Cash flows (used in)/provided by financing activities</b>		
Proceeds from issuance of PPN	62,800	43,000
Interest paid	(2,129)	-
<b>Net cash (used in)/provided by financing activities</b>	<b>60,671</b>	<b>43,000</b>
Net increase/(decrease) in cash and cash equivalents	964	746
Cash and cash equivalents at beginning of the financial year	746	-
<b>Cash and cash equivalents at end of the financial year</b>	<b>1,710</b>	<b>746</b>

\* The Entity commenced operations on 4 May 2022.

The accompanying notes form an integral part of these financial statements.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General information

The Entity was incorporated in Ireland as a designated activity company, pursuant to the provisions of the Companies Act 2014 (as amended). The Entity was established as a “qualifying company” under Section 110 of the Taxes Consolidation Act, 1997 (as amended) to undertake investment activities. The registered office of the Entity is located at 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland. The direct parent of the Entity is the Noteholder.

### 2. Material accounting policies

#### 2.1 Basis of preparation

The financial statements are prepared in accordance with IFRS as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2014 (as amended).

The financial statements are prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The principal accounting policies and notes are set out below, all of which are applied for the financial years ended 31 December 2023 and 31 December 2022.

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### 2.2 Financial instruments

##### 2.2.1 Classification

A financial asset is classified as measured at: amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification of financial assets is based on the business model in which a financial asset is managed and on its contractual cash flow characteristics.

Investments in debt instruments are managed and their performance is evaluated on a fair value basis. The Entity is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The contractual cash flows of the Entity’s debt instruments are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is incidental to achieving the Entity’s business model’s objective. Consequently, all investments in debt instruments are classified as being measured at fair value through profit or loss.

The PPN issued by the Entity are classified as financial liabilities at fair value through profit or loss and are designated as such upon initial recognition. The PPN are managed, and their performance is evaluated on a fair value basis, in accordance with the note subscription agreement, and information is provided on that basis to the Directors.

All other financial assets and liabilities including cash, cash equivalents, receivables and payables are classified as being measured at amortised cost using the effective interest method.

##### 2.2.2 Recognition and derecognition

The Entity recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Purchases and sales of investments are recognised on the day the trade takes place. Realised gains and losses on disposals of financial instruments are calculated using the First-In-First-Out cost method.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or the risks and rewards of ownership have all been substantially transferred. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

##### 2.2.3 Measurement

All financial instruments are initially recognised at fair value.

Financial assets and financial liabilities at fair value through profit or loss are subsequently measured at fair value. Transaction costs on purchases or sales of investments and gains and losses arising from changes in the fair value of financial assets or financial liabilities at fair value through profit or loss are presented in the statement of comprehensive income within “Net gains/(losses) on financial instruments”, in the period in which they arise.

Financial assets and financial liabilities, other than those classified as at fair value through profit or loss, are subsequently measured at amortised cost. For these financial assets measured at amortised cost, the Entity has chosen to apply the simplified approach for expected credit losses under IFRS 9 “Financial Instruments”. Therefore, the Entity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance might be required. Expected credit losses are deemed immaterial for the Entity as at the financial year end 31 December 2023.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. Material accounting policies (continued)

#### 2.2 Financial instruments (continued)

##### 2.2.4 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The estimation of fair value, after initial recognition, is determined as outlined below.

Investments in debt instruments which are quoted, listed, traded or dealt on a market or exchange are valued based on quoted market prices which, for the purposes of the financial statements is in line with the valuation methodology prescribed in the Entity's private placement memorandum. Depending on the nature of the underlying investment, the value taken could be either at the closing price, closing mid-market price or bid price on the relevant market.

In the case of an investment which is not quoted, listed or dealt on a recognised market, or in respect of which a listed, traded or dealt price or quotation is not available at the time of valuation, the fair value of such investment shall be estimated with care and in good faith by a competent professional person, body, firm or corporation (appointed for such purpose by the Directors in consultation with the Portfolio Manager), and such fair value shall be determined using valuation techniques. The Entity uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

Valuation techniques used for non-standardised financial instruments include those detailed in the fair value hierarchy note and are commonly used by market participants, making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

##### 2.2.5 Cash and cash equivalents

Cash in the statement of financial position includes cash deposits held on call with banks. Cash equivalents include short-term liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 2.3 Foreign currency

##### 2.3.1 Functional and presentation currency

Foreign currency items included in the financial statements are measured in the Entity's functional currency which is Euro ("EUR"). The Directors consider that EUR most accurately represents the economic effects of the underlying transactions, events and conditions of the Entity. The Entity's presentation currency is the same as the functional currency.

##### 2.3.2 Transactions and balances

Transactions in foreign currencies are translated into the functional currency of the Entity at the foreign currency exchange rate in effect at the date of the transaction. Foreign currency assets and liabilities, including investments, are translated at the exchange rate prevailing at the reporting date. The foreign exchange gain or loss based on the translation of the investments, as well as the gain or loss arising on the translation of other assets and liabilities, is included in the statement of comprehensive income in "Net gains/(losses) on financial instruments".

#### 2.4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgement in the process of applying the Entity's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that the Entity's financial statements, therefore, present the Entity's financial position and its results fairly. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

##### 2.4.1 Assumptions and estimation uncertainties

###### 2.4.1.1 Fair value of financial instruments not quoted in an active market

The fair value of such instruments not quoted in an active market may be determined by the Entity using reputable pricing sources or indicative prices from bond/debt market makers. The Entity would exercise judgement and estimates on the quantity and quality of pricing sources used. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding.

##### 2.4.2 Judgements

###### 2.4.2.1 Assessment as investment entities

IFRS 10 "Consolidated Financial Statements" requires investment entities to fair value relevant subsidiaries through profit or loss rather than consolidate their results. As at 31 December 2023, the Entity did not have any subsidiaries.

#### 2.5 Interest income and interest expense

Interest income and expense for all interest bearing financial instruments are recognised in the statement of comprehensive income using the effective interest method.

#### 2.6 Fees and expenses

Expenses are recognised in the statement of comprehensive income on an accruals basis, except for transaction charges relating to the acquisition and realisation of investments which are charged for as incurred.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. Material accounting policies (continued)

#### 2.7 Taxation

##### 2.7.1 Current tax

Current tax, including Irish corporation tax and foreign tax, is recognised for the amount of income tax payable in respect of the Entity's taxable profits using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 2.7.2 Deferred tax

A provision for deferred tax payable is recognised in respect of material timing differences that have originated but not reversed at the statement of financial position date. A deferred tax asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Timing differences are differences between the Entity's taxable profits and its results as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

#### 2.8 Changes in accounting standards and policies

##### 2.8.1 New standards and amendments adopted during the financial year

The following standards and amendments applied for the first time to financial reporting periods commencing on or after 1 January 2023:

- Definition of Accounting Estimates; Amendments to IAS 8 - The amendments introduced the definition of accounting estimates and included other amendments to help entities distinguish changes in accounting estimates from changes in accounting policies.
- Disclosure of Accounting Policies; Amendments to IAS 1 and IFRS Practice Statement 2 - The amendments replace the requirement for entities to disclose their significant accounting policies with the requirement to disclose their material accounting policy information. The amendments also include guidance to help entities apply the definition of material in making decisions about accounting policy disclosures.
- International Tax Reform - Pillar Two Model Rules; Amendments to IAS 12 - applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development ("OECD").

As at 31 December 2023, these new standards and amendments have no significant impact to the Entity.

##### 2.8.2 New standards and amendments effective after 31 December 2023 which have not been early adopted

Certain new standards and amendments to standards are effective for annual periods beginning on or after 31 December 2023 and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Entity.

### 3. Financial risks

The Entity's investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The following information is not intended to be a comprehensive summary of all risks and the Noteholder should refer to the note subscription agreement for a more detailed discussion of the risks inherent in investing in the Entity.

#### 3.1 Risk management framework

The Directors review investment performance reports from the Portfolio Manager covering the Entity's performance and risk profile during the financial year. The Directors have delegated the day-to-day administration of the investment programme to the Portfolio Manager. The Portfolio Manager is also responsible for ensuring that the Entity is managed within the terms of its investment guidelines and limits set out in the private placement memorandum. The Directors reserve to themselves the investment performance, product risk monitoring and oversight and the responsibility for the monitoring and oversight of regulatory and operational risk for the Entity. The Directors rely on members of the BlackRock Risk and Quantitative Analysis Group ("RQA Group") for daily risk management. The RQA Group is a centralised group which performs an independent risk management function. The RQA Group independently identifies, measures and monitors investment risk. The RQA Group tracks the actual risk management practices being deployed by the Entity. By breaking down the components of the process, the RQA Group has the ability to determine if the appropriate risk management processes are in place by the Entity. This captures the risk management tools employed, how the levels of risk are controlled, ensuring risk/return is considered in portfolio construction and reviewing outcomes.

#### 3.2 Market risk

Market risk arises mainly from uncertainty about future values of financial instruments influenced by currency, interest rate and price movements. It represents the potential loss the Entity may suffer through holding market positions in the face of market movements.

##### 3.2.1 Market risk arising from foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

#### Exposure to foreign currency risk

The Entity may invest in financial instruments denominated in currencies other than its functional currency. Consequently, the Entity is exposed, directly and/or indirectly, to risks that the exchange rate of its functional currency relative to other currencies may change in a manner which has an adverse effect on the value of the portion of the Entity's assets which are denominated in currencies other than its own functional currency.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.2 Market risk (continued)

##### 3.2.1 Market risk arising from foreign currency risk (continued)

##### Exposure to foreign currency risk (continued)

All, or substantially all, of the Entity's investments are denominated in the functional currency of the Entity, therefore as at 31 December 2023 and 31 December 2022, the Entity was not directly exposed to foreign currency risk and no currency sensitivity information has been presented.

##### 3.2.2 Market risk arising from interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

##### Exposure to interest rate risk

The Entity is exposed to interest rate risk through its cash and cash equivalent holdings and through its investments in interest bearing financial instruments.

The following tables detail the Entity's exposure to interest rate risk as at 31 December 2023 and 31 December 2022:

31 December 2023	Fixed EUR '000	Floating EUR '000	Non-interest bearing EUR '000	Total EUR '000
<b>Assets</b>				
Financial assets at fair value through profit or loss	117,225	12,302	-	129,527
Receivable for investments repaid	-	-	1,379	1,379
Interest receivable	-	-	325	325
Cash and cash equivalents	-	1,710	-	1,710
<b>Total</b>	<b>117,225</b>	<b>14,012</b>	<b>1,704</b>	<b>132,941</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	-	(107,497)	-	(107,497)
Payable for investments purchased	-	-	(24,700)	(24,700)
Other payables	-	-	(742)	(742)
<b>Total</b>	<b>-</b>	<b>(107,497)</b>	<b>(25,442)</b>	<b>(132,939)</b>
<b>Net exposure</b>	<b>117,225</b>	<b>(93,485)</b>	<b>(23,738)</b>	<b>2</b>

31 December 2022	Fixed EUR '000	Floating EUR '000	Non-interest bearing EUR '000	Total EUR '000
<b>Assets</b>				
Financial assets at fair value through profit or loss	30,488	12,302	-	42,790
Receivable for investments repaid	-	-	222	222
Interest receivable	-	-	6	6
Cash and cash equivalents	-	746	-	746
<b>Total</b>	<b>30,488</b>	<b>13,048</b>	<b>228</b>	<b>43,764</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	-	(39,878)	-	(39,878)
Payable for investments purchased	-	-	(3,564)	(3,564)
Other payables	-	-	(321)	(321)
<b>Total</b>	<b>-</b>	<b>(39,878)</b>	<b>(3,885)</b>	<b>(43,763)</b>
<b>Net exposure</b>	<b>30,488</b>	<b>(26,830)</b>	<b>(3,657)</b>	<b>1</b>

The Entity has interest rate risk exposure on the valuation and cash flows of its interest bearing assets and liabilities. The Entity holds fixed rate assets which expose it to fair value interest rate risk and floating rate assets which expose it to cash flow interest rate risk.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.2 Market risk (continued)

##### 3.2.2 Market risk arising from interest rate risk (continued)

###### Exposure to interest rate risk (continued)

As at 31 December 2023, if interest rates on floating rate financial assets had been higher/lower by 50 basis points, with all other variables held constant, the increase/decrease in net assets would have been EUR70,060/(EUR70,060) (31 December 2022: EUR65,240/(EUR65,240)). This primarily arises from the increase/decrease in interest income on floating rate financial assets at fair value through profit or loss, with a small proportion arising from the increase/decrease in interest income on cash and cash equivalents.

As at 31 December 2023, the floating rate financial liabilities are represented by the PPN issued by the Entity. Due to the limited recourse conditions of the PPN, a sensitivity analysis is considered not to be representative of the total effect on the Entity's net assets of future movements in interest rates and therefore has not been presented.

As at 31 December 2023, if interest rates on fixed rate financial assets had been higher/lower by 50 basis points, with all other variables held constant, the increase/decrease in net assets would have been (EUR4,014,331)/EUR4,124,416 (31 December 2022: (EUR1,238,998)/EUR1,308,696). This arises from the increase/decrease in the fair value of fixed rate financial assets at fair value through profit or loss.

###### Management of interest rate risk

Interest rate risk exposure is managed by constantly monitoring the position for deviations outside of a pre-determined tolerance level and, when necessary, rebalancing back to the original desired parameters.

##### 3.2.3 Market risk arising from price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, such as the COVID-19 pandemic, recessions, or other events could have a significant impact on the Entity and its investments.

###### Exposure to price risk

The Entity is exposed to price risk arising from its investments in financial instruments. The exposure of the Entity to price risk is the fair value of the investments held as shown in the statement of financial position.

Due to the nature of the investment portfolio as at 31 December 2023, price risk is a factor of credit risk (including concentration risk) and interest rate risk. Credit risk and interest rate risk are discussed elsewhere in this note; therefore, a separate sensitivity analysis has not been presented.

Given the geographic specific nature of the investments to which the Entity is exposed, the exposure of the Entity will be highly concentrated in assets located in a limited number of target jurisdictions. The Entity may at certain times hold large positions in a relatively limited number of issuers or investments, including in a concentrated number of countries, subject to pre-defined constraints. The Entity could be subject to significant losses if it holds a relatively large position in a single country, issuer or a particular type of investment that declines in value and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

Price movements of debt instruments and other financial assets in which the Entity may be indirectly invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, amongst other things, interest rate fluctuations.

The Directors have considered the impact of climate change on the value of the investments included in the financial statements and have concluded that there was no further impact of climate change to be considered as the investments are valued based on market pricing.

None of the Entity's other assets and liabilities were considered to be significantly impacted by climate change.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.2 Market risk (continued)

##### 3.2.3 Market risk arising from price risk (continued)

##### Exposure to price risk (continued)

The Entity's financial assets exposed to price risk were concentrated in the following industries and geographic locations as at 31 December 2023 and 31 December 2022:

31 December 2023		Fair value	Fair value
Industry type	Place of business	EUR '000	%
Power <sup>1</sup>	Spain	12,512	9.66
Regulated utility <sup>2</sup>	France	16,918	13.06
Regulated utility <sup>2</sup>	Sweden	12,302	9.50
Transportation <sup>3</sup>	France	12,246	9.45
Transportation <sup>3</sup>	Germany	34,103	26.33
Transportation <sup>3</sup>	Luxembourg	26,031	20.10
Transportation <sup>3</sup>	United Kingdom	15,415	11.90
<b>Total</b>		<b>129,527</b>	<b>100.00</b>

<sup>1</sup> Power may include: regulated power utilities; power generation projects; regulated transmission and/or distribution projects; and renewable energy.

<sup>2</sup> Regulated utility may include: telecoms; smart metering; fibre optic; regulated gas projects and water projects.

<sup>3</sup> Transportation may include: roads, bridges, tunnels, toll road concessions; rail, metro and rolling stock; parking; airports; and seaports.

31 December 2022		Fair value	Fair value
Industry type	Place of business	EUR '000	%
Regulated utility <sup>1</sup>	France	15,963	37.31
Regulated utility <sup>1</sup>	Sweden	12,302	28.75
Transportation <sup>2</sup>	United Kingdom	14,525	33.94
<b>Total</b>		<b>42,790</b>	<b>100.00</b>

<sup>1</sup> Regulated utility may include: telecoms; smart metering; fibre optic; regulated gas projects and water projects.

<sup>2</sup> Transportation may include: roads, bridges, tunnels, toll road concessions; rail, metro and rolling stock; parking; airports; and seaports.

#### Management of price risk

By diversifying the portfolio, where this is appropriate and consistent with the Entity's objectives, the risk that a price change of a particular investment will have a material impact on the Entity's net assets is minimised. The performance of the Entity's investments is monitored on a regular basis by the Portfolio Manager.

#### 3.3 Liquidity risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting obligations associated with financial liabilities.

##### Exposure to liquidity risk

The Entity's principal liquidity risks arise from the ability of the Noteholder to effect redemption requests and the liquidity of the underlying investments the Entity has invested in.

The main liability of the Entity is associated with the repayment of the PPN, but it is subordinate to the claims of all other creditors of the Entity. The PPN are direct, limited recourse obligations of the Entity which are payable solely from the portfolio after payment of all senior obligations, payments and claims which rank in priority to payments under the PPN. The Noteholder may therefore be exposed to a greater risk of default and lower recoveries in the event of a default to any such creditors.

Due to the limited recourse conditions of the PPN issued by the Entity, there is an insignificant exposure to liquidity risk for the Entity as at 31 December 2023 and 31 December 2022. The PPN may be redeemed in whole or in part at the option of the Noteholder or of the Entity, by notice to the other party.

Debt instruments owned or acquired by the Entity are not expected to be actively traded. Depending on market activity, volatility, applicable laws and other factors, the Entity may not be able to promptly liquidate investments at an attractive price or at all. In addition, the Entity may acquire investments which cannot be sold publicly, for legal or contractual reasons, absent registration or qualification under applicable securities laws (which may be prohibitively expensive or otherwise restricted or unavailable). The types of debt instruments in which the Entity may intend to invest are frequently illiquid and may remain so for an indefinite period of time. Liquidation of investments may be subject to delays and additional costs and may be possible only at substantial discounts. Given the uncertainty inherent in the valuation of assets of the Entity that lack a readily ascertainable market value, the value of such assets as reflected in the Entity's statement of financial position may differ materially from the prices at which the Entity would be able to liquidate such assets.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.3 Liquidity risk (continued)

##### Exposure to liquidity risk (continued)

As at 31 December 2023 and 31 December 2022, the Entity's financial liabilities classified into relevant maturity groupings based on the remaining period to the contractual maturity date were as follows:

31 December 2023	Less than 1 month EUR '000	1-3 months EUR '000	3 months to 1 year EUR '000	Over 1 year EUR '000	Total EUR '000
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss	-	-	-	(107,497)	(107,497)
Payable for investments purchased	-	-	(24,700)	-	(24,700)
Other payables	-	-	(742)	-	(742)
<b>Total</b>	-	-	<b>(25,442)</b>	<b>(107,497)</b>	<b>(132,939)</b>

31 December 2022	Less than 1 month EUR '000	1-3 months EUR '000	3 months to 1 year EUR '000	Over 1 year EUR '000	Total EUR '000
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss	-	-	-	(39,878)	(39,878)
Payable for investments purchased	-	(3,564)	-	-	(3,564)
Other payables	-	-	(321)	-	(321)
<b>Total</b>	-	<b>(3,564)</b>	<b>(321)</b>	<b>(39,878)</b>	<b>(43,763)</b>

#### Management of liquidity risk

The Entity's liquidity risk is managed by the Portfolio Manager in accordance with established policies and procedures in place. The Entity's approach to managing this risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions. The analysis and management of liquidity risks are monitored and assessed at all stages in the investment selection process. The liquidity management systems and procedures employed by the Portfolio Manager will allow them to apply various tools and arrangements to respond appropriately to the requirement to liquidate the assets of the Entity.

#### 3.4 Counterparty credit risk

Counterparty credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

##### Exposure to counterparty credit risk

The Entity is exposed to counterparty credit risk from the parties with which it trades and will bear the risk of settlement default. The carrying value of financial assets best represents the Entity's maximum exposure to counterparty credit risk at the reporting date. The Entity only transacts with counterparties that are regulated entities subject to prudential supervision, or with high credit ratings assigned by international credit rating agencies.

As at 31 December 2023 and 31 December 2022, the Entity's financial assets exposed to credit risk amounted to the following:

	31 December 2023 EUR '000	31 December 2022 EUR '000
<b>Assets</b>		
Financial assets at fair value through profit or loss	129,527	42,790
Receivable for investments repaid	1,379	222
Interest receivable	325	6
Cash and cash equivalents	1,710	746
<b>Total</b>	<b>132,941</b>	<b>43,764</b>

There were no past due or impaired balances in relation to transactions with counterparties as at 31 December 2023 or 31 December 2022.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.4 Counterparty credit risk (continued)

##### Management of counterparty credit risk

Counterparty credit risk is monitored and managed by the BlackRock RQA Counterparty and Concentration Risk Team. The team is headed by BlackRock's Chief Counterparty Credit Officer who reports to the Global Head of RQA. Credit authority resides with the Chief Counterparty Credit Officer and selected team members to whom specific credit authority has been delegated. As such, counterparty approvals may be granted by the Chief Counterparty Credit Officer, or by identified RQA Credit Risk Officers who have been formally delegated authority by the Chief Counterparty Credit Officer.

The BlackRock RQA Counterparty and Concentration Risk Team completes a formal review of each new counterparty, monitors and reviews all approved counterparties on an ongoing basis and maintains an active oversight of counterparty exposures and the collateral management process.

##### 3.4.1 Custodian

The Noteholder will also be exposed to the credit risk of the Custodian in respect of the portfolio, in the form of investments or cash held by the Custodian, and where applicable, the credit risk of any bank, broker, clearing house or financial intermediary that holds any such investments or cash for the account of the Custodian. Any default in its payment obligations by the Custodian, or any such bank, broker, clearing house or financial intermediary may have a material adverse effect on the amounts recoverable, which may, in turn, lead to a reduced recovery on the investment. All of the cash balances of the Entity are held with the Custodian.

To mitigate the Entity's exposure to the Custodian, the Portfolio Manager employs specific procedures to ensure that the Custodian is a reputable institution and that the counterparty credit risk is acceptable to the Entity. The Entity only transacts with custodians that are regulated entities, subject to prudential supervision or with "high credit ratings" assigned by international credit rating agencies. The long-term credit rating of the parent company of the Custodian, The Bank of New York Mellon Corporation, as at 31 December 2023 is A (31 December 2022: A) (Standard & Poor's rating).

##### 3.4.2 Issuer credit risk relating to debt instruments

Issuer credit risk is the default risk of one of the issuers of a debt instrument held by the Entity. Debt instruments involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated.

The Entity invests in debt instruments that may or may not have public credit ratings. These investments may have a greater than normal risk of future defaults, delinquencies, bankruptcies or fraud losses. There can be no assurance that the investments will perform, the entities to which the Entity is exposed will pay as expected, or, if the investment defaults, that security in respect of the underlying assets will be able to be enforced and the relevant assets liquidated in a cost-effective manner. In addition to the risks of default of the relevant entity, the Entity will be subject to a variety of risks in connection with such investments, including risks arising from mismanagement or a decline in the value of collateral, contested enforcement proceedings, bankruptcy of the debtor, claims for lender liability, violations of usury laws and the imposition of common law or statutory restrictions on the Entity's exercise of contractual remedies for defaults on such investments.

The following table details the credit rating profile of the debt instruments held by the Entity:

Credit rating	31 December 2023 % of debt instruments	31 December 2022 % of debt instruments
Investment grade	58.33	33.94
Not rated	41.67	66.06
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

To manage this risk, the Portfolio Manager, where appropriate and consistent with the Entity's objectives, monitors the credit ratings of the debt instruments, as disclosed in the credit rating profile table above. The ratings of the debt instruments are continually monitored by the BlackRock Portfolio Management Group and for non-rated or securities with subordinated or lower credit ratings, additional specific procedures are employed to ensure the associated credit risk is acceptable to the Entity. Investment grade debt instruments are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

### 4. Fair value hierarchy

The Entity classifies assets and liabilities measured at fair value using a fair value hierarchy. The fair value hierarchy has the following categories:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the Entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly. This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 4. Fair value hierarchy (continued)

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability. This category includes all instruments where the valuation techniques used include inputs not based on market data and these inputs could have a significant impact on the instrument's valuation. This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the level 3 asset or liability including an assessment of the relevant risks including but not limited to credit risk, market risk, liquidity risk, business risk and sustainability risk.

The determination of what constitutes 'observable' inputs requires significant judgement and these risks are adequately captured in the assumptions and inputs used in the measurement of the level 3 asset or liability. The Directors consider observable inputs to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

#### 4.1 Valuation techniques

##### Debt instruments

The fair value of debt instruments is estimated using the net present value of estimated future cash flows based on a discounted cash flow model. The estimated future cash flows are discounted using discount rates derived from quoted prices of securities with similar maturity and credit ratings that are traded in active markets, adjusted for such matters as liquidity differences, and credit and market risk factors. The main inputs into the Entity's discounted cash flow models include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity indices, and expected price volatilities and correlations. Changes in these estimates or assumptions can result in significant variations in the carrying value and amounts charged or credited to the statement of comprehensive income in specific periods.

#### 4.2 Fair value hierarchy – Assets and liabilities measured at fair value

The following tables provide an analysis of the Entity's assets and liabilities measured at fair value as at 31 December 2023 and 31 December 2022:

	Level 1	Level 2	Level 3	Total
31 December 2023	EUR '000	EUR '000	EUR '000	EUR '000
<b>Financial assets at fair value through profit or loss:</b>				
- Debt instruments	-	129,527	-	129,527
<b>Total</b>	-	<b>129,527</b>	-	<b>129,527</b>
<b>Financial liabilities at fair value through profit or loss:</b>				
- PPN	-	(107,497)	-	(107,497)
<b>Total</b>	-	<b>(107,497)</b>	-	<b>(107,497)</b>

	Level 1	Level 2	Level 3	Total
31 December 2022	EUR '000	EUR '000	EUR '000	EUR '000
<b>Financial assets at fair value through profit or loss:</b>				
- Debt instruments	-	42,790	-	42,790
<b>Total</b>	-	<b>42,790</b>	-	<b>42,790</b>
<b>Financial liabilities at fair value through profit or loss:</b>				
- PPN	-	(39,878)	-	(39,878)
<b>Total</b>	-	<b>(39,878)</b>	-	<b>(39,878)</b>

The Entity only held level 2 assets and liabilities measured at fair value during the financial years ended 31 December 2023 and 31 December 2022. There were no transfers between levels during the financial years ended 31 December 2023 and 31 December 2022.

#### 4.3 Financial instruments not measured at fair value

All financial assets and liabilities not measured at fair value at the financial year end are classified as level 2, with the exception of cash and cash equivalents which are measured as level 1.

The carrying values of assets and liabilities carried at amortised cost are a reasonable approximation of fair value.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 5. Other operating income

	2023	2022
	EUR '000	EUR '000
Commitment fees	70	152
<b>Total</b>	<b>70</b>	<b>152</b>

Commitment fees are structuring and upfront fees earned in relation to investments acquired.

### 6. Net gains/(losses) on financial instruments

	2023	2022
	EUR '000	EUR '000
Realised gains on financial assets at fair value through profit or loss	72	-
Unrealised gains on financial assets and liabilities at fair value through profit or loss	3,771	(3,754)
Unrealised losses on financial assets and liabilities at fair value through profit or loss	(3,842)	3,754
Net gains/(losses) on foreign exchange	(1)	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 7. Operating expenses

	2023	2022
	EUR '000	EUR '000
Management fees	(257)	(76)
Organisational fees	(130)	(22)
Professional fees	(120)	(119)
Corporate services fees	(36)	(17)
Administration fees	(32)	(22)
Audit fees	(14)	(13)
Legal fees	(10)	(10)
Advisor fees	(10)	-
Bank interest	(1)	(4)
Other	(101)	(81)
<b>Total</b>	<b>(711)</b>	<b>(364)</b>

#### Management fees

The Entity shall pay to the Portfolio Manager an annual management fee in respect of the infrastructure debt assets, commencing upon the settlement date of the initial purchase of assets comprising the first series portfolio.

The management fee is calculated provided that the annual management fee rate shall be replaced by the following lower annual management fee rate (as applicable):

- 28 basis points per annum on the first United States Dollar ("USD") 1.25 billion of the aggregate invested capital ("Amount A" and where the aggregate invested capital is less than USD1.25 billion, this shall be such lesser amount);
- 27 basis points per annum of the aggregate invested capital between USD1.25 billion and USD1.45 billion ("Amount B" and where the aggregate invested capital is less than USD1.45 billion, this shall be such lesser amount); and
- 25 basis points per annum of the aggregate invested capital above USD1.45 billion.

The management fee will be calculated and billed by the Portfolio Manager quarterly in arrears for each calendar quarter period (ending on 31 March, 30 June, 30 September and 31 December) as the aggregate of the following, prorated based on the actual number of days of such calendar quarter:

- average invested capital multiplied by (Amount A divided by aggregate invested capital)
- average invested capital multiplied by ((Amount B minus Amount A) divided by aggregate invested capital)
- average invested capital multiplied by ((aggregate invested capital minus Amount B) divided by aggregate invested capital)

If a), b) or c) are less than zero they shall be deemed to be zero.

#### Administration fees

The Administrator receives an administration fee from the Entity in accordance with the terms of the Administrator Agreement.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7. Operating expenses (continued)

#### Audit fees

Fees and expenses paid to the statutory auditor, Deloitte Ireland LLP, in respect of the financial year, entirely relate to the audit of the financial statements of the Entity. There were no fees and expenses paid in respect of other assurance, tax advisory or non-audit services provided by the auditor during the financial year ended 31 December 2023 and the financial year ended 31 December 2022.

#### Professional fees

Professional fees in the statement of comprehensive income are costs incurred for professional services provided to the Entity. They may include advisory fees, tax fees, secretarial fees, due diligence costs incurred for prospective investment acquisitions and other professional costs.

#### Organisational fees

Organisational fees relate to the incorporation fees and expenses incurred in connection with the set-up of the Entity.

### 8. Taxation

	2023 EUR '000	2022 EUR '000
<b>Current tax</b>		
Current financial year tax charge	-	-
<b>Total</b>	-	-

The tax assessed for the financial year is different to the standard rate of corporation tax in the Republic of Ireland (12.5%). The Entity is charged corporation tax at a rate of 25% in accordance with Section 110 Schedule D Case I and III of the Taxes Consolidation Act. The differences are explained in the table below.

Tax charged on operating income of EUR1,000 (2022: EUR660) for the financial year ended 31 December 2023 amounted to EUR250 (2022: EUR165).

	2023 EUR '000	2022 EUR '000
Operating income/(loss) before tax	1	1
Operating income/(loss) before tax multiplied by standard rate of corporation tax in the Republic of Ireland (12.5%)	-	-
Operating income/(loss) before tax multiplied by higher rate of corporation tax in the Republic of Ireland (25%)	-	-
<b>Tax for the financial year</b>	-	-

The OECD recently issued model rules for a new global minimum tax framework ("Pillar Two") which is effective for accounting periods beginning on or after 31 December 2023. As a result determining whether the Entity is in the scope of Pillar Two as well as the potential exposure, if any, to Pillar Two income taxes is currently not known or reasonably estimable.

### 9. Other payables

	31 December 2023 EUR '000	31 December 2022 EUR '000
Management fee payable	325	76
Professional fees payable	208	119
Administration fees payable	55	22
Legal fees payable	19	10
Corporate services fees payable	17	17
Audit fees payable	14	13
Advisor fees payable	10	-
Organisational fees payable	-	22
Other	94	42
<b>Total</b>	<b>742</b>	<b>321</b>

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 10. PPN issued

The tables below outline the notional amounts for the PPN issued and repaid from the launch of the Entity to 31 December 2023 and 31 December 2022, including its amount in the local currency in which it was issued or repaid:

31 December 2023					
	Opening PPN notional amount	PPN issued	PPN repaid	Closing PPN notional amount	Closing fair value
Currency	'000	'000	'000	'000	EUR '000
EUR	43,000	62,800	-	105,800	107,497

31 December 2022					
	Opening PPN notional amount	PPN issued	PPN repaid	Closing PPN notional amount	Closing fair value
Currency	'000	'000	'000	'000	EUR '000
EUR	-	43,000	-	43,000	39,878

As outlined in the note subscription agreement, the PPN shall accrue interest at a variable rate on 31 March, 30 June, 30 September and 31 December in each calendar year. During the financial year ended 31 December 2023, the total interest expense incurred on the PPN was EUR3,105,863 (2022: EUR510,123).

The fixed maturity date of the PPN issued is 31 March 2072. The Noteholder's aggregate total commitment in respect of all series subscribed or to be subscribed is up to EUR300,000,000. As at 31 December 2023, the PPN were listed on the Spanish multilateral trading facility, Mercado Alternativo de Renta Fija ("MARF").

### 11. Reconciliation of liabilities arising from financing activities

	2023	2022
	EUR '000	EUR '000
Opening balance	39,878	-
<b>Cash flows:</b>		
Proceeds from issuance of PPN	62,800	43,000
Interest paid during the financial year	(2,129)	-
<b>Non-cash changes:</b>		
Interest expense incurred during the financial year	3,106	510
Net unrealised (gains)/losses	3,842	(3,632)
<b>Closing balance</b>	<b>107,497</b>	<b>39,878</b>

### 12. Share capital

#### Authorised

The authorised share capital of the Entity is 100,000,000 ordinary shares of a par value of EUR1 each.

#### Issued share capital

As at 31 December 2023, 1 ordinary share is currently in issue and fully paid up. The entire issued share capital of the Entity is held by Intertrust Nominees (Ireland) Limited for charitable purposes in accordance with the terms of a declaration of trust.

	31 December 2023	31 December 2022
	EUR	EUR
Issued share capital	1	1

### 13. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or is able to exercise significant influence over the other party, in making financial or operational decisions.

All related party transactions were carried out at arm's length in the ordinary course of business.

The Portfolio Manager is a wholly owned subsidiary of BlackRock, Inc. and a related party to the Entity.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 13. Related party transactions (continued)

#### 13.1 Related party fees and expenses

Fees paid to the Portfolio Manager during the financial year, the nature of these transactions and the balances outstanding at the financial year end are disclosed in notes 7 and 9 respectively.

As at 31 December 2023, Niall Ryan and Sandra Smyth were employees of the BlackRock Group. The Directors who are employees of the BlackRock Group are not entitled to receive Directors' fees.

With effect from 10 March 2023, Paul Reilly resigned as an employee of the BlackRock Group.

#### 13.2 Other related party transactions

No provisions have been recognised by the Entity against amounts due from related parties at the financial year end date (31 December 2022: Nil). No amounts have been written off during the financial year in respect of amounts due to or from related parties (31 December 2022: Nil). No commitments secured or unsecured or guarantees have been entered into with related parties during the financial year (31 December 2022: Nil).

There were no loans, quasi loans, credit transactions or remuneration between the Entity and its key management personnel or Directors for the financial year ended 31 December 2023 (31 December 2022: none).

### 14. Commitments and contingent liabilities

There were no significant commitments or contingent liabilities as at 31 December 2023 and 31 December 2022 other than those already disclosed in the financial statements.

### 15. Subsequent events

There have been no events subsequent to the financial year end, which, in the opinion of the Directors, may have had an impact on the financial statements for the financial year ended 31 December 2023.

### 16. Approval date

The financial statements were approved by the Directors on 4 April 2024.

# **Annual report and audited financial statements**

Traianus Designated Activity Company

Company number: 678014

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## CONTENTS

Page

### Overview

General information

2

Background

3

### Governance

Directors' report

4

Independent auditor's report

6

### Financial statements

Statement of comprehensive income

13

Statement of financial position

14

Statement of changes in equity

15

Statement of cash flows

16

Notes to the financial statements

17

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## GENERAL INFORMATION

### Board of Directors<sup>1</sup>

Niall Ryan (Irish)<sup>2</sup>  
Paul Reilly (Irish)  
Sandra Smyth (Irish)<sup>2</sup>

<sup>1</sup> Non-executive Director

<sup>2</sup> Employees of the BlackRock Group

### Portfolio Manager

BlackRock Investment Management (UK) Limited  
12 Throgmorton Avenue  
London EC2N 2DL  
United Kingdom

### Administrator

BNY Mellon Fund Services (Ireland) Designated  
Activity Company  
One Dockland Central  
Guild Street  
International Financial Services Centre  
Dublin 1, D01 E4X0  
Ireland

### Company Secretary

CSC Finance Holding Ireland Limited  
(formerly known as Intertrust Management Ireland Limited)  
2nd Floor  
1-2 Victoria Buildings  
Haddington Road  
Dublin 4, D04 XN32  
Ireland

### Entity's registered office

1-2 Victoria Buildings  
Haddington Road  
Dublin 4, D04 XN32  
Ireland

### Independent Auditor

Deloitte Ireland LLP  
Chartered Accountants, Statutory Audit Firm  
29 Earlsfort Terrace  
Dublin 2, D02 AY28  
Ireland

### Legal Advisor

*In Ireland*  
Matheson LLP  
70 Sir John Rogerson's Quay  
Dublin 2, D02 R296  
Ireland

### Custodian

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London EC4V 4LA  
United Kingdom

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## BACKGROUND

Traianus Designated Activity Company (the “Entity”) was incorporated in Ireland as a designated activity company on 18 September 2020, pursuant to the provisions of the Companies Act 2014 (as amended). The Entity was established as a “qualifying company” under Section 110 of the Taxes Consolidation Act, 1997 (as amended) to undertake investment activities.

The Entity was established as a special purpose vehicle to provide investment into debt and debt related instruments linked to infrastructure assets. The Entity funds its investments through the issuance of profit participating notes (“PPN”) to the noteholder. As at 31 December 2024, the PPN are held by Bansabadell Vida, Sociedad Anónima De Seguros Y Reaseguros (the “Noteholder”). The PPN issued by the Entity are listed on the Spanish multilateral trading facility, Mercado Alternativo de Renta Fija (“MARF”).

The term “BlackRock” and “Portfolio Manager” are used to represent BlackRock Investment Management (UK) Limited as appropriate. The term “Directors” means the directors of the Entity.

Further details, including the investment objectives, are set out in the Entity’s private placement memorandum.

### **Changes to the Entity during the financial year**

On 5 December 2024, the Entity’s Company Secretary, Intertrust Management Ireland Limited, changed its name to CSC Finance Holding Ireland Limited.

On 6 December 2024, the Entity’s shareholder, Intertrust Nominees (Ireland) Limited, changed its name to CSC Finance Nominees (Ireland) Limited.

There were no other significant changes to the Entity during the financial year.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## DIRECTORS' REPORT

The Directors present their report and audited financial statements for the financial year ended 31 December 2024.

### Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the audited financial statements in accordance with applicable Irish law and IFRS Accounting Standards ("IFRS") as adopted by the European Union (the "EU"), and in compliance with the Companies Act 2014 (as amended).

Under Irish law, the Directors shall not approve the audited financial statements unless they are satisfied that they give a true and fair view of the Entity's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Entity for the financial year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Entity will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the audited financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Entity;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Entity to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements and Directors' report comply with the Companies Act 2014 (as amended) and enable those financial statements to be audited.

The measures taken by the Directors to secure compliance with the Entity's obligation to keep adequate accounting records are the appointment of BlackRock Investment Management (UK) Limited that has appointed BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator") for the purpose of maintaining adequate accounting records. Accordingly, the accounting records are kept at the following address on behalf of the Administrator:

One Dockland Central  
Guild Street  
International Financial Services Centre  
Dublin 1, D01 E4X0  
Ireland

The Directors are also responsible for safeguarding the assets of the Entity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors have entrusted the assets of the Entity to the Custodian for safekeeping in accordance with the private placement memorandum of the Entity. In this regard the Directors have appointed The Bank of New York Mellon (International) Limited as Custodian pursuant to the terms of the Custodian Agreement. The address at which this business is conducted is as follows:

160 Queen Victoria Street  
London EC4V 4LA  
United Kingdom

### Results and dividends

The results and dividends for the financial year of the Entity are set out in the statement of comprehensive income.

### Review of business and future developments

A description of the Entity can be found in the Background section.

### Risk management objectives and policies

The risks facing the Entity relate to the financial instruments held by it and are set out in the financial risks section of the financial statements.

### Subsequent events after the financial year end

The significant events which have occurred since the statement of financial position date are set out in the notes to the audited financial statements.

### Directors' and Company Secretary's interests and transactions

The Directors and Company Secretary had no interests in the shares of the Entity during or at the end of the financial year (2023: Nil).

The Directors and Company Secretary had no interests in the debentures of the Entity during or at the end of the financial year (2023: Nil).

Niall Ryan and Sandra Smyth are non-executive Directors and also employees of BlackRock, Inc. and its subsidiaries (the "BlackRock Group").

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## DIRECTORS' REPORT (continued)

### Directors' and Company Secretary's interests and transactions (continued)

No Director had at any time during the financial year, a material interest in any contract of significance, in relation to the business of the Entity (2023: Nil).

### Going concern

The financial statements of the Entity have been prepared on a going concern basis. The Entity is able to meet all of its liabilities from its assets. The performance, marketability and risks of the Entity are reviewed on a regular basis throughout the financial year. Therefore, the Directors believe that the Entity will continue in operational existence for the foreseeable future and is financially sound. The Directors are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements of the Entity.

### Independent auditor

The auditors, Deloitte Ireland LLP, will be re-appointed in accordance with Section 383 of the Companies Act 2014 (as amended).

### Statement of relevant audit information

So far as the Directors are aware, there is no relevant audit information of which the Entity's auditors are unaware. The Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Entity's auditors are aware of that information.

On behalf of the Directors

*Sandra Smyth*

---

Sandra Smyth

26 March 2025

*Niall Ryan*

---

Niall Ryan

26 March 2025

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAIANUS DESIGNATED ACTIVITY COMPANY

### Report on the audit of the financial statements

#### Opinion on the financial statements of Traianus Designated Activity Company (the 'entity')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the entity as at 31 December 2024 and of the profit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Statement of Cash Flows; and
- the related notes 1 to 16, including material accounting policy information as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union ("the relevant financial reporting framework").

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Summary of our approach

Key audit matters	<p>The key audit matters that we identified in the current year were:</p> <ul style="list-style-type: none"> <li>• Valuation of Financial Assets at Fair Value Through Profit or Loss</li> <li>• Existence of Financial Assets at Fair Value Through Profit or Loss</li> </ul> <p>Within this report, any new key audit matters are identified with  and any key audit matters which are the same as the prior year identified with .</p>
Materiality	<p>The materiality that we used in the current year was €2,999k which was determined on the basis of 2% of the Fair Value of Profit Participating Notes ("PPN").</p>
Scoping	<p>The entity is established as a "Qualifying Company" under Section 110 of the Taxes Consolidation Act 1997. Our audit is a risk based approach taking into account the structure of the entity, types of investments, the involvement of the third parties service providers, the accounting processes and controls in place and the industry in which the entity operates.</p>
Significant changes in our approach	<p>There have been no significant changes to our audit approach.</p>

Continued on next page/

/Continued from previous page

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAIANUS DESIGNATED ACTIVITY COMPANY

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

- We challenged the reasonableness of the key assumptions applied by the directors in their assessment;
- We held discussions with management on the directors' going concern assessment, the future plans for the entity and the feasibility of those plans;
- We reviewed all board meeting minutes during the year up to the date of approval of the financial statements, for evidence of any discussions and/or decisions that could impact the entity's ability to continue as a going concern;
- We reviewed the composition of the investment portfolio subsequent to the financial year end; and
- We assessed the adequacy of the relevant going concern disclosures made in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Valuation of Financial Assets at Fair Value Through Profit or Loss ➤

##### Key audit matter description



For the financial year ended, 31 December 2024 the financial assets at fair value through profit or loss of the entity of €147,056k make up 98% of total assets of €150,664k. The valuation of the financial assets at fair value through profit or loss is considered a key audit matter as they represent a significant number on the statement of financial position. There is a risk that they may not be valued correctly in accordance with IFRS.

##### How the scope of our audit responded to the key audit matter



We have performed the following audit procedures:

- We obtained an understanding of and assessed the design of the key controls implemented over the valuation of financial assets at fair value through profit or loss;
- We ensured the basis on which fair value is determined for each individual investment is appropriate;
- We reviewed the independent valuation report prepared by the management expert engaged to provide valuation services to the company and assessed the appropriateness of the work performed; and
- We reviewed the fair value models (discounted cashflow) where applicable and verified all material inputs to third party documentation and available market data; and with the assistance of our internal valuation specialists, we assessed the reasonableness of the assumptions applied.

Continued on next page/

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAIANUS DESIGNATED ACTIVITY COMPANY

### Existence of Financial Assets at Fair Value Through Profit or Loss ➤

#### Key audit matter description



For the financial year ended, 31 December 2024 the financial assets at fair value through profit or loss of the entity of €147,056k make up 98% of total assets of €150,664k. The existence of the financial assets at fair value through profit or loss is considered a key audit matter as they represent a significant number on the statement of financial position. There is a risk that they may not exist at financial year end.

#### How the scope of our audit responded to the key audit matter



We have performed the following audit procedures:

- We obtained an understanding of and assessed the design of the key controls implemented over the existence of financial assets at fair value through profit or loss;
- We agreed the cost of new investments to supporting loan agreements and relevant bank statements;
- We agreed all investments held at year end to the signed loan agreements;
- We obtained independent confirmations from the relevant parties for each investment position; and
- We assessed the cut-off of trades to ensure that they have been recorded in the correct period.

Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

### Our application of materiality

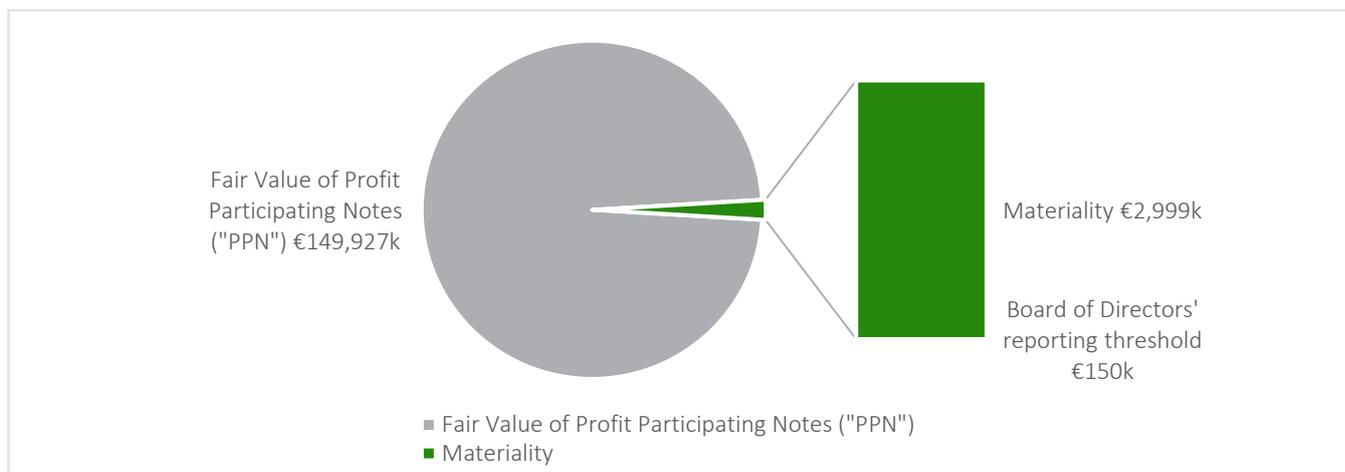
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<b>Materiality</b>	€2,999k (2023 : €2,150k)
<b>Basis for determining materiality</b>	2% of the Fair Value of Profit Participating Notes ("PPN")
<b>Rationale for the benchmark applied</b>	Considering that the entity is a Section 110 company, and the engagement risk for the audit is assessed as normal, a 2% of the PPN amount was deemed an appropriate percentage to apply to the chosen benchmark. This would be considered the industry standard for S110 entities.

/Continued from previous page

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAIANUS DESIGNATED ACTIVITY COMPANY



We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

Performance materiality was set at 80% of materiality for the 2024 audit (2023: 80%). In determining performance materiality, we considered the following factors:

- Our understanding of the entity - The audit has been assessed as normal risk;
- The reliability of the entity's internal control over financial reporting - The entity has appointed a third-party administrator, BNY Mellon Fund Services (Ireland) Designated Activity Company, whom we have assessed as having a strong control environment in place;
- The willingness to investigate and correct misstatements identified - Based on our experience with the client they have always had this willingness;
- The nature and extent of misstatements identified in previous audits - None were noted other than the capitalised of set up costs; and
- Our expectations in relation to misstatements in the current period - Based on procedures performed to date (review of board minutes and discussion with management), no misstatements are expected.

We agreed with the Board of Directors that we would report to them all audit differences in excess of €150k as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Board of Directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

### An overview of the scope of our audit

Our audit is a risk-based approach taking into account the structure of the entity, types of investments, the involvement of the third parties service providers, the accounting processes and controls in place and the industry in which the entity operates. The entity is incorporated as a Designated Activity Company limited by shares, registered under part 16 of the Companies Act 2014 to undertake investment activities funded through the Profit Participating Notes ("PPN") agreement. The entity is established as a "Qualifying Company" under Section 110 of the Taxes Consolidation Act 1997. We have conducted our audit based on the books and records maintained by the administrator, BNY Mellon Fund Services (Ireland) Designated Activity Company, at One Dockland Central, Guild Street, Dublin 1, Ireland.

/Continued from previous page

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAIANUS DESIGNATED ACTIVITY COMPANY

### Other information

---

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Responsibilities of directors

---

As explained more fully in the Statement of Director's Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

---

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

### Extent to which the audit was considered capable of detecting irregularities, including fraud

---

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

#### Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the entity's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;

*Continued on next page/*

*/Continued from previous page*

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAIANUS DESIGNATED ACTIVITY COMPANY

- any matters we identified having obtained and reviewed the entity's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations, IT, and industry specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- Management override of controls; and
- Revenue recognition.

In common with all audits under ISAs (Ireland), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the entity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2014.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the entity's ability to operate or to avoid a material penalty. These included Section 110 of the Taxes Consolidation Act 1997.

### **Audit response to risks identified**

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Board of Directors, and legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, and reviewing correspondence with the Board of Directors;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of fraud in revenue recognition, performing a book cost reconciliation on financial assets at fair value through profit or loss and performing procedures in relation to the valuation of the financial assets at fair value through profit or loss at the year-end.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

*Continued on next page/*

/Continued from previous page

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAIANUS DESIGNATED ACTIVITY COMPANY

### Report on other legal and regulatory requirements

### Opinion on other matters prescribed by the Companies Act 2014

---

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the entity were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- In our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

### Matters on which we are required to report by exception

---

Based on the knowledge and understanding of the entity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

### Use of our report

---

This report is made solely to the entity's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the entity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the entity and the entity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jim Meegan  
For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

26 March 2025

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## STATEMENT OF COMPREHENSIVE INCOME For the financial year ended 31 December 2024

	Note	2024 EUR '000	2023 EUR '000
Interest income		4,941	3,748
Other operating income	5	112	70
Net gains/(losses) on financial instruments	6	-	-
<b>Total investment income/(loss)</b>		<b>5,053</b>	<b>3,818</b>
Operating expenses	7	(838)	(711)
<b>Operating profit/(loss)</b>		<b>4,215</b>	<b>3,107</b>
<b>Financing costs</b>			
Interest expense	10	(4,214)	(3,106)
<b>Total financing costs</b>		<b>(4,214)</b>	<b>(3,106)</b>
<b>Net profit/(loss) before taxation</b>		<b>1</b>	<b>1</b>
Taxation	8	-	-
<b>Profit/(loss) for the financial year</b>		<b>1</b>	<b>1</b>

The accompanying notes form an integral part of these financial statements.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## STATEMENT OF FINANCIAL POSITION As at 31 December 2024

	Note	31 December 2024 EUR '000	31 December 2023 EUR '000
<b>ASSETS</b>			
Financial assets at fair value through profit or loss	4	147,056	129,527
Receivable for investments repaid		-	1,379
Interest receivable		505	325
Other receivables		140	-
Cash and cash equivalents		2,963	1,710
<b>Total assets</b>		<b>150,664</b>	<b>132,941</b>
<b>EQUITY</b>			
Retained earnings		3	2
<b>Total equity</b>		<b>3</b>	<b>2</b>
<b>LIABILITIES</b>			
Financial liabilities at fair value through profit or loss	4, 11	149,927	107,497
Payable for investments purchased		-	24,700
Other payables	9	734	742
<b>Total liabilities</b>		<b>150,661</b>	<b>132,939</b>
<b>Total equity and liabilities</b>		<b>150,664</b>	<b>132,941</b>

The accompanying notes form an integral part of these financial statements.

On behalf of the Directors

*Sandra Smyth*

Sandra Smyth

26 March 2025

*Niall Ryan*

Niall Ryan

26 March 2025

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## STATEMENT OF CHANGES IN EQUITY For the financial year ended 31 December 2024

	Note	2024 EUR '000	2023 EUR '000
Balance at beginning of the financial year		2	1
Profit/(loss) for the financial year		1	1
<b>Balance at end of the financial year</b>		<b>3</b>	<b>2</b>

The accompanying notes form an integral part of these financial statements.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

	2024 EUR '000	2023 EUR '000
<b>Cash flows from operating activities</b>		
Profit/(loss) for the financial year	1	1
<b>Adjustments for:</b>		
<i>(Increase)/decrease in operating assets:</i>		
(Increase)/decrease in financial assets at fair value through profit or loss	(17,529)	(86,737)
(Increase)/decrease in receivable for investments repaid	1,379	(1,157)
(Increase)/decrease in other receivables	(140)	-
<i>Increase/(decrease) in operating liabilities:</i>		
Increase/(decrease) in payable for investments purchased	(24,700)	21,136
Increase/(decrease) in other payables	(8)	421
<i>Other adjustments:</i>		
- Interest income	(4,941)	(3,748)
- Interest expense	4,214	3,106
- Net unrealised (gains)/losses on PPN	3,506	3,842
	(38,218)	(63,136)
Interest received	4,761	3,429
<b>Net cash (used in)/provided by operating activities</b>	<b>(33,457)</b>	<b>(59,707)</b>
<b>Cash flows (used in)/provided by financing activities</b>		
Proceeds from issuance of PPN	39,500	62,800
Payments on redemption of PPN	(1,200)	-
Interest paid	(3,590)	(2,129)
<b>Net cash (used in)/provided by financing activities</b>	<b>34,710</b>	<b>60,671</b>
Net increase/(decrease) in cash and cash equivalents	1,253	964
Cash and cash equivalents at beginning of the financial year	1,710	746
<b>Cash and cash equivalents at end of the financial year</b>	<b>2,963</b>	<b>1,710</b>

The accompanying notes form an integral part of these financial statements.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General information

The Entity was incorporated in Ireland as a designated activity company, pursuant to the provisions of the Companies Act 2014 (as amended). The Entity was established as a “qualifying company” under Section 110 of the Taxes Consolidation Act, 1997 (as amended) to undertake investment activities. The registered office of the Entity is located at 1-2 Victoria Buildings, Haddington Road, Dublin 4, D04 XN32, Ireland.

### 2. Material accounting policies

#### 2.1 Basis of preparation

The financial statements are prepared in accordance with IFRS as adopted by the EU and as applied in accordance with the provisions of the Companies Act 2014 (as amended).

The financial statements are prepared on a going concern basis under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

The principal accounting policies and notes are set out below, all of which are applied for the financial years ended 31 December 2024 and 31 December 2023.

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### 2.2 Financial instruments

##### 2.2.1 Classification

A financial asset is classified as measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification of financial assets is based on the business model in which a financial asset is managed and on its contractual cash flow characteristics.

Investments in debt instruments are managed and their performance is evaluated on a fair value basis. The Entity is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The contractual cash flows of the Entity's debt instruments are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is incidental to achieving the Entity's business model's objective. Consequently, all investments in debt instruments are classified as being measured at fair value through profit or loss.

The PPN issued by the Entity are classified as financial liabilities at fair value through profit or loss and are designated as such upon initial recognition. The PPN are managed, and their performance is evaluated on a fair value basis, in accordance with the note subscription agreement, and information is provided on that basis to the Directors.

All other financial assets and liabilities including cash, cash equivalents, receivables and payables are classified as being measured at amortised cost using the effective interest method.

##### 2.2.2 Recognition and derecognition

The Entity recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Purchases and sales of investments are recognised on the day the trade takes place. Realised gains and losses on disposals of financial instruments are calculated using the First-In-First-Out cost method.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or the risks and rewards of ownership have all been substantially transferred. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

##### 2.2.3 Measurement

All financial instruments are initially recognised at fair value.

Financial assets and financial liabilities at fair value through profit or loss are subsequently measured at fair value. Transaction costs on purchases or sales of investments and gains and losses arising from changes in the fair value of financial assets or financial liabilities at fair value through profit or loss are presented in the statement of comprehensive income within “Net gains/(losses) on financial instruments” in the period in which they arise.

Financial assets and financial liabilities, other than those classified as at fair value through profit or loss, are subsequently measured at amortised cost. For these financial assets measured at amortised cost, the Entity has chosen to apply the simplified approach for expected credit losses under IFRS 9 “Financial Instruments”. Therefore, the Entity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance might be required. Expected credit losses are deemed immaterial for the Entity as at the financial year end 31 December 2024.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. Material accounting policies (continued)

#### 2.2 Financial instruments (continued)

##### 2.2.4 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The estimation of fair value, after initial recognition, is determined as outlined below.

Investments in debt instruments which are quoted, listed, traded or dealt on a market or exchange are valued based on quoted market prices which, for the purposes of the financial statements is in line with the valuation methodology prescribed in the Entity's private placement memorandum. Depending on the nature of the underlying investment, the value taken could be either at the closing price, closing mid-market price or bid price on the relevant market.

In the case of an investment which is not quoted, listed or dealt on a recognised market, or in respect of which a listed, traded or dealt price or quotation is not available at the time of valuation, the fair value of such investment shall be estimated with care and in good faith by a competent professional person, body, firm or corporation (appointed for such purpose by the Directors in consultation with the Portfolio Manager), and such fair value shall be determined using valuation techniques. The Entity uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

Valuation techniques used for non-standardised financial instruments include those detailed in the fair value hierarchy note and are commonly used by market participants, making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

##### 2.2.5 Cash and cash equivalents

Cash in the statement of financial position includes cash deposits held on call with banks. Cash equivalents include short-term liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 2.3 Foreign currency

##### 2.3.1 Functional and presentation currency

Foreign currency items included in the financial statements are measured in the Entity's functional currency which is Euro ("EUR"). The Directors consider that EUR most accurately represents the economic effects of the underlying transactions, events and conditions of the Entity. The Entity's presentation currency is the same as the functional currency.

##### 2.3.2 Transactions and balances

Transactions in foreign currencies are translated into the functional currency of the Entity at the foreign currency exchange rate in effect at the date of the transaction. Foreign currency assets and liabilities, including investments, are translated at the exchange rate prevailing at the reporting date. The foreign exchange gain or loss based on the translation of the investments, as well as the gain or loss arising on the translation of other assets and liabilities, is included in the statement of comprehensive income in "Net gains/(losses) on financial instruments".

#### 2.4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgement in the process of applying the Entity's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The Directors believe that the underlying assumptions are appropriate and that the Entity's financial statements, therefore, present the Entity's financial position and its results fairly. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements, are disclosed below.

##### 2.4.1 Assumptions and estimation uncertainties

###### 2.4.1.1 Fair value of financial instruments not quoted in an active market

The fair value of such instruments not quoted in an active market may be determined by the Entity using reputable pricing sources or indicative prices from bond/debt market makers. The Entity would exercise judgement and estimates on the quantity and quality of pricing sources used. Broker quotes as obtained from the pricing sources may be indicative and not executable or binding.

##### 2.4.2 Judgements

###### 2.4.2.1 Assessment as investment entities

IFRS 10 "Consolidated Financial Statements" requires investment entities to fair value relevant subsidiaries through profit or loss rather than consolidate their results. As at 31 December 2024, the Entity did not have any subsidiaries.

#### 2.5 Interest income and interest expense

Interest income and expense for all interest bearing financial instruments are recognised in the statement of comprehensive income using the effective interest method.

#### 2.6 Fees and expenses

Expenses are recognised in the statement of comprehensive income on an accruals basis, except for transaction charges relating to the acquisition and realisation of investments which are charged for as incurred.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. Material accounting policies (continued)

#### 2.7 Taxation

In October 2021, the Organisation for Economic Co-operation and Development (“OECD”) introduced a 15% global minimum tax under the Pillar Two Global Anti-Base Erosion (“GloBE”) model rules. Key provisions are being phased in during 2024 and 2025. Several OECD member countries have enacted tax legislation effective 1 January 2024, and others have announced plans to implement similar laws. While the Entity does not expect Pillar Two to have a material impact to its provision for income taxes for 2024, the rules are subject to negotiation and change. The Entity will monitor developments as more countries enact legislation and new guidance is released.

##### 2.7.1 Current tax

Current tax, including Irish corporation tax and foreign tax, is recognised for the amount of income tax payable in respect of the Entity’s taxable profits using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### 2.7.2 Deferred tax

A provision for deferred tax payable is recognised in respect of material timing differences that have originated but not reversed at the statement of financial position date. A deferred tax asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain. Timing differences are differences between the Entity’s taxable profits and its results as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

### 2.8 Changes in accounting standards and policies

#### 2.8.1 New standards and amendments adopted during the financial year

The following standards and amendments applied for the first time to financial reporting periods commencing on or after 1 January 2024:

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants
- Amendments to IFRS 16 - Lease Liability in Sale and Leaseback
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements
- International Tax Reform - Pillar Two Model Rules; Amendments to IAS 12 - applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD.

As at 31 December 2024, these new standards and amendments have no material impact to the Entity.

#### 2.8.2 New standards and amendments effective after 31 December 2024 which have not been early adopted

Certain new standards and amendments to standards are effective for annual periods beginning on or after 31 December 2024 and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Entity.

### 3. Financial risks

The Entity’s investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The following information is not intended to be a comprehensive summary of all risks and the Noteholder should refer to the note subscription agreement for a more detailed discussion of the risks inherent in investing in the Entity.

#### 3.1 Risk management framework

The Directors review investment performance reports from the Portfolio Manager covering the Entity’s performance and risk profile during the financial year. The Directors have delegated the day-to-day administration of the investment programme to the Portfolio Manager. The Portfolio Manager is also responsible for ensuring that the Entity is managed within the terms of its investment guidelines and limits set out in the private placement memorandum. The Directors reserve to themselves the investment performance, product risk monitoring and oversight and the responsibility for the monitoring and oversight of regulatory and operational risk for the Entity. The Directors rely on members of the BlackRock Risk and Quantitative Analysis Group (“RQA Group”) for daily risk management. The RQA Group is a centralised group which performs an independent risk management function. The RQA Group independently identifies, measures and monitors investment risk. The RQA Group tracks the actual risk management practices being deployed by the Entity. By breaking down the components of the process, the RQA Group has the ability to determine if the appropriate risk management processes are in place by the Entity. This captures the risk management tools employed, how the levels of risk are controlled, ensuring risk/return is considered in portfolio construction and reviewing outcomes.

#### 3.2 Market risk

Market risk arises mainly from uncertainty about future values of financial instruments influenced by currency, interest rate and price movements. It represents the potential loss the Entity may suffer through holding market positions in the face of market movements.

##### 3.2.1 Market risk arising from foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

#### Exposure to foreign currency risk

The Entity may invest in financial instruments denominated in currencies other than its functional currency. Consequently, the Entity is exposed, directly and/or indirectly, to risks that the exchange rate of its functional currency relative to other currencies may change in a manner which has an adverse effect on the value of the portion of the Entity’s assets which are denominated in currencies other than its own functional currency.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.2 Market risk (continued)

##### 3.2.1 Market risk arising from foreign currency risk (continued)

###### Exposure to foreign currency risk (continued)

All, or substantially all, of the Entity's investments are denominated in the functional currency of the Entity, therefore as at 31 December 2024 and 31 December 2023, the Entity was not directly exposed to foreign currency risk and no currency sensitivity information has been presented.

##### 3.2.2 Market risk arising from interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

###### Exposure to interest rate risk

The Entity is exposed to interest rate risk through its cash and cash equivalent holdings and through its investments in interest bearing financial instruments.

The following tables detail the Entity's exposure to interest rate risk as at 31 December 2024 and 31 December 2023:

31 December 2024	Fixed EUR '000	Floating EUR '000	Non-interest bearing EUR '000	Total EUR '000
<b>Assets</b>				
Financial assets at fair value through profit or loss	134,754	12,302	-	147,056
Interest receivable	-	-	505	505
Other receivables	-	-	140	140
Cash and cash equivalents	-	2,963	-	2,963
<b>Total</b>	<b>134,754</b>	<b>15,265</b>	<b>645</b>	<b>150,664</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	-	(149,927)	-	(149,927)
Other payables	-	-	(734)	(734)
<b>Total</b>	<b>-</b>	<b>(149,927)</b>	<b>(734)</b>	<b>(150,661)</b>
<b>Net exposure</b>	<b>134,754</b>	<b>(134,662)</b>	<b>(89)</b>	<b>3</b>

31 December 2023	Fixed EUR '000	Floating EUR '000	Non-interest bearing EUR '000	Total EUR '000
<b>Assets</b>				
Financial assets at fair value through profit or loss	117,225	12,302	-	129,527
Receivable for investments repaid	-	-	1,379	1,379
Interest receivable	-	-	325	325
Cash and cash equivalents	-	1,710	-	1,710
<b>Total</b>	<b>117,225</b>	<b>14,012</b>	<b>1,704</b>	<b>132,941</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	-	(107,497)	-	(107,497)
Payable for investments purchased	-	-	(24,700)	(24,700)
Other payables	-	-	(742)	(742)
<b>Total</b>	<b>-</b>	<b>(107,497)</b>	<b>(25,442)</b>	<b>(132,939)</b>
<b>Net exposure</b>	<b>117,225</b>	<b>(93,485)</b>	<b>(23,738)</b>	<b>2</b>

The Entity has interest rate risk exposure on the valuation and cash flows of its interest bearing assets and liabilities. The Entity holds fixed rate assets which expose it to fair value interest rate risk and floating rate assets which expose it to cash flow interest rate risk.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.2 Market risk (continued)

##### 3.2.2 Market risk arising from interest rate risk (continued)

###### Exposure to interest rate risk (continued)

As at 31 December 2024, if interest rates on floating rate financial assets had been higher/lower by 50 basis points, with all other variables held constant, the increase/decrease in net assets would have been EUR76,325/(EUR76,325) (31 December 2023: EUR70,060/(EUR70,060)). This primarily arises from the increase/decrease in interest income on floating rate financial assets at fair value through profit or loss, with a proportion arising from the increase/decrease in interest income on cash and cash equivalents.

As at 31 December 2024, the floating rate financial liabilities are represented by the PPN issued by the Entity. Due to the limited recourse conditions of the PPN, a sensitivity analysis is considered not to be representative of the total effect on the Entity's net assets of future movements in interest rates and therefore has not been presented.

As at 31 December 2024, if interest rates on fixed rate financial assets had been higher/lower by 50 basis points, with all other variables held constant, the increase/decrease in net assets would have been (EUR4,253,144)/EUR4,434,632 (31 December 2023: (EUR4,014,331)/EUR4,124,416). This arises from the increase/decrease in the fair value of fixed rate financial assets at fair value through profit or loss.

###### Management of interest rate risk

Interest rate risk exposure is managed by constantly monitoring the position for deviations outside of a pre-determined tolerance level and, when necessary, rebalancing back to the original desired parameters.

##### 3.2.3 Market risk arising from price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the Entity and its investments.

###### Exposure to price risk

The Entity is exposed to price risk arising from its investments in financial instruments. The exposure of the Entity to price risk is the fair value of the investments held as shown in the statement of financial position.

Due to the nature of the investment portfolio as at 31 December 2024, price risk is a factor of credit risk (including concentration risk) and interest rate risk. Credit risk and interest rate risk are discussed elsewhere in this note; therefore, a separate sensitivity analysis has not been presented.

Given the geographic specific nature of the investments to which the Entity is exposed, the exposure of the Entity will be highly concentrated in assets located in a limited number of target jurisdictions. The Entity may at certain times hold large positions in a relatively limited number of issuers or investments, including in a concentrated number of countries, subject to pre-defined constraints. The Entity could be subject to significant losses if it holds a relatively large position in a single country, issuer or a particular type of investment that declines in value and the losses could increase even further if the investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances.

Price movements of debt instruments and other financial assets in which the Entity may be indirectly invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, amongst other things, interest rate fluctuations.

The Directors have considered the impact of climate change on the value of the investments included in the financial statements and have concluded that there was no further impact of climate change to be considered as the investments are valued based on market pricing.

None of the Entity's other assets and liabilities were considered to be significantly impacted by climate change.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.2 Market risk (continued)

##### 3.2.3 Market risk arising from price risk (continued)

##### Exposure to price risk (continued)

The Entity's financial assets exposed to price risk were concentrated in the following industries and geographic locations as at 31 December 2024 and 31 December 2023:

31 December 2024		Fair value	Fair value
Industry type	Place of business	EUR '000	%
Energy <sup>1</sup>	Sweden	15,468	10.52
Power <sup>2</sup>	Spain	11,753	7.99
Regulated utility <sup>3</sup>	France	17,206	11.70
Regulated utility <sup>3</sup>	Sweden	12,302	8.37
Transportation <sup>4</sup>	France	12,639	8.59
Transportation <sup>4</sup>	Germany	35,402	24.08
Transportation <sup>4</sup>	Luxembourg	26,632	18.11
Transportation <sup>4</sup>	United Kingdom	15,654	10.64
<b>Total</b>		<b>147,056</b>	<b>100.00</b>

<sup>1</sup> Energy may include: midstream assets; energy efficiency projects; district heating and cooling; gas distribution networks; and regulated gas utilities.

<sup>2</sup> Power may include: regulated power utilities; power generation projects; regulated transmission and/or distribution projects; and renewable energy.

<sup>3</sup> Regulated utility may include: telecoms; smart metering; fibre optic; regulated gas projects and water projects.

<sup>4</sup> Transportation may include: roads, bridges, tunnels, toll road concessions; rail, metro and rolling stock; parking; airports; and seaports.

31 December 2023		Fair value	Fair value
Industry type	Place of business	EUR '000	%
Power <sup>1</sup>	Spain	12,512	9.66
Regulated utility <sup>2</sup>	France	16,918	13.06
Regulated utility <sup>2</sup>	Sweden	12,302	9.50
Transportation <sup>3</sup>	France	12,246	9.45
Transportation <sup>3</sup>	Germany	34,103	26.33
Transportation <sup>3</sup>	Luxembourg	26,031	20.10
Transportation <sup>3</sup>	United Kingdom	15,415	11.90
<b>Total</b>		<b>129,527</b>	<b>100.00</b>

<sup>1</sup> Power may include: regulated power utilities; power generation projects; regulated transmission and/or distribution projects; and renewable energy.

<sup>2</sup> Regulated utility may include: telecoms; smart metering; fibre optic; regulated gas projects and water projects.

<sup>3</sup> Transportation may include: roads, bridges, tunnels, toll road concessions; rail, metro and rolling stock; parking; airports; and seaports.

#### Management of price risk

By diversifying the portfolio, where this is appropriate and consistent with the Entity's objectives, the risk that a price change of a particular investment will have a material impact on the Entity's net assets is minimised. The performance of the Entity's investments is monitored on a regular basis by the Portfolio Manager.

#### 3.3 Liquidity risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting obligations associated with financial liabilities.

#### Exposure to liquidity risk

The Entity's principal liquidity risks arise from the ability of the Noteholder to effect redemption requests and the liquidity of the underlying investments the Entity has invested in.

The main liability of the Entity is associated with the repayment of the PPN, but it is subordinate to the claims of all other creditors of the Entity. The PPN are direct, limited recourse obligations of the Entity which are payable solely from the portfolio after payment of all senior obligations, payments and claims which rank in priority to payments under the PPN. The Noteholder may therefore be exposed to a greater risk of default and lower recoveries in the event of a default to any such creditors.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.3 Liquidity risk (continued)

##### Exposure to liquidity risk (continued)

Due to the limited recourse conditions of the PPN issued by the Entity, there is an insignificant exposure to liquidity risk for the Entity as at 31 December 2024 and 31 December 2023. The PPN may be redeemed in whole or in part at the option of the Noteholder or of the Entity, by notice to the other party.

Debt instruments owned or acquired by the Entity are not expected to be actively traded. Depending on market activity, volatility, applicable laws and other factors, the Entity may not be able to promptly liquidate investments at an attractive price or at all. In addition, the Entity may acquire investments which cannot be sold publicly, for legal or contractual reasons, absent registration or qualification under applicable securities laws (which may be prohibitively expensive or otherwise restricted or unavailable). The types of debt instruments in which the Entity may intend to invest are frequently illiquid and may remain so for an indefinite period of time. Liquidation of investments may be subject to delays and additional costs and may be possible only at substantial discounts. Given the uncertainty inherent in the valuation of assets of the Entity that lack a readily ascertainable market value, the value of such assets as reflected in the Entity's statement of financial position may differ materially from the prices at which the Entity would be able to liquidate such assets.

As at 31 December 2024 and 31 December 2023, the Entity's financial liabilities classified into relevant maturity groupings based on the remaining period to the contractual maturity date were as follows:

	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total
31 December 2024	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss	-	-	-	(149,927)	(149,927)
Other payables	-	-	(734)	-	(734)
<b>Total</b>	-	-	<b>(734)</b>	<b>(149,927)</b>	<b>(150,661)</b>

	Less than 1 month	1-3 months	3 months to 1 year	Over 1 year	Total
31 December 2023	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss	-	-	-	(107,497)	(107,497)
Payable for investments purchased	-	-	(24,700)	-	(24,700)
Other payables	-	-	(742)	-	(742)
<b>Total</b>	-	-	<b>(25,442)</b>	<b>(107,497)</b>	<b>(132,939)</b>

#### Management of liquidity risk

The Entity's liquidity risk is managed by the Portfolio Manager in accordance with established policies and procedures in place. The Entity's approach to managing this risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions. The analysis and management of liquidity risks are monitored and assessed at all stages in the investment selection process. The liquidity management systems and procedures employed by the Portfolio Manager will allow them to apply various tools and arrangements to respond appropriately to the requirement to liquidate the assets of the Entity.

#### 3.4 Counterparty credit risk

Counterparty credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

##### Exposure to counterparty credit risk

The Entity is exposed to counterparty credit risk from the parties with which it trades and will bear the risk of settlement default. The carrying value of financial assets best represents the Entity's maximum exposure to counterparty credit risk at the reporting date. Cash is held with counterparties that are regulated entities subject to prudential supervision, or with high credit ratings assigned by international credit rating agencies.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.4 Counterparty credit risk (continued)

##### Exposure to counterparty credit risk (continued)

As at 31 December 2024 and 31 December 2023, the Entity's financial assets exposed to credit risk amounted to the following:

	31 December 2024	31 December 2023
	EUR '000	EUR '000
<b>Assets</b>		
Financial assets at fair value through profit or loss	147,056	129,527
Receivable for investments repaid	-	1,379
Interest receivable	505	325
Other receivables	140	-
Cash and cash equivalents	2,963	1,710
<b>Total</b>	<b>150,664</b>	<b>132,941</b>

There were no past due or impaired balances in relation to transactions with counterparties as at 31 December 2024 or 31 December 2023.

#### Management of counterparty credit risk

Counterparty credit risk is monitored and managed by the BlackRock RQA Counterparty Team. The team is headed by BlackRock's Chief Counterparty Credit Officer who reports to the Global Head of RQA. Credit authority resides with the Chief Counterparty Credit Officer and selected team members to whom specific credit authority has been delegated. As such, counterparty approvals may be granted by the Chief Counterparty Credit Officer, or by identified RQA Credit Risk Officers who have been formally delegated authority by the Chief Counterparty Credit Officer.

The BlackRock RQA Counterparty Team completes a formal review of each new counterparty, monitors and reviews all approved counterparties on an ongoing basis and maintains an active oversight of counterparty exposures and the collateral management process.

##### 3.4.1 Custodian

The Noteholder will also be exposed to the credit risk of the Custodian in respect of the portfolio, in the form of investments or cash held by the Custodian, and where applicable, the credit risk of any bank, broker, clearing house or financial intermediary that holds any such investments or cash for the account of the Custodian. Any default in its payment obligations by the Custodian, or any such bank, broker, clearing house or financial intermediary may have a material adverse effect on the amounts recoverable, which may, in turn, lead to a reduced recovery on the investment. All of the cash balances of the Entity are held with the Custodian.

To mitigate the Entity's exposure to the Custodian, the Portfolio Manager employs specific procedures to ensure that the Custodian is a reputable institution and that the counterparty credit risk is acceptable to the Entity. The Entity only transacts with custodians that are regulated entities, subject to prudential supervision or with "high credit ratings" assigned by international credit rating agencies. The long-term credit rating of the parent company of the Custodian, The Bank of New York Mellon Corporation, as at 31 December 2024 is A (31 December 2023: A) (Standard & Poor's rating).

##### 3.4.2 Issuer credit risk relating to debt instruments

Issuer credit risk is the default risk of one of the issuers of a debt instrument held by the Entity. Debt instruments involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated.

The Entity invests in debt instruments that may or may not have public credit ratings. These investments may have a greater than normal risk of future defaults, delinquencies, bankruptcies or fraud losses. There can be no assurance that the investments will perform, the entities to which the Entity is exposed will pay as expected, or, if the investment defaults, that security in respect of the underlying assets will be able to be enforced and the relevant assets liquidated in a cost-effective manner. In addition to the risks of default of the relevant entity, the Entity will be subject to a variety of risks in connection with such investments, including risks arising from mismanagement or a decline in the value of collateral, contested enforcement proceedings, bankruptcy of the debtor, claims for lender liability, violations of usury laws and the imposition of common law or statutory restrictions on the Entity's exercise of contractual remedies for defaults on such investments.

The following table details the credit rating profile of the debt instruments held by the Entity:

	31 December 2024	31 December 2023
Credit rating	% of debt instruments	% of debt instruments
Investment grade	52.83	58.33
Not rated	47.17	41.67
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 3. Financial risks (continued)

#### 3.4 Counterparty credit risk (continued)

##### 3.4.2 Issuer credit risk relating to debt instruments (continued)

To manage this risk, the Portfolio Manager, where appropriate and consistent with the Entity's objectives, monitors the credit ratings of the debt instruments, as disclosed in the credit rating profile table above. The ratings of the debt instruments are continually monitored by the BlackRock Portfolio Management Group and for non-rated or securities with subordinated or lower credit ratings, additional specific procedures are employed to ensure the associated credit risk is acceptable to the Entity. Investment grade debt instruments are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

### 4. Fair value hierarchy

The Entity classifies assets and liabilities measured at fair value using a fair value hierarchy. The fair value hierarchy has the following categories:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the Entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly. This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability. This category includes all instruments where the valuation techniques used include inputs not based on market data and these inputs could have a significant impact on the instrument's valuation. This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the level 3 asset or liability including an assessment of the relevant risks including but not limited to credit risk, market risk, liquidity risk, business risk and sustainability risk.

The determination of what constitutes 'observable' inputs requires significant judgement and these risks are adequately captured in the assumptions and inputs used in the measurement of the level 3 asset or liability. The Directors consider observable inputs to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

#### 4.1 Valuation techniques

##### Debt instruments

The fair value of debt instruments is estimated using the net present value of estimated future cash flows based on a discounted cash flow model. The estimated future cash flows are discounted using discount rates derived from quoted prices of securities with similar maturity and credit ratings that are traded in active markets, adjusted for such matters as liquidity differences, and credit and market risk factors. The main inputs into the Entity's discounted cash flow models include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity indices, and expected price volatilities and correlations. Changes in these estimates or assumptions can result in significant variations in the carrying value and amounts charged or credited to the statement of comprehensive income in specific periods.

#### 4.2 Fair value hierarchy – Assets and liabilities measured at fair value

The following tables provide an analysis of the Entity's assets and liabilities measured at fair value as at 31 December 2024 and 31 December 2023:

	Level 1	Level 2	Level 3	Total
31 December 2024	EUR '000	EUR '000	EUR '000	EUR '000
<b>Financial assets at fair value through profit or loss:</b>				
- Debt instruments	-	147,056	-	147,056
<b>Total</b>	-	<b>147,056</b>	-	<b>147,056</b>
<b>Financial liabilities at fair value through profit or loss:</b>				
- PPN	-	(149,927)	-	(149,927)
<b>Total</b>	-	<b>(149,927)</b>	-	<b>(149,927)</b>

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 4. Fair value hierarchy (continued)

#### 4.2 Fair value hierarchy – Assets and liabilities measured at fair value (continued)

31 December 2023	Level 1 EUR '000	Level 2 EUR '000	Level 3 EUR '000	Total EUR '000
<b>Financial assets at fair value through profit or loss:</b>				
- Debt instruments	-	129,527	-	129,527
<b>Total</b>	<b>-</b>	<b>129,527</b>	<b>-</b>	<b>129,527</b>
<b>Financial liabilities at fair value through profit or loss:</b>				
- PPN	-	(107,497)	-	(107,497)
<b>Total</b>	<b>-</b>	<b>(107,497)</b>	<b>-</b>	<b>(107,497)</b>

The Entity only held level 2 assets and liabilities measured at fair value during the financial years ended 31 December 2024 and 31 December 2023. There were no transfers between levels during the financial years ended 31 December 2024 and 31 December 2023.

#### 4.3 Financial instruments not measured at fair value

All financial assets and liabilities not measured at fair value at the financial year end are classified as level 2, with the exception of cash and cash equivalents which are measured as level 1.

The carrying values of assets and liabilities carried at amortised cost are a reasonable approximation of fair value.

### 5. Other operating income

	2024 EUR '000	2023 EUR '000
Commitment fees	112	70
<b>Total</b>	<b>112</b>	<b>70</b>

Commitment fees are structuring and upfront fees earned in relation to investments acquired.

### 6. Net gains/(losses) on financial instruments

	2024 EUR '000	2023 EUR '000
Realised gains on financial assets and liabilities at fair value through profit or loss	75	72
Unrealised gains on financial assets and liabilities at fair value through profit or loss	3,424	3,771
Unrealised losses on financial assets and liabilities at fair value through profit or loss	(3,506)	(3,842)
Net gains/(losses) on foreign exchange	7	(1)
<b>Total</b>	<b>-</b>	<b>-</b>

### 7. Operating expenses

	2024 EUR '000	2023 EUR '000
Management fees	(393)	(257)
Professional fees	(149)	(141)
Legal fees	(99)	(10)
Corporate services fees	(38)	(36)
Administration fees	(37)	(32)
Audit fees	(21)	(14)
Directors' fees	(18)	(9)
Advisor fees	(10)	(10)
Bank interest	-	(1)
Organisational fees	-	(130)
Other	(73)	(71)
<b>Total</b>	<b>(838)</b>	<b>(711)</b>

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 7. Operating expenses (continued)

#### Management fees

The Entity shall pay to the Portfolio Manager an annual management fee in respect of the infrastructure debt assets (the "Management Fee"), commencing upon the settlement date of the initial purchase of assets comprising the first series portfolio.

The Management Fee is calculated provided that the annual management fee rate shall be replaced by the following lower annual management fee rate (as applicable):

- 28 basis points per annum on the first United States Dollar ("USD") 1.25 billion of the aggregate invested capital ("Amount A" and where the aggregate invested capital is less than USD1.25 billion, this shall be such lesser amount);
- 27 basis points per annum of the aggregate invested capital between USD1.25 billion and USD1.45 billion ("Amount B" and where the aggregate invested capital is less than USD1.45 billion, this shall be such lesser amount); and
- 25 basis points per annum of the aggregate invested capital above USD1.45 billion.

The Management Fee will be calculated and billed by the Portfolio Manager quarterly in arrears for each calendar quarter period (ending on 31 March, 30 June, 30 September and 31 December) as the aggregate of the following, prorated based on the actual number of days of such calendar quarter:

- average invested capital multiplied by (Amount A divided by aggregate invested capital)
- average invested capital multiplied by ((Amount B minus Amount A) divided by aggregate invested capital)
- average invested capital multiplied by ((aggregate invested capital minus Amount B) divided by aggregate invested capital)

If a), b) or c) are less than zero they shall be deemed to be zero.

#### Administration fees

The Administrator receives an administration fee from the Entity in accordance with the terms of the Administrator Agreement.

#### Audit fees

Fees and expenses paid to the statutory auditor, Deloitte Ireland LLP, in respect of the financial year, entirely relate to the audit of the financial statements of the Entity. There were no fees and expenses paid in respect of other assurance, tax advisory or non-audit services provided by the auditor during the financial year ended 31 December 2024 and the financial year ended 31 December 2023.

#### Legal fees

Legal fees in the statement of comprehensive income are costs incurred for legal services provided to the Entity.

#### Corporate services fees

The Company Secretary receives a fee from the Entity for corporate administration fees.

#### Professional fees

Professional fees in the statement of comprehensive income are costs incurred for professional services provided to the Entity. They may include advisory fees, tax fees, secretarial fees, due diligence costs incurred for prospective investment acquisitions and other professional costs.

#### Organisational fees

Organisational fees relate to the incorporation fees and expenses incurred in connection with the set-up of the Entity.

### 8. Taxation

	2024	2023
	EUR '000	EUR '000
<b>Current tax</b>		
Current financial year tax charge	-	-
<b>Total</b>	-	-

The tax assessed for the financial year is different to the standard rate of corporation tax in the Republic of Ireland (12.5%). The Entity is charged corporation tax at a rate of 25% in accordance with Section 110 Schedule D Case I and III of the Taxes Consolidation Act. The differences are explained in the table below.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 8. Taxation (continued)

Tax charged on operating income of EUR1,000 (2023: EUR1,000) for the financial year ended 31 December 2024 amounted to EUR250 (2023: EUR250).

	2024 EUR '000	2023 EUR '000
Operating income/(loss) before tax	1	1
Operating income/(loss) before tax multiplied by standard rate of corporation tax in the Republic of Ireland (12.5%)	-	-
Operating income/(loss) before tax multiplied by higher rate of corporation tax in the Republic of Ireland (25%)	-	-
<b>Tax for the financial year</b>	<b>-</b>	<b>-</b>

### 9. Other payables

	31 December 2024 EUR '000	31 December 2023 EUR '000
Professional fees payable	327	250
Management fee payable	280	325
Directors' fees payable	35	18
Audit fees payable	21	14
Administration fees payable	20	55
Advisor fees payable	20	10
Corporate services fees payable	5	17
Legal fees payable	4	19
Other	22	34
<b>Total</b>	<b>734</b>	<b>742</b>

### 10. PPN issued

The tables below outline the notional amounts for the PPN issued and repaid from the launch of the Entity to 31 December 2024 and 31 December 2023, including its amount in the local currency in which it was issued or repaid:

31 December 2024					
	Opening PPN notional amount '000	PPN issued '000	PPN repaid '000	Closing PPN notional amount '000	Closing fair value EUR '000
Currency					
EUR	105,800	39,500	(1,200)	144,100	149,927

31 December 2023					
	Opening PPN notional amount '000	PPN issued '000	PPN repaid '000	Closing PPN notional amount '000	Closing fair value EUR '000
Currency					
EUR	43,000	62,800	-	105,800	107,497

As outlined in the note subscription agreement, the PPN shall accrue interest at a variable rate on 31 March, 30 June, 30 September and 31 December in each calendar year. During the financial year ended 31 December 2024, the total interest expense incurred on the PPN was EUR4,213,636 (2023: EUR3,105,863).

The fixed maturity date of the PPN issued is 31 March 2072. The Noteholder's aggregate total commitment in respect of all series subscribed or to be subscribed is up to EUR300,000,000. As at 31 December 2024, the PPN were listed on the Spanish multilateral trading facility, Mercado Alternativo de Renta Fija ("MARF").

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 11. Reconciliation of liabilities arising from financing activities

	2024 EUR '000	2023 EUR '000
Opening balance	107,497	39,878
<b>Cash flows:</b>		
Proceeds from issuance of PPN	39,500	62,800
Redemption of PPN	(1,200)	-
Interest paid during the financial year	(3,590)	(2,129)
<b>Non-cash changes:</b>		
Interest expense incurred during the financial year	4,214	3,106
Net unrealised (gains)/losses	3,506	3,842
<b>Closing balance</b>	<b>149,927</b>	<b>107,497</b>

### 12. Share capital

#### Authorised

The authorised share capital of the Entity is 100,000,000 ordinary shares of a par value of EUR1 each.

#### Issued share capital

As at 31 December 2024, 1 ordinary share is currently in issue and fully paid up. The entire issued share capital of the Entity is held by CSC Finance Nominees (Ireland) Limited (formerly Intertrust Nominees (Ireland) Limited) for charitable purposes in accordance with the terms of a declaration of trust.

	31 December 2024 EUR	31 December 2023 EUR
Issued share capital	1	1

### 13. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or is able to exercise significant influence over the other party, in making financial or operational decisions.

All related party transactions were carried out at arm's length in the ordinary course of business.

The Portfolio Manager is a wholly owned subsidiary of BlackRock, Inc. and a related party to the Entity.

#### 13.1 Related party fees and expenses

Fees paid to the Portfolio Manager during the financial year, the nature of these transactions and the balances outstanding at the financial year end are disclosed in notes 7 and 9 respectively.

As at 31 December 2024, Niall Ryan and Sandra Smyth were employees of the BlackRock Group. The Directors who are employees of the BlackRock Group are not entitled to receive Directors' fees.

Directors' fees are disclosed in the operating expenses note to the financial statements. The aggregate emolument of the Directors relates to services provided as directors.

#### 13.2 Other related party transactions

No provisions have been recognised by the Entity against amounts due from related parties at the financial year end date (31 December 2023: Nil). No amounts have been written off during the financial year in respect of amounts due to or from related parties (2023: Nil). No commitments secured or unsecured or guarantees have been entered into with related parties during the financial year (2023: Nil).

There were no loans, quasi loans, credit transactions or remuneration between the Entity and its key management personnel or Directors for the financial year ended 31 December 2024 (2023: none).

### 14. Commitments and contingent liabilities

There were no significant commitments or contingent liabilities as at 31 December 2024 and 31 December 2023 other than those already disclosed in the financial statements.

# TRAIANUS DESIGNATED ACTIVITY COMPANY

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 15. Subsequent events

There have been no events subsequent to the financial year end, which, in the opinion of the Directors, may have had an impact on the financial statements for the financial year ended 31 December 2024.

### 16. Approval date

The financial statements were approved by the Directors on 26 March 2025.

**ISSUER**

**Traianus DAC**

1-2 Victoria Buildings  
Haddington Road, Dublin 4  
Ireland

**PORTFOLIO MANAGER**

BlackRock Investment Management (UK) Limited  
12 Throgmorton Avenue  
London, EC2N 2DL  
United Kingdom

**ISSUING AND PAYING AGENT AND ACCOUNT BANK**

The Bank of New York Mellon, London Branch  
160 Queen Victoria Street  
London, EC4V 4LA  
England

**REGISTRAR**

The Bank of New York Mellon SA/NV, Dublin Branch  
Riverside II, Sir John Rogerson's Quay  
Dublin 2, Ireland

**CUSTODIAN**

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London, EC4V 4LA  
England

**LEGAL ADVISOR TO THE ISSUER AS TO IRISH LAW**

Matheson LLP  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**REGISTERED ADVISOR (ASESOR REGISTRADO)**

VGM Advisory Partners, S.L.U.  
Calle de Serrano, 68, 2nd floor (right)  
28001 Madrid  
Spain