

ENERGY MANAGEMENT SPECIAL CONDITIONS

1 Interpretation

- 1.1 Capitalised words not otherwise defined in these Special Conditions have the meanings given to them in the Standard Terms and Conditions.
- 1.2 Where the following words are used in these Special Conditions, they have the meanings set out below.

“Capped Fee” has the meaning given to it in paragraph 7.

“Compliance Services” means the statutory energy and carbon compliance advisory and reporting services to be provided by Egg under paragraph 3, as further particularised in the Order Form.

“DC Service” means the Decarbonisation and Compliance Advisory component of the Energy Management Services, as set out in paragraph 3, comprising such combination of Decarbonisation Services and Compliance Services as is specified in the Order Form.

“DC Service Deliverables” means the reports, plans, assessments and other outputs to be produced by Egg under the DC Service, as specified in the Order Form.

“Decarbonisation Services” means the carbon reduction advisory and delivery services to be provided by Egg under paragraph 3, as further particularised in the Order Form.

“Deliverables” means the reports, plans, models, assessments and other outputs to be produced by Egg under the Energy Management Services (including, for the avoidance of doubt, outputs produced under the Decarbonisation and Compliance Advisory component), as specified in the Order Form.

“Egg Background IP” means any methodologies, tools, models, templates, data and know-how owned by or licensed to Egg prior to or independently of the Agreement.

“EM Managed Service” means the provision of the Energy Management Services (which includes, where specified in the Order Form, the Decarbonisation and Compliance Advisory component) by Egg on an ongoing basis under paragraph 10, as specified in the Order Form. References to “Managed Service” in these Special Conditions shall be read as references to the EM Managed Service, and the definition of “Managed Service” in the Standard Terms and Conditions shall not apply to these Special Conditions.

“EM Recurring Charge” means the monthly fee payable by You in respect of the EM Managed Service,

as set out in the Order Form. Where the context so requires, references to “Recurring Charges” in these Special Conditions include the EM Recurring Charge. The EM Recurring Charge is not connected to any Service Equipment Supply.

“Energy Management Services” means the services described in these Special Conditions and as further particularised in the Order Form, comprising some or all of Phase 1, Phase 2, Phase 3, and the Decarbonisation and Compliance Advisory component as set out in paragraph 3. The Energy Management Services are a single integrated service; the Decarbonisation and Compliance Advisory is a component of, not separate from, the Energy Management Services.

“ESOS” means the Energy Savings Opportunity Scheme established under the Energy Savings Opportunity Scheme Regulations 2014 (as amended).

“Identified Savings” has the meaning given to it in paragraph 7.

“Initial Service Term” has the meaning given to it in the Order Form.

“M&V” means measurement and verification of energy savings and carbon reductions.

“MEES” means the Minimum Energy Efficiency Standards applicable to non-domestic private rented property under the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 (as amended), including requirements relating to Energy Performance Certificates.

“Phase” means each of Phase 1, Phase 2 and Phase 3 as set out in paragraph 2.

“Phase Completion” means, in respect of each Phase, Egg’s delivery of all Deliverables specified for that Phase in the Order Form, confirmed in writing by You.

“Portfolio” means the sites listed in the Order Form in respect of which Egg is engaged to provide the Energy Management Services.

“Professional Services Fee” means the fee payable by You in respect of each Phase or component of the Energy Management Services, as set out in the Order Form. Where the context so requires, references to “Charges” in these Special Conditions include the Professional Services Fee, and the definition of “Charges” in the Standard Terms and Conditions shall apply as supplemented accordingly.

“Representative Sites” means those sites within the Portfolio selected by agreement between the parties for detailed assessment in Phase 2, as specified in the Order Form.

“SECR” means Streamlined Energy and Carbon Reporting as required under the Companies Act 2006

(Strategic Report and Directors' Report) Regulations 2018 (as amended).

"Service Start Date" for the purposes of these Special Conditions, means the date on which Egg first provides the Energy Management Services under the Agreement, or such other date as is specified in the Order Form. The definition of "Service Start Date" in the Standard Terms and Conditions (which refers to a Handover Report & Acceptance Certificate) does not apply to these Special Conditions.

2 Energy Management Services

2.1 **Structure.** The Energy Management Services are structured across three Phases and, where specified in the Order Form, a Decarbonisation and Compliance Advisory component as set out in paragraph 3. The components applicable to Your order, and the Deliverables, programme and Charges for each, shall be set out in the Order Form. Not all components need be engaged under a single order.

2.2 **Phase 1 — Portfolio-Level Energy & Cost Saving Strategy.** Where Phase 1 is specified in the Order Form, Egg shall carry out a portfolio-level assessment of Your energy and carbon position and produce the Phase 1 Deliverables set out in the Order Form. Egg shall have no obligation to commence Phase 1 until You have provided all information and access specified in the Order Form as required for Phase 1.

2.3 **Phase 2 — Opportunity Verification (On-site Assessment).** Where Phase 2 is specified in the Order Form, Egg shall carry out detailed assessment of the Representative Sites and produce the Phase 2 Deliverables set out in the Order Form. Phase 2 shall not commence until Phase 1 Completion, unless otherwise agreed in writing. The Representative Sites shall be agreed between the parties following Phase 1 Completion and confirmed in writing. Where Phase 2 is the first Phase engaged, the Representative Sites shall be specified in the Order Form.

2.4 **Phase 3 — Part-Time Chartered Energy Manager.** Where Phase 3 is specified in the Order Form, Egg shall provide implementation support and managed delivery services in respect of the measures identified in the preceding Phases and produce the Phase 3 Deliverables set out in the Order Form. Phase 3 shall not commence until Phase 2 Completion, unless otherwise agreed in writing. Where Phase 3 includes the installation of

physical equipment, the relevant EVC Special Conditions and/or Solar and Storage Special Conditions shall also apply to those elements of the works.

2.5 **Phase Progression.** Egg will notify You in writing on Phase Completion and request Your written confirmation to proceed. If You do not confirm or raise a written objection within 20 Business Days of such notice, You shall be deemed to have confirmed Phase Completion and authorised commencement of the next Phase.

2.6 **Your Obligations.** You shall, in a timely manner, provide Egg with all information, data, access to sites and personnel as specified in the Order Form or as Egg reasonably requests in order to perform the Energy Management Services. Egg shall not be liable for any delay or deficiency in the Deliverables caused by Your failure to comply with this obligation.

3 Decarbonisation and Compliance Advisory

3.1 **Scope.** The Decarbonisation and Compliance Advisory is a component of the Energy Management Services. Where specified in the Order Form, Egg shall deliver such combination of Decarbonisation Services and Compliance Services as is set out in the Order Form as part of the Energy Management Services. The scope, Deliverables, programme and Charges for the Decarbonisation and Compliance Advisory shall be as specified in the Order Form, which is the definitive record of the services to be performed.

3.2 **Decarbonisation Services.** Where the Order Form specifies that Decarbonisation Services are to be provided, Egg shall deliver those services in accordance with the scope, Deliverables and programme set out in the Order Form. Egg shall have no obligation to commence the Decarbonisation Services until You have provided all information and access specified in the Order Form as required for those services, and shall not be liable for any delay or deficiency caused by Your failure to do so.

3.3 **Compliance Services.** Where the Order Form specifies that Compliance Services are to be provided, Egg shall deliver those services in accordance with the scope, Deliverables and programme set out in the Order Form, which shall identify the regulatory schemes in scope (which may include ESOS, SECR and MEES) and the work to be performed in respect of each. Egg shall have no obligation to commence the Compliance Services until You

have provided all information and access specified in the Order Form as required for those services, and shall not be liable for any delay or deficiency caused by Your failure to do so.

3.4 Your Obligations. You shall, in a timely manner, provide Egg with all information, data, access to sites and personnel as specified in the Order Form or as Egg reasonably requests in order to perform the Decarbonisation and Compliance Advisory component of the Energy Management Services. Egg shall not be liable for any delay or deficiency in the Deliverables caused by Your failure to comply with this obligation. In particular, where the accuracy of any Compliance Service output is dependent on information held by You or a third party, Egg's responsibility is limited to the accuracy of its work on the basis of the information provided.

3.5 Reliance and Limitations. Deliverables produced under the Decarbonisation and Compliance Advisory component are prepared on the basis of information provided by You, applicable legislation and regulatory guidance in force at the time of preparation. Carbon footprint figures, reduction estimates and compliance assessments are advisory in nature. Egg does not warrant that those Deliverables will predict actual outcomes with precision, nor that implementation of identified measures will achieve specific carbon reduction targets. Regulatory requirements may change after the date of the relevant Deliverable; Egg shall have no obligation to update any Deliverable to reflect subsequent changes in law or guidance unless separately agreed in writing. Paragraphs 5 and 8 of these Special Conditions apply to Deliverables produced under the Decarbonisation and Compliance Advisory component as they apply to all other Deliverables under the Energy Management Services.

4 Charges and Payment

4.1 The Professional Services Fee for each Phase shall be as set out in the Order Form. Unless otherwise stated in the Order Form, the Professional Services Fee for each Phase shall be invoiced on Phase Completion, or at the milestones specified in the Order Form, and shall be payable within 30 days of the date of the relevant invoice in accordance with clause 13 of the Standard Terms and Conditions. For the avoidance of doubt, the invoice triggers in clause 13.5 of the Standard Terms and Conditions (which refer to Delivery, Installation

and Service Start Date) do not apply to the Professional Services Fee; the trigger for each invoice is Phase Completion or such other milestone as is specified in the Order Form.

4.2 Where any Phase is delivered over an extended period, Egg may invoice at the intervals set out in the Order Form rather than solely on Phase Completion.

4.3 The Professional Services Fee for the Decarbonisation and Compliance Advisory component of the Energy Management Services shall be as set out in the Order Form. Unless otherwise stated in the Order Form, it shall be invoiced on completion of the relevant Deliverables, or at the milestones specified in the Order Form, and shall be payable within 30 days of the date of the relevant invoice in accordance with clause 13 of the Standard Terms and Conditions. Where this component is delivered over an extended period, Egg may invoice at the intervals set out in the Order Form rather than solely on completion.

5 Intellectual Property

5.1 All Intellectual Property Rights in the Deliverables shall vest in Egg upon creation. Upon receipt by Egg of full payment of all Charges due in respect of the relevant Phase or component of the Energy Management Services, Egg hereby assigns to You, with full title guarantee, all Intellectual Property Rights in the Deliverables produced under that Phase or component. Until such assignment takes effect, Egg grants You a non-exclusive, non-transferable licence to use the relevant Deliverables for Your internal business purposes only.

5.2 This paragraph 5 applies in place of clause 14.4 of the Standard Terms and Conditions in respect of the Deliverables. For the avoidance of doubt, Intellectual Property Rights in the Deliverables are not owned by Egg upon creation on a permanent basis; Egg's ownership is interim only, pending full payment, at which point ownership passes to You as set out above.

5.3 Egg shall retain all right, title and interest in the Egg Background IP. Nothing in the Agreement shall operate to transfer any Egg Background IP to You. Where any Egg Background IP is incorporated in the Deliverables, Egg grants You a non-exclusive, royalty-free, perpetual licence to use that Egg Background IP solely to the extent necessary to make use of the relevant Deliverables.

- 5.4 You may disclose the Deliverables to Your professional advisers, lenders and Affiliates, provided that those parties are bound by obligations of confidentiality no less protective than those in clause 22 of the Standard Terms and Conditions.

6 Reliance on Deliverables

- 6.1 The Deliverables are prepared on the basis of information provided by You and conditions prevailing at the time of preparation. Egg does not warrant that the Deliverables will predict actual outcomes with precision. The Deliverables are advisory in nature and do not constitute a guarantee of energy savings, carbon reductions or financial returns.

- 6.2 Egg shall not be liable for any inaccuracy in the Deliverables to the extent caused by inaccurate, incomplete or untimely information or access provided by You.

7 Savings Guarantee

- 7.1 This paragraph 7 applies where Energy Management Services are engaged under the Order Form and a Professional Services Fee has been agreed.

- 7.2 Egg warrants that the Identified Savings shall, over the period to which the Energy Management Services relate, equal or exceed the aggregate Professional Services Fee charged for those Phases. For the purposes of this paragraph, Identified Savings means savings that are quantified in the relevant Phase Deliverables on the basis of the information and assumptions set out in the Order Form and these Special Conditions.

- 7.3 If, on Phase Completion of Phase 1 or Phase 3 (as applicable), the Identified Savings for that Phase are less than the Professional Services Fee for that Phase, the amount invoiced for that Phase shall be the Capped Fee. Egg shall notify You of the Capped Fee in writing at the time of invoicing.

- 7.4 Where a Capped Fee applies and the Energy Management Services are provided as an EM Managed Service, Egg shall, at its election: (a) reduce future monthly EM Recurring Charges by an amount sufficient to recover the difference between the original Professional Services Fee and the Capped Fee over the remaining term; or (b) pay a rebate to You equal to that difference within 30 days of the relevant Phase Completion. Egg shall notify You in writing of which mechanism will apply within 10 Business Days of Phase Completion.

- 7.5 The Savings Condition and the fee cap in this paragraph 7 shall not apply to the extent that Identified Savings are reduced as a result of: (a) inaccurate, incomplete or untimely information or data provided by You; (b) Your failure to implement recommendations made by Egg in the relevant Phase Deliverables; (c) material changes in Your operational practices, occupancy levels, production volumes or site conditions after the date of the relevant assessment; or (d) movements in market energy prices that were not foreseeable at the time of the relevant Phase Completion.

8 Assumptions and Reliance

- 8.1 Egg shall be entitled to rely on the accuracy and completeness of all information, data and documentation provided by You. Where data gaps, anomalies or limitations are identified during delivery of the Services, Egg will notify You and agree an appropriate approach before proceeding.

- 8.2 Any energy, utility, cost saving, payback or return on investment estimates set out in the Deliverables are based on the information available at the time of assessment. Actual savings achieved will depend on factors outside Egg's control, including: (a) the extent to which Egg's recommendations are implemented; (b) operational practices, occupancy levels and production volumes at the relevant sites; (c) weather conditions; and (d) future energy prices. Egg does not warrant or guarantee the achievement of any specific level of energy, utility or cost savings except as expressly set out in the Savings Guarantee at paragraph 7.

- 8.3 You shall provide reasonable access to sites, personnel, systems and information required for the delivery of the Services. Delays in the provision of information, approvals or site access may impact programme timescales and the quality of Deliverables. Egg shall not be liable for any such impact where it arises from Your failure to comply with this obligation or with the Client Responsibilities set out in the Order Form.

- 8.4 Any third-party costs, contractor costs, equipment costs or implementation costs required to deliver the measures identified in the Deliverables are excluded from the Professional Services Fee unless specifically stated in the Order Form.

9 Variations

- 9.1 Any request by You to expand or materially change the scope of any Phase or component of the Energy Management Services shall be

subject to written agreement using Egg's standard Additional Works Approval Form. Egg shall confirm the impact on the programme, Deliverables and Charges before proceeding with any variation.

10 Managed Service

10.1 This paragraph 10 applies only where the Order Form specifies that the Energy Management Services (including, where applicable, the Decarbonisation and Compliance Advisory component) are provided as an EM Managed Service. For the purposes of this paragraph 10: (a) references to "Managed Service" in the Standard Terms and Conditions shall not apply; (b) clauses 4 (Supply of Equipment), 5 (Design), 6 (Installation) and 7 (Hardware Management Services) of the Standard Terms and Conditions do not apply to the Energy Management Services, including the Decarbonisation and Compliance Advisory component (unless Phase 3 includes the installation of physical equipment, in which case the relevant EVC Special Conditions and/or Solar and Storage Special Conditions shall apply to those elements only); and (c) there is no Service Equipment Supply in connection with the Energy Management Services.

10.2 **Initial Service Term.** You shall pay the EM Recurring Charge set out in the Order Form for the duration of the Initial Service Term. The Initial Service Term shall be a minimum of 12 months from the Service Start Date, or such longer period as You elect and set out in the Order Form.

10.3 **Continuation.** Following expiry of the Initial Service Term, the Agreement shall continue on a rolling monthly basis at the same monthly EM Recurring Charge until terminated in accordance with paragraph 10.5. No new minimum term shall apply. For the avoidance of doubt, clause 3.5 of the Standard Terms and Conditions (which provides for continuation of the Recurring Charge by agreement in writing) does not apply to the EM Managed Service; continuation is automatic on the terms set out in this paragraph.

10.4 **Changes to Recurring Charges.** The Recurring Charge shall remain as set out in the Order Form following expiry of the Initial Service Term. In respect of the Energy Management Services, Egg may increase or add to the EM Recurring Charges on 30 days' written notice to You. You may terminate the Agreement on the date the changes to the Recurring Charges are to come into effect by

serving written notice on Egg within 10 Business Days of receipt of Egg's notice. If You do not serve notice to terminate within 10 Business Days, You will be deemed to have accepted the revised EM Recurring Charges and paragraph 10.5 below shall apply.

10.5 **Termination Right.** Either party may terminate the Agreement at any time, whether during or after the Initial Service Term, by giving not less than 30 days' written notice to the other party. Notice may be given at any time and termination shall take effect on expiry of the notice period. This 30 days' notice period applies in place of the three months' notice period in clause 3.3.1 of the Standard Terms and Conditions, and overrides any provision of the Standard Terms and Conditions or the Order Form that would otherwise prevent termination during the Initial Service Term, in respect of the Energy Management Services. No Early Termination Charge, Cancellation Charge or other exit fee is payable by either party as a result of terminating under this paragraph 10.5, whether termination takes effect during or after the Initial Service Term. For the avoidance of doubt, the Cancellation Charges formula in clause 13.11 of the Standard Terms and Conditions (which refers to Service Equipment Supply Charges and Support Service Charges) does not apply to the EM Managed Service.

10.6 **Effect of Termination.** On termination, all Charges accrued to the date of termination remain due and payable. Where termination takes effect part-way through a calendar month, Egg shall be entitled to invoice a pro-rated Recurring Charge for that month. Intellectual Property Rights in Deliverables in respect of which full payment has been received shall have transferred to You in accordance with paragraph 5.