Last Mile

Group Strategy for Tax Management

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1. Introduction

Last Mile designs, installs, owns and operates multi-utility infrastructure networks, including gas, electricity, heat, water and wastewater, connecting new build properties across the United Kingdom. Last Mile is owned by Infracapital (part of M&G) and Macquarie Asset Management.

Recent developments in the tax environment have led to tax authorities around the world introducing additional reporting to enhance transparency, compliance, and governance requirements that companies must fulfil. These include the Senior Accounting Officer ("**SAO**") rules and Publication of Tax Strategy requirements in the UK, the latter requiring UK resident companies that meet certain requirements to publish their tax strategy in the UK and make it available for the public.

Last Mile considers that taxes are an important contribution to wider society and not just a cost to be minimised. In considering the tax affairs of Last Mile, we will take account of all stakeholders including shareholders, clients, employees and the tax authorities. We aim to be transparent in our tax affairs to ensure the way in which we conduct those affairs supports the group's wider reputation.

As a responsible group of companies, Last Mile keeps up to date with these requirements and aims to ensure measures are put in place not only to comply with them, but also to ensure ethical and transparent business practices. This Last Mile Group Strategy for Tax Management (the "**Tax Strategy**") applies to the Last Mile Group Companies.

2. Tax Strategy

2.1. Introduction to the Tax Strategy

The Tax Strategy is focused on ensuring that the Last Mile Group Companies' taxes and tax risks are managed to provide a sustainable outcome within the parameters of Last Mile's strategic and commercial objectives.

The Tax Strategy covers the following areas:

- approach to tax risk management and governance;
- attitude to tax planning;
- level of tax related risk that the Last Mile Group Companies are willing to accept; and
- approach of the Last Mile Group Companies towards HMRC.

2.2. Approach to Tax Risk Management and Governance

Last Mile's objective is to operate effective risk management and governance through its tax control framework, with an ongoing monitoring process to ensure tax controls operate to mitigate tax risk to acceptable levels

The Board holds ultimate responsibility for the effective operation of the Tax Strategy, delegating its implementation and management to the Chief Financial Officer. The Group Finance team is responsible for the day-to-day management and execution of the Tax Strategy.

Last Mile manages its tax affairs efficiently, continuously and proactively through systems, processes and controls that enables compliance with tax obligations and identifies, assesses and manages tax risks. These processes and controls include having defined key roles and responsibilities for tax management appropriate to the size of the business.

2.3. Attitude to Tax Planning

Last Mile will observe tax laws and regulations, striving to act fairly in all circumstances. Furthermore, Last Mile will conduct its business activities in a way that upholds corporate ethics and aims to ensure compliance with all applicable tax laws and regulations.

The tax implications of all significant transactions are thoroughly analysed, with the support of external tax advisors where necessary, and potential outcomes are determined based on the rules and regulations in force at the time.

When achieving the desired commercial result, the most tax efficient outcome will be considered; however, Last Mile, as a responsible business, do not engage in any form of aggressive tax planning. As a general rule, any tax planning is aligned with commercial business activities, and the final decision should be based on the commercial needs of Last Mile.

2.4. Level of risk the Last Mile Group Companies are willing to accept

The Board sees compliance with tax legislation as key to managing Last Mile's tax risk.

Last Mile is subject to the SAO requirements to ensure it has taken reasonable steps to establish and maintain tax accounting arrangements that enable the tax liabilities of Last Mile Group Companies to be calculated accurately in all material respects. Last Mile aims to follow HMRC guidance in this respect to ensure its obligations are met.

Similar to other businesses, each Last Mile Group Company has its own acceptable level of tax risk. Nevertheless, Last Mile Group Companies are required to implement measures that strengthen tax risk management.

As a general practice, Last Mile's appetite for risk is low. Hence, in uncertain situations, Last Mile Group Companies will seek external tax advice to assess the potential risks of the relevant transaction.

2.5. Approach of the Last Mile Group Companies towards HMRC

Last Mile Group Companies aim to make accurate and timely disclosures in tax returns and other documents submitted to HMRC. In addition, the companies will strive to respond in a timely manner to any enquiries raised by HMRC and aim to provide any necessary information as required for such enquiries.

Last Mile Group Companies aim to act in a trustful and cooperative manner when dealing with HMRC. For these purposes, Last Mile Group Companies will proactively manage their relationship with HMRC.

3. Compliance

Last Mile strives to keep up to date with legislation and ensure compliance with the applicable requirements. Therefore, Last Mile has met the requirements to publish its tax strategy for the financial year starting on 1st April 2025 to 31st March 2026, doing so in accordance with paragraph 19(2) of the UK Finance Act 2016.

4. Definitions

Words or expressions contained in this document shall have the specific meanings given to them below:

Board	means the board of directors of Last Mile Infrastructure (Holdings) Limited.
Last Mile	means Last Mile Infrastructure (Holdings) Limited and its direct and indirect affiliates.
Last Mile Group Companies	means those companies listed in Appendix 1 of the Tax Strategy and 'Last Mile Group Company' shall mean each one of them.

5. Approval

This Tax Strategy was approved by the Board.

Appendix 1

List of Last Mile Group Companies to which this Tax Strategy applies:

- Last Mile Infrastructure (Holdings) Limited
- Last Mile Infrastructure Holdco 1 Limited
- Last Mile Infrastructure Holdco 2 Limited
- Last Mile Infrastructure Group Limited
- Last Mile Infrastructure Holdco Limited
- Last Mile Infrastructure Limited
- Last Mile D&B (North & Scotland) Limited
- Last Mile D&B (Midlands & South) Limited
- Last Mile Asset Management Limited
- Last Mile (Own and Manage) Limited
- Last Mile (Design and Build) Limited
- Last Mile Electricity Limited
- Last Mile Gas Limited
- Last Mile Heat Limited
- Last Mile Connections Limited
- Icosa Water Limited
- Last Mile Water Limited