



INTERNATIONAL PUBLIC PARTNERSHIPS LIMITED (‘INPP’)

TAX STRATEGY

BACKGROUND AND SCOPE

International Public Partnerships Limited (‘INPP’) is a listed investment company which invests in long term, high quality, assets and businesses focussed on the provision of infrastructure. Investments include those developed in partnership with public procuring authorities, those in regulated and similar businesses, and other investments and businesses involved in infrastructure related activities. All such businesses include the provision of physical assets, such as public buildings, transport or transmission network assets, located in the jurisdictions in which we invest.

This tax strategy satisfies paragraph 16 of schedule 19 to the UK Financing Act 2016. The tax strategy has been published in accordance with paragraph 16(2) of the Schedule. This strategy applies from the date of publication until it is superseded. INPP’s investments contribute towards economic growth and development in the countries in which it invests and are designed to generate predictable, sustainable and long term returns for its shareholders. INPP seeks to provide diversification and access to infrastructure investments that typically suit long-term investors including tax-exempt pension fund investors, wealth managers and institutional investors. Businesses in which we invest generate taxable trading profits and pay a variety of taxes and duties, such as corporate income taxes, stamp duties, insurance premium taxes, and where there are employees, payroll taxes. They also collect and pay indirect taxes such as VAT, GST, and similar taxes based on the relevant jurisdiction, and where relevant withhold tax on payment distributions.

AIM AND OBJECTIVE

INPP’s investment performance is underpinned by sustainable and predictable cash flows. Tax cash flows form a part of overall cash flows and therefore a sustainable tax decision making process is integral to achieving consistent and predictable target returns. We do this by:

- Meeting legal requirements and making appropriate returns and payments
- Always considering INPP’s reputation, brand, and corporate responsibilities
- Considering tax as part of every major investment decision
- Discussing our interpretation of tax law with tax authorities and/or reputable advisers on a timely basis
- Operating appropriate tax risk governance processes, including Board oversight
- Contributing to the development of UK and international tax policy and legislation where appropriate
- Not undertaking transactions whose sole purpose is to create an abusive tax result or which are outside of INPP’s risk appetite

Our approach to tax is comprised of five main components:

1. STRONG GOVERNANCE

Our tax approach is supported through effective governance at all levels within INPP and through its Investment Adviser. Strong controls and processes are in place to ensure active monitoring of our tax obligations. Robust oversight of the tax strategy is provided by INPP’s investment adviser and the INPP Board of Directors who have ultimate responsibility for tax matters. The Board ensures that INPP’s tax strategy is one of the factors considered in all investments and significant business decisions taken. The Board has appointed the Audit & Risk Committee to monitor the integrity of INPP’s financial reporting

system, internal controls and risk management framework which expressly includes those elements relating to taxation.

2. EFFECTIVE RISK MANAGEMENT

INPP operates across a number of different tax jurisdictions where it operates a system of tax risk assessment and controls as a component of the overall internal control framework applicable to the financial reporting system. INPP seeks to reduce the level of tax risk arising from its operations as far as is reasonably practicable by ensuring that reasonable care is applied in relation to all processes which could materially affect compliance with its tax obligations. Processes relating to taxes are allocated to appropriate process owners, who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for business and legislative changes which may impact them and changes to processes or controls are made when required. Where there are significant uncertainties, external advice may be sought to ensure compliance with any tax obligations.

3. CONSTRUCTIVE RELATIONSHIP WITH TAX AUTHORITIES

We aim to maintain open and constructive relationships with tax authorities in all of the regions in which we operate. For example, in the U.K. we seek to build a collaborative relationship with HMRC and work together in a manner that is constructive and based on mutual respect. We also seek to constructively engage with relevant tax authorities on the development of tax law and regulation, either directly or through industry representation bodies.

4. RESPONSIBLE ATTITUDE TO TAX PLANNING AND LEVEL OF RISK

When making our investments, we aim to ensure our approach to tax planning achieves full adherence to any applicable tax law and regulation, in the U.K and in other relevant jurisdictions, whilst maximising value for shareholders. Project owning entities are typically established in the same jurisdictions as where the underlying business or assets are located and are subject to all applicable taxes in accordance with local tax laws. The level of risk appetite that INPP is willing to accept in relation to taxation is consistent with its overall objective of achieving reasonable assurance over future cashflows to shareholders. INPP seeks to comply fully with its regulatory and other obligations.

5. COMMITMENT TO COMPLIANCE

We are committed to comply with all applicable tax law and regulation, in the U.K. and in all jurisdictions in which we operate. We aim to ensure accurate and timely reporting of required disclosures and facts to the relevant tax authorities and ensuring that the entities within the group pay the appropriate amount of tax due.

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