Kemble Tax Strategy

Purpose

This statement sets out our tax strategy. It is being published alongside the document prepared by the Thames Water Utilities Group (“the Group”), which was approved by the Board of Thames Water Utilities Limited and the Board of Thames Water Utilities Holdings Limited on 21 January 2026, in order that the UK legislative requirements under Paragraph 16(2) of Schedule 19 of Finance Act 2016 are fully complied with. This statement was approved by the Directors of Kemble Water Holdings Limited on 27 May 2026 for publication on the Thames Water website.

Scope

Our tax strategy covers our approach to the following:

- Tax governance
- Tax planning
- Tax risk management
- Working with tax authorities

This applies to Kemble Water Holdings Limited (“Kemble”), and its subsidiaries (other than the Group) and should be read in conjunction with the Group’s published tax strategy.

Tax Governance

The day-to-day management of Kemble’s tax affairs is undertaken by the Group’s Tax team under the terms of an inter-company service agreement entered into between Kemble and the Group, in conjunction with Kemble’s external tax advisers and overseen by the Directors of Kemble Water Holdings Limited. Those Directors are responsible for legal compliance and ensuring effective risk management.

Tax Planning

We do not use tax avoidance schemes or aggressive tax planning:

- We do not engage in tax avoidance schemes
- We do not engage in aggressive tax planning i.e. planning that is not underpinned by commercial and economic substance, or which applies an aggressive interpretation of tax legislation
- We plan our tax affairs to be efficient

Tax Risk Management

We adopt a conservative approach to tax risk management:

- Business transaction risks:

  Transactions are only undertaken for legitimate, commercial reasons.

- Compliance and risks:

  Sufficient resources are employed to ensure that, within the wider commercial framework of the ongoing restructuring and refinancing of the entire group, Kemble’s compliance is undertaken not only in an accurate manner but, wherever possible, within statutory timeframes.

- Tax accounting and statutory risks:

  Our tax governance processes address the risk of any material tax misstatements.

Working with Tax Authorities

We engage fully and transparently with HMRC, facilitated by the Group's Tax team. We are committed to supporting HMRC's role as administrator of the UK taxation system.

We respond to any HMRC questions promptly and maintain an appropriate level of dialogue.