

Our Tax Strategy

1.1 The Phoenix Energy Group

Phoenix Energy Group Holdings Limited and its UK subsidiaries (together “Phoenix Energy”)^[1] are outlined in the Appendix. The primary trading company, Phoenix Energy Group Ltd, is a regulated gas distribution business owning and operating the gas distribution network encompassing Greater Belfast, Larne and East Down in Northern Ireland. Phoenix Energy operates under a gas conveyance licence issued by the Northern Ireland Authority for Utility Regulation and is responsible for the development and maintenance of its network as well as a 24/7 operation and transportation platform for natural gas suppliers and consumers across its licence area.

1.2 The Strategy

Phoenix Energy’s Tax Strategy^[2] is to:

- comply with all relevant legislation, regulations, and disclosure requirements at all times;
- submit accurate tax returns and pay the right amount of tax^[3] at the right time based on the prevailing law and regulations, both on a jurisdictional and global basis; and
- engage with tax authorities, including HMRC, with honesty, integrity, respect and fairness and in a spirit of co-operative compliance.

1.3 Governance and approach to tax risk

Phoenix Energy aims to be a good corporate citizen and the corporate values outlined in the Code of Conduct, which applies to all staff, support our commitment to responsible business practice. Tax risks are a component of Phoenix Energy’s risk framework supporting corporate strategy and underpinning this strategy is a strong compliance culture with a conservative approach to risk and Board oversight. Responsibility for tax risk management and compliance rests with the Board of Phoenix Energy. Day to day management of Phoenix Energy’s tax affairs is overseen by the Finance function, with specialist tax advice and guidance sought from external professional advisors where appropriate.

Phoenix Energy requires its businesses to have in place reasonable processes that will identify and mitigate the criminal facilitation of evasion of UK or foreign taxes by its employees or others acting on their behalf. Tax evasion, any form of fraud or bribery, or the facilitation thereof will not be tolerated or condoned.

1.4 Attitude towards tax planning

The tax affairs of Phoenix Energy should be arranged or managed with the objective of supporting its business or commercial activities. When entering into commercial transactions, Phoenix Energy may seek to obtain the benefit of tax incentives, reliefs and exemptions implemented by UK Government under the applicable tax legislation. Transaction arrangements that are artificial or without any business substance are prohibited.

[1] This document sets out the tax strategy in respect of Phoenix Energy Group Holdings Limited and its UK subsidiaries as a UK sub-group (together “Phoenix Energy”) pursuant to paragraph 16(2) of Finance Act 2016 (“FA16”) for the financial year ended 31 December 2025.

[2] The tax strategy is published in accordance with the requirements of paragraphs 19(2) and 19(4) of Schedule 19 of the FA16 and applies from the date of publication until it is superseded.

[3] References to tax are taken to include the items within “UK Taxation” as defined by paragraph 15(1) of the Schedule.

1.5 Approach to dealing with HMRC

Phoenix Energy will make HMRC aware of any relevant significant transactions or business developments in advance and fully disclose any errors or omissions as soon as is practically possible. Phoenix Energy is proactive and professional in dealings with HMRC and will seek to obtain certainty of the tax treatment for current, future, or past transactions where the legislation is complex, uncertain or open to interpretation and attempt to resolve any disputed matters through open discussion and negotiation.

Appendix

UK Entities

Phoenix Energy Group Holdings Limited
Lionrai Investments No.1 Limited
Lionrai Investments No.2 Limited
Kellen Capital Limited
Kellen Investments Limited
Phoenix Energy Holdings Limited
Phoenix Energy Services Limited
Phoenix Distribution Holdings Limited
Phoenix Energy Group Ltd
Phoenix Natural Gas PP Finance plc
Phoenix Natural Gas Limited
Belfast Energy Limited
Belfast Natural Gas Limited
Phoenix Gas Limited
Phoenix Power Limited
PNG Storage Limited