LAST MILE ASSET MANAGEMENT LIMITED POLICY DOCUMENT: ASSET MANAGEMENT POLICY

DOCUMENT STATUS

This is a controlled document. Whilst this document may be printed, the electronic version posted on the intranet is the controlled copy. Any printed copies of this document are not controlled.

As a controlled document, this document should not be saved onto local or network drives but should always be accessed from the intranet.

1. GENERAL

1.1. Last Mile Asset Management adopts and operates electricity, gas, water, wastewater and heat networks that are designed, installed, and commissioned by approved contractors on behalf of Last Mile Electricity Limited (LMEL), Last Mile Gas Limited (LMGL), ICOSA Water Services Ltd (ICOSA) and Last Mile Heat Ltd (LMHL).

The intent of this policy is to ensure all employees and functions of the company are aligned with the goals of the company as they relate to asset management and to ensure assets are managed in a manner that maximizes benefits, reduces risk, and provides satisfactory levels of service to our customers.

2. POLICY STATEMENT

It is the Company's Policy to maintain and continually improve a documented and independently accredited Asset Management System which complies with the requirements of BS EN ISO 55001 :2014.

In managing assets, Last Mile Asset Management are committed to:

2.1 Establishing asset management objectives that are compatible with the wider organisational objectives.

2.2 Taking steps to connect the appropriate departments, functions, and support activities in order to build effective working relationships and encourage information-sharing.

2.3 Ensuring decisions are made collaboratively.

2.4 Ensure decisions consider all life-cycle stages and interrelationships between asset, operational and service performance which will provide optimum value for our customers.

2.4 Developing and maintaining appropriate plans for the construction, purchase, renewal, and decommissioning of assets.

2.5 Developing long-term projections of investment needs.

2.6 Evaluating relevant asset investment decisions based on consideration of the costs associated with managing an asset through its entire lifecycle.

2.7 Implementing processes to ensure capital investments address needs efficiently and effectively. Furthermore, ensuring that operational budget implications of capital investments are addressed.

2.8 Analysing investment plans and associated funding requirements and putting in place mechanisms to ensure long-term financial sustainability.

2.9 Exploring efficiency opportunities where appropriate, including new technologies

2.10 Developing prioritised capital investment plans that reflect community and stakeholder expectations with regard to the level of service and other strategic objectives.

2.11 Complying with all relevant legislative, regulatory, and legal requirements.

2.12 Continuous improvement of the Asset Management system which will be achieved by:

- Driving innovation in the development of tools, techniques, and solutions.
- Monitoring and reviewing the effectiveness of asset management processes and the wider asset management system in supporting the delivery of our strategic objectives.
- Assessing competencies necessary to implement the asset management system and providing support, education, and training to fulfil these competencies whilst ensuring enough resource is allocated as required for the implementation of this policy.
- Reviewing this policy and making any necessary adjustments on an annual basis.

2.13 Communicating this Policy to staff, contractors, customers, the general public and to all other interested parties.

3. SCOPE

3.1. This asset management policy applies to all assets managed by Last Mile Asset Management. This policy applies to all employees, contractors, and consultants at Last Mile Asset management

4. DEFINITIONS

4.1. Unless a contrary intention is evident, or the context requires otherwise, words or expressions contained in this document shall have the same meaning as set out in the Articles of Association of the Company and the following defined terms shall have the specific meanings given to them below:

Board means the Chairperson, Executive Directors and Non-executive Directors of the Company

Chairperson means a Member of the Board who is appointed pursuant to article 11 of the Company's Articles of Association.

Chief Executive Officer means a Member of the Board who is appointed pursuant to article 20.1 of the Company's Articles of Association and so designated.

Company means Last Mile Infrastructure Group Limited.

Committee means a committee appointed by the Board, which reports to the Board.

Company Secretary means the person who is appointed pursuant to article 72 of the Company's Articles of Association.

Contractor means the organisation who builds networks that are to be adopted by Last Mile Group and can include Utility Infrastructure providers, Independent Connection Providers, Self-Lay Providers and Waste Water Service Providers.

Employee means a person paid via the payroll of the Company, or for whom the Company has

responsibility for making payroll arrangements but excluding Non-executive Directors.

Executive Director means a Member of the Board who is appointed pursuant to article 20.1 of the

Company's Articles of Association.

Non-executive Director means a Member of the Board who is appointed pursuant to article 20.2 of the Company's Articles of Association.

Policy means this policy document.

5. ROLES AND RESPONSIBILITIES

5.1. The Board has overall responsibility for approving asset management policy, articulating organisational values, defining priorities, approving funding and resources to implement the asset management policy and associated requirements, and approving asset funding through multi-year and long-range financial plans as well as maintaining the corporate governance framework of the Company, including this document

5.2. The Company Secretary has responsibility for:

5.2.1. Publicising the existence of the corporate governance framework and all associated controlled documents.

5.2.2. Ensuring all corporate governance framework documents, policy documents and Committee terms of reference are published on the intranet.

5.2.3. Maintaining a register of all corporate governance framework documents, policy documents and Committee terms of reference.

5.2.4. Ensuring all corporate governance framework documents, policy documents and Committee terms of reference are reviewed no later than their agreed review date.

5.3 Departmental managers are responsible for leading the adoption of this policy within their departments and allocating appropriate resources to its implementation.

5.5 All staff involved in the application of asset management are responsible for observing the requirements of this policy.

6. DISTRIBUTION ANDIMPLEMENTATION

6.1 This document will be made available on the Company intranet and internet site.

6.2 A global communication will be issued to all Employees notifying them of the release of this document.

6.3 A training needs analysis will be undertaken with Employees affected by this document.

6.3.1 Based on the findings of that analysis appropriate training will be provided as necessary.

7. MONITORING

7.1. Compliance

7.1.1. Compliance with this document will be monitored by the Environmental, Social and Governance (ESG) Committee.

7.1.2. This policy will be reviewed annually.

8. ASSOCIATED DOCUMENTATION

8.1. Not applicable.

9. REFERENCES

9.1. None.