

City of London Investment Group PLC

Non-Audit Services Policy

As at 10 Sep 2025

- 1. Scope** This policy applies to all companies within the Group; and to all situations where we propose to engage with the external auditor for the provision of non-audit services.

2. Table of Contents	Sr. No.	Page
	1. Scope	1
	2. Table of Contents	1
	3. Statement of Policy	1
	4. Approval	1
	5. Permitted audit and audit related services	2
	6. Permitted other non-audit services	3
	7. Prohibited non-audit services	3
	8. Fees	4
	9. Confirmation of independence	5
	10. Policy owner	5

- 3. Statement of Policy** This policy is in place to mitigate any risks threatening, or appearing to threaten, the external audit firm's independence and objectivity arising through the provision of non-audit services – namely services which:
- create conflicts of interest between the external audit firm and the Group;
 - result in the external audit firm functioning in the role of management;
 - result in a fee which is material relative to the audit fee or to the compensation of the individuals performing the audit;
 - place the external audit firm in the position of auditing its own work; or
 - place the external audit firm in the position of being an advocate for the Group.

This policy is in line with the recommendations set out in the Financial Reporting Council's (**FRC's**) Guidance on Audit Committees (2016) and the requirements of the FRC's Revised Ethical Standard (2016). In line with these recommendations and requirements, an external audit firm is only appointed to perform a service when doing so would be consistent with both the requirements and overarching principles of the Ethical Standard, and when its skills and experience make it the most suitable supplier.

In addition, the Ethical Standard requires an assessment of whether it is probable that an objective, reasonable and informed third party would conclude independence is not compromised.

- 4. Approval** The approval of the Audit & Risk Committee must be obtained before the external auditor is engaged to provide any permitted non-audit services. For permitted non-audit services that are clearly trivial, the audit committee has pre-approved the use of the external auditor subject to the following limits.

City of London Investment Group PLC

Non-Audit Services Policy

As at 10 Sep 2025

Value of service requested	Approval required
Up to \$67,500	Chair of the Audit & Risk Committee
\$67,501 and above	Audit & Risk Committee

For permitted non-audit services, Group must implement procedures to identify where there is a proposal to engage the external auditors and ensure the correct approval process is followed prior to entering into any formal engagement with the external auditor. The Group should ensure the appropriate justification is provided that the external auditors are the most appropriate supplier.

The Group must ensure that prohibited services (see below) are not purchased from the external auditor.

When reviewing requests for non-audit services that are not in the 'prohibited non-audit services' list (see below), the audit committee will assess:

- whether the provision of such services impairs the auditor's independence or objectivity and any safeguards in place to eliminate or reduce such threats
- the nature of the non-audit services
- whether the skills and experience make the auditor the most suitable supplier of the non-audit service
- the fee to be incurred for non-audit services, both for individual non-audit services and in aggregate, relative to the Group audit fee; and the criteria which govern the compensation of the individuals performing the audit.

5. Permitted audit and audit related services

- Statutory audit of the Group's consolidated financial statements.
- Statutory audits of the financial statements of subsidiary companies.
- Review of the group's half-year report and interim financial statements.
- Reporting required by law or regulation to be performed by the auditor.
- Reporting on internal financial controls where required by law or regulation.
- Reports on regulatory returns.
- Extended audit work performed on financial information and/or financial controls where it is integrated with the statutory audit and performed on the same principal terms and conditions.
- Reports on government grants.

Audit related services (which are the services listed above other than the audit of the financial statements of the Group, parent company and subsidiaries), are still considered non-audit services and are subject to the approval requirements set out in this policy. It is expected that these will be approved as part of the audit committee review of the external audit plan.

City of London Investment Group PLC

Non-Audit Services Policy

As at 10 Sep 2025

In addition, other non-audit services may be engaged where:

- they are closely related to the work performed in the external audit process and are largely carried out by members of the audit team; or
- for reasons of effectiveness or efficiency, it is advantageous to use the external auditors because of their knowledge and expertise.

6. Permitted other non-audit services

- Due diligence related to mergers and acquisitions.
- Accounting consultations and audits in connection with acquisitions and disposals of businesses or in relation to proposed transactions.
- Investment circular reporting accountant engagements, including comfort letters and consents in relation to documents issued in connection with securities offerings.
- Attestation in relation to matters not required by statute or law (e.g. controls reports).
- Consultations concerning financial accounting and reporting standards not relating to the audit of the group, parent or subsidiary undertakings.
- Other reports required by regulators or assurance services relating to regulatory developments.
- Sustainability audits.
- IT security audits (where this does not extend to designing and implementing internal control or risk management procedures).

7. Prohibited non-audit services

The following non-audit services cannot be provided by the external auditor.

- a) Tax services relating to:
 - i. preparation of tax forms⁽¹⁾.
 - ii. payroll tax.
 - iii. customs duties.
 - iv. identification of public subsidies and tax incentives unless support from the audit firm in respect of such services is required by law⁽¹⁾.
 - v. support regarding tax inspections by tax authorities unless support from the statutory auditor or audit firm in respect of such inspections is required by law⁽¹⁾.
 - vi. calculation of direct and indirect tax and deferred tax
 - vii. provision of tax advice⁽¹⁾.
- b) Services that involve playing a part in the management or decision-making of the audited entity.
- c) Bookkeeping and preparing accounting records and financial statements.
- d) Payroll services.
- e) Designing and implementing internal control or risk management procedures related to the preparation and/or control of financial information or designing and implementing financial information technology systems⁽²⁾.

City of London Investment Group PLC

Non-Audit Services Policy

As at 10 Sep 2025

- f) Valuation services, including valuations performed in connection with actuarial services or litigation support services⁽¹⁾.
- g) Legal services, with respect to:
 - i. the provision of general counsel
 - ii. negotiating on behalf of the audit entity
 - iii. acting in an advocacy role in the resolution of litigation;
- h) Services related to the audit entity's internal audit function.
- i) Services linked to the financing, capital structure and allocation, and investment strategy of the audited entity, except providing assurance services in relation to the financial statements, such as the issuing of comfort letters in connection with prospectuses issued by the audited entity
- j) Promoting, dealing in, or underwriting shares in the audited entity.
- k) Human resources services with respect to:
 - i. Management in a position to exert significant influence over the preparation of the accounting records or financial statements which are the subject of the statutory audit, where such services involve:
 - a) searching for or seeking out candidates for such positions; or
 - b) undertaking reference checks of candidates for such positions.
 - ii. Structuring the organisation design
 - iii. Cost control.

Services marked with the subscript '(2)' are prohibited in the financial year prior to the year subject to audit (the 'cooling in' period).

Services marked with the subscript '(1)' are permitted where approved by the Audit & Risk Committee and where:

- they have no direct or, in the view of an objective, reasonable and informed third party, would have an inconsequential effect, separately or in aggregate, on the audited financial statements;
- the estimation of the effect on the financial statements is comprehensively documented and explained in a report to the audit committee (including consideration of the principles of independence set out in the Ethical Standard); and;
- for the purposes of the statutory audit of the financial statements the audit firm would not place significant reliance on the work performed by the audit firm in performing these services.

8. Fees

Any arrangement with the auditor that includes contingent fee arrangements is not permitted.

In addition, the total fees for non-audit services provided by the auditor to the Group shall be limited to no more than 70% of the average of the statutory audit fee for the Company, of its controlled undertakings and of the consolidated

City of London Investment Group PLC

Non-Audit Services Policy

As at 10 Sep 2025

financial statements paid to the auditor in the last three consecutive financial years.

9. Confirmation of independence

The Audit & Risk Committee should seek annually from the audit firm information about policies and processes for maintaining independence and monitoring compliance with relevant requirements, including those regarding the rotation of audit partners and staff.

10. Policy owner

The policy owner for this policy is the Audit & Risk Committee.

Approved by the Audit & Risk Committee on 10 Sep 2025