CITY OF LONDON INVESTMENT GROUP PLC ("the Company")

REMUNERATION COMMITTEE
TERMS OF REFERENCE

INTRODUCTION

On 21 March 2006, the Board resolved, in accordance with the Company's articles of association, to establish a Remuneration Committee of the Board. Terms of Reference for the Committee were adopted at that time. On 9th September 2010, the Board resolved to amend and update the Terms of Reference for the Committee to reflect the admission of the issued ordinary shares of the Company to trading on the Main Market of London Stock Exchange plc. The Committee reviews its constitution and Terms of Reference, at least annually, to ensure it is operating at maximum effectiveness and updates the Terms of Reference if considered necessary.

The purpose of this document is to set out:

- the duties and responsibilities of the Committee; and
- the constitution of the Committee and the regulations governing proceedings of the Committee.

In this document, references to:

- the **"Board"** are to the Board of directors of the Company from time to time;
- the **"Committee"** are to the Remuneration Committee of the Board established pursuant to the resolution referred to in the opening paragraph; and
- the **"Group"** are to the Company and its subsidiaries

The Company shall ensure that these Terms of Reference are made generally available by means of publication on the Company's website.

1. MEMBERSHIP

1.1 The Committee shall comprise at least two members, all of whom shall be independent non-executive directors. The chair of the Board may also serve on the Committee as an additional member (but not chair) if they were considered independent on appointment as chair.

1.2 Appointments to the Committee are made by the Board on the recommendation of the Nomination Committee and in consultation with the chair of the Remuneration Committee and shall be for a period of up to three years which may be extended for up to two additional three year periods, provided members (other than the chair of the Board, if they are a member of the Committee) continue to be independent.

1.3 Only members of the Committee have the right to attend Committee meetings. However other individuals such as the chief executive, the head of human resources or other senior managers and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.

1.4 The Board shall appoint the Committee chair who shall be an independent non-executive director who should have served on a remuneration committee for at least 12 months. In the absence of the Committee chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting who would qualify under these terms of reference to be appointed to that position by the Board. The chair of the Board shall not chair of the Committee.

2. SECRETARY

The company secretary or their nominee or any person appointed by the Committee shall act as the secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

3. QUORUM

3.1 The quorum necessary for the transaction of business shall be two members, attended either in person, by video conference or by telephone.

3.2 A duly convened Committee meeting at which a quorum is present shall be competent to exercise all or any authorities, powers and discretions vested in or exercisable by the Committee.

4. FREQUENCY OF MEETINGS

The Committee shall meet at least twice a year and otherwise as required.

5. NOTICE OF MEETINGS

5.1 Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chair or any of its members.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate at the same time.

6. MINUTES OF MEETINGS

6.1 The secretary of the Committee shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.

6.2 Draft minutes of Committee meetings shall be agreed with the Committee chair and then be circulated promptly to all Committee members. Once approved, minutes should be circulated to all other Board members unless, exceptionally, it would be inappropriate to do so.

7. ENGAGEMENT WITH SHAREHOLDERS

The Committee chair should attend the Annual General Meeting to answer any shareholder questions on the Committee's activities. In addition, the Committee chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

8. DUTIES

The Committee should carry out the duties detailed below for the parent company, major subsidiary undertakings and the Group as a whole, as appropriate.

The Committee shall:

8.1 have delegated responsibility for determining the policy for directors' remuneration and setting remuneration for the Company's chair and executive directors and senior management, in accordance with the Principals and Provisions of the UK Corporate Governance Code (the "Code"). In addition, the Committee has responsibility for approving the salaries and bonuses for any employee earning total compensation over USD 250,000, all Code Staff (under FCA's Remuneration Code (SYSC 19B & 19G)) and, for reasons of managing potential conflicts of interest, the Head of Compliance of CLIM and Chief Compliance Officer of KIM.

8.2 establish remuneration schemes that promote long-term shareholding by executive directors that support alignment with long-term shareholder interests, with share awards subject to a total vesting and holding period of at least five years, and a formal policy for post-employment shareholding requirements encompassing both unvested and vested shares;

8.3 design remuneration policies and practices to support strategy and promote long-term sustainable success, with executive remuneration aligned to company purpose and values, clearly linked to the successful delivery of the company's long-term strategy, and that enable the use of discretion to override formulaic outcomes and to recover and/or withhold sums of share awards under appropriate specified circumstances;

8.4 when determining executive director remuneration policy and practices, consider the Code requirements for clarity, simplicity, risk mitigation, predictability, proportionality and alignment to culture;

8.5 no Director or senior manager shall be involved in any decisions as to their own remuneration outcome. The Board itself or, where required by the Articles of Association, the shareholders should determine the remuneration of the non-executive directors within the limits set in the Articles of Association.

8.6 in determining remuneration policy, take into account all other factors which it deems necessary including relevant legal and regulatory requirements (e.g. FCA, AIFMD), the provisions and recommendations of the Code, the UK Listing Authority's Listing Rules and associated guidance as applicable. The objective of such policy shall be to attract, retain and motivate executives of the quality required to run the Company successfully without paying more than is necessary, having regard to views of shareholders and other stakeholders.

8.7 review the ongoing appropriateness and relevance of the remuneration policy on a regular basis;

8.8 within the terms of the agreed policy and in consultation with the chair and/or chief executive as appropriate, determine the total individual remuneration package of each executive director, the Company chair and other senior managers including bonuses, incentive payments and share options or other share awards. The choice of financial, non-financial and strategic measures is important, as is the exercise of independent judgement and discretion when determining remuneration awards, taking account of company and individual performance, and wider circumstances;

8.9 have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary at the expense of the Company. However the Committee should avoid designing pay structures based solely on benchmarking to the market or on the advice of remuneration consultants;

8.10 review the design of all share incentive plans for approval by the Board and, where required, shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors and senior managers, and the performance targets to be used;

8.11 review workforce remuneration and related policies;

8.12 work and liaise as necessary with all other Board committees, ensuring the interaction between Committees and with the Board is reviewed regularly.

9. REPORTING RESPONSIBILITIES

9.1 The Committee chair shall report to the Board after each meeting on the nature and content of its discussions, recommendations and action to be taken.

9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed, and adequate time should be available for board discussions when necessary.

9.3 The Committee shall provide a description of its work in the annual report in line with the requirements of the Code.

9.4 The Committee shall also ensure that provisions regarding disclosure of information as set out in The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 and the Code are fulfilled and that a report on the Director's remuneration policy and practices to be included in the Company's annual report and put to shareholders for approval at the AGM as necessary.

9.5 If the Committee has appointed remuneration consultants, the consultant should be identified in the annual report alongside a statement about any other connection it has with the company or individual directors.

10. OTHER MATTERS

The Committee shall:

10.1 have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;

10.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;

10.3 give due consideration to all relevant laws and regulations, the provisions of the Code and any published guidelines or recommendations regarding the remuneration of Company directors and the formation and operation of share incentive plans, the requirements of the FCA's Listing Rules, Prospectus Rules, Disclosure Guidance and Transparency Rules sourcebook, and any other applicable rules, as appropriate;

10.4 ensure that a periodic evaluation of the Committee's own performance is carried out: and

10.5 at least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

11. AUTHORITY

The Committee is authorised by the Board:

11.1 to obtain, at the Company's expense, outside legal or other professional advice on any matters within its terms of reference;

11.2 to seek any information it requires from any director or employee of the Group in order to perform its duties.

Approved As At: 11 November 2026