

Audit & Risk Committee policy regarding Non-Audit Services



The purpose of this Policy is to set out a formal process to ensure there are safeguards in place where non-audit services are provided by Man Group's external auditor to ensure that any threats to the auditor's objectivity are eliminated or reduced to a level at which it is not probable that a reasonable and informed third party would conclude that the auditor's objectivity and independence is impaired or likely to be impaired.

Non-audit services comprise any engagement where Man Group's audit firm provides professional services other than pursuant to the audit of financial statements or those other roles which legislation or regulation specify can be performed by the auditors (e.g. complying with the procedural and reporting requirements of regulators).

1) Non Audit Services for which External Auditors cannot be engaged

- a) Tax services relating to:
 - i) Preparation of tax forms;
 - ii) Payroll tax;
 - iii) Customs duties;
 - iv) Identification of public subsidies and tax incentives unless support from the statutory auditor or the audit firm in respect of such services is required by law;
 - 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;
 - vi) Calculation of direct or indirect tax and deferred tax;
 - vii) Provision of tax advice;
- b) Services that involve playing any 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 or implementing financial information technology systems;
- f) Valuation services, including valuations performed in connection with actuarial services or litigation support services;
- g) Legal services, with respect to:
 - i) The provision of general counsel;
 - ii) Negotiating on behalf of the audited entity; and
 - iii) Acting in an advocacy role in the resolution of litigation;
- h) Services related to the audited 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: searching for or seeking out candidates for such position; or undertaking reference checks of candidates for such positions;
 - ii) Structuring the organisation design; and
 - iii) Cost control.

In addition, External Auditors cannot be engaged on a contingent fee arrangement basis.

2) Non Audit Services for which External Auditors can be engaged

The external auditor can be engaged for services as permitted by the FRC's 'Revised Ethical Standard 2019', subject to:

- a) Prior notification to, and approval from, the Group CFO or Group Financial Controller;
- b) Prior approval from the Audit & Risk Committee for any permitted services which have an expected value of \$75,000 or more; and
- c) The non-audit services fees in aggregate must not exceed the 70% cap of the average statutory audit fees paid in the last three consecutive financial years.

The pre-approval procedures are required to be followed for proposed services provided to the funds as well as to the corporate entities.

3) Overriding principle

The Audit & Risk Committee should consider whether any service provided by the auditor may impair the auditor's independence in fact or appearance.

4) Disclosure requirements

To assist in a high level of transparency in relation to the provision of non-audit services provided by the auditor, the following should be disclosed in the Audit & Risk Committee section of the Annual Report (or other appropriate document), in line with the latest best practice guidance:

- a) if the external auditor provides non-audit services, the committee's policy for approval of non-audit services;
- b) how auditor objectivity and independence is safeguarded;
- c) the audit fees for the statutory audit of the Group consolidated financial statements paid to the auditor and its network firms for audit-related services and other non-audit services, including the ratio of audit to non-audit work; and
- d) for each significant engagement, or category of engagements, explain what the services are and why the audit committee concluded that it was in the interests of the company to purchase them from the external auditor.