IP Group plc – Non-audit services policy

1. Introduction

1.1 The Board of IP Group plc (the "**Company**") is committed to ensuring that the financial statements of the Company and its subsidiaries (together, the "**Group**") have an effective and independent annual audit by its external auditors. This document sets out the policy for the appointment of the external auditors for the provision of non-audit services to the Group. It also outlines the control processes that will be put in place to ensure compliance with this policy.

1.2 This policy is in place to mitigate any risks threatening, or appearing to threaten, the Group's external auditor's independence and objectivity arising through the provision of non-audit services – namely services which:

- create conflicts of interest between the external auditor and the Group;
- result in the external auditor functioning in the role of management;
- result in a fee which is material relative to the audit fee;
- result in a fee that drives the performance evaluation or remuneration of the individuals performing the audit;
- place the external auditor in the position of auditing its own work; or
- place the external auditor in the position of being an advocate for the Group.

1.3 This policy is in line with the recommendations set out in the Financial Reporting Council's ("**FRC**") Guidance on the UK Corporate Governance Code and the requirements of the FRC's Revised Ethical Standard (2024) (the "**Ethnical Standard**") and Audit Committees and the External Audit: Minimum Standard (2023). Should there be any inconsistency between this policy and any subsequently released Ethical Standard, the latest Ethical Standard will prevail.

1.4 In line with these recommendations and requirements, an external auditor is only appointed to perform a service:

- when doing so would be consistent with both the requirements and overarching principles of the Ethical Standard;
- when its skills and experience make it the most suitable supplier; and
- when it is probable that an objective, reasonable and informed third party would conclude independence has not been compromised by such an appointment.

1.5 This policy will be reviewed at least annually by the Audit & Risk Committee.

2. Permitted Non-Audit Services and Prohibited Non-Audit Services

2.1 The Group's external auditors are eligible for selection to provide permitted non-audit services to the extent that their skills and experience make them a competitive and appropriate supplier of these services, in accordance with the categories of services identified below.

Permitted Non-Audit/Additional Services exempt from the Non-Audit Services Cap (defined below)

2.2 The following services may be provided by the Group's external auditor subject to approval of the Chief Financial & Operating Officer or Audit & Risk Committee, as applicable, and are exempt from the Non-Audit Services Cap (defined below):

- reporting required by a member of the Group to a competent authority or regulator under law or regulation; for example:
  - reporting to a regulator on client assets;
  - in relation to entities regulated under the Financial Services and Markets
  - Act 2000 ("**FSMA**"), reports under s166 and s340 of FSMA;
  - reporting to a regulator on regulatory financial statements; and
  - reporting on a Solvency and Financial Condition Report under Solvency II;

- in the case of a member of the Group incorporated and based in a third country, reporting required by law or regulation in that jurisdiction where the external auditor is permitted to undertake that engagement;

- reports, required by or supplied to competent authorities/regulators supervising the Group, where the authority/regulator has either specified the external auditor to provide the service or identified to the Group that the external auditor would be an appropriate choice for service provider;
- services which support the Group in fulfilling an obligation required by UK law or regulation, including listing requirements where:
  - the provision of such services is time critical;
  - the subject matter of the engagement is price sensitive; and
  - it is probable that an objective, reasonable and informed third party would conclude that the understanding of the entity obtained by the external auditor for the audit of the financial statements is relevant to the service, and where the nature of the service would not compromise independence.

Permitted Non-Audit/Additional Services subject to the Non-Audit Services Cap (defined below)

2.3 The following services may be provided by the Group's external auditor subject to approval of the Chief Financial & Operating Officer or Audit & Risk Committee, as applicable, and remaining below the Non-Audit Services Cap (as defined below) for the relevant period:

- reviews of interim financial information; and providing verification of interim profits not otherwise required by law or regulation;
- where not otherwise required by law or regulation, non-audit and additional services, as defined in the FRC Ethical Standard provided as the external auditor of the Group, or as reporting accountant, in relation to information of the Group for which it is probable that an objective, reasonable and informed third party would conclude that the understanding of the Group obtained by the Group's external auditor is relevant to the service, and where the nature of the service would not compromise independence;
- extended audit or assurance work that is authorised by those charged with governance performed on financial or performance information and/or financial or operational controls, in an entity relevant to an engagement or a third-party service provider, where this work is closely linked with the audit work;
- reporting on the iXBRL tagging of financial statements in accordance with the European Single Electronic Format for annual financial reports;
- additional assurance work or agreed upon procedures, authorised by those charged with governance performed on material included within or referenced from the annual report of an entity relevant to an engagement;
- reporting on government grants;
- reporting on covenant or loan agreements, which require independent verification, and other reporting to third parties with whom the entity relevant to an engagement has a business relationship in accordance with Appendix C of the FRC's Revised Ethical Standard;
- services which have been the subject of an application to the Competent Authority in accordance with Regulation 79 of The Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019 (SI 2019/177); and

- generic subscriptions providing factual updates of changes to applicable law, regulation or accounting and auditing standards.

Pre-Approved Non-Audit Services

2.4 In addition, the Audit Committee has pre-approved the following non-audit services that may be provided by the external auditors (with the exception of those prohibited under paragraph 2.5), subject to remaining below the Non-Audit Services Cap (as defined below) for the relevant period:

- Reporting required by law or regulation to be provided by an auditor;
- Reviews of interim financial information;
- Reporting on regulatory returns;
- Reporting to a regulator on client assets;
- Reporting on government grants;
- Reporting on internal financial controls when required by law or regulation;
- Extended audit work that is authorised by those charged with governance performed on financial information and/or on financial controls where this work is integrated with the audit work and is performed on the same principal terms and conditions; and
- attestation reports, control compliance or reasonableness reports as required by third parties.

Prohibited Non-Audit Services

2.5 The Group's external auditor will not directly or indirectly provide to the Group any prohibited non-audit services in:

- bookkeeping and other services relating to accounting records and corporate financial statements;
- the design, implementation and operation of internal control or risk management procedures relating to the preparation and/or control of financial information or financial information technology systems;
- services relating to actuarial and internal control functions;
- services relating to the Group's internal audit function;
- services relating to preparatory work in connection to the BEIS' corporate governance and audit reform proposals impacting the Group's framework of internal financial controls including advice on the implementation of applicable changes and the periodic confirmation of the internal financial controls' effectiveness;
- services that involve playing a part in the management or decision-making of a member of the Group, or executive management of company operations and activities, including acting temporarily or permanently as a director, officer or employee of the Group;
- advice on the levels of remuneration to be paid to the Group's directors;
- services linked to the financing, capital structure and allocation, and investment strategy of the Group, except providing assurance services in relation to the financial statements, such as the issuing of comfort letters in connection with prospectuses issued by the Company; or
- promoting, dealing in, or underwriting shares in the Company;
- tax services relating to:
    - preparation of tax forms;
    - payroll tax;
    - customs duties;
    - identification of public subsidies and tax incentives unless support from the external auditor in respect of such services is required by law;
    - support regarding tax inspections by tax authorities unless support from the statutory auditor or auditor in respect of such inspections is required by law;
    - calculation of direct and indirect tax and deferred tax; and
    - provision of tax advice.

- payroll services;
- valuation services, including valuations performed in connection with actuarial services or litigation support services;
- human resources services with respect to:
  - 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 (i) searching for or seeking out candidates for such positions; or (ii) undertaking reference checks of candidates for such positions.
  - structuring the organisation design; and
  - cost control;
- legal services, with respect to:
  - the provision of general counsel;
  - negotiating on behalf of the audited entity; and
  - acting in an advocacy role in the resolution of litigation.

3. Approval

3.1 Any new engagement with the external auditor in excess of £20,000 for an individual service or specific project in the above categories of services set out in paragraph 2 must be approved in advance by the Audit & Risk Committee. Such proposals should be submitted in writing to the Chief Financial & Operating Officer for discussion with, and approval by, the Audit & Risk Committee.

3.2 In excess of £10,000 and up to the limit of £20,000 for an individual service or specific project in the above categories, the engagement must be approved in advance by the Chair of the Audit & Risk Committee. Such proposals should be submitted in writing to the Chair of the Audit & Risk Committee with appropriate justification that the external auditors are the most appropriate supplier

3.3 Up to the limit of £10,000 for an individual service or specific project in the above categories, the engagement must be approved in advance by the Chief Financial & Operating Officer. Such proposals should be submitted in writing to the Chief Financial & Operating Officer with appropriate justification that the external auditors are the most appropriate supplier.

3.4 When reviewing requests for permitted non-audit services, the Chief Financial & Operating Officer or Audit & Risk Committee, as applicable, will assess:

- whether the provision of such services impairs the external 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 external 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.

3.5 For certain permitted non-audit or additional services, the Audit & Risk Committee has pre-approved certain services set out in paragraph 2.4.

3.6 Details of all non-audit and additional services provided by the Group's external auditor including those pre-approved by the Audit & Risk Committee and those approved by the Chief Financial & Operating Officer must be reported to both the Chief Financial & Operating Officer and the Audit & Risk Committee.

3.7 The Group should implement procedures to:

- to identify where there is a proposal to engage the external auditors and ensure the correct approval process is followed prior entering into any formal engagement with the external auditor;
- ensure the appropriate justification is provided that shows the external auditors are the most appropriate supplier;
- ensure all non-audit services purchased from the external auditor are reported to both the Chief Financial & Operating Officer and the Audit & Risk Committee;
- to ensure that only permitted services (in accordance with paragraph 2) are purchased from the external auditor; and
- any proposal to employ a member of the audit team in a senior finance role requires approval by the Audit & Risk Committee

4. Fees

4.1 In accordance with the Ethical Standard, the total fees for non-audit services provided by the external 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 financial statements paid to the external auditor in the last three consecutive financial years ("**Non-Audit Services Cap**").

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

5. Reporting

5.1 Details of non-audit services provided by the external auditor will be provided to the Audit & Risk Committee at each Committee meeting, and a report of all non-audit services provided for the preceding financial year shall be provided to the Audit & Risk Committee at its first meeting in the subsequent financial year. Such details and reports will include information about policies and processes for maintaining independence and monitoring compliance with relevant requirements, including those regarding the rotation of audit partners and staff.

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

5.3 This Non-Audit Services Policy and the amount of any fees paid for to the external auditor for non-audit services will be disclosed in the Annual Report.

Date of last review:	February 2026
Approved by:	Audit and Risk Committee
Date of next review:	February 2027