

# Marston's PLC

## Policy for the provision of non-audit services

### 1. Purpose

To ensure that the Marston's PLC Group has an effective, objective and independent annual audit by its external auditors, and that any engagement of the external auditor satisfies the Ethical Standards of International Standards on Auditing this policy provides guidance on the types of work that may not be undertaken by the external auditor.

The Audit Committee are responsible for approving permissible non-audit services following their own assessment of the threats to independence, the financial limits set out in its terms of reference and the Ethical Standards, and consideration of the safeguards that the external auditor will apply to mitigate or eliminate those threats.

### 2. Prohibited services

The services that are not to be provided by the external auditor are as follows;

- 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 audit firm in respect of such services is required by law;
  - v. Support regarding tax inspections by tax authorities unless support from the audit firm in respect of such inspections is required by law;
  - vi. Calculation of direct and 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 and 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;
  - ii. Structuring the organisation design; and
  - iii. Cost control.

### **3. Approval process**

**Fees below £50,000** – the CFO can approve the appointment for this work.

**Fees between £50,000 and £100,000** – the CFO shall consult with the Chairman of the Audit Committee.

**Fees above £100,000** – the Audit Committee shall approve the appointment.

### **4. Reporting by the external auditor**

The Ethical Standard requires the external auditor to evaluate threats to independence, and discuss this with the Audit Committee. The external auditor will be responsible for maintaining a record of all non-audit services undertaken and for ensuring that they do not undertake any of the prohibited services. They will report annually to the Audit Committee providing a breakdown of all services together with the associated fees. In addition, the external auditors are also responsible for advising the CFO if a request for them to undertake non-audit work will result in their fees exceeding the limit set out in the Ethical Standards guidance.