CITY OF LONDON
Investment Management Company Limited

TCFD Entity Report for CLIM

City of London Investment Management Company Limited

77 Gracechurch Street, London, EC3V 0AS

Compliance Period 1 July 2025 to 30 June 2026

04 September 2026

Table of Contents

1. Introduction and Compliance Statement

This report is published by the City of London Investment Management Company Limited (CLIM), in line with the requirements set out in Chapter 2 of the Financial Conduct Authority's Environmental, Social and Governance sourcebook. It is CLIM's TCFD entity report and covers the reporting period 1 July 2025 to 30 June 2026, aligned with the financial year of CLIM and its parent, City of London Investment Group PLC (CLIG).

1.1. Scope threshold

CLIM's total assets under management (AUM) for the financial year ending 30 June 2026 was US$8.1 billion. Following CLIM's annual assessment as of 30 June 2026, the three-year rolling average of CLIM's assets under management ($6.3bn for year ending 30 June 2024, $6.8bn y/e 2025 and $8.1bn y/e 2026 and converted to sterling) exceeded the £5 billion threshold under ESG 1A.1.2R for the first time. CLIM is accordingly subject to the disclosure requirements of ESG 2 for the next reporting period, and future developments in the UK Sustainability Reporting Standards (SRS).

1.2. About CLIM

CLIM is authorised and regulated for the conduct of investment business within the UK by the Financial Conduct Authority (FCA) and is registered as an Investment Advisor with the United States Securities and Exchange Commission (SEC). Information relating to aspects of CLIM:

- Registered in England and Wales No. 2851236. Registered Office: 77 Gracechurch Street, London, EC3V 0AS, England.
    - City of London Investment Management (Singapore) Pte Ltd (registered in Singapore No. 200709045R), registered with the Monetary Authority of Singapore and holds a Capital Markets Services Licence for Fund Management.
- CLIM is a wholly owned subsidiary of City of London Investment Group PLC (CLIG), an established asset management group listed on the London Stock Exchange.

At CLIM, our focus is not on gathering assets, but on building products that reflect our expertise. Our original expertise was specific to Closed-End Funds (CEFs) which offered emerging markets exposure. This has subsequently been complemented by applying our unrivalled knowledge of Closed-End Funds around the world to the creation of a Developed Markets CEF strategy, a Frontier Markets CEF strategy and an Opportunistic Value CEF strategy, using a similar investment process. Today, whilst we remain both proud and protective of our 'boutique' status, we offer a range of products which centre around our main area of expertise: Closed-End Funds.

CLIM's approach towards climate risks and opportunities is aligned with CLIG. Cross-reference is made where necessary to the Group level disclosure in our Annual Report (CoLAR 2026) & Group TCFD Report 2026, published on CLIG's main website.

1.3. Basis of preparation and reliance on Group disclosures

CLIM's approach to climate-related risks and opportunities is set and overseen at Group level, and the Group's climate related financial disclosures, made in accordance with the TCFD Recommendations in the CLIG Annual Report 2026 (CoLAR 2026) and the Group TCFD Report 2026, cover the investment management business carried out by CLIM.

In accordance with ESG 2.2.5R, CLIM relies on the Group disclosures in this report and cross-refers to them where indicated. The rationale for doing so is that CLIM's governance, strategy, risk management and metrics in respect of climate matters are those of the Group, applied to CLIM's

TCFD in scope business. There are no material deviations between the Group's approach and CLIM's approach. The Group disclosures relied upon are published on CLIG's website:

- CLIG Annual Report 2026 (CoLAR 2026): https://clig.com/resources/#results-centre-on
- Group TCFD Report 2026: https://clig.com/wp-content/uploads/2026/09/CLIG-TCFD-GHG-Emissions-Report-June-2026.pdf
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Below is the signature on behalf of the CLIM board for approval of this report and to confirm that the disclosures comply with our obligations under TCFD regulations.

Signature: ______________________________

2. Governance

Our governance framework for climate risks and opportunities is consistent with the Group level framework.

The Group's approach to overseeing climate-related risks and reporting is summarised within our Audit & Risk Committee Terms of Reference, last revised in February 2025.

For further details, please see: https://clig.com/wp-content/uploads/2025/03/20250219-ARC-TOR-Feb-2025.pdf.

3. Strategy

CLIM's strategy for the consideration of climate risks, scenarios and opportunities is defined at a Group level.

At an investment management level, CLIM's business model remains focused on exploiting discount volatility in CEFs on behalf of our clients to achieve capital growth and outperform relevant benchmark indices as necessary.

Improving CEF governance has been a key objective since our business was founded. CLIM do not select securities solely based on their ESG characteristics. Our business model is to implement investment strategies that exploit discount volatility in CEFs. The ESG characteristics of the underlying CEF portfolios are not the primary reason for selection.

However, we appreciate that ESG ratings require consideration, and we therefore encourage CEFs to be more explicit regarding the integration of ESG factors into their investment process. CLIM's research teams conduct annual due diligence on the investment manager of each CEF investment. ESG issues are considered as part of this process, with the assistance of Sustainalytics ESG Risk Ratings. This work is undertaken to better understand the sustainability performance of the underlying CEF portfolios.

Further details regarding CLIM's Stewardship & Corporate Governance, Voting Record & Press Releases are available within the 'ESG for Clients' section of our website, as well as our Annual Stewardship Report located at: https://citlon.com/esg-clients/

Further details (for non-US persons) regarding our SFDR disclosure are available here:

https://citlon.com/sustainable-finance-disclosure-regulation-sfdr/

Market strategy information and metrics surrounding our CEFs are provided on our website.

4. Risk Management

As CLIM's approach to identifying, monitoring, and managing climate risks is defined at the Group level, please see the 'Risk Management' section of the Group Annual Report & Group TCFD Report 2026.

ESG is considered at the level of both the CEF corporate and the underlying CEF portfolio. CLIM is a large investor in CEFs and at the corporate level prioritises governance factors over underlying portfolio ESG issues when assessing a potential holding prior to purchase.

In 2025, 65 CEF portfolios were analysed (63 in 2024) using Sustainalytics data, representing 71% of CLIM's FuM at the calendar year end. In those CEF portfolios that were analysed, Sustainalytics covers 94% of the underlying securities on a size weighted basis.

Overall ESG risk for all CLIM portfolios as at end December 2025, using Sustainalytics, was 5% lower than their respective benchmarks. Weighted average carbon intensity in those CEF investments which made the relevant disclosures was 49% lower than their respective benchmarks. CLIM does not set targets for these measures. The coverage of this analysis and its limitations are set out in section 5.2.

Please also refer to our Responsible Investment Statement and further detail of our own risk management approach on our website. Further information is also provided in our Annual Stewardship Report.

https://citlon.com/wp-content/uploads/2026/03/AnnualStewardshipReport3-26.pdf

4.1. Materiality

Please see the section titled 'Materiality' in our Group TCFD report 2026 regarding materiality.

5. Metrics and Targets

Metrics and Targets are defined at a Group level. Please see the 'Metrics and future targets' section of the Group Annual Report 2026 and Group TCFD Report 2026.

5.1. Methodology

Please see the section titled 'Targets and future actions' in the Group Annual Report 2026 & TCFD Report 2026 for a description of our approach regarding metrics and targets.

5.2. Notes on data limitations

At the end of 2025, 65 CEF portfolios were analysed (63 in 2024) using Sustainalytics data, representing 71% of CLIM's FuM at the calendar year end. In those CEF portfolios that were analysed, Sustainalytics covers 94% of the underlying securities on a size weighted basis. Sustainalytics does not cover unlisted companies and has limited small cap coverage. Small cap securities tend to score poorly which, in CLIM's view, often reflects their weaker disclosure and a relative lack of resources available to develop relevant policies as opposed to poor ESG practices. Lower scores for smaller companies are not necessarily indicative of higher ESG risk.