



EXTERNAL AUDIT POLICY

Burjeel Holdings PLC

1. Purpose

The Board of Directors (“Board”) of Burjeel Holdings PLC including its affiliates and subsidiaries (“Burjeel”) has mandated the Audit Committee of Burjeel (the “Committee” or “Audit Committee”) to recommend to the Board the engagement of external auditors and evaluation of their qualifications, independence and performance. The Committee has been entrusted with the responsibility approving and monitoring application of this external audit policy (the “Policy”) for contracting with external auditors.

This Policy on external auditor engagement and independence has been developed to meet this requirement.

2. Scope and Application

This Policy defines the areas that the Audit Committee should consider in relation to the provision of external audit services. It is also to ensure that audit independence is maintained both in fact and appearance such as that Burjeel’s external financial reporting is viewed as being highly reliable and credible.

This Policy applies to all Burjeel employees, officers, contract staff, and directors, permitted assigns, and other third parties authorised to represent Burjeel (collectively referred to as the “Employees”).

3. External Auditor Appointment & Reappointment

The Committee has been empowered by the Board to recommend to the Board the appointment, remuneration and removal of the external auditor.

The Board will nominate to the shareholders for appointing the external auditor at the recommendation of the Audit Committee. The Audit Committee shall endeavor to take external auditor rotation into consideration. The appointment will be made and remuneration be fixed by a resolution after shareholders’ approval at the Burjeel’s Annual General Meeting.

In the event that a vacancy or change in the external auditor for Burjeel occurs, the Committee will conduct a formal, tendering process.

In general, the external auditor will be selected on the ground of efficiency, reputation and experience. Tenders will be evaluated in accordance with the disclosed criteria as appropriate at the time. However, tenders are not assessed solely on price but on a number of key criteria including:

- Quality and thoroughness of the audit approach and methodology;
- Independence of the external audit firm and specifically the audit engagement partner;
- Skills and knowledge of the proposed external audit team;
- Global resources;
- Understanding of the industry;
- Partner rotation and succession planning;
- Value for money; and
- Firm’s reputation in the market.

In making any recommendation, the Committee may consider involving certain senior executives to comment on tender responses received.

In case the Board disapproves the recommendations of the Committee on the selection, appointment, resignation or removal of the external auditor, the Board shall include in the governance report, a

statement that explains the recommendations of the Committee and causes of the Board's disapproval.

4. External Auditor Independence

The Committee will evaluate the independence of the external auditor annually to ensure that independence of this function is maintained having regard to the provision of non-audit services.

The Committee will also assess the performance of the external auditor to ensure that services provided by the external auditor are of best practices and according to the international standards.

If, in the view of the Committee, the level of fees being paid to the external auditor for audit or non-audit related service, either severally or in the aggregate, are of a magnitude that could impair, or be perceived to impair, auditor independence, the Committee may impose a restriction on the services being awarded to the external auditor.

The external auditor is precluded from providing any services that might threaten their independence or conflict with their assurance and compliance role. Specifically, any firm providing audit services to Burjeel will need to satisfy the Committee that:

- a. no services will be provided that will result in a conflict of interest;
- b. neither the firm, a superannuation fund of the firm nor any partner of the firm holds any shares or options, either directly or indirectly, in Burjeel or its controlled entities;
- c. no member of the current service team holds any shares or Sukuk, either directly or indirectly, in Burjeel or its controlled entities;
- d. no funds have been received by the firm by way of a loan or other form of capital from Burjeel or its controlled entities;
- e. any services provided by the firm additional to that of the audit function involving non-audit services traditionally performed by accounting firms, would not have a material bearing on the audit and would not involve the firm auditing their own work;
- f. the firm has an audit personnel rotation policy, including lead and signing partners, requiring rotation at least every three years;
- g. no partner or member of staff or spouse or close relative of an audit partner or member of the audit staff holds a position as a director or executive of Burjeel or its controlled entities;
- h. there will be no situations where the auditor assumes the role of management or where the auditor is placed in the role of advocate for Burjeel.

Those audit and audit related services that are prohibited are set out in this Policy.

An annual report on the provision of auditing and related services is provided to the Board through the Committee. The Committee reviews these reports and satisfies itself that any non-audit services do not compromise the external auditor independence.

5. Annual Evaluation of External Auditor Performance

The Committee shall review the performance of the external auditor on an annual basis. In reviewing the performance of the external auditor, the Committee shall consider:

- a. the quality and rigor of the audit;
 - b. the quality of service provided;
 - c. the audit firm's internal quality control procedures;
 - d. relationship with the internal auditor and Burjeel; and
 - e. the confirmation of independence from the external auditor that they have been provided with all the information and explanations they require during their audit to their satisfaction.

Where the performance of the external auditor is assessed as being unsatisfactory, the Committee shall determine the course of action, which may include:

- a. discussion with the external audit firm to resolve performance issues;
 - b. replacement of members within the external audit team; or
 - c. Commencement of a competitive tender process in order to select a new service provider.

6. External Auditor Core Services

External auditor will be required to provide the core services relating to the statutory audit and reviews of financial statements of Burjeel and its subsidiaries as required under the laws and regulations. They may be required to carry out additional services not prohibited under any law and regulations and do not fall under the prohibited services as specified in this policy.

7. External Audit Related Service

When the External Auditor provides other services, the Audit Committee shall verify that:

- a. policies and procedures are in place to prevent the auditor's employees from making a decision in connection with Burjeel's management;
 - b. the auditor's employees who provide these services may not take part in the audit process (maintaining chinese walls);
 - c. the auditor's fees for these services may not be material; and
 - d. the subject of service may not be of value or effect on the financial information of Burjeel it is assuming the audit thereof.

8. Non-Audit Services

In general, the external auditor may not, while assuming the auditing of Burjeel's ' accounts, perform any technical, administrative or consultation services or works in connection with its assumed duties that may affect its decisions and independence or any services or works that, in the discretion of the Committee, may not be rendered.

The external auditor must not be engaged to perform any of the prohibited audit and non-audit related services (prohibited services) listed below:

- a. Book-keeping or other services related to the accounting records or financial statements of Burjeel;
 - b. Financial information systems design and implementation;
 - c. Appraisal or valuation services, fairness opinions, or contribution-in-kind reports;
 - d. Any actuary services or works;
 - e. Internal audit outsourcing services or works by means of sub-contracting;
 - f. Any assessment or valuation services or works;
 - g. Management functions or human resource services;
 - h. Broker or dealer, investment adviser, or investment banking services;
 - i. Legal services and expert services unrelated to the audit; and
 - j. Any other service that the Board determines, by regulation, is impermissible.

9. Rotation of Key Audit Partners

The continued appointment of Burjeel's' external auditors is to be confirmed annually by the Board. The Committee will be responsible to consider the rotation of external audit engagement partners and review the terms of any such appointment.

A policy of regular rotation of audit firm is not mandated, however, the rotation policy that is widely accepted will be the one that provides an appropriate balance between going concern consideration,

risk management, independence and credibility.

Rotation of Burjeel’s client service partner and lead audit partner will be required every three (3) years. Those partners will be subject to two (2) years cooling off period following rotation.

10. Responsibility of External Auditors

The external audit firm shall maintain a quality control system that provides reasonable assurance that its independence will not be impaired. In addition to Burjeel’s policies, it is expected that Burjeel’s external auditor will rigorously comply with their own internal policies on independence and all relevant professional standards.

The External Auditor shall meet with the Committee at least once a year.

The external auditor shall attend the annual general meeting and shall be available to answer shareholders questions about conduct of the audit and the preparation and content of the auditor’s report.

In addition, the external auditor shall recite the audit report thereof in front of the shareholders, explaining any constraints or interference from the Board or management that the same faces in course of doing his work, his remarks on accounts of Burjeel and its financial standing, and any cases of breach therein; their audit report shall independent and impartial.

The external auditor shall inform the regulatory bodies of any substantial cases of breach, any constraints, and the detail thereof in case of Board did not take the appropriate action in its regard.

11. Policy Approval

This Policy shall be reviewed and approved by Burjeel’s Board of Directors. This Policy shall be effective from the date of approval by the Board of Directors. All amendments to this Policy will be done in compliance with applicable laws and will require approval by the Board of Directors. The Head of Internal Audit is the custodian of this Policy.

12. Documentation and Regular Review

Organization Scope	Burjeel
Parent Process	External Audit
Document owner	Head of Internal Audit
Approved by	Burjeel Board of Directors
Initial date published	February 10, 2023
Document effective date	February 10, 2023
Document updated as per	-
Contact person	Head of Internal Audit
Version	1.0

Burjeel’s Head of Internal Audit shall periodically evaluate the effectiveness of this Policy, and review and revise it as necessary, including to reflect any changes required by applicable laws. You can direct any suggestions for improvements to this Policy to Burjeel’s Head of Internal Audit at internalaudit@burjeelholdings.com.