



**ANNUAL REPORT OF THE SHARI'A SUPERVISORY COMMITTEE OF**  
**NATIONAL TAKAFUL COMPANY (WATANIA)**  
**for the Financial Year Ending on 31 December 2021**

In the name of Allah, the most Beneficent, the most Merciful

All Praises are due to Allah, Lord of all the worlds and may peace and blessings be upon our Messenger  
Mohammed, his Family and his Companions.

Issued in Abu Dhabi on: 25/03/22

**To Shareholders of National Takaful Company (Watania) PJSC (the “Company”)**

May the peace, mercy and blessings of Allah be upon you,

Pursuant to the requirements stipulated in the relevant laws, regulations and standards (“Regulatory Requirements”), the Shari’a Supervisory Committee of the Company (“SSC”) presents to you the SSC’s Annual Report for the financial year ending on 31 December 2021 (“Financial Year”).

In accordance with the Regulatory Requirements and the SSC’s charter, the SSC’s responsibility is stipulated as to undertake Shari’a supervision of all businesses, activities, products, services, contracts, documents and business charters of the Company; and the Company’s policies, accounting standards, operations and activities in general, financial statements, allocation of expenditures and costs (“Company’s Activities”) and issue Shari’a resolutions in this regard. The SSC’s other responsibility is to determine Shari’a parameters necessary for the Company’s Activities, and the Company compliance with Islamic Shari’a within the framework of the rules, principles, and standards set by the Higher Shari’a Authority (“HSA”) to ascertain compliance of the Company with Islamic Shari’a. The senior management is responsible for assuring compliance of the Company with Islamic Shari’a in accordance with the HSA’s resolutions, fatwas, and opinions, and the SSC’s resolutions within the framework of the rules, principles,



and standards set by the HSA (“Compliance with Islamic Shari’a”) regarding the Company’s Activities, and the Board of Directors (“Board”) bears the ultimate responsibility in this regard.

The SSC undertook Shari’a supervision of the Company’s Activities, through Internal Shari’a Control, in accordance with the SSC’s authorities and responsibilities, and pursuant to the Regulatory Requirements in this regard. Works of the SSC included the following:

- Providing fatwas, opinions and resolutions on matters presented to the SSC in relation to the Company’s Activities.
- Monitoring compliance of policies, procedures, accounting standards, product structures, contracts, documentation, business charters, and other documentation submitted by the Company to the SSC for approval.
- Ascertaining the level of compliance of allocation of expenditures and costs, and distribution of the percentage of the Company’s Commission (fees) due on Wakala and Mudaraba is determined according to the Takaful Insurance System issued by the Insurance Authority No. 4 of 2010.
- Supervision through Internal Shari’a Control of the Company’s Activities including executed transactions, adopted procedures on the basis of samples selected from executed Takaful policies, and reviewing reports submitted in this regard.
- Providing directives to relevant parties of the Company to rectify (where possible) findings cited in the Shari’a audit reports submitted by Internal Shari’a Audit.
- Specifying the amount of Zakat due on each of the Company’s share, the amount of Zakat due on shareholders. The amount payable for each share for the Financial Year ending on December 31, 2021, is approximately **(0.0125)** fils.

The SSC sought to obtain all information and interpretations deemed necessary in order to reach a reasonable degree of certainty that the Institution is compliant with Islamic Shari’a.

The SSC acknowledges that it has carried out all of its duties independently and with the support and cooperation of the senior management and the Board of the Company and the SSC received the required assistance to access all documents and data, and to discuss all amendments and Shari’a requirements.

Premised on information and explanations that were provided to us with the aim of ascertaining compliance with Islamic Shari’a, the SSC has concluded with a reasonable level of confidence, that the



Company's Activities in the Financial Year are in compliance with Islamic Shari'a, and The incidents of non-compliance observed were highlighted in the relevant reports, and the SSC issued the corrective or preventative actions to take appropriate measures in this regard.

The SSC formed its opinion, as outlined above, exclusively on the basis of information perused by the SSC during the Financial Year.

We ask Allah, the Most High and Capable, that He guides the Bank and those responsible for it with that which is right and that which is good.

May the peace, mercy and blessings of Allah be upon you,

#### **Signatures of the members of Wataria's Internal Shari'a Supervisory Committee (SSC)**

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**Dr. Ahmed Bin Abdul Aziz Al Haddad**  
**Head of Shari'a Supervisory Committee**

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**Dr. Mohamed Akram Laldin**  
**Deputy Head of Shari'a Supervisory Committee**

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**Dr. Ghassan Taher Telfah**  
**Member of Shari'a Supervisory Committee**