

Annual Report of the Internal Sharia Supervisory Committee of Takaful Emarat a Takaful Insurance Company for the Financial Year Ended 31 December 2025

All praise is due to Allah, Lord of the Worlds, and peace and blessings be upon the noblest of prophets and messengers, our Prophet Muhammad, and upon his family and companions.

Issued on: April 17, 2026

To the shareholders of Takaful Emarat Insurance Company,

"Peace, mercy and blessings of God be upon you".

The Internal Sharia Supervisory Committee of Takaful Emarat ("the Committee"), in accordance with the requirements stipulated in the relevant laws, regulations and standards ("Supervisory Requirements"), submits its report for the financial year ending December 31, 2025 ("Financial Year").

First: Committee's Responsibilities.

The Committee's responsibility, according to regulatory requirements and its bylaws, is defined as the Sharia Supervision of all the business, activities, products, services, contracts, documents, charters, policies, accounting standards, operations and activities of Takaful Emarat in general, within the limits of what has been presented to the Committee, the Articles of Association, the Bylaws, the financial statements of Takaful Emarat, the distribution of profits, the allocation of losses, expenses, costs among shareholders and investment account holders (Takaful Emarat's operations). This includes issuing Sharia rulings regarding these matters and establishing the necessary Sharia controls for Takaful Emarat's operations and their compliance with Islamic Sharia within the framework of the rules, principles, and standards set by the Higher Sharia Authority (the Authority), to ensure their conformity with the provisions of Islamic Sharia. Senior management bears the responsibility for Takaful Emarat's compliance with Islamic Sharia in accordance with the decisions, "fatwas", opinions of the Authority and the Committee's decisions within the framework of the rules, principles, and standards set by the Authority (compliance with the provisions of Islamic Sharia). All its work ensuring that, and the Board of Directors bears the ultimate responsibility in this regard.

Second: Sharia Standards.

The committee relied on the Sharia standards issued and approved by the Higher Sharia Authority.

Third: Actions undertaken by the Committee during the fiscal year.

The Committee conducted Sharia oversight of Takaful Emarat's operations by reviewing and monitoring its activities, and operations through an external Sharia audit firm, in accordance with the Committee's responsibilities, and regulatory requirements. It should be noted that Takaful Emarat lacks both an internal Sharia control department and an internal Sharia audit department, despite the Committee's repeated recommendations.

The committee's activities included the following:

- A. conducted four (4) meetings during the 2025 fiscal year.
- B. Issuing fatwas, resolutions, and opinions regarding Emirates Takaful's operations presented to the committee.
- C. Reviewing policies, procedural regulations, product structures, contracts, documents, work charters, and other documents submitted by Emirates Takaful to the committee for approval.
- D. Reviewing and approving the Takaful business model, core contracts, and supporting documents (such as the underwriting manual, claims settlement manual, etc.).
- E. Reviewing and approving the company's products, services, and marketing materials.
- F. Reviewing and approving the policies and procedures governing Takaful Insurance Accounts (such as account segregation, transparency of financial flows between accounts, etc.), surplus distribution, and deficit coverage.
- G. Ensuring the segregation of participants' accounts from shareholders' accounts, the allocation of expenses and expenditures to the accounts, the company's surplus distribution policy, and the compliance of all these with the provisions of Islamic Sharia.
- H. Reviewing the company's financial statements to ensure compliance with Sharia principles.
- I. Reviewing and approving the investment policy and Sharia compliance audit criteria to ensure that the investment activities of both shareholders' and policyholders' accounts comply with Sharia principles.
- J. Reviewing the process of assigning and sharing policyholders' account risks with other insurance companies (Takaful reinsurance, conventional reinsurance, and participation with Takaful and conventional insurance companies), and determining their compliance with Sharia principles.
- K. Oversight through the appointment of a company to prepare external Sharia audit reports on Takaful Takaful's operations, including executed transactions and procedures, based on a selection of sample transactions and a review of the submitted reports.
- L. Providing guidance to the relevant departments within Takaful Emarat to rectify any deficiencies identified in the external Sharia audit reports and issuing decisions to allocate the proceeds from transactions where violations occurred to charitable causes (where appropriate).
- M. Adopting corrective/preventive measures regarding identified errors to prevent their recurrence.
- N. Reviewing and approving the Zakat calculation for the company's funds for the year 2025, determining the amount due per share of Takaful Emarat and advising shareholders to pay their Zakat themselves according to the method outlined in the letter sent to them by the company's management.
- O. The Internal Sharia Supervisory Committee reviewed the company's budget, the accompanying statements and observed the following:
 1. The company maintains two separate accounts, one for the company's shareholders, and the other for the policy holders, as stipulated in the company's articles of association. These two accounts are detailed in the notes accompanying the balance sheet and income statement.
 2. The Internal Sharia Supervisory Committee studied the company's budget, the accompanying notes, and the external auditor's report thereon, and provided its observations. The Sharia Committee requested that the company's management take into consideration the observations recorded by the external auditor on the financial statements. The company's management expressed its readiness to respond to the Internal Sharia Committee's observations in detail.

The committee sought all the information and explanations it deemed necessary to ensure Takaful Emarat compliance with Islamic Sharia.

The Internal Sharia Supervisory Committee confirms that the accuracy of the figures, data, and information is the responsibility of the company's management.

Fourth: Independence of the Committee

The committee affirms that it has fulfilled its responsibilities and carried out all its work with complete independence. It obtained the necessary facilities from Takaful Emarat, its senior management, and the board of directors to review all documents / data, and to discuss amendments for Sharia requirements.

Fifth: The Committee's Evaluation of Takaful Emarat ' Sharia Compliance

Based on the information and clarifications we received to ensure ' Takaful Emarat ' compliance with Islamic Sharia, the Committee concluded with a reasonable degree of confidence that Takaful Emarat ' operations during the fiscal year were compliant with Islamic Sharia, with the exception of a few observed violations which were reported. The Committee has directed that appropriate measures be taken in this regard.

The Committee's opinion, mentioned above, is based solely on the information it reviewed during the fiscal year. We ask God Almighty to grant everyone guidance and success.

Peace, mercy, and blessings of God be upon you.

Signature of the members of the Internal Sharia Supervisory Committee, Takaful Emarat



Dr. Azzeddine Benzeghiba
Chairman ISSC



Dr. Moosa Tariq Khoory
Member ISSC