

Shariah Review Report to the Board of Directors

for the year ended 31 December 2020

الحمد لله رب العلمين والصلاة والسلام على سيد الأنبياء والمرسلين
محمد النبي الأمي وعلى آله وصحابه أجمعين ، وبعد؛

We have reviewed the accompanying financial statements of **Pak-Qatar Family Takaful Limited** (hereafter referred to as "the Company") for the year ended 31 December 2020.

During this year Shariah Advisory Board held meetings on various matters which was referred to them by the management. Also, we have reviewed all types of products, documents, MOUs and the business concerns of the Company with the assistance of qualified Muftis of Shariah Compliance Department in accordance with the principles of Shariah. In our opinion, and to the best of our understanding based on the provided information and explanations, below are our findings:

- (i) Financial transactions and relevant documentations & procedures, undertaken by the Company for the year ended 31 December 2020 were in accordance with guidelines issued by Shariah Advisory Board as well as the requirements of Takaful Rules 2012.
- (ii) The given Shariah Screening Criteria has been fulfilled properly in all kind of investment & financial transactions.
- (iii) We have realized the amount 6,012,236 as non Shariah Compliant income which has been credited to the relevant charity account.
- (iv) The company performed its duties to its level best by following Shariah guidelines. Few cases which were required to be consulted in accordance with the Shariah rules and market practice have been discussed and duly resolved.
- (v) Consequently, we have found that the Company is in accordance with the Shariah principles in all transactional aspects. Moreover, we also agree with the Accounting principles adopted for incorporation of Participants' Takaful Fund (Waqf Fund) into the accompanying financial statements.
- (vi) The year 2020 was very challenging year due to spread of COVID-19, this not only affected the business of the companies but also affected the training and awareness sessions due to lockdown nationwide. However, we managed to conduct nearly 70 sessions across Pakistan on awareness of Takaful.

"And Allah Knows Best"



Mufti Muhammad Hassan Kaleem
Chairman Shariah Advisory Board



Dr. Mufti Ismatullah
Shariah Advisor &
Shariah Advisory Board Member



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Independent Reasonable Assurance Report to the Board of Directors on the Statement of Management's Assessment of Compliance with the Takaful Rules, 2012

1. Introduction

We were engaged by the Board of Directors of Pak Qatar Family Takaful Limited (the Company) to report on the management's assessment of compliance of Takaful Operations (Takaful Operations), as set out in the annexed Statement of Compliance (the Statement) prepared by the management for the year ended 31 December 2020, with the Takaful Rules, 2012, in the form of an independent reasonable assurance conclusion about whether the annexed statement presents fairly the status of compliance of the Takaful Operations with the Takaful Rules, 2012, in all material respects.

2. Applicable Criteria

The criteria against which the subject matter information (the Statement) is assessed is the Takaful Rules, 2012.

3. Responsibilities of Management

The management of the Company is responsible for preparation of the annexed Statement that is free from material misstatement. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation of the annexed Statement that is free from material misstatement, whether due to fraud or error. It also includes ensuring the overall compliance of the Takaful Operations with the Takaful Rules, 2012.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for firms that perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.