

In the name of Allah, the Most Beneficent and the Most Merciful.

**Shari'a Supervisory Board Report
For the financial year ended 31 December 2020**

*Praise is to Allah and prayers & peace be upon His Prophet Muhammad, and upon his
kinsfolk, companions and those who followed his teachings...*

To the Shareholders of Qatar First Bank LLC (Public).

In compliance with the terms of reference and the Article of Association of the Bank, the Shari'a Supervisory Board (refer to hereafter as "SSB") of Qatar First Bank LLC (Public), (refer to hereafter "**the Bank**") is pleased to present to you this Report.

Respective responsibility of the Board of Directors and the SSB

The SSB emphasizes that, as a general principle and practice, compliance with the rules and principles of the Shari'a in respect of all the businesses and transactions of the Bank is the responsibility of the Bank's Executive Management. The SSB's responsibility is to form an independent Sharia opinion (Fatwa), supervise and conduct the Shari'a audit of the Bank's operations, contracts, and investments, which are presented to it, and to issue this Report.

Basis of Opinion:

Based on SSB's Fatwas, pronouncements and in compliance with the Governance and Shari'a Standards of the AAOIFI, the SSB, through its periodic meetings and its Executive Member, has properly performed its duties as follows:

- 1- Coordinate with the management to develop Shari'a standards and guidelines for the activities, investments and contracts entered by the Bank and ensured their implementation through internal Shari'a audit.
- 2- Review and approval of all agreements, contracts structures, and internal policies related to the investment and financing activities of the Bank, which were presented to it. The SBB and its Executive Member have also provided Sharia compliant solutions to the issues faced by the Bank during its operations and responded to the questions and queries that were raised in respect thereof.
- 3- Calculate the Zakat according to the approved Shari'a rules based on the balance sheet of 2020, as presented to it.
- 4- Perform the diligent supervision to form transparent and reasonable opinion on whether the Bank has complied with Shari'a principles, resolutions (Fatwa) and guidelines issued by the SSB.



- 5- Review and approval of the financial statements and the balance sheet and ensure Shari'a compliance of the allocation of profits and losses on the investments, and other activities.
- 6- In order to ensure proper implementation, the SSB, through the Sharia Compliance Department, conducted and performed review and examination on the procedures adopted by the Bank so as to obtain all information and explanations that it considered necessary in order to provide it with sufficient evidence to give reasonable assurance that the Bank has not breached any Shari'a rules or principles and AAOIFI's Shari'a Standards.

SSB's Opinion,

The SSB is satisfied that:

- a) The contracts, products, investments, and related procedures thereof, which were presented and reviewed by the SSB, do not contradict Shari'a rules and principles, and were in line with AAOIFI Shari'a Standards.
- b) The Zakat has been calculated in accordance with acceptable Shari'a rules and principles. The SSB hereby reaffirm that each shareholder is responsible to pay his relevant Zakat portion on his respective shares as per the Articles.
- c) Having reviewed the consolidated financial statement and income statement for the financial year, the SSB did not notice any breach of Shari'a rules and principles.
- d) The allocation of profits and charging of losses 'if any' on investment accounts conform to the basis that had been approved by the SSB and in accordance with Shari'a rules and standards.
- e) All earnings that were accidentally generated from sources or by means prohibited by rules and principles of Shari'a have been credited to a special account so that they are not mixed with shareholders' funds.

The last of our prayer is praise is to Allah, the Lord of the worlds.

Shaikh Prof. Dr. Ali Muhyealdin Al- Quradaghi
Chairman and Executive Member of the Shari'a Supervisory Board