

Annual Report of the Shari'ah Supervisory Committee (For the year ended December 31, 2025 AD)

In the name of Allah, the Most Gracious, the Most Merciful

Honorable Shareholders of Al-Arafah Islami Bank PLC!

السلام عليكم ورحمة الله وبركاته.

Alhamdulillah! We have met in review to express our opinion on whether Al-Arafah Islami Bank PLC. has properly implemented the guidelines, decisions and specific fatwas issued by the Bank's Shariah Supervisory Committee and the rules and regulations of Shariah.

While the responsibility for conducting the bank's overall business operations in accordance with Islamic Shari'ah Principles lies with the bank's management, the Shari'ah Supervisory Committee's role is to provide Shari'ah-compliant guidance and independent opinions based on reviews of the bank's activities.

The Shari'ah Supervisory Committee has monitored and verified investment activities, relevant documents, and transactions across various departments of the head office and all branches for the year 2025 AD (1446-1447 Hijri). After reviewing the annual balance sheet presented by the management, the committee provides the following Opinions and Advices:

Opinions

- A. We have observed that the overall banking activities, transactions, and contracts followed by the bank during the last financial year were conducted in accordance with Shari'ah principles.
- B. The distribution of profits among various classes of Mudaraba depositors was carried out according to Shari'ah Mudaraba principles and the agreements between the depositors (*Sahibul Mal*) and the bank (*Mudarib*).
- C. Al-Arafah Islami Bank PLC does not pay Zakat on the accounts or deposits of shareholders and depositors. Therefore, it is the individual responsibility of depositors and shareholders to pay Zakat on their respective amounts if applicable.
- D. Interest earned due to central and international banking obligations, as well as some "Doubtful Income" resulting from inadvertent errors during investments, have been carefully identified. To ensure this money is not distributed as dividends, it has been separated from the bank's main income to be spent in Shari'ah-designated ways.

Advices

1. Ensure the actual buying and selling of goods in Bai-Murabaha and Bai-Muajjal investments. Management should exercise more caution when issuing circulars to encourage branch managers regarding deposit & investment to strictly follow Shari'ah principles.
2. Take necessary measures to initiate more partnership-based investment programs like Mudaraba and Musharaka between the bank and its clients.
3. Strengthen micro-investment projects based on Shari'ah principles to improve the socio-economic status of the country's relatively poor clients.
4. Organize necessary training programs on Islamic banking activities and Muamalat (transactions) for bank workforce, depositors, and investment clients to build their expertise.
5. To strengthen the welfare and CSR activities among the underprivileged people of the country through the Al-Arafah Islami Bank Foundation.
6. It is vital for everyone at all levels of the bank to remember that they are responsible for following Shari'ah principles in their respective positions and will be accountable to Allah. Therefore, everyone must perform their duties with the utmost caution.

May Allah Subhanahu wa Ta'ala forgive our known and unknown mistakes and accept our good deeds for His pleasure. May He grant us Tawfiq to perform more Shari'ah-compliant and economically beneficial work for the country and the nation. Ameen.



(Dr. Md. Ruhul Amin Rabbani)
Member
Shari'ah Supervisory Committee.



(Dr. Hafiz Muztaba Riza Ahmed)
Member
Shari'ah Supervisory Committee.



(Mufti Abul Kashem Mohammad Fazlul Hoque)
Member
Shari'ah Supervisory Committee.



(Md. Kabir Ahmed)
EVP & Secretary (Acting)
Shari'ah Supervisory Committee.



(Prof. Dr. Abu Noman Md. Rafiqur Rahman)
Chairman
Shari'ah Supervisory Committee.