

BANK OF SHARJAH'S

GENERAL PRINCIPLES FOR FAIR TREATMENT OF CUSTOMERS

General Principles:

Bank of Sharjah is committed to complying with the Central Bank of the UAE's Consumer Protection Regulation (Circular No. 8/2020) and the accompanying Standards, which form the foundation of the Bank's Financial Consumer Protection framework.

The Regulation and accompanying Standards, establish principles and detailed requirements intended to ensure the protection of customers in their use of financial products and services and in their relationship with Licensed Financial Institutions. As a financial institution licensed by the Central Bank of the UAE, the Bank continues to enhance its consumer protection framework and related controls to support the effective implementation of the Regulation and ensure that its customers benefit from the following principles:

- ✓ Access to clear and complete information, including appropriate disclosure of all matters and potential risks that may influence a customer's decision to purchase or use a financial product or service.
- ✓ Improved customer awareness and understanding of financial products and services offered by the Bank, enabling customers to make informed decisions and manage their personal finances responsibly.
- ✓ A culture of respect and fairness, ensuring that customers are treated with integrity and that products and services are delivered in a timely and professional manner.
- ✓ Fair treatment of customers, including the effective handling and resolution of errors, complaints, and disputes.
- ✓ A consistent and transparent banking relationship, supported by clear communication, responsible conduct, and adherence to regulatory requirements.

To support these objectives, the Board of Bank of Sharjah has established a control framework consisting of policies, procedures, charters, and terms of reference that collectively define the Bank's approach to treating customers fairly and protecting consumer interests.

Equitable and Fair Treatment:

Bank of Sharjah will deal fairly, honestly, and professionally with customers throughout all stages of the banking relationship. The Bank also recognises that certain customers, such as vulnerable and People of Determination may require additional consideration, and as such the Bank seeks to treat such customers fairly and with appropriate sensitivity, in accordance with regulatory guidelines and expectations.

Disclosure and Transparency:

Bank of Sharjah is committed to ensuring that key product information, including applicable fees, charges, key terms and conditions, and any relevant risks, are communicated to customers in a clear and transparent manner prior to customers entering into any agreement or commitment. The Bank also seeks to ensure that customers are informed of any material changes to relevant terms and conditions in accordance with applicable regulatory requirements. Marketing and promotional materials relating to the Bank's products and services will also be prepared in a manner that is clear, fair and not misleading

Financial Education and Awareness:

Bank of Sharjah is committed to promoting financial literacy among its existing and prospective customers. The Bank will develop and support initiatives designed to enhance customers knowledge, skills, and confidence in managing their financial affairs. These initiatives aim to enable customers to better understand financial products and services, assess associated risks and opportunities, and make informed financial decisions. The Bank commits to engage constructively with customers experiencing payment difficulties before pursuing recovery actions. The Bank also provides support to customers experiencing financial difficulties, including access to qualified staff who can discuss repayment options and provide guidance on managing debt obligations.

Professional Conduct and Work Ethic:

Bank of Sharjah is committed to conducting its business with integrity, professionalism, and transparency. The Bank and its employees will act in a manner that supports the fair treatment of customers and protects their interests in accordance with applicable laws, regulations, and internal policies. Employees are expected to maintain the highest ethical standards, in ensuring that customer interests are appropriately considered in all interactions and decisions.

The code of Fair Treatment of Consumers which is communicated to all employees and supported through periodic training to ensure consistent application across the organisation. Compliance with the principles of fair treatment forms part of staff performance expectations and evaluation processes.

The Bank maintains processes to promptly identify, investigate and rectify operational, administrative, or systemic errors that may affect customers. The Bank monitors customer experience through mechanisms such as customer satisfaction surveys, complaint trend analysis and periodic mystery shopping exercises.

Debt Management and Collection:

Debt collection activities will be conducted in a respectful and proportionate manner that protects the dignity and privacy of customers. Where accounts fall into arrears, the Bank provides customers with timely notices and transparent information regarding outstanding balances and repayment allocations. Customer communications related to arrears management are recorded and maintained in accordance with regulatory record retention requirements.

The Bank provides accessible information and guidance on managing financial obligations and arrears, including relevant contact channels for assistance. Where third party service providers are engaged to interact with customers, the Bank will clearly disclose their role and authority.

Protection Against Fraud:

Bank of Sharjah maintains robust systems and controls designed to detect, prevent, and mitigate fraud and financial crime affecting customer accounts and financial assets. The Bank will continuously monitor transactions and maintain appropriate safeguards and processes to reduce the risk of fraud, embezzlement, misuse, or unauthorized access to customer funds and financial information. Where fraud risks are identified, the Bank will take appropriate action to protect customers and comply with regulatory and legal obligations.

Protection of Customer Privacy and Data:

Bank of Sharjah is committed to protecting the confidentiality and privacy of customer information. Customer personal and financial information will be safeguarded through appropriate technical, administrative, and operational controls. Customer data will only be collected, used, and disclosed in accordance with applicable laws, regulatory requirements, and the Bank's internal data protection policies.

Complaints Handling:

Bank of Sharjah provides customers with accessible and transparent mechanisms to submit complaints or concerns regarding its products, services, or conduct. Complaints will be handled in a fair, timely, and efficient manner in accordance with the Bank's complaints handling procedures and applicable regulatory requirements. Customers will be informed of the process for submitting complaints and the channels available to them for escalation where appropriate. In the rare event the Bank is unable to address a complaint to a customer's satisfaction, details of "Sanadak", the CBUAE's independent financial ombudsman, will be made readily available to the customer.

Competition and Fair Market Practices:

Bank of Sharjah supports fair competition and the ability of customers to freely compare and choose financial products and services offered by different providers. The Bank will not engage in practices that distort or restrict fair competition, including collusive arrangements relating to pricing, fees, interest or profit rates, or product features, except where permitted, or required, by applicable laws or regulatory authorities.

Third Parties and Disclosure of Representation:

Where services are provided through authorised agents or third party representatives, Bank of Sharjah remains responsible for their conduct in relation to the Bank's products and services. Such representatives must clearly disclose their identity, their relationship with the Bank, and the capacity in which they are acting when interacting with customers.

The Bank conducts appropriate due diligence, fit and proper assessments, and ongoing oversight of outsourced service providers to ensure that such arrangements do not create conflicts of interest or compromise consumer protection. Where authorised agents or intermediaries are compensated through commissions, the Bank ensures such arrangements are disclosed and monitored to prevent conflicts of interest or inappropriate sales practices

Conflict of Interest:

Bank of Sharjah maintains policies and procedures to identify, manage, and mitigate conflicts of interest that may arise in the course of its business activities. Where a conflict of interest cannot be avoided, it will be appropriately disclosed and managed in a manner that ensures fair treatment of customers.

Sales, Pricing and Financial Promotion Activities:

Bank of Sharjah is committed to ensuring that all sales, pricing, marketing, and financial promotion activities are conducted in a fair, transparent, and responsible manner. The Bank will ensure that information provided to customers is clear, accurate, and not misleading, and that products and services are designed and offered in a way that supports informed decision making and considers the interests of customers.

Customer Responsibilities:

Customers also play an important role in ensuring that financial products and services are appropriate for their needs, and that they fully understand their obligations. Customers are therefore expected to act responsibly and in good faith when engaging with the Bank.

- **Provide Accurate and Complete Information:**

Customers must provide full, accurate, and truthful information when completing any application forms or documentation. Incomplete, inaccurate, or misleading information may affect the Bank's ability to provide appropriate products or services and may impact contractual obligations.

- **Review Information Provided by the Bank:**

Customers should carefully read and review all documentation and information provided by the Bank before entering into any agreement. This includes understanding the terms, conditions, fees, risks, and obligations associated with the product or service.

- **Seek Clarification Where Required:**

Customers are encouraged to ask questions if any aspect of a product, service, or agreement is unclear. Bank representatives will provide explanations and support to ensure customers can make informed financial decisions.

- **Use Products and Services in Accordance with the Terms and Conditions:**

Customers must ensure that all products and services are used in accordance with the terms and conditions governing them. Customers should ensure they fully understand these terms before using any product or service.

- **Consider the Risks Associated with Financial Products:**

Some financial products and services involve varying levels of risk. Customers should ensure they understand these risks and should not proceed with a product if they believe it may not be appropriate for their financial situation or objectives.

- **Apply Only for Products that Meet Their Needs and Financial Capacity:**

When applying for a product or service, customers should ensure that it meets their financial needs and circumstances. Customers must disclose all relevant financial obligations and commitments to enable the Bank to assess affordability and suitability appropriately.

- **Report Unauthorised Transactions Promptly:**

Customers must notify the Bank immediately if they identify any unauthorised or suspicious transactions on their accounts. Prompt reporting enables the Bank to take appropriate action to protect the customer and investigate the matter.

- **Protect Your Banking Information:**

Customers must not disclose their banking credentials, account details, or other sensitive personal or financial information to any third party. Protecting such information is essential to prevent fraud and unauthorised access.

- **Notify the Bank if You Experience Financial Difficulties:**

Customers who encounter financial difficulties are encouraged to contact the Bank at the earliest opportunity. The Bank may be able to discuss alternative repayment arrangements or provide appropriate support to help customers meet their obligations.

- **Keep Your Personal Information Updated:**

Customers are responsible for ensuring that their personal and contact information, including telephone numbers, postal address, and email address, is accurate and up to date. Customers should promptly inform the Bank of any changes or when requested to update their details. Failure to maintain accurate information may result in limitations on account functionality or access to certain services.

- **Use Your Own Contact Details:**

Customers should provide their own contact details when dealing with the Bank, including mobile number, postal address, and email address. Using third party contact information may expose confidential financial information to others.

- **Exercise Caution When Granting Power of Attorney:**

Customers should carefully consider the implications of granting a Power of Attorney. They should ensure they fully understand the authority being granted and only provide such authority to individuals they trust.

- **Do Not Sign Incomplete Documentation:**

Customers should ensure that all forms and documents are fully completed before signing or initialling them. Signing blank or incomplete documents may create risks or misunderstandings regarding the terms agreed.



- **Review Documents Carefully Before Signing:**

Customers should review all documentation carefully prior to signing to confirm that all information, including account details and transaction amounts, are correct. A signature indicates acceptance of the agreement and all terms and conditions with the document's contents.

- **Retain Copies of Important Documents:**

Customers should keep copies of all important documentation provided by the Bank in a secure place. At the time of signing, the Bank will provide copies of signed agreements and other relevant documents to the customer for their records.