بنك الشارقة
Bank of Sharjah

Sustainability Report

2025

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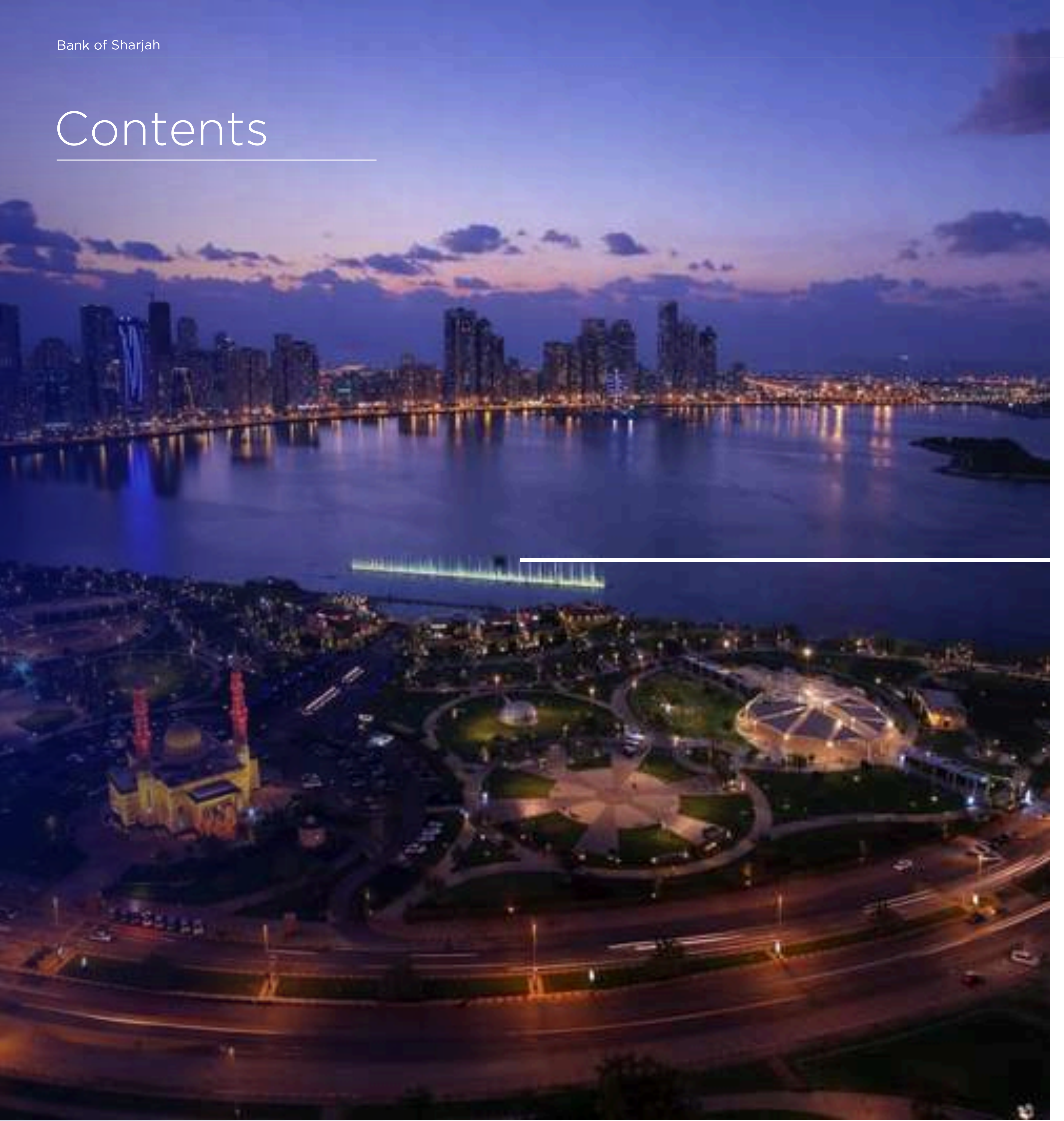

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About the report

Purpose of this report

Grounded in a strong heritage of trust and enduring client relationships, Bank of Sharjah (BoS) continues to advance its commitment to responsible banking and sustainable value creation. This ESG report has been prepared to provide stakeholders with a transparent and balanced overview of the bank's sustainability approach, including its priorities, targets, performance, strategic focus, and long-term impact.

As part of the bank's ongoing ESG reporting journey, this report outlines key developments and progress achieved during 2025. It also describes BoS's continued efforts and actions to address climate-related challenges, expand sustainable finance activities, strengthen social impact, and reinforce sound governance practices. The report demonstrates the bank's alignment with both national and international sustainability frameworks, including the UAE's sustainability and net-zero ambitions and the United Nations Sustainable Development Goals (UN SDGs).

Reporting boundary & standards

This report encompasses the ESG-related activities and performance of BoS for the period from 1st of January 2025, to 31st of December 2025. It includes data and information from all our branches and offices across the United Arab Emirates (UAE), providing a comprehensive overview of our sustainability efforts. Where applicable, historical data has been incorporated to provide year-on-year comparisons and track progress.

Our ESG disclosures adhere to both international and national reporting frameworks, ensuring transparency and alignment with global best practices. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, and the Abu Dhabi Securities Exchange (ADX) ESG Disclosure Guidance for Listed Companies, where our shares are listed. Additionally, our disclosures have been informed by the United Nations Sustainable Development Goals (UN SDGs) to reflect our contributions to global sustainability objectives.

Expansion of Scope for 2025

Building upon our previous reports, the 2025 edition expands its scope with the inclusion of additional Global Reporting Initiative (GRI) disclosures, providing a more comprehensive and detailed account of our ESG performance. This enhancement reflects our ongoing commitment to transparency and continuous improvement in sustainability reporting, ensuring that our stakeholders receive a clearer, more in-depth view of our environmental, social, and governance initiatives.

Assurance

We have opted for an internal review and approval process for this report to guarantee the quality and accuracy of the information presented.

Contact

We welcome feedback and inquiries regarding this report. Please contact our team at:

- **Email: esg@bankofsharjah.com**
- **Website: www.bankofsharjah.com**

For more information about our sustainability initiatives and to access previous reports, please visit our Sustainability Reports page.

Message from the CEO

In 2025, Bank of Sharjah continued to demonstrate resilience, disciplined execution, and a clear focus on delivering sustainable, long-term value for all our stakeholders. Throughout the year, we strengthened the foundations of our business, enhanced operational efficiency, and advanced our strategic priorities within an evolving economic and regulatory landscape.

This year further reinforced our conviction that sustainability is integral to prudent and forward-looking banking. Environmental, social, and governance (ESG) considerations are increasingly shaping how financial institutions manage risk, allocate capital, and maintain stakeholder trust. At Bank of Sharjah, we are committed to embedding these principles across our operations, decision-making processes, and long-term strategy.

During 2025, we made continued progress in expanding our sustainable finance activities, strengthening governance frameworks, and reinforcing our risk management capabilities. These efforts reflect our commitment to responsible banking and our role in supporting the UAE's broader sustainability agenda, including the transition towards a more diversified, inclusive, and resilient economy.

Our people remain at the heart of our success. Their professionalism, dedication, and adaptability continue to drive our performance and support the Bank's ongoing transformation. We are committed to fostering an inclusive and dynamic workplace that promotes continuous learning, accountability, and collaboration, while prioritizing the well-being and development of our employees.

Transparency and strong governance remain fundamental to everything we do . We recognize that trust is built through consistency, clarity, and responsible leadership. By strengthening ESG oversight and enhancing our disclosure practices, we aim to provide stakeholders with a clear and balanced view of our progress, challenges, and priorities.

This ESG Report reflects our ongoing commitment to accountability and continuous improvement. Prepared in alignment with recognized international standards and local regulatory expectations, it provides a comprehensive overview of our sustainability performance and initiatives throughout 2025.

Looking ahead, we remain focused on further embedding sustainability across the Bank, refining our sustainable finance framework, and strengthening our ability to anticipate and respond to emerging risks and opportunities. We approach the future with confidence in our strategy and a firm commitment to long-term value creation.

I would like to extend my sincere appreciation to our employees for their dedication, to our customers and shareholders for their continued trust, and to our partners for their valuable collaboration. Together, we will continue to strengthen Bank of Sharjah's foundations and contribute positively to the communities and economies we serve.

“During 2025, we made continued progress in expanding our sustainable finance activities, strengthening governance frameworks, and reinforcing our risk management capabilities.”

Mohamed Khadiri

Chief Executive Officer

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About Bank of Sharjah Your partner in progress

Overview of the Bank

Established in 1973, Bank of Sharjah has played a long-standing role in shaping the UAE's banking landscape. For more than fifty years, the bank has been recognised for its resilience, reliability, and enduring partnerships. Beyond delivering financial services, Bank of Sharjah acts as a trusted enabler of growth, supporting businesses, individuals, and communities through a relationship-driven and responsible banking model. Our approach is anchored in strong heritage, a people-focused culture, and a commitment to sustainability, allowing us to deliver tailored solutions that create meaningful and lasting value.

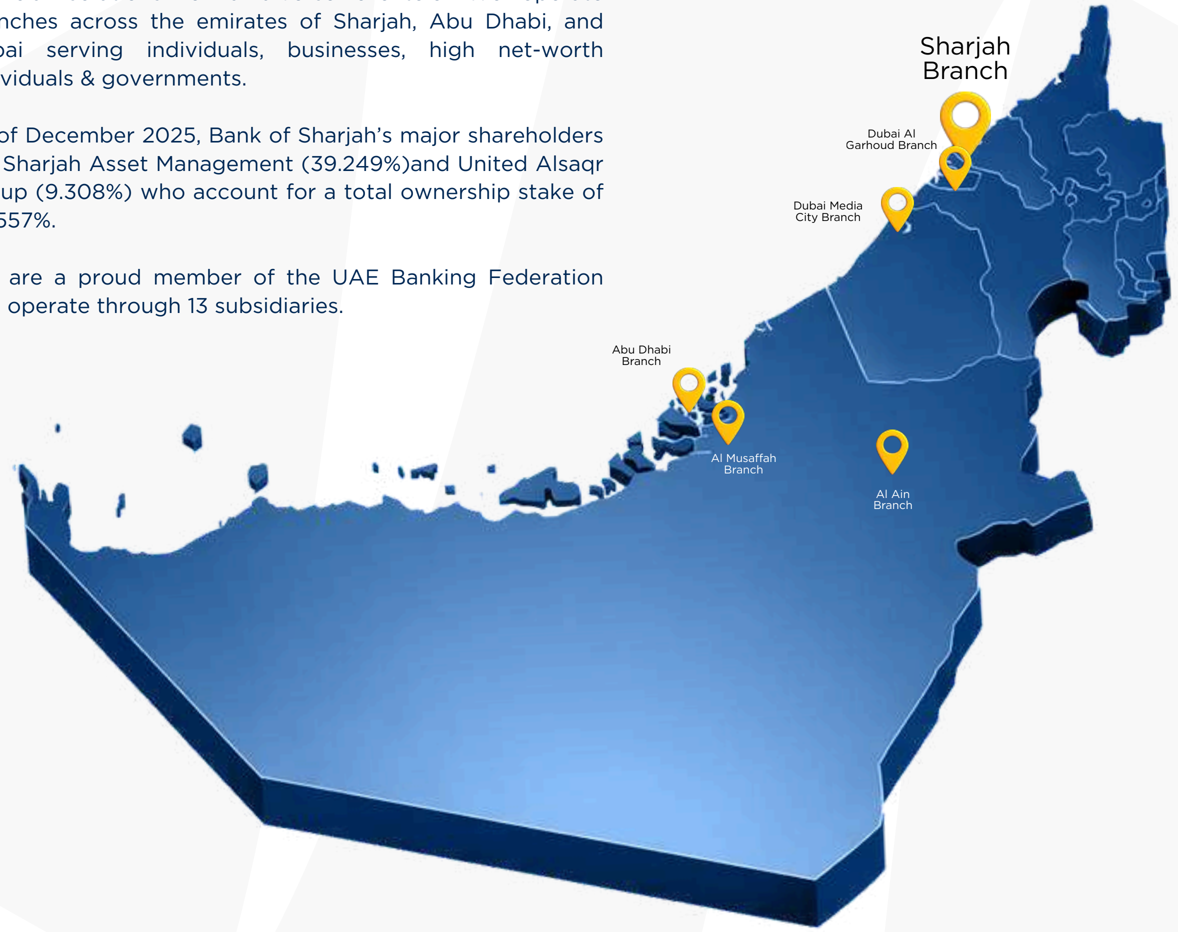
As Sharjah's first commercial bank and a publicly listed joint-stock company (PJSC), Bank of Sharjah holds a deep responsibility toward the nation's economic advancement and social well-being. By combining decades of expertise with forward-looking innovation, the bank continues to deliver relevant financial solutions while remaining guided by the principles and values that have shaped its identity over time.

Locations

Founded and headquartered in Sharjah, Bank of Sharjah has a strong local presence, ensuring accessibility and tailored financial solutions for a diverse clientele. We operate branches across the emirates of Sharjah, Abu Dhabi, and Dubai serving individuals, businesses, high net-worth individuals & governments.

As of December 2025, Bank of Sharjah's major shareholders are Sharjah Asset Management (39.249%)and United Alsaqr Group (9.308%) who account for a total ownership stake of 48.557%.

We are a proud member of the UAE Banking Federation and operate through 13 subsidiaries.



Service Offerings

At Bank of Sharjah, we take a relationship-driven approach to banking, offering comprehensive financial solutions that empower businesses, individuals and governments. Our core services include:

Corporate & Commercial Banking

Tailored financial solutions for enterprises, including deposits, cash management, lending facilities, trade finance, guarantees and treasury products.

International & Financial Institutions

Relationships with local and international banks, including lending, facilitating trade finance and correspondent banking.

Personal Banking

Individuals benefit from various services like current accounts, savings options, loans, payment cards, and more.

Wealth & Private Banking

Personalized asset management and advisory services.

Sustainable Finance

Supporting businesses in transitioning to a low-carbon economy through strategic alliances and ESG-aligned financial products.

Mission, Vision, Purpose & Values

At Bank of Sharjah, our mission, vision, purpose, and values guide our strategic direction and define our commitment to our clients, stakeholders, and the broader community. Rooted in heritage, trust, and excellence, we continuously evolve to meet the needs of a dynamic financial landscape while staying true to the principles that have shaped our success for over five decades.

Vision

We believe in going the extra mile to provide tailored financial solutions that empower our clients and create long-term value. Our vision is to be a trusted financial partner that fosters sustainable growth, ensuring stability and prosperity for businesses, individuals, and communities.

Mission

Our mission is to achieve strong and sustainable Performance for our shareholders, operating to the benefit of our customers and personnel with high Ethics offering and expecting full Transparency, adopting innovative Initiatives to help customers achieve their aspirations and objectives, assuring them of our unwavering Commitment to support their businesses through the waves of economic cycles with a steadfast dedication to Quality of service.

Purpose

Our aim and purpose is to provide financial solutions that deliver results. We believe in proactively assisting clients, whether corporate or individuals, with measures that focus on their individual needs and provide unparalleled services based on a strong foundation of trust.

Values

We strive to safeguard and grow our economy, our people, and our community and are committed to sustainability on all fronts. To achieve that, we have outlined the core values which drive our business decisions: Performance, Ethics, Transparency, Initiative, Commitment and Quality (PETICQ):

Performance
Delivering excellence in financial solutions and customer service.

Ethics
Upholding integrity, transparency, and responsible banking.

Transparency
Ensuring openness and accountability in all our operations.

Initiative
Driving innovation to meet the evolving needs of our clients.

Commitment
Building long-term relationships based on trust and reliability.

Quality
Providing superior financial services that create lasting impact.

Alignment with the UAE & Sharjah's ambitions

The United Arab Emirates continues to advance its role as a regional leader in sustainability and climate action, moving decisively toward structured, measurable, and accountable ESG practices across all sectors. Building on the momentum of COP28 and the UAE's long-term climate vision, 2025 marked a year in which national ambitions were translated into concrete regulatory frameworks and sector-wide expectations.

UAE Climate Law (Decree-Law No. 11 of 2024)

A central development is the implementation of the UAE Climate Law, which came into effect in early 2025. This landmark legislation establishes a national framework for climate governance and requires entities to measure and report their greenhouse gas emissions, assess climate-related risks, and incorporate climate considerations into strategic planning.

Net Zero by 2050 Strategic Initiative

The UAE was the first nation in the GCC to commit to net-zero emissions by 2050, outlining its decarbonization strategy in the 'Net Zero by 2050 Pathway' released in late 2022. Through this initiative, the UAE has set clear sustainability targets, including a 19% reduction in greenhouse gas emissions by 2030, tripling renewable energy capacity, and investing USD 50 billion to meet growing energy demands.

Emiratization and the Nafis Initiative

To enhance the participation of UAE nationals in the private sector, the government launched the Nafis program, aiming to employ 75,000 Emiratis over five years. Companies with 50 or more employees are required to increase their Emiratization rate by 2% annually, reaching 10% by 2026. Starting in 2024, companies with 20 to 49 employees in specific sectors must employ at least one Emirati, with financial penaltiesimposed on non-compliant establishments. For the banking sector, the Central Bank of the UAE is progressively increasing these targets, with local banks required to achieve a minimum Emiratization rate of 45% of total employees by 2026, with UAE nationals holding at least 30% of senior executive roles.

Consumer Protection

In 2025, the UAE strengthened its consumer protection framework through Federal Decree-Law No. 6 of 2025, introducing clearer obligations for transparency, fair treatment, and responsible conduct across licensed financial institutions. The law reinforces customer rights not only through enhanced disclosure requirements but also by ensuring that all individuals have equitable access to appropriate banking and financial services tailored to their needs. It also places new emphasis on financial literacy and inclusion, requiring the Central Bank and licensed institutions to deliver nationwide programmes that educate the public on responsible borrowing, savings, investment risks, and the use of digital financial services.

Central Bank UAE's Climate-related Financial Risk Management Regulation

In November 2023, the Central Bank of the UAE issued the Principles for the Effective Management of Climate-related Financial Risks, followed by the Sustainability-related Disclosure Principles in June 2024, strengthening the regulatory framework for climate risk and sustainability disclosures. Building on these initiatives, the Central Bank issued the Climate-related Financial Risk Management Regulation in 2025, establishing an overarching framework to ensure Financial Institutions have appropriate governance and risk management processes in place to identify and manage climate-related financial risks.

Sharjah's Contributions to Sustainability

As a key emirate within the UAE, Sharjah continues to make meaningful contributions to the country's sustainability agenda, advancing environmental, economic, and social progress in alignment with national priorities:

Environmental Stewardship

In 2025, Sharjah continued to strengthen its environmental leadership through innovative waste management, clean energy, and conservation projects. The Sharjah Waste-to-Energy Plant, already the first of its kind in the region, advanced into its Phase Two expansion, a major development undertaken by BEEAH and Masdar that will nearly double its processing capacity and further support the UAE's national waste-diversion and decarbonisation goals. Sharjah Sustainable City also continues to set benchmarks for resource-efficient urban development, creating new opportunities for sustainable finance and green lending.

Economic Diversification

Sharjah continues to advance its economic diversification agenda by investing in innovation-driven and sustainability-aligned sectors. In 2025, the emirate launched the India Startup Hub under Sheraa, strengthening international entrepreneurship and supporting knowledge-based economic growth. Sharjah has also advanced green mobility infrastructure, including the introduction of new low-emission public transport options, which align with the UAE's green economy agenda and create emerging opportunities for sustainable finance and infrastructure investment. The emirate's continued focus on culture, research, sustainable tourism, and knowledge-based sectors contributes to a more resilient and diversified economy, enabling banks to broaden their sectoral exposure and support long-term economic growth.

Social Development

Sharjah remains committed to social inclusion and community well-being, which are important in shaping financial inclusion and responsible banking priorities. Initiatives such as the Ghaith 6 social support programme, which provided essential goods and services to thousands of low-income families in 2025, reinforce the emirate's broader focus on reducing inequality and enhancing quality of life. These efforts align with national priorities under the UN SDGs and support the financial sector's role in promoting access to fair, transparent and inclusive financial services.

Bank of Sharjah's Role

As part of the UAE and Sharjah's broader sustainability vision, Bank of Sharjah remains committed to playing an active role in supporting the country's environmental, economic, and social transformation. Guided by principles of responsible banking, long-term partnerships, and sustainable growth, we aim to contribute meaningfully to the UAE's sustainability goals through the following key areas

Financing the transition to a low-carbon economy

Supporting businesses and industries in decarbonizing their operations by providing tailored financial solutions that align with the UAE's Net Zero 2050 strategy.

Expanding sustainable finance offerings

Ensuring our clients have access to green lending solutions, ESG-aligned investments, and responsible financing to support the growth of sustainable businesses and projects.

Strengthening governance, risk management, and consumer protection

Embedding ESG factors into our decision-making frameworks to align with global best practices for responsible banking, while upholding the highest levels of transparency, fairness, and consumer rights in financial transactions.

Supporting Emiratization and workforce development

Aligning with the UAE's Nafis program and the Central Bank's Emiratization targets, we are committed to enhancing the representation of UAE Nationals in the banking sector, providing career development opportunities, and fostering a knowledge-based economy.

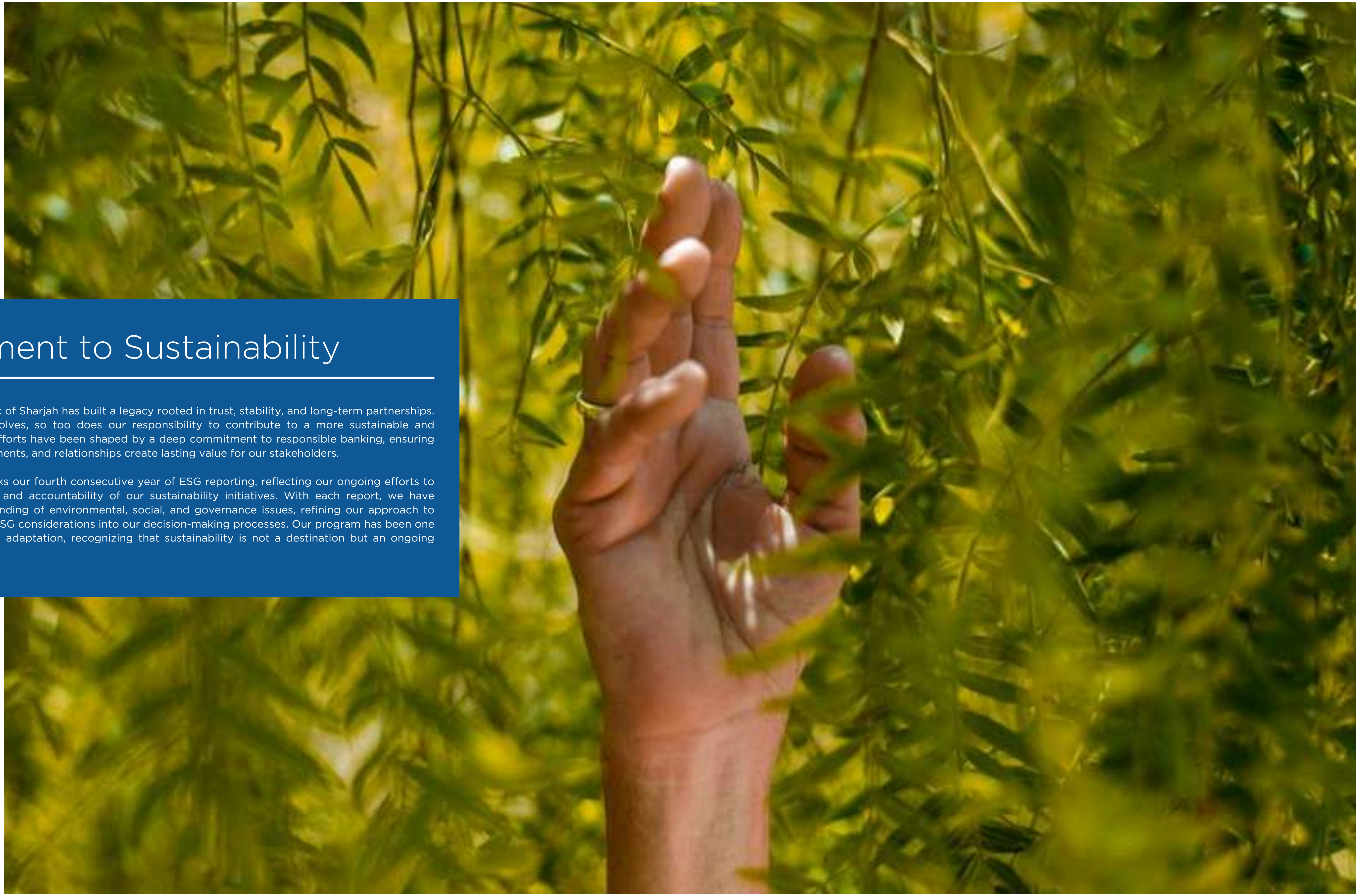
Promoting economic diversification and social inclusion

By financing innovation-driven enterprises and key sectors that support economic diversification, we contribute to Sharjah and the UAE's long-term economic resilience and social well-being.

Commitment to Sustainability

For over five decades, Bank of Sharjah has built a legacy rooted in trust, stability, and long-term partnerships. As the financial sector evolves, so too does our responsibility to contribute to a more sustainable and inclusive future. Our ESG efforts have been shaped by a deep commitment to responsible banking, ensuring that our operations, investments, and relationships create lasting value for our stakeholders.

This 2025 ESG Report marks our fourth consecutive year of ESG reporting, reflecting our ongoing efforts to enhance the transparency and accountability of our sustainability initiatives. With each report, we have strengthened our understanding of environmental, social, and governance issues, refining our approach to sustainability, embedding ESG considerations into our decision-making processes. Our program has been one of continuous learning and adaptation, recognizing that sustainability is not a destination but an ongoing commitment to progress.



Focusing on What Matters Most

Over the past three years, Bank of Sharjah has continued to strengthen its ESG reporting framework through a structured and evidence-based approach to stakeholder engagement and materiality. Following the comprehensive materiality assessment conducted in 2023, which included sector analysis, consultations with external experts, and extensive engagement with senior internal stakeholders, the Bank further refined its materiality matrix in 2024 to align with evolving global standards and emerging national guidelines.

In 2025, we have advanced this process even further. This year's assessment reflects a deeper integration of regulatory expectations under the UAE's ESG and climate-related reporting landscape, including updated guidance from the Capital Market Authority (CMA) and expanded market expectations for responsible banking practices.

Our 2025 materiality assessment follows the same structured four-phase framework (Identify, Benchmark, Engage, and Prioritise) but with enhanced emphasis on sector-specific risks, sustainable finance, climate-related considerations, and stakeholder input drawn from a wider range of business units and external groups.

This evolution ensures that our ESG reporting remains focused on the topics most material to the Bank and its stakeholders, while supporting long-term strategic planning, risk management, and sustainable growth.

Identify

The materiality assessment process began with an in-depth evaluation of Bank of Sharjah's existing sustainability efforts, ensuring alignment with the bank's strategic priorities and regulatory requirements. This phase included a review of previous ESG initiatives, internal sustainability performance, and the evolving global and national sustainability landscape. By assessing our internal impact areas, we ensured that the material topics reflect both the operational realities of the bank and its long-term strategic objectives.

Benchmark

To ensure our materiality assessment reflects the latest industry trends and stakeholder expectations, we analyzed the sustainability themes that are shaping the financial sector. This included a review of industry peers & global ESG rating agencies. We further mapped our sustainability priorities against internationally recognized frameworks such as the GRI Standards and the United Nations Sustainable Development Goals (SDGs). This alignment not only reinforces our commitment to addressing global sustainability challenges but also ensures that our efforts are strategically directed toward creating measurable and meaningful impact.

Engage

Stakeholder engagement remains a cornerstone of our sustainability approach. Open, proactive, and transparent dialogue with our stakeholders allows us to continuously refine our priorities and align with their needs. By working closely with shareholders, investors, employees, customers, regulatory bodies, and the wider community, Bank of Sharjah is able to assess and respond to the ESG topics that hold the greatest value for our stakeholders. Engagement takes place through multiple channels, providing a structured and ongoing means of collaboration.

Prioritise

Based on the findings from the previous stages, Bank of Sharjah prioritised its list of material ESG topics for 2025, which was then reviewed and approved by Bank of Sharjah's senior leadership to ensure it supports the bank's strategic vision for sustainable growth.

Stakeholder category	ESG topics of importance	Engagement mechanisms
Shareholders / Investors	• Climate change risk-related effective corporate governance structure • Independent Board oversight and efficiency • Ethical business practices • Transparent ESG and financial reporting and market disclosures	• Disclosures and Reporting on ADX and the Bank's website, social platforms and various local media as needed and in line with regulatory requirements • Investor Relations and stakeholder engagement • Annual General Assembly meetings
Government / Regulators	• Emiratisation • Participation and alignment with government initiatives i.e. net zero and zero bureaucracy initiatives • ESG Risk Management and reporting • Policies compliance with regulations	• Regulatory platforms • One-on-one meetings • Webinar and workshop participation • Email updates
Customers	• Data protection • Customer experience • Consumer protection • Information and cyber security • Fair treatment	• eBOS online and mobile banking • Email updates • Customer fraud and awareness campaigns • Bank's social media platforms demonstrating engagement with the community and timely disclosures • Newsletters
Employees	• Fair treatment • Trainings, upskilling and talent nurturing • Professional growth and capacity building • Competency building • WellbeingInclusion and Diversity • Inclusion for people of determination	• Annual performance assessment • Online and in-person trainings • Social events • Educational supportInternal rotations
Community	• Environmental sustainability • Social contribution and responsibility • Ethics and social values	• Committed, sustained, purposeful and active CSR engagement and community support across the UAE.

Our Sustainability Pillars & Material Topics

As a result of our 2025 materiality assessment, Bank of Sharjah has refined and strengthened its ESG framework to reflect stakeholder expectations, national regulatory developments, and international sustainability practices. This year's assessment led to the inclusion of two new material topics—Responsible Procurement and ESG Risk Management—recognizing the increasing importance of supply chain integrity, due diligence, and the integration of ESG considerations into the Bank's wider risk processes.

We also updated the topic previously titled Employee Wellbeing to Employee Health, Safety and Wellbeing. This adjustment reflects a more comprehensive and risk-aware approach that is aligned with global ESG standards and demonstrates the bank's continued commitment to the holistic care of its workforce.

Following these refinements, Bank of Sharjah continues to organise its sustainability approach around three overarching ESG pillars: Environmental Leadership, Social Responsibility and Governance, and Ethical Business. These pillars represent the bank's most significant sustainability priorities and provide a clear structure for integrating ESG considerations into strategy, operations, governance, and corporate culture.

Environmental Leadership

- Climate Change & GHG Emissions
- Energy Management
- Water Management and Conservation
- Waste Management and Circular Economy Practices
- Sustainable Finance

Social Responsibility

Empowering employees

- Diversity, Equity & Inclusion
- Women Empowerment
- Emiratization Focus
- Employee Health, Safety & Well-being
- Continuous Learning & Development
- Talent Attraction & Retention

Enhancing customer experience & engagement

- Financial Inclusion & Accessibility
- Digital Transformation
- Responsible Marketing & Fair Products
- Supporting Customers Through Generations

Supporting communities

- Financial Inclusion & Accessibility
- Digital Transformation
- Responsible Marketing & Fair Products
- Supporting Customers Through Generations

Governance & ethical business

- Board & Governance
- Business Ethics & Compliance
- Privacy & Cybersecurity
- Business Continuity

ESG Highlights

Environmental

82.8% reduction in overall fuel consumption

25.9% reduction in overall energy consumption

395 million (AED 1.5 million) in green financing

Recycled **100%** of E-waste (5,640 kg)

142.9 trees saved

Recycled **100%** of paper waste, (8,407 kg)

Social

75% of customer payments were conducted through digital channel

The training hours were a minimum of **4 hours and above** per employee

53% women across our workforce

32% Emirati representation across our workforce

30% Emirati representation among senior leadership

AED 1.6 million contributions to community initiatives

Governance

10 out of 11 — 10 out of 11 board members are independent

Ensured uninterrupted banking services during the 2025 UAE rain and weather notably 19 December.

ZERO data breaches reported for the fourth consecutive year

ZERO instances pertaining to corruption & bribery

14% of Board meetings included discussions related to ESG, climate risk, or social responsibility

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Environmental leadership

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Sustainable Finance

As a financial institution, Bank of Sharjah recognises its pivotal role in facilitating the transition to a low-carbon and more sustainable economy. The banking sector plays a critical role in mobilizing capital toward projects and institutions that contribute to environmental protection, social development, and long-term economic resilience, supporting both the United Nations Sustainable Development Goals.

(SDGs) and national sustainability priorities in the UAE.
Building on the momentum established in previous years, 2025 marked a continued expansion of the bank's sustainable finance activities. Through targeted investments, participation in sustainable financing structures, and support for multilateral development institutions, BoS continued to strengthen its contribution to responsible and ethical finance while laying the foundations for a more structured and scalable sustainable finance approach in the years ahead.

Sustainable Bonds

Investing in sustainable bonds enables Bank of Sharjah to support environmentally and socially responsible projects while reinforcing its commitment to responsible capital allocation. As of 31 December 2025, the bank invested and jointly managed a total of USD 24 million (AED 88 million) in sustainable bonds. These investments contribute to financing initiatives that support climate action, sustainable infrastructure, and inclusive economic development.

Sustainable Sukuks

Bank of Sharjah also invests in sustainable sukuks that align with ethical finance principles and environmental, social, and governance (ESG) objectives. As of 31 December 2025, the bank's total investment in sustainable sukuks amounted to USD 77 million (AED 283 million). Through participation in sustainable sukuks, the bank supports projects that deliver long-term environmental and social benefits.

ESG-Linked Loans

ESG-linked lending remains an important component of the bank's sustainable finance activities. These facilities link financial terms to ESG-related performance indicators, encouraging borrowers to strengthen their sustainability practices and disclosures

In 2025, Bank of Sharjah disbursed USD 143 million (AED 525 million) in ESG-linked loans, supporting counterparties committed to responsible business practices and improved ESG performance. This reflects the bank's growing role in integrating sustainability considerations into its financing activities.

Finance to Multilateral Development Banks (MDBs)

Supporting multilateral development banks (MDBs) forms a key part of Bank of Sharjah's approach to financing large-scale projects with strong development, environmental, and social impact.

As of 31 December 2025, the bank disbursed USD 152 million (AED 554 million) in loans to MDBs. These facilities contribute to financing projects in emerging and developing markets, supporting sustainable economic growth, infrastructure development, and social progress.

Total Green Financing in 2025

In 2025, the bank's total green financing, encompassing eligible sustainable bonds, sustainable sukuks, ESG-linked loans, and financing provided to multilateral development banks, amounted to approximately USD 395 million (AED 1.5 billion).

This consolidated figure reflects the bank's ongoing efforts to mobilise capital toward environmentally and socially responsible activities, while strengthening transparency and supporting future alignment with structured sustainable finance frameworks and regulatory disclosure expectations.

The methodology and scope for calculating total green financing will continue to evolve following the formal implementation of the bank's Sustainable Finance Policy in 2026, enabling clearer classification, enhanced data consistency, and more detailed reporting in future ESG disclosures.

Future Outlook

Looking ahead, Bank of Sharjah views the implementation of a Sustainable Finance Policy in 2026 as a key milestone in scaling its sustainable finance activities. The policy will be reviewed and progressively enhanced in the coming years to include clearer targets, eligibility criteria, and reporting mechanisms for sustainable finance.

The bank recognises several challenges in expanding its sustainable finance portfolio, including data availability, the need for continued staff education and capacity building, and the importance of establishing a clear board-level strategy and risk appetite for sustainable finance. Addressing these challenges will remain a priority as BoS continues to embed ESG considerations into its financing decisions.

By strengthening governance, building internal capabilities, and expanding its sustainable finance offerings, Bank of Sharjah aims to play an increasingly active role in financing the transition to a more sustainable and resilient economy.

Energy Management

Bank of Sharjah remains committed to reducing its environmental footprint by improving energy efficiency across its operations and strengthening control over resource consumption. Through targeted initiatives, infrastructure upgrades, and enhanced monitoring practices, the bank continues to optimise energy use while supporting its broader sustainability objectives.

During 2025, the bank focused on improving efficiency within its largest operational footprint and strengthening internal controls related to fuel consumption. These efforts contributed to improved energy management outcomes across branches, resulting in a 25.9% reduction in overall energy consumption and a 27.7% reduction in energy intensity.

Energy Consumption	Units	YoY change	2025	2024
Total electricity consumption (indirect energy consumption)	kWh	▼ 1.3%	3,206,524	3,249,435
Total vehicle fuel consumption (direct energy consumption)	Litres	▼ 82.8%	25,018	145,333
Total energy consumption	GJ	▼ 25.9%	12,414.1	16,755.6
Total energy intensity	GJ/FTE	▼ 27.7%	37.4	51.7

* Conversion factors used: 1L of petrol (all grades) = 0.0348 GJ; 1kWh = 0.0036 GJ

* 2025 FTE = 332

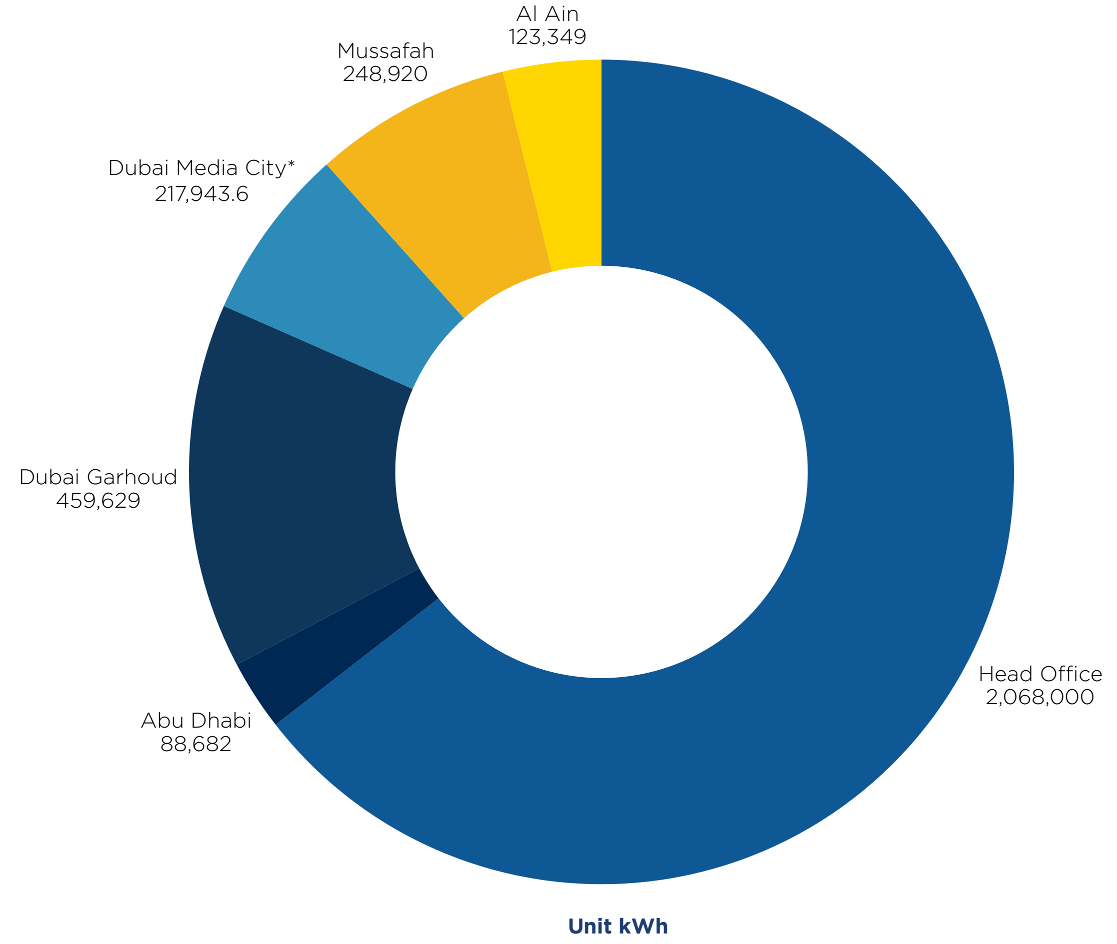
* During 2025, the Dubai Motor City branch relocated to the Head Office and its previous premises are no longer in use. As a result, resource consumption for this location is included in the 2024 baseline but not reflected in the 2025 data, which should be considered when reviewing year-on-year comparisons.

Electricity Consumption

In 2025, Bank of Sharjah recorded a total electricity consumption of 3,206,524 kWh, reflecting a reduction of approximately 1.3 percent compared to 2024, when total electricity consumption amounted to 3,249,435 kWh.

A key initiative undertaken during the year was the replacement of office lighting with LED technology at the Head Office, the bank's largest operational space. This upgrade was completed between May and August 2025 and forms part of the bank's longer-term strategy to improve energy efficiency and reduce electricity demand across its premises.

Total Energy Consumption **3,206,523.6 kWh**



The Head Office continued to account for the largest share of electricity consumption due to its size, operational intensity, and centralised functions. The implementation of LED lighting resulted in immediate energy efficiency gains, contributing to an approximate 5.3 percent reduction in electricity consumption at the Head Office from 2024. As the upgrade was completed part way through 2025, the reported figures reflect only a partial year impact, with the full reduction expected to be more clearly reflected in 2026 electricity consumption data.

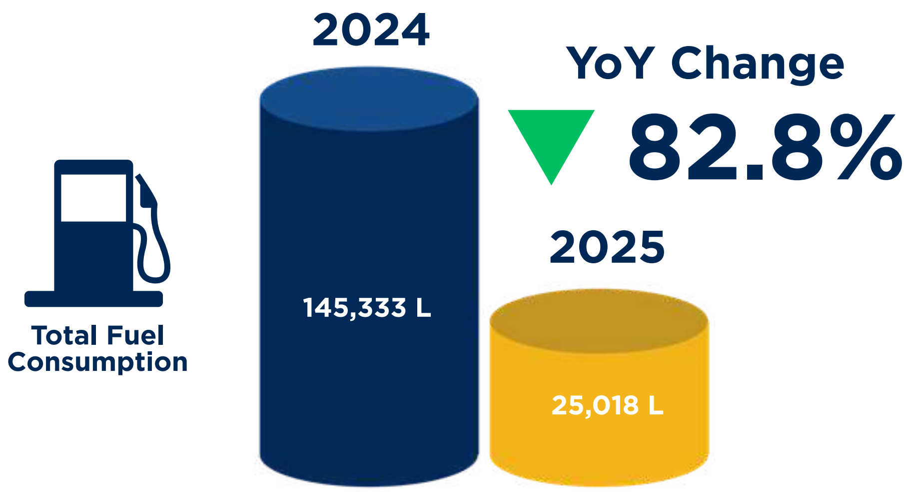
• As the Dubai Media City branch is located within a building that is shared with other tenants, its electricity and water consumption has been estimated at 10% of the total building consumption. This estimate is based on occupancy share, as separate utility bills for the branch have not been provided.

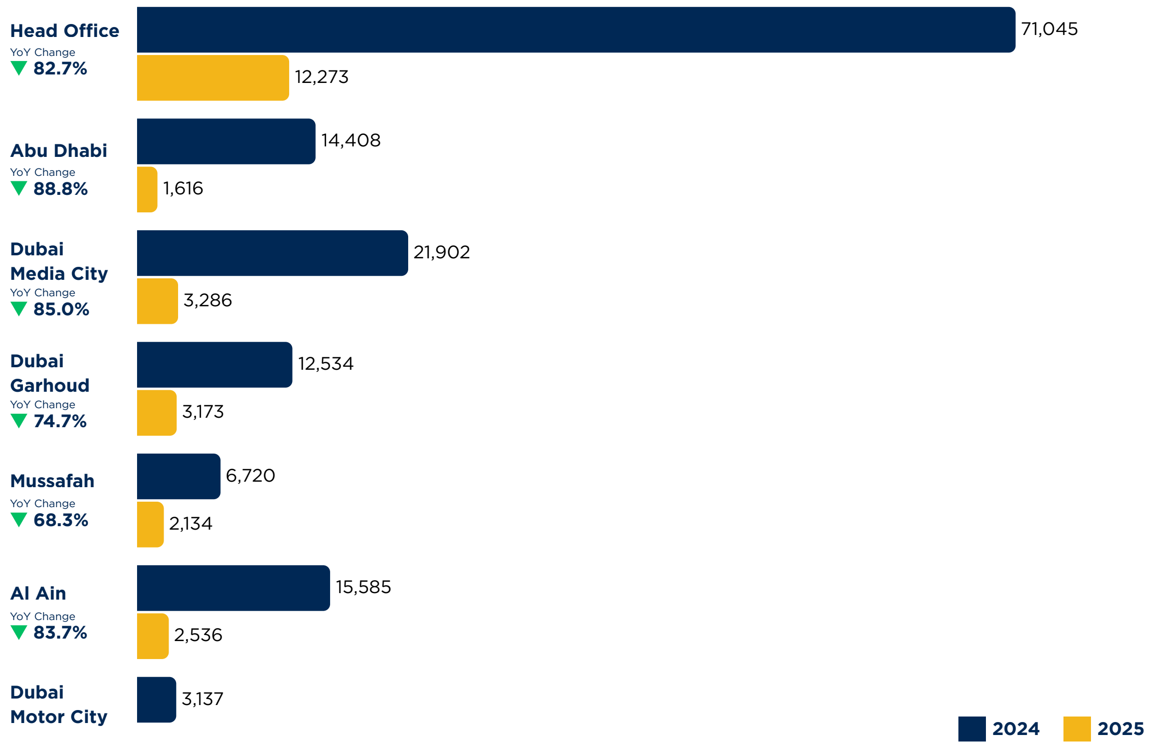
Fuel Consumption

In 2025, total fuel consumption across the Bank's vehicle fleet amounted to 25,018 litres, compared to 145,333 litres in 2024, representing a significant year-on-year reduction of approximately 82.8 percent.

This improvement was primarily driven by:
- **Enhanced fleet utilisation and route planning**
- **Improved monitoring and control over vehicle usage**
- **Better alignment of vehicle allocation with operational needs**

This strengthened control framework has enabled improved visibility over vehicle usage and reduced unnecessary fuel consumption, contributing to lower operational emissions and improved efficiency.





Diesel Generator Usage

Bank of Sharjah maintains robust backup power systems across its operations to ensure business continuity and uninterrupted service delivery in the event of power disruptions. During 2025, **diesel generator consumption was zero,** reflecting the reliability of the bank's primary power supply and effective infrastructure management. The availability of these backup systems strengthens operational resilience while avoiding unnecessary fuel consumption and associated emissions during normal operations.

Water Management and Conservation

Bank of Sharjah recognises the importance of responsible water management, particularly given the UAE's classification as a water-stressed region, where freshwater resources are limited and largely dependent on desalination. In this context, effective monitoring and efficient use of water remain key priorities within the bank's environmental management approach.

All water used by the bank is sourced from municipal supplies. Wastewater generated from operations is safely discharged back into the municipal sewerage network in accordance with local regulations, ensuring compliance with applicable water management requirements and supporting responsible use of shared water resources.

Water Consumption Performance

In 2025, Bank of Sharjah recorded a total water consumption of **4.27 megalitres (ML)**, compared to **4.14 ML in 2024**, representing an increase of approximately 3.14 percent year on year.

Water consumption by branch in 2025 was as follows:

Branch	Water Consumption 2025 (ML)
Head Office	2.71
Abu Dhabi	0.24
Dubai Garhoud	0.37
Dubai Media City*	0.51
Mussafah	0.18
Al Ain	0.26
Total	**4.27**

*As the Dubai Media City branch is located within a building that is shared with other tenants, its electricity and water consumption has been estimated at 10% of the total building consumption. This estimate is based on occupancy share, as separate utility bills for the branch have not been provided

The Head Office continued to account for the largest share of water consumption due to its size and daily occupancy levels. While total water usage increased slightly compared to 2024, reductions were observed at certain branches, including Dubai Media City and Mussafah, reflecting the impact of ongoing monitoring and maintenance practices.

In May 2025, adjustments were made to the water discharge settings of flush tanks across offices, improving control of water flow and supporting more efficient consumption. These measures form part of the bank's ongoing efforts to strengthen resource efficiency across its operations.

Waste Management and Circular Economy Practices

Bank of Sharjah remains committed to responsible waste management by ensuring that materials such as electronic and paper waste are disposed of securely and recycled efficiently. Through partnerships with certified recycling providers, the bank minimises its environmental footprint while maintaining the highest standards of data security and regulatory compliance.

By embedding circular economy principles into its operations, the bank continues to prioritise waste reduction, recycling, and responsible disposal across all branches.

E-Waste Management

Bank of Sharjah partners with Shredex Document Destroying Services for the secure and environmentally responsible disposal and recycling of electronic waste. This includes tapes, hard disks, personal computers, servers, printers, scanners, UPS systems, and other IT equipment.

Depending on the sensitivity and confidentiality of the hardware, items are either shredded on site or securely collected and transported by Shredex for disposal.

In all cases, disposed IT equipment is recycled at Dubai Municipality approved facilities, where materials are converted into raw materials for reuse, supporting circular economy practices and ensuring full compliance with environmental regulations.

E-waste performance

In 2025, the bank recycled 5,640 kg of IT waste, maintaining a 100 percent recycling rate, consistent with its performance in previous years. The increase in e-waste volumes in 2025 reflects periodic IT asset upgrades and equipment replacement undertaken during the year. Despite fluctuations in volumes, the bank has consistently achieved a 100 percent recycling rate since 2022, demonstrating a strong and well-established approach to secure and responsible e-waste management.

Year	IT Waste Generated (kg)	IT Waste Recycled (kg)	Recycling Percentage	Recycling Partner
2025	5,640	5,640	100%	Shredex
2024	1,805	1,805	100%	Shredex
2023	1,130	1,130	100%	Shredex
2022	2,775	2,775	100%	Shredex

Paper Waste Reduction and Recycling

In 2025, Bank of Sharjah continued to demonstrate strong waste management practices by recycling 100 percent of its paper waste, amounting to 8,407 kg. This builds on the bank's consistent performance in 2024, during which all paper waste was also recycled, totaling 6,733 kg. This resulted in the following estimated environmental savings in 2025:

142.9
trees saved

14.5
cubic meters of oil conserved

267.3
cubic meters of water preserved

19.3
cubic meters of landfill space avoided

228.7
kg of CO_2 emissions reduced

33,628
kilowatt-hours of energy saved

This reduction reflects the continued adoption of digital banking solutions, including digital statements, e-advices, paperless board meetings, and increased reliance on electronic documentation across internal operations.

To further strengthen paper reduction efforts, the bank updated its printing practices in 2025 to default black-and-white output with enforced double-sided printing. This measure supports reduced paper usage while also lowering ink and toner consumption, contributing to more efficient resource use across offices.

Paper waste recycling continues to be managed in partnership with Shredex, ensuring secure handling and environmentally responsible processing.

Climate Change & GHG Emissions

Bank of Sharjah remains committed to monitoring and managing its greenhouse gas (GHG) emissions in line with the GHG Protocol—the globally recognized standard for measuring and reporting corporate emissions. As part of its Environmental Leadership pillar, the bank continues to strengthen its climate-related data collection processes and enhance transparency in emissions reporting, supporting alignment with the UAE's Net Zero by 2050 strategic initiative.

In 2025, the bank measured and reported Scope 1 and Scope 2 emissions across all operational locations in the United Arab Emirates. These emissions cover direct fuel consumption from company-owned vehicles and indirect emissions associated with purchased electricity.

In accordance with the GHG Protocol, emissions are categorised as follows:

Scope 1

Direct emissions from sources owned or controlled by the bank, primarily fuel consumption from company-owned vehicles.

Scope 2

Indirect emissions from purchased electricity consumed across branches and offices.

Scope 3

Other indirect emissions occurring across the value chain, including business travel, employee commuting, supplier activities, and financed emissions.

This year, only Scope 1 and Scope 2 emissions have been measured and reported, as the bank continues to establish the necessary systems and data frameworks required to calculate Scope 3 emissions accurately. Given the complexity of Scope 3 emissions and the level of data dependency on external stakeholders, the bank is exploring improved data collection methodologies to support more comprehensive climate reporting in future years.

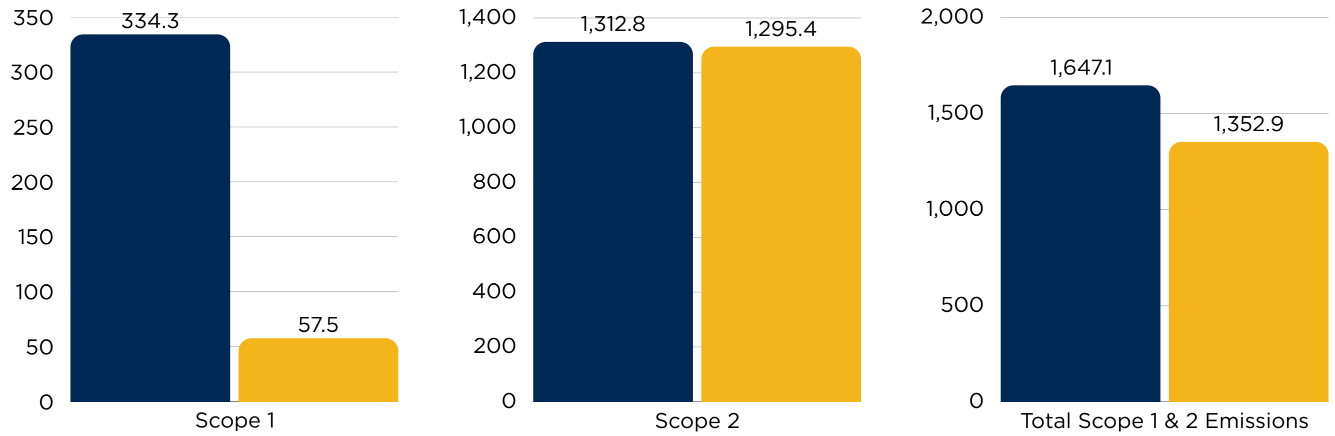
GHG emissions performance

In 2025, Bank of Sharjah recorded total Scope 1 emissions of 57.5 tCO_2e, representing a significant reduction compared to 334.3 tCO_2e in 2024. This decrease was primarily driven by improved fleet management practices, enhanced monitoring of vehicle usage, and more efficient refuelling controls implemented across branches.

Scope 2 emissions from purchased electricity consumption totaled 1,295.4 tCO_2e in 2025, compared to 1,312.8 tCO_2e in 2024. The marginal reduction reflects stable electricity demand across operations, alongside the early impacts of energy efficiency initiatives, including the phased replacement of office lighting with LED systems during the year.

Overall, the bank's total operational emissions (Scope 1 and Scope 2 combined) decreased year on year, reflecting continued progress in managing its direct environmental footprint.

To support meaningful year-on-year comparability, the bank also measures its emissions intensity based on full-time employees (FTEs). In 2025, total emissions intensity stood at 4.08 tCO_2e per FTE, calculated using an average workforce of 332 employees. This represents an improvement compared to 5.08 tCO_2e per FTE in 2024, demonstrating enhanced emissions efficiency despite a slight increase in employee numbers.



Total Emissions Intensity:
Scope 1: 5.08 tCO_2e per FTE (324 FTEs)
Scope 2: 4.08 tCO_2e per FTE (332 FTEs)

As part of its ongoing climate strategy, Bank of Sharjah remains focused on strengthening internal systems for emissions monitoring, enhancing data quality, and expanding the scope of climate-related disclosures over time. Future priorities include improving Scope 3 data readiness, embedding climate considerations within operational decision-making, and supporting the transition toward a lower-carbon economy in line with national and global climate ambitions.

04
Social Responsibility

Empowering Employees

Diversity, Equity & Inclusion

At Bank of Sharjah, diversity, equity, and inclusion (DEI) are embedded in our culture and reflected in the way we support, develop, and engage our people. We believe that an inclusive workplace that values different perspectives, backgrounds, and experiences strengthens collaboration, enhances decision-making, and contributes to a positive and respectful working environment.

Gender Diversity and Leadership Representation

We remain committed to maintaining a balanced workforce and supporting equal opportunities for career progression across all levels of the organization. As of 31 December 2025, our workforce comprised 141 male and 161 female employees (excluding front line employees), reflecting a broadly balanced gender representation. This builds on our position in 2024, when women represented 49% of the total workforce, demonstrating continued consistency in gender balance.

53% women across our workforce

19% women in leadership positions

Gender representation across organisational levels in 2025 was as follows:

	Male	Female
Executive level	09	02
Senior Management	33	07
Middle Management	65	110
Mid-level employees	34	42
Front line employees	30 (Male (including office boys))	

Women in Leadership

Women continue to play an increasingly significant role in leadership and management positions. In 2025, women held approximately 19% of senior management and executive level roles combined, highlighting our ongoing focus on developing internal talent, supporting career advancement, and strengthening an inclusive leadership pipeline.

Annie Nadjarian:

Leadership Strengthened by Diverse Perspectives

Annie Nadjarian
Operations Manager

At Bank of Sharjah, gender diversity is reflected not only in workforce representation, but in the diversity of perspectives that shape leadership and decision-making across the organization. Annie Nadjarian, Operational Manager, is one example of how inclusive leadership contributes to stronger teams, effective execution, and long-term organizational resilience.

Her responsibilities span operational coordination, process efficiency, and cross-functional collaboration, contributing directly to organizational stability and service delivery. Annie works closely with teams across the bank to translate strategic priorities into practical execution. Her leadership approach is defined by clarity, accountability, and adaptability, ensuring that operational processes remain efficient while responding to evolving business needs. Through this role, she supports teams in navigating complexity and maintaining high standards across operations.

Alongside operational excellence, Annie recognizes the value that diversity brings to leadership teams. She views gender diversity as a contributor to balanced decision-making and stronger organizational outcomes, particularly in complex and fast-paced environments such as banking.

"Gender diversity brings leadership styles that complement one another, creating stronger teams and a more adaptable, resilient, and future-ready bank."

Reflecting on how leadership has evolved, Annie notes that opportunities today are increasingly guided by capability and performance, rather than by traditional expectations.

"The focus on this topic is highly appreciated, but I believe the world has evolved to a point where opportunities are not limited or defined by gender. Over time, the progress we have seen, women taking on leadership roles at par with men, and sometimes even in higher positions, speaks for itself. My hope is that eventually, discussions about gender will no longer be necessary, as equality and merit will naturally guide opportunities and recognition in the workplace."

She also notes the importance of operating within a broader environment that supports inclusive leadership.

"Being in the UAE gives me confidence, as the environment is increasingly fostering diversity and providing women with meaningful opportunities to lead and excel."

A Multicultural Workforce

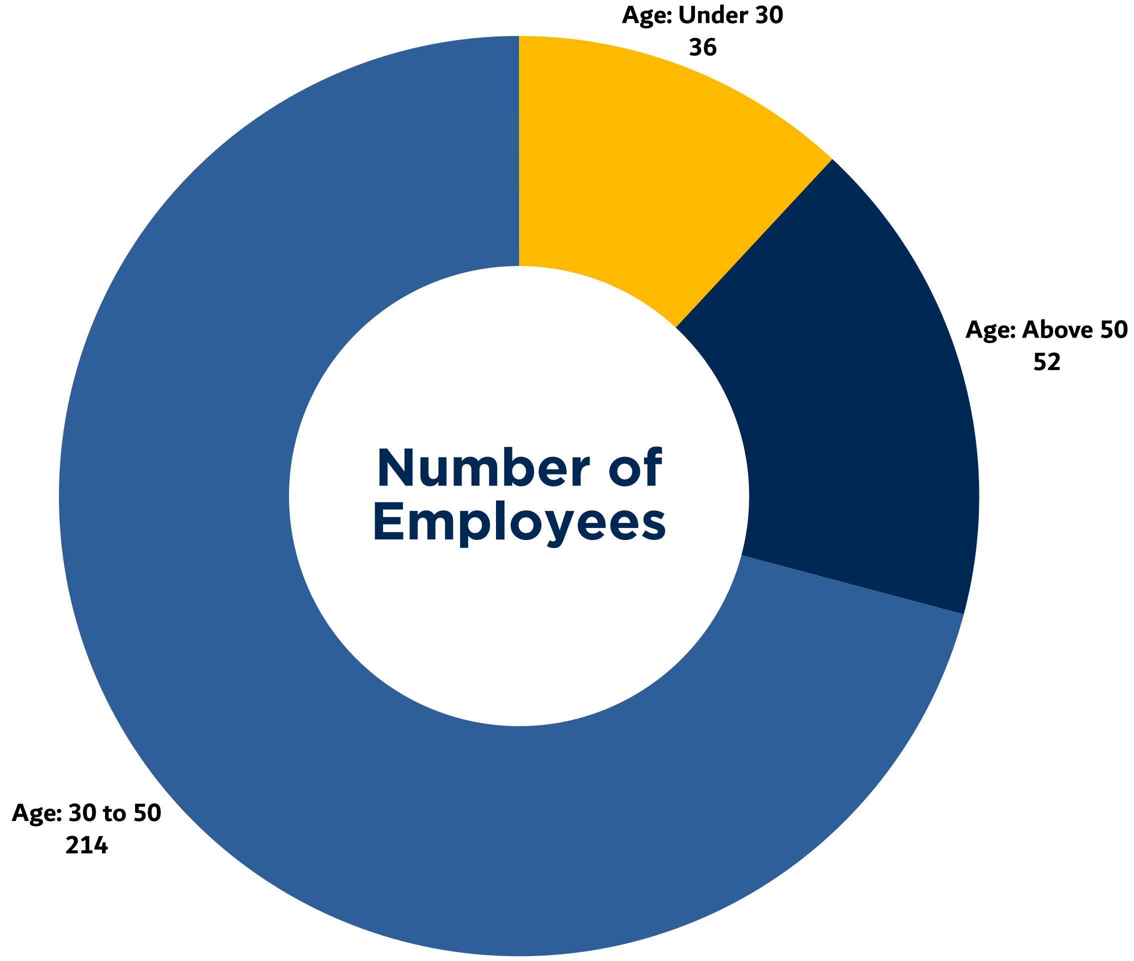
Similar to the UAE's rich cultural diversity, Bank of Sharjah's workforce reflects a broad mix of nationalities, backgrounds, and perspectives. In 2025, employees from 29 different nationalities contributed to the Bank's operations, bringing varied experiences and cultural insights that strengthen collaboration and understanding across the organisation.

This diversity enriches teamwork and supports an inclusive workplace culture built on mutual respect. Working alongside colleagues from different cultures encourages shared learning, open dialogue, and stronger connections across teams

We actively foster inclusion by recognising and celebrating cultural diversity through employee engagement initiatives and cultural observances. Activities such as Ramadan Iftar gatherings, UAE National Day, and Flag Day celebrations provide opportunities for employees to come together, share traditions, and strengthen relationships beyond day-to-day work. These moments contribute to a sense of belonging and reinforce a workplace environment where employees feel respected, valued, and engaged.

A Workforce of All Ages & Experiences

We value a multi-generational workforce and recognise the important role that employees at different stages of their careers play in driving business success. By bringing together experienced professionals and young professionals, we create a balanced environment where institutional knowledge, leadership, and stability are complemented by fresh perspectives, digital fluency, and innovative thinking.



Seasoned banking professionals with multinational and regional banking experience contribute deep industry expertise, leadership, and continuity, while younger employees bring new ideas, technological awareness, and adaptability. This combination supports effective decision-making and ensures the Bank remains agile and responsive in a changing operating environment.

Youth Empowerment and Talent Development

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At the end of 2025, 38 employees were below the age of 30. Of these, 8 new employees in this age group joined the Bank in 2025, 5 of which were recent graduates from universities, reflecting continued engagement with young professionals entering the workforce.

Supporting Future Talent

Our commitment to developing future talent extends beyond the organisation. In 2025, Mrs. Amina Al Halwaji, Chief Human Resources Officer, was appointed to the Career Services Advisory Board at the American University of Sharjah School of Business Administration. This appointment reflects our ongoing contribution to human capital development and our dedication to supporting the UAE's educational landscape through collaboration with leading academic institutions. Additionally, the Bank also participated in the MASAR Career Preparation Program at the American University of Sharjah, delivered in collaboration with the Ru'bu Qarn Foundation for Young Leaders.

The initiative focused on empowering young Emirati talent through practical career guidance and exposure to private sector opportunities. As part of the programme, Mrs. Amina Al Halwaji contributed to a panel discussion titled "Emiratis in the Private Sector" where she shared valuable insights on the evolving role of Emirati nationals in the private sector, and conducted mock interviews to help students gain confidence and better understand employer expectations. This meaningful engagement is a testament to our deep commitment to Emiratization, education, and impactful partnerships that shapes the next generation of the UAE leaders.

Youth Perspectives: Building Skills, Confidence, and Experience

Maitha Alamiri, a graduate of the Higher Colleges of Technology with a specialisation in Graphic Design, joined Bank of Sharjah through the Bank's graduate programme. The programme offered a structured entry point into the organisation, allowing her to move from an academic environment into a professional banking setting in a supported and progressive manner.

During the programme, Maitha was involved in a range of tasks and projects across functions, helping her build an understanding of corporate operations, communication standards, and professional expectations. This exposure allowed her to develop transferable skills such as time management, problem-solving, and working effectively within cross-functional teams.

"The programme exposed me to different departments and workflows, giving me a broader understanding of how the Bank operates and how various functions work together to achieve shared objectives."

In addition to structured learning, ongoing guidance played an important role in her development. Access to experienced colleagues helped reinforce learning and provided clarity as she navigated new responsibilities.

Maitha Alamiri
Treasury Operations Analyst – CBO

"From the beginning, my impression of the Bank was very positive, particularly in terms of professionalism, teamwork, and the support provided to new joiners. Over time, this impression grew stronger as I experienced a collaborative culture where learning and development are genuinelyencouraged.

I had the opportunity to work with supportive managers and colleagues who were always willing to share their knowledge and provide guidance. Their encouragement and mentorship played an important role in supporting my professional growth."

Dania Al Hashmi
Analyst - Credit Card Unit

A similar experience is reflected by Dania Alhashmi, who holds a Bachelor's degree in Applied Media (Graphic Design), and joined Bank of Sharjah in 2025 as a full-time employee through exhibitions. She currently works in Cheque Inward Clearing and gained early exposure to the bank's operations through departmental rotations.

The rotation structure allowed Dania to observe different workflows, understand interdependencies between teams, and build a broader view of how the bank functions beyond her immediate responsibilities.

> **"What really drew me to this role was the chance to learn while working. The bank provides a lot of guidance and support, and they set up rotations so I could spend time in different departments and get a feel for how everything works. That made it a great place to start my career."**

Dania also highlights the importance of a work environment where learning is embedded into daily operations. The openness of colleagues and managers enabled her to ask questions, build confidence, and grow through practical experience.

> **"From day one, I felt welcomed. Everyone was approachable and willing to teach me, which made the transition (into the workplace) much easier."**

Emiratisation Focus

Bank of Sharjah continues to advance the UAE's national priorities by embedding Emiratisation into its workforce planning and talent development approach. Guided by the Central Bank of the UAE's requirements and the national target of achieving 32% Emirati representation, we focus on building a strong pipeline of UAE nationals across both specialist and leadership roles.

Our approach combines targeted hiring, structured capability-building, and clear progression pathways, supporting Emirati employees in developing long-term, impactful careers within the Bank.

Emirati Representation

As of 31 December 2025, UAE nationals represented a significant proportion of the Bank's workforce:

32% Emirati representation among employees

99 Emirati Nationals in our workforce

30% Emirati representation among senior leadership

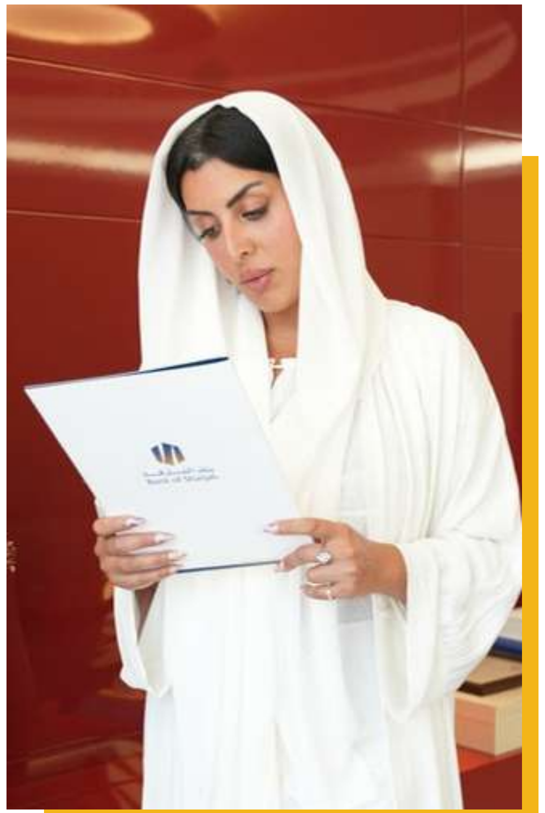
This marks a notable increase compared to 2024, when UAE nationals constituted 29% of the total workforce and 13% of senior management, reflecting continued progress in strengthening Emirati representation, particularly in leadership positions.

Creating an Environment Where Emiratis Thrive

Beyond representation, our focus is on creating an environment where Emirati professionals can develop expertise, take on responsibility, and progress into leadership roles. We support this through structured development initiatives, sponsorship of professional qualifications, exposure to strategic projects, and succession planning for key roles.

Cultural engagement also plays an important role in fostering pride, belonging, and connection. In 2025, we marked UAE Flag Day through Bank-wide engagement activities that celebrated national identity and unity. We also celebrated 50 years of Emirati Women's leadership and inspiration by highlighting the contributions of Emirati women across the organisation through internal and external communications, reinforcing their role as strong partners in the Bank's continued progress.

We actively acknowledge the achievements of Emirati employees who demonstrate innovation, professionalism, and leadership. In 2025, we proudly recognised Zahra Ali from the Internal Audit team, who won first place in the UAE Internal Auditors Association Poster Design Competition, held as part of Internal Audit Awareness Month. Her work, developed under the theme "Forward-Looking Internal Audit Function in a Digital and AI Era", was recognised for its creativity, clarity, and forward-thinking insight, earning her an invitation to attend the upcoming UAE IAA Conference. This achievement reflects our commitment to learning, innovation, and professional growth among Emirati talent.



Emirati Leadership Perspective

The Bank's approach to Emiratisation is reflected in the experience of Adnan Sajwani, Acting Chief Compliance Officer, who has over two decades of experience in the UAE banking sector.

Adnan joined Bank of Sharjah drawn by its strong governance culture and local roots. In his role, he oversees regulatory compliance and works to embed ethical conduct and risk awareness across the organisation. He reflects on his experience as an Emirati professional at the Bank:

> **"What really drew me to this role was the chance to learn while working. The Bank provides a lot of guidance and support, and they set up rotations so I could spend time in different departments and get a feel for how everything works. That made it a great place to start my career."**

Adnan Sajwani
Acting Chief Compliance Officer

Adnan highlights that Emiratisation at the Bank goes beyond hiring targets, focusing instead on long-term capability building:

> **"The Bank creates pathways for Emirati professionals to grow into strategic roles. This includes supporting professional qualifications, encouraging participation in industry forums, and ensuring exposure to senior leadership"**

Adnan shares the following advice for young Emiratis considering a career in banking:

> **"As you begin your career, it's essential to be curious and proactive. Don't wait for knowledge to come to you; actively seek it out. Each of us needs to strive to understand more than just our daily tasks; we must learn the business reasons behind them. Ask yourself: How does my role connect to the customer, the bank's strategy, or the UAE's economic goals? Finally, build your professional character early. In banking, your reputation for integrity, reliability, and ethical judgment is your most valuable asset."**

He also points to a structured leadership development initiative aimed at preparing Emirati employees for senior roles, which has already resulted in several promotions into management and head-of-department positions. Reflecting on what distinguishes Bank of Sharjah's approach, Adnan notes:

> **"Supporting national talent feels like a natural part of the Bank's DNA. It's not about short-term rotations, but about giving Emiratis meaningful roles where they can build deep expertise and become future leaders of this institution.**
>
> **Emirati professionals in banking are not just participants in the sector, we are its stewards. Our role is to bridge deep local understanding with global excellence to build a resilient, innovative, and trusted financial future for the UAE."**

Employee Health, Safety & Well-being

We recognise that our employees are at the heart of our organisation, and their health, safety, and well-being are fundamental to creating a supportive and inclusive workplace. Our approach focuses on ensuring that employees feel safe, supported, and able to balance their professional responsibilities with their personal lives. By prioritising well-being, we aim to create an environment where our people can thrive, feel valued, and perform at their be

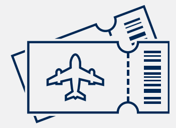
Employee Benefits and Well-Being Support

We provide a comprehensive benefits package to support employees' physical, emotional, and financial well-being throughout different stages of their lives. All full-time employees are entitled to 30 days of annual leave, medical and life insurance, and an annual air ticket to their home countries. We also support employees who wish to pursue further education by contributing to eligible educational expenses, enabling both personal development and long-term career growth.

Recognising the importance of family, religious, and community commitments, we offer seven days of paid leave for marriage and Hajj, as well as one additional day of paid leave each year for volunteering activities, encouraging employees to remain connected to their families and communities.

Thirty days of annual leave

Medical and life insurance



Annual air ticket to employees' home countries

Contributing to educational expenses

Seven days of paid leave for marriage and Hajj

Annually one extra day off for volunteering activities

Occupational Health and Safety

We are committed to maintaining a safe and healthy working environment for all employees. Our Occupational Health and Safety (OHS) processes applies to all employees, including full-time and probationary staff, and covers all work activities and workplaces under our control, including offices, operational sites, and official locations where employees perform work on behalf of the Bank.

OHS matters are managed internally, with employee health, safety, and well-being needs addressed on a case-by-case basis. We aim to respond practically and sensitively to individual circumstances.

For example, where an employee was unable to sit for extended periods due to a medical condition, we provided a height-adjustable workstation to support flexible sitting and standing throughout the workday.

In 2025, the work-related injury frequency rate was zero, reflecting the absence of reported workplace injuries during the reporting period.

Mental Health and Well-Being

We recognise the importance of mental well-being and aim to ensure that employees feel comfortable seeking support when needed. Employees have access to confidential counseling services provided by our insurance partners, available online to allow private and secure access to professional support.

We also encourage open and respectful communication, enabling employees to raise personal or work-related concerns confidentially with HR or their supervisors, who handle such matters with discretion and care. Where appropriate, guidance is provided on accessing external professional support.

There were no recorded cases of absenteeism due to mental health concerns during the reporting period. Overall well-being is monitored through attendance and HR records, and we continue to promote awareness of available support channels.

Through our partnership with our insurance provider, we keep employees informed and engaged by receiving periodic wellness newsletters. These newsletters, covering topics such as health tips, stress management, and work-life balance strategies, serve as a valuable resource to support employees' well-being both at work and in their personal lives.

Work-Life Balance

We believe that a healthy work-life balance is essential to employee well-being. We actively promote a workplace culture that discourages working beyond regular hours and encourages employees to leave on time, supporting rest, personal interests, and family commitments. This approach helps employees maintain balance while sustaining engagement and productivity.

As part of our broader focus on employee well-being and engagement, Bank of Sharjah also encourages participation in activities that promote physical health, resilience, and team connection beyond the workplace.

In 2025, a number of Bank of Sharjah team members and their families proudly represented the Bank at the HYROX Sharjah Challenge, a globally recognised fitness event combining an 8 km run with strength and endurance workouts. Participation in initiatives such as HYROX supports an active lifestyle, builds resilience, and fosters camaraderie through shared experiences. We view these moments as an extension of our commitment to creating a positive workplace culture that strengthens connections, reflects our values, and supports personal growth and well-being.

Parental Leave

We support our employees during key life stages by providing parental leave in line with applicable regulations and by fostering a supportive and inclusive return-to-work environment.

In 2025, 22 employees availed parental leave, comprising 14 male and 8 female employees. Of those who took parental leave, 18 employees returned to work, and all employees who returned remained with the Bank 12 months after returning from parental leave, reflecting strong post-leave retention.

Additionally, nursing mothers are entitled to two daily breaks, totaling one hour, for breastfeeding. This entitlement lasts for six months following the date of delivery and is fully paid, in line with UAE labor laws.

Continuous Learning & Development

We place strong emphasis on developing the skills and capabilities of our people, recognising that continuous learning plays a central role in supporting performance, resilience, and long-term organisational success. Our learning and development initiatives are designed to respond to evolving business needs while supporting individual growth across the organisation.

Bank of Sharjah's learning and development strategy combines mandatory and voluntary training, delivered through a mix of in-person sessions and digital learning platforms, including Intuition, KnowBe4, and Dolphin. This blended approach ensures accessibility across employee groups and supports continuous upskilling at all levels of the organisation.

Key Training Programmes Delivered in 2025

Training in 2025 focused on risk, compliance, governance, and operational effectiveness, and included the following programmes:

KnowBe4 Security Awareness Training	UAE Anti-Money Laundering (AML) Training	Data Protection for Executives Training
Fraud Awareness Training	Introductory Training Programme – EIF	Measurement and Reporting Training
Operational Risk Training	Spot the Phish Game (Foundational)	Debt counselling Training
Operational Risk Training	Measurement and Reporting Training	Application for CRISC certification Training

These programmes were delivered across senior management, middle management, and other employee categories, with participation from both male and female employees. The average number of training hours per employee during the reporting period was a minimum of 4 hours and above, spread across male and female employees equally, reflecting balanced access to learning opportunities across the workforce.

In 2025, compliance with mandatory training was recorded. Training activity in 2025 continued to prioritise targeted programmes aligned with regulatory requirements, risk management, and operational effectiveness.

Supporting Further Education

In addition to internal training programmes, Bank of Sharjah supports employee development through its Educational Assistance Policy, enabling employees to pursue higher education and professional certifications. The Bank contributes to eligible educational expenses, supporting career progression and long-term capability building.

In 2025, four employees successfully completed and were awarded the following professional qualifications by accredited certification bodies:

- Certified Anti-Money Laundering Specialist (completed by 2 employees)
- Certified Fraud Examiner
- Certified Information Privacy Manager

By linking learning and development initiatives to both individual development and organisational objectives, the Bank aims to maintain a skilled and informed workforce capable of supporting its strategic priorities and regulatory obligations.

Talent Attraction & Retention

We recognise that attracting and retaining skilled, motivated employees is essential to sustaining long-term performance and organisational stability. Our approach to talent attraction and retention is grounded in fairness, inclusivity, and meritocracy, supported by clear development pathways and a workplace culture that encourages long-term commitment.

Talent Acquisition & Recruitment Strategy

Our recruitment approach is designed to attract professionals who align with the Bank's values and contribute positively to its culture and long-term objectives. We strengthen our employer brand through career campaigns and engagement with universities, while offering competitive compensation and clear development pathways to support career progression.

We engage a range of recruitment channels to reach a broad and diverse talent pool, including career fairs, employee referrals, professional platforms such as LinkedIn, internship-style exposure through graduate hiring, and specialised recruitment agencies for niche and technical roles. Engagement with universities includes participation in career fairs, building relationships with students and faculty, and sharing information on career opportunities and development pathways within the Bank.

All hiring processes comply with UAE labour laws and follow structured screening, interview, and background check procedures. To support a diverse and inclusive hiring process, we use clear and transparent job descriptions, mixed interview panels, and periodic reviews of hiring data to help ensure equitable outcomes for all applicants.

Career Fairs	Referrals	Advertisements	Internships	Recruitment Agencies
Engaging with young professionals and fresh graduates.	Encouraging employee-referred candidates.	Utilising platforms such as LinkedIn to reach a broad talent pool.	Providing practical exposure to students and young professionals.	Engaging external experts for specialised roles.

Hiring & Retention Trends

In 2025, the bank continued to attract skilled professionals while maintaining stability within its workforce. At the start of the year, we comprised 324 individuals (including front line employees). Over the course of the year, we welcomed 37 new employees, reflecting our ongoing approach to talent acquisition, while 29 employees exited the organization during the reporting period. Recruitment during the year included both male and female employees, reflecting our commitment to providing equal opportunities and maintaining a diverse and inclusive workplace.

2025

	Employees at FY Start	New Hires	Exits
Male	141	23	12
Female	161	14	17

2024

	Employees at FY Start	New Hires	Exits
Male	158	21	14
Female	155	20	16

Workforce movement by age group also remained controlled and balanced. Employees below 30 years recorded 8 hires and 4 exits, resulting in net growth and supporting early-career talent development. The 30–50 age group, representing the core workforce, saw 23 hires and 16 exits, indicating steady renewal while maintaining operational continuity. Movement among employees above 50 years remained limited, reflecting strong retention of experienced professionals and continuity in senior expertise.

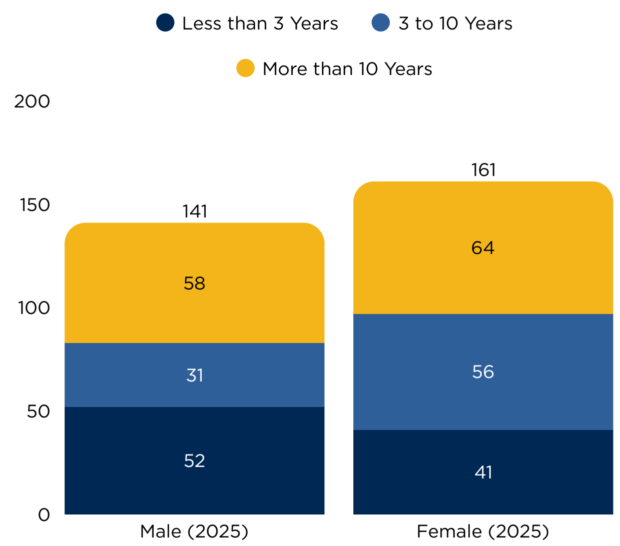
2025

Below 30 years old	**36** Employees at FY Start	**08** New Hires	**04** Exits
30-50 years old	**214** Employees at FY Start	**23** New Hires	**16** Exits
Above 50 years old	**52** Employees at FY Start	**06** New Hires	**09** Exits

Employee Tenure

Bank of Sharjah continues to prioritise long-term employee retention while creating opportunities for career development that encourage commitment and progression. In 2025, approximately 44% of employees had been with the Bank for more than 10 years, reflecting a stable and supportive work environment. At the same time, the presence of employees with less than three years of tenure highlights continued investment in new talent, while the strong representation of long-serving employees demonstrates the effectiveness of our retention approach.

Overall, the average employee tenure of 10 years highlights sustained employee engagement and the Bank's ability to retain talent over time. This tenure profile demonstrates a balanced workforce that combines experience and stability with the integration of new skills and perspectives.



Employee Satisfaction

We place strong emphasis on staying connected to our employees and understanding their experience at work. Engagement and satisfaction are monitored through regular manager interactions, attendance patterns, and active participation in workplace initiatives such as blood donation drives, book fairs, and career fairs. These moments of involvement provide valuable insight into how employees connect with the Bank beyond their day-to-day roles.

Rather than relying on formal surveys, leadership maintains open and continuous dialogue with teams through regular discussions and day-to-day interaction. This direct approach allows feedback to be shared openly and addressed in a timely and practical manner, supporting a responsive and inclusive working environment.

We also recognise that appreciation plays an important role in engagement. High-performing employees are acknowledged through performance-based bonuses, appreciation certificates, and opportunities for professional development and career progression. Together, these practices help foster a culture where employees feel recognised, motivated, and encouraged to grow with the Bank.

05

Enhancing customer experience & engagement

Supporting Customers Through Generations

At Bank of Sharjah, we focus on building long-term, trusted relationships by ensuring our products, services, and engagement models evolve in line with changing customer needs, market dynamics, and regulatory requirements. We continuously monitor customer sentiment, emerging financial behaviours, and regulatory developments, translating these insights into enhancements across our service offering, operational processes, and digital capabilities.

As part of this approach, we regularly review internal operations to streamline customer journeys, strengthen digital channels, and respond to evolving expectations around accessibility, efficiency, and service quality. These efforts support our objective of remaining relevant to both long-standing customers and new client segments, while maintaining the relationship-driven banking model that underpins our identity.

Customer Relationship Tenure (as of 31 December 2025)

The longevity of our customer relationships reflects the trust placed in Bank of Sharjah as a stable, reliable, and long-term financial partner. The below data is calculated based on the period from the customer account opening date (relationship start date) through to 31 December 2025.

Customer Segment	Total Customers (2025)	Up to 10 Years	Over 10 Years	Over 20 Years
Number of corporate customers	1,947	1,286	418	243
Number of individual customers	10,100	6,228	2,740	1,132
Combined total of company and individual relationships	**12,047**	**7,514**	**3,158**	**1,375**

A Multi-Generational Partnership: Dimas General Contracting & Dimas Concrete Products Factory

For more than four decades, Dimas General Contracting LLC and Dimas Concrete Products Factory LLC have maintained a long-standing banking relationship with Bank of Sharjah. What began as a traditional banking arrangement has evolved into a trusted partnership that has supported the family business through multiple generations, periods of expansion, and significant industrial growth.

The Dimas family has worked with Bank of Sharjah for around 45 years, and attributes this continuity to four key principles that have consistently shaped their experience with the Bank: transparency, professionalism, accuracy, and mutual respect. In their words:

Transparency in the Bank's dealings, professionalism in managing transactions, a consistently high level of accuracy, and mutual respect have been the foundation of our long-standing relationship with Bank of Sharjah.

The family also highlights the Bank's ability to remain relevant in a rapidly changing financial landscape. They credit BoS with continuously modernising its systems while maintaining a client-centred approach.

Bank of Sharjah has consistently demonstrated excellence in serving its clients. The Bank has adapted to our needs and to the financial market by adopting modern systems and technologies, keeping pace with rapid digital advancements

Beyond day-to-day banking, the relationship has been characterised by close collaboration and advisory support, particularly during complex transactions related to industrial expansion and manufacturing. The Dimas leadership recalls that the Bank's team regularly went beyond standard banking services:

The bank's team was always fully prepared to go the extra mile to ensure work was delivered to the highest standards.

They describe how BoS supported them not only through financing, but also through strategic guidance when importing equipment and machinery for large-scale manufacturing facilities. This included active participation in negotiations with suppliers and ensuring that the company's interests were safeguarded.

Sustainability has become an increasingly important part of the Dimas business model. As a real estate and construction-focused group, the company integrates sustainable principles into its developments.

As real estate is our core line of business, we integrate sustainability into our approach to development and construction. Our buildings are designed to use recycled materials, improve energy efficiency, reduce utility costs, expand green spaces, and incorporate sustainable solutions for ventilation, heating, and cooling.

When reflecting on what differentiates Bank of Sharjah from other banks, the family emphasises the quality of the Bank's people. They describe BoS employees as trusted advisors who deeply understand their business and long-term strategy, providing both financial stability and strategic confidence. In their own words:

Over time, our relationship with Bank of Sharjah has become more than just banking; it feels like a genuine partnership built on trust, respect, and personal connection.

Financial Inclusion & Accessibility

Bank of Sharjah recognises that financial inclusion is fundamental to social and economic resilience. As digital banking accelerates across the UAE, we are committed to ensuring that no customer is left behind; including low-income earners, blue-collar workers, elderly customers, and People of Determination.

In 2025, we strengthened both the reach and usability of our services, moving beyond physical access in underserved areas (a key focus in 2024) to a more holistic approach that combines branch accessibility, inclusive digital design, and assistive technology.

Supporting low-income customers

A segment of Bank of Sharjah's clientele includes individual and retail customers, among them a large number of salaried employees earning below AED 5,000 per month, as well as customers from underbanked and blue-collar backgrounds. Within this group, 78% of salaried individual customers earn below AED 5,000 per month, based on all individual customers whose source of income is recorded as "Salaried Employee" with a non-zero monthly salary, where 5,633 out of 7,218 customers fall within this income bracket.

This reflects the Bank's continued role in serving lower-income segments who rely on accessible, affordable, and reliable banking services. Consistent with our approach in 2024, Bank of Sharjah has maintained a strong focus on inclusive banking by applying fee waivers for accounts held by employees of our corporate clients where applicable, offering appropriate low-cost account options, and ensuring clear communication of fees and charges in line with CBUAE consumer protection requirements. These measures support financial stability and help ensure that essential banking services remain within reach for all customers.

From physical access to inclusive design

Building on progress made in 2024, when the Bank strengthened physical access in underserved areas such as Mussafah by providing PoD-friendly ATMs and branch facilities, 2025 saw an expansion of accessibility efforts beyond infrastructure to include clearer information and more inclusive digital design. The Bank's website has been enhanced to explicitly reference disability access available across BoS branches, enabling People of Determination to better understand available support before visiting in person.

To further promote inclusive access as the Bank advances its digital capabilities, a number of accessibility improvements were introduced in 2025:

Accessible ATMs

All ATMs are now equipped with braille keypads and voice capabilities to support visually impaired customers in completing transactions independently.

Simplified digital journeys

The Bank has introduced simplified layouts with fewer on-screen elements and guided step-by-step navigation to make digital services easier to use for customers with limited digital literacy.

Website accessibility features

The BoS website offers dedicated accessibility options, including adjustable text spacing, enhanced colour contrast, browser zoom compatibility, and screen reader functionality to support elderly users and customers with low vision.

Improved security usability

Password-reset journeys have been streamlined to reduce friction and improve the user experience for all customers, particularly those less familiar with digital platforms.

These initiatives mark an important evolution from 2024, when accessibility efforts were primarily branch-based, toward a more integrated model in 2025 that combines physical accessibility with inclusive digital design.

Looking ahead, as Bank of Sharjah continues to build its Retail Banking proposition, the Bank will further embed financial inclusion into product design, branch services, and digital platforms.

This will include deeper consideration of low-income customer needs, continued enhancement of accessibility features, and alignment with national priorities on inclusion for People of Determination. Through this balanced approach, Bank of Sharjah aims to strengthen its role as a bank that serves all members of society while advancing innovation responsibly.

Digital Transformation

Bank of Sharjah's digital transformation strategy continues to center on innovation, efficiency and an improved customer experience. By strengthening its digital platforms, modernising internal systems and expanding online service capabilities, the Bank is redefining how customers manage their financial needs. In 2025, 75 percent of all customer payments were conducted through digital channels compared to 69 percent in 2024, reflecting a clear shift toward convenient, secure and accessible digital banking solutions. This growth further reduces reliance on physical branches and supports the Bank's sustainability ambitions by lowering travel-related emissions.

75%

of customer payments were conducted through digital channels versus 69% in 2024

Online and Mobile Banking Advancements

In 2025, Bank of Sharjah continued to strengthen its digital banking ecosystem through targeted enhancements designed to make banking faster, simpler, and more intuitive for both individual and corporate customers. The Bank expanded the range of services available through digital channels, enabling customers to access an increasing number of services electronically. Customer adoption continued to grow, with new users able to complete their onboarding fully through digital processes.

In response to evolving customer expectations, the Bank introduced several new features to further enhance digital self-service capabilities. Customers can now open Fixed Deposit accounts directly through eBOS, instantly view deposit certificates, and conveniently check or settle SEWA bills through the platform.

Corporate clients also benefit from improved functionality, including the ability to track and cancel pending transactions in real time, enabling more streamlined financial management and greater operational transparency.

Looking ahead, the Bank is planning the rollout of a full digital lifecycle, covering account opening, loan processing, complex credit workflows, trade finance, treasury services, in-app strong customer authentication and AI-driven decisioning and behavioural analytics. These planned developments will significantly elevate the customer experience and support the Bank's long-term digital strategy.

E-Channels Solution

A major milestone in 2025 was the improvements implemented to the e-Channels solution, which now serves as the central engine behind Bank of Sharjah's omnichannel banking experience. The platform enables complete integration across mobile banking, internet banking and ATMs, allowing customers to move between channels with ease while benefiting from a consistent interface and feature set. Real-time data synchronisation ensures that information is updated instantly across all touchpoints, reducing friction and enhancing reliability for customers conducting day-to-day transactions.

Significant backend enhancements were also completed during the year, including upgrades to the Bank's unified middleware layer. These improvements have streamlined service flows, shortened processing times and enabled faster rollout of new digital features across all channels at once. With this infrastructure in place, customers receive a smoother, more intuitive experience whether they choose to bank online, through the mobile app or at an ATM.

AI and Machine Learning

AI and machine learning continue to play an increasingly important role in strengthening Bank of Sharjah's operational resilience and enhancing the security of its digital ecosystem. In 2025, the Bank expanded the use of advanced analytics to support critical functions such as cyber threat detection.

AI-driven models now help identify unusual patterns, flag high-risk transactions and enable faster, more accurate decision-making, contributing to a more robust compliance framework. These technologies also enhance the Bank's cybersecurity posture by detecting emerging threats in real time and reducing vulnerabilities across digital channels.

Empowering Customers Through Digital Education

As digital banking adoption continues to grow, Bank of Sharjah remains committed to ensuring that all customers can confidently navigate and benefit from its digital channels. In 2025, the Bank expanded its efforts to make digital banking more accessible, particularly for customers who may be less familiar with online and mobile services.

To support this transition, the Bank provides step-by-step instructional videos that guide users through key digital banking functions, such as onboarding, adding beneficiaries and completing transfers. These resources make it easier for customers to learn at their own pace and build confidence in using digital services. The Bank also continues to enhance the usability of its digital channels through intuitive design features, such as biometric login and simplified navigation.

Recognising the linguistic diversity of its customer base, the Bank ensures that its website and ATM network offer full support in both Arabic and English, making digital banking accessible to a multi-ethnic community. Educational content is also shared regularly across social media platforms, offering practical guidance on safe digital banking practices and promoting CBUAE awareness campaigns on cyber-safety & security.

Building Employee Digital Capability

Recognising that a resilient digital strategy depends on a skilled and future-ready workforce, Bank of Sharjah has strengthened its efforts to enhance employee digital capability in 2025. A key focus has been role-based digital training, with tailored learning paths designed for front-line teams, back-office staff, business units and IT functions. These programmes give employees the specific competencies they need to navigate evolving systems, tools and customer expectations. The Bank also strengthened its mentorship and peer-learning initiatives, enabling more experienced or tech-confident staff to support colleagues through guided practice, knowledge-sharing and hands-on learning.

To sustain long-term capability development, the Bank continued to embed a culture of continuous learning across the organisation. Employees participate in regular digital-skills refreshers and micro-learning modules that help them stay current with emerging technologies, best practices and security requirements. This ongoing investment ensures that the workforce remains confident, adaptive and prepared to deliver high-quality service in an increasingly digital banking environment.

Sustainability Through Digitalisation

Bank of Sharjah continues to advance its sustainability goals by expanding digital solutions that reduce resource consumption and promote more efficient operations. In 2025, the Bank strengthened its digital infrastructure to minimise paper usage and support environmentally responsible practices.

The digitisation of key customer documents, including Term Deposit certificates, advices, account statements and credit card statements, has significantly reduced reliance on printed materials.

Enhancements to Internet Banking and the eBOS Mobile App have further encouraged customers to complete transactions online, offering convenient access to statements, certificates, payment details and an expanded range of transfer and bill payment options.

Operational processes have also become more efficient through the automation of domestic payments via Straight-Through Processing (STP), reducing manual handling. Additionally, continued virtualisation of systems has reduced dependence on energy-intensive on-premise hardware.

Future Outlook

Bank of Sharjah's digital transformation agenda will continue to focus on building a modern, scalable and customer-centric banking ecosystem. In the coming 3-5 years, the Bank plans to modernise its core technology by upgrading legacy systems and adopting cloud-based capabilities and API-driven architectures that improve agility and support future growth.

Customer experience will remain a key priority, with ongoing efforts to deliver more personalised, seamless and data-informed journeys across all digital channels. In parallel, the Bank will advance its open banking capabilities in line with CBUAE initiatives, shifting towards a partner-centric model supported by APIs, modular services and ecosystem collaboration.

Sustainability considerations will be further embedded into the digital strategy, particularly through initiatives that reduce operational carbon footprint and enable green finance solutions. The Bank also intends to strengthen cost efficiency by aligning digital transformation with automation, process simplification and operating model enhancements.

Cybersecurity and resilience will continue to be central to the Bank's roadmap. Investments in advanced security tools, data protection technologies and enhanced regulatory compliance will ensure that customers benefit from a secure, reliable and future-ready digital banking environment.

Leadership Spotlight: Wahida Assaad's story

Wahida Assaad (Head of Information Technology & Information Security) has played a central role in shaping Bank of Sharjah's digital transformation initiatives. Reflecting on what propelled her toward leading this effort, she explains,

"My inspiration came from the opportunity to modernize our core technology and create real impact across operations, customer experience, cybersecurity, and sustainability." For Wahida, digital transformation is successful only when technology becomes "a strategic enabler, delivering agility, security, efficiency, and value for both business and ESG objectives."

Her leadership philosophy is grounded in clarity, collaboration and empowerment:

"Transformation must be people-centered,"

she notes, emphasising the importance of a strong operating model, cost efficiency,and simplified processes that allow innovation to scale sustainably. She believes that the effectiveness of any major transformation is tied to the way people work together and to the systems that support them.

Sustainability is woven throughout the bank's digital agenda—a connection Wahida describes clearly:

"The bank's digital transformation focuses on modernizing core systems, enhancing customer experience,and embedding sustainability."

This includes promoting paperless operations, improving efficiency, and enabling future opportunities in green finance. Digitalisation, in her view, is not just a technological upgrade; it is a pathway that aligns directly with the bank's long-term ESG vision.

One of her biggest learnings as a technology leader has been understanding that transformation extends far beyond systems and tools:

"It is about alignment between people, governance, and purpose," she says. "Innovation must go hand in hand with cybersecurity, resilience, and regulatory compliance."

These principles have guided many of the bank's key achievements in recent years, including advances in data-driven operations, cybersecurity frameworks, and Straight-Through Processing (STP).

Looking to the future, Wahida sees clear areas where Bank of Sharjah can lead regionally:

"We are well positioned to lead in secure digital payments, cybersecurity maturity, and API-enabled open banking that supports partnerships and customer-centric innovation."

Her vision for the bank's digital future is concise and forward-looking:

"A secure, agile, and sustainable bank powered by innovative solutions."

And at the heart of that vision is a belief that technology is essential to enabling progress. As she says,

"Technology is essential to building a more efficient, inclusive, and environmentally responsible banking future."

Responsible Marketing & Fair Products

Bank of Sharjah is committed to upholding high standards of fairness, transparency, and integrity in its marketing practices and product communications. Ensuring that customers receive clear, accurate, and reliable information remains a core principle embedded in the Bank's operations.

Our approach continues to align with the Central Bank of the UAE (CBUAE) Consumer Protection Framework, which sets out requirements to safeguard customer rights and promote responsible banking practices.

Fair treatment of customers

The Bank's commitment to responsible conduct is guided by its General Principles for Fair Treatment of Customers, which govern interactions with clients across all business activities. In 2025, this commitment was further reinforced through the implementation of a Consumer Education and Awareness (CEA) Plan, which sets out structured initiatives to enhance customer understanding of financial products, risks, and rights. Senior management oversees the application of these principles, and relevant functions ensure that marketing and customer communications remain compliant with regulatory expectations.

Through the CEA Plan, Bank of Sharjah expanded its focus on customer education using multiple communication channels, including SMS messages, email marketing (eDMs), and social media platforms. These initiatives are designed to help customers better understand their rights and responsibilities as financial consumers, while also raising awareness of key risks such as fraud, scams, and digital security threats. This represents an evolution from 2024, when customer education focused primarily on fraud awareness and in-branch digital support; in 2025, the Bank adopted a more structured, multi-channel engagement approach to reach a broader customer base.

Ethical marketing and advertising

Bank of Sharjah ensures that its marketing and advertising practices are ethical and free from misleading or deceptive claims through a formal internal approval process. All marketing and advertising materials, including language, visuals, and messaging, are reviewed and approved by relevant stakeholders prior to publication or distribution, ensuring alignment with CBUAE regulations and internal governance standards.

When products are communicated to customers, Bank of Sharjah is committed to using clear, plain-language explanations that outline key terms, fees, and risks, ensuring customers can make informed financial decisions.

Product Disclosure and Marketing Compliance

Bank of Sharjah recorded no incidents of non-compliance related to product information, labeling, or marketing communications during the 2025 reporting period, including:

Incidents resulting in fines or penalties	Incidents resulting in warnings	Incidents related to voluntary codes
NIL	NIL	NIL

This is consistent with the Bank's 2024 performance and reflects its continued commitment to regulatory compliance and responsible marketing practices.

06

Supporting communities

Corporate Social Responsibility (CSR)

For over 50 years, Bank of Sharjah has embedded Corporate Social Responsibility (CSR) at the heart of its business, fostering long-term partnerships, humanitarian support, and community development. Our approach to CSR extends beyond philanthropy; it is about creating sustainable social value, empowering vulnerable groups, and promoting inclusion, education, and safety across the UAE.

In 2025, Bank of Sharjah's total CSR investment amounted to AED 1.6 million, directed toward initiatives that support People of Determination, inclusive education, community well-being, and public safety.

These contributions reflect the Bank's continued commitment to meaningful and measurable social impact, aligned with national priorities and stakeholder needs.

Throughout the year, Bank of Sharjah strengthened collaboration with trusted partners that share its social priorities, combining financial support with active engagement to deliver tangible benefits forcommunities across the UAE.

Dubai Centre for Special Needs

In 2025, Bank of Sharjah continued its long-standing partnership with the Dubai Centre for Special Needs (DCSN), reaffirming its commitment to social responsibility, inclusion, and meaningful community engagement in support of People of Determination. During the year, the Bank supported key DCSN events that reflect shared values of unity, empowerment, and national pride. The UAE National Day Celebration provided an inclusive platform for students to showcase their creativity and cultural identity through performances and activities honoring Emirati heritage, reinforcing the importance of participation and belonging.

Bank of Sharjah also contributed to the success of DCSN's Family Winter Fair, a cornerstone community event that brought together students, families, and partners in a welcoming and vibrant environment. The fair offered interactive activities and festive experiences that strengthened family bonds and fostered a sense of togetherness across the DCSN community.

Sharjah City for Humanitarian Services

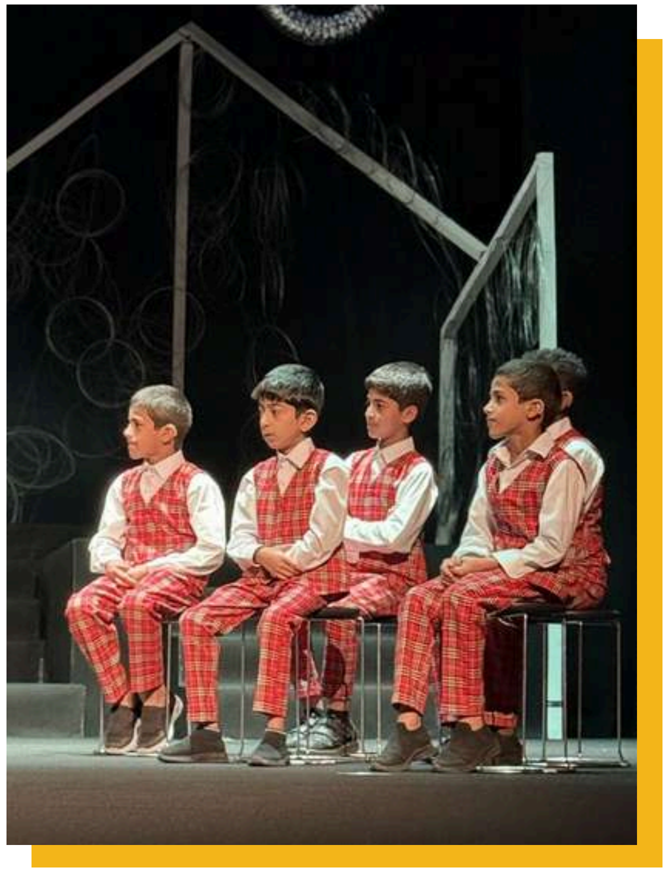
Since 2019, Bank of Sharjah has been a steadfast partner of Sharjah City for Humanitarian Services (SCHS) as part of a ten-year pledge to support the development of modern educational and rehabilitation facilities, aimed at enhancing accessibility, improving learning environments, and expanding specialized services for individuals with diverse abilities. This initiative continues to strengthen SCHS's capacity to deliver high-quality support, foster independence, and promote social integration.

In 2025, SCHS implemented a wide range of high-profile initiatives that reinforced its leadership in inclusive education and social advocacy. A key milestone was the inauguration of its new steel building in Al Braishi, officially opened by His Highness Sheikh Dr. Sultan bin Muhammad Al Qasimi, Member of the Supreme Council and Ruler of Sharjah. The new facility represents a significant step in expanding SCHS's capacity to deliver specialised services as it approaches its 50th anniversary.

At a regional and international level, SCHS also played a leading role in convening the Global Conference for Inclusive Inclusion 2025 – "We Are Inclusion", held for the first time in the Middle East and North Africa at Expo Centre Sharjah. The conference brought together 152 speakers from 74 countries, representing 160 organisations, and featured 59 dialogue sessions on inclusive practices. This event positioned Sharjah as a global hub for disability inclusion and policy dialogue.

To mark the International Day of Persons with Disabilities on 3 December 2025, SCHS's Al Wafaa School for Capacity Development hosted a symposium titled "Towards Comprehensive Leisure Through Building Inclusive Environments." The event featured self-advocates, community leaders, and experts discussing inclusive urban design, accessibility, and social participation under the theme "Promoting Inclusive Communities for Persons with Disabilities to Advance Social Progress."

Through its continued partnership with SCHS, Bank of Sharjah contributes to initiatives that strengthen inclusive education, enhance accessibility, and support the full participation of People of Determination in society.



Al Noor Rehabilitation and Welfare Association for People of Determination

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Swimming Gala

An inclusive event that encourages participation from all students, providing adaptive formats and individualized support to ensure safe and confident involvement. The Gala promotes physical fitness, boosts self-esteem, and celebrates effort and perseverance; reinforcing the message that every student belongs and can succeed.

Corporate Days

A structured volunteering programme that allows corporate teams to engage directly with students while contributing to the Centre's fundraising efforts. The initiative fosters awareness, inclusion, and meaningful corporate participation.

Al Noor Association Membership

Bank of Sharjah's membership strengthens collaboration with stakeholders while providing sustainable annual support that directly contributes to student education and development.

Child Sponsorship

The Bank supported tuition fees for students whose families were unable to afford them, ensuring uninterrupted access to education and therapy.

Adopt-a-Bus

By adopting a school bus for the year, Bank of Sharjah helped secure safe and reliable transportation for students, ensuring consistent access to education and rehabilitation services.

Adopt-a-Class

Through this initiative, the Bank supported classroom needs, including learning materials, therapy tools, and operational costs, ensuring a stable and well-resourced learning environment for students.

Saaed Association for the Prevention of Traffic Crashes

In line with its commitment to sustainability, public safety, and social responsibility, Bank of Sharjah continued in 2025 as a strategic and principal partner of Saaed Association for the Prevention of Traffic Crashes.

his collaboration supports national road safety priorities and aligns with the UAE's vision of building a safer and more sustainable society. Through this partnership, Bank of Sharjah contributed to a comprehensive portfolio of awareness, humanitarian, and community initiatives.

Road Safety Awareness Campaigns

As part of the National Unified Road Safety Plan, Saaed Association, in coordination with the Ministry of Interior and the Traffic and Patrols Directorate of Abu Dhabi Police, and supported by Bank of Sharjah, implemented several high-impact campaigns, including:

Traffic Safety for Motorcycle Riders

Focused on reducing injuries through education and awareness for cyclists and motorcyclists.

Unified GCC Traffic Week – "No Phone While Driving

Highlighted the dangers of distracted driving.

Summer Without Accidents

Promoted vehicle maintenance, tire safety, and safe driving practices.

Safe School Year Campaign

Implemented with Emirates Transport to enhance school transportation safety through awareness for drivers, parents, and students.

Humanitarian and Community Initiatives

Bank of Sharjah also supported key humanitarian programmes through Saeed Association, including:

Zayed Humanitarian Day

A charitable event honoring People of Determination and orphans, featuring a collective Iftar in partnership with the Emirates Red Crescent.

Back-to-School Exhibition

An exhibition organized to raise awareness among parents and students on the importance of adhering to proper traffic behaviors and to reduce incorrect practices related to school transportation, contributing to a safe and sustainable educational environment.

"Plant the UAE" Tree Initiative

Under the "Plant the UAE" programme, this initiative involved planting 2,000 Ghaf trees along AL Muzon Tourist Walkway in the Emirate of Abu Dhabi, contributing to environmental sustainability and improved quality of life.

Partner Perspective – Saaed Association (Interview Excerpt)

Brigadier Dr. Jamal Salem Al Ameri
General Manager, Saaed Association for the Prevention of Traffic Crashes

“Saaed Association for the Prevention of Traffic Crashes is a community-focused organization operating under the supervision of the Ministry of Community Development. Our mission is to enhance road safety, reduce traffic accidents, and support victims and affected families through awareness programs, education initiatives, and strategic partnerships. We aim to promote a culture of safe driving and shared responsibility across the UAE.”

Reflecting on the partnership with Bank of Sharjah, Brigadier Al Ameri highlighted its strategic nature and long-term impact:

“Our collaboration with Bank of Sharjah began through a shared commitment to social responsibility and community wellbeing. From the outset, the Bank demonstrated clear alignment with our mission, leading to a long-term partnership built on trust, shared values, and a common goal of making UAE roads safer.”

For the fifth consecutive year, Bank of Sharjah provided comprehensive financial sponsorship to Saaed Association. According to Brigadier Al Ameri, this support has been instrumental in expanding the Association’s reach:

“The Bank’s ongoing support has played a critical role in strengthening our outreach, expanding the scope of our awareness campaigns, and ensuring the sustainability of our initiatives. This partnership has allowed us to reach wider segments of society and deliver high-quality programmes focused on prevention, education, and community engagement.”

He further cited national awareness campaigns as a key example of impact:

“One notable example is the Bank’s sponsorship of our national traffic awareness campaigns and key community events, which have enabled us to engage directly with diverse audiences, including drivers, youth, families, and People of Determination. Through these initiatives, we have delivered targeted safety messages that contribute to behavioural change and increased awareness on the roads.”

In terms of scale, Brigadier Al Ameri confirmed that:

“Through initiatives supported by Bank of Sharjah, Saaed Association reaches tens of thousands of beneficiaries annually across the UAE, including motorists, students, families, and community members.”

He concluded by emphasising what distinguishes the partnership:

“What stands out most is Bank of Sharjah’s long-term commitment, consistency, and genuine engagement. The relationship goes beyond sponsorship; it is a true strategic partnership based on shared objectives and measurable social impact.”

Sharjah International Book Fair (44th Edition)

Bank of Sharjah proudly participated as a key sponsor of the 44th Sharjah International Book Fair, reinforcing its commitment to cultural enrichment, education, and community engagement. The Bank's involvement aligned with its ESG objectives by promoting knowledge, creativity, and financial literacy, while celebrating UAE cultural heritage.

At its dedicated booth, Bank of Sharjah hosted interactive activities designed to engage children and families. A flagship initiative was a children's colouring activity that encouraged young participants to illustrate Sharjah's landmarks, traditions, and heritage.

This activity combined creativity with cultural learning, strengthening appreciation for local identity while fostering artistic expression among youth.

Complementing its cultural engagement, the Bank also delivered financial education sessions for visitors of all ages. These sessions focused on responsible money management, basic financial concepts, and practical financial skills, supporting broader national goals on financial literacy and economic empowerment. Strong audience participation reflected the relevance of these discussions and the Bank's role as a socially responsible financial institution.

The Donor Appreciation Get-Together

Under the esteemed patronage of Her Highness Sheikha Bodour Al Qasimi, President of the American University of Sharjah, the Donor Appreciation Get-Together was held to celebrate generosity, express gratitude, and honor the individuals and institutions shaping the future of the American University of Sharjah. The event brought together key supporters whose contributions continue to elevate AUS's mission of academic excellence and empower the next generation of leaders.

Bank of Sharjah was proud to take part in this meaningful occasion, presented by Chief Executive Officer, Mr. Mohamed Khadiri. His presence reaffirmed the Bank's commitment to advancing education, investing in future generations, and driving long-term impact through strategic partnerships.

Blood Donation Drive

In 2025, Bank of Sharjah organised a comprehensive Blood Donation Drive at its headquarters in collaboration with Emirates Health Services (EHS) and the Sharjah Blood Transfusion & Research Center. The initiative was designed to support national healthcare efforts and address the ongoing need for blood donations across medical facilities in the UAE.

Employees from multiple departments actively participated, reflecting a strong culture of solidarity, civic responsibility, and community care within the Bank. Beyond providing life-saving blood units, the campaign also raised awareness among staff about the importance of regular blood donation and its direct impact on public health.

Sharjah Invest Forum & World Investment Conference "Seal the Deal"

Bank of Sharjah played an active role in the "Seal the Deal" initiative, a platform aimed at supporting startups and emerging entrepreneurs in the UAE. This participation aligned with the Bank's ESG objectives on economic inclusion, innovation, and capacity building.

Bank of Sharjah's CEO, Mr. Mohamed Khadiri, served as a judge, providing strategic insights and mentorship to participating startups. Beyond evaluation, the Bank engaged in constructive dialogue with entrepreneurs, identifying opportunities to offer advisory support and guidance.

By supporting early-stage businesses, Bank of Sharjah contributed to strengthening the entrepreneurial ecosystem, fostering innovation, and promoting sustainable economic growth. This engagement reflects the Bank's broader commitment to nurturing future business leaders and supporting the UAE's vision of a diversified, knowledge-based economy.

07
Governance & Ethical Business

Board & Governance

Bank of Sharjah continues to uphold strong corporate governance as a core pillar of its business, supporting transparency, accountability, and ethical decision-making across the organisation. The Bank's governance framework is overseen by the Board of Directors, which provides strategic direction, supervises risk management, and ensures long-term value creation.

Board Structure and Composition

There were no changes to the Board structure in 2025. The roles of Chairman and Chief Executive Officer remain formally separated, reinforcing effective oversight and balanced decision-making. The Board comprises 11 non-executive directors, of whom 10 are independent, representing 90.9% independent Board membership.

Board members collectively bring a breadth of experience across banking, finance, regulation, and other relevant sectors, supported by international exposure across multiple markets, which strengthens informed and balanced decision-making. The Board includes one female director, accounting for 9.09% of total Board seats, reflecting ongoing progress toward greater diversity at Board level.

In 2025, the Board convened seven times, maintaining regular engagement on strategic, governance, and risk-related matters. To support its oversight responsibilities, the Board is supported by a structured committee framework, with eight dedicated Board committees overseeing key areas of governance, risk, compliance, and strategy, thereby enhancing the effectiveness of Board oversight and regulatory compliance.

90.9%

Independent Board Membership

Board Nomination & Appointment

The Bank applies a formal and transparent approach to the nomination and appointment of Board and committee members, in line with applicable regulatory and governance requirements. The process is designed to ensure that appointed members collectively possess the necessary skills, experience, independence, and integrity to effectively discharge their responsibilities, while also supporting diversity and balanced representation. Conflicts of interest are identified, assessed, and managed in accordance with the Bank's governance framework.

The Board Remuneration, Nomination and Compensation Committee (BRNCC) requires a minimum of three non-executive or independent directors, supporting objective judgment and mitigating undue influence. In line with governance best practices, the Chairperson of the Board is excluded from membership. An independent director, appointed by the Board, serves as Chair of the Committee, with tenure aligned to the Board's term to support continuity and effective oversight. Committee remunerationis determined in accordance with Board-approved policies and regulatory requirements, ensuring fairness, transparency, and accountability.

Remuneration

The Bank Remuneration, Nomination and Compensation Committee (BRNCC) is responsible for overseeing the Bank's remuneration framework, ensuring that remuneration policies are fair, transparent, and aligned with applicable regulatory requirements and governance best practices. The remuneration framework is designed to attract, retain, and motivate qualified talent, while remaining consistent with the Bank's strategic objectives and risk appetite.

Senior management remuneration is performance-based and determined through established approval processes, with oversight exercised by the BRNCC. The Committee works closely with relevant governance and control functions to ensure that remuneration practices and disclosures remain compliant with regulatory requirements and are appropriately reflected in the Bank's financial statements.

To support transparency and regulatory compliance, the BRNCC has the authority to access relevant documentation and request information from Bank departments as required. All such requests are formally documented, supporting accountability and facilitating effective oversight, including in the context of internal reviews and examinations by the Central Bank of the UAE (CBUAE).

In line with applicable regulatory disclosure requirements, the Bank discloses the Chief Executive Officer's total remuneration in its regulatory filings. Accordingly, information required to assess the CEO-to-median employee pay ratio is available through the Bank's mandated remuneration disclosures.

Role of the Board

The Board of Directors is responsible for setting the Bank's strategic direction and overseeing the implementation of its business objectives, financial targets, and risk management frameworks. It approves key strategies, policies, and governance frameworks, and monitors operational performance and regulatory compliance to ensure alignment with the Bank's long-term objectives and risk appetite.

The Board exercises oversight of sustainability-related risks and opportunities as part of its broader governance responsibilities. In 2025, approximately 14% of Board meetings included discussions related to ESG, climate risk, or social responsibility.

Sustainability matters are considered within the context of strategic decision-making and risk oversight, with relevant topics escalated through established governance and committee structures.

In 2025, the Board approved the development of an ESG strategy, reinforcing its commitment to structured oversight of sustainability-related matters. The Board retains ultimate oversight responsibility for sustainability-related policies and initiatives, ensuring appropriate governance, accountability, and alignment with regulatory expectations and the Bank's overall strategic direction.

Delegation of Responsibility

While the Board retains overall responsibility for strategic oversight, it delegates day-to-day management and execution to Senior Management through clearly defined governance structures and reporting lines. This delegation ensures that operational activities are conducted in accordance with the Bank's strategic objectives, risk appetite, and applicable regulatory requirements.

The Board establishes and approves corporate governance policies that reflect the Bank's risk profile and oversees the appointment of Senior Management in accordance with a structured and transparent process. Key management functions, including risk management, compliance, and internal audit, are appointed and monitored to ensure effective oversight and independence where required.

In 2025, following the Board's approval of the development of an ESG strategy, responsibility for the implementation and monitoring of sustainability-related matters was delegated through the Board Compliance and Governance Committee, operating via the Compliance Department and supported by the ESG Manager. This structure enables ongoing reporting, escalation of material issues, and effective alignment between Board oversight and management execution.

Succession planning for key management roles is maintained to support continuity, resilience, and long-term organisational stability. Further details on delegation arrangements and governance processes are outlined in the Bank's Corporate Governance Report.

Management Committees

Senior Management supports the implementation of the Bank's strategy and governance framework through 10 established management-level committees, operating under defined mandates and delegated authority. These committees are responsible for translating Board-approved objectives and policies into operational plans across business functions.

Each committee oversees specific areas of the Bank's operations, with clearly defined roles, responsibilities, and escalation mechanisms. Committees monitor operational performance, risk exposures, and compliance matters, and provide regular reporting to Senior Management and, where required, to the relevant Board committees.

Management Executive Committee	Management Internal Control Committee	Asset and Liability Committee (ALCO)	IT Steering Committee	Model Management Committee
Management Credit and Investment Committee	Information Security Committee	IFRS 9 Committee	Human Resources Committee	Product Approval Committee

Board Training

In line with regulatory requirements and governance best practices, Board members participate in ongoing training to support effective oversight.

In 2025, the Board attended the following training sessions:

- Credit Risk and Management (CRMS) Training held on 30 January 2025, with 81.81% attendance
- Governance, Board of Directors and ESG Training held on 27 November 2025, with 72.72% attendance

These training sessions supported the Board's understanding of credit risk, governance, and sustainability-related matters relevant to its oversight responsibilities.

Board Evaluation

In accordance with applicable regulatory requirements, the Board conducts annual performance evaluations of the Board and its committees. The evaluation process is designed to assess the effectiveness of governance practices, the quality of oversight, and the Board's performance in fulfilling its responsibilities.

The most recent evaluation confirmed the Board's effective oversight of internal controls and governance arrangements. It also highlighted constructive engagement between the Board and Senior Management, supporting clear reporting, informed decision-making, and alignment with the Bank's strategic objectives. Outcomes from the evaluation are used to identify areas for continuous improvement and to enhance the effectiveness of Board and committee practices.

Executive Management Offsite Strategy Meetings

Beyond formal governance structures, Bank of Sharjah reinforces effective leadership and strategic alignment through structured offsite strategy meetings for Executive Management members. These sessions provide senior leaders with a dedicated environment to step away from day-to-day operations and focus on long-term planning, strategic priorities, and forward-looking decision-making.

The meetings encourage open dialogue across business functions through facilitated discussions and scenario planning, supporting informed responses to evolving market conditions and stakeholder expectations. In addition, the sessions promote leadership development, collaboration, and alignment with the Bank's core values.

This approach strengthens governance in practice by fostering accountability, cohesive leadership, responsible decision-making, supporting the Bank's commitment to sustainable growth and long-term value creation.

Business Ethics & Compliance

At Bank of Sharjah, integrity, transparency, and ethical conduct remain fundamental to the way the Bank operates. Strong ethical governance underpins stakeholder trust and supports compliance with applicable laws, regulations, and supervisory expectations. The Bank is committed to maintaining high standards of professional behaviour across all operations, supported by robust internal controls, clear policies, and continuous employee awareness.

Through structured governance frameworks, independent oversight, and ongoing training, the Bank seeksto prevent misconduct, manage ethical risks, and promote responsible decision-making across all levels of the organisation.

Compliance Oversight

Bank of Sharjah maintains a structured approach to regulatory compliance through clearly defined governance arrangements. The Board of Directors establishes policies aligned with regulatory requirements, customer protection standards, and ethical business conduct, ensuring that compliance principles are embedded across the Bank's operations.

Senior Management is responsible for implementing and monitoring these policies through daily operational procedures. Department heads and branch management ensure that compliance requirements are communicated effectively and adhered to within their respective functions. Internal audits are conducted independently to assess compliance levels, identify gaps, and recommend corrective actions where required.

To reinforce accountability, all employees annually sign an Irrevocable Undertaking Form for Policies and Procedures, confirming their commitment to comply with internal policies and applicable regulations. This integrated approach supports consistent compliance and strengthens the Bank's control environment.

Code of Business Ethics and Conduct

Ethical behaviour is fundamental to Bank of Sharjah's corporate culture. The Bank's Code of Business Ethics and Conduct sets out the principles of integrity, fairness, accountability, and professionalism expected of all employees and management. In 2025, no changes were made to the Code, which continues to apply across the organisation and is communicated to all employees upon joining the Bank.

100% of employees formally certify their compliance with the Code of Ethics at the time of onboarding. In addition, annual declarations relating to gifts and entertainment and conflicts of interest are completed, alongside ad hoc disclosures when material changes occur.

The Code promotes respectful workplace behaviour, equal treatment, and full compliance with UAE labour laws. Discrimination, harassment, and unethical conduct are not tolerated. Human rights principles, including fair treatment and respect for individuals, are embedded within the Code and aligned with applicable labour regulations.

Human Rights and Labour Practices

Bank of Sharjah fully complies with UAE labour laws and regulations governing employment practices, working conditions, and employee rights. The Bank does not tolerate child labour or forced labour in any form within its operations.

Although the Bank does not currently maintain a standalone written policy on child or forced labour, compliance with national labour legislation is strictly enforced across all employment practices. Human rights principles are addressed through the Code of Ethics, which promotes fair treatment, dignity, and respect for all employees.

At present, these labour and human rights principles apply internally and do not formally extend to suppliers or vendors, who are responsible for maintaining their own policies and compliance frameworks.

Conflict of Interest

To ensure transparency and impartial decision-making, Bank of Sharjah enforces a comprehensive Conflict of Interest Policy aligned with the Central Bank of the UAE's Corporate Governance Standards and Consumer Protection Regulations.

In 2025, no changes were made to the Conflict of Interest Policy. Employees and Board members are required to disclose any actual or potential conflicts of interest that could influence their objectivity in business decisions. This includes personal, financial, or relational interests that may impact professional judgement.

Failure to disclose conflicts constitutes a serious policy breach. Annual declarations, included within the Irrevocable Undertaking Form, reinforce accountability and support unbiased decision-making in the best interests of the Bank and its stakeholders.

Anti-Corruption and Bribery

Bank of Sharjah applies a zero-tolerance approach to corruption and bribery. Anti-corruption and anti-bribery provisions are embedded within the Code of Conduct and apply to employees, Board members, and relevant third parties.

The Bank strictly prohibits the offering, solicitation, or acceptance of bribes, gifts, or favours that could improperly influence business decisions. All gifts and hospitality must be declared in accordance with internal procedures, and any attempt to exert undue influence must be reported.

Internal controls, monitoring processes, and regular compliance reviews support the prevention and detection of corrupt practices. Employees receive periodic training to reinforce awareness of anti-bribery laws and ethical responsibilities.

In 2025:

- 100% of governance body members received communication on the Bank's anti-corruption policies and procedures
- 100% of employees received communication on the Bank's anti-corruption policies & procedures

Targeted anti-bribery and corruption (ABC) training was delivered to frontline staff during the year, achieving an overall completion rate of approximately 85% across employee categories.

During the reporting period:

Zero confirmed incidents of corruption or bribery were recorded

No employees were dismissed or disciplined or corruption-related matters

No contracts with business partners were terminated or not renewed due to corruption-related violations

No public legal cases relating to corruption were brought against the bank or its employees

Whistleblowing and Reporting Mechanisms

Bank of Sharjah encourages a culture of transparency and accountability by providing employees with safe mechanisms to raise concerns without fear of retaliation. A confidential whistleblowing framework allows employees to report suspected misconduct, including fraud, regulatory breaches, insider trading, or unethical behaviour. Reports may be raised through direct communication with Senior Management via email, telephone, or in-person channels.

All reports are handled confidentially and investigated thoroughly. Employees who raise concerns in good faith are protected from retaliation, while false or malicious reporting may result in disciplinary action.

Anti-Money Laundering and Counter-Terrorist Financing (AML/CFT)

The Bank maintains a robust AML and CFT framework in full compliance with UAE Federal Law No. 20 of 2018, Cabinet Decision No. 10 of 2019, and subsequent regulatory updates. The framework includes customer due diligence, transaction monitoring, risk-based assessments, and timely reporting of suspicious activities to relevant authorities. The Bank continues to align its controls with Central Bank circulars and supervisory guidance to strengthen financial crime prevention. Mandatory AML/CFT training is provided to employees to ensure awareness of emerging risks and regulatory obligations, supporting a strong compliance culture across the organisation.

Privacy & Cybersecurity

As digital banking continues to expand, data protection and cybersecurity remain critical priorities for Bank of Sharjah. The Bank is committed to safeguarding the personal and financial information of its customers, employees and stakeholders through strong governance policies, secure digital infrastructure and continuous monitoring of emerging threats.

Data Protection Policies

Bank of Sharjah maintains a comprehensive data protection framework that outlines how customer and employee information is collected, processed, stored and protected. The Bank's Data Privacy and Personal Identifiable Information (PII) Policy remains unchanged in 2025 and continues to guide its approach to responsible data handling in accordance with UAE data protection laws and Central Bank regulatory requirements. The policy is reviewed annually to ensure alignment with evolving best practices.

All data is securely stored within the UAE, supported by robust backup systems and access controls designed to prevent unauthorised use, modification or disclosure. Customers are provided with transparent information regarding how their data is managed, ensuring clarity and trust.

In 2025, the Bank strengthened its data protection practices further through the introduction of document classification protocols and an enhanced data discovery process, improving visibility and control over sensitive information. These enhancements complement existing security controls, including encryption, restricted access, Data Leakage Prevention and secure communication channels.

To reinforce responsible data handling, all employees and relevant third parties continue to undergo mandatory data protection and privacy training as part of the Bank's governance programme.

Cybersecurity Risk Management

Bank of Sharjah maintains a proactive cybersecurity strategy that includes risk assessment, continuous monitoring and rapid response mechanisms. The Bank's approach is guided by its Information Security Monitoring and Incident Management Policy, which defines procedures for identifying, preventing and responding to cyber threats.

The Bank operates a 24/7 Security Operations Centre (SOC) that monitors infrastructure in real time, supported by a Security Information and Event Management (SIEM) system that detects suspicious activity and facilitates timely incident response. These capabilities are complemented by an incident response retainer with an external specialised firm to support complex investigations or recovery efforts when required.

In 2025, the Bank achieved full certification under PCI DSS v4.01 and maintained 100% compliance with the UAE Information Assurance (IA) Standard, reinforcing its commitment to strong payment security and regulatory compliance.

Cybersecurity awareness continues to be a key pillar of risk management. In 2025, the Bank delivered a wide range of training programmes, including security and data privacy training for all employees, SWIFT CSP training, incident response exercises and quarterly phishing simulations. Customers were also provided with regular guidance on fraud prevention, secure digital banking practices and identity protection through awareness campaigns, real-time alerts and online resources.

Ensuring a Secure Digital Future

Bank of Sharjah continues to maintain a strong record of zero data breaches, reflecting its investment in cybersecurity infrastructure, robust governance policies and ongoing staff training. As cyber risks evolve, the Bank remains committed to strengthening its defenses, enhancing monitoring capabilities and ensuring that privacy and security remain central to its digital transformation and governance agenda.

Data privacy	2023	2024	2025
Total number of instances requiring reporting to CBUAE of significant personal data breaches	0	0	0
Total number of substantiated complaints received concerning breaches of customer privacy, received from outside parties and substantiated by the organization	0	0	0
Total number of substantiated complaints received concerning breaches of customer privacy, received from regulatory bodies	0	0	0
Total number of identified leaks, thefts, or losses of customer data.	0	0	0
Total number of instances requiring reporting to data subjects of personal data breaches	0	0	0

Business Continuity

Bank of Sharjah maintains a comprehensive Crisis Management and Business Continuity Plan (BCP) designed to ensure operational resilience, protect stakeholders, and maintain the continuity of critical services during periods of disruption. The framework supports the Bank's ability to respond effectively to operational, and external risks while safeguarding customer interests and regulatory compliance.

Crisis Management Framework

The Bank has established a Crisis Management Framework to enable timely, coordinated, and effective responses to significant disruption events. The framework defines clear roles and responsibilities, communication channels, and decision-making authority during crisis situations.

A designated crisis management structure is activated when required, ensuring that senior management can rapidly assess the situation, prioritise critical activities, and implement appropriate responsemeasures. The framework is based on Business Continuity (BC) best practices and follows a three-tiered approach. Each level triggers a predefined response, ensuring swift action and minimising operational impact.

Risk Mitigation and Business Continuity Planning

To strengthen organisational resilience, Bank of Sharjah continuously reviews and enhances its Business Continuity Plan through ongoing risk assessments and scenario-based testing. This approach enables the Bank to identify potential vulnerabilities, reinforce preparedness, and minimise the impact of operational disruptions.
Key elements of the Bank's risk mitigation and continuity planning include:

Regular Business Impact Analysis (BIA)
Identifying critical business functions and potential vulnerabilities.

Scenario Testing and Drills
Conducting crisis simulations to prepare employees and leadership for potential disruptions.

IT and Cybersecurity Reinforcements
Ensuring redundancy in digital systems and safeguarding customer data against cyber threats.

Employee Training and Awareness
Educating staff on their roles during business disruptions to facilitate an efficient response.

Vendor and Third-Party Risk Management
Evaluating supply chain risks to support the stability of outsourced operations.

Through these measures, the Bank enhances its ability to respond effectively to unexpected events, safeguard essential services, and maintain continuity for customers and stakeholders.

Operational Resilience

Bank of Sharjah maintains operational resilience through diversified infrastructure, secure IT systems, and remote working capabilities. These arrangements allow employees to continue performing their roles effectively during disruption events.

In December 2025, during the UAE-wide flooding, the Bank's business continuity arrangements were successfully activated.

The Bank's IT teams played a crucial role in enabling secure remote access, preventing service disruptions, and ensuring that digital banking platforms remained operational throughout the crisis. No customer complaints were received during the period demonstrating the effectiveness of the Bank's crisis management procedures and operational resilience measures.

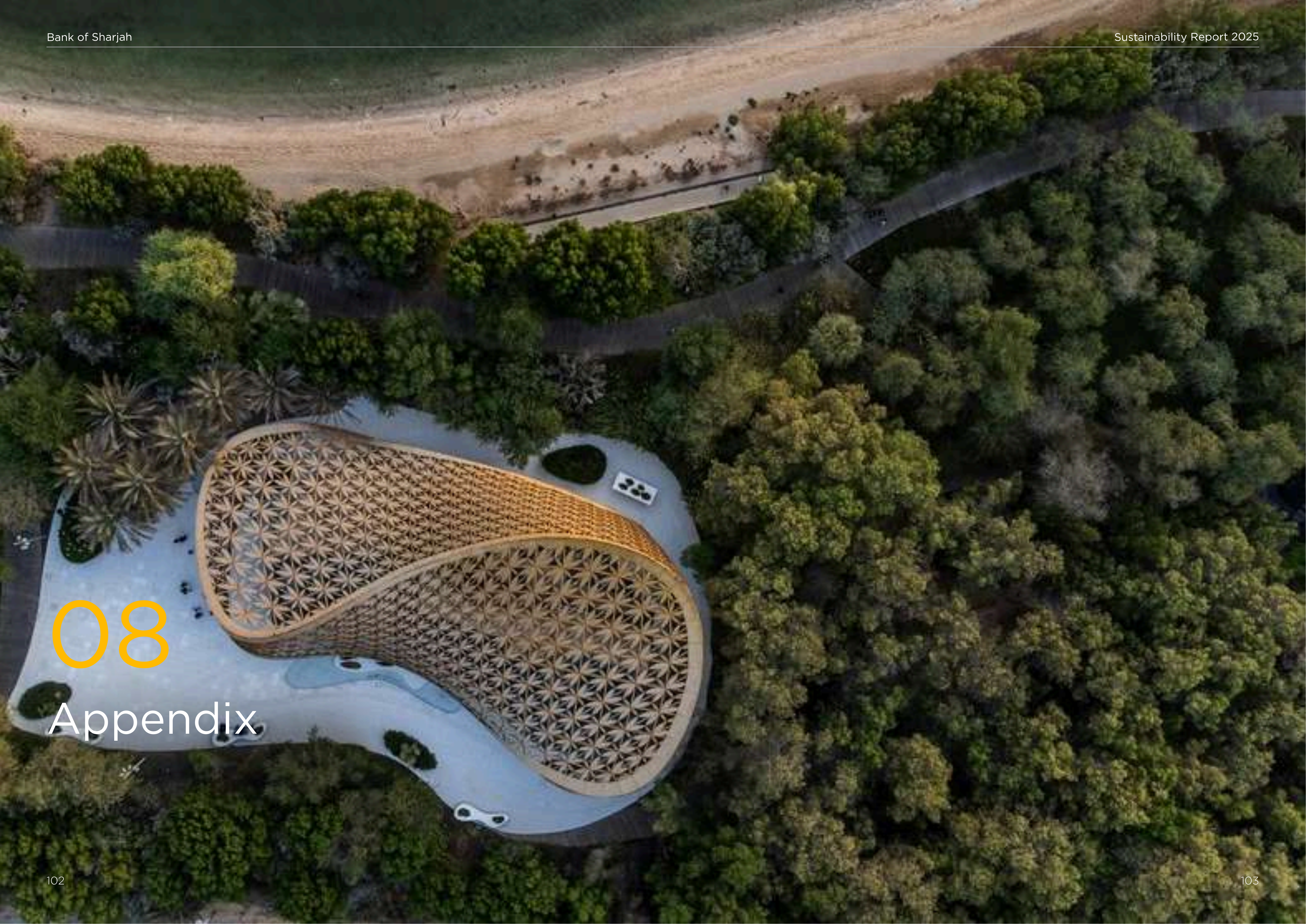
No customer complaints received during unprecedented floods in 2025

ESG Risk Management

In line with its evolving sustainability journey, Bank of Sharjah continues to enhance the integration of environmental, social, and governance (ESG) considerations within its broader risk management framework.

In 2025, the Bank developed a draft Climate Risk Credit Policy, which is currently under internal review and approval. The policy is intended to support the identification and assessment of climate-related risks within credit decision-making processes in a proportionate and phased manner.

Once approved, the policy is expected to be implemented in 2026, supporting the Bank's efforts to progressively strengthen ESG risk awareness, governance oversight, and alignment with emerging regulatory expectations.



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Appendix

GRI content index

Statement of use	Bank of Sharjah has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	NA

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organisational details	About Bank of Sharjah	
	2-2 Entities included in the organisation's sustainability reporting	About this report	
	2-3 Reporting period, frequency and contact point	About this report	
	2-4 Restatements of information	NA	
	2-5 External assurance	External assurance was not seeked for this report	
	2-6 Activities, value chain and other business relationships	About Bank of Sharjah	
	2-7 Employees	Diversity, equity & inclusion	
	2-8 Workers who are not employees	All workers are employees	
	2-9 Governance structure and composition	Board & governance	
	2-10 Nomination and selection of the highest governance body	Board & governance	
	2-11 Chair of the highest governance body	Board & governance	
	2-12 Role of the highest governance body in overseeing the management of impacts	Board & governance	
	2-13 Delegation of responsibility for managing impacts	Board & governance	
	2-14 Role of the highest governance body in sustainability reporting	Board & governance	
	2-15 Conflicts of interest	Board & governance	
	2-16 Communication of critical concerns	Board & governance	
	2-17 Collective knowledge of the highest governance body	Board & governance	
	2-18 Evaluation of the performance of the highest governance body	Board & governance	
	2-19 Remuneration policies	Board & governance	
	2-20 Process to determine remuneration	Board & governance	
	2-21 Annual total compensation ratio		Confidential information
	2-22 Statement on sustainable development strategy		Sustainability strategy is still under development
	2-23 Policy commitments	Diversity, equity & inclusion; Continuous learning & development; Business ethics & compliance; Privacy & cybersecurity; Business continuity	
	2-24 Embedding policy commitments	Board & governance	
	2-25 Processes to remediate negative impacts	Business ethics & compliance	
	2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing	
	2-27 Compliance with laws and regulations	Business ethics & compliance	
	2-28 Membership associations	About Bank of Sharjah	
	2-29 Approach to stakeholder engagement	Stakeholder engagement & materiality assessment	
	2-30 Collective bargaining agreements		Collective bargaining is prohibited in the UAE

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality assessment	
	3-2 List of material topics	Our sustainability pillars & material topics	
Economic			
GRI 202: Market presence 2016	202-2 Proportion of senior management hired from the local community	Emiratisation focus	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Business ethics & compliance	
	205-2 Communication and training about anti-corruption policies and procedures	Business ethics & compliance	
	205-3 Confirmed incidents of corruption and actions taken	Business ethics & compliance	
Environmental			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Energy & water management	
	302-2 Energy consumption outside of the organisation	Energy & water management	
	302-3 Energy intensity	Energy & water management	
	302-4 Reduction of energy consumption	Energy & water management	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Energy & water management	
	303-2 Management of water discharge-related impacts	Energy & water management	
	303-3 Water withdrawal	Energy & water management	
	303-4 Water discharge	Energy & water management	
	303-5 Water consumption	Energy & water management	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	GHG emissions	
	305-2 Energy indirect (Scope 2) GHG emissions	GHG emissions	
	305-4 GHG emissions intensity	GHG emissions	
	305-5 Reduction of GHG emissions	GHG emissions	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste management & circular economy practices	
	306-3 Waste generated	Waste management & circular economy practices	
	306-4 Waste diverted from disposal	Waste management & circular economy practices	
Social			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Hiring & retention trends	
	401-3 Parental leave	Parental support & nursing provisions	
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	Employee well-being	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Continuous learning & development	
	404-2 Programs for upgrading employee skills and transition assistance programs	Continuous learning & development	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, equity & inclusion	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	CSR	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Responsible marketing & fair products	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy & cybersecurity	