

THE ETHICS OF ARTIFICIAL INTELLIGENCE IN ISLAMIC FINANCE: A THEMATIC QUR'ANIC EXEGESIS OF TRUST, JUSTICE, AND CUSTOMER DATA PROTECTION

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ABSTRACT: Artificial intelligence is increasingly used in Islamic finance to support credit assessment, customer service, fraud detection, and personalized financial offerings. These applications raise ethical questions concerning accountability, algorithmic discrimination, privacy, and the protection of customer data. This study examines how Qur'anic principles of trust, justice, and respect for privacy can inform an ethical framework for artificial intelligence in Islamic financial institutions. Employing a qualitative, library-based research design, the study integrates thematic Qur'anic exegesis (*tafsīr mawḍūʿī*) with a *maqāṣid*-oriented interpretive approach. Selected verses concerning *amānah*, justice, verification, human dignity, and the prohibition of spying are analyzed through their linguistic meanings, textual contexts, and relationships with relevant Prophetic traditions and exegetical scholarship. The conceptual analysis organizes these teachings into three interconnected dimensions: responsible stewardship of customer information, fairness in automated financial decisions, and protection against unjustified intrusion and misuse of personal data. Their proposed institutional applications include informed consent, proportionate data collection, transparent communication, assessment of discriminatory outcomes, and accessible mechanisms for human review and redress. The study argues that Sharia compliance in AI-enabled finance requires evaluating both financial transactions and the data practices and decision processes supporting them. Its contribution lies in developing a Qur'an-centered ethical framework connecting Islamic financial governance with contemporary AI responsibilities. The framework remains conceptual and requires further validation through institutional case studies, customer perspectives, and technical assessments. Future research should investigate how these principles can be translated into operational governance standards while recognizing differences in institutional capacity, technological applications, and regulatory environments across Islamic financial markets worldwide.

Keywords: Artificial intelligence; Islamic finance; thematic Qur'anic exegesis; *amānah*; algorithmic justice; customer data protection.

I. INTRODUCTION

Artificial intelligence (AI) is reshaping financial services by influencing how institutions assess financing applications, detect fraud, communicate with customers, and process personal information. Its expanding role creates opportunities to improve operational efficiency and access to financial services, while raising questions about accountability, discriminatory outcomes, and customer privacy [1]. For Islamic financial institutions, these questions carry an additional normative dimension: the use of technology should reflect the ethical responsibilities underlying Sharia-compliant financial activity. Evaluating AI therefore requires attention to the stewardship of customer information, the fairness of automated decisions, and the availability of meaningful human oversight. Recent evidence demonstrates the scale of this transformation. The Cambridge Centre for Alternative Finance's 2026 Global AI in Financial Services Report finds that 81% of surveyed financial services firms were adopting AI at some level, while 40% reported advanced adoption, classified as scaling or transforming [2]. Among surveyed industry respondents, AI-powered customer support was the leading front-office application, reported by 74%, while fraud detection and credit risk modelling were reported by 58% and 54%, respectively. These findings describe the surveyed financial services industry broadly; they should not be interpreted as estimates of AI adoption specifically within Islamic finance. Nevertheless, they establish the technological context in which Islamic financial institutions operate. The same report identifies a substantial governance challenge. Data privacy and protection were cited among the leading risks by 74% of industry respondents and 80% of regulators. Furthermore, approximately two-thirds of

industry respondents reported that they were not monitoring for bias or arbitrary discrimination, exclusion, or systemic bias in AI [3]. These findings suggest that technological adoption can advance faster than the procedures needed to assess its effects on customers. They also highlight the importance of distinguishing predictive performance from ethical acceptability: a model may generate commercially useful predictions while requiring further assessment of the legitimacy of its data sources, the distribution of errors, and its consequences for vulnerable applicants. Customer data protection is particularly consequential because financial information can expose individuals to economic loss, impersonation, and other forms of harm when compromised. According to IBM's 2026 Cost of a Data Breach Report, the average cost of a breach among studied organizations reached USD 4.99 million globally, while financial services breaches averaged USD 6.3 million [4]. The report also found that one in four malicious breaches studied was AI-enabled. These figures concern organizations included in the research and do not measure losses specifically within Islamic financial institutions. They nevertheless illustrate the financial significance of securing sensitive information and the dual role of AI as both a defensive capability and a tool that attackers can exploit. These developments matter for an Islamic financial services industry whose assets reached approximately USD 4.4 trillion in 2025, according to the Islamic Financial Services Board's Islamic Financial Stability Report 2026 [5]. This institutional scale increases the significance of responsible technology governance, although asset growth does not establish the extent of AI deployment. As Islamic institutions introduce or expand automated services, their ethical commitments must be considered

throughout the processes through which customer information is collected, interpreted, shared, and converted into financial decisions. Indonesia provides a relevant institutional setting for examining these responsibilities. On 29 April 2025, the Financial Services Authority of Indonesia (OJK) launched its Artificial Intelligence Governance for Indonesian Banks guidance. The guidance addresses responsible AI development and implementation across the AI lifecycle and banking business cycle, emphasizing ethical operation, safety, regulatory alignment, and customer protection. OJK also states that its preparation referred to relevant legislation, including Indonesia's Personal Data Protection Law. This policy development provides a practical context for exploring how Islamic ethical principles can inform institutional AI governance without substituting for applicable legal and technical requirements. From a Qur'anic perspective, the first relevant ethical foundation is *amānah*, understood here as the responsibility to discharge entrusted duties faithfully. Qur'an 4:58 commands the fulfillment of trusts and the exercise of justice. Applied interpretively to contemporary financial services, this principle invites examination of how institutions handle information entrusted to them by customers. Such an application goes beyond preventing unauthorized disclosure[6]. It raises questions about whether data are used for legitimate purposes, whether access is appropriately controlled, and whether institutions remain accountable when external technology providers participate in processing. These are proposed contemporary implications of the text, rather than technical rules explicitly stated in the verse. The second foundation is justice. Qur'an 4:135 emphasizes the obligation to uphold justice, while Qur'an 5:8 rejects departures from justice arising from hostility. Their relevance to AI lies in the ethical scrutiny of decisions that can influence access to financing and other financial opportunities. Historical datasets, proxy variables, and model design choices may produce unequal outcomes requiring investigation. However, a difference in model outcomes does not automatically establish discrimination; assessment must consider legitimate risk factors, data quality, error patterns, and the circumstances of affected groups. A Qur'an-centered approach can supply normative direction for this inquiry while recognizing the need for technical and empirical evidence [7]. The third foundation concerns privacy and responsible knowledge practices. Qur'an 49:12 prohibits spying within its broader interpersonal ethical setting. Extending this teaching to digital financial systems requires careful interpretation, particularly when distinguishing legitimate verification from unjustified intrusion. Qur'an 49:6, which addresses the verification of consequential information, also provides a starting point for reflecting on unreliable data and unsupported AI-generated claims. Neither verse directly prescribes modern data protection standards or algorithmic procedures. Their contribution lies in framing questions about justified information gathering, evidentiary responsibility, and the avoidance of harm through careless judgments. Existing scholarship has begun to connect these concerns with Islamic financial governance. Zafar and Ali's 2026 conceptual study proposes a Shariah governance framework for generative AI that integrates Islamic legal and

ethical considerations throughout the AI lifecycle [8]. Its attention to transparency, accountability, and coordinated oversight demonstrates the relevance of Islamic normative reasoning to contemporary AI systems. Building on this emerging discussion, the present study concentrates on the interpretive relationship among trust, justice, and customer data protection through a thematic examination of Qur'anic passages. The research problem therefore concerns how Qur'anic ethical principles can be translated into a coherent evaluative framework without treating scriptural passages as ready-made technical regulations. This study employs thematic Qur'anic exegesis, supported by a *maqāsid*-oriented analysis, to examine the linguistic meanings, textual relationships, and contextual significance of selected verses. Relevant Prophetic traditions and exegetical scholarship provide complementary interpretive resources. The analysis distinguishes textual teachings from contemporary institutional applications and identifies where additional legal, technical, or empirical assessment is necessary. Accordingly, this study asks how Qur'anic principles of *amānah*, justice, and protection against unjustified intrusion can guide the responsible use of AI in Islamic finance. It seeks to develop a conceptual framework addressing stewardship of customer information, fairness in automated decisions, and accountable human oversight. Its intended contribution is an interpretive foundation for evaluating whether AI-enabled financial services respect customer rights and advance the ethical purposes of Islamic finance. The resulting framework is proposed for subsequent institutional and empirical validation rather than presented as evidence that particular AI systems are ethically compliant.

II. Research Objective

This study aims to develop a Qur'an-centered ethical framework for artificial intelligence in Islamic finance through thematic exegesis and *maqāsid*-oriented analysis. It examines how Qur'anic principles of trust, justice, verification, and privacy inform responsible data stewardship and automated financial decision-making. Specifically, it seeks to identify relevant textual foundations, interpret their contextual meanings, and formulate institutional applications concerning informed consent, proportionate data collection, algorithmic fairness, transparency, human oversight, and customer redress. The study also distinguishes scriptural teachings from contemporary ethical inferences, providing a conceptual basis for subsequent empirical assessment of AI governance, customer protection, and accountability within Islamic financial institutions worldwide.

III. Theoretical Foundation

This study develops its theoretical foundation by connecting Qur'anic economic ethics with the governance of artificial intelligence in Islamic finance. It integrates five interrelated concepts: trust (*amānah*), justice (*'adl*), verification (*tabayyun*), privacy and human dignity, and human accountability [9]. Thematic Qur'anic exegesis provides the interpretive method, while a *maqāsid*-oriented perspective connects the selected teachings with the protection of customers and the responsible exercise of institutional authority. The proposed applications to AI constitute

contemporary ethical interpretations rather than technical regulations explicitly prescribed by scripture.

1. Trust (Amānah) and Responsible Data Stewardship

Trust provides the foundation for understanding institutional responsibility toward customer information. Qur'an 4:58 commands the discharge of trusts to their rightful recipients and the exercise of justice. Qur'an 8:27 similarly warns against betraying entrusted responsibilities [10]. Together, these passages establish a normative relationship between entrusted authority and faithful conduct. Within Islamic financial institutions, customers provide personal and financial information for particular services. This study interprets amānah as a basis for examining whether institutions collect, process, retain, and share that information responsibly. The institution's technical ability to access data does not independently establish an ethical entitlement to use it for every commercially advantageous purpose. The proposed institutional implications include clearly defined processing purposes, appropriate access controls, secure handling, and oversight of external service providers. Consent is relevant, but responsible stewardship also requires consideration of necessity, foreseeable harm, and the customer's understanding of the proposed use. The resulting theoretical proposition is that entrusting customer information creates continuing institutional responsibilities throughout the AI lifecycle [11].

2. Justice ('Adl) and Fair Automated Decisions

Justice provides the normative foundation for evaluating AI-supported financial decisions. Qur'an 4:135 requires steadfastness in justice despite personal or relational interests. Qur'an 5:8 emphasizes that hostility must not lead to unjust conduct. These teachings establish impartiality as an ethical obligation when exercising decision-making authority. In contemporary financial services, algorithms may influence financing approval, fraud alerts, customer classification, and service access [12]. Their evaluation therefore requires attention to the distribution of benefits, burdens, and errors. A model that performs well on average may still produce systematic disadvantages for particular customer groups. Justice does not require identical decisions for customers with materially different circumstances. Relevant distinctions such as repayment capacity may justify different financing outcomes. The ethical question concerns whether the distinctions are defensible, supported by reliable evidence, and proportionate to the decision's purpose. The framework consequently distinguishes three dimensions of algorithmic justice.

Table 1. The framework distinguishes three dimensions of algorithmic justice

Dimension	Central concern	Proposed application
Procedural justice	How decisions are reached	Consistent criteria, appropriate review, and opportunities to challenge errors
Distributive justice	How benefits and burdens are allocated	Examination of exclusion, unequal error rates, and access barriers
Informational justice	How decisions are communicated	Accurate, understandable explanations of material factors and consequences

These categories organize the contemporary analysis; they are analytical constructions informed by Qur'anic principles rather than classifications explicitly stated in the verses.

3. Verification (Tabayyun) and Epistemic Responsibility

Qur'an 49:6 addresses the verification of consequential information to prevent harm arising from uninformed action. Qur'an 17:36 also cautions against pursuing that of which one lacks knowledge. Read together, these passages support responsibility concerning the evidence upon which judgments depend [13]. Their proposed relevance to AI concerns data quality, uncertain predictions, and generated outputs. Institutions must distinguish verified customer information from estimates, correlations, or synthetic content. An algorithmic prediction about a customer's behavior should not automatically be treated as an established fact about that individual. This principle is especially relevant when inaccurate information can affect access to financing, trigger restrictions, or damage reputation. Verification may require checking data provenance, identifying missing information, testing model outputs, and allowing customers to correct records. The resulting proposition is that the evidentiary scrutiny applied to AI outputs should reflect the potential consequences of decisions based on them. Higher-impact decisions require stronger justification and effective mechanisms for identifying mistakes [14].

4. Privacy, Human Dignity, and Limits on Information Gathering

Qur'an 49:12 prohibits spying within its broader treatment of interpersonal conduct. Qur'an 17:70 affirms the dignity of the children of Adam. Together, these teachings provide a foundation for examining the relationship between information gathering and respect for persons. The application to digital financial services requires contextual reasoning. Legitimate identity verification, fraud prevention, and regulatory reporting cannot simply be equated with prohibited spying. Conversely, describing information gathering as technologically useful does not resolve whether its scope and purpose are ethically justified.

This study therefore proposes necessity, proportionality, and legitimate purpose as evaluative questions. Institutions should examine whether the information collected is relevant to the service, whether less intrusive alternatives are available, and whether secondary uses expose customers to unjustified risks. Human dignity also concerns how customers are represented within automated systems. A risk score is a limited analytical representation, not a complete account of a person's circumstances or moral worth. Respect for dignity supports opportunities to clarify exceptional circumstances and challenge consequential errors [15].

5. Human Accountability and Institutional Responsibility

Qur'an 4:58 links entrusted authority with justice, while Qur'an 17:36 associates human faculties with accountability. These teachings support the study's position that technological delegation does not remove human responsibility for institutional decisions. AI systems operate within arrangements established by people and organizations. Responsibility therefore concerns those who authorize deployment, define objectives, select data, approve models, and respond to identified harm. It must also address the institution's relationship with technology vendors. Human oversight should be assessed through its practical effectiveness. A reviewer must have sufficient understanding,

information, authority, and time to question an automated recommendation. Merely placing a person within the decision process does not establish meaningful oversight [16]. The theoretical implication is that AI governance requires identifiable responsibility and a credible route from detecting a problem to correcting it.

6. Maqāṣid as an Integrative Ethical Perspective

A maqāṣid-oriented perspective connects these principles with the purposes of protecting people and preventing unjustified harm. In this study, the protection of wealth (ḥifẓ al-māl) informs concern for financial loss, unauthorized transactions, and abusive information practices. Protection of intellect (ḥifẓ al-ʿaql) supports scrutiny of misleading communication and manipulation. Human dignity provides a complementary normative consideration. These connections do not establish that every beneficial AI application is permissible or that every risk requires prohibition. Evaluation must consider the application's purpose, contractual setting, safeguards, likely benefits, and foreseeable harms. The framework therefore examines AI across its lifecycle from data acquisition and model development to deployment, monitoring, and retirement. This prevents ethical evaluation from being confined to the final financial product while overlooking the processes that produce decisions. The study's overarching proposition is that ethical AI in Islamic finance requires trustworthy data practices, justifiable decisions, and accountable institutional action. The framework establishes a normative basis for investigation; whether particular systems satisfy these expectations requires subsequent legal, technical, and empirical assessment [17].

IV. Research Method

This study adopts a qualitative, library-based design integrating thematic Qur'anic exegesis (tafsīr mawḍūʿī), maqāṣid-oriented interpretation, and qualitative document analysis. The design examines how Qur'anic teachings on trust, justice, verification, privacy, and accountability can inform the ethical governance of artificial intelligence in Islamic finance. Its intended output is a conceptual framework rather than a statistical model, a product-specific Sharia ruling, or an empirical assessment of financial institutions. The procedure described below constitutes the proposed research protocol. Searches, source selection, coding, and interpretive comparisons must be documented during implementation before being reported as completed research activities.

1. Research Orientation and Questions

The study combines interpretive and normative inquiry. Interpretive inquiry examines the meanings of selected passages within their linguistic, textual, and historical settings. Normative inquiry considers the responsibilities these teachings may imply for contemporary financial institutions. The analysis distinguishes the interpretation of scripture from the subsequent application of ethical principles to technological practices.

Three questions guide the investigation:

1. How do the selected Qur'anic passages articulate trust, justice, verification, privacy, human dignity, and accountability?

2. How can these teachings inform the evaluation of AI applications affecting financial decisions and customer information?

3. What conceptual criteria can connect these principles with institutional governance, human oversight, and customer redress?

The unit of analysis is a meaningful textual passage, interpretive argument, or governance provision. Financial institutions and customers are not research participants in this phase.

2. Sources and Construction of the Research Corpus

The corpus comprises four interconnected source groups.

Table 2. Sources and Construction of the Research Corpus

Source group	Materials	Analytical purpose
Qur'anic sources	Selected verses and related passages	Establish textual foundations and relationships
Prophetic sources	Relevant authenticated hadith and their commentaries	Clarify ethical responsibilities and contextualize interpretation
Exegetical and conceptual scholarship	Classical and contemporary tafsīr, maqāṣid scholarship, and Islamic economic ethics	Compare interpretations and develop conceptual arguments
Contemporary documents	Peer-reviewed AI research, financial governance guidance, and official institutional reports	Define contemporary problems and examine possible applications

Sources: Authors, 2026.

Qur'anic corpus. The initial corpus includes Qur'an 4:58 and 8:27 on entrusted responsibilities; 4:135 and 5:8 on justice; 49:6 and 17:36 on information and knowledge; 49:12 on prohibited spying; and 17:70 on human dignity. Qur'an 4:29 and 2:282 provide supplementary material concerning consent, economic rights, and documented obligations. These passages are selected because they directly address the study's initial ethical categories. Their inclusion does not predetermine the conclusions. Additional passages are incorporated when needed to clarify meaning, identify qualifications, or test the coherence of a proposed interpretation. **Hadith corpus.** Relevant reports are identified concerning truthfulness, concealment, entrusted responsibility, privacy, and relief from harm. Each report is recorded with its collection, narrator, reference number, wording, and authenticity assessment. Reports outside the two Ṣaḥīḥ collections require explicit documentation of scholarly grading. Hadith numbering is checked against the edition or database used. **Exegetical corpus.** Selected discussions from al-Ṭabarī, al-Qurṭubī, Ibn Kathīr, Ibn ʿAshūr, and contemporary exegetes are examined. Selection prioritizes substantive engagement with the relevant passages, interpretive diversity, and the ability to clarify linguistic, legal, contextual, or ethical questions. Specific editions, volumes, and pages are recorded. **Contemporary corpus.** This includes scholarship on algorithmic fairness, explainability, data protection, automated financial decisions, and Islamic governance. Official reports provide contextual evidence; industry publications are assessed according to their methods, institutional interests, and stated limitations.

3. Literature Search Strategy

Searches are conducted through Scopus and other accessible academic databases, supplemented by scholarly repositories, publisher websites, and official regulatory sources. The search period for contemporary AI and financial governance literature extends from January 2016 to the final search date. Earlier foundational works are included when necessary for theoretical or interpretive purposes. 4. Inclusion, Exclusion, and Source Appraisal. Sources are included when they contribute directly to textual interpretation, explain a relevant ethical concept, or address AI practices affecting financial customers. Contemporary publications must provide identifiable authorship, publication information, and sufficient methodological or conceptual detail for assessment. Sources are excluded when they are duplicated, unverifiable, unrelated to the research questions, or limited to unsupported promotional claims. General discussions of Islamic ethics are retained only when they offer a clear analytical contribution. Screening proceeds through title and abstract review followed by full-text assessment. Reasons for exclusion at the full-text stage are documented. No fixed number of publications is specified in advance; corpus adequacy depends on the coverage of relevant interpretations and arguments.

5. Data Extraction and Organization

A structured extraction matrix supports consistent documentation. The researcher preserves the distinction between direct quotations, source summaries, and original analytical observations. Arabic terms are retained where translation would obscure significant differences in meaning.

6. Analytical Procedure

Analysis proceeds through seven stages, with earlier stages revisited when new evidence challenges an interpretation.

Stage 1: Thematic mapping. Selected passages are grouped by their immediate subject matter and relationships with other relevant texts. Overlapping categories are retained rather than forcing each passage into a single theme.

Stage 2: Linguistic examination. Key terms are analyzed through their usage within the selected passages and relevant exegetical discussions. Particular attention is given to *amānah*, *ʿadl*, *qist*, *tabayyun*, and *tajassus*. Contemporary meanings are not assumed to correspond exactly with their scriptural usage.

Stage 3: Contextual and intertextual analysis. Each passage is examined within its surrounding verses, surah context, and relevant textual relationships. Reported occasions of revelation are considered where their reliability can be assessed. Contextual differences are preserved when passages are brought into thematic conversation.

Stage 4: Comparative interpretation. Exegetical arguments are compared to identify agreement, disagreement, contextual restrictions, and different reasoning strategies. The analysis records minority or qualifying interpretations that may challenge the emerging framework.

Stage 5: Identification of ethical purposes. Candidate purposes are developed from explicit normative statements and recurring textual relationships. Specific obligations are distinguished from broader ethical orientations. The researcher documents the reasoning supporting each proposed purpose.

Stage 6: Contextual translation. Ethical principles are related to defined AI practices, such as financing assessment, fraud detection, customer support, and data sharing. Each application follows a documented sequence:

Stage 7: Framework synthesis. The resulting responsibilities are organized across data acquisition, model development, deployment, monitoring, and retirement. Contradictions and trade-offs are examined before the framework is finalized.

V. Analysis and Results

This section presents a conceptual analysis of the selected Qur'anic passages and their proposed relevance to AI governance. It does not report completed empirical testing, institutional observations, or an exhaustive comparison of exegetical sources. The analysis develops three substantive dimensions, trustworthy information stewardship, justice in automated decisions, and customer privacy, supported by verification and human accountability. These dimensions connect the paper's Qur'anic foundations with contemporary financial practices while preserving the distinction between scriptural teachings and their proposed institutional applications.

1. Trust Extends beyond Data Confidentiality

Qur'an 4:58 connects the fulfillment of trusts with the exercise of justice, while Qur'an 8:27 warns against betraying entrusted responsibilities. Considered together, these passages support an understanding of *amānah* that encompasses both possession of entrusted resources and responsibility for their use. Applied to AI-enabled Islamic finance, this interpretation suggests that customer information should be evaluated as an entrusted resource. The ethical responsibility concerns how institutions acquire information, determine its purposes, authorize access, and respond to misuse. Protecting confidentiality is therefore one component of a broader stewardship obligation. A distinction emerges between permission to access information and justification for a particular use. Information supplied for financing assessment does not automatically justify unrelated marketing, unrestricted model training, or onward sharing. Each additional purpose requires assessment of its legitimacy, applicable legal basis, customer expectations, and foreseeable consequences. This interpretation also raises questions about consent. A customer's acceptance of terms provides relevant evidence, but it does not independently establish that every processing activity is necessary or fair. Lengthy disclosures, limited alternatives, or unclear explanations may weaken the practical significance of consent. The resulting conceptual finding is that trustworthy AI requires continuing responsibility for customer information throughout its lifecycle. Outsourcing processing to a technology provider changes the operational arrangement but does not, within this proposed framework, eliminate the institution's ethical responsibility to examine that arrangement [18].

2. Justice Requires More than Predictive Accuracy

Qur'an 4:135 and 5:8 establish a normative orientation toward impartial justice despite personal interests or hostility. Their proposed relevance to AI concerns the defensibility of decisions affecting customers' financial opportunities. Predictive accuracy and ethical acceptability answer different questions. Accuracy concerns how well a model performs

against a defined target. Justice additionally concerns whether the target is appropriate, whether the information used is defensible, and how errors and burdens are distributed. For example, a financing model may predict repayment effectively overall while performing less reliably for applicants with limited credit histories. That possibility does not establish that the model is discriminatory. It identifies an issue requiring investigation through subgroup performance, data coverage, relevant financial circumstances, and the consequences of incorrect decisions. The framework therefore distinguishes three analytical dimensions of fairness. These categories are contemporary analytical constructions informed by Qur'anic justice. They should not be presented as classifications explicitly articulated in the selected verses. The analysis also establishes a qualification: justice does not necessarily require identical financing outcomes. Differences supported by legitimate repayment considerations may be justified. The central question is whether the distinctions are relevant, evidenced, proportionate, and open to appropriate review [19].

3. Privacy Depends on the Justification of Information Gathering

Qur'an 49:12 prohibits spying within an interpersonal ethical context. Its application to financial data requires contextual reasoning rather than a direct equation between historical conduct and digital processing. Financial institutions may have legitimate reasons to verify identity, assess affordability, investigate fraud, or fulfill reporting obligations. Conversely, technical availability does not independently justify collecting behavioral, location, or social information. The conceptual analysis proposes four questions for evaluating a data practice:

1. What specific and legitimate purpose does the collection serve?
2. Is the information relevant and reasonably necessary for that purpose?
3. Could a less intrusive method achieve an adequate result?
4. What safeguards limit access, retention, and subsequent use?

These questions translate the concern about unjustified intrusion into an evaluative approach. Their application must also account for applicable law and the characteristics of the service. Privacy extends beyond preventing disclosure. Information can remain within an institution while being used to construct intrusive profiles or influence customer behavior in ways that require ethical scrutiny. The analysis consequently treats data acquisition, inference, reuse, and retention as separate points of responsibility.

4. Verification Creates Duties concerning AI Outputs

Qur'an 49:6 addresses verification before consequential action, while Qur'an 17:36 cautions against following claims unsupported by knowledge. Read together, these passages support an ethical responsibility to examine the evidentiary basis of decisions. For AI applications, this requires distinguishing among recorded facts, model predictions, generated statements, and human judgments. A probability of default is an estimate under particular assumptions; a fraud alert is a signal requiring interpretation. Neither should automatically be treated as conclusive evidence of individual

misconduct. The resulting conceptual finding is that verification should be proportionate to the consequences of acting on an output. A low-impact internal suggestion and a decision restricting access to funds warrant different levels of scrutiny.

Proposed applications include checking data provenance, testing performance under relevant conditions, documenting uncertainty, and enabling correction of inaccurate customer records. Generative AI used in customer service also requires controls against presenting unsupported contractual or Sharia-related statements as authoritative guidance. Verification remains compatible with automation. It concerns establishing justified reliance, including identifying when uncertainty or potential harm requires escalation[20].

5. Human Dignity Supports Meaningful Contestability

Qur'an 17:70 affirms human dignity. Within the proposed framework, this principle informs how customers are treated when their circumstances are represented through data and model outputs. An automated classification captures selected characteristics for a defined purpose. It cannot fully represent a person's circumstances. Respectful treatment therefore includes considering material information that the model may omit, particularly when decisions have substantial consequences. Contestability becomes a practical connection between dignity and governance. Customers should have an appropriate route to identify incorrect information, seek clarification, and request reconsideration. This does not imply unrestricted access to proprietary models or automatic approval of disputed applications. It requires a process capable of addressing substantive errors and relevant exceptional circumstances. The framework distinguishes notification from remedy. Informing a customer that a decision was automated does not establish that the decision can be challenged effectively. Meaningful contestability requires an accessible process, a competent reviewer, and authority to correct an error.

6. Accountability Must Follow Institutional Authority

Qur'an 4:58 links entrusted authority with justice. Applied to organizational AI use, the analysis supports assigning responsibility to those who authorize, develop, procure, deploy, and oversee the system. Human oversight is consequently assessed through its effectiveness. A reviewer needs adequate information, competence, time, and authority to question an automated recommendation. A nominal approval stage provides limited protection if staff routinely accept outputs or cannot reverse them. Responsibility also requires coordination. Senior management, technology teams, risk functions, customer protection personnel, and Sharia supervisory bodies possess different competencies. Sharia oversight can examine normative consistency, while technical specialists assess performance and security. Neither function alone establishes the adequacy of the entire system. The proposed governance implication is an identifiable route from detecting a problem to investigating, correcting, and preventing its recurrence.

7. Integrated Framework across the AI Lifecycle

The conceptual findings can be organized across the stages through which AI systems affect customers.

Table 3. The conceptual findings

Lifecycle	Principal	Proposed	Evidence
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stage	ethical concern	governance practice	required for future assessment
Data acquisition	Trust and justified collection	Define purposes and assess necessity	Collection records, notices, and purpose assessments
Data preparation	Verification and representation	Check accuracy, provenance, and coverage	Data quality reports and correction records
Model development	Justice and defensible objectives	Evaluate targets, variables, and error patterns	Model documentation and validation results
Deployment	Accountability and communication	Assign decision authority and communicate limitations	Approval records and customer-facing materials
Monitoring	Continuing responsibility	Track performance changes, complaints, and incidents	Monitoring reports and corrective actions
Retirement	Stewardship and privacy	Apply justified retention and disposal procedures	Retention schedules and disposal records

Sources: Authors, 2026

These practices are proposed applications rather than findings that particular institutions have implemented them. Their adequacy depends on the application's risk, legal setting, and institutional context.

8. Illustrative Application to Financial Decisions

Consider an AI system that flags a customer's transaction as potentially fraudulent. Trust requires appropriate handling of the customer's information. Verification requires recognizing the alert as a risk signal rather than proof of wrongdoing. Justice concerns the defensibility of the criteria and the distribution of false alerts. Dignity supports respectful communication, while accountability requires a route for timely review and correction.

A second example concerns automated financing assessment. The framework directs attention to the legitimacy of the data used, the relevance of decision criteria, the reliability of predictions, and opportunities to correct errors. It does not establish that every rejection is unjust or that institutions must disregard legitimate financing risks. These scenarios demonstrate how the dimensions work together. They do not validate the framework empirically or establish the compliance of a specific system.

9. Contribution and Interpretive Limits

The principal conceptual result is a framework in which trust governs information stewardship, justice governs the defensibility of decisions, and privacy limits unjustified intrusion. Verification and human accountability support all three dimensions by connecting ethical commitments with evidence and corrective action. The framework also identifies potential tensions. Fraud prevention may require information collection that affects privacy; explanation may require balancing customer understanding with security concerns. Such tensions require reasoned assessment rather than assuming that one principle always overrides the others. The study's contribution lies in making the interpretive connections explicit. Qur'anic principles provide normative direction, while legal, technical, and empirical evidence

remains necessary to evaluate actual systems. Further research should examine whether the proposed responsibilities can be operationalized consistently and whether their implementation improves customer protection and institutional accountability in Islamic finance.

VI. CONCLUSION

This study develops a conceptual framework for evaluating artificial intelligence in Islamic finance through thematic Qur'anic exegesis and maqāsid-oriented interpretation. Its central argument is that responsible AI requires attention to information stewardship, decision fairness, and customer protection throughout the technological lifecycle. Qur'anic principles of trust, justice, verification, privacy, and human dignity provide interconnected normative foundations for examining these responsibilities. Their contemporary application requires contextual reasoning and cannot be treated as a direct statement of technical standards. The analysis identifies three substantive dimensions: trustworthy management of customer information, justice in automated financial decisions, and protection against unjustified intrusion. Verification and human accountability support these dimensions by requiring institutions to examine the evidence underlying AI outputs and maintain effective corrective mechanisms. Trust extends beyond confidentiality to legitimate data use, while justice requires scrutiny of decision criteria and the distribution of errors. Privacy concerns encompass collection, inference, reuse, and retention. Human dignity further supports accessible opportunities to correct inaccurate information and challenge consequential decisions. The proposed framework translates these principles into questions concerning data necessity, model validation, understandable communication, institutional oversight, and customer redress. It recognizes that legitimate differences in financial circumstances may justify different outcomes and that fraud prevention can require proportionate information gathering. Ethical evaluation therefore depends on defensible purposes, reliable evidence, appropriate safeguards, and consideration of competing responsibilities. The study contributes a Qur'an-centered interpretive foundation for connecting Islamic financial ethics with contemporary AI governance. Its conclusions remain conceptual and do not establish the ethical compliance of particular institutions or technologies. Future research should compare exegetical interpretations systematically, refine operational indicators, and investigate implementation through institutional records, technical assessments, and customer experiences. Such research can determine whether these principles support effective governance and improve protection for customers while preserving legitimate financial functions and accountable human judgment across diverse institutional and regulatory environments worldwide.

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