

Dynamic Group

Responsible Artificial Intelligence Policy and Program

1. Purpose and Scope

Dynamic Group shall consider operational needs, individual rights, information security and environmental impacts when introducing artificial intelligence (AI). This Policy establishes requirements for introducing and using AI and provides a basis for business units to select tools, assess applications and manage suppliers.

The scope covers AI systems, models and services developed internally, commissioned or purchased externally, including AI capabilities added to existing equipment or software.

The program shall be implemented in stages: purpose and risk reviews before introduction, necessary controls at activation, and monitoring of results and handling of exceptions during use. The implementation status of each measure shall be supported by actual records.

Management responsibilities, review intervals, exception handling and recordkeeping arrangements shall be established before each application is activated. For external services, the respective responsibilities of the Company and suppliers, together with available management information, shall be confirmed. Where necessary controls are not in place, the scope of use shall be restricted or activation deferred.

2. Responsible Artificial Intelligence Management Measures

1. Limiting access to sensitive AI capabilities (e.g. facial recognition, surveillance)

AI capabilities involving facial recognition, surveillance or other potentially significant effects on individual rights shall require confirmation of business necessity, grounds for data use and the scope of impact. Such capabilities shall be activated only after approval by an authorized person or body.

The Company shall restrict the personnel, purposes and operations permitted to access sensitive AI capabilities. Query, export and system configuration permissions shall be managed separately, and necessary activity records shall be retained. Permissions shall be reviewed at approved intervals and adjusted or revoked when roles change or access is no longer needed.

Approved capabilities shall not be extended to other purposes without a new review.

Records to retain: capability inventory, review and approval documents, access lists and review records.

2. Distinct labeling of AI-generated content and outcomes of AI-driven decisions

AI-generated content provided to others shall be clearly labeled as AI-generated in the document, interface or other appropriate location. Human review may be indicated separately, but the AI-generated label shall be retained.

Determinations, scores, rankings and other outcomes of AI-driven decisions shall enable recipients to identify their AI origin and understand whether they are automated outcomes or recommendations used to support human judgment.

Outcomes affecting individual rights shall include information on human review or appeals. Application owners shall confirm labeling arrangements before activation and conduct subsequent spot checks for completeness.

Records to retain: labeling rules, document or interface examples and spot-check results.

3. Mechanisms to detect and correct drift or degradation of AI models over time

Before deployment, AI models shall have testing baselines, review frequencies and exception thresholds. Following deployment, data distributions, outputs and performance changes shall be examined as appropriate to the intended use to detect drift or degradation of AI models over time.

For example, quality inspection applications may track false positives and false negatives, while forecasting applications may compare predictions with actual results. Indicators shall be selected for the application actually adopted.

When an exception occurs, its effects on product quality, operations or people shall be assessed. Actions shall include human review, restricted use, or data or model correction, as appropriate. Where necessary, use shall be suspended and resumed only after the improvement has been validated.

Where the Company cannot directly modify an external model, it shall require the supplier to address the issue or reduce the impact through measures such as changing versions or using an alternative service.

Records to retain: testing baselines, review results, exception handling and improvement validation records.

4. Regular assessments of deployed AI models for fairness/bias

The Company shall establish assessment intervals for fairness/bias in deployed AI models, with additional assessments following material changes to purposes, data or models.

Assessments shall examine data representativeness, differences in outcomes and parties that may be adversely affected. Applications involving recruitment, employee management or identity recognition shall receive particular scrutiny for unjustified differential treatment.

Applications primarily involving equipment or manufacturing processes shall also be examined to determine whether their outcomes indirectly affect individual rights. The basis for fairness-risk determinations shall be documented. Assessments involving individual rights shall not rely solely on overall accuracy.

Where bias is identified, data, models or operating practices shall be adjusted, and the effectiveness of the improvement shall be verified.

Records to retain: assessment methods, intervals, applicability determinations, results and improvement records.

5. Initiatives (own/with suppliers) to lower the ecological footprint of AI data centers/models

The Company shall plan measures appropriate to its AI deployment and use to reduce energy consumption, greenhouse gas emissions, water use and equipment-related resource burdens.

For external services, environmental information on AI data centers/models shall be included in supplier assessments. The Company shall select options that meet task requirements and use

resources more efficiently, and pursue improvements through supplier engagement or collaboration.

Where computing equipment is managed internally, idle resources, redundant computation and equipment utilization shall be reviewed to avoid resource allocation beyond actual needs.

Each improvement shall define its scope, owner and monitoring approach. Environmental results shall distinguish suppliers' overall performance from the impacts of services used by the Company and explain data limitations.

Records to retain: supplier assessments, improvement plans, collaboration records and available performance data.

6. Appeals process for users/affected third parties to contest an AI decision or outcome

Before an AI application is activated, the Company shall establish a channel for users/affected third parties to contest an AI decision or outcome, explaining the contact point, handling deadlines and review process. An appropriate existing channel may be used, provided that it can handle AI-related cases.

Appeals shall be reviewed by personnel with appropriate authority and responsibility, who shall examine the underlying data, AI outcome and context of use. A response shall not be based solely on rerunning the original model.

The Company shall communicate the result and reasons. Where an outcome is found to be incorrect or to have caused an inappropriate impact, the Company shall correct the outcome or take remedial action. A complainant who remains dissatisfied shall be able to request a further review or escalation.

If additional time is needed, the reason and expected completion date shall be communicated. No adverse action shall be taken against a person for submitting an appeal.

Records to retain: intake procedures, case records, human reviews, responses and remedy follow-up.

7. Quantification of the impact of AI initiatives/tools on sustainability outcomes

AI projects shall identify potentially affected sustainability outcomes during the assessment stage. Projects intended to improve sustainability shall establish comparison baselines, indicators, measurement boundaries and data sources, and quantify results after implementation.

Depending on actual use, indicators may include electricity savings, emissions reductions, water savings, reductions in raw materials or waste, and changes in occupational safety risk exposure. Numbers of tools or instances of use shall not, by themselves, be treated as sustainability outcomes.

Calculations shall consider production volumes, product mix and other concurrent measures, explaining AI's contribution and attribution limitations. Disclosures of net environmental benefits shall include additional environmental burdens from AI computation and related equipment.

Expected, estimated and measured outcomes shall be presented separately, avoiding double counting or reporting forecasts as realized benefits.

Records to retain: baselines, indicators, source data, calculation methods and outcome explanations.

8. Training of employees on the ethical use and/or security of AI

The Company shall communicate AI approval requirements, data protection requirements and prohibited uses to employees. Relevant users shall complete role-appropriate training on the ethical use and security of AI before tools are activated.

Training shall cover confidential and personal data protection, labeling of AI-generated content and outcomes of AI-driven decisions, recognition of errors and bias, human review, intellectual property, information security risks and reporting procedures.

Application managers and technical personnel shall receive training aligned with their management responsibilities. Supplementary training shall be provided following material changes to tools or purposes, with refresher training and learning assessments conducted at approved intervals.

Records to retain: course content, target participants, completion lists, training coverage and learning assessments.