Future Processing

Our approach to Responsible AI and EU AI Act

Our Responsible AI Framework is embedded within Future Processing's overall ESG strategy, aligned with the four pillars of People, Ethical Excellence, Community Engagement, and Environmental Sustainability, as disclosed in our ESG report. We recognize the social, governance, and environmental impacts of AI, and we will integrate ESG metrics in the monitoring of our AI solutions.

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Ethical and Responsible AI at Future Processing

Future Processing is committed to developing AI solutions that are ethical, transparent, and fully compliant with applicable legal regulations. As a responsible technology partner, we actively ensure that our AI systems and services meet the highest standards of integrity and accountability, in line with current and upcoming European regulatory requirements — in particular, the **EU AI Act.**

Responsible AI development is not only about technical excellence but also about legal compliance, ethics, and social responsibility. Therefore, our approach to AI is guided by key regulatory frameworks, ethical principles, and industry best practices.

We will actively engage stakeholders (clients, employees, civil society) to identify material risks and opportunities related to sustainability which also cover AI ethics. These findings will be integrated into our annual Materiality Assessment and disclosed transparently.

FP Approach to Responsible AI and Legal Compliance

We have implemented a comprehensive governance framework and internal procedures that reflect the obligations and principles of the EU AI Act. Approach established at Future Processing includes:

1. **Risk-Based Classification of AI Systems**
   We classify AI systems according to the risk categories defined in the EU AI Act (minimal, limited, high, and prohibited risk). For each project, we conduct detailed risk assessments early in the development lifecycle. This ensures that we do not develop prohibited systems and that we apply mandatory safeguards for high-risk applications.

2. **Ethics by Design & Privacy by Design**
   Ethical considerations, legal compliance, and data protection principles are embedded in every stage of our AI development process — from the first client workshops to system deployment. We apply the principles of Privacy by Design and Ethics by Design to ensure the responsible use of AI technologies.consumption and carbon emissions from AI model training and data centers. We will measure and report these emissions as part of our GHG Inventory, disclosed in line with the GHG Protocol.

3. **Transparency & Explainability**
   We ensure compliance with transparency obligations under the AI Act. Users are informed when they interact with AI systems, and we provide clear, accessible information about how these systems work. For high-risk AI systems, we maintain detailed documentation and implement explainability measures to avoid "black box" decision-making.

4. **Fairness & Bias Mitigation**
   We actively work to prevent algorithmic bias and discrimination. Our procedures include the use of bias detection techniques, careful selection and verification of training data, and thorough testing of model outputs. This helps us ensure that the AI solutions we provide are fair, non-discriminatory, and trustworthy.

5. **Accountability & Human Oversight**
   We establish clear accountability frameworks for all AI systems we develop. Human oversight is embedded in our AI solutions where appropriate, ensuring that critical decisions are not made solely by automated systems.

6. **Responsible Use of Generative AI**
   For generative AI solutions, we apply specific ethical guidelines to prevent the generation of harmful, biased, or misleading content. We take measures to avoid misinformation, deepfake risks, and unauthorized content generation.

7. **Regulatory Documentation & Audit Readiness**
   We maintain register of all AI systems developed — both for internal purposes and for clients — to ensure transparency and audit readiness. This allows us to demonstrate compliance with the AI Act's documentation and registration requirements, particularly for high-risk systems.

8. **AI Literacy & Employee Training**
   We invest in continuous training programs to build AI literacy among our employees. Our teams receive ongoing education on ethical AI, regulatory requirements, and the latest best practices, ensuring that our organization's AI knowledge evolves alongside the regulatory landscape.

9. **Security & Risk Management**
   We apply rigorous testing and risk management procedures to identify and mitigate security vulnerabilities in AI systems. This includes protection against adversarial attacks and misuse.

10. **Regulatory Monitoring & Governance**
    We actively monitor regulatory developments related to AI. Our governance team ensures that our policies, procedures, and solutions are continuously updated in line with new legal requirements and ethical standards.

11. **Human Rights**
    FP responsible AI approach will be integrated with our Human Rights Due Diligence process, in line with the UNGPs and GRI 410-1. We will assess risks related to privacy, bias, discrimination, and surveillance in the context of AI development."

12. **Alignment with GHG and Environmental Impacts of AI**
    FP is aware of the environmental impact of AI technologies, particularly related to energy consumption and carbon emissions from AI model training and data centers. We will measure and report these emissions as part of our GHG Inventory, disclosed in line with the GHG Protocol.

Human Rights Impact Assessment for High-Impact AI Systems

In cases where Future Processing engages in the development or implementation of large-scale or high-impact AI systems, we will conduct a formal AI Impact Assessment (AIIA). This process will include a comprehensive analysis of the potential effects of the AI system on fundamental human rights, in line with the requirements of the **EU AI Act** and best practices recommended by the **OECD AI Principles**. The AI Impact Assessment will specifically address:

- Potential impact on privacy, freedom of expression, and non-discrimination.
- Risks related to human autonomy, dignity, and equality.
- Possible social and economic implications, including effects on employment and vulnerable groups.
- Mitigation measures to minimize negative impacts.

The results of the assessment will be documented, shared with relevant stakeholders, and integrated into our risk management and governance processes. Where appropriate, we will engage affected stakeholders or their representatives to ensure that their rights and concerns are duly considered.

Preparing for Future Obligations under the AI Act

We are proactively preparing to comply with future phases of the **EU AI Act**, including:

- Compliance with obligations related to **General-Purpose AI Models (GPAI)**, coming into force in **August 2025**.
- Ensuring that any **high-risk AI systems** we develop meet the strict technical documentation, conformity assessment, and post-market monitoring requirements.
- Continuously assessing and updating our AI development processes to reflect the **latest regulatory updates and ethical standards**.