

7.16 AI Use in the Workplace

Purpose

The Heritage Group and its family of companies (“**THG**” or the “**Company**”) recognize that the use of AI tools like Copilot, Azure AI, etc. (“**AI Tools**”) can increase employee productivity and foster innovation, and we support the use of AI Tools in a safe, ethical, and secure manner. At the same time, we recognize that the use of AI Tools can pose risks to our operations, privacy of data, security, and customers.

The purpose of this AI Use in the Workplace Policy (this “**Policy**”) is to provide employees with guidelines for the responsible use of AI Tools while protecting the Company and mitigating the risk of misuse, unethical outcomes, potential biases, inaccuracy, and information security breaches. Employees are responsible for using AI Tools in a productive, ethical, and lawful manner.

Scope of Policy

This Policy applies to all THG employees and contingent workers (i.e., contractors or subcontractors) (collectively referred to herein as an “**Employee**” or “**Employees**”) in the course of their employment with the Company.

THG has defined and maintains an [inventory](#) of approved AI Tools that may be used for business purposes. Use of non-approved AI Tools is prohibited. Any new AI Tools must first be approved by THG’s AI Committee before use. Please refer to The Heritage Group New Technology Policy for further information on requesting new AI Tools.

Compliance with Related Policies and Agreements

This Policy is intended to add to, not contradict, limit, or replace, applicable mandatory rules, policies, legal requirements, legal prohibitions, and contractual obligations, all of which remain in full force and effect. Accordingly, any use of AI Tools under this Policy must further comply with the relevant policies, internal controls, and guidelines of the Company, including the Company’s:

- Code of Business Conduct and Ethics;
- Equal Employment Opportunity, Non-Discrimination, and Anti-Harassment Policy; Acceptable Computer Use and Security Policy;
- HIPAA Notice of Privacy Practices;
- California Consumer Privacy Notice;
- Data Privacy Framework Policy;
- External Privacy Notices and Personal Information Processing Policies and Agreements;
- Any and all Confidentiality and Non-Disclosure Agreements between the Company and any employee, contingent worker, vendor, or other third-party; and
- Any Employee or Safety Handbook.

Guidelines for Using AI Tools

When using AI Tools, Employees must:

- Use them for the following authorized purposes, such as:
 - drafting emails, letters, memoranda, and presentations; and

- conducting research both internally and externally.
- Where possible, use a Company-provided email address for log-in purposes. A personal email address and/or personal license should not be used.
- Not enter any Company, employee, customer, or third-party confidential, trade secret, or other personal or proprietary information into a prompt for an AI Tool unless such AI Tool is on the approved AI Tool inventory list or is otherwise authorized in advance in writing by ITSS and the owner of any such information.
- Not use offensive, discriminatory, or inappropriate content.
- Thoroughly review all AI Tool outputs before using them or forwarding them to others inside or outside the Company to:
 - ensure that they do not contain biased, offensive, or discriminatory content;
 - ensure they do not improperly use or disclose personal or confidential information; and
 - verify accuracy or reported facts with other trusted sources.

Employees are prohibited from using AI Tools to:

- Conduct or solicit illegal activities;
- Infringe the rights of others, including privacy and intellectual property rights; and/or
- Interfere with the performance of their jobs or of other Employees' jobs.

AI Tool Audits

From time to time, ITSS may perform the following duties to facilitate Employees' compliant use of AI Tools:

- Implement an audit system to carefully monitor and document all AI Tool inputs and outputs. This may include identifying the source of all data sets used with AI Tools and labelling AI Tool outputs to indicate that they were produced in whole or in part using AI technology.
- Keep accurate records of audits, determinations, and decisions and any communications of these to Employees and third parties.
- Consult with legal counsel regarding any legal issues raised by or during any activities referred to in this Policy section and escalate these issues to executive management, when necessary.
- Block access to and/or usage of non-approved AI tools, where possible.

Mandatory Training

An informed workforce is the best line of defense. The Company will provide training opportunities and expert resources to help Employees understand their obligations under this Policy and avoid creating undue risks. Employees must complete AI use training in the time period requested by THG after initial hire and at all other times as required by the Company. Failure to participate in required training will be considered a violation of this Policy.

Reporting Non-Compliance with This Policy

If you become aware of an actual or potential violation of this Policy by you or any other THG Employee, or have reason to believe that any of the following have been downloaded to or installed on any Company systems or devices, you must promptly disclose this fact to ITSS together with all relevant documents and information:

- An unlicensed AI Tool, if usage requires a license;
- An AI Tool that has not been approved for use in accordance with this Policy;
- An AI Tool that is used outside of the approved manner or scope; and/or
- An AI Tool that poses an identified, unaddressed security risk or contains any material defects or malicious code.

Violations of This Policy

If ITSS determines any Employee, regardless of position or title, has engaged in conduct in violation of this Policy, they will be subject to discipline, up to and including termination of employment.

Administration of This Policy

The Company expressly reserves the right to change, modify, or delete provisions of this Policy without notice.

ITSS is responsible for the administration of this Policy. If you have any questions regarding this Policy or questions about using AI Tools in the workplace that are not addressed in this Policy, please contact ITSS at AI@thgrp.com.

Effective Date

This Policy is effective as of September 2024.

Revision History: First version September 2024.

Conduct Not Prohibited by This Policy

This Policy is not intended to restrict communications or actions protected or required by state or federal law.

Acknowledgment of Receipt and Review

I, _____ (Employee name), acknowledge that, on _____ (date), I received a copy of THG's AI Use in the Workplace Policy ("**Policy**") and that I read it, understood it, and agree to comply with it. I understand that the Company has the maximum discretion permitted by law to interpret, administer, change, modify, or delete this Policy at any time with or without notice. No statement or representation by a supervisor or manager or any other Employee, whether oral or written, can supplement or modify this Policy. Changes to this Policy can only be made if approved in writing by THG's Vice President of ITSS. I also understand that any delay or failure by THG to enforce any work policy or rule will not constitute a waiver of THG's right to do so in the future. I understand that neither this policy nor any other communication by a management representative or any other Employee, whether oral or written, is intended in any way to create a contract of employment. I understand that, unless I have a written employment agreement signed by an authorized THG representative or as required by applicable law, **I am employed at will and this Policy does not modify my at-will employment status.**

_____ **Signature**

_____ **Printed Name**

_____ **Date**