Model Artificial Intelligence (AI) Governance Policy

# 1. Purpose

This policy establishes the principles and procedures for the ethical, transparent, and legally compliant use of Artificial Intelligence (AI) technologies within the organization. The objective is to manage risks and ensure AI supports our organizational values and objectives.

# 2. Scope

This policy applies to all employees, contractors, departments, and external vendors who design, develop, purchase, or use AI systems on behalf of the organization.

# 3. Definitions

- Artificial Intelligence (AI): Technologies that perform tasks that typically require human intelligence, such as learning, decision-making, or speech recognition.
- High-Impact AI System: Any AI tool that materially affects individuals' rights, including decisions related to employment, promotion, performance, or legal compliance.

# 4. Governance Structure

- An AI Governance Committee shall be established, comprising members from Legal, IT, HR, and Risk Management.
- The Committee will oversee risk assessments, policy compliance, auditing, and vendor approvals related to AI tools.

# 5. Principles of Responsible AI Use

- Transparency: Users and affected individuals must be informed when AI is used and provided with understandable explanations of its decisions.
- Fairness: All AI systems must be evaluated for bias and discrimination prior to deployment and periodically thereafter.
- Accountability: Human oversight is required in any AI-assisted decisions with high impact.
- Security: AI tools must adhere to the organization's data protection, privacy, and cybersecurity standards.
- Accessibility: AI tools must meet accessibility standards and be inclusive to users with disabilities.

# 6. AI Tool Approval and Vetting

Before acquiring or implementing any AI tool:
- A legal and ethical risk assessment must be conducted.
- A formal review must be completed using the AI Application Vetting Checklist.
- Contracts must include terms addressing data ownership, liability, bias testing, and audit rights.

# 7. Employee Notification and Consent

Employees must be notified when AI is used to support employment-related decisions. Where required by law, explicit consent will be obtained.

# 8. Training and Awareness

Employees involved in the development, use, or oversight of AI must receive ongoing training on ethical AI use, data governance, and legal compliance.

# 9. Monitoring and Auditing

All AI systems must be subject to periodic review, including bias audits and impact assessments. Reports shall be submitted annually to the AI Governance Committee.

# 10. Policy Review and Updates

This policy will be reviewed annually and updated as necessary to reflect emerging laws, technologies, and organizational priorities.