<u>**Group policy and guidelines into the use of Generative Artificial Intelligence (GAI) Models**</u>

1. Purpose

The purpose of this policy is to establish guidelines for the responsible and secure use of generative artificial intelligence (AI) models within the Samchem Group to protect the company's proprietary information, customer data, and overall privacy.

GAI models such as ChatGPT, DeepSeek, Gemini and many others are becoming more popular as an information tool. Users will typically make use of the AI assistants which is usually in the form of a chatbot to prompt questions into the respective chatbot to seek their desired output answers or response.

However, there are concerns that the data inputs that form the questions to be prompted in the chatbot may contain sensitive information and the Apps may be retaining this data input for their database reference or for their AI training purposes. If sensitive data such as your customer's private data or our company's sensitive data has been downloaded to the chatbot, we may face the risk of breaching our data privacy responsibility on confidentiality. There are also risks of data leaks to our competitors.

2. Scope

This policy applies to all employees who use generative AI tools, including but not limited to AI-driven chatbots, content generators, coding assistants, and image creation software.

All Samchem Group's employees must adhere to the following guidelines when accessing any GAI Apps whether or not through our Samchem IP address or whether or not through our Company's owned desktops or notebooks.

3. Prohibited Uses

Employees and authorized users must **NOT USE** generative AI models to:

- Input, upload, or share confidential, proprietary, or sensitive company data, including but not limited to:

    o Trade secrets

    o Financial reports

    o Client information

    o Any agreements (supplier agreements, NDAs etc)

    o Internal business strategies

- Generate or disseminate misleading, deceptive, or inaccurate content that could damage the company's reputation.

- Engage in automated decision-making that could impact customers, employees, or business partners without human oversight and validation.

A. Use AI-generated content as the sole basis for legal, financial, or strategic decisions without expert verification. As GAI models are generally providing responses to your prompt queries based on their training models and data being generated from the environment that it operates from, the generated responses should be taken as a guide only subject to further

verifications. Without further due diligence, the generated information should not be shared in public especially with our stakeholders in order to avoid legal complications.

- Violate any applicable laws, regulations, or contractual obligations regarding data protection and intellectual property.

5. Data Security & Compliance

- Employees must use company-approved AI tools that comply with data security and privacy standards. The Company reserves the right to suspend usage to any AI tools that does not comply with its data security and privacy standards.

- Data entered into AI models must be anonymized and not traceable to specific individuals, clients, or proprietary company details. Employees must ensure that the **COMPANY'S NAME DOES NOT APPEAR in any of the chats, prompts, or other inputs when using generative AI tools**.

- Any AI tools integrated into company workflows MUST first be reviewed and approved by the IT and Compliance departments.

6. Accountability & Monitoring

- Samchem reserves the right to audit AI usage to ensure compliance with this policy.

- Employees violating this policy may face disciplinary action, including revocation of AI access, suspension, or termination.

- Any suspected data breaches, unauthorized AI use, or security concerns must be reported to the IT Department.

This policy informs users on the prohibited uses. Users are to be aware on possible legal, privacy and commercial breaches and to conscientiously remind yourselves to evaluate the situational risks when using any GAI models.