

# AI Transparency Notice

This AI Transparency Notice (“Notice”) is provided in accordance with Regulation 10 of the DIFC Data Protection Regulations (“DIFC DPR”) in relation to the use of certain AI-enabled systems (“System,” or collectively, “Systems”) used by Waystone Compliance Solutions (Middle East) Limited (“Firm”) involving the Processing of Personal Data that may impact you.

This Notice is intended to provide a comprehensive, true, and plain description of how Personal Data is Processed by these Systems, the purposes of such Processing, the design principles governing such Systems, and the safeguards in place to ensure compliance with DIFC Data Protection Law (DIFC Law No. 5 of 2020) (“DIFC DPL”)

Capitalised terms used in this Notice have the meanings given to them under the DIFC DPL and the DIFC DPR.

## Data Subject Rights

Our use of the Systems does not remove or reduce the rights available to you under the DIFC DPL. Depending on the System used and the legal basis for Processing, certain rights may be subject to statutory limitations or exceptions. These limitations are described in the relevant appendix where applicable.

For further information about your rights and how to exercise them, please refer to our Data Protection Information Notice available at <https://www.waystone.com/dataprotection/>.

## Defined Principles and Limits of the Systems

The Systems are deployed within defined governance, risk management and operational controls established by the Firm. Any new use case, Processing activity or material change to the use of a System is subject to appropriate review, approval and governance processes before implementation.

## System Autonomy and Human Oversight

The Systems described in this Notice are deployed solely for human-defined business purposes approved by the Firm. The Systems are not authorised to independently determine new purposes for the Processing of Personal Data.

Certain Systems perform automated functions such as transcription, classification, screening, matching, summarisation, recommendation generation or document drafting. While these activities may be undertaken automatically by the relevant System, the purposes for which Personal Data is Processed, the circumstances in which the System may be used, and the manner in which outputs are relied upon are determined by the Firm.

Appropriate human oversight is applied to the use of System outputs. Where required by the nature of the Processing, outputs generated by the Systems are subject to review, validation, approval or challenge by appropriately authorised personnel before they are relied upon for decision-making purposes.

## AI System Design and Governance Principles

Systems developed and utilised within our products, services, or other use cases are designed and operated in accordance with the following AI principles of design, as required under the DIFC DPR:

- **Ethical and Fair Use:** Systems are designed to promote ethical outcomes and to treat individuals fairly. We take reasonable steps to identify and mitigate potential bias that could lead to unfair or discriminatory outcomes.
- **Transparency:** Where AI is used to Process Personal Data, we aim to ensure that such Processing is explainable in clear, non technical terms to data subjects.
- **Security:** Appropriate technical and organisational measures are in place to protect Personal Data processed by AI Systems and to prevent unauthorised access or Personal Data Breaches.
- **Accountability:** We maintain oversight and governance measures to ensure responsibility for the development, deployment, and outcomes of our Systems.

## Ongoing Review

This AI Transparency Notice is reviewed periodically and updated as necessary to reflect changes in AI Systems, regulatory expectations, or organisational practices.

## APPENDIX A – LSEG World-Check

We use LSEG World-Check One (“World-Check”) in the delivery of our anti-money laundering compliance services. While you may not interact directly with the System, your Personal Data may be Processed within World-Check as part of the screening, due diligence and compliance activities we undertake on behalf of our clients.

### Purposes of Processing

World-Check is used to support customer due diligence, sanctions screening, politically exposed person (“PEP”) screening, adverse media screening, identity verification and compliance with applicable anti-money laundering, counter-terrorism financing and sanctions requirements.

### System Functionality and Human Oversight

World-Check uses automated screening and matching technologies to compare Personal Data against sanctions, PEP, regulatory, and enforcement datasets maintained by LSEG.

World-Check does not independently determine new purposes for Processing Personal Data and is used solely for the purposes described above. All alerts and screening results are reviewed by appropriately trained personnel and are subject to applicable review, escalation and quality assurance controls before being relied upon.

### Automated Decision-Making

World-Check does not make decisions that produce legal effects or similarly significant effects without human involvement. Screening results and alerts are reviewed by appropriately trained personnel as part of the Firm’s compliance processes.

### Outputs

World-Check may generate:

- screening matches and risk indicators;
- operational, audit and system-related metadata

These outputs are used to support compliance and onboarding assessments and do not determine outcomes without appropriate human review.

### Fairness Considerations

Screening activities may result in false positive matches, particularly where names are common, similar or subject to different spellings or transliterations to mitigate this, the System considers secondary identifiers such as date of birth or nationality, when assessing potential matches. We also apply appropriate controls and human review processes to assess and resolve potential matches before any action is taken.

### Data Subject Rights

The rights available to you under the DIFC DPL are largely unaffected by our use of World-Check. However, certain rights may be restricted where required to comply with applicable financial-crime prevention laws. In particular:

- the right to erasure may not apply where records must be retained to comply with applicable legal and regulatory requirements; and
- the right of access may be restricted where providing access would prejudice the prevention, detection or investigation of financial crime.

### Standards and Governance

World-Check has been developed having regard to recognised industry standards and principles, including responsible AI principles aligned to the NIST AI Risk Management Framework and ISO guidance relating to AI risk management.

## Appendix B – Fenergo Client Lifecycle Management

We use Fenergo Client Lifecycle Management (“Fenergo”) as part of our onboarding and due diligence processes for prospective clients, to comply with our legal and regulatory obligations. While you may not interact directly with the System, your Personal Data may be Processed within Fenergo as part of the screening, due diligence and compliance activities we undertake.

### Purposes of Processing

Fenergo supports customer onboarding, client lifecycle management, due diligence, identity verification and compliance activities.

### System Functionality and Human Oversight

Fenergo uses automated workflow, screening, risk assessment and data analysis technologies to support onboarding, due diligence and compliance processes. The System may generate classifications, recommendations, risk indicators and identity verification outcomes based on predefined criteria and risk parameters.

Fenergo does not independently determine new purposes for Processing Personal Data and is used solely for the purposes described above. Where automated processing generates alerts, recommendations or outcomes requiring further assessment, these are subject to appropriate human review and oversight in accordance with the Firm’s governance and compliance procedures.

### Automated Decision-Making

Fenergo may apply automated processing in limited circumstances. Where automated decision-making is used, appropriate safeguards are in place to ensure human review is available for decisions that produce legal effects or similarly significant effects.

Where an assessment falls outside predetermined risk thresholds or generates an alert, it is mandatorily referred for human review.

### Outputs

Fenergo may generate:

- AI-generated ID verification outcomes
- AI-generated match assessments
- classifications, recommendations and risk indicators;
- structured summaries of customer information and supporting documentation; and
- operational and audit-related metadata.

These outputs are used to support onboarding and compliance activities and remain subject to appropriate human oversight.

### Fairness Considerations

Screening activities may result in false positive matches, particularly where names are common, similar or subject to different spellings or transliterations. We apply appropriate controls and review processes to assess and address these risks.

### Data Subject Rights

The rights available to you under the DIFC DPL are not affected by our use of Fenergo. However, certain rights may be restricted where required to comply with applicable anti-money laundering, counter-terrorism financing or sanctions obligations. In particular:

- the right to erasure may not apply where records must be retained to comply with applicable legal and regulatory requirements; and
- the right of access may be restricted where providing access would prejudice the prevention, detection or investigation of financial crime.

## Standards and Governance

Fenergo has been developed having regard to recognised industry standards and principles, including the NIST AI Risk Management Framework and the OECD AI Principles.

## Appendix C – Microsoft Transcript

Microsoft Transcript may be used during board and committee meetings – while participants may not interact directly with the System, Personal Data disclosed during meetings may be Processed by Microsoft Transcript. In line with our operational practices and DIFC DPR requirements, this notice is also provided via meeting invitation in advance of initial use of the System.

### Purposes of Processing

We use Microsoft Transcript to create written records of meetings, assist with the preparation of meeting notes, support internal record-keeping and quality assurance processes and facilitate the accurate delivery of services and follow-up actions arising from client discussions.

### System Functionality and Human Oversight

Microsoft Transcript uses automated speech recognition and natural language processing technologies to convert recorded speech into text. The System does not independently determine new purposes for Processing Personal Data and is used solely for the purposes described above. Transcript outputs remain subject to user review and are used within the Firm's established governance and record-keeping processes.

### Automated Decision-Making

Microsoft Transcript does not make decisions that produce legal effects or similarly significant effects on individuals.

### Outputs

Microsoft Transcript may produce:

- AI-assisted transcripts of recorded calls and meetings;
- speaker attribution and timestamps within transcripts;
- operational and system-related metadata.

These outputs are used to support meeting administration, record-keeping and service delivery activities and are subject to appropriate human review.

### Codes and Regulatory Standards

Microsoft Transcript is provided as part of the Microsoft 365 platform. Microsoft develops and operates AI systems in accordance with the Microsoft Responsible AI Standard. Further information is available at:

<https://www.microsoft.com/en-us/ai/principles-and-approach/>

## Appendix D – Board Intelligence Minute Writer

We use Board Intelligence Minute Writer (“Minute Writer”) in the delivery of our company secretarial services. While you may not interact directly with the System, your Personal Data may be Processed within Minute Writer as part of the minute-taking, meeting administration and governance support activities we undertake on behalf of our clients. In line with our operational practices and DIFC DPR requirements, this notice is also provided via meeting invitation in advance of initial use of the System.

### Purposes of Processing

We use Minute Writer to support the preparation of board and committee meeting minutes, and generate draft meeting records and summaries from notes and transcripts.

### System Functionality and Human Oversight

Minute Writer uses generative AI and natural language processing technologies to analyse meeting content and generate draft text outputs. The System operates only within user-defined instructions and does not independently establish new purposes for Processing Personal Data. All outputs are reviewed and approved by authorised personnel prior to use.

### Automated Decision-Making

Minute Writer does not make decisions that produce legal effects or similarly significant effects on individuals.

### Outputs

Minute Writer may produce:

- AI-generated draft meeting minutes;
- AI-generated board paper summaries; and
- operational and system-related metadata

Minute Writer is used by authorised consultants to support the production of a high-quality first draft of meeting minutes. All Minute Writer outputs are advisory only and are subject to mandatory human review, validation, and approval.

### Standards and Governance

Minute Writer has been reviewed and approved for use in accordance with the Firm’s AI governance framework and risk assessment processes. The System has been assessed against the Firm’s AI governance principles, including transparency, accountability, human oversight, security, fairness and lawful Processing of Personal Data. Information security and operational safeguards are further supported by applicable standards, including ISO/IEC 27001, with additional controls applied on a proportionate, risk-based basis.