

# TTEC Generative Artificial Intelligence Use Policy

## 1. Purpose

The purpose of this TTEC AI Use Policy (“**Policy**”) is to provide guidance to TTEC Holdings, Inc. group of companies (collectively, “**TTEC**” or the “**Company**”) on the responsible use of Artificial intelligence<sup>[1]</sup> (“**AI**”) on behalf of the company, in the Company’s business and as part of our client solutions, so that we can use this technology for good, while meeting our business aspirations, our clients’ expectations, relevant regulatory requirements, and best practices.

The term “AI” is often used broadly to cover all applications of advanced technologies, including Robotic Process Automation<sup>[2]</sup> (“**RPA**”), Machine Learning<sup>[3]</sup> (“**ML**”), data analytics, and systems and data models capable of creating new content (texts, images, written work product, music, among others) based on patterns and examples learned from existing data which is similar in style and structure to the original data (“**Generative AI**”) to automate processes and augment human-led data processing activities. This Policy applies to the use and deployment of *Generative AI* only.

While Generative AI has many potential benefits, its use raises complex issues that TTEC and our employees should be aware of when using this technology on behalf of the Company or its clients. The key Generative AI concerns that are relevant to TTEC business include

- **Bias:** Generative AI models are trained on large data sets and are only as unbiased as the data they are trained on. If the training data contains harmful bias or discriminatory content, the Generative AI model will also produce biased or discriminatory content.
- **Privacy:** Generative AI relies on information to generate output; this information may include confidential or personal information that relates to individuals, TTEC clients, and employees. Use of Generative AI must respect the rights of individuals in how their personal information is managed.
- **Intellectual Property:** There are concerns about the use of Generative AI to create content that infringes on the intellectual property rights of others. TTEC’s ability to safeguard its own intellectual property is also at risk when utilizing AI tools.

- Proprietary Information: Data supplied to Generative AI tools often becomes publicly available. When using AI tools, it is therefore important to take cautionary steps in analyzing what data is used in connection with the tools and how it is protected.
- Ethics: In addition to specific concerns centered on bias, privacy and intellectual property, and proprietary information, there are broader concerns about the ethics of the use of Generative AI. Use of Generative AI must comply with our TTEC corporate values as well as applicable law.

It is important to address these areas of concern, and the purpose of this Policy is to provide guidance to the Company and its employees on the responsible use of Generative AI in the Company's business and as part of its client solutions.

AI technology, its applications, and the regulatory framework that govern it are rapidly evolving. This Policy is the first step in establishing the guidelines and rules of engagement on the utilization of Generative AI in TTEC's business. We expect that this Policy will continue to evolve as more is learned by us and by others about the opportunities and pitfalls of AI, and as regulatory frameworks that are relevant to our business and our clients' businesses mature.

## **2. Policy Statement**

At TTEC, we value the responsible and ethical use of AI, in general, and Generative AI, in particular, as an enablement tool and not a wholesale unsupervised replacement of people and functions. AI at TTEC supplements and enhances human abilities, but it does not lessen them. When TTEC utilizes AI-powered large language models, such as PaLM or ChatGPT services, we understand the importance of proactively addressing ethical issues, establishing decision-making principles on the use of AI in the workplace, including careful selection of training data, transparency about how the Generative AI is being used, and appropriate oversight of its use.

### **A. TTEC Approach to the Use of Generative AI**

Because the use of Generative AI raises complex legal and ethical concerns, our AI solutions must be transparent, auditable, fair, and documented. TTEC employees must adhere to the following when using Generative AI or when creating products and services that use Generative AI:

- Data Privacy and Security. It is the policy of the Company that our AI tools must comply with data protection laws, and we must handle any personal or sensitive data with appropriate care. TTEC will respect the rights of individuals and will only process confidential or personal information in accordance with applicable law and TTEC's contractual commitments. TTEC's use of Generative AI tools is subject to TTEC policies, including its privacy and information security policies.

- Fairness and Bias Avoidance. It is the policy of the Company to take reasonable steps to ensure that the AI tools that we utilize are fair and do not reflect harmful bias. When training AI for deployment in internal or external use applications, TTEC shall strive to remove inappropriate data to avoid harmful bias. When using 3<sup>rd</sup> party Generative AI tools in the Company's business and in our client solutions, TTEC will seek to understand how these Generative AI tools were trained and will review and validate the outcomes produced by these tools to minimize risk of harmful bias.
- Fair Practices. It is the policy of the Company that focused care should be taken to ensure that our use of Generative AI, in our employment practices, our business in general, and in how we serve our clients does not lead to discrimination against individuals based on the protected characteristics, including race, gender, gender identity, age, disability, sexual orientation, religious affiliations, and veteran status. All utilization of AI tools in TTEC employment practices must be cleared with Responsible AI Council as outlined below, which includes oversight from the Company's legal department.
- Intellectual Property. It is the policy of the Company that we must ensure that our AI tools and our utilization of such tools do not infringe on the intellectual property rights of others. Those involved in the utilization of AI in TTEC's business and client solutions must consult with the Responsible AI Council (as further described below) and with the Company's legal department to take appropriate steps to protect the Company's intellectual property and avoid releasing it into the public domain without appropriate protection. This Policy also requires that when using AI tools to assist in the generation of software code, the Company's legal department is consulted to review AI tool's license terms.
- Proprietary and Sensitive Information. It is the policy of TTEC that use of TTEC proprietary information and other sensitive information, including employee sensitive information, in Generative AI tools must be reviewed and approved by the Responsible AI Council as described further below.
- Transparency. It is the policy of the Company that our Generative AI tools and Generative AI use must be transparent, and we must inform our employees and our clients about how we use it, what data we collect in connection with its use, and what data we use to train our AI tools.
- Validation. It is the policy of the Company to regularly evaluate, validate, and audit Generative AI tools to identify and address potential biases in its outcomes and to seek to correct inaccurate information created by such tools.

- Performance and Accuracy: It is the policy of the Company to only use AI tools that are able to perform in a manner that is consistent with their intended purposes. This includes ensuring that our AI tools produce outputs that have an appropriate level of accuracy and are sufficiently robust in their design, development, and deployment to provide the functionality that is reasonably expected for its utilization. It is also the policy of the Company that those who utilize AI in their work or have the opportunity to observe its outputs and see flaws, inaccuracies, or meaningful improvement opportunities have the responsibility to come forward with their observations to those responsible for the specific AI tool or can bring their concerns to their supervisors, any member of the Responsible AI Council, or connect with **We Hear You**, TTEC ethics helpline, reachable at [www.ttecwehearyou.com](http://www.ttecwehearyou.com).
- Human Oversight. It is the policy of the Company that authorized and purposefully trained employees have the ability to override any decisions made by AI tools that result in decisions that affect our applicants, employees, or client customers and that human oversight is present in the decision-making process as required by law. It is also the policy of the Company that any party impacted by an automated decision may challenge such decision and receive a review by an employee of the Company with appropriate expertise in the subject matter involved in the decision

#### **B. Responsible AI Council: Governance and the Approval Process for Generative AI Tools and Use Cases**

The Company shall form the Generative AI utilization oversight governance body (to be known as “Responsible AI Council”). Council members shall be appointed, from time to time, by TTEC Executive Leadership Team (“ELT” or its successor in responsibilities); and shall include

- (1) appropriate AI subject matter experts, and
- (2) at least one representative from the following stakeholder organizations
  - (a) each of the Company’s business segment,
  - (b) the Corporate Functions’ organization,
  - (c) the Information Security group,
  - (d) the Legal & Risk department;
  - (e) the Data Governance organization; and (f) the Ethics team.

Council members may represent multiple stakeholder organizations, as long as they have the required background and experience. The Council shall elect its chair, from time to time, to manage the work of the Council. The Responsible AI Council shall

- Review and approve all Generative AI tools that are used by TTEC and its employees in the business of the Company and in its client solutions;
- Establish, if appropriate, and periodically review and update the list of AI tools that may not be used in TTEC business or client solutions;
- Review and approve all use cases for Generative AI in TTEC business; any products or services utilizing Generative AI, whether licensed to TTEC clients or used in TTEC service delivery;
- Stay current on all relevant AI regulatory issues and best practices;
- In making its decisions, review all the appropriate terms and conditions, licensing agreement, or other documentation associated with the proposed usage of Generative AI;
- Track and document its governance activities through minutes of its meetings; and
- Engage in other governance and oversight responsibilities as assigned by TTEC Executive Leadership Team (“ELT” or its successor in responsibilities) from time to time.

The Responsible AI Council may approve, deny, or modify the parameters of Generative AI usage as they best meet TTEC business needs, subject to this Policy, other TTEC relevant policies, and relevant legal requirements. The Council will periodically review its activities with the ELT and the Security & Technology Committee of the TTEC Board of Directors.

### **3. Applicability**

This Policy applies to all employees of all TTEC companies worldwide, including subsidiaries and controlled affiliates, and all acquired companies subject to earn-out provisions, whether or not they trade under the TTEC brand or as part of a different trading platform.

### **4. Exceptions to the Policy**

There are no exceptions to this Policy.

### **5. Responsibility**

Compliance with this Policy is the responsibility of all TTEC employees. Members of the TTEC Executive Leadership Team (or its successor in responsibilities) are personally responsible for Policy compliance in their respective business segments and functions. Failure to comply with the Policy will put TTEC at substantial risk and may subject the Company and individual employees, officers, and directors of the Company to liability and reputational damage.

### **6. Related Policies and Procedures**

This Policy is aligned with other TTEC-related policies and procedures, including, without limitation:

- TTEC Ethic Code: How TTEC Does Business
- Global Privacy Policy
- Information Security Policy
- Acceptable Use Policy.

**Responsible AI Council Appointed July 2023**

	<i>Council Member</i>	<i>Function</i>	<i>Contact</i>
	James “JB” Bednar	Engage Business Segment	<a href="mailto:james.bednar@ttec.com">james.bednar@ttec.com</a>
	Aaron Schroeder	Digital Business Segment	<a href="mailto:aaron.schroeder@ttecdigital.com">aaron.schroeder@ttecdigital.com</a>
	Laura Butler	Corporate Functions	<a href="mailto:laura.butler@ttec.com">laura.butler@ttec.com</a>
Chair	<b>Rodrigo Monroy</b>	Risk & Legal	<a href="mailto:rodrigo.monroy@ttec.com">rodrigo.monroy@ttec.com</a>
	John Everson	Information Security	<a href="mailto:john.everson@ttec.com">john.everson@ttec.com</a>
	Shannon Brennan	Data Governance & Ethics	<a href="mailto:shannon.brennan@ttec.com">shannon.brennan@ttec.com</a>
	Chris Brown	Office of the CEO	<a href="mailto:chris.brown@ttec.com">chris.brown@ttec.com</a>

<sup>[1]</sup> **Artificial Intelligence or AI** is an umbrella term that covers technologies and systems, including Generative AI, considered to comprise software and/or hardware that can learn to solve complex problems, make predictions, or undertake tasks that require human-like sensing, perception, cognition, planning, learning, communication, or physical action.

<sup>[2]</sup> **Robotic Process Automation** – a combination of software tools, processes, and sometimes devices that partially or fully automates human activities that are manual, rule-based, and repetitive.

<sup>[3]</sup> **Machine Learning (“ML”)** – the capability of machines to learn from data without being explicitly programmed

