AI Policy
Position Green

1. Purpose and Scope

Our starting point is to use Artificial Intelligence (AI) to drive positive environmental, social and governance (ESG) impact. Through our AI-driven insights, customers can track ESG metrics, measure decarbonization progress, and identify areas for improvement with precision and efficiency. Position Green's AI solutions can automate data collection, integrate diverse data sources, and provide predictive analytics, helping businesses develop and refine sustainable strategies. This empowers clients to meet regulatory demands, align with ESG goals, and lead sustainably with actionable, data-backed decisions.

Technical implementation of AI solutions on our platform is led by our AI Lead together with our Chief Technology Officer. They are responsible for making sure we follow the correct implementation standards and ethics.

This policy applies to all employees, contractors, and partners involved in the development, implementation, and management of Position Green's AI solutions. Indirectly, the policy also covers the internal use of Enterprise Chat GPT by Position Green's employees.

2. Guiding Principles

Position Green's approach to AI reflects our **mission to revolutionize how businesses integrate sustainability in the pursuit to create a sustainable, fair and resilient future.** In our approach, we are guided by:

A. **Transparency & ethical use** : We prioritize clear, accessible AI processes, reinforcing accountability and openness.
B. **Privacy**: Guided by Position Green's focus on privacy, our AI data use prioritizes the secure, transparent handling of customer data, ensuring that data collection, processing, and storage are conducted with full respect for confidentiality of our customers (formalized with NDAs).
C. **ESG impact**: Our purpose of offering AI is to empower customers' sustainability journey, however we realize the potential environmental, social and governance risks that arise due to increasing use of AI globally. We therefore monitor and discuss this topic regularly internally.

A. Ethical and Responsible AI Use

Lead by the principles above, Position Green is committed to ethical AI use, ensuring that all AI applications are designed, developed, and deployed with fairness, transparency, and accountability. AI processes are clear and understandable, aligning with Position Green's impact commitment to transparency.

- **Non-Discrimination**: AI systems must undergo bias evaluations to ensure equitable outcomes across demographics. This is implemented in supplier selection and System Instructions when adjusting the Large Language Model (LLM).

- **Human Oversight**: Human review is essential in AI decision-making, reinforcing our commitment to responsible, accountable AI use. This is why our AI solutions always have a user disclaimer "Check the information, AI Analyst can make mistakes.".
- **Data Integrity**: Only relevant data is used in AI, aligning with our impact standards for data accuracy. These include data provided by the customer only, with traceability to the user and exact time of input, sometimes supported by documentation, and emission factors from PG databases that have strict internal controls and annual wheel of updates from recognized resources to ensure data accuracy and quality.
- **User Education**: Clients are informed and upskilled about AI's role in the Position Green platform, ensuring informed engagement with AI outputs. For legacy clients without AI capabilities in their original set up, they are explicitly asked to sign an AI Addendum to include it.

B. Data Privacy and Security

Position Green's AI respects data privacy, collecting minimal data and maintaining stringent security, just like we do in any other client engagement. These are usually documented with Non-Disclosure Agreements (NDAs).

- **Data Minimization**: Only data required for sustainability-related disclosures and visualization is collected, reflecting Position Green's privacy practices. Each user prompt with respective answer as well as the user feedback is stored in the AI solution of a given set up.
- **GDPR Compliance**: All data handling is GDPR-compliant, meeting privacy and transparency standards. Our Privacy Policy can be found on our [website.](#)
- **Cybersecurity & Data Privacy:** further information on cybersecurity and data privacy measures at Position Green, as well as our SOC2 certification can be found in our ESG Report.

C. ESG impact of AI

Position Green strives to consider the sustainability of using AI in its supplier selection and operations. We are aware of the opportunities, as well as the risks that the use of AI brings, especially when it is not yet regulated. We therefore involve external stakeholders and discuss internally how Position Green can mitigate any negative impacts it may contribute to through its use of AI.

- Environmental impacts: the use of AI is significantly increasing the energy & cooling needs due to data centers' capacity needed to support it.
- Social impacts: with the large increase in energy & water consumption, countries with a large number of data center providers may pose risk to local communities, overtaking the supply of energy as well as water, which can become a severe risk in water-stressed areas.
- Governance impacts: insecure AI models may lead to instances of non-compliance or spread of incorrect or sensitive information, which may result in financial implications for both the customer and Position Green.

3. Ongoing Monitoring and Assessment

Position Green conducts ongoing AI evaluations to meet ethical and sustainable standards.

- **Model Audits**: Regular audits conducted by our AI Lead assess AI for bias and accuracy, aligning with Position Green's impact objectives.
- **Policy Review**: This policy is reviewed annually, ensuring alignment with emerging best practices.
- **Feedback Mechanism**: Feedback from stakeholders informs improvements to AI systems, whether its customers or employees.
- **Training**: We have put in place procedures and training to help our employees understand the risks and limitations of AI. During the year, we held one voluntary training session for all employees on how to use AI safely and effectively.

4. Forward-Looking AI Governance

As we continue to innovate and integrate AI into our sustainability solutions, we remain committed to a future where technology and ethics go hand in hand. Our approach to governance includes a strong focus on AI ethics, to ensure our use of AI is always responsible and always advancing the cause of sustainability. We endeavor to follow the latest standards and regulations.

Approved by Position Green CFO – Ole Martin Tangen 25 November 2024