Responsible Artificial Intelligence Program Statement

This statement summarizes the Company's responsible AI program elements and related controls based on the publicly available AI governance policy and Responsible artificial intelligence policy statement. It is intended to describe program implementation measures and does not replace or rename the Company's board-approved AI governance policy.

Program overview

KGI Financial Holding applies responsible AI program controls.

CSA response mapping

Program element	Response	Supporting basis
Limiting access to sensitive AI capabilities	The Company applies least-privilege access controls to AI-related activities and sensitive capabilities. For medium-risk or higher AI technologies, permissions for model training data selection, parameter adjustment and execution must follow the principle of least privilege. Application system accounts used to access operating systems or databases must avoid excessive or highest-level privileges.	AI Technology Lifecycle Management Guidelines
Distinct labeling of AI-generated content and outcomes of AI-driven decisions	For medium-risk or higher AI technologies, when our company uses artificial intelligence to interact directly with customers, it should appropriately disclose information to them.	AI Technology Lifecycle Management Guidelines
Mechanisms to detect and correct drift or degradation of AI models over time	For medium-risk or higher AI technologies, the Company requires planning of monitoring indicators, abnormality thresholds and monitoring frequency. The lifecycle controls also require a mechanism to interrupt the use of AI technology.	Utilize artificial intelligence to manage policies; AI Technology Lifecycle Management Guidelines;
Regular assessments of deployed AI models for fairness/bias	The Company requires AI risk classification to be performed regularly each year. For medium-risk or higher AI technologies, relevant data features must be selected, the rationale for selection must be documented, and potential bias must be assessed. Where potential bias is identified, a fairness treatment plan or alternative solution must be developed.	AI Inventory and Risk Assessment Management Guidelines AI Technology Lifecycle Management Guidelines;
Initiatives to lower the ecological footprint of AI data centers/models	When using artificial intelligence, our company must ensure that its development strategies and execution align with sustainable development principles. At the infrastructure level, systems are hosted on Azure and GCP cloud platforms, using efficient data centers and renewable-energy matching mechanisms. Energy consumption is considered in assessment, and lightweight optimization techniques such as model distillation and quantization are adopted to reduce computational energy consumption during training and inference. Microsoft https://learn.microsoft.com/en-us/azure/well-architected/sustainability/sustainability-design-methodology Azure – Shared Responsibility	Utilize artificial intelligence to manage policies.

	https://learn.microsoft.com/en-us/azure/well-architected/sustainability/sustainability-design-methodology#apply-a-shared-responsibility-mindset GCP https://cloud.google.com/sustainability https://docs.cloud.google.com/architecture/framework/sustainability?hl=zh-tw	
Appeals process for users/affected third parties to contest an AI decision or outcome	For medium-risk or higher AI technologies, where AI outputs may materially affect customers or other stakeholders, the requesting unit must plan human oversight mechanisms, user complaint or remediation channels, dispute resolution mechanisms and other remedy options.	AI Technology Lifecycle Management Guidelines.
Training of employees on the ethical use and/or security of AI	The Company provides AI governance and risk management training to all employees. For medium-risk or higher AI technologies deployed into the formal environment, user instructions or training must be provided after deployment, covering proper operation of the AI technology and interpretation of its outputs.	Utilize artificial intelligence to manage policies; AI Technology Lifecycle Management Guidelines;