

Artificial Intelligence (AI) Policy

This policy outlines the standards for secure, transparent, ethical and lawful use of AI tools across Prospectus. The goal is to ensure AI is used in a manner that protects candidate, client, and company data, supports fairness and equality, and upholds our professional reputation. The policy sets out clear principles to follow in any use of AI within the organisation.

Common Terms

- **Artificial Intelligence (AI):** Computer systems able to perform tasks typically requiring human intelligence, such as decision-making, language processing, and visual perception.
- **Generative AI:** A subset of AI that generates and creates new content, such as text, images, audio and computer codes, based on prompts. Some generative AI tools are designed to take actions.
- **Generative AI chatbot:** A computer program using generative AI to simulate conversation. Publicly available examples include ChatGPT, Google Bard, Bing Chat and Microsoft Copilot.
- **Large Language Model (LLM):** AI models which learn to predict the next best word or part of a word in a sentence having been trained on enormous quantities of text. Examples include Chat GPT and Bing Chat which use the OpenAI Large Language Model.
- **Machine Learning (ML):** A subset of AI where systems learn from data and algorithms to identify patterns to imitate the way humans learn, gradually improving accuracy. ML is often used for classification, prediction, or decision-making processes.

Our Policy

Prospectus is committed to using AI technologies, including generative AI, in a responsible, ethical, transparent manner for the benefit of all employees and the business. We recognise that while AI can bring efficiency and innovation to our operations, it must never replace human oversight particularly in decision-making processes, such as hiring, candidate evaluation, or client-applicant communications.

Prospectus remains fully accountable for any information or decisions produced with the assistance of AI. We will ensure all outputs generated by AI tools are reviewed

and verified by a human before being shared externally. This includes any materials intended for candidates, clients, or other official communications.

Prospectus will regularly monitor and review the use of AI technologies to ensure ongoing compliance with this policy, emerging legal standards, and evolving best practices. AI tools and processes will be periodically audited to assess accuracy, fairness, and effectiveness. This policy will be updated as required in response to changes in technology or regulation.

Prospectus will provide guidance and training to employees using AI tools to ensure they understand their appropriate use, limitation and associated risks. Employees will remain responsible for verifying the accuracy and appropriateness of any AI-assisted output prior to its use in professional settings. Any misuse of AI technologies may be subject to review under internal policies, including disciplinary procedures where appropriate. All employees must adhere to the guidelines set out in the document *AI at Prospectus – Acceptable Use*.

Prospectus will ensure that any use of generative AI will be in accordance with official government guidance. For example: the [Responsible AI in Recruitment guide](#), the [Introduction to AI Assurance](#), as well as the [ICO's Guidance on AI and data protection](#).

Recruitment

Prospectus recognises the potential of AI to enhance recruitment processes, including candidate sourcing, screening, and engagement. However, the use of AI in these areas must always be governed by principles of fairness, accountability and transparency.

Prospectus acknowledges that candidates may increasingly rely on AI tools to assist in preparing CVs, cover letters, or other application materials. While we understand this can support accessibility for applicants, the company reserves the right to verify the accuracy, consistency, and authenticity of all candidate-provided information. Materials suspected to be generated or influenced by AI will be subject to human review, and, where necessary, further validation such as references, checks and/or assessments.

Discrimination and Unconscious Bias

Prospectus acknowledges the concerns around the quality of the datasets being flagged for issues of fairness, accuracy and bias. We acknowledge AI tools based on LLMs generate responses based on the dataset they are trained upon and therefore have regard to the potential of the AI system to reflect errors and biases in its training data.

Prospectus is committed to ensuring that any AI tools used in the recruitment process do not create or perpetuate discrimination. All systems will be evaluated for potential bias and their ability to deliver fair outcomes across all candidate groups.

Prospectus also recognises its legal obligation to provide reasonable adjustments during the recruitment and hiring process for applicants with disabilities. Any AI systems used must comply with section 20 of the Equality Act 2010 and be capable of supporting inclusive and accessible recruitment practices.

Procurement and System Assurance

Prospectus will carefully consider the potential risks and benefits of any AI systems procured from third-party suppliers. Prior to adoption, each system will be evaluated for its trustworthiness, relevance to business needs, and alignment with the UK's AI regulatory principles and equality laws as well as the organisation's internal standards and values.

Prospectus will consult with individuals who are expected to use the system during the procurement process to ensure their needs, expectations, and concerns are understood. This includes identifying any training, education, or support they may require using the system effectively and with confidence. We are committed to ensuring that staff are equipped to meaningfully interpret and act upon AI-enabled predictions, decisions, or recommendations.

We will take reasonable steps to ensure that any procured AI system is designed and implemented in a way that supports equality, accessibility, and legal compliance. We will take reasonable steps to ensure that all systems meet the requirements of the Equality Act 2010, including the duty to provide reasonable adjustments for applicants with disabilities. AI tools must not introduce barriers for any group of users and must be capable of operating within a legally compliant recruitment process.

Data Protection and Privacy

Prospectus will take reasonable steps to ensure that all uses of AI systems are fully compliant with the UK General Data Protection Regulation (“UK GDPR”) and the Data Protection Act 2018 (“DPA”). Before deploying any AI tool, the company will consult the Information Commissioner’s Office’s (ICO) AI guidance and, where necessary, seek independent legal advice to confirm that the system meets all applicable legal requirements.

Prospectus will assess whether any AI system involves automated decision-making processes that fall within the scope of Article 22 of the UK GDPR. Where relevant, a Data Protection Impact Assessment (DPIA) will be completed to evaluate potential risks and ensure that appropriate safeguards are in place. This includes particular attention to high-risk processing activities such as large-scale profiling, biometric data processing, and/or data matching.

In line with data protection principles, Prospectus will avoid relying on inferred data about individuals wherever possible and will instead seek to obtain such information directly from the individual, with the clear and informed consent.

In line with Articles 5(1)(a), 5(1)(b), and 5(2) of the UK GDPR, we will maintain accountability for the quality and purpose of the data and for ensuring that outputs from AI systems are consistent, reliable, and aligned with individual’s rights and expectations.