

TRANSPARENCY NOTICE

FOR

VERICUT INTELLIGENCE AND VERICUT ASSISTANT

1. DEFINITIONS

1.1. In this Transparency Notice, capitalised words and phrases shall have their respective meanings given below:

"AI Act"	Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence.
"Digital Assistant"	the Licensor's chatbot / digital assistant product(s) known as: " <i>Vericut Intelligence</i> " and " <i>Vericut Assistant</i> "
"EULA"	the " <i>End User Licence Agreement</i> " for the Licensor's provision of software and/or services (including the Digital Assistant) to the Licensee.
"Licensee"	a corporate customer of the Licensor that has obtained a licence and/or right to use the Digital Assistant (Vericut Intelligence and/or Vericut Assistant as applicable).
"Licensor"	the Sandvik Group legal entity making available the Digital Assistant.
"Output(s)"	all information, outputs, data, responses, replies and other communications generated through use of the Digital Assistant.
"Privacy Notice"	the Licensor's privacy policy concerning the personal information and/or personally identifiable information controlled and processed by the Licensor in connection with the Digital Assistant (as updated from time to time and available through the Site), as found at www.vericut.com/privacy .
"Prompt(s)"	instructions, queries, prompts, and other information and/or data inputs submitted to the Digital Assistant.
"Sandvik Group"	the group of companies owned or controlled directly or indirectly by Sandvik Aktiebolag.
"Site"	the website (and all associated relevant pages) owned and operated by the Licensor through which Vericut Intelligence may be accessed and used.
"Site Terms of Use"	any <i>website terms of use</i> applicable to all access and use of the Site.
"Site User"	an individual accessing the Site.
"Terms of Use"	With respect to: <ol style="list-style-type: none">1. Licensees - Schedule 7 (TERMS OF USE) of the EULA.2. Site Users – The "<i>Terms of Use</i>" document (as updated from time to time and available through the Site) applicable specifically to Vericut Intelligence.
"Transparency Notice"	this document.

2. PRELIMINARIES

2.1. This Transparency Notice:

- 2.1.1. is supplemental and in addition to the EULA and Site Terms of Use (including, in each case, the Terms of Use applicable specifically to the Digital Assistant), which applies to the provision and use of the Digital Assistant;
- 2.1.2. has been prepared by (or on behalf of) the Licensor for the purpose of information and technical transparency (including for the purposes of the AI Act); and
- 2.1.3. may be updated and amended by the Licensor from time to time and at its sole discretion.

2.2. The Licensee / Site User (as applicable) agrees that:

- 2.2.1. changes made to this Transparency Notice have effect immediately on publication; and

2.2.2. by using (and continuing to use) the Digital Assistant, it unconditionally accepts the contents of this Transparency Notice.

2.3. The Licensee's / Site User's attention is specifically drawn to the following provisions of the Terms of Use:

§3.1.2 *The Digital Assistant: (a) is under continuous development; and (b) uses generative artificial intelligence systems that simulate human interaction and conversation.*

§3.1.3 *The Digital Assistant **is not intended to be used as a safety component of a product.***

§3.1.4 *The Digital Assistant is an automated service that is: (a) intended to perform narrow procedural tasks; (b) designed as an aid to: (i) the navigation of documentation; and (ii) use of the licensed software.*

3. TRANSPARENCY INFORMATION

3.1. The Digital Assistant is powered by OpenAI (OpenAI Ireland Limited (if the Licensee is located in the UK, EEA, or Switzerland) or OpenAI OpCo, LLC (if the Licensee is based anywhere else) (and information concerning the Open AI service is available at the following URL:

OpenAI Service Overview* <https://openai.com/business>

3.2. The Licensor has used the Open AI Service to build and make available the Digital Assistant for the purposes described in the Terms of Use, including to:

3.2.1. allow Licensee and/or Site Users (as the case may be) to perform narrow procedural tasks relating to the Licensor's Site, manuals, books, and other equipment related documentation; and

3.2.2. provide the Licensee (and its users) with automatically generated answers and technical guidance concerning the Licensee's use of the Licensor's licensed proprietary software.

3.3. The Digital Assistant uses a base large language model to respond to Prompts (see §3.1.2 of the Terms of Use).

3.4. The OpenAI Service components of the Digital Assistant:

3.4.1. are fully controlled by OpenAI; and

3.4.2. uses OpenAI models hosted on OpenAI's cloud infrastructure.

3.5. For the Licensor to make available and power the Digital Assistant, OpenAI is required to process data contained in the Prompts.

3.6. For further information concerning OpenAI's data processing activities see the following URL:

Data, privacy, and security for OpenAI Service <https://openai.com/enterprise-privacy>

3.7. The Licensee and/or Site User (as the case may be) acknowledges and agrees that:

3.7.1. use of the Digital Assistant is subject to the restrictions, exclusions, and disclaimers described in the Terms of Use; and

3.7.2. the Licensor collects and processes data (including the Prompts) in accordance with the EULA (including the Terms of Use) (as applicable to Licensees) and the Privacy Notice.

4. SUPPORT

4.1. For support or questions regarding the Digital Assistant, please contact the Licensor's technical support team at the following URL:

Support <https://vericut.com/support>

4.2. To give feedback on the Digital Assistant please press e-mail Vericut support at the top of the chat window.