

ARTIFICIAL INTELLIGENCE USAGE IN THE WORKPLACE POLICY

This Policy sets standards for responsible, lawful and ethical use of AI tools at work covering transparency, accountability, approved-tool requirements, human oversight, and protection of confidentiality, privacy and data security.

Scope: Applies to all Motherson Group entities and all AI users including employees, contractors and third-party vendors that are interacting with, developing or implementing AI tools, regardless of location.

Adopted by the Board of Directors of Motherson Sumi Wiring India Limited

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1. INTRODUCTION AND POLICY OBJECTIVES

Artificial Intelligence (“AI”) presents a wealth of opportunities, particularly in the workplace, and Motherson recognizes the importance of adopting AI in a safe and responsible manner as a valuable and innovative tool in assisting it to deliver its operational goals. The purpose of this policy (“Policy”) is to provide direction and drive best practices for the responsible use of AI in the workplace, including the use of Generative AI and Algorithmic AI tools, defined in Section 3 below. This Policy aims to ensure that AI technology is deployed responsibly and is used in a lawful and ethical manner to enhance productivity and efficiency and facilitate decision-making while complying with applicable law and respecting privacy, confidentiality, and data security of the data incorporated in the AI and of the AI Users.

2. APPLICABILITY AND SCOPE

This Policy applies to all direct and indirect subsidiaries, associated companies, group companies, partnerships and joint ventures of Samvardhana Motherson International Limited and Motherson Sumi Wiring India Limited (collectively, “Motherson”), including all Motherson employees, contractors, and third-party vendors who interact with, develop, or implement AI Tools within Motherson (collectively, “AI Users”). It shall apply to all AI technologies, whether they are currently in existence or not, including Large Language Models, Generative Adversarial Networks, Diffusion Models, machine learning, deep learning, neural networks, natural language processing, predictive analytics, autonomous systems, and computer vision.

3. DEFINITIONS

3.1 Generative AI

Generative AI (“GAI”) refers to artificial intelligence systems capable of creating new content, such as text, images, audio, or video, that closely resembles human-generated output. These systems use machine learning algorithms, typically based on large neural networks, to analyze vast amounts of existing data and generate novel, contextually appropriate content. Generative AI models can produce a wide range of creative and practical outputs, from writing articles and composing music to

designing products and generating computer code. (e.g., ChatGPT, Claude, Gemini, Llama).

3.2 Algorithmic AI

Algorithmic AI (“AAI”) refers to artificial intelligence systems that use predefined sets of rules and instructions (algorithms) to analyze data, make decisions, and perform tasks. Algorithmic AI follows fixed programmed procedures to accomplish specific goals. These algorithms can range from simple to highly complex. A subset of AAI uses machine learning where the system improves performance by identifying patterns and making predictions from data without being explicitly programmed for every scenario.

3.3 AI Tool

AI Tool is any app, software, or system that utilizes artificial intelligence, including GAI and AAI, machine learning, or other advanced algorithms to perform tasks, analyze data, or make or assist in making decisions.

4. GENERAL PRINCIPLES

4.1 Legal Compliance and Ethical Use.

Motherson is dedicated to upholding ethical standards in the usage, development, and deployment of AI technologies and aims to ensure that its AI systems are designed to respect fundamental human rights, dignity, and diversity. Motherson actively seeks to mitigate biases and discrimination in any tool or system that employs AI to promote fairness and inclusiveness. AI Users must comply with all relevant laws and regulations, including intellectual property, data protection, and anti-discrimination laws. AI usage must also comply with industry-specific regulations and others where AI applications may be subject to additional scrutiny or legal requirements.

4.2 Transparency.

Motherson believes in transparency as a cornerstone of responsible AI and strives to provide clear and understandable explanations of how its AI systems work, including their objectives, capabilities, and limitations. AI tools must be used in a manner that is transparent to stakeholders. AI Users should understand the capabilities and

limitations of the AI systems they use. AI Users must indicate AI-generated content in their work (e.g., using footnotes or metadata tags), wherever possible along with any available source information.

4.3 Location of Use of AI.

This Policy applies when AI Users use AI Tools to perform, or assist in the performance of any work-related activities without regard to the location (i.e., in the office, at home, or at any other location) of the AI Users, the time at which they use the AI Tools, or whether the AI Users operate the AI Tools on Company equipment and systems, on the AI Users' personal devices, or on third-party electronic devices.

4.4 Other Company Policies.

In addition to this Policy, AI Users must comply with all other Company policies concerning conduct, confidentiality, ethics, computer use, electronic communication, equal employment opportunity and anti-discrimination and harassment.

4.5 Appropriate Use of AI.

AI Users should only use permitted certain AI Tools in authorized circumstances (see Section 5 below) when they enhance or assist the AI Users in performing their job-related tasks by enhancing productivity, efficiency, and decision-making. Examples where AI Tools can be useful include sorting, ranking, and evaluating large quantities of data, documents and information. Examples of possible uses of AI Tools employing GAI include preparing or generating (i) first drafts of marketing materials, social media content, educational materials, and other standard correspondence and documents, (ii) summaries of data, documents and sets of documents, or (iii) images and video from text.

4.6 Potential for Error.

AI Tools, particularly GAI tools, may produce erroneous or nonsensical information or results that are not real, do not match any data the algorithm has been trained on, or do not follow any other discernible pattern. In addition, the results may reflect biased or incomplete data sets on which they were trained. AI Tools should not be used blindly for decision-making or the creation of content and should not be relied upon for important inquiries.

4.7 Limitations and Over Reliance.

When AI Users use AI Tools to assist in their performance of job-related responsibilities, Motherson expects AI Users to recognize the limitations of the tools they are using, avoid over-reliance on such tools, carefully review output for errors, and remain vigilant to identify potentially erroneous, incomplete, or otherwise problematic output.

4.8 Accountability.

Motherson establishes mechanisms for accountability with respect to any tool or application that uses AI. Motherson recognizes that AI is not infallible, and human oversight is crucial to correct and anticipate mistakes, maximizing the AI Tool's value while ensuring ethical use. AI Users who have concerns with the output of an AI Tool should follow the Reporting Procedures set forth in Section 8 below.

5. USE OF APPROVED AI TOOLS

- 5.1 **AI Users are only permitted to use AI Tools included on the approved AI Tool List (“List”) for work-related purposes related to Motherson.** Use of publicly available versions of AI Tools for work-related purposes is prohibited. Such use could risk the disclosure of trade secrets, or confidential, proprietary information, violate **Motherson’s** policies concerning such information, and may violate the terms of use of the AI Tool exposing the AI User and **Motherson** to potential legal risk. Questions concerning whether an application which is not included on the List is permitted by **Motherson** for work-related purposes should be referred to Group IT.
- 5.2 Prior to using an AI Tool that is not on the List, not specifically approved for use in their department and/or job classification, or not approved for the task that the AI User seeks to use the AI Tool to perform for any work-related purpose, an AI User must, regardless of their location, receive express written consent from Group IT. The requested AI User should be prepared to discuss the purpose, scope, and business justification of using the AI Tool in question to complete a work-related task.
- 5.3 AI Users may only use AI Tools for work-related purposes in accordance with this Policy. If an AI User uses AI Tools for non-work-related purposes during working hours, they may be subject to appropriate disciplinary action, up to and including immediate

termination of employment, or termination of contract in the case of a contractor or third-party vendor.

- 5.4 The AI User should only input the data that is needed and that is required for the work purpose for which an AI Tool is used and should not input system access credentials for Motherson's systems or those of any third party.
- 5.5 Fully autonomous AI decision-making is prohibited in high-risk areas without human oversight and may be subject to specific legal requirements. As an example, no AI User may use AI Tools for personnel decision-making purposes (e.g., hiring, promotion, performance rating, discipline, or termination) without the express written consent of the corresponding Human Resources department.
- 5.6 If an AI Tool feature shall directly present a response to Motherson customers or third parties without human review or intervention, the AI User must disclose to the customer or third party that they are (i) engaging solely with an AI, and (ii) responsible for checking it for accuracy.
- 5.7 The following uses of an AI Tool are prohibited:
 - (a) Manipulative or deceptive practices, including (i) techniques that either aim to, or have the effect of, distorting the behavior of an individual or a vulnerable group of people (due to disability or specific social situations) in a way that violates Motherson's values or any applicable law or regulation, (ii) actions that appreciably impair an individual's ability to make informed decisions, or deliberately cause them to make decisions they would not otherwise make, where such actions cause or are reasonably likely to cause significant harm, (iii) the use of biometric data to measure emotional burnout, depression or other similar states in the workplace, or (iv) the creation of misleading or malicious content, including but not limited to deepfakes or misinformation.
 - (b) Social scoring (i.e. classifying individuals or groups over a period of time based on their social behavior, or on known, inferred, or predicted personal characteristics), if (i) it leads to unfavorable treatment in social contexts unrelated to the context in which the data was originally generated, or (ii) it leads to unfavorable treatment of individuals or groups that is unjustified or disproportionate to their social behavior or its gravity.
 - (c) Using AI systems to assess or predict the likelihood of a person committing criminal offenses based solely on profiling, personality traits or personal characteristics,

except where AI systems are used to support human assessments of a person's involvement in a criminal activity, but only when based on objective and verifiable facts directly linked to that criminal activity (i.e., factual detection tools that supplement, rather than replace, human decision-making); provided that AI Tool must only be used for facilitation in such purpose only to aid the decision making but shall not be used for the purpose of drawing definitive conclusions.

- (d) Using AI systems to (i) create or expand facial recognition databases through untargeted scraping of facial images from the internet or camera footage, as this may constitute mass surveillance and threaten privacy rights, (ii) collect images of specific individuals or use reverse image searches when combined with untargeted scraping. This prohibition does not cover untargeted scraping of other biometric data (e.g., voice samples) or databases not used for recognition, such as databases for AI model training that do not identify individuals.

6. TRAINING AND EDUCATION

Motherson may require that AI Users receive regular training, either in-house or through a third-party vendor, concerning responsible AI usage, data protection, and the potential benefits and risks associated with using AI Tools and on the operation and use of approved AI Tools. Training is designed to ensure employees understand the ethical and legal ramifications of AI use. If Motherson does require such training, AI Users must comply with any associated requirements (e.g., attendance and satisfaction of certain skills assessments) before they can access and use AI Tools for work-related purposes.

7. CONFIDENTIALITY, PRIVACY AND DATA PROTECTION

Motherson adheres to stringent data governance practices and complies with relevant regulations to safeguard personal data. AI Users must prevent unauthorized access, disclosure, or destruction of data, respect privacy laws and adhere to applicable data protection laws. AI Users must also ensure no personal or sensitive data is inputted in the AI Tool, and if required for the purpose of performance of duties, that personal or sensitive information used in AI Tools is handled with the utmost care. AI Tools can collect, store, and use submitted information and disclose this information to other third parties without Motherson's knowledge or control. This creates a risk of the disclosure of trade secrets,

confidential information and data and potential violation of applicable law. AI Users should remain alert and vigilant of potential cybersecurity threats and attacks as AI generated content is everywhere, creating a need to increase fact-checking procedures. When using AI Tools, AI Users must comply with all applicable Motherson policies. Adequate security risk assessments must be carried out at the time of AI Tool acquisition to ensure security is always adhered to. In case of any cybersecurity threat or attack to the AI Tools, the AI Users shall immediately, and in any manner within a period of 2 (two) hours of becoming aware of such threat, report such threats to Group IT and shall adhere to all instructions and grant utmost cooperation with Group IT in order to mitigate the risk of such threat.

AI Users inputting data and information into an AI Tool are prohibited from disclosing confidential or proprietary business information belonging to Motherson, including, but not limited to, trade secrets, merger and acquisition topics, design documents, intellectual property, financial data, customer information, or supplier information, and from infringing upon the intellectual property of Motherson or others. To the extent information is licensed from a third party, the output may be subject to restrictions on the use of the information contained therein. Inputting such licensed information into an AI Tool could constitute a breach by the user of those third-party restrictions.

The publication or distribution of the output of an AI Tool could result in the violation of the intellectual property rights of third parties. Prior to publishing or distributing content generated by AI Tools, in whole or in part, an AI User must receive approval from the applicable supervisor or manager. When publishing or distributing content generated in whole or in part by AI Tools, AI Users must make known –through a disclaimer or otherwise – that the content has been generated by AI.

AI Users must always comply with Motherson policies concerning data and record retention, and the proper storage, handling and sharing of sensitive information.

8. REPORTING PROCEDURES

AI Users are expected to contact the Global Policies Committee immediately and in any manner, within a period of two (2) hours, if they become aware of: (i) an actual or possible violation of this Policy, (ii) a breach of data privacy or security, (iii) an AI system failure, or (iv) a circumstance where an AI Tool is generating output which is erroneous, incomplete,

misleading, offensive, harassing, discriminatory, which causes a Motherson associate to have other concern(s), or which violates any Company policy.

9. VIOLATIONS

Violations of this Policy may result in disciplinary action, up to and including termination of employment, or termination of contract in the case of a contractor or third-party vendor. If AI Users have questions about this Policy, they should contact the Global Policies Committee.