



## PROS AI FAQ

**Last updated: August 19, 2024**

### 1. How does PROS use AI in its products?

PROS leverages AI to enhance our products by automating tasks, providing predictive and prescriptive analytics, and improving user experience. AI helps us deliver smarter, faster, and more efficient solutions to our customers. Some examples of how our products use AI are detailed below.

- Products like *PROS Smart Price Optimization & Management*, *PROS Revenue Management*, *PROS Group Sales* and *PROS Dynamic Ancillary Pricing* use both predictive and prescriptive AI models to categorize datasets, produce a product or price recommendation, or deliver a forecast prediction or optimization result. Models are often combined to solve a particular use case or improve the models' output.
- Features like *PROS Sales Copilot Connector*, *Data Mapping* and the *PROS Connect Chatbot* rely on generative AI models, leveraging Microsoft Azure OpenAI. In contrast to predictive AI models, these models work to generate new content or data and allow for greater efficiencies and overall improved user experience. Some common examples include:
  - Summarization: summarize content into a digestible summary
  - Explanation: surface results in easy-to-read natural language
  - Human Language Translation: translate results into local language
  - Data Translation: accelerate the translation of data from one system to another, e.g. customer master data from SAP to PROS.

### 2. What data do you collect for AI training?

We collect data that is essential for the functionality and improvement of our AI models. This includes:

- User interaction data: How you use our products, feature usage, and navigation patterns.
- Transactional data: Transaction files, which, depending on the use case and product, may include customer and product data. This data is used to train your algorithm so it can provide recommendations specific to your customers and use case. It will not include Personal Data or otherwise incorporate data in a form that could identify any individual.



- Feedback and support data: Your feedback, support requests, and any interaction with our customer support team.

For further details on the Personal Data PROS collects, please see your data processing addendum with PROS and our Privacy Notice available at <https://pros.com/privacy/privacy-policy/>.

### **3. Do you use the data I submit to the PROS Subscription Service to benefit your other customers?**

No, our proprietary AI models are trained on each specific customer's dataset only. This allows the PROS solution provide recommendations which are specific to each individual customer and each individual customer's business case. When enhancing our proprietary models, we will often review those enhancements across different customer datasets to validate the model is handling unique data conditions accurately. However, this will not involve the sharing of data across customer environments.

In summary:

- your data will NOT be shared with other PROS customers;
- your data will only be used to train your specific model;
- models trained on your data will NOT be used to score or provide recommendations to other PROS customers;
- PROS customers will NOT have access to or benefit from any other customer's trained model; and
- model training takes place within the customer environment.

### **4. How does Microsoft Azure OpenAI use my data?**

Where we leverage the Microsoft Azure OpenAI Service, your prompts (inputs), completions (outputs), embeddings and training data:

- are NOT available to other customers;
- are NOT available to OpenAI;
- are NOT used to improve OpenAI models; and
- are NOT used to improve any Microsoft or 3rd-party products or services.

The Azure OpenAI Service is fully controlled by Microsoft; Microsoft hosts the OpenAI models in Microsoft's Azure environment and the Service does NOT interact with any services operated by OpenAI (e.g. ChatGPT, or the OpenAI API).

### **5. How do you ensure my data is secure?**

Customer data used to train PROS AI models has the same protections as Customer Data. PROS maintains a comprehensive, written information security program that contains administrative, technical, and physical safeguards designed to ensure that Customer Data remains secure and is handled in compliance with all regulatory



requirements applicable to PROS and the Subscription Services. For more details, refer to the PROS Security Exhibit, <https://pros.com/pros-security-exhibit>.

**6. Does PROS comply with its regulatory obligations in its use of AI, including the EU AI Act?**

PROS' commitment to compliance with applicable laws and regulations is documented in your Subscription Agreement with PROS. PROS AI features are developed with privacy and security in mind, ensuring PROS compliance with its regulatory requirements as an AI system provider and a data processor. Please reach out to PROS if you require any assistance or have any further questions regarding how we ensure compliance with our regulatory obligations.

**7. What is the classification of the PROS products under the EU AI Act?**

Depending on the PROS product and features, our products qualify as either minimal or limited risk AI systems under the EU AI Act.

**8. Who can I contact if I have more questions about AI and data usage?**

For any additional questions or concerns, please reach out to your customer success manager if you are a current PROS customer or through the Contact Us page [www.pros.com](http://www.pros.com).