



AI Literacy & the EU AI Act

What AI really is, why literacy matters for every role, and what the new regulation means for your organisation.

AI Fundamentals | EU AI Act | Practical Takeaways



How are you currently using AI tools in your work?



What is your organisation's biggest concern about AI right now?



How prepared does your organisation feel to meet EU AI Act requirements?

Agenda

01

Introduction to AI and Generative AI;

02

AI Literacy; Why it matter for organisations

03

Ireland & The EU AI Act

Introduction

The Institute of Applied AI supports leaders and organisations to adopt Generative AI in a structured, practical and responsible way.

We don't focus on tools in isolation, we build applied Generative AI capability that connects directly to business objectives, risk management and performance.

Educate | Experiment | Implement

- Previous manufacturing experience at Janssen
- BSc Production Engineering Management
- Masters Technical Communication and E-Learning
- Digital Transformation Management and AI



Siobhán O'Leary | CEO





What do we
mean when we
talk about **AI**?

Artificial Intelligence

Applied analytics models that have some degree of autonomy

Machine Learning

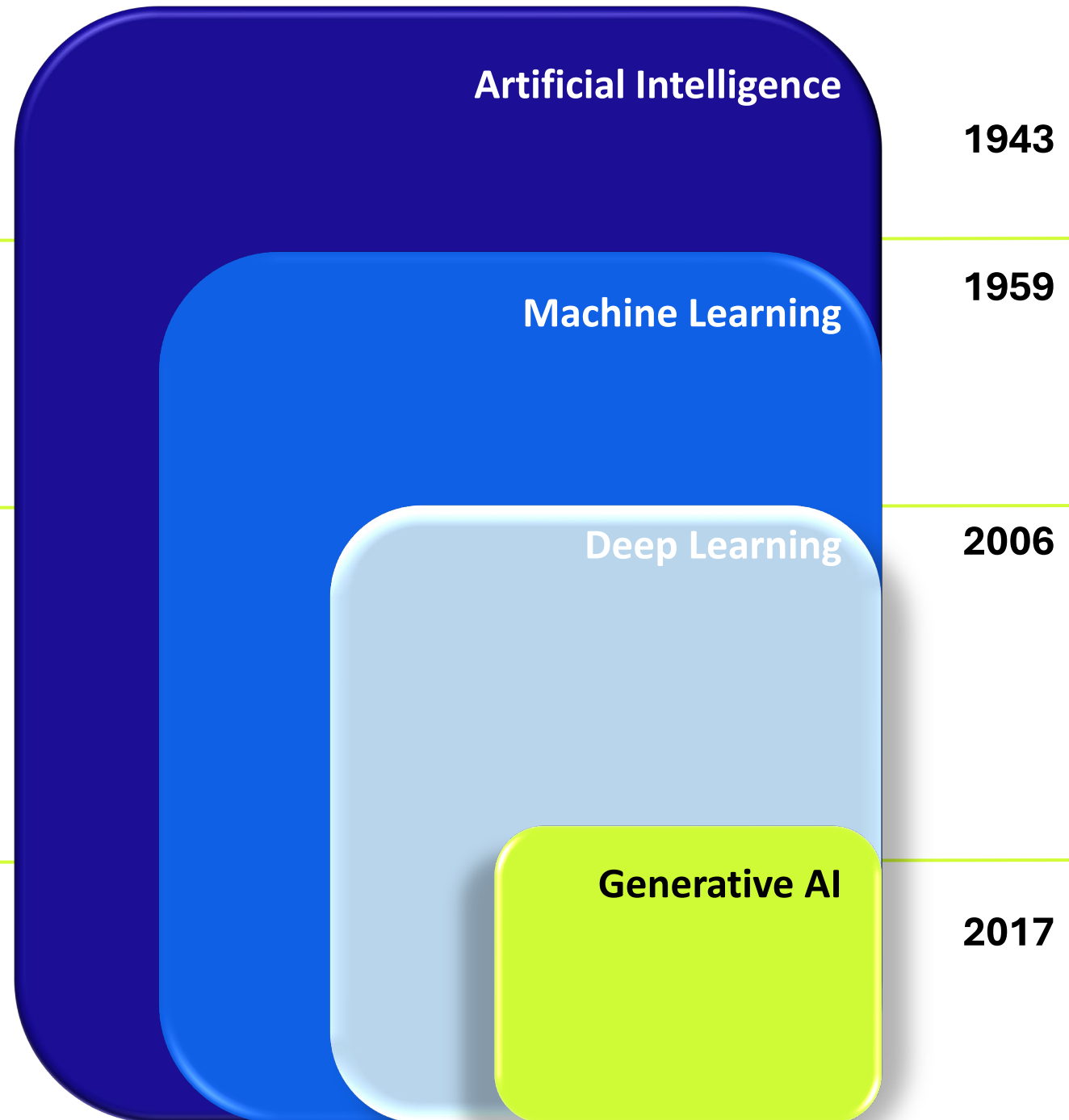
A technique that searches for **patterns in data** based on predictions within large datasets

Deep Learning

Neural networks that perform tasks like speech & image recognition

Generative AI

Uses large, pre-trained “foundational models” to produce new data, adds creativity & gives most probable output



What AI Is (and isn't)



AI Is...

Pattern recognition at scale - finding signals in data faster than any human team

A **probabilistic tool** - it generates likely answers, not guaranteed correct ones

Software **trained** on human-created content to mimic human-like reasoning

A **productivity multiplier** when paired with the right governance and judgment

AI Is Not...

A **search engine** - it synthesises and predicts; it doesn't simply retrieve facts

Infallible - **hallucinations are real**, and verification is always the human's job

A **replacement** for human judgment on high-stakes decisions

Magic - every output reflects the quality of the prompt, data, and oversight behind it

SECTION 1

What is Generative AI?

The Big Idea



Generative AI creates new content based on patterns it learned from existing data.

Traditional Software

Follows fixed rules: if X happens, then do Y

Generative AI

Predicts what should come next based on patterns from millions of examples

Think of it as a very well-read assistant that can write, summarise, analyse, and create.

Capabilities and Limitations



GOOD AT

- Drafting and editing text
- Summarising long documents
- Brainstorming ideas
- Explaining complex topics
- Translating languages
- Analysing patterns

Writing

Coding

Editing

NOT SO GOOD AT

- Current events (without web access)
- Precise calculations
- Your specific business context
- Guaranteeing factual accuracy
- Maintaining confidentiality
- Original creative thought

The Hallucination Problem



AI can generate plausible-sounding but **completely false** information

This happens because the model predicts what sounds right rather than what is right

Rule of Thumb

Never share or publish AI-generated content without human verification, especially for facts, figures and citations

Types of GenAI



Frontier Models



ChatGPT



Claude

Gemini



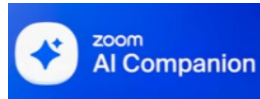
Applications



NotebookLM



perplexity



FREPIK

Canva

GAMMA

SECTION 2

AI Literacy: Why it matter

The AI Literacy Gap



The gap between AI adoption and AI understanding is widening — fast.

61%

of employees already using
free AI tools at work

*Many without formal training
or governance*

~50%

of organisations lack a clear
AI literacy strategy

*Leaving 86% exposed to
avoidable risk*

2.2x

more likely to report
productivity gains from AI

*when teams have structured
literacy training*

Literacy is not just about knowing what AI is. It is about using it responsibly, verifying its outputs and applying judgment.

Why Every Role Needs AI Literacy

This is not a technology issue. It is a people challenge.

Leadership & C-Suite

Make credible AI investment decisions; challenge vendor claims; set governance tone from the top.

Operations & Admin

Identify automation opportunities; verify AI-generated outputs; maintain data quality standards.

HR & People Teams

Navigate AI-assisted hiring risks; build literacy programmes; address workforce anxiety proactively.

Finance & Legal

Assess AI risk exposure; understand liability under the EU AI Act; ensure audit trail compliance.

Sales & Marketing

Use AI tools responsibly; protect brand reputation from AI-generated errors or bias in content.



Soon after the first automobiles were on the road, there was the first car crash.... But we didn't ban cars. We adopted speed limits, safety standards, licensing requirements, drunk-driving laws and other rules of the road

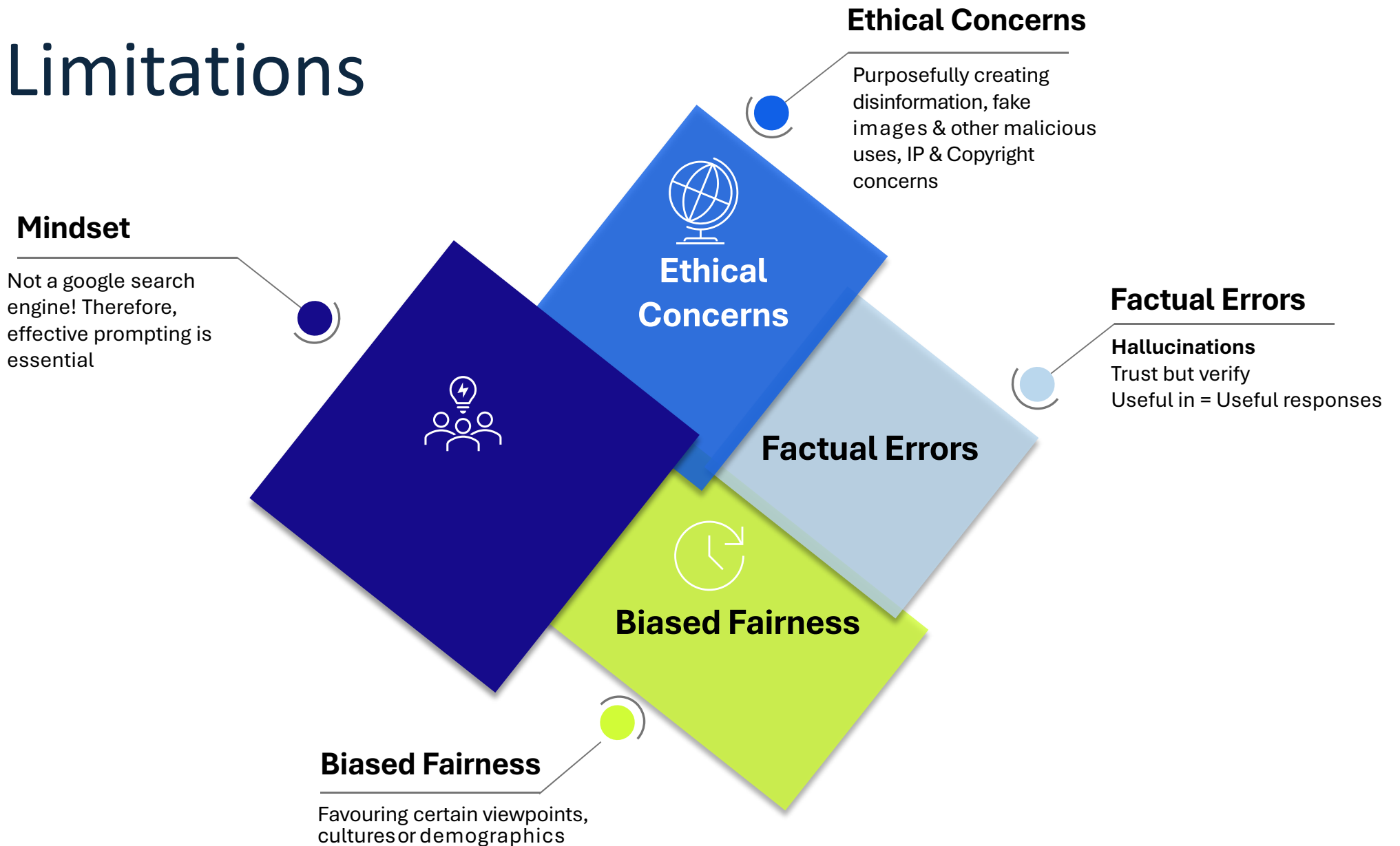
Bill Gates, cofounder of Microsoft



AI Responsible Use & Governance

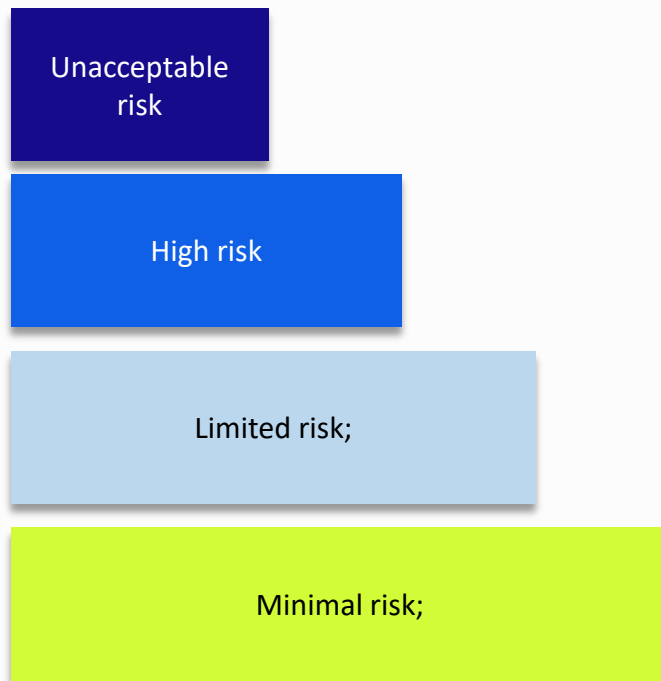
Do we need it??

Risks & Limitations



Guidance & Regulation

EU AI Act



National AI Advisory Council:



<https://www.gov.ie/en/department-of-public-expenditure-infrastructure-public-service-reform-and-digitalisation/publications/artificial-intelligence-resources/>

ISO 42001 AI Management Systems



Why This Matters to You

WORLD FIRST

The EU AI Act is the world's first comprehensive AI regulation.

- In force since **1 August 2024**
- Obligations rolling out over two years
- Applies if you operate in the EU, use AI, or serve EU customers

UNDERSTANDING YOUR ROLE

Deployer (Most Common)

You use AI systems developed by others (ChatGPT, HubSpot AI, etc.)

Provider

You develop AI systems and sell or license them under your brand

Most organisations are deployers.

SECTION 3

Ireland and The EU AI Act

The EU AI Act

World's first comprehensive AI regulation | In force: August 2024 | Fully applicable: August 2026

Unacceptable Risk	High Risk	Limited Risk	Minimal Risk
<p>Banned outright. AI that manipulates people, exploits vulnerabilities, or enables social scoring.</p>	<p>Strict requirements. AI in hiring, credit, education, critical infrastructure, and law enforcement.</p>	<p>Transparency required. Chatbots must identify as AI. Clear disclosure obligations apply.</p>	<p>Voluntary practice. Most everyday AI tools. Encouraged to follow best practice guidelines.</p>

Key obligations for ALL organisations: Transparency | Data governance | Human oversight | Record keeping | Risk assessment

The Risk-based Approach

PROHIBITED

Banned outright: social scoring, subliminal manipulation, exploitation of vulnerabilities

HIGH-RISK

Strict requirements: recruitment AI, credit decisions, educational grading, biometrics

LIMITED-RISK

Transparency required: chatbots, AI-generated content, deepfakes

MINIMAL-RISK

No specific requirements: spam filters, video game AI, internal productivity tools

High-risk Examples In Your Sector

Construction & Safety

AI systems for worker safety monitoring, site access control using biometrics

Life Sciences

AI for clinical trial patient selection, diagnostic decision support

Project Management

AI used for employee performance evaluation, automated hiring decisions

Generally Lower Risk

ChatGPT for drafting documents, AI scheduling tools, translation

What's Already In Effect

Since February 2025

AI Literacy (Article 4)

- Staff understand what AI tools they use
- Training on capabilities and limitations
- Awareness of risks (bias, hallucinations)
- Training documented and recorded

Prohibited Practices (Article 5)

Confirm you are NOT doing:

- Subliminal manipulation of decisions
- Exploiting vulnerabilities (age, disability)
- Emotion recognition in the workplace
- Scraping internet for facial recognition

August 2026: Full high-risk AI compliance requirements come into effect

What It Means for Companies in Ireland



If your organisation develops, deploys, or uses AI tools, this regulation applies to you.



Extraterritorial Reach

Applies to any organisation offering AI to EU users, regardless of where the company is headquartered. Irish companies dealing with EU customers are fully in scope.



Compliance Timelines

Prohibited practices banned from February 2025. High-risk AI systems face full compliance from August 2026. Governance frameworks are needed now, not next year.



Financial Exposure

Fines up to €35 million or 7% of global annual turnover for serious violations. Even limited-risk non-compliance carries reputational and operational risk.



Workforce Obligations

AI literacy is explicitly referenced in the Act. Organisations must ensure relevant staff understand the AI systems they oversee — making training a compliance requirement.



Ireland-Specific Context

Ireland hosts EU HQs of major AI developers including Google, Meta, and Microsoft. Irish data protection obligations intersect with AI Act requirements, creating a layered compliance landscape.



Opportunity Within Compliance

Early movers who build governance frameworks now gain competitive advantage in talent attraction, client trust, and readiness for public procurement requiring AI accountability.

Transparency Requirements



If you use AI that interacts with customers or creates public-facing content:

1

Disclose AI Interaction

Tell users when they are chatting with an AI

2

Label AI Content

Mark images, videos, or text created by AI







3

Identify Deepfakes







Clearly disclose manipulated content

Risk and Opportunity

Risks of Poor AI Literacy

-  Accepting AI outputs without verification — introducing errors into critical decisions
-  Shadow AI usage creating data security and regulatory exposure
-  Misunderstanding AI limitations leading to over-reliance in high-stakes contexts
-  Non-compliance with EU AI Act due to lack of workforce awareness
-  Reputational damage from AI-generated bias or discriminatory outputs
-  Inability to effectively brief, procure, or challenge AI vendors

Opportunities with AI Literacy

-  Confident adoption of AI tools with appropriate guardrails and governance
-  Faster identification of automation opportunities across all functions
-  Competitive advantage through responsible AI positioning with clients
-  Compliance readiness — turning regulation into a trust signal
-  Talent attraction: organisations with AI literacy programmes outperform peers
-  Stronger vendor relationships — teams that ask the right questions get better outcomes

Responsible AI Implementation

Seven Principles For Responsible AI

1 Human Oversight
Keep humans in control of AI decisions

2 Technical Safety
Ensure systems are robust and secure

3 Privacy & Data
Protect personal data in AI processing

4 Transparency
Be clear about when and how AI is used

5 Fairness
Prevent bias and discrimination

6 Societal Wellbeing
Consider broader impacts of AI use

7 Accountability
Take responsibility for AI outcomes

These align with EU requirements and represent best practice for all Irish organisations.

What You Can And Should Not Do

YOU CAN USE AI FOR

- Drafting risk assessments and method statements
- Summarising regulatory guidance documents
- Creating training material outlines
- Explaining technical concepts
- Proofreading and improving your writing
- Brainstorming project solutions

YOU SHOULD NOT

- Input patient data, employee records, or confidential project information
- Publish safety-critical content without expert verification
- Rely on AI for precise calculations or dosing
- Use AI output as final regulatory submissions
- Claim AI work as your own where authenticity matters
- Skip human review for important deliverables

Questions to Take Back to Your Team

Your AI literacy journey starts with the right conversations. Use these to open the dialogue.

Discovery 01

Where is AI already being used in our organisation — officially and unofficially?

Governance 02

Do we have a clear policy on what data can and cannot be shared with AI tools?

Compliance 03

Which of our processes involve AI systems that would be classified as high-risk under the EU AI Act?

Quality 04

How do we currently verify AI-generated outputs before they inform decisions?

Accountability 05

Who is responsible for AI governance in our organisation — and do they have the authority to act?

Strategy 06

What would a meaningful AI literacy programme look like for our teams, and who needs it most urgently?

From Compliance to Competitive Advantage



Organisations that treat AI literacy as a strategic priority consistently outperform those that don't.



Value

Strategy & Performance

- Faster, safer AI adoption across teams
- Higher ROI from AI tool investments
- Clear identification of automation opportunities



Trust

Governance & Regulation

- EU AI Act compliance readiness
- Reduced regulatory and reputational risk
- Clear human oversight structures in place



Systems

Tools & Capability

- Confident, responsible use of AI tools
- Effective evaluation of AI vendors
- Scalable AI workflows across all functions

Build systems that deliver value based on trust centred on people.

Key Takeaways



- GenAI predicts, it does not know.
- Better prompts = Better Results
- The EU AI Act applies to you
- Responsible AI is about habits

Resources



EU AI ACT

EU AI Act Compliance Checker

artificialintelligenceact.eu/assessment

AI Act Service Desk

ai-act-service-desk.ec.europa.eu

IRISH RESOURCES

Irish Government AI Guidelines

gov.ie (search: responsible AI)

Data Protection Commission

dataprotection.ie

THE INSTITUTE OF APPLIED AI

AI in Motion

Weekly LinkedIn Newsletter

AI Readiness Diagnostic

2 minutes assessment

Personalised Consultation

30 minutes call



The Institute of
Applied AI

Build Your AI-Literate Organisation?

Part 2: AI Literacy Webinar

AI Adoption

A practical framework for embedding AI literacy across levels.

Engage with AI

Hands-on introduction to **prompt literacy**

Governance in practice

Identify sanctioned vs. unsanctioned tools, ensure compliance