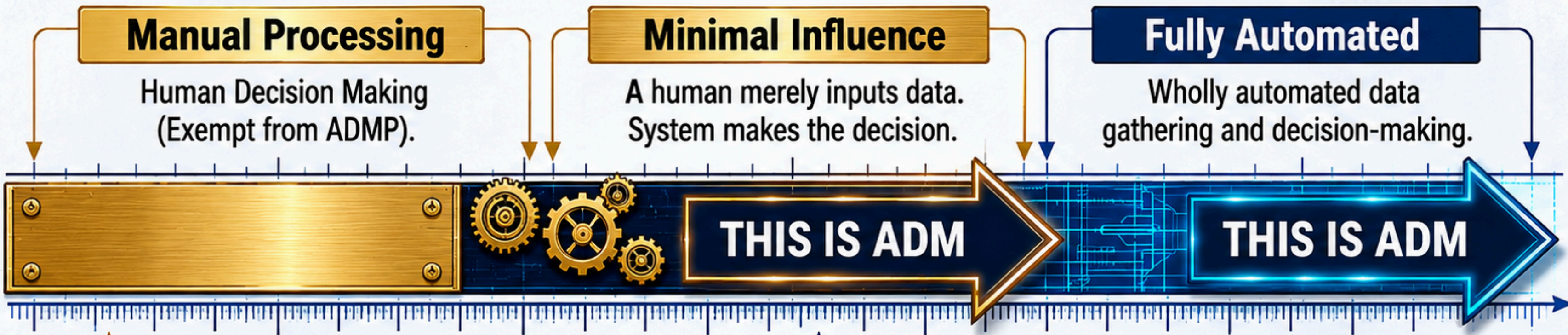


# Automated Decision-Making and Profiling Guideline



# Defining the Terms: The Automation Spectrum

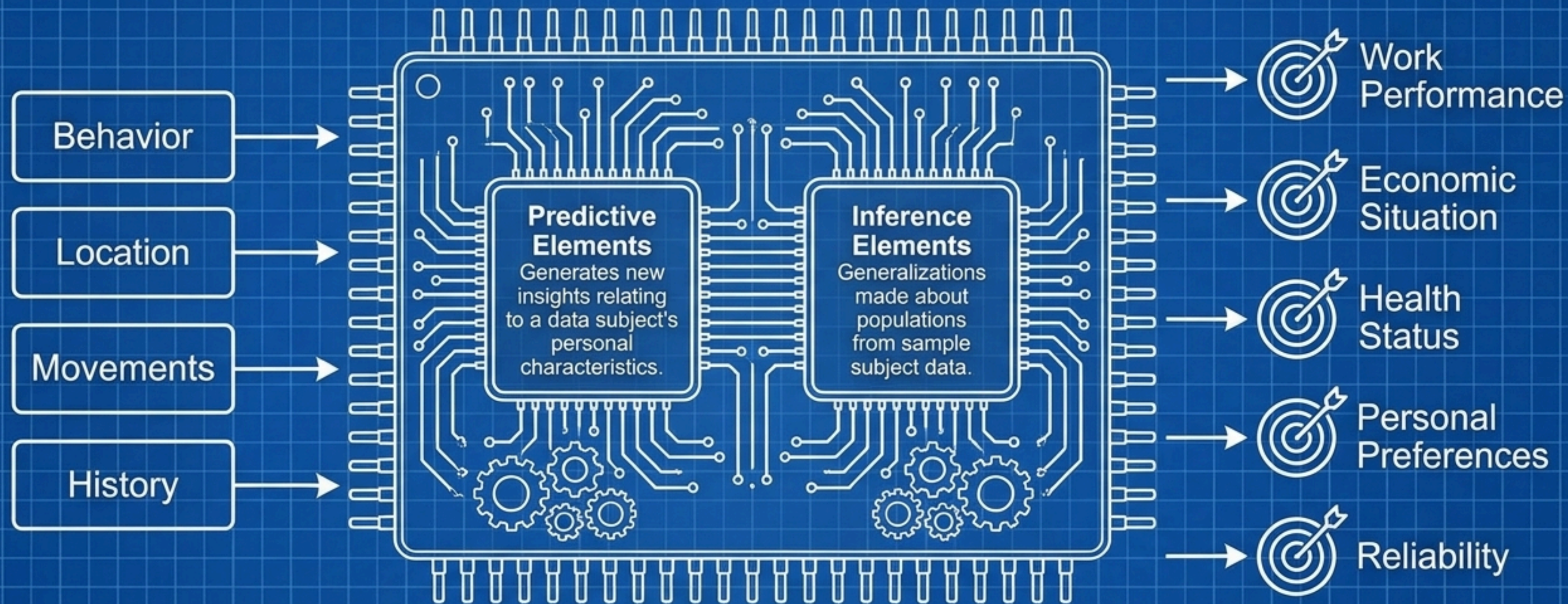


**Automated Decision-Making (ADM)** is the process of making decisions without any human involvement **through wholly or partly automated means.**



**CRITICAL CAVEAT:** A process is still considered ADM if a human merely inputs the data to be processed, and an automated system carries out the subsequent decision-making.

# Definition



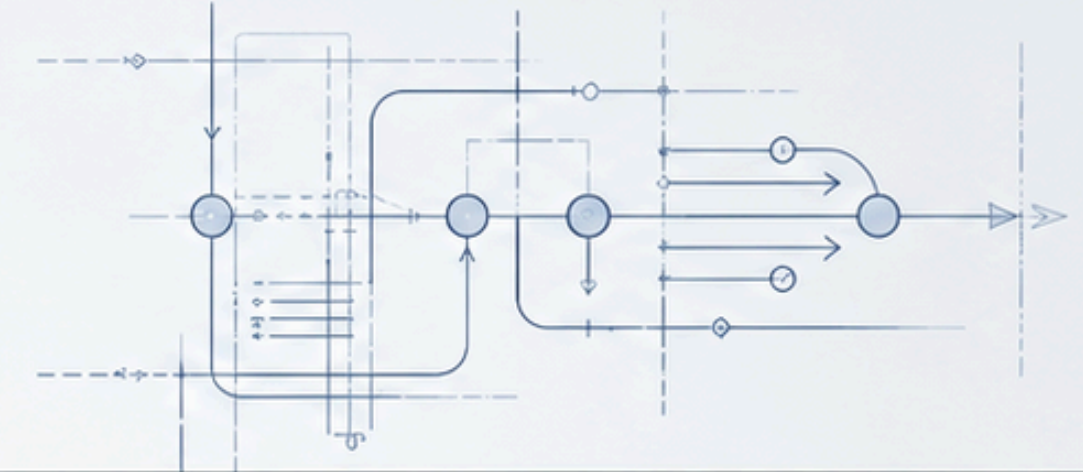
## PROFILING:

Any form of automated processing using personal data to evaluate, analyze, or predict specific personal aspects of a data subject.

# Examples

Sector	The ADM Action	The Profiling Action
Finance	Determining loan eligibility via pre-set threshold rejection.	Predicting and inferring economic condition and financial reliability from spending patterns.
E-Commerce & Insurance	Determining eligibility for specific discount rates or health premiums.	Predicting and inferring buyers' interests or health conditions based on lifestyle.
Human Resources	Ranking and shortlisting candidates for physical interviews using an algorithm.	Predicting and inferring candidate suitability and potential work performance for a given role.
Healthcare Institution	Determining health status, predicting treatment outcomes,	Predicting and inferring likelihood of treatment success based on personal characteristics.

# The ADMP Threshold



## 1. Legal Effects

The process produces a decision affecting a data subject's legal status or rights (e.g., termination of a contract, rejection of a social benefit conferred by law).

## 2. Significant Effects

The process produces a decision that has a significant effect on the data subject (Subject to further requirements set out in the following slide).

**DPO ACTION:** DPOs are required to exercise their best judgment when assessing whether any planned processing crosses this threshold.

# The Requirements of Significant Effects



## 1. Circumstances & Choices

Significantly affects circumstances, behavior, or choices of the subject data concerned.

### Examples:

- Automatic refusal of credit.
- Offering less favorable (higher) pricing to specific groups.



## 2. Prolonged / Permanent Impact

Have a prolonged or permanent impact on the data subject.

### Examples:

- Lasting effects on career prospects.
- Recurring insurance tiering influencing long-term healthcare access.



## 3. Exclusion & Discrimination

At its most extreme, leads to the exclusion or discrimination of the data subject.

### Examples:

- Denying employment opportunities.
- Blocking access to essential services (health) or education.
- Reputational harm ("unreliable" flags).

# What Should an Organisation Do If Its Processing Personal Data Involves ADMP?

1



## CONDUCT A DPIA

A Data Protection Impact Assessment (“DPIA”) should be conducted, as ADMP falls within the qualitative threshold for carrying out a DPIA.



2



## UPDATE THE PRIVACY NOTICE

The organisation should update its privacy notice to include:

- The type of decisions made through ADMP;
- The reasons for such decisions;
- The possible consequences of those decisions; and
- Information on how individuals may withdraw their consent to the processing of personal data involving ADM or profiling.



3



## OBTAIN EXPLICIT CONSENT FOR SENSITIVE PERSONAL DATA

Where sensitive personal data is processed through ADMP, the organisation must obtain the individual’s explicit consent prior to such processing, unless an exception under Section 40 of the Personal Data Protection Act 2010 applies.



Taking these steps helps your organisation ensure transparency, protect individuals’ rights and demonstrate accountability in the use of automated decision-making and profiling.

