

What you need to know about the EU AI Act

Do you build or deploy AI systems?
The AI legislation could impact your organization.

A quick overview of the EU AI Act

What it is, who it impacts, and why it matters

EU law

For businesses that develop or deploy AI systems in the EU

Extraterritorial

Impacts any organization that serves customers or users based in the EU

7%

Of global turnover = maximum fine for non-compliance

4 tiers

AI systems are categorized by risk level, with specific requirements for each tier

Who the law applies to

If you provide or deploy AI systems, you have obligations under the law

Role	Developer of an AI system	Company or entity that uses an AI system in a professional capacity
Responsibilities	Risk management, documentation, conformity assessment, registration, post-market monitoring	Use the system as instructed, ensure human oversight, monitor operation, maintain logs, impact assessment

If you think it doesn't apply to you, check again

Common misconceptions about when a business might be exempt



We're outside the EU, so this doesn't concern us

If you serve any users in the EU, the law applies to you. It's about where AI outputs are received, not office or server locations.



This is my vendor's problem

You can still be held liable if your vendor doesn't meet obligations. Do due diligence to make sure the system adheres to all requirements.



Only 1% of our users are in the EU, so it's negligible

It doesn't matter how small your EU user or customer base is. If you have EU users, you must comply with the law.

What level of risk does your org fall under?

Your business obligations depend on the risk category for each of your AI systems

Risk tier	Status	Requirements	Examples
Unacceptable	● Prohibited	These are illegal uses with no route to compliance	• Government social scoring • Manipulative or deceptive systems • Untargeted facial recognition scraping • Emotion recognition at work or school • Biometric categorization • Profile-based predictive policing
High	● Heavily regulate	Permitted but require data governance, documentation, conformity assessment, human oversight	• Medical devices • Vehicles • Aviation systems • Essential services like credit scoring and insurance • Critical infrastructure • Employment screening and hiring • Education admissions and grading • AI systems used for law enforcement and migration
Limited	● Transparency require	Users must be informed they're interacting with AI or viewing synthetic content	• Chatbots and virtual assistants • AI-generated content (images, video, audio, text)
Minimal	● Unregulated	No mandatory obligations	• Spam filters • AI games

Compliance timeline: Unacceptable-risk systems have been banned since 2025, and transparency requirements for limited-risk systems are now in effect. Deadlines for high-risk systems will occur in 2027 and 2028.

6 steps to start your AI compliance journey

Don't get caught on the back foot. Start working toward compliance with these steps

- 1 Build an inventory**
What AI systems you use, where they're located, what data they process
- 2 Classify by risk**
What risk tier each AI system falls under
- 3 Determine your role**
Whether you're a provider or deployer (or neither)
- 4 Establish governance**
Data rules, oversight, AI literacy training
- 5 Document everything**
Conformity, quality management, logs
- 6 Plan for deadlines**
What dates to pay attention to based on your system's level of risk

Learn how to navigate the EU AI Act

Ready to build AI systems that can stand up to regulatory scrutiny? [Book a demo](#) to chat with our experts. For more information on the EU AI Act, watch the full episode from our Data & AI Weekly series to hear from industry leaders.

Watch on demand