КРМС

Accelerate value with confidence **Responsible Al**

Speed to Modern Technology

With Artificial Intelligence (AI) being embedded into every business process and product, nearly 77 per cent of business executives expect generative AI to have largest impact on their business out of all emerging technologies, 71 per cent plan to implement their first generative AI solution within next two years, 64 per cent believe that AI is key to competitive advantage, 92 per cent think generative AI implementation introduces moderate to high-risk concerns and 47 per cent are still at initial stages of evaluating risk and risk-mitigation strategies for generative AI

(Source: 2023 KPMG Generative AI Survey - March 2023).

WILL

As AI scales, companies are facing a growing number of challenges such as Trust, Compliance, Security and Privacy, Value and Speed.

Responsible AI is an approach to design, build and deploy AI systems in a safe, trustworthy and ethical manner so that companies can accelerate value for customers, organisations and society with confidence.

KPMG has developed eight core principles that guide our approach to Responsible AI across the AI lifecycle.

Al is being embedded into every business product but nobody knows whether AI is trustworthy and secure



61 per cent of people surveyed are wary about trusting AI systems, reporting either ambivalence or an unwillingness to trust. People are more sceptical about the safety, security and fairness of AI systems.

Source: KPMG Trust in Artificial Intelligence - A Global Study, 2023



3 out of 4 people surveyed would be more willing to trust an AI system when assurance mechanisms are in place that signal ethical and responsible use, such as monitoring system accuracy and reliability. independent AI ethics reviews, adhering to standards and AI codes of conduct.

Source: KPMG Trust in Artificial Intelligence - A Global Study, 2023



Responsible Al guiding principles:

- Fairness: Ensure models are free from bias and equitable
- Explainability: Ensure AI can be understood, documented and open for review
- Accountability: Ensure mechanisms in place to drive responsibility across lifecycle
- Data Integrity: Ensure data quality, governance & enrichment steps embed trust.
- Reliability: Ensure AI systems perform at desired level of precision and consistency
- Security: Safeguard against unauthorised access, corruption or attacks
- **Privacy**: Ensure compliance with data privacy regulations and consumer data usage
- Safety: Ensure AI does not negatively impact humans, property, environment.

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73 per cent of people surveyed report feeling concerned about potential risks of AI. These risks include manipulation and harmful use, system failure, inaccurate or biased outcomes, cybersecurity and privacy breaches.

Source: KPMG Trust in Artificial Intelligence - A Global Study, 2023



3 in 4 executives say AI and ML raise fundamental ethics questions. Source: KPMG Cyber Trust Insights 2022

Considerations to use Al effectively, at scale, and responsibly to achieve tangible business outcomes

01	02
We need to protect ourselves from financial and reputational risks	We need to enhance the trust of our consumers (internal, external)
 How can I ensure my models are managed effectively to mitigate any financial penalties from non-compliance with regulations? How do I proactively manage my AI models to ensure they do not violate social norms & values? 	 Can we trust our AI models? Am I at risk of approving/rejecting the wrong decision? Is this in line with our ethics, values, and brand?
03	04
We need to drive accountability and transparency	We need to secure our models from adversarial attacks
 Who is responsible for the decision made? What are the consequences for bad decisions? How does our operational model, training and change management practices need to evolve in support of Responsible AI? 	 How secure are my AI models against cyber attacks, bad actors and insider threat? Are my security controls working? What are some opportunities for improvement? Are my AI models violating anyone's privacy?
05	06
We need to ensure compliance with global AI regulations	We need to harness the value of our AI at scale and
 How can we effectively ensure our AI models are compliant with the rapidly growing list of global regulations? How can we automate the review, insights and management of compliance policies? How do I to explain this to the customer (or regulator) so that they understand? 	 responsibly How can I effectively manage the growing number of AI models in my environment? What tools can I use to scale, drive automation, and also balance responsibility?

Responsible Al Service Offerings

We combine our deep industry experience and modern technical skills to help business leaders harness the power of AI to accelerate value in a trusted manner - from strategy and design through to implementation and ongoing operations.



Al ethics and governance:

We establish and implement governance frameworks, controls, operating models and technology to achieve responsible AI.



AI / In control:

We develop risk management framework to identify and prioritise business-critical algorithms and Design and setup criteria & controls to stay in continuous control of the algorithms.

AI Security:

We assess and develop AI security plans, processes and tools to detect, respond to, and recover from cyber intrusions, privacy risks, software risks and adversarial attacks.

AI / Assurance:

We provide assurance for business-critical algorithms, testing controls in place and validating the design, implementation and operation of the algorithm in terms of Quality, Effectiveness, Resilience, and Integrity.

KPMG in India contacts:

Akhilesh Tuteja Global Head – Cyber Security E: atuteja@kpmg.com

Atul Gupta Partner and Head, Digital Trust E: atulgupta@kpmg.com

Rahul Singhal Partner, Cyber Assurance E:rahulsinghal@kpmg.com

kpmg.com/in

kpmg.com/in/socialmedia





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KPMG Assurance and Consulting Services LLP, Lodha Excelus, Apollo Mills Compound, NM Joshi Marg, Mahalaxmi, Mumbai - 400 011 Phone: +91 22 3989 6000, Fax: +91 22 3983 6000.

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