

The KPMG Trusted Al approach

Accelerating the value of Al with confidence.



October 2023

We believe in the transformative power of Al.

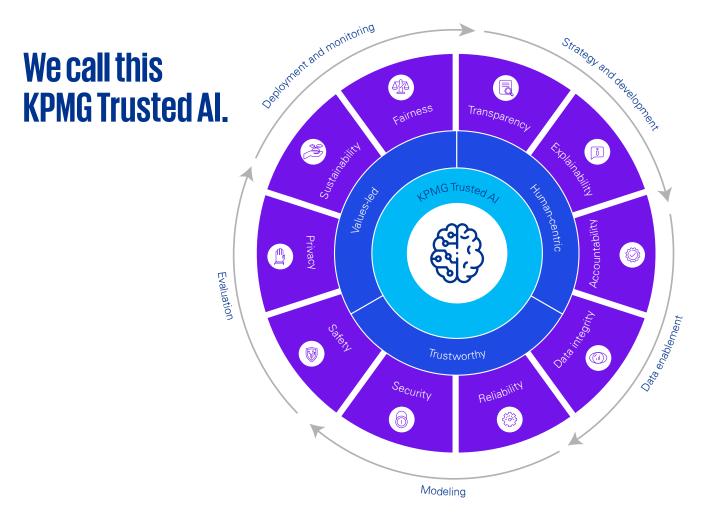
And that it can only reach its full potential when it is paired with human expertise and ingenuity.

At KPMG, our purpose is to inspire confidence and empower change. Tracing our origins back over 150 years, our people have played a leading role in harnessing the power of new technologies and providing assurance and direction in implementing them.

By combining deep industry expertise and process know-how with leading technology alliances, KPMG professionals are accelerating value from AI and making the difference for clients, people, and communities.

We are excited about AI's opportunities and equally committed to deploying the technology in a way that is responsible, trustworthy, safe, and free from bias.

This is why we are sharing our principles, ethical pillars, and governance approach.





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We are committed to using AI ethically and responsibly.

Al is transforming nearly every field of human endeavor and increasingly embedded in everyday life, businesses, and society.

As KPMG harnesses the power of AI and accelerates adoption, we recognize that advanced technologies can introduce complexity and risks that should be addressed clearly, and responsibly.

Throughout the global organization, we are committed to upholding ethical standards for AI solutions that align with <u>our Values</u> and professional standards, and that foster the trust of KPMG clients, people, communities and regulators. We are steadfast in our commitment to act in a way that serves the public interest, honors public trust, and demonstrates our commitment to professional excellence.

KPMG Trusted AI is our strategic approach and framework to designing, building, deploying, and using AI solutions in a responsible and ethical manner so we can accelerate value with confidence.

Keep reading to discover our principles, ethical pillars, and governance.

The KPMG Trusted AI principles

What we aim to do

Throughout the KPMG organization, our approach to trusted AI includes foundational principles that guide our aspirations in this space, demonstrating our commitment to using it responsibly and ethically:

Values-driven

We implement AI as guided by <u>our Values</u>. They are our differentiator and shape a culture that is open, inclusive, and operates to the highest ethical standards. Our Values inform our day-today behaviors and help us navigate emerging opportunities and challenges.

Human-centric

We prioritize human impact as we deploy AI and recognize the needs of our clients and our people. We are embracing this technology to empower and augment human capabilities —to unleash creativity and improve productivity in a way that allows people to reimagine how they spend their days.

Trustworthy

We will adhere to our principles and the ethical pillars that guide how and why we use AI across its lifecycle. We will strive to ensure our data acquisition, governance, and usage practices uphold ethical standards and comply with applicable privacy and data protection regulations, as well as any confidentiality requirements.

We recognize that the field of AI is rapidly evolving—and so is our approach. As the technology advances and legal, ethical, risk and regulatory standards mature, we will continue to review and evolve our approach as necessary.



The KPMG Trusted AI ethical pillars

How we aim to deliver our commitments

At KPMG, our approach to trusted AI rests on ten ethical pillars across the AI lifecycle:



Fairness

Al solutions should be designed to reduce or eliminate bias against individuals, communities, and groups.



Transparency

Al solutions should include responsible disclosure to provide stakeholders with a clear understanding of what is happening in each solution across the Al lifecycle.



Explainability

Al solutions should be developed and delivered in a way that answers the questions of how and why a conclusion was drawn from the solution.

Accountability

Human oversight and responsibility should be embedded across the AI lifecycle to manage risk and comply with applicable laws and regulations.



Data integrity

Data used in AI solutions should be acquired in compliance with applicable laws and regulations and assessed for accuracy, completeness, appropriateness, and quality to drive trusted decisions.



Reliability

Al solutions should consistently operate in accordance with their intended purpose and scope and at the desired level of precision.



Security

Robust and resilient practices should be implemented to safeguard AI solutions against bad actors, misinformation, or adverse events.



Safety

Al solutions should be designed and implemented to safeguard against harm to people, businesses, and property.



Privacy

Al solutions should be designed to comply with applicable privacy and data protection laws and regulations.



Sustainability

Al solutions should be designed to be energy efficient, reduce carbon emissions, and support a cleaner environment.



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The KPMG Trusted Al council

How we drive principles into practice

KPMG firms are at the cutting edge of AI, playing an active role both in shaping market discussions to help clients and the wider industry to unlock its value and collaborating with stakeholders across the ecosystem to form its governance.

The KPMG Trusted AI Council is a cross-functional group that established and will continually review our foundational principles in accordance with evolving regulations and technological advancements. The Council guides how we put our principles into practice, including training KPMG professionals on the ethical and responsible use of AI and addressing emerging matters that may arise.

In addition, KPMG is actively pursuing opportunities to collaborate and help evolve AI governance frameworks.

We understand that the journey to AI adoption is a continuous one, and we are committed to learning and adapting as we go. We will provide updates on our progress in KPMG's <u>Impact Plan</u>.



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