EY AI Governance and Compliance Solution

AI Risk Management – fueling accelerated innovation, responsibly

Business drivers

Artificial Intelligence (AI) has transformed business operations across numerous industries. As AI's presence in daily operations increases, so does the need for a responsible usage of these technologies. Here are some of the factors that influence this transition toward Responsible AI in modern enterprises:

► **Customer trust and confidence:** Customers are increasingly concerned about the fairness of AI-driven processes.
► **Innovation enablement:** By proactively managing AI risks, organizations create an environment that fosters innovation and scales AI.
► **Competitive advantage:** Organizations committed to ethical AI and risk management gain a notable competitive advantage.
► **Rightsized regulatory compliance:** Evolving regulatory landscapes demand that organizations adhere to AI policies and standards.
► **Operational continuity:** AI risk management is key to maintaining consistent AI operations, reducing disruptions and downtime.

Solution overview

The EY AI Governance and Compliance Solution is a suite of capabilities that we are developing for enterprises to boost the efficiency and expediency of deploying AI while increasing trust through frictionless, operational and effective Risk Management of AI assets in supporting the Responsible AI enablement. The solution will feature:

► Tailored risk frameworks aligned with enterprise objectives
► Flexible pre-built risk, control, policy libraries, workflows and analytics to streamline governance and continuous monitoring
► EY-built add-ons to automate AI discovery and inventory management, risk profiling and TEVV activities
► Latest regulation, policy, standards and guidelines subscription aligned with evolving international laws and agency specifications

Governance Workflows		AI ModelOps and TEVV*	Continuous Monitoring	Performance and Risk Analytics
AI Asset Management	IRM	AI Confidence Index		
EY Neuron AI Discovery	Risk, Controls Regs. & Policy Library	AI Risk Profiler		
Unified AI Taxonomy and Data Model				

*TEVV – Testing, Evaluation, Verification and Validation

Solution benefits

► Ease organized adoption of Generative AI across the enterprise.
► De-risk AI at scale, foster trust, right-size compliance and enhance the competitive advantage from responsible use of AI technologies.
► Promote privacy, fairness and ethics, empower consumers, improve workforce wellbeing, and contribute to society and environment through the Responsible AI deployment.
► Promote ethical AI use, build public trust, reduce disparities, protect data privacy and enhance safety.
► Enhance operational efficiency and resource allocation, increase investor confidence, reduce cost of incidents and compliance and realize corporate responsibility objectives beyond the regulations.

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Joint value proposition

EY teams industrialize AI risk management using the power of the ServiceNow platform:

► Familiar user experience of risk and compliance workflows

► Cohesive platform with leading practice Risk and Compliance content

► Improved technology architecture supported by easy, seamless integrations

► Enterprise-ready insights on AI risk and performance against Responsible AI principles

Solution differentiators

► Updated and tailored AI risk, control, regulation and policy taxonomy library

► Industry-observed, leading and pre-defined AI Solution risk profiler engine

► AI Confidence Index facilitating tiering of enterprise AI in the EY AI Governance and Compliance Solution domains for monitoring and remediation

► Built-in analytics covering agility, efficiency, risk and operations management throughout the AI lifecycle

Case study

Client challenge	Engagement summary	Services provided
Misaligned governance to support AI ambition with framework and method to manage AI inventory Lack of timely visibility to identify and manage risks associated with AI use cases, including Generative AI across the AI Lifecycle	► Helped in implementing a target operating model and the associated RACI matrix for the AI governance with predefined automated workflows and business, risk and compliance rules ► Formulated a taxonomy and framework for the inventory of AI models, consolidated AI Inventory for in-house, SaaS, third party and hybrid model constructs ► Identified standards for the development and validation of AI; introduced a risk tiering approach to classify AI use cases based on their risk profiles, informing governance and control requirements ► Revised the regulatory and policy library to align with AI models and use cases ► Integrated a broad controls framework for all lines of defense, including their technology functions; designed TEVV, monitoring data collation, and reporting for audit and regulatory documentation purposes	► Improved AI outcomes through effective risk mitigation and adherence to regulatory compliance activities ► Enhanced visibility into the model validation, operational performance and compliance state of AI ► Improved model lifecycle – streamlined documentation process ► Increased confidence in AI solutions and adoption across business functions

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