IBM's Principles for Trust and Transparency

For more than a century, IBM has earned the trust of our clients by responsibly managing their most valuable data, and we have worked to earn the trust of society by ushering powerful new technologies into the world responsibly and with clear purpose.

IBM has for decades followed core principles—grounded in commitments to Trust and Transparency—that guide our handling of client data and insights, and also our responsible development and deployment of new technologies, such as IBM Watson.

We encourage all technology companies to adopt similar principles to protect client data and insights, and to ensure the responsible and transparent use of artificial intelligence and other transformative innovations.

For more information visit: ibmpolicy.com/trust-principles

"Every organization that develops or uses AI, or hosts or processes data, must do so responsibly and transparently. Companies are being judged not just by how we use data, but by whether we are trusted stewards of other people's data.

Society will decide which companies it trusts."

Ginni Rometty, Chairman, President and CEO, IBM

1. The purpose of AI is to augment human intelligence

The purpose of AI and cognitive systems developed and applied by IBM is to augment—not replace—human intelligence. Our technology is and will be designed to enhance and extend human capability and potential. At IBM, we believe AI should make ALL of us better at our jobs, and that the benefits of

the AI era should touch the many, not just the elite few. To that end, we are investing in initiatives to help the global workforce gain the skills needed to work in partnership with these technologies. That includes preparing more people for new collar jobs, which prioritize skills over specific degrees.

2. Data and insights belong to their creator

IBM clients' data is their data, and their insights are their insights. Client data and the insights produced on IBM's cloud or from IBM's AI are owned by IBM's clients. We believe that government data policies should be fair and equitable and prioritize openness.

Data Ownership Clients are not required to relinquish rights to their data—or insights derived from it—to have the benefits of IBM's solutions and services.

Data Privacy IBM is fully committed to protecting the privacy of our clients' data, which is fundamental in a data-driven society.

Data Security IBM is devoting our powerful engines of innovation to create tools to protect our clients, their data and global trade from cyber threats, and convening a broader discussion on balancing security, privacy and freedom.

Government Access To Data IBM <u>has not provided</u> <u>client data to any government agency</u> under any surveillance program involving bulk collection of content or metadata.

Cross-Border Data Flows IBM views the free movement of data across borders as essential to 21st century commerce.

3. AI systems must be transparent and explainable

For the public to trust AI, it must be transparent. Technology companies must be clear about who trains their AI systems, what data was used in that training and, most importantly, what went into their algorithm's recommendations. If we are to use AI to help make important decisions, it must be explainable.

IBM will make clear:

When and for what purposes AI is being applied.

The major sources of data and expertise—and the methods—used to train AI systems and solutions.

That while bias can never be fully eliminated, we and all companies advancing AI have an obligation to address it proactively. We therefore continually test our systems and find new data sets to better align their output with human values and expectations.