AI Governance & Ethics Toolkit

Sample Extract - Responsible AI Framework

The AI Governance Imperative

87% of organizations lack formal AI governance, exposing them to: - Regulatory fines (EU AI Act: up to €30M or 6% of revenue) - Reputational damage from biased AI systems - Legal liability for AI-driven decisions - Security breaches via model vulnerabilities

Stratafy's 5-Pillar AI Governance Framework

Pillar 1: Ethical AI Principles

Core Principles:

1. **Fairness & Non-Discrimination**

2. Bias testing across protected attributes

3. Fairness metrics: demographic parity, equalized odds

4. Remediation strategies for identified biases

5. **Transparency & Explainability**

6. Model interpretability requirements

7. Decision audit trails

8. Stakeholder communication protocols

9. **Privacy & Data Protection**

10. GDPR/CCPA compliance

11. Data minimization

12. Anonymization techniques

13. **Accountability**

14. Clear ownership for AI systems

15. Escalation procedures

16. Incident response plans

17. **Safety & Reliability**

18. Robustness testing

19. Adversarial attack prevention

20. Continuous monitoring

Sample Policy: AI Model Approval Process

Tier 1: Low Risk (e.g., content recommendations) - Automated approval - Quarterly audits - Standard monitoring

Tier 2: Medium Risk (e.g., pricing optimization) - Manager approval required - Bias testing mandatory - Monthly audits

Tier 3: High Risk (e.g., credit decisions, hiring) - Executive committee approval - Third-party audit required - Continuous monitoring - Explainability mandatory

Pillar 2: Compliance Framework

Regulatory Landscape:

Regulation	Scope	Key Requirements	Penalties
EU AI Act	EU operations	Risk classification, documentation, human oversight	€30M or 6% revenue
GDPR	EU data subjects	Consent, right to explanation, data protection	€20M or 4% revenue
CCPA	California residents	Data rights, opt-out mechanisms	$7,500 per violation
NYC AI Hiring Law	NYC employers	Bias audits, notice requirements	500−1,500 per violation

Compliance Checklist (Sample):

✓ AI system inventory maintained ✓ Risk assessments documented ✓ Data processing agreements in place ✓ Privacy impact assessments completed ✓ Bias audits conducted annually ✓ Incident response plan tested ✓ Training provided to AI practitioners

Pillar 3: Risk Management

AI Risk Assessment Matrix:

Risk Category	Example	Likelihood	Impact	Mitigation
Bias & Discrimination	Hiring AI favors certain demographics	Medium	Critical	Regular bias audits, diverse training data
Privacy Breach	Model leaks sensitive data	Low	Critical	Differential privacy, access controls
Model Failure	Prediction accuracy degrades	High	High	Continuous monitoring, auto-retraining
Adversarial Attack	Malicious inputs fool model	Medium	High	Adversarial training, input validation

Sample Governance Document: AI Ethics Review Board Charter

Purpose: Oversee ethical development and deployment of AI systems

Composition: - Chief AI Officer (Chair) - Chief Legal Officer - Chief Privacy Officer - External ethics expert - Employee representative

Responsibilities: - Review high-risk AI applications - Investigate ethics complaints - Update governance policies - Approve AI principles

Meeting Cadence: Monthly

What's in the Full Toolkit (75 Pages)

✓ Complete governance framework ✓ 15+ policy templates (ethics, privacy, security) ✓ Compliance checklists for 10+ regulations ✓ Risk assessment tools ✓ Audit templates ✓ Training materials (5 modules) ✓ Incident response playbooks

🔒 Purchase Full Toolkit - $349