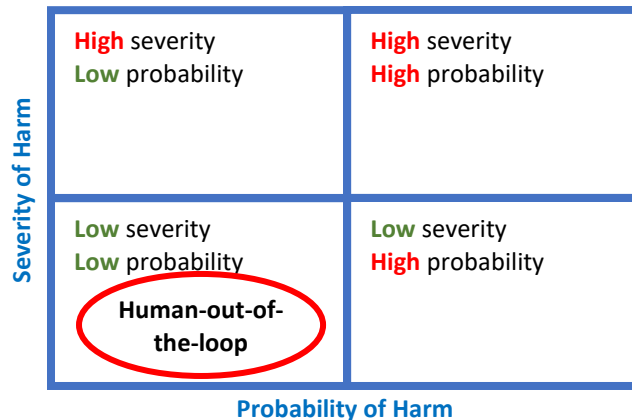


Annex C: Example of Recommendation

An online retail store wishes to use AI to fully automate the recommendation of food products to individuals based on their browsing behaviours and purchase history. The automation will meet the organisation’s commercial objective of operational efficiency¹.

Severity-Probability Assessment: The definition of harm can be the impact of making product recommendations that do not address the perceived needs of the individuals. The severity of making the wrong product recommendations to individuals may be low since individuals ultimately decide whether to make the purchase. The probability of harm may be high or low depending on the efficiency and efficacy of the AI solution.

Degree of human intervention in decision-making process: Given the low severity of harm, the assessment points to an approach that requires no human intervention. Hence, human-out-of-the-loop model is adopted.



Regular review: The organisation can review this approach regularly to assess the *severity of harm* and as societal norms and values evolve. For example, the product recommendation solution may consistently promote sugary drinks to a particular profile of individuals. With heightened concerns about diabetes after the AI models were deployed, the organisation may have to consider fine-tuning the models to reduce the promotion of sugary drinks.

¹ This is a simple illustration using bright-line norms and values. It is acknowledged that there will be cases with challenging and complex ethical dilemmas. Organisations can consider testing this method of determining AI decision-making model against those cases.