# Watsonx

# AI for Business - Ansvarlig AI



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Accelerer din Al insats – få indblik i IBM's Al-platform watsonx.

watsonx – IBMs Al platform er seneste løsning fra IBM som tillader virksomheder at deltage i rejsen på ML & Generativ Al i fuld kontrol.

- Din data er din data
- Undgå lock in
- fuld evidens & transparens dokumenteret fra data source til Al output
- At du er klar til EU AI act

Konkrete eksempler på ansvarlig AI ved use cases / kundecases



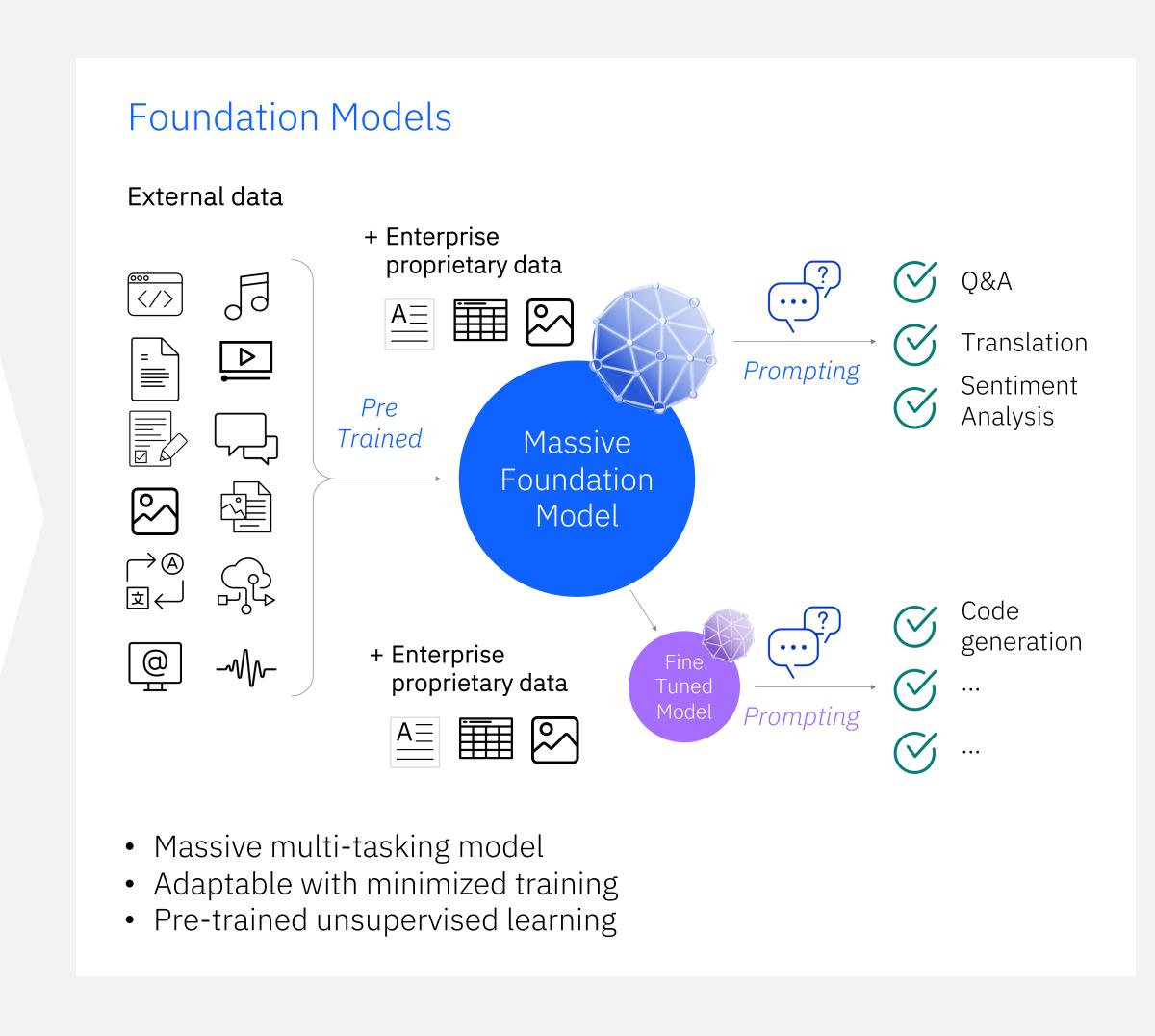


## Foundation models establish a new paradigm for AI capabilities

#### Traditional AI models



- Individual siloed models
- Require task specific training
- Lots of human supervised training



#### Enhanced capabilities

- Summarization
- Conversational Knowledge
- Content Creation
- Code Co-Creation

#### Key advantages

- Lower upfront costs through less labeling
- Faster deployment through fine tuning and inferencing
- Equal or better accuracy for multiple use cases
- Incremental revenue.
   through better performance

up to 70% reduction in certain NLP tasks

Har du som andre bekymringer vedrørende ( gælder for traditionel ML og GenAI )?

#### How was it trained?

- Garbage in -> garbage out
- An enterprise cannot use a foundation model trained with a Wikipedia crawl
- The training material needs to be huge and comprehensive but must also be curated

# Can it detect & minimize bias & hallucination?

- How does the platform detect and correct bias?
- How can it prevent hallucination (providing random and untrue answers with absolute aplomb and convictions)?

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#### Is it transparent?

- Open vs black-box
- How to audit, and explain the model and the answers it generates?
- Does the model track drift and bias? And how does it address them?

# Does it support regulatory compliance?

- How do foundation models and their usage comply with privacy and government regulations?
- What are the guardrails?
- Who is responsible for an inadvertently exposed
   PII or a "wrong answer"?

#### Is it safe?

- Who has control over the model, input data, and output data?
- How to ensure that confidential information is not given out?
- How is it monitored?
- What safety features and guardrails are in place?

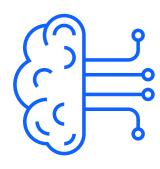
#### Can it be customized?

- Hybrid and multicloud?
- Can the model be finetuned with clients' data?
- How can clients update, and extend the model to make it more suitable for their use cases?
- How to integrate with applications? What APIs are in place?

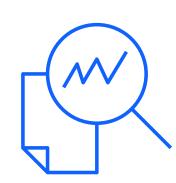


IBM has continuously strived for responsible innovation capable of bringing benefits to everyone and not just a few.

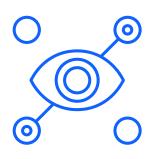
IBM applies the same philosophy to AI through its principles for trust and transparency.



The purpose of AI is to augment human intelligence



Data and insights belong to their creator



New technology, including AI systems, must be transparent and explainable



# Open

open source foundation models +

# Targeted

Der er ikke en stor model, i stedet mange mindre og fokuserede til dit domain – din industri

# Trusted

Skab evidens og transparens fra data kilde til AI output

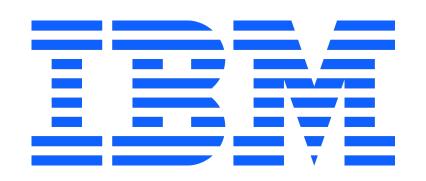
# Empowering

"Airgapped"
mulighed for din data i dit
miljø (i din cloud eller
datacenter

# = ANSVARLIG AI, AI FOR BUSINESS



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# IBM watson storyline + fremtid





2017: IBM embarks on 2018: Watson creating a standard set of NLP/Speech/Dialog

libraries.

IBM's conversational AI technology

**2020**: IBM **infuses** Assistant is launched, Foundational models **Into AI applications** like Watson Assistant and Watson Discovery

**2011:** IBM debuts system to compete against long standing **Jeopardy** champions Ken Jennings and Brad Rutter



**2014-2015:** : IBM debuts partnership with Mayo Clinic and launches Watson Health for health-related data, assets and Al applications



2019: IBM builds, Project **Debate**r, an Al powered system to debate a human in a live debate competition using deep NLP and generative Al capabilities

2019: IBM introduces standard libraries that will power all "Watson" products going forward. These libraries contain foundation models, Language Model compression, proprietary models and open source components.

2024: Governance and trust permeate Al

2023: IBM launches WatsonX - an Al built and infused platform for working with, customizing, tuning, deploying and governing foundation models.

2030: Fully multi-modal AI gives enterprises unprecedented scale

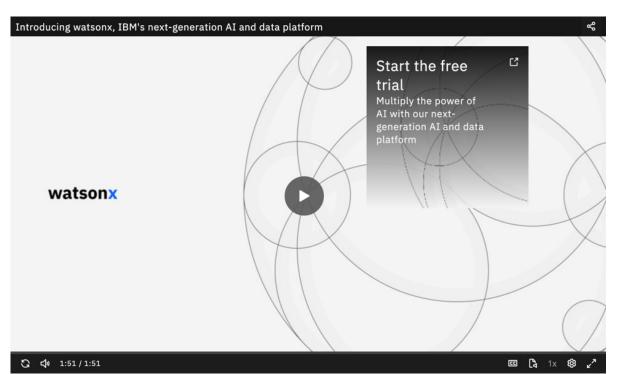
2029: Trustworthy and explainable AI starts to reason

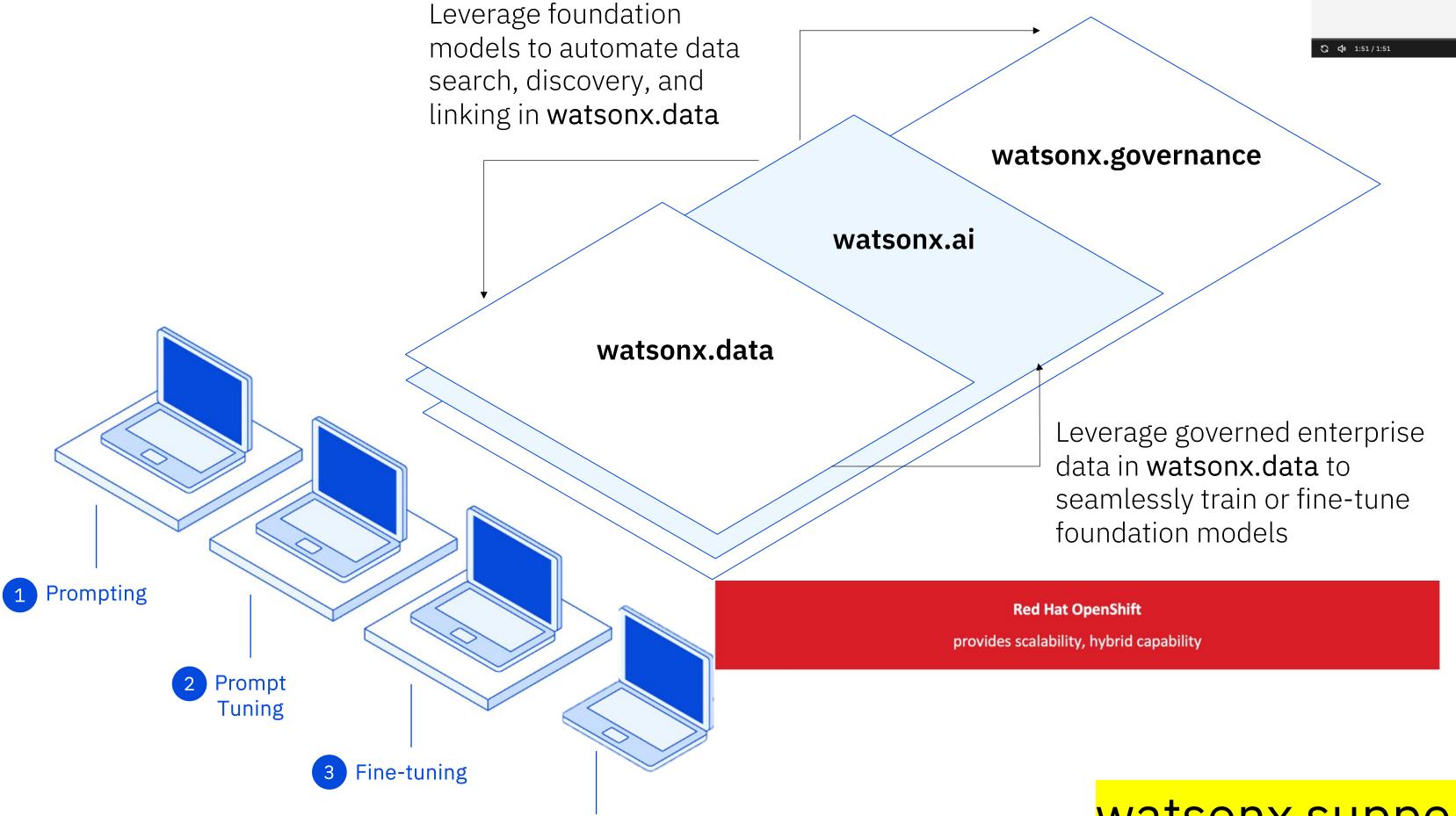
2027: Foundation models in production scale uniquely

2025: Al becomes more energy and cost efficient

# Watsonx

Enable fine-tuned models to be managed through market leading governance and lifecycle management capabilities





Training from scratch

watsonx supporterer samme tilgang til både tradionel ML og generative AI

3 selvstændige komponenter og pre-integrerede hvis ønsket

# Generative AI capabilities

Foundation model library



Prompt Lab

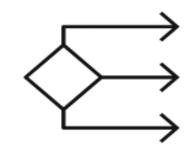


Train, validate, tune and deploy AI models

A proven studio for machine learning



ModelOps



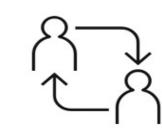
Automated development



Decision optimization



Tuning Studio\*



Team collaboration and data preparation

# watsonx.ai

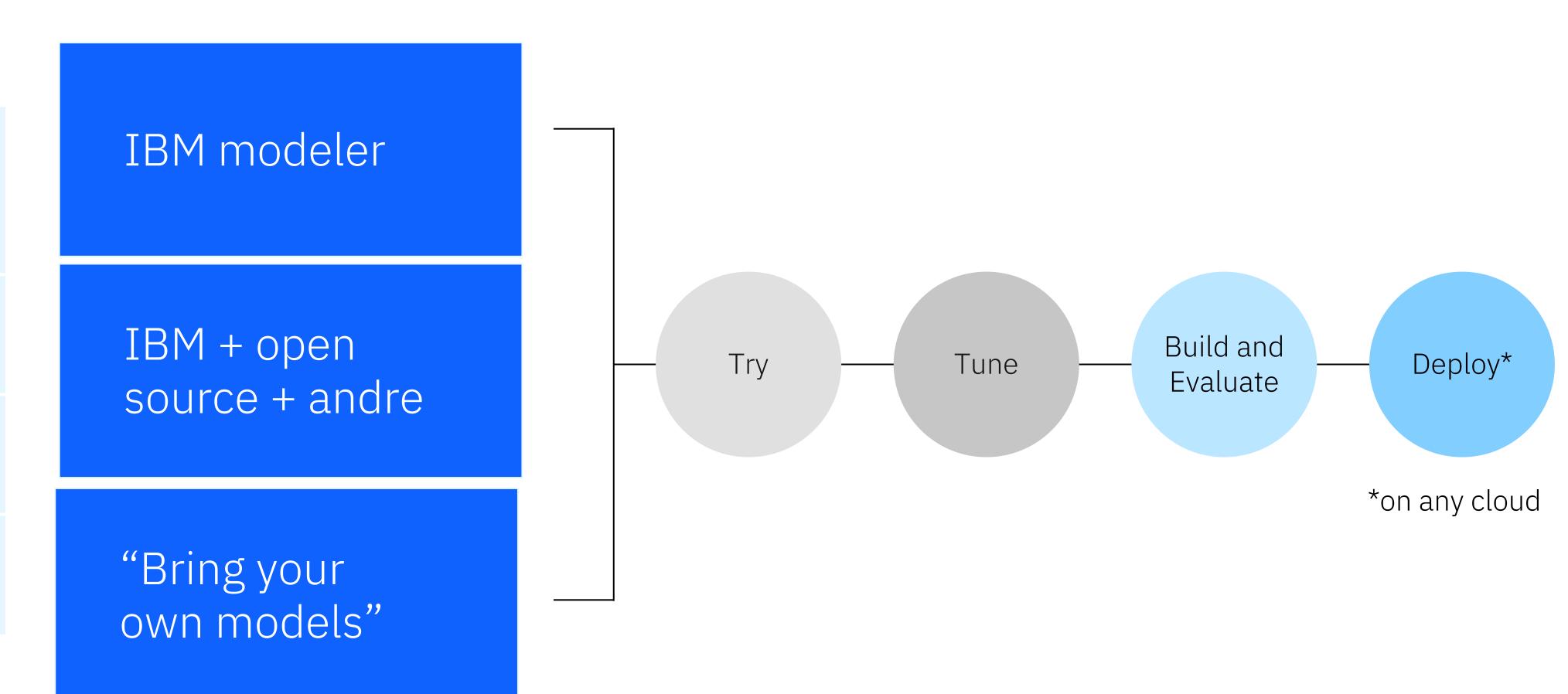
foundation models - multi-model - \*multi-cloud - ingen lock-in

Large language models

IT Automation models

Digital Labor models

Cybersecurity models





# watsonx.ai Foundation Model Library

#### IBM Foundation Models

Slate (encoder-only) NLP models
Granite (decoder-only)

154 million params
Multilingual distilled



Efficient Domain and Task Specialization

Models Coming Soon:

- Finance
- Cybersecurity
- Legal, etc.

#### Open-Source Large Language Models



flan-ul2-20b
20 billion params

encoder/decoder

gpt-neox-20b
20 billion params
decoder only

mt0-xxl-3b

13 billion params
encoder/decoder

flan-t5-xxl-11b

11 billion params
encoder/decoder

mpt-7b-instruct2
7 billion params
decoder only

3<sup>rd</sup> Party Large Language Models

Llama2-chat-70b
70 billion params
decoder only

Starcoder-15.5b
15.5 billion params
decoder only

Model variety to cover enterprise use cases and compliance requirements

Language Tasks

Generate

Extract

Summarize

Classify

A&Q

Model responds to a question in natural language

Model generates content in natural language

Model extracts entities, facts, and info. from text

Model creates summaries of natural language

Model classifies text (e.g., sentiment, group)

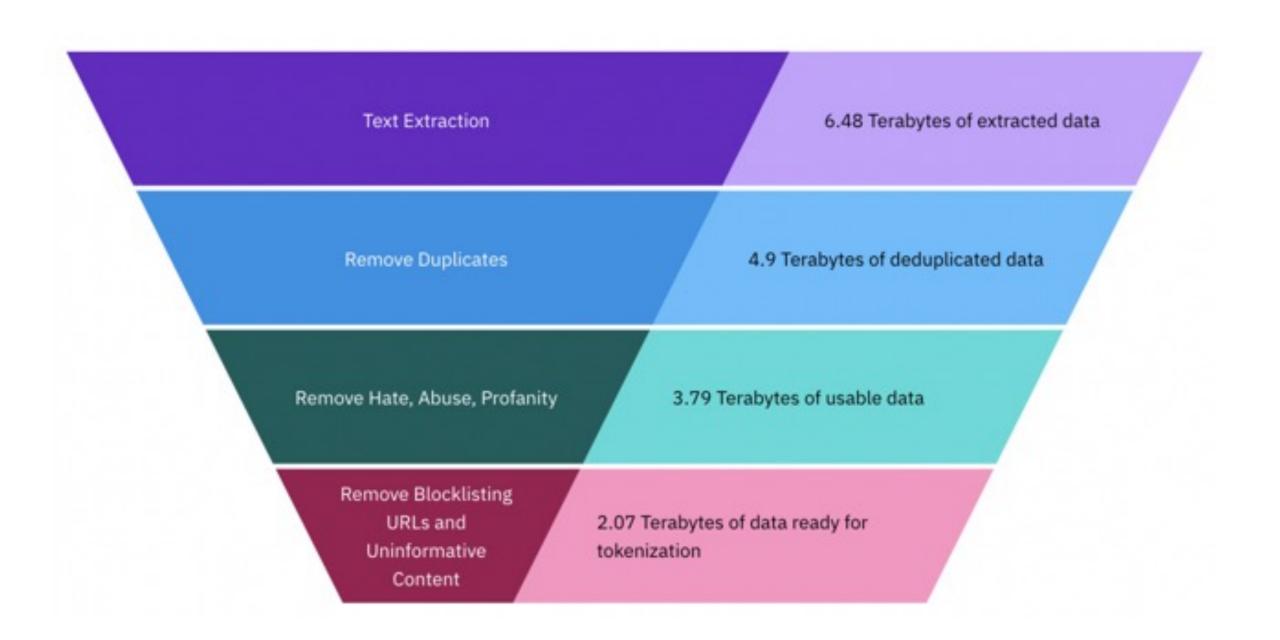
Coding Tasks

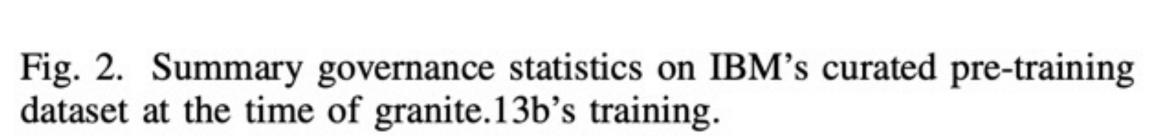
Code Gen

Model generating code from a natural language prompt



# watsonx.ai IBM Foundation Models - data "rensnings" process = tillid til data





#### Transparent Pre-Training on IBM's trusted Data Lake

- One of the largest repositories of enterprise-relevant training data
- Verified legal and safety reviews by IBM
- Full, auditable data lineage available for any IBM Model

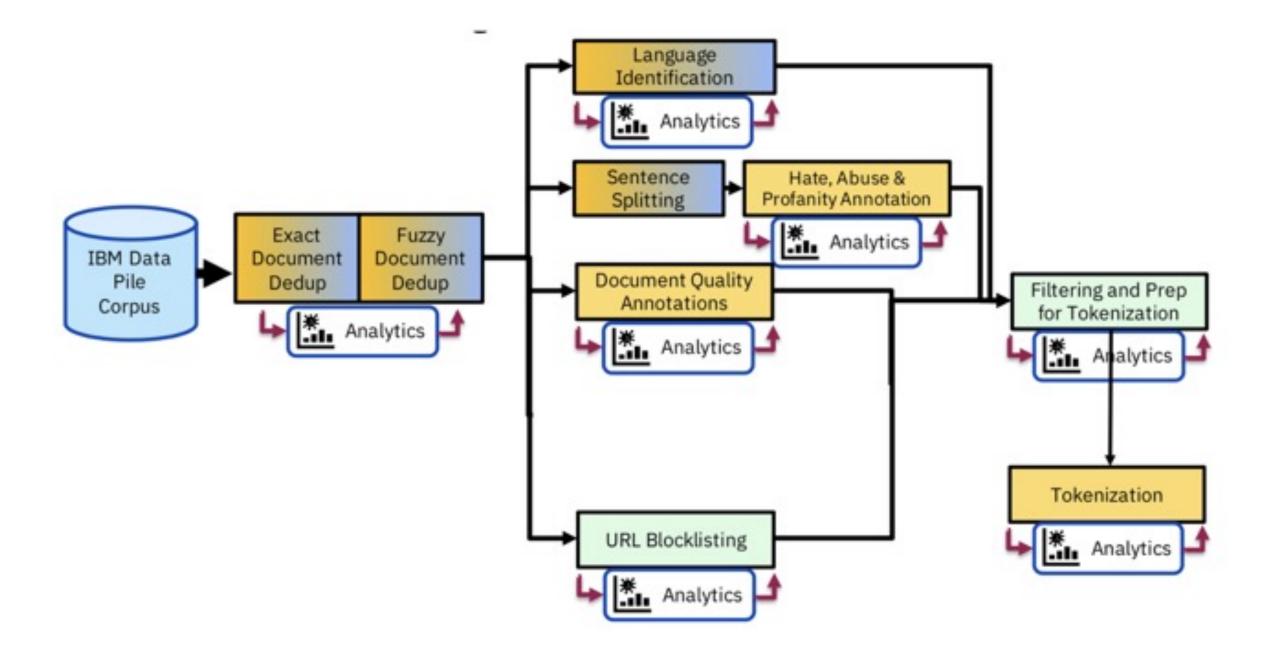


Fig. 3. IBM's Data pre-processing pipeline.

IBM Granite Foundation Model whitepaper

Foundation models: Opportunities, risks and mitigations

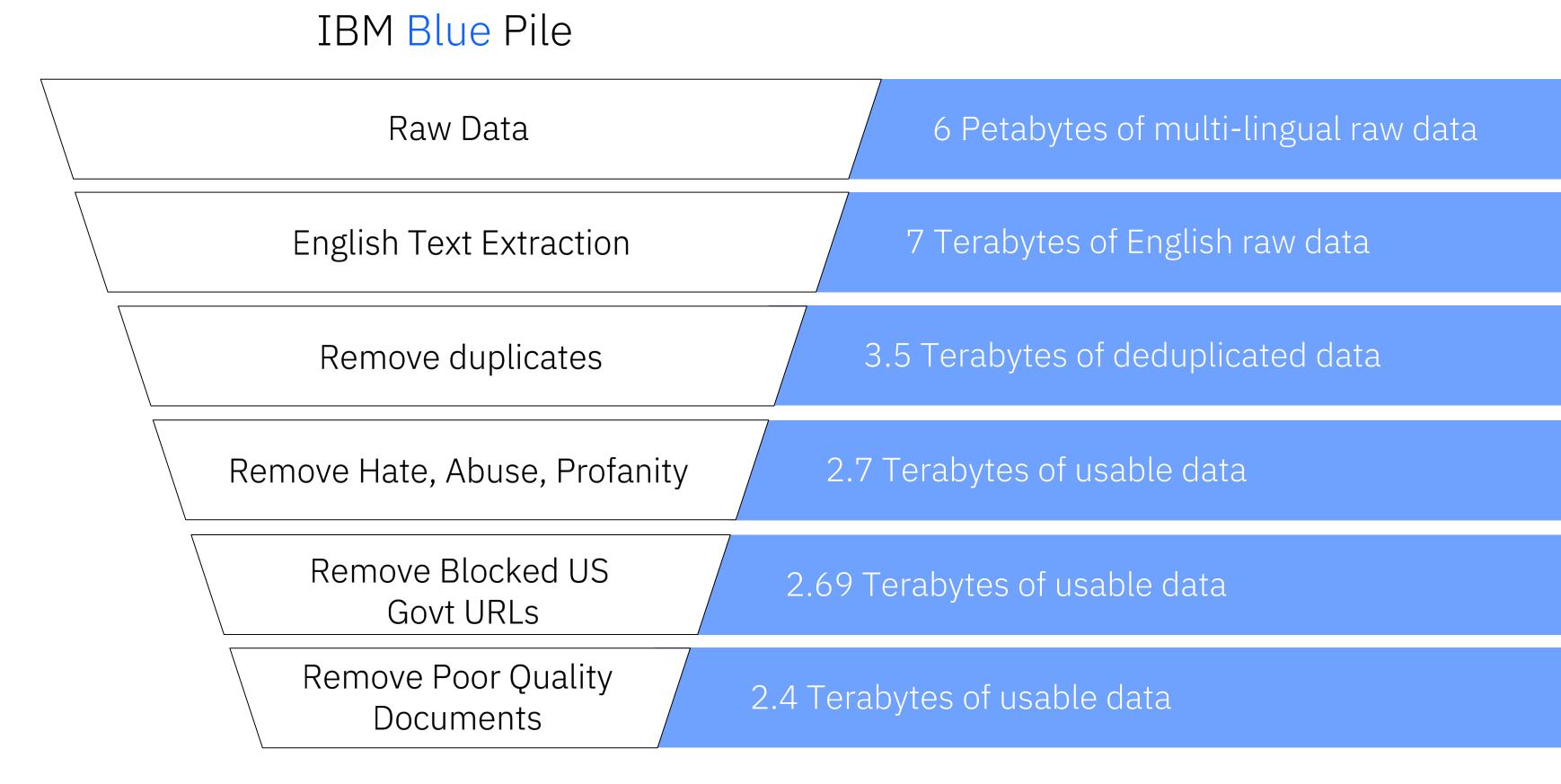


# watsonx.ai IBM Foundation Models

# watsonx

### **Key Differentiators**

- Superior performance at a smaller size and lower TCO
- Trained on highly governed,
   cleansed and de-duplicated data,
   with full, auditable data lineage
- AI Factsheets available for any IBM Model
- Legal Indemnification for 3<sup>rd</sup>
   Party Copyright Claims



Tokenized to 1+ Trillion Tokens for Training



# watsonx.ai: Prompt Lab

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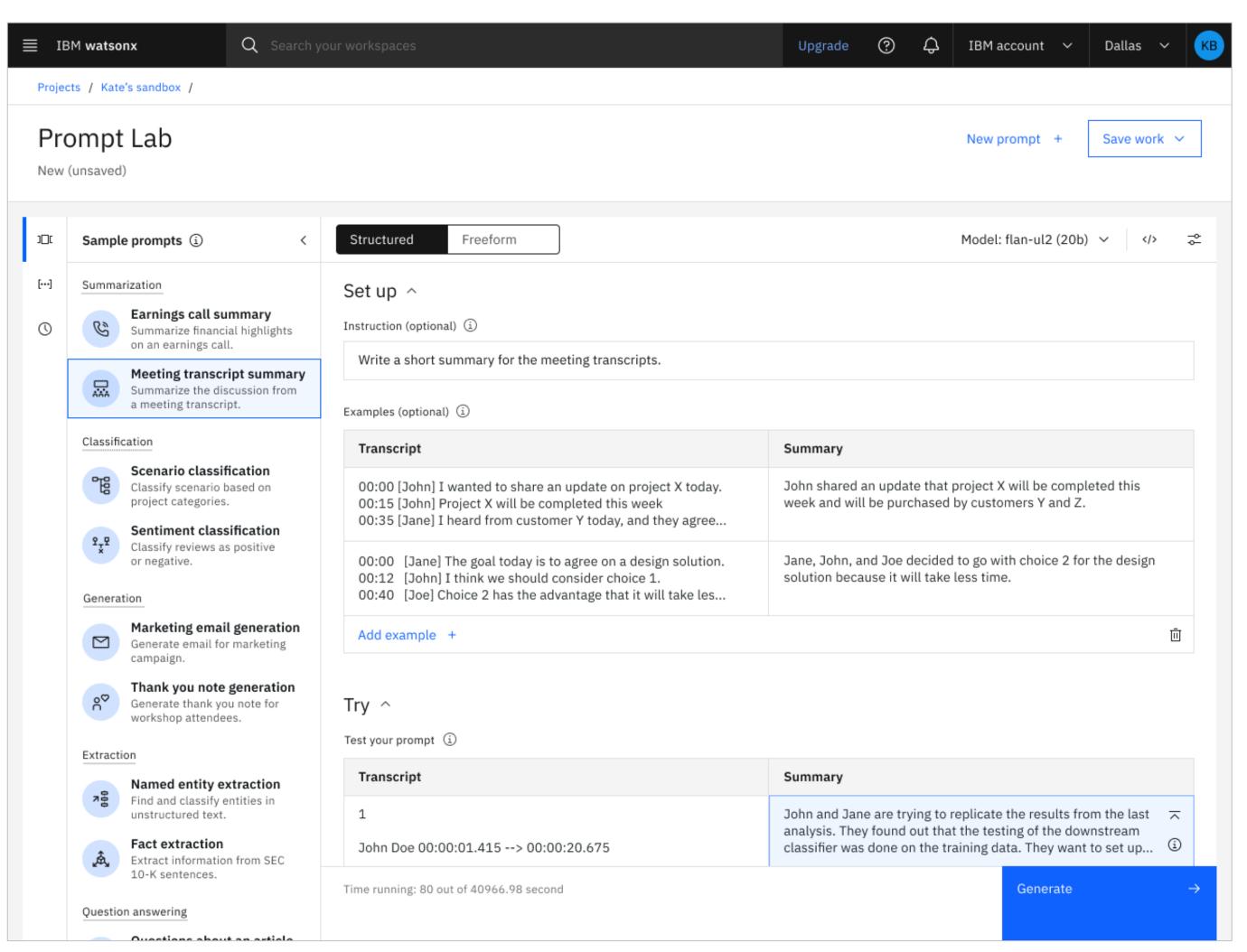
# Experiment with foundation models and build prompts

Interactive prompt builder

Includes prompt examples for various use cases and tasks

Experiment with different prompts, save and reuse older prompts, use different models and vary different parameters

Experiment with zero-shot, one-shot, or few-shot prompting to get the best results



Experiment with prompt engineering

Choice of foundation models to use based on task requirements

Prevent the model from generating repeating phrases

Number of min and max new tokens in the response

Stop sequences – specifies sequences whose appearances should stop the model



# watsonx.ai: Tuning Studio\*

Tune your foundation models with labeled data

Prompt tuning

Task support in the Tuning Studio

Efficient, low-cost way of adapting an AI foundation model to new downstream tasks

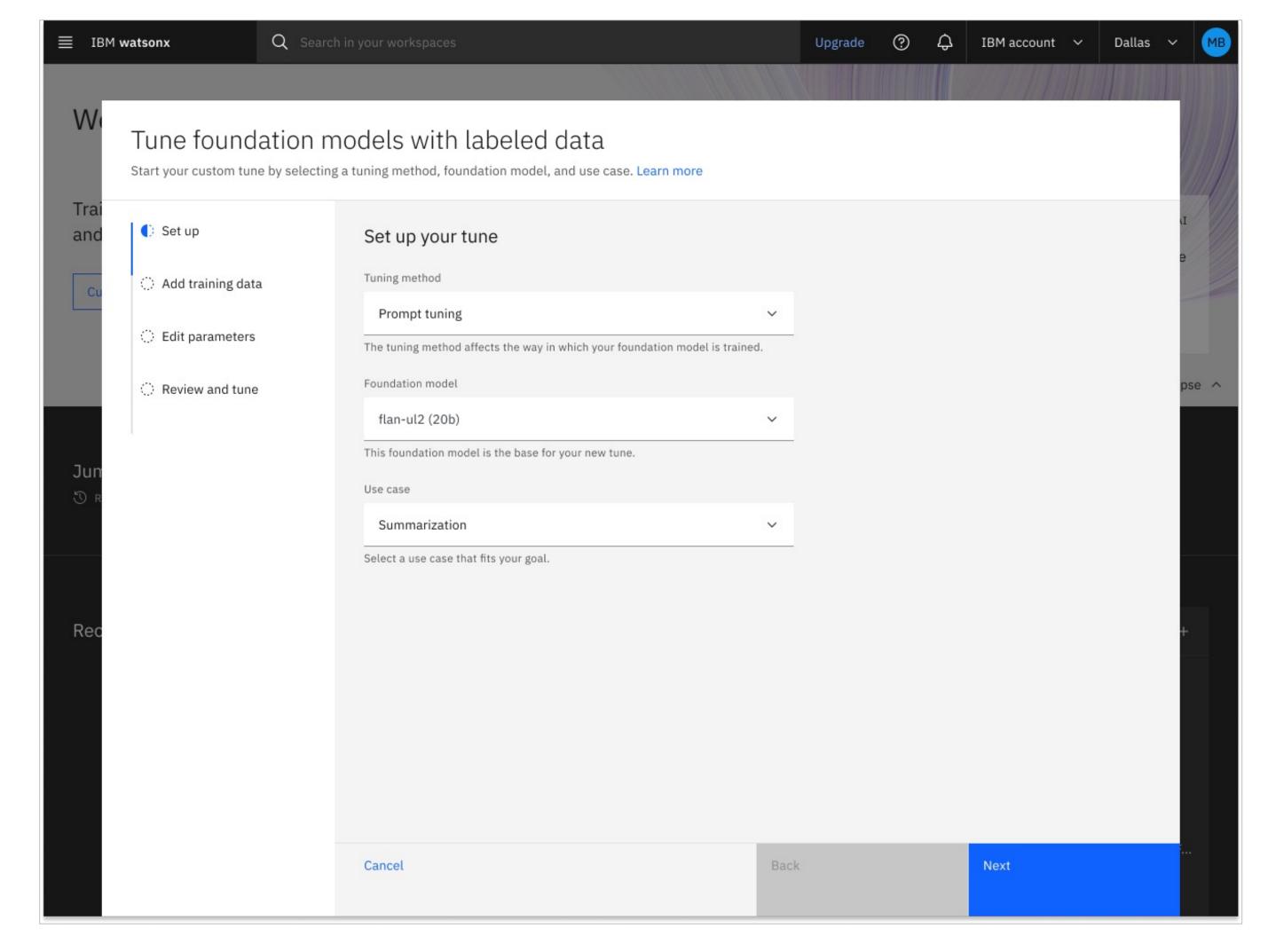
Models support a range of Language Tasks: Q&A, Generate, Extract, Summarize, Classify

Tune the prompts with no changes to the underlying base model or weights

Requires a small set of labelled data to perform specialized tasks

Unlike prompt engineering, prompt tuning allows clients to further train the model with focused, business data

Can achieve close to finetuning results without model modification, at a lower cost to run









# watsonx.ai: Data Science and MLOps

Build machine learning models automatically in the studio

# Model training and development

Build experiments quickly and enhance training by optimizing pipelines and identifying the right combination of data

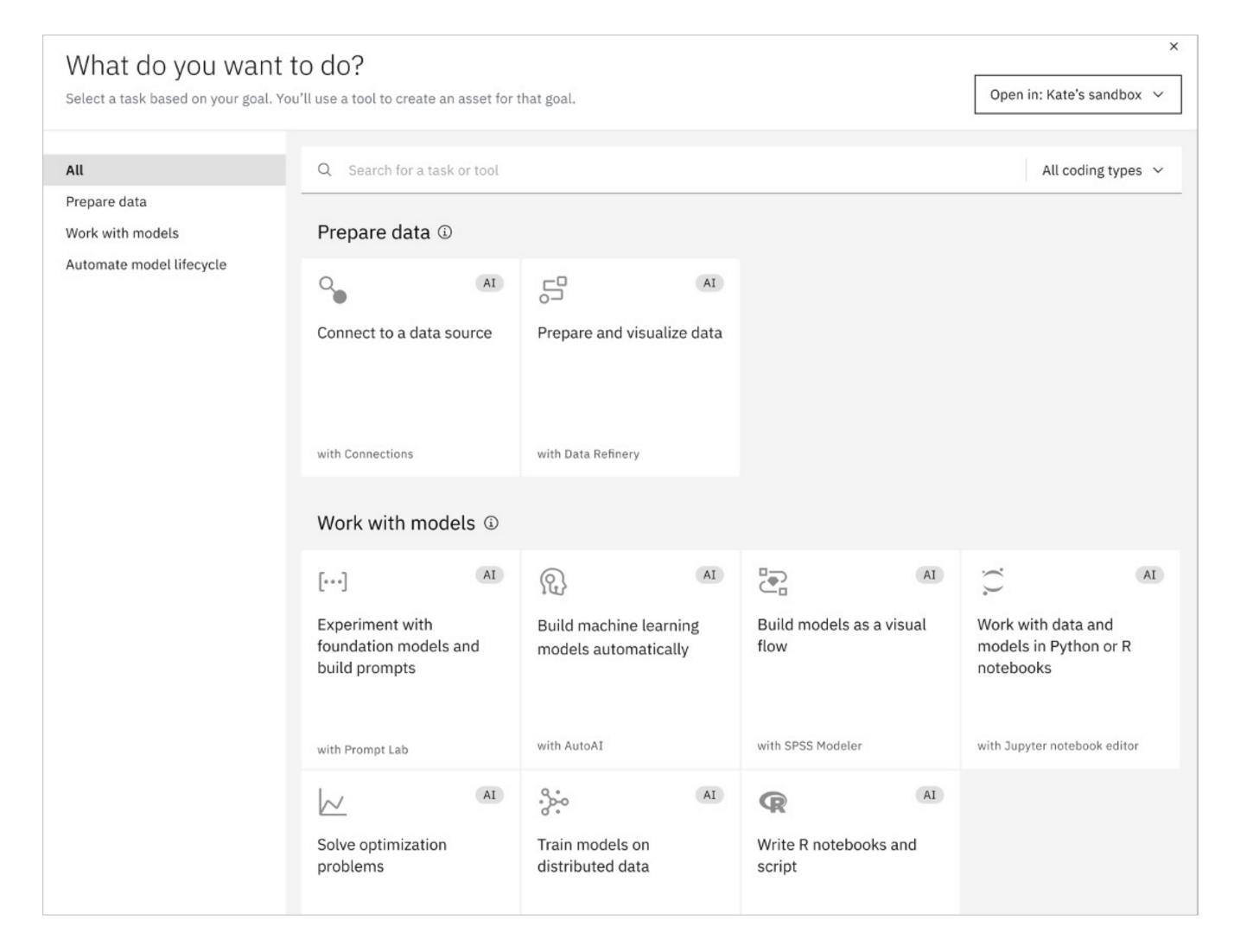
AutoAI, including preparing data for machine learning and generating and ranking candidate model pipelines

Use predictions to optimize decisions, create and edit models in Python, in OPL or with natural language

# Integrated visual modeling

Prepare data quickly and develop models visually to help visualize and analyze enterprise data to identify patterns and trends, explore opportunities, and make informed, insightful business decisions

- Uncover correlations
- Insight for hypotheses
- Find relationships and connections within the data



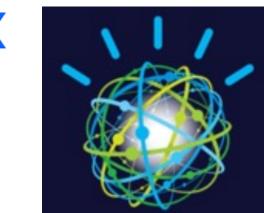


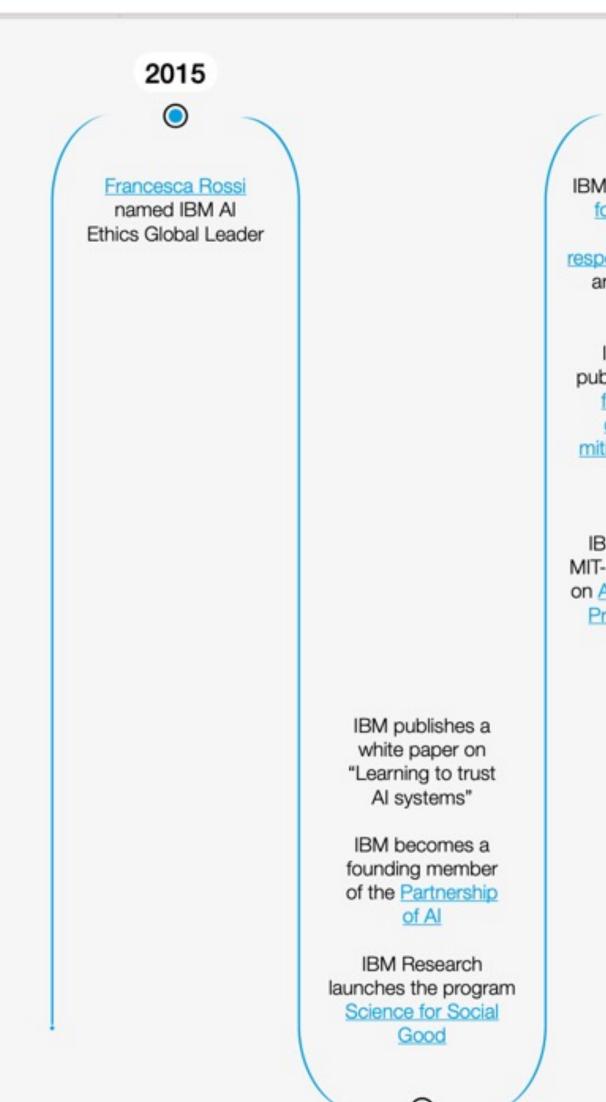
# watsonx.governance

Enable responsible, transparent and explainable data and AI workflows

# AI governance time travel

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#### 2017

IBM issues principles for the cognitive era and data responsibility centered around trust and transparency

**IBM Research** publishes one of the first papers on detecting and mitigating Al bias at the NeurIPS conference

IBM launches the MIT-IBM collaboration on Advancing Shared Prosperity with Al

**IBM** issues Principles for Trust and Transparency

IBM Research releases the open-source toolkit Al Fairness 360 and Adversarial Robustness 360

IBM Research publishes Al FactSheets concept in a paper

Formal IBM AI Ethics Board is formed

IBM joins the European Commission High Level Expert Group on Al

2018

#### 2019



IBM's new Chief Privacy Officer, Christina Montgomery,

is appointed as the business leader of the Privacy and Al Ethics mission

The Al Ethics Board is given corporate governance mandate co-chaired by Christina Montgomery and Francesca Rossi with cross business unit representation

IBM Research releases the open-source toolkit Al Explainability 360

Jesus Mantas, Senior Managing Partner at IBM, joins inaugural World Economic Forum Centre for the Fourth Industrial Revolution Global Al Council

#### 2021



IBM Policy Lab explores the opportunities and challenges of Al regulation, and how Europe can balance fostering trust in AI, with fostering innovation

The World Economic Forum newly created GlobalAl Action Alliance is co-chaired by IBM chairman and CEO Arvind Krishna

IBM Research launches Uncertainty Quantification 360

Rome Call one year

The IBM flagship conference THINK focus on Trust

Al Ethics site:

IBM hosts "Walking the Tech Tightrope: How to Balance Trust

with innovation" panel

at the Annual Meeting

in Davos

IBM publishes the

Precision Regulation

POV and unveils the

IBM Policy Lab

**IBM Research** 

launches Al

FactSheets 360

IBM signs the Rome

Call for Al Ethics

IBM donates open

source toolkit to Linux

Foundation

IBM and Notre Dame

co-found the Notre

Dame-IBM Technology

Ethics Lab

principles, practices and resources

COVID-19 Guardrails

IBM's Institute for Business Value (IBV) publishes "Advancing Al ethics beyond compliance"

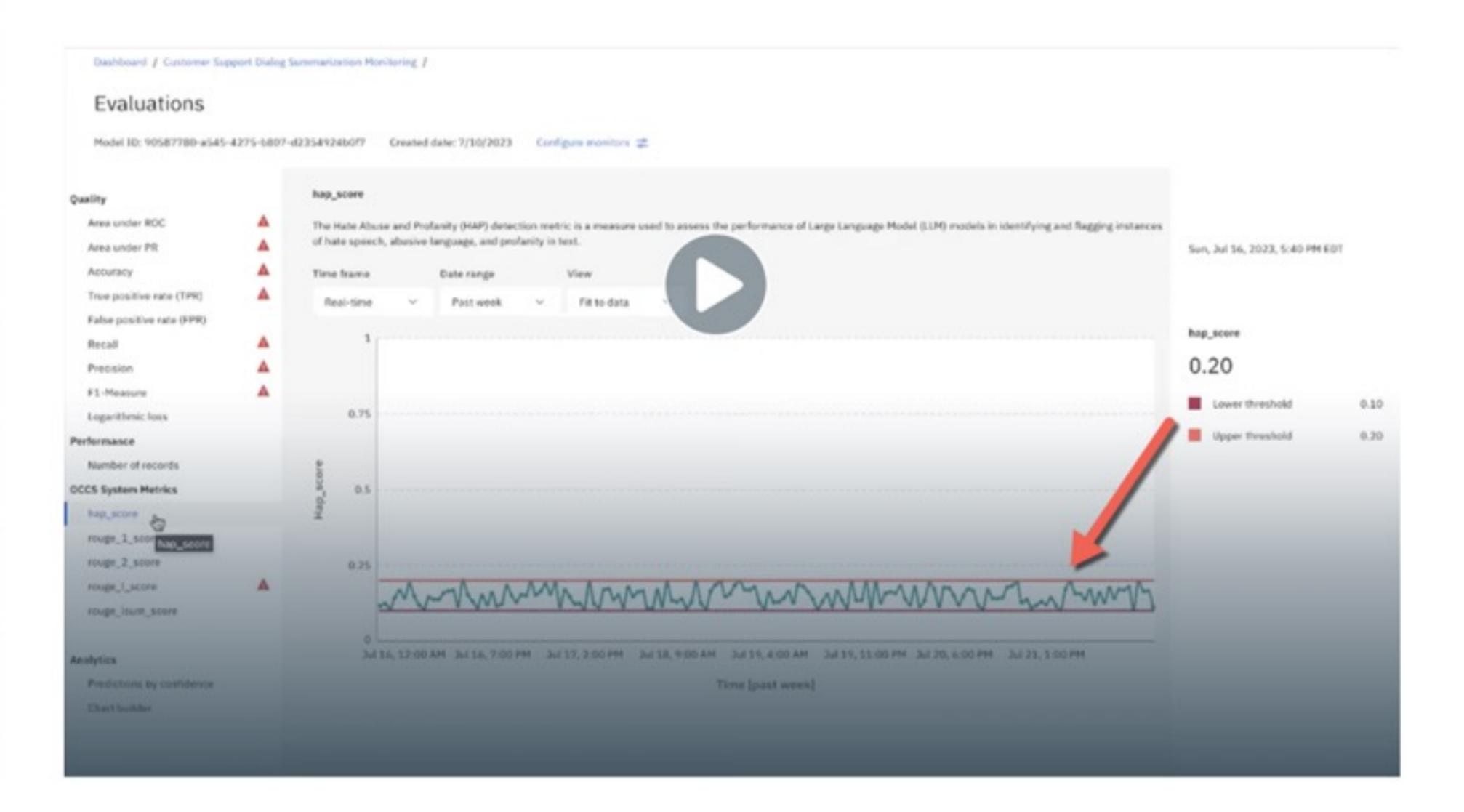






2016

# Overvåg – rapporter & reager på brud på "hat, abuse & profanity"





# De 3 grundstene i "Ansvarlig AI"

#### AI Governance

Organizational governance incl. strategy, principles, boards

# Lifecycle Governance

Monitor, catalog and govern AI models from anywhere, throughout the AI lifecycle



# Risk Management

Manage risk and compliance to business standards, through automated facts and workflow management



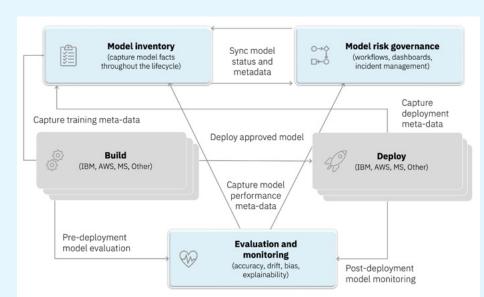
# Regulatory Compliance

Ensure you adhere to external AI regulations for audit & compliance



#### **IBM AI Governance**

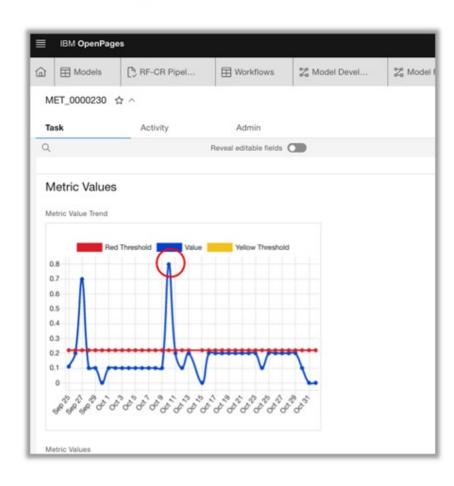
- Model governance
- Model documentation
- Model evaluation and monitoring

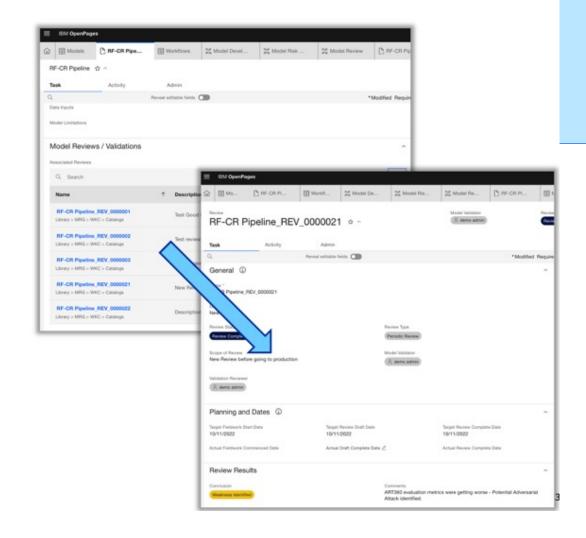


Predictive ML Focus

Dansk 2022 customer case med Deloitte: Håndtering af angreb på kreditmodel

#### What should I do if there is a breach?





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Extend the best practices of AI Governance from Predictive ML to Generative AI while monitoring and mitigating the new and amplified risks from models, users, datasets, and regulations.

Expand AI Governance capabilities with net new features for Predictive ML and a complete new experience and functionality for governance of Generative AI 5.december 2023



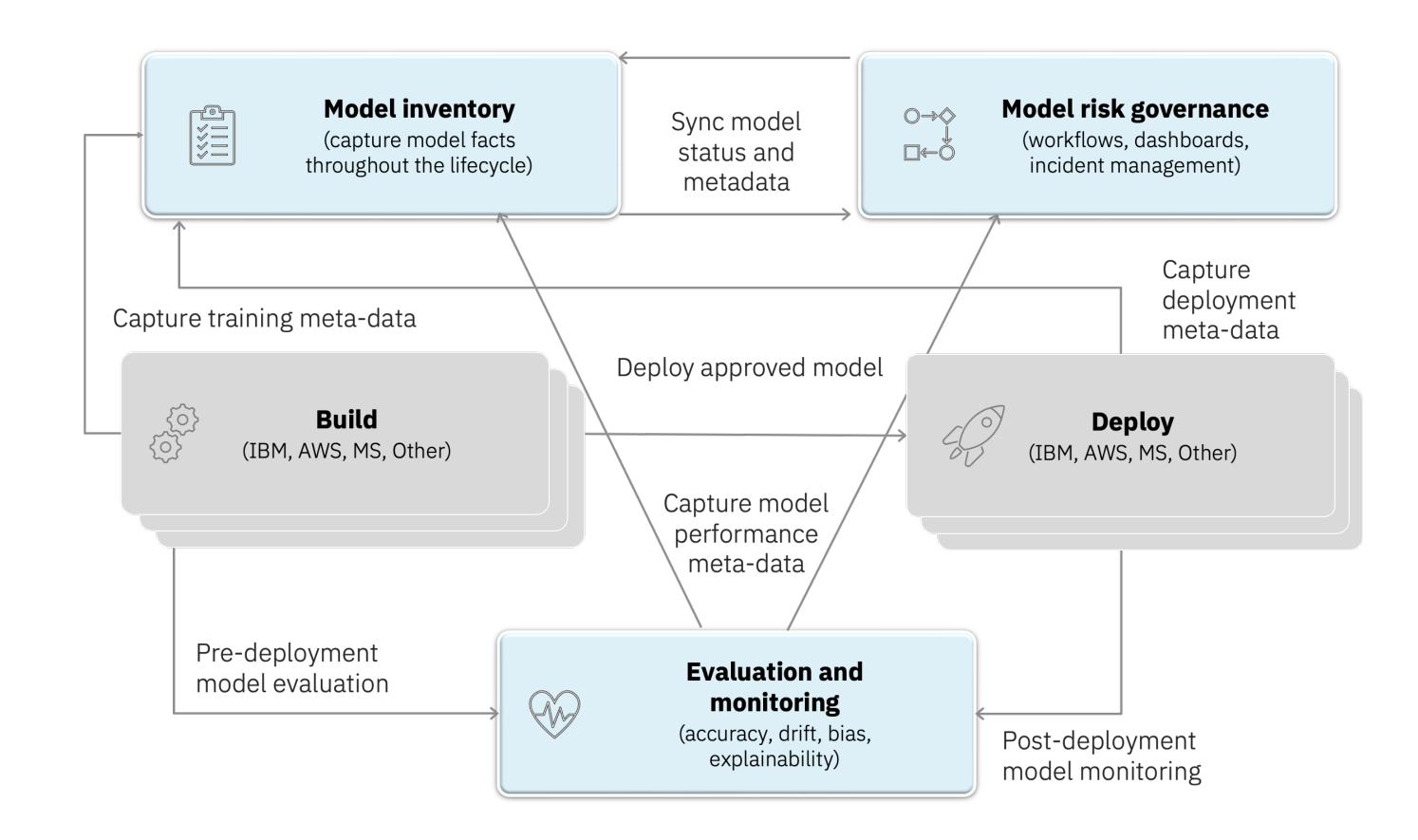
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Govern across the AI lifecycle

# Manage and monitor

- Automate AI workflows to increase model transparency and explainability
- Capture the origin of data sets, model metadata and pipelines
- Support the governance of models built and deployed using 3<sup>rd</sup> party tools
- Use integrated collaboration and communication tools



#### Confidently scale

- Increase predictive accuracy, proactively identify and mitigate bias and drift
- Decrease time to model deployment using automated processes and collaborative tools
- Optimize data scientist talent, minimize costly human errors and speed time to model deployment
- Drive transparent processes and explainable analytic results

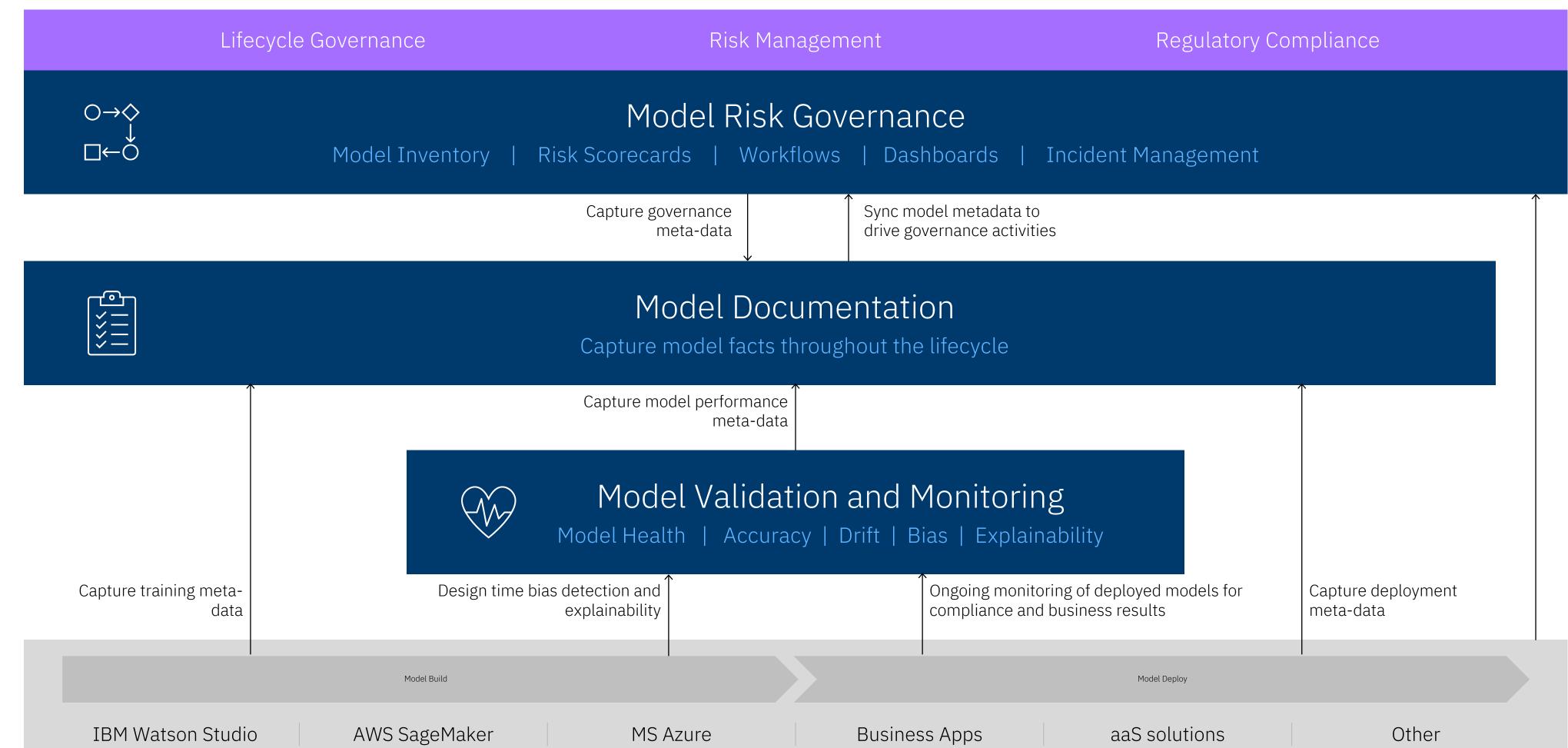
End-to-end toolkit for AI governance across the entire model lifecycle to enable responsible, transparent, and explainable AI workflows.



# IBM AI Governance

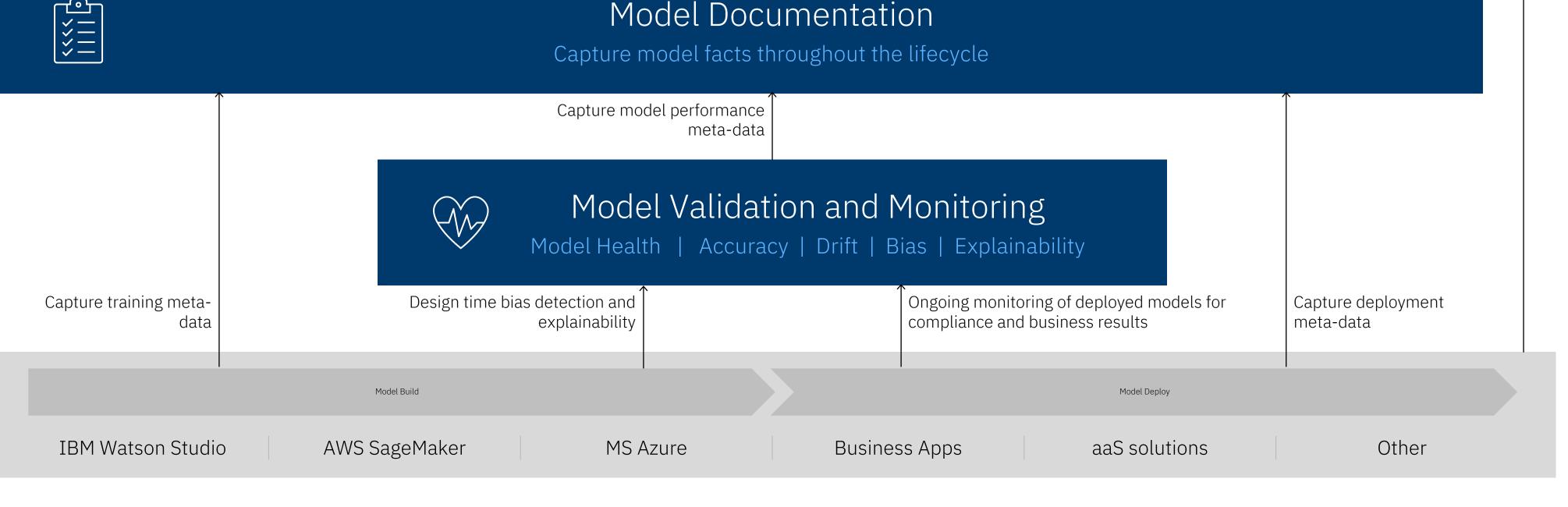


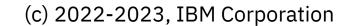
- Model Owners
- Model Validators
- Audit Teams
- Compliance Teams
- Risk Management Teams
- Data Privacy Teams
- Principal Data Scientists





- Data Engineers
- (Citizen) Data Scientists
- MLOps
- ML Engineer



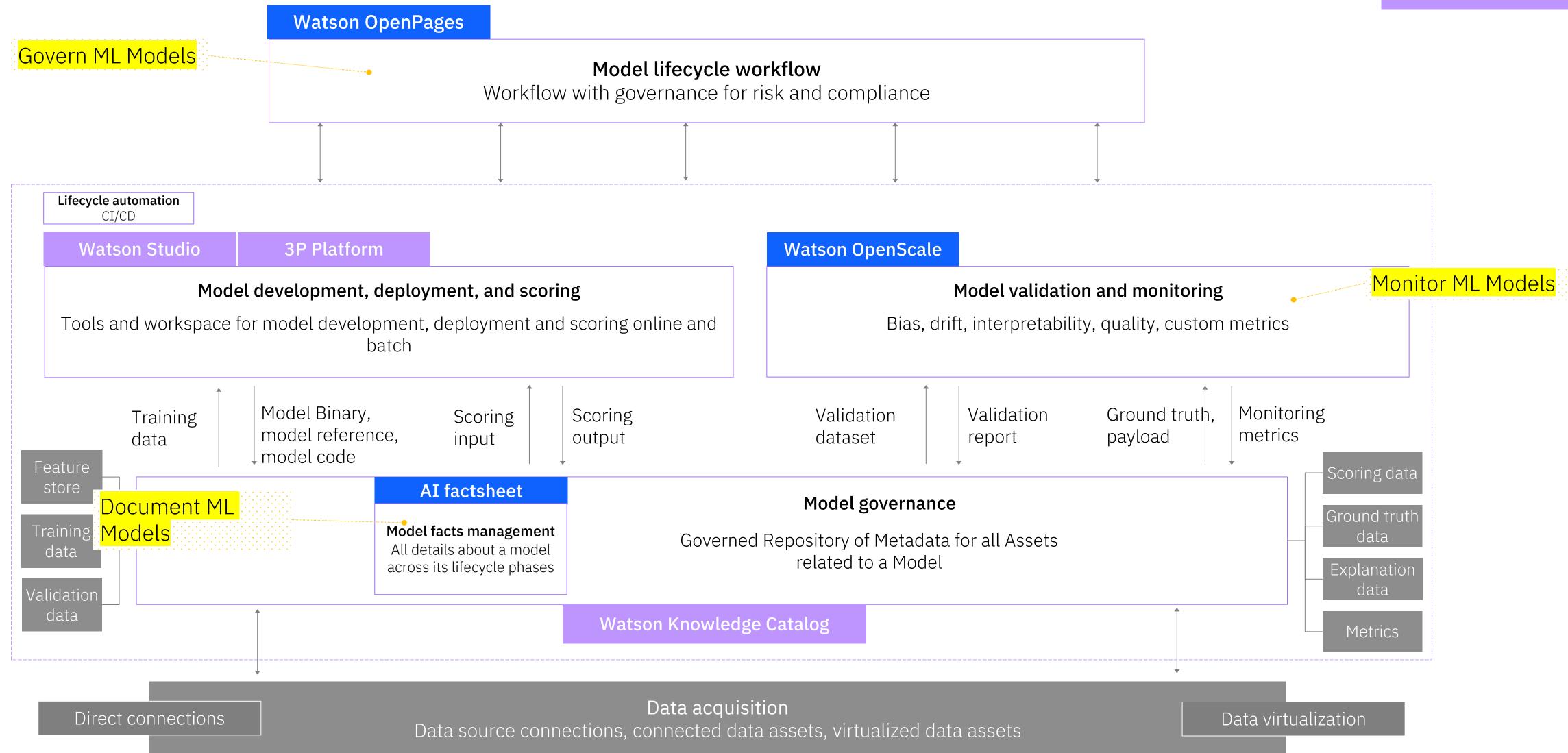


# Reference Arkitektur for IBM AI Governance



AI Governance Bundle

Companion Software





#### Model development flow Model Use Case

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- Model Owners
- Model Validators
- Audit Teams
- Compliance Teams
- Risk Management Teams
- Data Privacy Teams
- Principal Data Scientists

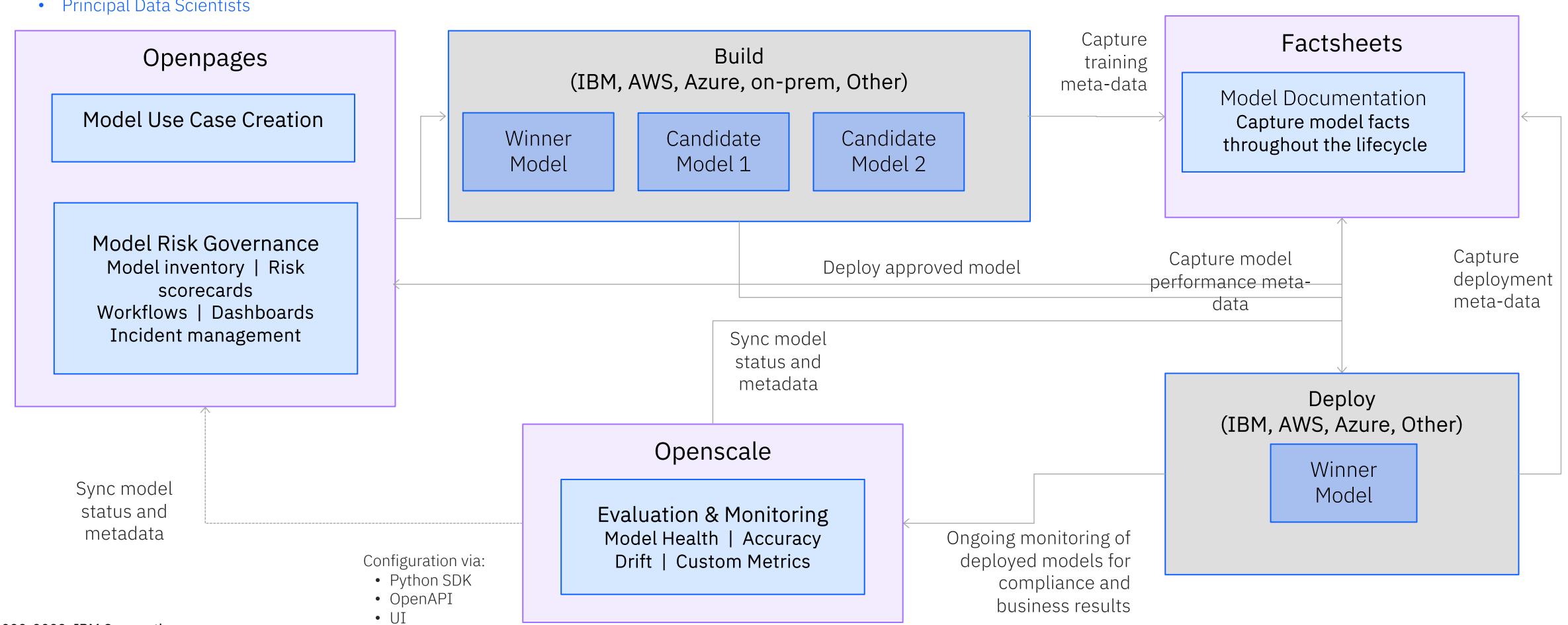
- Data Engineers
- (Citizen) Data Scientists
- AI Engineers
- MLOps

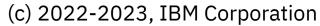
Soon to come for LLMs:

- Text Classification
- Entity Extraction
- Question and Answering
- Content Generation.
- Text Summarization

Configuration via:

- Python SDK
- OpenAPI
- UI





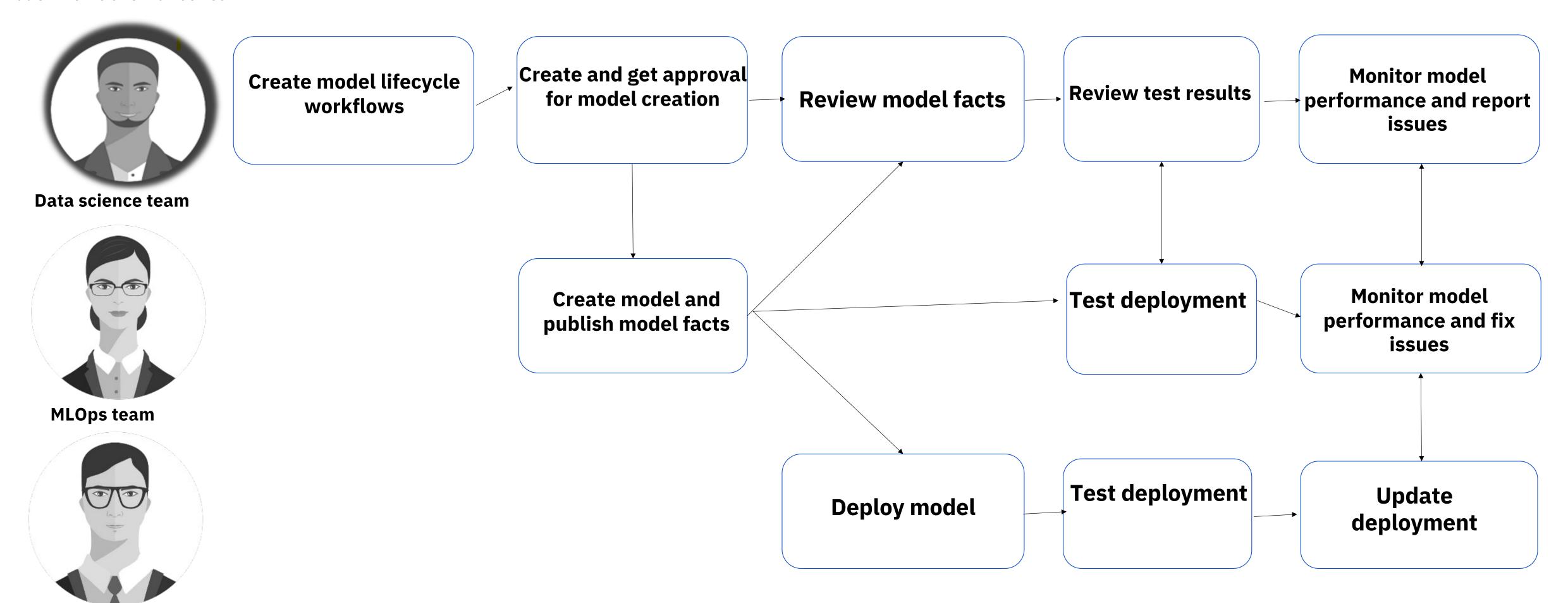
MLOps

ML Engineer

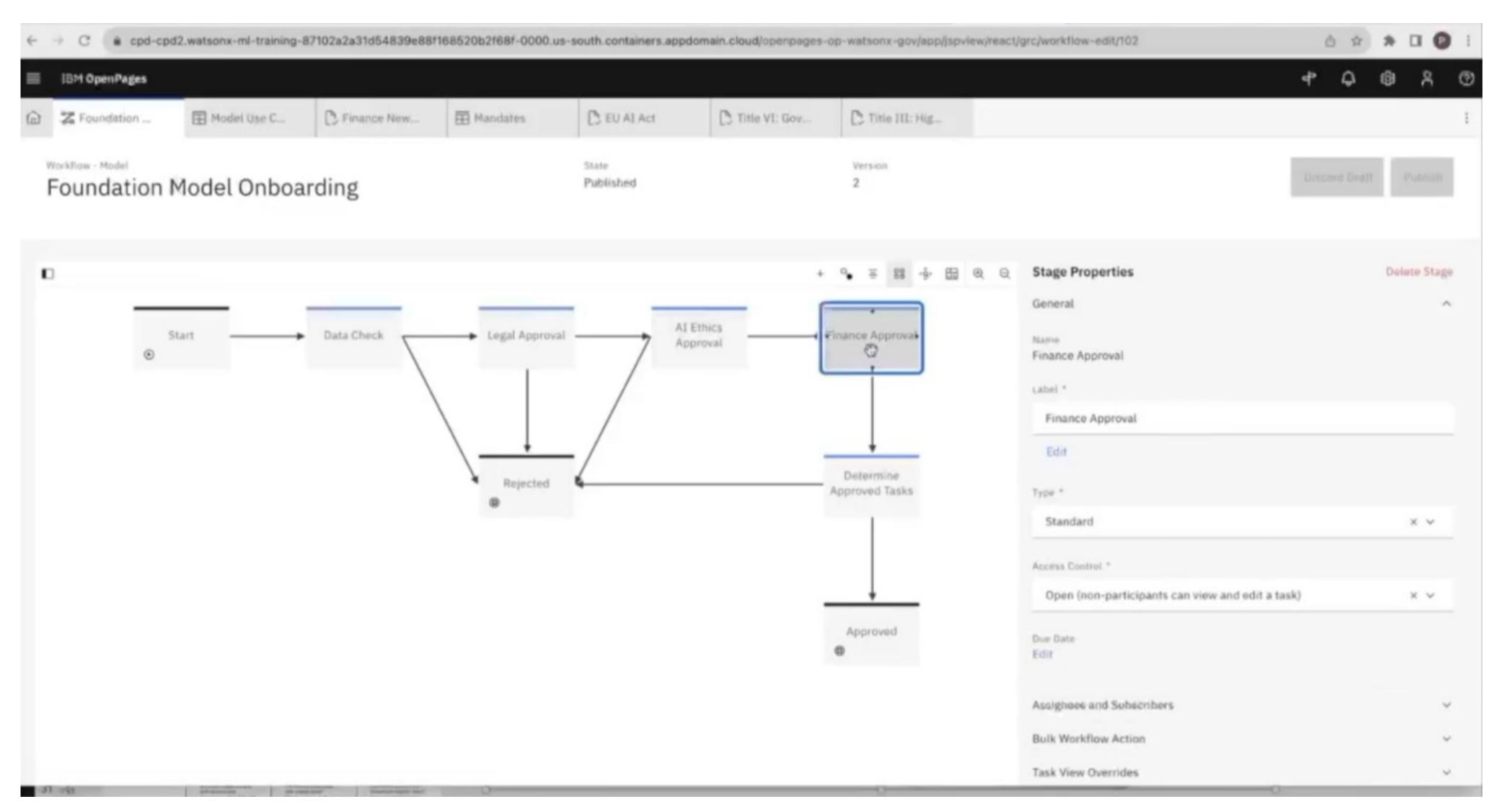


# Eksempel på AI Governance workflow - AI Governance er en team sport

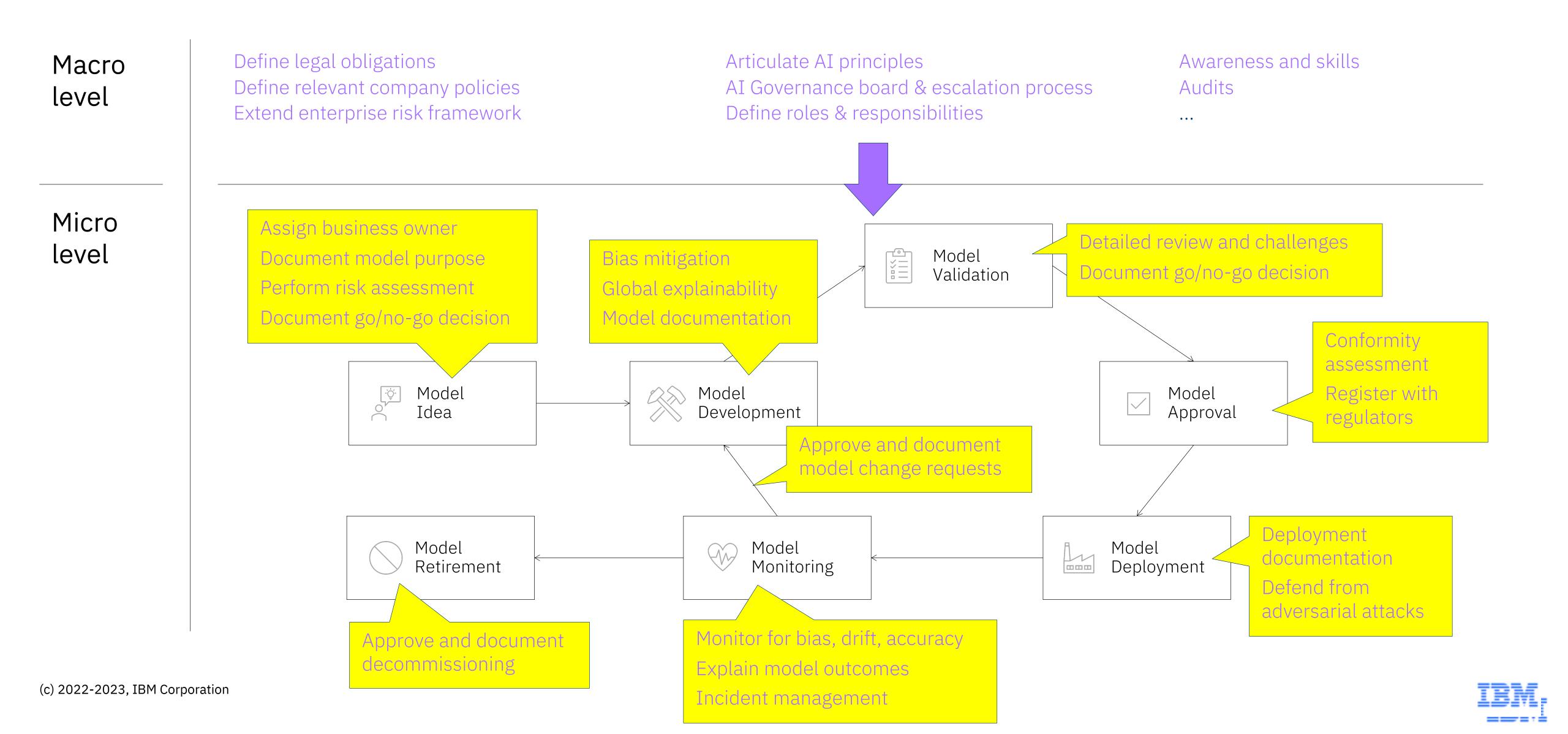
#### **Model Risk Governance team**



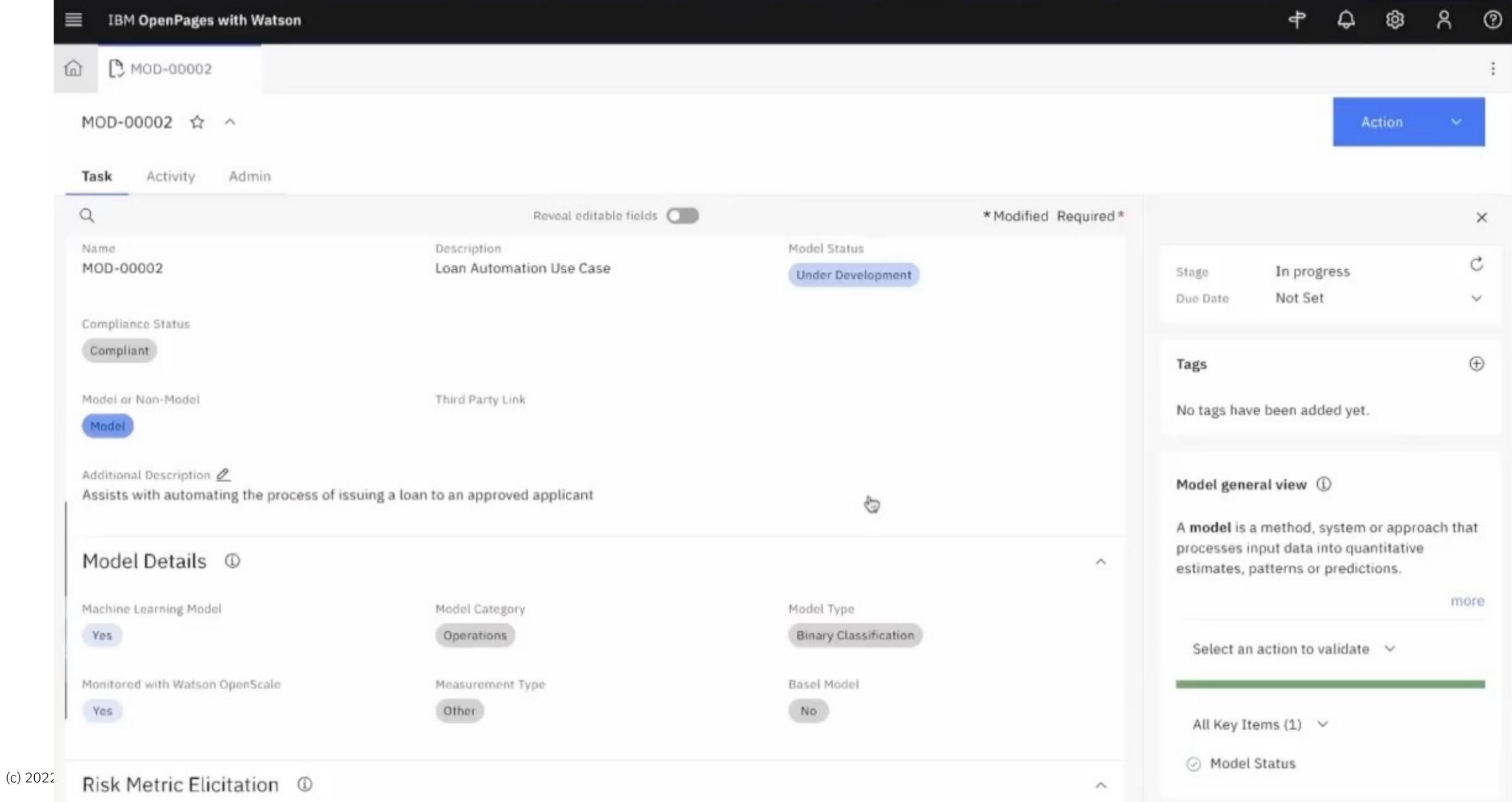
# Eksempel på process styring af AI governance



# I praksis, AI governance indeholder



Sneek peak: EU AI Act "compliance" watsonx



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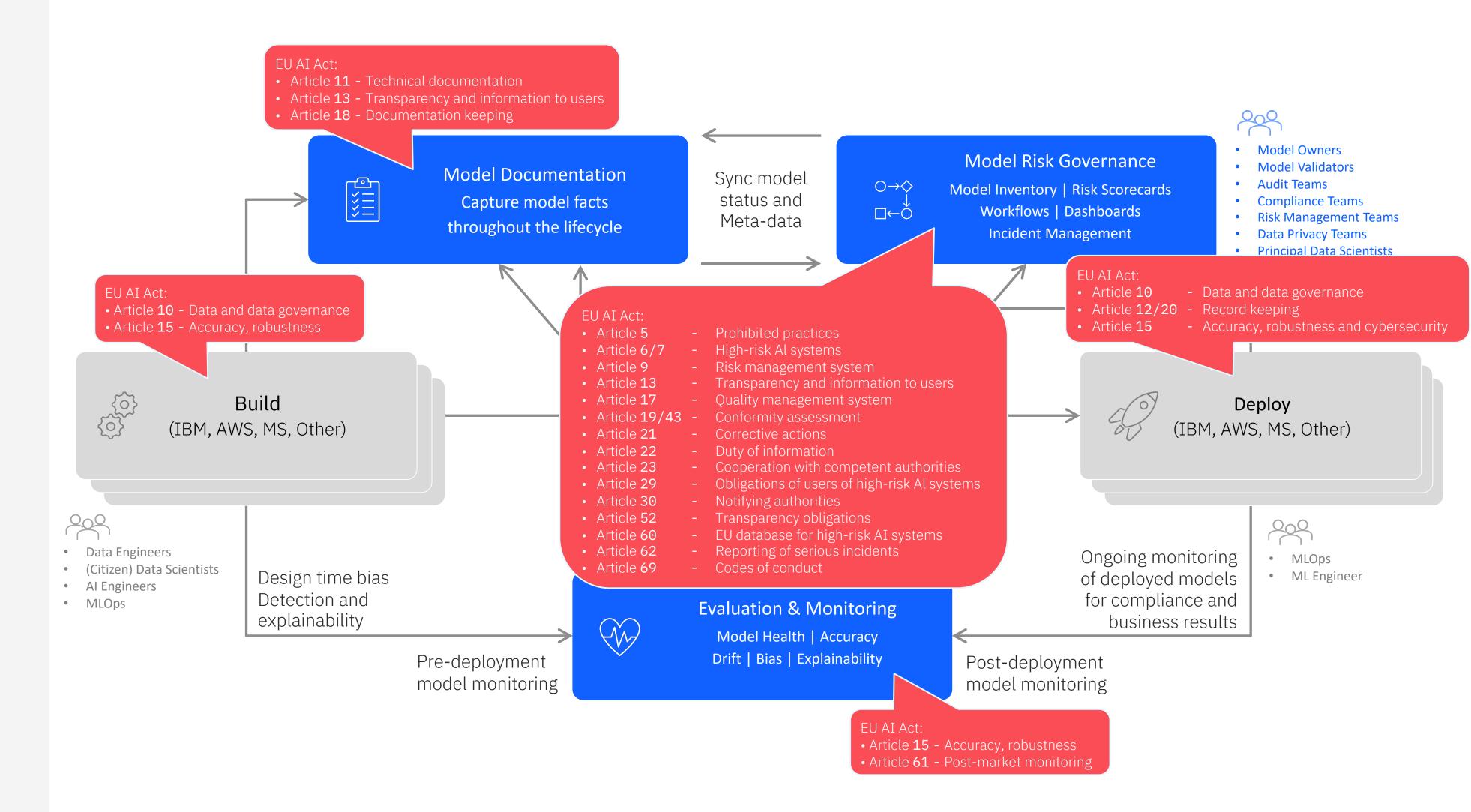
#### Headstart til EU AI Act

- Enterprise fokuseret AI governance klar til EU AI act
- Klar til at adressere Risk definitioner og implikatione

### Al med tillid

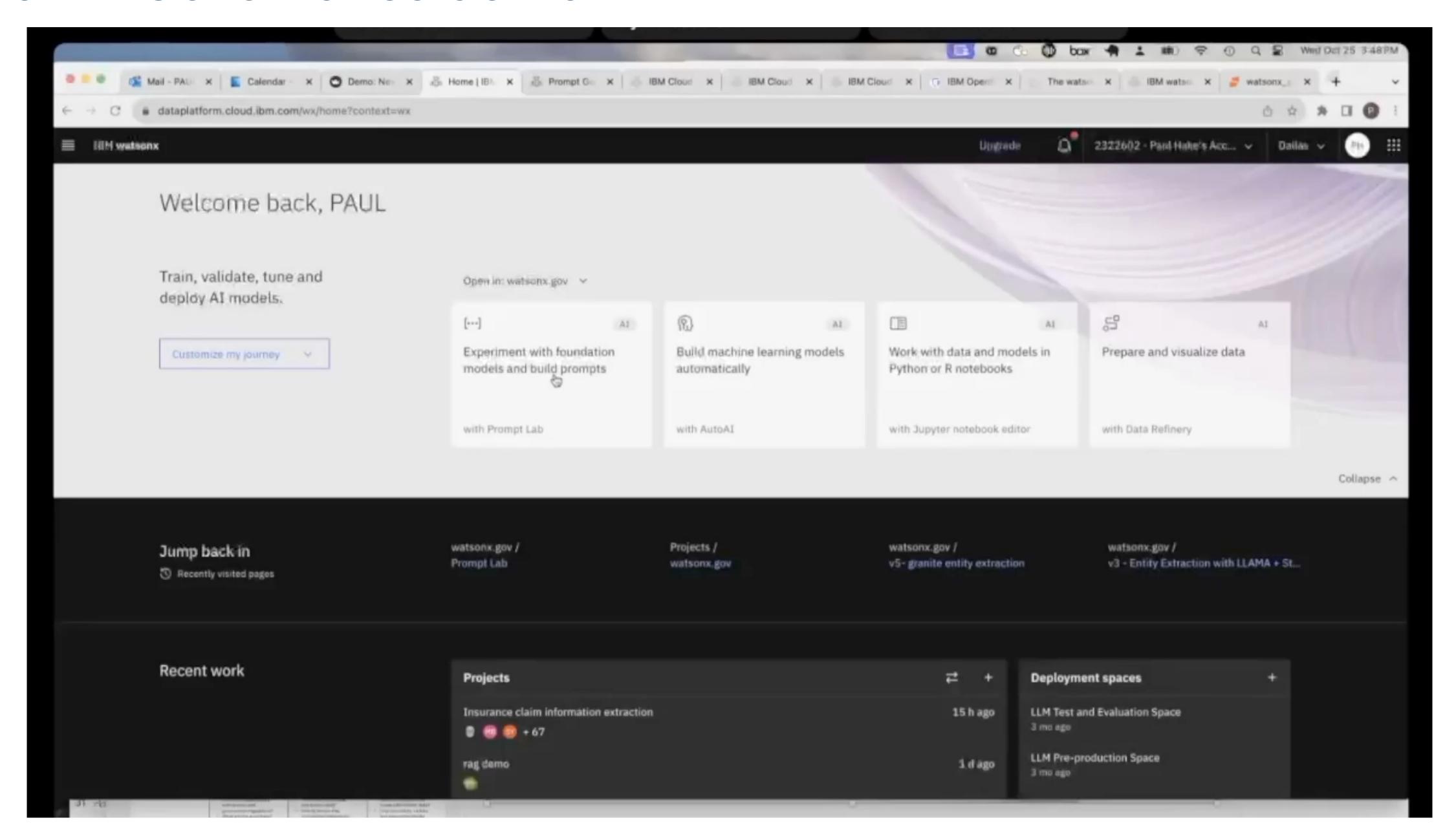
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#### Baseret på et AI governance framework





# GenAI Governance demo





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# AI for Business - Ansvarlig AI



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TAK

