Submission No 31

INQUIRY INTO ARTIFICIAL INTELLIGENCE (AI) IN NEW SOUTH WALES

Organisation: Twilio

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Artificial intelligence (AI) in New South Wales Twilio Comments

October 2023

Twilio welcomes the opportunity to provide a submission to the Legislative Council Portfolio Committee's inquiry into Artificial Intelligence (AI) in New South Wales. We have read the Terms of Reference for the inquiry with interest and note the variety of important issues raised.

Twilio is a global provider of cloud communications and customer engagement services, with over 300,000 active customer accounts globally. Twilio's products and services allow organizations of all sizes, including non-profits, governments, and businesses, to embed communications capabilities in their web, desktop, and mobile applications, enabling them to communicate more efficiently and effectively with their customers.

Statement of Interest

Twilio leverages AI to support the company's mission of enhancing communications. Our products incorporate Twilio's CustomerAI, which couples the power of large language models with real-time customer data flowing through our platform, helping companies better understand and unlock the potential of their customers while providing deeper value using predictive AI capabilities.

Twilio is actively engaging with ongoing policy processes and reviews involving a number of the issues raised in the Terms of Reference. We also liaise frequently in formal and informal processes with all regulators and departments in the relevant areas to ensure we productively and proactively contribute to policy debate.

Twilio is committed to the application of transparent and responsible AI. In support of this, we have developed various principles and tools – our AI Trust Principles, our AI Privacy Ladder, and our AI Nutrition Fact Labels. These are described in brief below, and further details available at:

https://www.twilio.com/blog/customer-ai-trust-principles-privacy-framework

Twilio's Al Trust Principles

Twilio has adopted the following Al Trust Principles to guide the responsible development, use, and deployment of predictive and generative Al across all of Twilio's products and features:



- Transparent: We provide transparency about our use of AI and give our customers the ability to control their data.
- Responsible: We select responsible AI vendors and strive to use and help our customers use – AI in a way that respects privacy, keeps data secure, and minimises the risk of bias or other harms.
- **Accountable**: We monitor the functioning of AI to address harms and fitness for purpose in partnership with our AI vendors and customers.

Twilio's Al Privacy Ladder

In addition to Twilio's trust principles, we have developed our Al Privacy Ladder. For each Al-driven product or feature that our customers may opt to use, the Ladder provides information on the type of data used by the model, and whether the model is exclusively for one customer's use or the use of multiple customers.

- Level 1: Models with customer's data for their use, without PII. Level 1 is
 the lowest privacy risk option and identifies models that use our customer's
 data for their exclusive use without any personally identifiable information
 (PII) that is, information that, when used alone or with other relevant data,
 can identify an individual.
- Level 2: Models with customer's data for their use, with PII. Level 2 offers more value and requires more caution than the first level as it identifies models that use our customer's data for their exclusive use, including PII.
- Level 3: Models with our customer's data for multi-customer use, without PII. Level 3 offers the highest level of value and need for caution as it identifies models that use our customer's data and other customers' data for multiple customer use but does not include any PII. This may include PII data anonymized prior to being used by the model.

Twilio's Al Nutrition Facts Labels

Finally, in addition to Twilio's overarching AI Trust Principles and AI Privacy Ladder framework, we have also created Twilio's AI Nutrition Facts Labels.

These Labels provide key information about an AI model's privacy level and design elements in an easily understandable format, mimicking the food nutrition labels people are likely already familiar with today.

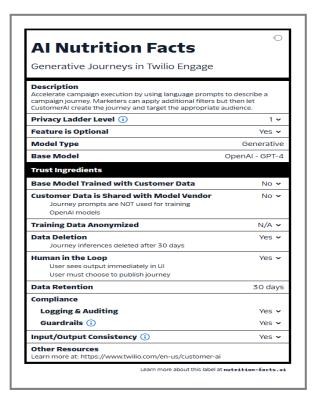
(1)

With these Labels, Twilio's customers have a clear, consistent, and transparent way to understand exactly "what's in the box" when assessing all of Twilio's CustomerAl-enabled products and features across our platform.

The diagram on the right is an example of the Al Nutrition Facts Label for Twilio's Generative Journeys product.

Conclusion

Twilio has been supporting the Australian Federal Government's development of a framework that both embraces innovation in this space while



ensuring that there are appropriate guardrails to ensure responsible use of AI. Twilio provided a submission in response to the Federal Government's discussion paper "Supporting responsible AI: discussion paper progressing safe and responsible AI in Australia". In addition to the comments made here, we would also draw the Committee's attention to that document, attached here.

We thank the Committee for the opportunity to make a submission to the inquiry into AI in New South Wales. We welcome ongoing engagement with the NSW Government as it continues to navigate this complex policy area.

For further enquiries about this submission, please contact Natasha Slater