

ETHICS OF ARTIFICIAL INTELLIGENCE IN THE LIGHT OF SELECTED EPTA REPORTS: IMPLICATIONS FOR CSR

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Purpose: The aim of this article is to attempt to answer the question of key ethical aspects of the development of artificial intelligence considering its current relevance to CSR principles.

Design/methodology/approach: The main method is the analysis of the subject literature, research results and reports analysis.

Findings: This paper provides research results that the dominant theme in the design of CSR activities should be the effects of introducing AI into public life, especially protecting society from abuse by new technologies.

Social implications: An overview of the achievements, positions and insights contained in selected EPTA reports as a representative of European communities focused on the evaluation of new technologies allows to spread practical value in life of society.

Originality/value: The article provides insight into the considerations of basic scopes of implications of AI ethics principles on CSR.

Keywords: ethics, artificial intelligence, AI, corporate social responsibility, CSR, EPTA.

Category of the paper: research paper.

1. Introduction

In the life of societies, ethics often comes to the fore on issues characterized by significant social impact, for example, through quality, scope, duration or strength of actions. The unique dynamics accompanying the development of artificial intelligence (AI) is a phenomenon that is subject to careful observation by the scientific community. It can be argued that it is a dominant technology in social life today, and in the context of assessing opportunities and risks, it requires not only a rapid description of the current state, but constant forecasting and assessment activities at each stage of the AI development cycle: development, deployment and use (Definition of the life cycle of an AI system: Independent High-Level Expert Group on Artificial Intelligence, Brussels, 2019). Due to the multi-level impact of AI and the unpredictability inherent in its development, it is important to ensure safety and limit the negative effects of AI use, as well as to ensure the realization of social needs and expectations,

i.e. to direct development in such a way that the most urgent problems are resolved in priority. This is how a broad view of responsibility can be described with regard to AI. Reference should be made to documents published by a European institution - EPTA (European Parliamentary Technology Assessment) and CSR (Corporate Social Responsibility) tools that are already operating in society. The reports discussed in this article are dedicated to AI and are Towards a digital democracy - opportunities and challenges from 2018 and Generative Artificial Intelligence. Opportunities, Risks and Policy Challenges from 2023.

2. The importance of AI ethics

Ethics is a practical branch of philosophy dealing with morality, normative systems and providing guidance for moral behavior. It currently occupies a unique place in the context of the development of artificial intelligence. Exploring and accurately describing "normative reasons for the recognition of values" (Lipinska, 2013) belong to the tasks of ethics, and the main streams of normative ethics, such as consequentialism, deontology, virtue ethics, are used to design AI actions (Lipinska, 2013). An additional aspect that ethics deals with is participating in the ongoing implementation of new technologies by proactively signaling changes with respect to functioning social norms. In the case of AI, we are dealing with a technology with a huge scope and massive impact on all spheres of social life and sometimes radically changing their functioning. I take as the definition of AI the one proposed in the European Commission documents: "Artificial intelligence (AI) systems are software (and possibly hardware) systems designed by humans that, given a complex purpose, operate in a physical or digital dimension, perceiving their environment by collecting data, interpreting the collected structured or unstructured data, reasoning from knowledge or processing information derived from the data, and deciding on the best action to take to achieve a given goal. Artificial intelligence systems can use symbolic rules or learn a numerical model and adjust their behavior by analyzing the impact of previous actions on the environment" (Shaping Europe's digital future, 2018). The effort to introduce secure AI solutions can be presented like a coordinated plan to support strategy creation and policy development. It includes four elements: "1. Creating the basic conditions conducive to the development and use of artificial intelligence. 2. Building strategic leadership in high-profile sectors, 3. Making the EU a place for the rapid development of artificial intelligence, 4. Ensuring that AI technology serves people" (Excellence and Confidence in Artificial Intelligence, 2020).

3. EPTA

The European Parliamentary Technology Assessment (EPTA) is a network of technology assessment (TA) institutions specialized in advising parliamentary bodies in Europe. It is a long-established organization established in 1990 at the request of The Parliamentary Office of Science and Technology (POST), as an advisory body providing the European Parliament with high-quality analysis, and it reports on key areas regarding emerging new technologies. EPTA consists of 12 permanent members and 12 associate members (EPTA, accessed 10.02.2024), who are representatives not only of European countries, but also of significant actors in the international arena. The goal of EPTA's activities is to provide impartial guidance and support for decision-making processes and political action in the following dimensions:

- The cognitive dimension - creating overview on knowledge, relevant to policy-making.
- The normative dimension - establishing dialogue in order to support opinion making.
- The pragmatic dimension - establish processes that help decisions to be made.

With regard to such a multi-member organization, one can speak of a significant degree of influence through published content. Activities undertaken at the intersection of science and politics in the case of new technologies are all the more difficult because the temptation to offer solutions too quickly and the economic attraction that new scientific developments bring with them must be resisted. "It is equally important to know both how to provide scientific and technological information to parliamentarians, as well as to know what knowledge and the legal and political context in which legislators find themselves, because all TA must be tailored to legislative needs if it is to be useful and contribute to legal debates and the development of legal parliamentary action" (Generative Artificial Intelligence. Opportunities, Risks and Policy Challenges, 2023).

4. Importance of CSR

CSR (Corporate Social Responsibility) is a type of action taken for the benefit of widely considered environment as a permanent element of the strategy of a company managed with taking into account the conditions of the modern economy. This type of activity covers the external and internal spheres of the company because a CSR policy cannot be presented and carried out without unifying standards and activities directed outside and inside the organization. CSR is also a way of thinking and approaching business as an activity that is closely rooted in society. It is characterized by care for the immediate environment in the sense of internal relations prevailing in a given institution, and the environment understood more broadly, which includes the community, the economy and nature.

The first type of tools used by CSR are those aimed at employees and co-creators of relations within a company or institution. These include: transparent and effective management mechanisms implemented on the basis of available quality systems such as ISO 26000 which covers seven basic themes of social responsibility (Discovering ISO 26000, accessed 10.02.2024):

1. organizational governance,
2. human rights,
3. labor practices,
4. environment,
5. fair operating practices,
6. consumer issues,
7. community involvement and development.

Particularly noteworthy are programs aimed at employees to support them in expanding their competencies, improving their skills, leveling the playing field and integrating the community, as well as volunteer actions (Misztal, 2016). Another area of activity is to take care of the organization's external environment, which is targeted by pro-environmental activities, such as raw materials management, waste segregation, training to broaden knowledge about ecology and social campaigns related to the organization's activities. The second area is the organization's social environment, which should be taken care of through actions that broaden social awareness, cooperation with the local community, reporting taking into account the needs of the widest possible range of stakeholders - fostering transparency and facilitating yearly tracking of the development of the company or institution (Korzyści z wdrożenia koncepcji społecznej odpowiedzialności biznesu, 2016).

Another CSR tool is supply chain management - spreading the principles among the business environment and labeling products with symbols that make it easier to identify the actions taken (e.g. green product). The activities carried out in this way are part of the principles of Sustainable Development developed since the 1970s. The principles being implemented are producing effects in the following spheres (Drews, 2015; Korzyści z wdrożenia koncepcji społecznej odpowiedzialności, 2013).

Table 1.
Benefits of implementing CSR

Benefits for employees	Benefits for the social environment	Benefits for the environment	Economic benefits
- increase in the level of work culture, - increase in the level of work safety, - reduction of negative impact on the environment, - implementation of social projects.	- increase in the level of work culture, - increase in the level of work safety, - possibility of improving qualifications, - equal opportunities programs, - timeliness of payment of remuneration.	- implementation of high environmental standards, - pro-environmental activities, - raw materials management, - inclusion of contractors in pro-environmental activities through the supply chain.	- better use of human capital, - better utilization of fixed assets, - higher value on the market, - facilitation of ongoing liquidity.

Source: own compilation based on: (On Corporate Social Responsibility, accessed 10.02.2024).

Modern realities lead companies to move in the direction of consistency of actions towards customers and employees. The opportunities to verify the presented and postulated values contribute to such a course of action.

The multifaceted nature of the CSR activities undertaken by entities makes it possible to assess the degree and effectiveness of the management system. At the same time, it should be noted that in striving to optimize activities and using AI in the process, almost every activity will be subject to modification.

The CSR framework is subject to interpretation depending on the capabilities and the nature of the activities undertaken by a particular enterprise or institution. Already at this stage there is an objective with dynamic characteristics, which is derived from the concept of sustainable development.

5. Selected aspects of AI addressed in the reports under discussion

The first analyzed report (Towards a digital democracy - opportunities and challenges, 2018) is devoted to the interplay between democracy and artificial intelligence. In addition to artificial intelligence, blockchain and quantum technology are included.

The emerging opportunities and threats for democracy were presented by the countries participating in the report. After analyzing the contents of the report, the following points about democracy in the age of AI are worth mentioning:

- the scale and speed of information delivery will increase,
- political participation will become easier,
- new ways of engaging in discussion will be inclusive,
- new political groups or initiatives may emerge,
- the hierarchical political system will be loosened,
- political responses will be more direct in nature,
- AI may affect how people participate in elections.

In addition to opportunities and possibilities for development, there are a number of areas that are vulnerable to too much interference from AI: These include: "democratic culture, the media landscape, public debate, public organization, civil society, trust in facts and expertise, democratic freedom and equality, surveillance, transparency, the balance of power between the state and the individual, and many other functions and principles behind a true and vibrant democracy" (Towards a digital democracy, 2018). These areas will be subject to strong interference and change through AI. It is worth noting the ten most radical "technology baskets" in terms of predicted genericity by 2037.

Table 2.
Radical "technology baskets"

Genericity ranking Technology basket Relation to AI	Genericity ranking Technology basket Relation to AI	Genericity ranking Technology basket Relation to AI
1	Neural networks and deep learning	AI technology
2	AI performing local work on global basis	Utilizes AI technology
3	Autonomous cars and trucks	Utilizes AI technologySI
4	Material scanner - hyperspectral camera	-
5	Radical growth in computing power	Enables AI technology
6	Ubique environment and internet of things	-
7	Facial and emotion recognition and projection	AI technology
8	Speech recognition/synthesis and interpreting	AI technology
9	Memristors and neural processors	Enables AI technology
10	Commercial platforms for sharing economy	-

Source: (Towards a digital democracy, 2018).

Understanding the risks that are described in the report makes possible to express concerns about the correct functioning of future electoral mechanisms, including those deeply related to concern for future generations, an important principle of CSR activities.

The position of ethics in the democratic system is recognized as one of its important components even in documents about democratic action on the local ground: "12 Principles of Good Democratic Governance" (Study on the impact, 2021) adopted in the Strategy on Innovation and Good Governance at local level, endorsed by a decision of the Committee of Ministers of the Council of Europe in 2008. However, its understanding may remain at the declarative level.

Ethical reflection made possible by the accessibility of information may, over time, fall short of expectations. The large amount of material offered only creates the appearance of accessibility; in reality, the complexity of the issue exceeds the citizen's ability to engage and actually participate in decision-making processes. It is a sham participation.

Conducting CSR activities is at risk of being diluted by trying to achieve indicators and fulfill demands that meet the requirements of, for example, ESG reporting, but are outside the actual field of responsibility, and AI used incorrectly can exacerbate this process. There are a number of issues that have already been identified as a hindrance to the use of AI achievements, they are as follows:

Table 3.
Difficulties in using AI

Difficulties in applying AI	Description
No trustworthiness	The goal of AI activities is not to achieve a true result, but a reliable one. Such results can become the basis for decision-making to the detriment of the decision-maker. There is no connection to output sources of information.
Black box behaviour	Repeatedly recalculated parameters and optimized data are used to generate results. Explaining where a given result comes from is not possible.

Cont. table 3.

Rigidity	The training of the systems is done with a certain amount of data and stops when the parameters are reached. This means that a set of data has a specific point in time when it is entered into the system, and thereafter no new documents will be provided on the basis of which the results can be updated.
High energy consumption	Systems training is very energy-intensive and must be repeated due to, for example, the need to adapt to new needs and update results.
Proprietary systems	Most applications are owned by companies that dominate the market. With a lot of capital, they can invest considerable resources in development, and their actions are not always transparent in terms of, for example, data protection.
Copyright	Texts generated by artificial intelligence are based on a number of documents, but identifying the extent to which a given text is used to generate new content is impossible to determine. Multiple copyright violations may occur.

Source: own compilation based on (Generative Artificial Intelligence, 2023).

Artificial intelligence will be a leading component of change and a supporting tool for the innovations created, through which competitiveness and marketability are increased (Radu, Smaili, 2021). In the social context, it is important to emphasize the importance of the unintended consequences of using AI, such as the possibility of untruths (deepfake) interference with privacy, lack of agency, loss of autonomy and social exclusion caused by the lack of real opportunity for participation.

All of the listed technological pathologies can destabilize the functioning of society, and AI activities should be sustainable and taken into account when creating business models (Felländer, 2022).

Hereunder is an abbreviated list of the main comments on the operation of AI presented by countries cooperating with EPTA:

Table 4.

Important AI issues postulated by countries or institutions co-authoring the report

Country or institution contributing to the report	AI issues
Austria	Emphasis on supportive role in proper decision-making on new technologies.
Denmark	Better understanding of technology, forecasting capabilities.
Germany	Verification of technology assessment procedures, support in evaluation of new technologies and policy decision-making process.
Portugal	Demand to consider issues related to sharing AI models, forming partnerships for verification and removing false content.
Netherlands	Call for broadening the debate on the impact of artificial intelligence on the labor market.
Greece	Demand to study and control the effects of the introduction of AI into the labor market.
Japan	Demand to balance the potential and risks of AI and to educate on the use of new solutions.
Norway	Emphasis on the importance of involving stakeholders (experts, politicians, industry representatives and general public) in the process of evaluating new technologies.
STOA (European Parliament)	Emphasis on the importance of legal regulation of artificial intelligence, emphasizing the need for responsible development of artificial intelligence, creating rules for the responsible use of AI and equitable distribution of benefits and mitigation of negative consequences.
The United Kingdom	Indicating that a code of conduct, rather than legal standards, can be a pragmatic and flexible solution in the face of rapid change.
Lithuania	Consideration of various mechanisms for AI regulation and governance, people education.
Catalonia	Implementation of preventive regulation, AI systems are described as shallow reasoning.

Source: own compilation based on (Generative Artificial Intelligence, 2023).

Artificial intelligence makes it possible to collect and analyze large amounts of data, making possible to discover areas for better use of CSR (Virba, 2021), counteract undesirable phenomena before they are escalated, identify social and environmental challenges, automate many processes and improve productivity. With AI tools, CSR implementation can be monitored in real time. It will be possible to trace and seal the supply chain by regulating this process according to implemented ethical principles. It will certainly create opportunities to break down language barriers and close and verifiable cooperation between entities in the international arena. The analyses carried out allow us to formulate the basic ranges of implications of the principles of artificial intelligence ethics, as postulated by the EU (White Paper, 2020), for CSR areas. These implications are presented in the table 5

Table 5.

Basic scopes of implications of AI ethics principles on CSR (ISO 26000 standard)

AI ethics	CSR (ISO 26000)
Technical robustness and safety	Organizational governance
Human agency and oversight	Human rights
Privacy and data governance	Labour practices
Societal and environmental wellbeing	The Environment
Accountability	Fair operating practices
Transparency	Consumer issues
Diversity, non-discrimination and fairness	Community involvement and development

Source: own study.

Artificial intelligence can revolutionize social life if the principle of transparency is introduced into corporate social responsibility, providing insights from data. All the capabilities of AI, such as predictive analytics and multi-faceted sustainable resource management, will enable the realization and implementation of selected ethical principles (National CSR Network, 2023).

6. Summary

Modern society is experiencing global development of artificial intelligence which already allows the creation of new opportunities for development, more efficient use of knowledge resources and mechanization of management processes changing the functioning of most social institutions as well as societies themselves. Encouraged by these opportunities, rulers and entrepreneurs are introducing new technological solutions related to artificial intelligence, not always mindful of the negative effects of its impact on the axiology of public life. The dominant theme in the design of CSR activities should be the effects of introducing AI into public life and strengthening measures to protect society from destabilizing threats. It should be admitted that due to the pace of development of artificial intelligence, an even greater distance is being created between the risks signaled by ethicists and the introduction of

innovative solutions into life. Ethical reflection on the impact of artificial intelligence on individuals and societies as a whole becomes an urgent duty.

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