

Evo Pricing chosen by Facebook to lead in mitigating the risks of AI through the Open Loop project

The British-Italian company, founded by CEO Fabrizio Fantini, among just 10 European AI startups involved in the groundbreaking program

LONDON, United Kingdom; January 14, 2021— Evo Pricing, an AI company with headquarters in London and Turin, Italy, has participated in a pan-EU effort led by Facebook AI to create a new framework to mitigate the risks of AI. Evo was one of just ten companies chosen to lead the field in this effort and the only representative selected from the UK.

The program, labelled Open Loop, looked to develop forward-thinking, evidence-based policy recommendations that can effectively identify and manage AI risks while still encouraging innovation. With public opinion split on the impact of AI in society and many worried that unregulated AI development poses too great a risk, the EU has vowed comprehensive AI legislation in the first quarter of 2021. Open Loop seeks to support EU policymakers in finding practical solutions that minimize the risks to the public without putting European tech companies at a competitive disadvantage due to overly onerous and ultimately ineffective AI governance.

Evo Pricing chose to contribute as a way to more actively engage with the development of AI regulation to find policies would protect individuals' privacy while still effectively using their data to serve their needs better. *"The Open Loop program launched by Facebook has fostered a healthy debate at Evo Pricing about the future AI governance questions that span across 3-5 years, beyond our typical 12-month planning horizon. Governance is a key topic for us at Evo Pricing, as every day we collect and process data on over 1.3 billion people and over 900 million products globally"* said Evo Founder and CEO **Fabrizio Fantini**.

The resulting framework, called the **Automated Decision Impact Assessment (ADIA)** and designed much like GDPR's Data Protection Impact Assessments (DPIAs), has shown great promise in accomplishing those goals.

"The experiences of our partners highlighted how this sort of risk assessment approach can inform a more flexible, practicable, and innovative method to assessing and managing AI risks compared to more prescriptive policy approaches", said **Norberto Andrade**, Global Policy Lead for Digital and AI Ethics at Facebook AI.

The program itself used a cutting-edge approach known as policy prototyping to create its framework for AI governance. Policy prototyping is an empirical approach to experimental governance. During this process, Evo tested proposed AI policies in their **Autonomous Supply Chain** application to measure the impact the framework had on operations, AI innovation and risk management.

The resulting data gave Evo feedback on the framework's impact, strengths and limitations. Areas of confusion or compliance difficulties could be identified early to iterate on and improve these normative frameworks. In this way, **the Evo team can now provide policymakers with practical input to improve existing governance frameworks and inform law-making processes.**

"This experience has pushed our thinking into how to prototype a policy document that will make our autonomous supply chain future-proof, while also nudging the public agenda and discourse further", said **Fantini**.

Evo and its partners in the Open Loop program are now looking to build on the ADIA's early successes to increase transparency and accountability further.

"Policy prototyping helped my team discover new areas where we could include stakeholder feedback and transparency. We have already increased manually-human-editable parameters 16% to give our clients more direct control and stricter bounds to the solutions we generate. Based on simulations, this will make our algorithm even more accurate. More innovative governance is a win-win, and we have high hopes for future iterations", said **Fantini**.

Evo Pricing is a leading London and Turin-based tech company that uses AI to optimize supply chain and pricing decisions. Since 2013, Evo has helped clients leverage Big Data to increase the efficiency of supply chain decisions, which helps reduce waste, optimize market efficiency, enhance product availability, increase margin and raise service levels. Evo's algorithm started as Evo CEO Fabrizio Fantini's PhD thesis, as a way to address limits of traditional pricing software. Since then, Evo's applications have increased in sophistication and accuracy, as well as scope, with autonomous solutions covering price management, promotion, forecasting and supply decisions.

Open Loop is a global program that connects policymakers and technology companies to help develop effective and evidence-based policies around AI and other emerging technologies. The initiative builds on the collaboration and contributions of a consortium composed of regulators, governments, tech businesses, academics and civil society representatives. Through experimental governance methods, Open Loop members co-create policy prototypes and test new and different approaches to laws and regulations before they are enacted, improving the quality of rulemaking processes in the field of tech policy.

For more information:

www.evopricing.com

www.openloop.org

Media relations

Emanuele Franzoso | emanuele.franzoso@evopricing.com

+39 3476079680

Ilaria Blangetti | ilaria.blangetti@evopricing.com

+39 3337124422