Australian Responsible AI Index 2025

Fifth Quadrant
National Artificial Intelligence Centre

Final Report
26th August 2025

Australian Government
Department of Industry, Science and Resources

National Artificial Intelligence Centre

fifth quadrant

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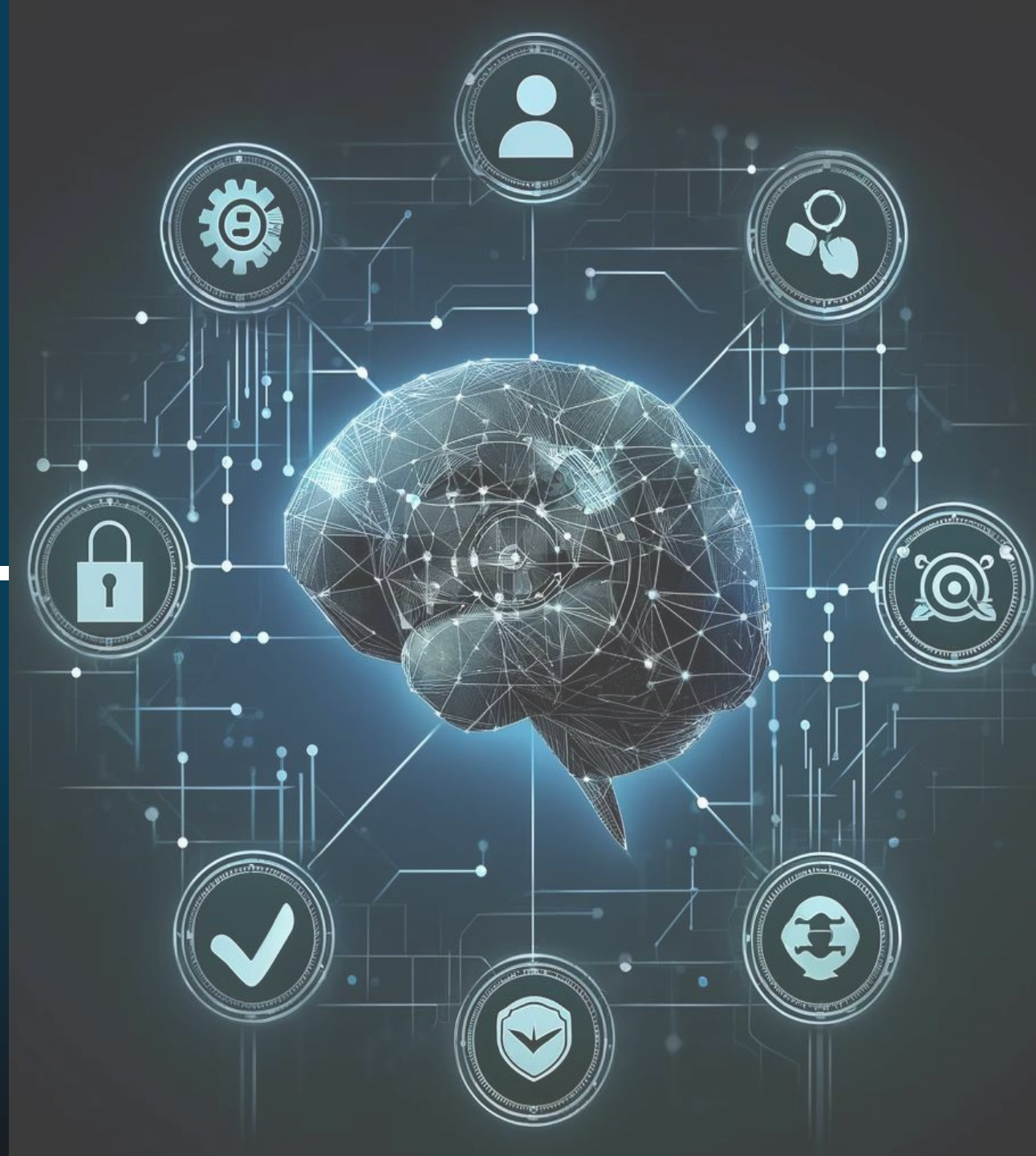
What did we set out to learn and how?



Background

Objectives

Responsible AI (RAI) is designed and developed with a focus on ethical, safe, transparent, and accountable use of AI technology, in line with fair human, societal and environmental values. It is critical in ensuring the ethical and appropriate application of AI technology.

The Index offers a comprehensive analysis of RAI adoption in Australian organisations. It tracks RAI system maturity across five key dimensions: fairness; accountability; transparency; explainability; and safety.

Key Areas of Investigation

1. AI Strategy:

- Organisational AI strategy maturity
- Support and responsibility for development of responsible AI

2. Responsible AI Implementation:

- Implementation of RAI practices
- Performance on Responsible AI
- Awareness of responsible AI ethics principles, AI standards and guidelines

3. AI Usage:

- Concerns around AI usage
- Use cases for AI and problem-solving applications
- Drivers of AI adoption

4. AI Outcomes

- Outcomes of AI adoption

Acknowledgements

The 2025 Australian Responsible AI Index is sponsored by the National Artificial Intelligence Centre (NAIC).

The concept for the Australian Responsible AI Index was originated by Dr Catriona Wallace and developed in partnership with Fifth Quadrant.

The inaugural Australian Responsible AI Index was released in 2021, followed by the second report in 2023, and a third iteration in 2024. This 2025 report represents the continued evolution of this important initiative.

Methodology & Sample

Sample

The sample for the study was made up of:

- Organisations based in Australia
- AI strategy decision makers (e.g., CIOs, CTOs, CDOs, heads of data etc.) working in organisations with 20 or more employees
- A range of organisations by size, industry and location
- Organisations that have deployed AI in their organisation or are in the process of deploying AI in their organisation

Total sample: N=418

Methodology

15-minute online survey

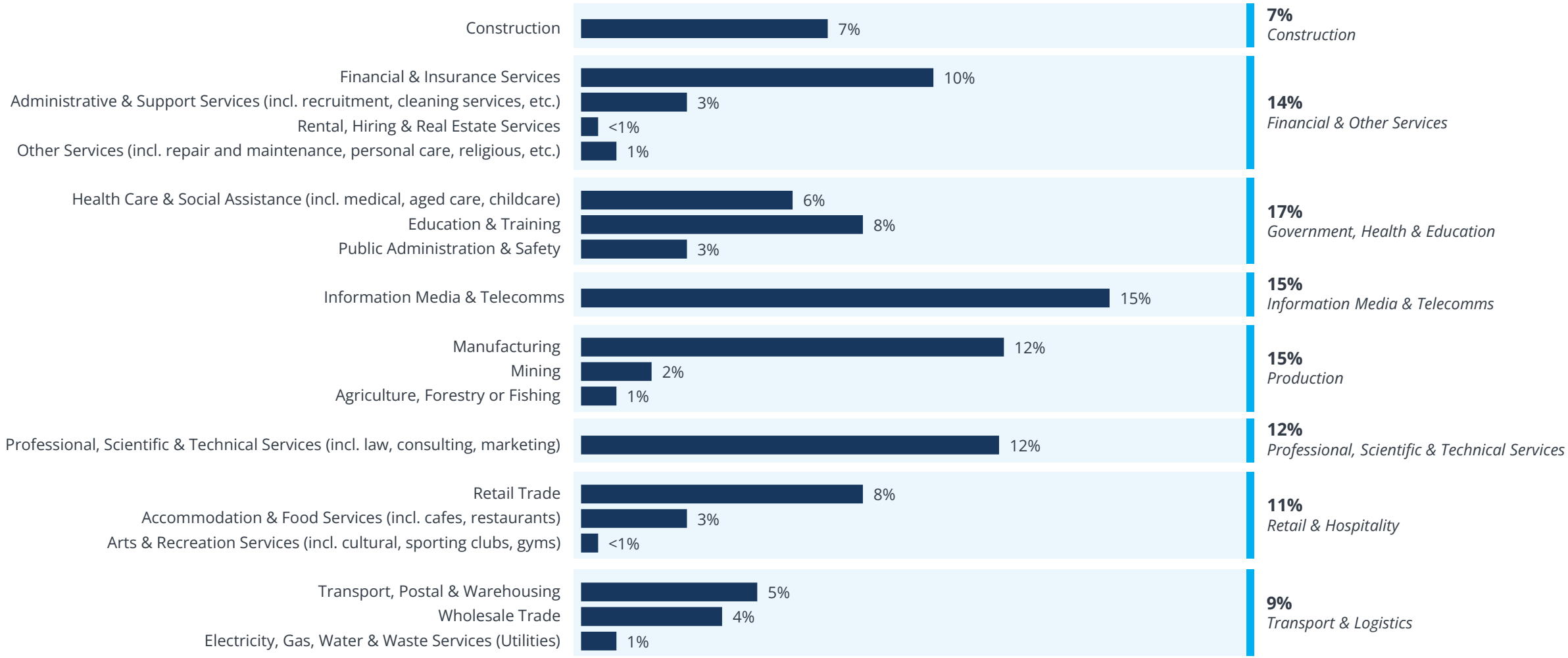
Sample sourced via a specialist B2B online panel

Fieldwork was conducted between 2nd April – 5th May 2025

The 2025 RAI Index reflects the changes made in 2024. This means the Index and some data is trackable year on year, with this noted throughout the report. Some modifications were made to reflect changes in the AI landscape, including better alignment to the Voluntary AI Safety Standard which was released in September 2024.

Sample Profile

Respondents in the sample work for organisations that represent a range of industries, which have been categorised into eight groups.

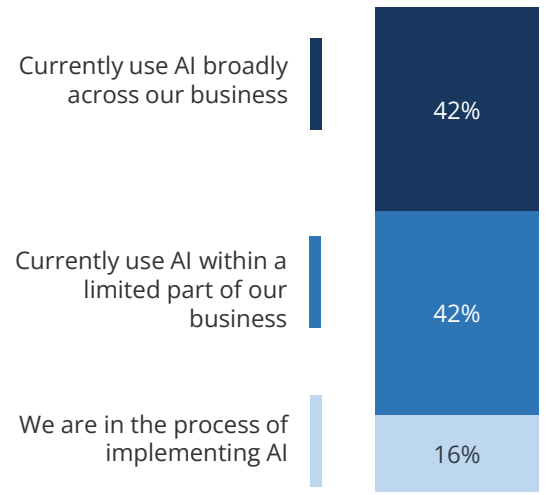


S7. In which industry does your business operate?
Base: Total respondents (n=418)

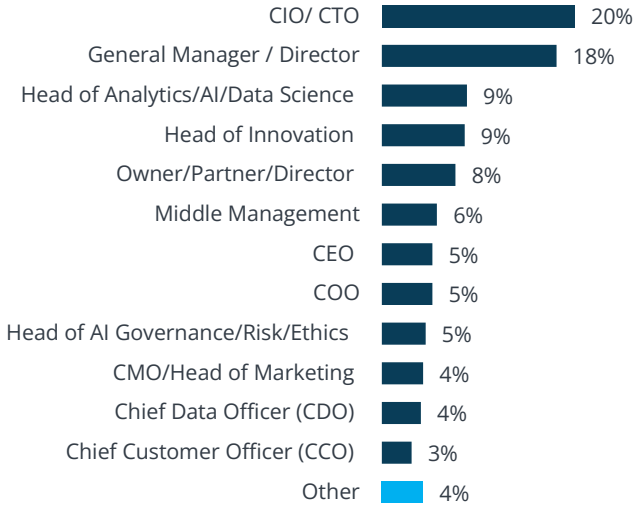
Sample Profile

The sample is based on AI decision makers who have significant influence over the AI strategy in organisations with at least 20 employees. It covers a range of organisation sizes and locations, with a mix of AI usage. All organisations are either currently using AI or in the process of implementing AI.

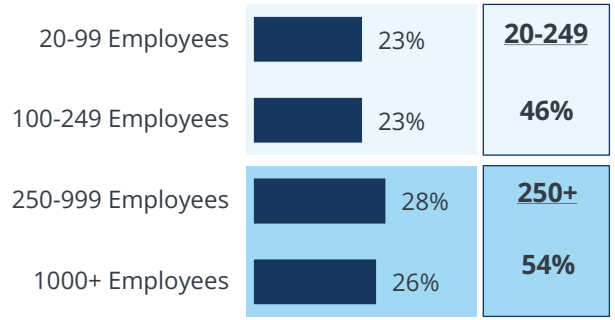
Use Of AI



Job Title

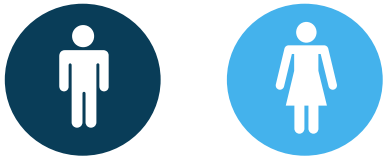


Business Size

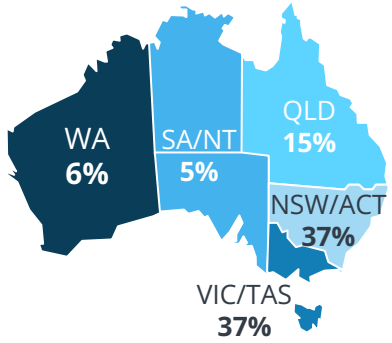


Involvement in Business AI Decisions

Gender

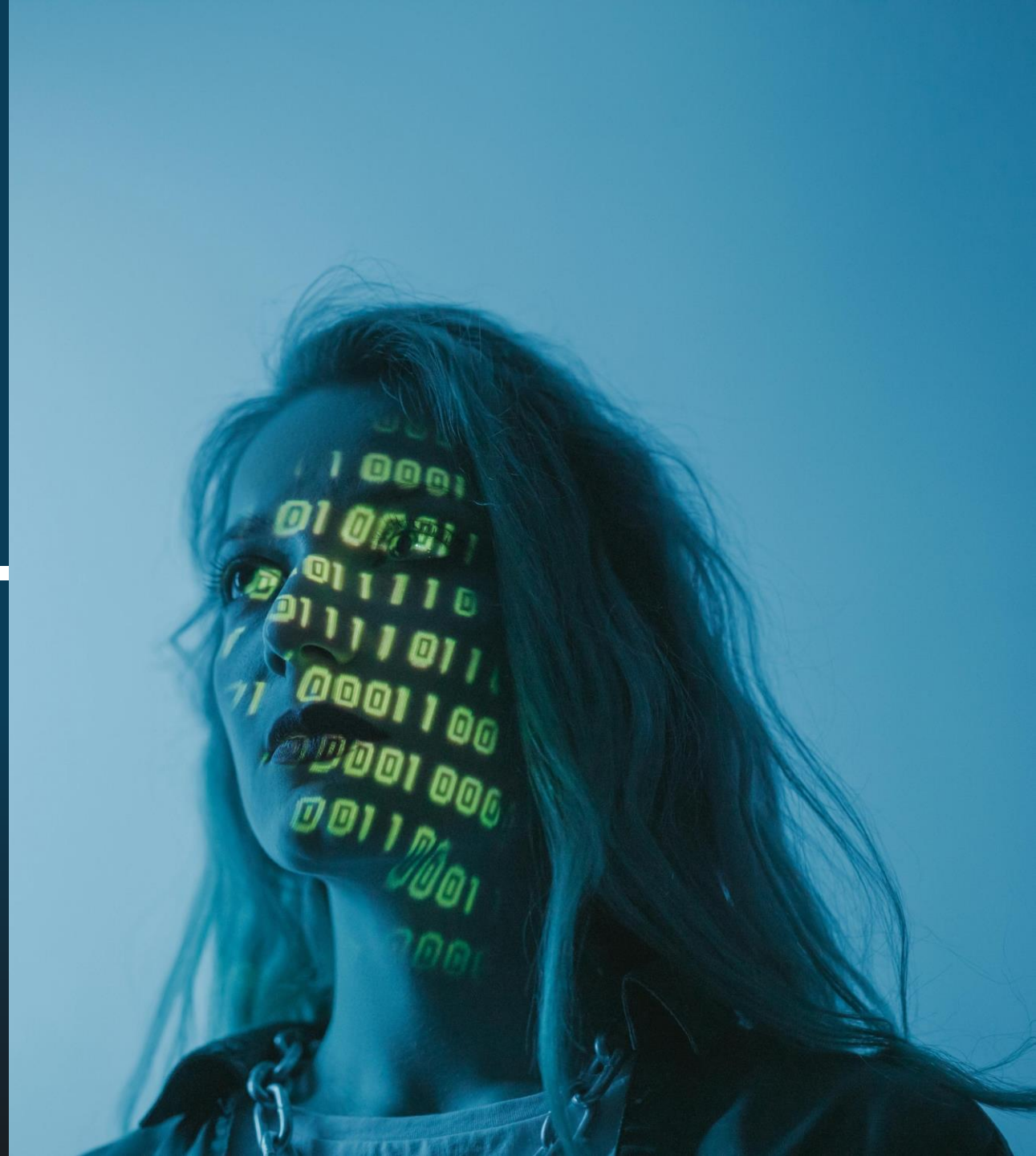


Business Location



S1. Which of the below statements best describes your organisation's use of AI? S3. Which of the following best describes your level of involvement in decisions around the governance, use and implementation of artificial intelligence within your company? S4. What is your role in the organisation? S5. How many full-time employees does your company employ in Australia? S6. Where is your company's Australian head office located? S8. Please can you indicate your gender? Q1. For how long has your organisation used AI?
Base: Total respondents (n=418)

What is the level of Responsible AI maturity?



Voluntary AI Safety Standard & Responsible AI

The Voluntary AI Safety Standard (VAISS), released in September 2024, consists of 10 voluntary guardrails relating to the responsible implementation of AI. The 2025 Responsible AI Index was modified to align with the standard and 10 guardrails to ensure continuity.

About the Voluntary AI Safety Standard

The first iteration of the **Voluntary AI Safety Standard (VAISS)** was released in September 2024. The standard sets out to give practical guidance to all Australian organisations on how to safely and responsibly use and innovate with artificial intelligence (AI).

The standard consists of **10 voluntary guardrails** that apply to all organisations throughout the AI supply chain. Adopting these guardrails helps organisations create a foundation for safe and responsible AI, allowing them to benefit from AI while mitigating and managing the risks that it may pose to organisations, people and groups.

The 10 Guardrails

- **Guardrail 1: Accountability & Governance**
- **Guardrail 2: Risk Management**
- **Guardrail 3: Data Governance & Protection**
- **Guardrail 4: Testing & Monitoring**
- **Guardrail 5: Human Oversight**
- **Guardrail 6: Transparency**
- **Guardrail 7: Contestability**
- **Guardrail 8: Supply Chain Transparency**
- **Guardrail 9: Compliance**
- **Guardrail 10: Stakeholder Engagement**

Applying VAISS to the RAI Index

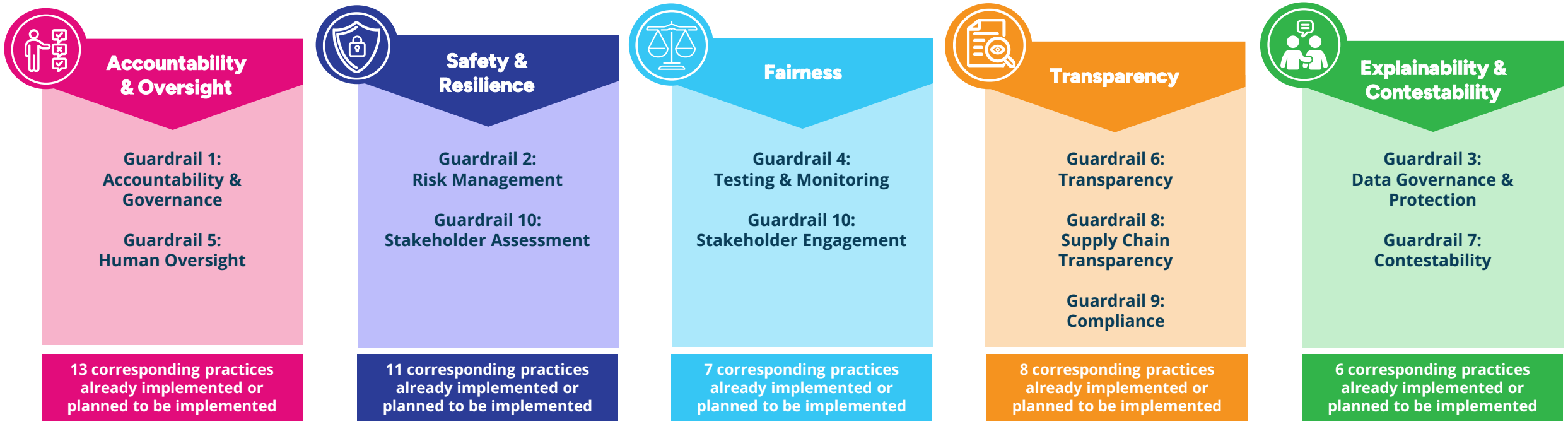
To ensure alignment with VAISS and the 10 voluntary guardrails, the 2025 Responsible AI Index has been updated. To maintain continuity with the 2024 RAI Index, the VAISS has been mapped onto the existing five dimensions of the Index and additional responsible AI practices have been incorporated to reflect practices outlined in the VAISS.

The section titled 'What RAI Practices are being implemented?' of this report examines the implementation of responsible AI practices in more detail, mapping practices to the 10 voluntary guardrails.

Introducing The Responsible AI Index

The 10 Guardrails were mapped against the five dimensions of responsible AI to ensure alignment with the VAISS and continuity with the 2024 RAI Index. The Index evaluates respondents on their implementation of 45 identified RAI practices. The more RAI practices that an organisation implements, the higher the Index score.

45 Responsible AI practices organisations could have already implemented or plan to implement in the future, across five dimensions:



Points attributed to practices as follows: Practice implemented = 2 points; Practice not implemented but plan to implement = 1 point; Practice neither implemented nor planned = 0 points
Therefore, the maximum number of points an individual practice could attain is 2 points

The number of points earned within each dimension was then re-weighted to ensure each dimension was given an equal weight of 20 points in the model, resulting in a total Responsible AI Index score out of 100

The Responsible AI Index: Score Summary

Below is a summary of the Responsible AI Index score for each dimension, and each Responsible AI Maturity Segment.

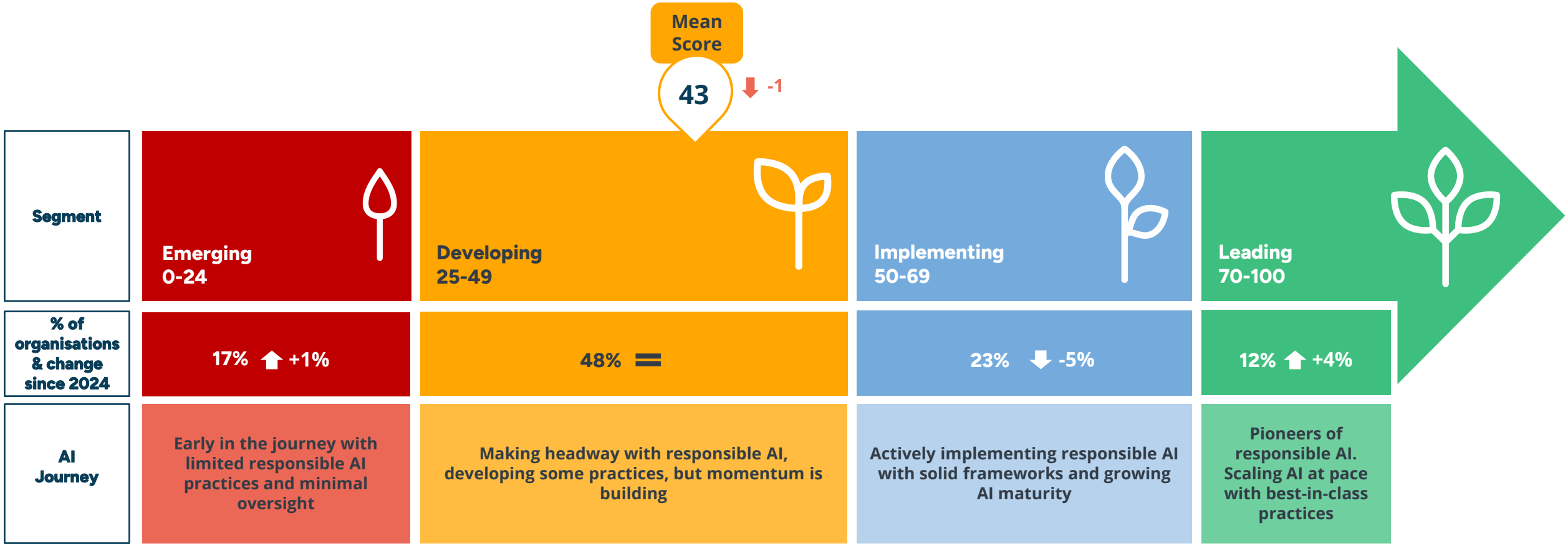
Five Dimensions of Responsible AI Implementation	Accountability & Oversight *13 statements*		Safety & Resilience *11 statements*		Fairness *7 statements*		Transparency *8 statements*		Explainability & Contestability *6 statements*		Average Responsible AI Index Score
Emerging 0-24	2/20	+	3/20	+	3/20	+	4/20	+	4/20	=	16/100
Developing 25-49	6/20	+	6/20	+	8/20	+	8/20	+	9/20	=	37/100
Implementing 50-69	10/20	+	10/20	+	12/20	+	12/20	+	13/20	=	57/100
Leading 70-100	17/20	+	16/20	+	16/20	+	16/20	+	16/20	=	81/100
Overall	7/20	+	8/20	+	9/20	+	9/20	+	10/20	=	43/100

RAI Index Score.
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

The Responsible AI Index: Overall

The mean RAI score for 2025 is 43, one point lower than last year. Positively, more organisations are in the Leading and Emerging stages of RAI implementation, while those in the Developing phase have plateaued. This suggests that while AI usage continues to increase, there is still room for improvement in the adoption and implementation of responsible AI practices.

Arrows indicate changes in data from 2024



RAI Index Score.
Base: Total respondents 2025 (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

Overview of the Responsible AI Maturity Segments

The Index identifies four segments of responsible AI maturity based on respondents RAI score. Each segment has distinctive characteristics and at a different point in their responsible AI journey.

Emerging
0-24

Early AI adopters using basic technologies like generative AI and chatbots with limited responsible AI practices and minimal oversight

RAI Implementation:
Have implemented only 4-5 responsible AI practices on average

AI Experience:
New to AI with less than 4 years usage, utilising 2 AI technologies on average, primarily for data analytics and R&D

Organisational Profile:
Split across all organisation sizes, predominantly in Health, Education & Government and Production sectors

Developing
25-49

Making headway with responsible AI, developing some practices with growing momentum, but still relatively new to AI applications

RAI Implementation:
Making partial progress with 11-12 responsible AI practices implemented on average

AI Experience:
Typically using AI for less than 4 years, utilising 3 AI technologies on average, with strong focus on IT operations and CRM

Organisational Profile:
The largest segment spanning all industries, with 96% having developed an AI strategy tied to business objectives

Implementing
50-69

Actively embedding responsible AI with solid frameworks and growing AI maturity, predominantly larger organisations with longer AI usage

RAI Implementation:
Have implemented 18-19 responsible AI practices on average

AI Experience:
More experienced users with 32% having 4+ years of AI usage, utilising 4 AI technologies with emphasis on security applications

Organisational Profile:
Predominantly in Financial Services and Information Media & Telecoms, with 97% having implemented AI standards

Leading
70-100

Pioneers of responsible AI, scaling AI at pace with best-in-class practices, typically larger organisations with more extensive AI experience

RAI Implementation:
Mature implementation with 32-33 responsible AI practices on average

AI Experience:
Most experienced segment with 42% using AI for 4+ years, utilising 6 AI technologies across research, development and customer experience

Organisational Profile:
46% are large organisations (1000+ employees) with universal AI standards adoption (100%) and focus on customer outcomes

RAI Index Score.
Base: Total respondents 2025 (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

Profile of Responsible AI Maturity Segment: Emerging

Emerging

Early AI adopters using basic technologies like Generative AI and chatbots with limited responsible AI practices and minimal oversight

Firmographics

Organisation Size

20 to 99	30%
100 to 249	24%
250 to 999	21%
1000+	24%

Main AI Decision Makers

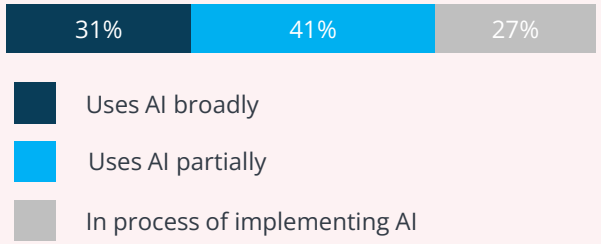
1. General Manager
2. CIO/CTO
3. Head of Innovation

Top Industries

- **Health, Education & Government**
- **Production**
- **Financial & Other Services**

AI Implementation

Current AI Usage

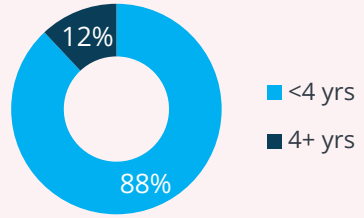


Top AI Technologies Implemented

1. Generative AI (49%)
2. Chatbots & Virtual Assistants (27%)
3. Machine Learning (14%)

Average no. AI technologies used: 2

Duration Using AI



AI Applications

Top AI Use Cases

- **Data Analytics**
- **Research & Development**
- **Knowledge Management**

Top RAI Practices Implemented

Developed supporting materials to explain the AI inputs and decision-making processes (19%)

Used version control systems to keep track of changes and ensure that experiments can be repeated (19%)

Implemented mechanisms to allow human intervention in critical AI decisions (17%)

AI Strategy

Have a strategy for AI Implementation

Roles Driving the Strategy

1. Owner/Partner/Director
2. Chief Information/Technology Officer (CIO/CTO)
3. Head of Analytics/AI/Data Science

Have implemented AI Standards and/or Guidelines

Top AI Outcomes

1. Faster access to accurate data to inform decision making
2. Improve quality control
3. More agile product and service innovation

Base: Emerging segment (n=70)

Profile of Responsible AI Maturity Segment: Developing

Developing

Making headway with responsible AI, developing some practices with growing momentum, but still relatively new to AI applications

Firmographics

Organisation Size

20 to 99	24%
100 to 249	25%
250 to 999	29%
1000+	21%

Main AI Decision Makers

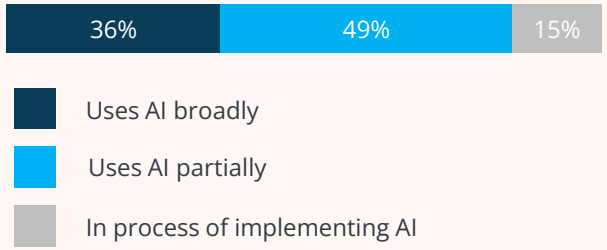
1. General Manager
2. CIO/CTO
3. Head of Innovation

Top Industries

- Health Education & Government
- Production
- Utilities & Transport

AI Implementation

Current AI Usage

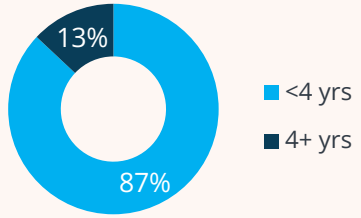


Top AI Technologies Implemented

1. Generative AI (57%)
2. Chatbots & Virtual Assistants (49%)
3. AI Agents (38%)

Average no. AI technologies used: 3

Duration Using AI



AI Applications

Top AI Use Cases

- Data Analytics
- IT Operations
- Customer Relationship Management (CRM)

Top RAI Practices Implemented

Maintained comprehensive documentation of the AI development process (44%)

Developed supporting materials to explain the AI inputs and decision-making processes (38%)

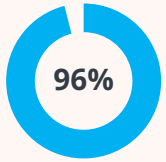
Provided the necessary information to end users about the use of their personal data to ensure it is processed in a fair and transparent manner (34%)

AI Strategy

Have a strategy for AI Implementation

Roles Driving the Strategy

1. Chief Information/Technology Officer (CIO/CTO)
2. Chief Executive Officer (CEO)
3. Head of Innovation



Have implemented AI Standards and/or Guidelines

Top AI Outcomes

1. Faster access to accurate data to inform decision making
2. Stronger security, data protection and fraud detection
3. Enhance resource optimisation and productivity

Base: Developing segment (n=201)

Profile of Responsible AI Maturity Segment: Implementing

Implementing

Actively embedding responsible AI with solid frameworks and growing AI maturity, predominantly larger organisations with longer AI usage

Firmographics

Organisation Size

20 to 99	19%
100 to 249	23%
250 to 999	33%
1000+	26%

Main AI Decision Makers

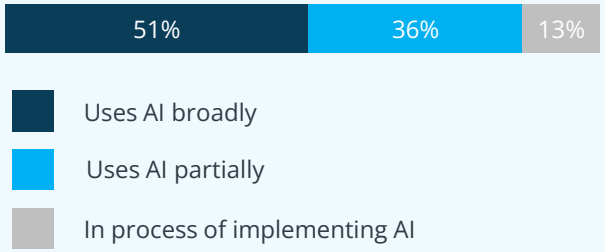
1. CIO/CTO
2. Head of Analytics/AI/Data Science
3. General Manager

Top Industries

- Financial & Other Services
- Information Media & Telecoms
- Health, Education and Government

AI Implementation

Current AI Usage

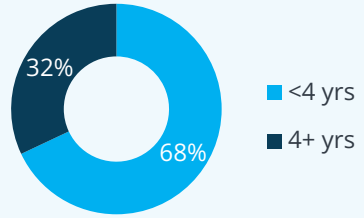


Top AI Technologies Implemented

1. Generative AI (72%)
2. Chatbots & Virtual Assistants (61%)
3. AI Agents (47%)

Average no. AI technologies used: 4

Duration Using AI



AI Applications

Top AI Use Cases

- Data Analytics
- Security
- IT Operations

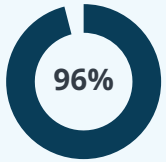
Top RAI Practices Implemented

Maintained comprehensive documentation of the AI development process (64%)

Informed relevant stakeholders, including employees and customers, about the use of AI and AI-generated content (61%)

Reviewed training data and AI algorithms for potential bias (59%)

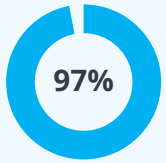
AI Strategy



Have a strategy for AI Implementation

Roles Driving the Strategy

1. Chief Information/Technology Officer (CIO/CTO)
2. Head of Analytics/AI/Data Science
3. Head of Innovation



Have implemented AI Standards and/or Guidelines

Top AI Outcomes

1. Enhance resource optimisation and productivity
2. Stronger security, data protection and fraud detection
3. Improve customer experience/engagement

Base: Implementing segment (n=97)

Profile of Responsible AI Maturity Segment: Leading

Leading

Pioneers of responsible AI, scaling AI at pace with best-in-class practices, predominantly large organisations with extensive AI experience

Firmographics

Organisation Size

20 to 99	18%
100 to 249	14%
250 to 999	22%
1000+	46%

Main AI Decision Makers

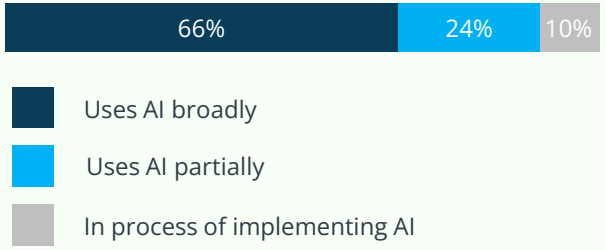
1. CIO/CTO
2. Head of AI Governance/Risk/Ethics
3. General Manager

Top Industries

- Information Media & Telecoms
- Health, Education and Government
- Financial & Other Services

AI Implementation

Current AI Usage

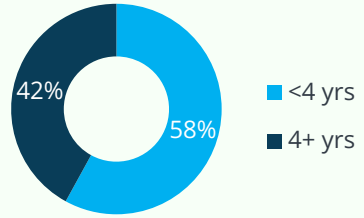


Top AI Technologies Implemented

1. Generative AI (82%)
2. Chatbots & Virtual Assistants (80%)
3. Predictive Analytics (64%)

Average no. AI technologies used: 6

Duration Using AI



AI Applications

Top AI Use Cases

- Data Analytics
- Research and Development
- Knowledge Management

Top RAI Practices Implemented

Maintained comprehensive documentation of the AI development process (90%)

Established an AI risk/governance committee (90%)

Provided the necessary information to end users about the use of their personal data to ensure it is processed in a fair and transparent manner (88%)

AI Strategy

Have a strategy for AI Implementation

Roles Driving the Strategy

1. Chief Information/Technology Officer (CIO/CTO)
2. Head of Analytics/AI/Data Science
3. Chief AI Officer

Have implemented AI Standards and/or Guidelines

Top AI Outcomes

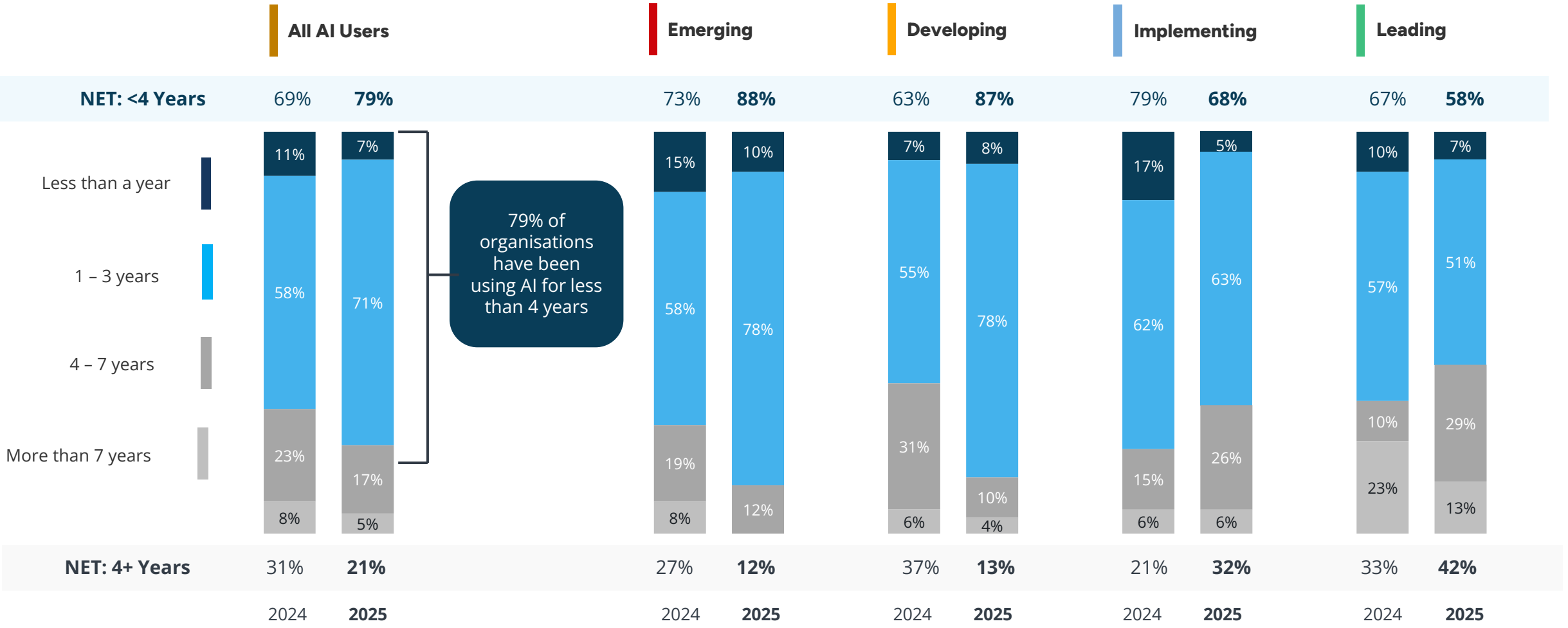
1. Improve customer experience/engagement
2. Improve employee experience/engagement
3. Enhance resource optimisation and productivity

Base: Leading segment (n=50)

RAI Maturity and Duration of AI Usage

The majority of organisations have been using AI for less than four years, with this increasing since 2024, suggesting that there are increasing new AI users. Those in more mature organisations are more likely to have been using AI for more than four years.

For how long has your organisation used AI?

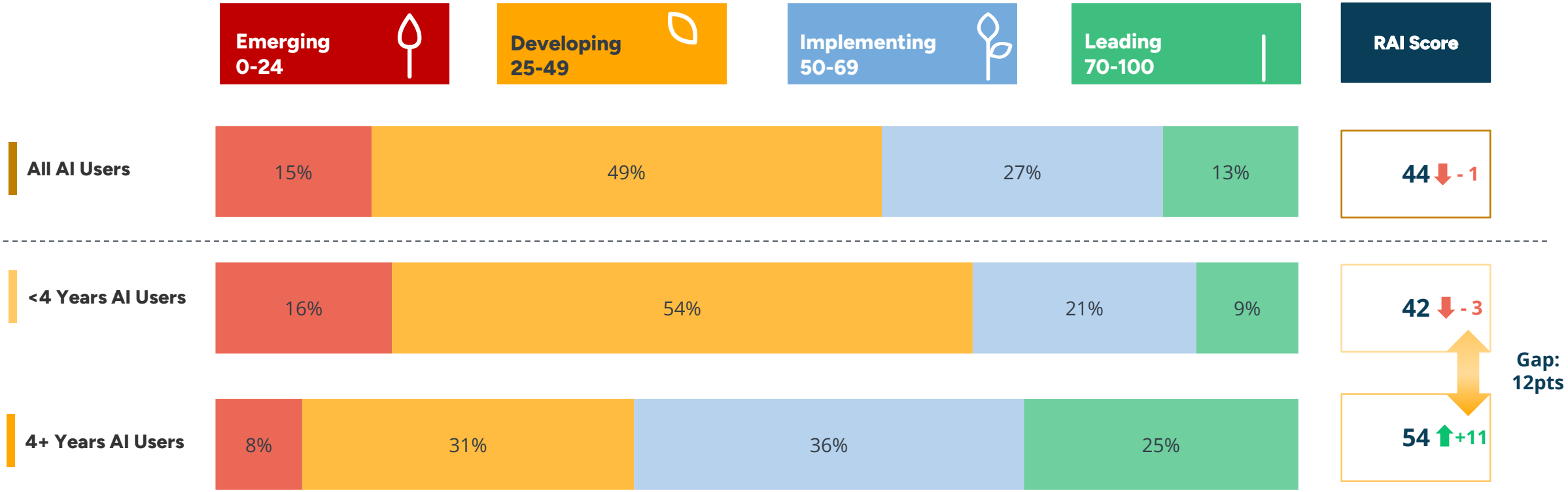


Q1 - For how long has your organisation used AI?
Base: Total AI Users 2025 (n=351), Emerging (n=51), Developing (n=171), Implementing (n=84), Leading (n=45)
Total AI Users 2024 (n=334), Emerging (n=48), Developing (n=161), Implementing (n=95), Leading (n=30)

The Responsible AI Index: Duration of AI Usage

Experience drives responsible AI maturity, with long-term users significantly outperforming newcomers. This maturity gap suggests newer adopters need targeted support and guidance to accelerate responsible AI development, particularly as rapid post-ChatGPT adoption increases systemic risk.

Arrows indicate changes in data from 2024

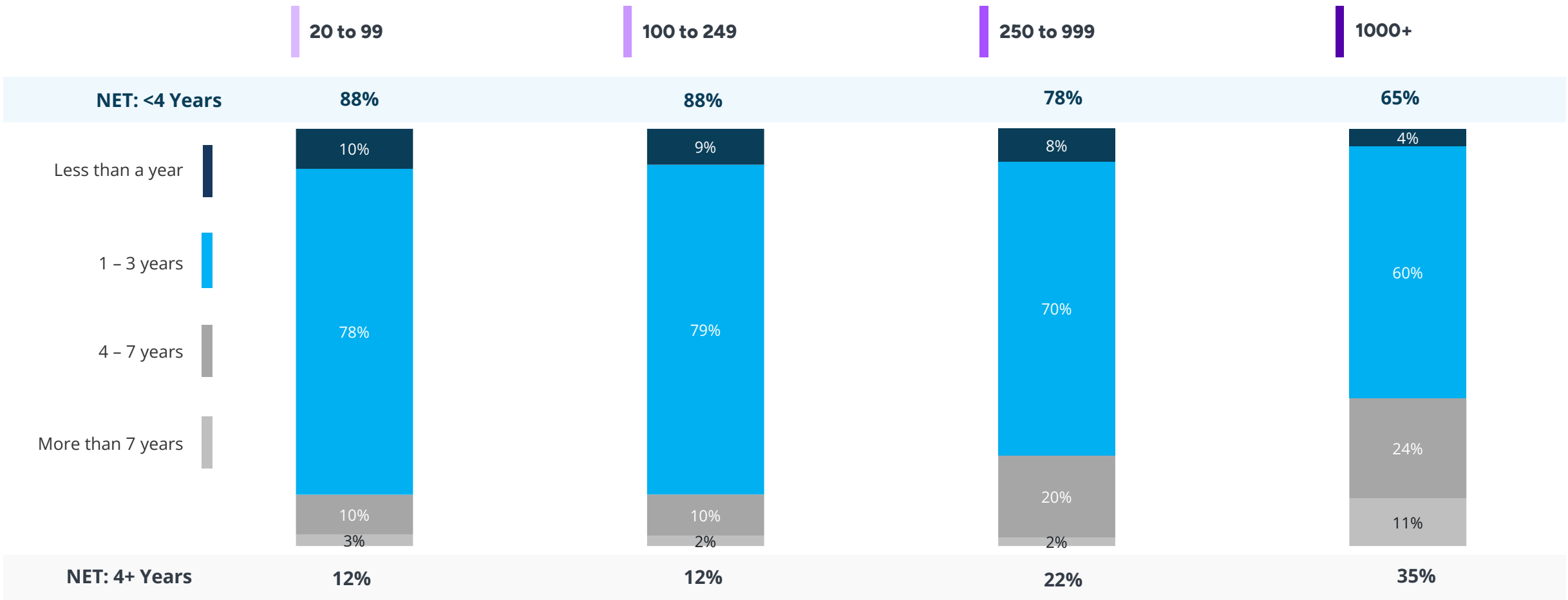


RAI Index Score.
Base: Total AI Users 2025 (n=351), <4 years (n=276), 4+ years (n=75)

Business Size and Duration of AI Usage

Larger organisations lead the AI adoption timeline, with enterprise companies nearly three times more likely to have extensive AI experience than smaller businesses.

For how long has your organisation used AI?

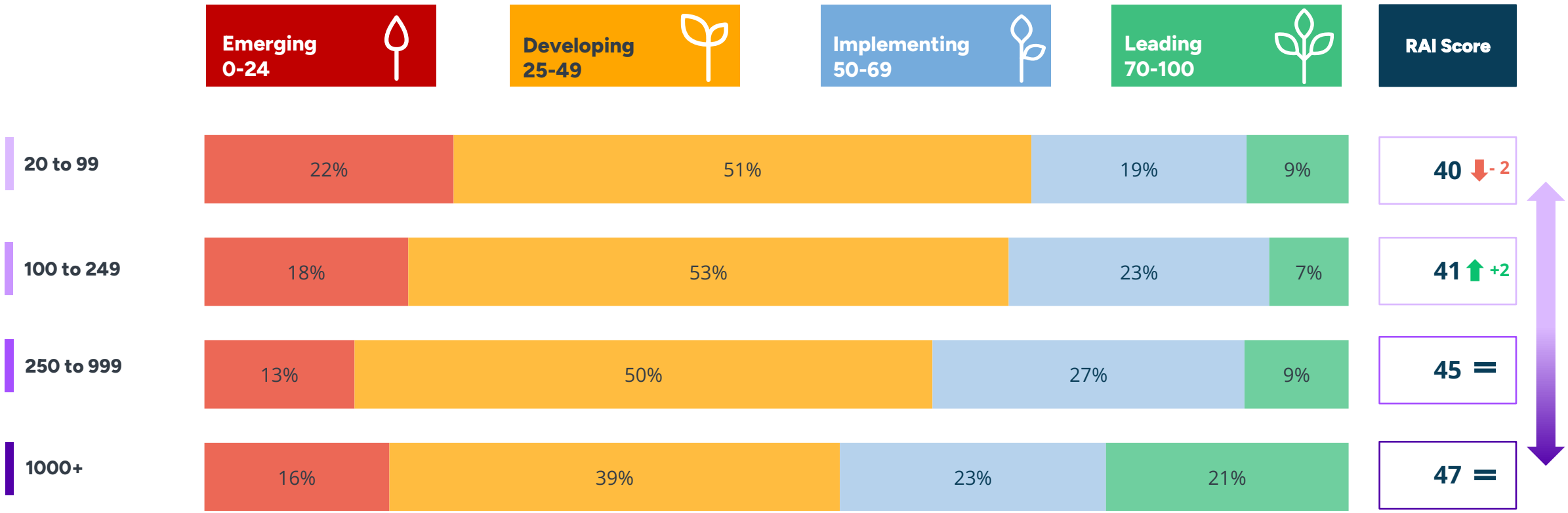


Q1. For how long has your organisation used AI?
Base: Total AI Users 2025 (n=351), 20 to 99 (n=73), 100 to 249 (n=81), 250 to 999 (n=22), 1000+ (n=96)

The Responsible AI Index: Size of Business

Enterprise companies achieve 7-point higher RAI scores than medium size businesses, suggesting some responsible AI practices may be more relevant for larger organisations rather than resource-constrained environments.

Arrows indicate changes in data from 2024



RAI Index Score.
Base: Total respondents (n=418); 20 – 99 employees (n=97), 100 – 249 employees (n=97), 250 – 999 employees (n=117), 1000+ employees (n=107)

Smaller Medium vs. Enterprise Organisations: RAI Maturity Summary

There is a clear RAI maturity gap between smaller medium and enterprise organisations. Organisations with 1,000+ employees are more mature in their RAI journey and have more experience of deploying AI, compared to organisations with 20-99 employees who are markedly less experienced in their use of AI.

40
RAI Score

Smaller Medium Organisations

20 – 99 employees

RAI Maturity
Only 28% are in the more mature (scoring 50+) stage of their RAI journey
9% are in the Leading segment

AI Experience
Only 12% have 4+ years experience, utilising 3 AI technologies on average

RAI Implementation
Have implemented 13 responsible AI practices on average

Most Implemented Practices

Developed best practice guidelines	42%
Developed/deployed an internal communications and change management program to support our employees	41%
Implemented mechanisms to allow human intervention in critical AI decisions to ensure meaningful human oversight	39%

vs.

Enterprise Organisations

1000+ employees

47
RAI Score

RAI Maturity
45% are in the more mature (scoring 50+) of their RAI journey
21% are in the Leading segment

AI Experience
35% have 4+ years experience, utilising 4 AI technologies on average

RAI Implementation
Have implemented 16 responsible AI practices on average

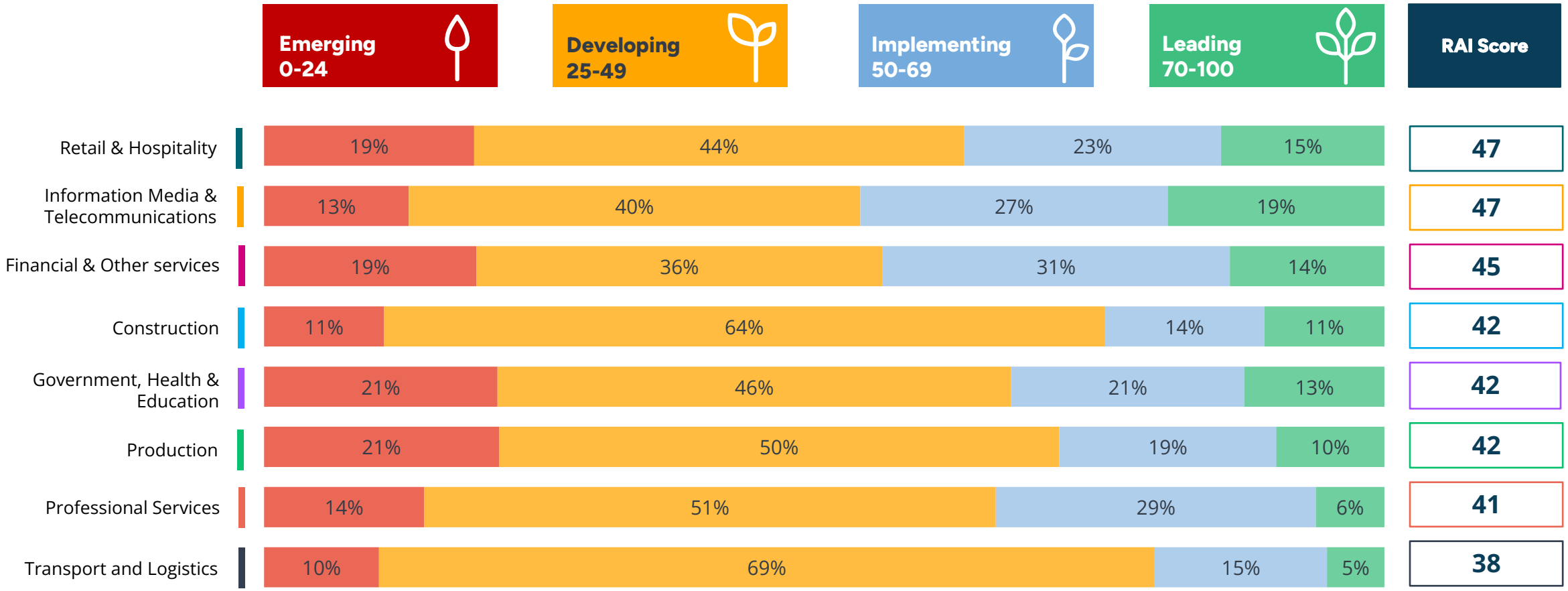
Most Implemented Practices

57%	Maintained comprehensive documentation of the AI development process
46%	Reviewed training data and AI algorithms for potential bias
46%	Developed supporting materials to explain the AI inputs and decision-making processes

Base: 20 – 99 employees (n=97), 1000+ employees (n=107)

The Responsible AI Index: Industry

Customer-facing and technology-driven industries (retail, media and telecommunications, and financial services) lead. Transport and logistics sectors lag furthest behind in responsible AI practices.

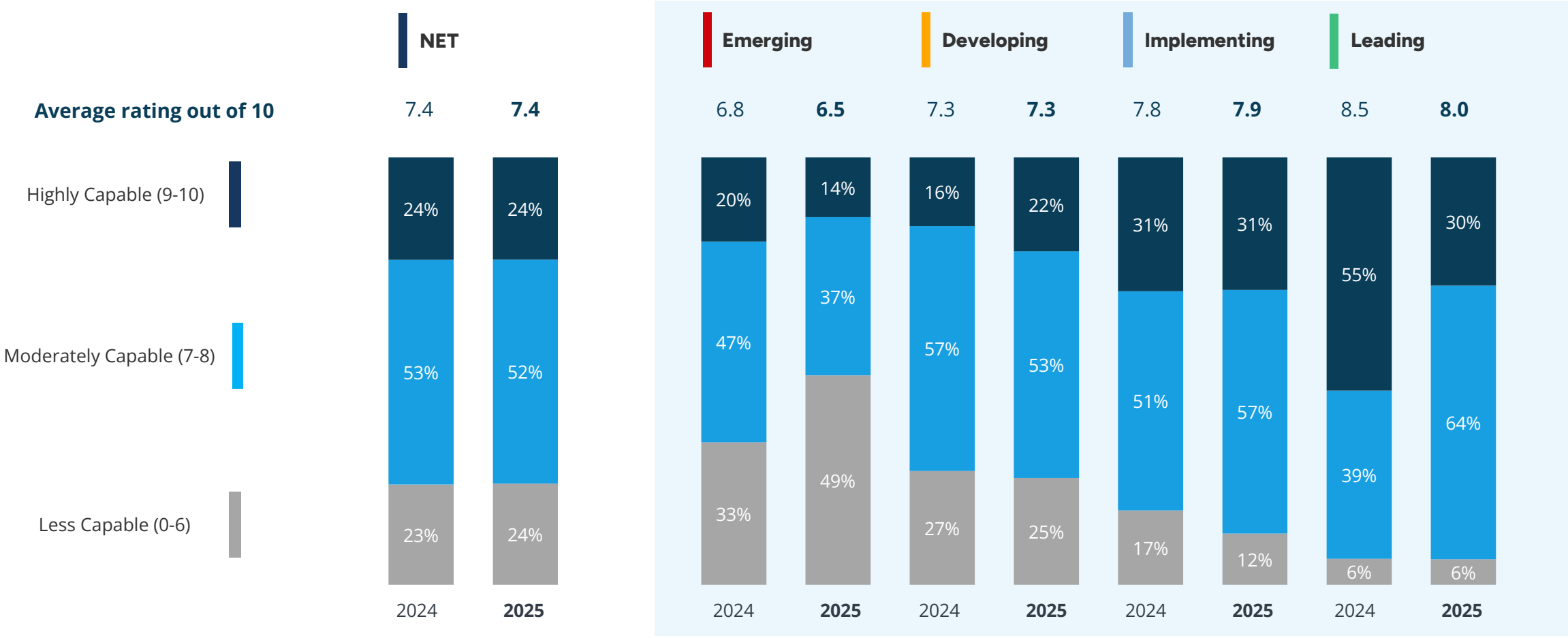


RAI Index Score.
Base: Total respondents (n=418); Construction (n=28), Financial services (n=58), Government, health & education (n=72), Information media & telco (n=62), Production (n=62), Professional services (n=49), Retail & hospitality (n=48), Utilities & transport (n=39)

Current Capability To Build Responsible AI

Organisations are confident in their current capability to build responsible AI, reflecting their current performance, maintaining their rating in 2025. As expected, Implementing and Leading organisations rate themselves highly capable, while Emerging and Developing are more modest in their capabilities.

Organisation's Current Capability To Build Responsible AI



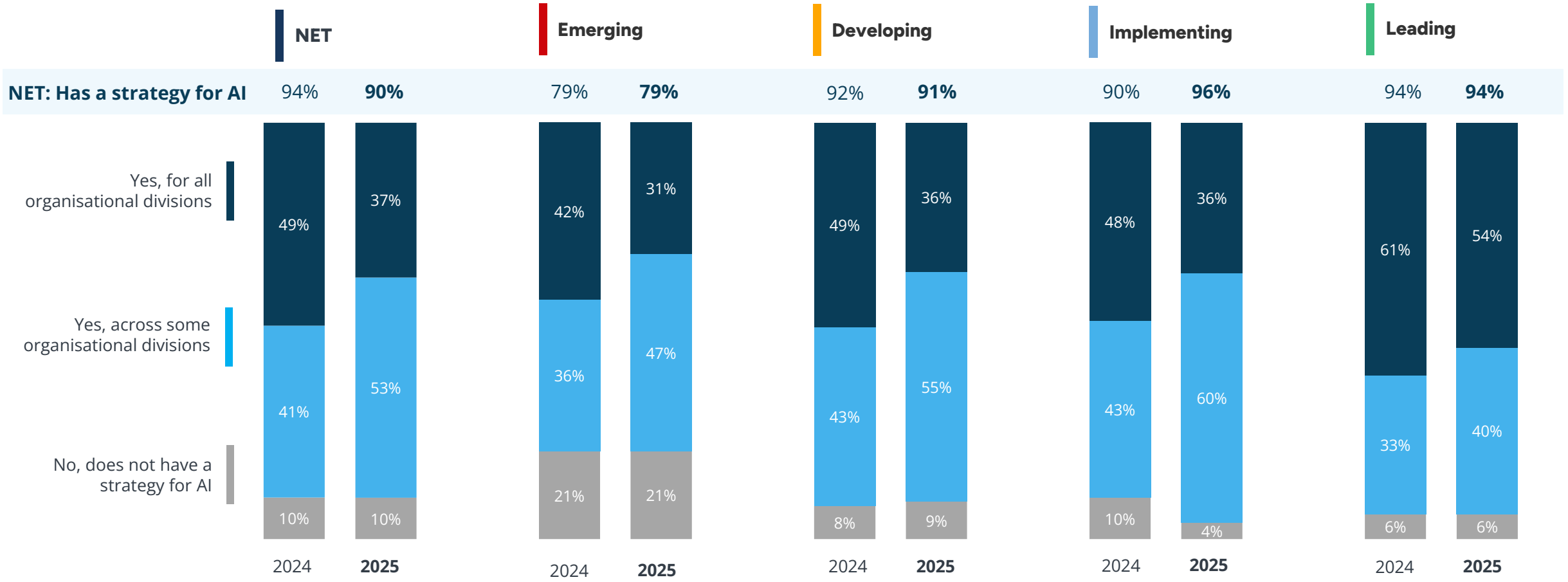
Q31. Overall, on a scale of 0 to 10, how do you rate your organisation's current capability to design and build a responsible AI system?
Base: Total respondents 2025 (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)
Total respondents 2024 (n=413), Emerging (n=766, Developing (n=199), Implementing (n=115), Leading (n=33)

How strategic is AI implementation?

Organisational Strategy for AI

In 2025, fewer organisations report having an AI strategy tied to all divisions, while more say their strategy covers some. This likely reflects growing awareness of what full integration entails, with organisations more cautious about claiming organisation-wide alignment without clear governance, especially as frameworks like the VAISS gain visibility. Notably, those with organisation-wide strategies for AI report a higher RAI score.

Do you have a strategy for the development of AI that is tied to your wider business strategy?



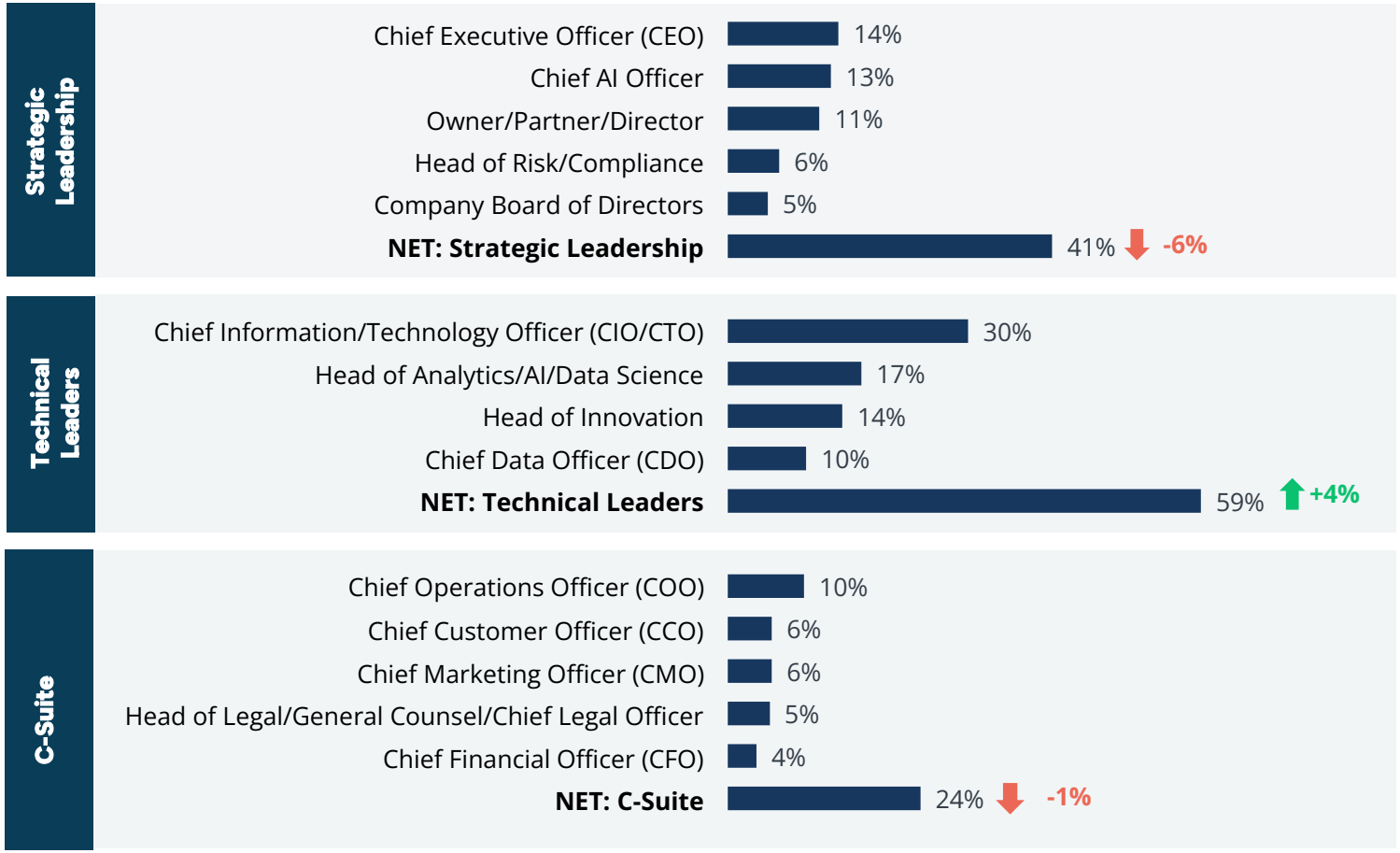
Q2. Thinking about your organisation's strategies, do you have a strategy for the development of AI that is tied to your wider business strategy?
Base: Total AI Users 2025 (n=351), Emerging (n=51), Developing (n=171), Implementing (n=84), Leading (n=45)
Total AI Users 2024 (n=334), Emerging (n=48), Developing (161), Implementing (n=95), Leading (n=30)

Responsibility for Driving AI Strategy

AI strategy responsibility is shifting from boardrooms to technical experts, with specialist roles like Chief AI Officer are emerging as organisations mature their AI governance.

Change from 2024

Who in your organisation is responsible for driving the AI strategy?



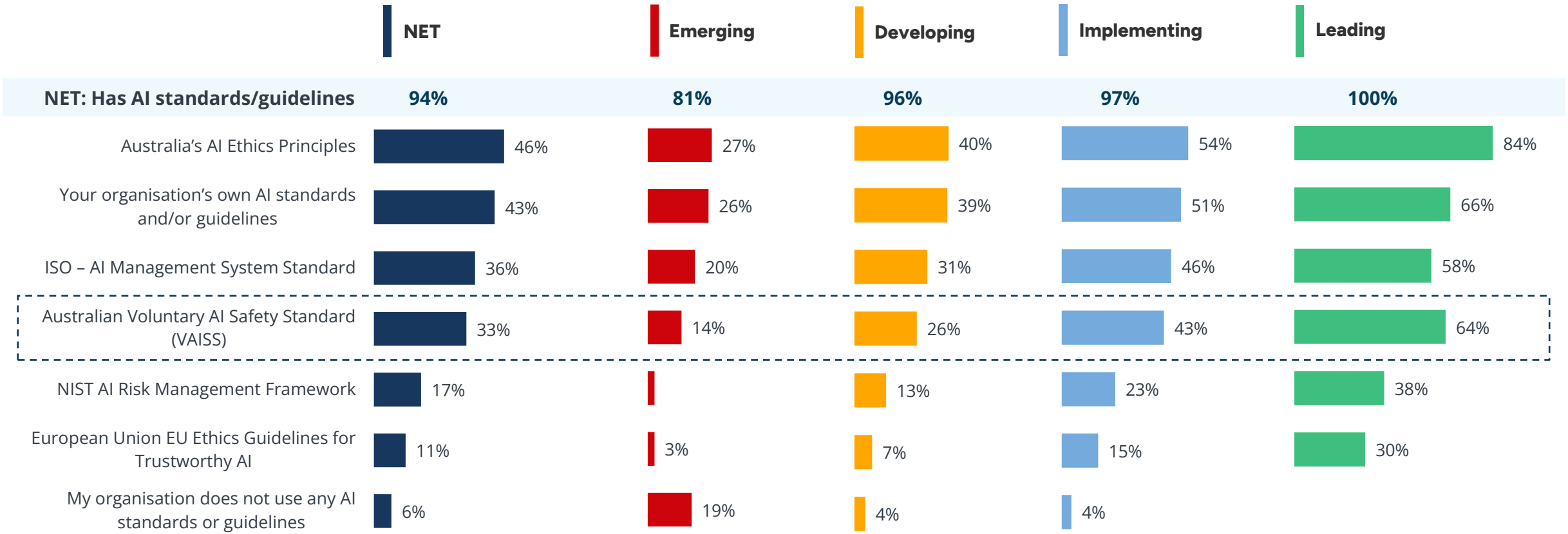
Q3. Who in your organisation is responsible for driving the organisation's AI strategy?
Base: Total respondents (n=418)

How are standards driving RAI maturity?

Implementation of AI Standards & Guidelines

As organisations become more optimised and strategic with their implementation of AI, standards and guidelines are becoming key to advancing RAI maturity. Leading organisations are further ahead, having implemented VAISS at nearly triple the rate of Emerging organisations.

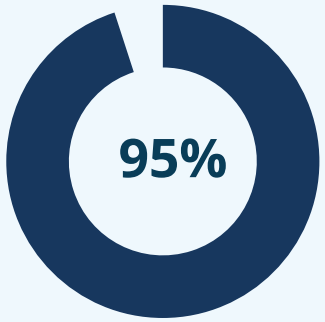
Implementation of AI Standards and/or Guidelines



Q36. Which of the following AI standards and/or guidelines, if any, does your organisation currently have in place?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=55)

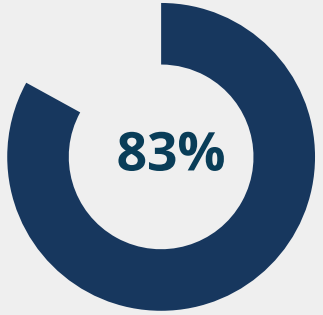
Implementation of AI Standards & Guidelines Driving Strategy

Standards implementation creates strategic clarity. Organisations with AI standards are significantly more likely to develop comprehensive strategies suggesting frameworks drive systematic planning rather than ad-hoc AI adoption approaches.



of organisations that have **implemented AI standards/guidelines** say they have **an AI strategy**

V.S



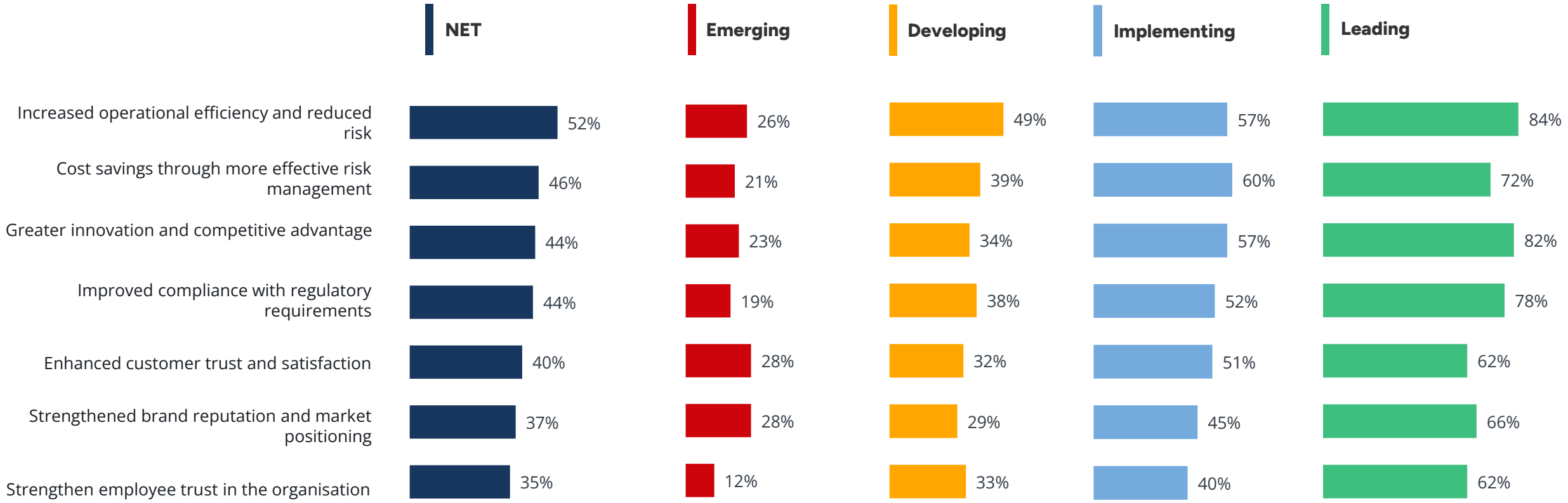
of organisations that **have <u>not</u> implemented AI Standards/guidelines** say they have **an AI strategy**

Q36. Which of the following AI standards and/or guidelines, if any, does your organisation currently have in place?
Q2. Thinking about your organisation's strategies, do you have a strategy for the development and deployment of AI that is tied to your wider business strategy?
Base: Organisations who have implemented AI Standards/guidelines (n=393), Organisations who have not implemented AI Standards/Guidelines (n=26)

Value Gained from AI Standards & Guidelines

Organisations who have implemented AI standards are reaping the rewards, experiencing increased operational and cost efficiencies, reduced risk and greater innovation and competitive advantages. This is particularly prominent among more mature organisations.

Value Organisation has Gained from AI Standards and/or Guidelines



Q37. What value has your organisation gained from implementing AI standards and/or guidelines?
Base: Total Has AI Standards/guidelines (n=393), Emerging (n=57), Developing (n=192), Implementing (n=94), Leading (n=50)

What RAI practices are being implemented?

Most and Least Implemented Responsible AI Practices

Organisations prioritise technical documentation and transparency over accountability measures, with a significant gap between implementation of explainability practices and governance initiatives. This suggests many organisations can explain what their AI does but lack the governance structures to ensure it operates responsibly.

Most Implemented Practices	% Implemented	VAISS Guardrail Alignment
Maintained comprehensive documentation of the AI development process, including data sources, model architecture, training procedures, and deployment steps	49%	**Guardrail 9: Compliance**
Developed supporting materials to explain the AI inputs and decision-making processes	42%	**Guardrail 7: Contestability**
Reviewed training data and AI algorithms for potential bias	41%	**Guardrail 10: Stakeholder Engagement**
Informed relevant stakeholders, including employees and customers, about the use of AI and AI-generated content in products and/or services	41%	**Guardrail 6: Transparency**
Provided the necessary information to end users about the use of their personal data to ensure it is processed in a fair and transparent manner	40%	**Guardrail 3: Data Governance & Protection**

Least Implemented Practices	% Implemented	VAISS Guardrail Alignment
Established clearly designated roles with responsibility for the responsible use of AI	25%	**Guardrail 1: Accountability & Governance**
Identified and assessed the risks and opportunities for human rights	25%	**Guardrail 10: Stakeholder Engagement**
Required training for developers and deployers of AI products	24%	**Guardrail 10: Stakeholder Engagement**
Implemented specific oversight and control measures to reflect the self-learning or autonomous nature of the AI system	23%	**Guardrail 5: Human Oversight**
Assessed the vendor's claims on performance if planning to use third party or blackbox AI models where internal workings are not fully transparent	21%	**Guardrail 8: Supply Chain Transparency**

Q21-Q29. Has your organisation done any of the following?
Base: Total respondents (n=418)

Most and Least Implemented Responsible AI Practices: By Segment

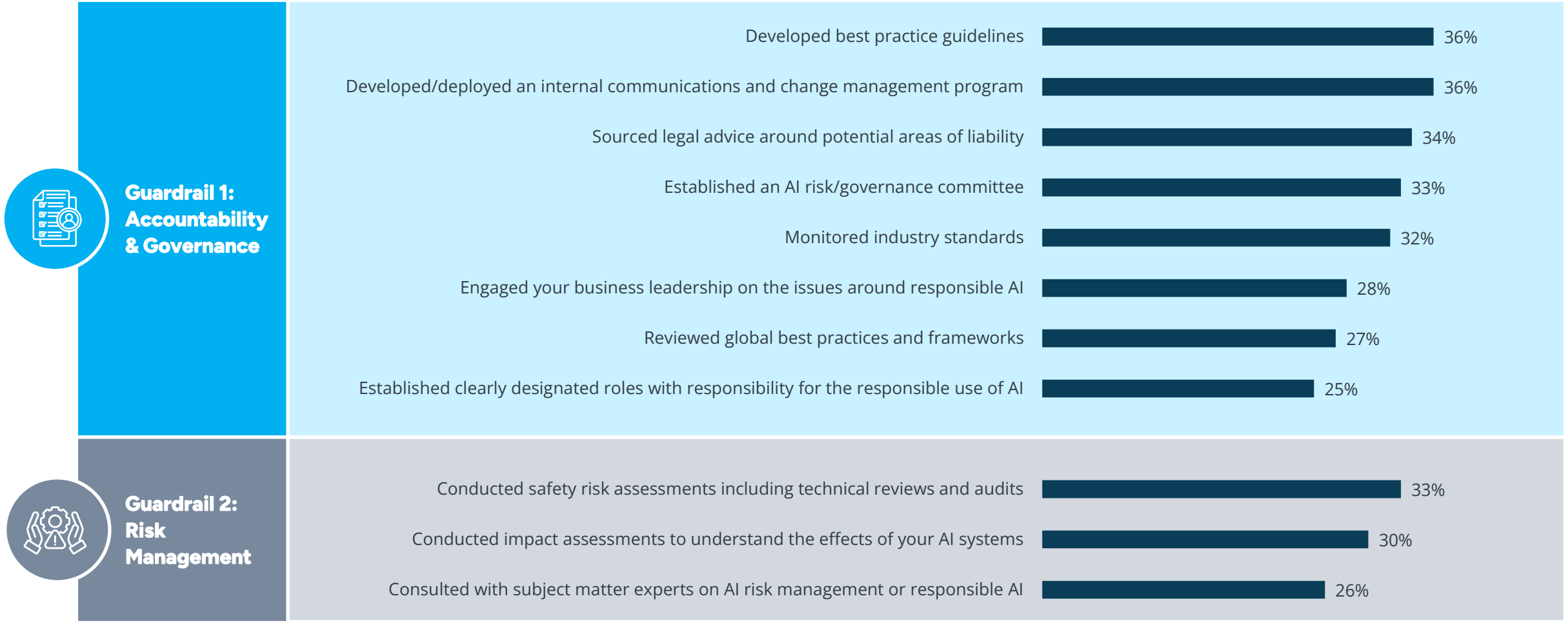
Practice implementation scales dramatically with maturity, yet all segments prioritise documentation over stakeholder engagement and governance, suggesting systemic challenges with organisational and human oversight practices.

	Emerging 0-24		Developing 25-49		Implementing 50-69		Leading 70-100	
Most Implemented Practices	Developed supporting materials to explain the AI inputs and decision-making processes	19%	Maintained comprehensive documentation of the AI development process, including data sources, model architecture, training procedures, and deployment steps	44%	Maintained comprehensive documentation of the AI development process, including data sources, model architecture, training procedures, and deployment steps	64%	Maintained comprehensive documentation of the AI development process, including data sources, model architecture, training procedures, and deployment steps	90%
	Used version control systems for both codes and data to keep track of changes and ensure that experiments can be repeated with the same results	19%	Developed supporting materials to explain the AI inputs and decision-making processes	38%	Informed relevant stakeholders, including employees and customers, about the use of AI and AI-generated content in products and/or services	61%	Established an AI risk/governance committee	90%
	Implemented mechanisms to allow human intervention in critical AI decisions to ensure meaningful human oversight	17%	Provided the necessary information, for example a privacy policy, to end users about the use of their personal data to ensure it is processed in a fair and transparent manner	34%	Reviewed training data and AI algorithms for potential bias	59%	Provided the necessary information to end users about the use of their personal data to ensure it is processed in a fair and transparent manner	88%
Least Implemented Practices	Engaged your business leadership on the issues around responsible AI	4%	Consulted with subject matter experts on AI risk management or responsible AI	16%	Publicly reported on AI system limitations, capabilities, and areas of appropriate and inappropriate use	30%	Invited stakeholders to provide feedback or challenge the AI systems	54%
	Conducted impact assessments to understand the effects of your AI systems on different stakeholders, society and the environment	4%	Identified and assessed the risks and opportunities for human rights	15%	Assessed the vendor's claims on performance if planning to use third party or blackbox AI models where internal workings are not fully transparent	28%	Disclosed the sources of AI models, datasets, or algorithms to stakeholders, including customers and suppliers to address risk	54%
	Consulted with subject matter experts on AI risk management or responsible AI	3%	Established clearly designated roles with responsibility for the responsible use of AI	13%	Hired a more diverse workforce	27%	Assessed the vendor's claims on performance if planning to use third party or blackbox AI models where internal workings are not fully transparent	50%

Q21-Q29. Has your organisation done any of the following?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

Responsible AI Practices Implemented: Guardrail 1 & 2

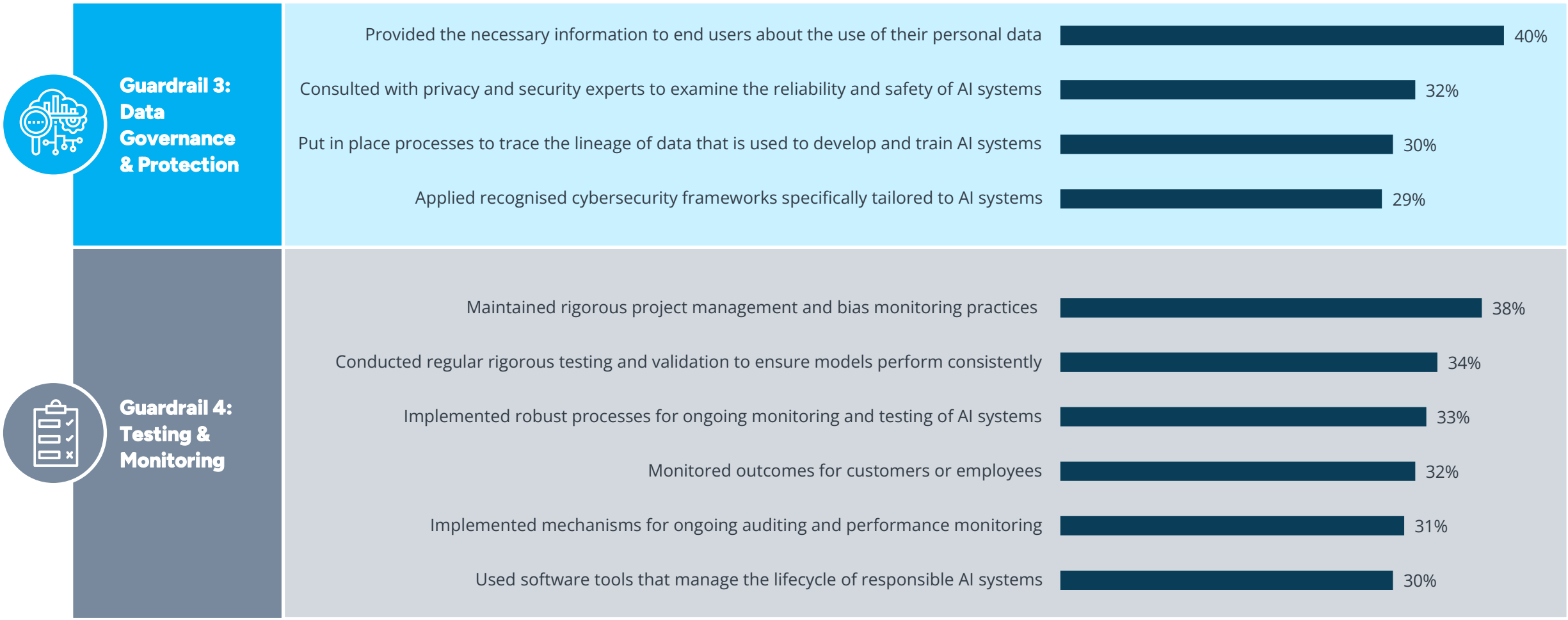
Positively, organisations are implementing best practice guidelines at a high rate, but are falling behind in establishing clearly designated roles to enforce responsible AI, suggesting responsible AI practices outlined in guidelines may struggle to become embedded.



Q21-Q29. Has your organisation implemented any of the following?
Base: Total respondents (n=418)

Responsible AI Practices Implemented: Guardrail 3 & 4

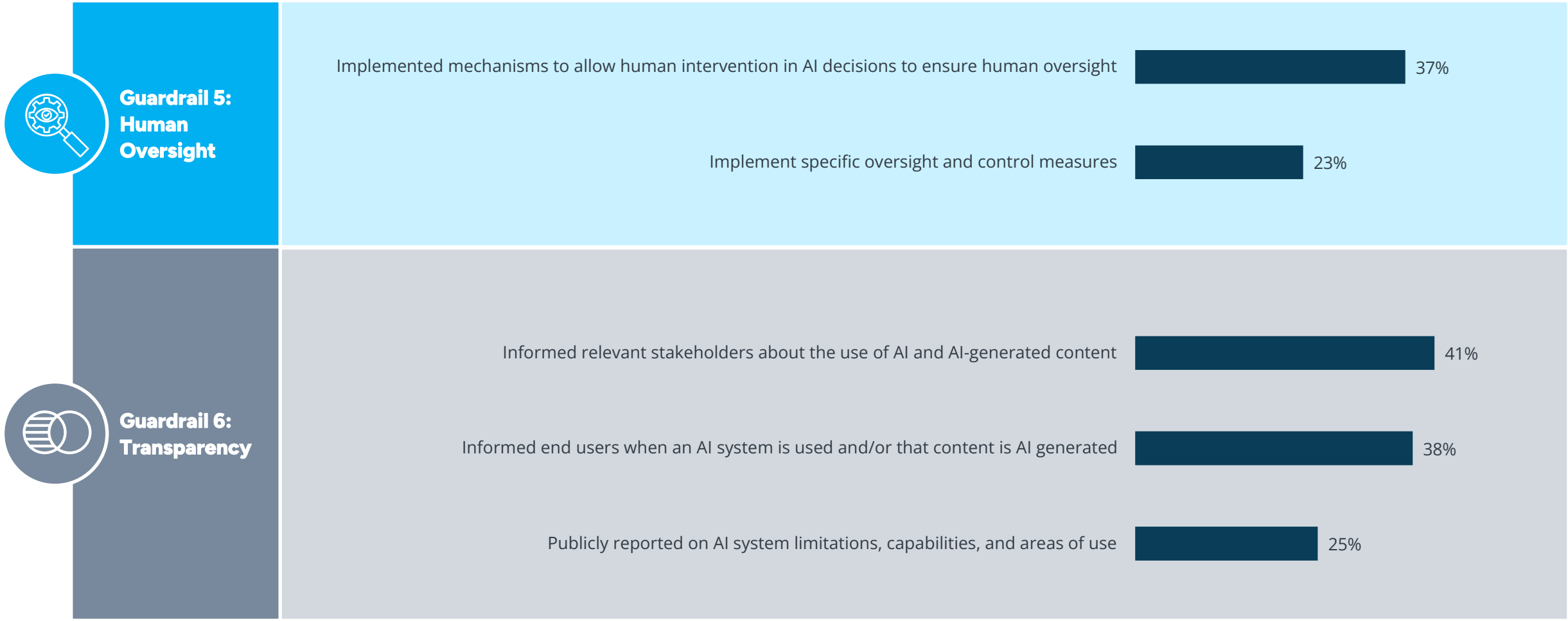
There is a gap in data governance practices, with organisations providing necessary information to end users about data use, but not having the cybersecurity frameworks in place to keep this data safe.



Q21-Q29. Has your organisation implemented any of the following?
Base: Total respondents (n=418)

Responsible AI Practices Implemented: Guardrail 5 & 6

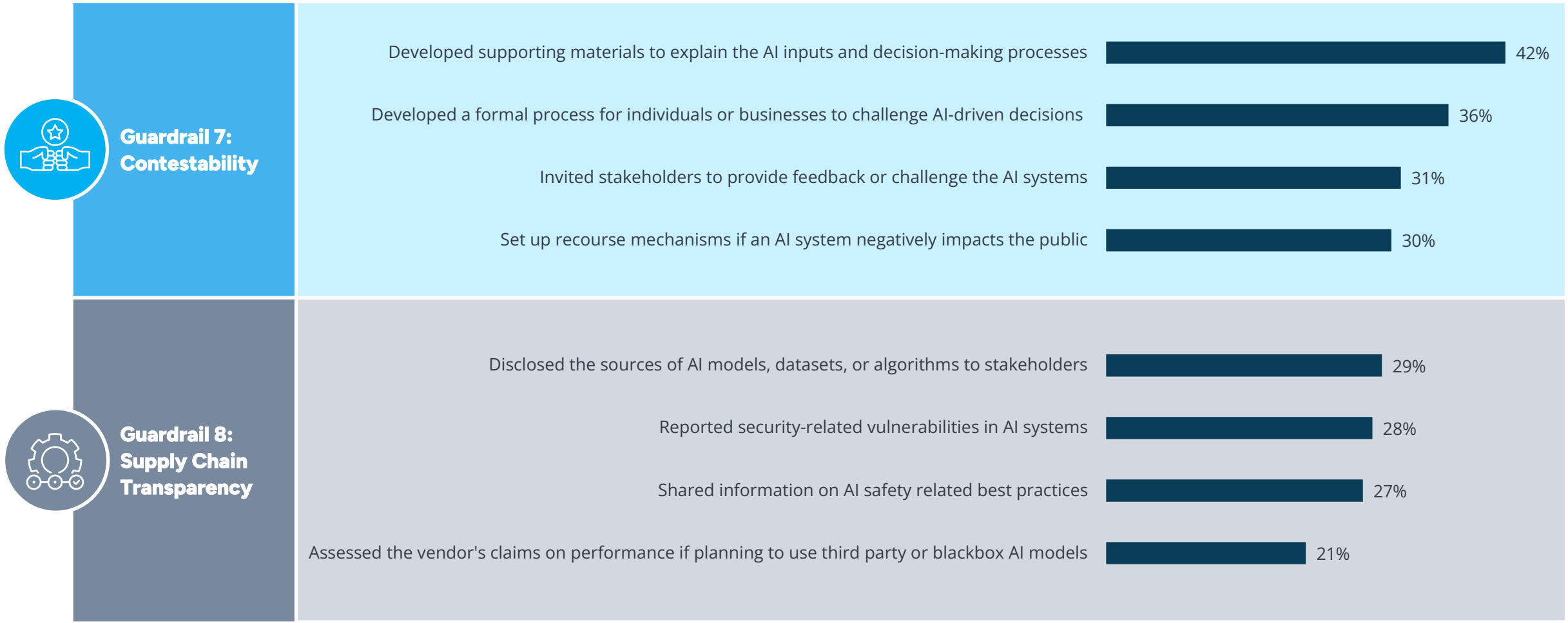
Organisations are employing transparency practices that inform internal and external stakeholders about the use of AI, but lacking specific human oversight measures that ensure its usage can be controlled.



Q21-Q29. Has your organisation implemented any of the following?
Base: Total respondents (n=418)

Responsible AI Practices Implemented: Guardrail 7 & 8

Documentation of AI processes and decisions are being implemented at a high rate, but organisations are not assessing vendor's claims when using third party AI models, opening themselves up to vulnerabilities.

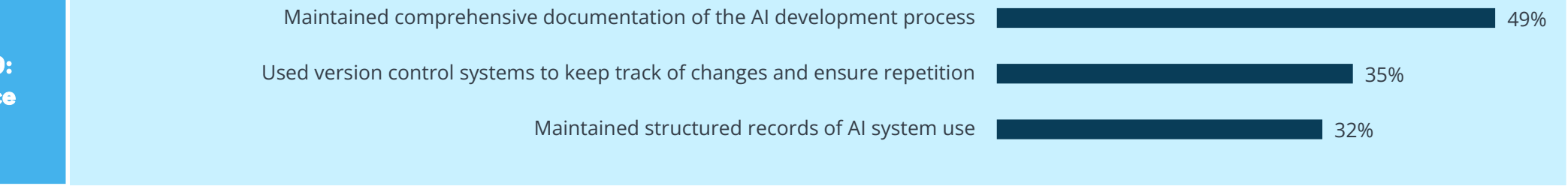


Q21-Q29. Has your organisation implemented any of the following?
Base: Total respondents (n=418)

Responsible AI Practices Implemented: Guardrail 9 & 10

Organisations are excelling at compliance practices, but are lacking the implementation of practices that focus on safety, diversity and inclusion of AI usage.

Guardrail 9: Compliance



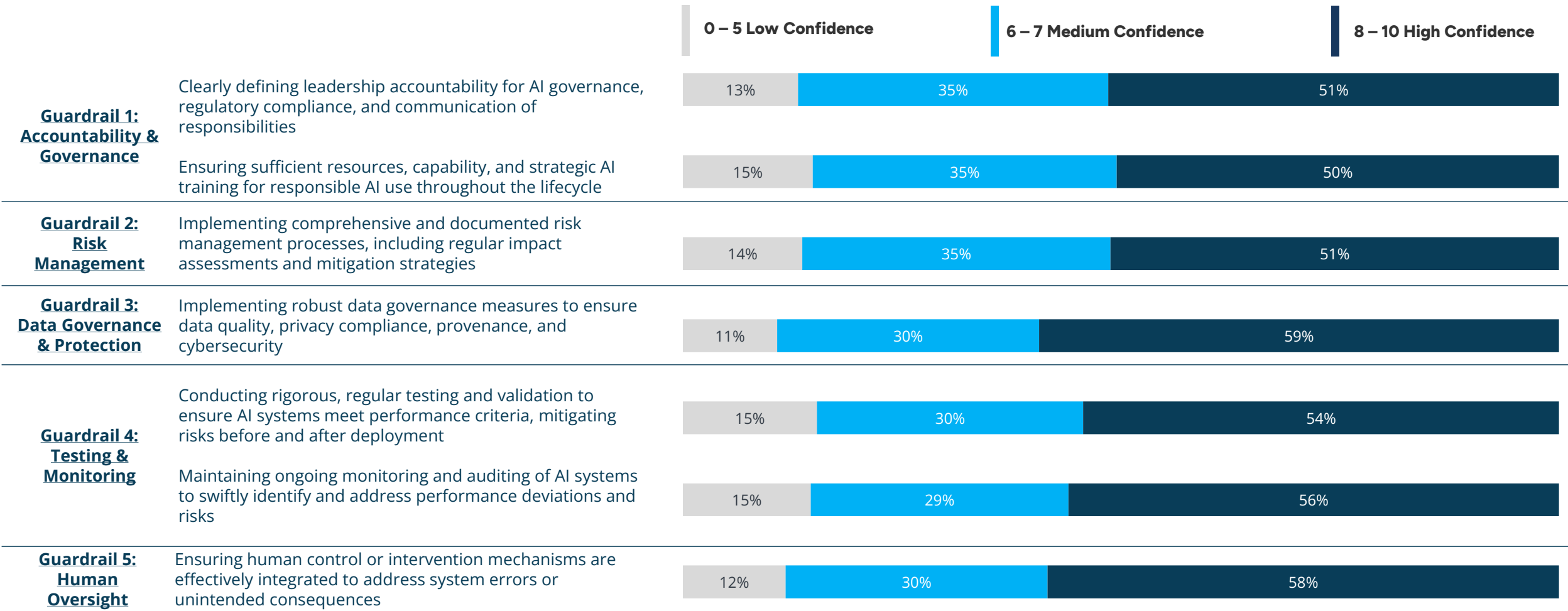
Guardrail 10: Stakeholder Engagement

Q21-Q29. Has your organisation implemented any of the following?
Base: Total respondents (n=418)

VAISS Guardrail Performance

Organisations show modest confidence in aspects of performance that map onto VAISS guardrails, with data governance leading self-assessed ratings while ensuring sufficient resources and training for responsible AI lags, highlighting implementation challenges across all guardrails.

How would you rate your organisation's performance regarding the use of AI?

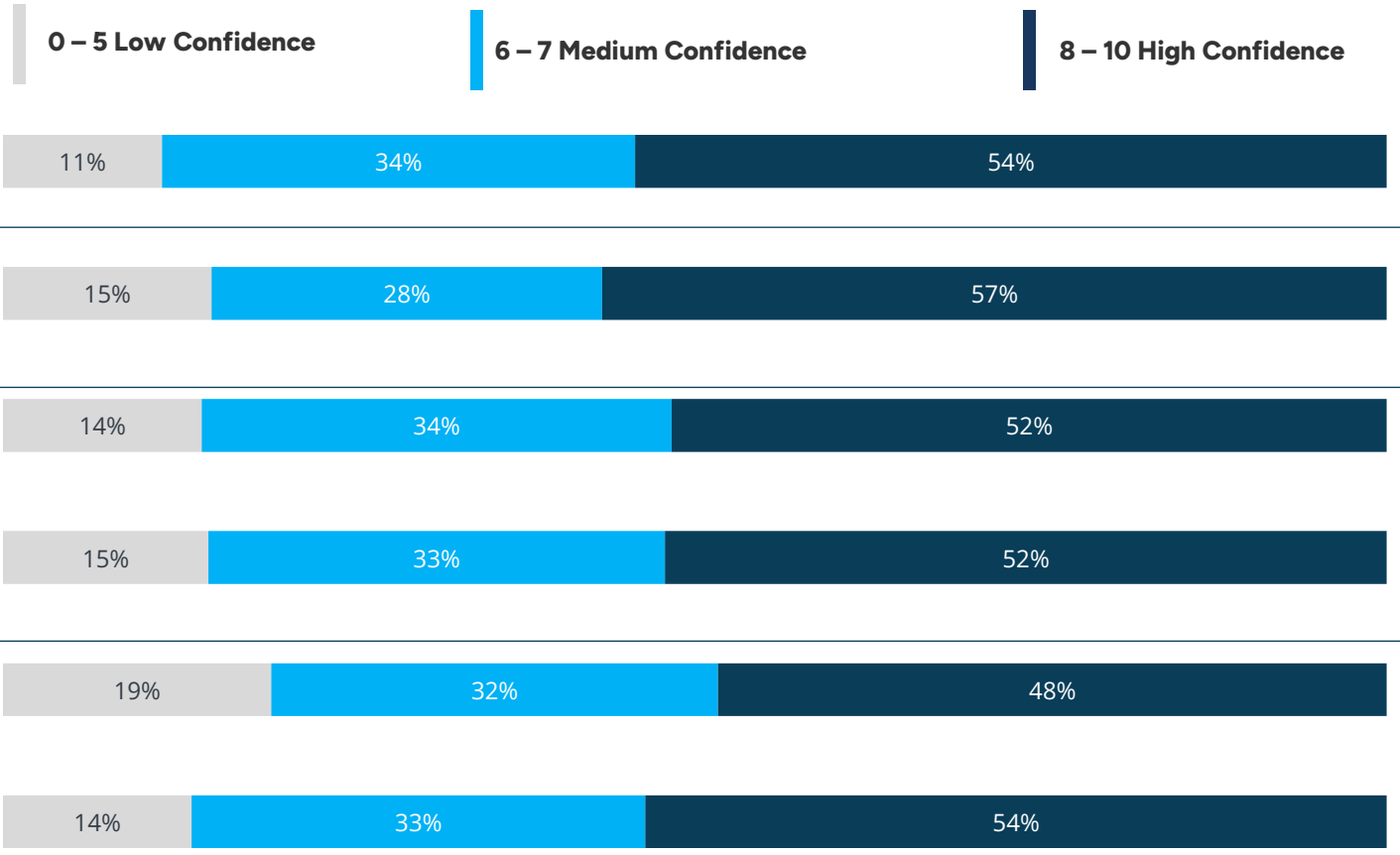


Q34. How would you rate your organisation's performance regarding the use of AI?
Base: Total respondents (N=418)

VAISS Guardrail Performance

Stakeholder-focused VAISS guardrails show consistently modest performance levels, with compliance and stakeholder engagement proving most challenging for organisations to implement effectively.

How would you rate your organisation's performance regarding the use of AI?



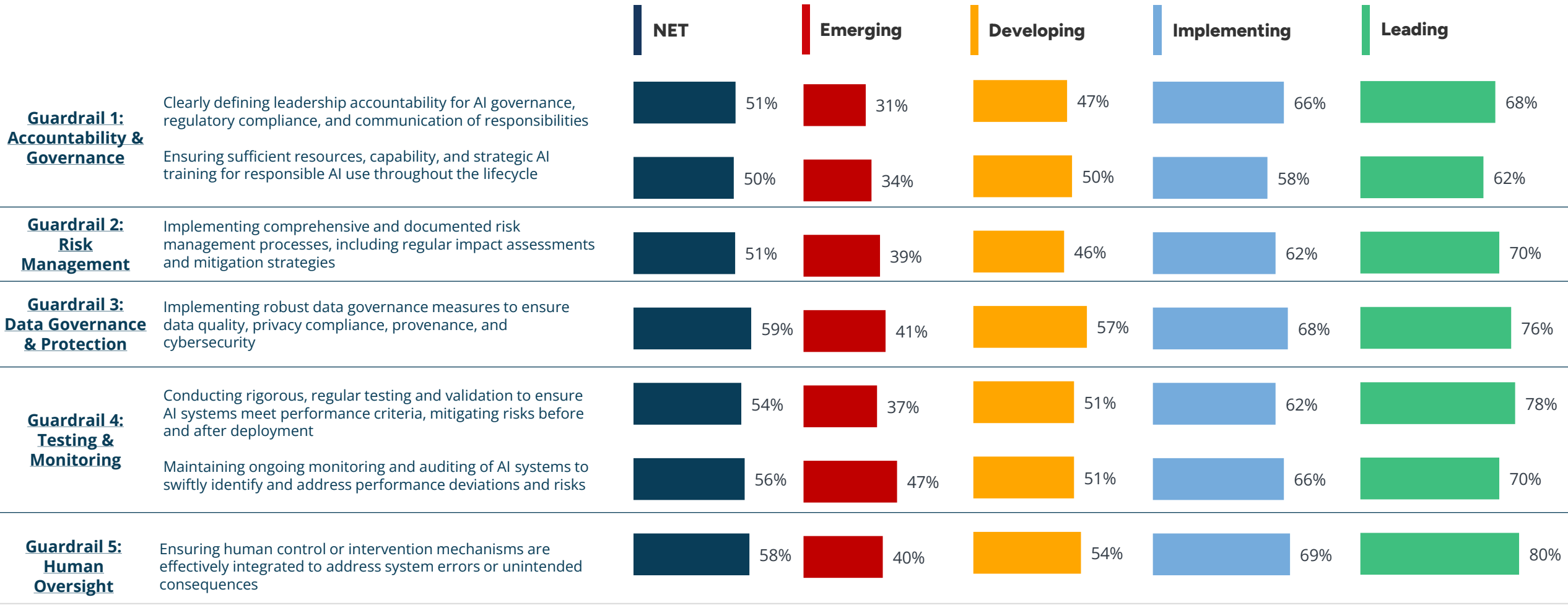
Q34. How would you rate your organisation's performance regarding the use of AI?
Base: Total respondents (N=418)

Note: Guardrail 8: Supply chain transparency was not included in this question

VAISS Guardrail Performance: By Segment

Maturity drives significant performance gaps across foundational VAISS guardrails in self-assessed ratings, with Leading organisations giving themselves excellent ratings at twice the rate of lower maturity segments, while data governance emerges as the strongest universal capability.

VAISS Guardrail Performance, % '8 – 10' High Confidence

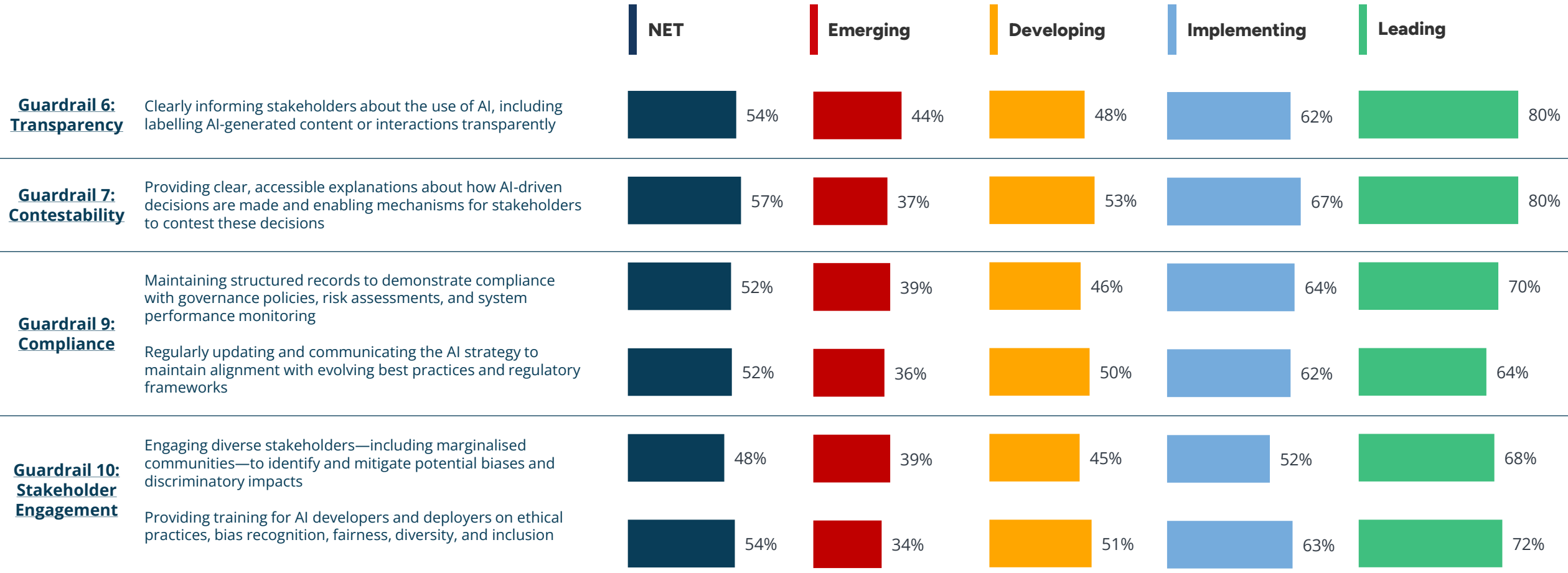


Q34. How would you rate your organisation's performance regarding the use of AI?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

VAISS Guardrail Performance: By Segment

Self-assessed performance on these VAISS guardrails reveals persistent implementation challenges, with regularly updating and communicating AI strategy showing the greatest difficulty even among Leading organisations where only the highest-rated are highly confident.

VAISS Guardrail Performance, % '8 – 10' High Confidence

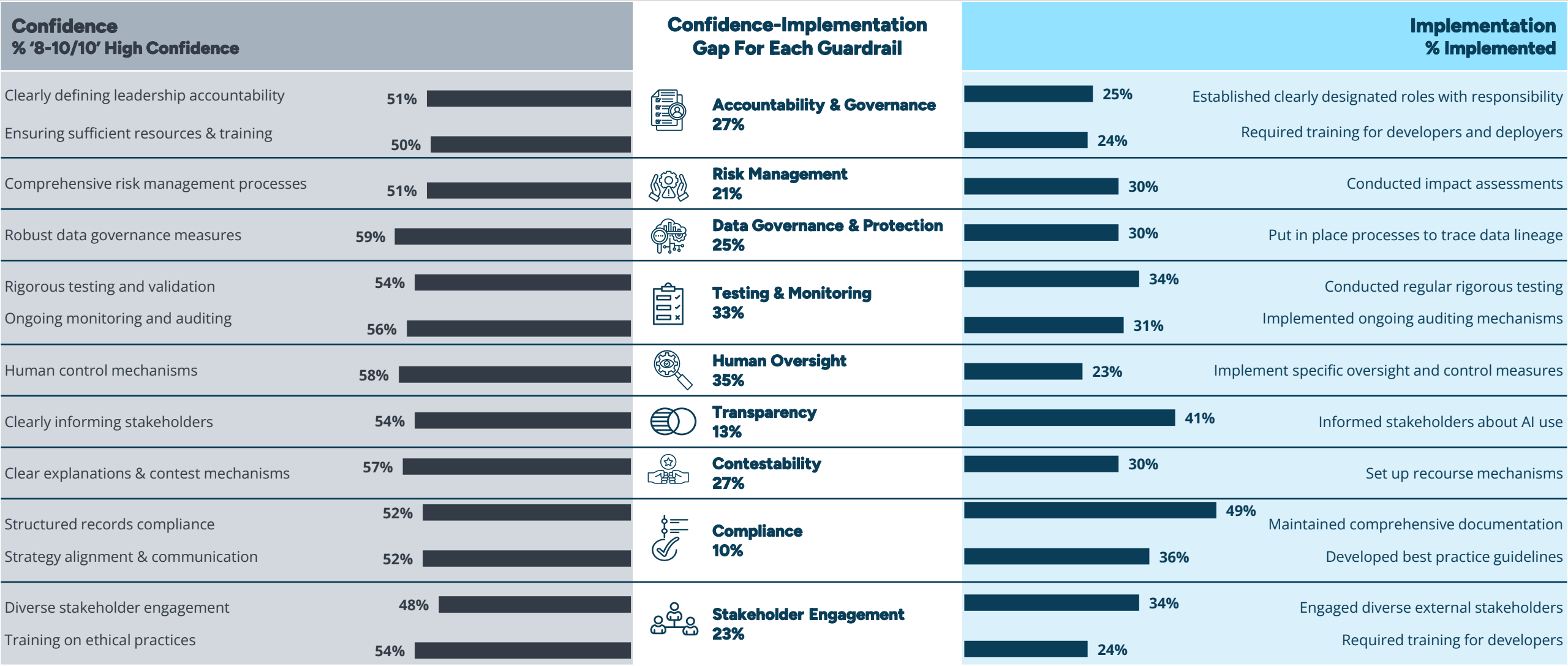


Q34. How would you rate your organisation's performance regarding the use of AI?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

Note: Guardrail 8: Supply chain transparency was not included in this question

VAISS & RAI Practices: The Confidence-Implementation Gap

There is a notable gap between organisations self-assessed performance across the VAISS guardrails and the actual implementation of the RAI practices that underpin them. The largest gaps between confidence and implementation are seen in human oversight, and testing and monitoring RAI practices.

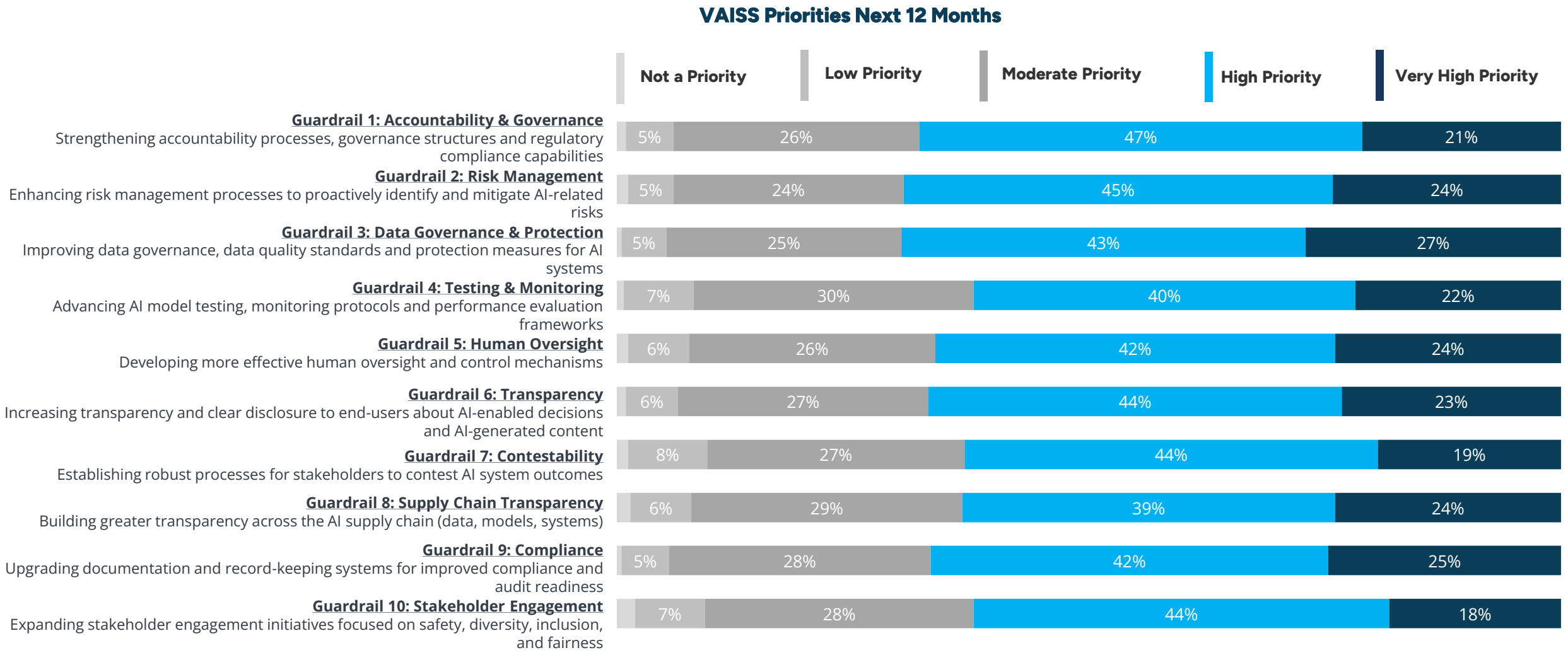


Q34. How would you rate your organisation's performance regarding the use of AI?
Q21-Q29. Has your organisation implemented any of the following?
Base: Total respondents (n=418)

Note: Guardrail 8: Supply chain transparency is not included

VAISS Priorities Next 12 Months

Organisations are prioritising foundational VAISS guardrails in the next 12 months, with strongest focus on data governance, documentation systems, and risk management processes. There is notably lower priority given to stakeholder-facing guardrails such as contestability mechanisms and engagement initiatives, suggesting organisations are strengthening internal frameworks before addressing external transparency requirements.

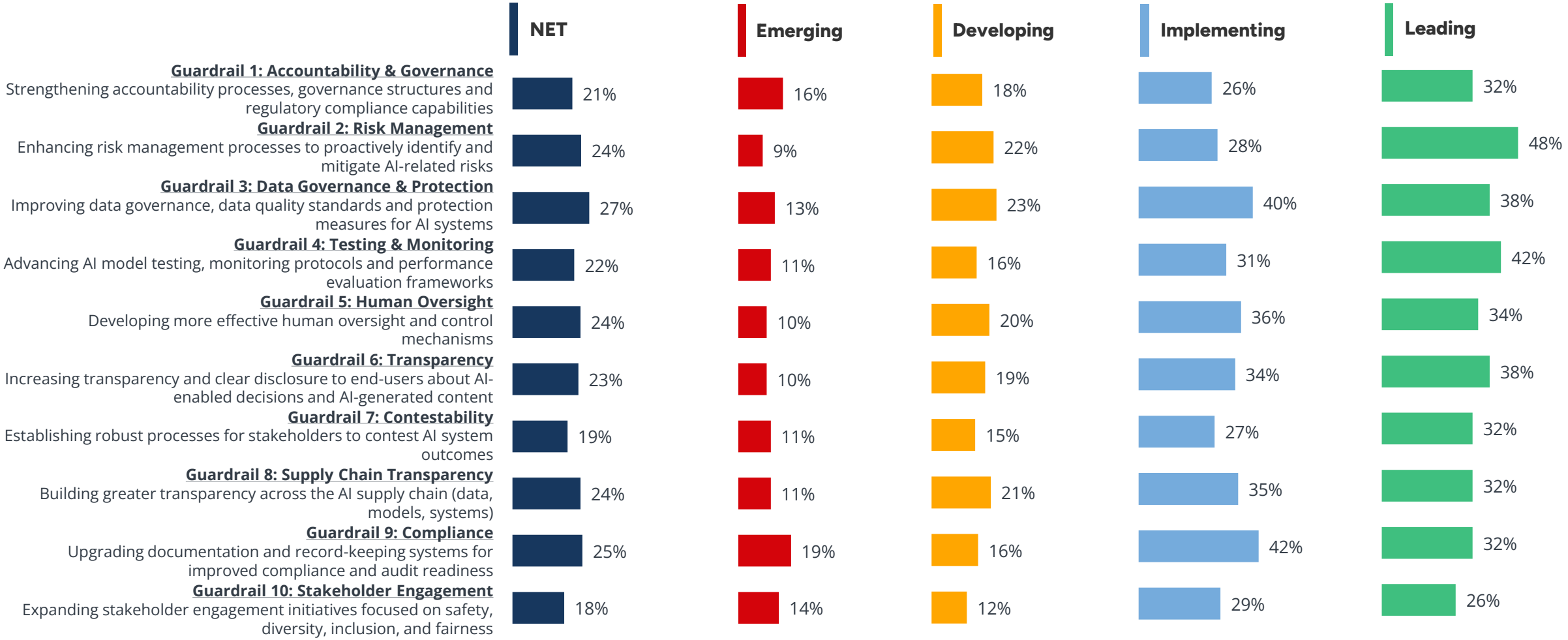


Q40. How much of a priority are the following areas for your organisation in the next 12 months?
Base: Total respondents (n=418)

VAISS Priorities Next 12 Months

Leading and Implementing organisations are much more likely to be looking ahead and optimising their AI governance in the next 12 months. Leading organisations show particularly high priority for risk management and are focusing on external-facing VAISS guardrails such as transparency and contestability, suggesting they are moving beyond foundational implementation to stakeholder engagement.

VAISS Priorities Next 12 Months, % Very High Priority



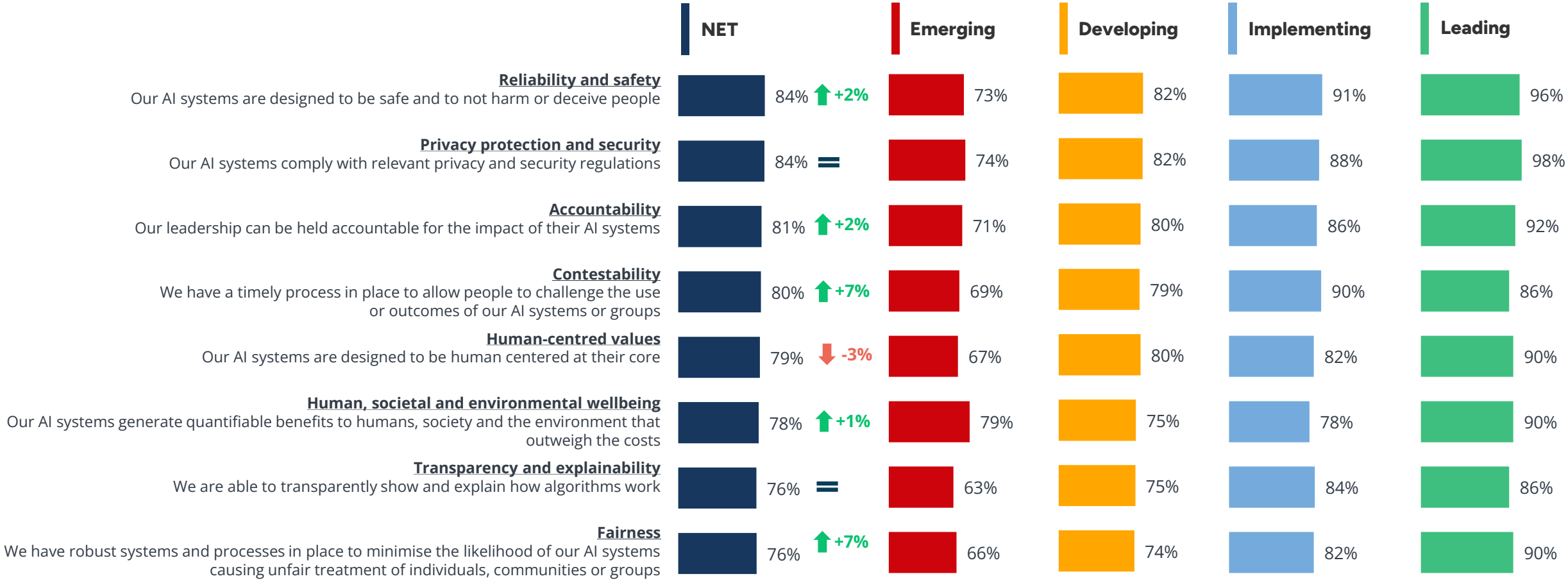
Q40. How much of a priority are the following areas for your organisation in the next 12 months?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

Alignment with Australia's AI Ethics Principles

Alignment with Australia's AI Ethics Principles continues to grow, in line with its implementation. This underpins a decline in concerns about AI as the ethical implications of implementing AI are better understood and minimised.

Change from 2024

Alignment with Australia's AI Ethics Principles, % Agree



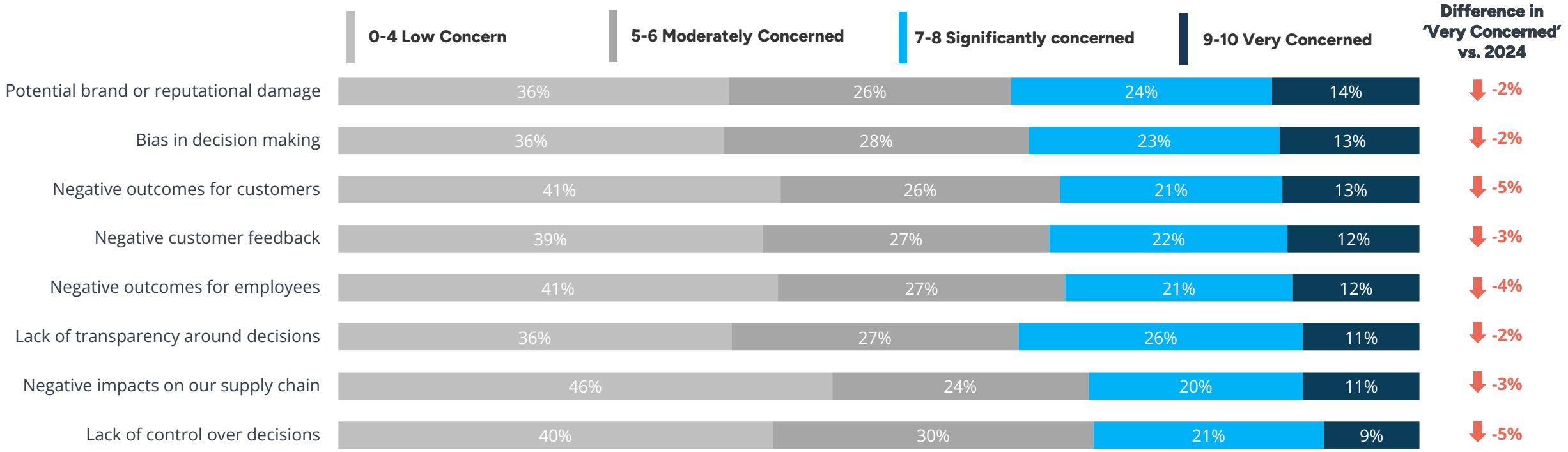
Q5. For each of the following statements please indicate the extent to which you agree/disagree
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

What are the key concerns?

Organisational Concerns About Using AI

Concerns around the impacts of AI have fallen in 2025. Top organisational concerns now centre on potential brand or reputational damage and bias in decision making, with negative outcomes for customers falling in importance.

Concerns Surrounding the Organisational Impacts of AI

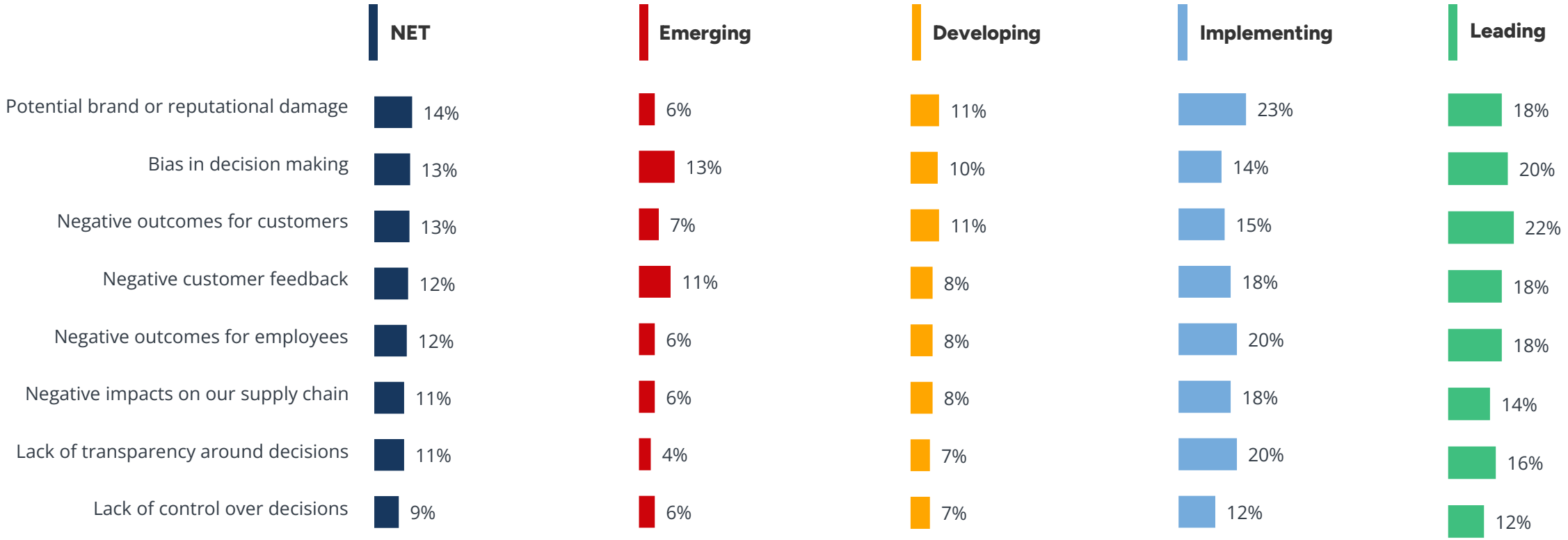


Q13. Thinking about using AI systems within your organisation, how concerned are you about the below?
Base: Total respondents 2025 (n=418)

Organisational Concerns About Using AI

The more mature organisations are in their responsible AI journey, the more concerns they are likely to have due to their experience and application of AI standards and guidelines.

Concerns Surrounding the Organisational Impacts of AI, % '9 - 10' Very Concerned

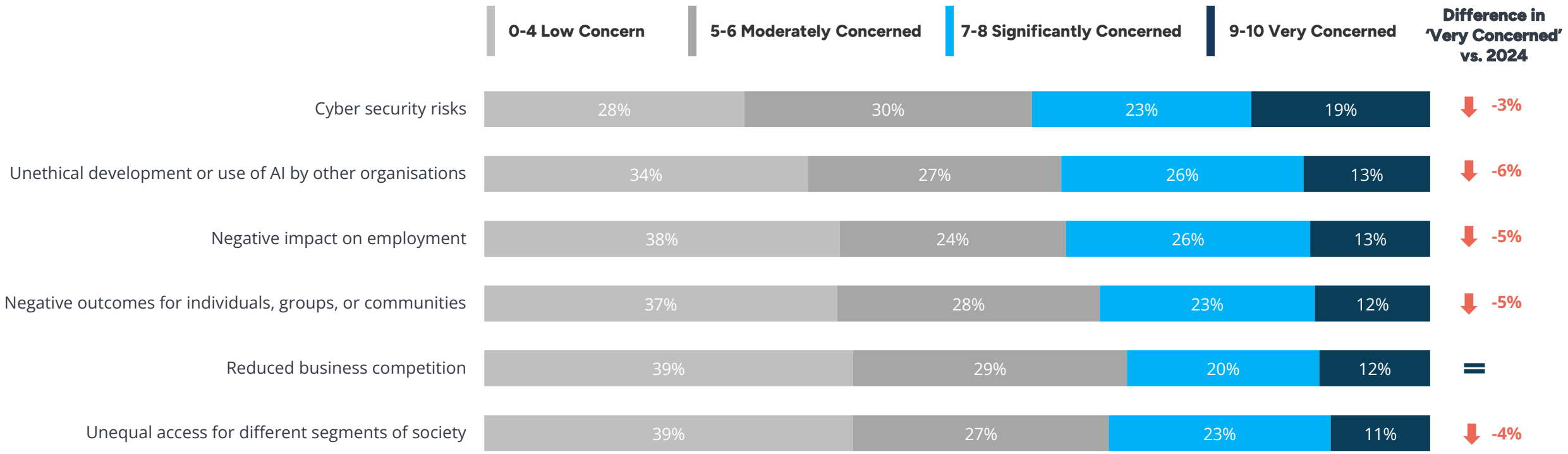


Q13. Thinking about using AI systems within your organisation, how concerned are you about the below?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

Societal Concerns About AI

When it comes to wider societal concerns about AI, cyber security risks and unethical development or use of AI by other organisations continue to top the list in 2025, however overall concern has declined.

Concerns Surrounding the Societal Impacts of AI

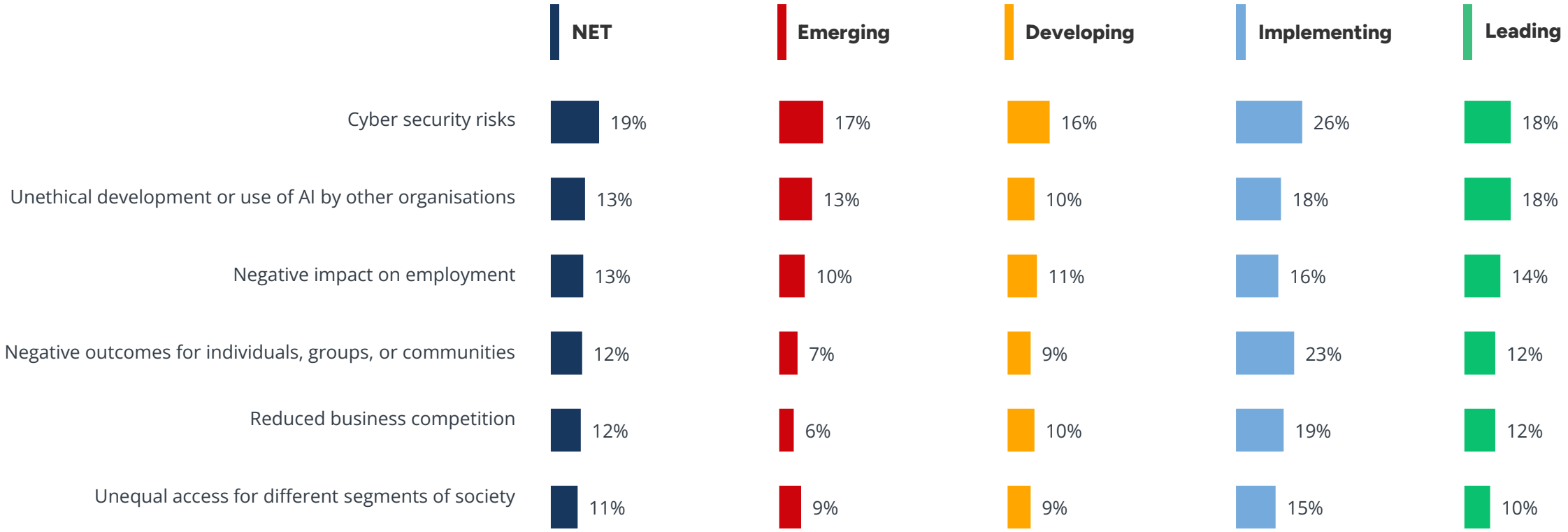


Q14. Thinking about the potential impact of AI systems on Australian society, how concerned are you about the below?
Base: Total respondents (n=418)

Societal Concerns About AI

Interestingly, societal concerns are greatest among the Implementing segment, with this likely due to the current phase of the responsible AI journey they are in. Leading organisation's concerns have fallen, suggesting they have reached a level of maturity where they have risk management mechanisms in place.

Concerns Surrounding the Societal Impacts of AI, % '9 - 10' Very Concerned



Q14. Thinking about the potential impact of AI systems on Australian society, how concerned are you about the below?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

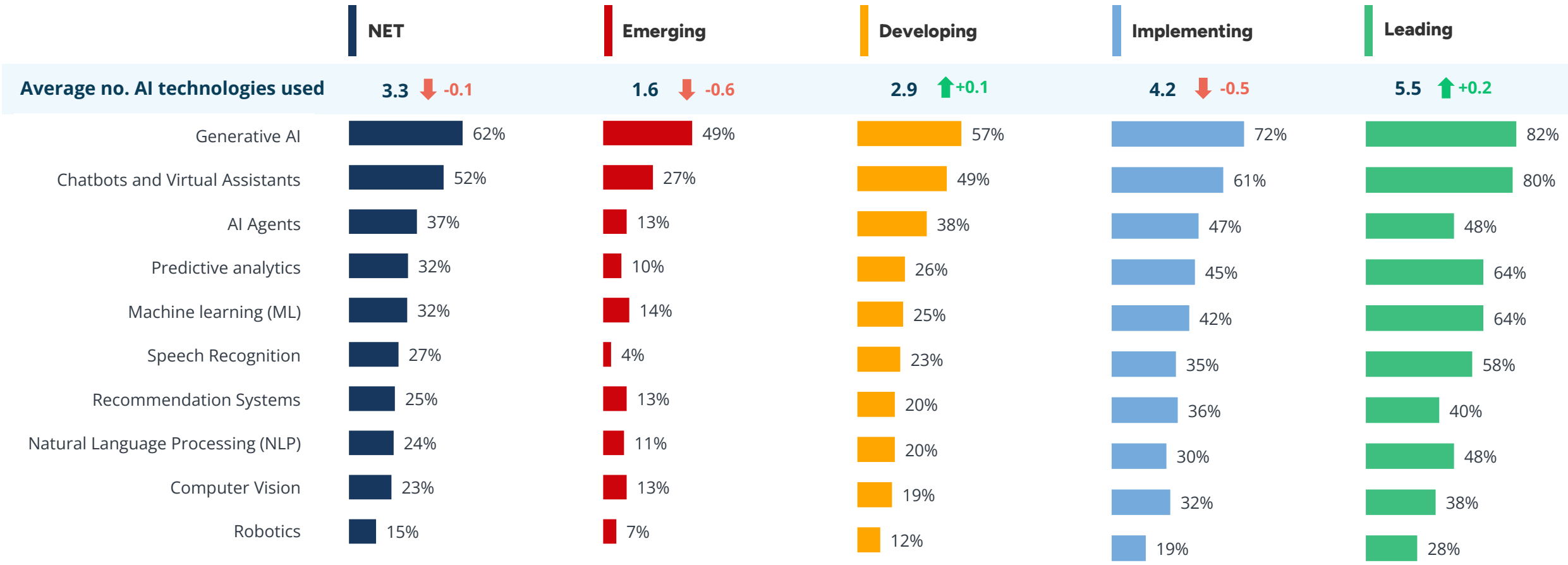
How is AI being used?

Types of AI Technologies Being Used in Organisations

The number and types of AI technologies used by organisations has slightly shifted from 2024. As expected, generative AI is still the most widely used, with Leading organisations experimenting with a greater variety of technologies as their maturity and confidence increases.

Change from 2024

AI Technology Use By Segment

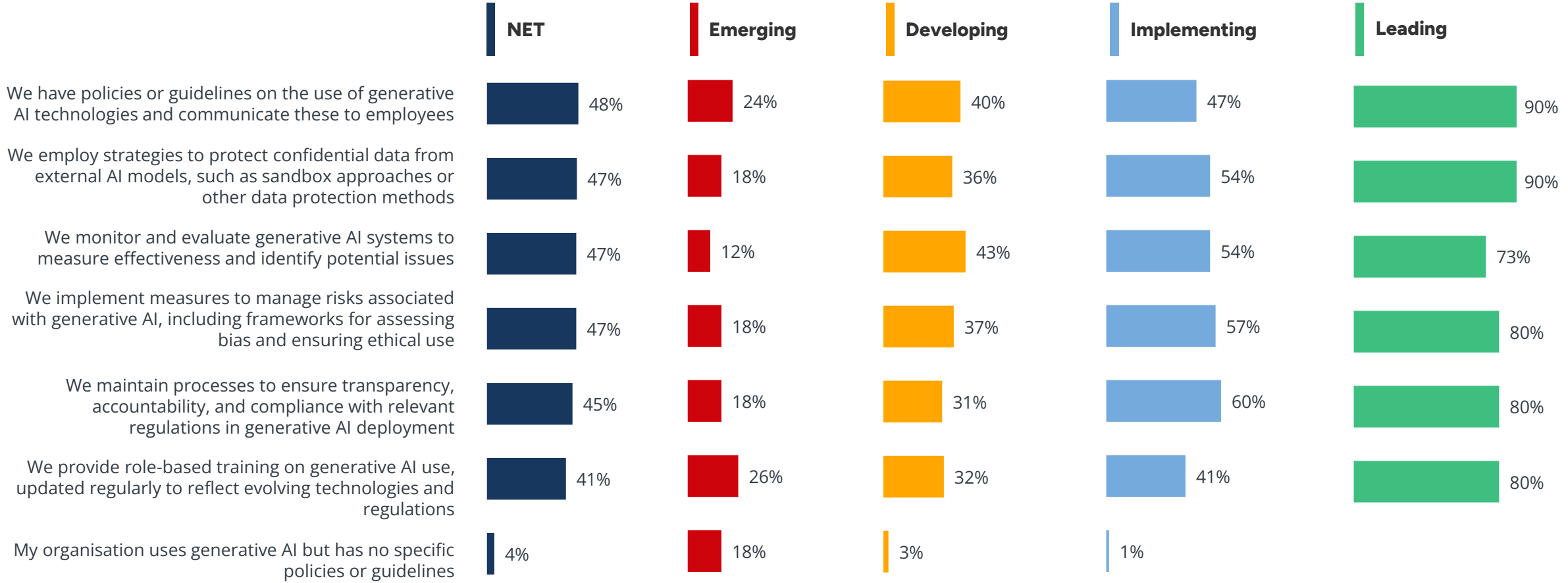


S2. Which of the below types of AI technologies is your organisation currently using?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

Use of Generative AI

Due to the widespread use of generative AI, nearly half of organisations indicate they have policies or guidelines in place on its usage. The more mature an organisation is, the more likely they are to have approaches in place to guide their usage of generative AI.

Which of the following best describe your organisation's approach to generative AI technologies?



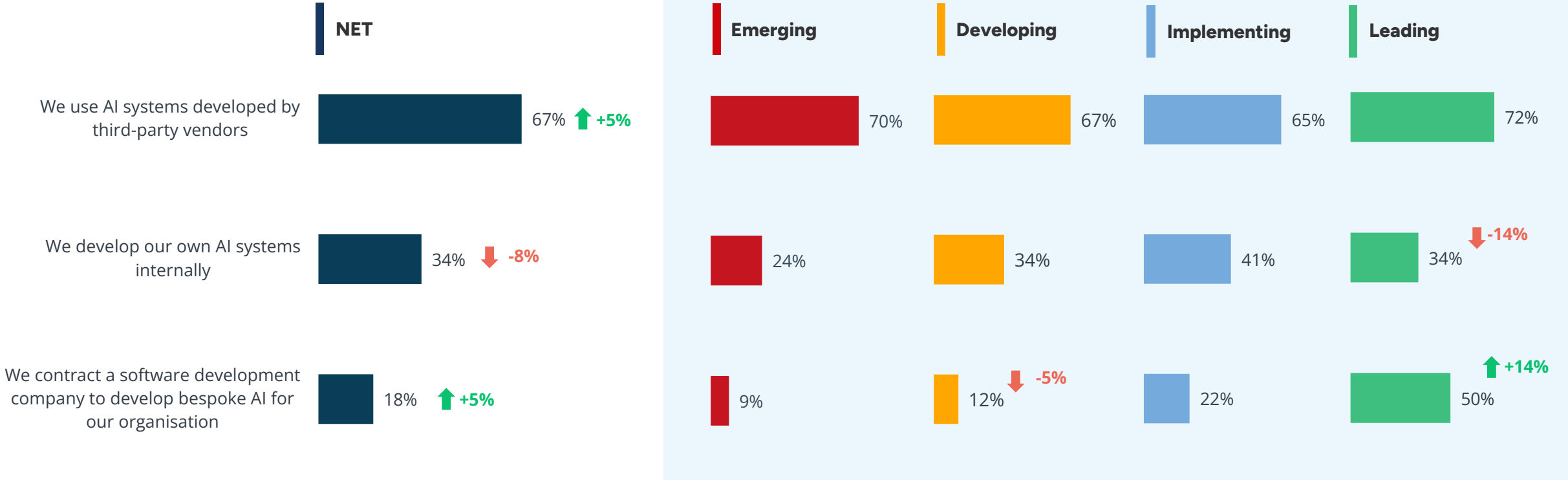
Q39. Which of the following statements best describe your organisation's approach to generative AI technologies?
Base: Organisations who use Generative AI (n=259), Emerging (n=34), Developing (n=114), Implementing (n=70), Leading (n=41)

AI Development & Implementation Approach

Over two-thirds of organisations are using systems developed by third parties, up from 2024, while those developing bespoke systems has also increased. As AI usage matures, organisations must ensure they continue to assess whether third party AI systems meet organisational standards and guidelines.

Change from 2024

How does your organisation approach the development and implementation of AI systems?

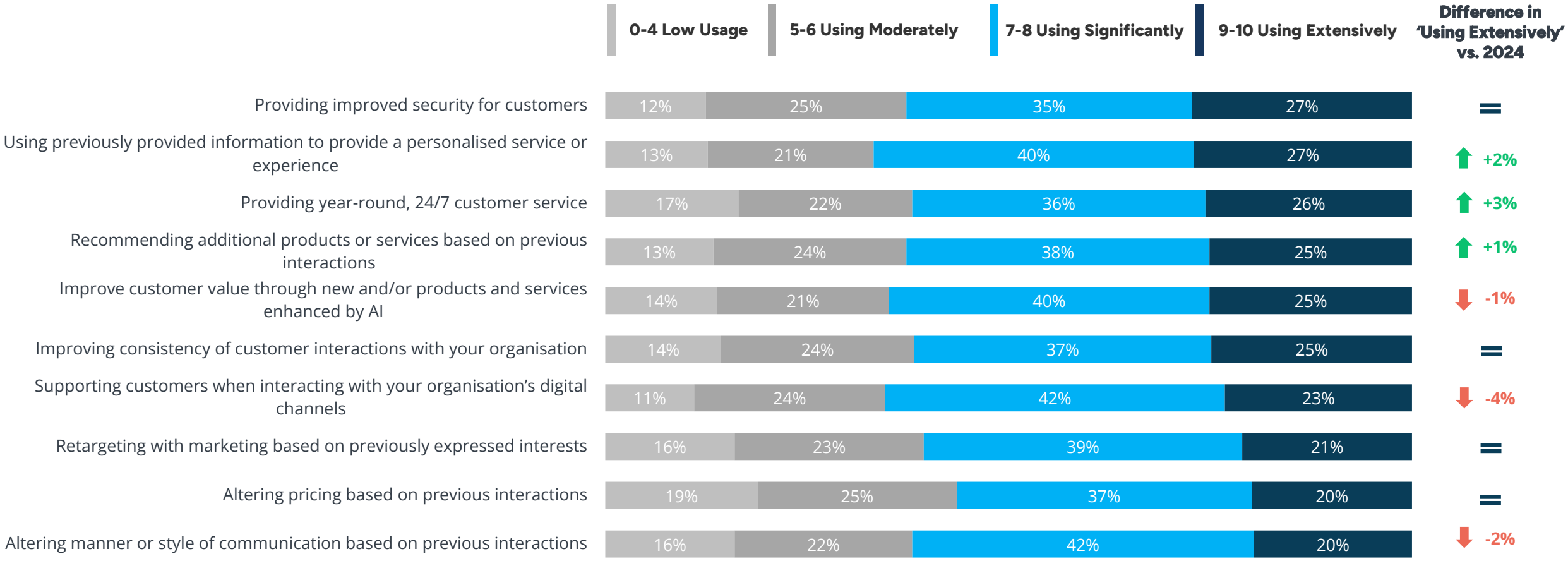


Q20. How does your business approach the development and implementation of AI systems?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

Customer Benefits of AI

Looking closely at the customer outcomes for AI use, security has increased in prominence in 2025, along with offering personalisation. This indicates organisations are looking to AI to better the customer experience.

Extent AI is Being Used for Customers

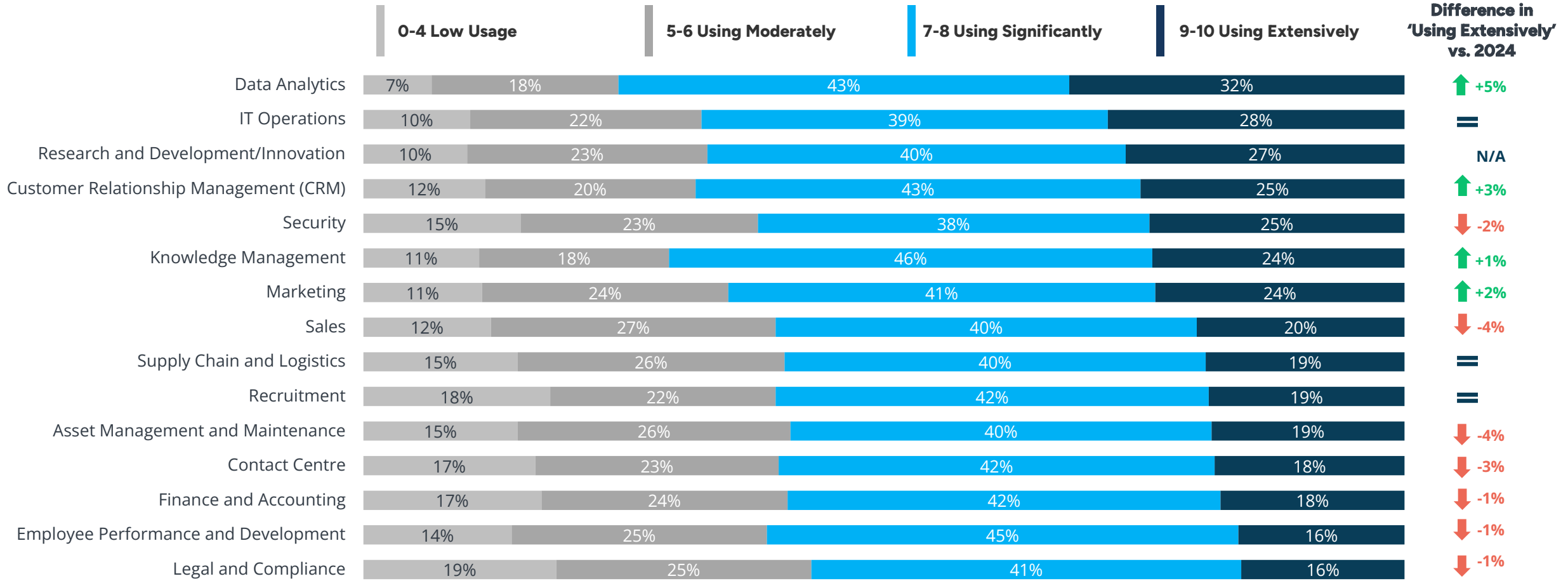


Q9. To what extent is your organisation using AI to do the following for your customers?
Base: Total respondents (n=418)

AI Usage across Organisational Areas

AI is being used most extensively in data, technology and for research and development. These areas benefit significantly from AI's ability to process large datasets, optimise processes, and enhance human knowledge. Adoption is lower in areas which deal with sensitive information, such as HR and legal.

Use of AI in Key Organisational Areas



Q8. To what extent are you using AI across the following areas of your organisation?
Base: Total AI Users 2025 (n=351)

AI Usage across Organisational Areas

Leading organisations continue to extensively use AI across a wider range of functional areas compared to Emerging and Developing organisations. In contrast, less mature organisations have a more limited scope of AI usage, potentially focusing on adopting AI in some areas of the organisation before expanding with a wider strategy in place.

Use of AI in Key Organisational Areas, % '9-10' Using Extensively

Change from 2024

	NET	Emerging	Developing	Implementing	Leading
Average no. of organisational areas	3.3 =	2.4 ↑ +0.4	2.6 =	3.8 ↓ -0.6	6.0 ↓ -0.2
Data Analytics	32%	25%	27%	37%	51%
IT Operations	28%	20%	26%	30%	44%
Research and Development/Innovation	27%	24%	20%	29%	51%
Customer Relationship Management (CRM)	25%	18%	22%	27%	42%
Security	25%	14%	17%	36%	44%
Knowledge Management	24%	22%	19%	25%	47%
Marketing	24%	14%	19%	30%	44%
Sales	20%	12%	16%	24%	36%
Supply Chain and Logistics	19%	14%	15%	24%	31%
Recruitment	19%	20%	13%	19%	38%
Asset Management and Maintenance	19%	14%	13%	20%	42%
Contact Centre	18%	8%	16%	23%	31%
Finance and Accounting	18%	10%	13%	24%	31%
Employee Performance and Development	16%	14%	12%	14%	36%
Legal and Compliance	16%	12%	9%	24%	31%

Q8. To what extent are you using AI across the following areas of your organisation?
Base: Total AI Users 2025 (n=351), Emerging (n=51), Developing (n=171), Implementing (n=84), Leading (n=45)

What are high risk AI use cases?

AI Risk Assessment Framework

Respondents were evaluated on their engagement in 10 identified 'high risk' use cases for AI. These 10 AI use cases have been identified as 'high risk' for organisations based on their implications for safety, transparency and fairness. To identify if organisations have been engaging in 'risky' AI behaviour, a risk score was created. The more use cases, applications and technology types that an organisation engages in, the higher the risk score.

10 'High Risk' Use Cases

AI Technology Types

- **Computer Vision** - particularly risky for surveillance, facial recognition
- **AI Agents** - autonomous decision-making capabilities
- **Robotics** - physical world interactions with safety implications
- **Predictive Analytics** - when used for high-stakes decisions (lending, hiring, etc.)

AI Organisational Use Cases

- **Recruitment** - bias and discrimination risks
- **Legal and Compliance** - regulatory and fairness implications
- **Employee Performance and Development** - workplace rights and fairness

Customer-Facing AI Applications

- **Altering pricing based on previous interactions** - potential discrimination
- **Recommending additional products/services** - manipulation concerns
- **Personalised service/experience using previous information** - privacy risks

For each use case listed, an organisation was assigned a score of 1 if partaking in that use case, and a score of 0 if not partaking.

Scores across AI technology types, organisational usage areas and customer-facing AI applications were tallied up, giving an overall risk score out of 10.

The scores were then categorised into four risk groups.

Four Risk Categories

High Risk
Scores of 6+

Moderate Risk
Scores of 4 - 5.9

Low Risk
Scores of 2 – 3.9

Very Low Risk
Scores of 0 – 1.9

Risk Score.
S2. Which of these types of AI technologies is your organisation currently using?
Q8. To what extent are you using AI across the following areas of your organisation?
Q9. To what extent is your organisation using AI to do the following for your customers?

Profile of Risk Categories

Engagement with higher-risk AI applications correlates with stronger responsible AI capabilities, suggesting mature organisations leverage better governance frameworks to safely deploy complex use cases, while less mature organisations appropriately limit exposure to challenging applications.

Very Low Risk
Scores of 0 – 1.9

34 Average RAI Score

AI Usage

have been using AI for <4 years

Typically use **2 AI applications on average**, with 61% utilising Gen AI

Most 'Risky' AI Usage

- **AI technology type:** AI agents
- **AI use case:** Recruitment
- **AI application:** Recommending additional products/services based on previous interactions

Low Risk
Scores of 2 – 3.9

40 Average RAI Score

AI Usage

have been using AI for <4 years

Typically use **3 AI applications on average**, with 60% utilising Gen AI

Most 'Risky' AI Usage

- **AI technology type:** AI Agents
- **AI use case:** Recruitment
- **AI application:** Using previously provided information to provide a personalised service or experience

Moderate Risk
Scores of 4 - 5.9

46 Average RAI Score

AI Usage

have been using AI for <4 years

Typically use **3 AI applications on average**, with 67% utilising Gen AI

Most 'Risky' AI Usage

- **AI technology type:** AI agents
- **AI use case:** Legal and Compliance
- **AI application:** Recommending additional products or services based on previous interactions

High Risk
Scores of 6+

58 Average RAI Score

AI Usage

have been using AI for <4 years

Typically use **5 AI applications on average**, with 74% utilising Gen AI

Most 'Risky' AI Usage

- **AI technology type:** AI Agents
- **AI use case:** Recruitment
- **AI application:** Using previously provided information to provide a personalised service or experience

Risk Score.
Base: Total AI Users 2025 (n=351), Very low risk (n=88), Low risk (n=94), Moderate risk (n=82), High risk (n=87)

Risk Mitigation Practices Implemented

Organisations in higher risk categories implement significantly more comprehensive risk mitigation practices, achieving nearly double the implementation rates of very low-risk organisations across all key safeguards.

Very Low Risk
Scores of 0 – 1.9

Practices implemented to mitigate risks:

1. Reviewed training data and AI algorithms for potential bias (30%)
2. Conducted impact assessments to understand effects on stakeholders (19%)
3. Informed relevant stakeholders about the use of AI and AI-generated content (39%)
4. Conducted regular rigorous testing and validation (25%)
5. Applied recognised cybersecurity frameworks specifically tailored to AI systems (20%)

Low Risk
Scores of 2 – 3.9

Practices implemented to mitigate risks:

1. Reviewed training data and AI algorithms for potential bias (38%)
2. Conducted impact assessments to understand effects on stakeholders (29%)
3. Informed relevant stakeholders about the use of AI and AI-generated content (34%)
4. Conducted regular rigorous testing and validation (37%)
5. Applied recognised cybersecurity frameworks specifically tailored to AI systems (22%)

Moderate Risk
Scores of 4 - 5.9

Practices implemented to mitigate risks:

1. Reviewed training data and AI algorithms for potential bias (41%)
2. Conducted impact assessments to understand effects on stakeholders (33%)
3. Informed relevant stakeholders about the use of AI and AI-generated content (43%)
4. Conducted regular rigorous testing and validation (33%)
5. Applied recognised cybersecurity frameworks specifically tailored to AI systems (35%)

High Risk
Scores of 6+

Practices implemented to mitigate risks:

1. Reviewed training data and AI algorithms for potential bias (59%)
2. Conducted impact assessments to understand effects on stakeholders (51%)
3. Informed relevant stakeholders about the use of AI and AI-generated content (52%)
4. Conducted regular rigorous testing and validation (49%)
5. Applied recognised cybersecurity frameworks specifically tailored to AI systems (41%)

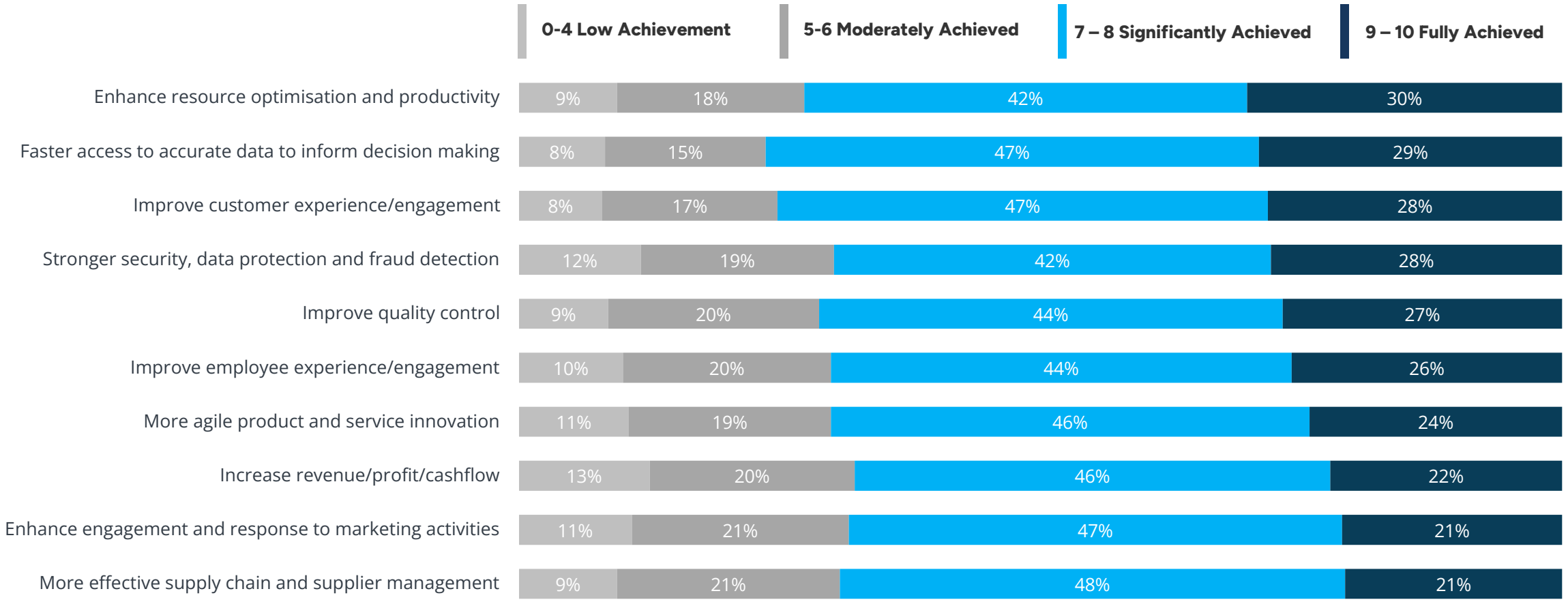
Risk Score
Base: Total AI Users 2025 (n=351), Very low risk (n=88), Low risk (n=94), Moderate risk (n=82), High risk (n=87)

What are the business outcomes of RAI?

Outcomes Achieved by AI

AI is delivering strongest results in operational efficiency and data-driven decision making, with organisations achieving significant productivity gains and improved access to accurate information. However, nearly one-third of organisations are yet to achieve meaningful outcomes in revenue generation, suggesting untapped potential in this area.

Extent AI has Achieved Outcomes

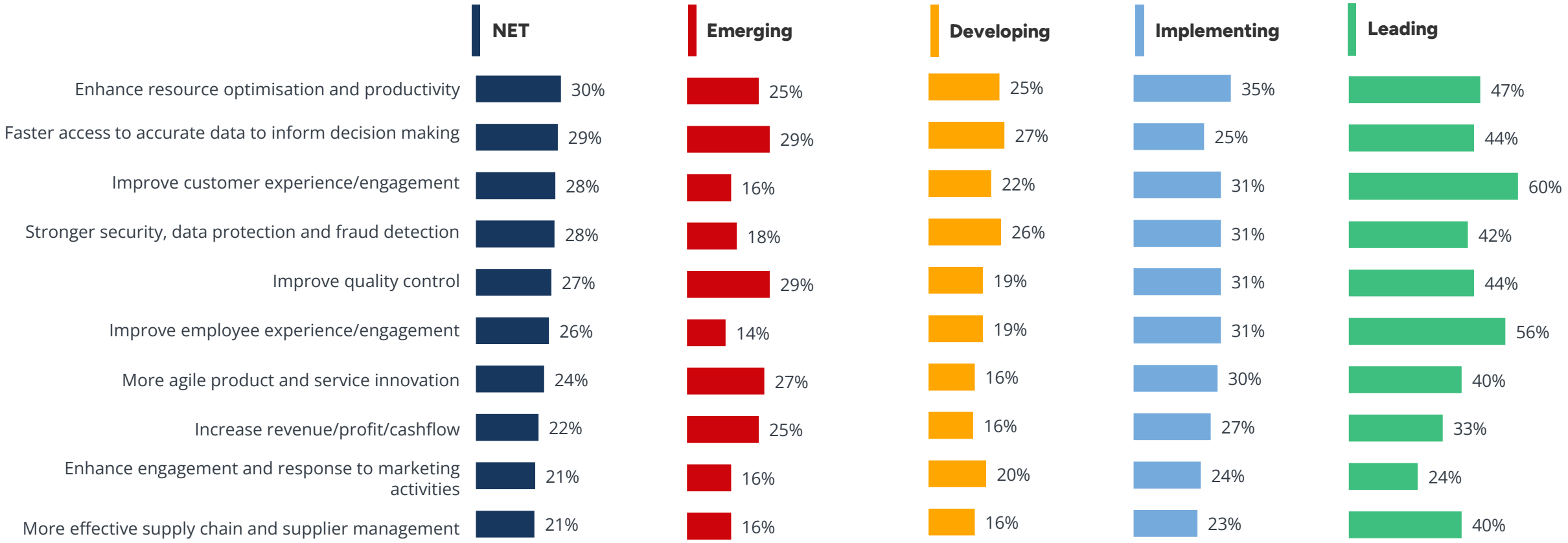


Q35. To what extent has AI achieved the following outcomes for your organisation?
Base: Total respondents (n=418)

Outcomes Achieved by AI

Leading organisations are achieving dramatically better outcomes across all areas, with particularly strong results in customer experience and employee engagement where they outperform Emerging organisations by more than double. The maturity gap is most striking in areas requiring sustained AI implementation - Leading organisations achieve customer experience improvements at nearly four times the rate of Emerging organisations.

Extent AI has Achieved Outcomes, % Fully Achieved

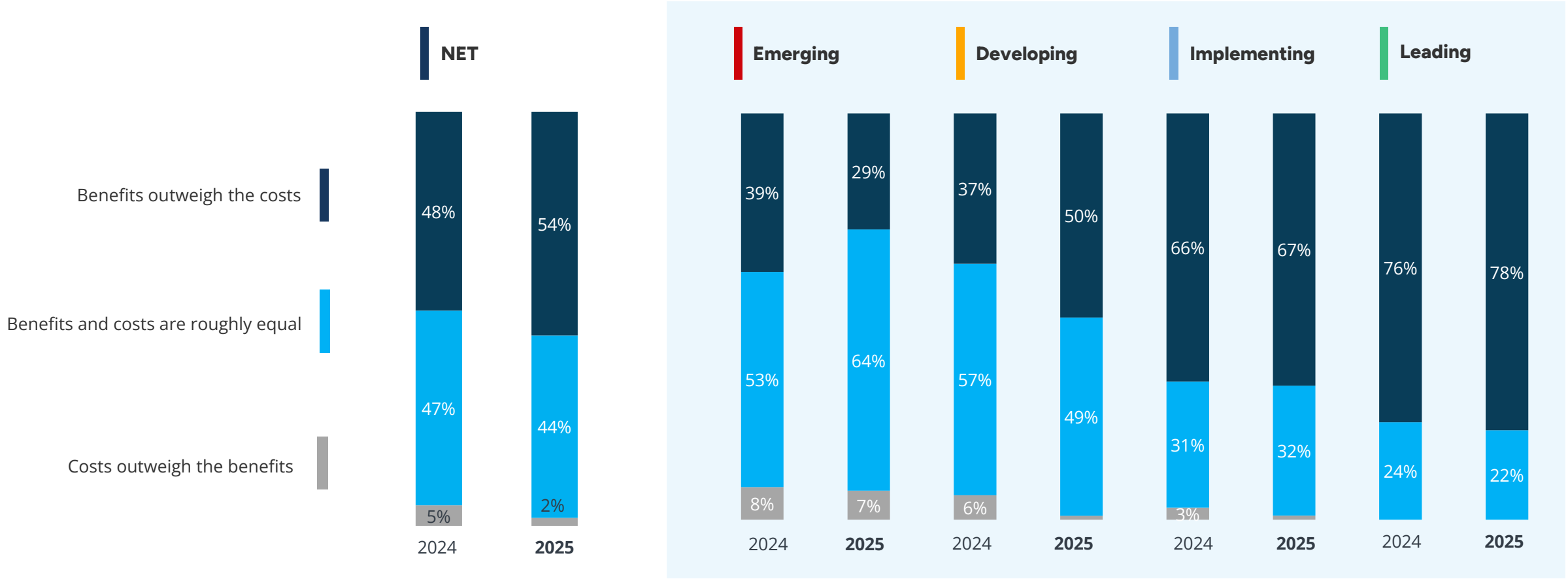


Q35. To what extent has AI achieved the following outcomes for your organisation?
Base: Total respondents (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)

Benefit vs. Cost of Responsible AI

Leading and Implementing organisations continue to identify greater net benefits from responsible AI compared to Emerging and Developing organisations. The lower perception of benefits among Emerging and Developing organisations reflects their maturity and suggests they need further guidance on the benefits of responsible AI.

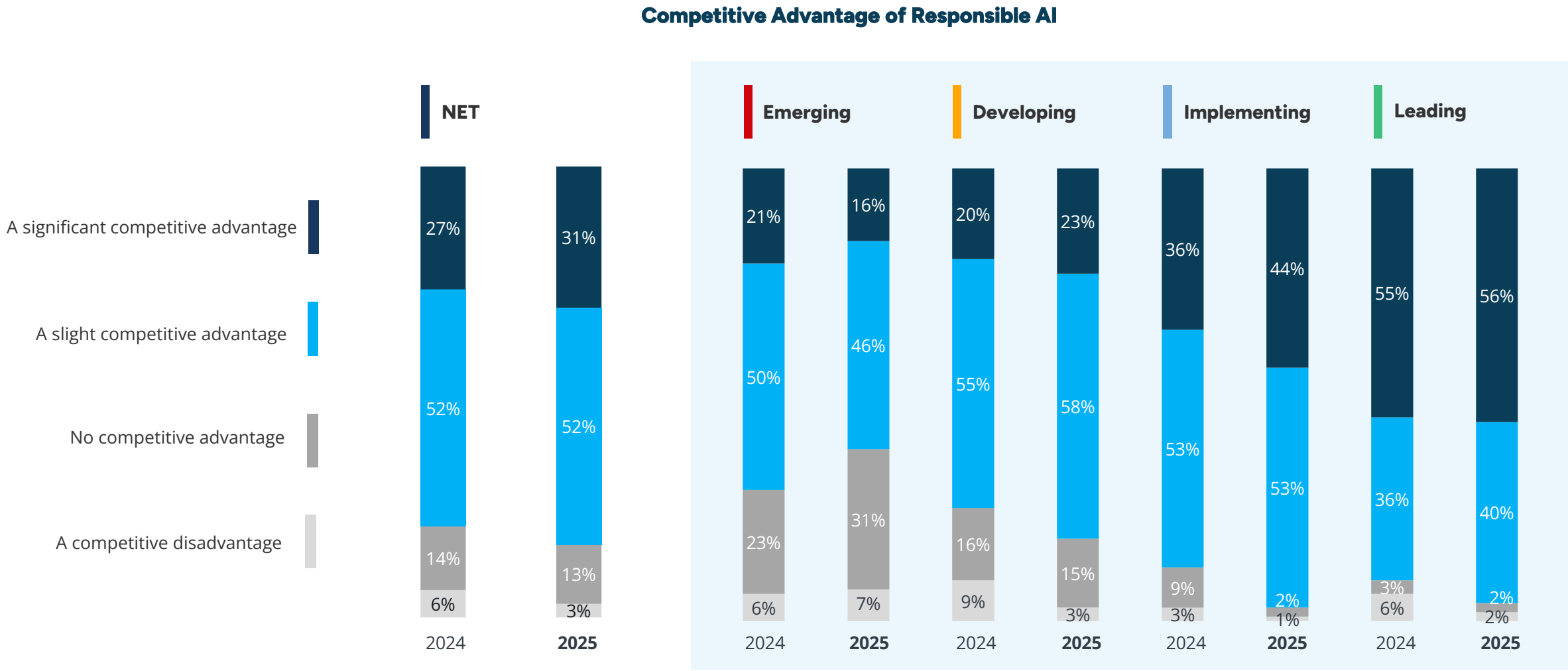
Costs and Benefits of Responsible AI



Q33. Weighing up the costs and benefits of designing and building a responsible AI system would you say...?
Base: Total respondents 2025 (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)
Total respondents 2024 (n=413), Emerging (n=766, Developing (n=199), Implementing (n=115), Leading (n=33)

Competitive Advantage of Responsible AI

The recognition that adopting RAI practices can enhance business competitiveness continues to increase. Organisations at higher maturity levels continue to see the competitive advantages of implementing AI responsibly.



Q32. Thinking about your competitors, does a responsible approach to AI give your organisation...?
Base: Total respondents 2025 (n=418), Emerging (n=70), Developing (n=201), Implementing (n=97), Leading (n=50)
Total respondents 2024 (n=413), Emerging (n=766, Developing (n=199), Implementing (n=115), Leading (n=33)

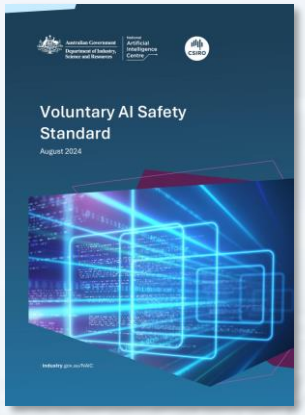
What guidance is available for Responsible AI Implementation?

Resources to Assist with Responsible AI Implementation

Find Out Your RAI Score

Fifth Quadrant, in partnership with the National AI Centre, has designed a self-assessment tool which allows organisations to evaluate their approach to responsible AI across key areas such as fairness, transparency, and accountability. By answering a few questions, organisations will receive a responsible AI score that reflects their current practices and highlights opportunities for improvement.

Click here to receive your RAI score.



Voluntary AI Safety Standard

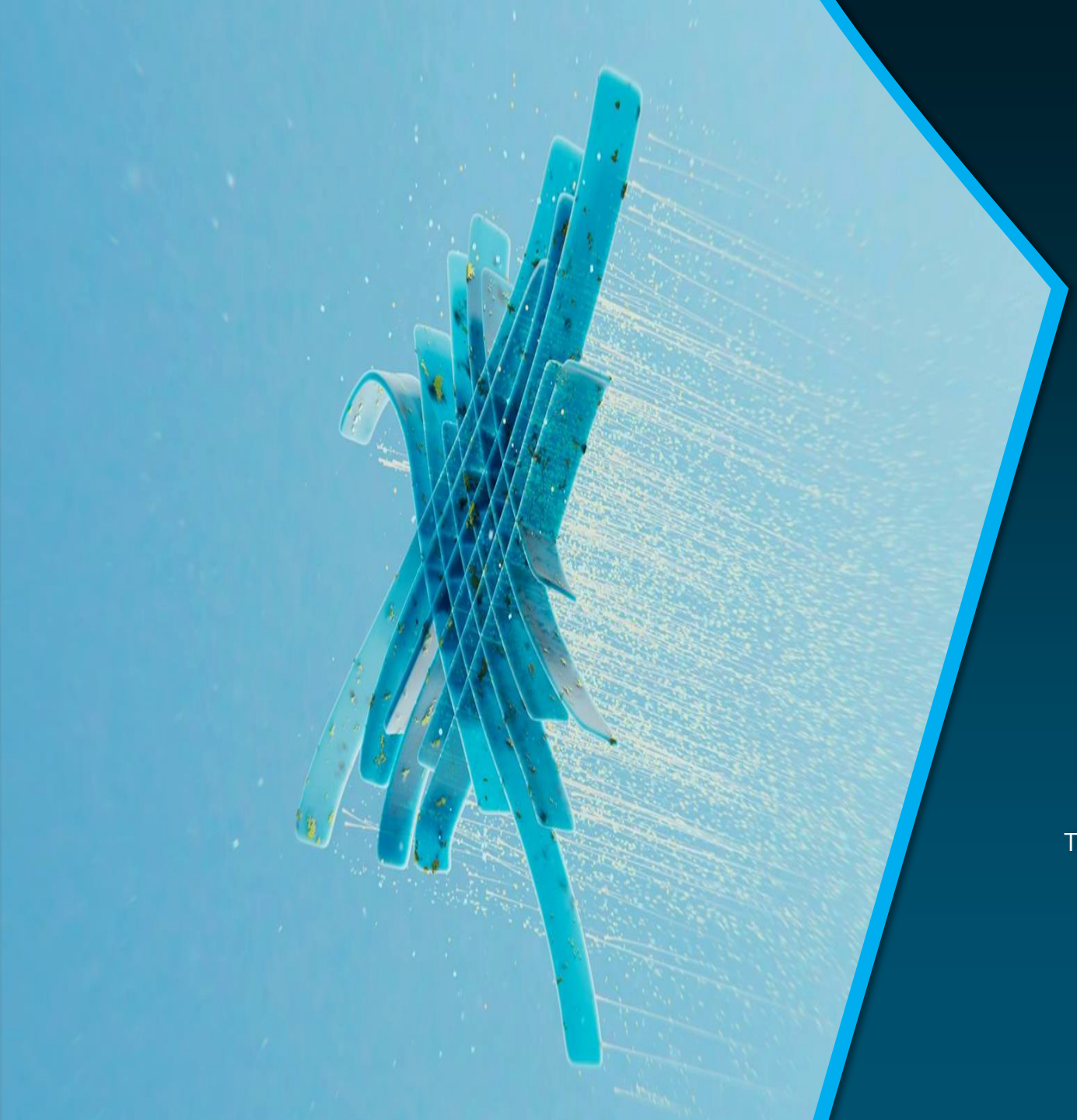
The Voluntary AI Safety Standard (VAISS), released in September 2024, provides guidance to Australian organisations on the responsible implementation of AI. The Standard consists of 10 Guardrails that organisations can adopt to guide the practices that contribute to responsible AI implementation.

Click here to access The VAISS.

National AI Centre Resources

The National AI Centre (NAIC) has a range of free resources, events and news to support your AI journey. Visit the website here: https://www.industry.gov.au/naic

You can subscribe to the NAIC newsletter here, or follow on LinkedIn to keep up to date on the latest AI news.



Thank You

For further information, please contact:

Dr Steve Nuttall
Director
E: snuttall@fifthquadrant.com.au

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