SALZBURG GLOBAL SEMINAR

SALZBURG GLOBAL CORPORATE GOVERNANCE FORUM

BRAVE NEW WORLD: HOW CAN CORPORATE GOVERNANCE ADAPT?

SALZBURG GLOBAL SEMINAR IS GRATEFUL TO THE FOLLOWING ORGANIZATIONS FOR THEIR SUPPORT OF THE 2018 PROGRAM OF THE SALZBURG GLOBAL CORPORATE GOVERNANCE FORUM.

PARTNERS

CLP 中電

Shearman
SHEARMAN & STERLING

SPONSORS

Bank of America

BARCLAYS

BNY MELLON

ELLIOTT

Goldman Sachs

Microsoft

ADDITIONAL SUPPORT

Mexican Business Council
Fellowship Program

SALZBURG GLOBAL SEMINAR WOULD LIKE TO THANK ALL PARTICIPANTS FOR DONATING THEIR TIME AND EXPERTISE TO THIS PROGRAM. SPECIAL THANKS ARE DUE TO MEMBERS OF THE ADVISORY COMMITTEE FOR THEIR PROGRAMMATIC ADVICE, INSIGHT, AND SUPPORT. MEMBERS OF THIS COMMITTEE INCLUDE ROBERT H. MUNDHEIM, JOHN J. CANNON III, CHRISTOPHER F. LEE, SIMON M. LORNE, MELISSA OBEGI, AND DAVID J. SIMMONDS.

SALZBURG
GLOBAL
SEMINAR

SALZBURG GLOBAL
CORPORATE
GOVERNANCE
FORUM

BRAVE NEW WORLD:
HOW CAN CORPORATE GOVERNANCE ADAPT?

OCTOBER 4 TO 6, 2018
Session 607

RAPPORTEUR
P. Sean Kelly

PROGRAM DIRECTOR
Charles E. Ehrlich

PROGRAM ASSOCIATE
Antonio Riolino

CONTRIBUTORS Anastassia Lauterbach with Kwasi Gyamfi Asiedu, Anna Rawe, and Oscar Tollast
EDITOR Louise Hallman
PHOTOS Ela Grieshaber
LAYOUT Alexander Sellas
COVER IMAGE Sergio Souza

TABLE OF CONTENTS

INTRODUCTION

New technologies, societal trends, and some corporate stakeholders are increasingly challenging traditional principles of corporate governance. Even experienced directors may find it hard to fully understand the implications of such changes for the way they perform their tasks and how they evaluate risk. At the same time, new markets are emerging – not only geographic, but also in new products and services.

Although artificial intelligence (AI) has been integrated into business operations for years, it has now started to impact every aspect of corporate affairs. From self-driving cars to high-frequency trading and automated social media accounts, AI is changing the marketplace and social behaviors. These developments raise new governance and ethical challenges, require skilled foresight and sophisticated risk analysis and may transform decision-making processes within boards.

As well as contending with the growing importance of new technologies, public expectations of corporate behavior are becoming more stringent. The influential #MeToo movement, challenging sexual harassment and abuse of power, has already reached many boardrooms and has put a new spotlight on transparency and accountability.

Shareholders, generally, are pressing for greater involvement in corporate governance. However, different categories of shareholders may have very different objectives, requiring board directors to act as arbiters. Activist funds are often accused of over-focusing on short-term results, whereas institutional investors may have a longer-term perspective and believe sustainable growth and profitability of corporations is fully compatible with society's interests in corporate good citizenship. BlackRock's January 2018 letter urging CEOs to act like good citizens reflected the growing view of some shareholders that corporate governance must look beyond the short-term bottom line.

The fourth annual program of the **Salzburg Global Corporate Governance Forum,** *Brave New World: How Can Corporate Governance Adapt?* held on October 4 to 6, 2018, sought to address some of these challenges. Bringing perspectives and experience spanning six continents and 13 countries, for three days the 40 company directors and senior managers; judges, regulators, and policymakers; lawyers; academics; fund managers; and representatives of key civil society interest groups, explored the fundamentals of corporate governance and asked how boards can build an appropriate corporate culture, monitor adherence to that culture in this fast-moving world, and address the need to understand and rise to meet new challenges to traditional principles of corporate governance.

THOUGHT LEADERSHIP

Salzburg Global Fellows have begun to foster an online discussion about the big issues increasingly challenging the traditional principles of corporate governance. This new series builds on the candid but closed talks in Salzburg, draws in new voices and expands the conversations beyond the *Salzburg Global Corporate Governance Forum*.

The Salzburg Global Corporate Governance Forum was launched in 2015 to enable critical thinking on the changing roles and responsibilities of directors across jurisdictions and cultures. The highly interactive programs take place in Salzburg and involve plenary and breakout sessions without any pre-designated speakers, panels, or formal presentations. Small group conversations allow for intense exploration of specific aspects of the general themes, returning to the plenary to refine conclusions. Adherence to the Chatham House Rule ensures an open and free exchange among peers.

This report aims to capture that exchange and share it beyond the candid yet closed discussions of Schloss Leopoldskron and the Salzburg Global Corporate Governance Forum.

SALZBURG QUESTIONS FOR CORPORATE GOVERNANCE

The 2017 program of the Salzburg Global Corporate Governance Forum explored how "courageous directors" might emerge as global thought leaders. The **Salzburg Questions for Corporate Governance** series will involve several Fellows addressing a new question each month, from looking at the use of blockchain as a tool for boards, and the changing relationship of corporations to society, to how important "doing the right thing" is in delivering long-term shareholder value.

The Fellows' thought pieces will be published both on SalzburgGlobal.org and on LinkedIn, where Fellows and members of their own networks are encouraged to post responses and join in the discussion, drawing in new voices and expanding the conversations beyond just those who have attended the Forum.

To read our Fellows' articles, please visit:
www.salzburgglobal.org/go/corpgov/questions

Salzburg Global Fellow Anastassia Lauterbach, an international technology strategist, advisor, and entrepreneur, opened the new series by asking: "What questions should boards be asking about the potentially unintended consequences of AI?"

Subsequent discussions, recommendations, takeaways, and questions have focused on five key areas:

1. Artificial intelligence and corporate governance considerations;
2. Corporate social responsibility;
3. Establishing good corporate culture;
4. Adapting to the evolving role of the shareholder; and
5. The evolution of technology and the role of boards of directors.

Many of these areas of discussion will be further addressed in the Salzburg Questions series. To receive notifications of when each month's article is published, please follow Salzburg Global Seminar on LinkedIn and sign up to our dedicated mailing list:
www.salzburgglobal.org/go/corpgov/newsletter.

WHAT QUESTIONS SHOULD BOARDS BE ASKING ABOUT THE POTENTIALLY UNINTENDED ETHICAL CONSEQUENCES OF AI?

From addressing bias in translation and computer vision models to the use of machine learning (ML) in human resources (HR), businesses and policymakers are increasingly looking at artificial intelligence through the lens of ethics and risk management. ML models scale everything with the brute force of mathematics, so corporate entities need to think twice before applying these models to augment jobs, change how they treat particular customer segments and hire new employees.

In the past two years we have already seen examples of coding errors, lack of thoughtfulness with regard to what components should be considered within a model, or refusal to vet a company's monetization model to ensure that company's integrity and reduce reputational risk (just think of Facebook and its role in the US election in 2016).

Besides, different geographies and industries don't apply the same thinking around what is ethical, what should be mitigated as a risk, and what should be left untouched to ensure competitive advantage.

Corporate boards should get involved in discussions on ethics, risk and AI on a more structured basis. There are several sets of questions to look at, each touching a different risk of current ML models.

DO WE HAVE A GOOD DATA GOVERNANCE POLICY IN PLACE?

ML models learn from data. ML techniques are not mutually exclusive and can be leveraged in different combinations, depending on the task and the available dataset. It is in this context that a visionary board should ask how the company thinks about data to solve strategic and operational problems, whether there is a solid data governance framework in place, and if and when the business considers providing wide access to data, allowing as many people as possible to find valuable insights.

A policy to invest in and develop robust datasets will allow for fewer conflicts within a business. Conflicts can result from different views on how to measure or interpret the data, what kind of algorithms to apply, and at what point in time a company requires outside expertise.

Strong data governance practices enable data sharing, which then enables innovation. To be most effective, data governance needs to be embedded in an organization's culture to become more than a system of tactics to derive business value. If this happens, data governance is likely to influence organizational behavior. Data governance frameworks should be at the top of every corporate board agenda, as they enable a company to move from piloting data technologies to mass scale deployment, and influence the organizational hierarchies and culture of an enterprise.

Anastassia Lauterbach, pictured, asks the first Salzburg Question on Corporate Governance

WHAT BIASES MIGHT BE PRESENT IN THE DATA COLLECTION AND USE AND HOW CAN WE COUNTER THEM?

There are implicit biases in the values that determine which datasets we use to train a computer. For example, if an ML human resources application for finding the best person to fill a job includes a feature that it is "someone who stays for years and gets promotions," this will almost always yield male candidates. In autumn 2017, one ML system tasked with identifying professions in images came to the famous conclusion: women like shopping. There is a widely known example of a Google ML engine in photo recognition – dark skinned faces were associated with gorillas. Julia Angwin studied bias in law enforcement and criminal justice, identifying Northpointe's racially-biased Compas system, which was used to sentence people across the United States. Bloomberg reported that Amazon's same-day delivery was bypassing ZIP codes with a predominantly African-

American population. If cancer-spotting AI algorithms are only trained on light-skinned people, people with darker skin will have a lower survival rate. These painful cases were caused by either a lack of diversity in teams training AI models, building data sets or skilled in paying attention to contextual circumstances.

If diverse teams do the coding, work bias in data and algorithms can be mitigated. If AI is to touch on all aspects of human life, its designers should ensure it represents all kinds of people. The values of the engineers building AI will be reflected in the solutions they come up with. The boards should question the diversity of coding teams.

Companies like Google, Facebook or Twitter operate in the so-called attention economy, where brands compete for eyeballs and allocate their advertising dollars to the most successful "attention" marketplaces. Product design and lifecycle management are focused on attention-generation, so-called "stickiness" of products and services to keep a user attached to them. Bias in data sets and algorithms can be found in the fields with the highest monetization potential. Context, nuances and niche users are often disregarded. A board of such a business should not shy away from asking hard questions, because the structure of the monetization model at the company did not prioritize privacy, fairness and the personal preferences of consumers.

Last but not least, AI models have contributed to the rise of content to deceive people. The startup AI Foundation raised $10m earlier this month to develop an AI system called Reality Defender. The system uses machine learning to identify fake news and malicious digital content meant to deceive people online. As these kinds of offerings become more widespread, AI companies seeking to monitor content on the internet will have to prove that they are doing so ethically. Boards of content aggregation companies and media businesses need to ask for frameworks and working samples to ensure their companies target the problem of "fake news," trying to reduce the risk. If efforts fail, boards need to insist on transparency and clear communication of what happened. As the very recent controversy around Facebook's top management shows, keeping silent is not an option.

HOW CAN WE ENSURE DATA TRANSPARENCY AND AVOID "BLACK BOXES"?

There are product liability, rights and liberty, and governance-related issues to keep in mind when using "deep learning" models. When a neural net determines the respective weights for different features within a model, we do not know why it did so. This can be dangerous for specific uses that could impact individuals and society, such as in healthcare, finance, law enforcement, or education.

The AI Now Institute recommends abolishing the use of unvalidated and pre-trained black box models in any core public agencies, such as criminal justice, health care, welfare, and education.

Companies and researchers are working to overcome the black box problem. The MIT Technology Review reports the neural network architecture developed by AI tech company NVIDIA's researchers is designed to highlight those areas of a video picture that contributes most to the behavior of a car's deep neural network.

Jeff Clune at the University of Wyoming and Carlos

Guestrin at the University of Washington (and Apple) have found ways of highlighting the parts of images that classification systems are picking up on. Tommi Jaakkola and Regina Barzilay at MIT are developing ways to provide snippets of text that help explain a conclusion drawn from large quantities of written data. DARPA, which does long-term research for the US military, is funding several research projects through a program called Explainable AI (XAI). XAI will be without doubt a prominent next-generation field of research and funding. A question will remain, whether the companies with the largest datasets and the biggest AI talent pool will benefit most from this research, and therewith continue monopolizing AI markets.

A visionary board can ask questions on where deep learning models are applied in product design, or introduced by vendors and whether there are efforts in place to understand how such models come to their conclusion.

ARE WE VULNERABLE TO CYBER-ATTACKS?

AI poses unique cybersecurity issues because machines are being used to train other machines, thus scaling the exposure of compromised pieces of code. AI algorithms can contain bugs, biases, or even malware that are hard to detect, such as the DDoS attack in October 2016 that affected several hundred thousand devices. Like any technology, AI can also be used by criminal groups. Understanding their motives and techniques is important to prevent attacks, and to detect them in a timely manner. As an example, a group of computer scientists from Cyxtera Technologies, a cybersecurity firm based in Florida, has built the Machine Learning system DeepPhish that generates phishing URLs that cannot be detected by security algorithms. The system was trained using actual phishing websites.

The proliferation of Machine Learning solutions for cybersecurity comes with certain risks if AI practitioners are rushing to bring a system online. It means some of the training data might not be thoroughly scrubbed of anomalies, causing an algorithm to miss an attack. Experienced hackers can also switch the labels on code that has been tagged as malware. A diverse set of algorithms rather than a dependency on one single master algorithm might be a way to mitigate this risk, so if an algorithm is compromised, the results from the others can still show the anomaly.

As the amount of data increases, adversarial AI is being used to hack AI systems.

For example, a study at the Harvard Medical School revealed AI systems that analyze medical images are vulnerable to covert attacks. The study tested deep learning systems that analyze retina, chest, and skin images for diseases. Researchers presented "adversarial examples" and found it was possible to change the images in a way that affected the results and was imperceptible to humans, meaning the systems are vulnerable to fraud and attack.

Corporate boards get more and more engaged in cybersecurity risk oversight since it affects the company's reputation. Their chief information security officers (CISOs) should provide insights on how they use ML in mitigating their risks. At the same time, the board needs to know the executives who are part of a broad network of companies thinking about how to prevent adversarial attacks, who have insights into the vendor landscape focused on solving this problem.

SHOULD WE USE AI TO MANAGE OUR WORKFORCE? HOW CAN JOBS BE UPGRADED INSTEAD OF REPLACED?

The Mizuho Financial Group in Japan says it will use AI to replace 19,000 people by 2027 — about a third of its workforce. There is a growing worry in fintech that inherent bias in code could be baked into algorithms used to assess credit risk, whereby creditworthy customers could be denied credit based on race, gender, religion, and other factors.

The acceptance of AI is seriously jeopardized when executives fail to explain its benefits to employees. Instead of replacing people, AI will augment their jobs and create new ones. Repetitive tasks can be eliminated, and new tasks will arise that require good human judgment and domain expertise. For example, fraud detection applications will reduce the time people spend looking for anomalies yet increase their ability to decide what to do about deviations.

Companies that view AI purely as a cost-cutting opportunity are likely to deploy ML in all the wrong places, and in a compromised way. These companies will automate the status quo, rather than imagine a better world. They will cut jobs instead of upgrading roles.

The board needs to get a clear picture of how corporate management thinks about shifts within their employment base, what training strategies are in place to increase workforce competitiveness, and what social instruments are in place to address those left behind. Changes in employment usually happen gradually, often without a sharp transition. Boards should insist on a sound discussion about the future of the workforce while there is still time to design inclusive and forward-looking practices. This includes clarity around the future of qualification for the entry-level jobs, models of part-time employment, access to expert freelancers and researchers, and what parts of the existing workforce is needed for training of AI systems, e.g., data preparation and pre-processing. Considering good employment practices and providing a good future to today's and future generations of employees should not be missed on a board agenda. Ultimately, this is a question of business sustainability.

ARE WE COMPLYING WITH REGULATIONS?

Overreacting to accidents, e.g., concerning autonomous vehicles might bring more problems than it solves. In March 2018, an Uber vehicle in autonomous mode hit and killed a woman crossing a street in Tempe, Arizona — the first fatal accident involving an autonomous vehicle and a pedestrian. Uber immediately suspended all its self-drive pilots, resuming them only in mid-July. Such accidents around a new technology have always been a negative side of progress. Just remember the French philosopher Paul Virilio, who famously talked about technological development being tightly linked to the idea of the accident. If you invent the plane, you also invent the plane crash. "The ethical concerns of innovation thus tend to focus on harm's minimization and mitigation, not the absence of harm altogether."

Regulatory compliance goes hand in hand with transparency. AI technology evolves. In time we will see how deep learning models make their decisions. We might, however, never resolve the old trolley problem. We might, however, agree, designing models without ethics and governance in mind will not create a lack of ethics or governance. It will create bad ethics and governance.

WHAT INDUSTRY-SPECIFIC QUESTIONS ARE THERE?

Healthcare

Mindshare Medical is launching AI tools to diagnose cancer using imaging data that is invisible to the human eye. RevealAI-Lung, their product, was cleared for use in Canadian hospitals to assist with lung cancer screenings.

Danish AI company, Corti, has developed a Machine Learning system that determines whether a victim is in cardiac arrest based on emergency calls. Corti's system analyzes the words the caller uses, the tone of the caller's voice, and any background noises on the line. The software correctly detected cardiac arrest in 93 percent of cases vs. the 73 percent success rate for human dispatchers. The system is being used in Copenhagen and is being pilot-tested in five other European countries this fall.

In June 2018, Babylon Health announced an AI algorithm scored higher than humans on a written test used to certify physicians in the United Kingdom. The Royal College of General Practitioners, a health care industry body representing doctors, protested the idea we should trust AI with our health.

Someday soon, doctors will have to weigh the ethical consequences of an AI-driven misdiagnosis, asking who will take responsibility: the doctor, or the machine?

Notably, the FDA recently signaled it is taking a fast-track approval strategy for AI-based medical devices.

Corporate boards should be aware of regulatory trends, litigation and major product announcements in their industry, and have access to experts and leading lawyers providing transparency and encouraging discussions around possible scenarios.

Defense

The Pentagon currently has 600 AI related initiatives, with 50 of those linked to so-called "killer robots." The Google controversy around contributing to the military with computer vision systems allowing for such applications is widely known, leading to the retirement of Fei Fei Lee, Google Cloud's Chief Science Officer. The discussion on ethics should be led without hesitation. It should be considered, however, access to military technology and research is not limited to companies with ethics in mind. In China, all internet players have labs open to developing and testing military products.

Technology companies will hopefully grapple with ethical questions as they sell products and services to the military and intelligence community. Amazon, for example, is possibly one of the most important defense contractors in the US.

Amazon Web Services (AWS) has a contract with the US government called Secret Region, making AWS the first and only commercial cloud provider to serve workloads across the full range of government data classifications, including Unclassified, Sensitive, Secret, and Top Secret.

Boards deserve full transparency on such initiatives and an active part in discussions with engineering groups and the management designing and implementing defense systems. They should be aware of how their company thinks about allowing robots and software to determine the outcome of an armed conflict.

As an example, GoodAI specializes in training AI to reason and act ethically. This implies reacting to situations the machine previously did not encounter. This is not a trivial task. GoodAI polices the acquisition of values by providing a digital mentor, and then slowly ramps up the complexity of situations in which the AI must make decisions. The company is working on robots that might be used even in a military context.

GoodAI is just one of the organizations dedicated to understanding the ethical dimension of robotics and AI that have evolved across the world in recent years, e.g., the Foundation for Responsible Robotics, the Global Initiative on Ethical Autonomous and Intelligent Systems, and the Future of Life Institute, which published the Asilomar AI Principles, developed in conjunction with the 2017 conference.

A good board will ensure their company actively participates in discussing ethical standards for autonomous systems, that it donates money to nonprofits with a similar mission and actively communicates to the groups of employees arguing against engagement with military and defense sectors.

International Operations

Corporate boards understand that certain geographies do not apply the same ethical considerations when it comes to surveillance, freedom of speech, and freedom of movement.

Google is working on a project called Dragonfly, a censored search engine in China. The search engine could reportedly fully block certain results for searches such as "freedom of information" or "peaceful protest." Google employees signed a letter protesting the work, stating:

"[Project Dragonfly] raises urgent moral and ethical issues… Currently we do not have the information required to make ethically-informed decisions about our work, our projects, and our employment."

Google decided to hire an investigations analyst on its Trust and Safety team to assess the company's ethical machine learning practices.

Boards will be increasingly concerned with calls for a compromise when it comes to doing business in China and several other geographies. Ethical views on what is right diverge in these regions from what businesses are used to in North America and Western Europe. We require a broader discussion with investors, who will, in turn, have to address questions on ethics, reputation, and sustainability.

The Salzburg Questions for Corporate Governance is an online discussion series introduced and led by Fellows of the Salzburg Global Corporate Governance Forum. The articles and comments represent opinions of the authors and commenters and do not necessarily represent the views of their corporations or institutions, nor of Salzburg Global Seminar.

Readers are welcome to address any questions about this series to Program Director, Charles E. Ehrlich:
cehrlich@salzburgglobal.org

To receive a notification of when the next article is published, follow Salzburg Global Seminar on LinkedIn or sign up for email notifications here:
www.salzburgglobal.org/go/corpgov/newsletter


Anne


Christopher F.

PROGRAM REPORT

At the fourth annual program of the *Salzburg Global Corporate Governance Forum*, held on 4-6 October at Schloss Leopoldskron in Salzburg, Austria, participants deepened their review of the fundamentals of corporate governance in light of emerging trends and disruptions. Rapporteur P. Sean Kelly summarizes the key takeaways in this report.

CONSIDERING THE BUSINESS OPPORTUNITIES AND CORPORATE GOVERNANCE OF ARTIFICIAL INTELLIGENCE

AI generally refers to computer systems that collect and analyze data to perform tasks, solve problems, or make decisions. This process is in contrast to, and fundamentally different than, automation, which merely uses set instructions to operationalize repetitive tasks. The use of AI in one form or another in business is rapidly growing, and AI is being utilized in an ever-growing number of industries. The availability of data to drive the use of AI is also expanding at a frenetic pace—as one participant in Salzburg noted, approximately 90% of data is less than two years old. However, few board members have direct interaction with developing AI (though many will have personally used it, knowingly or not). AI can be used to achieve internal operating efficiencies and also to allow businesses to markedly grow or change their business models. Many participants in Salzburg agreed that perhaps one of the most significant benefits of AI is the ability to scale business operations rapidly. This benefit, however, can also lead to unintended negative consequences.

AI AND BIAS: FAIRNESS, ACCOUNTABILITY AND GOOD GOVERNANCE

While AI can be used as a tool to reduce human bias and discrimination, rapidly scaling or streamlining operations can actually unintentionally lead to the amplification of bias and discrimination, and is thus accompanied by reputational risk. Unlike bias in human-driven business processes, underlying discriminatory bias in AI can be difficult to remove once discovered. In this regard, boards of directors should take a proactive and informed role in a proposed implementation of AI, including considerations with respect to the diversity of the teams and individuals who will be implementing and utilizing an AI platform and how and to what end the platform is intended to be used.

How best can the role of boards of directors be defined in relation to AI? One participant noted there are a number of factors that should be taken into account when evaluating and implementing AI, including organizational, social, internal, and external considerations. When it comes to the oversight role of the board, one participant suggested with respect to AI, it is more than simply asking questions; board members need sufficient knowledge, too. Whether one considers technical expertise to be necessary, or if general expertise in risk consideration and evaluation is deemed sufficient, board members need to possess and leverage the right tools, knowledge and attributes to make reasoned and well-informed decisions with respect to the implementation of AI. Board refreshment plays an important role in assembling a board that is equipped to evaluate and oversee the implementation of AI. Besides having experts as board members, the knowledge aspect of this skillset can be addressed through such practices as leveraging the use of outside experts and forming technology committees.

ASSESSING, ADDRESSING, AND APPRECIATING THE SOCIAL IMPACT OF AI

In breakout sessions, participants considered more granular topics with respect to the effects the expanding use of AI by corporations may have on board rooms, companies, and the larger global community.

Board Preparedness

Boards of directors face both "traditional" and novel issues with respect to the use of AI. Company culture plays an increasingly important role in the responsible implementation of AI, which was previously not a great consideration for board members. Participants suggested establishing a board public policy committee to consider the ramifications and impact that AI may have on the broader community. Boards also need to be prepared to perform a root-cause analysis when an issue related to the use of AI arises, rather than solely designing and implementing a solution that is perceived to correct the issue.

Privacy Considerations

AI is driven by data, which, in large part, is gathered from clients, customers, and the general public. In considering consumer privacy in the context of AI, boards of directors need to understand the content, goals, and applicability of the rules and regulations that govern the data underlying AI, including with respect to the collection, use, and storage of personal information. Boards of directors also need to recognize and appreciate the global nature of data collection can result in data that is subject to the multiple privacy regulatory regimes, such as the General Data Protection Regulation (GDPR) in the European Union. Participants highlighted that while protection of human interest is the overarching goal of many privacy regulatory frameworks, consumers often have misconceptions about which data is subject to protection. Boards should recognize different types of data (e.g., health care or financial data) require different approaches, and in determining policy and strategy, boards should be cognizant of the impact the implementation of AI will have on individuals.

Social Responsibility

One reoccurring theme throughout the program was how boards of directors should evaluate and consider corporate social responsibility. With respect to AI, participants discussed the role underlying technical expertise may play in effectively considering the social impact of AI implementation. Ownership regarding AI discussion should be encouraged at a broad level, and management, as well as boards, may benefit from gaining a better understanding of the technology and potential ramifications of AI. Participants in Salzburg stressed forethought in planning with respect to AI implementation, including taking time to understand the risks and opportunities presented by AI, establishing timelines, evaluating compliance considerations, and being cognizant of potential bias when developing AI use cases.

Worker Displacement

Technological innovation, whether in the form of new equipment, automation, or AI, can result in worker displacement. AI, however, has the potential to lead to large-scale worker displacement that transcends industries, age groups, and education level at a pace more rapid than previous forms of technological innovation. Participants considered whether companies (either directly or through special taxation) or the government should take the lead in working towards a solution, especially with respect to the re-training of displaced workers. This discussion highlighted regional differences with respect to where responsibility should rest, but participants generally agreed current discussions on worker displacement likely represents only the beginning of a much larger, longer conversation.

MAXIMIZING PROFIT AND ACTING SOCIALLY RESPONSIBLE: THE ROLE OF THE CORPORATION

The notion of the corporation as a good citizen is gradually gaining traction. This is not to say, however, this concept is gaining traction at the expense of the goal of profit maximization. In his January 2018 annual letter to CEOs, entitled "A Sense of Purpose," Blackrock's Larry Fink stressed although the purpose of the corporation is profit maximization, governments are unable to solve all social problems alone, requiring corporations to intervene to fill gaps. Many have thus read Mr. Fink's letter to mean long-term profitability is linked to acting as a good citizen – or at least refraining from acting like a bad citizen.

SOCIAL RESPONSIBILITY: INTRINSICALLY JUSTIFIABLE OR A MEANS TO PROFIT MAXIMIZATION?

While most of the participants in Salzburg thought long-term profitability was the purpose of the corporation, they had a much more expansive view of the factors that impact long term profit. Through discussion of hypotheticals, such as using corporate funds to invest in the creation of a museum, the consensus in Salzburg seemed to be that boards of directors can incorporate environmental, social, and governance ("ESG") considerations—and the reputational harm from failing to do so—into their decision-making process, albeit through the lens of long-term profitability. One participant, however, urged social responsibility was a goal to be pursued by companies in and of itself, regardless of whether it can be tied to profit maximization. With respect to the co-determination frameworks that exist in some jurisdictions (e.g., requiring special attention to considerations such as employee welfare), it is not clear whether decisions need to be pinned to long-term profitability. When pressed as to what kind of evidence would be required to justify ESG-based decisions, the general sense of those in attendance was hard evidence was likely not required, and that the general experience of boards of directors brought to bear on a discussion of the issues was likely adequate.

After examining some of the problems in making ESG-based decisions not tied to long-term profitability, participants agreed such an approach raised many troublesome issues. For example, whose notion of good citizenry should drive the board's decision-making process? Does this consideration require boards engage with shareholders to make this determination? Interestingly, the participants generally believed that directors of corporations incorporated in jurisdictions with constituency statutes (i.e., where ESG-based decisions are expressly permitted, such as India) do not behave differently than directors of corporations incorporated in other jurisdictions, such as Delaware in the US.

A key takeaway from the discussions in 2018 may be the high degree of consensus among participants regarding the need—and opportunity—to fit ESG-based decisions within the framework of long-term shareholder value, in contrast to prior years where the consensus was good citizenry should be pursued for its own sake. This breakthrough raises a number of important questions that warrant further discussion and consideration, including how to measure the effect of ESG-based decisions in the context of long-term shareholder value, and the nuances regarding who might have standing to enforce these decisions and the form this enforcement would take.

(RE)DEFINING AND ESTABLISHING GOOD CORPORATE CULTURE

A review of a number of recent corporate failures suggests defects in corporate culture have often been a significant cause. Bank regulators, in particular, have highlighted the need to address corporate culture, especially since the financial crisis. But how should an effective culture be built?

SETTING THE TONE AND DRIVING GOOD CORPORATE CULTURE THROUGHOUT

Good corporate culture begins with an appropriate "tone from the top," and the board and senior management play a vital role in establishing good corporate culture. Corporate culture then needs to be driven throughout the corporation from the board to senior management, and from senior management to the entire organization. Most participants agreed the "middle" of an organization—in contrast to senior management and new employees— is the most difficult area to effectuate changes in corporate culture.

There are a number of policies and procedures that can help drive changes in corporate culture, including:

- Value-specific performance reviews (e.g., how an employee is helping his or her fellow employees);
- Designing and implementing the correct incentive structure for a company's salesforce;
- Establishing an overall review and rewards process that echoes and reinforces good corporate culture; and
- Focusing on storytelling, rather than using booklets and lengthy codes of conduct.

However, establishing and reinforcing good corporate culture can also mean that companies can be faced with difficult decisions, including the removal and replacement of key employees.

While much progress has been made in building good corporate cultures, diverse workforces and boards, much work remains. Changing corporate culture takes time and commitment from all levels in an organization. Boards of directors can set the tone, but good corporate culture is something that requires engagement and input from other stakeholders as well.

Meaningful engagement with the individuals who you want to affect is important. In this regard, boards should seek opportunities to engage with employees other than senior management to foster an open and inclusive discussion with respect to good corporate culture and building an inclusive and diverse organization.

GENDER EQUALITY, DIVERSITY AND THE ROLE OF THE BOARD OF DIRECTORS

In a breakout session, participants discussed gender equality, diversity, and the role of the board. Groupthink and fear of change serve as barriers to progress in these areas, but equality and diversity are now generally part of an ongoing discussion that transcends boundaries. While it appears that there has been a great deal of progress made in these areas, there is much work that needs to be done.

There have been various sources and drivers of this change. Regulation and state intervention have both been important factors. However, there was a debate in Salzburg as to whether "comply or explain" regulatory frameworks, such as those in the UK, have been effective stewards of change (e.g., with respect to gender equality). Social media, too, has played a large role in bringing about rapid awareness and change—especially with respect to the #MeToo movement.

Transparent employee selection processes play an important role in building a foundational pool of junior talent and employees. These employees can then hopefully move on to play the role of champions and allies in achieving diversity and inclusion.

Another important factor in this debate is a meaningful consideration of the selection criteria and corresponding weighting that drives the employee selection process. Quotas present a quandary but may be an adequate short-term remedy, even if not the best long-term solution.

Participants stressed the importance of promoting a culture of open support and discussion to support and retain a diverse workforce. The discussion focused on education and training regarding unconscious bias and the need for coaching and mentoring. Certain structural changes, including more inclusive networking opportunities and flex working, have the potential to play a positive role in promoting diversity.

But what role do boards of directors play in promoting diversity and equality?

There are structural considerations, such as the importance of board refreshment, which calls for broader candidate pools, and for current board members to play a role in keeping an eye out for good candidates and to act as mentors for current and incoming board members, management, and other employees. The participants also debated whether boards need to level more-focused criticism of gender bias, including with respect to the gender divide in C-suite and board positions, as well as in certain industry sectors, such as technology and financial services.

ADAPTING TO THE EVOLVING ROLE OF THE SHAREHOLDER

The participants explored how to constrain and oversee managerial power effectively, and whether the evolving role of shareholders has changed the role or need for a traditional board of directors. The Larry Fink letter on social responsibility is just one example of shareholders bypassing boards to speak directly to management. The participants also discussed the concept of shareholders as owners of a company and boards as their representatives, but questions arose given shareholders often have differing interests, goals, and expectations compared to those of other shareholders and boards of directors. This discussion progressed to the question: Given the evolution of technology and shareholder engagement, are directors necessary at all?

While many large organizations (e.g., large limited partnerships) function without boards, boards still serve an important function in the modern corporation; contrast the interests of shareholders with the fiduciary responsibility boards have to the companies that they serve. Another consideration in favor of boards of directors is incorporation allows for the mobility of capital. Given capital is transient, boards of directors provide some degree of consistency and duty. Boards also play a role in corporate checks and balances; there are some roles that boards are tasked with that would not be appropriate for shareholders to address directly.

BOARD ENGAGEMENT WITH ACTIVIST INVESTORS

Engaged shareholders can drive interaction between boards and shareholders, be that directly or through the addition of constituent directors. With respect to the latter, participants noted constituent directors can face difficulties and conflicts of interest, especially when directors are faced with acting against the constituency they represent to act in a manner that is best for the company.

Should activist investors be considered as a positive, negative, or neutral force acting upon a company? Ultimately, this is largely a facts-and-circumstances determination that depends on the particular fact pattern of a given activist interaction. Activist investors can be an important check against board entrenchment, groupthink, and complacency, and can add tremendous value to a company, but activism can also have negative effects, such as when an activist's interests are perceived by the board to be misaligned with those of the corporation. Regardless of this determination, however, there was a consensus among participants activists must be engaged, rather than ignored.

The interaction between shareholders and the board has also evolved due to the evolution of technology, such as widely available internet access and social media. Despite this evolution, boards of directors still play an important role within a company, particularly in providing consistency in a landscape where capital and shareholders are largely transient. Further, as the interaction between shareholders and boards has evolved, so too has the interaction between boards and activist shareholders, with many boards now approaching interactions with many activists as a collaborative and constructive process that can add value to the company.

THE BOARD'S ROLE AS CONFLICT MANAGER AND MEDIATOR

In a breakout session, participants were presented with a hypothetical scenario related to board decision-making when facing pressure from a controlling shareholder. Participants debated a number of topics with respect to this scenario, including whether any decision would be afforded the business judgment rule under Delaware law, or evaluated through the lens of the more-stringent entire fairness grounds. Participants discussed the decision-making process, including with respect to the additional facts, information, and due diligence that would need to be conducted to evaluate the options presented in the hypothetical appropriately. Multiple participants noted the tension between controlling shareholders and boards of directors is not an uncommon scenario, especially with respect to controlled companies. Ultimately, the participants placed a heavy focus on process, and ensuring the directors had conducted sufficient diligence and received the information necessary to arrive at a thoughtful and well-reasoned decision.

EVOLVING TECHNOLOGY AND THE MONITORING ROLE OF THE BOARD

With the evolution of technology, the monitoring role of the board has also evolved to require directors to consider an ever-expanding number of risks. These risks include true legal risk (e.g., litigation), regulatory risk, and reputational risk. With respect to the last of these, the increased use of social media can result in rapid and large-scale reputational harm, which may require boards to be much more proactive in the risks they consider and in how they interact with and oversee management.

In addition, given the availability of large amounts of data and information, directors have a proactive duty to consider issues that have occurred in other companies.

The evolving monitoring role of the board may create a quasi-adversarial relationship between boards and management, especially if boards take an inquisitive, rather than a collaborative approach.

Boards need to challenge management constructively, rather than simply criticize management's actions. Positive interaction can also be supported by focusing on corporate culture and core values.

Board composition and committee work was highlighted as being important in managing risk, although there were questions regarding whether the push to more independent directors on boards has gone too far (e.g., through the loss of valuable insider perspective and company knowledge). AI may also have a role to play in assisting boards in managing risk and corporate culture.

There is some current indication, for example in the compliance and internal audit functions, that risk management is moving in that direction, but there were questions regarding the difficulty in engineering an effective risk management tool at the board level, given that company and board focus is often very dynamic.

Questions remain regarding whether the monitoring role of the board itself is evolving, or if the changes represent an evolution of the skills and focus required by boards in satisfaction of their monitoring responsibilities. Regardless of this distinction, there are a number of traditional considerations that still apply.

A good corporate culture is an invaluable tool in helping to drive good choices, especially in tough situations. In addition, while rapidly evolving technology and business models may require specialized knowledge, or the need to consult or enlist experts to join or educate the board, there is still a genuine need for versatile directors who can consider and evaluate risks across different circumstances and evolving business models.

BOARDS OF DIRECTORS AND THE RESPONSIBLE IMPLEMENTATION OF AI

As a closing activity to this year's program, participants considered a hypothetical centered on the implementation of an AI platform at a financial institution. They considered the current composition of the hypothetical board and whether it was configured correctly to evaluate and implement the AI platform. Should composition be specifically tailored to fit the business of the company? Given the "monitoring" role of the board, in which circumstances would a "red flag" require more director involvement and less deference to assurances by management?

One consideration the participants highlighted is that given AI can lead to rapid scaling of business, boards need to be cognizant of both their current customer base and the composition of their anticipated customer base.

There was also focus on ensuring the board had thoughtful processes to consider these types of decisions, that the board and management conduct proper diligence, and how the board should evaluate the diligence process management had conducted.

In closing, participants also revisited their discussion of the role committees play in evaluating decisions, such as the implementation of an AI platform.

What role might a special technology committee play in evaluating and implementing AI? Should that committee be staffed with existing or new board members? What technology-specific skills, if any, should members of the committee possess? Are these skills also prerequisites generally for boards of companies implementing AI? Or do companies need versatile directors who can effectively evaluate risk across a number of different business models and considerations or directors with experience in disruptive change generally?

With respect to this debate, one participant noted if you needed an expert for every risk, the typical board of directors would be extremely large.

CONCLUDING THOUGHTS AND NEXT STEPS

This year's program of the *Salzburg Global Corporate Governance Forum* concluded with a focus on using the thoughtful discussion of the three days as a means to contribute to change, evaluate and advance societal aims, and bridge divides through continuing and sustained dialogue.

If the discussions in Salzburg are anything to go by, a brave new world of corporate governance requires transparency, diversity, adaptability, flexibility, and a commitment to tackle social challenges. As one participant summarized, "We don't know all the answers, but we need to be bold enough to walk into the future." The **Salzburg Questions for Corporate Governance** series seeks to address this need for dialogue and answers.

Some of these questions and answers will filter into the 2019 program of the Forum, which will focus on risk. In today's tumultuous world, corporations face conflicting and unsettling forces. Geopolitics collide with economics, new competitors disrupt industries, and the changing nature of shareholders challenges traditional concepts of corporate stewardship. Looking forward, directors need the right skills and tools to improve risk literacy and resilience of their companies.

Friend or Foe: *How Should Directors Face Disruptive Risk?* (October 3 to 5, 2019) will explore how directors can identify both the challenges and opportunities of disruptive risk, achieve resilience, and navigate an increasingly complicated landscape. It will seek to devise what corporate governance mechanisms directors can use and how directors can step up as arbiters to meet the challenges balancing short-term results, long-term perspectives, and the moral authority of good corporate citizenship.

More information can be found online:
www.SalzburgGlobal.org/go/623.


Seán

APPENDIX

PARTICIPANTS BY CITIZENSHIP

Australia
Margaret Beazley
Michael Ling*
Kate Mozzicarelli*
David Simmonds*

Austria
Veronika Möller

Brazil
Nelson Eizirick
Maria Cristina Prioli

Canada
Stephanie Bertels*
Vikas Thapar*

China
Christopher Lee*

France
Mathilde Mesnard

Germany
Karen Kuder
Anastassia Lauterbach

India
Bharat Doshi*

Mexico
Imanol Belausteguigoitia Rius

Singapore
Nicole Lew
Neil Parekh

South Africa
Seán Cleary*

United Kingdom
Nicholas Allen
David Jackson
Olivier Oakley-White
David Wilson

USA
Stacy Baird
Byron Boston*
John Cannon III*
Kathleen Casey*
Tanya Epstein
Carolyn Frantz
Anne Gates
Linda Griego
Robert Jackson*
Sean Kelly
Duy-Loan Le
Simon Lorne*
Kevin McCarthy*
Robert Mundheim*
Melissa Obegi*
Aulana Peters
Katrina Scotto di Carlo*
Conor Sweeney*

*denotes returning Fellow

PARTICIPANTS

Positions, organizations, and bios correct at time of program — October 2018

NICHOLAS C. ALLEN, *United Kingdom*

Nicholas Allen is an independent non-executive director for CLP Group, a Hong Kong-based electric company. He is the chairman and an independent non-executive director of Link Asset Management Ltd., as well as an independent non-executive director for Lenovo. Previously, Nicholas served as a non-executive director for Hysan Development Company and VinaLand. He is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants. Nicholas earned his B.A. in economics and social studies from the University of Manchester.

STACY BAIRD, *USA*

Stacy Baird is consulting director at the Singapore-based consulting firm TRPC. His expertise lies in law and advising businesses and governments on information technology, privacy, data protection, cloud computing, and intellectual property (IP) public policy matters. Stacy also serves as executive director of the U.S.-China Clean Energy Forum Intellectual Property Program, where he helps address bilateral technology transfer and IP issues in the context of clean energy research and commercialization. Previously, Stacy served as Senior Policy Advisor to U.S. Senator Maria Cantwell, including work on the U.S. Patriot Act, and advisor to U.S. Congressman Howard Berman on issues of first impression related to the then-nascent internet and the mapping of the human genome. Prior to law, Stacy worked as a music recording engineer with clients including Madonna, Stevie Nicks, Elvis Costello, Brian Eno, and Francis Coppola. He held appointments as Visiting Scholar at the University of Southern California College of Letters, Arts and Sciences and Visiting Fellow at the University of Hong Kong Faculty of Law. Stacy has a J.D. from Pace University and a B.A. in radio and television communications from San Francisco State University.

MARGARET J. BEAZLEY, *Australia*

Margaret Beazley is the president of the Court of Appeal of New South Wales. She was the first woman to be appointed as President of the Court and the first woman as Acting Chief Justice in the Supreme Court's 185-year history. Margaret is the Administrator of the State of New South Wales in the absence of the Governor and Chief Justice. In 1993, she was appointed as a judge of the Federal Court of Australia, the first woman to sit exclusively in that court. In 1989, she was appointed Queen's Counsel. She was named in 2012 as one of the inaugural Australian Financial Review/Westpac 100 Women of Influence. In May 2008, she was awarded Doctor of Laws honoris causa by the University of Sydney. Margaret was made an Officer in the Order of Australia in the Queen's Birthday Honors List on 12 June 2006 for service to the judiciary and the law, particularly through contributions to professional and ethical standards and the advancement of women in the legal profession and the community. Margaret is the chairperson of the New South Wales chapter of the Australian Institute of Administrative Law and patron of the Toongabbie Legal Centre and President of the Arts Law Centre of Australia. Margaret graduated from the Sydney Law School with honors.

IMANOL BELAUSTEGUIGOITIA RIUS, *Mexico*

Imanol Belausteguigoitia Rius is a professor and researcher at the Instituto Tecnológico Autónomo de México, where he founded and directs the Family Business Development Center. In the past, he has served as the facilitator of the course "Families in Business: From Generation to Generation" offered by Harvard Business School and has taught courses on family business, entrepreneurship and governance. Imanol has been a regular contributor on the radio through his radio program, "Reflections on Family Firms," since 1999. In addition to numerous other publications, he wrote the best-selling book, *Family Businesses: Dynamics, Equilibrium, and Consolidation*. Imanol completed his postdoctoral studies at Babson College, USA, and his doctoral studies at the National Autonomous University of Mexico in Mexico City.

STEPHANIE BERTELS, *Canada*

Stephanie Bertels is the director of the Centre for Corporate Governance and Sustainability at Simon Fraser University's (SFU) Beedie School of Business in Vancouver, Canada. She founded and leads the Embedding Project, where she works with dozens of global companies to help them embed sustainability into their operations and decision-making. Stephanie developed an online knowledge portal (www.embeddingproject.org) featuring a curated selection of the most relevant corporate sustainability resources - including practical guides and tools developed through her research. Her most recent work draws upon a review of over 3,200 board position statements and interviews with over 200 global CEOs and board chairs to explore how corporate governance and corporate strategy processes are shifting to account for environmental and social constraints. She has previously worked as an environmental engineer and is a trustee and chair of SFU's Academic Pension Plan. She has a Ph.D. in strategy and global management and sustainable development from the University of Calgary, an M.Sc. in petroleum engineering from Stanford University, USA, and a B.Sc. in geological environmental engineering from Queen's University. Stephanie is a Fellow of Salzburg Global Seminar.

BYRON L. BOSTON, *USA*

Byron Boston is president, chief executive officer, and co-chief investment officer of Dynex Capital (NYSE:DX), a leading real estate investment trust with approximately $4 billion in managed assets. He is responsible for all strategy and operations as well as fostering and maintaining key relationships with shareholders, creditors, and dealers. He also leads the day-to-day investment, financing, hedging, and financial reporting decisions. Additionally, Byron is a member of Dynex Capital's Board of Directors. He is a seasoned investment professional with 37 years of experience in the fixed income capital markets and the U.S. housing finance system. Since January of 2004, he has built two successful public companies: Dynex Capital and Sunset Financial Resources. Prior to Dynex, Byron served in a senior leadership role in the investment division of Freddie Mac for seven years. Between 1981 and 1997, Byron developed his career as a banker and bond trader, first with Chemical Bank as a corporate banking officer and then with Credit Suisse First Boston as a mortgage-backed securities trader. He is currently also a board member of the Mortgage Bankers Association. Byron received an M.B.A. in finance and accounting from the University of Chicago and a B.A. in economics from Dartmouth College. Byron is a member of the Board of Directors of Salzburg Global Seminar.

JOHN J. CANNON III, *USA*

John Cannon is a partner in the Compensation Governance and Employment Retirement Income Security Act (ERISA) Group of Shearman & Sterling LLP, and co-chair of the firm's Corporate Governance Advisory Group. He is an inaugural fellow of the American College of Governance Counsel and is a frequent speaker to boards of directors, professional groups, and law students on executive compensation and corporate governance matters as well as the international regulation of pay in the financial services industry. In his practice, John focuses on all aspects of corporate governance and executive compensation and benefits, including state corporation, securities, banking, bankruptcy, employment and tax laws, and the ERISA. John has extensive experience in advising corporations and boards of directors on management succession, shareholder engagement, compliance with Dodd-Frank and Sarbanes-Oxley, and the employee issues raised in the mergers and acquisitions context, including in cross-border transactions. He received a J.D. from the New York University School of Law and an A.B. from Harvard College. John is a Fellow of Salzburg Global Seminar.

KATHLEEN L. CASEY, *USA*

Kathleen Casey is a member of the board of directors of HSBC. Between 2006 and 2011, she served as a commissioner of the United States Securities and Exchange Commission, acting as its principal representative in dialogues with the G20 Financial Stability Board and the International Organization of Securities Commissions. Prior to this, she spent 13 years working for the U.S. government as a staff director and counsel of the U.S. Senate Committee on Banking, Housing and Urban Affairs and as legislative director and chief of staff for a U.S. senator. Kathleen is also a senior adviser to Patomak Global Partners, a trustee of the Financial Accounting Foundation, the International Valuation Standards Council, and a member of the Board of Trustees of Pennsylvania State University and the Trust Fund Board of the U.S. Library of Congress. Kathleen holds a J.D. degree from the George Mason University School of Law and a B.A. in international politics from Pennsylvania State University. Kathleen is a Fellow of Salzburg Global Seminar.

SEÁN M. CLEARY, *South Africa*

Seán Cleary is chairman of Strategic Concepts (Pty) Ltd, executive vice chair of the FutureWorld Foundation, and a director of companies. He is on the faculty of the Parmenides Foundation, and lectures on global corporate strategy, conflict resolution, and development economics in South Africa, the U.S., and Europe; and on national security at the South African Defence Staff College. He chairs the Advisory Boards of the Global Economic Symposium, is a trustee of the South African Foundation for Conciliation and serves as a strategic advisor to the World Economic Forum. He served in the South African Navy, before a diplomatic career in the Middle East, U.S., and Namibia, where he initiated negotiations between Namibia's political parties, the release of political prisoners, and the adoption of a Bill of Rights, en route to independence. He was a member of the Facilitating and Preparatory Committees of the South African Peace Accord and chairman of the Working Group on the Code of Conduct for Political Parties and Organizations, an executive committee member of the New Programme for Africa's Development Business Steering Group. He was also chair of the International Advisory Board of Operation Hope and a member of its Board of Directors. He was also a member of the Board of LEAD International, the International Foundation for Electoral Systems, the Rocky Mountain Institute, and the Carbon War Room. He further served on national Advisory Committees in Namibia and as senior advisor to the Arab Business Council. He is a recipient of academic and public service awards and has been published in international journals. He is the co-author, with Thierry Malleret, of two books on risk, Resilience to Risk and Global Risks, and has contributed chapters to several others, including Learning from Catastrophes. Seán graduated in social sciences and law and received an M.B.A. from Brunel University. Seán is a member of the Board of Directors of Salzburg Global Seminar.

BHARAT N. DOSHI, *India*

Bharat Doshi is the chairman of Mahindra Intertrade Limited and a director on the board of Mahindra Holdings Limited. He is also an independent director and chairman of the audit committee of Godrej Consumer Products Limited and an independent director and member of the audit committee of Dr. Reddy's Laboratories Limited. Bharat was nominated by the government of India as a director on the Central Board of the Reserve Bank of India in March 2016 for four years. Bharat served as the president of Bombay Chamber of Commerce and Industry for the year 2009-10. He was also the executive director and Group chief financial officer of Mahindra & Mahindra Limited, the flagship company of the Mahindra Group before he retired from his executive position in 2013. He has been actively involved with the work of chambers of commerce and industry in India and has been a member of various expert committees, which influence economic and business policies of the government. He serves on the advisory board of Excellence Enablers, an organization committed to promoting corporate governance in India. Bharat's outstanding career achievements have earned him several awards and accolades, including "India's Best CFO" from Business Today and "CFO of the Year" from IMA India in 2005 and from CNBC in 2007. In February 2013, he was awarded the CA Business Achiever – Corporate award by ICAI for his exceptional performance and achievements in the sphere of business. He holds a master's degree in law and a bachelor's degree in commerce from Bombay University. Bharat is a Fellow of Salzburg Global Seminar.

NELSON EIZIRIK, *Brazil*

Nelson Eizirik is the founding partner of the Eizirik Law Firm, a legal boutique acting mainly in the corporate governance and securities markets. He is also the chairman of the Comissão de Aquisições e Fusões, a self-regulatory entity created to monitor mergers and acquisitions of Brazilian public corporations. Nelson is currently a professor of corporate and securities law at the Fundação Getulio Vargas Law School in Rio de Janeiro. In the past, he served as commissioner of the Brazilian Securities Commission. An accomplished writer, Nelson has written many articles and books on corporate, banking, and securities law and arbitration, his latest works being *Comments on Corporate Law and Capital Markets Regulation*. He holds a master's in law from the Pontifícia Universidade Católica do Rio de Janeiro, and a bachelor's in law from the Federal University of Rio Grande do Sul.

TANYA EPSTEIN, *USA*

Tanya Epstein is the managing director and associate general counsel at the Bank of America and is head of corporate governance for Europe, the Middle East, and Africa, where she leads corporate governance for over 150 legal entities (including key strategic regulated legal entities). Previously, she was lead global counsel supporting the Bank of America Corporate Treasury. Prior to joining Bank of America, Tanya was an associate in the New York and London offices of Cleary, Gottlieb, Steen, & Hamilton. Tanya obtained her J.D. from Georgetown University in Washington, D.C., and her B.A. from Macalester College in St. Paul, Minnesota.

CAROLYN FRANTZ, *USA*

Carolyn Frantz is the vice president, deputy general counsel, and corporate secretary at Microsoft. She previously managed Microsoft's worldwide tax litigation. Prior to joining Microsoft, she was a litigation Partner at Bartlit Beck Herman Palenchar & Scott LLP, as well as a Rhodes Scholar, a clerk for Supreme Court Justice Sandra Day O'Connor, and an Assistant Professor at the University of Chicago Law School. Carolyn earned her J.D. from the University of Michigan Law School, her B.A./M.St. in jurisprudence from Oxford University, and her B.A. in philosophy from Wake Forest University.

ANNE GATES, *USA*

Anne Gates has been in global consumer products businesses for over 35 years. She is currently on the Kroger board, serving on the Audit and Public Responsibility Committees as an Audit Committee financial expert and the chair of the Audit Committee. Anne is on the Tapestry, Inc. board and serves on the Human Resources Committee. She is a member of the Raymond James board, serving on the Audit and Risk Committee. She also serves on the boards of PBS Southern California (Chair of the Investment Committee), Cadre, the University of California Berkeley Foundation, and the Board of Visitors of the Fu Foundation School of Engineering and Applied Science for Columbia University. She has served on several other boards, including the Board of Directors for Super RTL (a German entertainment company), Junior Statesman of America, the Oakwood School, the Country School, Big Sunday, and Crystal Stairs. She retired as president of MGA Entertainment, which is the largest privately held toy company in the United States with a global reach. She is the former executive vice president and chief financial officer of the Disney Company's Consumer Products Division and former managing director for Disney Consumer Products Europe and Emerging Markets. She also worked for Pepsi in both the U.S. and Europe, Bear Stearns (investment banking), and AT&T (marketing and Bell Labs). She has also presented on panels, such as "How to Navigate Challenges in the Workplace" for Columbia University Women's Conference, and been a speaker on creativity, leadership, and workplace strategies at places such as the UC Davis Graduate School of Management. She has completed the two Harvard Business School programs on board governance: "Making Corporate Boards More Effective" and "Audit Committees in New Era of Governance." Anne received an M.S. in operations research from the School of Engineering and Applied Science, Columbia University, and a B.A. in mathematics from the University of California, Berkeley.

LINDA M. GRIEGO, *USA*

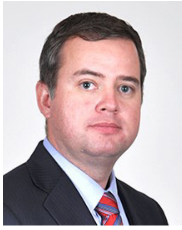
Linda Griego is the chair of the MLK Health and Wellness Community Development Corporation, which she helped found, as well as the chief executive officer of Griego Enterprises and director of the CBS Corporation, AECOM, and American Funds USA. Additionally, she serves as chair of the Ralph M. Parsons Foundation and is a former member of the boards of directors of the Los Angeles Philharmonic and the David and Lucile Packard Foundation; and current director of the Charles R. Drew University of Medicine and Science. Previously, Linda has served on the boards of City National Bank, Southwest Water Co., Granite Construction Inc., Blockbuster Inc., Tokai Bank, and First Interstate Bank as well as a founding member of the Pacific Council on International Policy. She was chief of protocol and deputy mayor of the city of Los Angeles, president and chief executive officer of the Los Angeles Community Development Bank, and president and chief executive officer of Rebuild LA, an agency created to coordinate a five-year economic recovery following the 1992 civil unrest in Los Angeles. She is a former director of the Martin Luther King Jr. Community Hospital board; founder of its community foundation; and former trustee of the Robert Wood Johnson Foundation for 12 years. Linda earned her B.A. from the University of California Los Angeles.

DAVID A. JACKSON, *United Kingdom*

David Jackson is the head of Corporate, Treasury, and Mergers and Acquisitions Legal at Barclays, with a broad remit covering advising on general corporate law and corporate transactions, corporate governance including the senior manager regime, disclosure, listing rules, capital issuance, and related regulatory regimes. After 10 years in private practice, David joined Barclays in 2007 as a deal lawyer in the M&A Legal team, where he led on transactions such as the sale of BGI to BlackRock in 2009. He then moved to Barclays Capital, where he covered the bank's private equity and infrastructure funds businesses before returning to lead the group M&A Legal team in 2015. Since then, David has been deeply involved in designing and executing the separation and sell-down of Barclays Africa and has advised Barclays on the corporate law issues around the recent investment by Sherborne Investors. David trained and qualified as a solicitor at Freshfields Bruckhaus Deringer after obtaining an LL.B. from University College London in Law & German Law.

ROBERT J. JACKSON JR., *USA*

Robert J. Jackson Jr. was appointed by President Donald Trump to the United States Securities and Exchange Commission (SEC) and was sworn in on January 11, 2018. He comes to the SEC from New York University School of Law, where he is a professor of law. Previously, he was a professor of law at Columbia Law School and director of its Program on Corporate Law and Policy. Rob's academic work has focused on corporate governance and the use of advanced data science techniques to improve transparency in securities markets. He was the founding director of Columbia Law School's Data Lab, which used cutting-edge technology to study the reliability of corporate disclosures. Rob has written more than 20 articles in the nation's most prestigious legal and economics journals. His published work includes a study shining a light on trading activity before the announcement of major corporate events, the first study of the effect of mandatory disclosure required by the Jumpstart Our Business Startups (JOBS) Act on trading by individual investors, and the first comprehensive study of CEO pay in firms owned by private equity. In 2012, Columbia Law School students honored Rob with the Willis L.M. Reese Prize for Excellence in Teaching. He has testified on his scholarship before the U.S. Senate, and his work was previously the subject of rulemaking commentary before federal agencies, including the Federal Reserve and the SEC. Before joining the Columbia Law School faculty in 2010, Rob served as a senior policy advisor at the U.S. Department of Treasury, working with Kenneth Feinberg, the Special Master for Troubled Asset Relief Program (TARP) Executive Compensation. In this role, he oversaw the development of policies designed to give shareholders a say on pay, improve the disclosure of executive bonuses, and encourage TARP recipients to increase the tie between pay and performance. Earlier in his career, Rob practiced law in the executive compensation department of Wachtell, Lipton, Rosen & Katz. Rob holds an LL.M. from Harvard Law School, an M.A. from Harvard's Kennedy School of Government, an M.B.A. in Finance from the Wharton School of Business, and two B.A. degrees from the University of Pennsylvania. Rob is a Fellow of Salzburg Global Seminar.



P. SEAN KELLY, *USA*

Sean Kelly is an associate in the global Financial Institutions Advisory and Financial Regulatory Group at Shearman & Sterling LLP. Sean has experience providing advice to U.S. and non-U.S. banks and broker-dealers on regulatory, transactional, and trading and markets issues. He received a J.D. and a B.A. from the University of Arizona.

KAREN KUDER, *Germany*

Karen Kuder is the managing director and chief governance officer of Deutsche Bank AG. She is responsible for setting the Governance Framework for DB Group globally in accordance with corporate and regulatory law requirements. Her team develops and safeguards efficient corporate governance structures suitable to support efficient decision-making, to align risk and accountability on the basis of clear and consistent roles and responsibilities. Over the last 17 years, Karen has held various roles within Legal of Deutsche Bank AG, advising in particular on the corporate finance business of the bank and structural projects. Prior to her current role, Karen worked as the global head of regulation responsible for legal advice on the bank's regulatory agenda, including the bank's recovery and resolution planning. Karen is a fully-qualified German lawyer and admitted to the German bar. She obtained her J.D. in insolvency law from the University of Darmstadt.

ANASTASSIA LAUTERBACH, *Germany*

Anastassia Lauterbach is the director of Dun & Bradstreet and the chief executive officer and founder of 1AU-Ventures, where she advises U.S. and Europe-based artificial intelligence and cybersecurity companies and investment funds. She also serves on the board of Wirecard AG (German DAX), and she is chairwoman of Censhare AG. Anastassia is a senior advisor for artificial intelligence at McKinsey & Company. Previously, she served as senior vice president Europe at Qualcomm, senior vice president of business development and investments at Deutsche Telekom AG, where she also served as a member of the executive board, and executive vice president of group strategy at T-Mobile International AG. In April 2018, *Anastassia published her book, Artificial Intelligence Imperative: A Roadmap for Businesses*. Anastassia has a Ph.D. in linguistics and psychology from the Rheinische Friedrich-Wilhelms Universität Bonn and a diploma in linguistics from the State Lomonosov University, Moscow.

DUY-LOAN LE, *USA*

Duy-Loan Le is a senior fellow at Texas Instruments (TI), the first Asian-American and only female to be elected to the position in TI's 87-year history. During her 35-year career at TI, she led the development to grow TI's Memory product line across five countries and three continents, generating over $2 billion in revenue, oversaw the development of the world's fastest Digital Signal Processor per 2004 Guinness World Records, and pioneered products enabling TI's entry into base station and voice-over-internet-protocol markets. Duy-Loan holds 24 patents and serves on the board of directors at National Instruments Inc., Ballard Power Systems Inc., eSilicon Corp., Headspring, and the start-up Medigram Inc. She obtained her M.B.A. from the Bauer College of Business at the University of Houston and her B.S. in electrical engineering from the Cockrell College of Engineering at the University of Texas in Austin.

CHRISTOPHER F. LEE, *China*

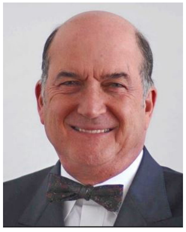
Christopher Lee is a partner at FAA Investments, a private investment group focusing on real estate, early-stage companies and in-depth research on hedge funds and private equity managers. Additionally, he is a board director with expertise in financial markets, risk management, governance, and leadership development. He is an Independent Board Member with Matthews Asia Funds and The Asian Masters Fund Limited. Previously, Chris was an investment banker for 18 years, acting as managing director and divisional and regional heads at Deutsche Bank AG, UBS Investment Bank AG, and Bank of America Merrill Lynch. He worked in global capital markets, managed derivative product development and provided equity sales and trading functions to institutional investors. He is an advocate of sustainable enterprises and environmentally conscious projects, serving on the boards of Dean's Advisory Circle, University of California Berkeley-Haas, African Wildlife Foundation, and the Hong Kong Securities and Investment Institute. He is also an associate professor (part-time) at HKUST and teaches financial mathematics and risk management courses. He completed the A.M.P. at Harvard University and holds an M.B.A. and a B.S. in mechanical engineering from the University of California, Berkeley. Chris is a member of the Board of Directors of Salzburg Global Seminar.

NICOLE A. LEW, *Singapore*

Nicole Lew is the general counsel and company secretary of Alibaba Health Information Technology Limited, the healthcare flagship of Alibaba Group. Prior to joining Alibaba Group, Nicole worked at Freshfields Bruckhaus Deringer from 2006 to 2014, advising on capital markets and M&A transactions in Asia. She was admitted as a solicitor of the High Court of Hong Kong in 2008 and is a current member of the Law Society of Hong Kong. Nicole obtained an LL.B. Laws honors degree from University College London and is qualified to practice law in England and Wales.

MICHAEL H. Y. LING, *Australia*

Michael Ling is the deputy company secretary for CLP Holdings Limited. He oversees the day-to-day functions of CLP Group Corporate Secretarial and works closely with the Board of Directors of CLP Holdings and the Board Committees. Prior to taking up this position in 2016, he was the legal counsel on the international team of CLP Group Legal Affairs for over four years. Before joining CLP, he was in the group legal function of AIA Group Ltd and was involved in the restructuring of the AIA group of companies. He also has extensive experience in corporate transactions and advisory work including public and private mergers and acquisitions and capital markets work in Hong Kong, London, and Beijing. He holds an LL.B. and B.Com. from the Australian National University and has completed the IMD's Applied Leadership Program. Michael is a Fellow of Salzburg Global Seminar.



SIMON M. LORNE, *USA*

Simon M. Lorne is vice chairman and chief legal officer of Millennium Management LLC, responsible for over $35 billion in assets under management with offices throughout the world. He is also the chair of the Alternative Investment Management Association. Prior to joining Millennium Management, he was a partner in the Los Angeles based law firm of Munger, Tolles, & Olson LLP, the global head of internal audit at Salomon Brothers, and the global head of compliance at Citigroup. He also serves on the board of directors and chairs the audit committee of Teledyne Technologies, Inc. Sy has served in a wide variety of public sector, academic, and private sector positions during his career. He served as general counsel of the United States Securities and Exchange Commission. He served for 17 years as the co-director of Stanford Law School's Directors' College and is an adjunct professor at the New York University Law School and the New York University Stern School of Business. He has authored two books, three practitioner-oriented monographs, and a number of articles in law reviews, magazines, and other publications. He holds a J.D. from the University of Michigan Law School and an A.B. from Occidental College. Sy is a Fellow of Salzburg Global Seminar.

J. KEVIN MCCARTHY, *USA*

Kevin McCarthy is a senior executive vice president and general counsel of BNY Mellon. A member of the company's executive committee, Kevin heads BNY Mellon's global Legal Department and also has overall responsibility for government affairs, the corporate secretarial function, and global corporate security. Kevin was appointed to his current position in April 2014, after serving as senior deputy general counsel since 2013, where he had assumed additional responsibility for the legal teams supporting the company's asset servicing businesses and corporate center functions. He joined BNY Mellon in 2010 as deputy general counsel and led the Litigation, Enforcement, and Employment Law functions. Prior to joining BNY Mellon, Kevin was general counsel of Cowen Group Inc., a diversified investment bank and financial services firm. From 2004 to 2007, he was a partner at Wilmer Hale, focused on securities and litigation matters. From 1996 to 2004, Kevin was at Credit Suisse First Boston in a variety of roles, most recently as managing director and global head of litigation. Kevin began his legal career as an associate at Willkie Farr & Gallagher. Kevin is a member of the Board of Trustees of the National September 11 Memorial & Museum, The Legal Aid Society, Albany Law School of Union University, International House, and the Cameron Kravitt Foundation. He is also the chair of the Clearing House Association Board of Directors. He received his J.D. from Albany Law School of Union University and a B.A. from Siena College. Kevin is a Fellow of Salzburg Global Seminar.

MATHILDE MESNARD, *France*

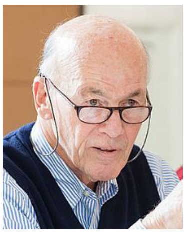
Mathilde Mesnard is deputy director for financial and enterprise affairs at the Organization for Economic Cooperation and Development (OECD), covering policy issues related to markets (financial markets, international investment, and competition), and business conduct (corporate governance, responsible business conduct, and anti-corruption). Previously, Mathilde was the coordinator of the New Approaches to Economic Challenges Initiative, and senior advisor to the OECD Secretary-General, covering issues related to financial markets, integrity, and gender equality. Before OECD, she held positions as a management consultant with Deloitte & Touche and financial analyst at Citibank. She holds a Ph.D. in economics from the École des Hautes Études en Sciences Sociales, an M.A. in finance from the École Supérieure de Commerce de Paris, and an M.B.A. from Drexel University, USA.

VERONIKA MÖLLER, *Austria*

Veronika Möller is the regulatory affairs manager Europe and government affairs manager Austria at Red Bull GmbH. Previously, she served as the policy advisor for the Committee on Environment, Public Health, and Food Safety, and the Committee on Emission Measurements for Elisabeth Köstinger, Member of the European Parliament, and as a legal intern for OMV AG in Vienna, and for the Austrian Trade Commission in Paris. Veronika is a member of the advisory board of Club Alpbach Salzburg. She earned her LL.B. and LL.M. in European and technology law and her B.A. in international development studies at the University of Vienna and the University of Paris-Nanterre.

KATE A. MOZZICARELLI, *Australia*

Kate Mozzicarelli is a managing director and head of the corporate advisory legal team at Morgan Stanley in London, responsible for a team that provides advice on governance, finance/treasury, risk, and internal control matters. Currently, she is focused on helping Morgan Stanley respond to Brexit. She is also responsible for managing a regulatory framework designed to clarify responsibilities and drive accountability at the board and senior management level. She has been involved in a number of internal committees and governance forums at Morgan Stanley, including acting as secretary to the Europe, Middle East, and Africa Franchise Committee and is currently a member of the UK Culture Advisory Group. Kate joined Morgan Stanley in 2008 as a lawyer covering Global Capital Markets and transferred into her current role in 2014. Prior to joining Morgan Stanley, she worked for 10 years as a corporate lawyer in private practice at a major London law firm. She has a post-graduate diploma in law from the College of Law, UK, and a B.A. (honors) in modern history from the University of Warwick. Kate is a Fellow of Salzburg Global Seminar.



ROBERT H. MUNDHEIM, *USA*

Robert H. Mundheim is of counsel to Shearman & Sterling LLP and formerly executive vice president and general counsel of Salomon Inc. Prior to joining Salomon Inc., he was co-chairman of the New York law firm of Fried, Frank, Harris, Shriver & Jacobson. He served as University Professor of Law and Finance at the University of Pennsylvania Law School, where he had taught since 1965 and was dean of the law school for seven and a half years. Among his other professional activities, Bob has been general counsel to the United States Treasury Department (1977-1980), special counsel to the United States Securities and Exchange Commission (1962-1963), and vice chairman, governor-at-large, and a member of the Executive Committee of the National Association of Securities Dealers (1988-1991). He is currently a director of Gogo LLC. He was chairman of the Board of Directors of Quadra Realty Trust, a director of eCollege, Benjamin Moore, Commerce Clearing House, Arnhold & S. Bleichroeder Holdings Inc., Union Capital Corporation, Weeden Inc., and First Pennsylvania Bank, and a member of the Supervisory Board of Hypo Real Estate Holding AG. Bob is a member of the Board of Trustees of New School University and the Curtis Institute of Music, and a Trustee of the American College of Governance Counsel. He is an emeritus member of the Council of the American Law Institute. He served as a member of the American Bar Association Task Force on Corporate Responsibility and has been a faculty member of the Vanderbilt Directors' College, the Duke Directors' Education Institute, and the Stanford Directors' College. He was the president of the American Academy in Berlin and received the Officer's Cross of the Order of Merit of the Federal Republic of Germany. He holds an M.A. (honorary) from the University of Pennsylvania, an LL.B. (magna cum laude) from Harvard University Law School, and a B.A. (magna cum laude) from Harvard College. Bob is a member of the Board of Directors of Salzburg Global Seminar.

OLIVIER P. OAKLEY-WHITE, *United Kingdom*

Olivier Oakley-White heads up JPMorgan's corporate governance team for the Europe Middle East and Africa region, which operates as part of the firm's Legal Department. The team focuses on promoting consistent and high standards for legal entity and board governance across the region. Olivier joined JPMorgan in September 2014 from Standard Chartered Bank where in his last role he oversaw corporate governance matters across the EMEA ex-UK, Americas, and Middle East region. Prior to this, Olivier worked at as litigation counsel in Standard Chartered and Allen & Overy LLP. Olivier holds a B.A. from the University of Oxford.

MELISSA OBEGI, *USA*

Melissa Obegi is Asia general counsel for Bain Capital, based in Hong Kong. She is responsible for transactional, portfolio, and operational legal matters and risk management for Bain Capital's private equity and credit businesses in the Asia Pacific region. Prior to joining Bain Capital in 2012, Melissa was a managing director and Asia regional counsel for Oaktree Capital in Hong Kong. She started with Oaktree Capital as associate general counsel at its Los Angeles headquarters in 2002. Prior to that, she held various positions with the Overseas Private Investment Corporation, a U.S. government agency that supports investment in global emerging markets with private equity investment funds, project finance, and political risk insurance. Melissa began her career with Coudert Brothers in New York as an associate in the International Banking group. She holds a J.D. from the School of Law at the University of California, Los Angeles, and a B.Sc. in foreign service from the Foreign Service School at Georgetown University. Melissa is a Fellow of Salzburg Global Seminar.

NEIL R. PAREKH, *Singapore*

Neil Parekh is general manager Asia for the National Australia Bank, based in Singapore. In his current role, Neil is responsible for all business, regulatory and governance matters in the Asia region. Neil joined NAB in 2013 from Natixis, where he was head of corporate and institutional banking coverage for Asia and a member of the Executive Committee - Asia Pacific. In this role, he was responsible for all client coverage and deal origination in the region. Neil's prior experience with financial institutions includes senior roles with Société Générale (global head of non-investment grade finance and head of U.S. debt capital markets) and at DBS (global head of FIG and head of the Middle East Region). Neil also worked with Bank of America in various product and client coverage roles. Neil serves as a board director to Nautilus Insurance, Graymatics, and The Indus Entrepreneurs. Additionally, he sits on the governing council of the Association of Banks in Singapore and is chairman of the Advisory Committee of the Australian Institute of Company Directors in Singapore. He has worked in the US, Asia, Middle East, and India and holds an M.S. in finance, an M.B.A. in international business, and a B.S. in accounting.

AULANA L. PETERS, *USA*

Aulana Peters is a retired partner of Gibson, Dunn & Crutcher LLP and has served on the boards of the Mayo Clinic, Deere & Company, Northrop Grumman Corporation, Merrill Lynch & Co. Inc., and 3M Company. Aulana also previously held a seat on the Board of New York Stock Exchange Inc. From 1984 to 1988, Aulana served as commissioner of the United States Securities and Exchange Commission (SEC). She currently serves on the United States Comptroller General's Accountability Advisory Panel and the Advisory Board to the Public Company Accountants Oversight Board. She served as a member of the International Public Interest Oversight Board for Auditing, Education, and Professional Ethics Standards from 2005 to 2012, and on the Public Oversight Board of the American Institute of Certified Public Accountants from 2000 to 2002. From 1973 to 1984 and from 1988 to December 2000, Aulana was a member of Gibson Dunn's Litigation Department and was actively involved in general business and commercial litigation with an emphasis on securities litigation, including class action suits, tender offer/proxy contest litigation, and enforcement actions. In October 2010, she was awarded the Medal of Honor by the American Institute of Certified Public Accountants for distinguished service by a non-accountant to the accounting profession. In 2003, the Association of Securities and Exchange Commission Alumni named Aulana the recipient of the William O. Douglas Award for having made significant contributions to the development of the federal securities law and the SEC and financial community over the years. Aulana earned her law degree from the University of Southern California and graduated with a B.A. in philosophy from the College of New Rochelle.

MARIA CRISTINA PRIOLI, *Brazil*

Maria Cristina Prioli serves as a senior manager in the compliance department for Banco Itaú, overseeing institutional compliance, ethics, the capture of new regulations, and distribution across the bank; governance of the bank's policies; compliance methodology; and the bank's relationship with regulators. She was previously the bank's internal auditor for 12 years. Prior to her career with Banco Itaú, Cris worked in enterprise risk services at Deloitte. She earned her M.B.A. from Fundação Getúlio Vargas and a B.S. from the Universidade de São Paulo.

KATRINA SCOTTO DI CARLO, *USA*

Katrina Scotto di Carlo is co-founder and creative director of Supportland, an innovation company dedicated to building thriving and resilient communities. She was a member of the City of Portland's Socially Responsible Investment Committee and was instrumental in forming the landmark decision of the Portland City Council to divest from all corporate securities in April 2017. She has spent the last decade advocating for main street economies through policy, public speaking, and as a social entrepreneur, including co-founding both Placemaker (a technology platform that strengthens main street businesses and builds community wealth) and Portland Made (an ecosystem support for the local Maker Movement). Contrary to the divisiveness of American politics, Katrina prides herself on maintaining friendships across ideological lines and welcomes worldviews contrary to her own. She holds a B.A. from the University of California, Berkeley. Katrina is a Fellow of Salzburg Global Seminar.

DAVID J. SIMMONDS, *Australia*

As group general counsel, David Simmonds leads a team of lawyers who provide strategic advice and counsel to China Light and Power Co. (CLP) Holdings and its subsidiaries. He has extensive infrastructure experience advising on strategic acquisitions and divestments, projects and construction, corporate structuring, regulatory issues, and competition laws. As chief administrative officer, David is responsible for the corporate secretarial affairs of CLP Holdings and its subsidiaries, property development and management activities, insurance services, special projects of the chief executive officer, and a range of commercial and administrative matters. David was appointed as director of group legal affairs of CLP Holdings in January 2009, then became the group general counsel and chief administrative officer in September 2013, and then company secretary in January 2016. He holds an LL.B. (Honors) and a B.Com. from the University of Melbourne. David is a Fellow of Salzburg Global Seminar.

CONOR SWEENEY, *USA*

Conor Sweeney is a director of public affairs at Elliott Advisors based in London, with a focus on communications and public policy. Prior to joining Elliott, he advised a network of business leaders, the American Opportunity Alliance, in their philanthropic, policy, and political engagement. He previously served as a top advisor and communications director to U.S. Congressman Paul Ryan in Congress and on the campaign trail. Conor is a graduate of Marquette University in Milwaukee, Wisconsin, where he studied international affairs and economics. Conor is a Fellow of Salzburg Global Seminar.

VIKAS THAPAR, *Canada*

Vikas Thapar is the founder and managing partner of Indus Capital Ltd, a private equity firm focused on Asia and the Middle East. Vikas previously held a number of senior positions with the International Finance Corporation (IFC), the private sector arm of the World Bank Group, where his responsibilities included head of IFC's European office based in Paris; head of IFC's Central European office based in Prague, and principal investment officer for Asia and the Middle East. Vikas has extensive experience in emerging markets in direct equity investments, project and infrastructure finance, developing capital markets, setting up and managing private equity funds, for which he sits on the board of directors and investment committees of several financial institutions and funds. He has advised governments, central banks, and corporations on privatization, restructurings, setting up capital markets, and banking sector reform. Vikas holds an M.B.A. and a B.Tech. in electrical engineering from McGill University. He undertook advanced management programs at Harvard Business School and John F. Kennedy School of Government, Harvard University. Vikas is a member of the Board of Directors of Salzburg Global Seminar.

DAVID T. M. WILSON, *United Kingdom*

David Wilson currently leads Goldman Sachs' Litigation and Regulatory Proceedings Group in Europe, the Middle East, Africa and Asia and the firm-wide Legal Group in Europe, the Middle East and Africa, which encompasses employment and privacy, real estate, technology, intellectual property and contracts, and the finance and corporate function. His current non-executive roles include pension fund trustee, chairman of school governors, and trustee of the educational trust. His previous roles include managing Goldman Sachs' Fixed Income Clearing Corporation Compliance in Europe and litigation partner at Simmons & Simmons. He is an experienced financial services lawyer and mediator accredited by the Centre for Effective Dispute Resolution. David earned an LL.B. from the University of Southampton in 1984 and College of Law Finals in 1985.

STAFF

CLARE SHINE, *United Kingdom*

Clare Shine was appointed Vice President and Chief Program Officer of Salzburg Global Seminar in 2012. She is responsible for multi-year program strategy, design, partnerships and implementation in Salzburg and around the world; next-generation leadership development; communications and marketing; and the Salzburg Global Fellowship which straddles nearly 170 countries. Prior to joining Salzburg Global, Clare worked from 1990-2011 as an independent environmental lawyer and policy expert for intergovernmental organizations, national governments, the private sector, and NGOs. Her work and publications focused on biodiversity and sustainable development, climate change, international trade, global and cross-border governance and cooperation, coastal and oceans policy, and conflict transformation. She has played an influential role in global biosecurity and biodiversity policy development, working as a legal adviser to the World Bank, European Union, Council of Europe and African governments, and led environmental capacity-building projects across four continents. Clare is a UK-qualified barrister, an Associate of the Institute for European Environmental Policy, a member of the IUCN Commission on Environmental Law, and a bilingual French speaker and professional facilitator. She began her career in industry, working in the media and publishing sector with responsibility for marketing and new ventures. Clare is also a professional journalist who was the Financial Times' theater critic in France from 2001-2011. She holds an M.A. in English literature from Oxford University, UK and post-graduate degrees from London University and the Sorbonne University, Paris, France.

CHARLES E. EHRLICH, *Austria*

Charles E. Ehrlich joined Salzburg Global Seminar as a Program Director in May 2014. He has particular responsibility for designing, developing, and implementing programs on justice, democracy, economics, and rule of law. He has practical experience in legal development working in over a dozen countries, including in the Balkans, the Caucasus, and the Russian Federation, advising governments and public institutions on strategic planning, drafting legislation, and implementing comprehensive reforms in the justice sector, public administration, property rights, freedom of the media, and constitutional law. Charles has also worked as legal counsel for the Organization for Security and Cooperation in Europe (OSCE) in Kosovo, in Georgia, and at its Secretariat in Vienna. At the Claims Resolution Tribunal in Switzerland, he adjudicated claims to Nazi-era bank accounts. He remains affiliated with Wolfson College, Oxford, and has published a book, *Lliga Regionalista – Lliga Catalana, 1901-1936* (in Catalan), and numerous academic articles on constitutional law, justice, and political history. Charles holds an A.B. in history and classics (Latin) from Harvard University, a J.D. from the College of William and Mary, an M.Sc.Econs. in European studies from the London School of Economics, and a D.Phil. on contemporary Spanish history from the University of Oxford.

ANTONIO RIOLINO, *Italy*

Antonio Riolino joined Salzburg Global Seminar in June 2016 as a Program Associate. Prior to joining the organization, Antonio worked as a freelance translator in Tolmezzo, Italy, his hometown, and as an assistant to the Courthouse in Udine, the provincial capital. In Udine and at the detention facility in Tolmezzo, he provided assistance and translation services to defendants and courthouse staff. Antonio is a graduate in foreign languages from the University of Udine, with B.A. and M.A. degrees. His M.A. dissertation was on the translation of indigenous folktales. Antonio has also studied at the University of Klagenfurt, Austria where he continued his study of foreign languages (German and English) over several summers.

SALZBURG GLOBAL SEMINAR STAFF

SENIOR MANAGEMENT

Stephen L. Salyer,
President and Chief Executive Officer

Benjamin W. Glahn,
Vice President, Development & Operations

Clare Shine,
Vice President and Chief Program Officer

Daniel Szelényi,
General Manager – Hotel Schloss Leopoldskron

Pia C. Valdivia,
Vice President and Chief Financial Officer

PROGRAM, ADMINISTRATIVE STAFF AND CONSULTANTS

Rachel Barclay,
Development Manager – Campaign and Donor Relations

Thomas Biebl,
Director, Marketing & Communication

Ian Brown,
European Development Director

Allison Cowie,
Davidson Impact Fellow

Michelle Dai Zotti,
Development Manager

Jennifer Dunn,
Program Development Assistant

Charles Ehrlich,
Program Director

Marty Gecek,
Chair – Salzburg Seminar American Studies Association (SSASA)

Michaela Goldman,
Internship Program Manager

Barbara Grodecka-Poprawska,
Program Associate

Louise Hallman,
Strategic Communications Manager

Jan Heinecke,
Fellowship Manager

Andrew Ho,
US Development Director

Faye Hobson,
Program Associate

Dani Karnoff,
Development Manager – Campaign and Individual Giving

Astrid Koblmüller,
Health Program Manager

Brigitte Kraibacher,
Admissions Assistant

Tatsiana Lintouskaya,
Program Director

John Lotherington,
Program Director

Brenna McGaha,
Director of Finance and Administration – US

Paul Mihailidis,
Program Director – Salzburg Academy on Media and Global Change

Klaus Mueller,
Founder and Chair – Salzburg Global LGBT Forum

Beth Pertiller,
Director of Operations

Bernadette Prasser,
Admissions and Program Officer

Michaela Radanovic,
Controller Finance

Dominic Regester,
Program Director

Ursula Reichl,
Assistant Director Finance, Salzburg

Manuela Resch-Trampitsch,
Director Finance, Salzburg

Antonio Riolino,
Program Associate

Carina Rögl,
Finance Assistant, Salzburg

Susanna Seidl-Fox,
Program Director – Culture and the Arts

Alexis Stangarone,
Special Assistant, Office of the President

Oscar Tollast,
Communications Associate

Jenny L. Williams,
Director, Campaign and Individual Giving

HOTEL SCHLOSS LEOPOLDSKRON MANAGEMENT

Richard Aigner,
Hotel Operations Manager

Thomas Bodnariuk,
Executive Chef

Martina Laimer,
Head of Banquets

Karin Maurer,
Revenue Manager

Karin Pfeifenberger,
Director of Sales and Marketing

Matthias Rinnerthaler,
Head of Maintenance

Marisa Todorovic,
Executive Housekeeper

Verena Wagner,
Head of Reception

Veronika Zuber,
Head of Events

INTERNS

* at time of program — (October 2018)

Kwasi Gyamfi Asiedu,
Communications

Minji Chum,
Program

Fiona Davis,
Program and Development

Anna Rawe,
Communications

Rouri Shin,
Program

For more information contact:

Charles E. Ehrlich,
Program Director
cehrlich@SalzburgGlobal.org

Barbara Grodecka-Poprawska,
Program Associate
bpoprawska@SalzburgGlobal.org

Louise Hallman,
Strategic Communications Manager
lhallman@SalzburgGlobal.org

For more information visit:

Series SalzburgGlobal.org/go/corpgov
Program SalzburgGlobal.org/go/607

REPORT AUTHOR

RAPPORTEUR

P. Sean Kelly is an associate in the global Financial Institutions Advisory and Financial Regulatory Group at Shearman & Sterling LLP. Sean has experience providing advice to U.S. and non-U.S. banks and broker-dealers on regulatory, transactional, and trading and markets issues. He received a J.D. and a B.A. from the University of Arizona.

CONTRIBUTORS

Anastassia Lauterbach is the director of Dun & Bradstreet and the chief executive officer and founder of 1AU-Ventures, where she advises U.S. and Europe-based artificial intelligence and cybersecurity companies and investment funds. She also serves on the board of Wirecard AG (German DAX), and she is chairwoman of Censhare AG. Anastassia is a senior advisor for artificial intelligence at McKinsey & Company. Previously, she served as senior vice president Europe at Qualcomm, senior vice president of business development and investments at Deutsche Telekom AG, where she also served as a member of the executive board, and executive vice president of group strategy at T-Mobile International AG. In April 2018, Anastassia published her book, *Artificial Intelligence Imperative: A Roadmap for Businesses*. Anastassia has a Ph.D. in linguistics and psychology from the Rheinische Friedrich-Wilhelms Universität Bonn and a diploma in linguistics from the State Lomonosov University, Moscow.

Louise Hallman,
Strategic Communications Manager

Oscar Tollast,
Communications Associate, Salzburg Global Seminar

Kwasi Gyamfi Asiedu,
Communications Intern – Fall 2018, Salzburg Global Seminar

Anna Rawe,
Communications Intern – Fall 2018, Salzburg Global Seminar

SALZBURG GLOBAL SEMINAR

Salzburg Global Seminar is an independent non-profit organization founded in 1947 to challenge current and future leaders to shape a better world. Our multi-year program series aim to bridge divides, expand collaboration and transform systems.

Salzburg Global convenes outstanding talent across generations, cultures, and sectors to inspire new thinking and action, and to connect local innovators with global resources. We foster lasting networks and partnerships for creative, just and sustainable change.

Over 36,000 Fellows from more than 170 countries have come together through our work, with many rising to senior leadership positions. Our historic home at Schloss Leopoldskron in Salzburg, Austria – now also an award-winning hotel – allows us to welcome all participants in conditions of trust and openness.

SALZBURG GLOBAL CORPORATE GOVERNANCE FORUM

The Salzburg Global Corporate Governance Forum enables critical thinking on the changing roles and responsibilities of directors across jurisdictions and cultures. Launched in 2015, its annual meeting explores how corporations can pursue both profit and public good in a fast-moving global environment, taking account of growing risks, disruptions, regulation, public scrutiny and consumer pressure.

For more info. please visit:
www.SalzburgGlobal.org

SALZBURG
GLOBAL
SEMINAR