



SALZBURG  
GLOBAL  
SEMINAR

70<sup>TH</sup> ANNIVERSARY

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SALZBURG GLOBAL CORPORATE GOVERNANCE FORUM

# Brave New World: How Can Corporate Governance Adapt?

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**SESSION BROCHURE**

Session 607

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**DATE**

October 4 to 6, 2018

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**LOCATION**

Schloss Leopoldskron, Salzburg, Austria

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**PROGRAM DIRECTOR**

Charles Ehrlich

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### GENERAL INFO

Please visit:

✉ [www.SalzburgGlobal.org](http://www.salzburgglobal.org)

## OVERVIEW

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. Meanwhile 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. This raises new governance and ethical challenges, requires skilled foresight and sophisticated risk analysis, and may transform decision-making processes within boards.

Public expectations of corporate behavior are also 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 that 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 2017 meeting of the *Salzburg Global Corporate Governance Forum* explored how courageous directors might emerge as global thought leaders, achieving profit and satisfying conflicting demands of the jurisdictions and societies in which they operate. Participants agreed that many key principles of corporate governance continue to apply, domestically and across different jurisdictional and cultural contexts.

In 2018, in the light of these emerging trends and disruptions, the Forum will deepen its review of the fundamentals of corporate governance and ask how boards can build an appropriate corporate culture and monitor adherence to that culture in this fast-moving world.



### MULTI-YEAR SERIES

#### **SALZBURG GLOBAL CORPORATE GOVERNANCE FORUM**

*The Salzburg Global Corporate Governance Forum, launched in 2015, facilitates critical thinking about changing regulatory and economic environments, comparative practices, and the roles and duties of directors. Its annual high-level meeting at Schloss Leopoldskron in Salzburg, Austria, focuses on key trends and risks in long-standing corporate governance practices in multiple jurisdictions, taking account of rapidly shifting societal expectations, political pressures and media scrutiny.*

*The Forum provides a neutral setting for candid cross-border conversations on practical standards, expectations, and opportunities in order to advance understanding of corporate best practices and devise concrete recommendations. Recognizing the pivotal role of the private sector in achieving the Global Goals for Sustainable Development by 2030, the Forum supports informed leadership and action in line with Salzburg Global Seminar's mission and strategic aims.*



## SESSION FORMAT

### MULTI-YEAR SERIES

#### SALZBURG GLOBAL CORPORATE GOVERNANCE FORUM

2018 | Brave New World:  
How Can Corporate  
Governance Adapt?

➤ [SalzburgGlobal.org/go/607](https://SalzburgGlobal.org/go/607)

2017 | The Courageous Director:  
Can Corporations Better Serve  
People, Planet and Profit?

➤ [SalzburgGlobal.org/go/582](https://SalzburgGlobal.org/go/582)

2016 | The Corporate Balancing  
Act: How Can Directors Manage  
Conflicting Pressures?

➤ [SalzburgGlobal.org/go/567](https://SalzburgGlobal.org/go/567)

2015 | Corporate Governance in  
the Global Economy:

The Changing Role of Directors

➤ [SalzburgGlobal.org/go/550](https://SalzburgGlobal.org/go/550)

Participation in the Forum's annual meeting in Salzburg is capped at 40 people, to ensure an intimate setting and facilitate networking and conversation in conditions of trust and openness.

The program is highly interactive, with discussion taking place in plenary and breakout sessions without any 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.



## PARTICIPANT PROFILE

The intergenerational group of participants comes together as equals, representing a range of expertise and geographic specialization.

The Forum engages:

- Directors of corporations organized and operating in various jurisdictions;
- Senior managers;
- Judges, regulators, and policymakers;
- Lawyers;
- Academics;
- Fund managers; and
- Representatives of key civil society interest groups.

Of the 40 participants, 8-12 will come from the next generation of leaders (under 45).

Since its inauguration in 2015, the *Salzburg Global Corporate Governance Forum* has welcomed participants from 22 countries:

- |             |                   |                |
|-------------|-------------------|----------------|
| • Australia | • India           | • South Africa |
| • Austria   | • Israel          | • Spain        |
| • Brazil    | • Italy           | • Sweden       |
| • Canada    | • Japan           | • Switzerland  |
| • China     | • Mexico          | • UK           |
| • France    | • The Netherlands | • USA          |
| • Germany   | • Norway          |                |
| • Greece    | • Romania         |                |



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Chief Administrative Officer  
CLP Holdings Ltd,  
China/Australia





## TESTIMONIALS

“Salzburg Global Seminar is where your mind is free from your day-to-day world and you are able to concentrate your thoughts on a defined topic, you are able to understand and appreciate global practices and above all, you are able to evolve in your own mind the principles and the theory behind the topic you are discussing.”

### BHARAT DOSHI

Chairman, Mahindra  
Intertrade Ltd., India

“The session has been a great experience because it provides a different approach to an issue we deal on a daily basis such as corporate governance. To be able to step out of our daily lives and have a deep discussion around the subject for three days is a rare opportunity. The seminar covered almost every aspect of corporate governance, and the discussion was engaging due to the variety of background of the participants. I am going back to work with a refreshed perspective on how to be a director.”

### JULIE RICHARDSON

Member of Board of  
Directors, UBS Group AG,  
Switzerland

## KEY QUESTIONS

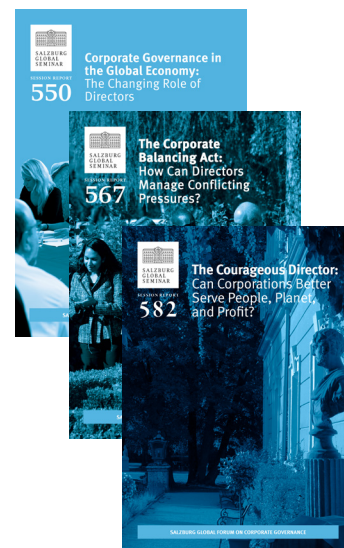
Over the course of the two-day program, participants will address the following issues:

1. What do board directors need to know right now about AI and associated ethical choices? Who in the company has lead responsibility to articulate questions about transparency, trust, and bias? How will the massive expansion of algorithms or personal data analytics be regulated? What are the risks in terms of cybersecurity and privacy?
2. Where corporations want to act as good citizens, who should decide what that means - do all citizens think alike about what is good for society?
3. What impact will the #metoo movement have on power dynamics and accountability in the workplace? How will it affect appointment of women to senior management and board positions?
4. Why are shareholders engaging more actively in corporate governance? How should boards react?
5. To whom should constituent directors be responsible? What special responsibilities and constraints should apply to controlling and dominant shareholders?
6. Who is accountable for significant corporate failure? How can a board ensure it is properly informed of major risks a company is taking? Do boards have the appropriate up-to-date skills, tools, and diversity of viewpoints?





## SESSION REPORTS



The reports from the following sessions are available online to read, download and share:

*The Courageous Director:  
Can Corporations Better Serve  
People, Planet and Profit?*

➤ [SalzburgGlobal.org/go/582](https://SalzburgGlobal.org/go/582)

*The Corporate Balancing Act:  
How Can Directors Manage  
Conflicting Pressures?*

➤ [SalzburgGlobal.org/go/567](https://SalzburgGlobal.org/go/567)

*Corporate Governance in the  
Global Economy:  
The Changing Role of Directors*

➤ [SalzburgGlobal.org/go/550](https://SalzburgGlobal.org/go/550)

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## ABOUT 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 programs 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.

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