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SECOND ANNUAL DIGITAL TRUST SUMMIT

*GENERATIVE AI GOVERNANCE SOLUTIONS -
KEY TAKEAWAYS*

Presented by Mayer Brown at Brown University

March 28, 2024

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All of this means trust is incredibly important right now more than ever.

LARA ABRASH, CHAIR, DELOITTE

There are a few important times in history where trust in technology has been essential to move society forward.

DOMINIQUE SHELTON LEIPZIG, PARTNER, MAYER BROWN



READOUT AND KEY TAKEAWAYS

The Digital Trust Summit is an invitation-only summit bringing together CEOs, Board Members, Regulators, Policy Makers, and Technologists to Envision the Future of Artificial Intelligence Leadership and Governance.

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FRAMING OUR DISCUSSION OF TRUST AND AI

Dominique Shelton Leipzig, Partner and Leader, Global Data Innovation, Mayer Brown



Founder, Digital Trust Summit

Trust is critical to everything important in our lives. Human history has pivotal moments when trust in technology is necessary to propel society forward. For us, this is now.

LOOKING BACK:

In 1865 when car technology was rolled out onto the roads for the first time, the UK passed the Locomotive Act that focused on protecting people from harm. It required a person to walk at least 60 yards ahead of the cars to warn people so they would not walk on the road and be harmed.

LOOKING FORWARD:

Like the Locomotive Act of yore, the draft AI Legislation on the horizon is the bedrock for smart digital governance because it's focus is on protecting people.

YES, BUT THERE'S "DRIFT":

AI harms that we read about in headlines - e.g., inaccuracies, hallucinations, bias, health & safety violations are caused by "model drift."

The state of generative AI technology is that models can drift minute to minute given they are dynamically powered by the whole internet (which itself is replenished continuously by the 2.5 quintillion bytes of data that we are generating globally per day.

Accordingly the only way for companies to have certainty and understand how their models are doing is to proactively follow the legislation.

SOLUTION:

This means that every second of every minute of every day, the company should continuously test, monitor and audit its AI against guardrails identified by legislation to be most likely to cause harm to people - like bias and accuracy.

IF YOU DO IT:

Companies that control their data to ensure that accurate data goes in and accurate data comes out are creating life-changing results. Cedar Sinai hospital announced in January 2024 that it has used AI to achieve early detection of pancreatic cancer a new lease on life.

BUT IF YOU DON'T:

Another company did not control their data and institute guardrails and their chatbot began cursing at a customer. Another company's vendor's AI misidentified paying customers as shoplifters.

WHY WE ARE HERE:

The leaders in the room can impact billions of people's lives.

Today we will roll up our sleeves together to do just that.

OPENING COMMENTS

Jon Van Gorp, Chair, Mayer Brown



“Undersea exploration with submersible vehicles is like the exploration of data with AI. We now have the technology to see what we have never seen before. Whether it exists under the oceans or in the sea of data we now explore. We depend on instantaneous access to data to deliver the services that our global clientele expects. Like many of you joining today, we will continue to balance these two priorities.”

Dr. Lori Esposito Murray, Former President, and Current Trustee of the Committee for Economic Development of The Conference Board



“In 1945, the awareness of Nuclear Armageddon ran high and there were many doubters as to whether we could actually impose global constraints and whether they could be achieved. But we did. Persistent global efforts, working together, put constraints around nuclear weapons and can likewise create frameworks for global AI.”

Christina Paxson, President, Brown University



“We're at the Watson Institute for International and Public Affairs, named for Thomas Watson Jr. who graduated from Brown before going onto work at IBM, and succeeded his father to be the second President of that company. Punch cards gave way to other forms of data storage. Now data and its responsible use is a central issue in law, public policy, global affairs, global policy. This work requires collaboration between technologists, security experts, privacy experts, legal experts.”

THE GLOBAL QUESTION: CAN WE OPTIMIZE AI FOR POSITIVE OUTCOMES AND MINIMIZE NEGATIVE AI OUTCOMES?

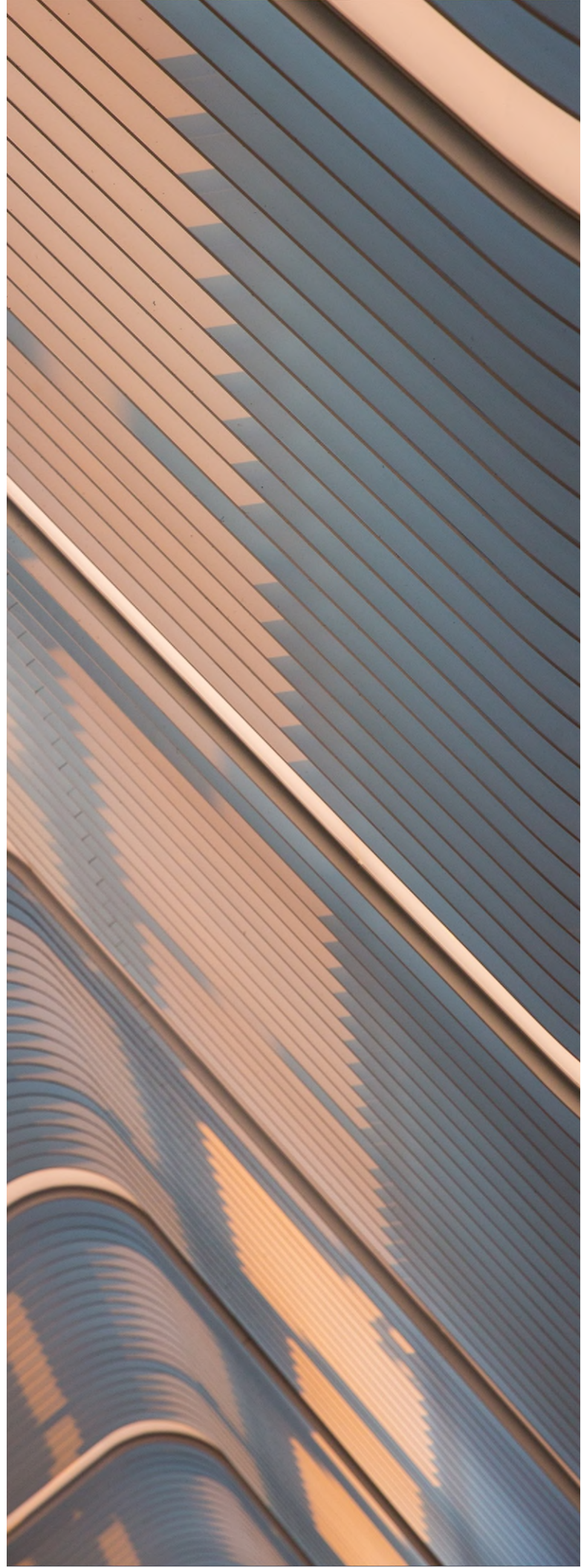
Brian Moynihan, CEO, Bank of America in conversation with Lesley Stahl, CBS News 60 Minutes



Trust in technology is a CEO matter. Brian Moynihan has stated, "If you lose trust, it's over. Financial services institutions are based on trust. We hold it. We help people engage with the economy. If we lose that trust, I don't know what we would do in a digital space."

The best leaders set the tone of Trust top-down.

AI will soon have "heart," but, according to Brian Moynihan, "Building and strengthening trust in the current digital age is critical. As Artificial Intelligence continues to offer great capabilities, we must ensure we use it effectively."



LEGISLATION IS COMING IN THE US

Senator Amy Klobuchar (Minnesota)



The European Union is at the forefront of legislation surrounding Artificial Intelligence however, the United States is soon to follow.

CURRENT LEGISLATIVE INITIATIVES:

Senator Klobuchar has authored legislation with Senator Hawley.

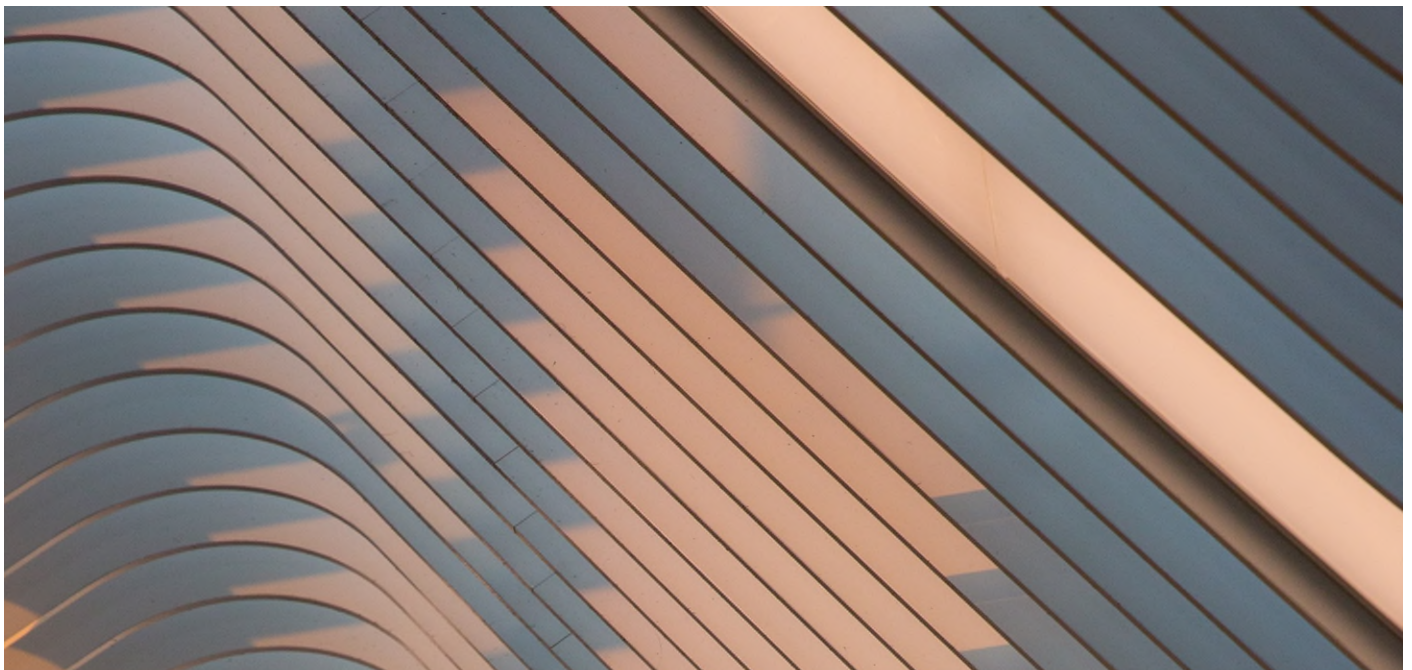
US LEGISLATION TO COME:

There is bilateral support in Congress to pass legislation that will install the necessary guardrails to protect people and society in the deployment of responsible AI.

IMPORTANCE OF AI LEGISLATION:

Partnerships with the business community are important to advance responsible AI.

AI can impact our elections and democracy.



IT'S A GLOBAL ISSUE

Amandeep Gill, United Nations Secretary-General's Envoy on Technology; Former Ambassador/Permanent Mission of India to the CD, Geneva in conversation with Lesley Stahl, CBS News 60 Minutes; Vilas Dhar, President and Trustee, Patrick J. McGovern Foundation; Member, UN Advisory Body on AI]



AI is a Global issue. Therefore, this dialogue must continue globally.

THE UNITED NATIONS:

The United Nations is playing a pivotal role in the global dialogue.

GLOBAL INFLUENCE:

80% of the world's population does not reside in the US or the EU.

The Global South wants to participate in the AI revolution and develop AI in Africa and the Middle East.

BEFORE LEGISLATION, THERE'S REGULATION

Kris Shrishak, Senior Fellow, Irish Council for Civil Liberties; Vilas Dhar President and Trustee, Patrick J. McGovern Foundation; Kemba Eneas Walden, President, Paladin Institute; former acting national cyber director; Howard Waltzman, Partner and Co-Leader, Public Policy, Regulatory & Government Affairs, Mayer Brown; with moderator Amy Nordrum, Executive Editor, Operations, MIT Technology Review



STATE OF PLAY:

Regulation is paramount in not only the EU, but also, the US and the rest of the world. As AI implementation spreads globally, we must have regulations in place to ensure safe usage of AI.

CURRENT REGULATORY FRAMEWORKS - EU:

AI legislation and frameworks are afoot in the EU, US and the rest of the world.

In the EU the AI Act will move forward and enforcement will occur. The fines are a significant 7% of gross revenue for violations.

On Capitol Hill in the United States, there are a myriad of different legislative proposals and there is a jockeying for position.

CURRENT REGULATORY FRAMEWORKS - US:

In the US, in addition to President Biden's Executive Order on AI, and agency actions, there are several legislative bills that are afoot. Close attention needs to be paid to these developments.

OMB released rules for the Federal Agencies with respect to their implementation of AI; putting out requests for information to federal contractors that will be due in 30 days.

NTIA just closed out comments on open source AI and published a policy report on accountability.

Implementation of the Executive Order.

DHS will be putting out guidelines for critical infrastructure.

National security is of import for businesses.

There will be a pilot program for national security.

The opportunities and minimizing risks are a matter for investors to hone in on

WHAT'S THE TECH STATUS?

Lara Abrash, Chair of Board, Deloitte; Heather Gentile, Executive Director of Product management watsonx.governance, IBM; Ellie Pavlick, Professor, Brown University; Research Scientist, Google Deepmind; Ben Rossen, AI Policy & Regulation, Legal, Open AI; Kevin Lavin, CEO, Ankura; with moderator Francis J. Doyle III, Provost, Brown University



Not only is Trust a critical part of leadership, but it is also a critical part of AI leadership.



CURRENT RISK ASSOCIATED WITH GENERATIVE AI:

Generative AI models are dynamic and drift. That is why effective generative AI model management cannot happen with the same cadence of testing as other types of AI models.

SOLUTIONS TO ENSURE SAFE AI IMPLEMENTATION:

Providers of AI tools are adding components to protect customers against surprises.

That said, there is a shared responsibility and licensees of AI models will need to be proactive to install governance to protect

WHAT'S DEPLOYED NOW, AND BOARD ROLE FOR WHAT WILL BE?

Emalick Njie, CEO, Ecotone; Jocelyn Mangan, Board Member, Papa Johns, Wag, ChowNow; Founder, Him for Hers; Robin Washington, Board Member, Alphabet Inc., Salesforce, Honeywell; Malik Boykin, Assistant Professor, Brown University, Cognitive Linguistic and Psychological Sciences; Matthew Hiltzik, Founder, President, and CEO of Hiltzik Strategies; with moderator Amy Nordrum, Executive Editor, Operations, MIT Technology Review



Board Members and C-Suite executives must be proactive about responsible AI usage.

THOUGHTS FOR THE BOARDROOM:

The key for Board Members is to keep ensuring they are asking the key questions to address all emerging technologies.

Board members should ask: do we have the right talent providing reports to us?

It is important to have diversity of perspectives, thoughts and ideas in the boardroom

TECHNOLOGY FOR SOCIETAL IMPACT:

One way of achieving control in healthcare is to build a large language model for health purposes.

Consideration of the impact of technology on existing inequalities in society is an exploration worthy of consideration from the business perspective.

ACHIEVING AND MAINTAINING DATA LEADERSHIP:

Data control is the key to AI governance.

Once data leadership is demonstrated it is important to publicize how your company is pioneering leadership.

There also needs to be a crisis management plan to be resilient if things do not go as planned at times with AI.

HOW CAN WE ADDRESS THE BIGGEST RISKS?

Lisa Ferri, Partner and Co-Leader of Life Sciences and Intellectual Property, Mayer Brown; Felix Knol, COO/CRO and Co-Founder, Board Member, Cranium; Chris Hetner, Cyber Risk Advisor, National Association of Corporate Directors (NACD), Former Senior Cybersecurity Advisor to the SEC Chair; Brad Peterson, Partner, Technology & IP Transactions, Mayer Brown; John Mancini, Partner, Intellectual Property, Mayer Brown; Njeri Mutura, Assistant General Counsel, Microsoft; with moderator Dan Bigman, CEO Chief Executive Group



While AI has great opportunities, risks can and need to be managed proactively.

MITIGATING RISKS:

The responsibility for mitigating risks is a shared one. Both the tech companies and the other companies licensing AI tools need to be part of achieving trustworthy AI.

IP risks are part of the equation.

Tech transactions and supply chain, along with vendor management are key here.

ACCELERATING OUR OPPORTUNITIES

Ramayya Krishnan, Dean, Heinz College of Information Systems and Public Policy, Carnegie Mellon University, National AI Advisory Committee; Shalini Govil-Pai, VP & GM TV, Google; Board Director, YouGov; Byron Loflin Global Head, Nasdaq Board Advisory and Nasdaq Center for Board Excellence; Lisa Edwards, Chief Executive, Diligent. Board Member, Colgate-Palmolive; Ivan Pollard, Lead on AI Hub, The Conference Board; Bonita Thompson, Chief Executive Alliance; with moderator Dan Bigman, CEO, Chief Executive Group



AI is being implemented across companies more than individuals are aware of. Governance needs to keep pace with the rapid advancements of technology.

THE MAJOR DISCONNECT:

CEOs care about this issue, however there is a disconnect between what is actually happening within their organizations and what they think is happening, according to Conference Board studies.

SOLUTIONS TO THIS:

AI is governable.

We need to advance with the technology and with guardrails that allow us to move fast.

Data needs to be treated as an important asset of the company. Accounting rules need to align.

MILITARY AND DEFENSE WILL BE BIG AI OPPORTUNITIES

Senator Jack Reed (Rhode Island)



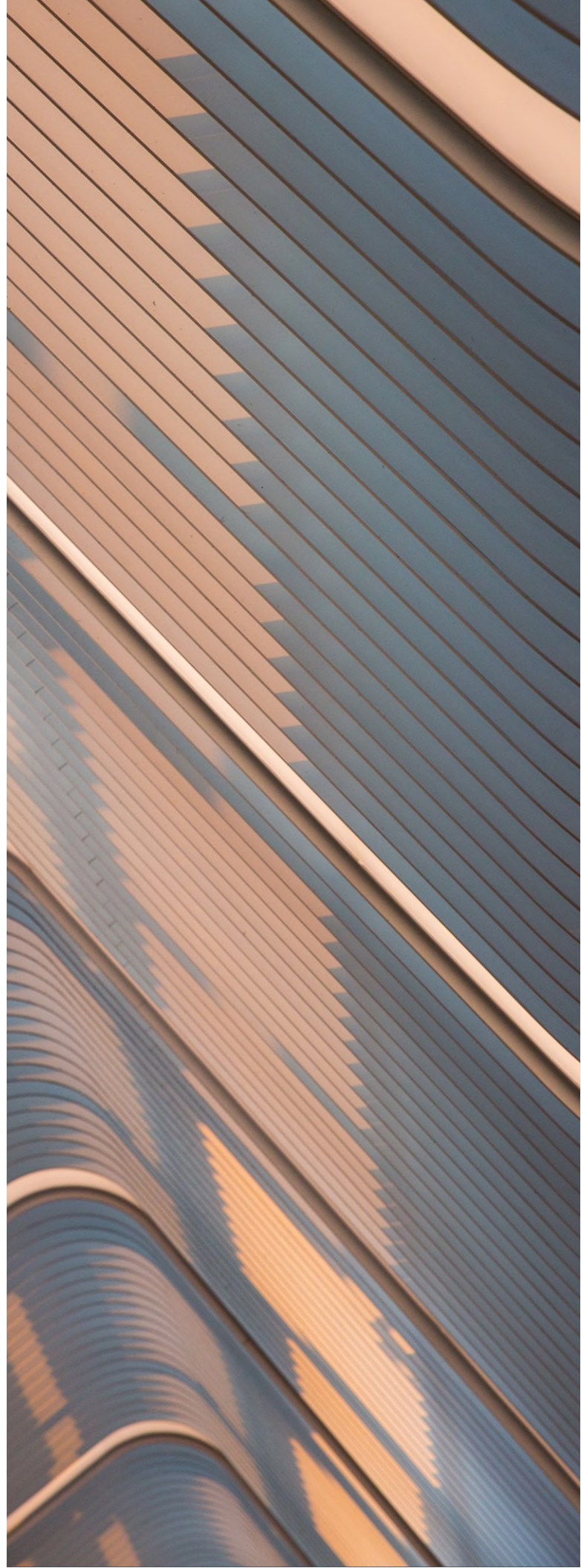
AI technology impacts more than just businesses.

CROSS-INDUSTRY IMPACTS OF AI:

AI is not only a transformational technology for business, there are significant national security implications.

Having recently returned from Ukraine, Senator Reed observed that AI is already revolutionizing war and heightening risks abroad.

Everything from drones to cybersecurity require that the power of AI be harnessed to protect national security.



SOCIAL OPPORTUNITIES IN A RISKY LANDSCAPE

Cid Wilson, President & CEO, Hispanic Association on Corporate Responsibility; Harry Xu, CEO and Co-Founder BreezeML; UCLA CS Professor; Cal Al-Dhubaib, Founder, Pandata; Ivana Feldfeber, Director and Co-Founder, DataGenero; with moderator Heidi Mitchell, Wall Street Journal (see article in [WSJ's January 22, 2024 special edition on AI](#))



Guardrails are of utmost importance to ensure AI is used fairly and without bias.

EXISTING BIAS ISSUES:

Reductions in DEI teams at a time when diversity is needed in AI requires thought.

SOLUTIONS TO BIAS:

Bias is an important issue that we can use governance to address with AI.

Guardrails do exist. Companies can implement them by working with vendors to install bias guardrails to prevent bias being introduced into their operations by using AI correctly.

Diversity in employee and vendor-base impacts the ability to effectively detect and address AI bias issues.



GOVERNANCE EXCELLENCE CREATES TRUST

Dottie Schindlinger, Executive Director, Diligent; Jesus Mantas, Global Managing Partner IBM and Board Of Directors, Biogen; Hoan Ton-That, CEO and Co-Founder Clearview AI; Steve Roycroft, CEO, RANE; Will Lee, CEO, Ad Week; Aldo Carrascoso, CEO & Co-Founder, Vivium Computing; Dr. Lori Murray, Trustee of the Committee for Economic Development of The Conference Board and former President; Peter Gleason, CEO, NACD; Wayne Peacock, CEO, USAA; Paul Washington, Executive Director, ESG Center at The Conference Board; with moderators Heidi Mitchell, Wall Street Journal, and Amy Nordrum, Executive Editor, Operations, MIT Technology Review



Governance of AI isn't really about tech. It is about leadership and starts at the top. Boards and CEOs set corporate practice for responsible data stewardship.

STATE OF PLAY:

In most companies there's a disconnect between leadership - Board and C-Suite - and the tech teams. Why? Because of silos, need for speed, and the fact that these groups communicate differently.

The Conference Board recently reported on the disconnect between what CEOs and Board Members presume is happening with AI in the company and what is actually happening.

C-SUITE SOLUTIONS:

CEOs can set the tone. The CEO can, and should make the difference in leading the culture around digital responsibility.

BOARD SOLUTIONS, TOO:

Board members need to engage in training in order to be active members of digital governance.

4 Pragmatic Questions Boards should ask management tomorrow:

1. To provide a list of every place that AI is being used within the company. 95% of management won't be able to provide a list, but this is the start of healing and implementing processes and governance.
2. What the AI is being used for.
3. Who trained the AI technology (what data, bias, etc.).
4. Who is accountable for the decisions that this AI is making.

These questions and the responses to them create a lifecycle management of where AI is being used and for what purpose.

Boards need dedicated legal framework guidance that crosses jurisdictions and foretells upcoming regulations so companies can compete aggressively, not get blindsided.

Board members can then collaborate responsibly with C-Suite to evaluate the risk/reward for using an algorithm for a certain intent.

IT'S ESSENTIAL, WITH THESE BIG ISSUES ARE ON THE HORIZON:

AI cybersecurity.

AI will revolutionize advertising.

AI environmental costs can be addressed with an understanding of the dynamic (e.g., vehicles) vs. static use cases of AI.

Trust in all AI applications.

WE END TODAY WITH TRUST, WHERE WE BEGAN, AND:

AI is just at its beginning. Last year it was an infant. Now it is in high school. Next year, it will be a college graduate. The year after, it will have the knowledge and capacity of every college and university on the planet.

Trust in tech is paramount.

Trust is wholly within the control of the companies creating and deploying it.

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WILL TAKE PLACE IN SPRING, 2025

REPRESENTING THE WORLD'S MOST SOPHISTICATED CORPORATIONS GLOBAL DATA INNOVATION

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