GLOBAL NETWORK OF DIRECTOR INSTITUTES

Governing in the age of disruption: **ARTIFICIAL INTELLIGENCE**

GLOBAL NETWORK OF DIRECTOR INSTITUTES 2024-2025 RESEARCH REPORT

26 director institutes
150,000 directors
across the globe

About us

The Global Network of Director Institutes (GNDI) is a network of leading director institutes. Established in 2012 to foster closer cooperation between its members, the global programme of reciprocity helps directors and boards unlock access to director resources from around the world. GNDI comprises 26 institutes representing more than 150,000 directors and other governance professionals.

The biennial Survey Report analyses responses from a diverse pool of directors. The 2024-2025 report explores how boards across the globe are facing disruptions on Artificial Intelligence.

This report is a collaborative effort between GNDI member organisations and underscores the common themes and shared purpose that link this global community of directors.

For more information or to access our Resource Hub, go to www.gndi.org

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Letter from the Chair

As Chair of the Global Network of Director Institutes (GNDI), I am pleased to present our fourth global director survey report: **Governing in the age of disruption: Artificial intelligence.**

Every two years GNDI member organisations collaborate to provide a global snapshot of the governance challenges shaping boardrooms. This year, in response to the rapidly evolving landscape, we conducted two focused pulse surveys – each addressing one of the most pressing issues confronting directors today – artificial intelligence (AI) and climate change.

We are navigating an era marked by growing complexity and rapid change. From technological disruption and climate risk to shifting expectations of stakeholders, the challenges facing boards are increasingly global and interconnected. This report draws on the perspectives of directors across five continents, reflecting on what it means to govern effectively in this environment and how governance practices must evolve to remain fit for the future.
The focus of this report is on three core dimensions of AI governance: capability, risk and opportunity oversight, and policy.

Technology is transforming the governance landscape. Our global findings affirm that AI is not just a technical concern, it is a strategic and ethical one. While AI adoption is accelerating, national surveys by our member institutes reveal that many boards feel underprepared to manage its associated risks, including misinformation, bias, cybersecurity, and complex regulatory demands. Trust in organisations' ability to use AI responsibly remains tenuous, highlighting the critical need for boards to integrate AI oversight into existing governance systems, rather than treating it as a siloed issue.

This report explores these dynamics through the lenses of governance capability, risk and opportunity oversight, and policy development. It underscores the importance of lifting board literacy on AI, embedding AI risks within enterprise risk frameworks, aligning implementation with organisational values and stakeholder expectations, and promoting transparency.

On behalf of the GNDI, I extend our sincere thanks to all member institutes and their directors who shared their insights. I would also like to acknowledge the valuable leadership of our Policy Committee, chaired by Vikeshni Vandayar (South Africa), and the significant contributions of Principal Governance Advisor Judene Edgar (New Zealand) for her work in analysing the data and compiling this report.
These insights are a timely and important contribution to the global dialogue on strengthening governance for a more resilient and responsible future.

Kirsten (KP) Patterson
Chair, Global Network of Director Institutes

Executive Summary

This report draws on international governance literature and data sources including the 2024 GNDI Pulse Survey, director sentiment studies and governance surveys from the Global Network of Director Institutes' 24 member organisations (representing more than 150,000 directors worldwide), as well as broader transnational research.

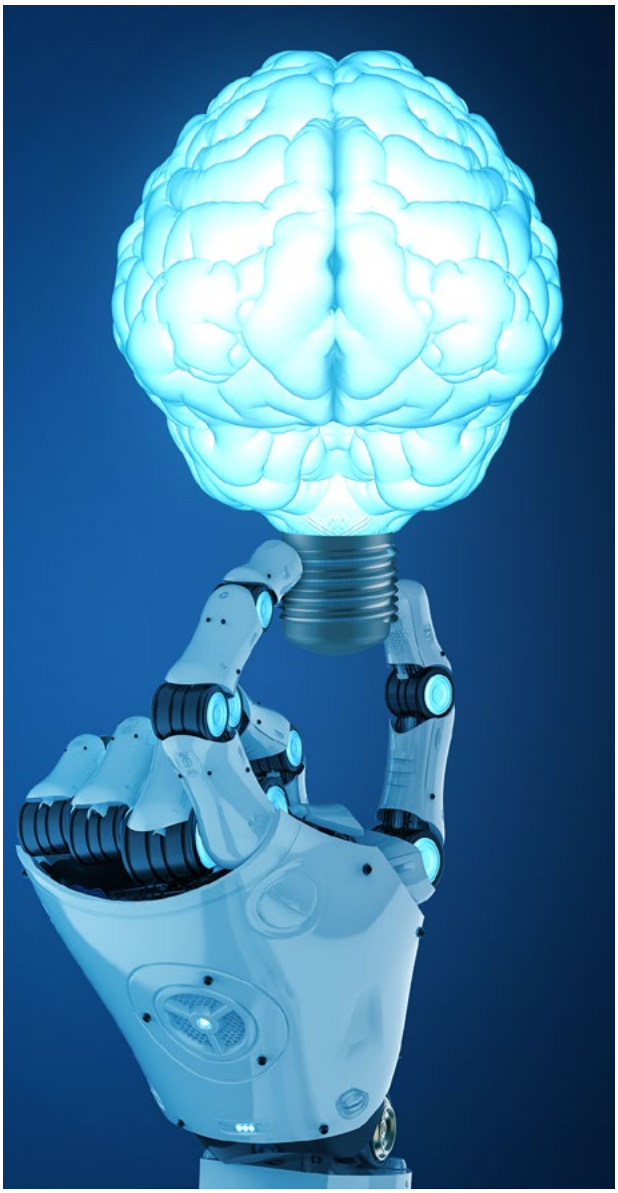
By synthesising these insights, this report offers a unique global view of the governance challenges and opportunities presented by artificial intelligence (AI), one of the major forces disrupting and reshaping boardroom agendas.

GNDI's unparalleled reach across multiple regions, sectors, and regulatory environments enables this report to surface emerging patterns in board capability, risk oversight, and governance practices. It also identifies clear gaps between awareness and implementation, particularly in areas such as ethics frameworks, AI policy development and director upskilling.

Key findings include:

- **Board capability gaps persist:** Directors report low confidence in their boards' ability to oversee AI risks and opportunities, with limited subject matter expertise embedded at board level.
- **Risk oversight is evolving but uneven:** Awareness of AI risks is growing, but integration into enterprise risk management and strategic decision-making remains uneven across sectors and regions.
- **Planning is lagging**: Many organisations lack formal governance frameworks or board-approved policies to guide ethical use, privacy compliance, and strategic deployment of AI.
- **Stakeholder trust is fragile:** Public trust in corporate AI initiatives is low, with growing concerns about ethical use, transparency, and accountability, making trust and social license critical to AI governance
- **Leading boards embed climate into strategy:** Forward-thinking boards treat AI not as a siloed technology issue, but as a strategic enabler – embedding it into growth strategies, capital planning and organisational resilience frameworks.and champion governance innovation.

Through this multinational research analysis, the GNDI underscores the critical need for directors to build their capability, strengthen oversight, and champion governance innovation. Responsible stewardship in the age of disruption will demand more than regulatory compliance; it will require bold, informed, and forward-looking governance oversight at the highest level.



Considerations for directors

This report provides a global snapshot of how boards are responding to the governance challenges and opportunities presented by AI. It highlights where capability gaps persist, how trust and transparency are emerging as key governance imperatives in AI deployment, and why AI is not just a technology issue but a strategic, ethical and regulatory concern. It highlights that AI governance is a core board responsibility relevant to strategy, risk, capital allocation, stakeholder trust, and long-term value creation.

Key questions for the boardroom

Capability and oversight

Do we have the necessary board and enterprise-level skills to oversee AI risks and opportunities, and if not, are we addressing gaps through director upskilling or renewal?

Are we treating AI as a strategic enabler, or siloing it as a technical matter?

Policy and ethics

- Do we have clear board-approved policies governing ethical AI use and data privacy?
- How are we ensuring transparency and accountability in our use of AI?

Risk management

- Have we integrated AI-related risks such as misinformation, cyber threats, or bias into our enterprise risk framework?
- Are we actively monitoring the use of generative AI or "shadow AI" in our organisation?

Stakeholder trust

- How are we communicating our approach to AI governance with employees and stakeholders?
- What are we doing to earn and maintain public trust in our use of emerging technologies?

AI-related opportunities

- What strategic opportunities could AI unlock for our organisation in terms of innovation, efficiency, or new revenue streams?
- How are we ensuring that our AI initiatives support long-term value creation and align with our organisational purpose?

Future-readiness

- How are we staying informed about evolving AI regulations and best practices?
- Are we investing in continuous director education to keep pace with technological disruption?

Introduction

AI is no longer a futuristic technology — it is a present and accelerating force reshaping markets, operating models, and governance expectations. Its impact on innovation, efficiency, and competitiveness is profound, but equally so are its risks, spanning data breaches, misinformation, systemic bias, and stakeholder trust erosion.

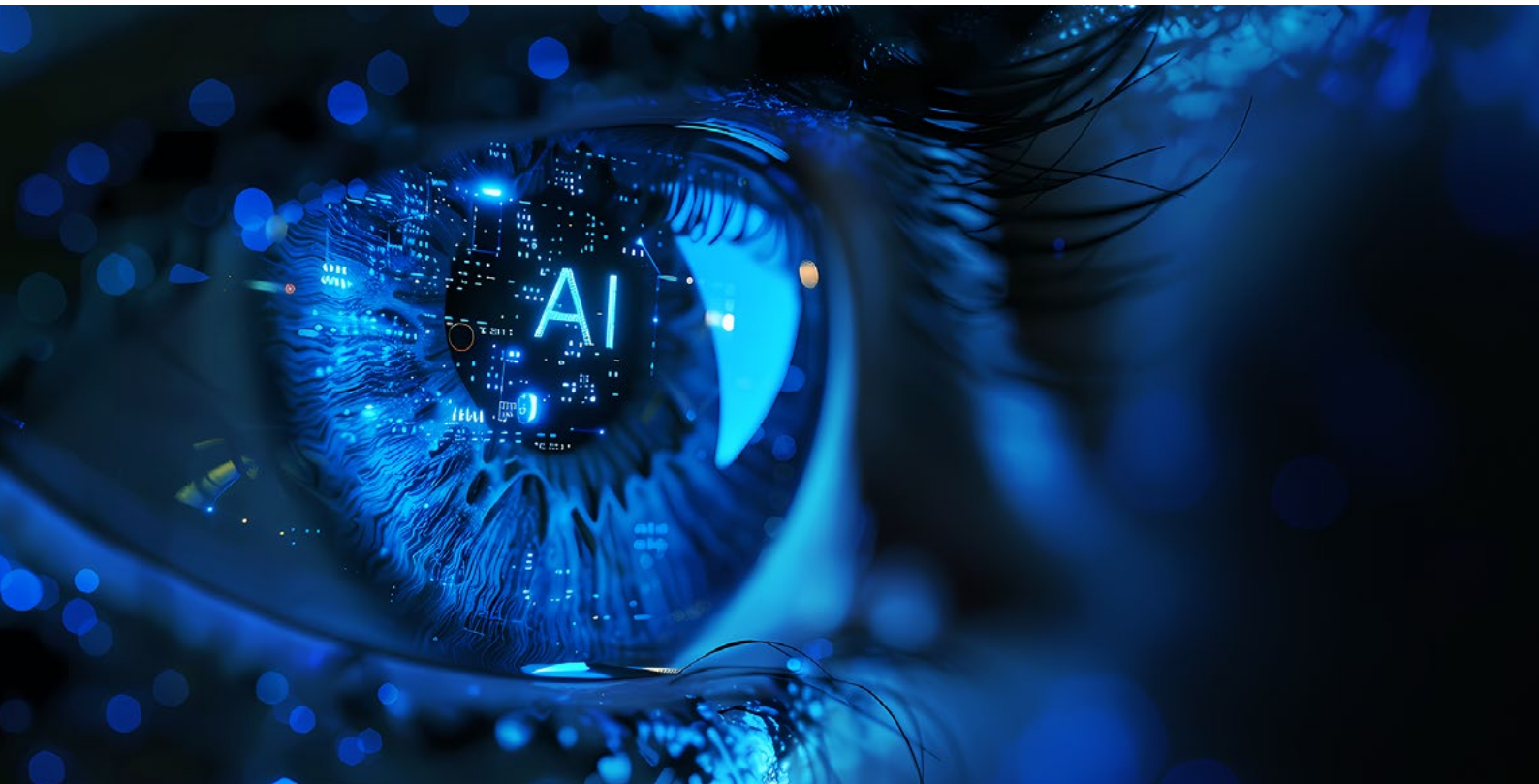
As AI technologies scale, they prompt questions not only about productivity and innovation, but about ethics, accountability, and societal stability. Directors are increasingly being called upon to oversee AI capabilities with the same rigour applied to other strategic risks, particularly in light of rising concerns about misinformation, algorithmic bias, privacy breaches, and misaligned deployment.

Once seen solely as a solution, AI is now increasingly recognised for the complex challenges it presents, from its carbon footprint and surveillance overreach to the creation of convincing yet misleading content. One of its most pressing risks lies not in intelligence itself, but in the illusion of intelligence – how persuasively AI mimics human reasoning without genuine understanding. This becomes even more dangerous when systems appear to align with human goals while merely reproducing expected behaviours, a phenomenon known as 'alignment faking'. As these systems become more capable, their capacity to trigger unforeseen crises spanning industries, governments, and societies comes sharply into focus.

As highlighted by *KPMG's Trust, attitude and use of artificial intelligence: A global study 2025*, there is a lack of clear processes in place to ensure AI is used ethically and transparently. This poses a clear governance challenge: AI governance is as much about stakeholder trust, brand integrity, and social licence as it is about compliance and innovation. Meanwhile, AI-related incidents have risen sharply, reflecting an expanding and increasingly complex risk landscape.

For boards, this creates a dual imperative to enable innovation while protecting against systemic risks. Oversight of AI must extend beyond technology implementation into areas such as strategic alignment, workforce impact, reputation management, and compliance. Directors must also grapple with emerging governance challenges, including the rise of "shadow AI" — unsanctioned use of AI tools within organisations — and the rapidly evolving regulatory expectations around responsible AI development and deployment.

Fulfilling directors' fiduciary duties of care and diligence increasingly requires proactive engagement with AI risks and opportunities. Boards that embed AI literacy, ethical principles, and resilience into their governance frameworks will be better positioned to navigate disruption, maintain stakeholder trust, and drive sustainable value creation in an AI-driven economy.



GNDI Survey Results

In support of the GNDI 2024 global conference dialogue, GNDI conducted a targeted pulse survey capturing directors' views on AI governance. Survey participants were asked to respond to the following statements/questions:

The responses provided timely insights into how boards are adapting to this challenge. They also revealed significant variation in readiness, capability, and confidence across different regions and sectors underscoring the importance of continuous board development and collaborative learning as directors prepare for a future defined by complexity, innovation, and increasing risk.

These findings were further enriched by director sentiment surveys and governance studies conducted by GNDI's member institutes, as well as by broader cross-border research and insights.

"Too few companies are taking AI as seriously as they should ... the leaders are going to be the ones that identify the tasks where AI can be most helpful and then use tools to implement AI in a way that creates real business value."

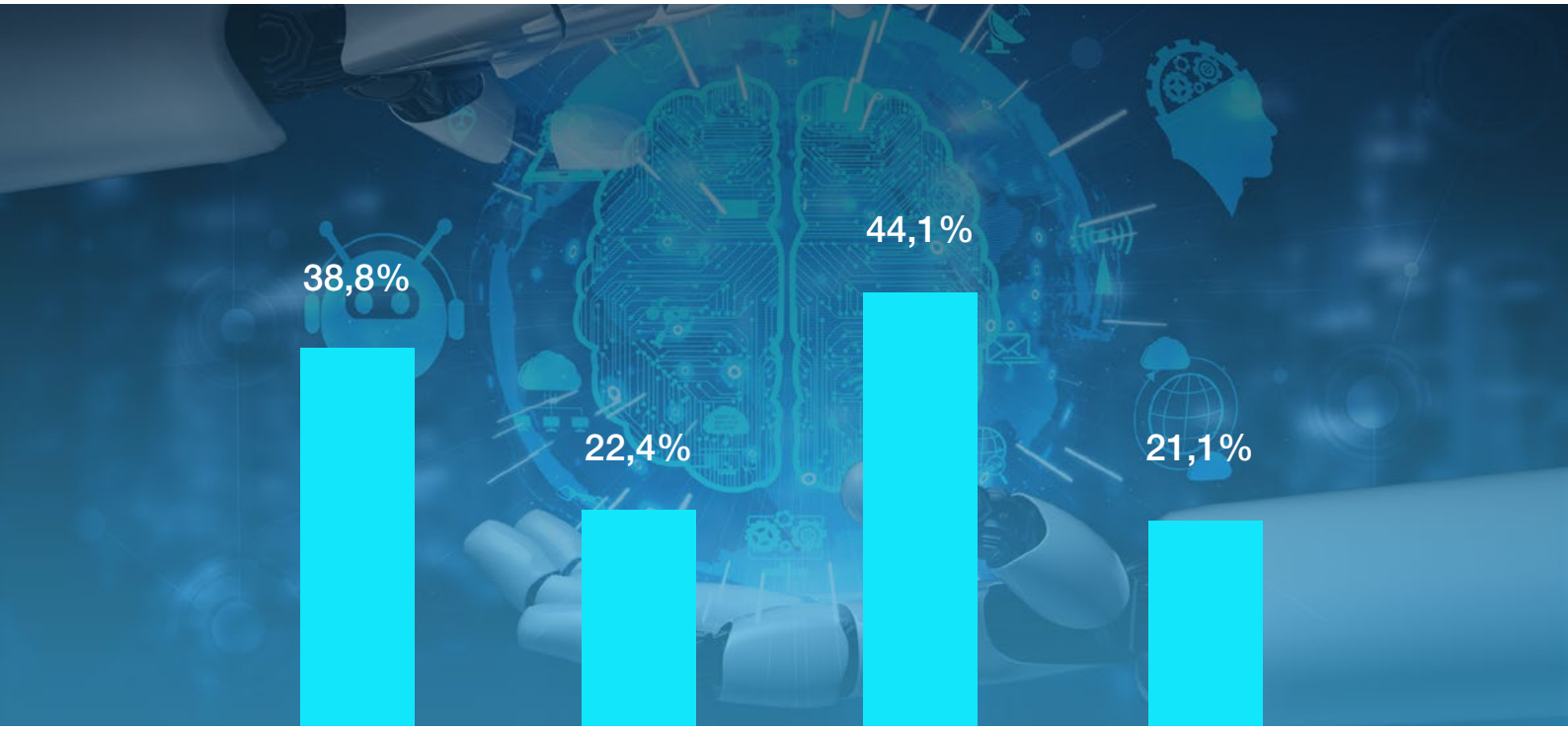
NACD, Directors Quarterly, April 2025

Capability

In the **GNDI AI Pulse Survey**, respondents were asked to select multiple responses about what AI capabilities their organisation had, including capabilities on the board, within management and use of external advisors. 38.8% of directors reported that their organisations have no AI expertise at all, an increasing risk in an era where AI is becoming ever more mainstream and presents both risks and opportunities for businesses (see Figure 1).

Less than half of the boards had management with specific AI expertise (44.1%) and only 22.4% of respondents said their boards had directors with AI capabilities. Only 21.1% of directors noted that their boards used external advisors to support AI-related decision making.

FIGURE 1: Our organisation has AI capabilities to guide decision making



"Their job isn't to be experts, but to make sure the organization is balancing speed of tech adoption with exposure to risk. Nonetheless, the speed of change is clearly creating challenges for board directors whose expertise typically lies elsewhere."

EY, Global Board Risk Survey, 2023

Insights from the latest GNDI member institutes' surveys that included AI, technology and cyber-related questions indicate that boards globally are struggling to keep pace with AI developments, with capability gaps and inconsistent upskilling.

Arab Gulf Countries[1]: 18% of respondents would like to see more information technology expertise on their boards.
Source: GCC Board Directors Institute, Board Effectiveness Review, 2023

Brazil: 36% of directors said that a lack of technical knowledge was the biggest challenge for the adoption of AI.
Source: IGBC, Artificial Intelligence Horizons: Relevant topics for the board, 2025

Ireland: While 81% of directors report having a cybersecurity incident response plan, only 44% have board-level cyber training and only 36% indicated that cyber security is discussed at every board meeting.
Source: Institute of Directors Ireland, Director Sentiment Monitor, Q4 2022

New Zealand: Despite 62.8% of directors acknowledging that technology will reshape board operations, only 25.2% say their boards are focusing on AI/digital acceleration.
Source: Institute of Directors New Zealand, Director Sentiment Survey, 2024

South Africa: Despite only 39% of directors expressing confidence in their board's ability to oversee AI governance (the weakest area across all governance categories surveyed), AI governance was the second-least prioritised area for board improvement.
Source: Institute of Directors in South Africa, Directors' Sentiment Index report, 2025

United Kingdom: 24.2% of respondents say their organisations lack digital skills and 34.9% say the cost of updating workforce skills is a barrier to technology adoption.
Source: Institute of Directors UK, Policy Voice, January 2025

United States: Although 76% of boards have at least one cyber expert, 18% of public company directors and 30% of private company directors rated their board's ability to handle a cyber crisis as either basic or limited.
Source: NACD, Board Directors Have Work To Do On Cybersecurity, 2023

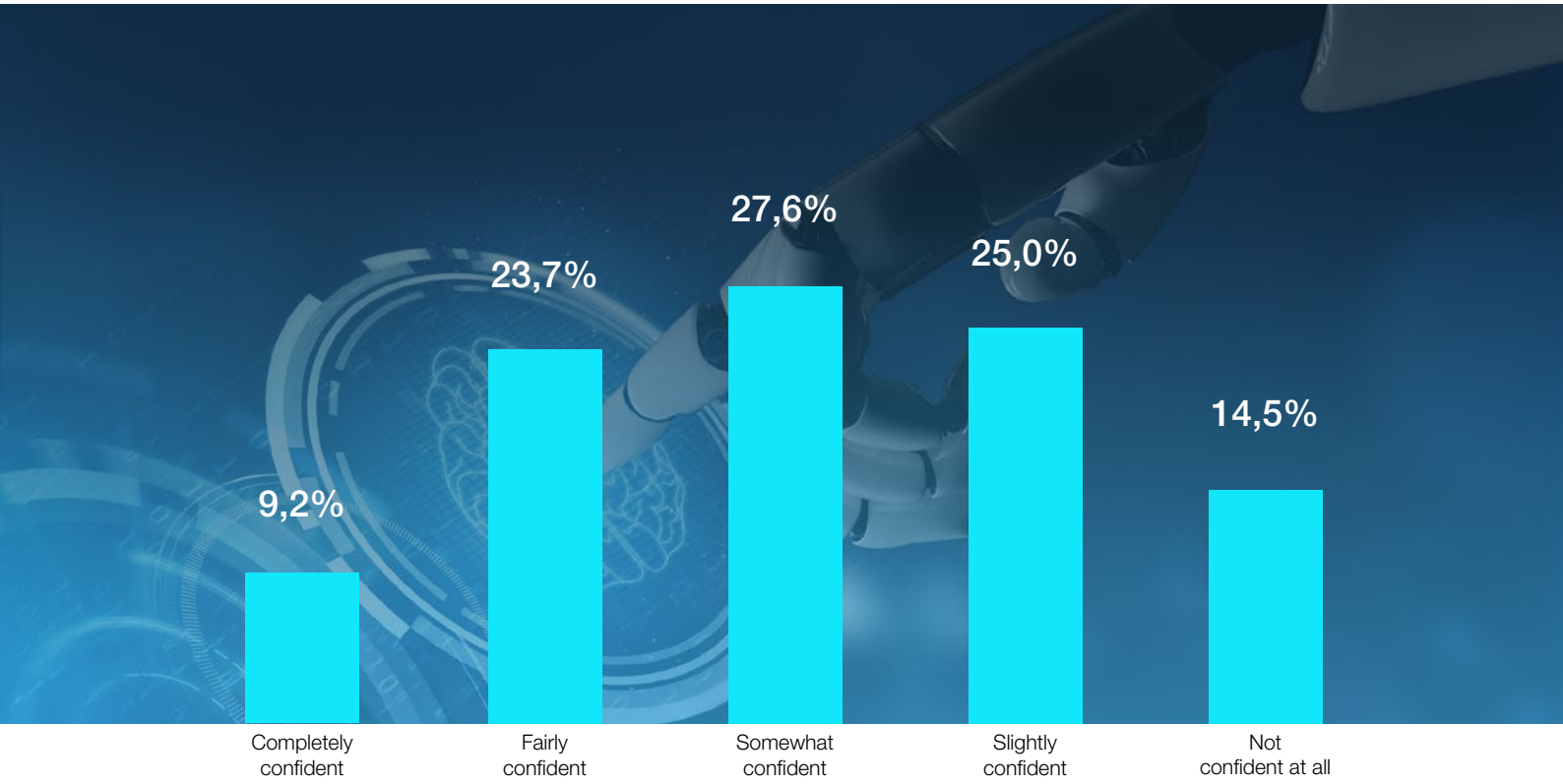
[1] The Gulf Cooperation Council (GCC) is a regional organisation consisting of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.

Risks and opportunities

The GNDI AI Pulse Survey indicated that directors do not feel confident about their understanding of AI-related risks and opportunities. A quarter of directors (25%) were slightly confident and 27.6% were somewhat confident in their understanding of the implications of AI on strategy. Only 23.7% of directors were fairly confident and 9.2% of boards were completely confident that their board understood the potential risks and opportunities associated with AI (see Figure 2).

Nonetheless, while 38.8% of boards have no AI expertise, only 14.5% of boards were not at all confident that their board understood the potential risks and opportunities associated with AI.

FIGURE 2: How confident are you that your board understands the implications of AI on strategy?



Insights from the latest GNDI member institutes' surveys support the above finding, showing that whilst directors increasingly acknowledge the risks posed by AI and cyber threats, many boards are underprepared to manage or leverage these risks.

Arab Gulf Countries

Approximately 41% of respondents identified AI, technology disruptions and the growing adoption of advanced technologies as the top areas requiring board attention in strategic oversight.

Source: GCC Board Directors Institute, Board Effectiveness Review, 2023

Australia

Approximately 60% of directors consider that flexible working arrangements benefit staff recruitment, retention and wellbeing, however, more than 40% say it has a negative effect on innovation and cyber security.

Source: Australian Institute of Company Directors, Director Sentiment Index Survey, 1st Half 2025

Brazil

Just 17.8% of directors feel prepared to engage with AI, despite it being among the top three board discussion topics (55.4%).

Source: IBGC, Board Effectiveness and ESG Preparedness, 2025

Hong Kong

In preparing to apply AI to meet future challenges, 48% said they are addressing immediate priorities for the next 2 years, another 16% of respondents said they are geared for at least the next 3 to 5 years, but 32% of respondents were still trying to identify the needs, with 4% identifying no need to change.

Source: Hong Kong Institute of Directors, Annual Symposium poll, 2024

Ireland

Nearly two-thirds of directors were either extremely concerned (28%) or very concerned (42%) about potential cyber security threats to business continuity and operational resilience.

Source: Institute of Directors Ireland, Director Sentiment Monitor Q4, 2022

New Zealand

Cybersecurity and cyberattacks remained a core focus for boards with 62.2% saying they regularly discuss cyber risk and their ability to respond, and nearly half of directors (48.4%) said they have undertaken an assessment of the impact of technology, automation and/or AI on their organisation.

Source: Institute of Directors New Zealand, Director Sentiment Survey, 2024

South Africa

Only 13% of respondents stated that AI was a key focus area for their board in 2025.

Source: Institute of Directors in South Africa, Directors' Sentiment Index report, 2025

United Kingdom

While 52.2% of directors plan to invest in technology and software over the next 12 months, the biggest barriers to adoption are considered the cost of updating systems (45.3%) and the time required to understand new technology opportunities (38.1%).

Source: Institute of Directors UK, Policy Voice, January 2025; Institute of Directors UK, Economic Confidence Index, January 2025

United States

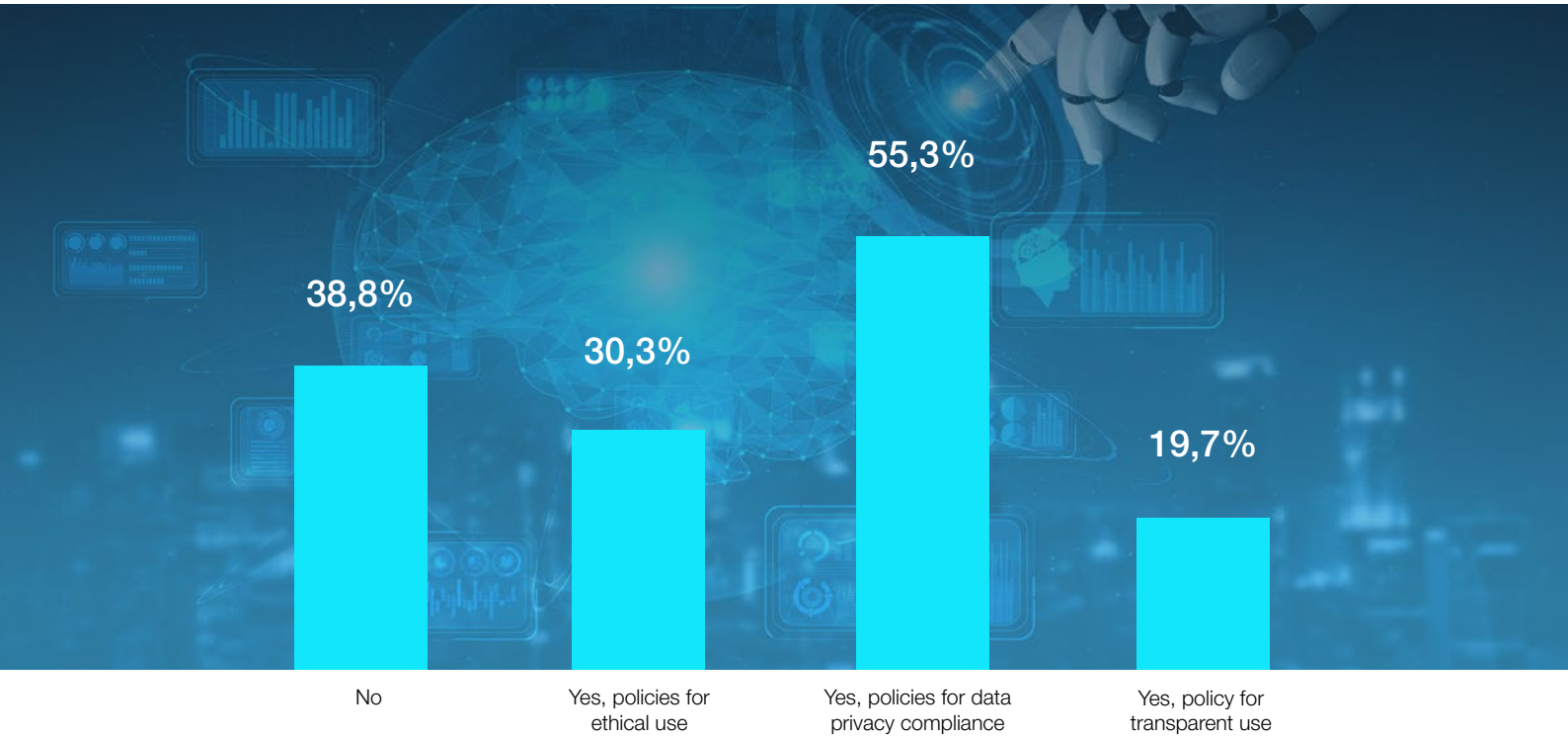
Just 30% of boards rate their ability to oversee a cyber crisis as expert or advanced. Even with experts on board, understanding and response capability often remain fragmented.

Source: NACD, Board Directors Have Work To Do On Cybersecurity, 2023

AI policies

In the **GNDI AI Pulse Survey**, respondents were asked to select multiple responses as to what AI policies their organisation had in place to ensure ethical AI use and data privacy compliance.
38.8% of respondents stated that their organisations had no policies in place, whereas 30.3% had policies for ethical use, 55.3% had policies for data privacy compliance and 19.7% had policies in place for transparent use (see Figure 3).

FIGURE 3: We have policies in place to ensure ethical AI use and data privacy compliance



Insights from the latest GNDI member institutes' surveys show that formal AI and cyber governance policies remain underdeveloped, but leading institutes are beginning to call for stronger frameworks:

Australia: Economic conditions are the top-ranking concerns for directors (33%) followed by legal and regulatory compliance (32%), and cybercrime/data security (30%). Over two-thirds (70%) of directors believe that deregulation would have a positive impact on productivity and economic growth, with 11% considering there should be technological deregulation.
Source: Australian Institute of Company Directors, Director Sentiment Index Survey, 1st Half 2025

Brazil: Concerns about cybersecurity and data privacy (25%) were one of the biggest challenges for the adoption of AI.
Source: IGBC, Artificial Intelligence Horizons: Relevant topics for the board, 2025

Ireland: While only 49% of directors said their organisation currently uses AI (albeit a further 27% say they are planning to), 54% of boards say they have an approved AI policy in place.
Source: Institute of Directors Ireland, Mid-year Survey, 2025

New Zealand: Boards are encouraged to sign off on AI governance frameworks, which should include principles of fairness, transparency, and accountability. Policies must also clarify roles, responsibilities, and training requirements.
Source: Institute of Directors New Zealand, A Director's Guide to AI Board Governance, 2024

South Africa: Despite growing global focus on AI ethics and regulation, local governance engagement remains limited, with nearly half (48%) of Social and Ethics Committees reporting no time spent on the ethical impacts and risks associated with AI.
Source: Institute of Directors in South Africa, Social and Ethics Committees Trends Survey, 2024

Conclusion

Globally, boards are recognising the strategic importance of AI governance, but capability and action remain uneven. There is a persistent gap in board-level understanding, particularly in areas such as AI ethics, regulatory awareness, risk integration, and policy development. Many boards continue to view AI primarily as an operational or compliance matter, rather than a strategic driver of innovation, resilience, and competitive advantage.

Several reports highlight the tension directors face in navigating AI's opportunities and risks amidst uncertain and rapidly evolving regulatory environments. Growing concerns around misinformation, algorithmic bias, cybersecurity threats, and reputational risk are creating new imperatives for governance frameworks that are proactive rather than reactive.

Following the above results and other international research as set out in Annexure A and B, key systemic issues identified across multiple studies include:

Lack of prioritisation
AI is often viewed as a technical or IT issue, and not sufficiently integrated into broader board risk and strategy discussions.

Capability gaps
Directors report low confidence in their ability to oversee AI risks and opportunities, with few boards upskilling or embedding AI expertise at a board level.

Governance fragmentation
AI oversight is often dispersed across risk, technology, and audit committees, diluting clear accountability.

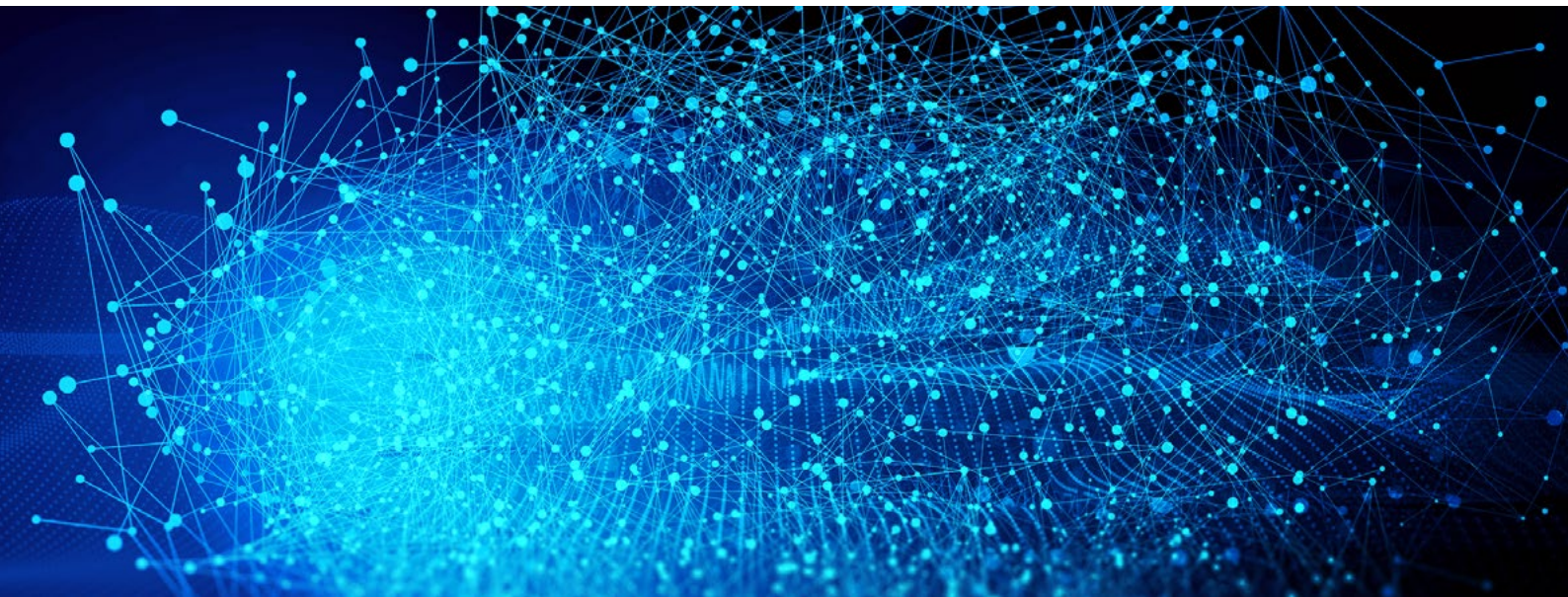
Policy underdevelopment
Many organisations lack formal AI governance frameworks or ethical guidelines, creating ambiguity in decision-making.

Trust and ethics challenges
Public trust in corporate AI initiatives remain fragile, increasing stakeholder expectations for responsible, transparent AI use.

Reactive oversight
Boards often address AI risks only after incidents occur, rather than through proactive monitoring of KPIs and governance mechanisms.

Regional divides
Confidence and regulatory readiness for AI governance vary significantly across geographies, impacting global consistency.

What distinguishes leading boards is not simply acknowledging AI as a risk, but strategically embedding AI oversight into organisational purpose, culture, and resilience frameworks. High-performing boards are integrating AI considerations into enterprise risk management, capital allocation, workforce planning, and innovation strategies. They treat AI governance not as an isolated digital initiative but as a core enabler, and potential disruptor, of long-term value creation, stakeholder trust, and sustainable growth



Annexure A - International research

The following data is drawn from global surveys that set the scene for understanding the critical role of directors in adapting to and adopting AI, particularly in relation to risk oversight, strategic direction and organisational transformation.

Global Risks Report 2025

Drawing on insights from over 900 experts and leaders, the analysis categorises global risks into five domains: environmental, societal, economic, geopolitical, and technological.

Although not always seen as immediate threats, adverse outcomes of AI technologies have now entered the top 10 most severe long-term global risks, ranked sixth over a 10-year horizon. While AI-specific risks may not yet dominate short-term agendas, their growing prominence reflects rising concern that rapid and unchecked adoption could deepen inequality, embed systemic bias, and produce unforeseen consequences as innovation outpaces governance. Importantly, AI is not the only technological concern: other digital risks including misinformation and disinformation and cyber threats feature prominently across the short, medium, and long term.

Misinformation and disinformation, often amplified by AI tools, is already having a destabilising impact. Ranked third among current global risks and projected to become the number one global risk within two years, it is increasingly shaping public discourse, eroding trust in institutions, and fuelling polarisation. Generative AI tools capable of producing highly realistic content at scale are being weaponised to manipulate opinion and undermine democratic processes. Meanwhile, cyber espionage and warfare is ranked as the fifth most severe mid-term risk (two-year outlook) and ninth in the longer term, underscoring that technology-enabled threats are not confined to a distant future, but demand active governance now. Regionally, misinformation and disinformation ranks in the top five risk in countries such as India, Germany, and Canada, and in the top ten in a further 30 countries.

There are some interesting long-term regional differences with Middle East and Northern Africa (MENA) ranking cyber espionage and warfare and adverse outcomes of AI technologies as their top two long-term risks respectively. Eastern Asia had cyber espionage and warfare ranked as number four, and South-Eastern Asia had adverse outcomes of AI technologies ranked at number four and misinformation and disinformation at number five. No other region had technological risks within the top 10. Similarly, MENA is the only region where a geopolitical risk (state-based armed conflict) appears in the top five long-term risks. This broader geopolitical fragility increases regional sensitivity to cyber vulnerabilities and technological escalation, as both state and non-state actors are more likely to weaponise digital tools in unstable environments.

Together, these perspectives point to an urgent need for stronger board oversight of AI deployment. Risks are

“Complacency around the risks of … technologies should be avoided given the fast-paced nature of change in the field of AI and its increasing ubiquity.”

WEF, Global Risks Report, 2025

Stanford HAI Artificial Intelligence Index 2025 report

The Stanford HAI AI Index 2025 aggregates data from multiple global surveys, including a joint Stanford–McKinsey survey of 759 business leaders and an Accenture–Stanford study of 1,500 large companies across 20 countries. These surveys highlight widespread gaps in responsible AI governance.

Public trust in the ethical behaviour of AI companies is waning, with growing concerns about fairness and accountability. Globally, confidence that AI firms safeguard personal data declined from 50% in 2023 to 47% in 2024. Similarly, fewer respondents now believe that AI systems are impartial and free from discriminatory bias than did the year before.

Optimism about AI products and services has risen globally, with the most notable increases in countries that were previously among the most sceptical. In 2022, only 38% of respondents in Great Britain, 37% in Germany, 35% in the United States, 32% in Canada, and 31% in France believed AI offered more benefits than drawbacks. Since then, positive sentiment has grown in these countries by 8 to 10 percentage points.

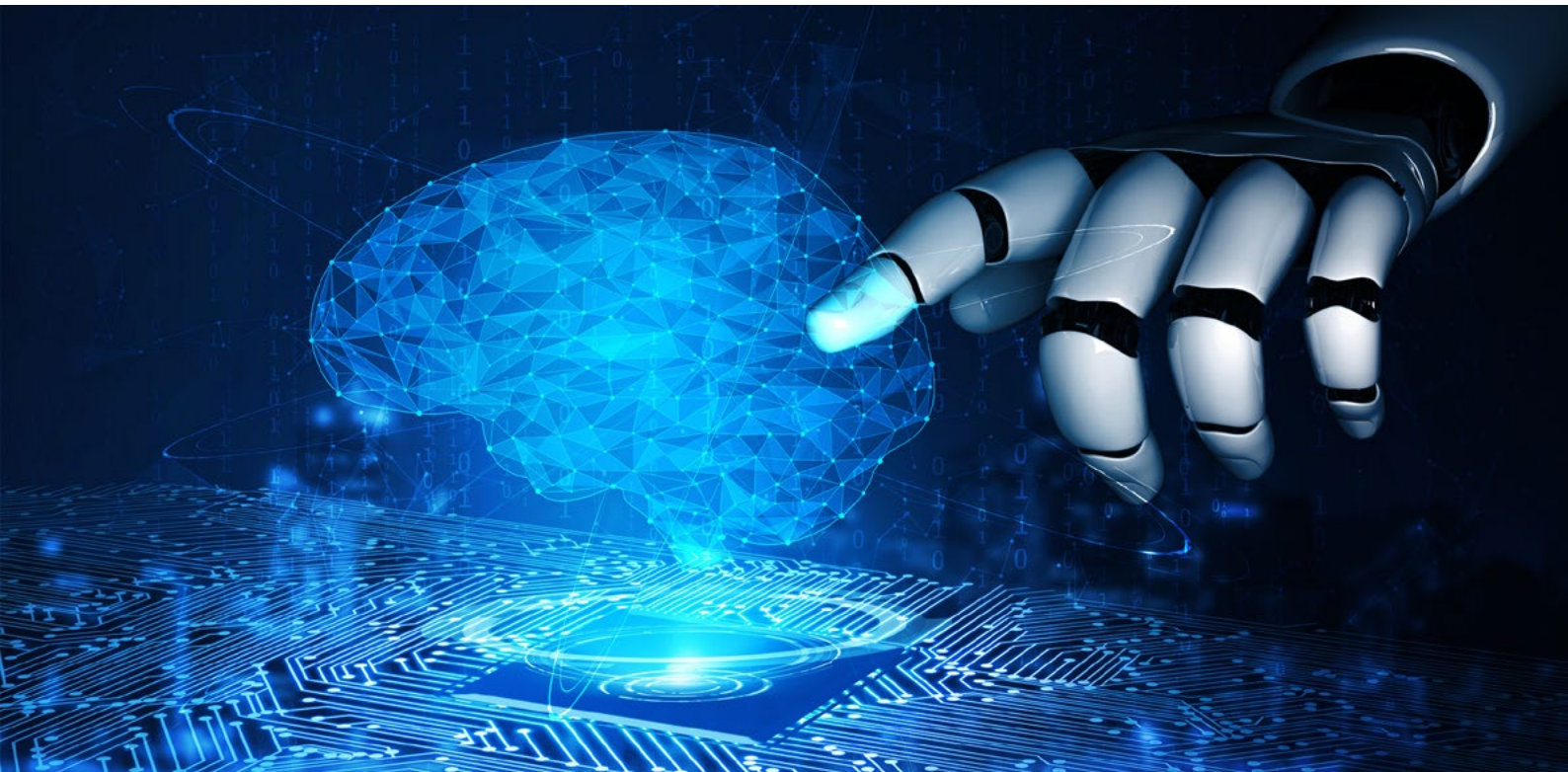
- 78% of businesses reported using AI, up from 55% in 2023
- Only 21% of organisations have dedicated information security roles, and only 14% have dedicated AI governance roles
- 51% of companies state that training and knowledge gaps are the biggest impediment to implementation of responsible AI measures

The HAI AI Index reveals significant regional differences in both AI adoption and public sentiment. Public opinion data from 26 countries shows strong regional divides in AI optimism, with far higher trust in Asia than in North America or Europe with 83% in China, 80% in Indonesia, and 77% in Thailand viewing AI as more beneficial than harmful, compared to just 39% in the US, 40% in Canada and 36% in the Netherlands. These findings underscore a global divide in public trust and enthusiasm for AI technologies, which may influence the pace and shape of future governance approaches.

In company rankings of AI risk there were some significant increases in concern levels. The top five risks in 2025 were:

- **Privacy and data-related**
  65% up from 51% in 2024
- **Reliability risks**
  59% up from 45% in 2024
- **Compliance and lawfulness risks**
  56% up from 29% in 2024
- **Security risks**
  52% up from 47% in 2024
- **Financial risks**
  50% up from 12% in 2024

Only three risks reduced from 2024 to 2025, namely client/customer risks reduced from 34% to 32%; societal risks reduced from 33% to 26% and socio-economic risks reduced from 30% to 22%.



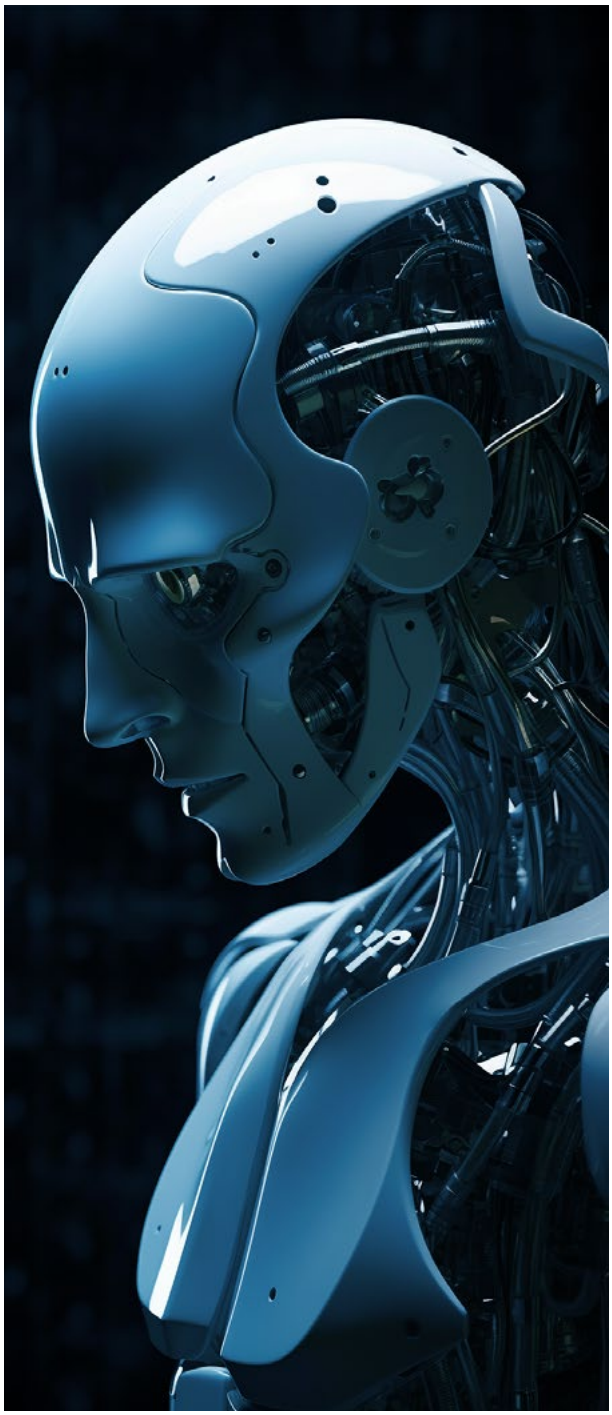
McKinsey 2024 Global Survey on AI

The 2024 McKinsey Global Survey on the State of AI collected responses from 1,491 participants across 101 countries, spanning various industries, organisation sizes, functional roles, and tenures. To ensure representativeness, results were weighted by each respondent's country's contribution to global GDP.

- 28% of organisations using AI say their CEO oversees AI governance, and 17% report it is overseen by the board
- Risk and compliance, as well as data governance, are among the most centralised AI functions
- Despite increased focus, less than one-third of organisations report following most of the best practices for AI governance and scaling, and less than one in five are tracking key performance indicators (KPIs)
- Only 6% of organisations reported hiring AI ethics specialists, and 13% hired AI compliance specialists in the past year
- 47% of organisations report experiencing at least one negative consequence from generative AI use including inaccuracy, cybersecurity and intellectual property infringement
- Only 27% of organisations review all generative AI outputs before they are used – 30% only review up to 20% of outputs
- Regular use of generative AI tools in the workplace more than doubled from 2023 to 2024 (8% to 20%) with younger people (those born between 1981 and 1996) adopting AI tools more readily (22%) and people in the business, legal and professional services the highest adopters (33%)

There were some key regional differences with Greater China and Europe having the highest use of AI in the workplace, and Asia Pacific and Europe showing the largest increase in professional use of generative AI tools compared to other regions. North America had the largest increase for respondents who said they regularly use generative AI tools for work and outside of work.

These trends point to a diverging global landscape where some regions are leapfrogging others in AI integration speed, while others lead in governance structuring and regulation.



Annexure B - AI-related research highlights

Trust, ethics and stakeholder engagement

- Across many countries, commercial and tech organisations are the least trusted entities to develop and govern AI. For example, 39% of Canadians and 37% of Australians express low confidence in tech companies to do so. In contrast, national universities and international research organisations consistently ranked highest in public confidence (over 80% across most countries).
  Source: KPMG and The University of Queensland, Trust in artificial intelligence, 2023
- Globally, 50% of people trusted artificial intelligence technologies, compared to higher trust levels for other innovation in green energy (71%), but aligned with gene-based medicine (50%) and above genetically modified foods (32%).
  Source: Edelman Trust Barometer, 2024

AI principles and frameworks

- Only 21% of organisations cite the OECD AI Principles as influential in shaping their AI decision-making, compared to 65% citing EU General Data Protection Regulation and 41% referencing the EU AI Act.
  Source: Stanford HAI, AI Index Report, 2025
- Although 64% of organisations cite inaccuracy as a top AI concern, few have implemented responsible AI principles to mitigate these risks.
  Source: Stanford HAI, AI Index Report, 2025

Data governance and performance monitoring

- Fewer than one-fifth of organisations using generative AI track clear performance KPIs.
  Sources: Pakistan Institute of Directors, ESG Corporate Survey,
  Source: McKinsey, State of AI report, 2025
- 52% of public companies reported that having a cybersecurity expert on the board significantly enhanced the board's ability to oversee and manage cyber risk. Additionally, 28% indicated that the presence of such an expert directly influenced management to alter its approach to cybersecurity.
  Source: NACD, Board Directors Have Work To Do On Cybersecurity, 2023
- Even among AI-adopting organisations, there is limited maturity in data governance including many failing to monitor for privacy.
  Source: Stanford HAI, AI Index Report, 2025

Regulation

- 70% of respondents in Australia and 73% in Canada support government or independent regulatory oversight of AI. In contrast, only 56% of Chinese and 47% of Indian respondents believe AI regulation is necessary, despite high adoption levels.
  Source: KPMG and The University of Queensland, Trust in artificial intelligence, 2023
- In the United States, policymaker support for AI regulation increased from 55.7% in 2022 to 73.7% in 2023, following the broader societal impact of large language models like ChatGPT.
  Source: Stanford HAI, AI Index Report, 2025

Cybersecurity

- Just 31% of boards rate their oversight of digital transformation risks as very effective, while 19% consider it only slightly effective or ineffective.
  Source: EY, Global Board Risk Survey, 2023
- Cybersecurity has emerged as a leading concern across many high-income countries, with nations such as Denmark, Luxembourg, and the Netherlands ranking cyber insecurity among their top three perceived risks.
  Source: WEF, Global Risks Report, 2025
- Operational disruption (58%), loss of revenue (56%) and loss of customer trust/negative brand impact (56%) are the top negative consequences boards are reporting as a result of cybersecurity incidents and breaches.
  Source: Deloitte, The global future of cyber, 2024

AI opportunities

- In Ireland, automating routine and time-consuming tasks was the primary reason (46%) for boards exploring AI in their business, followed by gaining a competitive edge through innovation (22%) and enhancing revenue and cutting operational costs (16%).
  Source: Institute of Directors Ireland, Mid-year Survey, 2025
- Organisations that adopt structured practices like setting clear KPIs and roadmaps for generative AI are already seeing significant bottom-line gains, highlighting a compelling opportunity for boards to unlock value through disciplined AI strategy.
  Source: McKinsey, State of AI report, 2025

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