Society for Corporate Governance

Structured Discussion on AI in the Boardroom

March 5, 2026

Key Takeaways

The Society for Corporate Governance convened a structured discussion on **AI in the Boardroom** on March 5, 2026. The program, conducted under the Chatham House Rule, brought together 236 Society members to discuss topics including the current AI regulatory and litigation landscape; board AI policies and guidelines; board AI education and training; AI disclosure and board/director expertise; and director use of AI.

Paul Rodel, Society member and Partner at Debevoise, and Matt Kelly, former Counsel at Debevoise, joined as featured speakers, sharing insights across these topics and offering guidance for companies navigating this rapidly evolving area. Society members in attendance contributed additional perspectives to the discussion.

Below are key takeaways from the discussion. *These takeaways are not, and should not be construed as, legal advice.*

Current AI Regulatory and Litigation Landscape

- **While the current federal regulatory environment supports near-term AI adoption, it introduces longer-term enforcement uncertainty.**
  - US federal regulators generally view AI adoption as a competitive advantage internationally and are signaling flexibility in oversight, while continuing to apply existing "tech-neutral" rules rather than introducing AI-specific regulation.
  - Yet, conduct permissible under current rules may face stricter scrutiny under future administrations and laws. Companies should balance current practices with a forward-looking approach to risk that accounts for potential retrospective review.

- **At the state level, the regulatory approach is shifting from broad AI laws to targeted, risk-specific regulation.**
  - Comprehensive, cross-cutting AI laws have largely stalled at the state level, with Colorado's delayed and likely rewritten law serving as a key example.
  - Most states are pivoting toward narrower regulations focused on clearly defined risks rather than attempting to regulate AI as a whole, with key focus areas including consumer mental health; deepfakes and child safety; HR practices; and political misinformation.

- **AI-related litigation is emerging across several areas, with additional exposure likely to develop as market dynamics evolve.**

- Private plaintiff litigation is actively developing, particularly around "AI washing" (overstating AI capabilities) and "AI hushing" (failure to disclose AI-related impacts on the business), alongside SEC and DOJ enforcement actions related to AI washing.
- Other significant AI-related litigation is concentrated in areas such as intellectual property and copyright, and automated decision-making and discrimination.
- Shareholder activism, derivative actions, and fiduciary duty claims have not yet materialized but are anticipated to develop as AI-driven valuations fluctuate and market conditions evolve.

<u>Board AI Policies and Guidelines</u>

- **Approaches to board AI policies, guidelines, and usage vary across companies and continue to evolve.**
  - Some companies have extended their existing acceptable use policy to directors, applying the same restrictions on AI use, confidentiality, and approved tools that apply to employees.
  - Others have incorporated AI into existing information governance guidelines, updating them periodically to address emerging risks and making guidance accessible to directors through board portals.
  - Some companies are providing controlled, management-generated AI outputs (e.g., executive summaries of board materials) to meet director demand while preventing unapproved or insecure use of external AI tools, with the added benefit of helping refine and improve the clarity of underlying materials.
  - Others are restricting or phasing board access to AI tools until risks are better understood and governance frameworks are in place.

<u>Board AI education and training</u>

- **Companies can approach board AI education through a set of foundational questions to guide structure, content, and delivery, including:**
  - Do we have a formal approach to board education today, and how are topics identified, prioritized, and incorporated into the board agenda?
  - Is there demand from the board for AI education, and if so, how should it be delivered (e.g., standalone sessions, management briefs, external speakers, as part of a broader strategy discussion, or a combination)?
  - Should AI education be a one-time session or a recurring series, and how much time should be allocated?
  - To what extent should directors be encouraged or supported in pursuing AI education outside the boardroom (e.g., through external programs, advisors, or internal resources)?

- **Directors' interest in AI use and education is increasingly aligned with their company's level of AI adoption and broader AI strategy.**
  - Directors seek to align their understanding and expectations of AI with the organization's strategic use and risk appetite, with growing interest in how AI tools are developed, deployed, and contribute to efficiency and revenue growth.

- Some companies are responding by increasing the frequency and depth of AI education, for example by integrating it into all regular board meetings and structuring sessions to address both AI-related opportunities and risks.
- Companies are also leveraging internal use cases and "behind-the-scenes" insights to provide practical, context-driven education and deepen board understanding of AI implementation.

<u>**AI disclosure and board/director expertise**</u>

- **AI disclosure expectations remain grounded in existing materiality principles, despite increasing external pressure for expanded disclosure beyond traditional materiality thresholds.**
  - SEC comment letters to date are largely clarifying and focused on IPO issuers, rather than introducing new or expanded expectations around AI disclosure.
  - The SEC has reinforced that current securities law and materiality standards are sufficient.
  - Companies should continue to apply traditional disclosure frameworks to AI, rather than feeling compelled to adopt new or standalone reporting structures.

- **Public narratives on AI disclosure are outpacing actual market consensus and data.**
  - Headlines highlighting large increases in AI disclosure are often driven by low baselines, which can overstate the extent of change.
  - ISS survey data often cited in support of expanded AI disclosure is based on small, self-selected samples and may not reflect broader market views.
  - Even among engaged respondents, most believe it is premature to adopt standardized AI disclosure frameworks, although investor respondents show relatively greater support for such frameworks.

- **Boards are discussing the potential value of AI expertise in the boardroom, but most are not actively recruiting for a dedicated AI expert and remain cautious about doing so.**
  - While boards acknowledge that AI expertise could support long-term strategy, they are generally not seeking candidates solely for that skill set, instead considering it as one of several forward-looking capabilities as openings arise.
  - Creating an "AI seat" could lead to over-reliance on a single director and disproportionate influence, rather than encouraging full-board engagement on the issue. Additionally, the rapid pace of technological change raises questions about the durability of that expertise.
  - For most companies, broader technology and AI fluency across the board is viewed as more effective than concentrating expertise in one individual, with only a minority of AI-centric companies needing deep specialization.

Director Use of AI

- **Current director use of AI is largely unknown, with most companies lacking visibility into whether directors are using these tools.**
  - In an in-meeting poll of 125 attendees, 76% reported that they don't know whether directors are using AI tools to review board materials, while 15% think directors are using such tools, and 9% are certain that they are.
  - When asked whether directors have requested proprietary AI tools for reviewing board materials, responses were more mixed: 51% said no, 30% indicated that directors have not yet made such requests but are expected to soon, and 18% reported that directors have already made these requests.
  - Finally, on the topic of education, 54% said they have not yet conducted any education sessions on director use of AI, while 21% said it is on the agenda. Meanwhile, 17% have held one session, and 8% reported having held more than one.

- **Some companies are leveraging advanced internal IT capabilities to deploy secure AI tools for board use, enabling more sophisticated analysis of board materials while maintaining strict data controls.**
  - Using existing IT infrastructure (e.g., virtual private cloud environments), these companies are adapting enterprise AI tools into board-specific applications, enabling confidential use with tailored security controls and no external data leakage.
  - Boards are using these tools not for board materials summarization, but for multi-year and comparative analysis (e.g., identifying trends over time and benchmarking against external data).
  - These efforts are typically driven by close collaboration with IT leadership, coupled with strong director engagement and no reported increase in risk due to controlled access and safeguards comparable to existing board portals.

Access additional AI-related resources—including sample policies, template guidelines and frameworks, basic resources, and benchmarking surveys—on our Artificial Intelligence page.