

European Audit Committee Leadership Network

October 2023

EACLN

SUMMARY of THEMES

Directors' fiduciary duties, global tax reforms, innovation in internal audit, and evolving audit committees in a dynamic era of risk

On October 2 and 3, 2023, members of the European Audit Committee Leadership Network (EACLN) convened in Zurich to discuss:

- **Global tax reforms and incentives** with Manal Corwin, Director of the Centre for Tax Policy and Administration at the Organisation for Economic Co-operation and Development (OECD) and Marlies de Ruiters, EY Global International Tax and Transaction Services Policy Leader
- **Directors' fiduciary duties, including legal implications of ESG oversight** with Beatriz Pessoa de Araujo, former Partner, Baker McKenzie, and Co-Chair, Global Future Council on the Future of Responsible Investing, World Economic Forum
- **How audit committees are evolving in a dynamic era of risk** (members-only discussion)
- **Innovation and evolving practices in internal audit** with chief internal audit executives

Below is a summary of each discussion.¹ Forthcoming *ViewPoints* will provide additional details on the internal audit conversation, and conversations from this meeting and the upcoming Audit Committee Leadership Meeting (ACLN) meeting in November on how audit committees are evolving in a dynamic era of risk.

Global tax reforms and incentives

The OECD's Base Erosion and Profit Shifting (BEPS) project is an effort to address disconnects between domestic tax laws that allow either multiple levels of tax on the same income (which can frustrate investment and economic growth) or opportunities for tax avoidance (frustrating national interests). As businesses shift from brick and mortar operations to digital, BEPS is an effort by governments to protect those national interests by accounting for modern ways of doing business.

Although the OECD itself includes only 38 countries, the organization promotes tax reform through its Inclusive Framework (the 'Framework'), covering 143 countries and jurisdictions, including 26 of the 27 European Union (EU) member states. The OECD and the Framework have no direct control over national tax regimes, but they use peer review, training, and other resources to encourage consistent adoption of national tax laws.

EACLN members discussed the introduction of the new rules and related issues, including the potential conflict between the new tax scheme and global efforts to incentivize the green

transition, with Ms. Corwin, and Marlies de Ruiter, EY's global international tax and transaction services policy leader.

The following sets out highlights from the discussion:

- **Consensus is needed to reform an outdated system, but sovereignty remains key.** An effort like BEPS only succeeds if taxing jurisdictions believe that the fiscal and fairness benefits outweigh the loss of national sovereignty. Reaching consensus is difficult and requires compromise by all parties. Now that a number of key markets have adopted the new rules, it is likely that others will follow in time.
- **Inconsistent global adoption is making it difficult for businesses to adapt.** *"The EU is at the forefront of adopting tax reforms,"* explained Ms. de Ruiter, *"and has made significant progress toward implementing the new OECD guidelines."* But, in other parts of the world, there are different rates of adoption, and the timing of adoption is not consistent (because of a safe harbor that was recently agreed by the 143 countries involved in the project). US stakeholders have raised concerns highlighting that tax incentives at the local, state, or federal levels offered to companies could be taxed by other countries through the minimum tax rules; similar concerns have also arisen outside the US. As a compromise, countries negotiated the safe harbor provisions relating to the Undertaxed Payment Rules. The effect is that EU headquartered groups will be subject to the minimum tax rules, while the US and China headquartered groups will not be subject to these rules for an additional two years. Ms. de Ruiter noted this will lead to an unlevel playing field and could result in the following situation: *"Let's assume a US and EU headquartered group have exactly the same activities in the US and the same profitability. They also have access to the same tax incentives under the Inflation Reduction Act, which leads to an effective tax rate for both of 10%. The application of the minimum tax rules in the EU will result in an additional taxation that would bring the effective tax rate of the US activities to 15%. For the US headquartered group, such a taxation will not take place in 2024 and 2025, as the Undertaxed Payments Rule will not apply yet. Also, these groups will not be subject to the administrative burden yet for their activities outside the EU, while EU headquartered groups will be subject to the rules for their worldwide activities. This difference in competitiveness is raising serious concerns with EU headquartered groups."* One member noted: *"Now we see competing tax regimes; is there a mechanism to see where tax regimes are in conflict with one another?"*

Ms. de Ruiter explained that there is a process for peer review in place to ensure a common approach and to identify areas of inconsistency, but added that there are *"difficult political questions, very much linked to bigger geopolitical issues that are still causing an unlevel playing field."* Another member expressed frustration at how European companies are disadvantaged: *"Many European companies are not tax aggressive companies. US companies get a two-year exemption; China has a different regulation; but at the end European companies have to add people and documentation, and we therefore get less competitive."*

- **Compliance will be complex and risky.** *"You have to do your taxes, and then you need to do it again for each and every entity, based on a global agreed tax base and a global*

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definition of corporate taxes,” said Ms. de Ruiter, briefly explaining the compliance process for the reform known as Pillar Two. She highlighted four challenges that companies face:

- Staffing the tax function with the necessary skills.
- Developing and implementing processes to centralize the necessary information.
- Ensuring data quality across the enterprise.
- Applying the right technologies to the process.

Companies are also grappling with questions such as whether to apply safe harbor provisions while countries make choices about how and when to implement the new rules. Ms. de Ruiter said that audit chairs should ask whether tax teams will apply current tax planning principles to the new country-by-country reporting safe harbor, which is a safe harbor intended to ease the administrative burden in the first three years. But, if a company does not meet the conditions in a certain country, it will need to make the full calculations. Given the complexity of the full rules, Ms. de Ruiter noted that most companies have a strong preference to use the simpler safe harbor rules; and that almost all companies will likely need to upgrade their underlying country-by-country reporting processes to make them fit for purpose for the safe harbor. But, she said, it may also be tempting to not only upgrade the reports, but to go beyond and manipulate the country-by-country profits to avoid the excessive administrative burden of the full rules. She cautioned against this: *“In my opinion, it is important to apply your existing policies in relation to tax planning also to these rules. If you try to game it,”* she said, *“it may lead to a lot of reputational risks.”*

Members noted their own concerns:

- **Managing tax policy, culture, and reputation.** One member explained how their company is interested in maintaining a good reputation: their tax executive *“showed up every year in the audit committee and was proud to tell us what he has achieved with regard to allowances and exemptions. Now we will be asking completely different questions. If you set the tone for risk culture in your tax team this will help with confidence in the tax numbers and compliance. That’s our job in audit committees when tax is on the agenda—to try to set the tone for all stakeholders in the right direction.”*
- **Overcoming more burdensome compliance requirements.** In an effort to ease implementation and to reduce complexity and risk, the OECD has created a single tax return to apply across jurisdictions and developed model laws for jurisdictions to adopt. While recognizing the purpose of the new rules, an audit chair expressed frustration: *“Management will say we have to pay taxes in order to not come under suspicion, which is not the idea of the exercise. We still have to have proper tax planning that may or may not be impacted by these rules. It impacts the work of the audit committee because this will be a completely different setup that we have to pay attention to.”*
- **Tax incentives and new tax policies—working at cross purposes?** Ms. de Ruiter explained that the new minimum tax rules may negate environmental, social, and governance (ESG)-related and other tax incentives. She pointed out that the value of EU and US financial Directors’ fiduciary duties, global tax reforms, innovation in internal audit, and evolving audit committees in a dynamic era of risk

support for green transition activities are roughly equal—but European “clients investing in the US are not getting the same investment benefits because they are taxed using the EU rules, while US competitors are not taxed.” When asked if the EU will adjust the income inclusion rule that created this disparity, she said it will only happen if there is political pressure: “I don’t hear companies being vocal about this because they fear being perceived as a tax avoider.”

BEPS was negotiated with a neutral approach to tax incentives. Using financial accounting principles helps to achieve this neutrality by making the financial and fiscal impacts of tax incentives more transparent.

But one member said the unintended consequence is introducing more perceived risk: “If a tax expert came to us and talked to us about incentives around R&D, etc., our immediate reaction would be ‘why should we take them?’ This would expose us to risk.” Another member voiced concern over the inadvertent consequences: “Reputationally, we do not want to carry any risk of being seen to avoid taxes. My concern about the interplay of incentives is that we may end up with the opposite effect. Those organizations like ours that are so risk averse in this area do not do anything with incentives. But those companies with a more aggressive risk appetite for tax may eventually be rewarded.”

- **Continued coordination and collaboration are needed.** There has been a lot of change in a short period of time, and to ensure that there is certainty and stability it is essential that there is continued coordination and collaboration. The OECD is now focused on driving implementation of the new rules—when the OECD released a new multilateral convention connected to BEPS in October 2023, OECD Secretary-General Mathias Corman said the new instrument “...marks further progress towards the implementation of the Pillar Two minimum tax, as well as a major further step to stabilise our international tax system and to make it work fairer and work better.”²

Directors’ fiduciary duties, including legal implications of ESG oversight

Climate litigation cases have more than doubled worldwide since the adoption of the Paris Agreement in 2015 and have been filed in almost half of all European countries. The United Kingdom, France, Germany, and Spain collectively account for more than half of the total number of cases. Despite limited success, climate activists are using litigation to influence corporate climate goals.³ The European Commission’s Corporate Sustainability Due Diligence Directive places additional duties on directors of EU companies, including taking into account human rights, climate change, and environmental impacts in their decision making. The number of climate cases is likely to continue increasing.

As an example, in February 2023, shareholders in the UK filed a lawsuit against Shell’s board of directors, alleging that they breached their fiduciary duties by failing to adequately manage climate risk and to implement a transition strategy aligned with the Paris Agreement. The suit is the first of its kind, in that it seeks to hold the directors personally liable. Although it has been dismissed in the High Court, it remains subject to appeal and demonstrates that

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directors' fiduciary duties are in the focus of climate litigants. A litigious environment makes navigating issues around director's fiduciary duties even more challenging.

Members met with Beatriz Pessoa de Araujo, retired partner at Baker McKenzie, and co-chair at the Global Future Council on the Future of Responsible Investing, World Economic Forum, to discuss directors' fiduciary duties and to explore how boards should navigate the increasingly litigious environment. Ms. Pessoa de Araujo gave a brief introduction to the topic by summarizing key aspects of a director's duties: a director must act in good faith, account for any profits, avoid conflicts of interest, act with a certain duty of care, and has a duty of confidentiality. But, she noted, there are different descriptions of directors' duties in the laws of the varied jurisdictions in which global business undertakings operate, so one definition of fiduciary duty cannot fit each and every director's circumstances. (For a more detailed analysis of directors' duties, see Ms. Pessoa de Araujo's paper *Board Directors' Duties and ESG Considerations in Decision-Making*.⁴)

Key themes from the conversation included:

- **Directors owe their fiduciary duties to the company.** Whether EACLN members sit on one- or two-tiered boards, and whichever European jurisdiction governs the board, they owe their fiduciary duties to the company—not to the equity holders, employees, or any other stakeholder group. Ms. Pessoa de Araujo said, *“Regardless of whether it’s pursuant to civil law or common law, there is a clear commonality of approach: when you look at who directors owe their duties to, it’s consistent across legislation or regulation. How it’s articulated in the legislation or regulation might be slightly different, but at the end of the day, it’s to the company; to act in its best interests to ensure its long-term success.”*

In acting in the best interests of the company, directors need to consider all of its stakeholders and striking a balance between competing interests can be complex. A member agreed that the directors' fiduciary duties are to the company, but added: *“the question is for whom and for what is the company in business? The answer is various stakeholders: its customers, shareholders, and employees.”* More companies are highlighting their broader roles in society and their responsibilities to deliver value to stakeholders including employees, communities, and the environment. Many EACLN members acknowledged that, over the past two years, their boards have made changes in formal governance documents to state that the company takes stakeholders into account. Striking a balance between fiduciary duties owed to the company and interests of multiple stakeholders can be challenging. As one member put it, *“The long-term success of the company should deliver value to all stakeholders, and I think some of the conflicts arise when your stakeholders and employees having different views, but fundamentally you want the directors to ensure survival of that company.”*

- **Identifying and prioritizing key stakeholders is challenging but a crucial and ongoing task.** Balancing conflicting stakeholder views can be complex and difficult. One audit chair said, *“My view is that there are limits. We all have a responsibility to society. You measure against that, but you can’t be held responsible for all possible stakeholders.”* Ms. Pessoa de Araujo noted that explicitly identifying the key stakeholders can help directors make

effective decisions: *“I recommend that the board has a clear understanding of who the key stakeholders are that enable the delivery of company strategy.”* She added, *“Making decisions for long-term success means taking into account the views of stakeholders key to your business.”*

Ms. Pessoa de Araujo recommended viewing key stakeholders as a list that requires continuous reassessment. She said, *“Stakeholder assessment needs to be live. You don’t choose them one day and that’s it.”* As an example, she noted that non-governmental organizations (NGOs) might not be a traditional stakeholder for many companies but considering the current litigious environment and the sustainability goals of the business, it could be worthwhile to engage with those that are relevant to the company: *“NGOs are a group to consider more. Ask ‘Is there any new group we should engage with?’ Two to three years ago, you wouldn’t have thought of that.”*

- **Directors must demonstrate that they are acting in the best interests of the company.** To help mitigate the legal risk of breaching fiduciary duty, it is essential that directors can show that when carrying out their responsibilities they have each exercised reasonable care, skill, and diligence; and when making a decision, that they made the decision in good faith, and that the decision is reasonably in the best interest of the company. Ms. Pessoa de Araujo noted that director duties are owed separately by each director, each of whom has a separate duty to exercise independent judgement and each director could be pursued separately for breach of duty—even when taking part in a collective decision-making process. Members discussed good practices to demonstrate a director’s duty of care and reasonable business judgement. Several were highlighted:
 - **Demonstrate that other options have been considered.** One member advised *“evidencing the thought process”* as a way to show that the board has conducted due diligence when coming to a decision. The audit chair added, *“In one case, we faced very tricky compliance decisions, with obvious litigation risks from stakeholders. The key was to have very clear alternatives in front of the board. It shows you’ve done due diligence. We provided four options, and we chose one. It demonstrates we considered alternative options and shows duty of care. If the decision proves completely wrong, it hasn’t happened for lack of diligence.”*
 - **Ask questions to bridge the “information gap.”** To be able to exercise skill, care, and judgement, nonexecutive directors need to have all pertinent information to consider when making a decision. But, as Ms. Pessoa de Araujo noted, there can often be an *“information gap”* between management and the board. She recommended asking questions to identify and fill in any missing pieces: *“Generally, you have the information that management gives you. You have to ask, ask, ask. Don’t assume you’re getting all the information. You could be fed information to support an outcome that is exactly what they want.”*
 - **Ensure that management understands what topics should come to the board to help identify blind spots.** One member said, *“Sometimes we have the feeling that we’ve done the right thing; we have the right supporting documents, we’ve looked at*

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everything, but then we find out we had blind spots. How do you deal with possible blind spots?” While the very nature of blind spots makes them challenging to identify, members agreed that pre-determining topics that must come to the board is a step to increasing the chances of the blind spots getting noticed. Ms. Pessoa de Araujo said, “You have to have clearly defined board matters documented so that management know which matters you expect to be presented.”

- **Directors must continue to focus on good governance to enable robust decision making and to address all forms of risk, not just those with legal implications.** Reflecting on how corporate governance codes play a role in directors’ fiduciary duties, a member said, *“Corporate governance codes are converging but they’re codes not rules. There’s a difference between the two. You have fiduciary duties written in law, but as in the Shell case, the responsibilities go further and further.”* Ms. Pessoa de Araujo acknowledged that the Shell case was *“scary because it raised the question ‘will courts interfere with the way decisions will be made if shareholders want bigger profits?’”* But, she noted, it is important to focus on all risks, not just those with legal consequences: *“Corporate governance codes are very similar across jurisdictions. It’s fair to say that they are not legally enforceable, but most companies publicly say they’re following the relevant code. If you state that you have complied and there’s an issue, you might bear responsibility because someone relied on your code compliance—an investor bank lending you money, for example.”* A member said, *“If you as a company can say you’re complying with corporate governance rules, do it. If not, you’ve created a problem for yourself.”*

Members also noted that although legal risk is an important consideration, it is crucial to assess a decision’s potential societal consequences, as well as reputational risk. Ms. Pessoa de Araujo agreed, *“Just because a decision is legal does not always mean it’s the right decision. If a decision is taken without also considering reputational risk, you could get into trouble.”* Ms. Pessoa de Araujo gave the example of a company carrying out a project that impacted an indigenous community in Australia. She said, *“Legally, the company could go in and do the project as all the permits and the like were in place, but had they paid attention to the impact of the project on the local community and the reaction to this, they would have noticed the huge reputational risk—even if they didn’t do anything wrong ‘legally’.”*

How audit committees are evolving in a dynamic era of risk

Audit committees play an important role in an organization’s resiliency and are key to overseeing how it anticipates and mitigates future risks. A members-only discussion focused on how audit chairs think about the risks facing their companies, as well as how they adapt to remain prepared for future issues.

- **Audit committees continue to adapt as risk management practices change for new and evolving risks.** Members highlighted the complexities audit committees are faced with when companies operate across many different jurisdictions, subject to increasing scrutiny

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from many different groups, in particular from NGOs. They discussed how explicitly identified risks are managed, noting differences with respect to which committee has responsibility for risks, such as cyber—while cyber risks are sometimes dealt with by a separate committee focused on technology-related risk, many companies keep cyber risks within the remit of the audit committee. One company set up a corporate governance committee, made up of all the other committee chairs. The audit chair explained: *“it takes care of certain matters such as cyber because if it’s left to the full board, it may not be effectively addressed.”*

The audit chairs had mixed views on the effectiveness of setting up a separate risk committee, absent a regulatory requirement. One explained: *“I think the fundamental difference is that the audit committee is there to oversee the reporting on what’s happened versus the risk committee which is looking forward and scenario planning. This helps each committee focus on its primary responsibility for what it has to do. This helps the relevant committee members make informed decisions.”* Another audit chair said, *“It’s useful to have a risk committee but I am not sure that it’s sustainable. The important part is that the relevant risk information reaches the audit committee, which that can be done in other ways, so that it can be dealt with.”* One member had the view that *“we have enough committees and practically the information needs are covered by one or the other. Why should audit and risk be separated?”*

Members also stressed the importance of giving every committee member a voice. An audit chair explained, *“One audit committee member doesn’t have a finance background; she asks interesting questions, although some of the questions are not that relevant but it’s not a problem—you need courage because the next question may be very important.”*

- **Political and geopolitical tensions, AI disruption, tax and other policy related developments remain top of mind as key risks.** One member gave an example: *“I think tax is an area that’s a big upcoming risk because of governments needing additional funding. There are new kinds of taxes: green tax, lifestyle taxes, different profits taxes, such as the bank sector experienced. It seems to me that those kinds of regulations cause high levels of risk and can have a huge impact.”* Members agreed on many uncertainties related to AI and remained cautious about the continuously evolving risks related to AI.
- **Risks that have not been fully characterized continue to cause concern for audit chairs.** While audit chairs noted various ways of identifying and assessing risks for the company, they emphasized ongoing concerns about those risks that arise and have not been placed within the risk cartography. One member explained, *“We have identified a new risk—the unknown risk. We consider that something might happen, and make sure we have a crisis management plan for what we can’t imagine will happen ... we get as many ideas as we can about new possible risks, but we always worry that we have missed one.”*
- **Mitigating or managing risks is also an evolving area of focus.** One audit chair noted that a bigger challenge than identifying risks is deciding who on the board will take care of them, especially where there is not a dedicated subcommittee. A member said: *“There is a silent understanding that it will go to the audit committee. But for some risks the audit*

committee members don't necessarily have the tools or competence, or proper understanding of the risks—sometimes certain risks are better dealt with by others capable to do so.” Other audit chairs noted a new focus on the mitigation of risks, not just identifying them: *“We talk about risk identification a lot but not much about mitigation. Our mitigation activities are much weaker than the planned activities to identify risks.”* Audit chairs also discussed the importance of taking everything into account and *“distributing your risk.”*

- **Creating a risk tolerance that sets the bar helps to establish the tone.** Members discussed the attributes of a ‘zero-risk policy.’ Companies cannot devote infinite resources to avoiding a safety incident, for example, but in many settings, it is unacceptable to say something like, “we tolerate 2 deaths per year.” A member explained, *“It’s not something that at the end of the day you can in reality achieve—it’s a mindset. The question is can you spend more and more to bring that risk closer to zero?”* Another added, *“Luck should never be the last line of defense.”*

Innovation and evolving practices in internal audit

The internal audit functions in large, public companies continue to evolve, and audit committees must help ensure that internal audit teams deliver value. Members were joined by three audit executives—Antoine Duclaux, head of audit at Volvo; Virpi Vuorinen, chief audit executive at Nordea; and Damien O’Neill, head of risk management, internal controls and audits at Bouygues—to discuss this topic.

The wide-ranging conversation included reflections on the evolution of internal audit and its expansion into activities beyond the traditional audit scope; emerging risks related to ESG; how leading internal audit teams are driving innovation and addressing talent challenges; and good practices for audit committee oversight—all of which will be further detailed in the forthcoming *ViewPoints*. Key themes included:

- **Some companies are “pushing the boundaries” of internal audit into services beyond traditional internal audit activities; others are more guarded.** Members and guests debated expanding the scope of internal audit. At Nordea, Ms. Vuorinen said, the aim is to balance *“traditional assurance with a good share of audits covering strategically important themes and emerging risks, which really adds value to the organization.”* This enables internal audit to anticipate and address issues before they happen, deliver assurance on real-time issues, and drive a risk-focused culture. Other members reported a more limited, restricted role for internal audit’s activities, and were cautious about expanding beyond the traditional remit of internal audit. Ms. Vuorinen explained that a gray area exists, falling between assurance and more advisory or consultation-type activities. *“Companies may miss something important if their audit functions only look at well-established risk areas,”* she explained, citing geopolitical risk as an example area often not covered by internal audit. EY’s Marie-Laure Delarue suggested the term *“expanded assurance”* to describe these additional activities without compromising the independence of the internal auditors. Members agreed that this could be a helpful description.

- **‘End-to-end’ audit of entire value chains is becoming more widespread.** One audit chair explained, *“Traditionally, most audit functions in the past may have been structured to assess risk in each entity. We’ve learnt that there’s more value to look at aspects of the end-to-end process.”*
- **Securing the right people and skillsets for internal audit is a continuing challenge.** The audit executives described the structures of their teams, and they differ significantly. Some companies have restructured and expanded their internal audit teams, while others have reduced their numbers. Evolving technologies, including AI, the complexity of new and revised regulations, and evolving risks all demand new skills and capabilities for internal auditors. *“We’re clearly expected to be subject matter experts. We need to have a deep understanding of areas such as cybersecurity, AI, ESG, and complex risks,”* Ms. Vuorinen said. The executives noted that data scientists are now an integral part of their internal audit teams. But finding and retaining the right talent is a universal problem, and audit leaders are changing how they identify and attract talent. Mr. Duclaux and Ms. Vuorinen described strategic efforts to broaden applicant pools—sourcing globally and from diverse professional backgrounds, for example, developing talent from within via ongoing rotational programs and outsourcing to obtain critical skillsets or expertise when needed.
- **Internal audit teams are increasingly involved in ESG.** Members and guests reported varying levels of internal audit activity around ESG. All expect this to increase as mandatory ESG reporting begins. Most said that environmental (E) aspects have been the focus thus far and expect social (S) to follow. Mr. Duclaux emphasized the need to remain flexible. *“This is a learning process,”* he said, explaining, *“We want to have some assurance on ESG reporting and then see how it develops.”* Ms. Vuorinen added, *“Auditing this evolving area where expectations are constantly increasing can be challenging. We need to stay close to the area and engage in good dialogue with management. Having a flexible audit approach and performing, for example, preparedness audits and raising relevant issues in targeted, unrated audit reports maybe be helpful.”* Both guests said their internal audit teams coordinate with the external auditors to avoid duplication of efforts around ESG reporting.

Audit committees going “beyond scope” on ESG

“ESG reporting is brand new, and the consequences of getting it wrong are so significant,” a member said. His audit committee made a conscious, yet difficult, decision to go “outside of scope” when it realized the company was not coordinated on ESG strategy, reporting, and risk appetite. The audit committee saw an urgent need to assure the ESG information being publicly shared was fairly presented. “We effectively took responsibility to get all the committees together and say, ‘Show me where our strategy fits with the marketing statements.’ It was challenging to go through that process and to get people aligned, but it was quite helpful.” His audit committee has since stepped back in order to maintain independence, but the member noted a similar process may be needed for additional aspects of ESG as the company’s strategy and reporting continues to evolve.

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Appendix 1: Meeting participants

The following members participated in all or part of the meeting:



Eric Elzvik
Audit Committee Chair,
Ericsson and Volvo



Renato Fassbind
Audit Committee Chair,
Nestlé



Margarete Haase
Audit Committee Chair,
ING



Marion Helmes
Audit Committee Chair,
Heineken and Siemens
Healthineers



Benoit Maes
Audit Committee Chair,
Bouygues



John Maltby
Audit Committee Chair,
Nordea Bank



**Maria van der
Hoeven**
Audit Committee Chair,
TotalEnergies

EY was represented in all or part of the meeting by the following:



**Marie-Laure
Delarue**
Global Vice Chair,
Assurance, EY



Hermann Sidhu
EMEIA Assurance
Deputy Leader, EY

Endnotes

¹ *Summary of Themes* reflects the network's use of a modified version of the Chatham House Rule whereby names of members and their company affiliations are a matter of public record, but comments are not attributed to individuals or corporations. Quotations in italics are drawn directly from members and guests in connection with the meeting but may be edited for clarity.

² "International community adopts multilateral convention to facilitate implementation of the global minimum tax Subject to Tax Rule." Organization for Economic Cooperation and Development, October 3, 2023.

³ Jon McGowan "Despite Lack Of Success, Climate Change Litigation Is On The Rise," *Forbes*, September 27, 2023.

⁴ World Business Council for Sustainable Development and Baker McKenzie "Board directors' duties and ESG considerations in decision-making," WBCSD, November, 2020.