

ACLN SUMMARY OF THEMES

# Geopolitical disruptions, non-executive careers, emerging technologies, and other challenges

March 2026



**On March 3 and 4, 2026, members of the Audit Committee Leadership Network met in New York City. Topics included:**

- **Introduction to quantum and quantum data center visit** with Gerald Mullally, CEO, Dr. Peter Leek, Founder & CSO, Simon Phillips, CTO, and Robert Coutts, CFO, Oxford Quantum Circuits
- **Making way through the maelstrom: boards in a time of geopolitical disruption** with Steven Weber, Partner at Breakwater Strategy
- **Nonexecutive career management** with Claudia Pici Morris, Leader, Board Succession Practice and Senior Client Partner, Board & CEO Practice and Jeff Constable, Senior Client Partner, Global Financial Officers Practice Leader, Korn Ferry
- **My toughest challenge as an audit chair** (members-only)
- **AI tools to enhance board decision-making** with Marc Treviño, Partner, Sullivan & Cromwell and Nord Samuelson, President, Board Intelligence

This *Summary of Themes*<sup>ii</sup> provides an overview of the following discussions:

[Introduction to quantum](#)

[Making way through the maelstrom: boards in a time of geopolitical disruption](#)

[Nonexecutive career management](#)

[My toughest challenge as an audit chair](#)

[AI tools to enhance board decision-making](#)

*For a list of meeting participants, see Appendix 1 (page 11).*

## Introduction to quantum

Quantum computing is beginning to move out of research settings and into commercial infrastructure with companies such as Oxford Quantum Circuits (OQC) now deploying quantum computers directly within commercial data centers. This allows corporations to access quantum capabilities without moving sensitive data into external research environments. While timelines for transformative systems remain uncertain, these early deployments signal that quantum computing is starting to integrate into enterprise infrastructure alongside traditional and AI systems.

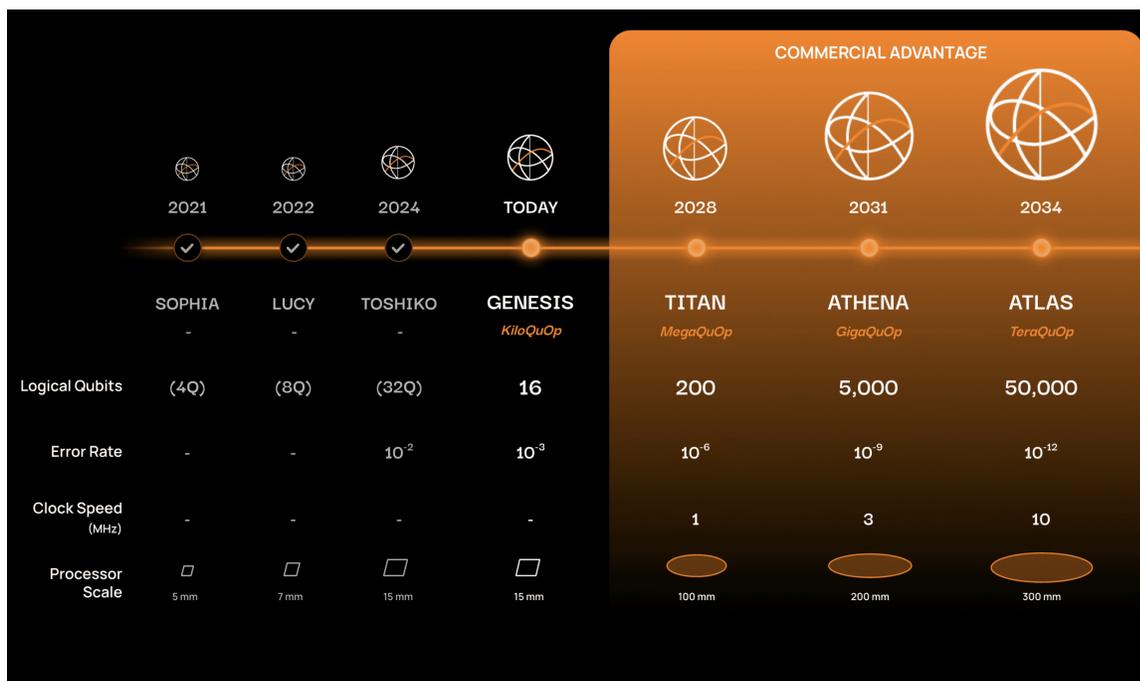
Before leading members through a tour of the quantum installation at Digital Realty's New York data center, the leadership team at OQC shared key insights into quantum technology:

- Quantum computing is fundamentally different from classical computation.** “A quantum computer has an algorithm that runs many realities,” Dr. Leek told members. “A supercomputer will test the keys one after the other; a quantum computer can test all of the keys all at once.” Mr. Mullally explained, highlighting that the main difference between quantum computers and classical computers is how they process information. It is this ability of quantum computing to test many alternatives simultaneously that potentially enables it to decrypt data that has been encoded by current methods.
- Quantum’s energy profile differs significantly from AI.** Mr. Mullally noted that an AI supercomputer can require “between 10 and 40 megawatts of power,” whereas a quantum computer operates at approximately “35 kilowatts or 9 household kettles.” The disparity matters for capital planning, sustainability targets, and geopolitical energy considerations.
- Decryption risk is the most immediate strategic implication.** Many current encryption methods can only be broken by solving mathematical problems for which classical computers are far too slow. But large-scale quantum computers could eventually break these encryption methods, potentially exposing sensitive data. “With the power of the quantum computers we’ve built so far, we can’t foresee it doing that decryption math—yet”, Dr. Leek said. But members discussed “harvest now, decrypt later” (HNDL) strategies, where cyber criminals store encrypted data, counting on quantum technology to enable its decryption in the future.

### Early applications

Potential early-stage applications include molecular simulation for drug discovery and other complex optimization problems. For industries such as pharmaceuticals, quantum computing could eventually “precisely model molecular interactions and then choose the most efficacious design,” said Dr. Leek.

- **Transnational cooperation and supply-chain dependencies will shape market access.** Quantum’s development is being shaped by broader transatlantic initiatives, including the *US–UK Technology Prosperity Deal*
- <sup>iii</sup>, which aims to deepen cooperation in frontier technologies. Mr. Mullally emphasized the need for *“more corridors between certain countries so we can have the advantage.”* Mr. Phillips added that most components used in quantum systems *“were not built for quantum computers,”* meaning that supply chains are newly forming and dependent on specialized engineering capability.
- **Quantum advantages will emerge in stages.** *“There is no quantum advantage today,”* Mr. Mullally told members. Current quantum computers can perform thousands of quantum operations before errors accumulate. *“Achieving millions of reliable quantum operations,”* which Mr. Mullally said will occur within the next three years, would represent the first point at which quantum systems outperform classical computers for certain specialized problems. More advanced capabilities may follow later in the decade as systems scale to billions and eventually trillions of operations.



QQC’s roadmap for quantum’s commercial advantage. From today’s 16-qubit GENESIS system, the roadmap scales steadily to 50,000-qubit ATLAS by 2034, with each generation offering more qubits, lower error rates, and faster processing to deliver progressively greater commercial advantage. (source: [QQC](#))

- **Boards should begin assessing quantum computing now.** Although large-scale quantum advantage may still be several years away, *“now is the time for corporates to start taking this technology seriously,”* Mr. Mullally urged members. Because upgrading encryption infrastructure across large enterprises can take several years,

companies may need to plan for and implement “quantum-safe” encryption standards well before quantum computers reach the scale required to break existing systems. *“That inflection point in three years will drive a ton of activity in the market. Don’t wait for that point – start today,”* Mr. Mullally concluded.

## Making way through the maelstrom: boards in a time of geopolitical disruption

The geopolitical environment is changing rapidly. Global companies face not only episodic disruptions, but structural changes of the environment in which they operate. Mr. Weber reflected on developments in the Middle East, the broader strategic competition between the United States and China, and the growing challenge for boards in *“focusing attention in such a radically changing and chaotic geopolitical background.”*

Several themes emerged from the discussion:

- **Recent US actions toward Iran may reflect the context of broader US–China strategic competition.** While Iran is often framed primarily as a regional security issue, Mr. Weber noted that *“China has spent years and significant resources building Iran into a structural asset for its geopolitical presence”*, including purchasing large volumes of Iranian oil and security and defense technology exchanges. From this perspective, US pressure on Iran could also be interpreted as an attempt *“to dismantle a regional pillar of China’s architecture”* in the Middle East, Mr. Weber told members.
- **China-related implications shape company decision-making.** Directors noted that major geopolitical or policy developments are now routinely analyzed in terms of their implications for China-related supply chains, market access, and competitive positioning. In sectors such as automotive and telecommunications, the rapid expansion of Chinese firms has altered competitive dynamics in global markets. This shift is prompting boards to ask more systematic questions about China exposure and long-term strategic positioning, *“everything that happens in the world gets filtered through the lens of how it effects competition with China,”* said one director.
- **Global organizations are diversifying their supply chains.** Mr. Weber emphasized that companies should consider not only direct exposure to China but also indirect exposure through supplier networks and regional partnerships: *“Is my company entangled in this conflict through Chinese suppliers that are part of the regional Middle East architecture? Which of our Tier 1 and 2 Chinese supplies are integrated in the Middle East?”* One director noted that *“For years, EU regulation has been hinting towards reduction and regulation of supply chain and Chinese components”* and another added that organizations *“with supply chains in China have started a diversification process.”* However, supply chain restructuring remains complex given the depth of global manufacturing integration.

- **Boards must remain focused on the company amidst the geopolitical noise.** Mr. Weber cautioned that *“outside observers tend to overestimate the strategic rationale of the adversary”* or attempt to construct overly complex explanations for events, making it more difficult to navigate the current environment. At the same time, boards cannot afford to ignore emerging geopolitical patterns and directors emphasized the importance of maintaining focus on operational execution while still monitoring shifts in the geopolitical landscape. *“We try to have the business focus on the business and the core objectives. As board members, it’s important for us to keep our management teams focused on what they can control,”* said one director.
- **The relationship between government and corporations has changed.** Mr. Weber noted that the government may increasingly prioritize national security and geopolitical objectives, even when doing so creates uncertainty or disadvantage for multinational companies. *“We should not expect that pattern to change anytime soon,”* he said, cautioning that this dynamic is unlikely to shift in the near term. *“What’s different in this administration is how corporates engage. This is something that boards are taking a more proactive approach in terms of managing,”* one director said. For boards, this reinforces the importance of monitoring political developments and ensuring that companies are nimble in responding to policy changes.

## Nonexecutive career management

The remit of boards—and particularly audit committees—has transformed over the past several decades. The responsibility of the non-executive director is broadening, and directors themselves are becoming more deliberate about managing their board careers.

Ms. Pici Morris and Mr. Constable expanded on these shifts with members:

- **The role of the non-executive director has expanded.** Issues that do not clearly fit within other committees are often delegated to the audit committee, making it something of a *“catch-all”* for emerging risks, Mr. Constable said. Directors echoed this concern, with one claiming that *“everything that looks strange is getting dumped on the audit committee,”* including unfamiliar areas like ESG and AI. *“We are not specialists, but we have to handle them,”* an audit chair observed; *“the audit committee is the intake of risk,”* another said. As a result, many boards are reconsidering committee structures, including the creation of technology or risk committees, temporary ad hoc committees, or changes in committee mandates to better distribute oversight responsibilities.
- **Directors are more deliberate in managing their board portfolios.** In the past, board portfolios were shaped by opportunity rather than intentional planning. Today, while *“the longevity of executive careers is shortened,”* highlighted Mr. Constable, non-executive careers are growing longer, and directors are approaching board service with a more strategic mindset. Directors shared practical suggestions:

- **Find a company that interests you.** Members say that they are more proactive about assessing where they can add value and what types of companies or industries they want to engage with. *“Does the company do something that is of interest to me?”* one audit chair asked.
- **Conduct due diligence.** *“Speak to as many stakeholders as you can, read the external auditors report,”* suggested one member, *“What is the culture of the board and do I fit in culturally? What are the colleagues like, are these people I would want to spend my time with?”* said another.
- **Test your alignment with the company.** Directors stressed the importance of ensuring *“that you can add value to the company. Industry alignment and industry experience helps a lot. There’s a lot of conflicts on boards, so you need to make sure you feel aligned.”*
- **Know when to step down.** One director cautioned that *“it’s not easy to get off boards,”* while another highlighted the need to evaluate continuously whether *“this is where I want to be,”* given how much board dynamics can change when chairs shift.
- **Board turnover is increasing.** Ms. Pici Morris noted that boards experienced *“the most director turnover in 2025 than we had in previous years,”* a surprising shift after long periods of low turnover. She linked this to *“board director fatigue”* and growing anxiety among companies about ensuring they have *“people that are active in this current market,”* a signal that board refreshments are directly correlated to a demand for experienced directors.
- **Continuous director education is essential.** Rapid developments in technology require ongoing learning at both the individual and board levels. One director described pursuing formal education: *“I am going to do an executive master’s degree in cyber. We don’t have a specialist in that area and don’t have the seat at the table to bring in someone who is so narrow, so I am trying to fill up that gap.”* Others highlighted the value of board-level education sessions, site visits, and external expert briefings. Directors agreed that *“staying current is such a challenge,”* and that *“there’s not enough time on board agendas for education.”*

### Data governance, cybersecurity, and artificial intelligence are central issues for boards

*“Data is a new currency. If you don’t protect it, it can be commoditized,”* Ms. Pici Morris told members. She also highlighted quantum security as *“the biggest issue in the near future”* because of its potential to undermine existing encryption. Directors emphasized the importance of data but also highlighted the challenges around keeping up with the rapid speed of change. *“Even if you are very focused on cyber, IT risk, and AI, there are so many things out there. I think we are doing the right things, but reality is different – the speed and multitude of applications is hard to keep up with.”*

Mr. Constable echoed member sentiments and suggested that boards need to “*be purposeful about what type of director education is at the individual vs. committee vs. full board level.*”

## My toughest challenge as an audit chair

Expanding risk profiles, overlapping committee mandates, accelerating technology adoption, and rising workforce uncertainty have intensified the responsibilities of audit chairs.

During this members-only discussion, directors shared their thoughts on navigating an environment of unprecedented complexity:

- **Clearly defined committee mandates help avoid challenges.** Several directors described situations in which responsibilities around financial reporting, enterprise risk, and internal controls intersect across committees. This can create ambiguity around ownership and raise concerns about potential gaps in oversight. Some boards have addressed this by strengthening coordination among committee chairs or by creating links between committees, such as cross-membership between audit and risk committees. *“To minimize overlap, the chair of the risk committee sits on the audit committee and vice versa,”* one member shared.
- **The relationship between the board and management remains essential.** Directors agreed that fostering a space of trust and open communication with management is pivotal to identifying and hopefully avoiding challenges. Members highlighted key elements to the relationship:
  - **Open communication helps avoid surprises.** Creating an environment in which management feels comfortable raising issues early is essential. *“Tell us as early as you can and we can think of solutions. We will not hold it against you,”* one member said. The trust goes both ways: *“knowing management can trust us and that we can trust them and that they know when to raise their hand is key.”*
  - **The audit committee’s reaction to difficult news plays a significant role in shaping trust.** *“How you react is important. I’ve seen a lot of audit chairs damage the relationship,”* one director shared. While overreaction can discourage transparency, constructive engagement can strengthen trust.
  - **Informal engagement helps identify risks earlier.** Members highlighted the value of building relationships with key executives outside of formal board meetings. Some directors described regularly meeting with senior leaders to discuss emerging risks and operational concerns: *“I have breakfast, lunch, and dinner every quarter with internal audit, CFO, and CIO”* one audit chair said, *“having a dinner with someone is a different type of conversation – they are far more open.”*

- **Audit committees face pressure to support growth while maintaining risk and control frameworks.** Companies are increasingly pursuing large-scale investments, acquisitions, and strategic transformations, often involving significant capital commitments. In this case, the role of the audit committee is not to constrain growth but to *“ensure that the right controls are in place,”* as one director put it. Still, this raises difficult questions for audit committees: *“How do you get comfortable with risk management while also enabling growth? How do you not constrain the company while also protecting it?”*
- **AI adoption is introducing new risks.** There are several emerging implications of artificial intelligence for corporate governance and internal controls. As one member said: *“We must be open to productivity increases, but we must also ensure that, if certain parts of the processes will be taken over by a new technology, we make sure that we have the proper process controls.”* Companies may need stronger coordination across functions and clearer ownership of AI governance to properly manage risk. One director summed it up: *“AI must be anchored with the company strategy and with its risk appetite.”*
- **Rapid technological change has cultural impacts.** With employees across organizations facing anxieties around the advent of new technologies, some companies have begun incorporating “culture audits” into internal audit processes to identify early warning signs of potential issues within the organization. A couple of members shared their experiences: *“I had internal audit do a culture audit. It provided a perspective of how people were feeling across the organization. It helped get ahead of where there might be issues brewing,”* said one, *“It let us know how people were feeling about strategy and their jobs,”* shared another.

## AI tools to enhance board decision-making

As AI tools move beyond simple summarization into drafting, analyzing, and even “thinking alongside” directors, boards face new strategic and governance decisions about adoption.

Mr. Samuelson and Mr. Treviño underscored both the transformative potential of AI and the significant legal questions that accompany its use in the boardroom:

- **AI adoption remains inconsistent across companies.** AI adoption varies significantly by sector and maturity. Mr. Samuelson observed *“this technology is adopted inconsistently,”* but *“not adopting AI is as risky as adopting it.”* Members echoed this point, with one director observing that boards must *“make sure the company is ready for AI disruption.”* The unevenness poses strategic implications: boards that hesitate may be outpaced by peers advancing AI-enabled oversight, while those that accelerate face legal and governance questions that remain

unsettled.

- Summarization tools help directors but there are downsides.** Directors find value in tools that *“summarize the information and critique it,”* helping them manage increasingly large board packs (sometimes running hundreds of pages) by highlighting key issues or surfacing relevant historical discussions. However, summaries could dilute accountability if directors read condensed versions instead of full materials. Mr. Treviño warned that if AI *“summarizes the summary... heaven forbid if that summary has a mistake in it.”* Some organizations intentionally restrict summarization. Mr. Samuelson shared Board Intelligence’s perspective: *“we don’t provide summarization because that prevents the board members from reading the documents.”*
- AI is beginning to support the full lifecycle of board information.** Mr. Samuelson shared that board portal solutions now have tools that *“auto-generate board papers and come up with first drafts based on previous and new information,”* and that AI and *“surface problems and track actions.”* One director also noted that AI can assess long-term plans based on *“what happened in prior board meetings”*.
- Many boards still lack clear AI policies.** Several directors noted the absence of guidance from legal teams on AI use, *“none of the boards that I’m on have even given the board access to use the AI tools on our board portal,”* said one audit chair, *“we have not received any guidance on the tools,”* said another. Mr. Treviño stressed the need for directors to *“have the discussion about your company’s AI policy with your chief legal officer,”* noting that these questions are becoming increasingly consequential. Restricting access to approved tools may not prevent AI use altogether: if companies do not provide vetted systems, directors may turn to external AI tools on personal devices to analyze board materials, creating potential confidentiality risks.
- Expanding digital records create new legal risks.** During litigation against a company, its board, or individual directors, digital records are subject to discovery and potential public disclosure. Directors expressed concern about the data trails created by AI, and Mr. Treviño highlighted fears around *“extreme accuracy,”* including timestamps, reading durations, and annotation histories, noting that such data *“can be used to color the conversation”* and may be *“highly prejudicial.”* He cautioned against systems that automatically transcribe or store deliberations, asking, *“When the transcription is not available the question is why? Why did you*

### AI “Personas”

Mr. Samuelson discussed with members how some AI providers like Board Intelligence allow organizations to configure “personas” that simulate the perspectives of different stakeholders or board members when reviewing materials. These agents can analyze board papers in advance of meetings, surface potential questions, and challenge assumptions based on predefined viewpoints or areas of expertise.

*delete it?*” Members acknowledged that such records could expose boards to scrutiny from plaintiffs or regulators, with one asking how courts might demand engagement statistics or interpret data about whether directors “*spent no time*” on certain materials.

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## Appendix 1: Participants

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

Felicia Alvaro, Ingram Micro

Christine Catasta, Erste Group Bank (EACLN member)

Ted Craver, Wells Fargo

Dave Evans, Cardinal Health

Renato Fassbind, Nestlé (EACLN member)

Karen Gavan, Swiss Re (EACLN member)

Bella Goren, GE Aerospace and Marriott International

Maria Jelescu Dreyfus, Exxon Mobil

Dagmar Kollmann, Deutsche Telekom (EACLN member)

Lori Lee, Emerson Electric

Kimberly Ross, Cigna

Tom Schoewe, Northrop Grumman

Carolyn Slaski, Charter Communications

Gerald Smith, Eaton Corporation

Darrell Thomas, British American Tobacco (EACLN member)

Tracey Travis, Accenture

John Veihmeyer, Ford

Marna Whittington, Phillips 66

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

Julie Boland, EY Americas CEO and US Managing Partner

Dante D'Egidio, EY Americas Vice Chair – Assurance and Americas CEO and US Managing Partner - Elect

Jennifer Lee, Managing Director, EY Americas Center for Board Matters

Pat Niemann, Partner, EY Americas Center for Board Matters Leader

The following Tapestry Networks representatives participated in all or part of the meeting:

Jonathan Day, Chief Executive

Laura Koski, Project and Event Manager

Jo Rhoden, Executive Director

Ginevra Rollo, Associate

Todd Schwartz, Executive Director

## Endnotes

<sup>i</sup> Use of Artificial Intelligence: Portions of this document may have been prepared with the assistance of artificial intelligence tools. All content has been reviewed and approved by Tapestry Networks.

<sup>ii</sup> *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.

<sup>iii</sup> The White House, "[President Trump Signs Technology Prosperity Deal with United Kingdom](#)", September 18, 2025