AI Governance Masterclass: Everything You Need to Know in 2025 and Beyond

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Panelists

Leila Golchehreh

Co-Founder &
Chief Strategy Officer
Relyance AI

Entrepreneur, Attorney, and expert in AI Governance and Data Protection. Her background includes international legal work at firms like Allen & Overy and organizations such as the US Mission to the EU, the International Court of Arbitration, and the OECD. She has built multiple law practices and served as a CPO/DPO and Legal Lead for companies like Workday, Adaptive Insights, and General Motors Cruise, developing global data protection programs across various sectors. Leila has founded 2 global tech companies and is passionate about the intersection of technology, law, and foreign policy.

Leah Perry

Vice President, Legal, Chief Privacy Officer & Global Head of Public Policy
Box

Leah is an experienced international and comparative law attorney with 20 years of demonstrated success and expertise in AI, SaaS and the financial services industries, as well as regulatory, product, congressional oversight and investigations experience. Currently, Leah leads Box, Inc's Global AI Governance Program, Privacy Program and Public Policy Functions. In addition, she was appointed by Governor Wes Moore of Maryland as Chair of the State's Consumer Protection Commission. Leah also serves as Vice Chair of the Board of Directors for the AI Trust Foundation. Lastly, she is founder and Chair of the National Bar Association's Privacy, Cybersecurity & Technology Law Section.

Lena Ghamrawi
Senior Privacy Counsel &
Data Protection Officer
Quora

Lena leads all aspects of Quora’s global privacy program, and is now working on Quora’s AI governance initiatives. Prior to her role as in-house counsel, Lena helped launch a nonprofit privacy watchdog, where her team’s investigations resulted in FTC actions, media reports, and congressional briefings. She also served as a privacy consultant where she advised Fortune 500 companies, Bay Area startups, US federal agencies, universities, and everything in between.

What is AI governance?

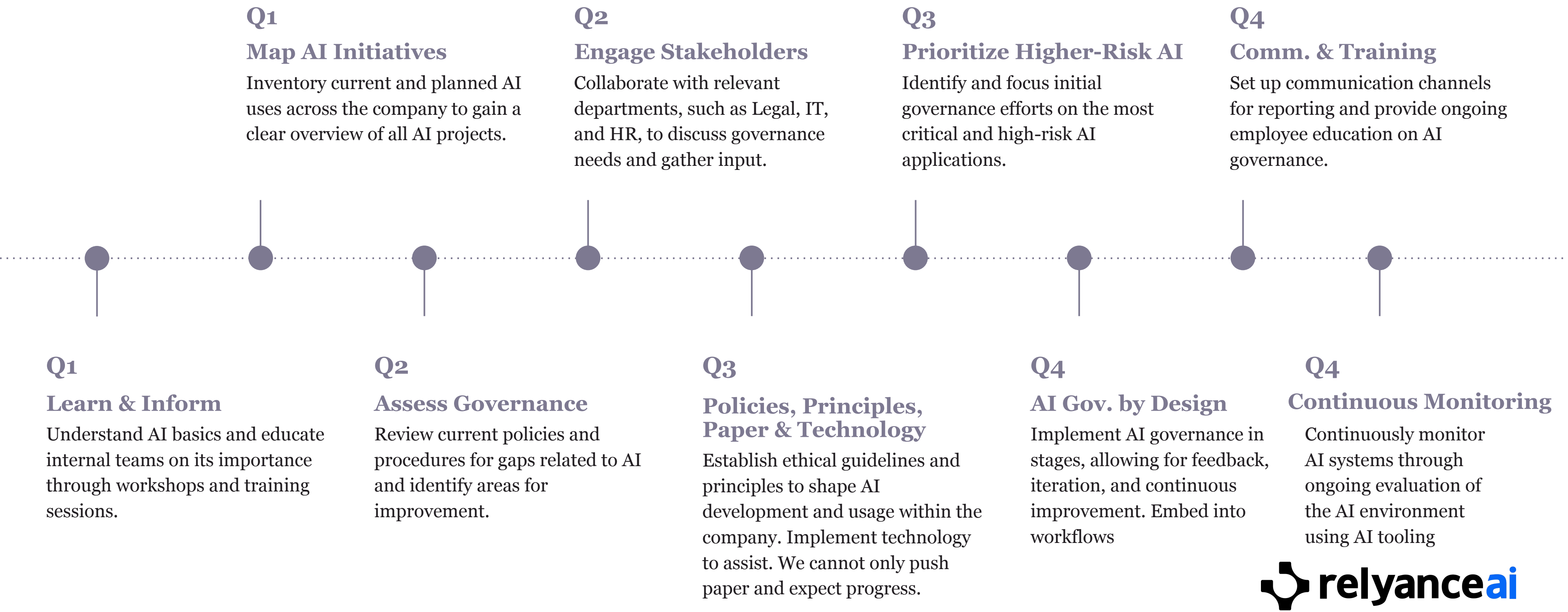
Governance

An organization's approach to using laws, policies, technology, frameworks, practices, and processes to help stakeholders implement and oversee the use of AI.

It helps ensure the safe, ethical development and deployment of AI tools and systems and helps to manage risk.

Where do we start as In House Counsel with respect to the development of AI Governance programs?

12 Month Roadmap for Programmatic Success: AI Governance



Q1

Learn & Inform

Understand AI basics and educate internal teams on its importance through workshops and training sessions.

Q1

Map AI Initiatives

Inventory current and planned AI uses across the company to gain a clear overview of all AI projects.

Q2

Assess Governance

Review current policies and procedures for gaps related to AI and identify areas for improvement.

Q2

Engage Stakeholders

Collaborate with relevant departments, such as Legal, IT, and HR, to discuss governance needs and gather input.

Q3

Policies, Principles, Paper & Technology

Establish ethical guidelines and principles to shape AI development and usage within the company. Implement technology to assist. We cannot only push paper and expect progress.

Q3

Prioritize Higher-Risk AI

Identify and focus initial governance efforts on the most critical and high-risk AI applications.

Q4

AI Gov. by Design

Implement AI governance in stages, allowing for feedback, iteration, and continuous improvement. Embed into workflows

Q4

Comm. & Training

Set up communication channels for reporting and provide ongoing employee education on AI governance.

Q4

Continuous Monitoring

Continuously monitor AI systems through ongoing evaluation of the AI environment using AI tooling

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Who is responsible for AI governance? Examples of successful collaboration?

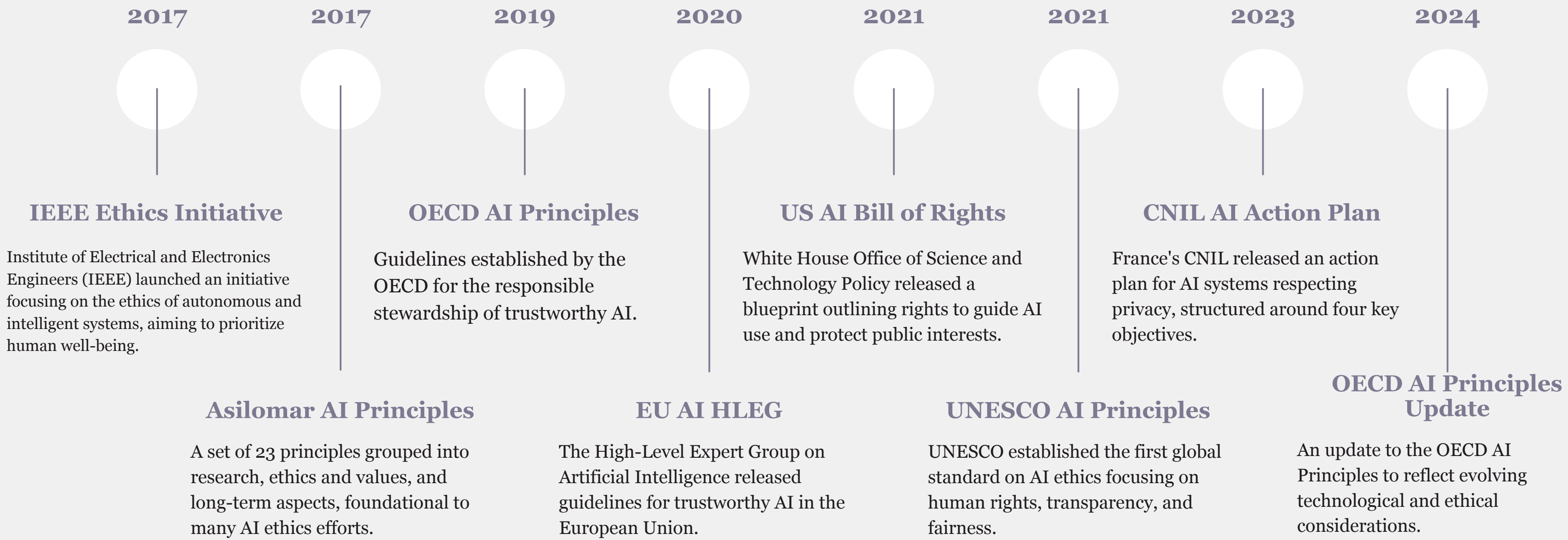
Collaboration is key to effective AI governance.

Effective AI governance requires collaboration among legal, compliance, and technology teams is essential. Legal teams ensure adherence to data protection laws and ethical standards. Compliance teams establish policies to mitigate AI risks. Technology teams design AI systems with privacy and fairness. Cross-functional collaboration identifies biases, enhances transparency, and fosters shared responsibility, maintaining public trust and regulatory compliance.

What are some of the key AI governance frameworks and principles?

Ethical AI

Key Timeline of AI Governance Principles



2017

IEEE Ethics Initiative

Institute of Electrical and Electronics Engineers (IEEE) launched an initiative focusing on the ethics of autonomous and intelligent systems, aiming to prioritize human well-being.

2017

Asilomar AI Principles

A set of 23 principles grouped into research, ethics and values, and long-term aspects, foundational to many AI ethics efforts.

2019

OECD AI Principles

Guidelines established by the OECD for the responsible stewardship of trustworthy AI.

2020

EU AI HLEG

The High-Level Expert Group on Artificial Intelligence released guidelines for trustworthy AI in the European Union.

2021

US AI Bill of Rights

White House Office of Science and Technology Policy released a blueprint outlining rights to guide AI use and protect public interests.

2021

UNESCO AI Principles

UNESCO established the first global standard on AI ethics focusing on human rights, transparency, and fairness.

2023

CNIL AI Action Plan

France's CNIL released an action plan for AI systems respecting privacy, structured around four key objectives.

2024

OECD AI Principles Update

An update to the OECD AI Principles to reflect evolving technological and ethical considerations.

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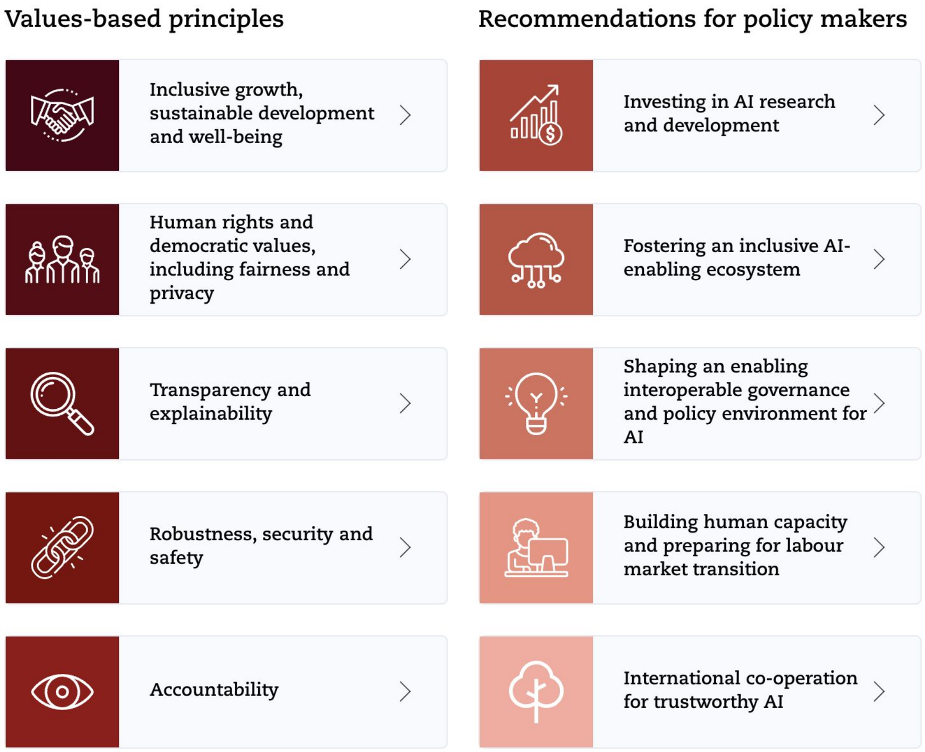
Coming into Focus: OECD Principles



Values-based principles

- Inclusive growth, sustainable development and well-being
- Human rights and democratic values, including fairness and privacy
- Transparency and explainability
- Robustness, security and safety
- Accountability

Recommendations for policy makers

- Investing in AI research and development
- Fostering an inclusive AI-enabling ecosystem
- Shaping an enabling interoperable governance and policy environment for AI
- Building human capacity and preparing for labour market transition
- International co-operation for trustworthy AI

Frameworks

Commonly Known:

AI Governance Frameworks

01 OECD AI Principles

A set of international standards and recommendations for the responsible development and deployment of AI, emphasizing human-centric values and fairness.

02 NIST AI Risk Management Framework (AI RMF)

A voluntary framework from the U.S. National Institute of Standards and Technology to help organizations manage risks associated with AI systems and promote trustworthiness.

03 EU AI Act

A comprehensive legal framework proposed in the European Union that categorizes AI systems based on risk and establishes rules for various risk-levels.

04 ISO/IEC 42001

An international standard specifying requirements for an AI management system, helping organizations establish, implement, maintain, and continually improve their AI governance.

What are the key considerations when building & implementing AI governance and risk management policies?

Governance

AI governance programs require clear objectives, continuous monitoring, flexibility, and embedded programs.

Clear objectives: Define the goals of the governance framework to guide policy development.

Stakeholder engagement: Involve relevant stakeholders from legal, compliance, technology, and business units to ensure comprehensive input.

Regulatory compliance: Stay updated on relevant laws and regulations to ensure policies meet legal requirements.

Regular risk assessments: Identify and evaluate risks associated with AI technologies to inform policy decisions.

Flexibility and adaptability: Create policies that can evolve with technological advancements and regulatory changes.

Training and education: Provide ongoing training to staff on governance policies and risk management practices.

Monitoring and evaluation: Establish mechanisms for regularly reviewing and updating policies based on performance and emerging risks.

What interesting use cases in AI are you seeing, and what are some practical strategies for addressing those use cases?

Some Key AI Use Cases & Governance Strategies

AI Chatbots for Customer Support

- Data privacy (GDPR, CCPA)
- Transparency (AI vs. human interaction)
- Bias detection and fairness

AI for Software Development & Coding

- Intellectual property protection
- Security (data used in code suggestions)
- Regular auditing for bias in code

Text Generation for Content Creation

- Avoid plagiarism (cite sources, originality)
- Ethical use (prevent harmful or biased content)
- Transparency (disclose AI involvement)

Predictive Analytics for Business Insights

- Data privacy and security (GDPR, CCPA)
- Transparency in data usage
- Regular model audits for accuracy

AI in Personalization (Marketing & Recommendations)

- Data privacy (GDPR, CCPA)
- Transparency and consent for data collection
- Avoiding discriminatory algorithms

AI for Fraud Detection

- Adherence to financial regulations (AML, KYC)
- Data protection (GDPR, CCPA)
- Ensuring fairness and accuracy in predictions

AI Governance

Governing AI Agents

Autonomy & Control

Define agent independence with clear intervention methods.

Accountability

Establish who's responsible for agent actions.

Transparency

Ensure agent reasoning can be understood and audited.

Safety & Reliability

Implement protocols for safe autonomous operation.

Data Governance

Manage data use and privacy in agent interactions.

Ethical Alignment

Embed values for ethical autonomous decisions.

What are some of the major ethical AI issues?

Ethics

Key Ethical AI Issues

- Lawfulness
- Safety for people and the planet
- Protection from unfair bias
- AI use is transparent and explainable
- Individuals have appropriate choices about the use of their personal information to develop AI
- Individuals can choose to have human intervention in key AI-driven decisions that impact their legal rights or well being
- Organizations must be accountable for ensuring AI they develop and use is secure

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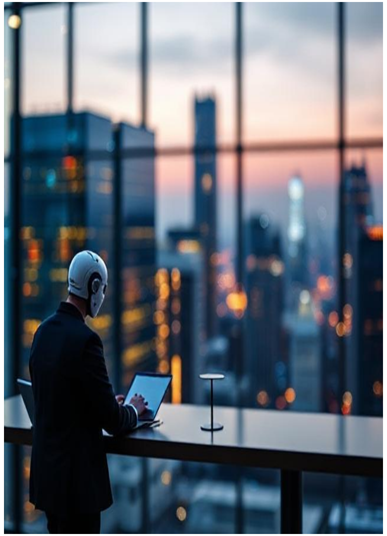
How do we address AI Governance issues in our commercial agreements and privacy statements?

AI Governance

Key Legal Considerations in B2B Agreements



Intellectual Property & Data Governance

Clearly define ownership of IP derived from or generated by AI, rights to input data (especially training data), and responsibilities for privacy/security compliance (e.g., GDPR, CCPA). Specify permitted uses and restrictions.

Liability & Indemnification

Establish clear lines of responsibility for damages or losses from AI's performance, including inaccurate outputs, biases, or security breaches. Define indemnification obligations for each party.

Performance Standards & Service Levels

Outline expected performance metrics for the AI solution, including accuracy, reliability, uptime, and response times. Incorporate SLAs with remedies for non-performance.

Transparency & Explainability

Include provisions for transparency regarding the AI's decision-making processes. Strive for a level of explainability appropriate to the context and risk.

Auditability & Compliance

Include clauses allowing some type of audit to ensure compliance with terms, data protection, and regulations. Define the scope and process for such audits.

Ongoing Monitoring & Updates

Address ongoing maintenance and updates of the AI system. Clarify responsibilities for updates, addressing vulnerabilities, and ensuring fitness for purpose.

Key Legal Considerations in Consumer Facing Statements

Clear Identification of AI Use

Explicitly state when and how AI is being used in the product or service. Avoid vague language and clearly explain the AI's role in the user experience.

Data Collection and Use Practices

Clearly and concisely explain what data is being collected, how it's being used by the AI (including for training or personalization), and the purposes of this data processing. Provide easy-to-understand information about data privacy and security measures.

Explanation of AI Capabilities and Limitations

Set realistic expectations by outlining what the AI can and cannot do. Highlight potential limitations, biases, or areas where the AI might not be perfectly accurate or reliable.

User Rights and Choices

Inform users about their rights regarding their data, such as access, correction, or deletion. Explain any choices users have regarding the AI's functionality or data usage, including opt-out options where applicable.

Contact Information and Support

Provide clear contact information for users to seek assistance, report issues, or ask questions about the AI system and its use of their data.

Regular Updates and Notifications

Inform users about any significant changes to the AI system, its data handling practices, or the terms of service. Provide clear and timely notifications of such updates.

AI Assessments: Key Considerations

Key Considerations for Advanced AI Assessments

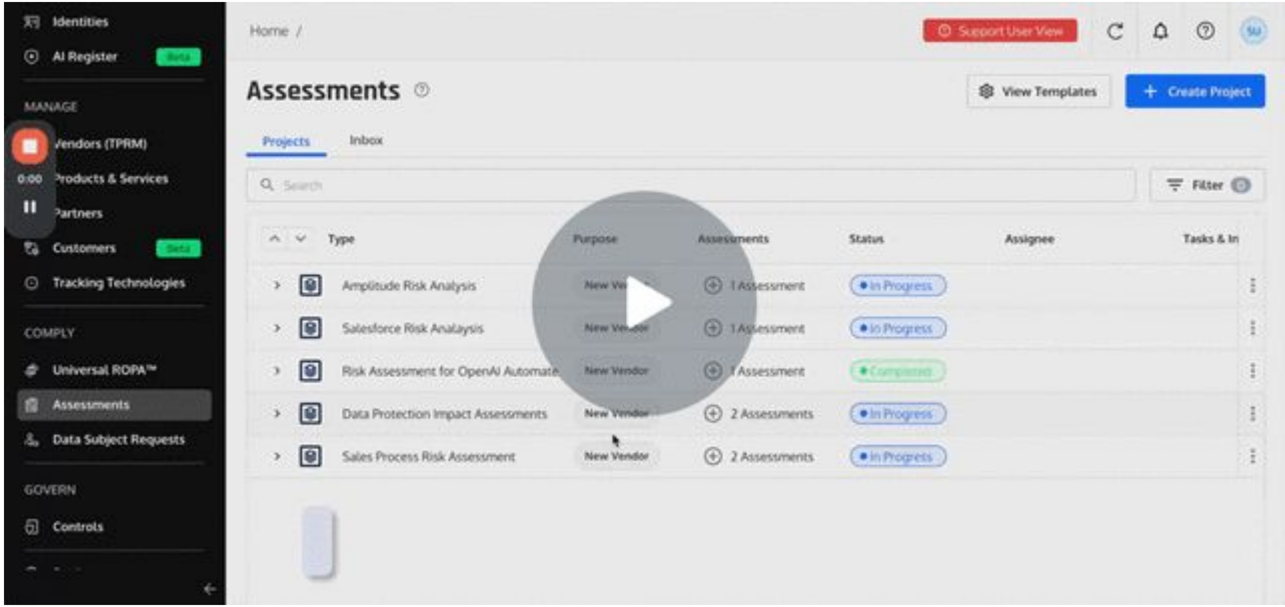
A comprehensive AI assessment must address data integrity, model robustness, algorithmic fairness, explainability, benchmarking, privacy, ongoing monitoring, and security to ensure responsible and effective deployment.

Critical factors to evaluate in advanced AI Assessments:

- **Risk**
- **Audit Committee**
- **UK ICO Risk Assessment**
- **Building into the DPIA process**

- Data Provenance and Integrity: Rigorously evaluate the lineage, quality, and integrity of training and operational datasets using techniques like data lineage tracking, anomaly detection, and statistical validation.
- Model Robustness and Adversarial Resilience: Assess the AI model's stability under various input perturbations and its resistance to adversarial attacks using methods like adversarial training and sensitivity analysis.
- Algorithmic Bias Detection and Mitigation: Use statistical and causal inference methods to identify and quantify biases; implement and evaluate bias mitigation techniques (pre-, in-, post-processing).
- Explainable AI (XAI) and Interpretability: For critical applications, utilize XAI frameworks (e.g., SHAP, LIME) to provide insights into model decision-making processes and assess the interpretability of model features.
- Performance Benchmarking and Scalability: Conduct rigorous benchmarking against state-of-the-art models and evaluate the AI system's scalability and resource utilization under varying loads.
- Privacy-Preserving AI Techniques: For sensitive data, assess the implementation and effectiveness of privacy-preserving techniques like federated learning, differential privacy, or homomorphic encryption.
- Model Drift and Continuous Monitoring: Establish robust monitoring systems to detect and quantify model performance degradation (drift) over time due to changes in input data distributions.
- Security Vulnerability Analysis: Conduct thorough security assessments, including penetration testing and vulnerability scanning, specifically targeting AI/ML components and their dependencies.

Relyance AI Guided Assessment Demo Here



Assessments

Type	Purpose	Assessments	Status	Assignee	Tasks & In
Amplitude Risk Analysis	New Ve[illegible]	1 Assessment	In Progress		
Salesforce Risk Analaysis	New Vendor	1 Assessment	In Progress		
Risk Assessment for OpenAI Automate	New Vendor	1 Assessment	Completed		
Data Protection Impact Assessments	New Vendor	2 Assessments	In Progress		
Sales Process Risk Assessment	New Vendor	2 Assessments	In Progress		

Safety in AI Systems: Definitions & Key Considerations

AI Safety

Defining Safety in an AI Context:

Assurance that systems operate as intended, preventing unintended negative consequences (physical, economic, privacy, discrimination, etc.).

Robustness

Reliable performance on novel data.

Robustness & Intended Behavior

Reliable performance on novel data. Prevents unprogrammed actions.

Value Alignment

Goals align with human ethics. Understanding decisions in safety-critical areas.

Explainability

Ability to understand and articulate the reasons behind an AI system's decisions or predictions in a way that humans can comprehend.

Privacy & Security

Protects personal data and against malicious attacks. Safeguards sensitive information.

Fail-Safes & Continuous Monitoring

Graceful error handling, fallback modes, ongoing performance checks, and rigorous testing for safety requirements.

Risk counseling: build v. buy AI technology. Where are the greatest risks and how do you address them?

Compliance

Managing Risk: Build v. Buy AI Technology

Inventory & Risk Assessments

Regularly inventory & evaluate potential risks associated with AI and data practices to identify areas of uncertainty. This relates not only to the real-time data processing internally and with third parties, but regularly monitoring the agreements in place (esp. online terms).

Training, Awareness, & Involvement

Educate teams on compliance requirements and the importance of flexibility when onboarding new technology or building new internal products.

Regular, Continuous Monitoring

Stay informed about evolving data processing within your environment, and as it relates to third-parties with access to you data and systems. Also continuously monitor guidance from relevant authorities to adapt practices accordingly.

Collaboration

Foster communication between legal, compliance, engineering/IT, and operational teams to ensure a unified approach.

Intellectual Property

Ensure you have a solid understanding of how your data will be accessed and used for AI model training purposes, if at all. Develop adaptable policies that can respond to changing regulatory landscapes while maintaining compliance.

Scenario Planning

Conduct scenario analyses to prepare for potential risk scenarios and their impact on operations.

As leaders, how do you prioritize AI governance amidst constant change?

Prioritization

Key Strategies for Prioritizing AI Governance

- **Strategic alignment**: Ensure AI governance aligns with organizational goals and risk management priorities + goals.
- **Continuous monitoring**: Stay informed about industry trends, regulatory updates, and technological advancements to adapt governance practices.
- **Resource allocation**: Allocate appropriate resources, including personnel and budget, to support AI governance initiatives.
- **Cross-functional collaboration:** Foster collaboration between departments to ensure diverse perspectives and shared ownership of governance.
- **Risk management focus:** Prioritize identifying and mitigating risks associated with AI deployments to maintain trust and compliance.
- **Communication**: Regularly communicate the importance of AI governance to all stakeholders to build a culture of accountability and responsibility.

How can organizations ensure transparency and accountability in AI decision-making?

Transparency & Accountability

Key Practices

- Clear documentation: Maintain comprehensive records of AI development processes, including data sources, algorithms used, and decision-making criteria.
- Explainable AI: Implement models that provide clear explanations for their outputs, allowing stakeholders to understand how decisions are made.
- Regular audits: Conduct audits of AI systems to assess compliance with ethical standards and regulatory requirements.
- Stakeholder engagement: Involve diverse stakeholders in the decision-making process to gather input and address concerns about AI use.
- Feedback mechanisms: Establish channels for feedback on AI decisions to identify issues and improve processes.
- Reporting frameworks: Develop clear reporting structures to track AI decision-making and ensure accountability at all organizational levels.

How can we address the “governance stifles innovation” challenges?

Summary

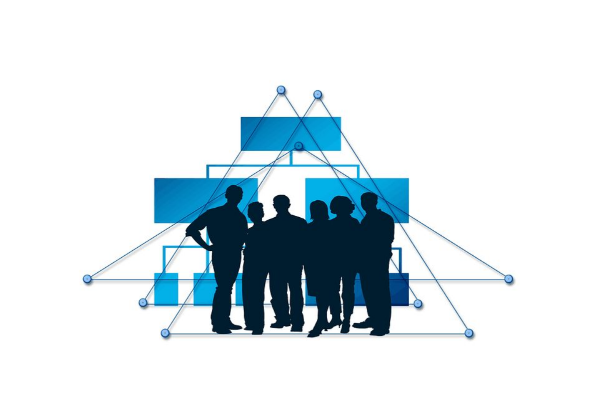
Effective privacy & AI governance is an enabler, and can be built concurrently with – and facilitate – innovation.

Position AI Governance as an enabler by aligning it with business goals, fostering a culture of ethical AI, automating compliance processes using AI yourself, and empowering teams with AI literacy and self-service tools. This approach ensures rapid, responsible innovation while managing risks, ultimately driving business value and trust without slowing down progress.

As organizations develop AI systems, they can embed governance from the outset, ensuring data protection measures are part of the design process rather than an afterthought. This simultaneous approach fosters a culture of accountability and transparency, enabling organizations to address ethical concerns while enhancing the performance and trustworthiness of their AI technologies.

How are we structuring the AI governance function, and what are the costs and benefits of reporting to the GC versus the CDO/CTO/CISO?

AI Governance Reporting Structure



Key Considerations

- Role clarity ensures that each member within the AI governance function is aware of their responsibilities, promoting accountability and effective oversight.
- Choosing between reporting to the General Counsel, Chief Data Officer, Chief Technology Officer, or Chief Information Security Officer can impact both the focus of the AI governance program.
- Cost evaluation should include potential expenses for resource allocation and personnel training under different reporting lines.
- Benefits vary based on reporting: legal compliance is enhanced through the GC, technical expertise through the CDO/CTO, and security oversight through the CISO.
- Cross-functional collaboration is vital to strengthen governance and align it with the organization's strategic objectives.

Connect with us!

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