

Audit Committee

Keeping judgment and accountability visible
in AI-enabled decisions

What's changing

As AI becomes embedded in reporting, operations, and decision-making, the Audit Committee must look beyond outputs to the integrity of the decisions and processes around them. They must ensure accountability remains clear as systems evolve and that leaders know when judgment cannot be delegated.

What effective committees do

- Maintain a clear view of where AI is embedded in financial, operational, and reporting outcomes.
- Test the integrity of AI-enabled decision processes, not only the accuracy of their outputs.
- Ensure assurance covers AI-specific failure modes, evolving models, data provenance, and the handling of sensitive information.
- Identify decisions in which human judgment and accountability must remain non-delegable.

Questions to ask management now

- Where are AI systems materially influencing financial, operational, or reporting outcomes?
- How are we testing AI-enabled decisions differently from traditional systems?
- Where must human judgment remain non-delegable, regardless of how capable AI becomes?
- What early warning indicators do we track for model failure, drift, misuse, or unexpected downstream effects?
- How do we know controls remain effective as models and uses evolve?
- How are we assessing whether AI-related investments are generating sufficient business value, and what governance mechanisms ensure that capital is allocated, monitored, and adjusted based on measurable outcomes and expected returns?

Where boards get stuck

- Treating AI as a technology issue rather than a decision-integrity and accountability issue.
- Over-relying on management summaries without sufficient independent challenge or assurance.
- Focusing so heavily on risk and compliance that the committee loses sight of the responsible innovation the business needs.

How Egon Zehnder can help

We help boards assess whether the CEO and leadership team have the judgment and governance discipline required to oversee AI-enabled decisions.

Speak with our team:



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