



Audit Committee

Discussion on Digital Disruption

Item 7c

December 8, 2025

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Item 7c
Discussion
on Digital
Disruption

Subject

Discussion on Digital Disruption

Purpose

Provide a general overview of Digital Disruption, which is the impact of emerging technologies (e.g., Artificial Intelligence) on an organization.

Digital Disruption



What is Digital Disruption?

- The rapid transformation of industries driven by new digital technologies.
- The speed of change challenges traditional business environments.
- Management is forced to rethink the value their services/products provide or risk obsolescence.

Drivers of Digital Disruption

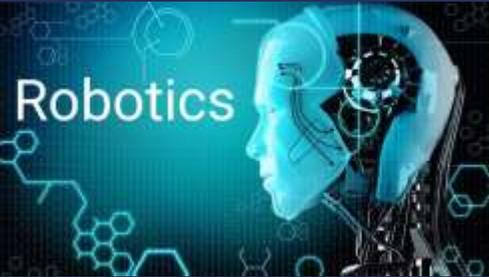
Digital Disruption



3-D Printing



Autonomous Vehicles



Disruption Examples

Disruptor → Disrupted



Digital Disruption

What are the risks?

- Speed of Change
- Failing to Adapt
- Workforce Displacement
- Business Model Obsolescence
- Data Privacy & Security Breaches
- Algorithmic Bias
- Disinformation and Misinformation

Digital Disruption

What are the benefits?

- Increased Efficiency and Productivity
- Cost Reduction
- Innovation Opportunities
- Data-driven Decision Making
- Enhanced Customer Experiences

Digital Disruption

Board Oversight in the Age of Digital Disruption

- Engage proactively with management
- Focus on resilience
- Encourage scenario planning
- Continuously monitor risk landscape
- Balance risk and opportunity
- Consider digital disruption and the potential impact to Board decisions



Digital Disruption

Thank You

