2026

AI Governance & Board Oversight Benchmark

A comparative analysis of how Dow 30 companies disclose AI governance, board oversight, risk management, executive accountability and transparency practices.

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Sources: Proxy Statements (DEF 14A) • Annual Reports (10-K) • ESG & Responsible AI Reports • Company Websites
Sample: Dow Jones Industrial Average (Dow 30) companies | Fiscal Years 2025–2026

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- Energy & Utilities
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About this Benchmark

As artificial intelligence becomes central to corporate strategy, risk and operations, boards of directors face growing pressure to demonstrate effective oversight. This benchmark examines how the **Dow 30** companies disclose their approach to AI governance — from board oversight structures and director expertise to risk frameworks, executive accountability and public transparency.

Data was compiled from each company's most recent proxy statement (DEF 14A), annual report (10-K), ESG/Responsible AI reports and corporate websites. Each company was assessed against **25 governance indicators** spanning five dimensions: AI Governance & Oversight, Board AI Expertise, AI Risk & Compliance, Executive Compensation & Leadership, and Transparency & Reporting. An overall **AI Governance Maturity Score** was calculated for each company as the share of indicators met.

Snapshot

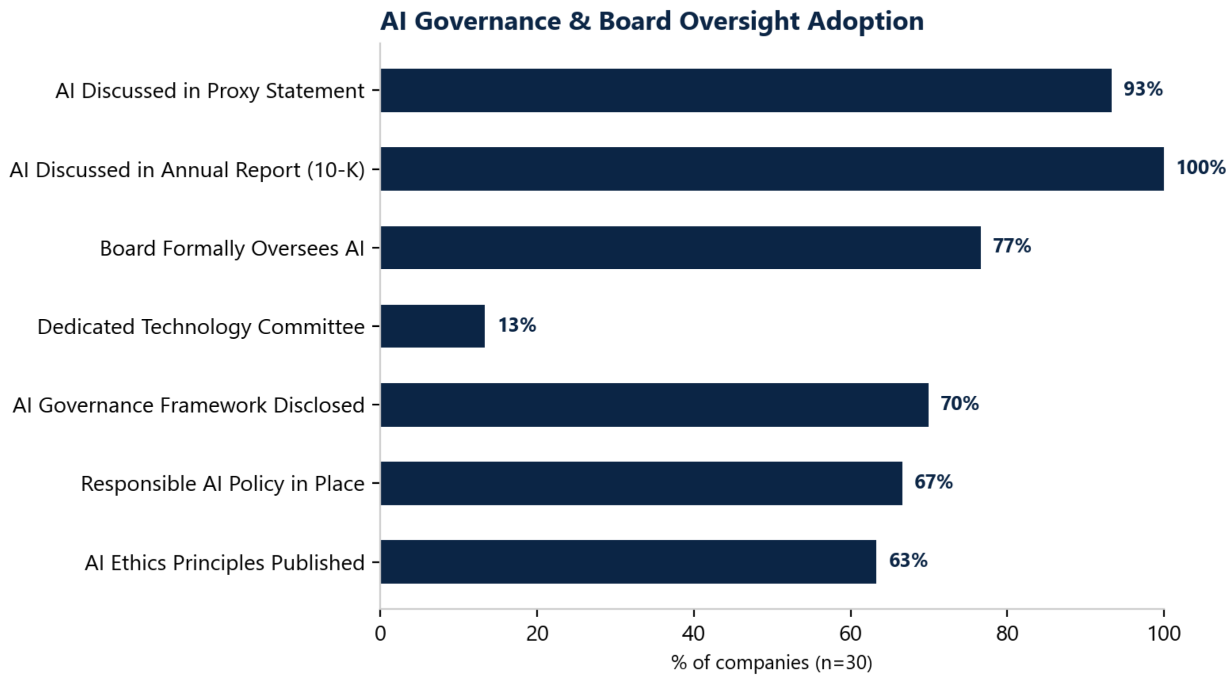
77%	**47%**	**13%**	**47%**
of boards formally oversee AI risks & strategy	of boards have a named AI / technology expert director	maintain a dedicated technology or science committee	average AI Governance Maturity Score (Dow 30)
2.4	**37%**	**7%**	**10%**
avg. AI / tech-skilled directors per Dow 30 board	publish a standalone Responsible AI report	disclose a Chief AI Officer or equivalent role	tie an AI metric to executive incentive pay

Key Takeaways

- **AI oversight is boardroom-level, but structures remain informal.** 77% of Dow 30 boards report some form of AI oversight, yet only 13% maintain a dedicated technology or science & technology committee — most oversight is folded into existing audit, risk or governance committees.
- **Expertise gaps persist.** Fewer than half of Dow 30 boards (47%) include a director with explicitly named AI/technology expertise, and the average board has just 2.4 AI-skilled directors.
- **Executive accountability lags governance rhetoric.** While 93% discuss AI regulatory compliance, only 10% tie an AI-related metric to executive pay, just 7% disclose a Chief AI Officer, and **0% mention formal AI succession planning**.
- **Regulatory readiness is uneven.** 93% address AI compliance generally, but only 7% reference NIST AI RMF and 33% reference the EU AI Act — suggesting disclosure is principles-based rather than framework-specific.
- **Technology & Healthcare lead; Consumer & Retail and Industrials lag.** Maturity scores range from 64% (Technology) to 35% (Consumer & Retail) — a 29-point gap across Dow 30 sectors.

1. AI Governance & Board Oversight

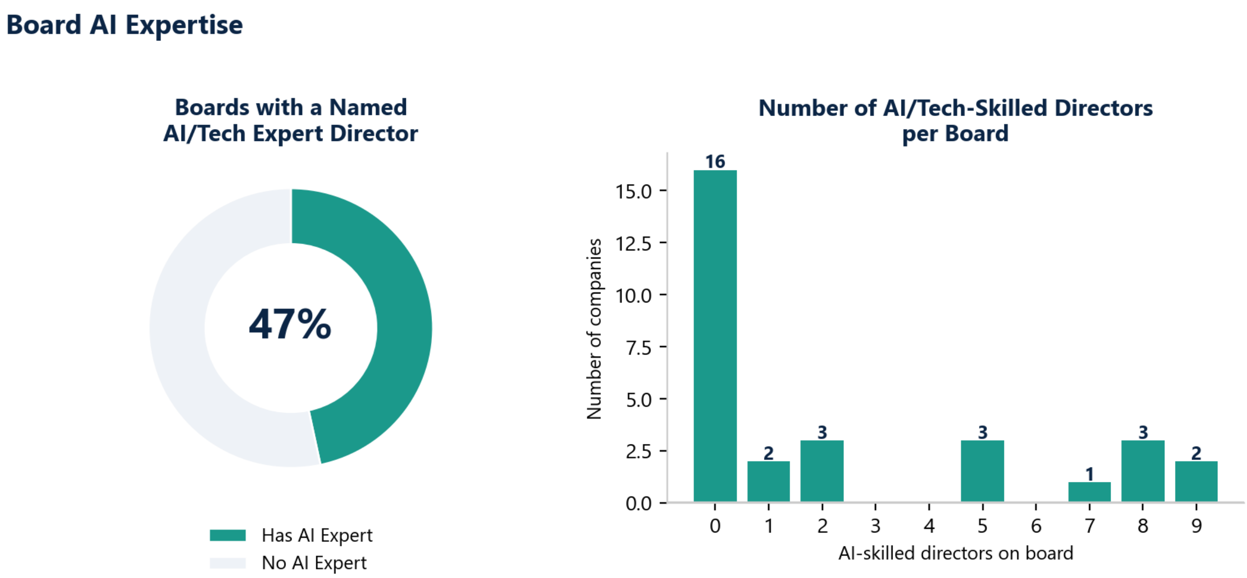
Disclosure of AI in core regulatory filings is now nearly universal across the Dow 30 — every company discusses AI in its 10-K, and 93% address it in the proxy statement. However, formal governance structures lag. While 77% of boards report some form of AI oversight (most often via the audit, risk or nominating/governance committee), only 13% maintain a dedicated technology or science & technology committee, reflecting a broader trend of folding AI into existing risk frameworks rather than creating new structures.



Roughly two-thirds of Dow 30 companies have published a formal AI governance framework (70%), a Responsible AI policy (67%), or AI ethics principles (63%) — indicating that written policy commitments are ahead of structural board changes such as new committees.

2. Board AI Expertise

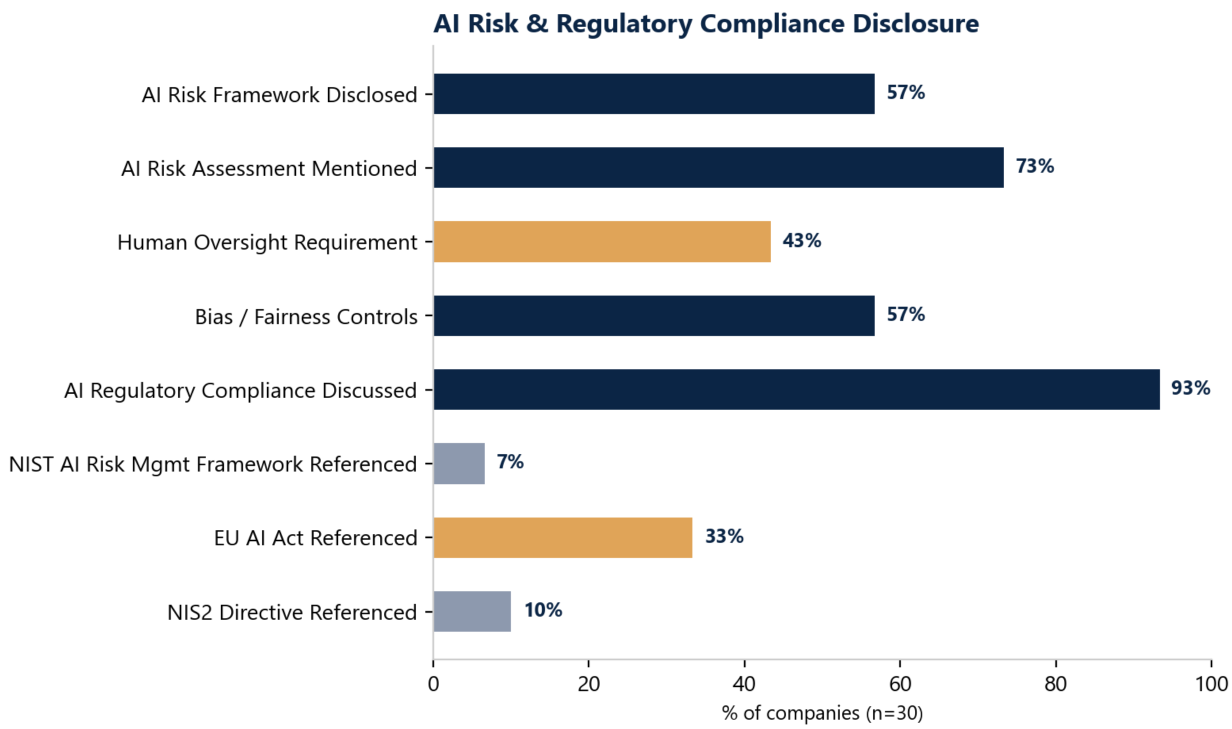
Technology and digital transformation expertise is a baseline expectation across the Dow 30: 100% of boards report technology expertise and 97% digital transformation expertise. However, AI-specific expertise is far less common — only 47% of boards highlight a director with explicitly named AI or advanced-technology credentials, and over half of boards report zero directors with AI-specific skills flagged in their proxy disclosures. Among boards that do disclose AI-skilled directors, the distribution is bimodal: a meaningful cluster reports 5+ AI-skilled directors, while the majority reports none.



Cybersecurity expertise (90%) remains more commonly disclosed than dedicated AI expertise (47%), suggesting Dow 30 boards have matured their cyber-risk skillsets faster than their AI-specific capabilities — a gap likely to narrow as AI oversight becomes more central to board agendas.

3. AI Risk & Regulatory Compliance

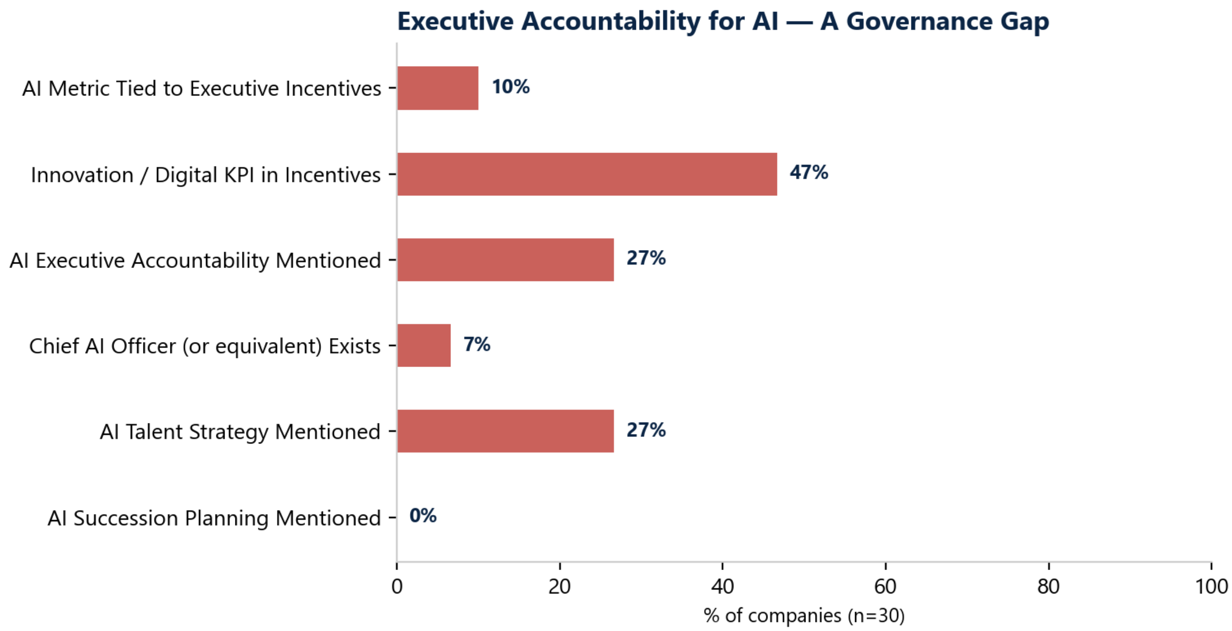
Nearly all Dow 30 companies (93%) discuss AI-related regulatory compliance in their filings, and a majority disclose an AI risk assessment process (73%), a formal AI risk framework (57%), or bias and fairness controls (57%). Human oversight requirements for AI systems are referenced by 43% of companies.



Specific regulatory frameworks are referenced far less often: just 33% cite the EU AI Act, 10% the EU's NIS2 Directive, and only 7% explicitly reference the U.S. NIST AI Risk Management Framework. This gap between general regulatory awareness and framework-specific alignment represents a key opportunity for companies seeking to differentiate their AI risk governance — particularly those with EU operations or exposure to emerging AI-specific regulation.

4. Executive Accountability & Leadership

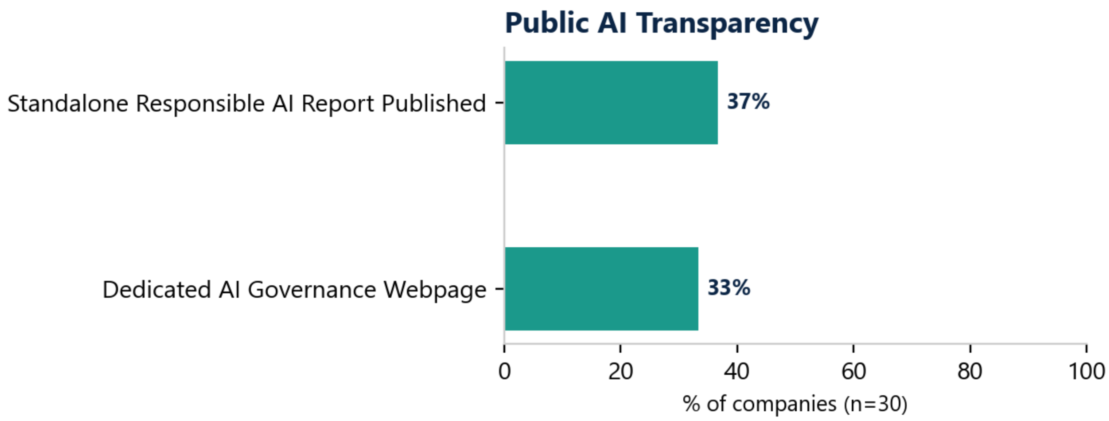
This is the area of greatest divergence between strategic rhetoric and accountability mechanisms across the Dow 30. While 47% of companies tie an innovation or digital transformation KPI to executive incentives, only 10% include an AI-specific metric in executive incentive plans. Just 7% of companies disclose a Chief AI Officer or directly equivalent role, and 27% mention an AI talent strategy or named AI executive accountability. Notably, **not a single Dow 30 company** explicitly discusses AI-related succession planning.



As AI becomes a larger driver of enterprise value and risk, the absence of formal accountability mechanisms — whether through compensation design, named executive roles, or succession planning — stands out as the most significant governance gap identified in this benchmark.

5. Public Transparency & Reporting

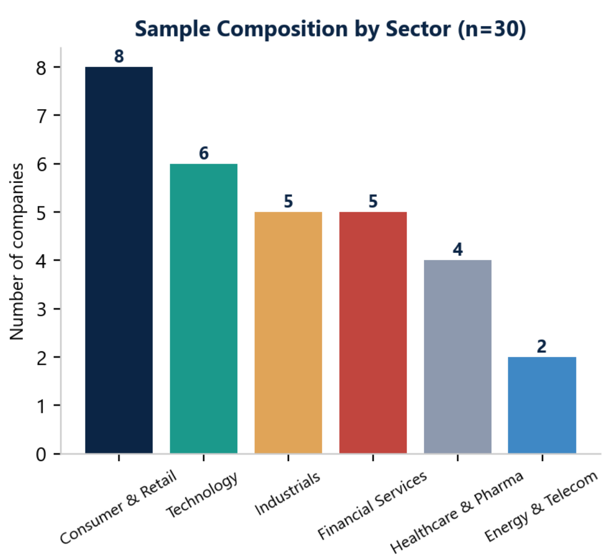
Public-facing AI transparency remains an emerging practice. Roughly a third of Dow 30 companies (37%) have published a standalone Responsible AI report, and a third (33%) maintain a dedicated AI governance webpage summarizing their principles, policies and oversight structures.

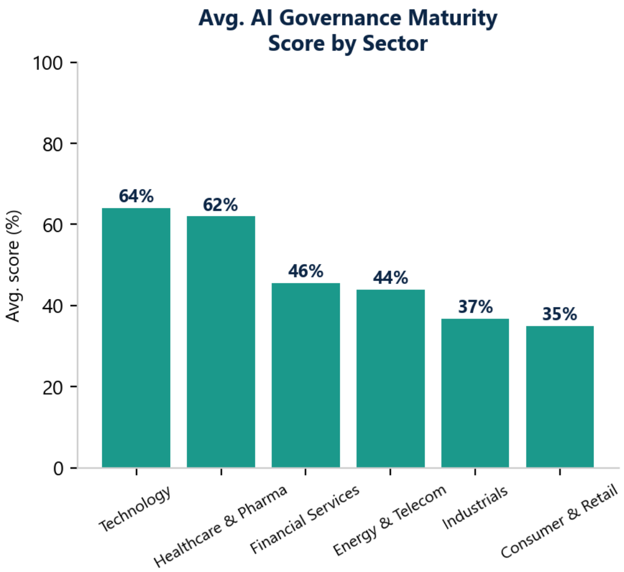


Companies that combine internal governance structures (board oversight, committees, risk frameworks) with external transparency (published reports, dedicated webpages) tend to score highest on the overall AI Governance Maturity Score, suggesting that public disclosure often reflects — and reinforces — more developed internal governance.

Sample Composition & Sector Comparison

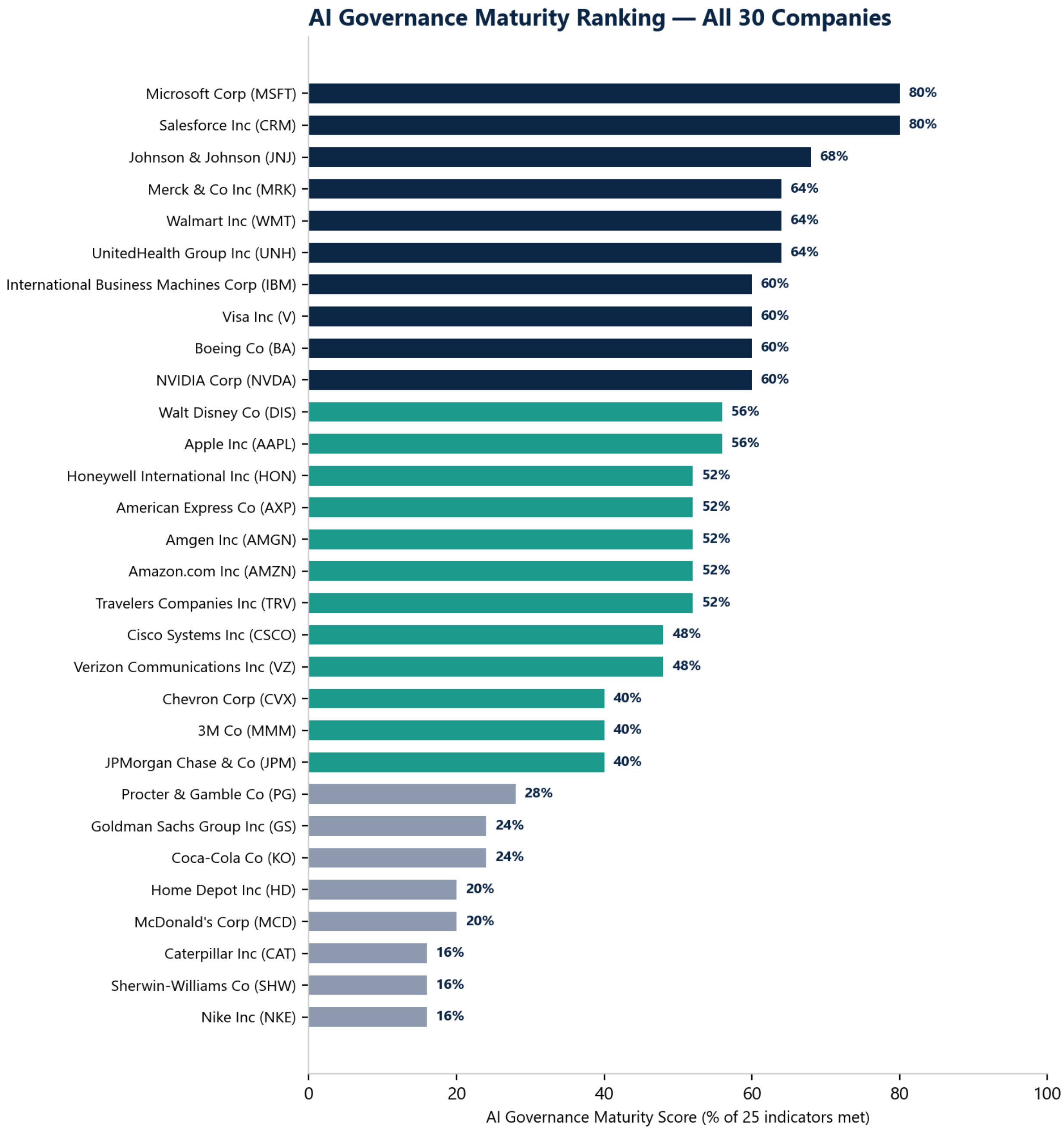
The Dow 30 spans six broad sectors. Technology and Healthcare & Pharma companies post the highest average AI Governance Maturity Scores (64% and 62% respectively), while Consumer & Retail and Industrials lag (35% and 37%). This pattern reflects both the centrality of AI to technology and pharmaceutical business models and the relative newness of AI governance practices in more traditional sectors.





AI Governance Maturity Ranking — Dow 30

Each company's AI Governance Maturity Score reflects the share of 25 governance indicators — spanning oversight, board expertise, risk & compliance, executive accountability, and transparency — that are positively disclosed in public filings. Scores range from 80% (Microsoft, Salesforce) to 16% (Caterpillar, Sherwin-Williams, Nike).



Leaders & Laggards

Top 5 — Most Mature AI Governance Disclosure (Dow 30)

Company	Ticker	Score
Microsoft Corp	MSFT	80%
Salesforce Inc	CRM	80%
Johnson & Johnson	JNJ	68%
Merck & Co Inc	MRK	64%
Walmart Inc	WMT	64%

Bottom 5 — Greatest Opportunity for Improvement

Company	Ticker	Score
Home Depot Inc	HD	20%
McDonald's Corp	MCD	20%
Caterpillar Inc	CAT	16%
Sherwin-Williams Co	SHW	16%
Nike Inc	NKE	16%

Methodology

This benchmark assesses the **Dow Jones Industrial Average (Dow 30)** companies across six sectors (Technology, Healthcare & Pharma, Financial Services, Industrials, Consumer & Retail, and Energy & Telecom) for fiscal years 2025–2026. Data points were drawn from each company's proxy statement (DEF 14A), annual report (10-K), Responsible AI / ESG reports, and corporate websites.

Each company was scored against 25 binary (Yes/No) governance indicators across five dimensions:

- **AI Governance & Oversight (6):** AI discussed in proxy/10-K, board oversight of AI, dedicated technology committee, AI governance framework, Responsible AI policy, AI ethics principles.
- **Board AI Expertise (3):** named AI expert director, cybersecurity expertise, digital transformation expertise.
- **AI Risk & Compliance (8):** AI risk framework, AI risk assessment, human oversight requirement, bias/fairness controls, AI regulatory compliance, NIST AI RMF, EU AI Act, NIS2 Directive.
- **Executive Compensation & Leadership (6):** AI metric in incentives, innovation/digital KPI, AI executive accountability, Chief AI Officer, AI talent strategy, AI succession planning.
- **Transparency & Reporting (2):** standalone Responsible AI report, dedicated AI governance webpage.

The **AI Governance Maturity Score** = indicators with 'Yes' / 25. Scores reflect comprehensiveness of *public disclosure* and do not independently verify the substance or effectiveness of underlying practices. Absence of disclosure does not necessarily indicate absence of practice.

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