



ARTHUR COX LLP

BEST PRACTICES 2025

Empowering In-House Counsel

Artificial, Cultural and Market Intelligence

Wednesday, 26 November 2025

Morning Programme



Afternoon Programme



ARTHUR COX LLP

Opening Remarks

Allish Finnerty, Partner and Chair, Arthur Cox

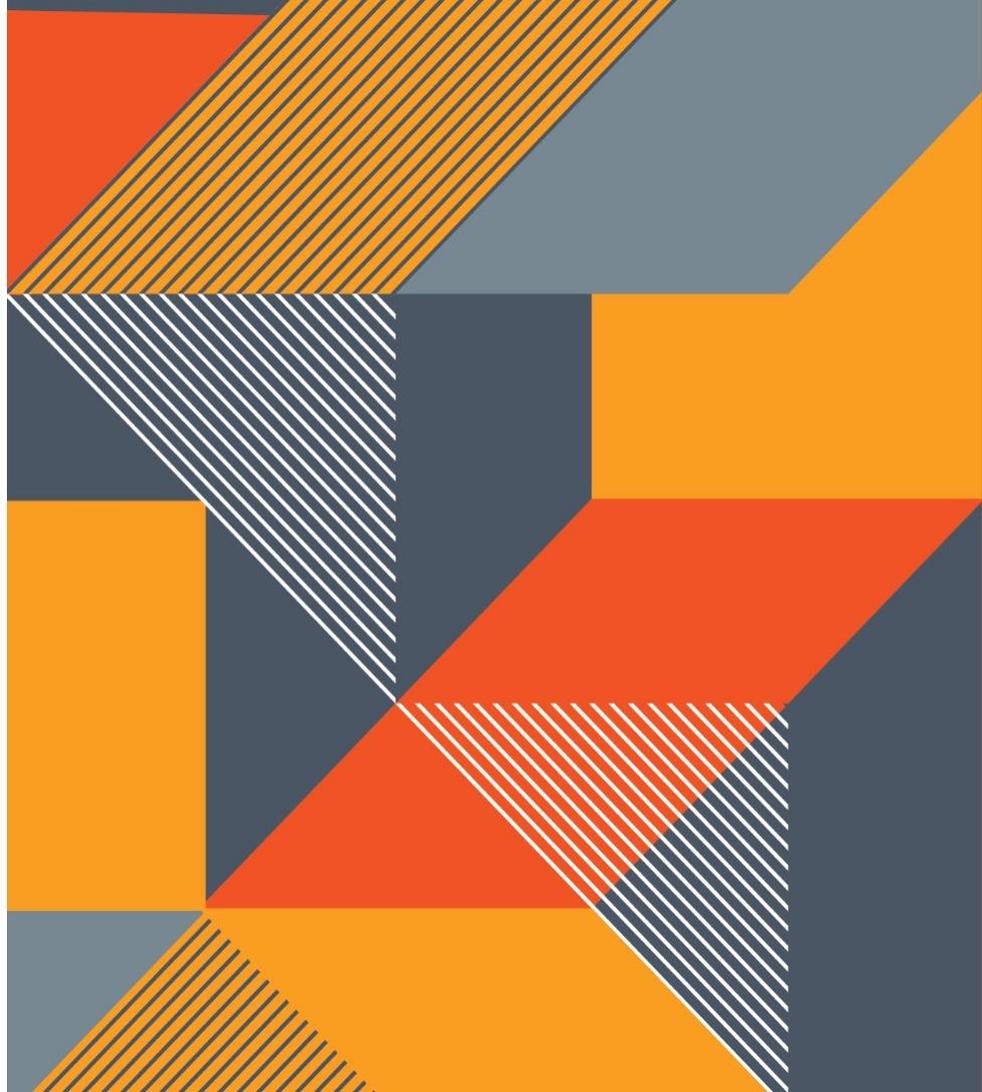
Mairéad Duncan-Jones, Partner and Head of
Knowledge, Learning & Development, Arthur Cox



01

The Incredible Present and Extraordinary Future of Generative AI in Law

Professor Dan Hunter, Executive Dean, The Dickson
Poon School of Law, King's College London



The incredible present and extraordinary future of generative AI in law

Dan Hunter

Executive Dean | Dickson Poon School of Law | King's College London



Ask FT

My Account

Artificial intelligence

+ Add to myFT

Can we just have one day when no one mentions AI?

The gap between hype and reality is frustratingly wide and growing



Overview

The non- agentic present

The current
reality

Agentic AI

What is it,
really? (and
what it isn't)

Agentic AI- native law

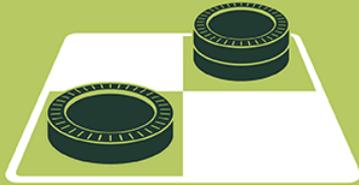
What happens
in the next 18
months

The basics

A history of AI in one slide.

ARTIFICIAL INTELLIGENCE

Early artificial intelligence stirs excitement.



MACHINE LEARNING

Machine learning begins to flourish.



DEEP LEARNING

Deep learning breakthroughs drive AI boom.



1950's

1960's

1970's

1980's

1990's

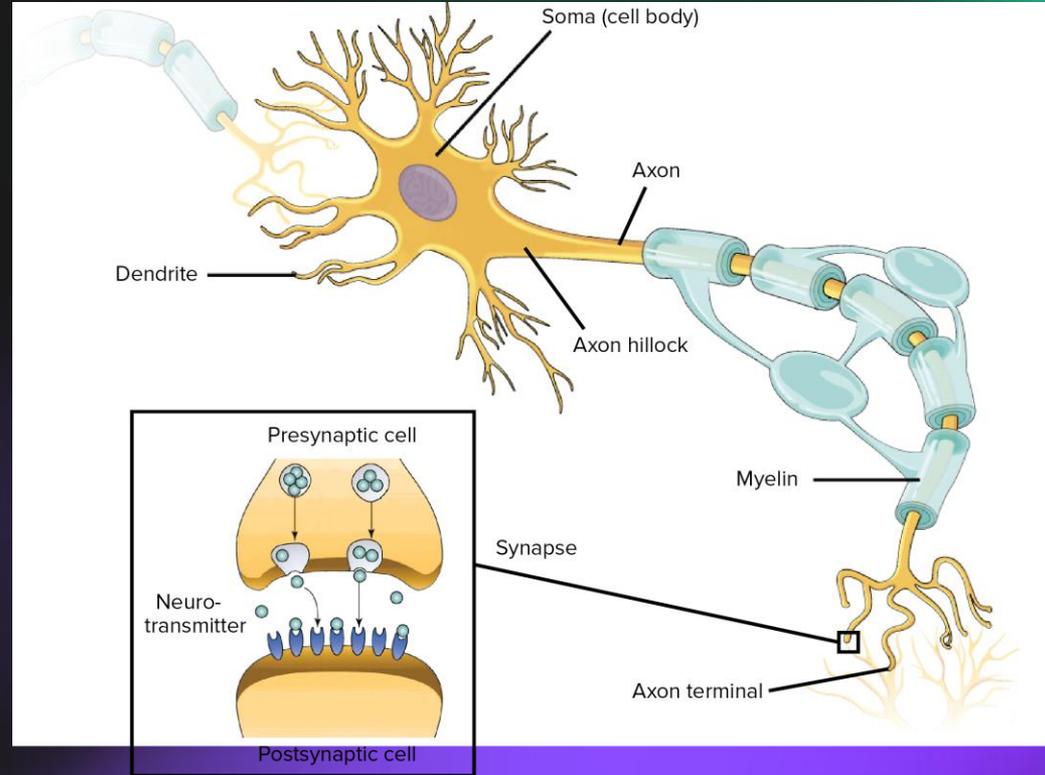
2000's

2010's

Since an early flush of optimism in the 1950s, smaller subsets of artificial intelligence – first machine learning, then deep learning, a subset of machine learning – have created ever larger disruptions.

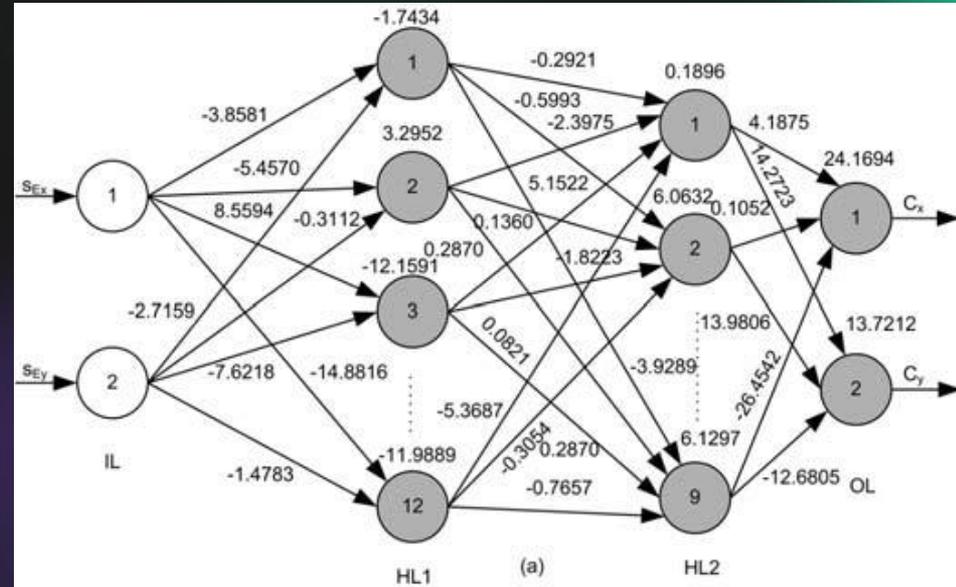
Neural Networks.

- The basic metaphor of machine learning (and its architecture, kinda) is of the neurons in the brain
- Everything you're thinking and remembering (and all the new knowledge you're gaining as a result of what I'm telling you right now) is a result of a fairly simple unit in the brain called the neuron (times a gajillion)
- And all of the thinking you're doing right now is really just neurochemical transmission



Artificial Neural Networks.

- “Deep” in deep learning refers to the depth of layers in a neural network
- Model weights (and biases) are just numbers within the network that affect the eventual output
- (We’ll worry about how you train the model to have these weights in the next slide)



The genesis.

Attention Is All You Need

Ashish Vaswani*

Google Brain

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Noam Shazeer*

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Niki Parmar*

Google Research

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Łukasz Kaiser*

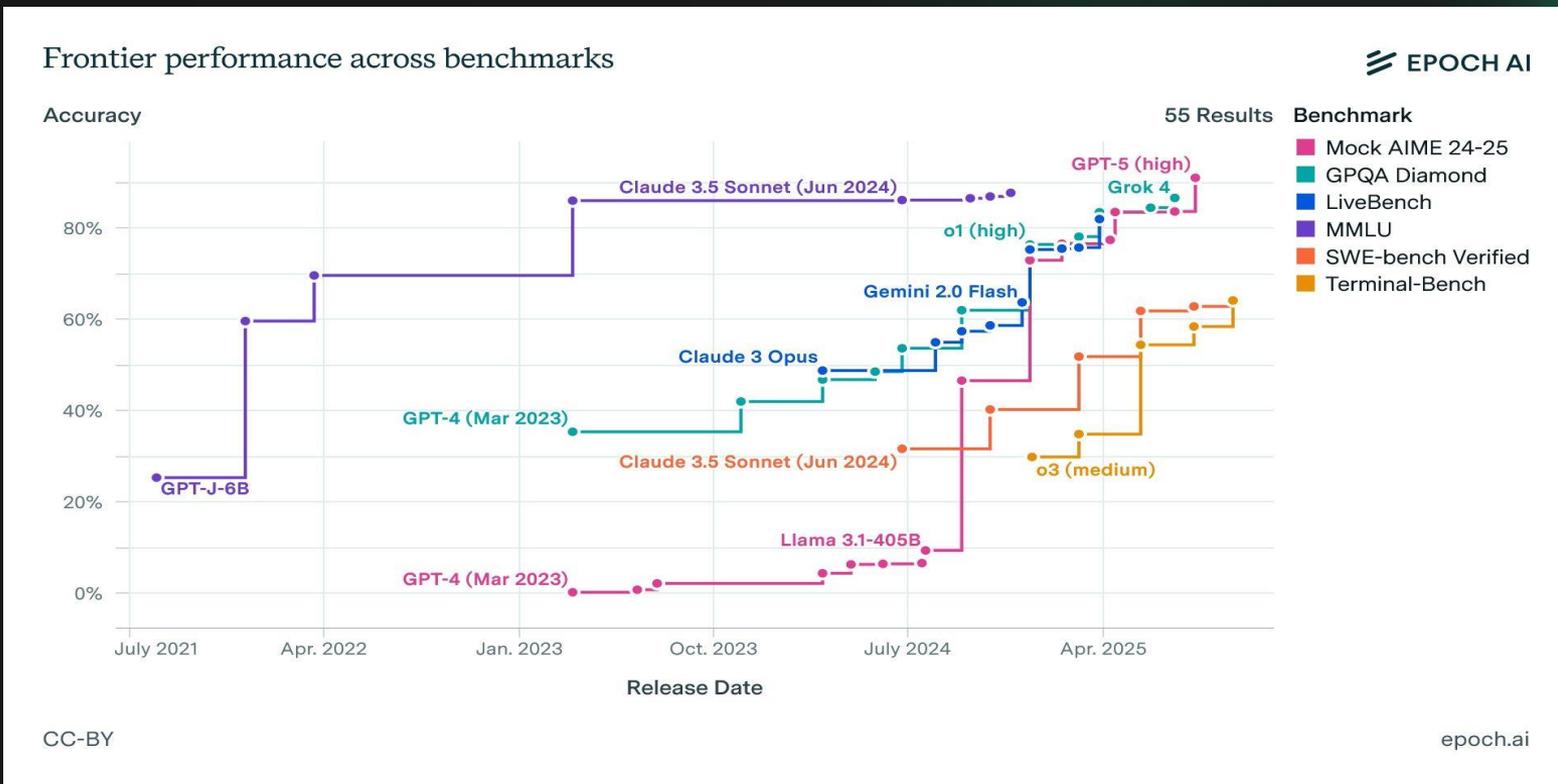
Google Brain

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Illia Polosukhin* ‡

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The state of the art



The state of the art



April 2022



Nov. 2022



May 2023

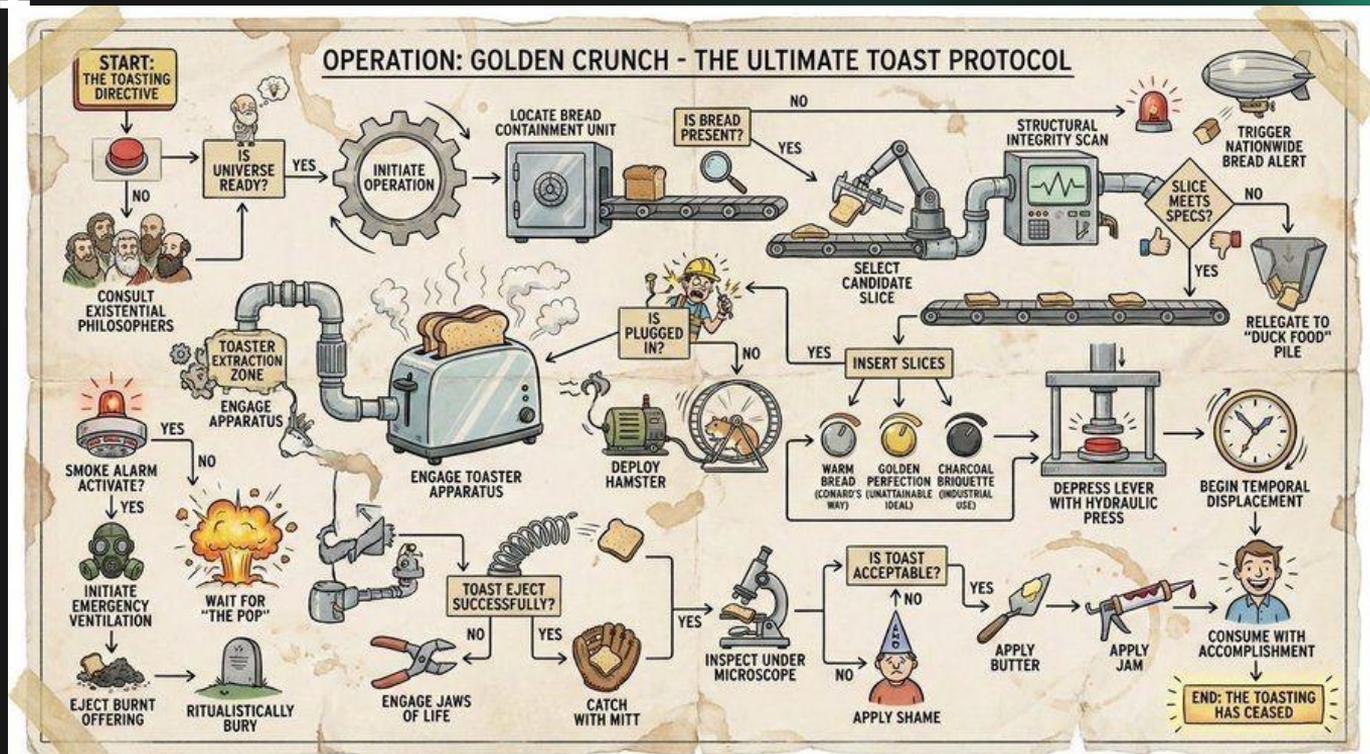


Dec. 2023

The state of the art



The state of the art



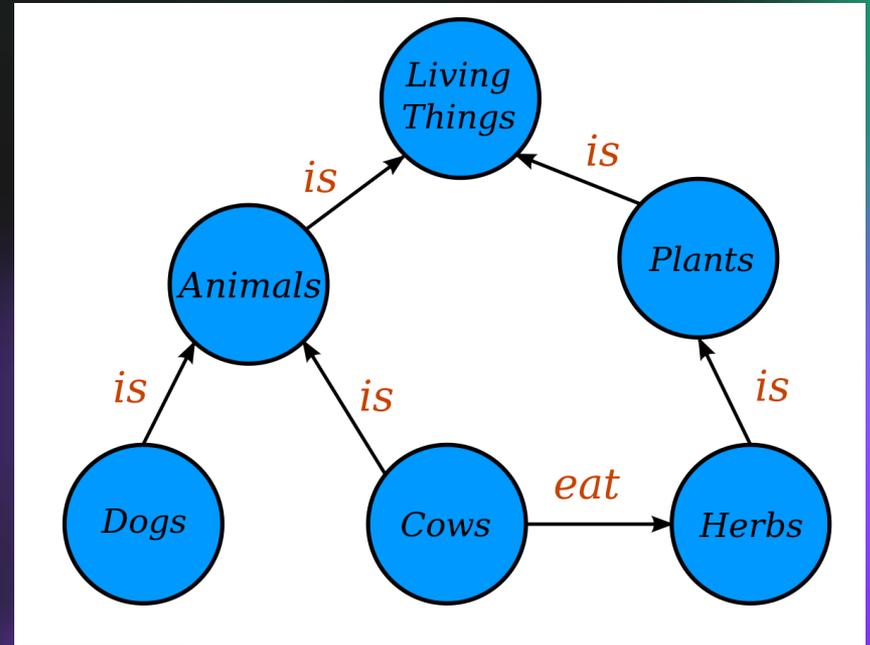
Machine learning model types

Model types – Knowledge/semantic models.

Also known as knowledge graphs or ontologies.

Structure and represent knowledge in a way understandable by humans and machines.

Represent knowledge as a graph with entities and relationships.

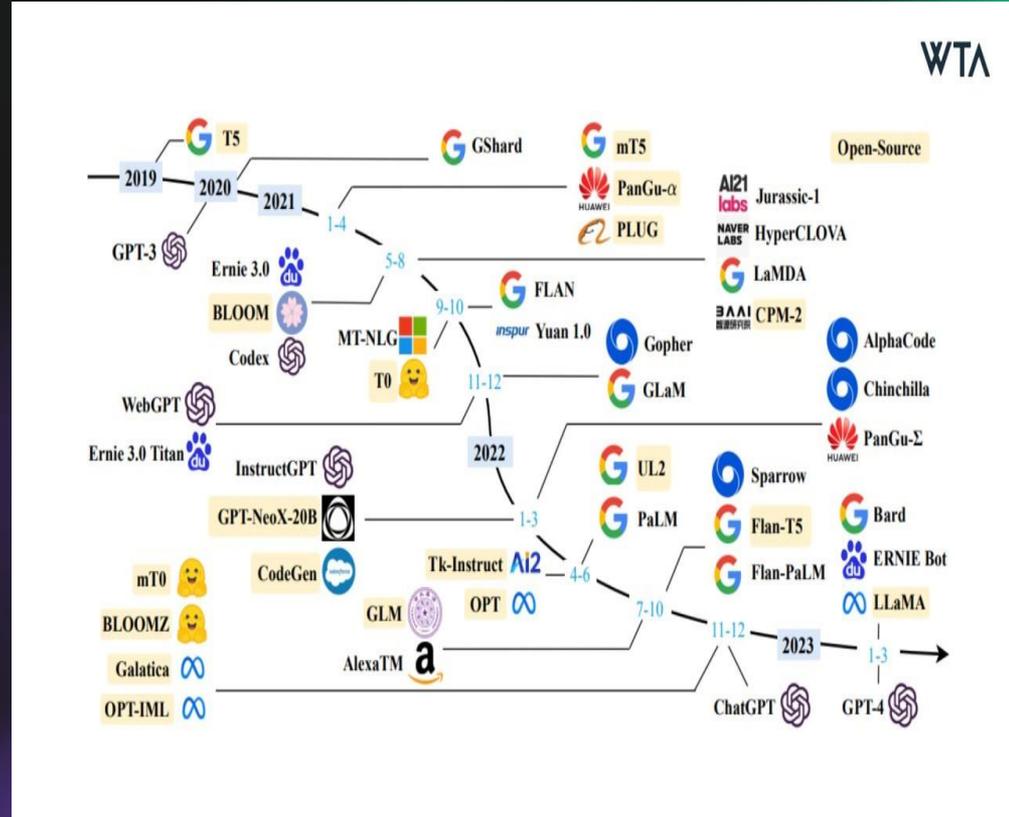


Model types - Language models.

A type of machine learning model trained to understand and generate human-like text.

Trained on large amounts of text data to predict the next word in a sentence.

Underlying technology behind AI assistants and chatbots.



Knowledge v Language Models.

Aspect	Knowledge Models	Language Models
Primary Function	Simulate expert decision-making	Understand, generate, and manipulate human language
Base of Operation	Knowledge base of facts and rules	Trained on large amounts of text data
Application Areas	Medicine, law, finance, etc.	Translation, question answering, creative writing, etc.
Flexibility	More rigid, based on predefined rules	More flexible, can adapt to various language tasks
Reliability	More reliable in specific domains	Can be less reliable, may generate incorrect information
Example Systems	Medical diagnosis systems, legal expert systems	GPT-4, BERT, Claude 2
Data Requirement	Requires expert knowledge in the domain	Requires large amounts of text data for training
Interpretability	Often more interpretable, as decisions are based on specific rules	Can be seen as a "black box," harder to understand how decisions are made

What can't (standard) LLMs do?

Current LLMs lack an inherent understanding of concepts and abstractions. They don't "understand" what they produce

Context windows in LLMs restrict previous text consideration when generating next token, limiting the model's ability to understand long-term dependencies.

Models trained on unvetted data from the internet will always mirror human biases

What can LLMs do?

LLMs are amazing at certain things (in a zero-shot environment)

- Summarization
- Natural entity recognition
- Translation
- Creative language generation
- Analogies
- Persuasion



Legal use cases

Use case 1.

Can I manage compliance contract etc) in multiple languages using LLMs?

(Yes)

The screenshot displays the Horizon - Graceview application interface. The browser address bar shows the URL: `app.graceview.ai/au/horizon?content=01jhs5n4xes36nv3khs5g50bcg&s_date=1%20February%202025&t_id=45720`. The application header includes the title "Horizon" and tabs for "Timeline" and "Library". Below the header, there is a search bar and a filter icon. The main content area is a news feed with the following items:

- 1 February 2025**
 - ZATCA Determines the Criteria for Selecting the Targeted Taxpayers in Wave 14 for "Integration Phase" of E-invoicing**
E-invoicing integration for Wave 14 starts
- 10 January 2025**
 - KUNA : Kuwait's digital trade law to strengthen e-commerce, consumer protection - Law**
Feedback on digital trade law accepted until early January
4 Dec 2024 – 10 Jan 2025
- 8 January 2025**
 - Executive Regulations to the Royal Decree No. 6/2022 - Personal Data Protection Law**
Personal Data Protection Law, Grace Period ends in 2025
- 1 January 2025**
 - National Bureau For Revenue - Decree-Law No. (11) of 2024**
Effective Date
 - Kuwait Implements New Tax on Multinational Entities (MNEs) to Demonstrate Compliance with OECD Pillar 2**

The right-hand side of the interface shows a detailed article titled "UAE Plans to Implement mandatory e-invoicing by 2026", updated on 17 January 2025. The article includes a section "At a glance" with a key update: "On 14 February 2024, UAE MoF announced Peppol-based DCTCE model adoption for mandatory e-invoicing by July 2026." Other sections include "Applicability" (applying to all VAT-registered businesses in the UAE) and "Executive Summary" (announced on 4 December 2024, aiming to digitize the tax system and streamline invoicing).

Use case 1.

Can I manage compliance contract etc) in multiple languages using LLMs?

(Yes)

The screenshot displays the Horizon - Graceview application interface. The left sidebar contains navigation options: Home, Search, Filter, and a list of dates (1 February 2025, 10 January 2025, 8 January 2025, 1 January 2025). The main content area shows a news feed with the following items:

- 1 February 2025:** ZATCA Determines the Criteria for Selecting the Targeted Taxpayers in Wave 14 for "Integration Phase" of E-invoicing. E-invoicing integration for Wave 14 starts.
- 10 January 2025:** KUNA : Kuwait's digital trade law to strengthen e-commerce, consumer protection - Law. Feedback on digital trade law accepted until early January. 4 Dec 2024 - 10 Jan 2025.
- 8 January 2025:** Executive Regulations to the Royal Decree No. 6/2022 - Personal Data Protection Law. Personal Data Protection Law, Grace Period ends in 2025.
- 1 January 2025:** National Bureau For Revenue - Decree-Law No. (11) of 2024 Effective Date. Kuwait Implements New Tax on Multinational Entities (MNEs) to Demonstrate Compliance with OECD Pillar 2.

The right panel shows a detailed article titled "الإمارات تخطط لتطبيق الفوترة الإلكترونية الإلزامية بحلول عام 2026" (UAE Plans to Implement Mandatory E-Invoicing by 2026). The article includes a sub-heading "نقطة" (Point) and a bullet point: "في 14 فبراير 2024، أعلنت وزارة المالية في دولة الإمارات العربية المتحدة عن اعتماد نموذج دائرة الثقافة والسياحة والتسويق عبر البنية ومقره شركة بيبول للفوترة الإلكترونية الإلزامية بحلول يوليو 2026." (On February 14, 2024, the Ministry of Finance in the UAE announced the adoption of a model of the Department of Culture and Tourism, implemented by the company Bepol for mandatory e-invoicing by July 2026). Other sections include "انطباق" (Application) and "ملخص تنفيذي" (Executive Summary).

Use case 2.

Create an Australian Financial Services Licence application ASIC from the standard documentation provided by a bank.

See if you can do it in 10% of time taken by manual



ASIC
Australian Securities &
Investments Commission

Use case 3.

Using the employee performance framework and reports from their publication records, CVs, and reports, assess the dean's 126 reports for promotion or management.

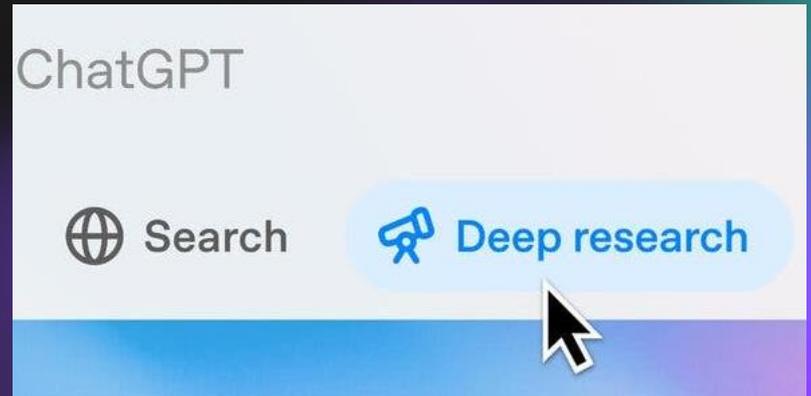
See if you can give back Dan approximately 2 weeks of his life.



Use case 4.

“I am running a PI group action of 50 claimants pursuing 19 NHS defendants and a third-party manufacturer. The issues involves whether a non-delegable duty exists in the supply of this medication. We say it does, the defendants (and three KCs) disagree. I spent a while working with ChatGPT Deep Research and then analysis of this non delegable duty point - more so to try it out. The results were very impressive...

I shared this with my counsel [a noted KC], and he was equally impressed having initially expressed scepticism.”



Your pain points...

What are your
pain points?

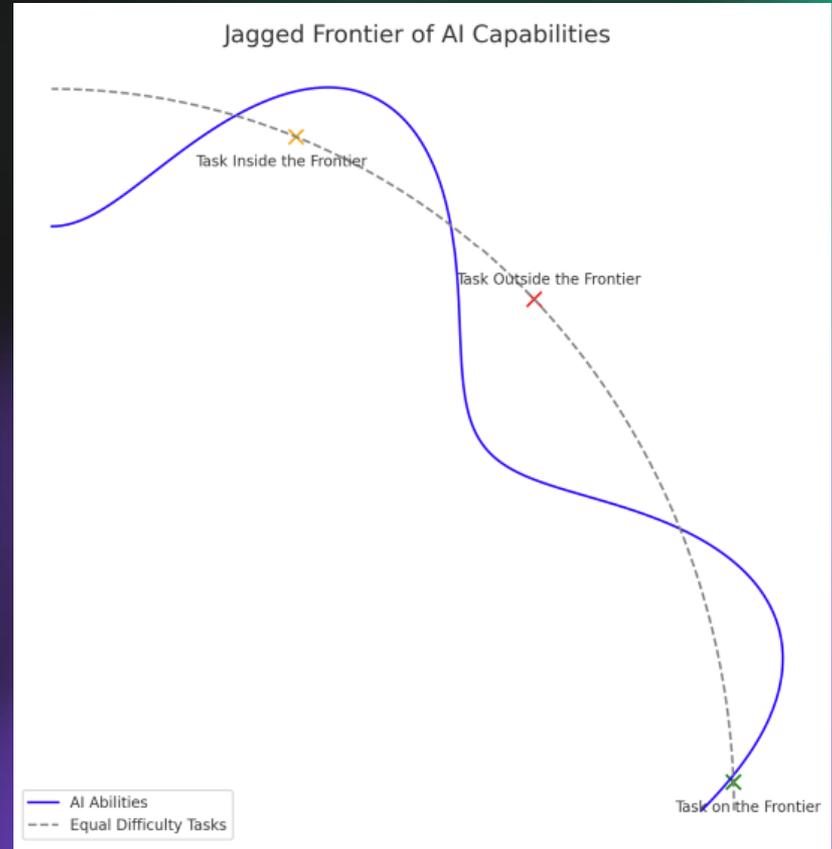
Can LLMs solve
your problems?



**Even without agents, LLMs are
amazing at lawyering**

The future of work.

A study of more than 750 BCG strategy consultants showed that AI helped them produce better content, more quickly in many tasks



The future of legal work.

Law students

Choi, Monahan & Schwarcz (2023)

Law students

Four drafting tasks:

- a complaint
- a contract
- a section of an employee handbook
- a client memo

Results

- Quality somewhat improved
- Large increases in speed
- Most useful for low-skilled participants
- Increased actualization/happiness

Figure 5: Time Distributions with and Without AI—Complaint Drafting

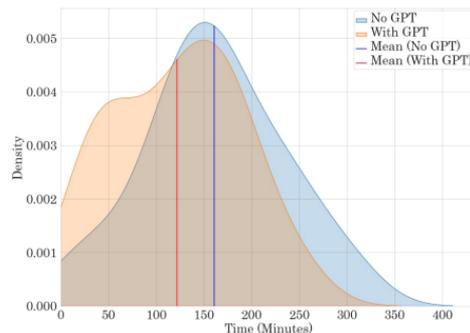
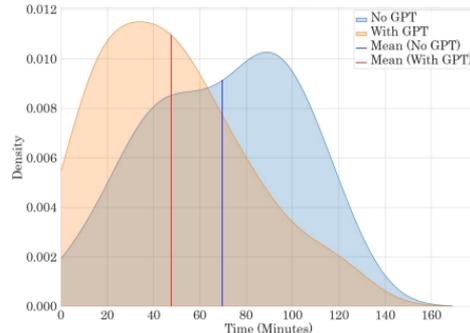


Figure 6: Time Distributions with and Without AI—Contract Drafting

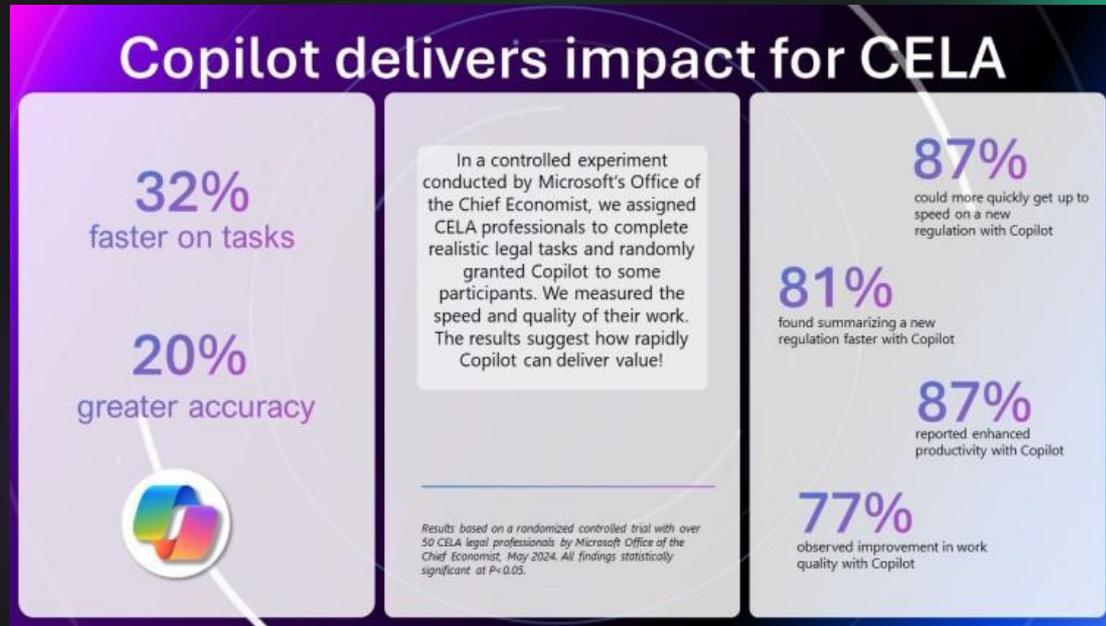


The future of legal work.

In house lawyers

Three realistic legal tasks:

1. Get up to speed on and summarize a new regulation;
2. Review an executive speech to understand product strategy and spot compliance issues;
3. Respond to a regulatory request for information regarding product capabilities and compliance.



The future of legal work.

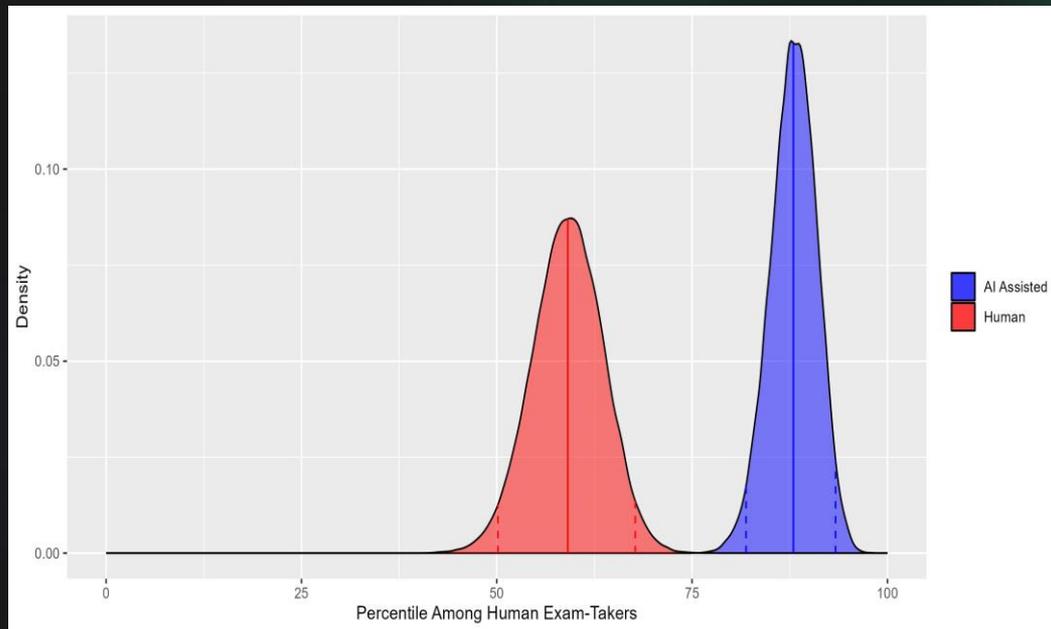
Law firms

“The greatest initial value of gen AI for the legal sector was found to be helping lawyers to create drafts, where the firm measured average time savings of 45% on creating first draft legal briefings increasing to 80% to draft corporate filings requiring review and extraction of information from articles of association. Translated into typical time spent, participants saved 2.5 hours per briefing draft – tasks that would normally take anywhere between a few hours to a few days to prepare.”



Implications for legal workers.

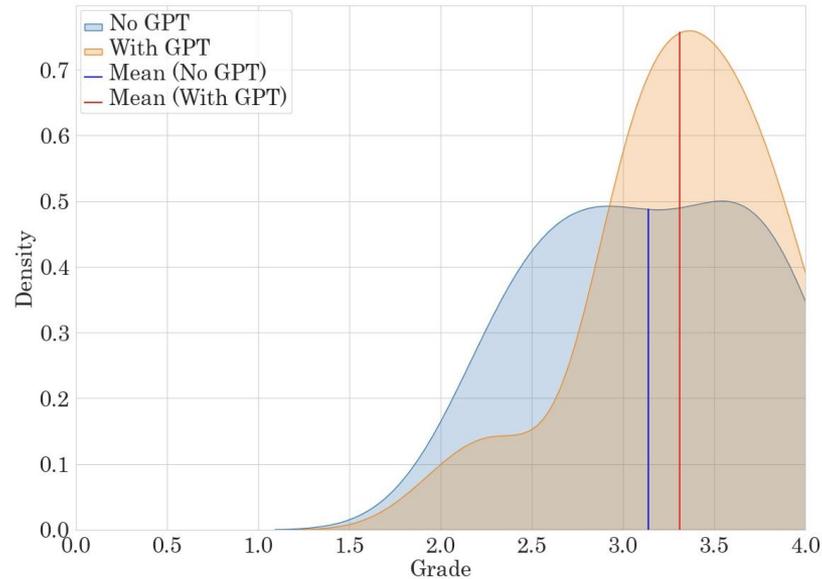
As long as
problem is well-
suited to genAI
almost
everyone is
better and more
productive



Implications for legal workers.

Everyone is faster and the least skilled workers will improve the most

Figure 1: Quality Distributions with and Without AI—Complaint Drafting



Implications for law.

Workers with
LLMs are happier
(but they lie and
cheat)

News & Insights

More than Half of Generative AI Adopters Use Unapproved Tools at Work

NOVEMBER 15, 2023

A photograph showing a person's hands typing on a laptop keyboard. On the desk next to the laptop is a small, white, stylized AI character with spiky hair and a dark suit. The background is a blurred office setting.

[✉](#) [🐦](#)
[f](#) [in](#)

Quick take: Salesforce surveyed over 14,000 global workers across 14 countries for the latest iteration of its Generative AI Snapshot Research Series, 'The Promises and Pitfalls of AI at Work.' The research reveals that, despite the promise generative AI offers workers and employers, a lack of clearly defined policies around its use may be putting businesses at risk.

Implications for law.

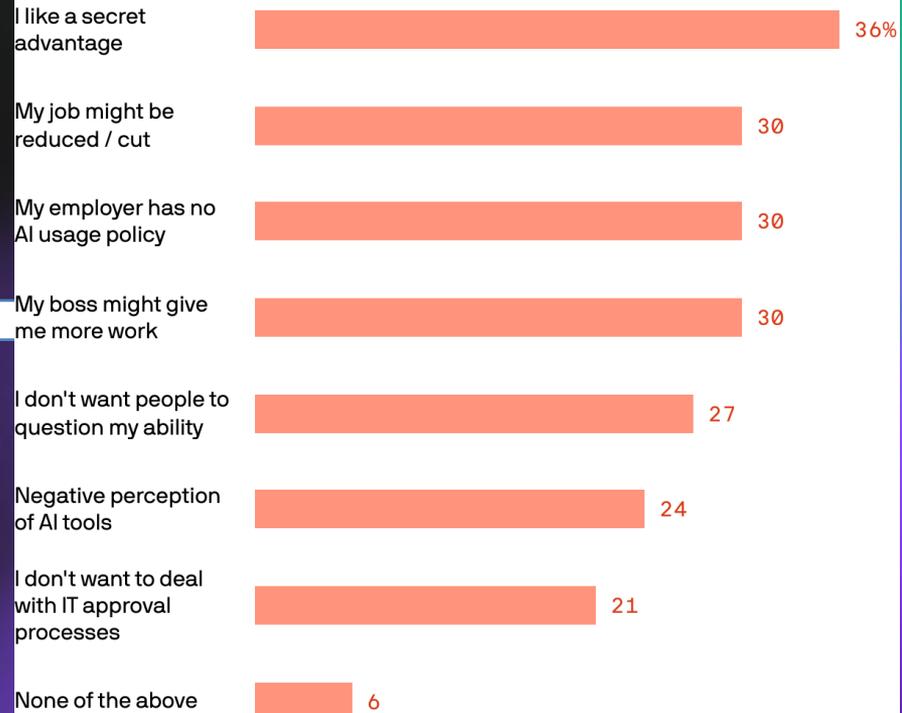
If you forbid LLMs, people will use them anyway

If you forbid LLMs, people will lie about using them

Even if you allow LLMs, people will lie about using them

Why workers say they hide their AI use

Survey of 1,116 employees conducted in February 2025



Companies affected.

The canaries in the coalmine

Chegg – online tutoring/paper mill

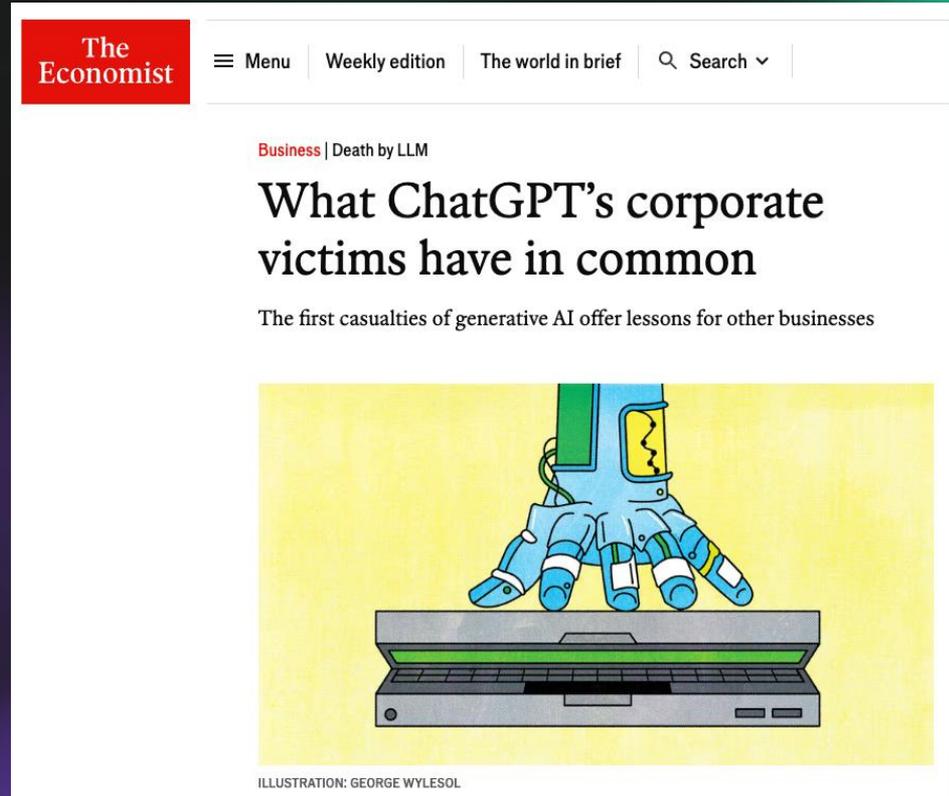
- Share price 99% down, fires fifth of its workforce

Stack Exchange – Online dev forum

- Monthly traffic down 50%, two rounds of layoffs

RWS – translation service

- Profits down 16%, share price down 57%



The Economist

Menu Weekly edition The world in brief Search

Business | Death by LLM

What ChatGPT's corporate victims have in common

The first casualties of generative AI offer lessons for other businesses

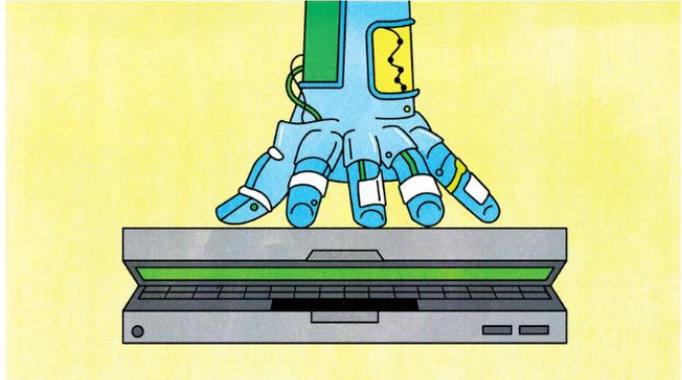
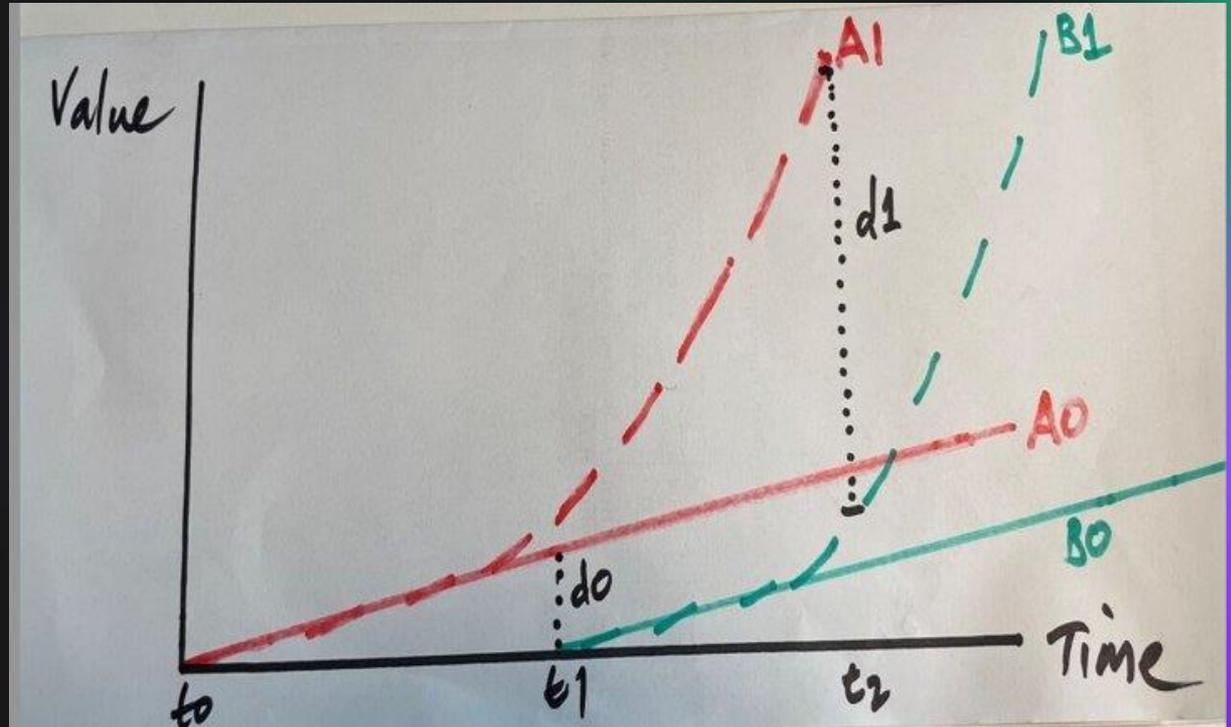


ILLUSTRATION: GEORGE WYLESOL

Implications for lawyers.

Organisations
should invest
now



The billable hour...

Imagine that a certain legal task
(without LLMs) costs £1000 when
billed by a firm

Imagine a world where lawyers are
33% more productive with LLMs
than without them

**What happens to the in-
house function?**



So, now what?



Shattering clock image AI-generated via DALL-E

AI is about to pull the rug out from time-based billing



Andrew Wight

Co-founder and CEO, adieu.ai | Social Impact Entrepreneur |
Climate Enthusiast | Optimist



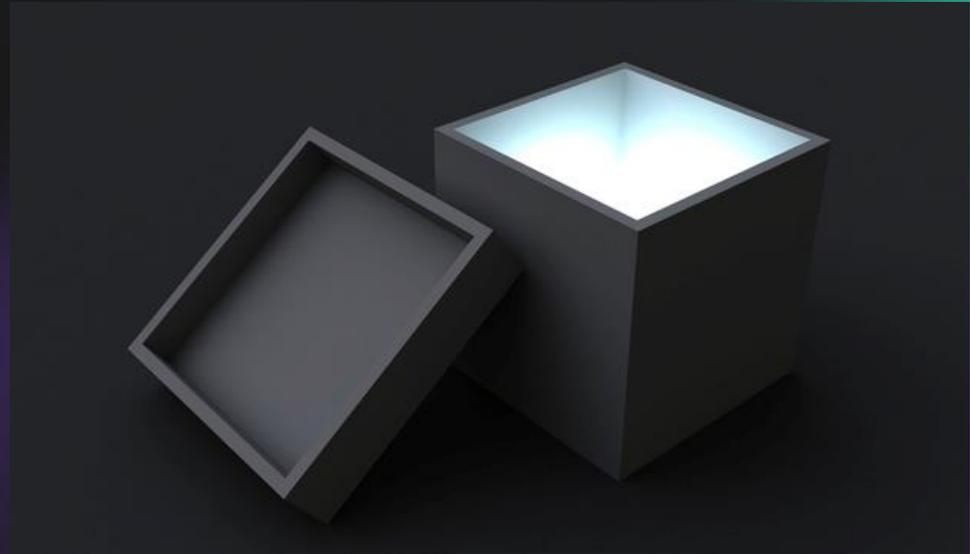
The obvious risks

The black box risk.

For many deep learning systems neuron multiplies inputs by weights and computes an output across many layers.

The "black box" arises when considering how multiple neurons layers work together.

We often have no idea why the is answering as it does



The bias risk.

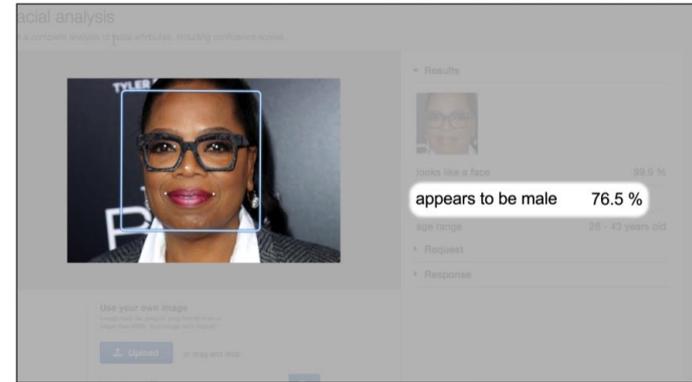
Models trained on unvetted data the internet will always mirror human biases

The model is trained on a vast amount of text and then receives additional training from humans to create guardrails. Both these processes may introduce biases in the model

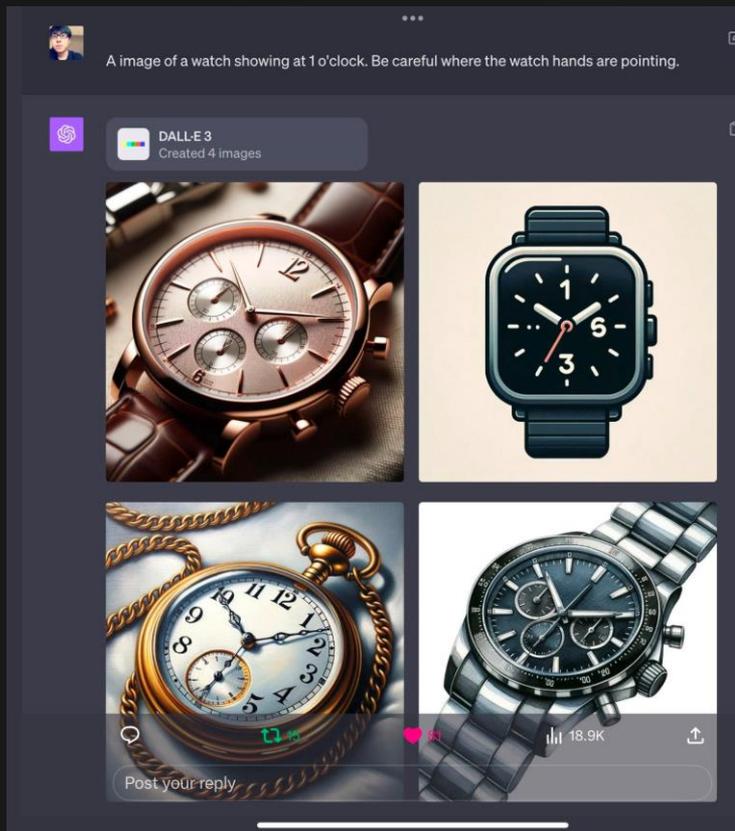
Model cards for LLMs are notoriously terrible on their training sets



Oprah Winfrey



Why are LLMs biased?



If an LLM hasn't seen it in the training set, it can't reproduce it

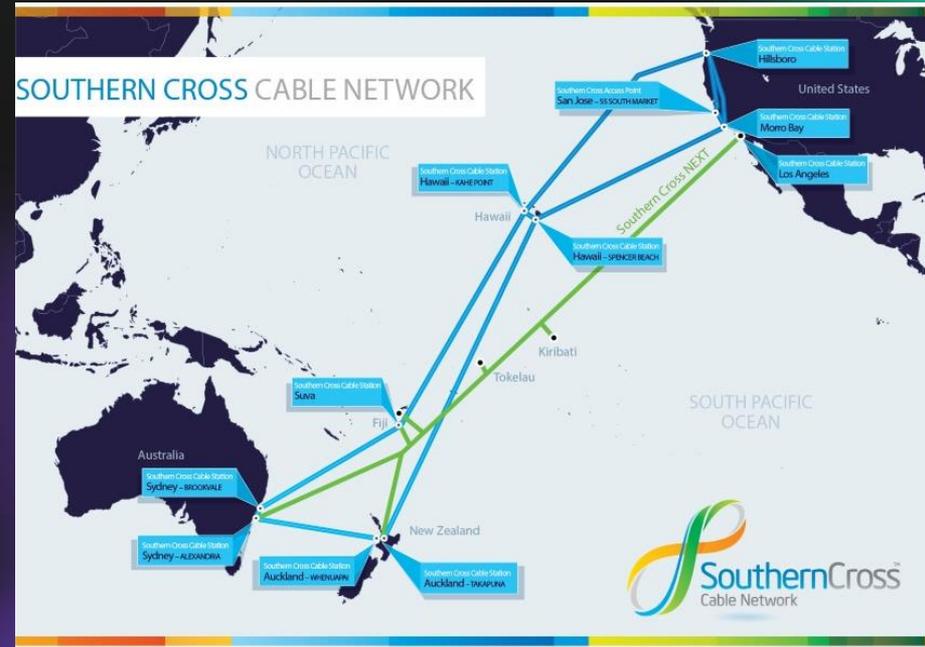
Confidentiality/privacy.

Main pain points

- Privacy
- Confidentiality
- Privilege

LLMs do not adhere to modern infosec tenancy guidelines

Also, remember that training happens at lots of different levels, complicating things dramatically



Hallucinations.

Are hallucinations a problem?



Prompt: Why was Dan Hunter dismissed from his job as Dean of Law at King's College London?

The REAL risk for teams

Institutions are risk averse, but individual users are dramatically improved by them



Ok, so what about agents...?

Agents start with reasoners.

The newest class of models can do quasi-reasoning via reinforcement learning and inference time monkey-business (but they're still LLMs)

OpenAI o1



deepseek

o3

◆ Gemini Flash Thinking

And then they add tools.



AI

Google rolls out Project Mariner, its web-browsing AI agent

A screenshot of the Project Mariner AI agent interface. It features a green header with the word "AI" and social media sharing icons. The main content area has a white background with the text "Google rolls out Project Mariner, its web-browsing AI agent".

ChatGPT Deep Research

A slide from an OpenAI event. The top left corner has the text "ChatGPT Deep Research" in a white, sans-serif font. The background is a light blue gradient. A man in a dark jacket is visible in the bottom right corner, gesturing as if speaking.

ANTHROPIC

Model Context Protocol

An orange rectangular box containing the Anthropic logo (a stylized "a" inside a circle) and the text "ANTHROPIC" above it and "Model Context Protocol" below it.

Introducing Codex

A cloud-based software engineering agent that can work on many tasks in parallel, powered by codex-1. Available to ChatGPT Pro, Team, and Enterprise users today, and Plus users soon.

Try Codex

What should we code next?

In this current project, find a bug in the last 3 commits and fix it

- Fix a bug in the codebase. 100%
- Scan the entire repository and flag any variables, parameters, or properties which... 100%
- Extract non-critical components to React by using Suspense fallbacks. 100%
- Generate a UI address that uses CSS, JS, and HTML on a website. 100%
- Generate a UI to handle authentication and login for a web app. 100%

Ask ChatGPT

A screenshot of the "Introducing Codex" announcement page. It features a white background with a blue and purple gradient at the bottom. The text "Introducing Codex" is prominent, followed by a description of the tool. Below is a "Try Codex" button and a screenshot of a chat interface with the question "What should we code next?". The chat interface shows a list of tasks with progress indicators.

So many different tools and connectors

And then they add tools.



Web search + reasoners

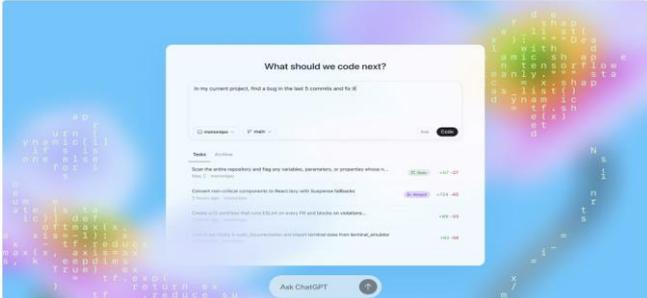
And then they add tools.



Web browsing can be done
by agents now

And then they add tools.

Coding agents



Introducing Codex

A cloud-based software engineering agent that can work on many tasks in parallel, powered by codex-1. Available to ChatGPT Pro, Team, and Enterprise users today, and Plus users soon.

[Try Codex](#)

What should we code next?

In this current project, find a bug in the last 5 commits and fix it

Next **Review**

- Scan the entire repository and flag any variables, parameters, or properties whose...
- Extract non-critical components in React by using Suspense fallbacks
- Implement a UI solution that uses CSS grid and blocks on tablets...
- Generate a REST API endpoint and client to fetch data from external_provider

And then they add tools.

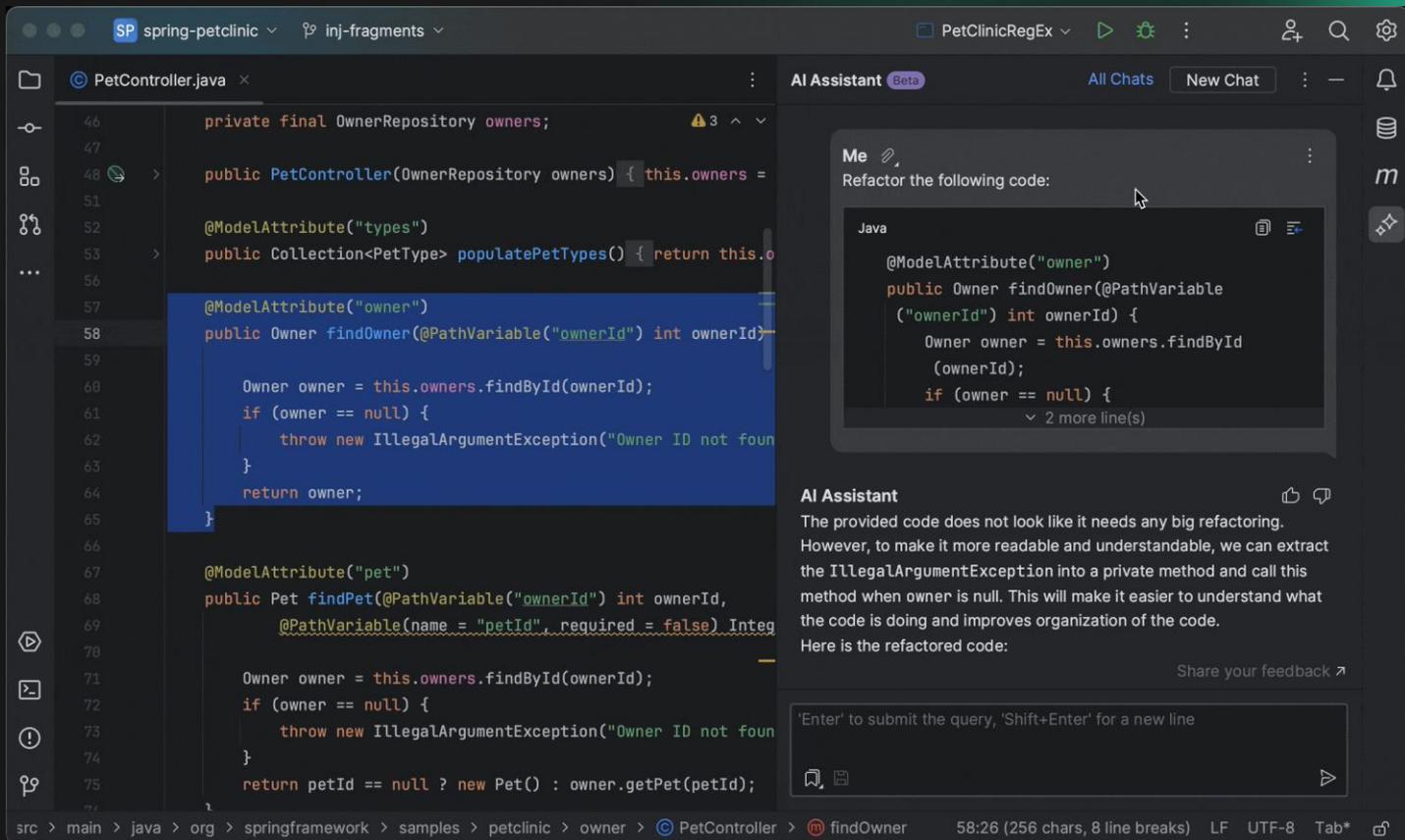
Connectors allow for you to query other people's data using your preferred model/platform

ANTHROPIC



Model Context Protocol

Best examples are in software dev.



The screenshot shows an IDE window with a code editor on the left and an AI Assistant chat on the right. The code editor displays a Java class `PetController` with a method `findOwner` highlighted in blue. The AI Assistant chat shows a request to refactor the code and the resulting refactored code block.

```
private final OwnerRepository owners;

public PetController(OwnerRepository owners) { this.owners = owners; }

@ModelAttribute("types")
public Collection<PetType> populatePetTypes() { return this.owners.getPetTypes(); }

@ModelAttribute("owner")
public Owner findOwner(@PathVariable("ownerId") int ownerId) {
    Owner owner = this.owners.findById(ownerId);
    if (owner == null) {
        throw new IllegalArgumentException("Owner ID not found");
    }
    return owner;
}

@ModelAttribute("pet")
public Pet findPet(@PathVariable("ownerId") int ownerId,
                  @PathVariable(name = "petId", required = false) Integer petId) {
    Owner owner = this.owners.findById(ownerId);
    if (owner == null) {
        throw new IllegalArgumentException("Owner ID not found");
    }
    return petId == null ? new Pet() : owner.getPet(petId);
}
```

AI Assistant Beta

Me  

Refactor the following code:

```
Java  
```

```
@ModelAttribute("owner")
public Owner findOwner(@PathVariable("ownerId") int ownerId) {
    Owner owner = this.owners.findById(ownerId);
    if (owner == null) {
        throw new IllegalArgumentException("Owner ID not found");
    }
    return owner;
}
```

AI Assistant  

The provided code does not look like it needs any big refactoring. However, to make it more readable and understandable, we can extract the `IllegalArgumentException` into a private method and call this method when owner is null. This will make it easier to understand what the code is doing and improves organization of the code. Here is the refactored code:

[Share your feedback](#) 



src > main > java > org > springframework > samples > petclinic > owner > PetController > findOwner 58:26 (256 chars, 8 line breaks) LF UTF-8 Tab*

But they're coming for all sectors.

Use case gallery

Learn how Manus handles real-world tasks through step-by-step replays.

Featured

Research

Life

Data Analysis

Education

Productivity

WTF



Trip to Japan in April

Manus not only integrates information for personalized travel planning but also creates a custom handbook for your



Deeply analyze Tesla stocks

Manus performs in-depth stock analysis and designs visually compelling dashboards showcasing



Interactive Course on the Momentum Theorem

Manus creates video presentation materials for middle school teachers



Comparative analysis of insurance policies

Comparing insurance policies? Manus creates clear comparison tables of key information with



B2B Supplier Sourcing

Manus conducts in-depth research across the entire network to find the most suitable sources for your needs. manus is a truly fair



Analyze Amazon's financial report

Manus captured market sentiment changes toward Amazon over the past four quarters through research



List of YC Companies

We needed a list of all B2B companies from YC W25 batch, and Manus efficiently visited the YC website to identify



Online store operation analysis

Upload your Amazon store sales data, and Manus delivers actionable insights, detailed visualizations, and



Agents and AI-native lawyering

At the moment legal agentic AI is hype.

Legal agentic is hard because of trust and validity (aka the entailment problem)

ASK FT

FINANCIAL TIMES

AI law firm offering £2 legal letters wins 'landmark' approval

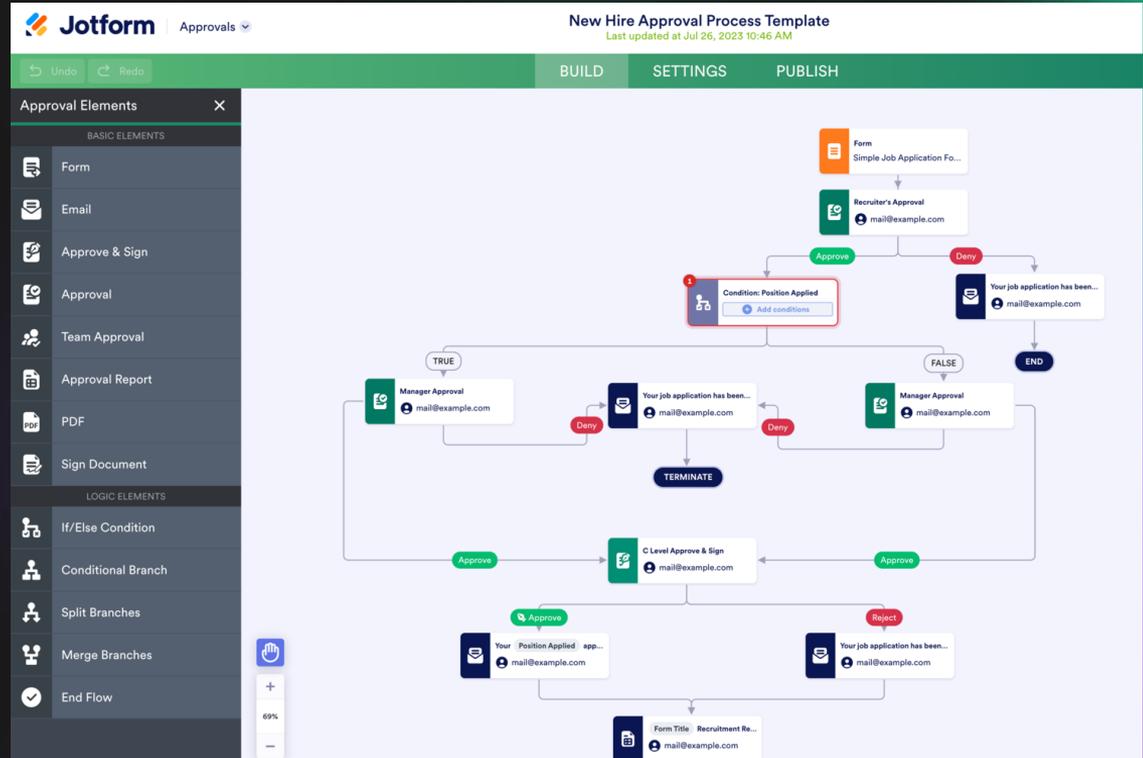
Garfield AI offers businesses and individuals in England and Wales a low-cost way to pursue small debt claims

A photograph of a man with short, light-colored hair and glasses, wearing a dark jacket. He is looking slightly to the right and appears to be speaking. The background is a plain, light-colored wall.

At the moment legal agentic AI is hype.

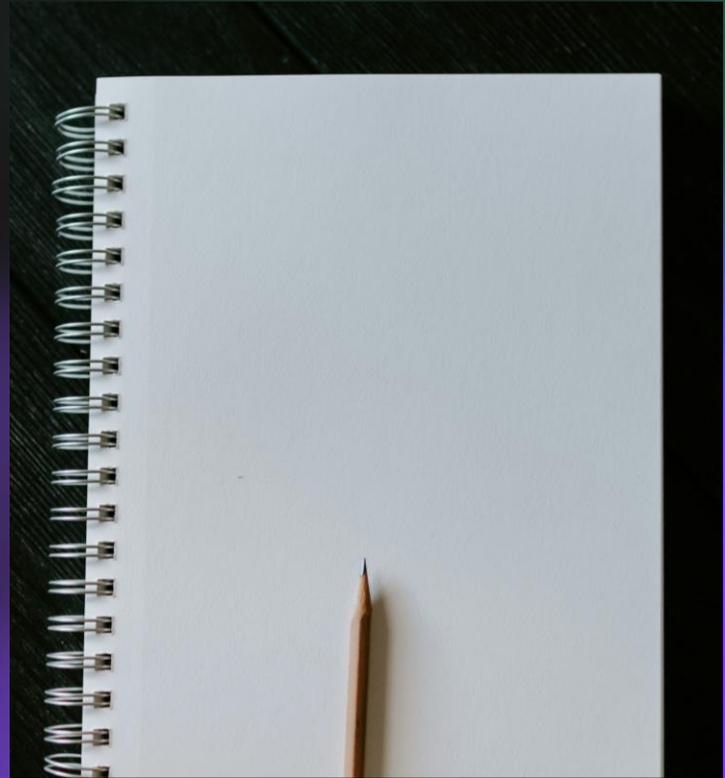
Legal agentic is hard because of trust and validity (aka the entailment problem)

But you can actually build this in fairly easily



How does AI-native law differ?

How would you deliver legal services if you started with a blank sheet of paper?

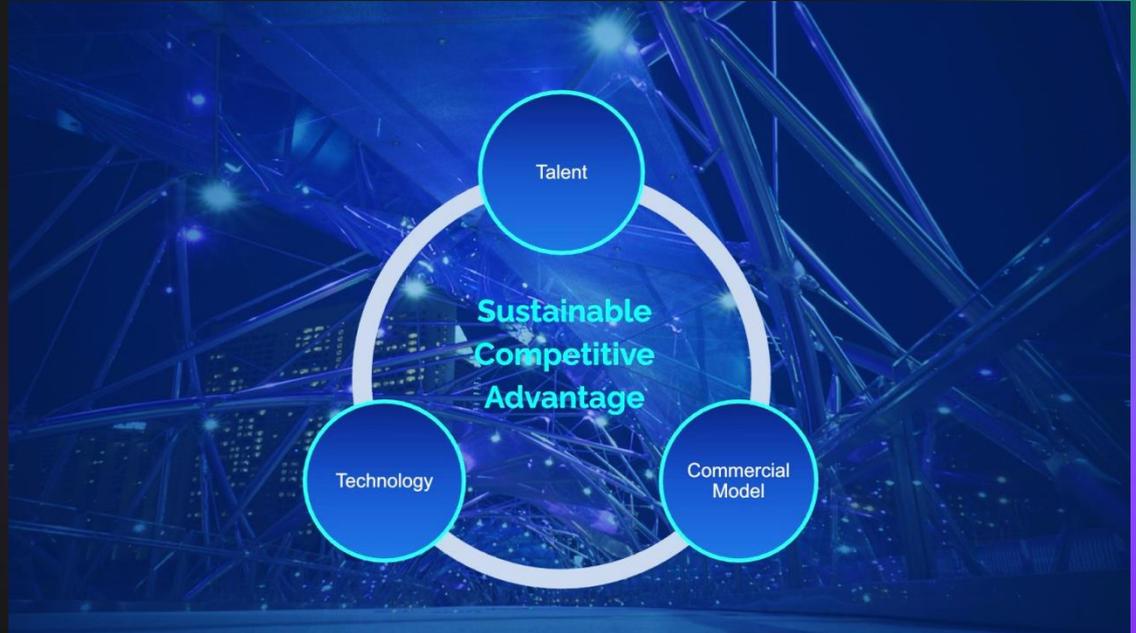


How does AI-native law differ?

The tech stack is different

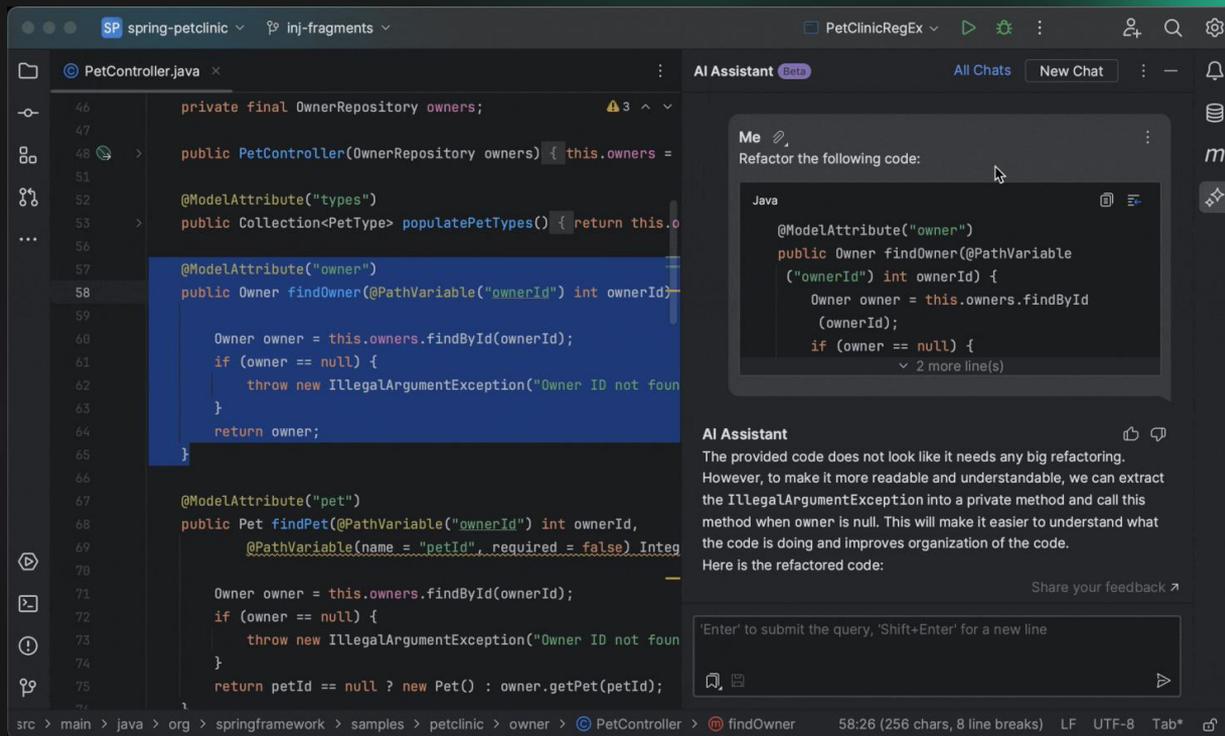
The talent stack is different

The business model is different



The tech stack.

Probably less like
the current crop of
platforms and
more like software
development



The screenshot shows an IDE window with a Java code editor on the left and an AI Assistant chat window on the right. The code editor displays the following Java code:

```
private final OwnerRepository owners;

public PetController(OwnerRepository owners) { this.owners =

@ModelAttribute("types")
public Collection<PetType> populatePetTypes() { return this.o

@ModelAttribute("owner")
public Owner findOwner(@PathVariable("ownerId") int ownerId);

    Owner owner = this.owners.findById(ownerId);
    if (owner == null) {
        throw new IllegalArgumentException("Owner ID not found");
    }
    return owner;
}

@ModelAttribute("pet")
public Pet findPet(@PathVariable("ownerId") int ownerId,
    @PathVariable(name = "petId", required = false) Integer

    Owner owner = this.owners.findById(ownerId);
    if (owner == null) {
        throw new IllegalArgumentException("Owner ID not found");
    }
    return petId == null ? new Pet() : owner.getPet(petId);
}
```

The AI Assistant chat window shows the following conversation:

Me: Refactor the following code:

```
Java
@ModelAttribute("owner")
public Owner findOwner(@PathVariable("ownerId") int ownerId) {
    Owner owner = this.owners.findById(ownerId);
    if (owner == null) {
        // 2 more line(s)
    }
}
```

AI Assistant: The provided code does not look like it needs any big refactoring. However, to make it more readable and understandable, we can extract the `IllegalArgumentException` into a private method and call this method when owner is null. This will make it easier to understand what the code is doing and improves organization of the code. Here is the refactored code:

Share your feedback

'Enter' to submit the query, 'Shift+Enter' for a new line

The talent stack.



We used to hire and train fighter pilots...
we're going to be hiring and training drone operators

The business model.

How much work can
move in house with
agents?

ETHAN BATRASKI

Death of the Billable Hour: Legal's \$900B AI Repricing

The legal industry's last great inefficiency is ending. How AI-native firms will replace billable hours with outcome-based pricing at scale.



ETHAN BATRASKI

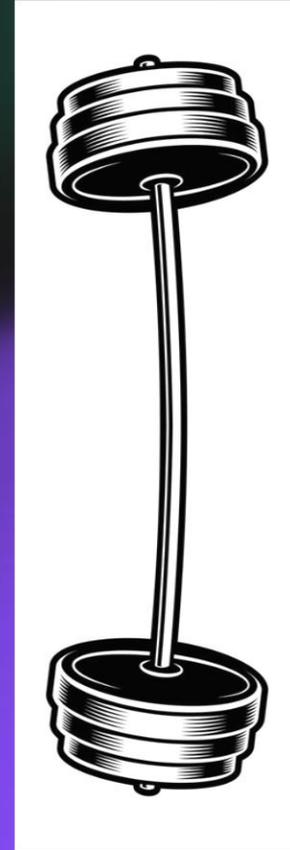
AUG 12, 2025

The legal industry represents one of the last great market inefficiencies in the modern economy. While every other sector discovered that speed and efficiency create competitive advantage, BigLaw built a \$900 billion empire on the opposite insight: that scarcity and time consumption signal quality. They've trained clients to equate hours billed with value delivered, creating the only major industry where productivity gains threaten profitability.

The business model.

How much work can
move in house with
agents?

And the size and shape
of your department
may be different



Conclusions

I used to end with this.

**If LLMs were a
drug everyone
would be
prescribed them**



These days I end
with this.

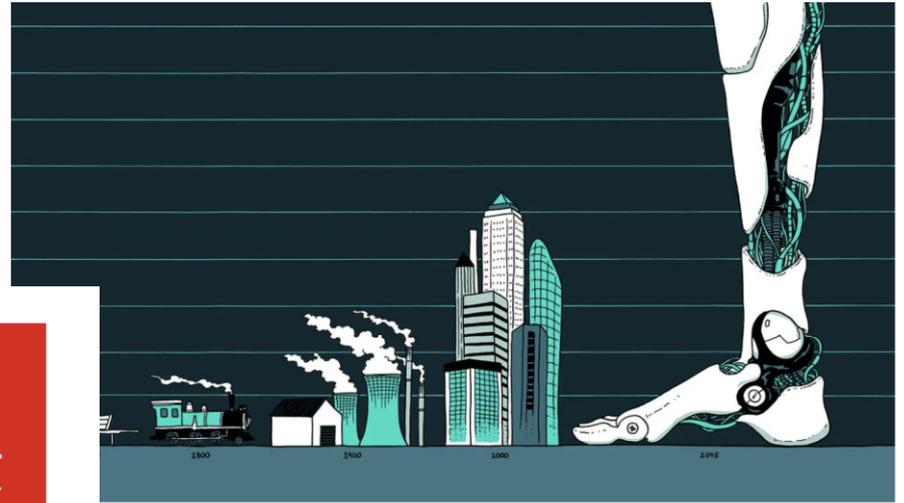
The
Economist

Briefing | Eureka all day long

What if AI made the world's economic growth explode?

Markets for goods, services and financial assets, as well as labour, would be upended

[Share](#)



Thank you!

Dan Hunter

Executive Dean | Dickson Poon School of Law | King's College London

The Incredible Present and Extraordinary Future of Generative AI in Law

Professor Dan Hunter, Executive Dean, The
Dickson Poon School of Law, King's College London



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Coffee break



ARTHUR COX LLP

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02

AI in the Organisation: Legal and Risk Considerations When Using AI Tools

Aoife Mac Ardle, Of Counsel, Technology and Innovation,
Arthur Cox

AI Act Overview



Risk Based Framework



USE CASE 1

AI Tool for HR Meetings

Data Protection

Transparency and Legal Basis
DPIA

AI Act

Consider Risk Classification

Operational Considerations

Intended use of attendance notes
Use tool on opt in or opt out basis

USE CASE 2

AI Tool for Reviewing CVs

Data Protection

Transparency and Legal Basis
DPIA

AI Act

High Risk System under Annex III
Derogation under Article 6(3)

Operational Considerations

Use of specialist tool or general tool for specific purpose?
Where does the compliance burden sit?

USE CASE 3

AI Tools in Customer Call Centres

Data Protection

Transparency, Legal Basis, DPIA

Consider whether biometric data is in play

AI Act

Biometrics defined differently than under the GDPR

Consider Annex III and the use case

Operational Considerations

Real time application or after the fact training

Timelines

Data Protection

In force

AI Act

Obligations for High Risk AI Systems under Annex III currently due to commence 2 August 2026

Under Digital Omnibus Proposal this timeline would be pushed to 2 December 2027

AI in the Organisation: Legal and Risk Considerations When Using AI Tools

Aoife Mac Ardle, Of Counsel, Technology
and Innovation, Arthur Cox



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03

AI, Data Privacy, and the Evolving Regulatory Landscape

Navigating the Intersection of
Innovation and Compliance

Colin Rooney, Partner and Head of Technology and
Innovation, Arthur Cox

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Session Agenda



- Part 1: Overview of the Current Regulatory Framework
- Part 2: The Regulatory Response to AI
- Part 3: Key Obligations and Challenges
- Part 4: Emerging Solutions and Best Practices

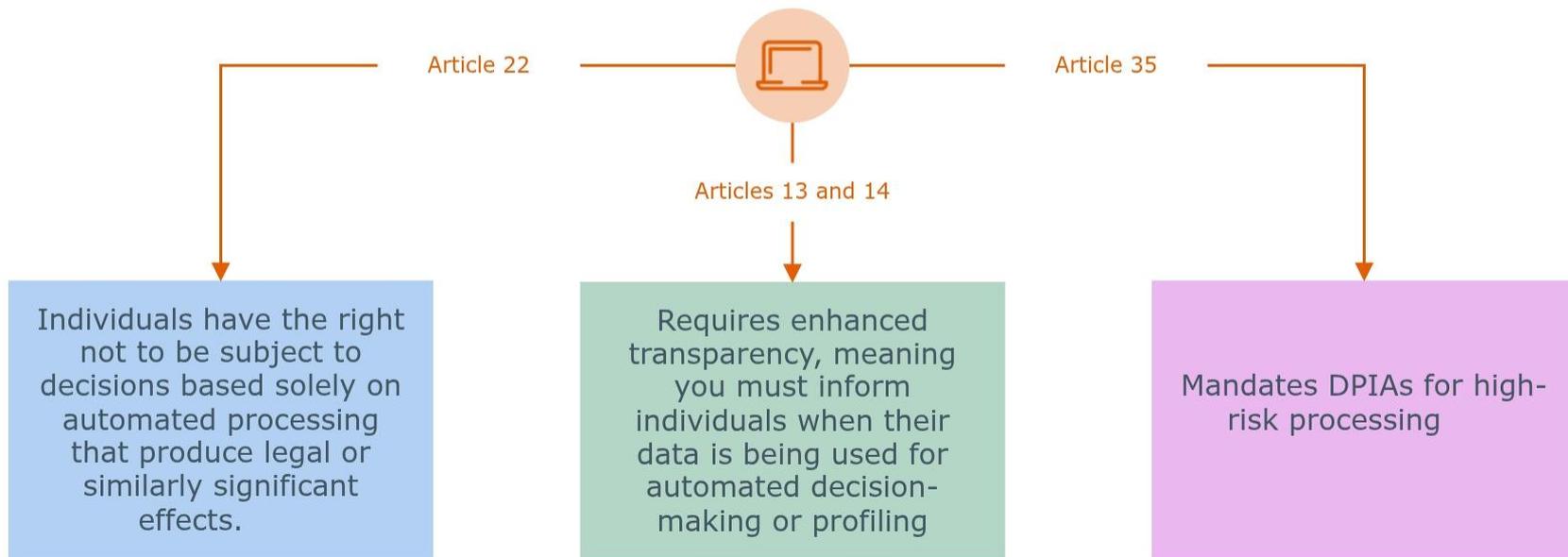


Part 1:

Overview of the Current Regulatory Framework

Regulatory Considerations

The GDPR, whilst enacted before the current AI boom, contains several provisions directly relevant to AI systems. However, it was written as technology-neutral legislation, so whilst it applies to AI, it doesn't provide AI-specific guidance.



AI Systems require extensive datasets for training and continue to process personal data during operation

Tension with established data protection principles...

GDPR	AI
Requires data minimisation	Requires large data sets
Purpose limitation requires the specification of why data is collected	Systems can adapt in ways that weren't originally anticipated
Transparency is crucial	AI systems operate as "black boxes" where specific decisions are difficult to explain
Purpose limitation requires the specification of why data is collected	Complex when dealing with sophisticated AI systems



In 2024, the DPC launched an inquiry into Google Ireland Ltd concerning the use of personal data in developing its foundational AI model



In 2025, the DPC launched an inquiry into X concerning the processing of personal data from publicly accessible posts for training its Grok AI model

AI and Data Protection are Inherently Intertwined

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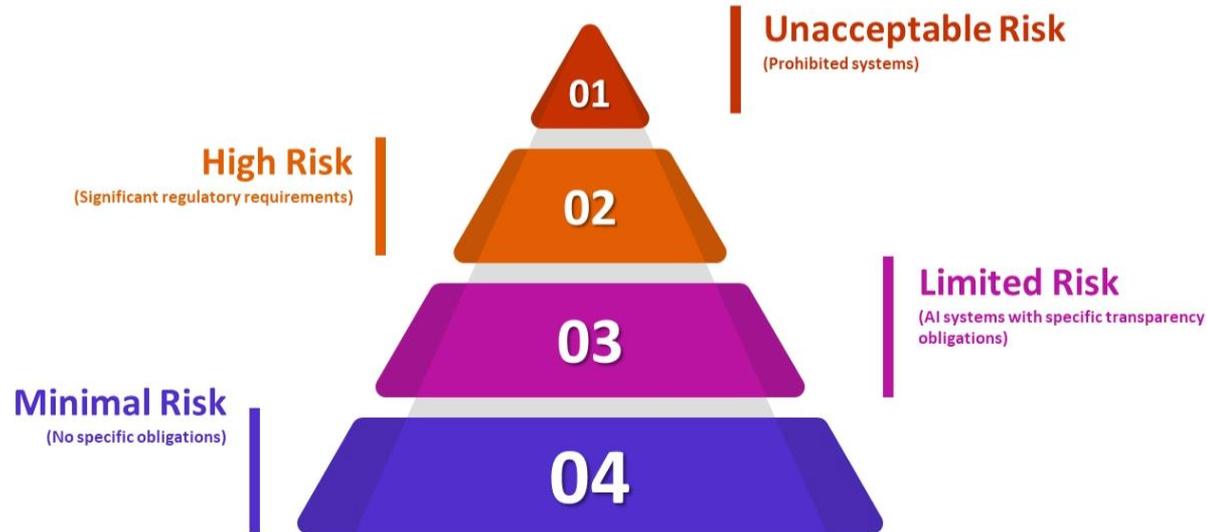


Part 2:

The Regulatory Response to AI

AI and Data Protection are Inherently Intertwined

- The AI Act regulates the use of AI in the EU and seeks to provide a balance between supervising certain categories of AI as well as supporting innovation and transformation within the AI industry.
- The AI Act is the first EU legislation to specifically regulate AI systems and introduces a technology-neutral definition of AI and categories AI systems using a risk-based approach.



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Part 3:

Key Obligations and Challenges

AI and Data Protection are Inherently Intertwined

The penalties for non-compliance are substantial - up to **€35 million or 7% of global annual turnover** for prohibited AI practices.

€15 million or 3% of global annual turnover for other infringements of the AI Act.

€7.5 million or 1.5% of global annual turnover for supplying incorrect information to authorities

Obligations include:

- Establishing a risk management system;
- Data Governance;
- System traceability;
- Provide clear information on the AI's capabilities and limitations;
- Meaningful human control;
- Accuracy and robustness standards;
- Cybersecurity measures; and
- For high-risk systems, third-party conformity assessments are required before deployment.

Practical Challenges



Organisational Challenges

- **Generative AI & LLMs:** Copyright, misinformation, data scraping concerns.
- **AI in Employment:** Hiring, performance monitoring.
- **Biometric AI:** Facial recognition, emotion detection.

Regulatory and Ethical Issues

- **Liability:** Who is responsible when AI causes harm?
- **AI Act Enforcement:** First major actions expected 2026-2027.
- **Sector-Specific Rules:** Healthcare, finance, automated vehicles.
- **Balancing Act:** Innovation vs Protection of fundamental rights.

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Part 4:

Emerging Solutions and Best Practices

Effective compliance frameworks require a strategic, multi-layered approach.

Establish proper governance and accountability structures

Create an AI governance committee with cross-functional representation. Designate clear accountability roles and develop an AI ethics framework.

Conduct comprehensive risk assessments and classification

Create an inventory of all AI systems across your organisation. Classify each system according to risk level under the AI Act and conduct DPIAs for high-risk systems.

Implement technical measures

Conduct robust testing and validation before deployment and continuously thereafter. Ensure strong security and access controls. Prioritise documentation and transparency

Human oversight

Design human oversight processes for significant decisions.

Human oversight is only meaningful if humans understand the AI systems they're overseeing and can make informed judgements.

Key Takeaways

Complex regulatory landscape

AI and data protection are inseparably linked

Risk-based approach

Building compliance into AI systems from the design stage

Human oversight and accountability are essential

Action Points

- **Inventory AI systems** and assess risk levels.
- **Establish AI governance** with clear accountability.
- **Update DPIAs** to address AI-specific risks.
- **Assess third-party AI tools** for compliance.
- **Develop staff training** on AI capabilities and limitations.
- **Monitor regulatory developments** actively.
- **Engage with regulators and industry bodies** to shape best practices.

Questions

Colin Rooney, Partner and Head of
Technology and Innovation, Arthur Cox

Aoife Mac Ardle, Of Counsel, Technology
and Innovation, Arthur Cox



AI, Data Privacy, and the Evolving Regulatory Landscape

Colin Rooney, Partner and Head of Technology and
Innovation, Arthur Cox



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Lunch



04

Cultural Intelligence: Applying it to Build Effective Legal Teams

Ritika Wadhwa, Founder, Prabhaav Global

Cultural Intelligence: How can we use it to build effective legal teams?

Ritika Wadhwa
CEO & Founder

ARTHUR COX

“It is not the strongest of the species that survives, nor the most intelligent.

It is the one that is most adaptable to change”.

Charles Darwin

A KPMG study suggests that **80%** of International ventures fail due to cultural differences and the UK economy loses **\$48 Billion** annually due to lack of cultural skills

True or False?

1. One could live in any country in the world, if one were honest and well-intentioned.
2. Business is business in any country.
3. Diverse teams are more innovative, by default.

My story



ARTHUR COX



Agenda

- 1 What is culture?
- 2 What is CQ and why is it needed?
- 3 Diving into the 4 capabilities
- 4 Practical tips & call to action
- 5 Questions and reflections

Learning objectives

1. Self awareness of how culture influences your interactions with others.
1. Understanding how to develop and apply CQ in yourself and others.
1. Effectiveness working with multicultural colleagues and customers.



Question

How was common cold cured in your house when you were growing up?

ARTHUR COX



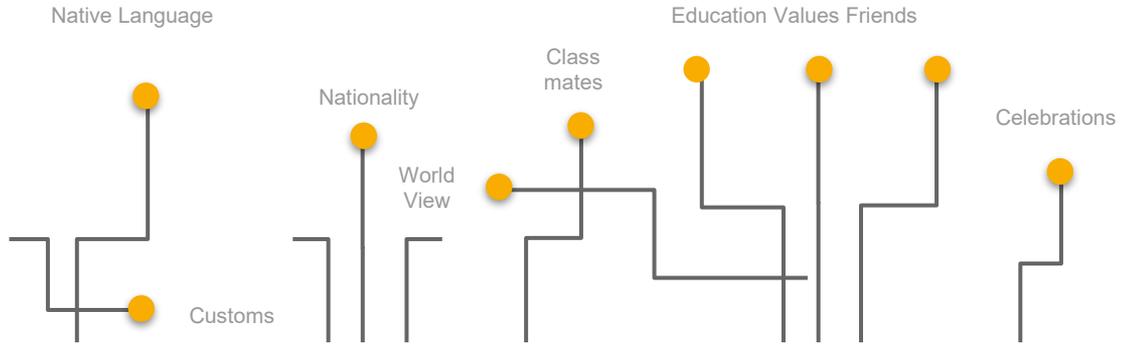
Prabhaav
GLOBAL
LEADERSHIP FOR IMPACT

What is Culture?

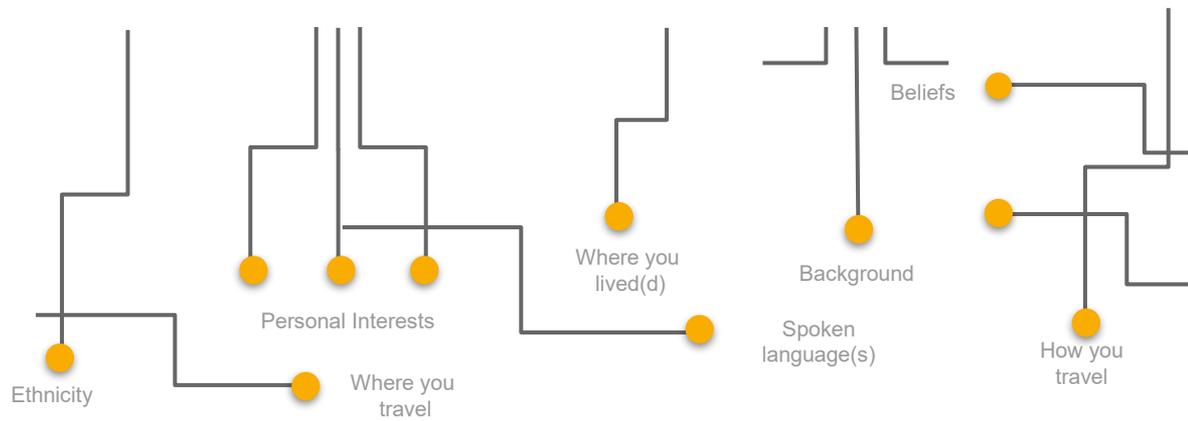
Culture is defined as:

the ideas, customs, and social behaviour of a particular people or society.





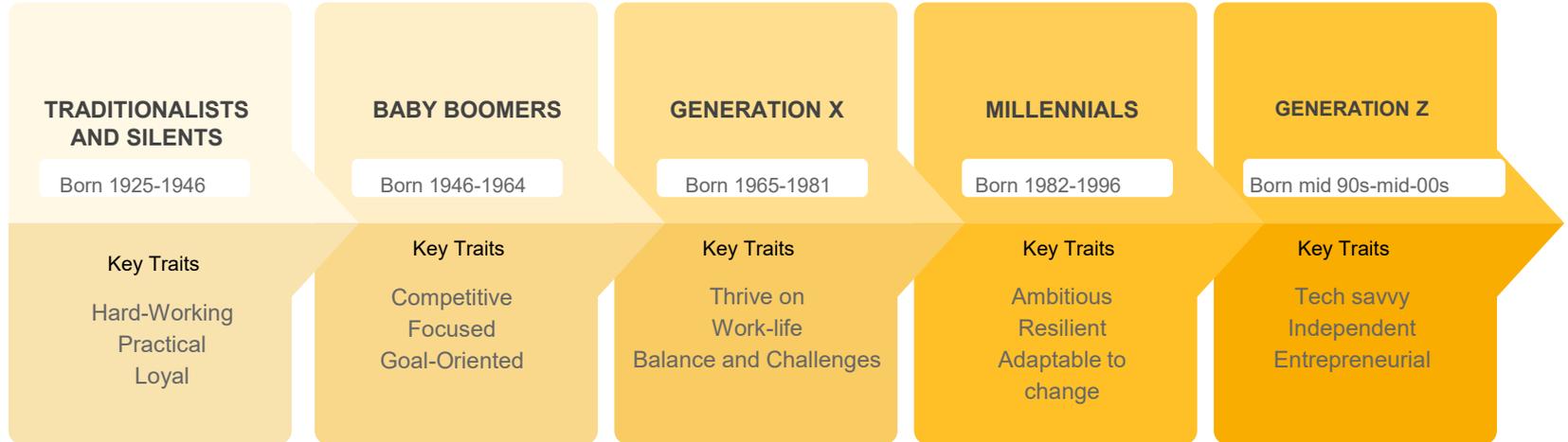
YOUR OWN CULTURAL WIRING



Organisational Culture



Generational culture



Research basis of Cultural Intelligence (CQ)

1 1148+ peer viewed studies

2 150,000 + surveyed

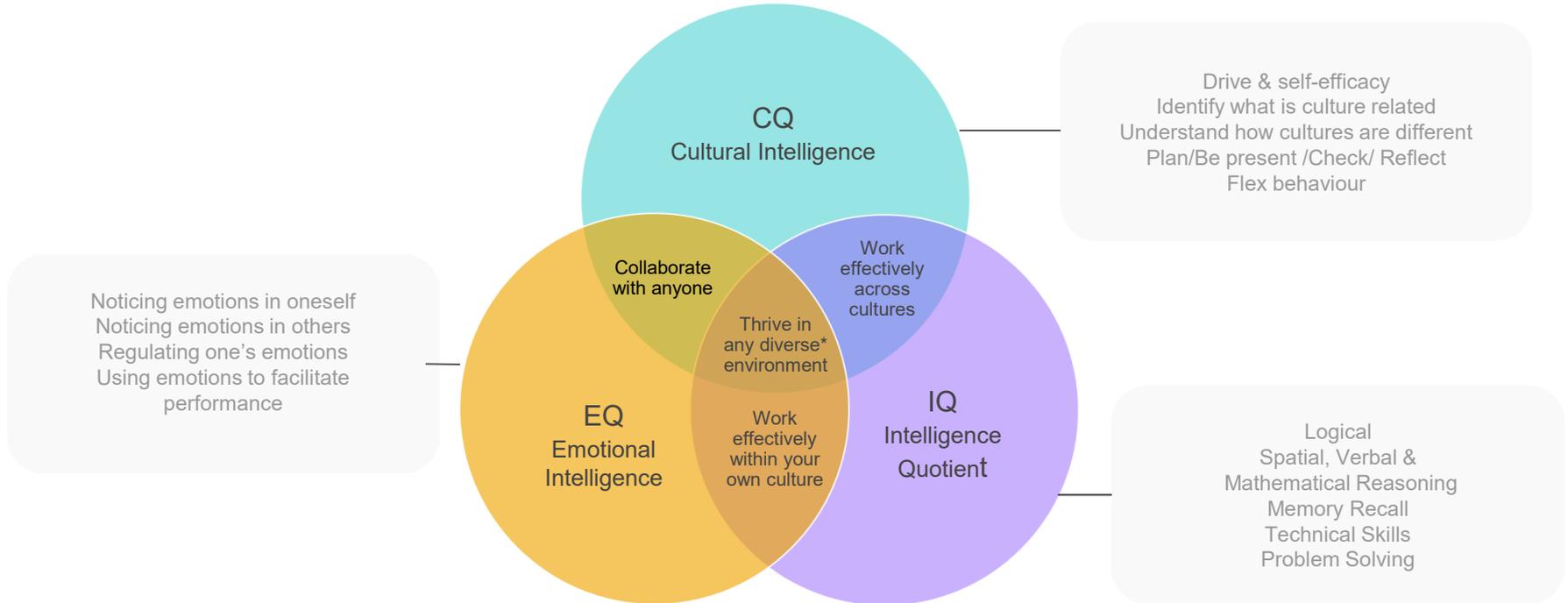
3 Across 148 countries

4 Over 20+ years

CQ Myths!

- 1 High emotional intelligence
- 2 Technical competence
- 3 Intercultural effectiveness
- 4 International travel

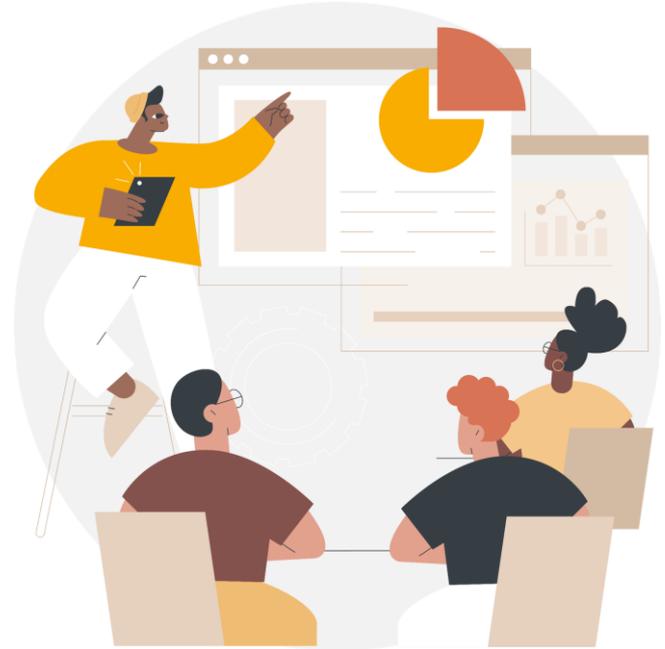
Intelligence Matrix



What is CQ?

Cultural Intelligence (CQ)

is the **capability** to function and relate **effectively** in culturally diverse situations.



Cultural Intelligence Capabilities

CQ Drive

Your Level of Interest, Persistence, and confidence during multicultural interactions.

CQ Action

Your ability to adapt when relating and working in multicultural contexts.



CQ Knowledge

Your understanding about how cultures are similar and different.

CQ Strategy

Your awareness and ability to plan for multicultural interactions.

CQ Drive

CQ Drive

Your Level of Interest, Persistence, and confidence during multicultural interactions.





Why?

What behaviours do you find
difficult to work with?

CQ Knowledge



CQ Knowledge

Your understand about how cultures are similar and different.

The Boat Test



You're in a boat with your mother, your spouse, and your child when the boat starts sinking. You can only save one person.

Whom will you save?

The Boat Test

Western Societies:

- 60% save child
- 30% save spouse

AMEA Societies:

- 80% save mother



Family and Societal Dynamics



Behavioural preferences

- Individualism vs Collectivism
- Low vs High Power Distance
- Low vs. High Uncertainty Avoidance
- Cooperative vs. Competitive
- Short Term vs. Long Term
- Direct vs. Indirect
- Being vs. Doing
- Universalism vs. Particularism
- Non-Expressive vs. Expressive
- Linear vs. Non-Linear





What would you do?

I need a few volunteers for the rest of this session.

1. Would you volunteer?
2. Do you need more information to make this decision?

CQ Knowledge alone is dangerous...

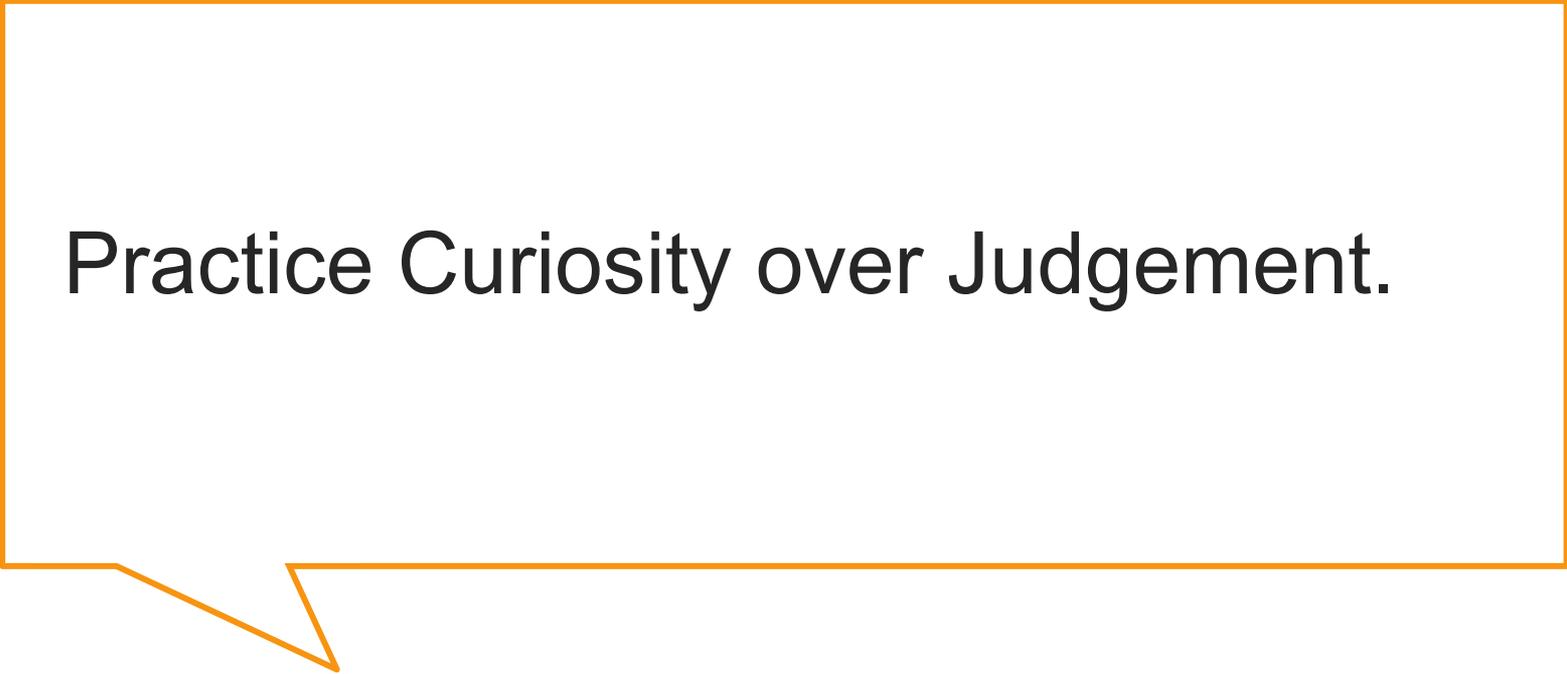
CQ Strategy



CQ Strategy
Your awareness and ability to plan for multicultural interactions.

Why is the car parked like this?





Practice Curiosity over Judgement.

CQ Action

CQ Action

Your ability to adapt when relating and working in multicultural contexts.



Role play

Person A: Talk about one of your favourite restaurants, when you were there last, and why you love it.

Person B: Listen, but don't ever look your partner in the eye.

To adapt or not?



How can I best express my intention?



Will adapting compromise the mission?

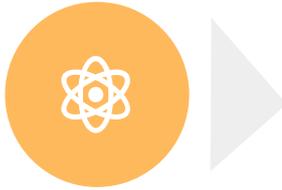


Will retaining the differences make us stronger?

Why CQ?



Reduced conflict and misunderstandings



Trust, co-operation and negotiation effectiveness



Inclusion and innovation



Profitability and cost-savings

Practical tips

Your view?

1. In a good meeting, a decision is made.
2. In a good meeting, various viewpoints are discussed and debated.
3. In a good meeting, a formal stamp is put on a decision that has been made before the meeting.

Culturally Intelligent team meetings



Explicitly state the meeting's objective upfront



Remind the group of how culturally diverse perspectives may influence topics of discussion



Plan the agenda in light of the cultural, personality, and power dynamics involved



Enforce team norms during the meeting discussions (e.g., interruptions, multi-tasking, coming prepared, etc.)

Daily CQ considerations



How will I adjust my leadership style based on who I'm meeting with today?



What diverse perspectives am I missing for decisions I'm making?



How does my position influence the data I'm getting?



What does clarity look like for the communications I'm reviewing/sharing today?

Culturally Intelligent AI prompt

Without CQ:
Analyse the following customer feedback data from the past quarter and identify the top 3 concerns.

With CQ:
Analyse the following customer feedback data from the past quarter and identify the top 3 concerns. Be aware of cultural differences in how the feedback is provided. Some customers might express dissatisfaction indirectly while others might be more forthright. Ensure the analysis captures these nuances to reflect the concerns across cultural groups in Europe.

The answers...



- Messages sent across cultural boundaries can only be correctly interpreted if the cultural context is appreciated.
- Business is conducted differently, with different rules in each country.
- Homogenous teams outperform diverse teams when CQ is missing.

Call to action

1

Identify some of the cultural identities of those within your team.

2

Commit to developing your CQ and applying it in various scenarios.

3

Start from a place of **curiosity** on what is acceptable and familiar in different situations.

People fail to get along because they fear each other.
They fear each other because they don't know each other.
They don't know each other because they have not communicated with each other .

Martin Luther King

Questions and Key takeaway?



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 [Prabhaavglobal/](https://www.instagram.com/prabhaavglobal/)



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visit my website

Cultural Intelligence: Applying it to Build Effective Legal Teams

Ritika Wadhwa, Founder, Prabhaav Global



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Coffee Break



05

The Evolving Role of In-House Senior Leadership

Stephen Ranalow, Partner and Head of Corporate and M&A, Arthur Cox

Niamh Flood, Chief of Staff and General Counsel, CRH

Andrew Walsh, Chief Legal Officer, PTSB

Máire Neary, Vice President, People and Legal, Flipdish



The Evolving Role of In-House Senior Leadership

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Máire Neary, Vice President, People and Legal,
Flipdish



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Thank You and Closing

Mairéad Duncan-Jones, Partner and Head of Knowledge,
Learning & Development, Arthur Cox





ARTHUR COX LLP

BEST PRACTICES 2025

Empowering In-House Counsel

Artificial, Cultural and Market Intelligence

Wednesday, 26 November 2025