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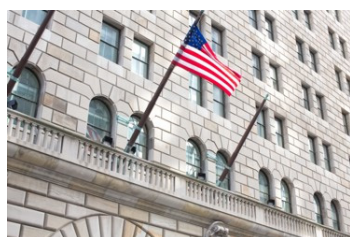
Recent thought leadership

Approaching the 2017 year-end financial reporting season

*Six areas the audit committee
should be thinking about*

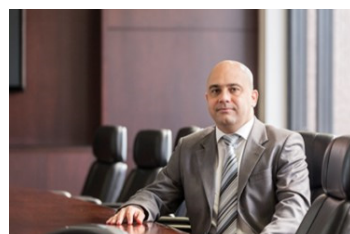


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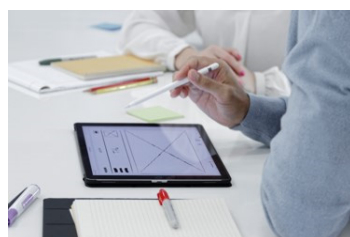
Frequently asked questions: Accounting considerations of US tax reform

When it comes to accounting for tax reform, new questions arise every day. This “frequently asked questions” document shares our views on the most common questions. It covers topics such as accounting for tax reform by non-calendar year ends, asserting indefinite reinvestment in light of tax reform, application of SAB 118, interplay of tax reform with business combinations and goodwill impairments, and other hot topics.



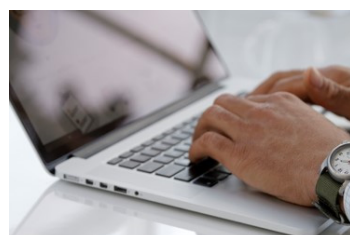
Engaging with the board: Five ways for Chief Information Security Officers to stand out

Information security is a critical function within the company and boards want to hear what their Chief Information Security Officer has to say. Preparation is key to making a good impression—and having an impact. Here’s how to do it well.



The Essential Eight technologies Board byte: artificial intelligence

Companies across industries are using, investing in or planning to invest in artificial intelligence (AI). AI is improving industry processes and making machines “smart.” It is expected to be one of the most disruptive technologies impacting industry and business. As the market for AI grows, boards should understand how this technology will affect their company’s strategy.



How your board can be effective in overseeing cyber risk

Directors can add value as their companies struggle to tackle cyber risk. We put the threat environment in context for you and outline the top issues confronting companies and boards. And we identify concrete steps for boards to up their game in this complex area.

Events and education

Join our team for engaging discussions at these upcoming governance events:

Global Ethics Summit

New York, NY – March 15, 2018

Join PwC Governance Insights Center Director Leah Malone as she moderates a panel discussion on board partnerships that work.

Corporate Board Member Annual Boardroom Summit

New York, NY – April 23, 2018

Join the PwC Governance Insights Center team as they engage in peer exchange sessions.

Main articles

PwC releases its 21st CEO Survey: The anxious optimist in the corner office

PwC released the results of its [*21st Annual Global CEO Survey*](#), which captured views from nearly 1,300 CEOs in 85 countries, including 104 from the US. The survey covers topics including economic growth projections, areas of investment and key threats.

Below are the survey's five key findings on how US CEOs see prospects in 2018:

- **US CEOs cheer prospects for revenue increases.** Fifty-two percent of US CEOs indicate that they are very confident about their organization's prospects for revenue growth. This is an increase from 39% in 2017.
- **Acquisitions are a core part of the 2018 growth playbook for US CEOs.** Sixty-nine percent of US CEOs indicate that they plan to use new merger and acquisitions to drive corporate growth and profitability this year. Globally, only 55% of CEOs say the same.
- **Fears of losing a technological edge have increased over the past five years.** When asked about cyber threats, the percentage of US CEOs saying they are "extremely concerned" increased from 8% in 2013 to 63% in 2018. US CEOs are also more concerned about the speed of technological change. This figure jumped from 11% in 2013 to 44% in 2018.
- **Globally, some industries are pulling ahead on digital reskilling.** Fifty-eight percent of technology CEOs say they are clear on how robotics and artificial intelligence improve customer experience. This compares to 34% and 41% of retail and consumer goods CEOs, respectively.
- **Beyond 2018, CEO sentiment turns more cautious:** Fifty-three percent of US respondents indicated that they are confident in their organization's revenue growth prospects over the next three years, compared to 56% in 2017 and 57% in 2016.

ISS launches new research product for investors

Proxy advisory firm Institutional Shareholder Services Inc. (ISS) [has launched](#) a new product called “corporate due diligence profiles.” The new profiles seek to provide a “report card” view of the key risks and governance factors that are top of mind for investors.

According to ISS, the product was designed to assist investors with their review of companies for possible shareholder engagement, or to obtain additional director information.

The new report includes information such as:

- Historical ISS voting recommendations on annual meeting matters
- A director skills matrix, which highlights inconsistencies in director skills as disclosed in two or more company proxy statements
- A QualityScore report, which provides a score on a company’s compensation and governance practices, measured against the company’s selected peers and industry peers
- A page devoted to each director, including election history at each company where he or she serves as a director, and each company’s total shareholder return during his or her board service

The report covers the Russell 3000, the S&P/TSX Composite in Canada and EuroStoxx 600. A sample of the report can be accessed [here](#).

PwC releases 2018 tax policy outlook

PwC released its [Building on tax reform: 2018 Tax policy outlook](#), which describes expected tax legislative policy initiatives for the coming year.

The United States recently enacted the most comprehensive tax reform in more than 30 years. US policymakers and American businesses have championed tax reform for years on a bipartisan basis, concerned that the US tax system was out of step with the systems of the rest of the developed world. With tax reform accomplished, President Donald Trump and Congress will need to decide which policy goals will be given primary attention this year in advance of the 2018 midterm Congressional elections.

This publication provides an in-depth discussion on topics including the balance of power, economic outlook, federal budget outlook and challenges facing the IRS.

Investors focus on gender pay disparity

As reported in [Agenda Week](#), gender equality is a growing global concern, and topics such as sexual harassment and equal opportunities for women were among those discussed at this year’s World Economic Forum held in Davos, Switzerland.

Investors such as Arjuna Capital and Pax World have been prompting companies to disclose gender pay figures. In response to this pressure, a growing list of companies have agreed to make voluntary disclosures, most commonly in the form of diversity and inclusion reports on their websites.

New regulations issued in the United Kingdom last year require companies with 250 or more employees to provide gender pay gap data to the government and post a written statement to their website by April of this year. While there are no similar federal requirements in the US, some states and localities have begun to introduce legislation focused on gender pay equity.

The CEO of one European company has [taken steps](#) to address the gender pay gap by taking a 4.5% pay cut, matching the salary of his female predecessor.

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