



## DAY 1 : SESSION SUMMARIES

## OPENING ADDRESS

09:55am - 10:25am

**Power demands accountability not only through institutions, but from those who wield it.**

**The consequences of power are ultimately measured by who pays the highest price.** Accountability cannot stop at the existence of democratic institutions or elections, particularly when the costs of crises and policy decisions are borne by ordinary and marginalised people. The experience of the Asian Financial Crisis of 1997 illustrated how easily their plight can be overlooked when decisions are made by those in power.

**Democratic accountability depends as much on practice as it does on institutions.** Modern societies, including democracies, can still fail to hold those in power fully accountable, while good intentions alone do not guarantee accountability. Democracy is ultimately demonstrated in how it is practised, rather than simply through the formal structures that surround it.

**Every watchman must ultimately also watch himself, making amanah an essential restraint on power.** External checks matter, but accountability also requires those entrusted with power to exercise personal responsibility and conscience. Amanah is simple as an ideal, but much harder and more important to uphold in practice.

**New concentrations of geopolitical, technological and economic power are testing existing systems of accountability.**

**Geopolitical disruptions demonstrate how concentrated power and vulnerabilities can transmit consequences far beyond their source.** Disruptions around the Strait of Hormuz illustrate how events in a strategic chokepoint can have much wider implications for global energy markets. Such disruptions again raise the question of who ultimately bears the consequences when power shifts or systems come under strain.

**Artificial intelligence, chips and data are creating new forms of technological power that raise the question of who watches the algorithm.** As these technologies increasingly shape economic outcomes, their growing influence demands corresponding scrutiny and accountability. The accelerating capabilities of AI make this question increasingly consequential.

**Trade itself is increasingly becoming an instrument of economic pressure.** Tariffs and restrictions are reshaping the environment facing trading nations, making complacency dangerous for economies dependent on international commerce. Multilateral institutions must therefore confront a distribution of global power that has changed considerably from the world in which many of them were established.



YAB Dato' Seri Anwar Ibrahim  
Prime Minister of Malaysia

*"Shakespeare put the same thought in a single line: "It is excellent to have a giant's strength. But it is tyrannous to use it like a giant." So who watches the watchmen?"*

**Malaysia and ASEAN can preserve their agency by engaging widely, managing differences and safeguarding regional peace.**

**Malaysia's ability to navigate competing centres of power rests on remaining economically open and engaging both East and West.**

Maintaining international trade and constructive relationships across different partners allows Malaysia to navigate a more contested global environment without being confined to one side.

**ASEAN centrality must mean the capability to manage differences, not merely a regional position or principle.** Differences between countries are inevitable, including maritime disputes such as those in the South China Sea, but they need not prevent constructive relationships. Continued dialogue and economic engagement demonstrate that disagreements can be managed peacefully.

**Peace has been central to ASEAN's ability to pursue economic growth and development.** The region has benefited from leaders placing emphasis on maintaining peace despite differences, particularly against a global backdrop where disputes can escalate into conflict. Preserving that restraint and the ability to deal with differences constructively remain essential to the region's continued development.

*"The answer is "amanah", responsibility. A nice word, but it is a major challenge to practise and consider the geopolitical levels where power is moving now."*

## KEYNOTE ADDRESS

10:30am - 11:15am

### Tight and Loose: Mastering a Key Cultural Code

**Tight and loose cultures are a trade-off between order and openness.**

**Tight cultures prioritise discipline and coordination, while loose cultures allow greater freedom and experimentation.** The strong social norms and policing of tight cultures result in more uniformity, more self-control, and thus less crime. Loose cultures may not receive this benefit, with citizens on average feeling more unsafe, but they corner the market on openness: they have a greater tolerance of diversity, a greater acceptance of creativity, are more adaptable to change; and thus tend to generate more economic value.

**Tightness is mainly affected by the need for coordination, usually generated by collective threats.** Historical exposure to disasters, disease, invasion and resource scarcity increase the need for rules that coordinate survival. This also extends to organisations: certain industries like hospitals, airlines and manufacturing tend towards tightness because mistakes carry serious consequences.

**People can feel comfortable in both tight and loose cultures; it is only when culture veers too far into either extreme that the harms become visible.** Excessive tightness is stifling, creating bureaucracy and slowing adaptation, while excessive looseness weakens accountability and creates an environment of fear due to a lack of security. The Goldilocks principle encourages leaders to diagnose these imbalances and adjust cultural norms as circumstances change.

**Cultural ambidexterity enables organisations to balance discipline with flexibility.**

**Cultural differences can undermine mergers despite strategic compatibility.** A study of approximately 4,700 cross-border acquisitions linked differences in cultural tightness to poorer financial performance when those differences were inadequately managed. Understanding how organisations approach rules, authority and autonomy is thus an important part of assessing and integrating acquisitions.

**Leaders can preserve essential rules while creating space for experimentation.** "Flexible tightness" introduces freedom into areas where safety does not require strict control, while "structured looseness" adds accountability to environments that lack coordination. Organisations can balance discipline with flexibility by maintaining strict safety rules when necessary, while creating spaces for creativity and informal interaction.



INTRODUCER

Abdul Rahman Azman Shah

Vice President, Investments,  
Khazanah Nasional Berhad



SPEAKER

Prof Michele Gelfand,

Professor of Organizational Behavior and  
Professor of Psychology by Courtesy,  
Stanford University

*"Sometimes the most important realities around us are the things that we don't see. They're the things that we take for granted. For fish, that's water. But for we humans, that's culture. And culture is an incredibly interesting puzzle because it's all around us."*

*"Culture is not destiny. We invented social norms. We can harness the power of them and pivot as needed. This is, broadly speaking, what I call the Goldilocks principle of tight loose."*

**Culture can be renegotiated when organisations become too restrictive.**

Clear objectives can coexist with greater employee autonomy to assess problems and develop solutions on the ground. Safe channels for reporting concerns to supervisors, including anonymous feedback, help restore psychological safety after controls have tightened.

**Societies must tighten under real threats and loosen when conditions become safe.**

**Failing to tighten during a genuine threat can carry substantial costs.**

Research across 57 countries during the first year of COVID-19 found that looser cultures had roughly five times the cases and nine times the deaths per capita. This underscores the need for clear threat messaging, temporary tightening, and loosening only when safe to protect lives.

**Manufactured threats can encourage unnecessary restriction and strengthen authoritarian appeal.** Perceived danger can increase demand for stricter norms, reduce tolerance and heighten preferences for strong leaders. Threat language spreads readily through social media, and many autocrats exploit this by amplifying fear and presenting themselves as providers of safety.

**Clear communication and better threat assessment from leaders can help societies better adjust to cultural change.** Restrictions should be explained as temporary, with attention to psychological and economic wellbeing as opposed to merely survival. Emerging AI tools are able to assess threat narratives and counter misinformation, helping societies distinguish genuine risks from amplified fears, which in turn smoothens the process of restoring openness when it is safe.

*"Groups need to veer tight or loose for good reasons... But when they get extreme in either direction, either too loose or too tight, they start getting really dysfunctional."*

DAY 1 - 5 October 2026

## CORE SESSION 1: GEOPOLITICS AND MARKETS

11:20am - 12:10pm

### Reading Power in an Unanchored World

**Power is unevenly distributed across states, and competing interests make international relations more complex than a contest with clear winners and losers.**

**Conflict and competition are enduring features of international relations.**

Be cautious against treating exceptional periods of relative stability as the permanent norm. Understanding the historical processes behind events helps governments and investors maintain perspective and avoid overreacting as a response.

**States draw on different strengths to protect their interests and increase their bargaining power.**

US-China competition unfolds within fluid alignments across countries and sectors, reminiscent of the interbellum period, with China's industrial and trading strength coexisting with US financial dominance. Governments increasingly use industrial policy to strengthen their strategic advantages, secure supply chains and reduce vulnerabilities, while making their economies harder to replace.

**Middle and smaller powers can exercise meaningful influence through specialised capabilities and economic credibility.** For instance, Malaysia and Singapore's roles in semiconductors and data centres demonstrate their importance within sectors where larger powers compete. Malaysia's fiscal credibility provides a further advantage, while access to stable funding remains an important consideration for countries without reserve currencies.

**Concentration in US financial markets and AI investment raises economic risks and tests institutions' ability to respond.**

**The scale and concentration of US financial markets magnify the economic consequences of a sustained correction.** With US equities valued at roughly 250% of GDP, a lasting 25–30% correction would erase equity value equivalent to ~62.5–75% of annual GDP. Growing dependence on asset wealth means such losses could affect spending, investment and confidence, making market shocks more consequential for the wider economy and testing institutions' capacity to respond.

**AI expands opportunity while concentrating control, but building capability does not guarantee lasting returns.** Young entrepreneurs can build businesses with smaller teams, while costly data centres and power grids favour large providers and may draw greater state involvement, particularly in China. The sustainable level of spending remains uncertain, creating risks of overcapacity.



MODERATOR

Ng Eu Gin

Director, Finance,  
Khazanah Nasional Berhad



SPEAKER

Bilahari Kausikan

Chairman, Middle East Institute,  
National University of Singapore

*"Every country has two foreign policies: a foreign policy of theology where we always stand for the highest principles, and a foreign policy of practical diplomacy in which principles more often than not have to bend to contingency."*

**The shift towards an economy driven by asset wealth is deepening inequality and dependence on financial markets.** Asset wealth has grown faster than labour income, with the wealthiest 1% of Americans holding roughly US\$55 trillion, comparable to the bottom 90% combined. These uneven gains can sustain populist pressures across the political spectrum, while growing reliance on equity wealth makes a lasting market correction more consequential for the wider economy.

**Investors should anchor asset allocation in the 6Ds and prepare portfolios for higher yields, inflation and volatility.**

**Six structural forces should anchor investment decisions.** The 6Ds are namely deficits, decarbonisation, depopulation, deregulation, deglobalisation, and de-dollarisation. In the short term, deficits are the most important force, whereas demographic pressures are an underestimated risk.

**The most debated risks may not necessarily be the most consequential.**

While financial markets are concerned about deglobalisation and de-dollarisation, US financial dominance has persisted amidst rerouted trade. Enthusiasm for AI spending could divert attention from tariff increases, renewed conflict and fiscal pressures, while the returns on that spending remain uncertain.

**Long-term investment decisions should distinguish structural pressures from momentum-driven market swings.** The outlook points to higher inflation, larger fiscal deficits and greater macroeconomic volatility as the backdrop for investment decisions. In the short term, algorithmic trading and ETF flows can amplify momentum-driven sell-offs, producing market movements that extend beyond what changes in fundamentals alone would justify.



SPEAKER

Chucheng Feng  
Founding Partner,  
Hutong Research

*"Now everybody talks about China's overcapacity in EV and solar, but I think what that brings with it is an abundance of ecosystem."*



SPEAKER

Joyce Chang  
Chair of Global Research,  
JPMorganChase

*"Even though we are in this period of global financialization, there's actually been some very strong opportunities if you're internationally diversified."*

## SPECIAL SESSION: 12:15pm - 01:00pm

### Beyond Silos: Rethinking Risk, Return and the Whole Portfolio

**Today's portfolios have outgrown Strategic Asset Allocation (SAA), and Total Portfolio Approach (TPA) responds by managing the fund as one portfolio.**

**SAA solved yesterday's governance problem, but the world has moved on.** Fixed weights such as 60/40, set by boards that meet four times a year, cannot keep pace with shifts in technology, demographics and geopolitics. The 2022 inflation losses on bond-equity portfolios pushed many boards to act.

**TPA manages one portfolio towards one goal instead of ten asset classes.** When each asset class optimises against its own benchmark, the whole fund can still lose. For example, an equity team that loses 18% when the market falls 20% may have "outperformed", but the fund has still suffered a significant loss and is no closer to achieving its ultimate objective.

**Every exposure is judged by what it adds to the whole portfolio.** Asset owners should know the beta they own and buy it cheaply, paying alpha fees only for genuine alpha, not repackaged beta. External managers should be assessed on how they diversify the total portfolio, not on standalone metrics such as Sharpe ratios, back-tested returns or correlation to the S&P 500.

**TPA is a governance model built on shared accountability, not an optimisation tool.**

**Be tight on purpose and loose on boundaries.** TPA organisations are strict on the total fund goal, the whole-portfolio view of risk and accountability, and more flexible on asset class definitions and implementation. Greater discretion for the CIO must be matched by stronger risk guardrails and transparency.

**Ownership and oversight are shared between the board and management.** The model shifts from a top-down org chart (or RACI framework, which stands for Responsible, Accountable, Consulted, and Informed) to a Venn diagram where the two Os of the OREO framework (Ownership, Responsibility, Engagement, and Oversight) overlap. The question is less about who holds the power and more about who owns the outcome, and the answer is both the board and management.

**Governance is the hardest pillar to change.** Boards need to become genuine partners in the approach, yet SAA is familiar and comfortable. This "siren call" has led some funds to start the transition to TPA but then regress.



**MODERATOR**

Hisham Hamdan

Chief Investment Officer,  
Khazanah Nasional Berhad



**SPEAKER**

Jayne Bok

Head of Hong Kong and Macau,  
& Head of Investments, Asia,,  
Willis Towers Watson (WTW)

*"The TPA mindset is more like OREO: Ownership, Responsibility, Engagement and Oversight. The two Os are very important because they need to be shared. It's a tricky governance model to get right, but this concept of shared accountability is necessary to be successful."*

**TPA is a multi-year organisational transformation that depends on people, incentives and patience.**

**Capability comes first, then structure follows.** Returns now depend mainly on getting the overall portfolio right, which places a heavier burden on the CIO. Funds need not only robust risk models, but also the right talent and a stronger central portfolio team before taking on more discretion.

**Incentives must match what people can control.** Stop rewarding success within silos, but do not tie specialists' pay to allocation decisions they cannot influence. Analysts are still measured against their benchmarks, portfolio leaders are held to the total fund mandate, and specialist insights flow up to inform allocation. Even with the right incentives, bias and ego make collaboration difficult, which takes time and humility to overcome.

**There are no shortcuts to adopting TPA.** TPA is not an end destination, but a spectrum of adoption, with institutions adapting the approach to their own circumstances and cultures. The most successful remain ambidextrous, retaining SAA as a tool rather than the centre around which the portfolio revolves, while recognising that meaningful transformation takes time.



**SPEAKER**

**Prof Redouane Elkamhi**

*Professor of Finance,  
Rotman School of Management,  
University of Toronto*

*Senior Advisor  
Healthcare of Ontario  
Pension Plan (HOOPP)*

***"Coordination is easy to say, difficult to do. There is bias, inertia... and ego. The more you crush the ego, the more free you become. And that's difficult to do. It takes time, it takes energy, it takes humbling, and it's education."***

## FEATURE CONVERSATION

02:10pm - 02:55pm

### The Road Taken - Becoming Along the Way

**Power is earned by listening to people and giving them a chance to achieve success.**

**Effective action begins with listening.** Peterson quoted that the worst thing a new leader can do upon arrival is saying, "I have all the answers" and bringing their own people with them to change an organisation. Her approach is to find voices that have been overlooked below the senior management team and spend time to understand their opinions.

**Identifying and addressing blockers helps build the respect needed to galvanise change.** Peterson observed that many people outwardly agree with a new leader while quietly resisting change, expecting to outlast them. Identifying and removing these blockers shows the organisation that the leader understands its inner workings, and builds the respect needed for culture change to take hold.

**Delivering results builds the trust needed to lead.** Peterson strongly believes in winning the trust of employees by helping them to achieve success or turning the business around. She drew parallelisms to politics, where people trust leaders who get the basics right for them.

**Successful transformation requires preserving what works while confronting what holds an organisation back.**

**Organisations should acknowledge the drivers of past success but change what holds them back.** Peterson joined long-established companies in times of crisis, including Microsoft and Johnson & Johnson (J&J). Her approach is to decide which parts of the culture should endure, such as what makes the company unique, and be clear about what must change to ensure progress.

**In a crisis, fixing problems should take priority, before rebuilding trust.** When Peterson joined J&J, its stock had been flat for a decade and many of its businesses had lost category leadership. Its over-the-counter (OTC) business was also rebuilding after regulatory problems forced its products off the shelves. She worked with the recovery team to form a clear, disciplined work plan and then focused on rebuilding trust with customers, retailers and regulators.

**Culture comes first before strategy.** Peterson quoted her experience in Microsoft, which had a culture where people competed to look smarter than the other and were reluctant to flag problems. Satya Nadella, an insider respected by the company's engineers, made fixing this culture his priority. He recognised that without the right culture, no strategy or new technology could be deployed sustainably over the long term. Satya advocated collaborating, staying curious, flagging problems early and asking for help.



**MODERATOR**

**Puteri Nabeela Johari**

Senior Vice President, Research,  
Khazanah Nasional Berhad



**SPEAKER**

**Sandra E. Peterson**

Operating Partner,  
Clayton, Dubilier & Rice (CD&R)

*"One of the things that is super important is you establish your power and your influence by earning it, by listening to people, by giving them a chance."*

*"You need to learn from others, you need to be collaborative, you need to always be curious... and celebrate that versus saying, "I figured this out on my own."*

**Power is best used to build diverse teams, empower people who understand local markets, and pass hard-won experience on to others.**

**Culture diversity is essential to help solve complex problems.** Working across Asia, Europe and Latin America taught Peterson that different cultures make decisions differently. Leaders who prioritise diversity are more likely to gain exposure to better solutions, helping them navigate the complexities of our ever-changing world.

**Peterson defined “power” as her ability to leverage her position to shape hiring trends at her organisations.** Peterson described herself as someone who was guarded and believed in overachieving to earn the trust of peers, especially within her past experience in male-dominated environments. As she climbed up the corporate ladder, Peterson realised that whoever controlled hiring could change the organisation’s culture. Today, she leverages her position to advocate women and ethnic diversity, contributing to the vibrancy and success of her organisations.

**Power can also manifest in the form of experience rather than direct authority.** At Clayton, Dubilier & Rice, she draws on her cross-sector experiences to advise investment teams, often by posing a few key questions that help them assess investment opportunities. Beyond investments, she mentors young professionals and CEOs, passing on the lessons she has gathered throughout her career.

*“If you surround yourself with people who have the exact same ideas as you do, why bother working on a team or having a team of people?”*

DAY 1 - 5 October 2026

## CORE SESSION 2: FIRMS AND TRANSFORMATION

03:00pm - 4:00pm

### Wielding Institutional Power for Lasting Change

**Institutional power is earned through positioning, defensibility and trust rather than through scale or control.**

**Lasting advantage starts with being in the right growth market.** Firms do not need to predict the future precisely, but they do need to anchor themselves in the parts of their industry that are expanding. Being in a growing segment widens every strategic option, while a saturating one forces firms to compete on price.

**Defensible strengths make a firm hard to replace.** Firms that build on what they already do well, rather than chasing every trend, can negotiate from technical necessity rather than price. That advantage only becomes an asset once it is protected through intellectual property and made visible in the global forums where the industry forms its views.

**Active neutrality and demonstrated trustworthiness are sources of power.** When a firm's operating terrain is contested, and the same counterparty may be a customer, partner and regulator all at once, staying credible to every side becomes a strategic asset. This position is not passive, because it must be earned continually through compliance, transparency and visible action.

**Transformation is won through proper alignment and sequencing before execution begins.**

**Day one outcomes are decided long before day one.** Effective owners spend months establishing the true state of the business, the investment needed and the leadership changes required before they take control. The management team must take ownership of that plan, because a strategy imposed on the first day rarely survives contact with the organisation.

**Competing stakeholder mandates must be reconciled, rather than prioritised against one another.** Firms of public or strategic significance answer to owners seeking returns, policymakers seeking national outcomes and users expecting reliable service, and no change in ownership removes those claims. Leaders need a long-term strategy and genuine board alignment so that the organisation can absorb daily pressures without losing direction.

**Discipline must be in place before freedom is granted.** Organisations earn the privilege to experiment only once their non-negotiable foundations, such as safety, compliance and operational reliability, are consistently delivered. Standardising that core allows teams to differentiate where it creates value and explore new avenues, without putting the firm's licence to operate at risk.



MODERATOR

Dr Farid Mohamed Sani

Head, Digitalisation,  
Khazanah Nasional Berhad



SPEAKER

Bryan John Thompson

Chief Airports Officer,  
Malaysia Airports Holdings Berhad  
(MAHB)

*"We have to take the science we have and learn from it, but there is a bit of poetry when you actually put it into practice. Tight and loose, exploring and exploiting, all of it has to happen in harmony."*

**Lasting change depends on institutions that outlive individual leaders and ownership cycles.**

**Sustainable performance creates more value than short-term margin gains.** Cutting costs is always available to a leader under pressure, but the damage tends to surface years later, after the cuts have been repeated. Future owners and markets can distinguish performance that has been genuinely built from performance that has been manufactured, and they price the business accordingly.

**An organisation's health shows in how decisions are made below the leader.** A chief executive who claims every success personally and dominates every board discussion is a warning sign rather than a strength. Organisations whose teams present the work and raise problems openly are far better placed to keep adapting through continuous disruption after the leader departs.

**Enduring institutions are built by turning inherited capability into locally owned firms.** Decades of multinational investment leave behind trained talent, credibility and global relationships, and the opportunity is to convert those assets into companies that are headquartered and owned at home. Making that shift stick depends on keeping talent through long-term technical growth and equity upside rather than salary alone, supported by coordinated policy that gives new firms a runway.



**SPEAKER**

**Dato' Fong Swee Kiang**

CEO,  
SkyeChip Berhad

*"Neutrality does not mean being passive. It means constantly taking action to show that we are a trusted partner, fully compliant and fully transparent."*



**SPEAKER**

**Sandra E. Peterson**

Operating Partner,  
Clayton, Dubilier & Rice (CD&R)

*"We need to create a business with sustainable performance, sustainable customer relationships and a terrific set of leaders running it. Whoever owns it next will see right through you if you slash and burn to get beautiful numbers on a spreadsheet, because that is not sustainable."*

## FEATURE ADDRESS

04:25pm - 05:10pm

### AI, Progress, and Power: Lessons from History

**Technological progress is not automatic, and depends on institutions that balance exploring new ideas with scaling them.**

**Sustained progress requires both exploration and exploitation, which thrive under different institutional conditions.** Systems focused only on execution can scale existing ideas efficiently, while excessive experimentation can make coordination and production difficult. Prof. Frey argued that forecasters fall into an “extrapolation trap” when they assume past growth will continue without accounting for whether institutions can generate the next wave of innovation.

**Centralised systems can scale existing technologies effectively but often struggle to innovate at the frontier.** The Soviet Union achieved rapid growth by adopting and scaling technologies developed elsewhere but contributed little to the personal computer revolution once mass production had run its course. By contrast, America’s decentralised financial system allowed rejected ideas to find alternative backers, as Google did after being turned down by Bessemer Venture Partners in 1999.

**Flexible and competitive institutions help economies renew themselves as technologies and industries change.** Japan became a global leader in cars and electronics before stagnating in the 1990s, while the United States renewed its technological leadership through global supply chains, competition and antitrust enforcement. China’s success in areas such as EVs, solar panels and batteries similarly reflects intense private-sector competition and room for local experimentation.

**AI does not overturn the lessons of history, and making the most of it still requires experimentation, new entrants and the right incentives.**

**Scaling existing AI models alone is unlikely to sustain technological progress without new ideas and continued human experimentation.** Prof. Frey noted that advances beyond existing scaling laws require further breakthroughs, while examples such as amateur Go players defeating leading programs illustrate AI’s continuing difficulty with unfamiliar situations. He compared AI today to the steam engine before James Watt’s separate condenser, suggesting that a critical breakthrough may still be needed to unlock its full potential.



INTRODUCER

Dr Mir Salim

Director, Research,  
Khazanah Nasional Berhad



SPEAKER

Prof Carl Benedikt Frey

Associate Professor of AI & Work,  
Oxford Internet Institute; and Director,  
Future of Work Programme,  
Oxford Martin School,  
University of Oxford

*“The greatest potential promise of AI, in my view, is that it will empower a new generation of independent inventors as we had in the 19th century to build those new industries to drive renewal.”*

**New technologies generate the greatest gains when people and firms have the freedom to experiment and create new products.** Economies such as the United States benefited strongly from the computer revolution because firms gave employees greater autonomy, while younger firms were often more willing than incumbents to create entirely new businesses. Prof. Frey stressed that if technological change since 1800 had focused only on automation, societies would have gained efficiency but missed innovations such as cars, vaccines, computers and aircraft.

**Rising incumbent power and poorly designed incentives can weaken entry and reduce breakthrough innovation.** Greater market concentration, lobbying, incumbent-friendly patent systems and “killer acquisitions” can make it harder for new firms and independent inventors to challenge established players. Prof. Frey also warned that “publish or perish” incentives can encourage researchers to use productivity tools to “drill more holes rather than dig deeper”, contributing to declining research productivity.

**National power depends on the capacity to innovate and constrain vested interests, while AI creates new opportunities that must be used wisely.**

**Long-term prosperity depends on preventing incumbents and vested interests from blocking technological and economic renewal.** Prof. Frey linked Britain’s post-war decline partly to cartelisation and contrasted it with Britain’s earlier success in dismantling guilds that had resisted disruptive technologies. His broader point was that progress is never inevitable, as illustrated by the fact that humanity existed for a long time before experiencing an industrial revolution.

**AI could make service-led growth more achievable for middle-income economies such as Malaysia.** As manufacturing becomes less labour-intensive, services may offer a more important route to growth, while machine translation can widen participation in cross-border services beyond English-speaking economies. AI may also narrow productivity gaps between less and more experienced workers, supporting the relocation of higher-value work from centres such as London and New York to economies including India and the Philippines.

**Closer ties between governments and AI firms, together with excessive reliance on AI, create risks for competition and human capability.** Prof. Frey was less concerned about competition among AI labs than about governments taking stakes in leading firms, warning that weaker rule of law makes proximity to political power increasingly important. He also cautioned that using AI as a shortcut can weaken learning, since evaluating increasingly convincing AI outputs still requires people to retain their own ability to read, write and think critically.

*“National power depends on the capacity to innovate, to permit businesses to scale, but it also depends on checking the power of incumbent interests when they try to thwart the forces of competition.”*

*“Over the long run, hard military power ultimately depends on productive capacity...and uneven technological growth from time to time has led to reshuffles in the great power rankings.”*

DAY 1 - 5 October 2026

# INNOVATION WITHOUT BORDERS: Science, Technology and Innovation in Malaysia and Beyond

05:15pm - 06:15pm

**AI strengthens institutional investing at HESTA by revealing deeper market insights and supporting human judgement.**

**Trust and diverse perspectives help teams turn experimentation into better investment decisions.** Combining quantitative modelling with qualitative economic analysis requires people to challenge established methods and work across different approaches. At HESTA, questioning the limitations of traditional forecasting models helped initiate the adoption of machine learning in 2021.

**Machine learning can reveal market relationships that conventional models overlook.** By examining interactions between variables across different market conditions, models can challenge prevailing assumptions. In 2023, HESTA's models signalled opportunities to buy equities despite widespread recession concerns, prompting further analysis of the historical relationship between the yield curve and equity returns.

**AI creates more room for critical thinking when its outputs remain open to scrutiny.** HESTA checks model findings against fundamental analysis and uses inspectable code and spreadsheets to review calculations. Some work previously requiring three to six months now takes two weeks, freeing time to assess portfolio exposures, test scenarios, and interpret results.

**Anygraph makes professional AI more reliable by combining AI adaptability with controlled workflows.**

**AI can add to auditors' workloads when polished outputs conceal incomplete checks.** Financial statement reviews require evidence to be connected across large volumes of varied documents. Inconsistent findings from repeated AI runs force humans to recheck and repair the work, weakening the productivity gains that automation promises.

**Anygraph combines deterministic software with targeted AI to make workflows consistent and controllable.** Anygraph structures tasks into predefined "graphs", specifying which steps use conventional code and which require AI. This gives professionals greater control over the checking process while retaining AI's ability to handle varied inputs, while reducing reliance on repeated model calls.



INTRODUCER

Eysa Zulkifli

Director, Investments,  
Khazanah Nasional Berhad



SPEAKER

Dr Alvin Tan

General Manager,  
Portfolio Construction and Risk,  
HESTA

*"I definitely believe in the human-AI hybrid combination where AI is enabling the team to think a lot more as opposed to the AI doing the thinking for all of them."*

**Anygraph makes AI findings traceable, easier to review, and more cost-efficient.**

In a financial statement demonstration, a RM1,000 discrepancy was traced to extracted figures, recalculated formulas, and its exact source location. Anygraph's graph-based review cost US\$0.10, compared with an estimated US\$30 through a general AI workflow, illustrating how workflow design can improve reviewability and cost efficiency.

**Cortical Labs demonstrates how biological computing could open a new frontier beyond conventional AI.**

**AI's progress in digital intelligence has not translated easily into physical intelligence.** Moravec's paradox describes how computers can perform sophisticated intellectual tasks yet struggle with perception, movement, and interaction with the physical world. Progress in physical AI also faces constraints from the energy demands of conventional computing and the scarcity of large-scale physical-world training data.

**Cortical Labs uses living neurons and silicon to create a form of biological computing.** Adult cells can be converted into neurons and grown on electrode-equipped chips, allowing electrical signals to provide sensory information and feedback while neuronal activity controls an external system. In a Pong demonstration, predictable rewards and unpredictable penalties enabled the neuronal network to learn a simple task.

**Biological computing is entering practical use, with hardware manufactured in Malaysia.** Cortical Labs' CL1 integrates living neurons grown on an electrode-equipped chip with a neural chamber and life-support system that keep the cells alive. Manufactured in Malaysia, it has been deployed at the National University of Singapore for biomedical research into neurological diseases. This provides an early application of the technology and demonstrates Malaysia's capacity to manufacture emerging computing systems.



SPEAKER

Dr Hon Weng Chong  
Founder,  
Cortical Labs

*"If anyone were to ask me what technology is going to come next after AI, the answer is brain-computer interfaces."*



SPEAKER

Zad Chin  
Co-Founder & CEO,  
Anygraph

*"We call this 'provable finding'. We want people to find proof behind each and every finding that AI gets."*