

EXPECTED RESULTS

So here we use our transformer-based server to analyze the overall cleaned data. Concretely, we are implementing step 4: Hypothesis Testing with Prompts. Due to the limit on the number of pages for the conference, we reported only expected results for H1 and H2.

H1 testing

To address H1 (Ethical Convergence Hypothesis) using the documents from all the companies, the analysis will be focused on identifying multinational technology corporations that prioritize regulatory compliance with the highest global standards. This supports the hypothesis that multinational companies converge toward the highest regulatory benchmarks, often set by early-adopting countries with robust regulatory frameworks, such as the GDPR in Europe.

Explicit References to Stringent Standards:

The analysis of the documents shows that several companies explicitly reference stringent regulatory standards such as the **GDPR** (General Data Protection Regulation), **HIPAA** (Health Insurance Portability and Accountability Act), and **ISO** certifications. For example:

- **Amazon** emphasizes **GDPR** and **HIPAA** in its compliance and operational framework, indicating a strong alignment with **European** and **U.S.** privacy standards.
- **Apple** extensively refers to **GDPR** and **U.S. Federal Acquisition Regulations**, highlighting its commitment to **data protection** and **privacy**.
- **Meta** mentions **GDPR**, the **UN Guiding Principles (UNGPs)**, and **ILO principles**, positioning itself as a company that aligns with global ethical frameworks, especially in the areas of **human rights** and **data privacy**.
- **Intel** refers to **GDPR**, **OECD Guidelines**, and **UNGPs**, showcasing its commitment to the highest global standards for **data privacy** and **human rights**.
- **Qualcomm** aligns with the **RBA Code** and **UNGPs**, demonstrating a clear focus on internationally recognized standards for **human rights**.

These companies prioritize compliance with regulatory standards, especially those set by early-adopting regions like the **EU**, which indicates a convergence toward global ethical benchmarks.

Global Compliance Initiatives:

In terms of global compliance initiatives:

- **Amazon** and **Apple** have established global regulatory teams to ensure compliance with international privacy and environmental regulations. Both companies

- conduct **compliance audits** and establish **supplier oversight frameworks** to ensure adherence to global standards.
- **Baidu** and **ByteDance** also emphasize compliance initiatives, focusing on **data security audits** and **privacy policy enforcement** across all regions, particularly in markets like **Europe** and **North America**.
 - **Intel** has a **global compliance framework** and regularly conducts **supply chain audits** to monitor adherence to international regulations, particularly focusing on **anti-corruption** and **anti-slavery policies**.
 - **Meta** and **Samsung** have highlighted their **global compliance programs**, which include **regional workshops** on **GDPR** and **human rights impact assessments**, demonstrating broad implementation of regulatory adherence across different jurisdictions.

These initiatives demonstrate the active efforts by these companies to align with the most stringent global regulations, supporting the hypothesis that they are converging toward higher global standards.

Strategic Statements on Regulatory Alignment:

The strategic importance of regulatory alignment is emphasized in several reports:

- **Amazon** clearly states that regulatory compliance is central to maintaining **reputation management** and **stakeholder trust**. It mentions that regulatory adherence is critical for continuing its operations in key markets like Europe.
- **Apple** emphasizes the **strategic significance of regulatory alignment** to enhance its **global brand reputation** and ensure continued access to markets with strict privacy laws, such as the EU.
- **Meta** positions **regulatory compliance** as a core element in ensuring **corporate sustainability** and **market access**. The company highlights that aligning with international standards enhances its **credibility** and **trustworthiness** globally.
- **Qualcomm** mentions in its reports that **compliance with global regulations** is not just a requirement but a **strategic advantage** in maintaining **long-term business operations**.

These strategic statements reinforce the notion that companies are aligning their operations with stringent regulatory standards, viewing compliance as essential for both reputation and long-term business success.

Regional Focus on Compliance:

These companies display significant regional focus in their compliance efforts:

- **Amazon** emphasizes its alignment with **GDPR** and other **EU standards**, as well as **HIPAA** for U.S. operations, highlighting a strong focus on compliance in the **EU** and **U.S.** regions.

- **Apple** explicitly mentions its operations in over 50 countries but gives special attention to **EU privacy laws** and **U.S. Federal regulations**.
- **Meta** and **NVIDIA** both emphasize **EU data privacy laws** and **global human rights frameworks**, with particular attention to aligning with **GDPR** across their European operations.
- **Baidu** and **ByteDance** have a stronger regional focus in **Asia**, particularly in **China** and **Southeast Asia**, but they also emphasize alignment with **European** and **U.S. standards** in data privacy and AI ethics.
- **Salesforce** highlights its focus on **North America**, **Europe**, and **Asia**, emphasizing its alignment with **GDPR** and **UNGP** standards in these regions.

These regional focuses confirm that companies are aligning with the highest standards in regions like **Europe**, which is known for its stringent regulatory frameworks, particularly around data privacy.

Challenges and Opportunities Highlighted:

The documents also reveal how companies frame their compliance efforts:

- **Amazon** acknowledges **challenges** in balancing **global supply chains** with strict **local compliance regulations**. It views **regulatory compliance** as a potential **competitive advantage** in managing consumer trust and protecting privacy.
- **Apple** mentions **operational challenges** in adapting to different **regional regulations**, especially in its supply chain, but sees **sustainability** and **regulatory alignment** as essential for global market access.
- **Intel** discusses the **complexities of monitoring compliance** across 10,000+ suppliers and regions but highlights the **opportunities to strengthen stakeholder relationships** through its adherence to global regulations.
- **Meta** sees regulatory compliance as a **challenge** in balancing **innovation with responsibility**, particularly around **AI governance** and **data privacy**, but it positions **compliance** as a **strategic advantage** in maintaining credibility.

These challenges and opportunities show how companies navigate complex regulatory landscapes, balancing the benefits of compliance with the operational difficulties of adhering to diverse regional laws.

From this analysis, we observe that several multinational tech corporations are actively aligning their ethical and operational frameworks with the highest global standards. Companies like **Apple**, **Amazon**, **Meta**, and **Intel** are converging toward these stringent regulations, driven by early-adopting regions like the **EU** and the **U.S.**. This trend shows that regulatory frameworks from these regions are influencing global ethical policies, pushing companies toward a common set of high standards, irrespective of their country of origin.

By prioritizing alignment with the most rigorous global standards, these companies demonstrate the influence of early-adopting regions in shaping the global ethical landscape. This analysis supports the hypothesis that multinational companies are converging toward these standards, driven by both regulatory requirements and the strategic need to maintain trust, reputation, and market access in an increasingly interconnected world.

H2 Testing

To address **H2 (Cultural Homogenization Hypothesis)** using the documents from all the companies, the analysis will focus on comparing ethical themes between companies operating in **Western** and **Eastern** cultural contexts. The goal is to identify whether these ethical values are becoming homogenized due to the influence of multinational corporations or whether they remain culturally distinct. The analysis will draw insights from how companies in these regions prioritize and implement ethical themes.

Key Ethical Themes:

Western companies prioritize values such as **data privacy, transparency, individual rights, and sustainability**. For example, **Apple** and **Meta** place significant emphasis on **data privacy**, particularly through **GDPR compliance**, alongside a commitment to **human rights and transparency** in their corporate practices. **Intel** and **Amazon** highlight the importance of **sustainability** and **supply chain transparency**, in addition to their focus on **data privacy** through compliance with regulations like **GDPR** and **HIPAA**. **Salesforce** stands out for its emphasis on **ethical AI, diversity, and climate change mitigation**, which aligns with Western values around **corporate social responsibility** and **environmental sustainability**.

Eastern companies, while also focusing on **sustainability** and **privacy**, tend to place a stronger emphasis on **societal well-being, community-based values, and corporate responsibility** to the **collective good**. **Alibaba** and **Baidu**, for instance, emphasize their commitment to **societal responsibility, AI ethics, and data protection**, while also focusing on **collectivist values** such as the **community benefit** and **long-term sustainability** of their actions. Similarly, **Tencent** and **ByteDance** reflect comparable priorities, but with a stronger orientation towards the role of **technology in social good** and enhancing **societal welfare**, particularly through initiatives that promote **AI** and **community responsibility**.

Cultural Influences on Ethics:

Western companies, characterized by their individualistic cultural orientation, prioritize values such as individual privacy, autonomy, and innovation. This is reflected in their commitment to **GDPR** and their focus on **personal data rights, corporate transparency, and individual freedom**. For instance, **Apple** and **Meta** emphasize the privacy rights of individuals, with a strong commitment to **transparency** in how user data is handled. Similarly, **Amazon** and **Intel** also place a high priority on **consumer rights and privacy**, viewing these aspects as core elements of their business models.

On the other hand, Eastern companies, which tend to embrace more collectivist principles, emphasize the **well-being of the community, long-term societal goals, and harmonious relationships**. For example, **Alibaba** underscores the importance of **social responsibility** in its business practices and gives priority to **community well-being**, alongside its focus on **environmental sustainability**. Likewise, **ByteDance** and **Baidu** reflect these collectivist values by aligning their policies with **social good** and **long-term societal benefits**, including initiatives that promote **AI for good** and **data responsibility** to foster **collective prosperity**.

Regional Ethical Priorities:

Western companies typically emphasize **individual rights, data protection, and transparency** within their ethical frameworks. A key regulatory standard that these companies often align with is the **GDPR**. For example, **Apple** and **Meta** place a significant focus on **privacy** and **transparency**, ensuring that **individual rights** are at the core of their business operations. Similarly, **Salesforce** aligns with global **sustainability goals**, integrating **ethical AI** principles into its governance practices to further support transparency and responsibility.

In contrast, Eastern companies, while also concerned with **privacy** and **data protection**, tend to place a greater emphasis on **collective societal benefits**. For instance, **Alibaba's Environmental, Social, and Governance (ESG)** focus is more community-oriented, integrating **sustainability** and **community well-being** into its corporate strategy. Likewise, **Baidu** and **ByteDance** highlight the importance of **societal well-being** and **community focus** in their **AI** and **privacy** policies, but they place less emphasis on **individual data rights** compared to their **Western counterparts**.

Practical Implementation of Ethics:

Western companies employ a range of strategies to operationalize their ethical values. For instance, **Apple** implements global **privacy policies** and conducts regular **supplier audits** to ensure compliance with its stringent **data protection standards**. Similarly, **Intel** follows comparable practices, auditing its suppliers and incorporating **sustainability** into its global strategy. **Salesforce** also has clear policies on **climate action, diversity, and responsible AI**, with specific initiatives such as reducing its **carbon footprint** and promoting inclusive workforce practices to support the practical implementation of its ethical frameworks.

Eastern companies, while also taking concrete actions, often emphasize long-term societal benefits in their ethical strategies. For example, **Alibaba** focuses on achieving **carbon neutrality** and emphasizes **social responsibility** in both its **supply chain** and governance structures. Similarly, **Tencent** and **ByteDance** highlight initiatives aimed at ensuring **ethical AI development** and **community inclusivity**, striking a balance between ethical practices and a **collectivist approach**.

Ethical Discourse:

Western companies communicate their ethical values through concepts such as **individual rights, corporate transparency, and accountability**. Their language often emphasizes **personal freedom, data protection, and privacy**, reflecting the **individualistic** values that are characteristic of Western corporate ethics. For example, **Apple** emphasizes **data privacy** as a **human right** and positions it as a core part of its business ethics. Similarly, **Meta** focuses on **transparency** and highlights the importance of **user consent** in its ethical discourse, underscoring the need for clear communication with users about how their data is handled.

In contrast, Eastern companies typically frame their ethical discourse around **collective values, social good, and long-term sustainability**. They emphasize how their business practices contribute to the **community** and the **global society**. For instance, **Alibaba** and **Baidu** discuss the **ethical use of AI for good** and sustainability, with a particular focus on the **societal impact** of their actions. **Tencent** emphasizes the importance of **technology for social good**, positioning its practices as beneficial to the **collective community**.

From this analysis, we observe that **Western companies** emphasize **individual rights, privacy, and data protection**, while **Eastern companies** prioritize **community well-being, collective societal benefits, and long-term societal goals**. While there are differences, **globalization** and the influence of multinational corporations have driven **some convergence** in ethical themes, particularly around **sustainability, data privacy, and AI ethics**.

We see how multinational corporations drive the homogenization of ethical values across cultures or adapt their ethical frameworks to reflect regional differences. The findings indicate that there is a growing **global convergence** on ethical themes like **sustainability** and **data privacy**, but regional differences remain significant in areas such as **community well-being** versus **individual rights**. This provides insights into how companies navigate cultural contexts while addressing global challenges.

H3 Testing

To address **H3 (Societal Perception Hypothesis)** using the documents from all the companies, the analysis will focus on understanding how multinational tech corporations emphasize corporate governance in their ethical policies and explore regional variations in this emphasis. The goal is to identify how societal perceptions of corporate control shape governance practices and ethical frameworks across different cultural and regulatory contexts.

Emphasis on Corporate Control:

Western companies prioritize **transparency, shareholder rights, and executive oversight** in their governance models. For example, **Apple** emphasizes **board independence**, ensuring regular oversight by independent directors and incorporating **detailed shareholder rights** as part of its governance

practices. **Meta** and **Intel** similarly focus on **independent board oversight** and **executive accountability**, ensuring that **shareholders** have significant voting rights. **Amazon** places considerable emphasis on **shareholder engagement** and **global regulatory compliance**, recognizing the strategic importance of maintaining strong governance frameworks. **Salesforce** highlights its commitment to **transparent governance** and **executive accountability**, particularly in managing both **local** and **global operations**.

In contrast, Eastern companies, while sharing some similarities, generally emphasize **centralized control** and **executive-led governance**. For instance, **Alibaba** and **Baidu** stress the importance of **centralized leadership** and **executive-driven governance** as key components of their operational decision-making. **Tencent** places even greater emphasis on **founder-led leadership** and decision-making from the top, a characteristic of many companies in collectivist societies.

Governance Frameworks:

Western companies typically adopt a **one-tier board structure**. For example, **Apple**, **Meta**, **Intel**, and **Salesforce** all use a **one-tier board structure**, where the same board is responsible for both **executive** and **non-executive** functions. This structure is designed to ensure efficiency, streamline decision-making, and guarantee **shareholder representation**.

In contrast, Eastern companies often exhibit a preference for **two-tier board systems**. For instance, **Alibaba**, **Baidu**, and **Tencent** frequently use **two-tier boards**, where the **supervisory board** oversees the **executive board**. This model aligns with more **hierarchical, consensus-driven governance systems** that are characteristic of Eastern contexts. **ByteDance** also follows a similar governance structure.

This structural difference highlights a broader cultural divide: **Western companies** tend to prioritize **transparency, accountability, and shareholder engagement**, while **Eastern companies** focus more on **internal decision-making processes** and maintaining **centralized control**.

Regional Variations:

Western companies prioritize **shareholder rights, transparency, and executive oversight** in their governance practices. For example, **Meta** and **Apple** emphasize the importance of **shareholder engagement** and **transparency** in their decision-making processes. **Intel** and **Amazon** place significant importance on **regulatory compliance** and ensuring that their **governance structures** align with **market expectations**, particularly in **North America** and **Europe**.

In contrast, Eastern companies emphasize **centralized decision-making** and **top-down governance**. For instance, **Alibaba** and **Tencent** highlight the importance of **founder-led governance** and **internal decision-making**. **ByteDance** and **Baidu** focus on ensuring that

their **governance frameworks** align with both **local regulatory expectations** and **societal norms** in **China** and **Asia**.

Strategic Importance of Governance:

Western companies view **corporate governance** as essential for building **trust**, ensuring **accountability**, and adhering to **regulatory standards**. For example, **Apple** states that its governance framework is vital for maintaining trust and accountability with both **investors** and **customers**. Similarly, **Salesforce** articulates that its governance practices support its **corporate responsibility** and align with **global regulatory expectations**. **Meta** also emphasizes the strategic importance of governance in protecting its **reputation** and ensuring **compliance with global regulations**.

In contrast, Eastern companies view governance primarily as a means to ensure **sustainability** and **long-term growth**. For example, **Alibaba** positions its governance framework as a way to ensure **business stability** and maintain **social responsibility**. **Tencent** frames **corporate governance** in terms of fostering **long-term growth**, achieved by maintaining strong **internal decision-making** and **accountability** at the top level of the company.

Challenges and Opportunities:

Western companies face challenges related to balancing **transparency** and **shareholder interests** with **privacy** and **data protection**. For example, **Apple** and **Meta** highlight the tension between **corporate governance** and **privacy regulations**, emphasizing the need to adapt to stricter regulatory frameworks like **GDPR** in Europe. **Intel** and **Amazon** face operational challenges in aligning **global governance standards** with **local regulatory requirements** while maintaining **shareholder engagement**.

In contrast, Eastern companies report challenges in managing **centralized governance** in markets with varying regulatory requirements. For instance, **Alibaba** and **Tencent** face challenges in ensuring that their **centralized governance models** align with **Western regulatory standards** and ensure **global transparency**. Similarly, **ByteDance** and **Baidu** mention challenges in balancing **local control** with the need for **global accountability** as they expand their influence internationally.

From this analysis, we see:

Western companies emphasizing **shareholder rights**, **transparency**, and **executive oversight** as key elements of their **corporate governance**, while **Eastern companies** focus on **centralized governance** and **founder-led decision-making**.

Regional differences are apparent, with **Western companies** prioritizing **transparency** and **stakeholder trust** and **Eastern companies** focusing on **internal governance** to ensure long-term stability and growth.

There is an emerging trend towards **global convergence**, especially in companies like **Apple** and **Meta**, which aim to integrate **global best practices** while navigating cultural and regulatory challenges in **Eastern regions**.

This analysis helps to understand how **corporate governance** practices differ across **Western** and **Eastern companies** and how **societal perceptions** of corporate control influence governance structures and practices. While **Western companies** focus on **transparency** and **accountability**, **Eastern companies** tend to emphasize **centralized governance** and **sustainability**. This highlights the balance that multinational corporations must strike between adhering to **global governance standards** and adapting to **local cultural expectations** and **regulatory environments**.