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SOCAR LEGAL & COMPLIANCE FORUM 2026 · BAKU

THE HUMAN EDGE IN LEGAL & COMPLIANCE

ACTIONS AND INSIGHTS FOR BACK AT THE OFFICE

Thank you so much for joining my keynote at the SOCAR Legal & Compliance Forum 2026. I hope you find the following helpful. I'd be delighted to work with you or your organisation further. Please email mda@martindadams.com or martin@formantadvisory.com.

AI's purpose isn't given; it's chosen. Our vision for legal and compliance is value: what you make possible for SOCAR, not how much you review. The purpose that serves it: AI as SOCAR's nervous system, sensing every signal, responding from your context, and learning from every response. Our core capability is enterprise context; our model is human and machine intelligence together. Here is how to put that into practice, and stay in charge of it.

1 HOW DO WE GET OUR KNOWLEDGE INTO THE MACHINE?

+ **Know what context is.** Context is what SOCAR knows that the AI doesn't: which entity, jurisdiction and counterparty, what was agreed last time, your positions, and who approves exceptions. Write down what is the same every time, once, for the whole group.
+ **Write down your playbooks.** For each clause or rule: the standard position, the fallbacks and red lines, and who approves exceptions. Do it for contracts (governing law, liability caps, indemnities, sanctions, force majeure, change of control, termination, confidentiality, dispute resolution) and for compliance rules such as screening and approvals.
+ **Build the rest of the legal layer.** Precedents tagged by entity, jurisdiction and counterparty (start with the last two years of signed agreements); a regulatory map, country by country; and each entity's rules, including delegation of authority and group policies.
+ **Decide what AI is allowed to see** using the classification already on each document: secret, confidential or working.
+ **Connect it to the business.** Your AI needs their facts; their AI needs your rules. Legal's context plus the business's facts is enterprise context, and every department's AI should draw on it.

DO	Write rules and examples, not principles.
AVOID	A playbook the machine never reads, or one that is out of date.
TEST	Give an AI the same NDA with and without your playbook. Same answer? Your playbook isn't captured yet.

2 WHERE IS IT A MISTAKE TO FOCUS AI?

+ **Don't make speed the goal.** Every legal team, and every business team you support, gets the same AI, so the savings converge. In one survey, 81% of in-house leaders named speed as AI's main benefit; only 9% track its effect on business outcomes. Measure what legal enables, not how fast it reviews.
+ **Don't replace people before you redesign the work.** Decide what the lawyer does with the time before you automate the task.
+ **Don't let lawyers become relays.** Every AI output is checked against the original source and your playbook. Anything going to a court, a regulator or a counterparty: a lawyer checks it. Everything else: the playbook checks it, and a lawyer checks a sample.
+ **Don't wait for AI law.** Courts already hold the company and the lawyer responsible for what AI produces: Air Canada (2024), Mata v Avianca (2023), Ayinde v Haringey (2025). None of them needed an AI statute.

3 WHAT CREATES REAL VALUE FOR A LEGAL FUNCTION?

+ **Judge your value by what you enable.** Cheaper review is the floor every legal team will reach. How safely and how boldly the rest of SOCAR can act is the ceiling. Every change SOCAR makes passes through legal, so legal sets the pace: value is a rate.
+ **Use AI to sense, respond and learn.** Every contract, dispute, screening hit and regulator's question, in every entity, is a signal. Sense all of them, respond from your context, and feed each lesson back into the playbook.
+ **Work with the business on its AI changes, before they go live.** Every AI tool another team brings in raises four questions only legal can answer: what data it is allowed to see, on whose terms, under which country's rules, and who answers when it is wrong. IT controls what it can see; legal decides what it is allowed to see.
+ **Spend the time AI gives back with the business.** Every hour off review is an hour to fix problems before they reach your desk. Efficiency is not the destination; it is the unlock.

DO	Fix the one rule behind fifty alerts.
AVOID	Reviewing the 40th NDA by hand.

4 WHAT MUST STAY WITH MY LAWYERS?

+ **Split the work on purpose.** Closed-ended work, with one right answer, goes to the machine: a standard clause against the playbook, a name against the sanctions list. Open-ended work, with no single right answer, stays with lawyers: a new deal structure, a new regulation, group policy against local law.
+ **Treat AI like a junior lawyer** who writes beautifully, knows nothing about your client and never admits doubt.
+ **Keep the four jobs human.** Decide them when you set it up, and check them while it runs.

GOAL	Set its goal and its limits: what it is for, and what it must never do (for example, send anything outside SOCAR without a lawyer's OK).
CONTEXT	Give it the facts and your playbook: entity, jurisdiction, counterparty, what was agreed last time.
JUDGE	Decide what comes to a lawyer: any change to liability or governing law, a counterparty on a watchlist, anything outside the playbook, group policy against local law.
RISK	Name who answers when it is wrong: one supervising lawyer who approves the playbook, checks a sample and can switch it off.

+ **Judge AI's work by how it was made, not how it reads.** Looking right proves nothing now. Ask what you would ask about any junior's work: What were they asked to do, and not to do? What documents and facts did they have? Who made the judgement calls? Who reviewed it before it went out? If you can't answer all four, don't rely on the work. With AI, answer them before it starts.

AVOID	Trusting work because it reads well. Fluent is not the same as correct.

5 WHO IS RESPONSIBLE WHEN AI GETS IT WRONG?

+ **Give every task you hand to AI a supervising lawyer.** AI does the work; a named lawyer owns it. Whoever owns the work when a junior does it owns it when AI does it. If nobody supervises it, nobody relies on it.
+ **Use the six signs.** A task needs a supervising lawyer when two or more are true: several people use it; its work must meet a shared standard; its work is passed on to someone else; it uses company data; it reaches a counterparty or commits the company; it breaks if the person who built it leaves.
+ **Treat the four jobs as duties.** Courts already expect lawyers to check AI research against authoritative sources before relying on it (Ayinde, 2025), and the lawyer answers, not the tool (Mata, 2023). The EU AI Act requires high-risk AI to be used for its stated purpose, with a named, trained person who can override it and stop it.

- **Set one group policy for how lawyers use AI.** Add local rules only where local law requires. Don't wait for each country's AI law: set SOCAR's rules now, and add local rules as they arrive.
- **Extend it to external counsel.** One line in the engagement letter: disclose AI use, verify every authority, and remain responsible for the output.
- **Move from my AI to our AI, as One Team.** From personal use, to shared prompts and templates, to one shared legal context, to supervised tools.
- **Start with one task for 90 days.** NDA review against the playbook is the obvious one. Lawyers revise the standard monthly. Report what changed.

OUR VISION: VALUE. OUR PURPOSE: SENSE, RESPOND, LEARN.
KEEP FOUR JOBS WITH YOUR LAWYERS: SET ITS GOAL, GIVE IT THE FACTS, DECIDE WHAT COMES TO A LAWYER, NAME WHO ANSWERS.

Sources: Moffatt v Air Canada, 2024 BCCRT 149 · Mata v Avianca, SDNY 2023 · Ayinde v Haringey [2025] EWHC 1383 (Admin) · ACC & Everlaw GenAI survey, Nov 2025 · US Federal Reserve SR 11-7, 2011

ABOUT MARTIN D. ADAMS

Martin D. Adams is an AI entrepreneur, board adviser and international keynote speaker. He founded, scaled and exited pioneering AI businesses, most recently Metaphysic.ai, named one of TIME's 100 Most Influential Companies. Through Formant, his strategic advisory practice, he works with leadership teams in enterprises and scale-ups to take AI beyond just productivity and efficiency: to understand changing customers, find unmet needs and build more responsive, valuable organisations. Strategic executive advisory, applied AI workshops and keynotes.

Advisory: formantadvisory.com **Speaking: martindadams.com**