

Lenovo

Asia/Pacific

CIO Playbook 2026: The Race for Enterprise AI

eBook | January 2026



Research insights by



Introduction

Artificial intelligence (AI) is rapidly advancing, reshaping industries and redefining value creation globally. IDC research shows enterprises becoming truly AI-driven not only in IT and back-office operations, but also in client-facing activities, from enhancing customer experiences to improving citizen services. The opportunities for meaningful AI outcomes continue to grow.

This year's report, 'The Race for Enterprise AI', builds on last year's 'AI-nomics' theme, which focused on ROI and validating early AI investments—taking the conversation beyond the business case to scaled enterprise impact. AI growth is fueled by adequate data, capable AI skills and a willingness to experiment; which, when institutionalized, supports competitive advantage through economies of scale. Companies know this – and eagerly seek to realize the many first mover advantages of AI deployment.

In short – the Race to Enterprise AI is on.

Agentic AI builds upon these enterprise AI investments but demands additional system integration and business change to be successful. No surprise then, that early Agentic AI adopters lead with a holistic, enterprise-wide approach to AI strategy, governance, and deployment, balancing performance, control, security, and risk. This is not easy, and organizations struggle to integrate AI into their operating models for maximum business impact.

This CIO Playbook supports IT leaders in this race to enterprise AI, providing insights into emerging adoption patterns, lessons learned from peers, and practical guidance for advancing AI maturity. In an agentic world, where competitive advantage depends on AI's effective use at scale, CIOs must set the pace and shape the outcome of their enterprise's AI journey.



Definitions of AI Types



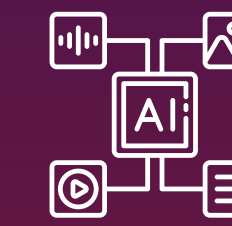
Predictive AI

Analyzes large data sets to uncover long-term behavioral patterns for forecasting.



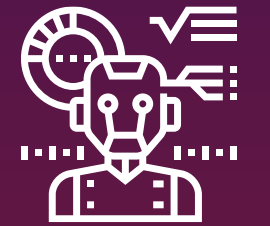
Interpretive AI

Analyzes unstructured data—such as language, images, and event streams—to uncover patterns and derive insights.



Generative AI (GenAI)

Creates new content or code by leveraging existing content or code as a foundation, using Large Language Models (LLMs).



Agentic AI

Uses machine learning and deep learning techniques to exhibit agency—setting goals, making decisions, and taking actions through the perception-reasoning-action loop.

CIO Strategic Imperatives (1/2)

Here are some key insights from IDC's research involving 920 IT and business decision makers (ITBDMs) in Asia/Pacific (AP), along with considerations for CIOs for 2026:

Insights

Considerations for CIOs for 2026

1



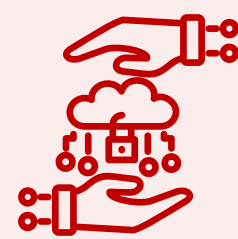
Business Priorities

AI Gets Down to Business

In 2026, alongside increasing profits, revenue, and customer satisfaction, "enhancing, innovating, or reinventing the business with AI" has become a top priority for organizations in AP markets. This marks a fundamental shift, as organizations now regard AI as a critical enabler of transformation and competitive advantage.

- CIOs should prioritize AI as a key driver of business model innovation, collaborating with other business leaders to identify and focus on high-impact, scalable use cases relevant to their organizations. These targeted initiatives can justify investments in flexible hybrid infrastructure and platform AI, opening further opportunities for AI at scale.
- In partnership with other business leaders, CIOs should use AI, particularly Agentic AI, to reimagine core processes and unlock new revenue streams and market opportunities.
- CIOs must carefully manage the (sometimes slow) deployment of AI at scale—especially Agentic AI—balancing short-term benefits with regular measurement and selective communication of business outcomes to maintain executive and employee buy-in, while fostering a culture of experimentation that accelerates AI adoption and value realization.

2



AI Adoption / Implementation

Going Above and Beyond the IT Department

In 2025, two-thirds of AP organizations have moved beyond the initial stages of AI implementation into piloting/wide-spread adoption, with half of AI projects funded by departmental budgets outside IT. Non-IT functions like marketing, finance, and industry LOBs are set for the faster growth in AI implementation. 88% of organizations expect positive ROI from AI, with an average return of \$2.85 for every dollar invested.

- CIOs should enable and support AI adoption across all business units by providing shared platforms, tools, and best practices.
- Focusing deployments on areas with proven value will maximize impact.
- Facilitating cross-functional collaboration and investing in training will build AI literacy and confidence throughout the organization.
- Tracking and communicating both financial and non-financial returns will help build momentum and support for further AI investments.

3



AI Investment

From Tech Foundations to Solutions

96% of organizations plan to increase AI investment in the next 12 months, with spending growth averaging +15%. Cloud, on-premises infrastructure, and security remain important investment areas. GenAI and Agentic AI solutions have emerged as top priorities for 2026. This shift underscores the growing demand for scalable, secure, and high-performance platforms to support advanced AI deployments.

- CIOs should invest in flexible, modern, and scalable infrastructure that can support both current and future AI workloads at scale.
- CIOs must align their infrastructure investments with a clear enterprise AI roadmap (that includes Agentic AI) and ensures flexibility and readiness for rapid innovation and growth.
- CIOs must evaluate their AI platforms based on their performance, security, and flexibility in supporting increasingly diverse AI use cases and workloads at scale across the enterprise.
- CIOs should partner with vendors offering integrated infrastructure and solution stacks that enable more seamless and flexible deployment across a wide range of AI workloads.

CIO Strategic Imperatives (2/2)

Here are some key insights from IDC's research involving 920 IT and business decision makers (ITBDMs) in Asia/Pacific, along with considerations for CIOs for 2026:

Insights

4



AI Challenges

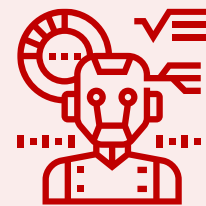
Trust, Accountability, Alignment and Control are Non-Negotiable

Only one-third of organizations have comprehensive AI governance frameworks, while close to half (47%) are still developing policies. Responsible AI practices, data security/quality and transparency were highlighted as key inhibitors to AI trust, alignment, control and accountability.

Considerations for CIOs for 2026

- CIOs must urgently develop and enforce policies to address AI security, privacy, and data sovereignty.
- CIOs must begin to establish responsible AI practices and transparent decision-making to help address trust and accountability concerns and build employee and executive confidence in the technology.
- CIOs must regularly review and update their AI governance frameworks to align and control AI use with evolving workloads, use cases, as well as new risks and regulations. This must be done while educating stakeholders on responsible AI principles to ensure sustainable adoption and long-term success.

5



Innovations

Agentic AI and Hyperautomation

Agentic AI isn't just a buzzword; more than half of organizations report that they are exploring, piloting, or have deployed it in a limited fashion. Organizations are most interested in implementing Agentic AI for cybersecurity, customer service, and quality control.

- CIOs should develop a structured approach to agentic AI use cases, ensuring collaboration between IT and business teams to maximize impact.
- Investing in platforms and tools that enable effective monitoring, control, and optimization of Agentic AI deployments is essential.
- Prioritizing use cases that deliver measurable business outcomes will help demonstrate value, while preparing the organization for the cultural and process changes required to scale agentic AI safely and effectively will be key to long-term success.







Asia/Pacific Insights

Business Priorities

AI Gets Down to Business

AI adoption becomes a business-first mandate, doubling down on AI strategy and its impacts on revenue growth and customer impact.

The 2026 strategic landscape reflects a decisive shift: AI is no longer merely an experimental tool but the primary engine for business growth and customer-centric value. This focus on tangible outcomes aligns with the surge in systematic AI adoption detailed later in this playbook, confirming that AI is being successfully incorporated into day-to-day operations to drive bottom-line results.

Business Priorities – Asia/Pacific		2025	2026	YoY Change
	Increasing revenues & profit growth	8	1	+7
	Enhancing/innovating/reinventing our business with AI	N/A	2	New for 2026
	Improving customer experience & satisfaction	10	3	+7
	Driving digital business innovation	3	4	-1
	Improving employee productivity	2	5	-3

- **Pivot to Financial Fundamentals:** Organizations are moving beyond broad “digital innovation” and compliance mandates, shifting to a sharp focus on the bottom line. In a tightening economic climate, technology investments are now rigorously measured by their ability to deliver immediate, tangible revenue and profit growth.
- **AI as Business Strategy:** In APJ, organizations are maturing in their view of AI—shifting from a productivity tool to the core driver of corporate strategy. Leaders see the next phase of value not just in optimizing workflows, but in leveraging AI to unlock new revenue streams and redefine competitive advantage.
- **Resurgence of Customer-Centric Growth:** The focus has decisively shifted from internal metrics to the customer. As AI foundations stabilize, organizations are redirecting capabilities outward to transform the customer experience, recognizing that hyper-personalized engagement is the key differentiator for retention and growth in an automated market.

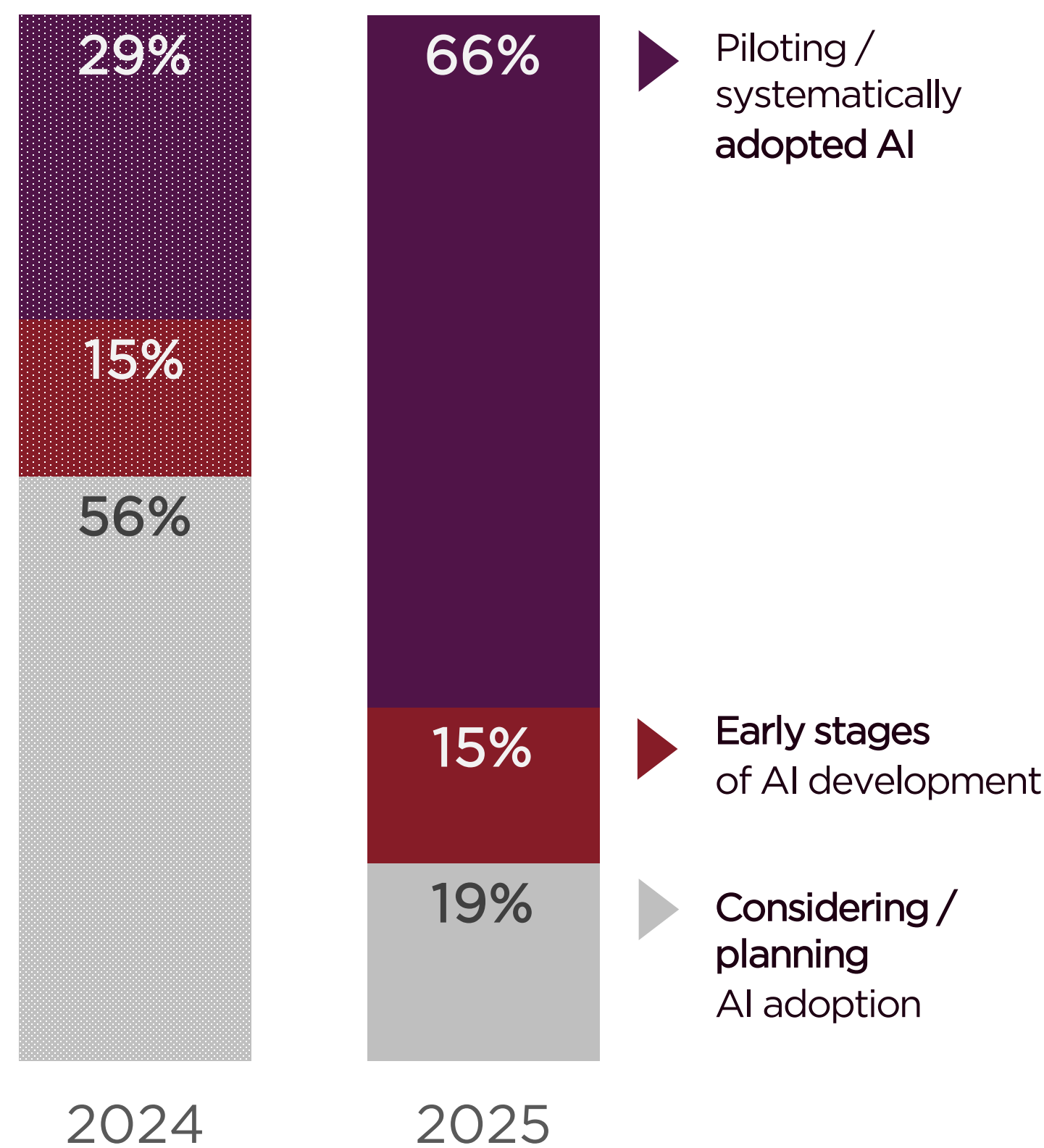
AI Adoption

Going Above and Beyond the IT Department

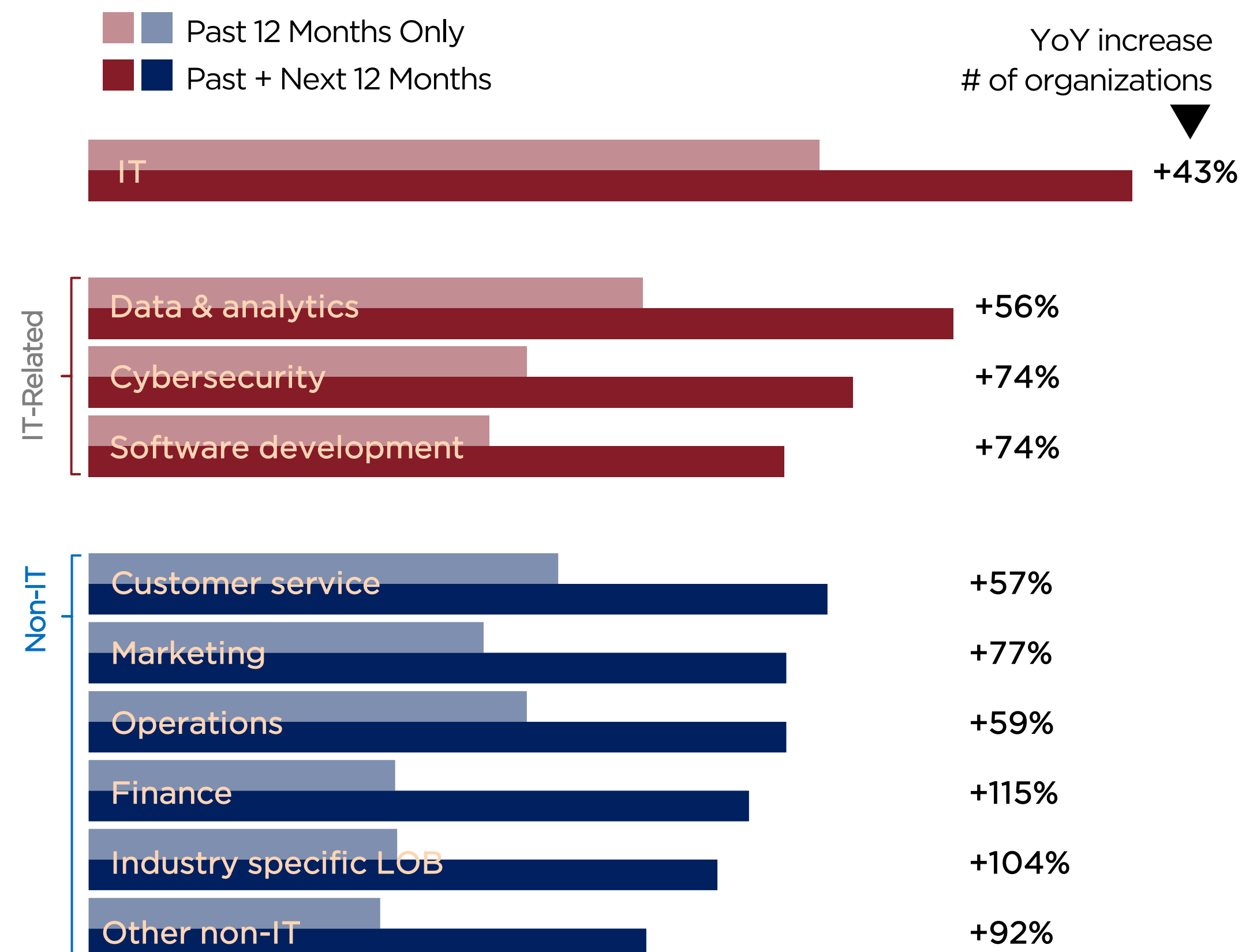
AI deployment is both deeply permeating IT departments and rapidly going beyond it into other functional and business areas.

- **Accelerating from Exploration to Scale:** AI adoption is rapidly advancing, with the number of organizations piloting or systematically deploying AI at scale more than doubling year over year. IT departments, especially those with successful pilots, have transitioned AI from an emerging trend to a mainstream operational imperative.
- **Decentralizing Investment and Impact:** While IT use cases remain predominant, AI investment is expanding beyond IT. One in two organizations surveyed reported that non-IT departmental budgets are contributing to AI implementations. Significant growth is evident in non-IT functions, particularly Finance (+115%) and industry-specific lines of business (+104%). This shift enables business leaders to leverage established IT foundations for targeted, high-value AI use cases—such as predictive forecasting and automated compliance. Prior IT-led investments become even more critical as business areas consider deploying Agentic AI, which requires greater system integration and organizational change.

AI Adoption Status



AI Implementation by Business Area: past year & next year



AI Implementation

37
POCs
The average number of POCs implemented last year.

50%
Production
Average % of POCs that transition into production.

52%
Average % of target users adopt AI projects in production.

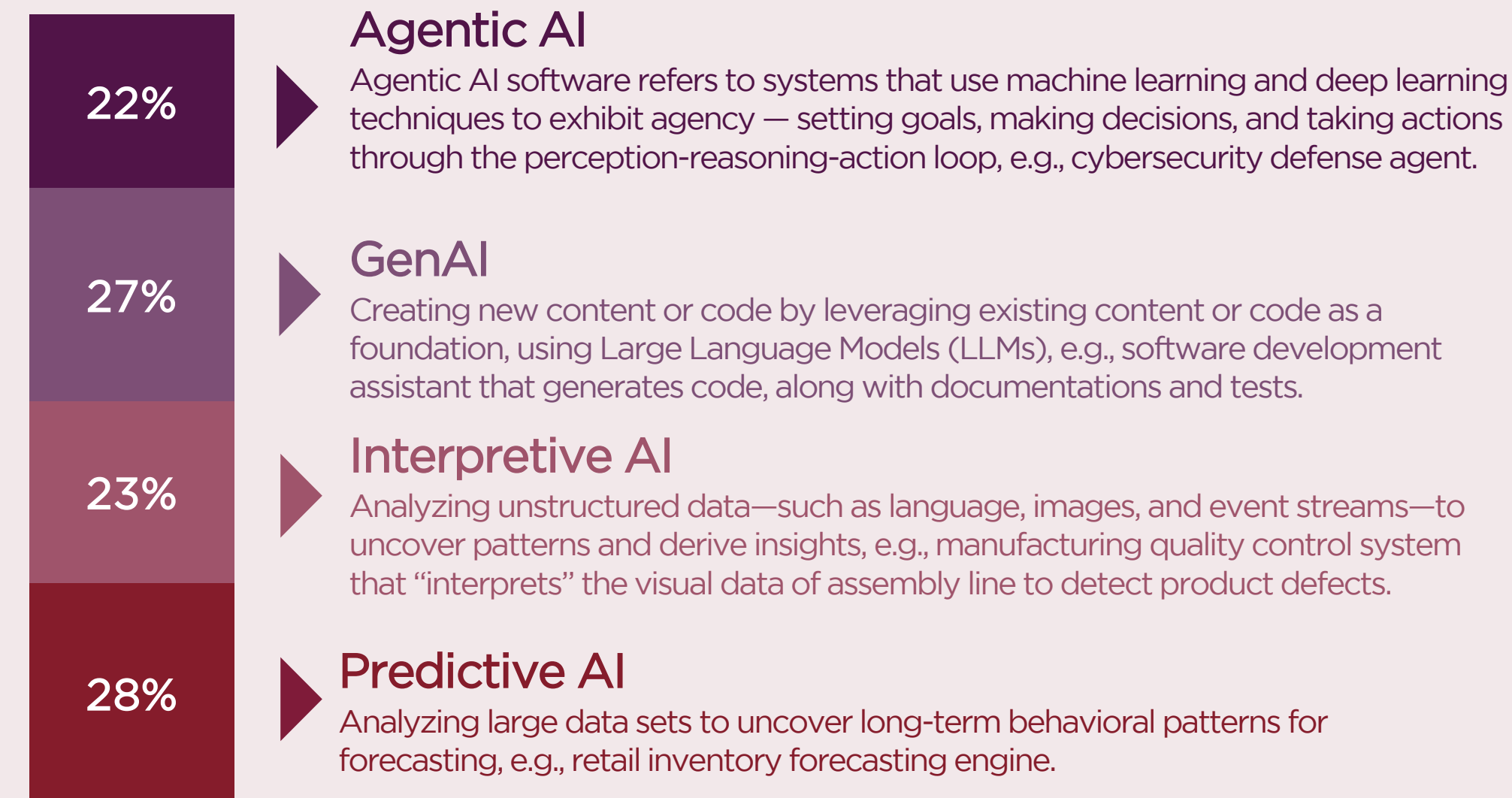
AI Investment

From Tech Foundations to Business Solutions

AI investment is shifting from building foundations to solution-driven portfolios of AI capabilities.

96% of surveyed organizations plan to increase their investment in AI over the next 12 months, with an average spending growth of approximately **+15%**.






Spending Distribution by AI Type for the Next 12 Months



The nearly equal spending distribution reveals that organizations are adopting a diverse, “right-tool-for-the-job” portfolio approach. This parity confirms that enterprises are moving toward a composite AI strategy, where predictive and interpretive AI models are being augmented by the creative and autonomous capabilities of GenAI and Agentic AI.

A Strategic Pivot from “Building” to “Solving”: Investment allocations signal a maturity shift. With public cloud AI services and the deployment and support of AI infrastructure dominating investments over the past 12 months, enterprises in Asia/Pacific have largely established their initial tech foundations. The prioritization is now pivoting to GenAI and AI agent development and solutions, redirecting funds toward the application layer—specifically, solutions that solve distinct business problems and deliver immediate ROI.

AI Investments Priorities for the Next 12 Months

- 1  Generative AI development, deployment & applications/solutions
- 2  AI agent development, deployment & applications/solutions
- 3  Public cloud AI services
- 4  On-premise AI infrastructure (e.g., servers, GPUs)
- 5  AI security, trust & transparency tools



AI Value

Think Holistically about AI's Returns

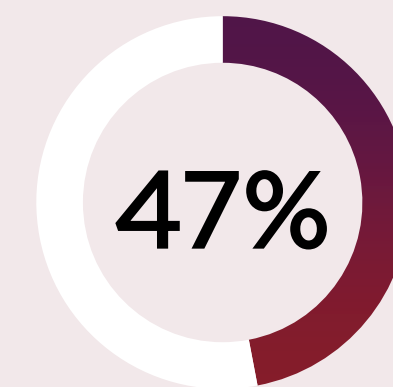
The true return on AI is multidimensional—and combines economic benefits with improvements in how organizations operate, serve and compete.

- **A Reality Check on Financial Returns:** Organizations are seeing tangible value from their AI initiatives and remain confident in achieving a positive ROI. While this year's average expected return of \$2.85 for every dollar invested in AI projects is more conservative compared to last year's \$3.60. Having likely exhausted the "low-hanging fruit" of quick efficiency wins, CIOs are now navigating the more complex, resource-intensive phase of enterprise integration, leading to a more grounded and realistic financial outlook.
- **The Rise of the Holistic Value:** The definition of "return" is expanding beyond the balance sheet. Beyond direct financial gains, organizations are prioritizing holistic improvements, ranking improved customer experience, increased employee engagement and better decision-making as top non-financial benefits. Leaders are recognizing that AI's true power lies in its ability to transform the qualitative fabric of the business—empowering people and delighting customers—which ultimately fuels long-term sustainability over short-term gain.

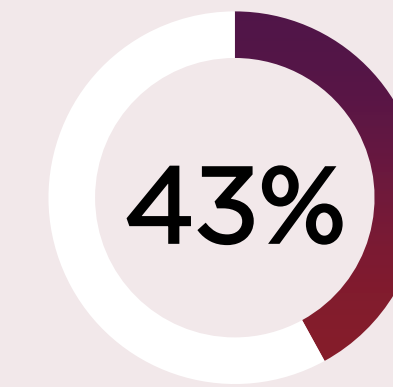
88% of surveyed organizations anticipate a positive return on investment (ROI) from their AI initiatives.

On average, these organizations expect to generate **\$2.85** in value for every dollar invested in AI projects.

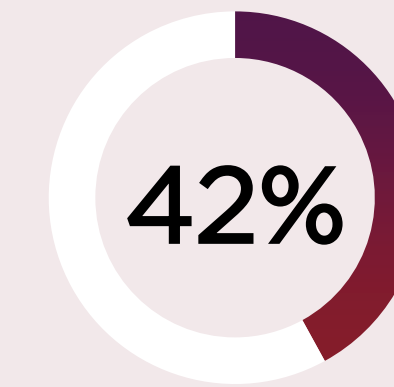
Top Non-Financial Benefits Realized from AI Initiatives



Improved customer experience



Increased employee engagement or satisfaction



Improved decision-making speed or effectiveness

Top Business Areas where AI has Shown Positive Returns

- 1 IT Ops
- 2 Data & Analytics
- 3 Cybersecurity
- 4 Customer Service
- 5 Software Development

Spotlight Quotes

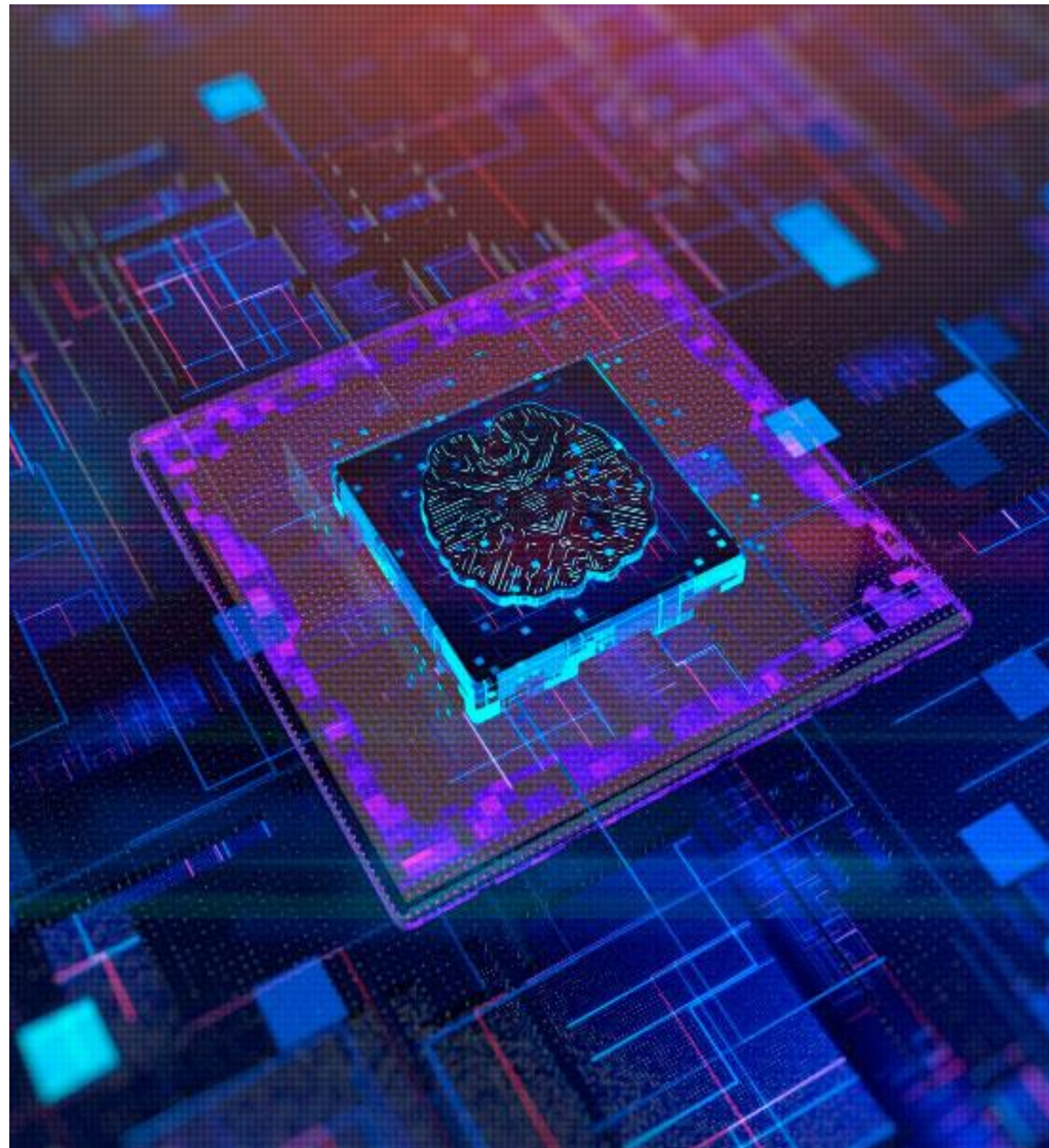
"There are deployments or implementations of AI that will lead to much better efficiencies for businesses rather than just headcount. For example, using AI to grow your business more efficiently and reducing your cost of sales, cost of goods rather than necessarily reducing headcount, I think should be the area of focus."

— Business leader based in ANZ

AI Success & Scale

Skills, Infrastructure, Data and Integration remain Challenges






AI success at scale hinges on closing skills gaps, strengthening data foundations, and integrating infrastructure end-to-end—from core to edge.



As enterprises move beyond isolated POCs to scaled AI initiatives that create significant business value, they must overcome two important challenges:

- **Empowering the Workforce to Drive Scale:** AI success has shifted from a technical hurdle to a human capital imperative. CIOs must synchronize their technology roadmaps with a human capital strategy that empowers users to translate these tools into operational adoption.
- **Democratizing Access with Secure Foundations:** The high ranking of AI devices highlights that scale starts with putting AI directly into the hands of employees. True scalability requires a holistic ecosystem, backed by scalable infrastructure and secure data protocols, creating a trusted environment where human-AI collaboration can thrive.

Critical Success Factors for AI Implementation in Organizations

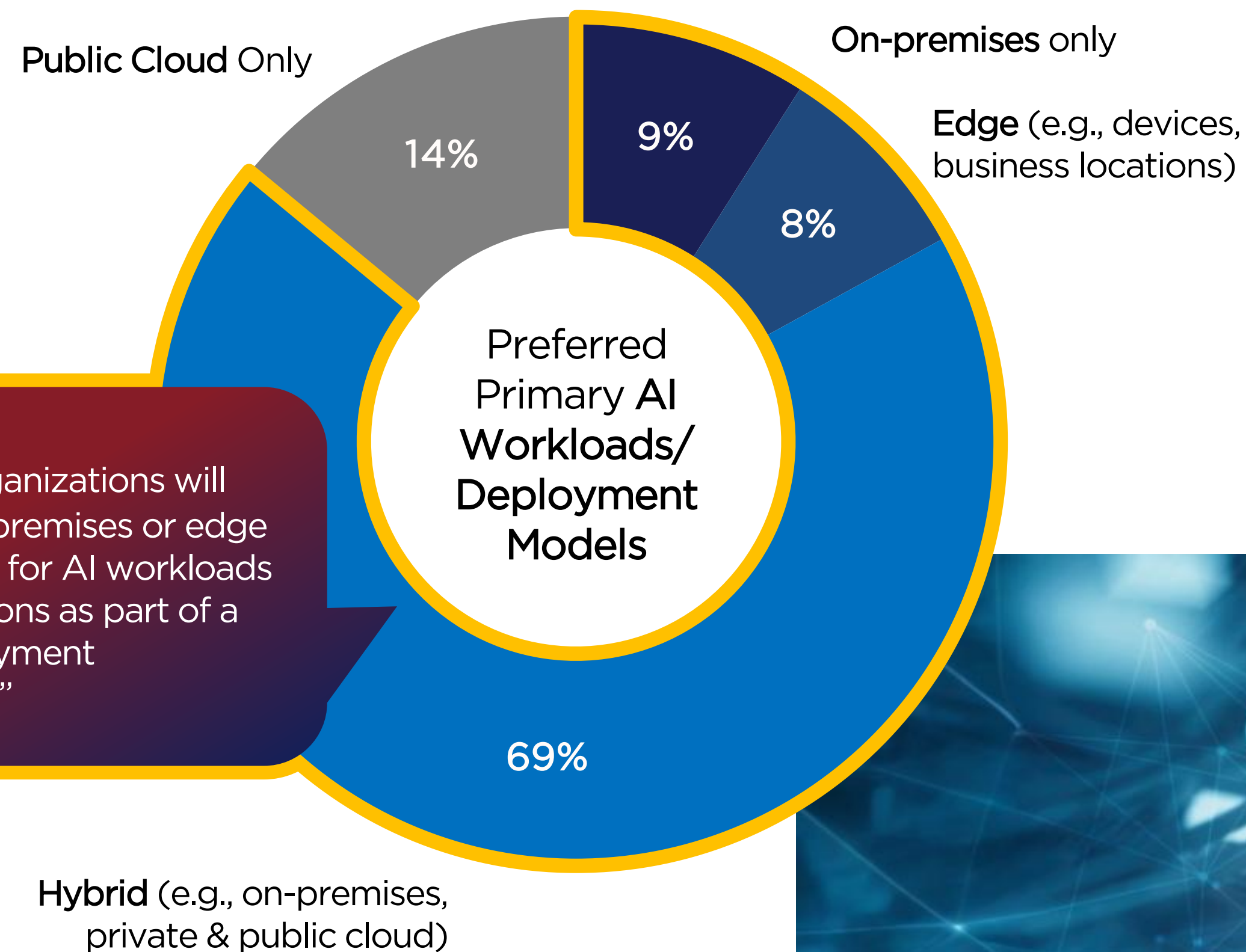
- 1  Employee training/upskilling to build internal AI expertise (e.g., MLOps, prompt engineering)
- 2  Availability of AI devices (e.g., PCs, workstations, smartphones & tablets)
- 3  Scalable, high-performing, and cost/energy-efficient AI infrastructure
- 4  Effective human-AI collaboration for optimized workflows
- 5  Secure access to data & information across personal, enterprise, cloud environments

AI Infrastructure

Hybrid AI Platforms for Scalable, Secure Enterprise Workloads

Hybrid AI is becoming the default enterprise architecture, with on-prem and edge critical for scale, security, and control.

The market has decisively standardized on a hybrid approach, with 86% of organizations incorporating on-premises or edge environments into their AI architecture. The resurgence of on-premises investment is driven by the necessity for "sovereign AI"—where data privacy, regulatory compliance, and security protocols dictate that mission-critical workloads remain closer to the data source. In addition, as enterprises move beyond pilots, the economics of large-scale inference and training means that LLMs can become extremely expensive using pure public cloud GPUs. In consequence, CIOs are prioritizing infrastructure that offers the flexibility to customize operations and optimize workload placement based on performance and latency needs.



86% of organizations will leverage on-premises or edge deployments for AI workloads and applications as part of a hybrid deployment environment."

Key Drivers for On-Premises AI Workload Deployment

- 1 Ensuring data privacy, regulatory compliance, and security protocols
- 2 Implementing advanced security strategies/measures to address emerging threats
- 3 Flexibility to customize & optimize infrastructure
- 4 Greater control over operations & data
- 5 Challenges in managing cloud environments



AI Devices

Supporting End-User Productivity with Edge Inferencing on AI Devices

AI inferencing moves to the edge for improved latency, autonomy, and user productivity.

Organizations are making the deployment of AI devices for productivity and local inferencing a top IT investment priority in 2026. IDC predicts that by 2027 half of enterprise PC purchases will have on-device AI agents and that the focus of AI models will shift from training to inferencing, requiring most enterprises to deploy distributed edge infrastructure. CIOs must partner with business leaders to identify where AI delivers the greatest value, determine which users benefit most, and align application requirements to minimize latency and maximize the responsiveness of AI-driven workflows.

Survey Insights

“Deploying AI devices to enhance productivity & local inferencing” is the **#2 ranked** IT investment priority for the next 12 months.

IDC Predictions

By 2027, **50% of enterprise PC purchases will shift to models with on-device AI agents.** These agents will work in hybrid mode (on-device and cloud), enhancing productivity, security, and autonomy.

Source: IDC FutureScape: Worldwide Connected Devices 2026 Predictions

By 2027, as the focus of AI shifts from training to inferencing, **80% of enterprises will deploy distributed edge infrastructure** to improve the latency and responsiveness of AI applications.

Source: IDC FutureScape: Worldwide Digital Infrastructure 2026 Predictions



Spotlight Quotes

“A lot of what takes place in those verticals will take place at the edge and there will be an element that takes place at the edge and then it will go back to the core for training or retraining... certainly a lot of that inferencing particularly where you’re in remote environments and we’re servicing that too with edge devices that are supported by our platform that sits on top... Yes, we are seeing that as something that is a trending, especially for certain verticals.”

— Business leader based in ANZ

AI Challenges

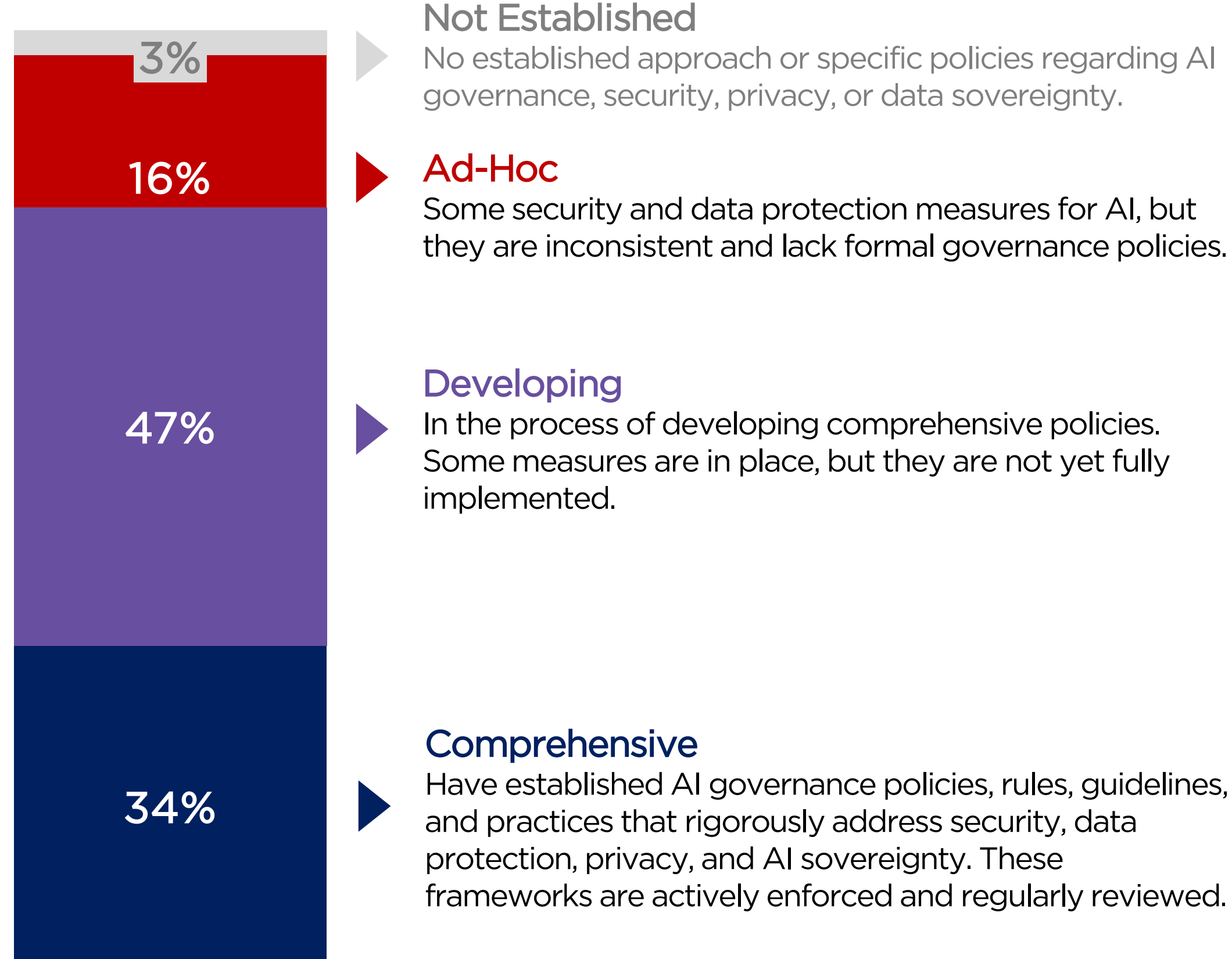
Trust, Accountability, Alignment and Control are Non-Negotiable

As AI scales, trust, accountability, alignment, and control determine whether AI creates business value or business risk.

With approximately two-thirds of organizations lacking a comprehensive framework for AI governance, risk, and compliance, many are trying to scale AI without adequate guardrails. This creates a fragile ecosystem where innovation speed outpaces risk management, leaving enterprises vulnerable to "making bad decisions really, really fast."

Survey respondents elevated responsible AI and the lack of knowledge or consistent application of Responsible AI to the top of their AI concerns. This is a wise move, as Responsible AI foregrounds employee trust in AI, its business alignment, its ongoing control, and ultimate human accountability for the technology. Thus, CIOs must lead the development of robust AI governance models that align with corporate risks, meet ethical standards, and safeguard data across all business functions.

Organizational Approach to AI Governance, Risk & Compliance



Spotlight Quotes

"We've done a ton of work in that area as well. In our view, responsible AI governance and ethical AI are ingredients you actually have to spend quite some time on because AI can be really good if it's deployed correctly, but it can also make a lot of bad decisions really, really fast if it is not set up in the right way."

— IT leader based in Hong Kong

Top AI Trust Concerns

- 1 Lack of Responsible AI
- 2 Knowledge and application of Responsible AI
- 3 Poor data security
- 4 Poor data quality
- 5 Lack of transparency

Agentic AI (1/2)

AI Agents – Hyperautomation Revisited?

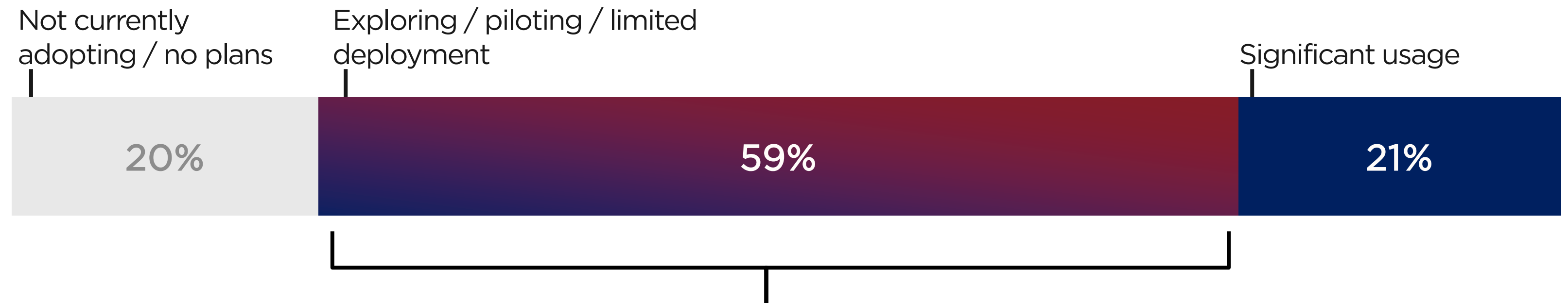
Momentum is building for Agentic AI, but most organizations have yet to move beyond early-stage deployment.

Agentic AI represents the next frontier of automation. While focus on Agentic AI is accelerating, most organizations remain in the early stages of adoption. This growing attention aligns with IDC’s prediction that by 2030, 50% of Asia-based top 1,000 CEOs will rely on Agentic AI for strategic decision-making—driven by market volatility, innovation speed, and the need for faster, intelligence-driven choices at the boardroom level.

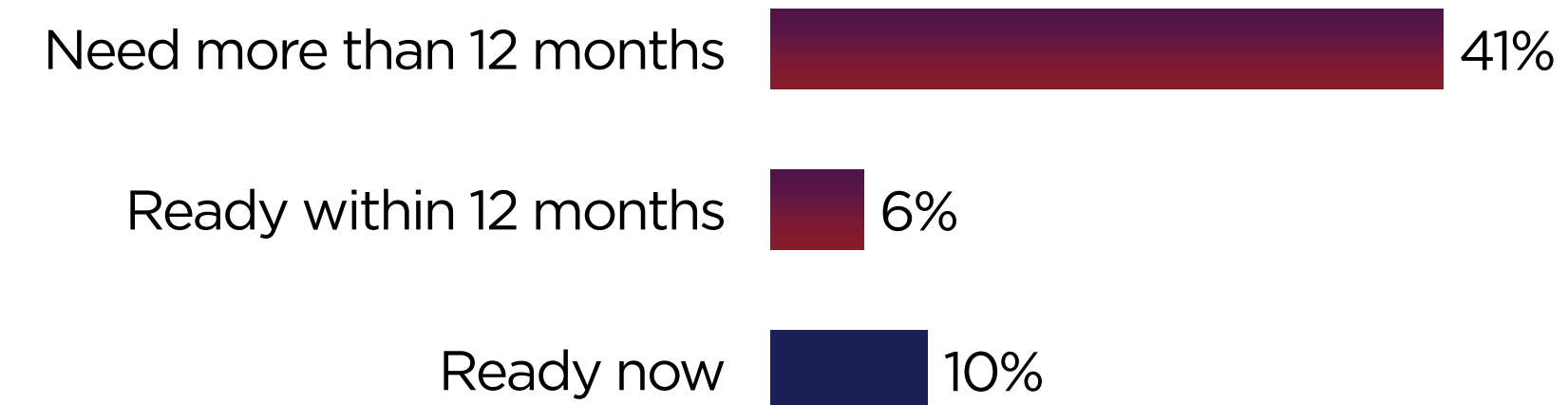
Despite this momentum, a readiness gap remains. Majority of Asia/Pacific organizations remain in the experimenting/piloting Agentic AI, most of which indicating they require more than 12 months to scale. This suggests a deliberate “slow down to go fast” posture. Unlike GenAI’s rapid rollout, Agentic AI demands deeper integration into enterprise platforms, controls, and operating models—so systems can reliably act within workflows, not merely generate outputs.



Agentic AI: Adoption & Implementation Readiness



Readiness for Scaled Agentic AI Implementation



Spotlight Quotes

“To me, that’s part of automation in the broader theme. I always tell my team, just slow down on the buzzwords and use simple, basic language. Agentic AI is in the early stages in our adoption and again it’s in areas where we now have made those underlying platform investments such as corporate functions, finance, general procurement where we are now trialing them and activating them.”

— IT leader based in Hong Kong

Agentic AI (2/2)

Delivering Business Outcomes with Agentic AI

Unlocking the true potential of Agentic AI depends on overcoming challenges related to security, data readiness, and integration.

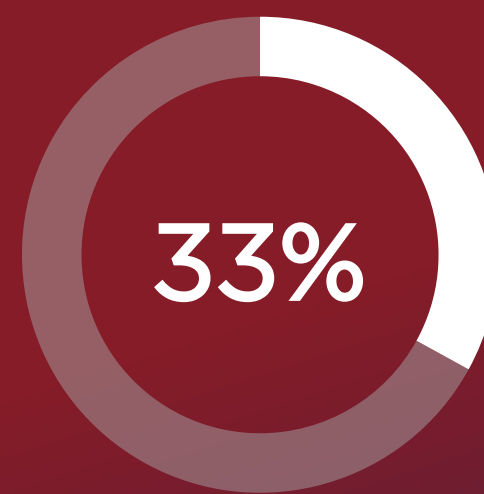
The Security Paradox: While cybersecurity is identified as the top use case for deployment, **security and privacy risks** remain the top factors preventing organizations from implementing Agentic AI. This suggests that while leaders urgently want AI to protect the enterprise, they are simultaneously hesitant to grant these agents the autonomy required to act without rigorous, proven guardrails.

Organizations are actively targeting Agentic AI at domains characterized by well-defined processes. The top three drivers for adoption are remarkably balanced—Agentic AI is not being viewed merely as a cost-cutting tool, but as a strategic asset designed to simultaneously **streamline operations**, invent **new product/service capabilities**, and improve the **reliability** of business outcomes.

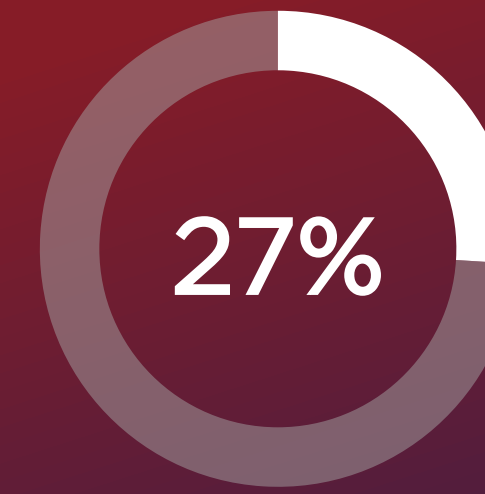
Where Agentic AI Is or Will Be Used

- 1  Cybersecurity
- 2  Customer Service and Support
- 3  Quality Control and Maintenance
- 4  Supply Chain Management
- 5  Sales Optimization

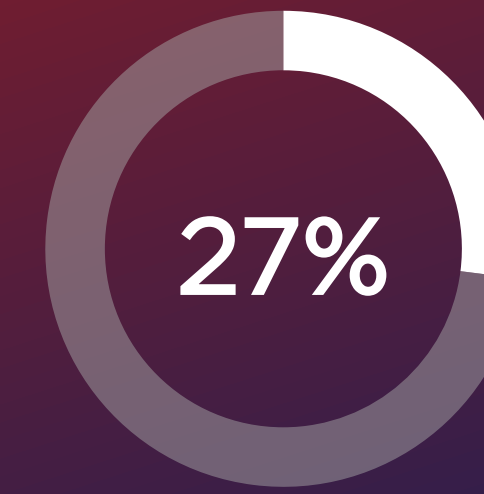
Key Challenges Organizations Need to Overcome to Successfully Implement Agentic AI



Security & privacy risks

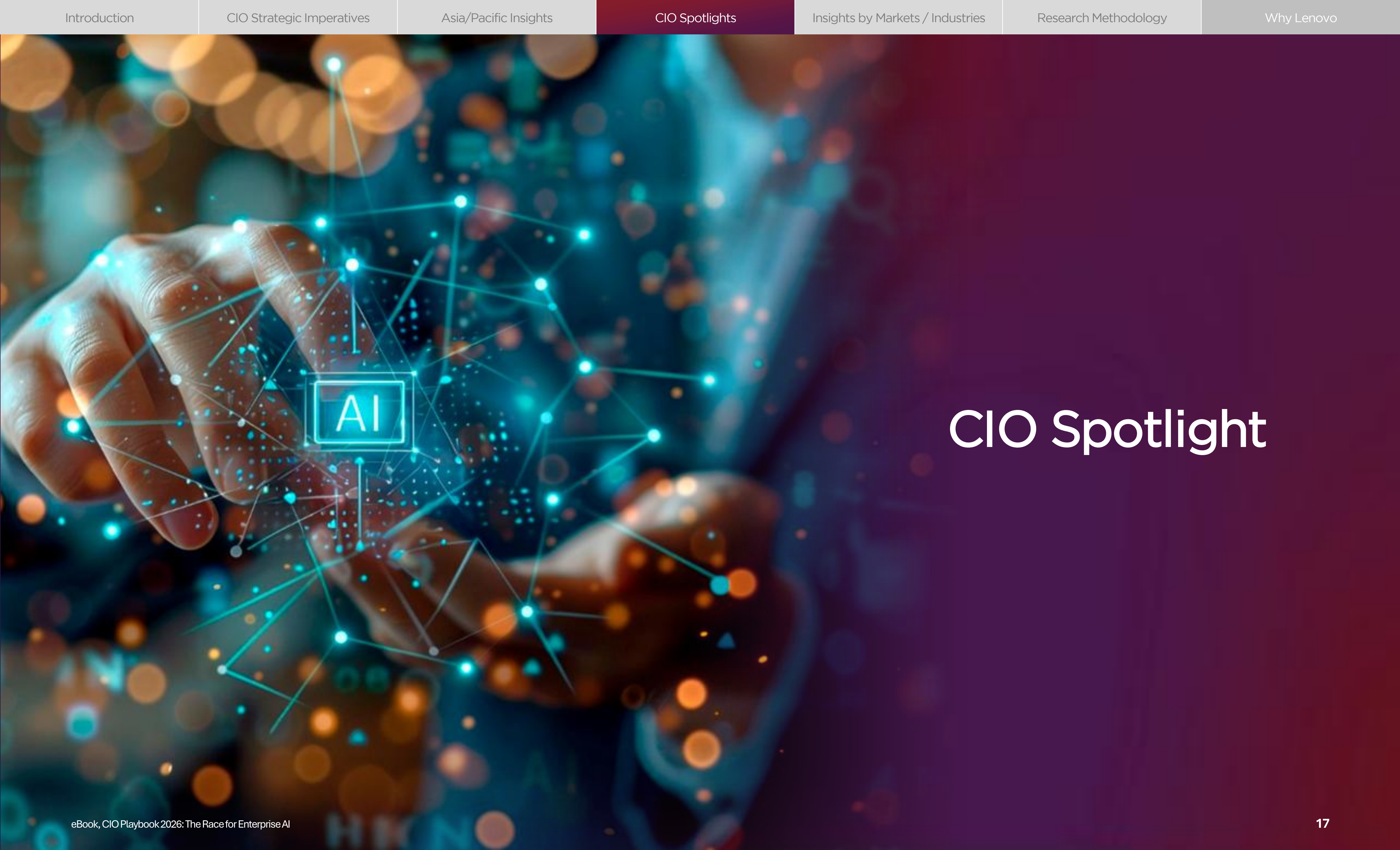


Data quality issues & unavailability



Technical complexity & integration with existing systems





CIO Spotlight

CIO Spotlight

Powering Resilience: Modernizing the Digital Foundation for Scalable AI

A conversation with CLP, Hong Kong



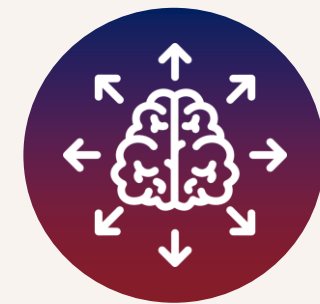
Mr. Andre Blumberg
Chief Digital Officer



“We resist the temptation to chase AI gimmicks. We took a conscious approach to ‘slow down to go faster’ – building a solid foundation first before expanding further. This discipline allows us to move beyond experiments and drive real, recurring operational value for the grid and deliver great customer experience.”



Modernization First: Serving over 80% of Hong Kong’s population, CLP operates a vertically integrated utility where maintaining world-class reliability requires a unified digital core. To support this, CLP adopts a “slow down to go faster” strategy, prioritizing core modernization and a robust cloud-based data foundation to enable scalable AI.



Scaling AI Where It Matters Most

- **Empowering the Workforce:** Democratizing innovation with ‘VoltAI’—a secure, company-wide sandbox enabling all employees to build digital fluency and experiment safely with diverse AI models, both from Chinese Mainland and the West.
- **Customer Service and Operational Excellence:** Integrating AI across the value chain, from smart meter analytics for customer insights to optimizing energy dispatch during peak periods, delivers cost reductions in critical operations.



A Resilient and Responsible Strategy is key to ensuring an “always-on” business. CLP actively mitigates operational and geopolitical risks by maintaining a multi-source tech stack, coupled with tiered AI governance.



Future: With platform modernization complete, CLP shifts focus from individual use cases to enterprise-wide AI adoption, driving value across major operational domains. The roadmap includes exploring Agentic AI to augment the workforce and scaling automation through responsible AI governance.

CIO Spotlight

Behind Big Billion Days: The Hybrid AI backbone That Keeps Flipkart Always on

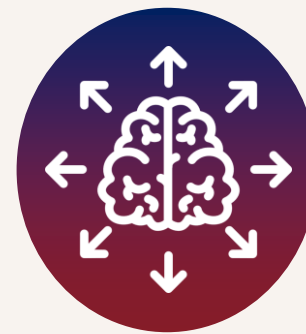
A conversation with Flipkart, India



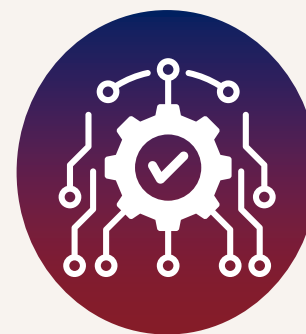
Mr. Krutibas Biswal
Director of Engineering



“We have a strong infrastructure backbone ready for AI, which powers our ability to stay ahead. From predicting potential failures to shortening root-cause analysis, AI will help us run Flipkart with the reliability our customers expect every single day.”



Scale and Elasticity - Flipkart, a company operating at a scale few globally experience, serves millions of customers across India’s biggest retail moments. Its critical systems are built on open-source technologies and continually optimized in-house, creating a highly elastic environment that powers India’s booming digital commerce.



AI-driven Reliability - Flipkart is building for the next era of AI-powered operations. With predictive autoscaling across Kubernetes-as-a-Service (KaaS) and Infrastructure-as-a-Service (IaaS), Flipkart ensures seamless shopping experiences even during extreme surges like Big Billion Days.



Hybrid Infrastructure Orchestration combines scale, elasticity, and reliability, and so gives Flipkart a strategic edge in India’s fast moving and highly competitive marketplace.

CIO Spotlight

Sharon AI: Democratizing High-Performance AI to Scale Efficiently

A conversation with Sharon AI



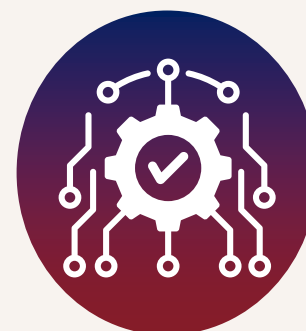
Mr. Andrew Leece
Co-Founder



“The great shift is efficiency – turning ideas into action instantly. We allow enterprises to ‘fail fast’ and cycle through innovations without the risk of building tens of millions of dollars in infrastructure first.”



Simplifying the Complex: Sharon AI, a specialized High-Performance Computing (HPC) provider offering a sovereign, AI cloud platform for enterprises, bridges the gap between complex AI infrastructure and business agility. By eliminating technical barriers, the platform enables CIOs to bypass months of setup and accelerates the journey turning AI ideas into action.



Strategic Value Shift: Sharon AI prioritizes efficient business growth. Moving beyond simple internal chatbots, the focus is now on integrating AI into core workflows to deliver real impact – from fraud detection in financial services to supply chain optimization in resources industry, where AI directly shapes mission-critical performance.



Sovereign AI: On 100% locally hosted infrastructure, Sharon AI enables true “corporate sovereignty” – keeping critical data federated, secure, and processed where it resides. This removes the need for risky data migrations and simplifies compliance for highly regulated industries.

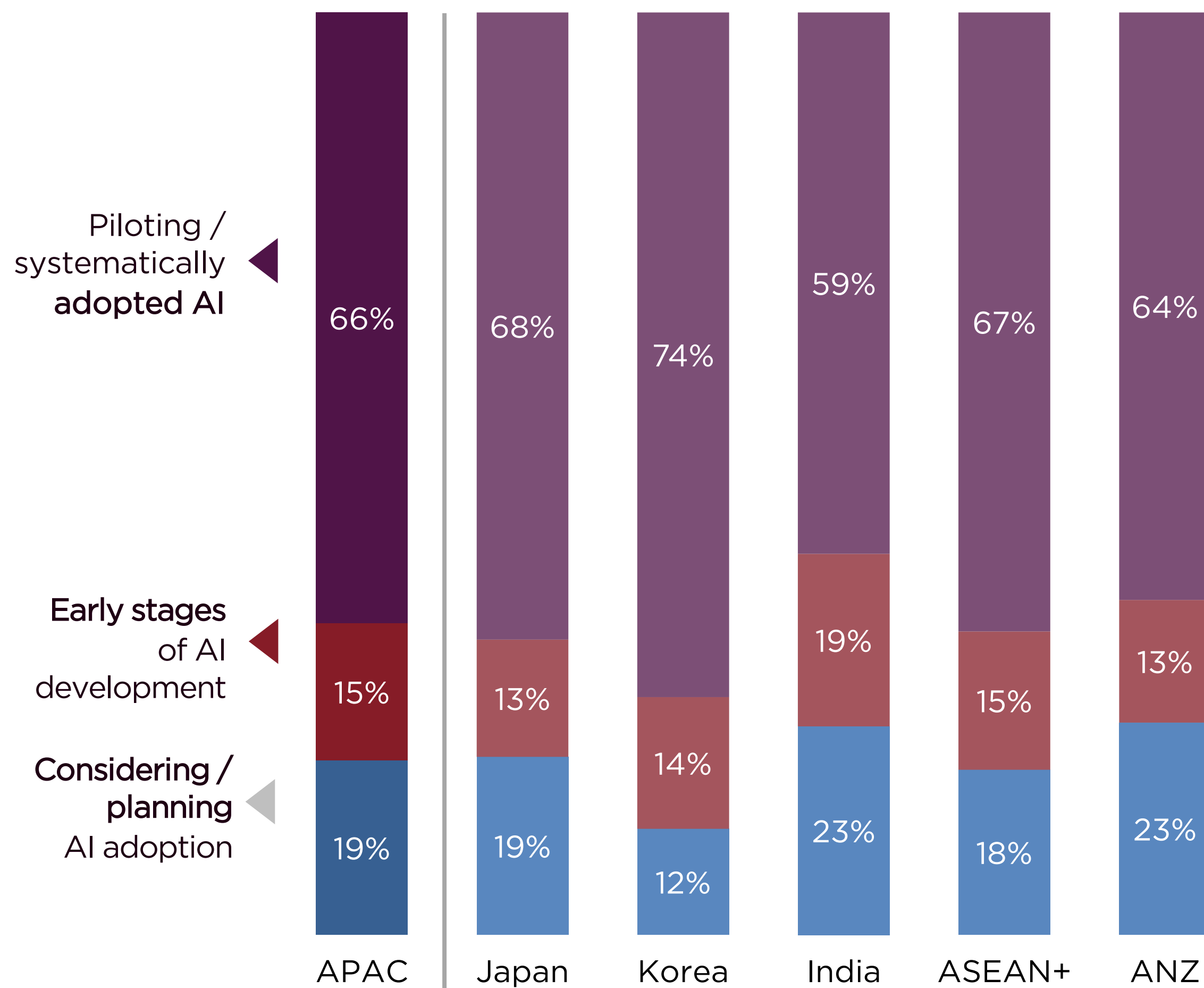


Insights by Markets

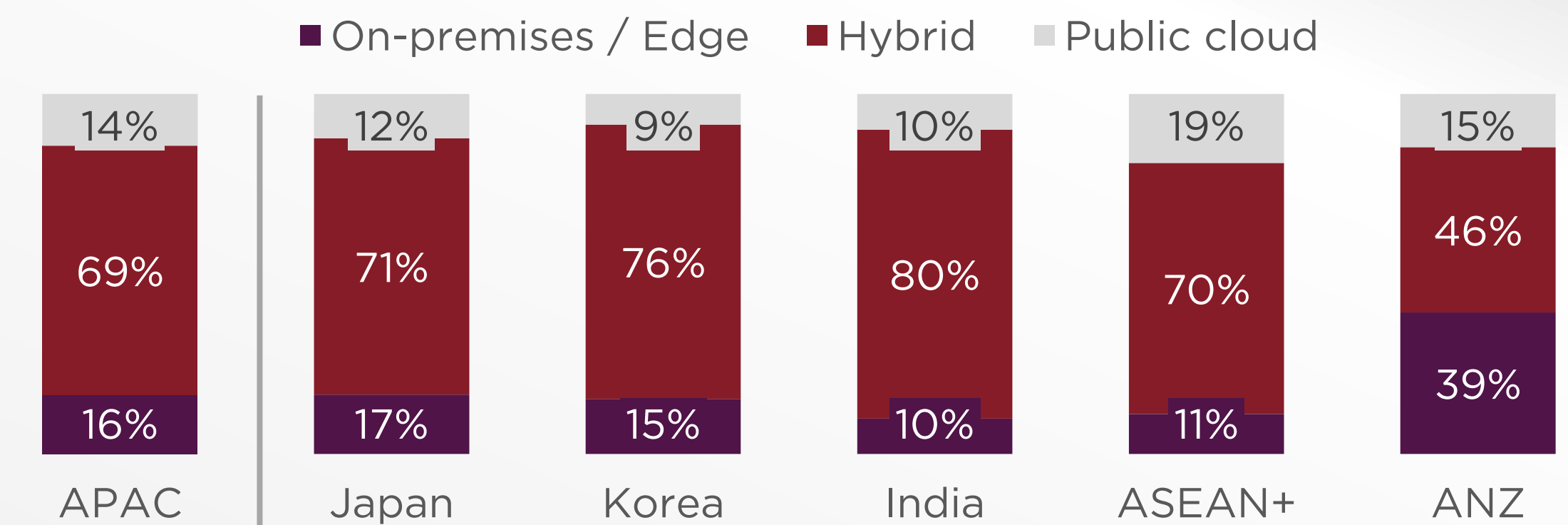
Markets Overview

Hybrid Scale Fuels the Agentic Sprint: As the region shifts from experimentation to systematic adoption, the market has decisively standardized on Hybrid AI workloads to ensure the security and data sovereignty required for scale. This robust infrastructure foundation is now catalyzing the increasing focus on Agentic AI, where focus is surging regionally, led by Japan and India, marking a strategic evolution from static intelligence to autonomous, infrastructure-backed action.

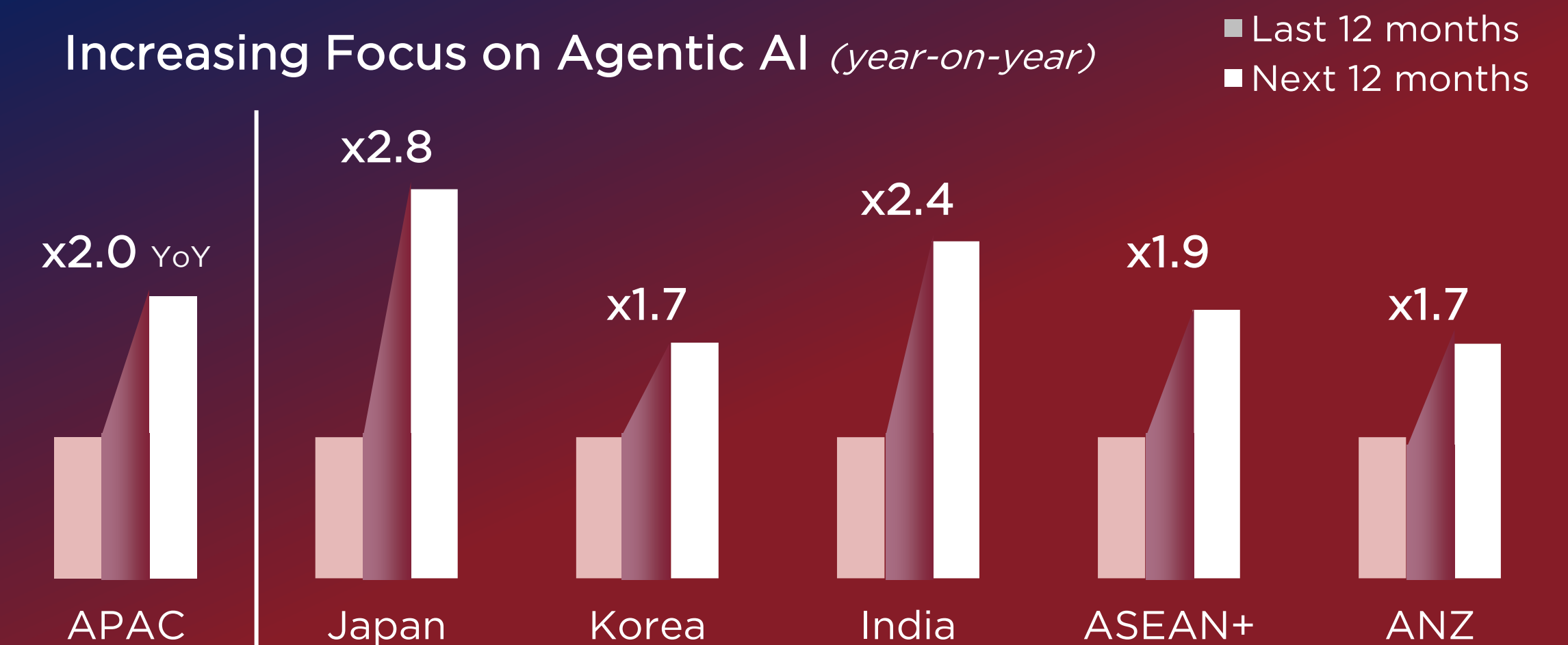
AI Adoption Status



Preferred Primary AI Workloads / Deployment Models








Increasing Focus on Agentic AI (year-on-year)

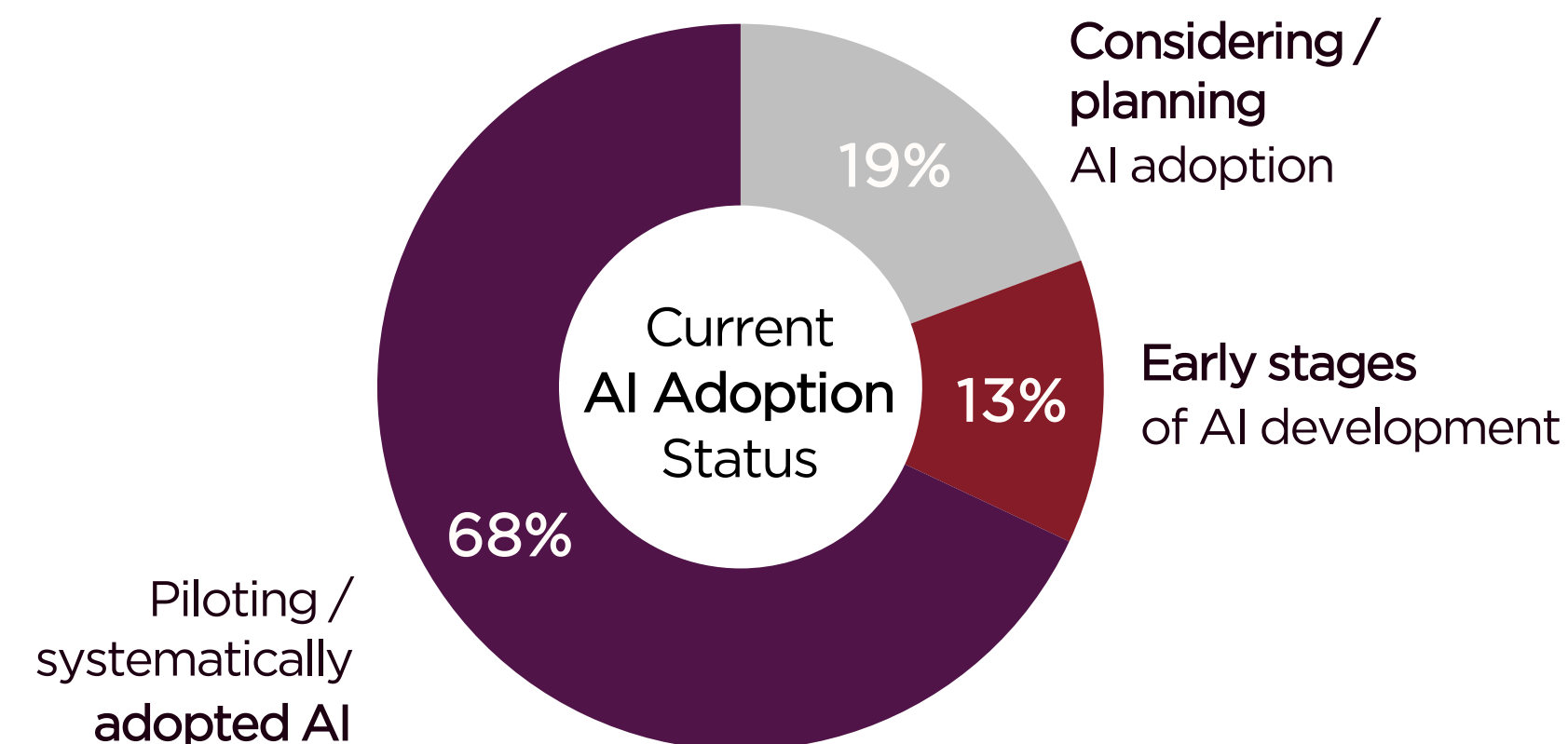


Japan Overview (1/2)

Japan has executed a strategic pivot, moving from last year's focus on "Sustainability" and "Agility" to a sharp 2026 mandate for "Increasing revenues & profit". The market has transitioned from a measured approach to hyper-adoption. In just 12 months, Japan has rocketed from only 21% to 68% of organizations piloting or systematically adopting AI. This shift is backed by a market-leading projected ROI of \$3.05 for every dollar invested, higher than the regional average. This suggests a laser focus on high-impact use cases, likely driven by the demographic need to automate labor and boost employee productivity. Uniquely, Japan ranks "AI security, trust & transparency tools" as its #1 investment priority, indicating that CIOs view trust not just as compliance, but as the primary enabler for rapid, high-value adoption.

Business Priorities for 2026

- 1  Increasing revenues & profit growth
- 2  Enhance/innovate/reinvent our business with AI
- 3  Improving employee productivity
- 4  Decreasing or managing costs (e.g., moving from CAPEX to OPEX)
- 5  Attracting & retaining talent



83% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.






On average, organizations expect to generate **\$3.05** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Data & analytics
- 3  Operations
- 4  Marketing
- 5  Industry specific LOB



AI Investments Priorities for the next 12 months

- 1  AI security, trust & transparency tools
- 2  Deploying AI devices
- 3  Attracting & retaining AI talent
- 4  External AI consulting & other third-party AI services
- 5  AI-driven process automation

Japan Overview (2/2)

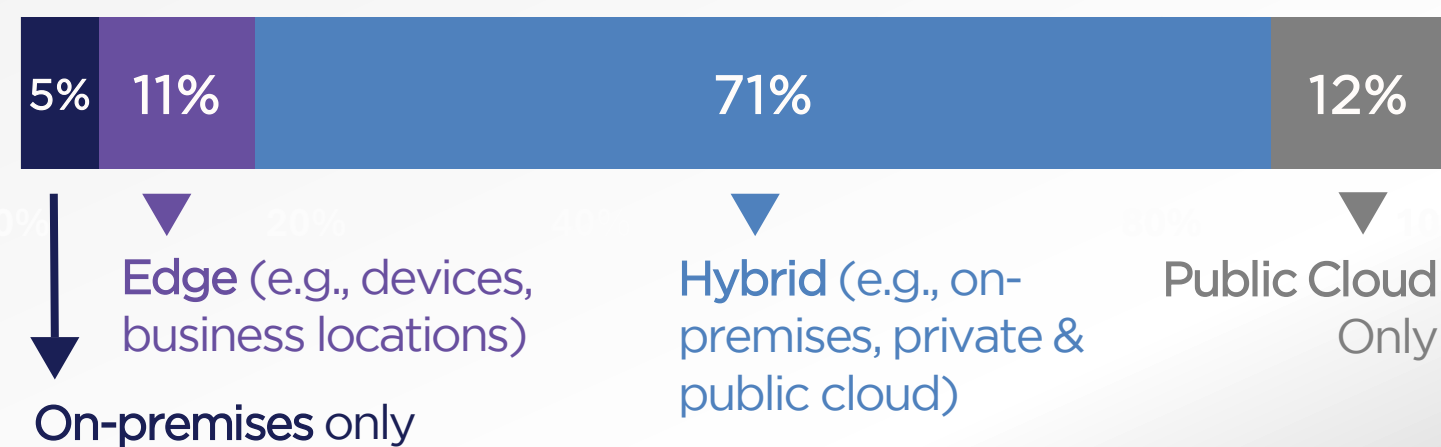
Japan is aggressively pivoting to the next frontier, registering a massive +175% surge in focus on Agentic AI—the highest acceleration in the region. This sprint is anchored in a "hardware-first" democratization strategy, where "Deploying AI devices" is the #1 AI investment priority, signaling a move to empower the workforce directly. To fortify this expansion, CIOs are establishing a secure hybrid standard, consolidating 71% of workloads on infrastructure that ensures scaling autonomy never compromises data sovereignty and security controls.

Technology Foundations

"Deploying AI devices"

is the top AI investment priorities in the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

- 1 Ensuring data privacy, regulatory compliance, and security protocols
- 2 Challenges in managing cloud environments
- 3 Low latency for real-time processing

Building AI Trust

Approach to AI Governance, Risk & Compliance

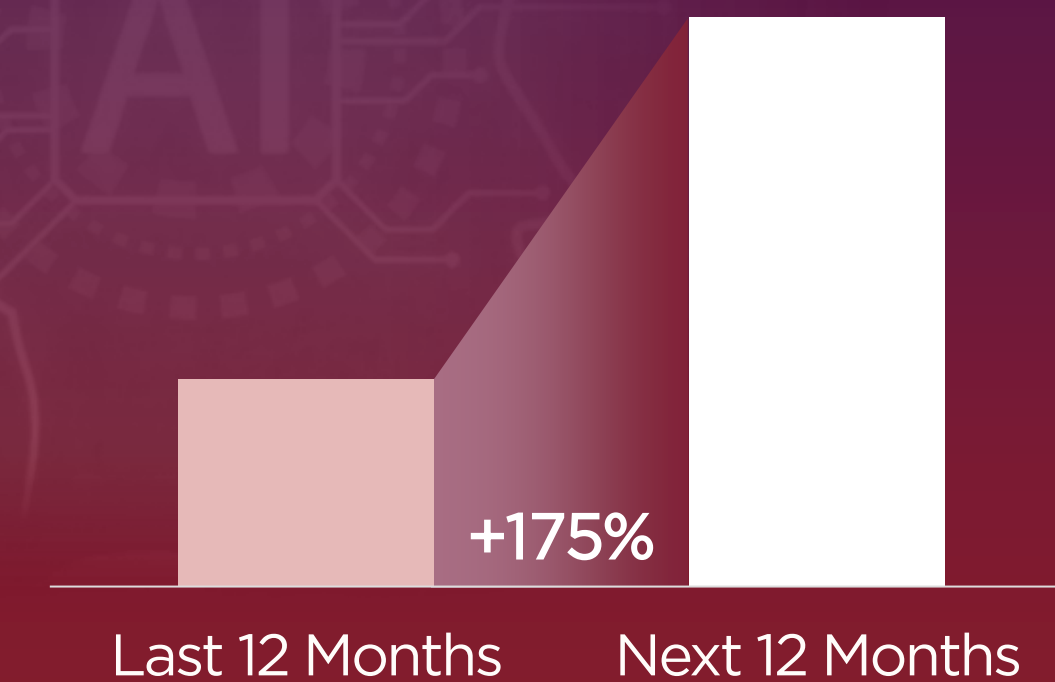


Top AI Trust Concerns

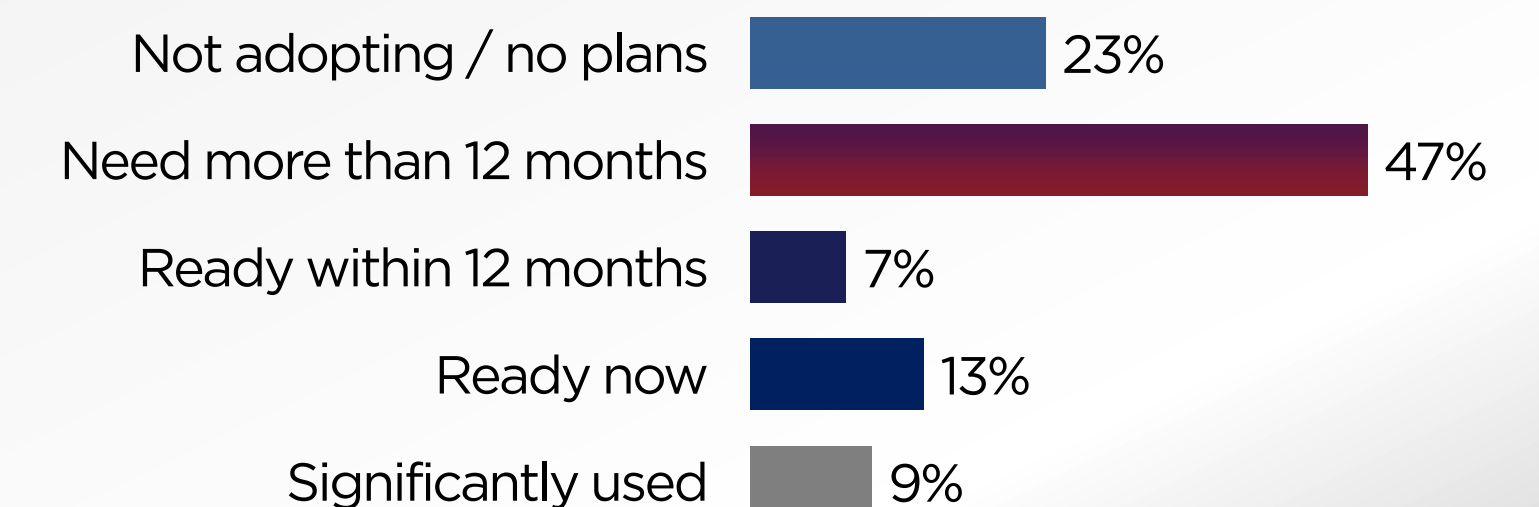
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- 1 Lack of Responsible AI
 - 2 Lack of transparency
 - 3 Inaccuracies

The Agentic Future

Increasing Focus on Agentic AI








Readiness for Scaled Agentic AI Implementation

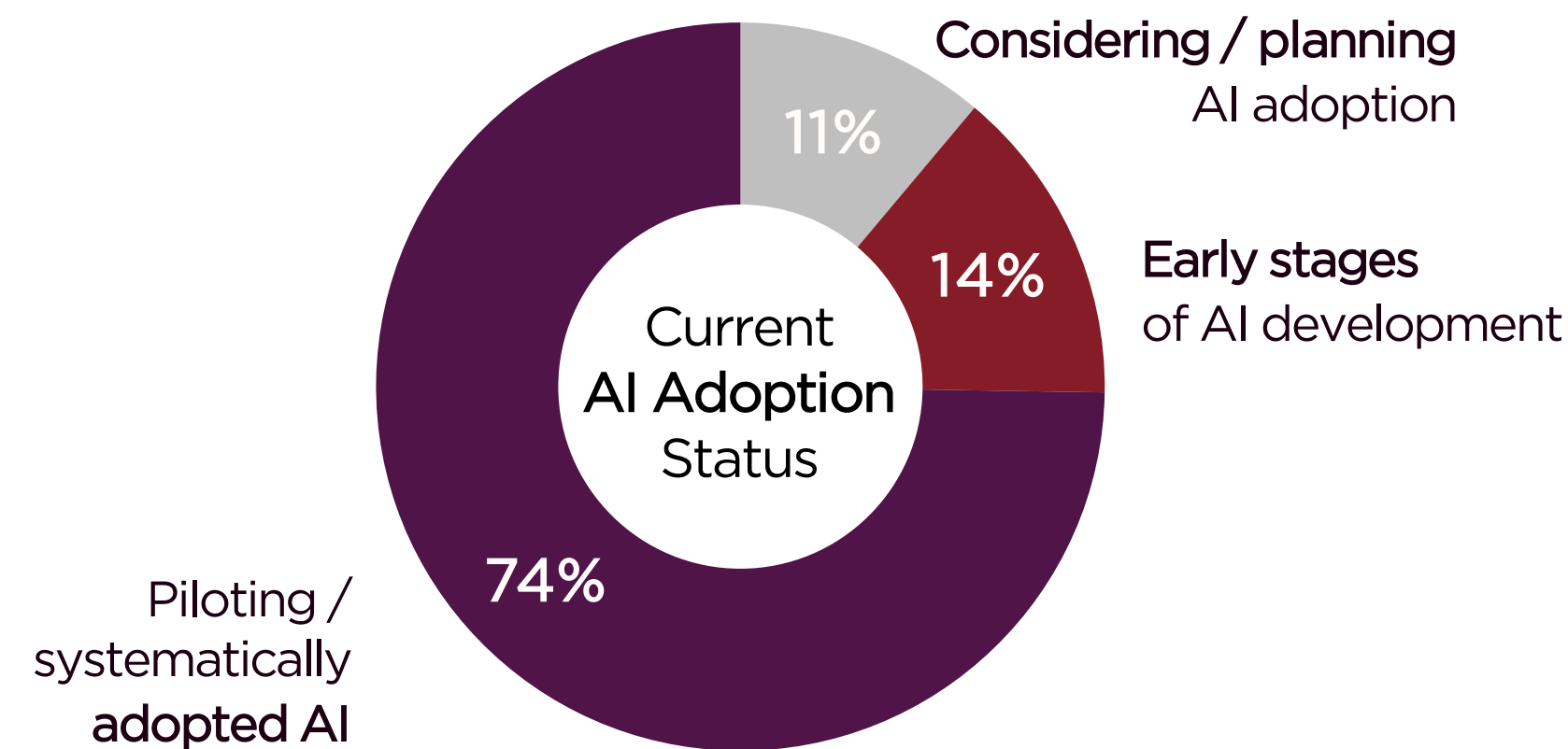


Korea Overview (1/2)

South Korea has executed a dramatic shift from planning to execution, with 74% of organizations now actively piloting or deploying AI—a massive leap from just 10% in 2025. Unlike other markets prioritizing efficiency or revenue, Korean organizations have uniquely ranked "Enhancing decision-making" as their #1 business priority. To achieve this rapidly, they are pivoting from a "build" to a "buy" strategy: "External AI consulting & other third-party AI services" is the #1 AI investment priority for the next 12 months. This suggests that Korean enterprises are seeking immediate, expert-guided transformation to improve strategic agility rather than waiting to develop internal capabilities from scratch.

Business Priorities for 2026

- 1  Enhancing decision-making
- 2  Improving customer experience & satisfaction
- 3  Increasing revenues & profit growth
- 4  Enhance/innovate/reinvent our business with AI
- 5  Driving digital business innovation



90% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.






On average, organizations expect to generate **\$2.57** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Customer service
- 3  Software development
- 4  Cybersecurity
- 5  Data & analytics



AI Investments Priorities for the next 12 months

- 1  External AI consulting & other third-party AI services
- 2  AI-driven process automation
- 3  AI security, trust & transparency tools
- 4  Internal AI training (including non-IT staff)
- 5  Public cloud AI services

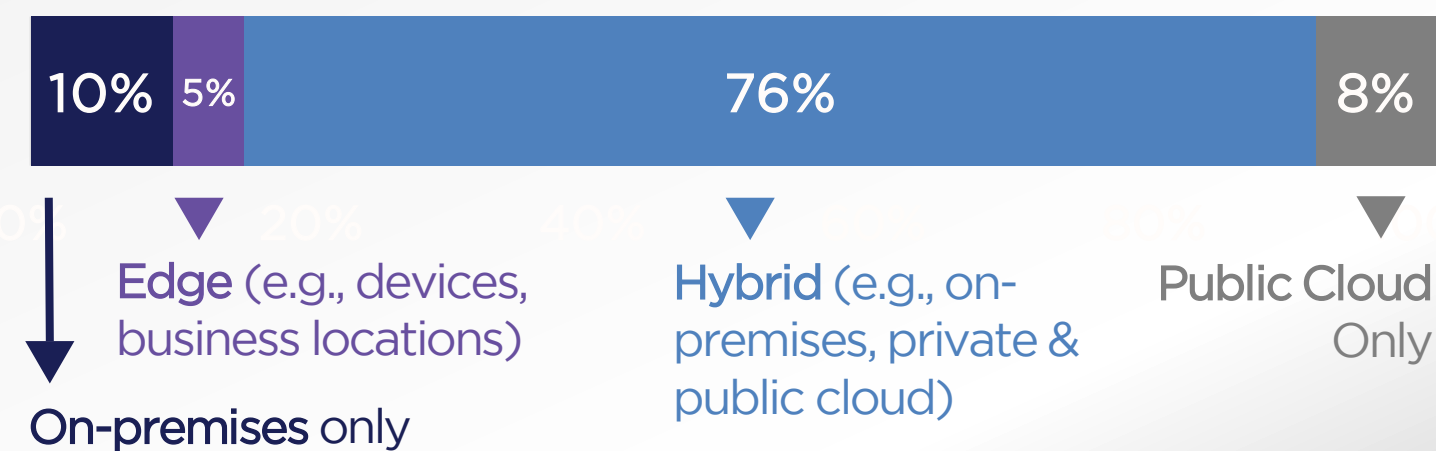
Korea Overview (2/2)

As adoption scales, Korean organizations are aggressively consolidating infrastructure, with 76% standardizing on a Hybrid deployment model. This defensive shift is a direct response to Shadow AI risks, which have emerged as the top trust concern. For CIOs, the "Agentic Future" (+68% focus) is promising but limited comparing with other markets, with 51% of organizations needing over 12 months to be ready, the immediate priority is regaining governance and control over hybrid environments before unleashing autonomous agents.

Technology Foundations

1 in 4 organizations noted that "Deploying AI devices to enhance productivity & local inferencing" is a key IT investment priority in the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

- 1 Flexibility to customize & optimize infrastructure
- 2 Ensuring data privacy, regulatory compliance, and security protocols
- 3 Greater control over operations & data

Building AI Trust

Approach to AI Governance, Risk & Compliance



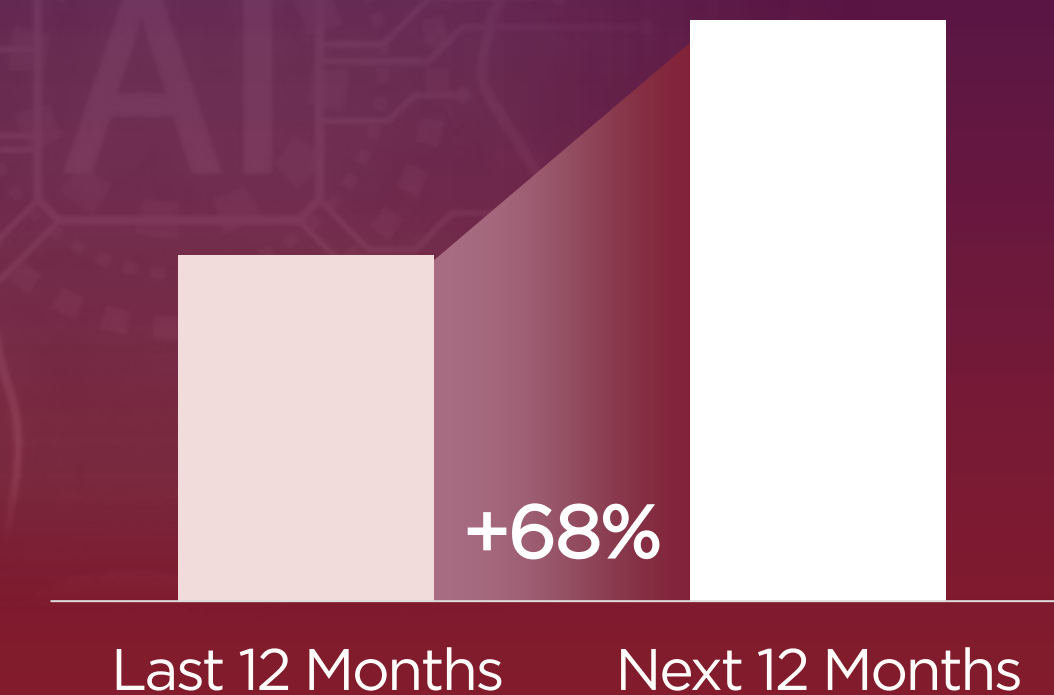
Top AI Trust Concerns



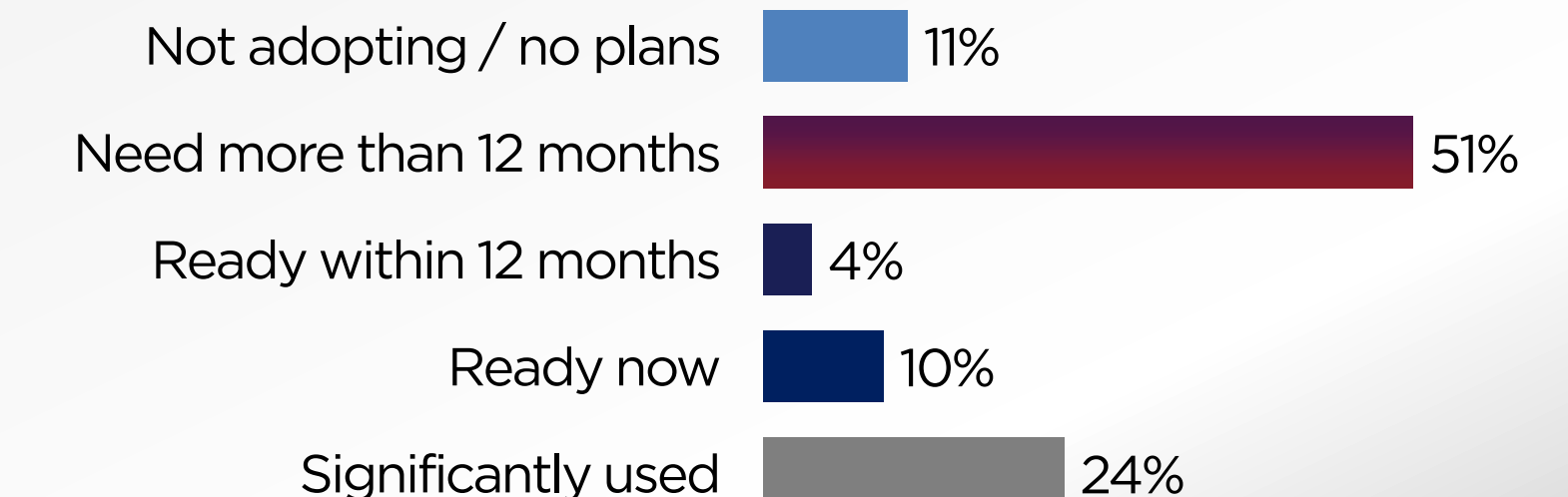
- 1 Shadow AI risks
- 2 Poor data security
- 3 Lack of Responsible AI

The Agentic Future

Increasing Focus on Agentic AI








Readiness for Scaled Agentic AI Implementation

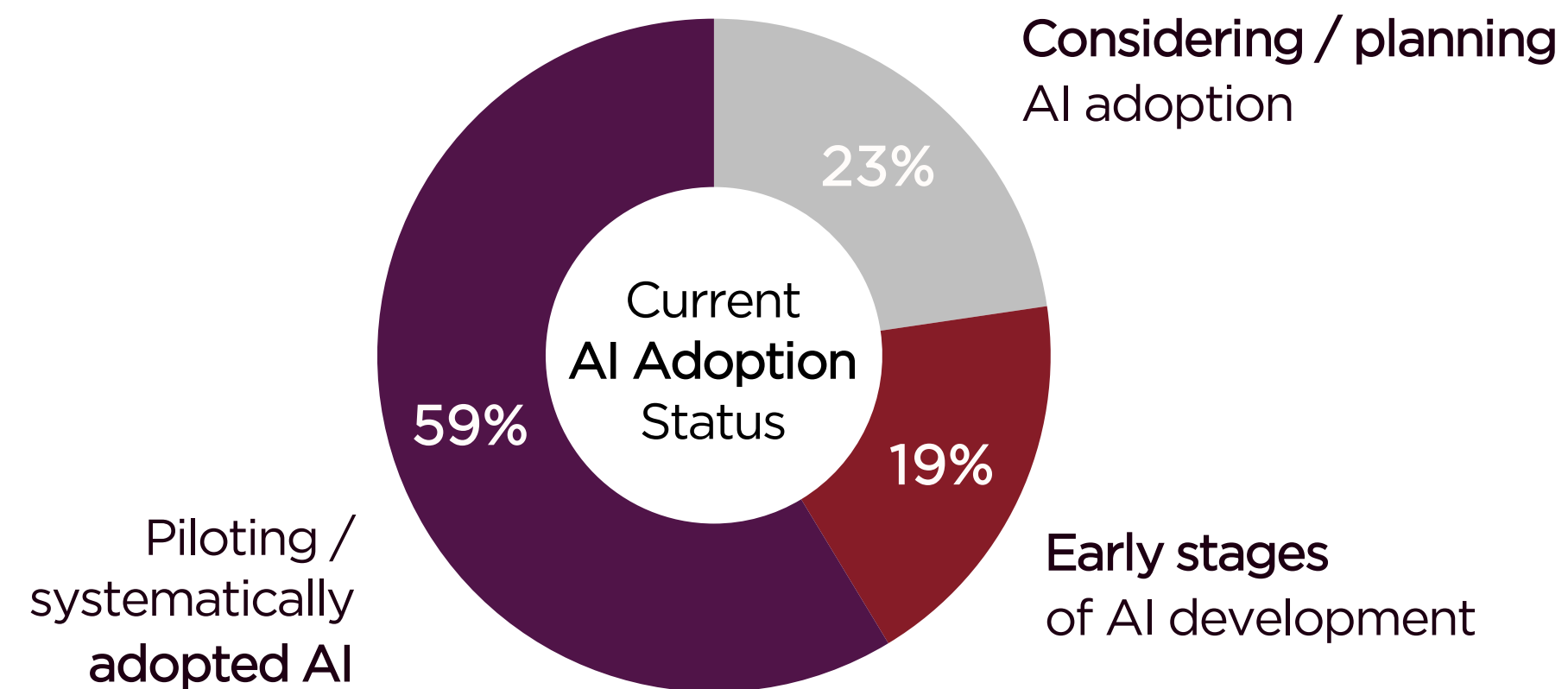


India Overview (1/2)

India is strategically building a foundation for sustainable growth, where its 59% systematic adoption rate signals a deliberate "Builder" strategy that prioritizes human capital alongside technology. India is the only market to rank "Internal AI training" as a top 2 investment priority, indicating that CIOs are focused on ensuring deep internal capability and workforce readiness to drive long-term value. This self-sufficient approach is backed by 99% of organizations increasing budgets and a robust ROI of \$2.99, positioning India to leapfrog competitors by industrializing AI production with a skilled AI-ready workforce.

Business Priorities for 2026

- 1  Increasing revenues & profit growth
- 2  Enhance/innovate/reinvent our business with AI
- 3  Improving employee productivity
- 4  Improving customer experience & satisfaction
- 5  Driving digital business innovation



95% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.






On average, organizations expect to generate **\$2.99** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Cybersecurity
- 3  Customer service
- 4  Finance
- 5  Facilities



AI Investments Priorities for the next 12 months

- 1  Deploying and supporting AI Infrastructure
- 2  Internal AI training (including non-IT staff)
- 3  Generative AI development, deployment & applications/solutions
- 4  Deploying AI devices
- 5  AI security, trust & transparency tools

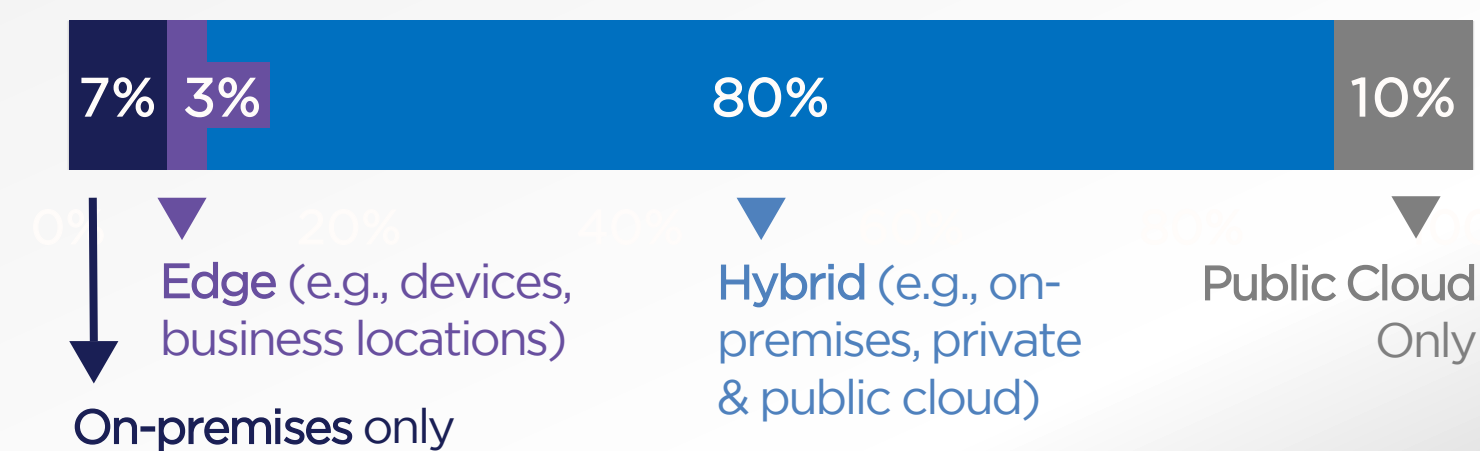
India Overview (2/2)

India's aggressive push into Agentic AI (+139% focus) is anchored in a foundation of data sovereignty, with 80% of organizations opting for a Hybrid deployment model. This standardization (up from 63% last year) is driven by the need to secure the agentic future against knowledge/application of responsible AI risks. For CIOs, the priority on deploying and supporting AI Infrastructure confirms that India is currently establishing the sovereign backbone—building the high-performance, secure hybrid environment necessary to support the next wave of AI agents.

Technology Foundations

“Deploying and supporting AI Infrastructure” & “Deploying AI devices” are among the **top AI investment priorities** in the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

- 1 Ensuring data privacy, regulatory compliance, and security protocols
- 2 High cloud costs
- 3 Support for distributed businesses, devices & data

Building AI Trust

Approach to AI Governance, Risk & Compliance

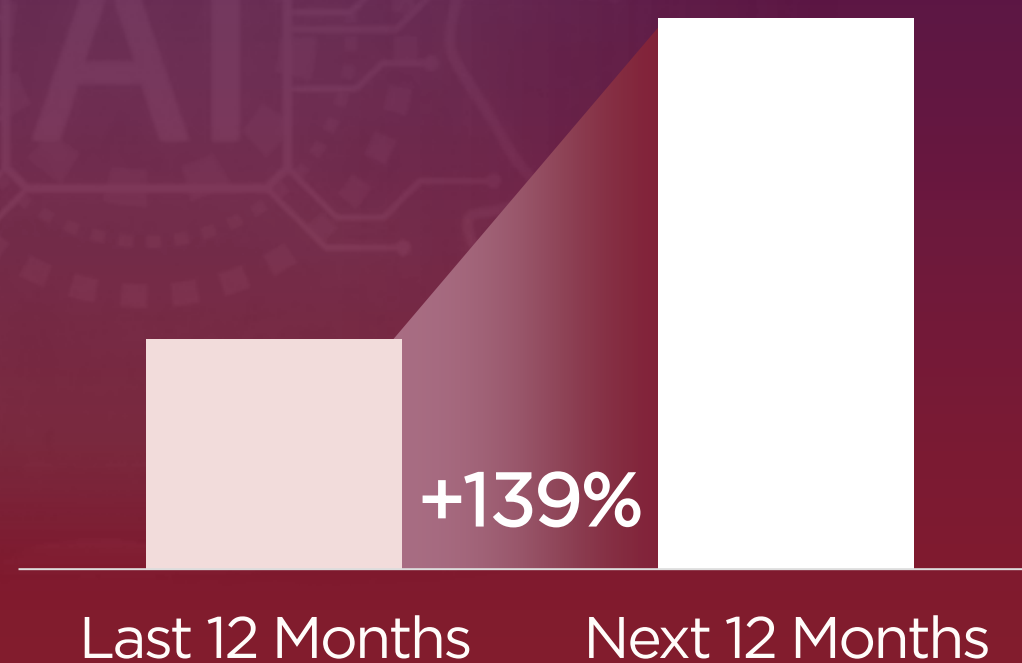


Top AI Trust Concerns

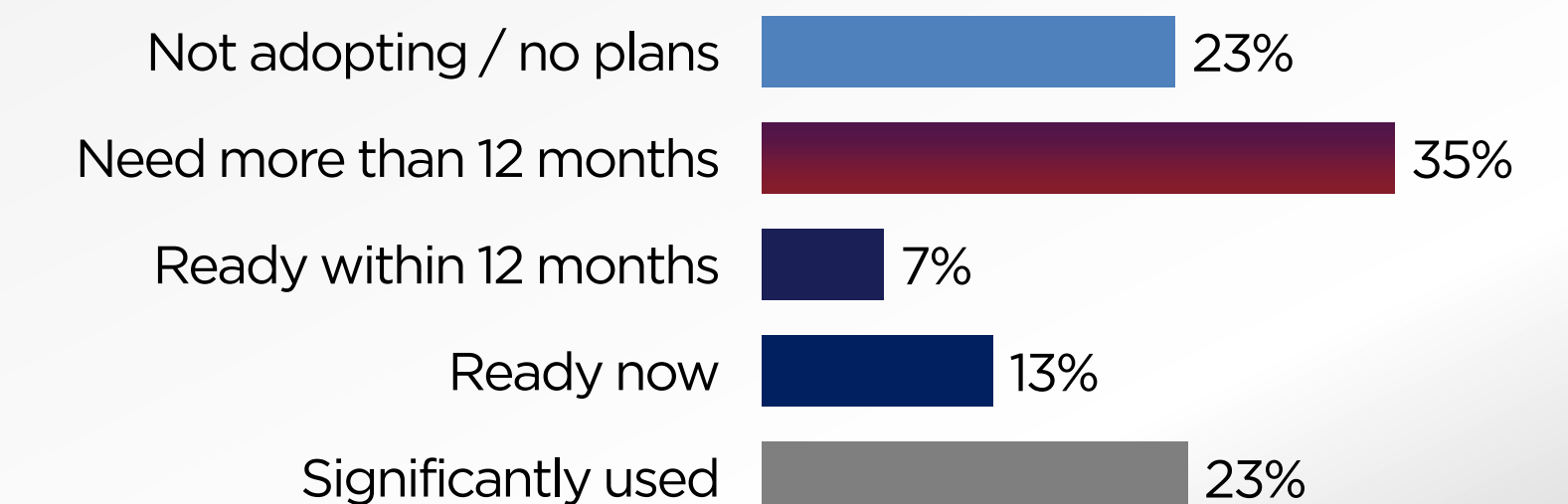
-
- 1 Knowledge / application of Responsible AI
 - 2 Lack of Responsible AI
 - 3 Shadow AI risks

The Agentic Future

Increasing Focus on Agentic AI








Readiness for Scaled Agentic AI Implementation

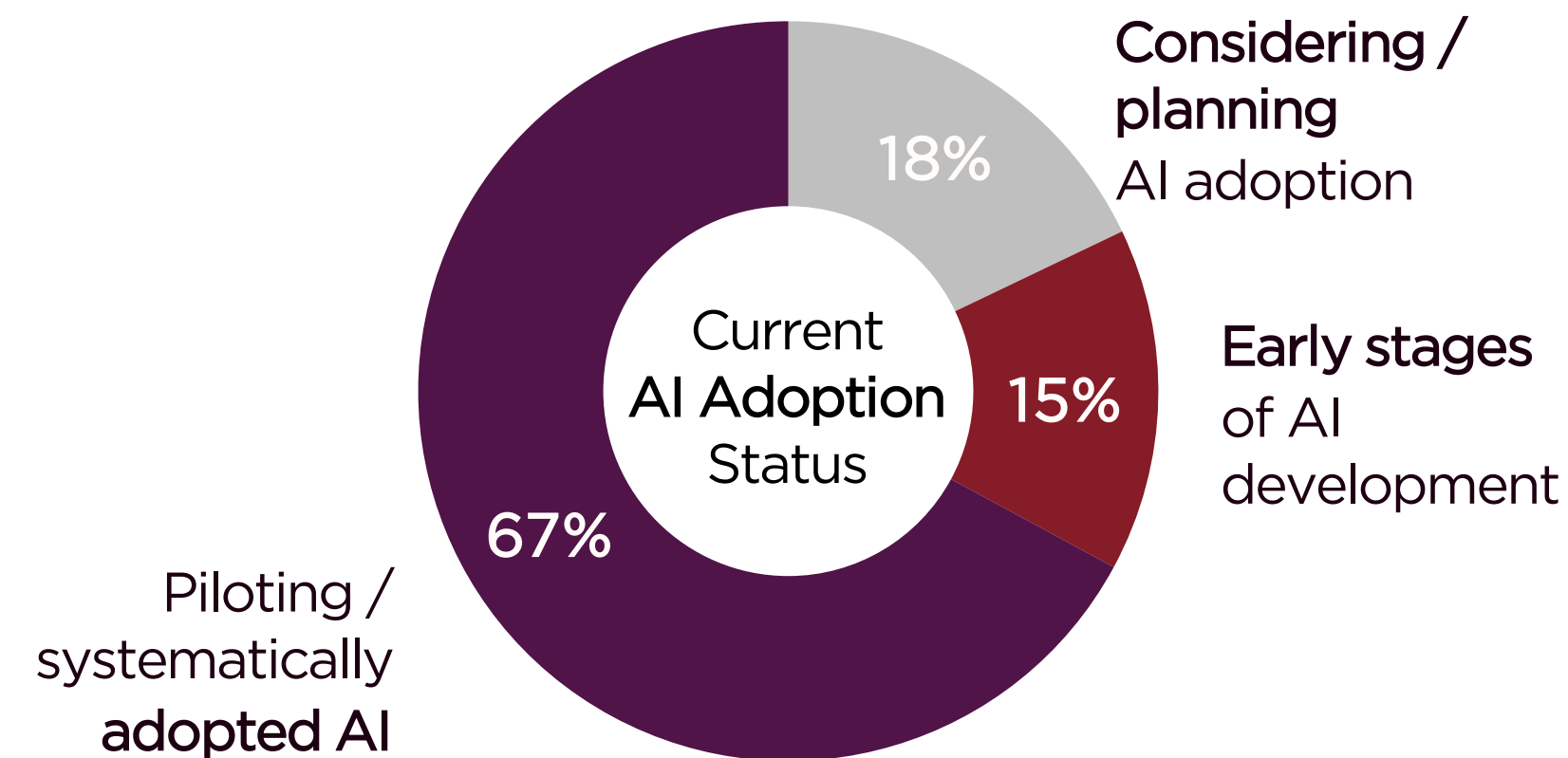


ASEAN+ Overview (1/2)

Organizations in ASEAN+ have reset their strategies, moving beyond a defensive 2025 emphasis on optimizing supply chain and compliance to an aggressive 2026 growth mandate centered on increasing revenues and customer experience improvement. This pivot has catalyzed a doubling of active AI adoption to 67%, but the region's execution strategy is uniquely pragmatic, reflecting regional economic uncertainties. ASEAN+ is the only market where "AI integration with devices, infrastructure & enterprise systems" is the #1 AI investment priority. This signals a focus on connectivity—wiring new AI capabilities directly into existing legacy environments so as to extract business value as quickly as possible.

Business Priorities for 2026






- 1  Increasing revenues & profit growth
- 2  Improving customer experience & satisfaction
- 3  Enhance/innovate/reinvent our business with AI
- 4  Driving digital business innovation
- 5  Improving employee productivity



91% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.





On average, organizations expect to generate **\$2.70** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Data & analytics
- 3  Cybersecurity
- 4  Customer service
- 5  Software development



AI Investments Priorities for the next 12 months

- 1  AI integration with devices, infrastructure & enterprise systems
- 2  Public cloud AI services
- 3  Data quality & governance improvements
- 4  Deploying and supporting AI Infrastructure
- 5  AI security, trust & transparency tools

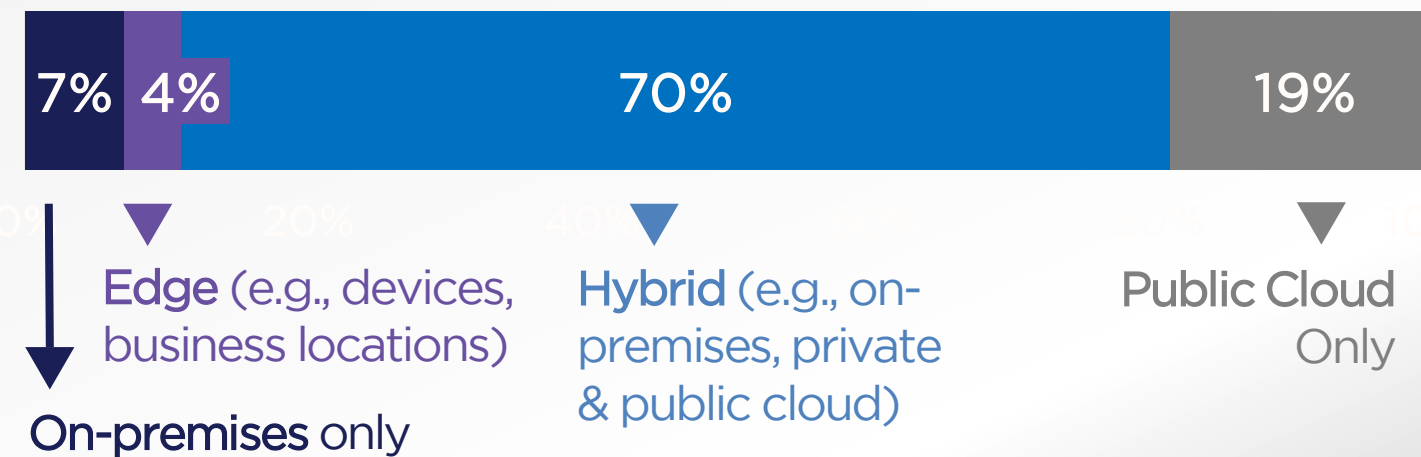
ASEAN+ Overview (2/2)

ASEAN+ enterprises prefer their AI workloads on hybrid cloud (70%). This regional trend to hybrid cloud reflects not a lack of caution but rather the region's greater AI readiness. ASEAN+ boasts the greatest level of adoption of a more comprehensive approach to AI governance, risk and compliance (39%). For CIOs, this combination of cloud agility and governance maturity makes ASEAN+ the ideal "sandbox" for testing advanced Agentic AI (+91% focus) use cases before rolling them out to more restrictive markets.

Technology Foundations

"AI integration with devices, infrastructure & enterprise systems" is the **#1 ranked** AI investment priority in the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

- 1 Ensuring data privacy, regulatory compliance, and security protocols
- 2 Implementing advanced security strategies/measures to address emerging threats
- 3 Flexibility to customize & optimize infrastructure

Building AI Trust

Approach to AI Governance, Risk & Compliance

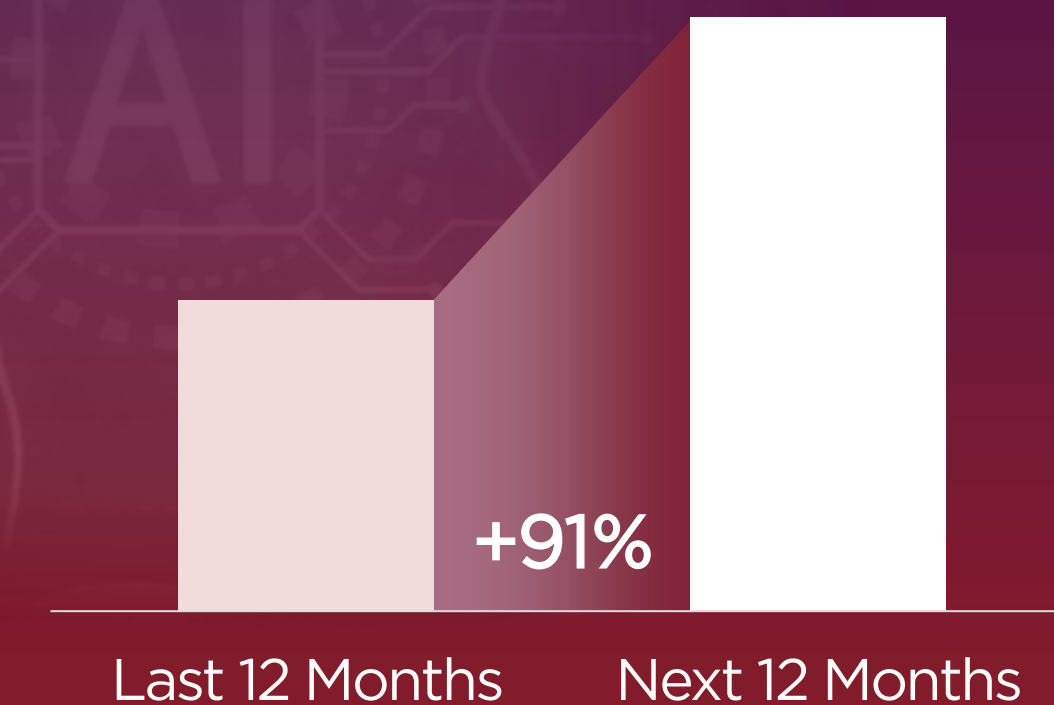


Top AI Trust Concerns

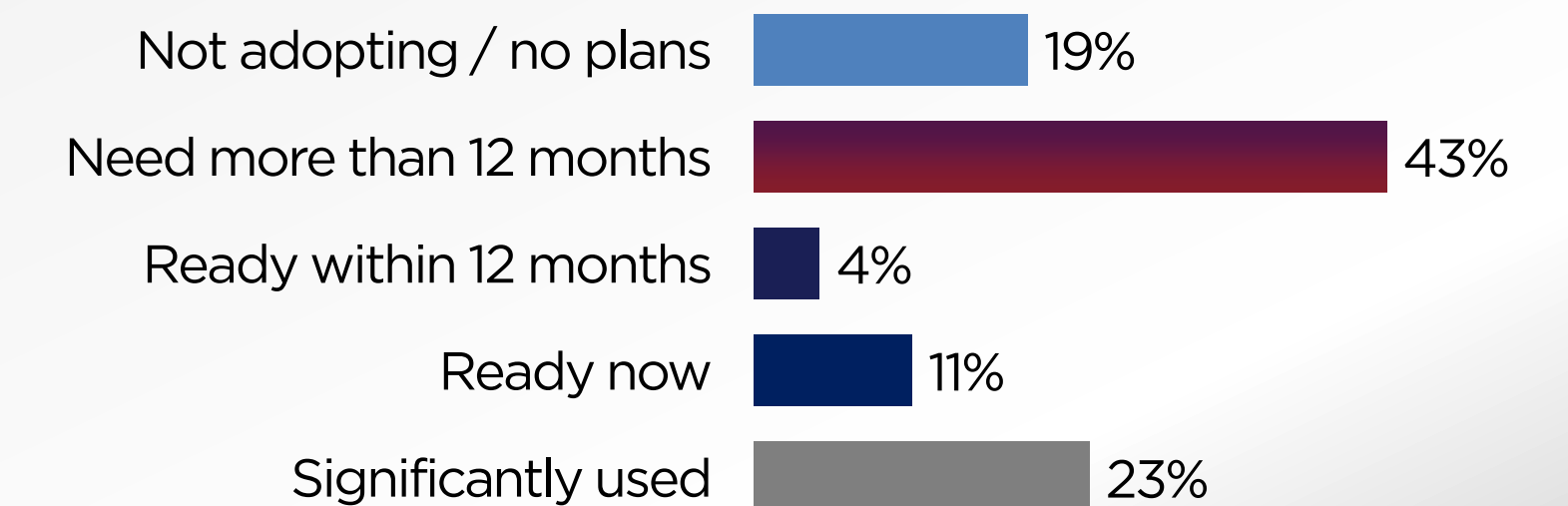
-
- 1 Lack of Responsible AI
 - 2 Poor data security
 - 3 Poor data quality

The Agentic Future

Increasing Focus on Agentic AI



Readiness for Scaled Agentic AI Implementation

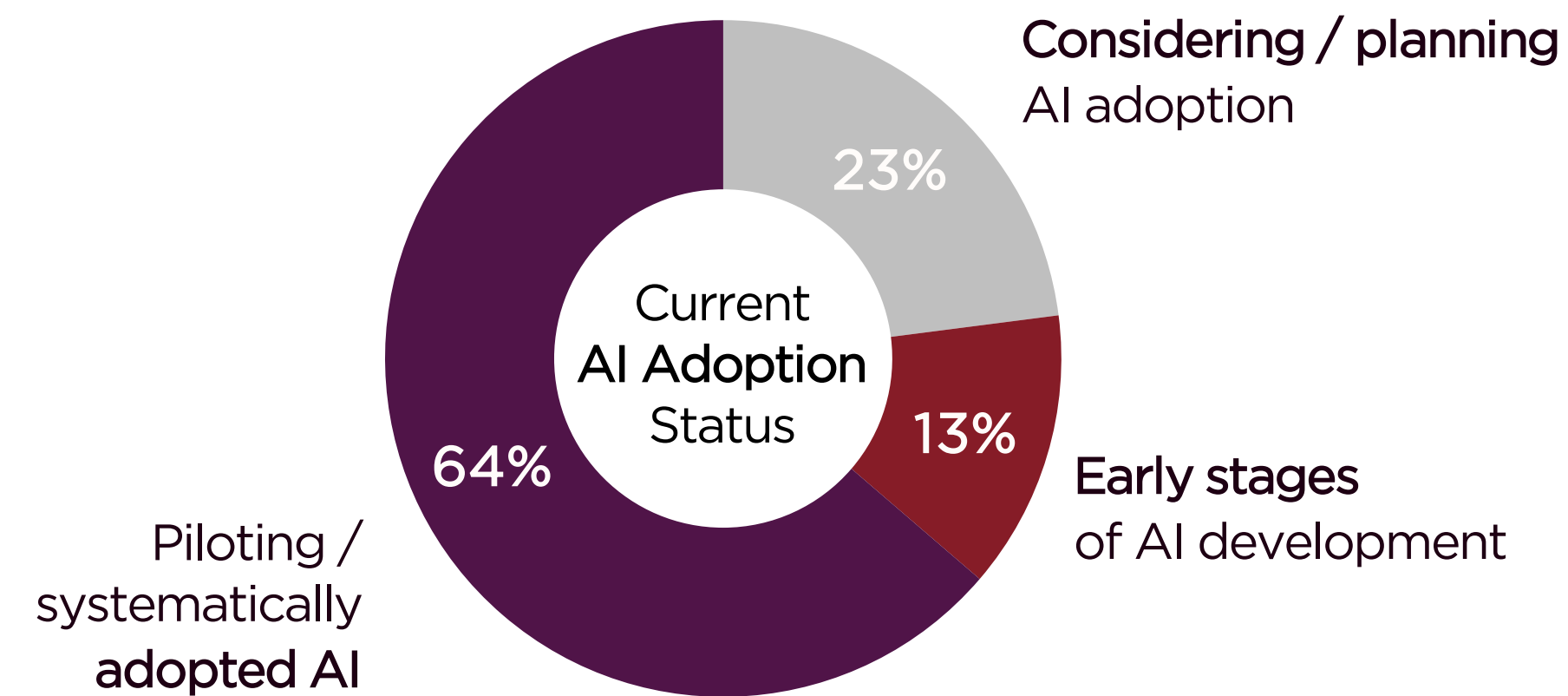


ANZ Overview (1/2)

ANZ enterprises report great ambitions for AI, with most ranking "Enhance/innovate/reinvent our business with AI" as their #1 business priority. This is a shift in ANZ from their more general focus on digital business innovation in 2025, signaling that AI is viewed as central engine to business transformation. This ambition is realized in ANZ organizations' investments in AI infrastructure and AI devices. This "heavy lifting" approach suggests that ANZ CIOs are prioritizing the foundational capabilities required to support long-term reinvention, before piloting and scaling AI use cases.

Business Priorities for 2026

- 1  Enhance/innovate/reinvent our business with AI
- 2  Increasing revenues & profit growth
- 3  Optimizing supply chain/inventory
- 4  Improving sustainability
- 5  Improving regulatory compliance



97% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.






On average, organizations expect to generate **\$2.65** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Industry specific LOB
- 3  Data & analytics
- 4  Cybersecurity
- 5  Finance



AI Investments Priorities for the next 12 months

- 1  Deploying and supporting AI Infrastructure
- 2  Deploying AI devices
- 3  Public cloud AI services
- 4  On-premise AI infrastructure
- 5  Generative AI development, deployment & applications/solutions

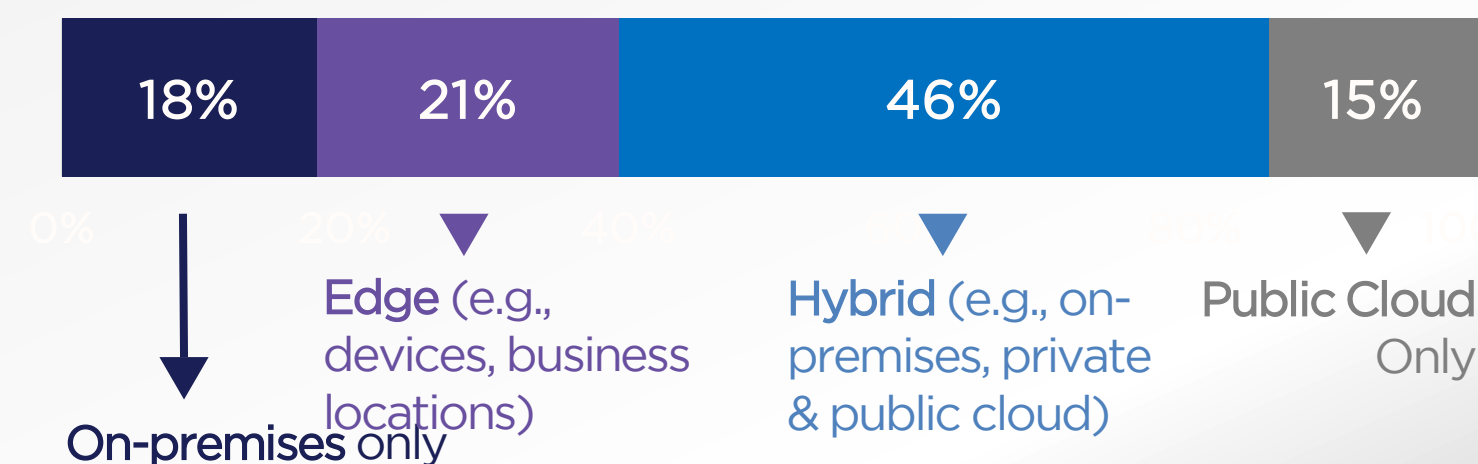
ANZ Overview (2/2)

Driven by ANZ heightened concerns over sovereignty mandates and intellectual property risks, ANZ enterprises lead the market (39%) in favoring on-premises only or edge AI deployment. This is fueled by geopolitical and economic concerns internationally and regionally. With investments in AI infrastructure and devices, CIOs hope to ring-fence the digital core and establishing the compliant, physical foundations required to scale agentic AI with confidence.

Technology Foundations

“Deploying and supporting AI Infrastructure” & “Deploying AI devices” are the **top ranked** AI investment priorities in the next 12 months.

Preferred Primary AI Workloads / Deployment Models

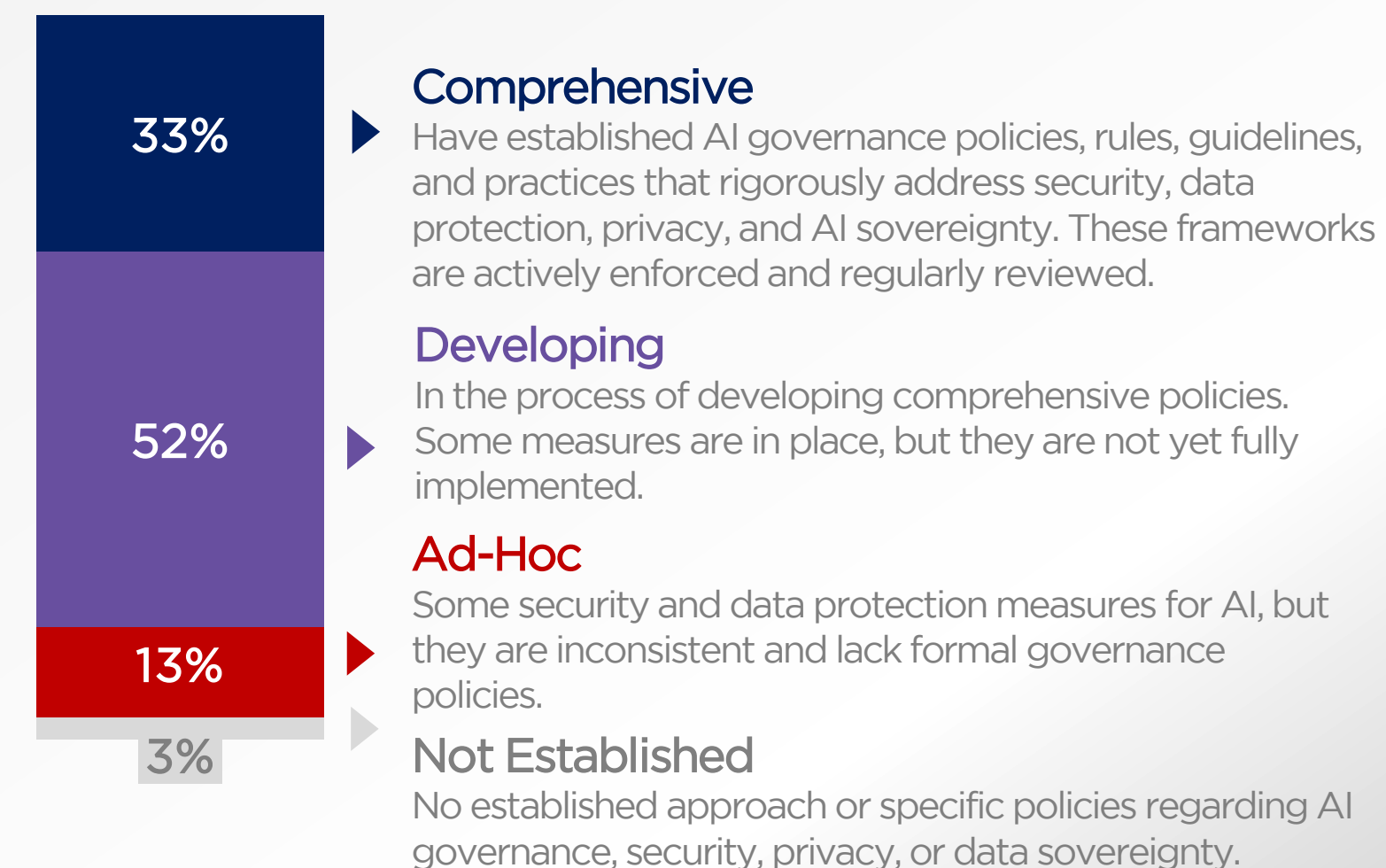


Key Drivers for On-Premises AI Workload Deployment

- 1 Implementing advanced security strategies/measures to address emerging threats
- 2 Challenges in managing cloud environments
- 3 Greater control over operations & data

Building AI Trust

Approach to AI Governance, Risk & Compliance

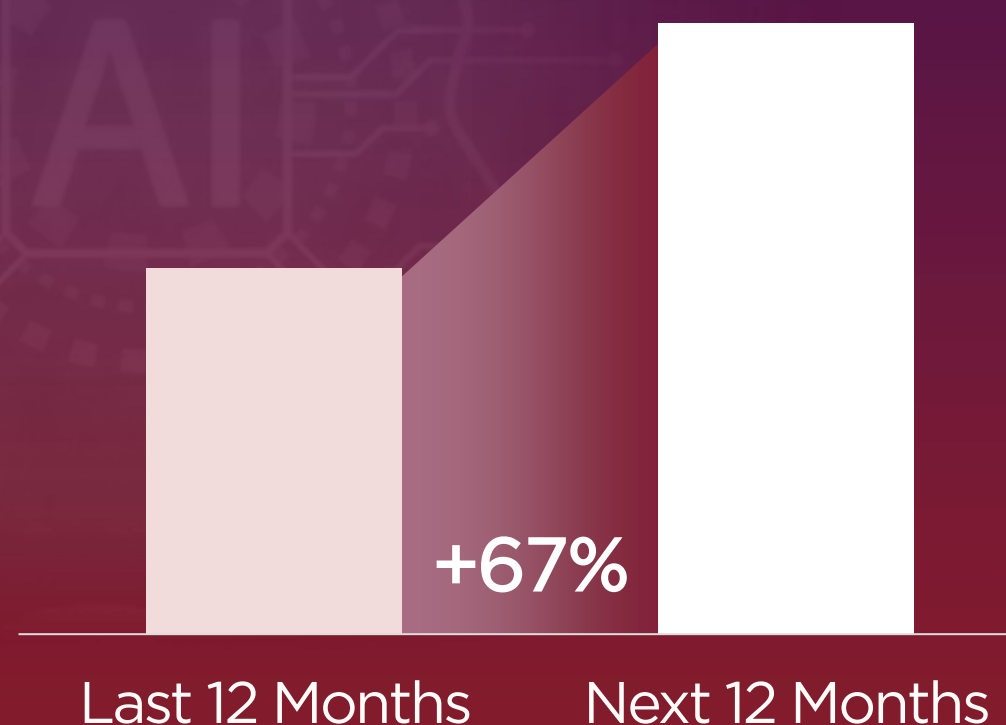


Top AI Trust Concerns

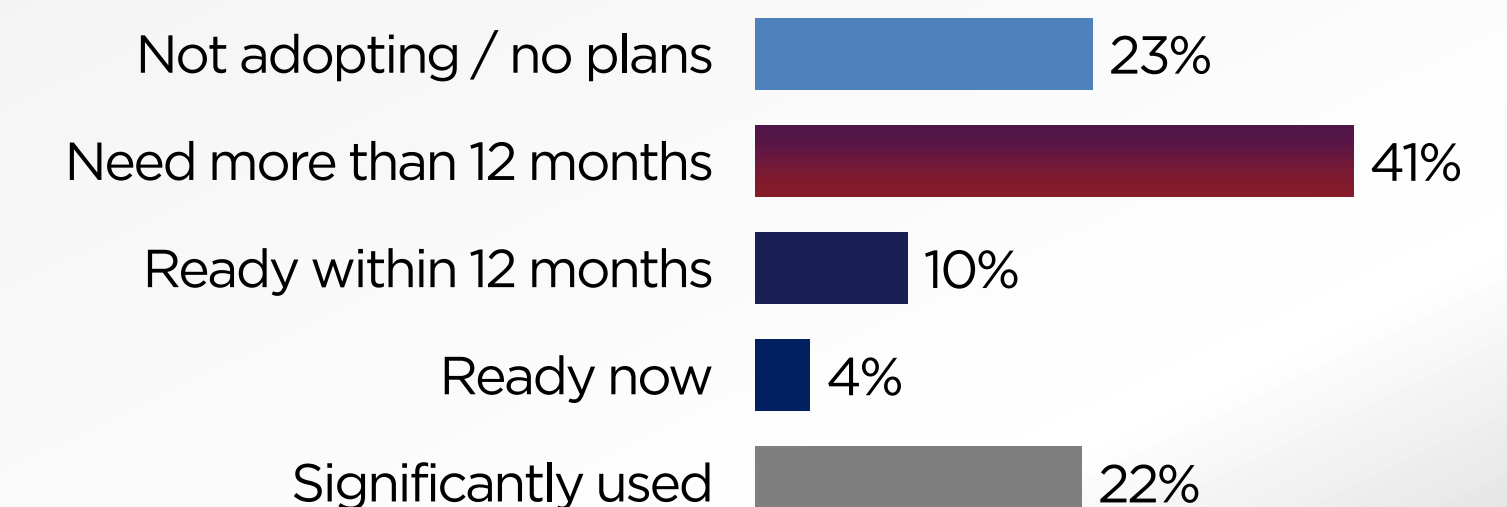
-
- 1 Intellectual property risks
 - 2 Lack of Responsible AI
 - 3 Poor data quality

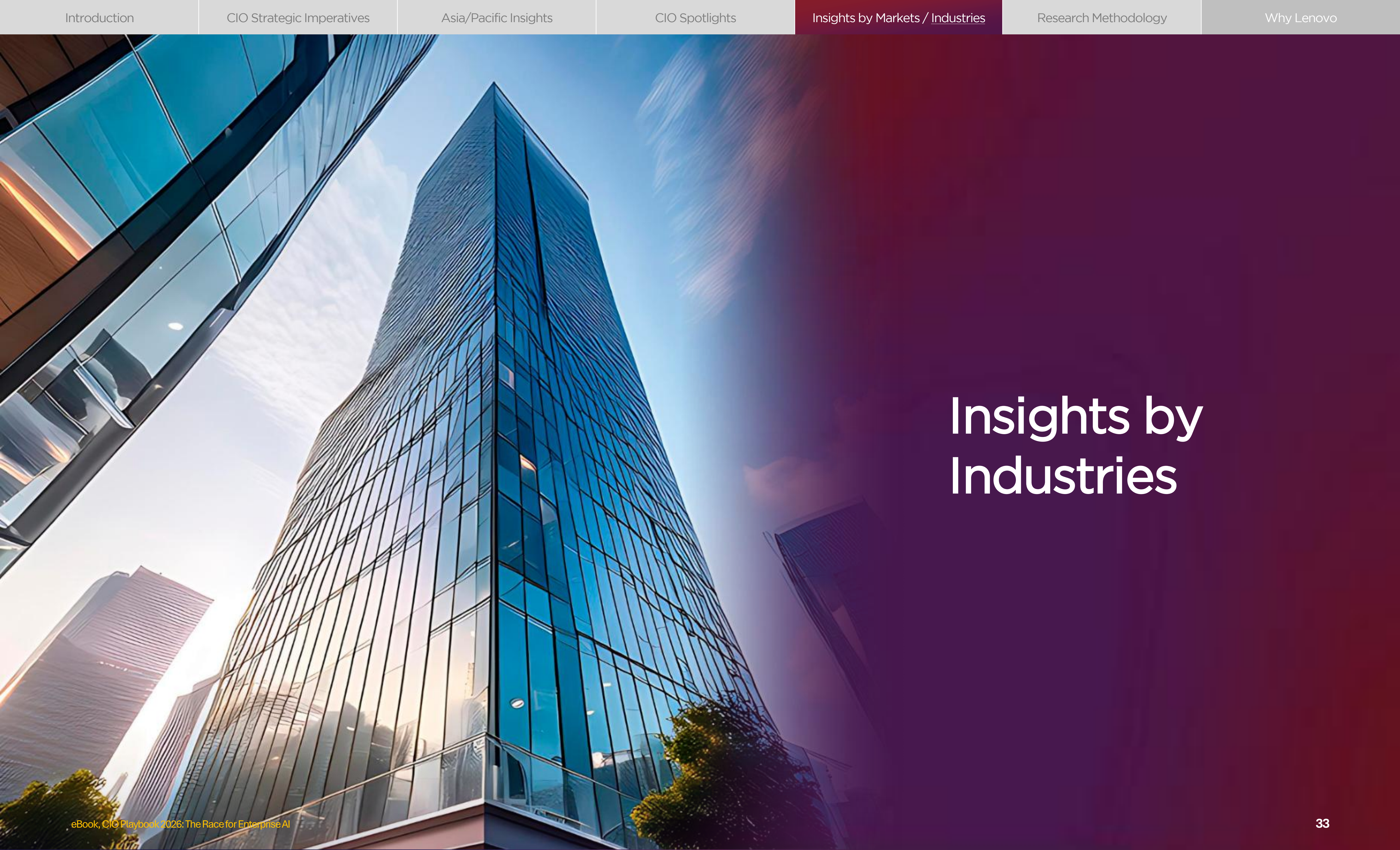
The Agentic Future

Increasing Focus on Agentic AI



Readiness for Scaled Agentic AI Implementation



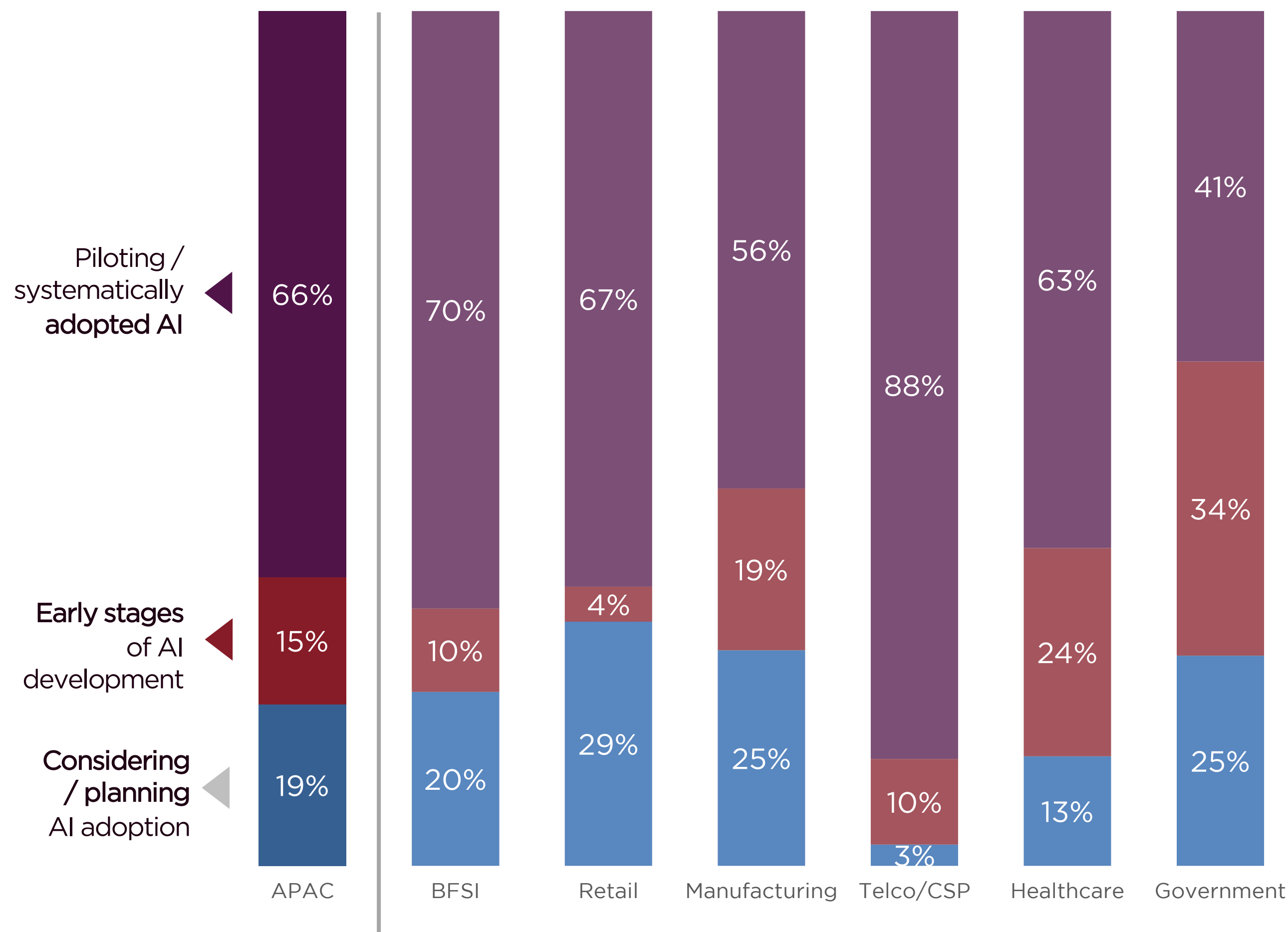


Insights by Industries

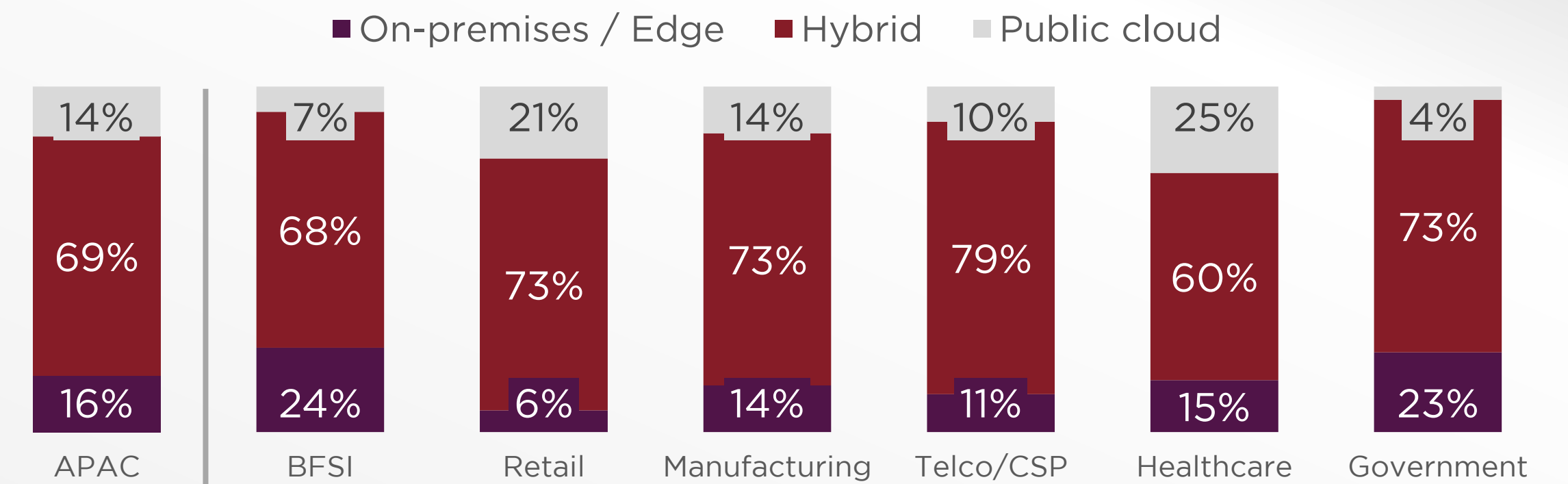
Industry Overview

AI adoption has decisively moved beyond the early stages across industries, with a majority now deploying AI at scale—led by Telco/CSP and BFSI. Hybrid deployment models dominate, reflecting the need to balance performance, sovereignty, and scalability. Meanwhile, agentic AI is emerging as the next growth frontier for Asia/Pacific organizations, with sharp increases in focus signaling a shift toward more autonomous, outcome-driven use cases.

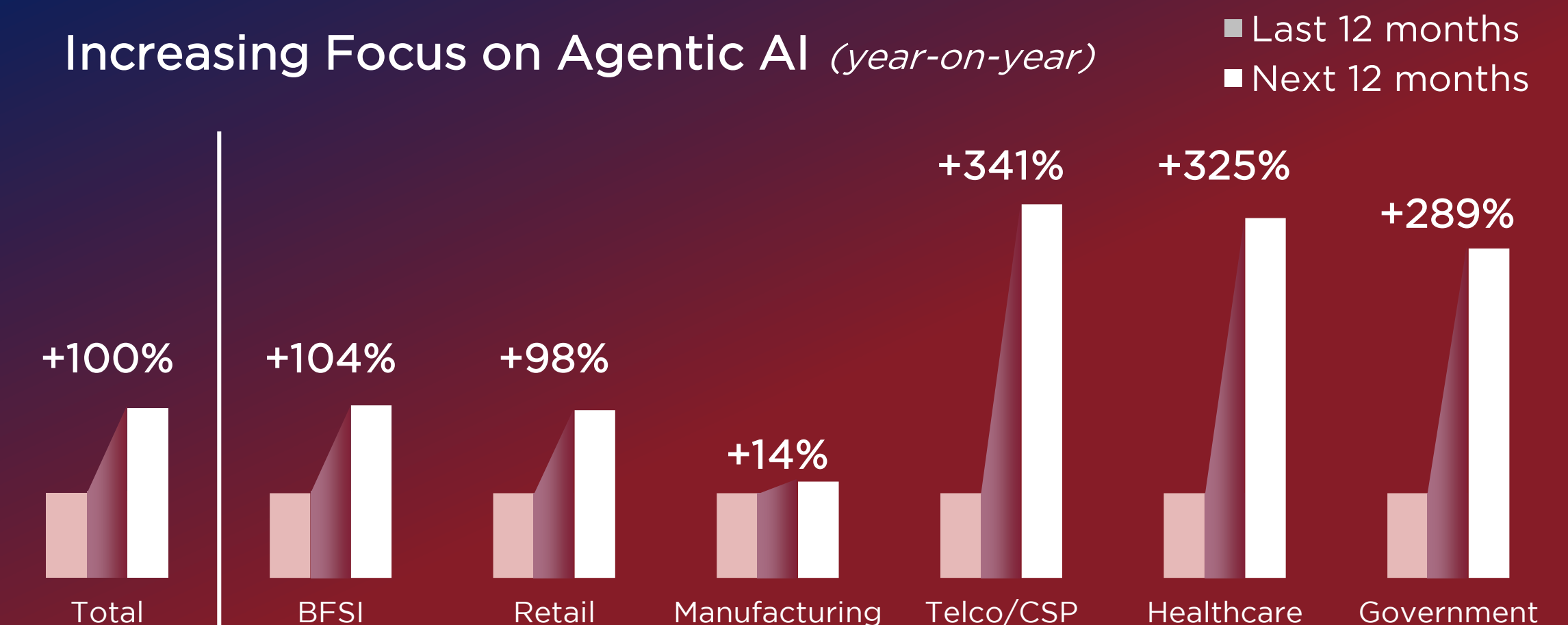
AI Adoption Status



Preferred Primary AI Workloads / Deployment Models








Increasing Focus on Agentic AI (year-on-year)

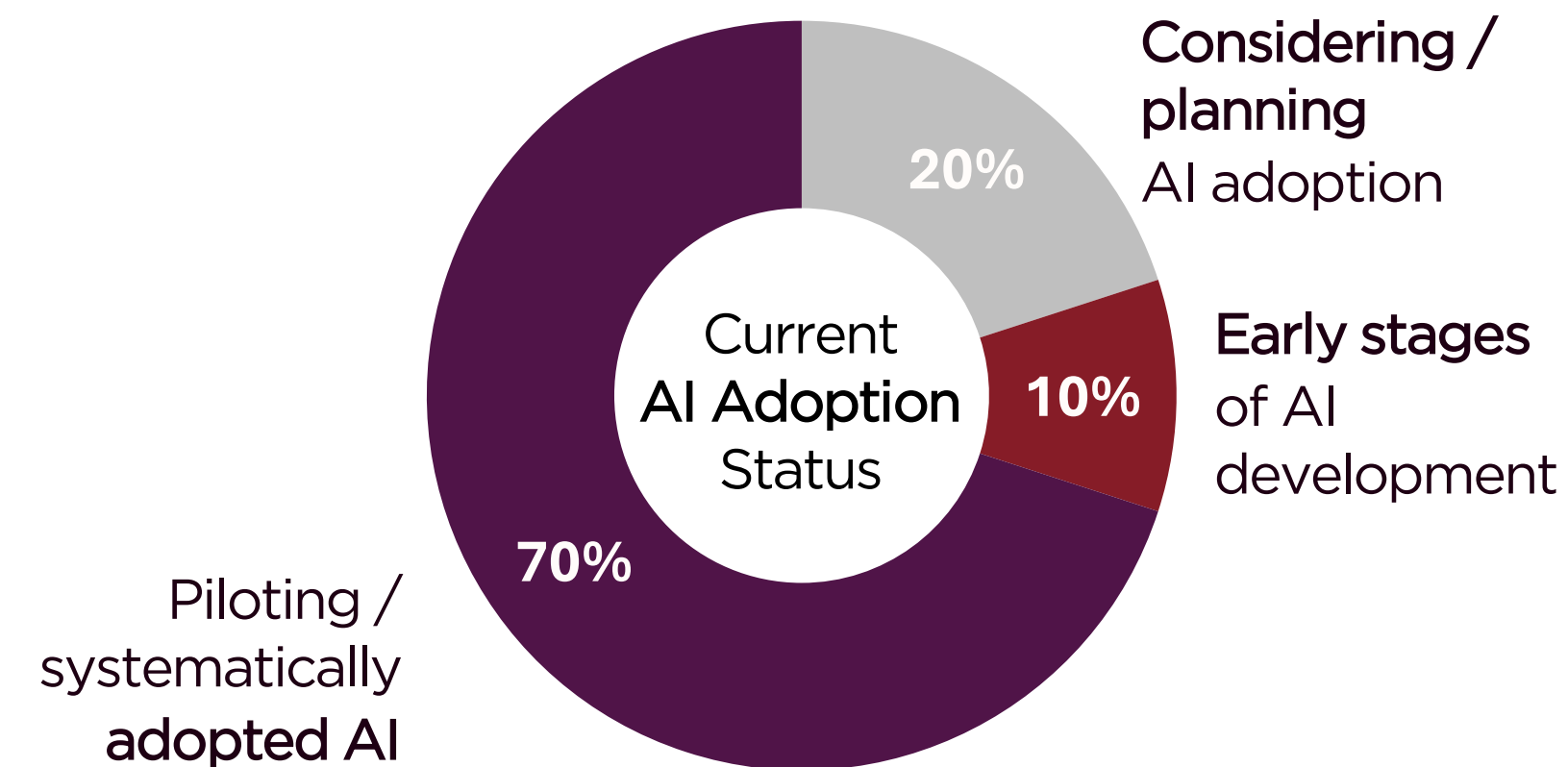


BFSI Overview (1/2)

Banks, financial services firms, and insurers are leading the way when it comes to adopting AI—about 70% have already gone past the early stages of AI development, slightly higher than the overall average of 66%. For these organizations, the main goal is clear: boosting revenues and profitability, while enhancing the business with AI. Nearly all of them (93%) expect their investments in AI to pay off, and they're planning to increase their AI budgets by an average of 14% next year.

Business Priorities for 2026

- 1  Increasing revenues & profit growth
- 2  Enhance/innovate/reinvent our business with AI
- 3  Enhancing decision-making
- 4  Improving employee productivity
- 5  Improving customer experience & satisfaction



93% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.






On average, organizations expect to generate **\$2.48** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Cybersecurity
- 3  Finance
- 4  Operations
- 5  Customer service



AI Investments Priorities for the next 12 months

- 1  AI security, trust & transparency tools
- 2  Public cloud AI services
- 3  Deploying AI devices
- 4  Deploying and supporting AI Infrastructure
- 5  Attracting & retaining AI talent

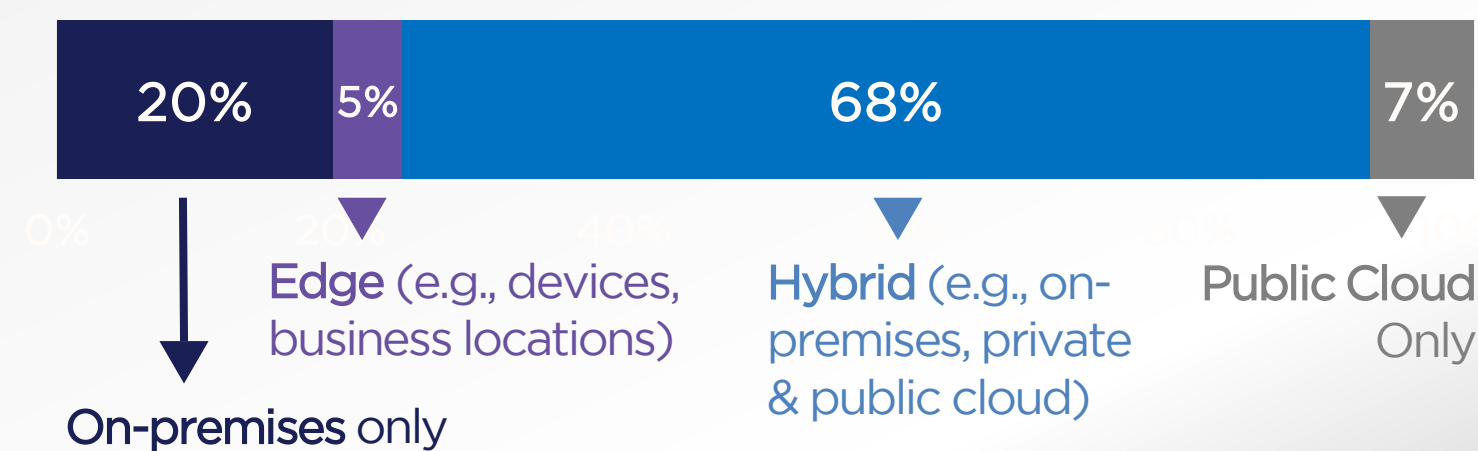
BFSI Overview (2/2)

For BFSI organizations, rolling out the right hardware—both devices and infrastructure—is still a top priority. Most organizations prefer hybrid setups, balancing cloud and on-premises deployments. Keeping data private, meeting strict regulations, and maintaining strong security are non-negotiable in a highly regulated industry. Close to ¾ of organizations are still figuring out the best way to manage AI governance, risk, and compliance. As Agentic AI becomes more prominent, getting this right will only become more important.

Technology Foundations

“Deploying AI devices” & “Deploying & supporting AI infrastructure” are among the top AI investment priorities in the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

- 1 Flexibility to customize & optimize infrastructure
- 2 Greater control over operations & data
- 3 Ensuring data privacy, regulatory compliance, and security protocols

Building AI Trust

Approach to AI Governance, Risk & Compliance

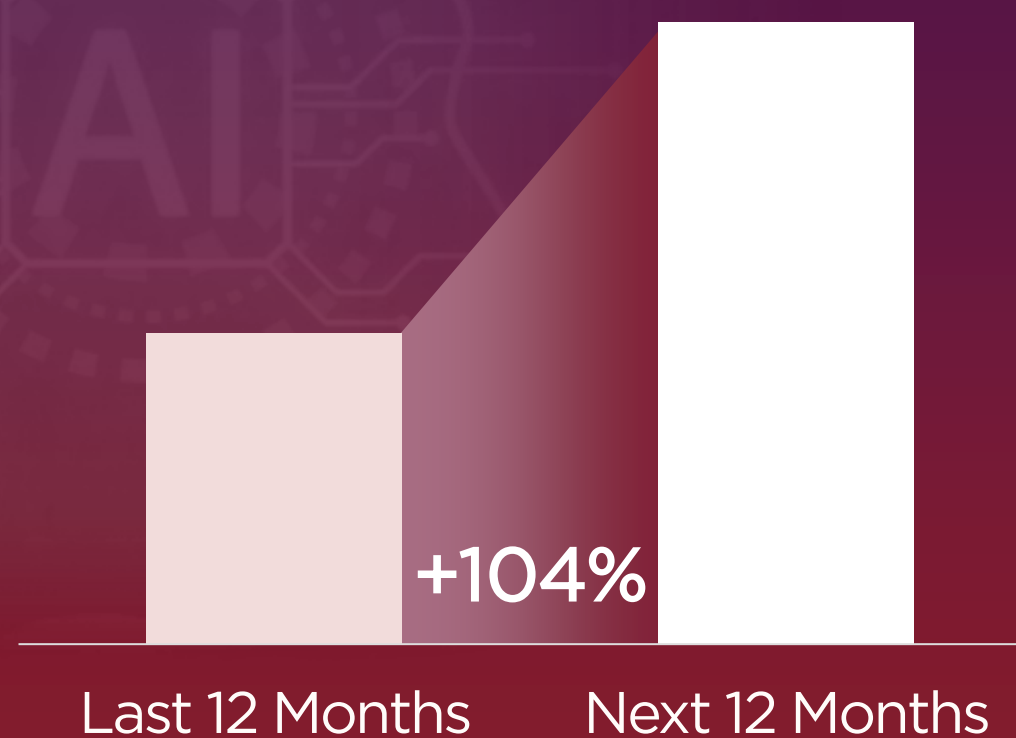


Top AI Trust Concerns

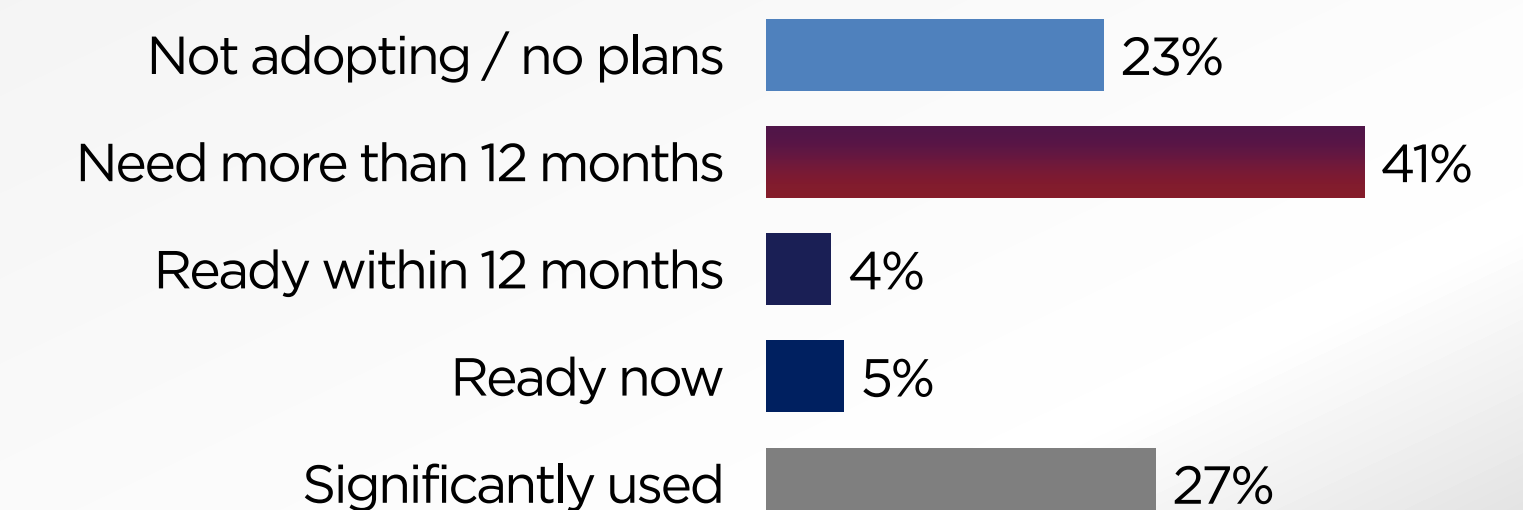
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- 1 Loss of data sovereignty
 - 2 Intellectual property risks
 - 3 Lack of Responsible AI

The Agentic Future

Increasing Focus on Agentic AI








Readiness for Scaled Agentic AI Implementation

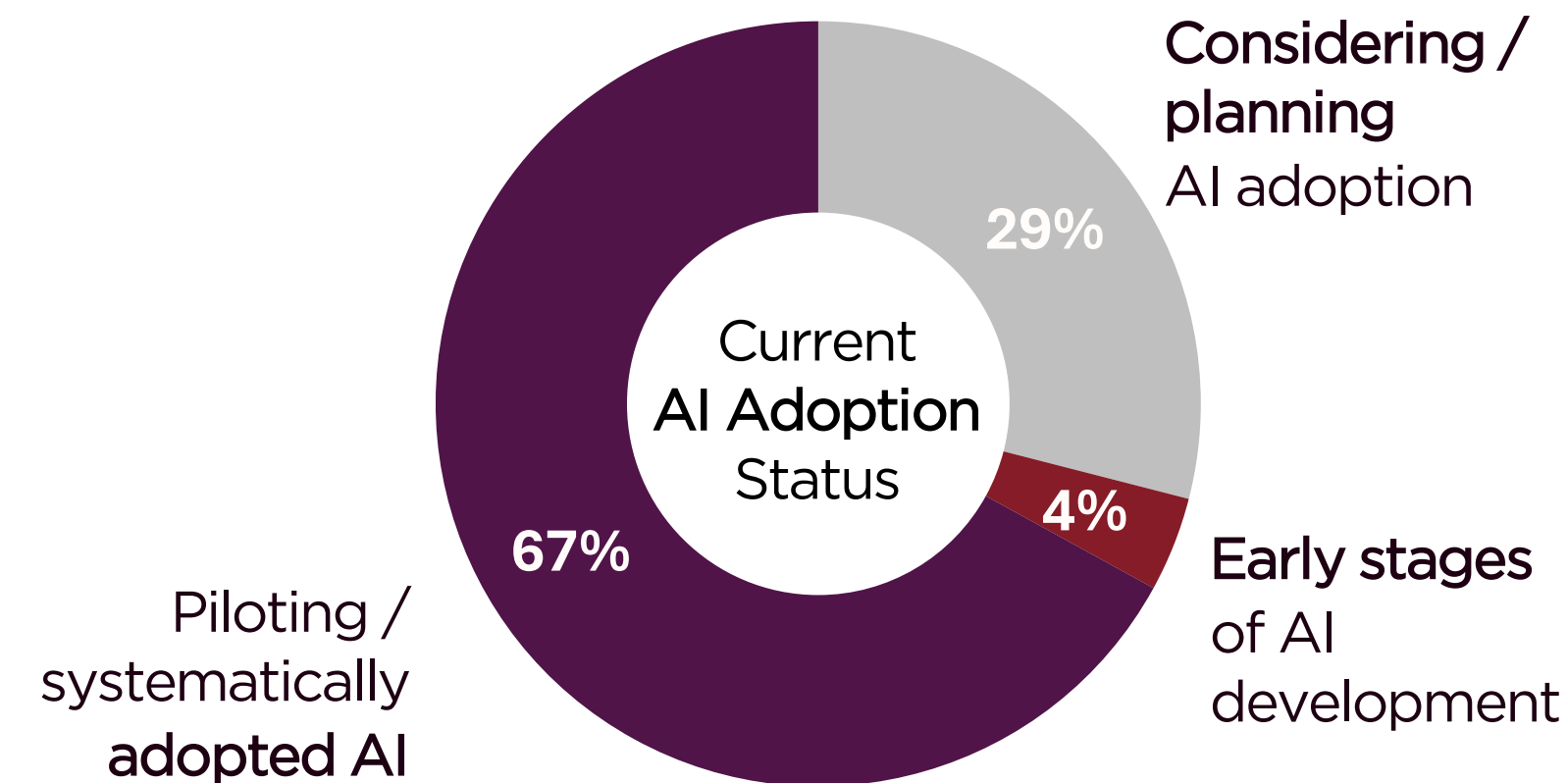


Retail Overview (1/2)

IDC's research shows strong interest in AI among retailers for 2026, with two-thirds of organizations moving beyond the initial stages of AI deployment. AI is now a strategic focus that goes beyond efficiency, with many retailers identifying their top business priority as adopting AI to "enhance, innovate, and/or reinvent" their business. The expected \$2.90 return for every dollar invested further underscores this momentum. For those who have already invested in AI, areas like Cybersecurity and Data & Analytics are delivering tangible, proven returns.

Business Priorities for 2026

- 1  Enhance/innovate/reinvent our business with AI
- 2  Driving digital business innovation
- 3  Increasing revenues & profit growth
- 4  Reducing business risk & cyber threats
- 5  Optimizing supply chain/inventory



88% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.






On average, organizations expect to generate **\$2.90** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  Cybersecurity
- 2  Data & analytics
- 3  IT
- 4  Customer service
- 5  Marketing



AI Investments Priorities for the next 12 months

- 1  AI integration with devices, infrastructure & enterprise systems
- 2  Public cloud AI services
- 3  Data quality & governance improvements
- 4  External AI consulting & other third-party AI services
- 5  AI-driven process automation

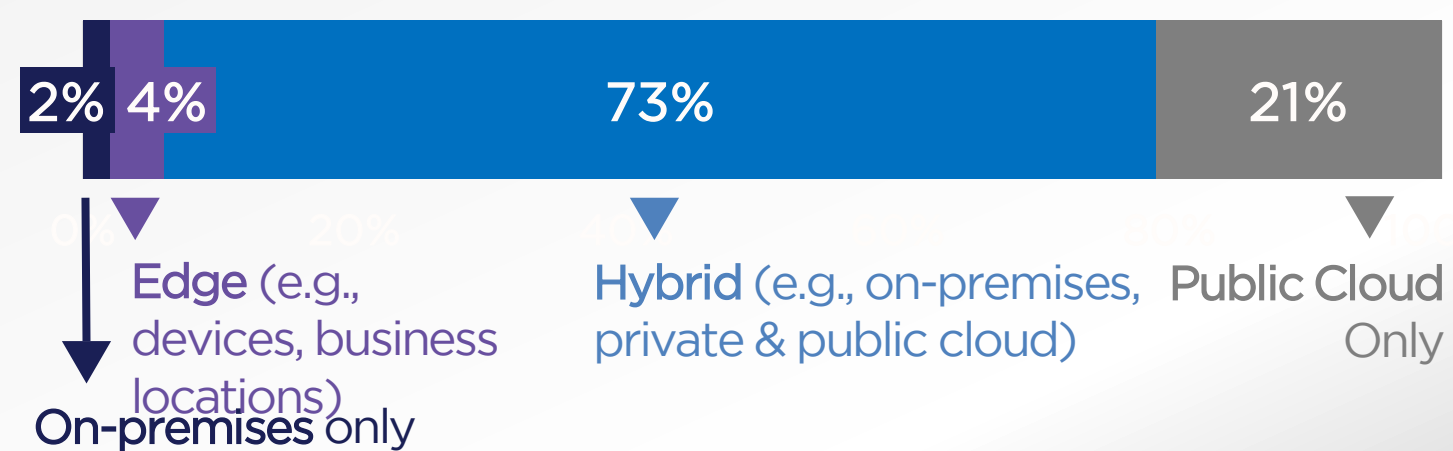
Retail Overview (2/2)

Only a small fraction (15%) of retailers are making significant use of agentic AI in their operations. However, interest in it is on the rise, especially given its potential to reshape how retailers, and particularly eCommerce businesses, interact with customers. However, to unlock these benefits, retailers need to get serious about how AI is managed. That means putting strong systems in place for governance, risk, and compliance, areas where most retailers are still playing catch-up. Building trust in AI is another big hurdle, and companies will need to invest time and resources to prepare for rolling out agentic AI at scale.

Technology Foundations

“AI integration with devices, infrastructure & enterprise systems” is the **#1 ranked** AI investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

- 1 Flexibility to customize & optimize infrastructure
- 2 Ensuring data privacy, regulatory compliance, and security protocols
- 3 Greater control over operations & data

Building AI Trust

Approach to AI Governance, Risk & Compliance



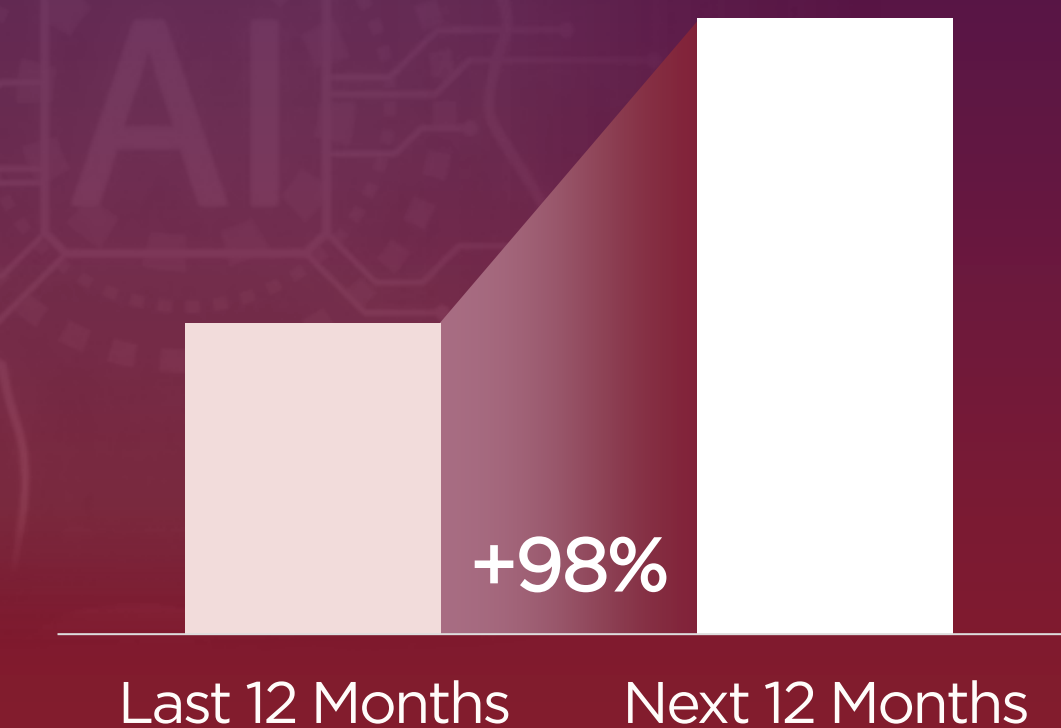
Top AI Trust Concerns



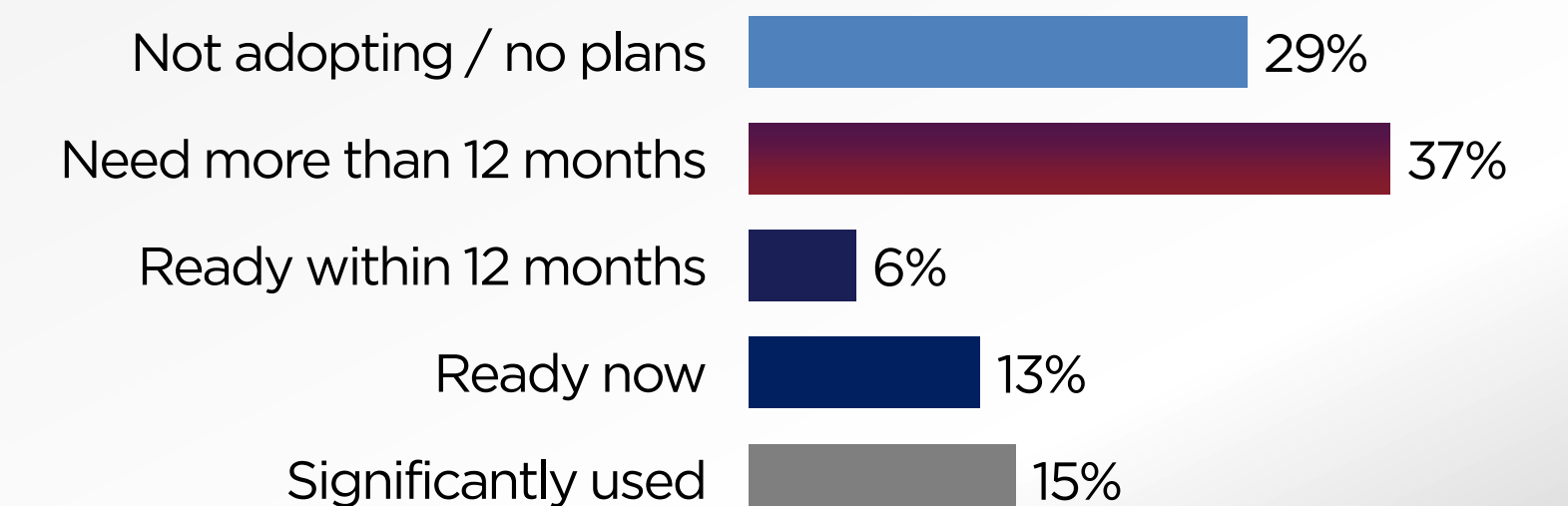
- 1 Poor data security
- 2 Lack of Responsible AI
- 3 Lack of transparency

The Agentic Future

Increasing Focus on Agentic AI








Readiness for Scaled Agentic AI Implementation

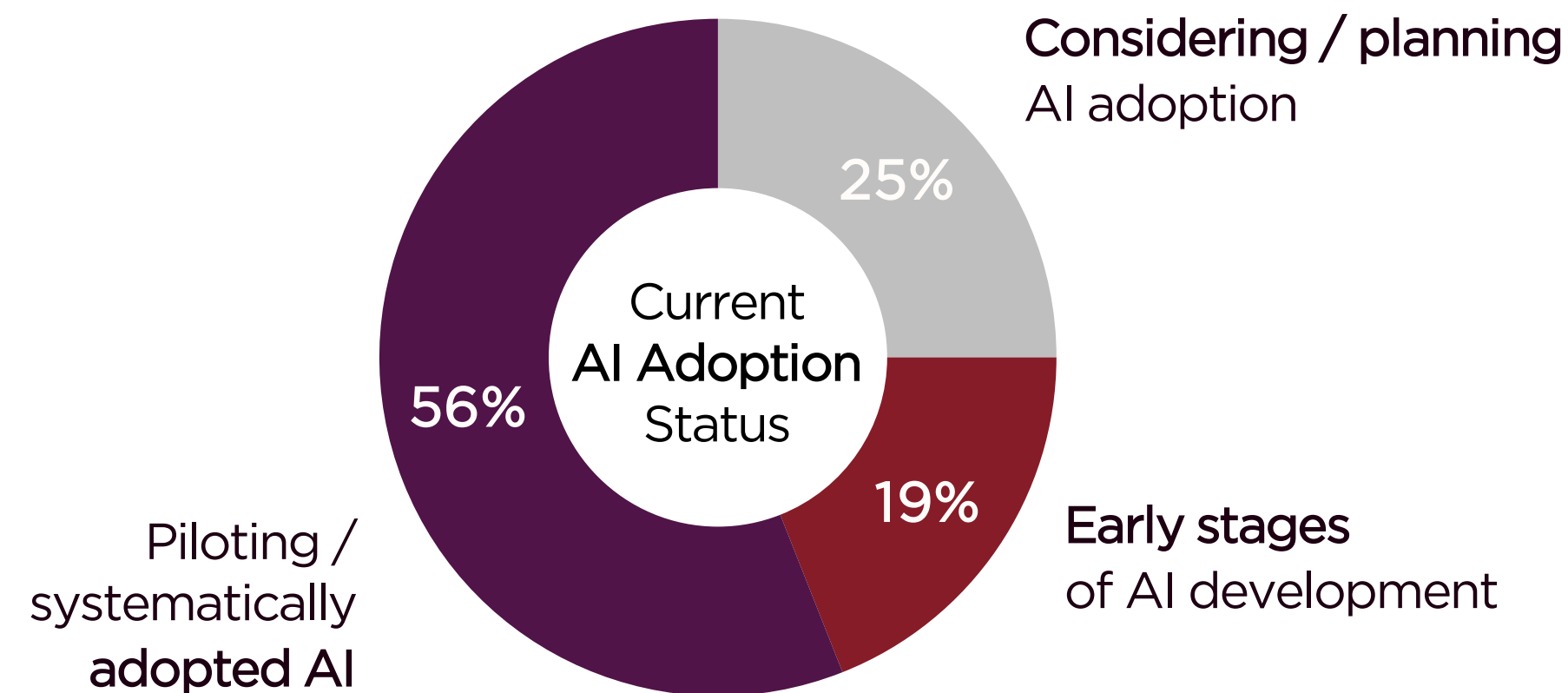


Manufacturing Overview (1/2)

AI is a top priority for manufacturers in 2026, ranking among the top three focus areas. While manufacturers are making progress with AI adoption, they are still slightly behind the broader industry average—56% have moved past the initial stages of AI deployment, compared to 66% cross-industry. Nevertheless, the data suggests that manufacturers are optimistic about AI's impact: for every dollar invested in AI, manufacturers expect to see a \$3 return. Looking ahead, manufacturers are expected to continue experimenting with AI, primarily in areas such as process automation, predictive maintenance, and quality management—key use cases that can drive efficiency and improve the bottom line.

Business Priorities for 2026

- 1  Increasing revenues & profit growth
- 2  Optimizing supply chain/inventory
- 3  Enhance/innovate/reinvent our business with AI
- 4  Decreasing or managing costs (e.g., moving from CAPEX to OPEX)
- 5  Improving employee productivity

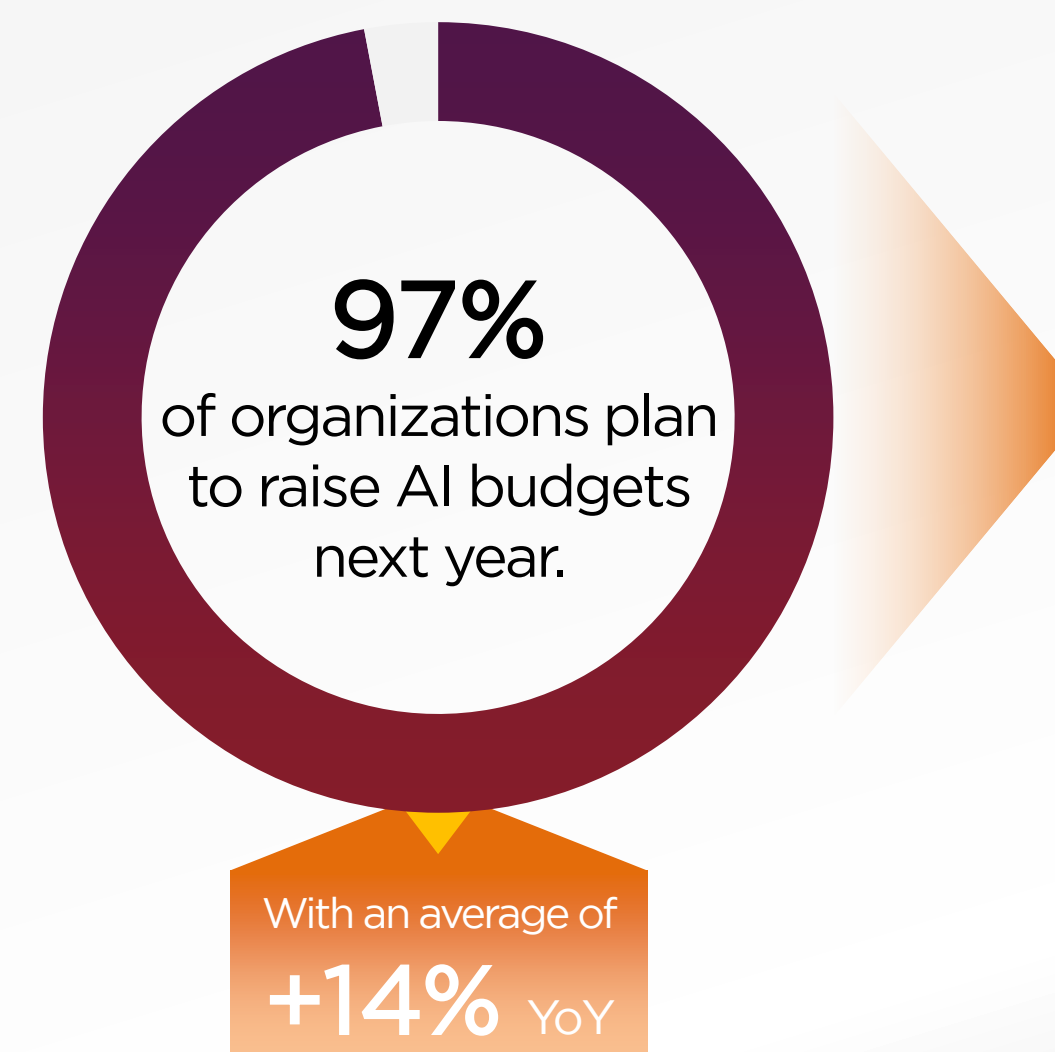


87% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.






On average, organizations expect to generate **\$3.00** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Data & analytics
- 3  Customer service
- 4  Marketing
- 5  Cybersecurity



AI Investments Priorities for the next 12 months

- 1  AI pilot programs & POCs
- 2  AI integration with devices, infrastructure & enterprise systems
- 3  AI agent development, deployment & applications/solutions
- 4  Generative AI development, deployment & applications/solutions
- 5  On-premise AI infrastructure (e.g., servers, GPUs)

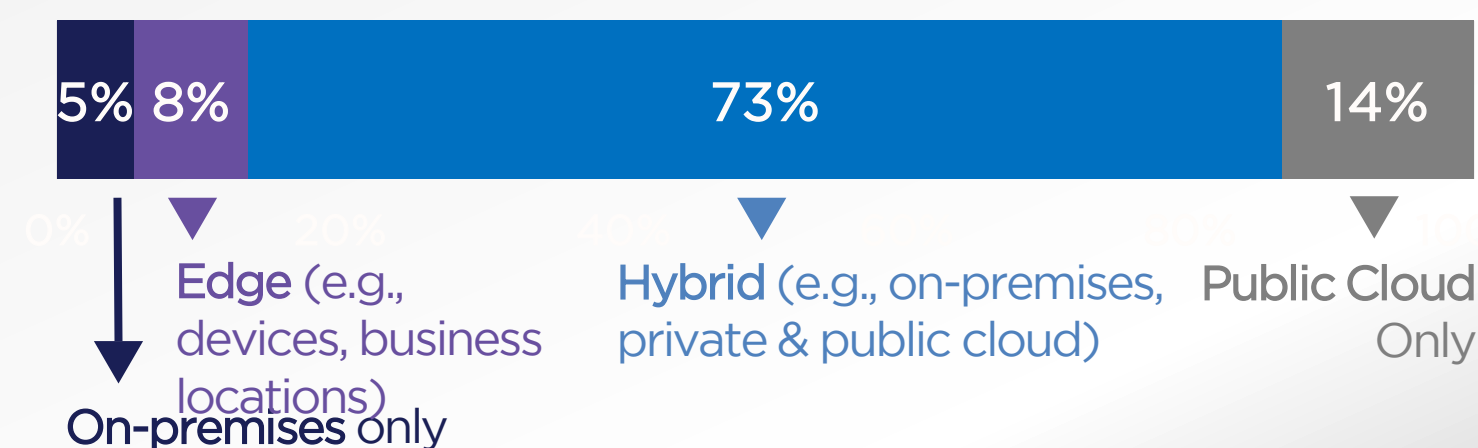
Manufacturing Overview (2/2)

Manufacturers will be actively integrating AI across devices, infrastructure, and business systems in 2026, aiming to bridge the gap between shop floor data and core operations. It's no surprise that most are favoring hybrid deployment models, striking a balance between security, control, and scalability. Yet, governance remains a challenge—just over a quarter have comprehensive GRC frameworks in place, while most are either piecemeal or still in development. Interest in Agentic AI is growing, but most organizations anticipate it will take more than a year before they are ready to scale up implementation.

Technology Foundations

“AI integration with devices, infrastructure & enterprise systems” is the **#2 ranked** AI investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

- 1 Greater control over operations & data
- 2 Implementing advanced security strategies/measures to address emerging threats
- 3 Challenges in managing cloud environments

Building AI Trust

Approach to AI Governance, Risk & Compliance

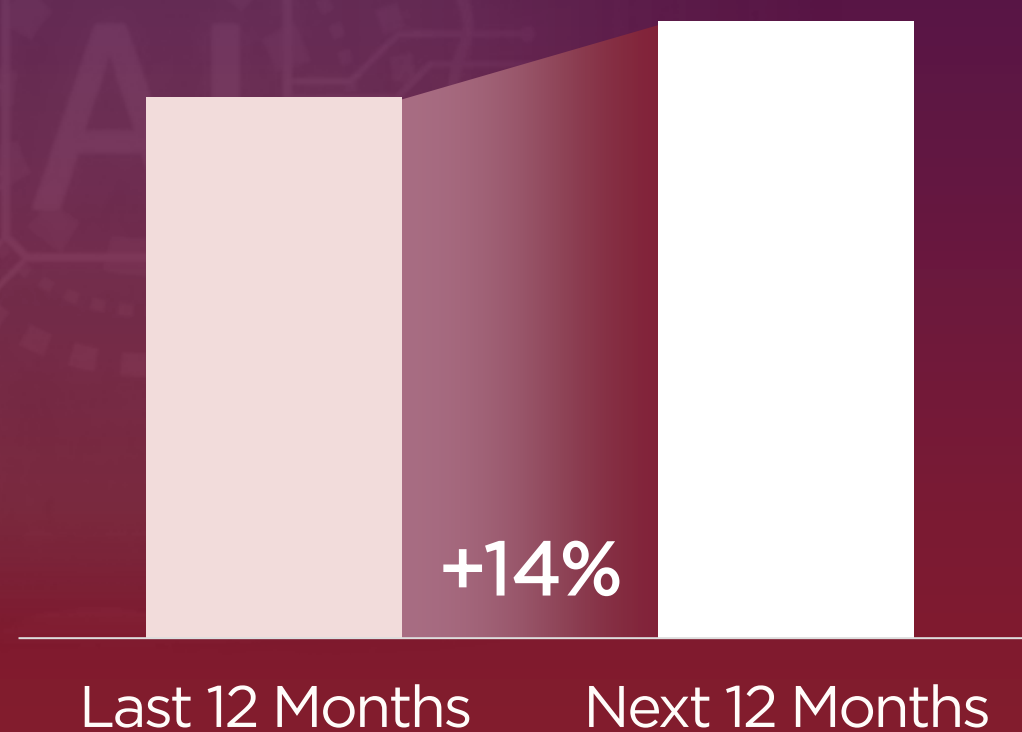


Top AI Trust Concerns

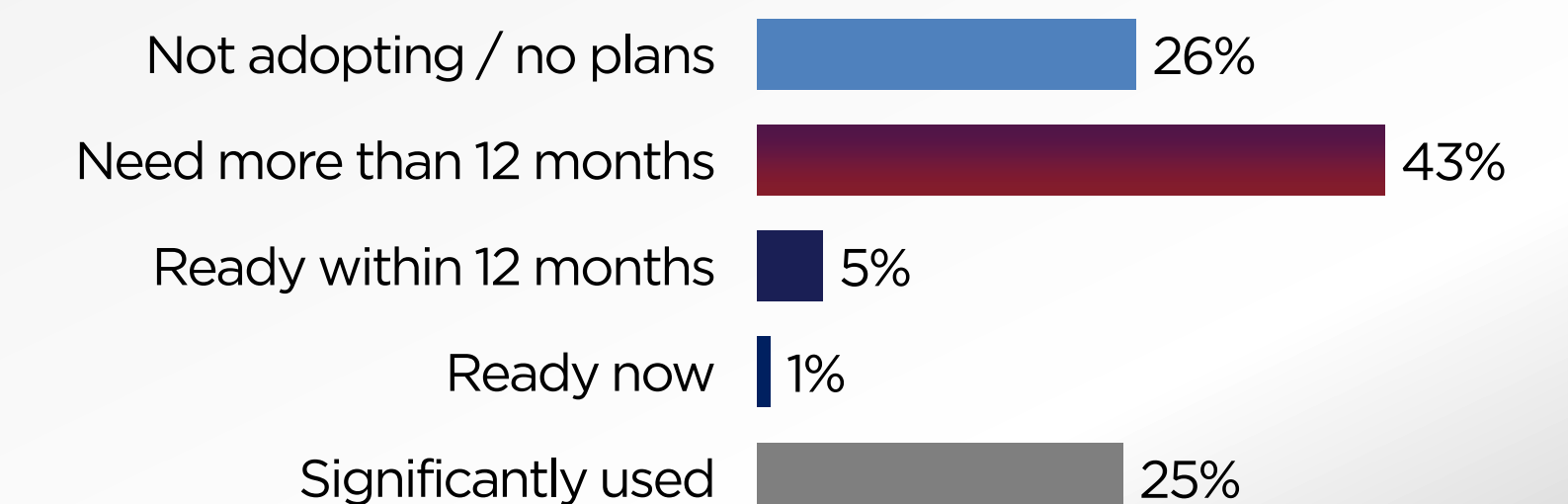
-
- 1 Poor data security
 - 2 Knowledge / application of Responsible AI
 - 3 Poor data quality

The Agentic Future

Increasing Focus on Agentic AI








Readiness for Scaled Agentic AI Implementation

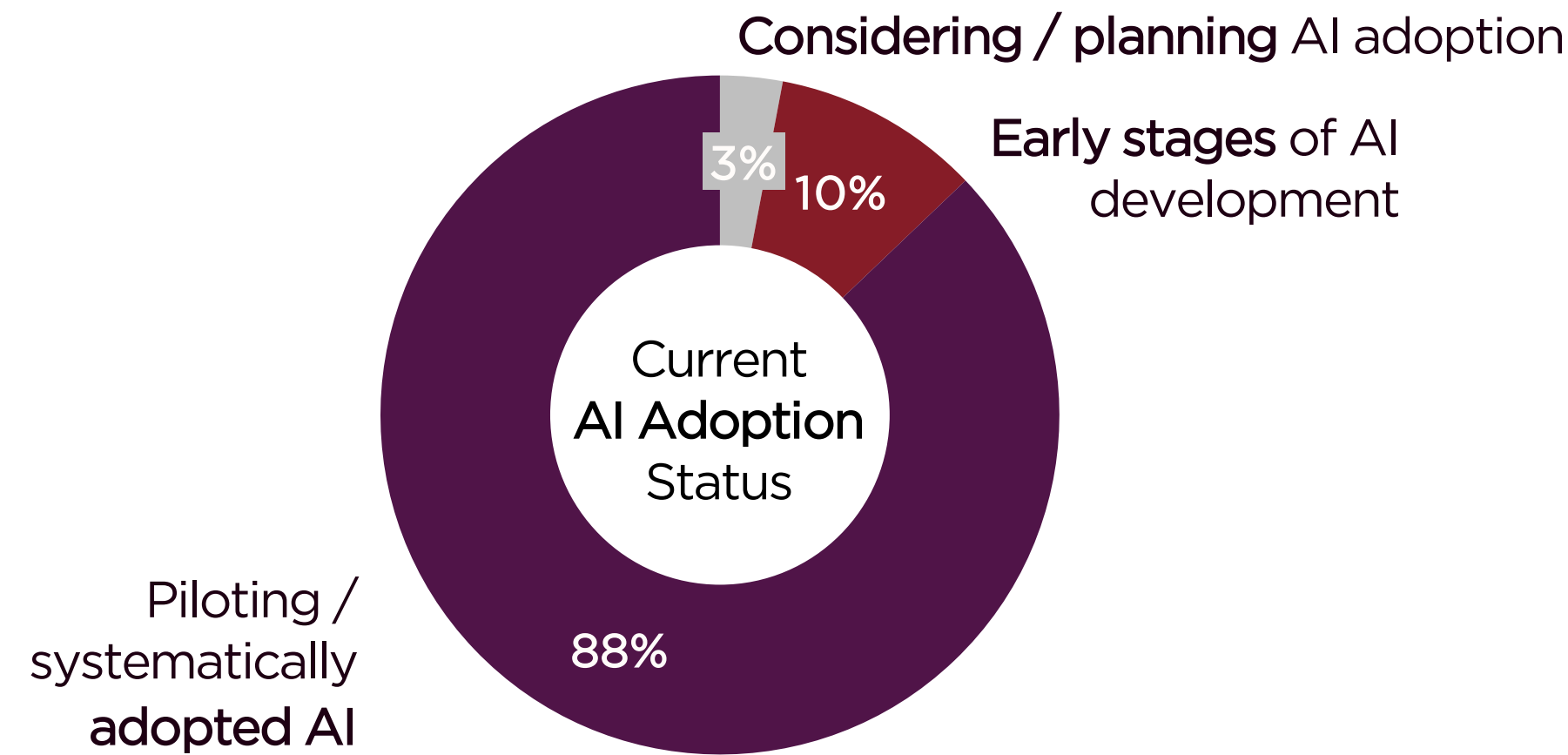


Telecommunications / Cloud Service Providers Overview (1/2)

Telecom and cloud service providers are leading the way in AI implementation, with 88% moving past the early adoption phase—showing that AI is now a core part of their operations, not just a new technology. Confidence in AI’s potential remains high, and investment momentum is strong, with a 20% YoY increase as organizations continue to invest in infrastructure, security, data and AI solutions.

Business Priorities for 2026



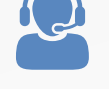


- 1  Improving customer experience & satisfaction
- 2  Enhancing decision-making
- 3  Enhance/innovate/reinvent our business with AI
- 4  Driving digital business innovation
- 5  Increasing revenues & profit growth

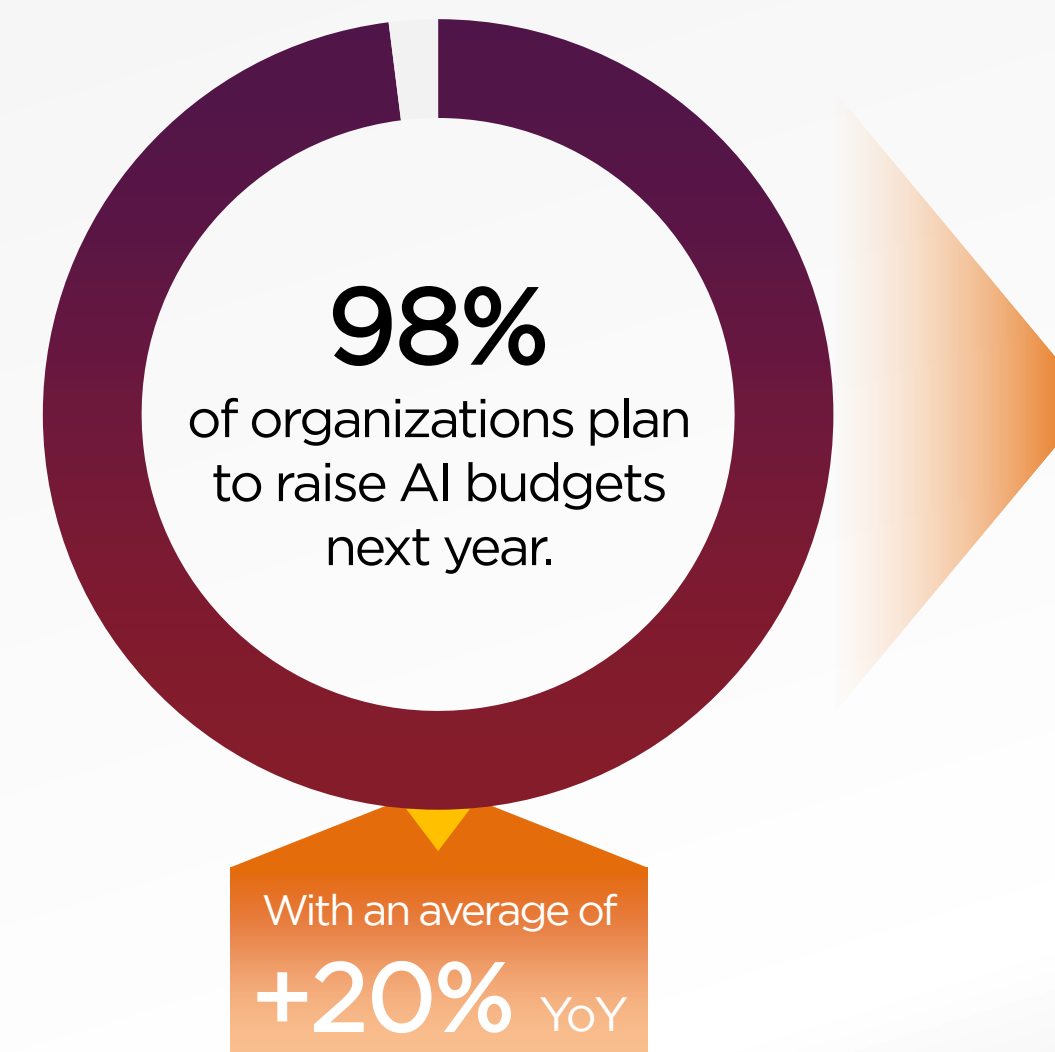


96% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.

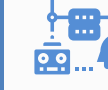




On average, organizations expect to generate **\$3.03** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Data & analytics
- 3  Customer service
- 4  Software development
- 5  Industry specific LOB



AI Investments Priorities for the next 12 months

- 1  Deploying and supporting AI Infrastructure
- 2  AI security, trust & transparency tools
- 3  Data quality & governance improvements
- 4  AI-driven process automation
- 5  Generative AI development, deployment & applications/solutions

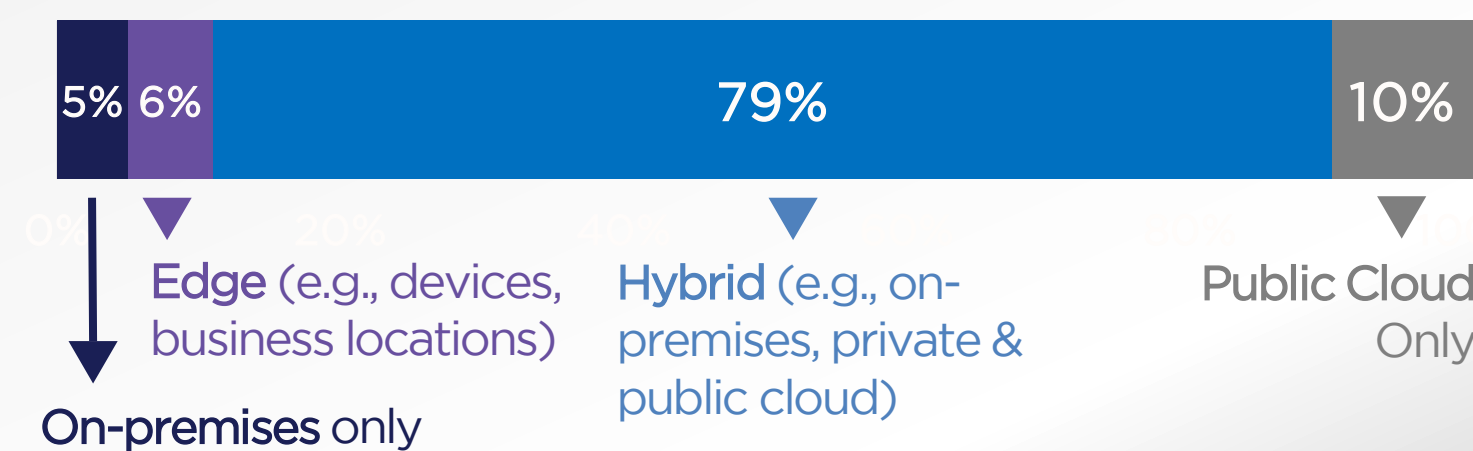
Telecommunication / Cloud Service Providers Overview (2/2)

Only 10% of telecommunications and cloud service providers use a public cloud-only deployment model for their AI workloads, with data privacy, regulatory compliance, and security protocols cited as the top reasons. In contrast, 50% of telco/CSP organizations have a comprehensive approach to AI governance, risk, and compliance—significantly higher than in other industries. This capability will be critical in the coming year, given the threefold increase in focus on agentic AI.

Technology Foundations

“Deploying and supporting AI Infrastructure” is the #1 ranked AI investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

- 1 Ensuring data privacy, regulatory compliance, and security protocols
- 2 Implementing advanced security strategies/measures to address emerging threats
- 3 Flexibility to customize & optimize infrastructure

Building AI Trust

Approach to AI Governance, Risk & Compliance

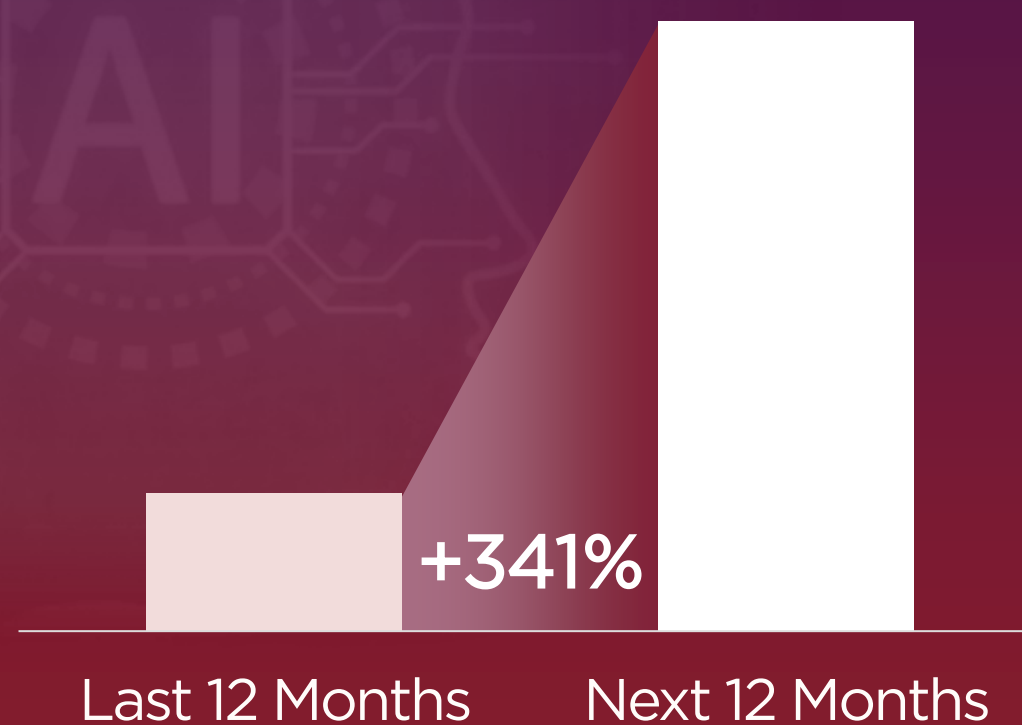


Top AI Trust Concerns

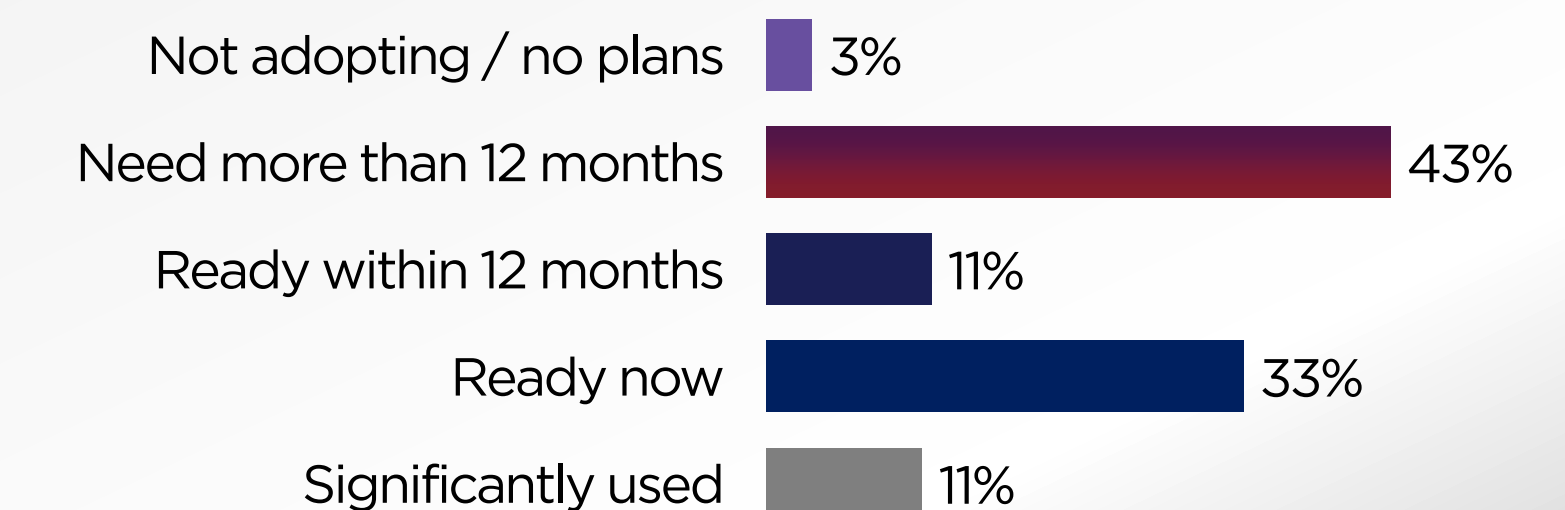
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- 1 Lack of Responsible AI
 - 2 Poor data security
 - 3 Shadow AI risks

The Agentic Future

Increasing Focus on Agentic AI






Readiness for Scaled Agentic AI Implementation

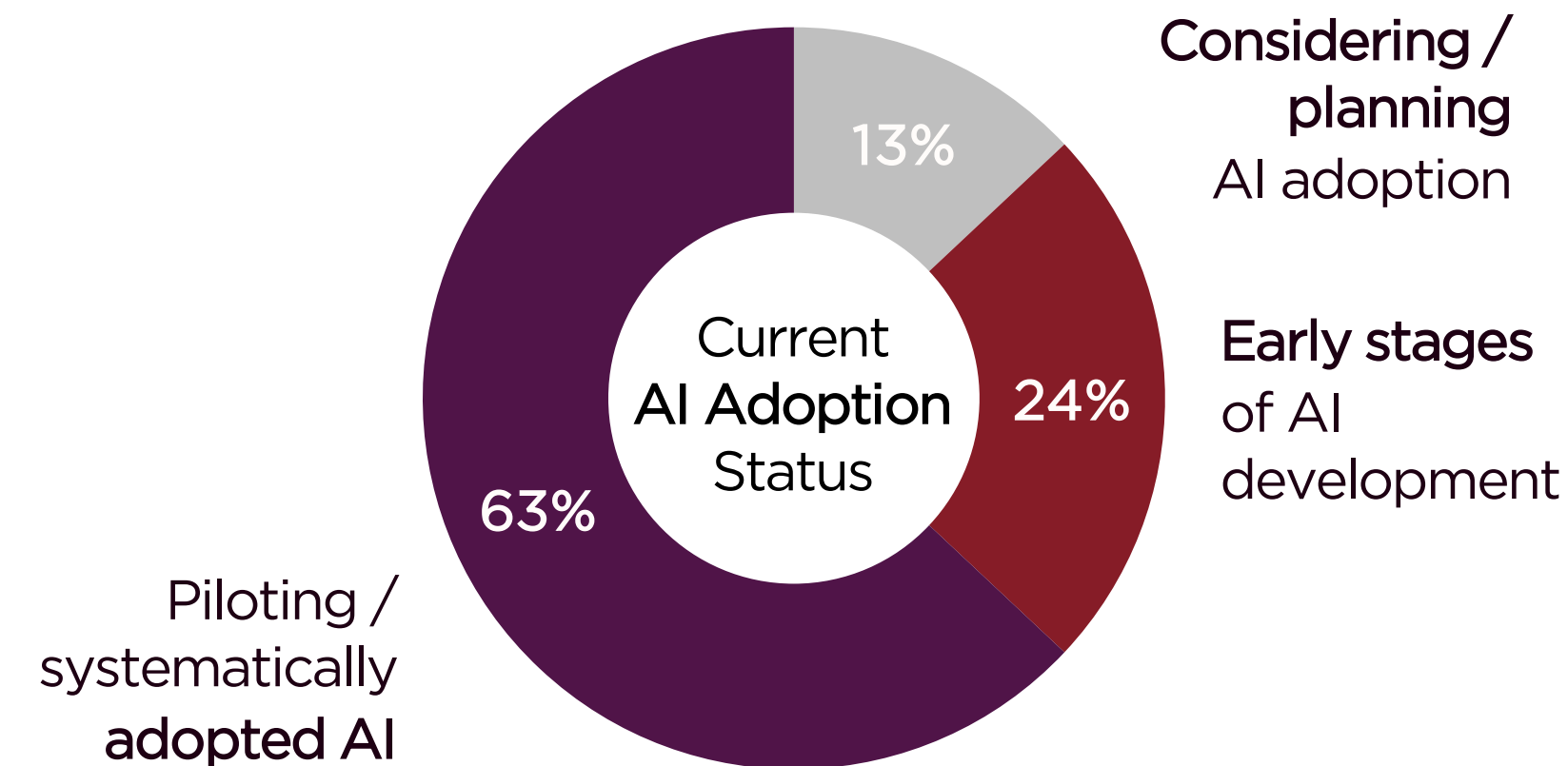


Healthcare Overview (1/2)

The healthcare industry closely tracks the overall market average in AI adoption. Use cases are diverse, ranging from ambient vital sign monitoring for continuous patient care, to virtual nursing assistants for enhanced patient education, and patient digital twins to simulate disease progression and evaluate treatment responses. To unlock these possibilities, organizations must invest in AI initiatives. Notably, 90% of healthcare respondents expect a positive ROI from their AI investments, and 92% plan to increase AI budgets next year. However, regulatory, ethical, and governance considerations must remain top of mind for business leaders in this sector.

Business Priorities for 2026

- 1  Enhance/innovate/reinvent our business with AI
- 2  Driving digital business innovation
- 3  Increasing revenues & profit growth
- 4  Improving customer experience & satisfaction
- 5  Improving employee productivity



90% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.






On average, organizations expect to generate **\$2.15** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Data & analytics
- 3  Customer service
- 4  Cybersecurity
- 5  Marketing



AI Investments Priorities for the next 12 months

- 1  Deploying AI devices
- 2  AI security, trust & transparency tools
- 3  Data quality & governance improvements
- 4  Generative AI development, deployment & applications/solutions
- 5  Public cloud AI services

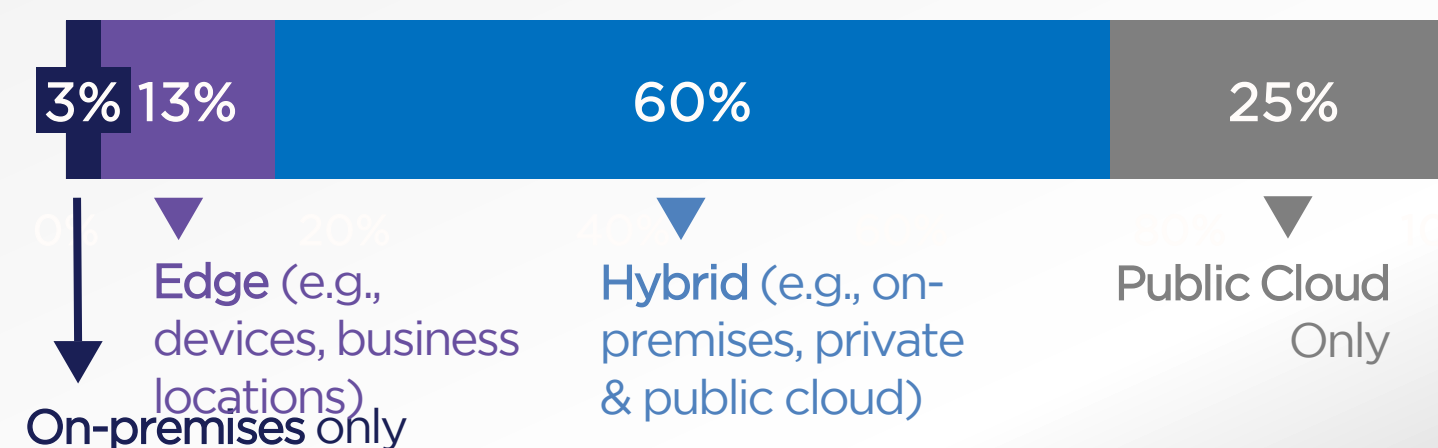
Healthcare Overview (2/2)

The focus on agentic AI is set to triple over the next 12 months. However, healthcare organizations still have significant work ahead, particularly in developing comprehensive approaches to AI governance, risk, and compliance. Currently, only about a quarter report having robust measures in place. Given the sensitivity of patient records and the high-stakes risks tied to health outcomes, integrating agentic AI into mission-critical functions will require extra caution.

Technology Foundations

“Deploying AI devices” is the #1 ranked AI investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Key Drivers for On-Premises AI Workload Deployment

- 1 Ensuring data privacy, regulatory compliance, and security protocols
- 2 Implementing advanced security strategies/measures to address emerging threats
- 3 Greater control over operations & data

Building AI Trust

Approach to AI Governance, Risk & Compliance



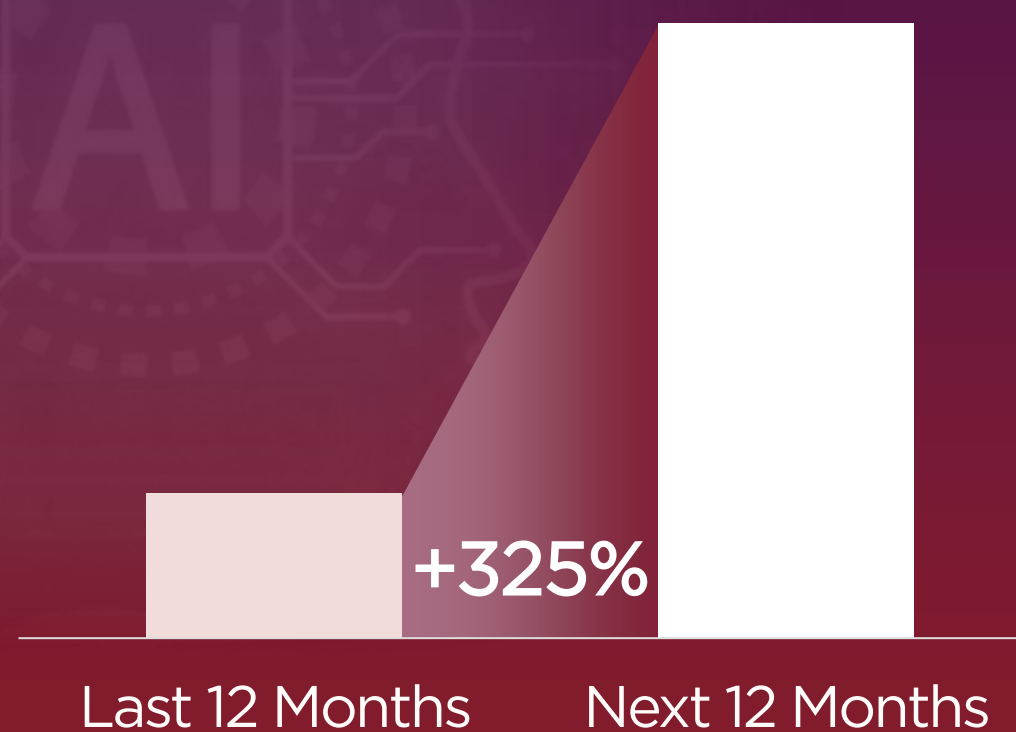
Top AI Trust Concerns



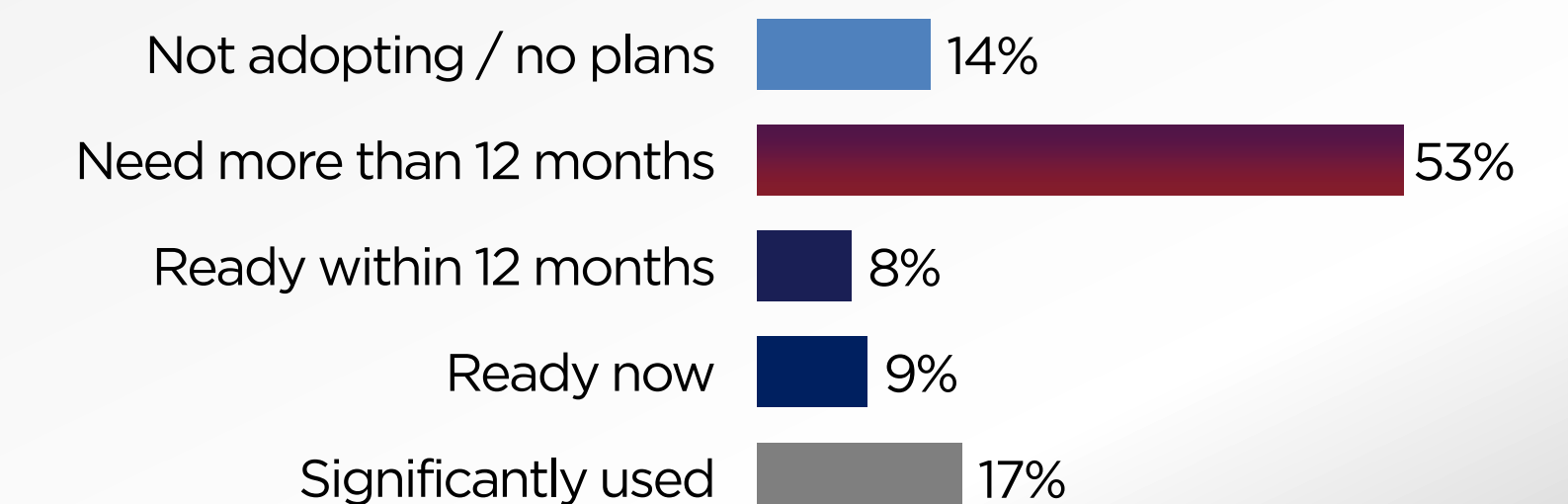
- 1 Lack of Responsible AI
- 2 Poor data security
- 3 Shadow AI risks

The Agentic Future

Increasing Focus on Agentic AI




Readiness for Scaled Agentic AI Implementation

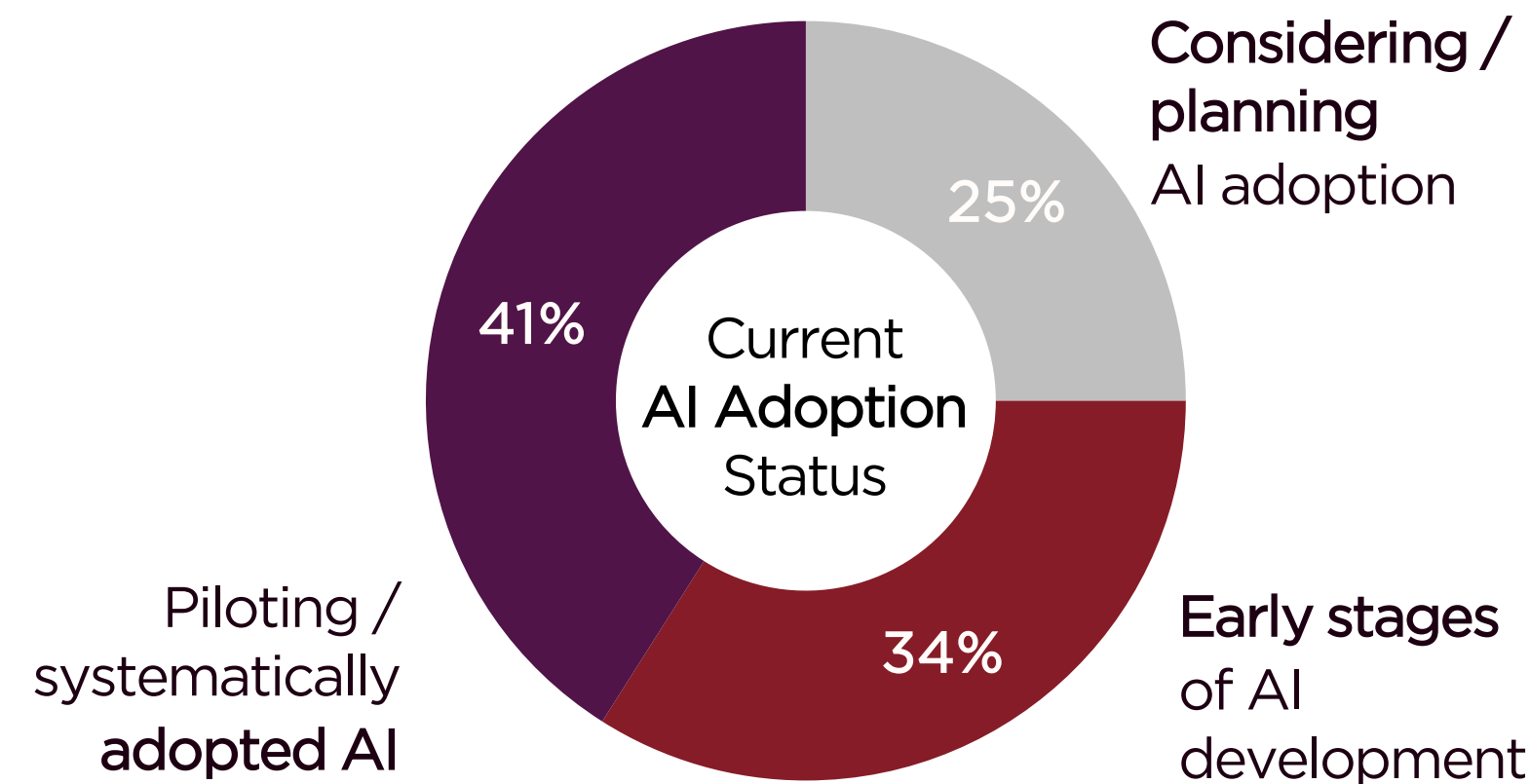


Government Overview (1/2)

Government organizations lag behind the broader market in AI adoption, with only 41% actively deploying AI compared to 66% overall. While revenue growth is important, other top priorities highlight the need for improved decision-making and regulatory compliance, reflecting the unique nature of the public sector. Nearly all government respondents plan to increase AI investment next year, with an average year-over-year rise of 13%, but they remain in catch-up mode on cloud transformation. Public cloud AI services are emerging as a top focus, signaling a push to modernize infrastructure.

Business Priorities for 2026






- 1  Increasing revenues growth
- 2  Enhancing decision-making
- 3  Enhance/innovate/reinvent our business with AI
- 4  Improving regulatory compliance
- 5  Improving customer experience & satisfaction



95% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.



On average, organizations expect to generate **\$3.22** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

- 1  IT
- 2  Industry specific LOB
- 3  Data & analytics
- 4  Operations
- 5  Software development



AI Investments Priorities for the next 12 months

- 1  Public cloud AI services
- 2  AI security, trust & transparency tools
- 3  Deploying and supporting AI Infrastructure
- 4  External AI consulting & other third-party AI services
- 5  Data quality & governance improvements

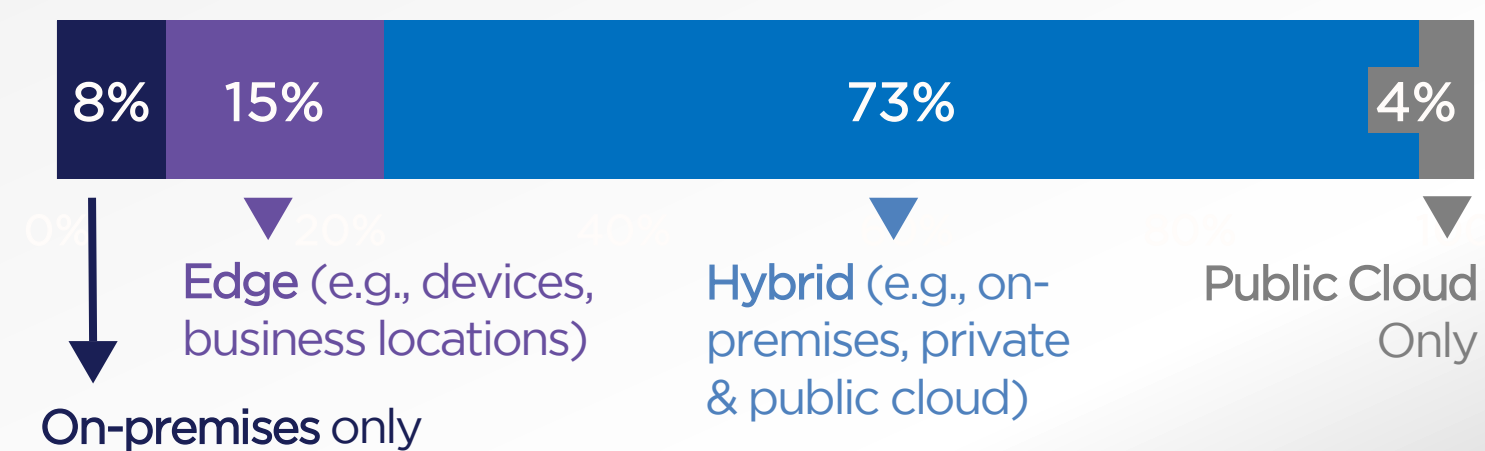
Government Overview (2/2)

Currently, only 2% of Asia/Pacific government organizations are leveraging Agentic AI in a meaningful way, with the majority indicating they need more than a year to feel prepared. Even more striking, just 15% have a comprehensive approach to AI governance, risk, and compliance (GRC)—19% below the Asia/Pacific average. This gap represents a significant vulnerability. Governments operate under intense public scrutiny, where GRC is non-negotiable and lapses in effective AI governance can quickly erode public trust. CIOs must build teams with the right skills to address AI trust concerns and accelerate responsible adoption.

Technology Foundations

“Deploying AI devices to enhance productivity & local inferencing” is the #2 ranked IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models

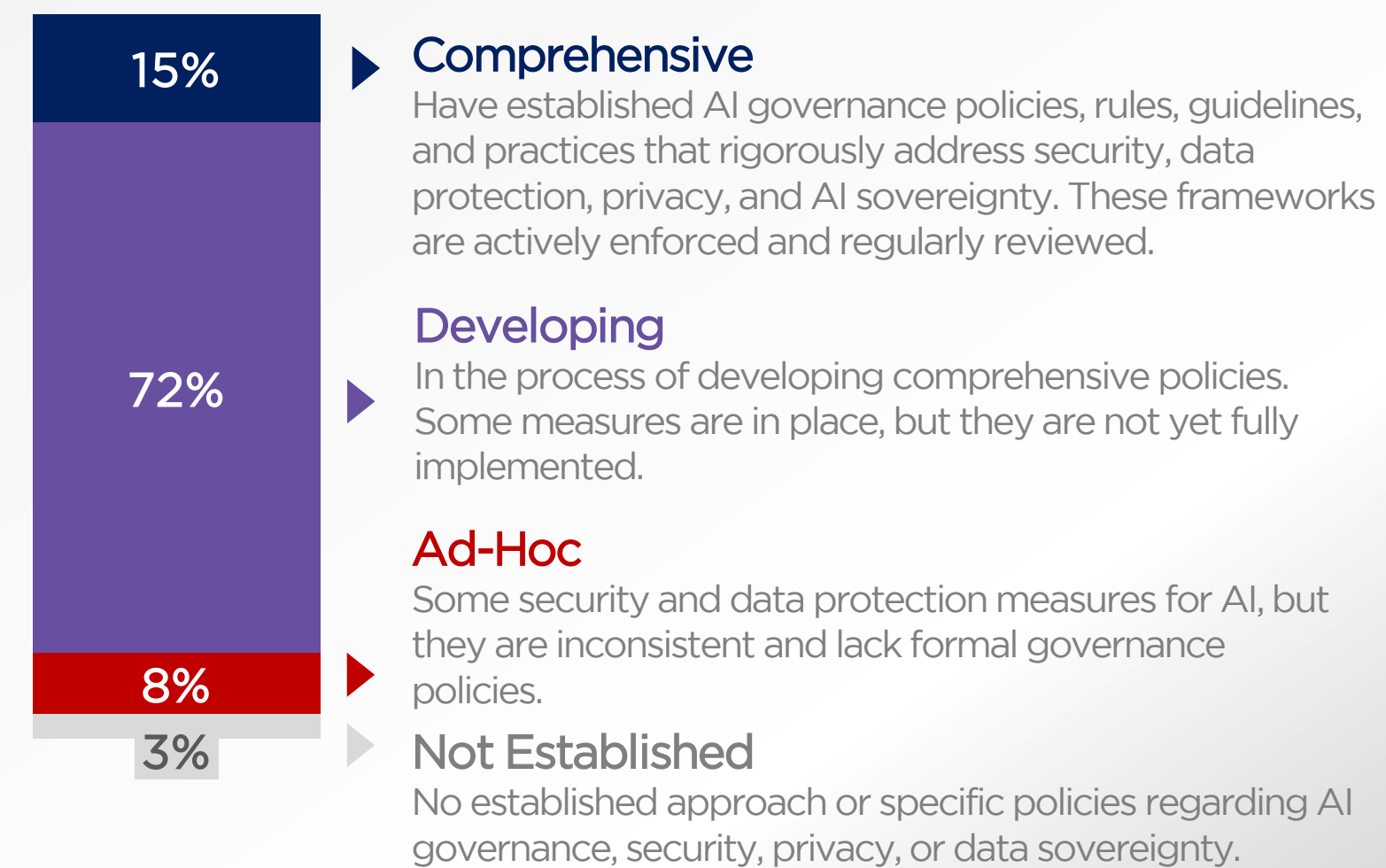


Key Drivers for On-Premises AI Workload Deployment

- 1 Ensuring data privacy, regulatory compliance, and security protocols
- 2 Greater control over operations & data
- 3 High cloud costs

Building AI Trust

Approach to AI Governance, Risk & Compliance

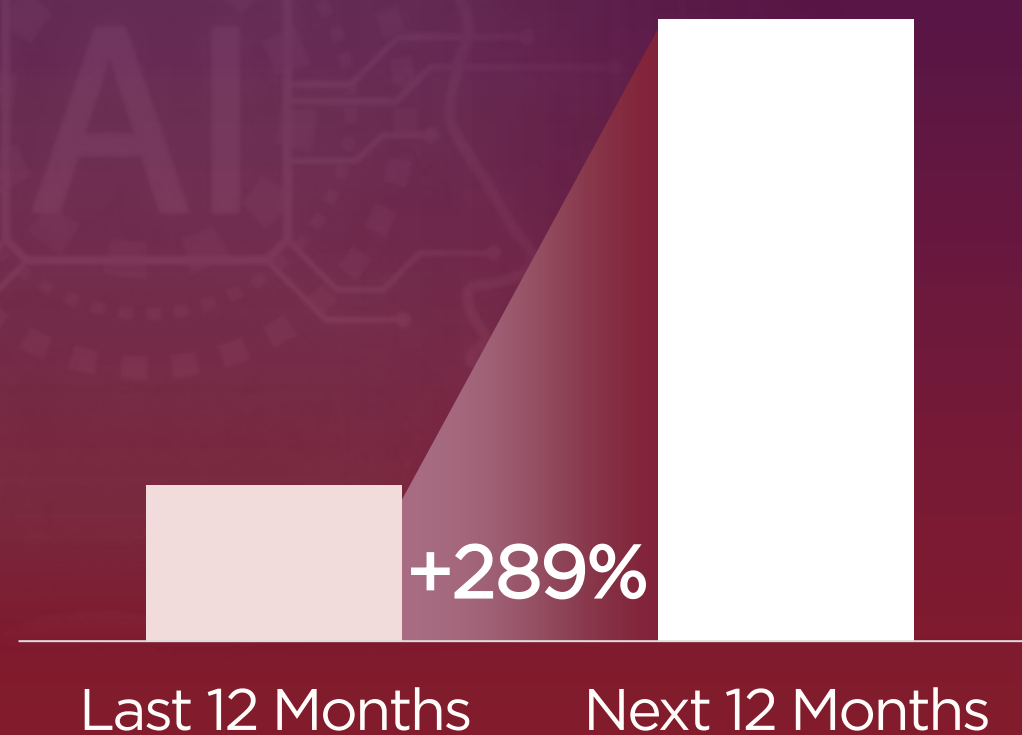


Top AI Trust Concerns

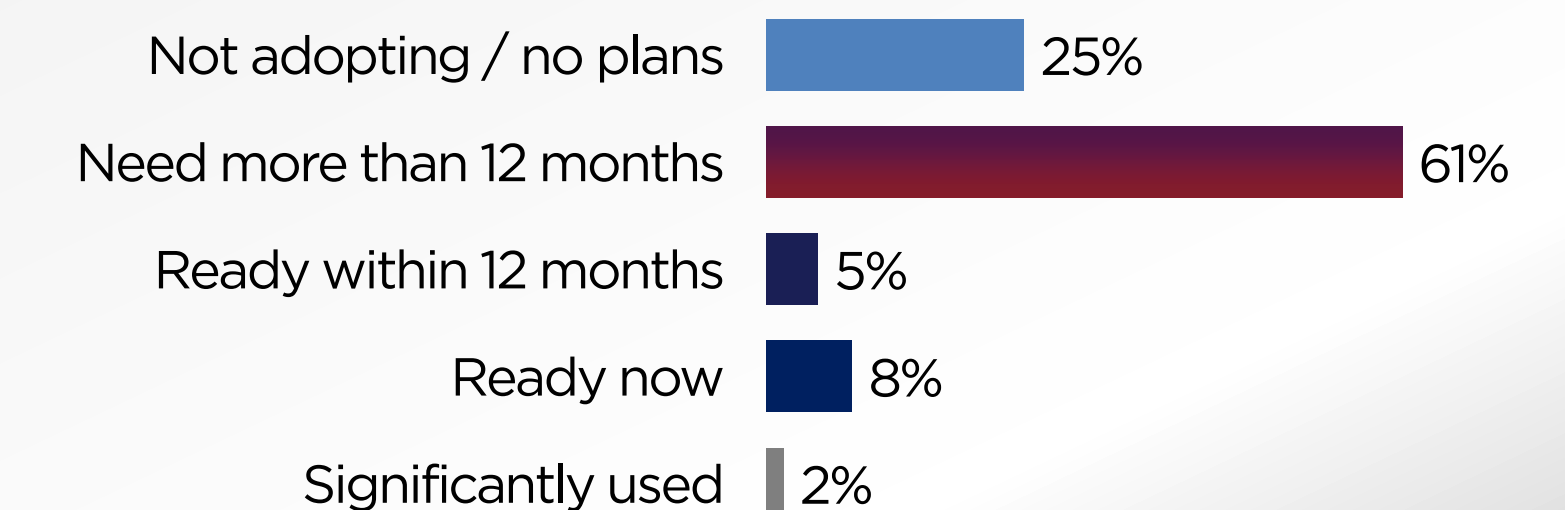
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- 1 Knowledge / application of Responsible AI
 - 2 Lack of Responsible AI
 - 3 Shadow AI risks

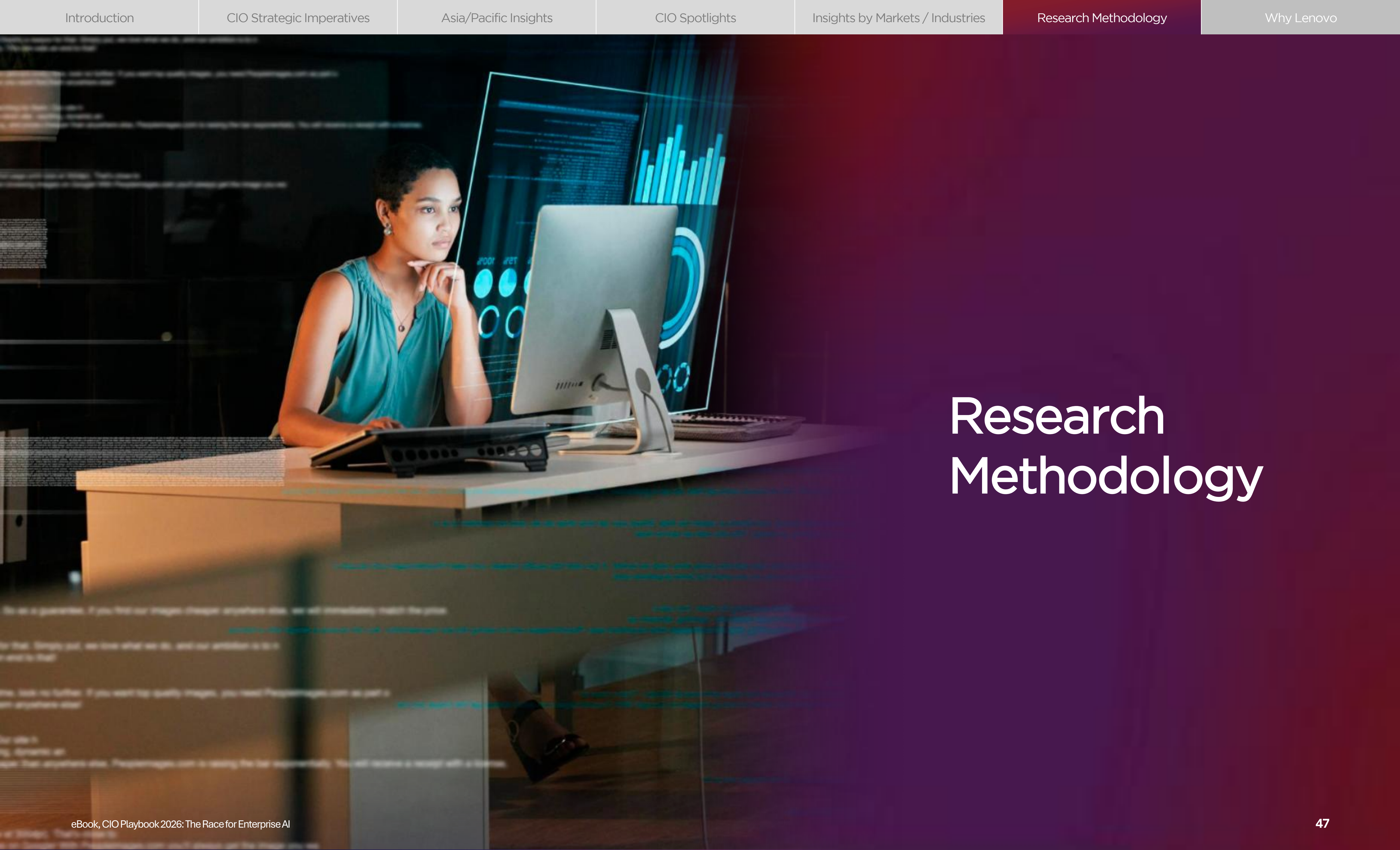
The Agentic Future

Increasing Focus on Agentic AI



Readiness for Scaled Agentic AI Implementation





Research Methodology

CIO Playbook 2026 Research Methodology

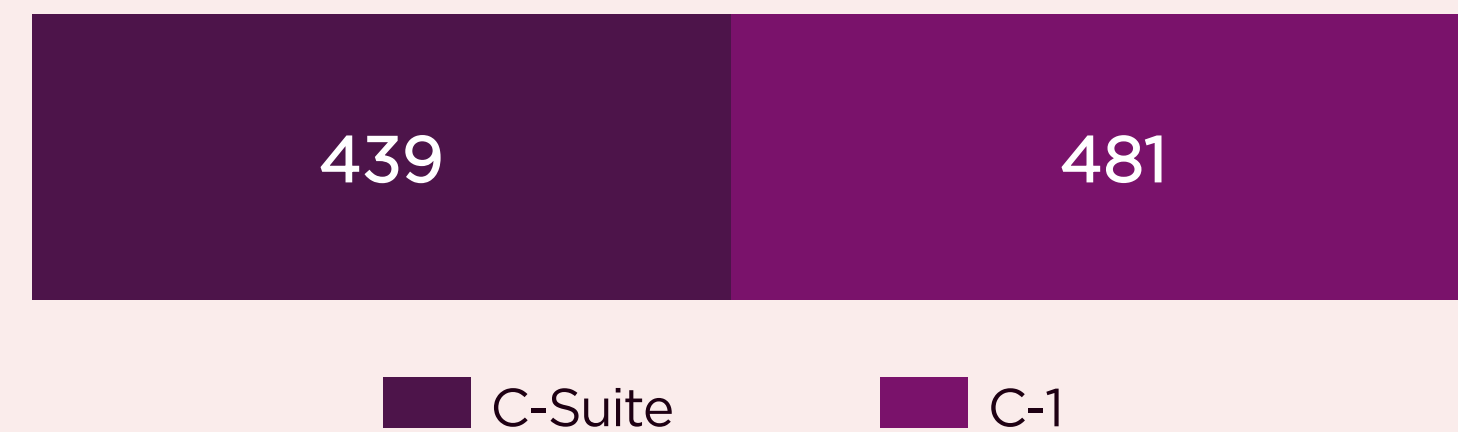
The playbook was developed based on a survey of 920 respondents, with the following sampling breakdown:

Markets Covered	Sample Size
Japan	150
South Korea	105
India	150
ANZ	135
ASEAN+	380

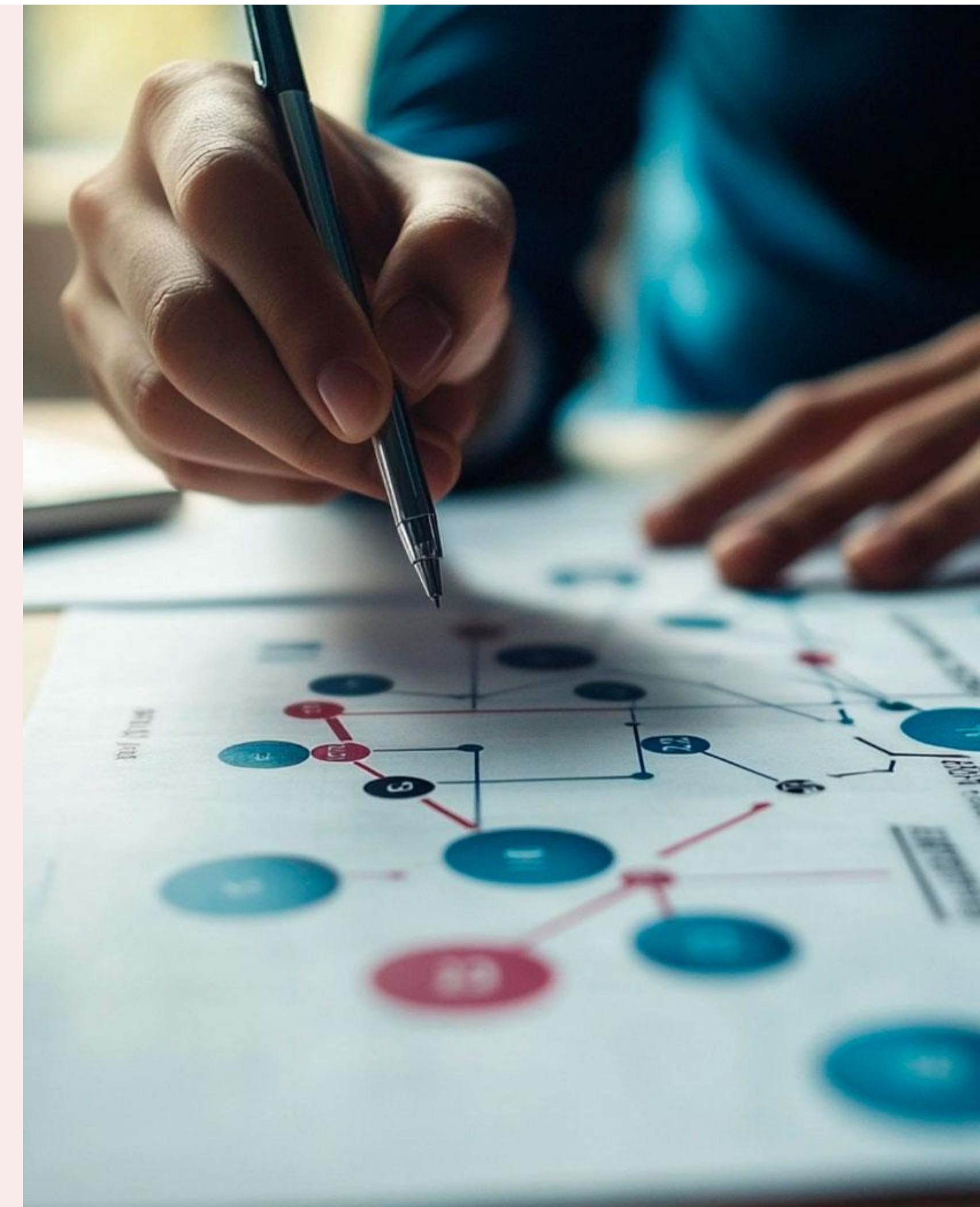
Industries Covered	Sample Size
 BFSI	113
 Retail	98
 Manufacturing	111
 Telco / CSP	160
 Healthcare	78
 Government	61
Others	274



Sampling by Organization Role



Sampling by Employee Size



Shaping the Future of Enterprise AI Together: CIO Imperatives and Lenovo's Impact

The CIO Agenda: 2026 Strategic Imperatives	Lenovo's Role in Enabling These Imperatives
<p>1  Business Priorities AI Gets Down to Business</p> <ul style="list-style-type: none"> AI is moving beyond incremental gains to fundamentally reshape how organizations create value. CIOs must now embed intelligence across workflows, decisions, and customer experiences, supported by unified infrastructure and scalable deployment models that enable continuous innovation. 	<p>Lenovo delivers full-stack AI capabilities required for rapid innovation and enterprise-wide deployment:</p> <ul style="list-style-type: none"> Lenovo's full-stack AI portfolio -devices, hybrid infrastructure, and services- accelerates AI outcomes and reduce deployment friction. End-to-end Lenovo engineering ensures secure, high-quality AI devices and infrastructure solutions Lenovo's Unified hybrid architecture enables intelligence to run wherever data resides for efficiency and new revenue models.
<p>2  AI Adoption / Implementation Going Above and Beyond the IT Department</p> <ul style="list-style-type: none"> AI is moving from isolated IT projects to enterprise-wide transformation. To drive impact across all functions, organizations must simplify integration, enhance cross-functional alignment, and adopt repeatable frameworks. 	<p>AI is moving from isolated IT projects to enterprise-wide transformation. To scale impact, organizations need simplified integration, cross-functional alignment, and repeatable frameworks.</p> <ul style="list-style-type: none"> Repeatable AI frameworks accelerate adoption from first use case to enterprise scale. Cross-functional alignment programs ensure AI initiatives land consistently across the business. Integrated change management equips teams to operationalize AI responsibly and sustain value.
<p>3  AI Investment From Tech Foundations to Solutions</p> <ul style="list-style-type: none"> Scaling AI requires modern, energy-efficient hybrid infrastructure that supports high-performance workloads wherever data resides. CIOs must deploy devices and optimize client, edge, and cloud environments to meet growing demands and enable real-time AI operations. 	<p>Lenovo equips enterprises with next-gen hybrid infrastructure designed to handle AI workloads, ensuring scalable performance with optimized energy and cost efficiency.</p> <ul style="list-style-type: none"> 80+ AI-ready platforms optimized for efficient, real-time AI deployment Lenovo Neptune® liquid cooling 6th Generation enables sustainable, high-density compute 659+ world records across key AI and HPC benchmarks
<p>4  AI Challenges Trust, Accountability, Alignment and Control are Non-Negotiable</p> <ul style="list-style-type: none"> As AI becomes mission-critical, governance, privacy, and regulatory compliance are essential to building trust and scaling responsibly. Organizations must secure data, devices, and infrastructure end-to-end to close governance gaps and ensure safe innovation. 	<p>Lenovo strengthens enterprise trust by combining secure hybrid architectures, AI-ready infrastructure & devices, and verified supply chain practices that safeguard data and support compliant AI deployment:</p> <ul style="list-style-type: none"> Gartner-recognized amongst leader in High-Tech and Supply Chain Security ISO22301 and ISO20243 certifications ensure business continuity and traceability Lenovo Trusted Supplier Program guarantees a secure, auditable AI supply chain
<p>5  Innovation Agentic AI and Hyperautomation</p> <ul style="list-style-type: none"> Agentic AI is emerging as the next frontier in productivity, but most organizations are not ready to scale autonomous systems. Success will depend on resilient infrastructure, responsible deployment practices, and preparing the workforce for AI-augmented operations. 	<p>Lenovo accelerates enterprise productivity with secure, scalable agentic AI—powering personal and operational agents through the xIQ Platform and Lenovo's full-stack Hybrid AI Advantage.</p> <ul style="list-style-type: none"> Enterprise-grade agent platform enabling governed, scalable agent deployment across devices, edge, and cloud for rapid automation and ROI. Reusable agent templates & AI Library streamline creation of personal, and enterprise agents tailored to industry and functional workflows. Unified Lenovo AI stack combines devices, hybrid infrastructure, platforms, and services to simplify deployment and ensure agents run securely wherever data lives.

Accelerate enterprise value with the Lenovo Hybrid AI Advantage™



Lenovo AI Library

Customizable personal and enterprise AI agents & use cases



Customer Service



Content Generation



Knowledge Assistant



Enterprise Concierge



Retail



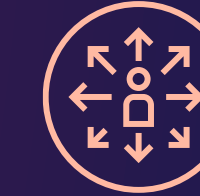
Sports & Facilities



Mining & Utilities



Manufacturing



Vehicle Computing

Lenovo Hybrid AI Factory

Technical elements of AI integrated for performance, security, and control

AI Models & Agent Platforms

Data & Knowledge

Operating System

Management & Orchestration

Hybrid Infrastructure & Devices

Compute

Networking

Storage



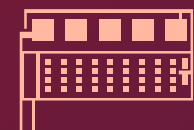
AI Development



Inferencing



Agentic (scalable)



Training



Edge



AI PC

Network Infra
AI Fabrics

Block
File
Object
All flash

Lenovo Validated Designs

Lenovo Hybrid AI Services

Lenovo modular services and flexible financing options to accelerate value from AI use cases

+

Our global partner & ISV ecosystem

Global innovation driven by 18 R&D centers, 30+ manufacturing sites, and ~US\$1.3B in annual R&D investment, enabling rapid and secure delivery of AI solutions.