Lenovo

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Global

CIO Playbook 2026
The Race for Enterprise AI

Research insights by

IDC

Introduction

Artificial intelligence (AI) is advancing at a rapid pace, reshaping industries and redefining how value is created across the global economy. IDC research shows enterprises accelerating their transition toward becoming truly AI-fueled organizations. From private companies seeking to elevate customer experiences to public sector institutions improving citizen services, the opportunities to apply AI for meaningful outcomes continue to expand. Building on last year's "AI-nomics" theme, which emphasized ROI and the business case for initial AI investments, this year's focus reflects an increased sense of urgency and momentum: *The Race for Enterprise AI*.

Even with strong momentum, many organizations still struggle to integrate new AI technologies and operating models in ways that maximize business impact across different functional areas. CIOs face critical decisions around data sovereignty, cybersecurity, and the selection of appropriate AI deployment models—whether private, public, or hybrid cloud—to balance performance, control, and risk. Early adopters are extending their lead by pursuing a holistic, enterprise-wide approach to AI strategy, governance, and deployment.

This CIO Playbook is designed to support IT leaders as they navigate this pivotal moment, particularly with the advent of agentic AI. It provides insight into emerging adoption patterns, highlights lessons learned from peers, and offers practical guidance for advancing your organization's AI maturity. In an environment where competitive advantage increasingly depends on the effective use of AI, the race is on—and CIOs play a decisive role in setting the pace and shaping the outcome of their enterprise's AI journey. The need to act has never been greater; those who move swiftly and strategically will be in a leadership position to define the next era.

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.

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

Key Findings

The Race for Enterprise AI is Reshaping the CIO Agenda

AI is now the core driver of business reinvention

Organizations are shifting from viewing AI as an efficiency tool to treating it as the strategic engine for transforming business models, operations, and customer value. CIOs play a pivotal role in translating this ambition into enterprise-wide reality.

AI adoption is expanding rapidly across the business

Functions well beyond IT are embracing AI to solve problems, automate work, and accelerate insight. This growing momentum across teams reinforces the need for unified platforms, shared standards, and strong partnerships between IT and business leaders.

Scaling AI demands both modern foundations and trusted practices

As AI becomes embedded in every workflow, organizations must strengthen infrastructure, data readiness, and governance. The proliferation of agentic and generative AI makes responsible AI frameworks, which ensures security, transparency, and sustained innovation, pivotal and renders their adoption a necessity.

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

CIO Strategic Imperatives (1/2)

Here are some key insights from IDC's research involving 3,120 IT and business decision makers (ITBDMs) globally, along with considerations for CIOs for 2026:

	Insights	Considerations for CIOs for 2026
1	Business Priorities **AI as the Engine for Business Reinvention** In 2026, "Enhance/innovate/reinvent our business with AI" rises to the #1 global business priority, overtaking productivity and profit growth. This signals a fundamental shift: organizations now see AI as the primary lever for transformation and competitive advantage.	• CIOs should champion AI as a core driver of business model innovation, working closely with business leaders to identify and prioritize high-impact use cases. • In partnership with their business counterparts, CIOs should explore how AI can be integrated into core workflows and reimagine processes to unlock new revenue streams and market opportunities. • Regular measurement and communication of business outcomes will help maintain executive buy-in, while fostering a culture of experimentation will accelerate AI adoption and value realization.
2	AI Adoption / Implementation **Proliferation of AI Beyond IT to Deliver Enterprise-Wide Value** In 2025, the majority of organizations have moved beyond the initial stages of AI implementation into piloting/wide-spread adoption, with nearly half of AI projects funded by departmental budgets outside IT. Non-IT functions like finance (+101%), marketing (+86%), and sales (+85%) are set for the faster growth in AI implementation. 93% of organizations expect positive ROI from AI, with an average return of $2.79 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 **Modernizing to Scale AI Capabilities** 96% of organizations plan to increase AI investment in the next 12 months, with spending growth averaging +13%. Infrastructure remains the #1 investment priority, but agentic and generative AI solutions are rising rapidly, reflecting the need for scalable, secure, and high-performing platforms that enable advanced AI deployments.	• CIOs should continue investing in modern, scalable infrastructure that supports both current and future AI workloads. • Evaluating platforms for performance, security, and flexibility is critical to supporting diverse AI use cases across the enterprise. • Partnering with vendors who offer integrated infrastructure and solution stacks will enable more seamless deployment. • Aligning infrastructure investments with a clear AI roadmap will ensure readiness for rapid innovation and growth.

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

CIO Strategic Imperatives (2/2)

Here are some key insights from IDC's research involving 3,120 IT and business decision makers (ITBDMs) globally, along with considerations for CIOs for 2026:

	Insights	Considerations for CIOs for 2026
4	AI Trust **Governance and Data Security: A Non-Negotiable Factor for AI** Only 27% of organizations have comprehensive AI governance frameworks; 56% are still developing policies. Top trust concerns include lack of responsible AI, inconsistent application, and poor data security.	• CIOs must accelerate the development and enforcement of comprehensive AI governance policies that address security, privacy, and data sovereignty. • Proactively implementing responsible AI practices and transparent decision-making will help address trust concerns and build stakeholder confidence. • Regularly reviewing and updating governance frameworks is necessary to keep pace with evolving risks and regulations, while educating stakeholders on responsible AI principles will ensure sustainable adoption and long-term success.
5	Agentic AI **The Coming Wave of Autonomous AI Agents** Over half of organizations are actively exploring or deploying agentic AI, but most are not ready for scaled implementation within the next 12 months. Adoption interest is strongest in cybersecurity, quality control, and customer service, with operational efficiency and trust as top drivers.	• 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.

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

Global Insights

Business Priorities

AI as the Engine for Business Reinvention

Organizations in 2026 articulate a dual mission: drive innovation and business reinvention through AI while increasing revenue and profit growth. As AI maturity accelerates, priorities are shifting. Last year's top goal of improving employee productivity has dropped four spots, replaced by a new focus on enhancing innovation and driving reinvention. At the same time, pressure to demonstrate ROI is intensifying, with revenue and profit growth jumping up two spots. Customer experience and satisfaction remain firmly in the top three year over year, underscoring the need to balance transformation with delivering exceptional value to customers.

Business Priorities - Global	2025	2026	YoY Change
Enhance/innovate/reinvent our business with AI	*N/A*	1	*New for 2026*
Increase revenues & profits	4	2	+2
Improve customer experience & satisfaction	3	3	=
Drive digital business innovation	5	4	+1
Improve employee productivity	1	5	-4

Spotlight Quote

"We started using AI to optimize and support company consolidation, since our organization was built mostly through M&As. The idea was to use AI for efficiency and cost reduction, and we've used it a lot for that. Now, we're moving beyond cost savings to focus on quality and proactive operations, using AI as a foundation for ongoing business transformation."

— Global CIO of an environmental services organization, based in Brazil

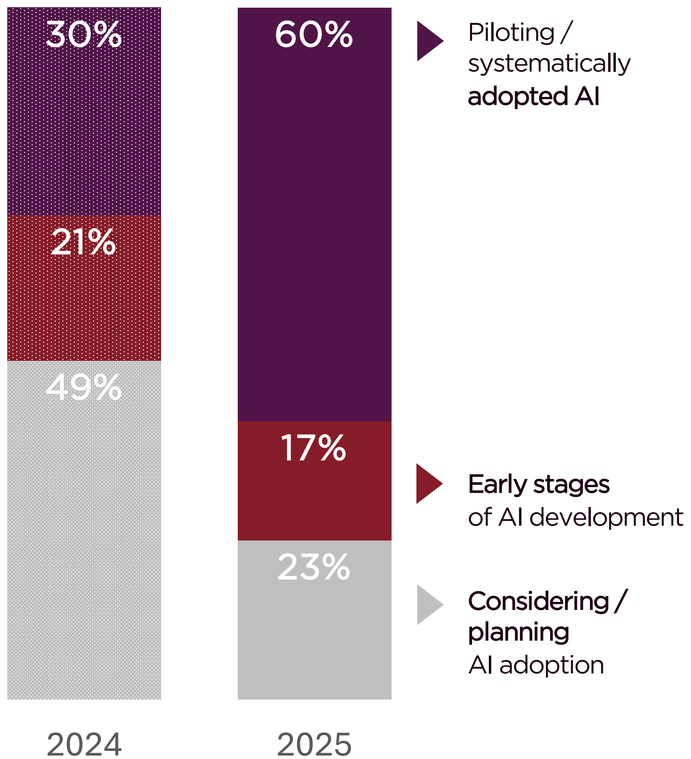
Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

AI Adoption & Implementation

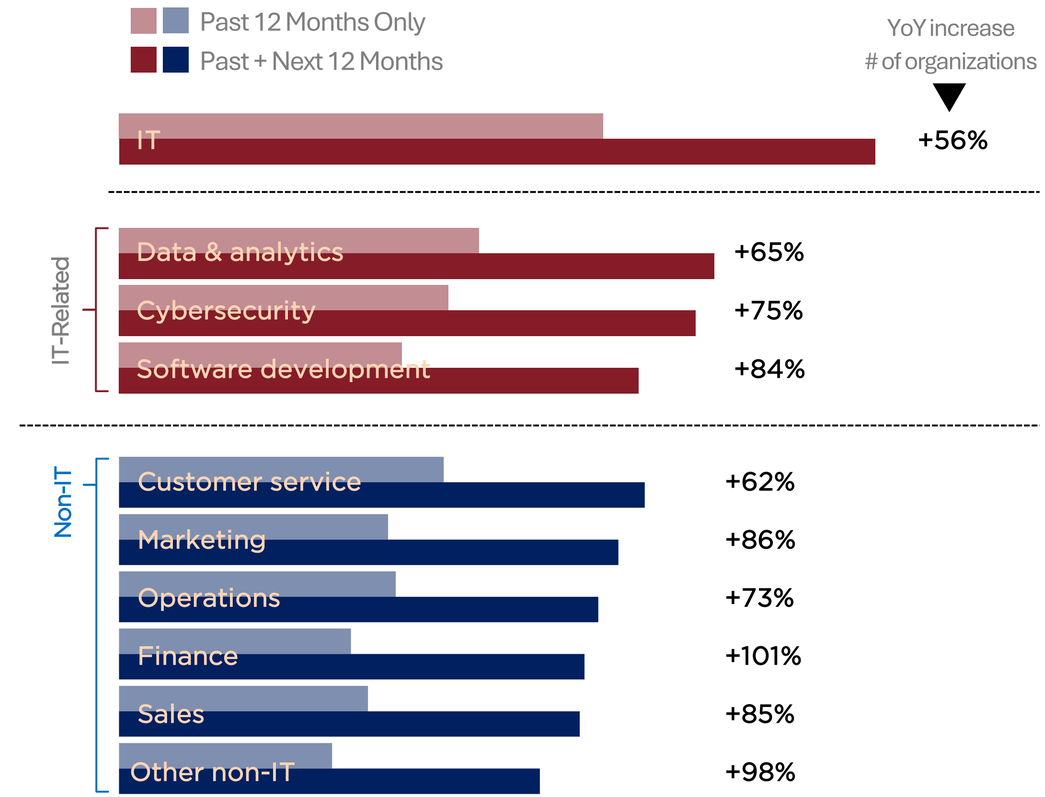
The Proliferation of AI Beyond IT

AI is becoming a business-wide imperative. Year over year, the number of organizations piloting or systematically deploying AI has doubled, and more than half have moved beyond early stages of AI development. The technology function remains a critical area to apply AI; however, lines of business such as customer service, marketing, and operations are highlighted as future use case opportunities outside of IT. These functions top the list for non-IT areas where AI has already been implemented or will be implementing in the next 12 months.

AI Adoption Status



AI Implementation by **Business Area**: past year & next year



AI Implementation

On average 48% of target users adopt AI projects in production.

Nearly half *(47%)* of organizations surveyed reported that departmental budgets have been contributing to AI implementations.

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

AI Investment

Modernizing to Scale 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 **+13%**.

Nearly all respondents said they plan to increase investment in AI over the next 12 months, with an average increase in spend of 13%. Newer AI types like agentic AI and generative AI are capturing the attention of businesses, but spending is expected to be similar across categories. What remains consistent over the past 12 months and next 12 months is the number 1 priority to deploy and scale supporting AI infrastructure. Ultimately, CIOs recognize how critical a robust foundation is to effectively running AI models, platforms, applications, and agents.

Spending Distribution by AI Type
for the Next 12 Months

23% → **Agentic AI**
Agentic AI software refers to systems that use machine learning and deep learning techniques to exhibit agency — setting goals, making decisions, and taking actions through the perception-reasoning-action loop, e.g., cybersecurity defense agent.

26% → **GenAI**
Creating new content or code by leveraging existing content or code as a foundation, using Large Language Models (LLMs), e.g., software development assistant that generates code, along with documentations and tests.

24% → **Interpretive AI**
Analyzing unstructured data—such as language, images, and event streams—to uncover patterns and derive insights, e.g., manufacturing quality control system that "interprets" the visual data of assembly line to detect product defects.

28% → **Predictive AI**
Analyzing large data sets to uncover long-term behavioral patterns for forecasting, e.g., retail inventory forecasting engine.

AI Investments Priorities

	Past 12 Months	Next 12 Months	Change
Deploy and support **AI infrastructure**	1	1	=
AI agent development, deployment & applications/solutions	10	2	+8
GenAI development, deployment & applications/solutions	8	3	+5
AI **security**, **trust** & **transparency** tools	3	4	-1
Public cloud AI services	5	5	=

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

AI Returns

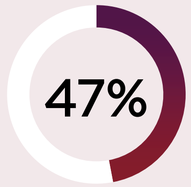
AI Delivers Financial Returns and Business Benefits

Expectations that AI will generate measurable returns are significant. On average, organizations expect to generate $2.79 for every dollar invested in AI projects. Currently, IT leads in delivering positive AI returns, but as adoption expands, positive returns should broaden across business functions. Beyond financial benefits, organizations also point to improved customer experience, increased employee engagement, and improved decision-making speed or effectiveness as top benefits realized from AI initiatives.

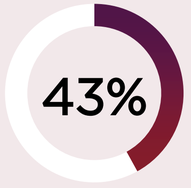
93% of surveyed organizations anticipate a positive return on investment (ROI) from their AI initiatives.

On average, these organizations expect to generate **$2.79** in value for every dollar invested in AI projects.

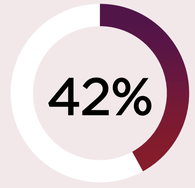
Top **Non-Financial Benefits** Realized from AI Initiatives



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 Quote

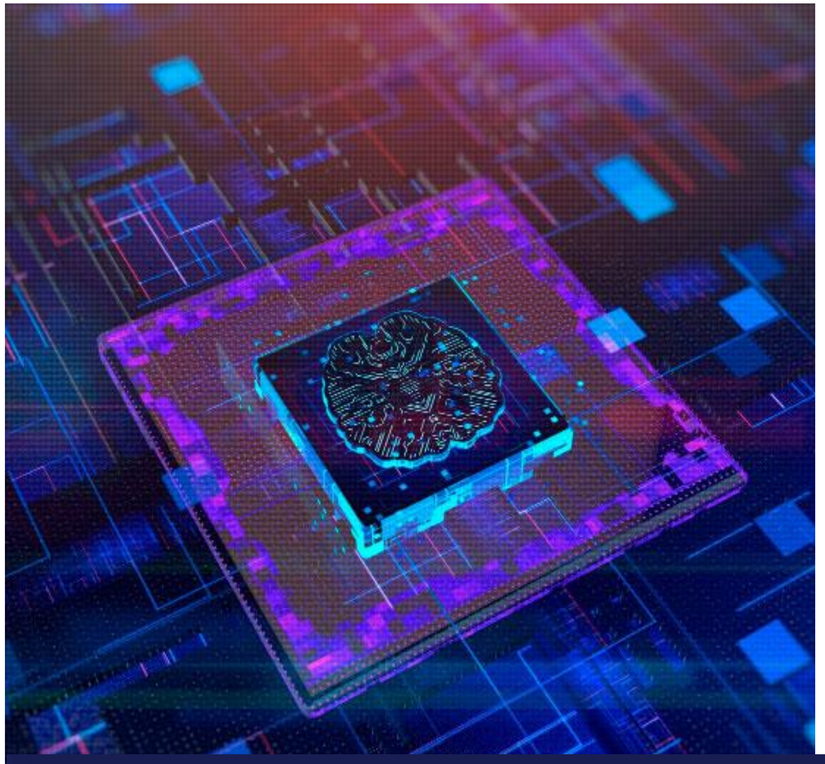
"We show the return on [AI projects] every quarter. We track how much we spent, the time invested, and the percentage of team time used. Not everything has a dollar value, but soon we'll be able to say, for example, we saved 50% on a particular product because AI helped us find a better reason to buy or distribute it."

— CIO of a US based infrastructure & safety services organization

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

AI Success & Scale

Skills, Infrastructure and Integration are Key to Further AI Success and Scale



Successful AI implementation requires alignment across people, technology and processes. Organizations must invest in workforce transformation by upskilling employees to build internal AI expertise and readiness. Without broad adoption, technology investments stall and fail to deliver value. Technology alone is not enough – cost effective, scalable AI solutions are critical. Lastly, leaders must reimagine workflows and processes to integrate AI and augment human capabilities at every level of the organization.

Critical **Success Factors** for AI Implementation in Organizations

1. Employee training/upskilling to build internal AI expertise
2. Scalable, high-performing, and cost/energy-efficient AI infrastructure
3. Effective human-AI collaboration for optimized workflows
4. Secure access to data & information across personal, enterprise, cloud environments
5. Availability/deployment of AI devices

Spotlight Quote

"The most obvious challenge is cost. For example, new laptops have powerful chips embedded in them. It's going to keep on getting more expensive, at least in the short term. The second challenge is the training needed. There is a different chip set in the computer to help run higher performance models. It will help some people, but others won't even realize it. It will be a challenge to determine who gets access to that first. Who's going to get those laptops with those new chip sets and use them effectively?"

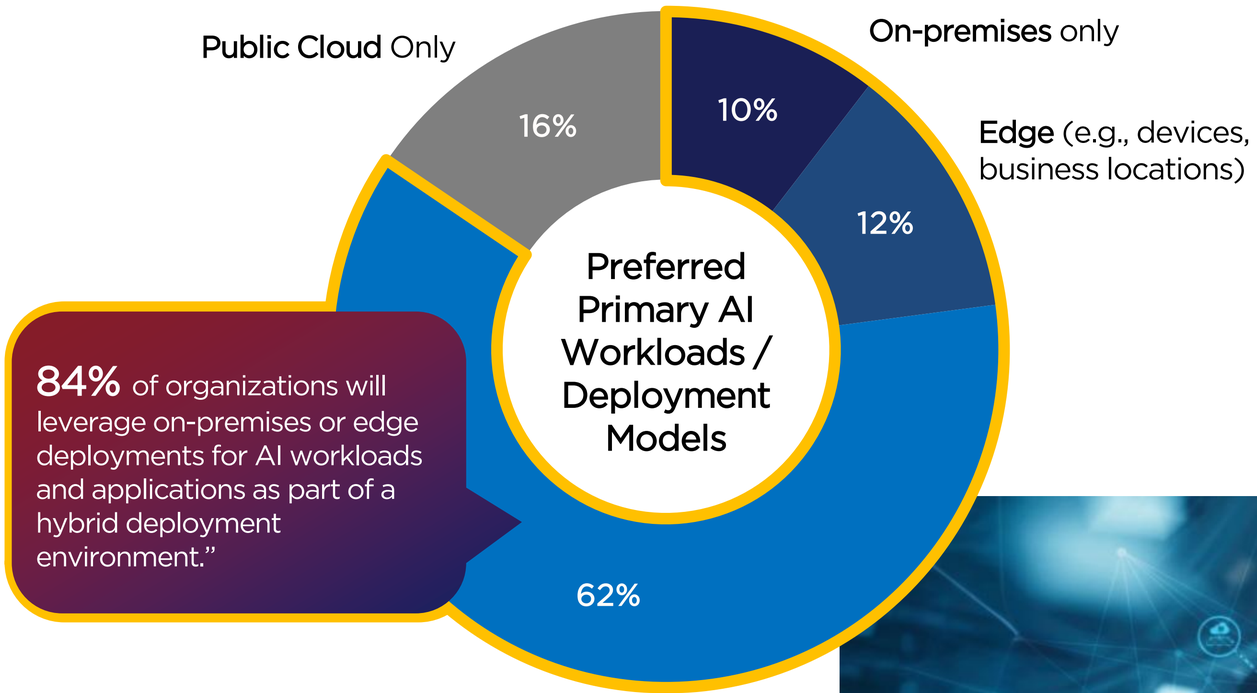
— CIO of a US based infrastructure & safety services organization

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

AI Infrastructure

Hybrid AI for Scalable, Secure Enterprise Workloads

Only 16% of organizations say their primary AI deployment model is public cloud only. Rather, 84% of organizations prefer to leverage on-premises and/or edge deployments for AI workloads as part of a hybrid deployment environment. The primary drivers, security, control, and mission-critical data requirements, are making hybrid and edge deployment models much more attractive, driving organizations to favor these approaches over fully public cloud solutions. As global demand for digital and AI sovereignty grows, these considerations remain central to AI infrastructure decisions.



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

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

AI Devices / Inferencing

AI Devices and Edge Inferencing: The Next Frontier in Productivity

Organizations are making the deployment of AI devices for productivity and local inferencing the number 1 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 which users will most effectively leverage the benefits. They should also work to understand application requirements in order to minimize latency and maximize the responsiveness of AI-driven workflows..

Survey Insights

"Deploy AI devices to enhance productivity & local inferencing" is the **#1 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 Quote

"We thought the world was all cloud, but we quickly found latency issues, especially with our factories spread across different locations. So, we installed edge servers in each plant to buffer and process data locally before sending it to the cloud. This reduced latency to less than a second."

— CIO of a Brazil-based automotive manufacturer

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

AI Trust

Governance and Data Security: A Non-Negotiable Factor for AI

Fewer than one-third of organizations report having a comprehensive framework for AI governance, risk, and compliance. Without clear policies and guidelines addressing security, data protection, and privacy, scaling AI introduces significant enterprise risk, which can erode customer trust and reputation. Lack of responsible AI and poor data security have emerged as the foremost concerns in enterprise AI initiatives. 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

Comprehensive
We have established AI governance policies, rules, guidelines, and practices that rigorously address security, data protection, privacy, and AI sovereignty. These frameworks are actively enforced and regularly reviewed.

Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Spotlight Quote

"We have a list of security requirements that we share with the business when they want to choose a solution. If those requirements aren't met, it's a security gate—they cannot buy the solution. For us, regulatory compliance and data protection are non-negotiable."

— Cybersecurity lead of an insurance group, based in Italy

Top AI Trust Concerns

1. Lack of Responsible AI
2. Knowledge / application of Responsible AI
3. Poor data security
4. Shadow AI risks
5. Poor data quality

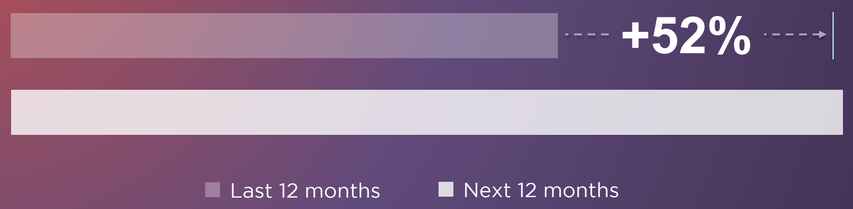
Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

Agentic AI *(1/2)*

The Coming Wave of Autonomous AI Agents

The focus on agents is intensifying, increasing more than 50% year over year. Yet only 21% of organizations have deployed agentic AI at scale. Most are still exploring, piloting, or testing out limited deployment, and 39% expect to need more than 12 months to be ready for full implementation. Unlike generative AI, agentic AI demands deeper process redesign to realize value. Workflows must be standardized, monitored, and in some cases completely restructured to deliver the intended outcomes, making proactive process governance and cross-functional collaboration imperative for CIOs seeking to drive successful agentic AI adoption.

Organizations Focusing on Agentic AI

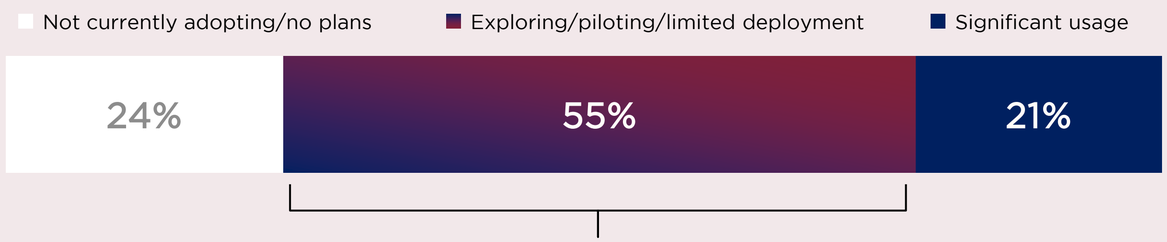


Spotlight Quote

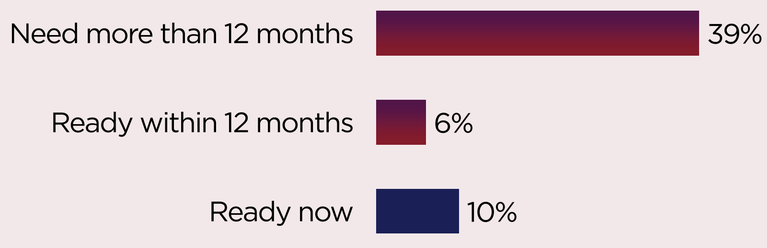
"We are moving away from traditional RPA and enhancing those workflows by utilizing Agentic AI, where agents would do the job for a specific function. We have started experimenting in that area, looking at how we can enhance our existing RPA-based workflows to the next level."

— CIO of US operations of a global banking group

Readiness for Scaled Agentic AI Implementation



Agentic AI: Adoption & Implementation Readiness



Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

Agentic AI *(2/2)*

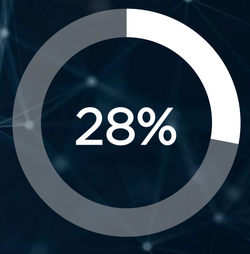
Delivering Outcomes with Agentic AI

Organizations are finding strong potential for Agentic AI in areas like cybersecurity, quality control, and customer service. These domains have well-defined processes and structured workflows, making them ideal candidates for automation and agents. Today, the driver for adoption is operational efficiency. As the technology matures and organizations advance in their adoption journey, organizations may shift toward financial outcomes including revenue growth and profitability. For CIOs it's key to set realistic expectations for the business and balance speed with secure deployment.

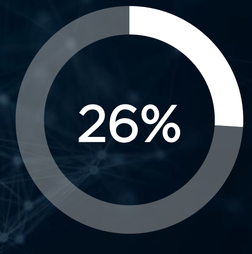
Where Agentic AI Is or Will Be Used

1. Cybersecurity
2. Quality Control and Maintenance
3. Customer Service and Support
4. Product Development and Innovation
5. Marketing Automation

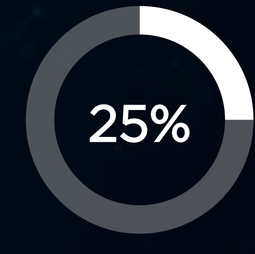
Top Drivers for Agentic AI Adoption



Improving operational efficiency



Building trust in AI systems & outcomes to ensure adoption



Innovating new products or services

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, n=3,120

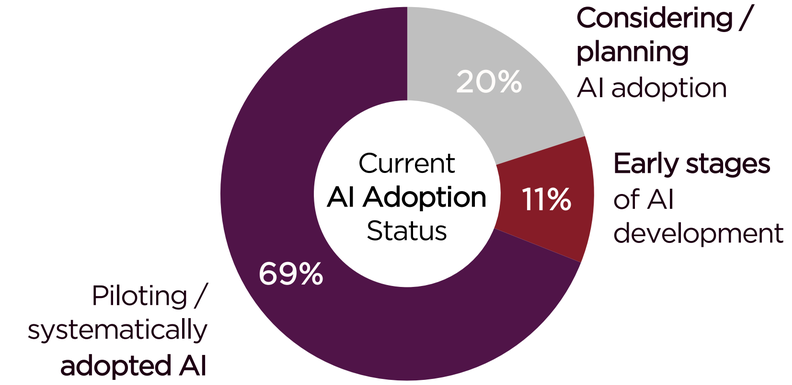
Insights by Industries

BFSI Overview *(1/2)*

The banking, financial services, and insurance sector is ahead of the curve on AI adoption, with 69% of organizations saying they have adopted AI compared to the overall average of 60%. AI is helping transform fraud detection, risk management, and delivering hyper-personalized customer experiences. 96% of firms expect positive ROI from AI investments, driving an increase in AI budgets next year by an average of 12%. Business leaders are prioritizing business reinvention with AI and targeting increasing revenues and profit growth.

Business Priorities for 2026

1. Increase revenues & profits
2. Enhance/innovate/reinvent our business with AI
3. Improve employee productivity
4. Improve customer experience & satisfaction
5. Drive digital business innovation



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

On average, organizations expect to generate **$2.38** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Finance
3. Cybersecurity
4. Customer service
5. Data & analytics

98% of organizations plan to raise AI budgets next year.

With an average of **+12%** YoY

AI Investments Priorities for the next 12 months

1. Deploy AI devices
2. Deploy and support AI Infrastructure
3. Generative AI development, deployment & applications/solutions
4. AI agent development, deployment & applications/solutions
5. AI security, trust & transparency tools

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, BFSI n=412

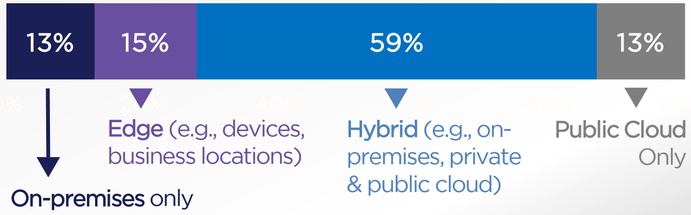
BFSI Overview *(2/2)*

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

"Deploy AI devices" &
"Deploy & support 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. Ensuring data privacy, regulatory compliance, and security protocols
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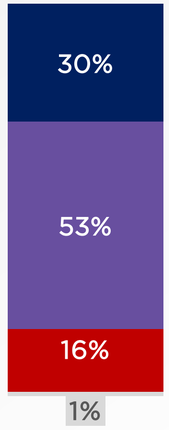
3. Flexibility to customize & optimize infrastructure

Building AI Trust

Approach to AI Governance, Risk & Compliance



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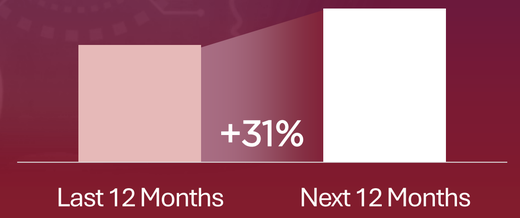
Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Top AI Trust Concerns

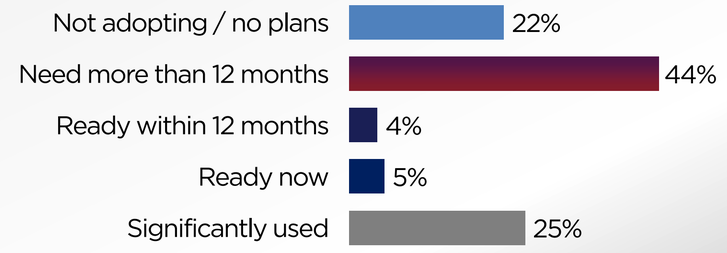
1. Knowledge / application of Responsible AI
2. Lack of Responsible AI
3. Poor data quality

The Agentic Future

Increasing Focus on Agentic AI



Readiness for Scaled Agentic AI Implementation



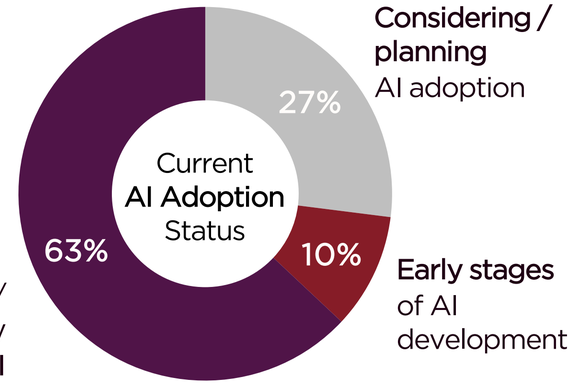
Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, BFSI n=412

Retail Overview *(1/2)*

Retailers are prioritizing deploying and supporting AI infrastructure as their top AI priority. This AI-driven modernization sets the foundation for delivering real-time insights, predictive analytics, and personalized engagement. With 93% anticipating positive ROI from their AI initiatives, budgets are expected to increase by 11% on average next year. AI has the potential to transform the entire order life cycle, optimizing inventory management and fulfillment decisions. However, retailers must move beyond investments in the technology functions, where they have already seen positive results and scale AI across the enterprise.

Business Priorities for 2026

1. Enhance/innovate/reinvent our business with AI
2. Increase revenues & profits
3. Drive digital business innovation
4. Improve employee productivity
5. Decrease or manage costs (e.g., moving from CAPEX to OPEX)



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

On average, organizations expect to generate **$2.60** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Cybersecurity
3. Data & analytics
4. Customer service
5. Sales

AI Investments Priorities for the next 12 months

1. Deploy and support AI Infrastructure
2. Generative AI development, deployment & applications/solutions
3. AI agent development, deployment & applications/solutions
4. AI integration with devices, infrastructure & enterprise systems
5. AI-driven process automation

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Retail n=425

Retail Overview *(2/2)*

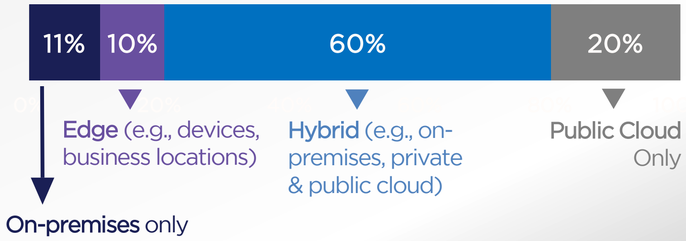
Fewer than 1 in 5 retail organizations say they are significantly using agentic AI in their business. Agentic AI is set to transform ecommerce, with agents guiding customers through product discovery, recommendations, and negotiations. To effectively leverage this technology, retailers must build a robust and comprehensive approach to AI governance, risk, and compliance.

Additionally, they must overcome their AI trust concerns and allocate time to increase their readiness for scaled agentic AI implementation.

Technology Foundations

"Deploy 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

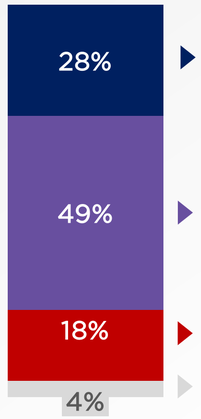


Key Drivers for On-Premises AI Workload Deployment

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

Building AI Trust

Approach to AI Governance, Risk & Compliance



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Developing
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Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

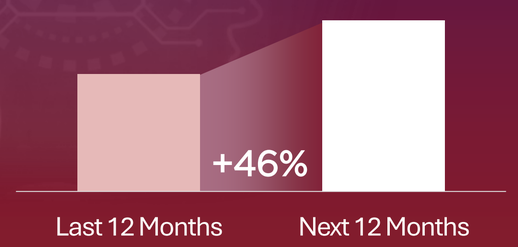
Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Top AI Trust Concerns

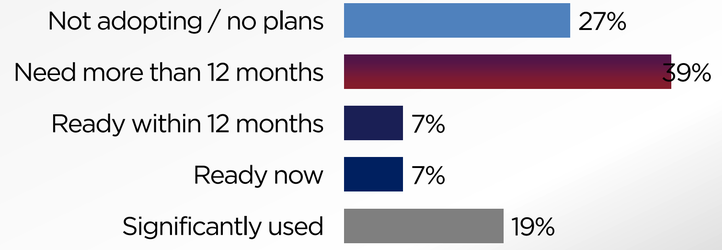
1. Poor data security
2. Lack of Responsible AI
3. Knowledge / application of Responsible AI

The Agentic Future

Increasing Focus on Agentic AI



Readiness for Scaled Agentic AI Implementation



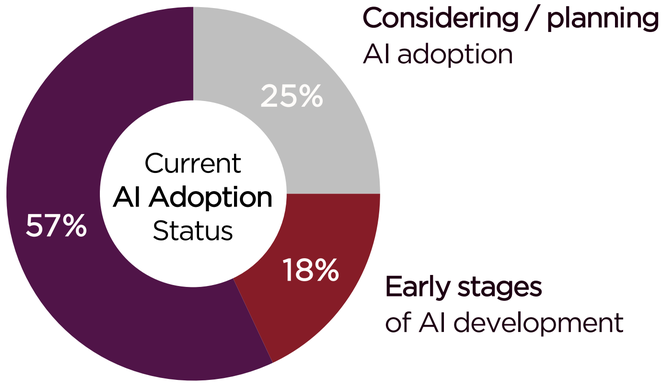
Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Retail n=425

Manufacturing Overview *(1/2)*

Manufacturing remains slower to adopt AI compared to the average across industries, with nearly 25% of organizations still in the consideration phase. While early success has been observed in IT and tech adjacent functions, reinventing the business with AI will require expanding into core operational processes. Organizations articulate deploying and supporting AI infrastructure and their #1 AI priority. This foundational work is critical for scalable, secure, and efficient AI deployments. Today, manufacturing specific AI use cases focus on process automation, predictive maintenance, and quality management.

Business Priorities for 2026

1. Increase revenues & profits
2. Enhance/innovate/reinvent our business with AI
3. Improve employee productivity
4. Optimize supply chain/inventory
5. Decrease or manage costs (e.g., moving from CAPEX to OPEX)



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

On average, organizations expect to generate **$2.86** 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. Software development
5. Customer service

AI Investments Priorities for the next 12 months

1. Deploy and support AI Infrastructure
2. Internal AI training (including non-IT staff)
3. AI agent development, deployment & applications/solutions
4. Generative AI development, deployment & applications/solutions
5. Public cloud AI services

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Manufacturing n=342

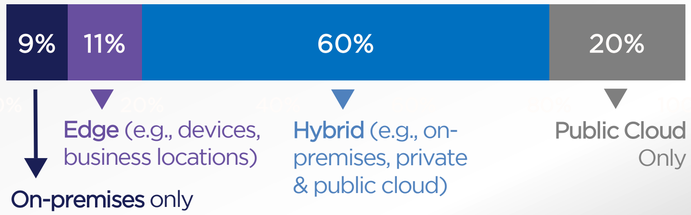
Manufacturing Overview *(2/2)*

Manufacturing organization face significant challenges in preparing for agentic AI adoption. Processes in this sector are often lengthy and complex, requiring extensive integrations for successful implementation. According to the data, 40% of manufacturers estimate more than 12 months to be ready for agentic AI, while over 25% have no plans to adopt it. Governance, risk, and compliance remain critical gaps, with less than one-third reporting a comprehensive approach. Despite being later to adopt, manufacturers stand to gain a lot from AI-driven transformation.

Technology Foundations

"Deploy AI devices to enhance productivity & local inferencing"
is the **#1 ranked** IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models

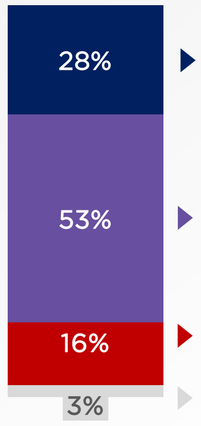


Key Drivers for On-Premises AI Workload Deployment

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

Building AI Trust

Approach to AI Governance, Risk & Compliance



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Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

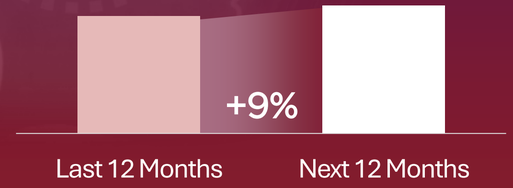
Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Top AI Trust Concerns

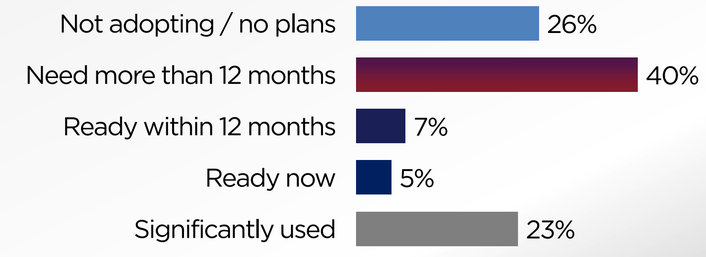
1. Poor data security
2. Knowledge / application of Responsible AI
3. Poor data quality

The Agentic Future

Increasing Focus on Agentic AI



Readiness for Scaled Agentic AI Implementation



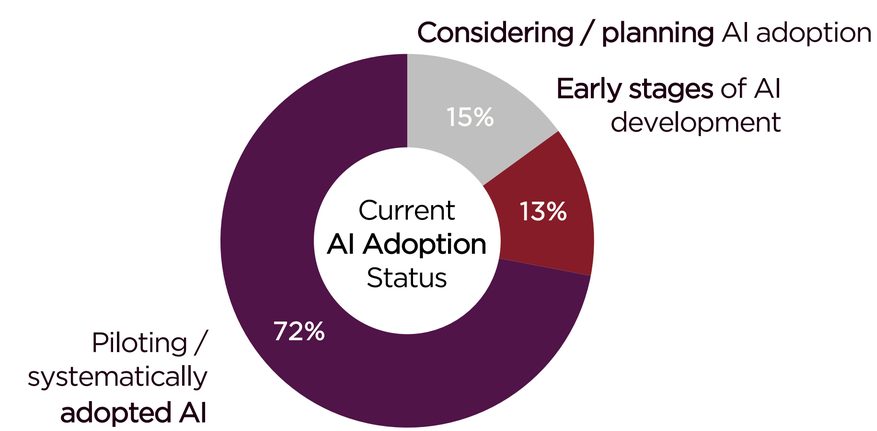
Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Manufacturing n=342

Telecommunications / Cloud Service Providers Overview *(1/2)*

Telecommunication/Cloud Service Providers are leading the charge in AI adoption, with 72% already adopting AI, compared to the overall market average of 60%. This widening gap underscores a growing divide between tech sectors and the rest of the market. Customer service has emerged as a key area where AI is delivering measurable business benefits. Looking at next year, agentic AI is at the top of AI investment priorities, signaling the lead this industry has when most still need to invest in foundational elements like infrastructure.

Business Priorities for 2026

1. Increase revenues & profits
2. Improve customer experience & satisfaction
3. Enhance/innovate/reinvent our business with AI
4. Enhance decision-making
5. Drive digital business innovation

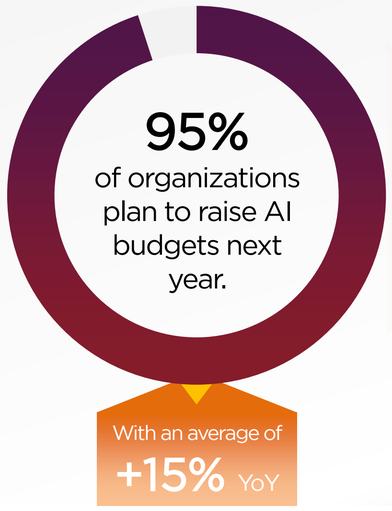


95% of surveyed organizations anticipate a **positive return** on investment (ROI) from their AI initiatives.

On average, organizations expect to generate **$2.75** 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. Software development



AI Investments Priorities for the next 12 months

1. AI agent development, deployment & applications/solutions
2. AI integration with devices, infrastructure & enterprise systems
3. Deploy and support AI Infrastructure
4. Generative AI development, deployment & applications/solutions
5. Internal AI training (including non-IT staff)

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Telco/CSP n=401

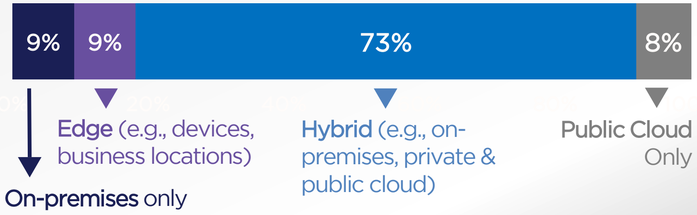
Telecommunication / Cloud Service Providers Overview *(2/2)*

Only 8% of telecommunications/cloud service providers employ a public cloud only deployment model for their AI workloads. Ensuring data privacy, regulatory compliance, and security protocols is cited as the top reason. At 33%, this industry is 6% higher than the overall market average on having a comprehensive approach to AI governance, risk, and compliance. This capability will be key in the next year considering the 166% increase in focus on agentic AI.

Technology Foundations

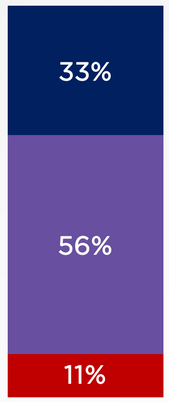
"Deploy AI devices to enhance productivity & local inferencing"
is amongst the **top 3 ranked** IT investment priority for the next 12 months.

Preferred Primary AI Workloads / Deployment Models



Building AI Trust

Approach to AI Governance, Risk & Compliance



Comprehensive
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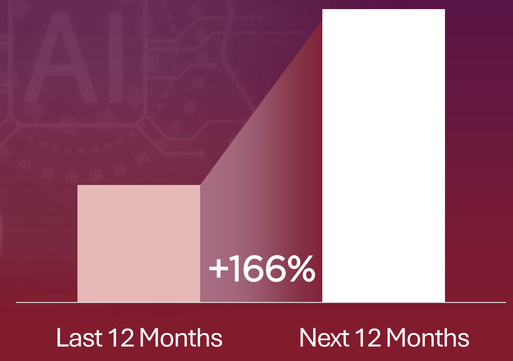
Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

The Agentic Future

Increasing Focus on Agentic AI



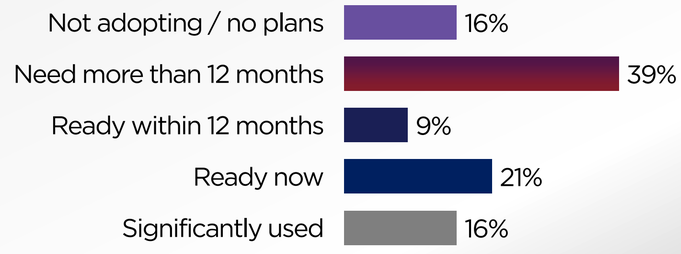
Key Drivers for On-Premises AI Workload Deployment

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

Top AI Trust Concerns

1. Lack of Responsible AI
2. Shadow AI risks
3. Lack of transparency

Readiness for Scaled Agentic AI Implementation



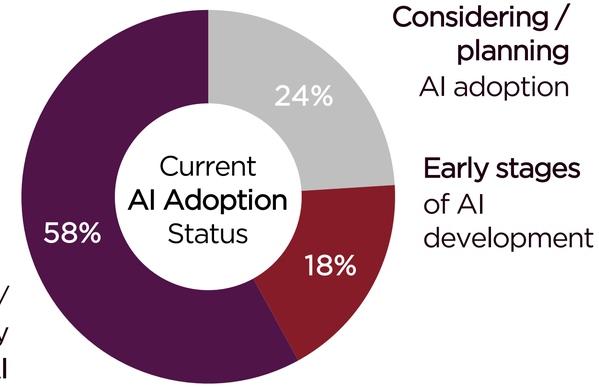
Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Telco/CSP n=401

Healthcare Overview *(1/2)*

The healthcare industry follows the overall market average on AI adoption. AI use cases in health care are vast, for example, ambient vital sign monitoring to enable continuous patient monitoring, virtual nursing assistants to improve patient education, and patient digital twins to simulate disease progression and consider treatment responses. To unlock the possibilities, organizations must invest in AI initiatives. 91% of healthcare respondents anticipate a positive ROI from their AI initiatives and 94% plan to raise AI budgets next year. However, regulatory, ethical, and governance considerations must be top of mind for business leaders in this sector.

Business Priorities for 2026

1. Enhance/innovate/reinvent our business with AI
2. Increase revenues & profits
3. Improve customer experience & satisfaction
4. Drive digital business innovation
5. Improve employee productivity



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

On average, organizations expect to generate **$2.82** 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. Finance

AI Investments Priorities for the next 12 months

1. Public cloud AI services
2. Generative AI development, deployment & applications/solutions
3. AI security, trust & transparency tools
4. Deploy AI devices
5. Internal AI training (including non-IT staff)

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Healthcare n=289

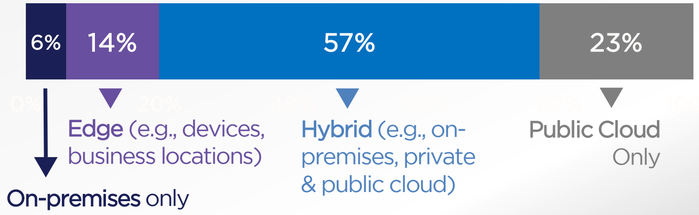
Healthcare Overview *(2/2)*

The focus on agentic AI is expected to increase by nearly 100% in the next 12 months. Healthcare organizations have a lot of work left to develop a comprehensive approach to AI governance, risk, and compliance. Currently, only 24% say they have a comprehensive approach to AI governance, risk, and compliance. Healthcare organizations deal with highly sensitive information like patient records, as well as, high stakes risks, like health outcomes. Incorporating agentic AI will need to be done with extra caution in mission critical functions.

Technology Foundations

"Deploy 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

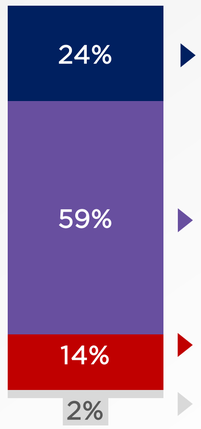


Key Drivers for On-Premises AI Workload Deployment

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

Building AI Trust

Approach to AI Governance, Risk & Compliance



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Developing
We are in the process of developing comprehensive policies. Some measures are in place, but they are not yet fully implemented.

Ad-Hoc
We have some security and data protection measures for AI, but they are inconsistent and lack formal governance policies.

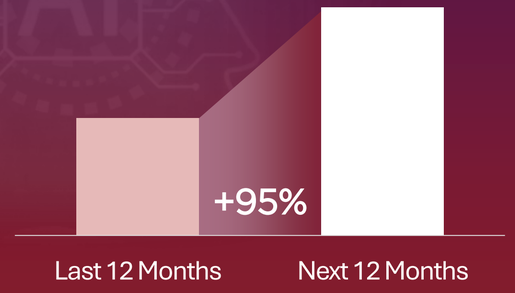
Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Top AI Trust Concerns

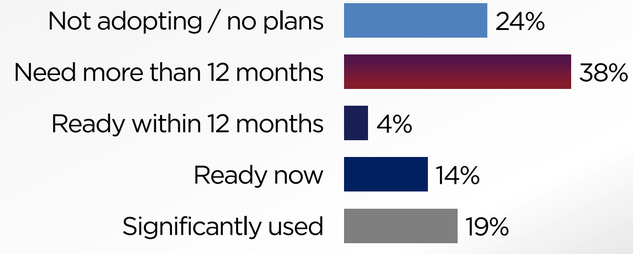
1. Lack of Responsible AI
2. Knowledge / application of Responsible AI
3. Shadow AI risks

The Agentic Future

Increasing Focus on Agentic AI



Readiness for Scaled Agentic AI Implementation



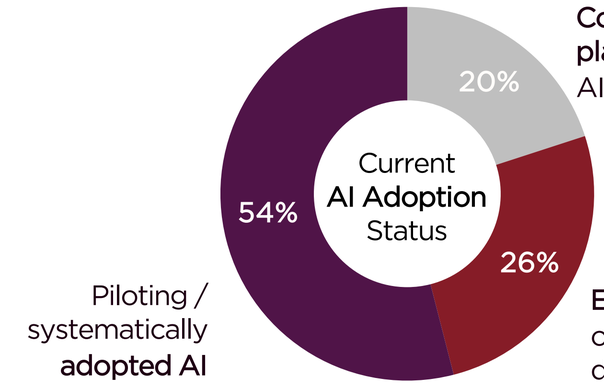
Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Healthcare n=289

Government Overview *(1/2)*

Government organizations lag behind the broader market on AI adoption, with 54% actively deploying AI compared to 60% overall. Their priorities center on improving decision-making and ensuring regulatory compliance, reflecting the unique metrics of the public sector. While nearly all government respondents plan to boost AI investment next year, averaging 13% increase year over year, they remain in catch-up mode on cloud transformation. Public cloud AI services are emerging as the top focus, signaling a push to modernize infrastructure.

Business Priorities for 2026

1. Enhance decision-making
2. Improving regulatory compliance
3. Drive digital business innovation
4. Enhance/innovate/reinvent our business with AI
5. Improve customer experience & satisfaction



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

On average, organizations expect to generate **$2.80** in value for every dollar invested in AI projects.

Top Business Areas where AI has Shown Positive Returns

1. IT
2. Data & analytics
3. Industry specific LOB
4. Strategy/senior executive
5. Cybersecurity

AI Investments Priorities for the next 12 months

1. Public cloud AI services
2. Data quality & governance improvements
3. Generative AI development, deployment & applications/solutions
4. AI security, trust & transparency tools
5. Deploy and support AI Infrastructure

Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Government n=250

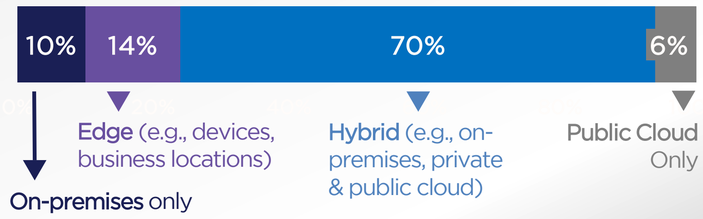
Government Overview *(2/2)*

Today, only 8% of government organization are leveraging agentic AI in a meaningful way, and more than half say they need over a year to feel prepared. Even more concerning is that only 14% have a comprehensive approach to AI governance, risk, & compliance. This is 13% lower than the overall market average. This gap is not just a statistic, it's a vulnerability. Governments operate under intense public scrutiny where ethical and efficient practices are non-negotiable. A lapse in effective AI governance can erode citizen trust. CIOs must assemble teams with the right skills to overcome AI trust concerns and embrace this cutting-edge technology.

Technology Foundations

"Deploy 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

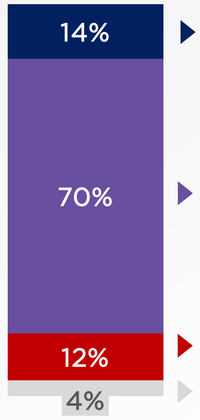


Key Drivers for On-Premises AI Workload Deployment

1. 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



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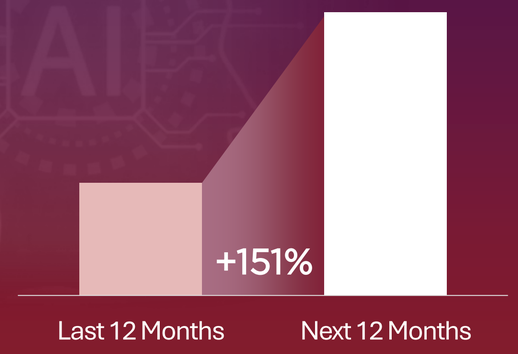
Not Established
We currently do not have an established approach or specific policies regarding AI governance, security, privacy, or data sovereignty.

Top AI Trust Concerns

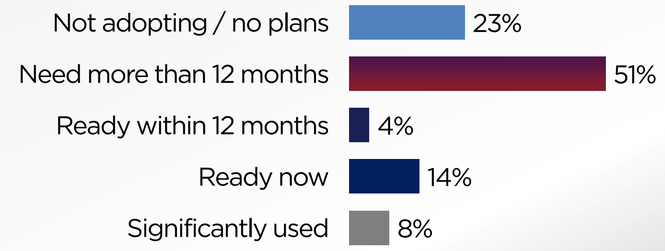
1. Knowledge / application of Responsible AI
2. Shadow AI risks
3. Lack of Responsible AI

The Agentic Future

Increasing Focus on Agentic AI



Readiness for Scaled Agentic AI Implementation



Source: IDC CIO Playbook 2026 Survey, commissioned by Lenovo, Government n=250

Research Methodology

CIO Playbook 2026 **Research Methodology**

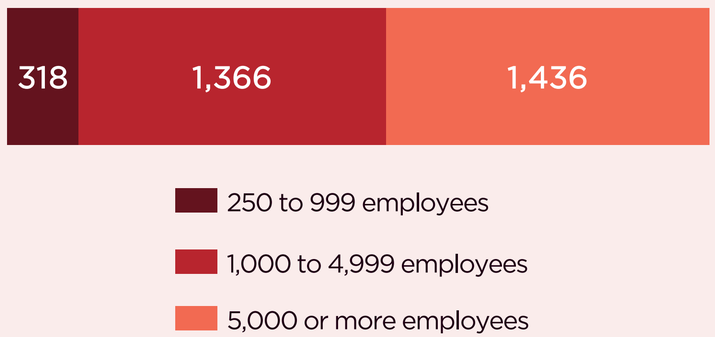
The playbook was developed based on 3,120 respondents, with the following sampling breakdown:

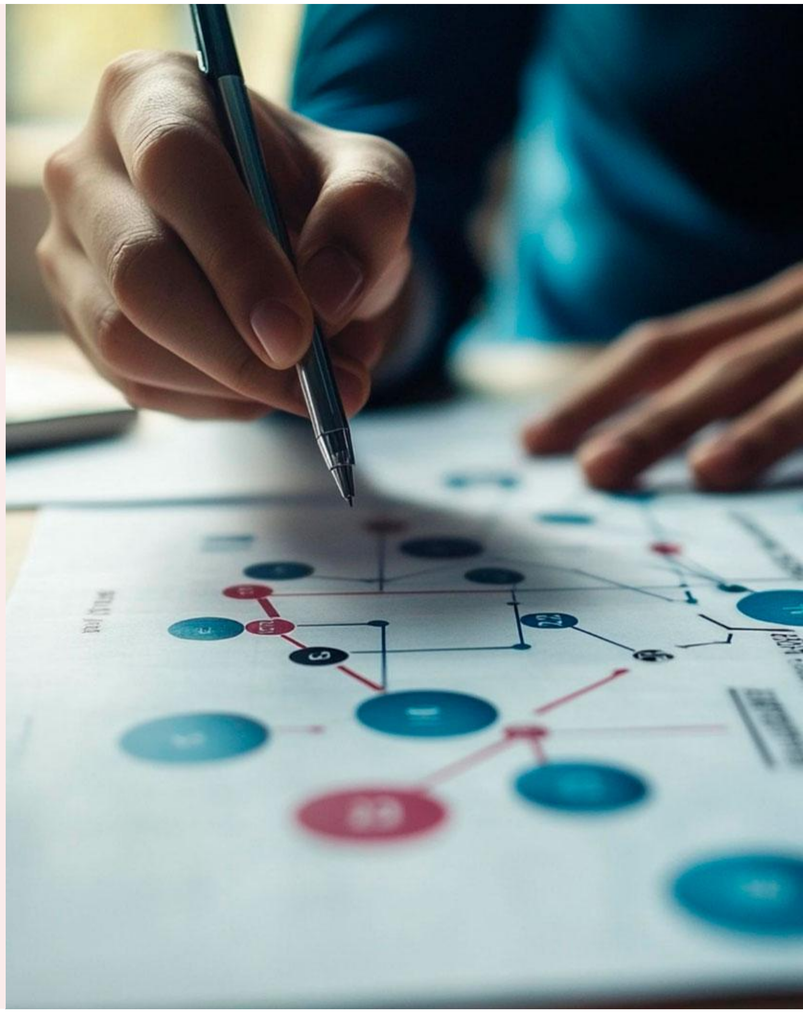
Regions Covered	Sample Size
APAC	920
EMEA	800
LATAM	500
NA	900

Industries Covered	Sample Size
BFSI	412
Retail	425
Manufacturing	342
Telco / CSP	401
Healthcare	289
Government	250
Others	1,001

Sampling by **Organization Role**

Sampling by **Employee Size**





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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**
1  Business Priorities **AI as the Engine for Business Reinvention** • AI is moving beyond incremental gains and is fundamentally reshaping 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.	Lenovo delivers full-stack AI capabilities required for rapid innovation and enterprise-wide deployment: • Lenovo's **full-stack portfolio** – comprising AI-enabled, AI-ready, and AI-optimized devices, infrastructure, software, solutions, services and open partner ecosystem – **reduces deployment friction** and **accelerates outcomes** for enterprises. • 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.
2  AI Adoption / Implementation **Proliferation of AI Beyond IT to Deliver Enterprise-Wide Value** • 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.	Lenovo enables organizations to move beyond isolated IT AI projects to enterprise-wide transformation by delivering simplified integration, cross-functional alignment, and repeatable frameworks. • **Repeatable AI frameworks** accelerate adoption from first use case to enterprise scale. • **Cross-functional alignment programs** ensure AI initiatives land consistently across the business. • **AI adoption** and **change management services** drive employee engagement and responsible AI practices.
3  AI Investment **Modernizing to Scale AI Capabilities** • Scaling AI requires modern, energy-efficient hybrid infrastructure that supports high-performance workloads wherever data resides. • CIOs must deploy devices and optimize hybrid environments—across client, edge, and cloud—to meet growing demands and enable real-time AI operations.	Lenovo equips enterprises with next-gen hybrid infrastructure designed to handle AI workloads, ensuring scalable performance with optimized energy and cost efficiency. • **80+ AI-ready platforms** optimized for real-time AI Inferencing, efficient AI training, AI development. • **Lenovo Neptune® liquid cooling 6th Generation** enables energy efficient, sustainable, high-density compute. • **650+ world records** across key AI and HPC benchmarks.
4  AI Trust **Governance and Security: A Non-Negotiable Factor for AI** • 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.	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: • **Lenovo ThinkShield** delivers end-to-end security to protect your people, devices, and data—wherever and whenever work happens. • **ISO22301** and **ISO20243** certifications ensure business continuity and traceability. • **Lenovo Trusted Supplier Program** guarantees a secure, auditable AI supply chain.
5  Agentic AI **The Coming Wave of Autonomous AI Agents** • Agentic AI is emerging as the next frontier in productivity and automation, 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.	Lenovo helps organizations supercharge productivity by making it possible to securely deploy enterprise-grade agents in just minutes – without the need for technical expertise. • The **Lenovo xIQ Agent Platform** enables 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. • All solutions are **validated**, **tested**, and **integrated**, supporting both vertical and horizontal use cases for agentic AI implementations.

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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

AI Development | Inferencing | Agentic (scalable) | Training | Edge | AI PC

Networking

Network Infra
AI Fabrics

Storage

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.

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