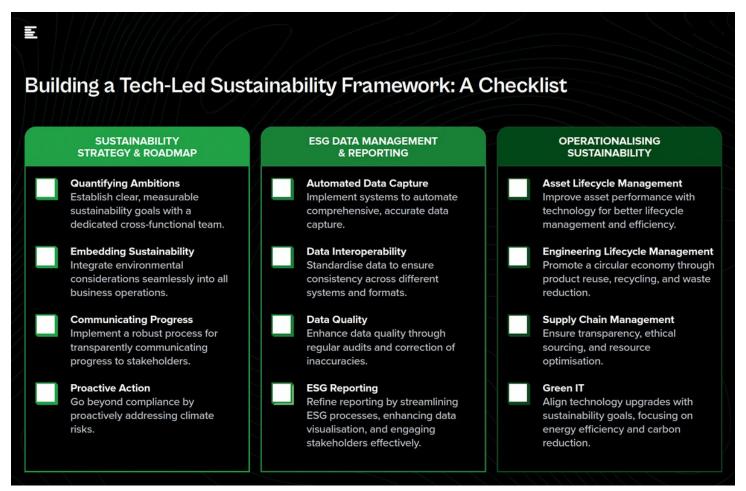
IBM Unveils Comprehensive "Sustainability Technology Guide for Executives": A Blueprint for Driving Sustainable Business Impacts in Asia Pacific

• Only one fifth of Asia Pacific organizations have a truly strategic approach to sustainability, with the integration of automation and AI system data with enterprise data being the top challenge. • Asia Pacific organizations view technology modernization as a crucial step in advancing their sustainability initiatives.



Singapore, August 26, 2024 – IBM (NYSE: IBM), in collaboration with Ecosystm, released a pivotal new whitepaper, the "Sustainability Technology Guide for Executives," aimed at empowering business leaders in the Asia Pacfic region to leverage tech-business synergy to accelerate sustainable transformation.

Ecosystm data reveals that surveyed organizations in the Asia Pacific region are still in the early stages of integrating sustainability into their core business operations, with only 21% having a truly strategic approach to sustainability. Data challenges top the list of sustainability concerns,

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as achieving a real-time, AI-powered, holistic view of current environmental impact and implementation progress—necessary for prioritizing the most cost-effective ways to achieve sustainability goals—requires a robust baseline of ESG data.

The top challenge faced by Asia Pacific organizations, according to the whitepaper, is the integration of automation and AI system data with enterprise data (48%), followed by the need to collect data from multiple internal systems (45%) and identify the right data for reporting requirements (42%). A recent study by IBM Institute for Business Value also found that only 4 in 10

organizations can automatically source sustainability data from core systems such as ERP, enterprise asset management, CRM, energy management, and facilities management. To enhance credibility, foster trust and strengthen relationships with customers, investors, and other key stakeholders, transparent, verifiable and audit-ready data across the value chain is essential.

"Asia Pacific organizations struggle to turn the sustainability agenda into a competitive business advantage, as incorporating sustainability data and insights into operational improvements requires high-quality data and robust governance capabilities that underpin trust. While generative AI can be a game changer for data-driven sustainability, leveraging hybrid cloud to integrate data and facilitate interoperability across organizations is key to enabling sustainability at scale," said **Hans Dekkers, General Manager, IBM Asia Pacific.** "Technology is vital for operationalizing sustainability, and IBM solutions and services are assisting organizations throughout the region in harnessing the power of data and AI to achieve a positive sustainable impact that also enhances business value."

Highlights from the whitepaper include:

- Pressure from regulations is not the key drivers of sustainability: While the common perception is that compliance with regulations is a primary factor influencing organizations to adopt sustainability practices, the research reveals that a combination of ethical considerations, financial benefits, and a proactive approach to navigating the evolving landscape are the top drivers of sustainability practices in the Asia Pacific.
- Technology is key, but a structured approach is required:64% of Asia Pacific organizations acknowledge the need for tech advisory firms to help define their unique sustainability roadmap, while 40% are already leveraging technology to optimize operations and supply chains. A structured, three-layered framework is essential for establishing data-driven goals and strategies, building a robust data foundation for environmental data collection and analysis, and operationalizing sustainability by embedding sustainable practices into workflows through technology.
- Sustainability ambitions start with tech modernization: A key step taken by Asia Pacific tech teams to reduce their carbon footprint is refreshing to newer, more efficient infrastructure, with 53% of organizations making this move. To ensure that technological advancements contribute to, rather than hinder, an organization's sustainability journey, a broader strategy that includes proactively monitoring assets and managing them through the entire lifecycle is required.
- Concerns over data-hungry AI solutions: The growing adoption of AI brings undeniable benefits, but it also raises concerns about environmental impact. To mitigate this, there is a need for lightweight infrastructure models that require less computational power without compromising efficiency, the use of GPUs for AI workloads, and pre-trained foundation models that require less data and offer faster training times. Additionally, automating AI code generation can reduce processing steps and memory usage, further minimizing the environmental footprint of AI solutions.
- Bridging the IT-business gap: A significant challenge faced by organizations is the lack of cross-business unit executive involvement and the disconnect between IT and business functions. Currently, 70% of CEOs in Asia Pacific organizations are the primary stakeholders driving the sustainability vision, while only 22% have a dedicated Chief Sustainability Officer (CSO). There is a need for the entire leadership team to take ownership of the sustainability agenda, with the CIO championing the use of technology, the CFO integrating sustainability into financial planning, and the COO aligning operational efficiency with sustainability goals.

"Organizations that embrace tech-led sustainability decisions can turn sustainability from a cost centre into a value driver, ensuring long-term business success while leaving a positive environmental legacy," said **Sash Mukherjee**, **VP Industry Insights**, **Ecosystm**. "By following the three-layered tech-led sustainability framework and the checklist in this guide, Asia Pacific leaders can create a compelling, data-driven sustainability narrative that inspires action, manages risks, and builds stakeholder trust."

Additional sources

- Download a copy of the "Sustainability Technology Guide for Executives" study with the three layered tech-led sustainability framework and an execution checklist.
- Sign up for Sustainability Technology Guide for Executives webinar with experts on Tuesday, August 27, 2024, at 2:00 p.m. Singapore time.

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About Ecosystm

Ecosystm is a leading research and advisory company that empowers organisations to transform and drive positive change through digital transformation and innovation. We are the trusted partner for businesses seeking market growth and new opportunities, leveraging our in-depth market expertise, data-driven insights, and world-class analysts and advisors. Visit www.ecosystm.io to learn more.

About IBM

IBM is a leading provider of global hybrid cloud and AI, and consulting expertise. We help clients in more than 175 countries capitalise on insights from their data, streamline business processes, reduce costs and gain a competitive edge in their industries. More than 4,000 government and corporate entities in critical infrastructure areas such as financial services, telecommunications and healthcare rely on IBM's hybrid cloud platform and Red Hat OpenShift to affect their digital transformations quickly, efficiently and securely. IBM's breakthrough innovations in AI, quantum computing, industry-specific cloud solutions and consulting deliver open and flexible options to our clients. All of this is backed by IBM's longstanding commitment to trust, transparency, responsibility, inclusivity and service.

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