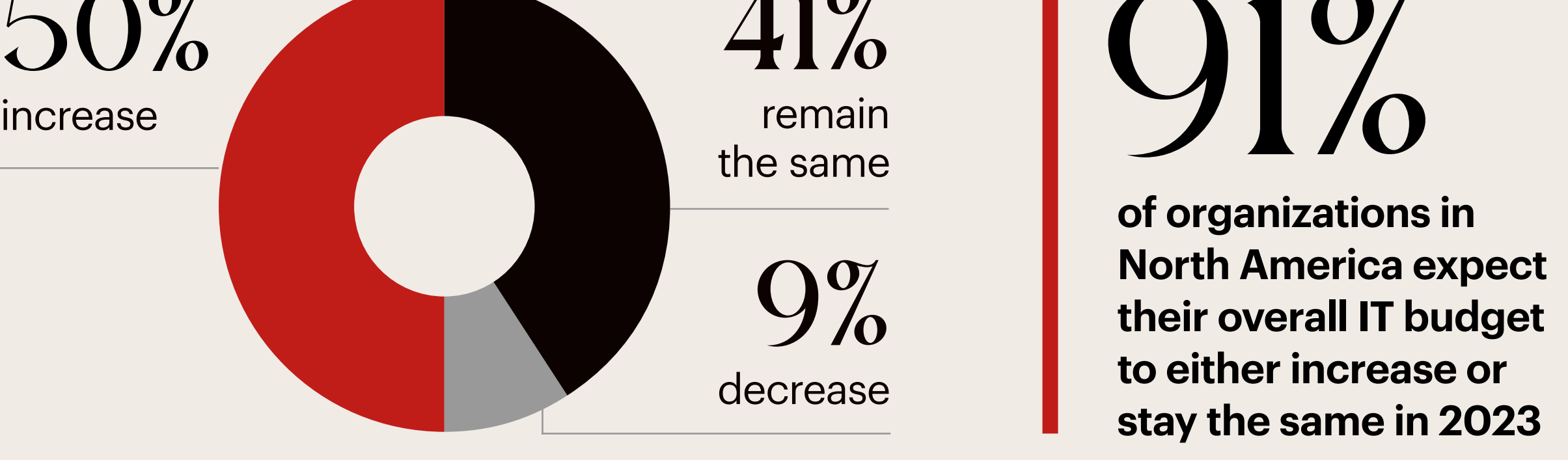


# State of the CIO 2023

## Technology budgets on the incline

### Budget expectations



### Top reasons for technology budget increase

|  |     |
|--|-----|
| Need for security improvements             | 45% |
| Need to upgrade outdated IT infrastructure | 35% |
| Investment in new skills or talent         | 35% |
| Application modernization                  | 33% |
| Product innovation                         | 24% |

### Top reasons for technology budget decrease

|   |     |
|---|-----|
| Company finances or performance   | 60% |
| Economic instability or uncertainty   | 57% |
| Reduced employee headcount  | 40% |
| Made a one-time technology investment in 2022 so no longer need that budget | 23% |
| Downsized or closed physical offices  | 17% |

## Who is the North America CIO in today's business environment?



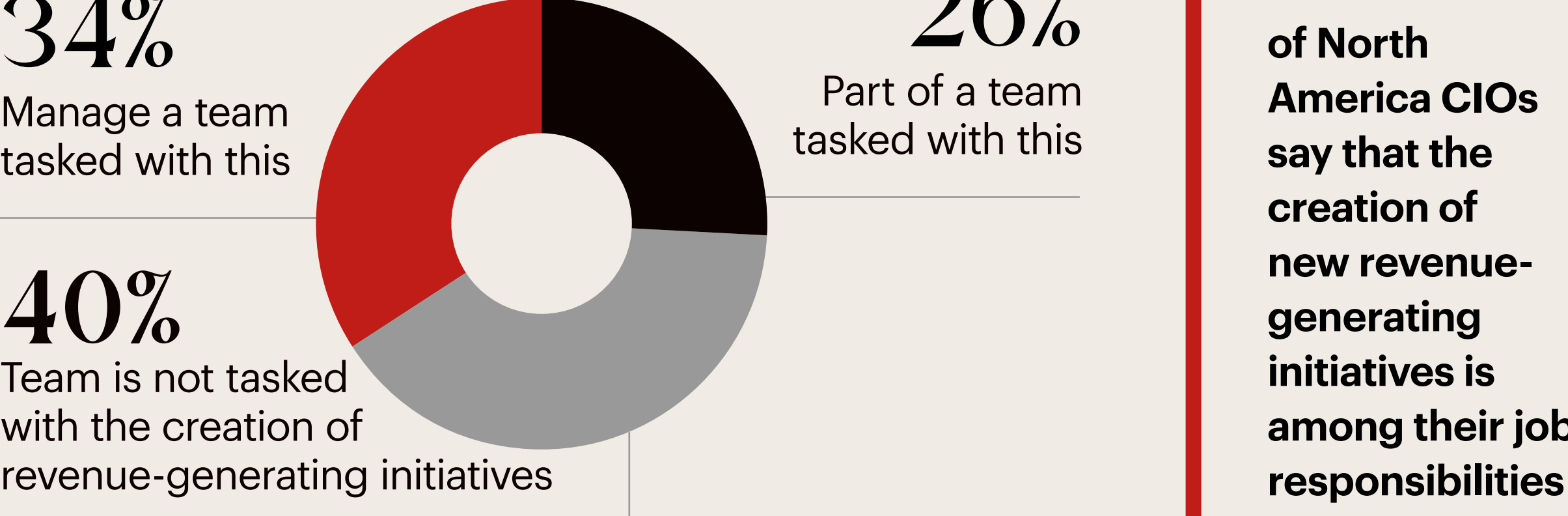
### What North America CIOs focus on in their roles

1. Security management
2. Improving IT operations or systems performance
3. Aligning IT initiatives with business goals
4. Modernizing infrastructure and applications
5. Cost control or expense management

### Top priorities for 2023

1. Upgrade IT and data security to reduce corporate risk
2. Strengthen IT and business collaboration
3. Improve the customer experience
4. Lead digital business or digital transformation initiatives
5. Help reach a specific goal for corporate revenue growth

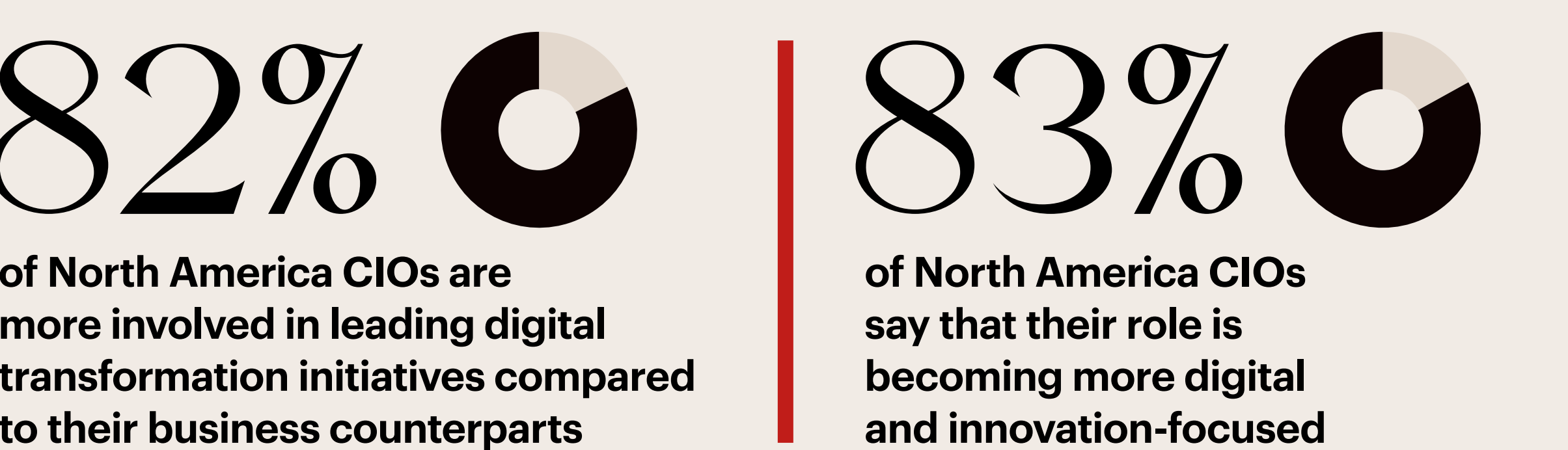
### How are North America CIOs involved in creating revenue-generating initiatives?



### The CIO is working more closely with these groups this year

|                                |     |                          |     |
|--------------------------------|-----|--------------------------|-----|
| Executive-level administration | 61% | Human resources          | 25% |
| Operations                     | 54% | Research and development | 23% |
| Finance/accounting             | 38% | Marketing                | 24% |
| Risk management/compliance     | 34% | Sales                    | 21% |
| Engineering                    | 27% | Supply chain             | 20% |

## North America business and technology initiatives in 2023



### Which technology initiatives are driving IT investments?

|   |     |
|---|-----|
| Security/risk management                      | 43% |
| Data/business analytics                       | 38% |
| Application/legacy systems modernization      | 29% |
| Cloud infrastructure (private or hybrid)      | 25% |
| Machine learning/artificial intelligence (AI) | 22% |

### Which business initiatives are driving IT investments?

|  |     |
|--|-----|
| Increasing operational efficiency        | 52% |
| Increasing cybersecurity protections     | 46% |
| Transforming existing business processes | 39% |
| Improving the customer experience        | 36% |
| Improving profitability                  | 28% |

## ESG standards have become increasingly more important in the North America region

