News Release

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Majority of business leaders lack confidence in their organization's ability to address ethical issues related to artificial intelligence, robotics and similar technologies

Digital ethics discussion accelerating faster than security, in the boardroom

Seattle—May 18, 2019—Businesses need to move quickly to address the ethical challenges posed by new and emerging technologies, according to the latest research from Avanade, the leading digital innovator on the Microsoft ecosystem. Insights published in its latest Trendlines report warns businesses that ignoring their ethical responsibilities could jeopardize customer and employee trust, lead to lost revenue and result in a competitive disadvantage.

The research involving 1,200 C-suite, senior-level IT and business decision makers in 12 countries, revealed that while most respondents (82%) agreed digital ethics is the foundation of successful artificial intelligence (AI), 81% also said they lack complete confidence that their organizations are adequately prepared to address ethical issues related to AI, robotics and similar technologies.

Aaron Reich, Avanade Senior Director, Emerging Technologies and one of the report's authors, said <u>digital ethics</u> is accelerating up the boardroom agenda even faster than security. "Increasingly, clients are coming to us to have business-critical discussions which reinforces the central role a robust, digital ethics framework has in building long-term trusted relationships with customers, employees and other stakeholders."

While many companies today already have compliance officers, Avanade predicts a significant increase of senior digital ethics positions over the next one-to-three years. These roles could have broad-ranging scopes across the business areas impacted by digital ethics, including compliance, risk management, product development, marketing, brand and reputation management, corporate citizenship and more.

Within its own business, Avanade has created a global cross-functional taskforce responsible for developing and guiding the application of the company's digital ethics framework. This framework comprises four components: fairness and inclusivity, human accountability, trustworthiness and adaptability. Implementation decisions are ultimately taken by Avanade's Ethics and Compliance Council.

"While digital ethics is fast becoming a boardroom discussion item, it's everyone's responsibility to ensure that their company is considering the ethical consequences of their actions," says Reich. "Taking action means establishing guiding principles and making them transparent internally and externally, creating playbooks, providing training, engaging ethics hackers to identify potential ethics issues, and participating in public discussion and advocacy. Most importantly, it means enabling employees with best practices and tools to build ethics-by-design into their work."



About Avanade Trendlines

<u>Avanade Trendlines</u> highlight key themes predicted to develop over the next 12 months and outline what actions businesses should take to ensure they are not left behind. Trendlines are based on ongoing research and the combined experience and expertise of Avanade's 36,000 professionals who work with clients daily, across multiple industry sectors spanning the globe, advising them on how to maximize the business value of technology for their employees and customers. Over the course of 2019, Avanade will publish detailed perspectives on these trends.

About Avanade

Avanade is the leading provider of innovative digital and cloud services, business solutions and design-led experiences on the Microsoft ecosystem. Our professionals bring bold, fresh thinking combined with technology, business and industry expertise to help make a human impact on our clients, their customers and their employees. We are the power behind the Accenture Microsoft Business Group, helping companies to engage customers, empower employees, optimize operations and transform products, leveraging the Microsoft platform. Avanade has 36,000 professionals in 24 countries, bringing clients our best thinking through a collaborative culture that honors diversity and reflects the communities in which we operate. Majority owned by Accenture, Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com.