

# AI REPORT 2024

AI DEPLOYMENT IN TODAY'S LANDSCAPE  
AND TOMORROW'S HORIZON

# DIAMOND MEMBERS

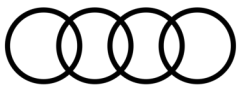


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# EXECUTIVE SUMMARY

This report provides a detailed examination of the current state of artificial intelligence (AI), through the lens of the European Chamber of Commerce Singapore (EuroCham)'s inaugural AI Programme 2024.

At the forefront of this report are key messages from Iwona Piórko, Ambassador of the European Union to Singapore, Jens Rübberth, President of EuroCham; Dr. Lovneesh Chanana, Regional Head of Government Affairs at SAP and Chair of EuroCham's Digital Economy Committee; and Nele Cornelis, Executive Director of EuroCham. These thought leaders emphasise the critical importance of AI governance, the necessity for collaboration, and the strategic balance required between innovation and responsible AI usage.

Given the rapid evolution of AI and its growing global impact, the report examines regulatory frameworks that are shaping the governance of AI. The EU AI Act, one of the most advanced legislative efforts worldwide, sets rigorous standards for responsible AI development and deployment.

In addition, this report also contains the EU's approach to AI which is built on the pillars of excellence and trust, focusing on boosting research, industrial capacity, and creating a supportive ecosystem for AI innovation. These efforts, alongside funding mechanisms such as Horizon Europe and InvestEU, are designed to support the growth of AI startups and scale-ups, ensuring Europe remains a leader in trustworthy and responsible AI.

Similarly, Singapore's NAIS 2.0, a significant evolution from its predecessor, emphasises the importance of workforce empowerment through upskilling and reskilling to meet the demands of an AI-driven economy. It also advocates for international collaboration, positioning Singapore as a leader in the global AI landscape.

Singapore's Model AI Governance Framework for Generative AI establishes a world-first initiative to ensure the responsible and ethical deployment of generative AI technologies.

Central to the report is an AI Survey, which offers a comprehensive assessment of AI adoption and development across industries. The survey highlights a spectrum of AI maturity, with some organisations fully integrating AI into their operations, while others are in the exploratory phase. The findings provide valuable insights into the challenges and opportunities businesses encounter on their journey toward AI integration.

This report is further enriched by contributions from EuroCham member companies. Their insights underscore the tangible benefits of AI in driving innovation, operational efficiency, and competitive advantage.

The report concludes with recommendations drawn from the AI Survey, including perspectives from SAP. These recommendations provide a roadmap for businesses looking to embrace AI while navigating the complexities of regulatory compliance.

In conclusion, we envision this report as a catalyst for deeper dialogues and discussions, paving the way for collaboration in 2025. By moving beyond mere buzzwords, we hope to collectively focus on the tangible impacts of AI, helping to build a robust ecosystem that champions responsible and meaningful advancements in AI.

# INTRODUCTION

In 2024, EuroCham embarked on its inaugural AI Programme, a journey that has brought together a wealth of expertise, insights, and industry perspectives.

With rapid advancements in artificial intelligence (AI) reshaping industries across the globe, we recognised the need to create a platform for dialogue and understanding. This report marks the beginning of that initiative, presenting the findings and contributions from a diverse range of companies that are at the forefront of AI innovation.

Through this programme, we have compiled a comprehensive overview of key trends, regulatory frameworks, and the evolving landscape of AI in Europe and Singapore. The insights gathered from industry experts, alongside inputs from entities such as the EU Delegation and key member companies, we aim to fuel a larger conversation.

This report serves as a launchpad for an ongoing dialogue about the role of AI in shaping the future of business, technology, and society.

We are especially grateful to EuroCham's knowledge partner, SAP Asia Pte Ltd, for their unwavering support throughout this journey. In particular, we extend our heartfelt appreciation to Dr. Lovneesh Chanana and his team for their invaluable expertise, guidance and support, which have played a pivotal role in the success of this report.

By fostering collaboration and sharing knowledge, we hope this report serves as a starting point for further exploration of advancements in AI. As we move forward, the discussions sparked by this document will pave the way for future initiatives, ensuring that the European and Singaporean AI ecosystems continue to thrive in an increasingly complex and interconnected world.





## MESSAGE

### FROM THE PRESIDENT OF EUROCHAM, JENS RÜBBERT

AI is advancing rapidly, revolutionising how we live and work. Industries are changing fast. AI automation is transforming manufacturing, AI tools are improving medical diagnostics, and financial institutions are optimising operations and detecting fraud more effectively. Generative AI is helping workers create content and solutions faster than ever before. However, with AI's growth, ethical concerns about fairness and data privacy are rising. Governments are responding by creating regulations and frameworks to manage risks while encouraging responsible innovation.

It is particularly interesting to observe the varying regulatory approaches to AI across different regions. In Europe, the EU AI Act stands as one of the most comprehensive and stringent regulatory frameworks for AI governance. It seeks to classify and regulate AI systems based on risk levels, ensuring that high-risk AI systems undergo rigorous scrutiny to protect fundamental rights and safety. In comparison, other countries are either adopting this framework or developing their own variations.

France has established a regulatory sandbox approach, allowing for controlled testing and innovation while adhering to EU standards. The country's AI oversight is managed by its data protection authority, Commission Nationale de l'Informatique et des Libertés (CNIL), which supervises compliance with the AI Act.

Germany is also preparing for the upcoming EU regulations but emphasises stringent data privacy laws in line with the General Data Protection Regulation (GDPR), particularly in sectors like health and public services where AI is prevalent. Meanwhile, countries like Italy and Spain are focusing on the ethical implications of AI, especially in public administration and surveillance systems.

On the other hand, Singapore has adopted a more pragmatic approach, emphasising innovation through a trial-and-testing methodology. Rather than imposing strict regulations that could potentially stifle innovation, Singapore uses regulatory sandboxes and toolkits to enable companies to test AI technologies in a controlled environment. This allows for flexibility and encourages experimentation without creating barriers to adoption.

Like several European countries, Singapore's goal is to balance innovation with accountability, but it is taking a measured, iterative approach to developing AI standards. The Model AI Governance Framework introduced by Singapore is a prime example of this forward-thinking strategy.

At EuroCham, we believe that understanding these global perspectives is crucial for our members. Whether operating under Europe's stringent regulatory frameworks or exploring opportunities in more experimental markets like Singapore, EuroCham equips its members with the insights they need to leverage AI as a strategic advantage.

Through partnerships with key stakeholders, including governments, businesses, and academia, EuroCham remains at the forefront of global discussions on AI. We are also closely aligned with broader initiatives such as Horizon Europe, which aims to bolster Europe's leadership in AI and digital transformation. This places EuroCham at the intersection of innovation, regulation, and cross-border collaboration, ensuring our members stay ahead of global trends.

As we move forward, our AI report will serve as a vital resource in understanding AI's current state, future trajectory, and the opportunities and challenges it presents. EuroCham is proud to be part of this global movement, ensuring that our members are prepared to lead in this transformative era.



## MESSAGE

### FROM THE AMBASSADOR OF THE EUROPEAN UNION TO SINGAPORE, IWONA PIÓRKO

Artificial Intelligence (AI) technologies are already having a significant impact on all of us, as individuals and organisations, and the advent of generative AI marks a further transformative shift. While AI creates numerous opportunities, AI technologies also come with risks and limitations. They could potentially harm public and private interests, violate data privacy, information security and protected intellectual property, or introduce bias into information and work processes.

The way we approach AI will define the world we live in, in the future. A critical part of the European Union (EU)'s agenda is to make Europe fit for the digital age. People and businesses should be able to enjoy the benefits of AI while feeling safe and protected.

The European approach to trust in AI led to the entry into force of the AI Act in August 2024. The world's first comprehensive legal framework upholds fundamental rights and addresses safety risks specific to the AI systems. It is designed to ensure that AI developed and used in the EU is trustworthy, with an easy to understand risk-based approach. This framework gives AI developers, deployers and users the clarity they need.

The EU has also developed a European approach to excellence in AI. The 2021 Coordinated Plan on AI outlines a vision to accelerate, act and align priorities with the current AI landscape. In 2024, communication on boosting start-ups and innovation in trustworthy AI launched a package of measures to support European start-ups and SMEs.

The EU and Singapore recognise that working together to shape digital rules and standards, facilitate interoperability in a trusted and secure manner is necessary to maximise opportunities presented by the digital economy. This helps create commercially meaningful outcomes for businesses operating across borders.

The EU-Singapore Digital Partnership signed in February 2023 identified specific areas of cooperation on excellence and trust in AI, including interoperability of AI governance systems, research and industry, and business opportunities.

Our bilateral Digital Trade Agreement concluded in July 2024 will certainly enhance business opportunities. This agreement sets legally binding digital trade rules, ensuring predictability and legal certainty for businesses, especially micro, small and medium-sized enterprises.

The two high-level visits from the European Commission to Singapore in the last twelve months - by Commissioner in charge of the Digital Economy and Society Thierry Breton in November 2023, and Executive Vice-President for a Europe fit for the Digital Age Margrethe Vestager in July 2024 - affirm our mutual willingness to deepen our digital collaboration.

In this context, the possible oncoming negotiations for Singapore to join the Horizon Europe research framework programme as an associate country signal to further deepening cooperation in the field. This would represent a milestone in bringing closer our AI research and industrial ecosystems factoring in the vast array of initiatives related to AI covered by the programme.

On the industry front, EuroCham has been consistently investing resources to help businesses understand the opportunities and implications of the advent of AI technologies.

My congratulations for the efforts you have made to gather perspectives from industry, and publicise the respective approaches of the EU and Singapore. The publication of this timely AI report is further testament to your commitment to deepen collaboration, dialogue and partnerships with relevant stakeholders.



## MESSAGE

### FROM THE REGIONAL (ASIA PACIFIC AND JAPAN) HEAD OF GOVERNMENT AFFAIRS AT SAP AND CHAIR OF EUROCHAM'S DIGITAL ECONOMY COMMITTEE, DR LOVNEESH CHANANA

We are on a journey from being digital to digitally intelligent.

Artificial Intelligence (AI) is a tsunami of disruptive innovation with incredible potential to support the evolving needs of the global business community. As per estimates, Generative AI could add between USD 2.6 to 4.4 trillion of value annually to the global economy.

Many businesses have already adopted AI in their business processes and are looking to do more. Organisations are looking to tap the potential of both top and bottom-line growth improvement by using AI across functional areas. In fact, in a very short span of time, artificial intelligence has turned from a vertical to a horizontal discipline, with application and deployment across the whole spectrum of business and societal functions and activities.

Some of us may argue that AI offers both mouth-watering opportunities and eye-watering challenges. In an era where AI shapes the backbone of our economic sectors and societal functions, the urgency for guiding principles that ensure its use for the benefit of society cannot be overstated. The "best" of every business is more attainable by leveraging AI that is relevant, reliable, and responsible.

The AI ecosystem has seen significant advancements globally, with Europe and Singapore emerging as key players to foster innovation and responsible AI deployment. Singapore's pioneering vision to move from 'opportunity to necessity' and from 'local to global' 'projects to systems' offers the potential to position the country as a global AI hub.

In Europe, the emphasis on ethical AI, transparency and data privacy provides a good foundation and reference for sustainable AI solutions. The close co-operation between Europe and Singapore will help businesses thrive in an increasingly competitive and geo-politically dynamic business environment. The EU-Singapore digital partnership is an important milestone in this direction.

As a way forward, AI will require a holistic focus covering the whole landscape of data set platforms, skilling, compute and chipsets, sustainability, innovation, R&D, centres of excellence, regulatory ecosystems, and more. It is also important at this stage to drive readiness for AI through review of sectoral policies and regulations. Multi-stakeholder partnerships will be the key enabler.

This EuroCham AI report covers key AI issues including the EU and Singapore ecosystem, knowledge-sharing by member companies and the way forward. We keenly look forward to the industry-government exchanges and partnerships to successfully continue AI development and deployment and to propel our nation's digital transformation journey.



## MESSAGE

### FROM THE EXECUTIVE DIRECTOR OF EUROCHAM, NELE CORNELIS

EuroCham is delighted to introduce its latest publication, *AI: Beyond the Buzz*, a comprehensive report that synthesises key insights and findings from our 2024 AI Programme. This report brings together contributions from a range of industry experts, the EU Delegation, and other key stakeholders, providing a holistic view of the current AI landscape.

The report focuses on the real-world applications of AI, moving beyond the surface-level excitement often associated with the technology. It explores how AI is transforming industries, offering practical insights into its tangible impacts.

The chapters of the report include key messages, a summary of EuroCham's AI Programme events, and an exploration of regulatory frameworks such as the EU AI Act, Singapore's AI Governance Framework, and the National AI Strategy 2.0. Additionally, it features insights from 10 EuroCham corporate members and the outcomes of a survey with 54 respondents, comprising both members and non-members, capturing the state of AI deployment and integration across different industries.

This report is part of EuroCham's 2024 AI Programme, developed in collaboration with SAP Asia, our knowledge partner. The programme is anchored by three core pillars: Workforce Transition, Industry Disruption, and AI Governance & Ethics. Since its launch, the programme has hosted nearly ten high-profile events, including a C-Suite luncheon with Dr He Ruimin, Chief Artificial Intelligence Officer at Singapore's Prime Minister's Office, as well as discussions with notable leaders such as Mr Terence Chia and Dr Wan Sie from IMDA.

EuroCham's AI Programme has been strengthened by being a supporting partner for Singapore Week of Innovation and Technology (SWITCH) and events organised by FORTUNE and Economist Impact. These efforts ensure that EuroCham members remain at the cutting edge of AI developments, fostering a vibrant environment of innovation and collaboration.

We extend our sincere gratitude to SAP Asia for their support and active engagement in the AI programme. As pioneers in AI since 2010, SAP continues to play a significant role in shaping the AI landscape today.

EuroCham remains fully committed to supporting its members as they navigate this transformative technology.

# ABOUT EUROCHAM

## WHO WE ARE

EuroCham is an independent non-profit organisation governed by members representing the common interest of the European business community in promoting bilateral trade, services and investments between Europe and Singapore and the region.

## WHAT WE DO

EuroCham represents the voice of the European business community in Singapore. We provide our members with a forum for advocacy, networking and information sharing within the European, and Singaporean business communities and government circles.

## OUR COMMITTEES

Our committees offer a unified European platform to exchange information, discuss common business challenges, and launch coordinated initiatives. Through our 12 committees, we conduct advocacy work and publish position papers to present our recommendations.

## OUR NETWORK

EuroCham offers you access to an extensive networking pool, including bilateral National Business Groups, the Singaporean government, the local business community, the diplomatic circle, and key partners across ASEAN.

We host a wide range of events such as closed-door discussions with the Singapore government, prestigious gala dinners, and flagship events like the Europe Business Summit and the Sustainability Awards Gala Dinner. These events are attended by both the local and European business communities, the diplomatic circle, and key partners across ASEAN. Additionally, our year-round panel discussions with expert speakers provide opportunities to connect with business partners from various industries.

We invite you to participate, enhancing your company's corporate visibility.



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SMART MOBILITY



EDUCATION & ACADEMIC



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FINANCIAL SERVICES



SUSTAINABILITY



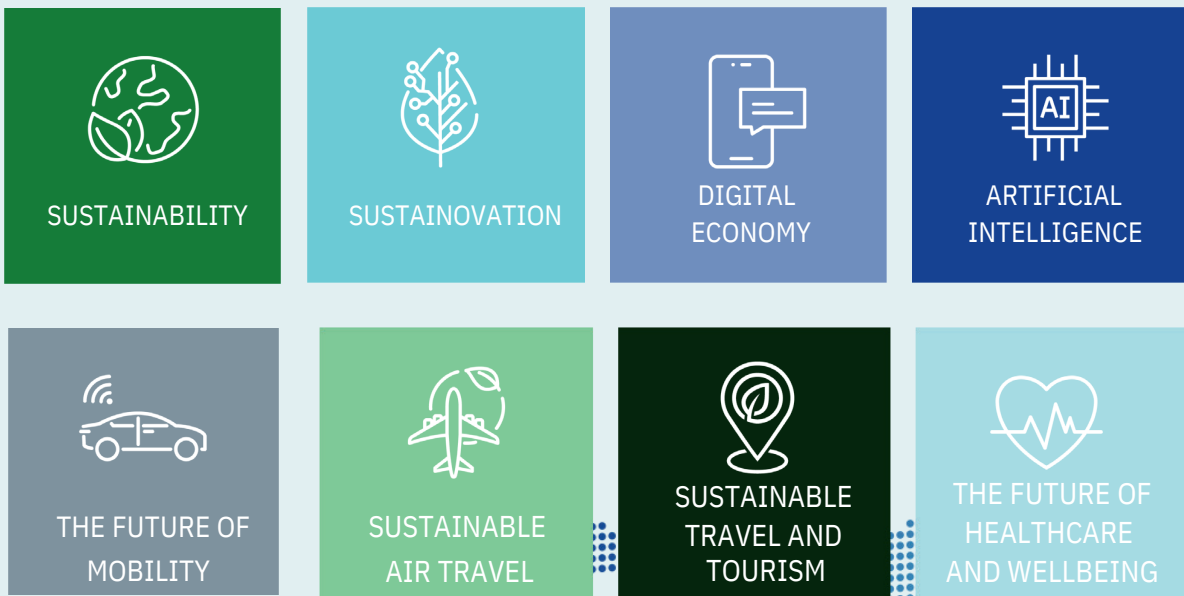
HEALTHCARE



WINE & SPIRITS

## OUR PROGRAMMES

When topics and trends become a common focus among our members and stakeholders, including the European Union and the Singaporean ecosystem, EuroCham elevates these topics into dedicated 'programmes'. These programmes provide an opportunity to delve into areas such as sustainability, innovation, and digitalisation. With a matrix of carefully chosen focus pillars and a robust schedule of events, sharing sessions, dialogues, and publications, EuroCham aims to create a supportive business environment that fosters growth and success for its member companies, contributing to economic prosperity and enhancing competitiveness. The programmes are aligned with our committees, and most are supported by members who act as Knowledge Partners, offering their expertise to enrich the content. The Sustainability Programme is EuroCham's annual flagship initiative. It features an annual review of five focus pillars, a comprehensive schedule of activities and events throughout the year to share knowledge, a prestigious Sustainability Awards and Gala, and every two years, the publication of the Sustainability Whitebook. This Whitebook includes position papers and articles highlighting the sustainability excellence of our members, primarily European companies.



# THE EUROCHAM AI PROGRAMME

In 2024, EuroCham launched its inaugural Artificial Intelligence (AI) Programme in response to the swift integration of AI technologies across various sectors, including healthcare, mobility, education, and banking.

EuroCham collaborated with SAP Asia, our knowledge partner, to develop the framework for this Artificial Intelligence (AI) programme. The programme focused on three key pillars, offering valuable insights and guidance throughout.

## SAP AS KNOWLEDGE PARTNER

As a pivotal knowledge partner for the AI Programme, SAP leveraged its deep expertise in artificial intelligence to shape the programme's direction. SAP's involvement created a strong synergy between advanced technology and strategic vision, driving the AI Programme toward impactful success for our members.

To support this collaboration, EuroCham has established diverse platforms for dialogue, including panel discussions, sharing sessions, closed-door meetings, and exclusive C-suite luncheons with key stakeholders.

## THE FOCUS PILLARS

EuroCham's AI Programme is anchored by three essential pillars:

### 1. Transitioning the Workforce in an AI Environment:

- AI in the workplace promises to revolutionise work dynamics, but it also presents the significant challenge of job displacement. This pillar focuses on navigating these changes, ensuring both employers and employees are prepared to adapt. It highlights the importance of upskilling and reskilling for the AI-driven job market and explores the impact AI will have on the labour market, particularly in AI development and deployment.

### 2. AI Industry Disruption:

- *AI in Smart Mobility: The integration of AI technologies in autonomous vehicles, traffic management systems, safety measures, personalised travel experiences, and logistics is ushering in a transformative era in transportation. This pillar will focus on how AI is revolutionising the transport industry.*
- *AI in Healthcare: AI technologies are transforming various aspects of healthcare, from data management to drug discovery, clinical practice, and patient care. This pillar will explore how the healthcare industry is leveraging AI's advantages for both providers and patients.*
- *AI in Education: AI is driving a paradigm shift in teaching and learning methodologies. With AI-powered tools, educators can personalise learning, improve student outcomes, and better prepare students for success in the digital age. This pillar will explore how AI is transforming education.*
- *AI in Finance: AI is becoming integral to the infrastructure of banks, investment firms, and insurance companies. It plays a pivotal role in enabling efficient decision-making, predicting consumer behaviour, and detecting fraudulent activities.*

### 3. AI Governance & Ethics:

- In a world driven by AI and digital technologies, it is vital for organisations to view data through an ethical lens and manage large streams of data responsibly. This pillar focuses on setting legal and ethical frameworks to regulate and monitor AI activities.

## EVENTS AND STAKEHOLDERS

Since its launch, EuroCham's AI programme has organised impactful events engaging stakeholders across sectors. Featuring thought leaders, industry experts, and policymakers, these events have become a dynamic platform for knowledge sharing and collaboration, with key participants from multinational corporations, local enterprises, academia, and government agencies.

Highlights from key panel discussions and sharing sessions:

- 5 March  
**Transitioning the Workforce in an AI Environment: Navigating Upskilling in a Transforming World**  
Contributors: SAP, HEINEKEN, IMDA, Aalto University Executive Education, Siemens
- 2 April  
**AI Governance & Ethics: Pioneering AI Governance: Unveiling Singapore's Model Framework**  
Contributors: IMDA, Rainmakers
- 16 May  
**AI Governance & Ethics: Conversations on Ethical and Responsible AI**  
Contributors: Accenture, SAP, TÜV SÜD, The Art Works Group, Mastercard, Dligence
- 29 May  
**AI Governance & Ethics: Sustainability in Technology and AI – Advancing ESG Goals and Responsible AI Regulations**  
Contributors: Accenture, Green Software Foundation, SAP, Microsoft
- 13 June  
**AI Industry Disruption: AI in Mobility and its Application in Fleet Management and Mobility on Demand**  
Contributors: HERE Technologies, Continental Automotive Singapore, TotalEnergies, Frost & Sullivan
- 18 September  
**AI Industry Disruption: AI in Education**  
Contributors: Education & Academic Committee

We also hosted a closed door session on AI in Education with XCL World Academy (Singapore) Pte Ltd, German European School Singapore, IESE Southeast Asia Limited, Lee Kuan Yew School of Public Policy, Nanyang Technological University, Goethe Institut, Aalto Executive Education Academy Pte Ltd, and a C-suite luncheon with Dr Ruimin He, Chief Artificial Intelligence Officer & Deputy Chief Digital Technology Officer from the government of Singapore.

EuroCham's AI Programme will continue into 2025, bringing even more engaging events and insightful discussions on this important topic. Stay tuned for exciting opportunities to connect, learn, and collaborate in the evolving world of artificial intelligence!

# THANK YOU

OUR KNOWLEDGE PARTNER



PARTNERS & CONTRIBUTORS

SIEMENS



SEVEN PEAKS



accenture



FROST & SULLIVAN



# REGULATIONS AND KEY POLICIES

## **The EU Artificial Intelligence Act**

- Application and Enforcement of the AI Rules
- Next Steps

## **Singapore's Approach to AI Governance**

- Key Features of the Model AI Governance Framework for Generative AI
- Objectives of the Framework

## **Singapore's National AI Strategy 2.0**

- Mapping NAIS 2.0 with the EU AI Act



# THE EU ARTIFICIAL INTELLIGENCE ACT

The European Artificial Intelligence Act (AI Act), the world's first comprehensive regulation on artificial intelligence, entered into force on 1 August 2024. The AI Act is designed to ensure that AI developed and used in the EU is trustworthy, with safeguards to protect people's fundamental rights. The regulation aims to establish a harmonised internal market for AI in the EU, encouraging the uptake of this technology and creating a supportive environment for innovation and investment.

The AI Act introduces a forward-looking definition of AI, based on a product safety and risk-based approach in the EU:

- **Minimal risk**

Most AI systems, such as AI-enabled recommender systems and spam filters, fall into this category. These systems face no obligations under the AI Act due to their minimal risk to citizens' rights and safety. Companies can voluntarily adopt additional codes of conduct.

- **Specific transparency risk**

AI systems like chatbots must clearly disclose to users that they are interacting with a machine. Certain AI-generated content, including deep fakes, must be labelled as such, and users need to be informed when biometric categorisation or emotion recognition systems are being used. In addition, providers will have to design systems in a way that synthetic audio, video, text and images content is marked in a machine-readable format, and detectable as artificially generated or manipulated.

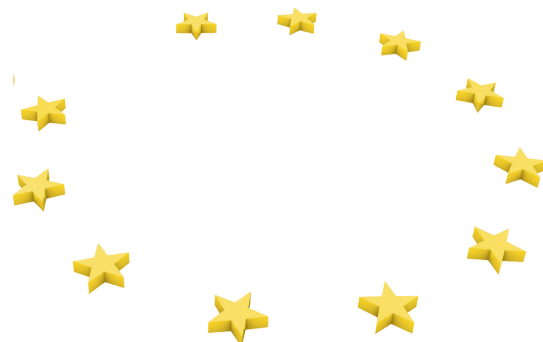
- **High risk**

AI systems identified as high-risk will be required to comply with strict requirements, including risk-mitigation systems, high quality of data sets, logging of activity, detailed documentation, clear user information, human oversight, and a high level of robustness, accuracy, and cybersecurity. Regulatory sandboxes will facilitate responsible innovation and the development of compliant AI systems. Such high-risk AI systems include for example AI systems used for recruitment, or to assess whether somebody is entitled to get a loan, or to run autonomous robots.

- **Unacceptable risk**

AI systems considered a clear threat to the fundamental rights of people will be banned. This includes AI systems or applications that manipulate human behaviour to circumvent users' free will, such as toys using voice assistance encouraging dangerous behaviour of minors, systems that allow 'social scoring' by governments or companies, and certain applications of predictive policing. In addition, some uses of biometric systems will be prohibited, for example emotion recognition systems used at the workplace and some systems for categorising people or real time remote biometric identification for law enforcement purposes in publicly accessible spaces (with narrow exceptions).

To complement this system, the AI Act also introduces rules for so-called general-purpose AI models, which are highly capable AI models that are designed to perform a wide variety of tasks like generating human-like text. General-purpose AI models are increasingly used as components of AI applications. The AI Act will ensure transparency along the value chain and address possible systemic risks of the most capable models.



## APPLICATION AND ENFORCEMENT OF THE AI RULES

Member States of the European Union will designate national competent authorities, who will oversee the application of the rules for AI systems and carry out market surveillance activities. The Commission's AI Office, established in May 2024 will be the key implementation body for the AI Act at EU-level, as well as the enforcer for the rules for general-purpose AI models.

The AI Office will ensure the coherent implementation of the AI Act. It will do this by supporting the governance bodies in Member States. The AI Office will also directly enforce the rules for general-purpose AI models. In cooperation with AI developers, the scientific community and other stakeholders, the AI Office will coordinate the drawing up of state-of-the-art codes of practice, conduct testing and evaluation of general-purpose AI models, request information as well as apply sanctions, when necessary.



Three advisory bodies will support the implementation of the rules. The European Artificial Intelligence Board will ensure a uniform application of the AI Act across EU Member States and will act as the main body for cooperation between the Commission and the Member States. A scientific panel of independent experts will offer technical advice and input on enforcement. In particular, this panel can issue alerts to the AI Office about risks associated to general-purpose AI models. The AI Office can also receive guidance from an advisory forum, composed of a diverse set of stakeholders.

## NEXT STEPS

The majority of rules of the AI Act will start applying on 2 August 2026. However, prohibitions of AI systems deemed to present an unacceptable risk will already apply after six months, while the rules for so-called General-Purpose AI models will apply after 12 months. To bridge the transitional period before full implementation, the Commission has launched the AI Pact. This initiative invites AI developers to voluntarily adopt key obligations of the AI Act ahead of the legal deadlines.

The Commission is also developing guidelines to define and detail how the AI Act should be implemented and facilitating co-regulatory instruments like standards and codes of practice. The Commission opened a call for expression of interest to participate in drawing-up the first general-purpose AI Code of Practice, as well as a multi-stakeholder consultation giving the opportunity to all stakeholders to have their say on the first Code of Practice under the AI Act.

# SINGAPORE'S APPROACH TO AI GOVERNANCE

Singapore's Model AI Governance Framework for Generative AI is a comprehensive guide aimed at ensuring the responsible and ethical deployment of generative AI technologies. This framework builds on Singapore's existing AI governance initiatives and addresses the unique challenges posed by generative AI, such as deepfakes, misinformation, and ethical considerations.

## KEY FEATURES OF THE MODEL AI GOVERNANCE FRAMEWORK FOR GENERATIVE AI

### 1. Ethical Principles

- The framework emphasises core ethical principles such as fairness, accountability, transparency, and safety. These principles guide the development and use of generative AI, ensuring that technologies are deployed responsibly and do not harm individuals or society.

### 2. Risk-Based Approach

- It adopts a risk-based approach to governance. This allows organisations to prioritise resources and attention on higher-risk applications, ensuring that adequate measures are in place to mitigate negative consequences.

### 3. Transparency and Explainability

- The framework promotes transparency in generative AI processes, advocating for clear documentation of model development, data sources, and decision-making processes. Explainability is crucial for building trust, enabling users and stakeholders to understand how generative AI systems operate.

### 4. Accountability Measures

- Organisations are encouraged to establish accountability mechanisms, including defining roles and responsibilities for AI governance. This may involve appointing dedicated personnel or teams to oversee AI initiatives and ensuring that there are clear lines of accountability for the outcomes of AI applications.

### 5. Data Management Practices

- The framework highlights the importance of responsible data management practices, including data privacy, consent, and security. Organisations must ensure that data used for training generative AI models is ethically sourced and that individuals' rights are respected.

### 6. Stakeholder Engagement

- Engaging with a diverse range of stakeholders—including industry, academia, and civil society—is emphasised to gather input, share best practices, and address societal concerns. This collaborative approach helps ensure that multiple perspectives are considered in AI governance.

### 7. Continuous Monitoring and Improvement

- The framework encourages organisations to implement mechanisms for ongoing monitoring of generative AI systems post-deployment. This involves regularly assessing the impact of these systems and making necessary adjustments to improve their performance and mitigate risks.

### 8. Training and Capacity Building

- To support the successful implementation of the framework, organisations are encouraged to invest in training and capacity building for their teams. This includes education on ethical AI practices, technical skills, and awareness of regulatory requirements.

## OBJECTIVES OF THE FRAMEWORK

Singapore's Model AI Governance Framework for Generative AI seeks to set forth a systematic and balanced approach to address generative AI concerns while continuing to facilitate innovation. It will do so by laying out recommendations that:

- **Promote Responsible Innovation**

The framework aims to foster innovation in generative AI while ensuring that ethical considerations are prioritised, thereby balancing progress with responsibility.

- **Build Public Trust**

By emphasising transparency and accountability, the framework seeks to enhance public trust in generative AI technologies, mitigating fears around misuse or unintended consequences.

- **Enhance Compliance**

The framework aligns with Singapore's regulatory landscape, helping organisations comply with existing laws and guidelines.

- **Support Economic Growth**

By establishing clear governance structures and ethical guidelines, the framework encourages investment in AI and positions Singapore as a leader in the global AI landscape.

The Governance Framework for Generative AI is a proactive and comprehensive approach to managing the challenges and opportunities presented by generative AI technologies. By focusing on ethical principles, risk management, transparency, and stakeholder engagement, the framework aims to create a safe and innovative environment for the development and use of generative AI. This initiative reflects Singapore's commitment to responsible AI governance and its ambition to be a leader in the global AI ecosystem.



# SINGAPORE'S NATIONAL AI STRATEGY 2.0

Singapore's National AI Strategy has undergone significant evolution from its first iteration in 2019 to the recently launched Strategy 2.0 in 2023. While the original strategy laid the groundwork for AI development, focusing on foundational capabilities and public-private partnerships, the second strategy amplifies these elements by introducing a more integrated, human-centric approach.

The first National AI Strategy was concerned with establishing Singapore as a global AI hub. It aimed to build essential AI competencies, promote sector-specific applications, and set up frameworks for ethical AI usage through initiatives like the AI Ethics Advisory Council. The focus was largely on creating the infrastructure and knowledge base necessary for AI adoption across critical sectors, such as healthcare, transportation, and urban solutions. This initial phase emphasised collaboration between government, industry, and academia, recognising that innovation thrives in a well-connected ecosystem.

In contrast, National AI Strategy 2.0 significantly broadens this vision. It not only retains those critical foundational elements but also sharpens the government's focus on the ethical implications and societal impacts of AI technologies. The second strategy aims to embed AI deeply into the fabric of Singapore's economy and society, promoting its adoption across a wider range of sectors, including green technologies and robust digital transformation. This reflects an awareness of the need for adaptability in the face of rapid technological advancements and global competition and the centrality of AI in this next phase of economic development.

A notable shift in NAIS 2.0 is its emphasis on creating a "human-centric AI" environment. This concept prioritises ethical considerations and transparency, seeking to ensure that AI development aligns with societal values and fosters public trust. The strategic pillars introduced in this iteration highlight the importance of responsible governance, which is increasingly critical as AI technologies evolve and permeate daily life. The commitment to enhancing AI ethics indicates a recognition of the potential risks associated with AI, including issues of bias, privacy, and accountability.

NAIS 2.0 also underscores the necessity of workforce empowerment in the age of AI. While the first strategy acknowledged the importance of skills development, NAIS 2.0 places a more pronounced emphasis on upskilling and reskilling the workforce to meet the demands of an AI-driven economy. This reflects a broader understanding that the successful implementation of AI technologies hinges not only on foundational digital infrastructure but also on having the requisite human capital capable of leveraging these innovations effectively at all levels.

Another significant aspect of the updated strategy is its focus on international collaboration. Recognising that AI development transcends national boundaries, NAIS 2.0 advocates for partnerships with global players to foster innovation and share best practices. This approach not only positions Singapore as a leader in the international AI landscape but also facilitates knowledge exchange and collaboration on common challenges.



## MAPPING NAIS 2.0 WITH THE EU AI ACT

The EU AI Act, proposed as a comprehensive regulatory framework for artificial intelligence, seeks to create a standardised approach to AI governance across member states. It categorises AI systems based on risk levels, with stricter regulations for high-risk applications. This legislative effort emphasises ethical AI, transparency, accountability, and human rights, aiming to foster public trust while ensuring innovation. There are significant areas of policy interest and overlap between the EU's regulatory approach and Singapore's lighter touch strategy – while the policy levers and tools differ substantially, the respective approaches:

- **Alignment in Ethical Focus:** Singapore's National AI Strategy 2.0 resonates with the principles underlying the EU AI Act, particularly regarding ethical considerations and the need for responsible AI deployment. Both frameworks emphasise transparency, accountability, and the need for AI systems to align with societal values. Singapore's commitment to developing a "human-centric AI" framework reflects similar priorities found in the EU Act, which advocates for safeguarding fundamental rights and ensuring that AI technologies serve the public good.
- **Regulatory Synergies:** As Singapore positions itself as a global AI hub, aligning its strategy with international regulatory frameworks, including the EU AI Act, can enhance its attractiveness to foreign investments and partnerships. By adopting principles similar to those in the EU Act, Singapore can demonstrate its commitment to responsible AI governance, which could facilitate collaboration with European entities and other global players invested in ethical AI development.
- **Focus on International Collaboration:** The emphasis on international collaboration in NAIS 2.0 mirrors the EU's approach to creating a unified regulatory environment for AI. By fostering partnerships and sharing best practices with entities influenced by the EU AI Act, Singapore can bolster its own governance frameworks while contributing to a more coherent global AI ecosystem. This approach not only helps address shared challenges, such as bias and accountability, but also positions Singapore as a key player in shaping international AI norms.
- **Adaptability and Global Competitiveness:** Singapore's strategy recognises the necessity of adaptability in a rapidly evolving landscape. By being responsive to regulatory trends like the EU AI Act, Singapore can ensure that its policies remain relevant and competitive. This adaptability is crucial as businesses increasingly seek environments that prioritise ethical considerations and regulatory compliance, especially when operating across jurisdictions.

In conclusion, Singapore's National AI Strategy 2.0 not only builds on its foundational goals but also aligns closely with the principles espoused by the EU AI Act. By emphasising ethical AI, transparency, and international collaboration, Singapore positions itself as a leader in responsible AI governance. This strategic alignment with global regulatory trends enhances its attractiveness as an investment destination and fosters cooperation in the pursuit of ethical and effective AI solutions. As both frameworks evolve, their mutual influences could pave the way for more cohesive global standards in AI governance.

While Singapore's National AI Strategy 1.0 established a robust foundation for AI development, NAIS 2.0 marks a transformative shift towards a more comprehensive, ethical, and inclusive framework. By emphasising human-centric AI, workforce readiness, and international collaboration, Singapore aims to not only harness the power of AI for economic growth but also ensure that its deployment serves the broader interests of society. This strategic evolution reflects a nuanced understanding of the challenges and opportunities posed by AI, positioning Singapore at the forefront of responsible and sustainable technological advancement.

EuroCham would like to extend its sincere thanks to SAP for drafting this article on Singapore's NAIS 2.0 framework and offering valuable insights into the regulatory landscape.

# MEMBERSHIP

# TYPES AND BENEFITS

Membership fees for European companies (\*) on annual base  
(1 Jan – 31 Dec)

	GOLD	Regular LARGE (more than 20 employees worldwide)	Regular SMALL (less than 20 employees worldwide)
Usual annual membership fee	\$8,000	\$2,600	\$1,300
Exclusive access to private receptions and events with VIPs (e.g. Ministers, Commissioners, CEOs, Ambassadors)	✓		
Logo on all EuroCham on line platforms (website, business directory, e-newsletter, EuroCham email signatures)	✓		
Logo on all EuroCham offline platforms (annual whitebook, EuroCham business cards, event roll-up banner)	✓		
First right of refusal for sponsorship and advertising opportunities	✓		
One-time feature with logo and company outline in EuroCham monthly E-Newsletter	✓	✓	✓
Privileged and discounted access to EuroCham events and partner events	✓	✓	✓
Access to a large networking pool	✓	✓	✓
Listing in EuroCham online directory	✓	✓	✓
Advertising and sponsoring opportunities	✓	✓	✓
Participation in EuroCham committees (limited access for associate memberships)	✓	✓	✓
AGM voting rights (not applicable for associate memberships)	✓	✓	✓

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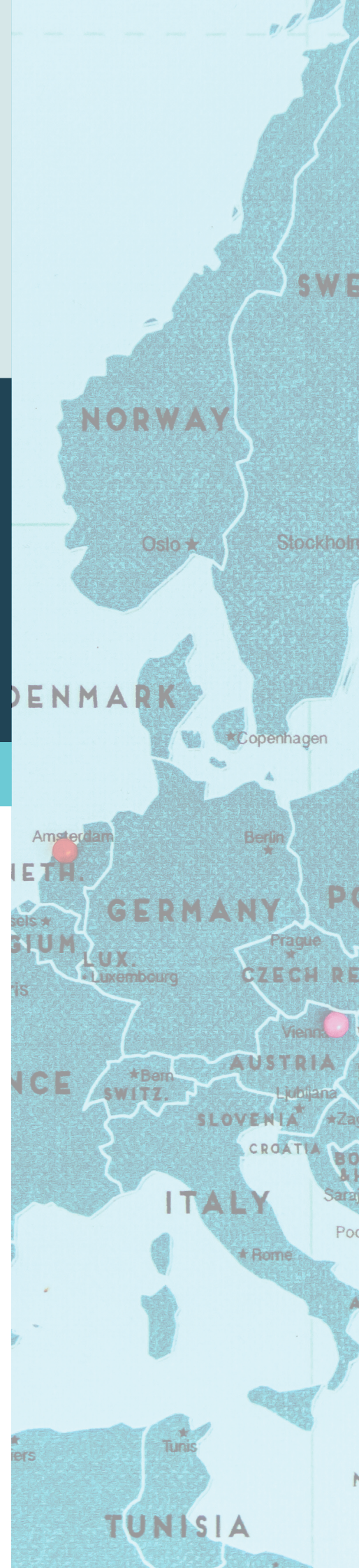
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## INSIGHTS FROM EUROPE

### European Approach to Excellence in AI

- Funding Innovation
- AI Factories
- AI Testing and Experimentation Facilities
- Common European Data Spaces
- GENAI4EU Initiative
- European Digital Infrastructure Consortiums
- Skills



# EUROPEAN APPROACH TO EXCELLENCE IN AI

The EU's approach to artificial intelligence centres on excellence and trust. While ensuring safety and fundamental rights, it is also aiming to boost research and industrial capacity. The EU promotes actions and investments to create the right environment for the development and uptake of AI in Europe.

The EU has strong assets for creating a thriving startup and innovation ecosystem for AI. With an increasing number of fast-growing AI startups, universities and research centres, Europe possesses high-quality education, a talented pool of researchers and a strong scientific base.

Maximising resources and coordinating investments is a critical component of AI excellence. The Commission and Member States agreed to boost excellence in AI by joining forces on policy and investments, investing in particular through the Horizon Europe and Digital Europe programmes.

Early 2024, the European Commission launched a package of measures to further support European startups and SMEs in the development of trustworthy AI that respects EU values and rules:

## FUNDING INNOVATION

The measures encourage public and private investments in AI start-ups and scale-ups, through venture capital or equity support, including via new initiatives of :

- the EIC accelerator Programme, a funding programme under Horizon Europe for innovative, disruptive startups and SMEs - (funding opportunities worth over € 1.2 billion in 2024);
- investEU, a long-term programme leveraging private and public funds in support of Europe's sustainable recovery.

## AI FACTORIES

The AI factories are dynamic ecosystems that foster innovation, collaboration, and development in the field of AI. They bring together the necessary ingredients – computer power, data, and talent – to create cutting-edge generative AI models. They serve as hubs driving advancements in AI applications across various key domains, including healthcare, energy, manufacturing, and meteorology.

AI factories leverage the supercomputing capacity of the European High-Performance Computing (EuroHPC) Joint Undertaking to develop trustworthy, cutting-edge generative AI models.

EuroHPC is a partnership funded through Horizon Europe. The Commission, Member States and Associated Countries will invest through EuroHPC a total amount of EUR 2.1 billion in

acquiring new or upgrading existing supercomputers with AI capabilities, creating supercomputing services in AI, and developing AI-oriented microprocessors and skills support.

Planned to be operational from 2025, the AI factories will offer a one-stop shop for startups and innovators, supporting algorithmic development, testing evaluation and validation of large-scale AI models, providing supercomputer-friendly programming facilities and other AI enabling services.

## AI TESTING AND EXPERIMENTATION FACILITIES

AI Testing and Experimentation Facilities (TEFs) are specialised large-scale reference sites open to all technology providers across Europe to test and experiment at scale state-of-the-art AI solutions, including both soft- and hardware products and services, e.g. robots, in real-world environments.

The European Commission and its Member States fund the TEFs network through the Digital Europe programme, offering to validate and promote trustworthy AI innovations, thereby helping AI developers to bring trustworthy AI to the market more efficiently, and facilitate its uptake in Europe. They also assist European innovators in bringing their AI-powered solutions closer to market.

TEFs can also contribute to the implementation of the Artificial Intelligence Act by supporting regulatory sandboxes in cooperation with competent national authorities for supervised testing and experimentation.

A close interplay between AI Factories and TEFs will further enhance the innovation ecosystem, providing pre-market validation for AI innovations developed within AI Factories.

Selected TEFs projects started in 2023, with an initial focus on agri-food (agrifoodTEF), healthcare (TEF-Health), manufacturing (AI-MATTERS) and smart Cities Communities(Citcom.AI).

## COMMON EUROPEAN DATA SPACES

Access to high quality data is an essential factor in building high performance, robust AI systems. The acceleration of the development and deployment of Common European Data Spaces, made available to the AI

community, for whom data is a key resource to train and improve their models. By pooling European data in key sectors, with interoperable Data Spaces, the EU makes more data available for access and reuse, in a trustworthy and secure environment for the benefit of European businesses.

Common European Data Spaces are being created in a number of strategic fields: health, agriculture, manufacturing, energy, mobility, financial, public administration, skills, media, cultural heritage, open science. The Commission also provides support in the form of reference architecture, building blocks, semantics, interoperability specifications and data models, accompanied by related advisory services, provided by the Data Spaces Support Centre.

## GENAI4EU INITIATIVE

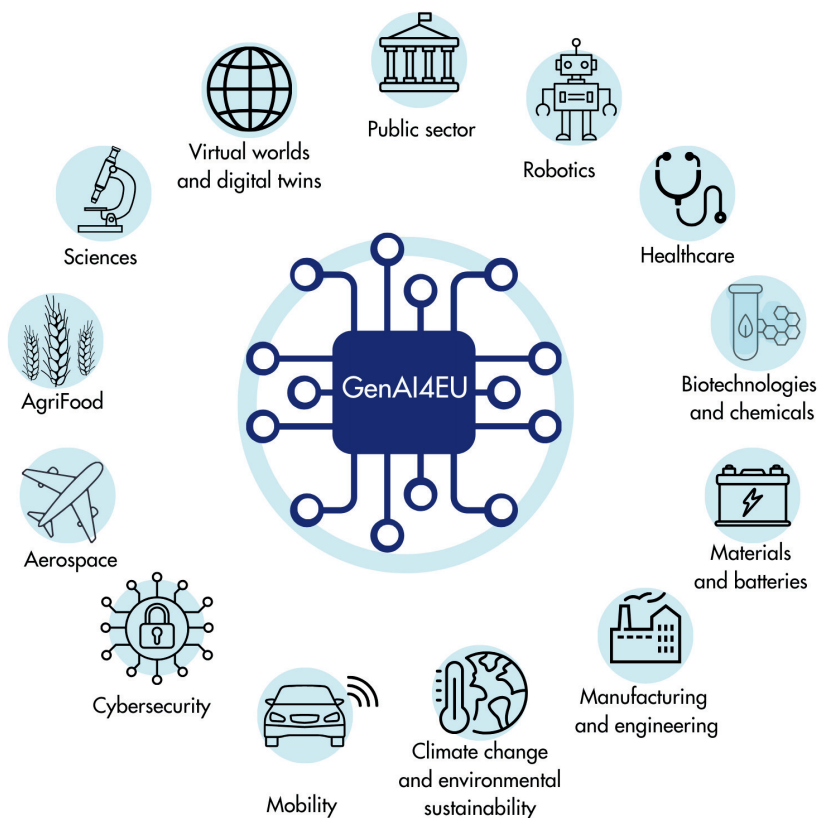
GenAI4EU is a landmark initiative to stimulate the uptake of generative AI across the Union’s key strategic industrial ecosystems. It will encourage the development of large open innovation ecosystems that will foster collaboration between AI startups and deployers of AI in industry as well as the public sector.

GenAI4EU key application areas will benefit from the “AI Factories” and relevant high-quality data in the Common European Data Spaces.

## EUROPEAN DIGITAL INFRASTRUCTURE CONSORTIUMS

European Digital Infrastructure Consortiums (EDICs) are instruments made available to implement multi-country projects by deploying joint infrastructure, delivering services and bringing together public entities, private entities, final users and industry. Two EDICs related to AI have been launched:

- The ‘Alliance for Language Technologies’ (ALT-EDIC), to develop a common European infrastructure in language technologies to address the shortage of European languages data for the training of AI solutions. This will result in the creation of ‘Large Language Models’ of European regional and official languages. European language data space.
- The ‘CitiVERSE’ EDIC, to apply state-of-the-art AI-tools to develop and enhance Local Digital Twins for Smart Communities, helping cities simulate and optimise processes, from traffic management to waste management. Local digital twins are virtual representations of a city’s physical assets, processes, and systems. Digital twins use data, analytics, and AI to create real-time simulation models that mirror the cities they represent.



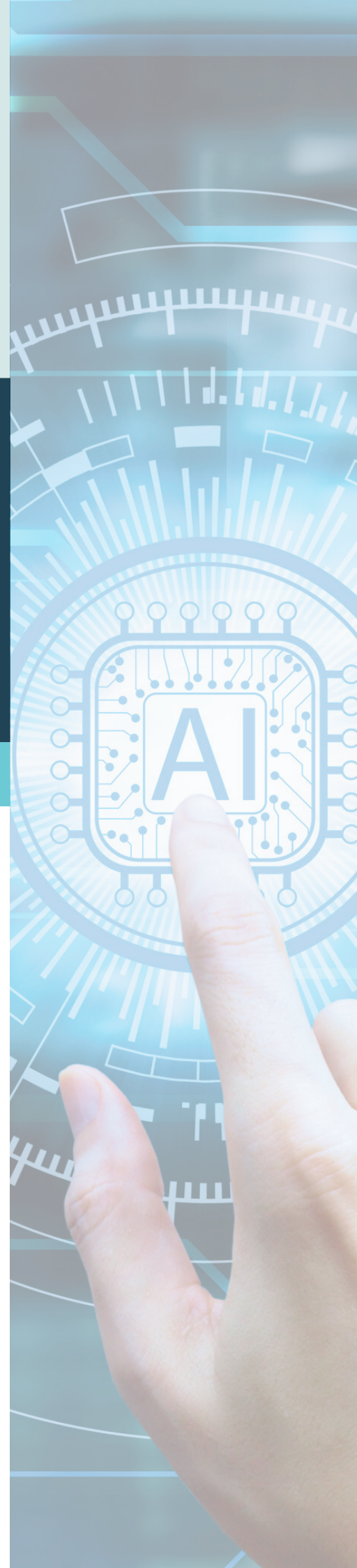
## SKILLS

Complementing EU Member States activities, and mobilising tools such as the Erasmus+ Alliance for Innovation, the Artificial Intelligence Skills Alliance (ARISA), the Large-Scale Partnership for digital skills under the Pact for Skills, the EU is supporting initiatives to strengthen EU’s generative AI talent pool through education, training, skilling and reskilling activities.

# EUROCHAM AI SURVEY ANALYSIS AND RECOMMENDATIONS

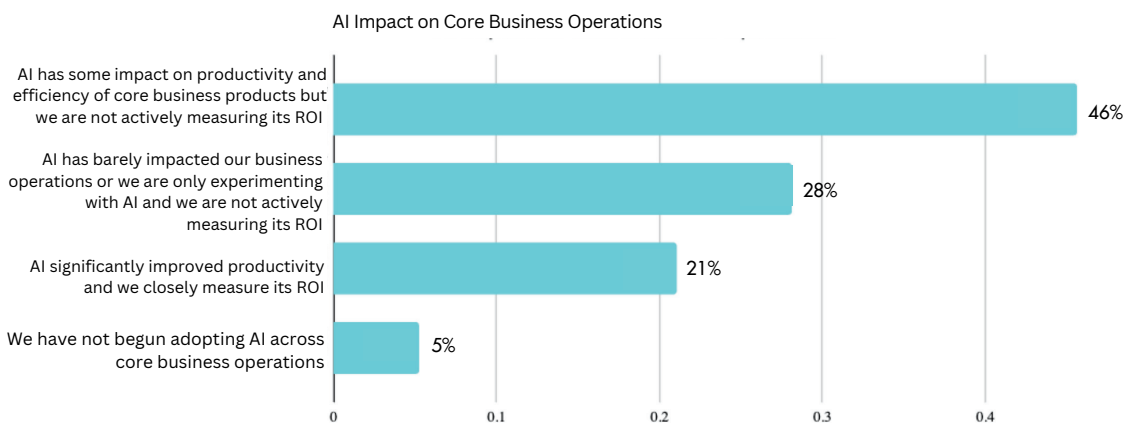
## Analysis of EuroCham AI Survey

- Recommendations

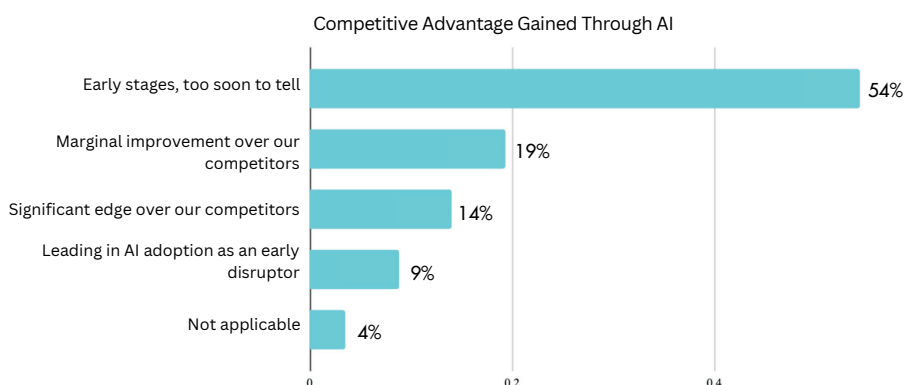


## INTRODUCTION

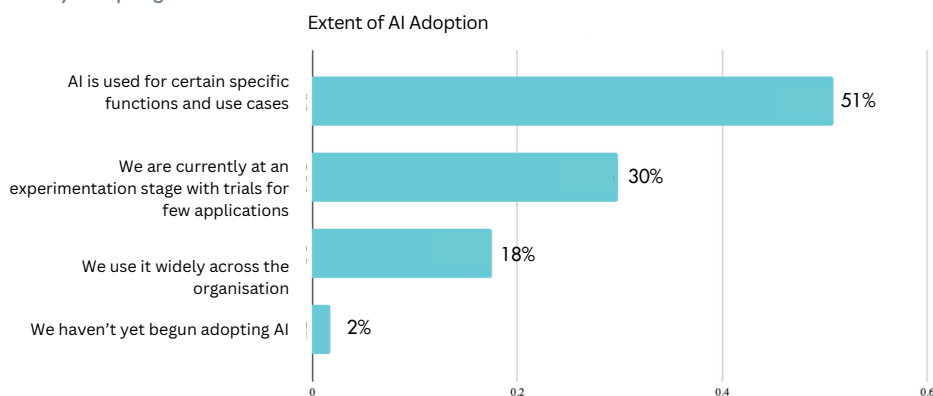
EuroCham conducted an AI Survey from July to September 2024, with 54 companies participating from industries such as banking and financial services, legal, technology, healthcare, pharmaceuticals, logistics, consumer goods, retail, education, and sustainability. The survey aimed to provide insights from EuroCham members and the wider community on where their companies stand in AI deployment and integration, moving beyond the buzz surrounding AI. The survey respondents included senior leaders from various sectors, with many holding C-suite or director-level positions, indicating that AI adoption is being evaluated at the highest levels of leadership. Of the executives surveyed in Singapore, 66.7% reported some impact from AI adoption in terms of productivity and efficiency. However, only 21% indicated they are measuring its ROI in detail.



When considering the competitive advantage that these companies are gaining from the adoption of AI, executives in Singapore largely believe they are still in the early stages of assessing AI's impact on their competitive advantage with only a small portion (22.8%) believing that they are gaining competitive advantage at this stage. More than 50% indicated that it is still too early to tell what the impact on competitive advantage will be.



These responses are all consistent with the general approach to AI implementation that most executives point to – nearly 80% of respondents are using AI for certain specific uses or functions (50.9%) or they are at the experimental stage and doing limited trials across a few applications (29.8%). Very few companies surveyed are adopting AI widely, with less than 20% taking a holistic organisational approach to AI adoption. There are other challenges that respondents pointed to as key challenges that they face when driving AI adoption which could also account for the more targeted or experimental approach that many organisations are currently adopting.



Companies were asked to rank the main challenges that they face in integrating AI across their organisations. The categories of potential challenges were distilled into the following:

- Regulatory compliance
- Data privacy and security concerns
- Lack of skilled personnel
- Culture for AI adoption
- High implementation costs
- Resistance to change within the organization
- Lack of clarity on ROI (Return on Investment)

Based on the responses, we note that data privacy and security concerns, as well as more general regulatory compliance issues, factor as the most notable challenges for executives assessing the integration of AI across organisations. This is consistent with other recent studies, wherein 77% of respondents identified regulatory issues as a barrier rather than an opportunity when it comes to AI deployment.

The study interestingly resulted in quite varied responses across organisations when it came to resistance to change and unclear ROI, where some respondents listed these as their most pressing concerns whereas others listed them as their lowest concerns. This suggests that there are substantial differences in AI organisational readiness. This primarily manifested itself across industry lines, where more traditional industries highlighted stronger resistance and less clear ROI for AI implementation than industries that are already more digitally integrated. High costs are also cited regularly, which when coupled with the lack of perceived ROI across certain industries can explain lower adoption in less digitally transformed sectors at this first phase of AI-enabled transformation.

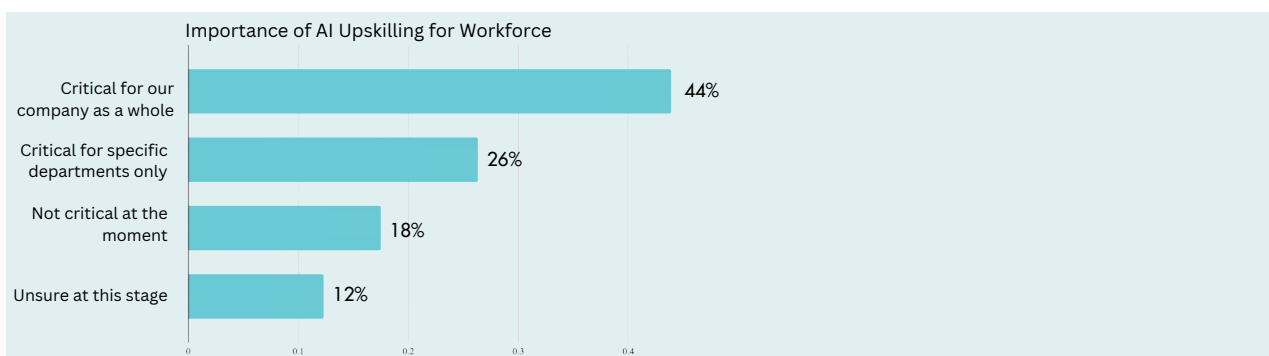
Given these challenges, companies were also asked to identify which areas of their organisation they are currently deploying AI. Customer Experience and Product Innovation were the most commonly cited areas of AI implementation, with several organisations also reporting using AI across Sales, HR, Finance, R&D, and Legal/Risk/Compliance functions at a lesser scale. Even fewer reported currently using AI for supply chain management and corporate strategy. Sensitivities about regulatory issues related to data transfers may also account for the more localised implementations of AI, with less AI being reported across multinational functions like supply chains, finance, and HR.

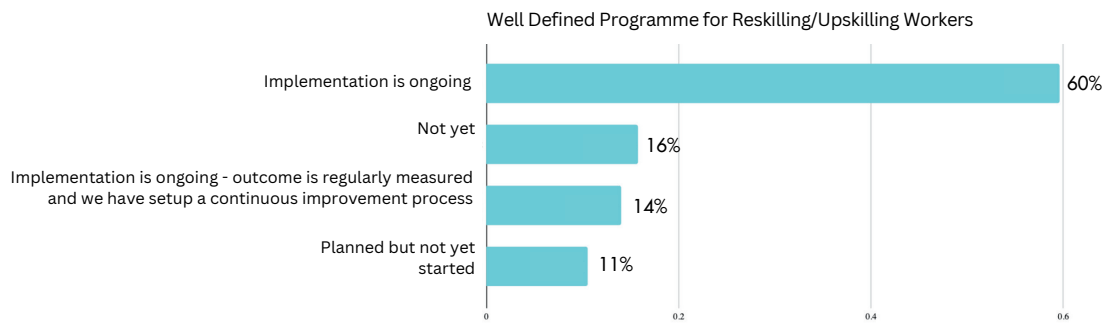
The personal data and privacy considerations also factor largely into HR and Legal/Risk/Compliance use of AI. Equally, corporate-wide applications like Finance, Corporate Strategy, and Sales would likely face high deployment and implementation costs, especially for extensive AI deployments across multiple departments.

Broad AI adoption also requires a workforce that understands the technology, which may create challenges if organisations are not effectively implementing re-skilling and upskilling initiatives across major organisational functions like Sales, HR, Finance, and Corporate Strategy. Equally, in many of these functions AI may be perceived as a threat by employees which would make them more resistant to adopting and learning how to leverage these new technologies due to the potential impact on their roles.

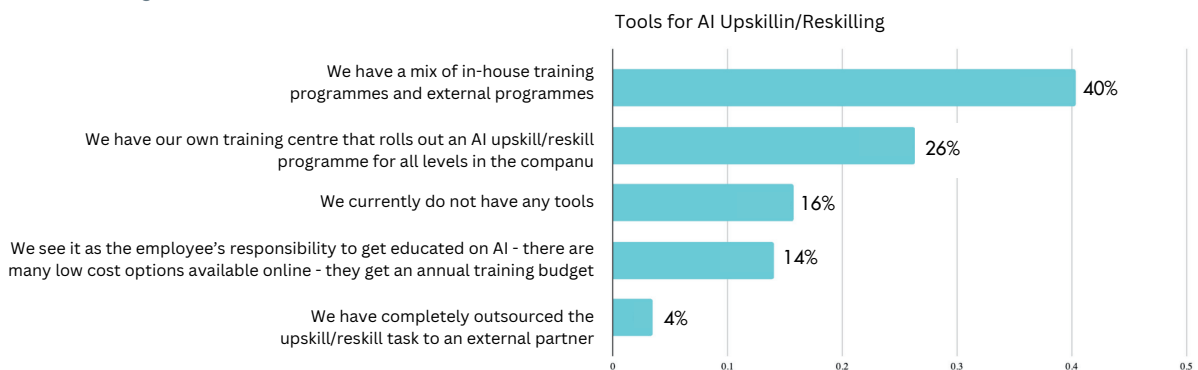
Human capital is a pronounced issue, as it appears consistently ranked in the upper-middle of the challenges across all industries. This both suggests that the current availability of AI talent may not be evenly distributed across all sectors, and that most sectors face some challenges in getting the right talent at this point in time. However, this was expected to be a more prominent response across industries, and the fact that no organisations listed this as a top concern suggests that the current talent pipeline in Singapore is broadly sufficient for the market demand as it stands today. Equally, within organisations the opportunities to upskill employees and their response to AI-focused training was reported to be quite positive. When asked how their workforce has responded to training, the vast majority of respondents indicated that there was only minor resistance to training, and most were either highly engaged or moderately engaged.

Companies have also indicated that they have for the most part already implemented training programmes that will support the upskilling of employees to work with AI going forward. Nearly 60% of all respondents indicated that such upskilling and re-skilling programmes are already implemented across their organisations, with another 25% in the planning or soon-to-be implementing stages. This is consistent with the fact that more than 43% of companies identified AI upskilling as critical to their company as a whole, and another 26% believe that upskilling is critical for certain AI-intensive departments. Less than 20% of respondents did not believe it to be critical at this stage, with the rest still unsure of whether they should prioritise specific AI upskilling and re-skilling.

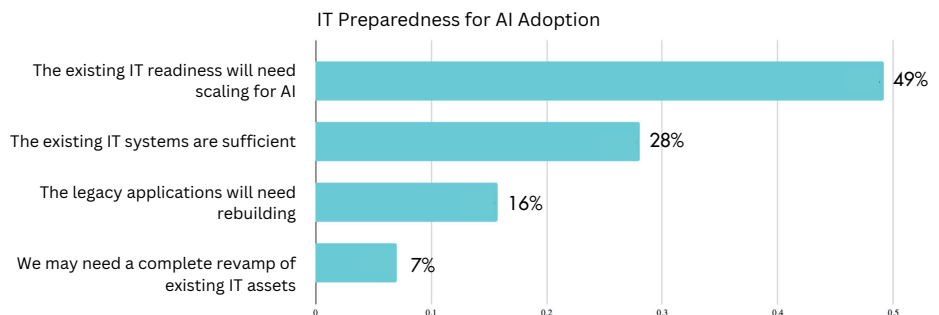




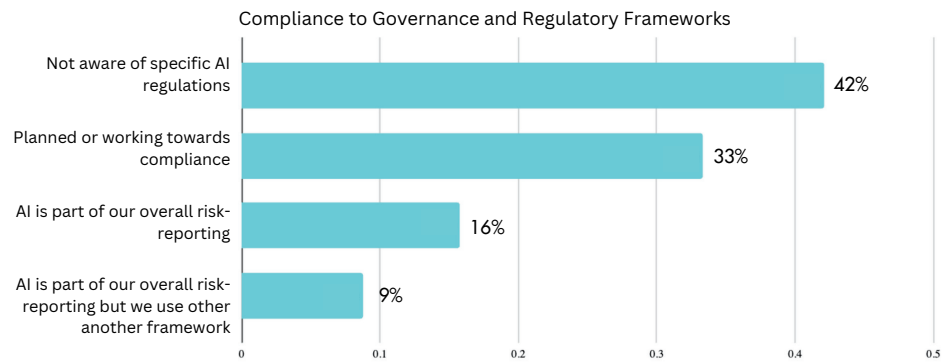
A sizeable number of respondents (40.35%) indicated that they rely on a mix of in-house training and external programmes to manage their upskilling and re-skilling needs. Many companies are also dedicating resources to their own training centres, with more than 25% indicating that establishing their own comprehensive in-house offerings was their primary approach to AI skilling. Very few companies (3.5%) have fully outsourced their training, indicating a strong ownership over the company wide efforts to upskill and perhaps also indicating that the needs of companies are in many ways unique which does not lend itself well to outsourced training models.



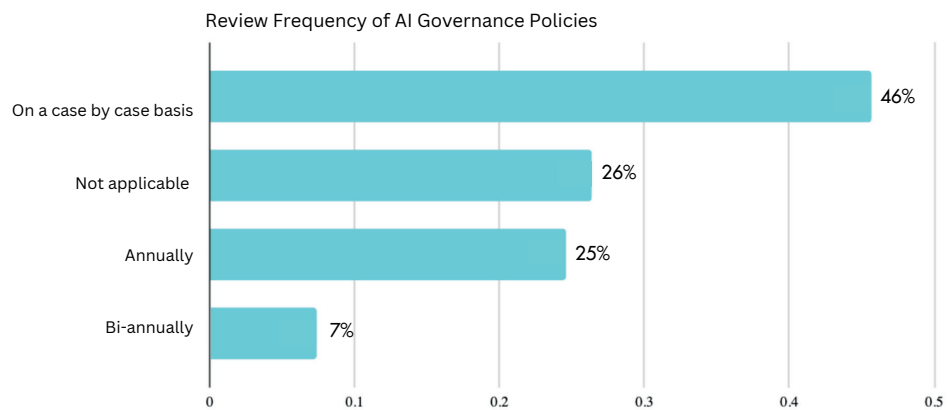
While the human capital situation for most companies seems to be positive, respondents were much less certain of the preparedness of their current IT infrastructure to effectively adopt AI solutions. Nearly 50% of executives reported that they believe existing IT readiness will need scaling to properly integrate AI into the IT landscape, while another 15% believe that legacy applications will need to be rebuilt to accommodate new AI functions. These responses tend to vary across industries as well, with more digitally integrated sectors expecting that more substantial revamps of their IT environment will be necessary for full AI integration while those who are likely to use less sophisticated AI solutions indicate that existing systems are likely sufficient for now.



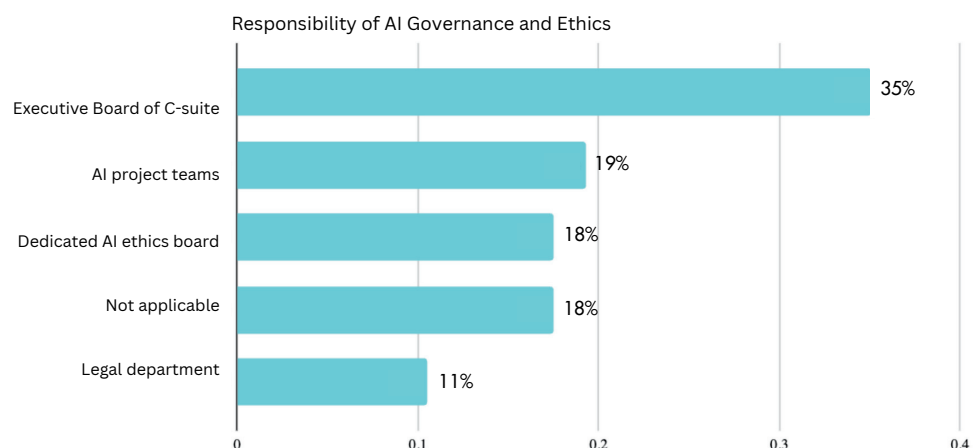
Finally, the survey sought to assess the current state of thinking relating to AI ethics amongst EuroCham companies operating in Singapore. While a third of companies are taking steps toward compliance with AI governance frameworks, many are still unaware of specific regulations. Companies that have already integrated AI governance into risk management demonstrate a more advanced maturity in AI adoption and regulatory compliance.



About a third of companies surveyed are still in the planning phase when it comes to AI ethics, while another third have some form of AI ethics governance in place, although it may not be fully formalised. A smaller portion has institutionalised AI ethics testing, while others haven't started implementing ethical guidelines. This points to varying levels of maturity in AI ethics across organisations. The majority of companies either review AI governance on a case-by-case basis or annually, indicating that structured review processes are becoming more common. However, a significant portion of respondents reported "Not Applicable," pointing to a lack of formal governance policies in those organisations.



When it comes to AI ethics ownership, most organisations indicated that they place AI governance and ethics oversight under their executive leadership or C-suite, reflecting the strategic importance of AI. Some companies rely on AI project teams or have dedicated ethics boards, showing a more specialised focus on governance emerging as well. Nevertheless, portion of companies (17.5%) still lacks clear oversight, as indicated by the "Not Applicable" responses. This lack of oversight is also indicated by the number of companies that adopt a more passive approach to transparency in AI implementation with nearly 70% of respondents falling into this more passive grouping.



## RECOMMENDATIONS

One of the key concerns the respondents point to is the regulatory uncertainty. The scale of investment required to integrate AI into company operations (highlighted both by concerns about the current readiness of the technology infrastructure and the challenges in finding the AI talent) suggests that regulatory uncertainty may link into the ROI concerns pointed by the respondents in the survey. Providing a medium-term view on the likely regulatory treatment of certain types of data and the long-term viability of cross-border data transfers can go a long way in providing certainty around these investments.

There are also possible linkages to the legal and liability issues that tie into the assessment of ROI and viability of implementing certain AI solutions in the business context. This fundamentally becomes a product safety issue for companies, which in the European context is effectively covered by the EU AI Act. Generally such forms of legislation are also accompanied by liability legislation that creates a framework for unintended harms to be appropriately compensated. The EU proposed additional regulatory measures as part of the broader AI Act package, namely the AI Liability Directive (AILD). This was done in parallel with efforts to update the Product Liability Directive (PLD). These proposed changes are not only important for companies to have greater confidence in the regulatory environment and their own responsibilities and liabilities, but promotes the wider use of AI products by creating a legal framework wherein end-users of AI systems have greater confidence through a set of clear baseline protections.

Equally, there is substantial scope on the government side to help businesses address effective AI governance. The Model AI Governance Framework for Generative AI is a comprehensive policy document for companies that operate in the digital space. However, companies in the non-digital space may need sensitisation as such respondents do not report closely following governance issues in the AI space which is reflected in the number of 'not applicable' responses in the survey to questions around corporate AI governance frameworks, ownership of AI governance, and the required updates to AI governance. Most companies that reported being aware of Singapore's frameworks and guidelines and aligning their own approaches to these documents are technology companies. It may therefore be important to sensitise companies that will be adopters and deployers of AI technologies to understand these documents and effectively implement them.

On issues related to human capital, most companies that reported hiring for AI talents were digitally native companies. This may suggest that while the talent pipeline for higher-end digital talents in technology sectors is generally sufficient today, this is not necessarily the case for companies that will be AI adopters and deployers. Ensuring that talent availability and a properly skilled workforce is available to companies that would not traditionally be hiring tech-skilled workers will be critical as AI adoption moves beyond niche implementations in companies.



This will be especially true for MSMEs, who will have a harder time competing for scarcely available talent on both the basis of cost and attractiveness to candidates. While respondents have reported in the survey relying heavily on in-house training, again this is skewed towards companies that are more digitally native. Many smaller companies may also not have the necessary resources to implement internal programming that fits their needs, so a greater focus will be needed not only on generating a steady supply of university-trained AI workers, but also a steady stream of workers with deep industry knowledge and experience to effectively deploy AI solutions in more specific business contexts that would not require more technical skills like coding or programming. This is the 'prompt engineering' training that needs to be enabled at wider scale and provides general enough exposure to techniques and skills that could be applied across many different industry verticals.



*We would like to thank SAP for their valuable analysis and insights, which have significantly contributed to this report.*

## KEY INSIGHTS FROM EUROCHAM'S AI PROGRAMME EVENTS

- **SAP**
- **Accenture**
- **Continental Automotive**
- **Greehill**
- **Heineken**
- **Seven Peaks**
- **Siemens**
- **Telstra**
- **TradeFlow Capital Management**
- **XCL World Academy**



# SAP

## DRIVING RETURN ON ARTIFICIAL INTELLIGENCE THROUGH DATA

Artificial intelligence (AI) and, above all, generative AI, are a tipping point for how businesses in Singapore and across Southeast Asia make the most of data.

But AI is not new. For instance, at SAP, we've been working on AI and machine learning for more than eight years.

However, over the past few years, the exponential development of AI capability has changed the world. It is no exaggeration to say that developments in GenAI are creating the biggest technology opportunity of the 21st century. The APJ market alone is expected to grow to more than US\$28 billion in the next five years, with Singapore ranked third in implementation, innovation, and investment in AI in the recent Global AI Index 2024.

While we hear a lot about potential, the promise of the future may be overshadowing the tangible AI value that businesses in Asia are realising right now.

A recent report from Deloitte noted that 43% of APJ employees are using GenAI for work today. More than 27,000 global SAP customers are already using Business AI, including thousands across APJ.

## NOTABLE APPLICATIONS OF AI IN BUSINESS

Indonesia's Bank Danamon is using GenAI copilots to boost planning and decision-making across 850 offices and 8,000 employees. AI is supporting employee skill and career development through personalised recommendations, as well as sifting through large volumes of applications quickly.

Australia's Citic Pacific is saving AUD \$400,000 in productivity per year through AI.

The company is using embedded AI capabilities to provide its employees with a simpler, faster, and more convenient way to document safety in its mines. By doing so, it's simplifying its compliance submissions to keep its workers safe.

And this isn't just for big businesses. We recently surveyed 3,400 companies in five APJ markets and found that adopting standard business AI applications like machine learning is the number one organisational priority for mid-market businesses with between 250 and 1,500 employees – above even cybersecurity.

So, how can businesses begin to realise these benefits? The key to return on AI investment is data. There is no high-quality AI without high-quality data. Relevant, reliable, and responsible AI hinges on applying the right data to the right model.

This is where working with a partner like SAP can give the best chance of a positive return on AI, since SAP's customers generate 87% of global commerce. We're bringing all of these AI innovations to our customers through a partner ecosystem approach, working with partners including IBM, AWS, Microsoft, Google Cloud, Meta, and Nvidia.

Then we integrate that enormous access to data into business-critical processes like finance, supply chain, human capital management, or CRM. We believe no other technology company can combine the power of AI with the processes and data that run the business world.

SAP is able to offer AI that is relevant because it is embedded across our portfolio into critical functions like ERP, finance, supply chain, procurement, or HR, enabling smarter decisions and efficiencies at scale. We know our customers demand AI that is developed responsibly. Business AI will only be useful if it can be trusted to deliver high levels of security, privacy, compliance, and ethics. That's why SAP is working with policymakers and regulators to ensure an ecosystem of ethical and responsible AI and has adopted the 10 guiding principles of the UNESCO Recommendation on the Ethics of Artificial Intelligence. This aims to ensure that AI technologies are developed and used in ways that respect human rights, promote fairness, and contribute to sustainable development.

Together, these principles reinforce why SAP Business AI, underpinned by data, isn't just the biggest opportunity for Singaporean businesses in the next decade – it is the path to competitive differentiation for our organisations and our nation today.



"Business AI, underpinned by data, isn't just the biggest opportunity for Singaporean businesses for the next decade – it is the path to competitive differentiation for our organisations and our nation today."

**Paul Marriott**  
Regional President  
SAP, Asia Pacific and Japan



# ACCENTURE

## DECARBONISING SOFTWARE: THE PUSH FOR GREEN SOLUTIONS IN TECHNOLOGY

Over the past few decades, the overwhelming need for speed and productivity pushed architectural efficiency concerns to the background. Computers that piggyback on vast libraries with extraneous lines of code, companies that have lost count of the number of virtual machines they have spun off — all add drag and increase the carbon emissions related to software. These emissions include both the energy that physical hardware consumes to run software programmes and those associated with manufacturing the hardware itself.

While a typical email might have a footprint equivalent to 0.3 grams of CO2 emissions, software that requires high-performance computing and AI have large carbon costs. The IT and software industry is projected to contribute 14% of greenhouse gas emissions by 2040.

As companies develop and use computing-heavy AI algorithms they must counterbalance this growth by optimising models to reduce their computational intensity and employing carbon aware computing practices where possible. As a result, Chief Information Officers (CIOs) and the rest of the C-suite may soon find themselves under greater pressure to address the questions: How do we develop green software? How do we even know it's green?

Green Software Foundation (GSF), a non-profit with the mission to create a trusted ecosystem of people, standards, tooling and best practices for building green software, was founded to help with these answers.

“Adopting the SCI Specification enables CTOs to make informed decisions about the tools, architectures, and green software practices that will have the greatest impact in mitigating emissions where it matters most. We then enter a world where their efforts lead to real-world reductions in carbon emissions, while reducing uncertainty and speculation about software's true environmental impact.”



**Sanjay Poddar**  
Global Managing Director, Technology Sustainability Innovation  
Leader at Accenture, and Co-Founder and Chairperson of the Green  
Software Foundation

The founding members of GSF clearly set the foundation on the path for direct interventions. Software can reduce carbon emissions by using fewer physical resources (fewer CPU cycles, less access to memory, disk, or network, etc.), by using less energy, or by using energy more intelligently. Companies can choose to consume electricity that's generated using lower-carbon sources, or otherwise accelerate the energy transition toward a low-carbon future.

## STANDARDISING GREEN SOFTWARE IN SUSTAINABLE BUSINESS OPERATIONS

One of the biggest pain points with respect to green software is developing a standardised measure of its sustainability. Such measurements can be a regulatory requirement or help companies gauge the success of their sustainability initiatives.

When it comes to software development, computing inefficiencies (and carbon footprints) are more visible — bulky libraries for example — and engineers can improve it more easily. Everyday business operations, on the other hand, are a tad opaque but still contribute to the company's overall sustainability score. Case in point: The carbon footprint of a video call is hard to measure.

The foundation helped to define a Software Carbon Intensity (SCI) Specification, which applies to all business operations including software development and SaaS programmes employees might use. The SCI is now an ISO standard.

The SCI score equips CIOs with a tangible tool they can use in implementing green initiatives. Using the index, the CIO can measure the SCI score for every application and set specific goals. For example, “If I am responsible for the video application, and you're telling me the SCI score is so much carbon per minute per user, then I can report that and use that measure as a target if I want to reduce this measure 10% over last year,” Hussain, Co-Founder and Executive Director of GSF, says.

Measuring the SCI score is easier said than done, however, and the foundation is developing ways to make it easier. It has identified many software tools, most of them open-source, and is guiding steering members and any other organisations who might be interested in their use.



# CONTINENTAL AUTOMOTIVE

## HOW AI IS TRANSFORMING INNOVATION AND VALUE CHAINS IN THE AUTOMOTIVE INDUSTRY

Moving into the future, AI will continue to be a driving force in the future of mobility, increasing safety, efficiency and sustainability. This will be most evident in areas such as automated and autonomous driving, connectivity and shared mobility. This trend can be expected to grow significantly as AI technology further matures.

In combination with onboard sensors, AI will enable vehicle systems to reliably detect objects in the vicinity and AI-based driver assistance systems will manoeuvre vehicles safely in complex traffic. At an aggregate level, Electric Vehicle (EV) fleets can be intelligently managed with AI, ensuring optimal charging, distribution and deployment, further enabling green transportation like car sharing.

On another level, AI is reshaping the automotive value chain - from material sourcing to design and development, manufacturing and at the end-of-life stage, such as in component recycling. This has the potential to increase sustainability in processes and operations.

As an AI-empowered company, Continental is enabling, developing and deploying AI applications in our everyday workflows, from supply chain to quality management, from R&D to production, and from solutions to services.

One R&D focus area at Continental is the Software-defined Vehicle (SDV). In the SDV, hardware and software are being decoupled - this means that increasingly, more and more functions in the vehicle will be enabled, controlled, monitored and maintained by software.

The industry's shift towards the SDV is redefining the process of automotive design and development. With "digital twins" of vehicle High-Performance Computers, for example, our OEM customers can develop software and run simulations in a virtual environment, even before

hardware is finalised. Instead of driving millions of miles on the road, consuming petrol and time, testing can happen in the cloud.

More importantly, enabling software development in a virtual environment minimises the use of vehicle hardware samples, which are typically used for short periods, leading to more sustainable and cost-effective vehicle development.

Over their lifetime of use, SDVs can receive software updates - much like our smartphones today - prolonging the usability of the vehicle by giving it a fresh look and adding new services during its entire life cycle.

In the development and 'training' of driver assistance systems and autonomous mobility, AI can be harnessed to reduce the use of test vehicles clocking up unnecessary mileage.

"I strongly believe that AI-empowered people, tools, processes and operations and AI-enabled products and services will support the journey towards a sustainable future for the automotive industry."



**Lo Kien Foh**  
President and CEO  
Continental Automotive Singapore

Another area where AI could be harnessed is in improving the circularity of automotive electronics, through sorting of end-of-life components. In Singapore, Continental partnered with the French Alternative Energies and Atomic Energy Commission (CEA) and Nanyang Technological University, Singapore (NTU Singapore) to investigate this topic.

At the Singapore-CEA Alliance for Research in Circular Economy (SCARCE) - a research centre set up by CEA and NTU Singapore - different methods to improve the circularity of Printed-Circuit Boards (PCBs) were explored, such as automated sorting of components with intelligent solutions such as machine learning.

In Germany, Continental is also researching the use of AI in the area of material flow. Machine learning can be used to create more precise forecasts of raw-materials requirements. Continental Automotive is committed to bold ambitions in sustainability - latest by 2050 and together with our value chain partners - in four focus areas. They are: 100% Carbon Neutrality along our entire value chain (products, operations, supply); 100% Emission-free Mobility; 100% Circular Economy: closed resource and product cycles; and 100% Responsible Value Chain.



# GREEHILL

## AI-DRIVEN URBAN FORESTS

The application of AI is spreading like wildfire in various industries: finance, commerce, manufacturing, defence, hospitality, marketing, communications, and more. This is great, but what about helping professionals and industries boost their efficiency and productivity using AI, especially those working with the biological assets of our planet, which are key for the future, such as agriculture, urban forestry, or marine farming?

One of the key factors for success is making real-life assets accessible to AI and ML models through the creation of digital twins of the real world. This digital twinning uses various methods of remote sensing best suited to the precision, resolution, and other requirements of the tasks at hand.

As urban areas expand, managing urban forests becomes crucial for environmental sustainability, climate resilience, and public well-being. These assets of the urban green infrastructure provide essential climate resilience services to residents at the lowest possible cost: CO2 sequestration and oxygen production, cooling and shading, air pollution reduction, and stormwater management.

These direct services, in turn, result in a wide range of socio-economic benefits, such as reducing urban health problems and healthcare costs, improving mental well-being, reducing crime, enhancing community cohesion and activity, and improving the overall socio-economic status of entire neighbourhoods.

The mission of greehill is to increase these benefits for all urban dwellers while also reducing greenery-related risks through precise and detailed data collection, analytics, and simulations. This provides the necessary insights for proactive maintenance and fact-based designs for the future of urban green infrastructure.

## SMART CITIES, SMARTER FORESTS: AI AND ML TRANSFORMING URBAN GREEN SPACES

To this end, greehill has created its Urban Insights platform, which integrates Smart Tree Inventories (STIs, as opposed to Traditional Tree Inventories) into the fabric of Smart City Management and Planning.

At the core of the technology, AI and ML are used for many aspects of identification, measurement, and analytics.

Unlike the assets of the built environment, every single green asset, every tree, has a unique shape, size, and structure. The combination of AI, ML, and geospatial technologies with remote sensing makes it possible to accurately catalogue and monitor urban trees.

Based on greehill's experiences from nearly 100 locations across five continents, the technology is capable of coping with the vastly different vegetation of thousands of species from every possible climate imaginable.



"Make the right decision on the right tree at the right time."

**Peter Sasi**  
Vice President  
greehill Asia-Pacific

These inventories provide comprehensive data on tree species, structure, health, age, and environmental contributions, offering a detailed overview that traditional methods cannot match. The primary and immediate benefits of Smart Tree Inventories revolve around four main aspects, as showcased by several projects in Europe, Asia, Australia, New Zealand, and North America:

1. Inventories with insights: indicators, cohorts, ecosystem services, etc.
2. Preventive maintenance: health, structure, clearances, etc.
3. Urban planning and landscape design support, climate resilience
4. Reporting, monitoring, interoperability, carbon reporting

Beyond the short-term goals, greehill hopes to achieve even more significant and impactful benefits for the advancement of urban climate resilience on a global scale: helping design and develop more sustainable and better-protected urban communities using several years of data spanning numerous species across all continents and climates.

greehill hopes to enable deeper research and understanding of how urban green infrastructure can be used to fight the global climate crisis.



## HEINEKEN

### DIGITAL EVOLUTION: UPSKILLING IN A TRANSFORMING WORLD

The speed of change in today's technological landscape means businesses must embed digital intelligence in their DNA if they want to remain competitive. HEINEKEN embraces this challenge with its ambition to become the best-connected brewer. This vision is helping to transform the 157-year-old company as it seeks to maintain and enhance its close connections to consumers as our lives move online.

### END-TO-END DIGITAL TRANSFORMATION

HEINEKEN's digital and technology strategy is two-pronged: we are digitally transforming front-end operations for enhanced customer engagement, leveraging data and AI to make informed decisions and anticipate market trends. At the same time, we are modernising back-end processes with a digital backbone and automating processes for increased efficiency. This holistic strategy ensures agility and responsiveness to technological advancements and market fluctuations.

### ONE SIZE DOESN'T FIT ALL

To be future-fit, we know upskilling our people is not just important - it's essential. This is why we are making significant investments to equip our workforce with the skills to thrive in this new and evolving environment which is disrupted by exponential technologies like robotics, AI/GenAI and spatial computing (e.g. Consumer Metaverse and Industrial Digital Twins). The company's digital and tech upskilling approach is tailored for different learning groups.

In the APAC region, we have implemented a combination of tailor-made online and study group sessions over a period of 18 months to upskill senior leaders on key digital topics like the digitisation of our Route-to-Market and Analytics & AI; with a strong focus on the business perspective and value creation. This targeted approach ensures leaders are well-equipped to navigate complexity and drive digital transformation within their teams and the organisation. The programme complements the Global HEINEKEN Top Executive Leadership Programme called Thrive, in which Digital & Tech is an integral part.



## UPSILLING AT ALL LEVELS

Digital upskilling doesn't stop with the leadership team. HEINEKEN is dedicated to developing its workforce and has a comprehensive approach in place for all employees, ensuring everyone, from senior leaders to tech experts to all employees globally, has the opportunity to grow. These upskilling initiatives include eLearning with internal and external content, career learning and skill paths, and Udacity Nano-degrees. These programmes provide employees with the knowledge and skills needed to navigate the digital landscape effectively.

"In a dynamic, tech-driven future, businesses can only navigate and win if they equip their workforce with the digital and tech skills of tomorrow."

**Dr Ralph Ostertag**  
APAC Director of Digital & Technology  
HEINEKEN



## FROM THEORY TO APPLICATION

Beyond formal learning, HEINEKEN fosters a culture of experimentation and learning by doing. We encourage employees to demystify new technologies, experiment with them, prioritise their applications, and scale successful initiatives. This hands-on approach makes innovation and continuous improvement simply business as usual, helping us to stay ahead of the curve in a rapidly changing technological landscape. Generative AI is a great example where HEINEKEN has been a trailblazer since the beginning of 2023 when we opened-up an internal version of ChatGPT for all employees globally. In the meantime, we have started to use GenAI as a superpower for our inhouse development teams, for intelligent dashboards and more complex use cases in different business functions.

## EMBEDDING DIGITAL INTELLIGENCE FOR A FUTURE-FIT WORKFORCE

HEINEKEN's commitment to upskilling has already yielded significant achievements, creating a digitally enabled organisation capable of leveraging new technologies to drive business success.

# SEVEN PEAKS

## GENAI: EMPOWERING EMPLOYEES AND REDEFINING SOFTWARE DEVELOPMENT

As a leading technology company, Seven Peaks is excited about the opportunities presented by innovative GenAI offerings. Our employees are highly motivated and eager to integrate tools like ChatGPT and Gemini into their daily work to increase efficiency and improve quality.

This year, we encouraged each department to identify at least three use cases for leveraging GenAI within their operations and to incorporate these tools regularly into their workflows.

Over the past few months, teams have conducted multiple internal workshops and presentations to showcase various use cases and demonstrate how they are utilising GenAI. These sessions aim to inspire and educate the entire organisation on effective ways to harness these tools.

## INDUSTRY DIRECTIONS WITHIN SEVEN PEAKS

The software consultancy industry is poised for significant transformation in the coming years due to the advancements in Gen AI. As a company, we are actively exploring how we can enhance our efficiency and deliver greater value to our clients through the integration of AI tools.

AI has the potential to support various stages of the software development life cycle. For instance, in Product Management, AI can assist with writing user stories and serve as an interactive knowledge bank for all documents, minutes of meetings (MoM), and other resources gathered throughout the project. This helps streamline documentation and ensures quick access to critical information. While in UX Design, tools like Figma now offer AI-powered features to automatically generate UX flows and screens.

Moving from design to development, more tools are emerging that can convert designs into front-end code, drastically reducing development time. This innovation streamlines the process, enabling teams to focus on more complex and creative aspects of the project.

In an AI-powered world, it is crucial for software developers to embrace and leverage GenAI technologies to stay competitive and relevant. As AI tools continue to evolve, they are not only transforming traditional coding practices but also enhancing problem-solving capabilities by automating repetitive tasks, generating code, and even identifying bugs more efficiently.

By integrating GenAI tools like Microsoft GitHub co-pilot and Cursor into their workflows, developers can focus on more complex, creative, and strategic aspects of software development. This allows them to build more innovative and robust solutions, adapt to the rapid changes in the industry, and contribute to the creation of next-generation technologies.

Staying current with AI advancements not only improves individual skill sets but also positions developers to be leaders in driving the future of technology.

At Seven Peaks, we are continually assessing both the opportunities and the potential risks associated with AI. We believe that, with careful integration, AI will enable us to deliver more efficient and higher-quality software solutions to our clients in the coming years.



Jostein Aksnes  
Chief Executive Officer & Co Founder  
Seven Peaks

"By embracing the potential of GenAI while upholding our core values, we aim to lead the way in creating a future where technology enhances human capability and drives sustainable growth for our company and clients."

Data privacy is another critical consideration. When using AI to query internal data through natural language processing (NLP), it is essential to implement clear governance policies to regulate user access. Access should be role-based to ensure that sensitive information, such as HR and financial data, is only available to authorised personnel.

By embedding these governance and ethical practices into our operations, we can leverage the benefits of AI while maintaining high standards of quality and data security.

Looking ahead, the evolution of AI will continue to redefine how we work and deliver value to our clients. At Seven Peaks, we are committed to navigating this changing landscape by upskilling our employees and fostering a culture of continuous learning.

As AI becomes an integral part of our operations, we will remain focused on responsible implementation, ensuring that our solutions are both innovative and ethically sound. By embracing the potential of GenAI while upholding our core values, we aim to lead the way in creating a future where technology enhances human capability and drives sustainable growth for our company and clients.



## SIEMENS

At Siemens, we recognise that the world of work is undergoing a seismic shift, driven by the rapid advancement of artificial intelligence (AI). In the ASEAN region alone, it is projected that while AI may displace 1.8 million jobs in the coming years, it will also create 2.3 million new opportunities. This evolving landscape demands a strategic approach to workforce transformation - one that prioritises upskilling and reskilling to ensure employees remain relevant and resilient in the face of change.

From an economic point of view, investing in employee growth often makes more sense than contingency measures. Sustainable employability is a core goal, manifested in our global DEGREE framework, ensuring our workforce is not just prepared for today's challenges but also equipped for the future. As part of this effort, we have integrated leadership training and lifelong learning into the very fabric of our organisational culture, recognising that according to research one of the primary reasons employees leave companies is the lack of learning opportunities. Our commitment to fostering a growth mindset, one of Siemens' four strategic priorities, ensures that continuous learning is embedded in our DNA.

Our #NextWork® initiative serves as a structured and modular methodology designed to guide both our organisation and employees through this transformation. This methodology outlines clear development paths and ensures that employees receive relevant guidance on the skills they need in their roles, especially as Siemens operates across diverse business models combining the real and the digital world.

The ability to learn, adapt, and collaborate is now more critical than ever. That's why we are not only upskilling for AI but also using AI to enhance upskilling. Through tools like our MyLearningWorld platform, we provide personalised learning recommendations powered by AI, making the learning process more efficient and tailored to each individual's needs. Collaboration and knowledge-sharing across industries are also key to building a resilient workforce. Siemens encourages this exchange, understanding that no one solution fits all. Our diverse business models require that upskilling approaches be tailored to specific organisational needs, and tools like #NextWork® and MyLearningWorld play a pivotal role in facilitating this ecosystem of shared knowledge.



## A COMMITMENT TO AI UPSKILLING AND FUTURE RESILIENCE

Through initiatives like GrowthTalks - structured conversations between managers and employees - we actively promote continuous development. In doing so, we prepare our people not just for today's roles but for the future, ensuring Siemens remains a leader in AI-driven innovation.

"At Siemens, we're not just preparing for the future of work - we are shaping it with #NextWork and a growth mindset that ensures our people stay ahead of the curve."



**Miriam Sake**  
Senior Vice President  
People & Organisation, ASEAN  
Siemens

## TELSTRA

As generative AI has hit a critical mass, one of the most profound technology revolutions of our time is set to transform the way we work and live. New opportunities are forged by disruption: from improving products through innovation to exponentially enhancing the customer experience, embracing AI is no longer optional.

Telstra's vision of becoming an AI-fuelled organisation is an ambition that doesn't happen overnight. It's a multi-year journey that has required a fundamental shift: from considering and applying AI in isolated instances or on a use case basis to embedding AI at the heart of most decisions and processes.

Over the last few years, we have embarked on a radical simplification and modernisation of our underlying technology architecture and data ecosystem. We've shifted to a 100% application programming interface (API)-first approach to product development. We're migrating workloads to the cloud and building reusable AI capabilities.

We are now using AI to improve over two-thirds of our key processes, including automatically detecting and resolving fixed services faults, and solving customer issues faster. For example, our new AI application Ask Telstra enables employees to search the company's extensive internal knowledge bases quickly and easily for information. The tool gives AI-generated responses to employee queries via a simple search interface and has been recently rolled out to 8,000 of Telstra's contact centre and retail staff.

We are also investing in our people, including through our Data & AI Academy, to upskill them in AI and help them understand how they can use it in their roles. To help our employees adapt and thrive in an AI-fuelled future, we have invested in 21,000 Copilot for Microsoft 365 licences. This is the largest deployment of the generative AI service in Australia and one of the largest of any telecommunications company globally.

Cyber security, identity, and scam protections remain extremely important to us and our customers. Through our Cleaner Pipes initiative, in our most recent financial year, which ended in June, we are blocking, on average, more than 10 million scam calls and 14 million scam SMSs, and over 230 million incoming scam and potentially unwanted emails from reaching our customers each month in Australia.

Our work with a leading Australian bank on the Scam Indicator is another prime example of applying data and AI to detect high-risk scenarios and respond accordingly. Telstra created an API for the bank to integrate with its existing scam detection processes, offering visibility on whether a customer is on a phone call – a key indicator they may be in the process of being scammed.

## THE JOURNEY TO AN AI-FUELLED ORGANISATION

The considerable benefits of AI are apparent but must be tempered with recognition of the risks. And enthusiasm should not lead to shortcuts in good governance.

From the outset, the responsible and ethical development and deployment of AI has anchored our approach. It's why we've consulted and co-developed with the Australian government and tech leaders across the globe to develop strict guardrails based on human-based values.

We've recently joined UNESCO's Business Council to promote the implementation of the UNESCO Recommendation on the Ethics of Artificial Intelligence. We are advocates for principles such as privacy, security, contestability, and accountability, which are absolutely critical to leveraging AI in a responsible manner and are supported by other robust frameworks and controls.



**Geraldine Kor**  
Managing Director, Head of Global  
Enterprise Business  
Telstra International

"Telstra's vision of becoming an AI-fuelled organisation is driven by an infusion of data and AI into the very fabric of our company, anchored in the responsible and ethical development and deployment of AI. We are now using AI to improve over two-thirds of our key processes, and to offer customers enhanced cyber security, identity, and scam protections."

The path from early adoption to becoming truly AI-fuelled will be one that requires an unwavering conviction, but an agility allowing us to flex to seize opportunities as they arise.

What lies ahead is unknown, but as we accelerate our adoption of AI, what is clear is that it will require a paradigm shift and an infusion of data and AI into the very fabric of our company.



# TRADEFLOW CAPITAL MANAGEMENT

## AI IN TRADE FINANCE

TradeFlow Capital Management (TradeFlow) is the world's first Fintech-powered commodity trade enabler focused on SMEs. Since 2018, TradeFlow has invested heavily into Digitalisation and the use of AI to transform the risk associated with SME commodity transactions that form the lifeblood of modern economies into Investment Grade products for Banks and Investors, providing the added advantage of superior risk-adjusted returns and capital preservation for investors whilst being highly complementary to traditional trade finance lending institutions like Banks.

Recognising the immense potential of AI to enhance operations, improve decision-making, and create new opportunities for growth, TradeFlow's approach to AI adoption may be summarised as follows:

### UPSKILLING EMPLOYEES

TradeFlow understands that its greatest asset is its workforce. As AI continues to reshape the financial sector, we are committed to ensuring our staff are well-equipped to thrive in this new landscape. We have implemented strategic alliances with universities and technical training institutes and conducted AI research programmes in partnership with the Singapore Institute of Technology. Offering placement in our firm to students also facilitates two way knowledge transfer with our staff and external students and researchers. Even training our non-technical staff to understand AI helps, empowering them to provide suggestions on how AI applications can improve productivity in their own workflows. Furthermore, TradeFlow has established an AI mentorship programme, pairing AI-savvy employees with those looking to enhance their skills. This peer-to-peer learning model has proven effective in accelerating the adoption of AI technologies throughout the company.

### KEY OPERATIONAL DIRECTIONS

TradeFlow is actively integrating AI into strategic aspects of its operations, allowing us to position ourselves better as an industry innovator and leader. Areas that we are focusing on include:

- Risk Management: AI is being developed to enhance the firm's risk assessment models, allowing for more accurate predictive analytics of market volatility and potential investment risks.
- Portfolio Management: AI is being developed and tested to optimise portfolio allocation and rebalancing, taking into

account a wide range of factors to maximise returns while managing risk.

- Fraud Detection: TradeFlow is leveraging machine learning algorithms to detect and prevent fraudulent activities, enhancing the security of its operations and protecting client assets.
- Customer Service: The company is implementing AI-driven chatbots and virtual assistants to improve client interactions, providing 24/7 support and instant custom report generation.

"As the AI landscape continues to evolve, TradeFlow remains dedicated to staying at the cutting edge of technology while upholding the highest standards of ethical practices in the financial industry."

Dr Tom Jones  
CEO & CIO  
TradeFlow Capital Management



### AI GOVERNANCE EMBEDDED IN CURRENT OPERATIONS AND FUNCTIONS

Ethical and responsible use of AI is embedded in the bedrock of our business strategy. We have established a robust AI governance framework that includes:

- Human Oversight: While embracing AI, TradeFlow maintains a "human-in-the-loop" approach, ensuring that critical decisions are always subject to human review and approval.
- Transparency: We are committed to maintaining transparency in AI operations, regularly communicating with clients and stakeholders about how AI is being used.
- Data Privacy and Security: We adhere to strict data protection protocols, ensuring that client data used in AI systems is anonymised, securely stored, and used only for its intended purposes.
- Continuous Monitoring and Improvement: We have established an ongoing internal audit process to evaluate the performance and impact of its AI systems, making necessary adjustments to align with ethical standards and regulatory requirements.

In conclusion, TradeFlow believes that a focus on the areas stated above places us in a better position to harness the power of AI whilst avoiding any adverse impact. As the AI landscape continues to evolve, we remain dedicated to staying at the cutting edge of technology while upholding the highest standards of ethical practices in the financial industry.



# XCL WORLD ACADEMY

## AI IN EDUCATION

The integration of AI into education is reshaping how we teach and learn, offering innovative approaches that enhance personalised learning, automate administrative tasks, and support educators in unprecedented ways.

## PERSONALISED LEARNING

One of the most significant ways AI is transforming education is through personalised learning. AI-driven tools can tailor educational content to individual learning styles and paces.

Adaptive learning platforms powered by AI, such as Measures of Academic Progress (MAP) testing that we use at XWA, use data analytics to assess students' strengths and weaknesses in real-time. It is a computer-adaptive test that can adjust the difficulty of the questions being asked. These platforms can also suggest supplementary materials, and provide targeted feedback based on each student's performance.

## INTELLIGENT TUTORING

AI also enhances education through intelligent tutoring systems, which offer students one-on-one assistance. These systems utilise natural language processing and machine learning to interact with students, answer their questions, and provide explanations.

XWA is exploring using Language Learning Models to bring language learning to a higher level. AI platforms are able to rewrite texts or stories to a level that is suitable for the intended audience instantaneously, so teachers are able to have facilitated discussions about certain stories or topics in the same class with students of different language levels. ITS can be particularly beneficial in a class setting when students require extra help.

## AUTOMATING ADMINISTRATIVE TASKS

Beyond enhancing learning experiences, AI can significantly reduce the administrative burden on educators. AI-powered tools can automate routine tasks, allowing teachers to focus more on instruction and student interaction. Tools like Canva save our educators time so that they are able to focus on lesson preparation or helping our students. Additionally, we are exploring having AI streamline administrative tasks like managing timetables and tracking student attendance, further reducing the workload for teachers.

## SUPPORTING EDUCATORS WITH DATA ANALYTICS

AI-driven data analytics offer educators valuable insights into student performance and classroom dynamics. By analysing data on student engagement, achievement, and behavioural patterns, AI tools can help teachers identify at-risk students, assess the effectiveness of instructional methods, and make data-driven decisions to enhance teaching strategies.

Platforms like Google Classroom and Microsoft Education provide analytics dashboards that track student progress and highlight areas where additional support may be needed. These insights enable educators to make informed adjustments to their teaching approaches.



"AI's innovative approaches in education are transforming the landscape of learning, offering personalised, efficient and equitable solutions. By tailoring education to individual needs, automating administrative tasks, supporting educators with valuable insights, and promoting inclusivity, AI is paving the way for a more dynamic and effective education system."

**Tammy Murphy**  
Chief Executive Officer, XCL Singapore Schools  
and Head of School, XCL World Academy

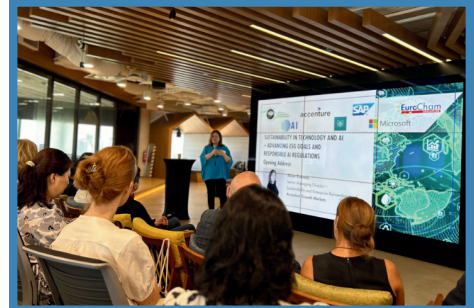
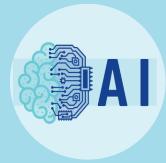
## PROMOTING EQUALITY IN EDUCATION

AI has the potential to address disparities in education by providing resources and support that may not be available in all regions. AI-powered language translation tools can break down language barriers, making educational materials accessible to non-native speakers and students from diverse linguistic backgrounds. This is especially useful for a school like XWA, which has students from all over the world.

AI can support special education by offering customised learning aids for students with disabilities. Tools like speech-to-text software and AI-driven assistive technologies help students with learning difficulties engage with the curriculum more effectively.

As technology continues to evolve into becoming a useful assistant, the potential for AI to further enhance education remains boundless, promising a future where learning is more accessible, engaging, and tailored to each student's unique needs.

# EUROCHAM AI EVENTS 2024



# All of the AI. None of the Hype.

AI is everywhere these days. Writing songs that sound like songs we've heard before. Or helping you generate a kickass portrait of your cat. We're obsessed with it. And for good reason. It could revolutionize our lives the same way smartphones have.

That's why businesses are trying to figure out the best ways to make AI work for them. Because business needs AI that does real work. Like telling you the right questions to ask a potential plant-based packaging supplier in Southeast Asia. Or knowing what kind of training a junior project manager in Singapore needs so they can soon run your Bangkok office.

SAP Business AI is great at things like this. It has the revolutionary technology that businesses need and nothing that they don't. The capabilities that help companies be ready for any opportunity.

Because when AI tools can help businesses perform better, save money, save time, and deliver real results, we'll all reap the benefits. When we're not using it to plan a killer European vacation, of course.

**Be Ready with SAP Business AI.**

