

KPMG CEO OUTLOOK 2021



Australian Insights

The 2021 CEO Outlook draws on the perspectives of 1,325 CEOs, across 11 major markets, to offer a view of future considerations. Here's what Australian CEOs had to say.

Key areas of focus:

CORPORATE PURPOSE

Corporate purpose is increasingly being used by Australian CEOs as a framework for key business decisions in the COVID-19 era.

94% said following through with corporate purpose commitments will shape their capital allocation.

while almost **98%** said purpose drove financial performance.

ESG & CLIMATE

Climate was top of mind for Australian CEOs

84% said that the November COP26 meeting must inject necessary urgency into the climate debate.

77% believe that government stimulus will be needed to turbo-charge business climate change investments.

GROWTH OUTLOOK

confidence levels were at pre-pandemic levels, with over 80 per cent expressing confidence in growth prospects for their company, sector and country in the next three years.



CYBER, DIGITAL AND SUPPLY CHAINS

Regulation, supply chain resilience and cyber were key risks to growth.

CORPORATE PURPOSE

60% said their main objective was to embed their purpose into everything they do in order to create long-term value for all stakeholders.

 purpose formed a big part of their employee value propositions.

 **86%**

ESG & CLIMATE



are experiencing increasing demand for ESG reporting and transparency from investors and regulators.



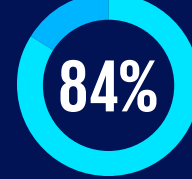
admitted they were 'struggling to articulate a compelling ESG story' to their stakeholders.



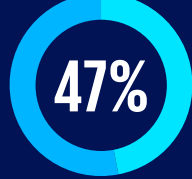
feel personally responsible for driving progress on social issues.



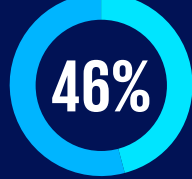
are looking to invest more than 10 per cent of their companies' revenues on ESG initiatives over the next three years.



said their companies' digital and ESG investment are inextricably linked.

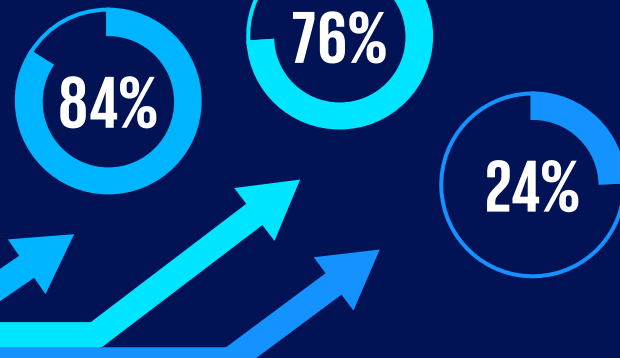


believed their ESG programs boosted their financial performance. Also expected to be further advanced on having their ESG data externally assured (72 per cent).



stated their pay was based at least partly on ESG issues in addition to financial performance.

GROWTH OUTLOOK



84 per cent are confident in their company's prospects over the next three years.

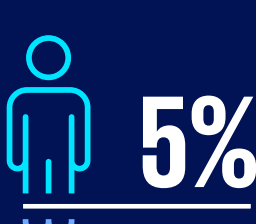


76 per cent said Joint Ventures, M&A deals or strategic alliances were the paths to growth.



Only 24 per cent said disruption detection and innovation processes were the top way to drive growth.

Believe staff levels would grow by less than five per cent, which is slightly lower than global counterparts.



CYBER, DIGITAL & SUPPLY CHAIN

94% said they were well-prepared for cyber attack.

78% have a plan to deal with ransomware attack.

76% said they needed to be quicker to shift investment to digital opportunities.

82% admitted the pace of digital transformation during the pandemic is not sustainable without first addressing workforce burnout.

58% said their supply chains had been under increasing stress over the past 18 months.

