

# 2022 KPMG CEO Outlook - Asia Pacific

## Growth strategies for turbulent times

CEOs anticipate a recession in the next 12 months



**63%**  
ASPAC

**86%**  
Global



But more than half of CEOs in ASPAC expect the recession to be 'mild and short' with **58%** having planned for it. **70%** see the availability of capital (and lack thereof) for new investments will impact their organization in the next 3 years.

### Areas of focus for next 3 years



Post-pandemic growth



Supply chain risks



Digital transformation strategy & ability to retain talent with pressures of inflation

### Top 3 risks to growth

**#1**

Emerging/disruptive technology

**#1**

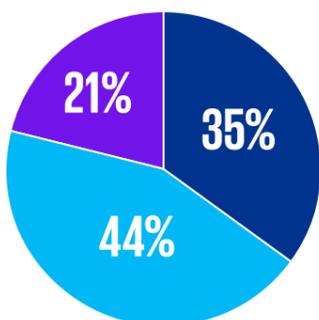
Regulatory concerns

**#3**

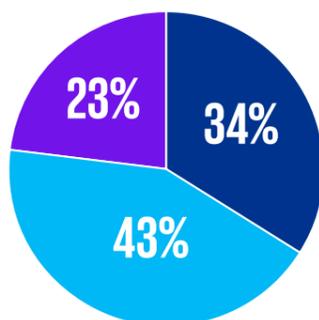
Environmental/climate change

### In response to geopolitical challenges

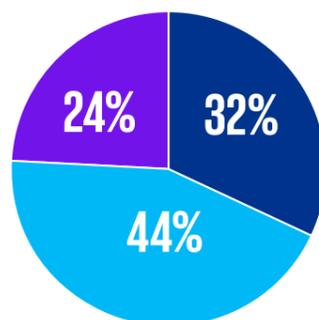
Diversify our supply chain



Pause digital transformation strategy



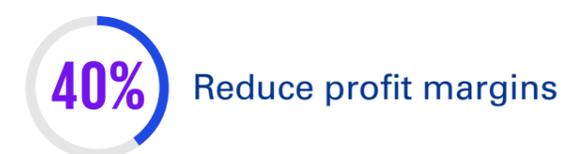
Transfer overseas operations locally



● Have taken ● Plan to take in the next 6 months ● No actions taken

### In response to the anticipated recession

Over the next 6 months, CEOs plan to:



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## Growth objectives

CEOs cite the following as the top operational priorities to achieve their growth objectives:



Employee value proposition to attract and retain the necessary talent



Increasing measures to adapt to geopolitical issues



Advancing digitization and connectivity of all functional areas

## Environment, Social and Governance (ESG)

In response to the anticipated recession, **29%** have paused or reconsidered their ESG efforts while **47%** plan to do so in the next 6 months.

However, stakeholder pressure continues to influence accountability in ESG. **71%** see significant stakeholder demand for increased reporting and transparency on ESG issues.

In communicating ESG performance to stakeholders:

**43%** consider it a struggle to articulate a compelling ESG story

**20%** struggle to meet the ESG reporting needs of different investors and other stakeholders

**16%** say that ESG performance reporting within their organization doesn't yet have the rigor of their financial reporting



will invest 6-10% of revenue to enable their organization to become more sustainable



believe that a higher cost of and/or difficulty in raising finance will be a major downside of failing to meet stakeholder expectations when it comes to ESG

## Technology

The pandemic has driven significant investment in technology. In the past 2 years, **39%** of CEOs agree that hybrid/remote work has had an impact on their workplace technology investment.

**61%** are placing more capital investment in buying new technology

**65%** consider new partnerships will be critical to continuing their pace of digital transformation

### Supercharging ESG with technology

**71%** agree their organization's digital and ESG strategic investments are inextricably linked

**28%** believe the lack of appropriate technological solutions is the greatest barrier to achieving net zero or similar climate ambition

## About the survey

The 8th edition of KPMG CEO Outlook, conducted with 1,325 CEOs between July 12 and August 21, 2022, provides unique insight into the mindset, strategies and planning tactics of CEOs not only comparable to pre-pandemic to today, but also from KPMG's CEO Pulse Survey conducted in January and February of 2022 with 500 CEOs, before Russia's invasion of Ukraine.

All respondents have annual revenues over US\$500M and a third of the companies surveyed have more than US\$10B in annual revenue. The survey included leaders from 11 key markets (Australia, Canada, China, France, Germany, India, Italy, Japan, Spain, UK and US) and 11 key industry sectors (asset management, automotive, banking, consumer and retail, energy, infrastructure, insurance, life sciences, manufacturing, technology, and telecommunications).

NOTE: some figures may not add up to 100 percent due to rounding.

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