APEC CEO SUMMIT PERU 2016

PwC's 2016 APEC CEO Survey

Thriving in a slow-growth world

pwc

Thriving in a slow-growth world

The past four years have been uneasy for business and policy leaders alike in the 21-member Asia-Pacific Economic Cooperation (APEC). Growth of the region has settled at a pace of under 3% a year. That's a change. APEC economies thrived on the trade winds when global trade used to reliably outpace global GDP growth. They generate 70% of mining production and represent 60% of the world's top 15 in manufacturing value added. Yet this year, growth in trade volumes could lag growth in global GDP.

This relative slowdown in trade occurs amid uncertainty surrounding the future of established trade flows. New shifts in political leadership—most notably in the presidential contest in the US—open the possibility for fresh looks at current and future trade policies. Given the significant public attention on 'mega' regional trade projects, risks are rising that these arrangements will not be implemented as fully intended or, as now seems likely in the case of the Trans- Pacific Partnership (TPP), even at all.

The questions on the minds of APEC CEOs are how to thrive in a slow-growth world and how to be competitive in the new economy.

To help answer these questions, PwC surveyed 1,154 APEC business leaders from May–July 2016. Their perspectives on doing business in Asia Pacific reveal continued uncertainty about the strength of demand. At the same time, different business growth drivers and new competitors are rising. CEOs are cultivating prospects to secure a strong future for their businesses. Over half of all respondents are in organizations with over US$1 billion in annual revenue.

Top findings for 2016–2017

Economies on both sides of the Pacific have been among the greatest beneficiaries of trade openness. Today Asia Pacific CEOs are planning for a future where data is as valuable as low tariffs and attractive markets are the ones with deep talent pools and the right policy environment as well as growing customer demand.

1. *APEC CEO confidence in 2016–2017 revenue growth prospects still subdued*
2. *Biggest confidence busters for CEOs in Asia Pacific: Returns on innovation and overseas operations*
3. *Deepening regional ties in Asia Pacific are a bright spot*
4. *Looking to attract cross-border investors? Work on your economy's regulatory conditions*
5. *CEOs are divided on how fast China will grow over the next three years*
6. *How to thrive in China: Executives seek strong local partners and brands, and plan for growth beyond the coast*
7. *New wave of Internet of Things adoptions ahead in Asia Pacific, according to CEO plans*
8. *For most CEOs, progress is still advancing slowly toward free trade goal in Asia Pacific, despite anti-trade rhetoric*

1. APEC CEO confidence in 2016–2017 revenue growth prospects still subdued

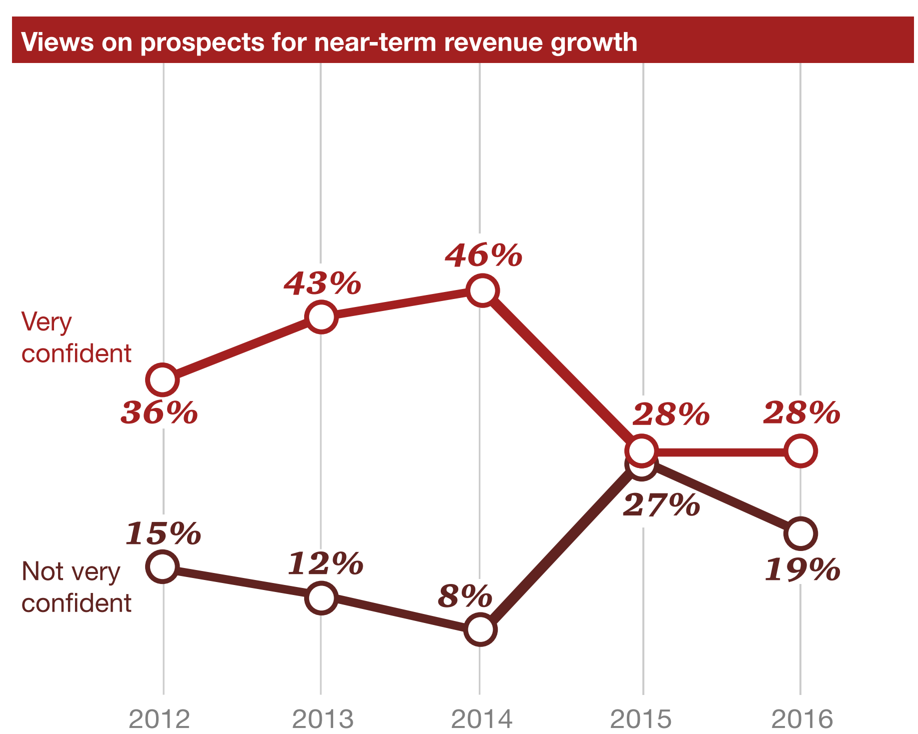
Fragile CEO confidence underscores the challenges ahead—just **28%** of all APEC business leaders remain ‘very confident’ about revenue growth over the next 12 months. There’s no change in this key measure of CEO optimism from last year’s survey. Moreover, CEOs continue to grapple with operational pressures: for example, just **14%** say they’ve become ‘more confident’ that they’re able to forecast compliance costs and tax liabilities than they were at this time last year.

Yet CEO confidence levels are not uniform. Businesses leaders in APEC’s youthful, faster-growing economies are more optimistic. For example, **65%** of CEOs in The Philippines are ‘very confident’ in revenue growth in 2016–2017, up from 51% at this time last year. The Philippines benefits from today’s low energy prices and growing consumer demand. More business leaders in Viet Nam are also ‘very confident’ in near-term revenue growth: **50%** this year vs. 44% a year ago. A market of over 90 million people, rapid mid-income growth, and record foreign business investment contribute. To compare, executives in resources-exporter Papua New Guinea are among the most pessimistic in APEC: Just **10%** are ‘very confident’ in revenue growth over the next 12 months. They are navigating some of the most challenging domestic conditions in the region; GDP is forecast to decelerate sharply this year, reflecting the swift downturn in oil and gas prices.

“Although the global economy has been overcast by uncertainties and changes over the past two years, the Asia Pacific region still has the capability to achieve rapid growth. Southeast Asian countries place more emphasis and priority on the digital economy and I expect to see some results in the next five years.”

Hung-Tze Jan, Chairman, PChome Online Inc., Chinese Taipei

APEC CEO confidence fragile



Q: How confident are you about your organisation’s prospects for revenue growth … over the next 12 months?
Base: 2016: 1,154, 2015: 800, 2014: 635, 2013: 467, 2012: 362
Source: PwC’s APEC CEO Survey, 2016-17

“Viet Nam will benefit from the growing integration of regional economies. The growth rate in other countries in the region has probably plateaued, which will require them to invest beyond their borders. Thus in many cases, Viet Nam is not only a destination for investors from developed countries but also, investors from Thailand or Indonesia.”

Johan Nyvene, CEO, Ho Chi Minh City Securities Corporation, Viet Nam

2. Biggest confidence busters for CEOs in Asia Pacific: Returns on innovation and overseas operations

APEC CEOs today see greater challenges in increasing profits from overseas business and with innovating to meet the demands of global markets. Only **15%** are 'more confident' today that margins from international operations will increase. China's slower pace of growth strains beneficiaries of its long industrial boom the most. Lower minerals and metals prices are affecting foreign direct investment (FDI) into resource economies, including Peru.

Keeping connections in China while adapting to a changing China is the balancing act ahead. A Peru mission to China in June that included food exporters and a real estate company, for instance, signals this. Among business leaders in Peru who are also business investors in China, 56% expect to focus on building up their brands among Chinese customers.

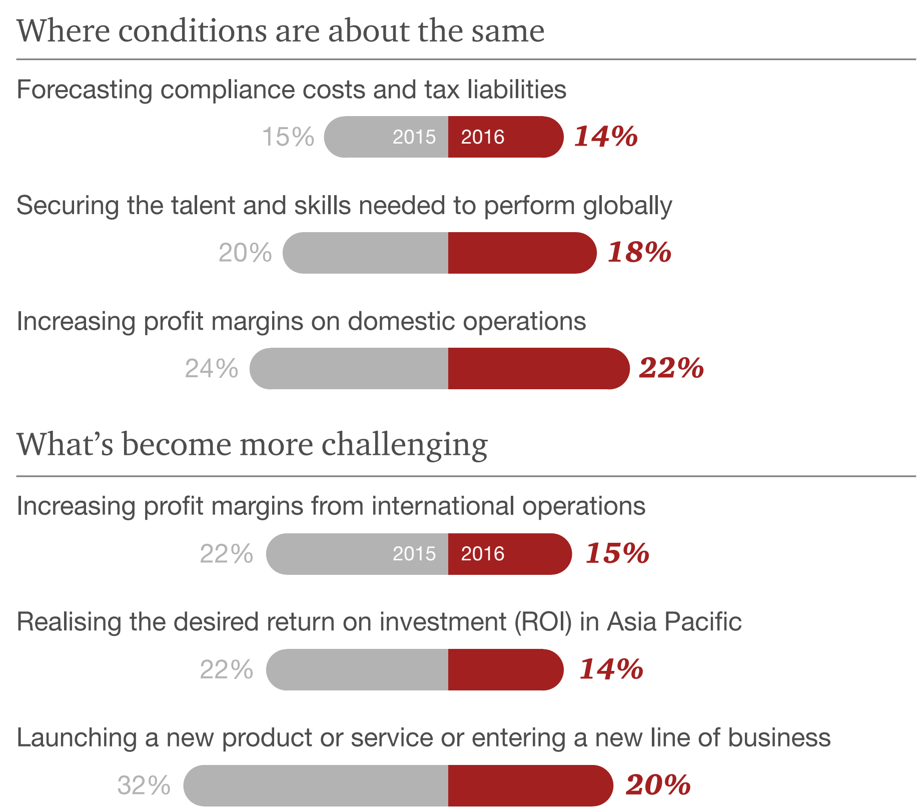
APEC CEOs are also experiencing rising competition in many economies. Technology is enabling new rivals to make inroads in established industries. At the same time, companies such as Haier Group and Huawei Technologies Co. from China, Grupo Bimbo from Mexico, and Hon Hai Precision Industry Co. from Chinese Taipei are competing to become global leaders in industries dominated by multinationals from advanced economies.

CEOs in technologies businesses stand out: **30%** are 'more confident' today than they were a year ago in launching new products or services, as do **34%** of China CEOs. This compares with 20% all APEC CEOs.

Find specific reports for APEC economies at *pwc.com/apec*

What's changed with APEC CEO confidence?

Comparing % CEOs 'more confident' in 2016 with 2015



Q: Compared to a year ago, how has your confidence changed about ...?
Base: 2016: 1,154, 2015: 800
Source: PwC's APEC CEO Survey, 2016-17

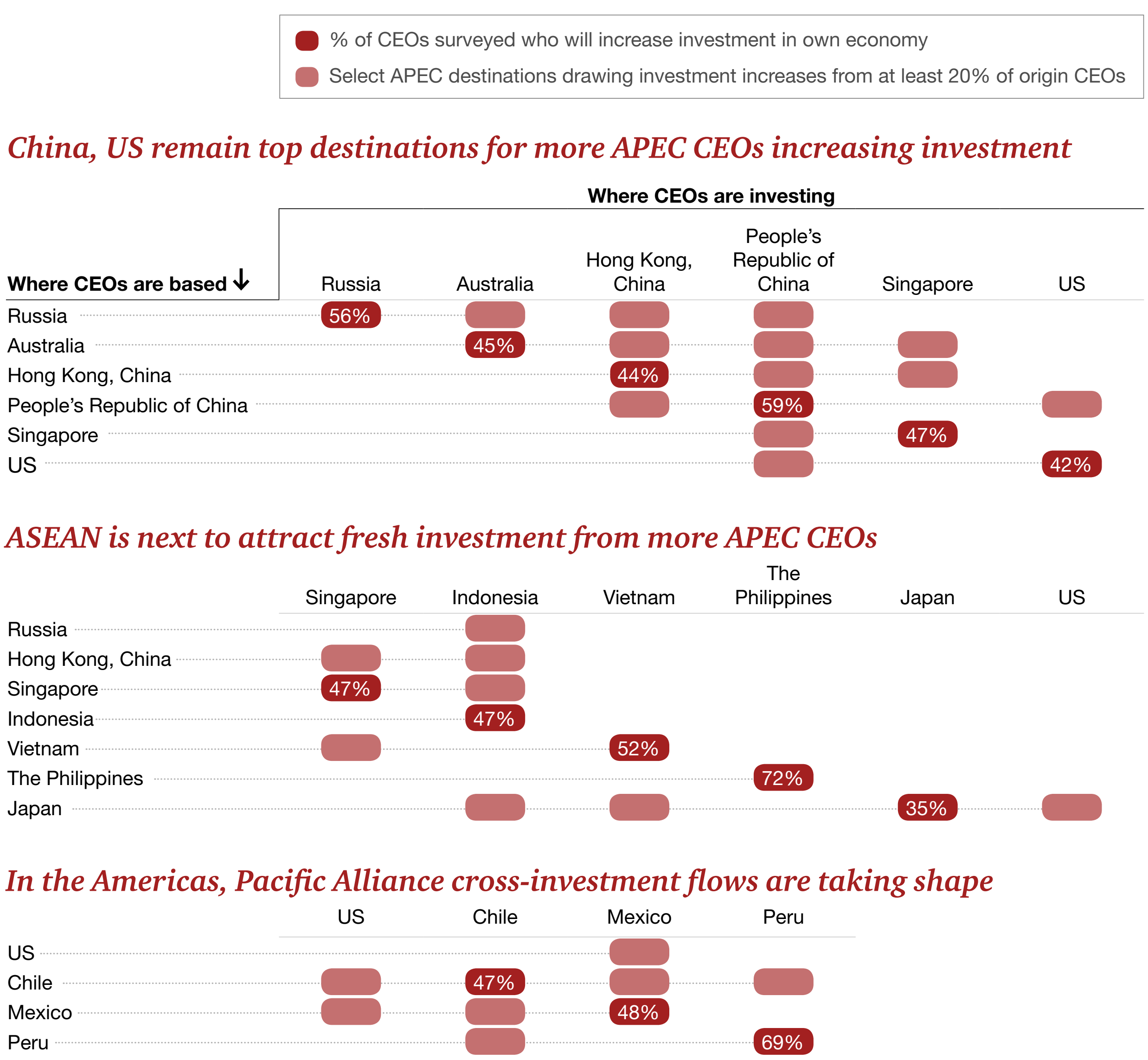
> *"[Chinese banks] have become a very major competitor of the reduced growth for banking services in Asia Pacific. The pie has not grown that much, but the competitors going for this pie have increased significantly, that is another challenge we face."*
>
> **Samuel Tsien**, Group CEO, OCBC Bank, Singapore

3. Deepening regional ties in Asia Pacific are a bright spot

While global growth and trade flows continue to disappoint, FDI flows bucked the trend in 2015, rising 15% on the year, excluding corporate reconfigurations. APEC economies are beneficiaries, capturing 54% of global business investment inflows in 2015, up from 52% in 2014, according to UN Conference on Trade and Development data.

> *" The APEC market has changed positively over the past few years. Normal trade activity among the economies in APEC has been growing consistently and there's a much higher number of M&A transactions and cross border acquisitions, which indicate that the market is quite open, not only for trade activity but also for cross-border investment activities."*
>
> **Vorapak Tanyawong**, President, Krung Thai Bank Public Company Limited, Thailand

Most APEC CEOs plan to raise investment at home, but diversification is also apparent for 2016-2017



Q: Now thinking of your footprint in APEC economies, will your business investments increase, stay the same or decrease over the next 12 months?
Base: 172-517, includes those currently investing in the economy with plans to increase AND those planning to invest in the economy for the first time.
Source: PwC's APEC CEO Survey, 2016-17

This year's APEC CEO Survey responses do not indicate a pullback. A majority of business leaders (**53%**) say they will increase investments over the coming year, the same as last year. And like last year, most of any increase in investments is planned to take place in the region, in their own as well as other APEC economies.

The US and China continue to draw investment from more CEOs. Yet responses show CEOs also continue to pursue geographic diversification. This year, on average, CEOs are business investors in seven other APEC economies. Last year, on average, CEOs were investors in six.

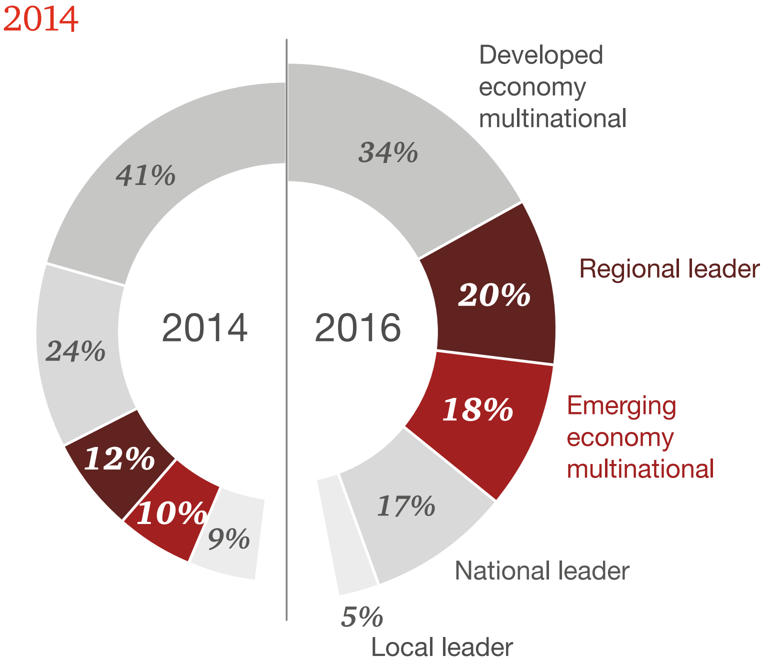
There is evidence of a strategy for CEOs to spread investments closer to home. These reflect efforts underway among like-minded economies to pool their strengths in regional trade pacts like the Pacific Alliance, which unites Chile, Colombia, Mexico, and Peru. For example, CEOs in Peru are more likely plan to increase their investments in Chile, Mexico, and the US over the next year. And ASEAN-based CEOs are more likely to increase investment in other ASEAN economies.

Regional competitors rise in importance

Regional capabilities are becoming the benchmark for CEOs: 38% identify a regional leader in APEC or a multinational company from an emerging economy as their leading rival. This signals a changed competitive arena that's underlying the investment flows. Only two years ago, 41% of APEC CEOs identified a multinational company from a developed economy as their leading rival.

The new competitors to watch

Comparing CEO views on their leading rival today with 2014



Q: … Which would you characterize as the leading company in your competitive set?
Base: 2016: 1,072. 2014: 581.
Source: PwC's APEC CEO Survey, 2016-17

" China is the biggest market in the world with about US$50bln worth of opportunity for a company like Blackmores but the next big cab off the rank for us will be Indonesia. We've had over 40 years operating in ASEAN so we've got deep understanding of the region but like a balanced approach to our opportunity."

Christine Holgate, CEO and Managing Director, Blackmores, Australia

4. Looking to attract cross-border investors? Work on your economy's regulatory conditions

There was a time when fast-growing markets in the Asia Pacific region were enough to entice investors to make big bets there. Not anymore. Over the next few years, as the APEC region remains a magnet for investment, the findings suggest that economies that establish better regulatory conditions will attract a larger share.

Today, CEOs remain focused on access to dynamic markets, but are balancing that against those policy conditions that help or hinder prospects to expand and realize returns in another economy.

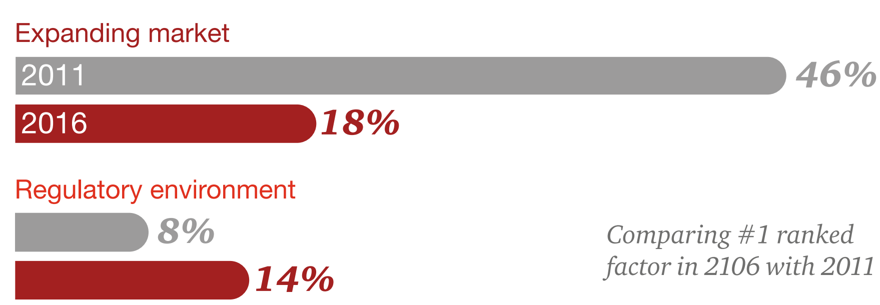
In part, this shift reflects growing competition among the world's policy makers to attract business investment through incentives or reforms. APEC economies have been particularly active here. And in part, business leaders are responding to jurisdictional leaps in areas like anti-corruption enforcement. We're moving away from a world where the border gets to define the rules.

A companion PwC study to the APEC CEO Survey shows that APEC economies have some of the best cross-border business environments in the world, especially related to customs and trade conditions. But in other areas, like the tax process, the rest of the world is catching up. Standing still on regulatory conditions is not the way to be competitive in a paradoxically cash-rich but slow-growth world.

This is a summary of the full report on CEO perspectives on regulatory conditions at *pwc.com/apec/regulation-outlook*

Factors that matter most to CEOs investing across APEC borders today

In 2011, dynamic markets were enough for more APEC CEOs to unleash investment



Q: What matters the most in your business decisions to invest in APEC economies outside of your own?
Base: 1,052
Q 2011: When compared with the other economies in the APEC region, what is the most important investment driver in (response for economy in which making largest investment over next 3-5 years) over the next 3-5 years?
Base: 295
Source: PwC's APEC CEO Survey, 2016-17

"What we are trying to achieve, in cooperation with industry associations of many countries, are globally standardized regulations instead of regulations which differ from one country to another."

Hiroyuki Yanagi, President and CEO, Yamaha Motor Co., Ltd.

“We need to remember that the regulatory environment must only be a base level. Companies should always be aspiring to operate at food safety standards or food quality standards that are well above that base level. I think standardizing these things, at the right regulatory level, is definitely the right thing to do.”

John Penno, Managing Director and CEO, Synlait Milk, New Zealand

“Our PNG government has a number of reform agenda items and the Business Council is very interested in dialoguing with the government so that whatever the outcome is, it’s a positive one for business in general.”

David Toua, President, Business Council of Papua New Guinea, and General Manager Corporate Affairs, Steamships, Papua New Guinea

5. CEOs are divided on how fast China will grow over the next three years

Macro conditions for business growth in China are hard for executives to read. Over half of APEC executives are at or below consensus economist forecasts for China GDP averaged over the next three years.

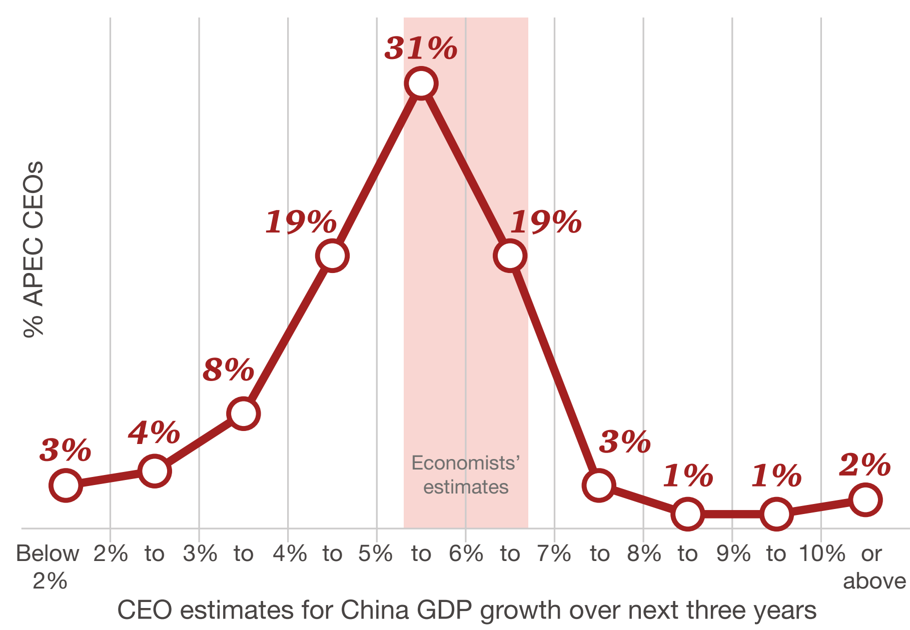
China's rebalancing—at a time of uncertain global growth—rests on structural reforms to its industrial base and improving competitiveness of state-owned enterprises. At the same time, the government is providing strong supply side support as China transitions. The wide range of CEO views on China's near-term growth pace reflect the uncertainty that this growth-reform dilemma presents for business.

CEOs in businesses benefiting from growth in services are more optimistic on sector trends: **30%** of Tech and **31%** of Financial Services executives estimate annual average industry growth of at least 8% a year over the next three years. Deregulation is a driver, but so is the rise of a new generation of consumers more likely to take advantage of financing options like car loans. In contrast, Industrial executives hold a more pessimistic view: **59%** of Industrial executives expect average annual industry growth of less than 6% over the next three years. Their sentiment mirrors forecasts by Oxford Economics of slower growth in manufacturing output compared to the overall China GDP growth in 2016–2017. A significant cause of uncertainty is the Chinese government's commitment to remove overcapacity from the manufacturing sector.

Domestic competition is rising

While **73%** of China and Hong Kong CEOs are either 'very' or 'somewhat" confident' in prospects for revenue growth for their business over the next year compared with 71% at this time in 2015, there are indications of bottom line pressure building. Only **15%** of China/HK CEOs say they're 'more confident' today than they were a year ago in increasing profit from domestic operations.

APEC CEO outlooks for China's GDP growth over next three years vary widely



Q: ... What is your estimation of the average annual growth rate for China over the next 3 years?
Base: 1,101. Don't know 8%. Estimates from EIU and IMF, 5.6-6.26%, 2016-2018 CAGR
Source: PwC's APEC CEO Survey, 2016-17

> *" If the Chinese economy is going to be growing at around 6.5 to 7%, then in absolute terms, it's still quite substantial. From that point of view, there are still prospects for companies, but of course the Chinese economy growing at 6.5% is not an easy and simple task, especially when they are trying to restructure the economy and maintaining that growth rate. It's a big challenge."*
>
> **Vincent Lo**, Chairman, Hong Kong Trade Development Council, Hong Kong

6. How to thrive in China: Executives seek strong local partners and brands, and plan for growth beyond the coast

Business leaders in China, both domestic and foreign, are gravitating toward three strategies to adapt to new market realities. Over the next three years, executives want to work in partnerships, build up their brand and find ways to reach customers beyond the coastal megacities. The only difference is that the more a CEO sees China's growth rate stabilizing, the more aggressive the adjustment the CEO is planning.

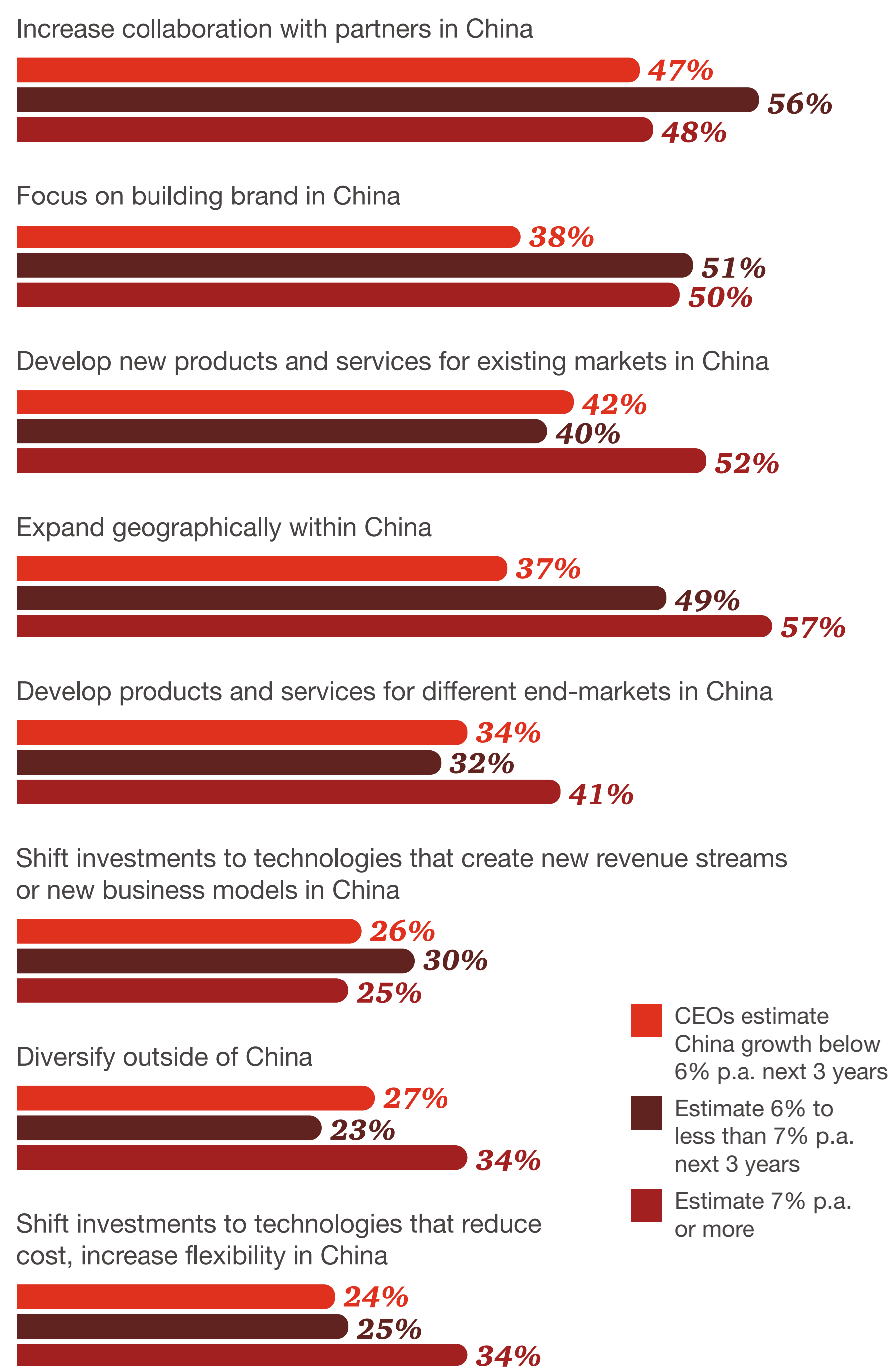
Executives in China see the need for these strategies to support one another. They realize expanding into interior markets will require more than modifying products and having loose partnerships to help with distribution. They need to overcome low brand recognition, localize what they produce and how they produce it, and work closely with a partner that can help them reach the heart of the interior markets. In many cases, they will need to sell diverging product lines with coastal regions demanding increasingly high-end products and no-frills products in the interior.

China continues to be the biggest and best growth market for major industries like automobiles and continues to vie with the US as a top destination for cross-border investment within APEC, according to respondents' plans for the next year.

Over half of China respondents (**59%**) say they are planning to increase investment in China over the next year compared with 54% last year. Among other APEC executives with a footprint in China, **43%** say they are increasing investment. This compares with 53% last year.

This is a summary of the full report on China at *pwc.com/apec/China-outlook*

Executives in China plan on stronger partnerships and brands, and inland expansion regardless of views on GDP growth



Q: Considering your outlook for your organisation in the People's Republic of China, which of the following strategies, if any, do you plan to undertake over the next 3 years?
Base: 629 (overall), 418 (<6%) 151 (6-<7%), 44 (7%+). Not showing 'Don't know' responses.
Source: PwC's APEC CEO Survey, 2016-17

"... We see Russia has started playing an active role as a transit country. China moves its goods to Europe through Russia. We can see business increasing, and that it's improving the overall picture [of demand]."

Leyla Mammad Zada, Chief Operating Officer, Summa Group, Russia

"These days everyone is talking about the impact of e-commerce on enterprises and traditional distribution channels... Our main considerations are the future implications of smart manufacturing. We feel that in five to ten years, for a company like Haier, with our brand and core competence, this model will likely [lead to] change to where intelligent factories act as a platform and the core that connects all relevant parties on the periphery."

Lisa Tan, Executive Vice President and CFO, Haier Group, People's Republic of China

7. New wave of IoT adoptions ahead in Asia Pacific, according to CEO plans

The world is being measured at a mind-boggling pace and Asia Pacific is at the heart of it. From sensors embedded in oil and gas pumps sending performance data back to operations centers, to tracking a fish from a pond in Java to a plate in a Singapore restaurant, a core set of businesses in the region already receive information like this from connected devices.

The survey shows that most of today's heavy users (33% of respondents)—companies that today collect real-time or near real-time information in at least four places in their operations—are not slowing down instrumenting the organization. At the same time, today's light adopters expect to catch up, albeit at a slower pace.

Their plans suggest that operational as well as business model designs specifically built around IoT are taking shape. This new economy trend is clear in a range of sectors as well as economies in the region.

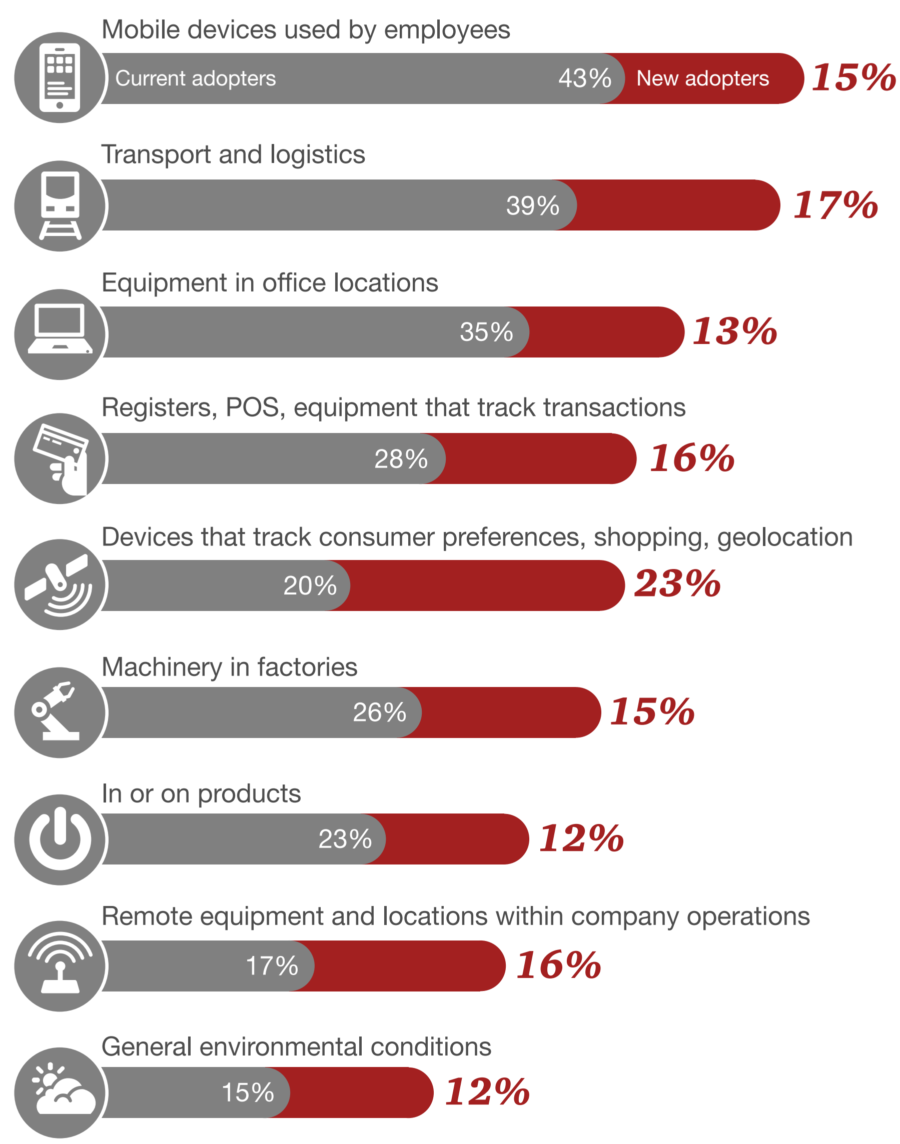
Business leaders see the technology as a way to make the best of operations, create stronger customer bonds, find new revenue streams, and build a secure brand. They also see their current business models being disrupted by rivals using the data in new ways.

Financial Services and Consumer businesses expect to see improved customer experiences. In fact, according to CEOs' deployment plans, the fastest growth in IoT usage will be for devices that track end consumer behavior.

For manufacturers and industrial products businesses, connecting products will mean getting closer to end users in a way that most have never experienced. They are among the organizations that will be impacted most directly by the disruptions springing from the Industrial IoT.

This is a summary of the full report on Asia Pacific plans for IoT at *pwc.com/apec/IOT-outlook*

Data-collecting devices will be ubiquitous throughout the enterprise in next three years



Q13 In what parts of your operation have you embedded real time or near-real time data and information collection today …. And in the next three years?
Base: Current adopters 1,081, New adopters 1,040. New adopters – not currently using it but plan to in the next 3 years
Source: PwC's APEC CEO Survey, 2016-17

> *" If we all believe in growing the Internet of Things, then security is going to be a very important prerequisite in order to make that happen."*
>
> **Maarten Bron**, Head of Innovation, Transaction Security, UL, US

APEC CEOs would invest more with common data standards and that means tackling vulnerabilities, too

Data flows—and with it, digital trade—have grown exponentially. Cross-border exchanges of books, music, images, videos, research, and design files have grown rapidly, enough to make digital trade a noticeable portion of total trade. Cross-border internet traffic grew sevenfold between 2002 and 2012 and is expected to increase another eightfold by 2025. In this new economy, regulations will strive to keep pace with technology while protecting consumer privacy and ensuring data security. This will likely become more pressing as APEC economies compete to become data-hosting and management centers.

"The Asian market is driving a powerful mix of IoT and robotics innovation that is going to transform countless industries around the globe."

Peggy Johnson, Executive Vice President, Business Development, Microsoft Corporation, US

As IoT applications become more pervasive, less expensive, and easier to deploy, companies will likely be negotiating a fine line as they adopt the IoT. They will be considering fuller use of advances in digital connectivity, automation, and artificial intelligence (AI) as the need to improve IoT's interoperability and security become ever pressing. Malicious IoT-based attacks are a constant reminder that the IoT's benefits also carry risks. Emerging efforts to rate the security of software and systems could apply helpful pressure on the marketplace to develop secure designs.

"We are going to see [IoT] most in underground development because that's where the operations are to a significant degree more standard than they are in operating from the surface. The ability to put equipment in places without people has significant safety implications. At times you encounter wet material which has the potential for cave-ins or material movements that could put people at risk."

Richard Adkerson, Vice Chairman, President and CEO, Freeport-McMoRan Inc, US

Common rules and standards for data will unleash more investment

Q: How likely or unlikely would your organisation be to invest more in the APEC region if regulations or standards for data security and privacy were harmonised across the region?
Base: 2016: 1,078. 2013: 478.
Q: How important to your business growth is coordination among regulators in APEC economies towards a goal of uniform data privacy and security rules and standards in the region?
Base: 2016: 1,079.
Source: PwC's APEC CEO Survey, 2016-17

"The biggest challenge we face is how we can help small and micro groups in China, who are mostly wage-earners and farmers, establish their first credit—the information of which has been largely missing or incomplete in the past. Managing individual credit risks through the application of big data, the Internet of Things, cloud computing and so on is critical to achieving this goal."

Tang Ning, Founder and CEO, CreditEase, People's Republic of China

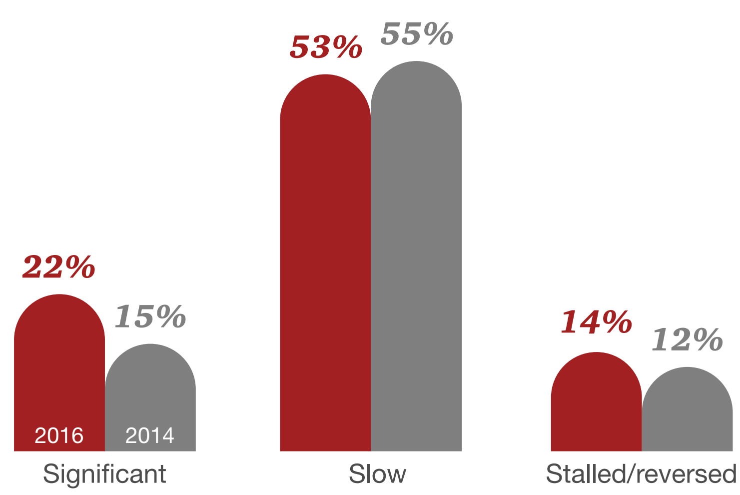
8. For most CEOs, progress is still slowly advancing toward free trade goals in Asia Pacific, despite anti-trade rhetoric

Most executives continue to see some progress on trade openness in the region. There has been little change in their views since 2014: **53%** of APEC CEOs this year say progress toward free trade in the region has been 'slow' over past 12 months compared with 55% of executives with the same view in 2014.

These views were expressed before the US elected Donald Trump as president, who as a candidate, made clear that major US trade arrangements, in particular the NAFTA pact with Canada and Mexico, were ripe for review. Clearly, there is a new level of uncertainty around established US trade relations.

At the same time, survey results also show that for CEOs, trade policies are but one force behind advances (and at times, retreats) in trade openness. Those who feel progress has stalled or reversed point to reasons ranging from signs of rising protectionism to weak demand in mature markets to the failure of existing trade agreements to reflect what they see as pressing business needs or conditions. One respondent in Hong Kong offered a typical view among the pessimists: "Free trade was more focused on merchandise trade. Whereas as data privacy/sovereignty, FATCA, CRS, AML etc. develops, these new regulations are making doing business more difficult as they were often introduced without much consultation with the business community."

Some APEC CEOs note gains in 2016, yet most say progress in Asia-Pacific free trade is slow



Q: How would you assess the progress that has been made towards free trade across the Asia Pacific region in the last 12 months?
Base: 2016: 1,116, 2014: 595. Not showing 'Don't know' responses.
Source: PwC's APEC CEO Survey, 2016-17

"I see some optimism in Latin America... We are a lot stronger together. Presidents and business leaders in each country are showing the will to integrate because of the benefits it will bring to our countries. The world is pointing toward integration. There is no other way."

Alberto Salas, Chairman, Chilean Confederation of Business and Industries

Likewise, those who said there's been 'significant' progress hold a range of views. A respondent from Peru chalked advances to a rise in the number of emerging economies in the region with "with a clear growth vision". Differentiated skills costs, rising wages in many places, lowering tariffs in the region and the communications revolution were also cited by the trade optimists.

> *"China is now Peru's largest trading partner—a country with which we have the largest commercial interaction, and with which we export close to the same amount as we import. We are talking about quite a considerable amount of exchange. This is a direct result of bilateral trade negotiations."*
>
> **Mario Alvarado Pflucker**, CEO, Graña y Montero S.A.A., Peru

ASEAN CEOs more likely upbeat on free trade momentum

The 21-member economies of APEC are the world's laboratory for free trade. There are over 100 bilateral and multilateral trade arrangements in place or on the way to deepen regional economic integration. Other regionals pacts include the Pacific Alliance in Latin America, which unites Chile, Colombia, Mexico, and Peru.

Executives in ASEAN economies are probably more likely to say free trade is progressing. These executives are also more likely to say their leading competitor is a regional leader in APEC economies. For these executives, it appears regional economic integration is taking hold at a faster pace. For example, **44%** of CEOs in Viet Nam say progress toward the goal of free trade in Asia Pacific has been 'significant' over the past year. This compares with just **14%** of US executives and **9%** of executives in Japan. All three economies are a part of the 12-economy TPP. Viet Nam's central position in emerging regional trade projects, including the TPP, is widely expected to boost exports. Business leaders in Viet Nam believe skilled labor at lower costs is a major driving force behind the fresh momentum in economic integration.

Views among executives vary. For example, PNG executives (**64%**) believe progress towards free trade across the Asia Pacific has been slow or has stalled over the past year. Their assessments are often blunt: "I believe that most countries really do not want free trade in the Asia Pacific region, particularly the smaller countries," said one PNG respondent. Some see protectionist tendencies on the rise across the region, including in advanced economies. The trend, in another respondent's view, is "slowing progress to a fairer global economy."

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Research methodology

This is PwC's APEC CEO Survey

We surveyed industry leaders from 16 May to 22 July 2016 for the PwC 2016 APEC CEO Survey. We also conducted in-depth interviews with CEOs and other top corporate officers and business specialists. We used an online and paper methodology to achieve 1,154 valid responses from CEOs and industry leaders, with responses scored from each of the 21 APEC economies. The 21 APEC member economies are: Australia, Brunei Darussalam, Canada, Chile, People's Republic of China; Hong Kong, China; Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, The Philippines, Russia, Singapore, Chinese Taipei, Thailand, The United States and Viet Nam.

We grouped respondents by the APEC economy for which they have primary responsibility. China has the highest representation with 11% of respondents, followed by 9% in the US; 8% in Hong Kong; 7% in Peru and 6% in Japan. By sector, 38% of respondents are in industrials, 21% in consumer; 15% in financial services; 11% in technology; 5% in professional services and 9% are in other industries.

For our supplemental report on China, *Three ways executives in China will adapt to new market realities*, we scored 222 executives who identify their principal economy as in the People's Republic of China or Hong Kong, China and another 517 who are business investors in China. The sample from China/HK differed from the overall APEC sample in two main ways.

First, of the Chinese firms sampled, 40% are privately held; this was significantly different from the rest-of-APEC sample of 51%. The rest of the China sample are not privately held companies with a variety of ownership structures.

In the Chinese sample, 43% of respondents are in firms with annual revenue in the past fiscal year less than USD $500 million compared to 31% of the rest-of-APEC sample. Twenty-two percent of the Chinese sample are firms with annual revenue in the past fiscal year between $500 million and $2.5 billion, while the rest-of-APEC sample was 30%. Thirty-four percent of Chinese firms had annual revenue in the past fiscal year greater than $2.5 billion.

From an industry perspective: 33% of Chinese respondents are from the Industrial sector, while 23% are from Financial Services, and 20% are from Consumer businesses.

Finally, this multilingual survey was made available in five languages: English, Simplified Chinese, Japanese, Korean and Spanish. Responses to the Survey were given on a confidential and unattributable basis. Insights from the in-depth interviews are quoted in this report, and video selections are available at www.pwc.com/apec, as is further information on the data and the graphics. Note: Not all figures add up to 100% due to rounding. An overall rank order was produced for questions where respondents were asked to provide a ranked response in order from high to low.

www.pwc.com/apec

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Watch the video interviews with business leaders

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