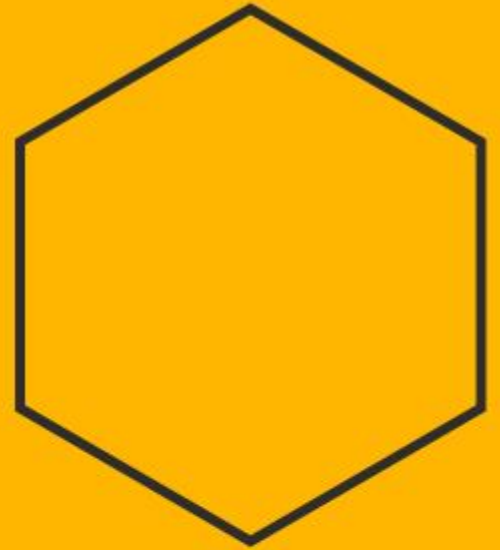
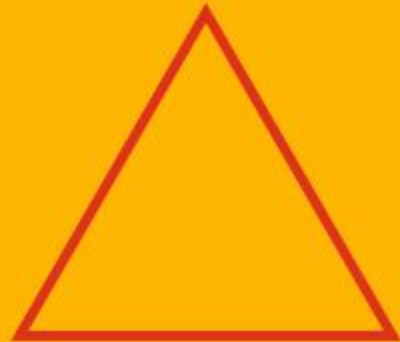




Key findings of 2022 Taiwan CEO Survey

January 2022



About the survey

PwC Taiwan has been conducting its Taiwan CEO Survey for eleven consecutive years since 2011. This year's survey was conducted via online surveys, telephone and face-to-face interviews from September through to November 2021.

The **2022 Taiwan CEO Survey** provides unique insights into the thinking of senior corporate executives in Taiwan on a wide range of issues, and its findings attract wide attention among policy-makers, businesses, media and the general public.

The survey, which is based on PwC's annual global CEO survey, seeks to understand how CEOs in Taiwan implement their strategic priorities against the backdrop of a constantly changing macro environment, while at the same time maintaining high alignment to their long-term corporate strategies, such as decarbonisation and sustainable growth.

The report draws on the responses from 224 quantitative questionnaires and 11 in-depth interviews with business leaders.

- 96% of the respondents are public companies, 4% are private.
- 35% of the surveyed companies had annual revenues of less than US\$100 million, and 37% had annual revenues ranging between US\$100 million and US\$1 billion.
- 39% of the respondents are from the Technology, Media & Telecom sector, 18% Industrial Manufacturing and Auto, 15% Consumer Markets, 12% Health Industries, 8% Financial Services and 8% Energy, Utilities and Resources.

The survey report was released on January 19, 2022. The full Chinese version is available at: www.pwc.tw/ceosurvey

Topline findings

- 1 79% of Taiwanese CEOs expect growth to pick up in 2022.
- 2 The Covid pandemic and geopolitical conflicts are seen as the biggest threats to growth prospects in Taiwan.
- 3 The importance of China and the United States as key growth markets for Taiwan has rebounded.
- 4 50% of Taiwanese businesses have incorporated GHG emission goals into their long-term strategies.
- 5 Government is driving Taiwan's push to reduce GHG emissions.
- 6 The more confident businesses are about their revenue growth prospects, the faster they formulate and execute strategies.
- 7 The more trust that businesses gain from customers, the more confident they are about their revenue growth prospects.



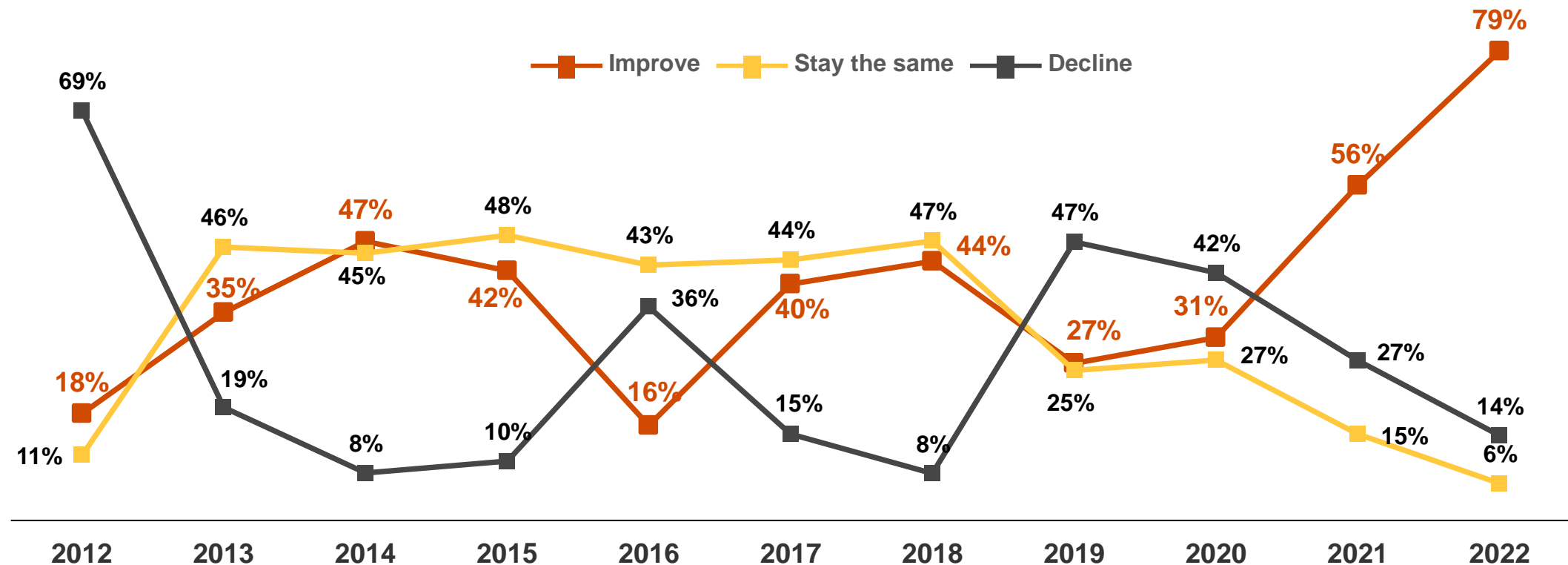
1

The background of the right half of the slide is a close-up, top-down view of several stacked metal coils. The coils are a deep purple or magenta color and have a highly reflective, metallic surface. The concentric rings of the coils create a strong sense of depth and texture, with light reflecting off the inner surfaces and creating bright highlights and dark shadows.

Economic prospects and future risks

A record 79% of Taiwanese CEOs believe global economic growth will continue to improve in the year ahead

Do you believe global economic growth will improve, stay the same, or decline over the next 12 months?

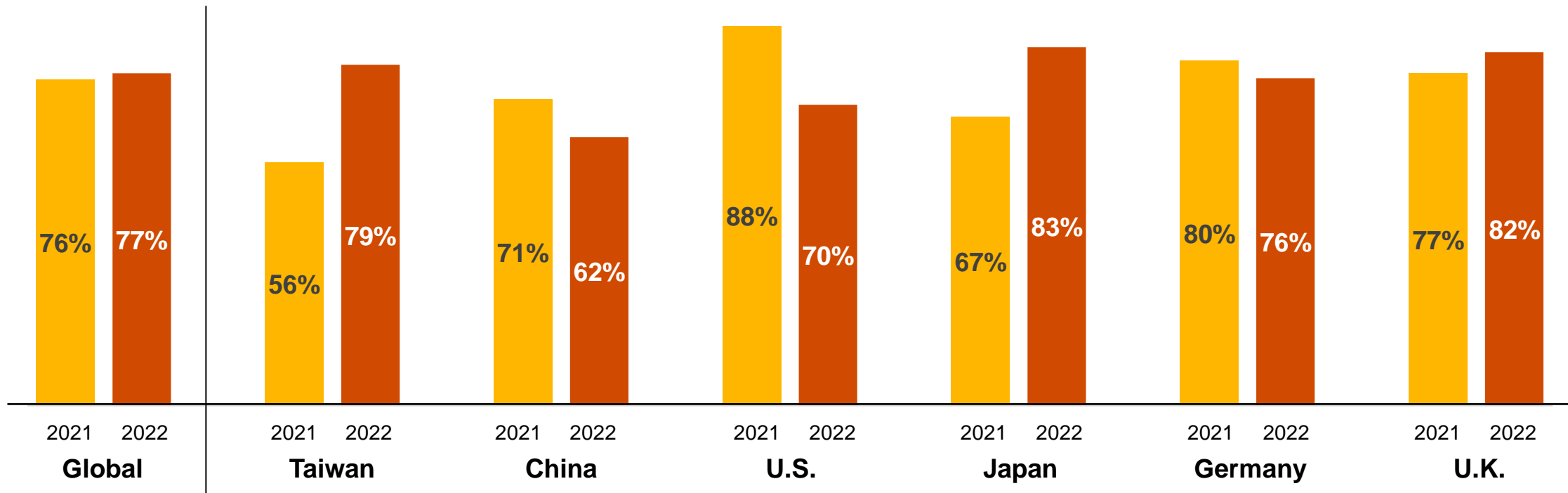


Source | 2012-2022 Taiwan CEO Survey

Base | 2012=101; 2013=105; 2014=116; 2015=102; 2016=112; 2017=123; 2018=227; 2019=245; 2020=211; 2021=234; 2022=224

Taiwanese CEOs are comparatively more optimistic about global economic growth than most other countries

Do you believe global economic growth will improve, stay the same, or decline over the next 12 months?

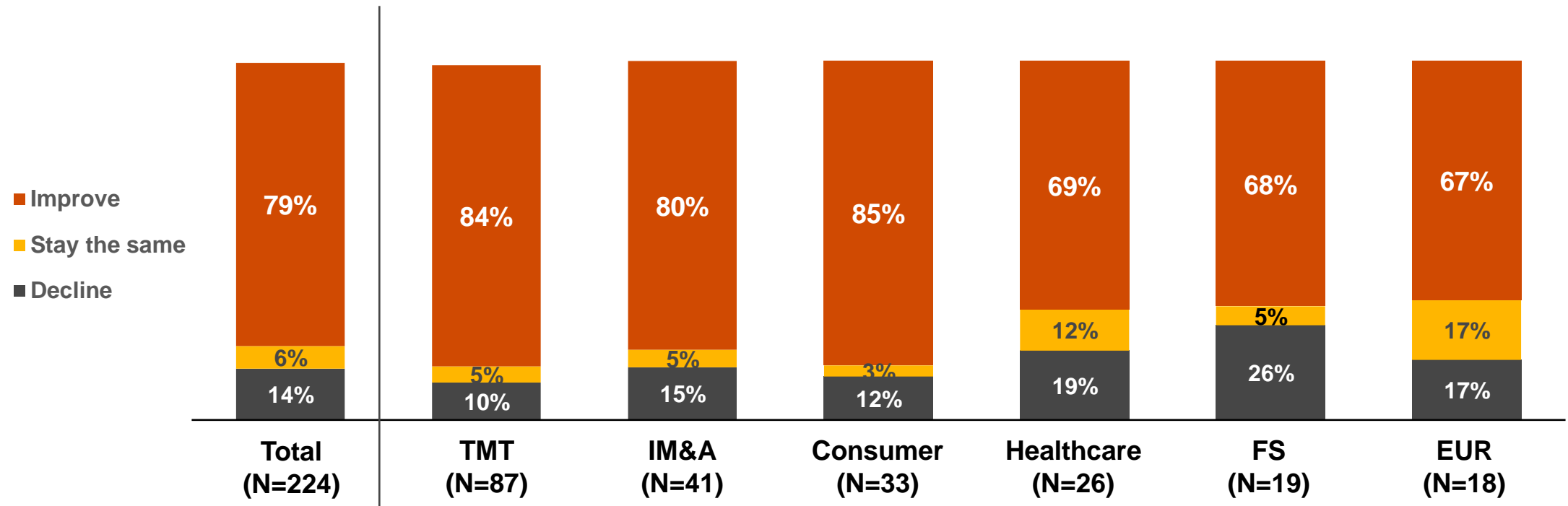


Source | PwC's 24th & 25th Annual Global CEO Survey, 2021-2022 Taiwan CEO Survey

Base | Global 2021=1779, Global 2022=4446, Taiwan 2021=234, Taiwan 2022=224, China 2021=144, China 2022=143, U.S. 2021=260, U.S. 2022=251, Japan 2021=166, Japan 2022=195, Germany 2021=116, Germany 2022=58, U.K. 2021=264, U.K. 2022=177

Consumer market CEOs are the most bullish about the future, while energy, utilities and resources CEOs are the most bearish

Do you believe global economic growth will improve, stay the same, or decline over the next 12 months?

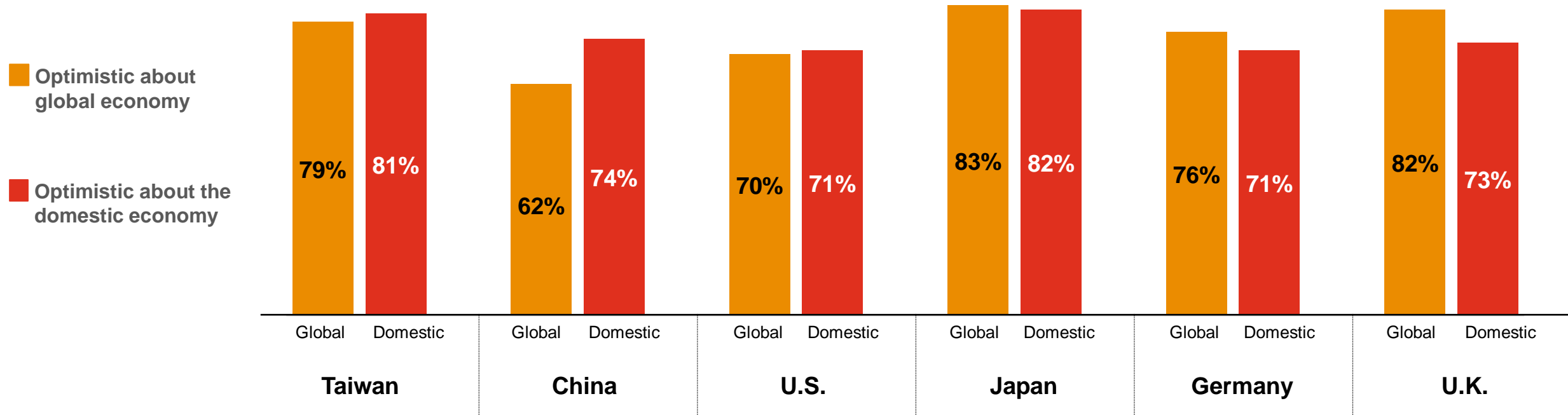


Source | 2022 Taiwan CEO Survey

Note | TMT: Technology, Media and Telecommunications, IM&A: Industrial Manufacturing and Automotive, FS: Financial Services, EUR: Energy, Utilities and Resources

Taiwanese CEOs are more optimistic about both the domestic and global economies than CEOs from most other countries

How do you believe economic growth (i.e., gross domestic product) will change, if at all, over the next 12 months in the global economy and your domestic economy?

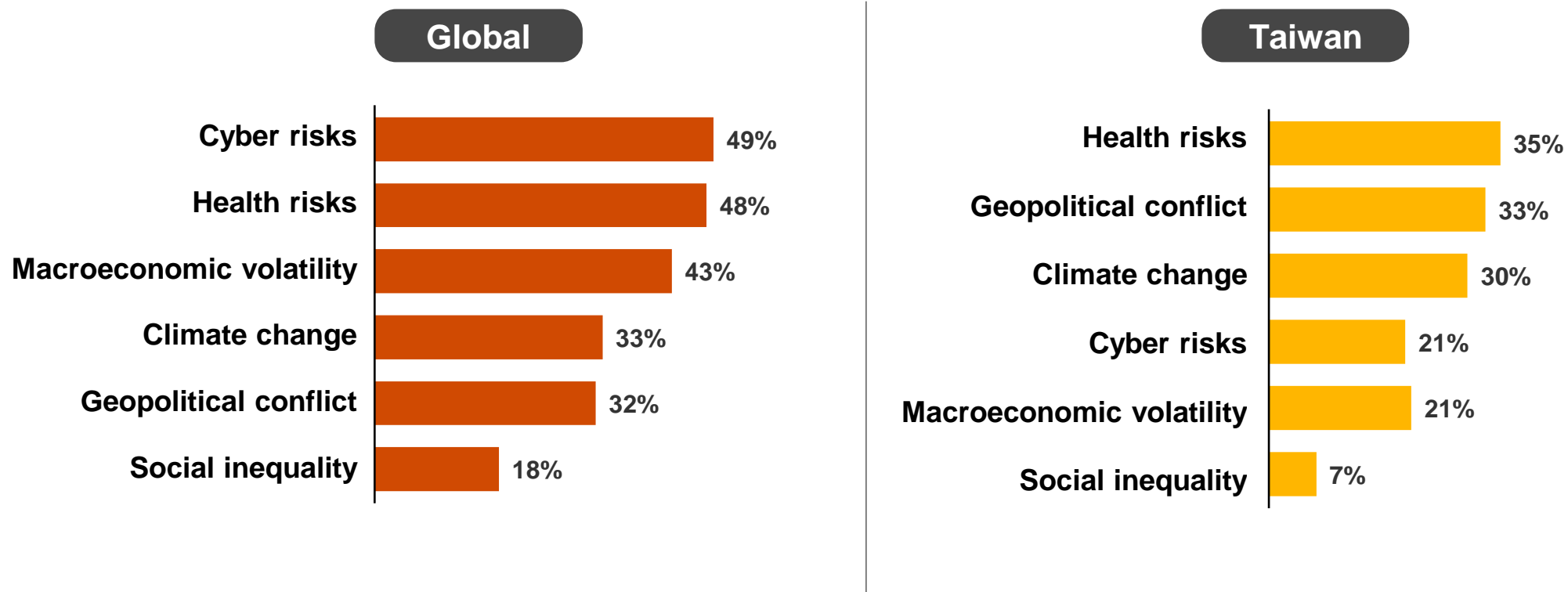


Source | PwC's 25th Annual Global CEO Survey, 2022 Taiwan CEO Survey

Base | Taiwan=224, China=143, U.S.=251, Japan=195, Germany=58, U.K.=177

Health risks pose the biggest threat to Taiwanese businesses, followed by geopolitical conflicts

How concerned are you about the following global threats negatively impacting your company over the next 12 months?
(showing only 'very concerned' and 'extremely concerned')

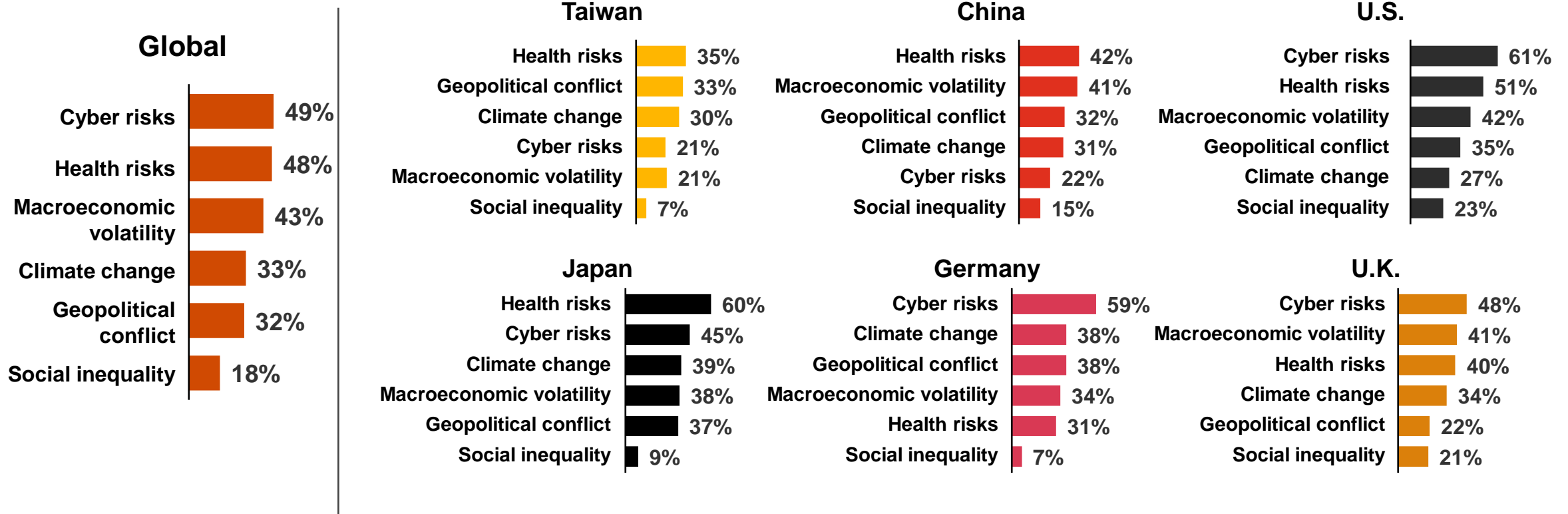


Source | PwC's 25th Annual Global CEO Survey, 2022 Taiwan CEO Survey

Base | Global=4,446, Taiwan=224

There appears to be a East-West divide with regard to the perceived threat of health risks to business

How concerned are you about the following global threats negatively impacting your company over the next 12 months?
(showing only 'very concerned' and 'extremely concerned')



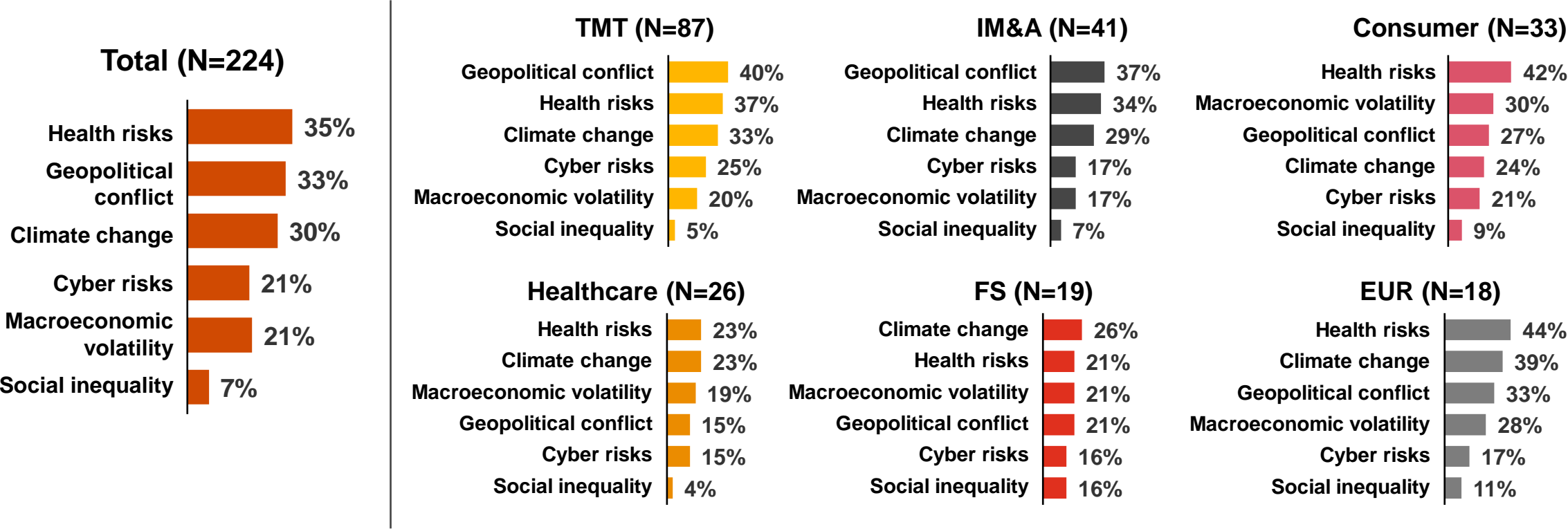
Source | PwC's 25th Annual Global CEO Survey, 2022 Taiwan CEO Survey

Base | Total=4,446, Taiwan=224, China=143, U.S.=251, Japan=195, Germany=58, U.K.=177

PwC Taiwan

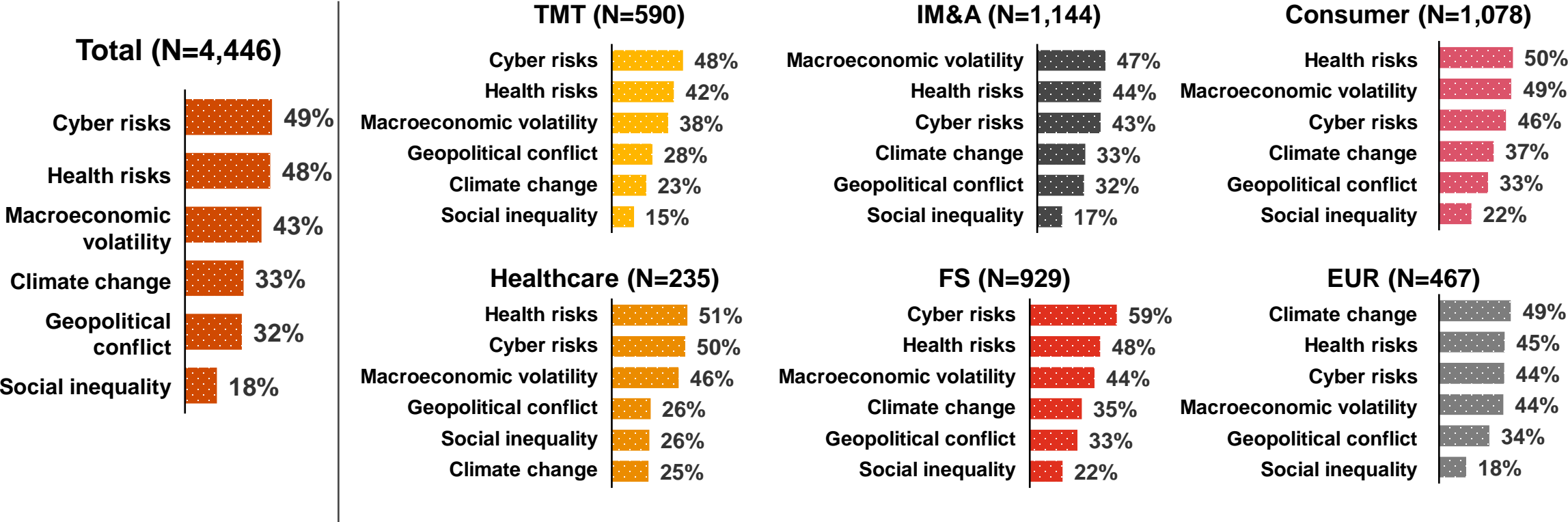
Concern over health risks is highest among consumer markets, healthcare, and energy, utility and resources sectors in Taiwan

How concerned are you about the following global threats negatively impacting your company over the next 12 months?
(showing only 'very concerned' and 'extremely concerned')



At the global level, concerns over cyber risks are paramount in financial services, while the threat of health risks principally concern the consumer markets and healthcare industries

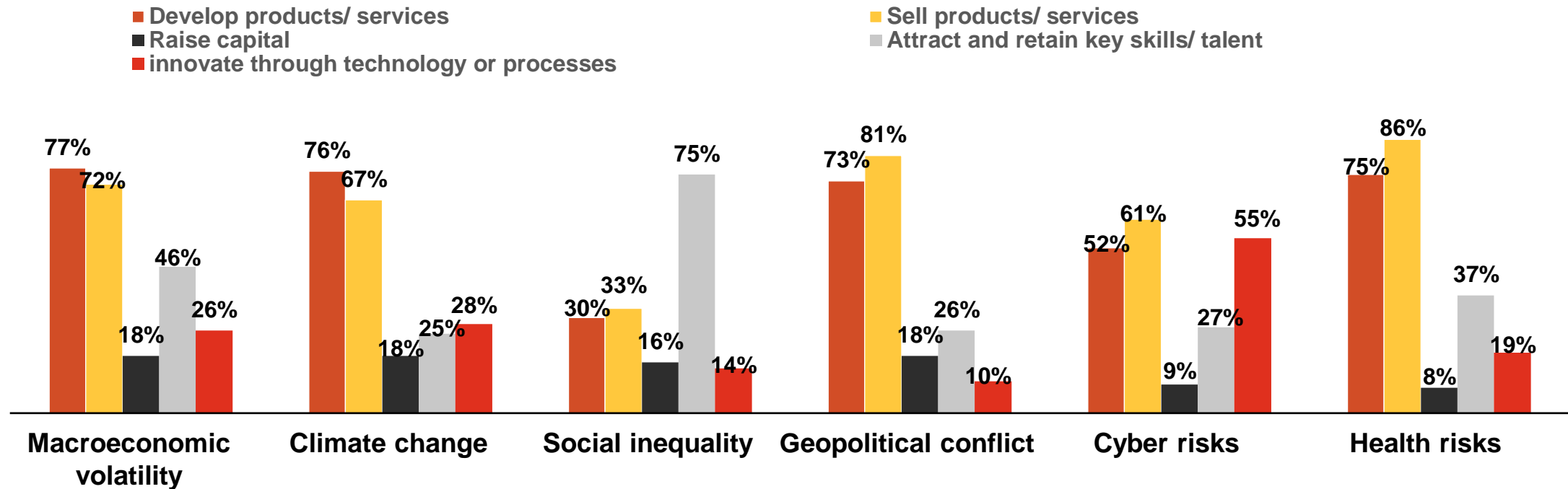
How concerned are you about the following global threats negatively impacting your company over the next 12 months?
(showing only 'very concerned' and 'extremely concerned')



Source | PwC's 25th Annual Global CEO Survey
Note | TMT: Technology, Media and Telecommunications, IM&A: Industrial Manufacturing and Automotive, FS: Financial Services, EUR: Energy, Utilities and Resources
PwC Taiwan

Taiwanese CEOs see the biggest impact from these threats on their production and sale as well as talent management

How do you anticipate your company could be impacted by the said threats over the next 12 months?

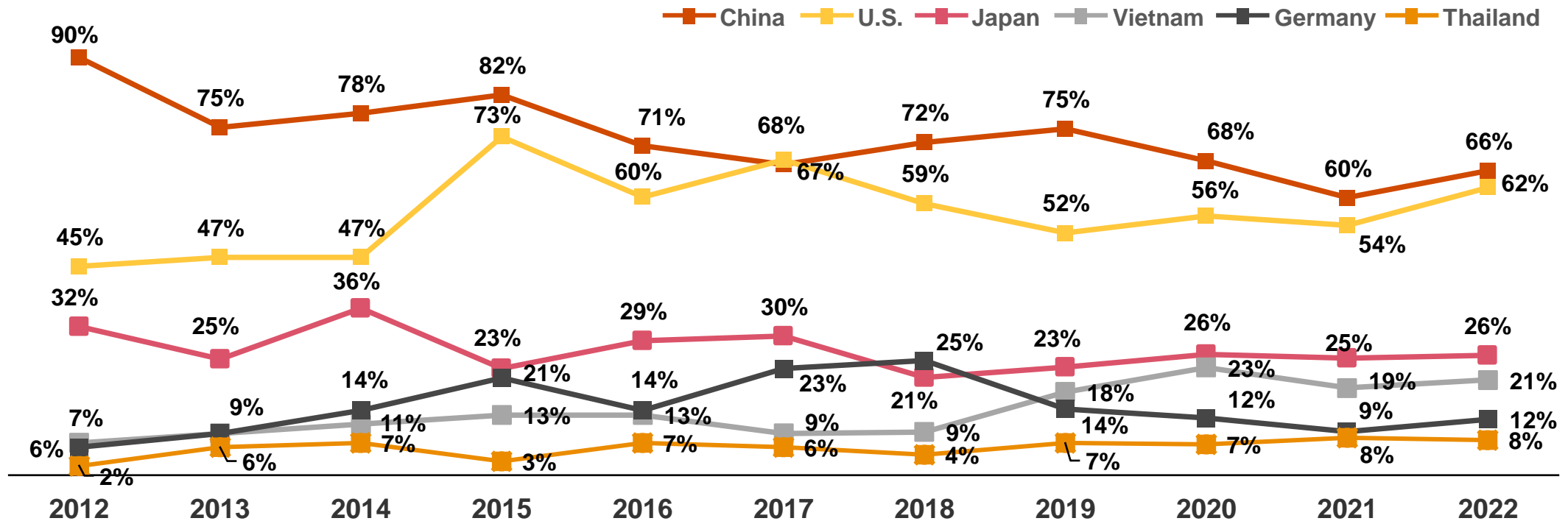


Source | 2022 Taiwan CEO Survey

Base | Macroeconomic volatility=125; Climate change =144; Social inequality =64; Geopolitical conflict =145; Cyber risks=109; Health risks=158

The importance of China and the United States as key growth markets for Taiwan has rebounded compared with last year

Which three countries/territories, excluding Taiwan, do you consider most important for your company's prospects for revenue growth over the next 12 months?

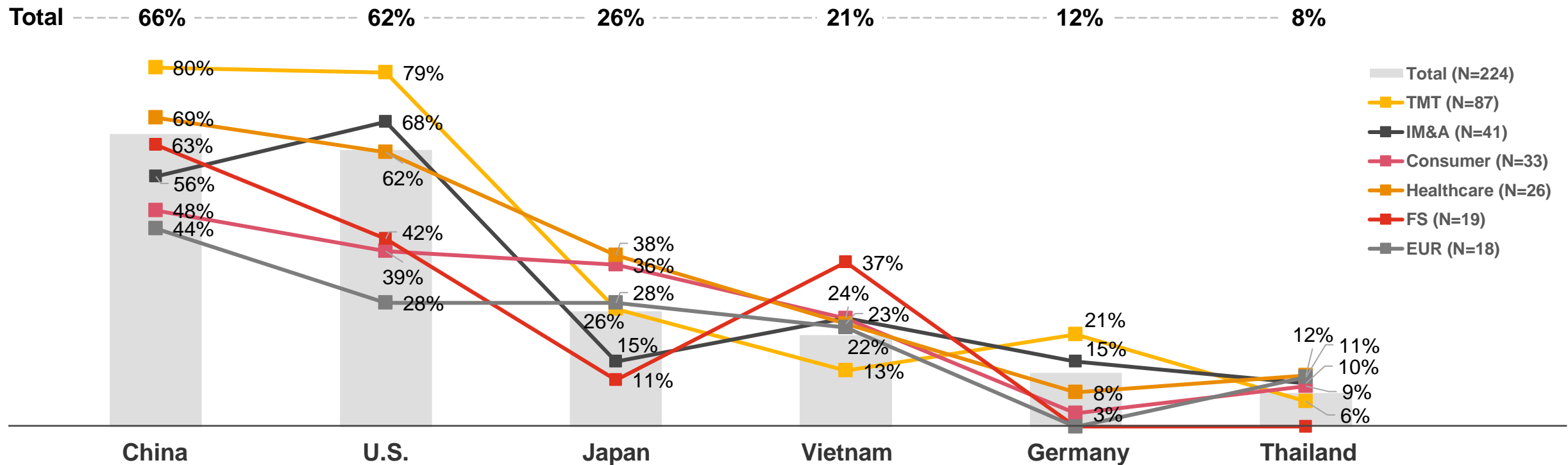


Source | 2012-2022 Taiwan CEO Survey

Base | 2012=101; 2013=105; 2014=116; 2015=102; 2016=112; 2017=123; 2018=227; 2019=245; 2020=211; 2021=234; 2022=224

Taiwan's top three important overseas markets by industry

Which three countries/territories, excluding Taiwan, do you consider most important for your company's prospects for revenue growth over the next 12 months?



Source | 2022 Taiwan CEO Survey

Note | TMT: Technology, Media and Telecommunications, IM&A: Industrial Manufacturing and Automotive, FS: Financial Services, EUR: Energy, Utilities and Resources

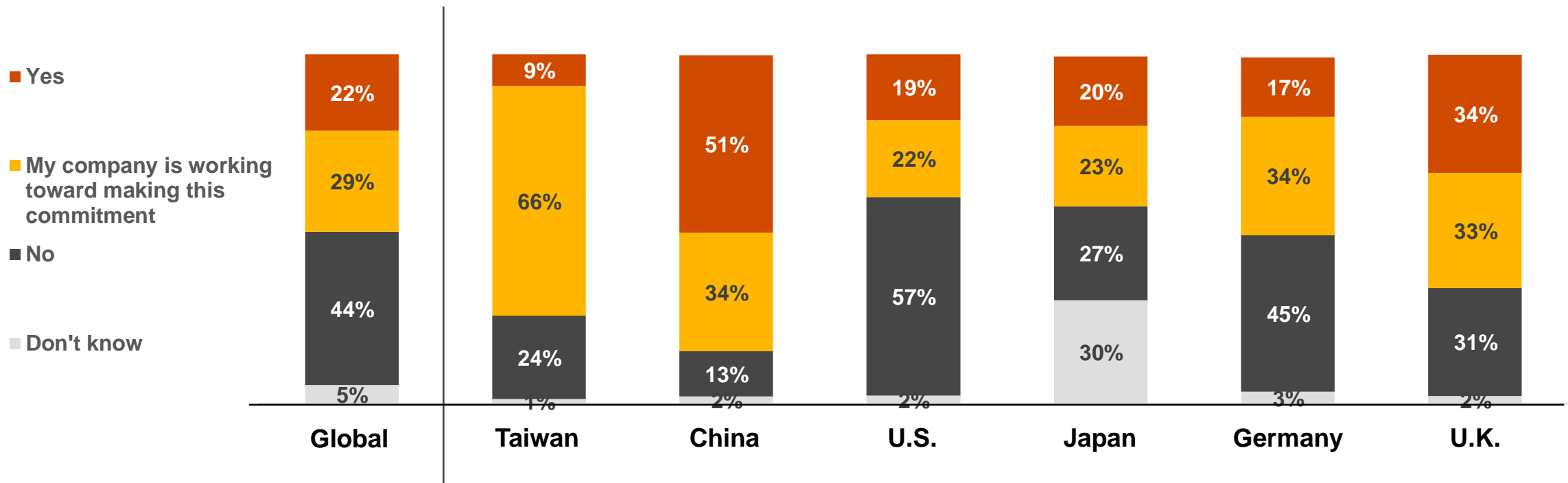
PwC Taiwan

A large, bold, black number 2 is positioned on the left side of the image. It is a simple, thick, sans-serif style number.A satellite map of the world is shown in the background, with a dark blue overlay. The overlay is a semi-transparent rectangle that covers the central part of the map, containing the text. The map shows landmasses in light blue and oceans in dark blue.

**Decarbonisation:
The time for
action is now**

Just 9% of Taiwanese businesses have made net-zero commitments, lagging behind the global average of 22%

Has your company made a net-zero commitment?

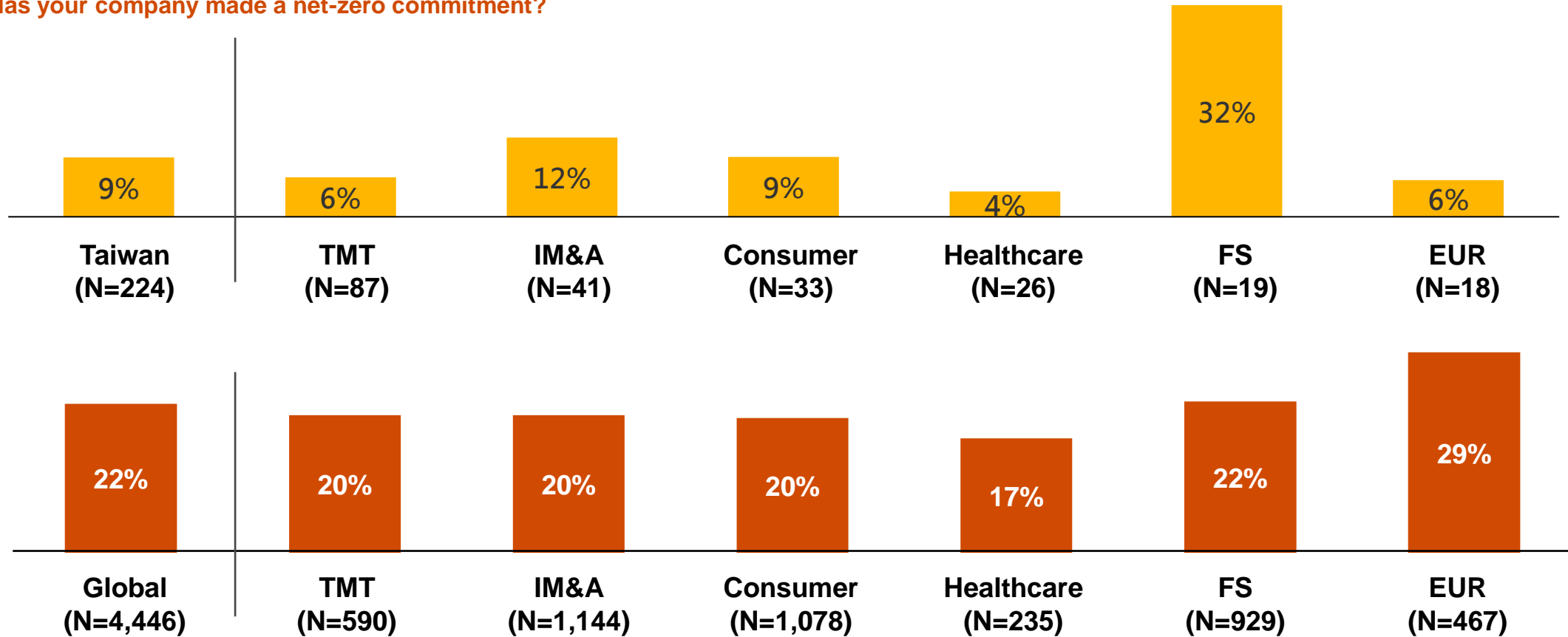


Source | PwC's 25th Annual Global CEO Survey, 2022 Taiwan CEO Survey

Base | Global=4,446, Taiwan=224, China=143, U.S.=251, Japan=195, Germany=58, U.K.=177

Taiwanese and global net-zero commitments by industry

Has your company made a net-zero commitment?

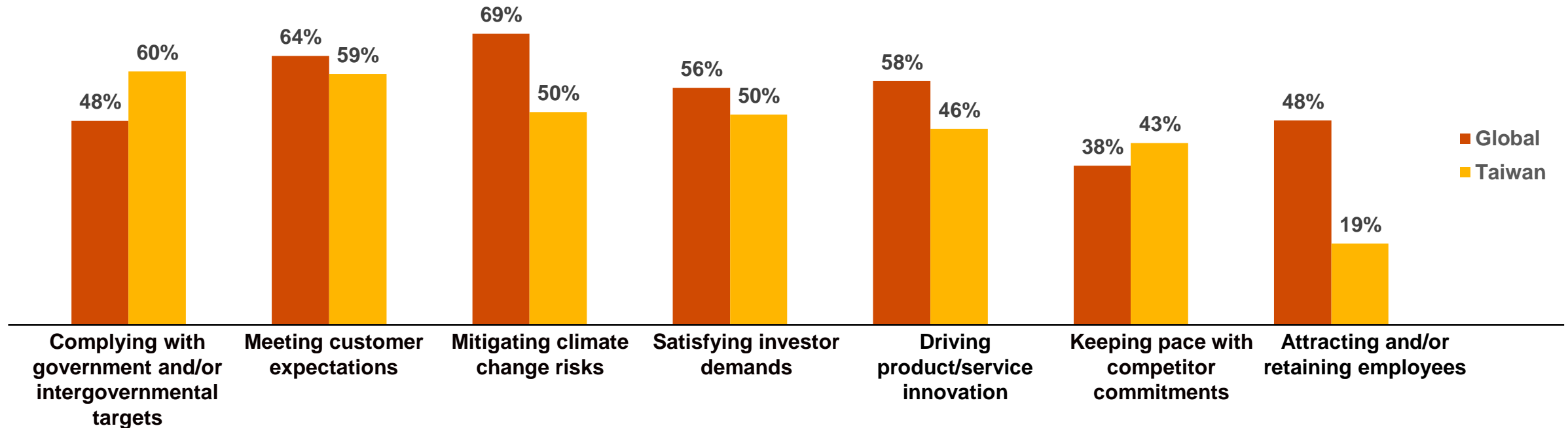


Source | 2022 Taiwan CEO Survey, PwC's 25th Annual Global CEO Survey

Note | TMT: Technology, Media and Telecommunications, IM&A: Industrial Manufacturing and Automotive, FS: Financial Services, EUR: Energy, Utilities and Resources

Complying with government targets is the most influential factor behind the net-zero efforts of Taiwanese businesses

How influential are the following factors behind your company's carbon-neutral and/or net-zero commitments?

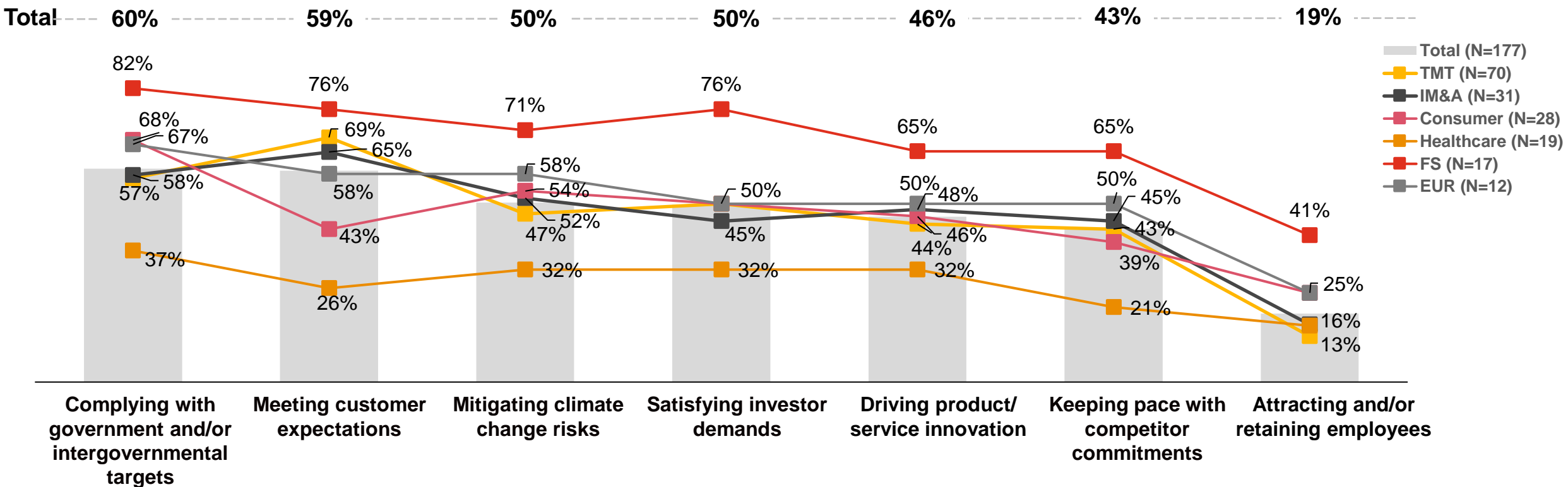


Source | PwC's 25th Annual Global CEO Survey, 2022 Taiwan CEO Survey

Base | Global=1,323; Taiwan=177

Taiwan's top three drivers of net-zero commitments by industry

How influential are the following factors behind your company's carbon-neutral and/or net-zero commitments?

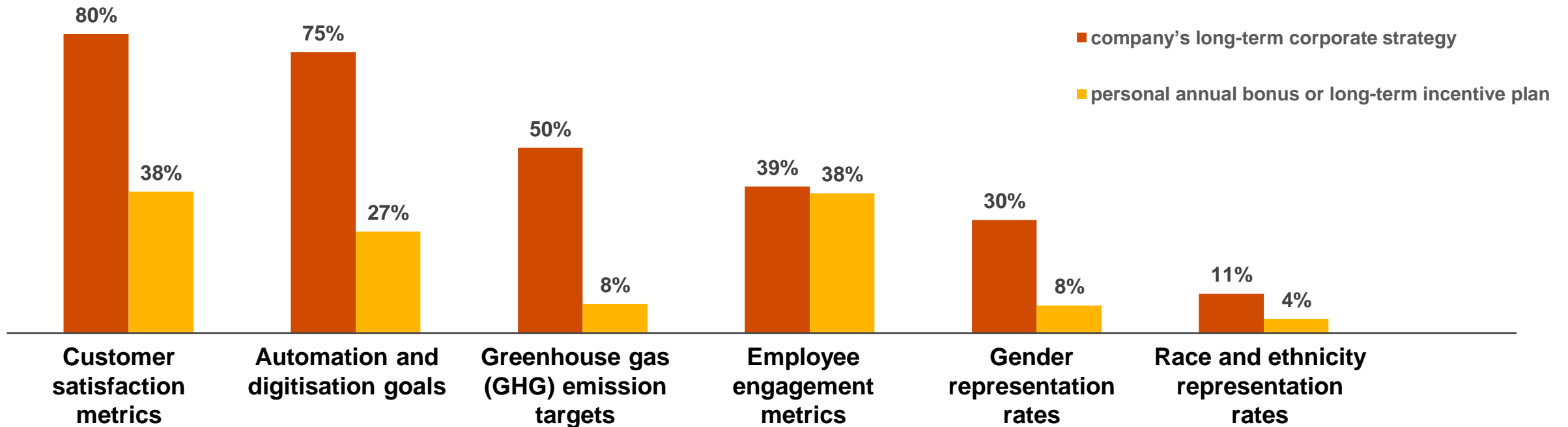


Source | 2022 Taiwan CEO Survey

Note | TMT: Technology, Media and Telecommunications, IM&A: Industrial Manufacturing and Automotive, FS: Financial Services, EUR: Energy, Utilities and Resources

50% of Taiwanese companies have adopted GHG emission targets in their long-term corporate strategy, 8% have included them in their CEOs' bonus or incentive plans

Are the following non-financial related outcomes included in your:
company's long-term corporate strategy?
personal annual bonus or long-term incentive plan?



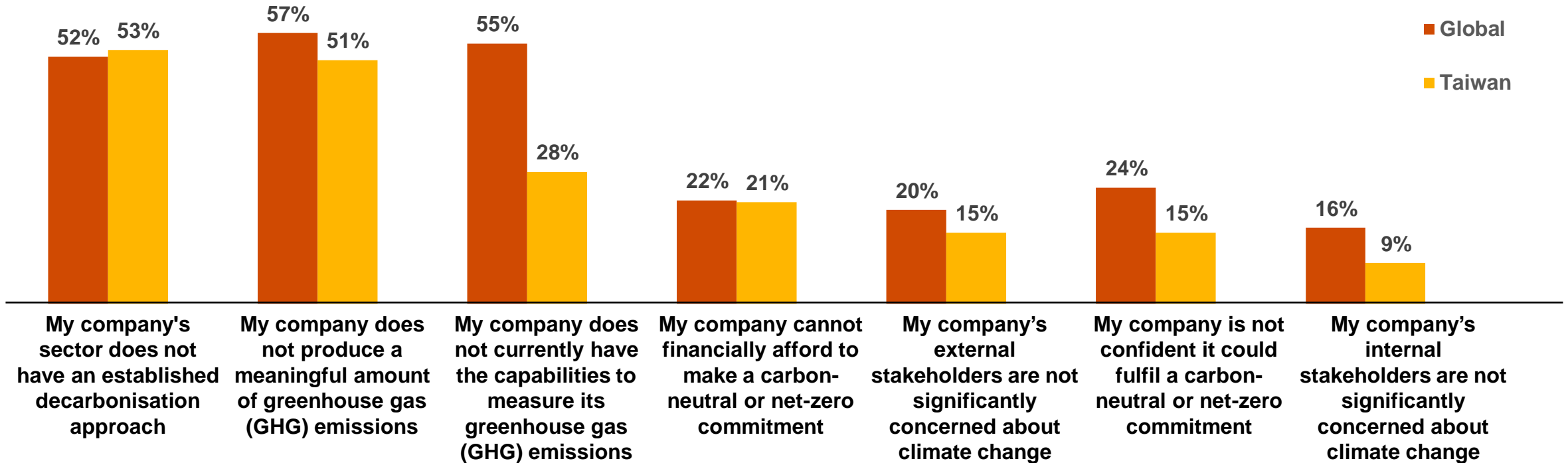
Source | 2022 Taiwan CEO Survey

Base | 224

PwC Taiwan

The leading reason for net-zero inaction in Taiwan is the lack of an established common approach to decarbonisation

How accurate are the following statements regarding why your company has not made a carbon-neutral or net-zero commitment?



Source | PwC's 25th Annual Global CEO Survey, 2022 Taiwan CEO Survey

Base | Global=1,591; Taiwan=47

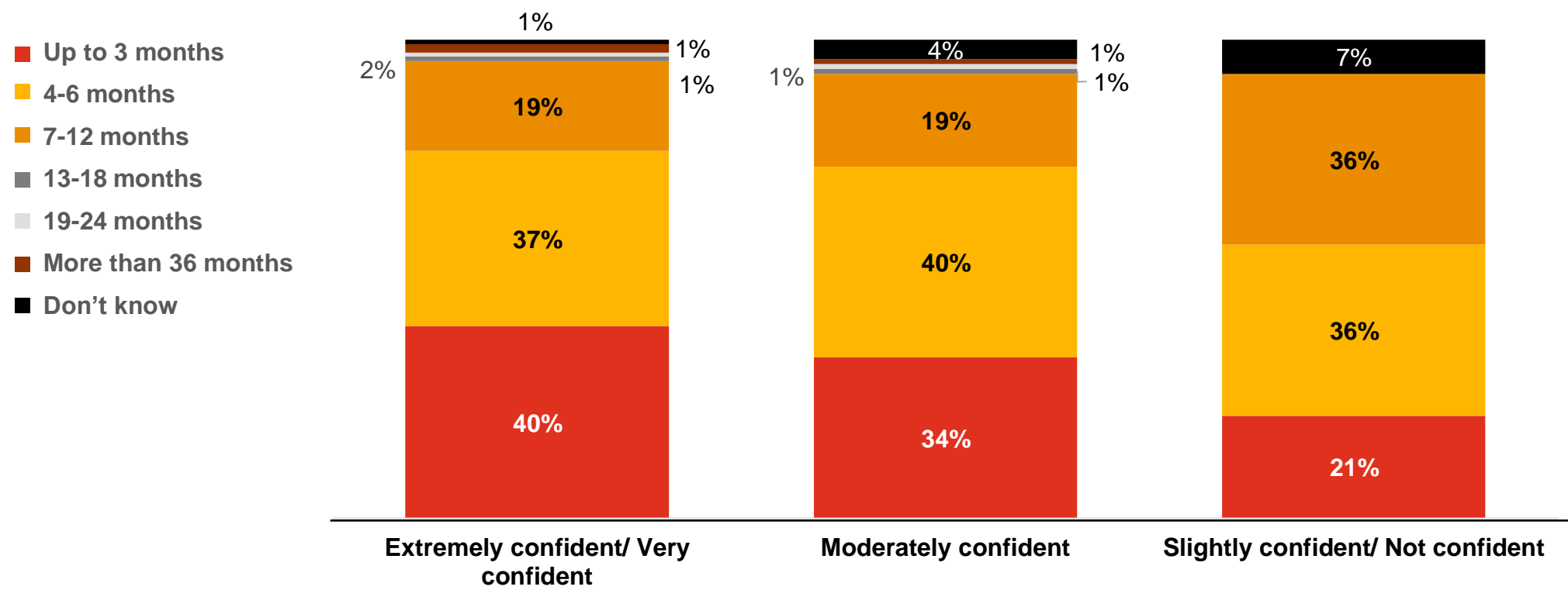
3



**Reimagine
success**

Taiwanese businesses with a very upbeat revenue outlook are the fastest in approving or green-lighting major initiatives

Typically, how long does it take for your company to approve/ green-light major initiatives once an idea has been proposed?

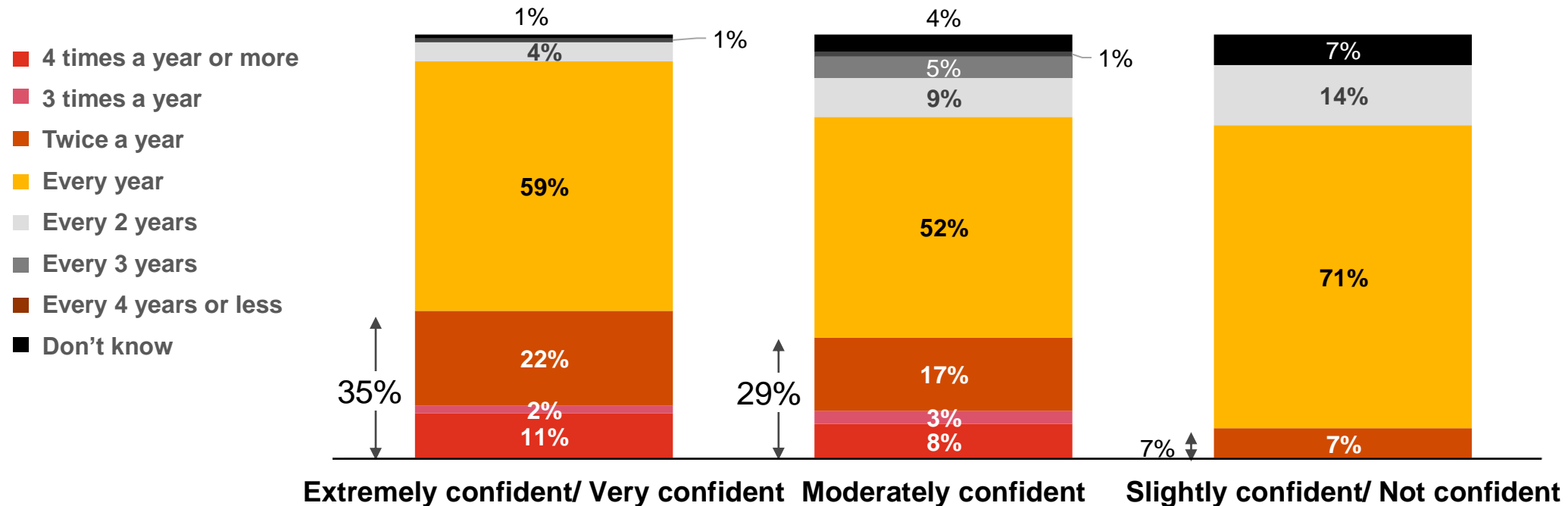


Source | 2022 Taiwan CEO Survey

Base | Confidence in the revenue growth over the next 12 months (Extremely confident/ Very confident=112; Moderately confident=98; Slightly confident/ Not confident=14)

The more optimistic Taiwanese CEOs are about revenue growth, the more often they change their major initiatives

Typically, how frequently does your company formally change its major initiatives?

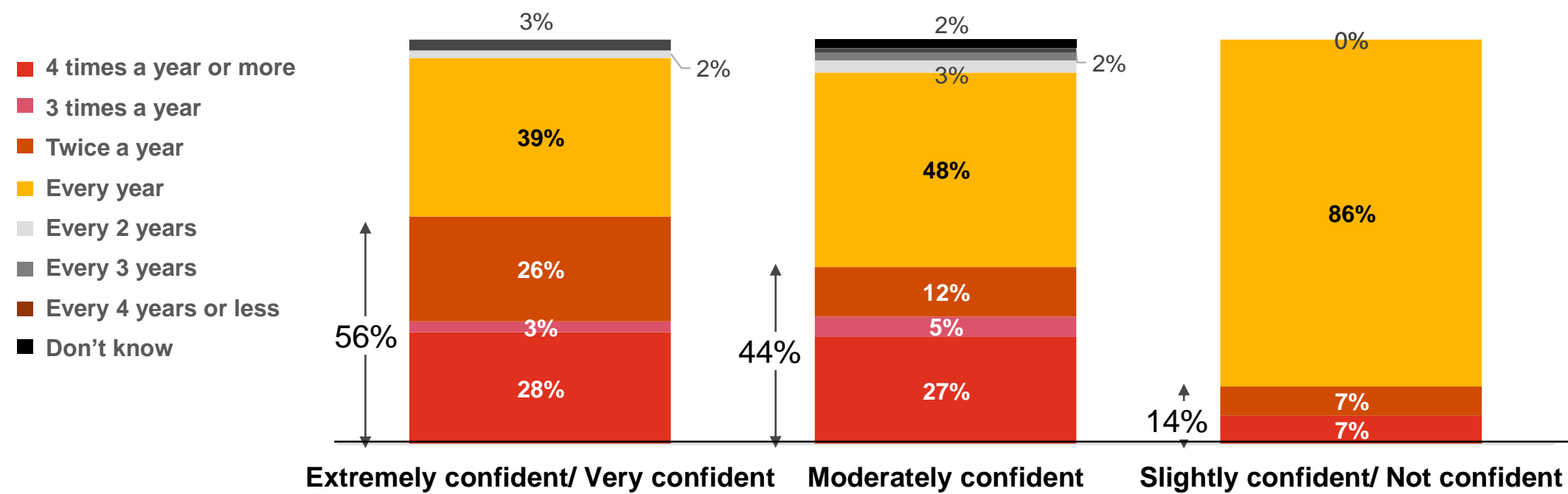


Source | 2022 Taiwan CEO Survey

Base | Confidence in the revenue growth over the next 12 months (Extremely confident/ Very confident=112; Moderately confident=98; Slightly confident/ Not confident=14)

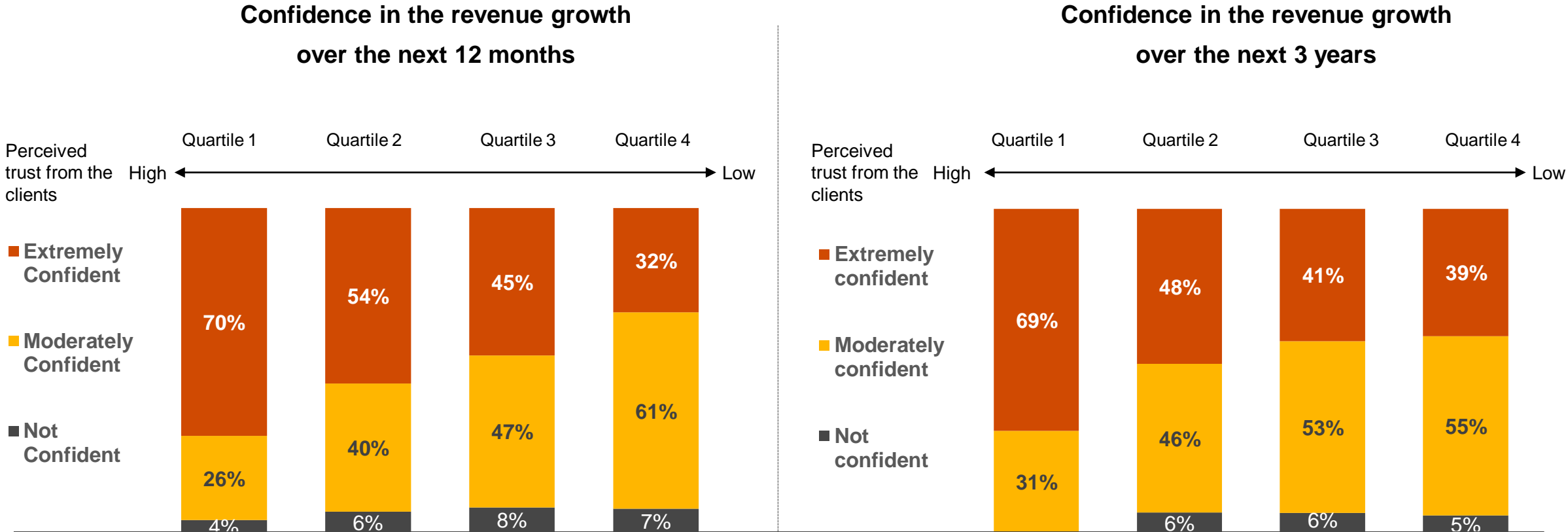
Taiwanese CEOs who anticipate significant revenue growth keep their employees more updated about major initiatives

Typically, how frequently does your company formally update its workforce about its major initiatives?



Source | 2022 Taiwan CEO Survey
Base | Confidence in the revenue growth over the next 12 months (Extremely confident/ Very confident=112; Moderately confident=98; Slightly confident/ Not confident=14)
PwC Taiwan

Local CEOs who perceive their companies to be highly trusted are the most confident about revenue growth prospects



Source | 2022 Taiwan CEO Survey
Base | Perceived trust from the client (Quartile1=54; Quartile2=48; Quartile3=66; Quartile4=56)
PwC Taiwan

Thank you

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