



Craig Mundie
Chief Research and Strategy Officer
Microsoft

Welcome . . .

to the APEC CEO Summit 2011

I look forward to meeting with you over the next few days.

The changes underway across the Asia-Pacific region, and in particular the growth in economic access and activity for so many, have been exciting to witness during the past decade.

When I look ahead to 2020, I believe the biggest transformation across the region will come from the depth of connectedness of both people and businesses through a vast array of new devices and technologies—including many that have yet to be dreamed up. The rate at which this is already diffusing across APEC is stunning.

I also see far more trade occurring between the APEC economies, and as our economies grow closer together, substantial opportunities are emerging—along with some challenges, too. There are still many imbalances in the region—in education, per capita GDP, savings rates, and consumer spending. These make it difficult for businesses and governments to determine optimal policies. There is clearly a lot of ground to cover during our short stay in Honolulu.

Finally, I'm delighted to have PwC as our Knowledge Partner for the APEC CEO Summit 2011. This report—which builds on a survey of more than 320 business leaders and 18 interviews with CEOs from across the region—will add valuable insights to our discussions. It is recommended reading for our Summit, and I hope you enjoy it.



Dennis Nally
Chairman
PricewaterhouseCoopers International

Foreword

Since the founding of APEC in 1989, the transformation across the region has been stunning. We're surrounded by the results: new companies, new ways to connect and exchange information, new architectural marvels in our cityscapes, and thriving consumer markets.

These may simply be a precursor to even greater change—a future where economic growth creates more access and opportunities for the region's citizens and future generations, and a new kind of business-government cooperation leads to more sustainable and resilient systems. These are some of the values shared by the over 320 business leaders in the 2011 APEC CEO Survey.

They affirmed a vision of freer movement of ideas, capital, services, people and goods. And they're investing to deepen capabilities in research & development, financial services, and managerial talent. These are exactly what the region needs to anchor rapidly-evolving domestic markets.

In the short term, euro zone uncertainty colors their outlook for growth, serving as a reminder that serious disruptions like this are part of the operating environment businesses have to be prepared for.

CEOs face several challenges to growth. Some can only be addressed by governments providing a legal and regulatory environment that promotes integrity and efficiency in business dealings. And on one—free trade—business leaders give a clear mandate to APEC to accelerate the process. Yet clearly, the future for business in APEC is bright.

I hope that this report serves as a useful starting point or reference for the dialogues you will be having with decision makers during the APEC CEO Summit. The path to the future envisioned by APEC leaders will require cooperation never seen before in the region.

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APEC: The future redefined

Shanghai, World Expo, Danish Pavilion

In brief...

Asia Pacific at an inflection point as CEOs invest in domestic markets to sustain growth

Of the few bright spots in the global economy, none is proving more influential on business strategies globally than the transformations underway in Asia Pacific. The gradual rise in incomes and opportunities for millions of people across this wide and diverse band of nations is a welcome source of optimism.

Each incremental gain in GDP in youthful and dynamic APEC economies heralds new markets and possibilities for business. In China, for instance, per capita GDP is still a fraction of that in the US at \$3,061 vs. \$42,471 in 2005 prices and exchange rates. Continued growth in Asia Pacific's emerging economies over the next three to five years, even if growth moderates as is now projected

for 2012, would generate billions in economic activity. The potential is supporting the business case to invest.

PwC surveyed more than 320 CEOs in 26 countries, including the 21 APEC economies, from July to September 2011 to discover how they see the future for their businesses in the region. More than half of CEOs are 'very confident' in revenue growth over the next three to five years. Among those based in China, Hong Kong and Chinese Taipei, the figure rises to 76%. Forty-four percent of the CEOs are convinced the rise in spending power in Asia, particularly in China, offers the single biggest opportunity for growth for their companies.

Yet we also found CEOs grappling with the consequences of two opposing forces at play—the near-term disruptions and a long-term vision of a more integrated region. In the past year, the weak US recovery affected 31% of the respondents' organizations 'to a great extent,' while the financial crisis in Europe affected

17% to the same degree—more than did the earthquake and tsunami in Japan in March.

The faltering recoveries in the US and Europe are proving to be more disruptive than businesses had expected just a year ago. Recent market volatility worldwide, and signs of slowing trade growth in China, confirms how integrated the global economy has become. Hopes that Asia can offset the slowdown in mature economies are diminishing. Meanwhile, strategies are accelerating to secure footholds in still-growing emerging APEC markets.

New opportunities, new pressure points

The opportunities in APEC economies through 2020 are different than the drivers of growth in the past decade. And with the new opportunities come new pressure points in three areas: trade, innovation and talent.

Trade

Going forward, domestic Asian markets—not low-cost manufacturing exports to mature economies—will drive growth. Therefore, stepped-up cooperation among APEC economies to advance free-flowing trade and investments and uniformity in standards and regulations is critical. Major businesses in Asia Pacific are trying to achieve scale in one way or another; protectionist measures and constraints on cross-border movements of goods, services and talent are a barrier.

- Interregional trade pacts play a key role in growth, effectively promoting greater economic integration within the APEC-Asia bloc: 64% of CEOs agree bilateral and regional trade agreements are more important to their company's prospects than multi-lateral ones.
- CEOs are concerned about harmful trade measures as governments face pressure to save jobs and protect advantages for domestic businesses: 28% say protectionist tendencies are a barrier to their growth to a 'great extent'.
- As businesses gear for growth in Asia Pacific, inconsistent regulations across and within countries are prominent, frustrating impediments to growth, and so is corruption, a barrier to a 'great extent' for 35% of business leaders in fast-growing economies vs. 24% for those based in mature economies (US, Japan, Canada, Australia, and New Zealand).

Innovation

APEC's Asian and Latin American economies are creating a vast new customer base, where tastes and needs can differ significantly, and as can price points too. This is raising the bar on businesses to innovate. Rapid uptake of Internet and mobile technologies, moreover, has laid the groundwork for explosive growth in new applications and services. Yet most businesses find the current rules on intellectual property outdated. This is an enormous burden, particularly on small businesses that lack the skills and knowhow to file patents globally. Inadequate protections pose a threat to the pace of innovation and the growth of the digital economy.

- Companies are overhauling approaches toward innovation to take

part in the promise of a networked global economy. Over 80% of CEOs are moving toward greater use of mobility technologies, like cloud computing. About one-third are making significant change in the way they connect employees together and collaborate with external partners to facilitate innovation.

- One-fifth of CEOs are making 'significant' change to innovation strategies to find new ways to protect their IP. The number of lawsuits, IP challenges and M&A activity around patents in the mobile space show how businesses are confronting IP challenges with new technologies.
- Companies are seeking to lessen their reliance on traditional energy. One-third are 'significantly' raising commitments to using more environmentally friendly processes and products.

Talent

The rapid growth in working-age population in the past decade has given way to a period of slower growth or even declines in all but one APEC economy (Papua New Guinea). Wages are now rising fast as talent has become scarce. Yearly turnover can reach a staggering 30% in some industries in fast-growing economies. How companies and government institutions respond to constraints on talent mobility and skills mismatches will shape future opportunities for business growth. Old strategies for education and training are no longer adequate for satisfying business—or employee—development needs.

- Almost all CEOs are changing talent strategies to tackle high turnover and skills shortages, with 38% saying they are making significant change. Getting this right is perhaps the most complex and urgent challenge companies in the region face.
- Even as labor costs rise in some fast-growing economies, business leaders have set out ambitious plans to expand workforces: 43% of CEOs expect to increase their company's headcount by at least 5% a year over the next three to five years.
- Even with high unemployment in the West, CEOs still face talent-related concerns. Nearly half (47%) of CEOs based in mature economies say they're experiencing difficulties deploying people overseas.

A region at crossroads

For CEOs, growth for their companies will depend on how well they can navigate a changing region. They need APEC's help, and at the same time, they're ready to help governments meet sustainable growth goals.

They are looking for APEC leaders to make tangible and quicker inroads on the promise of the Bogor Goals for free and open trade and investments in the APEC region. A clear consensus emerges on business priorities for APEC: 66% of CEOs want APEC to take the lead in advancing a free trade agreement in the region. A majority (61%) believe the Trans-Pacific Partnership (TPP)—an evolving trade agreement between some APEC members—provides a realistic pathway for the free trade vision in the region.

CEOs also recognize that business-government cooperation is critical to economic competitiveness and social well-being in APEC economies where they operate. Financial sector stability ranked the number one way in which companies can partner more with government. The speed with which liquidity can tighten in distant markets is better appreciated after the Lehman Brothers collapse in 2008. Spreading economic access and opportunity is a critical priority for 60%, while working with policymakers to promote sustainable growth was critical for 57% of respondents.

Vision of a much changed future

CEOs see a future where fast-growing APEC economies transition from producers to producer and consumer markets. Streamlined supply chains and new distribution channels. More consistent standards and regulations and reduced corruption. Deeper capital markets that allow businesses, big and small to innovate. Growth that increases opportunities for citizens and future generations. A region more connected within its borders and with the world, but also more resilient to volatility.

The path from here to that redefined future will require cooperation never seen before in the region.



Asia Pacific: At an inflection point

Hanoi

Stronger regional links open opportunities, yet barriers persist

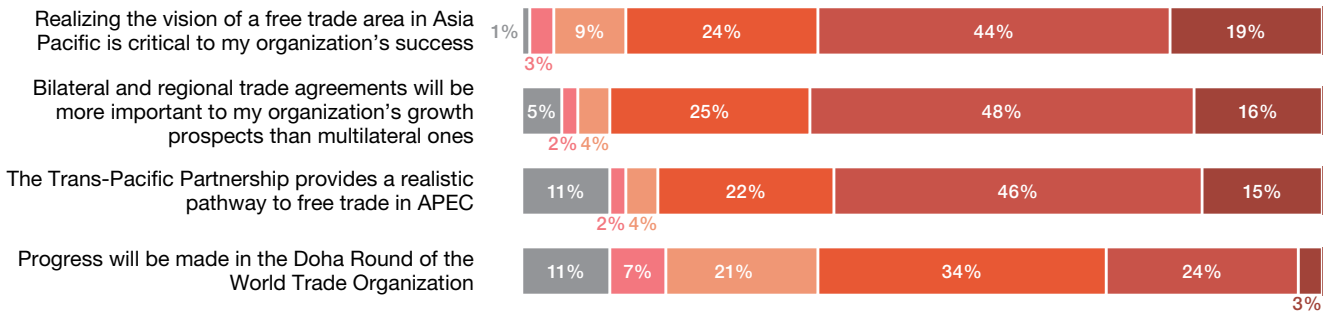
Two major currents are forging closer ties between the 21 economies in APEC. Trade in goods is on the rise, as is services, if more gradually. At the same time, businesses and citizens are growing richer in fast-growing APEC economies. The intensifying interconnectedness within APEC-Asia, especially, is shifting the center of gravity from the Americas and Europe to APEC-Asia, with China as a central hub for its regional spokes. Business leaders believe these intraregional ties are set not only to continue, but to deepen. They are not waiting for a resumption of trade patterns that have dominated business opportunities for a generation—low-cost off-shoring in the East and South for markets in the West.

The majority of CEOs (64%), in fact, believe regional and bilateral trade pacts are more important to growth for their companies than the big, global multilateral agreements. To be sure, their views reflect waning hopes that the long-running WTO Doha Round will spur new trade opportunities, but they're also voting with their feet. Fast-growing APEC economies today are forecast to account for about two-thirds of the region's total exports in 2020 compared with about one-third in 1991, according to a PwC analysis based on various historical and forecast sources. (Figures 1, 2)

Figure 1: Bilateral trade pacts 'more important' to company growth

Base: 317-319

■ Don't know ■ Strongly disagree ■ Disagree ■ Neither/Nor ■ Agree ■ Strongly agree



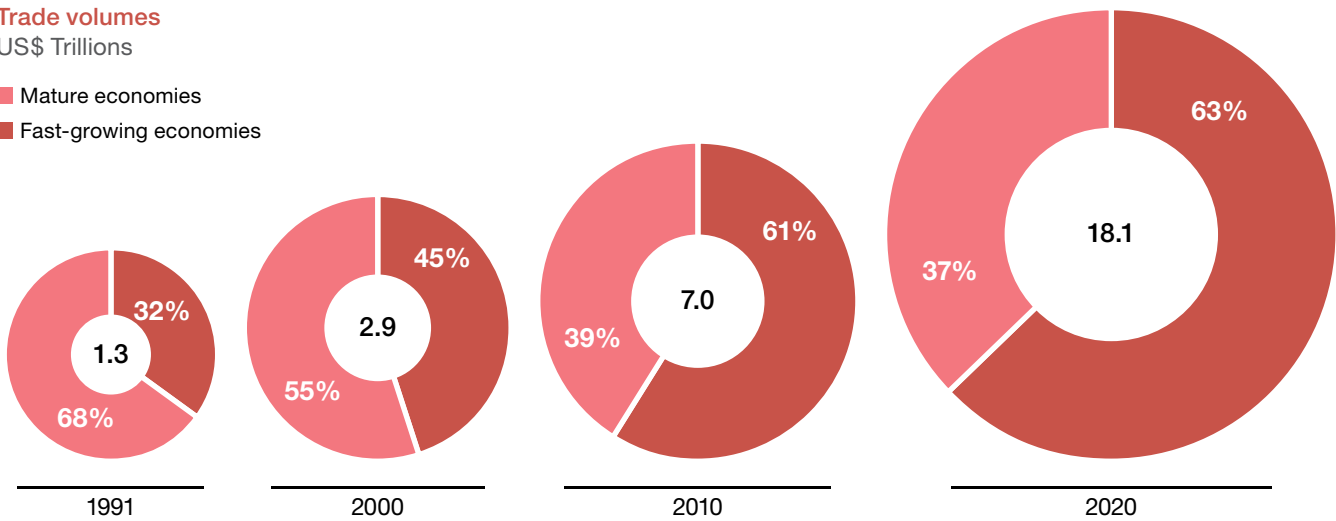
Asian companies over the past 10 to 15 years have gone through some significant setbacks — including the 1997 currency crisis and the 2008 international financial crisis — yet they have coped with the changes and positioned themselves very well for the future.

Vincent H.S. Lo
Chairman
Shui On Group

Figure 2: By 2020, fast-growing APEC economies are forecast to account for about two-thirds of total APEC exports

Trade volumes
US\$ Trillions

■ Mature economies
■ Fast-growing economies



PwC analysis based on various historical and forecast sources

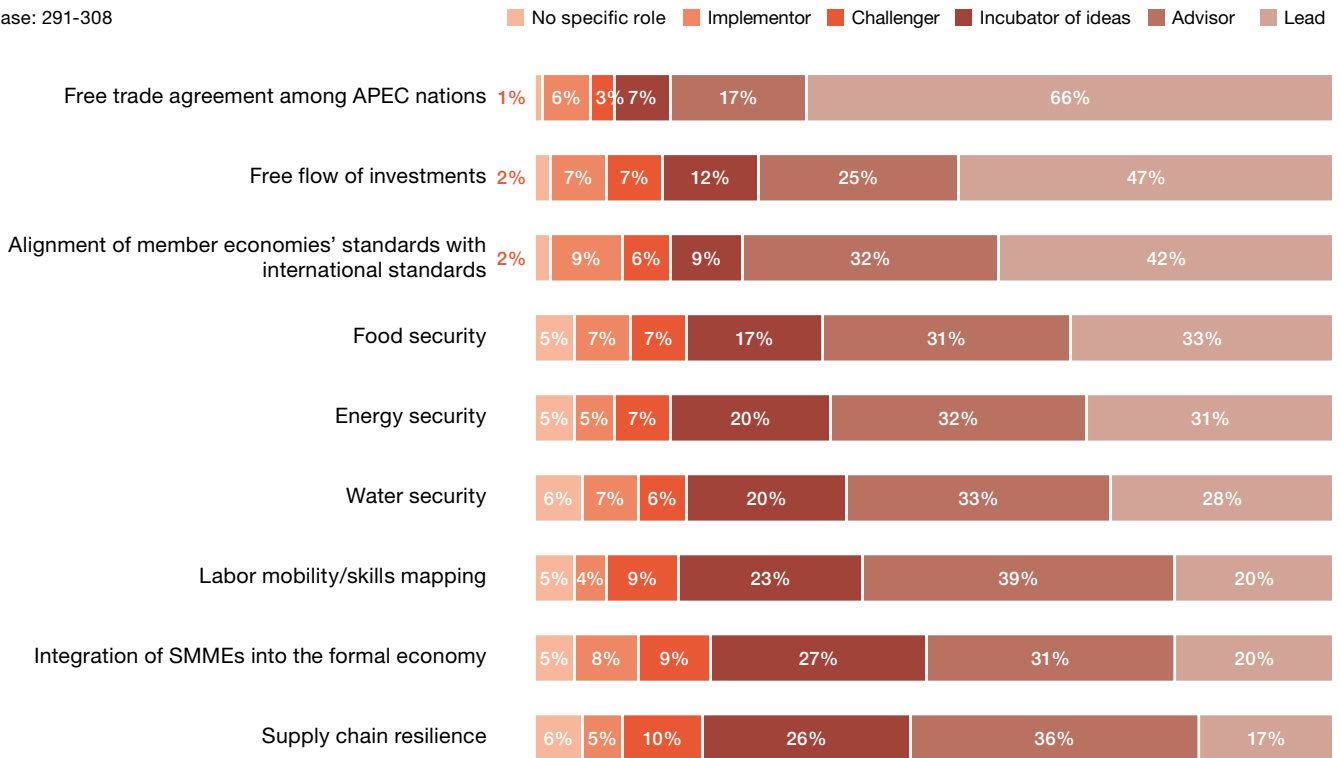
We have seen great strides in liberalization of investment and trade in the APEC region, but there remains a long way to go. I hope that by the year 2020 we will have seen the creation of an Asia-Pacific free-trade area and truly open markets throughout the region. If those goals are not fully achieved, however, I hope to see a number of building blocks in place toward the ultimate objective—a truly open economy throughout the APEC region.

Anthony Nightingale, SBS, JP
Managing Director
The Jardine Matheson Group

Figure 3: CEOs send clear mandate to APEC to advance vision of free trade for region

Q. In addressing the following priorities, what should APEC's role be?

Base: 291-308



APEC has an important role to play in today's rapidly changing global economy; and APEC must maintain its principles of open access and multilateralism. It must also play a role to ensure a mutually beneficial relationship between China and the USA. This is one of the most important bilateral relationships in the world and the bedrock for a peaceful and prosperous development of the whole region.

Dr. Victor Fung
Group Chairman
Li & Fung Group

For our business, I would love to see a growing, vibrant APEC region that is pursuing economic integration, removing excessive regulation, and adopting free trading principles that should help lift markets by providing access to more of the goods and services that companies like FedEx provide.

Michael L. Ducker
COO and President
International FedEx Express

The Pacific region is not detached from the problems in the U.S. and Europe. The decline in Western demand for Asian goods and services will affect Asia-Pacific growth, and Singapore will not be spared. Companies in Singapore are reporting rising business costs and capacity constraints, problems faced by many countries in this growing region.

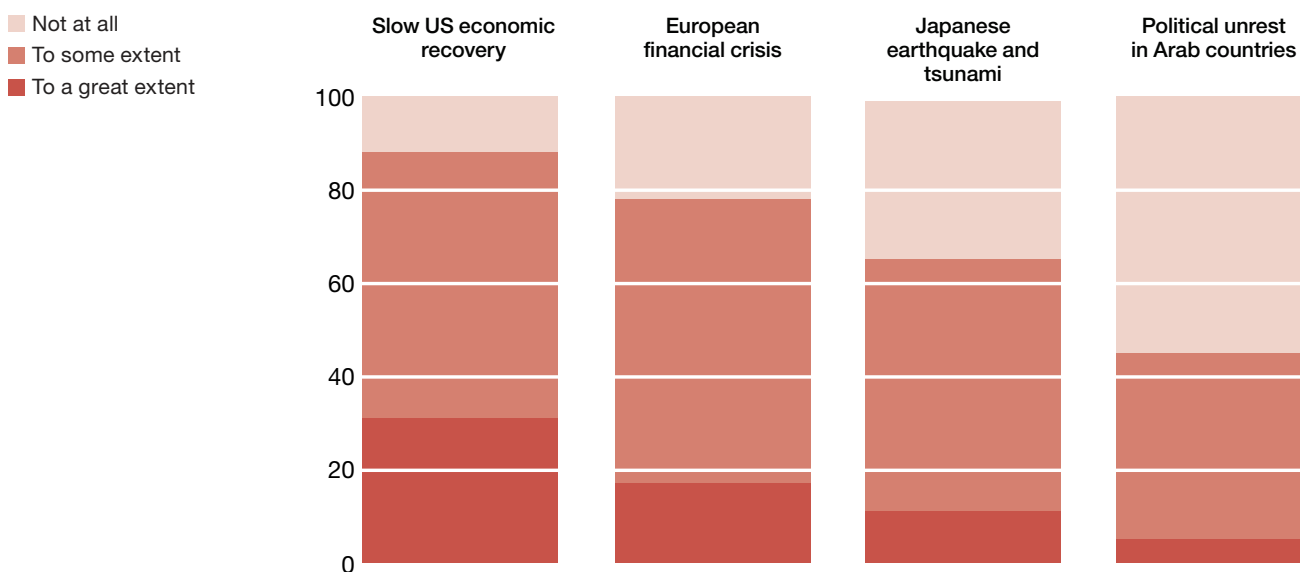
Tony Chew
Chairman of Singapore Business Federation
and Executive Chairman of Asia Resource Corp

We are a little more cautious about the possibility of China using its domestic economy to act as a counter balance to the bad things happening to the economy globally. China is now seeing inflation across basic food prices and wages. It's no longer as cheap to do things in China as it used to be, and that limits the country's ability to fuel its economic growth even more.

Alex Arena
Group Managing Director
PCCW Limited

Figure 4: Weak US growth is top macro risk for APEC businesses

Base: 312–319



Potential for greater trade gains is far from tapped

A majority (61%) believe the Trans-Pacific Partnership (TPP)—an evolving trade agreement between some APEC members—provides a realistic pathway for the free trade vision in the region. Piece by bilateral piece, CEOs see APEC nearing its Bogor Goals of freely flowing and open trade and investments in APEC in this way. The rewards are substantial. An APEC-sponsored study found that a 10% efficiency gain in across-the-border supply chain connectivity would lift APEC real GDP by \$21 billion a year and generate thousands of jobs.¹

While bilateral trade pacts are welcome—many deals, however small, are better than no overarching agreement—they can also serve to slow the progress on free trade for the entire region. Thus CEOs are pressing for more progress, extending to agreements on services as well as trade in goods. A clear

consensus (66%) wants APEC to take the lead in advancing a free trade agreement in the region. (Figure 3)

They are concerned protectionism will hamper progress to date on trade as governments face pressure to save jobs and protect advantages for domestic businesses: 28% say protectionist tendencies are a barrier to their growth to a ‘great extent’.

Evolving vulnerabilities Fast-growing APEC economies—growth drivers now not only for APEC but for the global economy—have substantial development-related challenges ahead of them. Clearly, the slower-than-expected recovery in the US impacted businesses across the region, more so than the earthquake and tsunami in Japan or the unfolding crisis in the EU. This year has not been easy and a host of economic challenges appear likely to persist through next year. Weak US growth remains the top macro risk for businesses. (Figure 4)

¹ *Supply-chain connectivity across APEC: Improving trade logistics*, Center for International Economics for APEC Trade Committee for Trade and Investment, June 2009.

Figure 5: CEOs eye Asia's expanding buying power as a key growth opportunity for their companies

Private consumption at current market exchange rates



PwC analysis based on various historical and forecast sources

It is exciting to see that people are living better, average household incomes are rising and an increasing number of families are moving into the middle class bracket. The retail industry as well is expected to grow significantly.

Scott Price
EVP, President and CEO
Walmart Asia Pte. Ltd.

At this moment, Cargill's participation in Asia as a percent of our net worth of our total investment is underrepresented vis à vis the share of GDP in that region. So we would clearly like to narrow the gap. The language we use internally is we'd like our center of gravity to look more like the world's center of gravity in terms of GDP. We are a per capita income dependent business model, and per capita incomes are rising in Asia, and so our growth speed in Asia needs to exceed our growth speed on a worldwide basis.

Gregory R. Page,
Chairman and CEO
Cargill Inc.

Yet the strengthening lacework in trade lends support to the region's prospects, even given two grim scenarios—a 'double dip' in the US or a full-blown crisis in the euro zone. Many analysts expect regional economic links will help cushion the blows. At the same time, fast-growing economies are now more vulnerable to disruptions in China. A hard-landing in China could also slow growth in the region.

New wave of investments in services

That emerging markets—at current rates of growth—will approach the scale of Western economies at some point is no longer a controversial conclusion. Businesses are now planning for markets that will be different in many ways than what they may have planned for less than a decade ago. (Figure 5)

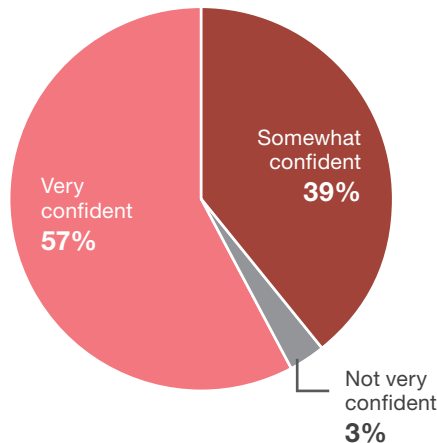
CEOs are directing a significant portion of overall investments into Asia's domestic markets, with 44% convinced the rise in spending power in Asia, particularly in China, offers the single biggest opportunity for growth for their companies. This holds true whether they are based in emerging or mature markets in Asia Pacific. For example, Asia's markets offer greater opportunity for more CEOs in China, Hong Kong and Chinese Taipei (34%).

They are equally determined to succeed in these fast-changing markets. The majority are "very confident" in revenue growth, and among business leaders based in China, Hong Kong and Chinese Taipei, the confidence level rises to 76%. Competition is set to intensify. Just 3% concede prospects for revenue gains look tenuous over the next three to five years. (Figure 6)

Figure 6: CEOs are determined to succeed in APEC's fast-changing markets

Q. How confident are you about your organization's prospects for revenue growth over the next 3–5 years?

Base: 324



While companies continue to expand in low-cost manufacturing in China, and to support China's hunger for commodities, the rising wealth in Asia-Pacific consumer markets is the driving force behind investments. It's the 'billion toothbrushes' business case and it's very compelling. In the last two years, China has emerged as the world's largest market for automobiles and a substantial destination for luxury goods. CEOs believe there's ample room for more. Despite rapidly rising income in these markets, GDP per capita in 2011 is still a fraction of that in the US at \$3,061 vs. \$42,471 in 2005 prices and exchange rates.²

Moving up the value chain...in China and with China A new wave of investment is flowing to APEC-Asia's evolving marketplace for services. Close to a third of investments will develop an R&D, managerial or financial presence in China. Business leaders in and outside of China are making remarkably similar investments along these lines. (Figure 7)

Asian dependence on Western markets will diminish, given the demographics, closer cooperation between Asian countries and the build up in intra-Asian trade. Chinese manufacturers are not sitting on their hands. They are replacing imports with domestically-produced goods. Competition is going to be tough.

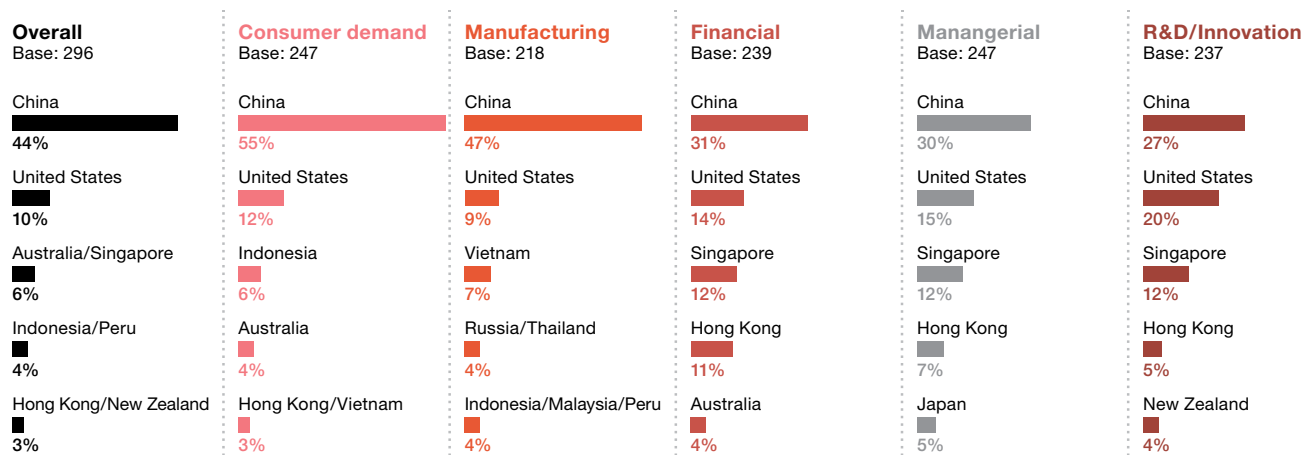
David Eldon
Senior Advisor, PwC
Former Chairman, HSBC Asia Pacific

We are at a very important inflection point in the evolution of supply chains. The developing economies are not only producing but also consuming. That means supply chains are no longer simply flowing one way as they have traditionally been doing—sourcing from the East and selling to the West—but will also in the next ten years become more nuanced and complex.

Dr. Victor Fung
Group Chairman
Li & Fung Group

Figure 7: Next wave of investments in APEC-Asia in services

Q. In which APEC economy are you making the largest investment in the next 3–5 years in the following areas?



² Oxford Economics, based on official government sources

In China we see opportunities in business moving from the East to the West within China, and factories and production moving from the East to the West and DHL is very well positioned to take advantage of this westward growth.

Roger Crook
CEO
DHL Global Forwarding, Freight

The Singapore government has been encouraging participation of global resources in pharmaceutical research and development, which in turn has greatly promoted industry development in the Asia-Pacific region. Japan's large pharmaceutical enterprises have begun to go global. For example, the recent acquisition of Nycomed in Europe by Takeda Pharmaceutical Company Limited in Japan's largest overseas acquisition would be unimaginable in the past. Making better use of the advantageous location of the Asia-Pacific region is very important to Chinese pharmaceutical enterprises. I think there is great room for cooperation.

Donald M. F. Lu
Chairman
Shanghai Pharmaceuticals Holding Co., Ltd.

To a lesser degree, business leaders are also directing investments to access growing consumer markets in Indonesia and Vietnam, to enter manufacturing in Indonesia and Thailand, and deepen financial operations in Singapore over the next three to five years. It is a rapidly evolving web—with momentum already under way as production in some industries, for example, shifts within Asia to lower-cost Vietnam.

The structural shift toward technology and services is reflected in the changing nature of foreign direct investment (FDI) into China. Foreign investment in real estate represented over 20% of total FDI in China in 2010, rising close to 50% in early 2011, according to UNCTAD's 2011 World Report.³ Consider that, in 2009, China featured in four of the world's largest pairings in merchandise sea and air trade. By 2030, according to a PwC analysis, China will feature in eight of the world's top ten air and sea trade channels. (Figure 8)

New trading relations are taking root and are forecast to develop with distinctive scenarios for each country. Take Vietnam as an example. Imports from Japan represented \$2.3 billion in 2000, and these are projected to rise to \$15.7 billion by 2020, according to a PwC analysis. But imports from other nations, starting from a smaller base than Japan's, will rise even more—to \$79 billion from China, for example, or to \$18.5 billion from Korea by 2020. Exports are projected to follow a similar pattern; Japan was the leading export market for Vietnam's goods in 2000, but is expected drop to third by 2020. (Figure 9)

Figure 8: The world's top 10 air and sea freight trade pairs in 2030

Bilateral trade pairs
US\$ Billions

2009			Rank	2030		
China	— United States	290	1	China	— United States	594
China	— Japan	207	2	China	— Japan	336
Japan	— United States	146	3	China	— Korea	281
China	— Korea	140	4	China	— India	263
Germany	— United States	118	5	China	— Germany	201
Germany	— United Kingdom	113	6	Japan	— United States	189
China	— Germany	102	7	China	— Singapore	178
United Kingdom	— United States	97	8	China	— Indonesia	169
Japan	— Korea	69	9	Germany	— United States	167
United Kingdom	— Netherlands	68	10	China	— Malaysia	162

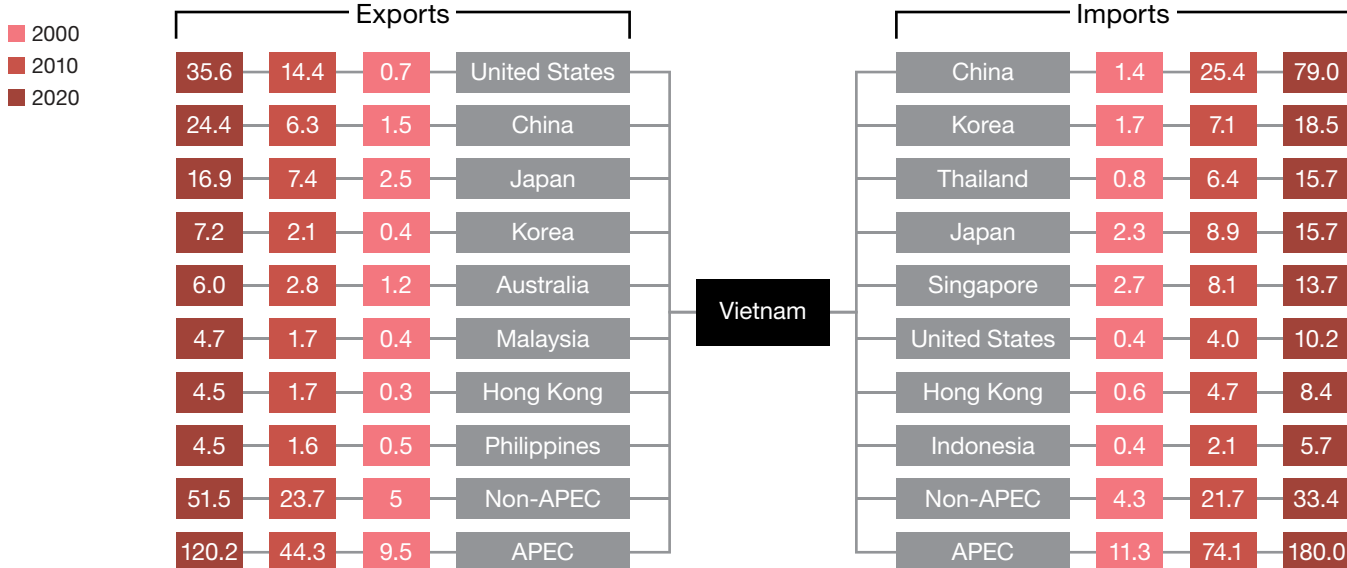
Future of World Trade: Top 25 sea and air freight routes in 2030, PwC 2011

³ World Investment Report 2011: Non-equity modes of international production and development, UNCTAD, 2011.

Figure 9: APEC's emerging trade web

Taking Vietnam as an example, regional trade ties are forecast to strengthen across the board and will also see some changes by 2020

US\$ Billions



PwC analysis based on various historical and forecast sources

We love the idea of other ASEAN banks like Mandiri coming to Malaysia and operating 500 branches side by side with us. That will give them a greater stake in the regional endeavour.

Dato' Sri Nazir Razak
Group Chief Executive
CIMB Group

The potential of Vietnam to become a business process outsourcing centre is strong. Several IT giants from the US are already in the process of setting up BPO centres in Vietnam. The rise of Indonesia, the size of the market, the fact that its domestic economy has been driving economic growth and the relative stability in the political environment has created a lot of interest in the country.

Chong Siak Ching
President & CEO
Ascendas Pte. Ltd.

We can see that the Vietnamese government continues to pursue reforms to further integrate Vietnam into the world economy, and that they are paying particular attention, in my opinion, to those reforms related to infrastructure development. This will create opportunities for businesses in Vietnam. We plan to complete infrastructure projects that are based on regional and intra-regional master plans, and we will continue to be guided by the needs of businesses to shorten distribution times, reduce costs and make use of new opportunities by providing increasingly better access from industrial parks to harbours, sea ports and international airports.

Nguyen Van Hung
Chairman & CEO
Becamex IDC Corp.

There's tremendous opportunity for growth intra-Asia. These countries now have more capabilities and skills, more resources and more raw materials to trade with each other, and that is driving growth in intra-Asia very strongly.

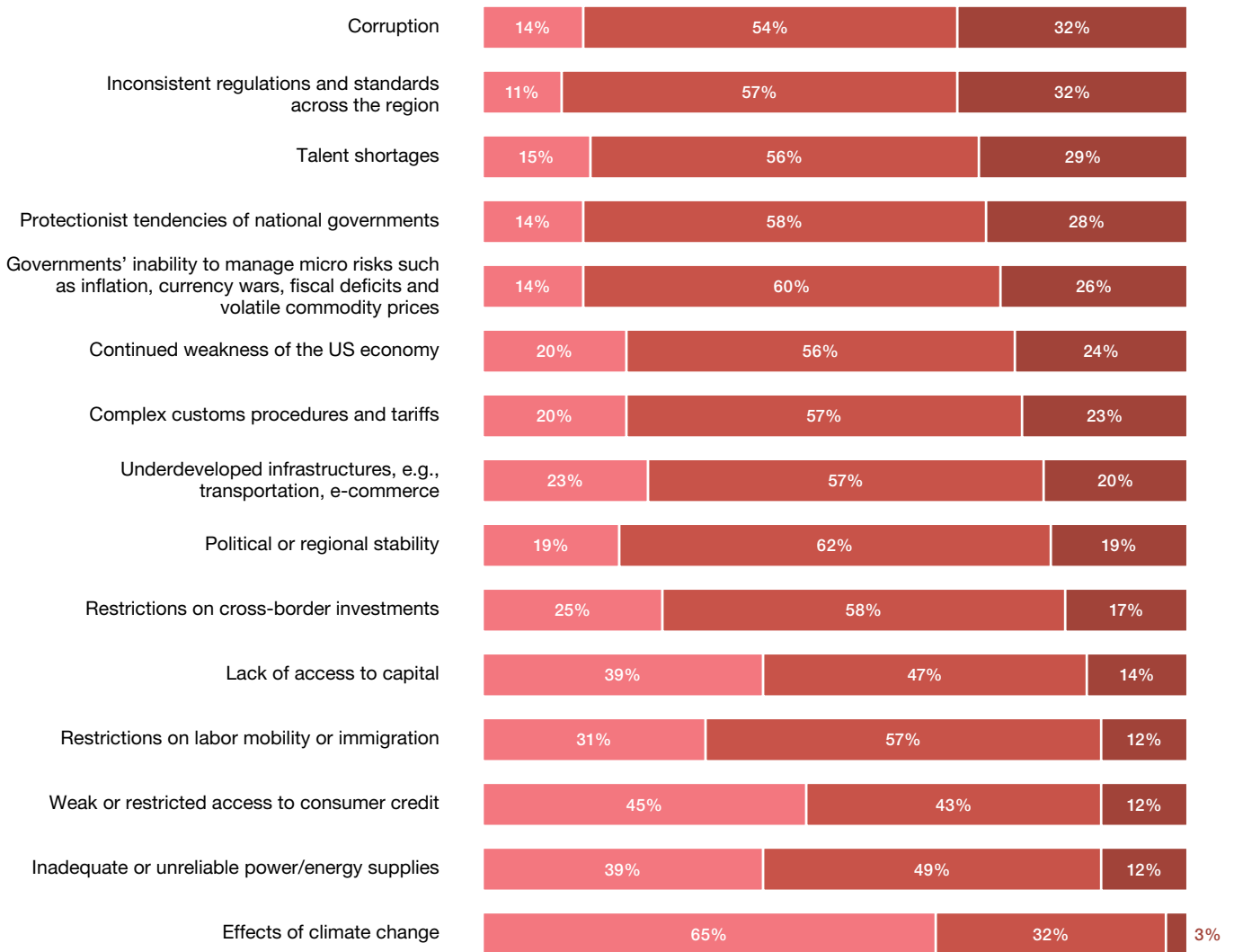
Roger Crook
CEO
DHL Global Forwarding, Freight

Figure 10: Inconsistent regulations and corruption impede efforts to build scale

Q. To what extent are the following factors a barrier to your organization's growth within the APEC region over the next 3–5 years?

Base: 290-312

■ Not at all ■ To some extent ■ To a great extent



Lower tolerance for growth barriers

Inconsistent regulations and corruption are ranked among the top barriers to growth, with each having the effect of raising the cost of doing business and casting uncertainty over investments in new markets. (Figure 10)

Corruption is a growth barrier to a 'great extent' for 35% of business leaders in fast-growing economies compared to 24% for those based in mature

economies. Recently, APEC leaders have made many commitments to combat corruption. Russia and China, for instance, now outlaw bribing foreign government officials. Together with the rise in enforcements and record settlements for bribery-related cases in OECD economies since 2009, expectations have been raised for some actual progress.

Yet concerns persist, strongly indicating that implementation is lacking, that governments are not following through

on the training, reporting and enforcements required to give anti-bribery initiatives adequate force. Combating corruption ranked fourth in a list of issues for APEC leaders to consider in mid-November in Honolulu, according to a survey of opinion leaders conducted by the Pacific Economic Cooperation Council (PECC).⁴

As the business environment in these markets grows more competitive, frustration with complex regulatory regimes, including haphazard rules issued by different regulators within the same country is on the rise. More leaders in mature markets (33%) say inconsistent regulations and standards are a barrier to growth 'to a great extent.'

Among intraregional trade threats, 28% of CEOs are 'greatly concerned' over a rise in protectionist tendencies as nations seek to protect jobs and industries in uncertain times. Day-to-day impediments to doing business, such as in complex customs or tariff regimes or underdeveloped infrastructures, are a 'great' concern to around one in four business leaders. That said, 65% of respondents believe tariffs and other formal trade barriers are more likely than not to come down in the region in the next three to five years.

Threats on the horizon Access to capital does not emerge as significant threat for business growth at the moment. The majority (89%) believe it's more likely capital markets 'will deepen' and create room for financial innovation to take place. To be sure, capital access is not front-of-mind for many APEC businesses for now, with interest rates currently low in many regions. Yet the dynamic can change. When CEOs were asked about ways companies can partner more with government, maintaining financial stability ranked at the top. That is not surprising; the speed with which liquidity can dry up in distant markets is better appreciated after the Lehman Brothers collapse in 2008. Current uncertainty in the euro zone reinforces the threat.

I've been cautious about this last leg as we reach 2015, which is the set date for the ASEAN economic community. It was easy for our leaders to get together and hold hands ten years ago and say 'let's all get together as one economy', but as we get closer, reality sets in. Economic integration, changing the rules, removing tariffs and all of that, is disruptive.

Dato' Sri Nazir Razak
Group Chief Executive
CIMB Group

The whole idea of corruption as a tax on the poor, especially, is foundational for something to be done about it, and I think we're seeing that increase. Certainly, the hunger strike in India seemed to garner some support and attention around this issue. Corruption is not a tax on the investor, it's a tax on the people in those societies that bear the burden of the costs that corruption creates. It has to be addressed internally really by citizens, saying, 'we will not put us with this', and that increasingly seems to be happening. So the direction, I think, is positive. Would we like to see it happen faster? Yes, because in many cases it prevents us from investing at all.

Gregory R. Page,
Chairman and CEO
Cargill Inc.

One cannot take growth for granted and we cannot take social harmony for granted either. And of course, government cannot take people and voters for granted. We have seen what has happened in Middle East and even closer to home, in Malaysia and Thailand, so I believe that the foundation for a stable, prosperous country must be a strong and stable political environment with a clean government, not an exploitative one. That and strong economic growth which continues to provide gainful employment, will create sustainable growth for the region.

Chong Siak Ching
President & CEO
Ascendas Pte. Ltd.

⁴ State of the Region 2011–2012, Pacific Economic Cooperation Council, 2011.



Transforming business to capture the potential in Asia

Manila

Fundamental changes being made today to innovation and talent approaches

Equipping an organization to compete, successfully, in three to five years requires fundamental changes today in the way businesses innovate and manage talented people. Or so the majority of business leaders believe. As they orient toward growth in markets in China and elsewhere in Asia and Latin America, 94% are changing innovation strategies, with nearly half of that group making 'significant' adjustments. (Figure 11)

They are equally committed to an overhaul of talent management. Outside of innovation, this is the area where more business leaders (38%) are likely to make deep changes in their organizations. In the fast-growing economies, many are facing mounting challenges that include

shortages of qualified managers. Double-digit wage rises in some industries and high turnover are compounding the problem. Meanwhile, in mature economies, a third of CEOs confirm challenges ahead with the coming wave of boomer retirements.

Raising the priorities on innovation and talent management is effectively an answer to the same problem.

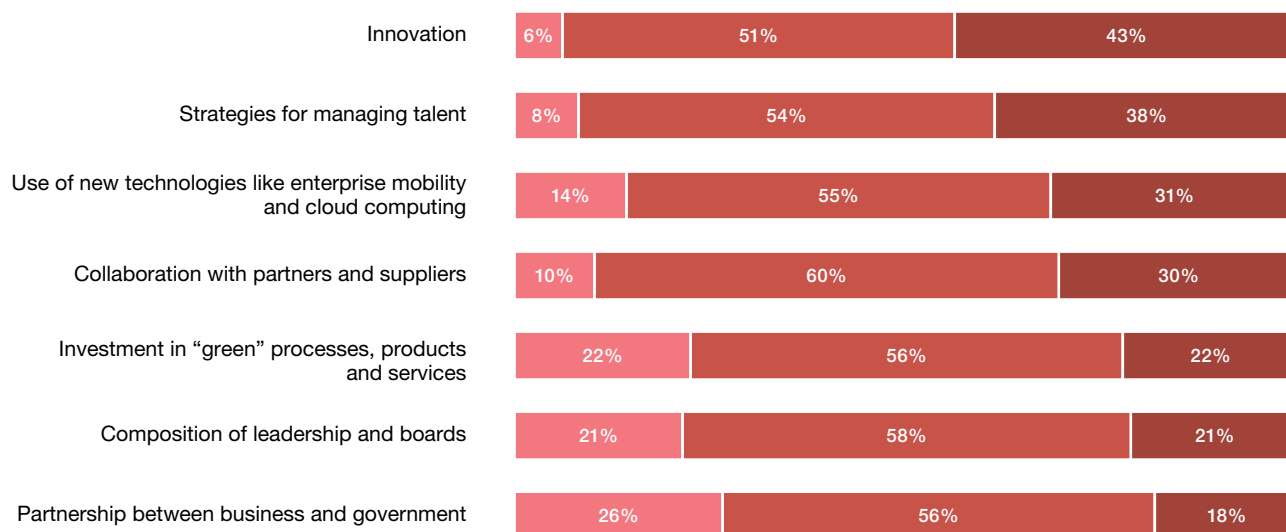
A business can't innovate without the right people in place. Today, this management challenge has new urgency. The speed with which innovations are changing business models in many industries means approaches to innovation need to change, as do approaches to talent management. Products

Figure 11: Intense focus on improving capacity to innovate

Q. Over the next 3–5 years, to what extent are you changing your strategy and/or operating and business models in the following areas in order to succeed?

Base: 307-317

■ No change ■ Some change ■ Significant change



have shorter shelf lives and so do job descriptions.

Moreover, expanding in emerging economies requires new products and services for different customers and often at different price points. This too involves innovation and changing requirements for skills to meet the competitive challenge ahead. As an example: The day after Apple unveiled the latest iPhone at \$199 (with contract) in the US in October, Indian officials launched a touch-screen tablet priced at a (subsidized) \$35, with hopes to distribute 10 million to students and thus attempt to bridge the 'digital divide'.⁵

Cash-rich firms from emerging economies are investing heavily in technology and innovation. Trade in IT products—90% of which are tariff free—has been growing at a rate of 10% per year over the last 15 years⁶.

R&D spending in Asia has already surpassed that of the EU, and is likely to pass the US in the next five years.

This largely reflects strong growth in China, now the world's third biggest R&D investor at \$100 billion, behind the US (\$325 billion) and Japan (\$123 billion).⁷

At the same time, the US continues to retain many of its core strengths, and businesses are seeking to take advantage of new opportunities presented by the changing global economy. PwC's 14th *Annual Global CEO Survey* found that as emerging-economy investors from Asia and Latin America expand their global footprint, they are increasing their sourcing from the US in order to access quality and innovative capabilities.

Connectedness offers the potential to lead in innovation Business leaders (92%) are directing innovation resources to emerging technologies that can better connect employees and bind their organizations more tightly into networks with outside partners. The top areas of change are based on a more open collaboration model that is thriving on cloud computing and mobility technologies. CEOs are seeking to deepen their company's connection with the Internet transformation spreading across the region, and to put the networks now in place to work by creating new devices

The current business environment is really going to force business leaders and political leaders to rethink the way we are innovating and the way we are developing talent in the region. From an innovation standpoint, I think we're going to have to think more in terms of collaborations and co-creations whereby people will join together with various different areas of expertise in order to solve the very complex problems that we're facing in the future.

From a talent development standpoint, that is going to require that we create more agile and innovative entrepreneurial-type thinkers, even in your bigger businesses, because we're going to need those sparks of innovation, those people who can make disparate connections and bring them together to solve our business problems.

Deborah Henretta
Group President
Asia & Global Specialty Channel
Procter & Gamble

⁵ "India launches Aakash tablet computer at \$35," BBC, Oct. 5, 2011.

⁶ Remarks from Rob Atkinson of Information Technology and Innovation Foundation at APEC Conference on "Innovation, Trade & Technology: The Benefit of Getting It Right," Sept. 21, 2011.

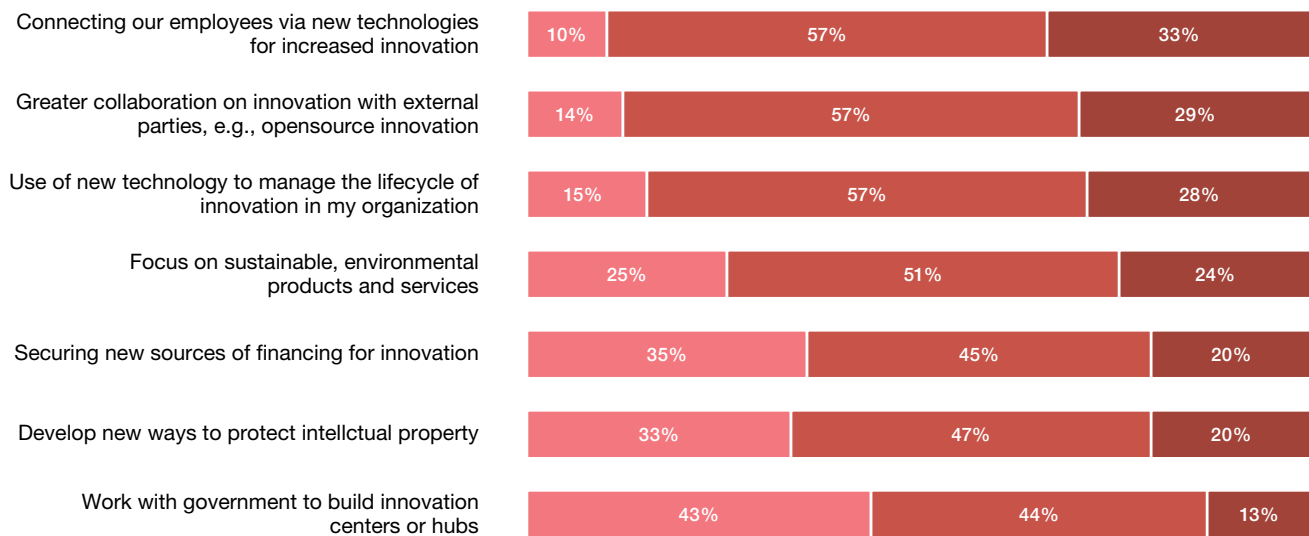
⁷ *The new geography of global innovation*, Goldman Sachs, Sept. 20, 2010.

Figure 12: Putting the reach and flexibility of broadband to work and improving the capacity to support sustainable growth

Q. To what extent do you plan to change your innovation strategy in the following ways over the next 3–5 years?

Base: 304-310

■ No change ■ Some change ■ Significant change



A decade ago our pharmaceutical business in Asia Pacific imported innovative products from the United States and Europe. Today, a skilled group of scientists and physicians undertake end-to-end drug development across the region. This involves prioritizing compounds and indications for the compounds from the west and developing them for patients in the Asia Pacific region, while also developing new compounds in Asia Pacific that are directly relevant and of significant medical value to patients in the region.

William C. Weldon
Chairman and CEO
Johnson & Johnson

and applications, and to thus reach new customers and partners across the globe. (Figure 12)

Innovation is now taking place beyond the well-funded labs of multinationals. It is also extending to include business processes, such as advanced analytics around customer segmentation, online retailing and off-shoring operations. The close integration of technology, communications and innovation is accelerating both product and process breakthroughs.

Small and Medium Enterprises (SMEs) can benefit most from emerging information and communications technology (ICT); they are also a key source of innovation, often representing over 90% of any nation’s innovations, but SME productivity lags that of enterprises. ICT and in particular, cloud computing and mobility, have enormous potential to improve productivity of the SME segment in how they create, commercialize and collaborate on innovations.

What can mobile connectedness lead to?

Over the next five years, many sectors of the economy, including technology, telecommunications, entertainment, media, banking, retail and healthcare—as well as business processes and government systems—will continue to be reshaped through the application of ICT. Countries with an established technology infrastructure, such as PC ownership, broadband and mobile phone penetration, and a degree of Internet security are better positioned to innovate in business.

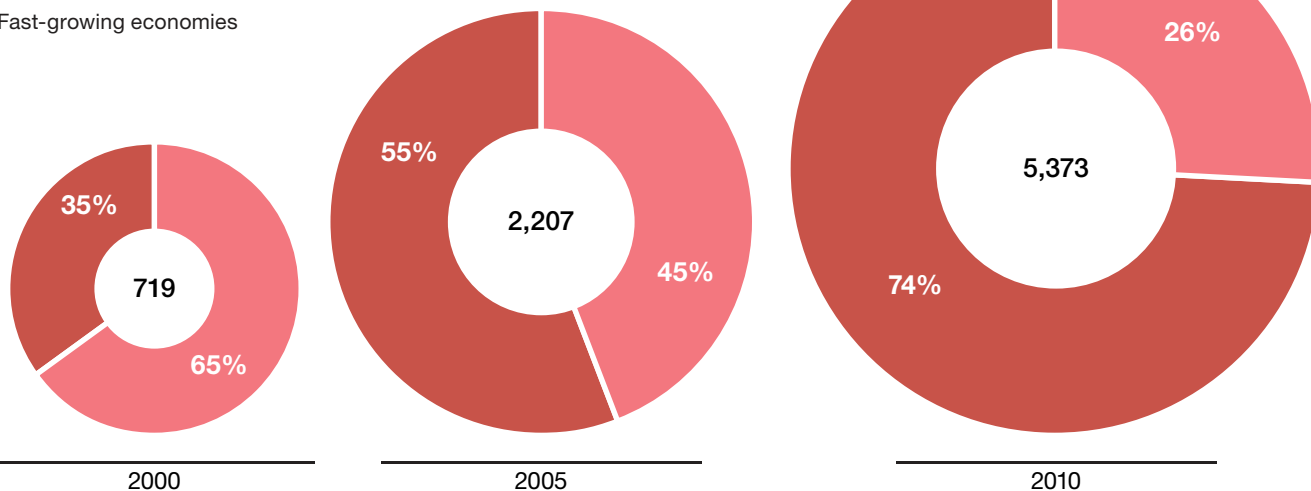
The payoffs of a strong infrastructure are substantial: in a study of 120 countries by the World Bank between 1980 and 2006, for every 10% rise in broadband penetration, there was a 1.3% rise in the GDP. Availability of broadband and application of ICT have become game-changers for emerging economies, triggering advancements across an expanding number of areas. Bypassing legacy technologies such as landlines, they are going straight to mobile ones:

Figure 13: Building a platform for innovation with mobile technologies

Number of mobile cellular subscriptions in 2000, 2005, and 2010

US\$ Millions

- Mature economies
- Fast-growing economies



International Telecommunication Union

74% of all mobile subscriptions were estimated to be emerging markets in 2010. The result is unfolding as efficient and innovative mobile health, mobile banking and e-governance solutions emerge. (Figure 13)

Significant growth has been led by banking services for the very poor. A similar expansion is also under way in healthcare, with mobile applications enabling poor countries to bypass medical infrastructure that the West has taken decades to create. Some countries, such as China, Peru and Malaysia, are now including broadband as part of universal service obligations, specifying access to the Internet as a utility and an essential tool for social and economic welfare.⁸

ICT is also slowly changing the face of governments. “E-government” provides easy, transparent and low-cost interactions between a government and its citizens. Consider, for instance, Singapore, which proved to be an early testing ground for using broadband to grow the ICT industry. In the early 1990s, the country deployed a national broadband network, which served as the groundwork for a 10-year ICT plan laid out in 2005. Dubbed Intelligent Nation

In the next five to ten years, changes in organizational and business models brought about by innovation will play an important role in determining whether the Asia-Pacific region will influence the global economy.

Donald M. F. Lu
Chairman
Shanghai Pharmaceuticals Holding Co., Ltd.

We do not consider the current challenges in the world economy as a reason to slow down or delay the projects which we have invested in, but we will maintain them and continue to innovate.

Nguyen Van Hung
Chairman & CEO
Becamex IDC Corp.

We’ve said that we need to be more purposeful in doing co-discovery versus us sitting in our labs thinking about things that might be interesting. Give an idea a certain distance and then go out and talk with people about it. We have tried to get ahead of that and to be more interactive with our customers, with their marketing departments, with their R&D staff, to be sure that we are working on the issues that are very important to them and in many cases doing it jointly.

Gregory R. Page,
Chairman and CEO
Cargill Inc.

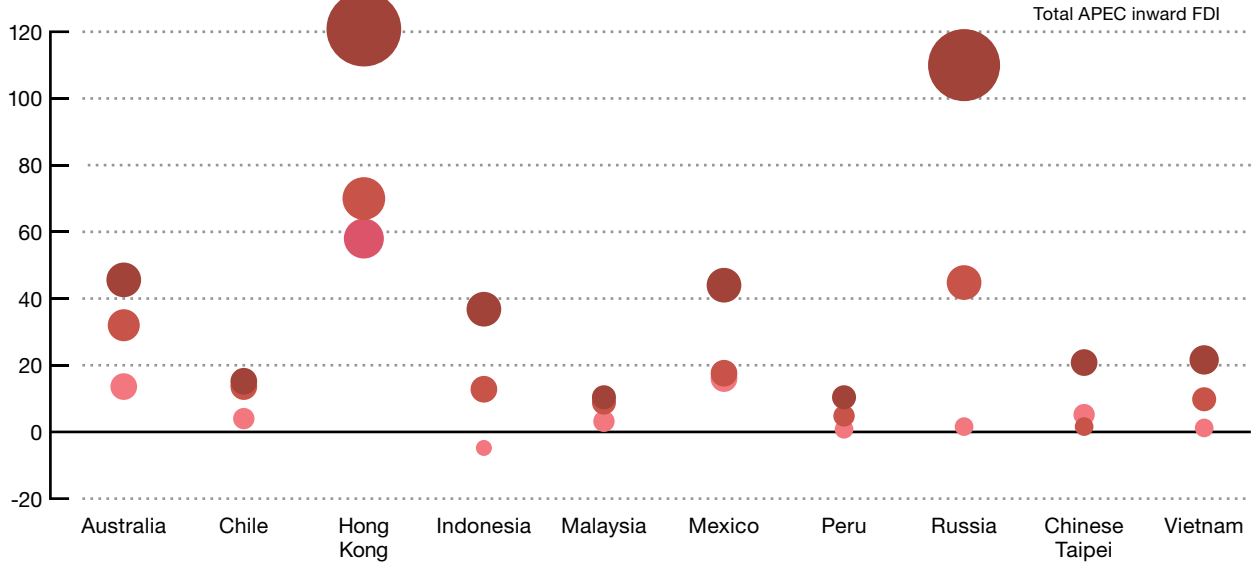
⁸ The Broadband Commission for Digital Development, established in May 2010 by the International Telecommunication Union (ITU) and the United Nations Educational, Scientific and Cultural Organization (UNESCO).

Figure 14: APEC's new FDI magnets

Looking to 2020: Investors are raising commitments to fast-growing APEC economies. CEOs in these markets are also seeking to improve their company's innovation abilities. Among those planning 'significant' change, 25% expect to secure new financing sources for innovation.

Inward FDI
US\$ Billions

● 2000 ● 2010 ● 2020



PwC analysis based on various historical and forecast sources

2015 (iN2015), the plan has generated its share of dividends. In June 2011, Singapore's fixed-line household broadband penetration rate was 105.8% (up from 55% in 2006), and its mobile phone population penetration rate hit 148.5% (compared to 97.3% in 2006).⁹ Since 2006, Singapore's ICT industry revenue has grown 38% to S\$62.74 billion in 2009, and ICT employment has grown by 21,100 since 2006 to reach 140,800 in 2009.¹⁰

South Korea was ranked number one on the United Nations' latest e-Government Index, which calculates readiness along with participation.¹¹ In the US, data.gov makes a significant amount of government information open to developers and the public to innovate and create new services.

New urgency for IP protection

Business leaders in fast-growing and mature economies are directionally taking similar approaches to innovation, yet there are distinct differences.

Those based in mature markets are more likely to give more consideration to new ways to protecting their intellectual property, with 24% planning 'significant' change here in the next three to five years compared to 18.5% of leaders in emerging markets. In general, the latter are more likely to seek new funding for innovation and apply technology to manage, and accelerate, the innovation process in their organizations, according to survey results. (Figure 14)

For technology-rich businesses, challenges in the post-PC era, driven by cloud computing, mobility and globalization, are actually increasing. The more openly information flows, the more urgent the need to protect trade secrets and confidential business information such as strategies, manufacturing processes, products plans and schedules. Poor IP rights protection is one of the top three obstacles to international trade and investment, according to PECC's 2011 survey of opinion leaders in APEC economies. The number of lawsuits, IP challenges and M&A activity around patents in the mobile space appear to offer an indication of the 'new ways' businesses are seeking to confront IP challenges with new technologies in the absence of a comprehensive framework.

The world is changing much faster, and so our business plans have to be much more dynamic than we perhaps thought even just two years ago. The realities of the business world, or even of the whole world, are still emerging. Social media is impacting the way businesses are run, and the demands on business leaders are also changing.

Dato' Sri Nazir Razak
Group Chief Executive
CIMB Group

Technologies have a short lifespan before they need to be replaced. So inevitably regions like Europe, which are investing less in new IT projects than the APEC region, will be left behind.

Ziyavudin Magomedov
Chairman
Summa Group

⁹ Singapore Government figures, www.ida.gov.sg.

¹⁰ Ibid.

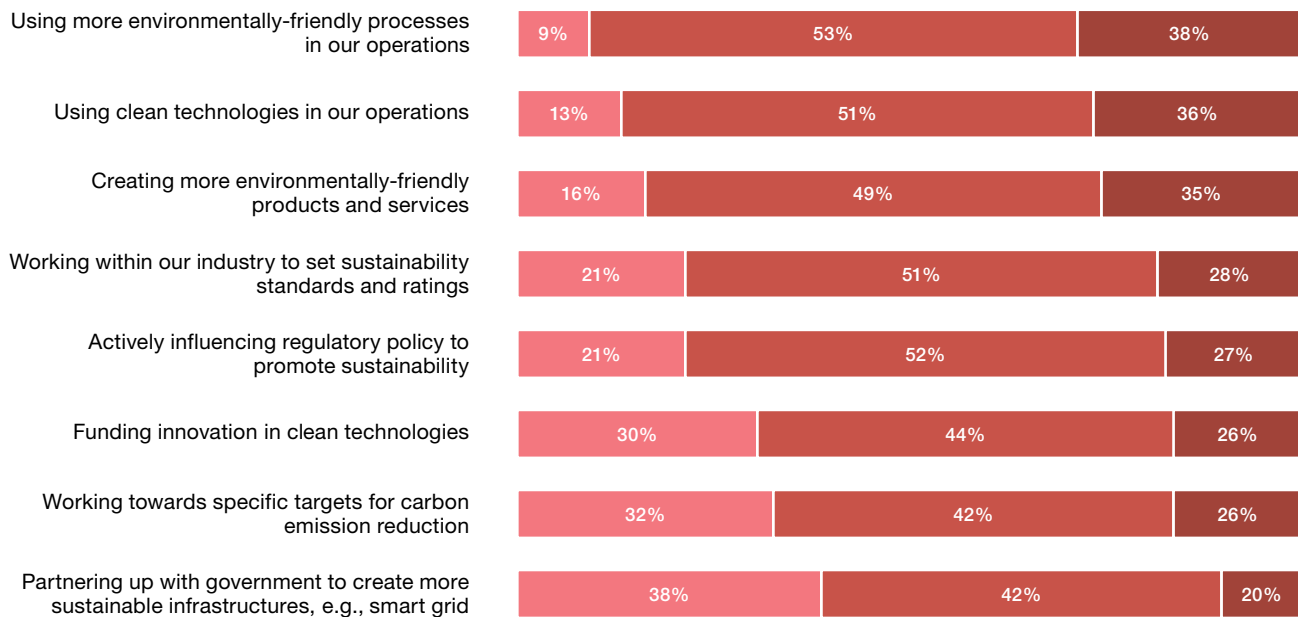
¹¹ *United Nations E-Government Survey 2010*, UN Department of Economic and Social Affairs, 2011.

Figure 15: Sustainability: Prioritizing where they can—in their own organization’s practices

Q. In the area of sustainability, to what extent will your organization be involved in the following activities over the next 3-5 years?

Base: 181-195

■ No commitment ■ Some commitment ■ Significant commitment



Sustainability provides powerful incentive to innovate The drive for renewable power forms an important part of innovation strategies. Over a third of business leaders say they plan to significantly increase commitments toward clean technologies. They are actively pursuing environmentally friendly alternatives where they can most exert control—in the processes, products and services created and managed by their own organizations. (Figure 15)

Responses show mature-markets leaders in APEC are more likely to pursue low-carbon alternatives, with 51% expecting to ‘significantly’ raise their commitment to using clean technology in company operations, compared to 28% of leaders in fast-growing markets. They are also more likely to commit to greater efficiencies in processes—a significant driver of innovations in sustainability.

This shift is evident in the APEC region. Government incentives and investments are spurring clean tech development—the goals are formidable in Beijing’s Five-Year Plan. South Korea, for instance, announced a “Five-Year Green Growth Plan” involving an investment of about \$84 billion—or 2% of GDP—in green technologies over the next five years.

This plan is estimated to generate over 1.5 million jobs in green industries.¹² Additionally, the government aims to create a nationwide smart electricity grid by 2030. Authorities estimate the smart grid project could create up to 500,000 new jobs annually and reduce the country’s power consumption by 3% by the 2030 launch.¹³

In 2014, China is forecast to overtake Japan in installed solar energy capacity. North America, largely driven by the US, is forecast to persist as APEC’s largest market for solar, with installed photovoltaic capacity forecast to rise tenfold over the 2010–2015 period.¹⁴

As nations pursue cleaner and more sustainable and secure energy sources, the global energy mix in 2035 may shift dramatically. Heavier demand for natural gas and renewable energy is projected to grab demand share from nuclear, oil and coal, according to new

¹² *Global Green New Deal*, UNEP, 2009.

¹³ “Korea to save power through smart grid,” Korea Smart Grid Institute, March 3, 2010.

¹⁴ *Global Market Outlook for Photovoltaics until 2015*, European Photovoltaic Industry Association, 2011. (n.b., based on EPIA policy-driven forecast scenario).

We’re adding 4,000 new, much more fuel efficient vehicles to our ground fleet over the next couple of years. In Japan, we’ve introduced an idea called eco driving, where we’re educating FedEx drivers on the benefits of fuel economy on their driving habits, and that’s catching fire within the work group.

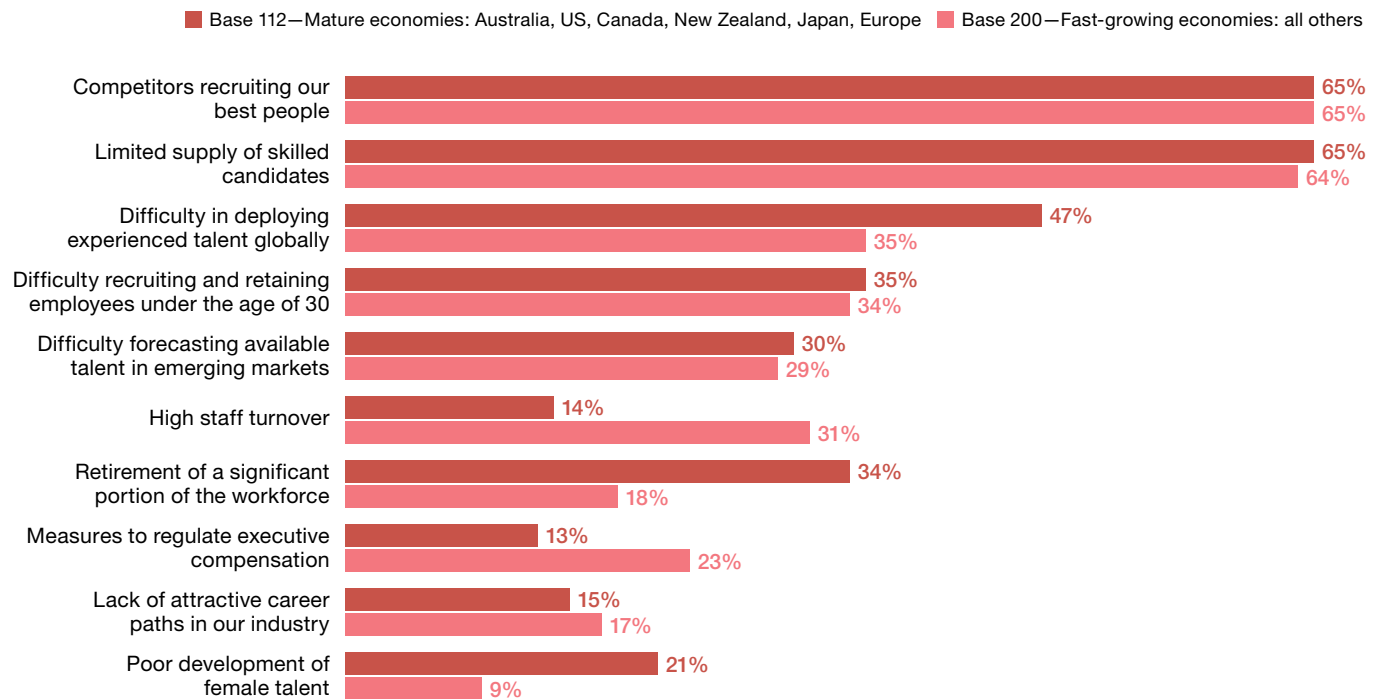
Michael L. Ducker
COO and President
International FedEx Express

There certainly are a lot of definitions and a lot of agendas around what’s sustainable, but for us, it’s the ability to meet the needs of the world today without impairing the ability of the world to meet the needs of populations of the future. If you start with that high level definition, the question is, are the things you’re doing exploitive in the sense that they will impair the world’s ability to do it again for the next generation and the next?

Gregory R. Page,
Chairman and CEO
Cargill Inc.

Figure 16: Some pressure points in talent differ

Q. Considering the talent required for the success of your business over the next 3-5 years, what are the key challenges you are expecting?



forecasts by the International Energy Agency (IEA).¹⁵

As of October 2011, APEC members, collectively, had plans in place to more than double the number of nuclear plants, with China accounting for the majority of proposed or planned plants for expected completion within the next 15 years, according to the World Nuclear Association.¹⁶ However, following Japan's March 2011 Fukushima Daiichi nuclear plant accident, the IEA announced plans to halve its global nuclear capacity estimates through 2035 downward from 360 gigawatts (GW) to 180 GW, dropping nuclear's global share of electricity generation from 14% currently to 10%.¹⁷

Talent: Perhaps the most complex and urgent challenge companies face

Getting the talent strategy right is a top priority for business leaders.

High turnover and skills shortages are becoming an impediment to growth in Asia Pacific, where more employers in global surveys routinely report difficulties filling jobs. Left unresolved over the longer term, today's skills mismatches can undermine the best innovation strategy for tomorrow's business.

China faces critical shortages at the senior management and executive levels. Double-digit wage rises and high turnover among managers are compounding the issue. A 2010 survey of over 2,200 mid- to senior-level managers in mainland China found two-thirds received at least one competing job offer in the last 18 months, and that nearly half (46%) moved to a new role with a more than 30% increase in compensation.¹⁸

Even with high unemployment at home, businesses operating in mature markets

The battle within the APEC region to attract the right talent and to retain people — particularly in China, where the demand for talent is very strong — is something which an organization like ours must give maximum attention.

Anthony Nightingale, SBS, JP
Managing Director
The Jardine Matheson Group

The impact of a company's culture cannot be underestimated. Modern enterprise cultures foster loyalty to the company and dedication to the task at hand, and even inspire passions. The power of this—it is like a spiritual strength—can hardly be replaced by any material factors.

SONG Lin, Charley
Chairman
China Resources (Holdings) Co., Ltd.

15 *Are we entering a golden age of gas?*, World Energy Outlook 2011, International Energy Agency, 2011.

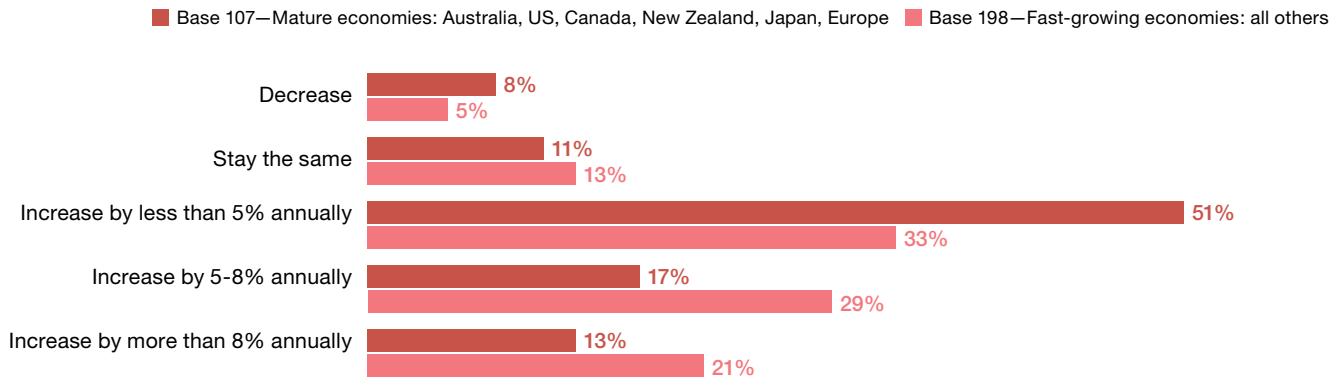
16 *World Nuclear Power Reactors and Uranium Requirements*, World Nuclear Association, October 8, 2011.

17 Lubomir Mitev, "International Energy Agency Chief Outlines Outlook for Nuclear Power," New Europe.eu, 944: July 14, 2011.

18 MRI China Group Talent Environment Index.

Figure 17: Ambitious plans to expand workforces

Q. What do you expect to happen to headcount in your organization globally over the next 3–5 years?

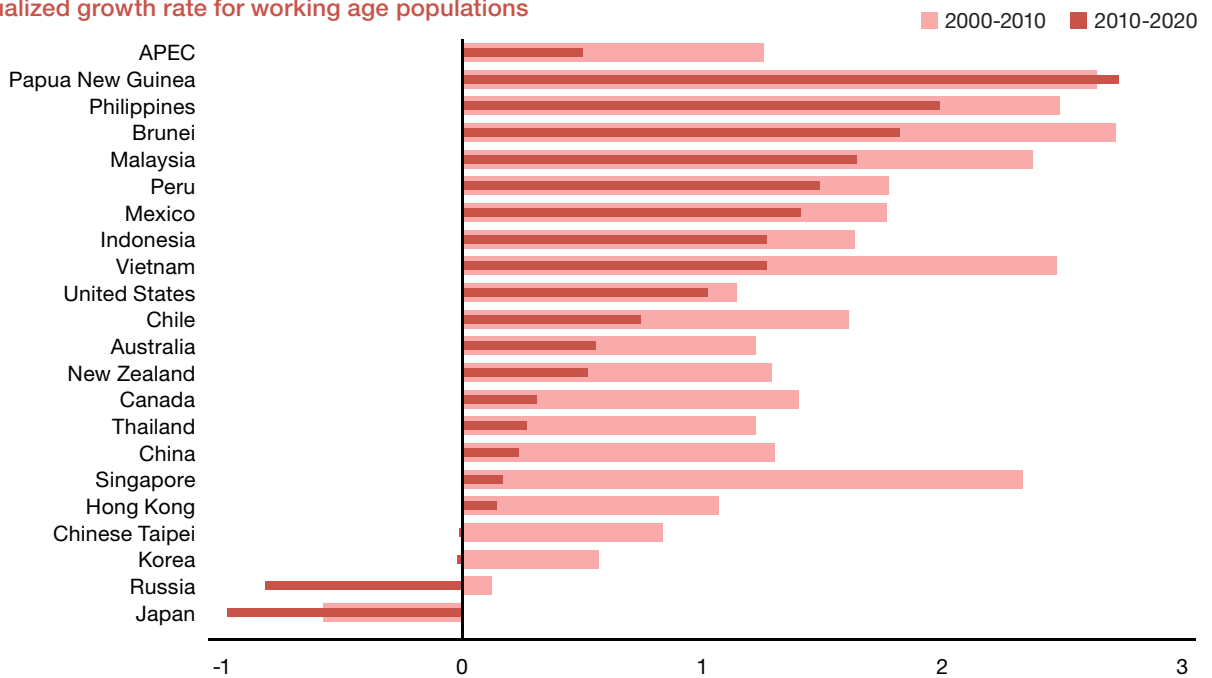


The workplace and workforce are going to change pretty dramatically as we look forward. The entire concept of work is going to become more flexible. The skills needed in the workforce are going to be less about IQ and a little bit more about EQ, because if you think about it, a lot of IQ knowledge is going to be available at our fingertips through handheld devices and the computer and technologies that we have at our disposal.

Deborah Henretta
 Group President
 Asia & Global Specialty Channel
 Procter & Gamble

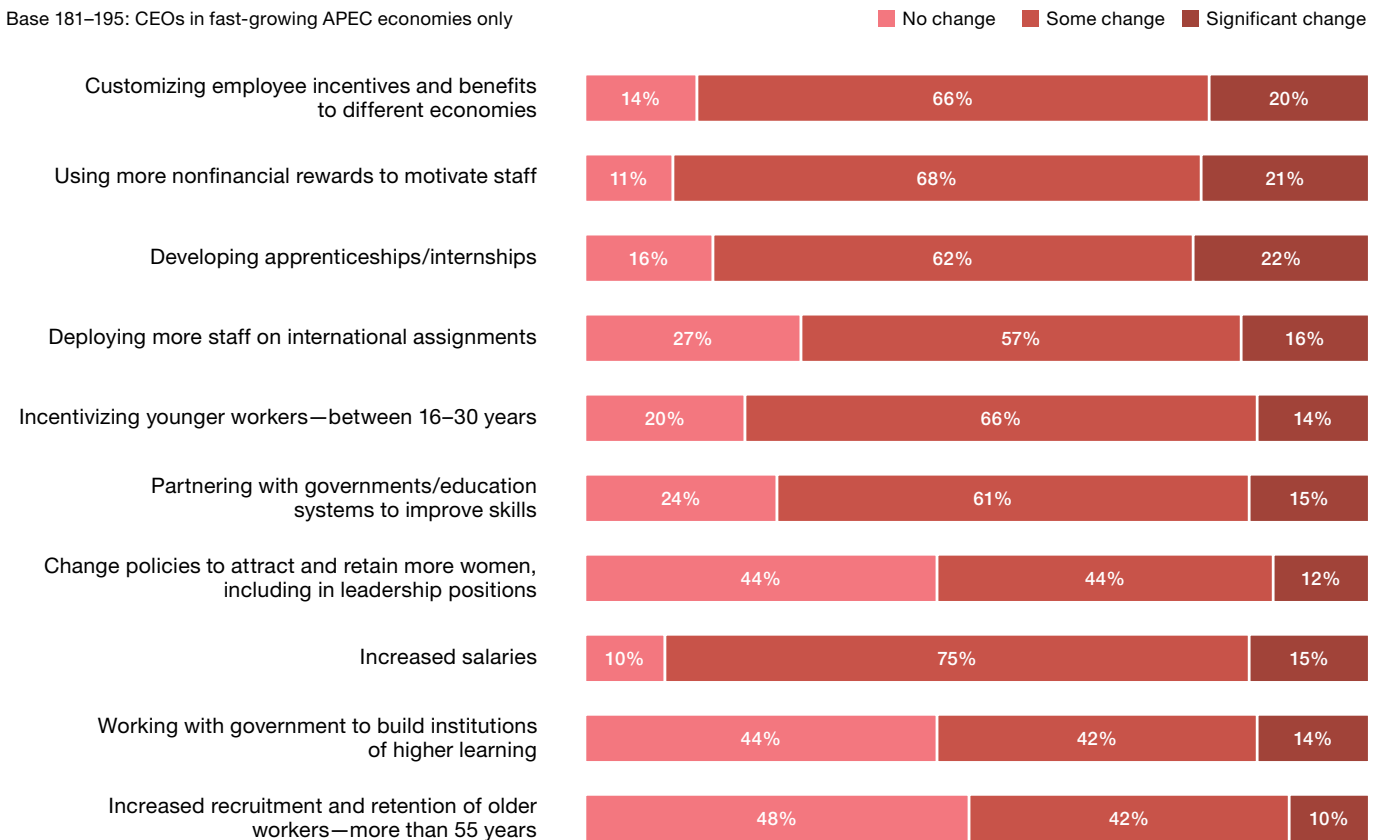
Figure 18: Boost from working-age population forecast to recede

Percent annualized growth rate for working age populations



PwC analysis based on various historical and forecast sources

Figure 19: CEOs in fast-growing economies changing approaches on many fronts



also have talent concerns. For example, nearly half (47%) say they’re experiencing difficulties deploying people overseas. This is remarkable, considering the post-crisis rebound in executives traveling through the world’s business hubs in what still remains largely a one-way trip from the West to the East.¹⁹ (Figure 16)

Japanese employers overall appear to face the most pressures, with 80% reporting challenges filling jobs in 2011. In the US, 52% of employers reported difficulties, up from 14% in 2010, according to a Manpower survey of 40,000 employers worldwide.²⁰

Ambitious hiring plans will exacerbate Signs point to a worsening talent crunch. Even as labor costs rise in fast-growing economies, business leaders have set out ambitious plans to expand workforces. Indeed, 50% of CEOs in fast-growing economies expect to increase their headcount by at least 5% annually over the next three

to five years—compared with 30% of respondents from mature economies. (Figure 17)

Look out over 20 years, and the skills shortage grows even tighter as demographic realities press on Japan, Korea, Russia, and China/Chinese Taipei/Hong Kong. US businesses are also facing a loss of managerial experience and high-level skills, particularly in scientific and engineering professions as the boomer generation retires. (Figure 18)

The US has relied heavily on foreign-born experts to fill the gap in innovation, a competitive advantage that is inexorably receding as talent becomes increasingly mobile and opportunities arise elsewhere. Their contribution to US-headquartered businesses cannot be overstated: for example, they are behind more than 60% of patent applications filed by Merck, General Electric and Cisco Systems.²¹

¹⁹ *Global Business Travel Spending Outlook 2011–2015*, GBTA Foundation, Aug. 2011.

²⁰ *Talent Shortage 2011 Survey*, Manpower Group, 2011.

²¹ V. Wadhwa, “America’s Other Immigration Crisis,” in World Economic Forum and The Boston Consulting Group, *Global Talent Risk—Seven Responses*, 2011.

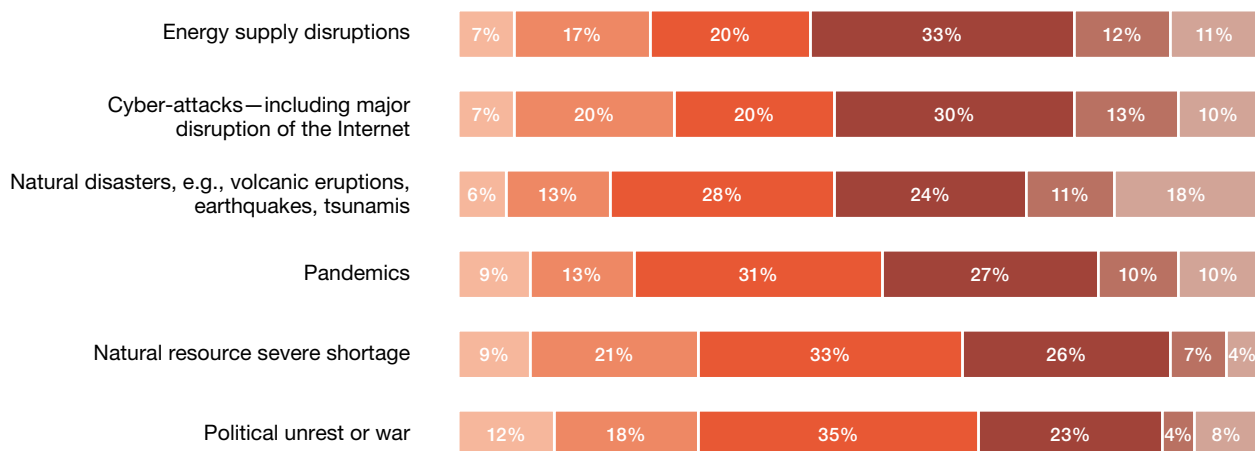
Figure 20: Energy security and cyber-security are top motivators to developing continuity planning

Q. Regarding the following low-probability, high-impact events, how would you describe your organization’s business continuity plans?

Base: 307-317

Prepared: ■ Plan is in place ■ Plan has been tested ■ Plan has been implemented in real situations

Unprepared: ■ No plan exists ■ Plan being developed ■ Don't know



Meanwhile, the workforce potential in many fast-growing economies is vast, but business leaders believe uneven educational systems are falling short of producing candidates with skills they need. It’s a challenge for every employer, regardless of where they are based: 29% of the CEOs we surveyed say they’re facing difficulty forecasting available talent in emerging markets.

Keeping talent, cultivating talent

Business leaders are actively pursuing a variety of approaches to attract and retain skilled employees. Many are changing benefits schemes and pursuing nonfinancial incentives, such as greater opportunity for international experience, to remain attractive employers. Others are redoubling measures to train employees with the skills their businesses need to compete, beginning with a greater emphasis on apprenticeships and internships. (Figure 19)

More in fact are prepared to take on training programs on their own rather than work with governments, reflecting perhaps the speed with which the skills they need are changing. However, a minority (15%) in fast-growing economies plan to ‘significantly’ cooperate

with their governments. This is likely to receive more attention across the region as governments organize to compete for talent, taking a lead perhaps from Singapore, which has made a concerted effort to attract foreign professionals with liberalized eligibility criteria. In 2006, this set represented 13.4% of Singapore’s total nonresident population.²² The Malaysian government has launched its 10th Plan to overhaul the country’s education system, upgrade vocational and professional training, and become a magnet for talent.²³

These approaches improve a country’s or a company’s ‘brand’ in a white-hot jobs market for skills, and that is becoming increasingly important as businesses in emerging markets close the gap with multinationals on pay and prestige. Survey responses suggest that the gap is narrowing still. Most CEOs based in fast-growing economies are expected to raise salaries. It is the one solution to the talent shortage on which 90% of business leaders in fast-growing economies agree: Pay needs to go up.

²² *Global Talent Risk—Seven Responses*, World Economic Forum, 2011.

²³ *Ibid.*

State of continuity planning

The earthquake and tsunami that struck Japan in March are spurring deeper commitments to managing risks related to disasters and other ‘black swan’ events. Yet at the moment, the state of preparedness in the region is mixed. One in four respondents said their companies do not have plans in place for continuing operations in the event of a natural disaster. CEOs whose businesses were impacted by the disaster in Japan sought new locations for their operations, reinforced buildings and built redundancies into their supply chains. (Figure 20)

“We see definite changes among Japanese companies in disaster preparations. Much of industry in Japan will re-emerge more resilient than before.”

Osmu Kamikawa, Deputy General Manager, Planning & Coordination, Mitsui & Co.



Appendix: Research methodology and key contacts

Bangkok

This is the APEC CEO Survey 2011

We surveyed over 320 industry leaders from July 27 to September 12, 2011, across the APEC region.

We used an online methodology to achieve responses from 26 countries, including the 21 APEC economies. This multilingual survey was translated from English into 4 languages; Chinese, Japanese, Korean and Russian.

The survey responses were conducted in confidence and on an unattributable basis.

Our respondents represented a cross-section of industries and company sizes. They are also geographically diverse. In fact, 23% of respondents said their organization does not identify with a specific region or country, but most identify with being a 'global company'.

Executives working at a strategic level (such as CEO/CFO/President/Managing Director/Regional Director/Business Owners or equivalent) represent 93% of our findings, while the heads of department working at an operational level represent 7%. By geography, the top four are: 26% in the US, 11% in China, 11% in Singapore and 6.2% in Hong Kong. The top four by industry are: 19% in business and professional services, 11.4% in banking and capital markets, 10.5% in consumer goods and 10.8% in industrial manufacturing. By company size, 24% reported revenue of greater than \$10 billion in the last fiscal year and 31% reported less than \$100 million. Eighty-six percent of respondents are male, and 41% said their company has been in business for over 40 years.

We also conducted 20 follow-on, in-depth interviews with CEOs and other top corporate officers. PwC's extensive network of experts and specialists has provided its input. Interviews were mainly conducted face-to-face and on camera. The insights from the business leaders we interviewed are quoted in this report, and video selections are available on pwc.com, as is further information on the data and graphics. We commissioned Oxford Economics to contribute to our analysis of business trends in APEC; the team from Oxford created forecasts mainly from historical data provided by government statistical offices from around the APEC region, and used additional data from the IMF, UN and OECD as needed.

Note: *Not all figures add up to 100% due to rounding of percentages and to the exclusion of 'neither/nor' and 'don't know' responses.*

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Our coverage of the trends shaping APEC economies and businesses would not have been possible without the insights shared by the 20 industry leaders we interviewed. We are most grateful and would like to acknowledge their contribution.



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