

# Philippines

## Philippines-based CEOs

No. of global responses: **4,701 CEOs**

No. of countries: **109 countries**

**53%** CEO of a single or multi-entity parent company

**19%** CEO of a product-oriented subsidiary within a multi-entity company

**9%** CEO of a country subsidiary within a multi-entity parent company

## Reinvention on the edge of tomorrow

### Pursuing innovation in the face of unprecedented challenges

CEOs report early productivity gains from Generative AI and rising payoffs from investments in sustainability. The challenge is to increase scope and speed.

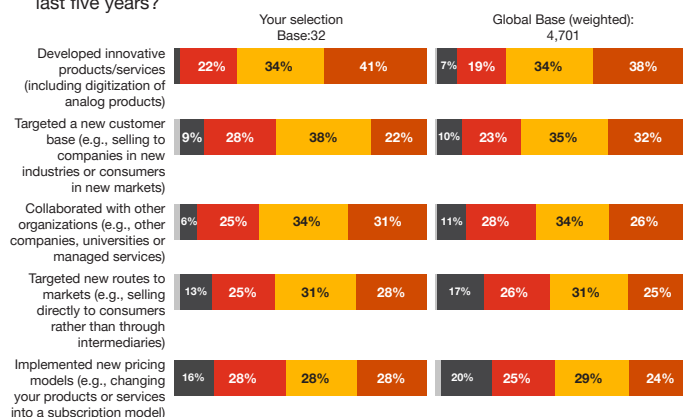
Philippine-based CEOs are generally more optimistic about global and territorial economic growth compared to the global average.

Economic growth outlook	Philippine-based CEOs	Global CEOs
Improved global growth	<b>59%</b>	<b>58%</b>
Improved territory growth	<b>78%</b>	<b>57%</b>

Business reinvention remains an issue. While most CEOs are taking steps toward reinvention, the majority (69%) of Philippine-based CEOs believe their companies will remain economically viable for only ten years or less if they continue on their current path. This stands in contrast to the global average, where 55% of CEOs are confident their companies will remain viable for more than ten years.

Business viability	Philippine-based CEOs	Global CEOs
10 years or less	<b>69%</b>	<b>42%</b>
More than 10 years	<b>31%</b>	<b>55%</b>

**Q:** To what extent has your company taken the following actions in the last five years?



● Don't know ● Not at all or to a very limited extent ● To a limited extent ● To a moderate extent ● To a large/very large extent  
Source: PwC's 28th Annual Global CEO Survey

Reinvention actions	Philippine-based CEOs	Global CEOs
Developed innovative products/services (including the digitization of analog products)	<b>41%</b>	<b>38%</b>
Targeted a new customer base (e.g., selling to companies in new industries or consumers in new markets)	<b>22%</b>	<b>32%</b>
Collaborated with other organizations (e.g., other companies, universities, or managed services)	<b>31%</b>	<b>26%</b>
Targeted new routes to market (e.g., selling directly to consumers rather than through intermediaries)	<b>28%</b>	<b>25%</b>
Implemented new pricing models (e.g., changing your products or services into a subscription model)	<b>28%</b>	<b>24%</b>

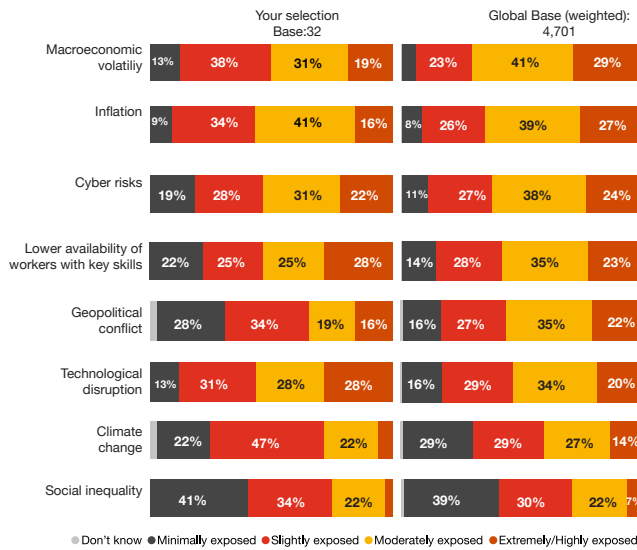
\*The data presented only reflects responses indicating actions taken 'to a large/very large extent.'

## Pressures and threats

Philippine-based CEOs feel highly exposed to risks like the lower availability of workers with key skills and technological disruption. In contrast, global CEOs see macroeconomic volatility and inflation as the most significant risks.

**Q:** How exposed\* do you believe your company will be to the following key threats in the next 12 months?

\*Exposure is defined as probability of significant financial loss.



Source: PwC's 28th Annual Global CEO Survey

Threats	Philippine-based CEOs	Global CEOs
Technological disruption	28%	20%
Low availability of workers with key skills	28%	23%
Cyber risks	22%	24%
Macroeconomic volatility	19%	29%
Geopolitical conflict	16%	22%
Inflation	16%	27%

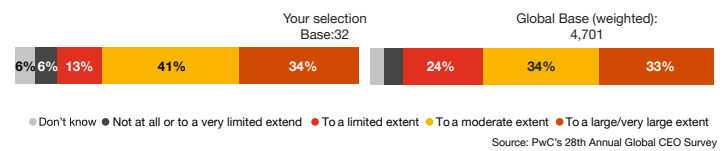
## Two defining issues: AI and climate change

### Artificial intelligence (AI)

Philippine-based CEOs are more trusting of AI being embedded into key processes compared to the global average. While both groups exhibit moderate trust, Philippine-based CEOs demonstrate a higher level of confidence in AI's potential to enhance their operations.

**Q:** To what extent do you personally trust having AI (including generative AI\*) embedded into key processes in your company?

\*Generative AI is a type of artificial intelligence that can create, enhance, summarize and analyze unstructured data such as text, code and images.



Source: PwC's 28th Annual Global CEO Survey

### AI trust

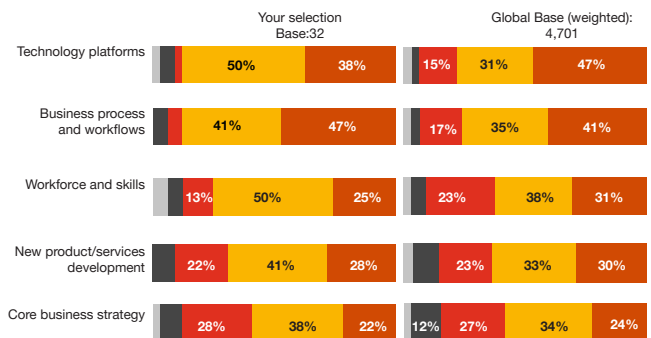
	Philippine-based CEOs	Global CEOs
Trust in AI integration	75%	67%

\*The data presented reflects responses indicating trust 'to a moderate' and 'to a large/very large extent' in AI integration into key processes.

Philippine-based CEOs expect AI to be integrated into key areas of their business over the next three years. They believe it will be most extensively integrated into technology platforms, business processes and workflows, and workforce and skills.

**Q:** To what extent, if at all, do you predict AI (including generative AI\*) will be systematically integrated into the following areas in your company in the next three years?

\*Generative AI is a type of artificial intelligence that can create, enhance, summarize and analyze unstructured data such as text, code and images.



● Don't know ● Not at all or to a very limited extent ● To a limited extent ● To a moderate extent ● To a large/very large extent

Source: PwC's 28th Annual Global CEO Survey

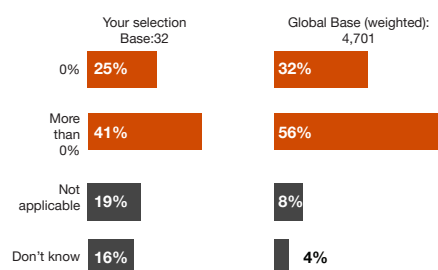
Key areas of AI adoption	Philippine-based CEOs	Global CEOs
Business processes and workflows	47%	41%
Technology platforms	38%	47%
New products/services development	28%	30%
Workforce and skills	25%	31%
Core business strategy	22%	24%

\* The data presented includes only responses reflecting respondents' predictions of AI integration into key areas of their company 'to a large/very large extent.'

## Climate

Philippine CEOs indicated that only a small portion of their personal incentive compensation—such as annual bonuses and long-term incentives—is tied to sustainability metrics.

**Q:** What proportion of your current personal incentive compensation (including both annual bonus and long-term incentives) is determined by sustainability metrics?



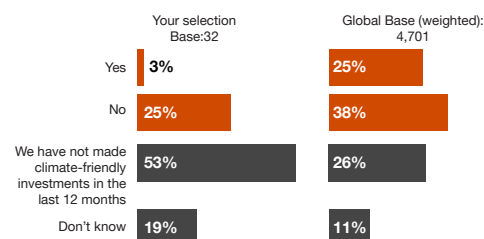
Source: PwC's 28th Annual Global CEO Survey

Sustainability-based compensation	Philippine-based CEOs	Global CEOs
0%	25%	32%
More than 0%	41%	56%

When asked if their company had accepted lower rates of return for climate-friendly investments compared to their usual minimum thresholds in the past 12 months, 53% of Philippine CEOs reported they had not pursued such investments during this period.

**Q:** In the last 12 months, has your company accepted rates of return for climate-friendly investments\* that were lower than the minimum acceptable rate of return your company uses for other investments?

\*Examples of climate friendly investments include transitioning to energy-efficient operations, developing greener products and services, and implementing emission-reducing technologies.



Source: PwC's 28th Annual Global CEO Survey

Climate hurdle rates	Philippine-based CEOs	Global CEOs
Yes	3%	25%
No	25%	38%
We have not made climate-friendly investments in the last 12 months	53%	26%

## Additional data on surveyed companies

### Ownership

81% privately owned

19% publicly listed

**Q:** Is your company publicly listed?



Source: PwC's 28th Annual Global CEO Survey

### Revenue

69% less than US\$100 million

13% US\$100 million - less than \$1 billion

3% US\$1 billion - less than \$10 billion

3% US\$10 billion - less than \$25 billion

9% Don't know

3% Prefer to not answer



## Additional data on surveyed companies

### Employees

**59%** fewer than 500  
**16%** 500-999  
**16%** 1,000-4,999  
**6%** 10,000-24,999  
**3%** Don't know

### Industry

**31%** Technology, Media & Telecommunications (TMT)  
**22%** Financial Services  
**16%** Consumer Markets  
**16%** Health Industries  
**12%** Industrial Services (I&S)

#### Note:

Throughout this snapshot, not all figures will add up to 100% as a result of rounding percentages and the decision in certain cases to exclude the display of 'neither/nor', 'other', 'none of the above', 'don't know' and 'prefer not to say' responses.

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## For more details

Please go to:  
[www.pwc.com/ph/28th-global-ceo-survey](http://www.pwc.com/ph/28th-global-ceo-survey)

