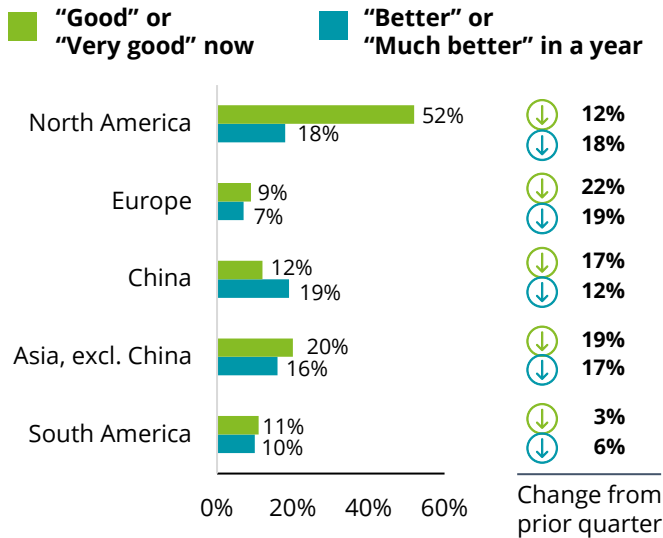


CFO Signals™ 2Q 2022 highlights

Amid managing the challenges of recovering from the pandemic and supply chain disruptions, CFOs are bracing their organizations for inflation, interest rate hikes, shrinking talent pools, and the unfolding impacts of the Russia-Ukraine war. CFOs lowered their year-over-year (YOY) growth expectations for revenue, earnings, and capital spending, compared to 1Q22.

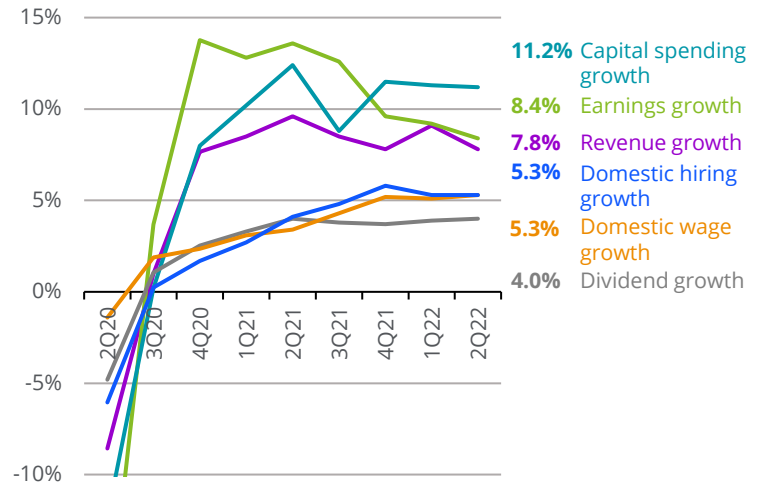
Regional economic assessments

Compared to 1Q22, CFOs' sentiment toward the economic regions covered in *CFO Signals* soured.



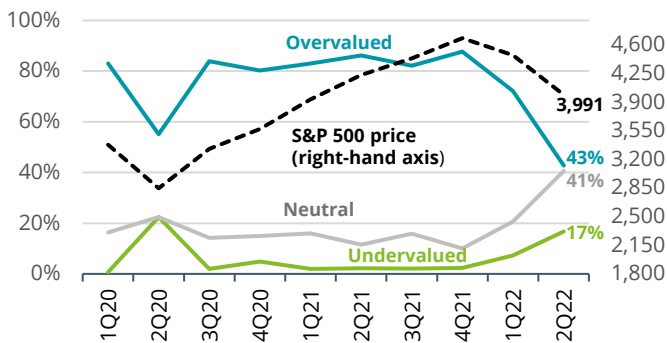
Company expectations

CFOs lowered their YOY growth expectations for revenue, earnings, and capital spending from the prior quarter. Meanwhile, they indicated a marginal increase in their YOY growth expectations for dividends and domestic wages/salaries. CFOs' growth expectations for domestic hiring stayed flat from the prior quarter, likely reflecting talent shortages.



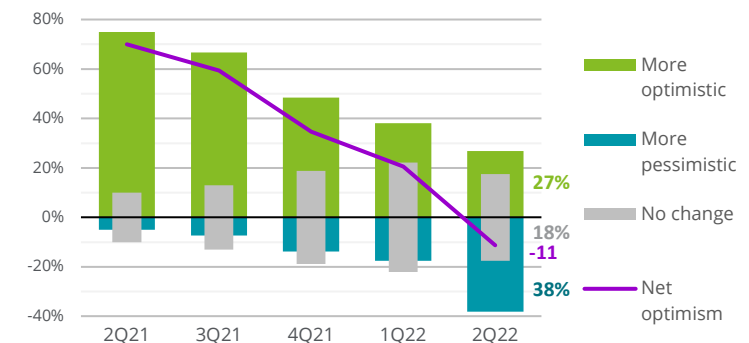
US equity market valuations

Forty-three percent of CFOs viewed US equities as overvalued, the lowest percentage since the 2Q20 survey. (Responses are compared to S&P 500 at survey midpoint.)



Own-company optimism

The percentage of CFOs expressing more optimism for their companies' financial prospects compared to three months ago declined to 27% from 38% in 1Q22. The 27% figure also represents a significant drop from 70% in the 2Q21 *CFO Signals* survey.



Internal risk concerns

As the Great Resignation continues, talent and retention dominated CFOs' long list of internal worries this quarter.



External risk concerns

Inflation and other economic matters, the possibility of a recession, and geopolitics ranked high on CFOs' list of most concerning external risks.



CFO Signals™ 2Q 2022: Special topic - Decarbonization

Our special topic section this quarter asked CFOs about their organizations' decarbonization efforts, their own involvement, and what their finance teams need most to support their companies' decarbonization strategies.

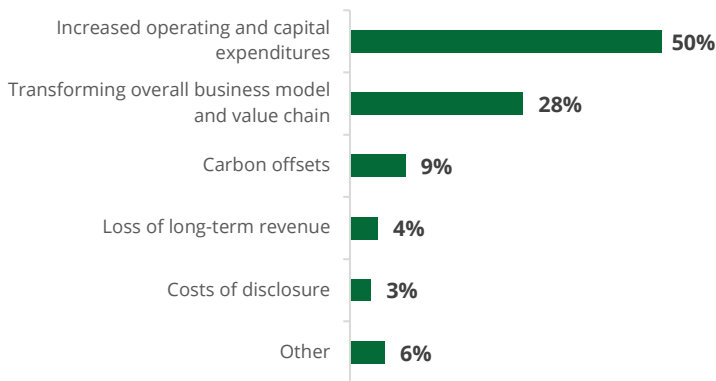
Expected time commitment

How many hours per month do you anticipate spending on decarbonization efforts next year—and how many hours per month do you expect your finance organization to spend? (N=90; N=83)

9.7 Hours of CFO time **109.2** Hours of Finance department time

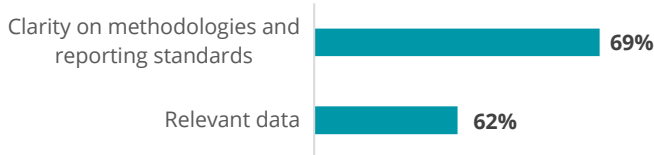
Costs to meet decarbonization goals

Where do you anticipate incurring the most significant costs related to your organization's decarbonization goals? (N=90)



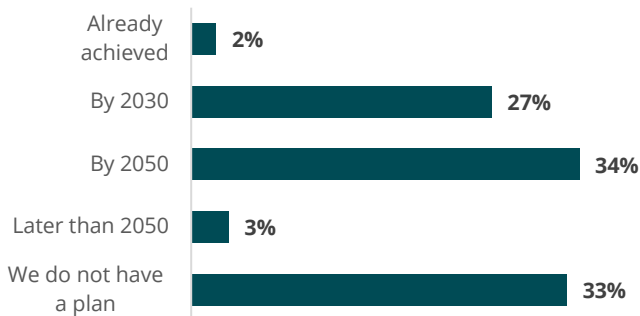
Finance organization needs

What two things do you think your finance organization needs most to meet decarbonization-related requirements? (N=89)



Reaching net-zero carbon emissions

When do you expect your organization to reach net-zero carbon emissions? (N=90)



Development/execution challenges

What are the biggest challenges your enterprise/organization faces in developing and executing a decarbonization strategy? (N=81)



Funding the decarbonization strategy

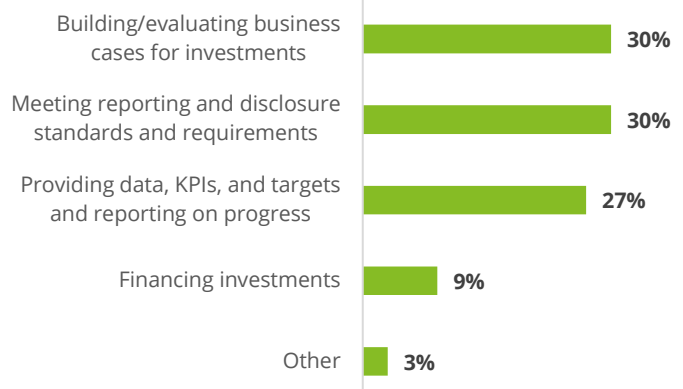
What are your organization's top three ways to fund its decarbonization strategy? (N=83)



Finance's expected impact

Looking ahead to 2025, what do you believe will likely have been the most impactful change that you and/or your finance organization will have made to address decarbonization? (N=53)

Most frequently cited comments by category



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