

Five priorities for accelerated reinvention:

Energy, Resources and Sustainability in the Middle East

PwC's 28th Annual Global CEO Survey



This year's survey shows that CEOs in our region understand the urgent need to adapt their organisation as powerful megatrends reshape the business landscape.

Faced with the dual pressures of climate change and technological advancements, energy, resources and sustainability CEOs in the Middle East recognise the urgent need for reinvention. With three-quarters of CEOs acknowledging the necessity for profound change within the next decade, these leaders are prioritising the integration of Generative AI and robust sustainability measures to ensure their companies stay relevant and resilient in an increasingly competitive and complex environment.



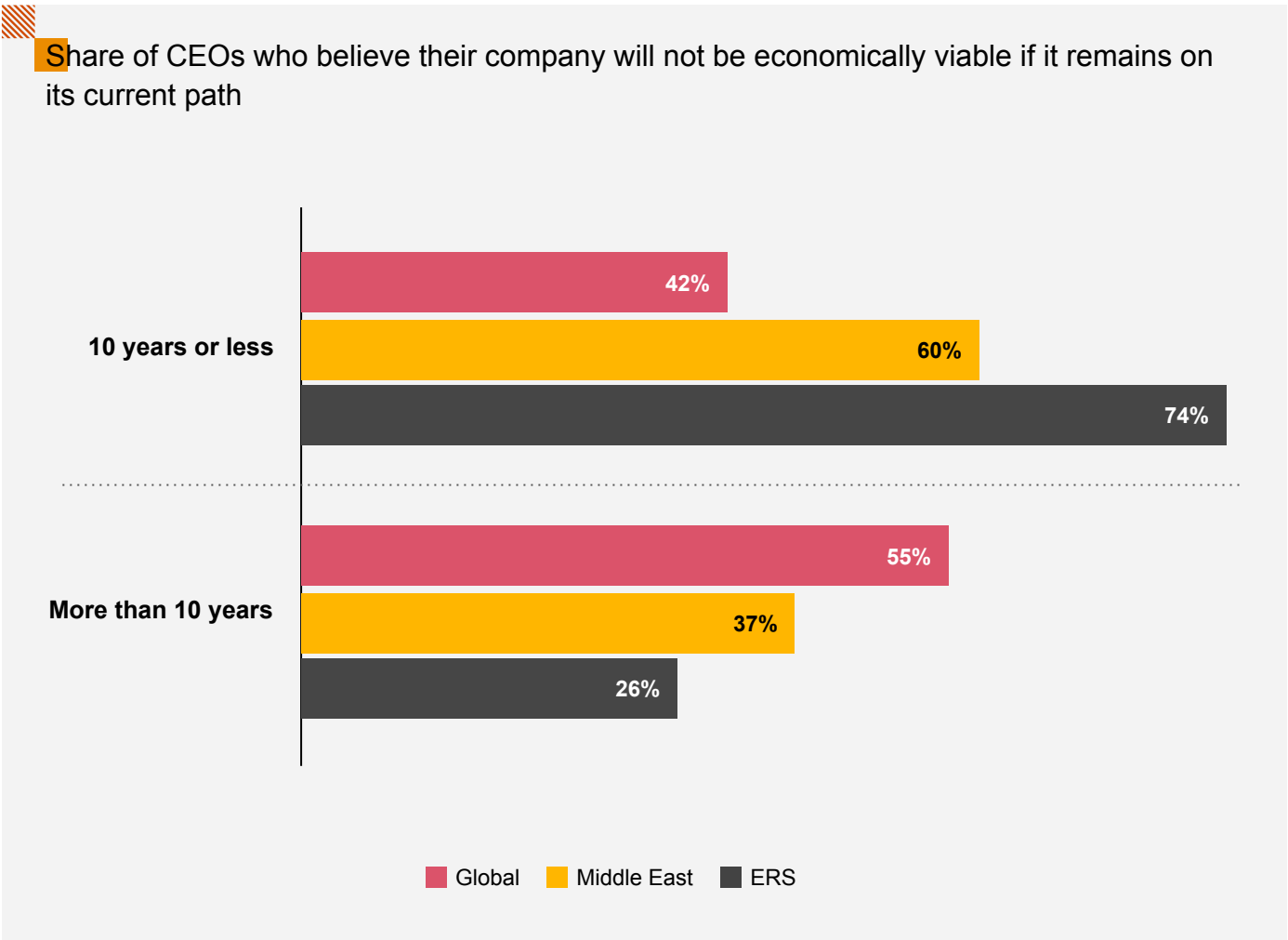
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Here are five priorities for Energy, Resources and Sustainability business leaders in the year ahead.

Priority 1: Accelerate reinvention plans

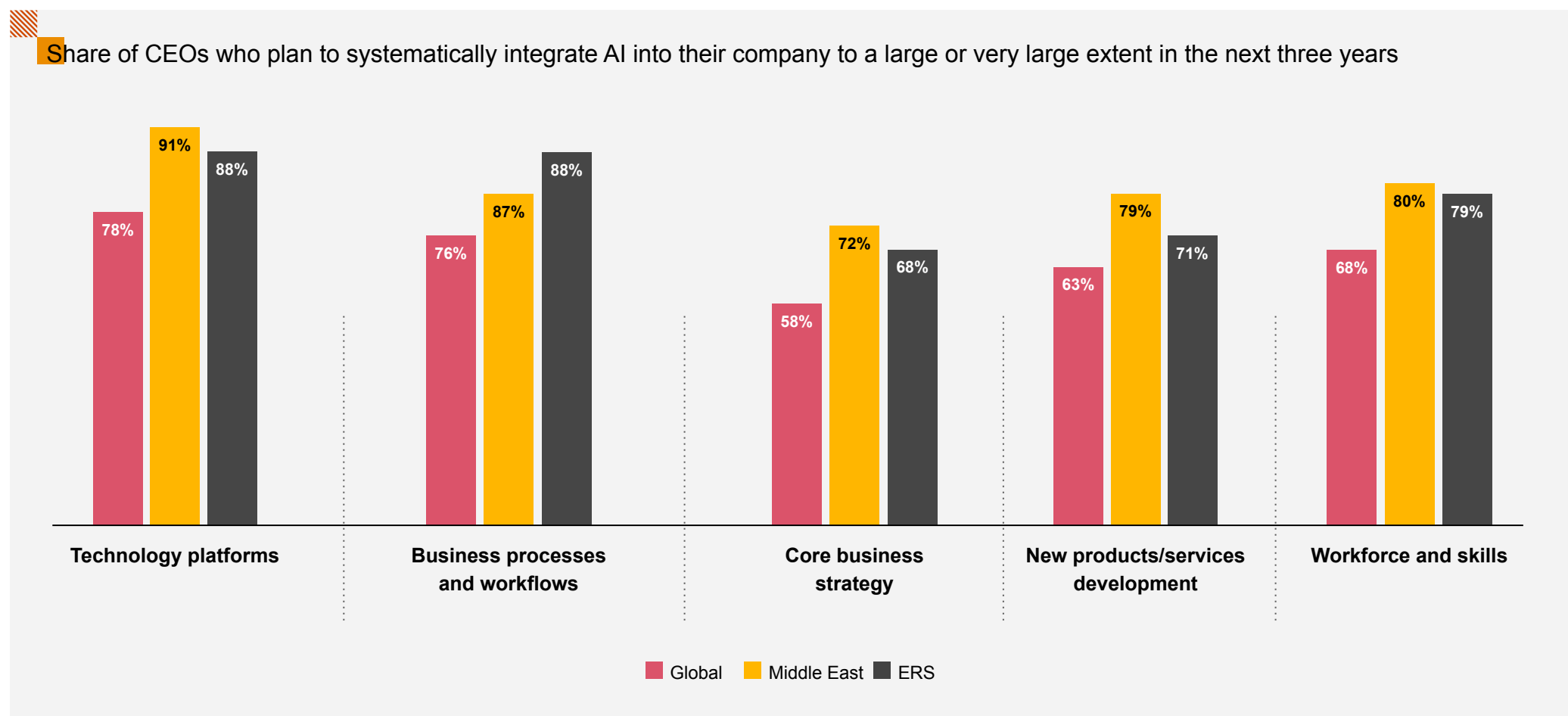
Faced with the powerful megatrends of climate change and rapidly advancing technology, CEOs in the Energy, Resources and Sustainability (ERS) sector in the Middle East are at the frontline of the reinvention imperative. In 2024, 50% of ERS CEOs globally said that their company would not be viable within 10 years if it remained on its current path; this year, 74% of ERS CEOs in our region say the same - the highest of all industries.



Note: Percentages may not total 100% due to rounding.

Priority 2: Continue to explore the potential of GenAI

Across the region, CEOs in all sectors show high levels of trust in GenAI. 85% of ERS CEOs say they have adopted the technology in some form in the past 12 months and have plans to integrate AI into key processes in their company. 88% of CEOs in the ERS sector believe that GenAI will be systematically integrated into technology platforms and business processes. Additionally, around 70% anticipate its development of new products and services and integration into core business strategies within their companies over the next three years.

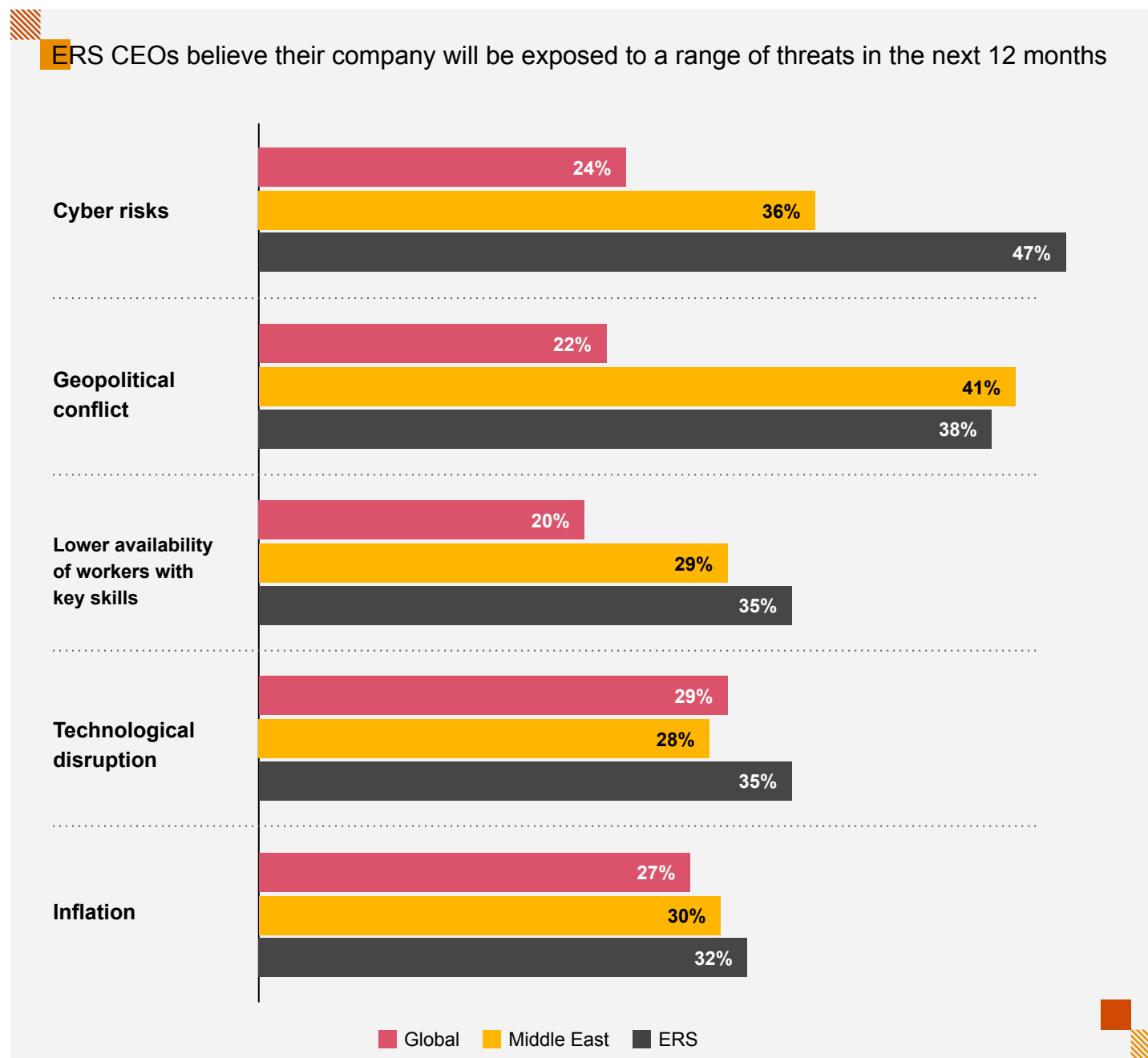


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Priority 3: Plan for multiple internal and external threats

CEOs across the region face a wide range of threats to their business and overall, most believe that cyber risks will have the biggest impact on their company. Almost half of ERS CEOs in the region, however, say that their company will be 'highly' or 'extremely highly' exposed to cyber risks.

Risk management strategies must plan for an array of complex and often interconnected internal and external threats, including geopolitical conflicts, technological disruptions, workforce shortages and inflation - key concerns for over 30% of CEOs in the ERS sector.

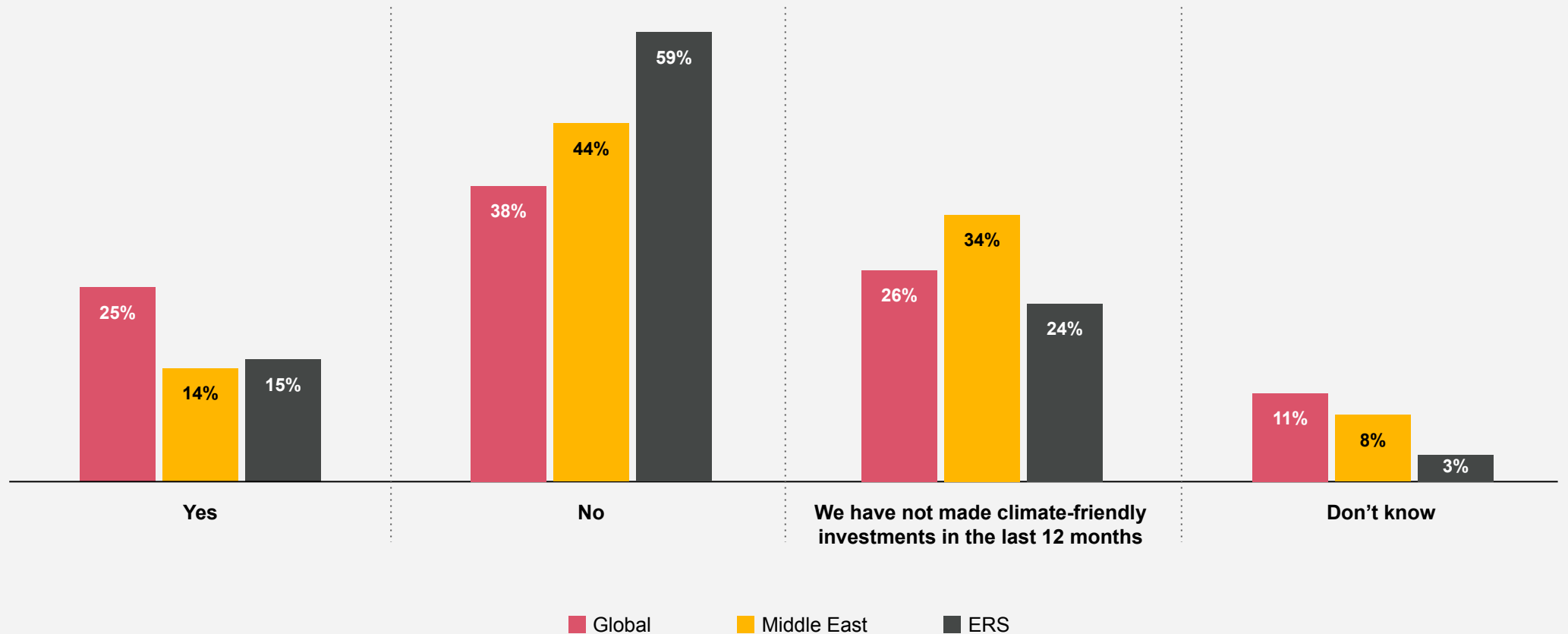


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Priority 4: Expect increasing stakeholder demands around sustainability

Over three-quarters of CEOs in the ERS sector have initiated climate-friendly investments in the past five years, but only 15% say they are willing to accept a lower rate of return for these investments than the minimum acceptable amount set for others.

Share of CEOs who accepted rates of return for climate-friendly investments that were lower than the minimum acceptable rate of return your company uses for other investments, in the last 12 months

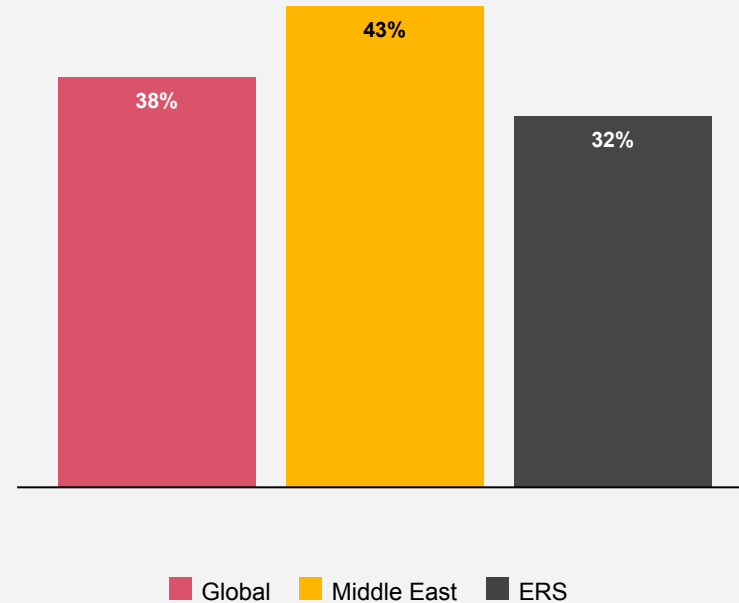


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Priority 5: Look for opportunities beyond traditional boundaries

Rapidly developing technology is blurring the lines between traditional sectors and many businesses are breaking into entirely new sectors or collaborating with universities or other organisations as they race to innovate. In the ERS sector, just under a third of CEOs say their company has entered a new sector in the past three years and 56% say they are planning at least one acquisition in the next three years.

Share of CEOs that have begun competing in new sectors or industries in the last five years



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