



The New Equation

Transforming our Region

Webcast series

Tuesday 16 May 2023

Welcome

Stephen Anderson
Strategy Leader
PwC Middle East

01



Welcome

Stephen Anderson

Strategy Leader
PwC Middle East

Economic Update

Jing Teow

Director, Economics & Sustainability
PwC Middle East

**Moving from start-up
to scale-up on ESG:
The 2023 Middle East
report**

Dr Yahya Anouti

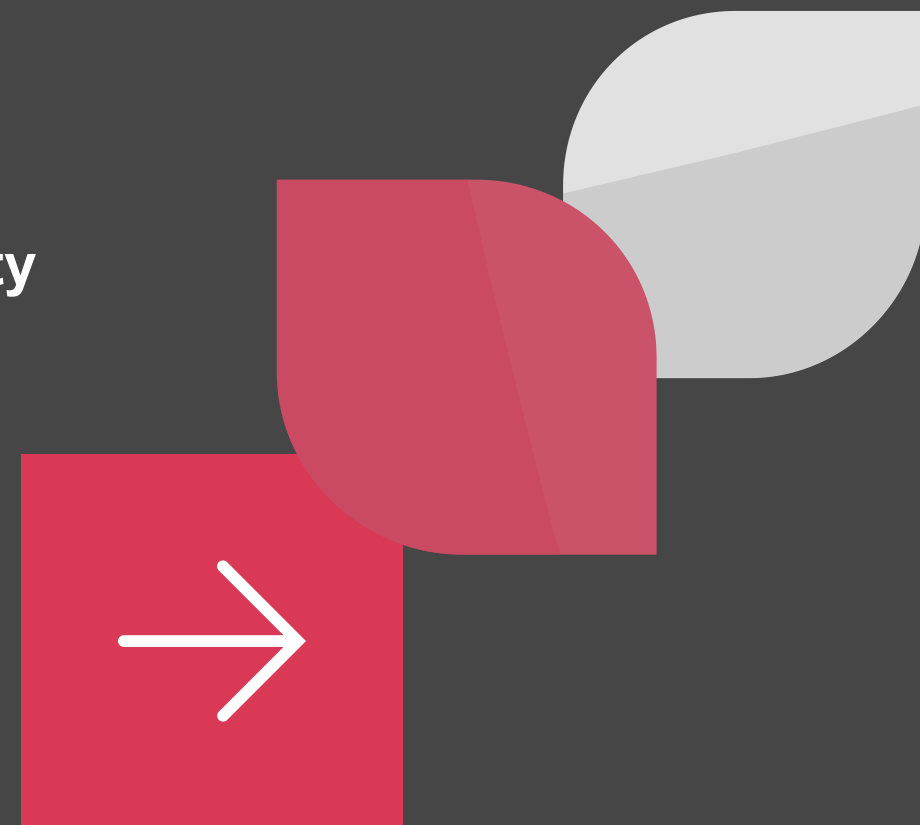
ESG Leader
PwC Middle East
Partner, Strategy & Energy, Utilities
& Resources Practice

Amal Larhlid

ESG Tax Lead
PwC Middle East

Vijay Bains

Chief Sustainability Officer,
Group Head of ESG
Emirates NBD



Economic Update

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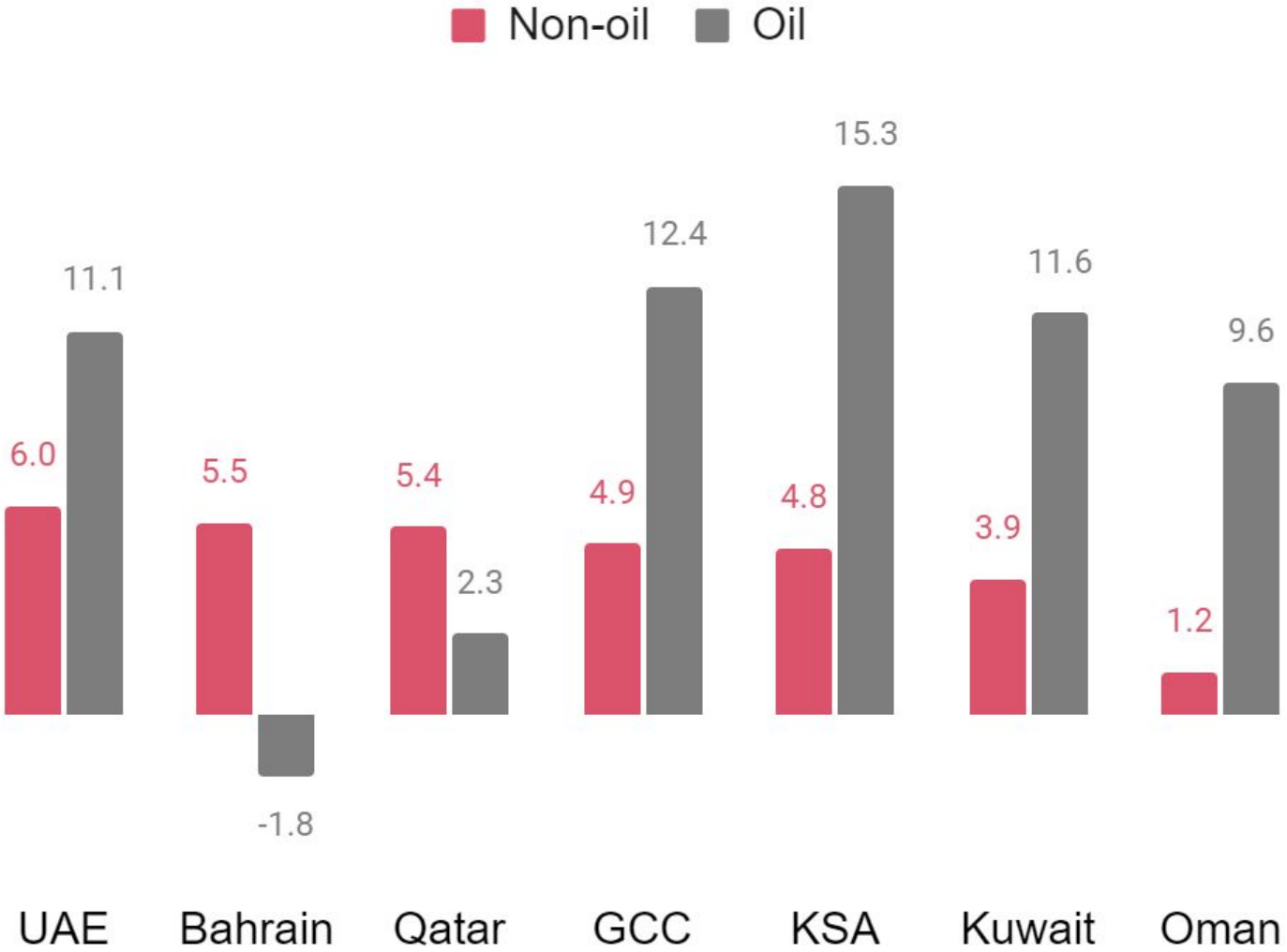
02



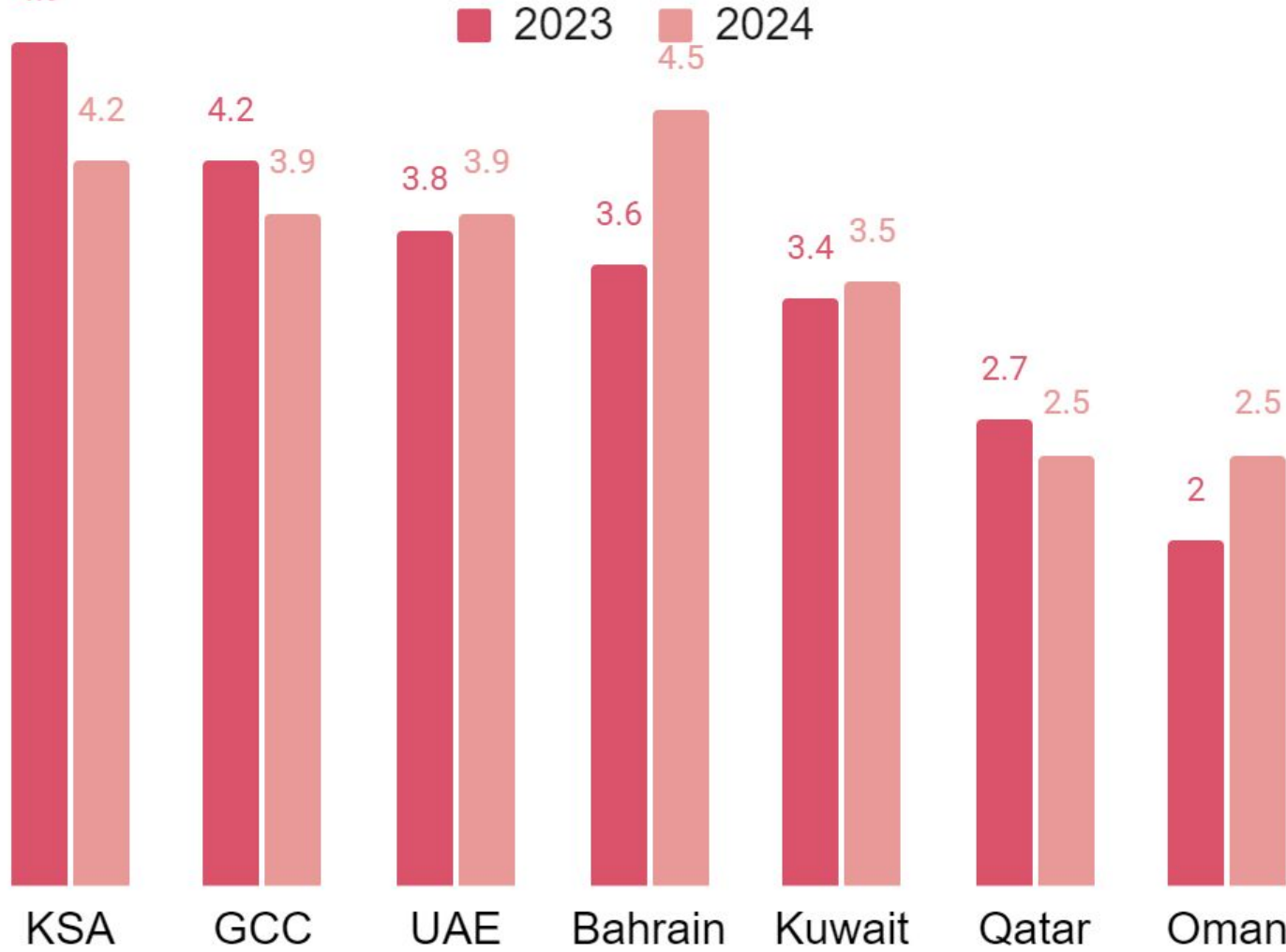
Economic Update

Despite the “rocky recovery”, growth in the region remains strong

Real GDP growth 2022



Real GDP growth projections 2023-24

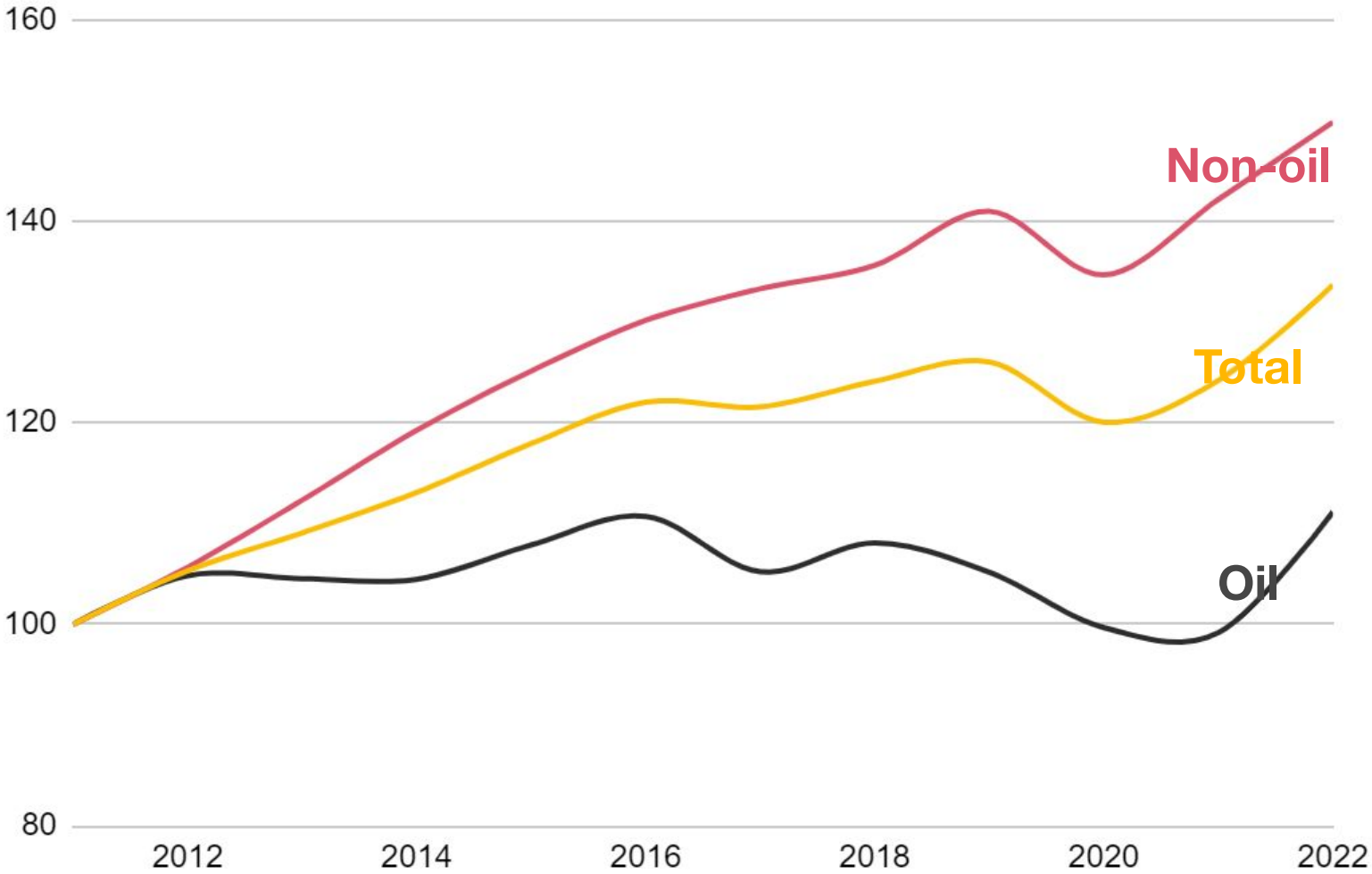


Sources: GlobalSource, National Statistical Agencies. IMF Regional Economic Outlook

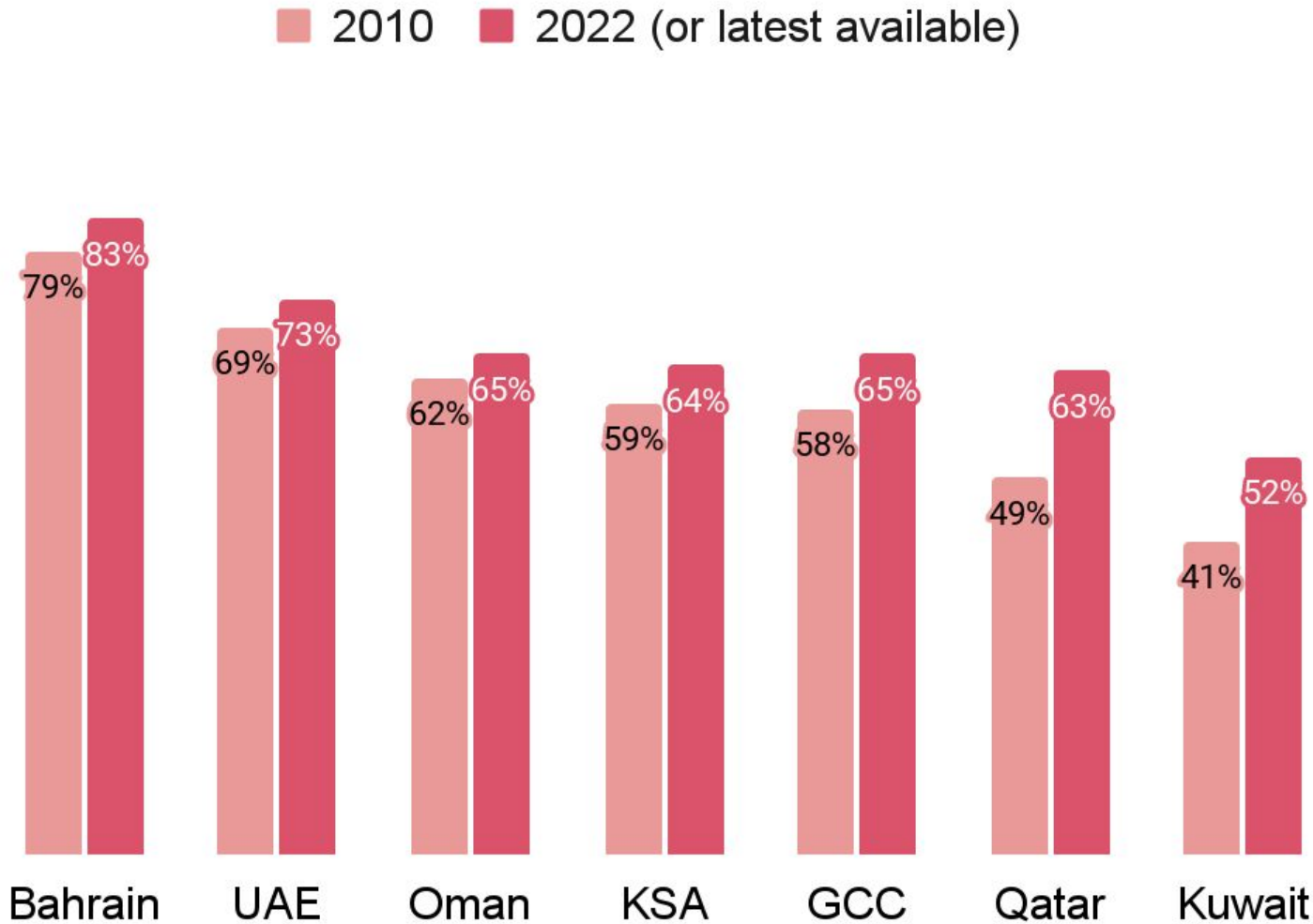
Economic Update

The emphasis of national visions on diversification is paying off

GCC real GDP (2010 = 100)



Non-oil GDP as % of total GDP

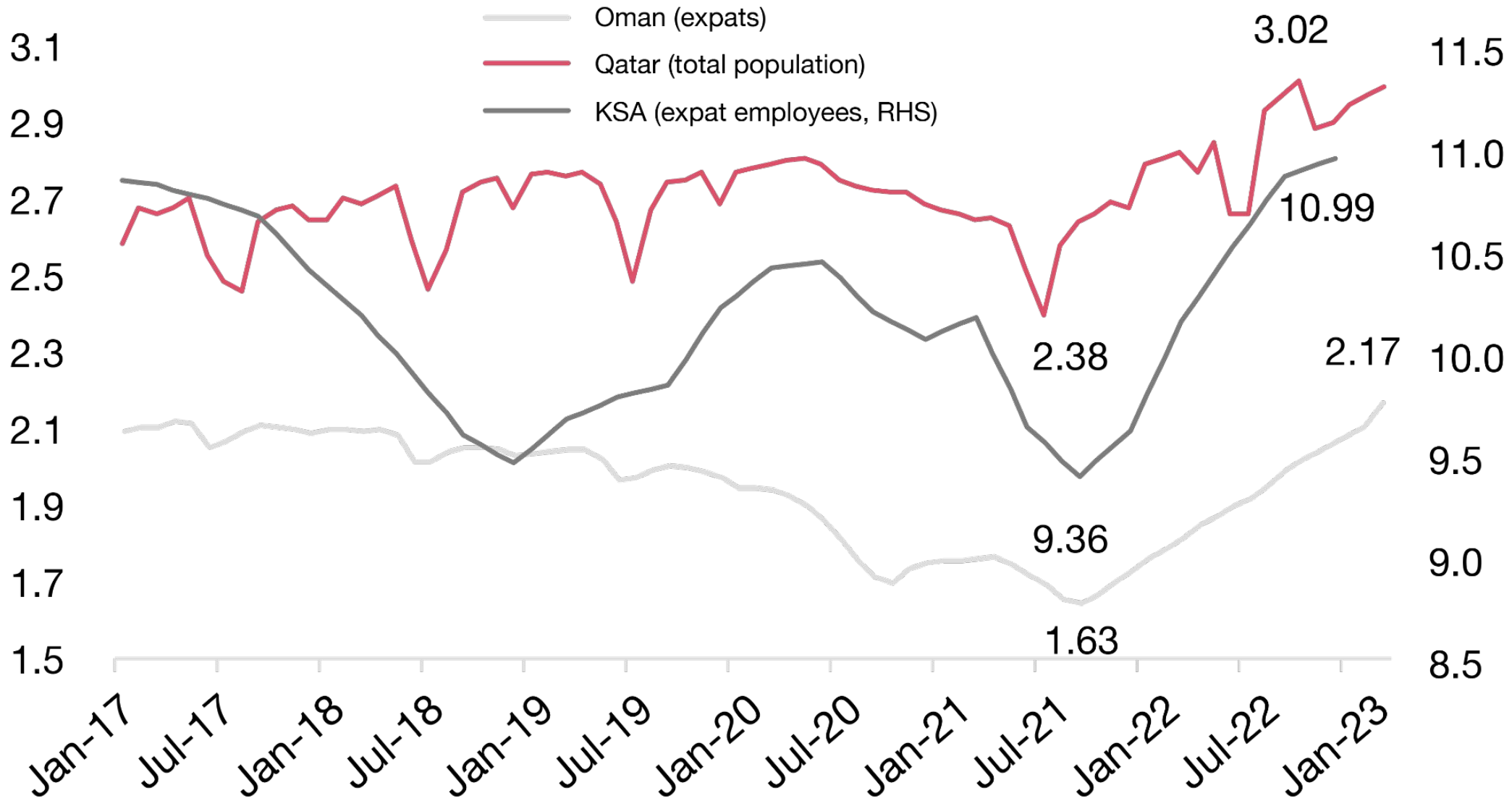


Sources: GlobalSource, National Statistical Agencies.

Economic Update

The expat population across the GCC is expected to exceed 2019 levels later in 2023

Monthly population trends (million)



Sources: NCSI (Oman), PSA (Qatar) and GaSTAT (KSA).

Middle East Economy Watch

Advancing with National Visions firmly in sight: OUT NOW!



Scan to read our report,
OUT NOW!

Moving from start-up to scale-up on ESG: The 2023 Middle East report

Dr Yahya Anouti

ESG Leader

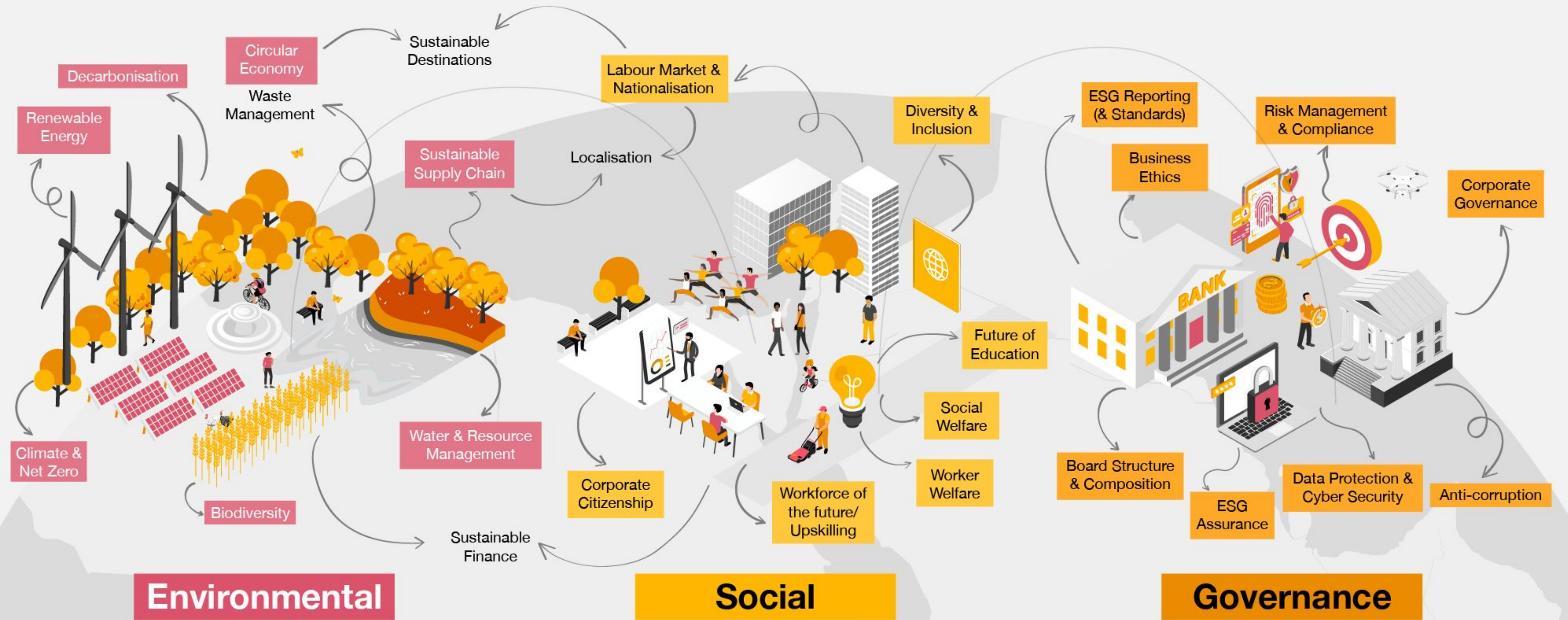
PwC Middle East

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Utilities & Resources Practice

03

ESG: Reimagining our Region

At PwC, we believe that Environmental, Social and Governance (ESG) imperatives can accelerate the massive and fast transformation of our region.



ESG: Reimagining our Region - **That's the New Equation**

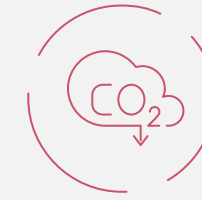


The GCC needs to capitalise on several mega opportunities in sustainability



Green fuels

Green hydrogen, synthetic fuels, carbon capture & utilisation



Decarbonised & circular built environment

Green cement, plastic recycling, construction waste recycling, energy recovery from waste



Green industries

Heavy industries (steel, aluminum, titanium) and consumer centric products (sustainable fashion)



Nature based solutions for arid environment

Mangroves plantation, blue economy concept, etc.



Climate resilient agri tech

Sustainable food production through precision fermentation

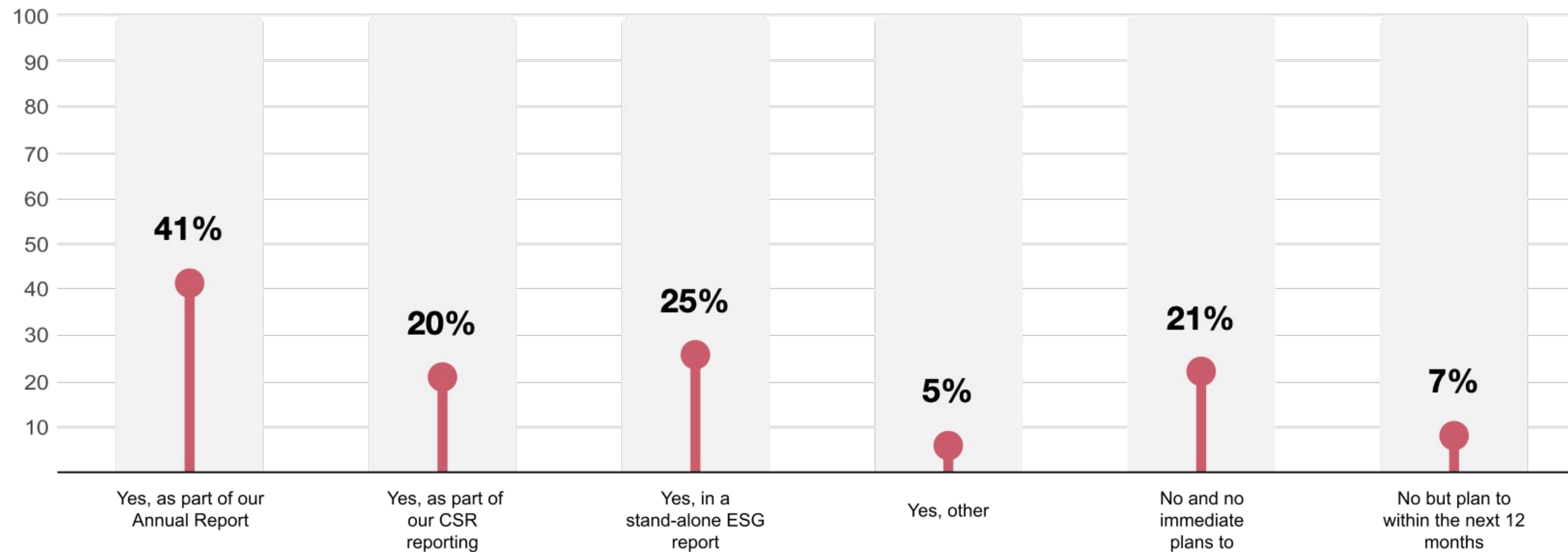
01 There has been a seismic shift in progress on ESG

64% of respondents surveyed have adopted a formal ESG strategy and the number of companies without a strategy has fallen in the last 12 months



01 There has been a seismic shift in progress on ESG

Does your organisation report on ESG in any of the following ways?

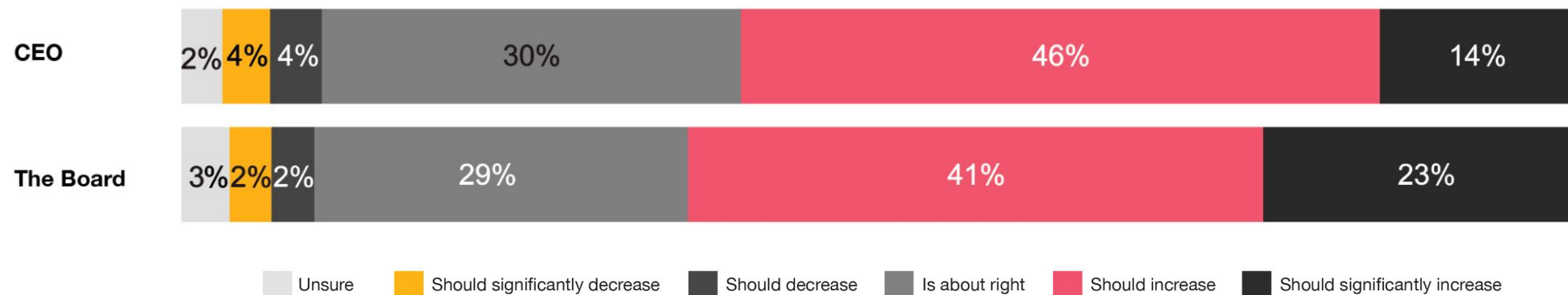


02 Organisations are striding ahead with practical action on ESG

Around two-thirds state that the CEO and Board should increase the time they allocate to ESG-related issues; almost a quarter believe the Board should significantly increase their time focused on ESG.



Should the proportion of CEO/Board time allocated to ESG-related issues change?



02 Organisations are striding ahead with practical action on ESG

73% of survey respondents have made a carbon-neutral commitment or are working towards one

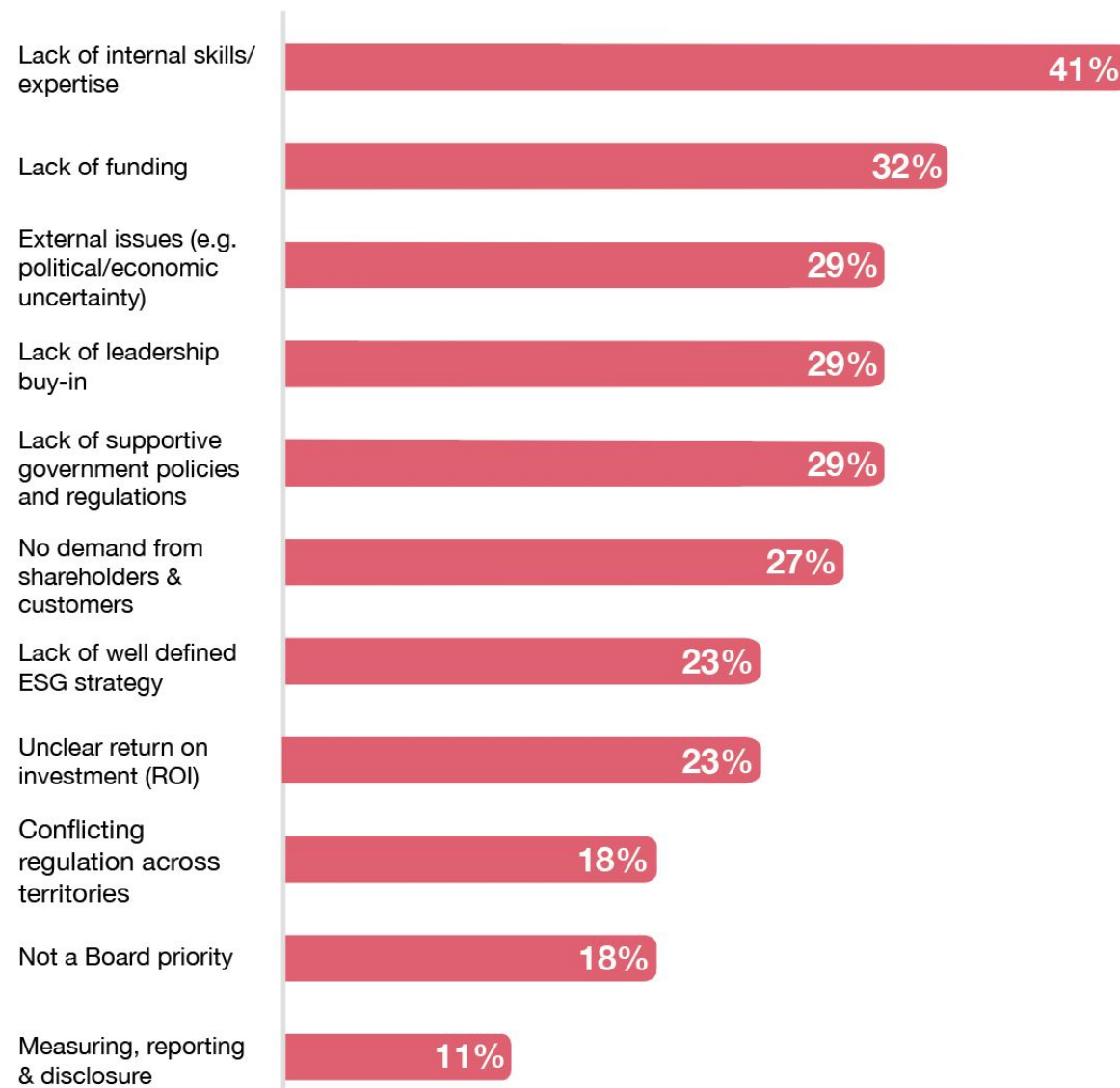


03

Green funding and sustainability skills must be unlocked to enable the Region to realise its climate ambitions

The top barrier to progressing the ESG agenda is lack of internal skills and expertise, followed by funding constraints.

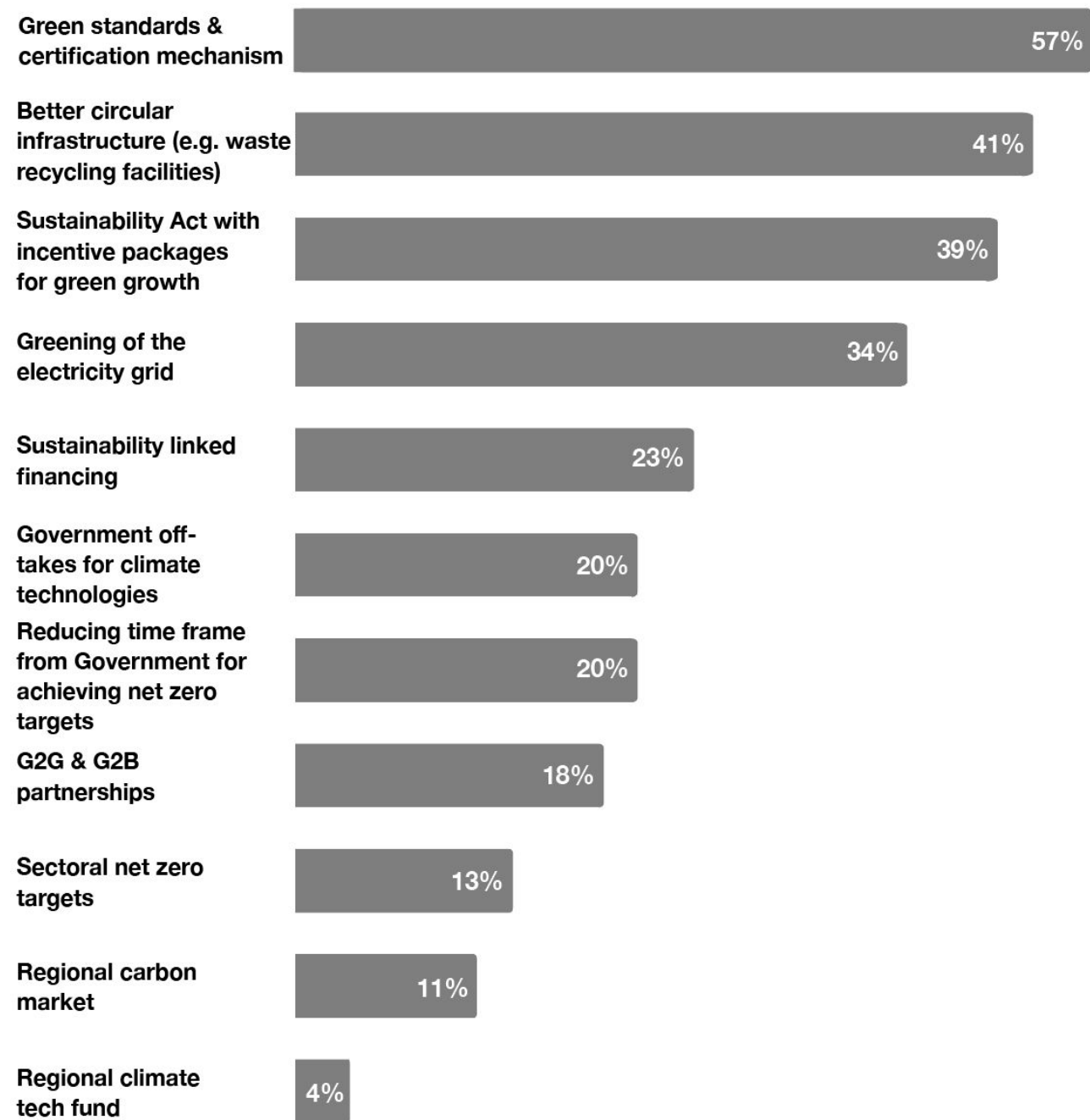
Which of the following challenges are having the greatest impact on progressing your organisation's ESG strategy?



04

Businesses are calling for a new green deal for the Middle East ahead of COP28

Which ESG related government policy/policies would you wish to be announced as a result of COP28?



In summary

01

64% of companies have a formal ESG strategy; more companies have a strategy compared to the previous year.

02

73% of businesses are working towards or have committed to carbon-neutrality.

03

About one-third of organisations have a Chief Sustainability Officer.

04

Two-thirds of respondents want senior leadership to allocate more time to ESG issues.

05

Almost half of regional organisations self-fund their ESG activities instead of using innovative green financing opportunities.

06

2 in 5 companies hope COP28 will lead to better ESG infrastructure and incentives for green growth.

Moving from start-up to scale-up on ESG: The 2023 Middle East report: OUT NOW!



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OUT NOW!





Q&A





Thank you