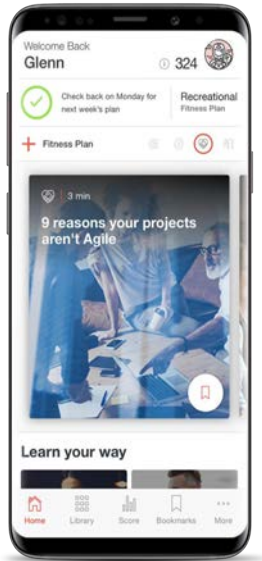


Transitioning to the new normal

Middle East updates

22 June @ 4pm GST

Resources



Digital Fitness for the World

PwC's upskilling contribution to the world in response to COVID-19. Access our free Digital Fitness App available from the Apple App store and Google Play store.

If registering with your personal email, use invite code (LRNALL) to access today

Responding to the potential business impacts of COVID-19

COVID-19 can cause potentially significant people, social and economic implications for organisations. This page provides information on how you can prepare your organisation and respond.

**PwC ME COVID-19 website -
prior webcasts, insights and resources**

www.pwc.com/me/covid-19

Agenda

1

Economic Update

Richard Boxshall

Chief Economist
PwC Middle East

2

Salesforce Hyperforce

Thierry Nicault

Salesforce AVP, Middle East
North Africa

3

The Growing Importance of ESG in the Region

Aurelien Vincent

Partner, FS Practice
Strategy& (part of the PwC network)

The background is a vibrant yellow-orange color. It is decorated with various geometric shapes in a lighter shade of yellow, including circles, squares, and triangles. Some of these shapes are solid, while others are outlined. In the bottom right corner, there is a circular shape filled with diagonal orange and yellow stripes.

Quick poll:

How would you rate your confidence
levels at this current time?

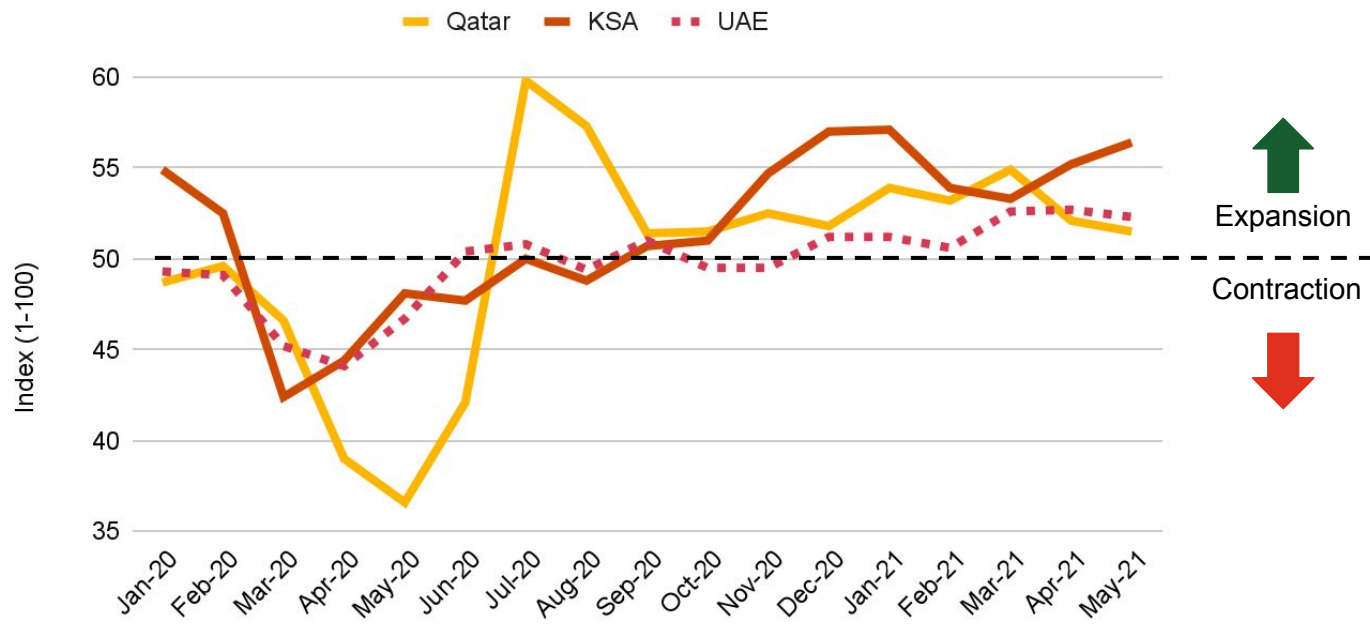
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Economic Update

Richard Boxshall

Private sector has been in expansionary territory since the start of 2021

Purchasing Managers Index (PMI)

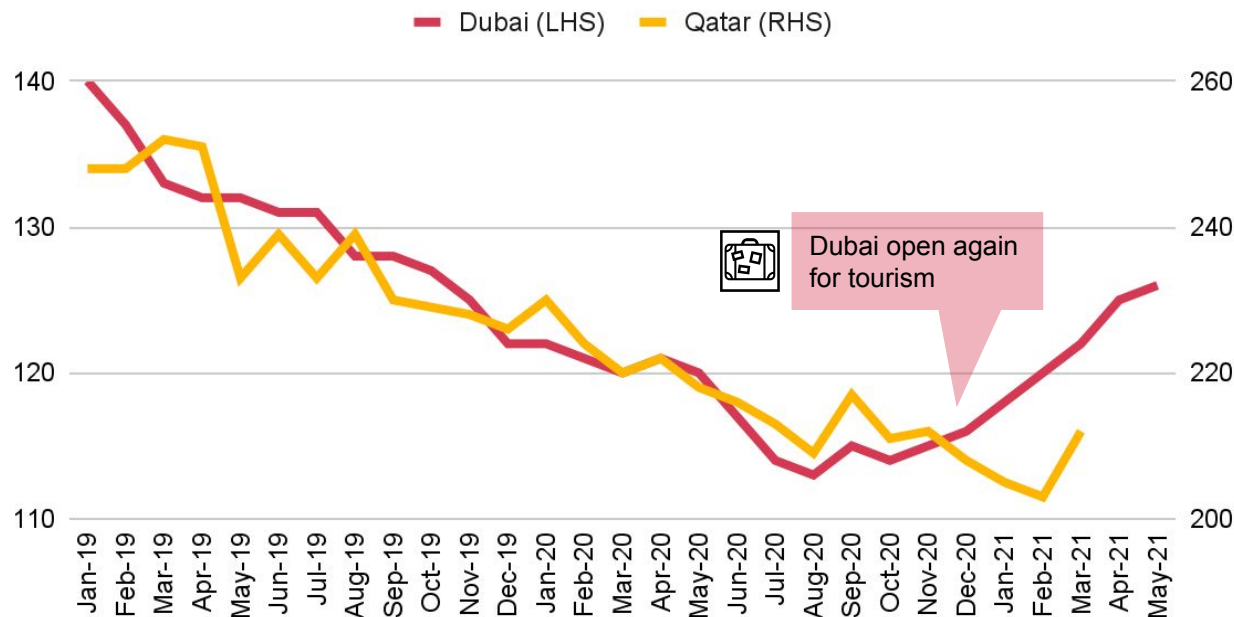


- PMI indicates **non-oil private sector activity**
- Headline PMI has been in expansionary territory since the start of 2021
- However, the latest data from Qatar and UAE shows a slowdown in expansion rate

Sustained increase in property prices reflects growing confidence

Property price Index

Index 100 = 2008 price levels



Source: PropertyMonitor.ae and Qatar Central Bank

PwC Middle East - Webcast Series - 22 June 2021

GULF NEWS

Dubai's real estate market record transactions worth Dh11.1b – highest in four years

Total real estate sale transaction recorded in 2021 stood at Dh47.19 billion

The National

Dubai apartment and villa sales prices rise amid a broader economic recovery

Knight Frank

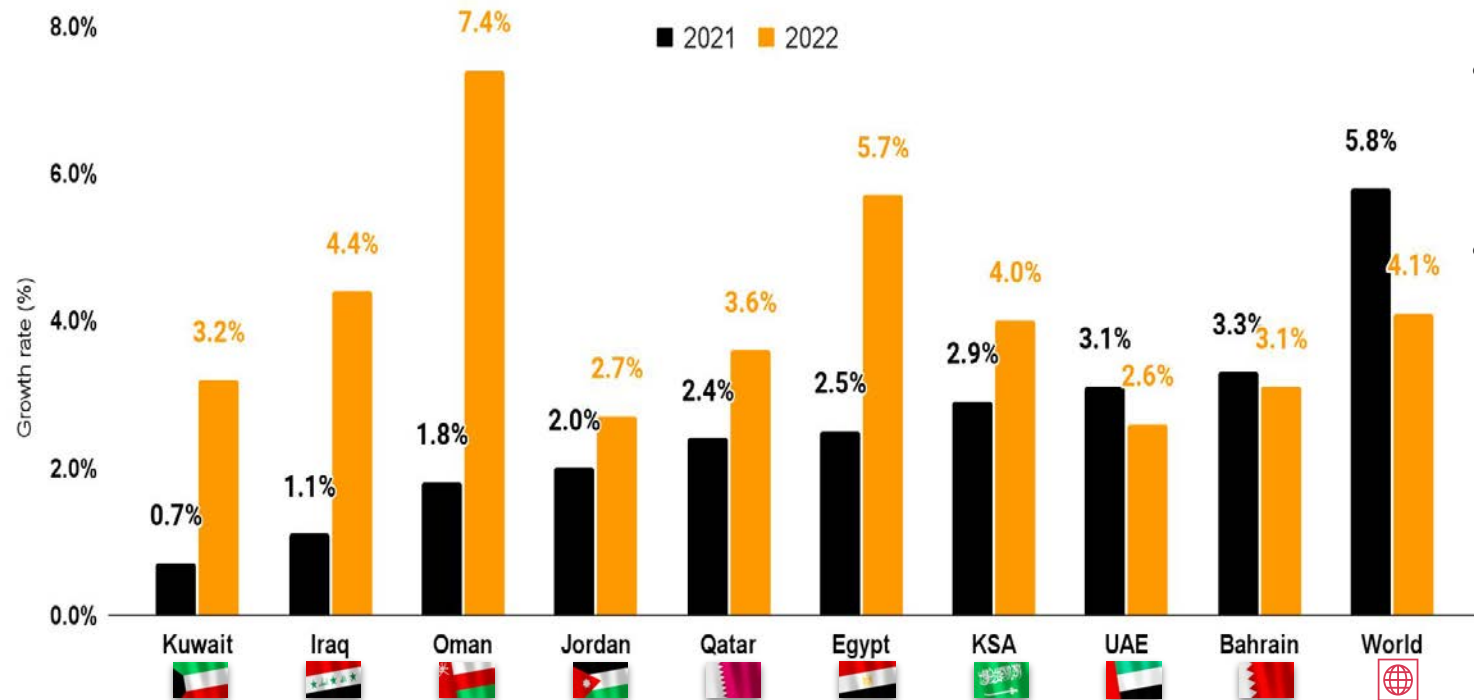
Globally, house prices are rising at their fastest rate since Q4 2006.

ZAWYA

Qatar property demand skyrockets due to lower prices, relaxed ownership rules

Key regional economies expected to accelerate growth into 2022

GDP growth estimates



- The region is expected to be **back in positive GDP growth territory** in 2021 and 2022
- **Growth expectation varies across the region** with key economies such as UAE, Qatar and Saudi Arabia growing slower than the global economy

Thierry Nicault

2

Salesforce Hyperforce

salesforce

Middle East North Africa Business Update PwC Webcast



Salesforce Partner Awards Outstanding Knowledge Congratulations to



Salesforce Customer 360

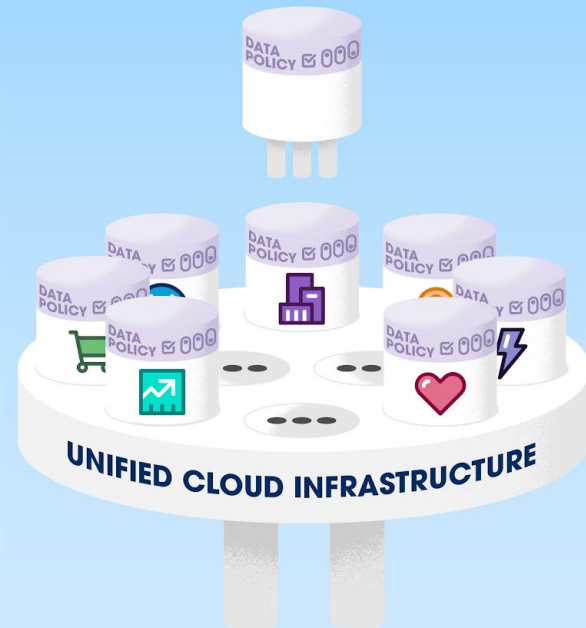
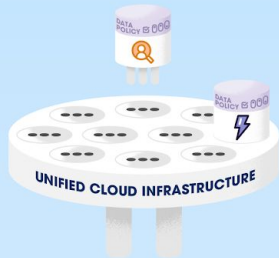


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Accelerate **infrastructure agility** by making
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Hyperforce

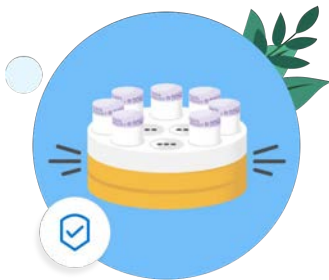


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Store data locally. Keep it compliant globally.



Hyper-compatible

Future-proof your apps with backward compatibility.

Hyperforce announcement - UAE

Multi channel campaign for the announcement of Hyperforce in the UAE



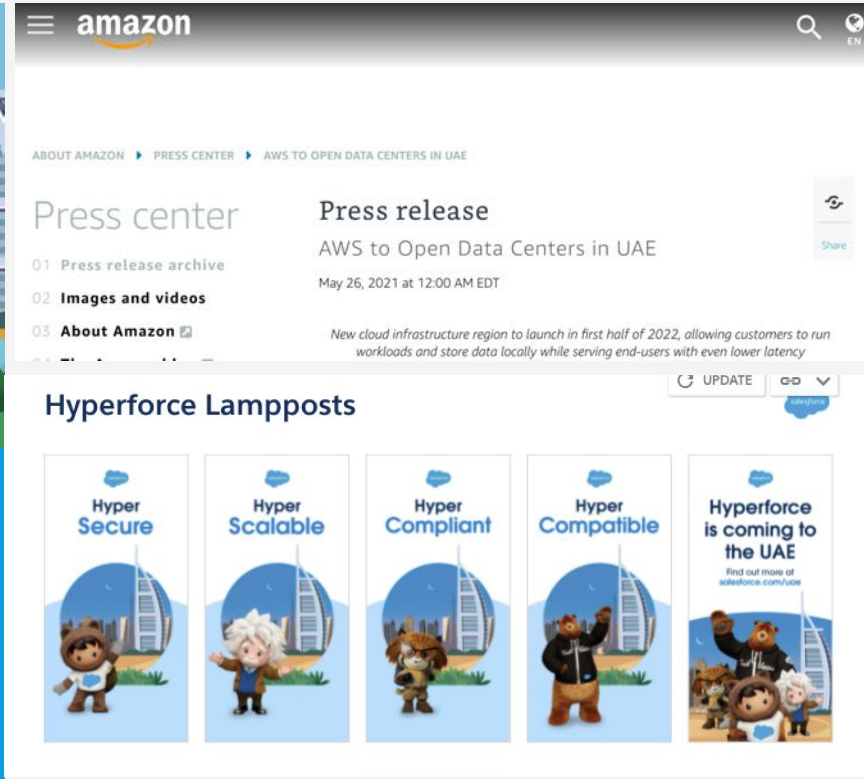
Introducing Hyperforce to the United Arab Emirates

Access the Salesforce Platform on a completely reimagined architecture that's more powerful and scalable than ever.



MAY 30, 2021 BY SRINIVAS TALLAPRAGADA

Bring the Power of Hyperforce to the United Arab Emirates



Thank You



The background is a vibrant pink color with various geometric shapes in lighter shades of pink and yellow. These shapes include circles, squares, and triangles, some of which are partially cut off by the edges of the frame. A prominent yellow rectangle is located in the upper right corner, containing the author's name. A large white number '3' is positioned on the left side of the image. A white rectangular box in the center contains the title text.

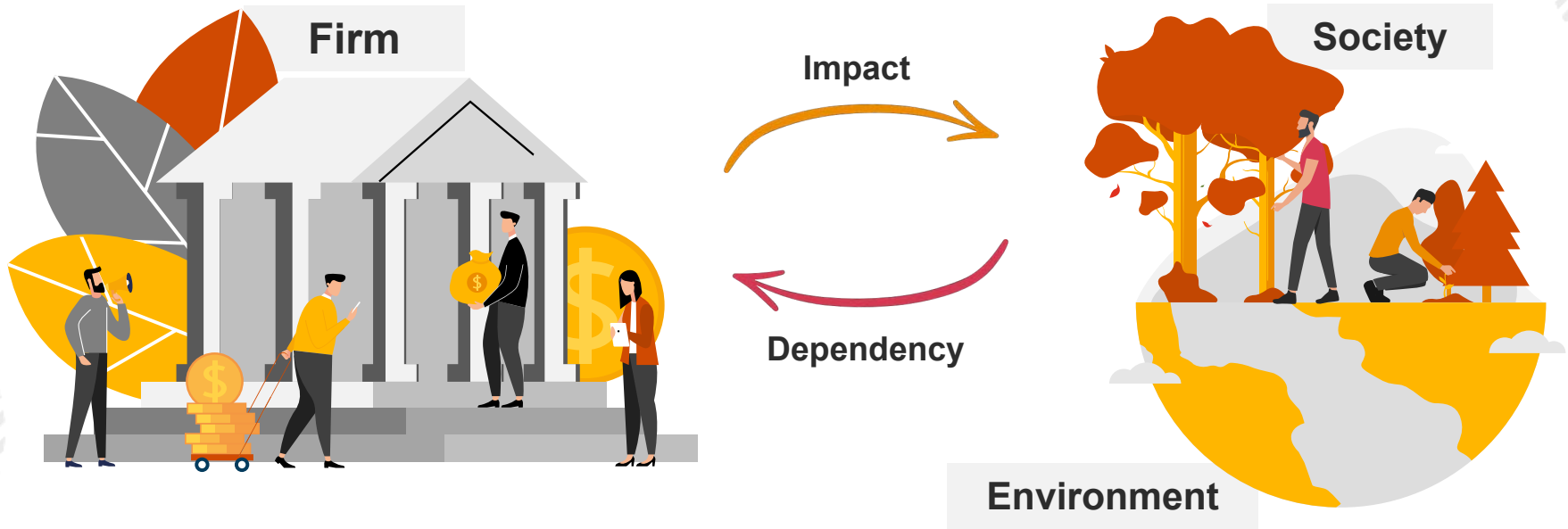
Aurelien Vincent

3

The Growing Importance of the ESG
framework in the Middle East

The growing importance of the Environmental, Social and Governance framework in the Middle East

ESG is a framework that helps firms to think - and take action – about their impact on and dependencies from environment and society



It is composed of three core dimensions



Environmental



Includes controls of **carbon emissions**, over-consumption of **resources**, and production of **waste products**



Social



Considers **contributions to equality, trust and welfare in society** within a firm's workforce and supply chain



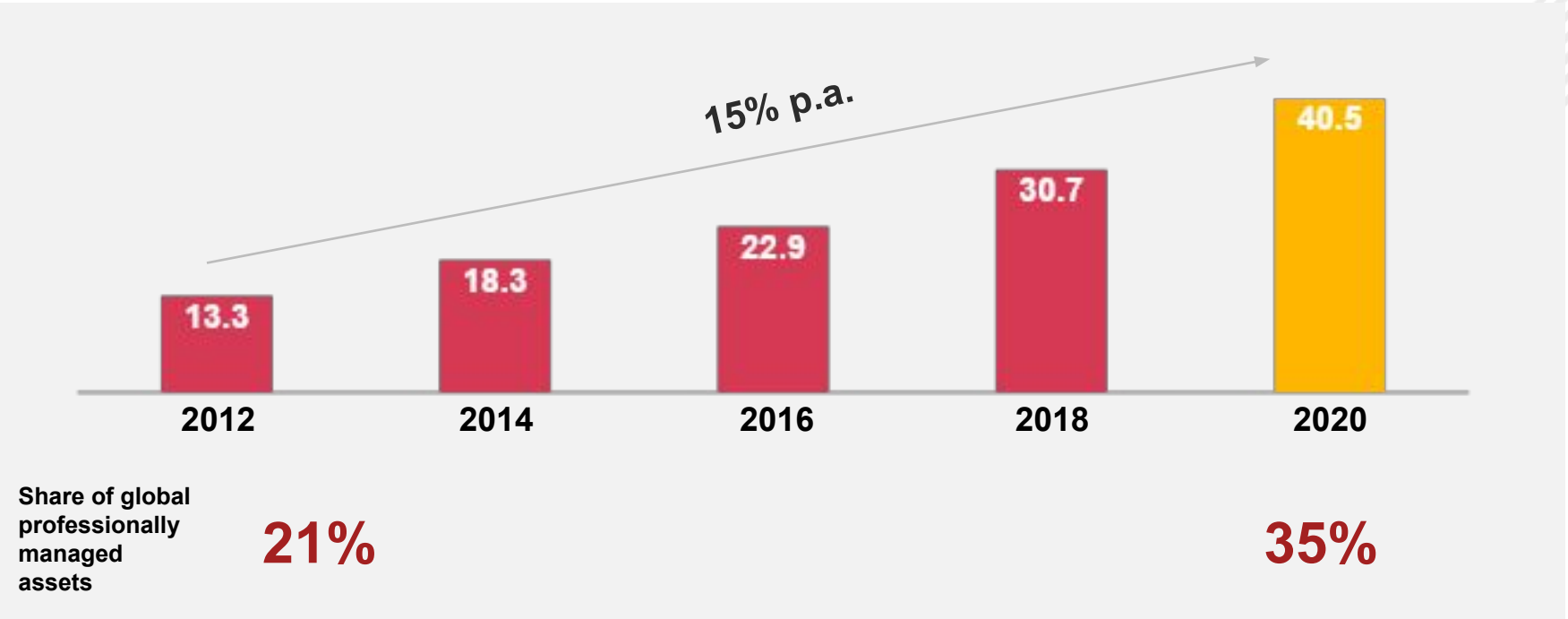
Governance



Focuses on **reporting, accountability, independence, and ethical behaviors** in a firm

ESG is no longer a niche topic globally

Global sustainable investment assets, USD trillions



It is also gaining momentum in the Middle East

50%



increase in green and sustainable bond issuances in 2020 vs. 2019 in Middle East

SEC scores first Saudi green bond

By Mariam Meskin 11 Sep 2020

Saudi Electricity Co, which is majority-owned by the kingdom of Saudi Arabia, has raised its debut green sukuk — making it the first green bond ever issued by a Saudi issuer, just months after the Ministry of Finance raised a green export credit agency-backed syndicated loan.

MIDDLE EAST & AFRICA
SEPTEMBER 20, 2020 1:00 PM (GMT+3) UPDATED 5 MINUTES AGO

Egypt becomes first Arab country to issue Green bonds with \$750 million deal

By David Barboza, Mervin Ramnarayan



DC/BAG/LONDON (Reuters) — Egypt sold \$750 million in five-year Green bonds on Tuesday, a document showed, in the first sale of such bonds by a government in the Middle East and

Dubai Financial Market Launches the First of its Kind ESG Index Aiming to Strengthen UAE Markets' Competitiveness and Attract Investments

April 22, 2020

Dubai Financial Market (DFM) today launched the UAE Index for Environment, Social and Governance (ESG), as the first index of its kind from the financial markets in the UAE and the region, aiming to



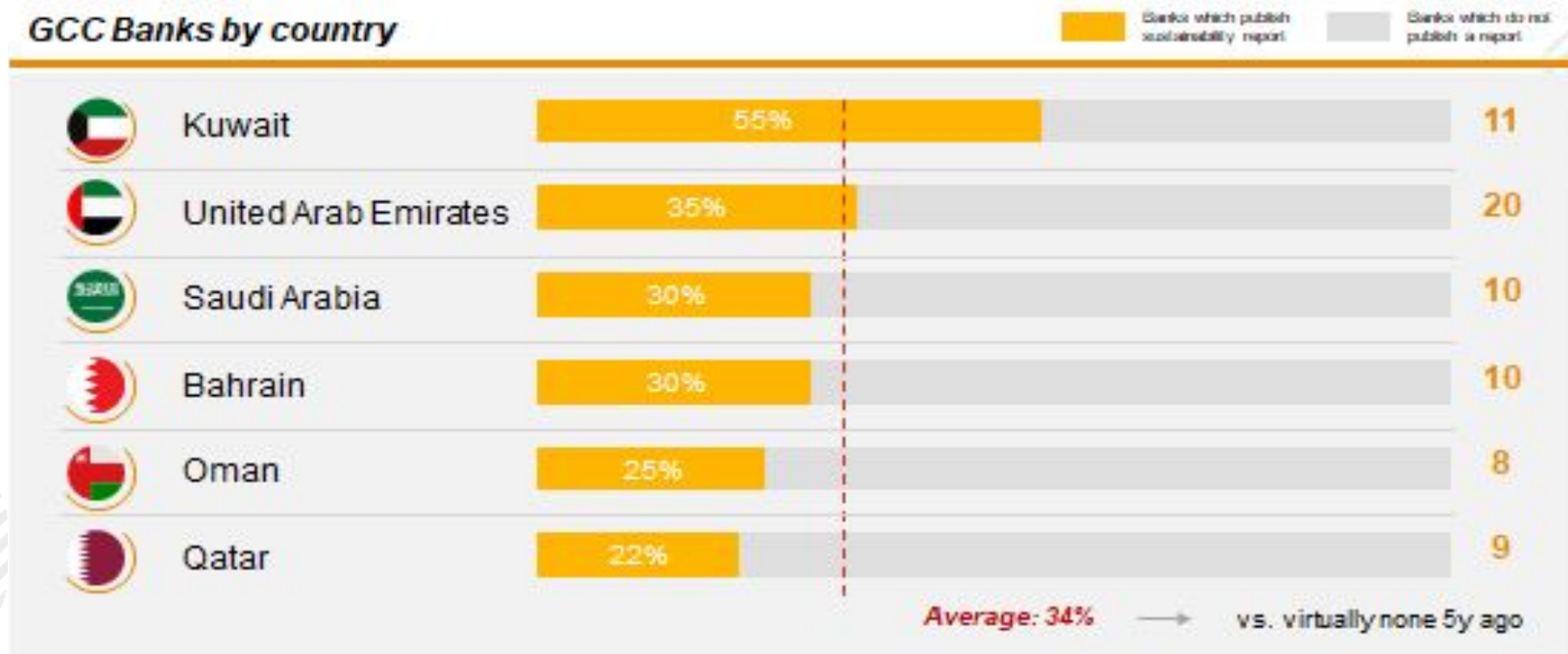
“At PIF, we are putting on the ESG hat – look at the NEOM, Amala, Red Sea projects.

I have instructed FII to launch a series of studies around the ESG agenda.”

~Yasir Al-Rumayyan
Governor, PIF
January 2021

For example, more than a third of GCC banks now publish a sustainability or ESG report

GCC Banks by country



However, most of GCC banks are still focused on disclosure

1 ESG disclosure

Description

- Reporting of CSR activities, often post-fact
- No structural change in strategy and operating model

Example



Current focus of a majority of GCC firms

2 ESG policy decision

- Constraining policy decision impacting the way of doing business
- No comprehensive transformation in business strategy and operating model



3 ESG strategic transformation

- Pro active approach to embed ESG into the business strategy
- Operating model transformation to capture both ESG and business impacts

GLS Bank

das macht Sinn

Scale of ESG commitment

Source: Sustainable financing and investing survey 2020, Middle East report by HSBC, ZAWYA

We believe that more firms will embed ESG as part of their strategy as a result of both a pull and a push effect

Example initiatives

Stakeholders' pull



1. Regulators

Push for mandatory ESG reporting



2. Customers

Demand more sustainable products and services



3. Employees

Refuse "social stigma" of least sustainable employers



4. Shareholders

Increasingly apply negative screening



Business push



5. Top line

Introducing sustainable products and services



6. Operating costs

Reducing travel expenses



7. Risk

Managing climate-risk



Let's vote!

What type of action do you expect your firm to take in the next couple of years on ESG?



Do nothing

☐

Publish sustainability report

☐

Take ESG-friendly policy decisions

☐

Voluntarily comply to high standard ESG frameworks like TCFD or SASB

☐

Launch an ESG transformation effort and embed ESG initiatives into your business strategy

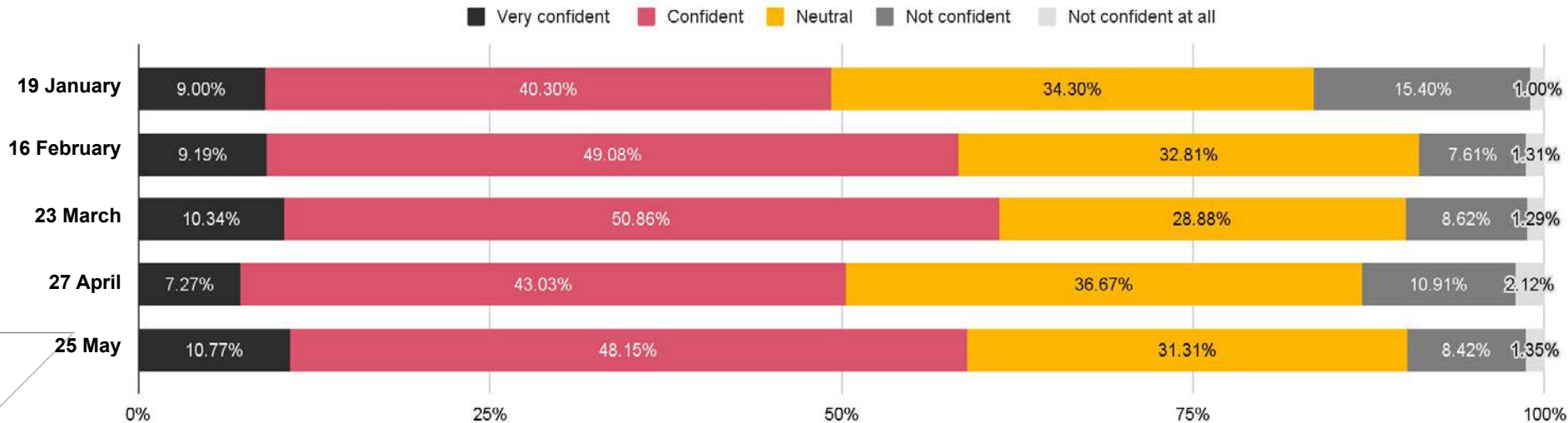
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Other

☐

Quick poll:

How would you rate your confidence levels at this current time?



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Q&A

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Thank you

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