



Energy industry insights

2021 KPMG CEO Outlook Pulse Survey

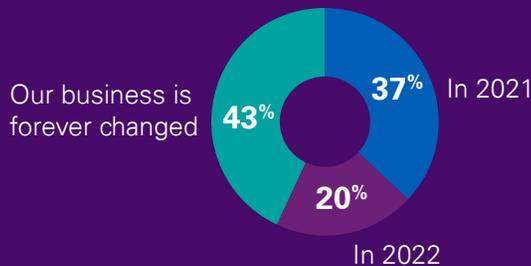
The energy industry continues to be an enabling and necessary resource as organizations across all industries begin preparing for a new reality and recovery from the impact of COVID-19. Six months after the release of the KPMG 2020 CEO Outlook (COVID-19 edition), we have conducted a pulse survey to explore if and how the 3-year outlook has changed.

Embracing change



Energy CEOs are planning what a post-pandemic world will look like and a bulk of them said that their business has been forever changed and they never expect a return to 'normal' thanks to COVID-19.

How soon do you envision that your company will return to normal course of business?



Long-term impacts of COVID-19



90%

of energy business leaders are focused on locking in sustainability and climate change gains their companies have made as a result of the pandemic.

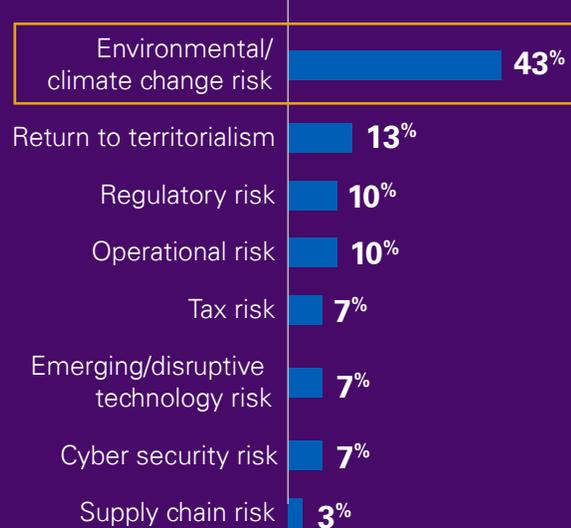
Reprioritized risks



Energy CEOs now believe that environmental and climate change risk pose the greatest threat to their organization's growth.

Which of the following risks poses the greatest threat to your organization's growth over the next 3 years?

2021 CEO Outlook Pulse (Feb–Mar 2021)



All Industries



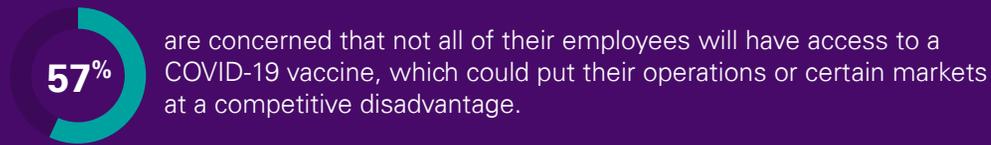
Energy Industry



2020 COVID-19 Pulse (Jul–Aug 2020)



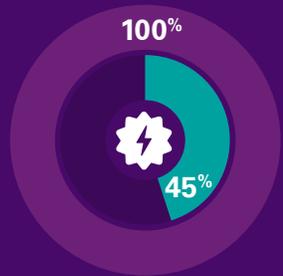
As COVID-19 vaccines becomes available



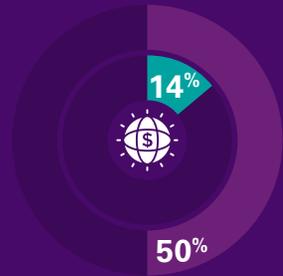
Confidence returns

Energy CEOs are significantly more confident about their company, the industry, and the global economy over the next 3-year horizon than they were just six months ago.

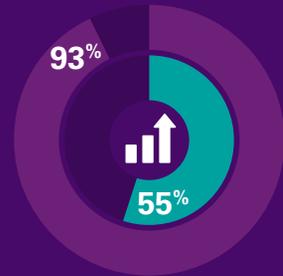
Growth prospects for the energy sector



Growth prospects for the global economy



Growth prospects for your company

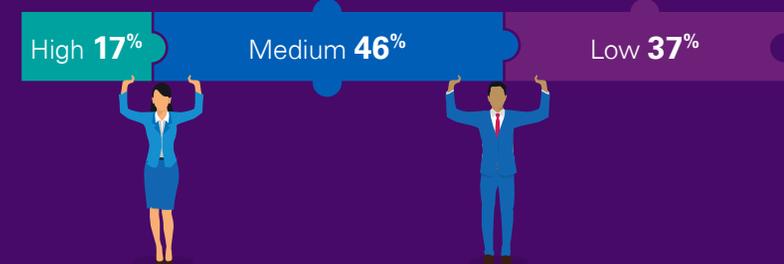


● 2020 ● 2021

M&A as a growth driver

According to the Energy respondents, some 83 percent expect low to moderate M&A activity over the next three years. Findings indicate that the primary driver for M&A will be to acquire disruptive technologies and to increase market share.

Over the next 3 years, how would you describe your organization's M&A appetite?



Digital transformation

71% of energy business leaders report that their primary reason for investing more in these technologies is to help reduce costs.

Energy CEOs plan to invest more in automation than any other technology.

Automation

Artificial Intelligence

Digital communications (e.g., video conferencing, messaging platforms)

Customer-centric technologies (e.g., chat bots)

Data security measures

#1

#2

#3

#4

#5

“

The results reveal a strong sense of optimism about the future and growth prospects in Energy, but wisely notes the importance of the energy transition and enabling all activities with digital capabilities. While commitments to net-zero have accelerated, the industry recognizes the need to explore many technologies and innovations to deliver on the stated goals.

— **Regina Mayor**, *Global Head of Energy*

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