PwC's 29th Global CEO Survey

Leading through uncertainty in the age of AI

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It's often said that successful leaders need both a microscope and a telescope to help them identify near-term threats while spotting long-term opportunities. This tension across time horizons is a recurring theme in PwC's 29th Global CEO Survey, based on responses from 4,454 chief executives across 95 countries and territories.

In the year ahead, CEOs see a world beset by challenges. They've grown significantly less confident about the short-term growth outlook for their companies and more worried about a range of threats, including macroeconomic volatility, cyber risk, and geopolitical conflict. At the same time, they're focusing on multiyear opportunities to reinvent the business. CEOs are forging ahead with investment in AI even though immediate returns are often elusive. They're prioritising innovation. And many are entering new sectors as they lean into a **reconfiguration of industries** that's reshaping the global economy.

Importantly, CEOs moving fast on these dimensions of reinvention are outperforming their peers.

Among the key findings from this year's survey:

- Most CEOs say their companies aren't yet seeing a financial return from investments in AI. Although close to a third (30%) report increased revenue from AI in the last 12 months and a quarter (26%) are seeing lower costs, more than half (56%) say they've realised neither revenue nor cost benefits.
- CEOs are seeking growth opportunities outside of their sectors. More than 40% say their companies have started to compete in new sectors in the last five years. Among those planning large acquisitions over the next three years, four in ten expect to do deals in other sectors or industries.
- Compared to last year, CEOs are less confident about their company's near-term revenue growth prospects. Only 30% are very or extremely confident about revenue growth over the next 12 months, down from 38% in last year's survey and the recent peak of 56% in 2022.
- Almost a third of CEOs (29%) say tariffs will reduce their company's net profit margin over the next 12 months. The majority (60%) expect little to no change. Among those expecting margin compression, most anticipate only a slight decline.

- Two-thirds of CEOs (66%) say stakeholder trust concerns have arisen in at least one area of business operations over the last 12 months. There's a significant gap in total shareholder returns over this period between public companies experiencing the most and the fewest trust concerns.

Navigating such a complex environment places a premium on leadership agility, including the ability to move quickly between issues, opportunities, and time horizons. CEOs say they spend nearly half (47%) of their time on issues with time horizons of less than one year. That's three times more than the 16% dedicated to activities with a horizon of more than five years. Are they striking the right balance? It's a question CEOs should ask themselves as they strive to build organisations to thrive both today and tomorrow.

01

The opportunity horizon

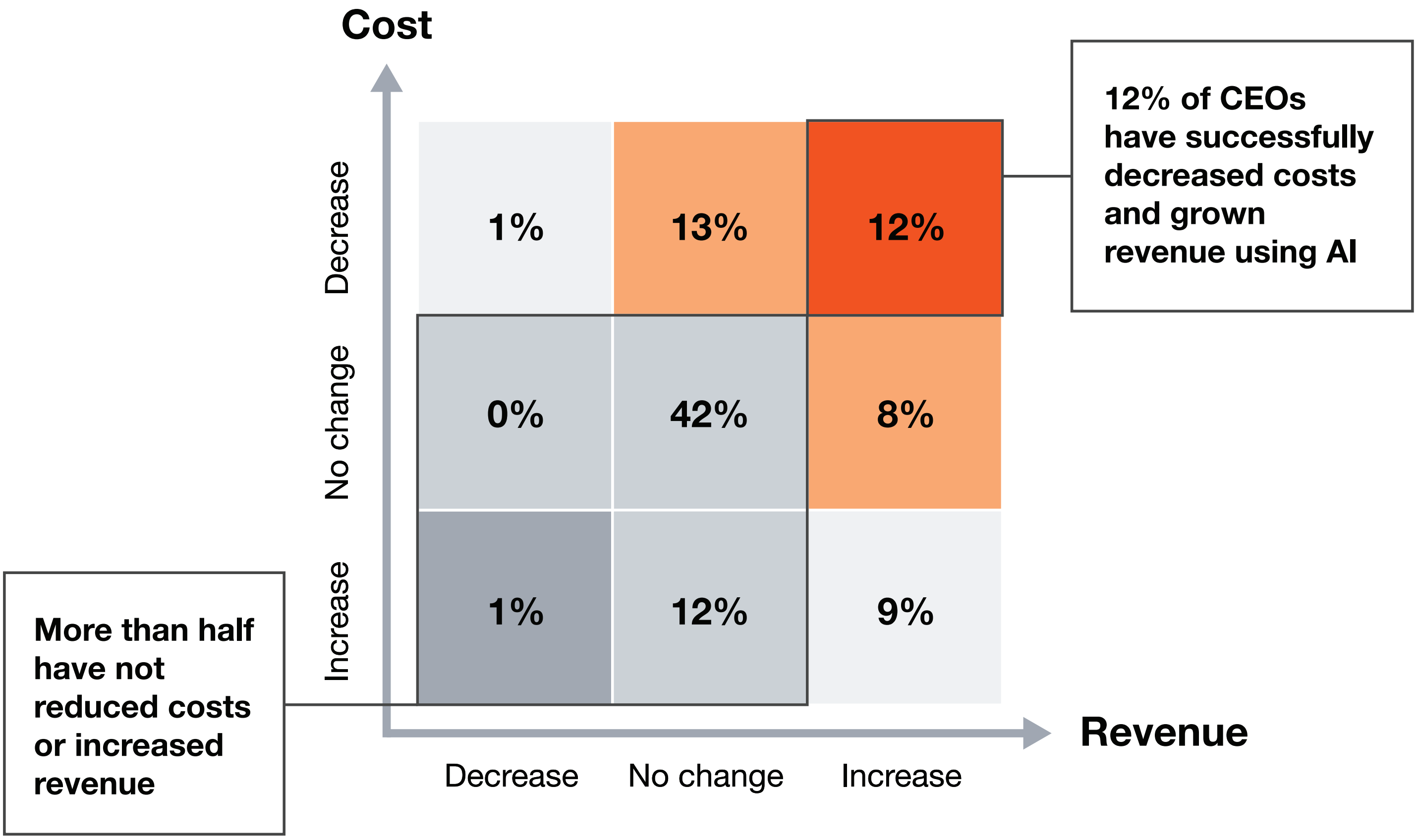
AI at enterprise scale

When we asked CEOs to pick the question that concerns them most these days, there was a clear winner: are we transforming our business fast enough to keep up with technology, including AI?

About one-third of CEOs (30%) say their company has realised tangible results from AI adoption over the last 12 months through additional revenues. On the question of costs, 26% of CEOs say costs have decreased due to AI, while 22% report an increase. More than half (56%) say their company has seen neither higher revenues nor lower costs from AI, while only one in eight (12%) report both of these positive impacts.

Most companies haven't yet realised financial returns from their investment in AI

Q. In the last 12 months, what impact did AI have on the following at your company?



Clearly, we're in the early stages of the AI era. Asked about the extent to which their organisations are deploying AI across the business, a relatively small proportion of CEOs say they're applying it to a large or very large extent to areas such as demand generation (22%); support services (20%); the company's products, services, and experiences (19%); direction setting (15%); or demand fulfilment (13%). Consider also that in **PwC's Global Workforce Hopes and Fears Survey 2025**, only 14% of workers said they were using generative AI daily.

Your next move: Build AI foundations. Our work with organisations confirms **mounting evidence** that isolated, tactical AI projects often don't deliver measurable value. Tangible returns come from enterprise-scale deployment consistent with company business strategy. This, in turn, demands strong AI foundations, including a technology environment that enables AI integration, a clearly defined road map for AI initiatives, formalised responsible AI and risk processes, and an organisational culture that enables AI adoption.

Data from this year's survey shows that companies in the vanguard—the one in eight achieving both additional revenues and lower costs from AI—are furthest ahead in building these foundations. They're also applying AI more extensively across different areas of the business. For example, 44% of those in the vanguard have applied AI to their products, services, and experiences, compared to only 17% for other companies. (Throughout this report, our analysis is adjusted for sector, company size, geography, and other extraneous factors.)

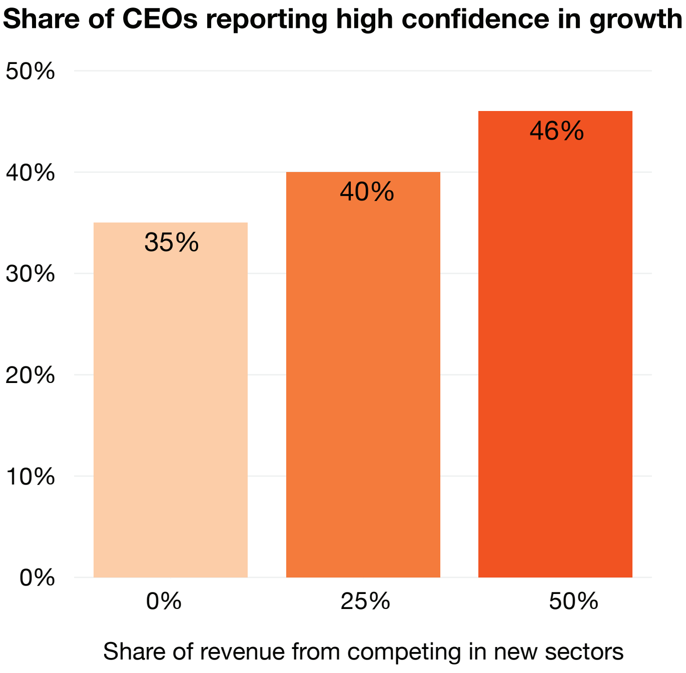
Sectors without borders

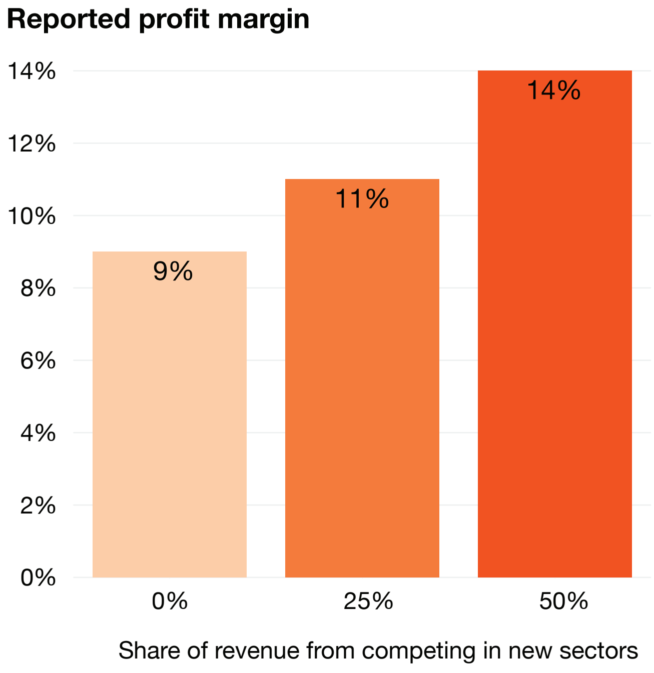
AI isn't the only powerful force reshaping global business. **The collision of technology, climate change, geopolitics, and other megatrends** is creating new customer needs and preferences, enabling new business models, and blurring the boundaries between industries. Many companies are already venturing across sector and industry boundaries in pursuit of reinvention and growth. Four in ten CEOs (42%) say their company has started to compete in new sectors in the last five years, consistent with last year's survey. Among CEOs planning to make at least one major acquisition in the next three years, a similar proportion (44%) expect to do deals outside of their existing sector or industry.

Asked about which other sectors they're looking to for growth—whether organically or through acquisitions—the top pick among CEOs globally is technology. Technology CEOs, in turn, are seeking to grow in healthcare, business services, and banking and capital markets. The last of these reflects continued expansion by financial technology firms into banking and payments, as well as efforts by large technology players to partner with or disrupt incumbent financial institutions.

Companies with more revenue coming from new sectors are more profitable and more confident about future growth

Q (left). How confident are you about your company's prospects for revenue growth over the next 12 months? (Showing only "Very confident" and "Extremely confident" responses)
Q (right). What was your company's profit margin for the most recently completed fiscal year?





Note: Values are predictions from regression modelling, adjusted for country, sector, ownership structure, revenue, and headcount (n = 1,140; 1,685).
Source: PwC's 29th Global CEO Survey

Your next move: Reinvent to outperform. Data from this year's survey shows a strong association among a higher percentage of revenue coming from new sectors, bigger profit margins, and greater CEO confidence in company growth prospects. In other words, playing an active role in industry reconfiguration is paying off. Companies that want to seize the moment should look inwards at their own capabilities as well as outwards for opportunities. When it comes to deal-making, for example, PwC research has found that acquisitions are more likely to add value if the focus is on **acquiring complementary capabilities**, as opposed to strengthening market power or acquiring customers.

Beyond smart deal-making, playing across sector boundaries requires collaborating at scale with new ecosystem partners, which is a skill many companies need to hone. Collaboration at scale may also require investment in core systems. Consider the example of an industrial manufacturer we know that has embarked on a major upgrade of its data environment and systems to enable interoperation with new value chain partners across the mobility ecosystem.

Globalisation in motion

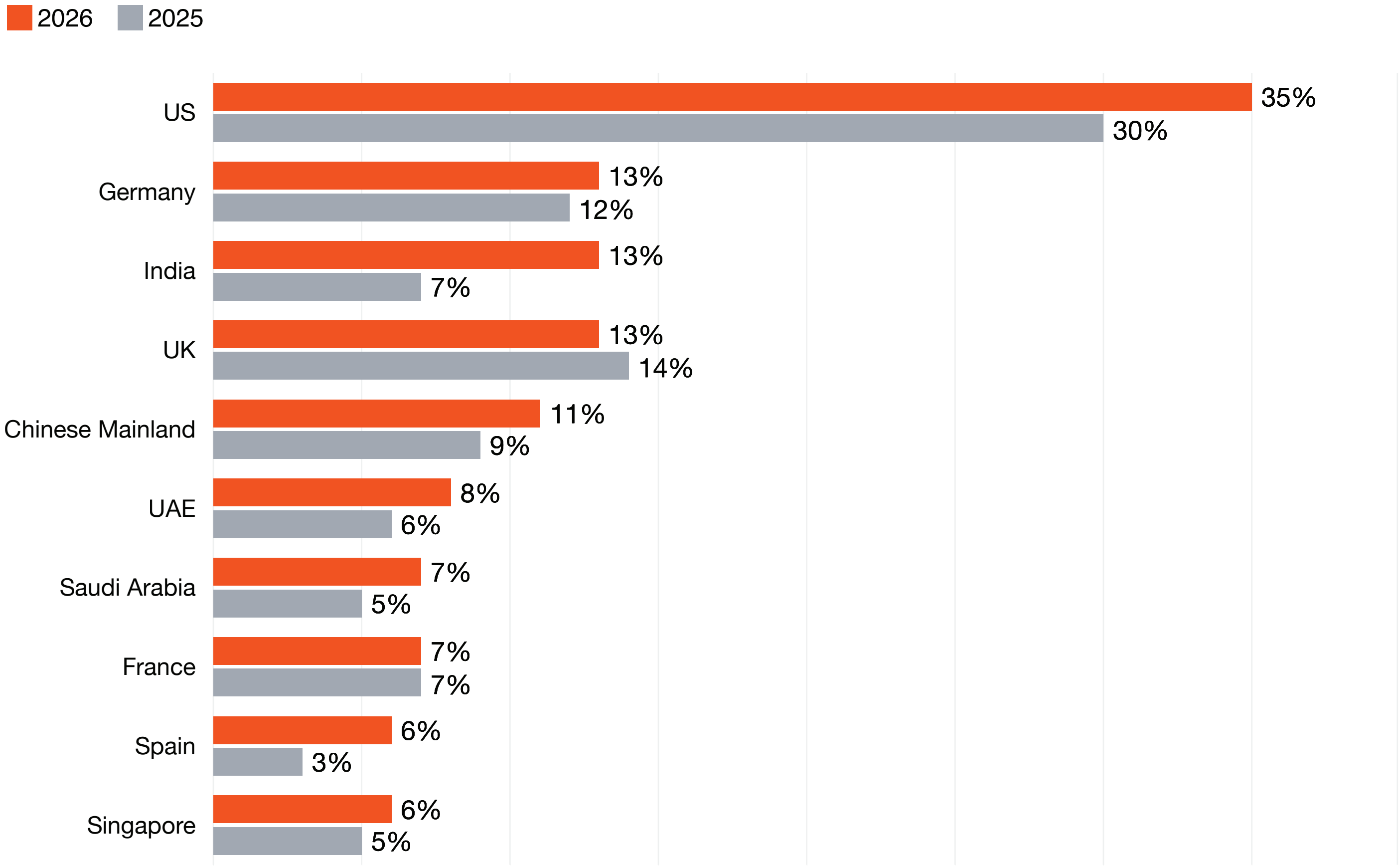
A little over half of CEOs (51%) are planning to make international investments in the year ahead. Delving further into these global ambitions, the United States consolidates its position as the top destination, with more than a third (35%) of CEOs placing it in the top three countries that will receive the highest proportion of their investment. The United Kingdom and Germany (both 13%) and the Chinese Mainland (11%) remain popular choices.

Among the significant changes from last year's survey, 13% of CEOs planning to make international investments selected India, up from 7%.

The United Arab Emirates and Saudi Arabia break into the top ten, with strong representation from CEOs in consumer packaged goods, banking and capital markets, health services, technology, and engineering and construction. This is a reminder of how the Middle East economy is diversifying away from oil and gas as Gulf Cooperation Council (GCC) countries embark on an ambitious multi-decade infrastructure expansion that includes model cities, industrial clusters, and **large-scale data centre projects.** The data centre opportunity extends not only to technology companies but also to engineering and construction firms, utilities, infrastructure investors, and banks.

The United States and India have increased in popularity among global CEOs as destinations for international investment

Q. Which three countries, excluding the one in which you are based, will receive the greatest proportion of your company's overall investment in the next 12 months?



Base: All respondents planning international investments in the next 12 months (n = 2,265).
Source: PwC's 29th Global CEO Survey

Your next move: Follow capital flows. Our survey paints a picture of globalisation in transition—not in retreat. Although this view is incomplete (our data doesn't capture the scale of planned company investments or speak to long-term capital deployment by banks and other financial institutions), it underscores how new value pools are emerging as the global economy reconfigures. We recommend that companies consider tracking global investment flows as a core consideration of their strategic planning process, if they don't already do so. CEOs should also look at the big picture of their own cross-border activities to spot opportunities they may be missing.

02

Confidence down, threats up

Compared to the findings from last year's Global CEO Survey, leaders are significantly less confident about their company's revenue growth outlook over the next 12 months. Confidence in the three-year revenue growth outlook has also declined, although the decrease is less significant.

What explains this ebbing confidence? Although CEOs remain generally optimistic about growth prospects for the global economy, they're less confident in many countries about the local economic outlook. Industry cycles are also at work. For example, lower confidence about short-term revenue growth among insurance CEOs comes as a golden period for industry profitability is now ending. Equally, oil executives are facing weak demand and industry-wide concern about oversupply.

Beyond these sector-specific dynamics, CEOs generally have grown more concerned about a range of near-term threats, including macroeconomic volatility, cyber risk, technology disruption, and geopolitical conflict. Almost a third (31%) say their company is highly or extremely exposed to the risk of a significant financial loss from cyber threats in the year ahead, up from 24% in last year's survey and 21% two years ago. Cyber risks now rank alongside macroeconomic volatility as the top threats identified by CEOs. About eight in ten (84%) say they're planning to improve enterprise-wide cybersecurity practices in response to geopolitical risk, underlining the interconnected nature of the threats they face.

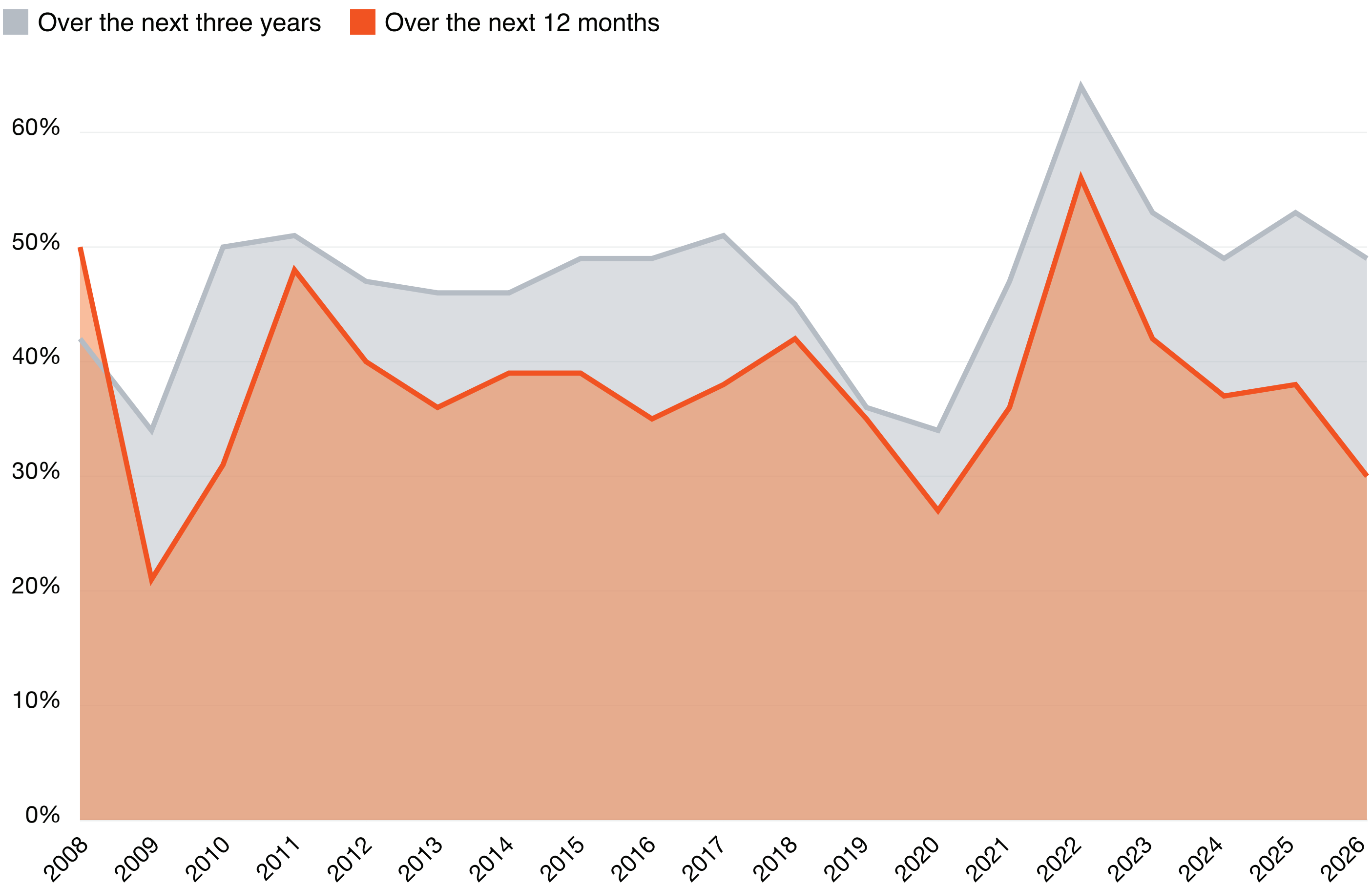
Uncertainty relating to tariffs is a new consideration as governments **recalibrate tax policy** to support national interests, secure supply chains, and address fiscal shortfalls. One in five CEOs (20%) say their company is highly or extremely exposed to the risk of a significant financial loss from tariffs over the next 12 months. Trepidation varies greatly by geography, ranging from just 6% on average across Middle Eastern countries to 28% on the Chinese Mainland, 30% in Turkey, and 35% in Mexico. Among US CEOs, 22% say their company is highly or extremely exposed to tariffs, which is close to the global average.

Almost a third of CEOs (29%) globally say tariffs will reduce their company's net profit margin in the year ahead, versus 60% expecting little to no change and 6% anticipating margin improvement. Among those expecting margin compression due to tariffs, most anticipate a decline of less than 15%.

CEO confidence in short-term company growth has declined sharply

Q. How confident are you about your company's prospects for revenue growth?

(Showing only "Very confident" and "Extremely confident" responses)



Note: The scale used to assess CEO confidence changed in 2022. Answers prior to 2022 show CEOs who answered "Very confident" versus both "Extremely confident" and "Very confident" since that year.
Source: PwC's 29th Global CEO Survey

In a world of lower confidence and elevated threats, it comes as no surprise that many CEOs are feeling less inclined to make big moves. A third (32%) say geopolitical uncertainty is making them less likely to make large new investments.

Your next move: Calibrate your concerns. Uncertainty is always present. The question facing CEOs is how to avoid becoming frozen in a world where dynamism pays. Data from this year's survey shows that companies planning to make major acquisitions and other large investments—despite the uncertain environment—are growing faster and enjoying higher profit margins.

A second key question facing leaders is whether their perceptions and plans are based on current and relevant intelligence. As we've found in previous editions of PwC's Global CEO Survey, it can be striking how threat perceptions can vary greatly even among countries in close proximity. For example, more than a third (34%) of CEOs in Germany say their company is highly or extremely exposed to cyber risks in the year ahead. That figure compares to only 16% among UK CEOs, even though companies there continue to experience **regular, high-profile cyberattacks**. Moving into 2026, CEOs everywhere should take the opportunity to revisit their assumptions and calibrate with peers across borders.

03

The road to reinvention

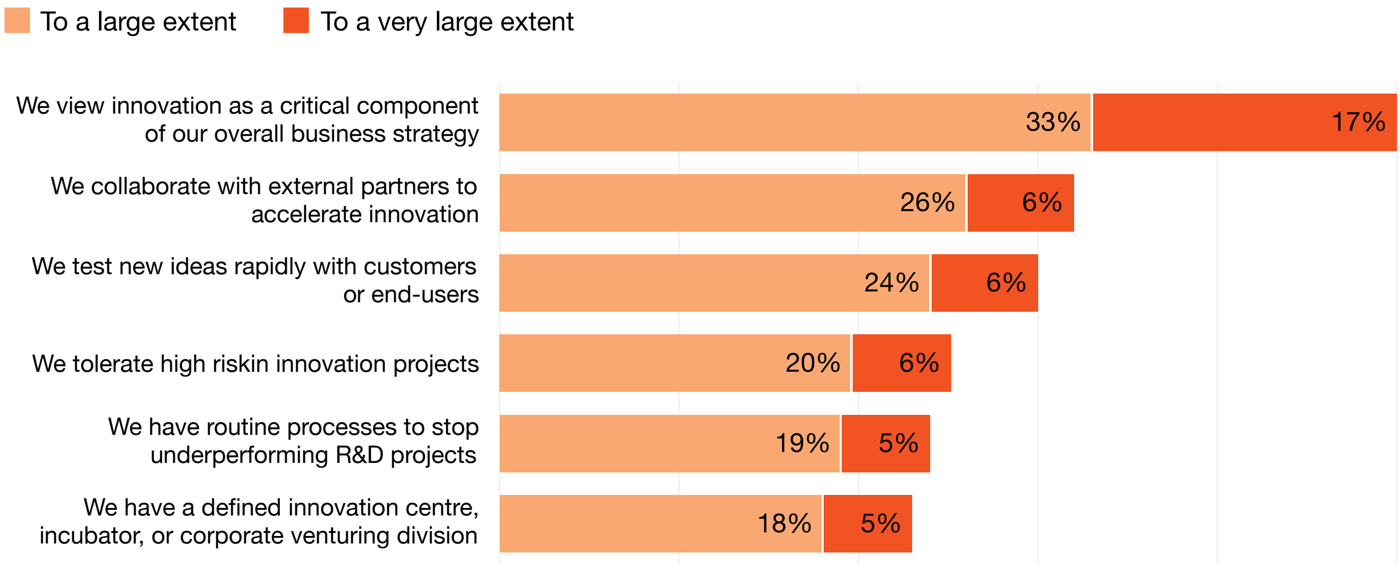
Innovate to reinvent

When we asked CEOs to pick the question that concerns them most these days, in second place (after technology and AI) was an issue related to innovation: is my company's innovation capability adequate for our uncertain future? What's more, half of all CEOs say innovation is central to their company's business strategy.

When asked about specific practices that support innovation, however, we see a gap between aspiration and reality. Only one in four CEOs agree to a large or very large extent that their company tolerates high-risk innovation projects; has routine processes in place to stop underperforming research and development projects; or has a defined innovation centre, incubator, or corporate venturing division. In all, we asked about six innovation-friendly practices. Fewer than one in ten CEOs (8%) say their company has implemented at least five of the six practices to a large or very large extent.

Half of CEOs say innovation is critical to business strategy, but fewer have implemented proven innovation practices

Q. To what extent do each of the following statements characterise your company's approach to innovation?



Source: PwC's 29th Global CEO Survey

Your next move: Build innovation capability. CEOs need to guard against what management writer Steve Blank calls **innovation theatre**—activities that resemble innovation but produce no tangible value. The practices we asked about in this year's survey aren't a foolproof recipe for innovation success. But they're a good starting point for frank discussions among CEOs, their top teams, and boards about whether innovation is more than a rhetorical priority. This year's survey data shows that companies employing a critical mass of innovation practices are achieving not only a higher percentage of sales from new products and services (as you might expect) but also faster overall revenue growth and higher profit margins.

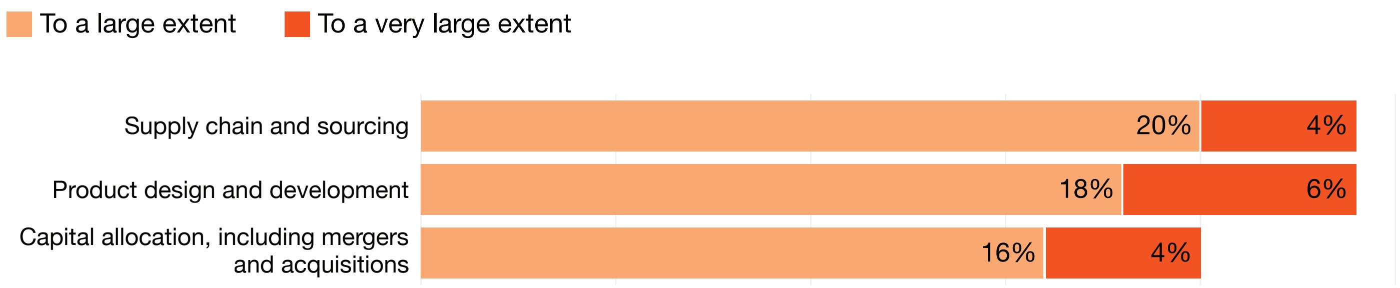
From climate risk to climate value

More than four in ten CEOs (42%) say their company is at least moderately exposed to the risk of a significant financial loss arising from climate change in the year ahead. CEOs in the insurance (51%) and power and utilities (67%) sectors are most likely to say their company is at least moderately exposed.

Yet few companies systematically take climate risks and opportunities into account as part of decision-making. Only about one in four CEOs agree to a large or very large extent that their company has defined processes for bringing climate change into business decisions relating to supply chain and sourcing (24%) and product design and development (24%). For capital allocation decisions, including M&A, this falls to one in five (20%). While these percentages are generally higher in sectors with greater near-term exposure to climate risk, we find it surprising that, for example, fewer than one in three insurance CEOs say their company has defined processes to account for climate risks and opportunities in capital allocation.

Most companies don't have strong processes for bringing climate opportunities and risks into business decision-making

Q. To what extent does your company have defined processes that account for the opportunities and risks associated with climate change in the following areas?



Source: PwC's 29th Global CEO Survey

Your next move: Integrate climate change into decision-making. A byproduct of **new sustainability reporting requirements** is the expanded stores of sustainability data now available to many companies that can be fed into decision-making processes. With better data at hand, these companies have an opportunity to move from a risk management mindset to active value creation. While every company has a unique set of sustainability factors that influence its ability to create value, our experience working with organisations points to **five interconnected topics** that drive value creation for most: physical climate risk, regulation, energy strategy, supply chains, and tax credits and incentives.

In addition, our survey data shows companies with defined processes for bringing climate-related risks and opportunities into decisions are faster to market and more agile when it comes to adapting to changing demand or supply conditions, whether these changes are caused by climate events or other factors.

Compete on trust

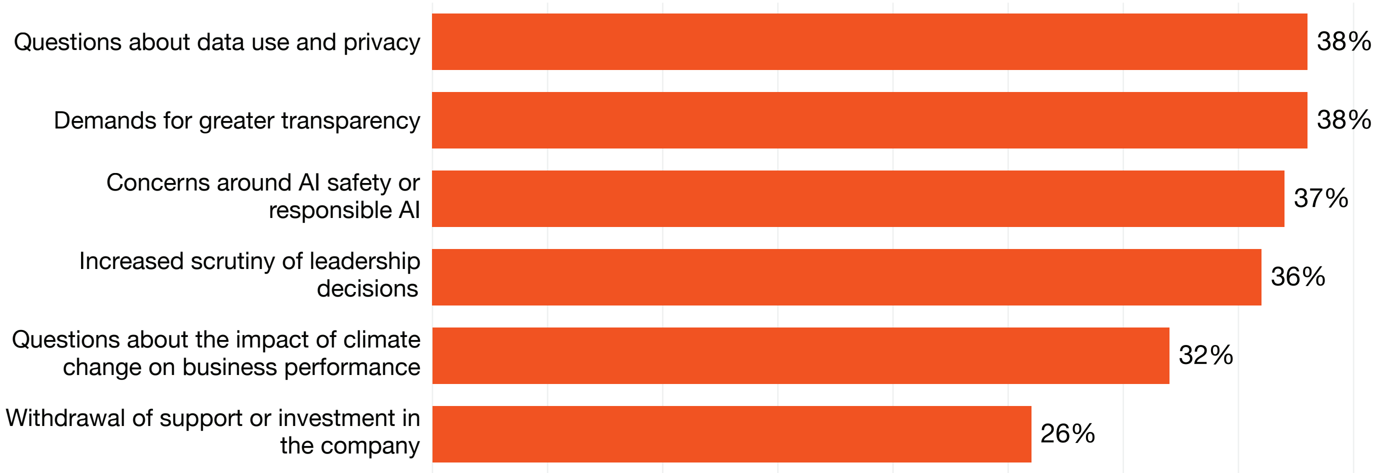
Stakeholder trust has never been easier to lose. Cyberattacks. Unpredictable geopolitics. Rising expectations for transparency. Rapidly shifting attitudes on sustainability. Then there's AI, a cause for excitement and anxiety in equal measure among investors, customers, and employees. In our latest Global Workforce Hopes and Fears Survey, more than a quarter of employees said they were worried about AI's impact on their work. A single misstep on any of these issues can precipitate a cascade of stakeholder concerns with damaging consequences for trust and value.

Two-thirds of CEOs (66%) say their company experienced trust concerns to at least a moderate extent in the last year on topics such as AI safety, data privacy, transparency, and the impact of climate change on business performance. To assess the connection between stakeholder trust and value creation, we looked at total shareholder returns for public companies in our sample. The results are striking. Companies experiencing the fewest trust concerns delivered total shareholder returns over a 12-month period that were, on average, nine percentage points higher than those experiencing the most trust concerns.

Many companies experienced stakeholder trust concerns in the last 12 months

Q. In the past 12 months, to what extent has your company experienced any of the following trust concerns from your key stakeholder groups (e.g. the board, customers, regulators, investors, employees)?

(Showing aggregate of "To a moderate extent", "To a large extent", and "To a very large extent" responses)



Source: PwC's 29th Global CEO Survey

Your next move: Make trust a boardroom topic. Although it's impossible to fully inoculate a company against losses of stakeholder trust, many CEOs could do more to anticipate and proactively address potential areas of vulnerability. As our analysis demonstrates, trust isn't an intangible soft topic. Value is at stake. This means trust should be prioritised as a boardroom topic and considered across **three interlocking dimensions**: operational trust (built on efficient, resilient operations), accountability trust (resting on high-quality reporting and communications), and digital trust (based on systems and processes that protect sensitive data, maintain secure operations, and enable organisations to use digital tools responsibly and ethically).

As this implies, companies can build and preserve stakeholder trust through deliberate investments in data, processes, and controls. To take one digital trust example, PwC research shows that robust Responsible AI programmes **build trust and create value** by reducing the frequency of adverse AI-related incidents and helping companies recover faster if such an event occurs.

Resist the tyranny of the urgent

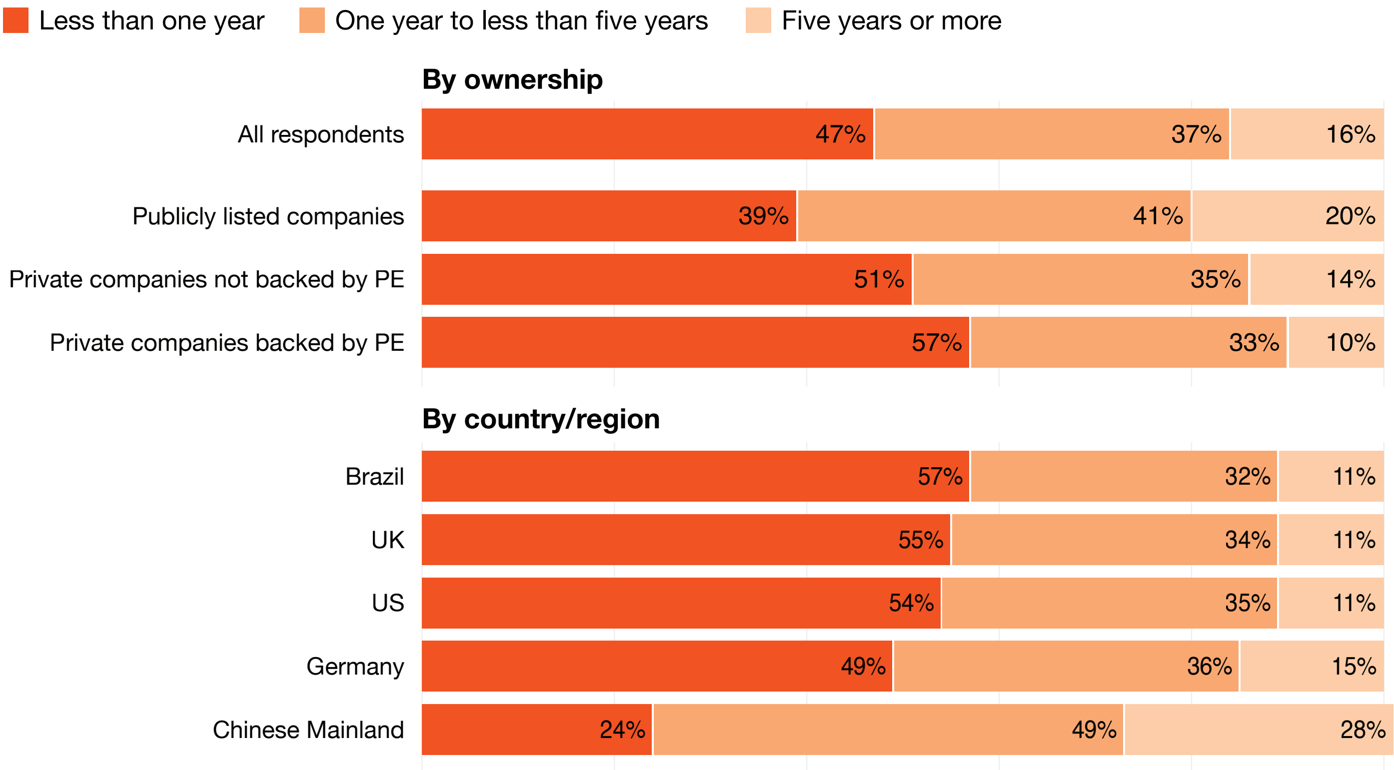
As a CEO, how you invest your time is one of the most important decisions you can make, especially when it comes to dividing your attention between issues that will play out over the short, medium, and long term. CEOs globally say that, on average, they dedicate about half (47%) of their time to activities with time horizons of less than one year. They spend more than a third (37%) of their time on activities with horizons of one to five years, with the remainder (16%) devoted to longer-term issues.

As you might expect, CEOs of private equity–backed companies spend more time (57%) than average on short-term issues, consistent with their investors' focus on realising value over target holding periods of three to five years. Perhaps surprisingly, other private company CEOs also spend a greater share (51%) of their time on short-term matters than their public company peers (39%).

There are also intriguing differences across countries and regions. Chinese Mainland CEOs say they spend significantly more time than the global average on activities with medium- and long-term horizons (49% and 28%, respectively). US and European CEOs tend to spend more time than the global average on short-term activities, albeit with some differences between countries.

CEOs on average devote almost half their schedule to short-term issues—but with significant differences across company types and geographies

Q. What proportion of your typical schedule is dedicated to activities associated with the following time horizons?



Note: Numbers may not total 100% due to rounding.
Source: PwC's 29th Global CEO Survey

Your next move: Reinvent your calendar. It's impossible to generalise about the ideal allocation of CEO time across horizons. In crisis situations, for example, leaders may need to devote their full attention to the here and now. But many (perhaps most) CEOs we know struggle with "the tyranny of the urgent" that leads them to spend too much time looking through their proverbial microscope when they know they should be focusing more attention on the long-term viability of the business.

Indeed, counterintuitively, CEOs who say the company's mid- to long-term viability is one of the most pressing questions they face also say they spend more time than others on activities associated with time horizons of less than a year. If these leaders are serious about reinvention, they may need to reinvent how they invest their time.

04

Dynamism or denial?

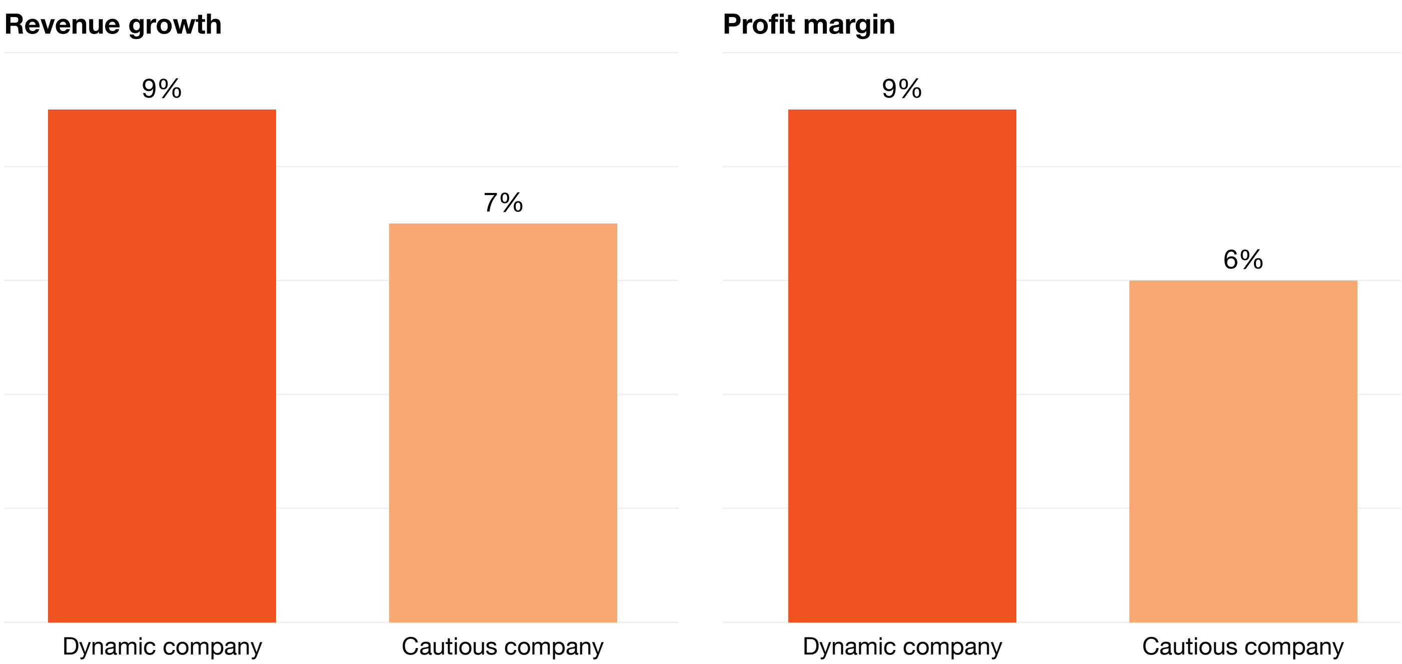
Organisations can't excel at everything. The challenge facing CEOs at this critical moment is to decide, in conjunction with their top team and board, how the company's value-creation recipe needs to change for the decade of innovation and industry reconfiguration ahead. While there's no single answer to the challenges CEOs face—nobody can know for sure what the global economy will look like in ten years—perhaps the biggest danger is denial.

Throughout this year's Global CEO Survey, we see evidence that companies moving the furthest and fastest to reinvent their business and operating models are outpacing their less-dynamic peers. To recap:

- About one in eight survey respondents (12%) have realised cost savings and generated additional revenues from AI over the last year. How? By putting strong foundations in place and applying AI more extensively across the business, including to the company's own products, services, and experiences.
- A similar proportion (8%) of respondents are using proven innovation practices to drive revenue from new products and services. They're growing faster overall and achieving higher profit margins.
- Four in ten respondents (42%) say their companies have started competing in new sectors or industries in the last five years. Those generating a higher percentage of revenue from new sectors are more profitable and have CEOs with greater confidence in the company's growth prospects.

If you're still not convinced about the need for urgency, consider the companies whose CEOs say geopolitical uncertainty is making them less likely to make large new investments and aren't planning major acquisitions over the next three years. These cautious companies, comprising 15% of our sample, are growing more slowly—by two percentage points—than their peers. They also have profit margins that are three percentage points lower.

Cautious companies are underperforming dynamic companies



Note: Values are predictions from regression modelling, adjusted for country, sector, ownership structure, revenue, and headcount. Cautious companies (15% of the sample) are those that don't plan to make any major acquisitions in the next three years and have a decreased likelihood of making large, new investments due to geopolitical uncertainty. Dynamic companies are all other companies in the sample (n = 3,134; 4,185).
Source: PwC's 29th Global CEO Survey

Leaders are right to pay close attention to the very real threats to company performance posed by geopolitical conflict, cyber risks, economic volatility, and other factors in the year ahead. But they can't let near-term threats dominate top management's focus at a time when the long-term forces that are reshaping business need attention now.

Survey methodology

We surveyed 4,454 CEOs in 95 countries and territories from 30 September through 10 November 2025. The global and regional figures in this report are weighted proportionally to countries' nominal gross domestic product, ensuring CEOs' views are broadly representative across all major regions. The industry- and country-level figures are based on unweighted data from the full sample of 4,454 CEOs. Further details by region, country, and industry are available on request.

Among the CEOs who participated in the survey:

- 2% lead organisations with revenues of US$25 billion or more.
- 4% lead organisations with revenues between $10 billion and $25 billion.
- 22% lead organisations with revenues between $1 billion and $10 billion.
- 35% lead organisations with revenues between $100 million and $1 billion.
- 30% lead organisations with revenues of up to $100 million.
- 60% lead organisations that are privately owned.

Notes

Percentages in the charts above may not add up to 100% due to rounding; multi-selection answer options; and the decision in some cases to exclude certain responses, including "Other," "Not applicable," and "Don't know" answers.

The research was undertaken by PwC Research, our global centre of excellence for primary research and evidence-based consulting services.

Advanced statistical techniques

Some analyses used advanced statistical techniques to look for relationships between questionnaire responses. These analyses went beyond dividing CEOs into groups and comparing responses (such as average profit margin) within those groups. Rather, we employed Bayesian multilevel regression analyses within a causal inference framework to estimate counterfactual marginal effects.

Counterfactual marginal effects measure the difference in outcomes that would occur if a specific level of a variable was changed while keeping everything else the same. They help us understand "What would happen if?" scenarios, such as predicting how a business outcome might improve if a particular strategy were implemented differently. This approach allowed us to model the relationships between variables, while accounting for uncertainty, and identify the causal effect of one variable on another, assuming that the hypothesised causal model is correct (i.e. no other variables other than the ones adjusted for affect the two variables of interest).

For most of these analyses, we adjusted for the effects of industry (e.g. industry sector, market concentration), company characteristics (e.g. company size, geography), and CEO characteristics (e.g. tenure). Further, we modelled outcome variables based on the assumed data-generating process (e.g. linear regression, for normally distributed data, and logistic regression, for Bernoulli-distributed data); ordinal predictors were modelled as monotonic effects.

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