

Main results for Romania of
PwC Global CEO Survey 2025

How to reinvent business for tomorrow

www.pwc.ro



About PwC Global CEO Survey

For 28 years, PwC’s Global CEO Survey has been providing the leaders of organisations, governments and the business community around the world with unique insights into global CEOs’ business visions and decisions. Traditionally, the survey results have been presented at the opening of the annual meeting of the World Economic Forum in Davos, Switzerland, and consistently have provided topics of relevance to the debate on international economic trends.

For the survey’s 28th edition, PwC surveyed 4,701 CEOs in 109 countries (including Romania) from 1 October through 8 November 2024 on the most important issues facing society today. The global report can be accessed at ceosurvey.pwc

The results for Central and Eastern Europe are based on responses from 153 business leaders in the region. The 14th edition of the key findings report for Romania explores the views of 69 CEOs in our country who responded to the online survey.

Note: Not all percentages in charts add up to 100% - a result of rounding percentages, multi-selection answer options, and the decision in certain cases to exclude the display of certain responses, including “other”, “none of the above” and “do not know”.

Content

1.	Growth prospects and threats	12
2.	Continuous reinvention	26
3.	Artificial intelligence as a catalyst for business model adaptation	50
4.	Climate change and green investment	60

Inside the mind of the CEO

Alessio Menegazzo - CEO PPC Romania	10
Gilles Ballot - CEO Carrefour Romania	17
Sergiu Manea - CEO Banca Comerciala Romana	46
Elisabeta Moraru - Country Director Google Romania	56
Christina Verchere - CEO OMV Petrom	65





Daniel Anghel

Country Managing Partner
PwC Romania

Throughout the 14 years that we have been producing the country report with the main findings for Romania from the PwC Global CEO Survey, we have admired the ability of CEOs in our country to lead their businesses in a disruptive economic, political and social environment and to manage difficult situations.

What has remained constant over the years is that the leaders of organisations in Romania are moderately optimistic about the short-term growth prospects of the global and national economy. They are betting on the long-term development of the businesses they run, but they are constantly alert to the immediate threats to the viability and success of their companies. And this year, the main challenges that CEOs see for business development are geopolitical conflicts, inflation, macroeconomic volatility, and shortages of key skills.

The current context, which was extremely complex at the start of the year, is having a major impact on company strategies. In many countries

around the world, economies are facing changing demand and supply constraints for energy, raw materials and components. Leaders' visions for creating realistic scenarios for business prosperity over the next decade must be grounded in the imperative of adapting the business model to a competitive landscape where industry boundaries are increasingly blurred. And decision-making must prioritise the acceleration of reinvention efforts. In this respect, the partnership between the management team and the board becomes crucial.

Business leaders report productivity gains from the use of AI and increased revenues from green investments to combat the effects of climate change. They are generally confident in the potential of responsible AI but expect more robust results from its implementation than they have seen to date. And the challenge for leaders is to increase the scale, discipline, and speed of integration across the organisation.

A large proportion of our country's CEOs are acting with agility to capitalise on the current growth potential. They are investing in technology, boldly embracing environmental opportunities and adapting their operations to create value in innovative and sustainable ways. Their challenge is to maintain their momentum, as the inherent interplay between the various threats (economic crises, geopolitical realignments, cyber-attacks, etc.) could halt progress.

In our opinion, it is necessary for all business leaders in Romania to become aware as soon as possible of the role of megatrends in society and the force with which they act, in a long-term and interconnected manner, to reshape industries and the competitive environment. CEOs must first understand how customer expectations (including those relating to the ethics and integrity of organisations) are changing and how this affects the competitiveness of their business. Leaders must then focus their efforts on establishing a high-quality strategic decision-making process that

sets a clear set of reinvention priorities, reallocates resources and explores ways to stimulate innovation to create a product portfolio that meets new customer needs. Finally, companies have a duty to work with governments, academia and civil society to develop clear strategies for the transition to a low-carbon economy.

And since CEOs cannot accurately predict what tomorrow will bring, it is perhaps more important for them to focus on what they can control and honestly answer the question, "If my tenure were a decade long, what would I do differently?"

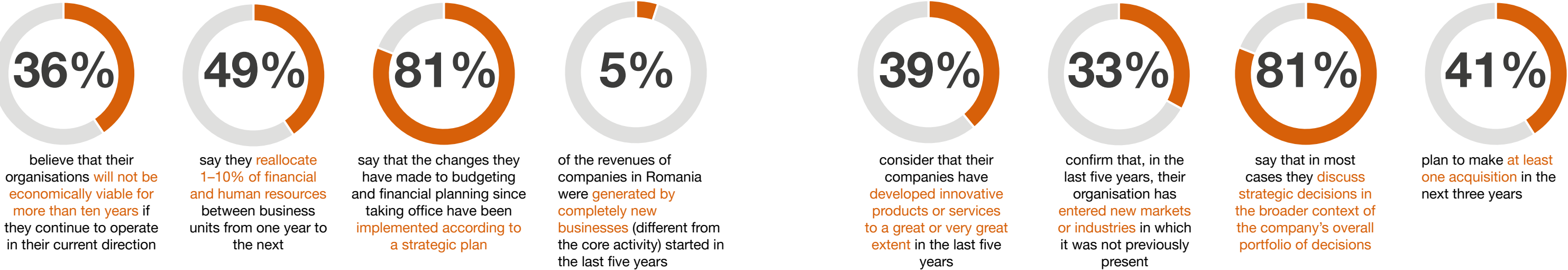
As every year, we would like to thank all the business leaders in Romania who accepted the invitation to join the discussion platform around the PwC Global CEO Survey and who shared their extremely valuable opinions with us. As always, it is a great honour for us to make their views heard.

Perception of CEOs in Romania

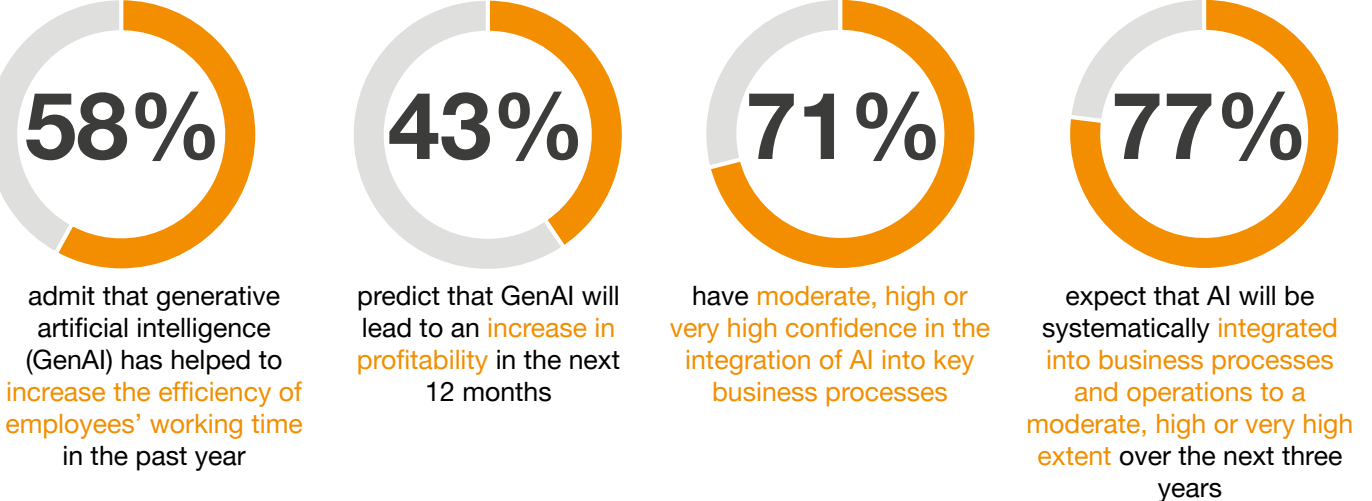
1. Growth prospects and threats



2. Continuous reinvention



3. AI as a catalyst for business model adaptation



4. Climate change and green investment





Inside the mind of the CEO

As every year, the PwC CEO Survey 2024 report for Romania is intended to be a barometer of the level of confidence of CEOs in our country about the evolution of their organisations.

The 14th edition of the report with the main findings for our country tries to capture a snapshot of CEOs' mindset and gain an understanding of the pressures they face in a changing environment with more and more priorities set by various stakeholders.

To provide our country's business community with useful information on current opportunities and a look ahead, we invited some of Romania's most prominent business leaders to share some of their strategic actions in the face of the challenges they face. Thus, during February and March 2025, we asked them to answer two questions, namely:

- What measures have you taken or are you preparing to take to face the challenges / risks that threaten the global and local economy?
- What motivates you to remain optimistic about the future of your company and the evolution of the local economy in the coming years?

We thank the CEOs for their willingness to give us some of their time and invite you to read in the pages of the report some of their priorities and the actions they will be taking in the coming period.





Alessio Menegazzo

CEO
PPC Romania

When we talk about the current macroeconomic context, I would approach it mainly from the perspective of the energy transition. We have heard more and more recently that the energy transition must at least change its pace, if not adjust its goals, because the international context has changed, because energy prices have become too high, to maintain economic competitiveness, or for other reasons. At the same time, we know that Europe has lost EUR 170 billion in five years due to climate change, we know that renewable energy is the cheapest form of energy production, and we know that air quality in our cities depends largely on vehicle emissions, so we want electric cars. This energy transition is the process by which we try to change the way we produce, distribute and consume energy. Basically, we would be moving from a model based on burning fossil fuels and a centralised model of energy distribution to a model based on renewable energy sources and production in smaller units, even very small ones, as close as possible to the point of consumption.

The energy transition has never lacked arguments that it would be too fast, that we do not have the necessary technology or that the technology is not yet mature enough, and so on. In the meantime, the arguments have multiplied, 'drill baby, drill' has appeared, and we see the problems that the large, industrialised countries in Europe are facing, problems that are also attributed to energy costs, which would lead to a lack of competitiveness.

In Romania, too, we feel the need for a real debate, because the idea of a national culture based on natural gas and oil resources still exists in the collective mind. But these ideas are outdated, because although Romania produces some resources, it has a certain dependence on imports, and this has been the case since the 1980s. And this dependence was even more visible this winter, when there was a lot of talk about the situation of the gas reserves in the underground deposits and the pace of their consumption, because we had more cold or frosty days than in previous years. In

fact, this is what the energy transition is all about, the economic need to change the paradigm, to use our own resources – which are largely renewable – to stop being dependent on imports, on the instability of gas and oil prices, which have always caused economic shocks, since the 1970s. We still remember the oil shocks.

Nobody doubts that the energy transition is taking place, so our strategy is not changing. We want to increase our portfolio of renewable energy generation capacity, further digitalise the networks, offer new services to private and business customers and expand the e-mobility network.

The paradigm shift is not easy. I think many people think that the energy transition is only about protecting the environment, and they have not learnt that the goal is to ensure long-term prosperity for all.

It is true that there are costs to this energy transition, including investment in electricity transmission and distribution networks, but the costs of not doing it would be much higher, in terms of not only public health but also what we will pay for energy in the future.

It is also a game of perceptions, because pollution and health costs are not something that affect us immediately, but over time. But on a planetary scale, Europe is the most affected, with warming approaching 2 degrees compared to 1.1 globally, which is why Europe is obsessed with climate change. One of the consequences of warming is the deterioration of the quality of life in the southern hemisphere, and that could lead to new waves of migration to Europe.

Reducing dependence on fossil fuels is not only a matter of avoiding shocks caused by gas price volatility but also a strategic issue. Renewable energy means that Europe uses its own resources and equipment. Heat pumps and wind turbines are

produced by many European manufacturers. It is true that the production of photovoltaic panels is lower in Europe, but these imports do not represent the same type of dependency as fossil fuel imports.

Photovoltaic panels have a life span of several decades, during which they produce electricity with marginal costs close to zero, while for fossil fuels every kWh produced means an import.

This does not mean that Europe or Romania should not use its natural resources such as gas. Quite the opposite. But the greatest economic value of natural gas is not when it is burned in the oven, but when it is used in the chemical industry, in fertilisers, in plastics, in high-efficiency combined heat and power plants or to cover energy peaks.

At the same time, it is true that the energy transition process needs to be supported to make it more accessible in certain cases. We know that electric vehicles are essential for air quality in our cities as urbanisation and motorisation increase. But for the less affluent segments, the cost of an average electric vehicle, say EUR 30,000 to 40,000, can be prohibitive, especially when compared to around EUR 20,000 for a similar vehicle with a thermal engine. So perhaps we should think about how these categories could be supported not only from national budgets but also from the EU budget.

Optimal energy prices mean a better balance between energy demand and production and a reduction in Europe's dependence on fossil fuel imports.

The PPC Group in Romania has several lines of business. On the renewable energy generation side, we have increased the installed capacity from around 600 MW when we entered Romania to over 1.3 GW at present, with the aim of reaching 2 GW

by the end of 2026. In this way, we are helping to reduce Romania's capacity deficit and to establish energy prices based on a better balance between supply and demand.

On the distribution side, we will continue to invest in smart, resilient networks that provide customers with solutions adapted to the new realities of the energy transition, with changes in the way we travel, cook food, heat and cool our homes, and eventually produce our own energy.

On the supply side, we will continue to offer customers new services in addition to energy, both appliances for residential customers and advanced solutions for business customers. In the area of electromobility, we aim to expand the network of charging stations, both at the public network level and at the level of fleet customers.

1. Growth prospects and threats

CEOs are generally more optimistic than in the past two years about the improvement in the global economy over the next 12 months. When it comes to the outlook for national economies, Romanian executives are split between those who expect local economic growth to accelerate and those who expect it to stagnate or decline. Optimism is more pronounced at the global and regional levels.

However, despite the numerous threats to business development, the leaders of organisations in our country remain optimistic about the positive development of the companies they manage over the next one to three years, as well as about the increase in the number of employees over the

next 12 months. For example, CEOs in Romania consider their organisations to be particularly vulnerable to geopolitical conflicts and the lack of qualified human resources. Macroeconomic volatility and inflation complete the list of perceived key risks.

Romanian CEOs are planning capital expenditures for the coming year, but large investments are less common than at the global and CEE levels. Romanian executives also have a lower appetite for developing international operations than their global and regional counterparts.



Ruxandra Târlescu

Tax, Legal and People Services Leader
PwC Romania

“A clear change of direction in global politics, with economic implications, marks the beginning of this year. After a long period of stability and globalisation of trade, with increasingly harmonised tax rules, the US has changed the game in 2025, setting the tone for a reset in international relations. And the EU has to get into the game, with implications for all member states. In the midst of the turmoil, Romania has a tax reform that is still not finalised, with commitments to be met in the PNRR to finance a budget deficit that is difficult to correct. Tax adjustments will continue, and uncertainty will be the watchword.

In the current extremely tense context, the stability and predictability of the tax system are essential for the viability and development of businesses, allowing companies to plan for the long term and make strategic investments without fear of sudden changes that could affect their profitability. A predictable regulatory framework contributes to creating a favorable business environment, attracting investments and stimulating innovation. It is necessary for the authorities to adopt clear and coherent tax policies that support economic growth and ensure the long-term competitiveness of companies and the investment attractiveness of Romania.”

”

Global economic growth

Despite geopolitical and trade tensions, business leaders’ optimism about the global economic outlook continues to grow this year. Nearly six in every ten (58%) global CEOs expect global economic growth to improve over the next 12 months, a higher percentage than in the previous edition of the survey (38%) and two years ago (18%), but still below the high point of optimism in 2021–2022.

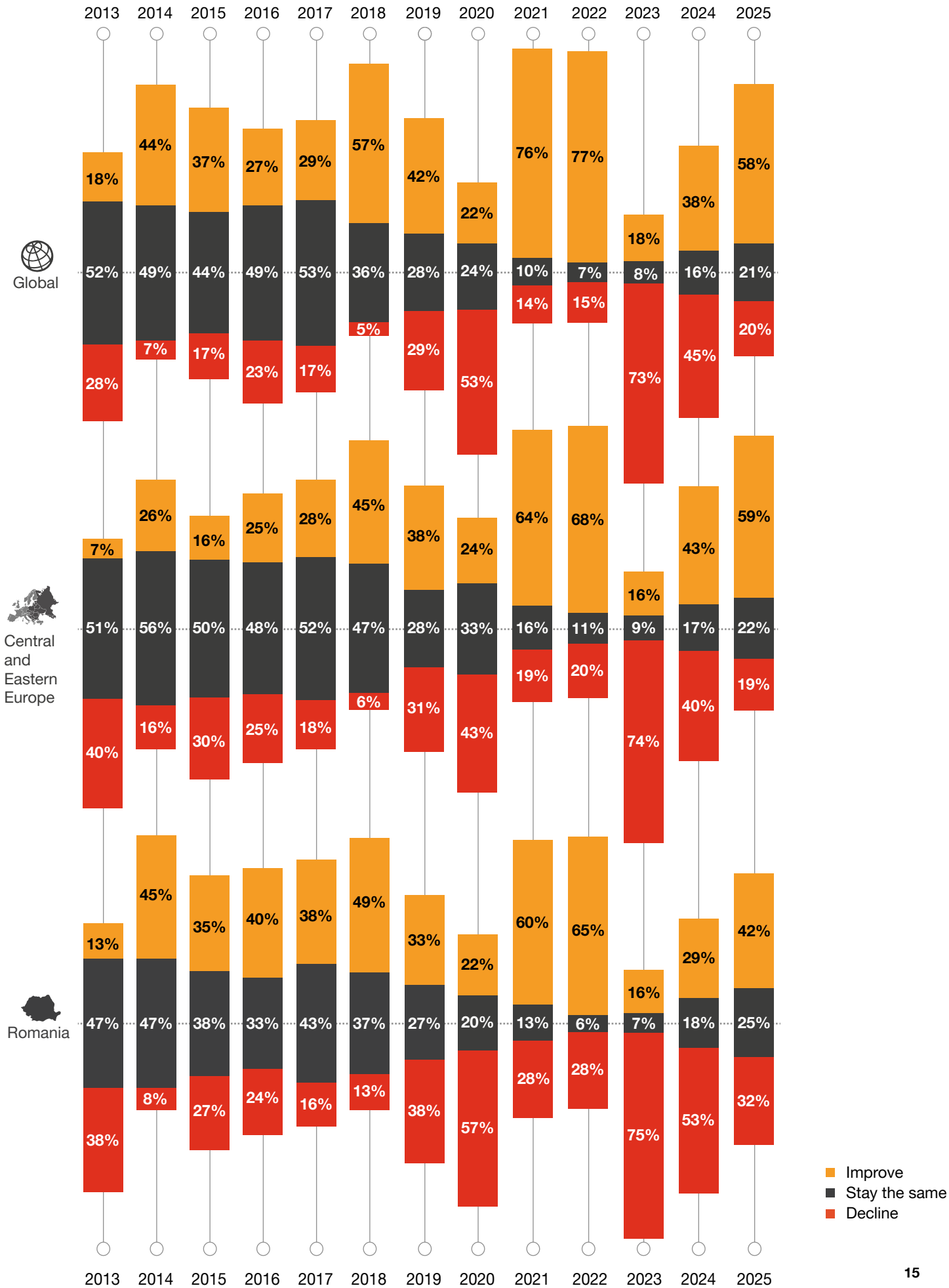
Within this positive overall picture, the leaders of organisations in our country are more pessimistic than their counterparts globally and in CEE. For example, only 42% of CEOs in Romania expect global economic growth to accelerate over the next 12 months, a significantly lower percentage than globally (58%) and regionally (59%).

At the other end of the spectrum, almost a third (32%) of the country’s CEOs predict a slowdown in global economic growth. This is higher than the global (20%) and regional (19%) averages.

The fact that the cumulative share of CEOs in Romania who expect global economic growth to stagnate, or decline remains higher this year than those who expect it to accelerate indicates that the leaders of organisations in our country still perceive the global economic situation as quite fragile and uncertain.

CEOs in Romania are moderately optimistic regarding prospects for the global economy

How do you believe economic growth will change in the global economy over the next 12 months?



National economic outlook

CEOs are also more optimistic about their own economies than they were in the past two years, but their confidence levels are still far from the record highs recorded in the 2022 edition of the study.

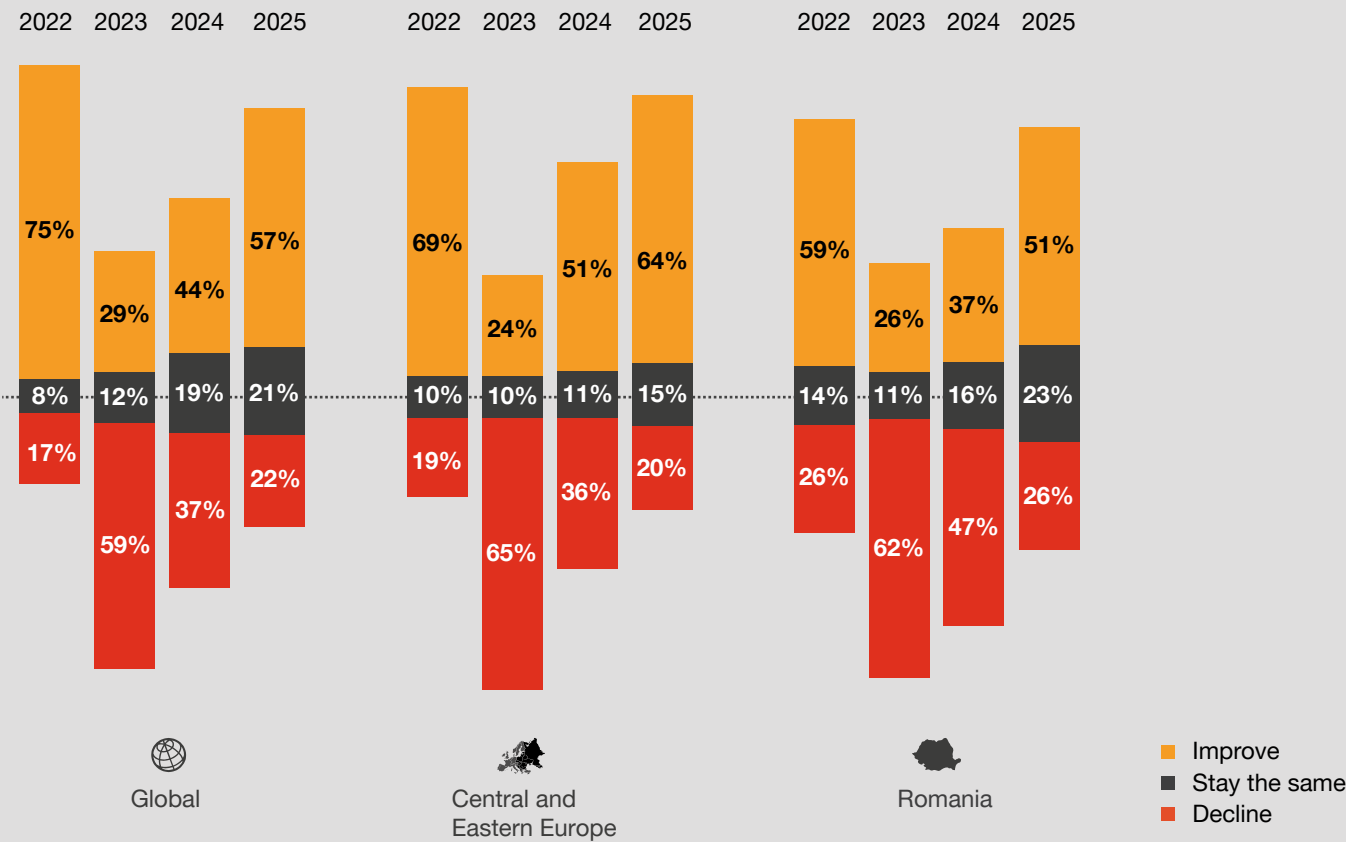
Once again, global and CEE leaders are more optimistic than their Romanian counterparts, with 57% and 64% of them, respectively, expecting their economies to grow faster. The percentage of CEE respondents who expect growth to accelerate is more than three times that of those expecting a decline.

In Romania, against the backdrop of a difficult macroeconomic context, business leaders have a more balanced view of the national economy than their global and CEE counterparts. Thus, slightly more than half (51%) of the CEOs in our country predict an acceleration of the growth of the local economy in the next 12 months. On the other hand, 26% of the leaders of organisations in Romania believe that the growth of the national economy will decrease. The percentage is slightly higher than the global (20%) and regional (20%) averages.

However, it is worth noting that the percentage of company directors in our country who forecast an increase in the growth of the national economy is significantly higher than that of executives expect reduced growth.

The CEOs in Romania show a cautious perspective regarding the evolution of the domestic economy, with half of them anticipating an acceleration in growth, while the other half expect the growth rate to stagnate or decline

How do you believe economic growth will change in your country economy over the next 12 months?



Gilles Ballot
CEO
Carrefour Romania

The Romanian economy continues to be strongly influenced by the political and geopolitical context, which has a direct impact on the local market and consumer behavior. In a climate characterized by economic challenges and global uncertainties, we see a more dynamic Romanian economy, accompanied by an increased interest in local production and support for small entrepreneurs. This reflects not only an acute need to support the domestic economy, but also a change in consumer mentality, with consumers increasingly choosing local and healthy products.

An important aspect in this context is the adaptation of consumer behavior: Romanians have become more cautious and responsible in their spending, turning to local and healthy products. This trend not only supports the national economy but also underlines a growing preference for quality and transparency. We have the most extensive network of Romanian suppliers, with a local and ultra-local presence in the fresh produce segments, including private label products from over 1.450 Romanian producers, growing year by year.

At a time when inflation continues to put pressure on household budgets, protecting purchasing power is becoming a key priority.

To this end, we have taken an active role in supporting our customers and maintaining access to quality products at competitive prices. In 2025, we continued our price reduction campaign on more than 2,000 products that customers search for every week. This initiative is part of a broader effort launched last year to offer long-term discounts on a wide range of essential products. Our goal remains to support consumers' access to quality products, regardless of economic challenges.

Romania remains one of the Carrefour Group's key markets, reflecting the growing consumer interest in our products. This privileged position is reinforced by our commitment to understanding and responding quickly to changing customer needs.

To meet these needs, we will continue to invest in the expansion of our network of convenience stores - Carrefour Market and Carrefour Express. Accessibility remains a priority for our customers and by developing these store formats we ensure that we offer quality products at competitive prices, closer to communities. The expansion of our network is not only a strategic step to strengthen our market presence, but also a commitment to our customers, making it easier for them to access essential products in convenient locations. At the same time, our omnichannel strategy and our continued leadership in the e-grocery market with our partners, starting with Bringo, gives us an important position in the market and ensures us permanent areas to grow and interact with our customers in a relevant way.

At the same time, a fundamental pillar of our success is our strong team of more than 17,000 colleagues who contribute every day to maintaining standards of excellence and building a relationship of trust with our customers. This is a key competitive advantage that gives us the flexibility and expertise to adapt quickly to market changes.

Romania has tremendous growth potential, and I believe it is very important that we invest in and support the growth of our partners - from expertise to encouraging innovation and digitalization projects.

Confidence in their own company's performance

Business leaders remain generally optimistic about the growth prospects of the enterprises they manage. This year's study reveals a reversal of the downward trend seen over the past two years in the level of confidence in the growth of their own companies, both in the short term (one year) and over a longer horizon (three years).

Globally, CEOs continue to express confidence in the growth of their company revenues over the next 12 months. In fact, 38% of respondents say they are very or extremely confident in the development of

their own company, a percentage very close to that of the previous edition of the survey (37%). In Romania, 42% of executives are very or extremely confident about their company's revenue growth prospects. This percentage is slightly higher than that recorded globally (38%) and in CEE (39%).

When the forecast horizon is extended to three years, the level of optimism remains higher than for the next 12 months. For example, more than half (52%) of CEOs in our country say they are very or extremely confident about their company's chances of increasing its revenues over the next three years, in line with their global counterparts (53%). In CEE, the percentage is lower, at 47%.

52% of executives in Romania believe that their organisation will experience favourable development in terms of business scope over the next three years

How confident are you about your company's prospects for revenue growth over the next 12 months?



Exposure to threats

While optimistic about the prospects for global economic growth, CEOs remain vigilant about near-term threats to business performance. Organisations need to consider not only the key threats themselves but also the linkages between them that could amplify their impact. For example, many categories of supply chain are vulnerable to both extreme weather events and geopolitical rivalries and trade disputes. Similarly, the interaction between geopolitics and cyber risks is becoming increasingly apparent. As a result, systems thinking is needed to anticipate possible scenarios in the economic, political and social context, both globally and regionally.

Globally, as in the past two years, macroeconomic volatility and inflation remain the top concerns for CEOs, based on the percentage of respondents who say their organisations are highly or very exposed. These are followed, as last year, by cybersecurity risks (including hacking and disinformation). For example, 29% of business leaders say their organisations are extremely or very exposed to macroeconomic instability (GDP, unemployment, etc.). Similarly, 27% of global executives consider their organisations to be extremely or very exposed to rising prices and falling purchasing power of money. These two threats are also among the top challenges that CEOs in CEE feel very or extremely exposed to, according to 32% and 31% of respondents, respectively.

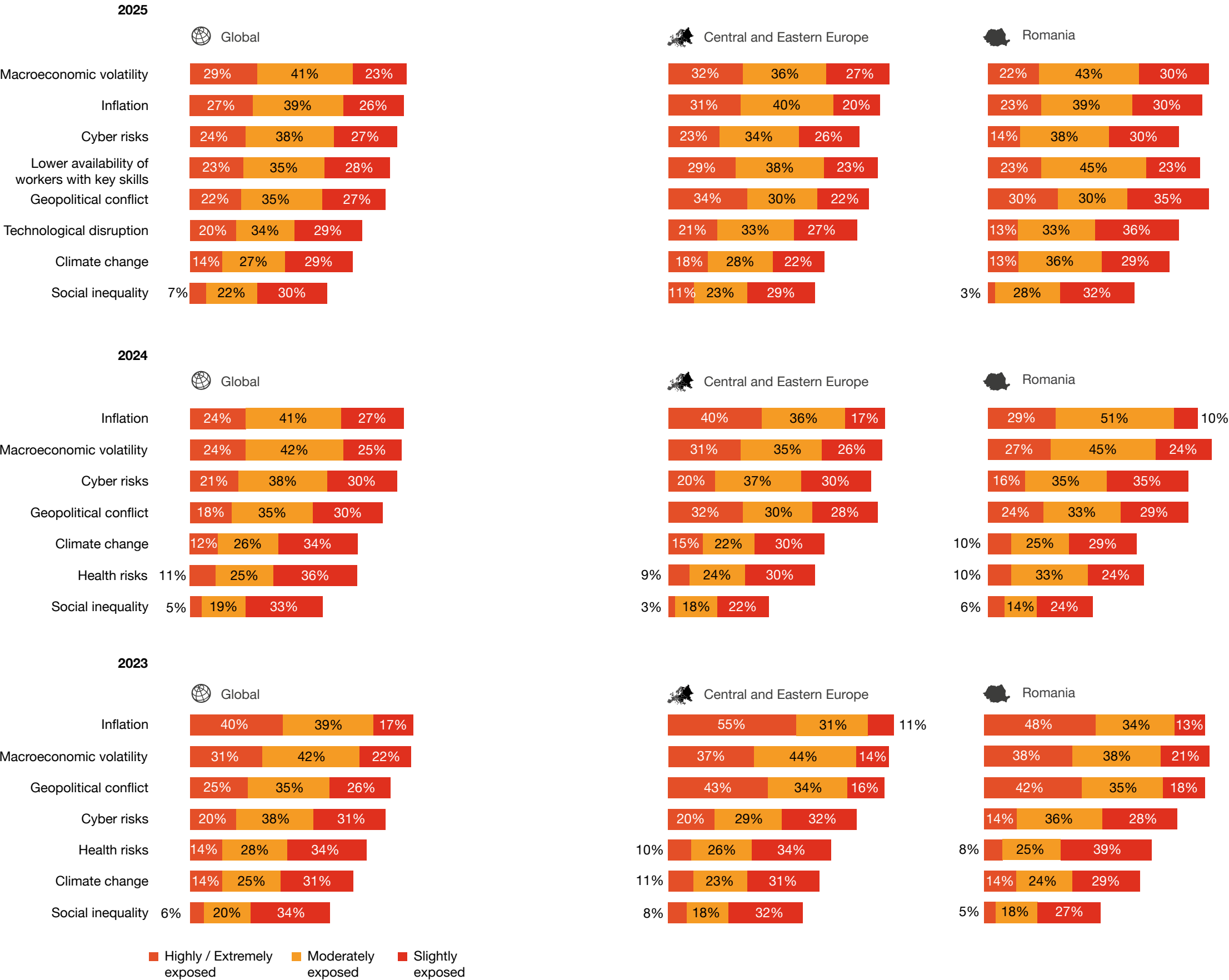
Unsurprisingly, however, geopolitical conflict is seen as the top risk this year by business leaders in CEE (and the Middle East). Against the backdrop of Russia's war in Ukraine, 34% of executives in our region cite political conflict as the threat most likely to cause significant financial loss.

Geopolitical conflicts also top the list of threats for CEOs in Romania, 30% believe their organisations are extremely or very exposed to resource and trade disputes, terrorism and interstate violence. The list of risks perceived by business leaders in our country is completed by inflation and the shortage of skilled labour, both of which are cited by 23% of respondents as risk factors that cause significant, certain or very likely financial losses. Similarly, 22% of Romanian executives believe that their organisations are very or extremely exposed to fluctuations in macroeconomic indicators. Indeed, the economic and business climate in 2025 will be significantly influenced by the solutions adopted by the government to reduce the excessive budget deficit and implement credible fiscal consolidation to maintain the country's attractiveness for investors.

Technological disruptions (including innovations in the field of artificial intelligence) complete the list of major risks that may affect the development of companies, according to the executives. As in the previous two years, risks related to climate change (physical, regulatory, legal, technological and reputational) and issues of social inequality are of less concern to business leaders.

Around two-thirds of Romanian CEOs say their organisations are moderately, very or extremely vulnerable to the limited availability of human resources with key skills (including the impact of an ageing workforce) and to macroeconomic volatility

How exposed do you believe your company will be to the following key threats in the next 12 months?



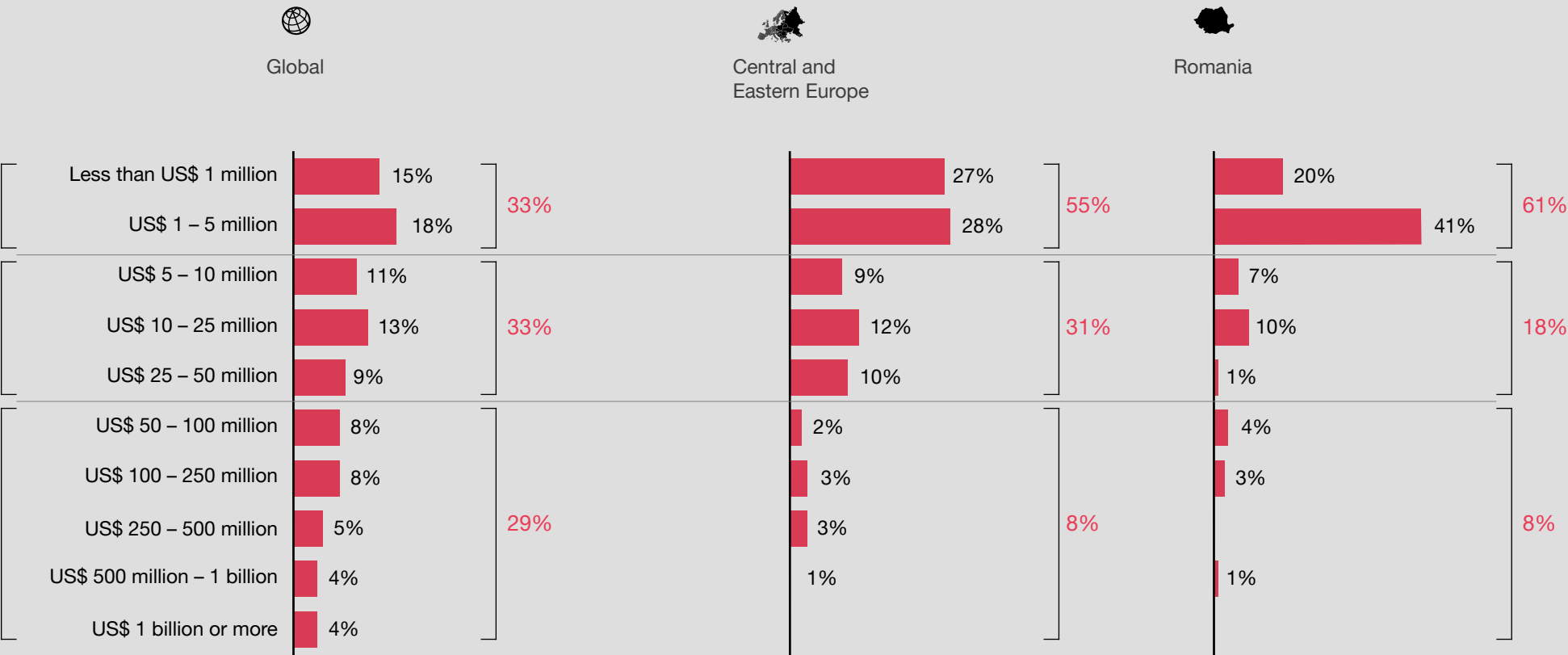
Volume of investment

61% of Romanian CEOs say they plan to spend up to USD 5 million in total capital expenditure over the next 12 months. In CEE, 55% of executives plan to spend up to this amount.

In contrast, 29% of global CEOs plan to spend more than USD 50 million on capital expenditures. Only 8% of executives in CEE and Romania plan to spend this amount.

67% of CEOs in Romania and CEE plan to spend more than USD 1 million on capital expenditures over the next year

What is your company’s total planned capital expenditure (in US Dollars) in the next 12 months?



International investment

The appetite for developing international operations among CEOs in Romania appears to be lower than for their global and regional counterparts. Almost six in every ten (58%) of the country’s CEOs say they do not plan to allocate a budget to international operations. This is higher than in CEE and significantly higher than the global average (42%).

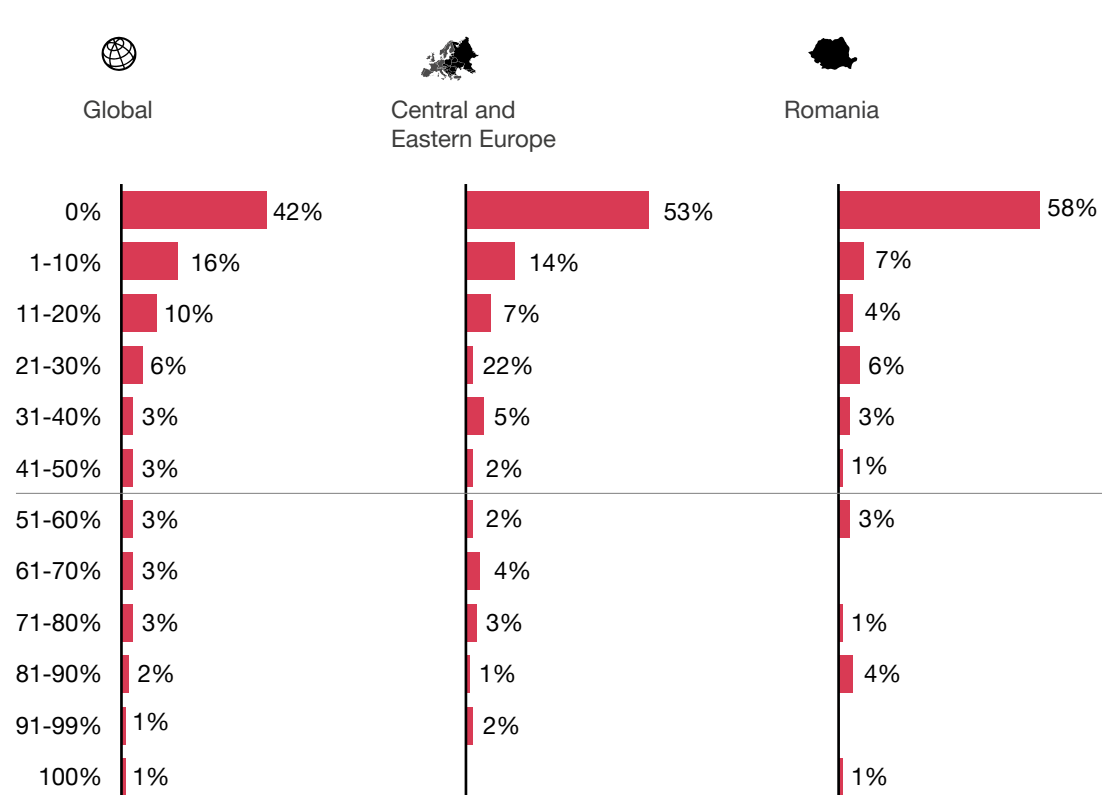
On the other hand, only 17% of CEOs in Romania plan to allocate up to 30% of total capital expenditure to operations outside the country/

territory where the company is headquartered in the next 12 months. By comparison, 23% of their counterparts in CEE plan to allocate up to 30% of total planned capital expenditure over the next year to international operations. The percentage of global CEOs who share this view is even higher, at 32%.

More than half (52%) of global CEOs plan to allocate some of their total capital expenditure to developing international operations. This percentage is higher than in CEE (42%) and significantly higher than in our country, where only 30% of CEOs are considering such investments.

30% of Romanian CEOs say that part of their total capital expenditure will be allocated to developing operations outside the country

What proportion of your company’s planned capital expenditure in the next 12 months is dedicated to international operations?



Headcount trends

CEOs also remain confident about their companies’ hiring plans and growth prospects.

Globally, 42% of business leaders expect to increase their headcount over the next 12 months, a slightly higher percentage than in the previous edition of the survey (39%).

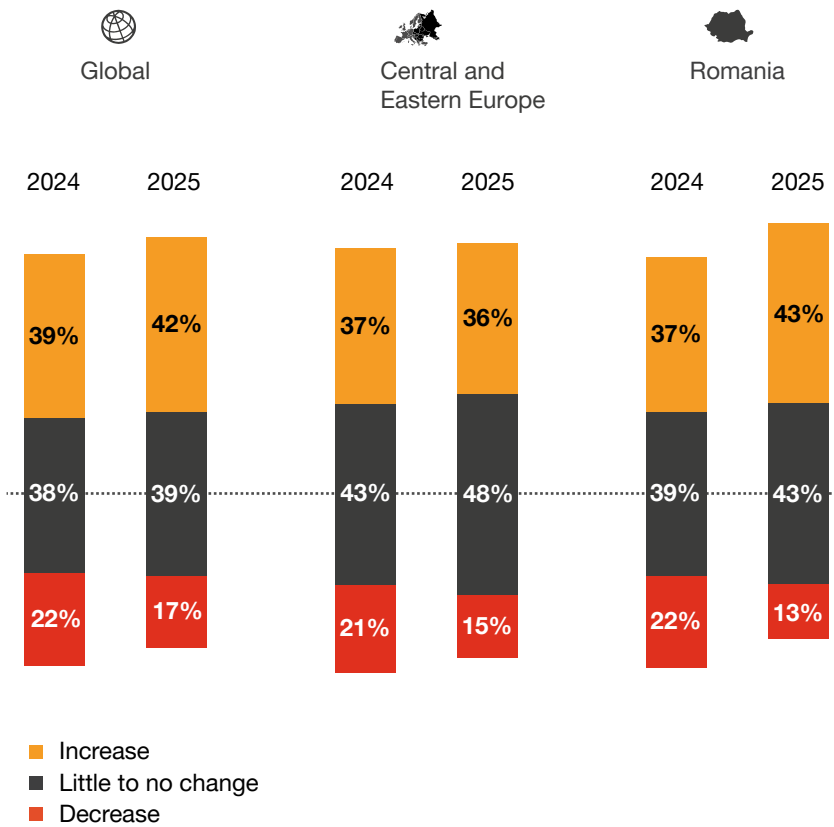
This year, Romanian CEOs are more optimistic than their global and regional counterparts when asked about their organisation’s headcount over the

next 12 months. For example, 43% of Romanian executives forecast an increase in headcount over the next 12 months. This percentage is higher than in the previous edition of the survey, when 37% of respondents expected the number of employees in their organisations to increase.

On the other hand, only 13% of Romanian business leaders plan to reduce the number of employees, a lower percentage than in the previous edition of the study, and slightly below the global and regional levels.

The proportion of CEOs in Romania who are considering increasing the number of employees is more than three times higher than that of those considering a reduction in employee numbers

To what extent will your company increase or decrease headcount in the next 12 months?



2. Continuous reinvention

The pace of reinvention is slow because not all organisations are motivated enough to really drive reinvention without additional impetus. In addition, there are many barriers to reinvention, including the quality of decision-making, the low level of dynamic reallocation of resources between business units from one year to the next, and the discrepancy between the relatively short tenure of CEOs and the strong long-term forces at work. The issue requires immediate attention and strategic action by organisational leaders, who must balance short-term needs and priorities with long-term objectives to ensure the viability and success of the companies they lead. Identifying strategic actions that will enable organisations to thrive in the face of rapidly changing business environments remains essential to organisational success.

The path to accelerated reinvention should begin with customers, whether individuals or other organisations. Sustained efforts by companies

to focus on unmet customer needs, customer complaints and anything that improves the customer experience can be a catalyst for innovation. This is because these efforts often require changes that take the organisation beyond its comfort zone by, for example, implementing different pricing models, new ways of going to market or alliances that deliver value to customers in innovative ways.

Companies should also identify external factors that can rapidly create new customer needs, such as the rise of AI. It is also recommended that organisations look for signals that their industry (or an adjacent sector) is preparing for reinvention. Indicators to consider include the emergence of new firms in the market, an increase in venture capital investment or a rapid redistribution of market share among existing competitors.



Dinu Bumbăcea

Advisory Leader
PwC Romania

“CEOs are optimistic about the short-term performance prospects of their companies, but they are concerned about the long-term viability of their businesses. The business environment and society as a whole are also being reshaped by megatrends that can play out over a decade, while many executives have limited tenures of five years or less.

The tension between these two time horizons is clear. And the challenge for organisational leaders is to run the business as if they will be in office for the next ten years, when their tenure is likely to be much shorter. But to be successful, boards need to encourage, support and motivate the executive team to adopt a long-term strategic perspective in response to the pressures and imperatives

of reinvention. While this aspect of corporate governance is not new, it is becoming increasingly important in this context.

Fortunately, we are seeing that many leaders, even if they expect to remain in their roles for two to three years, are avoiding the tenure trap and are acting decisively to reinvent the long-term business model and capitalise on the value creation opportunities offered by, for example, technology and AI.”

”

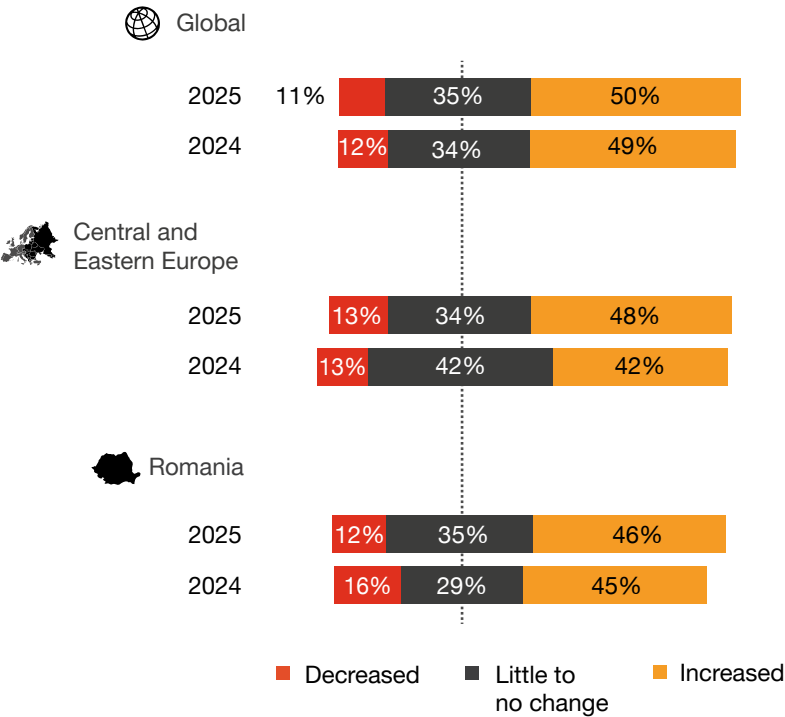
Evolution of market share

Almost half of CEOs believe that the market share of the companies they lead has increased over the past five years. This percentage is slightly higher than in the previous edition of the survey.

However, the other half of CEOs believe that market share has remained relatively unchanged or even decreased compared to five years ago.

46% of CEOs in Romania believe that the market share of the organisations they lead has increased over the last five years

How has your company’s market share changed in the last five years?



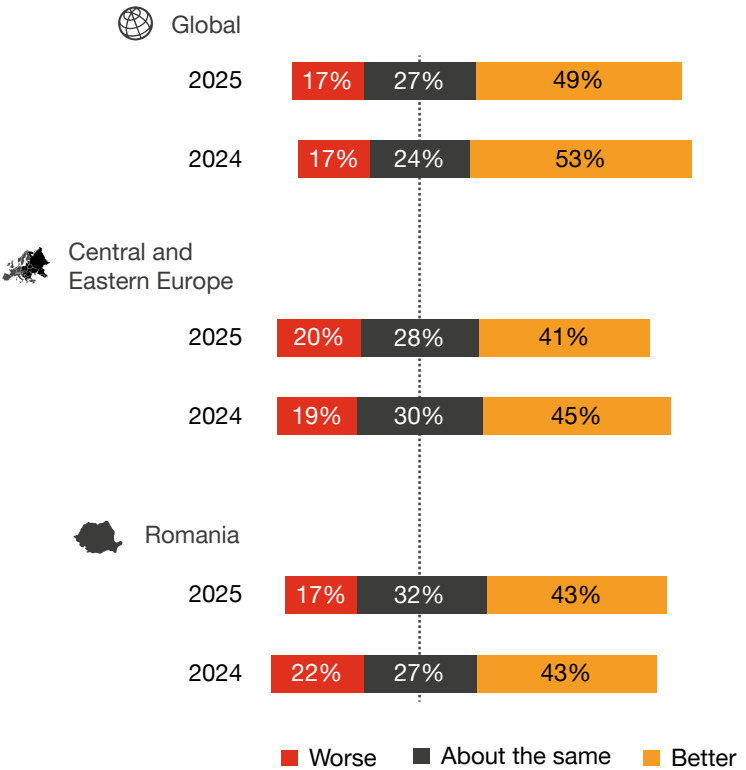
Performance in relation to the industry

More than two in every five (43%) Romanian company directors believe that the profitability of the companies they manage is higher than the average for their industry. This is slightly higher than in CEE but still below the global average (49%).

On the other hand, almost half (49%) of the respondents in our country say that the profitability of their companies is about the same as, or even below, the industry average.

43% of Romanian business leaders believe that their company’s profitability is above the industry average

During the most recently completed fiscal year, how did your company’s profitability compare to your industry average?



Expectations for long-term business viability

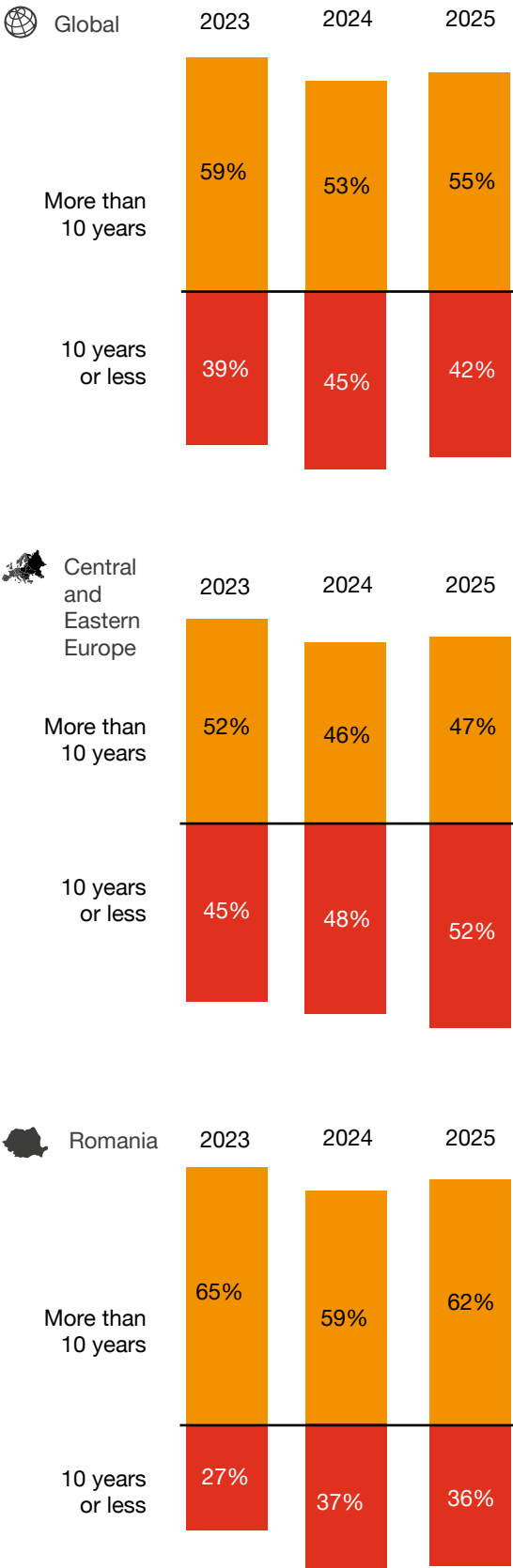
Although global and Romanian CEOs’ optimism about the long-term viability of their organisations is higher than last year, but below the level recorded in 2023, they continue to recognise the need to reinvent their business models.

For example, 62% of CEOs in Romania believe that the company they lead will be economically viable in ten years’ time. As in previous editions, this percentage is higher than the global figure (55%) and significantly higher than in CEE, where less than half (47%) of CEOs expect their company to be viable in ten years’ time.

Conversely, more than four in every ten (42%) global CEOs believe that their organisations will not be viable in ten years’ time if they continue on their current trajectory. Of their Romanian counterparts, 36% agree, stating that their companies will not survive more than a decade if they continue to operate in the same way. As was the case a year ago, the proportion of CEE executives who believe their companies will not be viable in ten years if they continue on their current path is higher than the proportion of executives in the region who believe their business model will still be relevant in ten years.

More than a third of Romanian CEOs believe their organisations will not be viable in ten years if they continue on their current path

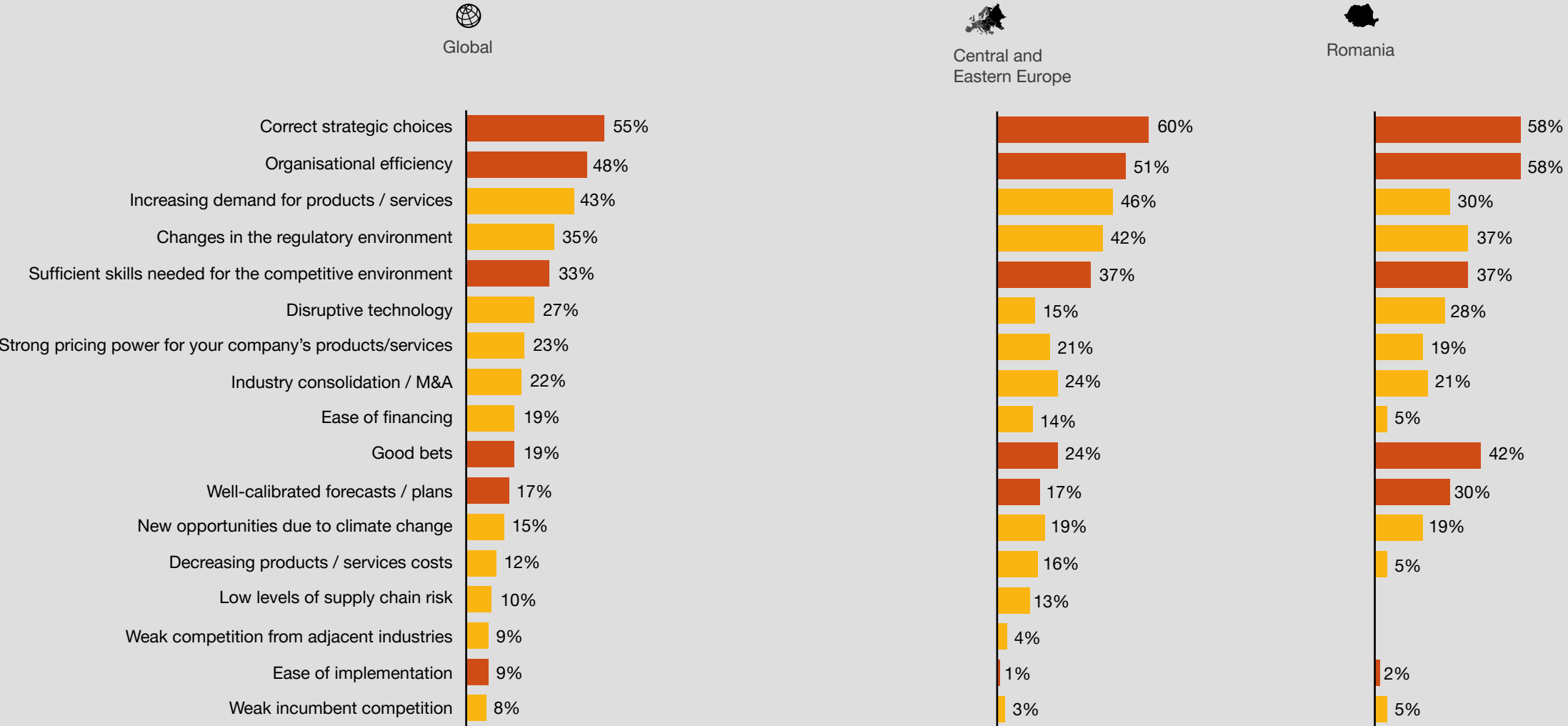
If your company continues running on its current path, for how long do you think your business will be economically viable?



The right choice of strategic direction and organisational efficiency are the most important factors contributing to the long-term success of companies

What factors do you believe will most influence your company's economic viability?

Internal factors
External factors



Factors contributing to long-term business viability

When asked to identify the five most important factors influencing the long-term economic viability of their organisations, CEOs who expect their companies to survive for more than ten years cited two internal factors, namely the right choice of strategic direction and organisational efficiency. For example, almost six out of every ten CEOs believe that making the right strategic choices is one of the most important factors contributing to the long-term viability of their company.

In Romania, 58% of CEOs cite both the right strategic choices and organisational efficiency as the most important factors. The top three is completed by another internal factor, making the right decisions / 'bets', cited by 42% of respondents in our country – a significantly higher percentage than at the regional (24%) and global (19%) levels. The next factors that can influence long-term economic viability, according to Romanian CEOs, are changes in the regulatory environment (external factor) and adequate skills to cope with fierce competition (internal factor), as mentioned by 37% of CEOs in our country.

In third place, according to 43% of global CEOs and 46% of their CEE counterparts, is the increase in demand for products and services (external factor). This is mentioned by only 30% of CEOs in our country, on a par with realistic forecasts and plans (internal factor). Similarly, 28% of Romanian CEOs cite revolutionary technology as an (external) factor influencing long-term viability, a percentage in line with their global counterparts (27%) but higher than in CEE (15%).

Reallocating resources across business units from one year to the next

Dynamic allocation of resources across processes and activities remains one of the ways in which CEOs are reinventing their businesses. For example, reallocating resources from low-priority projects can help companies build new, more profitable business units or develop new, distinct businesses.

However, most companies lack the agility to move financial investments and people between

projects and business units. Globally, about half of organisations move no more than 10% of their financial and human resources between business units. And more than two-thirds of global CEOs say they reallocate less than 20% of their resources – a finding similar to that in last year’s survey.

In Romania, almost half (49%) of CEOs believe they have reallocated 1–10% of financial and human resources between the different business units of the organisations they lead.

Only a third of company directors in our country say they have reallocated more than 10% of financial resources between different business units. This percentage is significantly lower than at the regional (48%) and global (50%) levels.

Similarly, 28% of respondents in Romania reported reallocating more than 10% of human resources. Again, this is lower than the regional (34%) and global (41%) percentages.

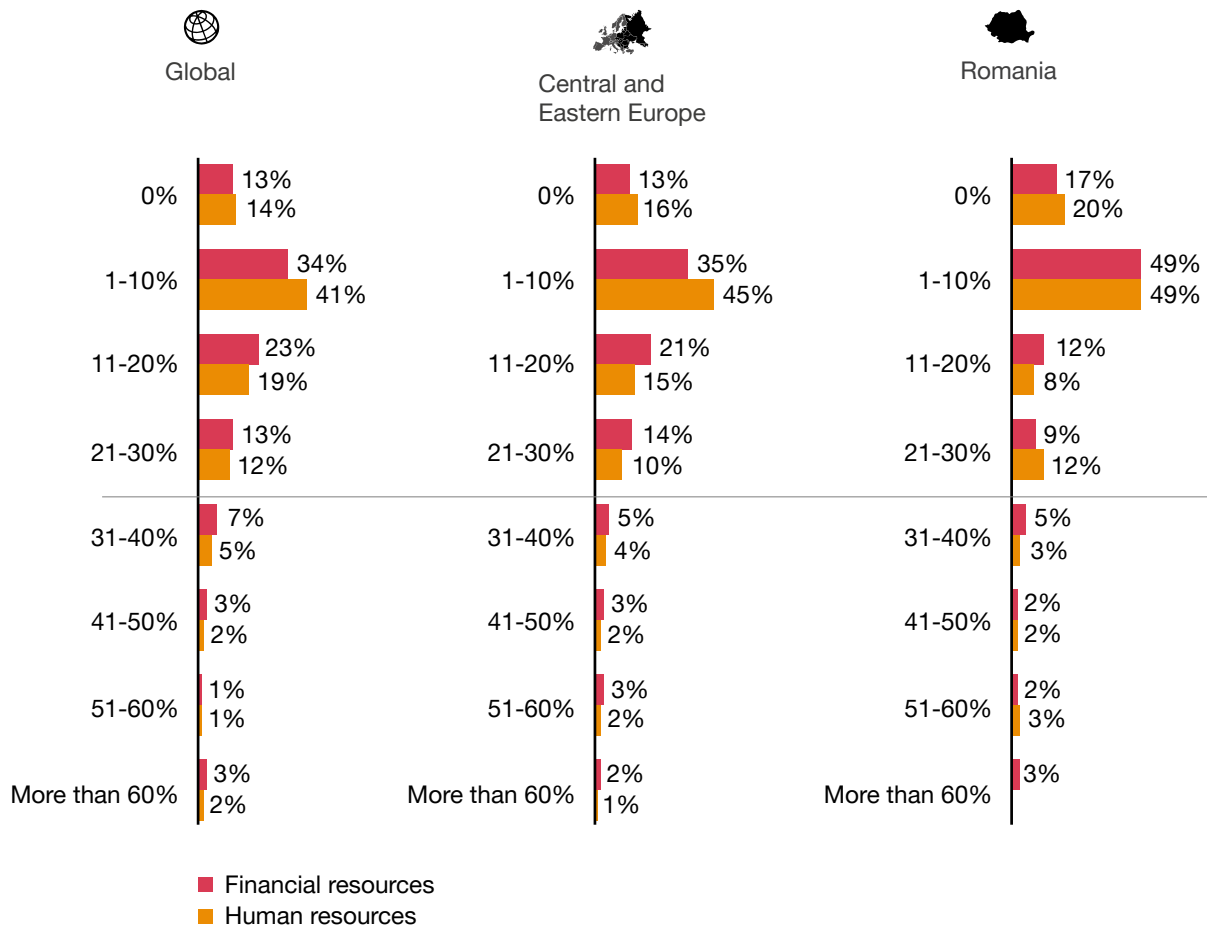
More than three-quarters of executives in Romania say that the percentage of resources reallocated has not exceeded 20%. And almost nine out of every

ten CEOs in our country say that they reallocate a maximum of 30% of financial and human resources.

Organisational leaders sometimes tend to allocate resources equally among available options. An alternative might be to analyse investments strategically, by reviewing projects by small groups of stakeholders with a high degree of independence and ranking these projects company-wide based on profitability or return on investment.

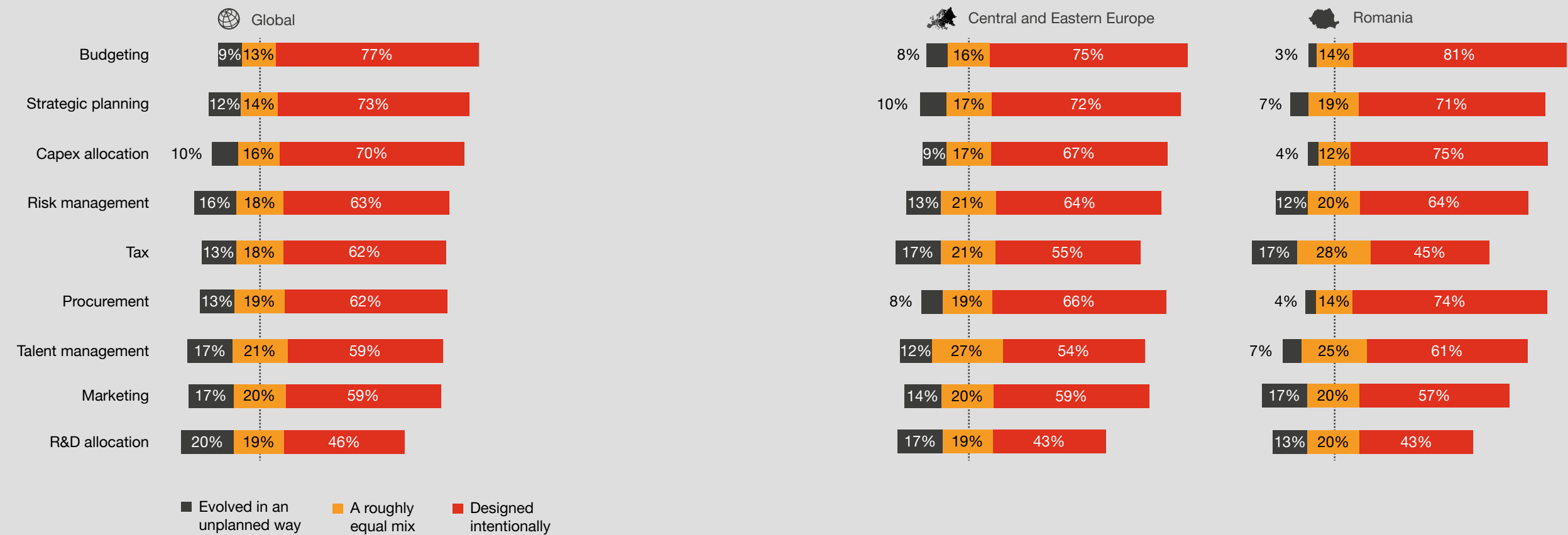
Around two-thirds of CEOs in Romania do not reallocate more than 10% of financial and human resources from one year to the next

What proportion of your company’s financial and human resources did you and your management team reallocate across your business units between the last fiscal year and the current fiscal year?



More than eight out of ten executives in our country say that changes in budgeting and financial planning were implemented according to a strategic plan

When you became CEO, to what extent were the following key processes in your company evolved in an unplanned way or designed intentionally?



Changing business-critical processes

After taking over as CEO, changes to companies’ core processes were in most cases the result of implementing a strategic plan rather than an unforeseen development.

For example, 81% of CEOs in Romania say that the changes they have made to budgeting and financial planning have been implemented according to a strategic plan. This percentage is slightly higher than in CEE (75%) and globally (77%).

Similarly, more than 70% of Romanian CEOs say that the changes they have made to capital expenditure allocation, the procurement process and strategic planning are the result of a strategic plan.

The situation is different when it comes to taxation and the allocation of resources to research and development. Only 45% of Romanian CEOs consider that the changes they have made in terms of taxes paid are the result of a strategic plan. This percentage is significantly lower than in CEE (55%) and globally (62%). On the other hand, 28%

of the heads of organisations in our country say that it was a mixture of unforeseen developments and implementation according to a strategy. And 17% of respondents in Romania believe that these changes in taxation were unexpected. Similarly, changes in the allocation of resources to research and development were implemented according to a strategic plan, according to only 43% of Romanian executives, in line with the regional (43%) and global (46%) averages.

Revenue from new businesses

The pace of reinvention is currently slow. One indicator of this is the share of revenue that companies generate from new, distinct businesses, which shows the speed with which organisations are expanding beyond their core activities.

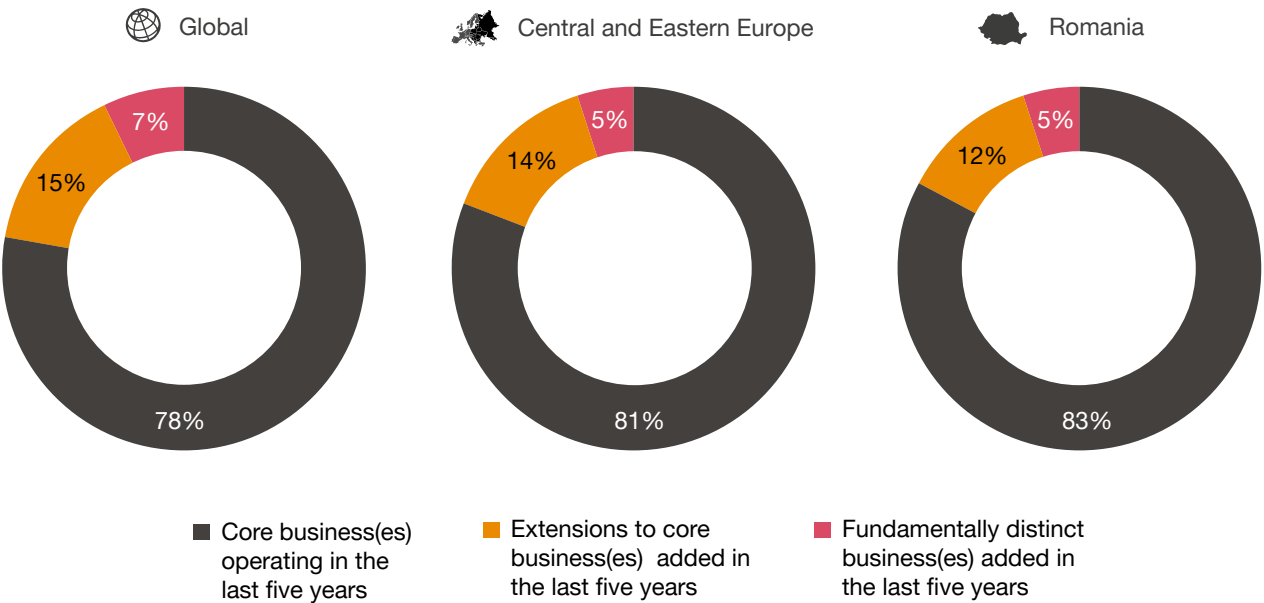
Globally, on average, only 7% of revenue over the past five years has come from fundamentally different businesses that companies have added over this period. Completely new activities started in the last five years account for only 5% of turnover on average for both Romanian and regional companies.

In contrast, on average 83% of turnover for enterprises in Romania comes from core activities. This percentage is slightly higher than the average for CEE (81%) and the world (78%).

The expansion of the core activity (e.g. new locations or new product lines) generated on average 12% of the Romanian companies' turnover in the last five years. The regional and global averages are slightly higher (14% and 15%, respectively).

On average, only 5% of the turnover of Romanian and CEE companies comes from new activities initiated in the last five years

What proportion of your company's revenue came from each of the following sources in the last five years?



Reinvention efforts

Adapting organisations to the demands of the business environment remains high on CEO agendas. They are willing to consider a wide range of reinvention activities and use a variety of techniques to ensure the quality of strategic decisions.

69% of CEOs in Romania say that their companies have developed innovative products or services (including digitalisation of analogue products) to a moderate, high or very high extent in the last five years. This view is shared by 72% of their global and regional counterparts.

Nearly three-quarters (74%) of business leaders in our country say that they have developed new customer segments in the last five years to a moderate, high or very high extent (for example by selling to companies in new industries or to consumers in unexplored markets). Targeting new customer groups was a goal of 71% of CEOs in CEE and 67% of their global counterparts.

In contrast, fewer companies have taken steps to reinvent their business model, which tends to involve a higher degree of complexity – such as

opening new distribution channels, implementing new pricing models or collaborating with other organisations to create new ecosystems. Alliances and partnerships, for example, can be important sources of learning as well as revenue.

About two-thirds (65%) of executives in Romania believe that their companies have partnered with other organisations (e.g. other companies or universities) to a moderate, high or very high extent in the last five years. This view is shared by 62% of CEOs in CEE and 60% of their global counterparts.

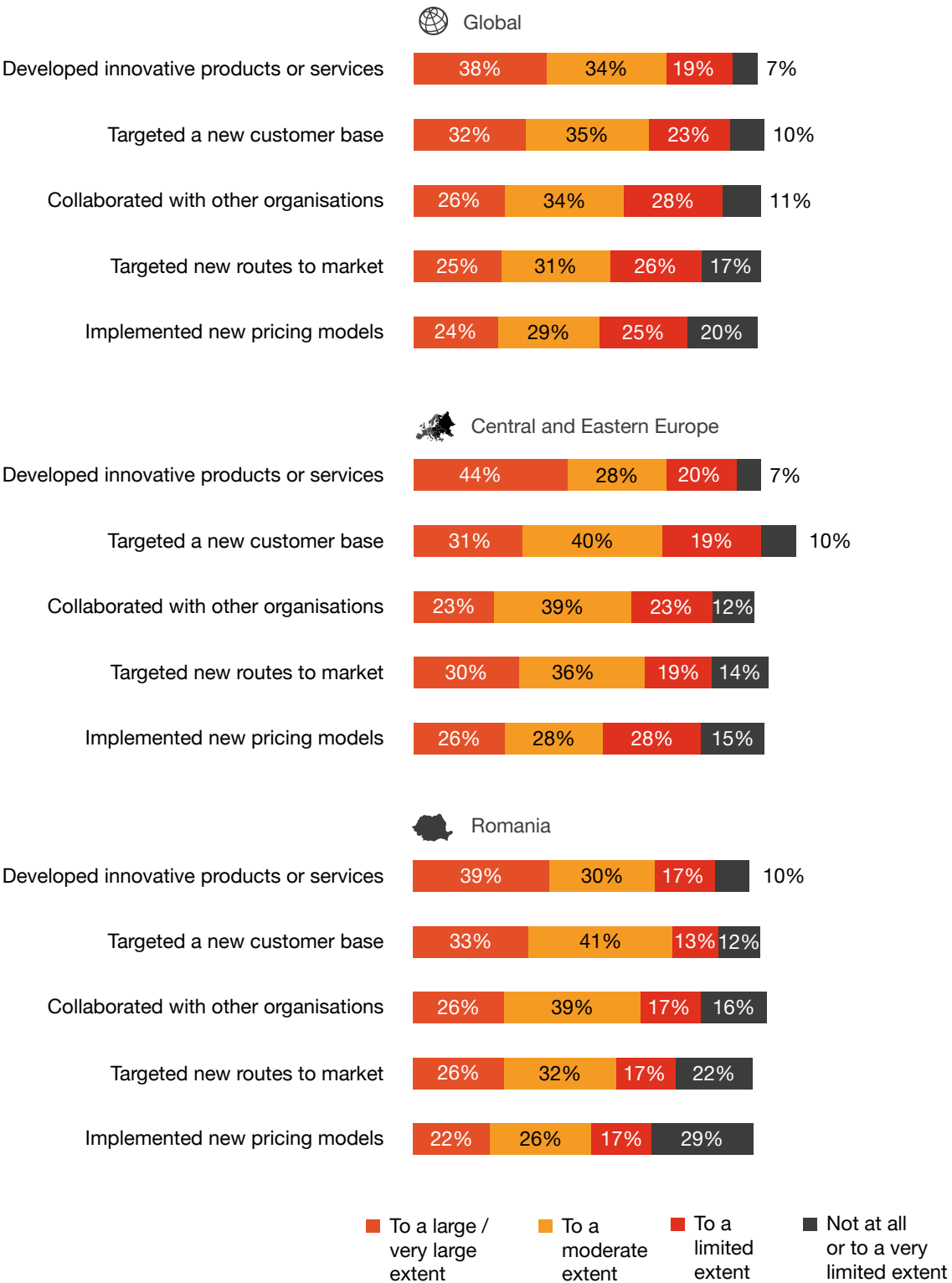
Nearly three in five (58%) Romanian CEOs say they have adopted new go-to-market strategies (such as selling directly to consumers rather than through intermediaries) to a moderate, high or very high extent. This is reported by 66% of CEE CEOs and 56% of their global counterparts.

Nearly half (48%) of Romanian CEOs say they have implemented new pricing policies (e.g. purchasing products or services through subscription models) to a moderate, high or very high extent in the last five years. This is also the case for 54% of CEOs in CEE and 53% of their global peers.



The most common reinvention activities undertaken by companies are product and service innovation and attracting new customer segments

To what extent has your company taken the following actions in the last five years?





Long-term reconfiguration of industries and the competitive landscape

The boundaries between sectors are blurring, and this is increasing anxiety and doubts about the future for traditional organisations not prepared to adapt, especially in industries where digitalisation or decarbonisation are drastically changing the competitive landscape. And when it comes to exploring beyond sector boundaries, agility matters.

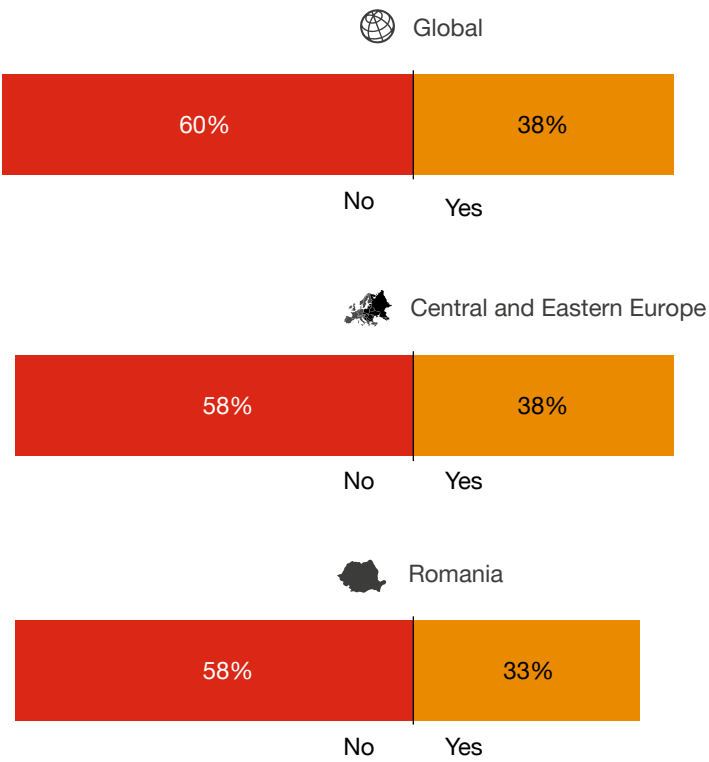
Nearly four in ten (38%) of CEOs globally and in CEE say that, in the past five years, their organisations have entered new markets or industries where they were not previously present. In Romania, the percentage is lower, with only a third of respondents considering that they have entered other markets or different industries.

Globally, the sectors attracting the most competition from other industries include business services (with new entrants from technology, telecoms and media), healthcare (with new entrants from insurance, technology and telecoms), and consumer goods (with new entrants from pharmaceuticals, banking and media). For example, telecommunications companies are seeking to generate additional revenue by offering customers a range of products and services beyond connectivity, health insurers are expanding into healthcare, banks are offering consumers a variety of additional products and services on a commission basis, and tech giants are entering nuclear power generation.

The interactions between AI, climate change and other megatrends will accelerate the reconfiguration of industries and create new areas of cross-sector growth in the coming decade. One challenge for CEOs is to anticipate and understand the ecosystem in which their companies will operate in the future. This involves considering the impact of megatrends, how customer needs will evolve, how value sources will change and what roles different types of organisations will play. The ability to navigate industries with volatile boundaries will become a new skill that executive teams will need to develop, with ongoing support from the board.

A third of CEOs in Romania say that, in the past five years, their organisations have begun to compete in new sectors of activity

In the last five years, has your company begun competing in any sectors or industries in which it had not previously competed?



Quality of decision making

In today’s uncertain times, when intuition, luck and experience are no longer enough, management teams use a variety of techniques to ensure the quality of strategic decisions. These must be well-informed, thoroughly analysed and rigorously documented, and made quickly and impartially (especially when the emotions surrounding a particular decision are high).

However, many CEOs recognise that decision-making is sometimes inconsistent and that they do not regularly follow the full set of best practices that are essential to developing business strategy, thereby risking missed opportunities.

Around three-quarters of CEOs believe that, in most cases, they establish transparent criteria in advance to underpin key decisions that involve the commitment of significant resources and affect profitability and long-term growth.

More than eight in ten (81%) Romanian CEOs say they often discuss strategic decisions in the broader context of the company’s overall decision portfolio. This is higher than in CEE (68%) and globally (72%).

In addition, 71% of Romanian business leaders consider carefully most of the time whether they are pursuing opportunities that are not suitable. This is higher than the regional (54%) and global (55%) averages.

A similar proportion, 70% of Romanian respondents, believe that in most cases they judge the quality of a decision based on the outcome rather than the process used. This view is shared by 61% of their CEE counterparts and 58% of global executives, who tend to judge strategic decisions based on results rather than the quality of the approach. Indeed, it is known that CEOs are highly results-oriented decision-makers. The problem arises when those results are determined by factors beyond the control of the decision-makers. And then the only aspect that the management team can control is the quality of the approach.

In the strategic decision-making process, 61% of Romanian company leaders believe that, most of the time, they encourage opinions that contradict those of the executive management team. That opinion is shared by half of the CEOs in the region and 62% of their global counterparts, who say that, most of the time, they deliberately consult alternative points of view.

When making strategic decisions, over half (52%) of the CEOs in Romania say that, in most cases, they allocate time to analyse whether they are missing important opportunities. The percentage, close to that of their regional counterparts (51%), is lower than the global average (61%).

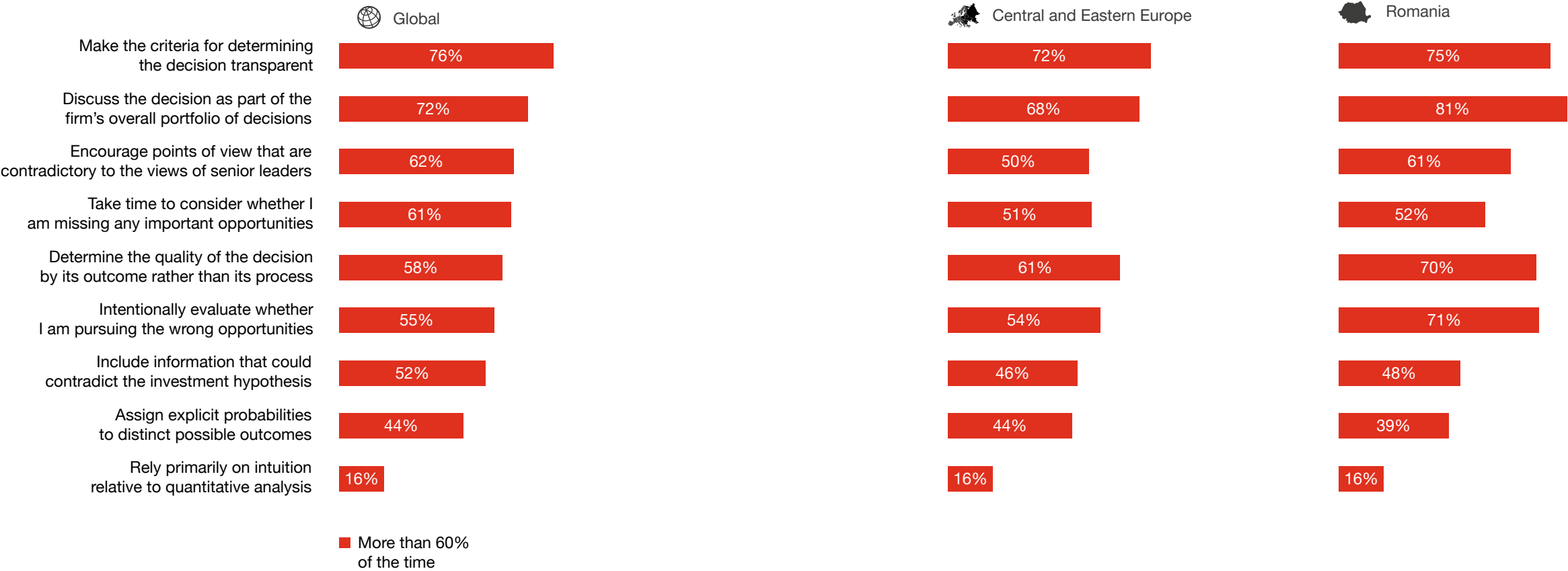
Approximately half of the executives say that, in the strategic decision-making process, in most cases, they intentionally seek and include information that could contradict the investment hypothesis.

And 44% of global and regional leaders say they frequently assign specific probabilities to different possible outcomes. In Romania, the percentage is slightly lower (39%).

Only 16% of respondents say that, most of the time, they base their decisions more often on intuition than on quantitative analysis when making strategic decisions.

In most cases, over three-quarters of CEOs in Romania discuss strategic decisions as part of the company’s overall decision portfolio and establish transparent criteria for determining the decision

When making strategic decisions, how often do you take the following actions?





Sergiu Manea

CEO
Banca Comerciala Romana

The global economy is going through a period of reconfiguration, accelerated by the growth of transactionalism, which treats the economy and international relations as a zero-sum game. We see that the fragmentation of trade chains, protectionist policies and the acceleration of disruptive technologies are changing the rules of the game. However, beyond the challenges, these moments lead to the emergence of new economic leaders and represent an opportunity for Romania to create value, rebuild industrial chains and international competitive advantage.

In such a period, BCR adopts a proactive strategy, helping entrepreneurs to navigate market volatility, adapt their operating models and grow their businesses. At the same time, we continue to focus on everything that supports financial inclusion, through strategic investments in digital transformation and financial education, strengthening economic security and how we contribute to Romania's deeper integration into the European ecosystem.

For BCR, these moments of change are about taking the initiative and translating emerging opportunities into action plans. For example, in the context of the reconfiguration of production chains, Romania can attract strategic industrial investments and become the first option for relocating production capacities closer to European markets. At the same time, the energy sector offers significant opportunities through offshore resources in the Black Sea, investment in energy infrastructure and integration into European networks as a hub of climate and energy diversity.

Another critical area is security and technology. As Europe redefines its defence industry, Romania can become a strategic hub for security and technological innovation, supporting the development of solutions based on AI, big data and

cybersecurity. And here we must not forget that the technologies that change conflicts and geopolitics are also those that quickly find applicability in the commercial sector.

In all of this, we help entrepreneurs identify opportunities, anticipate change and adapt their businesses to new realities. We share our expertise to help them develop flexible business models based on diversification and alternative scenarios, and we provide them with a range of tools to help them turn data into decisions and risk into competitive advantage. We also firmly believe that the most valuable investment is education, and that a healthy economy is not just one that is well capitalised, but one in which people understand their options and plan their future with confidence, regardless of economic cycles and geopolitical uncertainties. That is why we are proud that nine years ago, BCR was the first bank in Romania to launch a financial education programme – Money School – at a time when talking about money, investing and saving was not in vogue. We have built the most comprehensive financial education programme in Romania, reaching more than 1.8 million people who have learnt to manage their financial resources and plan their future through Money School courses and financial coaching sessions in BCR units.

For us, optimism comes from impact. In an ever-changing world, what differentiates us is not just what we do but how we do it. That is why at BCR we have placed value creation and impact at the heart of everything we do, and we will continue to build our banking model on expertise, financial literacy, integrity and long-term vision.

At the same time, optimism stems from the dynamism of the Romanian business environment and the ability of entrepreneurs to turn opportunities into sustainable growth. In 2024, investments by Romanian entrepreneurs in regional acquisitions reached EUR 577 million, three times more than in 2023. This expansion shows the maturity of the local market, an appetite for growth and a new strategic mindset focused on innovation and internationalisation.

Moreover, Romania has all the prerequisites to become a strategic hub of Europe. We have 14% of the population of Central and Eastern Europe (including the Baltic countries, Ukraine and Moldova), and we are the second largest economy in the region, after Hungary and the Czech Republic. We have a strategic position, skills in digitalisation and innovation, but also economic resources – in particular, more than €80 billion in financing programmes from European funds, which are Romania's chance to invest in infrastructure development and the creation of a modern industrial ecosystem. All this motivates us and strengthens our conviction that Romania is, can and must become a reference economy in Europe.



Acquisition strategy – past and future

Compared with the previous edition of the survey, the proportion of CEOs who say their organisations have made a major acquisition in the last three years has fallen.

For example, 28% of CEOs in Romania (down from 35% a year ago) say that the organisations they lead have made at least one major acquisition in the last three years, a higher percentage than globally (26%, down from 35% in the previous edition of the survey) and regionally (22%, down from 27% a year ago).

Similarly, the proportion of CEOs considering acquisitions in the next three years has fallen since the last edition of the survey. However, more than half (55%) of global CEOs expect to make at least one acquisition, down from 60% a year ago.

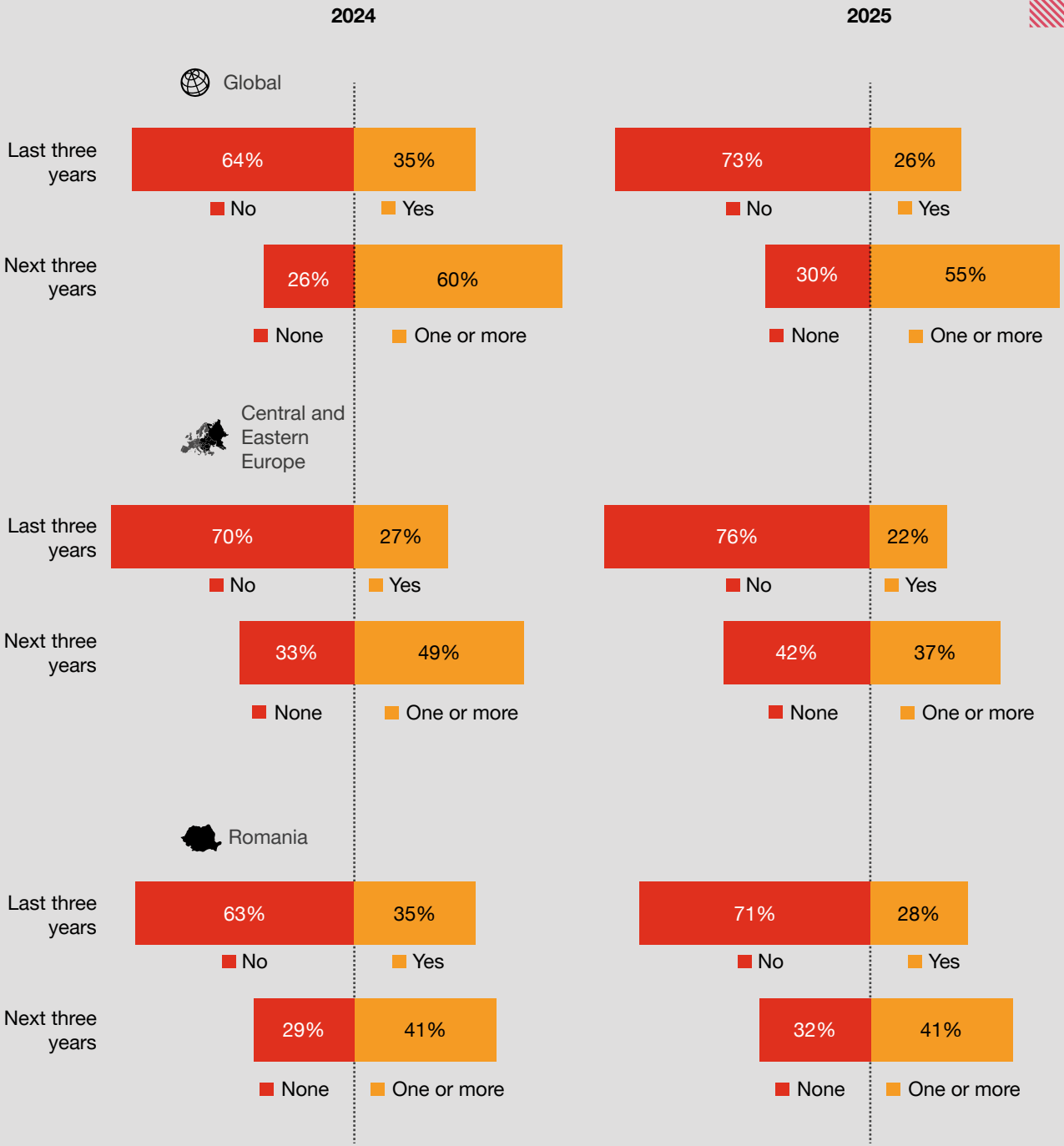
Compared to their global counterparts, the percentage of executives in the region and our country planning an acquisition remains at a lower level. For example, 37% of CEOs in CEE are considering major acquisitions, compared with 49% in the previous edition. In Romania, however, the percentage of executives looking to make acquisitions remains at the same level as in the previous edition, with 41% of them interested in inorganic growth.

As in the 2024 edition, the proportion of CEOs who say they have made an acquisition in the last three years is significantly lower than those who intend to make such an acquisition in the next three years.

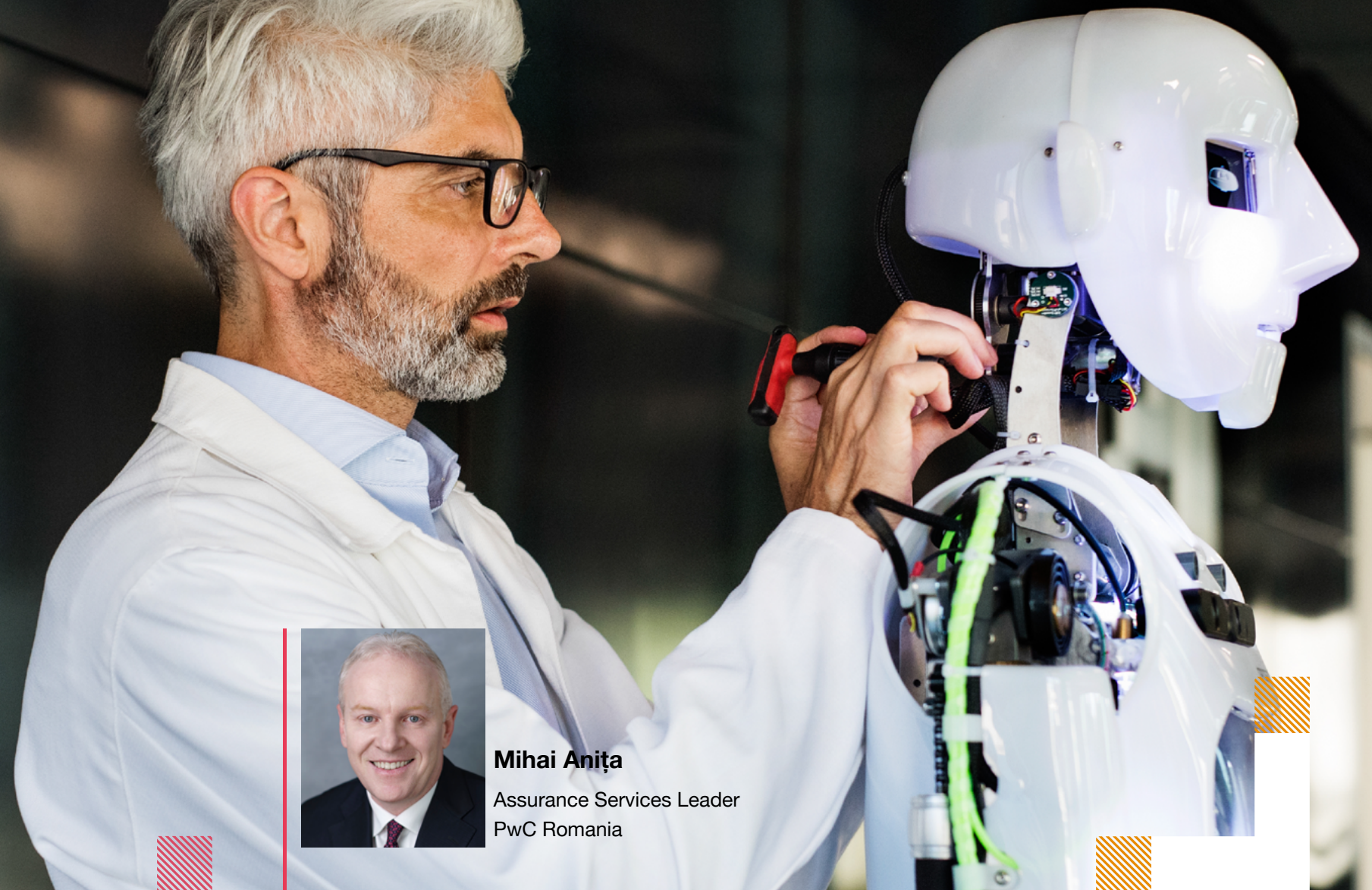
More than four in ten CEOs in Romania plan to make at least one acquisition in the next three years

Has your company made a major acquisition (more than 10% of assets) in the last three years?

How many acquisitions is your company planning to make in the next three years?



3. Artificial intelligence as a catalyst for business model adaptation



Mihai Anita

Assurance Services Leader
PwC Romania

Two years after AI began to capture the attention of CEOs, companies around the world are deploying it on a large scale, and the initial results of its use are promising. Business leaders remain generally optimistic about AI's potential but are waiting for more solid results.

AI represents both an opportunity and a significant challenge for business and society as a whole. Its rapid development, especially of GenAI, promises

to radically transform industries by optimising processes, improving operational efficiency and creating new business models. Investment in AI has the potential to increase revenues and profitability, but its widespread adoption is still hampered by a lack of trust and concerns about ethics, transparency, security, and the impact on the workforce.

"AI has already become a megatrend that will transform the future of business and drive reinvention over the next decade. AI automates repetitive processes and reduces costs. It interprets and synthesises vast amounts of complex data, providing valuable insights and predictions for strategic decision-making. In addition, AI can improve the customer experience by personalising interactions, recommendations and services, and providing rapid support.

We will see the expansion and diversification of use cases, from facial recognition in augmented and virtual reality applications, energy resource

management, autonomous vehicles, space exploration, to assisted medical procedures (examination, diagnosis, treatment and intervention), natural disaster management, personalised education and smart agriculture.

Today, the implementation of AI is a strategic choice for companies that want to thrive in the era of digital technologies, where innovation is the key to success."

”

Tangible results of artificial intelligence adoption

Around half of CEOs believe that GenAI has helped increase the efficiency of working time for both managers and employees over the past 12 months.

For example, 56% of global executives and 58% of their Romanian counterparts say that GenAI (which can create new content based on existing models or analyse and improve unstructured data such as text, images, sounds and behaviours) has led to more efficient use of time by employees in the past year.

The impact on the use of working time after one year of GenAI implementation appears to be lower than the expectations expressed by global CEOs in the previous edition of the study. More cautious in their predictions last year than their global counterparts, executives in CEE and Romania report results above expectations in terms of improving the efficiency of working time. For example, a year ago, around two in five (41%) of the heads of organisations in our country said that GenAI would increase the efficiency of employees’ time in the next 12 months.

Another positive effect that GenAI can bring to organisations is increased profitability. Again, the results are slightly below last year’s expectations of executives globally and in CEE. In the previous edition of the survey, 46% of global CEOs (and 38% in the CEE region) said they expected profitability to improve. This year, only 34% and 27%, respectively, report an increase in profitability.

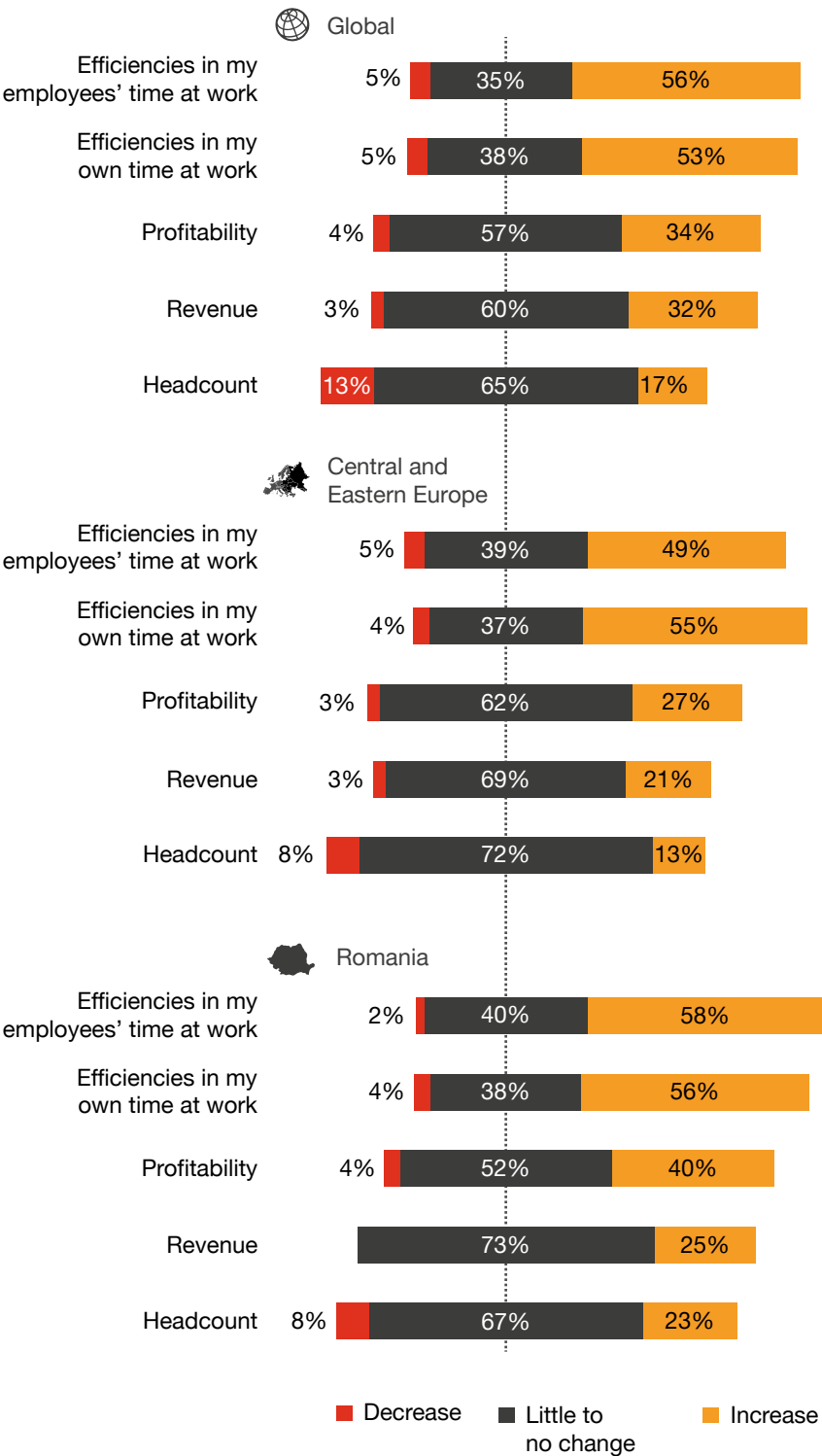
However, the performance of our country’s business leaders is better than last year’s predictions. But as far as the heads of organisations in our country are concerned, the performance is above the forecasts expressed last year. In the 2024 edition of the study, 37% of CEOs in Romania expected an increase in profitability in the next 12 months. And this year, 40% of them say they have seen an increase in profitability as a result of implementing GenAI in the companies they manage.

The list of potential benefits of GenAI for organisations continues with its contribution to revenue growth. In this respect, the CEOs’ predictions for 2024 are slightly optimistic. In the previous edition of the study, 41% of global CEOs and around three in every ten of their counterparts in CEE and Romania felt that the implementation of GenAI would have an impact on revenue growth in the next 12 months. Now, 32% of respondents globally, 21% in CEE and 25% in Romania believe that GenAI has contributed to their company’s revenue growth over the past year.

Although to a lesser extent, CEOs also believe that the implementation of GenAI has had an impact on jobs. It is too early to draw any conclusions, but we have not seen the expected reduction in job opportunities due to AI. For example, there are more business leaders who say that the number of employees has increased in the last 12 months as a result of investment in GenAI than those who report a decrease in the number of employees. Globally, 17% of respondents reported an increase in headcount, while 13% reported a decrease. In Romania, the proportion of executives who believe that the number of employees has increased as a result of AI is almost three times higher that of those who perceive a decrease. In fact, the increase in the number of employees is the only benefit of the use of GenAI analysed where the results exceeded the estimates of the CEOs in the 2024 edition of the study, when only about one in ten executives believed that the use of GenAI would lead to an increase in the number of human resources. At least for the time being, we can say that AI is making a positive contribution to the number of employees.

58% of CEOs in Romania say they have seen an increase in the efficiency of employees’ use of time as a result of the implementation of GenAI

To what extent did GenAI increase or decrease the following in your company in the last 12 months?



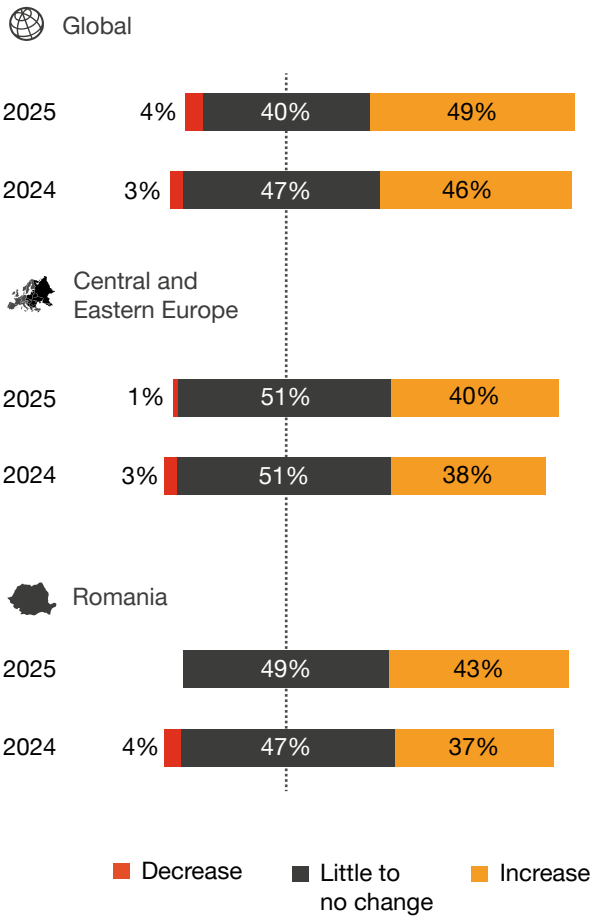
Optimistic outlook on the link between artificial intelligence and profitability

Business leaders' expectations for the impact of AI on their organisations' economic performance remain high. Almost half (49%) of global CEOs expect their investments in this technology to improve profitability in the coming year. That is a slight increase from the previous edition of the study, when 46% of respondents expected profits to increase as a result of AI use.

In turn, 43% of executives in Romania believe that GenAI will lead to an increase in profitability in the next 12 months. This percentage is higher than in the previous edition of the study (37%) and for CEE, but it remains below the global average.

Compared to last year, CEOs are more optimistic about increased profitability due to GenAI

To what extent will GenAI increase or decrease the profitability of your company in the next 12 months?



Trust in AI

Trust in AI remains a barrier to wider adoption of the technology. It is recommended that CEOs take small steps in implementing AI and avoid rapid or forced integration (due to the excitement that sometimes accompanies the introduction of such revolutionary technologies), thereby undermining the trust of customers, employees or other stakeholders. CEOs need to be aware of GenAI's potential to increase organisational efficiency while taking steps to manage the risks associated with it (e.g. inaccurate results, biased or offensive content and intellectual property issues). The gradual and responsible use of AI can mitigate (but not necessarily eliminate) many problems, especially if ethical considerations are built into the AI strategy from the beginning of the implementation process. It is also recommended to address proactively the potential societal impacts, such as by monitoring the impact of AI adoption on the company's carbon footprint and emissions.

Currently, only a third of global CEOs have a high level of confidence in the integration of AI into key business processes.

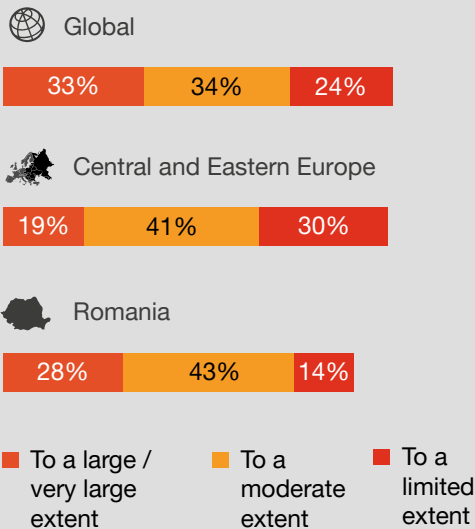
Fewer than three in five (28%) Romanian executives say they have a high or very high level of confidence in the integration of AI (including generative) into key processes in their companies. This is higher than the regional average (19%) but lower than the global

average. A further 43% of business leaders in our country have some confidence in the integration of AI into key processes in the organisations they lead.

The question for executives who say they have some confidence in incorporating AI into strategic business processes is whether they are actively working to understand and address the issues surrounding AI, or whether they are simply allowing scepticism to hinder the opportunity. At this early stage of GenAI development, 'moderate optimism' seems to be an appropriate approach, while uninformed pessimism is not the answer.

71% of CEOs in Romania say they have moderate, high or very high confidence in integrating AI into their company's core processes

To what extent do you personally trust having AI embedded into key processes in your company?





Elisabeta Moraru

Country Director
Google Romania

Beyond the challenges and risks, which will always be an important element in any forward-looking analysis, the period we are living through is characterised first and foremost by the opportunities it offers. This is because AI has opened the door to a new dimension of socioeconomic development, and the exploitation of this resource, if I may call it that, will be the one that will most shape the direction of the future.

Why is generative AI so important? One of the main reasons is its unprecedented ability to understand and interact with speech, sound and images. This ability allows it to perform a wide range of tasks, from generating creative content to analysing complex data sets. Its ease of use and accessibility, even for those without specialist programming skills, also contributes to its widespread adoption. This democratisation of AI technology is particularly important for countries such as Romania, which is striving to accelerate its digital transformation.

AI adoption in Central and Eastern Europe (CEE) is lagging behind the EU. According to a report by Implement Consulting, only 4% of CEE companies will have adopted at least one type of AI technology by 2023, compared to an EU average of 8%. Bulgaria and Hungary are at 4%, while Romania is at 2%. We have a lot of work to do, as the EU's 2030 target for AI adoption is for 75% of companies to use at least one AI technology.

The potential of AI to transform industries in CEE is undeniable. By automating tasks, enhancing human capabilities and stimulating innovation, generative AI is poised to unlock significant economic growth and productivity gains in these countries.

But to fully realise the transformative potential of generative AI, our country must:

- **Prioritise skills development:** A skilled workforce is essential to AI adoption. Investing in AI education and training programmes will equip

individuals with the skills needed to thrive in an AI-driven economy.

- **Strengthen infrastructure:** A robust digital infrastructure, including high-performance computing and reliable internet connectivity, is essential to support the development and deployment of AI.
- **Foster innovation:** Governments and businesses must work together to create an environment that encourages AI research, development, and commercialisation. This includes providing funding for AI projects, simplifying regulations, and encouraging collaboration between academia and industry.

First of all, we see an extraordinary opportunity to develop our activities in Romania and to strengthen the hub here as a centre of innovation. Currently,

Google has one of the largest engineering centres for wearable devices in CEE in Bucharest, with two offices here and about 400 employees. Over time, we have developed local programmes and partnerships to support digital education and online safety, reaching over one million Romanians and more than 10,000 businesses in Romania. Through partnerships with the business community, academia, the public sector and non-governmental organisations, we want Romanian society to benefit from the advantages of technology in a safe way.

Second, we are talking about the prospects of AI in Romania. There are huge opportunities for local growth, which we have demonstrated through a series of studies on the impact of generative AI in Romania. A study conducted by Implement Consulting Group on behalf of Google shows a potential advance of EUR 14–16 billion for Romania's GDP over the next 10 years if it adopts

generative AI on a large scale. This is mainly due to an increase in the labour productivity of more than half of the Romanian workforce, from the time saved by automating some tasks and investing this resource in value-added activities. The public administration could also benefit from the adoption of AI at all levels. A report by Implement Consulting Group, commissioned by Google, estimates the potential benefits of AI solutions for the public sector at EUR 660 million, representing the potential for increased gross value added over a 10-year period. This potential can be achieved through the productivity gains in the public sector that widespread adoption of AI will bring, by improving the quality and speed of public services, and by reallocating resources to higher-value activities. So, we have good reason to be optimistic about the future.



Expectations for AI Adoption

Looking ahead, most CEOs anticipate that within the next three years, AI (including GenAI) will be systematically integrated into their company, particularly across technology platforms and business processes and operational workflows. Fewer plan to use AI to develop new products and services or to reshape core business strategy. This order of priorities makes sense. Surprisingly, under a third of CEOs plan to include AI to a large or very large extent in their workforce and skills strategy. This could be a mistake, as maximising the potential of GenAI will depend on employees knowing when and how to use AI tools in their work, as well as understanding the potential pitfalls.

Over three-quarters (78%) of global respondents believe that technology platforms will integrate AI to a moderate, high or very high extent. The same opinion is shared by 68% of company directors in Romania and 70% of their counterparts in CEE.

In a similar proportion, 76% of global organisation leaders believe that AI will be integrated to a moderate, high or very high extent in operational processes and flows. This opinion is shared by 74% of company directors in CEE and by 77% of their counterparts in our country.

Two other areas in which CEOs believe AI will become a significant part of their workforce and the development of new products and services are the workforce and the development of new products and services. Nearly seven out of every ten (69%) global CEOs believe that AI will be integrated to a moderate, high or very high degree in terms of workforce and skills. This view is shared by 62% of CEOs in the region and 64% of their counterparts in our country. Similarly, the development of new services and products will integrate AI to a moderate, high or very high degree, according to 63% of global executives, 55% of their CEE counterparts and 60% of respondents in our country.

CEOs are slightly more cautious when it comes to the systematic use of AI in overall business strategy. Globally, 58% expect to integrate AI into their business strategy to a moderate, high or very



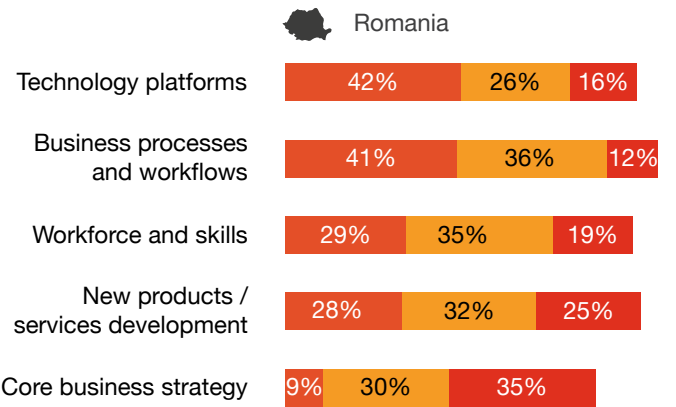
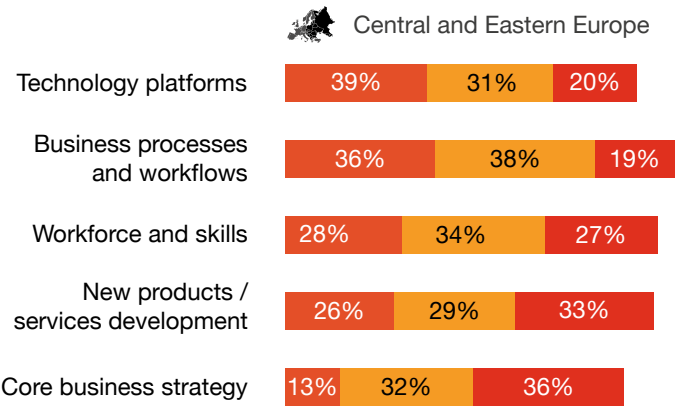
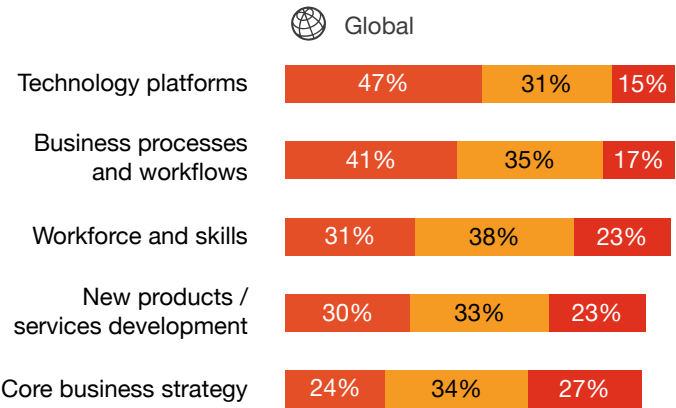
high extent. However, the percentage is lower in the region (45%) and significantly lower in Romania, where 39% believe that AI will be integrated to a moderate, high or very high extent in the process of creating and implementing the strategy of the organisations they lead.

GenAI is still relatively new in terms of its technical capabilities and is only beginning to be widely adopted in business. It should come as no surprise that most organisations have yet to see concrete financial results from this technology. However, harnessing the productivity potential of GenAI will soon be essential in more and more industries. The challenge for CEOs in the coming years will be to keep the organisation focused. While the impact of GenAI will vary across industries, its disruptive potential is high in most.

A systematic approach is needed to decide where to deploy technology, what investments to make for effective data preparation and what programmes to run to develop people skills. This will better position organisations to take advantage of future opportunities, whether it is a transformation of a specific function or a more dramatic change in the business model.

More than four in ten business leaders globally and in Romania expect to integrate AI (including GenAI) into their technology platforms, operational processes and workflows to a great or very great extent over the next three years

To what extent do you predict AI will be systematically integrated into the following areas in your company in the next three years?



To a large / very large extent To a moderate extent To a limited extent



4. Climate change and green investment

Climate change and the transition to a sustainable economy are becoming increasingly important. Under scrutiny from customers, investors and employees, companies are under pressure to change their operating models, adapt their product portfolios and comply with ever-changing sustainability regulations and expectations. Organisations should invest in addressing sustainability / environmental, social and governance issues that are relevant to the business, even if it means reducing short-term profitability.

Sustainable value creation starts with challenging CEOs and management teams to bring green products, services and technologies to market.

Companies need to carefully analyse resource use and energy consumption – the so-called energy trilemma: the quest to simultaneously secure a reliable energy source, reduce emissions and optimise costs. More and more organisations are starting to play the dual role of energy producer and consumer ('prosumer').

Companies need to meet new sustainability reporting requirements and provide accurate, data-driven information to support decision-making.

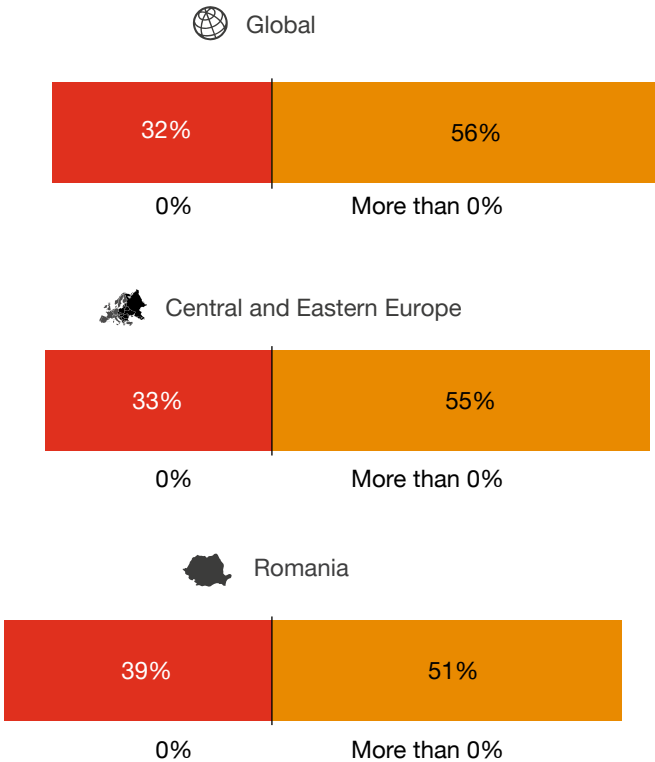
Sustainability-based pay

More than half of CEOs say that part of their personal incentive compensation (including annual bonus and long-term incentives) is currently influenced by sustainability metrics.

On the other hand, around a third of respondents globally and in CEE say that there is no link between their compensation and sustainability metrics. The percentage of Romanian respondents who share this view is higher (39%).

51% of Romanian executives say that part of their compensation depends on the achievement of sustainability metrics

What proportion of your current personal incentive compensation is determined by sustainability metrics?



The benefits of green investment

Investments in environmental and sustainability initiatives are starting to pay off by delivering tangible financial benefits such as cost savings and increased sales. Of course, the results are influenced by regulations and decarbonisation policies in different countries.

A third of CEOs believe that green investments made in the last five years have increased revenue from the sale of products or services.

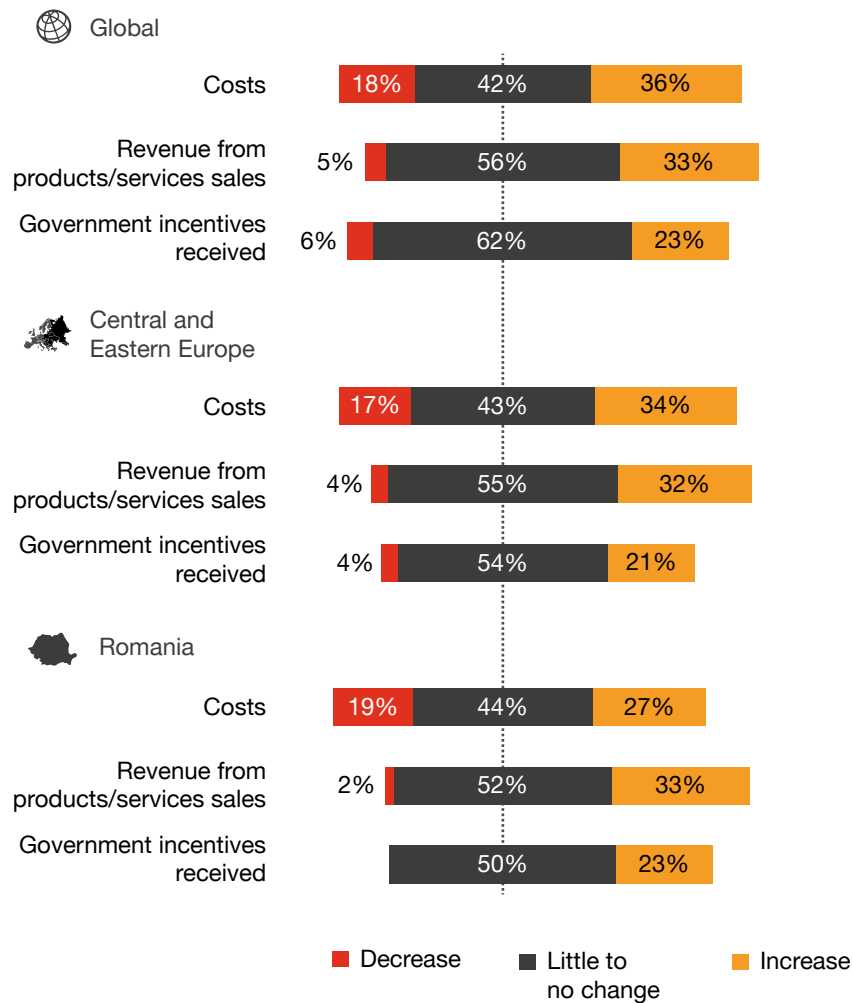
Just over 20% of respondents see an increase in government incentives received by their company as a result of environmental investments.

In addition, around six out of ten executives say that environmental investments (e.g. switching to more energy-efficient operations, developing sustainable products and services, or implementing emission-reducing technologies) have either reduced costs or had no significant impact on them.

In contrast, more than a third of CEOs globally and in CEE report increased costs as a result of investing in green technologies. In our country, the percentage is lower (27%).

One third of CEOs report increased revenues due to green investments

To what extent have climate-friendly investments initiated by your company in the last five years caused increases or decreases in the following?



Return on investment in climate change projects

Business leaders appear generally willing to invest in the sustainability of their own organisations, but they are not prepared to lower the profitability threshold for green investments. Nearly two-thirds (63%) of global executives say they have made green investments in the past year. The percentage is significantly lower in CEE (48%) and Romania (37%).

Only a quarter of global CEOs say they have agreed to accept returns below the minimum acceptable for other types of investment to make green investments. The percentage is even lower in CEE (15%) and Romania (14%).

In contrast, 38% of respondents worldwide say they have not accepted lower levels of profitability for environmental investments. As in the previous edition of the survey, the proportion of executives who are unwilling to make concessions on the

minimum return on investment outweighs those who are willing to accept green investments as an exception to the rule.

On the other hand, almost two in five (39%) Romanian CEOs say they have not invested in environmental projects in the last 12 months.

More than a third of Romanian CEOs say they have made environmental investments in the last year

In the last 12 months, has your company accepted rates of return for climate-friendly investments that were lower than the minimum acceptable rate of return your company uses for other investments?



Christina Verchere
CEO
OMV Petrom

The energy sector is the backbone of modern economies, powering industries, homes, and transportation while enabling daily life as we know it. As the largest integrated energy company in Southeastern Europe, supplying 35% of Romania’s fuels and natural gas and 10% of power, OMV Petrom recognizes its responsibility to contribute to a stable and secure energy supply while driving the energy transition for a lower carbon footprint.

At a time when global and local economies face unprecedented challenges — ranging from regulatory shifts and slowing economic growth to geopolitical uncertainties — our focus remains steadfast: delivering on our strategy, which is designed to support long-term energy security and adapt to market realities while decarbonising our products.

At OMV Petrom, we are committed to finding the right balance between fossil fuels, which remain essential for energy security, and lower carbon energy and fuels, which are key to a more sustainable future. This pragmatic approach enables a stable and reliable energy supply, while driving the development of low carbon projects. 35% of our investment budget by 2030 will be allocated to low carbon projects, reinforcing our commitment to a responsible energy transition however 65% is to conventional oil and gas with a strong focus on gas, also as a means for reducing the carbon footprint.

The year ahead brings a complex landscape, shaped by regulatory changes, economic headwinds, and ongoing geopolitical tensions. Recent regulatory developments in Romania, such as the extension of price caps in the power and gas markets and additional taxation on special constructions, add further challenges to an already difficult environment.

This comes at a critical moment for OMV Petrom, as we have entered the most investment-intensive period in our history, with an average of €1.7 billion

per year planned for the period 2024-2026. These investments will contribute to Romania’s and the region’s energy security.

Neptun Deep, our natural gas development in the Black Sea, is our flagship project, with up to €4 billion investment together with our partner Romgaz. It is the largest natural gas investment project in Romania. With production expected to begin in 2027 and an estimated volume of 100 billion cubic meters of gas to be brought to market, during its lifetime, this project will play a transformative role in Romania’s energy independence and regional supply security and will also contribute to economic prosperity and state revenues for Romania.

Large-scale projects require a competitive investment framework, with stable regulations and competitive fiscal policies. Romania has already brought major energy investments onstream, but maintaining a supportive climate is essential to unlocking its full energy potential and driving long-term economic growth.

Romania has a history of overcoming challenges and emerging stronger—a resilience I have also seen in OMV Petrom. Over the years, we have successfully navigated oil price shocks, global recessions, and the COVID-19 pandemic. Adaptability and strategic foresight are now embedded in our DNA, shaping how we choose our investments and drive operational excellence. We are prepared to take decisive action when needed, ensuring we continue to deliver energy security, support economic growth, and create long-term value for all stakeholders.

Looking ahead, I remain determined and optimistic. Despite past challenges, Romania’s GDP has more than doubled over the last two decades, with visible progress across industries and infrastructure. The country has growth potential however realizing it requires focus, prioritization, and continuous dialogue. With the right approach, Romania can seize its opportunities and build a stronger, more prosperous future.





Barriers to green investment

Similar to the situation in the 2024 edition, when executives were asked about the barriers to decarbonisation within the business model, regulatory complexity (policy changes, inconsistent local requirements) is again the top barrier according to executives who have made green investments in the last 12 months. This year, lack of interest from external stakeholders (customers, investors, etc.) and lower returns on this type of investment round out the top barriers to green investment.

Almost a third (32%) of CEOs in Romania believe that complex regulations have to a great or very great extent hampered their company’s ability

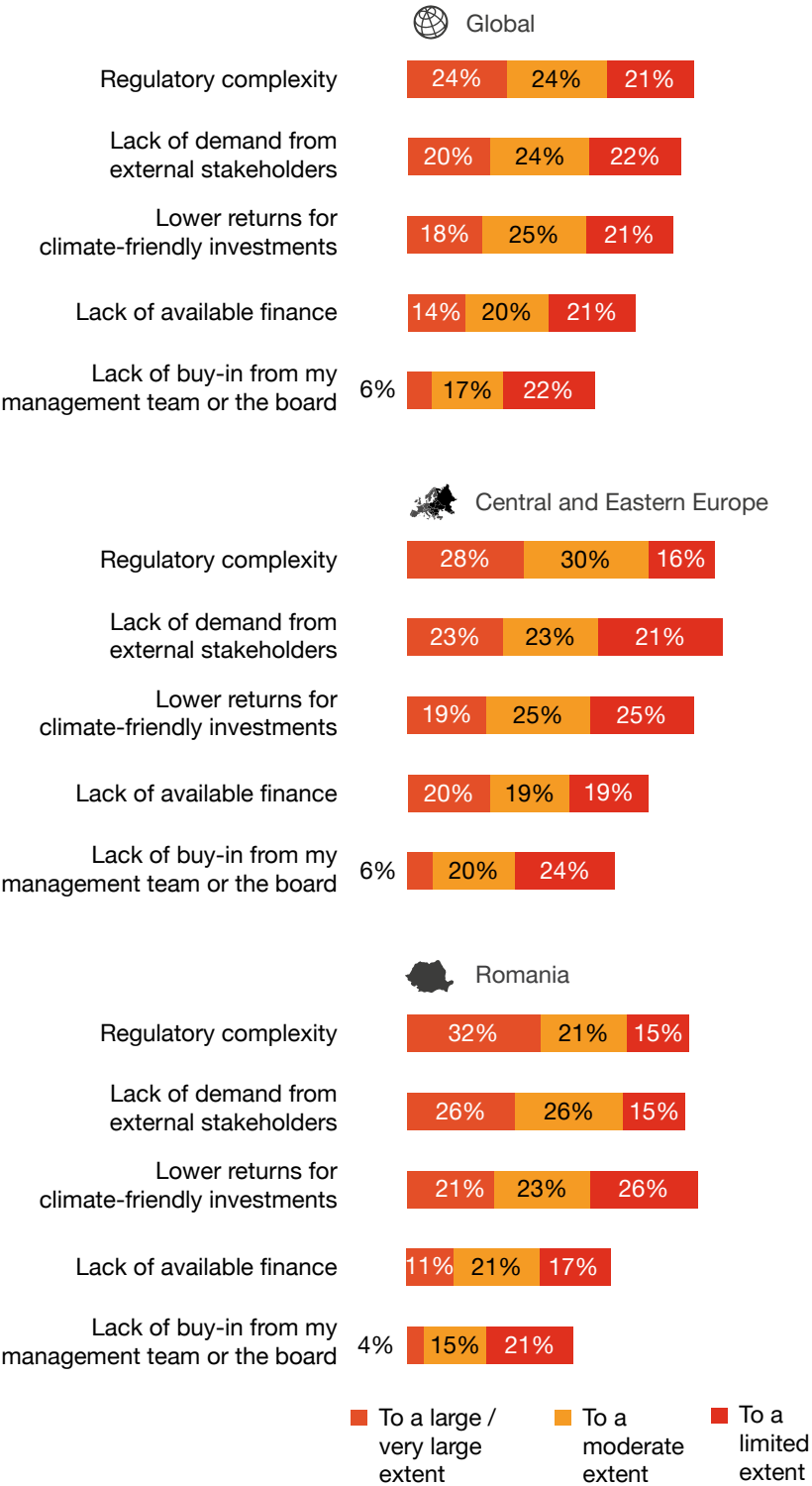
to make environmental investments in the last 12 months. This is higher than in CEE (28%) and globally (24%).

Lack of finance is perceived by 20% of CEE executives as a factor limiting their willingness to invest to a great or very great extent.

On the other hand, a lack of commitment from the management team or board of directors is perceived as a barrier to green investment to a much lesser extent than a year ago.

Around a third of Romanian CEOs believe that complex regulations have to a great or very great extent hindered their organisations’ ability to initiate investments in environmental protection over the past year

To what extent have the following factors inhibited your company’s ability to initiate climate-friendly investments in the last 12 months?



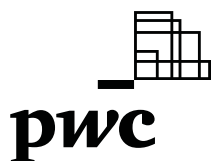
www.pwc.ro/ceosurvey2025

To discuss in detail the results for Romania of the annual **PwC Global CEO Survey 2025** please contact us:

Daniel Anghel
Country Managing Partner
PwC Romania
daniel.anghel@pwc.com

This edition of the report on the main results for Romania in the PwC Global CEO Survey 2025 was coordinated by Cristian Tomescu – Chief of Staff

Design: Cătălin Solcan – Senior Specialist, Marketing and Communication



At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 149 countries with more than 370,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

This content is for general information purposes only, and should not be used as a substitute for consultation with professional advisors.

© 2025 PwC. All rights reserved. PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.