

Powering the Energy and Resources Transition

The pandemic hasn't reduced the appetite for change among **energy and natural resource companies**, and many executives would like to move faster.

Some industries are adjusting their priorities to become more sustainable, but the pace varies

80+ leaders from more than 60 companies



Slower start, headwinds now triggering action

Forging ahead

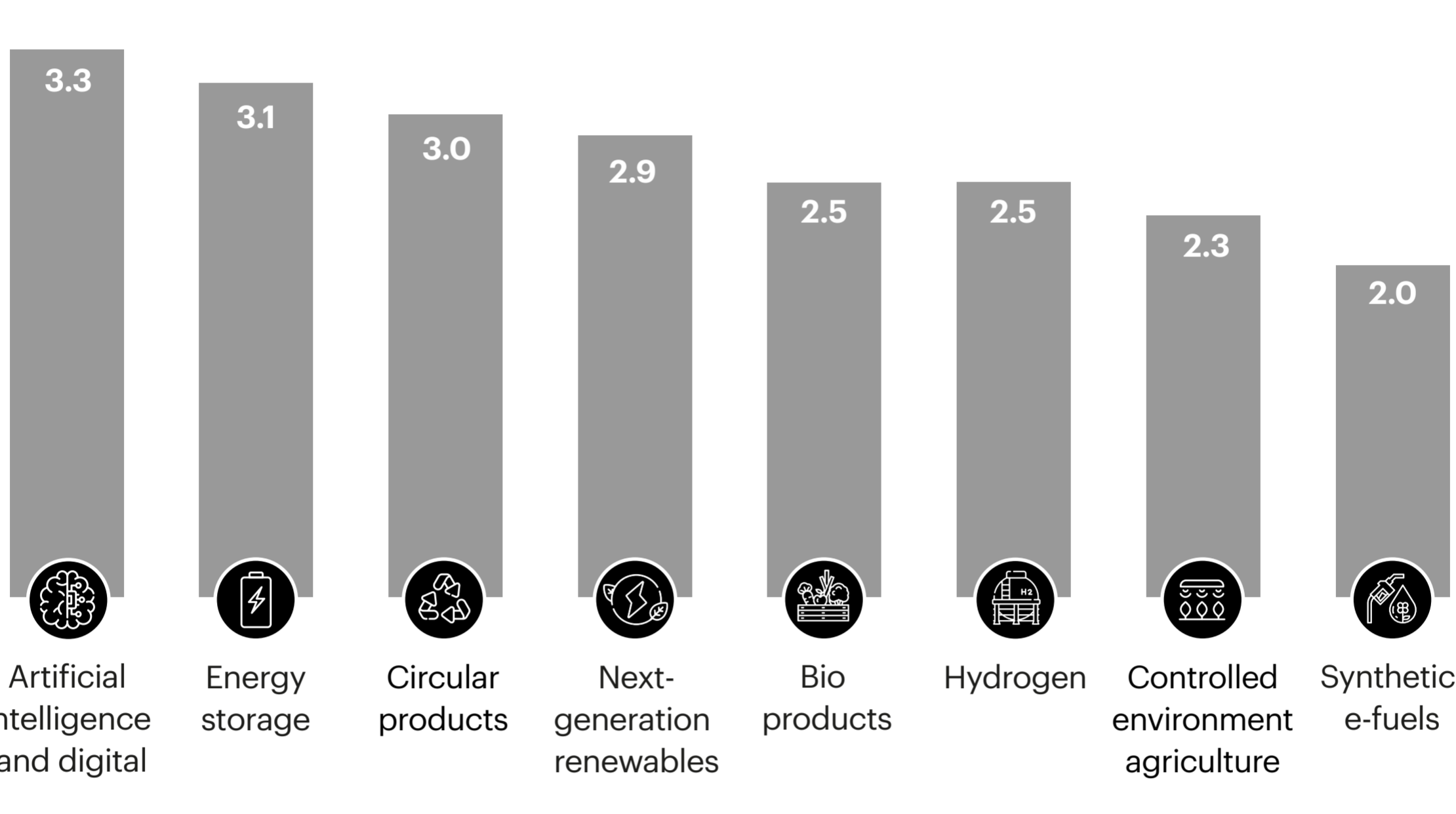
For nearly half of companies, Covid-19 is increasing the pace of change

45% expect their company to **move more aggressively**

83% of respondents are just **as committed as before**

New technologies will need to be developed and deployed across sectors

Energy and natural resource executives rated the impact of each technology on the transition (0-5)



Investments in sustainability are outpacing companies' abilities to change the way they operate

77% of executives are committing more than **10% of capex** to support the transition

52% are committing more than **10% of workforce time** to support the transition

35% are measuring more than **10% of supply chain performance** against transition criteria

Executives have a **strong appetite for change**

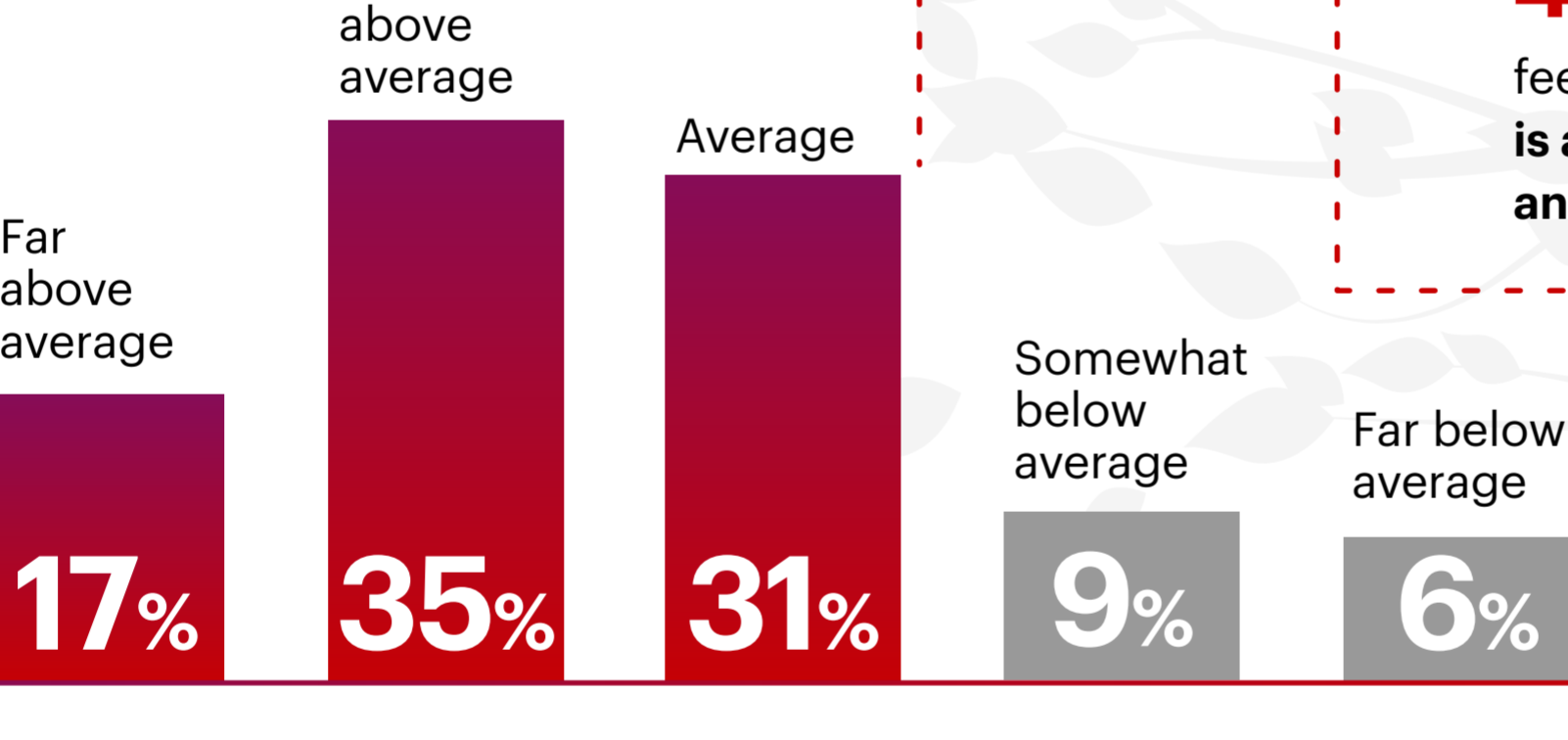
83% believe their company's transition is **at least as good as their peers**

of those

2% say things are **changing too fast**

51% say they need to **move faster**

47% feel the pace is **appropriate and manageable**



Who leads the transition?

38% remains in the business units, or has no specific role

28% dedicated leadership role

Is there an executive role in the organization leading energy and resource transition?

34% embedded in strategy, technology, or health, safety and environment

Overcoming the disconnect between spending and planning

72% said their company's spending isn't aligned with sustainability goals. **Here's how they can change that.**

Work closely with policymakers and regulators

Understanding and working with the right combination of green incentives, tax credits and carbon pricing can help speed the transition. Government's role in developing infrastructure remains key.

Maintain a viable investment case

Balance shareholder expectations and maintain dividends while investing in new products and businesses.

Fund the transition

Investments must be financially justifiable to maintain core profitability and credit ratings.

Adopt and develop new technologies

While it can be difficult to know which horse to back, identifying workable solutions and scaling quickly can help bring costs down.

Nurture changes in customer behavior

Some consumers will resist carbon taxes, but companies can play a role in justifying higher costs for greener products.

Avoid organizational inertia

Transitioning will require building new businesses on top of legacy ones and sometimes retiring assets before the end of their useful life. Acquiring the right internal expertise will be critical.