2026 KPMG Africa CEO Outlook

From ambition to execution: Building resilience and sustainable growth



KPMG Africa

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Contents

04 Foreword

05 Economic Outlook

10 Technology & AI

15 Talent

19 Sustainability

23 About

24 Our thematic area experts

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African CEOs are investing for growth, but execution will determine success

Despite economic uncertainty, technological disruption and evolving business risks, African CEOs remain confident in their growth prospects. Confidence in organisational growth stands at 79 percent, while 72 percent remain optimistic about their domestic economies.

Across technology, talent and sustainability, a common challenge is emerging: translating strategic ambition into measurable business outcomes.

As CEOs invest in innovation, workforce capabilities and resilience, their ability to execute effectively will be critical to achieving sustainable, long-term growth.

79% of African CEOs are confident in their organisations' growth prospects.

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Foreword

African CEOs navigate economic change as AI, talent and sustainability reshape growth

The third edition of the KPMG Africa CEO Outlook provides insight into how African CEOs are navigating an increasingly complex business environment and positioning their organisations for future growth.

Across East, West, Southern and North Africa, CEOs are navigating different economic conditions, risks and investment priorities, with a shared focus on strengthening resilience and positioning their organisations for long-term growth.

Confidence remains strong despite the complexity of the operating environment. 79 percent of African CEOs are confident in their organisation's growth prospects, while 86 percent reported revenue growth in their latest financial year.

This confidence is being tested by a changing risk environment. Cybersecurity and data security are a leading threat to growth, cited by 31 percent of African CEOs.

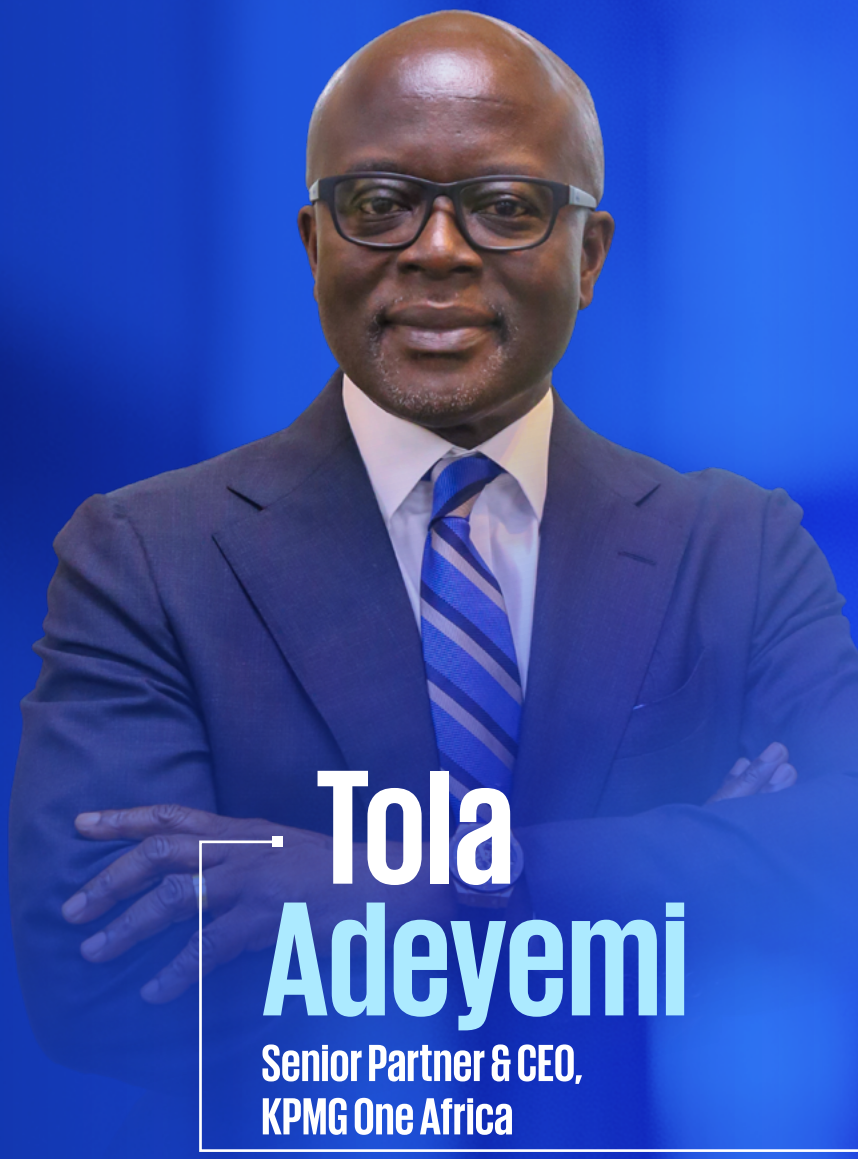
AI presents a similar balance between ambition and delivery. 72 percent identify AI as a top investment priority, yet only 14 percent believe their organisations are keeping pace with or moving ahead of AI developments.

People remain central to that transformation, with 84 percent of African CEOs expecting headcount to increase over the next three years, while skills gaps and AI upskilling remain significant challenges. Building practical capabilities will be critical to translating AI investment into value.

Sustainability also remains an important consideration as organisations balance long-term ambitions with changing business demands. African CEOs are approaching sustainability with greater commercial discipline, balancing long-term climate objectives with energy reliability and affordability.

The organisations best positioned for long-term growth will be those that invest in the right capabilities, respond to their markets and remain ready to adapt as conditions evolve.

> "African CEOs are navigating a changing environment with confidence and a clear focus on growth. What stands out is their willingness to invest in technology, strengthen their organisations and build the capabilities needed for the future. These investments will be important in positioning African businesses for sustainable, long-term growth."



Tola Adeyemi
Senior Partner & CEO, KPMG One Africa

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Economic Outlook

African CEOs pursue resilient growth amid economic uncertainty

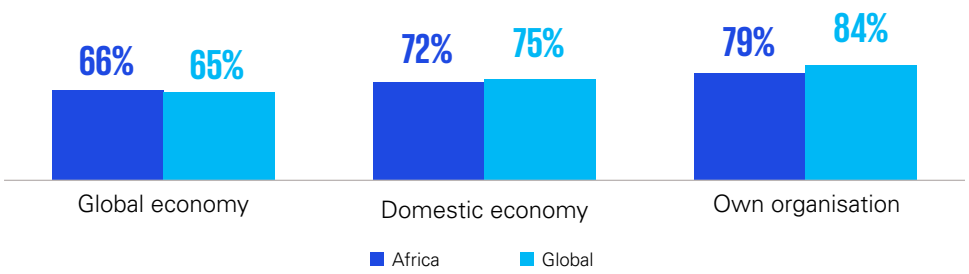


Economic outlook

Confidence holds, but execution will shape the next phase of growth

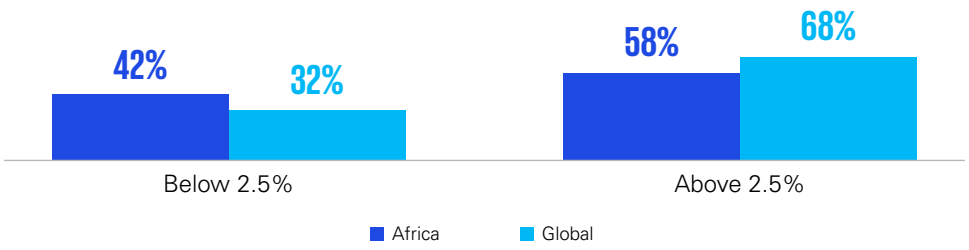
African CEOs remain confident in their growth prospects, even as a complex operating environment places greater demands on resilience, productivity and capital discipline. Confidence in the global economy stands at 66 percent among African CEOs, broadly in line with the global benchmark of 65 percent. Confidence in domestic economies is 72 percent, while 79 percent are confident in their own organisations. Both measures trail global peers, highlighting the gap between corporate ambition and the wider conditions for growth.

CEO confidence in growth prospects over the next three years



Recent performance provides grounds for optimism: 86 percent of African CEOs reported revenue growth in their latest financial year. Yet expectations are more restrained. Only 58 percent anticipate annual earnings growth of at least 2.5 percent over the next three years, against 68 percent globally. The challenge is to convert revenue momentum into stronger earnings through productivity, cost discipline and selective investment.

Expected annual earnings growth over the next three years



The contrast between recent revenue performance and future earnings expectations is a defining feature of the 2026 outlook. While African CEOs remain optimistic about growth, their more measured earnings expectations point to the importance of operational efficiency, effective cost management and investments that deliver measurable returns. These priorities will be critical to sustaining business performance amid economic uncertainty.

Resilience is now central to the growth agenda

Cybersecurity and data security are a leading growth threat for African and global CEOs alike, cited by 31 percent in each group. African leaders also highlight supply-chain resilience (31 percent) and the integration of AI into operating models (27 percent). Global peers place greater emphasis on economic uncertainty and geopolitical instability. These differences point to a common need for resilience, shaped by operating pressures.

Top 3 threats to organisational growth over the next three years

Africa

- 31% **Cybersecurity and data security**
- 31% **Supply-chain resilience**
- 27% **AI integration into operating models and workflows**

Global

- 31% **Cybersecurity and data security**
- 28% **Global economic uncertainty**
- 26% **Geopolitical instability**

Investment priorities broadly reflect the key risks identified by CEOs, with investment levels exceeding reported threat perceptions. While 31 percent identify cybersecurity and data security as a threat to growth, 45 percent are increasing investment in cybersecurity and digital-risk resilience. Similarly, 27 percent cite AI integration as a growth threat, while 31 percent are increasing investment in integrating AI into operations. These are different survey measures, but together they illustrate how leaders are seeking to move from exposure to operational preparedness.

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Growth from the core

Organic growth is the leading operational priority for 18 percent of African CEOs, compared with 8 percent globally. Customer experience (14 percent) and digitisation and connectivity (13 percent) follow. Rather than relying solely on expansion, African businesses are prioritising stronger core operations, closer customer relationships and technology-enabled efficiency.

These choices point towards a practical model of growth: protect the operating base, strengthen customer economics and invest selectively in the capabilities that can improve margins. Cybersecurity, regulatory preparedness and reliable supply chains are not merely defensive expenditures; they help protect service continuity, access to markets and the confidence of customers and counterparties.

For boards, the challenge is to connect investment to measurable commercial outcomes. Capital allocation will need to distinguish initiatives that improve the resilience of existing operations from those that create incremental growth, while recognising that both may be essential to sustained performance.

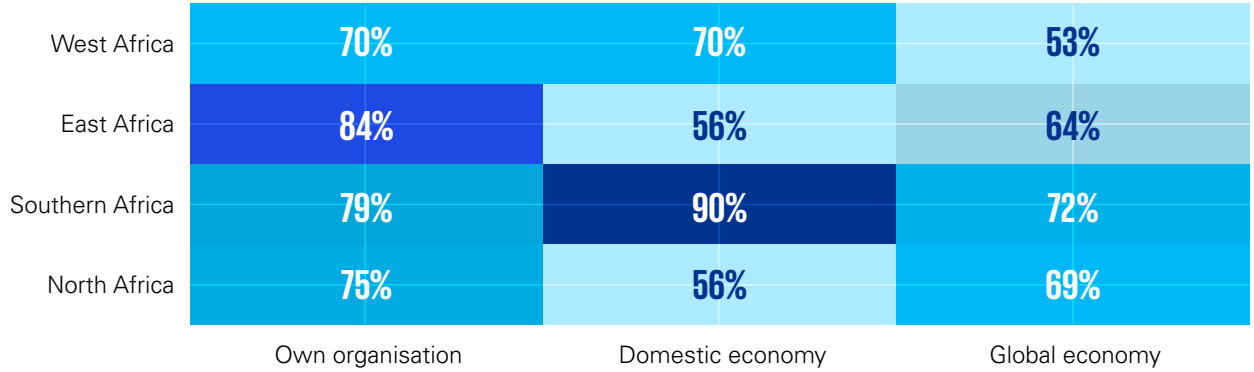
> The next phase of growth in Africa will not be defined by how fast organisations expand, but by how effectively they build resilience, deploy capital and translate growth opportunities into sustainable earnings."



Mustapha Oussedrat
Partner and Head of Francophone Africa Region

Regional view: Confidence in growth prospects reveals different routes to growth

Confidence remains positive across the four regions, but its drivers vary. Southern African CEOs are most optimistic about domestic economic prospects; East African CEOs report the strongest confidence in their businesses. West Africa is more cautious about the global economy, while North Africa combines business confidence with more restrained earnings expectations.



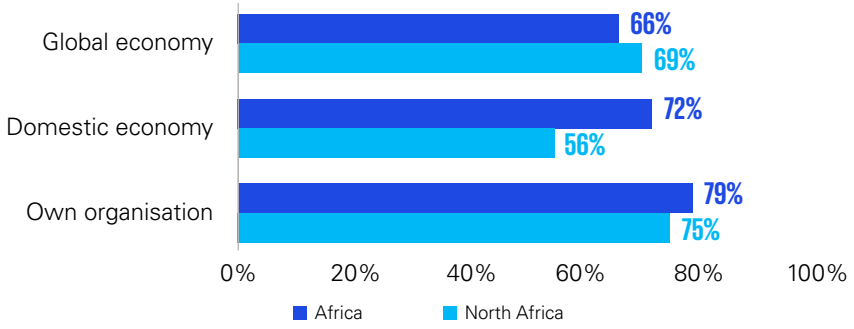
Note: Regional base sizes differ and results should be interpreted directionally

North Africa

North African CEOs remain confident in their businesses, while securing the fundamentals before accelerating growth

75 percent of North African CEOs are confident in their company's growth prospects, compared with 56 percent for the domestic economy. Yet only 38 percent expect annual earnings growth of at least 2.5 percent, compared with 58 percent across Africa. These results point to an uneven growth environment: public investment and sector specific opportunities support business prospects, while structural bottlenecks and exposure to external shocks temper expectations for earnings growth.

Confidence in growth prospects



CEOs show greater confidence in the outlook they can shape at company level than in the broader domestic environment.

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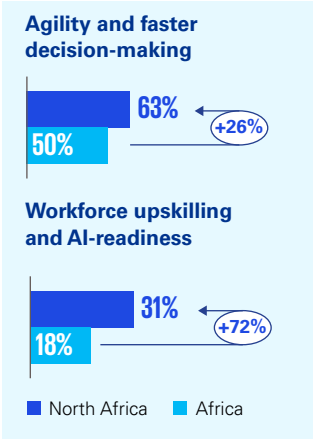
Leadership agility and workforce skills underpin productivity gains

Sixty-three percent of North African CEOs cite agility and faster decision-making among essential leadership capabilities, compared with 50 percent across Africa. Workforce upskilling and AI readiness also receive greater investment emphasis, at 31 percent in North Africa (vs18 percent Africa).

As digital transformation reshapes business requirements, addressing skills gaps become critical to improving productivity.

Translating technology investments into results requires organisations to strengthen both decision-making and the capabilities of their teams.



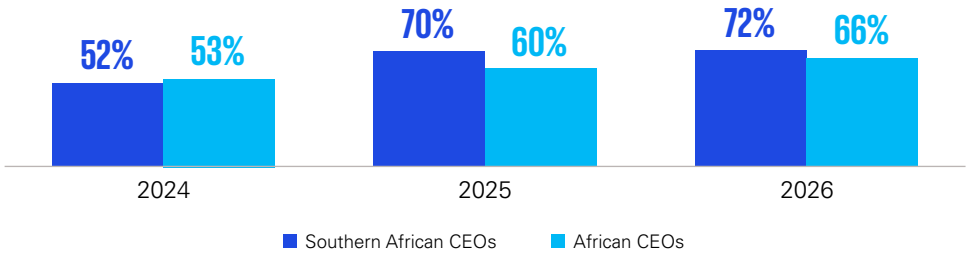
The North African findings reflect a more cautious earnings outlook despite confidence at the company level. The unusually strong emphasis on regulatory compliance and reporting suggests that institutional readiness is being treated as a prerequisite for investment and growth. Alongside stronger leadership agility and workforce capability, this may help organisations convert opportunities into more durable performance.

Southern Africa

Domestic optimism meets operational discipline

The confidence of Southern African CEOs in their country's growth prospects has reached a new high level with 90 percent of CEOs endorsing this view. Confidence in their own businesses remains high at 79 percent, just below the global average of 84 percent. Southern African CEOs are also confident in the growth prospects for their industry (77 percent), while confidence in the global economy stands at 72 percent.That being said, the level of confidence Southern African CEOs have in the global economy is higher this year than in any of the previous two years at 72 percent compared to an average of 60 percent.

Southern African CEO confidence in global economy is rising



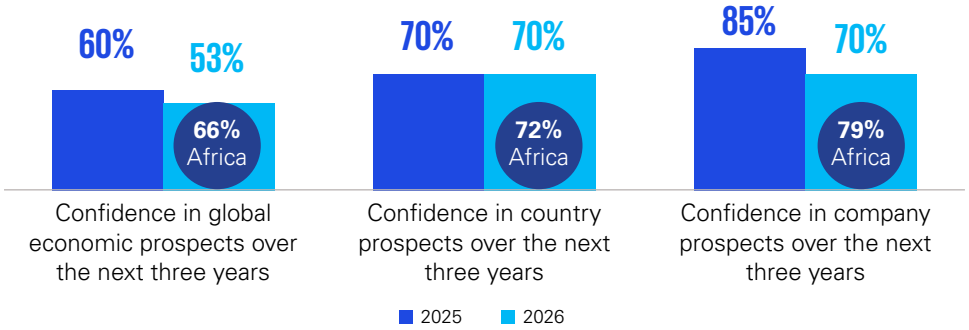
However, supply-chain resilience is a leading growth threat, prompting 43 percent to prioritise end-to-end visibility through data, AI and digital tools. With 84 percent reporting greater pressure to secure long-term prosperity, CEOs are placing a premium on risk management, strategic foresight and faster decisions.

On growth expectations, the majority (57 percent) of Southern African CEOs estimate positive earnings growth over the next three years, with 39 percent estimating that growth to be between 2.5 percent and 4.99 percent, 38 percent estimating growth of between 0.01 percent and 2.49 percent. Only 2 percent predict growth of less than 0 percent, while 18 percent of Southern African CEOs expect earnings growth of more than 5 percent.

West Africa

Measured confidence, stronger appetite for transformation

West African CEOs continue to express confidence in growth, but sentiment has softened materially since 2025 as an increasingly fragmented and uncertain global landscape weighs on expectations.



Confidence in West African companies declined from 85 percent in 2025 to 70 percent in 2026, while confidence in the global economy fell from 60 percent to 53 percent. Yet confidence in domestic economic prospects held at 70 percent.

90% of Southern African CEOs show confidence in their country's growth prospects

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Growth priorities centre on customer experience, organic expansion, skills and digitisation.

Here are the top operational priorities of the next three years identified by respondents:

Operational priorities	West Africa	Africa
Improving the customer experience	20%	14%
Organic growth	17%	18%
AI education and upskilling of workforce and streamlining processes	13%	9%
Advancing digitisation and connectivity across the business	13%	13%
Enterprise risk transformation in light of AI	10%	9%
Others (Generative/Agentic AI, inflation-proofing, sustainability initiatives and supply chain reconfiguration)	27%	37%

The region combines greater caution about company and global conditions with continuing confidence in local opportunities. On Mergers and Acquisitions (M&A), the proportion reporting a high appetite rose from 5 percent in 2025 to 37 percent this year, while 47 percent report a moderate appetite. At the same time, 53 percent intend to maintain their current approach to risk, indicating that acquisition ambition coexists with restraint.

West Africa's picture is particularly instructive: softer confidence has not extinguished strategic appetite. Rather than relying on a stronger global cycle, CEOs are considering changes to customer propositions, digital capability and their business portfolios.

East Africa

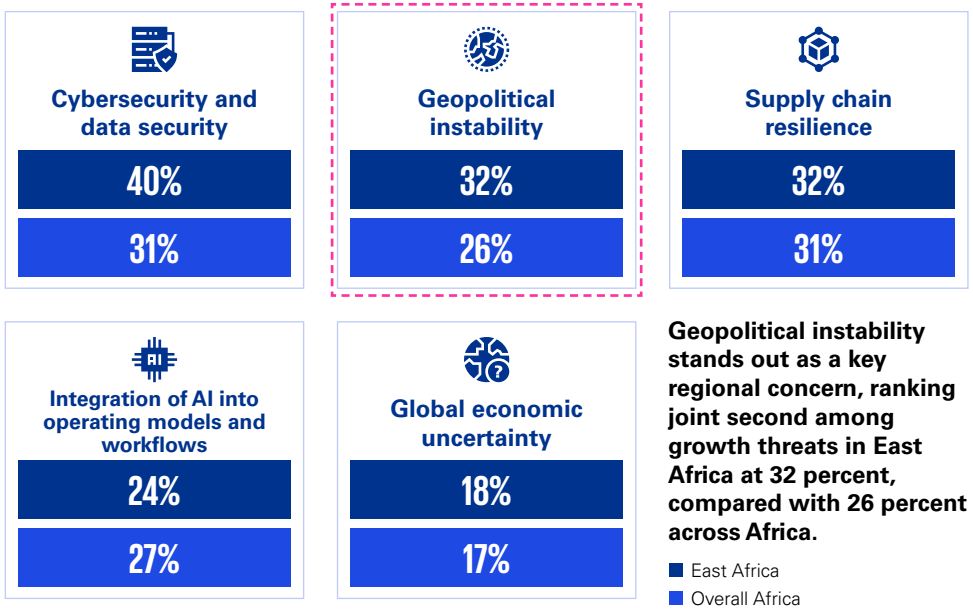
Corporate confidence outpaces the domestic outlook

East African CEOs are particularly confident in their own organisations (84 percent), above the Africa average of 79 percent, despite lower confidence in domestic growth (56 percent). Two-thirds expect annual earnings growth of at least 2.5 percent, against 58 percent across Africa. Cybersecurity and data security lead the risk agenda (40 percent), followed by geopolitical instability and supply-chain resilience (32 percent each). CEOs are responding with a focus on organic growth, customer experience, cost resilience and digital capabilities.

The change from 2025 also reveals where sentiment has strengthened and weakened. Company confidence rose eight percentage points, from 76 percent to 84 percent, while confidence in the domestic economy fell six points, from 62 percent to 56 percent. Confidence in the global economy increased from 50 percent to 64 percent. On expected earnings, half of respondents anticipate annual growth of 2.5–4.99 percent, with a further 12 percent expecting 5–9.99 percent and 4 percent expecting 10–19.99 percent. These results point to continued growth ambition despite the less favourable domestic assessment.

The divergence between confidence in companies and confidence in the domestic economy suggests that East African leaders see scope for company-specific outperformance. Yet geopolitical and cyber risks remain relevant to the earnings outlook, reinforcing the need for disciplined execution and investment in business continuity.

Top growth threats over the next three years



Geopolitical instability stands out as a key regional concern, ranking joint second among growth threats in East Africa at 32 percent, compared with 26 percent across Africa.

What this means for CEOs

Across Africa, the next phase of growth will depend on combining commercial ambition with financial and operational discipline. Leaders will need to protect their core businesses, direct capital towards measurable productivity gains, improve risk sensing and build organisations capable of adapting quickly as conditions change. The opportunity is not simply to grow faster, but to create earnings that are more resilient to disruption.

Note

- Percentages may not sum up to 100 percent due to rounding.
- Figures represent CEO survey responses, not economic forecasts.

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Technology & AI

AI investment accelerates as focus shifts to measurable returns



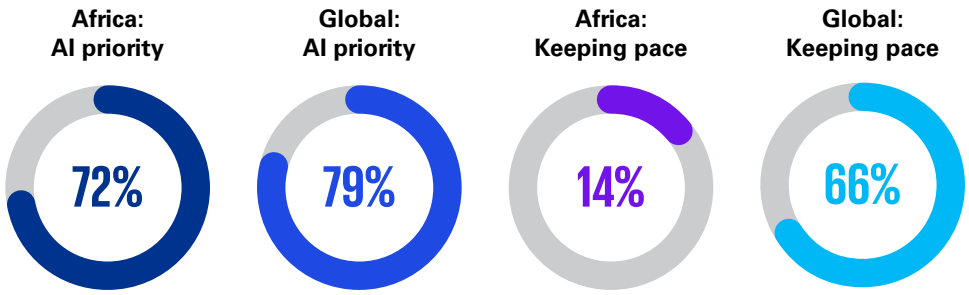
Technology & AI

Africa's AI ambition is outpacing enterprise readiness

Artificial intelligence remains firmly on the strategic agenda of African business leaders. Yet while investment ambition is approaching global levels, confidence in the ability to keep pace with change is markedly lower. The next phase of AI adoption will be defined less by experimentation and more by the organisational capacity to turn technology into sustained value.

Across Africa, 72 percent of CEOs identify AI as a top investment priority, compared with 79 percent globally. However, only 14 percent believe their organisations are keeping pace with or ahead of AI developments, compared with 66 percent globally. The sharper difference therefore lies in perceived readiness rather than investment intent: African CEOs are considerably less confident that their organisations are advancing quickly enough to keep pace with AI.

AI ambition and execution confidence



AI investment ambition is high, but confidence in execution differs sharply between Africa and the global benchmark.

The gap does not imply that African businesses are standing still. Many are investing in use cases that promise efficiency, improved customer experience and better decisions. But without dependable data, clear ownership and accountable delivery, pilots can struggle to become integrated enterprise capabilities.

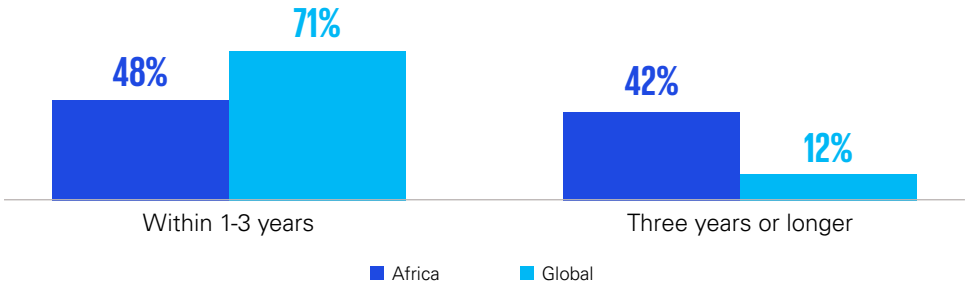
Investment is only the starting point

For CEOs, the imperative is to align AI investment with clearly defined business outcomes, supported by modern infrastructure, trusted information and effective oversight. The strongest returns are likely to come from solutions that are embedded in workflows, not isolated from them.

The distinction between commitment and capability matters. AI initiatives often begin in discrete teams or functions, but their enterprise value depends on whether data, processes and accountability can be connected across the organisation. Without these foundations, investment may generate promising pilots without changing productivity, customer outcomes or the economics of the business at scale.

From investment to measurable value

African CEOs anticipate longer timeframes for AI returns. While 48 percent expect returns within one to three years, compared with 71 percent globally, 42 percent expect returns beyond three years, compared with 12 percent globally. These expectations of longer time for AI value realisation may be linked to the relatively lower perception of keeping pace with AI developments.



Share of CEOs by expected AI payback timeframe (%). These are selected, non-exhaustive response categories; the bars are not intended to total 100 percent.

AI's immediate value proposition is operational: greater efficiency and productivity, stronger threat detection, and more effective use of information. These outcomes offer tangible starting points because they can be measured through cost, speed, quality and risk. Over time, the opportunity extends to differentiated customer propositions, new products and business-model transformation.

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The foundations of enterprise-wide AI

Trusted data is essential. CEOs need reliable datasets, defined ownership, secure access and governance that address privacy and sovereignty. Equally, investment decisions should be business-led: each significant use case needs an accountable owner, a baseline and measurable benefits.

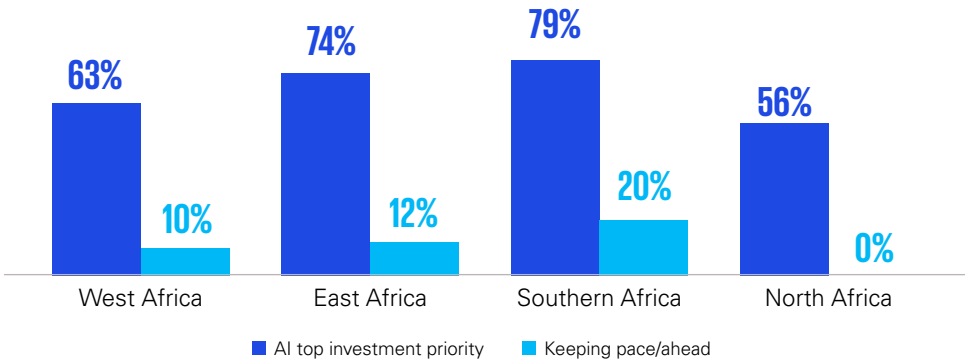
At the same time, workforce readiness must advance alongside technology, with upskilling, leadership literacy and redesigning work around human-AI collaboration helping to convert tools into productivity. Finally, responsible scale requires cyber resilience, model oversight, human intervention and clear accountability from the outset.

Longer payback expectations should not be interpreted as weak conviction in AI. They may instead reflect the time required to modernise underlying systems, prepare data and build the governance needed to deploy solutions safely. CEOs should distinguish near-term efficiency gains from more ambitious revenue or business-model opportunities, setting different milestones and investment thresholds for each.

A disciplined portfolio approach is therefore critical: begin with problems that matter commercially, measure outcomes against a clear baseline and scale only when performance and controls are demonstrable. This also reduces the risk of treating technology adoption as a substitute for operating-model change.

One continent, different paths to scale

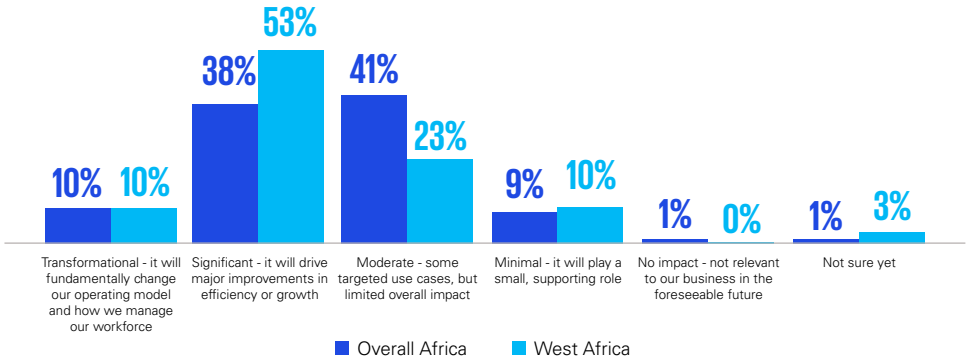
The regional results show a shared commitment to AI but different stages of readiness. Investment priorities, confidence and operating constraints vary, reinforcing the need for strategies grounded in local conditions rather than a single continental blueprint.



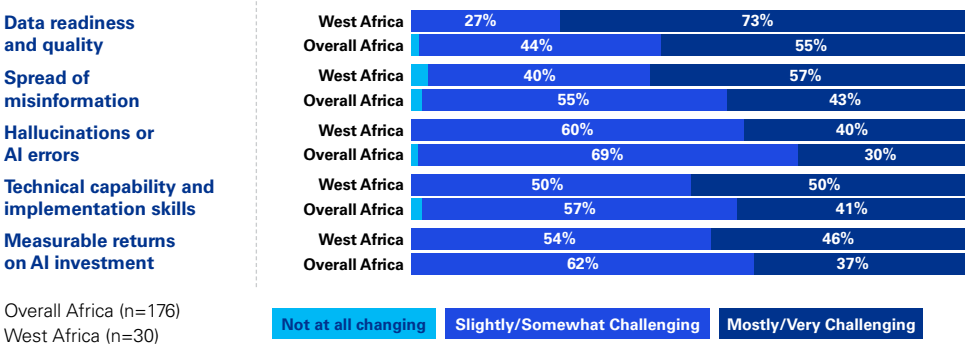
West Africa

Momentum is running ahead of readiness

In West Africa, 63 percent of CEOs identify AI as a top investment priority, compared with 72 percent across Africa. Yet 63 percent report that agentic AI is already having a significant or transformational impact, compared with 48 percent across the continent. Only 10 percent are confident that their organisations are keeping pace, although 70 percent remain cautiously optimistic. Data readiness is the most pronounced implementation constraint, cited by 73 percent versus 55 percent across Africa. Technical capability, AI reliability and measurable returns also present greater challenges, showing that reported operational impact can coexist with concerns about dependable enterprise-wide deployment. The region's challenge is to convert enthusiasm and early operational gains into reliable, governed delivery at scale. These figures relate to distinct survey questions, rather than shares of a common total.



Agentic AI impact, Africa vs West Africa



Overall Africa (n=176)
West Africa (n=30)

All figures are percentages. Labels below 5% are omitted. Totals may differ from 100% due to rounding
Selected AI implementation challenges, Africa vs West Africa

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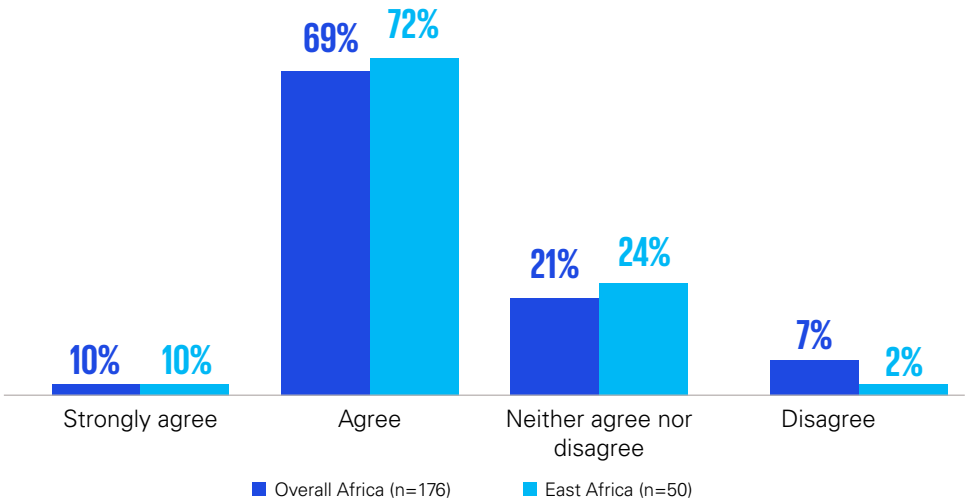
East Africa

Disciplined investment and practical value

AI remains a strategic priority for East African CEOs, with 74 percent identifying it as a top investment priority. However, spending plans remain measured: 78 percent expect to allocate no more than 20 percent of their budgets to AI over the next 12 months. Confidence is similarly cautious, with 78 percent cautiously optimistic about keeping pace and only 12 percent confident that their organisations are moving at the right pace or ahead. Return expectations are longer than the African average: 42 percent anticipate returns within three to five years, compared with 30 percent across Africa. Cost and data readiness are the leading implementation challenges, each cited by 60 percent, compared with 55 percent across the continent.

The perceived benefits are primarily operational rather than revenue-led. Efficiency and productivity are identified as leading benefits by 64 percent of East African CEOs, compared with 60 percent across Africa, followed by threat detection and security at 56 percent, compared with 53 percent. Fewer East African CEOs identify profitability, growth or new AI-enabled products and revenue as leading benefits.

For CEOs, the next step is to build on this operational focus while strengthening the leadership, workforce and governance capabilities needed to embed AI across the business and pursue new sources of value.



AI investment priority, Africa vs East Africa

Trust, talent and execution will define the next phase

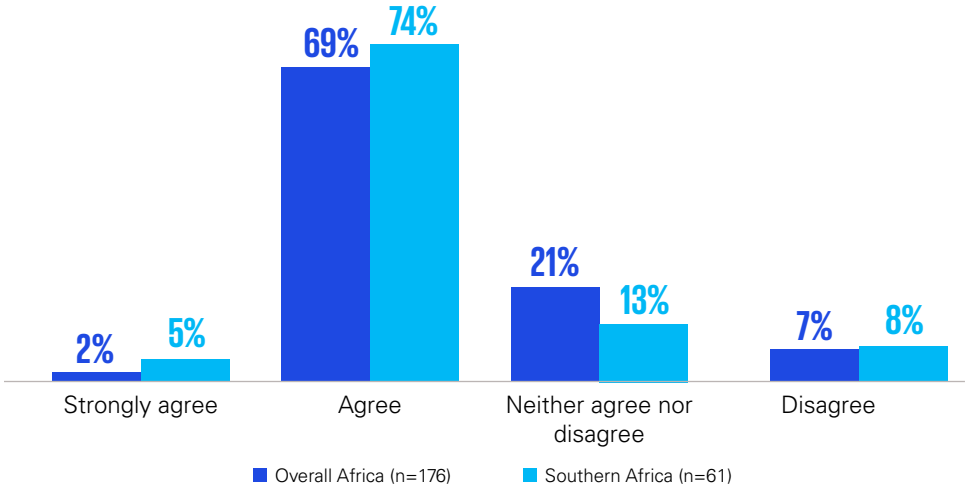
Southern Africa

AI is reshaping the operating model

Southern African leaders increasingly view AI as a change to how organisations operate, rather than simply a technology deployment. In Southern Africa, 79 percent of CEOs treat AI as a top investment priority, yet only 20 percent believe their organisations are keeping pace with or ahead of AI developments. Workforce redesign is central: the regional contribution reports 67 percent redeploying employees into AI-enabled roles and 57 percent redesigning roles and career paths. Leaders must balance automation with opportunities to develop the judgement and expertise of future talent.

The Southern African perspective places workforce redesign at the centre of AI strategy. Automation can improve productivity, but businesses must also consider how junior professionals develop judgement and how specialist capabilities are retained. Governance and human oversight should be designed into the operating model rather than added after deployment.

Beyond workforce redesign, reliable power, connectivity and infrastructure have also been highlighted as being essential to sustaining digital operations, while dependence on a small number of technology providers introduces continuity and concentration risks. The region's priority is to connect technology, talent and physical resilience within the same operating-model agenda.



AI investment priority, Africa vs Southern Africa

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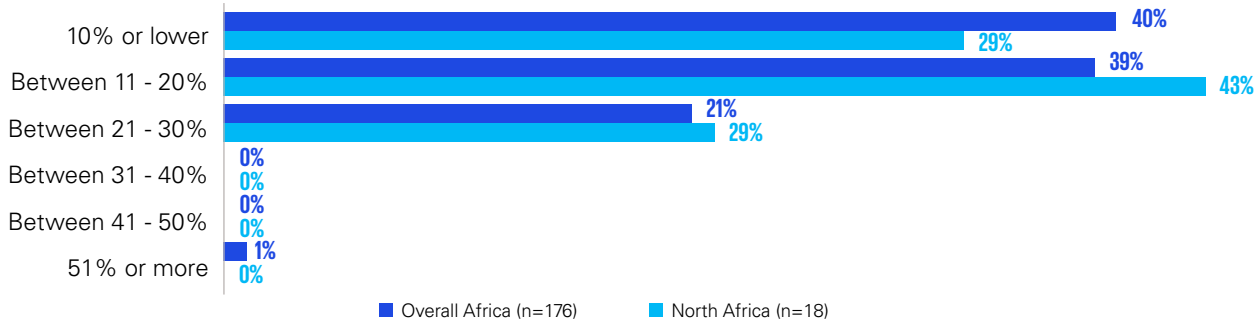
North Africa

Selective investment, cautious scaling

North Africa presents a selective investment pattern; 56 percent of CEOs identify AI as a top investment priority over the next three years, while 29 percent plan to allocate more than 20 percent of their budgets to AI, compared with 21 percent across Africa and 8 percent globally. None of the surveyed CEOs consider their organisations to be keeping pace with or ahead of AI developments, although 69 percent remain cautiously optimistic and 88 percent believe their organisations are equipped to train and upskill employees. Governance is a defining consideration: 75 percent say AI and data sovereignty are strengthening their focus on internal data governance and control. Ethical considerations and regulatory disparities are the leading implementation challenges, cited by 69 percent and 63 percent, respectively.



AI budget allocation, Africa vs North Africa

> Turning AI ambition into business value requires more than technology. It calls for trusted data, capable people, strong governance and a clear focus on where AI can make the greatest difference."



Joelene Pierce
Managing Partner,
Technology and Innovation,
KPMG One Africa

Digital trust is a prerequisite for scale

Cybersecurity, privacy and accountability are inseparable from AI adoption. Ninety-four percent of the North Africa respondents expressed concerns about fraud, 88 percent about identity theft and data privacy, and 81 percent about cyberattacks. These are different risk measures and should not be added together. As AI systems take on more autonomous tasks, strong controls, human oversight and resilience will be critical to maintaining confidence.

For CEOs, digital trust is a commercial consideration as well as a technical one. As AI tools increasingly influence or initiate actions, the consequences of weak access controls, unreliable information or inadequate oversight can extend across customers, regulators and supply chains. Responsible scale requires the disciplines of cyber resilience, data stewardship and human accountability to evolve together.

The leadership imperative

The next stage of AI adoption is less about the number of pilots launched and more about the value organisations can demonstrate. CEOs should assign business ownership to priority use cases, invest in data and workforce readiness, set transparent measures of return and establish clear controls over deployment. Those able to combine innovation with institutional readiness will be better positioned to turn ambition into durable advantage.

Source and methodology: Findings draw on the supplied KPMG 2026 CEO Outlook comparison extracts, regional submissions; the global comparison uses the Core dataset. The Southern Africa comparison uses the South Africa survey cut. Regional findings should be interpreted directionally given differences in sample size.

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Talent

Building future-ready workforces for a changing business landscape



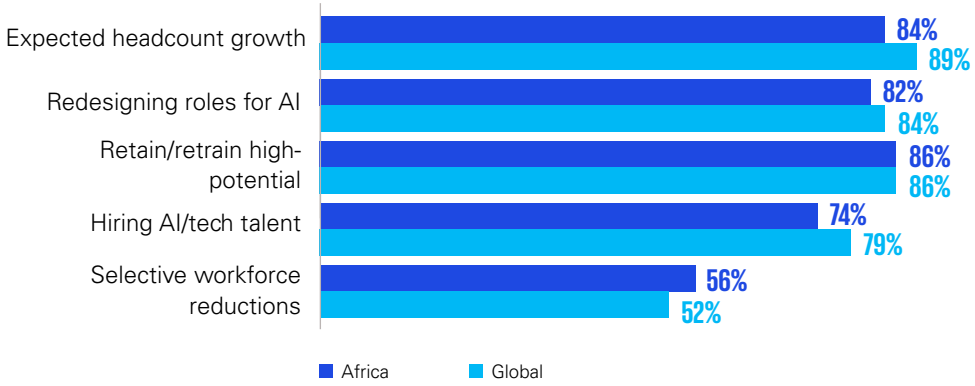
Talent

The talent dividend: turning AI ambition into workforce advantage

Africa vs Global | Workforce confidence, capability and growth

African CEOs are entering a new phase of workforce transformation. The question is no longer whether artificial intelligence will change work, but whether organisations can redesign roles, build critical skills and equip leaders quickly enough to translate investment into productivity and sustainable growth. The survey reveals a clear tension: ambition remains high, but confidence in the pace of execution trails global peers.

While 86 percent of African CEOs are confident or cautiously optimistic about keeping pace with AI, compared with 95 percent globally, just 14 percent believe they are moving at the right pace or ahead of the curve, against 66 percent globally. The gap suggests that the challenge lies in translating ambition into action, rather than a lack of intent. Importantly, 84 percent still expect headcount to increase over the next three years, versus 89 percent globally-suggesting that AI is reshaping the composition of employment rather than simply eliminating jobs.



Source: KPMG 2026 CEO Outlook survey, Africa vs Global; figures rounded. See accompanying survey comparisons.

Workforce confidence is not yet matched by execution

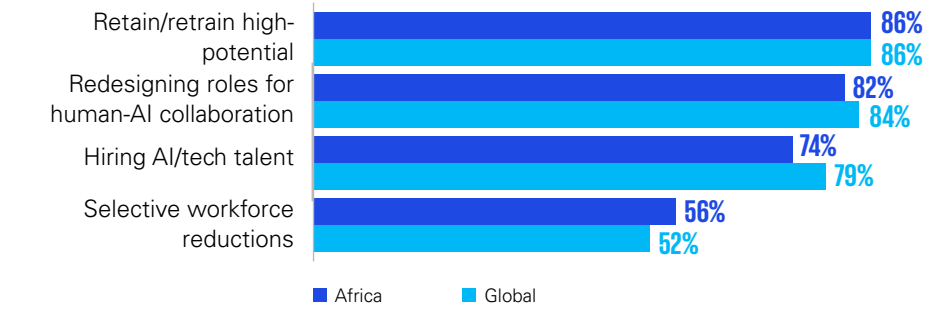
The findings suggest that the ability to execute workforce change may increasingly distinguish organisations that realise value from AI from those that struggle to scale it. Aligning technology investment with workforce planning, leadership accountability and the redesign of everyday work will be important if optimism is to translate into measurable performance.

Workforce transformation

Redesigning work as roles shift

African CEOs are pursuing a portfolio of workforce responses. Some 86 percent intend to retain and retrain high-potential employees, 82 percent are redesigning roles, career paths and team structures for human–AI collaboration, and 74 percent are hiring AI and technology talent. At the same time, 56 percent anticipate reductions in selected workforce areas, compared with 52 percent globally.

Rather than being contradictory, these findings point to a rebalancing of the workforce. Organisations are investing in existing talent and building AI capabilities, while selectively reducing roles in areas where workforce needs are changing. The strategic opportunity lies in managing the transition deliberately, identifying which activities to automate, which roles to augment and where people should be redeployed



Source: KPMG 2026 CEO Outlook survey; Africa and Global long-term workforce strategies. Percentages rounded.

A more integrated approach to workforce transformation

These shifts suggest that recruitment, learning and organisational design can no longer be considered in isolation. A more integrated approach links future capability requirements to growth ambitions, creates pathways for employees to move into emerging roles and maintains clear communication about how AI will affect work. Such measures can help sustain employee trust while supporting productivity and retention.

The operating-model question is especially important: introducing AI into unchanged processes can entrench inefficiency, while removing roles before governance and controls mature may introduce new risks. Workforce transformation therefore requires coordinated decisions across business leadership, technology, risk and people functions.

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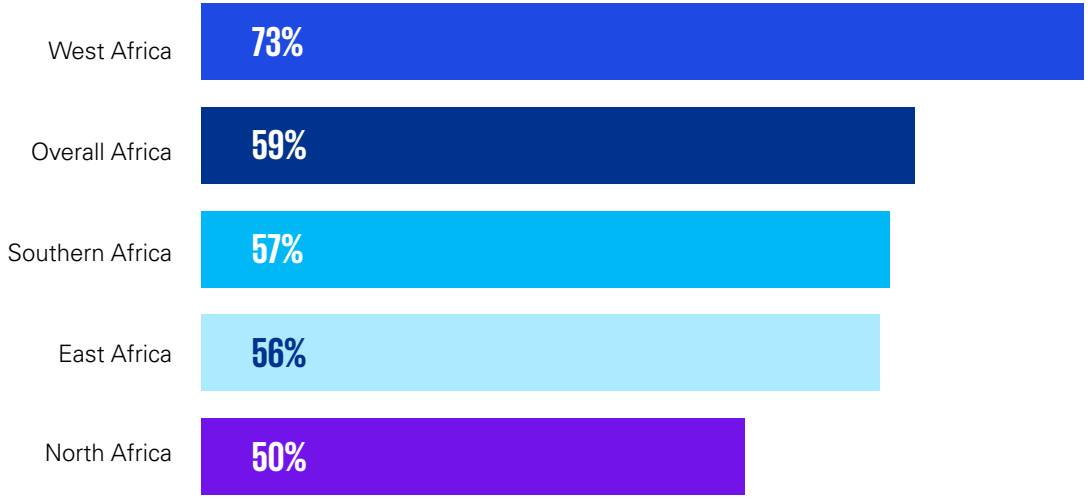
Skills and Leadership

Closing the capability gap is the decisive execution test

Across Africa, 59 percent of CEOs identify workforce skills gaps and 58 percent cite AI upskilling and training among their challenges; 52 percent point to attracting and retaining talent. More specifically, 44 percent identify the gap between current and required skills as their biggest challenge in attracting and retaining AI and digital talent. These pressures indicate that competing for scarce specialists is only one part of the solution.



Skills gaps as the biggest workforce challenge for CEOs

Source: KPMG 2026 CEO Outlook, Q27 (workforce skills gaps), regional comparisons. Regional samples vary; comparisons are descriptive.

Moving from AI awareness to practical capability

The wider Africa contribution indicates that 37 percent provide tailored role-specific AI training, compared with approximately 46 percent globally, while 45 percent use external AI specialists versus 34 percent globally. External expertise can accelerate adoption, but long-term value depends on deliberate knowledge transfer, internal ownership and practical learning tied to real workflows.

> The future of work will be defined by how organisations invest in their people. As AI and emerging technologies reshape the workplace, leaders must focus on building the skills, adaptability and leadership capabilities needed to unlock human potential and drive sustained performance."



Segun Sowande
Partner and Head of Clients and Markets, KPMG One Africa

Leadership capabilities matter as much as technical skills

African CEOs place greater weight on risk identification and management (51 percent, versus 39 percent globally) and agility and faster decision making (50 percent, versus 47 percent). This emphasis underlines the value of leaders who can combine digital fluency with sound judgement and guide employees through uncertainty. In practice, the effectiveness of capability investment will be reflected not only in participation in training but also in the quality of decisions, employee mobility, operational resilience and business performance.

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Regional Perspectives

Different workforce pressures, one continental imperative

West Africa

Converting workforce expansion into productivity

Nine in ten West African CEOs anticipate headcount growth and 90 percent prioritise retaining and retraining high-potential talent. Yet skills gaps remain pronounced, with 73 percent citing workforce skills shortages in the consolidated regional submission. The priority is to turn hiring intentions into stronger execution capacity through targeted development, internal mobility and a culture that supports change. Notably, 23 percent cite adapting organisational culture to employee expectations as a talent challenge, compared with 13 percent globally.

Southern Africa

Scaling capability while retaining scarce talent

Workforce redesign is particularly visible: 87 percent are reshaping roles and teams for human–AI collaboration, 84 percent plan to retain and retrain high-potential employees and 79 percent are hiring AI and technology talent. However, 61 percent cite attracting and retaining talent as a workforce challenge. Organisations must balance advanced redesign with employee experience, succession planning and the retention of specialist and leadership capability.

North Africa

Internal development as a response to skills scarcity

In North Africa, 50 percent of CEOs identify workforce skills gaps and 50 percent cite AI upskilling and training as workforce challenges, compared with 59 percent and 58 percent across Africa, respectively. While 81 percent intend to retain and retrain high-potential employees, half identify the gap between current and required AI capabilities as their principal AI talent challenge, compared with 44 percent across Africa. These findings reinforce the importance of building internal capability pipelines, providing role-specific development and supporting employees as work evolves. Given the relatively small regional sample, the results should be interpreted directionally.

Interpreting the wider regional picture

East Africa

Building the skills to sustain transformation

In East Africa, 56 percent cite workforce skills gaps and 64 percent identify AI upskilling and training as a workforce challenge, compared with 59 percent and 58 percent across Africa. Although 86 percent plan to retain and retrain high-potential talent, the findings highlight the importance of translating training commitments into applied, role-specific capability.

Turning workforce ambition into sustainable performance

Across the regions, a consistent message emerges: investment in technology must be matched by investment in people. For African CEOs, this means anticipating future skills requirements, tailoring learning to specific roles and equipping leaders to manage change. Organisations that combine these efforts with thoughtful workforce redesign and internal knowledge transfer may be better positioned to improve productivity, retain critical talent and sustain performance through change. The opportunity extends beyond creating an AI-ready workforce to building more adaptable and resilient businesses.

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Sustainability

Sustainability ambitions face the test of execution and measurable value

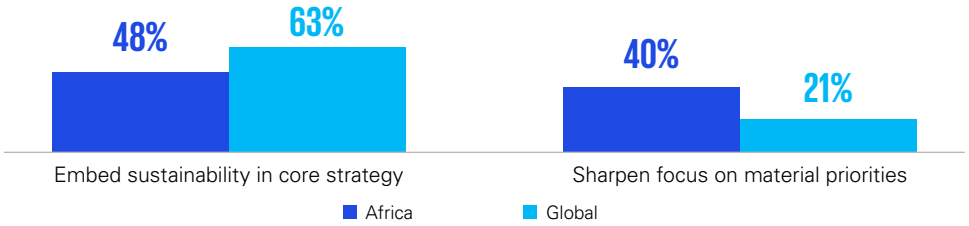
Sustainability

From ambition to measurable value

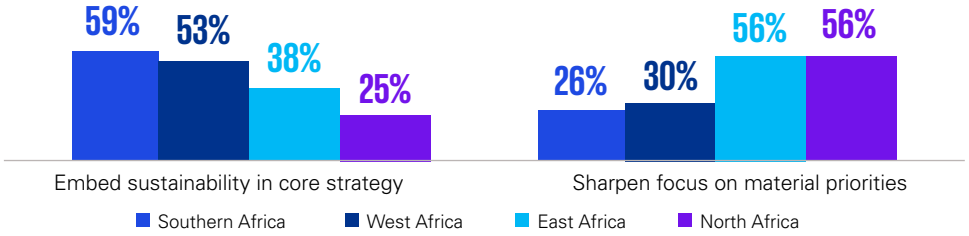
Africa at a turning point

African CEOs are not stepping back from sustainability. Survey responses point to greater discipline in where sustainability creates business value, with sharper prioritisation, growing execution focus and pressure to demonstrate measurable outcomes.

Forty-eight percent of African CEOs are embedding sustainability more deeply into core business strategy, while 40 percent are sharpening their focus on the sustainability issues most critical to business performance. Compared with Global Core CEOs, however, deeper strategic integration remains less common, at 48 percent versus 63 percent.



The regional evidence also shows that this transition is not uniform. Southern Africa reports the strongest deeper integration at 59 percent, followed by West Africa at 53 percent. East Africa and North Africa show a more selective response: 56 percent of CEOs in East Africa and 56 percent in North Africa are focusing more tightly on material sustainability issues, while deeper strategic integration stands at 38 percent and 25 percent, respectively. For Southern Africa and West, focusing more tightly on material sustainability issues is lower at 26 percent and 30 percent respectively.



Taken together, the findings suggest that sustainability ambition is becoming more focused and actionable, with CEOs increasingly prioritising the issues most relevant to resilience, investment and long-term performance.

Sustainability remains strategic, but business relevance is sharpening

Across the survey, African CEOs increasingly frame sustainability through the lens of resilience and commercial value. Energy provides a clear example, with African CEOs somewhat more likely than their global peers to prioritise energy-demand optimisation (41 percent versus 37 percent) and dedicated generation or storage capacity (15 percent versus 13 percent). At the same time, fewer African CEOs plan to diversify towards renewable or lower-carbon external supply (40 percent versus 49 percent globally).

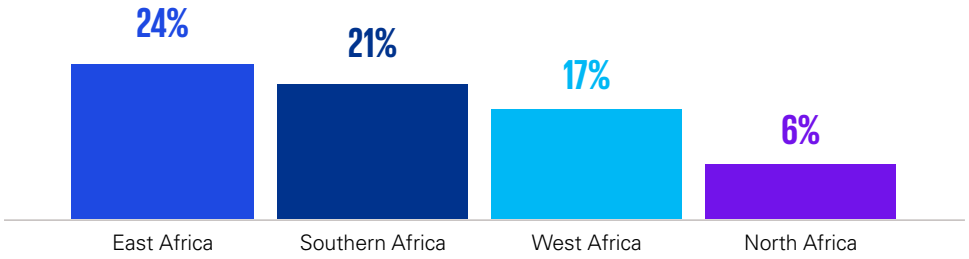
Regional priorities provide useful context rather than separate stories. West African CEOs place relatively greater emphasis on energy optimisation and dedicated generation, Southern African CEOs report stronger strategic integration and confidence in 2030 net-zero delivery, and East and North African CEOs are more strongly prioritising the sustainability issues they consider most material to their businesses.

From commitment to investment discipline

The more demanding test is whether sustainability changes investment decisions. Across Africa, only 22 percent of CEOs comprehensively incorporate sustainability costs and potential returns into every major capital decision, compared with 29 percent globally. Another 49 percent consider sustainability in selected decisions.

The regional results point to a shared execution challenge across the surveyed markets, with comprehensive integration into major capital decisions remaining relatively limited across all four regions. The strategic case for sustainability is increasingly evident in CEO responses, while consistent integration into investment decisions remains less mature.

Integration of sustainability into major capital decisions



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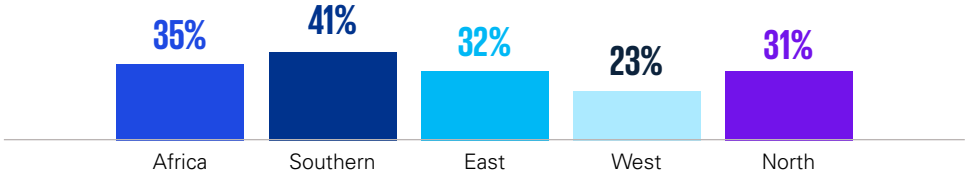
Cost makes the execution challenge more acute. Thirty-five percent of African CEOs identify the cost of decarbonisation as their greatest barrier to climate ambition, compared with 16 percent globally. Across the regions, the corresponding shares are 41 percent in Southern Africa, 32 percent in East Africa, 31 percent in North Africa and 23 percent in West Africa.

Cost of decarbonisation remains a major execution barrier



Reporting capability is improving, but disclosure should not be the destination

CEO confidence in sustainability reporting readiness is strengthening. Sixty-five percent of African CEOs say their organisations have the capability to meet new sustainability reporting standards, up from 55 percent in 2025. At the regional level, East Africa leads at 68 percent, while Southern Africa and North Africa are broadly aligned with the continental result at 65 percent, and West Africa stands at 60 percent.

CEO confidence in sustainability reporting readiness has increased



This suggests that the growing reporting and regulatory agenda is being matched by greater confidence in organisations' ability to respond.

Reporting readiness provides more than a compliance foundation. The governance, data, processes and controls required to produce reliable sustainability information can also strengthen how organisations monitor performance, identify risks and opportunities, and support management and investment decisions. The value of reporting therefore lies not only in producing a compliant disclosure, but in making sustainability information more reliable and decision-useful.

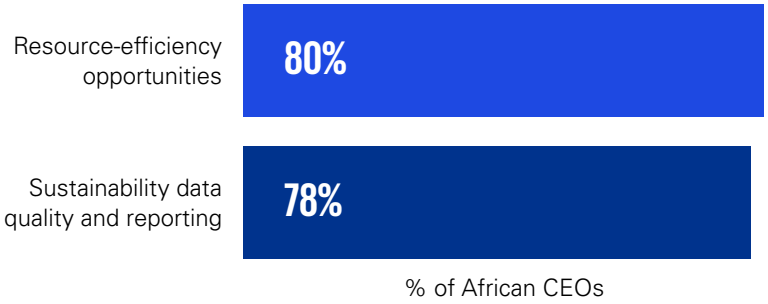
However, confidence in reporting capability should not be confused with mature integration. Only 22 percent of African CEOs comprehensively incorporate sustainability costs and potential returns into every major capital decision, while a further 49 percent do so in selected decisions. The opportunity is to connect improving reporting capability more closely with the way sustainability information is used across strategy, capital allocation and performance management.

AI can accelerate delivery, but its footprint must be managed

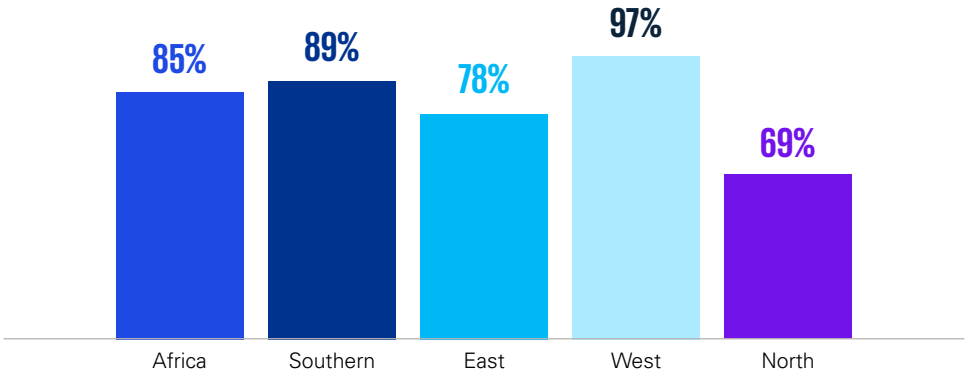
African CEOs identify AI as a practical enabler of sustainability execution. According to the Africa survey, 80 percent see potential for AI to identify resource-efficiency opportunities, while 78 percent believe it can improve sustainability data quality and reporting. Better quality and more timely sustainability information can strengthen performance monitoring and provide a stronger evidence base for operating and investment decisions.

The opportunity comes with a clear responsibility. Across Africa, 85 percent of CEOs report organisational concern about the environmental impact of increased AI use. The level of concern is particularly high in West Africa, at 97 percent, and Southern Africa, at 89 percent, compared with 78 percent in East Africa and 69 percent in North Africa. The findings therefore point to a dual priority: capture AI's potential to improve sustainability information and operational efficiency, while managing the technology's own energy and environmental impact.

AI can support resource efficiency and sustainability information



Concern about AI's environmental impact



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Regional perspectives

Africa at a turning point

Regional findings show different responses to sustainability pressures, but a shared execution challenge: converting ambition into practical, measurable business outcomes.

Southern Africa

Southern Africa combines deeper strategic integration with a pronounced implementation burden. Fifty-nine percentof CEOs are embedding sustainability more deeply into core business strategy, while 57 percent are confident they can meet their 2030 net-zero goals. However, only 21 percent comprehensively integrate sustainability costs and potential returns into every major capital decision. Regulatory complexity is also particularly evident, with 92 percent reporting moderate or significant challenges arising from differences in sustainability regulation and expectations across markets, while 41 percent identify the cost of decarbonisation as the greatest barrier to achieving climate ambitions. Together, these findings put the focus on translating strategic conviction into consistent investment criteria and locally responsive execution.

West Africa

West Africa reflects a sustainability agenda shaped by strategic integration alongside energy and supply-chain considerations. Fifty-three percent of CEOs are embedding sustainability more deeply into core business strategy, while 47 percent plan to optimise energy demand through efficiency measures and 20 percent plan to add dedicated generation, storage or backup capacity. Supply-chain decarbonisation is particularly prominent, with 30 percent identifying its complexity as the greatest barrier to climate ambitions, compared with 19 percent across Africa. The findings highlight the importance of linking energy resilience to credible transition pathways while strengthening supplier engagement, traceability and sustainable innovation.

East Africa

East Africa is refocusing rather than retreating. Fifty-six percent of CEOs are sharpening their focus on the sustainability issues most critical to the business, while 38 percent are embedding sustainability more deeply into core strategy. Capital discipline is comparatively stronger, with 24 percent comprehensively integrating sustainability costs and potential returns into every major capital decision and 50 percent considering them in some capital decisions. There are also signs of active sustainability integration into innovation, with 54 percent incorporating environmental impact assessments and mitigation strategies into innovation and product development plans, while 60 percent engage with regulators and policymakers to stay ahead of potential regulatory changes affecting innovation. The findings point to an opportunity to move material sustainability priorities more consistently into enterprise-wide capital planning and execution.

North Africa

North Africa shows a more selective, commercially focused approach to sustainability. Fifty percent of CEOs are sharpening their focus on the sustainability issues most critical to the business, while 25 percent are embedding sustainability more deeply into core strategy. Only 6 percent comprehensively integrate sustainability costs and potential returns into every major capital decision, while a further 38 percent consider them in some capital decisions. The cost of decarbonisation is the leading climate barrier at 31percent, followed by the lack of appropriate technology solutions at 20 percent and skills and expertise at 15 percent. At the same time, 94 percent see potential for AI to support resource efficiency, highlighting an opportunity to translate this more focused sustainability agenda into operational gains and stronger investment discipline.

> Sustainability is increasingly becoming a business imperative for African organisations. The real test is how effectively leaders embed it into capital decisions, strengthen operational resilience and create long-term value."



Benson Ndung'u
Managing Partner, Clients & Markets and Corporate Affairs
KPMG One Africa

The CEO agenda

For African CEOs, the survey points to a next phase of sustainability defined less by the number of commitments made and more by the quality of the decisions behind them. Organisations that connect sustainability priorities to capital allocation, operational resilience, reliable data and measurable performance will be better placed to translate ambition into outcomes, while using technologies such as AI where they can demonstrate clear value.

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About the KPMG CEO Outlook

The third edition of the KPMG Africa CEO Outlook forms part of the 12th edition of the KPMG Global CEO Outlook, conducted with 1,400 CEOs globally, including 176 African CEOs, between 11 August and 21 September 2026. The research provides insight into the mindsets, strategies and planning priorities of CEOs.

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Our thematic area experts

Economic Outlook

Frank Blackmore
Lead Economist
FRM Credit and Capital Risk
frank.blackmore@kpmg.co.za

Julius Ngonga
Partner and Head of Strategy & Deal Advisory
jngonga@kpmg.co.ke

Enis Rouissi
Partner, Strategy Consulting | Public Sector Lead | Maghreb
erouissi@kpmg.com

Oluwole Adelokun
Partner
Strategy & Customer Solutions
oluwole.adelokun@ng.kpmg.com

Technology & AI

Shamit Govind
Partner and Head of Strategy & Operations Management Consulting
shamit.govind@kpmg.co.za

Marshal Luusa
Partner and Head of Technology & Innovation
mluusa@kpmg.co.ke

Ladi Asuni
Partner and Head
Technology and Innovation
ladi.asuni@ng.kpmg.com

Carlos de Souza
Partner
Advisory
carlosdesouza@Kpmg.ci

Talent

Titlope Olajide
Partner
People & Change
titilopeolajide@kpmg.co.ke

Carolyn Chambers
Partner
Tax and Legal
carolyn.chambers@kpmg.co.za

Boluwaji Apanpa
Partner
People & Change
boluwaji.apanpa@ng.kpmg.com

Marnel Zammouri
Partner
Deal Advisory & Strategy
manelzammouri@kpmg.com

Sustainability

Edgar Isingoma
Partner and Africa Head of ESG & KPMG Impact
eisingoma@kpmg.com

Tomi Adepoju
Partner and Head, Enterprise Risk and ESG Services
tomi.adepoju@ng.kpmg.com

Charlotte de Koker
Associate Director
Sustainability Services
charlotte.dekoker@kpmg.co.za

Syrille Kossi
Senior Manager
Sustainability & ESG
skossi@kpmg.ci

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Contributors

Benson Mwesigwa
Associate Director
Advisory

Luqmaan Essack
Associate Director
Strategy and Operations

James Obare
Manager
Advisory

Rupesh Vashist
Associate Director
Technology Risk Cyber

Achraf Ghellab
Senior Manager
Tech Advisory

Hanene Chaouati
Senior Manager, Strategy
Consulting | Public Sector

Xavier Caruge
Senior Manager
Tech Advisory

Anne Aidoo-Forson
Manager, Strategy &
Customer Solutions

Kehinde Fadare
Manager, ESG/
Sustainability Services

Oumaya Hafiane
Manager, Strategy
Consulting | Public Sector

Sungalo Coulibaly
Manager
Advisory

Stanley Kwakye
Manager
IT Advisory

Taiwo Salaudeen
Manager
Tech Platforms

Praise Ogukah
Assistant Manager
Analytics & Operations

Babatunde Osho
Assistant Manager
Sustainability Services

Rabi Toure
Experienced Senior
Advisory

Fatai Shuaib
Senior Associate
Research & Insights

Genis Donkor
Senior Associate
Strategy & Operations

Dudu Ndlovu
Head of Corporate Affairs

Donald Mogekwu
Senior Manager,
Clients & Markets

Morayo Adegoke
Senior Associate
Sustainability Services

Michele Kiobbo
Senior
Technology & Innovation

Maame Aduse-Poku
Associate
Deal Advisory

Edwin Kabue
Associate
Deal Advisory

Roseline Dieudonne
Director, Clients &
Markets and Corporate
Affairs

Nadia Ben Ammar
Director, Advisory
Strategy and Corporate
Affairs

Christabel Ofili
Intern
Research & Insights

Kwasi Adjei-Fordjour
Intern
Strategy & Operations

Beulah Mac-Yoroki
Manager
People & Change

Ohenewaa Appiah
Associate Director
People & Change

Ashley Odhiambo
Associate
Deal Advisory

Kennedy Mutua
Associate
Deal Advisory

Design:
Dennis Okeoye
Senior Creative Designer

Design:
Olubunmi Falade
Creative Designer

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Contact us

Tola Adeyemi
Senior Partner & CEO,
KPMG One Africa
tola.adeyemi@ng.kpmg.com

Benson Ndung'u
Managing Partner, Clients &
Markets and Corporate Affairs
KPMG One Africa
bensonndungu@kpmg.co.ke

Joelene Pierce
Managing Partner,
Technology and Innovation,
KPMG One Africa
joelene.pierce@kpmg.co.za

Mustapha Oussedrat
Partner and Head of Francophone
Africa Region
moussedrat@kpmgavocats.fr

Segun Sowande
Partner and Head of
Clients and Markets
KPMG One Africa
segun.sowande@ng.kpmg.com

Dudu Ndlovu
Head of Corporate Affairs
KPMG One Africa
dudu.ndlovu@kpmg.co.za

home.kpmg

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