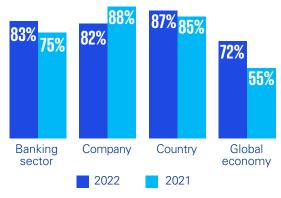


# **2022 Banking CEO Outlook**

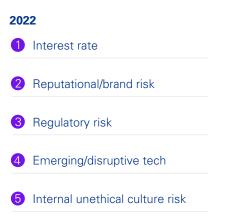
Insights and perspectives into the business and economic landscapes over the next 3 years from 141 banking CEOs surveyed as part of the KPMG 2022 Global CEO Outlook.

## **Economic outlook**

Despite geopolitical and economic challenges, global economic confidence over the next 3 years has rebounded from 2021 (55%), rising to 72%.



## Top risks to growth



# **Rising M&A appetite**

of banking CEOs have a high M&A appetite and will likely undertake acquisitions that have a significant impact on their organisation

have a moderate M&A appetite and will make acquisitions but with a moderate impact on their overall organisation



Regulatory risk

- Reputational/brand risk
- Interest rates

Tax risk

2021

# Cyber security and tax risk both witnessed a significant decline.

Strategic alliances, organic growth and managing geopolitical risks are the top 3 growth strategies for banking CEOs. They are adapting their 3-year growth strategy to remain relevant and competitive.

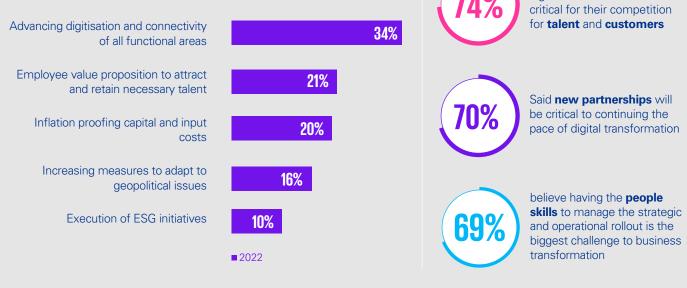


# **Digital transformation strategy**

Advancing digitisation and connectivity is the top operational priority of banks to achieve their long-term growth objectives.



of banking CEOs said driving digital transformation is



Banking CEOs are addressing cyber security strategy to build strong relationships and culture.



are well prepared for a future cyber-attack



view 'information security' as a strategic function for competitive advantage



agree building a cyber security culture is just as important as building technological controls

### **Accelerating ESG's impact**

Banking CEOs increasingly see the importance of ESG initiatives on their businesses.

47% 1 year ago

think ESG programmes improve financial performance, up from 36%

see significant demand from stakeholders for increased reporting and transparency on ESG issues

65%

believe stakeholder scrutiny on ESG will continue to accelerate

19%

indicate stakeholder skepticism around greenwashing is increasing (up from 9% in August 2021)

For banking CEOs, the key drivers to accelerate their ESG strategies are:



## Workforce resilience

Banking CEOs are considering reducing employee headcount in the next 6 months in anticipation of a recession, but have a **positive outlook long term**.



have implemented or plan to implement a hiring freeze in the next 6 months



have considered or will consider downsizing their employee base in the next 6 months

The gap between digital transformation and investing in their workforce is narrowing.



of banking CEOs are placing more capital investment in new technology



are developing their workforce's skills and capabilities



say they're planning to increase the size of the workforce over the next 3 years



believe hiring, employee morale, and collaboration and innovation were positively impacted by remote working

#### Future working environment

Banking CEOs generally agree that remote working has had an overall positive impact.



Source: KPMG 2022 Global CEO Outlook, KPMG International, October 2022

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