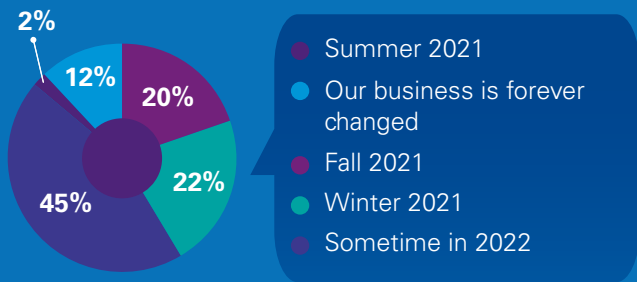


KPMG 2021 CEO Outlook Pulse Survey Banking sector

A survey of 60 bank CEOs in 10 key markets, our 2021 Pulse Survey provides a timely snapshot of CEOs' views on business growth resumption, their views on vaccine distribution, their top-of-mind organizational risks, and business transformation priorities going forward.

Pandemic response

When do CEOs envision that their company will return to a normal course of business?



9 out of 10

CEOs are keen to ensure **staff safety** by asking employees to notify the business when they have been **vaccinated**.



1/2

of bank leaders are concerned not all employees will have access to a **COVID-19 vaccine**, jeopardizing their operations and competitive advantage.

What do bank CEOs think it will take to return to 'normal'?



A **successful COVID-19 vaccine roll-out** (at least 50% vaccinated)



Governments in key markets encouraging business to return to 'normal'



A significant **drop in COVID-19 infection** rates in key markets

Perspectives from banking leaders

Economic confidence



► Confidence over the 3 year horizon is up for **industry, country and the global economy**. However, prospects for **companies** are **5 points lower** than last year.

56% of bank CEOs have an appetite for **M&A**.



Top drivers for investment

1 On-board new **digital technology** to transform the **customer experience/value proposition**

2 Increase **market share**

3 **Transform** our business model **faster than organic growth** will deliver

Source: KPMG 2021 CEO Outlook Pulse

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Digital acceleration priorities

CEOs are planning to invest more in technologies such as



Customer and technology are key focus areas for banks.

Long-term impact of the pandemic on banks



Increased **the creation of new digital business models and revenue streams** by a matter of months (up from 52 percent in August 2020).



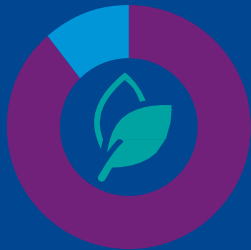
Believe **customer engagement** will be done predominantly via **virtual platforms**.



Will build on the use of **digital collaboration** and **communications tools**.

Trust and reputation

Continued focus on environment and climate risk



88%
Of bank CEOs are looking to lock in the **sustainability** and **climate** change gains made during the crisis.

Heightened focus on "S" component of ESG



Bank leaders are shifting their focus to the **social** component of their ESG program up from August 2020.

Top DEI and workforce agenda issues for bank CEOs



62%
Of bank leaders believe progress has moved **too slowly** on **diversity and inclusion**.



85%
Agree there is still much to do to build **gender diversity** on boards.



63%
will be increasing HR resources to **managing employee well being** and **mental health**

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