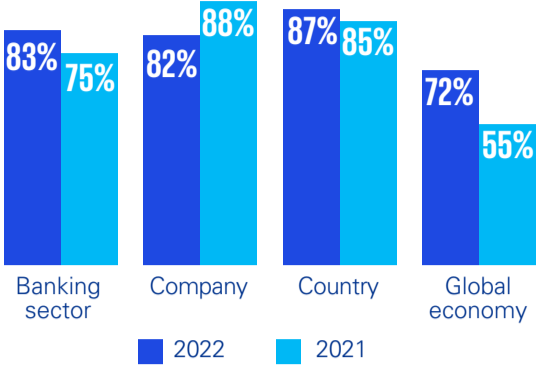


2022 Banking CEO Outlook

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

2022	2021
1 Interest rate	1 Cyber security
2 Reputational/brand risk	2 Tax risk
3 Regulatory risk	3 Regulatory risk
4 Emerging/disruptive tech	4 Reputational/brand risk
5 Internal unethical culture risk	5 Interest rates

Interest rate risk has moved into the top spot this year followed by **reputational/brand risk**. **Cyber security** and **tax risk** both witnessed a significant decline.

Rising M&A appetite

55% of banking CEOs have a **high M&A appetite** and will likely undertake acquisitions that have a significant impact on their organization

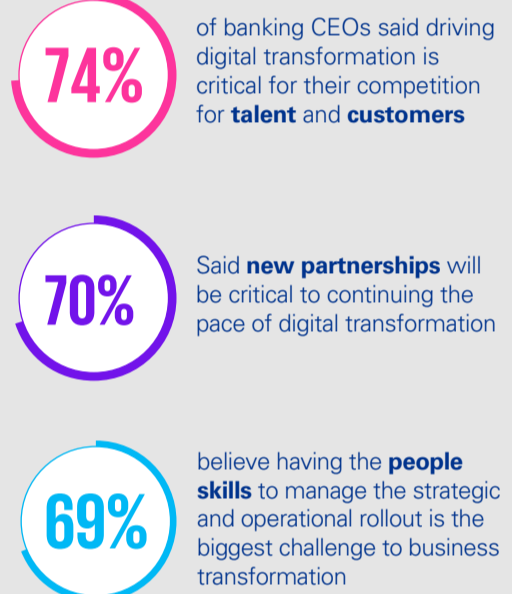
30% have a **moderate M&A appetite** and will make acquisitions but with a moderate impact on their overall organization

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



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



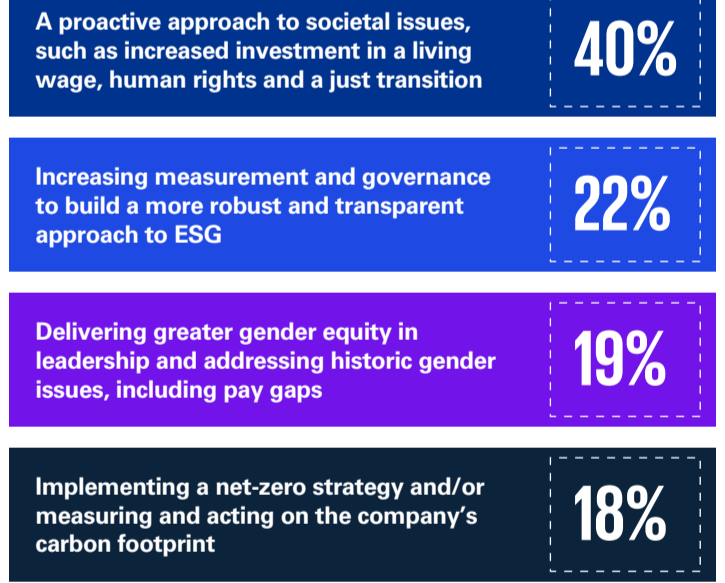
77% view **'information security'** as a strategic function for competitive advantage

Accelerating ESG's impact

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



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**.

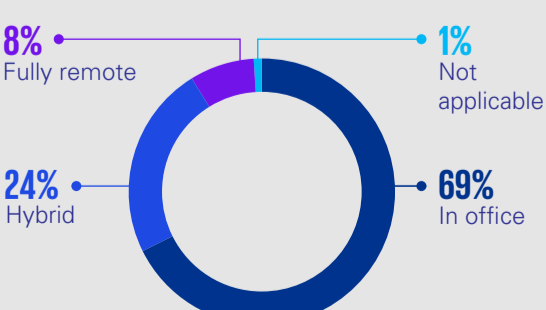


The gap between **digital transformation** and **investing in their workforce** is narrowing.



Future working environment

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



However, **69%** of banking CEOs envision their employees back in the office in 3 years' time

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