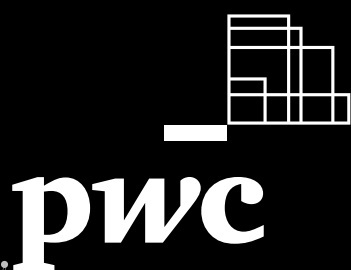




Banking redefined

PwC Cyprus has a dedicated team of banking experts that comprises 20 Partners and Directors, alongside more than 100 client facing professionals, committed in delivering quality services to our clients. Our local professionals at PwC Cyprus operate within a tightly-knitted international network of industry experts, combining in-depth local knowledge with international expertise and insights. PwC Cyprus can help you respond efficiently and effectively to the challenges stemming from this rapidly evolving landscape, turning them into opportunities across all key areas of your business.





The high-interest rate environment has emerged as a key driver of profitability for banking institutions in Cyprus, largely due to the sector's surplus liquidity. However, the uncertainty over the macroeconomic outlook in Europe, coupled up with the recent geopolitical shocks in the area, require banking institutions to remain vigilant and prudent, whilst regularly assessing the implications that such events could potentially have on their business, operations and risk profile.



The sector is shifting its focus from short-term gains to embrace long-term / responsible investments. Mergers and acquisitions (M&A) can drive economies of scale within the banking sector, offering opportunities for banks to enhance cost efficiency, invest in large-scale transformational initiatives, and diversify their product offerings and revenue streams.



With digital transformation becoming a priority for banking institutions, it is crucial for banks to implement regulatory requirements and have robust safeguards in place to mitigate potential risks stemming from these new business practices and technologies, ensuring that these do not undermine operational resilience.



The rise of fintechs and big tech companies in financial services is pushing traditional credit institutions to innovate, either by developing proprietary digital solutions or partnering with technology firms. The use of artificial intelligence and big data is a one-way journey for banks to remain competitive and meet the ever-evolving expectations of their customers.



Regulatory developments over the past years have been both dynamic and continuous, with current priorities emphasising the need for banks to strengthen their ability to withstand external shocks, tackle risks arising from the use of new technologies, as well as the need to address material shortcomings in climate and environmental risks and risk data aggregation and reporting.



The need to turn sustainability ambition into action has never been more urgent for banking institutions. From meeting net zero targets to complying with demanding ESG / sustainability requirements, ESG issues are driving banking institutions to rethink their operating models and strategy to remain compliant and unlock new opportunities for themselves and their clients.

redefined

What are your thoughts?
We are ready to listen.



In a demanding and challenging environment, PwC Cyprus has a dedicated team of banking professionals who operate within an international network of industry experts ready to deliver local knowledge with global expertise. We help our clients turn challenges into opportunities **by delivering quality in assurance, advisory, tax and legal services.**



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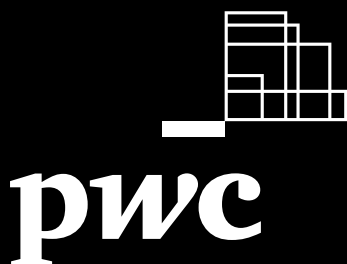
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