



SWIFT

Multi-bank services for Corporates and Banks

October 2018

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About SWIFT

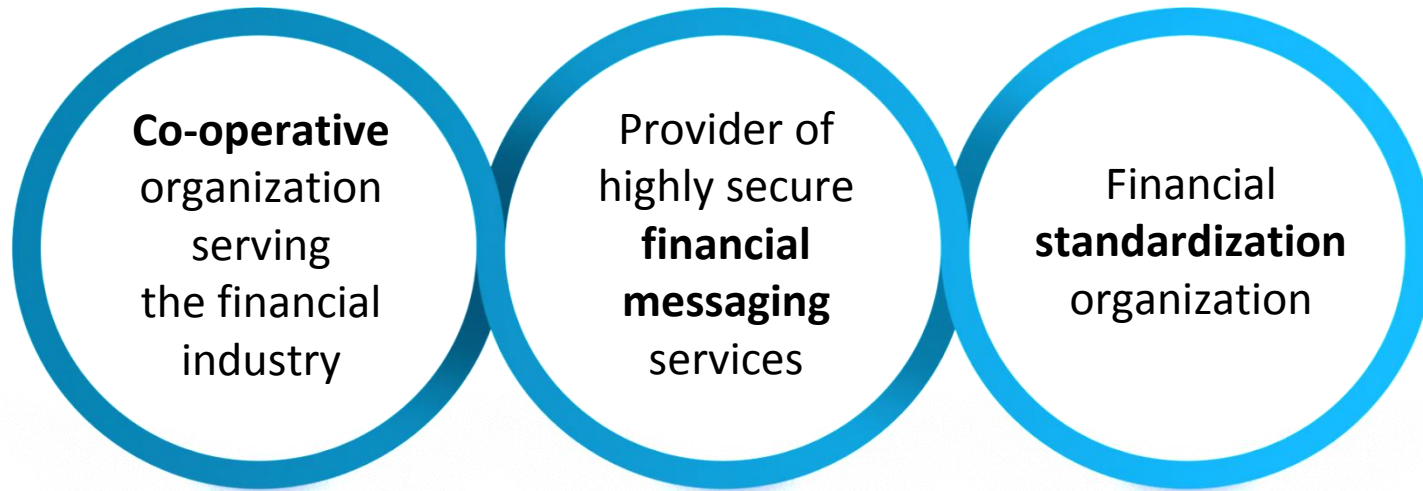


About SWIFT – We are not...



Confidential & Proprietary

What we are – SWIFT is an Industry owned, not-for-profit, financial services utility



Current status Corporates segment – Q1 2018

In Figures

A growing community since first inception in 1999

1,895

Corporate BICs on
SWIFT network

100,000+

Corporate **Legal
Entities** served*

48%

Global Fortune 500
companies on SWIFT

40%

Less than **USD 1**
billion turnover

28%

Less than **USD 0.5**
billion turnover

Q1 2018 highlights

59

Corporates joined
SWIFT in **Q1 2018**

62%

Of corporates that joined in
2018 went for SWIFT
Cloud

906

Corporates used **ISO 20022**
formatted messages

19

Of Top25 SCORE
banks support **3SKey**



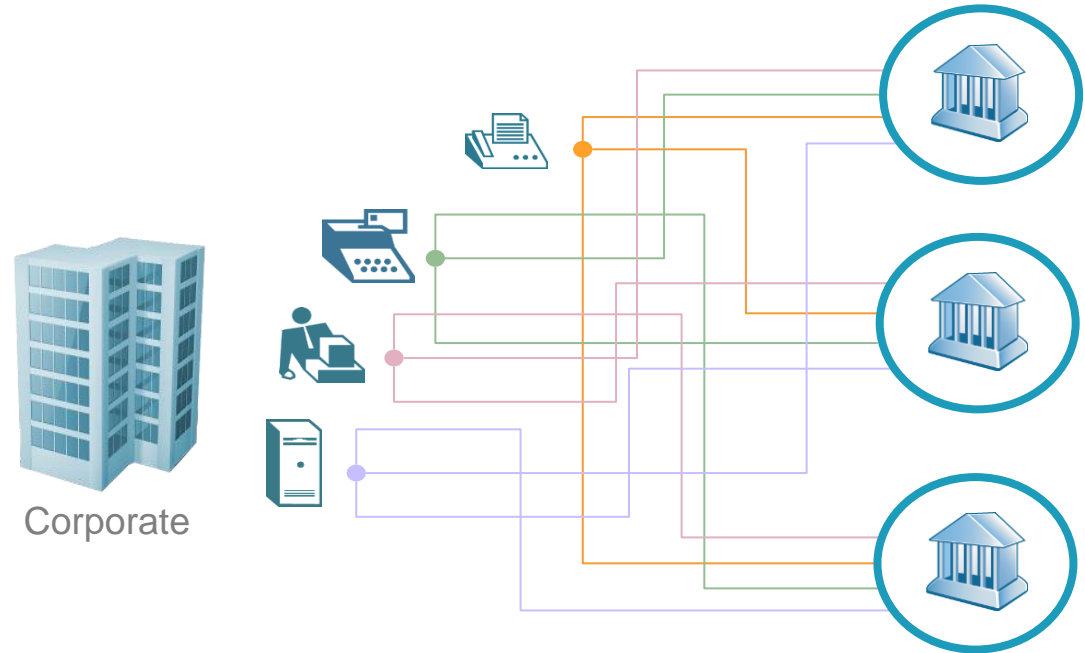
Corporate Use Cases



What are your pain points? Why join SWIFT now?

Challenges

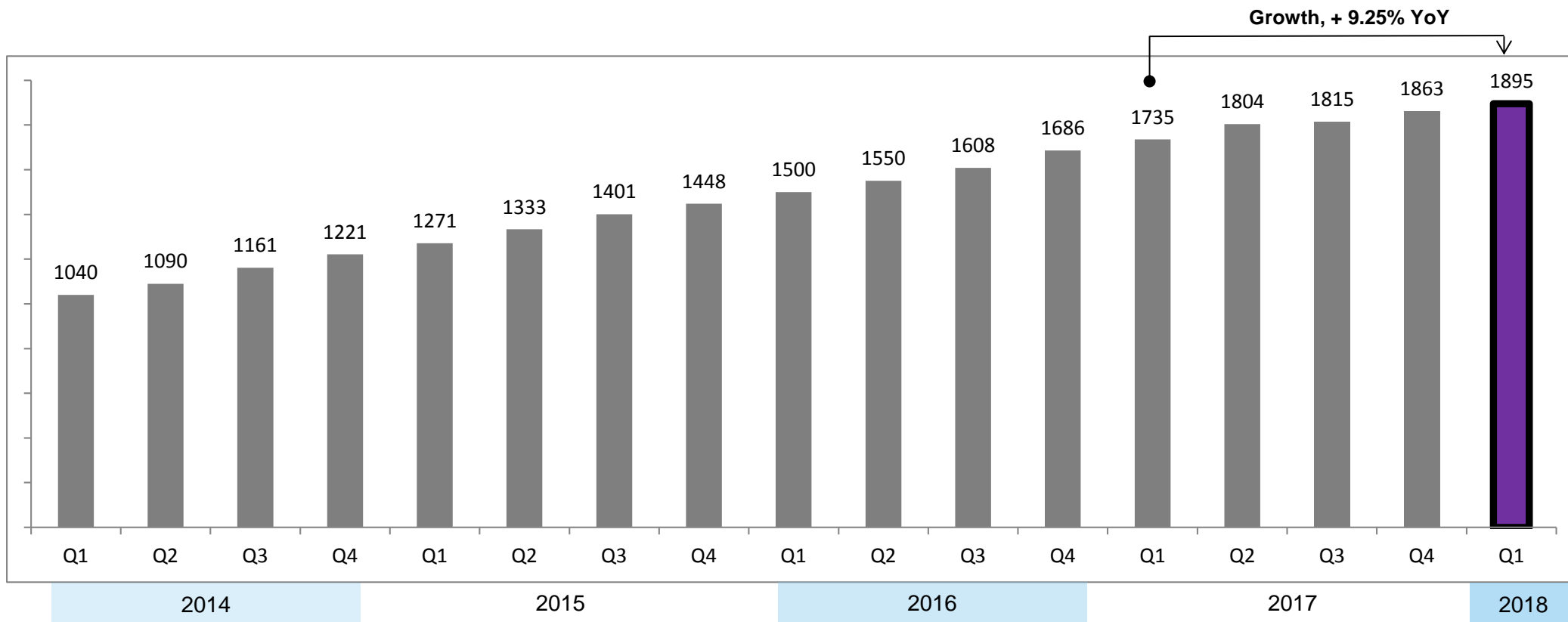
- Multitude of connections, systems to utilize, maintain, audit, control
- Lack of centralized visibility to global cash positions
- Lack of straight-through processing on payments
- Inefficient and error-prone manual processes
- Systems / data security and resiliency concerns



Corporate connectivity

Per quarter

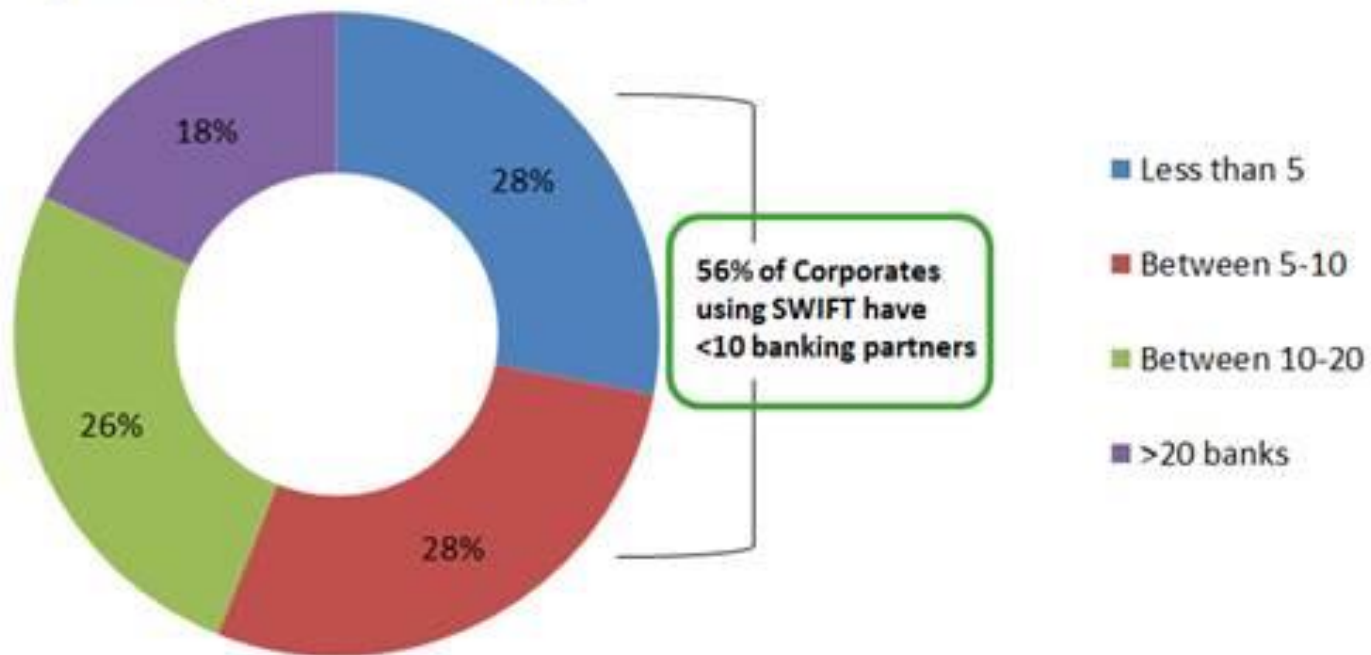
Number of Corporates joining SWIFT



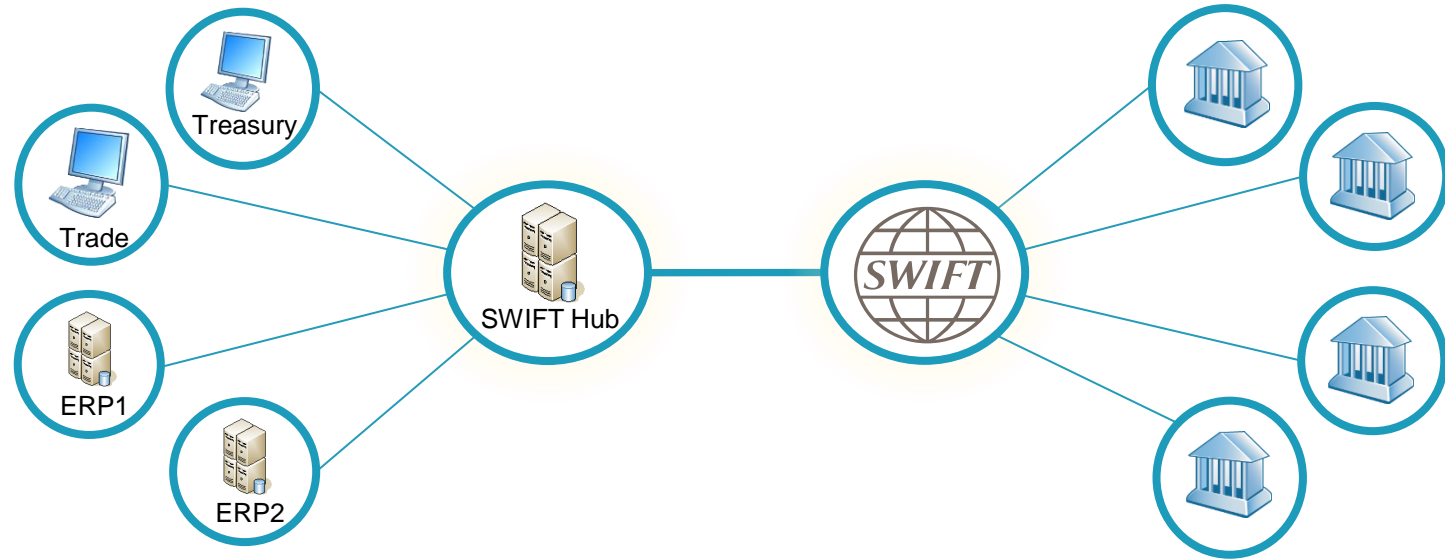
Corporate connectivity

Per number of banking partners

Corporates by number of banking partners



SWIFT Connectivity – a solution to your problem

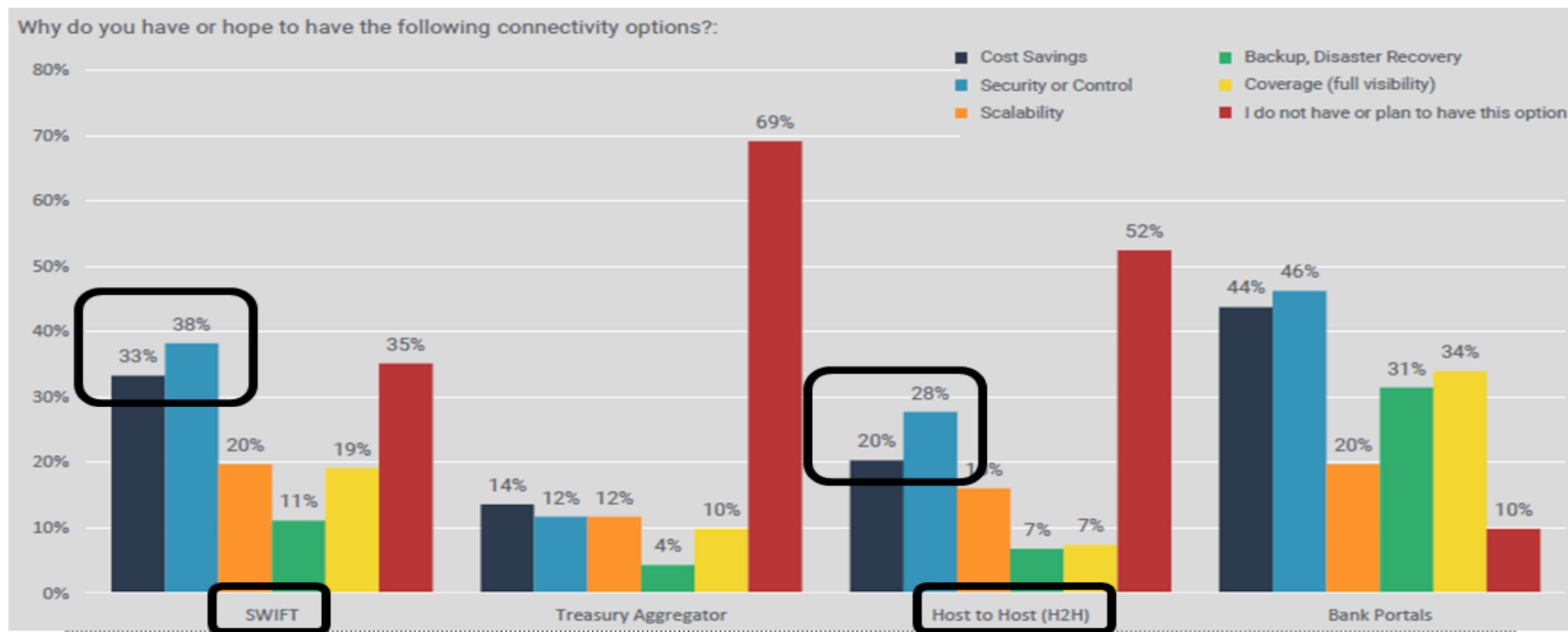


Benefits

- 1 connection facilitates all comm's with 9,000+ banks across 215 countries
- Leverage across Treasury, investment management, trade, and A/P
- Connect all back-office systems to a single hub for connectivity to all banks
- Reduce Internal application projects with format- agnostic solution (integration module)
- Highest degree of security and resiliency in global financial communications



SWIFT Connectivity – a solution for cost savings and security



Source: Strategic Treasurer's 2016 Global Payments Survey



SWIFT for Treasury

- ✓ Automated
- ✓ Global cash visibility
- ✓ Straight-through-processing

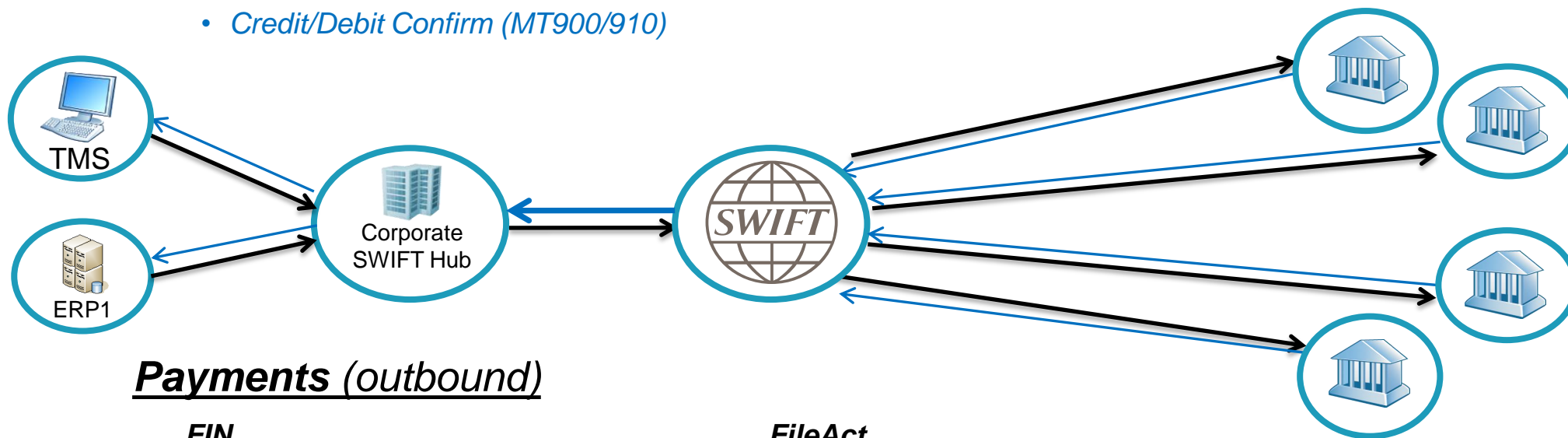
Cash Balance Reporting (inbound)

FIN

- End-of-Day Statement (MT940)
- Intra-day Statement (MT942)
- Credit/Debit Confirm (MT900/910)

FileAct

- ISO20022 / XML (camt)
- Any format (BAI2, CSV, etc.)



Payments (outbound)

FIN

- Credit Instruction (MT101)
- Typically high value wire

FileAct

- ISO20022 / XML (pain)
- Any format (iDOC, CSV, etc.)
- Typically low value

Bank Connectivity: Where are we Currently

Connect on StrategicTreasurer.com   

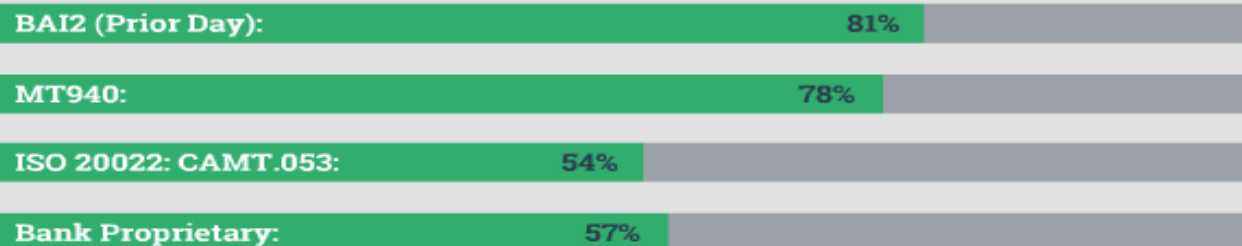
Messaging Format Use

- The formats available today for payment generation and information reporting vary considerably.
- Common formats include SWIFT MT and ISO 20022 (XML) standards, as well as EDI/BAI and other bank proprietary formats.
- Maintaining compatibility with each of these format classes is often necessary to ensure that each business partner and bank can receive payment files.
- Given the broad range of formats in use, complications arising from format translation and conversion are common problems to encounter.

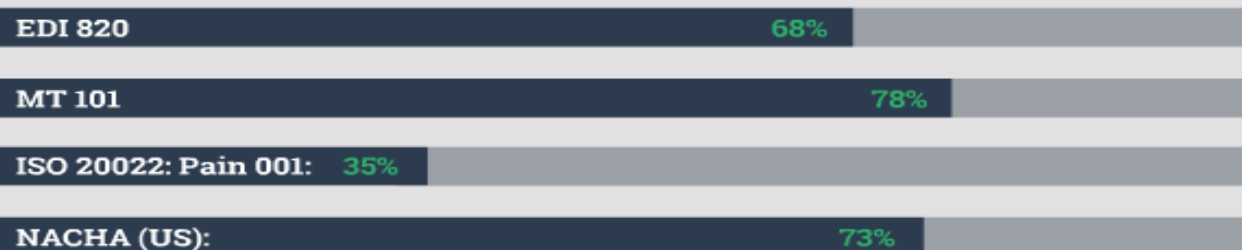
Bank Format Offerings & Support: Information Reporting & Pmt. Generation



Information Reporting



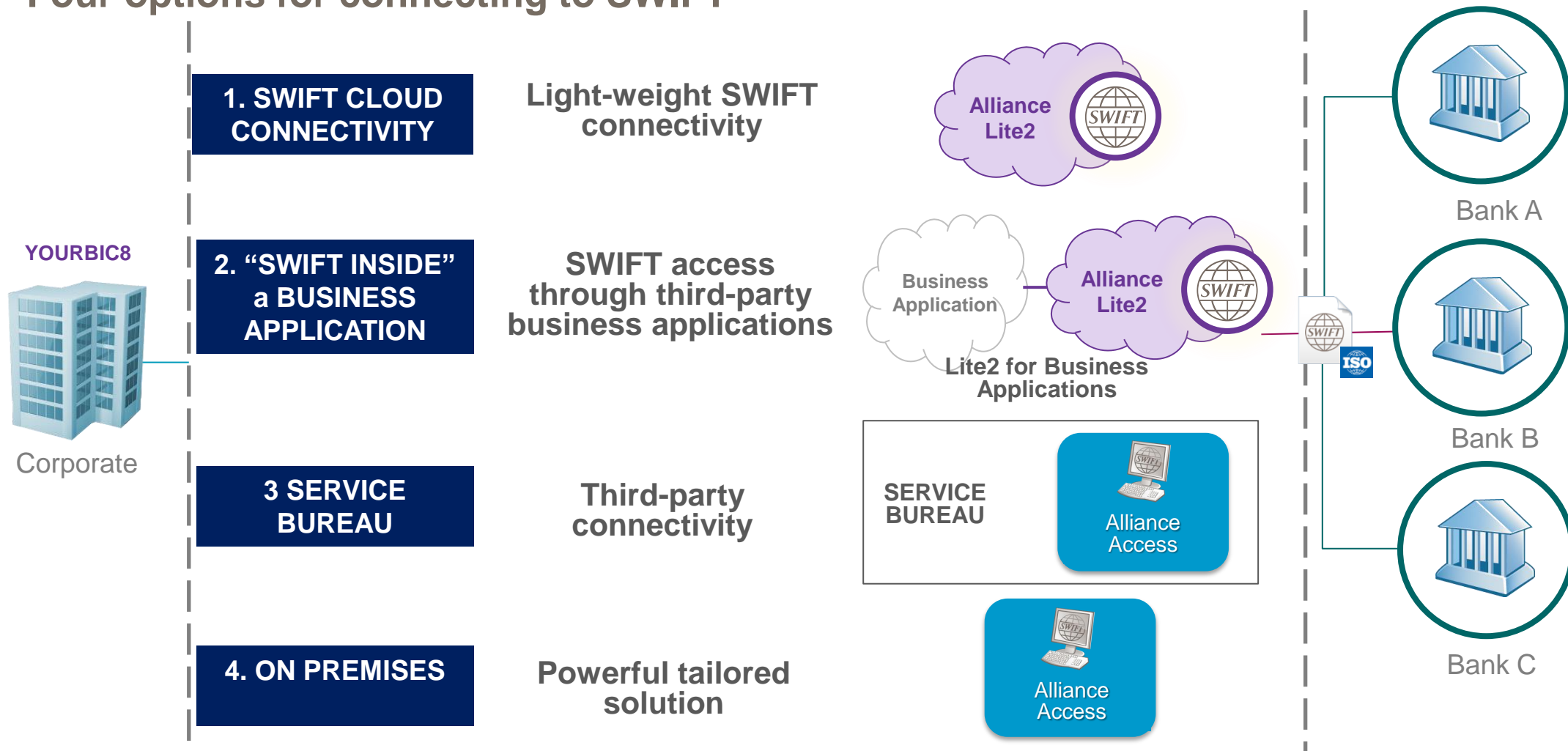
Payment Generation



2016 Strategic Treasurer & Fides Global Payments Survey



Four options for connecting to SWIFT



Secure Financial Connectivity – Messages for Corporate Treasury

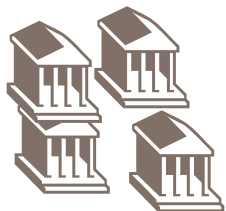
Portfolio of Industry Standards supporting your various business flows*

Business area	Description	SWIFT solution
Payments	High-value & bulk payments	MT 101 ISO 20022 pain
Cash Management	Intraday and end-of-day statements	MT 9xx, MT 210 ISO 20022 camt
Foreign exchange	Deal confirmations	MT 3xx
Multi Asset Class Matching	FX/MM, Derivatives, Commodities, Securities	Matching on Accord & Affirmations MT 3xx, MT 5xx, MT 6xx
Trade Finance	Letters of Credit, Demand Guarantees	MT 798 ISO 20022 tsrv
Supply Chain Finance	<ul style="list-style-type: none"> ▪ BPO based services (risk mitigation, pre/post-shipment financing, faster payment) ▪ Approved payables financing (proprietary) 	ISO 20022 tsmt on Trade Services Utility All file formats
Regulatory requirements	Trade reporting, clearing and collateral management (EMIR/Dodd-Frank)	MT 300 All file formats
eStatements	Electronic end-of-period statements	All file formats e.g. PDF
eBAM	Account (opening, closing) and mandate management (signatories, user entitlements)	ISO 20022 acmt All file formats e.g. PDF, ...



Reference Data

Financial institutions



Standard Settlement Instructions, IBAN and SEPA data



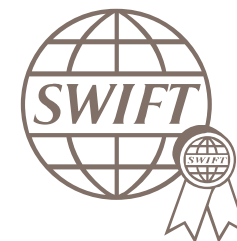
National Bank Sort codes

CNAPS-codes, IFSC-codes, CHIPS codes,

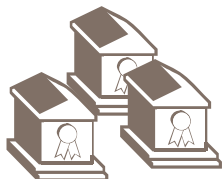


Central banks, Banking associations

IBAN format (ISO13616)
BIC (ISO9362)
LEI (ISO17442)



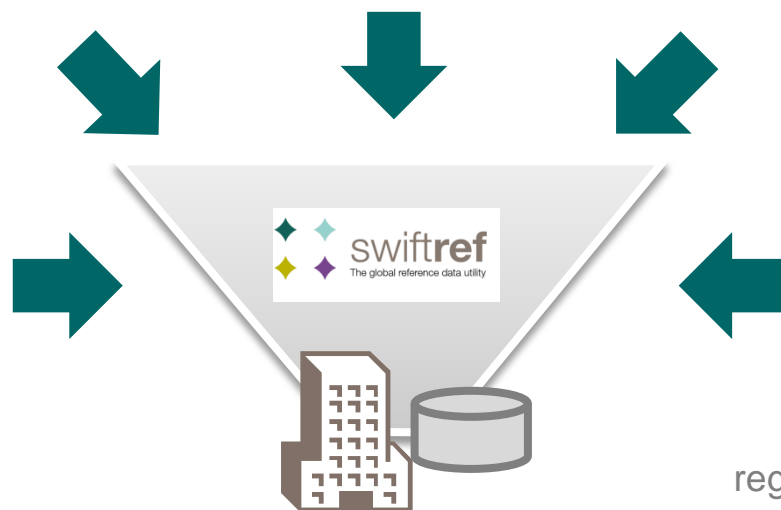
Local Operating Units



Legal Entity Identifiers (LEI)

Financial information providers

Credit ratings, annual reports, regulation & sanctions data



All the reference data corporates need
Worldwide, Accurate, Up-to-date, Any time and
from a Single source



Reference Data (does not require SWIFT connectivity)



Corporate Pack One

- Bankers World Online
- IBAN Plus

Corporate Pack Two

- Bankers World Online
- IBAN Plus
- Bank Directory Plus
- Bank Directory for SAP™

Corporate Pack Three

- Bankers World Online
- IBAN Plus and SEPA Plus
- Bank Directory Plus
- Bank Directory for SAP™
- SSI Plus

Bank Directory (BD+):

- Names and addresses
- BIC codes (200+ countries)
- National IDs (incl. ABA)
- CHIPS, TARGET and EBA data
- Payment systems routing data
- Country, currency and holiday data
- Hierarchy information
- Local language
- BIC to LEI mapping

IBAN Plus Directory (IBAN+):

- IBAN structure details by country
- IBAN validation / BIC from IBAN
- National codes for IBANs

Standing Settlement Instructions (SSI+):

- Correspondent bank by currency



SWIFT 2020



Innovation

- GPI

Regulation

- Financial Crime Compliance

Cyber Security

- Customer Security Program

Spotlight on cross-border payment challenges



Martin Schlageter
Head of Treasury Operations
Roche

Speed

“Critical business requires faster payment execution”



Peter Claus-Landi
Director banking initiatives
General Electric

Transparency

“Many times we don’t have visibility on the fees lifted along the way”



Brooke Tilton
Vice President, Treasury Operations
Viacom

Tracking

“I’m not able to tell when the money hits the beneficiary’s bank account”



Michel Verholen
Director, Global Treasury Center
Zoetis

Remittance information

“We miss information regarding the invoice and the payer for timely reconciliation”

Enhancing customer experience by delivering a new standard in cross-border payments

“Yesterday” | Traditional correspondent banking

Slow, can take multiple days

No transparency on costs

No transparency on time

No confirmation of credit

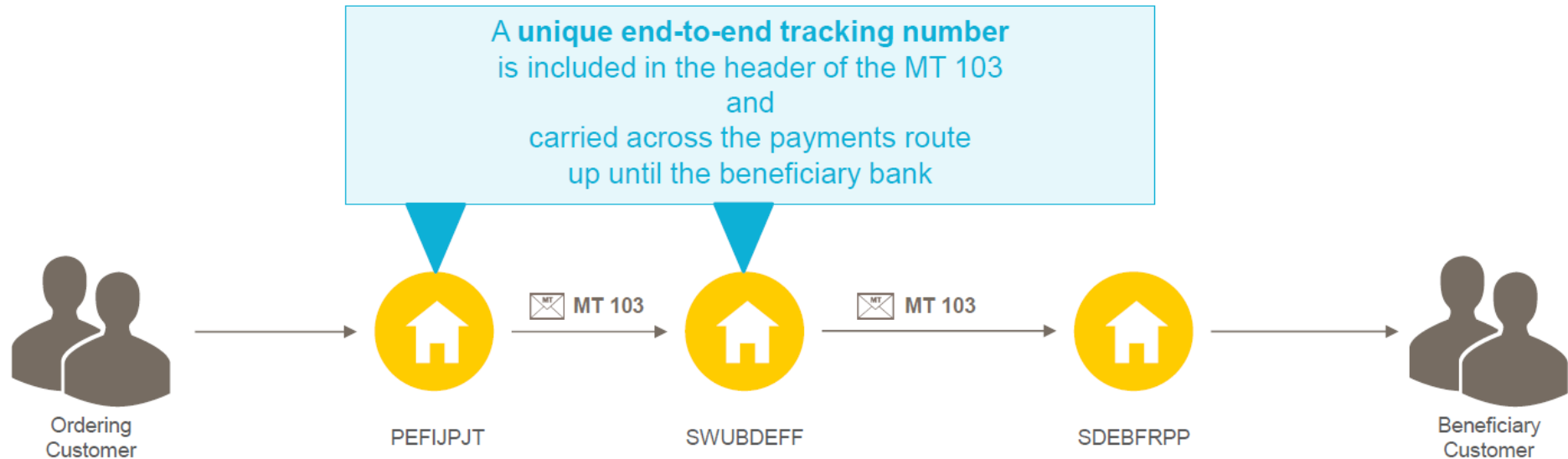


“Today” | SWIFT global payments innovation (gpi)

- Faster, same day* use of funds
- Transparency of fees
- End-to-end payments tracking
- Remittance information transferred unaltered

(*) within the timezone of the receiving gpi member

Introduction of a unique end-to-end tracking number



Key features: The SWIFT gpi Tracker

Function

End-to-end payments tracking database to monitor progress of a gpi payment

Benefits

Allowing to track a payment's path in real time, obtain transparency on deducts and confirmation that payment was credited

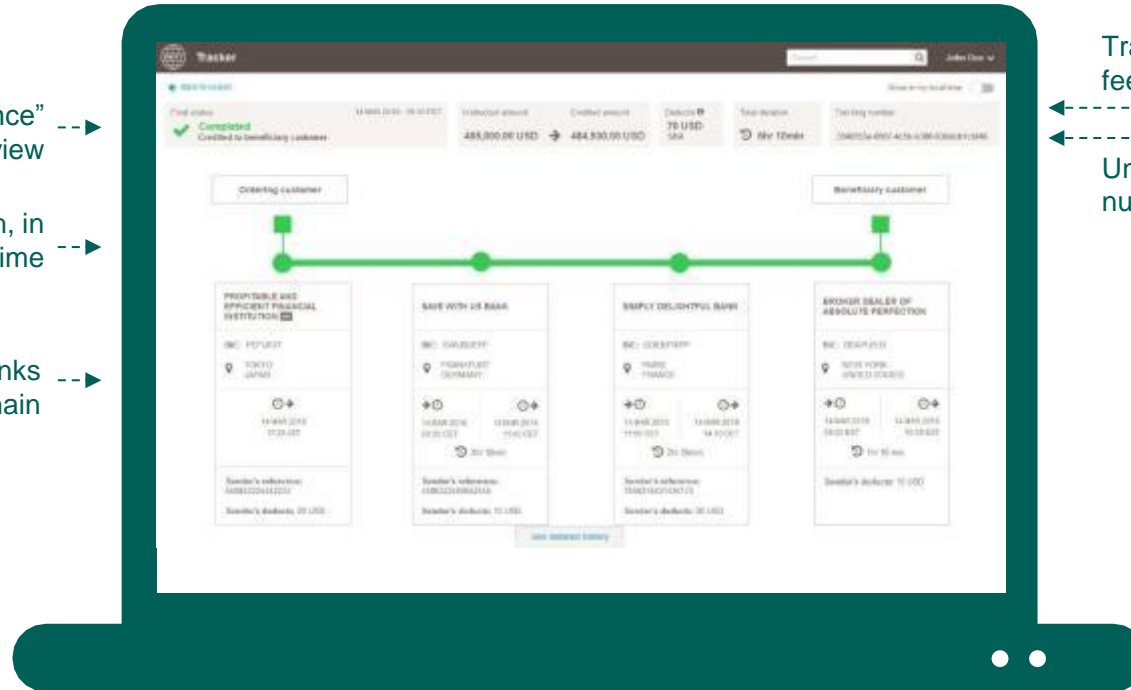
Availability

MT 199 / API: Today

"One-glance" status overview -->

Track path, in real time -->

Details of banks along the chain -->



Transparency of total fees and time

Unique, end-end tracking number

- Central payments database, hosted at SWIFT
- Updated via MT199 or API
- Data consumption via GUI, via MT199 (push) or via API (pull)

Unparalleled growth in adoption, traffic and corridors

Very large community

230+

banks committed to implement,
49 top 50 banks signed

200+

countries covered

80+%

SWIFT cross-border payments
represented

Millions live payments

73

banks live
35 top 50 banks

700+

country corridors

80+ Mio

payments sent as gpi since go
live 500K payments/day

30+%

cross-border MT103
sent as gpi

Delivering real value

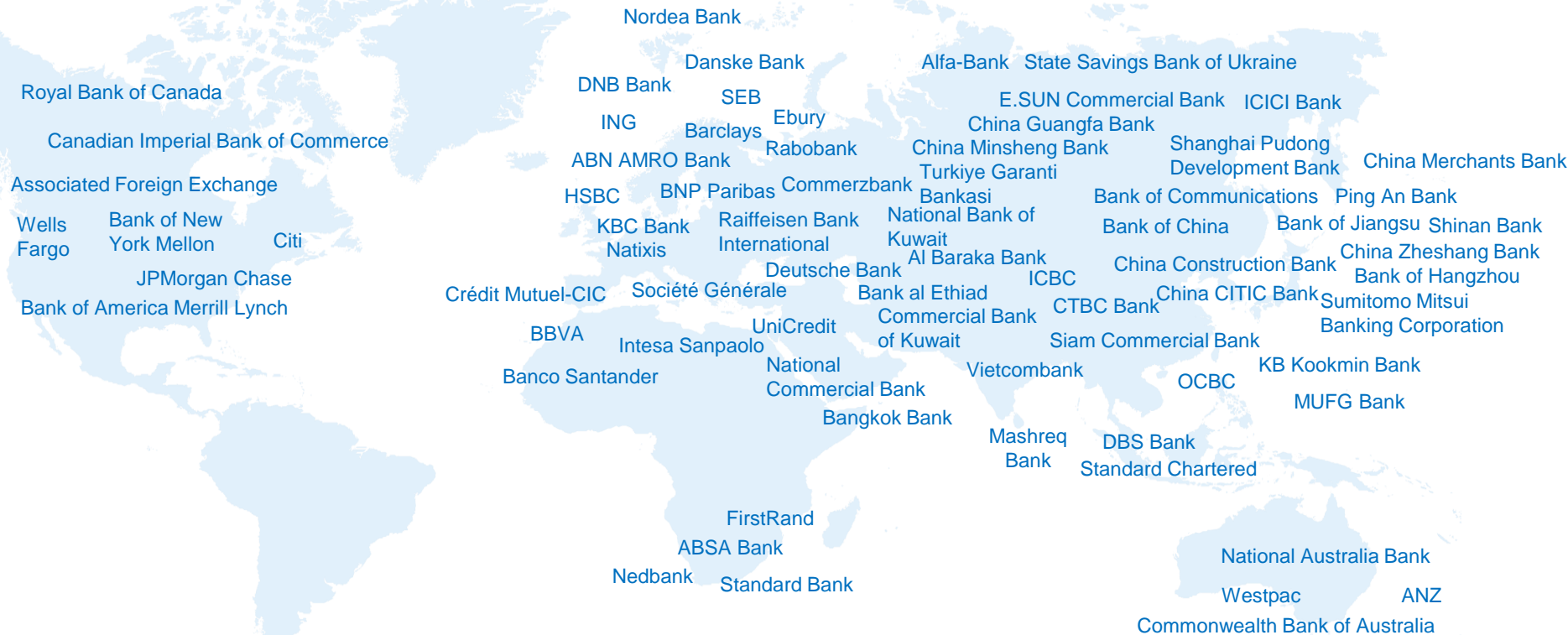
- Over 50% of SWIFT gpi payments are credited to end beneficiaries within 30 minutes
- More than 100 billion USD are being sent daily via gpi
- Save costs with quicker investigations handling and a significantly reduced number of enquiries
- Positive reactions from corporates



73 banks are live, with more than 140 banks in the implementation phase

73

gpi banks live



World map showing the global distribution of 73 live GPI banks. The map is light blue with bank names labeled in blue text across various continents.

North America: Royal Bank of Canada, Canadian Imperial Bank of Commerce, Associated Foreign Exchange, Wells Fargo, Bank of New York Mellon, Citi, JPMorgan Chase, Bank of America Merrill Lynch.

Europe: Nordea Bank, Danske Bank, DNB Bank, ING, ABN AMRO Bank, HSBC, BNP Paribas, Commerzbank, KBC Bank, Natixis, Raiffeisen Bank International, Société Générale, Crédit Mutuel-CIC, BBVA, Intesa Sanpaolo, Banco Santander, UniCredit, National Commercial Bank, Bangkok Bank, FirstRand, ABSA Bank, Nedbank, Standard Bank.

Asia: Alfa-Bank, State Savings Bank of Ukraine, E.SUN Commercial Bank, ICICI Bank, China Guangfa Bank, Shanghai Pudong Development Bank, China Merchants Bank, China Minsheng Bank, Turkiye Garanti, Bank of Communications, Ping An Bank, Bank of China, Bank of Jiangsu, Shinan Bank, China Zheshang Bank, Bank of Hangzhou, China CITIC Bank, Sumitomo Mitsui Banking Corporation, CTBC Bank, Siam Commercial Bank, Vietcombank, Mashreq Bank, DBS Bank, Standard Chartered, MUFG Bank, KB Kookmin Bank, OCBC.

Africa: FirstRand, ABSA Bank, Nedbank, Standard Bank.

Australia: National Australia Bank, Westpac, ANZ, Commonwealth Bank of Australia.



SWIFT Financial Crime Compliance Portfolio

KYC

One global source for finding and managing KYC information for correspondent banking

Sanctions

Hosted solutions for cost-effective compliance with sanctions regulations including a level of quality assurance

Analytics and AML

Enhanced understanding & management of financial crime-related risk



Name Screening (NSS)

What is it? A hosted, flexible filter suite, expert list management and ongoing quality assurance, with all the simplicity of using a search engine.

Benefits

- ☐ Full audit trail and advanced alert management
- ☐ Automated batch screening of entire databases
- ☐ Fast online lookup tool
- ☐ Centrally hosted lists managed by SWIFT
- ☐ User-defined screening configurations and advanced customization
- ☐ Secure, SWIFT-hosted online application

Introducing...

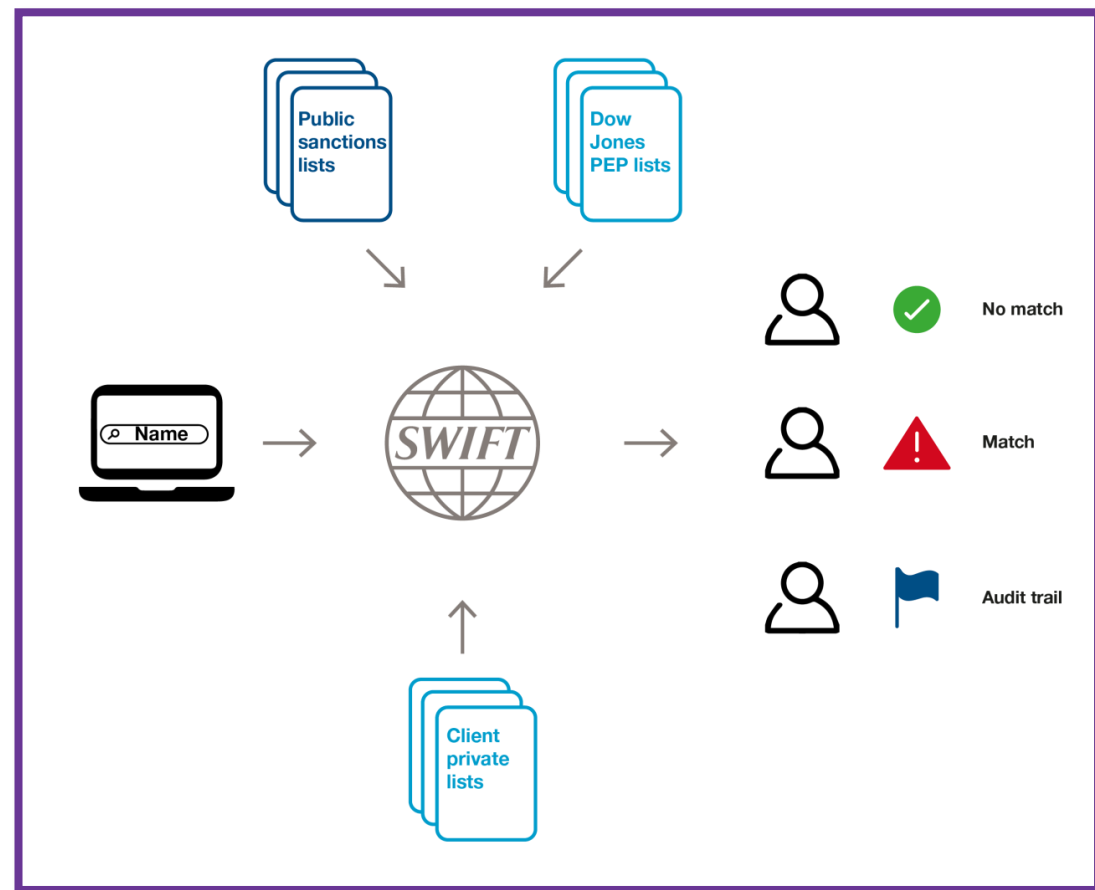
SWIFT's Name Screening Service

Single name & Batch Screening

- Simply screen databases of **individuals & companies**
- Built-in Workflow, Audit

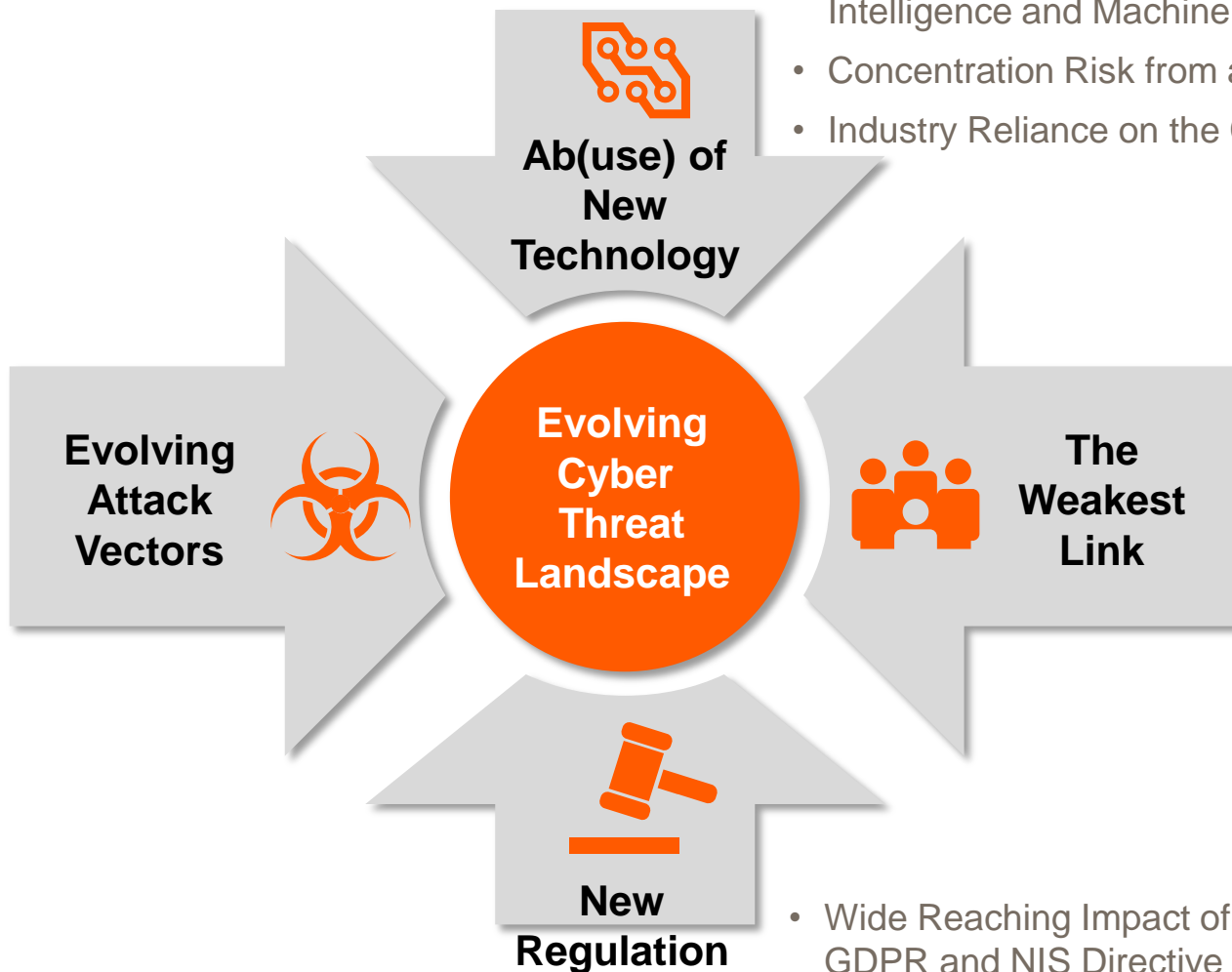
Understand The Risk:
Sanctions
Sanctions Ownership Research
Politically Exposed Persons
Relatives & Close Associates

In partnership with:



CSP | Cyber attacks are evolving

- Intense DDoS Attacks
- Rise in Ransomware
- Evolving Zero-Day (APTs) Advanced Persistent Threats
- Advanced Undetectable Malware
- Larger Data Breaches
- Targeting of Critical Infrastructure



Attestation

Last attestation: 2017

Important for 2018

- ☒ Re-attestation must be completed by 12/31/18.
- ☒ No changes to the security controls.
- ☒ SWIFT non-attested institutions list will be disclosed to regulators and counterparties.

Consumption

- ☒ Set up granter and requester roles.
- ☒ See your counterparties' attestations.

SWIFT Infrastructure Security Review courses are now available.

