



SWIFT launches DLT e-Voting PoC

- Cooperative joins forces with industry to test DLT-based e-Voting solution
- Singapore takes lead in Proof of Concept

Brussels, 6 March 2019

SWIFT today announces a proof-of-concept (PoC) on e-Voting, using distributed ledger technology (DLT). SWIFT will jointly conduct the PoC in the Asia Pacific region, with leading securities software provider SLIB and the Singapore Exchange (SGX), along with Deutsche Bank, DBS, HSBC and Standard Chartered Bank.

The PoC will explore whether DLT can help simplify the currently inefficient management of shareholder meetings and the associated voting processes that are often time-consuming and resource intensive. Proxy voting in particular often results in avoidable complexity and errors that could be eliminated through greater transparency and automation.

SWIFT will facilitate the PoC in its DLT sandbox testing environment with Deutsche Bank, HSBC and Standard Chartered Bank joining as participants, while DBS and SGX join as both participants and issuers. The participants will reuse the SWIFT network and their existing SWIFT infrastructure and interfaces to access, test and validate the applicability of DLT.

The PoC, which will run during the first half of 2019, is designed to:

- Test the deployment of a voting solution in collaboration with issuers and a Central Securities Depository (CSD), where the information is stored and managed on a permissioned private blockchain.
- Demonstrate the viability of hybrid solutions based on ISO 20022, combining messaging and DLT to foster interoperability and avoid market fragmentation.
- Test SWIFT's capacity to host third-party applications in its sandbox and reuse its security and interface stack.
- Confirm the use of ISO 20022 as the foundation for standardising for Application Programming Interfaces (APIs) that expose DLT node contents to parties with direct access to the ledger.

Lisa O'Connor, Managing Director, Securities, Treasury & Standards, Asia Pacific at SWIFT said, "The expression of shareholders' rights is often limited today by non-transparent, complex and inefficient paper-based processes. The emergence of blockchain technology is a new opportunity to look at improving these processes. It is also an opportunity for SWIFT to offer flexibility in the adoption of this new technology through the re-use of ISO 20022 based solutions together with a high level of security and resilience that our industry requires."

Nico Torchetti, Head of Market Services, Equities & Fixed Income, at SGX said, "SGX is constantly exploring innovative solutions to help digitise processes and enhance efficiency across the value chain. Together with SWIFT and SLIB, we hope to harness fintech to effect improvements in processes such as proxy voting, which would benefit many participants in our marketplace."

Philippe Juanola, Vice General Manager, at SLIB said, "Leveraging the findings from the initial SWIFT-SLIB innovative e-Voting solution developed on blockchain technology, we look forward to working with our fellow participants to further this capability and test the interoperability of the solution in the Asia Pacific region".

PoC bank quotes:

Tony Lewis, Head of Securities Services, HSBC, said: "Shareholder voice in corporate decision-making is stifled by the existing paper-based voting process. Technology is the solution to enhancing

shareholder say. e-Voting using DLT has the potential to create greater efficiencies, transparency and participation. Through collaboration amongst key market players, the PoC has a real opportunity to revolutionise security services in Singapore. As the world's most innovative investment bank, we are delighted to be contributing to another project building on the Republic's position as a global fintech hub."

Jeslyn Tan, Global Head of Product Management, Securities Services at Deutsche Bank, said: "We believe that DLT-based solutions have great potential for the securities services industry and we are proud to be collaborating with SWIFT, SLIB, SGX and key market participants on this first-of-its-kind project in Singapore. Sharing best practices and working closely with market participants will allow us to create a more efficient ecosystem, which will benefit banking clients."

Soh Ee Fong, Group Head, Securities and Fiduciary Services, DBS, said: "An innovative and seamless e-Voting platform in this industry is long overdue and DBS is pleased to join SWIFT in the PoC as both issuer and participant. With this solution, shareholder meetings will not be the same again. As the world's best digital bank, DBS is proud to contribute our digital experience to help bring forward this initiative."

Jyi-chen Chueh, Executive Director and Head, Custody Services, Standard Chartered Bank, said: "Standard Chartered Bank is excited to contribute to the PoC and help improve proxy voting transparency and efficiency through innovation. Proxy voting remains today an untapped area for asset servicing automation, with many paper-based processes. Enhancing market best practices through industry collaboration sits at the very core of our DNA at Standard Chartered. The co-design of an e-Voting market utility which combines blockchain technology with ISO standards could pave the way for game-changing benefits for both the investor and issuer communities."

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About SWIFT

SWIFT is a global member owned cooperative and the world's leading provider of secure financial messaging services. We provide our community with a platform for messaging and standards for communicating, and we offer products and services to facilitate access and integration, identification, analysis and regulatory compliance.

Our messaging platform, products and services connect more than 11,000 banking and securities organisations, market infrastructures and corporate customers in more than 200 countries and territories. While SWIFT does not hold funds or manage accounts on behalf of customers, we enable our global community of users to communicate securely, exchanging standardised financial messages in a reliable way, thereby supporting global and local financial flows, as well as trade and commerce all around the world.

As their trusted provider, we relentlessly pursue operational excellence; we support our community in addressing cyber threats; and we continually seek ways to lower costs, reduce risks and eliminate operational inefficiencies. Our products and services support our community's access and integration, business intelligence, reference data and financial crime compliance needs. SWIFT also brings the financial community together – at global, regional and local levels – to shape market practice, define standards and debate issues of mutual interest or concern. SWIFT's strategic five year plan, SWIFT2020, challenges SWIFT to continue investing in the security, reliability and growth of its core messaging platform, while making additional investments in existing services and delivering new and innovative solutions.

Headquartered in Belgium, SWIFT's international governance and oversight reinforces the neutral, global character of its cooperative structure. SWIFT's global office network ensures an active presence in all the major financial centres.

For more information, visit www.swift.com or follow us on [Twitter: @swiftcommunity](https://twitter.com/swiftcommunity) and [LinkedIn: SWIFT](https://www.linkedin.com/company/swift).

About SLIB

SLIB is both a software publisher and an application services provider. For more than 30 years, SLIB has been a partner of the securities industry in France and Europe, monitoring changes and supplying its customers with innovative software solutions to streamline their securities processing while managing inherent risk. SLIB provides solutions for order management, clearing, settlement, custody account keeping, risk and general meeting voting. SLIB has been providing voting solutions since 2010.

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