Global Webinar for Complementors
Swift Essentials

Presentation will begin at 12:03GMT
If you cannot hear us via WebEx / computer audio you may need to dial-in using a phone
Agenda

1. Admin notices
2. Introducing Swift Essentials
3. Swift Essentials Readiness
4. Q&A
Admin notices

- This presentation is being recorded
- The content will be published on swift.com (https://www.swift.com/standards/iso-20022/iso-20022-past-webinars)
- Global webinar for Complementors occur the last Thursday of every month and you can register 2 weeks before each event here: Global Webinar for Complementors
- To ensure you receive communications from us while we remain GDPR compliant please update your preferences here (you will need to login to / create your free Swift account) to include the interests ‘Payments’ and/or ‘Standards’ and we will ensure we keep you informed about:
  - Global webinar for Complementors Invitations
  - Relevant developments on ISO 20022 and Transaction Management
  - Updates from Swift’s Market Practice team
  - The latest info on adoption enabling tools and support
- Support requests / queries should be raised via the Support page
Introducing Swift Essentials

Swift

Q4 2023

Confidentiality: Restricted
At Swift, we make moving money across borders faster and easier.

We move the equivalent of the world’s GDP roughly every three days, and help the global financial industry meet the G20’s targets for improvements in speed, cost, choice and access in international payments.
In recent years, we have added advanced capabilities to our service offering in both payments and securities so that you can offer an instant, frictionless and secure end-to-end experience to your customers.

At the request of our community, we have significantly invested in infrastructure upgrades, new services and innovation to meet the evolving needs of the industry and to serve our customers better.

These value-added services have experienced strong momentum, improving end-to-end transaction processing and delivering a high-quality service standard that customers expect today.
What is Swift Essentials?

We are raising the bar for cross-border transactions yet again, with Swift Essentials. Swift Essentials brings together the leading solutions that we have developed with the community to improve end-to-end transaction processing.

We will be introducing it on 1 January 2024, as a mandatory standard offering for the Swift community. You’ll receive one invoice every year, which gives you an entitlement to use all the Swift services included.
Benefits of Swift Essentials

- **Elevates your end-customer experience**
  - Improves end-to-end transaction processing, giving you the tools to deliver the high-quality service that your customers expect.

- **Raises the bar for the industry**
  - Sets a new standard for transaction services, uplifting the entire financial industry.

- **Simple and predictable**
  - One invoice at the start of each year, covering all the services included.
Swift Essentials sets a new standard for transaction services

**Swift Essentials**

- **Swift gpi**
- **Swift Go**
- **Pre-Validation**
- **Case Management**
- **SwiftRef**
- **Swift Securities View**
- **Payment Controls**
- **Transactions Screening (optional)**
- **KYC**

**Fast & Secure**
- Faster payments, increased fraud prevention and compliance
- Supports the G20 Target

**Frictionless**
Streamlines the end-to-end payments process

**Better end-Customer Experience**
Improves your end-customers’ experience through seamless transactions and faster issue resolution

**Reduce costs**
Greater efficiencies across the payments and securities lifecycles
Delivering value, efficiency and security throughout the transaction process

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<th>Payment Initiation</th>
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<th>Processing</th>
<th>→</th>
<th>Tracking</th>
<th>→</th>
<th>Settlement</th>
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<td>Pre-Validation</td>
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<td>&gt; 392M USD</td>
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<td>89% of transactions processed reach recipient banks within one hour (2)</td>
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Make the payment in a **secure** way via
- Customer due diligence
- Screen messages against up-to-date sanctions lists
- Advanced anomaly-detection capabilities

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<th>USD 10.6tn</th>
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<th>USD 10.6tn – estimated size of the Low Value Payments market (3) Accessible via Swift Go</th>
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|                    |   | USD 3bn
|                    |   | Potential saving by eliminating securities settlement fails (5) |

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(1) Total of rejected international payments with a unit cost of 50 USD to repair and cost due to Nacked messages
(2) Swift data
(3) McKinsey Global Payments report
(4) Total of international E&I messages (MT192/195/196 & MT292/295/296 &50% of MT199/299) with a unit cost of 50 USD
(5) Swift estimates

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**Note:**
Period scope: Jul 2022 – Jun 2023, Live and delivered transactions
Powered by Watch and Observer Analytics
Your invoice

- Swift Essentials begins on 1 January 2024
- You'll receive your first invoice in April 2024, giving you time to prepare
- Your invoice amount for 2025 will be sent in Q3 2024
- From 2025 onwards your invoice amount will be sent each January
- Each ‘Sold-to’ in a country will receive a single invoice
- Invoices will be calculated each year based on the average number of units billed you send

Your entitlement

- Explore the services you'll be able to access as part of your entitlement
- We'd be pleased to discuss the onboarding of services available to you
As a complementor what do I need to be aware of?

Who is in scope?

- Swift Essentials is a new mandatory model change for all in scope clients, that entitles them to leverage any of the component services.
  
  **Swift Essentials is mandatory for all non-Fixed Fee Financial Institutions, including:**
  
  ✓ Shareholder S.W.I.F.T. SCRL (MEMB)
  ✓ Non-Shareholding Member (MEWS)
  ✓ Submember S.W.I.F.T. SCRL (SUBM)
  ✓ Supervised Financial Institution (SUPE)
  ✓ Non-Supervised Active Fin. Industry (NOSU)
  ✓ Payment System Participant (PSPA)
  ✓ Securities System Participant (SSPA)

- Your clients are now entitled to use any of the component products and may reach out for support to leverage them (including API support via your applications)

- If you are an aggregator (i.e. a connectivity providers who consolidates the invoice for their clients) you need to be aware there is a new annual Swift Essentials invoice for each client.

- Make sure you understand if your institution is in scope of Swift Essentials, or if it is just your clients who are.

- How can I find more information:
  - Visit the Swift Knowledge Centre on Swift.com and search for the Swift Essentials Support Page
  - Watch the Swift Essentials Overview Video
Swift Essentials readiness
Swift Essentials readiness

- Swift gpi
- Swift Go
- Swift Securities View
- Case Management
- Pre-Validation
- SwiftRef
- KYC Registry
- Payment Controls
- Transactions Screening (optional)
Readiness journeys you already know…

For more readiness details familiarize with previous iterations of the Global Webinar for Third-Party Providers/Complementors.
If you have any questions, please contact your Account Manager or raise a case via the Support page.