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

Global Webinar for Complementors

May 2024
Complementors Team
Agenda

1. Admin notices
2. Confirmations compliance - Emma Saxton
3. HSM and Digital Tokens – Sudhindra Yapalparvi
4. Alliance Connect Virtual – Gaurav Sabharwal
5. Hackathon - Sophie Tre-Vett
6. 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](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](https://www.swift.com/standards/iso-20022/iso-20022-past-webinars)
- 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](https://www.swift.com) page
Confirmations compliance
In 2017, Swift GPI introduced multilateral service levels, with a common set of business rules and use cases to ensure that participant banks can provide their customers with an enhanced end-to-end user experience.

The GPI tracker provides more data for clients, traceability of payments, greater transparency and faster movement of money, leveraging existing technology and rails.

This is underpinned by the mandatory unique end-to-end tracking reference (UETR), which is used to match transaction and status information together, and the provision of status updates and confirmations by participating financial institutions.

Certainty and predictability

Faster, same day use of funds

End-to-end payments tracking and insights

Unaltered remittance information for reconciliation

Transparency, including for fees and FX

GPI and the introduction of tracking confirmations
Credit confirmations are vital to driving end-to-end insights and transparency
Universal Confirmations historical milestones
As end-to-end tracking became the norm, confirmations were mandated for all customer credit transfers

- Per Standards Release Universal Confirmations requirements, for every customer credit transfer received in-scope institutions need to send a confirmation status to the Tracker.
- Initially this meant that all MT 103 messages required a confirmation.
- Since the go-live of CBPR+ cross-border, this now also means that all pacs.008 messages (including multi-format) need to be confirmed.
- As the importance of end-to-end transparency and speed continues to increase, we will be working closely with the community to ensure that universal confirmation rates remain high and to improve them where possible.
Confirmation campaign focus
We are kicking-off a campaign to engage institutions not currently meeting the GPI and Universal Confirmations service level agreement targets for customer credit transfers

Swift GPI for customer credit transfers

- Customers with user category Supervised Financial Institutions (SUPE), which have opted to join GPI.
- Receiving MT 103 via FIN, pacs.008 via FINplus and PMI legs on Swift.
- GPI Creditor agents must provide credit confirmations / reject confirmations as per the use cases outlined in the Rulebook for Mandatory Services – GPI Customer Credit Transfer and GPI Cover Payments.
- Credit confirmations need to be sent within 4 hours of the credit entry on the creditor’s account and no later than the same day to the Tracker.
- Compliance is monitored at a BIC 8 level.

Universal Confirmations

- Mandatory for customers with user category Supervised Financial Institutions (SUPE) or Payment Systems Participants (PSPA) to comply with Universal Confirmations requirements.
- Receiving MT 103 via FIN, pacs.008 via FINplus and PMI legs on Swift.
- Creditor agents must provide credit confirmations / reject confirmations as per the use cases outlined in the Universal Confirmations rulebook.
- Confirmations need to be sent in less than two business days from the Interbank Settlement Date.
- Compliance is monitored at a BIC 8 level.
Where to find more information on Swift GPI
Shaping the future of faster, smarter, better transactions

Visit our dedicated Swift GPI support page for collateral, training, updates and other resources

Make sure you have updated your communication preferences, so you receive all the latest newsletters and webinar invites for Payments Challenges and Solutions

Swift GPI Support Page (swift.com)
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Where to find more information on Universal Confirmations
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Universal Confirmations Support Page (swift.com)
**Luna SA7 HSM Introduction**

**Hardware Security Modules (HSMs)** play a critical role in the Swift security architecture. They store customer’s PKI certificates used for authentication and signing of data sent and received over Swift.

**Why are we replacing the HSMs?**
Current HSM boxes must be refreshed to address **end-of-life in 2025**, contractual items and to ensure safe and continuous operations.

<table>
<thead>
<tr>
<th>Luna SA7</th>
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<tbody>
<tr>
<td>• Password-based authentication (PED no longer required)</td>
</tr>
<tr>
<td>• Simplified pricing model: Standard and Premium</td>
</tr>
<tr>
<td>• Increased capacity: Standard: 500 certs, Premium: 3000 certs</td>
</tr>
<tr>
<td>• Naming conventions change, but functionality remains</td>
</tr>
<tr>
<td>• Commercially available HSM</td>
</tr>
<tr>
<td>• Partition Accounts replace PED user keys</td>
</tr>
<tr>
<td>• 75% subsidy incentive</td>
</tr>
</tbody>
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The New Luna SA7 HSMs is GA

Upgrades to the connectivity products are mandatory to perform the migration

- Swift Net Link and Alliance Gateway 7.7 are available on RHEL and Windows operating systems since Q1 2024
- Swift Net Link and Alliance Gateway 7.7 will release for AIX operating system in Q3 2024

What this means:

- All customers will have nine months from the time the boxes ship to perform the migration
- Customers will be able to submit the entitlement order form on the date communicated and accept the 75% subsidy granted by Swift. Form will be available for up to 6 weeks.
- Project Navigator
**Digital Token**

Mobile Authentication and Digital Signing as alternative option to current physical token offering.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>1Q2025</td>
<td><strong>3SKey</strong> is a multi-bank and multi-network personal digital identity solution for corporate users to securely authenticate on-line applications and digitally sign financial messages and files.</td>
</tr>
</tbody>
</table>
| 2Q2025  | Swift Net Personal tokens  
Swift Net Personal Digital Keys for MV-SIPN U2A flows |

* Dates are tentative*
Alliance Connect Virtual

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A growing shift to the cloud

85% Firms adopting a cloud-first strategy by 2025, according to Gartner

66% The market share of Swift approved IaaS providers

3000+ Customers leveraging Swift’s SaaS offerings
Why are our customers considering cloud?

More and more firms are leveraging its agility and scalability

**Cloud first strategy at company level**
Reduce total cost of ownership by minimising infrastructure, maintenance and resources costs without compromising on security and availability

**End of data centre contracts**
Customers without a data centre and limited Swift knowledge or expertise expect SaaS and IaaS solutions from Swift

**Latest cloud-based back-office applications**
Customers with their back-office purely on cloud require Swift VPNs deployed on public cloud without hardware requirements

**Disaster-recovery capabilities in the cloud**
Customers lacking Swift operational expertise want to minimise involvement in operating Swift infrastructure

**Difficulty to access data centre for maintenance activities**
Banks can run operations across the world without having to access data centres
Swift's public cloud deployment
An overview

Infrastructure as a Service (IaaS)
Public cloud deployment

Hosting in the public cloud of the Swift messaging and connectivity software
- SDK/MGW
- SNL/SAG

Alliance Connect Virtual to connect to Swift network from the public cloud
- Alliance Lite2 (AutoClient)

VPN
Alliance Connect Virtual

Swift messaging and connectivity software managed and operated by the customer
- AMH
- AGI
- Alliance Warehouse
- Alliance Cloud (SIL/MGW/SDK)

Cloud providers provide cloud environment for the deployment of the Swift components
- Microsoft Azure
- AWS
- Google Cloud Platform

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Alliance Connect Virtual

Deploy your Swift VPNS virtually on public cloud infrastructure

Features
- Connect to Swift from VPNs deployed on public cloud
- Available in bronze, silver, gold i.e. choice of internet or leased line connectivity
- Managed by Swift
- Network partner leased line connectivity included

Benefits
- Secure and reliable
- Ease of deployment
- Ease of management and monitoring
- Faster time to market
- Global availability
- Simpler monthly fee model
**Alliance Connect Virtual**
General availability timeline and where to get more info

- **May 2024**
  - Global Webinar for Complementors

- **2022 / 2023 / 2024**
  - MVP: Available
  - MVP: Available
  - GOLD/Silver/Bronze: Available
  - GOLD/SILVER/BRONZE: Available

- **June 2024**
  - MVP (Tentative, pending successful qualification)

**Notes:**
- MVP: Single VPN instance connecting via internet
- Tentative, pending successful qualification
- Leased line bandwidth up to 2Mbps
- Excluding ESMG/TIPS, Webserver, AU-NPP
- Higher bandwidth support planned Q3 2024
Customer adopting public cloud for Swift solution implementation shall carefully define the cloud deployment strategy with key elements of security, resiliency, performance into consideration.

<table>
<thead>
<tr>
<th>Security</th>
<th>Resiliency</th>
<th>Performance</th>
<th>Cloud provider selection</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Business applications</td>
<td>• Multiple connectivity packs</td>
<td>• Solution design – Full/Hybrid</td>
<td>• Choice from three(3) cloud providers (Azure, AWS, GCP)</td>
</tr>
<tr>
<td>• User access controls &amp; monitoring</td>
<td>• Multi cloud &amp; intra-cloud zones setup</td>
<td>• Latency measurement</td>
<td>• Deployment ease &amp; reliance</td>
</tr>
<tr>
<td>• End-to-end deployment architecture</td>
<td>• Disaster Recovery mechanism</td>
<td>• End-2-end connectivity</td>
<td>• Geographical presence &amp; operational ease</td>
</tr>
<tr>
<td>• CSP adherence &amp; attestation</td>
<td>• Hardware based connectivity backup</td>
<td>• Resources availability &amp; scalability</td>
<td>• Local/industry regulatory compliance</td>
</tr>
</tbody>
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Conclusions

- Connect your cloud-native back-office applications to any of the Swift’s infrastructure, including ITB
- Leverage the Agility of ACV for standard release and certification testing
- Support customer’s strategy to move to public cloud with ease

Need further information – reach out to your account manager!
The hackathon is a great opportunity for leading industry players from across the globe to showcase their best-in-class innovations.

The winners and runners up will get the unique opportunity to present their solutions to industry leaders at Sibos in October.
Teams registering will need to submit a proposal of their solution. 5 teams will be shortlisted to move onto the Hackathon stage.

The shortlisted teams will have a 2 weeks to create a pitch and demo their prototype for the hackathon submission.

There will be two finalist, who will have the opportunity to present their solution at Sibos.
Interested in taking part?

Watch this space, we will be launching this year's theme and opening registrations in late June.

You can find out more on our previous hackathons and the winners by visiting our Innovation page: Innovate with us | SWIFT

If you have any questions about taking part, please reach out to Sophie.Tre-Vett@Swift.com
Questions

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If you have any questions, please contact your Account Manager or raise a case via the Support page.