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# CEO Report – Board meeting

## Swift Information Report - IR 920

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### **Confidentiality Level 2**

Distribution to National  
Member Group allowed

### **Purpose of the paper**

This report provides a summary of the progress made against the 2025 Operating Plan for the 2<sup>nd</sup> quarter of 2025.

### **Triggers for the paper**

Recurring quarterly report.

### **Action required**

For information only.

### **Governance**

Board on September 2025

### **Issued by**

Javier Pérez-Tasso

# 1 CEO summary

At the half-way mark in the year, we are reporting strong operational performance, growth in transaction volumes, continuing progress on ISO 20022, and an increasing focus on cross-border payments innovation.

Operational excellence is our license to operate, and as we continue to run Swift's core business successfully, we remain focused on maintaining the highest levels of security, availability and reliability. In Q1, one operational incident was reported and a full investigation was undertaken to find the cause and prevent future occurrences. The company-wide operational excellence programme continues its roll-out, with benefits materialising in both community communications and post-incident recovery.

As the November 2025 milestone for the ISO 20022 migration approaches, we remain committed to supporting our community, including offering short-term contingency solutions to ensure business continuity. At end August 2025, 61.3% of Swift payments traffic used ISO 20022, and we continue to engage with financial institutions globally to prioritise readiness.

In the first half of the year, we have seen an acceleration of innovation across the global industry, as financial institutions and markets prepare for increasing use of digital assets and blockchain-based technologies in international payments and securities. Amid shifting geoeconomic dynamics and rapid technological advancement, the imperative for Swift to support the future ecosystem is stronger than ever before.

We are conducting pilots involving live digital assets and currency transactions over Swift to enable delivery-versus-payment (DVP) settlement across blockchains and to improve FX settlement processes. Together with the Swift Board we are also defining our future ambition and roadmap in the digital asset space to ensure we continue to drive the long-term value of the cooperative in a digital world. I expect to report strategic updates in the next quarter.

At the same time, there is much that can still be done to uplift end customer experience over the existing Swift network. Our infrastructure is already G20 'compliant' – with 90% of all cross-border payments processed on our network reaching beneficiary banks within an hour. Yet, friction persists in certain corridors, practices, and operational processes. We are actively collaborating with financial institutions, industry stakeholders and policymakers to address these challenges.

Given the diversity of the Swift community, the future cannot be one-size-fits-all. It will be open, programmable, and composable – but key to delivering that future is achieving interoperability at scale. And that means embracing open innovation that can build bridges not closed loops.

Finally, the new Oversight Law, backed by the G10, which establishes a legal backstop and formalises Swift's supervision was passed by the Belgian parliament and is expected to take effect in January 2026. Meanwhile, Swift's AGM in June overwhelmingly voted to approve amendments to our By-laws to ensure Swift is ready to transition into a regulated entity.

# 1.1 Operational excellence and security

Wholesale payments and post-trade securities remain central to our business franchise. These segments are not only robust but are also experiencing continued growth. To maintain this momentum, we must ensure our platform operates at the highest standards of availability, resiliency, and security. That’s why we’re committed to raising the bar on operational excellence and security, modernising our messaging services, and preparing the organisation for upcoming regulatory requirements.

## 1.1.1 Operational excellence

In Q2 2025, core services availability was within target and no major incidents were reported.

### Production Services Availability

(Q2 period covered: 1 April – 30 June 2025)  
(YTD period covered: 1 January – 30 June 2025)

Weighted availability	2025					2024 actuals
	Target	YTD actuals	YTD status	Q2 actuals	Q2 status	
FIN core	99.990%	99.995%	E	99.999%	E	99.999%
Store and forward core	99.990%	99.995%	E	100.00%	E	99.994%
SwiftNet core	99.990%	99.995%	E	100.00%	E	100.00%

*Indicators are rated as “Met” (M), “Partially Met” (PM) or “Did not meet” (DNM). An additional result category, “Exceed” (E), applies to a selected number of measures for which stretch targets have been defined and approved by the Board. For FIN Core, Store and Forward Core and SwiftNet Core availability, the stretch target is set at 99.995%.*

### Operational excellence

Throughout Q1 and Q2 2025, our focus has been on incident prevention, sustainable recovery, and enhanced communication.

We implemented new standardised practices to enhance predictability and reduce risk, in particular improvements to change-management processes for products and services at pace whilst also de-risking changes. We also improved our communication during incidents by increasing customer subscription to Swift Service Alerts and streamlining internal processes. We developed new operational excellence metrics and dashboards to better assess customer and business impact and to track progress on our customer insights roadmap.

In Q3 and Q4, we will continue to evolve and optimise our incident communication channels to ensure we are communicating with impacted customers as effectively as possible. We will review and evolve our data insights and dashboards to further enhance our detection, recovery, and communication performance.

### Technology Platform Strategy

Our Technology Platform Strategy programme has a strong focus on modernisation, standardisation, and automation, and is well on track. Throughout the first half of this year, we advanced nine priority initiatives within the core focus, including zero trust security, hybrid hosting, DevSecOps/Zero touch deployment, service and infrastructure

observability, enterprise technology, architecture governance, as well as skill development and capacity management.

## AI Foundations

Launched at the end of Q1, our AI Foundations programme is establishing robust practices for the responsible and scalable use of AI across Swift. These foundations support use-cases to both improve internal operations and enhance Swift's product suite.

In Q2 2025, we delivered an enterprise-wide publication of the Acceptable AI Use and Deployment Standard (Stable standard) and obtained approval from Swift's Architecture Review Board (ARB) on a standardised AI reference architecture. We also developed a comprehensive AI Risk Assessment Template, covering both predictive and generative AI Risk and Controls. Finally, we continue to invest in AI literacy, with training underway for several different user personas.

### 1.1.2 Customer Security Programme

To safeguard platform availability and resilience, the Customer Security Programme remains pivotal in securing endpoints across our network. Attestation rates against CSCF v2024 reached 91%, closely mirroring 2024 trends. Of those, 92% were supported by independent assessments, driving the global CSP compliance rate to 83%—a 4% increase over Q2 2024. Approximately 31.6% (~2000) of the v2024 attestations supported by an external assessor were conducted by a Swift-certified CSP assessor, ensuring higher quality and consistency. Development of CSCF v2026 is progressing. Following Working Group consultations, Swift received the Nihil-Obstat from the Oversight Group on 25 June 2025 and published the framework on 2 July 2025.

## 1.2 Traffic and financials

We report traffic volumes and revenue higher than budget plans, and operating expenses within planned limits.

### 1.2.1 YTD June traffic highlights

As of YTD June 2025, FIN\* average daily traffic grew at 12.3%, exceeding the budgeted growth of 9.0%.

Payment volumes grew at 8.7% with live traffic growing at 7.5%, driven by better-than-planned macroeconomic trends on international trade and new flows added on the network. Securities traffic increased 14.6%, ahead of the 10.4% budgeted and above historical trends. With volume growth across most business categories and for most players, this uptake is driven by market context and increased volatility. Treasury traffic grew at 23.9%.

As of June 2025, an average of 59.1 million FIN<sup>1</sup> messages were exchanged daily over the Swift network and our latest peak day was April 8, 2025, which saw the exchange of 65.7 million messages.

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<sup>1</sup> FIN + Interact restated to take into account the offset of the ISO 20022 migration.

## 1.2.2 YTD June financial performance

The table below is based on the June 2025 company financial statements.

Financial Summary in MEUR	Actual	June 2025 Year To Date Budget	Year To Date Variance (B/(W))		Jun 2024 Year To Date Actual	Year To Date Growth
<b>Operating revenue</b>	<b>567.8</b>	<b>554.0</b>	<b>13.8</b>	<b>2.5%</b>	<b>520.8</b>	<b>9.0%</b>
Messaging and MIs	284.1	278.8	5.2	1.9%	262.2	8.4%
Interfaces and Connectivity	139.9	139.2	0.7	0.5%	135.8	3.0%
Shared Services	102.3	101.2	1.2	1.2%	87.8	16.6%
Consulting and Support services	41.5	34.8	6.6	19.0%	35.0	18.4%
<b>Operating expenses</b>	<b>(438.2)</b>	<b>(449.5)</b>	<b>11.2</b>	<b>2.5%</b>	<b>(413.2)</b>	<b>6.0%</b>
Labour Costs	(290.5)	(296.9)	6.3	2.1%	(281.5)	3.2%
Non-Labour Costs	(147.7)	(152.6)	4.9	3.2%	(131.7)	12.1%
<b>Sibos</b>	<b>(0.4)</b>	<b>(0.4)</b>	<b>(0.0)</b>	<b>(5.1%)</b>	<b>(0.4)</b>	<b>1.0%</b>
<b>Operating profit/(loss) before depreciation*</b>	<b>129.2</b>	<b>104.2</b>	<b>25.0</b>	<b>24.0%</b>	<b>107.2</b>	<b>20.5%</b>
Depreciation	(31.5)	(33.3)	1.9	5.6%	(31.7)	(0.9%)
Financial & exceptional profit/(loss)**	11.3	12.6	(1.3)	(10.0%)	15.2	(25.6%)
<b>Profit/(Loss) before Tax</b>	<b>109.1</b>	<b>83.5</b>	<b>25.6</b>	<b>30.7%</b>	<b>90.7</b>	<b>20.3%</b>

\*\* At 2025 budget exchange rates

\*\*\* Including Go Local India and China JV at 100%

YTD June operating revenue amounted to MEUR 567.8 or a MEUR 13.8 favourable variance versus budget, and a 9% increase compared to last year. This was due to messaging volume growth, one-time projects materialising with a key market infrastructure as well as higher baseline from Interfaces and Connectivity and Shared services at the start of the year. Consulting services revenue is ahead of budget, driven by higher than planned customer demand. Operating expenses amount to MEUR 438.2 in YTD which is MEUR 11.2 lower than budgeted. This is the result of lower labour costs driven partly by lower-than-planned headcount at the start of the year. We also report lower-than-budgeted non-labour cost spend due to cost savings, as well as timing differences on hardware and software expenses.

## 2 Shape the future

Customers increasingly expect cross-border payments to be as seamless as domestic ones. To truly usher in an instant and frictionless future, we must work together to uplift this experience and futureproof our platform. While our rails are capable of delivering a superior experience, we are encouraging financial institutions to expose these benefits to their end customers.

### 2.1 Uplift the end-customer experience

As part of an increasingly complex payments value chain, shaped by new players and technologies, ensuring a seamless experience for every transaction—whether domestic or international—is more important than ever.

To uplift the payment experience for end customers, we are enhancing both the initiation and beneficiary phases. The sharing of benchmarking analysis has defined what constitutes a compelling experience for consumers and SMEs. Utilising these insights, Swift teams have engaged with nearly 400 clients globally to drive improvements in their front-end payment offerings. In parallel, Swift conducted a study across 40 markets to pinpoint key friction points in the receiving experience—insights we are now sharing to drive collaborative improvements.

## 2.2 Lead on interoperability

As more networks, customer channels and digital assets emerge, it's critical that they are effectively integrated into the financial system to drive efficiency, avoid fragmentation and prevent trapped liquidity. For innovations to add value, interoperability should be considered from the outset.

Our ambition is to enable our community to leverage the secure and resilient infrastructure that has already been invested in to transact across existing and emerging assets and currencies at scale.

Building on our extensive digital asset experiments, we're now moving on to real-world application. Throughout 2025, we are conducting pilots involving live digital assets and currency transactions over Swift, aiming to unlock DVP settlement of digital assets across blockchains, test new mechanisms to facilitate and derisk the FX settlement process, and automate off-chain payments for on-chain transactions.

In Q2 2025, we launched a pilot initiative to establish market standards that enable seamless interaction between banks and Payment Service Providers (PSP). This began with the first successful reference implementation of a pay-to-wallet transaction, moving funds from a bank account to a wallet using Swift ISO 20022. We also plan to begin piloting on-behalf-of confirmations in Q4 2025. This will allow PSPs and Payments Market Infrastructure (PMI) to confirm transactions on-behalf-of their networks and participants, extending the reach of our Tracker and helping to alleviate friction that occurs during the 'last mile'.

## 2.3 Advance stakeholder support

In Q2, we deepened engagement with our community, partners, and key stakeholders across the global financial ecosystem, including policymakers at ministerial and central bank governor levels in an increasing number of jurisdictions.

In addition, we attended and participated in many key global policy-driven events, including the Institute of International Finance (IIF) Global Outlook Forum and the International Monetary Fund (IMF) World Bank Spring Meetings. Other notable global industry events included speaking at the Point Zero Forum in Zurich, Eurofi in Copenhagen, Payments Canada Summit, Lu Jia Zui Conference in Shanghai, Asian Development Bank Annual meetings, and the FT Digital Assets Summit and Central Banking Annual Summer meetings in London. Several closed-door interactions with governments at the ministerial level across the UK, India, UAE, Singapore and South Africa also helped build understanding of Swift and the role it plays in the financial ecosystem.

We hosted Swift Connect Africa in Senegal, drawing over 500 participants from 55 countries. In Oceania, two Swift Connect events, attracting more than 300 members, were held in Brisbane and Sydney to cater to the communities from the islands and two financial centres of Australia respectively.

Plans for Sibos are tracking strongly as we prepare to welcome global delegates to Frankfurt in September. This year, we have also announced a dedicated track for policymakers at Sibos called *The Policy Lab*. This will act as a collaborative space to

further dialogue and engagement between senior public sector policy decisionmakers, including central banks, regulators, multilateral institutions, and private-sector leaders.

## 2.4 Governance evolution and regulatory compliance

The Oversight law was approved by the Belgian parliament on 24 April 2025 and published in the Belgian Official Gazette on 2 July 2025. It will take effect on 1 January 2026, allowing the National Bank of Belgium (NBB) on behalf of the G10 Central Banks to formally designate Swift as a systemically important provider. The Swift AGM, held in June and attended by a record number of shareholders, approved the necessary amendments to the By-laws for Swift's transition to become a regulated entity. The updated By-laws will come into effect from the moment the oversight law becomes applicable to Swift and represents a significant milestone in the regulatory readiness programme.

The governance transition process is progressing in line with agreed timeframes. Several key policies and documents have been validated by the Board, while others are in progress and advancing well. Teams across the first, second and third lines of the company are conducting in-depth preparations to ensure readiness for regulatory compliance.

The recruitment process for future Supervisory Board Directors is in progress, and role profiles have been shared with the community for both the independent and shareholder-affiliated non-executive director roles. Detailed work to establish the Swift Council and define its operating model is under preparation by the Board.

## 2.5 ISO 20022 and Standards Release

### ISO 20022

At end August 2025, the ISO 20022 migration for cross-border payments and reporting (CBPR+) traffic averaged around 54% of total instruction volumes which, combined with PMI ISO adoption of 81.3%, brings the overall proportion of payments traffic on Swift in ISO 20022 to 61.3%.

The Board has acknowledged the importance of meeting the end of coexistence deadline for all institutions that participate in cross-border payments but also note that some institutions may fail to achieve full readiness by the deadline. Swift is proposing short-term contingency measures to ensure business continuity for the community through the November 2025 transition. These measures are not intended as a long-term or complete solution for MT users, nor do they constitute an alternative to ISO 20022 adoption. They will ensure that, after 22 November 2025, no bank-to-bank MT payment instruction is delivered over FIN.

In Q2, we activated the service in the Integration Test Bed (ITB) environment for vendors to commence testing. From 19 July 2025, we have activated the service (and Standards Release 2025) for community testing, with no major observations or findings to report to date.

### Standards maintenance 2026

The deadline for MT Usage Guidelines and ISO 20022 MX change requests for the Standards Release 2026 cycle was reached on 1 June. With the MT and MX High Level Information published in July on the [swift.com Standards Release](#) timeline.

Impacted business areas include, payments (incl. CBPR+), FX, and securities with a breakdown of:

- 119 change requests received from Swift community (MT & ISO 20022)
- 35 from ISO community (ISO 20022 messages)

26 change requests were carried forward from previous releases:

- 14 for trade (Category 4 and 7)
- 12 for ISO 20022 funds

Standards Maintenance Working Groups will convene by early September to evaluate all of the changes proposed for the Standards Release 2026 cycle.

## 2.6 Key product updates

**Payment Pre-validation** is continuing to scale its value to the community. In Q2, we onboarded two additional Central Data Providers. We are continuing to engage with the community on the EU Instant Payments Regulation to standardise the connectivity and interoperability of a pan-European solution with the aim to leverage the solution as a Central Data Provider.

The **Anomaly Detection** initiative saw progress in Q2 on the development of a first set of anomaly markers (statistics based on Swift-network data and characterising Swift payment activity at account number level), aiming to launch a pilot phase for the anomaly markers via both the Payment Controls services and the Payment Pre-validation consumption channel (API) at the end of Q3.

**Case Management** is designed to streamline the exception handling process. In Q2, we progressed work towards the adoption plan highlighted in board paper (IR 916: Exceptions and Investigation Case Management) with a focus on top 75 exception and investigation consumers) and an aim for wider community adoption in 2026 as part of Swift Essentials.

**Swift Securities View** saw progress in Q2 2025, as we advanced thought leadership and advocacy via regulatory working groups, industry associations, market infrastructures and service providers, identifying key use cases from industry recommendations. On the integration of corporate actions data, the extraction process is complete, and analysis and integration will continue in Q3 2025.

## 3 Discussions at the upcoming Board

### 3.1 Operational Performance Report (IR 921)

This information report provides a summary of the progress made against the 2025 Operating Plan for the second quarter of 2025.