CEO Report – Board meeting

Swift Information Report - IR 936

Confidentiality Level 2
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Purpose of the paper

This report provides a summary of progress against the 2026 Operating Plan for the second quarter of 2026.

Triggers for the paper

Recurring quarterly update to the Board.

Action required

For information.

Governance

Board on 15 September 2026.

Issued by

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1 CEO summary

The second quarter of 2026 marked continued disciplined execution against Swift's Operating Plan, with strong progress across operational performance, security, resilience, innovation and regulatory readiness. Swift maintained high levels of platform availability, with core production services exceeding the annual stretch target across key core services. Traffic growth remained strong across the network, with volumes ahead of budget and new peak processing records reached during the quarter.

Operational excellence reached an important milestone in Q2 with the conclusion of the Taking Operational Excellence Further programme. The capabilities and operating practices strengthened through the programme have now transitioned into business-as-usual operations and continued oversight.

Resilience remained a major focus throughout the quarter for Swift and the broader financial ecosystem. As cyber, technology and supply-chain risks continue to evolve, the Resilience Programme progressed from mobilisation into execution, advancing initiatives to strengthen continuity of critical financial flows, reduce systemic dependencies and support resilience improvements across the wider financial ecosystem.

In response to the rapidly evolving cyber threat landscape driven by frontier AI, Swift launched a dedicated programme to enhance capabilities across exposure discovery, vulnerability prioritisation, containment and response, while strengthening cyber resilience and governance.

Swift continued to advance its parallel-track innovation strategy to improve the end-customer experience and support the future of cross-border payments. The Swift retail payments scheme moved from preparation into live delivery, with 11 creditor markets activated, 25 market corridors operational and 26 financial institutions live. In parallel, the Swift ledger MVP reached a significant milestone with the public announcement that the platform is ready for initial use. The announcement generated considerable industry interest and positive market engagement from financial institutions around the world, reinforcing Swift's leadership role in shaping the future of tokenised cross-border payments. With 17 financial institutions from six continents preparing to participate in the initial pilot, momentum and industry support continue to build.

Swift also intensified its focus on community readiness for the November 2026 standards release, including the transition away from unstructured addresses to improve data quality, transparency and compliance in cross-border payments. As part of these efforts, Swift has consulted with the top 50 financial institutions (FIs) and has received requests from several communities for additional time to transition away from unstructured address data. These requests are currently under assessment, including technical feasibility, risk and impact, while Swift continues to engage actively through community governance channels to determine the next course of action.

The October 2026 governance and regulatory transition moved significantly closer during Q2. Important milestones were achieved in preparing Swift to operate under its future regulatory and governance model, including shareholder approval of the proposed Supervisory Board members at the AGM and continued progress in establishing the future Supervisory Board, Management Board and Swift Council, strengthening the cooperative's ability to combine effective governance with meaningful community representation.

The second half of 2026 will be a critical period for Swift and the community. As several important milestones approach, continued engagement and coordinated action across the global financial ecosystem will be essential. Sibos Miami will provide an important opportunity to engage with the community and continue the dialogue on the priorities shaping the future of cross-border payments.

2 Uplift the end-customer experience and lead interoperability

2.1 Swift retail payments scheme

June marked a key milestone for the Swift retail payments scheme, with the successful activation of 11 creditor markets in collaboration with early adopter MVP financial institutions, 25 market corridors are now activated on scheme. As a result, consumers are already benefiting from full value transfers, cost transparency and end-to-end payment tracking when sending money internationally into India, China, the US, the UK, Spain, Australia, Pakistan, Germany, Canada, Bangladesh and the Philippines.

Momentum continued to build during the quarter, with 70+ financial institutions committing to implement the scheme MVP framework this year, with 26 financial institutions already live. To support a more seamless payment experience, Swift also launched the MVP Payment Preparation capability, further enhancing the customer experience by helping to improve payment quality.

Looking ahead in 2026, the scheme framework will evolve via enhancements and updates to the scheme rulebook. We will also explore the expansion of the scheme framework beyond traditional bank-to-bank models through non-bank PSPs, wallet providers, domestic proxy or alias services and domestic schemes.

Strong engagement from financial institutions, public sector stakeholders and other industry participants remains critical to scaling an uplifted payment experience across the network and advancing the G20 objectives for faster, cheaper, more transparent and more accessible cross-border payments.

2.2 Digital assets infrastructure for cross-border payments

Following completion of the Swift ledger MVP design in Q1, Q2 focused on establishing the technical and operational foundations required to support execution later this year. Swift achieved several important readiness milestones during Q2, including deployment of the ledger infrastructure, successful participant onboarding activities, and completion of critical security and governance controls.

A significant milestone was reached in July with the public announcement that the Swift ledger is ready for initial use. This generated strong industry interest and positive market engagement, highlighting the momentum behind Swift's approach to enabling tokenised cross-border payments on trusted global infrastructure. Seventeen financial institutions have now confirmed participation, demonstrating broad industry support and validating demand for a solution that combines 24/7 payment capabilities with the security, resilience and compliance standards of the existing financial system. The announcement reinforced Swift's position in the evolving digital assets landscape and highlighted growing interest in extending trusted financial market infrastructure to support new forms of regulated digital value.

In preparation for pilot execution, Swift initiated testing activities to validate participant implementations and end-to-end transaction flows. The ledger will expand in functionality and availability after the initial controlled go-live phase.

3 Run and futureproof the core

3.1 Operational excellence

Swift continues to focus on operating the platform at the highest standards of availability, resilience and security, while preparing for upcoming regulatory requirements.

In Q2, core production services availability exceeded the annual stretch target of 99.995% across all key services.

Production Services Availability
(Q2 period covered: 1 April – 30 June 2026)
(YTD period covered: 1 January – 30 June 2026)

Weighted Availability	2026					2025 actuals
	Target	YTD actuals	YTD status	Q2 actuals	Q2 status	
FIN core	99.990%	99.999%	E	100.00%	E	99.998%
Store and forward core	99.990%	100.00%	E	100.00%	E	99.997%
SwiftNet core	99.990%	100.00%	E	100.00%	E	99.998%

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%.

In Q2, Swift completed the transition to embed Operational Excellence as an enduring organisational capability. The disciplines, governance and performance transparency established through the programme are now embedded into business-as-usual operations, supporting improved operational insight, accountability and more informed decision-making. Following the programme’s conclusion on 30 June, ongoing performance will be sustained through existing operational and performance management structures.

3.2 Resilience

Resilience remains a core strategic priority for Swift as cyber, technology and supply chain risks continue to evolve in an increasingly interconnected and adversarial environment. In Q2, the Resilience Programme progressed from initial programme set-up to execution, with continued focus on strengthening end-to-end continuity of critical financial flows and reducing systemic dependencies across the ecosystem.

Enhancements to Swift's disaster recovery infrastructure (DRI) advanced, including the delivery of key recovery and identity improvements to further isolate the DRI from production environments.

In parallel, Swift progressed Layer 4, a technically distinct contingency capability designed to sustain critical priority flows if core SwiftNet messaging services become unavailable. The scope, requirements and diversification choices have now been baselined.

Beyond Swift's own infrastructure, the programme has defined its approach to ecosystem engagement through targeted initiatives such as Financial Market Infrastructure dual-railing, focusing on systemically important markets and supporting pragmatic industry adoption.

3.3 Frontier AI and Cyber Resilience

Advances in frontier AI are rapidly reshaping the cyber threat landscape, increasing the speed, scale and sophistication of potential attacks. In response, Swift launched the Enterprise Technology & Cyber Programme for frontier AI to strengthen resilience against AI-enabled threats while leveraging AI to enhance defensive capabilities. Building on existing initiatives, the programme integrates and scales capabilities across exposure discovery, prioritisation, containment and response, while further strengthening governance and oversight.

Throughout Q2, Swift engaged actively with regulators, industry peers and technology partners on cybersecurity and AI developments. These engagements support information sharing, strengthen sector-wide preparedness, and reinforce Swift's commitment to enhancing collective resilience across the financial ecosystem.

Execution will accelerate in Q3, with a focus on expanding model evaluations, launching external discovery activities, progressing exposure management tooling, reviewing exercise outcomes and implementing priority improvements where needed.

3.4 Security

Swift continued to strengthen its security posture in Q2, achieving all security-related company KPIs and maintaining stable performance across key security measures. The Security Excellence Programme is progressively transitioning to business-as-usual, helping to embed stronger security practices, while progressing strategic investments in threat detection, response and cyber resilience.

The resilience of the wider financial ecosystem continued to be supported through the Customer Security Programme (CSP). Attestation rates against the Customer Security Control Framework (CSCF) v2025 reached 91%, with strong levels of independent assessment and a continued increase in overall compliance rates. The window for CSCF v2026 attestations opened in July 2026.

In parallel, Swift strengthened community preparedness for emerging threats, including those associated with frontier AI, through additional awareness and guidance materials across various customer channels.

3.5 Technology Evolution

In 2026, Swift is delivering a focused portfolio of core projects to futureproof its technology foundations, modernise critical platforms and strengthen long-term resilience. As the threat landscape continues to evolve, Swift remains prepared to proactively reprioritise technology capacity to address emerging vulnerabilities where required. While this may occasionally require short-term delivery trade-offs, maintaining the security and resilience of the platform remains the overriding priority.

Customer Network Connectivity Replacement

Swift continues to modernise customer network connectivity through the replacement of existing VPN infrastructure with a software-defined wide area network (SD-WAN) based solution. The programme is expected to deliver improved capabilities, greater visibility and simplified management while maintaining Swift's security, resilience and availability standards. During Q2, testing advanced on the latest software releases, while the migration timeline was adjusted to preserve delivery quality and remain aligned with end-of-support commitments. Updated project milestones were communicated to customers at the end of July.

Technology Platform Strategy

Swift continues to strengthen the resilience, automation and standardisation of its technology estate through the Technology Platform Strategy. All 2026 KPIs remain on track, with continued progress in automation and expanded monitoring coverage of critical services. Work also progressed to strengthen visibility of critical service dependencies, supporting both resilience and regulatory objectives.

Post-Quantum Cryptography (PQC)

Swift continued to strengthen its long-term cryptographic resilience through its Post-Quantum Cryptography programme, with the objective of migrating the Swift community to the new standards by 2030.
In Q2, key milestones focused on the security infrastructure required to support the community's transition to quantum-safe cryptography, including the delivery of core cryptographic capabilities and the readiness of the PQC-enabled Certification Authority that will support customer migration starting with SwiftNet 8.0.

AI-enabled transformation

Swift continued to embed AI capabilities across the organisation to improve productivity, strengthen decision-making and support long-term competitiveness. Alongside increased adoption of AI tools, Swift further enhanced governance, risk management and compliance to ensure AI is deployed safely and responsibly.

3.6 ISO 20022 and Standards Readiness

As part of the ongoing ISO 20022 transition, a key milestone is the removal of unstructured postal addresses in November 2026. Many of the leading payment market infrastructures around the world apply the same change in November 2026.
This change has been requested by standards bodies in our community and directly supports the G20 goal of improving data quality and transparency in cross-border payments and the CPMI harmonisation requirements. It also supports future data

requirements, e.g. FATF Recommendation 16: Improved payment transparency and screening/monitoring of required debtor and creditor information.

In Q2, Swift continued to engage with the community through outreach and awareness activities to support readiness, but adoption showed little progress, with 61.4% of creditor data still containing unstructured addresses in Customer Credit Transfers (pacs.008).

While readiness remains uneven across the industry, timely implementation remains critical to avoid disruption and support the industry's broader objectives for improved data quality, transparency and compliance. Swift continues to engage actively with the community to accelerate preparedness ahead of November 2026. Through top 50 FI consultations, Swift has received requests from some communities for additional time to transition away from unstructured address data. These requests are currently under assessment, including technical feasibility, risk and impact, while Swift continues to engage actively through community governance channels to determine the next course of action.

3.7 Regulatory compliance and governance transition

Swift continued to advance its transition to the governance and regulatory framework established by the Swift Oversight Law during Q2. A key milestone was the approval of the future Supervisory Board members at the June AGM, positioning Swift to welcome the new Board in October. Preparations also progressed for the future Management Board and the establishment of the Swift Council, which will strengthen community representation within the new governance model. Together, these developments move Swift closer to operating under its future framework, with enhanced oversight, clear accountability and continued service to the global financial community.

3.8 Enterprise risk and controls

The transition to Swift's future governance and regulatory framework remains a key area of focus. As implementation approaches, oversight continues across organisational, operational and governance dimensions to support a smooth transition while maintaining continuity and effectiveness throughout the change process.

3.9 Traffic and financials

3.9.1 YTD June traffic highlights

As of YTD June 2026, FIN [1] average daily traffic grew at 12.9%, exceeding the budgeted growth of 7.7%.

Payment volumes increased by 5.2%, slightly above the budgeted growth of 5.0%. Securities traffic increased by 18.2%, ahead of budget and above historical trends, reflecting heightened trading activity across asset classes, most notably in Equities, driven by geopolitical and macroeconomic uncertainty. Treasury traffic grew at 25.9%, outperforming historical trends, driven by heightened market volatility.

As of YTD June 2026, an average of 66.4 million FIN[1] messages were exchanged daily over the Swift network. On 30 June 2026, FIN traffic recorded a new peak day with 78 million messages, delivering 5.9 million more messages than the previous peak on 2 June 2026.

3.9.2 YTD June financial performance

The table below is based on the June 2026 company financial statements.

Financial Summary in MEUR	June 2026 Year To Date				Jun 2025 Year To Date	
	Actual	Budget	Variance (B/(W))		Actual	Growth
Operating revenue	**581.0**	**593.3**	**(12.4)**	**(2.1%)**	**560.8**	**3.6%**
Messaging and MIs	304.2	312.0	(7.8)	(2.5%)	283.1	7.4%
Interfaces and Connectivity	136.2	139.0	(2.8)	(2.0%)	135.5	0.5%
Shared Services	106.1	105.5	0.6	0.6%	101.3	4.8%
Consulting and Support services	34.4	36.7	(2.3)	(6.3%)	40.8	(15.8%)
Operating expenses	**(431.2)**	**(451.2)**	**20.0**	**4.4%**	**(429.1)**	**0.5%**
Labour Costs	(279.4)	(300.3)	20.9	7.0%	(284.3)	(1.7%)
Non-Labour Costs	(151.8)	(150.9)	(0.9)	(0.6%)	(144.7)	4.9%
Sibos	**(0.5)**	**(0.4)**	**(0.1)**	**(19.6%)**	**(0.4)**	**29.6%**
Operating profit/(loss) before depreciation*	**149.2**	**141.6**	**7.6**	**5.4%**	**131.3**	**13.7%**
Depreciation	(29.2)	(31.4)	2.3	7.2%	(31.5)	(7.3%)
Financial & exceptional profit/(loss)**	11.7	10.1	1.6	15.4%	9.2	26.8%
Profit/(Loss) before Tax	**131.8**	**120.3**	**11.4**	**9.5%**	**109.1**	**20.8%**

* At 2026 budget exchange rates
** Including Go Local India and China JV at 100%

YTD June operating revenue amounted to MEUR 581, MEUR 12.4 below budget, while delivering 3.6% year-on-year growth. The variance is primarily driven by lower ISO 20022 contingency services revenue, reflecting faster-than-expected client migration. Traffic revenue is ahead of budget year-to-date, partially offset by lower consulting services revenue and timing effects expected to normalize over the remainder of the year.
Operating expenses amounted to MEUR 431.2, which is MEUR 20 (4.4%) lower than budget. This favourable variance is primarily driven by lower labour costs, reflecting a lower-than-planned headcount, as well as timing effects on other payroll components. Non-labour expenses are slightly above budget, mainly due to higher external services and timing-related variances in promotional expenses.

4 Advance stakeholder support

During Q2 2026, Swift strengthened its position as a trusted partner to the global financial community, deepening engagement in policy discussions, supporting industry alignment and helping to shape the future direction of global payments. Senior engagement in key markets, including the United States and Asia, reinforced relationships with policymakers, regulators and industry leaders, strengthening awareness of Swift's perspectives on governance, resilience, interoperability and the future of cross-border payments.

Swift continued to shape policy discussions and industry coordination through active engagement with central banks, regulators and standard-setting bodies. The Payments Optimisation Index and Industry Playbook supported informed dialogue on the practical actions required to improve cross-border payments. Together with Policy Labs, industry summits and targeted stakeholder engagement, these efforts reinforced Swift’s role as a trusted convenor, bringing public- and private-sector stakeholders together around common objectives to advance market-level change and progress towards the G20 roadmap.

Against an increasingly complex geopolitical backdrop, Swift enhanced its ability to anticipate emerging developments, deepen stakeholder insight and reinforce confidence in Swift’s resilience, innovation agenda and strategic relevance.

5 Sibos

Looking ahead, Sibos Miami will serve as the principal platform for community engagement in H2 2026, bringing together policymakers and industry leaders to advance dialogue on shaping the future of cross-border payments. Momentum is strong, with all exhibition space sold, more than 200 speakers confirmed, and nearly 5,000 delegate registrations by the end of July. Participation is expected to increase further ahead of the event in late September. Highlights include a two-day Policy Lab and an opening keynote by Jane Fraser, Chair and CEO of Citi. Swift will also host the annual Chairperson's Meeting and looks forward to bringing together community leaders to discuss progress on Swift's strategic priorities and the future direction.

6 Share Reallocation

The next share reallocation shall take place during the first quarter 2027 and will be based on the 2026 Network Based Services. Shareholders have been invited to check their group structure to ensure that the correct figures are taken into account for the calculation. Estimated results will be shared with impacted shareholders in September and November 2026.

7 Discussions at the upcoming Board

7.1 Operational Performance Report (IR 937)

This information report provides a summary of the progress made against the 2026 Operating Plan for the second quarter of 2026.