



# KYC Registry

**Standardise the KYC process in the industry**

Data & Analytics June 2020



# KYC Market Challenges\*



## Cost

- It's expensive to have staff working on manual KYC when they could focus on others tasks



## Security and protection

- Professionals are concerned about how well their counterparties protect their KYC data



## Time

- Lack of time and wasted time is slowing productivity down



## No industry standard

- There is currently no global industry standard in the exchanging of KYC information



## Complexity

- Variations in requests by different banks and branches within the same banking group



## Delays

- Delays in the account opening process



## Duplication

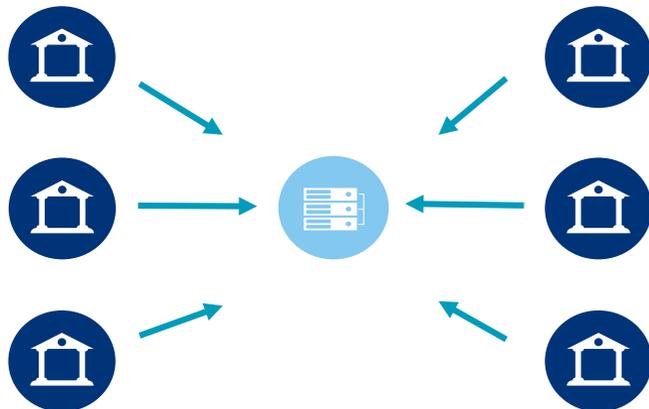
- Duplication of efforts within teams and divisions



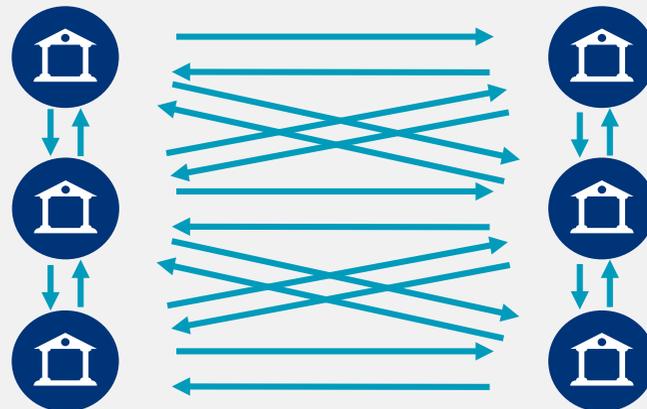


# A new way to share information

## SWIFT's KYC Registry



## Current industry process



✓ Time saving

Time consuming



✓ Cuts costs

Expensive



✓ Streamlines efficiency

Highly complex



✓ Improves customer relationships

Impacts customer relationships





## Why SWIFT's KYC Registry?

### One central repository

- ✓ Covering up to 90% of KYC requirements
- ✓ Single, global standard

### User friendliness

- ✓ Automatic refreshments and change alerts to correspondents
- ✓ Proven use of navigation

### Access to quality data

- ✓ Pre-population of data
- ✓ SWIFT validation of accuracy, completeness, format and validity in time

### Secure, user-controlled access

- ✓ Full control over data and who can access it
- ✓ Audit trail

### Privacy

- ✓ Compliant with data protection regulations

### Co-operative business model

- ✓ Non-profit cooperative of FIs
- ✓ Trusted 3rd party of 45+ years
- ✓ Developed with our community





# Baseline in a nutshell – a journey to KYC standardization



## 5 Categories

- Identification of the customer
- Ownership and management structure
- Type of business and client base
- Compliance
- Tax



## Flexibility and modularity

- Mix of data fields and documents
- Mix of mandatory, optional and recommended information
- Covering CDD and EDD



## Evolving standard

- Covers 90% of global KYC requirements
- Revision taking place with the community





## Partnering with the world's leading Financial Institutions



J.P.Morgan



BNP PARIBAS



ASIAN DEVELOPMENT BANK

Nordea

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*Leading global  
Financial Institutions  
have partnered with  
SWIFT*





## Road to standardization



### Adoption

Create community dynamics

- ✓ Finding the right balance in the standard
- ✓ Unlocking the value
- ✓ Building trust in data
- ✓ Involving the regulator for alignment
- ✓ Partnering



### Evolution

Matching and driving – finding the balance

- ✓ Involve the community in revisions
- ✓ Allow for flexibility to fit various institutions profiles
- ✓ Extending to new segments
- ✓ Integration of local specificities
- ✓ Monitor regulatory changes and market evolution



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SWIFT***





## The KYC Registry – Proof Points



Although the v1 standard baseline covered up to 40% of our current banking due diligence requirements, the new baseline v2 covers more than 90%

**HSBC**



Working with Wolfsberg, SWIFT has aligned The KYC Registry with the DDQ so Registry members can answer every question directly on the platform.

**Bank of America**



Data collection teams are able to reduce the KYC info collection process to 30 min when all information is available on the platform (against hours/days without it)

**BNP Paribas**



We are already starting to see a return on our investment with recent due diligence on some of our larger correspondent groups being 95% completed via the Registry prior to reaching out to the correspondent

**Lloyds**





## The KYC Registry in expansion

**5,500+**  
Financial  
Institutions



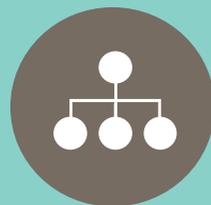
**200+**  
Global territories



**150 +**  
Corporate  
entities



**One**  
centralised  
platform



*KYC is a time-consuming process for us, and it is great that SWIFT has started this initiative which has led to good discussions with other corporates. We are also happy to see that the banking community is supporting this initiative and that we are all working towards the same goal – targeting to reduce the administrative burden of KYC.*

**Kristina Möller, Treasury  
Director at Spotify AB**





# Discover the value of working with SWIFT

## Data & Analytics 2020

### 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 about SWIFT, visit [www.swift.com](http://www.swift.com).