



SWIFT communication on Progress 2021 Report

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Statement of continued support by the Chief Executive Officer

Dear stakeholders,

In 2012, SWIFT committed to support the ten universally accepted principles of the United Nations Global Compact with respect to human rights, labour standards, environmental protection and anti-corruption, and to advance those principles within our company.

We confirm our continued support and renew our ongoing commitment to the initiative and its principles.

In 2021, we focused our Corporate Social Responsibility and Sustainability commitments on working towards the UN Sustainable Development Goals (SDG). During the year we explored how we can further reduce our carbon emissions on a global scale and signed a commitment to the Science Based Targets Initiative, aligning our environmental efforts to the 2015 Paris Agreement. Our 2030 carbon reduction targets for all our direct and indirect emissions across Scopes 1, 2 and 3 will be submitted in 2022.

Internally, we rolled out a series of awareness webinars for staff promoting our support for the SDG 4 'Quality Education', SDG 5 'Diversity, equality and inclusion' and SDG 13 'Climate Action'. These highly attended webinars included external speakers and experts in the field.

We continue to endorse diversity and inclusion throughout our organisation, promote staff satisfaction and wellbeing, and encourage employees to support local charitable initiatives around the globe. In line with our business, we fund educational projects fostering the financial inclusion of underprivileged communities.

Additionally, by integrating the International Chamber of Commerce's Sustainable Trade Finance Guidelines into our Know Your Customer Registry platform, we have created an environmental, social and governance reporting repository for SWIFT connected companies around the world, helping to move businesses towards a more sustainable world.

This Communication on Progress outlines the results of these actions and how they support the UN Sustainable Development Goals.

Sincerely,
Javier Pérez-Tasso
Chief Executive Officer
SWIFT

Human Rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2

Make sure that they are not complicit in human rights abuses.

SWIFT supports and respects the two UNGC human rights principles through several policies, procedures and initiatives:

Code of Conduct

We incorporate the principles of human rights in the SWIFT Code of Conduct, which embodies the three core principles: Ethics, Integrity and Trust. The Code of Conduct encourages all employees to report any deviations from the Code of Conduct to management, Human Resources and/or the Head of Compliance.

All new employees are automatically enrolled in the mandatory Code of Conduct e-learning. SWIFT also maintains a separate, compatible Code of Conduct for suppliers and external personnel, which is part of our standard contract with suppliers.

In 2021, SWIFT also published the Code of Conduct on its public website to reinforce its commitment to act with integrity to conduct business in an ethical and trusted manner.

Trusted persons

At our global headquarters in Belgium, one 'person of trust' and two prevention advisors are available to answer employees' questions about wellbeing.

Committees

Where applicable, we have set up Works Councils and Health and Safety Committees that include staff and management representatives. Although broad in terms of topics and governance, these bodies discuss relevant HR-related topics when they arise.

Sustainability Obligations

SWIFT's Suppliers Code of Conduct is a part of the Master Agreement signed by all counterparties. The code of conduct is in line with the ten principles of the UN Global Compact, and we aim to manage our supply chain responsibly. Suppliers and CSR partners, as well as their sub-contractors, need to:

- recognise freedom of association;
- prohibit forced, bonded or compulsory labour;
- abolish child labour;
- maintain safe and healthy work environments;
- prohibit unlawful discrimination; and
- ensure fair working hours, weekly rest and fair wages.

Since 2017, we have published an [annual statement related to Modern Slavery](#), which is available on our website in compliance with Section 54 of the UK Modern Slavery Act 2015.

These initiatives contribute to the UN Sustainable Development **Goal 8** – Promote inclusive and economic growth, employment and decent work for all.

Humanitarian crisis

SWIFT supports victims of natural disasters and disease outbreaks through donations to emergency relief organisations. We continued our financial support to Médecins Sans Frontiers' emergency funds, concentrating much of our support to the Covid pandemic in India. Additionally, the devastating 2021 summer floods Belgium triggered solidarity efforts amongst staff, who organised voluntary team initiatives including the collection of food, furniture and clothes to help those left homeless. SWIFT also donated to local charitable organisations to help those in need.

These initiatives contribute to the UN Sustainable Development **Goal 3** – Good Health and Wellbeing.

Human Rights (continued)

Measurement of Outcome

SWIFT publishes its Code of Conduct on its public website to reinforce its commitment to act with integrity and to conduct its business in an ethical and trusted manner.

The Suppliers Code of Conduct is a part of the Master Agreement signed by all counterparties.

We fund projects around the world in line with the Sustainable Development Goals.

Helping people out of poverty, children and education

One of the main pillars of our CSR and Sustainability programme is supporting children in need and providing technical education to underprivileged communities across the globe. Since 2015, we have donated to a wide variety of organisations around the world to help those who need it most. In 2021, we continued to support the United fund for Belgium, which collects donations from businesses and individuals with the mission to help people in need by financing Belgian charities focussing on poverty and the disabled. We also continued to support Teach for All projects in Belgium, Ghana, Argentina and the Philippines. This global organisation aims to reduce education inequalities through the development of transformational leadership programmes. In South Africa, SWIFT supported the Student Scholarship Programme, allowing young adolescents to receive a quality school education, and in Kenya, our donation to Nairobits targeted girls' IT training.

We also supported local children's charities in locations where we host our events. As our events remained virtual in 2021, we donated to SOS Children's Villages. This global charitable organisation, which SWIFT has partnered with for many years, provides family homes to thousands of disadvantaged children. Our latest financial support was directed at a digitalisation project of the tools used by social workers in more than 100 countries, reaching over 20,000 families. At Sibos, our largest annual conference, we donated to a Teach for All project allowing underprivileged children to receive extra hours of teacher training.

Additionally, staff continued to spend time and energy volunteering at various charitable organisations that work with orphans, children with a long-term or terminal illness, disabled and autistic children, victims of war, the homeless and children living in slums. In Malaysia, colleagues donated screens and projectors to underprivileged schools in low-income areas of the country.

All these initiatives support the achievement of the UN Sustainable Development Goals. In particular:

- **Goal 4**, which aims to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- **Goal 5**, which aims to achieve gender equality and empower women and girls.

Financial Inclusion

In 2021, we extended our well-established partnership with Fundación Capital. This organisation aims to enhance conditions for the poor by developing and implementing digital tools enabling low-income families to learn basic financial skills and protect their financial assets. SWIFT's donation helped to finance the development and rollout of mobile applications designed to support micro entrepreneurs in Latin America.

This programme contributes to the UN Sustainable Development **Goals 1, 4 and 5**. Goal 1 aims to end poverty in all its forms by ensuring that everyone, in particular the poor and vulnerable, have access to basic services, including financial services.

Labour

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4

The elimination of all forms of forced and compulsory labour.

Principle 5

The effective abolition of child labour.

Principle 6

The elimination of discrimination with respect to employment and occupation.

SWIFT supports and respects the four UNGC labour principles through policies, procedures and initiatives:

Social bodies

All SWIFT employees can engage in social bodies, in line with local laws and regulations. Where applicable, SWIFT management organises and participates in these social bodies and engages in dialogue and/or collective bargaining.

At our headquarters in Belgium, we organise regular Works Councils, Union Delegation meetings and Health and Safety Committee meetings. A Union Delegation monitors the correct implementation of labour laws and regulations. The delegation also negotiates Collective Bargain Agreements and ensures good labour relations.

A Works Council is in place at our operating centre in the Netherlands and in our Paris office, while a Health and Safety Committee is active in our offices in Kuala Lumpur. At our other locations, we also use the above policies to ensure open dialogue and to follow up on filed labour reports.

Labour rights-related Policies

All employees can access the following labour rights-related policies:

1. SWIFT's Management Principles focus on the treatment of and respect for our employees. Employees are also actively encouraged to give management feedback.
2. SWIFT's equal opportunities policy outlines key elements to ensure equal treatment and opportunities for staff, regardless of sex, age, race, colour, sexual preference, ethnic origin or country of citizenship, disability, marital status or religion.
3. SWIFT's open-door policy invites employees to raise any issues for escalation and follow-up (including issues related to labour and human rights).

Through our Supplier's Code of Conduct, we ask our suppliers to implement similar policies, including the recognition of the freedom of association, the prohibition of forced, bonded or compulsory labour, and the abolition of child labour.

Diversity, Equity and Inclusion (DE&I)

In 2021, SWIFT delivered our diversity equity and inclusion strategy across five areas of focus; age, gender, disability, ethnicity and LGBTQ+. We drove diverse sourcing and hiring practices, diversity partnerships and inclusive talent development within our organisation. SWIFT put in place a corporate KPI to track the numbers of women recruited into leadership level across the organisation as well as key deliverables from our DE&I roadmap. We rolled out training on inclusive leadership for people managers to build on our inclusive culture. We implemented unconscious bias and fair interview techniques training for all people managers. SWIFT also launched a Global Mentor Programme incorporating career development support for our diverse talent.

SWIFT ran awareness and education events at SWIFT for African American History Month, International Women's Day, International Day for People with Disability and Pride. Externally, we showed solidarity by rainbow colouring our SWIFT logo for PRIDE for the first time. Broad empowerment workshops for underrepresented groups ran virtually for employees across SWIFT over the following six months.

SWIFT advocates for diversity and inclusion in our industry. At Sibos 2021, our high-profile industry conference with 19,000 registered delegates, we emphasised diversity on panels; 40% of speakers at Sibos were female in 2021. The Women of Sibos networking event featured a keynote from Kristy Duncan, founder and CEO of Women in Payments, and environmental innovator, Natalie Chung Sum Yue. We put diversity on the agenda with high profile debates on the impact of Covid and hybrid working on diversity within the industry, as well as panel discussions on financial inclusion in the digitised post-Covid world and the importance of diversity, equity and inclusion as a marker for business credibility. We also ran deep dive sessions drawing in expertise from The Financial Alliance for Women to highlight the strategic and business case for serving the women's market and on gender intelligent fintechs.

SWIFT continued its Sibos Talent Accelerator Route (STAR) Scholarship programme at Sibos in 2021, giving 25 high potential women from countries around the world access to the thought leadership and networking opportunities that Sibos provides. The programme promotes the development of the next generation of female leadership talent in financial institutions by offering a two month mentoring and coaching programme for them, alongside a curated syllabus of Sibos conference sessions and inspirational speakers.

SWIFT continues to provide financial support for projects in developing countries related to financial inclusion and education, with a particular focus on women and girls.

These initiatives contribute to the UN Sustainable Development **Goal 5** – Achieve gender equality and empower all women and girls; and **Goal 8** – Promote inclusive and economic growth, employment and decent work for all (women and men, including for young people and persons with disabilities).

Labour (continued)

Measurement of Outcome

SWIFT launched a Global Mentor Programme incorporating career development support for our diverse talent.

75% of employees took part in our company-wide Employee Engagement survey, measuring wellbeing and engagement.

At Sibos 2021, our annual conference, 40% of speakers were female.

Health, safety and wellbeing

We seek to provide working conditions that guarantee the health and safety of our employees. This is highlighted in a “Wellbeing at work policy statement” issued by our CEO and described in the Health and Safety Policy and Standards, which is reviewed regularly.

SWIFT’s wellbeing programme includes awareness and prevention activities, such as webinars on mental resilience, work/life balance, connecting with authenticity, growth mindset and transitioning back to the office, which are made available to all staff worldwide. We organise info sessions to help employees understand the impact of stress on their health, recognise the symptoms of burnout, and we share tips and coping mechanisms on how to keep healthy and boost energy. We also organise workshops for all staff to practise giving and receiving feedback with the aim of helping others to develop and grow. Our employee assistance programme is available worldwide and 24/7 via a neutral third party. We also have an online wellbeing resource centre where staff can find multiple internal and external resources for support and awareness.

We offer two training sessions to prevent burnout and stress at work: Leading Self for Wellbeing for employees and Leading Others for Wellbeing for managers. In 2021, 58 managers and 13 employees attended the training sessions. In addition, yoga sessions, mindfulness training and different sports and social activities are available for our staff.

In 2021 we also rolled out global meeting guidelines (supported by webinars) aimed at reducing meetings and making them more efficient, knowing that the mass of meetings is a stress-factor for many of our staff and managers.

We rolled out another company-wide Employee Engagement survey in 2021, to measure staff wellbeing and engagement. 75% of employees took part and the results show that diversity & inclusion, sustainable engagement, collaboration and respect are regarded highly, and in line with the benchmark for our industry. We have identified several attention areas that will be further analysed and prioritised in future actions to be implemented.

Unfortunately, due to the Covid 19 crisis, the “working on screen self-assessment” scheduled in 2021 has been postponed and will be conducted when staff return to the office. In this context, we have adapted all our offices to apply preventive measures to ensure the necessary hygiene and have organised keynote speeches on resilience, energy, and digital communication.

These initiatives contribute to the UN Sustainable Development **Goal 3** – Good Health and Wellbeing.

Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges.

Principle 8

Undertake initiatives to promote greater environmental responsibility.

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

SWIFT supports and respects the three UNGC environmental principles through policies, procedures and initiatives, including:

Reducing our carbon emissions

In 2021 SWIFT signed the commitment to the Science Based Target initiative, committing to set science-based emission reduction targets and taking action to limit global warming to below 1.5°C by 2030 as per the 2015 Paris Agreement.

A company-wide cross departmental Climate Action team has defined these ambitious Science Based Targets and associated actions across the organisation to further reduce our carbon footprint. These include concrete actions such as making our buildings and data centres more energy efficient, revising policies for sustainable commuting and business travel and further greening our events including Sibos. We will also analyse our supply chain of suppliers and partners which contribute significantly to our carbon footprint.

Using the Green House Gas (GHG) Protocol, we compensated our remaining 2020 CO₂ emissions with carbon offsets. In 2021, we invested in a mix of Verified Carbon Standard REDD+ Forestry Credits that focus on afforestation, reforestation and conservation.

Energy efficiency in our offices and data centres

Due to the Covid 19 impact and consequent lockdowns, we drastically reduced the electricity consumption of many SWIFT regional offices in 2021. On top of this, the yearly consumption of our headquarter buildings in Belgium will reduce another 10% thanks to six additional power efficient Uninterruptible Power Systems (UPS) systems installed in 2021.

At our Hong Kong location, we optimised space and electricity consumption by reducing the office surface. SWIFT's US-based Data Centres now benefit from a lower energy consumption as a result of a recent roof insulation and new Led lighting installation. On top of this, we have switched to green electricity at one of our US locations and have started power installation renewal at another site by removing two of six UPS systems. We installed over 1000 photovoltaic solar panels at our Swiss data centre, and additional photovoltaic panels will be installed in our other data centres, delivering a significant amount of renewable energy to these locations. We also launched real-time energy consumption monitoring at our data centre sites - up to server's racks level - with the deployment of a Data Centre Infrastructure Management (DCIM) standard tool.

Our engineering and design efforts focussed on launching the Building Energy Model for our Netherlands site, enabling us to verify the impact of all installation renewals and implement recommended Energy Conservative Measures (ECM) for this site. In 2021 we also worked on the design of the replacement of our Building Management Systems at our US sites; execution is foreseen between 2022 and 2024.

Biodiversity

Protecting biodiversity is an important part of our CSR and Sustainability programme. In 2021, SWIFT chose to support the WorldWide Fund for Nature, supporting renewable energy and nature conservation projects in Eastern Europe, the Greater Mekong region and the Amazon rainforest. We also participated in tree planting projects through American Forestry Organisation and Free Tree Society in Malaysia. In Belgium, where our headquarters are located, we collaborated with local environmental conservation NGOs Natuurpunt in Flanders and Natagora in Wallonia. Our bee colonies located in our headquarters' flower meadow produced honey that we sold to staff. The proceeds of the honey sale were donated to local nature conservation associations aiming to protect bees and restore biodiversity in the area.

Environment (continued)

Measurement of Outcome

SWIFT signed the Science Based Targets Initiative.

SWIFT planted 10,000 trees and supported nature conservation projects.

We installed 1,280 solar panels on the roof of our Operating centre in Switzerland.

At Sibos, our annual conference, we continue to operate sustainably, share best practices and increase sustainability awareness across our community.

Greener mobility

We continue to encourage staff globally to opt for greener travel and commuting solutions. As a result of our continuous efforts and multiple incentives, SWIFT employees are increasingly selecting low CO2 emission vehicles and other environmentally friendly commute options such as public transport and e-bikes.

On top of this, overall reduced business travel and the growing custom of Working from Home has resulted in a significant drop of our global carbon emissions.

Events

Sibos is the annual conference, exhibition and networking event organised by SWIFT for the financial industry. The challenge of Covid 19 led to Sibos becoming purely digital for the last two years, still maintaining a rich 4-day programme of innovation and thought leadership. Alongside this, we focused on the importance of Corporate Social Responsibility and debated issues such as green financing, financial inclusion and the future of work and society. We are committed to operating sustainably, sharing best practices and increasing sustainability awareness across our community.

Our sustainability strategy for Sibos focuses on three areas:

1. Protecting our environment

Our main priority is to reduce the CO2 emissions generated by the conference. Together with our stakeholders we work to reduce the impact of travel and transportation, to reduce the use of resources and waste creation.

2. Caring for the community

Giving something back to the local community is an integral part of Sibos. Each year, Sibos works with local charity partners that share our values, focusing on children and/or education. We also encourage our partners to use local workforce whenever possible, to contribute to the local economy and to leave a positive legacy.

3. Promoting equality and diversity

Sibos is committed to bringing a positive change to our community and the world around us, promoting equality and diversity. This is illustrated through impactful initiatives to foster a diverse and representative financial services community. The STAR (Sibos Talent Accelerator Route) scholarship programme encourages and empowers the next generation of female leaders, accelerating their knowledge and skills. 'Talent Thursday' strives to bridge the gap between present and future by bringing together experienced senior leaders with the next generation of talent across banking, business and technology ecosystems. Our networking event for women explores the importance of female leadership in the financial industry and celebrates women who have inspired throughout history.

The conference and exhibition experience is enhanced by its inclusivity, making Sibos a truly global event. This is reflected in the diverse nature of exhibitors, delegates, and speakers who come from a broad range of organisations, regions, cultures and backgrounds.

The programme is designed to make it as easy as possible for the entire Sibos community to work together to deliver a more sustainable Sibos.

These initiatives contribute to the UN Sustainable Development **Goal 13** – Climate Action.

Anti-corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

Measurement of Outcome

New staff are automatically enrolled in the mandatory, interactive e-learning module on the Anti-Corruption and Anti-Bribery Policy.

SWIFT supports the UNGC principle on anti-corruption through the policy and process described below:

Anti-Corruption & Anti-Bribery Policy

The SWIFT Code of Conduct and the more specific Anti-Corruption and Anti-Bribery Policy, state that SWIFT personnel and those acting on behalf of SWIFT are strictly prohibited from offering or receiving any items of value with the expectation or hope of obtaining a business advantage, or to facilitate or expedite a routine procedure.

The policy provides for a specific reporting and approval procedure, involving senior management and compliance, for gifts or hospitality considered appropriate and acceptable. With the Code of Conduct, it is also mandatory to report gift attempts, above a certain threshold, refused by staff.

New staff are automatically enrolled in the mandatory, interactive e-learning module on the Anti-Corruption and Anti-Bribery Policy. All SWIFT staff must retake this training on a periodic basis.

These initiatives contribute to the UN Sustainable Development Goal 8 – Promote inclusive and economic growth, employment and decent work for all.



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.

Headquartered in Belgium, SWIFT's international governance and oversight reinforces the neutral, global character of its cooperative structure. SWIFT's international office network ensures an active presence in all the major global financial centres.

For more information about SWIFT, visit www.swift.com.