

Salone dei pagamenti

TARGET2 & CBPR+ in UniCredit landscape

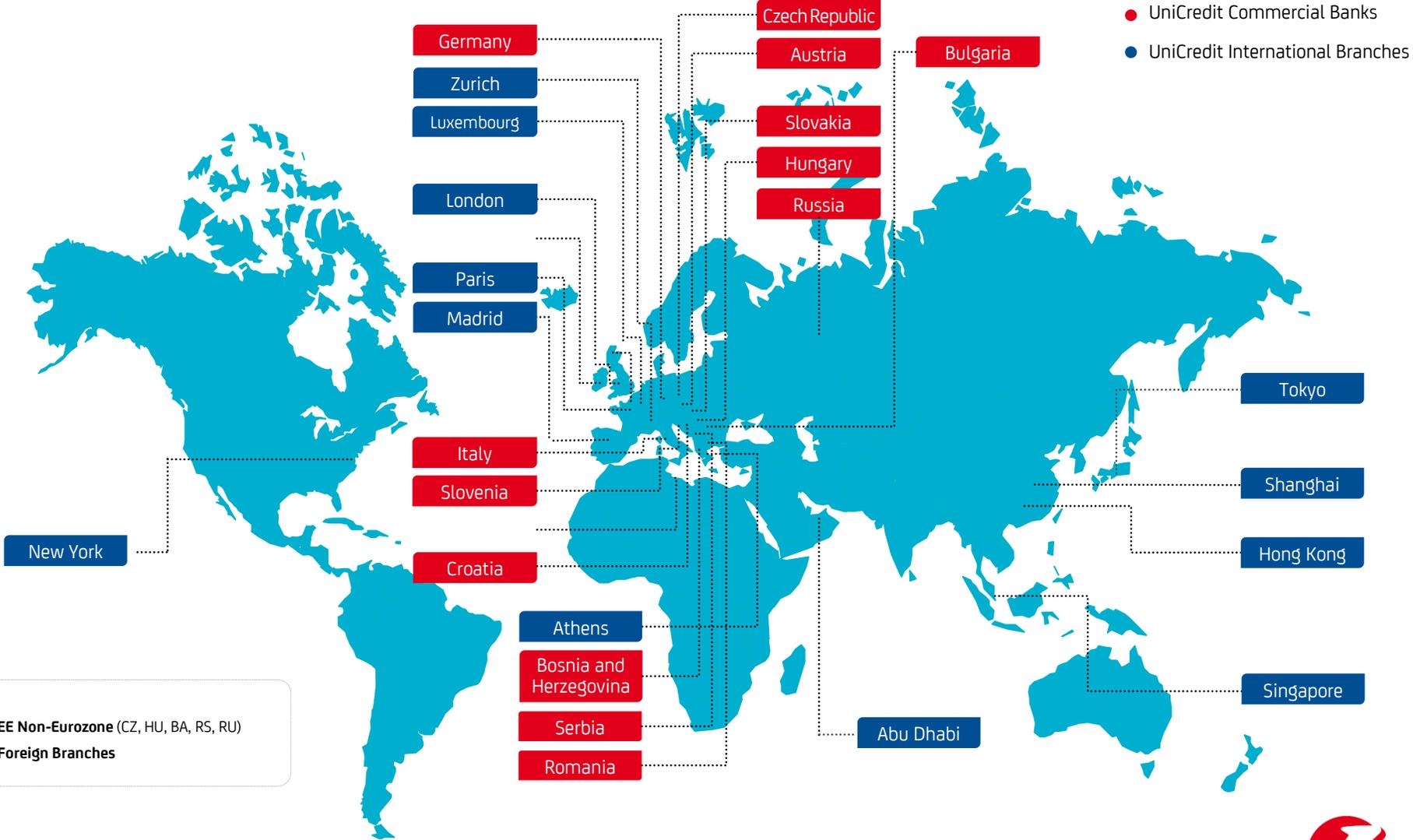
UniCredit Group – Internal use only

Milan, 5th November 2021

Banking that matters. |  **UniCredit**

UniCredit is carrying out Target2 and CBPR+ projects to introduce new ISO standards in its network all around the globe...

UniCredit strategic decision is to be ready to **manage XML format** for **incoming and outgoing messages** starting from **Nov '22** in all geographies, both in Commercial Banks and International Branches



target

- ITA, DE, AT
- 5 CEE Eurozone (BG, HR, RO, SK, SI)

CBPR+

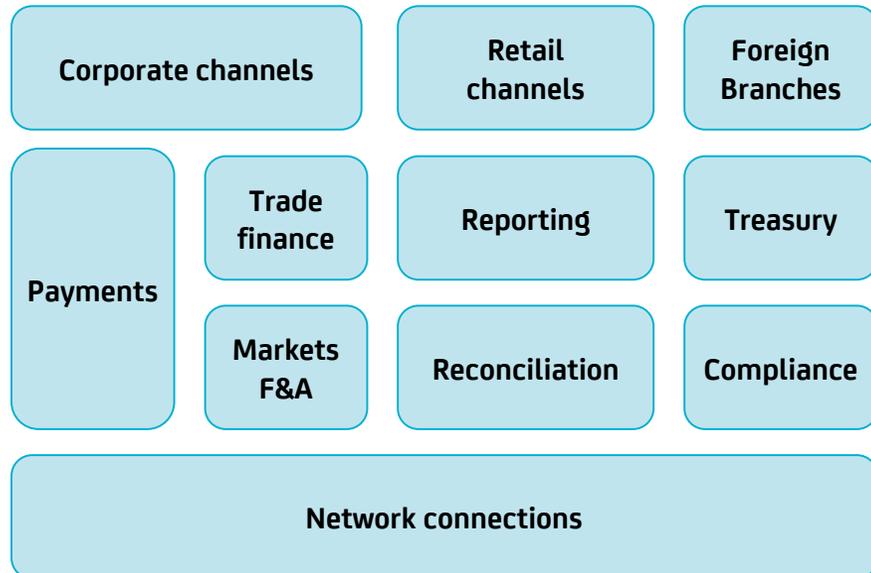
- 5 CEE Non-Eurozone (CZ, HU, BA, RS, RU)
- 15 Foreign Branches



... introducing ISO20022 benefits by adapting systems in bank's key areas

The decision by **major central banks** as well as **SWIFT** to migrate to ISO 20022 marks a **major breakthrough** in standardization efforts. With the global introduction of ISO 20022 standards for cross-border payments, a common basis will be introduced allowing **data rich transmission** which has previously not been possible under current message standards

Impacted IT systems



ISO Standards main advantages

Data Consumption

It facilitates **data consumption** by using structured XML format. Improve efficiency in processing incoming and outgoing messages, mitigating potential system errors

Interoperability

Interoperability is a key part of the success of ISO 20022. Market practice groups formulate guidelines to ensure that the implementation of the standard is harmonised for particular use-cases

Global Standard

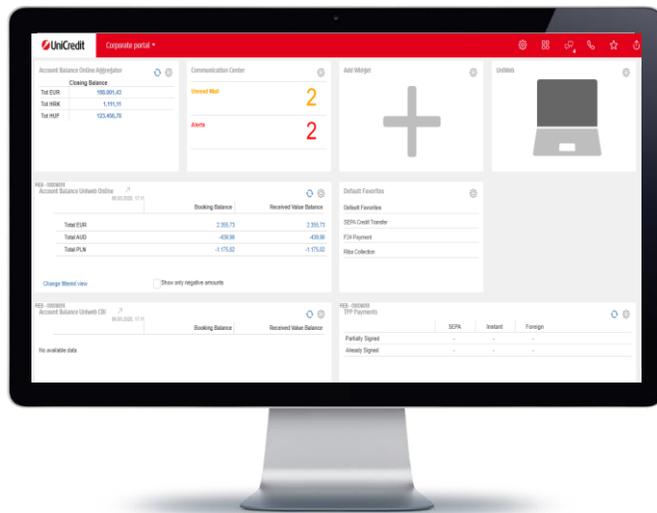
Compliant with global standards and local use, ISO20022 allows communities to define global market practices meeting specific business requirements and services

Quality improvement

ISO 20022 can accommodate more data – and more structured data, allowing for much more information to be carried and processed across a chain of market participants, from originator to beneficiary



What is really changing for UCG customers?



New available information with ISO20022:

- **Ultimate Debtor**
- **New structured addresses (Street Name, Building Number etc)**
- **Extended remittance information**

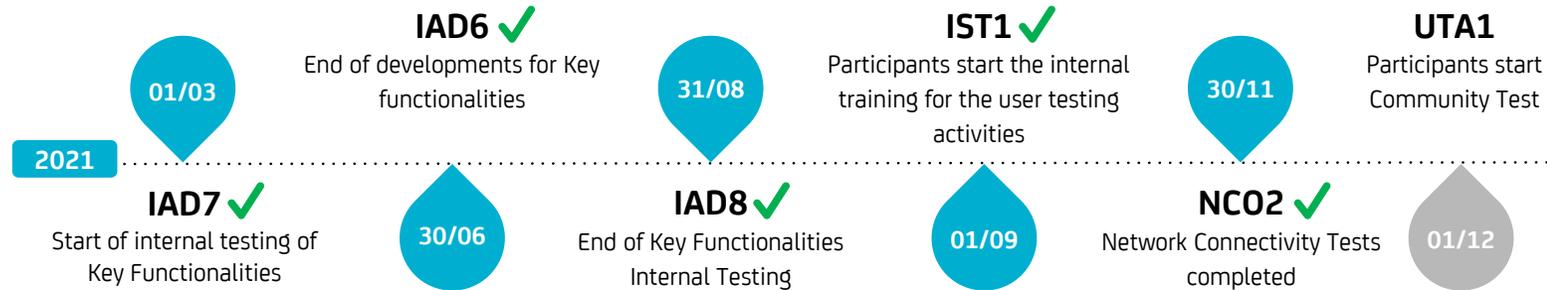


UniCredit achieved current ECB project milestones for Target2 and aims to be fully compliant with CBPR+ on Nov '22

T2 PROGRESS

TARGET2 project milestones defined and monitored by ECB.
Go Live in **Nov '22**

Current milestones achieved,
Community Tests start in Dec '21 under preparation



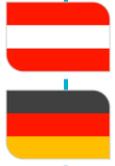
CBPR+ PROGRESS

SWIFT requires Go Live in **Nov '22** for **incoming messages**, allowing a **co-existence period until '25** to migrate outbound messages to XML

UCG decision is to Go Live in Nov '22 with both incoming and outgoing XML messages



TARGET2 and CBPR+ projects within UniCredit Payment strategy



In Germany and Austria Target2 and CBPR+ are part of PULS program, with eWL as payment solution partner

PULS is a multi-year transformation project with the **goal** to improve currently available payment processing systems in Germany and Austria to cope with the number of innovations in the relevant market

Payment types impacted are : High Value Payments, SEPA Credit Transfer, Multi-Currency, SEPA direct debits, Instant Payments



In Italy and CEE countries Target2 and CBPR+ programs upgrade current UCG ICT systems

Main goal is the **migration** to the **new ISO standards** XML format by Nov '22



In Italy, Austria and Germany, UniCredit took the opportunity to transform Treasury processes and Liquidity Reporting by implementing a new **Global Liquidity Management** tool

This decision addresses one of the main goal of European Central Bank, which is the **optimization** of **liquidity management** across all TARGET Services

