

Form3 (D) – £5m Award

Public Commitments Update – Q1 2023

Key Achievements to Date

- In Q4 2022, we delivered Universal Confirmations.
- In Q3 2022, we delivered ‘Correspondent Account Management’ and ‘Payment to FX Flow Integration’ functionalities.
- In Q2 2022, we delivered ‘SWIFT International Payments’ functionality.
- In Q4 2021, we delivered ‘Payment System Orchestration’ initiative.

Original Commitment

Commitment 1

We will build a Global Transaction Platform for FIs, with releases to the following timescales:

Release 1 – Q4 2021

- **Payment System Orchestration (delivered Q4 2021)**

Release 2 – Q2 2022

- **SWIFT International Payments**

Release 3 – Q3 2022

- **Correspondent Account Management**
- **Payment to FX Flow Integration**

Release 4 – Q4 2022

- **Enhanced SWIFT International Payments (Exception automation)**
- **SWIFT GPI confirmations**

Release 5 – Q1 2023

- **Payments Rules**
- **Cut off Times Management**

Rationale for change:

As noted in Q4 2022, we have not seen sufficient interest from customers in the R5 features, and therefore have pivoted the funds to support go to market and technical go live tasks in order to support UK SMEs as quickly as possible.

New Commitment

Commitment 1

We will build a Global Transaction Platform for FIs, with releases to the following timescales:

Release 1 – Q4 2021

- **Payment System Orchestration (delivered Q4 2021)**

Release 2 – Q2 2022

- **SWIFT International Payments**

Release 3 – Q3 2022

- **Correspondent Account Management**
- **Payment to FX Flow Integration**

Release 4 – Q4 2022

- **Enhanced SWIFT International Payments (Exception automation)**
- **SWIFT GPI confirmations**

We are on track with this commitment, with the final R4 functionalities to be released post-customer launch. As mentioned in Q4 2022, R4 (Exception Management) functionality has been delayed until Q2 2023 due to increased build complexity and a focus on moving services into production.

Commitment 2

These services will be available to UK SMEs on a much more flexible basis and at substantially lower costs than what is currently available to them. We will monitor the adoption of these services by tracking volume and value of payments, and FX spot transactions processed.

We are on track to deliver this commitment. We remain committed to establishing a competitive commercial model allowing services to be provided to UK SMEs on a much more flexible and cost-effective basis. We have the tools in place to monitor adoption once we have the first customer confirmed for the service.

Commitment 3

Form3 will provide £7.1m of its own funds in order to accelerate the product build, speed of roll-out and the achievement of benefits to UK SMEs.

We are on track with this commitment having co-invested over £4.9m to date to support this ambitious and exciting project.

Commitments 5 & 6

We commit to offering the services provided through at least 16 FIs by year-end 2025.

The services offered will be available to at least 480k UK SMEs by year-end 2025.

We are on track to deliver this commitment. We have dedicated sales and business development resources as well as support from the wider Form3 Customer Success team, and a healthy pipeline of interested UK based FIs serving SME Customers.