

Press Release

For business editors

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Commerzbank begins a new strategic payments initiative “X-Border Payments Initiative” (#XBPI)

- **Commerzbank updates its existing payment platform to execute cross-border payments**
- **The Bank is using the TRAVIC-Payment Hub developed by PPI**
- **The Bank wants to use the PPI platform to process all payment messages for high-value and cross-border payments in Germany in ISO 20022 format by the end of 2025**

Commerzbank is updating its existing payment platform in Germany to process cross-border payments via the SWIFT network and to process high-value and urgent payments via the TARGET 2 or EURO 1 payment systems. To achieve this, the Bank is using the TRAVIC-Payment Hub developed by PPI, which has native command of the formats that are now becoming common in international transactions as per the International Organisation for Standardisation 20022 (ISO 20022).

The plan is for the migration to be complete at the end of 2025. At that point, Commerzbank wants to use the PPI platform to process all payment messages in Germany for its customers' global activities in foreign commerce, treasury and their liquidity management in ISO 20022 format. This includes high-value payments within the Euro system for the TARGET 2 clearing system and the Euro Banking Association (EBA)'s clearing system with EURO 1, as well as correspondent bank payments or payments in foreign currency via the SWIFT network in the Cross Border Payments and Reporting (CBPR+) format. The PPI platform has been natively developed for the compulsory ISO formats, meaning that it will be much easier for the Bank to introduce and integrate new products for international payments in the future.

An ISO-native IT platform is indispensable now for reliably processing mandates for international payments and for expanding on existing offerings in an economically viable way. Systems not consistently based on ISO 20022 cause high maintenance times and secondary costs.

Simone Loefgen, Global Head of Payment Platforms of Commerzbank, says, “Commerzbank is one of the leading banks for German foreign trade and wants to retain its leading market position in cash management, a position that has been confirmed in studies. This has been in our DNA for over 150 years. With the integration of the TRAVIC-Payment Hub from PPIAG, we will tap into the full potential of ISO 20022, and we will be able to offer our Private and Small Business Clients and Corporate and Institutional Clients considerably better services for executing payments and important innovations for cross-border payments.”

“The software selected by Commerzbank is well developed, futureproof and is one of the highest-performing platforms on the market”, says Dr. Thorsten Völkel, CEO of PPI and Head of the payments division, about the TRAVIC-Payment Hub which Commerzbank licensed for high-value

and cross-border payments. "We are delighted that our product has convinced Commerzbank both from a technical and a functional perspective."

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About Commerzbank

Commerzbank is the leading bank for the German Mittelstand and a strong partner for around 25,500 corporate client groups and almost 11 million private and small-business customers in Germany. The Bank's two Business Segments – Private and Small-Business Customers and Corporate Clients – offer a comprehensive portfolio of financial services. Commerzbank transacts approximately 30 per cent of Germany's foreign trade and is present internationally in more than 40 countries in the corporate clients' business. The Bank focusses on the German Mittelstand, large corporates, and institutional clients. As part of its international business, Commerzbank supports clients with a business relationship to Germany, Austria, or Switzerland and companies operating in selected future-oriented industries. In the Private and Small-Business Customers segment, the Bank is at the side of its customers with its brands Commerzbank and comdirect: online and mobile, in the advisory centre, and personally in its branches. Its Polish subsidiary mBank S.A. is an innovative digital bank that serves approximately 5.8 million private and corporate customers, predominantly in Poland, as well as in the Czech Republic and Slovakia.

About PPI

PPI AG specialises in software products and consulting in payments and is the market leader for payments solutions. PPI's product suite offers the complete payments process chain for banks by a single-source provider – from the customer-to-bank communication through core processing of payments up to interbank communication. The consulting portfolio includes both strategic and bank-technical consulting as well as IT consulting relating to payments. PPI advises its customers on topics such as regulation, instant payments, SEPA, high-value and cross-border, mass and card-based payments. As a steadily growing, family-owned stock company, PPI AG and its over 800 employees are entirely focussed on our customers' success – with more than 300 employees in the field of payments. More information at www.ppi.de/en/payments.