Security Bank Teams Up with ACI Worldwide to Revolutionize Real-Time Payment Customer Experience

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The partnership marks a significant stride in Security Bank's digital transformation journey as it celebrates 72 years of BetterBanking service.

SINGAPORE — July 13, 2023 –ACI Worldwide (NASDAQ: ACIW), a global leader in mission-critical, real-time payments software, and Security Bank Corporation (Security Bank), a leading universal bank in the Philippines, have signed a contract to revolutionize the Bank's real-time payment hub. Under this partnership, Security Bank will implement ACI's cloud-native Enterprise Payments Platform solution, which will enable the Bank to unify its payments platform and facilitate the interoperability of payment services and gateways for high and low-value payments such as InstaPay, Philippine Domestic Dollar Transfer Service System (PDDTS), PESONet, Swift, and PhilPaSSplus on ISO2022 standards. The new modernized payment hub empowers Security Bank to roll out innovative products and services to customers faster and add new payment types seamlessly and cost-effectively to its core infrastructure.

According to ACI Worldwide's 2023 Prime-Time for Real-Time report, real-time payment transactions in the Philippines are expected to grow from 625 million in 2022 to 1.5 billion by 2027, representing a compound annual growth rate of 18.7%. With paper-based transactions dominating 98.4% of payments volume and real-time payments only representing 0.7% share of payments volume in 2022, the market has yet to see its inflection point. Under its Digital Payments Transformation Roadmap (DPTR) 2020-2023, Bangko Sentral ng Pilipinas (BSP) aims to convert 50% of total retail payments to electronic channels and increase the number of Filipino adults with bank accounts to 70%. While there has been significant progress toward achieving these goals, there is still massive potential to reach the unbanked and underserved segments of the economy and unlock the benefits of real-time payments.

"The Philippines is among the fastest growing economies in ASEAN, clocking an impressive 7.6% GDP growth in 2022. Embracing digital real-time payments to foster financial inclusion and innovation, especially with the rise of a young, tech-savvy consumer base, is pivotal to the Philippines' economic progress, said Leslie Choo, Senior Vice President, Managing Director – APAC, ACI Worldwide. "Security Bank is at the forefront of driving customer centricity and redefining the digital real-time payments landscape in the country, and ACI is proud to support the Bank with cutting-edge payment hub technologies in leading this transformation. Our robust solutions go from powering country-wide real-time payment ecosystems to interconnecting cross-border real-time payment networks and enabling the integration of different types of payments, such as the convergence of high-value and low-value payments into a single, unified, intelligent, cloud-native payment hub. "

"Digital real-time payments are becoming ubiquitous, with today's customers looking for a hyper-connected, frictionless customer experience. ACI's modern, scalable, and cloud-native architecture will power real-time payments to meet the dynamic demands of our customers in the digital era. This initiative and our investment in innovative payment technology are testament to our unwavering commitment to customer-centricity," said Stephen John Bell, SVP and Channels Network Group Head at Security Bank.

"A modernized real-time payment solution offers financial resiliency and agility for businesses in the Philippines through enhanced cash flow management and improved business liquidity. For Filipino consumers, they can look forward to a fast and seamless customer experience through secure digital channels. As Security Bank celebrates 72 years of enriching lives and empowering businesses, the partnership with ACI signifies our commitment to deliver a BetterBanking eXperience. " said John Cary L. Ong, EVP and Transaction Banking, Group Head at Security Bank.

"Payments lie at the intersection of commerce and the digital economy, and at Security Bank we recognize that fast, frictionless, and embedded payments offer a distinct competitive advantage. As the digital economy grows and customer appetite for seamless payments increases, Security Bank is commited to offering integrated solutions for both consumers and merchants to meet this demand. Fundamentally, payments are becoming more instant, frictionless, and embedded within customer journeys—hence invisible. As Security Bank continues to drive its BetterBanking eXperience transformation, we see our partnership with ACI having a major role to play in shaping the future outlook of the payments sector to better serve our customers and guide them into the next payments era," said Lucose Eralil, EVP and Enterprise Technology & Operations Segment Head.

ACI Worldwide has unrivaled experience powering on-premise and cloud-native payment hubs for major banks across Asia Pacific and implementing critical real-time ISO 20022 payments ecosystems and central infrastructures. ACI provides the central infrastructure for Indonesia's BI-FAST as well as the gateway for banks and multi-tenant aggregators, one of the world's largest real-time payment initiatives. When fully implemented, this will incorporate 135 banks, multi-tenant aggregators, merchants and payment service providers, leveraging ACI's Low Value Real-Time Payments Solution. Malaysia's Real-time Retail Payments Platform (RPP) was introduced by the national payments network and central infrastructure provider PayNet, in collaboration with ACI to establish ISO 20022 real-time payments across financial institutions and communities, creating a unified and harmonized payments ecosystem in Malaysia. Thailand's National ITMX has also successfully implemented real-time ISO 20022 bulk payments powered by ACI.

Security Bank is on a comprehensive digital transformation journey to leapfrog the competition and deliver a BetterBanking eXperience. The Bank is investing heavily in technology uplifts across various parts of its business, including digital channels, lending systems, Human Capital Management (HCM), network modernization, transaction banking, and enterprise channels, which includes the partnership with ACI Worldwide. The ACI engagement will enable Security Bank to implement a cloud-native enterprise payments platform solution, unifying payments platforms such as InstaPay, Philippines Domestic Dollar Transfer Service System, PESONet, Swift, and PhilPaSSplus on ISO2022 standards. This will give customers one centralized, real-time, and seamless platform—making Security Bank the first bank in the Philippines to roll out a Payments Hub and Gateway.

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About ACI Worldwide

ACI Worldwide is a global leader in mission-critical, real-time payments software. Our proven, secure and scalable software solutions enable leading corporations, fintechs and financial disruptors to process and manage digital payments, power omni-commerce payments, present and process bill payments, and manage fraud and risk. We combine our global footprint with a local presence to drive the real-time digital transformation of payments and commerce.

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About Security Bank Corporation

Established in 1951, Security Bank is one of the Philippines' leading universal banks, and is publicly listed with the Philippine Stock Exchange (PSE:SECB) in 1995. The Bank's major businesses cover retail, corporate, commercial, and business banking, offering a wide range of services including financing, leasing, foreign exchange, stock brokerage, investment banking, and asset management.

Security Bank differentiates itself from competition as a strong, independent, domestic bank with a global reach. The Bank provides superior customer experience in line with its brand promise of BetterBanking, stemming from an in-depth understanding of customers' needs and providing solutions in a professional, problem-free, personalized and prompt manner. With the Bank's strategic partnership with Mitsubishi UFJ Financial Group (MUFG), the largest financial group in Japan, it is also able to provide customers access to an extensive global network.

The Bank has been recognized by international and local organizations for its continuous product innovation, market leadership, and best-in-class management practices.

More information is available on www.securitybank.com.