



## Case Study

# Shanghai Pudong Development Bank develops cutting-edge treasury services in Hong Kong

A leading Chinese bank enhances its treasury operations to drive growth with Fusion Summit from Finastra.



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*By enabling us to offer a much broader and more sophisticated set of treasury services, Fusion Summit will play a significant role in helping us to attract and retain new commercial customers in Hong Kong."*

Zhang Hairong

Lead Project Manager of Development and IT  
SPD Bank

## About SPD Bank



Established in 1992



50,000+ employees



1,700 branches



>6 trillion RMB  
in total assets (2019)

[spdb.e-ciie.com](http://spdb.e-ciie.com)

## Finastra solutions



Fusion Summit



Fusion Adopt

[Find out more](#)



About SPD Bank

The challenge

The solution

Delivery journey

The result

## The Challenge

# Striving for excellence

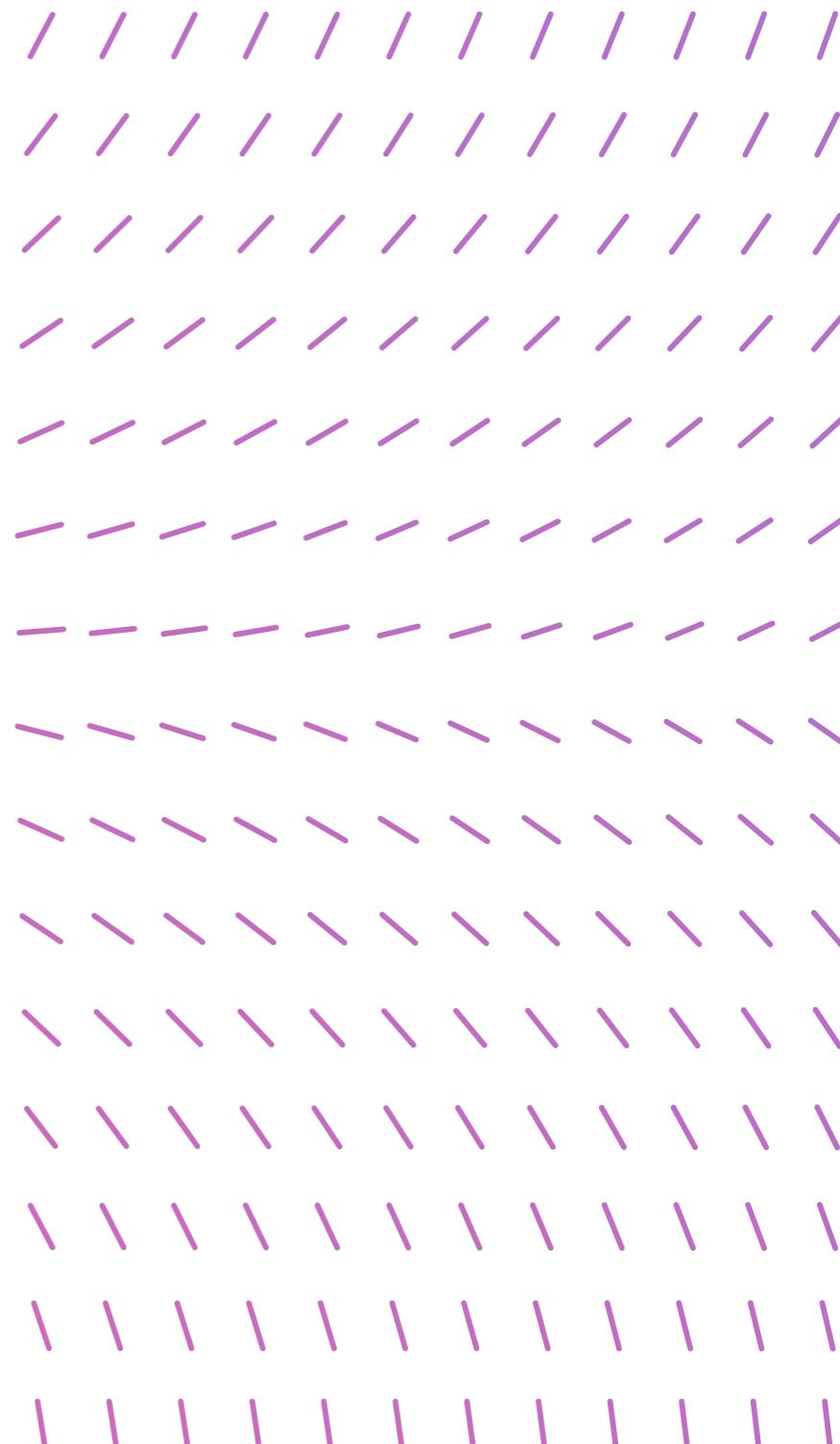
**SPD Bank drives growth in Hong Kong with an ambitious plan to develop innovative treasury services.**

With competition increasing in China's commercial financial services sector, banks are continuously looking for ways to grow their customer base and increase market share.

In recent years, SPD Bank has experienced steady growth in its treasury banking operations in Hong Kong—a trend that the bank is keen to continue in the years ahead. To facilitate further expansion in this line of business, SPD Bank developed a strategic plan to develop a new range of treasury services and strengthen risk management.

For example, acting on the insight that customers today are interested in a wider range of asset classes than ever before, SPD Bank decided to focus on developing new treasury capabilities to help its clients further diversify their portfolios. The bank also aimed to increase convenience for its customers by improving its Straight Through Processing (STP) facilities and enhancing operational efficiency and risk management across its treasury activities.

To make this strategic treasury transformation plan a success, the bank first needed to ensure that its underlying treasury systems were robust and efficient. Although its existing treasury solution provided responsive customer service, it offered limited performance and risk management capabilities—slowing SPD Bank's ability to expand and innovate.



## The Solution

### Trusted, flexible solution

To support the expansion of its Hong Kong treasury operations, SPD Bank deployed Fusion Summit from Finastra—opening a new chapter of growth for the bank.

SPD Bank had been using Finastra solutions to power its treasury operations in China, Singapore and London for over a decade, and the bank was confident that implementing Fusion Summit in its Hong Kong branches would help to drive its expansion plans. In particular, Fusion Summit would enable the bank to manage a wider range of sophisticated and interconnected asset classes and provide a greater variety of treasury services to its clients.

As well as implementing Fusion Summit as a front-to-back solution to manage all treasury business, SPD Bank has used the solution to develop new treasury instruments—including repurchase agreements, callable and puttable bonds, bond forwards, interest rate derivatives, and more.

SPD Bank sees the ultra-granular reporting capabilities of Fusion Summit as one of its strongest features, enabling the bank to manage its treasury business on a real-time basis. Moreover, because Fusion Summit can easily integrate with other systems, the bank can use it to boost operational efficiency across multiple lines of business.

### Key features of Fusion Summit



Manage wider set of asset classes



Develop new treasury instruments



Ultra-granular reporting capabilities



## Delivery Journey

### Flexible implementation

Finastra and SPD Bank took a flexible remote approach to deploy Fusion Summit quickly and safely.

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*Finastra were very supportive throughout the implementation and went the extra mile to make sure we could still deploy Fusion Summit even in the face of the significant disruption caused by the pandemic. Whenever we encountered any issues, the Finastra team were always on hand to help us revolve them quickly and effectively."*

**Zhang Hairong**

Lead Project Manager of Development and IT, SPD Bank

Just as SPD Bank began to implement Fusion Summit, COVID-19 started spreading across the globe—prompting the bank to embrace socially distanced working practices.

Keen to push forward with its strategic plan to enhance its treasury activities, SPD Bank worked closely with Finastra to adapt its Fusion Adopt program to minimize contact between employees. Finastra carried out all user testing, rehearsals and go-live from a remote location, while SPD Bank rolled out new remote working capabilities during the busy Spring Festival period to help employees support the implementation of Fusion Summit from the safety of their homes.

The SPD Bank and Finastra teams used all accessible approaches to work together with SPD Bank Shanghai Head Office IT center, SPD Bank Xi'an IT center and SPD Bank Hong Kong branch users.

Hundreds of remote meetings were organized among sites located in Shanghai, Xi'an and Hong Kong leveraging video and audio conference calls. With a well-defined and detailed plan, SPD Bank Hong Kong migrated over 2,000 transactions and transitioned all system interfaces to Fusion Summit smoothly.

As well as recently being awarded the "Best Green Finance Award" by the China Banking Association, SPD Bank has a strong track record of taking steps to protect the environment and has helped to finance major green and renewable energy projects throughout China. The need to adapt to a remote delivery led to Finastra's project team rerouting some of the travel to shorter journeys, with the overall travel reducing from 40 flights in the build up to the project to zero flights post February 2020. This approach led to an estimated 25% reduction in carbon footprint emissions derived from air travel, supporting SPD Bank to achieve its sustainability goals.

Planned overall carbon cost of travel

**5.66** tons CO<sub>2</sub>

Actual overall carbon cost of travel

**4.33** tons CO<sub>2</sub>

Reduction in carbon footprint

**= 25%** reduction in CO<sub>2</sub> (1.33 tons)

Following the successful delivery of the project, Finastra and SPD Bank are now actively working together to explore a hybrid model which contains elements of both onsite and a remote delivery approach for future projects.

[Find out more about Finastra's Environment Mission](#)

## The Result

### New era of expansion

SPD Bank develops new attractive treasury services that will help to expand its customer base throughout Asia.

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**Zhang Hairong**

Lead Project Manager of Development and IT, SPD Bank

With Fusion Summit underpinning its treasury operations in Hong Kong, SPD Bank is much better placed to grow its operations in Asia.

As well as delivering a richer variety of services, Fusion Summit has helped the bank to develop an ultra-responsive STP framework, enabling it to increase trade processing capacity while also accelerating the speed of trading. Because the Finastra solution supports robust real-time risk management, the bank can react more quickly to changes in the market and deliver a more responsive service to its customers.

SPD Bank now uses Fusion Summit to support all its treasury activities across Asia—helping to streamline and simplify its operations. The bank looks forward to continuing its work with Finastra as it moves forward to the next stage of its growth journey.

## Value to SPD Bank



Attract and retain new commercial customers in Hong Kong



Ultra-responsive STP framework



Increase trade processing capacity and speed of trading



React quickly to changes in the market



Contact us

### About Finastra

Finastra is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world's top100 banks. Our open architecture approach brings together a number of partners and innovators.

Together we are leading the way in which applications are written, deployed and consumed in financial services to evolve with the changing needs of customers. Learn more at [finastra.com](https://finastra.com)

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