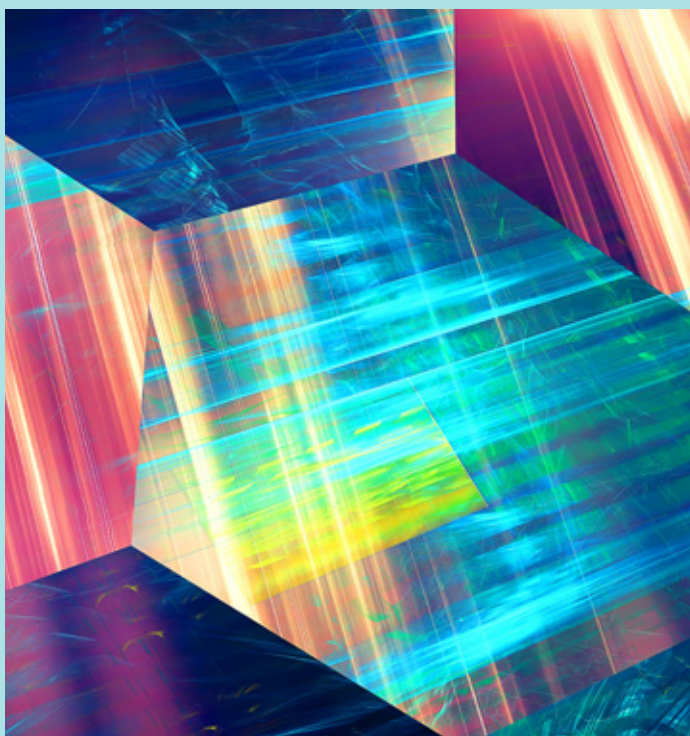


THE NEW TREASURY FRONTIER

Top Business Drivers and Banking Needs
of Corporate Treasurers

OCTOBER 2025



FOREWORD

Carl Slabicki, Executive Platform Owner,
Treasury Services, BNY

The treasury services and transaction banking landscape is evolving at an unprecedented pace. BNY commissioned the following Datos Insights research to provide a view into some of the shifting priorities and challenges faced by corporate treasurers worldwide. As organizations navigate a complex environment marked by rapid technological change, regulatory evolution and heightened security concerns, this research highlights the critical business drivers shaping treasury strategies today.

One of the standout findings is the growing importance of **embedded finance** to enable wider distribution of instant 24/7 financial services across the value chain. Corporates are increasingly seeking partnerships that blend the strengths of traditional banks with fintech innovation, particularly in automating payment reconciliation — a function now entrusted to fintech providers by over half of respondents. At BNY, we recognize that collaboration is key. Our approach is to develop API-driven embedded finance solutions that empower clients with seamless integration and maintain their control, while leveraging fintech capabilities to enhance efficiency and innovation.

Cross-border payments remain a core focus for corporate treasurers, with traditional banks still dominating this space. However, the research underscores persistent challenges such as manual processes and currency risk. BNY is committed to modernizing cross-border infrastructure by connecting client solutions to faster payment networks globally and exploring emerging technologies like distributed ledger and stablecoins to supplement these solutions. These efforts aim to reduce friction, accelerate settlement times and provide treasurers with better tools to manage FX exposure and liquidity globally.

The rise of **open banking** is another transformative trend, and we see how our clients are benefiting from the convenience that open banking enables. With adoption of account-to-account payments expected to reach

72% in 2025, treasurers are beginning to realize the benefits of providing a seamless consumer experience to obtain trusted data, facilitating real-time payments for many billers and service providers. BNY is advancing our open banking capabilities through enterprise-grade APIs that deliver secure, scalable and seamless connectivity — enabling our clients to harness the full potential of real-time payments and data-driven decision-making.

On the frontier of innovation, **generative AI** is moving beyond experimentation and fully taking hold as a practical application within the financial services industry. The Datos research highlights the shift toward human-in-the-loop AI programs that augment treasury operations and drive measurable productivity gains. At BNY, we are **integrating AI thoughtfully** to support our teams and clients alike, enhancing risk management, liquidity forecasting and operational efficiency while maintaining rigorous oversight.

Finally, **fraud mitigation** remains a top priority as payment fraud increasingly occurs beyond traditional bank controls. BNY has always recognized that security and resiliency are the foundation of establishing trust with and for our clients as we continuously expand our fraud prevention framework to encompass comprehensive, end-to-end solutions that protect corporate clients from evolving threats. We prioritize combining advanced analytics, real-time monitoring and collaborative industry partnerships to safeguard financial assets.

In summary, the Datos Insights research captures a pivotal moment for treasury services — one defined by collaboration between banks and fintechs, accelerated digital transformation and a relentless focus on security and client empowerment. BNY is proud to be at the forefront of these developments, delivering innovative, resilient and client-centric solutions that help treasurers and those that serve them meet today's challenges and seize tomorrow's opportunities.

Introduction

The corporate treasury landscape is undergoing a profound transformation, but not all innovations are advancing at the same pace. While breakthrough technologies like generative AI and open banking are rapidly reshaping how organizations manage their financial operations, other foundational challenges — particularly the complexities of international payments — remain stubbornly resistant to disruption.

In Q3 2025, Datos Insights surveyed 1,036 finance and treasury professionals from midsize and large businesses across 11 countries in North America, Europe and the Asia-Pacific to understand how organizations navigate this evolving landscape. The findings reveal a corporate treasury function at an inflection point, where strategic technology adoption is accelerating dramatically in some areas while institutional expertise maintains its dominance in others.

This report, prepared in collaboration with BNY, identifies key transaction banking trends and selected focus areas that can help guide financial services participants across multiple industry segments.

Key Findings

Survey findings show **generative AI** usage in banking and payments operations and **open banking** are experiencing the most rapid growth. Compared to a 2024 Datos Insights research study, the percentage of companies that make use of AI-based applications for their banking and payments operations surged dramatically from 34% in 2024 to 50% in 2025, signaling AI's transformation from experimental technology to an essential business tool through practical implementation. Open banking also demonstrates strong growth momentum, with account-to-account (A2A) payment adoption increasing from 64% to 72% and overall payment volume rising 19.2% year-over-year. This is further validated by two-thirds of organizations planning implementation of open banking by the end of 2026 to democratize financial data access.

Both technologies share common characteristics: They enhance existing processes rather than replace fundamental infrastructure; they can be implemented incrementally, and they deliver measurable efficiency gains while maintaining organizational control. Corporate treasurers are embracing AI-powered automation for operational efficiency and adopting open banking for real-time financial data access across multiple institutions.

Conversely, in areas where significant regulatory complexity, correspondent relationships and institutional knowledge create significant barriers to entry, traditional banking maintains overwhelming dominance. **Cross-border payments** exemplify this dynamic: Despite technological advances and fintech innovation, primary financial institutions continue to hold 90% of the market share. In corporate treasury, fintech technological sophistication alone cannot overcome the value of the established infrastructure, regulatory compliance expertise

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— CARL SLABICKI,
EXECUTIVE PLATFORM OWNER,
TREASURY SERVICES, BNY

and deep correspondent banking relationships that traditional institutions have built over decades.

Perhaps most significantly, the research reveals that corporate treasurers are not choosing between traditional banking and fintech innovation — they are demanding both. The rise of **Banking-as-a-Service** (BaaS) reflects this integration imperative. Corporations seeking to provide banking services to clients are increasingly turning to fintech partnerships — driven by banks’ inability to deliver fast and easy experiences — while prioritizing the preservation of regulatory compliance and customer control. With payment reconciliation automation spearheading embedded finance adoption, these strategic alliances enable innovation without compromising the regulatory oversight and customer relationship management that corporations are determined to retain. This fintech collaborative model suggests that the future of corporate treasury lies not in displacement but rather in strategic partnerships that combine fintech innovation with banking stability. This nevertheless creates new complexities around regulatory responsibility, vendor management and risk allocation that organizations must navigate carefully.

Underlying all these trends is a persistent security concern that threatens to constrain digital transformation momentum. Even with significant investments in **fraud prevention** and **mitigation**, 29% of corporations experienced

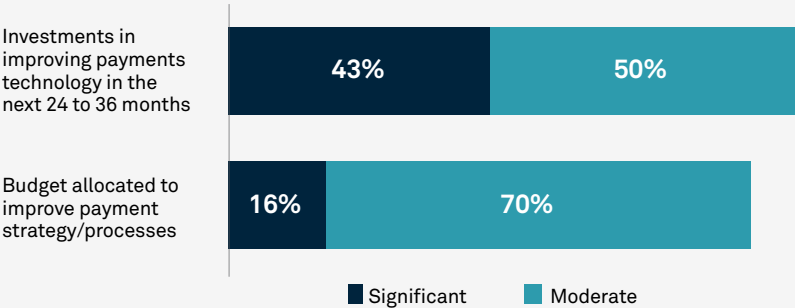
payment fraud across multiple channels in 2025, with the highest rates occurring in digital payment methods. Despite banks investing heavily in authentication hubs, strengthened control frameworks and enhanced identity verification systems, payment fraud remains a persistent challenge as fraudsters continuously innovate new methods to exploit vulnerabilities in payment systems, creating capability gaps that extend beyond banks’ direct control and impact their corporate clients. This reality reinforces why corporate treasurers remain cautious about fully embracing digital-first approaches for their most critical financial operations (Figure 1).

These data points collectively validate that corporate treasurers maintain a cautious stance toward digital-first approaches, particularly for their most critical financial operations, preferring to rely on established banking relationships and proven technologies while gradually evaluating newer digital alternatives.

This evolution reflects a broader reality facing corporate treasurers today: The path to digital transformation is neither uniform nor predictable. Technologies that promise operational efficiency and enhanced customer experience are gaining swift adoption, while solutions for the most complex, regulated and relationship-dependent aspects of banking continue to favor traditional approaches over pure innovation.

FIGURE 1: CORPORATIONS MAINTAIN A CONSERVATIVE INVESTMENT AND BUDGET ALLOCATION FOR INFORMATION TECHNOLOGY

Allocated Budget and Planned Investments for Digital Innovation



Source: Datos Insights Q3 2025 survey of 1,036 global mid-and-large sized organizations.

BaaS Partnerships Create Complex Regulatory Challenges

Corporate users of embedded finance services or BaaS increasingly require partnerships with both traditional banks and fintech providers, creating complexity in managing multiple financial relationships and making it difficult to identify standout differentiators across BaaS services typically offered (Figure 2).

With technology enabling these new paradigms that the industry has embraced, BaaS has created a perceived regulatory-compliant continuum, where regulatory responsibility for banking services varies because of API-driven delivery systems. However, this complexity necessitates clear regulatory oversight to establish definitive accountability frameworks and determine liability allocation among all parties involved. The increased use of BaaS has led to strengthened partnerships between corporates, their primary banks and fintech players, making transparent regulatory guidance essential for ensuring proper risk management and compliance responsibilities across these interconnected relationships. Significant challenges persist as many corporate users and financial institutions still struggle

to evaluate which combination of traditional and fintech providers optimally serves their specific needs within this multipartner ecosystem.

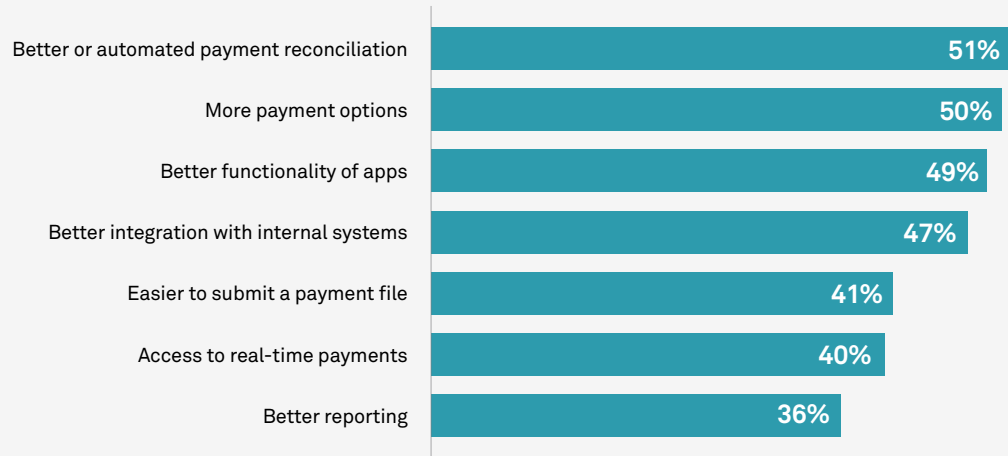
Traditional financial institutions continue to face disintermediation threats but are responding through three strategies:

- They are developing API-based solutions that maintain client control.
- They are collaborating with fintech players to deliver specialized capabilities while preserving oversight.
- They are delegating nonstrategic functions to fintech specialists such as automated payment reconciliation, which 51% of respondents now rely on fintech vendors for. Payment options and better functionality of apps are also top reasons fintech BaaS services are chosen over traditional banks.

This upward trend confirms fintech vendors effectively are being chosen for their proficiency in API technology over traditional banking services.

FIGURE 2: HOW FINTECH VENDORS COMPLEMENT TRADITIONAL BANKING SERVICES

Q. What are the main reasons your organization works with a fintech firm in addition to its financial institution? (Base= 791)



Source: Datos Insights survey of 1,036 midsize and large organizations, Q3 2025.

Banks Dominate Cross-Border Corporate Payments

Companies are handling more cross-border payments than ever before, but many are still relying on manual processes that make international transfers slow and complicated, especially when dealing with currency fluctuations. To address these challenges, financial institutions have been upgrading their legacy systems with faster payment networks and support for new technologies like stablecoins, which help create more connected infrastructure for quicker and more accessible global transactions.

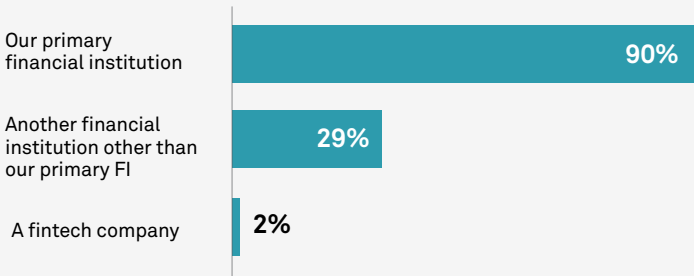
Corporate treasury departments have responded by adopting better currency management tools and foreign exchange systems to monitor cash flow more effectively and reduce their exposure to exchange rate risks. Datos Insights research finds that globally, 28% of corporations are currently getting foreign exchange conversion services from their bank or fintech vendor, with 33% planning to do that in the next 12 months and another 20% in the next two years. While these technological improvements have made significant progress in transforming global payments, there are still considerable opportunities for innovation as businesses continue to grapple with currency risks and the need for further enhancements in cross-border payment processes.

Survey data reveals the overwhelming dominance of traditional banking for cross-border payments. Primary financial institutions continue to maintain a consistent 90% usage rate, while fintech companies capture a mere 2% market share (Figure 3).

Nearly one-third of businesses also use secondary financial institutions, suggesting diversification within traditional banking rather than toward fintech alternatives. This confirms that while fintech players have succeeded in consumer-facing applications and specific niches, the institutional payments market remains dominated by banks that can leverage existing infrastructure, regulatory relationships and comprehensive service offerings.

FIGURE 3: BANKS REMAIN THE PREFERRED PROVIDERS FOR CROSS-BORDER PAYMENTS

Q. Which organization(s) does your business currently use when it initiates a cross-border payment? (Base= 984)



Source: Datos Insights survey of 1,036 midsize and large organizations, Q3 2025.

Corporate Open Banking Adoption Continues Growing

Traditionally, banks have kept customer financial data securely within their own systems, limiting the ability for customers to manage their money across different institutions. The rise of open banking and the ability to use APIs to let third parties access bank data with customer permission have changed this. This shift has democratized finance and sparked a wave of innovation, and the adoption of open banking payment tools by corporates continues to increase (Figure 4).

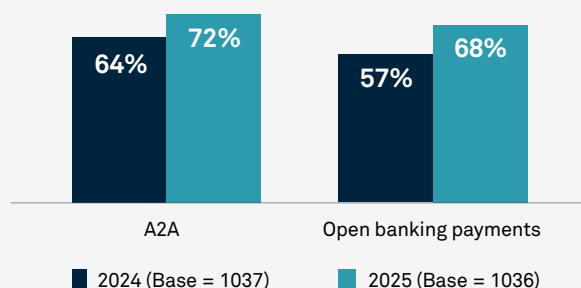
Since banks now collaborate more with outside vendors, corporate treasurers benefit from real-time access to financial data across multiple banks, which helps streamline operations and improve decision-making.

Collaborative opportunities continue to emerge as corporate treasurers are increasingly demanding direct banking integration within their enterprise systems, driving the rapid adoption of open banking solutions that provide authorized multibank access. This trend has fueled significant growth, with planned usage of A2A payments and open banking payments (transactions initiated directly from a customer's bank account through secure APIs that connect banks with authorized third-party providers) expected to increase to 72% and 68%, respectively, in the next year, contributing to open banking's overall 19.2% increase in payment volume. As both technologies approach mainstream status, with seven of 10 organizations showing propensity to adopt them by 2025, the market transformation is accelerating.

In the meantime, banks must continue to prioritize the development and enhancement of enterprise-grade open banking APIs and direct integration capabilities to meet corporate treasurer needs, ensuring seamless A2A payment functionality and multibank connectivity before the anticipated implementation wave reaches full scale.

FIGURE 4: OPEN BANKING-RELATED PAYMENT METHODS CONTINUE STEADY GROWTH

Q. How do you think your organization's usage of open banking payment tools is likely to change over the next 12 months? (Answer: "significant/some increase")



Source: Datos Insights survey of 1,036 midsize and large organizations, Q3 2025.

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BNY is advancing our open banking capabilities through enterprise-grade APIs that deliver secure, scalable, and seamless connectivity – enabling our clients to harness the full potential of real-time payments and data-driven decision-making.

— CARL SLABICKI, EXECUTIVE PLATFORM OWNER, TREASURY SERVICES, BNY

Corporate AI Banking Usage Surges

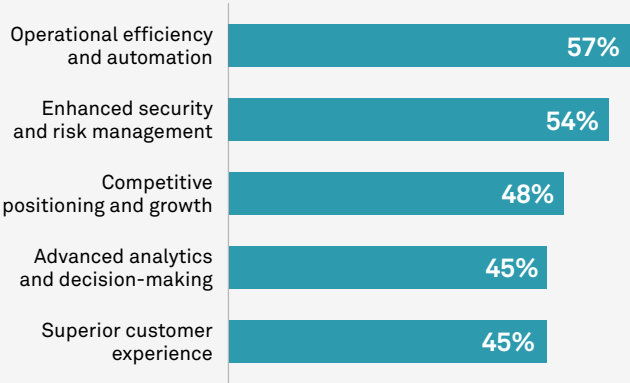
Corporate banking clients entered the artificial intelligence era with ambitious expectations, primarily seeking comprehensive business improvements across operational efficiency, security enhancement, competitive differentiation, data-driven decision-making and customer service excellence (Figure 5).

The substantial operational improvements reflected in actual corporate implementation results demonstrate that these expectations are being met through strategic deployment of generative AI solutions from their primary financial institutions, with organizations successfully achieving comprehensive operational enhancements spanning core banking functions from financial planning and risk management to payment processing and customer service delivery (Figure 6).

These impressive performance gains stem from banks' strategic implementation of "human-in-the-loop" programs that successfully bridge the gap between AI experimentation and real-world application. By embedding human oversight and intervention within their generative AI systems, financial institutions have been able to deploy AI capabilities confidently across critical banking functions, providing the accuracy, control and trust necessary to move AI from theoretical potential into live production environments, while mitigating the risks associated with AI hallucinations and automated decision-making in sensitive financial processes.

FIGURE 5: AI RAISES EXPECTATIONS

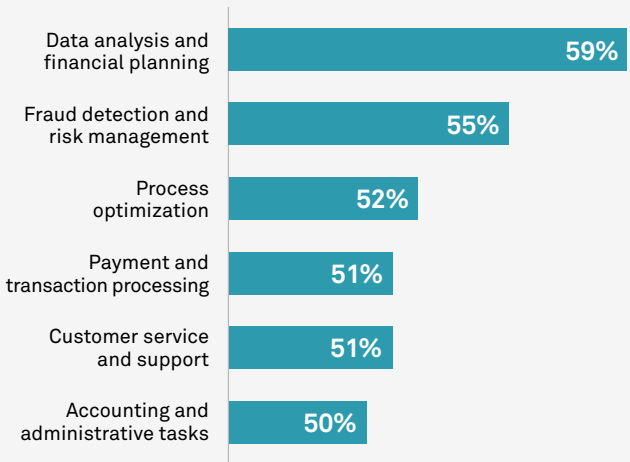
Q. What are the primary motivations for your organization's plans to implement generative AI in banking and payment processes? (Base= 490, already using AI)



Source: Datos Insights survey of 1,036 midsize and large organizations, Q3 2025.

FIGURE 6: CORPORATIONS' USE OF BANKS' GENERATIVE AI CAPABILITIES SHOWS HEALTHY GROWTH

Q. What specific tasks or processes have been enhanced by using AI for banking and payments capabilities? (Base= 490, already using AI)



Source: Datos Insights survey of 1,036 midsize and large organizations, Q3 2025.

Payment Fraud Spreads Across Corporate Channels

With 29% of corporations experiencing payment fraud across multiple channels, banks must proactively market comprehensive fraud prevention solutions to capture this urgent corporate security need immediately (Figure 7). To address these challenges, banks are building authentication hubs, strengthening control frameworks and setting up faster AI-powered fraud detection systems and improved case management processes. These improvements are making identity verification more reliable and enhancing the overall customer experience while supporting digital growth. However, payment fraud remains a significant problem. Much of this fraud occurs outside a bank's direct control, which means corporate clients are bearing the brunt of the financial liability and business disruption that fraudulent activities cause.

Payment fraud data reveals a concerning landscape where fraudulent activities are widespread across

organizations, but the most common being altered payment information (29%) and card fraud (28%). The relatively narrow distribution of payment fraud types (spanning 16% to 29%) demonstrates that fraudsters are strategically targeting diverse payment channels rather than focusing on a single method. While traditional payment methods like ACH fraud show comparatively lower rates at 16%, digital and international fraud categories register in the 22% to 25% range, underscoring the heightened vulnerabilities in modern payment systems.

This is a call for banks to implement a unified, multichannel fraud detection system that applies enhanced monitoring and real-time analytics across all payment methods, with particular emphasis on strengthening controls for payment information alteration and card transactions, while upgrading digital payment security protocols to address the elevated risk levels in modern payment channels.



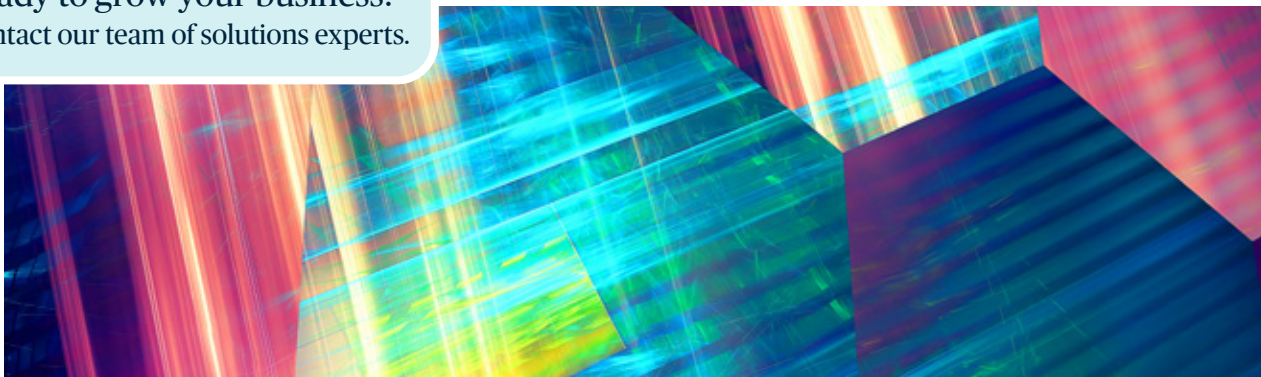
Conclusion

Corporate treasurers are navigating a complex environment where digital transformation accelerates in some areas while traditional banking expertise remains critical in others. The financial services sector stands at an inflection point where traditional institutions and corporations must collaborate to meet evolving corporate treasury needs.

Success requires strategic positioning that leverages each player's unique strengths while addressing persistent challenges in payments, security and digital transformation. Banks should continue to do the following:

- **Strengthen API-driven embedded finance capabilities by developing solutions that maintain client control while enabling seamless integration with fintech partners**, particularly for payment reconciliation, whereby 51% of corporations now rely on fintech vendors.
- **Modernize cross-border payment infrastructure by upgrading legacy systems with faster payment networks and exploring emerging technologies** like stablecoins to reduce manual processes and currency risk exposure, defending the 90% market share against fintech disruption.
- **Accelerate enterprise-grade open banking implementation to capture the rapidly growing A2A payment market** and provide real-time, multibank access, as two-thirds of organizations plan implementation by 2026.
- **Deploy AI strategically from experimental to production using human-in-the-loop programs** to reassure corporate clients while achieving operational efficiency gains, as AI usage in banking operations surged from 34% to 50% year-over-year.
- **Expand comprehensive fraud prevention solutions beyond authentication hubs to address payment fraud occurring outside direct bank control**, as 29% of corporations experienced fraud across multiple channels, with altered payment information and card fraud being most prevalent.
- **Navigate BaaS regulatory complexity by establishing clear accountability frameworks and liability allocation** while maintaining oversight in partnerships with fintech providers.

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Methodology

This paper is based on an online survey of 1,036 employees of midsize and large businesses in 11 countries across North America, Europe and the Asia-Pacific region, specifically Australia, Canada, France, Germany, Italy, Japan, India, Singapore, Spain, the U.K. and the U.S. Datos Insights undertook the survey in Q3 2025. Respondents are employed in the areas of operations, finance, accounting, payments strategy or treasury/control and have knowledge of their organizations' finances, treasury and payment operations, methods and processes.

Organizations represented in the pool of respondents generate annual revenue/turnover of at least US\$20 million or the equivalent in local currency. Datos Insights estimates that the data for the total sample have a 3-point margin of error at the 95% level of confidence.

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