

# Build a modern core banking platform

## 81%

of banking executives say their banks plan on investing in core systems modernization.<sup>1</sup>

## Why Red Hat and Intel for core banking

### Accelerate speed to market.

A cloud-based environment that protects data, seamlessly scales, and frees developers from time-wasting tasks creates a productive, innovative environment for the business.

### Meet security and compliance regulations.

Advance [DevSecOps](#) and automate compliance as code.

## Build a modern infrastructure to support innovation

The banking industry is under significant pressure to reduce costs and innovate as consumers seek more timely and relevant products and services. New competitors and evolving security and compliance requirements amplify these pressures. However, for many banks, core banking has become an expensive liability, hampering the ability to innovate and impeding the growth of their digital business.

Banks must modernize their heritage systems with modern core banking platforms and tools to deliver the products and services their customers expect.

## Characteristics of a modern core banking platform

To modernize systems and more flexibly respond to business needs, organizations must be able to respond to customer requests using data, applications, and services. An open, modular, interoperable banking platform provides the agile, security-focused environment needed to govern data and applications.

When banks embrace cloud and open source technologies, they become more agile and innovate faster, helping to deliver the experience customers expect. Operationally, one advantage of this more flexible environment is the ability to connect third-party applications to banking systems to better position banks to meet customers' digital demands. A modern platform must include:

**Cloud-native microservices.** Applications are built as containerized microservices that are independently maintainable, scalable, repeatable, and ideal for [cloud-native](#) integration and deployment. They can be distributed across multiple clouds, datacenters, and the edge to help banks economically scale to meet real-time needs.

**Automated security and compliance.** Manual approaches to security requirements have the potential to take an excessive amount of time to get right and improper actions and configurations can put them at risk. Reduce risk and streamline compliance by building regulations into application code from the beginning, [automating policy application](#) for downstream activity.

**Support for modular banking.** Consumers demand personalization. Partnering with fintechs gives banks the building blocks for flexible, customizable applications. Tapping into fintech partnerships at the application programming interface (API) management level allows banks to launch new services quickly, diversify product offerings, and better serve niche markets.

## A cloud platform for scalability, reduced risk, and interoperability

Red Hat® cloud services, powered by Intel® technology, provide high-performance cloud environments for core banking and services to help banks adopt cloud, microservices, automation, data streaming, and APIs. Benefits of Red Hat and Intel solutions include:

**Improve customer experience.**

Flexible integrations and enhanced processing power let banks use more data to create relevant, responsive customer journeys.

**Reduce costs.**

Automated processes and feature management require less manual intervention to ensure reliable and scalable performance.

**Scalable hybrid cloud architecture.** With [Red Hat OpenShift®](#), banks can deploy core banking capabilities on the private or public cloud. The built-in automation, scaling, and monitoring capabilities streamline and optimize core banking-related services, allowing banks to better respond to spikes in demand.

**Reduced risk.** [Red Hat Ansible® Automation Platform](#) automates infrastructure and code deployment by using Red Hat OpenShift. Combined with [Intel Software Guard Extensions](#) (Intel SGX), which supports hardware-based isolation and memory encryption, data resides in trusted “enclaves” in memory. It also can be automatically and consistently deployed to local regions. Using this automated, consistent, and security-enhanced data environment as a foundation for digital business provides data and more code protection to help developers deliver more secure solutions at scale.

**Flexible integrations.** The [Red Hat Application Services](#) portfolio, including Red Hat Integration, offers an extensive suite of containerized enterprise integration and messaging technologies for complex data integration, service composition, and automated orchestration. These technologies provide the open source integration capabilities needed for a modern banking platform.

**Transformation at a customized pace.** Banks can modernize systems at a pace that aligns with their journey. They can extend, renew with the help of independent software vendor (ISV) partners, or reinvent by redefining core processes as composable services.

**Learn more**

Visit [redhat.com/financial](https://redhat.com/financial) to learn how Red Hat and Intel can help you successfully modernize your core banking infrastructure.

**About Intel**

Intel is an industry leader, creating world-changing technology that enables global progress and enriches lives. Inspired by Moore’s Law, Intel continuously works to advance the design and manufacturing of semiconductors to help address their customers’ greatest challenges. By embedding intelligence in the cloud, network, edge, and every kind of computing device, Intel unleashes the potential of data to transform business and society for the better.

**About Red Hat**

Red Hat helps customers standardize across environments, develop cloud-native applications, and integrate, automate, secure, and manage complex environments with [award-winning](#) support, training, and consulting services.

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