

Symbiosis: Innovation without compromise

Deploying for growth & agility NOT disruption & fragility

Problems with legacy core banking systems

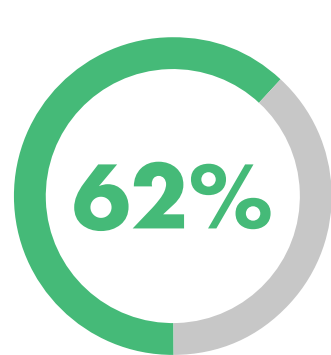
The trouble with traditional core banking systems

- 1 Operate on inflexible and fragmented processes:**
 - New product time to market 1 year+¹
- 2 High cost of maintenance:**
 - Consume 70% of bank IT budgets²
- 3 Outdated technology inhibits innovation:**
 - Digital-native banks release new features 6 to 8 times faster than other banks^{3, 4}

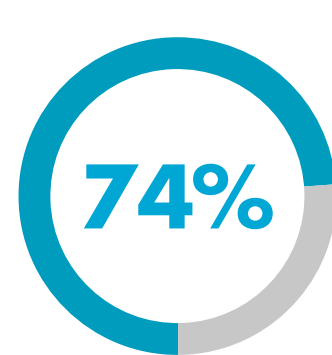
Why banks are modernizing now



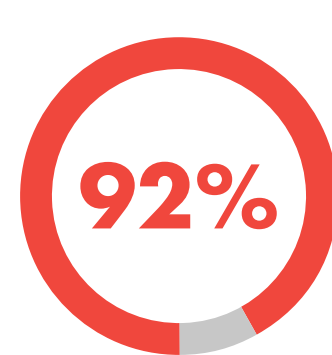
Improve profitability⁵



Increase future revenues⁶



Threats from non-traditional competitors⁷



Reliance on outdated COBOL technologies⁸



Outdated technology will cost banks

\$57 billion by 2028⁹

Core modernization strategies



Rip and replace strategy

Replace your entire IT infrastructure with a modern core

- Modern functionality
- Future adaptability
- High costs
- Lengthy timelines



Symbiosis strategy:

Add a next-gen cloud-based core alongside your existing platform

- Rapid transformation
- Lower cost
- Faster time to market
- Enhanced customer experience?

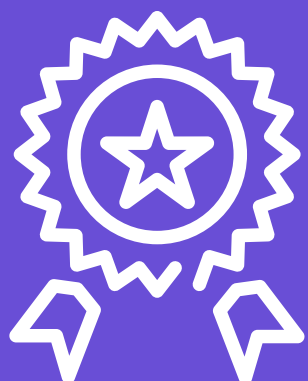
Modernization for today and tomorrow: The advantages of a symbiosis strategy

Run a vertical or horizontal slice of the business on a next generation cloud-based core

Why a symbiosis strategy:

Operating a next-gen core alongside existing systems?

- **Rapid Innovation:** Swiftly adapt to market demands
- **Future Driven:** Dive into niche markets and gradually expand capabilities
- **Adaptability:** Full-service core offers seamless addition of new products



Symbiosis strategy: a cost-effective, agile solution, positioning banks to thrive in an ever-evolving landscape.

Parallel core put to the test

35% of banks investing in SMB market:

- Establish on a next-gen cloud-based parallel core
- Gain leading digital-first capabilities and modern attributes
- Retain the 75% of SMBs who plan to migrate to digital-only banks¹⁰
- Add new products/capabilities as needs demand

Next-Gen cloud core — built on leading edge technology

- Facilitates daily transactions and account updates
- Offers real-time banking experience
- Provides more valuable data insights

Discover more about a the benefits of a symbiosis strategy in **Symbiosis: Innovation without compromise**

1. [Toward a New Retail Banking Platform Architecture: Defining the Future Digital Core Platform](#), Daniel Mayo, Celent, 14 Dec. 2022.
 2. [Navigating Turbulence](#): Celent Banking and Financial Services, Craig Focardi and Mayank Mishra 2023
 3. [Why Most Digital Banking Transformations Fail—and How to Flip the Odds](#), Akhil Babbar, McKinsey & Company, Apr, 2023.
 4. [Why Most Digital Banking Transformations Fail—and How to Flip the Odds](#), Akhil Babbar, McKinsey & Company, Apr, 2023.
 5. [Why the Cloud Is Critical to Your Digital Banking Strategy](#), Lisa Joyce, The Financial Brand, Mar. 15, 2022.
 6. [5 Ways Banks Pushed Deeper into the Cloud in 2022](#), Penny Crossman, American Banker, Dec. 21, 2022.
 7. [Seeking a Successful Path to Core Modernization](#), MIT Technology Review.
 8. [European Retail Bank IT Priorities and Strategy in 2023](#), Kieran Hines, Daniel Mayo, Celent, 2023.
 9. [Seeking a Successful Path to Core Modernization](#), MIT Technology Review.
 10. [Retail Banking IT Priorities and Strategy in 2023](#), Kieran Hines and Daniel Mayo, Celent, 18 July 2023.

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