RSI Modernizes Core Banking Systems and Reduces Energy Consumption with a Hybrid Cloud Approach from IBM and Red Hat

● **Banking IT provider embraces IBM Cloud for Financial Services to help evolve core digital applications, boost innovation and address industry regulations with built in controls**

● **IBM Consulting to design RSI´s open, secured modernization strategy, helping to enhance operational efficiencies and de-risk the transformation journey**

● **IBM z16 to provide secured transaction processing for RSI clients and reduce energy consumption by 25% , designed to reduce RSI's overall carbon footprint**

Madrid, 27 October 2022. Rural Servicios Informaticos (RSI), a Spanish banking IT services company, and IBM (NYSE:IBM) today announced an agreement to modernize RSI's core banking platform with hybrid cloud technology and industry expertise from IBM and Red Hat. The collaboration aims to boost RSI's digital products and services offerings while expanding its ecosystem of partners as it evolves its business for a digital-first generation.

RSI provides core banking services to Caja Rural Group, one of the leading banking groups in Spain which has a network of over 46 cooperative banks and Rural Financial Entities. RSI's banking platform is responsible for servicing 8 million end-user customers and executing 5 billion transactions per year.

Under the agreement, IBM Consulting will work closely with RSI to provide the expertise and capabilities to design its hybrid cloud strategy that will support the banking IT group's digital transformation plan called "Cloud Office", and support to migrate core workloads to the cloud. An important part of RSI's business strategy is to modernize its platform, into a hybrid cloud architecture so digital channels and applications can securely run across any technology environment. This will help improve operational efficiency and drive innovation, while implementing the higher levels of security while addressing the industry regulatory compliance requirements.

Customer demand for digital banking services is rapidly increasing as regulatory and compliance requirements evolve. RSI is responding by modernizing its technology infrastructure and applications to remain competitive and improve customer

experience. The bank will combine IBM Cloud for Financial Services, with the resiliency of IBM® z16™ and Red Hat OpenShift, an industry leading enterprise Kubernetes platform, creating a highly securable environment designed to allow RSI to manage mission critical data, services and workflows for its clients across multiple platforms.

"IBM has become a key player in the development of RSI's digital capabilities, due to its deep understanding of the financial sector and its insight into RSI resulting from many successful years of joint collaboration. Together we will combine our new technological infrastructures into an open hybrid cloud operating model that helps us advance deploying our technology evolution plan" said Carlos Cervero, CEO of RSI.

RSI will embrace IBM Cloud for Financial Services and join IBM´s Multi-Cloud Zone Region (MZR) in Spain to help ensure the platform addresses the country's Financial Services regulations. The IBM Cloud for Financial Services incorporates built-in security and compliance controls designed to help companies manage regulatory barriers impeding IT landscape and application modernization. Supported by a growing ecosystem of more than 125 technology partners and FinTechs, the platform is designed to speed financial institutions' transformations while helping reduce third- and fourth-party risks throughout the supply chain.

Financial fraud is an industry threat that RSI and its clients are proactively tackling. The new IBM® z16™ is designed to enable RSI to analyze transactions in real-time at scale, to detect and prevent financial fraud more efficiently thanks to its integrated on-chip, AI accelerator. IBM z16 is designed with energy efficiency in mind, allowing RSI to achieve greater performance with less energy used. The bank may see a reduction in infrastructure energy consumption by 25% and heat dispersion by another 25%. This may help reduce CO_2 emissions, boosting the accomplishment of their Sustainability goals.

RSI will leverage Red Hat OpenShift to build, deploy, and run cloud-native applications to help deliver a more consistent experience anywhere it's deployed - in the cloud, on-premises, or at the edge. This will help increase productivity, flexibility and time-to-market in the development, operation, and maintenance of its more than 176 critical business applications.

RSI and Red Hat have a long history of collaboration. RSI will run this project on Red Hat Enterprise Linux, the world's leading enterprise Linux platform. This digital transformation project will be further enhanced by the automation strategy already deployed by RSI with Red Hat Ansible Automation Platform across its infrastructure and operations. By implementing Ansible Automation Platform, RSI has not only decreased delivery time, but has also managed to decrease the error rate.

"With cyber risks and regulatory fines dominating headlines, IBM has led in the creation of an industry-specific secured cloud. The controls built into IBM's cloud platform are informed by the industry and aim to help RSI and banking institutions across the world protect highly regulated workloads and address the requirements of regulators. We help our clients address third- and fourth-party risk, and execute transactions more efficiently," said Hillery Hunter, General Manager, Cloud Industry Platforms & Solutions, CTO, IBM Cloud.

"Red Hat open-source technologies provide a solid foundation for RSI to drive digital transformation of its banking solutions. We are pleased to further enable RSI's core banking platform on Red Hat OpenShift on IBM Cloud for Financial Services, building on our existing support through Red Hat Enterprise Linux and Red Hat Ansible Automation Platform to streamline operations and accelerate innovation within the financial sector. We look forward to our continued collaboration with RSI and IBM Spain in delivering digital-first banking services in the region," said Julia Bernal, country manager for Spain and Portugal, Red Hat.

About IBM

IBM is a leading provider of global hybrid cloud and AI, and consulting expertise. We help clients in more than 175 countries capitalize on insights from their data, streamline business processes, reduce costs and gain the competitive edge in their industries. Nearly 3,800 government and corporate entities in critical infrastructure areas such as financial services, telecommunications and healthcare rely on IBM's hybrid cloud platform and Red Hat OpenShift to affect their digital transformations quickly, efficiently and securely. IBM's breakthrough innovations in AI, quantum computing, industry-specific cloud solutions and consulting deliver open and flexible options to our clients. All of this is backed by IBM's legendary commitment to trust, transparency, responsibility, inclusivity and service. Visit www.ibm.com for more information.

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About RSI

RSI is the First-Banking-as-a-Service provider in Spain, using a pay-per-use mode, managing a common center of IT Services for the Financial Services sector in Spain. Using innovative solutions that support efficient cost models, our clients give real added value back to their customers. For more than 35 years, RSI has consistently invested into continually enhancing its financial solutions. These solutions are possible through the development of its own Core Banking and a set of more than 170 applications that covers the software needs of any Financial Institution. Today, RSI has 74 Banks and Financial Institutions running its systems, 5 trillion transactions are executed per-year, and 3 million client cards have been issued. Its technology is widely spread throughout Spain, across more than 3,600 bank branch locations. In addition, today RSI leads the technological digitization of more than 8.4 million end customers through digital assets that adapt to the needs of demanding and digital users. More digital, more personalized, and more focused on the client, these are the pillars of its digital strategy, through which it is leading a digital transformation in order to position its clients as technological benchmarks in the financial sector. Its team is made up of more than 1,000 professionals who work every day on a common project, on constant growth, facilitating the development of people in the field of finance. Visit www.ruralserviciosinformaticos.com for more information.

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