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Payments Future-Proofing?

Leverage Cloud-Native Technology

Evergreen modernisation with the cloud brings:

- Reduced complexity
- Scalability
- Speed & agility

Generation 1

Mainframe

Extreme reliability but no flexibility

- Banking systems originated with mainframe core banking.
- When payments became electronic, these capabilities were built onto the mainframe.
- Additions had to be built directly onto core banking software.

Generation 2

On-premise

Reliable with increasing complexity

- Software vendors introduced specialised payments systems; deployed on premise onto dedicated servers.
- As complexity in the data centre increases, so does risk.
- Disaster recovery becomes more complicated and larger teams are required to run the centres.
- Challenges are often unique to each bank's unique architecture.

Generation 3

Cloud-enabled

Platforms never go down but no open connectivity

- Banks begin to lift and shift on-premise systems to the cloud.
- Cloud platforms are resilient and scale effectively.
- The challenge of disaster recovery is mitigated.
- Connectivity remains a challenge as legacy integration patterns remain.
- Complex vendor dependencies remain.

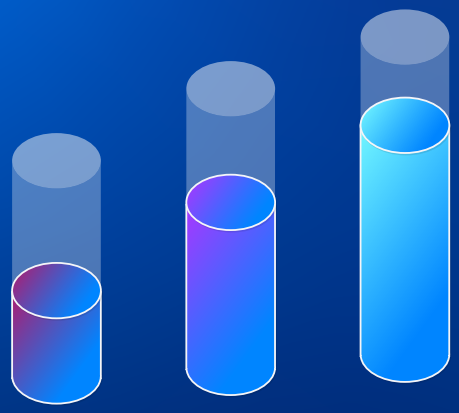
Generation 4

Cloud-native

Complexity is removed, and open connectivity becomes a reality

- Cloud-native software benefits from the latest technology innovations.
- Integrations leverage future-fit standards such as open API specifications.
- Banks partner with payments technology vendors to implement cloud-native solutions that allow the banks to focus on product differentiators.

Modernisation is an opportunity



1 New regulation

Regulatory changes are driving greater industry participation, affording non-participants the opportunity to enter the market and offer solutions to end customers.

2 The move to the cloud

Banks are modernising and investing significantly in future-fit architecture. Cloud technology makes the delivery of software seamless and more efficient. Banks need to be leaner and cheaper - legacy technology prevents this.

3 Consumers shift to digital

There is greater consumer demand for convenient, always-accessible, mobile, digital services.

Embracing the cloud-native mindset

There are 3 attributes of cloud-native technology

1 They are built on open source technology

Originally created by the technology giants to support their own service offering. They now expect innovation and excellence from their own teams to support their own growth, while also commoditising their backbone.

Services are tried, tested, and scaled.
Constantly being repackaged to be more robust.

2 Everything runs over the internet

It will always be updated, the latest version.

The internet is safe and fast enough for today's processing requirements.

3 A committment to staying future-fit

The technology that works today will be able to keep up in the future.

There is a willingness and a commitment to staying future-fit, delivering agility.

"It is not a secret that if you go to any bank in South Africa, and chances are if you go to any major corporate in South Africa, everybody is talking about a transition to cloud-based services. Now we have to learn how do you build things that run on Microsoft Azure or AWS."

Bank Executive

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