



# Banco Sabadell pioneers a digital banking model

Reinforcing security with  
IBM Cloud and Red Hat

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3-minute read

When Banco Sabadell S.A., the first 100% mobile bank in Mexico, pioneered online banking in Mexico, its parent company in Spain operated and maintained the IT infrastructure. However, to adhere to local policies and regulatory requirements for security and data protection, Banco Sabadell executives soon moved the IT infrastructure to a cloud-based service in Mexico.

The bank faced a challenge: its banking as a service (BaaS) business model relied on cloud-native applications created from microservices and developed using DevOps processes.



But its cloud service provider lacked DevOps management expertise, leading to delays in bringing new services and apps to market. Plus, the cloud service itself experienced outages that compromised customer service.

The solution was to choose a new technology provider to deliver more reliable cloud technology along with the expertise to manage the environment and improve software development.

“Being pioneers in a bank as a service model has represented a great challenge that required IBM’s extensive industry experience.”

**Fernando Boza**, COO, Banco Sabadell S.A.

Innovative online  
banking platform  
serves

1 million

mobile banks in Mexico

The first

100%

in Mexico

# Modern infrastructure supports business initiatives

Banco Sabadell selected [IBM Services®](#) to help expand and manage its BaaS model and to continue innovating its digital solutions and services aimed at reaching its one million clients across the country.

Banco Sabadell began deploying workloads to [IBM Cloud®](#) in 2018, starting by deploying four virtual machines (VMs) and four bare metal servers on IBM Cloud for its development and test cloud.



During 2019 and 2020, the bank increased the use of IBM Cloud and deployed more than 50 additional VMs, migrating its workloads from its Bitter Water data center in Spain to the IBM Cloud data center in Mexico. The environment uses a VMware farm based on the VMware on IBM Cloud service to provide migration agility and flexibility. As the only cloud located in Mexico, it helps address policies and regulatory requirements around security and data protection.

Banco Sabadell has migrated its applications to IBM Cloud and has workloads deployed on both VMs and IBM Cloud bare metal servers. It migrated its VMware workloads with the [IBM Cloud for VMware](#) solution, which is a security-rich, automated deployment architecture that can help financial institutions to manage compliance.

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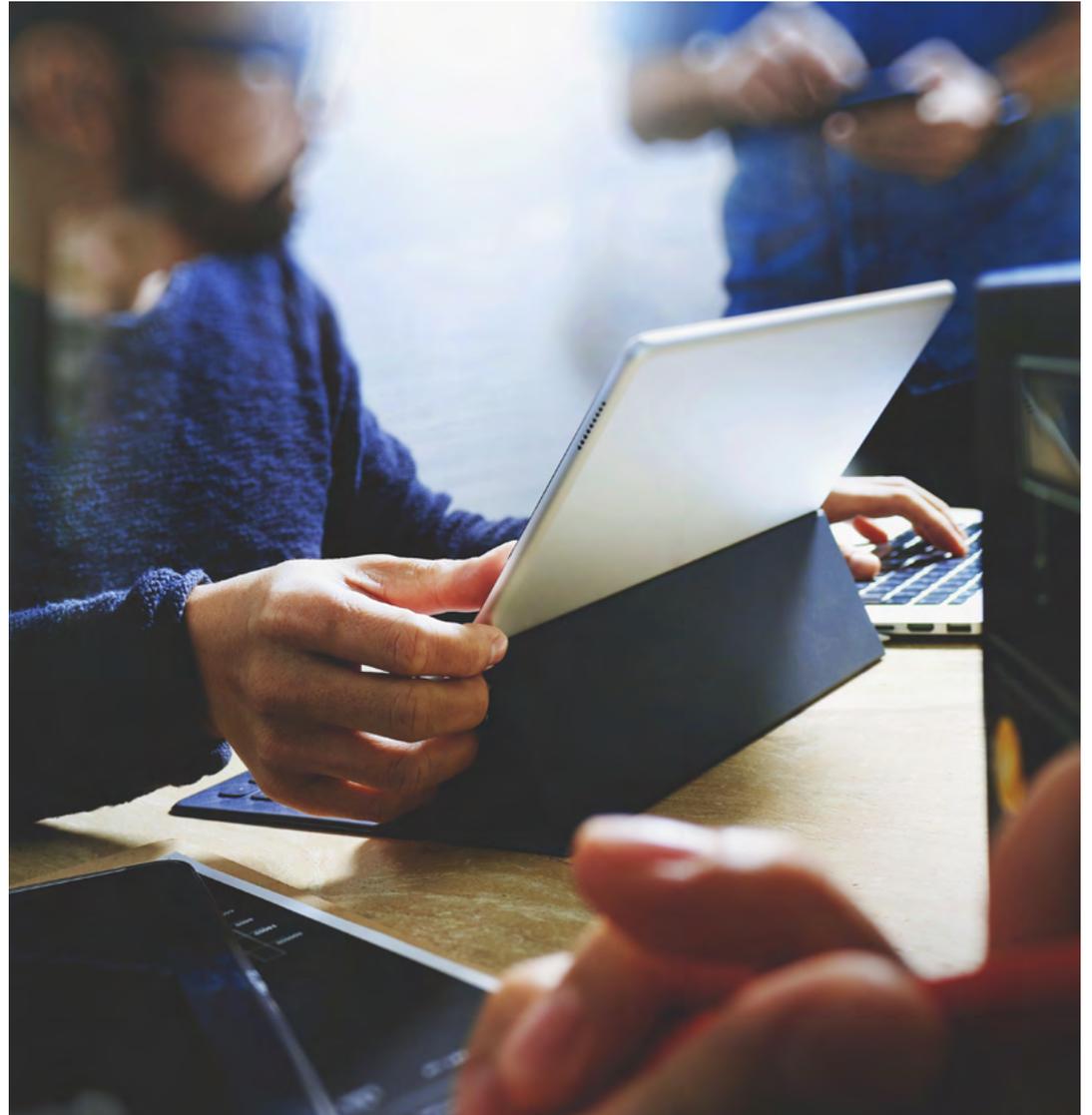
**Fernando Boza**, COO, Banco Sabadell S.A.

Additionally, IBM Cloud services running on [Red Hat® Enterprise Linux®](#) will offer Banco Sabadell an opportunity to efficiently manage its bank environment with flexibility and speed, helping to enhance its customer experiences.

“Being pioneers in a bank as a service model has represented a great challenge that required IBM’s extensive industry experience,” says Banco Sabadell’s COO, Fernando Boza.

Banco Sabadell will host its infrastructure on the IBM public cloud and use Red Hat Enterprise Linux to modernize applications and deliver innovative services to its customers.

The IBM team also created dashboards for application monitoring, using [IBM® MaaS360®](#) technology to administer mobile devices as a managed service



and implemented a new disaster recovery (DR) service.

On the development side, IBM software experts took over the previous provider's DevOps work and added new capabilities. They devised agile, iterative processes that led to a continuous cycle of application development, delivery and integration. An open hybrid cloud environment based on the Red Hat OpenShift, the market leading Kubernetes orchestration platform, and Red Hat Enterprise Linux, provide the foundation for containers as a service (CaaS).

CaaS is a model of cloud computing that lets developers deploy and manage applications through container-based abstraction using on-premises resources or the cloud to best meet requirements, as well as automate scaling, updates and other key IT functions. Thus, CaaS helps

deliver a more efficient, modernized IT environment.

One of the bank's main initiatives is the BaaS model, made possible by [IBM API Connect®](#) technology. The solution integrates the bank's APIs, creating a workspace that serves as the first point of contact for fintechs and large companies to collaborate with Banco Sabadell and create new online financial services and apps.

Cloud migration, managed services, API management and CaaS are foundational steps in improving the bank's BaaS platform, being the key in the development of new apps and services that can differentiate Banco Sabadell from its competitors.

Another important initiative is to build a "Golden Source Repository," which will integrate data from different sources using [IBM Cloud Pak® for Data](#). Cloud

Pak for Data will provide Banco Sabadell access to trusted data and reduce the amount of data preparation for corporate reports. The Golden Source repository will enable data governance and help manage compliance with Risk Data Aggregation (RDA) principles for risk reporting and global deposit receipt (GDR) practices. The broad set of data management capabilities will increase agility and productivity by providing business users, data engineers, data scientists, and application developers a faster and more reliable data consumption.

"We have chosen IBM as our global technology partner to support the development of a hybrid cloud infrastructure based on IBM Cloud, which will allow us to continue offering better services and improving client experience," says Boza.

# Gaining valuable business benefits

The IBM Services team migrated Banco Sabadell's heritage IT environment to the IBM public cloud, building security-rich IT infrastructure designed for high availability.

The open public cloud strategy from IBM, with its deep financial services industry experience, will help the bank drive innovation around its operations and keep up with compliance initiatives.

The transformation sets the stage for app modernization and cloud-native development and exposes the bank's APIs to partners for development of new digital services to deliver enriched experiences for its clients, while helping to reshape the future of banking for the entire territory.





## About Banco Sabadell S.A.

With more than three years of operation in Mexico as a Multiple Banking Institution and with a presence in 10 cities in the country, [Banco Sabadell](#) reported a corporate banking and credit portfolio of approximately MXN 88 billion and a collection amount of approximately MXN 44 billion as of November 30, 2020.

It is the first bank in Mexico to make mobile banking 100% available to its customers and the first banking institution to join the Fintech Association of Mexico, which allows it to enrich its digital strategy and to be a pioneer in products focused on banking as a service.

The bank belongs to the Banco Sabadell Group, the fourth largest Spanish banking group with total assets exceeding EUR 225 billion. Banco Sabadell is a leading franchise in the business segment with international activity in 20 countries and has more than 2,500 offices and approximately 26,000 employees.

## Solution components

- IBM API Connect®
- IBM Cloud®
- IBM Cloud for VMware Solutions
- IBM Cloud Pak® for Data
- IBM® MaaS360®
- IBM Services®

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