

Cloud-Based Core Modernization

Delivering an award-winning
digital banking experience

EQ Bank

CITY / COUNTRY

Toronto, Canada

SECTOR

Retail Banking,
Challenger Bank

TEMENOS PRODUCTS

[Temenos Core Banking](#),
[Temenos Banking Cloud](#),
[Temenos Payments](#),
[Temenos Data Lake](#),
[Temenos Analytics](#)

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At a Glance



Achieved a **100%** year-on-year increase in customer base since moving to the cloud



• **Seamlessly managed a 400%** year-on-year increase in transactions thanks to elastic cloud scalability



• First bank in Canada, **front-to-back** in the public Cloud



• **Named 'Best Bank in Canada'** for two consecutive years due to innovative digital services



EQ Bank launched in 2016 with a groundbreaking vision. As one of the first digital-only banks in Canada, the bank aims to reimagine how customers interact with their financial services provider, **offering a smarter and more flexible alternative to the complexity and hassle of traditional banking.**

Daniel Broten, Chief Technology Officer at EQ Bank, explains: “We’re on a mission to change the status quo, with unique retail banking services that **enrich the lives of our customers.** As a digital-only bank, we have a major advantage over traditional banks, as we don’t have to maintain branches and therefore have more resources available to **provide customer-centric services at the best possible rates.**”

Meeting evolving customer demands

For EQ Bank, responding to rapidly-changing customer expectations is today’s biggest challenge. Consumers increasingly expect their financial services provider to **deliver everything from faster payments solutions and more flexible lending services to user-friendly budgeting tools** and much more, all available at the touch of a button. Thankfully, **innovation and agility** is built into the DNA of EQ Bank.



“We are always looking to react quickly to customer feedback and bring to market **more innovative services.** For example, we are **creating frictionless digital journeys** to allow users to open joint accounts in just a few clicks that would normally involve cumbersome paperwork and authentication steps.”

Daniel Broten
Chief Technology Officer, EQ Bank



Gearing up for further growth

In 2016, EQ Bank used an on-premises deployment of Temenos Core Banking to support its launch. The core platform proved a crucial component in the early success of the bank, providing the tools for **real-time transaction processing** and digital product development. Customer deposits rose rapidly, **reaching more than 100 million Canadian dollars in the first few weeks**. To manage the next stage of its growth journey and **handle rocketing volumes of customer transactions**, EQ Bank considered the smartest way to scale its infrastructure.



“We realized that a cloud-first model would unlock benefits in terms of **scalability, reliability, and security**. Plus, we knew the cloud would help with product development and give us more time to think about digital innovation rather than infrastructure management.”

Daniel Broten
Chief Technology Officer
EQ Bank

EQ Bank was also keen to extend its strong commitment to environmental, sustainability, and governance (ESG) issues into its IT strategy, as Daniel Broten confirms: “Our ESG program is an important part of our business. We aim to do as much as possible to reduce our carbon emissions, and a move to cloud would help meet our goals.”



Transitioning to a flexible cloud model

To underpin the new strategy, EQ Bank decided to deploy an updated version of Temenos Core Banking running on the Temenos Banking Cloud. The move provided the **performance, scalability, and agility** needed by EQ Bank to manage ongoing customer volumes—and made the bank one of the first in Canada to use a core infrastructure fully-hosted in a public cloud environment.

Daniel Broten explains: “As we had used Temenos Core Banking for several years, we knew that Temenos **offered excellent capabilities**, so transitioning to the Temenos Banking Cloud was the natural choice. Being able to host the systems on Microsoft Azure in our local region was another big advantage.”

Working closely with Temenos, EQ Bank completed the upgrade of Temenos Core Banking and the migration to the Temenos Banking Cloud **in just 12 months.**



“Going live inside one year was really pleasing, the support from Temenos accelerated the changeover, and the fact we run the systems with **minimal customizations reduced the complexity** of what could have been a tricky process. Our learning curve on the **Temenos Banking Cloud was quick and easy.**”

Daniel Broten
Chief Technology Officer
EQ Bank

Creating enhanced digital services

EQ Bank is developing and rolling out some of the most innovative digital banking services available in Canada. For example, as part of its inclusion policy, the bank is creating customized onboarding journeys to help indigenous Canadians to access financial services. Similarly, EQ Bank has launched a **new low-cost, multi-currency money transfer service** through an integration with leading payments provider Wise.

Daniel Broten continues: “Setting up the integration between Temenos Core Banking and Wise was very simple. We quickly and efficiently connected all the debit, credits and payment types needed to allow our customers to make transactions. And we could do this without having to re-code any APIs. Using the Temenos Banking Cloud makes it easy for our teams **to design, develop and launch new products.**”

Reaching even more customers

The switch to the Temenos Banking Cloud has enabled EQ Bank to continue its **rapid growth, onboarding huge numbers of new customers quickly and easily.** The bank has increased its share of the Canadian retail banking market, and looks set to soon become **the seventh-largest operator in the country.**



“Since moving to the Temenos Banking Cloud, we have **achieved a 100% increase in our customer base, and seamlessly managed a 400% increase in transaction volumes.** The flexibility and resilience of the Temenos solution has been vital to our ongoing growth; we simply would not have been able to accommodate such rapid expansion without the **elastic scalability of the cloud.**”

Daniel Broten
Chief Technology Officer
EQ Bank



The innovative new services launched by EQ Bank have gone down extremely well with consumers. So much so that in both 2021 and 2022, EQ Bank was named ‘**Canada’s Best Bank**’ by the international publication Forbes Magazine, based on feedback from 45,000 consumers.

Building a more sustainable business model

Adopting the cloud model has also helped EQ Bank to achieve its sustainability goals. Moving away from an on-premises core banking infrastructure has allowed EQ Bank to reduce power consumption within its data center, **cutting carbon emissions** and helping to **minimize its impact on the environment**.



“We are very proud of how the cloud helps us to reduce our carbon footprint. We can monitor our cloud resource consumption closely, and ensure that we are using server configurations and processes that optimize performance and energy-efficiency.”

Daniel Broten
Chief Technology Officer
EQ Bank

Laying foundations for future success

With a state-of-the-art, cloud-based core banking infrastructure from Temenos, EQ Bank is well-placed to connect with partner ecosystems and to thrive when open banking reaches Canada.

Daniel Broten adds: “Having such extensive API capabilities with Temenos Core Banking and the Temenos Banking Cloud puts us in a strong position to develop more integrations with fintechs and to share data securely with third- party providers. These will be essential points both to comply with open banking regulations and to seize the commercial opportunities that the new model will create.”

Moving forward, EQ Bank is keen to continue the alliance with Temenos, including serving as a member of the Temenos Ambassador Program.

This enables the bank to join seminars on industry trends, provide feedback on capabilities and functionality, and to influence the roadmap for new releases of Temenos solutions.

Daniel Broten concludes: “Temenos is a fantastic partner to EQ Bank, and has been **integral to our rise as one of the most successful** and innovative operators in the Canadian retail banking space. We are looking forward to the additional benefits we will unleash from Temenos Data Hub and Temenos Payments hub that we are implementing currently. We can’t wait for the release of new Temenos solutions, especially around data, analytics, and payments, which will help us **offer even greater value to our customers.**”





About Equitable Bank

EQB Inc. trades on the Toronto Stock Exchange (TSX: EQB, EQB.PR.C and EQB.R) and serves more than 340,000 Canadians through its wholly owned subsidiary Equitable Bank, Canada's Challenger Bank™. Equitable Bank has a clear mandate to drive change in Canadian banking to enrich people's lives. Founded over 50 years ago, Equitable Bank provides diversified personal and commercial banking and through its EQ Bank platform (eqbank.ca) has been named the top Schedule I Bank in Canada on the Forbes World's Best Banks 2022 and 2021 lists. Please visit equitablebank.ca for details.

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About Temenos

Temenos (SIX: TEMN) is the world's leading open platform for composable banking, creating opportunities for over 1.2 billion people around the world every day. We serve 3000 banks from the largest to challengers and community banks in 150+ countries by helping them build new banking services and state-of-the-art customer experiences. The Temenos open platform helps our top-performing clients achieve return on equity three times the industry average and cost-to-income ratios half the industry average.

For more information, visit www.temenos.com