

**Objective**

Launch a digital bank as an alternative for growing assets in order to mitigate risk

**Approach**

Work with HPE to build, host and manage the IT infrastructure needed to run a digital bank

**IT Matters**

- Network security, incident management and infrastructure support provided by HPE

**Business Matters**

- Achieved 4x targeted asset growth and competitive advantage in first quarter via agility and fast time-to-market
- Reduced capital expenditure and up-front costs since latest architecture is available via hosting model

# EQ Bank's digital banking platform grows 4x faster than initial projections

## HPE helps deliver new digital banking business in record time



Equitable Group expanded its business horizons and created a wholly owned digital banking operation, EQ Bank, from the ground up. The company evaluated Temenos-recommended vendors to find its technology solutions provider, and chose HPE based on its financial, regulatory and Temenos T24 experience. EQ Bank went live with HPE in only ten months and quickly surpassed its year one targets.

Equitable Bank is a Canadian, federally regulated financial services business with over 500 employees and assets of approximately C\$18.6B. In order to expand its offerings, the Bank launched a digital banking business offering high interest rates, simple products, and an elegant, intuitive customer interface. Its objective was to provide a better and highly competitive mobile banking experience that would help Canadians reach their savings goals faster. Equitable Bank looked to HPE to bring this new business to market quickly and safely.

“Branchless, mobile banking allows us to offer better customer value, such as a great interest rate on our Savings Plus account, due to lower overhead expenses,” explains Dan Dickinson, vice president Digital Banking for Equitable Bank. “We required a highly reliable hosted and managed infrastructure provider known globally for its competency with banking and financial applications. In our evaluation, HPE rose quickly to the top.”

“We blew our goals out of the water. Our year one target was 10,000 new customers and C\$200M in assets. By the end of our first quarter, we counted 17,000 customers with C\$794M in assets, four times our projected balances. At this rate, we will reach a billion dollars before the end of the year.”

– Dan Dickinson, vice president Digital Banking for Equitable Bank

### **Building a technology team for success**

Dickinson was hired expressly to usher EQ Bank into existence. He knew leveraging proven solutions and best practices was a good formula for success. His first decision was to use Temenos T24 as the underpinning core banking software. The next logical move was to ask Temenos which infrastructure and service vendors it recommended.

Dickinson carefully evaluated the shortlist offered by Temenos and it became quickly apparent that HPE offered proven success in the financial arena. “It was clear that HPE and Temenos had implemented multiple successful financial solutions throughout the world and HPE references were strong,” he recalls.

### **Exceeding projections with HPE teamwork and technology**

Dickinson also demanded a technology vendor who coordinated well with other solution providers. Temenos provided the software and Deloitte Digital built the mobile customer interface. With an aggressive goal of six months stand-up time plus two months

for audit and QA, strong project management skills were in order.

“HPE was exemplary in listening to our needs and business plan, as well as coordinating with our solution providers,” says Dickinson. “We had the HPE managed infrastructure designed, built and fully integrated with Temenos and the Deloitte front-end within twelve months. HPE kept up with all the pre-launch tweaks and changes, which I call the ‘useful frenzy’ phase, and provided very mature and productive project management to meet our ambitious timeframe.”

The HPE solution consists of a menu of HPE services tailored to deliver the required results. The scope included the initial architectural design through infrastructure build, disaster recovery, and system support and hosting. In addition, HPE manages ongoing network security, provides storage-as-a-service, and takes care of incident, problem, and change management. The result is a highly virtualized, scalable and secure financial data center with full Canadian governmental regulatory compliance.

“The capital we save by using HPE expertise and management is invested back into creating a competitive advantage by delivering great rates and features for our customers,” emphasizes Dickinson.

## Case study

EQ Bank

## Industry

Financial Services/  
Banking

## Customer at a glance

### Software

- Temenos T24

### HPE services

- Continuity Services
- Server Management Services
- Storage Management Services
- Network Management Services
- Managed Network Security Services
- Enterprise Service Management Cross Functional Services

Dickinson maintains that extensive HPE financial-services knowledge and the ability to ensure both regulatory compliance and business continuity are key to EQ Bank's success. "We are taking advantage of decades of HPE financial best practices to help us deliver highly competitive customer services and products."

## HPE delivers immediate results

As the owner of the new digital bank project, Dickinson aligned his personal success to the ability of HPE to deliver his vision and it paid off well.

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– Dan Dickinson, vice president Digital Banking for Equitable Bank

"We blew our goals out of the water," he continues. "Our year one target was 10,000 new customers and C\$200M in assets. By the end of our first quarter, we counted 17,000 customers with C\$794M in assets, four times our projected balances. At this rate, we will reach a billion dollars before the end of the year. The HPE design allowed us to effortlessly scale to handle the overflow and the system is future-proofed for continuous growth. It's a resounding success."

And there's one very important intangible quality that HPE helps engender for EQ Bank—customer trust, a key value for any bank.

"HPE helps ensure the digital equivalent of customer trust," adds Dickinson. "Our customers can't come into a branch and see a familiar face, so the digital equivalent is a system that performs without fail. You only get one shot at being trustworthy with each client and our HPE solution provides the performance and continuity a customer needs to build trust in branchless banking. Banking on HPE was good move."



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