

Kaupthing Bank receives The Banker's awards for Core-Banking System Project 2006 – Retail Banking

for which AppliCon oversaw implementation.

“We chose AppliCon and SAP because we needed a long-term vendor and a proven solution. The bank has ambitious plans for unifying operations, standardizing processes and reducing the number of legacy systems. The SAP solution is intended to be an important component in this work. The rollout will take place in a phased approach, starting with Finland and Sweden.”

**Ásgrímur Skarphédinsson,
CIO Kaupthing Bank**

Kaupthing Bank is among the eight largest banks in the Nordic region with focus on investment banking, capital markets, treasury products, corporate banking, retail banking and asset management & private banking. Kaupthing Bank operates in 10 countries and is listed on the stock exchanges in Iceland and Stockholm.

The process of choosing a future IT platform

The decision regarding a new IT platform for the interoperability of the Kaupthing Bank's offices, comes through a business goal set by the board of Kaupthing Bank which Sigurdur Einarsson, Chairman, describes as the bank's ambition to: *“...offer our clientele quality banking services in each of the countries where we operate. The service offered should be unified across our offices and represent a serious alternative to other pan-Nordic operators...”*

The next step in realizing this goal was for Kaupthing Bank to reframe the objective in segments, one of which is technology. The main technological goal is to *“create a flexible architecture specifically designed to support our competitive strategy, sustain rapid growth and enable cross-border collaboration.”* For these requirements SAP was chosen as the future platform for all banking processes within Kaupthing Bank and AppliCon was chosen to implement the solution.

Components implemented

In August 2004 Kaupthing Bank started to implement SAP Core Banking solutions in Finland where it was up and running around new year 2005. Next came Sweden where the system went live in June 2005. The focus had been set on SAP Core Banking and the implementation of CML, BCA, CMS, and BP from SAP, and ADD from CSC. Next in line was an implementation in Iceland which went live earlier this year. Currently Norway is in the initial phase of implementing the Core Banking Solution. Other countries are expected to join the project in the coming phases.

The Banker's Awards

The Banker Technology Awards are granted by the international financial magazine, The Banker. The awards are intended to recognize innovative IT projects that bring business value to financial institutes.

In 2006 more than 350 banks and financial institutions working in close cooperation with different consultants and technical firms competed for the 35 different awards. An editorial team, lead by journalist Dan Barnes, served at the selection committee.

The Banker issued the following citation for the award granted to Kaupthing Bank.

"Kaupthing Bank has been noted in The Banker for the level of growth it has consistently achieved year upon year. To support such growth it has used the SAP system to develop its core banking platform to assist with the process of standardisation and synchronisation across a range of services and activities. Due to recent acquisitions and a large number of suppliers having been used, the bank required a simpler architecture that would be able to cope with cross-border applications with the various currencies, time zones and local idiosyncrasies that entails. The breadth of products and services offered by the bank was a significant challenge as few vendors could cover this range, however Kaupthing found the SAP platform fitted the bill. Working closely they were able to create unified business processes and products across countries – for example a single loans processing system across Finland, Sweden and Iceland – and the bank believes they have not only succeeded in delivering on current requirements but will see real benefits in the future for product development and further growth"

About AppliCon

AppliCon is one of the Nordic regions largest independent SAP consulting firm, with more then 130 consultants throughout Iceland, Denmark and United Kingdom. Later this year AppliCon will establish an office in Sweden.

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