



Mastering Transaction Processing Environments with ATM Terminal Handlers

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Agenda

Advanced self-service technologies, protocols and cross-channel payments can be a lot to handle for even the most enterprising banks. Enter, ATM Terminal Handlers.

1 Legacy ATM host systems: the good, the bad and the ugly

2 Optimizing ATMs in the digital era

3 Insights from *2023 ATM Software Trends* report

4 Utilizing modern ATM Terminal Handler functionality

5 In Summary

Legacy ATM host systems

The good: Trusted to deliver stable services for 50+ years
Basic Terminal Handler functionality

The bad: Inflexible, rigid and often outdated

The ugly: A significant cost barrier to innovation

The future: Robust and readily adaptable to latest requirements

Optimizing ATMs in the digital era

ATMs need to align with digital banking channels

Integrated customer experiences are at the heart of this evolution

Within a modern host system, Terminal Handler functionality is:

- ✓ A bridge between physical and digital channels
- ✓ A vehicle for connectivity and optimized development
- ✓ A low-cost way to continually support new ATM functionality

Insights from *2023 ATM Software Trends* report



- Reliance on ATMs is growing
- New ATM functionality is on the rise
- Cross-channel integration is tightening
- Banks are optimizing costs and services
- Development cycles must keep up
- Modern host systems are in demand
- Outdated Terminal Handlers pose a risk

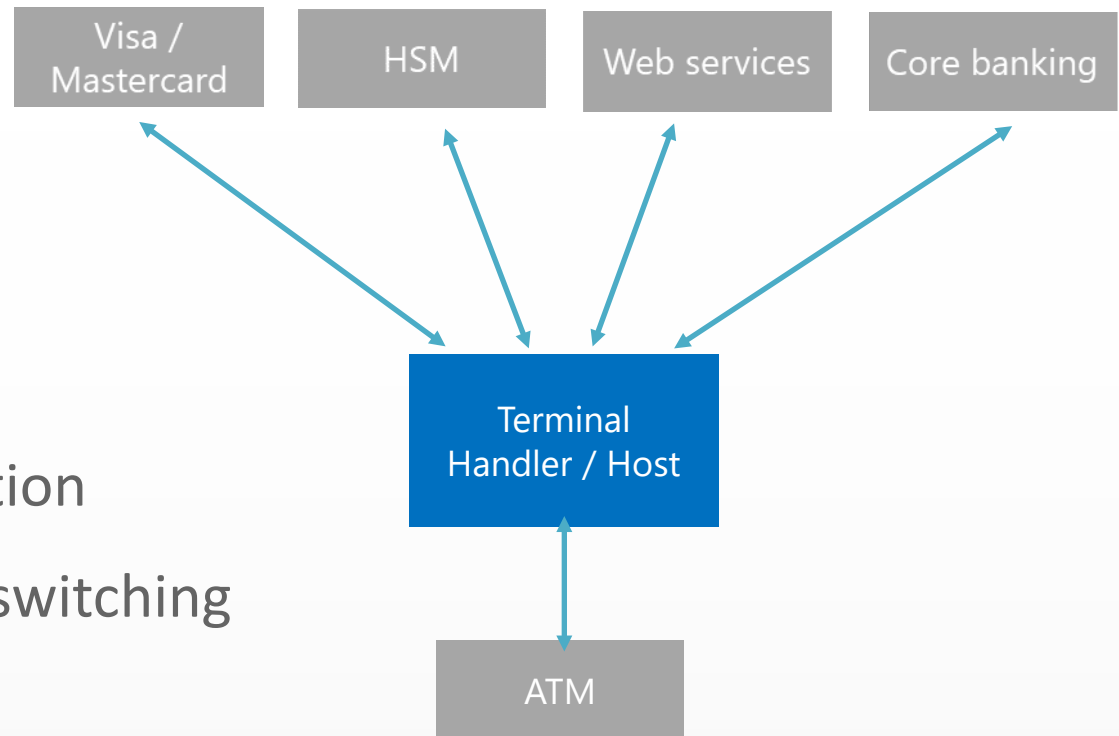
Utilizing modern ATM Terminal Handler functionality

Modern host systems deliver Terminal Handler functionality and drive continual advancements in the ATM channel by:

1. Interconnecting with multiple back-end systems
2. Providing configurable and extensible resources
3. Enabling rapid development of new functionality
4. Ensuring high availability
5. Supporting advanced security

1. Interconnecting with multiple back-end systems

- Core Banking
- Web Services
- HSMs
- Visa/Mastercard
- Transaction orchestration
- Scheme gateway and switching



2. Providing configurable and extensible resources



- Running on-premise and / or in the cloud
- Customizable core code
- Pre-built components
- User-friendly development environment
- Organized into microservices

3. Enabling rapid development of new functionality



- Embracing the latest technologies
- Faster time to market
- Implementing customer feedback
- Aligning with digital services
- Innovating in the ATM channel

4. Ensuring high availability

- Maximum availability and world-class performance
- Highly robust and rigorously tested software architecture
- Redundancy
 - Dual Data Center / Multiple Data Center failover capability
- Resilience against server failures
 - Automatic relocation of THApp and concentrator processes
- Resilience against connection failures
 - Automatic re-routing of communication

5. Supporting advanced security



- Upholding all major security standards
- End-to-end encryption
- Connecting to the HSM
- Remotely loading keys to connected ATMs
- Using HSM for RKL-related operations
- Support for multiple HSM manufacturers

In Summary

Banks need host systems that are optimized for the 21st century

Transaction processing is now more demanding than ever
(with diverse technologies, digitization and many other complexities)

Modern ATM host systems deliver:

- Robust Terminal Handler functionality
- Total connectivity
- Highly configurable resources
- Means to rapidly develop new functionality
- High availability
- Advanced security



Thank you – any questions?

You can also visit booth 402 or email Rob.Hunter@kal.com for further discussion.

