CASE STUDY

Bancolombia's Journey Towards Scalable Growth

Find out how Bancolombia is shaping banking's next with its move to AWS cloud

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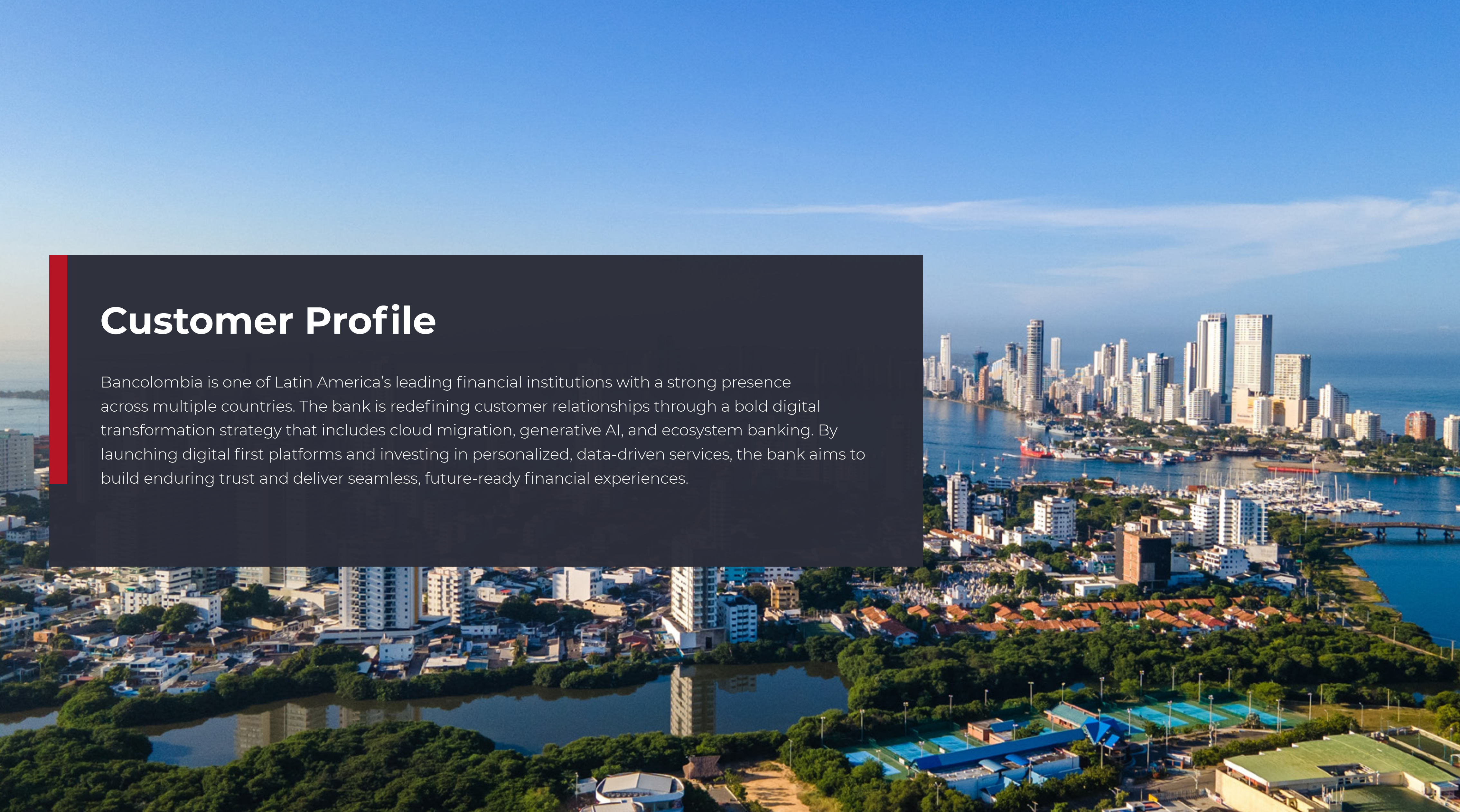

Customer Profile

Bancolombia is one of Latin America’s leading financial institutions with a strong presence across multiple countries. The bank is redefining customer relationships through a bold digital transformation strategy that includes cloud migration, generative AI, and ecosystem banking. By launching digital first platforms and investing in personalized, data-driven services, the bank aims to build enduring trust and deliver seamless, future-ready financial experiences.

Scaling New Heights with Cloud

Since 2011, Finacle Core Banking has been the backbone of Bancolombia's offshore subsidiaries, supporting a complex multibank and multilingual environment. However, the reliance on legacy on-premises infrastructure posed significant challenges. Version upgrades or the addition of new banks required substantial effort, time, and investment in new infrastructure. Over time, this setup became increasingly costly to maintain, difficult to scale, and limited in performance. Also, with the financial industry evolving rapidly, rising customer expectations, growing digital channels, and the need for faster innovation, the bank faced mounting pressure to modernize. To address this the bank decided to move its offshore subsidiaries from on-premise to cloud, leveraging Finacle and AWS. The bank aimed to address several critical challenges and unlock new growth opportunities.

The primary objectives included:

- Modernizing the IT infrastructure to support future scalability.
- Enhancing system performance and reliability to ensure seamless customer experiences.
- Improving flexibility, security, and high availability through cloud-native capabilities.
- Reducing overall IT operational costs, particularly those associated with maintaining on-premise infrastructure.
- Expanding operational capacity by up to 50% to accommodate anticipated customer growth and support the rollout of new digital channels and automation initiatives.

This transformation was designed not only to optimize current operations but also to position the bank for sustained innovation and competitive advantage in a rapidly evolving financial landscape.

Trusted, Proven, Cloud-Ready

Bancolombia had a long-standing relationship with Infosys Finacle as their core banking provider. Finacle, being a micro-services driven composable architecture, cloud-native and agnostic solution becomes an obvious choice for the bank for this transformation as well.

Finacle offers comprehensive capabilities that empower banks to achieve operational excellence, reduce total cost of ownership, and scale with resilience across private, public, or hybrid environments. With a feature-rich, composable structure, Finacle enables rapid innovation and delivers personalized, data-driven customer experiences, making it the ideal platform for future-ready digital banking.

Building a Resilient, Scalable Core on AWS

To accomplish the transformation initiative, the bank leveraged AWS services for computing, database management, and storage to move its core banking system, including Finacle, databases and related services for better performance and flexibility. One of the most critical challenges was porting Finacle's source code from on premise to AWS (instances running on Linux) while ensuring seamless integration with all banking channels. This required deep technical insight into session management, automated identification of porting requirements, and reengineering interactions to reduce latency in the cloud. Using an agile framework and DevOps practices, the team tackled the migration with precision and speed. The transformation was completed in about 2.5 quarters over 28 sprints, with a team made up of experts from Finacle, AWS and Bancolombia.

Finacle's adaptability played a pivotal role throughout the process. The technical teams worked together to optimize database configurations, network architecture, and application interfaces. The system was tuned to run reliably on AWS EC2 instances, enabling Bancolombia to onboard new banks and services with minimal effort. What began as a migration quickly evolved into a modernization of the bank's infrastructure which also unlocked new possibilities for innovation, agility, and scale.

The Payoff: Efficiency, Agility, and Growth

The migration to AWS cloud infrastructure has significantly transformed Bancolombia's offshore banking operations, delivering measurable improvements across cost, performance, agility, and customer experience.

Cost Efficiency: The bank achieved a 30–40% reduction in operational costs, by moving from on-premise servers to the cloud. Hardware procurement costs were also reduced, and the shift to a predictable, scalable infrastructure model helped optimize IT spending.

High Scalability: System responsiveness improved by 30%, particularly during peak hours, while downtime and manual server management efforts were cut by half. Auto-scaling capabilities helped eliminate underutilized resources, reducing costs associated with over-provisioned servers.

Operational Efficiency: The bank also saw a 50% reduction in manual effort for patching and infrastructure maintenance, freeing up teams to focus on innovation.

Improved Agility: Cloud infrastructure enabled faster deployment of new services and features, accelerating time-to-market and supporting the bank's growth strategy. Finacle's flexibility allowed Bancolombia to easily onboard new entities and products, while its multi-entity, multilingual architecture ensured seamless service delivery across regions.

Enhanced Security: Security and compliance were significantly enhanced through AWS's robust frameworks, providing greater confidence in protecting sensitive financial data.

Business Continuity: High availability and disaster recovery capabilities ensured uninterrupted service delivery, strengthening business continuity.

Reduced Complexity: IT operations were simplified, reducing complexity and enabling more dynamic decision-making.

Future-Ready: The shift to the cloud enables seamless integration with emerging technologies, allowing the organization to stay agile and quickly respond to evolving business needs and customer expectations.

Banking Reimagined: For customers, the impact is equally tangible. They now enjoy faster, more reliable digital banking experiences, with improved access to services and reduced delays across channels. The bank's ability to scale and innovate quickly reinforces its commitment to financial inclusion and delivering modern customer-centric services.

Continuing the Journey of Transformation

With this successful cloud migration, Bancolombia has laid a strong foundation for scalable growth, innovation, and operational excellence. With a future-ready infrastructure in place, the bank is well-positioned to integrate emerging technologies and continue evolving its digital banking capabilities at scale.

At Bancolombia we believe in the power of promoting sustainable development through conscious decisions. This recognition inspires us to continue advancing with technology at the service of people: enhancing our digital channels to provide more human experiences and migrating our subsidiaries to the cloud to respond with agility and responsibility to the future. Thank you to Finacle for accompanying us on this path of purposeful evolution.

Fidel Andres Vargas Londoño, Chief Executive Officer, Bancolombia

Why we exist

To inspire better banking so that billions of people and businesses can save, pay, borrow, and invest better.

How we do it

Our solutions and people help banks to engage, innovate, operate and transform better, so that they can improve their customers' financial lives, better.

What we offer

A comprehensive suite of industry-leading digital banking solutions and SaaS services that help banks engage, innovate, operate and transform better.

Infosys® | Finacle

Finacle is an industry leader in digital banking solutions. We are a unit of EdgeVerve Systems, a wholly-owned product subsidiary of Infosys (NYSE: INFY). We partner with emerging and established financial institutions to help inspire better banking. Our cloud-native solution suite and SaaS services help banks engage, innovate, operate, and transform better to scale digital transformation with confidence. Finacle solutions address the core banking, lending, digital engagement, payments, cash management, wealth management, treasury, analytics, AI, and blockchain requirements of financial institutions. Today, banks in over 100 countries rely on Finacle to help more than a billion people and millions of businesses to save, pay, borrow, and invest better.

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