

Red Hat
Summit

Connect

Build an AI Private/Sovereign Cloud with Kyndryl and Red Hat OpenShift AI

Pietro Iannucci | Principal Architect, Director Private Cloud architectures, Kyndryl

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Red Hat



Agenda

- Market Insight, needs, challenges and opportunities
- How Red Hat AI can help
- How Kyndryl can help

AI/GenAI market perspective

Transition to strategic AI investments impact

- Applications
- Platforms
- Data
- Infrastructure

AI is the new strategic workload

Increasing infrastructure complexity

App ecosystem shift to Agentic AI

\$749B

anticipated spend on AI
technology by 2028¹

\$304B

Spend of GenAI
technology by 2028¹

kyndryl.

Drivers

Efficiency and productivity

- Automate repetitive tasks and streamline workflows

Customer experience

- Automate and personalize customer interactions

Innovation

- Accelerate product development and focus on innovation

Cost

- Optimize processes, automate tasks and provide actionable insights

Decision-making

- Provide data-driven insights that enhance decision-making processes

1. IDC: WW GenAI forecast

Major AI/GenAI use cases customers are implementing



Finance

- Fraud detection
- Risk analysis (*)
- Know your customer
- Anti-money laundering
- Personalized Banking (*)
- Investments insight



Healthcare

- Medical image analysis
- Drug discovery (*)
- Next-generation DNA/RNA sequencing
- Molecule simulation
- Clinical trial data analysis (*)



Retail

- Self-checkout
- Loss prevention
- Video surveillance (*)
- Personalized shopping
- Automated catalogs creation
- Automated price optimization (*)



Telecom

- Virtual assistants
- Network performance tuning
- Remote support (*)



Media and Entertainment

- Character development (*)
- Video editing and image creation
- Style augmentation
- Artistic content generation



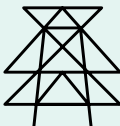
Manufacturing

- Factory simulation
- Product design (*)
- Predictive maintenance
- Manufacturing safety
- Visual inspection for quality control
- Delivery robots
- Digital twins (*)
- Self-driving vehicles



Public Sector

- Document summarization (*)
- Audit compliance (*)
- Virtual assistants



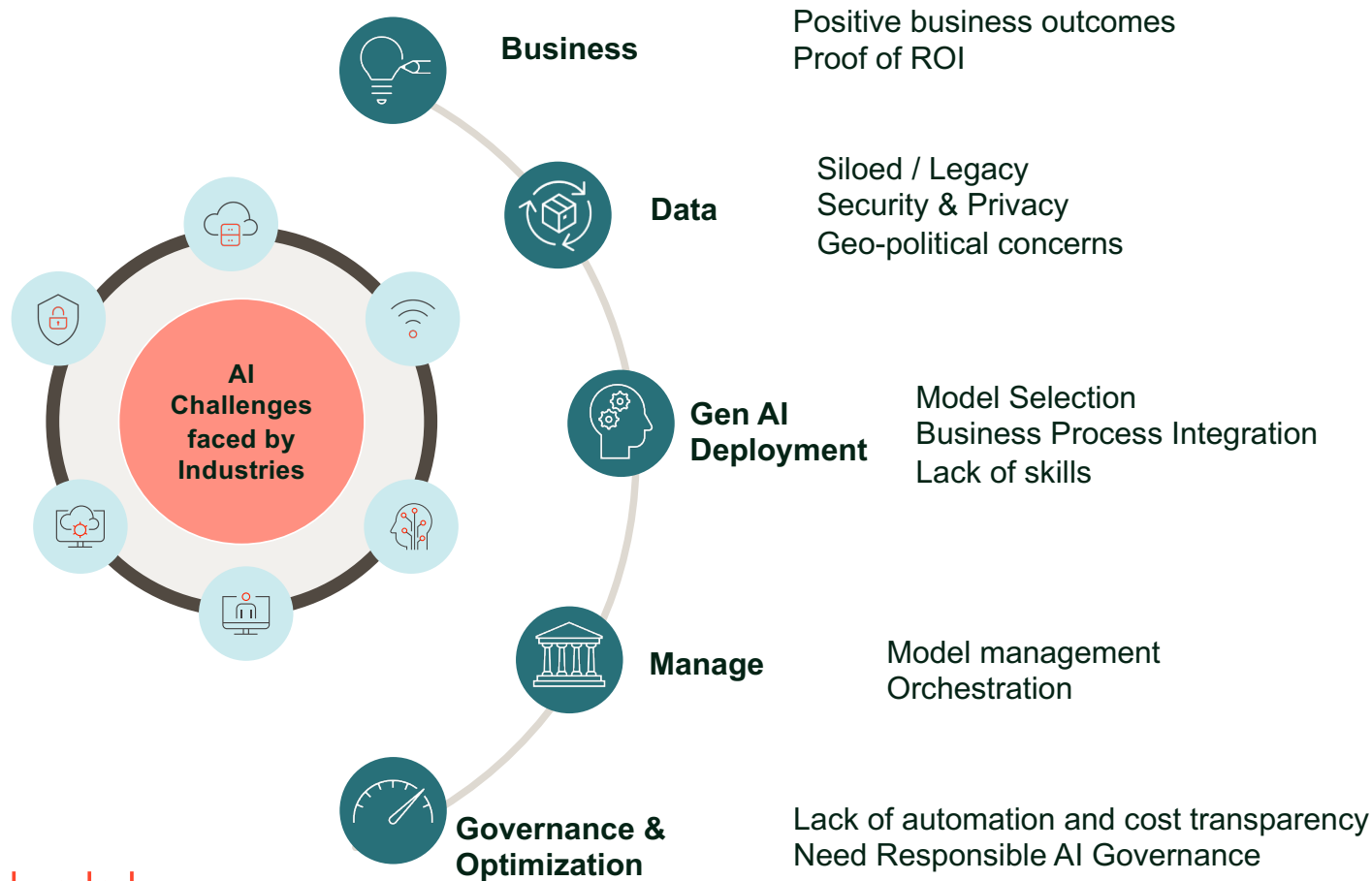
Energy

- Knowledge base QA (*)
- Predictive maintenance
- Customer service

(*) Since these use cases may use proprietary and potentially critical client data during the model's training phase or to populate a RAG database, they are among the best candidates to be implemented in an AI infrastructure on a Private Cloud

Industry challenges and opportunities for innovation

Challenges adopting AI



Opportunities

- (Lightbulb icon) Provide **Ready to implement Industry Use Cases**, leveraging Edge & AI capabilities
- (Data cube icon) **AI as a Service**, with GPUs at Central DC or at Edge, AI Platform, complete with Security and Governance Framework
- (Head with gears icon) **Data** Preparation, Data management and Data Governance **as a Service**
- (Gauge icon) Model Selection, development and training. **Skills for development** and human feedback.
- (Infinity symbol icon) **AI Orchestration, Observability (AIOps)** and Governance
- (Clock icon) Data & AI **Security**, Regulatory Compliance and **Sovereignty**

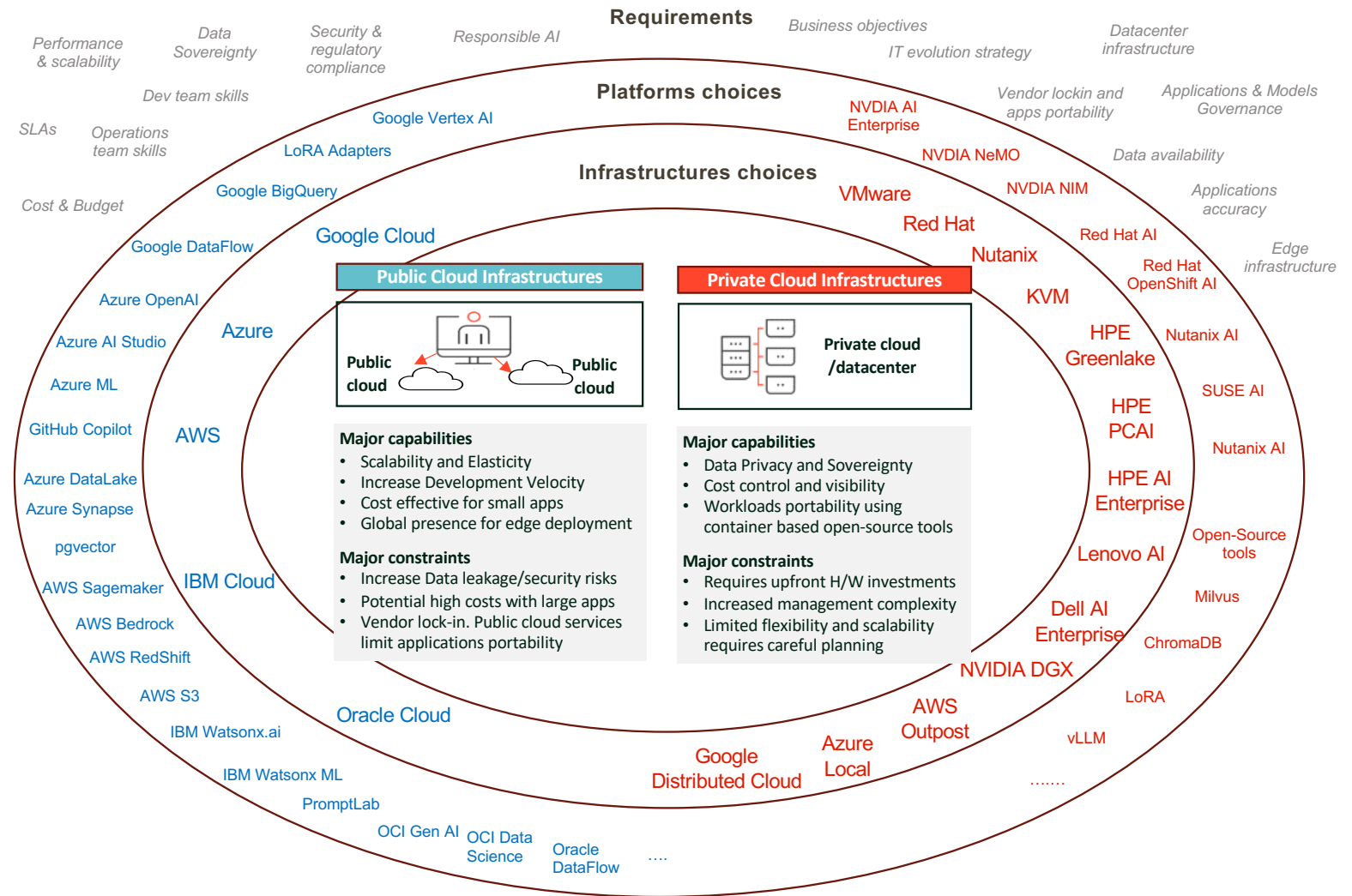
Major challenges in implementing AI/GenAI applications

Top concerns from customers

- Which **Public** or **Private cloud infrastructures** best address my needs in terms of
 - Data security, privacy and compliance, Sovereignty
 - Scalability, Flexibility and SLAs
 - Infrastructure costs and TCO
- Which **AI/GenAI platform** or **services** allows me to
 - Minimize the skills needed to develop and run my AI/GenAI applications
 - Expedite the development process and reduce the costs of running applications in production
 - Avoid vendor lock-in and allow to move my applications to any public or private cloud infrastructure without any or minimal code changes

Selecting the right infrastructure/platform for AI/GenAI workloads may be challenging

- No solution fits all
- All AI/GenAI infrastructures and platforms provide
 - Strong security
 - Support for the most common AI/GenAI tools and frameworks
 - Robustness and resiliency
- Right choice depends on
 - Applications architecture
 - Function and non-functional requirements
 - Customer IT strategy
 - Customer skills
 - and many other factors



Examples of AI/GenAI applications mapping to different private/public infrastructures and platforms

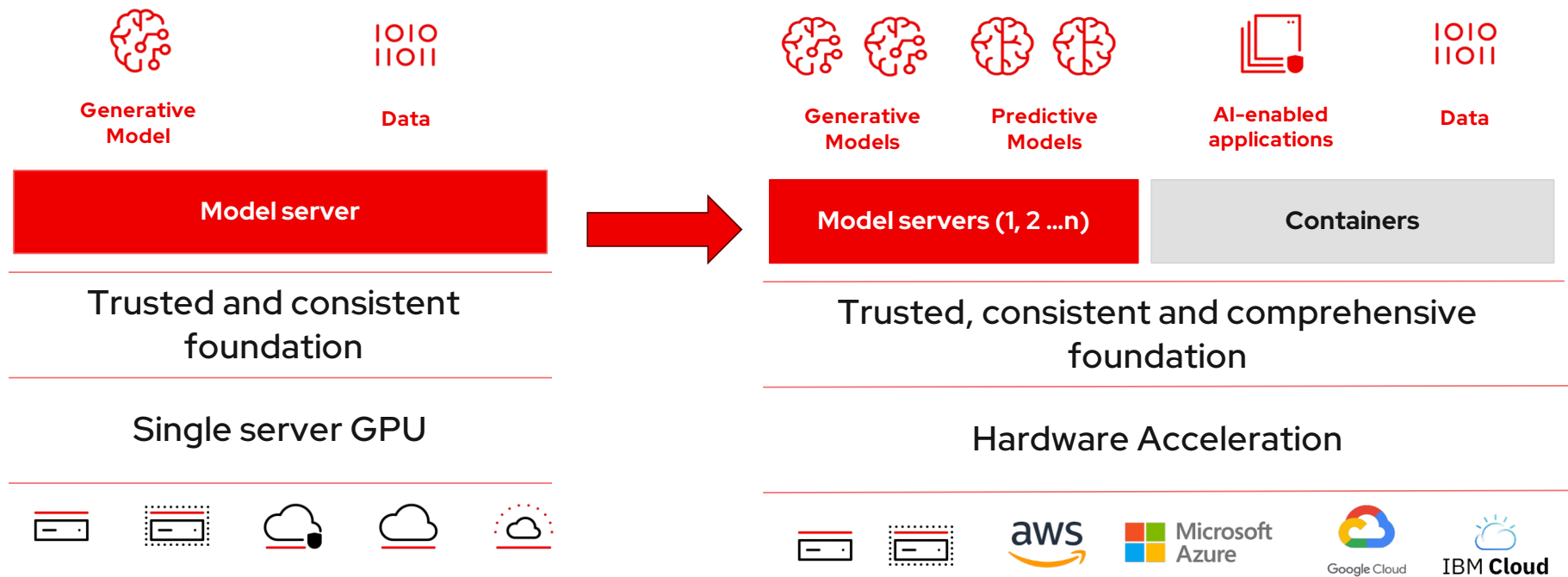
Use case	Training	Fine-tuning	Inference
Call-center Chatbot	Platform: OpenAI, or Azure OpenAI Models/services: No need for training, use pre-trained models like GPT-3, o-mini, etc. Why: Existing LLMs already provide NLP and context aware conversational capabilities	Platform: OpenAI, or Azure OpenAI Models/services: OpenAI fine-tuning APIs Why <ul style="list-style-type: none"> • require little customization for the specific domain • Does not use sensitive data for fine-tuning 	Platform: OpenAI, or Azure OpenAI Models/services: OpenAI inference APIs Why <ul style="list-style-type: none"> • Does not use sensitive data • Can easily scale up/down based on demand
Legal documents summarizer	Platform: On-premises OpenShift with GPUs Models/services: No need for training use pre-trained models like Llama3, etc. Why: Existing LLMs already provide NLP and documents summarization capabilities	Platform: On-premises OpenShift with GPUs Models/services: Parameter-Efficient Fine-Tuning (PEFT) with LoRA, adapters, or prompt tuning Why: Model tuning may require use of sensitive data and data privacy protection	Platform: On-premises OpenShift with GPUs Models/services: NVIDIA NIM for Llama3 Why: Inference phase may handle sensitive data that might be ingested to the system
Marketing campaign generation	Platform: AWS, Azure, GCP Models/Services: No need for training Llama 3, Stable Diffusion Why: Existing Llama and Stable-diffusion models already provide NLP, text and images generation capabilities	Platform: AWS, Azure, GCP Models/: Llama 3, Stable Diffusion Services: AWS Sagemaker training, Azure Machine Learning Training, Vertex AI Training Why <ul style="list-style-type: none"> • It may require significant resources to fine-tune the model to the specific domain • Marketing data are in general not very sensitive 	Platform: AWS, Azure, GCP Models/: Llama 3, Stable Diffusion Services: AWS Sagemaker endpoint, Azure Machine Learning endpoint, Vertex AI Endpoint Why <ul style="list-style-type: none"> • Does not use sensitive data • Can easily scale up/down based on demand
Predictive maintenance	Platform: On-premises OpenShift with GPUs Models: Random Forest, SVM, Logistic regression, RNN, XGBoost Services: Pythorch/Tensorflow training, Scikit-learn Why: Models use sensor data or image analysis, that might not require too many GPU resources for training. Training data might be sensitive and contain industrial secrets that should be protected		Platform: OpenShift single node on bare-metal with GPUs Models: Random Forest, SVM, Logistic regression, RNN, Services: Single node OpenShift, K3s, KServe Why: Models need to run in edge sites, gathering sensitive data that need to be processed immediately close to the source

Agenda

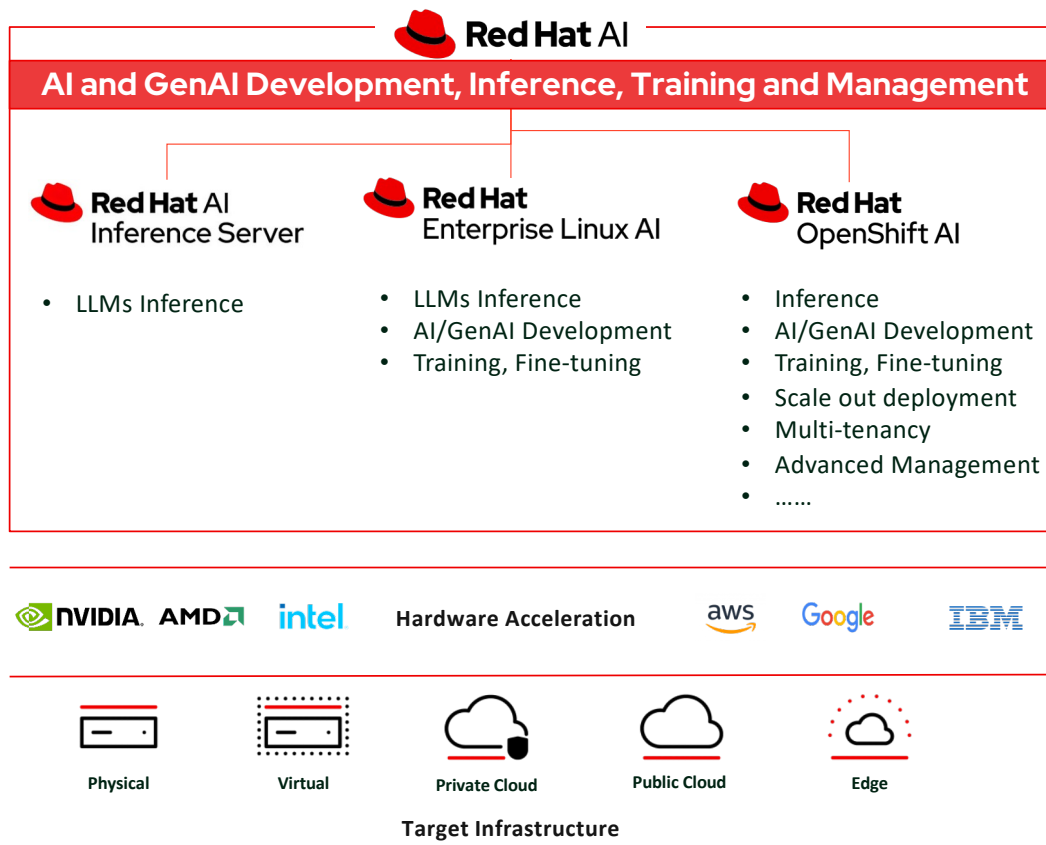
- Market Insight, needs, challenges and opportunities
- How Red Hat AI can help
- How Kyndryl can help

Red Hat AI overview

From single server deployments to highly scaled-out platform architectures



Red Hat AI overview



A suite of products to build and run AI and Gen AI solutions from the PoC phase to the full production deployment

- **Red Hat AI Inference Server** provides an optimized Inference Engine based on vLLM to run AI/GenAI apps
- **Red Hat Enterprise Linux AI** adds model development, training and tuning capabilities to “Red Hat AI Inference Server” ones
- **Red Hat OpenShift AI** includes capabilities of “Red Hat Enterprise Linux AI” and “Red Hat AI Inference Server”.
 - Built on OpenShift Container Platform
 - provides the most advanced capabilities for Developing, training, fine-tuning, run and manage large scale AI/GenAI applications in an enterprise-grade production environment

Red Hat AI major features



- **Red Hat AI Enterprise Linux AI +**
- Supports AI and Generative AI models
- Based on "[Open Data Hub](#)" open-source, includes most popular open-source tools for training, serving and monitoring AI/GenAI models
- Based on OpenShift Container platform, it guarantees best SLOs for multi-tenant and large-scale AI/GenAI applications deployments



- Supports many different Generative AI models
- Provides access to Granite models
- Provides access to InstructLab
- Single server or VM deployments
- includes RHEL image mode



- LLM Inference Engine
- Powered by vLLM, most powerful Linux engine for GenAI Inference
- increase inference efficiency with LLM Compressor capabilities
- Single Server deployment

Model Training

- Collaboration projects
- JupyterLab
- Out-of-the-box Notebook Image
- Custom Notebook Image
- PyTorch
- Tensorflow
- Version control (Git)
- Package Management (Anaconda)

Distributed Training

- CodeFlare stack
- NVIDIA TAO Toolkit
- Watsonx.ai Tuning Studio

GPU/Accelerators

- NVIDIA, Intel, AMD
- NVIDIA NIM, NVIDIA Rapids
- Intel AI Analytics

Model Serving

- KServe
- ModelMesh
- OpenVINO Model Server
- Caikit
- TGIS
- vLLM
- Custom runtimes

MLOps/Workflows

- Data Science Pipelines (KubeFlow)
- GitOps

Monitoring and Governance

- Model Mesh metrics
- Prometheus
- OOB performance & Ops metrics
- Pachiderm

RedHat OpenShift AI new/enhanced features

Announcements

Flexible and Efficient Inference

- ▶ GA distributed inference (llm-d)
- ▶ New validated and optimized models
- ▶ vLLM enhancements
- ▶ LLM Compressor GA

Connecting Models to Data

- ▶ Modular and extensible approach for: data ingestion, synthetic data generation, tuning, evaluations.
- ▶ RAG enhancements & partner integrations
- ▶ Continual Post Training Algorithm
- ▶ Feature Store GA



Agentic AI

- ▶ AI experiences: AI hub and gen AI studio
- ▶ Model Context Protocol support & MCP Server access in gen AI studio
- ▶ Llama Stack API integration

AI Platform

- ▶ Model catalog and registry GA
- ▶ Model as a Service provider enhancements and API Mgt integration
- ▶ GPU as a Service enhancements

Single platform to run any model, on any accelerator, on any cloud

RedHat OpenShift AI high level architecture

Based on the open-source [Open Data Hub](#) project provides

AI/ML modeling and visualization tools

- JupyterLab UI with prebuilt notebook images and Python libraries
- TensorFlow, PyTorch, CUDA, Kubeflow, Anaconda (optional)
- Parallelized and distributed workloads (KubeRay, CodeFlare)
- Data drift and Bias detection
- Efficient fine-tuning with low-rank adapters (LoRA)

Data engineering

Starburst (optional),
Pachyderm (optional)

Data science pipelines

Kubeflow Pipelines to chain together processes like data preparation, build models, and serve models

Model serving and monitoring

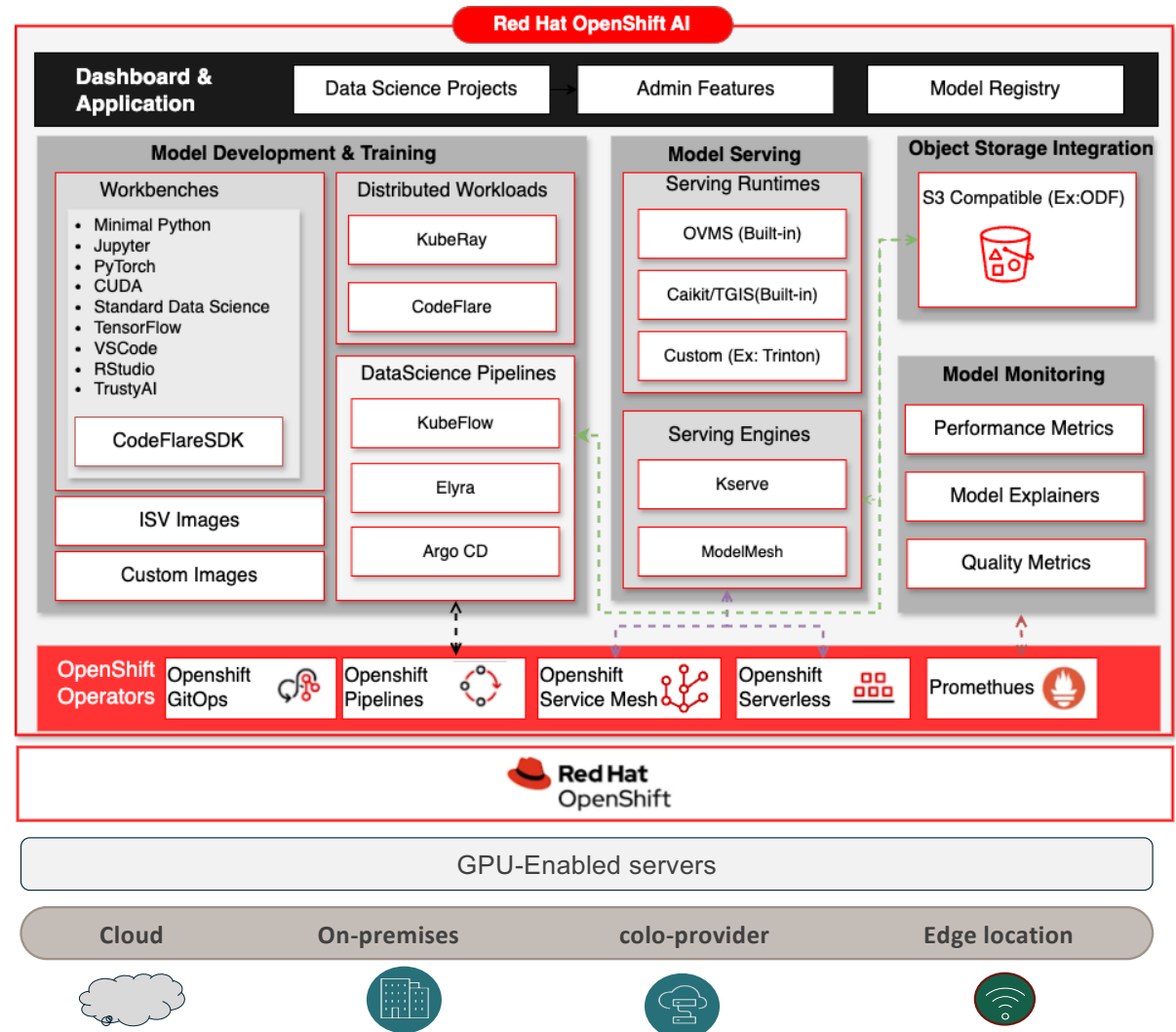
- Model serving (KServe with user interface), vLLM serving runtime
- Model monitoring,
- OpenShift Source-to-Image (S2I),
- Red Hat OpenShift API Management (optional add-on),
- Intel Distribution of OpenVINO toolkit (*)
- Support for NVIDIA NIM

Data ingestion and storage

- Model registry, Red Hat AMQ (optional add-on);
- Amazon Simple Storage Service (S3)

GPU support

- NVIDIA GPUs
- AMD GPUs
- Intel GPUs (including Xeon, Gaudi, and Intel Data Center GPU Flex Series))



How Red Hat OpenShift AI address the needs of multiple actors in AI/GenAI space

- precious resources
- must be productive from day1

Boundaries between teams is thinning more and more, they need to work as a single team to address these new challenges

- Face completely new challenges like
- Implement AI/GenAI feedback loops
 - monitor performance, fairness, etc.
 - models' security, compliance, tracing, etc.

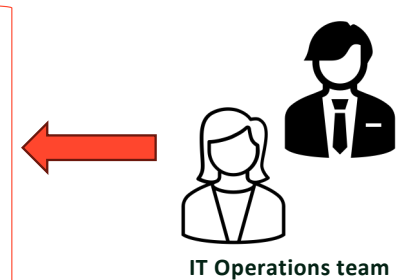


- **AI workbenches** provide all the tools needed to develop, train and tune AI&GenAI apps
- **AI self-service catalog** allows people to deploy what they need with a button click
- **NVIDIA AI Enterprise integration** allows to integrate advanced AI/GenAI services like NVIDIA NeMO, NIM, etc.
- **Data Science Pipelines** allow to automate all the development and production deployment phases of AI/GenAI apps
- **AI Model Monitoring** provide deep inside of AI and GenAI models behavior and performances

Red Hat OpenShift AI

Red Hat OpenShift
Container Platform

- **Multi-platform support** allows to develop, run and manage AI/GenAI apps on any private/public cloud seamlessly, with zero code changes
- **Container's Orchestration Platform** facilitates the development and management of microservices-based AI/GenAI applications



Red Hat AI key benefits



Accelerate time to market:

Microservices architecture significantly decrease the time to develop and deploy scalable, resilient, and adaptable applications

Improve developers' productivity

- Leverage catalog of ready-to-use tools for AI/GenAI training, tuning, inference
- Leverage MLOPs built-in capabilities to automate the models tuning, inference and validation loop

Improve IT Operations productivity

- Leverage MLOPs built-in capabilities to automate the setup of dev/staging or production environments
- Leverage built-in models monitoring to get deep inside of AI and GenAI models behavior and performances



Enforce data compliance and sovereignty

- Keep mission-critical data secured in house and under your control
- reduce the risk of data leakages
- Operational resiliency & sovereignty
- Trust and transparency

Avoid Vendor Lock-in

- Leverage Open-Source AI/GenAI frameworks and tools
- Build and Run AI/GenAI applications everywhere, on private or public clouds, with zero code changes

Meet most demanding SLOs:

OpenShift Container platform guarantees best SLOs for multi-tenant and large-scale AI/GenAI applications deployments

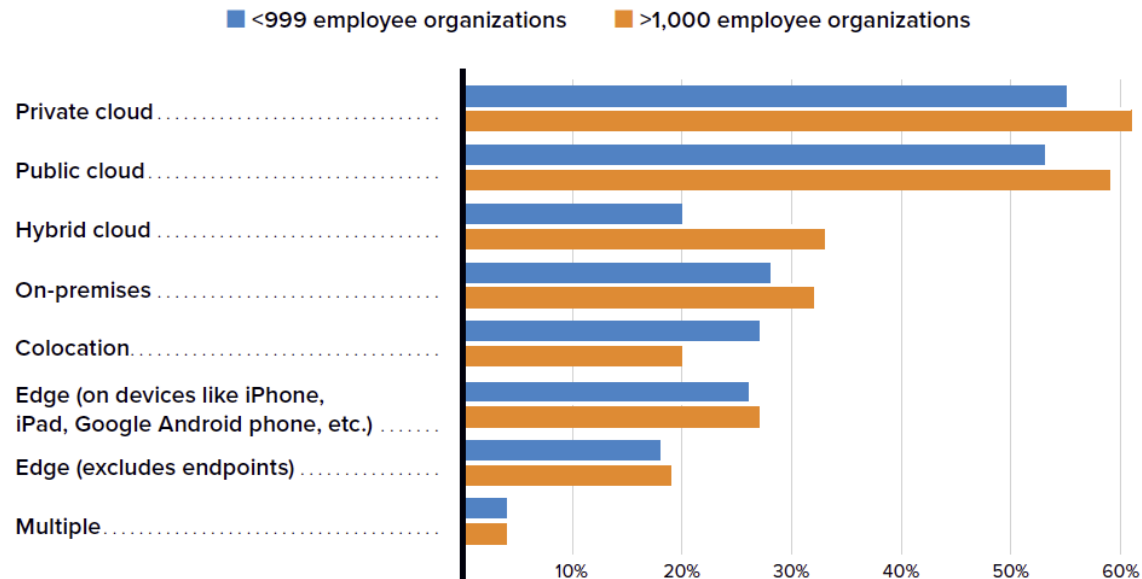


Optimize Infrastructure costs

- Leverage the support of multiple H/W vendors and different cloud providers to select the most convenient infrastructure solution
- Leverage built-in support for HCI storage as an alternative to more complex and costly SAN/NAS storage
- Choose between managed and self-managed solutions and Capex, Opex and pay-per-use models

Red Hat AI on Private Cloud Key benefits

Platform choice for AI/Gen AI Workloads



Source: IDC's *AI StrategiesView 2022*

For AI/GenAI workloads, **Private Cloud is the first choice** for customers that need

- Complete control of the infrastructure
- Data security, sovereignty and compliance
- Cost control
- Strong SLAs requirements
- Avoid vendor lock-in
- Flexibility in the choice of AI/GenAI tools
- Run applications on central datacenter and edge locations
- Maintain some footprint on-premises

★ The combination of Red Hat AI on a Private Cloud, can help to address many customer challenges

Agenda

- Market Insight, needs, challenges and opportunities
- How Red Hat AI can help
- How Kyndryl can help

Kyndryl helps clients to implement AI/GenAI solutions across the entire stack

Area	Description	Examples
Application Layer	Design, build and manage Business-facing solutions that apply AI/GenAI to solve specific use cases, improve productivity, or generate value	Agentic AI AI chatbots & virtual agents, Recommendation Engines, Fraud detection, etc... Predictive maintenance, Anomaly detection, etc...
Platform Layer	Design, build and manage the core virtualization, orchestration and AI/GenAI platforms to develop and run AI/GenAI models, workflows, and data pipelines	VMware, Red Hat, Nutanix, Suse, Azure local, AWS Outpost, Google Distributed Cloud Kubernetes, Tanzu, OpenShift, Rancher, AKS, EKS, GKE OpenShift AI, NVIDIA AI Enterprise, Open-source AI/GenAI frameworks PyTorch, TensorFlow, Triton, NVIDIA NIM, Milvus, KubeFlow,, Ray, TrustyAI, LangChain, Haystack , CrewAI, AutoGen, etc.
Infrastructure Layer (HW & SW)	Design, build and manage the underlying accelerated compute, storage, and network infrastructure that enable scalable and efficient AI operations	Hardware: Dell, HPE, Lenovo, NVIDIA, etc. H/W Acceleration: NVIDIA L40s/H100/H200, Bluefield, AMD Instinct, Alveo, Pensando, Intel Habana, Arc, etc... Software: NVIDIA CUDA X, CUDA X-AI, Magnum-IO, vGPU, GPU Operator, Network operator, etc..

Strategic Benefits

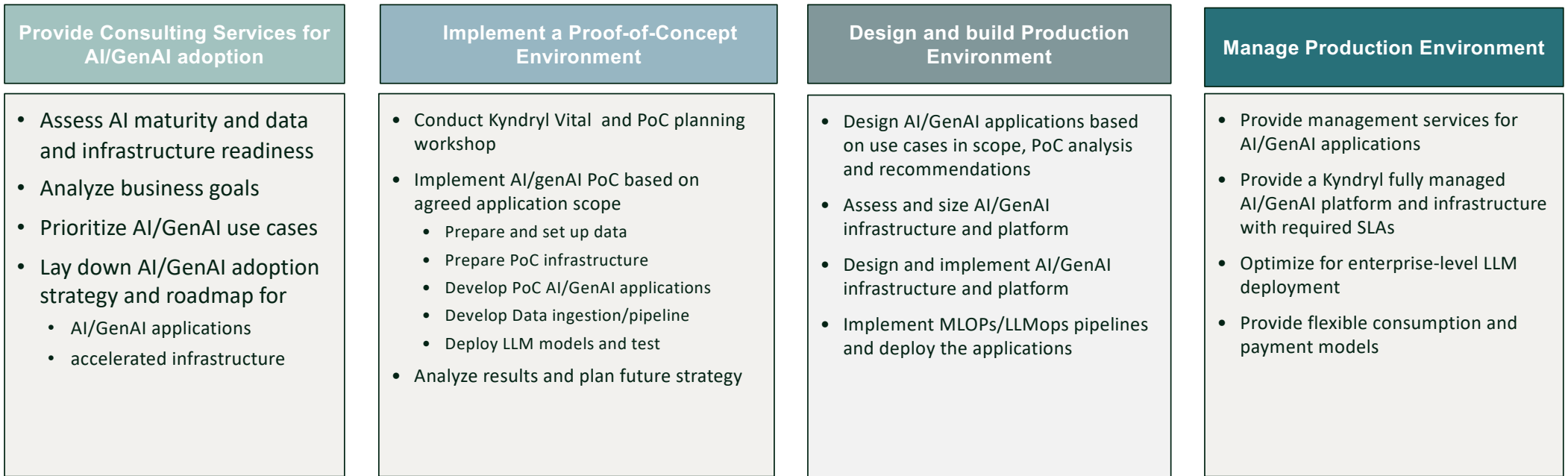
Data Privacy and Security: Deployment in strictly controlled environments guarantees data sovereignty and compliance.

Cost Control: Keep the direct control of H/W cost and S/W licenses usage.

Customization: Open-source frameworks + industry standard tools enable tailored AI deployments.

Avoid vendor lockin: Containerized AI/GenAI apps built on open-source frameworks can run on any private, hybrid or public cloud platform

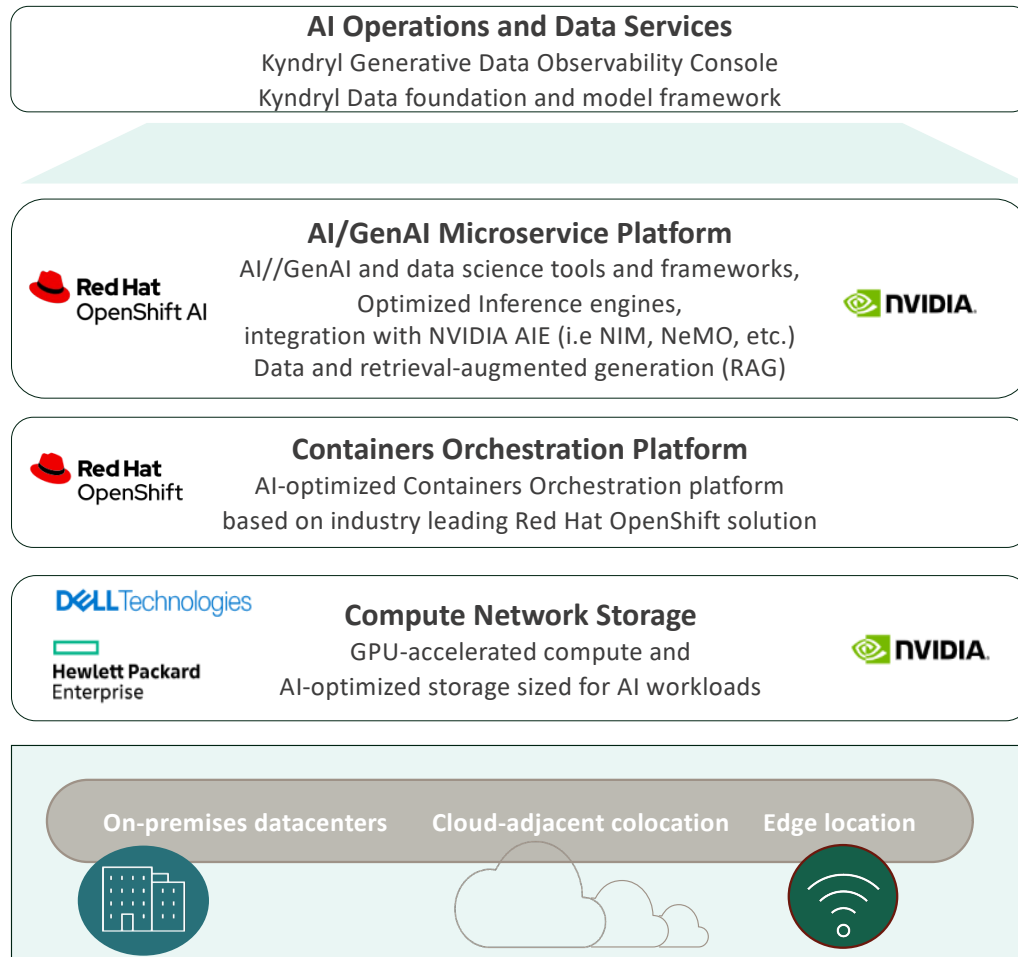
Kyndryl approach from Consulting to PoC and production



Kyndryl services enable clients to realize faster time to value for AI/GenAI technologies, through a flexible set of services

- Customer can engage Kyndryl in any of the phases as they need, from consulting, PoC, Design, Implementation and management
- Customer can leverage Kyndryl services to help with the AI/GenAI enabled Infrastructure and platform, or with the AI/GenAI applications or both

Kyndryl services for Data and AI/GenAI Infrastructures with Red Hat OpenShift AI



Data and AI operations services

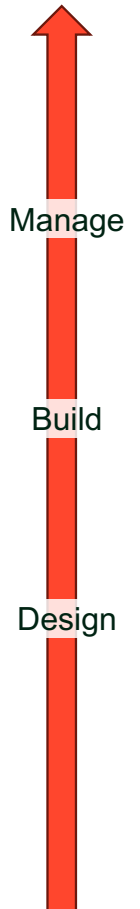
- Efficient LLM operations
- Comprehensive data foundation and governance services
- Complete Data Observability Services and Console

AI/GenAI platform services

- Container orchestration based on OpenShift
- Optional HCI storage based on OpenShift Data Foundation
- Model training, inferencing, fine-tuning using OpenShift AI
- MLOps/LLMOps based on OpenShift AI data pipelines
- Optional infrastructure for retrieval-augmented-generation
- Advisory, design and build services
- Managed by client, or Managed hosting by Kyndryl in as-a-service model

AI/GenAI enabled Infrastructure services

- GPU accelerated servers based on HPE or Dell
- Infrastructure sized according to application requirements
- Flexible hosting in client, colo, edge or Kyndryl datacenter
- Flexible cloud OPEX model
- Advisory, design and build services
- Managed by client, or Managed hosting by Kyndryl in as-a-service model



Kyndryl services for Data and AI/GenAI Infrastructures with Red Hat OpenShift AI

Secured, Dedicated, single-tenant, on-premises Platform deployment

- GPU-enabled servers, with storage and network designed to meet required LLM response time and throughput, based on Dell or HPE H/W with NVIDIA GPUs
- GPUs-enabled Red Hat OpenShift for microservice and application deployment
- Security rich, air gapped platform ideal for regulated or private workloads

Optimized for AI – Inferencing with RAG

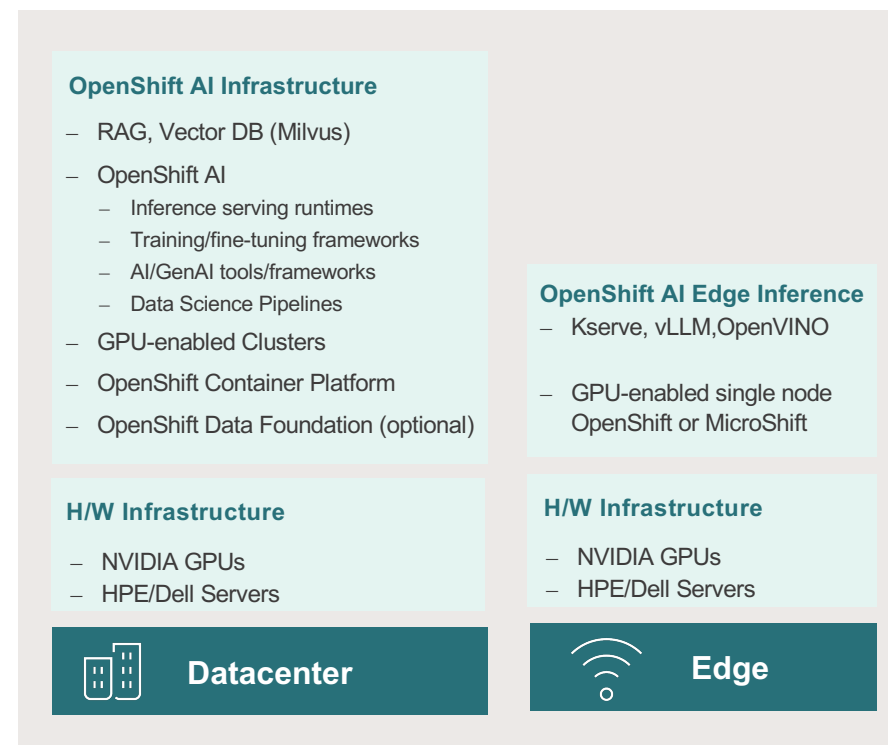
- Red Hat OpenShift AI used for AI/GenAI and data science tools and frameworks
- Optionally integrate NVIDIA AI Enterprise services (e.g. Nemo, NIM, etc.)
- Data Science Pipelines based on embedded KubeFlow
- RAG infrastructure based on Milvus

Deployed by Kyndryl, can be managed by client or delivered as-a-service by Kyndryl

- Kyndryl Design and Build the platform in customer premise or colo provider location
- Client can manage the platform by itself or have it managed by Kyndryl (24x7x365 based on defined SLOs and KPIs for GenAI workloads)
- If managed by Kyndryl, the platform can be delivered as-a-service
- Platform components can be delivered independently if required by customer

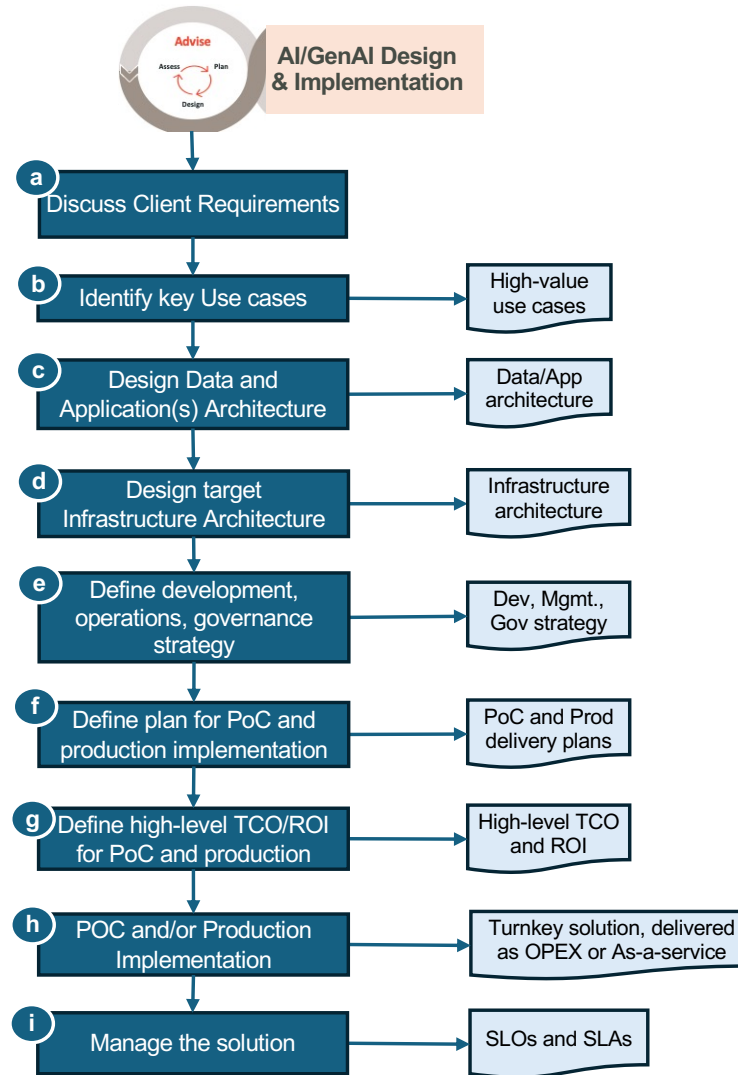
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Different OpenShift AI deployment models

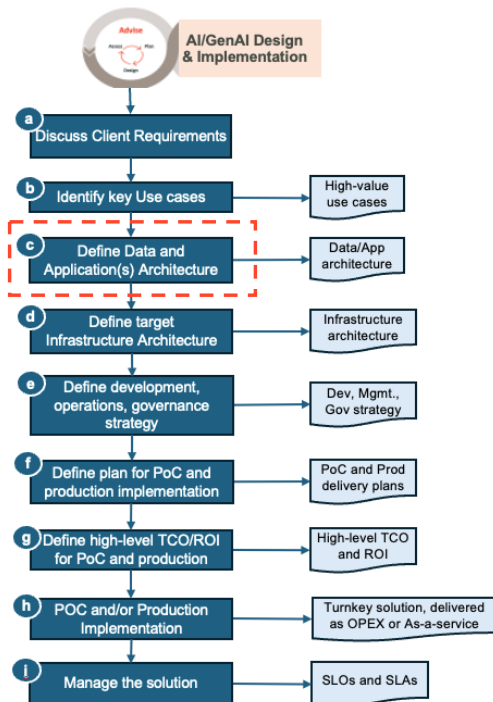


The Kyndryl approach

Kyndryl can help clients in the realization of a Private Cloud solution for AI/GenAI using an holistic approach that analyzes all the different aspects and phases of the analysis, design, implementation and management of such solution



An example – Design Data and Application(s) architecture



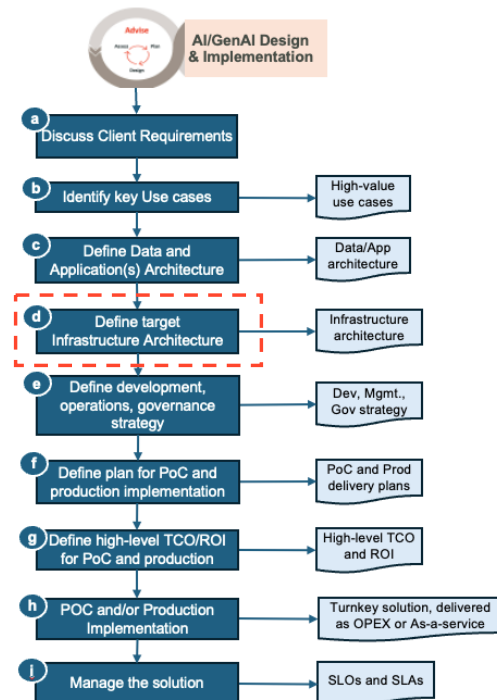
Define high level data and application(s) architectural design

- ➔ Understand which data are used, where they originally reside, how they should be prepared and where they should be stored for the AI/GenAI applications use
- ➔ Understand application scenario, models used, required latency/throughput, etc.
- ➔ Pay attention to application requirements in terms of training, fine-tune, RAG, inference
- ➔ Look for most popular applications in the same industry and search for applications blueprints, or for most common vendors/solutions in that industry
- ➔ Create the high-level design of the application(s), including the major data flows and the MLOps/LLMOps processes

Kyndryl Reusable assets and supporting material

- Use [Data & Applications Architecture Patterns](#) folder where you can find AI/GenAI Applications Blueprints from Google, Azure, NVIDIA and Red Hat

An example – Design Infrastructure Architecture



Design an AI/GenAI Infrastructure architecture requires deep investigation

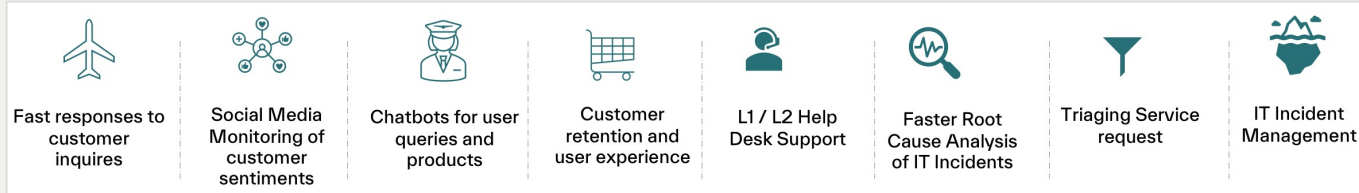
- Right size the infrastructure based on application requirements
 - **Type of AI Models** – (Computer Vision / NLP/ Reinforcement learning /Deep Learning)
 - **Model size** (e.g. Llama-70B, Mistral-7B, Llama-13B, etc.)
 - **Application requirements and architecture** – Training, fine-tuning, RAG, inference only ?
 - **Data size** – Number of I/O tokens, system prompts) Image resolution, Audio sample rate, Text length etc.
 - **Performance objectives** – Time-to-first-token (TTFT), Inter-Token-Latency (ITL), E2E Latency
 - **Scalability objectives** – Number of concurrent requests per sec/min, Output Tokens generated per sec/min
 - **Model accuracy** – Precision used to train and evaluate the models
- GPUs – how many GPUs and GPUs types,
- GPUs topology – single, NVLink or GPUs Fabric
- Network and storage infrastructure – Infiniband, Ethernet, 25/100/200/400GB, RoCE, GPUDirect, etc..
- Servers' configuration – PCIe switches, Accelerated NICs/DPUs, CPU/RAM/DISK
- Datacenter power & cooling – wattage, heat dissipation, cooling type (air/liquid), cooling capacity, etc.
- Edge Deployment – Security, network, storage, etc

Kyndryl Reusable assets and supporting material

- [AI-GenAI Infrastructure Architecture patterns](#)
- [AI-GenAI Sample BOMs](#)
- [GPU Sizing guidance & tool](#)
- [Red Hat OpenShift AI Reference architecture, etc](#)

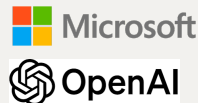
Kyndryl AI capabilities across different Technologies

Industry & function use cases & Application



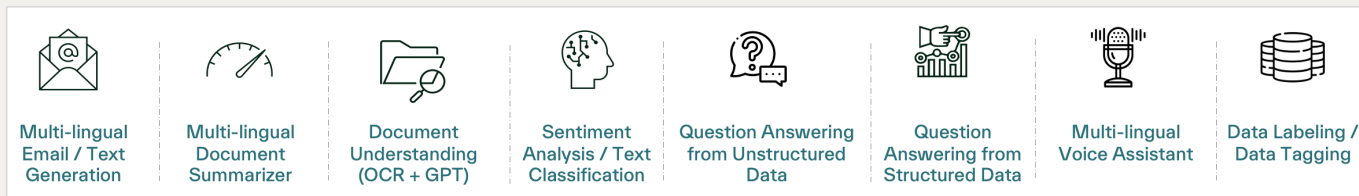
Cloud & Hybrid environments

On-premise environments



Assets using Technology Ecosystem

Gen AI Accelerators



LLMOps

Model Assembly

Model Alignment

Model Deploy

Model Monitor

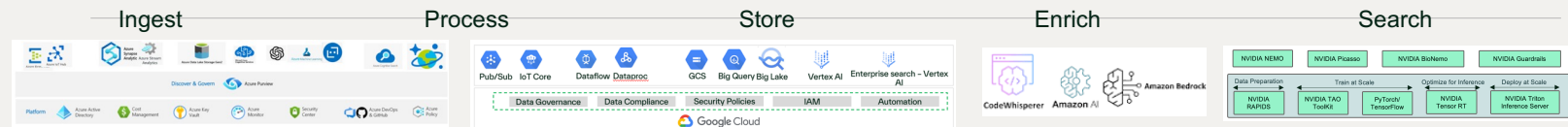
CI/CD Pipelines

Governance

Responsible AI Governance

Data Foundation

Kyndryl AI Guardrails solution



Kyndryl offers GenAI services across the entire stack

Leverage Kyndryl expertise in the field of AI/Gen AI

Skills & Expertise



- **Dedicated team** of GenAI SMEs, consultants, architects and engineers certified across hyperscalers and on-prem with proven experience in GenAI
- **Deep domain expertise** after handling multiple customer scenarios
- Continued **investments** in **hiring and upskilling**
- **350+ Data and AI patents**

Investments



- Building a **CoE with Microsoft** across GenAI, Data Foundations (Fabric, Purview), & Apps Modernization and Responsible AI Partner (one of 11)
- Multi-year strategic agreement - **AWS Joint Innovation Factory** to build industry solutions in GenAI/ML
- **Joint partnership with Google** focused on GenAI solutions, AI Governance & Data, SAP data & AI modernization
- **Collaboration with Nvidia and Dell-** for private AI/ GenAI solutions

Kyndryl as Customer 0



- Embedding **GenAI in our delivery capabilities**: Kyndryl Bridge – Natural Language ChatOps for querying IT / ticketing data
- **Several GenAI solutions** for CFO/ Solutioning organizations, such as Kyndryl IR Advisor bot to support Q&A, meeting prep, information retrieval and summary from investor reports, calls, market news

Assets



- **LLMOps** (Large Language Model Ops) console & Platform to scale responsibly GenAI solutions & models
- **GenAI assets** such as: Kyndryl SRE Assist to speed up end2end DevOps automation, code modernization to translate code between languages
- **Industry solutions**, such as: Automated Quality Inspection leveraging Vision AI, Worker Safety, etc.
- Robust **consulting framework, and methodologies** (GenAI risk assessment, data foundations assessment framework, etc.)

Pilots & solutions in production



- **Social media** – sentiment analysis, personalised responses and responses to information seeking question
- **Natural language** queries to fetch data from database
- **Issue resolution for contact centre** leveraging FAQs and customer data in WhatsApp
- **Q&A** from large contractual documents for government entity
- ...

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Questions ?

Nov 2025

Kyndryl internal use only

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