



TEMENOS

Your Growth
= Human + Digital

Temenos Engage





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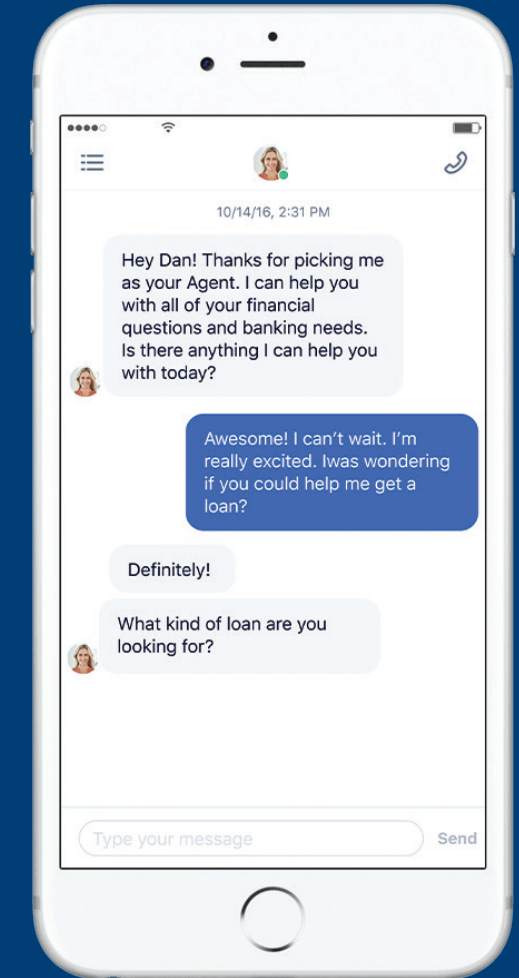
| Temenos Engage

The question being asked in every financial institution's board room currently is, **"How and when are we going to adjust to the new realities of banking delivery to meet changing customer behavior and needs?"** In order to answer that question, many financial institutions are turning to technology to create an ideal opportunity to transform customer or member delivery and back-office systems that will secure their competitive edge in a fast-changing financial services industry.

A theme increasingly heard in fintech circles is the need to "humanize" digital banking technologies. This can mean a range of different things, depending on who you're talking to. Some might argue, for instance, that making banking technology more human involves sophisticated artificial intelligence that can make digital assistants more personable. No matter who you ask, most examples of such "humanization" strategies typically look to disguise the underlying technology as much as possible.

The Temenos Engage platform provides a different perspective, which aligns well with a financial institution's goals. The Engage platform humanizes banking in the digital age, not by layering one technology on another, but by leveraging real, live human beings. The unique "human digital banking" platform "Engage," is a mobile app that essentially puts a banker in everyone's pocket. Combining mobile technology with specially trained associates, the Engage platform allows all customers—regardless of their account balance—to choose their own personal financial expert. The platform could be viewed as an "anti-bot alternative"—Temenos' countermeasure to combat fintechs and other competitors who are aggressively pursuing tech-heavy, AI-saturated strategies.

Unlike the usual call-center model where incoming call queues make it unlikely that a customer or member will reconnect with the same service representative again, the Engage model intentionally aims to cultivate a friendly relationship between the two parties. A relationship that aligns perfectly with a financial institution's mission and brand in a digital age and a tangible, customer-facing initiative to kickoff a financial institution's Digital Transformation.



| Purpose and Strategy

The shift in consumer behavior and preference for digital transactions over branch transactions is clear.

As a result, having innovative and compelling digital experiences is a necessity in today’s highly competitive market.

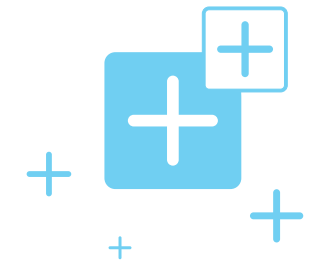
The Engage application enables customers to keep the benefits of the personal experience they value at the branch and merge it with the convenience and simplicity of digital channels. Given the bleeding-edge nature of the solution, focus will be on adoption and usage of the platform and measuring the key performance indicators.

The Engage application brings a human touch to digital banking, with customers having the freedom to choose their personal banker, who will support them throughout their journey on things like onboarding or other banking products and services.

The key features of the Engage application include:

- **Personalized service:** Customers can chat with the same person each time they use the app and receive personal advice tailored to their circumstances and goals
- **Choice of advisor:** Customers can choose the person they think is the best fit for them and their finances. They can easily swap to a different personal banker if their needs or circumstances change
- **Support however and whenever it suits:** Customers can message or chat over the phone with their Engage application banker and can see if they are online and if they don’t want to wait, they can ask for another banker or send a message and wait until their banker is back online to respond

For team members, the Engage Application provides the opportunity for more meaningful customer relationships, an additional career pathway by moving from transactional support to provision of advice, and the ability to manage a book of business. Engage will create incremental cross-sell and upsell opportunities for bankers.



Increase Employee Satisfaction

The benefits of Engage go beyond providing excellent customer service. Engage bankers are more empowered, satisfied and upwardly mobile than before.

A personal touch is not something you add—it’s where you start



Build Engaging Customer Relationships

“I’m able to help customers just like a branch associate would, only it’s much more convenient for the customer. I can give each customer the proper attention they deserve, when they need it, and I get to focus on tasks I enjoy doing, such as data tracking and building customer relationships.”

Provide Guidance

“I had reached out to a customer to see how he was doing, and the customer shared he was overwhelmed with his debt but was too busy to stop by the branch to talk about his options. I offered to review the debt consolidation strategy through Engage and suggested a consolidation loan to help with the debt.”

Meaningful Advice

“I am much more effective servicing my customers. I have never liked having customers waiting in line. If I could have completed several transactions at once I would have, but that just isn’t possible in the branch. Through Engage, each customer can be serviced as if they are my only priority. The ‘line’ disappears, and they can really feel me working for them always.”

Make a Difference Where it Matters

“A customer with throat cancer who can’t speak recently came to our branch. She has always had to write down her requests for the banker. When we told her about Engage, she started crying and was so happy.”

Manage a “Book of Business”

“I’m able to focus more on individual customers. In the branch, I built customer relationships but didn’t have the time to focus on the full relationship to anticipate needs. With Engage, I can reference conversations as many times as I want to see if I missed something or remember what they said.”

Be a Trusted Advisor

“I have the privilege of being a solution detective whether it’s finding the answer within the bank or finding the customer a solution outside the bank, as long as it is going to benefit the customer and do right by them. Being proactive with our solutions is so important in solidifying the trust that they have in us as their financial friends.”

Flexible Work Environment

“As an Engage banker, I’m not required to hold regular banking hours which is great for our customers who may be thinking about their personal finances outside of those times. Also, working from home allows me to provide complete customer focus rather than trying to quickly move the line forward in the branch.”


Open the Door to New Opportunities

“As a teller, I found I was spending most of my time at the counter and had very little time to practice my selling skills. Through Engage, I have been able to refresh my sales training knowledge and recently attended our home loan lending academy. I’ve written a few complex personal loans and am in the process of assisting a customer in purchasing their dream home! As a teller, I never would have advanced my skill set this quickly.”

Common Use Cases


The Engage application can be implemented for many use cases to further digitally enable the customer experience and deepen the relationship with the financial institution.


The Engage application has many potential benefits including lead generation, customer education, simple and complex sales, and supporting customers with major life events.

 Customer Acquisition

 Deepening Relationships

 Mortgage

 Branch Consolidation

 Live Chat/
Call Center Conversion



Common Use Cases: Customer Acquisition

PAIN POINTS

- + Decision paralysis
- + Inconvenient - branch process takes time, digital lacks human element
- + Customers feel limited emotional commitment for accounts opened digitally

OPPORTUNITIES

- + Allow customers to start and finish the process where and when most convenient
- + Ensure support at each step of the process
- + Having a named banker builds trust and a relationship with the institution.

BENEFITS

- + Increase conversion
- + Reduce dormant rate
- + Increase customer satisfaction
- + Convert to primary banking relationship
- + Build relationship quickly

Common Use Cases: Deepening Relationships



PAIN POINTS

- + Talking about finances is a chore and often put off as long as possible
- + Complexity of life; banks often only helped with a fraction of financial needs
- + Talking to different people and having to repeat information

OPPORTUNITIES

- + Proactively reach out and guide customers to achieve their financial goals, e.g. financial planning, support through a life event, debt consolidation
- + Build and trust loyalty
- + Provide customers with a named banker who deeply understands customers' needs

BENEFITS

- + Increased customer satisfaction & advocacy
- + Increased retention
- + Increased product holdings per customer
- + Higher product usage
- + Increase staff satisfaction

Common Use Cases: Mortgage



PAIN POINTS

- + Complexity of process; customers often feel lost, confused and stressed
- + High level of interaction and back and forth; need to act quickly
- + Long wait times for face to face appointments for popular appointment slots

OPPORTUNITIES

- + Offer peace of mind and educate customers about each step in the journey
- + Opportunity to efficiently pair up and split advice and mortgage processing
- + Provide customers with a named mortgage consultant who knows the customer's situation

BENEFITS

- + Increase conversion/ completion rate
- + Reduce overall process length
- + Reduce stress and increase customer satisfaction/advocacy
- + Cross-sell for other products/ seamless introduction to other bankers

Common Use Cases:

Live Chat/Call Center Conversion



PAIN POINTS

- + Current human engagement channels don't drive one on one relationships and accountability
- + Response times are often subpar
- + Front line staff are measured by efficiency (i.e. number of simultaneous chats, call handling time) which doesn't promote the best customer service

OPPORTUNITIES

- + Convert repeat live chat/secure message/call center users to a channel more conducive to building a relationship
- + Increase customer satisfaction for routine service requests and turn these into sales/value-added service conversations

BENEFITS

- + Increase customer satisfaction
- + Channel rationalization
- + Ability to drive two-way communication and proactively reach out to customers

Common Use Cases:

Branch Consolidation



PAIN POINTS

- + Leaving a local area often results in loss of deposits
- + Could lead to local uproar if last local branch is being closed
- + Customers are often concerned about the human impact of branch consolidations

OPPORTUNITIES

- + Introduce Engage pre-branch closure and slowly migrate physical relationships to digital ones
- + Answer customer questions and concerns throughout the migration
- + Offer face to face contact opportunities in "third spaces" like libraries, community centers, etc post-branch closure

BENEFITS

- + Retain deposits
- + Retain customer satisfaction throughout a difficult period
- + Retain a presence in the local community (without physical space)
- + Retain top talent in local communities

Targeted Objectives and KPIs

The primary objective for the Engage deployment will focus on adoption and usage. During the pilot year period, a financial institution will be able to create control groups and measure the KPIs outlined here. Committing to the measurement of these KPIs will establish baselines to evaluate the long-term feasibility of the platform as part of the operating model.

A complete list of objectives and KPIs that will be measured is provided here:

Objective	KPI
Customer Retention	<div>+ % of total deposits</div> <div>+ # of customers</div> <div>+ Reduction in churn rate</div>
Wallet Share	<div>+ Products per customer</div> <div>+ % customer ≥ "X" products</div>
Customer satisfaction	<div>+ Total NPS, Medallia or Gallup</div> <div>+ Engage vs Non-Engage</div>
Opportunity - Increased Sales Revenue	<div>+ Total revenue in channel</div> <div>+ Sales per banker</div>
Opportunity - Main Bank Relationships	<div>+ Non-main bank customers to main bank customers following interaction with a personal advisor</div>
Opportunity - Reduced Operating Costs	<div>+ Closing beneficial branches post-acquisition and replacing with digital advisors to serve customers that are tied to branches closing/not closing</div>
Opportunity - New Customer Attraction	<div>+ # of new customers through Engage channel</div>

Customer attraction has seen a high success rate through in-person recruitment, often between 30-50% of total enrollments, followed by the call center, advertising within digital banking, and email.

Benefits of 1:1 Personal Banking



INCREASED PRODUCT COVERAGE

Banks reported an average of 2.27 products per customer, vs their typical average of 1.59.

A 60% increase



INCREASED BANK ENGAGEMENT

Customers were more likely to leverage the bank's other services and channels, as well.

Reported increases:

- + Mobile banking: 89% more
- + Online banking: 40% more
- + Direct Deposit: 114% more
- + Bill Pay: 73% more
- + Lending: 79% more

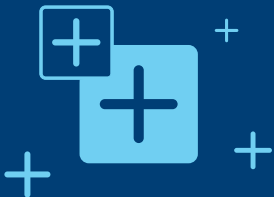


CUSTOMERS ARE LOYAL TO THEIR PERSONAL BANKER

93.3% of customer requests are during normal business hours.

Only 8.5% of customers opt for a backup banker when theirs is unavailable—the vast majority choose to wait for someone they trust.

FAST FACT



17.4% of customers have 1–2 meaningful conversations with their personal banker per month.

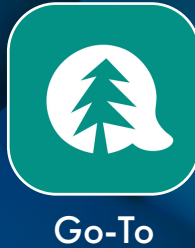
How does that compare with your in-store visit rate for customers?

78%
of users feel they have a personal connection with their bank

20%
increase in new customers

35%
higher bank NPS scores

Featured Engage Customers



Hills Bank
and Trust Company



SNS Bank



Contact us today to learn how humans plus digital
create the best version of your growth.

Visit us at temenos.com or call +1-888-323-9630.

#TogetherWithTemenos