

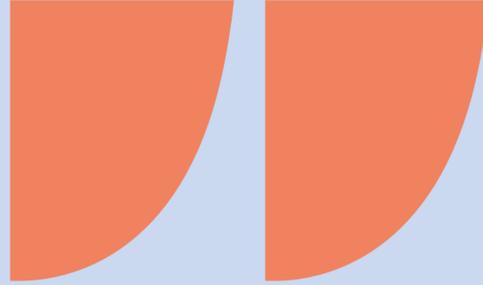
Temenos Financial Inclusion & Accelerator

A scalable, world-class solution bringing ultimate efficiency to banking enabling financial inclusion around the world.

temenos

Everyone's Banking Platform





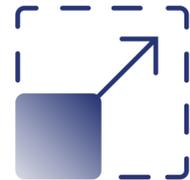
CreditAccess Grameen`s Microlending business is powered by a robust and scalable Core Banking Platform from Temenos. The Financial Inclusion layer provides the competitive edge for CreditAccess Grameen in the microfinance space in India. Being the largest NBFC-MFI in India, this platform is able to offer the scalability required to support the growing number of transactions seamlessly."

Sudesh Puthran
Chief Technology Officer
CreditAccess Grameen

What do our clients want and need?



Enhanced efficiency



Scalability and flexibility



Single, complete solution



Lower transaction costs



Operational resilience



Enhanced customer service



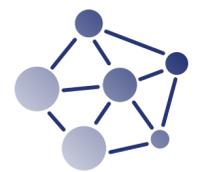
Innovation capabilities



Business security



Greater control



Multichannel delivery



Quality products and services

Market Background

3–4 billion of the global population are either not served or underserved by formal finance.

Financial Inclusion is not only about microfinance, but providing financial services to the un- and underbanked, the people who are excluded because of barriers to being banked; financial (not enough money to open an account), social (lack desire to open an account), institutional (inconvenient locations and business hours, high fees, need for products and services not offered, poor or no credit history) or simply do not comply with the requirements of the main street banks. Priorities are remittances, a safe place to save money and finally, loans.

As our daily lives become increasingly cashless, dependence on digital finance has grown, creating an even larger gap between those with access to banking services, and those without. Thankfully, the situation is primed for change.

The past 30 years taught us that the poor pay their loans and are good, reliable customers when provided with quality banking services and sustainable transaction fees.



However, NBFIs face challenges in servicing this community. These challenges include:

Limited financial means

Many NBFIs are unable to make the large upfront investments to purchase world-class banking solutions that can help them fulfil their ambitious goals.

Cost of outreach

Reaching the unbanked populations of the world means servicing small loan amounts and servicing remote and sparsely populated areas of the planet, which can be dangerously unprofitable without high rates of process automation and mobile delivery.

Diversity of business models

Legacy microfinance systems often offer limited functionality and struggle to support the very broad range of product features and lending group styles which NBFIs aspire to use.

Lack of scalability

Inflexible systems often struggle to preserve the profitability and performance of NBFIs as they experience high growth rates typical of developing economies.

Inefficiency

Historically NBFIs systems don't benefit from real-time information, straight-through processing or an omni-channel experience.

Increasing competition

Ongoing threats from non-banks, particularly in areas of high profit/cross sales opportunities, for e.g. payments, forex, remittances and micro-loans, etc. With shared services and critical mass achieved through social networks and Internet based services, prices are dropping, and disintermediating the NBFIs from their customers.



Overview

Financial Inclusion is an integrated banking software solution built upon more than 20 years' experience serving NBFIs. It provides banks of any size access to, including via the Cloud, a world-class solution with pre-configured market-specific functionality. Over 300 NBFIs and community banks in 51 countries already benefit from the advanced efficiency provided in the solution.

Financial Inclusion, with its scalable and highly efficient technology, pre-configured and integrated platform offers the ultimate in adaptable products and services especially designed for the market.

Ultimate efficiency

Enjoy stronger operating metrics than your peers. On average, Temenos clients benefit from 25% higher return on capital, 16% higher return on assets and 2.3% lower cost-to-income ratio than conventional banks running other third party applications. With our digital solutions and leveraging off existing infrastructure along with relationships through

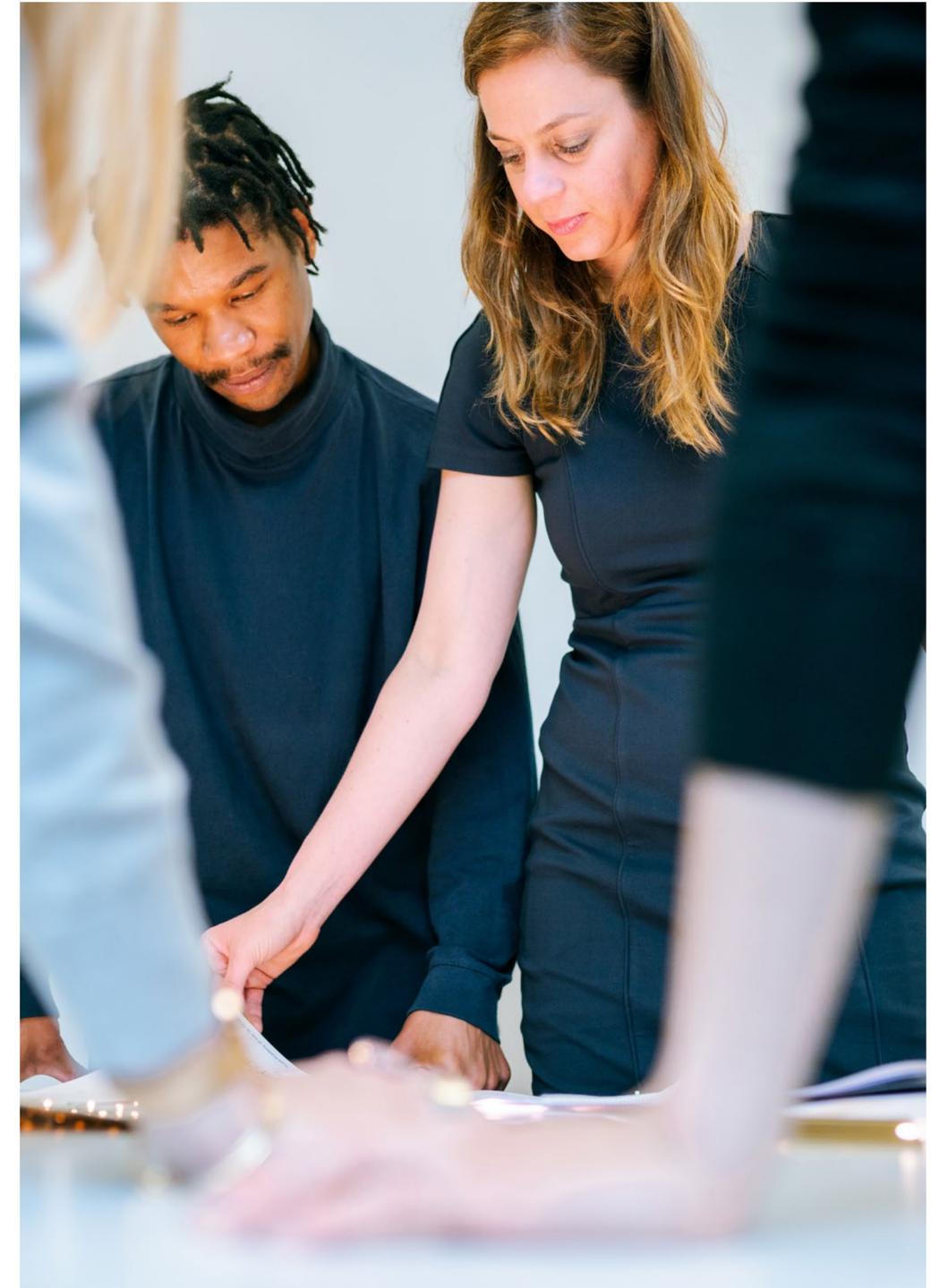
agency banking, means that the cost of engagement can be dropped and efficiency of scale with network based banking platforms can also be exploited.

Controls costs

Financial Inclusion supports a broad range of functions in diverse locations while reducing the number of legacy applications. As a Cloud solution, operating continually in real-time, Financial Inclusion can easily extend services at your location and work without the cost of building physical infrastructure. This approach offers the predictability of paying a fixed monthly cost for your IT needs. You only pay for the services you use. And with systems being updated automatically (when upgrades become available) there is no downtime or added cost. Financial Inclusion also includes insightful management information to identify how and where costs are incurred to optimise resource allocation and apply savings.

Instant flexibility

Financial Inclusion offers a pre-configured solution using enterprise level software. This enables you to benefit from the same award-winning capabilities used by largescale institutions and commercial banks. It caters to the ever-changing requirements of the retail and corporate customer and provides the transparency required by regulators. Enabling you to better understand profitability and financial risk through the provision of timely data and management information.



Advanced digital capabilities

Our real-time Financial Inclusion is highly automated and helps you through straight through processing (STP) across multiple departments, offices and countries, to mitigate operational and financial risk.

Financial Inclusion provides a transparent view of each customer's total dealings with the bank, including non-financial transactions. This ensures decisions are made on a sound basis, considering all customer activities, including credit status. Business security is also ensured through elements such as customer mnemonics and interfaces with biometric and authentication solutions.



Opportunities for NBFIs using Temenos

- Taking advantage of modern, scalable technology to reach the unbanked populations.
- Increase profitability through efficiency and growth.
- Offer quality products and services to surpass community and conventional banking solutions.

In addition to providing for the Financial Inclusion market, Credit Union and Community Banking requirements are also supported; these include dividend processing, money management utility, digital member onboarding and a member-centric front office.

With its highly pre-configured and integrated platform which offers the ultimate in adaptable products and services Financial Inclusion is a perfect accelerator for start-up banks. Quickly deploy and start earning return on investment whereafter additional Temenos capabilities can be implemented.



Functionality

Financial Inclusion is an integrated banking software solution for banks of all sizes active in financial inclusion, community banking and mass-market retail banking.

It provides our clients with world-class banking capabilities that usually are only accessible to larger commercial banks with significant IT budgets. Financial Inclusion, which can be deployed in the Cloud or as SaaS, in addition to traditional on-premise, provides a modern, agile and highly scalable core banking system, as well as a single platform for distribution across all digital and assisted channels, and powerful business analytics.

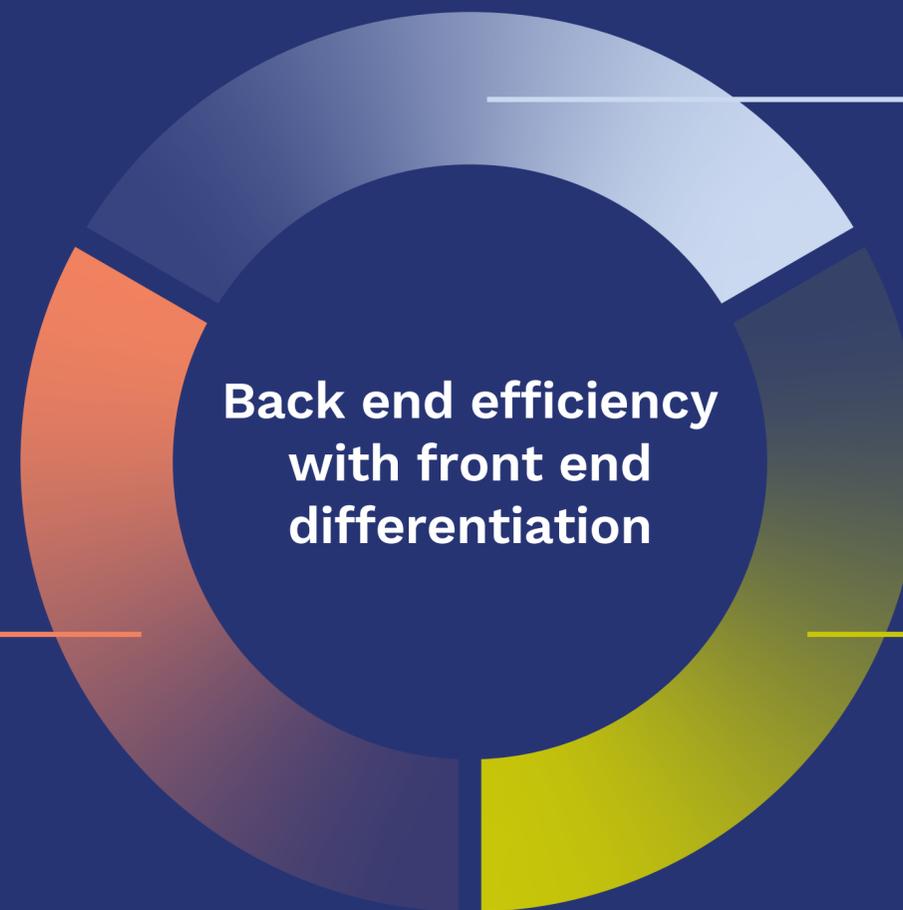
Financial Inclusion enables our clients to significantly reduce operating costs even when business is growing fast, and to pass on these efficiencies to their end-customers in the spirit of financial inclusion. At the same time, it enables our clients to clearly differentiate themselves with highly responsive service, tailored products and a truly customer-centric experience – even for the very poorest customers and those that are remotely located.



A comprehensive, integrated solution

Core Banking

Fully integrated capabilities, deployable on premise or on the Cloud or as SaaS, highly scalable, built on award winning technology and is available on a one single platform.



Channels

Financial Inclusion provides configurable user-interfaces for both bank staff and end-customers via branch, mobile and internet channels, supporting daily business activities such as customer servicing, account opening, cheque and deposit capture and online customer onboarding, loan origination and payments.

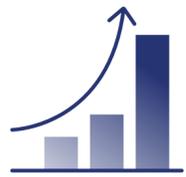
Analytics

Financial Inclusion provides business analytics capabilities to perform customer analysis, enabling NBFIs to be more responsive and customer-centric.

Benefits of Financial Inclusion



Quality products



Greater efficiency



Lower costs, greater revenue



Increased agility and faster time to market

100%

Enhanced customer service

1/2

clients report commercial viability in less than half the time initially forecast

60%

back office productivity increase reported by clients



Summary

According to the World Bank's Global Financial Inclusion Database, more than 1.7 billion adults globally do not have an account at a financial institution.

With modern fintech in emerging markets exploding at a phenomenal rate, NBFIs have the opportunity to leverage their social relevance with the internet, using technology platforms to deliver modern banking services to their customers. The most cost effective and efficient way to increase financial inclusion is through technology and digital financial services. Temenos Financial Inclusion offers a single, robust, scalable market-leading banking software solution.

temenos.com

To hear more on Financial Inclusion,
contact us at sales@temenos.com.

We have a team of dedicated experts who can discuss your plans and requirements and guide you through the solution and options available to you.

Temenos (SIX: TEMN) is the world's leading open platform for composable banking, creating opportunities for over 1.2 billion people around the world every day. We serve two-thirds of the world's top 1,000 banks and 70+ challenger banks in 150+ countries by helping them build new banking services and state-of-the-art customer experiences. The Temenos open platform helps our top-performing clients achieve return on equity three times the industry average and cost-to-income ratios half the industry average.

For more information, visit www.temenos.com.

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