

temenos

Navigating the
future: The Power of
Banking Technology
Modernization

Temenos LEAP
Value Proposition - Loans & Deposits



Opportunity

Analyst recognition

Challenges

Temenos Solution

Benefits

Customer success stories

Why Temenos

The Opportunity of Next-Gen Core Banking Platform

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Operational Efficiency

75% of banks support **digital transformation**, aiming for lower costs, improved productivity, and greater **agility**.¹

Composable banking transforms front- and back-office for digital success.

Revenue Generation

Banks strive to **gain & retain customers** with faster, more agile technology.

75% Retail banks states 'it is more challenging to win and retain customers than it was 12 months ago'²

Regulation & Market Practice

Global regulators are scrutinizing **banks' lending practices**, asking to increase support for consumers.¹

>20% of banks cited **Compliance/Regulatory requirements** as the most important driver of IT investment.²



Banks

Innovation

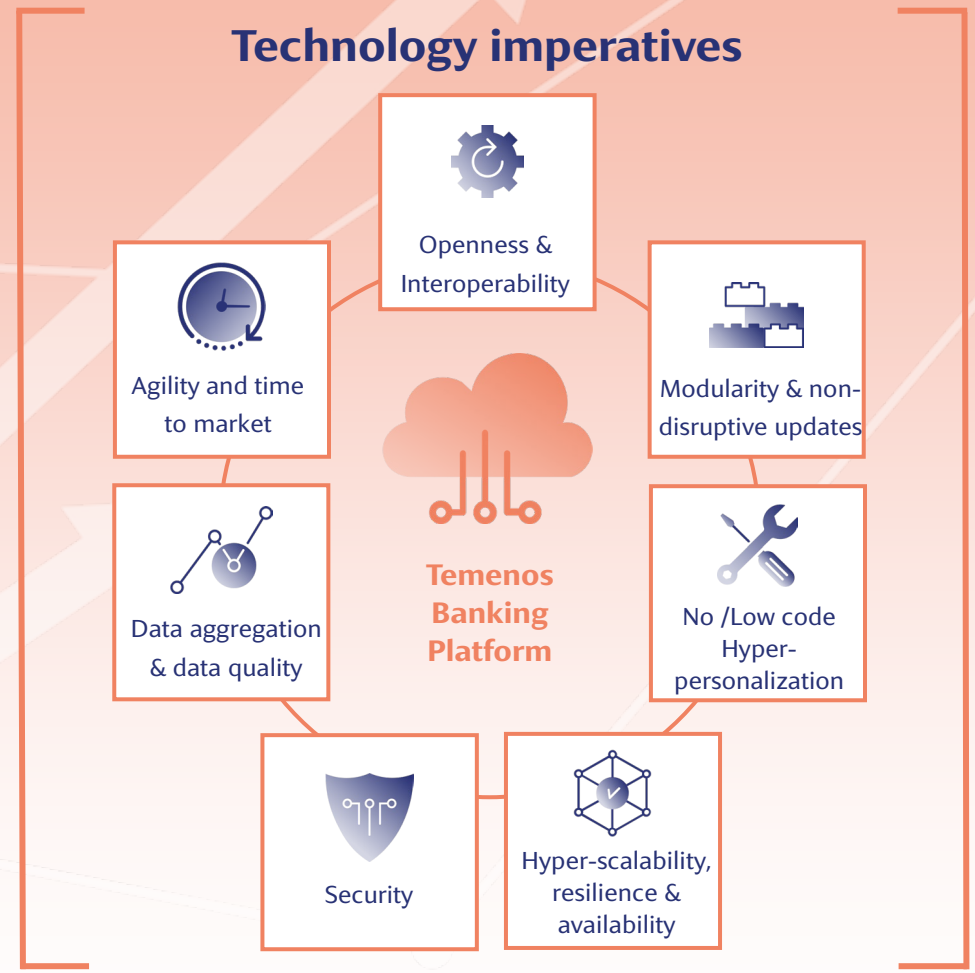
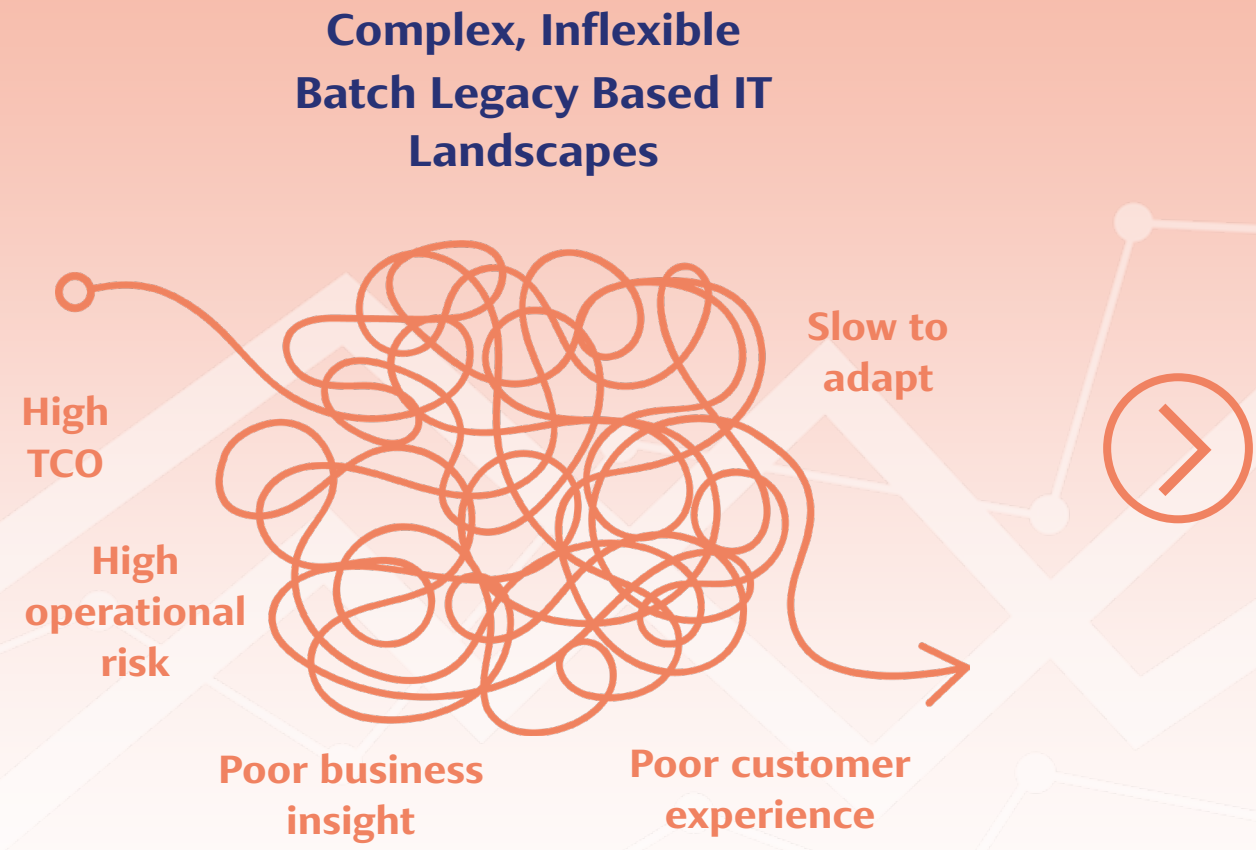
Embracing **cloud-based solutions** is essential to facilitate swift access to innovation.

80% of Tier 1 banks plan to move business critical workloads and apps to the cloud this year, followed by 76% of those in Tier 2.²

1 - Source: Deloitte Insights – 2023 banking & Capital Market Outlook

2 - Source: Celent– Retail Banking IT priorities and Strategy in 2023

Tech imperatives for continuous banking modernization



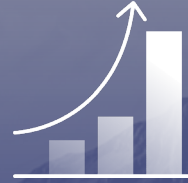
Delivering tangible business value through Temenos Next-Gen Platform

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Win on Customer Experience

Hyper-personalization powered by open banking and explainable AI



Agility to Grow

Faster innovation with cloud native, API-first banking capabilities and a plug-and-play fintech ecosystem



Scale Without Limits

Improved cost-to-income ratio with unlimited scale and services delivered at a fraction of cost of legacy systems

27%

Higher
Technology
Agility Rating¹

30%

Higher NPS
Score³

5x

Launch newer
products²

34%

Higher cross-
sell rate⁴

31%

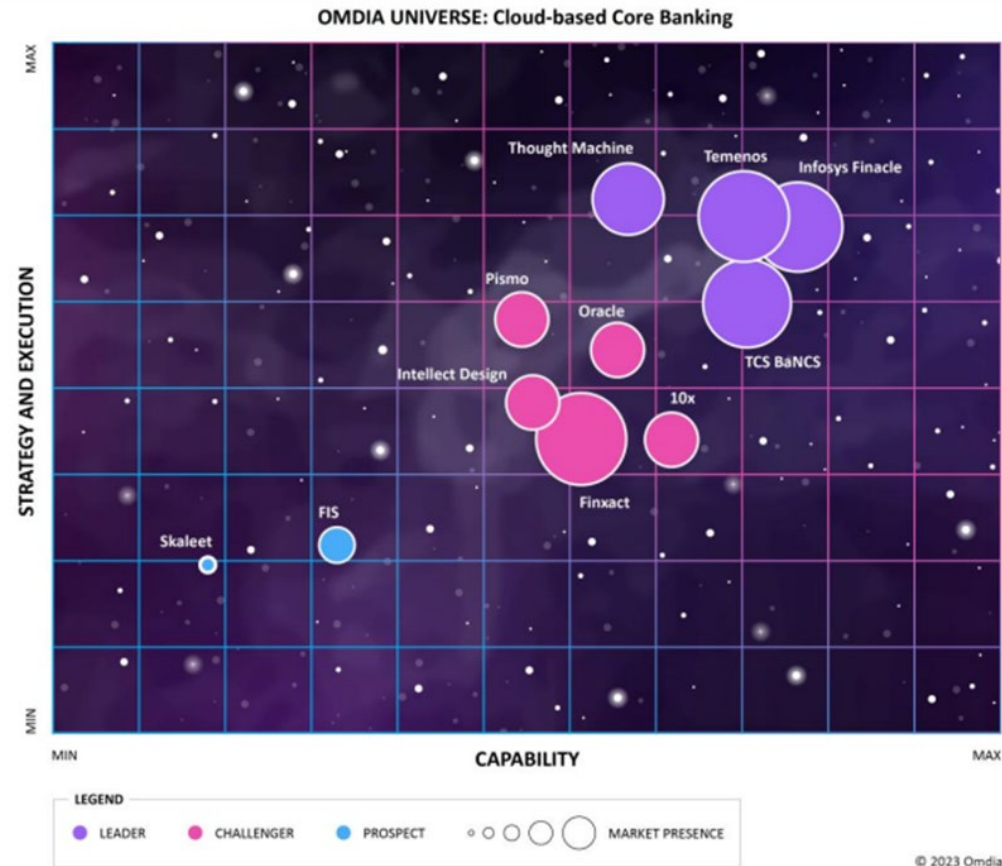
Higher
operations
STP rate³

24%

More IT spend
on growth &
innovation³

Analyst recognition: Leader in Cloud Core Banking¹

Figure 1: The Omdia Universe for Cloud-based Core Banking



Source: Omdia

- Omdia recognized that Temenos was a **high performer** across the board and achieved the **highest scores overall for market alignment and innovation**, in addition to performing strongly for Temenos Banking Cloud's **broader platform capabilities**.
- Omdia highlights the strength of the Temenos solution which offers **innovation** in the areas of **open products** for the creation of highly configurable financial products (i.e., smart products), **AI and ESG**.
- Other strengths referenced by Omdia include Temenos' **(X)AI-enabled analytics** which are embedded throughout the platform.

¹ Source: Omdia Universe: Cloud-based Core Banking 2023

Key Value Performance Banking Indicators



Innovation

Ability of banks to:

- Launch innovative, differentiated products and services quickly and cost-effectively
- Stay competitive by delivering flexibility and scalability addressing customers' demands



Revenue Generation

Ability of banks to:

- Grow customer base in existing and new markets quickly and cost-effectively
- Provide contextual hyper-personalized experiences ensuring relevance, convenience, responsiveness and reliability



Operational efficiency

Ability of banks to:

- Streamline end-to-end operations and IT across the organization.
- Optimize day-to-day operations and deliver seamless services, reduce costs, and stay competitive in an ever-evolving financial landscape



Effective Risk and Compliance

Ability of banks to:

- Manage business risk across the organization and effectively handle regulatory compliance and reporting obligations

Bank's situation & challenges

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INNOVATION

- Achieve a focused and **low risk** business model
- Deliver **sustainable profitability** and capital generation
- Stay ahead of the competition – respond to market & **customer demands**
- Build bank's **ecosystem**



REVENUE GENERATION

- **Become The Bank Of Choice:** Transforming customer experience
- Provide **personalized offers** for customers
- **Transparency focus** for customers
- Seamless and consistent **customer experience**



Operational Efficiency

- Develop **high performance** teams – resource optimization
- Maximize **Temenos capabilities** out of the box
- **Automation** in processing to minimize cost
- Operating model underpinned by **flexible architecture, partnerships and new ways of working**



Risk & Compliance

- Maintain **Capital Level** well above regulatory requirement
- Leverage Temenos platform: **ESG-based** platform
- **Regulators** express dissatisfaction with outdated technology

HOW YOU CAN BENEFIT WITH TEMENOS



- **Out of the box capability** for launching flexible products and services
- **Flexible product builder** capability to allow quick launch of new products and services
- Offering **personalized** products and services to customers
- **Fully integrated platform** for all products, services, and partnerships
- Modern and robust **cloud native/API-based platform**, designed to seamlessly handle the rigorous demands of banking institutions

Revenues Cost



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Temenos solution

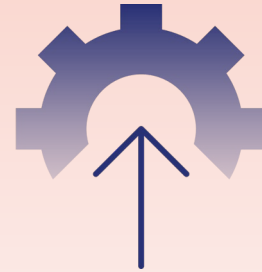


How Temenos Platform supports your modernization with Arrangements Architecture



Fast time to market

Use an efficient **Product Design** & launch new products for targeted customers faster and better



Focus on core business

Delivered with **pre-configured** out of the box **banking capabilities** from one single platform



Sustainable Innovation

Delivered in a **Future-proofed**, scalable API-first & cloud-enabled platform to address market demands

...and gets you there faster



Fast time to market Product Designer

The all-in-one solution



API



Temenos UI

Product Creation



No-code definition
management of banking
products for loans and
deposits



API

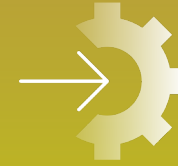


Temenos UI

Contract Creation



Create contracts of any product
following the configuration and
rules configured in the product
creation.



API



Temenos UI

Contract Servicing



Service all the contracts
according to your customer's
needs and product configuration



Fast time to market Product Configuration

No code



Business user

Common Reusable Pool of Components

Customer	Eligibility	Limit	Charge	Settlement
Team Amount	Interest	Officer	Activity Restriction	Accounting
Account	Payment Rules	Payment Schedule	Closure	Overdue
Activity Mapping	Activity Messaging	Tax	Periodic Charges	User Defined

Products

Accounts

Saving Accounts		Current Accounts	
SME Acc.	Salary Acc.	Cash Acc.	

Lending

Loans		Mortgages	
SME Loans	Personal Loans	Mortg. 2Y	

Deposits

Deposits		
Short Deposit	Long Deposit	Saving Plan



Product Definition



Product Catalogue



Fast time to market Next-Gen Product Designer

BENEFITS



INNOVATION



REVENUE
GENERATION



OPERATIONAL
EFFICIENCIES



RISK &
COMPLIANCE

- Product life cycle management from launching to expiring
- Fast time to market on new product launch and changes to products
- Personalized offers – quick response to demands (customer & market)
- Flexible pricing engine with automatic calculations
- Centralized Product designer and Product Catalogue
- Launch innovative products to be ahead of the competition

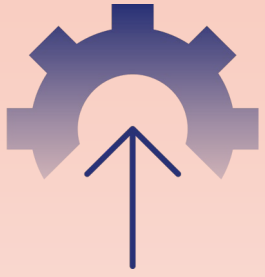
5x

Launch newer
products¹

34%

Higher cross-
sell rate¹

Component based Product designer with no need for coding



Focus on Core business

Next-gen loans & deposits

- Leverage Temenos best-of-breed capabilities for Loans & Deposits, delivered out of the box.
- Model bank optimized configuration for servicing business flows
- Localization – banking practices
- Optimized user and customer experience

115584 USD - Personal Loan Overview

Arrangement	AA23087AUBJ	Account	115584 - USD
Product	Personal Loan	Arrangement Date	28 MAR 2023
Beneficial Owner	Roif	Status	Current

Links to other Arrangements
AA23090XPH9 Savings Account Pay-Out Account

Beneficiary Details	
Account Static	Commitment
Title Personal Loan	Amount 80,000.00 Term 2Y
Mnemonic USDPLFGER	

APR Details			
Rate 2.66424%	Type APR (for Principal Interest)	Source	Interest
Penalty Interest	Single Rate Variable 5.00% (Loan Base Rate + 3.5%)	Principal Interest	Single Rate Periodic 3.63225% (USD Discr Rates + 0.25%)

Schedule	
Disburse Percentage Account 100%	Payment On the Start Date
Constant Repayment Account 3,425.89	Due Monthly

Account Details		
Financial Summary	Commitment Balances	Account Dates
Commitment (Total) 80,000.00	Start Date 28 MAR 2023	Effective Date 28 MAR 2023
Loan Balances	Next Payment 28 APR 2023	Maturity Date 28 MAR 2025
Total Principal -80,000.00	Matures In 1 Years 11 Months 10 Days	
Principal Interest (Accrued) -1216		
Principal (Current) -80,000.00		

Additional Details	
Request Payoff	Request Payment Holidays
Activity Log	
Date 17 APR 2023	Activity Apply rate Penalty Interest Type Sys Txn Amt Status
28 MAR 2023	Change Penalty Interest Type Sys
	Apply rate Penalty Interest Type Sys
	Change Penalty Interest Type Sys
	Change Penalty Interest Type Sys
	New Arrangement User Authorized



Simulations

Flexible Payment periods

Backdated transactions

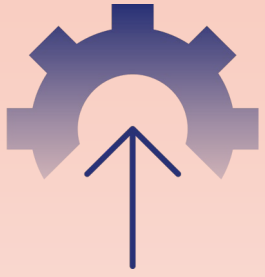
Renewals

Loan Origination

Customer communications & alerts

Multi-currency arrangements

Extensions capability



**Focus on Core
business
Next-gen loans
& deposits**

BENEFITS



INNOVATION



**REVENUE
GENERATION**



**OPERATIONAL
EFFICIENCIES**



**RISK &
COMPLIANCE**



- Life cycle management from initiation to expiration
- Standardized methodology for negotiating terms and conditions
- Straight through and real-time servicing of loans and deposits
- Full & real time view on arrangements status and what-if scenarios
- Fully API enabled servicing

5x

**Launch newer
products¹**

34%

**Higher cross-
sell rate¹**

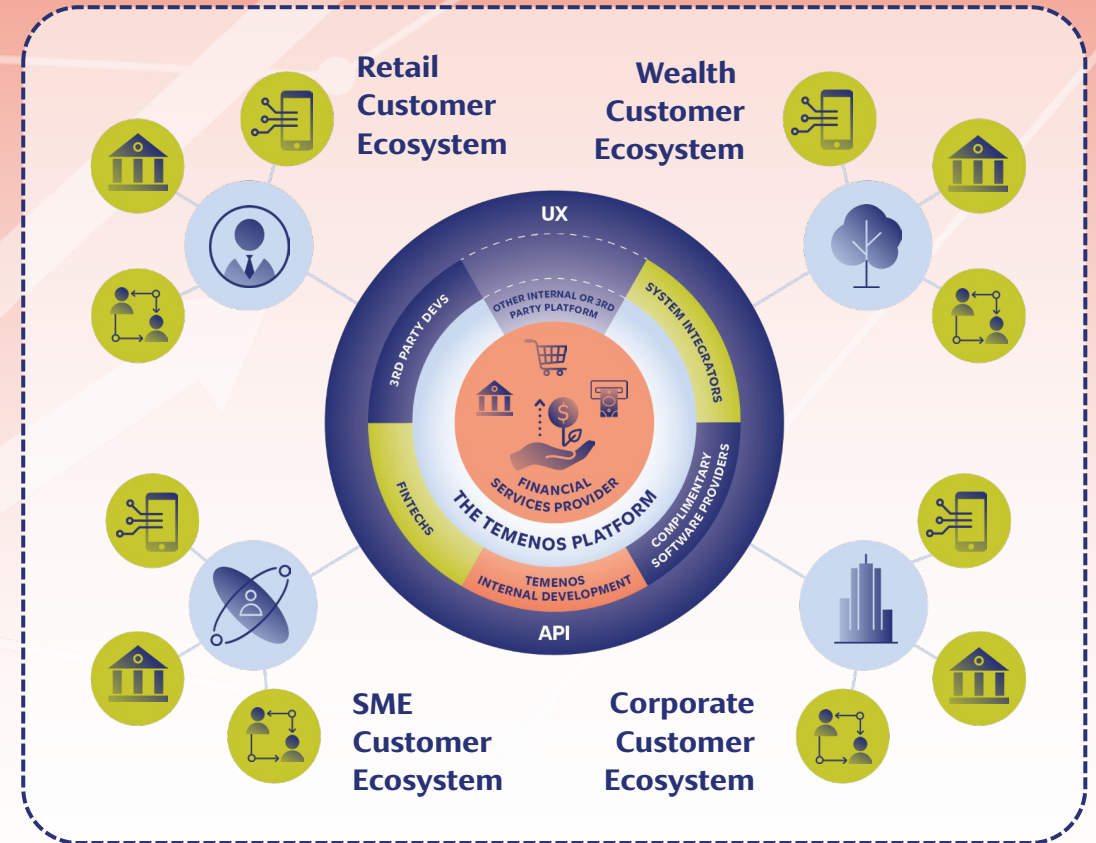
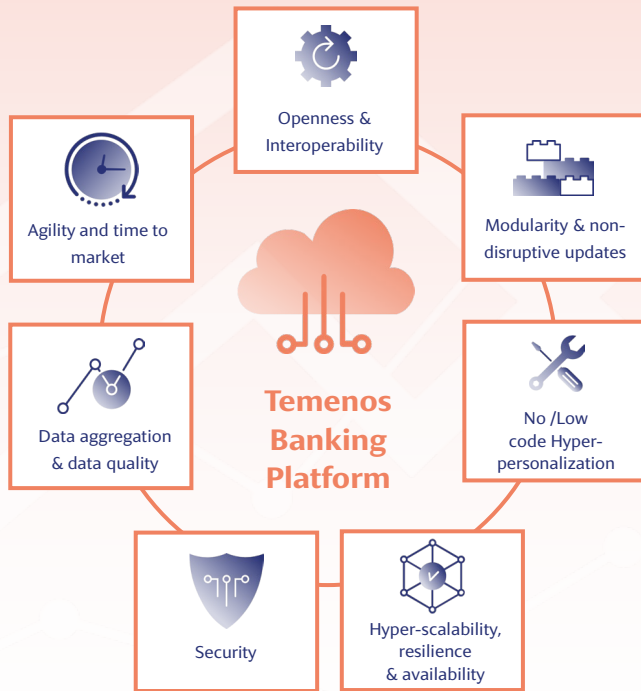
Single solution for servicing and managing Loans & Deposits, increasing operational efficiency



Sustainable Innovation Temenos Platform

- Delivered through a cloud-native and API architecture
- Highly efficient and flexible environment tailored to the needs of banks
- Catering all sizes and business focus: Retail, Corporate, SME, Universal, etc.
- API-first approach, and inherent cloud-native delivering flexibility and scalability to address needs of banks

Technology imperatives

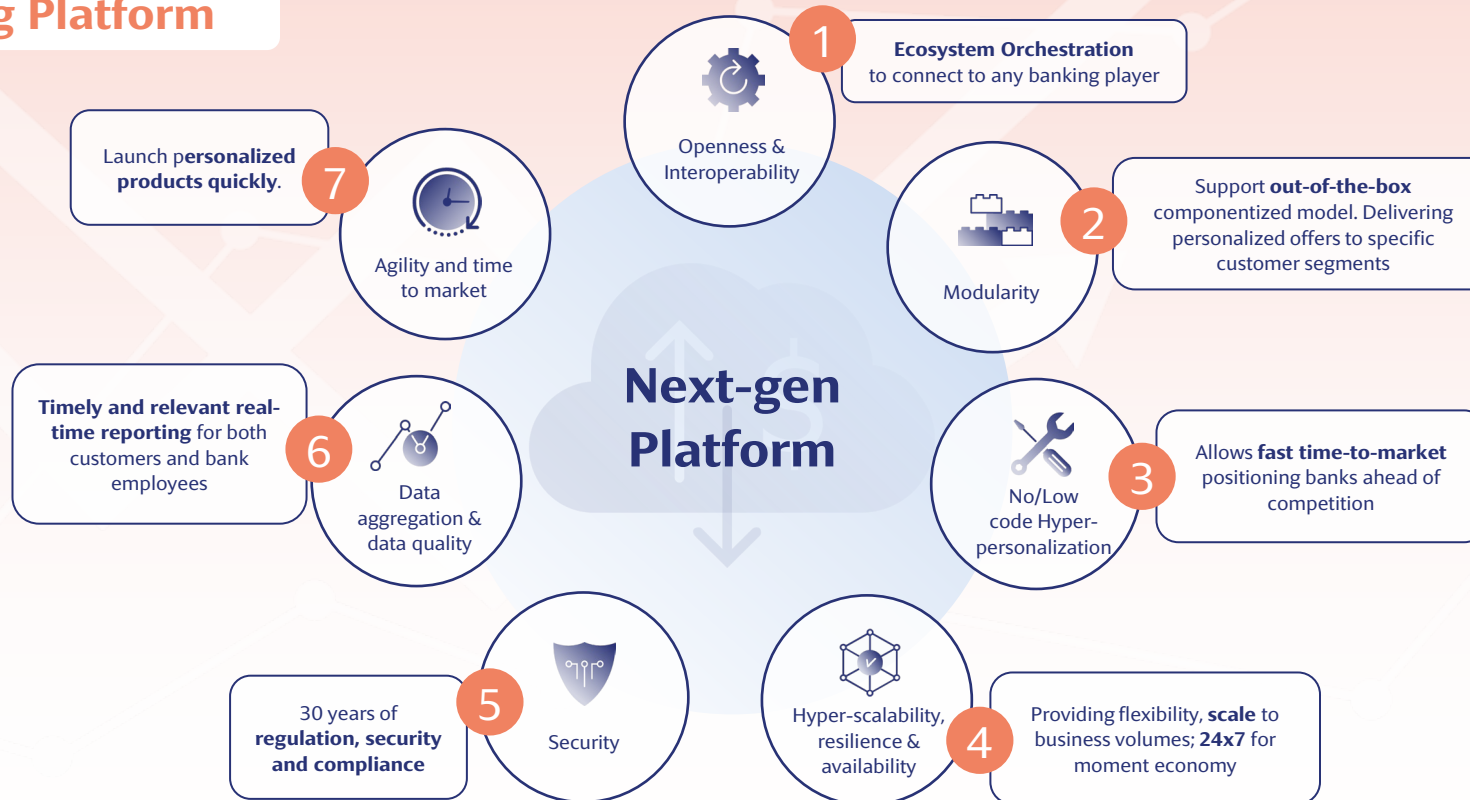




Sustainable Innovation Temenos Platform

ATTRIBUTES

Temenos Banking Platform





Sustainable Innovation Temenos Platform

Temenos Banking Platform

BENEFITS



INNOVATION



REVENUE
GENERATION



OPERATIONAL
EFFICIENCIES



RISK &
COMPLIANCE



- Achieving **lower TCO** thanks to out-of-the-box componentized model
- **Launch new products** and personalized customer experiences
- **Scaling** business volumes: **24x7x365** banking operations
- Faster **response** to **business & regulatory** change
- **Optimize** existing IT skillsets in bank; Catering all sizes and **business focus**

31%

Higher
operations
STP rate¹

24%

More IT spend
on growth &
innovation¹

API Catalog and designers for quick API use, reducing Time-To-Market and TCO while supporting innovation

Summary: Banking Modernization Benefits

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Product Designer



- Faster time to market
- Lower TCO
- Personalized Customer Experiences
- High Degree of Automation



INNOVATION



REVENUE GENERATION



OPERATIONAL EFFICIENCIES



Loans & Deposits



- Best-of-breed out of the box capabilities
- Model bank optimized
- STP & real-time servicing
- API first- enable
- Optimized business flows



INNOVATION



REVENUE GENERATION



OPERATIONAL EFFICIENCIES



Next-gen Platform



- Lower TCO, componentized model
- Scaling business volumes: 24x7x365 banking operations
- Faster response to regulatory change
- Catering all banking sized



INNOVATION



REVENUE GENERATION



OPERATIONAL EFFICIENCIES

Temenos Next-Gen Loans & Deposits Platform

Success stories: Temenos Core Modernization

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"Working with Temenos has enabled us to build innovative services that help us to stand out and succeed in an immensely challenging market, and to broaden our customer base"

Irene Huang

Head of Digital banking division at Bank SinoPac

1.5M

new digital accounts, with 78% new clients

4.9

out of 5 rating on Apple App Store.

100%

increase in market share

[BankSinoPac Success Story](#)



"Temenos...makes it easy for us to adapt to new requirements from the business and rapidly roll out new functionality and products. This agility is invaluable to us as a bank that's constantly growing and changing"

Mohammed Saleh

VP of IT at Al Salam Bank

x3

increase in customer numbers

x3

faster time to market

400K-1M

daily transactions

[Al Salam Bank Success Story](#)

Everyone's

Banking

Platform

3K clients

Smallest Client

500 accounts

Largest Client

200M accounts

200+ partners

In **150+** countries



Temenos Value Benchmark

3x
RoE
vs industry average

1/2
Cost-income ratio
vs industry average



Retail



Business / Corporate



Wealth



What makes Temenos different



Temenos vs ALL vendors



Packaged, upgradable



Pre-built localization



Functionality breadth & depth with extensibility



“Switch on” pre-packaged solution



Temenos vs Traditional vendors



100% Banking focused



Market leadership, including non-incumbents



Proven SaaS delivery and cloud native



Temenos vs Neo-vendors



Proven scalability



Proven go-lives and migration credentials in every segment and tier



30 years of regulation, security and compliance

We continue to top ESG global indices and ratings

95% fewer emissions



Top 25 Swiss stocks
SXI Switzerland Sustainability 25® Index

Ranked #1 in the SOF category globally
Dow Jones Sustainability Index World & Europe

Top 10%
FTSE4GOOD Index

Highest rating
CDP Leadership (A/A-)

Highest rating
MSCI AAA Rating

Highest rating
ISS QualityScore in all ESG categories

PRIME status
ISS ESG Corporate Rating

Low risk
Sustainalytics

Top performer
Bloomberg Gender Equality Index

3x Sustainability Award Winner
2023 S&P Global Gold Class & Top 1% Global ESG Score

Top 1%
Ecovadis Platinum medal

Top 20%
Vigeo Eiris

Thank you!

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