

temenos

Revolutionizing Payments: Unveiling the Next Generation of Banking Platforms

**Temenos LEAP
Value Proposition – Payments**



Opportunity

Analyst recognition

Challenges

Temenos Solution

Benefits

Customer success stories

Why Temenos

The Opportunity in the Ever-Evolving Digital Payments Sphere

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Operational Efficiency

25% of payment providers prioritize revenue growth and operational efficiency.¹

One single solution: domestic, international, high/low value, instant, and RTP payments.

Revenue Generation

Instant Payments Drive the World to a 24/7 Processing Paradigm

80% of merchants express interest in **real-time payments**, opening avenues for revenue growth¹

Regulation & Market Practice

Security as the top driver for payment infrastructure investment¹.

The rise in sophisticated fraud prompts payment issuers to prioritize security investments



Banks

Innovation

Adoption of **open banking** payments will diversify revenue streams

38% of payments issuers/acquirers identified 'new payment services' among their top three opportunities arising from open banking¹.

¹ Source: Omdia – 2023 Trends to Watch - Payments

World is Changing



Consumer demand

- Expectations
- e-commerce
- Digitization



Market innovations

- Digital wallets
- BNPL
- Embedded finance
- Request to Pay
- QR code



Expanding Payments Universe

- Diversity of offerings
- Fragmentation of systems

**Real Time
24/7/365**



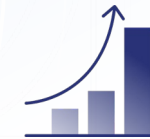
Changing regulations

- Data standards - ISO20022
- Updated reporting
- Mandated deadlines



New Clearings

- New infrastructures
- Next generation rails



Disintermediation

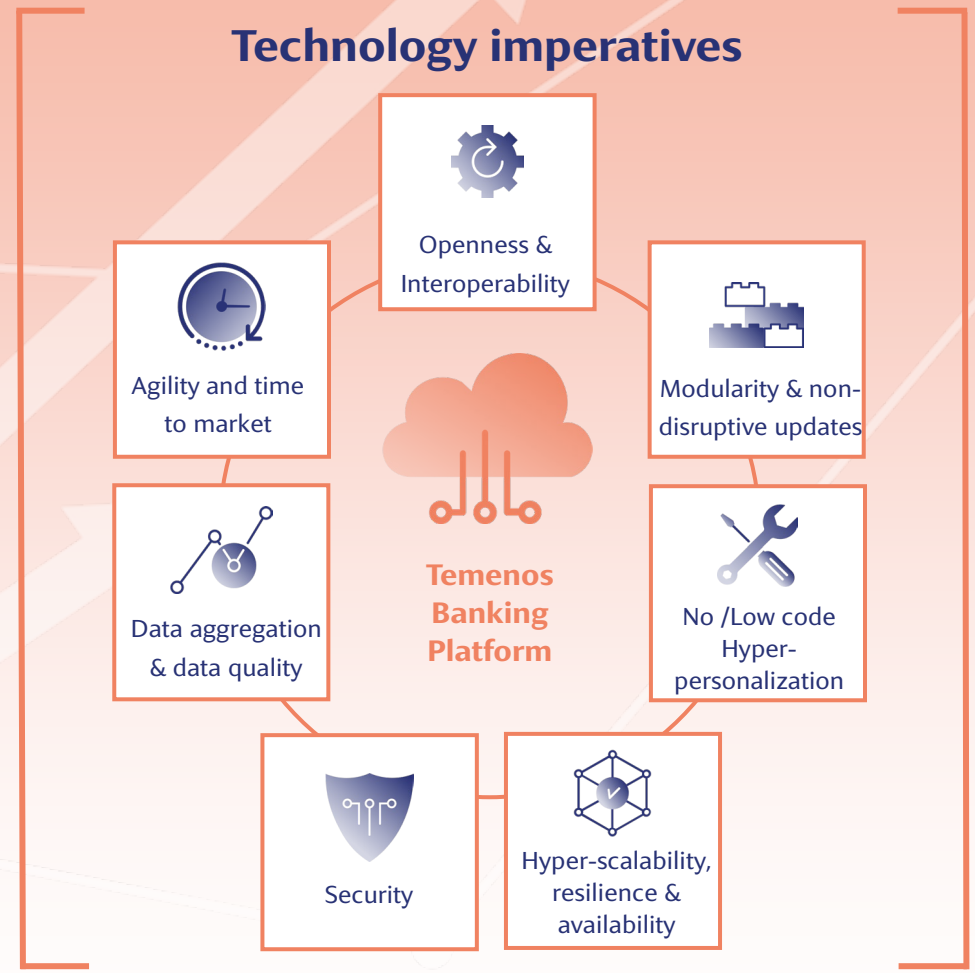
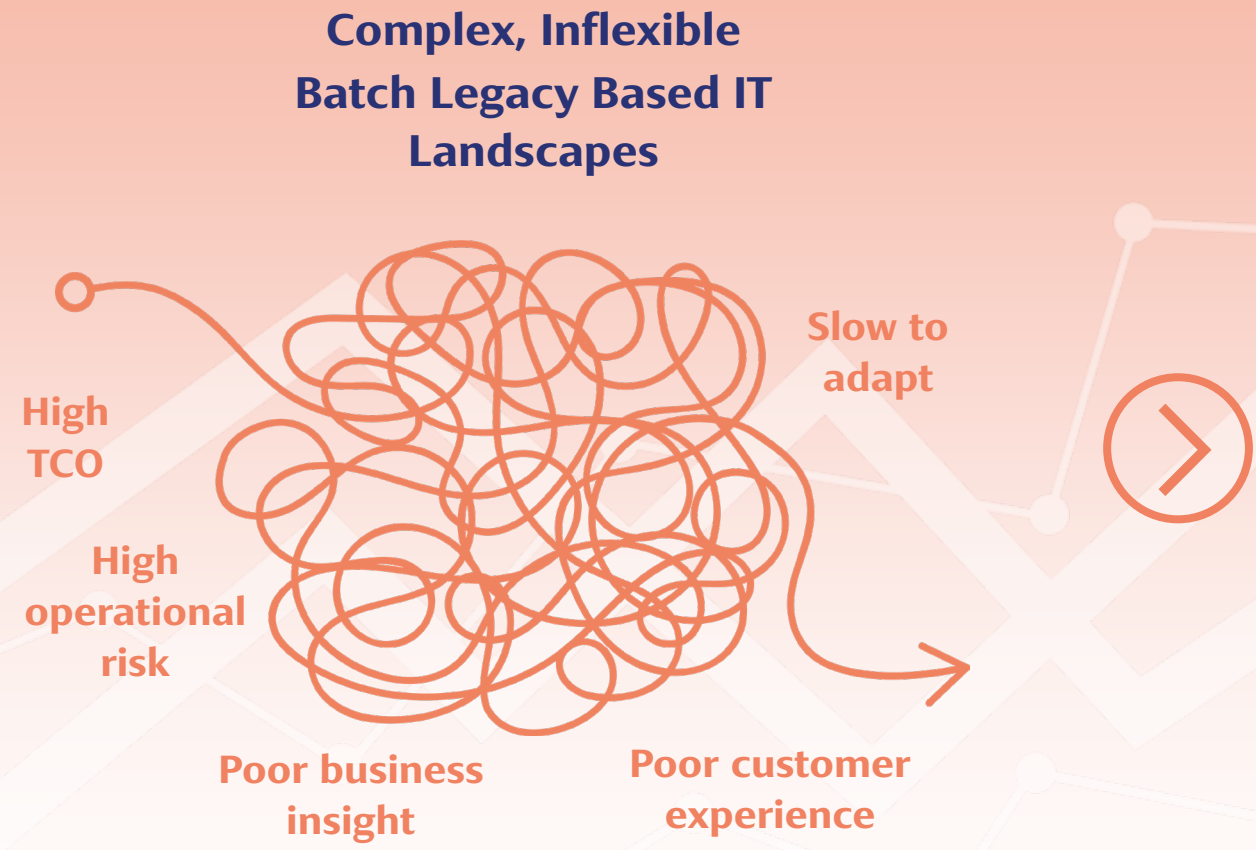
- Rising nonbank players
- Collaborate, co-opetition



Rising volumes

- Scalability, performant
- Security, Cybercrime

Tech imperatives for continuous banking modernization



Delivering tangible business value through Temenos Payments Platform

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**Reduced Cost of Processing
and improved customer
servicing rates**



**Single, centralized
hub for all payment
types**



**Quicker time to market
and reduced cost of
innovation**

16%

**Higher
Payments STP
Rates**

90%

**Lower Time
Required for
Manual Repairs**

31%

**Higher
payments
growth rate**

50%

**Lower
Payments
Investigation
Rate**

20%

**R&D
Investment
YoY**

Analyst recognition: Leader in Integrated Payment Platforms



Best-Selling
Payment system
for 4 years

Leader

Temenos is recognized as a Leader in IDC's
1st Worldwide Integrated Payment Platforms MarketScape 2019-20



Winner

Payments Innovation of the Year



Leader

2018 Asia Pacific Vendor
Landscape: Payment Hubs

Key Value Performance Banking Indicators



Innovation

Ability of banks to:

- Enable, scale, strengthen and transform payment processing to deliver excellence in execution.
- Support rapid launching of payment market innovations through end-to-end processing environment.



Revenue Generation

Ability of banks to:

- Accelerate rollout of pre-built specialized payment services
- Empower customers to extend & enhance processes and services
- Adopt open banking payments.



Operational efficiency

Ability of banks to:

- Automate, accelerate and maximize processing efficiencies in one single platform.
- 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
- Automate exception processing and management of risks

Bank's situation & challenges

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INNOVATION

- Leverage cutting-edge, open technology to support **continuous** sustainable **innovation** in payments.
- Stay ahead of the competition – respond to market & **customer demands** (like Instant payments)
- Building banks' payments **ecosystem**: addressing the technical, market driven, and business challenges of the industry.



REVENUE GENERATION

- **Become The Bank Of Choice**: Transforming customer experience consuming payment services
- **Acceleration**: Provide personalized customer journeys through **pre-built** specialized payment services
- Adoption of **open banking** payments to diversify revenue streams



Operational Efficiency

- **Single, centralized hub** for all payment types
- **Automated, accelerated and maximized** processing efficiencies
- **Enhanced Straight-Through Processing (STP)** with built-in intelligence.
- Enable and transform payment processing to deliver **excellence** in execution



Risk & Compliance

- Alignment with industry compliance standards - ISO20022 messages & workflows
- **E2E** payments reporting to the authorities
- Regulations as, new SEPA Rule books, etc.
- Consistent and transparent real-time customer information



TEMENOS PAYMENTS WILL PROVIDE BENEFITS OVER FT

	Revenues	Cost
▪ Accelerated rollout of pre-built specialized payment services	↑	↓
▪ Flexible process orchestration: Clearing framework	↑	↓
▪ Adhere to international standards – ISO 20022	↑	↓
▪ Automated exception processing and management of risks	↑	↓
▪ STP optimization to accelerate and maximize efficiency	↑	↓
▪ Fully integrated platform for all type of payments, services, and partnerships	↑	↓
▪ Modern and robust cloud native/API-based platform , designed to seamlessly handle the rigorous demands of banking institutions	↑	↓

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Temenos solution

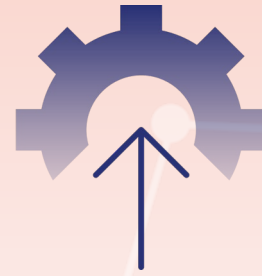


The Transformative Power of Temenos Payments in Next-Gen Processing



All payments in one platform

Designed and built to support **all payment types** within a single, easy to access hub.



Optimized Processing

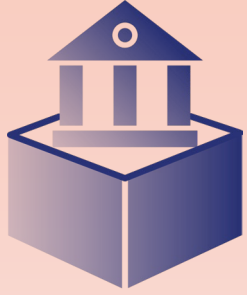
Use the next gen Payments solution to launch new and innovative payment services and **STP payments**.



Sustainable Innovation

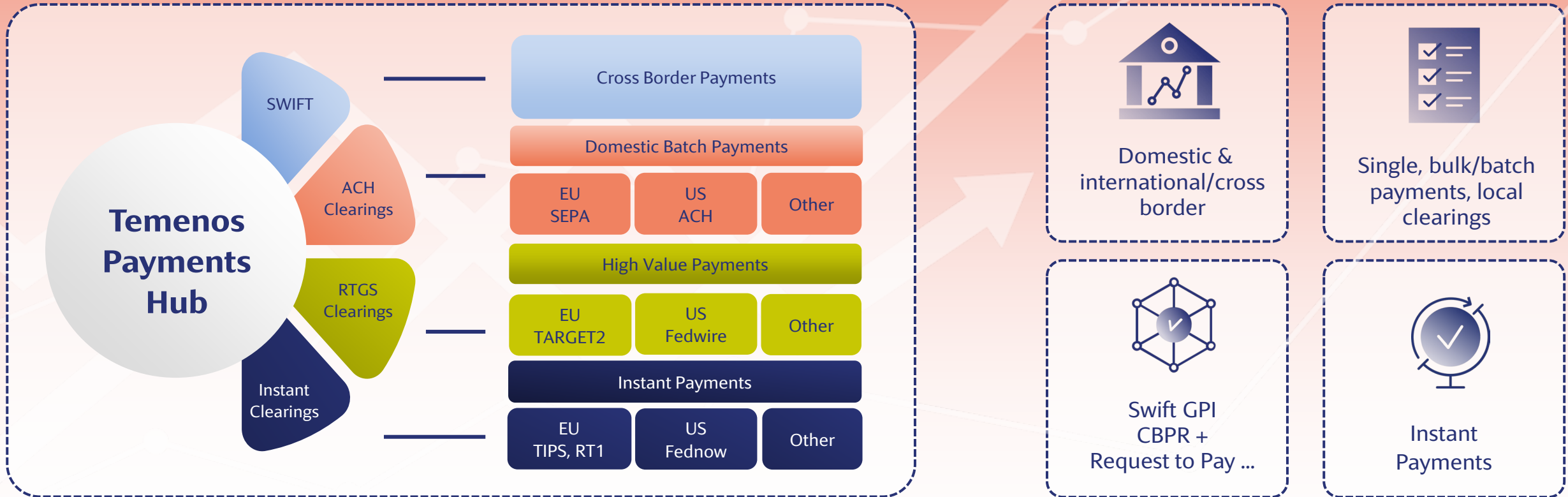
Delivered in a **Future-proofed**, scalable API-first & cloud-enabled platform to address market demands

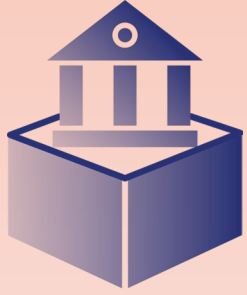
...and **accelerates your path**



All Payments in One Platform

- Best-of-breed capabilities to support all payments: Domestic, International, High value, Low value, and Instant Payments.
- Framework built – rapid onboarding of payment orders.
- Modular environment – retail, business and corporate payment market.





All Payments in One Platform

Single, centralized hub for all payments type

BENEFITS



INNOVATION



REVENUE GENERATION



OPERATIONAL EFFICIENCIES



RISK & COMPLIANCE

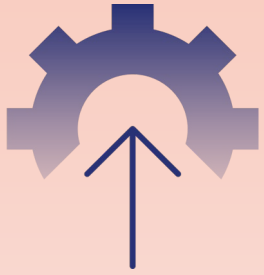


- **Universal** one solution: domestic, international, high/low value, and instant payments.
- **Fast Time To Market** with Pre-built Specialized Payment Services.
- **Open** architecture supporting rapid onboarding of payment orders.
- One single **centralized hub platform** reducing Total Cost of Ownership (TCO), SaaS enabled.
- Enhance **Agility** with Pre-built Configurable Components
- Seamlessly integrated into an extensive **banking ecosystem**, fulfilling any market demand
- **Transparency**: Offering complete payment service information to customers and authorities.

31%

Higher payments growth rate ¹

Designed and built to support all payment types



Optimized Processing

- STP optimization with in-built intelligence.
- Flexible, granular, extendable process orchestration.
- Empowered to extend & enhance processes and services .
- Highly configurable rules-based product set-up.
- Automated exception processing and management of risks.
- Highly efficient and flexible environment tailored to the needs of banks



Upload of Clearing directories



Repository of pre-built components



STP optimization to accelerate and maximize efficiency



Variants of ISO20022 and settlement specifics



Solution for direct/indirect participant



Automated exception & timeout handling



24x7x365 availability



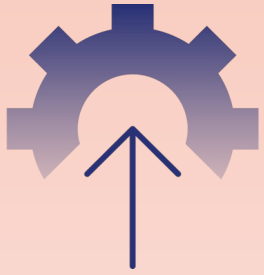
Real time status tracking and balance updates



Configurable orchestration flow & intelligent routing



Future date and time-controlled warehouse



Optimized Processing

BENEFITS



INNOVATION



REVENUE GENERATION



OPERATIONAL EFFICIENCIES



RISK & COMPLIANCE



- **Efficiency, cost & risk reduction:** optimized straight-through processing rates.
- **Reduced Cost of Processing:** Automated, accelerated and maximized processing efficiencies.
- **Improved customer servicing rates:** Automated exception processing and risk management.
- Reducing TCO: Reach the **highest STP rates on payments** processing and automatic exception handling
- **Fast time to serve:** Accelerated rollout of pre-built specialized payment services.
- **Adaptability:** Ability to address out of the box complex customer demands.
- **Enhance Agility** with Pre-built Configurable Components
- **Seamlessly integrated** into an extensive banking ecosystem, fulfilling any market demand

50%

Lower Payments Investigation Rate ¹

16%

Higher Payments STP Rates ¹

90%

Lower Time Required for Manual Repairs ¹

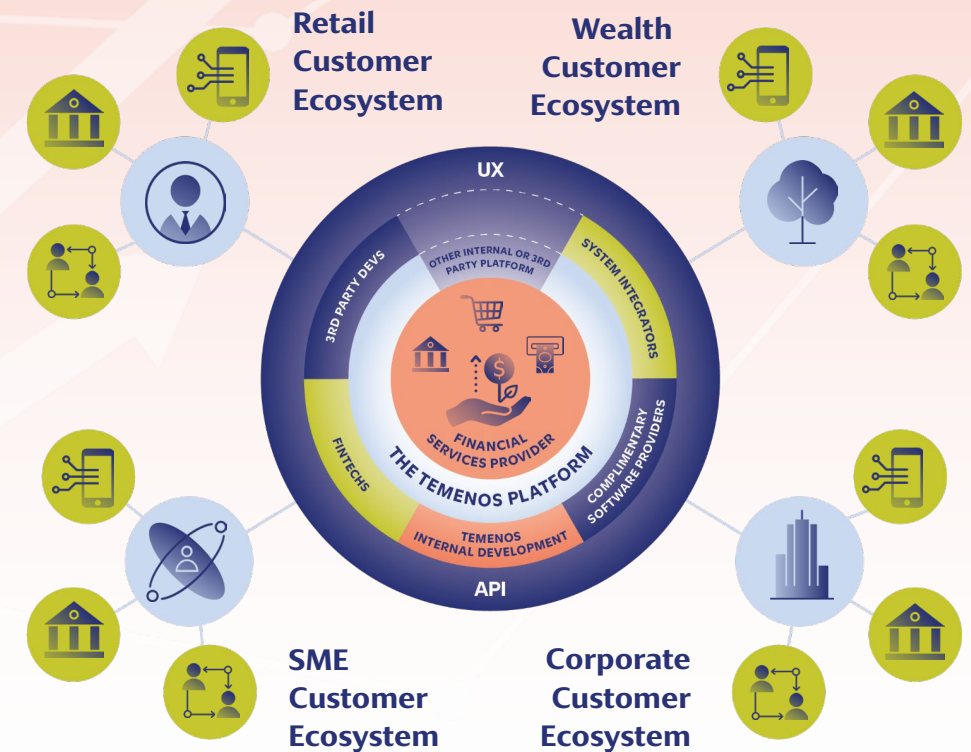
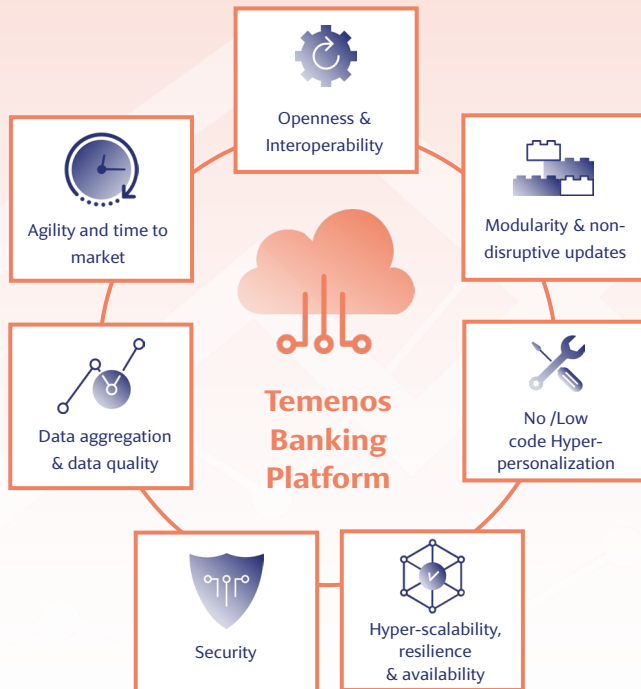
Designed and built to support all payment types



Sustainable innovation Temenos Platform

- Delivered through a cloud-native and API-first enabled payment architecture
- Catering all sizes and business focus: Retail, Corporate, SME, Universal, etc.
- Robust and on-demand scalable platform enabling banks to process higher volumes of transactions with the right infrastructure.
- Integrated Ecosystem improving agility and get to the market faster

Technology imperatives

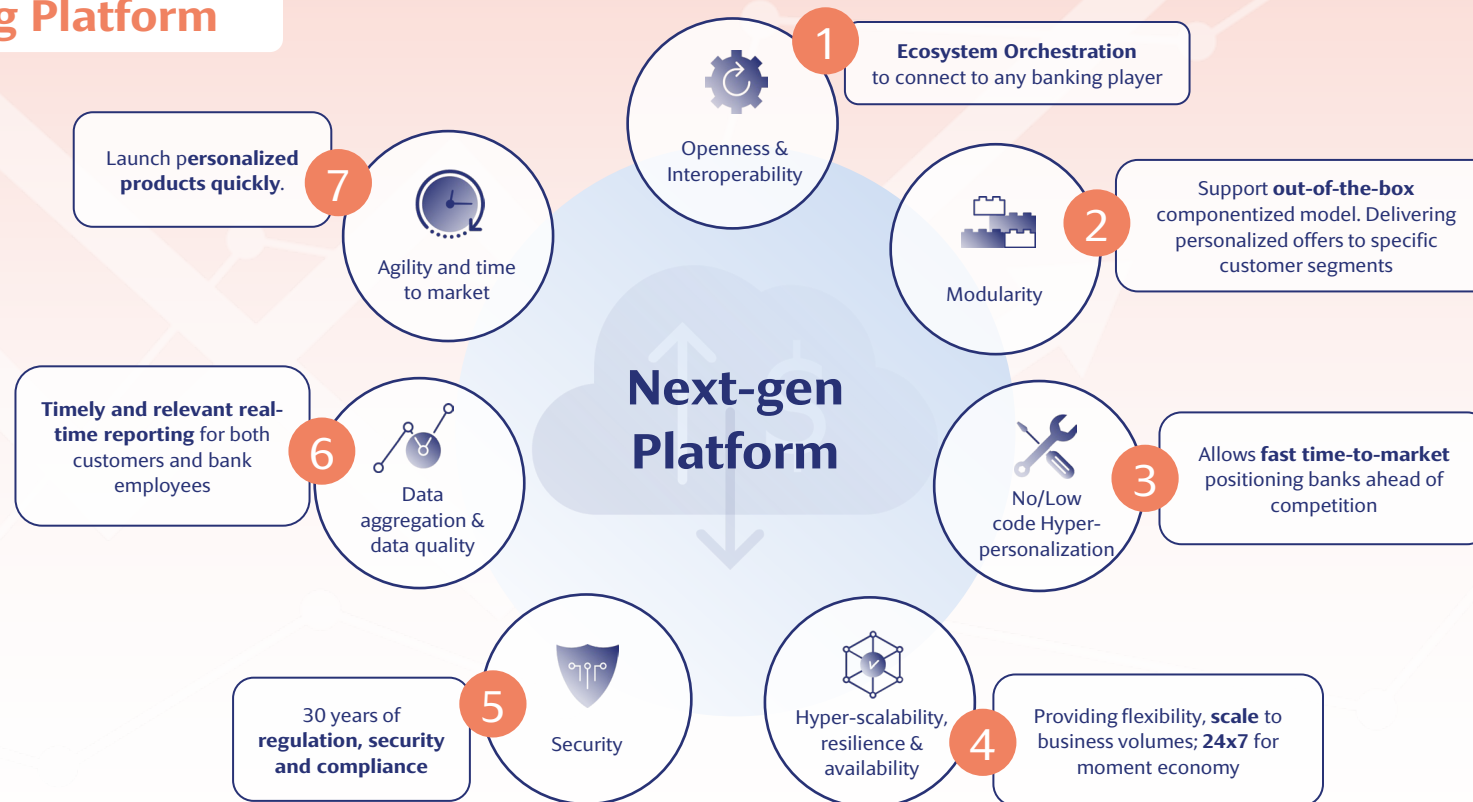




Sustainable innovation Temenos Platform

ATTRIBUTES

Temenos Banking Platform





Sustainable innovation Temenos Platform

BENEFITS



INNOVATION



REVENUE
GENERATION



OPERATIONAL
EFFICIENCIES



RISK &
COMPLIANCE



- Achieving **lower TCO** thanks to out-of-the-box componentized model.
- **User Experience Optimization:** Modern & Intuitive User Agent experience with Dashboards and Optimised User Journeys for Payment Management.
- **Scaling** business volumes: **24x7x365** banking operations.
- **Regulatory Compliance:** Maintained for scheme rulebooks and applicable payment changes.
- **Flexibility & agility:** Pre-configured Payment Rails deployed for faster time to value.
- **Monetize APIs:** Open APIs and ability to easily extend for new products and services

20%

R&D Investment
YoY¹

Faster speed to market enables payments providers to adapt to changes in marketplace while remaining compliant with industry regulations

Summary: Payments Banking Modernization Benefits

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All payments in one platform



- Universal solution
- Best-of-breed out of the box capabilities
- Fast Time to Market – Pre-built payment services
- Lower TCO - Single, centralized hub for all payment types



INNOVATION



REVENUE GENERATION



OPERATIONAL EFFICIENCIES



RISK & COMPLIANCE



Optimized Processing



- Optimized STP processing rates
- Automation - Reduced cost of processing
- Improved customer servicing rates
- Optimized business flows



INNOVATION



REVENUE GENERATION



OPERATIONAL EFFICIENCIES



RISK & COMPLIANCE



Sustainable Innovation



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



INNOVATION



REVENUE GENERATION



OPERATIONAL EFFICIENCIES



RISK & COMPLIANCE

Temenos Next-Gen Payment Platform

Success stories: Payments Modernization

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“Temenos Payments plays a vital role in future-proofing our international payments strategy in a market where continuously evolving regulatory demands and rapid technological advancements demand agility and continuous innovation”.

Friso Westra,
Head of IT Development Core Banking International

90%

STP processing
SWIFT messages

25%

Faster country
onboarding

300%

growth in
international
business

[ABN-AMRO Success Story](#)



“Temenos Transact has evolved into a truly modern, sophisticated core banking platform with a robust architecture and rich capabilities”.

Reza Chady
Enterprise Architect

Initial upgrade in
6 months

25%

less workload for
dev teams

50%

shorter execution
time

[MCB Success Story](#)

Holistic Approach Temenos as a Provider of Choice

What differentiates us?

- **Leverage No. 1 Technology Platform** – Truly open and future based solution architecture
- **Universal** – One solution, high & low value, instant domestic, cross border payments & Request to Pay
- **Configurable Rule-based Orchestration** – Best practise building blocks
- **Regulation** – Take care regulatory compliance to let customers focus on expanding their business
- **STP Optimization** – Automate, accelerate and maximize efficiencies
- **Integrated Ecosystem – the bigger picture**– Increase agility and get to the market fast
- **Innovation** – Innovate quickly using a proven combination of algorithms, analytics and XAI
- **Extensibility & Flexibility** – Empower customers to extend and build their own processes and enhancements



**Best-Selling
Payment system
for 4 years**



Leader

Temenos is recognized as a Leader in IDC's 1st Worldwide Integrated Payment Platforms MarketScape 2019-20



Winner

Payments Innovation of the Year



Leader

2018 Asia Pacific Vendor Landscape: Payment Hubs

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

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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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