

temenos

# Everyone's Banking Platform

Sustainability Report  
2023





## SUSTAINABILITY



**Thibault de Tersant**  
Non-Executive Chairman



**Andreas Andreades**  
Chief Executive Officer

# Fostering sustainability through technology

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## We are leading the market globally in terms of Environmental, Social and Governance (ESG) having embedded ESG into our operations and product offering.

In 2023, Temenos celebrated a major milestone as we turned 30 years young. While this was a moment to celebrate our origins and history, it was also a chance to celebrate who and what we are today. Ours is a story of human endeavor, powered by the desire to do something different in the world of banking software. It is also a story of creating sustainable ESG value for all our stakeholders, which in today's world of complex and pressing global challenges is more urgent than ever.

Sustainability makes clear business sense for Temenos. It is now a C-suite and Board-level issue for our clients and a focus for their own clients and investors. It is embedded deeply into due diligence, compliance and regulatory requirements, and also offers cost savings and other financial benefits that come from operational efficiencies tied to sustainability.

But it is more than that; ESG is essential for realizing our vision as a company to “make banking better” by helping the industry address the biggest challenges in our world. Banking is an IT intensive sector, whose dependence is increasing with pressure to deliver new digital offerings, process growing transaction volumes, leverage new technologies such as Artificial Intelligence and maintain vast data repositories. By migrating banking operations to cloud and SaaS, banks can significantly reduce their environmental impact and operate in a more sustainable manner. Banks running on our cloud-based platform are getting very substantial carbon emission savings compared to on-premise IT infrastructures.

As Temenos leads the transition to SaaS, we therefore have a unique and inspirational opportunity to help decarbonize the banking industry. We are further accelerating this journey in 2024 with our new end-to-end SaaS Enterprise Services and LEAP, a new AI-powered offering that helps banks modernize faster and to seamlessly and quickly move to the latest cloud-native Temenos technology. In addition, we continue to improve the energy efficiency of our code to minimize its environmental impact by 32% in the latest software release validated by GoCodeGreen.

Helping our clients achieve their ESG ambitions is only possible through our people, our bold and committed Temenosians. Our diversity is our strength, and the basis of our working model for every one of our 30 years in business. We represent 86 different nationalities, working with clients and Partners from over 150 different countries. Women make up 35% of STEM positions, 46% of our workforce under 30, 50% of our top management and 38% of our Board of Directors. This is significantly ahead of our industry, and in 2023 we achieved a perfect 100% disclosure score in the Bloomberg 2023 Gender Equality Index (GEI) for the second year in a row.

Our ESG approach also requires us to run our own operations ethically and responsibly. We have a strong corporate governance and risk and ethics framework in place, as evidenced by the results of the thorough investigation done by independent examiners following allegations from Hindenburg. We have set science-based targets to reduce our GHG emissions by 2030 and remain aligned with the Paris Agreement.

We are very proud of Temenos ESG performance, and the recognition we have gained as the leader in ESG in the IT industry. We have now topped the Dow Jones Sustainability Index with the highest score in the software industry for the second year running. This is alongside similarly high rankings from S&P, FTSE4Good, MSCI, ISS, Sustainalytics, CDP, EcoVadis and the SXI Switzerland Sustainability Index. This recognition demonstrates our commitment to sustainability, and the positive impact we make by supporting our clients to achieve their ESG goals and transition to a low-carbon economy.

Three decades ago, Temenos set out to redefine banking software, and in doing so forever changed the way banking works. It means that today we are shaping the banking world and driving positive change with sustainable value. By helping the industry decarbonize, we now have the opportunity to accelerate positive change and “make banking better” for decades to come. It is a challenging vision, but the pioneering spirit, innovative thinking and strong commitment of our people that underpinned our achievements so far will drive us forward towards future success.

The 2023 Sustainability Report details our progress towards these bold and exciting ESG commitments.

**Thibault de Tersant**  
Non-Executive Chairman

**Andreas Andreades**  
Chief Executive Officer





## SUSTAINABILITY continued

# Innovating with purpose

## Our priority areas

For 30 years, our commitment to the SDGs have guided the way we operate internally, innovate and deliver on our business mission. Our corporate responsibility and sustainability strategy focuses on mitigating risks and creating value across priority ESG areas towards five directions:

1

### Achieving Business Excellence

We innovate with purpose, championing client-centered design and support, outstanding business practices and long-term sustainable value.

→ Read more on page 52

#### SDGs



2

### Operating Responsibly

We steward stakeholder trust by taking responsibility for our business' ethics, procurement and security.

→ Read more on page 56

#### SDGs



3

### Caring for the Planet

We commit to aligning our business with the vision of a net-zero world by collaborating with our stakeholders across the value chain.

→ Read more on page 69

#### SDGs



4

### Investing in Our People

We strive to create an open, fair, equal-opportunity and honest work environment for our people and for the people who we impact through our work.

→ Read more on page 86

#### SDGs



5

### Empowering Our Local Economies and Communities

We contribute to a more inclusive world by investing in our local communities, while providing equitable and affordable financial services to all.

→ Read more on page 109

#### SDGs



→ Read more in the Appendix: Contribution to the UN Sustainable Development Goals





# Achievements and endorsements

**World Economic Forum (WEF)**  
Member

**UN Global Compact (UNGC)**  
Participant

**Global Compact Network  
Switzerland**  
Member



SXI Switzerland  
Sustainability 25® Index

In support of

**WOMEN'S  
EMPOWERMENT  
PRINCIPLES**  
Established by UN Women and the  
UN Global Compact Office

Signatory

Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA

DJSI World & Europe, ranked #1  
in the SOF category globally



Low risk – Top rated



Participant for 3rd consecutive year



3x Sustainability Award Winner,  
2023 S&P Global Gold Class



**FTSE4Good**  
Top 10%



Top 1%, Platinum medal



Top performer



Highest rating



Supporter



Early adopter



Highest rating in all ESG categories



Prime status



Top 20%



## SUSTAINABILITY continued

# Progress and targets



## Environment

### 2023 progress

**31.3%**

Reduction of absolute Scope 1, 2 and 3 GHG emissions vs SBT 2019 baseline year

**86%**

Use of renewable electricity in Temenos internal operations

**73%**

ISO 14001:2015 certification coverage

### Targets

**50%**

Reduction of absolute Scope 1, 2 and 3 GHG emissions by 2030 vs 2019 baseline year (officially validated near-term science-based target)

**Net-zero**

GHG emissions by 2050

**8 offices**

With ISO 14001:2015 certification by 2025



## Social

### 2023 progress

**35%**

Gender diversity in global workforce

**43%**

Racial diversity in the US

**46%**

Gender diversity under 30 years old

### Targets

**36%**

Gender diversity in global workforce by 2025

**40%**

Gender diversity in global workforce by 2030

**40%**

Racial diversity in the US by 2025



## Governance

### 2023 progress

**38%**

Gender diversity in Board of Directors

**40%**

Gender diversity in Executive Committee

**50%**

Gender diversity in top management

**99%**

Employees completed Ethical Business Code of Conduct and mandatory compliance trainings

### Targets

**30%**

Gender diversity in Board of Directors by 2025

**>97%**

Completion rate of Ethical Business Code of Conduct and mandatory compliance trainings by 2025

**ESG targets**

In Executive compensation (planned)



# Our ESG approach

## Our mission:

### Making banking better, together

Founded in 1993, we serve clients from the largest to challengers and community banks in more than 150 countries by helping them build new banking services and state-of-the-art client experiences.

## Our vision:

### Everyone's banking platform

Our purpose is to power a world of banking that creates opportunities for everyone.

## Our culture:

### Temenosity

Our culture of Temenosity guides the way we work. A culture that encourages all of us to **challenge** convention and **commit** to making banking better together. A culture that enables us to **collaborate** with our community and truly **care** about the people we serve and the impact of our business.

## Our commitments

Operating responsibly is in our DNA, part of our Temenos culture. We strongly believe that our long-term success requires a sustainable business model that incorporates responsibility as an important part of our business operation. Temenos is committed to achieving business excellence and long-term value through superior financial performance while operating responsibly and with integrity, honoring ethical values and respecting its stakeholders, communities and the environment.



## Integrating ESG into our operations and product offering

### What it means to us:

Helping our clients transform into smart, inclusive and sustainable organizations



Managing our operations ethically and responsibly



Contributing to global social and environmental initiatives



## Our goal

To grow our business in a way that takes care of the world around us, delivering value to anyone associated with us



## SUSTAINABILITY continued

# Preparing for CSRD

As part of the European Green Deal, the Corporate Sustainability Reporting Directive (CSRD) entered into force on 5 January 2023 with the main goal of revising and strengthening the previous rules concerning sustainability reporting. The European Sustainability Reporting Standards (ESRS) define disclosure requirements encompassing the complete range of environmental, social and governance topics and were developed to have a very high level of interoperability with other global standards.

With the objective of achieving full compliance with the new EU Directive, in 2023, Temenos conducted a comprehensive gap assessment aiming to identify in detail the Company's current non-financial reporting status regarding all ESRS requirements. The gap assessment covered all topical standards and the ESRS 2 and encompassed three different steps.

### 1) Build an in-depth understanding of the ESRS requirements:

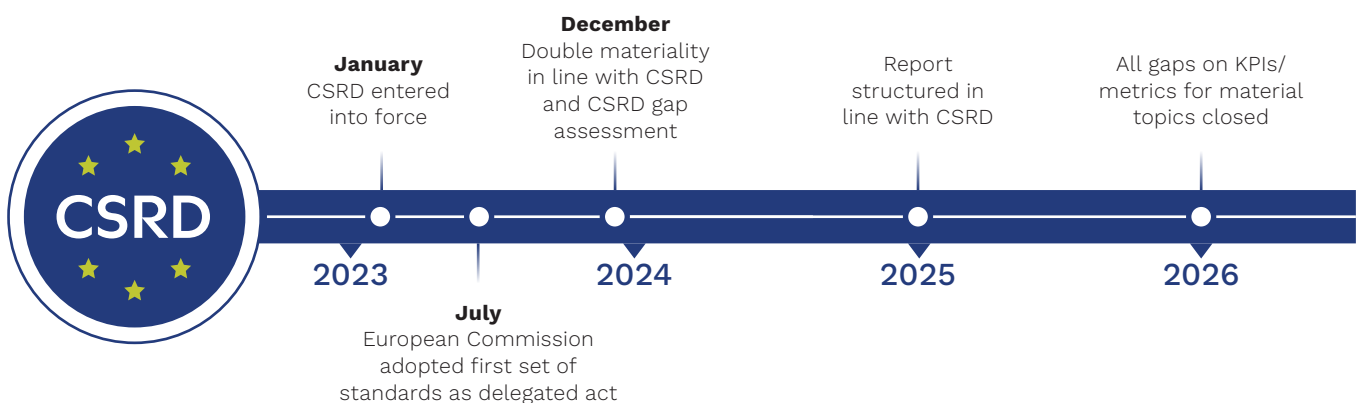
Temenos considered the overall architecture of the ESRS standards, its fundamental concepts, the general requirements for preparing and presenting sustainability-related information and the full list of disclosure requirements. Temenos conducted a mapping exercise of its current status against the relevant applicable ESRS requirements, after examining the existing sustainability information, current reporting practices and connected environmental, social and governance-related policies.

### 2) Identification of the gaps and conclusions:

The gap assessment was conducted at Disclosure Requirement (DR) level and covered all ESRS standards, highlighting per area (General Disclosures, Environmental, Social and Business Conduct), the number of requirements which were assessed as addressed, partially addressed or not addressed. Temenos identified gaps in its current reporting compared to ESRS requirements. The majority of Disclosure Requirements of Temenos ESRS material topics were assessed as partially addressed (74.6%), with 11.1% assessed as already addressed and 14.3% as not addressed.

### 3) Definition of the implementation plan:

The results of the analysis allowed Temenos to develop a roadmap which includes engaging different stakeholders to examine the identified gaps and define, in collaboration with the global ESG team, a detailed action plan to address discrepancies and bridge the current gaps for meeting the ESRS requirements within 2026 (see Temenos planned CSRD implementation roadmap below).





# ESG double materiality assessment

## Stakeholder engagement

Stakeholder groups	Priority areas
 <b>Employees</b> Frequency: daily	Investing in Our People Empowering Our Local Economies and Communities Caring for the Planet Operating Responsibly
 <b>Clients</b> Frequency: daily	Achieving Business Excellence Operating Responsibly Caring for the Planet
 <b>Investors – research analysts</b> Frequency: weekly	All priority areas
 <b>Suppliers and Partners</b> Frequency: daily	Operating Responsibly Caring for the Planet
 <b>Local communities and NGOs</b> Frequency: monthly	Empowering Our Local Economies and Communities
 <b>Academic community</b> Frequency: daily	Investing in Our People Empowering Our Local Economies and Communities
 <b>Media and industry analysts</b> Frequency: daily	All priority areas

Engaging with our key stakeholders informs our decision making, strengthens our relationships and helps us deliver on our commitments and succeed as a business. In order to achieve our goals, we recognize that we need to work in partnership with those stakeholders who share our commitment and support our targets.

We believe that regular, open and transparent communication with our stakeholders is the most effective way to assess the impact of our operations and our performance as a corporate citizen.

Such engagement with our stakeholders is helping us:

- define our ESG focus areas;
- incorporate them into our corporate strategy;
- set targets; and
- document the progress in the Temenos Annual Report.

→ For a more detailed view of how we engage with our stakeholders and what their key concerns are, please refer to the appendix

Temenos conducts at least bi-annually ESG materiality assessments with input from experts across the organization and within ESG governing bodies to identify key ESG topics, opportunities and risks associated with them. These assessments allow us to enhance our understanding of issues that require our attention, adopt a more dynamic approach and improve our long-term economic, environmental and social performance.

The world constantly changes, and we strive to stay ahead of these changes. This is why in 2023 we have collaborated with an independent third party to conduct a comprehensive double materiality assessment, following the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) framework.

In addition, the latest developments, trends and challenges in the broader socio-economic environment in which Temenos operates were taken into account, as well as a range of international and industry-specific sustainability standards, initiatives and data sources, such as the GRI Standards, the SASB reporting standards, the Task Force on Climate-Related Financial Disclosures (TCFD) and the ten principles of the UN Global Compact (UNGC).



## SUSTAINABILITY continued

### ESG double materiality assessment continued

#### Process to determine material topics

The materiality analysis has emerged as a cornerstone of effective ESG reporting; hence, Temenos performed the double materiality assessment according to the ESRS requirements. This exercise allowed the Company to identify the most significant positive or negative impacts resulting from its activities on the environment and people, including human rights, as well as the financial risks and opportunities associated with its own activities, upstream and downstream value chain, and business relationships. Four main steps were followed in this process, to understand and address the most critical issues that shape Temenos sustainability performance and financial success:

##### Step 1: Contextualization and mapping

Temenos assessed industry-specific disclosure frameworks and benchmarks with peers, suppliers and clients to identify ESG topics commonly linked with our sector. This informed the development of a preliminary list of material topics. The Company's previous efforts and double materiality assessment exercise also contributed to the definition of these topics. Additionally, we considered the list of sustainability matters outlined in the ESRS as part of topic selection. This phase also involved a comprehensive assessment of our key stakeholders, considering their interests and influence on Temenos' ESG topics.

#### Scoring and evaluation

Based on the industry-specific context, market analysis and benchmark, and considering the ESRS list of sustainability matters, a preliminary list of 21 topics for Temenos double materiality assessment was developed. The list has been assessed throughout the process so, as a result, the actual material topics were defined based on scoring.

By completing the double materiality assessment process, we identified the topics that are most important to our sustainability performance and prioritized our efforts accordingly. This process consisted of two main steps:

#### Impact materiality

**Stakeholder engagement:** Conducted a survey to gather feedback from internal and external stakeholders.

**Topic categorization:** Classified material topics considering whether they have an impact on the environment, people or the economy.

**Impact categorization:** Categorized impacts into two categories: positive/negative and potential/actual.

**Likelihood assessment:** Assessed the likelihood of each impact, ranging from very likely to very unlikely, and not applicable for actual impacts.

**Significance assessment:** Rated each impact based on its severity, which is defined by the scale, scope and irremediable character, ranging from very high to very low.

**Impact score calculation:** Computed the impact score by multiplying the impact significance score by the impact likelihood score.

#### Step 2: Material impact identification

We engaged with internal and external stakeholders to identify material impacts, risks and opportunities. A survey instrument was employed to capture impacts across environmental, economic and societal dimensions, classifying them as positive or negative, actual or potential. The insights gained from this stage supported the assessment of their significance. This allowed Temenos to define the relevance of each material topic through a scoring methodology. The impact's significance assessment is based on the impact's severity, which encompasses scale, scope and irremediable character<sup>1</sup>.

#### Step 3: Assessment of financial risks and opportunities

A qualitative and quantitative analysis of financial risks and opportunities was conducted to assess their magnitude and likelihood.

#### Step 4: Double materiality results

The determination and adoption of the threshold for considering the relevance of the topics was part of the final step. This enabled Temenos to confirm the double materiality results and define the Company-specific material impacts, risks and opportunities to be covered in its Sustainability Report.

#### Financial materiality

**Survey outcomes review:** Reviewed and corroborated the findings regarding financial risks and opportunities.

**Impact assessment:** Assessed the impacts associated with the Company's dependencies on natural, social or human resources.

**Topic assessment:** Categorized material topics as financially material based on magnitude and likelihood.

**Magnitude assessment:** Assessed the magnitude of each material topic, ranging from very high to very low.

**Likelihood assessment:** Assessed the likelihood of each material topic, ranging from very likely to very unlikely.

**Risks and opportunities score calculation:** Computed the risks and opportunities score by multiplying the magnitude factor by the likelihood factor.

<sup>1</sup> Scale pertains to the severity of negative or positive impacts and may vary based on compliance with laws, regulations or authoritative intergovernmental instruments. Scope determines the impact spread among individuals or environmental resources. Irremediable character measures the difficulty in mitigating resultant harm, exclusively applicable to negative impacts.





In addition, we enhanced our materiality assessment methodology by incorporating the feedback received from our clients through RFPs and supplier assessments and from our investors through engagement calls and meetings we had throughout the year. We also incorporated the areas against which we are rated and scored in ESG ratings and indices, such as the Dow Jones Sustainability Index, FTSE4Good, MSCI, ISS, EcoVadis, Sustainalytics, Vigeo Eiris, Bloomberg Equality Index and CDP, among others.

## Results

Following the outlined ESRS process, and evaluating the outcomes of the interviews with internal and external stakeholders, we have identified 21 material topics.

The **impact materiality assessment process** enabled Temenos to identify that out of the 21 topics considered material to the organization, 12 are recognized for promoting a positive impact on one or more dimensions (environment, economy and people), while 9 topics were identified as having the potential to cause a negative impact on one of these dimensions.

The **financial materiality assessment** supported the process of identifying which of these 21 material topics are associated with financial risks and opportunities for the organization. We identified 7 financial opportunities and 14 financial risks to which Temenos is potentially exposed.

As a final step, the double materiality score was calculated considering both impact and financial materiality assessments. The threshold definition and adoption determined which of the impacts will be covered in Temenos' Sustainability Report. The topics assessed with a double materiality score of "very low" will still be addressed/considered, but will not be part of Temenos disclosures. As a result, 11 material topics, 7 ESRS and 4 Company-specific, will be included in the double materiality assessment matrix.

## Double materiality assessment matrix

The double materiality assessment matrix plots the results of the assessments previously described in the form of a graphic visualization, indicating the main material issues per priority strategic area for Temenos. The matrix shows topics spread through two axes, the impact materiality and the financial materiality. The position of the topic in the matrix is determined by the topic's score (very low to very high).



### Key

#### Achieving Business Excellence

- 1 Client satisfaction and engagement
- 2 Technology and product innovation

#### Caring for the Planet

- 3 Climate change mitigation
- 4 Energy
- 5 Climate change adaptation

#### Investing in Our People

- 6 Equal treatment and equal opportunities for all (within Temenos' own workforce)
- 7 Working conditions (within Temenos' own workforce)

#### Operating Responsibly

- 8 Information security and data privacy
- 9 Corruption and bribery
- 10 Business continuity
- 11 Responsible procurement

● Outside Temenos

○ Within and outside Temenos

○ Within Temenos



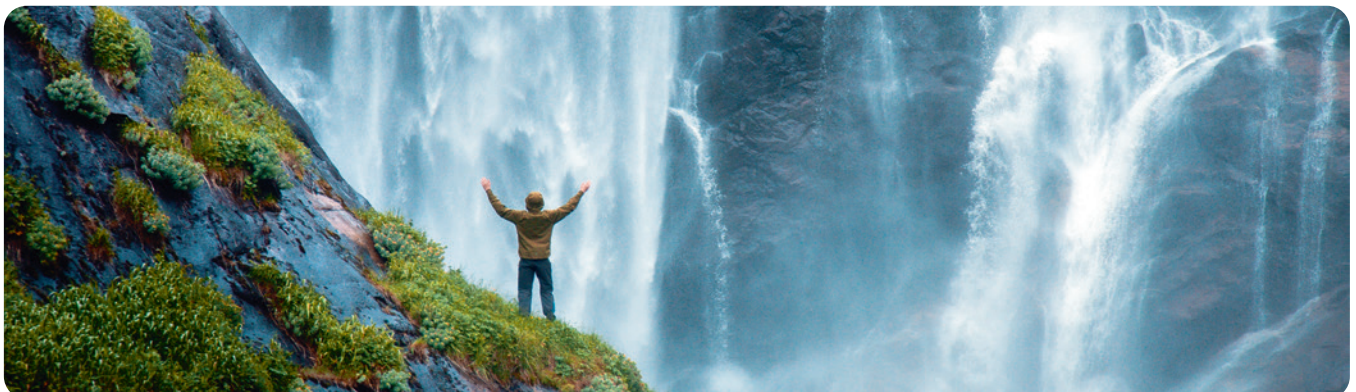
## SUSTAINABILITY continued

### ESG double materiality assessment continued

#### Double materiality assessment matrix continued

The detailed results of the double materiality assessment are presented in the following table:

Material issues	ESG priority area	Impact on society and environment	Financial impact	Metric type	Impact score	Financial score	Double materiality score
Client satisfaction and engagement	Achieving Business Excellence	Positive, Actual	Opportunity	Company-specific topic	Medium	Low	Medium
Technology and product innovation	Achieving Business Excellence	Positive, Actual	Opportunity	Company-specific topic	Low	Low	Medium
Climate change mitigation	Caring for the Planet	Negative, Actual	Risk	E1 climate change	High	Very low	Medium
Energy	Caring for the Planet	Negative, Actual	Opportunity	E1 climate change	Medium	Very low	Low
Climate change adaptation	Caring for the Planet	Positive, Potential	Risk	E1 climate change	Low	Very low	Low
Equal treatment and equal opportunities for all (within Temenos' own workforce)	Investing in Our People	Positive, Actual	Opportunity	S1 own workforce	Medium	Very low	Medium
Working conditions (within Temenos' own workforce)	Investing in Our People	Positive, Actual	Risk	S1 own workforce	Medium	Very low	Medium
Information-related impacts for consumers	Operating Responsibly	Negative, Potential	Risk	S4 consumers and end-users	High	High	Very high
Corruption and bribery	Operating Responsibly	Negative, Potential	Risk	G1 business conduct	High	Medium	High
Business continuity	Operating Responsibly	Negative, Potential	Risk	Company-specific topic	Medium	Medium	High
Responsible procurement	Operating Responsibly	Positive, Actual	Risk	Company-specific topic	Low	Low	Low
Equal treatment and equal opportunities for all (within the context of workers in the value chain)	Operating Responsibly	Positive, Actual	Opportunity	S2 workers in the value chain	Low	Very low	Very low
Working conditions (within the context of workers in the value chain)	Operating Responsibly	Positive, Actual	Risk	S2 workers in the value chain	Low	Very low	Very low
Protection of whistle-blowers	Operating Responsibly	Positive, Actual	Risk	G1 business conduct	Low	Very low	Very low
Air pollution	Caring for the Planet	Negative, Actual	Risk	E2 pollution	Very low	Very low	Very low
Other work-related rights (within Temenos' own workforce)	Operating Responsibly	Positive, Actual	Risk	S1 own workforce	Very low	Very low	Very low
Other work-related rights (within the context of workers in the value chain)	Operating Responsibly	Positive, Actual	Risk	S2 workers in the value chain	Very low	Very low	Very low
Social inclusion of consumers	Operating Responsibly	Positive, Actual	Opportunity	S4 consumers and end-users	Very low	Very low	Very low
Corporate culture	Operating Responsibly	Negative, Potential	Opportunity	G1 business conduct	Very low	Very low	Very low
Water consumption	Caring for the Planet	Negative, Potential	Risk	E5 circular economy	Very low	Very low	Very low
Waste	Caring for the Planet	Negative, Potential	Risk	E5 circular economy	Very low	Very low	Very low





# EU Taxonomy

## Assessment of EU Taxonomy eligibility and alignment

As identified in the previous reporting period of 2022, operations related to Temenos Banking Cloud were identified to be EU Taxonomy eligible, falling under the definition of economic activity 8.1 “Data processing, hosting and related activities” and aiming at contributing to climate change mitigation (CCM) (Annex I to the Climate Delegated Act 2021/2139).

In 2023, activity 8.1 generated revenue through the provision of SaaS services to banks and financial institutions as well as capital and operating expenditures related to investments and maintenance operations on IT infrastructure. The proportion of Taxonomy-eligible Group revenue for economic activity 8.1 was calculated as the portion of net revenue from the related SaaS services (numerator) divided by total Temenos’ Group net revenue (denominator) resulting in a total Taxonomy-eligible revenue proportion of 20.51%.

The criteria for EU Taxonomy alignment of activity 8.1 were not met in FY-23. Temenos is currently progressing to fulfill the criteria set out in the Taxonomy regulation, thereby aiming to increase the share of alignment in the years to come. Particularly the substantial contribution criteria – (1) the implementation of all expected practices of the European Code of Conduct for data centers (2) their verification by an independent third party and (3) not exceeding the threshold of 675 global warming potential (GWP) with the refrigerants used in the data centers – are currently not fully met by Temenos’ data centers operators globally. Moreover, the following “Do No Significant Harm” (DNSH) criteria need to be met, in order to declare activity 8.1 aligned:

- **Climate change adaptation.** A climate risk assessment is conducted to identify potential physical climate risks that may affect the performance of the economic activity and adaptation solutions are implemented to reduce those risks.
- **Sustainable use and protection of water and marine resources.** The undertaking has identified the environmental degradation risks related to water quality and has developed a protection management plan for the potentially affected water bodies.
- **Transition to a circular economy.** To comply with this criteria the undertaking has to demonstrate all of the following:
  - the equipment used meets the requirements laid down in Directive 2009/125/EC;
  - the equipment used does not contain the restricted substances listed in Annex II to Directive 2011/65/EU;
  - a waste management plan is in place and ensures maximal recycling at end of life of electrical and electronic equipment; and
  - at its end of life, the equipment undergoes preparation for reuse, recovery or recycling operations, or proper treatment.

Acknowledging the complexity of these criteria, Temenos is actively working to implement measures ensuring compliance. In line with this effort, a comprehensive assessment is scheduled to identify necessary actions for addressing current gaps.

Temenos has evaluated the capital expenditure (CapEx) and operational expenditure (OpEx) required to enhance the energy efficiency of its offices. This primarily involves installing, replacing and maintaining LED lighting, HVAC systems and low-water/energy consuming kitchen and sanitary water fittings. These actions fall under the Taxonomy-eligible activity 7.3, “Installation, maintenance and repair of energy efficiency equipment”, which contributes to climate change mitigation as defined in Annex I of the Climate Delegated Act 2021/2139. Temenos is currently assessing the alignment criteria set out in the regulation. While Temenos activities fulfill the substantial contribution criteria, achieving full alignment with the “Do No Significant Harm” (DNSH) criteria requires additionally addressing the following:

- **Climate change adaptation.** A climate risk assessment is conducted to identify potential physical climate risks that may affect the performance of the economic activity and adaptation solutions are implemented to reduce those risks.
- **Pollution prevention and control.** The activity must not result in the production or use of several hazardous substances, listed in the Appendix C of the Climate Delegated Act (2021/2139).

Finally, the last step of alignment assessment involves compliance with the social minimum safeguards which require the undertaking to have in place procedures that ensure the alignment with the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Temenos is committed to operating in accordance with these international standards, as described in the Group’s Business Code of Conduct and together with external consultancies it is currently evaluated to document our compliance.

Temenos has been voluntarily disclosing information on the EU Taxonomy reporting. Going forward, and in line with our upcoming regulatory obligations, we are working on gradually fulfilling the technical screening criteria and continue to report our Taxonomy-aligned economic activities.

Activity	No.	Objective	Revenue		CapEx		OpEx	
			Amount USD m	EU taxonomy eligible %	Amount USD m	EU taxonomy eligible %	Amount USD m	EU taxonomy eligible %
Installation, maintenance and repair of energy efficiency equipment	7.3	CCM	–	–	0.1	0.09%	4.5	0.56%
Data processing, hosting and related activities	8.1	CCM	205.1	20.51%	1.0	1.03%	27.7	3.46%
Temenos overall operations			1,000.2		97.2		800.8	





## SUSTAINABILITY continued

# Goals and targets

## Operating Responsibly

### Ethical business conduct and governance



Indicator	2021	2022	2023	2025 target
Percentage of completion of Ethical Business Code of Conduct and mandatory compliance trainings	97.5%	97.3%	99.2%	>97%

### Information security



Indicator	2021	2022	2023	2025 target
ISO 27001 certification coverage	13 locations	13 locations	14 locations	To continue to expand the scope in order to include new locations/acquisitions based on the business needs and directives from the Management.
ISO 27017/ISO 27018 certification coverage	11 locations	10 locations	13 locations	To continue to integrate newly acquired companies, if any, and certify new locations as required.
EU Cloud Code of Conduct	–	Level 1 compliance	Level 2 compliance	To maintain Program compliance.

### Responsible procurement



Indicator	2021	2022	2023	2025 target
Sustainability assessment as part of the qualification and risk assessments implemented to focus categories of suppliers <sup>1</sup>	100%	100%	100%	100%
Percentage of new or renewed focus categories of suppliers, providing goods or services with Supplier Code of Conduct applicable clause	100%	100%	100%	100%
Sustainable procurement to be included as part of all-staff induction Program	100%	100%	100%	100%
Ensure the internal Sustainable Procurement Policy is reviewed regularly as part of the CSR strategy	100%	100%	100%	100%
Sustainability assessment for most supplier categories	84%	80%	84%	100%
Supplier engagement rate (engaged suppliers which have completed the environmental questionnaire out of total focus suppliers) <sup>2</sup>	45%	60%	73%	100%

1 100% of our focus suppliers are assessed based on environmental and social criteria. 23.4% of new suppliers, including focus and non-focus, have been evaluated using environmental and social criteria.

2 We have chosen to disclose a slightly different metric on supplier engagement compared to last year to get more comprehensive insights. We have included prior years' numbers in order to show the trend.



## Achieving Business Excellence

### Client satisfaction and engagement



Indicator	2021	2022	2023	2025 target
Client Voice: Number of participants from our clients compared to 2016 baseline (4,000)	10,007	11,826	12,753	12,000
Improve Client Satisfaction: Percentage points in the Net Promoter Score, since the metric was launched	+26pp	+33pp	+90pp	+55p

## Technology and product innovation



Indicator	2021	2022	2023	2025 target
Environmental and social impact of product portfolio – % of total revenue	14.5%	18.8%	21.5%	30%
Cumulative R&D investment since 1990	\$2.5bn	\$2.8bn	\$3.1bn	\$3.5bn





## SUSTAINABILITY continued

## Goals and targets continued

## Caring for the Planet

## Environmental management and awareness



Indicator	2021	2022	2023	2025 target	2030 target
Roll out EMS to additional locations and increase the ISO 14001:2015 certification coverage	6 offices	7 offices <sup>3</sup>	<b>7 offices</b>	8 offices	10 offices
Increase global waste diversion from landfill	75%	78%	<b>73%</b>	80%	90%
Percentage of per capita water consumption for certified ISO 14001 offices, compared to 2018 baseline (first certification) reduction	–	74%	<b>72%</b>	75%	80%
Organize sustainable events <sup>4</sup>	No physical event due to Covid-19 restrictions	1 event	<b>2 events</b>	4 events	12 events

<sup>3</sup> We have implemented an ISO 14001:2015-certified EMS in our seven biggest offices: four in India, one in Romania, one in Luxembourg and one in the UK.

<sup>4</sup> Results displayed annually represent the cumulative count of sustainable events since 2022.

## Energy



Indicator	2021	2022	2023	2025 target	2030 target
Percentage of per capita energy consumption for certified ISO 14001 offices, compared to 2018 baseline (first certification) reduction	35%	45%	<b>37%</b>	50%	
Percentage of annual sourcing of renewable electricity use in Temenos internal operations (offices and owned data centers)	4.4%	18.2%	<b>86%</b>	80%	100%

## Climate Change Strategy

## Business Ambition for 1.5°C



Indicator	2021	2022	2023	2025 target	2030 target
Get validation of Science Based Targets initiative (SBTi) for the reduction of GHG emissions	Target for FY-22	Official validation		Target revision	
SBTi target: Percentage of absolute Scope 1 and 2 GHG emissions reduction, compared to 2019 baseline	13.5%	17.7%	<b>90.7%</b>	25.2%	50%
SBTi target: Percentage of absolute Scope 1, 2 and 3 GHG emissions reduction, compared to 2019 baseline <sup>5</sup>	–	1.7%	<b>31.3%</b>	25.2%	50%

<sup>5</sup> Since 2022, data includes all relevant Scope 3 categories aligned with the SBTi. Our Scope 3 target boundary covers 68.6% of total Scope 3 emissions, in line with the SBTi criteria, representing 56,345 tCO<sub>2</sub>e for 2019.

Indicates target achieved





## Investing in Our People

### Gender diversity



Indicator <sup>6</sup>	2021	2022	2023	2025 target	2030 target
Women in the Temenos total headcount	35%	36%	35%	36%	40%
Women in all management positions, including junior, middle and senior management (as % of total management workforce)	33%	33%	33%		
Women in junior management positions, i.e. first level of management (as % of total junior management positions)	41%	44%	46%		
Women in top management positions, one level away from the CEO or comparable positions (as % of total top management positions)	40%	43%	50%		
Women in top management positions, two levels away from the CEO or comparable positions (as % of total top management positions)	30%	29%	34%		
Women in management positions in revenue-generating functions (e.g. Sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	28%	28%	28%		
Women in STEM-related positions (as % of total STEM positions)	35%	35%	35%		

6 To have a consistent year-on-year increase of at least 1%.

### Racial diversity



Indicator	2021	2022	2023	2025 target	2030 target
Asian, Black or African American, Hispanic or Latino, or other races/ethnicities in the US total headcount	38.5%	41%	43%	40%	

### Wellbeing at work



Indicator (1):	2021	2022	2023	2025 target	2030 target
Percentage of actively engaged employees	68%	71%	72%	72%	74%
Indicator (2):	2021	2022	2023	2025 target	2030 target
Number of wellbeing activities	–	–	316	>300	



## SUSTAINABILITY continued

## Goals and targets continued

## Empowering Our Local Economies and Communities

## Digital inclusion and innovation



Indicator	2021	2022	2023	2025 target
Number of students reached/benefited through the Adopt-iT CSR India Program, since the Program was launched	19,200	34,347	36,694	50,000

## Volunteering and community service



Indicator	2021	2022	2023	Revised 2025 target <sup>7</sup>
Percentage of volunteers (% of the total headcount of the year)	9.1%	16.6%	20.7%	>20%

7 Due to target achievement.

## Employee fundraising and corporate matching



Indicator	2021	2022	2023	2025 target
Percentage of India employees' funds raised and Company matched – Adopt a Kid since Program launch	38%	73%	89%	100%



■ Indicates target achieved



# Sustainability governance





## SUSTAINABILITY continued

# 1 Achieving Business Excellence

We are committed to contributing to global efforts to address social and environmental issues. Financial technology and digital finance can advance sustainable development and accelerate the achievement of global environmental and social goals. At Temenos, we innovate with purpose and our solutions have a positive environmental and social impact. In that way, we are contributing to the global effort to achieve the UN SDGs.

## Business performance

### Economic impact

Economic impact for Temenos means achieving our medium-term growth targets to generate long-term sustainable value for all of our stakeholders and contributing to the global economy as well as the local economies where our clients conduct our business.

In 2023, non-IFRS total software licensing increased by 10% in comparison to 2022 and non-IFRS total revenues increased by 5%. We have achieved a full year EBIT of USD 313 million with a non-IFRS EBIT margin of 31.3%. Long-term profit and cash flow strength support the proposed dividend of CHF 1.20. Leverage decreased to 1.6x at year end, down from 2.0x in 2022 and we generated USD 392 million of operating cash flow in 2023.

### Geographical outcomes

The total monetary value of financial assistance received by Temenos from governments during 2023 was as follows:

#### Europe

Romania: Temenos Romania benefits from an income tax exemption for employees in software creation-related roles. The amount of the exemption for 2023 was USD 210,003 (2022: USD 366,962). In addition, there is also a reduction of 20% of the annual corporate tax if this is redirected to donations. The 20% reduction of the annual corporate tax redirected CSR spending by Romania in 2023 was USD 22,037 (2022: USD 21,630).

#### Asia

Singapore: Under Singapore's Central Provident Fund transition offset and job growth incentive, Temenos claimed USD 2,502 in 2023 (2022: USD 30,258).

## Technology and product innovation

In order to keep pace with the rapid rate of change in information technology, Temenos has a long history of investing in its products. This has ensured our position as the leading solution in our sector and, together with the upgradability, means that clients can continue to enjoy the benefits of our industry-leading investment in the future. Temenos has consistently invested over 20% of its revenues in R&D.

The R&D spend inclusive of overhead allocations for 2023 was USD 277.9 million. This is more than twice the level of investment made by our closest competitors. Furthermore, since we only produce software for banking and finance, all of this investment is targeted at our concentrated product portfolio. For more information, please refer to the Annual Report: Research and Development section.

### Environmental and social impact of product portfolio

Category	USD m	% of total revenue
Cloud/SaaS	205.1	20.51%
FCM	0.5	0.05%
Inclusive Banking	2.0	0.20%
TLC	7.4	0.74%

Economic contribution to various stakeholders	FY-23 USD 000	FY-22 USD 000
Revenue	1,000,224	949,628
Employee wages and benefits	487,761	464,905
Payment to provider of funds	626,210	603,378
Payment to government	68,542	26,048
Community investment (monetary donations only)	697	453

→ For more information on our financial performance, please visit the respective section

## USD 3.1bn

cumulative R&D investment  
1990–2023



We innovate with purpose, championing client-centered design and support, outstanding business practices and long-term sustainable value.

## Contributing to the UN SDGs







### Case study

## Tech-powered sustainability for banks towards net-zero

At Sibos 2023, Kalliopi Chioti, Temenos Chief Marketing and ESG Officer, was invited as a speaker to explore how banks are leveraging technology and ESG demands to drive sustainable finance. The need for banks to adjust their business model and adopt new technologies like cloud and AI, and collaborate with fintech and technology companies to build a new digital ecosystem was highlighted.

During the panel discussion, she emphasized how crucial it is for banks to decarbonize both their direct and indirect emissions, and how key technology such as the Temenos Banking Cloud (TBC) and the Temenos Carbon Emissions Calculator can empower banks to optimize efficiency and monitor progress effectively. Specifically, it was mentioned how Temenos Banking Cloud, powered by hyperscalers, enables banks to streamline direct operations sustainably by migrating legacy IT infrastructure to public cloud hyperscalers and adopting a Software as a Service (SaaS) model. The environmental benefits of this transition, including reduced electricity usage and emission reductions up to 98% compared to on premise, were also highlighted.

Furthermore, the importance of banks' commitment to reporting indirect emissions, from purchased goods and services to the carbon footprint of their portfolio, was stressed. The Temenos Carbon Emissions Calculator, a free tool embedded within the Temenos Banking Cloud was discussed as a pivotal tool which can empower banks to track their direct and indirect cloud emissions from the use of the TBC, measure progress towards sustainability goals and comply with growing climate regulations.

The importance of collaborating with technology providers that embed ESG principles into their value chain to achieve tangible emissions reductions and foster accountability was also presented. It was pointed out that at Temenos, ESG by design is a core principle of how we build technology. This was demonstrated by the fact that Temenos code is 32% more carbon efficient in the latest software release.

The panel discussion underscored how regulatory compliance for ESG becomes more stringent and how Temenos offers banks another valuable tool, the Temenos Exchange, a marketplace for connecting banks and fintech solutions. Through the composability of the open platform, third party applications from the Partners marketplace can provide banks and their customers with tools to assess their ESG performance, measure and mitigate their carbon impact, and address ESG regulation. As a result, this marketplace enables banks to accelerate the creation of innovative financial services offerings that enrich the overall user experience.

Finally, the discussion touched upon how Temenos ESG investing as a service, an offering armed with explainable AI, can support banks and wealth managers in meeting their ESG requirements across lending and investment portfolios. With this ESG service, banks will be able to create investment products and power digital experiences that allow investors to build their portfolios around their values.

To read more please refer to:

- [Tech is the key to sustainability for Temenos | FF News at Sibos 2023](#)
- [A bank's ESG record depends on how its technology is built | Finance Derivative](#)
- [Exclusive: Leaner and greener banking needed in race to net zero | Net Zero Investor](#)



## SUSTAINABILITY continued

### Achieving Business Excellence continued

#### Focus on client satisfaction and engagement

##### Client Voice

The Temenos Client Voice Program (initially called the Temenos Customer Loyalty Program) was launched in 2012, as a key aspect of our sustainable business model is to create success for our clients to drive long-term loyalty. Over the last decade, we have tailored, developed and redefined services for our clients, invested in technology to lead innovation in a changing market, expanded support locations and improved global delivery, and focused on delivering accumulative success for our clients. This has allowed us to grow our client base, deliver sustainable ARR and software licensing growth, receive a BBB investment grade rating and be recognized by industry analysts and benchmarks as the leading universal banking technology provider.

Alongside these initiatives, we have been monitoring our customer loyalty through an annual NPS survey with the goal of surfacing insights from over 12,000 users and improving our score by 55 points by 2025. We are pleased to announce that the 2023 survey revealed that Temenos has greatly exceeded both of these metrics early, well ahead of the 2023 target. We are also pleased to share publicly our 2023 NPS of +54 ( $\pm 3.5$  at 95% confidence interval) which is reflective of the success that we have experienced in 2023 from our existing customer revenue growth and new customer acquisitions. We see our current NPS of +54 as a reflection of the market dominance that Temenos has built and developed over the last 30 years. Banks who use Temenos recommend others to engage with us as no other vendor in the market can deliver the same product and service, and the entire market solution has been designed with the future of banking in mind.

While this NPS is market leading and is reflective of the substantive loyalty that clients have towards Temenos, we realize that for us to deliver sustainable success to our clients, we need to continuously improve. As such, the Temenos Client Voice Program will evolve over 2024 to closer align with our global customer success initiatives. This evolution will include the rollout of ongoing CSAT surveys across the entire customer-facing operation giving real-time insights into satisfaction along the entire customer journey. With these real-time insights, timely data-driven decisions will be made to accelerate customer success, further improve customer loyalty and strengthen our sustainable business model, ensuring that Temenos leads the universal banking technology market well into the future.

##### Temenos Ambassador Program

We are committed to putting our clients at the core of our business while generating long-term value for them. The goal of the Ambassador Program is to promote innovation in banking and showcase the value and positive impact Temenos technology has on our clients, and ultimately to celebrate our clients' success. 83% of our Ambassadors are C-level or department heads, from financial institutions of all sizes and sectors all over the world. This Program allows them to give back to the leaders' community by sharing their experiences.

In 2023, 29 ambassadors nominated their company for the Innovation Hero awards. The winners were voted online by peers (over 55,000 votes on social media) and by a jury of industry experts. In addition, we continue to recognize one exceptional ambassador each year with the Visionary Leadership award.

The Ambassador reception at Temenos Community Forum, regular events and scheduled meetings provide ambassadors with networking opportunities where they can gain valuable insights from peers. The Program includes a reward scheme and we launched a new Ambassador portal so that they can monitor their points balance, redeem their rewards and easily engage in new activities.

	2022	2023	YoY
Referenceable accounts	594	633	+7%
Temenos ambassadors	805	850	+6%

##### Customer success and support

Throughout 2023, customer success has continued to be at the core of our sustainable business model. Temenos realizes that satisfied and successful clients are more likely to invest in, advocate for and promote Temenos to the wider market. To further develop Temenos' capability to deliver customer success and to enhance the customer experience, significant investments have been made during 2023 into customer success dedicated people, process and technology. Through 2024, this investment and development will continue with the goal of having a specialized customer success representative advocating within Temenos for each client. This specialist team will enhance the customer journey through a technology-driven proactive partnership focused on continuous improvement to provide long-term success and satisfaction.

Separate to this customer success team but highly complementary, the Temenos support team continues to augment product capabilities and satisfy clients. The 2023 Client Voice survey highlighted that "product support" was the most selected factor contributing positively to the promoter's satisfaction. The augmentation of this team with real-time CSAT surveys, improved implementation methodologies and the expanding customer success team should see this positive influence continue throughout 2024.

Objectives	Success criteria
<ul style="list-style-type: none"><li>To build a world-class support and customer success organization that is passionate about delivering value and an exceptional experience to our clients</li><li>Empowering them to achieve their objectives</li></ul>	<ul style="list-style-type: none"><li>100% of customers engaged in CSAT survey</li><li>100% of Sev 1 tickets responded within contracted SLAs</li><li>Customer Satisfaction score &gt;7.5/10</li></ul>



### Case study

## Helping clients reduce and monitor carbon emissions

Alpian is Switzerland's first digital private bank which offers specialized banking services, boutique investment products and access to in-person financial counselling. It offers the best of both digital and everyday banking, along with embracing ESG commitments. Alpian recognizes the role of ESG in its operations, stressing its carbon footprint alongside risk and return. By making ESG a priority, Alpian demonstrates its commitment to sustainability. Leveraging our SaaS technology, Alpian has achieved a remarkable saving of over 90% of tCO<sub>2</sub>e emissions compared to on-premise alternatives.

Kalliopi Chioti, Chief Marketing and ESG Officer at Temenos, and Schuyler Weiss, CEO of Alpian, attended the Temenos Community Forum, where experts discussed paths to sustainable growth for banks and emerging ESG solutions.

→ **Read more here:**  
[Achieving sustainable growth:](#)  
[Acting on ESG priorities \(finextra.com\)](#)



### Case study

## Temenos joins forces with the Monetary Authority of Singapore to advance sustainable finance

During the 2023 Singapore FinTech Festival, Temenos announced a collaboration with Gprnt, a digital platform launched by the Monetary Authority of Singapore (MAS), to accelerate innovation in sustainable finance. This partnership marks a significant step forward as Temenos becomes the first core banking software vendor to collaborate with Gprnt.

The aim of this collaboration is to develop cutting-edge technology solutions by exploring data integration methods, fostering product development initiatives that address the evolving needs of sustainable finance and empowering banks to manage balance sheet decarbonization, navigate ESG risks and comply with regulations.

The collaboration intends to investigate state-of-the-art approaches, enable smooth data integration and propel product development that is in line with a sustainable finance future. The potential product co-development use cases with Temenos, include enhanced "Know Your Customer", that takes ESG data from verifiable sources through the Gprnt platform, and feed directly into a bank's client onboarding. Another possibility is augmented data analytics, incorporating additional ESG metrics for a bank's loan originations and setting targets for pipeline loans that increasingly will see embedded elements of sustainability.

This partnership aligns with Temenos' existing commitment to integrating ESG principles into its operations and product offerings. Together with Gprnt, we aim to provide financial institutions with the tools and resources needed to transition towards a more sustainable future.

→ **Read more here:**  
[Temenos to Work with MAS to Advance Sustainable Finance – Temenos](#)



## SUSTAINABILITY continued

## 2 Operating Responsibly

### Ethical business

For 30 years we have been proud of our reputation for professionalism and the strong relationships we have built up with our clients. We believe that sound and ethical business conduct and governance are critical to earning and maintaining the trust of our clients, investors, Partners and suppliers. Integrity, honesty and transparency are at the heart of what we do. Our commitments to ethical business practices and strong corporate governance structures are designed to promote the long-term interests of our shareholders, maintain internal checks and balances, promote accountability at all levels of our organization and foster responsible decision making.

As a global company, we have been operating at an exceptionally high standard of integrity in complying with the laws and regulations of the countries in which we operate – in some cases higher standards than required by national laws or regulations. We understand the responsibility that comes with that role and are committed to working with all our stakeholders to build long-term business relationships and create sustainable value for them.

### Information security, cybersecurity, data privacy and business continuity

Financial institutions worldwide entrust Temenos with their technological and digital transformation needs, recognizing our leadership in delivering superior products and services. This trust necessitates a steadfast commitment to security and privacy in every aspect of our operations. At Temenos, we prioritize the safeguarding of our systems and the secure delivery of our software and services, ensuring rigorous protection of client data against malicious threats and compliance with our stringent data handling responsibilities. To fulfill this commitment, Temenos has integrated security and privacy into the very foundation of our business model. We have established robust governance structures, assembled a team of skilled professionals and implemented comprehensive processes, all dedicated to securing our organization and the array of products and services we offer to our valued clients.

### Responsible procurement

Temenos has incorporated sustainability considerations into its Procurement Policy and practices, introducing proactive engagement as part of the procurement strategy on supplier selection and ongoing monitoring. We have partnered with ESG specialized consultants to help us formalize a supplier engagement Program, focusing on advancing sustainability practices and conducting Corporate Social Responsibility (CSR) audits across our supplier base and business partners. Our objective is to achieve a minimum engagement rate of 50% by 2025 through our Program.

### 2023 key highlights

# 99%

of employees completed BCC training

# 100%

of our focus suppliers underwent sustainability assessments



We steward stakeholder trust by taking responsibility for our business' ethics, procurement and security.

### Contributing to the UN SDGs







## Ethical business

### Corporate governance

Corporate governance at Temenos promotes the long-term interests of all of our stakeholders and fosters a culture of transparency, business integrity, responsible decision making and accountability, maintains internal checks and controls and helps build public trust in the Company, by balancing the interests of all its stakeholders. More information on corporate governance can be found in the Annual Report: Governance section and on the corporate website, [www.temenos.com](http://www.temenos.com).

### Business Code of Conduct

The Temenos Business Code of Conduct with the linked corporate policies is the foundation of our commitment to ethical business practices and legal compliance. The Code defines the standards for business conduct everywhere we operate and provides guidance in addressing the business, legal and ethical issues encountered while performing daily work or making decisions on behalf of Temenos. We operate in accordance with our Code, including where local legislation is less strict, or there is absence of legal and/or regulatory frameworks. Our Code and policies are aligned with the ten principles of the UN Global Compact on the four issue areas of Human Rights, Labor, Environment and Anti-Corruption and the OECD Guidelines for Multinational Enterprises. The members of the Board of Directors and the Executive Committee have endorsed the Code. Our Code is available in English and French on our intranet and our corporate website. It applies equally to full-time, part-time and temporary employees and contractors globally. It is a key part of the employment contract and contractor agreement. All employees are required to read and acknowledge the Code and linked policies within the first three months of their employment. They are also required to complete the mandatory trainings upon joining and to repeat every 12 months. The [CSR and Ethics Committee](#) is charged with monitoring the compliance with the Code and Ethics Framework. The compliance requirements of the Code are also part of our Partners and Suppliers Program. Specific compliance provisions are included in the Services Partner agreement and all new suppliers are required to comply with the Code as well as the [Temenos Supplier Code of Conduct](#). In addition, the rollout of the Suppliers Program includes existing suppliers, as they incrementally need to comply with the Code and related policies and to verify compliance by providing respective information when requested.

The backbone of our Code is the corporate policies linked to it that provide detailed guidance on how to exercise good judgment when working and making decisions for Temenos. The policies are reviewed annually and reflect our continued commitment to ethical business practices and legal compliance.

## Human rights

As defined in the UN Guiding Principles on Business and Human Rights (UNGP), we are committed to respecting as well as promoting and advancing human rights, as recognized in international human rights standards, within our organization and our supply chain. We are committed to preventing and mitigating any adverse human rights impacts resulting from our own actions. This commitment extends not only to our direct activities but also to any adverse impacts linked to our operations, products or services through our business relationships, even if we have not directly caused or contributed to those impacts. Our human rights commitment is an integral part of our Business Code of Conduct, mandatory related training and ethical business conduct Program, as well as the Supplier Code of Conduct and supplier performance and risk assessment processes of our Global Procurement Policy and procedure. It clearly outlines the requirements for our own operations (employees, direct activities, products or services) and for our suppliers and Partners, as well as the actions and procedures we undertake to meet our commitment. We expect our employees, Partners, suppliers and clients to share this commitment to ensure that the IT sector and our business respect and promote human rights.

Temenos has developed a due diligence process to proactively and systematically identify potential issues relating to respecting human rights issues and where they could occur in our own operations, value chain or activities related to our business and manage them. Our cross-functional Human Rights Working Group oversees our human rights strategy, helping to coordinate our efforts to identify and mitigate human rights risks in our own operations and our value chain. The results of these efforts are shared with the [CSR and Ethics Committee](#), the [Executive Committee](#) and the [Board of Directors](#).

Our human rights due diligence process covers various issues. We perform internal audits on a regular basis at a global level to identify potential human rights risks, while taking mitigation and remediation actions as required.

In 2023, we renewed our compliance with the UK Modern Slavery Act by issuing a Slavery and Human Trafficking Statement where we outlined Temenos' policies and procedures related to fair labor standards and respect for human rights throughout our operations and supply chain, while describing our efforts to address modern slavery. As a UN Global Compact participant, we respect and support the values of the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work by integrating human rights considerations into our business operations. We respect government policies in the countries where we operate, while seeking ways to honor these global principles. We conduct regular audits to check internal compliance with these standards. We have established a process to assess on a regular basis our obligations under Switzerland's new provisions on minerals and metals from conflict-affected and high-risk areas and in relation to child labor. According to the assessment conducted for 2023, Temenos is exempt from the Swiss due diligence and reporting obligations, as we do not import minerals and metals and have not identified reasonable grounds to suspect child labor in our supply chain.





## SUSTAINABILITY continued

### Operating Responsibly continued

#### Ethical business continued

#### Human rights due diligence process and mitigation measures\*

<b>Forced labor</b> <p><b>Groups at risk</b> Temenos employees and third party employees</p> <p><b>Objectives</b> A work environment relieved of forced or compulsory labor</p> <p><b>Management and mitigation actions</b></p> <ul style="list-style-type: none"> <li>• Specific section against forced labor included in Business Code of Conduct</li> <li>• All Temenos employees and suppliers get trained and acknowledge the Code annually</li> <li>• Specific questions under Human Rights section of the Supplier Questionnaire to ensure no forced labor, distributed to all focus suppliers</li> <li>• Employment contracts</li> <li>• Background checks in recruitment process</li> </ul>	<b>Child labor</b> <p><b>Groups at risk</b> Children</p> <p><b>Objectives</b> No Temenos employees or workers in the supply chain younger than 18 years old</p> <p><b>Management and mitigation actions</b></p> <ul style="list-style-type: none"> <li>• Specific section against child labor included in Business Code of Conduct</li> <li>• All Temenos employees and suppliers get trained and acknowledge the Code annually</li> <li>• Specific questions under Human Rights section of the Supplier Questionnaire to ensure no child labor, distributed to all focus suppliers</li> <li>• Employment contracts</li> <li>• Background checks in recruitment process</li> <li>• Reporting as per GRI 408-1</li> </ul>	<b>Collective bargaining agreements</b> <p><b>Groups at risk</b> Temenos employees</p> <p><b>Objectives</b> All Temenos employees have the right to participate in collective bargaining agreements</p> <p><b>Management and mitigation actions</b></p> <ul style="list-style-type: none"> <li>• Specific section for collective bargaining agreements included in Business Code of Conduct</li> <li>• All Temenos employees and suppliers get trained and acknowledge the Code annually</li> <li>• Reporting as per GRI 2-30</li> </ul>
<b>Discrimination</b> <p><b>Groups at risk</b> Temenos employees, third party employees, women and other minorities</p> <p><b>Objectives</b> Eliminate discrimination in the workplace and the supply chain</p> <p><b>Management and mitigation actions</b></p> <ul style="list-style-type: none"> <li>• Specific section against discrimination included in Business Code of Conduct</li> <li>• All Temenos employees and suppliers get trained and acknowledge the Code annually</li> <li>• Specific questions under Labor Standards section of the Supplier Questionnaire to ensure no discrimination, distributed to all focus suppliers</li> <li>• “Working with Integrity Principles” Policy</li> <li>• Robust Anonymous Reporting Mechanism Including Policy and 24/7 available system</li> </ul>	<b>Harassment</b> <p><b>Groups at risk</b> Temenos employees, third party employees, women and other minorities</p> <p><b>Objectives</b> Prevent harassment in the workplace and the supply chain</p> <p><b>Management and mitigation actions</b></p> <ul style="list-style-type: none"> <li>• Specific section against harassment included in Business Code of Conduct</li> <li>• All Temenos employees and suppliers get trained and acknowledge the Code annually</li> <li>• Specific questions under Labor Standards section of the Supplier Questionnaire to ensure no harassment, distributed to all focus suppliers</li> <li>• “Working with Integrity Principles” Policy</li> <li>• Robust Anonymous Reporting Mechanism including Policy and 24/7 available system</li> </ul>	<b>Health and safety</b> <p><b>Groups at risk</b> Temenos employees</p> <p><b>Objectives</b> Occupational health and safety in the workplace</p> <p><b>Management and mitigation actions</b></p> <ul style="list-style-type: none"> <li>• Internal audits on a regular basis to identify potential health and safety issues and ensure zero accidents in the workplace</li> <li>• Seeking external consulting on implementing the requirements of ISO 45001</li> <li>• Global Health and Safety Policy</li> <li>• Global wellbeing and culture team</li> <li>• Mental health platforms and support offerings in 17 countries, covering 85% of Temenos employees</li> </ul>

\* Human rights due diligence process and mitigation measures described in the above table are applicable to all Temenos operational sites globally, unless stated otherwise.



## Compliance Program

In 2023, the Temenos Compliance Framework continues to be based on the principles of assessment, prevention, detection and correction, ensuring that Temenos continues to:

- operate responsibly in accordance with applicable laws and regulations;
- maintain a culture of honesty, integrity, responsibility and compliance;
- meet high ethical and professional standards;
- prevent fraud and abuse and other compliance issues;
- detect compliance issues at earlier stages and prompt corrective actions; and
- build employee trust and confidence.

The Temenos Compliance Framework has been designed to operate in the form of a “Compliance Ecosystem” and includes:

1. anti-trust and anti-competitive practices;
2. anti-corruption and bribery;
3. due diligence and on boarding;
4. export controls and sanctions;
5. anti-money laundering; and
6. conflict of Interest and related party transactions.

### Anti-trust and anti-competitive practices

Temenos values customer and market trust and strongly believes that it is fundamental to ensure Temenos safeguards its reputation. Complying with anti-trust laws throughout the world is part of our commitment to operating in an effective, fair and free market economy. This commitment includes contracts with clients and any third party, ensuring Temenos competes independently from other market players and does not seek to control the commercial policy and practices of its re-sellers or distributors in any illegal or inappropriate manner.

The most significant amount of our revenues derives from direct dealings with our clients ensuring Temenos is in a strong position for enforcing its sales and contracting processes. Specific provisions of the Temenos Anti-Trust Policy have been included in the [Business Code of Conduct](#).

### Anti-corruption and bribery

For Temenos, anti-corruption is not only a legal obligation but also a matter of ethical business standards. The Company takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships – wherever it operates – and to implementing and enforcing effective systems to counter bribery. Temenos’ zero tolerance on corruption and ethical standards are set out in our Business Code of Conduct and our [Anti-Corruption and Bribery Policy](#), which apply to all Temenos employees and Group entities. Anti-Corruption and Bribery training is part of the annual mandatory training that all employees should take when joining Temenos and to repeat annually during their employment with Temenos.

As a testament to our commitment to ethical business practices, in 2023, Temenos has not incurred any fines or settlements, nor was it involved in any investigations related to anti-competitive business practices, bribery or corruption.

As part of our ongoing commitment to anti-corruption, we have expanded our commitments in this area beyond Temenos, to include our suppliers, Partners and other third parties that have a direct contractual relationship with Temenos. Integrity is a vital part of our business. We also have anti-corruption and bribery provisions in our Partner and contractor agreements as well as in our procurement process with suppliers.

Temenos does not make any contributions to political parties nor does it engage in any lobbying activities.

Temenos monitors compliance with the policy regularly through routine and ad hoc checks and audits across the organization. The Anti-Corruption and Bribery Policy and the effectiveness of the Anti-Corruption Program are assessed and revised on a regular basis.

### Due diligence and onboarding

The Temenos Due Diligence Framework is currently implemented on sub-licensing and introducer deals, following a risk-based approach. As part of our commitment to further enhance our Compliance Framework, all the assessments carried out in the previous year as part of the due diligence process are examined and – based on the analysis and results – the model’s assessment and key risk factors are fine tuned in order to further strengthen its predictability and risk assessment evaluation methodology.

### Export controls and sanctions

Temenos complies with all applicable export control laws and sanctions worldwide and meets obligations under sanctions regimes of the jurisdictions in which it does business. To support the Compliance Program, and in order to meet the challenges and complexities of the regulatory requirements when operating at a global scale, Temenos will seek, when required, the advice of external legal counsel with expertise in the relevant fields. Temenos will forgo business which would breach sanctions regimes directly applicable to it.

All Temenos employees, contractors, distributors and Partners are expected and required to comply with the Export Controls and Sanctions Policy, which is also part of the Code. Failure to observe sanctions and export controls may cause operational delays, expose the Company to regulatory investigations, severely damage our reputation and create substantial legal exposure for Temenos companies including criminal and civil fines, and for individuals, fines and imprisonment.

The Temenos Financial Crime Mitigation (FCM) solution is an integrated part of the Sanctions and Export Controls Compliance Program and covers all the relevant business needs and compliance requirements. The respective implementation enables us to examine the country where the software will be exported as well as the underlying entity.



## SUSTAINABILITY continued

### Operating Responsibly continued

#### Ethical business continued

##### Anti-money laundering

At the present time, due to the nature of our business activities which are business-to-business dealings with regulated entities (primarily banking and financial services institutions), Temenos assesses it has limited exposure to money laundering risk. To this end, Temenos is following a risk-based counterparty due diligence approach, in terms of assessments and controls in order to mitigate any money laundering risk. It is based on the “Know Your Customer” approach and it is formalized into two distinct phases: a) pre-onboarding assessment and b) ongoing and systematic monitoring of high-risk counterparties.

##### Conflict of interest and related party transactions

Conflicts of interest in both the public and private sector have become a major matter of public concern worldwide. As a global market-leading software provider, Temenos might be faced with actual, potential or perceived conflicts of interest. Temenos is sensitive to the ways in which an employee's private financial affairs could create potential conflicts of interest. Also, transactions executed by related parties (legal entities and natural persons) must be reported if such transactions are carried out under the significant influence of a Temenos senior manager. Ensuring that the integrity of the Company's decision making is not compromised by employees' private interests, Temenos has in place business-specific policies and procedures that address the identification and management of actual, potential or perceived conflicts of interest that may arise in the course of business as well as the reporting of any related party transactions.

The Conflict of Interest Policy is linked to the Code and describes in detail the disclosure mechanism for all Temenos employees, members of senior management and the Board of Directors as well as the appeal process to the [CSR and Ethics Committee](#), which is charged with monitoring the compliance with the Code and its linked policies.

We have an internal online global system designed to centralize the declaration of conflict of interest and related party transactions as well as the approvals of Outside Directorships Requests made by Temenos employees or members of the Board of Directors serving as a Director or an officer for an outside organization, which might also result in a conflict of interest. The Chief Compliance Officer prepares and submits on an annual basis a consolidated conflict of interest incidents report to the Audit Committee.

##### Ethical business conduct monitoring and reporting

Our responsibility is to train our employees on ethical business conduct, provide them with communication channels, build controls to prevent and detect unethical and non-compliant conduct and perform regular internal audits. When we identify or learn of concerns or improper conduct, we investigate them fully and take appropriate action to remediate any issues identified.

Temenos offers employees, Partners and suppliers ways to report compliance concerns. If instances of possible non-compliance with the Business Code of Conduct are detected, an internal grievance mechanism is in place to record verbally, in print or electronically, any related concerns through the line manager, Group People department, Group Legal department and Group Internal Audit.

In addition, there is an independent anonymous reporting mechanism in place, the details of which are set out in the Anonymous Reporting Policy and guidelines, which is linked to the [Temenos Business Code of Conduct](#) as well as the [Temenos Supplier Code of Conduct](#). It is available on our intranet and our corporate website. Anonymous reporting means raising a concern about suspected wrongdoing involving Temenos people, contractors, Partners and suppliers. Temenos is committed to promoting and maintaining the highest ethical standards in all our work, and ensuring that where concerns are raised, they are investigated and resolved, preserving the anonymity and confidentiality of anyone raising a concern. In addition, an appeal process to the [CSR and Ethics Committee](#) is in place, whose decision is final and binding. All disclosures are reported to the [Audit Committee](#).

Internal audits concerning ethical business issues have been conducted for all of our operational sites in 2023. All filed cases have been successfully resolved. The below table includes concerns raised from Temenos employees (one case) as well as externals (two cases):

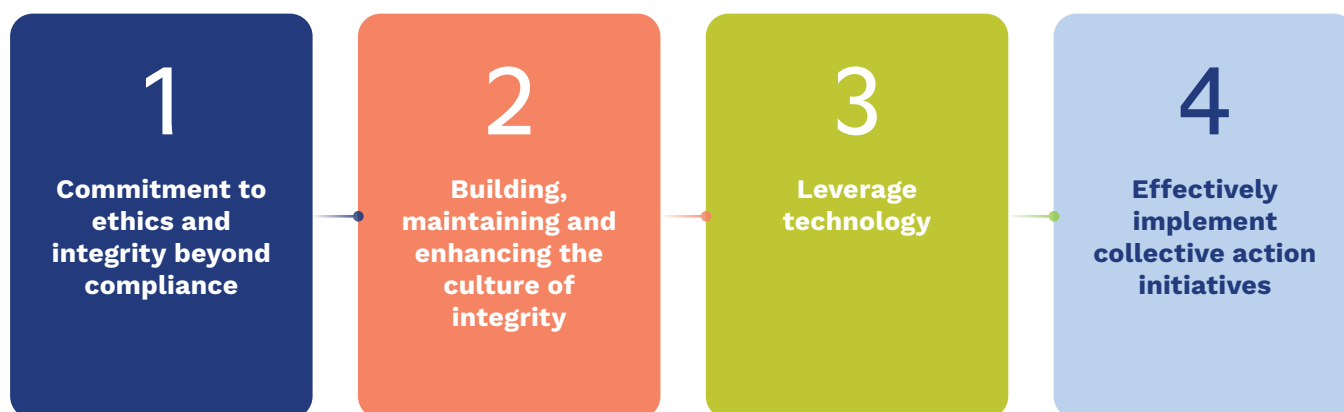
Employee concerns 2023 (including externals)	Raised	Upheld	Dismissed	Action taken
Workplace discrimination concerns (perceived feeling of discrimination)	1	1	–	Yes
Other workplace concerns (failure to comply with legal obligations, such as breach of employment law or human rights obligations)	2	–	2	n/a
Fraud, theft, bribery or other ethical misconduct	–	–	–	n/a
Health and safety or perceived damage to the environment	–	–	–	n/a
Violation of the Temenos Business Code of Conduct	–	–	–	n/a
Actual, potential or perceived conflict of interest	–	–	–	n/a
<b>Total</b>	<b>3</b>	<b>1</b>	<b>2</b>	





## Shaping up the future – Temenos Integrity Framework

The Temenos Integrity Framework is based on the below four pillars (as set by the World Economic Forum):



## Risk management and internal control

Risk management and internal controls provide independent oversight over the portfolio of key risks impacting Temenos and manage emerging risks with a potential business impact. Temenos has established a Group Risk Management function overseen and managed by the Chief Risk Officer (who reports to the Chief Security and Risk Officer) to monitor and manage enterprise risks including the establishment of a Group level Risk Management Framework which is aligned with ISO 31000: Risk management and COSO ERM methodology. In addition to the Group Risk Management Framework, there is also a robust internal control system in place for financial reporting and key operational and fraud risks that goes beyond statutory requirements. All relevant risks are identified, formally assessed and documented. For each risk we have implemented specific controls and mitigation plans and these are documented in formal risk and control matrices. The effectiveness of the controls is regularly evaluated through a formal self-assessment process which is independently reviewed and tested by both internal and external audit.

→ To read more on our Group Risk Management Framework and internal controls, please refer to the Responsible Risk Management – Principal Risks and Uncertainties section of this report

## Compliance training

In addition to acknowledging the Business Code of Conduct when joining the Company and annually thereafter, Temenos employees are required to complete training on the Code and the areas of Anti-Corruption and Bribery, Data Protection and Privacy, and Security Awareness. In 2023, building on our commitment to operate sustainably and responsibly, Environmental Awareness and Business Continuity trainings, aligned to ISO 14001 and ISO 22301 requirements, have become mandatory for all Temenos employees and are included in the Business Code of Conduct mandatory trainings percentage. Specifically, Business Continuity has been integrated into Information Security training and Environmental awareness consists of a standalone training. All Executive Committee members have completed the compliance trainings in all areas. The completion percentages below include all Temenos employees.

Global Temenos 2023 training completion percentage	%
Business Code of Conduct Acknowledgment	99.2
Information Systems Security Acknowledgment	99.2
Business Code of Conduct training	99.2
Anti-Corruption and Bribery training	99.3
Data Protection and Privacy training	99.1
Information Systems Security and Business Continuity	99.0
Environmental Awareness	99.0

## SUSTAINABILITY continued

### Operating Responsibly continued

#### Ethical business continued

##### Compliance training continued

The Anti-Corruption and Bribery Policy and the Anti-Corruption Program include several elements such as proportionate procedures, top-level commitment, risk assessment, integrity due diligence, communication, training, monitoring, review, enforcement and sanctions, with the aim of continuous improvement and alignment with prevailing international standards. The Board of Directors has the highest level of executive oversight for the Company's Anti-Corruption Program. As part of our ongoing commitment to anti-corruption, we have expanded our commitments in this area beyond Temenos, to include our suppliers, Partners and other third parties that have a direct contractual relationship with Temenos. Integrity is a vital part of our business. We also have anti-corruption and bribery provisions in our Partner and contractor agreements as well as in our procurement process with suppliers.

##### Anti-corruption and bribery training dashboard

By function*	No.	Employees trained
General administration	606	99.8%
R&D	2,964	99.1%
Sales and marketing	720	99.6%
Services	1,803	99.5%
Cloud	426	99.3%
<b>Grand total</b>	<b>6,519</b>	<b>99.3%</b>

By region*	No.	Employees trained
APA	379	99.5%
Europe	1,083	99.5%
India	4,221	99.2%
MEA	226	99.6%
NAM	388	99.7%
LATAM	222	100%
<b>Grand total</b>	<b>6,519</b>	<b>99.3%</b>

\* The tables above cover the entire 2023. 54 employees were exempt from mandatory compliance trainings due to long-term leave reasons (sickness, maternity, etc.).





## Information security, cybersecurity, data privacy and business continuity

### Information security

#### Governance

Temenos upholds rigorous governance and oversight of its Information Security and Risk Management Programs. These Programs are under the direct purview of the Board of Directors, which is accountable for guiding and approving the Group IT, Security and Risk strategies. The Board of Directors, with its profound expertise in strategy, finance and technology, plays a crucial role in steering these areas.

In alignment with the Board of Directors' direction, Temenos employs a robust "three lines of defense" model to bolster our business strategy and key initiatives through effective management of risks, security and compliance. This model includes distinct first, second and third lines of defense, led respectively by the Chief Security Officer and the Chief Risk Officer for the first two lines, and the Chief Internal Audit Officer for the third.

The Board of Director's Audit Committee, meeting at least four times annually, exercises comprehensive oversight of the Security and Risk functions, including their strategic direction. These functions regularly report to the Committee, presenting updates on strategy execution, key performance and risk indicators, audit outcomes and significant incidents or findings.

The Temenos Executive Committee, responsible for formulating and tracking the Group's strategic plans, includes information security as a key element. Meetings occur monthly, with broad representation from various business lines. In 2024 Temenos appointed a Chief Security and Risk Officer to the Executive Committee to ensure senior representation of such important, strategic topics within a key management board.

The **Temenos Security and Privacy Committee** is dedicated to overseeing the implementation of global Information Security and Privacy Programs in alignment with our business strategy. Chaired by the Chief Security Officer, the Committee meets at least quarterly and comprises members from diverse functions within Temenos, including Information Security, Privacy, Cloud, IT, Legal, People & Culture, Finance, CSR and Internal Audit, ensuring a comprehensive, cross-functional approach to security and privacy. The Committee is tasked with ensuring that appropriate Security and Privacy policies, guidelines and operating procedures are established, advising the business of obligations and requirements, reviewing significant security incidents and ensuring appropriate resources are provided for the Security and Privacy functions.

#### Chief Security Officer

The Chief Security Officer (CSO) at Temenos is responsible for the first line of defense in the Company, maintaining an organizational structure that guarantees continuous support from specialized security functions in line with the organization's strategic plan.

Within the CSO's domain, Temenos has developed a comprehensive Security Program. This Program encompasses various critical areas: Information Security, Security Operations, Security Risk and Assurance, Physical Security, and Security Culture and Awareness. This multi-faceted approach is designed to holistically address the security requirements of

Temenos systems and networks, our physical infrastructure including facilities and buildings, as well as the Temenos Cloud and its associated services. This structure ensures that all aspects of our operation are robustly protected and aligned with our overarching security objectives.

#### Information Security Framework

The information security team is responsible for building and maintaining the Security Framework, comprised of policies, standards, guidelines, procedures and controls.

The Temenos Security Framework is modeled on the Information Security Forum's Standard of Good Practice, and controls are derived from industry sources such as Center for Internet Security, Cloud Security Alliance, ISO 27001/2, NIST and other internationally recognized frameworks.

The information security team oversees the implementation of security controls by working with relevant stakeholders to identify risks to Temenos information, and application of relevant controls to secure Temenos networks, facilities, devices, applications and systems. Notable controls include Endpoint Detection and Response (EDR), Data Loss Prevention (DLP), Third Party and Vendor Risk Management, Identity and Access Management, Closed Circuit Television, configuration hardening and multi-factor authentication.

→ For more information please refer to the **Responsible Risk Management** section of this report

#### Cloud security

The cloud security team, an integral part of the Temenos SaaS organization, plays a pivotal role in ensuring the security of the Temenos Cloud environments. This team is dedicated to implementing and upholding the stringent controls and tools outlined in the Temenos Cloud Security Terms. Its focus is on maintaining the confidentiality, integrity and availability of our clients' applications and data, a commitment that is at the heart of our service offerings.

This team is a critical element of the Temenos Cloud governance structure, tasked with ensuring that all SaaS services provided to our clients not only meet our obligations but also embody best practices in terms of information security controls and processes.

At Temenos, our commitment to security extends across the entire organization, with a multitude of security controls and Programs rigorously maintained. These measures encompass a broad spectrum of security needs and include, but are not limited to, privileged identity and access management, data loss prevention, advanced email and web security, comprehensive endpoint detection and response, robust anti-malware protection, application whitelisting, meticulous file integrity monitoring, network intrusion prevention systems, web application firewalls, efficient mobile device management, denial of service protection, multi-factor authentication and thorough vulnerability management. Each of these components plays a vital role in fortifying our security posture, ensuring the safeguarding of our systems, data and client trust.



## SUSTAINABILITY continued

### Operating Responsibly continued

## Information security, cybersecurity, data privacy and business continuity continued

### Information security continued

#### Cloud security continued

In 2023 Temenos continued to invest heavily in the security measures of the Temenos SaaS platform and operations centers, including new Clean Room facilities for secure operations, phishing-resistant multi-factor authentication, and enhanced Privileged Access Management technologies and processes to further safeguard our clients' workloads and data.

#### Security Operations Center

The Temenos Security Operations Center (SOC) is a cornerstone of our security Program, tasked with the continuous monitoring of our corporate IT systems, Temenos SaaS platforms, end-user devices and digital services globally. Utilizing leading-edge tools, technology and procedures, the SOC vigilantly detects harmful or malicious activities across a wide array of systems.

In the event of a potential or actual security incident, the SOC is equipped with sophisticated systems and procedures for triage, evidence collection and incident resolution. When necessary, incidents are escalated to higher management for further action.

At Temenos, we understand that incident response is an essential component of operating in the modern technological landscape. To this end, we have established a comprehensive Security Incident Management capability, seamlessly integrated across our business. This system is designed for rapid and effective response to security incidents, both minor and major, and is aligned with the National Institute of Standards and Technology (NIST) Computer Incident Handling Guide.

Furthermore, we have constituted a security incident response team (SIRT), composed of senior management from various key departments, including Information Security, IT, Legal, Cloud and Internal Audit. This team is tasked with overseeing the management of security incidents. Additional experts may be called upon to join the response depending on the specifics of the incident.

The SIRT is charged with ensuring that all necessary actions are promptly taken during an incident, including allocating sufficient resources and prioritizing tasks effectively. The team also ensures that all obligations to affected parties are fulfilled, which may include notifying clients, regulators and investors, among others. Post-incident, the SIRT conducts thorough reviews to identify and implement preventative measures, assigning ownership to ensure these are prioritized and carried out effectively. This comprehensive approach ensures that Temenos not only responds to incidents efficiently but also continually enhances its security posture.

#### Assurance

The integrity and security of Temenos networks and systems are of paramount importance. To ensure this, we have instituted a rigorous Vulnerability and Threat Management Program, which is continuously engaged in assessing potential vulnerabilities. This comprehensive Program encompasses a range of evaluative techniques, including vulnerability scanning, penetration testing and advanced threat intelligence analysis.

These critical security assessments are conducted by our dedicated in-house team of seasoned security experts. This team works closely with system owners and relevant

stakeholders across the organization. Their role is not just to identify vulnerabilities but also to provide expert guidance on the remediation of these vulnerabilities, ensuring that all actions are in strict alignment with our established Security Policy and Standards.

This proactive and thorough approach to vulnerability and threat management is a testament to our commitment to maintaining the highest levels of security, safeguarding our systems and protecting the data entrusted to us by our clients. Through this Program, Temenos continues to fortify its defenses against evolving security threats, ensuring resilience and trust in our digital ecosystem.

#### Security training and awareness

At Temenos, we recognize the vital role that comprehensive security awareness plays in maintaining the integrity and safety of our operations. To this end, all Temenos personnel, encompassing employees, contractors and Partner resources, are mandated to complete thorough Security Awareness training. This training covers a range of critical topics, including phishing, data security, privacy, physical security and business continuity. It is a requirement for all new joiners to Temenos and must be completed annually thereafter.

In addition to our internal staff, all Partners engaged under the Services Partner agreement are contractually obligated to provide their employees, especially those involved in Temenos projects, with Security Awareness and Data Protection training. We also provide specialized training for employees or contractors engaged in particularly sensitive areas, such as cloud operations, product development and our security teams. Our security awareness initiatives are further bolstered by regular activities, including phishing simulation exercises, informative email communications and intranet posts that highlight recent security developments both within and outside of Temenos.

Moreover, Temenos is an active participant in industry-specific organizations, such as the Information Security Forum (ISF), Center for Information Security (CIS) and Cloud Security Alliance (CSA). Our involvement in these organizations allows our Security function to leverage industry best practices, stay updated on evolving threats and continuously enhance the knowledge and preparedness of our security staff. This proactive engagement in the wider security community is a key component of our commitment to upholding the highest standards of security and protecting our systems, data and client interests.







## Product security

Temenos is steadfast in its commitment to continuous security assessment and improvement within its software products, constantly researching the latest vulnerabilities and attack trends. This vigilance is a key component of our secure development lifecycle. Identifying vulnerabilities involves comprehensive testing of target applications using a diverse array of methods and tools. Our dedication to product security is so deeply ingrained in our product development methodology that we confidently assure a significant reduction in the risk of security issues within our product suite.

Any architectural changes or new products undergo a meticulous review process. These are presented to the Security Design Authority for a global assessment and approval. Our secure design, development and review process is meticulously crafted to ensure the implementation of fundamental security principles, such as:

- identifying potential flaws or vulnerabilities in the initial phase of design and development, prior to the coding process;
- developing code securely and ensuring the implementation of security controls identified during the design phase;
- adhering to secure coding practices;
- conducting unit testing of the security features of the application, performing security audits and code reviews, and utilizing automated code review tools; and
- ensuring that security recommendations are implemented and approved.

For enhancements to information systems or new product requests, the product development team collaborates with the product security assurance (PSA) team. These requests are meticulously reviewed for security design and tested using a combination of OWASP ASVS and Top10, SANS and specific test scenarios crafted by Temenos. The testing results are then reviewed and approved by the PSA team.

The security testing of our products, an integral part of the release process, is conducted by the product security assurance team. This testing includes:

- Secure Code Review;
- Static Code Analysis (SAST);
- Open-Source Library Analysis (OSL);
- Malicious Code Detection;
- Dynamic Application Security Testing (DAST); and
- Internal and External Penetration Testing.

Vulnerability findings, complete with recommendations, are shared with development teams for remediation. All identified issues are meticulously recorded in our Incident Management tool. Additionally, critical applications undergo a malicious code review conducted by the Product Security Assurance team, which includes examinations for application backdoors and potential for security control bypass. This comprehensive approach ensures the utmost security and integrity of our products, reinforcing our unwavering commitment to safeguarding our clients' interests.



## SUSTAINABILITY continued

### Operating Responsibly continued

## Information security, cybersecurity, data privacy and business continuity continued

### Data privacy

#### Privacy organization

The Chief Compliance Officer (CCO) leads our global privacy function and has global responsibility for privacy throughout the Company, including our cloud, product and corporate business units. The CCO reports directly to the Audit Committee. Temenos operates an enterprise-wide privacy framework to drive and monitor privacy compliance. Important components of this framework include:

Business area	Key privacy activities and controls
Product	<p>Our privacy team is embedded within our product development teams to ensure that we deliver products that honor Privacy by Default obligations; key controls include:</p> <ul style="list-style-type: none"><li>• an automated system to enforce and manage Privacy Impact Assessments at key stages in the Software Development Lifecycle (SDLC); and</li><li>• delivering bespoke privacy training to technical product teams to ensure that privacy concepts are well understood and practically applied.</li></ul>
Cloud	<p>Our privacy team supports our cloud business on a daily basis; key controls include:</p> <ul style="list-style-type: none"><li>• undertaking Privacy Impact Assessments when we onboard cloud clients. These assessments are used to identify/honor applicable data privacy regulations and to create records of processing within our enterprise privacy management system;</li><li>• delivering bespoke privacy training to our global cloud implementation and operation teams; and</li><li>• supporting security incident investigations.</li></ul>
Corporate	<p>Our privacy team supports our corporate functions such as sales, marketing, procurement, People &amp; Culture and finance by:</p> <ul style="list-style-type: none"><li>• maintaining our records of processing;</li><li>• completing Privacy Impact Assessment for the introduction of new systems and processes; and</li><li>• delivering bespoke training to high-risk functions such as Marketing and People &amp; Culture.</li></ul>

#### Privacy regulations

We operate globally and therefore monitor for and align to regulations across the globe. Notable new and changed privacy regulations that we have aligned to in 2023 include the Indian Data Protection Act, the Personal Information Protection Law of the People's Republic of China (PIPL), US state privacy laws and the Swiss Federal Act on Data Protection.

#### How Temenos uses data

Temenos processes personal data only for the purpose it was originally collected as per the applicable legal basis of processing. Personal data is not processed for any other secondary purpose. Access to that data is restricted to the people responsible for the specific processing activities. Temenos has never received any requests for customer information from government or law enforcement agencies and we comply with all reporting requirements in this regard. In addition, the Company has neither received any substantiated complaint concerning breaches of customer privacy and losses of customer data in 2023, nor have there been any monetary losses as a result of legal proceedings associated with user privacy.

#### Data request management

We take our role as a data controller seriously and respect all rights of our data subjects including their privacy and broader human rights; for example, we notify our employees of any data that we are required to legally share with government or law enforcement agencies. Additionally, any government data requests are overseen by our Chief Compliance Officer, who is responsible for evaluating and responding to law enforcement or government data requests. Any evaluation takes into account the privacy and human rights of our data subjects by doing a risk assessment. In the event that an investigation results from a government data request, our Chief Compliance Officer is also responsible for leading the investigation and implementing any corrective actions.

#### E-privacy

The Temenos Privacy Policy is available on our website. We also maintain an Employee Privacy Notice. The users that opt in to our targeting/advertising cookies on [temenos.com](https://temenos.com) may see our display advertising banners; additionally, users that search on Google for terms relevant to our business may see our ads. Personal data is not used in either case. The nature of our products and services means that they are not subject to government-required monitoring, blocking, content filtering or censoring.



## Artificial Intelligence governance

At Temenos we recognize the contribution AI can make to our success and that of our clients. However, we are also keenly aware of the risks that AI might pose and of the concerns of all stakeholders who may be impacted by AI. In the near future we do expect to see AI legislation within the sector; however, until then we have implemented our own enterprise-wide AI governance framework, overseen by our Chief Compliance Officer, to help manage the risk. The key components of the framework include:

- mandatory completion of AI impact assessments for AI initiatives. The scope of these assessments includes accountability, transparency, fairness, reliability and safety, privacy and security, and inclusiveness;
- review of AI projects by our AI Committee and optionally our CSR and Ethics Committee when necessary;
- addition of AI considerations into our Code of Conduct and Employee Privacy Notice;
- addition of AI considerations into the Temenos Implementation Methodology; and
- additional training provided to AI project staff.

## Business continuity

Temenos has an ethical and social responsibility to protect its people, assets, clients and stakeholders from the potential impacts of business disruption. This understanding is at the core of our business continuity activities.

Temenos has established a Business Continuity Management (BCM) Program, which effectively contributes to the protection of the organization, provides a resilience framework reassuring the delivery of services to clients and enables the organization to achieve its strategic objectives. BCM establishes and maintains a framework of procedures and plans that aim to prevent interruptions to mission-critical services and re-establish the efficient and cost-effective resumption of business. The aim is to:

- protect the organization and its business, including employees, assets (information and physical assets), customers and shareholders, by minimizing the impact of major disruptions;
- understand and communicate the recovery needs of the business and ensure appropriate recovery capability is provided to meet those needs;
- recover the business in a planned and controlled manner to meet the requirements of the business and comply with applicable laws, contracts, regulations or other factors in all regions;
- ensure that BCM is an essential part of business planning and development; and
- maintain a robust Business Continuity Management System (BCMS).

Temenos BCMS is ISO 22301:2019 certified and associated with the operation and support of the Temenos products and services. It covers both on-premise and cloud services to customers.

## Responsible procurement

Beyond our operations, our commitment to operate responsibly and sustainably extends to our suppliers and Partners. Temenos has integrated sustainability considerations in its Procurement Policy and practices and expanded to a strategic procurement operating model that proactively engages the business and suppliers for sustained cost efficiency, enabled innovation and operational risk mitigation in the supply chain.

We employ a responsible strategic sourcing process for categories of supply considered critical for our business (focus suppliers). The suppliers that are critical for our business are:

- suppliers that provide goods and/or services that are directly linked to Temenos products and solutions;
- suppliers that have access to and/or process our employee or Company data;
- suppliers that connect to our systems or require access to Temenos intellectual property or confidential information; and
- suppliers that provide technical or IT services and/or software products that involve intellectual property licensing.

Sustainability and operational risk assessments are part of the supplier selection process. For the risk assessments, we use a Supplier Questionnaire that covers areas such as business and ethical conduct, environment, human and labor rights, impact on society, client privacy and information security, financial and legal compliance requirements. Our Supplier Questionnaire is aligned with the ten principles of the UN Global Compact and the EU General Data Protection Regulation 2016/679.

Since 2021 we use a third party supplier risk management software to proactively map risks using external data to enable predictive risk management and planning; and influence suppliers by implementing a new Compliance Framework to plan, execute, monitor and assess shared strategic sustainability goals.

Our [Supplier Code of Conduct](#) lists our commitments and expectations as well as the requirements for our suppliers in adhering to our responsible ways of doing business and is integrated as a clause into contracts and Purchase Order Terms and Conditions. We expect our suppliers to champion these values in their own supply chains, while encouraging them to develop responsible practices of their own and communicate any concerns they might have related to a possible breach of our Code through the Anonymous Reporting mechanism.

The Supplier Code of Conduct and all relevant information related to our Purchase Order Terms and Conditions and invoice guidelines are publicly disclosed on our corporate website in a dedicated supplier section.





## SUSTAINABILITY continued

### Operating Responsibly continued



#### Responsible procurement continued Spending on local suppliers

We recognize that a supply chain composed of diverse suppliers promotes competition and quality from our vendors, drives innovation and helps us better reflect the diversity of our clients. We are proud to work with a range of diverse and dynamic suppliers that can meet the specific needs of each business line. We build and maintain relationships with both small local suppliers and large international suppliers. The percentage of the procurement budget used for our top significant locations of operation spent on suppliers local to that operation (such as percentage of products and services purchased locally) is as follows:

Top 15 countries based on headcount*	% purchases from local suppliers
India	98%
US	82%
UK	86%
Romania	98%
UAE	73%
Australia	78%
Luxembourg	89%
Canada	89%
Singapore	69%
Greece	89%
Ecuador	96%
Switzerland	54%
Mexico	47%
Germany	97%
France	93%

\* Highest: 4,277; lowest: 57.

The reported local spending contains all purchases performed by the Temenos local entity from local suppliers, i.e. suppliers that are registered in the same country as the Temenos entity that pays them.

#### Responsible procurement framework 2021-2025

We have established a responsible procurement framework to track our current achievements and long-term goals in delivering sustainable outcomes. A detailed view of our goals is provided in the Goals and Targets section.

#### Supplier Diversity Framework

As part of our ongoing plan to integrate ESG into our value chain, we have established a comprehensive framework to ensure that we are not only providing opportunities for diverse businesses, but also incorporating supplier diversity as a weighted criterion in the supplier selection and renewal processes.

We have developed a section dedicated to supplier diversity and incorporated it into the Supplier Questionnaire that our focus suppliers need to complete during the onboarding process. We collect and analyze supplier diversity data in order to assign a diversity score to each of our focus suppliers. Supplier diversity score is taken into account during the supplier selection and renewal processes.

We consider as a diverse supplier any business that is at least 51% owned, controlled or actively managed by any of, but not limited to, the following categories:

- woman/women;
- LGBTQIA+;
- disabled person(s);
- veteran(s); and
- Asian/Black or African American/Hispanic or Latino/Native American (US only).

We have invested in a robust supplier diversity platform powered by Supplier.io, which provides us with a comprehensive database including more than 2 million suppliers. The platform enables us to better track our diverse suppliers in the US and globally. In addition, we monitor our new diverse suppliers on a regular basis, through our global vendor management system.

In 2023, our commitment towards sustainability and supplier diversity was expanded further. We collaborated with one of our clients, a top US-based bank, and committed to reporting our spend with diverse suppliers on a quarterly basis. By doing this, we are honored to participate and contribute to the bank's tier 2 supplier diversity Program.



Through the Temenos Supplier Diversity Framework, we foster a sustainable, diverse and inclusive supply chain.

#### 2023 progress

# 62%

of suppliers assessed have launched or plan to launch a supplier diversity framework

# \$7.9m

spend with diverse suppliers globally





# 3 Caring for the Planet

## Environmental responsibility

With the continued global spotlight on the critical issue of climate change and the fast-evolving regulatory landscape, we recognize the importance of understanding and taking action on our material environmental impacts, risks and opportunities. While fully complying with all relevant environmental laws and legislation at our office locations globally, we support a precautionary approach to environmental challenges on our own initiative and an environmentally responsible way of conducting our business. We believe that environmental sustainability is not just a business imperative but also a moral responsibility. We are committed to leading by example and demonstrating that businesses can operate profitably while also minimizing their environmental impact and contributing to a more sustainable future.

Temenos is committed to:

- operating in a sustainable and responsible manner, recognizing the critical importance of environmental stewardship in addressing the challenges of climate change, nature and biodiversity loss;
- aligning our operations with existing and new regulatory requirements and voluntary frameworks, to achieve net-zero greenhouse gas emissions by 2050, including and not limited to the 1.5°C Business Ambition of the Paris Agreement, the EU CSRD and international guidelines related to disposal of electronic waste;
- developing and deploying innovative technology solutions that help banks and financial institutions manage their environmental footprints, invest in sustainable initiatives and meet their net-zero commitments;
- continuously identifying opportunities to increase our energy efficiency and reduce GHG emissions both in our operations as well as in our value chain, with the aim to improve our overall environmental footprint; and
- monitoring our global environmental footprint and transparently reporting on our progress.

The Temenos Environmental Roadmap supports the UN SDGs and the transition to a net-zero economy and is structured around four areas: Environmental Policy and Management System, People Environmental Awareness, Climate Change Strategy, and Environmental Monitoring and Reporting.

In addition, we are embracing the new EU Corporate Sustainability Reporting Directive (CSRD) requirements, which aim to enhance transparency and disclosure of climate-related financial risks.

## 2023 key highlights

### SBTi

positive progress towards our validated near-term science-based target

### Zero

instances of non-compliance with environmental laws and regulations

### 73%

ISO 14001:2015 certification coverage

## Contributing to the UN SDGs



We are empowering our clients to make the transition to net-zero, enabling them to meet their sustainability goals while navigating the evolving regulatory landscape.





## SUSTAINABILITY continued

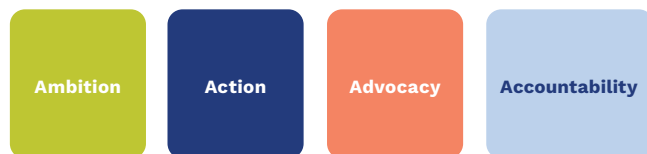
### Caring for the Planet continued

#### Our Guiding Decarbonization Framework

As Temenos keeps an eye on the increasing regulatory expectations in the EU, the US and the rest of the world, we have adopted the 4A framework of Ambition, Action, Advocacy and Accountability, to guide our development of a credible transition plan, aligned with national commitments and international climate agreements.

This framework provides a structured approach to Temenos transition planning. **“Ambition”** drives our goals for an economy-wide net-zero transition, prioritizing direct emissions reduction and considering all relevant stakeholders. **“Action”** translates strategic objectives into concrete short- and medium-term steps, integrating the plan with business operations and addressing uncertainties. **“Advocacy”** enables collaboration with the wider stakeholder groups to achieve long-term success by aligning with evolving regulatory requirements and minimizing risks. **“Accountability”** emphasizes the importance of robust governance mechanisms, incentivization, transparent reporting with quantified metrics and external verification.

#### 4A Framework



#### Ambition

Temenos is committed to aligning our business with the vision of a net-zero world by collaborating with our stakeholders across the value chain.

#### Action

##### Environmental management and awareness

Our Global Environmental Management System (EMS), the ISO 14001 EMS certification and our Employee Awareness Program are key tools for Temenos environmental performance and the transition to a low-carbon economy. We are committed to measuring, monitoring and reporting our environmental footprint and guiding our journey towards net-zero, across the whole value chain, including our own operations, our products and services and our supply chain.

##### Environmental Policy and Management System

###### Objective:

increase coverage of ISO 14001 certification across our global operations

The ISO 14001 certified Environmental Management System (EMS), based on the principles of continuous improvement, supports our commitment of minimizing our environmental impact, including efficient management of energy, water and waste, and provides us with a framework for achieving compliance against current and upcoming environmental legal regulations and stakeholders' requirements. It also enables us to use transparent and accurate environmental data to monitor progress towards our action plans and the achievement of our near-term science-based target. Our CEO is responsible for the [Global Environmental Policy](#) and the management team is periodically reviewing the progress and compliance. The local EMS teams, led by dedicated and trained office managers, are responsible for the annual targets, the monitoring of the action plans, the implementation of

### Ambition towards net-zero

2017  
Global  
Environment Policy

2019  
SBTi year of reference

2022  
1.5°C-aligned target validated  
by SBTi (near-term)

2018  
Launch of Temenos Global  
Environment Management  
System and ISO 14001  
certification of India: Chennai  
and Bangalore offices

2020–2021  
>70% ISO 14001 coverage\*:  
India, Romania,  
Luxembourg and UK

2023  
TCFD report: Quantification  
of Risks & Opportunities  
and Scenario Analysis

\* Based on total employee workforce, including all acquisitions.



operational controls and the reporting of the environmental performance (energy, water, waste and GHG emissions) and the Global Sustainability and Environment Head is responsible for the rollout of internal and external audits.

→ [Read more here: Sustainability and Environmental Responsibility](#)

## Facilities

All Temenos offices are located in large, leased office buildings close to city centers and outside protected lands and habitats, following our commitment to respect legally designated protected areas. The Temenos offices are designed internally in such a way as to fully utilize natural resources, like the sunlight, or make efficient use of the office space (open space externally used as patios) and to create an excellent working environment. We have incorporated environmental requirements into our corporate facilities management practices and developed a comprehensive facilities management strategy that incorporates both financial and non-financial criteria for new property leases (procedure and standards for selecting a new property) and for renewal of existing leases.

At the end of 2023, our offices in Mexico City, Canada, Miami, Orlando, Madrid, Bucharest, Amsterdam, Krakow, Paris, Singapore, Taiwan, India, Hyderabad and Johannesburg were certified for their environmental performance as per a sustainable/green building standard, such as BOMA 360 and Best Gold, LEEDS Gold and Silver, Energy Star, BREEAM, Green Star, Green Mark Gold Plus and IGBC Gold, on their own initiative. We continuously pursue initiatives to improve energy efficiency and reduction of carbon emissions at a time of ongoing growth of our business.

To achieve our targets, we mitigate our environmental impact by incorporating operational control measures and clean technology in our facilities, such as:

- installation of electricity and water motion sensors in common areas;
- installation of smart metering with real-time data;
- upgrades of A/C systems and consolidation of critical rooms (data center server rooms and switch rooms);
- use of LED lights;
- use of ID secure printers;
- monthly preventive maintenance of office facilities, servers, diesel generators, UPS and fire preventive equipment;
- use of electricity from renewable sources;
- investing in landscaping and plantations;
- construction of organic waste converter and garbage room to recycle wet waste (India);
- installation of reverse osmosis plant in series with existing STP, to enable HVAC systems to utilize recycled water (India);
- solar energy rooftop plant and application of "solar reflective paint" on the terrace in all the exposed areas (India); and
- installation of EV charging points in the parking lots with more planned as per increase in EVs (India).

### 2023 highlights

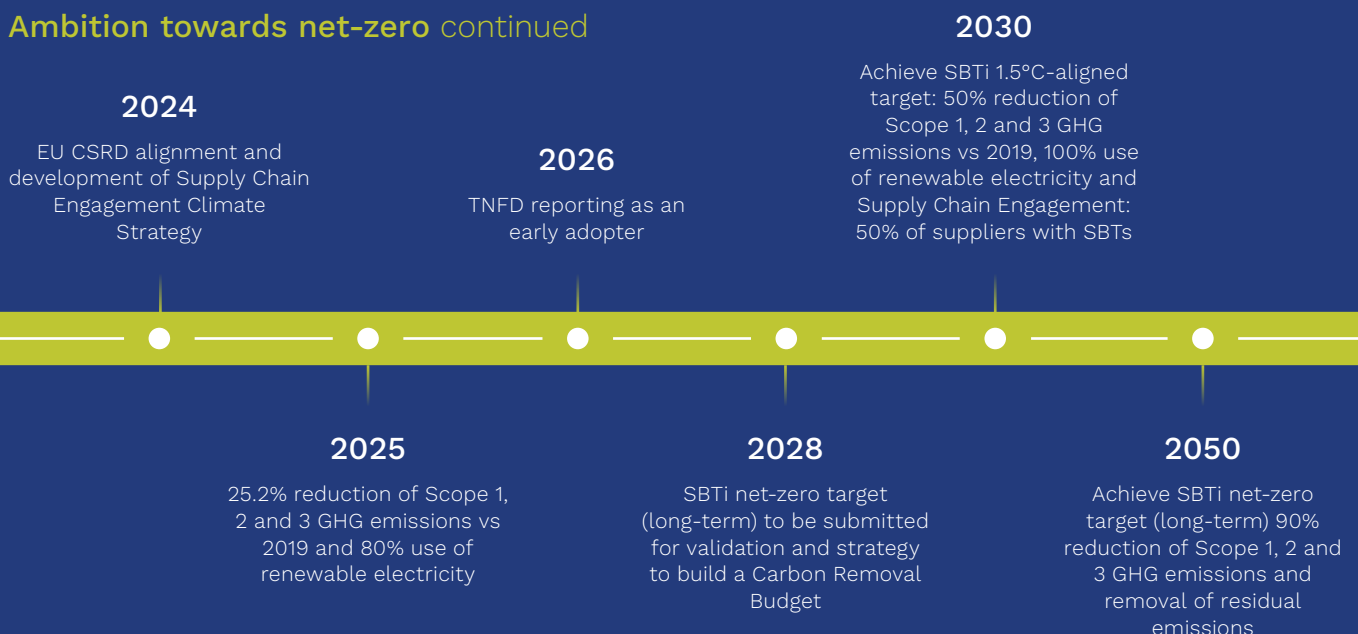
**34.5%**

Green Building Certifications

**24,298m<sup>2</sup>**

total occupied area certified

## Ambition towards net-zero continued





## SUSTAINABILITY continued

### Caring for the Planet continued



#### Case study

#### Energy conservation in India offices

In multi-tenant buildings, like the Bangalore IBC and Chennai KG offices, most of the significant energy consuming equipment like air handling units, lifts, etc. is owned and managed by the landlord, so the India EMS team has engaged an expert to conduct a comprehensive energy audit on site. As a result, one of the recommendations on energy conservation was to improve the UPS utilization efficiency through optimization, i.e. removing one UPS by connecting the load to another UPS without distracting the operation, and to remove the dedicated A/C units. This project has resulted in saving 77,964kWh of energy (3% of total building energy consumption) and 57 tCO<sub>2</sub>e emissions per year, translating to approximately 33,658 USD of operational cost savings per annum.

### Action continued

#### Environmental management and awareness continued

#### Products and services

##### Objective:

incorporate sustainable software engineering practices into each stage of our products

Since 2022, we have been engaging with GoCodeGreen, an independent climate tech company dedicated to measuring the carbon efficiency of software products, to provide us with a clear understanding of the carbon footprint of our products, in order to improve our software engineering practices and reduce the carbon impact. Kicking off this project, we assessed the release and use stage of our Transact product and we identified key actions to improve the carbon efficiency that can result in sector-leading performance.

Building on the momentum, during our recent 30<sup>th</sup> Anniversary Hackathon, expert trainers from GoCodeGreen encouraged our Temenosians to consider climate change and efficient coding in their prototypes. To motivate and educate our hackers, the first 300 to register for the event were given access to GoCodeGreen's Digital Sustainability Foundation course, to ensure their submissions were built in a climate-friendly and efficient way.



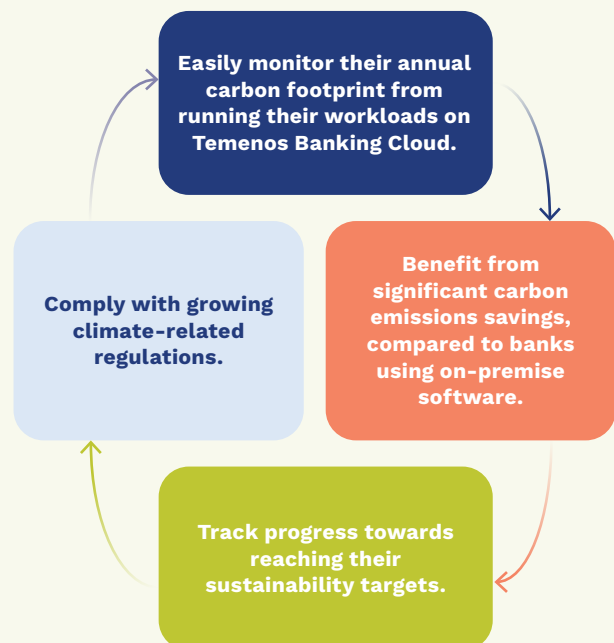
#### Case study

#### Temenos Carbon Emissions Calculator

Innovating with purpose is fully integrated into our culture. It is how we take care of the world around us and it is how we deliver value to our clients, our Partners and the communities we serve across the globe. Climate change is a pressing global challenge and with new regulations coming into play, banks are looking for new ways to measure and mitigate their carbon emissions.

To support banks in their race to net-zero, Temenos has launched its Carbon Emissions Calculator on the Temenos Banking Cloud. This industry-first and independently verified solution is powered by hyperscalers and gives our clients deeper, data-driven insights into their carbon emissions. The calculator is embedded into the Temenos Banking Cloud and offers these insights at no extra cost to our clients.

Through the Temenos Carbon Emissions Calculator our clients can:







## Employee environmental awareness

### Objective:

engage all Temenosians towards a more sustainable lifestyle inside and outside the workspace

In order to reduce our environmental footprint and address climate change, we are committed to raising environmental awareness of our employees through training opportunities and voluntary environmental initiatives. To show our support, we recognize their contribution to address climate-related issues and environmental impacts inside and outside the Temenos workplace through the T-Stars Awards or the annual Temenosian Awards.



### Case study

## Cultivating environmental innovation among employees

Temenos held its 30<sup>th</sup> Anniversary Hackathon, which saw 350 Temenosians respond to the challenge and generate over 69 new prototype ideas in just 48 hours. One of the winning teams, Green SaaS, proposed and built the prototype for "Carbon Aware SaaS" to help banks on their decarbonization journey. The Green SaaS team leveraged the power of Temenos Transact, FCM and Infinity. This innovative solution focused on measuring the GHG emissions within a bank's value stream. The event was a testament to Temenos' commitment to innovation and sustainability, and its dedication to fostering a culture of creativity among its employees.

### Environmental awareness training

We invest in our employees' environmental training and encourage them through targeted awareness campaigns to adopt a sustainable lifestyle in their work as well as in their everyday life, to help minimize their environmental impact, conserve natural resources and protect nature, biodiversity and local ecosystems. Since 2023, we have launched a mandatory environmental awareness training for all Temenos employees. We also invest in the continuous education and development of our EMS core team members and we are committed to developing ISO 14001 certified internal auditors.

### Environmental voluntary initiatives

We educate ourselves through action and spread environmental awareness by organizing voluntary activities around the world. In 2023, our Mission Earth Team, a group of passionate and dedicated Temenosians, continued its mission to promote environmental awareness and stewardship across our global community. Through nine insightful internal meetings and our first-ever co-hosted environmental event with one of our suppliers, the team delved into critical environmental topics such as mass extinction, minimalism, e-waste, green buildings, biodiversity, plastic pollution, climate change, environmental health, toxic ingredients and "green" holidays. The discussions and activities fostered a deeper understanding of these pressing issues and inspired Temenos employees to take action for a more sustainable future.

→ [Read more here: Volunteering for the Environment](#)

### 2023 highlights

**99%**

trained employees

**100%**

of ISO 14001 certified internal auditors per region

**300+**

active members of Mission Earth Team from 33 countries

**9**

Mission Earth Team meetings

**1**

first-ever co-hosted environmental event with one of our suppliers

**1,165**

volunteering hours



## SUSTAINABILITY continued

### Caring for the Planet continued



#### Action continued

##### Environmental management and awareness continued

##### Event Sustainability Management System

###### Objective:

organize ISO 20121 certified sustainable events, in order to minimize our negative environmental impact in the areas of waste, water, energy and air quality and maximize our positive social and economic impacts of such events

Integrating sustainability into our corporate, sponsored or other types of events and ensuring that our event planning operates with the same high sustainability standards as our core business proves our commitment to respecting the principles of sustainable development. Therefore, we have a Sustainable Event Planning Policy, which is linked to the Global Environment Policy, as part of the Temenos Code of Conduct and the Temenos Supplier Code of Conduct, and our two main corporate events, TKO and TCF, are ISO 20121 certified.

→ [Read more here: Sustainable Event Planning](#)

#### Climate change strategy

##### Business Ambition for 1.5°C

## 1.5°C

aligned officially validated science-based target by the SBTi

## 50%

absolute reduction of Scope 1, 2 and 3 GHG emissions by 2030 with 2019 baseline year

## Net-zero

emissions by 2050 with 2019 baseline year

## TCFD

recommendations integrated into strategy

Temenos considers climate change as a business imperative. We believe that how we address climate risks matters to our business, to the community and to the planet. It is important for us to understand the material financial implications of climate change on our operations, supply chain and product offering. As part of our environmental responsibility strategy, we are committed to:

- measuring our global impact and implementing climate risk mitigation and adaptation measures through energy reduction and emission avoidance initiatives;
- contributing to the reduction of GHG emissions and investing in energy efficiency measures including a progressive transition to purchasing renewable electricity in our own operations;
- providing our clients with the tools to reduce their or their clients' carbon footprint, improve their environmental performance, reach their sustainability targets and enable them through their net-zero journey; and
- collaborating with our suppliers and Partners to decarbonize the value chain.

Our Climate Transition Action Plan, our TCFD and CDP reporting and our commitment to the SBTi reflect our strong commitment towards our vision of an inclusive and sustainable world together with our stakeholders. Our Climate Transition Action Plan sets out time-bound actions, targets and KPIs designed to deliver an emissions reduction pathway consistent with the 1.5°C ambition of the Paris Agreement. Our primary focus until 2030 will be on emissions reduction, not offsetting. Temenos' Climate Transition Action Plan has identified four key areas to facilitate the transition to a net-zero economy, by aligning our entire value chain to a 1.5°C emissions trajectory: incorporation of TCFD recommendations, implementation of emission reduction initiatives for our operations, supply chain engagement and client enablement.



## Temenos' Climate Transition Action Plan

Collaboration with all stakeholders to reduce Scope 1, 2 and 3 GHG emissions throughout the value chain:

**1. Strategy:** Incorporate TCFD recommendations into our ESG strategy, in order to ensure business decisions and strengthen our Company's resilience, while minimizing our impact on the environment.

**2. Operations:** Increase the energy efficiency and the use of renewable energy, in all operations (including offices, own and collocated data centers and cloud).

**3. Suppliers:** Engage with critical suppliers, supporting them to achieve net-zero, by encouraging them to commit to the SBTi.

**4. Clients:** Accelerate the digital transformation from on-premise to cloud solutions, by the use of the Temenos Banking Cloud (TBC), enabling our clients to increase their energy efficiency, reduce their GHG emissions and get a deeper insight into carbon emissions data associated with their consumption of TBC services, through our industry-first Carbon Emissions Calculator.

### 1. Integrating TCFD recommendations into business strategy

#### Objective:

make better informed business decisions and strengthen resilience

Since 2021, we have adopted the recommendations of the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD) and published our first qualitative TCFD report on climate-related risks and opportunities. By engaging with external consultants, we are committed to improving our scenario analysis and the quantification of the identified impacts. Based on the risk assessment, we set mitigation and adaptation measures and internal targets to manage these climate-related risks and opportunities. In 2023, we have conducted a gap analysis towards aligning our TCFD reporting with the IFRS S1 and S2 standards, ensuring our commitment to robust and transparent climate-related financial disclosures.

**Mitigation measures:** Our aim is to reduce our operational carbon by implementing a series of key initiatives, in order to improve energy efficiency, reduce emissions and invest in

carbon capture projects for the carbon emissions we cannot reduce or replace, such as: implementation of our ISO 14001 certified Global EMS, increased internal communication and mandatory environmental training, investment in virtual collaboration and communication technologies, travel and global mobility policies, implementation of a facilities management strategy that incorporates environmental criteria for new property leases and for renewal of existing leases, energy efficiency joint activities with the landlords in the buildings we lease, partnerships with suppliers and event management vendors with the same mindset, internal carbon pricing for flights and investment in carbon credits. In addition, Temenos has committed to, gradually and wherever possible, migrate from carbon-based electricity (generated by fossil fuels) to low-carbon electricity (renewable and decarbonized energy). The goal is to increase the use of renewable energy and the energy efficiency in our operations and hence reach net-zero of our Scope 1, 2 and 3 GHG emissions, at a rate compatible with the SBTi methodology, by 2050, with 2019 as the baseline year.

**Adaptation measures:** Based on the Temenos risk management methodology, physical risks have been identified per each region. Our operations in India, the region with the most anticipated adverse effects from climate change out of all Temenos locations, have been rated to have negligible to low financial impacts. However, we are proactively implementing physical climate risk adaptation measures, based on a three-year time frame. As an overall plan, Temenos has in place an ISO 22301 certified business continuity plan to prevent or minimize any adverse impacts and ensure the continuity of services to our clients, should such events occur. Key components of the plan include back-up processes of data centers from primary to secondary locations, switching computing to other sites, using back-up generators and UPS systems, internal corporate IT service continuity and disaster recovery plans, supplier contingency planning, crisis management and major incident handling procedures, property insurance covering SFTI risks and employee mobility, specific per location. Also, Temenos offices are located in large, leased office buildings, where such physical risks are included in the lease agreement. As a region-specific plan, please see the table below:

Physical climate risk	Identified region	Adaptation measures
Extreme heat	India, Indonesia, Singapore, United Arab Emirates, Australia	<ul style="list-style-type: none"> <li>Incorporation of extreme heat conditions in emergency response plans (part of ISO 14001 and ISO 22301)</li> <li>Operation of back-up generators and UPS systems in case of power outage</li> </ul>
Water shortage	India	<ul style="list-style-type: none"> <li>Assessment of high-risk depletion areas (Telangana State vs Tamil Nadu and Karnataka) and proactive reduction of Hyderabad data center</li> <li>Reuse of recycled wastewater within the building complex</li> <li>Plan for rainwater harvesting on site</li> </ul>
Floods	Europe, India	<ul style="list-style-type: none"> <li>Implementation of spill prevention and management procedures (ISO 14001)</li> <li>Incorporation of flood hazard in emergency response plans for employees and assets</li> </ul>
Hurricanes	Americas	<ul style="list-style-type: none"> <li>Ensure continuity of business by switching computing to other locations (ISO 22301)</li> </ul>





## SUSTAINABILITY continued

### Caring for the Planet continued

#### Action continued

##### Climate change strategy continued

##### Temenos' Climate Transition Action Plan continued

##### 2. Operations

##### Objective:

increase the energy efficiency and the use of renewable energy, in all operations

##### Offices

##### Renewable energy

Temenos commits to transition, wherever available and possible given the challenge of leased property, to energy suppliers with renewable energy, towards our journey to a low-carbon economy. During 2023, the majority of our offices have either switched to renewable electricity sourcing from their local suppliers, or purchased Energy Attribute Certificates, accounting for 85.7% of our total energy consumption.

##### Energy efficiency audits

The objective of the energy audit work is to identify, evaluate and substantiate measures to save energy resources, increase energy efficiency and reduce pollutant emissions. During the energy audits, various criteria are taken into account, such as wall thickness, type of masonry, type of roof, condition of basement, condition of heating columns, performance of heating or ventilation system. All this information is obtained by on-site research of an authorized auditor, from specific documents, from information from the building owner or by specific measurements.

Our European offices in Germany, Luxembourg and Romania, which qualify under the guidelines set by the EU Energy Efficiency Directive, are undergoing energy efficiency audits every four years. At our UK offices, as part of Energy Savings Opportunity Scheme 2015 (ESOS) requirements, we engaged a third party to conduct energy efficiency audits in line with the BS EN 16247 standard and identified opportunities to improve our energy efficiency. By the end of 2023, our UK offices achieved a 32% reduction in energy use vs 2022, by optimizing use of the facilities in collaboration with the building management companies, as well as installing LED lighting with automatic sensors and automatic meter reading for electricity consumption. Our UK offices are also compliant with the ESOS Phase 2, the mandatory energy assessment scheme, according to which large organizations are required to assess their energy usage every four years and to find new ways to save energy, as well as with the new Streamlined Energy and Carbon Reporting (SECR) scheme, the mandatory annual reporting of energy consumption of GHG Scope 1 and 2 emissions and energy efficiency initiatives. During 2023, following a multi-site energy efficiency audit, we have rolled out targeted energy conservation measures in all our offices in India, such as balancing energy loads, upgrading air conditioning systems and optimizing UPS operation, as per ASHRAE level 2 guidelines, in order to guide Temenos' climate change strategic plan.

##### Data centers and cloud

##### Strategic planning of data centers (SASB TC-SI-130a.3)

We recognize that data centers can make a substantial contribution to climate change mitigation, if implementing a comprehensive set of energy efficiency practices, and that cloud and SaaS products can lead to a more efficient use of energy and can contribute to mitigating climate change effects through replacement by digital services.

##### Own data centers

We are reducing our data centers' carbon footprint by carefully considering our platform design and leveraging our multi-tenant architecture. We choose to repurpose our existing servers; when a server is no longer suitable for its current workload due to age or performance restrictions, we investigate options of repurposing it for another function inside the organization. By doing so, we can extend its life and reduce e-waste by delaying the purchase of a new one. We also apply hyperconvergence, an IT infrastructure technique that consolidates compute, storage and networking resources into a unified system, helping to reduce data center complexity and footprint. Whenever needed, we opt for selection of the most efficient power supply on server, optimum airflow management and cooling and decommission of underutilized servers to avoid waste of power/cooling, thus reducing further our carbon footprint. During the past few years, we have shut down our own data centers in Brussels and Luxembourg and reduced the size and the electrical load of our data centers in Hyderabad, India, considering the high-risk water stress of the area, based on the WRI's Water Risk Atlas tool, Aqueduct. Since 2020, we have rolled out an energy project in our own data centers in India, Chennai/Bangalore/Hyderabad, based on the recommendations of the ASHRAE level 2 guidelines of the 2021 energy efficiency audit. This project, planned to be delivered by the end of 2025, includes smart metering installations, to better monitor energy consumption and PUE, as well as energy efficiency upgrades and renewable energy sourcing.

##### Collocated data centers

Most of our IT infrastructure is in facilities managed by third party companies, specialized in data center services, where we do not procure the energy or control the operations of the buildings, the so-called collocated data centers. Since 2015, we have been running a consolidation project with a goal to keep two collocated data centers per continent. We highly recognize the value added in allowing experts with green initiatives in place to manage the IT environment, including air cooling, gray water usage, power usage effectiveness ratio, renewable energy use, etc. We work very closely with these collocated data centers on our sustainability journey and choose to collaborate with those which have sustainability goals and monitor their performance, in order to best mitigate the risks of climate change. In regions with stringent regulations regarding carbon emissions and energy efficiency mitigation plans, like Europe, we select to partner with collocated data centers which utilize 100% renewable energy, using hydropower, shift towards cold-aisle containment and recycle the generated heat with their local utility company. Especially, our collocated data center in Geneva, Safe Host, recovers the low-temperature thermal waste from the cooling of its servers, which would otherwise be vented into the air and lost, and transfers the heat to the CADZIPLO organization, which is responsible for operating the heating requirements of the surrounding industrial and residential buildings.





In the Americas, our providers utilize 63% renewable energy from wind VPPAs and Green-e wind RECs. In Australia, our collocated data center based in Canberra is powered 100% by renewable electricity. In total, approximately 75% of the energy consumed by our collocated data centers globally is derived from renewable energy sources. For 2023, we estimated that their average Power Usage Effectiveness (PUE) ratio was 1.53, based on reports from our providers.

#### Public cloud

The momentum towards sustainable banking and green IT and cloud is only increasing. Our mission towards a modern banking technology transformation is critical to providing our clients with the products to enable them to decarbonize. Temenos recognizes the environmental benefits of cloud computing and has strategically selected to employ a cloud-agnostic approach for its cloud and SaaS products. Our cloud-native SaaS offering, the Temenos Banking Cloud, is a climate-related opportunity, which helps banks become more operationally efficient and sustainable by reducing their carbon footprint and improving their operational and environmental performance, to reach their sustainability targets. Regarding cloud providers, we strategically partner with public cloud providers (Microsoft Azure, AWS), with strong environmental agendas and commitment towards using 100% renewable energy and improving the energy efficiency of their infrastructure. By transitioning to flexible cloud-based infrastructure, we anticipate significant reductions in both our own and our clients' energy use. This shift is expected to lead to higher utilization rates compared to the inefficiencies often seen in on-premise data centers operating below capacity. Migrating to cloud also means less infrastructure, and hence less e-waste. Thus, our clients who adopt the Temenos Banking Cloud will also accrue the inherent business benefits of this technology compared to an on-premise deployment.

→ [Read more here: Achieving Business Excellence](#)

### 3. Suppliers

#### Objective:

**engage with our focus suppliers towards a net-zero economy**

As part of our ongoing plan to integrate ESG into our value chain and achieve our science-based target, we are committed to developing a supplier engagement strategy in line with the 1.5°C Business Ambition. This requirement is part of the critical (focus) suppliers' initial assessment rating, guided by our procurement selection process, aimed to be incorporated in all the related contracts by 2030. As part of the Temenos Supplier Code of Conduct, we engage with our suppliers, contractors and Partners by setting standards for their environmental performance and by ensuring their compliance. Since 2021 we have implemented a supplier risk management software to proactively map risks using external data to enable predictive risk management and planning.

We are in the process of implementing a global procedure to monitor information regarding our focus suppliers' climate change targets consistent with the Paris Agreement, encourage them to commit to the SBTi and measure their success to reduce emissions through absolute energy reduction and/or use of renewable energy. Our focus, being a software company, is on the selection of data center/cloud providers, as well as IT manufacturers, as we recognize that these suppliers can make a substantial contribution to climate change mitigation, if implementing a comprehensive set of energy efficiency and procure IT equipment compliant with internationally acknowledged standards, such as Energy Star, EPEAT and TCO.



### 4. Clients

#### Objective:

**transform our clients into smart, inclusive and sustainable organizations**

Temenos is committed to integrating ESG in its product offering, by combining digital transformation and innovation with sustainability. Through the composable platform of the Temenos Banking Cloud powered by the hyperscalers, our Carbon Emissions Calculator, the use of XAI and the integrated apps in the Temenos Partners Exchange Ecosystem, we are able to provide our clients with the tools to measure their emissions, reduce their or their clients' carbon footprint, improve their environmental performance, reduce operational costs, comply with regulation and reporting, reach their sustainability targets and eventually enable them through their net-zero journey. Temenos recognizes the importance of client engagement and innovation to address the adverse impacts of climate change. Therefore, we annually honor selected clients at the Temenos Community Forum (TCF) for their contribution to their communities, innovation and commitment to making banking better. In 2023, EQ Bank was the winner of the prestigious Sustainability Banking Award, in recognition for being the first bank in Canada to use a core infrastructure fully hosted in a public cloud environment, by leveraging the Temenos Banking Cloud.

→ [Read more here: Achieving Business Excellence and EQ Bank Success Story](#)



## SUSTAINABILITY continued

### Caring for the Planet continued

#### Advocacy

##### Engaging in international conferences

In order to contribute to discussions, share insights and advocate for stronger international commitments to address climate change, Temenos continuously seeks opportunities to engage in international conferences.

**SIBOS:** This year's conference was in Toronto where more than 9,000 banking and financial technology professionals and decision makers from across the global financial ecosystem, including Temenos, gathered to talk, network and dream up the future. Through engagement with such industry leaders, Temenos is actively shaping the future of sustainable finance and empowering banks to play a leading role in addressing the world's most pressing challenges. By actively engaging in industry events like SIBOS, Temenos seeks to amplify its voice and influence, inspiring banks to adopt sustainable practices and embrace the power of technology to drive positive change.

**Singapore FinTech Festival:** During this festival Temenos has announced a partnership with Gprnt, the Monetary Authority of Singapore's (MAS) new integrated digital platform. Through this collaboration, Temenos and MAS aim to cooperate on technology solutions, explore data integration and encourage product development to advance sustainable finance. Temenos participation further reinforced the crucial role that banks can play in environmental stewardship, particularly through cloud deployments.

→ [Read more here: Achieving Business Excellence](#)

##### Supporting international cooperation

Through our active involvement in global initiatives, commitment to global frameworks and engagement with communities, Temenos is playing a pivotal role in international cooperation for environmental sustainability. We believe that by working together, we can overcome the challenges of climate change and build a more sustainable world for future generations.

**UN Global Compact (UNGC) endorsement:** As proud signatories of the UNGC, Temenos aligns with its ten principles, submitting an annual Communication on Progress and actively participating in the Global Compact Network Switzerland initiatives.

**World Economic Forum (WEF) engagement:** Temenos, as a member of the World Economic Forum (WEF), actively contributes to key events like the Sustainable Development Impact Summit. Our involvement underscores our dedication to advancing sustainability and supporting the UN SDGs.

**Task Force on Climate-related Financial Disclosures (TCFD) endorsement:** Temenos proudly stands among 5,000 organizations endorsing TCFD's recommendations, demonstrating our commitment to transparency on climate-related risks and opportunities.

**UN International Days support:** Temenos actively supports UN International Days, organizing educational campaigns globally to raise awareness about climate change impacts, sustainable practices and environmental conservation. Our goal is to educate and empower local communities, fostering a collective commitment to global causes.

##### Task Force on Nature-related Financial Disclosures (TNFD)

**early adoption:** Temenos is an early adopter of TNFD, joining 320 global organizations dedicated to developing frameworks for assessing and managing climate and biodiversity risks.

##### Participating in tree planting initiatives

Temenos supports and participates in tree planting campaigns to combat deforestation, enhance carbon sequestration and contribute to overall environmental conservation, in collaboration with Plantăm fapte bune în România and Grow Trees in India.



#### Case study

### Seeds of Change: Planting a greener future

For the second consecutive year, Temenos Romania is extending its collaboration with "Plantăm fapte bune în România." In March 2023, a dedicated group of 50 Temenosians and their family members joined forces to plant approximately 800 acacia trees, covering 0.16 hectares in Moara Domneasca, Ilfov County, Romania. Additionally, an extra 3,700 spruce seedlings found their new home in Rasinari, Sibiu, Romania. We will continue this tree-planting initiative in 2024 aiming to further expand forested areas and uphold the ongoing wellbeing of the previously planted trees. The planting of these trees will help enhance biodiversity and air quality in these regions, further supporting our decarbonization efforts.



## Accountability

### Environmental monitoring and reporting

#### Objective:

digital transformation to facilitate transparent real-time data collection and analytics, to monitor and report on our environmental performance

# 90.7%

reduction of absolute Scope 1 and 2 GHG emissions vs SBT 2019 baseline year

# 31.3%

reduction of absolute Scope 1, 2 and 3 GHG emissions vs SBT 2019 baseline year

# 44%

of water withdrawn is being treated and recycled

# 73%

of waste is diverted away from landfill

In order to be transparent, we have invested in a sustainability software platform and we are working towards establishing a real-time BI system for environmental data disclosures and reporting insights to measure, monitor and report our environmental footprint, reduce our carbon emissions and guide our journey towards net-zero, across the whole value chain, as appropriate. In line with our officially validated science-based target, we are also committed to annually reporting on our progress, including Scope 1, 2 and 3 GHG emissions. We are continuously working to improve our methodology to evaluate all relevant Scope 3 categories.

### Energy

#### Objective:

increase the energy efficiency and the use of renewable energy in Temenos internal operations

The total energy consumption (use of electricity, natural gas and diesel) during 2023 was 8,240MWh, with 7,060MWh derived from renewable energy sources, accounting for 86% of total energy use, and 1,180MWh from non-renewable energy sources. The direct energy consumption by primary energy source was 1,150MWh, with natural gas consumption accounting for 11% of the total energy use and diesel consumption for 3% of the total energy use. The indirect energy consumption (grid electricity) was 7,090MWh, accounting for 86% of total energy consumption. The total electricity load of all our offices in India was 3,103kW, from the operation of HVAC systems, UPS and lighting.

We have set internal targets on energy consumption per location, to align our performance with our climate change strategy and be able to monitor our progress towards our science-based target.

During 2023, as a result of our energy efficiency initiatives, we have reduced the use of energy by 1,435MWh.

### Water

#### Objective:

use water in a sustainable way focusing on water consumption, water risk management, water efficiency and water protection from contamination, while preserving biodiversity

Climate change and a growing population are putting increasing pressure on the global water supply. We follow all legal requirements, standards and regulations related to water quality and quantity permits with zero incidents of non-compliance to report.

**Water consumption:** Since 2019, we have been measuring and reporting on our water consumption at our offices, although we use water only as part of our offices' operations. We collaborate with the building owners, analyze data and implement efficiency measures. To prevent unnecessary water use, we have fit water pedestal, tapping and motion sensor systems on water fixtures and we follow a preventive maintenance schedule to fix dripping taps in our offices.

**Water risk management:** As climate change intensifies, water stress and effective water risk management are gaining momentum and software companies need to ensure responsible water usage in water-stressed regions, both in their facilities and their collocated data centers. Using the WRI's Water Risk Atlas tool, Aqueduct, we have identified that 66.6% of our water use from our office facilities is withdrawn and consumed in locations with extremely high (>80%) and 13.6% in locations with high (40–80%) baseline water stress. We have also strategically selected most of our collocated data centers to be in regions with low water stress.

**Water efficiency:** Our offices in India operate in IT business parks, where all wastewater is being treated in a sewage treatment plant (STP). It is then reused for toilet flushing and horticulture, in accordance with all legal requirements: Chennai Metropolitan Water Supply and Sewage Board and Chennai Metropolitan Development Authority. As a result, in 2023, we reused 44% of treated domestic wastewater and managed to reduce the consumption of fresh water by 9,394,502L.

**Water protection:** We have put in place several measures to prevent water pollution and protect marine and coastal ecosystems while preserving biodiversity:

- in locations where diesel generators are under our control, we have implemented Spill Prevention Plans, including specific training of responsible personnel and the provision of spill kits, as well as adequate secondary containers in case of a spillage of diesel;
- we monitor the quality of the effluent from the Sewage Treatment Plant (STP) in Chennai and Bangalore, on a regular basis through accredited laboratories, preventing potential contamination of water and land that would have resulted from untreated wastewater; and
- to further minimize any adverse impact on the quality of the water we also opt for ecological detergents for the cleaning of our offices.

→ [Read more here: Environmental Dashboard](#)





## SUSTAINABILITY continued

### Caring for the Planet continued



#### Case study

### Breaking the plastic habit – again!

The Temenos Taipei office has embraced a single-use plastic-free lifestyle, mirroring the Luxembourg office 2022 success. This accomplishment reflects Temenos' commitment to environmental sustainability and our dedication to minimizing our environmental impact.

The office's transformation was driven by a plan that included a ban on single-use plastics, rigorous screening of purchased plastic items and a switch to glass alternatives for bottles and cups. Moreover, the Temenos Taipei office proactively encouraged eco-conscious dining choices, promoted waste reduction practices and incentivized sustainable commuting, with over 80% of employees now utilizing public transportation.

These collective efforts have resulted in a notable reduction in the office's environmental footprint, demonstrating the transformative power of combined action and the importance of everyday choices in shaping a more sustainable future.

### Accountability continued

#### Environmental monitoring and reporting continued

##### Waste and e-waste

##### Objective:

create zero-waste workplace

As an IT software company, our waste generation is limited to municipal solid waste and a reasonable amount of e-waste from our internal operations and IT infrastructure, including computers, printers, monitors and phones. Used batteries, lamps and hazardous waste from India's diesel generators make up the rest of the waste. Our waste management and prevention Program is monitored by ISO 14001. We work with authorized waste management vendors to reduce landfill disposal. Used IT equipment is cleaned of all data and software and donated to non-governmental organizations or disposed of by an authorized and certified recycler, which dismantles and removes all hazardous materials according to local and international electronic waste disposal guidelines. In India, where 100% of our hazardous waste is generated, we have implemented a hazardous waste disposal Program to ensure that authorized vendors dispose of such waste according to international guidelines and regulations. Our Luxembourg and UK offices also undergo external waste audits to identify opportunities to reuse, recycle, recover or eliminate waste produced on site. Finally, all offices have environmental champions who implement environmental initiatives.

→ [Read more here: Environmental Dashboard](#)

#### Carbon footprint

##### Objective:

reduce all GHG emissions by increasing the energy efficiency and the use of renewable energy, across the entire value chain, reaching net-zero by 2050 at a rate compatible with the SBTi methodology

#### Scope 1 and 2

##### Offices and own data centers

The primary sources of our emissions are natural gas, on-site electricity generation, purchased electricity and fugitive emissions. For 2023, the fugitive emissions from HCFCs, HFCs and Ozone Depleting Substances were 288.86 tCO<sub>2</sub>e. These emissions resulted from the use of the air conditioning systems and were calculated using the methodology provided by the sustainability software we have implemented<sup>1</sup>. Regarding NO<sub>x</sub>, SO<sub>x</sub>, VOCs, PM and HAPs emissions, we do not consider them as being significant to our operation, as we are a software company.

#### Scope 3

##### Purchased goods and services and capital goods

These two Scope 3 categories account for 85% of our total Scope 3 emissions<sup>1</sup>. We are in the process of establishing a more sophisticated methodology, to enable us to get more accurate primary data. Especially regarding collocated data centers and public cloud hyperscalers, being a software company and relying mainly on their services, we continuously improve our data gathering process of energy consumption and GHG emissions from these operations.

<sup>1</sup> For more information, please refer to [About this Report](#).





The energy consumption from our collocated data centers in 2023 was 1,309MWh, accounting for 14% of Temenos' total energy use. The emissions from the use of cloud, based on the Microsoft Azure Emission Impact Dashboard calculator, were estimated as 20.02 tCO<sub>2</sub>e.

#### Other fuel and energy-related activities and waste generated in operations

These two Scope 3 categories account for approximately 5% of our total Scope 3 emissions<sup>1</sup>. They are directly impacted by the initiatives we already have in place regarding energy efficiency and waste management.

#### Business travel

As an IT software company, we rely on our people who travel to deliver our services, so business travel by air constitutes an environmental impact that cannot be easily reduced. We measure our environmental footprint in relation to business air travel, trains and taxis for all the countries we operate in, representing 100% of the total employee concentration<sup>1</sup>. We implement internally carbon emission reduction initiatives, such as travel and global mobility policies, internal carbon pricing, increased internal communication and environmental training, efficient meeting management that requires travel around big corporate events, use of other lower-carbon modes of transport for travel within Europe and further investment in virtual collaboration and communication technologies.

#### Employee commute

As of September 2021, we have adopted a hybrid working model to facilitate the return to the offices and to strengthen our work-life balance. In addition, since 2022, Temenos has introduced in Hyderabad, India, shuttle services from Metro Station to the office, in order to encourage employees to stop using owned vehicles. In 2023, we noted 11% reduction in the GHG emissions from employee commute<sup>1</sup> vs 2022.

### The journey towards net-zero

Our annual absolute GHG Scope 1 and 2 (market-based) emissions were 532 tCO<sub>2</sub>e. There has been a 90% decrease in absolute GHG Scope 1 and 2 emissions vs previous year 2022 and a 91% decrease vs SBT baseline year 2019. This reduction is a result of a combination of energy efficiency measures and an increase in renewable energy consumption, through purchase of renewable energy certificates. During 2023, 0.07 tCO<sub>2</sub>e were emitted per MWh, 87% less than 2022. In 2023, our annual absolute GHG Scope 3 emissions were 61,399 tCO<sub>2</sub>e, including all relevant Scope 3 categories (purchased goods and services, capital goods, other fuel and energy-related activities, waste generated in operations, business travel and employee commute), and our total Scope 1, 2 and 3 GHG emissions were 61,931 tCO<sub>2</sub>e. In terms of monitoring progress against our near-term science-based target, Temenos managed to achieve a 31.3% reduction vs SBT 2019 baseline year – including Scope 1, 2 and 3 GHG emissions. The GHG Scope 3 emissions reduction was driven by strategic efforts in supply chain management and procurement practices.

→ [Read more here: Environmental Dashboard](#)

<sup>1</sup> For more information, please refer to [About this Report](#).



#### Case study

### Carbon removal project

As part of our continued commitment to achieving net-zero, Temenos has taken an additional step this year by acquiring 1,000 tons of carbon credits from the Pakistan Mangrove project, a certified initiative that supports the restoration and conservation of the Indus River Delta mangrove ecosystem. The Indus River Delta–Arabian Sea mangroves, a vital part of the region's biodiversity, are particularly vulnerable to the increasing salinity of the river due to the influx of salts from the Thar Desert. These mangroves are like nature's superheroes, as they provide a home for different plants, fish and crustaceans while also being excellent at capturing and storing carbon, helping fight climate change.

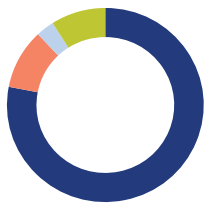


## SUSTAINABILITY continued

## Caring for the Planet continued

Environmental dashboard  
Energy and GHG emissions

## 2023 electricity use by region



## % by region

Asia Pacific	78%
Europe	10%
Middle East and Africa	3%
Americas	9%

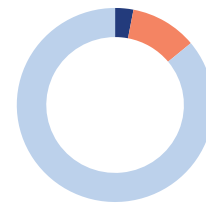
## 2023 renewable energy use



## % renewable energy use

Renewable	86%
Non-renewable	14%

## 2023 total energy profile

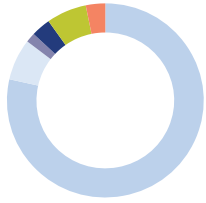


## % by activity

On-site generation	3%
Natural gas	11%
Grid electricity	86%

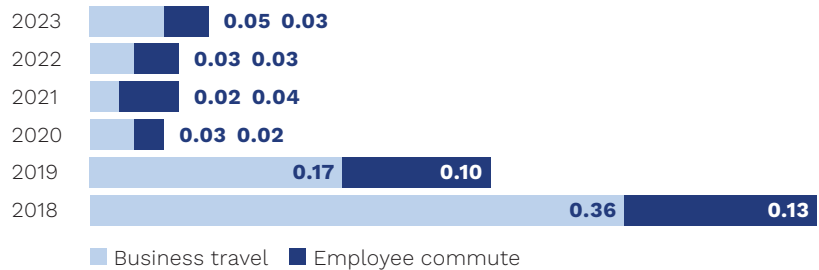
## Scope 3

## Scope 3 carbon footprint 2023



Cat. 1 Purchased goods and services	78.5%
Cat. 2 Capital goods	6.9%
Cat. 3 Fuel and energy-related emissions	1.6%
Cat. 5 Waste generated in operations	3.2%
Cat. 6 Business travel	6.6%
Cat. 7 Employee commute	3.2%

## Scope 3 GHG emissions

Monthly average tCO<sub>2</sub>e per capita

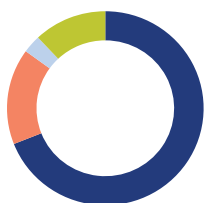
## GHG emission (% per Scope)

	2018	2019	2020	2021	2022 <sup>1</sup>	2023
Scope 1	2	2	7	5	1	0.83
Scope 2	14	22	52	46	5	0.03
Scope 3 <sup>1</sup>	84	76	41	49	94	99.14

1 As of 2022, Scope 3 includes all relevant categories. For previous years 2018–2021, Scope 3 included only business travel and employee commute.

## Water and waste

## 2023 water withdrawal



## % by region

Asia Pacific	69%
Europe	16%
Middle East and Africa	3%
Americas	12%

## 2023 baseline water stress



## % baseline water stress

>80% extremely high	67%
40–80% high	14%
<40% low	19%

## 2023 waste profile



## % waste

Diverted from disposal	73%
Directed to disposal	27%



		Energy consumption and GHG emissions								
		Total annual electricity use (kWh)	Total electricity (renewable energy sources) (kWh)	Total annual natural gas use (kWh)	On-site electricity generation (kWh)	Scope 2 – electricity (tCO <sub>2</sub> e)	Scope 1 – natural gas (tCO <sub>2</sub> e)	Scope 1 – diesel (tCO <sub>2</sub> e)		
2023' Region		5,527,409	5,500,612	0	242,965	14.9	0	61.2		
Asia Pacific										
Europe		744,092	744,092	524,507	0	0.9	96.0	0		
Americas		630,683	628,243	382,781	0	0	70.0	0		
Middle East and Africa		187,910	187,910	0	0	0	0	0		
Temenos		7,090,094	7,060,857	907,288	242,965	15.8	166.0	61.2		
Energy <sup>2</sup>					2019	2020	2021	2022	2023	
GRI 302-1	Total energy consumption (MWh)				9,163	9,125	9,017	9,675	8,240	
SASB TC-SI-130a.1	Total energy consumption (GJ)				32,986.4	32,849.8	32,461.4	34,831.2	29,665.2	
	Natural gas consumption (GJ)				1,501.5	2,476.4	2,954.0	3,998.9	3,266.2	
	On-site electricity (GJ)				1,317.9	557.9	331.8	446.7	874.7	
	Purchased electricity (GJ)				30,167.0	29,815.5	29,175.5	30,385.6	25,524.3	
SASB TC-SI-130a.1	% of total energy consumption that is grid electricity				91.4	90.8	89.9	87.2	86.0	
SASB TC-SI-130a.1	% of total energy consumption that is renewable energy				3.2	4.2	4.0	18.2	85.7	
GHG emissions (tCO <sub>2</sub> e)					2018	2019	2020	2021	2022	2023
GRI 305-1	Scope 1: natural gas consumption				–	78.1	135.6	148.7	201.3	166.0
GRI 305-1	Scope 1: on-site electricity generation				607	304.4	41.7	23.3	31.4	61.2
GRI 305-1	Scope 1: fugitive emissions (HCFCs, HFCs, ODS)				–	–	529.1	364.4	345.6	288.8
GRI 305-1	Scope 1: total				607	382.5	706.4	536.4	578.3	516.0
GRI 305-2	Scope 2: purchased electricity (location-based)				4,985	5,738	4,991	4,756	5,127	4,273
GRI 305-2	Scope 2: purchased electricity (market-based)				–	–	–	4,732	4,144	15.8
GRI 305-3	Scope 3: employee commute				7,620	6,655	1,465	3,106	2,179	1,938
GRI 305-3	Scope 3: business travel				21,443	11,527	2,492	1,863	2,179	4,060
GRI 305-3	Scope 3: purchased goods and services				–	–	–	–	63,960	48,221
GRI 305-3	Scope 3: capital goods				–	–	–	–	11,709	4,209
GRI 305-3	Scope 3: other fuel and energy-related activities				–	–	–	–	1,873	1,003
GRI 305-3	Scope 3: waste generated in operations				–	–	–	–	210	1,968
GRI 305-3	Scope 3: total <sup>3</sup>				29,063	18,182	3,957	4,969	82,110	61,399
GRI 305-3	Scope 1, 2 (market-based) and 3: total				34,655	24,302	9,654	10,261	86,832	61,931
GRI 305-5	Emissions offset (carbon removal as of 2023)				21,442	14,587	1,287	–	–	1,000
GRI 305-5	Reduction of Scope 1 GHG emissions				–	–	–	–	–	62.3
GRI 305-5	Reduction of Scope 2 GHG emissions				–	–	–	–	–	4,128
GRI 305-5	Reduction of Scope 3 GHG emissions				–	–	–	–	–	20,710
SBTi target	Scope 1, 2 (market-based) and 3 <sup>2</sup>				–	62,085	–	–	61,050	42,652

1 Including offices and owned data centers.

2 For more information, please refer to [About this Report](#).

3 As of 2022, Scope 3 includes all relevant categories. For previous years 2018–2021, Scope 3 includes only business travel and employee commute.

## SUSTAINABILITY continued

### Caring for the Planet continued

#### Environmental dashboard continued Energy and GHG emissions continued

Normalized metrics (per capita) <sup>1</sup>		2017	2018	2019	2020	2021	2022	2023
GRI 302-3	Energy consumption (kWh) <sup>2</sup>	164	146	132	108	108	108	104
GRI 305-4	Scope 1 and 2 emissions	0.105	0.095	0.088	0.067	0.064	0.053	0.007
GRI 305-4	Scope 3 emissions (business travel and employee commute)	0.347	0.492	0.262	0.047	0.060	0.048	0.075
GRI 305-4	Scope 3 emissions (business travel)	–	0.363	0.166	0.030	0.023	0.024	0.051
GRI 305-4	Scope 3 emissions (employee commute)	–	0.129	0.096	0.017	0.037	0.024	0.024
GRI 305-4	Scope 3 emissions (including all relevant categories)	–	–	–	–	–	0.92	0.77
	Water consumption (KL)	–	0.67	0.71	0.22	0.17	0.26	0.31
	Waste generation (t) <sup>3</sup>	–	0.043	0.046	0.020	0.017	0.016	0.025

1 Average monthly performance for the period December to November per headcount. For more information on the calculation, please refer to [About this Report](#).

2 Includes all types of energy (grid electricity, natural gas and on-site generation).

3 Annual waste generated for the period December to November per headcount. For more information on the calculation, please refer to [About this Report](#).

Emission activities	Scope	Emission source
Natural gas consumption	Direct (Scope 1)	Natural gas supply
On-site electricity generation – diesel fuel	Direct (Scope 1)	Diesel-operated generator sets
Fugitive emissions (HCFCs, HFCs, ODS)	Direct (Scope 1)	Air-conditioning equipment
Purchased electricity	Indirect (Scope 2)	Electricity grid
Purchased goods and services	Other indirect (Scope 3)	Upstream use of natural resources
Capital goods	Other indirect (Scope 3)	Upstream use of natural resources
Other fuel and energy-related activities	Other indirect (Scope 3)	Electricity grid
Waste generated in operations	Other indirect (Scope 3)	Waste generated in the offices
Employee commute	Other indirect (Scope 3)	Employees' private vehicles
Business travel	Other indirect (Scope 3)	Commercial airlines, trains and taxis







Sources of water <sup>1</sup>		Volume (m <sup>3</sup> )
Purchased water	Municipality water	18,512.515
	Purchased water (non-potable)	2,207.211
Ground water	Ground water	804.125
Surface water	Surface water (river/lake/sea)	–
Harvested rain water	Rainwater collected and stored (water consumed from RWH tanks)	–
Recycled water		9,394.502
Total water withdrawal (SASB TC-SI-130a.2) (GRI 303-3)		21,523.851
Total wastewater discharge		20,447.658
Total water consumption		1,076.193
Water withdrawal per region		Volume (m <sup>3</sup> )
Asia Pacific		14,836.750
Europe		3,424.082
Americas		2,703.909
Middle East and Africa		559.110
Water profile <sup>1</sup>		Percentage (%)
% recycled water (SASB TC-SI-130a.2)		43.6
% water in regions with high baseline water stress (SASB TC-SI-130a.2)		13.6
% water in regions with extremely high baseline water stress (SASB TC-SI-130a.2)		66.6
Waste profile		Quantity (t)
Total waste generated (GRI 306-3)		166.04
Total waste diverted from disposal (GRI 306-4)		120.90
Total waste directed to disposal (GRI 306-5)		45.14
Waste per category		Quantity (t)
Food waste (compost)		24.30
Paper/carton/plastic/tin (recycle)		85.29
Domestic (landfill)		42.31
Domestic (incinerated with energy recovery)		2.83
Hazardous waste <sup>2</sup> (recycle)		0.05
Hazardous waste <sup>2</sup> (incinerated without energy recovery)		–
E-waste (recycle)		11.26

1 For more information on the calculations, please refer to [About this Report](#).

2 Hazardous waste is generated from operation and maintenance of diesel generators in India.



## SUSTAINABILITY continued

# 4 Investing in Our People

## 2023 key highlights

**6,773**

employees

**56**

offices

**39**

countries

**86**

nationalities

**46%**

gender diversity under 30

**38%**gender diversity in the Board  
of Directors**5**

Great Place to Work recognitions



We strive to create an open, fair, equal opportunity and honest work environment for our people and for the people who we impact through our work.

## Contributing to the UN SDGs





We believe our people are the key, as they make things happen and define our destiny. Our people are the most important and valuable Company asset constituting the Temenos culture and helping the Company reach its business targets and bring exceptional value to our stakeholders. Temenos aims to create an open, fair, equal opportunity and honest work environment where all employees are treated with respect and courtesy in an inclusive, productive and safe work environment. All employees and contractors are responsible for upholding this principle and work towards making Temenos a great place to work. Our commitments to communicate openly and respectfully with each other, to provide for diversity and equal employment opportunity at all levels of our organization and to protect the health and safety of our employees are an integral part of the Temenos Business Code of Conduct.

At the end of 2023, Temenos employed 6,773 people worldwide, including both full-time employees, business partners and contractors of Temenos. Our partnerships increasingly allow us to deliver a complete range of implementation and support services to our clients and complement our growth strategies. Most of our employees work as full-time, permanent employees. In 2023, we had 58 part-time employees (37 women and 21 men) and 150 fixed-term\* employees (121 men and 29 women). All employee benefits are provided to full-time as well as temporary or part-time employees based on the requirements mandated by the laws in the countries where we operate and the locations where we recruit.

\* 142 employees were moved onto a fixed-term contract, the majority in Dubai in line with changes to the UAE labor law. The amendment to fixed-term employment contracts in UAE is mandatory for all private sector companies.

### Diversity, inclusion and equal opportunity

Temenos is a truly global and diverse team of 86 nationalities in 56 offices across 39 countries. Our differences are our strengths.

At Temenos we **Care**, we **Collaborate**, we **Challenge** and we **Commit** to implementing a Diversity, Equity and Inclusion (DEI) strategy, starting with our own people, ending with our clients in over 150 countries and their customers, driving collaboration and enabling all our colleagues to succeed.

We are committed to knocking down barriers so everyone can be themselves and thrive. That starts with our own teams. We know this is the right thing to do, and we also know that having different viewpoints fuels our innovation. It provides different perspectives and better collaboration to serve our clients and enables us to find and keep the best people in our industry to make better solutions.

We are committed to an inclusive workforce that fully represents the many different cultures and backgrounds within our organization, and that of our clients, our Partners and our communities.

Our business philosophy and our organizational structure are based on cultural diversity, as we operate using a matrix of regional and global business functions. We encourage decentralized work processes and cooperation between our people across countries and regions or anywhere in the world when traveling, while maintaining a central process approach on core activities and decision making.

In addition, thanks to the diversity model we support, Temenos' software has multiple country model platforms, tailored to the individual language, currency, regulatory and reporting requirements of each country. This enables our software to be seamlessly integrated into banks around the world, adding incremental value from the very beginning of each project.

### People experience

We aim to foster a unique and inclusive people experience where everyone feels valued, regardless of their background, identity or personal situation. We are constantly learning and evolving to create the best possible work environment for our people. This means listening closely to what our employees have to say about their Temenos experience, analyzing data and internal surveys and staying on top of industry best practices. We are committed to empowering every Temenos employee to thrive and be their authentic selves at work.



## SUSTAINABILITY continued

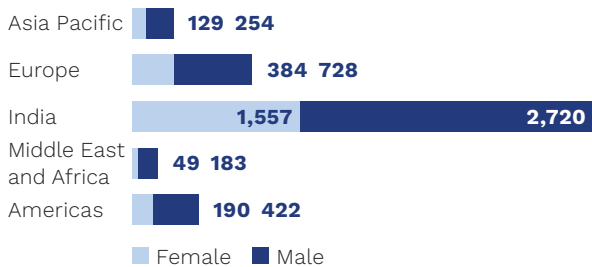
## Investing in Our People continued

## Diversity dashboard

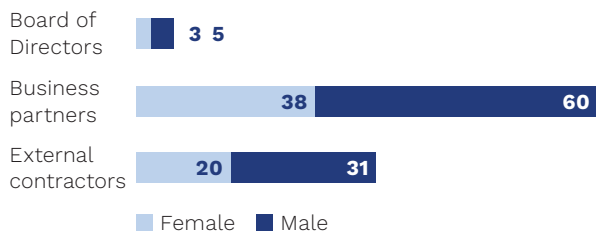
We monitor the effectiveness of our strategy towards diversity through the Temenos diversity dashboard. Our dashboard data is a very important aspect of our diversity and inclusion efforts, but cannot present the full picture. We are always looking for new ways to capture the information, despite legal and country limitations, and in such a way that would help us shape and communicate the Temenos experience the best way possible. This ongoing process is helping us understand better the diversity of our people and make more inclusive decisions.

→ For more details on methodology, assumptions, contextual information and potential fluctuations, please refer to About this Report

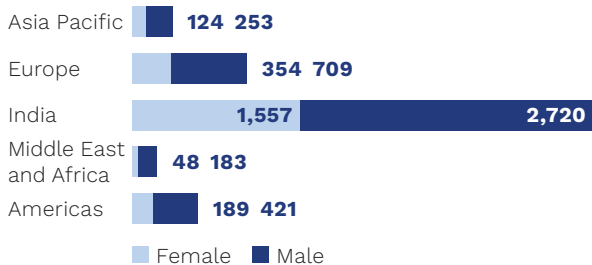
## Temenos employees by region and gender



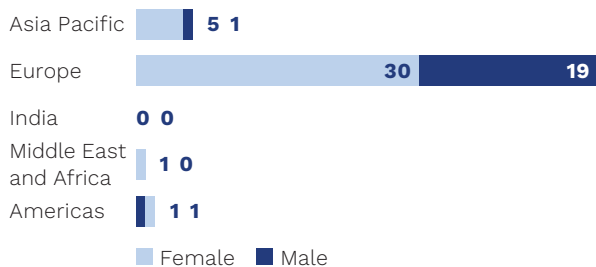
## Non-employees



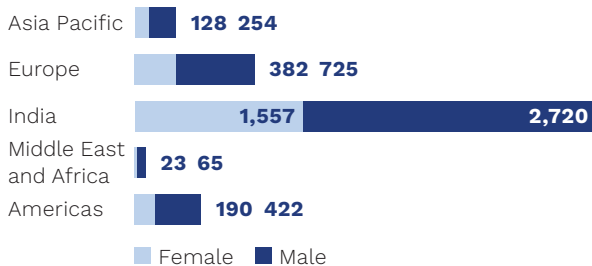
## Full-time employees by region and gender



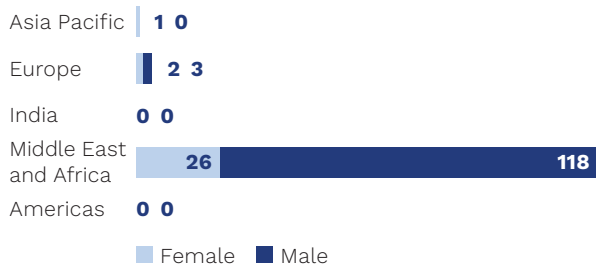
## Part-time employees by region and gender



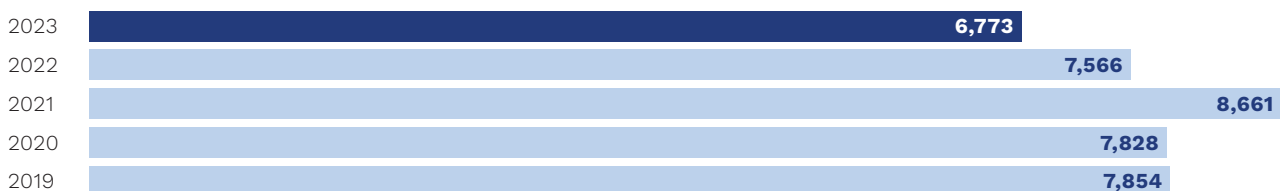
## Permanent employees by region and gender



## Temporary employees by region and gender



## Total headcount\*



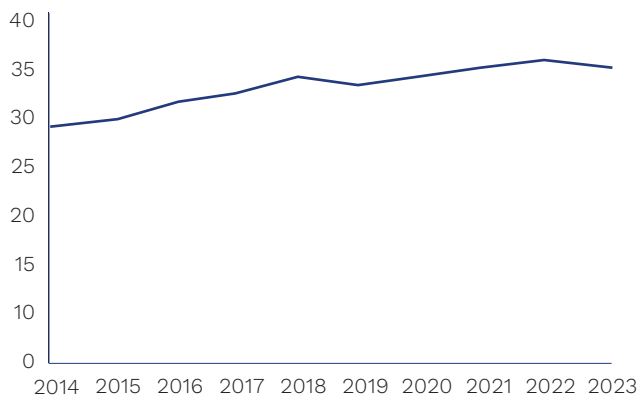
\* Including both Temenos employees and non-employees.



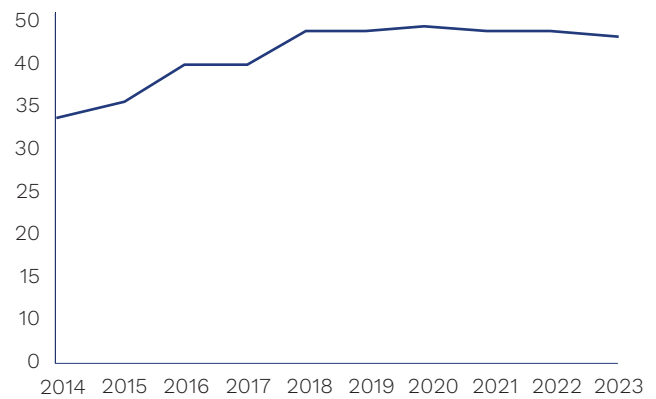


## Workforce gender diversity

% of women in the total Temenos workforce



% of women less than 30 years old



### By gender in certain regions

	Female	Male
United States	32%	68%
Luxembourg	26%	74%
Romania	66%	34%
Switzerland	28%	72%
UK	25%	75%
India	36%	64%

### By gender and nationality\*

	Female	Male
Indian	25.1%	46.5%
British	0.8%	2.9%
American	1.1%	2.1%
Romanian	2.0%	1.1%
French	0.4%	1.3%

\* Top five nationalities in terms of headcount as per DJSI requirements.

### By gender and employee category

	Female	Male
Non-tech	34.2%	65.8%
Tech	35.6%	64.4%

### By gender and employee level

	Female	Male
Management	19.7%	80.3%
Mid-level management	28.6%	71.4%
Individual contributor	37.1%	62.9%



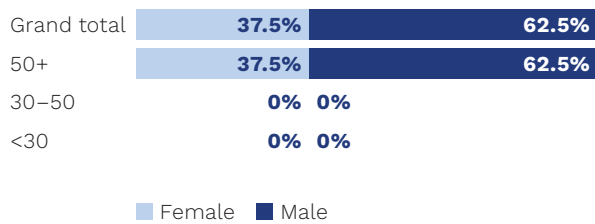
## SUSTAINABILITY continued

## Investing in Our People continued

## Diversity dashboard continued

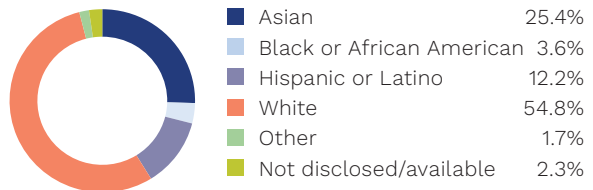
## Leadership diversity

## Board of Directors by gender and age\*

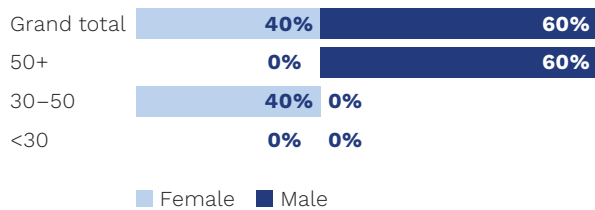


## Workforce race diversity (US only)

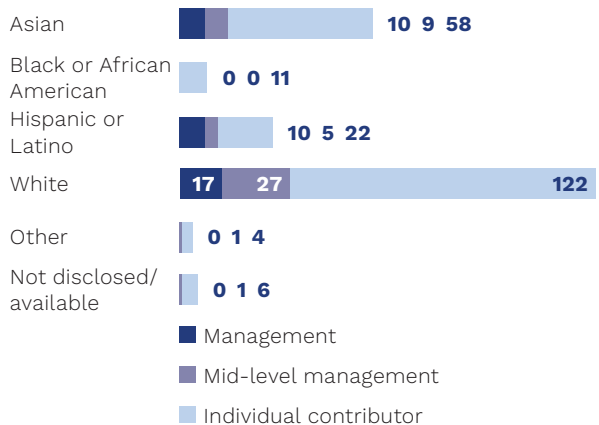
## By race (US only)



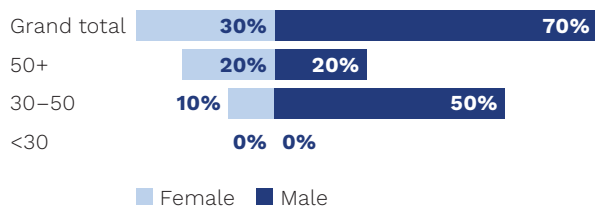
## Executive Committee by gender and age\*



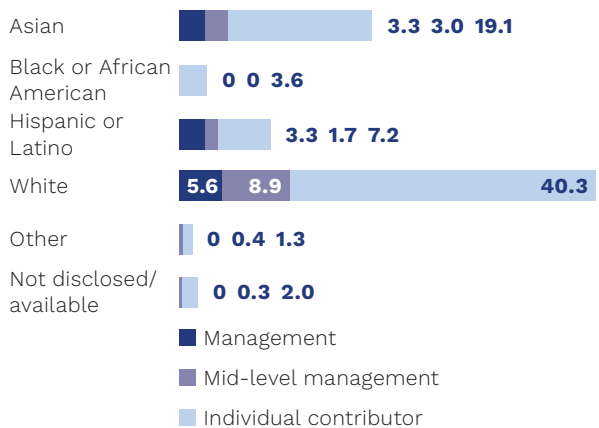
## By race and employee level



## Management Board by gender and age\*



## % by race and employee level

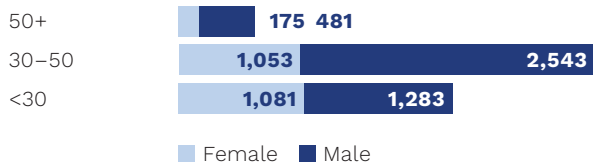


\* Board of Directors, Executive Committee and Management Board as of 31 December 2023.

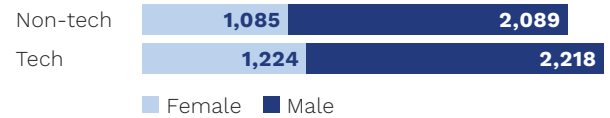


## Temenos employees

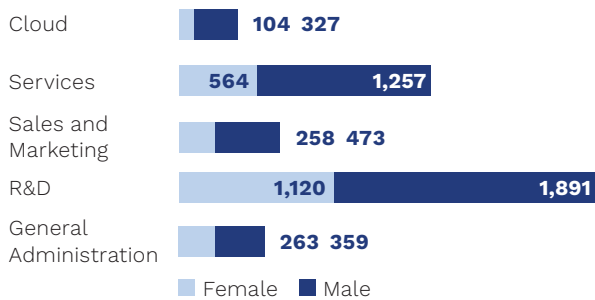
### By gender and age



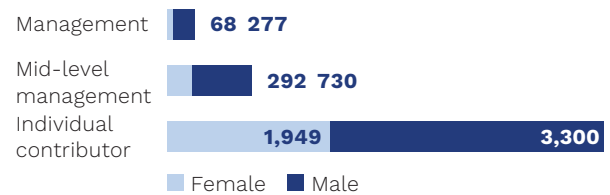
### By gender and employee category



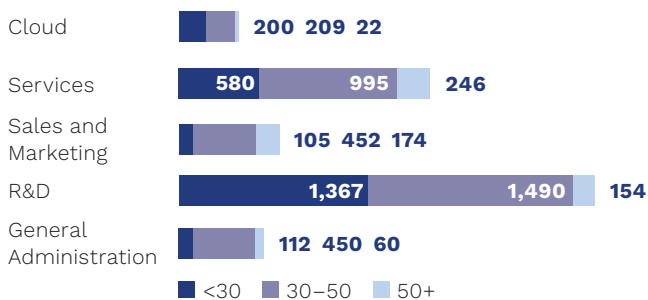
### By gender and function



### By gender and employee level

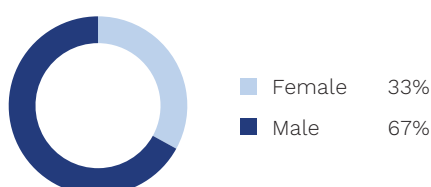


### By function and age

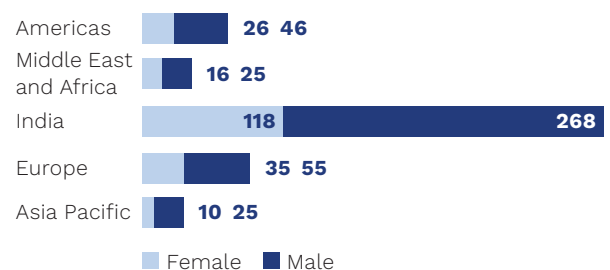


## New employee hires

### By gender



### By gender and region





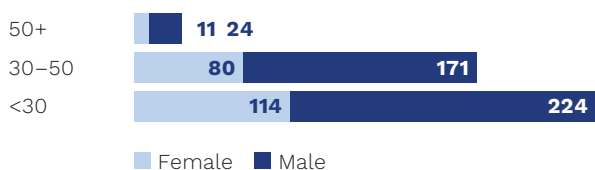
## SUSTAINABILITY continued

## Investing in Our People continued

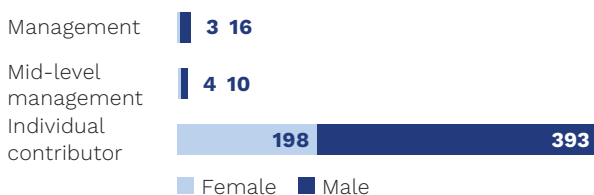
## Diversity dashboard continued

## New employee hires continued

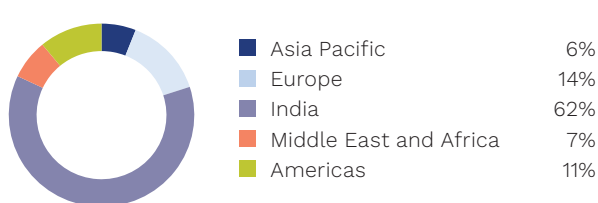
## By gender and age



## By gender and employee level



## By region\*

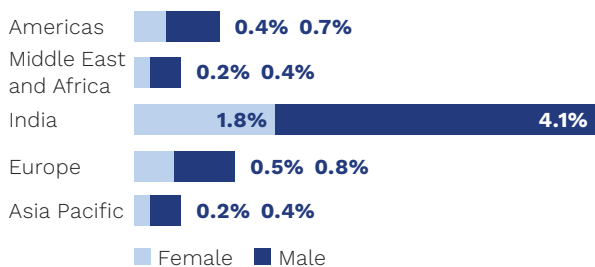


## By race (US only)

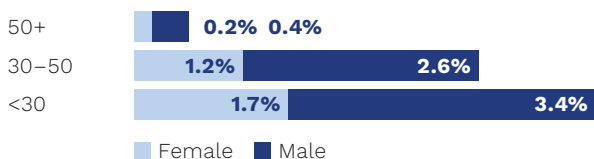


\* New employee hires from a region/total number of new employee hires.

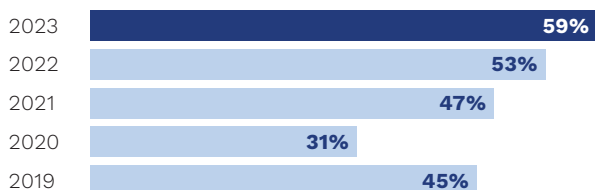
## Rate by gender and region



## Rate by gender and age



## Open positions filled by internal candidates (internal hires)\*



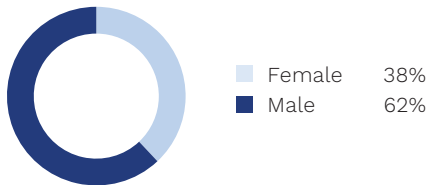
\* Internal hires as per DJSI requirements.



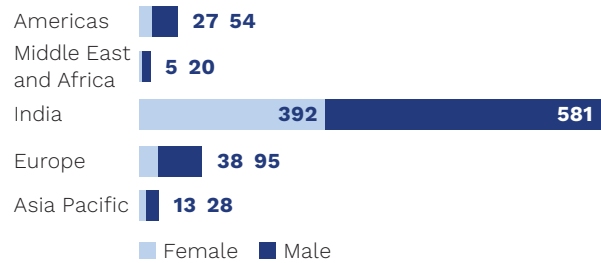


## Employee turnover

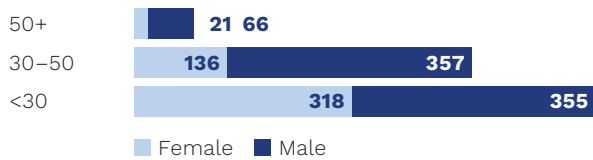
### By gender



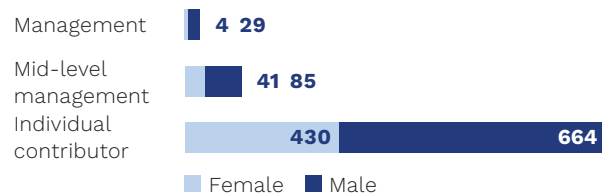
### By gender and region



### By gender and age



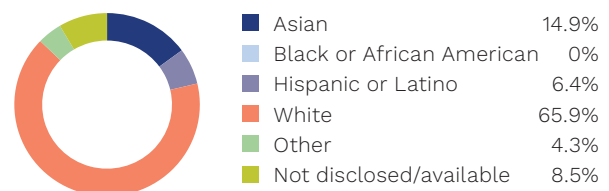
### By gender and employee level



### By region\*

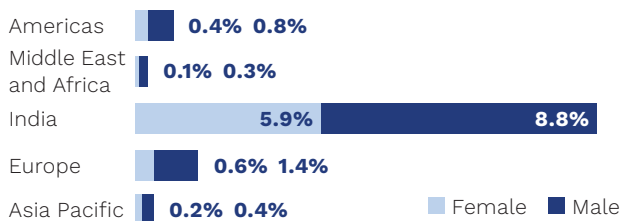


### By race (US only)

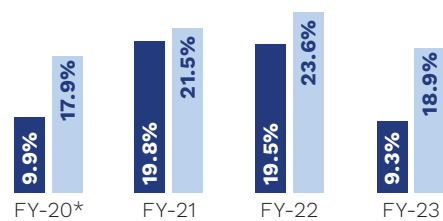


\* Leavers at a region/total number of leavers.

### Rate by gender and region



### Turnover rate

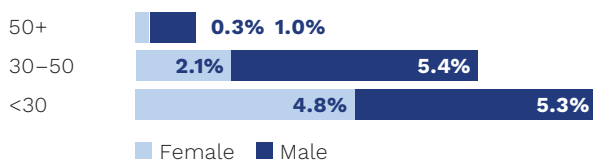


■ Total employee turnover rate

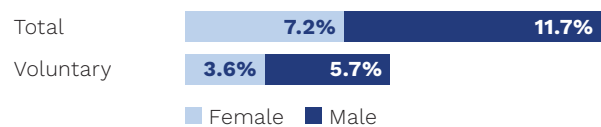
■ Voluntary employee turnover rate

\* Includes employees turned to external contractors (HCL Project).

### Rate by gender and age



### Turnover rate by gender\*



\* As per GRI, turnover rate refers to the proportion of employees who leave over a set period (often a year), expressed as a percentage of the total workforce.



## SUSTAINABILITY continued

### Investing in Our People continued



#### Equal pay and gender pay parity

As part of our long-term DEI strategy, we are committed to making sure everyone is given an equal chance in opportunities, growth and compensation. Our pay practices are reviewed annually to address any gaps among the 39 different countries we operate in, based on the role performed and factors such as skills, tenure, gender and race. Our compensation structure is set to be competitive in the market and equitable internally.

Temenos currently has a mean gender pay gap of around 32%, which represents a 4pp decrease compared to 2022. We are committed to reducing further the gender pay gap through transparent and effective action plans and global initiatives. In order to ensure that employees performing the same work receive consistent compensation opportunities, we evaluate and refine our compensation Programs annually across various talent segments (e.g. gender, race and ethnicity). As a result of these reviews, we are proactively identifying and addressing factors that may contribute to pay gaps.

Salaries are reviewed annually, taking into consideration the cost of living per country so as to ensure all Temenos employees are paid above the applicable jurisdiction's minimum wage, but also above the living wage\*.

Temenos complies with the various statutory pay gap reporting obligations at country level, using the methodology required by local governing law. Temenos publishes the [UK Gender Pay Gap Report](#) which analyzes the difference between the mean and median earnings of men and women across our UK operations. In Australia, Temenos submits the annual compliance report, under the Workplace Gender Equality Act.

\* For the UK, it refers to the living wage as determined by the [Living Wage Foundation](#). For Ireland, it refers to the living wage as determined by the [Living Wage Technical Group](#). In all other jurisdictions, it refers to a wage which is higher than the legal minimum and takes into consideration all relevant living costs.

#### Women per pay quartile (%)\*

Pay quartile	Management	Mid-level management	Individual contributor	Women distribution
Top	21%	27%	26%	17%
Upper middle	17%	23%	36%	23%
Lower middle	16%	25%	44%	30%
Lower	24%	40%	43%	31%
Women distribution	3%	13%	84%	

\* Pay quartiles are calculated per employee level. In 2023, we decided to add on the table the women distribution per pay quartile and employee level to get more comprehensive insights. The percentage of women per employee category can be found in the respective chart in the Diversity Dashboard.

#### Mean gender pay gap

Global workforce	32%
Individual contributors	29%
Mid-level management	12%
Management	7%



## Inclusive culture

### Accelerating our diversity journey forward

The technology industry, among others, faces a gender diversity problem. As a global company with presence in many countries, we are committed to advancing gender diversity in our operations, value chain and community investment Programs. As part of our diversity and inclusion strategy, we are actively recruiting and retaining qualified women, while supporting them in their career development, with the aim of achieving an equal representation of male and female employees in our Company. The principles and goals of the Universal Declaration of Human Rights are at the center of our diversity initiatives.

According to the latest [Global Gender Gap Report 2023](#) by the World Economic Forum, it will take another 131 years to completely close the global gender gap, which has been closed by 68.6% in 2023. Women have not been hired at equal rates across industries, despite an increase in the proportion of women in leadership positions over time. In particular, only 28% of leadership roles are held by women in the technology industry. At Temenos, we have achieved 50% gender diversity in top management positions (one level away from CEO).

Although the science, technology, engineering and mathematics (STEM) workforce has grown rapidly in recent decades, the share of women is uneven across STEM job types. In particular, women make up almost half (49.3%) of total employment across non-STEM occupations, but just 29.2% of all STEM employees. In the technology industry, the share of STEM occupations stands at 23.4% for women. While the percentage of female STEM graduates entering into STEM employment is increasing with every cohort, the numbers on the integration of STEM university graduates into the labor market show that the retention of women in STEM even one year after graduating sees a significant drop. In school, STEM subjects tend to be marketed heavily towards boys rather than girls, according to European Women in Tech. Therefore, the interventions have to start from school all the way up to women's career development.

At Temenos, the female representation in STEM-related positions is at 35% (as of the end of 2023). We have developed a strategy to attract and retain women in STEM-related roles, focusing on the following directions:

- through our detailed [diversity dashboard](#), we monitor closely and understand gender diversity in our Company;
- based on the insights and coupled with the Company's business directions, we draft diversity policies internally, focusing on five areas: Recruitment, Retention, Pay, Advancement and Representation, for a more gender balanced work environment;
- we work with schools and universities to fund girls through targeted scholarships to study STEM and motivate them to eventually join the tech industry;
- we also provide job opportunities to build work experiences, internships and mentoring Programs that would encourage women towards tech after graduation; and
- we walk the talk and lead by example, by showcasing women in managerial positions as Temenos female role models, offering women the opportunity to progress and succeed in senior roles.

At Temenos, we are committed to increasing gender diversity globally to 36% by 2025 and 40% by 2030, as well as to increasing racial diversity in the US to 40% by 2025, and we are extremely satisfied to see that with our diversity strategy put in place as early as 2014, today we have almost reached our [targets](#). At the Company level, the female representation in the total Temenos headcount is at 35%, while the racial diversity in the US is at 43% (as of the end of 2023).

We have focused as early as 2014 on gender diversity in the IT workplace and have fostered an equal opportunity environment for both men and women. Our CEO has the executive oversight for diversity issues throughout the Company, signaling the importance of gender diversity and leading by example. DEI is such an important part of our talent agenda and as such we have dedicated resources who manage DEI. At Group level, it is led by our Head of Global Attraction and DEI who reports to our Chief People Officer (member of the Executive Committee).

Our DEI strategy consists of five areas: Recruitment, Retention, Pay, Advancement and Representation. Our global, regional and local people & culture teams use quarterly analysis to identify and address challenges, reviewing gender balance and discussing key initiatives to increase the proportion of female employees. The CSR and Ethics Committee is updated regularly on progress and approves the directions.

Achieving gender equity in the workplace, at all levels, remains a significant challenge for most businesses. We understand that change takes time, particularly for the initiatives that encourage women to choose a career in IT, which will ultimately improve gender diversity. We are committed to communicating internally and externally the importance as well as the benefits of gender diversity, designing targeted interventions and monitoring progress over time.

### Empowering our people

All employees have a role to play in building and maintaining a diverse and inclusive culture. By sharing their backgrounds, interests or concerns, they can connect, embrace their differences and make them forces for positive social and cultural change. By forming employee-led and run groups, they ensure that Temenos is a "safe" place, where everyone can bring their true selves to work every day and work to leverage our diversity as a catalyst for innovation.

In 2023, we launched two important partnerships to support our DEI efforts and demonstrate our commitment towards our vision and strategy.







## SUSTAINABILITY continued

### Investing in Our People continued

#### Inclusive culture continued

##### Empowering our people continued

Powered by Diversity was one of our major Partners in 2023. We ran an Ambassador Program for our employees in Europe with its experienced team of trainers and provided open access to all Temenosians to its DEI events and workshops as part of its Cultural Calendar Club.

1. The Diversity Ambassador Certification was obtained by a group of 46 Temenosians who completed a nine-week Program that included the following themes:
  - Recruiting inclusively – Everything you need to know about finding, appealing to and hiring diverse talent.
  - Disability and chronic illness – Rethinking disability, illness and the limits placed on these communities.
  - Religious inclusion – The importance of religion to your peers and colleagues, and how to value it.
  - Sex and gender equality – What you need to know about sex and gender equality today.
  - Talking about race – How to have productive conversations about race, ethnicity and anti-racism.
  - Neurodiversity – Introducing neurodiversity and how to attract and include neurodiverse talent.
  - Gender diversity – What you need to know about gender identity and how to talk about it.
  - LGBTQIA+ acceptance – We're here, we're queer and all we want is your understanding.
  - Age inclusivity and ageism – Why age inclusion is important socially and commercially.
2. All year long, the Cultural Calendar Club hosts DEI events and workshops where professionals in the field come to speak about the month's DEI events. Cultural Calendar Club provided Temenosians with the opportunity to learn more about their areas of interest, including mental health, parenting, LGBTQIA+ communities, health, religions and cultures and many others.

At the end of 2023 we also partnered with Code First Girls, one of the largest providers of free coding courses for women globally. Code First Girls is a social impact organization dedicated to transforming tech by providing the skills, space and inspiration for women to become developers, data scientists and future leaders across a range of industries. By partnering with them, we have taken another vital step towards fostering a diverse and inclusive workplace.

#### Employee communities

Employee communities are networks of employees that form based on shared characteristics or background, sponsored by the organization they work for. Usually, EC members share common needs in the workplace. The groups advocate for themselves, and in addition to fostering their own professional development, often become a valuable resource to their employers, providing information about their identities, performing community outreach, opening new networks for recruiting, supporting business objectives and serving as a visible sign of their employers' commitment to a diverse and

inclusive workplace. All of these communities will reflect the unique culture, mission and strategic objectives of Temenos.

Below you may learn more about our long-standing communities, as well as the newly launched ones, and about their achievement so far.

#### Women@Temenos

We continue to be committed to increasing the representation of women in Temenos at all levels, functions and locations, as well as to creating a strong network of women and allies to support one another across the organization.

Over the past 12 months, our online community has grown to over 800 women and allies; the Career Fireside Chat has continued, and this year we've expanded beyond the senior female employees sharing career advice to include other topics for male colleagues as well, such as "Allyship"; from August 2023, we launched "Women@Temenos Monthly" to include a variety of women's career topics and discussions; and this year, we once again joined thousands of people around the world to support Breast Cancer Awareness Month; over 30 cities and 400 Temenosians participated, running, walking, cycling and raising funds and awareness for this important cause.



#### Parents@Temenos

Parents@Temenos, which started in the summer of 2023, is a rapidly growing employee community that has quickly gained popularity among Temenosians.

The group has over 230 members from all around the world and aims to provide Temenosians with a safe place to discuss and tackle parenting and family-related topics.







The community is open to everyone interested in the topic of parenting and family care: people who are parents, aspiring parents, soon-to-be parents, grandparents, primary carers for family members, managers supporting team members who have become parents, and anyone else interested in family-related topics!

The community organizes live events for all employees, actively debates various topics on the community channel and blogs about matters of interest to the group.

### ¡ALMA!

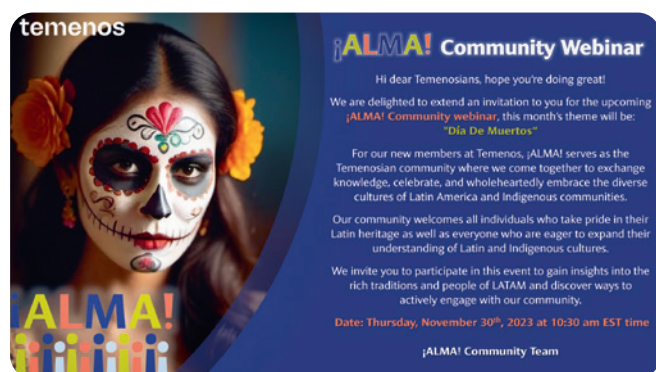
¡ALMA! is another employee community that was founded in 2023 with the objective of sharing, educating and embracing various Latin American traditions.

This group is accessible to everyone who wishes to learn more about the Latin America region and culture.

The community has over 100 members, publishes once a week (Viernes con ¡ALMA!) and has over 200 attendees during each of its live events.

¡ALMA! is exploring themes like:

- history;
- culture;
- relevant content;
- art/music/dance;
- architecture;
- places to visit;
- recipes;
- traditional clothing; and
- customs.



### The Souls by Temenos

This is our music employee community/band located in Chennai and Bangalore, with the goal of promoting music, the positive effects of music and the vast Indian musical culture.

Temenosians who sing and play various instruments compose the community. In 2023 The Souls performed on stage at several Temenos events across India and planned a large event to celebrate International Music Day.

In 2024, the group aims to play for CSR initiatives, develop partnerships with other communities and promote other diverse groups through its traditional music.



### LGBTQIA+ employee community

Before the end of 2023, we launched the LGBTQIA+ employee community, a dynamic and inclusive space within Temenos, dedicated to fostering a workplace where everyone, regardless of sexual orientation, gender identity or expression, can thrive.

We plan to create a supportive network that champions diversity and empowers our LGBTQIA+ employees through professional development, community engagement and advocacy.

### Elimination of discrimination and prevention of harassment

Temenos is proud of the diversity of its people and believes in an equal employment opportunity for all. The work environment at Temenos is free of any type of harassment based on race, religion, national origin, ethnicity, color, gender, age, marital status, sexual orientation, gender identity or disability or any other personal traits or characteristics that are not work related. Any behavior contrary to this principle will not be tolerated.

This forms a part of our [Business Code of Conduct](#), which is publicly available and all employees have to read and acknowledge this when joining the Company and annually after that. All employees are required to complete anti-harassment training annually, as part of the Business Code of Conduct mandatory training. Through the respective communication channels, as communicated in the Code as well as through our People department, employees are encouraged to report any concern of discrimination and harassment. Any retaliation with regard to any such report is strictly forbidden. In case a concern is raised or detected, an internal independent investigation will be launched as quickly as possible, which will be conducted carefully and with full discretion, and any corrective or punitive action taken, if appropriate, will be subsequently reported directly to the Board of Directors. Our anti-discrimination and anti-harassment policies apply to employees and contractors, as well as suppliers, Partners and clients. In 2022, we launched our Working with Integrity Principles Policy that covers bullying or harassment of or by anyone engaged to work at Temenos, and also by third parties such as clients or suppliers. The policy encompasses bullying or harassment that occurs in the workplace, and also out of the workplace, such as on business trips or at work-related social events.



## SUSTAINABILITY continued

### Investing in Our People continued

#### Inclusive culture continued

##### Freedom of expression and privacy

We believe that access to information technology can support greater freedom of expression, which in turn depends upon the right to privacy if it is to be exercised effectively. We respect people's right to freedom of expression and their right to freedom from arbitrary and unlawful interference with privacy online. We ensure this through our Code and the respective privacy policies.

##### Against forced and child labor

At Temenos, we condemn forced or compulsory labor practices. We comply fully with local minimum age laws and requirements and do not employ children. We ensure this through our global and local People & Culture and recruitment policies.

##### Freedom of association and collective bargaining

As stated in our Business Code of Conduct, we respect the right of our employees to join or not to join trade unions or similar external representative organizations as defined in the ILO Declaration on Fundamental Principles and Rights at Work, while we engage in a constructive dialogue with employee representatives. Local employment laws and practices, collective bargaining agreements and individual contract terms are followed. Where mandated by local law, we have 100% employees covered by collective bargaining agreements. We provide [policies and communication channels](#) for hearing and addressing the concerns of our employees and resolving their issues in an open, fair and transparent manner. Freedom of association and collective bargaining is a fundamental principle, which is respected and valued by the Company for all of its employees. We comply with all relevant collective bargaining agreements in countries where we operate. We follow as a minimum the local law requirement; we also require subcontractors to comply with all relevant collective bargaining agreements and to provide documentation of compliance. All Temenos employees based in Brazil, France, Spain and Romania are covered by collective bargaining agreements that cover various topics such as health and safety, working conditions, talent and development, discrimination and harassment. In France, Germany and Luxembourg, employees maintain work councils and health and safety committees. The local People & Culture departments work as an enabler to make sure that all agreements are followed through as agreed. Working conditions and employment terms are not influenced or determined based on collective bargaining agreements for Temenos employees based in countries except for Brazil, France, Spain or Romania.

Country	Employees covered under collective bargaining agreements	
	No.	% of total headcount
Brazil	16	0.24%
France	57	0.86%
Spain	23	0.35%
Romania	197	2.98%
<b>Total no. of employees</b>	<b>293</b>	<b>4.43%</b>

#### Supporting our employees during transitions

Temenos partnered with Randstad RiseSmart, which provides a range of career transition Programs to accompany the employees terminated or close to retirement and offers them tools for a successful transition out of the Company. Participants in this Program benefit from personalized one-to-one coaching sessions and access to a wealth of live and on-demand resources, empowering them to explore and navigate their diverse career options. This Program is designed to facilitate a seamless move to the next chapter of their professional journey, whether it involves other career opportunities, retirement planning, entrepreneurial pursuits or board appointments, and it is a testament to our commitment to employee growth beyond our corporate walls.

#### People experience

##### Learning and development

In 2023, our learning initiatives remain closely aligned with the insights gathered from engagement surveys, talent discussions with managers and Directors, performance reviews, and the latest industry and market trends. The cornerstone resources for information, learning and knowledge dissemination are the Temenos Learning Hub, Seismic for our Sales and Marketing (S&M) employees and the Temenos Learning Community.

Within our learning ecosystem, we integrate internal content developed in house through both instructor-led training and on-demand modules. Additionally, we leverage external content collaboratively created with Partners, learning vendors and sales tools providers, such as Articulate, LinkedIn Sales Navigator, Redhat, etc.

Our approach to learning is strategically crafted to align with global trends in employee education, emphasizing both on-the-job training (OJT) and on-demand learning. OJT is immersive, practical and directly linked to job tasks or outcomes. A notable example is the enablement strategy devised for the global implementation of the new Cash-Price-Quote module. On the other hand, on-demand training offers flexibility, allowing learners to access resources, courses or materials at their own pace and convenience. An illustrative instance from this year is the provision of SaaS certifications—SaaS Fundamentals and SaaS Practitioners—for our Sales and Business Solutions Group (BSG) employees.

While we still offer some “traditional” forms of learning, such as formal in-class information transfer, our goal is for this mode to constitute only 10% of our offerings. This aligns with the 70-20-10 rule embedded in our Global Learning Framework.

The positive response from employees to this approach is evident in the results of the employee engagement survey, underscoring the success of our dynamic and adaptive learning strategies.

As we embark on the new year, our L&D vision is confided to embrace several key enhancements. Our foremost objective is to fortify the onboarding process across diverse functions. To address evolving learning needs, we are introducing innovative L&D strategies, such as microlearning. This approach is tailored to accommodate shorter attention spans and satisfies the desire for immediate learning outcomes, leveraging the concept of instant gratification in learning performance. Additionally, we recognize the transformative impact of generative AI in making AI more accessible for swift and efficient learning experiences.



In our ongoing commitment to L&D, we are in tune with the escalating demand for soft skills across various functions. Our focus encompasses vital skills such as negotiations, presentation techniques, effective communication and critical thinking. Furthermore, we are aligning our offerings with the growing emphasis on ESG principles. In response to the high significance of diversity, equality, a sense of belonging and the imperative commitment to address climate issues, our L&D initiatives aim to inspire these values in our learners.

In the pursuit of continuous learning, we acknowledge the paramount importance of self-directed learning. Our approach prioritizes autonomy, flexibility and a robust emphasis on applicability. Learners can ascertain the practical relevance of their acquired knowledge to their day-to-day responsibilities, ensuring that the learning experience is not only enriching but also directly impactful in the context of their daily roles and tasks.

### Leadership development training

In 2023, we partnered with Randstad RiseSmart to deliver a comprehensive leadership development Program. This initiative enhanced coaching skills for our people managers, empowering them to conduct effective career conversations. Workshops facilitated by external coaches and global webinars focused on coaching and objective-setting skills for all people managers. To ensure sustainability, a “train the trainer” workshop by Randstad RiseSmart developed 15 internal trainers for ongoing leadership development globally.

Additionally, we launched two leadership development Programs tailored for female talents. The first Program targets emerging leaders, offering a 12-month experience developed in collaboration with Actuate Global. It focuses on fostering confidence, expanding skills, identifying opportunities and achieving career advancement through classroom training, e-learning and personalized coaching sessions.

The second Program supports senior female leaders at Temenos, enhancing their skills and confidence on the leadership path. Developed in partnership with Diafora, it offers intensive face-to-face training through full-day workshops. These initiatives underscore our commitment to empowering women within Temenos to thrive and excel in leadership roles.

### Upskilling and reskilling

Career development is a key element of our talent management strategy, and in 2023, our commitment to employee career development led to various tailored initiatives. Internally curated e-learning cover essential soft skills from communication skills and time management, to unconscious bias and receiving feedback, enabling employees to build and elevate these skills at their own pace. What is more, we built and delivered with internal and external trainers dedicated workshops to our people managers promoting the culture of “acting as coaches” by promoting the two-day dialogue for effective objective setting, empowering them to guide their teams proactively.

Additionally, our Women Leadership Programs addressed the specific needs of female leaders, fostering skill development and confidence to thrive on their leadership journey. In parallel, a Presentation Skills Training Program was introduced for our talents, enhancing their abilities in impactful business presentations. These Programs collectively exemplify our dedication to providing diverse and accessible training opportunities, fostering growth and success throughout our organization.

By December 2023, we achieved 75 hours or 9.4 days of average training per employee, excluding on-site coaching and feedback by people managers and other development activities not recorded in our systems. The average training cost for the same period was USD 5,830.

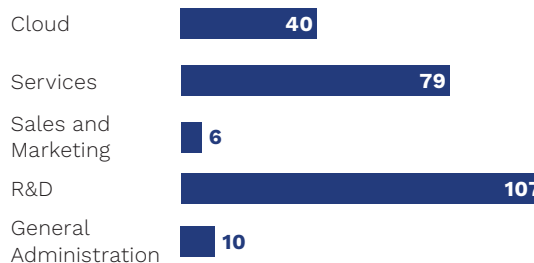
The annual recorded average training hours by gender, function, age group and employee level are shown in the figures below.

### Average training hours

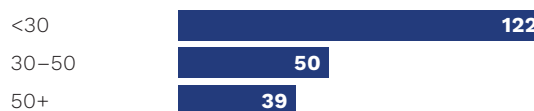
#### By gender



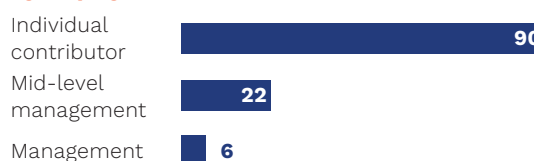
#### By function and age



#### By age group



#### By employee level







## SUSTAINABILITY continued

### Investing in Our People continued

#### People experience continued

##### Performance management

Building on best practices from the market and learnings based on employee feedback as part of the annual employee engagement survey, we continued to enhance our performance management process by providing the means and tools for employees to be empowered in driving their performance and growth. In 2023, we promoted a continuous feedback culture by introducing ongoing check-ins on performance conversations, growth plans and wellbeing needs on a quarterly basis and updating our HRIS accordingly to record and capture all these exchanges. In parallel, during the annual end of year performance review process, we added the self-rating option, as a way for employees to do a self-review and assessment of their own contributions and value delivered. In all these enhancements, change management was key and therefore we have hosted in 2023 several enablement sessions for people managers and individual contributors to take them through the new processes, explain their role in it and communicate on timeline and next steps. On top of that, we have run 12 webinars and 12 workshops on how people managers can act as coaches, to ensure we support them in having targeted, successful and meaningful discussions with their teams. Last but not least, we have developed dedicated e-learning, available to all staff, on objective setting, giving and receiving feedback and unconscious bias along with limiting beliefs, in order to ensure our people are supported along the way, throughout the year.

This way, performance management at Temenos not only enables an open and two-way dialogue, but also plays a pivotal role in establishing trustful and reliable relationships as a foundation for employee growth and high performance.

To accommodate business changes, in 2023, we held the performance management process in Q2 and 5,477 eligible employees participated in it.

The number of employees who received career progression during the performance management process as well as the number of employees whose performance has been reviewed is reported by gender and by function, while Temenos offered the remaining people with career developmental feedback and learning opportunities. In addition, throughout 2023, there were out of cycle career progressions as shown on the next page, which reflect our investment in our employees' career growth.

#### During talent review cycle – 2023

##### Talent review communication

###### By gender

Female	1,861
Male	3,465

###### By function

Cloud	361
Services	1,482
Sales and Marketing	511
R&D	2,480
General Administration	492

##### Career progress

###### By gender

Female	1,849
Male	3,401

###### By function

Cloud	360
Services	1,470
Sales and Marketing	506
R&D	2,422
General Administration	492







## Out of talent review cycle – 2023

### Talent review communication

#### By gender

Female	407
Male	695

#### By function

Cloud	121
Services	305
Sales and Marketing	144
R&D	410
General Administration	122

### Career progress

#### By gender

Female	382
Male	646

#### By function

Cloud	96
Services	289
Sales and Marketing	143
R&D	384
General Administration	116

## Talent Cards and growth plans

In 2023, we further expanded our commitment to employee growth and development through the introduction of “Talent Cards” by developing a seamless, fully digital and Company-wide process. Building upon the success of a pilot Program initiated in 2022, we fully redesigned the global talent management framework and created a brand-new module within our internal HRIS called “growth”. Launched in December 2023, this novel approach encompasses all employees, ensuring a consistent, global and common framework when referring to growth and development across Temenos.

Rooted in an employee-centric philosophy, the process empowers individuals to proactively manage their career and individual development plans, fostering a self-driven approach to professional growth. Simultaneously, managers are equipped with robust tools and frameworks, allowing them to strategically navigate their teams’ development, by assessing growth potential and determining appropriate development needs, addressing retention through informed and targeted actions, implementing thoughtful succession planning and assessing the flight risk. This holistic initiative reflects our unwavering commitment to nurturing talent, fostering a culture of continuous development and elevating the overall success of our organization.

### Josh Bersin Academy

As at Temenos we believe in the power of continuous growth and development, in 2023 we offered to our whole People & Culture team access to a best-in-class learning experience, featuring a global community of HR practitioners for a collaborative learning experience. Josh Bersin Academy is a virtual hub for HR upskilling giving access to a carefully curated library of learning resources, and the opportunity to share ideas and best practices in a global HR community.

Through the academy, our People & Culture experts can access learning courses including, but not limited to, the latest and future HR trends, talent attraction and retention, equal pay, performance management, team-centric leadership, people experience, hybrid work, employee wellbeing and the role of AI and other technologies in people jobs.





## SUSTAINABILITY continued

### Investing in Our People continued

#### People experience continued

##### Mentoring

In 2023, our Mentoring Program has evolved into a dynamic, year-round initiative open to all employees. With over 600 mentoring sessions conducted throughout the year and a remarkable mentee satisfaction rate of 3.95 out of 4, the Program continues to thrive. Emphasizing a mentee-led approach, Temenos employees have the flexibility to engage as mentors, mentees or both at any point of time. This unique framework empowers mentees to selectively choose mentors based on desired skills, developmental goals and functional expertise, providing a tailored people experience. Beyond skills development, mentoring provides a platform for mentors to give back by sharing experiences and knowledge, while mentees receive valuable career support, inspiration and diverse perspectives to navigate their professional journey. The Mentoring Program forms the cornerstone of our commitment to employees' growth and development.

##### Coaching

Under the umbrella of coaching, our offerings are extremely diverse as employees wish to be supported in various ways and forms, to accommodate their different needs. "Executive Coaching" is offered to our emerging and senior leaders when they need guidance on how to navigate transformative change and build further on their leadership skills. On top of that, we support employees with "Returner Coaching" when they return to work from long-term absence, including parental, sabbatical or sick leave in case they need guidance during this transition, while dealing with personal or professional challenges. We also offer "Transition Coaching" services to employees who move to another chapter in their personal journey and grow beyond our corporate walls, whether it involves retirement planning, entrepreneurial pursuits or other plans. These coaching endeavors showcase our dedication to fostering employee growth within and beyond our organization's boundaries.



##### Dual career path in technology

Emphasizing our commitment to individualized employee growth, we further promoted and invested in the dual career path for our technology talent. This initiative allows top engineers and subject matter experts to progress their careers to the highest levels of the organization as individual contributors.

The career path starts with the Curated Technology Talents, individuals with exceptional technical skills, who espouse Temenos values and influence Temenos broadly, outside of their own department. The Curated Technology Talents form a pipeline which feeds into the appointment of Distinguished Engineers, who are subject matter experts in technology and innovation. Finally, from these groups are selected the Temenos Fellows, people who have made an outstanding contribution to the Company. This Program accelerates collective learning, fostering collaboration and knowledge sharing across business lines, ensuring sustained growth for our technical talent.

A pivotal moment for our technology talents was the inaugural Temenos Technology Symposium in October 2023, dedicated to celebrating engineering and subject matter excellence. During this event, we acknowledged the appointment of 24 Distinguished Engineers and 27 Curated Technology Talents, and we intend to make it an annual tradition to unite top technical talents from across the organization to keep nurturing technical expertise and providing access to thought leadership opportunities.







### 360° feedback survey

360° feedback serves as a developmental tool wherein employees receive confidential and anonymous feedback from colleagues. In 2022, we developed a comprehensive 360° feedback questionnaire by aligning Temenos values with 15 leadership competencies. To enhance user experience, we seamlessly integrated 360° feedback into the Qualtrics cloud platform, ensuring confidentiality while utilizing a familiar tool for employees. Feedback is consolidated into a report and shared through one-on-one coaching debriefing sessions facilitated by both internal and external coaches. Our goal is to empower employees and their managers to create personalized, targeted and informed development plans, aligning with individual growth needs and career aspirations. This initiative embodies our commitment to fostering continuous professional development and ensuring a supportive and enriching workplace environment.

### Talent Mobility

The global Talent Mobility guidelines outline the eligibility criteria for talent mobility and the roles and responsibilities of those involved, and they provide a step-by-step guide to support our employees through every stage of the process. We believe that through talent mobility, we can support our people career progression, help them achieve their goals and drive our business forward.

In 2023, we launched Career Talks, our new internal career site, the Talent Attraction Newsletter and other articles and support materials to assist internal candidates in navigating the Internal Mobility journey.

### Employee engagement

Listening to our employees helps us drive our strategy, shape our initiatives, improve processes and create a better people experience.

Our CEO and the executive team share regular communications at a global level, while employees receive regional and functional communications covering both strategic and operational topics. We use Microsoft 365 tools and other channels to communicate and engage with employees, including a SharePoint intranet, Viva Engage, video updates, targeted newsletters, townhalls and live-streamed events with leaders and internal surveys. In 2023 we also launched a “Bright Ideas” feedback platform (which can be accessed anonymously).

To ensure that we are offering our employees a seamless people experience, we have partnered with Qualtrics since 2021 to better measure employee engagement. Scores from our 2022 survey were used to inform positive change across

our business, such as the development of our Wellbeing and Culture Program with more employee events and wellbeing initiatives, the launch of our T-Stars employee award and recognition platform, our new onboarding process to support new joiners and their managers, our new mentoring Program, establishment of our Female Leaders Program, creation of our new internal microsite with links to SaaS-related resources and a “SaaS Explained” webinar series and many more.

### 2023 key highlights

**One global cloud-based platform:** Qualtrics

**Frequency:** Annually

**2023 survey design:** 49 questions in 16 categories offered in 5 languages

**2023 analysis and reporting:** Received 5,898 responses (65% from male and 35% from female employees)

Confidentiality and anonymity commitment: Survey responses are stored in third party Qualtrics servers, in alignment with GDPR and industry standard security policies. This ensures that all responses remain anonymous and confidential to continue with our commitment under the Safe Harbor certification.

Our strong communication and engagement plan delivered great results with an increase of our response rates in 2023 which were 8% higher than in 2022 and above average for our industry and the global norm.

Temenos leaders are committed to listening to and actioning on our employees' feedback. That is why we conducted several enablement sessions in partnership with an external third party, to analyze and explain the results, share best practices and support people managers in developing and registering action plans.

Our employees' feedback showed a growing confidence in the survey, with 79% of respondents believing positive action will come as a result of it, which is far above the global norm and the industry standards. Some of our top performing categories, as per our employees' inputs, are around inclusion, job enablement, work processes, wellbeing and survey follow-up.

Moving forward, we will be focusing on the creation of action plans to address our areas of opportunity. For example, we need to do more to focus on our compensation and benefits policies, really prioritize our transition to SaaS-first and review our Company policies regarding performance, accountability and the implementation of those policies.

	Unit	FY-19	FY-20*	FY-21**	FY-22**	FY-23**
Employee engagement	% of actively engaged employees	62	67	68	71	72
Data coverage	% of total employees	85	51	73	82	90

\* Data coverage is not comparable due to survey format change from annual to always-on in 2020. Average response rate confirmed by Gartner is 50%.

\*\*In 2021 we implemented Qualtrics and moved our employee survey to an annual basis.



## SUSTAINABILITY continued

### Investing in Our People continued

#### Wellbeing at work

##### Promoting health and wellbeing

At Temenos, we are committed to supporting our employees' wellbeing and creating a healthy and safe work environment. The significance of a health and wellbeing focus at work was highly important in 2023, following on from challenging global events. In 2023, we continued to raise awareness on mental, physical, financial and social health.

In 2023, we launched a new global wellbeing and culture team to ensure that there is an increased focus on supporting the health and wellbeing of our employees, as well as building the culture that we need to be successful at Temenos.

Our wellbeing initiatives include:

- recharge days;
- hybrid work model, in order to balance work and personal life;
- international travel and medical insurance, including health screening;
- on-site and online team bonding and recreation opportunities;
- On-site recreational rooms and stress management Programs;
- energy corners with healthy office snacks;
- learning and development Programs focusing on mental health and wellbeing at work;
- multiple channels of internal communication and engagement with our employees across countries and at all levels;
- recognition of their work and contribution, opportunities to learn more about Temenos and spend time with the leadership team; and
- employee engagement in community service and on-site and online volunteering projects.

##### Financial wellbeing webinar series

In 2023, we launched our first dedicated financial wellbeing webinar series, with 500 participants. We are committed to continuing this Program to ensure that we are providing an opportunity for Temenosians to enhance their financial literacy and improve their economic stability.

##### Wellbeing weeks

In 2023 we hosted four wellbeing weeks. During these wellbeing weeks we hosted over 100 local office events, including yoga, meditation, sound baths, padel tennis and many more.

##### Educational virtual webinars based on our pillars of wellbeing and led by external experts (on subjects such as personal finance and team wellbeing)

In 2023, we launched sport and physical fitness initiatives such as the establishment of weekly sports teams like the Dubai badminton team; sports tournaments like the Chennai Sports League including cricket, throwball and many other sports; one-off events designed to get employees active like a Body Combat session in Shanghai; and fitness challenges like the Temenos "Mind and Muscle" challenge via the GoJoe app.

#### Dedicated wellbeing survey

In May 2023 we conducted a global wellbeing survey for the first time and had 1,918 respondents. Our global wellbeing and culture team also traveled to the Company's biggest office in Chennai to run wellbeing focus groups. The results of these initiatives are helping to inform the coming year's wellbeing Program. We want to ensure that the Temenos people experience is a positive one. For more details on our 2023 wellbeing activities, please refer to our [corporate website](#).

On top of the dedicated wellbeing survey, we also use other listening channels to inform our wellbeing strategy; this includes our annual, internal employee engagement survey and feedback we gather at our events, during focus groups and in our one-to-one conversations with our employees.

#### Promoting mental health

We created a page on our SharePoint intranet Uni-T summarizing what mental health platforms and support are available to employees in each Temenos location. We currently have mental health platforms and support offerings in 17 countries, covering 85% of employees. For any locations where we do not currently have an offering in place, we have advised employees to reach out to their local Human Resource Business Partner for support, or to comment on our "Bright Ideas" feedback form (which can be done anonymously). Our intention for early 2024 is to engage a mental health platform provider to service all locations not currently covered. We also provide resources to promote mental health and wellbeing via Uni-T including links to online meditations and articles (with topics including stress management).

Another initiative we commenced in 2023 is a pilot with Quan, a science-based platform designed to measure and improve team wellbeing and enable sustainable high performance. The year-long 60-person pilot is scheduled to commence in Q1-24.

In May 2023 we held a Mental Health Wellbeing Week, which included 40 local office activities (some examples include yoga nidra, mindfulness exercises, a webinar on stress and a positive psychology presentation) and six global activities (including meditations guided by a clinical psychologist, a virtual team "Mind and Muscle" challenge via the GoJoe app, and a webinar on wellbeing at work by Quan). Because we understand the importance of leaders setting an example and helping promote a company culture that prioritizes wellbeing, as part of Mental Health Wellbeing Week we also had four Company leaders share how they relax and recharge in a well-received Uni-T article.

#### Wellbeing Hub

In 2023 we further developed our Wellbeing Hub on Uni-T. The page has links to wellbeing-related resources, acknowledgment of Wellbeing Award Winners (who receive a T-Stars award for their commitment to wellbeing at Temenos), promotion of wellbeing weeks and other wellbeing events, and resources and tips for local offices planning wellbeing events.





### Building a strong community

At Temenos, we know that people are the key, so we prioritize creating opportunities for people to come together. In 2023 we held 316 events for our employees – a combination of global and local office events. This included (but was not limited to) wellbeing weeks, family days, end of year celebrations, volunteering and fundraising events, cultural celebrations and annual Temenos birthday celebrations. For more details on our 2023 wellbeing and culture events, please refer to our corporate website. In 2023 the global wellbeing and culture team continued to hold regular meetings for the people responsible for organizing local office events (including Human Resources, Office Managers and Wellbeing Captains) to ensure consistency globally, create efficiencies and promote information sharing for the organization of local office events.

An important element of our Temenos culture is bringing people together who might not typically cross paths in their day-to-day work. Creating opportunities to bond means our Temenosians feel valued and have greater creativity and innovation, better work outcomes and more effective problem solving. Employees are encouraged to create employee resource groups (such as Women at Temenos, Parents at Temenos, ¡ALMA!, The Souls by Temenos and the LGBTQIA+ employee community). These groups are designed to drive collaboration and bring attention to topics that our staff are passionate about.

### Workplace health and safety

In Q4-23, we began the process of seeking an external consultant to advise on the requirements for ISO 45001 certification with a view to engaging a service provider in Q1-24 and actioning their recommendations later in 2024.



### Supporting our employees as their families grow

To accelerate representation and improve experience for everyone, our policies, benefits and leave Programs contribute to an inclusive work environment where all employees feel they are valued and have equal opportunities.

We believe that supporting our employees' health and happiness is crucial to their success and to Temenos' future so we have a range of benefits in place to support Temenosians in the good times and the bad. These benefits apply as a minimum global standard, but where local statutory allowance exceeds these, they still apply.

In 2023 we created a page in our SharePoint intranet where employees can find information on the benefits that Temenos offers on top of local statutory requirements, both global policies (detailed below) and region-specific insurances and local benefits.

### Supporting professional development

Supporting our employees in developing their professional skills and advancing towards their career goals is critical to Temenos. We understand that it can be challenging to find time to dedicate to this, while managing the demands of their day-to-day work. This is why we give the option to our employees to take up to two weeks of paid leave each year for study or personal development to support them in their current role and help them gain the skills they need to grow. This includes higher education and any relevant skill-based courses.

### Recharge days

In order for employees to perform at their best, it is important to take some time to "recharge" their batteries and rebalance their bodies and minds. Temenosians are encouraged to take four days per year to use as recharge days when physically or mentally needed.

### Marriage and civil partnership leave allowance

We grant one week of paid leave for marriages and civil partnerships, including same-sex/civil partnerships.

### Giving time when our family needs us most

We appreciate that there will be times when our employees' personal needs and those of their families far outweigh the demands of their work life. So, we have extended our Family Care Leave Policy to support them to take time off when either they or their family needs it the most. We support our people to take up to four weeks of paid family care leave, in the case of bereavement or critical illness of their immediate dependent (spouse or child) or a parent or anybody for whom you are a primary caregiver. This leave is also available to mothers following a miscarriage, abortion or pregnancy loss. Our employees can also take up to two weeks of paid family care leave to focus on fertility treatment or surrogacy. Women going through menopause can take up to two weeks of additional paid leave per year.



## SUSTAINABILITY continued

### Investing in Our People continued

#### Wellbeing at work continued

#### Supporting our employees as their families grow continued

##### Maternity Policy

Minimum paid maternity leave comprises 20 calendar weeks at full pay, with no minimum tenure required. We allow a gradual return to work (from the date the employee decides to return), starting at three days per week for the first month then four days per week for the second month and returning to five days per week from the third month onwards, unless the employee is returning part time. These benefits apply to all mothers, including adoptive and foster mothers. We currently have private rooms/medical rooms where breastfeeding mothers can express milk in our Dubai, Singapore, Sydney, Chennai, Bangalore, Hyderabad and Malvern offices and are working to offer this in more offices moving forward.

##### Paternity Policy

Minimum paid paternity leave comprises two calendar weeks at full pay, with no minimum tenure required. We also allow a gradual return to work for new fathers, starting at four days per week for the first month after their return and returning to five days from the second month onwards. These benefits apply to all fathers, including adoptive and foster fathers.

##### Parental leave

##### Employees on parental leave in 2022

Male	267
Female	237

##### Employees who returned to work after parental leave ended

Male	267
Female	209

##### Employees who returned to work after parental leave ended and were still employed 12 months after their return to work

Male	226
Female	161

##### Return to work rate of employees on parental leave

Total	96%
Male	100%
Female	91%

##### Retention rate of employees on parental leave

Total	81%
Male	85%
Female	77%



##### Sabbaticals

At Temenos, we value tenure and loyalty. We also understand that our employees have personal goals and commitments outside of work and might enjoy the opportunity to take some additional time off. Therefore, employees are encouraged to take up to two months of unpaid sabbatical leave after five years of service, up to four months after ten years, and up to twelve months after twenty years of working with us.

##### Rewarding for attracting new talent

We believe that our people are the most effective recruiters. We encourage our employees to invite new talent into our business through their personal network. According to our Referral Award Policy our employees are eligible to receive a monetary reward between USD 500–8,000 for referring a new Temenosian. The value of the reward will vary depending on the candidate's band and location, as specified in our Referral Award Policy. The time scale for payment is one-month tenure of the new recruit.

##### Hybrid working

The flexibility of working from home can enhance work-life balance. At the same time, we believe that we are stronger together at Temenos. Working from the office supports our ability to collaborate, build connections and learn from each other. The hybrid working model we introduced in 2021 is designed to bring the best of both worlds. In addition, it is a major step towards creating a more inclusive organization, as the "ability to travel daily to an office" is not the most important qualification for employment.

Temenosians can opt to work from home up to two days per week. This policy is applicable to all permanent Temenos employees. Any unutilized days cannot be carried forward to the following week or month. Some roles may not be considered eligible to work from home due to the nature of the job or the stage of learning someone is in. Such examples include but are not limited to employees whose role require a physical presence in the office or face-to-face contact at clients' premises.



### Working from anywhere

Temenos encourages flexibility; therefore, we provide our employees with two weeks per annum to work remotely from anywhere. Temenosians are able to extend a holiday or business trip or choose to work from a different location than they normally work. We also encourage them to visit the local office, network, meet new people and get a taste of another Temenos office if they work in the same city.

### Part-time options

In some roles, Temenos allows employees to work part time to provide an additional working option for those who prefer not to work full time. We have part-time employees in 28% of the countries in which we operate.

### A meaningful gift for new parents: From Babies with Love

In 2023 we expanded our partnership with the organization "From Babies with Love" to provide gifts to Temenosians who become parents, get married or lose an immediate family member (bereavement) to be there for employees at times that matter. From Babies with Love is a social enterprise and a purpose-led brand. Its vision is that every child grows up in a loving family. Thus, it donates 100% of its profit to vulnerable children and Temenos has contributed more than 8,000 USD towards this cause in 2023. Together with From Babies with Love, we can help provide family homes, education, healthcare and support to overcome trauma. This enables children who would otherwise be left to fend for themselves to have a second chance in life.

### Supporting global mobility

As a global software company, we rely heavily on our global workforce and leverage their talent to drive business success.

Our global mobility Program forms an integral part of our service delivery model to clients. It enables us to meet business objectives while providing our employees with opportunities to develop their skills and advance their careers. Our dedicated team of regional experts supports mobility to any of the 39 countries in which we operate in coherence with our robust policies and processes that address the complex challenges of managing an international workforce. Our team supports strategic assignment planning, budgeting and cost management, global compliance and advisory services.

We stay abreast of ever-changing global tax and immigration legislative statutes to build and execute an effective, compliant and cost-efficient International Mobility Program. We work with the world-class relocation agents, tax and immigration counsels to facilitate personal income tax consulting, immigration and shipping services.

We leverage our global mobility Program to tap into a significantly larger talent pool and address the skill shortage through the infusion of diverse talent pools fostering diversity and inclusion to boost innovation and productivity. This is a proven employee retention mechanism to curb attrition to some extent by enabling the assignees to gain on-site experience, professional development, flexible work arrangements and career path visibility. We are committed to protecting top-tier talent by strategically deploying them from stagnant markets to active markets with sought after projects.

### Awards and recognition

#### Employee recognition

Our people and culture are what propels us forward as we continue to deliver on our vision to transform the banking industry. Our recognition Programs are an opportunity to celebrate the contributions of Temenosians from across the business, not only for performance excellence, but also for the achievement of our social, environmental and climate-related targets. The nominations are related to our Temenosity values Care, Commit, Challenge and Collaborate, reaching key milestones or going above and beyond the role requirements. Everyone is invited to nominate their colleagues and peers. Our employees are highly encouraged to be inclusive and consider those in roles that are less visible but still make valuable contributions.

#### Temenosian Award

The annual Temenosian Award celebrates Temenosians who have made an exceptional contribution to our business and helped us to achieve our ambition to be Everyone's Banking Platform. These Temenosians exemplify everything it means to work at Temenos. They are passionate about making banking better and they use their skills and influence to have an impact. These individuals also act as role models and embody our key values. Exceptionally in 2023, 30 winners enjoyed this award, aligning the number of winners with Temenos' 30<sup>th</sup> anniversary. The award includes both monetary and non-monetary recognition, such as an invitation to our Temenos Kick Off (TKO) event, special celebrations with senior leaders and global announcements.

#### The Club

The Club celebrates our top performing Sales and Business Solutions colleagues from around the world in a unique way – a trip with our Chief Executive Officer. In previous years, the Club awardees traveled with their partners to Scotland, Iceland, Vietnam, Barbados, Capri, Kenya, India, Morocco and Zambia.







## SUSTAINABILITY continued

### Investing in Our People continued



#### Awards and recognition continued

##### Employee recognition continued

###### Temenos KEY

The Temenos KEY Program was designed to emphasize Temenos values and celebrate our motto that people are the key. The KEY represents a reminder to all of us that in our business what counts is people, human endeavor and respect for each other. We are a team; we are proud to be part of Temenos and wearing the key embodies our philosophy. For more details, please refer to our dedicated page on our corporate [website](#).

###### T-Stars

In 2023, we collaborated with Workhuman, a leading cloud provider, to launch T-Stars, our new recognition Program. T-Stars is an easy-to-use online platform allowing employees to acknowledge peers seamlessly. It operates on an inclusive “everyone-to-everyone” basis, enabling all employees to give and receive recognition, irrespective of role or location. Linked to our values, T-Stars offers five award levels for employees to choose from when recognizing contributions. An Award Advisor assists in this process, recommending suitable award levels. Some awards have monetary value (exchangeable for goods), and others do not, since we wish to promote our recognition culture to the next level, no matter if this results in a monetary outcome or not. T-Stars also encourages inclusivity through its “Inclusion Advisory”, helping employees craft unbiased messages. In 2023, over 7,500 awards were distributed, with 51% of employees receiving recognition from their peers across the organization. The platform fosters interaction, with over 5,143 congratulations shared alongside recognition moments. Specialized awards, like the “Wellbeing Award” for wellness activities and “Hackathon Awards” supporting the 2023 winners, contribute to the Program’s success. T-Stars not only enhances recognition but also fosters a culture of engagement and collaboration within our organization.

#### Employee value proposition/social media

Temenos promotes its culture, people and lifestyle via LinkedIn, Instagram and Facebook.

Instagram was our preferred channel for EVP material in 2023, and we saw an 11% growth in our number of followers. The 66 posts covered a variety of themes, including CSR and wellbeing activities, office festivities and DEI initiatives.

##### 30-year anniversary campaign

On our 30<sup>th</sup> anniversary, we ran a record-breaking campaign over five weeks (October–November). The developed content was used both internally and externally. Most of the materials are long lasting (agnostic to the campaign) and will keep supporting us in promoting Temenos culture after the campaign.

Three of the campaign’s social posts set 2023 highs: Campaign launch (93 reposts); Leaders in Bangalore (21,000 engagements); and our COO and President Product video explaining what makes Temenos special (40,000 views).

November was the month with the highest number of visitors to the website in 2023 – 34,590 total visitors to the anniversary landing page over the five weeks.

Furthermore, we engaged our people locally to gather to chat about innovation and showcase Temenosity in:

- 45 office celebrations in all major locations;
- our internal event page which received 6,410 views; and
- 30+ videos and posts on Yammer.

##### Alumni group

The aim of the page is to stay in contact with former colleagues and keep them up to date on what is happening at Temenos, as well as to continue to learn from each other and keep connected to each other after leaving Temenos. We like to say, “once a Temenosian, always a Temenosian” and since last year, the group has grown by about 20%. This group keeps growing and we have plans in 2024 to focus more on expanding it even further.





# 5 Empowering Our Local Economies and Communities

## Enabling access to financial services

Credit unions, savings banks, microfinance, community banks and other non-bank financial institutions are the foundation of sustainable financial inclusion and the development of healthy, sustainable local financial markets. At Temenos, we understand the need to strengthen and support community-based banking, through the provision of modern digital technology and services to strengthen our business to serve our communities and expand our outreach to the unbanked. We offer solutions that are appropriate to the market, transparent and inclusive, while facilitating emerging markets that are still cash dependent.

## Investing in our communities

The innovative spirit driving our business successes also fuels our commitment to fostering positive change in the communities we serve. Motivated by a strong desire for positive transformation, Temenos goes beyond financial contributions and leverages our assets, expertise and partnerships to empower communities. We align our investments with our mission and business goals to create shared value and foster sustainable development that lasts beyond our involvement. Furthermore, we collaborate with Partners in promoting local development and creating long-term benefits.

## Contributing to the UN SDGs

Our goal is to foster innovation and sustainable economic growth, promote gender equality, economic inclusion, and empower women through the use of technology. Our Adopt-iT Program not only benefits communities outside our business, it reinforces our core values of operating responsibly and uses our technology, expertise and resources for good within Temenos, inspiring many to dedicate their time to helping others.



## 2023 key highlights

# 13

computer labs in India since 2017

# 1

solar-powered innovation lab and green data center

# 1,370+

volunteers

# 36,694

students reached through the Adopt-iT CSR India Program, since the Program was launched



We empower communities through the power of digital technology and financial inclusion, forging a more equitable world for all.





## SUSTAINABILITY continued

### Empowering Our Local Economies and Communities continued

#### Enabling access to financial services

Current projections suggest that in 2030, 574 million people, equivalent to nearly 7% of the world's population, will remain in extreme poverty. The World Bank calls for ending poverty by setting a revised goal to reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions by 2030.

Unfortunately, many countries are still far from achieving that target. To eliminate global extreme poverty by 2030, which is interpreted as reaching a poverty rate of less than 3%, these countries will need to grow their economies substantially to eliminate poverty.

Past economic growth was accompanied by increased pressure on the climate through use of oil, coal and gas. If this pressure continues, achieving future growth could create a tension between the poverty goal and the climate goal. In general, a country's GDP per capita is highly predictive of its extreme poverty rate. As countries grow, their extreme poverty rates tend to fall.

Developing countries will need to grow to end extreme poverty and it can be done without significantly contributing to global emissions. It is possible to limit the impact on climate while making strides in poverty reduction. If the incomes of the poor grow faster than the rich, less growth is needed to lift the poorest above the poverty line, and less greenhouse gases will be emitted to reach the poverty target. With the right policies, it is possible to achieve the goal of eliminating extreme poverty without severely degrading the environment. But it is critical to act fast as climate change is already pushing millions of people into poverty.

In 2023, 691 million people were estimated to live on less than USD 2.15 a day, the international extreme poverty line. As global temperatures continue to rise, leading to worse living conditions for millions of people worldwide, the poorest are the most vulnerable and will be the most severely impacted.

Great progress has been made towards financial inclusion and 71% of adults in developing countries have obtained access to an account between 2011 and 2021. Digital financial services – including those involving the use of mobile phones – have now been launched in more than 80 countries, with some reaching significant scale. As a result, millions of formerly excluded and underserved poor customers are moving from exclusively cash-based transactions to formal financial services using a mobile phone or other digital technology to access these services.

However, 1.4 billion of the 5 billion adults are still unbanked in 2023. About half of unbanked people included women, poor households in rural areas, or out of the workforce.

While the gender gap in account ownership reduced from 9 to 6 percentage points in developing countries, women are still hindered from being able to effectively control their financial lives. Countries with high mobile money account ownership had less gender inequality. The impact of Covid-19 on this gender gap remains to be seen.

Since 2010, more than 55 countries have made commitments to financial inclusion and more than 60 have either launched or are developing a national strategy.

#### Temenos Financial Inclusion

Temenos Financial Inclusion is focused on financial institutions which provide banking services to people who are often excluded from mainstream financial services. It is used at over 300 client sites in 53 countries and offers a mature packaged version of Temenos software which offers extremely fast implementation times.

It is used by clients starting up with no customers or accounts, up to as many as 7 million accounts, all with the same configuration. Many NGOs went on to obtain full banking licenses because of the software and no changes were required.

Our solution is specifically aimed at the following financial sectors:

1. microfinance institutions;
2. credit unions;
3. community banks;
4. non-bank financial institutions;
5. small banks;
6. start-up banks; and
7. banks with financial inclusion initiatives.

Our Financial Inclusion strategy is to provide the same technology infrastructure used by modern digital banks in established financial markets to empower small financial institutions in emerging markets to compete and exponentially grow their customer base, providing quality, affordable, digital financial services to the poor. Temenos provides the technology and expertise to build services to compete with the mobile network operators and fintech and commercial banks that are after the very valuable membership base that community banks and credit unions have developed over decades. It is essential that these community banks keep their customer spend within their own community banking network, generate new revenue and build on their greatest asset – the trusted customer relationship. We do this as part of our mainstream business. We bundle our latest release Temenos core banking technology in a mature model bank for community and cooperative banking and provide access to integration and digital channels via cloud-based Software as a Service (or to be deployed locally). This gives smaller financial institutions subscription-based access to the same technology utilized by some of the world's largest and most advanced banks.

In 2000, Temenos committed to microfinance and constructed a microfinance model bank as a "bank-in-a-box" for easy and affordable deployment. It served the various non-bank financial institutions that were providing financial services to the disadvantaged. Banks could not serve this market due to cost, culture and focus. With the expansion of terrestrial 2G and 3G mobile networks in most of the developing world, transaction processing costs began to plummet.



The mobile phone for voice and data transformed banking. Transactions and payments for the mass market opened. Over the past decade, mainstream banking, driven by Kenya's Mpesa and the huge commercial microfinance networks, has discovered transactional banking's promise for the poor. Throughout this journey, Temenos has led fintech discovery. Temenos is proud of being the first to transfer mainstream core banking technology to the cloud with Microsoft in Mexico, with five microfinance banks in 2011.

Temenos technology has helped every major microfinance network and most of the large mainstream microfinance institutions produce leading financial inclusion solutions. The inclusive banking industry no longer defines inclusion just as having a transaction account. Financial inclusion is "individuals and enterprises having access to usable and affordable financial goods and services that fit their requirements – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way", according to the World Bank. The only fintech in the Group that combines core banking and payments in a portfolio of solutions for the sector is Temenos. Temenos Financial Inclusion has developed beyond the typical microfinance end-to-end "bank-in-a-box" solution strategy to a larger digital transformation on payments. Payment digitization reduces market friction, especially in emerging nations where cost affects productivity and investment. Millions are excluded and business development is inhibited in high-density disadvantaged urban and peri-urban regions due to cost and risk of cash. In Sub-Saharan Africa (SSA), the World Bank estimates that small businesses represent 90% of all businesses, and according to Mastercard, Sub-Saharan Africa alone has 44 million micro, small and medium enterprises (MSMEs). Small businesses play a crucial role in global and local economic development. They create jobs, stimulate innovation and provide essential goods and services to communities. The World Bank says the sector's growth is mainly limited by access to credit and quality financial services.

## Extending financial inclusion

The pandemic stressed the continuing financial inequality. At the same time, it offered a real opportunity towards investing in a fairer and more inclusive global economy. The rewards for doing so go way beyond those directly affected, from increasing political stability to helping address climate change and from global GDP growth to contributing strong returns from a well-balanced portfolio.

People need a safe place to save and a source of financial services to finance the various stages of their life and to have access to investment for provident and productive purposes. It is said the best police officer is a homeowner. The same applies to the market economy. If the majority of people are excluded from the market economy, there is no foundation to the economy. People who have no stake in the economy have no reason to care about the success of the economy. Financial inclusion is fundamental to the social and economic stability of our global economy. Unlocking the potential of the individual to have meaningful participation and giving people a stake in the market economy provided a foundation for development. Fintech is central to this process. To bank, the poor have to be a market. Banking the poor has to be profitable and achieving this conversion from demand into effective demand for financial services requires very sophisticated use of data and ICT to drop the costs of high-volume, low-value transactions to create a competitive market for the business of the poor.

The Temenos experience has been a journey of discovery with our clients and Partners in a common mission to make a meaningful contribution to our community, our global economy and the lives of tens of millions of women and men that our technology has helped to serve. In many parts of the world, internet, cloud and mobile banking are unlocking this financial inclusion. Temenos will continue to lead with financial technology to continue this mission. Our solution is capable of operating on a 24/7 continuous basis and is fully multicurrency and provides support for multiple languages according to user and customer records. It has in-built digital channel capabilities which can be delivered either using Temenos' solutions or by integration to specialized third party offerings.



### Case study

## Scaling to serve the needs of low-income households

CreditAccess Grameen is India's largest microfinance institution. It has 4.6 million customers and manages assets of over \$2.7 billion. It employs 19,200 people across nearly 1,900 branches nationwide. Its mission is to be the preferred financial partner for low-income, rural households which lack access to traditional credit, with women making up more than 99.99% of its customer base. It offers a range of microfinance loan products, including for business capital, home improvements, family welfare and emergencies.

→ Read more here:  
[Scaling to serve the needs of low-income households](#)





## SUSTAINABILITY continued

### Empowering Our Local Economies and Communities continued



#### Investing in our communities

In an increasingly demanding world, we have a responsibility to address the challenges and help all communities succeed. This means promoting responsible business practices, expanding accessibility and connectivity, advancing fair and inclusive societies, and empowering communities. By strategically leveraging technology, resources, financial support and business expertise, along with the dedication and talent of our employees, we collaborate with clients and Partners to provide communities with access to opportunities technology creates and support, particularly during times of need.

#### Our approach

As a global leader, we are committed to supporting and enhancing the quality of life in the communities where our employees, Partners and clients live and work. To support this commitment, we actively engage with these communities through a multi-faceted approach:

- corporate monetary contributions;
- corporate monetary contributions that complement the donations or volunteer efforts of our employees;
- in-kind contributions of used IT equipment;
- employee fundraising (volunteering their time and/or money); and
- volunteering (donation of professional service, management expertise, skills and time to non-profit organizations or local communities).

Our community investment is aligned with our mission, business strategy, employee concentration and CSR strategic priorities, ranging from long-term Programs to short-term initiatives.

The key priority areas on which we focus our community investment are:

- poverty alleviation and financial inclusion;
- digital inclusion and innovation;
- diversity, equity and inclusion; and
- employee volunteering and community service.

During the period of 2017–2023, we allocated more than USD 2.8 million to community development projects. Temenos continuously evaluates the effectiveness and impact of its community investment through ongoing engagement with supported organizations and employee volunteer initiatives, aimed at enhancing project management and identifying new opportunities for positive impact.

Our goal is to empower communities to harness the transformative power of technology and equip them with the skills to fully utilize its benefits and opportunities.

#### 2024 goals

- To expand the Adopt-iT School Program to more schools and universities in India.
- To increase access to education and technology for underserved communities.
- To continue awarding need and merit-based scholarships to qualifying students of our partner educational institutions for the next three years.
- To create more volunteering opportunities for our employees in line with our CSR strategic priorities.

#### Enabling social change through technology

Temenos is committed to finding ways to use technology to enable social change by supporting disadvantaged local communities. We are focusing our actions on transforming the lives of individuals in these communities by improving their work skills and capabilities, promoting gender equality and inclusive education for all, and helping them gain access to finance, healthcare and jobs.

The necessity of technology has evolved into a fundamental human need, yet approximately one-third of the global population still lacks online access. Communities are struggling to keep up with the fast pace of change driven by digital transformation and the shift to a digital economy. In India, where Temenos employs a substantial 65% of its global workforce, the Company has recognized the urgent need to drive social change through technology.

Through our CSR Program in India “Adopt-iT”, we are committed to raising awareness about quality and inclusive education, digital skills, gender equality and empowering girls and women to enter STEM fields of study and careers. We work with schools and universities to provide hygiene and sanitation, fund scholarships to study STEM and provide job opportunities to build work experiences, internships and mentoring Programs. Our Programs aim to provide today’s youth with the tools they need to shape the future of technology.

→ [Read more here: The real impact of our Adopt-iT CSR Program](#)





### India CSR School Program

Through the Temenos Adopt-iT School Program in India, we have built 13 solar-powered computer labs and smart classrooms in schools and charitable organizations in need between 2017 and 2023. We focused our actions on encouraging gender equality and inclusive education for all, by building girls' restrooms in government schools in India, helping girls stay in school and providing them with access to the benefits and opportunities technology creates and the skills to deploy it and subsequently equal access to more opportunities in life.



#### Temenos Adopt-iT

2017	MCN school in Chennai	Computer lab
2018	Government Kannada Higher Primary School in Bangalore	Computer lab and girls' restrooms
2018	St Columbus Higher Secondary School in Chennai	Computer lab, training room and girls' restrooms
2019	RBANC School in Chennai	Solar-powered computer lab and training room
2019	Prakash Nagar Government High School in Bangalore	Solar-powered computer lab
2020	Madras Progressive Higher Secondary School in Chennai	Solar-powered computer lab and training room
2020	Mary Clubwala Jadhav Girls Higher Secondary School in Chennai	Solar-powered computer lab and training room
2021	MCN School in Chennai	Solar-powered computer lab and training room
2021	Kumaran Special School for children and youth with special needs	Sensory lab to support the individual learning requirements
2021	Lady Willingdon Higher Secondary School in Chennai	Solar-powered computer lab and training room
2022	Chennai Higher Secondary School in Maduvankarai, Chennai	Solar-powered computer lab and training room
2022	SOS Children's Villages in Chennai	Solar-powered computer lab and training room
2023	SOS Children's Villages in Bangalore*	Solar-powered computer lab and training room
2023	Government Higher Secondary School in Tamil Nadu*	Girls' restrooms

\* In 2023, we built one more solar-powered computer lab and training room at SOS Children's Villages in Bangalore and girls' restrooms at the Government Higher Secondary School in Tamil Nadu.



### India CSR University Program

In 2019, we expanded our Adopt-iT Program to further promote innovation and digital skills among university students while creating employment opportunities. As part of the Program, Temenos built a fully equipped and sustainably powered Innovation Lab at Anna University, College of Engineering, in Chennai. This cutting-edge facility provided students with a unique opportunity to become fully engaged in the finance technology sector, partner with Temenos employee volunteers and gain valuable hands-on experience.

Furthermore, we offered our Temenos Learning Community online platform and sandbox environments, customizing them to create a curriculum specifically tailored to the needs of the Temenos Innovation Lab users.

Building upon this success, we expanded our collaboration with universities and colleges across India, expanding our engagement to include R&D, hackathons, training, scholarships, recruitment and green data centers.



## SUSTAINABILITY continued

## Empowering Our Local Economies and Communities continued

## Investing in our communities continued



In 2023, Temenos continued its commitment to fostering innovation by sponsoring two major hackathons with leading Indian universities. These collaborations showcase our dedication to nurturing the next generation of tech leaders. Participants explored diverse themes, developing brilliant solutions for a sustainable future.

**Hack Summit 4.0 at SRM University****60+**

teams

**4**

judges

**200+**

participants

**3**

winning teams

Building on the success of last year, students from different colleges participated in a 36-hour hackathon where they were challenged to develop digital and sustainable solutions, especially in the fields of fintech, generative AI and green development. This Hack Summit marked the first-ever winning team consisting solely of female students, showcasing the transformative power of diversity in driving innovation.

**GraVITas Hackathon at VIT University****70+**

teams

**300+**

participants

**3**

winning teams

Temenos actively co-sponsored GraVITas, a hackathon at VIT University in India. Beyond being a hub for innovation, the event facilitated knowledge sharing, featuring a tech talk on "Cloud Security" by Temenos' Product Security Head in India. The hackathon drew participation from over 15,000 students representing various colleges globally.

The outstanding outcomes of Hack Summit 4.0 and GraVITas underscore Temenos' transformative impact on the tech community, fostering a culture of innovation and social responsibility.

**Case study****Temenos CSR initiative: Sustainability and Inclusive Mobility**

Temenos has been at the forefront of using technology to create a positive impact on the world for the past 30 years. Every year, we strategically invest in projects that embrace sustainable approaches, exploring diverse ways to make a meaningful difference. Recently, Temenos collaborated with the Government of Karnataka to donate ten retrofitted electric vehicles to people with physical disabilities. The vehicles were presented by Temenos Chief Executive Officer Andreas Andreades, along with the Temenos leadership team. By empowering people in rural India with eco-friendly mobility solutions, Temenos is moving towards a more sustainable and inclusive society.





## Supporting local communities

### Temenos Adopt-iT Scholarship Program 2023

Since 2019, Temenos has been awarding need and merit-based scholarships to qualifying second, third and fourth year students of Engineering and IT departments of universities and colleges in India and subsequently provides employment opportunities to outstanding performance graduates.

As part of our gender diversity Program, Temenos is allocating 60% of the scholarships to young women, encouraging them to choose a career in the IT industry. During 2023, Temenos' Adopt-iT Scholarship Program continued to provide scholarships to six educational institutions in Tamil Nadu, including four Universities and two Colleges. A total of 196 additional need and merit-based scholarships were awarded to students attending the following educational institutions and departments:

- Information Technology;
- Computer Science Engineering;
- Electronics and Communications Engineering;
- Electrical and Electronics Engineering; and
- Electrical and Instrumentation.

### Temenos Adopt-iT scholarships, since the Program was launched

Unit	2019	2020	2021	2022	2023
Total number of scholarships to qualifying second, third and fourth year students	46	92	141	196	196

### Number of scholarships awarded per University/College

Educational institutions	2023 number of scholarships
Anna University	46
Sastra University	30
VIT University	30
SRM University	30
SVCE College	30
SKCET College	30
<b>Total</b>	<b>196</b>

By providing scholarships to qualifying students in engineering and IT departments of universities and colleges in India, Temenos is empowering young minds to pursue careers in the digital economy. Through this initiative, Temenos is not only investing in the future of technology but also fostering a more diverse and inclusive IT workforce. The scholarship Program will continue and expand to other universities and colleges in Chennai, Bangalore and Hyderabad, over the next two years.

# 671

need and merit-based scholarships for students of six educational institutions (2019–2023)

# 96%

of the students have a family income less than USD 2,000 per year





## SUSTAINABILITY continued

### Empowering Our Local Economies and Communities continued

#### Investing in our communities continued

##### Donations

##### Corporate monetary contributions

We believe that those with the means to make a difference should act, acknowledging that complex challenges demand united action. In collaboration with our local offices, we carefully evaluate and select projects based on their alignment with local community needs and our strategic priorities, which encompass poverty alleviation, child welfare, youth development, technological advancement, environmental sustainability and emergency relief.

Community investment in USD	2020	2021	2022	2023
Monetary donations	269,752.26	417,367.44	452,543.18	<b>697,391.61</b>
Employee fundraising	31,181.83	20,122.90	77,325.00	<b>52,165.60</b>
Employee volunteering cost	67,561.00	62,411.00	109,918.00	<b>136,938.00</b>
In-kind donations	40,872.00	107,300.00	99,121.65	<b>9,243.01</b>
Management overheads	47,630.00	68,881.00	78,456.00	<b>101,705</b>
<b>Total</b>	<b>409,367.09</b>	<b>607,201.34</b>	<b>817,363.68</b>	<b>997,443.22</b>

Type of philanthropic activities (2023)	Percentage of total costs
Charitable donations	7.2%
Community investments	92.8%
Commercial initiatives	0%
<b>Total</b>	<b>100%</b>

As per our Anti-Corruption and Bribery Policy as well as the Charitable Donations and Non-Commercial Sponsorships Policy, Temenos does not make any contributions to political, religious or legislative parties.

In addition, the Temenos internal audit team conducts yearly independent, objective audits of the Company's corporate monetary contributions, in relation to the Anti-Corruption and Bribery and Conflict of Interest policies. The results of these audits are shared with the CSR and Ethics Committee and the Audit Committee. All donations and non-commercial sponsorship requests are submitted online through the Temenos intranet for review and evaluation by the CSR and Ethics Committee during its regular meetings.



##### Emergency relief

In times of disaster or unexpected events, Temenos does not just stand by – we leap into action, offering a helping hand to communities in need and empowering non-profit organizations and emergency relief agencies for a lasting impact. As every year, we are grateful to the hundreds of Temenosians who have contributed and continue to support urgent causes by forgoing pay or through our volunteer Programs.



##### Corporate monetary contributions and employee fundraising in 2023

We foster a culture of community service among our employees, encouraging their participation in fundraising activities for non-profit organizations in the countries where we operate, with the opportunity to amplify their efforts through corporate matching of raised funds. The activities to be considered for the corporate matching need to be aligned with the corporate CSR priorities. In 2023, employees enthusiastically embraced a diverse range of impactful initiatives.

→ [Read more here: Poverty Alleviation and Economic Development](#)





### Number of children supported/year

Year	Supported by	Boys	Girls	Total
2017	Temenos India employees	8	4	12
2018	Temenos India employees	10	18	28
2019	Temenos India employees	18	29	47
2020	Temenos India employees	38	31	69
2021	Temenos India employees	11	20	31
	Temenos	42	37	79
2022	Temenos India employees	17	39	56
	Temenos	63	54	117
<b>2023</b>	<b>Temenos India employees</b>	<b>20</b>	<b>39</b>	<b>59</b>
	<b>Temenos</b>	<b>45</b>	<b>55</b>	<b>100</b>
<b>Total</b>	<b>Employees and Temenos</b>	<b>272</b>	<b>326</b>	<b>598</b>

### Funds raised in USD

	Temenos India employees	Corporate match	Grand total
2017	2,727	–	2,727
2018	6,545	–	6,545
2019	8,061	–	8,061
2020	9,375	–	9,375
2021	7,170	12,870	20,040
2022	15,126	22,696	37,822
<b>2023</b>	<b>16,309</b>	<b>22,511</b>	<b>38,820</b>
Boys	5,334	9,864	15,198
Girls	10,975	12,647	23,622
<b>Grand total</b>	<b>65,312</b>	<b>58,077</b>	<b>123,389</b>

### Case study

## Employee fundraising for Adopt a Kid – India

### True Temenosity in action!

In 2017, we established “Adopt a Kid – India”, a long-term Education Support Program (ESP) in which Temenos employees support the education of children from low-income households. This Program enables access to education for children with single or no parents and children below the poverty line, who could not afford a decent education. In 2023 alone, the Program’s impact extended to 59 additional children, demonstrating the unwavering commitment of Temenos India employees.

Even though it is an initiative led and funded by Temenos India employees, the Company recognizes the importance of these efforts and the social impact of the Program and has begun to financially support this action with the goal of matching all donations by 2025. Notably, the Company has already matched 89% of the funds raised by employees since the Program’s launch. Over the past seven years, the Program has benefited 598 children (272 boys and 326 girls) and raised a remarkable USD 123,389 through fundraising activities. As the Program expands, it will impact the lives of more children, granting them the fundamental right to education—one of the most significant human rights.

# 598

children were able to go to school and pursue their dreams (2017–2023)

# USD 123,389

raised by employees and matched by Temenos (2017–2023)

## SUSTAINABILITY continued

### Empowering Our Local Economies and Communities continued



#### Case study

### Empowering human rights through technology: Temenos and HURIDOCS partnership (2023)

Temenos is excited to highlight our collaboration with HURIDOCS, reflecting our commitment to positive social change. Central to this partnership is Temenos' contribution: a USD 250,000 donation made in 2023, fortifying HURIDOCS foundation and advancing its crucial mission. This alliance symbolizes more than a financial investment; it represents a shared dedication to championing human rights and promoting a world defined by justice and equality.

#### HURIDOCS mission and services

HURIDOCS is a non-profit organization dedicated to empowering human rights defenders and organizations worldwide, to document and effectively use information to advocate for justice and accountability. The organization's tools and resources are used by thousands of activists in over 130 countries to document human rights violations, build human rights repositories and archive collective memories. It delivers two complementary services: building essential technology which provides information infrastructure for human rights organizations and movements, and co-developing strategic standards and approaches for the sector.

#### Temenos empowerment: Key outcomes of HURIDOCS 2023 technological development

HURIDOCS made significant strides in technological development in 2023, empowering human rights defenders and advancing the cause of human rights worldwide. Its flagship open-source tool, Uwazi, received substantial updates, enhancing its user friendliness, scalability and data security. The relaunched African Human Rights Case Law Analyzer (CLA) now offers a comprehensive multilingual collection of human rights decisions, accessible to defenders, researchers and activists worldwide. HURIDOCS also developed Rapid Response Documentation Principles, guiding the development of context-specific tools and methodologies for rapid response documentation (RDD). These principles emerged from the experiences of 12 partner community organizations across South and Southeast Asia. Finally, HURIDOCS initiated a research project to gain a deeper understanding of documentation practices among human rights groups in the Middle East and North Africa (MENA) region. This research will inform HURIDOCS's regional work and enhance the impact of human rights documentation initiatives.

Temenos is honored to be part of HURIDOCS journey to make a meaningful and lasting difference in the realm of human rights landscape.





Temenos Adopt-iT volunteers.

### Investing in our communities continued Employee volunteering and community service

At Temenos, we believe in the transformative power of volunteering. We actively encourage and support the efforts of our employees as well as our management to offer their time and expertise to help local communities or non-governmental organizations during paid working hours in activities organized by the Company and in line with our CSR strategic priorities. Since 2019, we have set a target to evaluate our volunteering Program and the impact of our volunteers.

Our key aims were:

- to measure the social impact on the local communities;
- to explore new ways to give back to the local communities;
- to identify areas for improvement;
- to uncover, through volunteering, new skills or talents in our people;
- to identify the impact that volunteers have on Temenos, in terms of their contribution and economic value; and
- to have documentation for audit and third party verification.

To be able to better monitor, track and report the number of volunteers, volunteering hours and the impact of these activities not only to the community, but also to Temenos, we have created an Employee Volunteering Tracking form for volunteering activities. The Program was initially rolled out in India, focusing on the Adopt-iT Program and the work we are doing in the schools and universities. Gradually, it was expanded to the rest of the Company's offices globally.

In the spirit of giving, we believe that volunteering is the heartbeat of positive change. Embracing the power of collective action, Temenos employees around the world passionately lead and participate in diverse projects, dedicating their time and skills to make a meaningful impact. In 2023 alone, a remarkable 1,372 Temenosians generously contributed 4,854 hours to a wide range of initiatives focused on fostering community, educating youth, protecting the environment, and more.

## 4,854+

volunteering hours in 2023

## 35+

organizations supported in 2023

## 50+

projects in 2023

## 39

countries where we have supported local communities in 2023

Employee volunteering by CSR strategic priority areas	Employee time in USD*	Employee time in hours
Environment	34,517	1,165
Poverty alleviation and local economic development	28,197	1,378
Technology and innovation	70,007	2,042
Children	3,986	263
Emergency relief	231	6
<b>Total</b>	<b>136,938</b>	<b>4,854</b>

\* To calculate the cost, base salary and social charges were used for each employee.

Employee volunteering by CSR strategic priority areas	Employee time in USD	Employee time in hours
Americas	16,929	315
Middle East and Africa	6,328	81
India	52,383	3,040
Europe	38,994	880
Asia Pacific	22,304	538
<b>Total</b>	<b>136,938</b>	<b>4,854</b>





## SUSTAINABILITY continued

### Empowering Our Local Economies and Communities continued

#### Temenos Adopt-iT volunteering for digital inclusion

Since 2017, our employees in India have volunteered their time and expertise through the Adopt-iT Program to educate students from underprivileged backgrounds. In 2023, Temenosians, both on site and virtually, invested 2,510 hours crafting STEM education Programs that equip students with essential technology skills. From mastering software testing and cloud computing to refining presentation abilities and honing communication skills, Temenos Adopt-iT empowers young people to become leaders, creators and problem solvers.







# Appendix

## About this report

Unless otherwise indicated, the information provided in this report reflects the situation as of 31 December 2023 and covers all Temenos operations as well as all financially consolidated activities globally during FY-23. The report is prepared in accordance with Art. 964b of the Swiss Code of Obligations, which became mandatory for Swiss companies of public interest from 2023, in alignment with recommendations and standards issued by the Integrated Reporting Framework, in accordance with the Global Reporting Initiative (GRI) Standards and mapped to the Sustainability Accounting Standards Board (SASB) Software and IT Services Sustainability Accounting Standard. Our Board of Directors acknowledges responsibilities and has approved and signed off the 2023 Temenos Sustainability Report according to the Swiss Code of Obligations. We also adhere to the requirements of Art. 964j-l of the Swiss Code of Obligations (Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour). We have determined that we are exempt from the obligations of due diligence and reporting obligations on minerals and metals from conflict-affected and high-risk areas and in relation to child labor (read more on [page 57](#)).

Please see our online GRI content index on [page 131](#) for detailed data and additional information. On [page 138](#) we summarize how this report complies with the requirements of Art. 964b of the Swiss Code of Obligations. In addition, it serves as Temenos' annual Communication on Progress under the United Nations (UN) Global Compact. This is our eighth Sustainability Report. No restatements were done. We have assured the content through an internal review process, including Board of Directors and executive oversight of reviews and validation. Apart from the internal review process, an independent third party, Grant Thornton S.A., has provided its assurance on Temenos' Sustainability Report 2023. The scope of the assured information is indicated in the independent practitioner's [assurance report](#). Our first report with GRI was published in 2017.

Temenos operates 56 offices in large, leased, multi-tenant buildings in 39 countries (including acquisitions). Temenos' energy reporting and corresponding Scope 1 and 2 emissions cover the time period from 1 December 2022 to 30 November 2023. In 2023, we measured and reported 99% of the total energy consumption and GHG emissions, excluding only a few individual small offices with limited headcount (ten people or less). The energy consumption of these offices includes all types of energy (renewable and non-renewable purchased grid electricity, natural gas and on-site generation) and represents consumption as reported on invoices from utility providers and management companies.

Energy and emissions calculations follow the Greenhouse Gas Protocol with reference to ISO 14064:2018—"Greenhouse gases, Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals". All greenhouse gases are included in the calculations. The consolidation approach used to calculate the GHG inventory is operational control, since Temenos has full authority over the operations, and accounts for all the emissions resulting from all operations across all offices in all countries. In the report, the metric ton/UK ton equivalent to 1,000 kilograms is stated solely as ton. Scope 1 and 2 emissions were calculated

using IEA and DEFRA emission factors. Emissions from business travel were calculated based on the distance traveled using DEFRA emission factors. All GHG emissions figures are in tons of carbon dioxide equivalents (tCO<sub>2</sub>e). Renewable energy is valid only with an official certificate (Energy Attribute Certificate), following the RE100 initiative requirements, or written confirmation from the electricity supplier. Our water withdrawal covers 87.1% of total headcount. Water discharge was estimated based on a 95% discharge factor, taken from the Sydney water utility provider. The generated waste covers 100% (estimation based on extrapolation from actual data received from 78.2%) of the total Temenos population (excluding population working in serviced offices with less than ten employees). The intensity ratios were calculated, based on monthly average consumptions of energy/water per average monthly employee headcount for the period December 2022 to November 2023.

## Scope 1 and 2

Our Scope 1 emissions are due to direct natural gas consumption for heating, from diesel fuel consumption for on-site electricity generation and from fugitive emissions from the air-conditioning equipment. The Scope 1 fugitive emissions were calculated using our sustainability software tool, taking into account the surface area of each office and assuming R407a as the type of refrigerant for all offices. Vehicle combustion Scope 1 is excluded because it is below the 5% threshold of our total Scope 1 and 2. Our Scope 2 location-based emissions are a result of the consumption of purchased electricity from local grids. Our Scope 2 market-based emissions were calculated taking into account the green energy products from local utility providers, the Energy Attribute Certificates, as well as the residual mix values for each location where available. Temenos does not generate any biogenic CO<sub>2</sub> emissions from the combustion or biodegradation of biomass. Calculation is based on building electricity invoices and includes offices, common areas and owned data centers.

## Scope 3

Our Scope 3 business travel-related emissions from flights, trains and taxis cover FY-23 and all the countries where Temenos operates, representing 100% of the total employee concentration. The data was collected from the Company travel management system as well as travel agency providers. For the taxi-related emissions, we have assumed a 40km taxi ride-to and from the airport—for each flight.

The 2023 GHG emissions from employee commute were calculated based on integrated information from Geocoding Automation with Google Maps and from our internal employee information platform. This methodology covered 95% of total headcount. For cases where the information platform system exceeded 60-mile office to home distance (due to different tax and permanent address), an average 13.14-mile distance was assigned. The remaining 5% was estimated based on extrapolation, taking into consideration the hybrid model frequency. The information platform covered various aspects such as distance between home and the office, modes of transport—private vehicles, mass transit, cycling, carpooling, walking, fuel efficiencies of private vehicles used, and average monthly office presence. The data gathered covers private vehicles owned by our employees. The emissions have been calculated based on fuel efficiency, total distance traveled, fuel types and characteristics and emission factor for the fuel used.



## APPENDIX continued

### About this report continued

#### Scope 3 continued

Our Scope 3 categories purchased goods and services and capital goods have been estimated based on input-output analysis (WRI Scope 3 Screening Tool from Quantis) using the best-fit category, including consideration of inflation development from 2015 to 2023, as 2015 has been the last year of inflation adjustment made by the WRI Scope 3 Screening Tool. We are in process of improving the methodology used to calculate Scopes 3.1 and 3.2 (moving from spend based to supplier-specific or hybrid method), for more accurate data as of next year.

In order to calculate upstream emissions of the Scope 3 category of other fuel and energy-related activities from purchased electricity (e.g. due to T&D losses for every unit of grid electricity procured) we used actual energy consumption as reported on invoices from utility providers and management companies and emission factors from IEA.

In order to calculate upstream emissions of our Scope 3 category of waste generated in our offices, we used our 2023 office collection data for hazardous and non-hazardous waste, e-waste and wastewater treatment, taking into account the disposal methods and emission factors from DEFRA, specific for each disposal method.

Our Scope 3 science-based target boundary covers 68.6% of Scope 3 emissions, in line with the SBTi criteria, representing 56,345 tCO<sub>2</sub>e for 2019. Overall, our Scope 3 GHG emissions are a focus area of improvement for the next years. As the methodology continues to improve, a re-assessment of the baseline may be necessary.

Although our current science-based target does not cover emissions from on-premise software usage – Scope 3 use of sold products – we acknowledge the increasing demand of our cloud and web-based offerings. In response to this evolving landscape we intend to report on emissions from the use of our web-based software products going forward.

#### Diversity dashboard

Our headcount-related figures and diversity dashboard are based on the GRI and SASB Standards, S&P Global CSA and Bloomberg GEI requirements and cover all Temenos operations globally, in full alignment with the Annual Report and Financial Statements. The data sources are the corporate internal IT and HR systems, which provide data on full-time and part-time employees as well as permanent and temporary employees.

When referring to governance bodies, we include: Board of Directors, Executive Committee and Management Board.

All references to currency are in USD unless otherwise stated.

#### Methodology and assumptions

- Data used to compile the dashboard represent actual headcount (not FTE) as per 31 December 2023, unless specified otherwise.
- All charts refer to Temenos employees, unless specified otherwise.
- Temporary employees are employees on a fixed-term contract.
- Part-time employees are employees at less than 100% FTE.

- Employee level: Considers Temenos internal ranking system (employee bands) and number of reporting lines. Individual contributors are junior/mid-level employees and have no reporting lines. Mid-level managers are mid/senior-level employees with at least one reporting line. Senior managers are senior-level executives regardless of reporting lines.
- Employee category: “tech” includes employees working in R&D or Cloud functions; “non-tech” includes employees working in G&A, S&M or Services.
- Employee function: Internal employee classification system based on employee department.
- Employee turnover rates calculated by comparing actual headcount as at 31 December 2023 to actual headcount as at 31 December 2022 as per GRI definitions.
- Business partners: Consultants of Temenos Certified companies have been considered as Temenos staff augmentation.
- External contractors: Consultants of third party companies (not approved as Temenos Certified Partner) or freelancers that get paid directly from Temenos have been considered as Temenos staff augmentation.

#### Contextual information

- As a rule, the vast majority of our global headcount is made up of permanent, full-time employees. Fixed-term employee contracts, not resulting from legal or statutory requirements, represent a negligible percentage of our global workforce.
- All Temenos employees are guaranteed a fixed number of working hours per day, week or month, except for one intern in the US (male) paid on hourly rates.
- Part-time employees represent below 1% of global workforce (e.g. employees returned from parental leave and employees opted to work part-time instead of full-time).

#### Fluctuations in headcount

- Fluctuations in number of employees or workers who are not employees are considered significant if higher than 20%.
- In 2023, 142 employees moved onto a fixed-term contract, the majority in Dubai in line with changes to the UAE labor law. The amendment to fixed-term employment contracts in UAE is mandatory for all private sector companies.

#### Contact

The 2023 Temenos Sustainability Report explains our policies, procedures, Programs and performance on our material environmental, social and governance (ESG) issue areas as well as how we address other important CSR issues. We welcome your feedback on the activities and Programs described in the report, as well as the issues you expect to see addressed in the future. Please email your comments to the below address.

#### Kalliopi Chioti

Chief Marketing and ESG Officer

Tel.: +41 22 708 11 50

[csr@temenos.com](mailto:csr@temenos.com)





## Independent assurance report

### To the Board of Directors of Temenos

The Board of Directors of “TEMENOS AG” (“Temenos”) engaged “GRANT THORNTON S.A. CHARTERED ACCOUNTANTS MANAGEMENT CONSULTANTS” (“Grant Thornton”) to review selected data included in the “Sustainability” section of the “Integrated Report” of the Temenos Annual Report 2023 for the fiscal year ended on 31 December 2023 (the selected data), in accordance with the Global Reporting Initiative (GRI) Standards (“GRI Standards”) version 2021 and the Sustainability Accounting Standards Board (SASB) for selected disclosures.

### Scope

We performed our engagement in accordance with the provisions of “International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information” (ISAE 3000), in order to provide limited assurance opinion on selected data of the “Sustainability” section of the “Integrated Report” of the Temenos Annual Report 2023, with regard to:

- the completeness and accuracy of quantitative data included in the Sustainability section of the Integrated Report of the Temenos Annual Report 2023 in accordance with GRI Standards 2021, including GRI 2: General Disclosures 2021;
- determine and report material topics, responding to GRI 3: Material Topics and the double materiality assessment in accordance with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD); and
- the completeness and accuracy of quantitative data and the plausibility of qualitative information against the requirements of the respective GRI Standards for the Topic Specific Disclosures meeting the GRI Standards “In accordance” option requirements, of the below selected indicators, which are linked to the material issues of the Company:
  - GRI 201-1 Direct economic value generated and distributed;
  - GRI 203-1 Infrastructure investments and services supported;
  - GRI 204-1 Proportion of spending on local suppliers;
  - GRI 205-2 Communication and training about anti-corruption policies and procedures;
  - GRI 302-1 Energy consumption within the organization;
  - GRI 302-3 Energy intensity;
  - GRI 303-1 Interactions with water as a shared resource;
  - GRI 303-3 Water withdrawal;
  - GRI 305-1 Direct (Scope 1) GHG emissions;
  - GRI 305-2 Energy indirect (Scope 2) GHG emissions;
  - GRI 305-3 Other indirect (Scope 3) GHG emissions;
  - GRI 305-4 GHG emissions intensity;
  - GRI 305-5 Reduction of GHG emissions;
  - GRI 306-3 Waste generated;
  - GRI 308-1 New suppliers that were screened using environmental criteria;
  - GRI 401-1 New employee hires and employee turnover;
  - GRI 401-3 Employees’ parental leave;

- GRI 403-6 Promotion of worker health;
- GRI 404-1 Average hours of training per year per employee;
- GRI 404-3 Percentage of employees receiving regular performance and career development reviews;
- GRI 405-1 Diversity of governance bodies and employees;
- GRI 414-1 New suppliers that were screened using social criteria;
- SASB TC-SI-130a.1 “(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable”;
- SASB TC-SI-130a.2 “(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress”;
- SASB TC-SI-330a.2 Employee engagement as a percentage;
- SASB TC-SI-330a.3 Gender and racial/ethnic group;
- Temenos KPI 1: % of revenue spend on R&D; and
- Temenos KPI 2: Client satisfaction: improvement by % points and Client Voice: Number of participants annually and Net Promoter Score.

### Management responsibility

The Management of Temenos is responsible for the preparation and presentation, completeness and accuracy of the selected data provided to us, as incorporated in the “Sustainability” section of the “Integrated Report” of the Temenos Annual Report 2023. Furthermore, the Management is responsible for maintaining records and adequate internal controls that are designed to support the reporting process.

### Grant Thornton responsibility

Our responsibility is to carry out a limited assurance engagement and to express our conclusions based on the procedures carried out for the selected data, as described in the “Scope” section.

The procedures we carried out were designed to provide limited assurance, as specified by ISAE 3000, based on which we shaped the conclusion to our engagement. These procedures are not as extensive as those required for providing reasonable assurance; consequently, a lower level of assurance is obtained. Our responsibility is limited to the information related to the fiscal year that ended on 31 December, as these were included in the “Sustainability” section of the “Integrated Report” of the Temenos Annual Report 2023.

To the extent it is permitted by the legislation in force, we neither accept nor assume any responsibility for our engagement or this report towards anyone other than the Company, unless the terms have been agreed explicitly in writing, with our prior consent.



## APPENDIX continued

### Independent assurance report continued

#### Limitations

- To conduct our work, we relied exclusively on the information provided to us by the Company's executives, which we accepted in good faith as being complete, accurate, real and not misleading. Therefore, we did not submit it to any verification procedures, apart from the procedures explicitly stated in our Report and which arise from our mutually agreed methodology.
- Our engagement was limited to the English version of the "Sustainability" section of the "Integrated Report" of the Temenos Annual Report 2023.
- No work has been conducted on data for previous reporting periods, as well as on data related to forecasts and targets.
- No work has been conducted on anything other than the agreed scope and consequently, our opinion is limited to that scope.

#### Work conducted

We conducted our work so as to collect all the data, relevant documentation, information and explanations we considered necessary as to the selected data described in the "Scope" section. The procedures followed with regard to the selected data included:

- interviews performed with key personnel of the Company responsible for the preparation of the Sustainability section of the Integrated Report of the Annual Report 2023 in order to understand key governance structures, systems, processes, controls and their level of understanding of the information included in the Temenos Annual Report 2023;
- identification of existing internal processes related to application of ESG policies;
- application of assurance procedures on a sample basis in order to collect and review audit evidence; and
- review of the GRI Content Index, as well as the relevant references included therein, against our scope of work.

#### Independence

Grant Thornton implements the requirements of International Standard on Quality Control 1. Based on this, it maintains an integrated quality control system that includes policies and procedures for compliance with ethical principles, professional standards and relevant legal and regulatory requirements. We comply with the independence requirements and other ethical standards of the IFAC Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, impartiality, professional adequacy, confidentiality and professional conduct. In this context, the assurance team is independent from the Company and has not participated in the preparation of the "Sustainability" section of the "Integrated Report" of the Temenos Annual Report 2023.

#### Conclusions

We report the following conclusions based on the scope and the limitations of our engagement. Our conclusions are based on the procedures we carried out, as described in the "Work Conducted" section:

- Nothing has come to our attention that causes us to believe that the "Sustainability" section of the "Integrated Report" of the [Temenos Annual Report 2023](#) does not meet the requirements of General and Topic Specific Disclosures of GRI Standards 2021.
- Nothing has come to our attention that causes us to believe that the Company-specific key performance indicators included in the Sustainability section of the Integrated Report of the Temenos Annual Report 2023, as described in the section "Scope", are materially misstated.

#### Restricted use

This report is intended solely for the information and use of the Company in accordance with the terms of reference agreed between us and is not intended to be and should not be used by anyone other than the Company.

#### Athina Moustaki

Athens, 14 February 2024

The Chartered Accountant

CPA (GR) Reg. No. 28871

Grant Thornton





## Stakeholder groups

Stakeholder groups	Examples of engagement	Stakeholder key concerns	Location in report
<b>Employees</b> Frequency: daily	<ul style="list-style-type: none"> <li>Employee surveys: employee engagement survey, dedicated wellbeing survey</li> <li>Performance management: talent review, talent cards and growth plans, 360° feedback survey, mentoring Program, coaching Program, dual career path in technology, talent mobility</li> <li>Learning and development: Temenos Learning Hub (TLH), Temenos Learning Community (TLC), Temenos Seismic, Upskilling &amp; Reskilling, leadership development training, Josh Bersin Academy</li> <li>Internal communications: SharePoint intranet, Viva Engage, video updates, targeted newsletters, townhalls and live-streamed events with leaders and internal surveys, "Bright Ideas" feedback platform</li> <li>Wellbeing: Wellbeing hub, wellbeing webinar series, wellbeing weeks, health and safety, special leaves, referral bonus, hybrid working, working from anywhere</li> <li>Global mobility</li> <li>Employee recognition: T-Stars, Temenosian Awards, the Club, Hackathons, Temenos KEY, Temenos fellows</li> <li>Employee communities: Mission Earth Team, Women@Temenos, Parents@Temenos, ¡ALMA!, The Souls by Temenos, LGBTQIA+ community</li> <li>Temenos Business Code of Conduct and linked policies</li> <li>Compliance training</li> <li>Anonymous reporting mechanism</li> <li>Employee CSR volunteering and fundraising matching scheme</li> </ul>	<ul style="list-style-type: none"> <li>People experience</li> <li>Learning and development</li> <li>Internal communications</li> <li>Employee pay and benefits</li> <li>Employee engagement</li> <li>Employee recognition</li> <li>Diversity, equity and inclusion</li> <li>Talent mobility</li> <li>Wellbeing at work</li> <li>Purpose-driven talent management</li> <li>Environmental management and awareness</li> <li>Information security, cybersecurity, data privacy and business continuity</li> </ul>	Investing in Our People Empowering Local Economies and Communities Caring for the Planet Operating Responsibly
<b>Clients</b> Frequency: daily	<ul style="list-style-type: none"> <li>Client surveys: Client Voice and Client Satisfaction</li> <li>Product Innovation Board and Steering Committees</li> <li>Annual Temenos Community Forum (TCF)</li> <li>Annual Temenos Kick Off Meeting (TKO)</li> <li>Annual Partners' Meeting</li> <li>Temenos Learning Community (TLC)</li> <li>Temenos Exchange</li> <li>Temenos Ambassador Program</li> <li>Newsletters, marketing updates and social media</li> <li>Customer support portal</li> <li>Internal and external audits</li> <li>Temenos Security and Privacy Committee</li> <li>Business Code of Conduct, data privacy and protection and corporate security policies</li> <li>Temenos Carbon Emissions Calculator</li> <li>Corporate website</li> <li>ESG indices and ratings</li> </ul>	<ul style="list-style-type: none"> <li>Client communication</li> <li>Client satisfaction</li> <li>Customer support</li> <li>Quality, security and responsibility in delivery and implementation</li> <li>Cybersecurity, data privacy and business continuity</li> </ul>	Achieving Business Excellence Operating Responsibly Caring for the Planet



## APPENDIX continued

## Stakeholder groups continued

Stakeholder groups	Examples of engagement	Stakeholder key concerns	Location in report
<b>Investors – research analysts</b> Frequency: weekly	<ul style="list-style-type: none"> <li>Annual General Meeting of Shareholders (AGM)</li> <li>Annual Capital Markets Day (CMD)</li> <li>Roadshows, investor and analyst visits, meetings, calls</li> <li>Financial press releases, videos, webcasts and social media</li> <li>Annual Report</li> <li>Corporate website</li> <li>Business Code of Conduct and linked policies</li> <li>ESG indices and ratings</li> </ul>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Transparent and ethical corporate governance</li> <li>Accurate, timely and responsible communication</li> </ul>	Annual Report
<b>Suppliers and Partners</b> Frequency: daily	<ul style="list-style-type: none"> <li>Annual Temenos Community Forum (TCF)</li> <li>Annual Temenos Kick Off Meeting (TKO)</li> <li>Annual Partners' Meeting</li> <li>Responsible procurement framework</li> <li>Supplier diversity framework</li> <li>Temenos Learning Community (TLC)</li> <li>Temenos exchange</li> <li>Trainings and seminars</li> <li>Procurement policies</li> <li>Audits and risk assessments</li> <li>Event sustainability management system</li> </ul>	<ul style="list-style-type: none"> <li>Ethical and responsible business conduct</li> <li>Long-term partnership</li> </ul>	Operating Responsibly Caring for the Planet
<b>Local communities and NGOs</b> Frequency: monthly	<ul style="list-style-type: none"> <li>Cooperation with NGOs</li> <li>Community service and employee volunteering</li> <li>Employee fundraising</li> <li>Community investment projects</li> <li>Scholarships</li> <li>Internships</li> <li>Social media</li> <li>Temenos Financial Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Access to education and jobs</li> <li>Improve local living conditions</li> <li>Support in emergency situations</li> </ul>	Empowering Local Economies and Communities
<b>Academic community</b> Frequency: daily	<ul style="list-style-type: none"> <li>Services Incubation Center</li> <li>Temenos Services Masterclass</li> <li>Temenos Innovation Labs</li> <li>Temenos developer community</li> <li>Hackathons</li> <li>Scholarships</li> <li>Collaboration in research Programs</li> <li>Lectures, presentations, company visits</li> <li>Career days</li> <li>Social media</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration and job opportunities</li> <li>Joint research and development projects</li> </ul>	Investing in Our People Empowering Local Economies and Communities
<b>Media and industry analysts</b> Frequency: daily	<ul style="list-style-type: none"> <li>Temenos events</li> <li>Roadshows, visits, meetings, calls</li> <li>Press releases, videos, webcasts, blogs and social media</li> <li>Annual Report</li> <li>Corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Accurate, timely and responsible communication</li> </ul>	Annual Report



## Contribution to the UN Sustainable Development Goals

SDG		How we contribute	Governance framework	Description
 Target: 1.4 Material topics: 1, 7, 8	<b>100%</b> of employees earn above the living wage	We foster secure, inclusive jobs, promote financial inclusion and advance human rights in our operations and supply chain.	<ul style="list-style-type: none"> <li>Business Code of Conduct</li> <li>Living Wage Policy</li> <li>Slavery and Trafficking Statement</li> <li>UK gender pay gap</li> <li>Adopt a Kid scholarships awarded</li> <li>CSR Adopt-IT Program</li> </ul>	<ul style="list-style-type: none"> <li><b>USD 38,820</b> raised in "Adopt a Kid" fundraising and matched by Temenos</li> <li><b>USD 697,391</b> donated in 2023</li> <li><b>1,378</b> employee hours dedicated to poverty alleviation</li> </ul>
 Targets: 3.4, 3.8 Material topics: 2, 7, 8	<b>99.9%</b> of employees covered by healthcare	Temenos prioritizes employee wellbeing, providing support and resources to help Temenosians maintain a balanced lifestyle, enhancing their personal and professional development.	<ul style="list-style-type: none"> <li>Business Code of Conduct</li> <li>Global Health and Safety Policy</li> <li>Maternity Policy</li> <li>Paternity Policy</li> <li>Family Care Leave Policy</li> <li>Health and Safety Committees</li> </ul>	<ul style="list-style-type: none"> <li><b>400</b> employees participated in Race for the Cure Walks around the globe</li> <li><b>40</b> local and <b>6</b> global activities during Mental Health Wellbeing Week in <b>17</b> countries</li> <li><b>20.7%</b> of employees volunteered</li> <li><b>Zero</b> health and safety incidents</li> <li><b>85%</b> of employees covered by mental health platforms in <b>17</b> countries</li> <li><b>316</b> events for wellbeing initiatives</li> </ul>
 Target: 4.3, 4.4, 4.5, 4.7, 4.a Material topics: 7, 8	<b>99%</b> of employees completed Ethical Business Code of Conduct and mandatory compliance trainings	Temenos Learning Communities offer lifelong learning and vocational training for employees and clients. We focus on disadvantaged groups through inclusive education initiatives.	<ul style="list-style-type: none"> <li>Business Code of Conduct</li> <li>Learning Hub (Learning &amp; Development)</li> <li>Temenos Learning Community (TLC)</li> <li>Mentoring Program</li> <li>CSR Adopt-IT Program</li> </ul>	<ul style="list-style-type: none"> <li><b>75</b> average training hours per employee</li> <li><b>USD 5,830</b> expenditure on employee training per employee</li> <li><b>13</b> Temenos Innovation computer labs in India since 2017</li> <li><b>36,694</b> students reached via Adopt-IT CSR Program</li> <li><b>159</b> Adopt a Kid scholarships awarded</li> <li><b>196</b> Adopt-IT scholarships awarded</li> <li><b>9</b> training rooms in India since 2017</li> <li><b>3</b> Hackathons with over <b>500</b> participants</li> </ul>
 Targets: 5.1, 5.4, 5.5, 5.c Material topics: 1, 7, 8	<b>35%</b> women in workforce	We promote gender equality through robust policies, industry standards and expert advice, while also advocating for women's rights and empowerment globally through social initiatives.	<ul style="list-style-type: none"> <li>Business Code of Conduct</li> <li>Gender Pay Gap Report</li> <li>Maternity Policy</li> <li>Paternity Policy</li> <li>Family Care Leave Policy</li> <li>Supplier Diversity Framework</li> <li>Employee communities: iALMA!, LGBTQIA+, Women@Temenos</li> </ul>	<ul style="list-style-type: none"> <li><b>46%</b> gender diversity under 30 years old</li> <li><b>45</b> Diversity Ambassadors certified</li> <li><b>40%</b> gender diversity in Executive Committee</li> <li><b>38%</b> women on Board of Directors</li> <li><b>35%</b> women in STEM-related positions</li> <li><b>50%</b> gender diversity in top management</li> <li><b>2,309</b> female employees</li> </ul>
 Targets: 6.2, 6.3, 6.4 Material topics: 1, 6	<b>73%</b> workforce in ISO 14001 certified offices	Through strategic collaborations and community initiatives, we are dedicated to improving water management and sanitation infrastructure.	<ul style="list-style-type: none"> <li>Global Environment Policy</li> <li>Global Environmental Management System</li> <li>ISO 14001:2015</li> <li>ISO 20121:2012</li> </ul>	<ul style="list-style-type: none"> <li><b>44%</b> of water withdrawn is being treated and recycled</li> <li><b>1</b> new girls' restroom built in Government Higher Secondary School in Tamil Nadu</li> <li><b>9,394,502L</b> reduction in freshwater use</li> <li><b>66.6%</b> water use in areas of &gt;80% baseline water stress</li> </ul>



## APPENDIX continued

## Contribution to the UN Sustainable Development Goals continued

SDG		How we contribute	Governance framework	Description
 <p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p> <p>Targets: 7.2, 7.3 Material topics: 1, 4, 5, 6</p>	<p><b>86%</b> renewable electricity use in Temenos internal operations</p>	<p>We are actively reducing our carbon footprint, focusing on energy efficiency, renewable energy sourcing and annually reporting on our progress.</p>	<ul style="list-style-type: none"> <li>Global Environment Policy</li> <li>Temenos TCFD Report</li> <li>CDP</li> <li>ISO 14064:2006</li> <li>ISO 20121:2012</li> <li>ISO 14001:2015</li> </ul>	<ul style="list-style-type: none"> <li><b>USD 89,040</b> green investments (investments related to energy reduction)</li> <li><b>37%</b> reduction of per capita energy consumption for certified ISO 14001 offices vs 2018</li> <li><b>15%</b> energy reduction vs 2022</li> </ul>
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> <p>Targets: 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 8.8, 8.10 Material topics: 1, 3, 7, 8, 11</p>	<p><b>97.7%</b> of permanent employees</p>	<p>We are continuously enhancing our operational practices and fostering innovation to ensure sustained, inclusive economic growth and productive employment for all. We prioritize lifelong learning, skill development and fair remuneration, reinforcing our dedication to promoting sustainable economic growth, full and productive employment, and decent work for all.</p>	<ul style="list-style-type: none"> <li>Business Code of Conduct</li> <li>Gender Pay Gap Report</li> <li>Slavery and Human Trafficking Statement</li> <li>Global Health and Safety Policy</li> <li>Working With Integrity Principles Policy</li> <li>Living Wage Policy</li> <li>Global Mobility Policy</li> <li>Anonymous Reporting Policy</li> <li>Travel and Expenses Policy</li> <li>Referral Award Policy</li> <li>Health and Safety Committees</li> <li>ISO 22301:2019</li> </ul>	<ul style="list-style-type: none"> <li><b>4.43%</b> of employees covered by collective agreements</li> <li><b>99.1%</b> of employees work full time</li> <li><b>Zero</b> health and safety incidents</li> <li><b>100%</b> of focus suppliers underwent sustainability assessments</li> <li><b>USD 1,000.2 million</b> revenue</li> <li><b>USD 487.7 million</b> employees' wages and benefits</li> <li><b>100%</b> employees are paid above living wage</li> </ul>
 <p><b>9</b> INDUSTRY INNOVATION AND INFRASTRUCTURE</p> <p>Targets: 9.1, 9.3, 9.4, 9.5, 9.a, 9.b, 9.c Material topics: 1, 2, 3, 9, 11</p>	<p><b>20%</b> of revenue invested in R&amp;D every year</p>	<p>We provide innovative banking software for sustainable economic growth, financial inclusion and job creation, empowering MSMEs globally and promoting resilient financial infrastructures.</p>	<ul style="list-style-type: none"> <li>EU Cloud Code of Conduct</li> <li>Information Systems Security Policy</li> <li>Acceptable Usage Policy</li> <li>IT policies</li> <li>ISO/IEC 27001:2022</li> <li>ISO 27017</li> <li>ISO 27018</li> <li>ISO 22301:2019</li> <li>ISO 9001:2015</li> <li>AICPA SOC</li> <li>Service Provider Security</li> <li>ISO 20000-1:2018</li> </ul>	<ul style="list-style-type: none"> <li><b>12,753</b> participants in Client Voice Program, up from 2016 baseline of 4,000</li> <li><b>+90</b> percentage points improvement in Net Promoter Score since launch</li> <li><b>USD 277.9 million</b> total expenditure in research and development</li> <li><b>USD 215 million</b> revenue from environmental and social impact products</li> <li><b>USD 3.1 billion</b> cumulative R&amp;D investment since 1990</li> </ul>
 <p><b>10</b> REDUCED INEQUALITIES</p> <p>Targets: 10.2, 10.4, 10.6 Material topics: 1, 7, 8, 12</p>	<p><b>86</b> nationalities represented in the workforce</p>	<p>Diversity, equity and inclusion (DEI) are at the core of our vision, mission and values, and how we operate, innovate and engage with our employees, clients, Partners, suppliers and local communities.</p>	<ul style="list-style-type: none"> <li>Supplier diversity framework</li> <li>Business Code of Conduct</li> <li>Gender Pay Gap Report</li> <li>Working with Integrity Principles Policy</li> <li>Employee communities: iALMA!, LGBTQIA+, Women@Temenos</li> </ul>	<ul style="list-style-type: none"> <li><b>39</b> countries with <b>56</b> offices</li> <li><b>43%</b> racial diversity within the US workforce</li> <li><b>USD 7.9 million</b> spend with diverse suppliers globally</li> <li><b>48.7%</b> employee wages and benefits as a proportion of revenue</li> <li>Clients in over <b>150</b> countries</li> <li>Over <b>950</b> core banking clients</li> <li>Over <b>600</b> digital clients</li> </ul>





## SDG



Targets: 11.4, 11.6, 11.7  
Material topics: 1, 3, 5, 6

**34.5%**  
Green Building Certifications

## How we contribute

We have developed a comprehensive facilities management strategy to fully utilize natural resources, respecting legally designated protected areas.

## Governance framework

- ISO 20121
- Plastic Free Policy

## Description

- **1** new solar-powered computer lab at SOS Children's Villages in Bangalore
- **10** retrofitted electric vehicles donated to individuals with disabilities
- **2** main corporate events (TKO, TCF) ISO 20121 certified
- **2** offices banned single-use plastics

## SDG



Targets: 12.4, 12.5, 12.6, 12.7, 12.8, 12.a  
Material topics: 1, 3, 4, 12

**73%**  
waste diversion from landfill

## How we contribute

Our commitment to sustainability is evident in our operations, focusing on optimizing resource use and fostering transparency to reduce our ecological footprint and promote a resilient global economy.

## Governance framework

- Sustainability reporting
- Environmental training
- Global Supplier Code of Conduct
- Global Environmental Policy
- ISO 14001:2015
- ISO 20121:2012
- Employee resource group "Mission Earth Team"

## Description

- **100%** of e-waste responsibly treated
- **100%** of focused suppliers underwent sustainability assessments
- **9** educational sessions by Mission Earth Team

## SDG



Targets: 13.1, 13.3, 13.3, 13.b  
Material topics: 1, 3, 4, 5, 6, 11, 12

**SBT near-term commitment**

## How we contribute

We are actively reducing our carbon footprint and enhancing energy efficiency across all operations. Through our alignment with the Science Based Targets initiative, we are driving meaningful progress towards a net-zero world.

## Governance framework

- Global Environmental Policy
- ISO 14001:2015
- ISO 20121:2012
- Temenos TCFD Report
- CDP Report
- SBT initiative

## Description

- **90.7%** reduction in Scope 1 and 2 GHG emissions since 2019 baseline
- **31.3%** reduction in Scope 1, 2 and 3 GHG emissions since 2019 baseline
- **73%** coverage of ISO 14001:2015 certification

## SDG



Targets: 16.3, 16.5, 16.6, 16.7, 16.10, 16.b  
Material topics: 1, 10, 11

**99%**  
of employees completed annual Anti-Corruption training

## How we contribute

We uphold a robust governance framework and a comprehensive Business Code of Conduct that guides our operations and relationships. Our supply chain management is governed by stringent policies, ensuring transparency and ethical practices across all levels. We take pride in doing things the right way, building our capacity through solid governance and management systems.

## Governance framework

- Business Code of Conduct
- Anti-Corruption and Bribery Policy
- Anti-Trust Policy
- Insider Information Policy
- Export Controls and Sanctions Policy
- Conflict of Interest Policy
- Social Media Governance Policy
- Data Protection and Privacy Policy
- ISO 22301:2019
- UNGC participant

## Description

- **99%** of employees completed Business Code of Conduct training
- **Zero** violations of the Temenos Business Code of Conduct
- **7** Board meetings and **91%** attendance rate
- **USD 1,872,169** total Board of Directors compensation
- **5** Audit Committee meetings and **100%** attendance rate
- **Zero** payable corruption-related fines

## SDG



Targets: 17.3, 17.8, 17.16, 17.17  
Material topics: 1, 2, 3, 4, 5, 6, 7, 11, 12

**35**  
organizations supported

## How we contribute

We focus on building a collaborative and sustainable future. We prioritize a "Partner First" model. Our commitment extends to community engagement, with active involvement in social initiatives. We strive to blend technological advancement with societal growth, ensuring our partnerships contribute meaningfully to sustainable development.

## Governance framework

- Sustainable Event Planning Policy
- Global and Non-Commercial Sponsorships Policy
- Business Code of Conduct
- Temenos Exchange
- Temenos Carbon Emissions Calculator
- Temenos Developer Community
- UNGC participant
- WEF member
- Women's Empowerment Principles signatory

## Description

- **USD 697,392** in monetary donations
- **USD 997,443** total community investment
- **Partnership with Code First Girls**
- **89%** of funds for "Adopt a Kid" raised by employees in India, matched by the Company
- **4** universities and **2** colleges (scholarships/events)
- **4,854** total volunteering hours



## APPENDIX continued

## UN Global Compact Index

The table below describes the location of relevant report content for each of the UN Global Compact's ten principles.

Principle	Description	Report section	GRI Standards/SASB metrics
<b>Human rights</b>			
1	Businesses should support and respect the protection of internationally proclaimed human rights.	Investing in Our People	2-23, 2-24, 2-25, 2-27, 2-28, 203-1, 205-2
2	Make sure they are not complicit in human rights abuses.	Investing in Our People	2-16, 2-26, 406-1, 414-1
<b>Labor</b>			
3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Investing in Our People	2-30
4	The elimination of all forms of forced and compulsory labor.	Investing in Our People	409-1
5	The effective abolition of child labor.	Investing in Our People	408-1
6	The elimination of discrimination in respect of employment and occupation.	Investing in Our People	401-1, 404-1, 404-3, 405-1, 406-1/TC-SI-330a.3
<b>Environment</b>			
7	Businesses should support a precautionary approach to environmental challenges.	Caring for the Planet	302-1, 302-3, 303-3, 305-1, 305-2, 305-3, 305-4, 305-5, 306-3, 306-4, 306-5/TC-SI-130a.1, TC-SI-130a.2, TC-SI-130a.3
8	Undertake initiatives to promote greater environmental responsibility.	Caring for the Planet	302-1, 302-3, 303-3, 305-1, 305-2, 305-3, 305-4, 305-5, 306-3, 306-4, 306-5, 308-1/TC-SI-130a.1, TC-SI-130a.2, TC-SI-130a.3
9	Encourage the development and diffusion of environmentally friendly technologies.	Caring for the Planet	302-1, 302-3, 303-3, 305-1, 305-2, 305-3, 305-4, 305-5, 306-3, 306-4, 306-5, 308-1/TC-SI-130a.3
<b>Anti-corruption</b>			
10	Businesses should work against corruption in all its forms, including extortion and bribery.	Operating Responsibly	2-23, 2-26, 205-2, 205-3, 206-1



## GRI content index

### GRI 1: Foundation

GRI 1: Foundation statement of use	Unless otherwise indicated, the information provided in this report reflects the situation as of 31 December 2023 and covers all Temenos operations globally during FY-23. The report is prepared in accordance with the Global Reporting Initiative (GRI) Standards and is mapped to the Sustainability Accounting Standards Board (SASB) Software and IT Services Sustainability Accounting Standard.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standards	No applicable GRI Sector Standard(s)

GRI 2: General Disclosures 2021	Reference	Notes and omissions	External assurance
<b>1. The organization and its reporting practices</b>			
2-1 Organizational details	About this Report; Group Structure and Shareholders; Temenos World Offices		V
2-2 Entities included in the organization's sustainability reporting	Temenos World Offices		V
2-3 Reporting period, frequency and contact point	About this Report		V
2-4 Restatements of information	About this Report		V
2-5 External assurance	Independent Assurance Report		V
<b>2. Activities and workers</b>			
2-6 Activities, value chain and other business relationships	About this Report; Annual Report: Overview; Our Solutions; Group Structure and Shareholders; Group Companies; Business Combinations; Responsible Procurement		V
2-7 Employees TC-SI-330a.3 (gender only)	About this Report; Diversity Dashboard		V
2-8 Workers who are not employees TC-SI-330a.3	About this Report; Diversity Dashboard		V
<b>3. Governance</b>			
2-9 Governance structure and composition	Our Governance Framework; Sustainability Governance		V
2-10 Nominating and selecting the highest governance body	Our Governance Framework; Website		V
2-11 Chair of the highest governance body	Chairman's Statement; Our Governance Framework; Internal Organizational Structure		V
2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance; Our Governance Framework; Responsible Risk Management		V



## APPENDIX continued

## GRI content index continued

GRI 2: General Disclosures 2021	Reference	Notes and omissions	External assurance
<b>3. Governance continued</b>			
2-13 Delegation of responsibility for managing impacts	Sustainability Governance; Business Code of Conduct		V
2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance		V
2-15 Conflicts of Interest	Conflict of Interest and Related Party Transactions		V
2-16 Communication of critical concerns	Ethical Business Conduct Monitoring and Reporting		V
2-17 Collective knowledge of the highest governance body	Sustainability Governance		V
2-18 Evaluation of the performance of the highest governance body		We have planned to incorporate ESG targets in executive compensation.	
2-19 Remuneration policies	Compensation Report	Partially reported this year. We have planned to incorporate ESG targets in executive compensation.	
2-20 Process to determining remuneration	Audit Committee; Compensation Committee	Partially reported this year. Currently, we do not publicly disclose the results of votes of stakeholders. Confidential information.	
2-21 Annual total compensation ratio		Median annual total compensation not disclosed. Confidential information.	
<b>4. Strategy, policies and practices</b>			
2-22 Statement on sustainable development strategy	Message from the Chairman and CEO		V
2-23 Policy commitments	Ethical Business; Due Diligence and Risk Assessment; Human Rights; Responsible Risk Management; Website; Environmental Responsibility		V
2-24 Embedding policy commitments	Ethical Business; Ethical Business Conduct Monitoring and Reporting; Anti-Corruption and Bribery; Responsible Risk Management		V
2-25 Processes to remediate negative impacts	Ethical Business Conduct Monitoring and Reporting; Human Rights		V
2-26 Mechanisms for seeking advice and raising concerns	Ethical Business Conduct Monitoring and Reporting		V
2-27 Compliance with laws and regulations	Environmental Responsibility; Anti-Corruption and Bribery		V
2-28 Membership of associations	Progress and Targets; Human Rights		V





GRI 2: General Disclosures 2021		Reference	Notes and omissions	External assurance
<b>5. Stakeholder engagement</b>				
	2-29 Approach to stakeholder engagement	Our Stakeholders; Stakeholder Groups		V
	2-30 Collective bargaining agreements	Freedom of Association and Collective Bargaining		V
GRI 3: Material Topics 2021		Reference	Notes and omissions	External assurance
	3-1 Process to determine material topics	About this Report; ESG Double Materiality Assessment		V
	3-2 List of material topics	About this Report; ESG Double Materiality Assessment		V
	3-3 Management of material topics			V
Topics standards		Reference	Notes and omissions	External assurance
<b>Business performance</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	Annual Report: Financial Statements		V
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Impact; Annual Report: Financial Statements		V
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report: Governance, Financial Statements		
	201-4 Financial assistance received from government	Economic Impact		
<b>Social responsibility and community investment</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	Community Investment; Responsible Procurement		V
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Community Investment		V
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Responsible Procurement		V
<b>Ethical business conduct and governance</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	Compliance Program; Compliance Training; Elimination of Discrimination and Prevention of Harassment; Ethical Business Conduct Monitoring and Reporting		V
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Compliance Training		V
	205-3 Confirmed incidents of corruption and actions taken	Ethical Business Conduct Monitoring and Reporting	No confirmed incidents.	



## APPENDIX continued

## GRI content index continued

Topics standards	Reference	Notes and omissions	External assurance
<b>Ethical business conduct and governance</b> continued			
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices TC-SI-520a.1	Compliance Program	
SASB: Intellectual Property Protection and Competitive Behavior			
GRI 406: Non-Discrimination 2016	406-1 Incidents of non-discrimination and corrective actions taken	Elimination of Discrimination and Prevention of Harassment; Ethical Business Conduct Monitoring and Reporting	
<b>Tax strategy and governance</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	Corporate Website: Tax Strategy and Governance	
	207-1 Approach to tax	Corporate Website: Tax Strategy and Governance	
GRI 207: Tax 2019	207-2 Tax governance, control and risk management	Corporate Website: Tax Strategy and Governance	
	207-3 Stakeholder engagement and management of concerns related to tax	Corporate Website: Tax Strategy and Governance	
<b>Energy</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Responsibility; Environmental Monitoring and Reporting; Energy; Environmental Dashboard; Climate Change Strategy	V
GRI 302: Energy 2016	302-1 Energy consumption within the organization TC-SI-130a.1	Environmental Responsibility; Environmental Monitoring and Reporting; Energy; Environmental Dashboard	V
SASB: Environmental Footprint of Hardware Infrastructure	302-3 Energy intensity	Environmental Dashboard	V
<b>Water</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Responsibility; Environmental Monitoring and Reporting; Water	V
GRI 303: Water 2018	303-1 Interactions with water as a shared resource	Environmental Monitoring and Reporting; Water	V
	303-3 Water withdrawal TC-SI-130a.2	Environmental Monitoring and Reporting; Water; Environmental Dashboard	V
SASB: Environmental Footprint of Hardware Infrastructure	303-5 Water consumption	Environmental Monitoring and Reporting; Water; Environmental Dashboard	



Topics standards		Reference	Notes and omissions	External assurance
<b>Waste</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Responsibility; Environmental Monitoring and Reporting; Waste		
	306-3 Waste generated	Environmental Monitoring and Reporting; Waste; Environmental Dashboard		V
GRI 306: Waste 2020	306-4 Waste diverted from disposal	Environmental Monitoring and Reporting; Waste; Environmental Dashboard		
	306-5 Waste directed to disposal	Environmental Monitoring and Reporting; Waste; Environmental Dashboard		
<b>Emissions</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Responsibility; Environmental Monitoring and Reporting; Carbon Footprint; Climate Change Strategy		V
	305-1 Direct (Scope 1) GHG emissions	Environmental Monitoring and Reporting; Carbon Footprint; Environmental Dashboard		V
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Monitoring and Reporting; Carbon Footprint; Environmental Dashboard		V
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Environmental Monitoring and Reporting; Carbon Footprint; Environmental Dashboard		V
	305-4 GHG emissions intensity	Environmental Monitoring and Reporting; Carbon Footprint; Environmental Dashboard		V
	305-5 Reduction of GHG emissions	Environmental Monitoring and Reporting; Carbon Footprint; Environmental Dashboard		V
<b>Responsible procurement</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Procurement		V
GRI 308: Supplier Environmental Assessment 2016	308-1 Percentage of new suppliers that were screened using environmental criteria	Responsible Procurement		V
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Responsible Procurement		V



## APPENDIX continued

## GRI content index continued

Topics standards		Reference	Notes and omissions	External assurance
<b>Equal treatment and equal opportunities for all: Talent and development</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	People Experience: Learning and Development; People Experience: Performance Management		V
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	People Experience: Learning and Development		V
SASB: Recruiting and Managing a Global, Diverse and Skilled Workforce	404-3 Percentage of employees receiving regular performance and career development reviews TC-SI-330a.2	People Experience: Performance Management		V
<b>Equal treatment and equal opportunities for all: Diversity and inclusion</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity Dashboard; Diversity, Inclusion and Equal Opportunity; Inclusive Culture; Wellbeing at Work		V
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Diversity Dashboard		V
	401-3 Employee parental leave	Wellbeing at Work		V
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees TC-SI-330a.3 (gender and racial/ethnic group)	Diversity Dashboard		V
SASB: Recruiting and Managing a Global, Diverse and Skilled Workforce				
<b>Equal treatment and equal opportunities for all: Human rights</b>				
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights; Against Forced and Child Labor; Business Code of Conduct; Corporate Policies; Responsible Procurement		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights; Inclusive Culture: Against Forced and Child Labor; Responsible Procurement		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights; Inclusive Culture: Against Forced and Child Labor; Responsible Procurement		





Topics standards	Reference	Notes and omissions	External assurance
<b>Working conditions: Health and safety</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	Wellbeing at Work	V
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	Wellbeing at Work	V
<b>Information security and data privacy</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	Information Security, Cybersecurity, Data Privacy and Business Continuity; International Standards and Certifications	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data TC-SI-230a.1	Information Security, Cybersecurity, Data Privacy and Business Continuity: Privacy	
SASB: Data Security			
	Description of policies and practices relating to behavioral advertising and user privacy TC-SI-220a.1	Information Security, Cybersecurity, Data Privacy and Business Continuity: Privacy	
	Number of users whose information is used for secondary purposes TC-SI-220a.2	Information Security, Cybersecurity, Data Privacy and Business Continuity: Privacy	
	Total amount of monetary losses as a result of legal proceedings associated with user privacy TC-SI-220a.3	Information Security, Cybersecurity, Data Privacy and Business Continuity: Privacy	
SASB: Data Privacy and Freedom of Expression	(1) Number of law enforcement requests for user information, (2) Number of users whose information was requested, (3) Percentage resulting in disclosure TC-SI-220a.4	Information Security, Cybersecurity, Data Privacy and Business Continuity: Privacy	
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering or censoring TC-SI-220a.5	Information Security, Cybersecurity, Data Privacy and Business Continuity: Privacy	
<b>Technology and product innovation</b>			
Temenos KPI 1	% of revenue spend on R&D	Annual Report: Overview; Technology and Product Innovation: Goals and Targets: Technology and Product Innovation	V
<b>Client satisfaction and engagement</b>			
Temenos KPI 2	Client satisfaction: improvement by % points	Focus on Client Satisfaction and Engagement; Goals and Targets: Client Satisfaction and Engagement	V
	Client voice: Number of participants annually and Net Promoter Score	Focus on Client Satisfaction and Engagement; Goals and Targets: Client Satisfaction and Engagement	V

**APPENDIX** continued**Disclosures in accordance with Art. 964b Swiss Code of Obligations**

<b>Art. 964b requirement</b>	<b>Reference</b>
General information required to understand our business	Annual Report: Overview; Our Solutions; Group Structure and Shareholders; Responsible Procurement
Description of the business model	Key Strategic Initiatives to Drive Growth; Our Solutions; Our Governance Framework; Sustainability Governance
Environmental matters (incl. CO <sub>2</sub> goals)	Caring for the Planet
Social issues	Investing in Our People; Empowering Our Local Economies and Communities
Employee-related issues	Investing in Our People; Operating Responsibly
Respect for human rights	Ethical Business; Ethical Business Conduct Monitoring and Reporting; Responsible Risk Management
Combating corruption	Ethical Business; Ethical Business Conduct Monitoring and Reporting; Anti-Corruption and Bribery; Operating Responsibly: Human Rights
Material risks	ESG Double Materiality Assessment; Responsible Risk Management
Main performance indicators	Goals and Targets; Investing in Our People: Diversity Dashboard; Caring for the Planet: Environmental Dashboard
References to national, European or international regulations	Preparing for CSRD; EU Taxonomy; Operating Responsibly: Human Rights; About this Report
Coverage of subsidiaries	Group Companies; Business Combinations



## International standards and certifications

	2023 goals	Progress against 2023 goals	2024 goals	2025 goals
<b>ISO/IEC 27001:2022</b> Information Security Management System with extensions	The certification will be upgraded to ISO 27001:2022 standards by the end of 2023.	The certification has been upgraded to ISO 27001:2022 standards, as per the plans.	To sustain the existing certification and expand the scope based on business needs.	To continue to expand the scope in order to include new locations/ acquisitions based on the business needs and directives from management.
<b>ISO 27017:2015</b> Cloud Information Security	To certify LATAM (Mexico and Ecuador) and NAM (US) locations for ISO 27017 and ISO 27018 compliance by Q1-23.	ISO 27017 and ISO 27018 certification Program extended for LATAM (Mexico and Ecuador) and NAM (US). Reports and certificates have been issued in January 2023.	To sustain the existing certification and expand the scope based on business needs.	To continue to integrate newly acquired companies, if any, and certify new locations as required.
<b>ISO 27018:2019</b> Protection of Personally Identifiable Information (PII) in Public Clouds	To include LATAM – Costa Rica locations in the ISO 27017 and ISO 27018 certification Program scope.	Surveillance audit for 2023 was also completed in November 2023. Certificate validity for three years (until 2026).  Compliance was maintained for the previously certified locations.		
<b>ISO 22301:2019</b> Business Continuity Management	Surveillance audit and Change to Approval to include Paris and Mississauga locations in scope of ISO 22301:2019.	Successful completion of surveillance audit and inclusion of Paris and Mississauga locations in scope of the ISO 22301:2019 certificate.	To maintain the ISO 22301:2019 certificate and complete successfully the annual surveillance audit.	To renew the ISO 22301:2019 certificate and include in scope additional locations.
<b>ISO 9001:2015</b> Quality Management	To include Hyderabad location during the recertification audits in 2023.	Hyderabad location has now been included in the scope of certification, as per the plans.	To sustain the existing certification and expand the scope based on business needs.	To extend ISO 9001 and CMMI certifications to new locations and remove locations from scope, as deemed appropriate for product reasons.
<b>ISO 20121:2012</b> Sustainable Event Management System	To extend the certification to the corporate events planned for 2024.	To aim for ISO 20121 certification external verification of our annual corporate events.	External certification and validation by an independent certification body of the two largest Temenos events: Temenos Kick Off (TKO) and the Community Forum (TCF).	To organize sustainable and carbon-neutral events.
<b>ISO 14001:2015</b> Environmental Management System	To sustain the existing certification.	To maintain compliance with ISO 14001:2015 and continuous improvement of the Environmental Management System (EMS).	To sustain the existing certification and consider introducing new locations in the scope based on business needs.	To obtain certification for a total of eight Temenos offices based on headcount.



## APPENDIX continued

## International standards and certifications continued

	2023 goals	Progress against 2023 goals	2024 goals	2025 goals
<b>AICPA SOC</b> Service Provider Security SOC 1 Type 2 SOC 2 Type 2 CSA-CCM	To maintain ongoing SOC 1, SOC 2 and SOC 3 attestation reports for all Temenos cloud delivery centers.  To continue inclusion of CSA-CCM compliance attestation into the SOC 2 report.	SOC and CSA-CCM compliance attestations maintained. SOC 2 report includes five trust service criteria.	To maintain ongoing SOC 1, SOC 2 and SOC 3 attestation reports for all Temenos cloud delivery centers.  To continue inclusion of CSA-CCM compliance attestation into the SOC 2 report.  To expand the scope to meet new regulatory and business requirements.	To continue the global SOC 2 Type 2 and SOC 1 Type 2 reporting.  To integrate and align newly acquired companies to the Temenos standard set of security and privacy controls.
<b>CSA-STAR Certificate/ Cloud Security Alliance</b> – Cloud Controls Matrix	To maintain compliance with CSA-STAR Certificate Level 2.	CSA-STAR certificate Level 2 audit was obtained in Q1-23 and was maintained throughout the year.  Temenos achieved the CSA “Trusted Cloud Provider” mark.	To maintain compliance with CSA-STAR Level 2.	To obtain CSA-Star Certificate Level 3 for Temenos and newly acquired companies.
<b>PCI-DSS level 1</b> Payment Card Industry – Data Security Standard	To maintain existing certificates and compliance with PCI-DSS standards.  To extend as applicable the PCI-DSS Program.  To certify the Temenos Cloud AWS platform with PCI-DSS.	PCI-DSS certificate for Temenos Cloud Americas, Azure platform obtained.  Temenos AWS platform certification also achieved.	To maintain existing certificates and compliance with PCI-DSS standards.  To extend as applicable the PCI-DSS Program.	To further extend the PCI-DSS certificate.  To complete the readiness assessment against PCI—Secure Software Framework and PCI—Secure Software standards. Prepare to attain industry certification.
<b>ISO 20000-1:2018</b> IT Service Management certification	To sustain and expand the scope based on business needs.	The certification has been sustained through the surveillance audits conducted in October 2023.	To continue to sustain and expand the scope based on business needs.	To sustain and expand the scope based on business needs.
<b>EU Cloud Code of Conduct</b>	To obtain Level 2 compliance with the EU Cloud of Conduct.	Temenos achieved Level 2 compliance with the EU Cloud Code of Conduct.  Report to be issued January 2024.	To maintain Program compliance.	To maintain Program compliance.
<b>EU-US Data Privacy Framework (DPF) Program</b>			To expedite the self-certification process of compliance with the EU-US DPF framework benefiting from the sets of reliable mechanisms and strengthened safeguards for personal data transfers to the US in compliance with the EU privacy principles and law.	To maintain Program compliance.
<b>CMMI CL 3 (Capability Level 3) for Support (PACS)</b>			To retain the CMMI CL3 certification for Support, through the scheduled re-appraisal in 2024.	



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