

# Everyone's Banking Platform

**Invitation to the 23<sup>rd</sup> Annual General Meeting of Shareholders  
of TEMENOS AG (“the Company”)**

to be held on Tuesday 7 May 2024 at 11.30 a.m.  
at Fairmont Grand Hotel Geneva, Quai du Mont-Blanc 19, 1201 Geneva, Switzerland

**temenos**



## CHAIRMAN'S LETTER

Dear Shareholders,

It is an honor to invite you to the 23<sup>rd</sup> Annual Shareholders' Meeting of Temenos.

Before introducing some agenda items of this year's Shareholders' Meeting, I would first like to reiterate that the business has performed very well in 2023. Focused execution of the strategic roadmap has delivered good growth and predictability in the face of ongoing macroeconomic uncertainty.

We are fortunate to operate in a sector with many positive characteristics. However it is also a sector where its growth volatility and highly technical accounting treatments have historically attracted short selling speculators. It is disappointing that in spite of the strength of our cash flow, our below industry average customer churn and our good ARR growth, a report was released on 15 February 2024 alleging "major accounting irregularities" and "failed products" by a short seller standing to profit from a decline in our share price.

Although the Board was confident about the quality of our cash flow, our systems, our products and good control environment, we understand the impact which this type of event can have. There must be complete confidence and transparency in our business. We decided therefore to commission an examination of the allegations led by myself with a Committee of Independent Board members supported by leading independent third party advisors. The conclusions of this work were made public on 15 April 2024 and have provided independent confirmation that the allegations are inaccurate and misleading.

I really want to thank and congratulate our Temenos teams, who maintained their dedication to deliver for our customers and achieve our objectives, while facing these allegations and we feel more united and stronger than ever.

Shareholder engagement remains one of my key priorities as it provides Temenos with valuable insights, in particular about strategy, succession and compensation matters.

### The 23<sup>rd</sup> Ordinary Annual General Meeting of Shareholders

As required by the new provisions of the Code of Obligations and for the first time this year, there will be a vote on the 2023 Sustainability Report that is aligned with Global Reporting Initiative standards. Having completed the double materiality assessment process, Temenos has identified the topics that are most important to its sustainability performance and can therefore prioritize its efforts accordingly.

For the first time also, the Compensation Report is submitted to a consultative vote. Our compensation structure remains heavily linked to performance, based on the achievement of rigorous financial goals and share price performance, to align us with the long-term objectives and your priorities, as our shareholders.

Also, there will be several votes related to the revision of the Articles of Association, implementing the new Swiss corporate law and taking into account at the same time the current best corporate governance practices.

As you will see, we will seek the elections of Ms. Laurie Readhead and of Dr. Michael Gorriz, as Independent and Non-Executive Directors.

Temenos Board of Directors and its Committees will greatly benefit from the extensive experience of both Ms. Readhead and Dr. Gorriz. Ms. Readhead is a 30-year veteran of Bank of America, bringing therefore a solid experience in the banking industry, particularly in the fields of compliance, IT systems and data management and Dr. Gorriz brings over 20 years of leadership expertise at Daimler and Standard Chartered Bank in the field of information technology.

Mr. Ian Cookson, our Vice-Chairman, has decided not to stand for re-election after 12 years of tenure, and Ms. Debbie Forster has also decided not to stand for re-election. I warmly thank both of them for their contribution and continued commitment to Temenos over the years of their tenures and wish them all the best.

After a long and thorough selection process, we are hopeful to be able to introduce our new CEO to you at our upcoming AGM on 7 May 2024. I would like to thank Mr. Andreas Andreades, for stepping in and extending his time at Temenos as CEO to enable this transition and more importantly for the enormous contribution he has made in his 25 years with Temenos. Temenos is a first class Company with an exciting future ahead delivering value and innovation to our clients and achieving our mid-term objectives, leveraging the strong Temenos teams and culture.

Finally, we are proposing a dividend of CHF 1.20 per share for 2023, an increase of 9% on the previous year.

On behalf of the Board of Directors, I would like to thank you for your continued trust and support.

**Thibault de Tersant**  
Non-Executive Chairman

## AGENDA AND PROPOSALS OF THE BOARD OF DIRECTORS

### 1 2023 Annual Report

#### 1.1 2023 Annual Report, unconsolidated financial statements and consolidated financial statements

##### Proposal

The Board of Directors proposes that the 2023 Annual Report, the unconsolidated financial statements stating a profit for the year of CHF 5,394,150 and the consolidated financial statements stating a profit for the year of USD 134,677,727 be approved.

#### 1.2 2023 Sustainability Report

##### Proposal

The Board of Directors proposes that the 2023 Sustainability Report (Report on non-financial matters) be approved (available in the Annual Report).

#### 1.3 Consultative vote on the 2023 Compensation Report

##### Proposal

The Board of Directors proposes that the 2023 Compensation Report be approved (available in the Annual Report).

##### Explanation

Please refer to the Annex 1 for more details (also available at: <https://www.temenos.com/about-us/investor-relations/annual-general-meeting/>).

The 2023 Annual Report is available at: <https://www.temenos.com/about-us/investor-relations/financial-reports/>.

### 2 Allocation of the available earnings and distribution of dividend

##### Proposal

The Board of Directors proposes to allocate the available earnings as follows:

Retained earnings brought forward	CHF 249,773,141
Profit for the year 2023	CHF 5,394,150
Loss from disposal of treasury shares	CHF (18,940,461)
Retained earnings available to the General Meeting	CHF 236,226,830
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Allocation to general legal reserve	CHF (269,708)
Dissolution of reserve for treasury shares	CHF 115,520,000
Dividend to be distributed	CHF (87,000,000)
Retained earnings to be carried forward	CHF 264,477,122

Based on the audited financial statements for the financial year 2023, the Board of Directors proposes to distribute a dividend amounting to CHF 1.20 per share, for an estimated total amount of CHF 87,000,000 (this amount may vary depending on the number of treasury shares and issued shares as of the ex-dividend date). This distribution shall be declared out of the retained earnings as described above (subject to 35% Swiss withholding tax).

Provided that the proposal of the Board of Directors is approved, the shares will be traded ex-dividend as of 10 May 2024 (ex-dividend date). The dividend record date will be set on 13 May 2024 (record date) and the dividend will be payable as of 14 May 2024 (payment date).

Treasury shares are not entitled to a dividend.

### 3 Discharge of the members of the Board of Directors and executive management

##### Proposal

The Board of Directors proposes that the members of the Board of Directors and executive management be granted discharge for the financial year 2023.

### 4 Compensation of the members of the Board of Directors and of the Executive Committee for the year 2025

#### 4.1 Compensation of the members of the Board of Directors for the year 2025 (1 January to 31 December)

##### Proposal

The Board of Directors proposes to approve a maximum aggregate amount of USD 2.4 million as fixed compensation of the members of the Board of Directors for the financial year 2025.

##### Explanation

Please refer to the Annex 1 for more details (also available at: <https://www.temenos.com/about-us/investor-relations/annual-general-meeting/>).

#### **4 Compensation of the members of the Board of Directors and of the Executive Committee for the year 2025** continued

##### **4.2 Compensation of the members of the Executive Committee for the year 2025 (1 January to 31 December)**

###### **Proposal**

The Board of Directors proposes to approve a maximum aggregate amount of USD 34 million as fixed and variable compensation of the members of the Executive Committee for the financial year 2025.

###### **Explanation**

Please refer to the Annex 1 for more details (also available at: <https://www.temenos.com/about-us/investor-relations/annual-general-meeting/>).

#### **5 Revision of the Articles of Association**

###### **Proposals**

The Board of Directors proposes to approve the following amendments:

##### **5.1 Registered office – Article 1**

##### **5.2 Purpose – Article 2**

##### **5.3 Share capital measures – Articles 3ter, 3quater and 3quinquies**

##### **5.4 Shares, Share register, Shareholder rights, General Meeting of Shareholders, Notifications and publications – Articles 4, 5, 8, 9, 10, 10bis, 11, 14 and 32**

##### **5.5 Board of Directors, Compensation, External mandates – Articles 16, 17, 18, 24, 25 and 28**

###### **Explanation**

The Board of Directors proposes to approve several amendments of the Company's Articles of Association to be compliant with the new Swiss corporate law that entered into force on 1 January 2023, to change the Company's registered office and to implement some changes in line with current best corporate governance practices. Qualified majority is required for items 5.1, 5.2 and 5.3.

Please refer to the Annex 2 for the proposed amendments (also available at: <https://www.temenos.com/about-us/investor-relations/annual-general-meeting/>).

#### **6 Elections of the members of the Board of Directors**

##### **6.1 Elections of new members**

##### **6.1.1 Ms. Laurie Readhead**

###### **Proposal**

The Board of Directors proposes the election of Ms. Laurie Readhead as Non-Executive member of the Board of Directors, for a term of office until completion of the next ordinary Annual General Meeting of Shareholders.

American, born in 1960, Ms. Laurie Readhead, recently retired, is a highly skilled senior global banking and finance executive with over 30 years of experience at Bank of America. Her responsibilities within the Consumer Banking business and her roles as Chief Financial Officer for Consumer Banking and Chief Financial Officer for Global Capital and Investment Banking provided a deep understanding of business drivers and key role in the accomplishment of business outcomes.

Most recently she was the Chief Data Officer leading a USD 1.5 billion transformation of the bank's data management capabilities. Additionally, her work included the establishment of an enterprise Artificial Intelligence (AI) governance function, focused on ensuring effective risk management in the design and deployment of AI solutions. Responsibilities as Chief Financial Officer for the Consumer Banking and the Global Capital and Investment Banking included accountability for all business financial planning and reporting. In her various roles, Ms. Readhead engaged with the Bank of America Board and its Audit, Finance and Risk Committees to provide strategic and operational updates.

Ms. Readhead's passion for diversity and inclusion (D&I) drove her Chief Executive Officer appointment as Vice Chair for the Corporate Global Diversity and Inclusion Council, responsible for coordinating D&I efforts across the bank. Ms. Readhead was also an active sponsor of various employee networks, including LEAD, for women, and HOLA, supporting the bank's Hispanic workforce.

Ms. Readhead serves on the United Negro College Fund (UNCF) Board. She chairs its Audit Committee and is a member of its Executive, Finance and Nominating Committees. She also serves as an executive advisor to the EY Tech Icons Council. She held Charlotte nonprofit Board roles with the Arts & Science Council and Girl Scouts, serving on their strategic planning Committees.

Ms. Readhead graduated from the University of Arizona with a BA in Accounting.

## AGENDA AND PROPOSALS OF THE BOARD OF DIRECTORS continued

### 6 Elections of the members of the Board of Directors continued

#### 6.1 Elections of new members continued

##### 6.1.2 Dr. Michael Gorriz

###### Proposal

The Board of Directors proposes the election of Dr. Michael Gorriz as Non-Executive member of the Board of Directors, for a term of office until completion of the next ordinary Annual General Meeting of Shareholders.

German and Spanish, born in 1959, Dr. Michael Gorriz has been shaping for over 20 years IT organisations with deep technical expertise, business mindset and empathetic leadership. He has now dedicated himself to innovative companies which use technology to improve our lives and serves as Board member of technology and financial companies.

From 2015 to 2021, Dr. Gorriz has served as the Chief Information Officer for Standard Chartered Bank and was member of the Management Team. He was globally responsible for systems strategy, development and the operation of the technical infrastructure. Dr. Gorriz laid the foundations of the bank's digital and innovation agenda including a Cloud First strategy.

In 2000 he joined the IT management team of DaimlerChrysler and was Vice President and Chief Information Officer of Daimler AG from 2008 to 2015. In this role he was globally responsible for strategy, planning and development of the Daimler Group's IT systems, as well as the operation of its technical infrastructure.

Dr. Gorriz is currently an Independent Non-Executive Director of Mercedes-Benz Automobile Finance Co., Ltd in China and Swiss IT Security AG, an IT security service group based in Luxembourg. He is a Non-Executive Director of mox Bank, a leading virtual bank in Hong Kong and Audax Financial Technology, a digital banking technology solutions provider in Singapore.

Dr. Gorriz is also on the Board of some of his portfolio companies (Kyberlife, BlueMaiden Biosciences Pte Ltd and Pivot Digital Pte Ltd, all headquartered in Singapore).

Dr. Gorriz holds a diploma in Physics from the University Freiburg and obtained a PhD in Engineering from the University Stuttgart.

#### 6.2 Re-elections

###### Proposals

The Board of Directors proposes the re-election of Mr. Thibault de Tersant as member and Non-Executive Chairman of the Board of Directors as well as the re-elections of Dr. Peter Spenser, Mr. Maurizio Carli, Ms. Cecilia Hultén, Mr. Xavier Cauchois and Ms. Dorothee Deuring as Non-Executive members of the Board of Directors, each for a term of office until completion of the next ordinary Annual General Meeting of Shareholders.

###### Explanation

The biographies of the members of the Board of Directors and Committees membership are available at: <https://www.temenos.com/about-us/leadership/#board-of-directors> and <https://www.temenos.com/wp-content/uploads/2021/05/governance-board-committees-composition.pdf>.

##### 6.2.1 Mr. Thibault de Tersant, member and Chairman of the Board of Directors

##### 6.2.2 Dr. Peter Spenser, member of the Board of Directors

##### 6.2.3 Mr. Maurizio Carli, member of the Board of Directors

##### 6.2.4 Ms. Cecilia Hultén, member of the Board of Directors

##### 6.2.5 Mr. Xavier Cauchois, member of the Board of Directors

##### 6.2.6 Ms. Dorothee Deuring, member of the Board of Directors

## 7 Elections of the members of the Compensation Committee

### Proposals

The Board of Directors proposes the re-elections of Dr. Peter Spenser, Mr. Maurizio Carli, Ms. Cecilia Hultén and Ms. Dorothee Deuring as members of the Compensation Committee, each for a term of office until completion of the next ordinary Annual General Meeting of Shareholders.

**7.1 Dr. Peter Spenser**

**7.2 Mr. Maurizio Carli**

**7.3 Ms. Cecilia Hultén**

**7.4 Ms. Dorothee Deuring**

## 8 Election of the independent proxy holder

### Proposal

The Board of Directors proposes the election of the law firm **KBLex S.A.** as independent proxy holder until completion of the next ordinary Annual General Meeting of Shareholders.

## 9 Election of the auditors

### Proposal

The Board of Directors proposes the re-election of **PricewaterhouseCoopers S.A.**, Geneva, as statutory auditors for a new term of office of one year.

### Documentation

The 2023 Annual Report (including the Compensation Report, the Sustainability Report, the unconsolidated financial statements, the consolidated financial statements and the Auditors' reports), the minutes of the previous ordinary Annual General Meetings of Shareholders and the current Articles of Association are available at: <https://www.temenos.com/about-us/investor-relations/>.

### Participation

Shareholders recorded in the share register with voting rights as of **23 April 2024 at 5 p.m. CET** (record date) are entitled to vote at the forthcoming Annual General Meeting and will receive by post the invitation to this Annual General Meeting. They may then order their admission card from [areg.ch](http://areg.ch), the company managing the share register of Temenos AG.

### Representation and proxies

Shareholders who are unable to attend in person may appoint a representative by written proxy or the independent proxy holder: **Perréard de Boccard S.A.**

The voting instructions to the independent proxy holder can be given either by return of the reply form or electronically using the password and as per the instructions indicated in the invitations. Voting instructions shall be received by **3 May 2024 at 5 p.m. CET** at the latest (**2 May 2024 at 12 p.m. CET for banks**).

On behalf of the Board of Directors

**Thibault de Tersant**  
Non-Executive Chairman

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