

TEMENOS

Capital Markets Day

2021



| Disclaimer

Any remarks that we may make about future expectations, plans and prospects for the company constitute forward-looking statements. Actual results may differ materially from those indicated by these forward-looking statements as a result of various factors.

In particular, the forward-looking financial information provided by the company in the conference event (Capital Markets Day) represent the company's estimates as of 18 February 2021. We anticipate that subsequent events and developments will cause the company's estimates to change.

However, while the company may elect to update this forward-looking financial information at some point in the future, the company specifically disclaims any obligation to do so. This forward-looking information should not be relied upon as representing the company's estimates of its future financial performance as of any date subsequent to 18 February 2021.

| Non-IFRS Information

Readers are cautioned that the supplemental non-IFRS information presented in this presentation is subject to inherent limitations. It is not based on any comprehensive set of accounting rules or principles and should not be considered as a substitute for IFRS measurements. Also, the Company's supplemental non-IFRS financial information may not be comparable to similarly titled non-IFRS measures used by other companies.

In the tables accompanying this presentation the Company sets forth its supplemental non-IFRS figures for revenue, operating costs, EBIT, EBITDA, net earnings and earnings per share, which exclude the effect of adjusting the carrying value of acquired companies' deferred revenue, the amortization of acquired intangibles, discontinued activities, acquisition related charges, restructuring costs, share-based payments and the income tax effect of the non-IFRS adjustments. The tables also set forth the most comparable IFRS financial measure and reconciliations of this information with non-IFRS information.

When the Company believes it would be helpful for understanding trends in its business, the Company provides percentage increases or decreases in its revenue (in both IFRS as well as non-IFRS) to eliminate the effect of changes in currency values. When trend information is expressed herein "in constant currencies", the results of the "prior" period have first been recalculated using the average exchange rates of the comparable period in the current year, and then compared with the results of the comparable period in the current year.

Strategy & Vision

Max Chuard
CEO



| We exist to make Banking Better, Together

1.2 billion
individuals,
families, businesses
rely on Temenos

That's **30%** of the
world's banking
population

Banks that use
Temenos are
industry **leaders**

Achieving
return on equity
3X the industry
average

Our **3000** banks
include **41** of the
top **50** global
banks

They rely on the
World's **#1** cloud-
native intelligent
banking platform



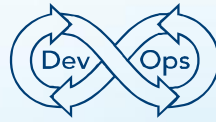
Relentless Focus on Innovation



Cloud/SaaS



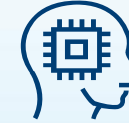
API/Microservices



DevOps



Big Data



AI/Machine
Learning



Blockchain/
Distributed DB

\$2.1 billion
cumulative R&D
investment 1990-2019

*Sustained Highest
Level of R&D
Investment*

*Outselling the
competition by 6x*

**Over \$1 billion
of R&D investment over
mid-term**

Consistent and Profitable Growth Trajectory in next 5 years

Achieving
more than
USD1bn
of bookings
by 2025

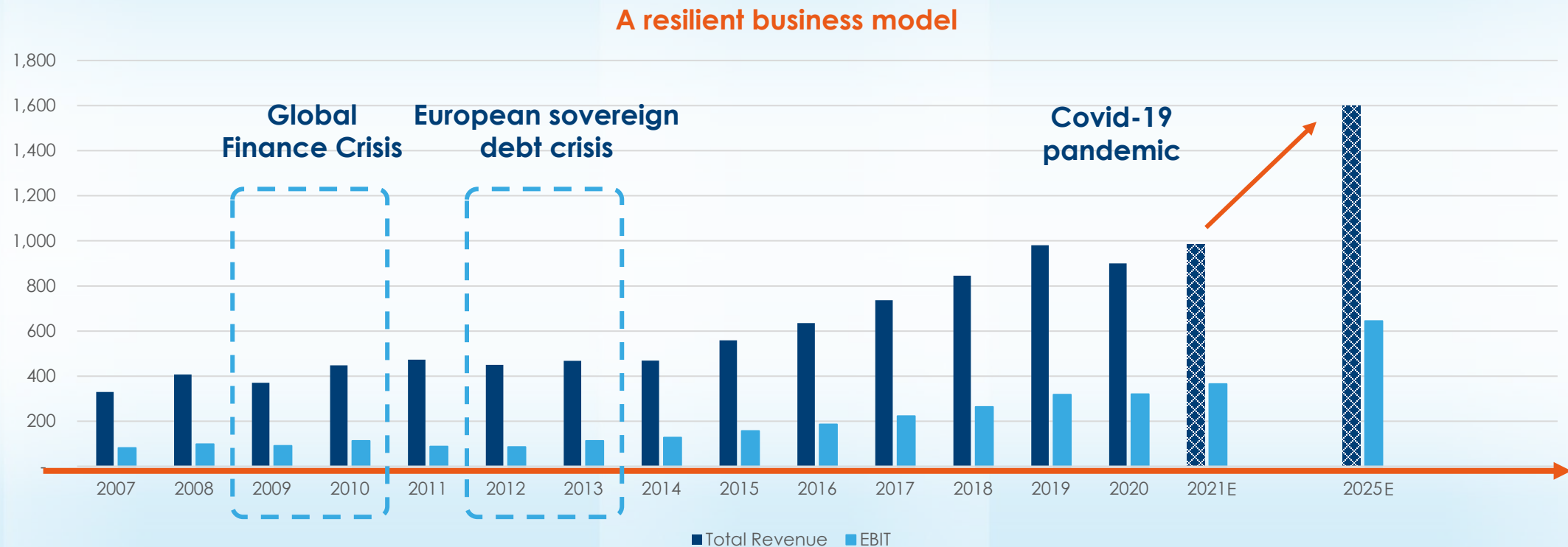
Expanding
EBIT margin to
**at least
41%**
by 2025

Generating
more than
USD600m
of Free Cash
Flow by 2025



***Our Vision ...from Category Killer to the Industry
Standard in Banking Software...***

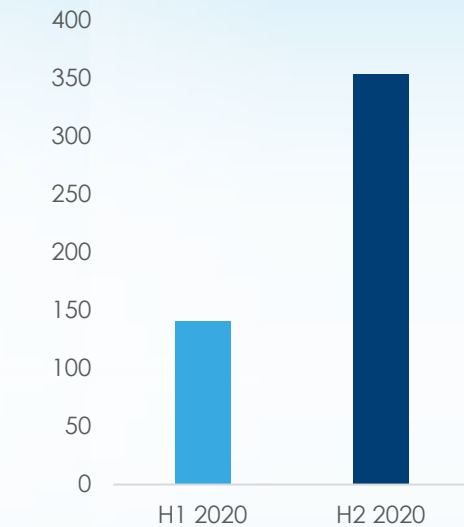
Temenos has successfully navigated global crises and come out stronger



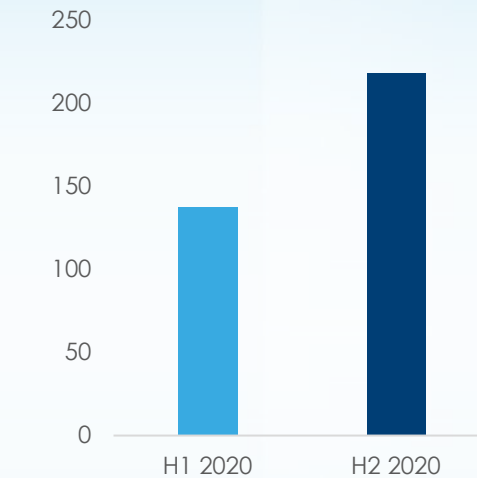
Resilient business model backed by consistent innovation-focused strategy

| 2020 – an unprecedented year driven by COVID-19

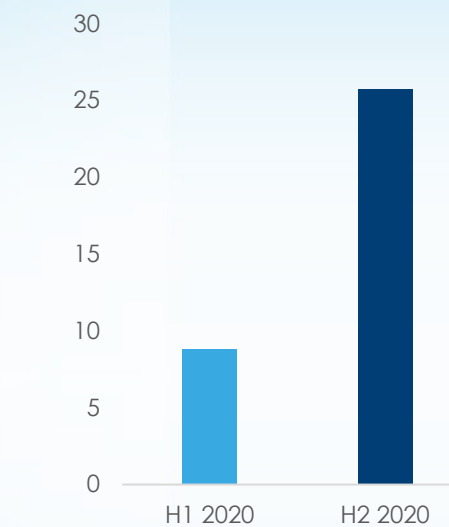
USDm **Total bookings**



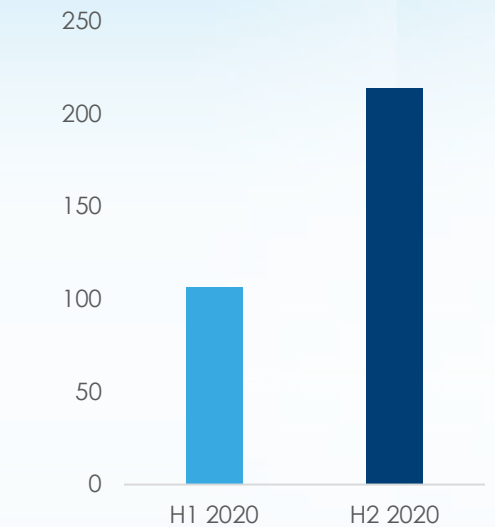
USDm **Total Software Licensing**



USDm **SaaS ACV**



USDm **EBIT**



| **Rapid scaling of remote working,
98% of workforce by April**

| **307 go-lives,
remote first as standard**

| **64 new client wins
across products**

Rebound in second half of year with deal execution and pipeline recovering strongly

COVID-19 has accelerated Digital Transformation of Banks

15%

Increase in **consumer digital adoption**
(2-3 years worth) in 3 months¹

30-40%

Reduction in **cash usage**¹

56%

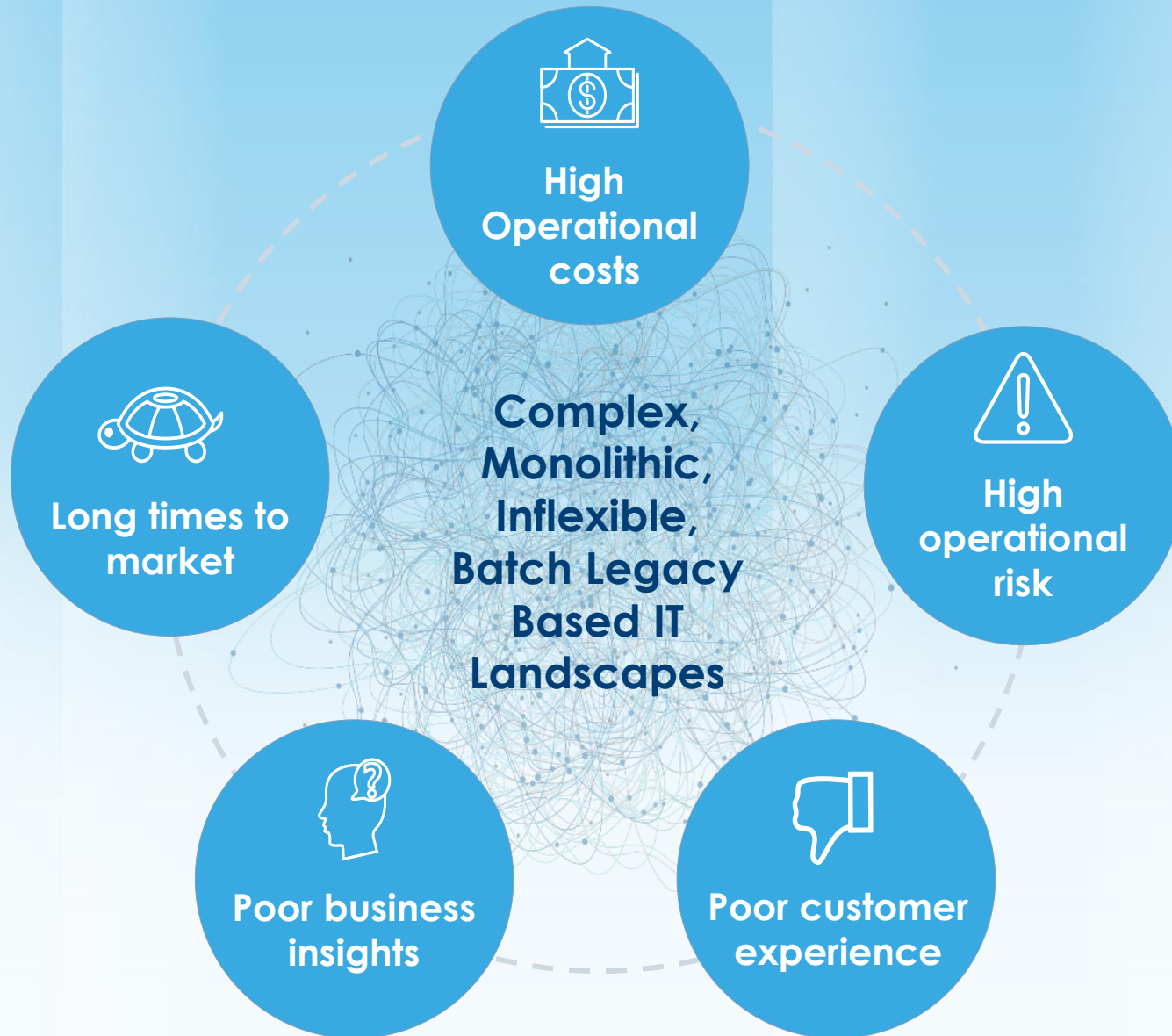
Consumers concerned about their **ability to pay back loans**



Banks need to **accelerate digital transformation** and **customer experience** across complex product and customer journeys

COVID-19 has changed consumer mindsets & circumstances forcing banks to speed up and scale digitization

Current Reality at Incumbent Banks



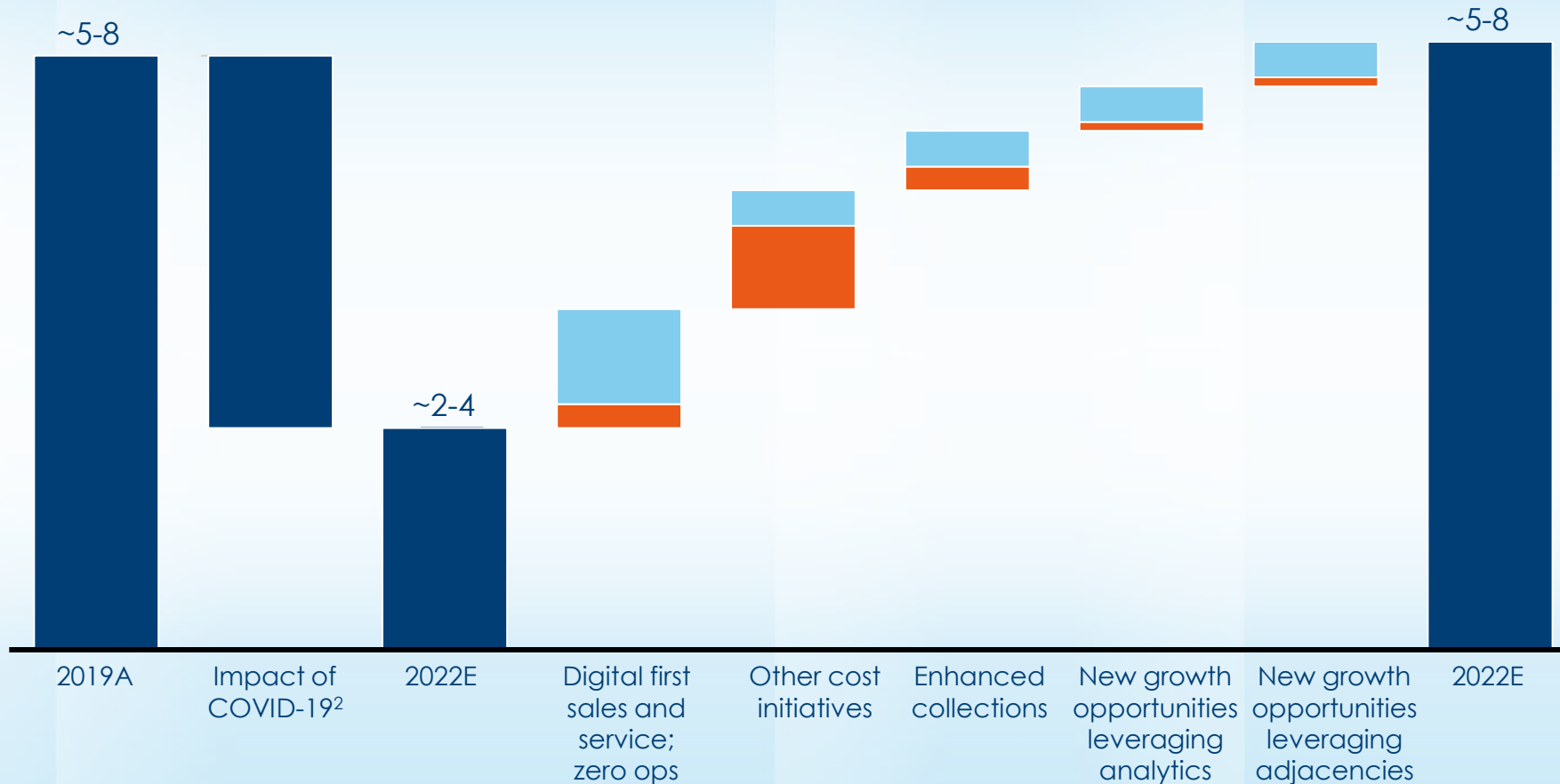
EUROPEAN CENTRAL BANK
BANKING SUPERVISION

- Dependencies on **end-of-life systems** major cause for concern
- Basel committee introduces new rules to standardize operational risk related to **IT system failures**

Digital Transformation Enabled by Technology Key for ROE Recovery post COVID-19

European Banking¹, ROE in %

Tech-enabled Non-tech enabled



COVID-19 presents us with a unique opportunity

1) Average Europe based on largest 5 countries (UK, Spain, Italy, France and Germany)
2) Specific McKinsey Scenario from "Safeguarding our lives and our livelihoods: The imperative of our time"
Source: MGI, McKinsey PFIC – Global Banking Pools, Central Banks, Annual Reports

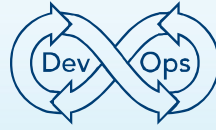
Disruptive Technologies key to the Future of Banking



Cloud/SaaS



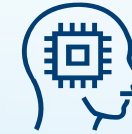
API/Microservices



DevOps



Big Data



AI/Machine
Learning



Blockchain/
Distributed DB

The
Economist

INTELLIGENCE
UNIT

84% believe **cloud platforms** and the shift towards **DevOps** are **transformative**

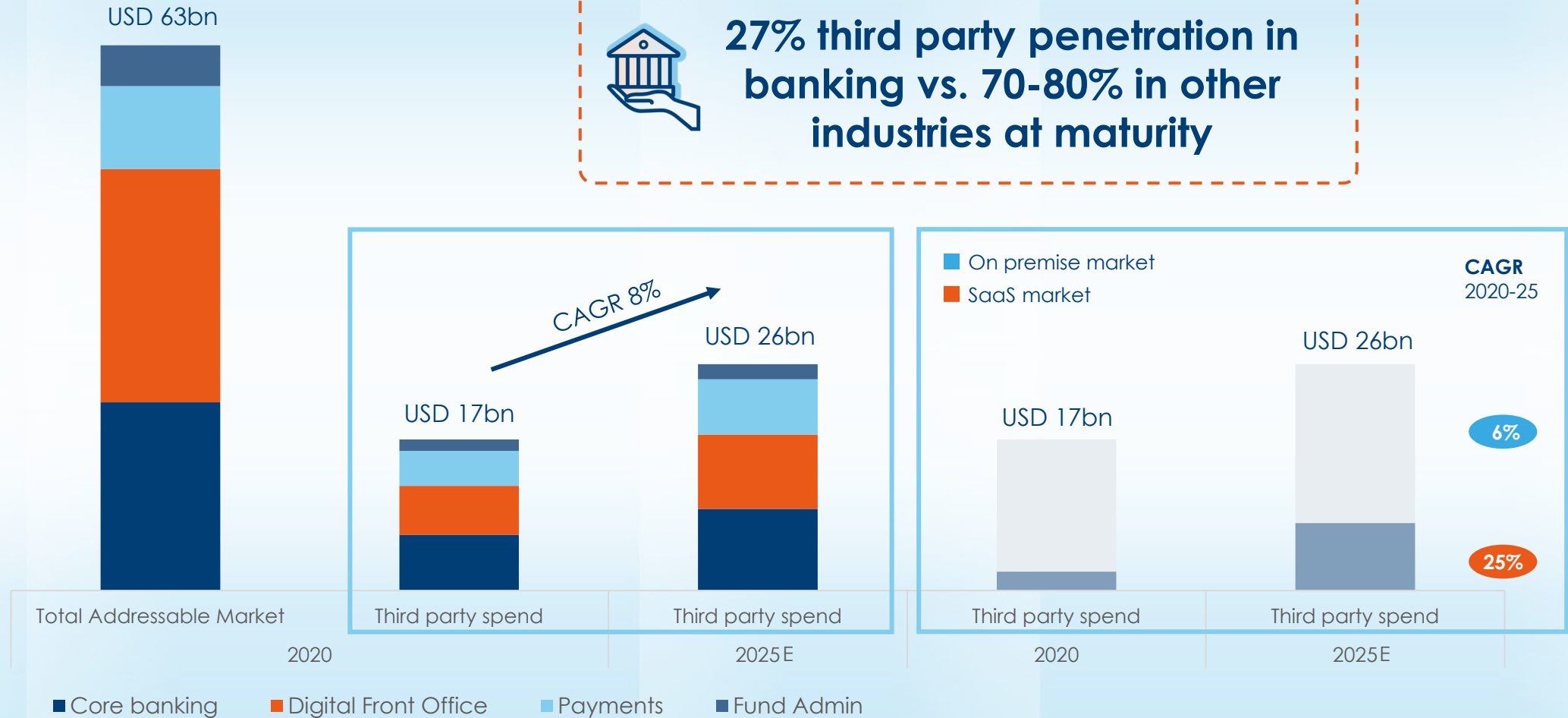
77% think **unlocking value from AI** will be the **differentiator between winning and losing** banks

66% think **new technologies** will have the biggest impact on banking in next 5 years over changing **customer demand** and **regulations**

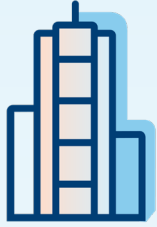
Structural trends driving market growth



27% third party penetration in banking vs. 70-80% in other industries at maturity



| Segmenting the market



Large banks

- Renovation on-premise by domain-specific microservices
- Selective use of cloud and SaaS
- Cost and complexity reduction, speed-to-market for new products
- AI for smarter, faster projects and digital insights



Mid to lower tier banks

- Largely on-premise renovation of lines of business
- Increasing use of cloud and SaaS
- Innovation, competitive positioning, maximising impact of limited IT budget



Challenger banks and fintechs

- SaaS for entire operation
- Rapid time to market and innovation with hyper-efficient cost model

| Why Temenos?



**Only focused
on banking**



**Leading functionality,
localization,
advanced technology**



**Packaged product,
single code base**



**Relentless focus on
innovation, highest
R&D over 27 years**



**Scaling through
ecosystem of technology
and implementation
partners**



**Leader in our market,
3,000+ clients**

**Leading
Functionality** **+** **Latest
Technology**

**= The Winning
Combination**

Outselling the competition

Traditional vendors

Cross-industry, not packaged or cloud & SaaS ready

Why we win

Highest R&D in the industry

Market leadership

Technology innovation

Leader in SaaS, cloud and AI



Neo vendors

New digital entrants, cloud-only offering, limited functional scope

Why we win

Cloud native, 27 years of Banking IP

Depth and breadth of functionality

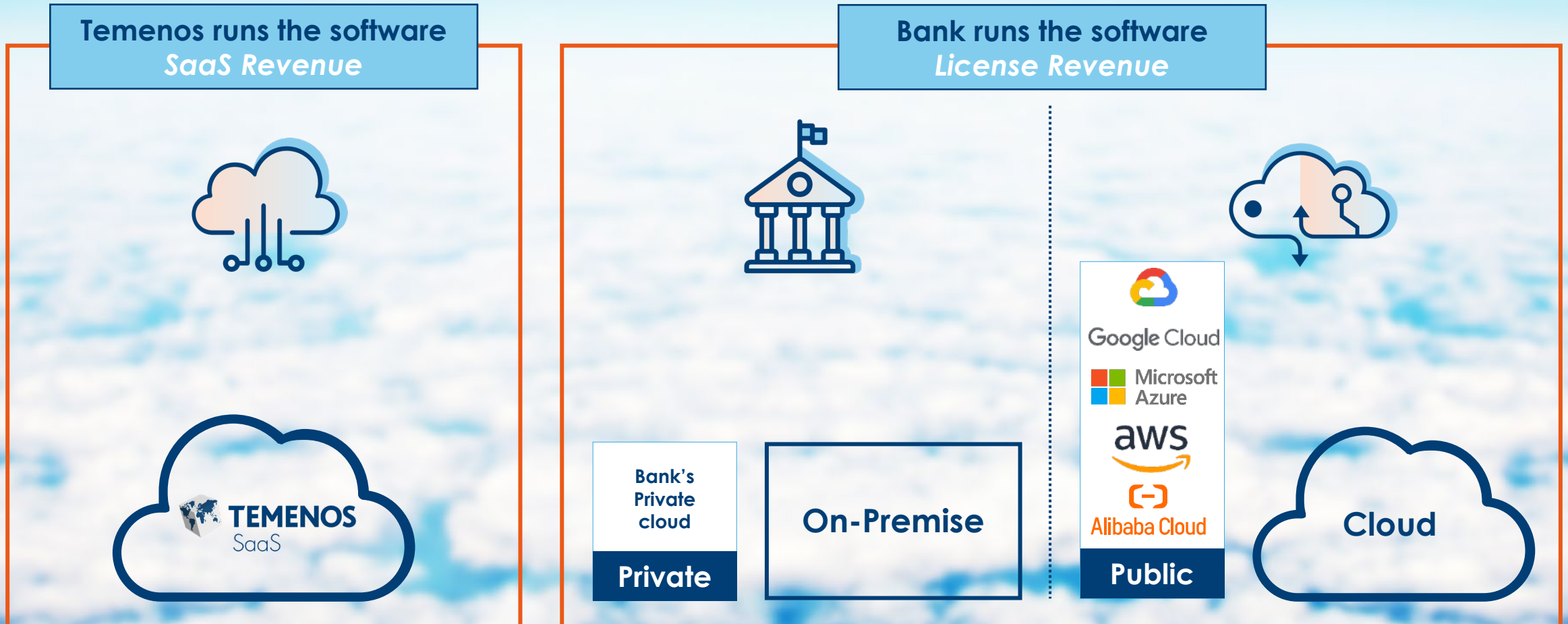
Massive scalability

Local presence i.e. Model Banks

Extensive AI capabilities

Market leader with size, scale and track record

Ready for SaaS Acceleration



Single code base, same product

Significant benefits from running Temenos on-premise and SaaS

From legacy to
Temenos SaaS

10%
of legacy cost

... more budget for
banks to innovate



Banks running Temenos on-premise already
benefit from modern architecture



Flexibility

1000s of Configuration, Migration and
Extension APIs



**Time To
Market**

Continuous integration and Online Migration
through automated DevOps and AI



Agility

Lowest risk independently deployable
and upgradeable **Microservices**



Scalability

Massive **scalability** and **elasticity**

70% of benefit derived from running modern technology on-premise

Proven at Banks of all Sizes, across all Geographies

Large Banks



41 of the **world's top 50** banks

Mid Tier banks



The de facto for **over 3000+** banks

Challenger Banks



A market-leading **60 Challenger banks**

Komerční Banka



Part of the
Societe
Generale
Group

1.6 million
Retail and
Corporate
customers

Temenos
Products



TEMENOS
Transact

Objectives

Simplify and consolidate
IT landscape.

Deliver leading edge,
innovative products
faster.

Streamline STP.

Achieve market-leading
cost-income ratio.



**Aims to be
Canada's first
full service
bank for
business
owners**

Temenos Products



TEMENOS
Transact



TEMENOS
Infinity



TEMENOS
Data Lake

Objectives

Replace its heavily
customized legacy
systems.

Launch new services
quickly and cost
effectively.

Differentiated
customer insights and
experience.

| Alpien

+alpien

New Swiss
digital bank for
private banking
and wealth
management

CHF 660bn
market

Temenos Products



TEMENOS
Transact



TEMENOS
Payments



TEMENOS
SaaS

Objectives

Short time-to-market
and hyper-efficient
cost.

Accessible, appealing
banking app.

Expand outside
Switzerland.

Temenos software delivers tangible value to banks

OUR HIGH-PERFORMING CLIENTS

Achieve
cost-income ratios

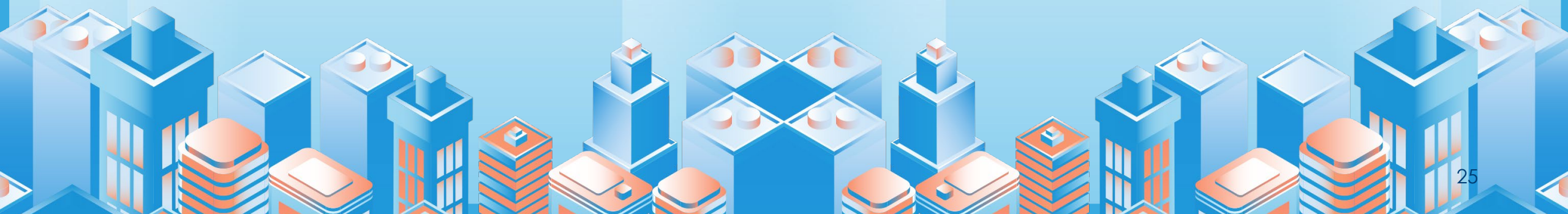
half the
industry average

Achieve
returns on equity

3x industry
average

Allocate IT spend

2x industry
average to growth
& innovation



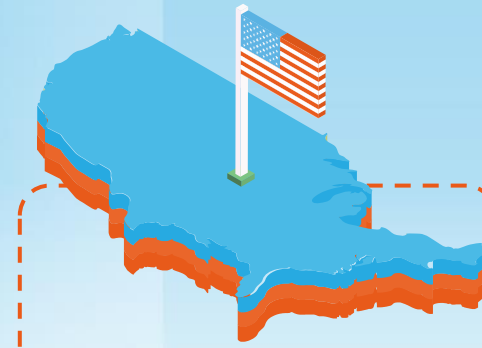
Key strategic initiatives to drive growth across SaaS and licence



Profitable SaaS
acceleration



Product
growth engines



North
America



Game-changing
strategic
partnerships

Profitable SaaS Acceleration



**Leveraging
cloud-native
and SaaS-ready
product**



**Leveraging the
sales organization
for customer
success**



**Hyper-scaling
operations**

**Profitable SaaS Growth with
Margin Expansion**

Achieving 41% Group EBIT margin by 2025

Continued market leadership across all our growth engines



TEMENOS Infinity



Leader in Omdia Universe
for Digital Banking Platforms
2020-21



Leader
Forrester Wave for Digital
Banking Engagement Platforms



IBS intelligence

**#1 Digital banking and
channels** in IBS Sales League
Table 2020



TEMENOS Transact



Leader in
Gartner Magic Quadrant



Leader in
Forrester Wave – Retail &
Corporate



IBS intelligence

#1 Core Banking System
in IBS Sales League Table
2020



TEMENOS Payments



Leader in IDC MarketScape
for Integrated Payment
Platforms



IBS intelligence

**#1 Retail payments
system** in IBS Sales
League Table 2020



TEMENOS Fund Administration



Best-In-Class
for **Aite Matrix**



adox
research

Achieved
'Differentiated'
Status in Adox 8*8

Accelerating our North America growth

Investing in our people

- Expansion of Sales & Marketing headcount
- Investment in sales leadership across all key segment

Go-to-market strategy

- Refining approach to market segments
- New strategic partnerships to drive US growth

SaaS and cloud

- Significant US SaaS pipeline, largest contributor to global pipeline
- US-focused SaaS offering
- Scaling cloud operations

Customer success

- Proven localisation of software with US regulations
- Built successful references



Majors



Nationals



Regionals



Digital Banks



Funds & Wealth

TEMENOS
Transact



TEMENOS
Infinity



TEMENOS
SaaS



TEMENOS
Payments



TEMENOS
Fund Administration



| 2021 Partner Program

Global Alliances

Cognizant

syncordis

Capgemini

DXC.technology

Global Partners

Deloitte.

accenture

aspire
SYSTEMS

Tech Mahindra

Multiregional Partners

Techmill
All About FinTech

OneAston
Excellence in Wealth Solutions Delivery

MCB CONSULTING

IT solutions
services

tailwind

SoftwareGroup
doing it right

Regional Partners

MAINSYS
Banking IT Services

ACCOMPANY
CONSULTING

ndc
TECH

MBS
MASAREF BUSINESS & SYSTEMS CONSULTANCY

USA
ENTER-SYSTEM INTEGRATORS

IMS
INFORMATION MANAGEMENT SOLUTIONS
an YTO company

Banktech
Software Services

MAINT

STOICS-IT

MAVERIC

FNX
FOR ANX

FORTRESS
DATA SERVICES

NGB
NEXUS GLOBAL BANKING

INLAKE
own tomorrow

ClearSight
SOLUTIONS

woodridge
SOFTWARE

anabatic
TECHNOLOGIES

ULTIMATE
SOLUTIONS

premac
CONSULTING

ACCUTIVE

JETHRO

GlobalLogic

synpulse
solve-evolve

Strategic Technology Alliance

Microsoft

aws

Google Cloud

IBM Business Partner

Strategic Technology Partner

ORACLE

salesforce partner

Red Hat

Alibaba Cloud

Technology Partner

MuleSoft

NuoDB

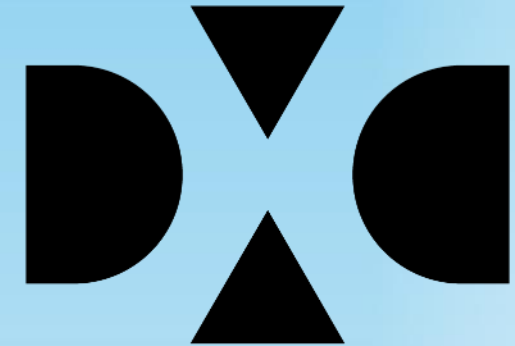
Technology Provider

blueprism

atoma
TECHNOLOGIES

Validata

| Game-changing Global Strategic Partnerships



DXC.technology

- Integration of Temenos Infinity and Salesforce CRM platforms to create NEW Digital Workspace
- Be #1 Digital Banking Platform for ALL banking clients

- Accelerate digital transformation of DXC's existing large bank customers
- Combines DXC's implementation and integration strengths with the power of Temenos industry leading banking software

And we will achieve this ethically and responsibly



Five pillars of our ESG strategy

- Achieving Business Excellence
- Operating Responsibly
- Investing in our People
- Investing in our Communities
- Enabling Access to Financial Services

Enhancing our ESG reporting

Existing

- **GRI** Reporting
- Mapping GRI with the **UN Global Compact**
- **External Assurance** of CSR report

Enhancements in 2021

- **SASB** Reporting and mapping **SASB** with **GRI** standards
- Incorporate **TCFD** recommendations
- Mapping our contribution (**product offering**) to the **UN SDGs**

TENACITY

VELOCITY

RESPONSIBILITY

AUTHENTICITY

COMMUNITY



Consistent and Profitable Growth Trajectory in next 5 years

Achieving
more than
USD1bn
of bookings
by 2025

Expanding
EBIT margin to
**at least
41%**
by 2025

Generating
more than
USD600m
of Free Cash
Flow by 2025



***Our Vision ...from Category Killer to the Industry
Standard in Banking Software...***

Thank You

temenos.com

