

temenos

Slavery and Human Trafficking Statement 2024



Temenos AG

At Temenos, we are committed to achieving business excellence and long-term value through superior financial performance while managing our operations in a responsible and sustainable way and conducting our business with integrity, honesty and transparency, ensuring that we comply with applicable laws and regulations, honoring our stakeholders' expectations and returning value to the society and the environment.

In this statement, we outline 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. We take a strong stance against modern slavery and human trafficking and are committed to working collaboratively with our employees, contractors and suppliers to ensure an open, fair, equal opportunity and honest work environment, in which their fundamental rights and freedoms are respected.

The information in this statement has been approved by the Board of Directors of Temenos AG, is in line with the requirements of the UK Modern Slavery Act 2015 and relates to the financial year ended December 31, 2023. The scope of markets included in this statement covers our operations worldwide, including those of our directly or indirectly wholly owned subsidiaries.

Our Business Structure

Founded in 1993, Temenos AG serves 3,000 firms from the largest to challenger and community banks, in over 150 countries by helping them build new banking services and state-of-the-art customer experiences. We work with clients of all sizes, from those with 500 accounts to our largest client with 150 million accounts. Our clients are also supported by over 200 Partners. The forward-looking vision, pioneering spirit, innovative thinking and strong drive of our people set the foundation for our success today, as we are shaping the banking world and driving positive change with sustainable value to 1.2 billion people globally and our planet.

Headquartered in Geneva, Switzerland, the Company currently has 56 offices in 39 countries and had non-IFRS revenues of USD 1,000.2 million for the year ended 31 December 2023. Temenos has been a public company listed on the SIX Swiss Exchange (TEMN) since June 2001. Temenos employs 6,773 people worldwide, including full-time and part-time employees as well as contractors. Temenos is included in the SXI Switzerland Sustainability 25® Index among the 25 Swiss stocks from the SMI® Expanded Index with the best sustainability scores. The Company has been recognized as a global sustainability leader according to the most reputable ESG ratings. Temenos achieved the top score in the Software industry for the second year running in the 2023 Dow Jones Sustainability Indices (DJSI) and was the only company in the industry awarded top 1% distinction in the S&P Global Sustainability Yearbook for 2024. Temenos was also classified as low risk in Sustainalytics ESG Risk Rating Report, while retained its platinum medal by EcoVadis for its sustainability performance.

Our Supply Chain

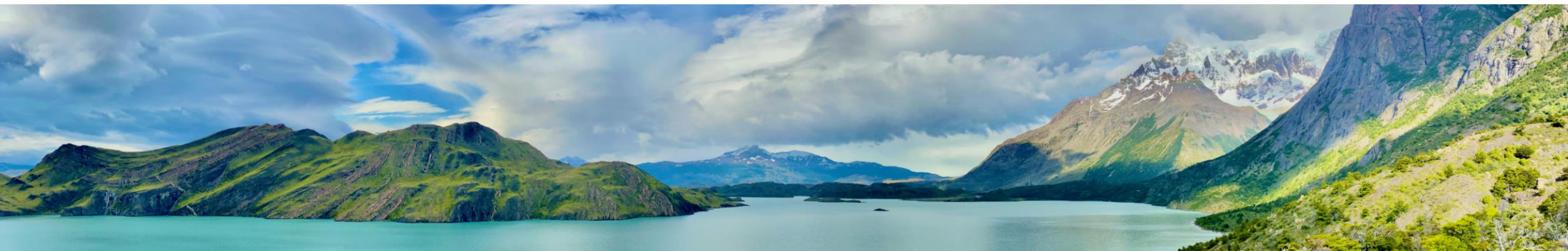
As a global IT company, our business focuses on providing IT solutions and services, relying on the sourcing of finished products, services and consultants for the delivery of our projects. Our supply chain includes a supplier base of around 3,000 suppliers globally and is tiered based on the nature of the supply and criticality for Temenos business. The estimated monetary value of payments made to suppliers in 2023 was around \$296 million.

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
- Suppliers that provide technical or IT services and/or software products that involve intellectual property licensing.

Responsible and sustainable sourcing is a material issue for Temenos. We build and maintain relationships with both small, local suppliers and large, international suppliers who adhere to our business principles, while encouraging our suppliers to develop their own responsible practices. Temenos has adopted a risk-based approach to identify high-risk suppliers, identifying the areas where sustainability challenges are most likely to occur and working with its suppliers towards continual improvement.





Temenos Policies and Procedures

Temenos Business Code of Conduct and Corporate Policies

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 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. It is available in English and French on our intranet and our corporate website. It applies equally to full-time, part-time, temporary employees and contractors globally. It is a key part of the employment contract and contractor agreement.

The backbone of our Code are the corporate policies linked to it that provide detailed guidance on how to exercise good judgment when working and making decisions for Temenos. Temenos is a global company, and our business is subject to the laws of many different countries. In order to conduct our business on a daily basis, we interact with a variety of stakeholders. We are committed to interacting with all of these stakeholders in a respectful, ethical manner and in compliance with all the local and international laws of the countries we operate in. The policies are reviewed annually and reflect our continued commitment to ethical business practices and legal compliance.

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 them every 12 months. The compliance requirements of the Code apply to our partners and suppliers. Specific compliance provisions are included in the Services Partner agreement and all new and existing suppliers are required to comply with the Code as well as the Temenos Supplier Code of Conduct. The CSR and Ethics Committee is charged with monitoring the compliance with the Code and Ethics Framework.

We have aligned our Code and policies with the ten principles of the United Nations Global Compact on the four issue areas of Human Rights, Labor, Environment and Anti-Corruption, as well as the OECD Guidelines for Multinational Enterprises. In the Code, we communicate our commitment to respect and support the values of the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labor 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.

Our 2023 Sustainability 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 Initiatives (GRI) Standard and is mapped to the Sustainability Accounting Standards Board (SASB) Software and IT Services Sustainability Accounting Standard. We have endorsed the United Nations Global Compact, by submitting an annual Communication on Progress implementing the UNGC's 10 principles. Our commitments strongly align with the United Nations Sustainable Development Goals. We support the SDGs and publicly report ways in which our operations as well as our product portfolio are contributing to the global effort to achieve the SDGs.

In September 2020, Temenos pledged to support the United Nations' mission of creating a more equitable, inclusive and sustainable world by signing onto a powerful Statement from [Business Leaders for Renewed Global Cooperation](#). 1,000 Chief Executive Officers from companies in over 100 countries signed this statement.

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. In 2023, Temenos became a [Women Empowerment Principles \(WEPs\)](#) signatory. WEPs is established by UN Women and UN Global Compact as a primary vehicle for corporate delivery on gender equality dimensions of the 2030 agenda and the United Nations Sustainable Development Goals.

The work environment at Temenos is free of any type of harassment based on race, religion, national origin, color, gender, age, marital status, sexual orientation or disability or any other personal traits or characteristics that are not work-related. Any behavior contrary to this principle will not be tolerated whether it is coming from an employee, client, partner, or supplier. We condemn forced or compulsory labor practices. We comply fully with local minimum age laws and requirements and do not employ children. We have established a process to assess on a regular basis our obligations under Switzerland's 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. In addition, we comply with all relevant collective bargaining agreements in countries where we operate.

We are committed to making sure everyone is given an equal chance in opportunities, growth and compensation. 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*.

* In UK, living wage is determined by the Living Wage Foundation. In Ireland, it is 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.



Sustainability Governance

We have integrated sustainability into our organizational structure and corporate governance, by having established the CSR and Ethics Committee at the senior management level. The purpose of the Committee is to oversee management's efforts to foster a culture of sustainability, responsibility and ethics within the company. The Committee identifies, designs and leads the sustainability, climate and CSR strategy ("ESG matters") of the Group including the climate-related impacts and associated metrics and targets, while representing different Temenos functions and departments to ensure all the voices of internal and external stakeholders are taken into account. The Committee is chaired by the CEO and reports at least annually to the Board of Directors, through the Nomination & ESG Committee.

The Nomination & ESG Committee, chaired by the Non-Executive Vice-Chairman, reviews the sustainability, climate and CSR strategy ("ESG matters") of the Group including the climate-related impacts and associated metrics and targets, stays abreast of trends in ESG matters. The Committee reports to the Board of Directors.

The Board of Directors, chaired by the Non-Executive Chairman has the highest level of executive oversight for the company's CSR, Sustainability and Ethics Framework, approves and oversees the sustainability, climate and CSR strategy ("ESG matters") of the Group including the climate-related impacts and associated metrics and targets, while appointing and overseeing the members of the Executive Committee.

Grievance Mechanism

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

In addition, there is an independent anonymous reporting mechanism in place, 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 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. Preventing retaliation is critical for Temenos. We maintain and communicate an open-door policy and strictly prohibit retaliation against complainants who raise a compliance concern in good faith.

Supply Chain

Temenos suppliers are expected to adhere to the high standards of ethical behavior and regulatory compliance and comply with all applicable statutory and other regulatory requirements, as well as the Temenos Business Code of Conduct and the Supplier Code of Conduct. A copy of our Supplier Code of Conduct is shared with our suppliers, and they are expected to adhere to the Code requirements. They are also encouraged to communicate any concerns they might have related to a possible breach of the Temenos Business Code of Conduct, including human rights issues, through the Anonymous Reporting mechanism, while the company reserves the right to audit.

While we recognize that our Suppliers may establish standards on an individual basis, we prefer to do business with Suppliers who adhere to our business principles outlined in the Temenos Business Code of Conduct and we engage with our Suppliers to encourage them to develop their own responsible business practices.

In addition, Temenos complies with all applicable export control laws and sanctions worldwide when conducting business around the world. All Temenos employees, contractors, distributors and partners are expected and required to comply with the Export Controls and Sanctions Policy.



Due Diligence, Assessment and Management of the Risks

As defined in the UN Guiding Principles on Business and Human Rights (UNGPR), 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. 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 Labor 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 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 haven't 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.

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. 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. Key risks are reviewed by the Audit Committee and then by the Board of Directors itself at least once a year. ESG risks are identified and managed by the CSR and Ethics Committee and reviewed by the Nomination and ESG Committee. Internal audits are risk-based and aligned with risk management processes. Internal Audit plans are approved by the Audit Committee.





Due Diligence, Assessment and Management of the Risks

Beyond our operations, we have incorporated human rights considerations into our procurement practices and constantly improve our responsible procurement by obtaining our suppliers' understanding and adherence to our Policies, thus building strong partnerships with them. We work with a systematic, risk-based approach, while also having introduced effective audit mechanisms for identified cases of high-risk suppliers, as well as grievance mechanisms for both employees and suppliers on procurement issues.

Sustainability and operational risk assessments are part of the supplier selection process and the annual supplier performance and risk assessment activities. 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 10 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.

As part of our continued commitment to enhancing internal compliance programs, we have extended the sanctions screening program to our suppliers residing in specific sanctioned countries and incorporated that in the Temenos export controls and sanctions policy.

Our Supplier Code of Conduct, which is linked to the Temenos Business Code of Conduct, lists the requirements for our suppliers in adhering to our responsible ways of doing business and is integrated into contracts and Purchase Order Terms and Conditions.

There is a dedicated supplier section in our corporate website, including the Supplier Code of Conduct as well as all relevant information related to our Purchase Order Terms and Conditions and invoice guidelines.

We expect our suppliers to champion our 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 possible breaches of our Code of Conduct through the Anonymous Reporting mechanism.

Our employees work only with company approved suppliers and partners avoiding all forms of one-sided preferential treatment of a supplier and can report any concerns they might have related to a possible breach of our Code of Conduct resulting from the business relationship between Temenos and the supplier/partner, through the Anonymous Reporting mechanism.

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 vendors 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 suppliers. Supplier diversity score is taken into account during the supplier selection and renewal processes.



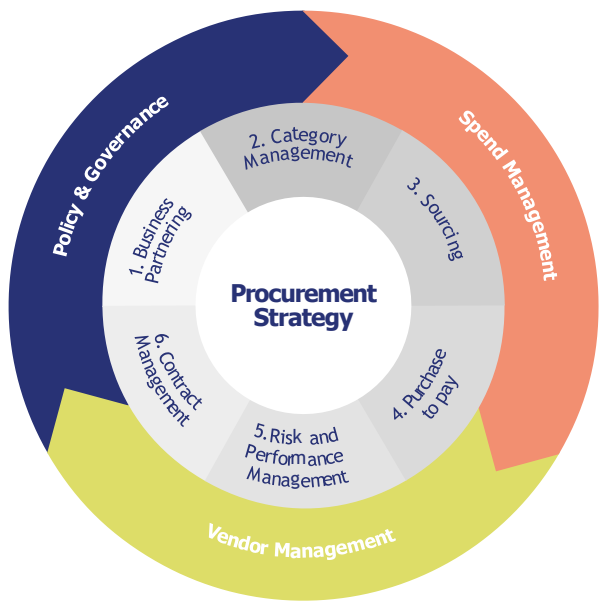
Due Diligence, Assessment and Management of the Risks

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

RESPONSIBLE PROCUREMENT FRAMEWORK

We have established a responsible procurement framework to track our current achievements and long-term goals in delivering sustainable outcomes:

Integrated end-to-end responsible procurement lifecycle.



Area	2023		2025 target
	Objective	Achievement	Objective
PEOPLE	Sustainable procurement to be included as part of all staff induction program.	100%	Maintain 100%
POLICY & STRATEGY	Ensure the internal sustainable procurement policy is reviewed regularly as part of the CSR strategy.	100%	Maintain 100%
PROCUREMENT PROCESS	Sustainability assessment for most supplier categories.	84%	Reach 100%
ENGAGING SUPPLIERS	Supplier engagement rate (engaged suppliers who have completed the environmental questionnaire out of total focus suppliers)	73%	Reach 100%



Measuring the Effectiveness of Our Approach

Temenos measures the effectiveness of the steps taken to ensure that modern slavery is not taking place neither in our own operations, nor in our supply chain with the use of the following KPIs:

- Number of concerns raised from employees or externals through our Anonymous Reporting system.
- Monitoring of global and local People procedures and reported analytics related to recruitment, retention, advancement, representation, health & safety and equal pay.
- Percentage of compliance with the Business Code of Conduct e-training.
- Percentage of engagement in human rights awareness initiatives and social media campaigns.
- Regular and ad hoc audits on identifying human rights issues across the organization.

The Internal Audit team at Temenos provides an independent assurance on effectiveness of risk management and internal controls, assesses compliance with policies and procedures and provides assurance to Management and the Board of Directors.

Findings and related action plans from internal audit reviews and/or internal control self-assessments are reported to senior management. Summary reports are provided to the Audit Committee at every meeting. Implementation of action plans is monitored on a regular basis and status is reported to the Audit Committee.

The Global Procurement team, in charge of the centralized governance model for responsible supply chain management, measures the performance and effectiveness of our Global Procurement policy and processes, with the use of the following KPIs, to ensure that slavery and human trafficking is not taking place in our supply chain:

- Percentage of new suppliers that were screened using social criteria, including human rights and labor standards.
- Number of suppliers subject to human rights impact assessments.
- Number of suppliers identified as having significant actual or potential negative human rights impact.
- Significant actual and potential negative human rights impacts identified in the supply chain.
- Percentage of suppliers identified as having significant actual or potential negative human rights impact with which improvements were agreed upon the assessment.
- Percentage of suppliers identified as having significant actual or potential negative human rights impact with which relationships were terminated as a result of the assessment, and why.

Training

At Temenos, we constantly seek opportunities to raise awareness among employees, contractors and suppliers on all aspects of responsible business including human rights. Training about human rights, modern slavery and human trafficking is part of the mandatory Temenos Business Code of Conduct training that all employees and contractors should take when joining Temenos and to repeat annually during their employment with Temenos.

In addition, we encourage the promotion of human rights awareness within the Company through internal initiatives and social media campaigns.

By 31 December 2023, 99.2% of our employees, including all Executive Committee members, have completed the [Business Code of Conduct training](#), which includes a dedicated Human Rights section.

Temenos buyers and frequent requestors are trained on understanding and adhering to our procurement processes, identifying high-risk suppliers and detecting the areas where sustainability challenges are most likely to occur.

Looking Ahead

For 30 years we have been operating at a 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 expect from every single person working for and with Temenos to act equally, responsibly and with integrity at all times and in all circumstances and ultimately live up to the Temenos ethical standards. As a global corporation, we understand the responsibility that comes with that role and we are committed to working with our employees, contractors, suppliers and partners to build sustainable business relationships, based on Fair Labor Standards and Respect for Human Rights. Preventing modern slavery requires collaboration, persistence, ongoing due diligence and continuous improvement.

Signed on behalf of the Board of Directors by:

March 31, 2024

Andreas Andreades

CEO Temenos AG



temenos



©2024 Temenos Headquarters SA - all rights reserved.

Warning: This document is protected by copyright law and international treaties. Unauthorized reproduction of this document, or any portion of it, may result in severe and criminal penalties, and will be prosecuted to the maximum extent possible under law.

temenos.com

temenos

Everyone's Banking Platform