

Our CSR approach

OUR COMMITMENTS

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. We strongly believe that our long term success requires a sustainable business model that incorporates corporate responsibility as an important part of our business operation.

We are committed to:

- > Building long term sustainable relationships with our stakeholders
- > Managing our operations in a responsible, secure and sustainable way
- > Helping our clients transform into smart, sustainable organizations
- > Achieving both financial and non-financial value (business and social value) for our stakeholders.

OUR ACTIONS

We have gone beyond the requirements of the law and have integrated CSR into our corporate strategy, business principles, policies and processes, decision-making and governance. Our CSR action plan focuses on three areas:

1. How to manage our CSR strategy
2. How to monitor, analyze and assess our ESG footprint, with the use of non-financial KPIs
3. How to communicate and raise awareness about our CSR strategy to all stakeholders internally and externally.

OUR ENDORSEMENTS

International organizations, industry peer pressure and stakeholder expectations play a major role in promoting responsibility, transparency and accountability in corporate governance and business processes. Regulation as well as voluntary compliance with international standards are central to our CSR strategy. Temenos complies with the requirements of many international organizations, governmental organizations and industry standards, such as the

EU Directive 2014/95/EU on disclosure of non-financial and diversity information by certain large undertakings and groups, India Companies Act 2013, UK Modern Slavery Act 2015 and the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

In addition, we align our commitments and CSR reporting with voluntary global standards. We base our CSR reporting on the Global Reporting Initiative (GRI) Standards. We have endorsed the United Nations Global Compact (UNGC), and are committed to submitting an annual Communication on Progress implementing the UNGC's 10 principles. We are members of the Global Compact Network Switzerland. We have aligned our Business Code of Conduct and corporate policies with the UNGC's 10 principles on the four issue areas of Human Rights, Labor, Environment and Anti-Corruption, as well as the OECD Guidelines for Multinational Enterprises. We support the UN Sustainable Development Goals (SDGs) and publicly report ways in which our operation as well as community investment are contributing to the global effort to achieve the SDGs.

In 2018, Temenos joined the World Economic Forum (WEF) as a Member. Temenos representatives participated in a number of key WEF events, demonstrating the significance of our contribution to the banking industry and more broadly to society as a whole, including the Sustainable Development Impact Summit that took place in New York on 24-25 September 2018. This WEF conference aimed to accelerate progress on the UN's Sustainable Development Goals and Paris Agreement and discuss the wider application of technologies to find solutions to climate change. It was not just a meeting but a think tank, a joining of minds from industry, regulators and international organizations to strategize on how to respond to new emerging trends and shape the new agenda for action. Temenos' attendance confirms our commitment to furthering the sustainability agenda.

Reporting, verification and assurance are important tools for us to measure the CSR progress as well as document our non-financial performance to all our stakeholders, while remaining competitive and ahead of the game.

OUR ACHIEVEMENTS

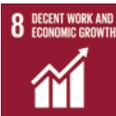
Throughout 2018, as a result of our active dialogue with our stakeholders, we continued to benchmark our sustainability performance against international business benchmarks and voluntary, in order to better address the needs of our stakeholders.

In recognition of our sustainability performance as well as contribution to the local economies where Temenos operates:

- > The SXI Switzerland Sustainability 25[®] Index included Temenos among the 25 Swiss stocks from the SMI[®] Expanded Index with the best sustainability scores
- > The Great Place to Work[®] Competition recognized one of the Temenos offices globally, Temenos Greece, as one of the Best Workplaces in the country
- > The Geneva Chamber of Commerce, Industry and Services awarded the 'Prize of the Geneva Economy 2018' in recognition of our long term contribution to the Geneva economy
- > Our Environmental Management System in our three offices in India received ISO 14001:2015 certification.

2019 Goals

To continue to target international standards, frameworks and business benchmarks relevant to the interests of our stakeholders, such as indices, ISO certifications and performance ratings.

| | | | |
|--|---|--|---|
|  <p>1 NO POVERTY</p> | <ul style="list-style-type: none"> ■ Enabling Access to Financial Services ■ Investing in Our Communities |  <p>7 AFFORDABLE AND CLEAN ENERGY</p> | <ul style="list-style-type: none"> ■ Operating Responsibly |
|  <p>4 QUALITY EDUCATION</p> | <ul style="list-style-type: none"> ■ Investing in Our Communities |  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> | <ul style="list-style-type: none"> ■ Investing in Our People ■ Enabling Access to Financial Services ■ Investing in Our Communities |
|  <p>5 GENDER EQUALITY</p> | <ul style="list-style-type: none"> ■ Investing in Our People ■ Enabling Access to Financial Services ■ Investing in Our Communities |  <p>13 CLIMATE ACTION</p> | <ul style="list-style-type: none"> ■ Operating Responsibly |
|  <p>6 CLEAN WATER AND SANITATION</p> | <ul style="list-style-type: none"> ■ Investing in Our Communities |  <p>17 PARTNERSHIPS FOR THE GOALS</p> | <ul style="list-style-type: none"> ■ Operating Responsibly |



STAKEHOLDER ENGAGEMENT

Engaging with our key stakeholders informs our decision-making, strengthens our relationships and helps us deliver 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 have a stake in our business. These engagements may take many forms, in order for us to identify the significant economic, environmental and social impacts on Temenos and better understand the interests and expectations of our stakeholders. We conduct annual surveys with clients, Partners and employees to learn more about our stakeholders'

experiences working with us, as well as their expectations from us. During the past years, our clients, prospects, investors and suppliers have addressed CSR as part of their evaluation of Temenos as an IT partner through client, prospect and investors' questionnaires, supplier and rating agencies' assessments, requesting for documentation of our CSR strategy and compliance with voluntary international sustainability standards.

We believe that regular, open and transparent communication with our stakeholders is the most suitable medium to assess the impact of our operations and our performance as a corporate citizen. That is why we

have integrated CSR considerations into our dialogue with our stakeholders, drawing upon international frameworks such as the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights and the GRI Standards.

2019 Goals

To annually review the main material issues for Temenos to gain feedback on our existing CSR strategy and possible new areas for action.

| STAKEHOLDER GROUPS | EXAMPLES OF ENGAGEMENT | STAKEHOLDER KEY CONCERNS | LOCATION IN REPORT |
|---|---|--|--|
| Employees Frequency: Daily | <ul style="list-style-type: none"> > Employee survey: MyVoice, New Joiner Survey > Career development framework: Pathfinder > Performance management process: Compass > Training and Development: Temenos University and multiple soft-skills, languages and technical training for upskilling > Internal Communication: uni-T intranet, social media, Marketing, HR and regional Newsletters > Employee recognition: Regional employee recognition awards, C-level awards, Club and Chairman's Club > Internal global mobility scheme > Business Code of Conduct and linked policies > Employee volunteering and fundraising matching scheme | <ul style="list-style-type: none"> > Training and development > Internal communication > Job satisfaction > Employee recognition > Responsible, secure and fun workplace | <ul style="list-style-type: none"> > Investing in Our People |
| Clients Frequency: Daily | <ul style="list-style-type: none"> > Client surveys: Client Voice and Client Satisfaction project > Product Board and Steering Committees > Annual Temenos Community Forum > Temenos Innovation Jams > Temenos MarketPlace > Client newsletters, Marketing updates and social media > Client Support Portal > Audits > Temenos Security and Privacy Committee > Business Code of Conduct, data privacy and protection and corporate security policies | <ul style="list-style-type: none"> > Client communication > Client satisfaction > Quality, security and responsibility in delivery and implementation > Data privacy and protection | <ul style="list-style-type: none"> > Achieving Business Excellence: Focus on Client Engagement |
| Investors Frequency: Weekly | <ul style="list-style-type: none"> > Annual General Meeting of Shareholders > Annual Capital Markets Day > Roadshows, investor and analyst meetings > Financial press releases, videos, webcasts and social media > Annual Report > Corporate website > Business Code of Conduct and linked policies | <ul style="list-style-type: none"> > Economic performance > Transparent and ethical corporate governance > Accurate, timely and responsible communication | <ul style="list-style-type: none"> > Annual Report |
| Suppliers and Partners Frequency: Daily | <ul style="list-style-type: none"> > Procurement policies > Annual Temenos Community Forum > Annual Temenos Global Sales Meeting > Annual Partners' Meeting > Temenos Innovation Jams > Trainings and seminars > Audits and risk assessments | <ul style="list-style-type: none"> > Ethical and responsible business conduct > Long term partnership | <ul style="list-style-type: none"> > Operating Responsibly: Responsible Procurement |
| Communities Frequency: Monthly | <ul style="list-style-type: none"> > Cooperation with NGOs > Community service > Employee fundraising > Community investment projects > Social media | <ul style="list-style-type: none"> > Access to education and jobs > Improve local living conditions > Support in emergency situations | <ul style="list-style-type: none"> > Investing in Our Communities |
| Academic Communities and Potential Employees Frequency: Daily | <ul style="list-style-type: none"> > Temenos Sales Academy > Services Incubation Center > Temenos Masterclass > Internships > Collaboration in research programs > Lectures, presentations, company visits > Career days > Social media | <ul style="list-style-type: none"> > Collaboration and job opportunities > Joint R&D projects | <ul style="list-style-type: none"> > Investing in Our People |

Our CSR approach continued

MATERIALITY ANALYSIS

Based on various internal compliance, business continuity and risk assessments covering different areas related to the impact of our operations as well as on the on-going engagement process with our stakeholders, we have conducted a materiality analysis and assessment and identified the following material CSR issues for Temenos and for our key stakeholders. The materiality analysis was conducted in line with the GRI Standards' requirements and included the views of our employees, clients, prospects, investors, suppliers, Partners, non-governmental organizations and media.

Understanding and prioritizing the issues that matter to Temenos and our stakeholders enables us to focus on the respective areas, address the right issues and report on them effectively, aligned with the interests and changing needs of our stakeholders and those of the Company. Based on the materiality analysis and assessment, we have developed our CSR strategy and set our commitments.

We define issues to be material to our business in terms of:

- > The importance of the issue to our key stakeholders
- > The potential economic, environmental and social impacts
- > The degree to which this issue is aligned with our mission, vision and geographic presence
- > The extent of the Company's influence on the issue.

The following main material issues for Temenos and our key stakeholders have been identified:

- > Business Performance
- > Ethical Business Conduct and Governance
- > Diversity and Inclusion
- > Talent and Development
- > Human Rights
- > Client Focus
- > Information Security and Data Privacy
- > Responsible Procurement
- > Social Responsibility and Community Investment
- > Environmental Responsibility
- > Technology and Innovation
- > Financial Inclusion.

In the following materiality analysis graph, the vertical axis represents the impact of the above material issues on Temenos and the horizontal axis represents the stakeholders' interest per material issue.

For all of the issues discussed in this CSR Report, the data cover all Temenos operations globally except where otherwise noted. Our CSR strategy focuses on five priority areas, each with several topics of interest addressing the material issues:

- > Achieving Business Excellence
 - > Business Performance and Economic Impact
 - > Innovation and Technology
 - > Client Focus.

- > Operating Responsibly
 - > Corporate Governance
 - > Ethical Business Conduct and Governance
 - > Information Security and Data Privacy
 - > Responsible Procurement
 - > Environmental Responsibility
- > Investing in Our People
 - > Human Rights
 - > Diversity, Inclusion and Equal Opportunity
 - > Employee Relations
 - > Global Mobility, Health and Welfare
 - > Employee Communication and Engagement
 - > Talent and Development
 - > Employee Recognition
- > Enabling Access to Financial Services
 - > Financial Inclusion Strategies
 - > Digital Transformation of Rural Finance
 - > Lowering Costs – Access to Quality Financial Services
 - > Strengthening Local Financial Intermediation
- > Investing in Our Communities
 - > Community Investment
 - > Employee Volunteering and Community Service
 - > Supporting local suppliers.

