



TEMENOS

THE BANKING SOFTWARE COMPANY

A Highway to Payments Success

The Temenos payments journey is accelerating
down the sales path!

In 2017 Temenos did seven Payment deals. In 2018 Temenos did 17 deals and in 2019 we will far exceed that number, including deals for 19 major payment hubs. As the pace of developments within the payments industry begins to speed up this year Temenos is well placed to be able to take advantage of the growing urgency of some of the biggest banks in the world to replace their legacy payments systems.

The last few years have been good ones for the Temenos Payments platform, which now possesses clients in every region of the world. With Payment Software spend (non-card) projected at \$2.5bn globally by 2022 the Payment stakes are high.

The Temenos Payments platform is also able to address global payments, instant payments and all of the expectations of ISO 20022, Target 2, and Request to Pay. In particular the Temenos Payments Hub is suited for the needs of the Challenger banks for whom payments is key and who are more prepared to host their solutions on the Cloud. Since Temenos is Cloud-Native the synergy between Challengers and our Payments software is close.

There is a very keen and growing interest in Software as a Service (SaaS) payments. Being completely Cloud-Native and entirely Cloud-Agnostic, Temenos is one of the few payments software vendors which can deliver efficient SaaS. This is also due to the range of Public Cloud providers that it operates with including Google, Amazon Web Services and Microsoft Azure.

Temenos payments is now equipped to produce Tier-one payments volumes. This was revealed at the recent Temenos Kick Off, in January 2020 – a new benchmark showed that it can process up to 10 billion payments per year. The annual volume of UK Faster Payments is 2bn payments, so that shows the scale at which Temenos Payments is operating.

In other words, Temenos Payments can now handle five times the volume of the entire UK Faster Payments system. Temenos has run the benchmark on Microsoft Azure and will release the full report soon. The Temenos payments hub features advanced analytics; Advanced Order Management Features; Universal Workflow / Orchestrator, High Straight-Through-Processing.

Temenos Payments (TP & TPH) will provide full ISO 20022 support for RTGS clearings based on their individual migration plans.

In a Key Year – Payments are Key

2020 is a key year for Temenos. Our opportunity is our rivals' challenge. They cannot process the real-time at the volumes that Temenos can. They aren't cloud-native; they aren't fully API-enabled; they are not easy to integrate into their own product-ranges let alone anyone else's.

For some of the older banks with 40+ year old payments systems which are coming alive to the efficiency, customisability, security and stability of SaaS systems the time to act is now.

Summary – What makes Temenos Payment Hub different?

• Universal workflow for high and low value payments.

• 1 single platform

• Unrivalled Straight Through Processing, based on native functionalities such as Exception handling or add-ons such as Swift Repair.

• Major High Street banks are, for example, using Temenos Swift Repair capabilities in their broader payment ecosystems

• All-in-one solution, including both Order Management and Payment Processing functionalities.

• API enabled

• Flexibility of deployment: standalone hub or embedded with Temenos Transact, Cloud native or on premise

• Complementary solutions: Financial Crime Mitigation / Fraud, Swift Repair, Liquidity management – they can be deployed with external applications

• Focus on compliance, at country level (e.g. clearing framework) and from a wider angle (ex. PDS2)

• Fast growing customer base (7 -17- 44)

• Highly parameterizable, low coding platform (at product level but also for integration and interaction layers)



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About Temenos

Temenos AG (SIX: TEMN) is the world's leader in banking software. Over 3,000 banks across the globe, including 41 of the top 50 banks, rely on Temenos to process both the daily transactions and client interactions of more than 500 million banking customers. Temenos offers cloud-native, cloud-agnostic and AI-driven front office, core banking, payments and fund administration software enabling banks to deliver frictionless, omnichannel customer experiences and gain operational excellence.

Temenos software is proven to enable its top-performing clients to achieve cost-income ratios of 26.8% half the industry average and returns on equity of 29%, three times the industry average. These clients also invest 51% of their IT budget on growth and innovation versus maintenance, which is double the industry average, proving the banks' IT investment is adding tangible value to their business.

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