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The Path to Sustainable Growth for Banks and Financial Institutions globally

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Boussias ESG Forum Cyprus
12 December 2024



"All the News That's Fit to Print"

The New York Times

LATE CITY EDITION

Weather: Cloudy, rain likely today and tonight. Partly sunny tomorrow. Temp. range: today 64-50; Wed. 67-46. Full U.S. report on Page 73.

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1970

10 CENTS

PRICES CLIMB 0.4% BUT RATE OF RISE APPEARS TO SLOW

Gain in the Consumer Index for March Lags Behind the 4 Previous Months

INCREASE IS STEEP HERE

Medical Care and Mortgage Interest Are the Major Elements in Changes

By EDWIN L. DALE Jr.
Special to The New York Times
WASHINGTON, April 22—Consumer prices rose strongly again in March but there were signs that the pace of inflation was slowing, the Labor Department reported today.

After adjustment of the data to reflect normal seasonal changes, the Consumer Price Index rose four-tenths of 1 per cent in March, less than the five-tenths rise in February and the six-tenths rate of the three months before that.

What is more, one-quarter of the entire March increase in the index was accounted for by a somewhat artificial recording of an increase in Veterans Administration mortgage interest rates. The ceiling on these rates was recently raised by

Millions Join Earth Day Observances Across the Nation



Throngs jamming Fifth Avenue yesterday in response to a call for the regeneration of a polluted environment. View is north from 43d Street, with Central Park in background.

CAMBODIAN CRISIS GROWS AS TROOPS SEEM TO FALTER

With Reds Near, Pnompenh is Gloomy Over Limited Response to Aid Pleas

CIVIL AVIATION CURBED

Aide Declines to State How Long Army Can Hold Out With the Arms It Has

By HENRY KAMM
Special to The New York Times
PNOMPENH, Cambodia, April 22—An atmosphere of heightening national emergency is overtaking Cambodia.

It is due to evidence that the Cambodian Army is unable to turn back the Vietnamese Communist forces, which at one point are within 15 miles of the capital, and to the limited response to Premier Lon Nol's appeal to all nations for arms aid.

The military authorities closed the Pnompenh airport this evening to all civilian traffic. According to military sources, it is to remain closed until tomorrow in connection with an important military operation. The operation is presumably intended to dislodge the North Vietnamese

U.S. CONCERN SUED WITH 9 IN JAPAN

Mood Is Joyful as City Gives

Activity Ranges From Oratory

BACKERS OF ROJAS THREATEN REVOLT

U.S. Plane Flies In Arms As Trinidad Fights Mutiny

Fancy buzzwords

Or not?



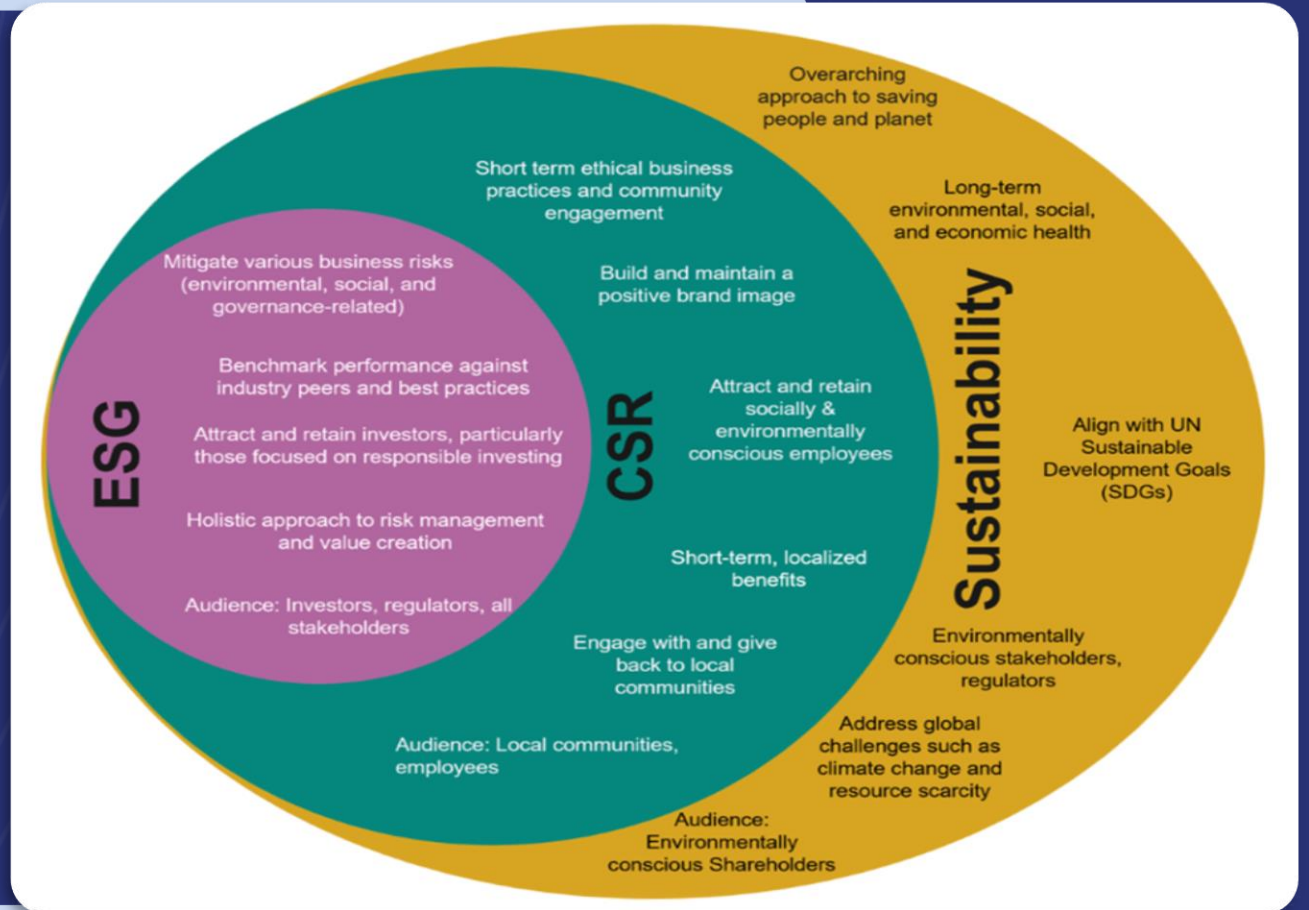
ESG/CSR/Sustainability

Fancy buzzwords... or not

Sustainability
... the Canvas

CSR... the
Thread

ESG...
the Embroidery



More than a buzzword



Reality Check



Integrating sustainability into our operations and product offering

WHAT IT MEANS TO US:

Helping our **clients** transform into smart, inclusive and sustainable organizations

Managing our **operations** ethically and responsibly

Contributing to **global** social and environmental **initiatives**

OUR GOAL

To grow our business in a way that takes care of the world around us, delivering value to anyone associated with us

The future of digital banking



Sustainability



Digital
Transformation



Partnerships

Temenos tops ESG global ratings



**Top 25
Swiss
stocks**

SXI Switzerland
Sustainability 25® Index

**2x Ranked #1 in
SOF category
globally**

Dow Jones
Sustainability Index
World & Europe

**Top
10%**

FTSE4GOOD
Index

**Participant
since 2021**

CDP

**Highest
rating**

MSCI AAA
Rating

**Highest
rating**

ISS QualityScore
in E & S
categories

**PRIME
status**

ISS ESG
Corporate
Rating

**Negligible
risk**

Sustainalytics

**Top
performer**

Bloomberg Gender
Equality Index

**3x Sustainability
Award
Winner**

2023 S&P Global Gold
Class &
Top 1% Global ESG
Score

**Top
1%**

Ecovadis
Platinum medal

**Top
20%**

Vigeo Eiris

A man in a blue suit is holding a tablet computer. The screen of the tablet displays the text "Risk or opportunity?". The background is blurred, showing some green and yellow bokeh lights.

Risk
or
opportunity?

Why Sustainability is on top of banks' agendas



**Regulation
& Reporting**



**Reputational
risk**



**Competition
& Customers**



**Cost
& Efficiency**

When reporting
becomes ...an Olympic
sport



ESG related regulations are increasing globally

dun & bradstreet



ESG regulations are growing more complex

Current regulations regarding ESG practices

Change in private company data due to upcoming ESG regulations

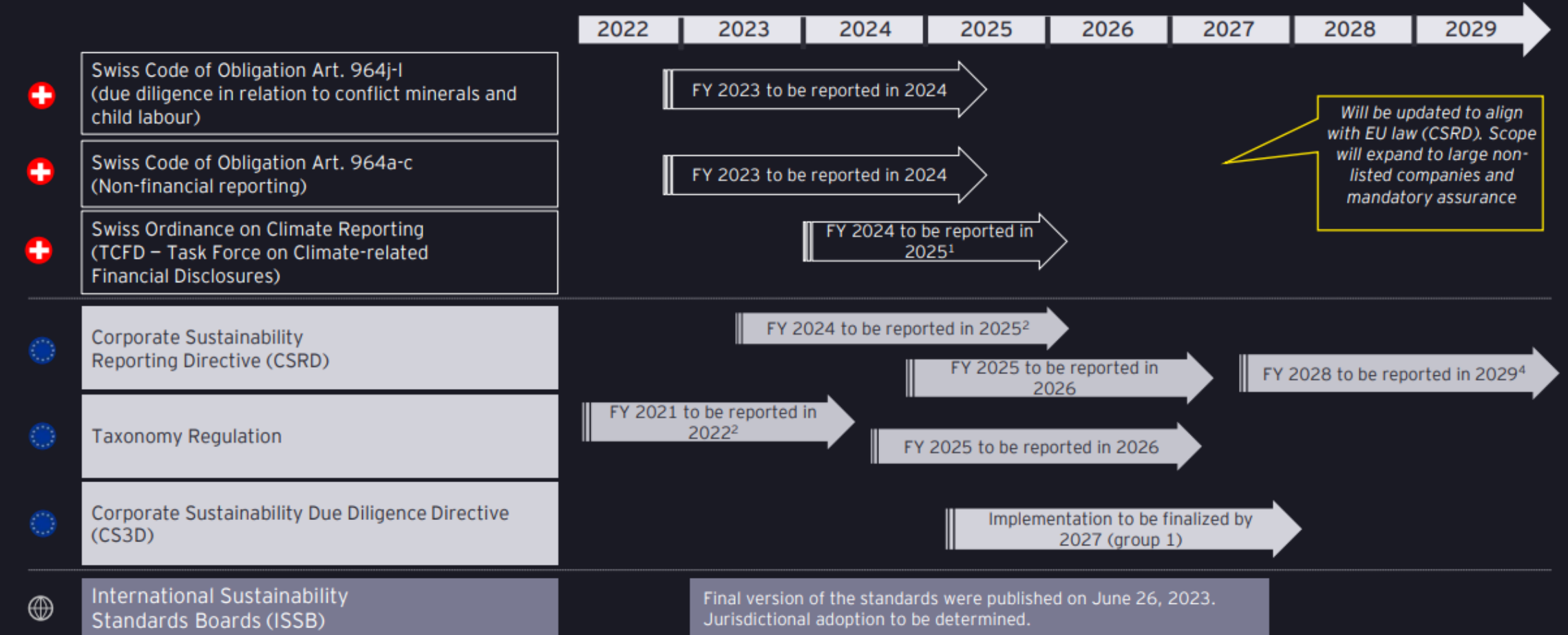


Diagram displays a selection of ESG related regulations and disclosures.*

Our Sustainability Reporting Reality

Drivers for more mature sustainability reporting for Swiss companies

ESG reporting trends and latest guidelines



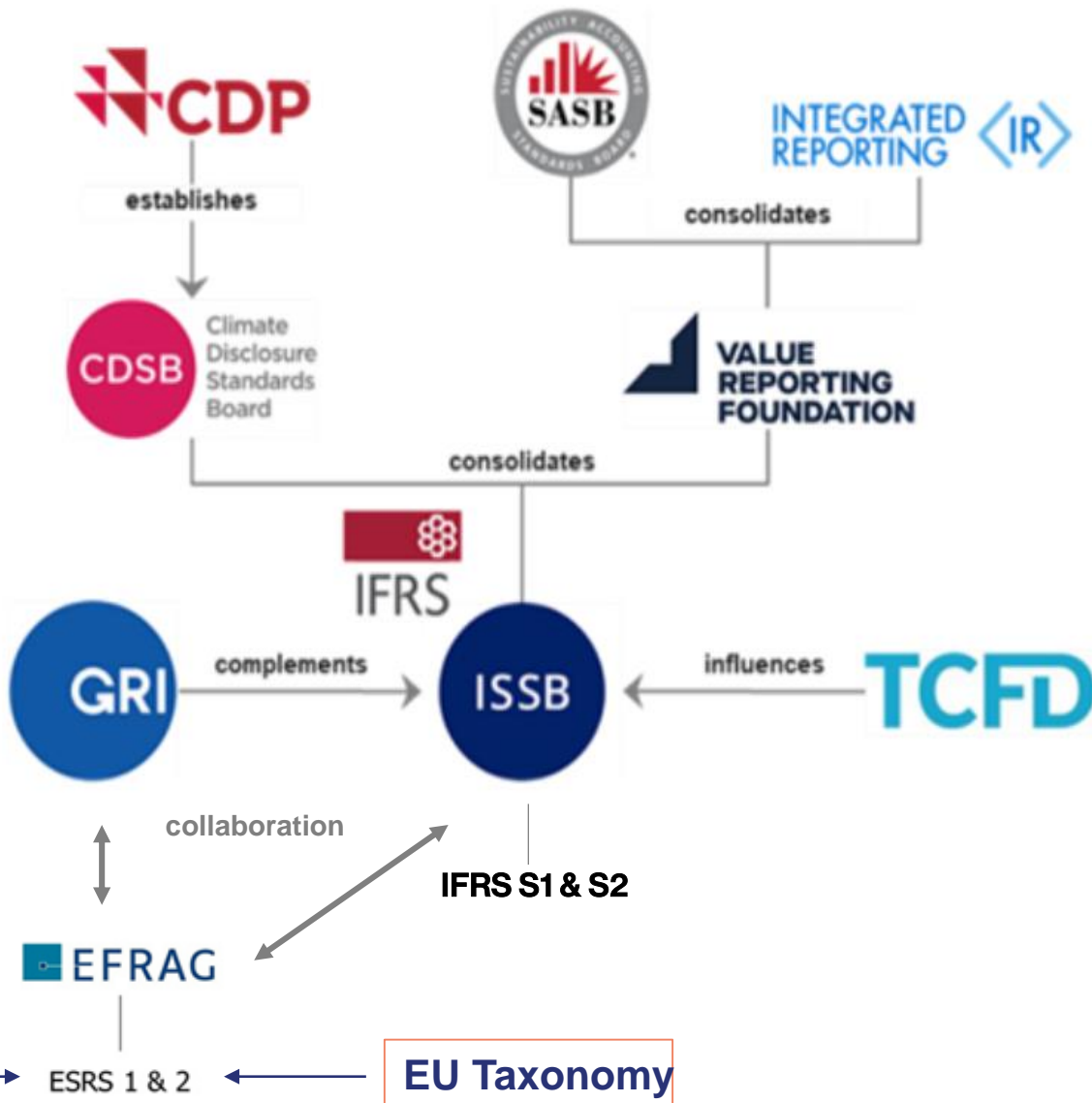
1: Report in machine readable format (e.g. XBRL) due from FY 2025 onwards.
 2: For companies in scope of the current EU Non-financial reporting directive (EU PIEs, >500 employees and €40m turnover or €20m total assets)
 3: For companies in scope of the Corporate Sustainability Reporting Directive (>250 employees, €50m turnover, €25m total assets (2 out of 3); listed SMEs)
 4: For non-EU companies with €150m turnover and branch or subsidiary with net turnover > €40m

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Finance & ESG: BFF



Sustainability within Financial Reporting



Climate change as a financial risk

The role of IFRS in sustainability reporting

The ESG Controller—
A “Job Of The Future”
That’s Actually Here Now
-Forbes

Double Materiality

EU Taxonomy

A man in a blue suit is holding a tablet computer. The tablet screen is black with white text that reads "Risk or opportunity?". The man is smiling and looking at the camera. The background is blurred, showing some green foliage and a light-colored wall.

Risk
or
opportunity?

Key ESG Trends within Banking

Sustainability to be fully embedded in banking business models



Direct operations:

Running own operations sustainably and efficiently and comply with regulation



Indirect operations:

Providing retail & corporate customers with tools to bank, while measuring and mitigating their carbon impact



Sustainable Finance:

Funding green innovation & addressing ESG requirements in investment and lending portfolios

temenos SaaS
Innovation in Banking

Temenos Wealth
ESG Investing

Globally, the transition to net zero will be driven by finance and capital markets enabled by technology and data

Temenos ESG by design



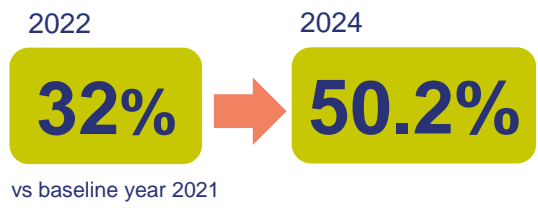
temenos SaaS
Innovation in Banking

Technology

Operations

Hosting

Carbon Efficiency



Up to 97%

compared to on-premise alternatives

Validated by
GoCodeGreen
Decarbonise Digital™

Validated by
Science Based Targets



Temenos Carbon Calculator

Carbon analytics from
Temenos SaaS use,
powered by



upcoming
aws



What to expect

From buzzwords to “must have”



The Future of Sustainability

**Increased
Regulatory
Scrutiny**

**Growing Investor
Demand**

**Sustainable
consumers &
employees**

**Innovation
&
Technology**

**Collaboration &
Partnerships**



So... Risk or Opportunity?

“The transition to Net Zero is creating the greatest commercial opportunity of our age. ”

Mark Carney

UN Special Envoy on Climate Action and Finance (2)



Thank you
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