

FINASTRA

# Finastra 2023 ESG Report



# Table of contents

CEO introduction.....	3
Finastra's vision and mission.....	4
Environment .....	8
Social .....	14
Governance .....	24
Sustainable development goals progress update.....	34
WEF-IBC Stakeholder Capitalism Framework .....	35
2023 Metrics .....	36
GHG emission calculation methodology .....	37



# CEO introduction

At Finastra we stand at the forefront of a movement that champions not just financial innovation, but a sustainable future for all. Our journey to Open Finance, and the benefits that we see it as enabling – new financial ecosystems, more sustainable decision-making and positive societal change – underpins our purpose of unlocking the potential of every person, business and community, everywhere.

As we present our 2023 ESG Report, we reflect on the milestones we've achieved and the path that lies ahead, in a world where environmental, social and governance (ESG) pursuits are, at best, progressive but unstandardized and, at worst, polarized and politicized. 2023 also saw financial services and other industries navigate pervasive threats to survival, on the back of wars, cyberthreats, job market fluctuations and the looming presence of economic downturns. Nevertheless, and perhaps, despite these challenges, it is our role as leaders to continue to forge the path of inclusion, opportunity, equity and 'doing well by doing good'.

The imperative for business leaders today is clear: to lead with purpose and to act with the understanding that our decisions have far-reaching consequences. At Finastra, we've embraced this responsibility, integrating ESG into every facet of our operations, from cloud adoption and workplace strategies that reduce carbon footprints to initiatives that drive sustained economic growth in emerging markets.

Our achievements in reducing emissions, enhancing sustainability in our operations, and contributing to the global dialogue on climate action are just the beginning. We continue to make substantial progress towards our targets<sup>1</sup> of reducing carbon emissions by 50% by 2025 and to reach net zero by 2050, aligning with global initiatives such as the UN Global Compact Business Ambition for 1.5°C and the Race to Zero initiative.

But our vision extends beyond our own footprint. We are enabling our customers in the financial sector to embark on their sustainability journeys, developing software

solutions that support their financial and environmental goals, such as our core-agnostic ESG Service for reporting of core KPIs, or our development of democratized enterprise capabilities for smaller institutions such as our ALM IQ banking book risk SaaS offering.

As you turn these pages, you will find not just a record of what we've accomplished, but a roadmap for the future – a future where finance serves the greater good, where technology bridges gaps, and where every step we take is a step towards a better tomorrow. Together, let's champion ESG and create a legacy of positive impact that will resonate for generations to come.



**Simon Paris**  
Chief Executive Officer,  
Finastra

# 1.1 Finastra's vision and mission

Finastra's vision is to help the financial services industry harness the power of Open Finance, enabling accessible and affordable financial services for all. At its heart, Open Finance relies on the use of open Application Programming Interfaces (APIs), which allow different financial services entities to share data securely and efficiently. This sharing of data not only fosters innovation and competition, but also empowers consumers with more choices and control over their financial lives. Open Finance gives us the opportunity to create a more integrated, efficient and people-centric financial ecosystem.

At Finastra, we harness the power of Open Finance through software that empowers the financial services industry to:



## Enable new financial ecosystems:

By enabling new marketplaces and economies through Open Finance software, we empower businesses with diversified revenue streams by fostering competition, collaboration and innovation.



## Drive sustainable decision-making:

Financial services play a key role in driving sustainable investment and facilitating the transition to a low-carbon economy. Finastra empowers sustainable decision-making by using Open Finance to seamlessly connect capital with impactful initiatives. Our software helps drive positive change, supports green finance and promotes digitization, helping build a resilient, sustainable and inclusive financial ecosystem for everyone.



## Support positive societal change:

By leveraging technology and championing equitable, accessible and inclusive finance, we bridge gaps to drive economic empowerment and reach the unbanked and underbanked more effectively.

### Our Purpose

To unlock the potential of people, businesses and communities everywhere.



## 1.2 ESG alignment to strategy

Finastra's corporate strategy, Reach Beyond, has two strategic initiatives:

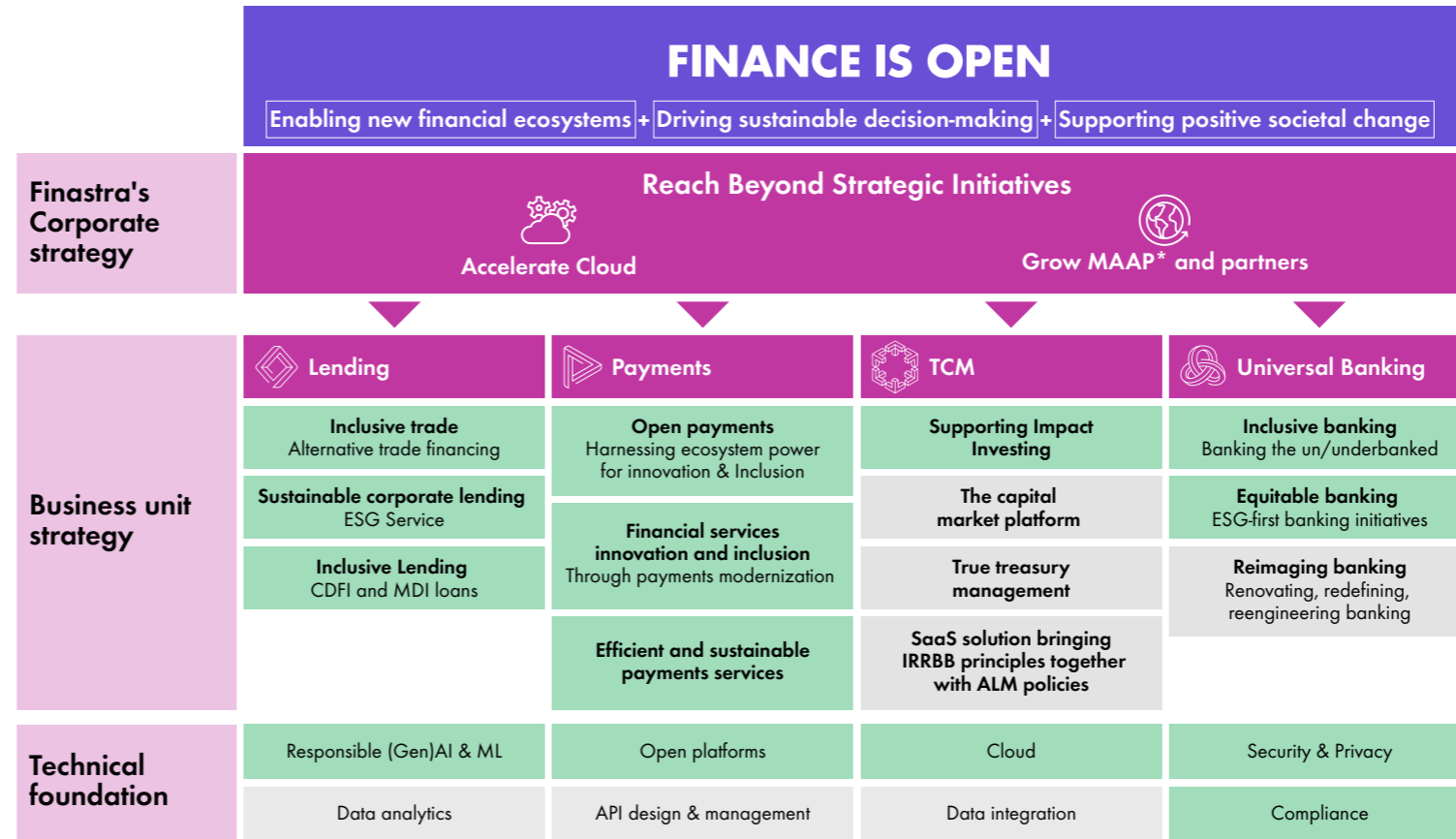
1. accelerating cloud adoption and
2. accelerating growth in the Middle East, Africa and Asia Pacific (MAAP) region by building our business with customers and partners.

The move to cloud deployment helps the financial services sector significantly reduce the carbon footprint associated with running our solutions<sup>2</sup>. Our MAAP strategy focuses on creating economic growth in this region via greater accessibility to affordable financial services for all.

We deliver our strategic initiatives through software solutions across Lending, Payments, Treasury and Capital Markets, and Universal Banking.

<sup>2</sup> Cloud Migrations Can Reduce CO2 Emissions by Nearly 60 Million Tons a Year, *Accenture*, 2020.

## ESG relevance to Finastra's Strategy



\*Middle East, Africa, Asia Pacific

Relevant to ESG at Finastra



### 1.2.1 Lending

Our lending solutions offer cloud-based agility and compliance, helping to streamline loans and working capital management, so financial institutions can deliver inclusive, sustainable and efficient finance across diverse global markets.

## Sustainable corporate lending

Finastra's ESG Service is a cloud-native Software as a Service (SaaS) solution that simplifies ESG and sustainability-linked lending. Open and scalable, the ESG Service facilitates the integration of Sustainability Performance Targets (SPT) criteria into pricing, helping banks deliver a better, sustainable lending experience to their corporate clients.

### 1.2.2 Payments

Our open payments and financial messaging solutions make cross-border payments more accessible, transparent and cost-effective by enabling more efficient cross-border providers to serve our banks' end customers. Additionally, our SaaS offering, Payments To Go, enables lower-tier banks to offer the same high levels of progressive payment hub services as market leaders, opening up accessibility and creating a more inclusive ecosystem.

### 1.2.3 Treasury and Capital Markets

Our Treasury solutions support inclusivity by providing smaller banks with better access to world-class support and capabilities, including strong balance sheet analytics and reporting.

Our investment management platform delivers the analytics and open architecture that aid investment managers to align strategies with societal goals. We help ensure managerial decision-making is compliant and aligned to trade processing and social impact or ESG goals.

### 1.2.4 Universal Banking

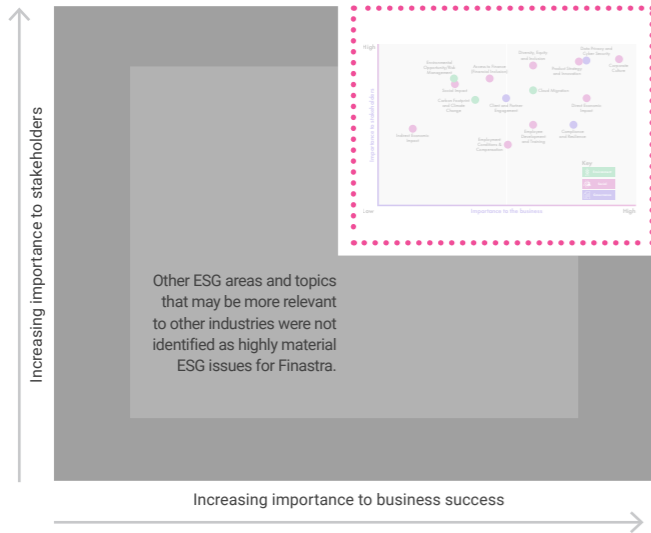
Our core banking solutions help make banking more inclusive and equitable by unlocking greater access for previously unbanked and underbanked groups, broadening the delivery of banking products and services to people who need them. Our solutions also drive out biases from both automated and human-led decisions, helping financial institutions to make more responsible, data-informed and inclusive decisions.

### 1.3 Materiality review

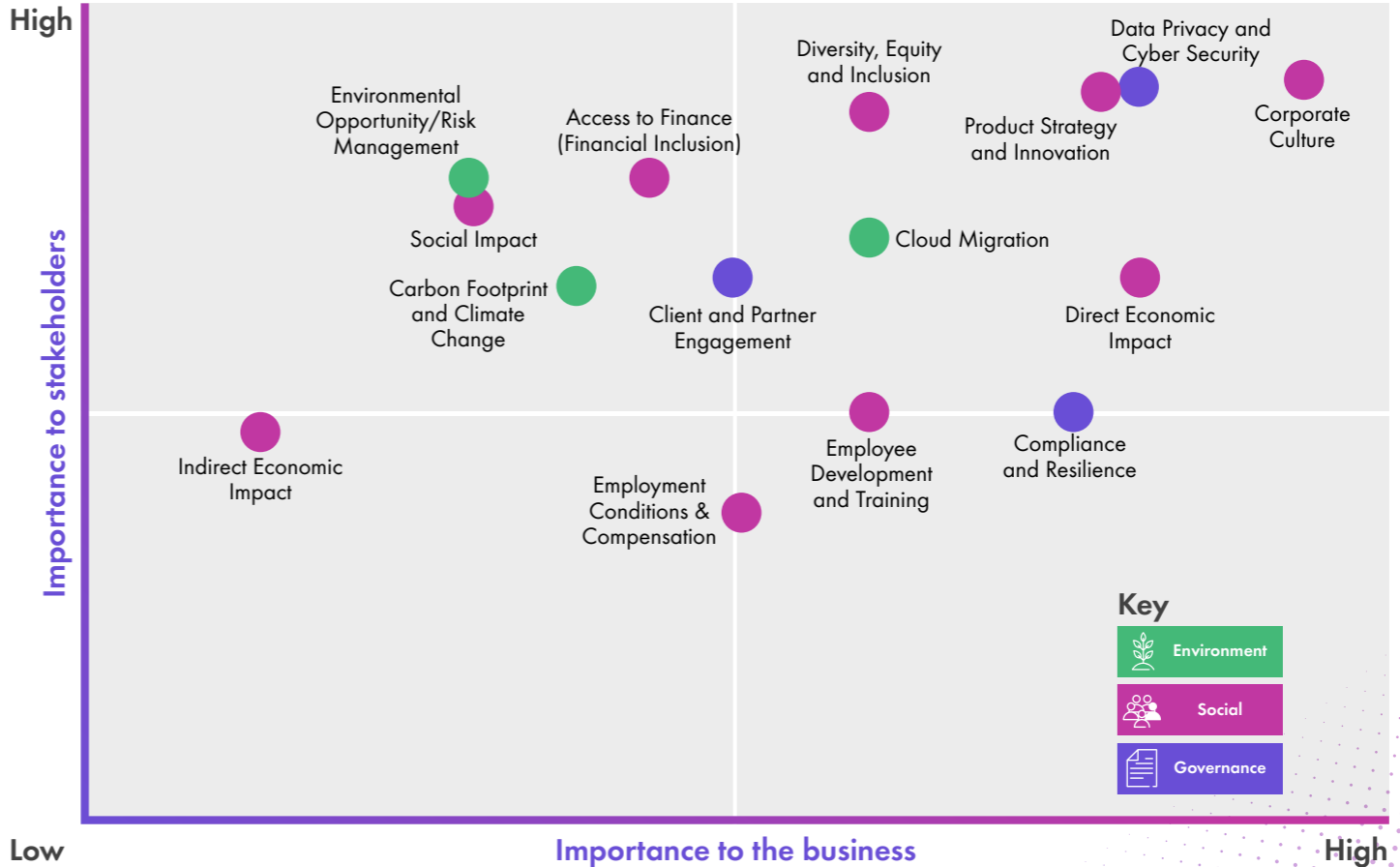
Finastra integrates ESG principles into strategic and operational business decisions by conducting a materiality assessment to identify and define the most important issues concerning our stakeholders. We assess ESG topics based on the value, risk and opportunities they represent for our business as well as our stakeholders, including customers, partners, investors, employees and communities. The assessment is conducted with Finastra’s Board members, Executive Leadership Team and internal subject-matter experts. Its outcome then underpins our sustainability commitments and activities.

Our Materiality Matrix was developed in 2022 and approved by our ESG Executive Committee and Board of Directors. We recently conducted a survey to refresh our Materiality Matrix for 2023 and continued to work on the topics identified in the assessment as described in this report. We are aiming to perform a double materiality assessment in line with the requirements of EU CSRD regulation in 2025.

#### ESG Materiality Map



### Finastra’s Materiality Matrix



# 2 The E in ESG

## 2.1 Environment mission

Our environmental strategy aims to reduce the carbon footprint of the financial services industry, starting with Finastra. The strategy defines our carbon reduction ambition and explains how we measure and offset our carbon footprint, as well as how we drive sustainability across the company to reduce our footprint. Going beyond our own footprint, Finastra is committed to enabling our customers in the financial sector to become more financially sustainable through the development of new software solutions.

### 2023 Environment Metrics



CDP score



% reduction in carbon emissions from 2019 baseline



Total carbon credits purchased to offset 2023 GHG emissions<sup>5</sup>



Finastra-operated data centers closed in 2023



LEED-certified buildings



buildings using green energy

3. Please see <https://www.cdp.net/en/> for an explanation of the CDP score.

4. Please refer to Section 8 for GHG emissions methodology notes and verification details

5. Please refer to Section 2.5 for further details.

6. Green energy is energy that can be produced using a method, and from a source, that causes no harm to the natural environment.

CEO Introduction	<b>Environment</b>	Social	Governance	Sustainable development goals progress update	WEF-IBC Stakeholder Capitalism Framework	2023 Metrics	GHG emission calculation methodology
------------------	--------------------	--------	------------	---	--	--------------	--------------------------------------



## 2.2 Environmental ambition

Finastra's ambition is to reduce emissions by 50% by 2025, and to become net zero by 2050 by reducing 90% of emissions against the 2019 baseline year, in line with our SBTi commitment. This goal is consistent with our commitments to the UN Global Compact Business Ambition for 1.5°C and the UN Climate Change Race to Zero initiative.

We have made substantial progress in reducing Scope 1 and 2 emissions and meeting our 2025 emissions reduction target. However, future reductions are likely to require improvements in green technologies which are unlikely to materialize before 2030.

Additionally, Scope 3 emissions, are proving challenging to measure and evaluate especially for Category 1: purchased goods and services. These emissions are subject to measurement uncertainties and rely on information provided by suppliers and participants in our value chain and other third parties. Please refer to Section 8 GHG emission calculation methodology for further details. In 2023 we prioritized switching our GHG measurement platform to improve our Scope 3 emissions measurement. While we are making progress to make our supply chain more sustainable, we are still near the beginning of this journey.

These challenges have led us to revise our net zero target date from 2030 to 2050 based on Science Based Targets initiative (SBTi) criteria.

## 2.3 Carbon measurement and reporting

Finastra has measured its Scope 1, 2, and various Scope 3 emissions since 2019 adhering to the GHG Protocol Methodology. Scope 1 and 2 emissions include energy consumption, gas and refrigerant usage across our workplaces and data center portfolio. Scope 3 emissions are related to business travel, waste, employee commute, remote work, and cloud usage. We continuously enhance our data collection methods to ensure more accurate reporting across all emission scopes.

### 2.3.1 GHG accounting software change

In 2023, Finastra migrated our greenhouse gas (GHG) accounting software to Watershed to improve the accuracy and breadth of data that we publish. As part of this effort, we remeasured our historical GHG emissions data, from 2019-2022, using Watershed's methodology. Measurements were added for waste, well-to-tank emissions, cloud computing and employee commuting. The updated historical data are presented in the table below. Please note that it is not directly comparable to previous emissions inventories reported by Finastra.

### 2.3.2 Validation of GHG emissions measurement

Finastra's ESG team has started to conduct an internal review of the corporate GHG inventory and supporting evidence to verify the accurate upload of data into the GHG accounting software. Additionally, we conduct consistency checks to compare data to prior years' records, focusing on material areas. Finastra aims to enlist an external third party to conduct an audit of our GHG baseline, inventory data, calculations, and records in 2025.

### 2.3.3 Task Force on Climate-related Financial Disclosures report

In 2023, Finastra published its inaugural Task Force on Climate-related Financial Disclosures (TCFD) report. This report includes disclosures about Finastra's environmental metrics as they concern the achievement of net zero and the mitigation of risks from climate change.



## 2.4 Progress towards net zero

In 2023, Finastra’s calculated emissions were 61% lower than our 2019 baseline calculations. Our environmental corporate programs prioritize managing air travel, offering accessible audio-visual conferencing facilities, and controlling energy consumption in the workplace – all highlighted in the following sections. Finastra has also created a comprehensive GHG emissions inventory management plan. Please refer to Section 8 for GHG emission calculation methodology.

### Emissions by scope, KtCO<sub>2</sub>e

	2019	2020	2021	2022	2023
<b>Scope 1</b>	1.2	0.7	0.7	0.5	0.5
<b>Scope 2</b>	9.9	7.7	6.3	5.4	4.5
<b>Scope 3</b>	58.9	23.3	18.8	24.1	22.4
<b>TOTAL</b>	<b>70.0</b>	<b>31.6</b>	<b>25.8</b>	<b>30.0</b>	<b>27.4</b>
% change vs. 2019 baseline		-55%	-63%	-57%	-61%

Improved measurement of our GHG emissions will enable us to create more detailed plans to reduce our emissions. We also recognize the need for more focused engagement with our supply chain to drive systemic change.

## 2.5 Carbon offsets

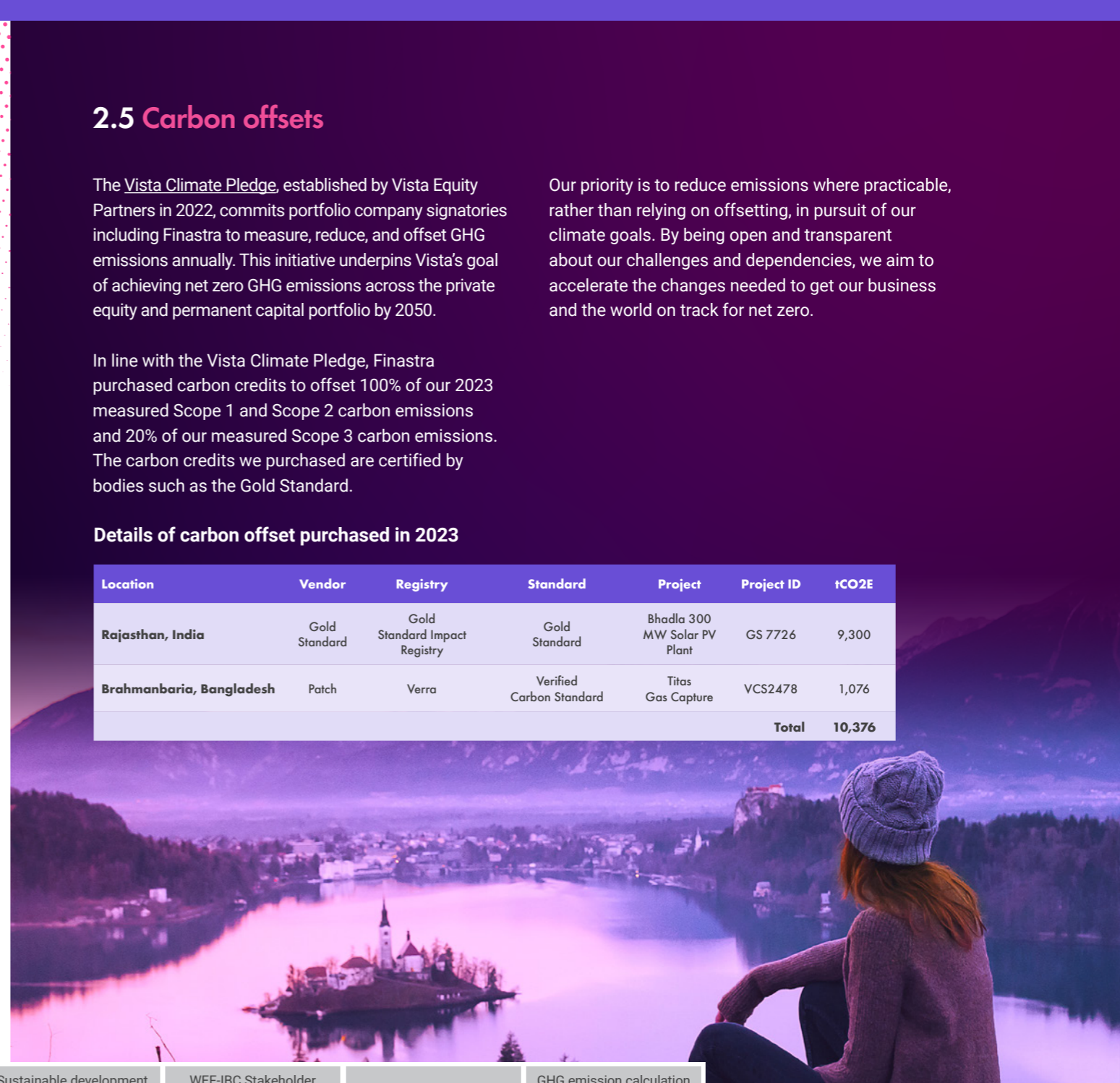
The [Vista Climate Pledge](#), established by Vista Equity Partners in 2022, commits portfolio company signatories including Finastra to measure, reduce, and offset GHG emissions annually. This initiative underpins Vista’s goal of achieving net zero GHG emissions across the private equity and permanent capital portfolio by 2050.

Our priority is to reduce emissions where practicable, rather than relying on offsetting, in pursuit of our climate goals. By being open and transparent about our challenges and dependencies, we aim to accelerate the changes needed to get our business and the world on track for net zero.

In line with the Vista Climate Pledge, Finastra purchased carbon credits to offset 100% of our 2023 measured Scope 1 and Scope 2 carbon emissions and 20% of our measured Scope 3 carbon emissions. The carbon credits we purchased are certified by bodies such as the Gold Standard.

### Details of carbon offset purchased in 2023

Location	Vendor	Registry	Standard	Project	Project ID	tCO <sub>2</sub> e
<b>Rajasthan, India</b>	Gold Standard	Gold Standard Impact Registry	Gold Standard	Bhadla 300 MW Solar PV Plant	GS 7726	9,300
<b>Brahmanbaria, Bangladesh</b>	Patch	Verra	Verified Carbon Standard	Titas Gas Capture	VCS2478	1,076
<b>Total</b>						<b>10,376</b>



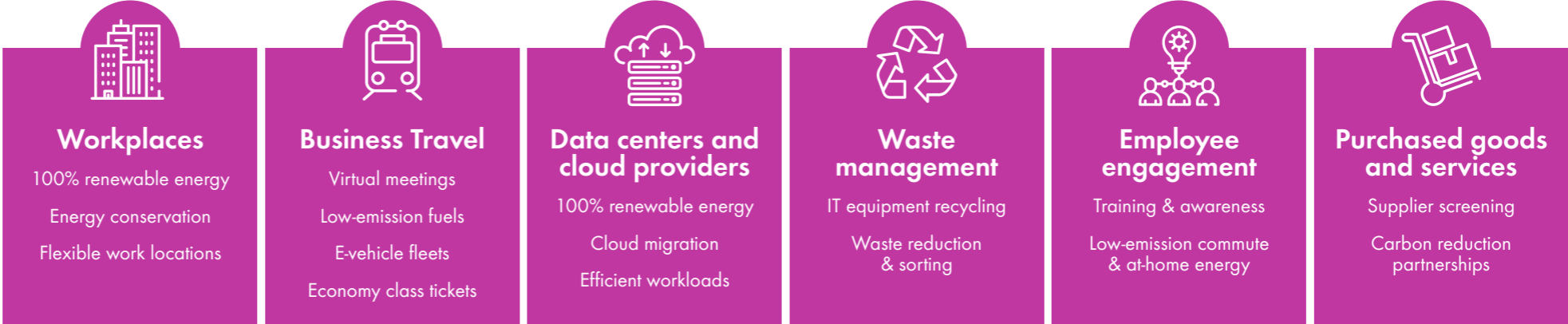
## 2.6 Transition strategy and roadmap

### 2.6.1 Transition strategy for net zero

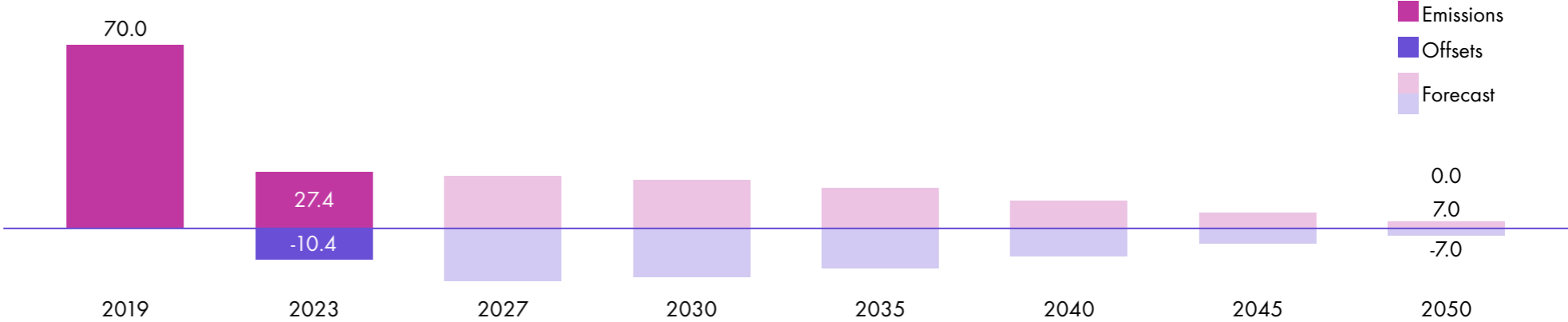
Finastra has defined a strategy to reduce GHG emissions. This plan targets carbon emissions from key sources, including workplaces, travel, data centers and waste.

The following graphic shows Finastra’s ambition and planned roadmap to net zero. This roadmap is subject to change according to technological developments, regulation and many other external factors.

### Finastra’s roadmap to net zero by 2050



### Finastra KtCO<sub>2</sub>e net emissions, scopes 1 – 3



## 2.6.2 Workplaces

Finastra has significantly reduced workplace emissions since 2019 as a result of:

- **OPENworking:** Finastra's hybrid working model, launched in 2020, is a digital-first approach to working and collaboration. It aims to improve work-life balance for our teams while maintaining opportunities for in-person collaboration, with six office days per quarter, plus access to shared office spaces. This has a direct impact on our carbon footprint by reducing the floorspace required to support our operations. To make it possible, we've invested in digital collaboration tools and adapted to remote implementation of our software solutions.
- **Offsite footprint rationalization:** Since 2019 we have moved out of 23 office buildings, shifting to on-demand offices where needed. In 2023, we closed two offices and plan more rationalization in 2024.
- **Efficient offices:** We have moved to Leadership in Energy and Environmental Design (LEED)-certified office buildings in London, Paris, Bucharest, Bangalore, Pune, Avebury and Portland. We work with landlords to use sustainable heating, ventilation, and air conditioning (HVAC) systems and lighting.
- **Renewable energy:** Our Paris and London offices<sup>7</sup> run 100% on renewable energy, and we derive a meaningful share of energy from renewables in a further three locations.

7. Renewable energy certificates are in place from Elmy Energie and SmartestEnergy for our Paris and London offices respectively

8. Read more about Microsoft Azure's sustainability commitments at: <https://azure.microsoft.com/en-gb/explore/global-infrastructure/sustainability/>

## 2.6.3 Business Travel

Remote collaboration promotes the use of digital tools for virtual meetings and communication, which reduces the need for business travel and helps minimize the carbon emissions associated with flights and other modes of transport. This approach has significantly reduced our business travel emissions since 2019.

When business travel is required, Finastra promotes greener travel, encouraging land travel over air wherever possible. We operate an online travel platform that offers tips and advice on more direct transportation routes that are less carbon intensive. We also suggest more sustainable hotel options to employees visiting our London HQ, such as the LEED-certified Royal Lancaster Hotel in London.

We are moving towards an employee vehicle allowance which incentivizes the use of e-vehicles. This has allowed us to meaningfully reduce the number of company owned cars since 2020.

## 2.6.4 Data centers and cloud providers

Our strategic initiative to Accelerate Cloud is helping to reduce our energy demand through more efficient computation and use of infrastructure. Finastra has partnered with Microsoft Azure to expand our public cloud capacity and now operates in 25 regional Azure sites. Azure is on a path to reach 100% renewable energy by 2025<sup>8</sup>. In 2023, Finastra exited a further two of its operated data centers or hosting facilities, bringing the total vacated to 21 since 2019.

## 2.6.5 Waste management

Finastra generates relatively little waste given our limited office footprint and primary focus on providing financial services software. Nevertheless, we take waste management seriously within all our sites. We have improved signage at our sites for waste sorting, ensuring that recycling is the first option for all forms of waste. We actively encourage recycling, ensuring that paper, plastics, and electronic waste (e-waste) are properly sorted and processed. We are significantly reducing printing and other waste generation by embracing digital solutions for documentation and communication.

### Tech for Good

The [Tech for Good](#) donation program allows us to donate, reuse or properly dispose of laptops no longer used by our employees. We work with non-profit organizations such as [Camara Education](#) that works with certified IT asset disposal companies to sell components. Camara then distributes the proceeds to charities globally. In 2023 we donated 192 laptops to local charities, and 2,064 laptops to Camara.



## 2.7 Employee engagement

We encourage our employees to stay informed about sustainability issues and to advocate for responsible practices. Our employees play a crucial role in driving sustainability across the business through active participation in a series of initiatives.

In 2023, employees from various offices engaged in a range of volunteering activities, including tree planting, walkathons and cyclotrons to promote eco-friendly and sustainable living, ESG quizzes, waste management webinars, Earth Hour, beach/river/canal clean-ups, and Earth Day celebrations.

Starting in 2024, we aim to integrate environment and sustainability topics into our mandatory annual training.

### E-waste recycling in Pune

At Finastra's Pune location, the ESG team and [KUSHAAGRA Innovations Foundation](#) hosted an engaging waste management training session aimed at equipping employees with practical strategies to minimize waste and promote sustainability. The training included strategies for effectively managing e-waste and promoting recycling practices for electronic devices. Through interactive discussions, participants gained valuable insights into the environmental impact of waste and learned effective ways to implement eco-friendly practices in both professional and personal settings. The training not only fostered a culture of environmental responsibility within the office but also empowered individuals to make conscious choices towards a greener future. It was followed by an e-waste collection drive in the office.

## 2.8 Sustainable products

Finastra's efforts to reduce the carbon footprint of the financial industry do not stop with our own footprint.


Our shift to cloud computing enables more rapid product innovation and improves the underlying environmental efficiency of our products.

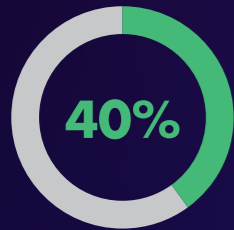
We are also developing software solutions that help banks finance their customers' sustainable projects. For example, in 2023 we launched the ESG Service, a SaaS solution designed to simplify and enhance sustainability-linked lending. This service integrates sustainability performance target criteria into pricing, making it easier for banks to offer sustainable lending options. By automating ESG performance evaluation and system updates, the service helps financial institutions stay compliant with emerging regulations while promoting sustainable finance.




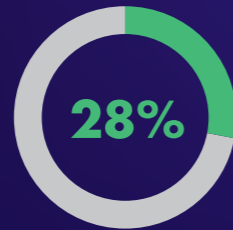
# 3 The S in ESG


## 2023 Social Metrics

 % women employees:



 % of senior leadership roles filled by women:



 % of women in the Executive Leadership Team:



# of youth who participated in Hour of Code and FinEd programs:

1,617



Total hours of employee volunteering:

10,154



Employee donations to charity:

\$126,923



Corporate donations to charity:

\$878,710



# of charities supported:

268

## 3.1 Social

Finastra aims to unlock the potential of people and communities by providing an environment where employees can develop and grow their careers while positively impacting their communities. Finastra engages in a comprehensive program to maintain a positive employee experience through diversity, equity and inclusion (DEI) and employee support initiatives across employee wellbeing, employee benefits, career management, training and health and safety.

Finastra empowers its employees to deliver social impact by fundraising and volunteering time. Employees work towards improving local communities via our financial inclusion, youth and social mobility, environmental volunteering, and community impact programs.

### 3.2.1 DEI at Finastra

At Finastra we are a community of diverse and talented people who are driven by our shared vision of an open future. We believe that the best way to achieve this vision is being **OPEN, Together** across three focus areas:

- **People:** How we hire, develop and retain a diverse workforce.
- **Culture:** How we work together to install inclusion and belonging into a positive workplace culture, including through our training programs.
- **Ecosystem:** How we leverage external partnerships to improve not only Finastra’s DEI program, but DEI across the Fintech industry.



#### People

Build a diverse and high performing workforce



**49%**

who participated in Count Me In



**50%**

Executive leadership who identify as women



**40%**

Employees at Finastra who identify as women



#### Culture

Cultivate a culture of belonging



**73%**

Employees receiving recognition on Finastra Celebrates



**+54%**

Increase in Finastra Inclusion Network membership



**72%**

Employees feel they BELONG



#### Ecosystem

Connect with and enrich the communities we serve



At Finastra, we take a holistic approach to DEI:

#### Diversity:

We go beyond demographics to focus on the ways people identify and how their unique attributes, experiences and perspectives contribute to the workplace.

#### Equity:

We prioritize fair treatment, access, opportunity and advancement for all, while identifying and eliminating barriers.

#### Inclusion:

We provide a workplace where everyone belongs, aiming to create an environment where everyone can bring their whole selves to work.

### 3.2.2 DEI ambition

Finastra is committed to a diverse workforce with equitable and inclusive opportunities for all our colleagues. In 2023, to demonstrate our commitment to fostering DEI, Finastra signed the [CEO Action Pledge for Diversity, Equity and Inclusion](#). This pledge encourages signatories to cultivate environments that support open dialogue on complex conversations around DEI, and to implement and expand unconscious bias education and training. It also promotes the sharing of best practices and strategies among signatories to drive meaningful progress in creating more inclusive workplaces.

In line with this commitment, we aim to achieve a balanced 50:50 men-to-woman ratio across all our teams, including our Executive Leadership Team, by 2030.

### 3.2.3 DEI progress

We have seen progress in our diversity tracking and reporting, thanks to our Count Me In self-identification initiative. This initiative is crucial for understanding the full employee experience, addressing barriers, and making informed decisions that align with our DEI strategy. Employees are invited to voluntarily self-identify their disability, veteran status, race/ethnicity, religion, and LGBTQ identity in our employee system. In 2023, 49% of employees participated in the Count Me In initiative, providing valuable insights to help us foster a more inclusive workplace.

9. Our Senior Leadership Team (SLT) is a group of around 100 senior leaders & executives in the most impactful roles in the company, and who guide our strategic goals.

10. Note: In 2023 the Senior Leadership Team was re-defined, meaning the number for 2023 cannot be directly compared to 2022.

## Global Demographic Representation at Finastra

% women	2019	2020	2021	2022	2023
Executive Leadership Team	13%	17%	25%	50%	50%
Senior Leadership Team <sup>9</sup>	19%	31%	32%	32%	28% <sup>10</sup>
All employees	38%	39%	38%	38%	40%

### 3.2.4 People

At Finastra, DEI is embedded across the entire employee lifecycle. Our talent attraction team is trained in how to adopt DEI principles for recruiting, hiring and onboarding new employees. Employees have access to Career Skill tools, Learning and Development, and Benefits befitting an equitable and inclusive workforce. To learn more about the experiences of our workforce on DEI topics, relevant questions are asked as part of our annual engagement survey. Finally, we embed DEI principles into our policies.

We aim to achieve a 50:50 ratio of men-to-women by 2030 and made significant progress in 2023. We ended the year with a gender-balanced Executive Leadership Team and an all-employee ratio of 40:60 women to men, exceeding software industry standards.





### 3.2.5 Culture

To help foster a diverse, equitable and inclusive culture, Finastra supports a range of Employee Resource Groups (ERGs), also known as Finastra Inclusion Networks (FINs). These are voluntary groups consisting of passionate employees who come together to support each other, celebrate diversity, foster inclusion and raise awareness for issues that matter to our communities both internally and externally. Sponsored by leadership team members, they include Proud@Finastra, Women@Finastra, Disabilities@Finastra and Culture@Finastra.

DEI is also deeply embedded into our learning opportunities. We design our training courses with a strong emphasis on inclusion and equality, such as:

- **Inclusive Leadership Masterclasses:** Through our partnership with STEPS Drama, we offer a highly interactive masterclass that helps learners become more inclusive leaders. This masterclass is available twice a year to our People Managers and Senior Leadership Team.
- **Open Minds Training:** This training explores the importance of DEI at Finastra and helps participants understand how our brains make decisions, and how we can better manage them to be more inclusive. This training is part of our Annual Compliance Training for all employees.
- **Eliminating Bias in Recruitment Training:** Live and recorded sessions for all people managers to improve our hiring processes.
- **DEI Learning Series:** Quarterly learning opportunities, webinars and events on various DEI topics.

Our work to build an inclusive culture has borne results in 2023, with 72% of surveyed employees saying they feel like they belong at Finastra. This is in line with global benchmarks from Glint, our employee engagement platform.

From 2024, we will incorporate additional DEI content into our mandatory annual training, which is completed by 100% of our colleagues.

### Gen AI bias seminar

As part of our GenAI (X)po, a week dedicated to learning all about Gen AI, we had an informative session with Barbara Hyman, CEO of Sapia.ai on how to mitigate bias in AI. She shared her insights on the topic of bias in AI, how we can address the challenges that AI can bring when considering issues around diversity, equity, and inclusion and how Gen AI can help us to make better and fairer decisions.



### 3.2.6 Ecosystems supporting diversity, inclusion and belonging

Our commitment to DEI is further demonstrated through our strategic partnerships with various third-party organizations. These collaborations aim to foster a diverse and inclusive environment within our company and the broader community. Here are some of our key partnerships:

#### Recruitment, Hiring and Onboarding

- **Bloom Tech:** Based in India, this organization provides training and mentoring for women in technology, helping us to diversify our tech talent pool.
- **FairyGod Boss/The Muse:** These platforms help us to attract diverse talent by showcasing our company culture and commitment to DEI.
- **HerKey:** This initiative helps us attract talented women and promotes diversity through its DivHERSity Survey.

#### Talent Management

- **Global Accessibility Awareness Day (GAAD) with GiftAble:** We partner with GiftAble to participate in GAAD, promoting digital accessibility and inclusion for people with all types of disabilities.
- **MyGWork:** This partnership brings awareness and support to the LGBTQ+ Community, fostering an inclusive environment for all.
- **Woman Hack:** This Romanian organization provides hackathons and workshops for women, promoting gender diversity in the tech industry.
- **Women in Tech Romania:** This partnership supports women in the technology industry, furthering our commitment to gender diversity in tech.

Through these partnerships, we strive to attract a diverse range of candidates and create an inclusive environment where everyone feels valued and can thrive.

We aim to develop a Sustainable Procurement Policy in 2024 which will incorporate supplier diversity. The goal is to promote the inclusion of diverse suppliers, such as minority-owned and women-owned businesses, to foster equal opportunities for underrepresented groups and to support economic growth and innovation.





### 3.3 Supporting employees

#### 3.3.1 Employee wellbeing

Finastra provides resources to support the mental and physical wellbeing of our colleagues across concerns as varied as parenting, illness and grief.

In 2023, Finastra continued to provide free access for all employees to TaskHuman, an app offering one-on-one video sessions with wellness coaches. We appointed Wellbeing Champions, who are passionate about wellbeing and who volunteer to support employees. We also updated our Employee Assistance Program – Finastra Supports. Employees can connect with a counsellor who provides relevant guidance and advice.

Finastra has started Gather Groups, peer-to-peer support groups that meet monthly to offer a safe space for colleagues to discuss their life experiences on a range of topics.

In response to employee feedback and as part of our commitment to employee wellbeing, Finastra had two company-wide Out of Office days in 2023. These days off are a gesture of appreciation for the extraordinary efforts of our employees, allowing them to completely disconnect from work.

#### 3.3.2 Employee health and safety

Finastra takes the health and safety of our colleagues extremely seriously. All sites undergo assessments by our risk team. We have established, or are establishing, health and safety committees at each site and have policies and procedures in place for those working from home as well as for subcontractors. We provide health and safety and first aid training for representatives on our site committees and ensure that all employees have access to ergonomic workstation assessments.

#### 3.3.3 Employee benefits and rewards

Finastra has developed clear policies to ensure employees are compensated fairly and have the flexibility needed for a sustainable career. Our approach to benefits aligns with our total rewards philosophy, and our purpose and values as an organization, while being adaptive to the needs and expectations of our employees in different regions and from different cultures.

### Celebrating our people

Finastra Celebrates is our global recognition program, empowering all employees and leaders to acknowledge each other's successes, celebrate key contributions, express gratitude, and say thanks. In 2023, 73% of employees received recognition for their outstanding work from their peers.

At a global level, our Flexibility Framework includes our flexible vacation policy which imposes no limit on days taken throughout the year and our inclusive people policies which encourage activities that matter, such as paid time off to vote, bereavement leave and sick leave. Our Flexibility Framework also offers options for where and how we work through our Global Mobility policy, encouraging flexibility while still reaping the benefits of a collaborative and cohesive work environment.

At a local level, we offer incentives such as private medical and dental insurance, life and disability insurance, group pension plans, leave for life events such as maternity and paternity, study, reserve forces and emergencies.

### 3.3.4 FinSights

Each year we carry out a confidential employee engagement survey called FinSights. It's a valuable opportunity for employees to tell us their thoughts about working at Finastra. Leadership actively reviews feedback to better understand the employee voice in the organization and take actions to improve our strategy and culture. In 2023, 66% of employees made their voice heard. We also listened to employees throughout 2023, with monthly Pulse checks through our feedback platform. In doing so, we created a workplace where our colleagues felt engaged and empowered, with 67% of employees believing that meaningful action will be taken as a result of the feedback collected in these surveys.

### 3.3.5 Career management

At Finastra we are committed to offering employees growth by providing opportunities and an environment in which to learn, challenge and steer the course of their own careers and futures.

All employees have goals that link to their roles and career development. To assist with this, all employees have a 90-day sprint check-in to set and align their goals for the quarter, share updates and progress, and discuss feedback and opportunities for progression.

In 2023, employees were able to access our Career Navigator tool, which uses a skills-based taxonomy to allow employees to manage their own growth for both current and future roles.

### 3.3.6 Training

Finastra's FinTalent initiative includes performance coaching and a talent identification program. It also provides guidance on the skills that teams will need in the future and encourages employees to put themselves forward for new opportunities. Several examples of the training offered are discussed in this report, including training on DEI and Generative AI. Finastra invests in tools such as LinkedIn Learning as well as external courses at top-tier academic institutions for employees. In 2023, employees dedicated around 90,000 hours to learning new skills they will need in the future.

Deep financial services knowledge is a key enabler for our strategy. Our employees need to understand the industry we work in to deliver better solutions for our customers and support them. In 2023, we launched a learning portal to enhance employee training on financial services.

### Generative AI (Gen AI) Training

A major aspect of our 2023 Gen AI roadmap was intensive training not only on using Gen AI tools in an ethical, bias-free manner but also on effective techniques to reduce bias and discrimination when using Gen AI. In addition, employees were trained to understand human autonomy, and how AI systems can be designed to respect human rights, democratic values and diversity.





## 3.4 Support and strengthen local communities

### 3.4.1 Local approach, worldwide impact

Finastra and its colleagues support their local communities with volunteering and charitable donations focused on four themes:

1. youth and social mobility,
2. financial inclusion,
3. environmental volunteering and
4. community impact.

Finastra encourages employees to volunteer by allowing them to take up to 22.5 hours a year of paid volunteering time for either Finastra-facilitated events or causes that are close to their hearts.

Through the Benevity platform, employees can donate to over two million charities worldwide, while ensuring our efforts and fundraising are used by certified and well-governed charities.

Our colleagues delivered real impact in their communities in 2023 by raising \$126,923, which was matched by Finastra according to our matching policy, and by volunteering 10,154 hours to support over 268 charities globally. Causes supported included global organizations such as UNICEF and organizations near our sites, such as the Oregon Food Bank.

### 3.4.2 Theme 1: Youth and social mobility

Finastra actively participates in programs that promote youth development and social mobility. We invest in these areas by preparing young individuals for a future where finance, computer science, and particularly AI, will be integral to their lives. By leveraging the expertise of our employees, we train the next generation for careers in technology.

#### Hour of Code

Finastra's Hour of Code initiative aims to support social mobility through education on software development. This program, in partnership with Code.org, is part of Finastra's broader strategy to empower individuals and communities by providing access to essential financial services and education. This is a worldwide effort for Finastra, with Hour of Code sessions in the United States, UK, Romania, India, Philippines, Canada, and Singapore. In 2023, Finastra Hour of Code impacted 858 young people.

#### Ronald McDonald House

We support [Ronald McDonald House](#) across several geographies. This charity helps families with children undergoing hospital treatment, offering them a home-like environment where they can maintain their routines during challenging times. In 2023, our leadership team volunteered at the Fundação Infantil Ronald McDonald House in Lisbon and at the Ronald McDonald House near our Lake Mary office. In total, 40 employees aided Ronald McDonald Houses.

### 3.4.3 Theme 2: Financial inclusion

As a financial services software company, we see financial inclusion as a core focus for both our community impact and our employees. We support financial inclusion by promoting financial literacy to our local communities.

Our FinEd program is one of the ways in which we deliver on this initiative. FinEd is a financial literacy curriculum designed to help children understand and manage money. It is taught directly in classrooms at partnering schools or by trained Finastra volunteers in our offices. It features topics such as why the concept of money exists, the history of money and the importance of saving and investing money, as well as concepts such as credit scores and currency. Following their first class, children can use FinEd to complete the curriculum at their own pace through engaging games. In 2023, we held 23 FinEd sessions with 759 total students enrolled.

#### Action for Agricultural Renewal in Maharashtra (AFARM)

Finastra partners with [AFARM](#) to empower people in rural communities in Maharashtra, India. Equipped with digital training devices called Sakhis, AFARM provides financial literacy training to local villages. This promotes financial inclusion by giving people the knowledge and confidence to conduct transactions using digital methods of payment. In projects implemented during 2023, Finastra provided financial literacy training to more than 59,000 people including more than 29,000 women. These figures include some multi-year projects.





### 3.4.4 Theme 3: Environmental volunteering

In 2023, we supported 31 environmental charities. Key highlights include a zero-waste seminar for our Paris office, a zero-plastic seminar for our Singapore office and a forest cleanup for our Swiss office.

Tree planting is one of our most popular activities with volunteers. Tree planting activities deliver multiple social and environmental benefits to our local communities. We also partner with Treetly, which provides an app that tracks steps and funds tree planting through the Eden Reforestation Project.

### Nottingham Canal and River Trust Orchard

Our Nottingham, UK office first partnered with the Nottingham Canal and River Trust to plant a fruit orchard in 2022. In 2023, we continued the mission to grow the orchard in both diversity and by the number of trees. The trees planted on the site are heritage stock, some originating from the county of Nottinghamshire, bringing back heritage fruits such as the Bramley Apple and Nottingham Medlar. The trees have grown well over the past two years, and another orchard is planned for 2024. These are impactful employee volunteer events, and also support the Carbon Neutral Nottingham 2028 project.

### 3.4.5 Theme 4: Community impact

We support several causes that our employees are passionate about and help to strengthen local communities. For example, our Canadian offices participate in the United Way's annual donation campaign. United Way combats local poverty by supporting affected individuals and their neighborhoods. They achieve this by building and reinforcing a network of community agencies that form Toronto's social safety net.

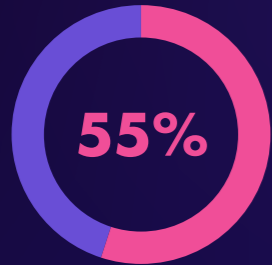
Another example is our WishTree initiative. This program allows Finastra employees to anonymously fulfil Christmas wishes for children, creating cherished memories. In 2023, at our Trivandrum office alone, we granted over 400 wishes. Finastra-wide, in the last five years, we have granted over 6,000 wishes.

# 4 The G in ESG

## 2023 Governance Metrics



% of women on the Board:



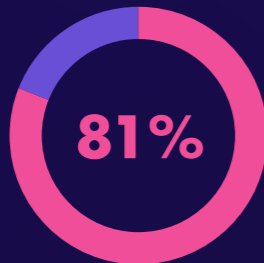
Completion of annual compliance training:



EcoVadis assessment percentile (Bronze medal)



% of surveyed employees who felt comfortable and safe speaking up:



# of bribery cases requiring investigation:



## 4.1 Governance

Governance and risk management are integral to Finastra's operations and strategic direction. Our governance framework ensures robust oversight, accountability and ethical conduct, complemented by comprehensive risk management practices to safeguard our assets and reputation. These practices collectively support Finastra's commitment to our customers, sustainable growth, and long-term value creation.



## 4.2 Board overview

### 4.2.1 Governance and structure impact

Finastra's Board of Directors holds the ultimate responsibility for managing the company's business and affairs and is committed to achieving strategic goals within a sound and effective risk management framework. The Board is accountable for establishing and maintaining a governance structure that ensures success thorough due diligence, appropriate risk management, and compliance with relevant laws and regulations.

### 4.2.2 Board independence and composition

Finastra's Board of Directors has 11 members, including a minimum of one independent director and one independent consultant present at all meetings. The Board convenes quarterly and conducts an executive review session before each meeting. Annual performance evaluations are carried out for all executive directors, alongside yearly succession planning reviews to ensure the Executive Leadership Team's continuity. The chairperson of the Board is responsible for the annual appraisal of Finastra's CEO. Majority voting is carried out by the Board of Directors, with limited matters reserved for Vista Equity Partners as the sole shareholder.

The Board has established an Audit and Risk Committee (ARC) consisting of a minimum of three Board Directors, all three being non-executives. The ARC holds monthly touchpoints and a full meeting every quarter with Finastra's Chief Risk & Compliance Officer, General Counsel, Chief Information Security Officer, Chief Audit Executive and their executive leaders. The primary function of the ARC is to assist the Board in obtaining independent assurance of the adequacy and effectiveness of governance, risk management and internal controls processes. It also oversees how well the organization is carrying out responsibilities to achieve its stated goals and objectives.

### 4.2.3 Board diversity

As of 31 December 2023, Finastra's Board comprised six women and five men, making Finastra's Board composition 55% women.

### Finastra Board of Directors

As of 31 December 2023



**Lynne Biggar**  
Board Member



**Neil Blagden**  
Chief Operating  
Officer



**Clifford Chiu**  
Board Member



**Helen Cook**  
Chief People and  
Communications  
Officer



**Simon Dowler**  
General Counsel



**Isabel Fernandez**  
EVP Lending



**Betty Hung**  
Board Member,  
Vista Equity  
Partners



**Carissa Kell**  
Chief Financial  
Officer



**Simon Paris**  
Chief Executive  
Officer



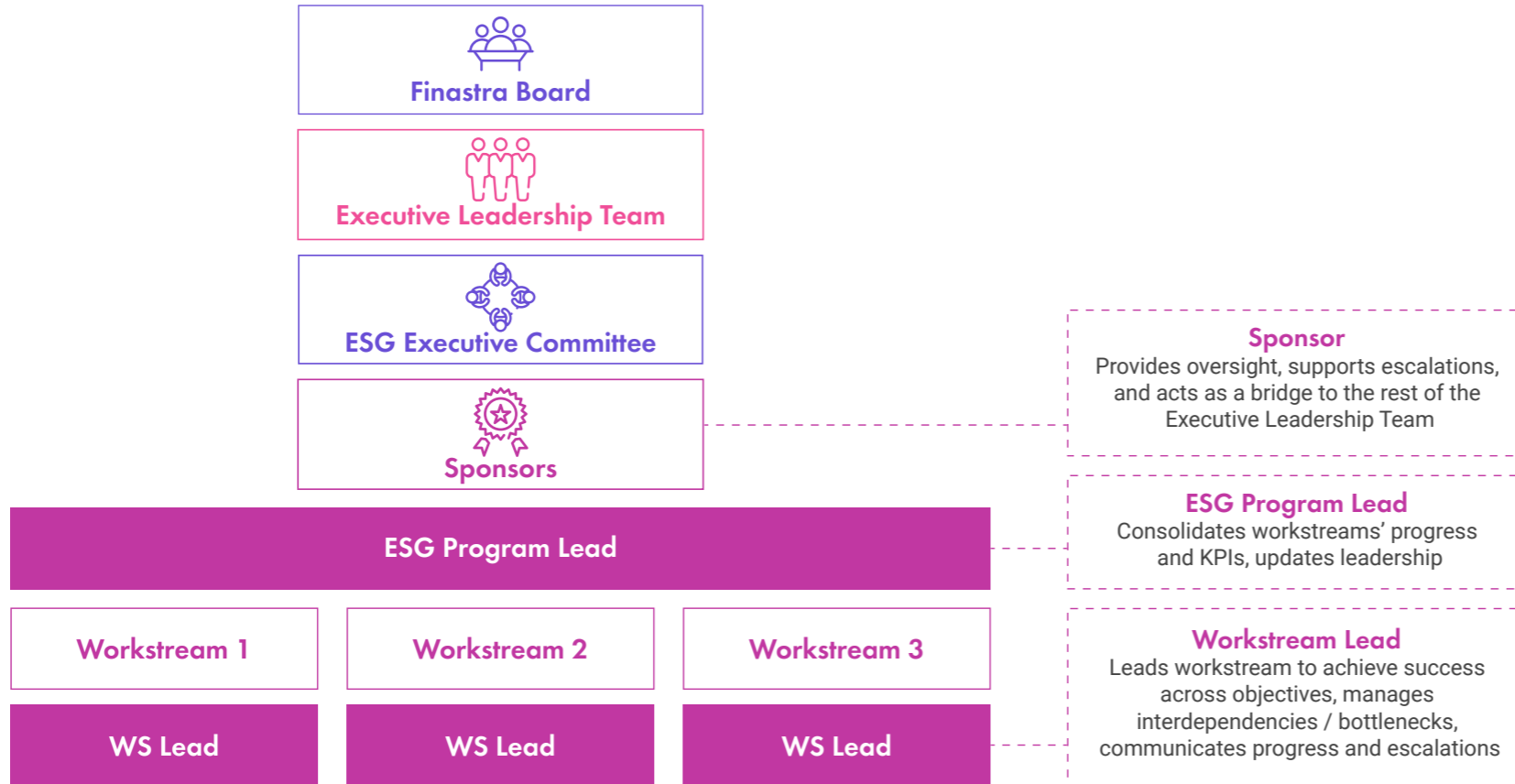
**Maneet Saroya**  
Board Member,  
Vista Equity  
Partners



**Ines Zucchini**  
SVP of Strategy  
& ESG

## 4.3 ESG governance

### ESG Program Governance



Finastra's Board of Directors has overall accountability for setting the strategic direction for sustainability performance, risk management, and compliance with stakeholder commitments and obligations. The Board considers current and emerging ESG matters that may affect business performance or the public image of the company that are pertinent to our stakeholders. Additionally, the Board makes recommendations on how Finastra's policies, practices and disclosures can adjust to or address current trends.

At the executive management level, Finastra's ESG Executive Committee comprises key executive and functional leaders and is co-chaired by the CEO and SVP of Strategy & ESG. The committee sets the direction, oversees sustainability efforts, manages climate risk, supports environmental activities and promotes ESG awareness. In addition, it assesses progress on key ESG initiatives across the organization and reports to the Board each quarter on the status of the ESG program.

Their knowledge and proficiency mean our Board and ESG Committee members are well-informed about ESG topics in the industry and the latest ESG regulations and trends.

## 4.4 Risk management and risk culture

Finastra’s risk appetite and tolerance are set by the Executive Leadership Team and approved by the Enterprise Risk Oversight Committee and the ARC of the Board. Global Risk Management establishes the Key Risk Indicators (KRIs), thresholds, and scorecards that govern risk appetite and tolerance.

To govern risk, we use a three lines of defense structure, which includes mechanisms to communicate and hold individuals accountable for performance of internal control responsibilities across the entity and to implement corrective actions as necessary. The first line places risk ownership accountability with business functions and personnel, the second incorporates control and oversight functions such as compliance, Enterprise Risk Management (ERM) and legal, and the third and last Line of Defense (LOD) is internal audit.

Once risks are assessed and identified as findings or control gaps, they are documented in Finastra’s Enterprise Governance Risk and Compliance (eGRC) tool and monitored by the Risk team.

The company’s risk culture is supported by a robust risk awareness program providing training, resources and information on risk, privacy and information security, which improves risk understanding and accountability to identify, report, and manage risk. Additionally, we have dedicated Business Risk Champions (BRCs) embedded in the first line of defense, who act as change agents in the risk management process.

***Finastra’s TCFD report – Climate Risks***

In 2023, Finastra published its inaugural Task Force on Climate-related Financial Disclosures (TCFD) report. This report outlines Finastra’s contributions to managing climate impacts and provides insights into the risks and opportunities that climate change presents for the company.



## 4.5 Ethics and compliance

### 4.5.1 Ethics and business conduct

Finastra recognizes the importance of demonstrating strong oversight and commitment to conducting our business in full compliance with all applicable obligations. Our Compliance Policy embodies this commitment through the creation of a uniform and integrated Compliance Program. Finastra's commitment to ethical conduct is embedded in our Code of Conduct and Business Ethics (the "Code of Conduct"). It serves as a guide to protect and enhance our reputation by setting a universal standard for employee behavior and the expected treatment of customers, partners, and stakeholders.

To help hold ourselves accountable to the high standards we set out in the Code of Conduct, we encourage everyone to speak up and raise concerns without fear of retaliation, if they are aware of something that doesn't seem right in our organization and that may impact our integrity and/or reputation. The Speak Up program provides various communication channels, including a dedicated web portal, annual training, and regular surveys to ensure an open, ethical workplace.

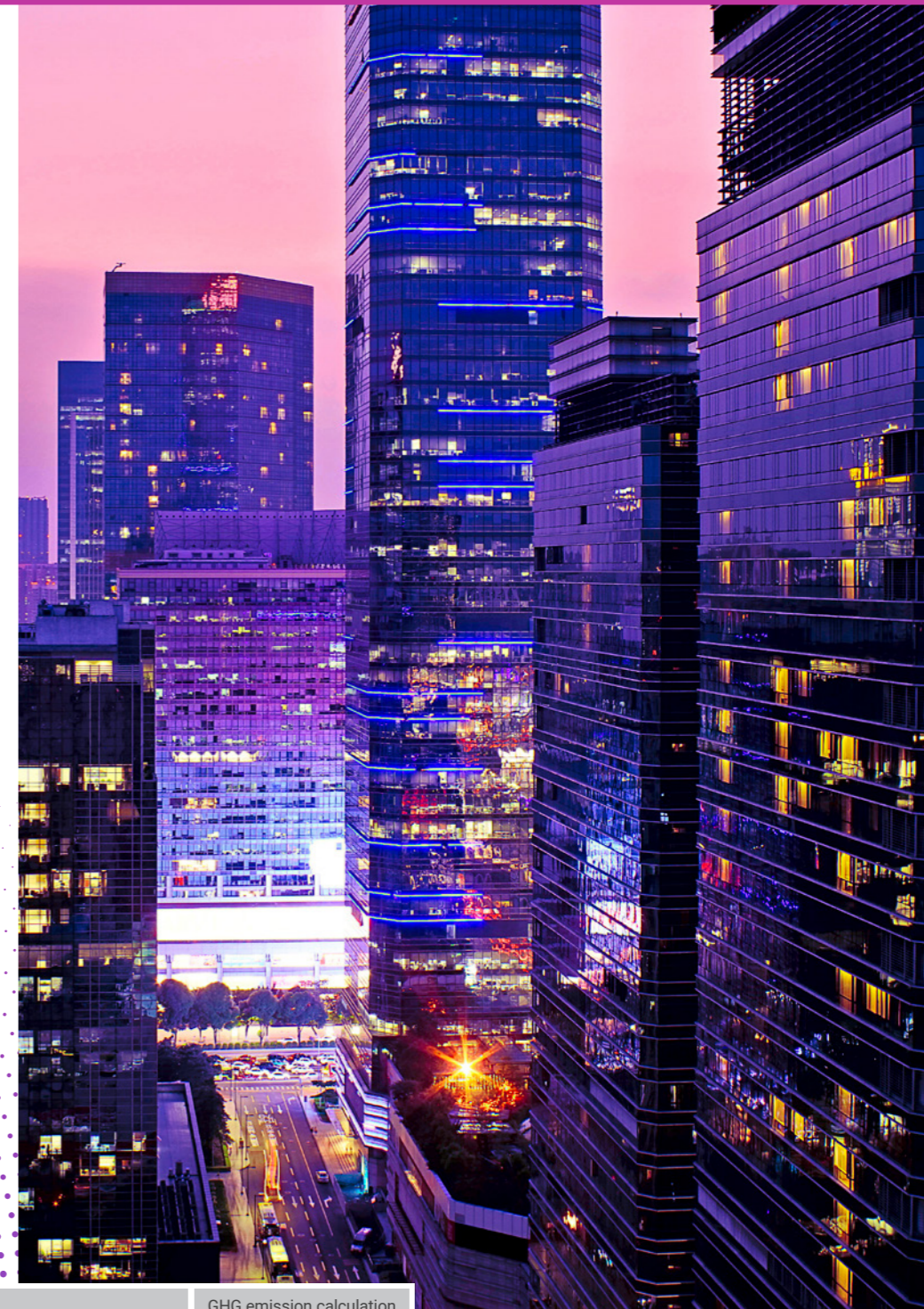
### 4.5.2 Anti-bribery and corruption

At Finastra, we maintain a strict zero-tolerance policy towards bribery and corruption. As an international entity, we are dedicated to adhering to all relevant anti-bribery laws and ensuring that our employees and representatives are well-informed about these regulations to prevent any infractions.

The Anti-Bribery and Corruption (ABC) Committee at Finastra is tasked with evaluating and overseeing the risks of bribery and corruption across our global operations. This committee also provides governance, oversight, and reports on the adherence to our ABC Policy within the Code of Conduct.

### 4.5.3 Modern slavery

Finastra publishes an annual Slavery and Human Trafficking Statement in compliance with the UK Modern Slavery Act 2015. Finastra is committed to ensuring that there is no modern slavery, unlawful child labor or human trafficking within our own business and that of our supply chain. Our annual statement published for the financial year ending 31 May 2023 can be found [here](#), and contains information about how we assure these outcomes through screening of our vendors before they are onboarded, as well as our Speak Up channels and Code of Conduct.





### 4.6 Operational risk and resiliency

Finastra is committed to building, sustaining and optimizing our organizational capability to prepare for, respond to, and recover from all hazards. Under the leadership of our Chief Risk and Compliance Officer, Finastra’s enterprise-wide operational risk and resilience program supports this commitment with a focus on readiness and preparedness activities for our people, business functions, and critical third parties. This program includes Business Continuity Management, Crisis Management, Third-Party Risk Management and Information Security activities.

The Technology Resilience and Disaster Recovery programs are under the leadership of our Chief Technology and Innovation Officer. The objective of the Disaster Recovery Program Management Framework is to protect the company’s technology and critical infrastructure from unexpected events such as natural or human-made disasters and minimize business interruption resulting from such events.

CEO Introduction	Environment	Social	<b>Governance</b>	Sustainable development goals progress update	WEF-IBC Stakeholder Capitalism Framework	2023 Metrics	GHG emission calculation methodology
------------------	-------------	--------	-------------------	---	--	--------------	--------------------------------------

## 4.7 Information security

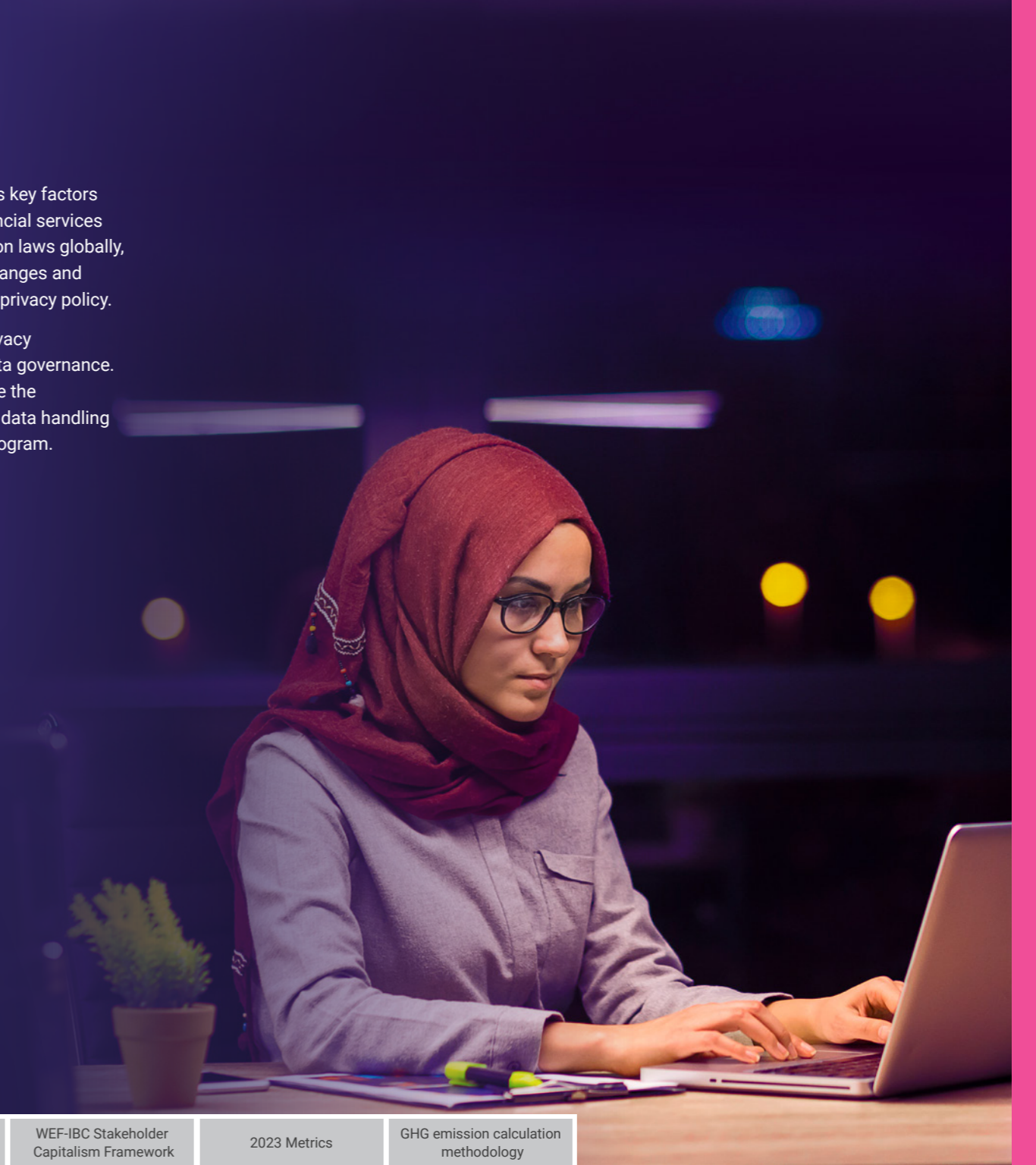
The information security department is responsible for safeguarding Finastra’s data and systems by implementing policies, procedures, and technologies to prevent unauthorized access, mitigate risks, and ensure compliance with required regulations, best practices, and customer requirements.

Executed by the Chief Information Security Officer under the leadership of the Chief Risk and Compliance Officer and with oversight from the Board of Directors, the Information Security Program establishes robust information security governance closely aligned with the National Institute of Standards and Technology (NIST) Cyber Security Framework.

## 4.8 Data privacy

Finastra prioritizes data privacy and security as key factors in maintaining our reputation as a trusted financial services partner. We adhere to applicable data protection laws globally, update processes in response to legislative changes and security risks and maintain a detailed external privacy policy.

Finastra’s legal team includes a network of privacy professionals and champions who oversee data governance. We conduct regular privacy training, emphasize the importance of privacy champions, and assess data handling by third parties to maintain our data privacy program.



# 4.9 Product responsibility

## 4.9.1 Responsible use of our products

Our approach to responsible product development and use extends to how products are intended for use by individuals and communities, considering specific needs such as accessibility, as well as considering inclusivity, risk of bias and discrimination.

An example of this is how we are considering usage of Gen AI in some of our core banking products. They will support users through personalized communication, providing the ability to navigate color charts for those with visual impairments, simplifying documents and text, and integrating vision assistants.

## 4.9.2 Responsible AI

In 2023, we placed a particular emphasis on the governance of Gen AI, ensuring responsible and ethical use of AI technologies. We started to develop a framework for how to promote

awareness and mitigate risks of AI in the development of our products and services and in operational tasks. The framework includes:

- **Engagement Roadmap:** From ideation to production, all AI-driven use cases follow a structured blueprint ensuring compliance, ethics, and responsible development practices. The main elements of the engagement roadmap are also summarized in our Gen AI Roadmap Checklist.
- **AI SteerCo:** A diverse set of representatives collectively assess the direction of AI across the enterprise.
- **Secure Zone:** A secure data and AI development environment provides our engineers with responsible AI development tooling.
- **Threat Modelling:** Supports evolving risk assessments and threat models related to AI risk.
- **Enterprise Education:** Lays out foundational learning paths for Finastra’s general population and engineering community designed to upskill and train our teams on the usage of AI in a responsible manner.

## Gen AI Roadmap Checklist

### Step 1. Ideation

- Identify the problem and opportunity
- Define the use case and target audience
- Model research
- AI workspace provisioning
- Data relevance
- Project proposal
- Proposal review
- Legal, governance, privacy and security review

### Step 2. Prototyping

- Secure zone access
- Prototype scope
- Model and prototype development
- Model validation
- Model refinement
- Documentation

### Step 3. Validation

- Validation scope
- Model validation

### Step 4. Production

- Production scope
- Model transitioning
- Monitoring
- Model security
- Legal, governance, privacy and security update
- Maintenance
- Documentation update

## CodeCarbon

CodeCarbon is a Python library designed to estimate and track the carbon dioxide (CO2) emissions produced by computer programs, taking into account hardware power consumption and the carbon intensity of the electricity used based on geographical location. It aims to help developers understand their computing carbon footprint and encourages practices to reduce emissions by optimizing code and selecting greener cloud services.

Finastra has made CodeCarbon available within Secure Zone to provide our teams with the ability to measure and optimize sustainability for their workloads.

## Gen AI (X)po

Gen AI (X)Po 2023 was a global week-long in-person and virtual event designed to boost our employees' engagement and skills in generative AI across all roles in our company. Clients, partners and industry experts presented their perspectives on how generative AI is transforming their businesses. Each of our business units showcased a number of Proofs of Concept use cases relevant to their domain and client needs, some of which have since entered production and are being utilized by clients. The (X) Po proved to be one of the most engaging skilling events Finastra has seen, with over 16,000 hours of skilling and engagement delivered in just three days across 10 of our major sites – which has since led to the creation and qualification of 50+ client and internal use cases being developed to support both internal productivity and client needs.





# 4.10 Sustainable procurement overview

## 4.10.1 Human rights and our supply chain

Our procurement practices include vendor contract terms that reference a Supplier Code of Conduct, which is posted on Finastra’s website. Contract terms reference social responsibility requirements that reflect our own high standards across DEI, labor and human rights, and compliance with the UK Modern Slavery Act 2015, as well as governance topics such as ethics, conflicts of interest and various others.

Our vendor contracts also explicitly state compliance obligations regarding specific laws relating to bribery, corruption, prohibited business practices and other legal matters. Finastra runs Office of Foreign Assets Control (OFAC) and other sanction checks on our vendors prior to onboarding, where further due diligence processes, including questions regarding environmental practices being asked and answered, before a vendor can be authorized to work with us.

## 4.10.2 Embedding sustainability in the supply chain





In 2023, Finastra drafted a Sustainability and Social Responsibility Procurement Policy to be implemented in 2024. New suppliers will be required to provide information on their sustainability and social responsibility initiatives. This information will constitute an increasingly important part of our supplier assessment processes.



# 5 Sustainable development goals progress update

The Sustainable Development Goals (SDGs) are a set of interconnected objectives established in 2015 by the United Nations. The goals aim to promote sustainable economic and environmental practices to create a more equitable world by 2030. Achieving the goals requires a collaborative effort among businesses, society, and governments.

Finastra supports the SDGs and recognizes the significance of the goals associated with them. In previous reporting, we identified several of our material SDGs to which we believe our initiatives and actions contribute the most.

SDG	Impact we have made in 2023	Relevant chapter
 1 NO POVERTY	<b>Target: 1.4 Equal rights to ownership, basic services, technology and economic resources</b> Our strategic initiative on growth in the Middle East, Africa and Asia Pacific focuses on creating economic growth in this region via greater accessibility to affordable financial services for all. For example, our core banking solutions help make banking more inclusive and equitable by unlocking greater access for previously unbanked and underbanked groups. Our open payments systems make cross-border payments more accessible by using Finastra Payments to Go, which allows smaller banks to have the same high levels of progressive services as market leaders.	1.2
	<b>Target: 1.2 Reduce poverty by at least 50%</b> By leveraging technology and championing equitable, accessible and inclusive finance, we are bridging gaps to drive economic empowerment and better reach the unbanked and underbanked. Throughout the year, Finastra donated a total of \$878,710 to various charities. Additionally, our employees used their skills and dedicated 10,154 hours to volunteer work. Many of these hours are spent teaching young people coding via our Hour of Code program and our Financial Education (FinEd) courses.	3.4.1
 4 QUALITY EDUCATION	<b>Target: 4.4 Increase the number of people with relevant skills for financial success</b> We held 23 FinEd classes in 2023, teaching young people the basics of financial education, with 759 students enrolled in total. These programs are focused on children from at risk and underrepresented groups.	3.4.3
	<b>Target: 4.8: Build and upgrade inclusive and safe schools</b> In 2023, we donated 192 laptops to local charities with a focus on education, and 2,064 laptops to Camara to support activities in Africa.	2.7
 8 DECENT WORK AND ECONOMIC GROWTH	<b>Target: 8.6 Promote youth employment, education and training</b> Our FinEd programs help make young people aware of the possibilities of careers in technology, which have the power to lift young people out of poverty by finding better careers that have impact at scale.	3.4.3
	<b>Target: 8.7 End modern slavery, trafficking and child labor</b> Finastra is committed to ensuring that there is no modern slavery, unlawful child labor or human trafficking within our own business and that of our supply chain. In 2023 we made an annual statement in pursuance with the UK's Modern Slavery Act 2015.	4.5.3
	<b>Target: 8.8 Protect labor rights and promote safe working environments</b> Finastra takes the health and safety of our colleagues extremely seriously. To achieve this, all sites undergo assessments by our risk team. We provide health and safety and first aid training for representatives on our site committees and ensure that all employees have access to ergonomic workstation assessments.	3.3.6
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	<b>Target: 9.3 Increase access to financial services and markets</b> Our Treasury solutions support inclusivity by providing smaller banks with better access to world-class support and capabilities, including strong balance sheet analytics and reporting. Our investment management platform delivers the analytics and open architecture that aid investment managers to align strategies with societal goals. Our open payments and financial messaging solutions make cross-border payments more accessible, transparent and cost-effective through our open partner ecosystem. Our core banking solutions help make banking more inclusive and equitable by unlocking greater access for previously unbanked and underbanked groups, broadening the delivery of banking products and services to people who need them.	1.2
 10 REDUCED INEQUALITIES	<b>Target: 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</b> Finastra is committed to a diverse workforce with equitable and inclusive opportunities for all our colleagues. In line with this commitment, we strive to achieve a balanced 50:50 men-to-woman ratio across all our teams, including our Executive Leadership Team, by 2030. Our leadership team has been 50% gender balanced since 2022 and we have increased the percentage of employees who identify as women from 38% to 40% in 2023.	3.2
	At Finastra, DEI is embedded across the entire employee lifecycle. Our talent attraction team is trained in how to adopt DEI principles for recruiting, hiring and onboarding new employees. Employees have access to Career Skill tools, Learning and Development, and Benefits befitting an equitable and inclusive workforce. To learn more about the experiences of our workforce on DEI topics, relevant questions are asked as part of our annual engagement survey. Finally, we embed DEI principles in our policies for employee promotion and offboarding.	3.2.4
	<b>Target: 10.c By 2030, reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent</b> Our open payment and financial messaging solutions make cross-border payments more accessible, transparent and cost-effective through our open partner ecosystem.	1.2.3
 11 SUSTAINABLE CITIES AND COMMUNITIES	<b>Target: 11.c Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials</b> Our core banking solutions help make banking more inclusive and equitable, unlocking greater access for previously unbanked and underbanked groups, broadening banking to people who need it.	1.2.4
 13 CLIMATE ACTION	<b>Target: 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</b> Finastra's environmental ambition is to reduce our emissions from our 2019 baseline by 50% by 2025, and to become net zero by 2050. This goal is consistent with our commitments to the UN Global Compact Business Ambition for 1.5°C and the UN Climate Change Race to Zero initiative. We have published our first Task Force on Climate-related Financial Disclosures (TCFD) report, to spread awareness of the impacts of climate change on Finastra and the world.	2.2
 17 PARTNERSHIPS FOR THE GOALS	<b>Target: 17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries</b> We partner with many organizations to share knowledge, expertise and technology resources. One such partnership is with Action for Agricultural Renewal in Maharashtra (AFARM), to empower 62,000 rural women in India. This promotes financial inclusion by giving them the knowledge and confidence to conduct transactions using digital methods of payment.	3.4.3

## 6 WEF-IBC Stakeholder Capitalism Framework

### Finastra supports the WEF-IBC Stakeholder Capitalism framework.

<b>Governing purpose</b>	Setting purpose	Finastra was created to provide mission-critical enterprise software to underpin the quality, availability and affordability of financial services for all. Our governing purpose has not wavered since then, as we seek to unlock the potential of people, businesses and communities through open, inclusive and sustainable finance.
<b>Quality of governing body</b>	Governance body composition	Finastra's leadership includes its Board, Executive Leadership Team and the extended leadership across our functions, business units and regions. Our ESG Executive Committee comprises key executive and functional leaders and is co-chaired by the CEO and SVP of Strategy & ESG. An overview of the Board and overall governance model is provided in this report alongside metrics on their diversity.
<b>Stakeholder engagement</b>	Material issues impacting stakeholders	Finastra conducts a materiality assessment to monitor the most important and material ESG topics for our stakeholders on an annual basis. The findings of these assessments serve as a key reference for business strategy, goal setting, resource allocation, external disclosures and risk identification and management.
<b>Ethical behavior</b>	Anti-corruption Protected ethics advice and reporting mechanisms	Finastra has a zero-tolerance policy for bribery and corruption. It is committed to complying with all anti-bribery and corruption laws and takes proactive measures to ensure that all employees and those third parties that work on our behalf are aware of and do not violate these laws. Finastra strictly prohibits bribery of government officials as well as bribery in the private sector. Finastra requires all employees to take annual training on bribery and corruption. Our policy and training focus on the concepts of conducting business in compliance with both the highest professional and ethical standards and the relevant laws of the country in which we operate. The training defines bribery in detail and gives multiple real-world, interactive examples of how employees can safely navigate away from any potential bribery or corruption situations.
<b>Risk and opportunity oversight</b>	Integrating risk and opportunity into business processes	At Finastra, risk management is everyone's responsibility. Finastra encourages all employees to raise any concerns they have regarding wrongdoing within Finastra that may impact on our integrity and/or our reputation. Finastra enables employees to raise concerns regarding any suspected malpractice, harassment, suspected or actual fraud, and to do so without fear of retaliation, provided any such reports are made in good faith. Additionally, we have a dedicated Business Risk Champions (BRCs) embedded in the first line of defense acting as change agents in the risk management process.
<b>Climate change</b>	GHG emissions	Finastra has a goal to become net zero by 2050 in line with SBTi, with an ambition to reduce emissions by 90% against a 2019 baseline. Our interim goal is to reduce our Scope 1 and 2 emissions by 50% by 2025. We measure GHG emissions in CO2e across our Scope 1 and 2, as well as some of our Scope 3 emissions related to business travel, waste, employee commute, and cloud usage. We use Greenhouse Gas Protocol emissions factors for location-based and market-based emissions methods. <sup>11</sup>
<b>Nature loss</b>	TCFD implementation	In 2023 Finastra published a report for the Taskforce on Climate-Related Disclosures outlining our analysis of climate-related risks that impact Finastra and our preparedness in addressing them.
	Land use and ecological sensitivity	Finastra leases its site locations and works with vendors that are compliant with regulations which include biodiversity.
<b>Freshwater availability</b>	Water consumption and withdrawal in water-stressed areas	Finastra measures and reports on the amount of water consumed across our operations in m3, including in our offices and our printing business.
<b>Dignity and equality</b>	Diversity and inclusion (%)	Finastra is committed to a diverse workforce with equitable and inclusive opportunities for all our colleagues. In 2023, to demonstrate our commitment to fostering DEI, Finastra signed the CEO Action Pledge for Diversity, Equity and Inclusion. In line with this commitment, we aim to achieve a balanced 50:50 men-to-woman ratio across all our teams, including our Executive Leadership Team, by 2030. Our Count Me In self-identification initiative completed by 49% of our workforce in 2023 helps us to understand diversity trends at Finastra. We have a gender balanced Executive Leadership Team (50%) and 40% of our employees identify as women.
	Pay equality (%)	Finastra performs pay equity analyses at a country or regional level via the lens of priority groups. Finastra is committed to fair pay and has policies and supporting processes in place to focus on fair pay and compensation.
	Wage level (%)	Ratios of standard entry-level wage by gender are compared to the local minimum wage. The ratio of the annual total compensation of the CEO is compared to the median of the annual total compensation of all its employees, except the CEO. An assessment of our wages confirmed that all Finastra employees are paid above applicable minimum wages in each jurisdiction.

## 7 2023 Metrics



### Environment

# of printers eliminated	<b>9</b>
# of LEED-certified buildings	<b>7</b>
# of buildings using green energy <sup>12</sup>	<b>5</b>
# of Finastra-operated data centers closed	<b>2</b>
CDP Score	<b>B-</b>



### Social

% of senior leadership team who are women	<b>28%</b>
% women employees	<b>40%</b>
Number of workplace accidents	<b>9</b>
Severity 1 workplace incidents <sup>13</sup>	<b>0</b>
# of youth who participated in Hour of Code and FinEd programs	<b>1,617</b>
Total hours of employee volunteering	<b>10,154</b>
Employee donations to charity	<b>\$126,923</b>
Corporate donations to charity	<b>\$878,710</b>



### Governance

% of women on the Board	<b>55%</b>
# independent Board members	<b>1</b>
Pulse (FinSights) participation	<b>67%</b>
% of Self-ID for our DEI Count Me In program	<b>49%</b>
Completion of annual compliance training	<b>100%</b>
Number of instances reported through our Speak Up channels (per 100 employees)	<b>0.14</b>
Number of bribery cases requiring investigation	<b>0</b>
% of surveyed employees who felt comfortable and safe speaking up	<b>81%</b>
EcoVadis assessment percentile	<b>71st</b>

12. Green energy is energy that can be produced using a method, and from a source, that causes no harm to the natural environment.

13. Severity 1 Workplace Incident is a workplace injury or illness that requires medical treatment and results in one or more lost workdays or restricted work activities.

# 8 GHG emission calculation methodology

## Methodology:

Measurement was completed using external software to collect, calculate and report on consumption and emissions data across relevant business sites. As part of the GHG emissions calculation, the software applied relevant emissions factors from international standards. Scope 1 and Scope 2 GHG emissions have been prepared in accordance with the World Resources Institute / World Business Council for Sustainable Development's Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition and the GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard (collectively referred to as the "GHG Protocol"). Scope 3 GHG emissions have been prepared with reference to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Accounting and Reporting Standard.

## Greenhouse gases included in inventory:

Finastra's emissions account for the following greenhouse gases: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), and hydrofluorocarbons (HFCs). Other greenhouse gases, including Nitrogen trifluoride (NF<sub>3</sub>), Perfluoro carbons (PFCs), and Sulphur Hexafluoride (SF<sub>6</sub>) are not included as they are not relevant to the sources of emissions within our operational boundaries or do not generate emission material to our overall greenhouse gas inventory. Such gases are not relevant sources of emissions because enterprise software companies do not typically emit material quantities of such gases. All emissions are converted to carbon dioxide equivalents (CO<sub>2</sub>e) for reporting purposes.

## Organizational Boundary:

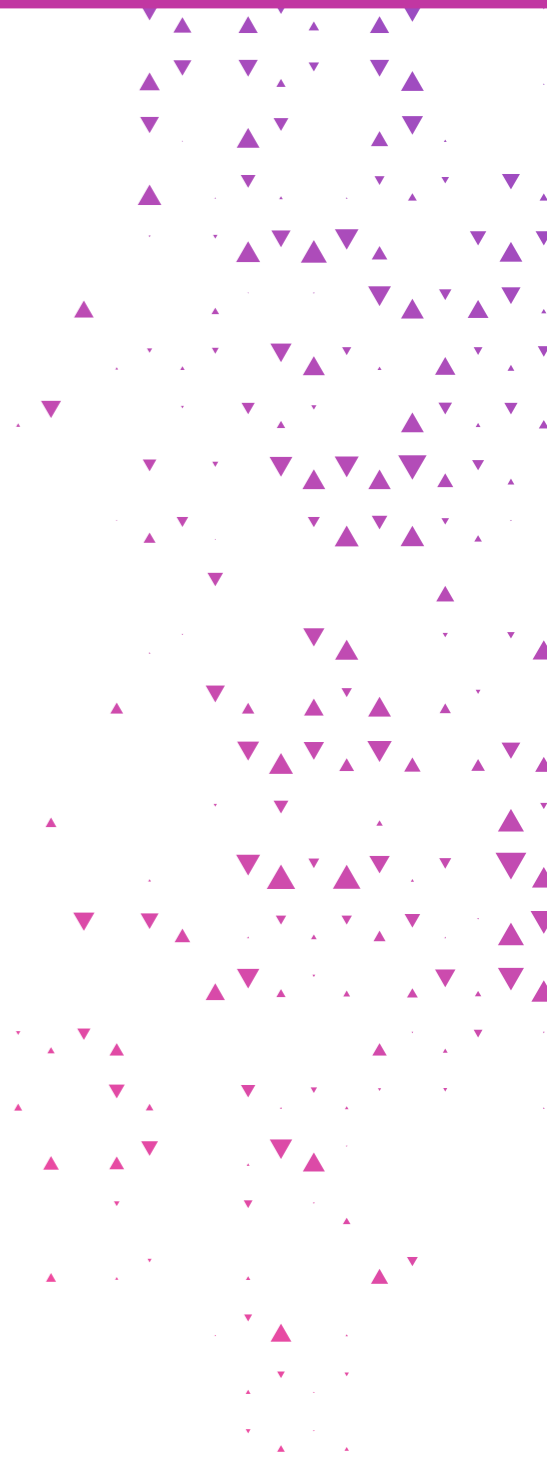
Finastra uses the operational control approach to set organizational boundaries and consolidate GHG emissions, which means we account for emissions from operations over which we have full authority to introduce and implement operating policies. Finastra presents emissions from activities within our value chain, but outside of Finastra's operational control, under scope 3 emissions.

## Operational Boundary:

Scope 1 emissions are direct emissions from the combustion of fuel from sources inside the organizational boundary and include leaked emissions from refrigerant gases. Scope 2 emissions are indirect emissions from the generation of acquired and consumed electricity, steam/heat or chilled water occurring at sources outside of the organizational boundary resulting from activities from sources inside the organizational boundary, and include: purchased electricity, steam, heat, and cooling. Scope 3 emissions are indirect emissions from sources outside the organizational boundary resulting from activities of Finastra and include cloud/data center services under Category 1 purchased goods and services; transmission and distribution loss under Category 3 fuel and energy related activities; office waste under Category 5 waste generated in operations; air, rail, road, and hotel services under Category 6 Business travel; remote workforce energy and office commuting under Category 7 employee commuting; and electricity from serviced offices under Category 8 upstream leased assets.

## Use of estimates and measurement uncertainties:

The preparation of Finastra's Greenhouse Gas Emissions Inventory requires management to make estimates and assumptions that affect the amounts reported. Emissions data presented are subject to measurement uncertainties resulting from limitations inherent in the nature and methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. Finastra bases its estimates and methodologies on historical experience, available information, and various other assumptions that it believes to be reasonable. Certain emissions rely on information provided by the suppliers / participants in our value chain, and other third parties. While these are sources that are believed to be reliable, the suitability of the design and effectiveness of the third-party systems and associated controls over the accuracy and completeness of the data has not been independently assessed.



# FINANCE IS OPEN

Finastra unlocks innovation across the world of financial services, through our trusted software and open platform.

## Disclaimer

This report includes ESG data for the calendar year 2023 that are non-financial and non-audited. This report has been prepared for general informational purposes only and is not intended to be relied upon as ESG, legal or any other advice nor to constitute any form of guarantee, or to be binding in any other way. Finastra has taken reasonable care to prepare the report in accordance with recognized ESG methodologies where applicable and practicable, and believes the contents to be correct as at the date of publication.

However, Finastra does not make any express or implied representations or warranties as to its accuracy, and shall not assume any liability for providing guidance or for any errors, mistakes, or omissions in this report. This report also contains numeric data that may have been estimated, rounded or approximated, and/or provided by third parties. Finastra cannot and does not warrant any statements set out in this report to the extent such statements derive from information provided by third parties, including third party websites referenced and/or linked to herein. The report is based on our current expectations, circumstances and assumptions and may be subject to changes due to risks and uncertainties outside of Finastra's control that are difficult to predict. Finastra does not assume any obligation to revise or update the information included in this report. Any use of the concept of materiality in this report is not intended to correspond to the concept of materiality associated with regulatory disclosures required by governments.

This report covers Finastra's owned and operated businesses and does not address the performance or operations of any suppliers, contractors, customers, or partners unless otherwise noted.

## About Finastra

Finastra is a global provider of financial services software applications across Lending, Payments, Treasury and Capital Markets, and Universal (retail and digital) Banking. Committed to unlocking the potential of people, businesses and communities everywhere, its vision is to accelerate the future of Open Finance through technology and collaboration, and its pioneering approach is why it is trusted by ~8,100 financial institutions, including 45 of the world's top 50 banks. For more information visit [finastra.com](https://finastra.com)

© 2024 Finastra. All rights reserved.

## Corporate Headquarters

4 Kingdom Street  
Paddington  
London W2 6BD  
United Kingdom  
T: +44 20 3320 5000