

# 2023

## Jack Henry™ Sustainability Accounting Standards Board Index

The Sustainability Accounting Standards Board (SASB) Foundation was founded in 2011 as a not-for-profit, independent standards-setting organization. SASB develops and maintains industry-specific standards designed to enable communications on corporate performance on industry-level sustainability issues. To learn more, visit [sasb.org](https://sasb.org).

This disclosure has been prepared following the SASB Software & IT Services standard, which we have determined to be most relevant to our business. Jack Henry does not currently address all disclosure topics or accounting metrics included in the sector standard. However, we continue to evaluate them for future disclosure. To learn more about Jack Henry’s corporate sustainability efforts, read our [2023 Sustainability Report](#).

### Environmental Footprint of Hardware Infrastructure

Accounting Metric	SASB Code	Response
(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	TC-SI-130a.1.	(1) 195,686 GJ (2) 83% (3) While all our electricity is purchased from the grid, we are in the process of evaluating locations for renewable power purchase agreements and green power products.
(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	TC-SI-130a.2.	(1) Total water withdrawn data is not available. (2) Consumption data not available; however, since we do not produce products, we expect this to be minimal. Based on the World Resources Institute’s Water Risk Atlas Tool, Aqueduct, we understand that 13.7% of our sites are in regions experiencing high or extremely high baseline water stress. Jack Henry’s physical risk assessment was conducted in calendar year 2021 and uses our FY20 real estate portfolio. This analysis will be updated in future reporting.
Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3.	Environmental considerations are a vital component of our strategic and operational planning for our data centers. In 2020, we voluntarily engaged an external consultant to assess our primary data centers in Allen, Texas, and Branson, Missouri, for environmental compliance. Operational efficiency is considered during every equipment upgrade, with the goal of improving our Power Usage Effectiveness (PUE). As part of our commitment to improve performance and efficiency of our operations, we initiated a multi-year data consolidation plan. Since initiating this plan, we have shut down computer rooms in 12 office locations, which has reduced our energy consumption and operating expenses at those locations.

## Data Privacy and Freedom of Expression

Accounting Metric	SASB Code	Response
Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1.	Jack Henry complies with statutory and regulatory obligations for information requests and public disclosures of data privacy and security. Our internal data regarding privacy and security is confidential. See the <i>Commitment to Responsible Business Practices</i> section of our <a href="#">2023 Sustainability Report</a> for more information on how we handle privacy and security.
Number of users whose information is used for secondary purposes	TC-SI-220a.2.	Jack Henry complies with statutory and regulatory obligations for information requests and public disclosures of data privacy and security. Our internal data regarding privacy and security is confidential. See the <i>Commitment to Responsible Business Practices</i> section of our <a href="#">2023 Sustainability Report</a> for more information on how we manage privacy and security.
Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3.	Jack Henry complies with statutory and regulatory obligations for information requests and public disclosures of data privacy and security. Our internal data regarding privacy and security is confidential. See the above statement on data security for more information on how we manage privacy and security. Jack Henry complies with regulatory obligations of public disclosure of certain legal proceedings. We decline to disclose further information on legal proceedings outside of these required disclosures.
(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	TC-SI-220a.4.	Jack Henry complies with statutory and regulatory obligations for information requests and public disclosures of data privacy and security. Our internal data regarding privacy and security is confidential. See the <i>Commitment to Responsible Business Practices</i> section of our <a href="#">2023 Sustainability Report</a> for more information on how we manage privacy and security.
List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	TC-SI-220a.5.	Jack Henry solutions and services are developed for, and deployed in, the United States of America. Most of these solutions and services face the end user financial institution through a dedicated virtual private network, and as such, would not be subject to any monitoring, blocking, content filtering, or censoring. Regarding those solutions which are directed toward and are visible to customers and members of financial institutions, the information collected and displayed is not of a nature that is generally subject to monitoring, blocking, content filtering, or censoring, regardless of where they may be viewed or accessed.

# Data Security

Accounting Metric	SASB Code	Response
(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	TC-SI-230a.1.	<p>Jack Henry complies with statutory and regulatory obligations for information requests and public disclosures of data privacy and security. Our internal data regarding privacy and security is confidential. See the <i>Commitment to Responsible Business Practices</i> section of our <a href="#">2023 Sustainability Report</a> for more information on how we handle privacy and security.</p>
Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2.	<p>Jack Henry has an established information and cybersecurity program that incorporates industry standard frameworks and policies, procedures, and practices designed to protect the confidentiality and privacy of Jack Henry and client information. The main components of this program include:</p> <ul style="list-style-type: none"> <li>• Integrated information security governance and oversight</li> <li>• A systematic, strategic approach to secure system design and development</li> <li>• A multi-layer, defense-in-depth approach to securing systems, data, and networks</li> <li>• Comprehensive cyber defense, threat and vulnerability management, and intelligence</li> <li>• Continuous enterprise monitoring with well-defined and rehearsed business resilience and incident response procedures</li> <li>• Robust mandatory security training and awareness program to strengthen the first line of defense – our people, including both associates and contractors</li> </ul> <p>In support of this information and cybersecurity program, Jack Henry systems and services undergo regular reviews performed by the same regulatory agencies that review financial institutions, including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Consumer Financial Protection Bureau</li> <li>• Federal Reserve Board</li> <li>• Federal Deposit Insurance Corporation</li> <li>• National Credit Union Association</li> <li>• Office of the Comptroller of the Currency</li> </ul> <p>Additional external reviews assess and identify security gaps or flaws in controls and monitor the effectiveness of our security program. Critical services provided to our clients are subject to annual System and Organizational Controls (SOC) reviews by independent auditors. SOC reports are made available via the <i>For Clients</i> portal for all clients.</p> <p>Jack Henry holds an active insurance policy that includes cybersecurity coverage.</p> <p>Leadership briefs the Risk and Compliance Board committee monthly, and the full Board quarterly on information security matters.</p>

## Recruiting and Managing a Global, Diverse, and Skilled Workforce

Accounting Metric	SASB Code	Response
Percentage of employees that are (1) foreign nationals and (2) located offshore	TC-SI-330a.1.	(1) 2.3% of Jack Henry associates are foreign nationals. (2) .06% of Jack Henry associates are located offshore.
Employee engagement as a percentage	TC-SI-330a.2.	Our 2022 average engagement index score calculation was 79% and was provided by our third-party administrator. Jack Henry's average engagement score is above the benchmark of <i>like organizations</i> as defined by the third party.
Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	TC-SI-330a.3.	46.9% of Jack Henry associates identify their gender as female and 53.1% identify their gender as male. 20.8% of Jack Henry associates identify as non-white and 78.2% identify as white. 1.0% elected not to disclose their ethnic identity. Three Jack Henry Board members identify as female and two identify as non-white. We are working toward achieving consistency in how role types are defined for further breakout of this data.

## Intellectual Property Protection and Competitive Behavior

Accounting Metric	SASB Code	Response
Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TC-SI-520a.1.	Jack Henry is committed to ensuring our values align with the highest level of ethical business practices. Our associates have all received enhanced training regarding appropriate business conduct and anticompetitive behavior. Jack Henry complies with regulatory obligations of public disclosure of certain legal proceedings. We decline to disclose further information on legal proceedings outside of these required disclosures.
Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	TC-SI-550a.1.	Jack Henry understands that any failure to deliver reliable, effective, and secure services to our customers and partners exposes us to significant business risks including additional development and remediation costs, potential loss of clients, negative publicity, and potential liability claims. Given the sensitive nature of the data we handle on behalf of our customers, Jack Henry cannot disclose the details of our business continuity and disaster recovery plans.
Description of business continuity risks related to disruptions of operations	TC-SI-550a.2.	Jack Henry maintains a corporate commitment to deliver reliable services to our clients. We understand our financial institutions expect continuous availability for critical applications. We focus on identifying and mitigating the technological and environmental risks that may interfere with our ability to deliver services to our clients. The Enterprise Continuity Program, which includes business continuity and disaster recovery planning, provides well-defined policies and procedures to facilitate business and disaster recovery. Incident response and crisis management plans have been designed to prepare for, detect, respond to, and recover from cyber and physical threats at Jack Henry in a timely and coordinated fashion.  For more information, please see our <a href="#">10-K and proxy statement</a> .

Activity Metric	Response
(1) Number of licenses or subscriptions, (2) percentage cloud-based	Jack Henry understands that any failure to deliver reliable, effective, and secure services to our customers and partners exposes us to significant business risks including additional development and remediation costs, potential loss of clients, negative publicity, and potential liability claims. Given the sensitive nature of the data we handle on behalf of our customers, Jack Henry contractually cannot disclose the number of licenses, subscriptions, or our hosting arrangements for data we control and maintain.
(1) Data processing capacity, (2) percentage outsourced	Jack Henry understands that any failure to deliver reliable, effective, and secure services to our customers and partners exposes us to significant business risks including additional development and remediation costs, potential loss of clients, negative publicity, and potential liability claims. Given the sensitive nature of the data we handle on behalf of our customers, Jack Henry contractually cannot disclose the processing capacity and any outsourcing arrangement for data we are contracted to control and/or maintain.
(1) Amount of data storage, (2) percentage outsourced	Jack Henry understands that any failure to deliver reliable, effective, and secure services to our customers and partners exposes us to significant business risks including additional development and remediation costs, potential loss of clients, negative publicity, and potential liability claims. Given the sensitive nature of the data we handle on behalf of our customers, Jack Henry cannot contractually disclose our server capacity and any outsourcing arrangement for data we control and/or maintain.

## About this Report

Jack Henry's internal audit team performed an advisory review focused on the completeness, accuracy, and reliability of the quantitative data included in this disclosure.

## Disclaimer

This report includes ESG data that is non-financial, non-GAAP, and non-audited. The Company does not make any express or implied representations or warranties and shall not assume any liability for providing guidance or for any errors, mistakes, or omissions 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 disclosures required by the Securities and Exchange Commission. This report covers the Company's owned and operated businesses and does not address the performance or operations of any suppliers, contractors, customers, or partners unless otherwise noted.

## Forward-Looking Statements

Certain statements made in this report, other than purely historical information, including estimates, projections, statements relating to our business plans, ESG initiatives and ESG metrics as a result of such initiatives, objectives and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements." Forward-looking statements generally are identified by the words "believe," "project," "expect," "seek," "anticipate," "estimate," "future," "intend," "plan," "strategy," "predict," "likely," "should," "will," "would," "could," "can," "may," and similar expressions. Forward-looking statements are based only on management's current beliefs, expectations, and assumptions regarding the future of the Company, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include, but are not limited to, those discussed in our most recent Annual Report on Form 10-K and Quarter Report on Form 10-Q, and those discussed in other documents we file with the Securities and Exchange Commission. Any forward-looking statement made in this report speaks only as of the date of the report, and the Company expressly disclaims any obligation to publicly update or revise any forward-looking statement, whether because of new information, future events, or otherwise.