

# MISSION- **DRIVEN**

**jack henry™**

**2023  
investor day**

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**Welcome**

*Vance Sherard, VP Investor Relations*

# FORWARD LOOKING STATEMENT

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Today's presentations include certain forward-looking statements, including remarks or responses to questions concerning future expectations, business plans, goals, events, objectives, strategies, trends, or results. 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 the Company's Securities and Exchange Commission filings, including the Company's most recent reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Any forward-looking statement made in this presentation speaks only as of the date of the presentation, and the Company expressly disclaims any obligation to publicly update or revise any forward-looking statement.

# Agenda

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**1:00**

## **Opening & Introductions**

Vance Sherard | VP Investor Relations



**1:10**

## **State of JKHY**

David Foss | Board Chair and CEO



**2:00**

## **Financial Overview**

Mimi Carsley | CFO



**2:30**

## **Operations Overview**

Greg Adelson | President and COO



**Break**

# Agenda

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**3:15**

## **Technology Updates**

Ben Metz | CTDO



**3:45**

## **Sales Overview**

Brian Otte | CSMO



**4:15**

## **FI Technology Trends**

Lee Wetherington | Sr. Director Strategy



**Q & A**



**5-7**

## **Technology Showcase**

# investor day 2023

David Foss • Board Chair & CEO



- **agenda**

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- Jack Henry today
- FY23 in review
- Corporate sustainability
- Technology modernization
- Closing



A Well-Rounded Financial Technology Company



**7,000+**  
associates

**300+**  
technology  
solutions

**7,800+**  
clients

**69%**  
of core clients  
use private  
cloud model

**99.8%**  
community &  
regional financial  
institutions

**\$1.94B**  
revenue as of  
6/30/2022





- **FY23 in review**

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- **Solid financial performance**
  - **Delivered strong fundamentals**
  - **Proven, sustainable business model**
  - **Many new client wins and 99+% retention (excl. M&A)**
- **Continued progress on technology modernization strategy**
- **Enhanced leadership team – Added Mimi Carsley as CFO**

- **FY23 in review**

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- **Delivering new solutions**
  - Banno Business, Financial Crimes Defender, FedNow
- **Delivered new Jack Henry branding**
  - Single consistent brand for all solutions/services
- **Enhanced employer branding**
  - Partnership with external firm to increase brand awareness
- **Published third Corporate Sustainability Report**

- **our three pillars of success**

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**Employees**



**Customers**



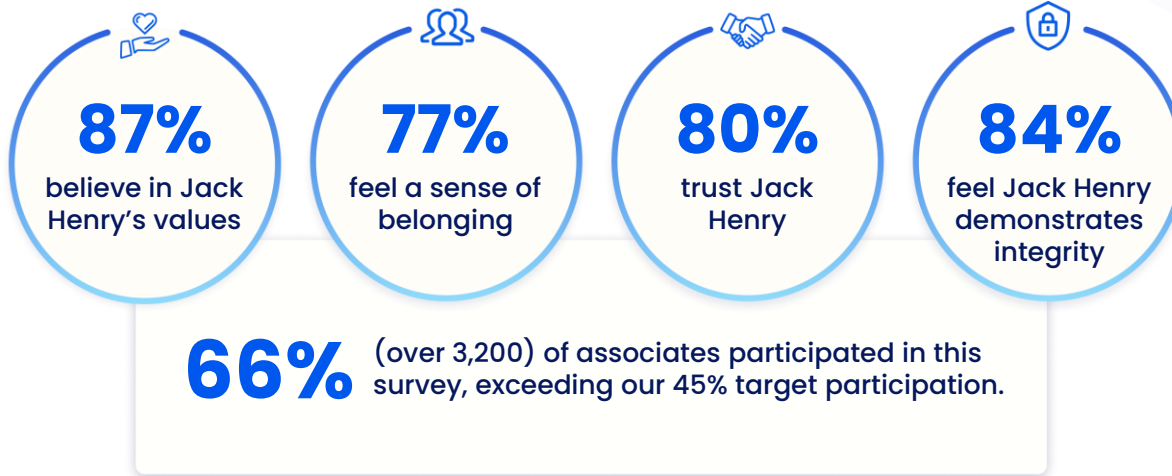
**Shareholders**

- employees



- employees

## Q3 FY23 employee experience monitor



- customers

# satisfaction with customer service rep.

4.74

as of March 2023



- customers

# investment in technology

R&D Investment

Development spend target is  
14% of total revenue

2022

\$270

2021

\$237

2020

\$227

## Technology priorities

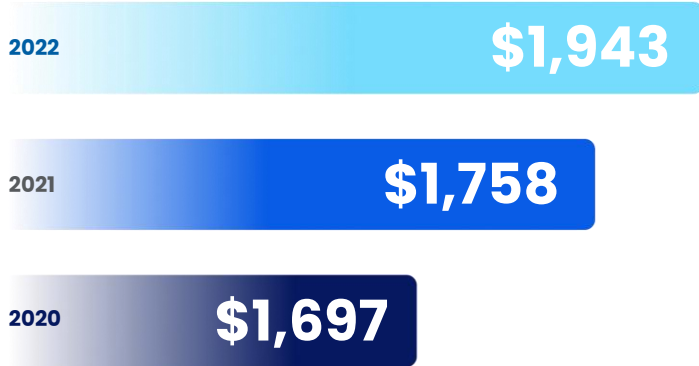
- Digital solutions / Banno Business
- Technology modernization strategy
- Financial crimes technology
- Jack Henry payments hub - PayCenter
- Cybersecurity
- Integrated account opening platform
- One Jack Henry Program
- Payrailz

- shareholders

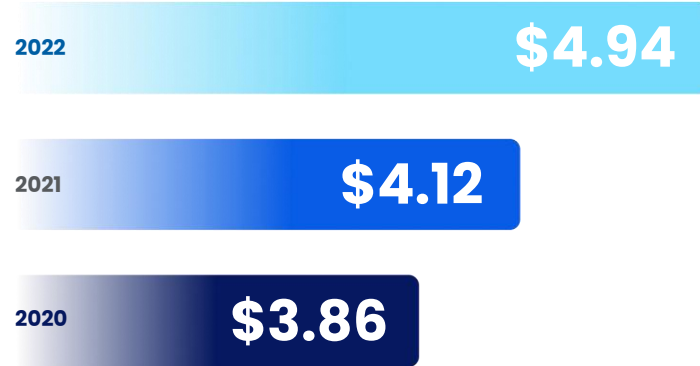
## revenue and EPS comparison

(in millions, except per share data)

### Revenue



### EPS





- **corporate sustainability**

## key sustainability priorities

- Commitment to people
- Commitment to responsible business practices
- Commitment to the planet



- gender & diversity percentages



Gender Overall Percentages

Ethnicity Overall Percentages

- **DEIB strategy**

# **diversity + equity + inclusion = belonging**



**Workforce**

Build a workforce reflective of the communities we serve



**Workplace**

Foster an inclusive environment where everyone belongs and can achieve



**Marketplace**

Strive for excellence in supporting our customers & community

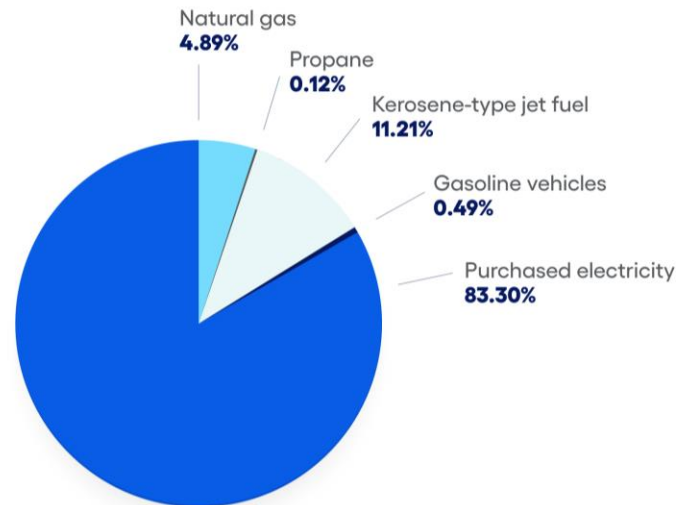
## ● low carbon transition

↓ **11.07%**

Cumulative reduction in GHG emissions since our baseline year of FY 2019



**GHG emissions**  
fiscal year-over-year

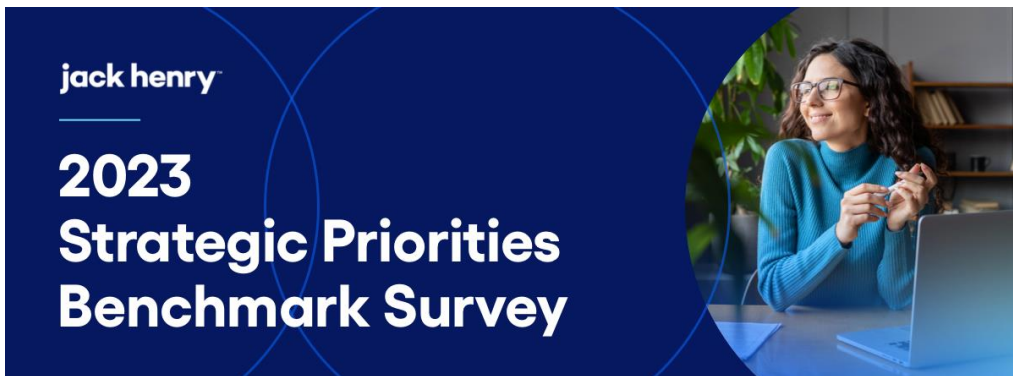


**fiscal year 2022 scope 1 and 2 GHG emissions**  
by metric subcategory

# industry outlook

- **strategic priorities benchmark survey**

Fielded 1/17 – 3/17/2023



**118**

Jack Henry bank  
and CU CEOs  
asset sizes:  
<\$500M – \$50B

- technology spend continues to rise



**Report plans to increase investments in technology**

Asset Size	Total	<\$500M	\$500M - <\$1B	\$1B - <\$50B
Increase investments by 10%+	14%	11%	18%	17%
Increase investments 6 - 10%	35%	33%	36%	37%
Increase investments 1 - 5%	30%	31%	29%	29%
Keep about the same	19%	20%	18%	17%
Decrease investments 1 - 5%	2%	3%	-	-
Decrease investments 6 - 10%	-	-	-	-
Decrease investments by 10%+	1%	2%	-	-

Source: 2023 JH strategic priorities benchmark survey

- top three strategic priorities

44%

Growing deposits

40%

Growing loans

38%

Increasing operational efficiency

Asset Size	Total	<\$500M	\$500M - <\$1B	\$1B - <\$50B
Growing deposits	44%	48%	41%	36%
Growing loans	40%	44%	31%	40%
Increasing operational efficiency	38%	43%	38%	28%
Improving accountholder experience	32%	30%	34%	36%
Accountholder acquisition	31%	30%	24%	40%
Adding digital products/features	26%	25%	31%	24%
Leveraging data for strategic insights	27%	29%	21%	32%
Supporting faster/real-time payments	15%	16%	21%	8%

Source: 2023 JH strategic priorities benchmark survey



- top strategic priorities shift slightly year-over-year

**2023**

**43%** Growing deposits

**41%** Growing loans

**39%** Increasing operational efficiencies

**2022**

**67%** Growing loans

**42%** Increasing operational efficiencies

**40%** digital products / features

**2021**

**66%** Improve digital offerings

**64%** Growing loans

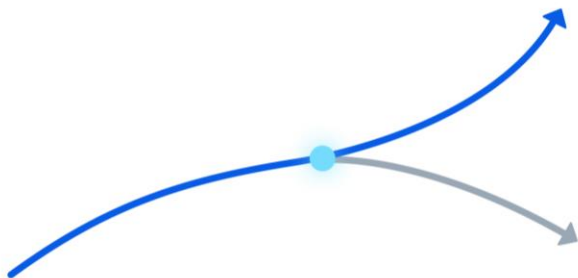
**56%** Improve customer service

**shaping the future  
of our industry**

**jack henry™**

- **disruption**

**disruption has created  
an inflection point for  
financial services.**



**Digital transformation  
of financial services  
over time**



**Financial  
fragmentation**

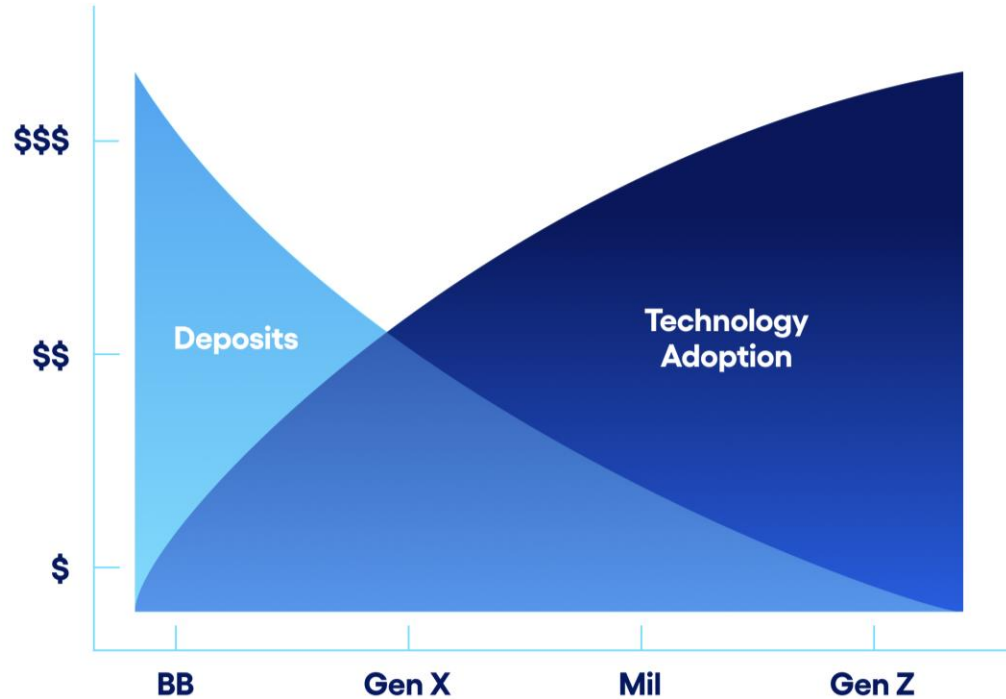


**Shifting competitive  
landscape**

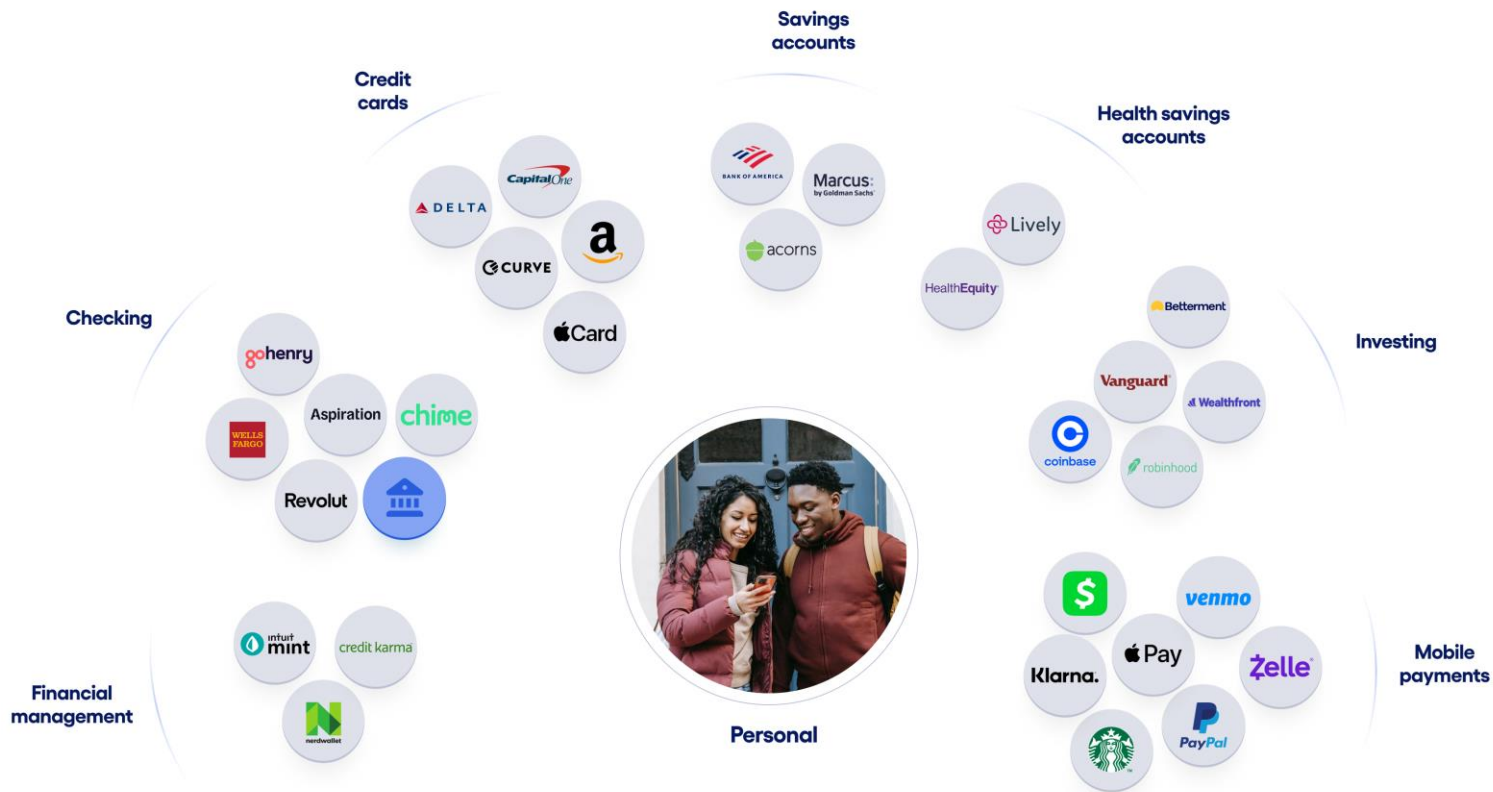


**Evolving hybrid  
monetary ecosystem**

- follow the money



# ● redefining the value of financial services



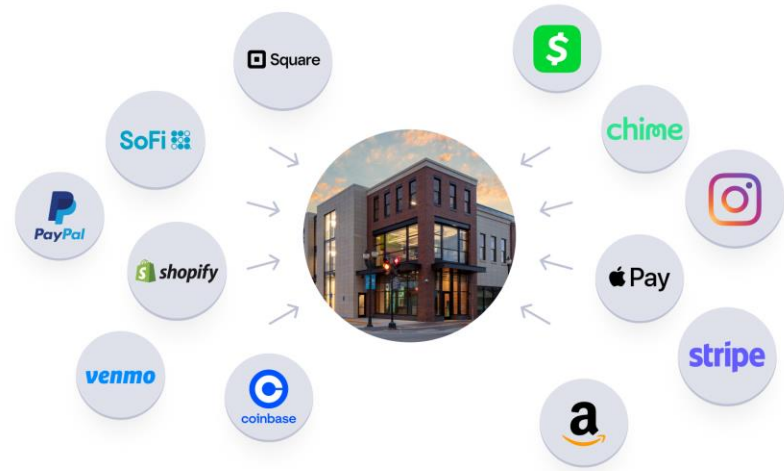
- our current landscape

# two things remain constant:

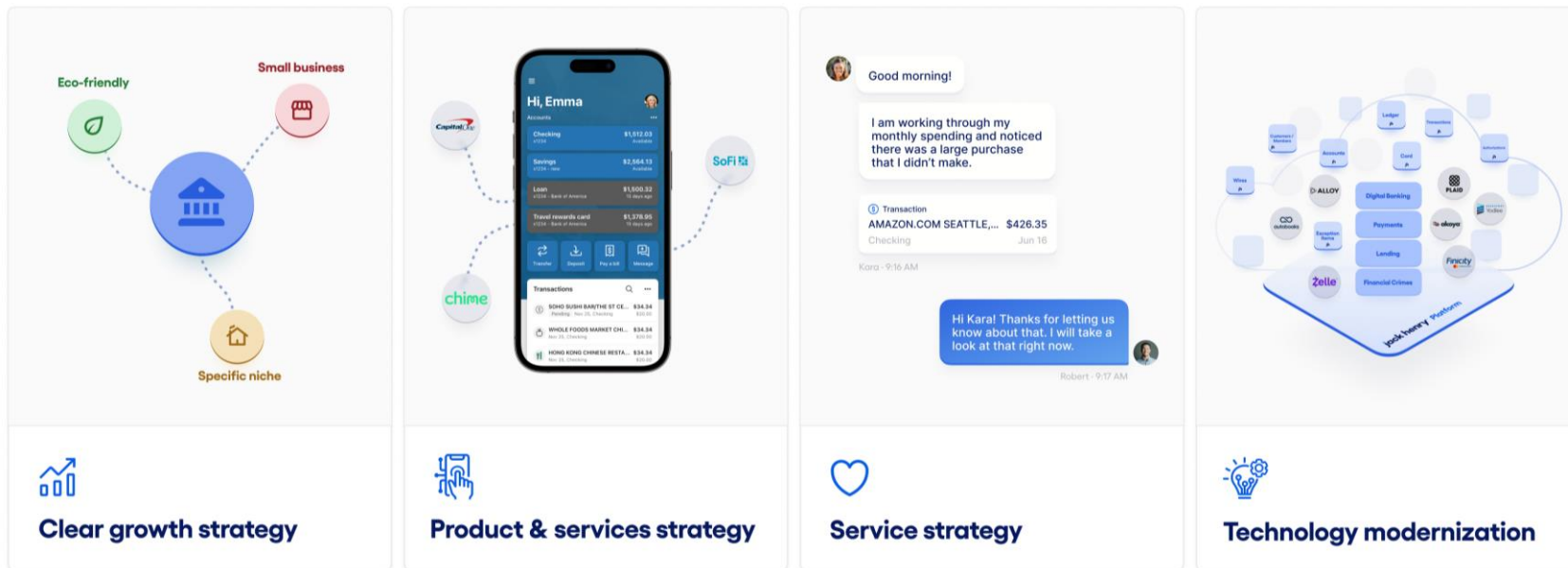


- our current landscape

Community and regional financial institutions **still** have an extraordinary opportunity to reclaim their trusted and primary position as the center of their clients' financial lives.

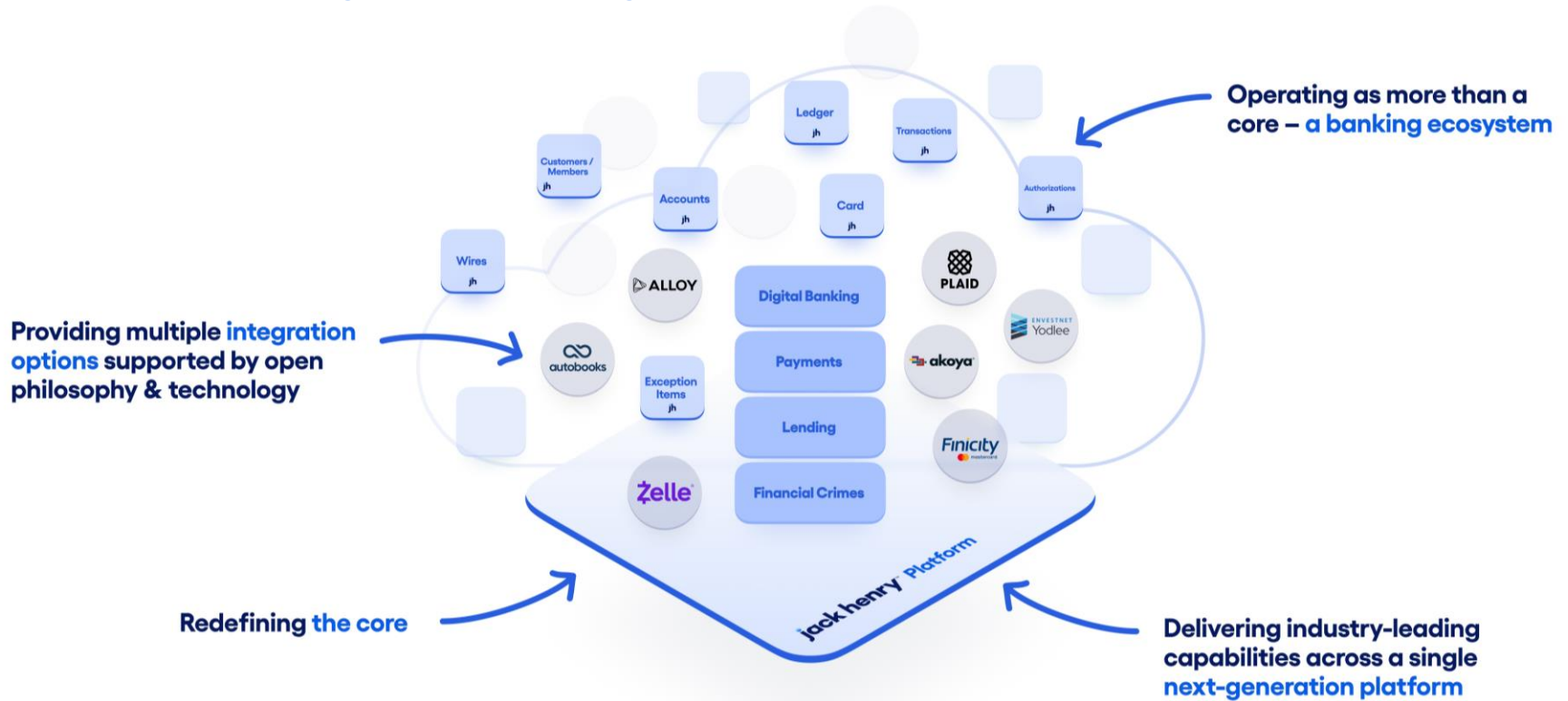


# • how financial institutions can capture this opportunity



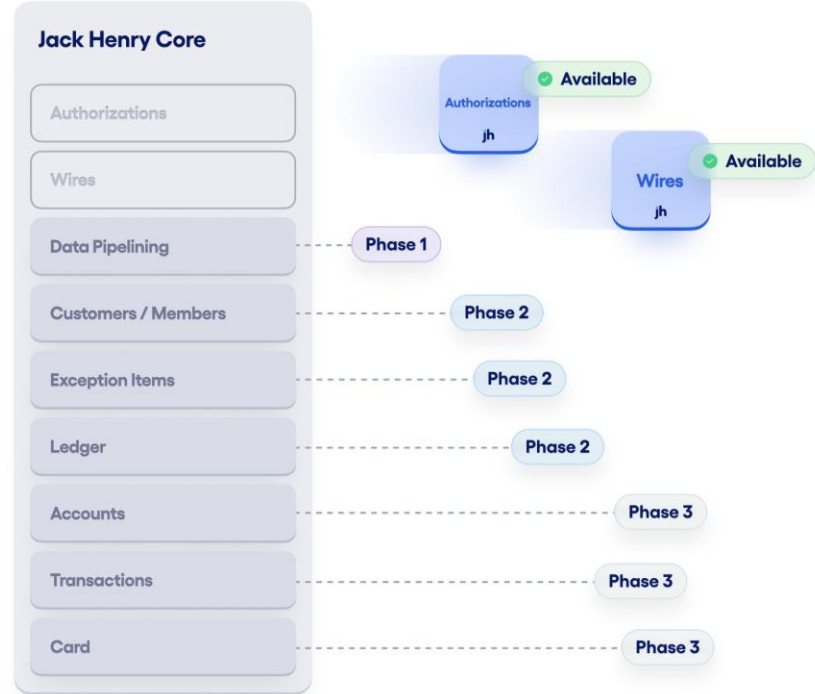


# ● modernizing our banking platform



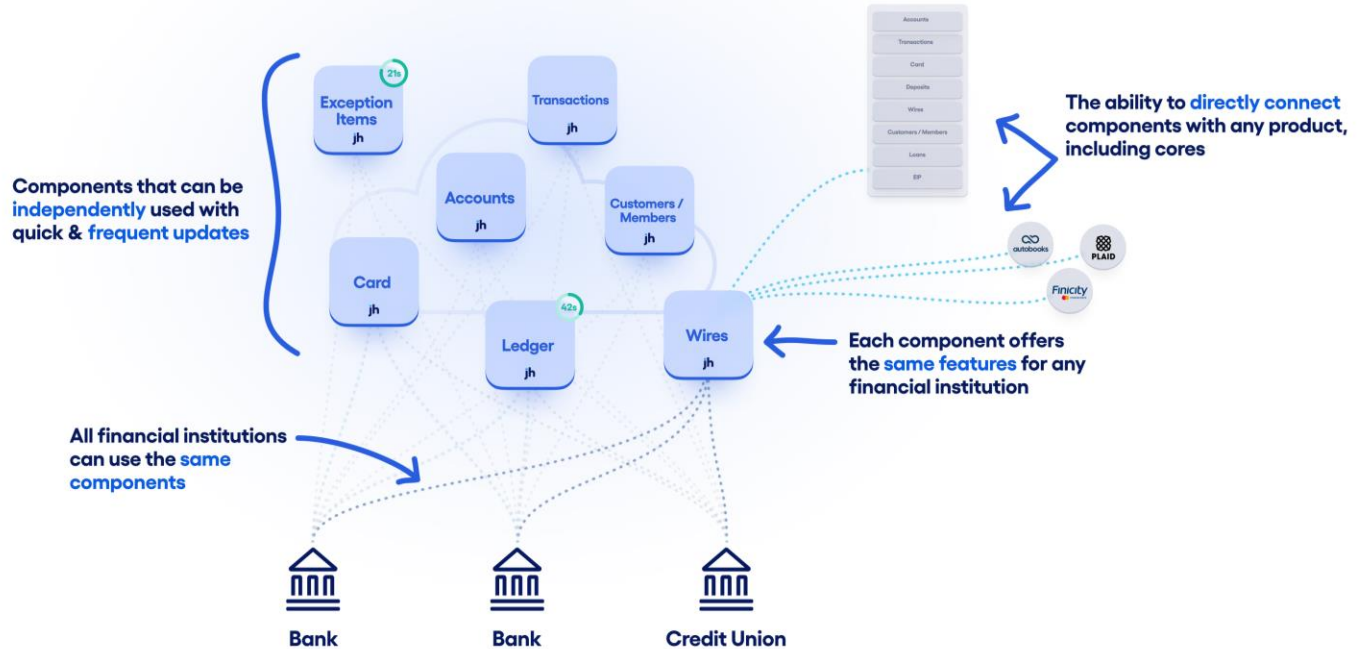
- **current state**

**As components of our core systems are modernized, customers can disable the core function and adopt the modernized service – no major conversion required.**



# ● future vision

## How financial institutions will run with the Jack Henry Platform



**Jack Henry is 100% committed to our current cores and we see our cores continuing to be attractive solutions for years to come.**

**jack henry**

## ● summary



### **Motivated workforce at Jack Henry**

We have a highly motivated and engaged workforce



### **High customer satisfaction**

We enjoy outstanding customer satisfaction levels – critical in a reference-selling business like ours



### **Technology modernization strategy**

Our next-generation, cloud-native strategy will help clients now and into the future



### **Jack Henry is well-positioned**

We are well-positioned with new solutions to help address the challenges our clients face every day

## ● future outlook



### **Focus on financial services**

Continue our dedicated focus on financial services



### **Enhance our products & services**

Leverage advancing technologies to enhance products and services



### **Focus on customer service**

Maintain our high levels of customer service and satisfaction



### **Commitment to openness**

Continue our commitment to open banking



### **Pursue acquisitions**

Pursue disciplined acquisitions that fit our strategy

- **founding philosophy**



**Do the right thing**



**Do whatever it takes**



**Have fun**

**jack henry**<sup>SM</sup>

[jackhenry.com](https://jackhenry.com)

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# investor day 2023

Mimi Carsley • CFO & Treasurer

## a little about me

- Career spent at the intersection of finance and technology
- Growth-oriented public companies
- 15+ Microsoft focused on strategy, M&A, Corp Fin, and BU CFO
- 10+ in wealth management
- Passionate about culture, business partnership, strategic clarity & shareholder value
- Married, 2 kids, 3 dogs



# why I joined Jack Henry

- **CULTURE**

- Blend of disciplined focus, execution success, and technology innovation
- History of proven execution success & technology innovation
- High quality earnings & strength of business model
- Incredible team



# Q3 performance recap and FY23 outlook

	<b>FY23.YTD</b>	<b>Guidance</b>	<b>FY23 Growth</b>
	in millions, except EPS and dividend per share		
<b>GAAP revenue</b>	<b>\$1,543</b>	<b>\$2,050-\$2,057</b>	<b>5.5%-5.9%</b>
<b>Non-GAAP revenue</b>	<b>\$1,520</b>	<b>\$2,021-\$2,028</b>	<b>7.0%-7.3%</b>
<b>GAAP operating income</b>	<b>\$356</b>	<b>\$470-\$474</b>	<b>(0.9%)-(0.1%)</b>
<b>Non-GAAP operating income</b>	<b>\$344</b>	<b>\$460-\$464</b>	<b>7.6%-8.6%</b>
<b>GAAP diluted EPS</b>	<b>\$3.68</b>	<b>\$4.85-\$4.87</b>	<b>(1.8%)-(1.4%)</b>
<b>Dividend per share</b>	<b>\$1.50</b>	<b>\$2.02</b>	<b>6.3%</b>

Non-GAAP adjustments include deconversion, acquisition and certain gains on asset disposal.

# investment thesis



- Culture – history of doing the right thing
- Sizable market opportunity
- Durable moat & business model resiliency
- Fortified balance sheet & strong FCF generation
- Disciplined capital allocator with attractive shareholder return
- Investing for future growth; experienced M&A acquirer

# culture – history of doing the right thing



**Do the right thing**



**Do whatever it takes**



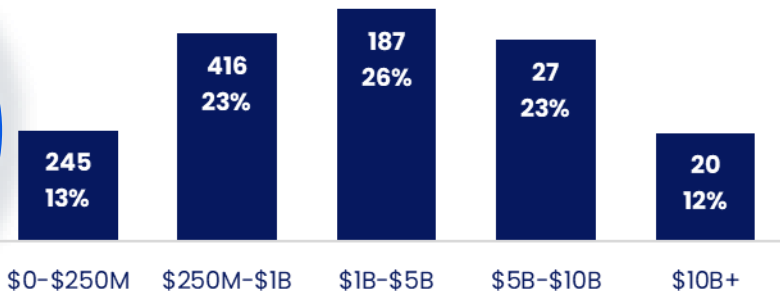
**Have fun**

# sizable market opportunity

## Core: Banks

**25%**

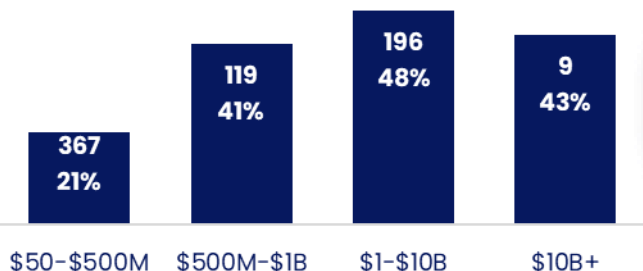
JH market share of \$500M-\$10B



## Core: Credit Unions

**45%**

JH market share of \$500M-\$10B



we serve

**Banks**

**Credit Unions**

**DeNovo Banks**

**Fintechs**

solid market presence

**900+ banks**

**700+ credit unions**

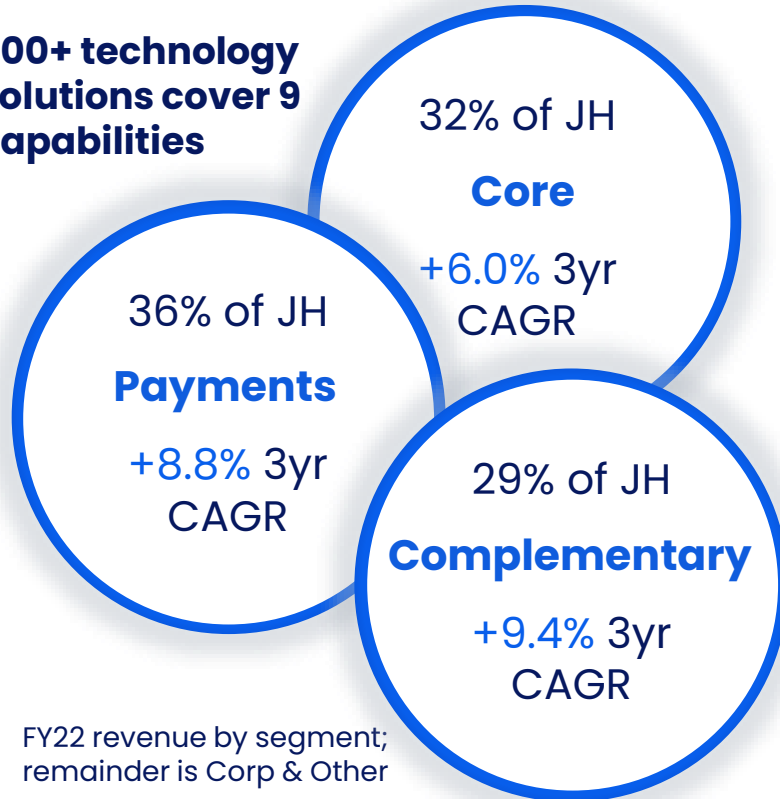
**6100+ complementary customers**

with room to grow

Source: FDIC 12.31.22 Q4

# business model resiliency creates a durable moat

300+ technology solutions cover 9 capabilities



FY22 revenue by segment; remainder is Corp & Other

## Customer

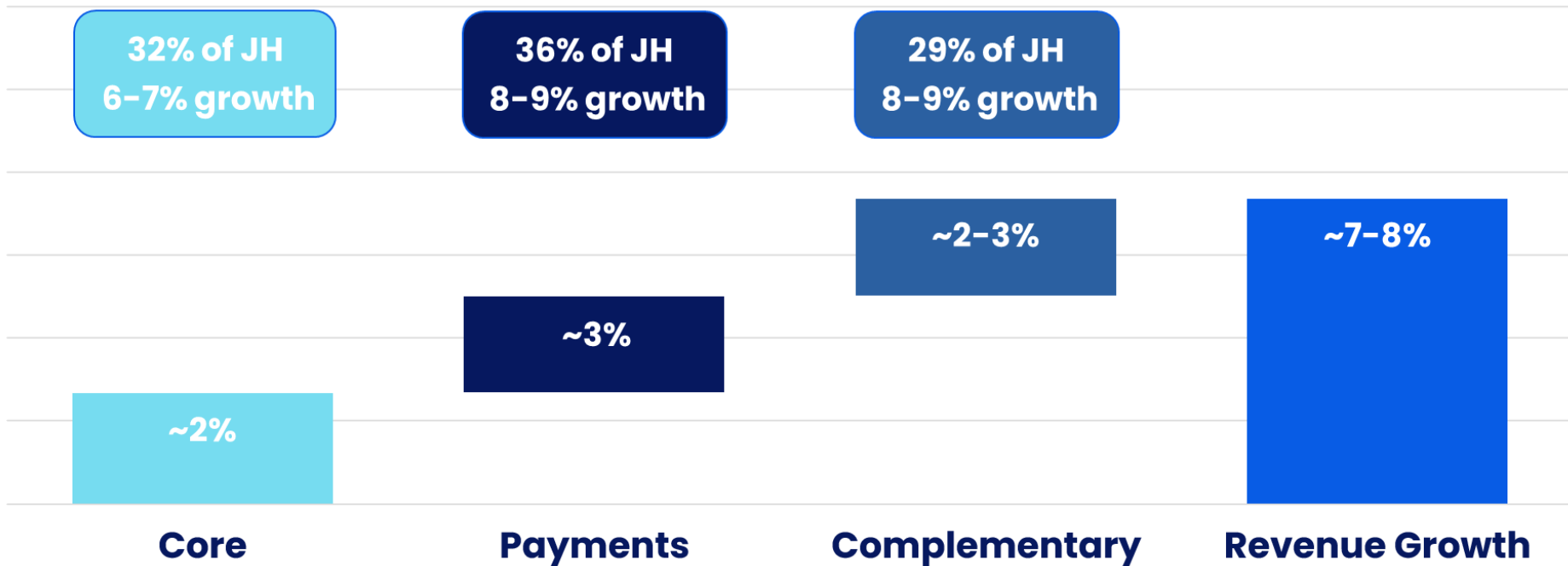
- Diverse asset size & customer profile
- Strong 99+% retention excl M&A
- Mission critical solutions
- 20+ year retention (Banks 55%, CUs 33%)

## Billing Structure

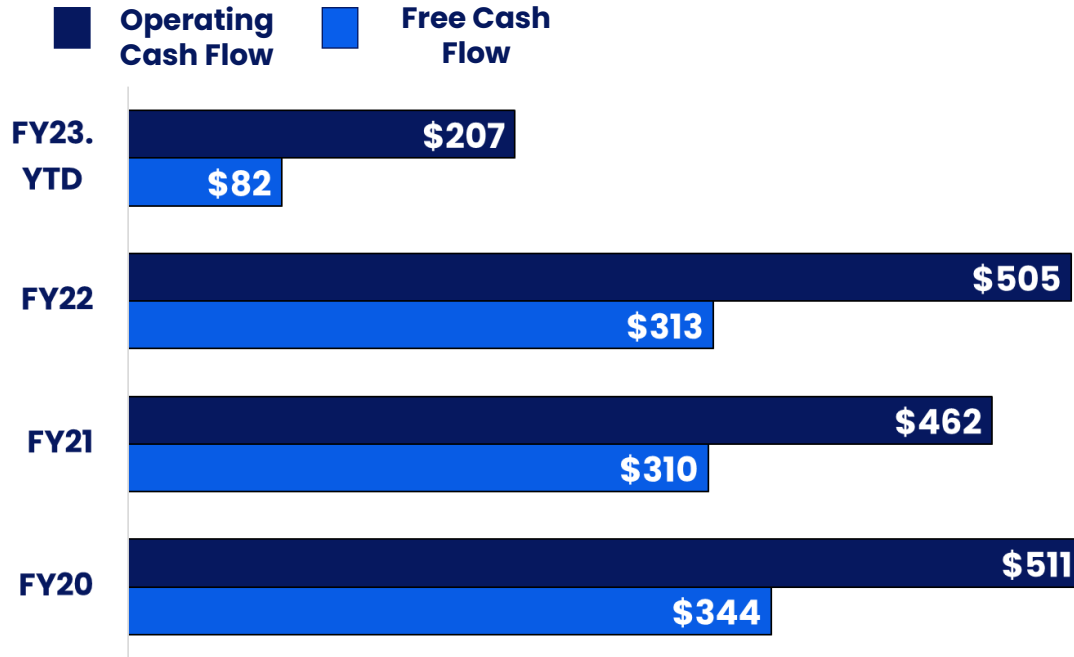
- Multi-year contracts
- Transactions, Active Users
- Accounts, Members, Assets
- One-time (less than 10% of revenue)



# non-GAAP revenue growth in a “normalized” year



# fortified balance sheet & strong FCF generation



## Ample operating liquidity

- Access to \$600M revolver
- Low leverage ratio .54x

## Quality A/R collections

## Strong balance sheet

# disciplined capital allocator with attractive shareholder return



Dividend raised for the 34<sup>th</sup> consecutive fiscal year



Commitment to return excess capital to shareholders

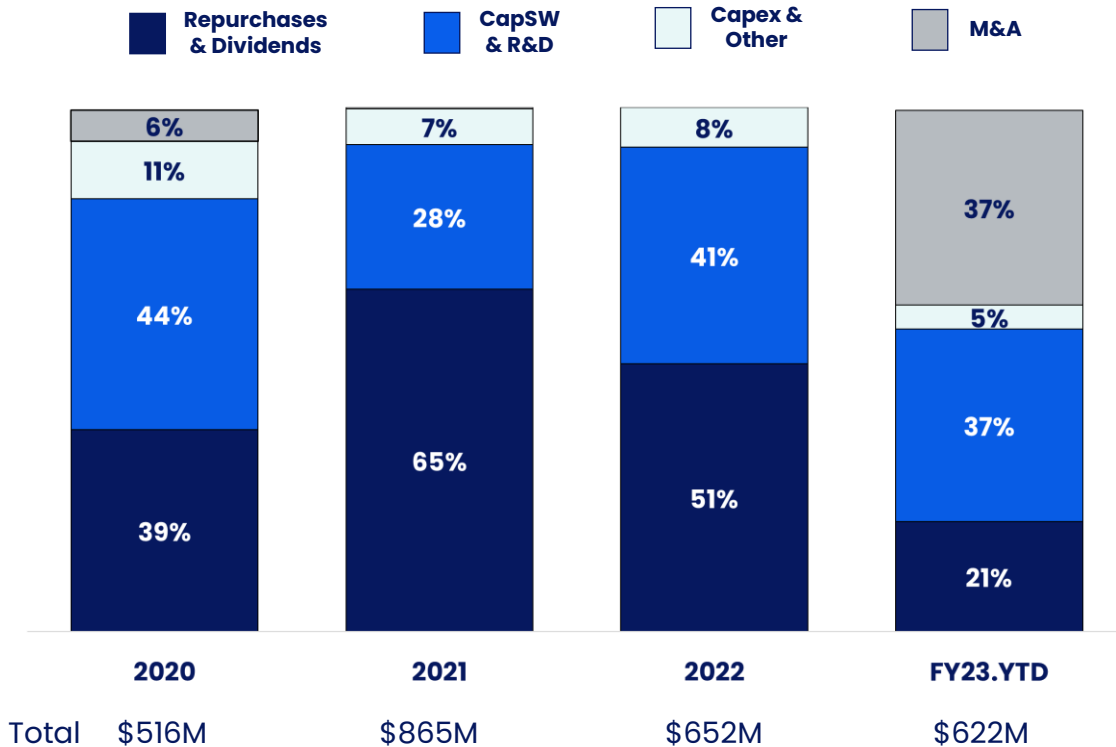


Focused investment drives innovation and future growth



data FY20 – FY23.YTD

# good stewards of capital



**\$1.4B**  
investments fuel growth & support operations

**\$1.2B**  
capital returned to shareholders

data FY20 – FY23.YTD

# investing for future growth



**Jack Henry is an experienced, disciplined acquirer.**

# by the numbers

**90%+**

Recurring  
Revenue

**99.6%**

Organic  
Growth  
YTD.FY23

**99%+**

Retention  
excluding FI  
consolidation

**7.5%**

Revenue

**10.3%**

Operating  
Income

**41%**

Rule of 40  
FY22

Non-GAAP 3-yr CAGR as of FY22

FY22 Non-GAAP revenue growth +  
Non-GAAP EBITDA margin

# positioned for long-term, sustainable growth and compelling TSR

## Innovative, Well-Rounded Fintech Leader

Focused execution, leading people-inspired innovation drives exciting future.

## Durable and Consistent Growth

Large moat and diverse solution portfolio resulting in profitable growth.

## Attractive Capital Return

Disciplined capital allocator yielding enviable track record of driving shareholder return.

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## **Operations Update**

*Greg Adelson | 5/15/2023*



# agenda

- Key product update
- ONE Jack Henry progress
- Payrailz acquisition update



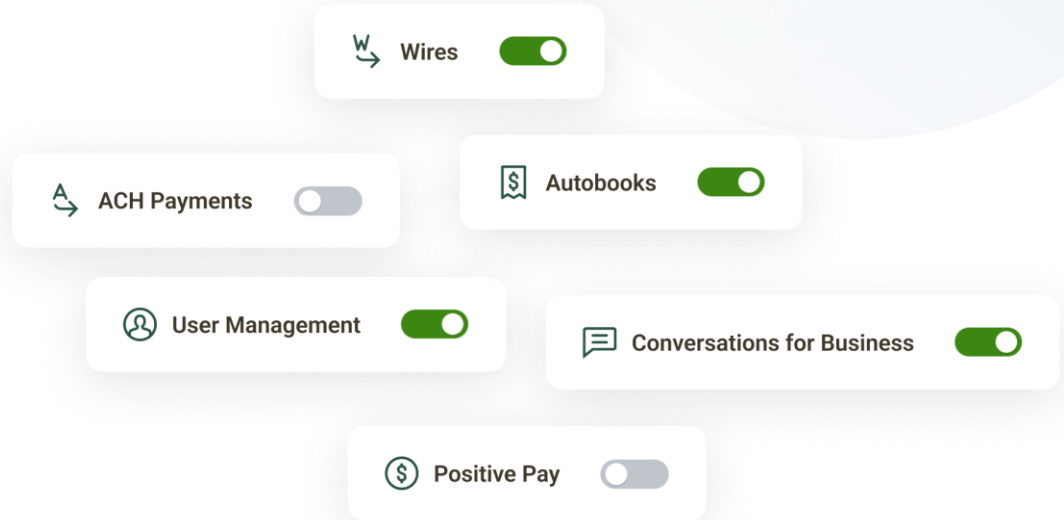
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# key product update

# key product update

## Banno Business

- A suite of tools to serve the small business base without requiring the overhead of a full commercial banking suite - includes ACH, wire, positive pay, and more.
- Extends the Banno experience seamlessly from retail to business users.



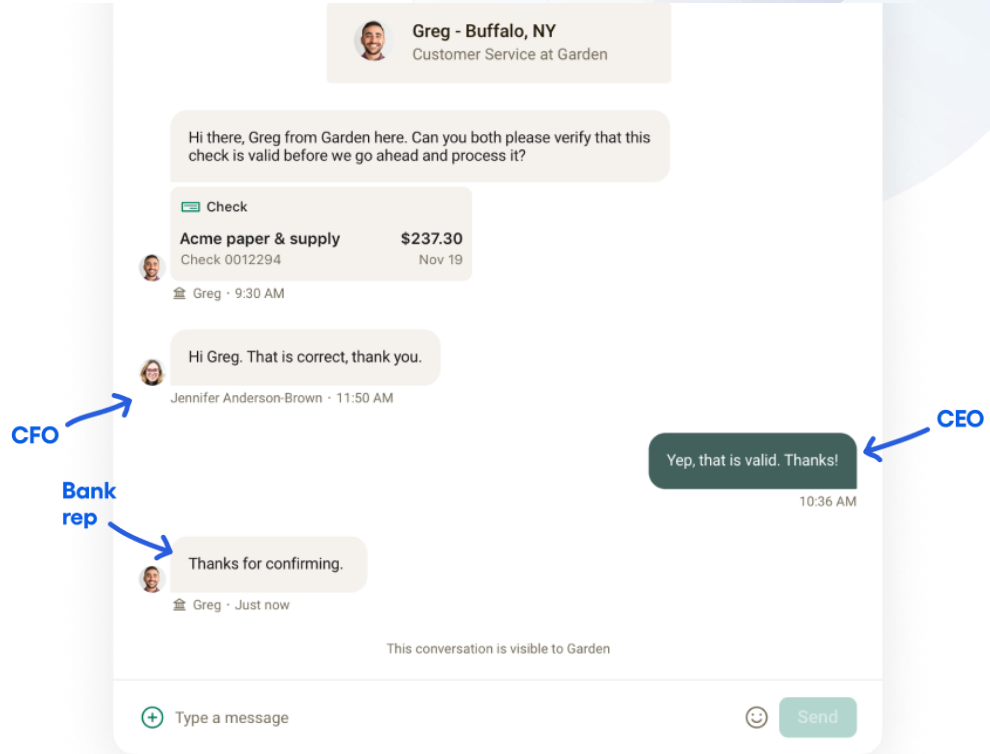
# Banno Business

- Beta in progress for both Silverlake and Symitar platforms.
- General availability is Jul 2023 for Silverlake and Sep 2023 for Symitar.
- Conversations feature reduces fraud by centralizing banking discussions in a secure, authenticated environment.

  
**345**  
contracted  
customers\*

  
**42**  
Beta  
customers\*

\*as of 4/21/2023



**Greg - Buffalo, NY**  
Customer Service at Garden

Hi there, Greg from Garden here. Can you both please verify that this check is valid before we go ahead and process it?

**Check**  
**Acme paper & supply** \$237.30  
Check 0012294 Nov 19

Greg · 9:30 AM

Hi Greg. That is correct, thank you.

Jennifer Anderson-Brown · 11:50 AM

Bank rep

Thanks for confirming.

Greg · Just now

CFO

CEO

Yep, that is valid. Thanks!

10:36 AM

This conversation is visible to Garden

Type a message Send

# key product update

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## Financial Crimes Defender

- Real-time fraud / anti-money laundering (Bank Secrecy Act) compliance platform.
- Cloud-native, next-generation solution with modern user interface and enhanced features over current Yellow Hammer solution.

# Financial Crimes Defender

## Current Status:

- In Beta with multiple Silverlake banks and Symitar clients
- General availability is Jul 2023 for both Silverlake and Symitar

## Contracts sold to date – 65\*

- 41 Enterprise Solution
- 24 Faster Payments Only

## Early Adopter installs – 18\*

- 7 in May 2023
- 11 in June 2023

**\*As of 4/21/2023**



# key product update

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## Enterprise Account Opening

- Cloud-native, API-first account opening platform that replaces multiple offerings across Jack Henry, creating a seamless deposit (JH OpenAnywhere) and loan origination (JH LoanVantage) experience across any channel, on any device, at any time.
- Creates the ability to originate and update both loan and deposit accounts with enhanced fraud detection, decisioning process, and embedded forms generation in a single user experience.

# Enterprise Account Opening

## Current Status:

- Integration for Phase 1 between LoanVantage and OpenAnywhere is complete.
- Several releases planned between Jul 2023 and Jul 2024 (planned general availability date)

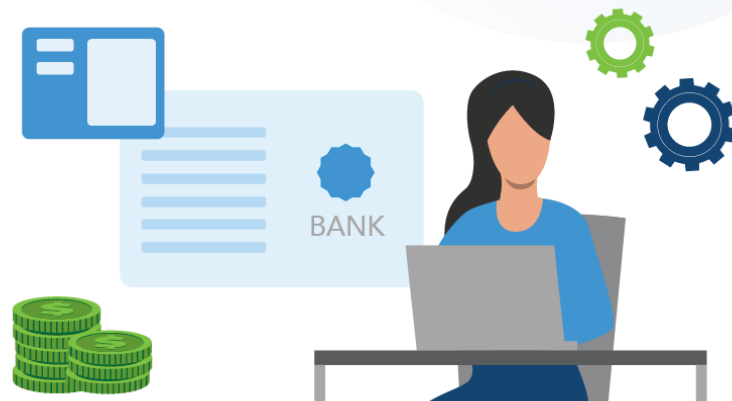
## LoanVantage Contracts\*

- 160 FIs Live
- 48 FIs in backlog

## OpenAnywhere Contracts\*

- 119 FIs Live
- 37 FIs in backlog

\*As of 4/21/2023





# key product update

## PayCenter – FedNow<sup>SM</sup>

- The FedNow service is an instant payment network backed by the U.S. Federal Reserve that will operate like FedACH, FedWire, and Check 21.
- FedNow provides real-time movement of funds and settlement at the time of the transaction, something not yet available with The Clearing House (TCH) solution.



# PayCenter FedNOW

## Current FedNow Status:

- JH was first processor to engage and test
- Certification testing complete with Silverlake and Symitar cores; other two cores in CY Q3 2023
- Beta testing in May/June with initial Beta launch planned for July 2023
- 51 clients signed; 20 clients to launch during Jul-Sept 2023

## Real-Time Payments (RTP) Status\*:

- 258 contracts sold; 187 live (~60% of RTP live institutions)
- Transaction growth continues - ~400k/mo

\*As of 4/21/2023





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# ONE Jack Henry progress

# What is ONE Jack Henry?

A focused effort to identify opportunities to simplify how customers, prospects, and consultants work with our organization.



# our operating principles

## the four tenets



### transparency

Candid and open communication



### collaboration

Working together unselfishly toward a common goal



### consistency

Developing similar and repeatable processes



### communication

Ensuring important information is flowing through a variety of mediums

# accomplishments: transparency & consistency

- Roadmap consistency and execution
- Consistent incident management approach
  - Implemented single-group management
  - Consolidated observability across all platforms
  - Standardized customer alert process
  - Initiated dual-control signoff with clients
  - Created diagrams to depict a complete product view



# accomplishments: consistency & collaboration

- Created Customer Success Team
  - Centralized education teams
  - Improving urgent case resolution times
  - Reducing number of outstanding cases
  - Coordinated client communication for all outgoing messaging across the enterprise



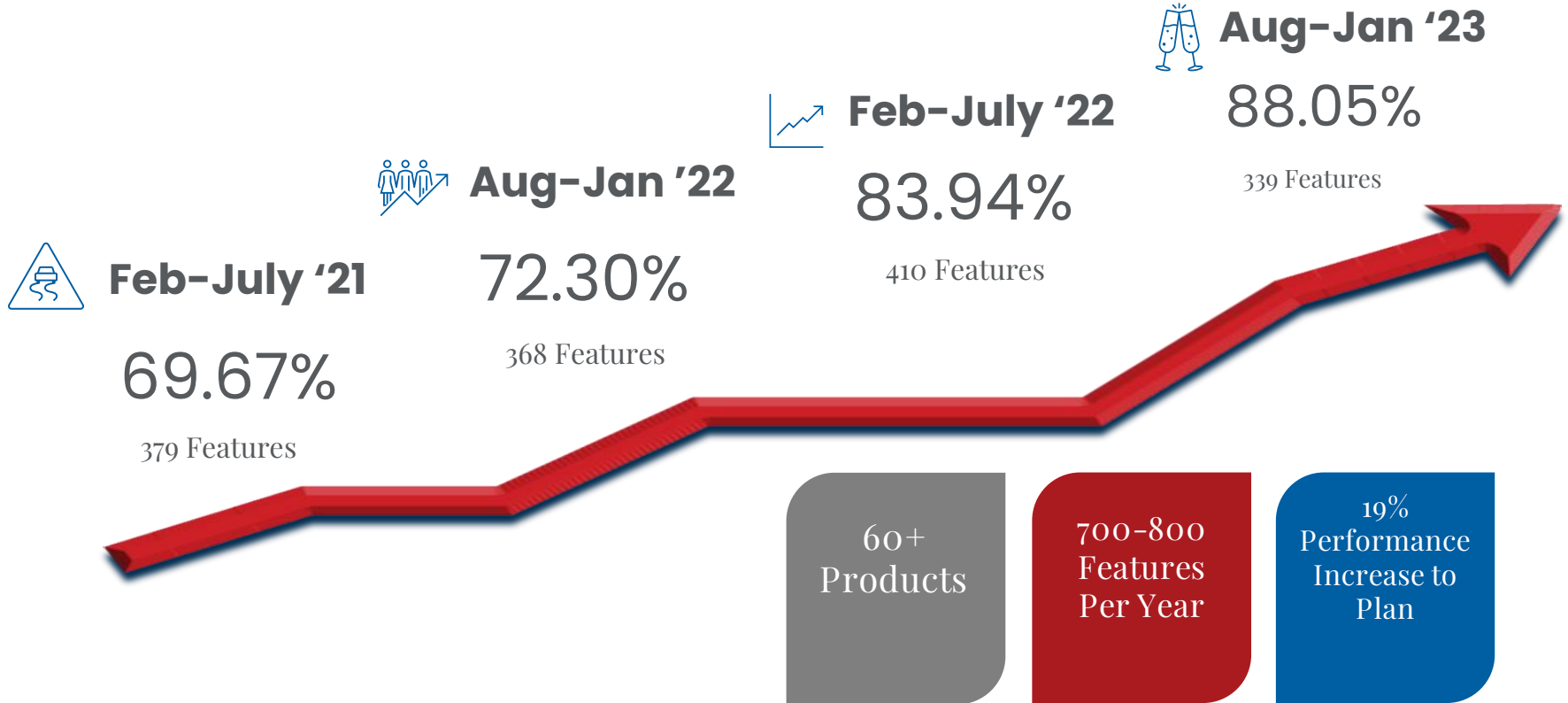
# in progress: consistency & communication

- Initiatives focused on contract, pricing, & billing simplification
- Product Development Lifecycle (PDLC)
- Implementation process
- Salesforce CRM implementation

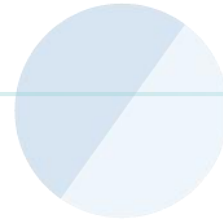




# 6-month roadmap metrics



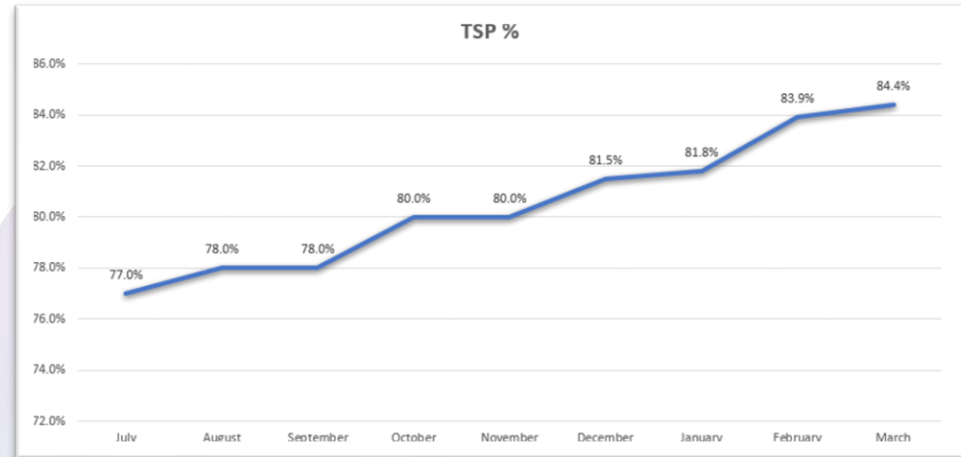
# Time to Solution Presentment (TSP)



- Enterprise-wide operational performance metric
- Urgent operational support cases – response and solution within 24 hours

## Progress to date:

- Implemented in July '22 – success rate on urgent cases was 77%
- Ended March '23 at 84.4%
- Identifying additional case types to similarly track and measure (July 2023)



# other key priorities

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## Facilities

- Right-sizing real estate



## Data Centers

- Multi-cloud strategy
- Rationalizing on-premise data centers
- ESG Initiatives





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# Why Payrailz?

# key differentiators

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## One platform, all payments

- Removes the disjointed bill pay, person-to-person and transfer experiences that current payment vendors provide today

## Centralized payment engine

- Integrates with multiple rails for both funding and disbursement of payments and utilizes dynamic transaction routing for channel optimization

## Modern payments experience

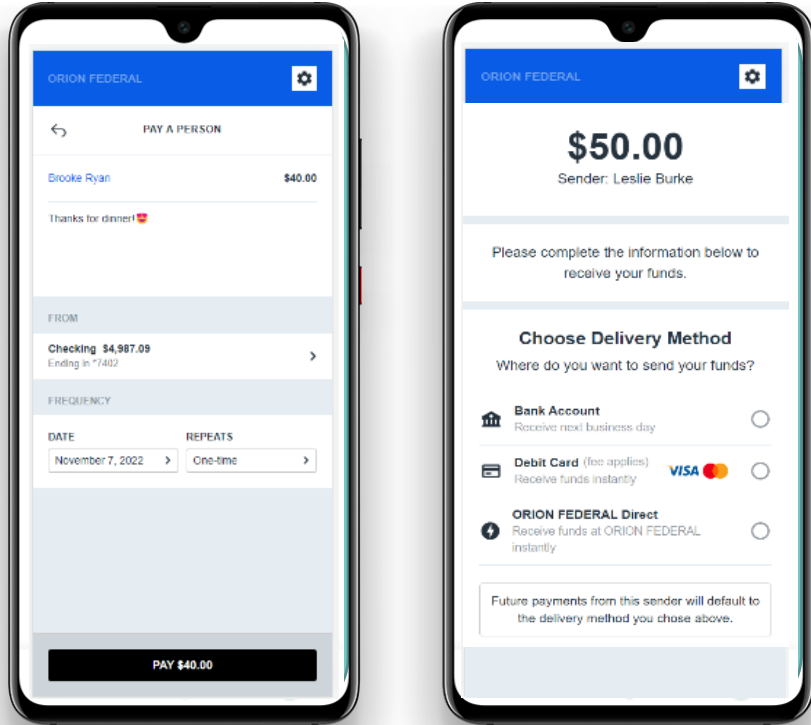
- Leverages modern design, AI, and machine learning for deeper engagement and increased adoption

## Superior security and fraud detection

- AI-based integrated fraud monitoring that utilizes data and behavioral analytics to identify potential fraud in real time



# key feature: pay a person



## Key differentiators

- Open-loop network – pay anyone
- Supports instant, future-dated, and recurring payments
- Real-time fraud monitoring
- Centralized settlement – no ops overhead
- Social experience – multi-pay, emojis
- Mobile contacts available
- Frictionless recipient experience
- Multiple real-time payment options

# payrailz update

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- Team is fully integrated and performing well in payments group
- Key internal integration projects are complete
- Several key third-party partners still completing priority work loads
- Sales activity has increased with improved messaging and targeted campaigns
- 73 clients in production and 66 in implementation queue (as of 4/21/23)
- 48 new contracts and 17 add-on solutions sold since Sept 2022 (as of 4/21/23)



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# Questions?



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**CTO Update**

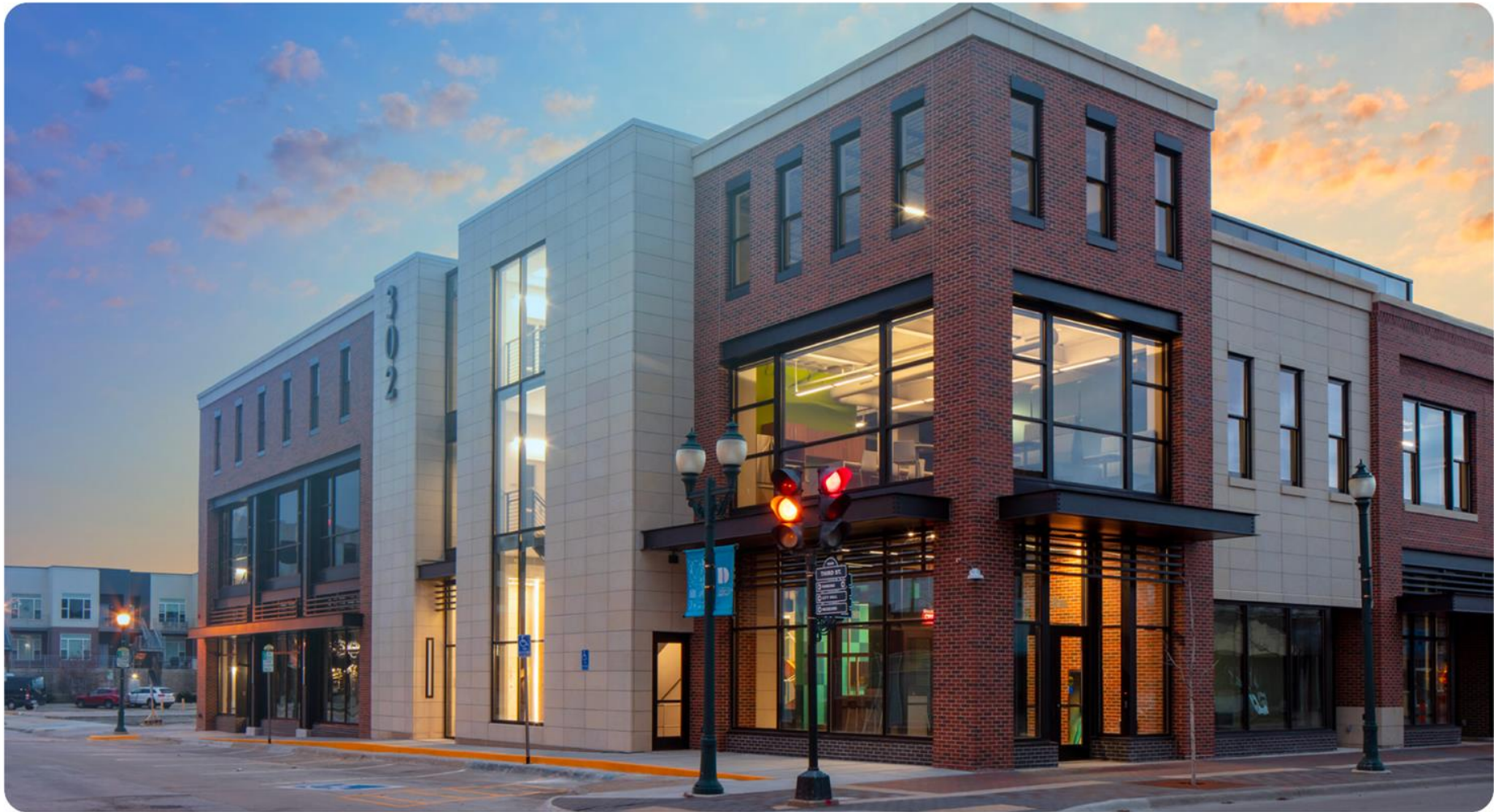
*Ben Metz | 5/15/2023*

A photograph of a modern, multi-story building with a mix of brick and light-colored stone or concrete panels. The building features large glass windows and doors, some of which are illuminated from within. The sky is a mix of blue and orange, suggesting dusk or dawn. A traffic light and a street sign are visible in the foreground. A white rounded rectangle with text is overlaid on the left side of the image.

We believe that

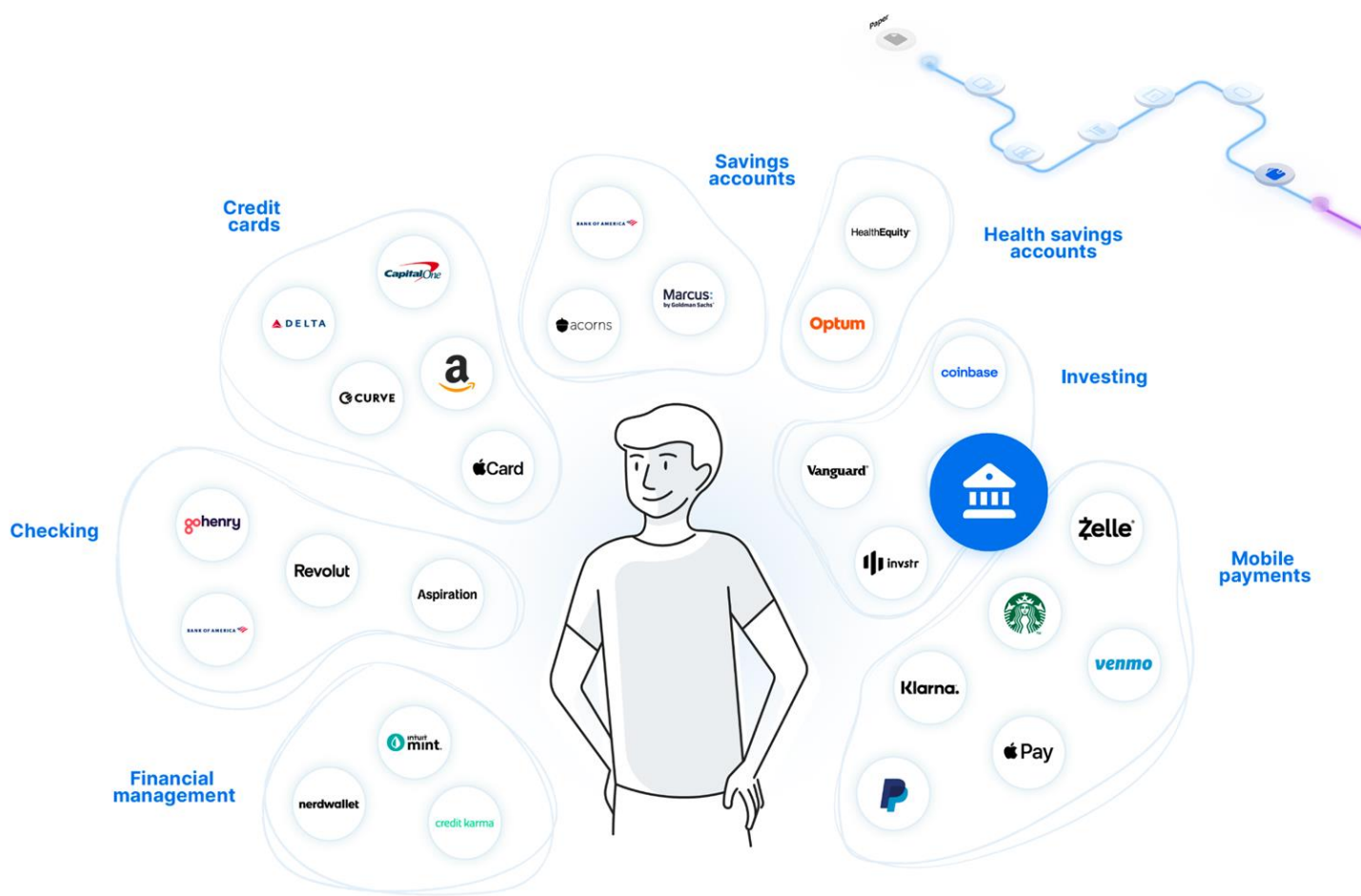
**the US is NOT a better  
place without our  
community financial  
institutions.**





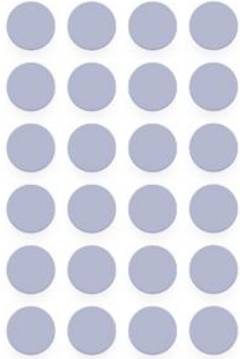
## Pre-Digital





# 20-30

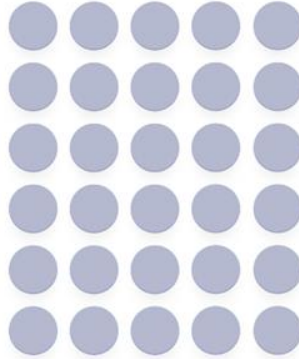
financial relationships



Average person

# 30-40

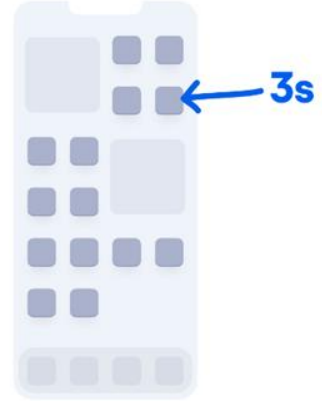
financial relationships



Average millennial family

# 14

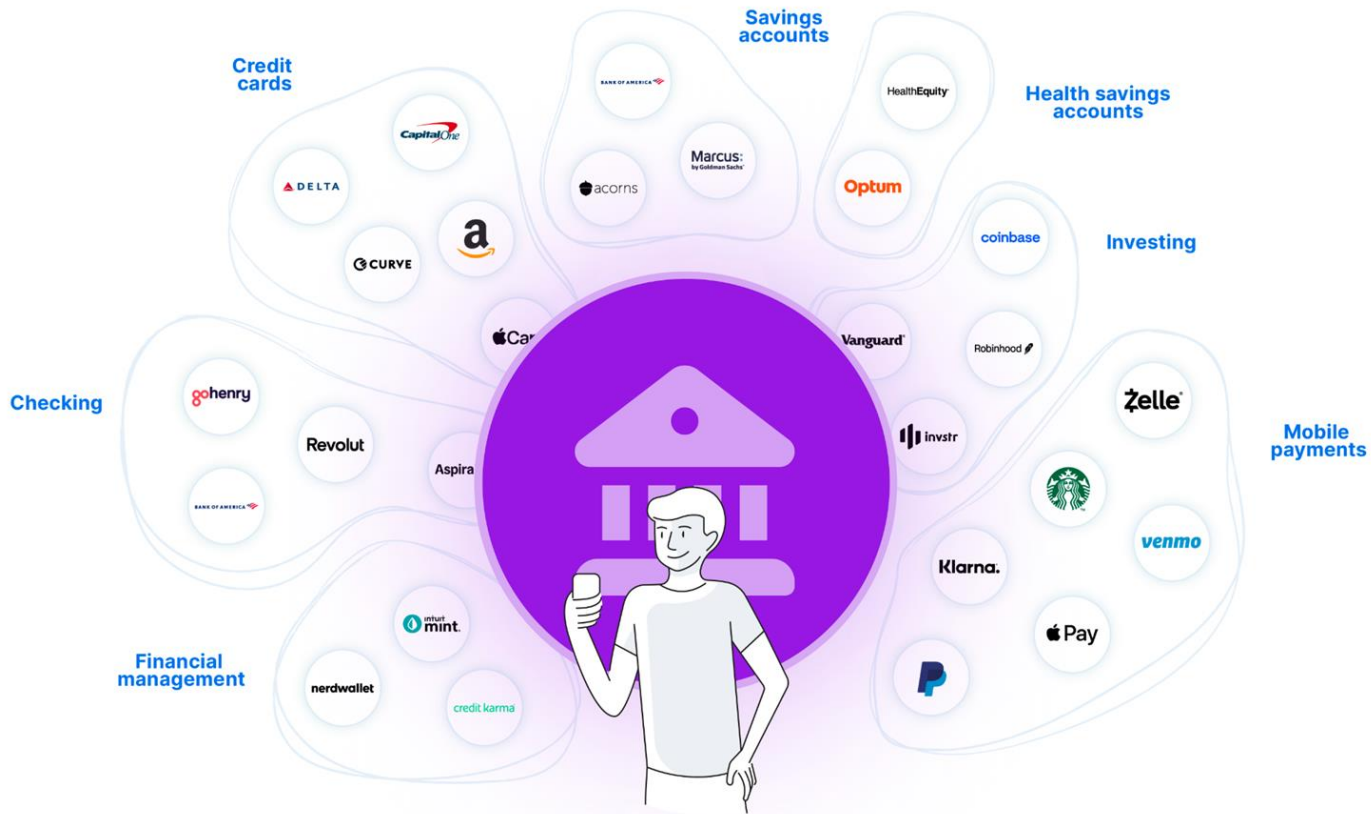
financial apps



Average person







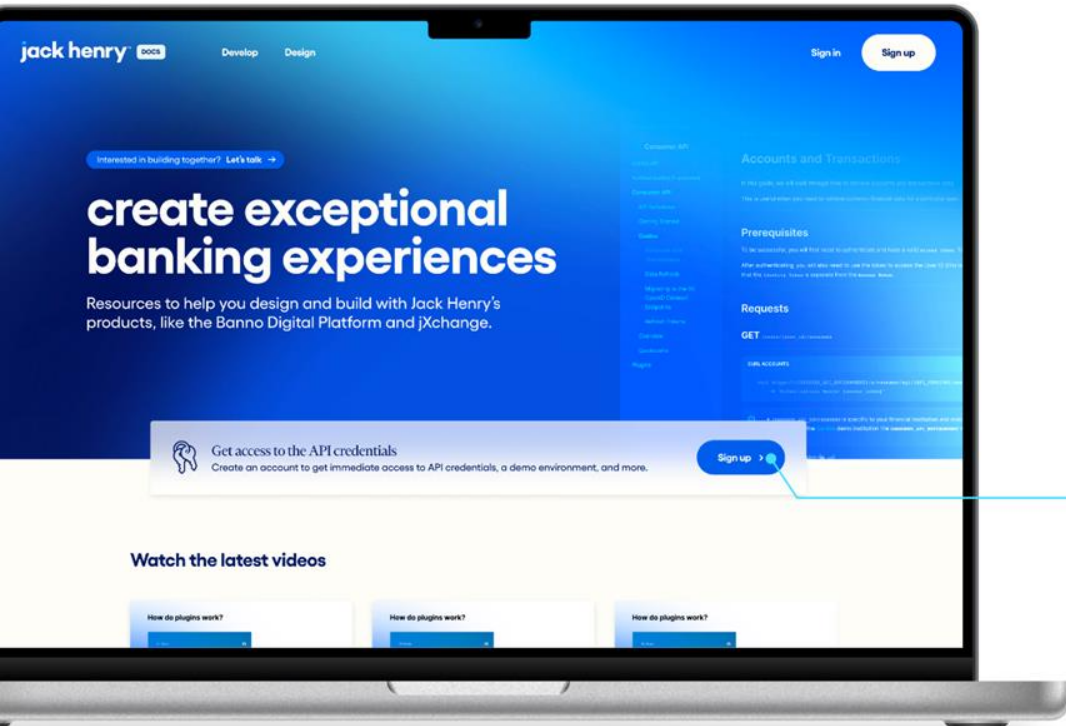


CHANGE PROVIDED  
CARS - TRUCKS

CHANGE PROVIDED  
CARS - TRUCKS

CHANGE PROVIDED  
CARS - TRUCKS





jack henry™ DOCS

# The only self-service API

START BUILDING TODAY AT JACKHENRY.DEV

## Digital Toolkit

**Simmons Bank used the digital toolkit to increase their mobile deposit volume by 59%.**

“Our mobile deposit losses have dropped basically to zero. To increase mobile deposit volume, increase limits, and reduce the losses is the trifecta!”

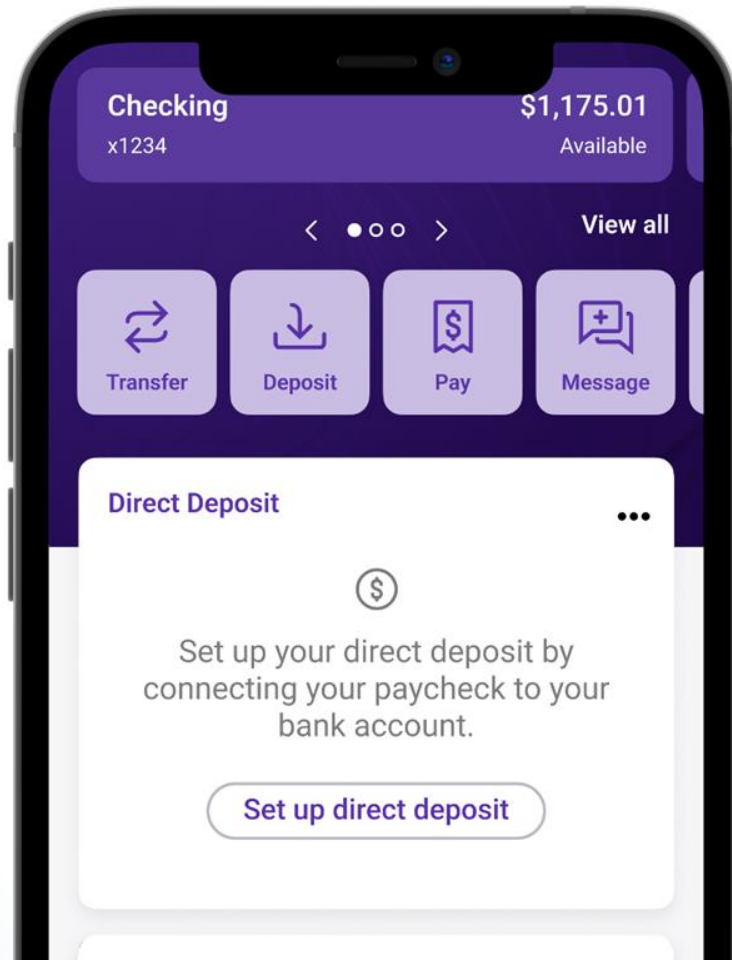


**Alex Carriles**

Chief Digital Officer & Executive VP, Simmons Bank



via **jack henry**™ DOCS



jack henry™

Finicity  
mastercard



atomic

via jack henry™ DOCS

### Direct Deposit



Set up your direct deposit by connecting your  
paycheck to your bank account

Set up direct deposit

# Banno Business

Banks

50+ Live

Credit Unions

Beta

Create wire

January

SUN	MON	TUE	WED	THU	FRI	SAT
		1	2	3	4	7
8	7	8	9	10	11	14
15	14	15	16	17	18	21
22	21	22	23	24	25	28
29	28	29	30	31		

Create a batch

Upload a file

Pay taxes

Upload checks

1 Create your CSV file

Enter your issued check information into your CSV file following our formatting specifications to upload for positive pay.

[View CSV formatting guide](#)

2 Choose associated account

Bus. checking 002  
x1234

3 Upload completed CSV template

20211120\_issued\_checks.csv

Review checks

Wire details

Materials payroll Ready

\$347.22

From Bus Checking 001 (x1234)

Template No

Notes Note

Recipient details

Recipient name Emma Reed

Account number 123456789

Address Birmingham, AL

Receiving institution

Institution name Chase Bank

Routing number 123456

Address Monett, MO

Ask us about this payment

Review and initiate

Greg, Jennifer

2 participants



This is the beginning of your conversation history with Greg and Jennifer

Greg joined the conversation



Greg - Buffalo, NY  
Customer Service at Garden

Hi there, Greg from Garden here. Can you both please verify that this check is valid before we go ahead and process it?

Check

Acme paper & supply \$237.30

Check 00712234 Nov 19

Greg - 9:30 AM

Hi Greg, That is correct, thank you.

Jennifer Anderson-Brown - 11:50 AM

Thanks for confirming.

Greg - Just now

This conversation is visible to Garden

Type a message

Send

Yep, that is valid. Thank!

10:36 AM

Batch details

ABC payroll Ready

Credits

\$550.00

Debits

\$0.00

Edit

Recipients

6 recipients

ACH company ABC Co

Company ID 1241423423





Banno Business

# Conversations for Business

LIVE for all FI's











New conversation Cancel


To: |

-  Garden
- JHA Air
-  Allison Roberts
-  Jennifer Anderson-Brown
-  John Edward Carder

+ Type a message Send


Inbox Filter

-  Greg, Jennifer Just now  
Thanks for confirming.
-  Jennifer, Amy 1:34 PM  
 No problem! We'll send a new card out ...
-  **Holiday Hours** 1:34 PM  
Our branches will be closed on Thursday, W...
-  **Low funds Checking** 1:34 PM  
Available balance is low on Checking
-  **Deposit to Savings** Friday  
A deposit was made to Savings.
-  **Annual holiday party** Nov 12  
Come join us to celebrate on Tuesday at th...
-  **Auto Loans** Nov 12  
Whether you want a l...
-  **Home improvements made easy** Nov 7  
Find out h...
-  **Welcome to our new mobile app.** Nov 3


 Greg, Jennifer  
2 participants Info


This is the beginning of your conversation history with Greg and Jennifer


Greg joined the conversation

 **Greg - Buffalo, NY**  
Customer Service at Garden


Hi there, Greg from Garden here. Can you both please verify that this check is valid before we go ahead and process it?

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 Jennifer Anderson-Brown · 11:50 AM

Yep, that is valid. Thanks!  
10:36 AM

 Thanks for confirming.  
Greg · Just now

This conversation is visible to Garden

+ Type a message Send



Banno Digital Platform

# Outside the Base

COMING SOON!



Adam Eckerson

CMAdam

Admin | Active

#### Contact info

Email  
jjordan@jackhenry.com

#### Business info

Name  
Banno Recordings  
Address  
123 Street  
Monett, MO 65708-0000

Email  
d.mather@jackhenry.com

#### Permissions

Adam Eckerson's permissions and account level abilities are below. Adjust permissions and abilities as needed.

[Set permissions](#)

#### ACCOUNT

#### ACCESS

Bus DDA 0001  
84ab02da-e9e7-4338-8933-f56e1d0ac25c



Bus DDA 0002  
8a4d4fe0-042a-4093-9829-4af85341cb97



Reg DDA 0003  
5118fb-47-4500-4c56-81c2-f1ba3a65c855



#### Manage users

	NAME	ROLE	STATUS
	Adam Eckerson CMAdam	Admin	Active
A	Angad Guliani aguliani	Admin	Active
A	Anna Campbell acampbell	Admin	Active
	Ben Metz bmetz	Admin	Active
B	Brandon Unglaub bunglaub	Admin	Active

#### ACH

Enabled



[Show options](#)

#### ARP/Positive pay

Enabled



[Hide options](#)

Upload ARP/Positive pay



Work ARP/Positive Pay



Download ARP



Work ACH Exceptions



#### Card management

Enabled



[Hide options](#)

Card management



#### Stop payments

Enabled



[Hide options](#)

View stop payment



Add stop payment

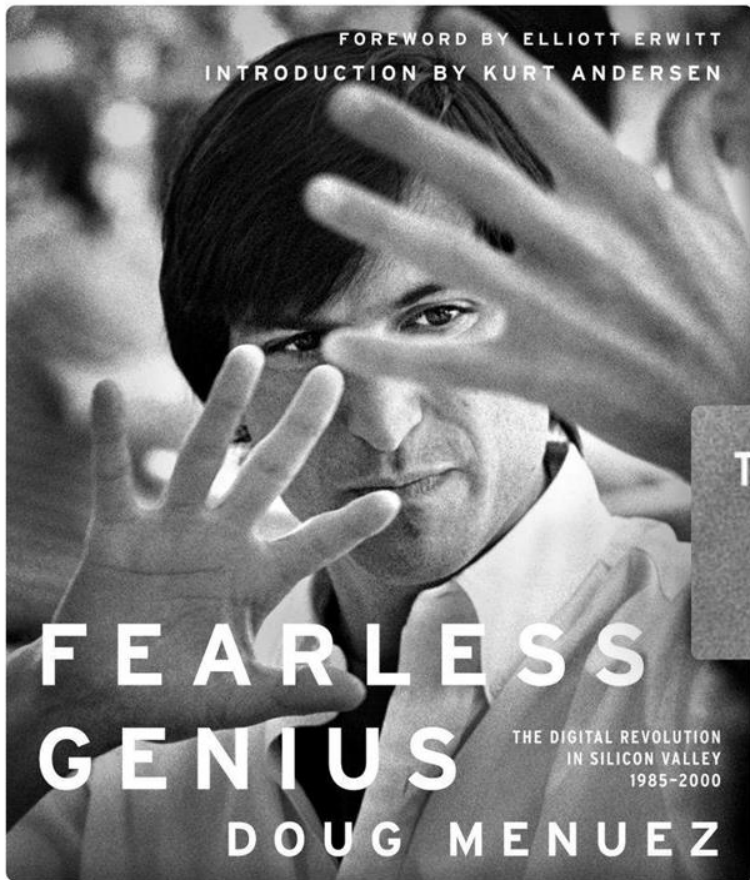


#### Transfers

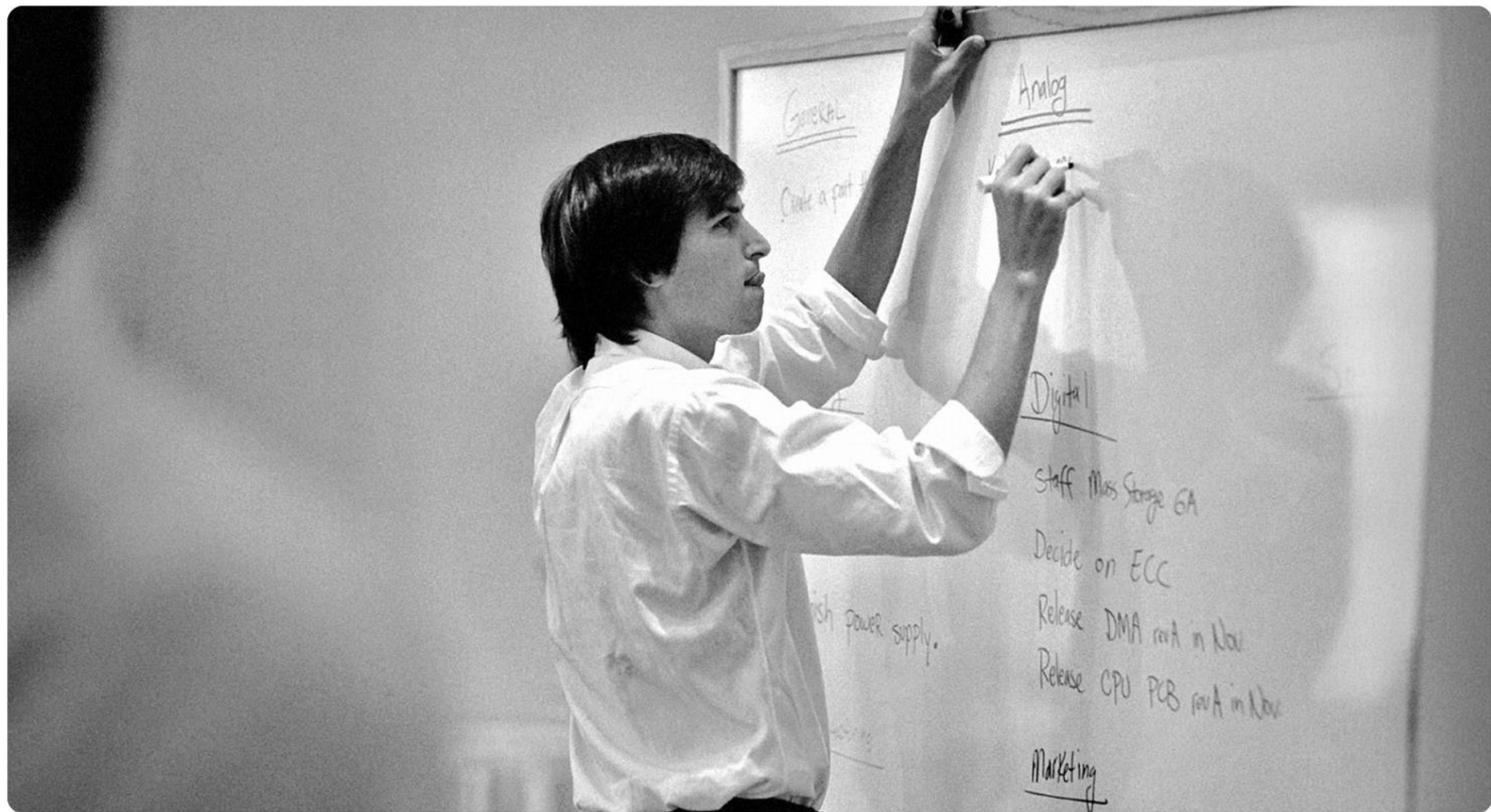
Enabled



# Digital?



THE DIGITAL REVOLUTION  
IN SILICON VALLEY  
1985-2000



General

Create a part #

Analog

Digital

Staff Miss George GA

Decide on ECC

Release DMA part in Nov

Release CPU PCB part in Nov

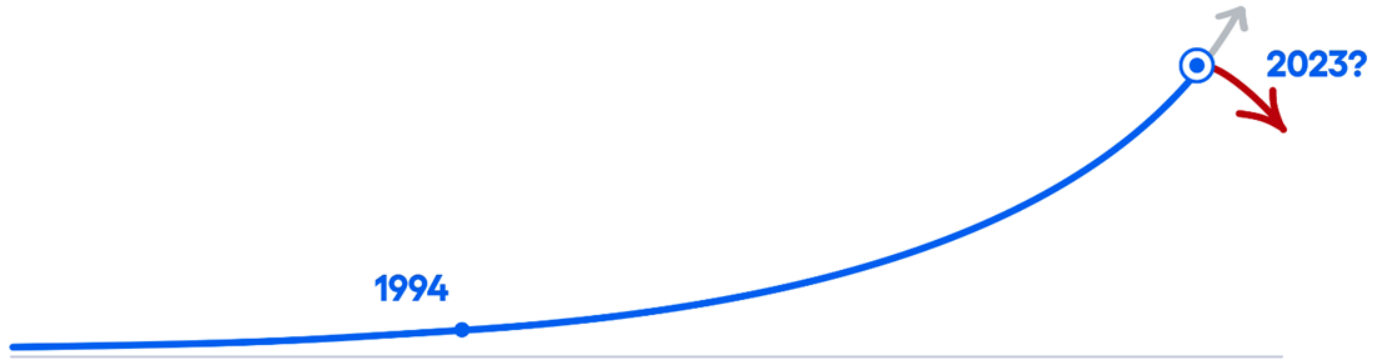
Marketing

ish power supply.

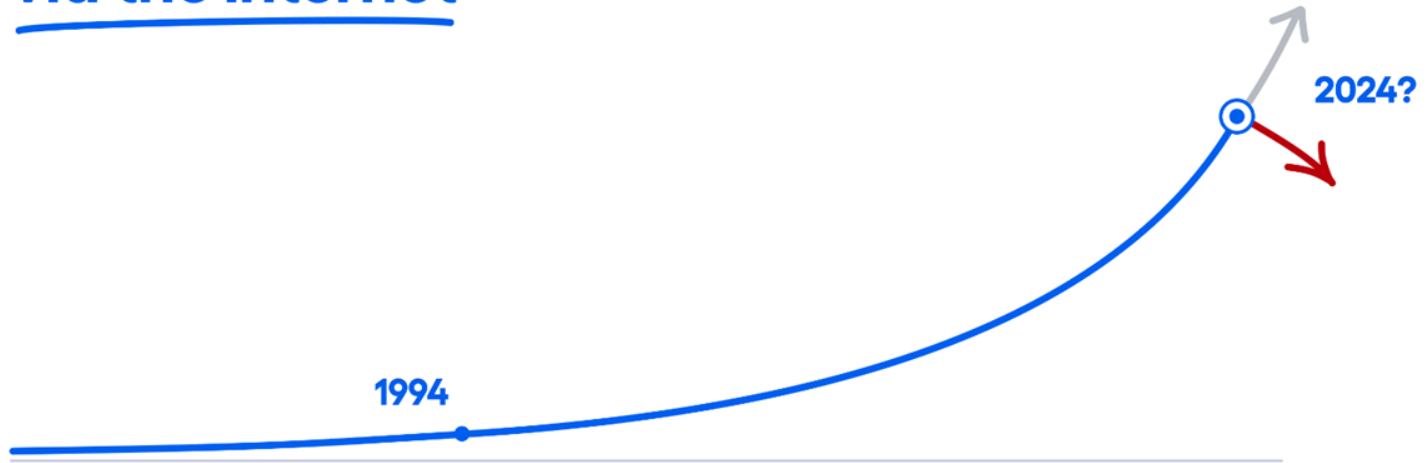
# **Demand for self service via the internet**



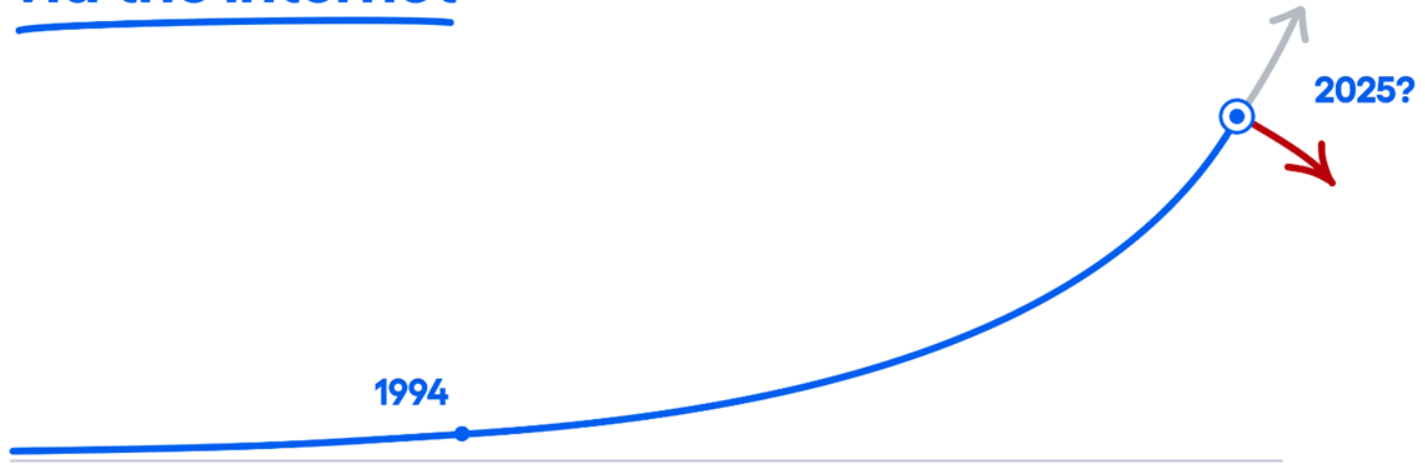
## Demand for self service via the internet



## Demand for self service via the internet

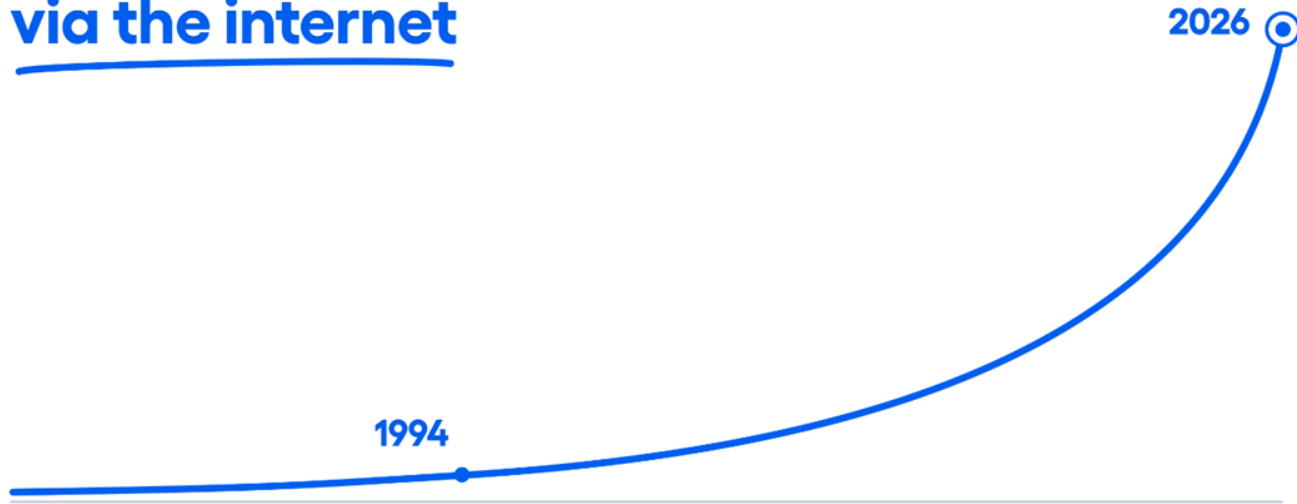


## Demand for self service via the internet

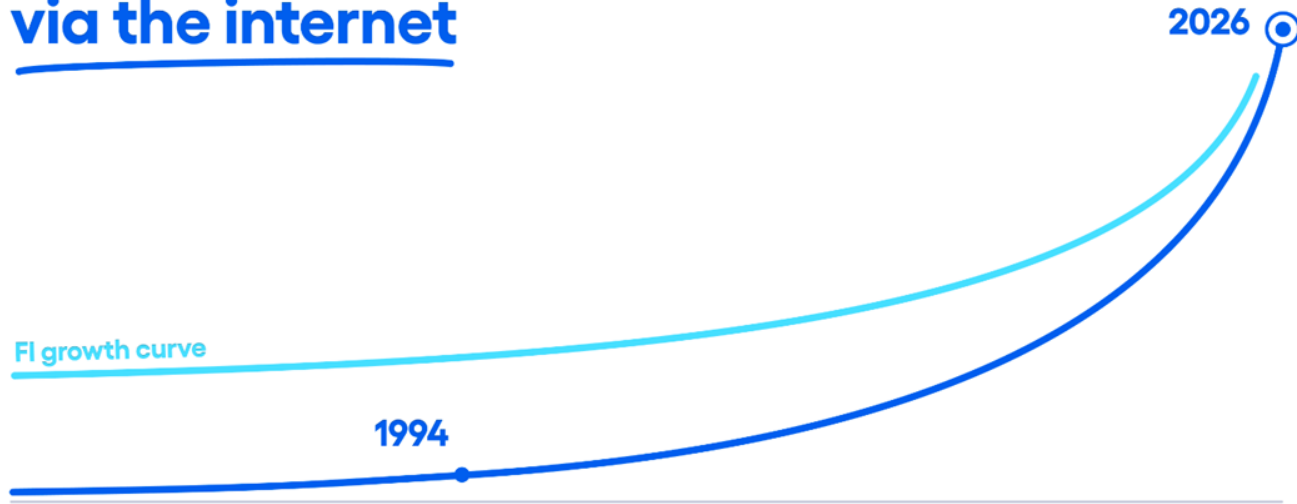




## Demand for self service via the internet

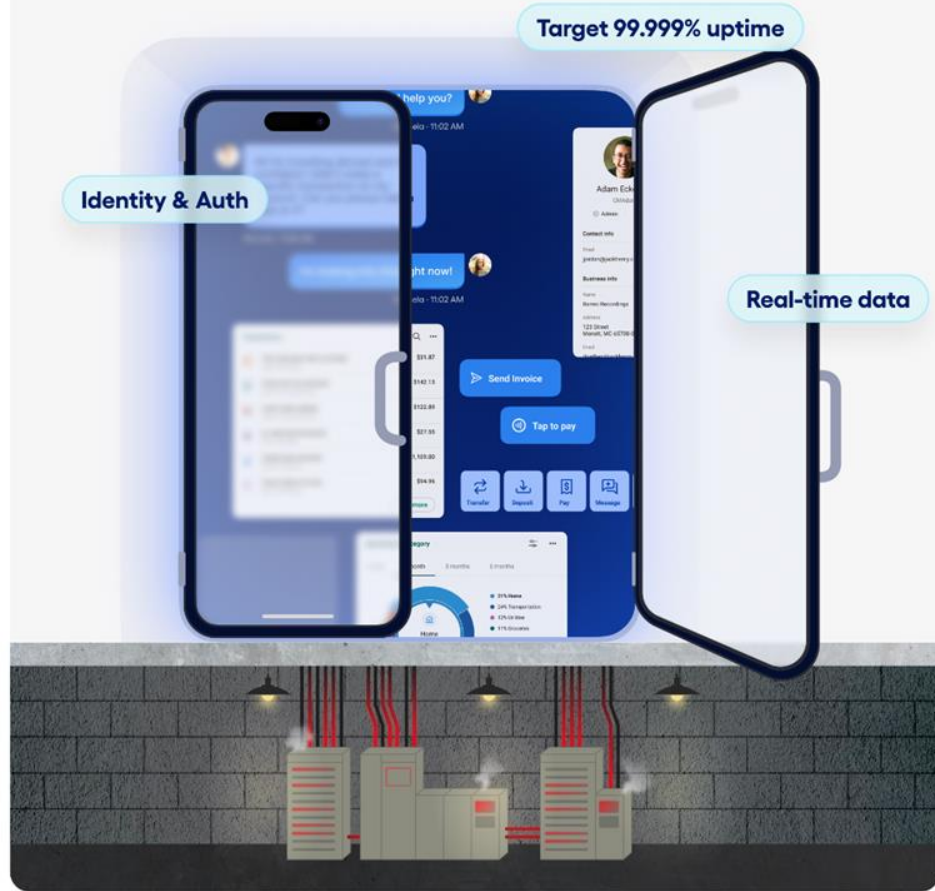
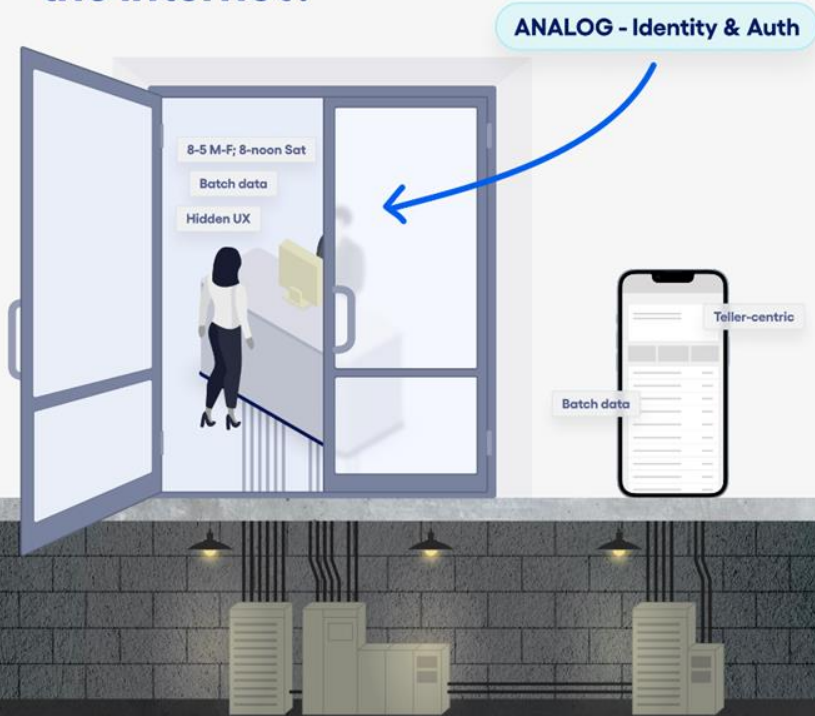


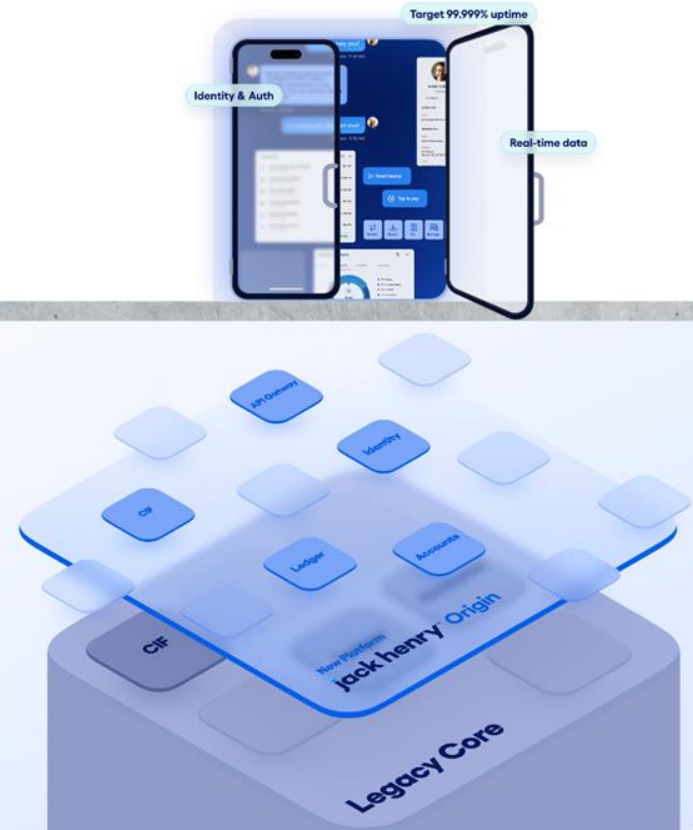
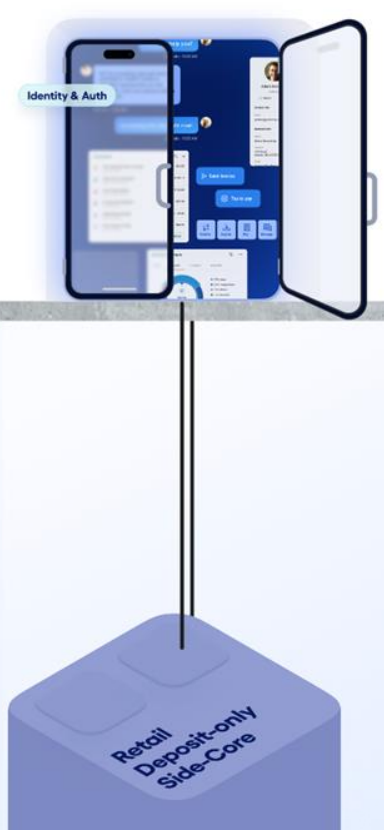
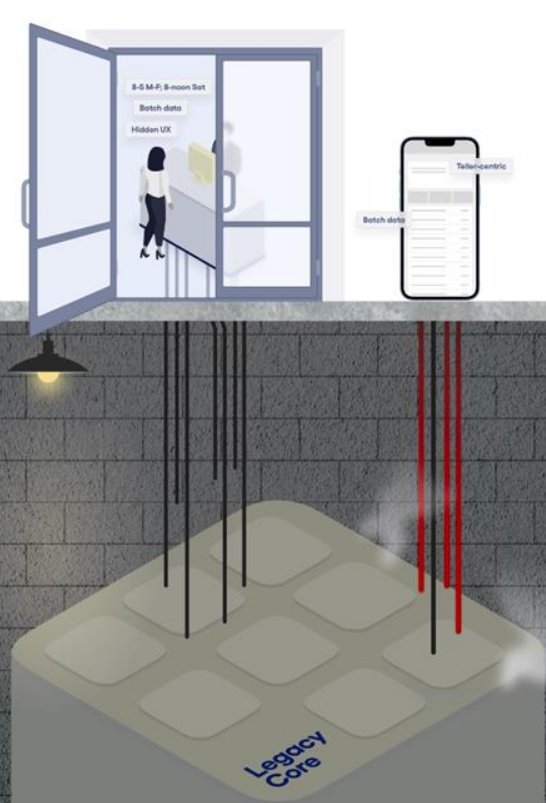
## Demand for self service via the internet



Your new front door

Will you have more or less demand for your services from the internet?







# the **Origin Program**

is a large investment to:



**Modernize & improve our existing Cores, Integration, Data, & Reporting layers**



**Create shared services for functions traditionally found in a core product**

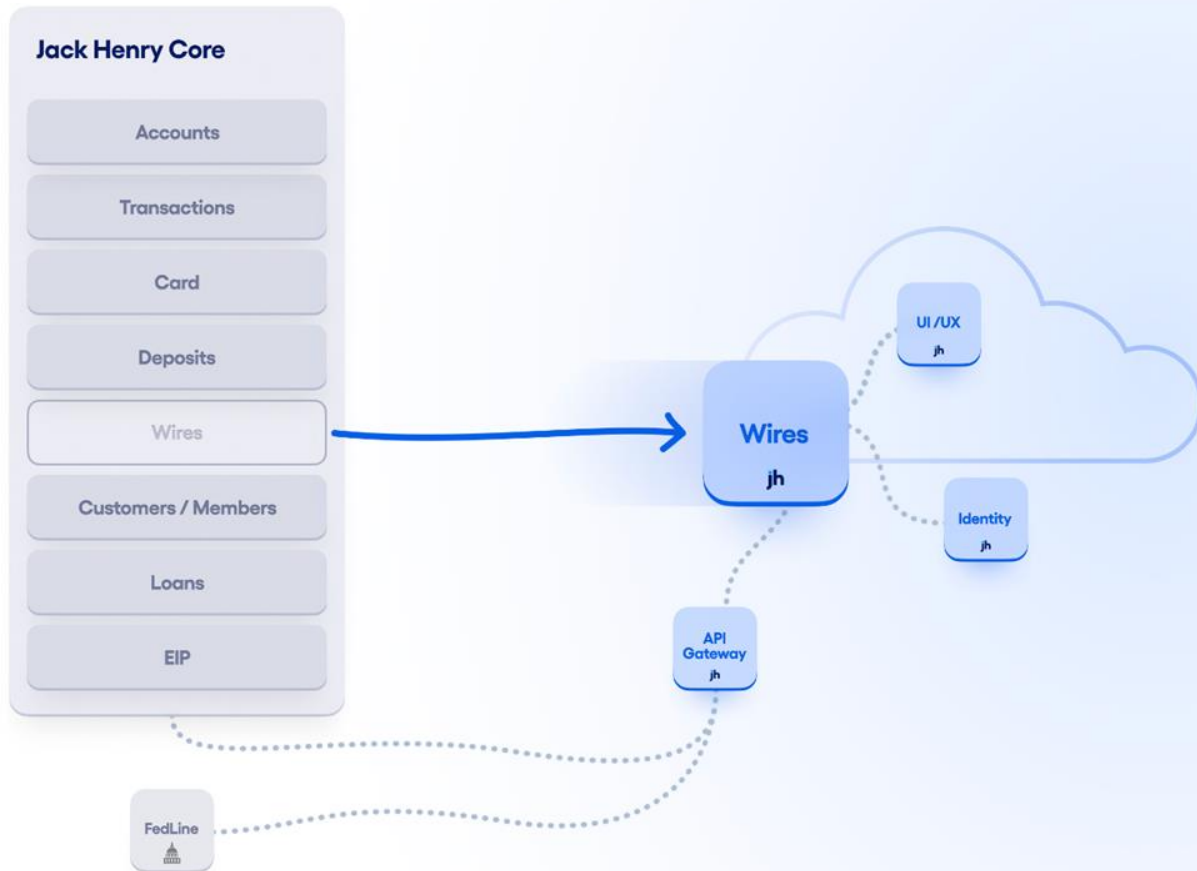
*These will augment the existing core system*



**Converge Digital & Core to a single cloud platform**













**Because of their distributed nature, when structured properly, distributed systems are inherently more reliable.**

~Brendan Burns

- **9.5 million users**
- **4000+ Containers**
- **300+ Discreet Micro Services**
- **Prevents 2000+ Fraudulent logins per second**



**<< This can run your bank or credit union**









INTUIT

stripe

SoSecure

Xchange

CIF

Banco Converters

General Ledger

AMS

AMS

Identity

Ledger

ERP

Card

API Gateway

**Store & Forward**

Accounts

Entitlements

ENS

EWF

Tran Proc

ODI

Wires

PLAID

Finicity

akrya

Microsoft  
Dynamics

ORACLE

99.999% Uptime

Transactional Guarantee

BC/DR



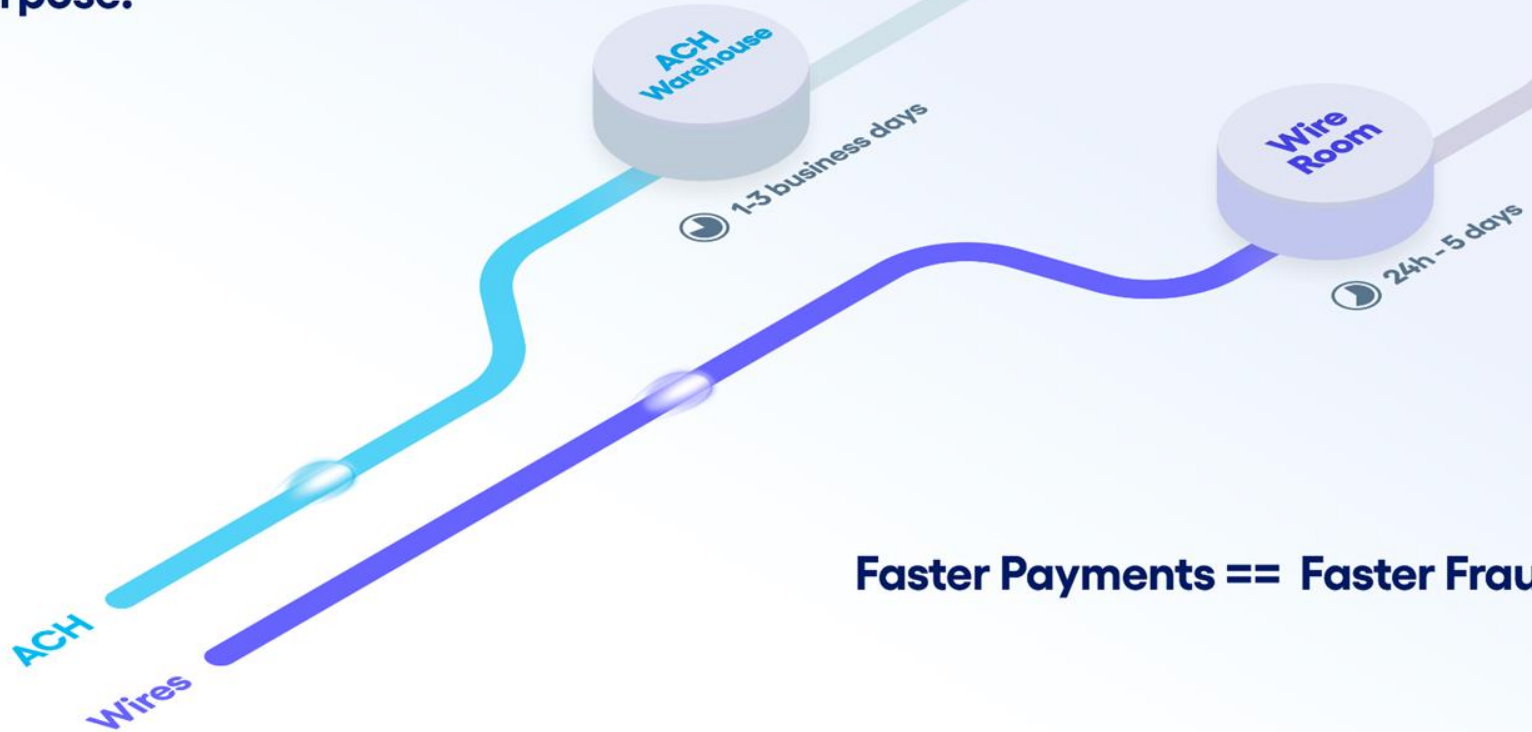
Google Cloud Spanner

Google Cloud Platform

Faster Payments...

Time is a great friend of payments... We slow things down on purpose.

A shocking amount of money moves over sftp



Faster Payments == Faster Fraud





# MISSION- **DRIVEN**

**jack henry™**

**2023  
investor day**

---

**Sales &  
Marketing**

*Brian Otte | May 15, 2023*

# Who Is Brian Otte?

25 Years of Leadership Experience  
In the financial institution industry



# Who Is Brian Otte?

25 Years of Leadership Experience  
In the financial institution industry



10 Years @ **jack henry**<sup>™</sup>

# Sales & Marketing Priorities

## Beat Our Plan

- Forecasting Accuracy
- Maintain strong pipeline
- Always driving forward



## Increase Wallet Share

- Cross sell existing customers
- Upsell solutions on net new
- Expand broad and deep

## Protect Our House

- Minimize renewal attrition
- Reduce contract compression
- Treat every customer as if they are our only one



## New Customer Acquisition

- Maximize competitive takeaways
- Focus on winbacks
- Tap into De Novo and new markets

## One Jack Henry

- Ignite culture through communications
- Drive external/internal brand
- Adhere to our founding principles



## Gain Efficiencies With Technology & Process

- 100% utilization of Salesforce.com
- Integration of Variant
- Aptus migration
- Adoption of new legal processes



# Sales Unification



Making It Easier To Do Business With Us



Sales Unification

Creating an Environment  
Where We Learn From  
Each other Every Day

# Marketing: We Launched a Rebrand!

Build | Join Jack Henry | For Clients Login

jack henry

Who We Serve

How We Help

What We Offer

Who We Are

Resources



Contact Us

## connecting possibilities

Strengthening Connections Between People, Businesses, and  
Financial Institutions

 Banks >

 Credit Unions >

 De Novo Banks >

 Fintechs >

# Marketing: Objectives for the brand and branding

**Differentiate Jack Henry** among legacy competitors and new technology entrants to the market.

1

**Grow awareness** of, and establish **credibility** for, the brand among regional financial institutions.

2

**Expand awareness** of, and interest in, the brand among high-value FinTechs.

3

Grow Jack Henry's **brand equity** in the market.

5

Attract and retain the **best talent** for Jack Henry.

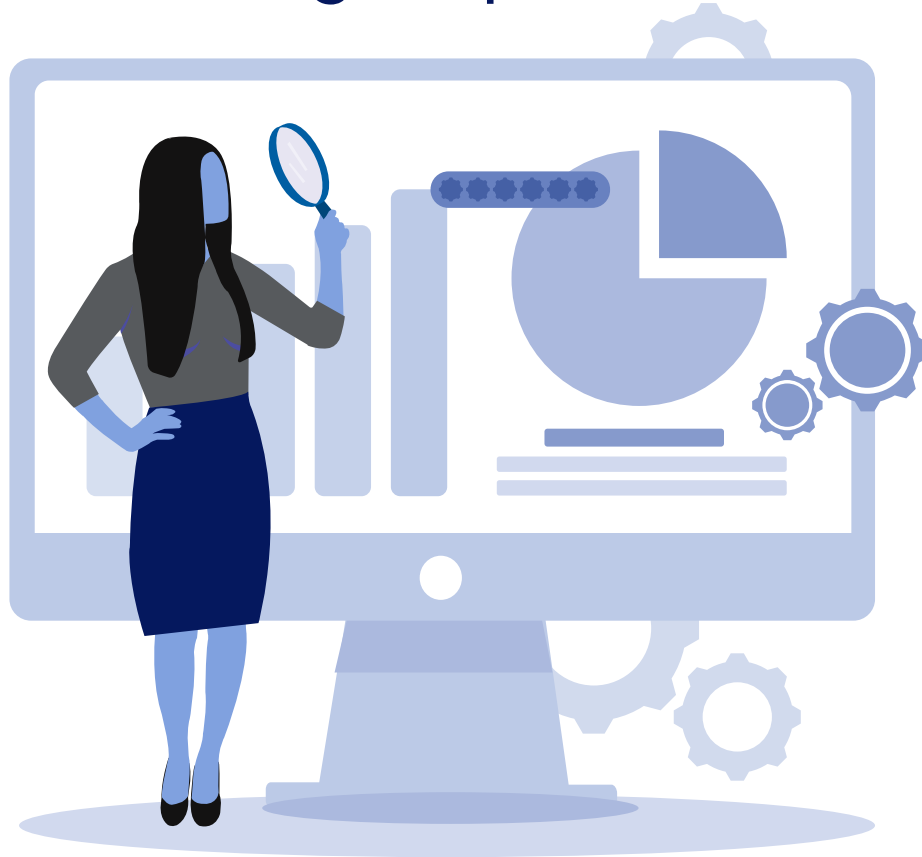
4





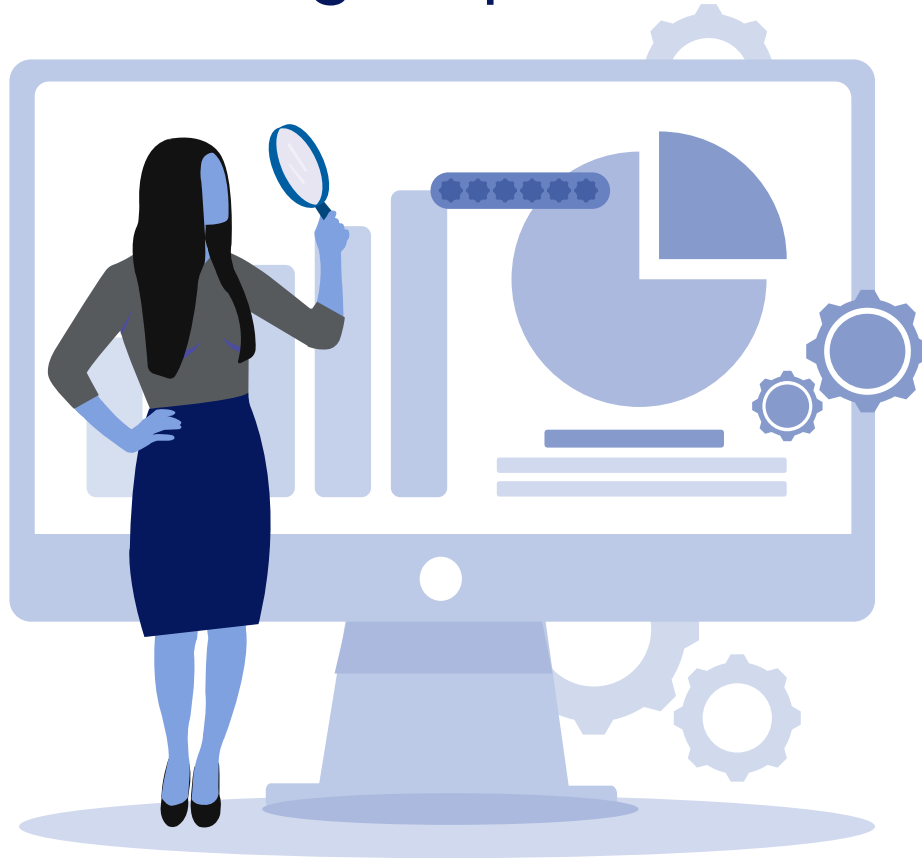
# Marketing: Impact of Rebranding

## Building Brand



- **51%** increase in web site sessions
- **48%** increase in **new** website visitors each month
- **21%** Increase in social media followers
- **91%** increase in social media engagement
- **25%** increase in earned media placements, including 4 National publications
- **94%** overall satisfaction with JH Connect

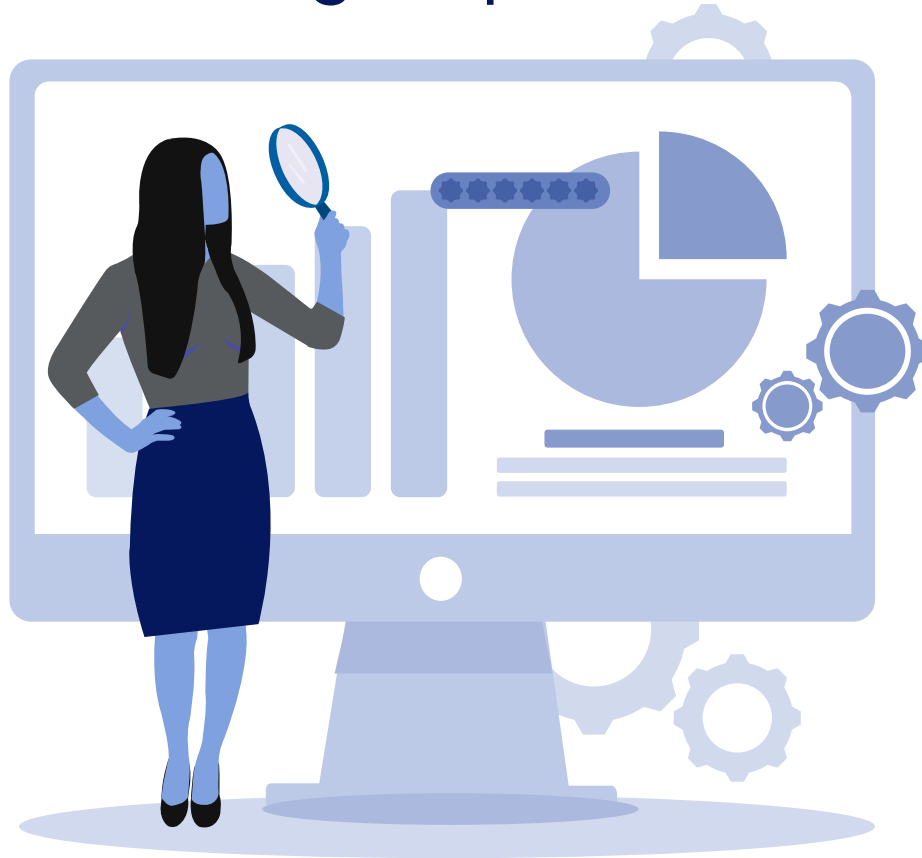
# Marketing: Impact of Rebranding



## Filling the Sales Pipeline

- **51%** increase in sales leads generated from website
- **10%** increase in fintech providers in our ecosystem

# Marketing: Impact of Rebranding



## Engage Associates

- **67%** of associates say that Jack Henry clearly communicates all relevant information in a timely manner (vs 57% industry benchmark)
- **39%** increase in unique visits to jhDaily
- **15%** increase in Manager Forum participation
- **15%** increase in major corporate/regional awards won

# Jack Henry Connect



# Jack Henry Connect Made Social Waves

## Social Media Metrics

*Variance: FY22 to FY23*

### Published Posts

Non-Core customers  
with at least 1 solution

**214%** ↑

### Total Impressions

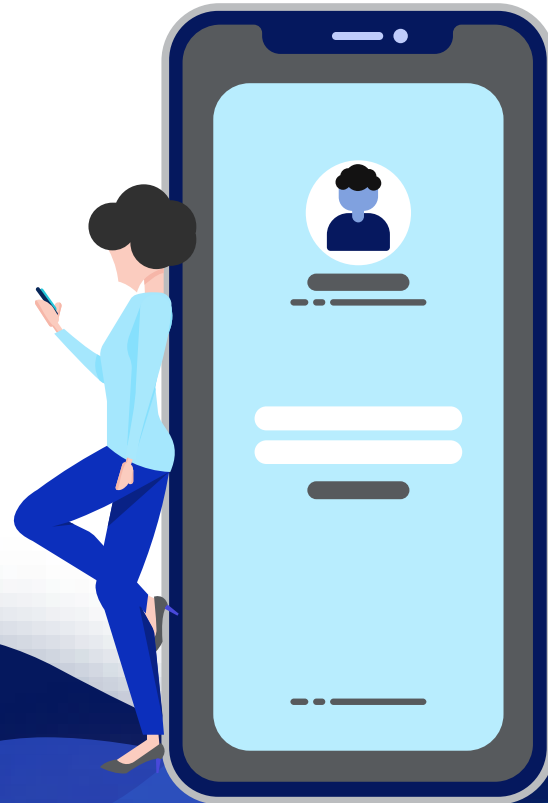
**67%** ↑

### Total Engagements

**335%** ↑

### Engagement Rate

**161%** ↑



# Year-To-Date Sales Highlights



# Sales Focus

Replenish and build our sales pipeline despite record sales achievements



Ensuring all three brands exceed their respective quotas – continuous tracking



Early involvement in RFP process – consultant collaboration & engagement



Closing over half of all de novo banks – ensuring we are engaged early



Averaging at least 13 new core wins per quarter – competitive displacements not migrations



Increasing client/prospect attendance at all JH educational and executive events



# Sales Pipeline

**GOAL:**

Quota Coverage

**85%**

Of Target At  
All Times



# Sales Pipeline



# Sales Pipeline



# Target Driven Marketing White Space Analysis

Get Smarter  
Analyze  
Cross Sell



# Competitive Displacement





# Industry Insights

---

**10%** Increase in Tech Spending  
in 2023 by Most FIs  
*(1/3 won't due to inflation concerns)*

Source: Arizent report, "Brace for the short, prepare for the long: Financial institutions calibrate priorities for 2023"

# Top Tech Spending Priorities: 2023 by FI type/size

	Regional/Community Banks	Credit Unions	Global/National Banks
1	Data and analytics	Enhanced security and fraud mitigation	Enhanced security and fraud mitigation
2	Mobile apps	Data and analytics	Digital payments
3	Enhanced security and fraud mitigation	Mobile apps	Cloud-based architectures
4	Digital payments	Digital payments	Data and analytics
5	Cloud-based architectures	Core	Core
6	Core	Virtual assistants/chatbots	APIs/API platforms

Source: Arizent report, "Brace for the short, prepare for the long: Financial institutions calibrate priorities for 2023"

# GROWTH STRATEGIES FOR THE FUTURE



**Technology  
Modernization**

**Financial Crimes  
and Risk Fraud**

**Jack Henry  
Digital**

**Jack Henry  
Payments**

**Jack Henry  
Lending**

**28% YOY Increase**

*Banno Digital Monthly Users*

**1,000+**

*Third Party Point Integrations*

**60% +**

*of all FIs (banks and credit unions)  
using the RTP Network" are through  
Jack Henry's Payment Platform*

# Resiliency In Sales

**Demand is still strong**

**Heavy activity  
since March 12<sup>th</sup>**





**in this time of  
great disruption**



Jack Henry is...

**Innovative | Safe | Focused**

# MISSION- **DRIVEN**

**jack henry™**

**2023  
investor day**

---

## **What Matters Most Next?**

*Bank & CU Priorities 2023-2024*

*Lee Wetherington | May 15, 2023*

# • Confidence post-SVB

- 5 days **after SVB's failure, consumers still had confidence in their primary banks** in general.
- Despite threats to regional banks, **consumer confidence in regional banks, credit unions, and community banks still held.**
- **Digital-only banks register the lowest confidence** levels among all types and sizes of banks.

## Level of Confidence in Their Primary Banks\* According to US Adults, by Bank Type and Generation, March 2023

% of respondents in each group

### Bank type

#### Regional bank customers



#### Credit union customers



#### National bank customers



#### Community bank customers



#### Digital bank customers



### Total



■ Very confident

■ Not too confident

■ Somewhat confident

■ Not confident at all

Note: numbers may not add up to 100% due to rounding; \*in their banks' ability to provide them with all of the money in their accounts if they requested it

Source: Morning Consult as cited in company blog, March 15, 2023

280937

InsiderIntelligence.com

# • Confidence post-SVB

- **Younger customers** generally **have less confidence in their primary bank** relationships, though differences among generations are not significant.

- **Gen X** and **Gen Z** are **less enthusiastic** in their confidence relative to Boomers and Gen Y.

## Level of Confidence in Their Primary Banks\* According to US Adults, by Bank Type and Generation, March 2023

% of respondents in each group

### Generation

#### Gen Z (1997-2012)



#### Millennials (1981-1996)



#### Gen X (1965-1980)



#### Baby boomers (1946-1964)



### Total



Note: numbers may not add up to 100% due to rounding; \*in their banks' ability to provide them with all of the money in their accounts if they requested it

Source: Morning Consult as cited in company blog, March 15, 2023

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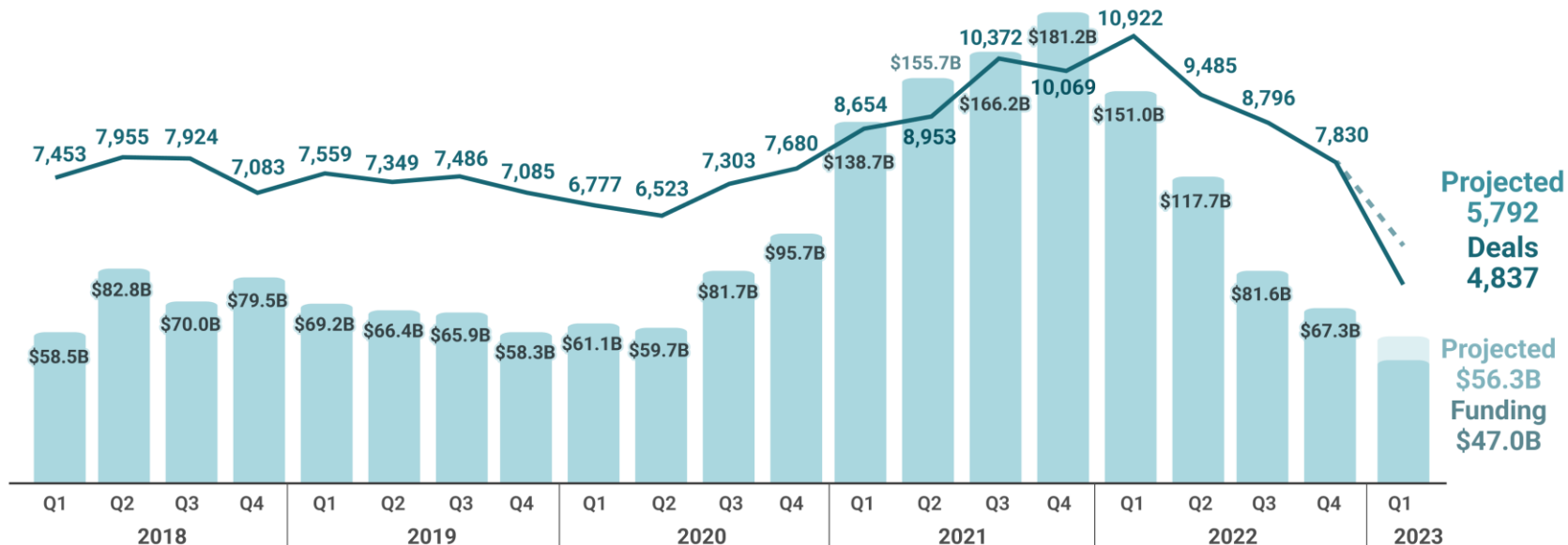
InsiderIntelligence.com

- **SVB failure fallout and implications**

1. **Acceleration of falling fintech valuations, funding and VC deals.**
  - Higher value on embedded fintech due diligence
2. **More startups** will **die**.
3. **Tech layoffs** will **intensify**.
4. **Lingering worries** that **additional at-risk regional banks could** also **fail**.
5. **Stronger oversight looms for smaller banks.**
  - History of “double-bumps” in bank failure patterns



## Venture funding and deals continue to fall



Source: CB Insights company deal and funding data from 2018-Q1 2023

Note: Projection is based on run rate as of 03/12/2023



# • macro forecast for 2023

- **U.S. economy is slowing, but overall fundamentals remain sound**
  - Household and corporate balance sheets remain in relatively good condition
  - Housing market has stabilized of late, but auto delinquencies are starting to pick up
- **Debt ceiling is biggest external risk for now, but geopolitical uncertainty looms as well**
- **Funding/liquidity and deposit strategy will remain the predominant theme for banks and CUs throughout 2023**
  - Demand for FHLB advances, brokered CDs, Fed discount window, repo, and other non-core funding sources has increased significantly
  - NIM and overall profitability improved in Q4, but rising cost of funds in 2023 is pressuring margins as the year progresses

# burning questions in this environment

---

1. What role does tech play in protecting and expanding an FI's deposit base and bottom line?
2. What tools should FIs be using to capture upside potential?
3. What do consumers and businesses want from their FIs now, and how can that be delivered through tech and automation?
4. What are the implications of ChatGPT and AI for FIs?
5. Given trust in banks was shaken in the wake of SVB's failure, what can FIs do to bolster trust and strengthen deposit relationships among their accountholders?



jack henry™

# 2023 Strategic Priorities Benchmark Survey



# 118

**Jack Henry bank and CU CEOs**  
asset sizes <\$500M – \$10B+

## Purpose

Identify the strategic priorities, challenges, and technology plans of Jack Henry banks and credit unions over the next 2 years.

## Benefit

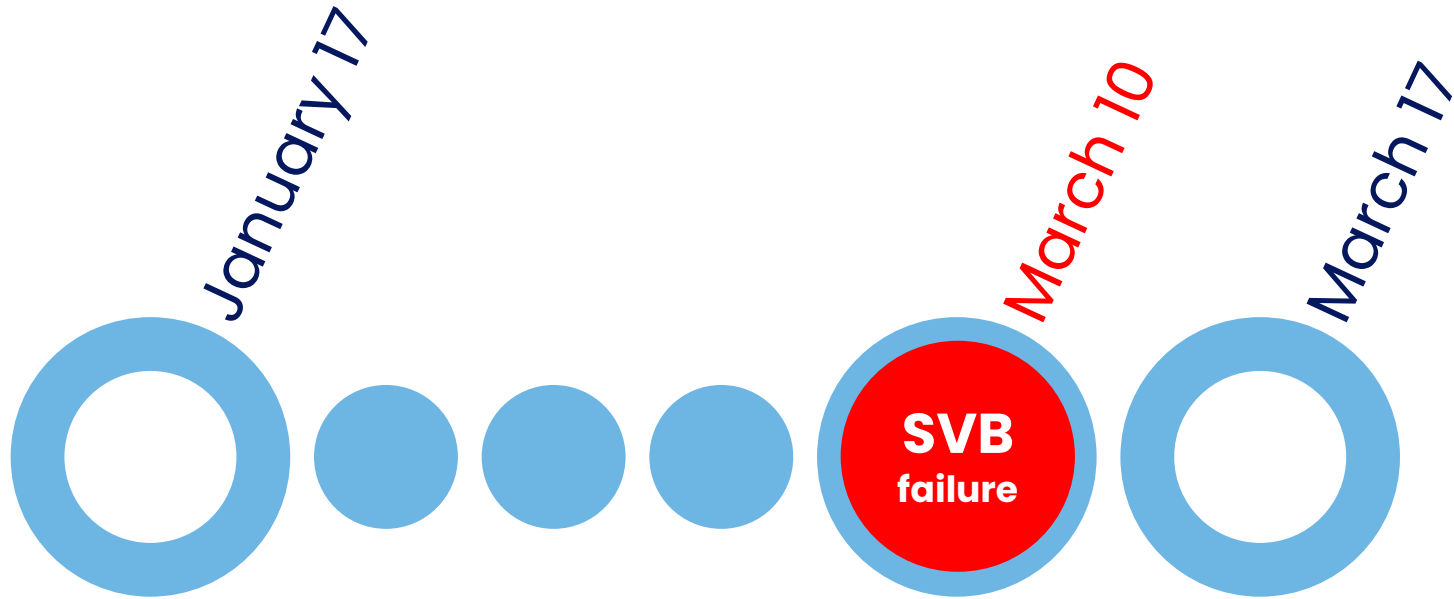
Empower clients to benchmark their strategic priorities against peers, strengthen their competitive positioning, and expedite innovation that matters.

## Focus Across 5 Competencies

- ▶ Core
- ▶ Digital
- ▶ Lending
- ▶ Payments
- ▶ Risk, Fraud, Security

**Fielded 1/17 – 3/17/2023**

- **Strategic Priorities Benchmark** survey timeline



- **Top strategic priorities shift year-over-year**

**2023**

**43%** Growing deposits

**41%** Growing loans

**39%** Increasing operational efficiencies

**2022**

**67%** Growing loans

**42%** Increasing operational efficiencies

**40%** Adding digital products/features

**2021**

**66%** Improve digital offerings

**64%** Growing loans

**56%** Improve customer or member service

- **Growing deposits most difficult priority to achieve**

Which of your strategic *priorities* will be *most difficult to achieve*?

**27%** Growing deposits

**16%** Acountholder acquisition

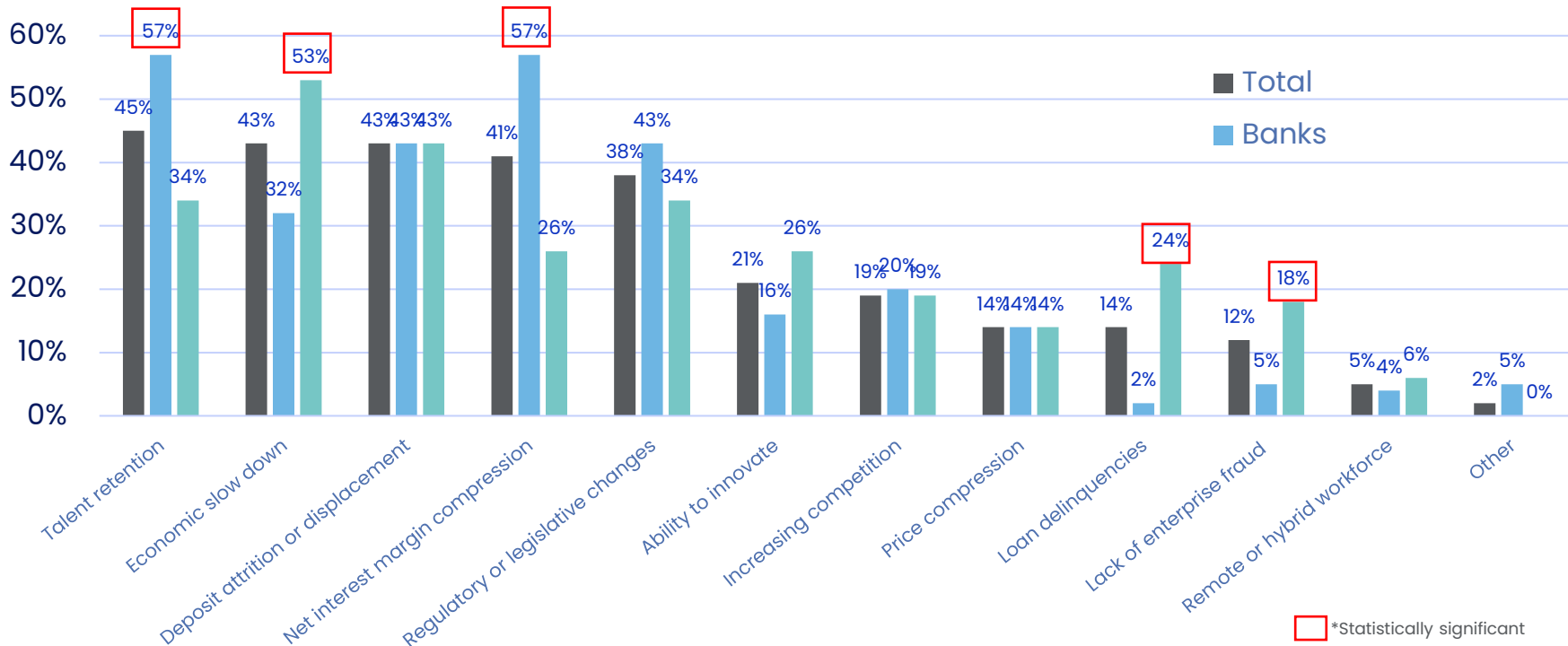
**14%** Increasing operational efficiency

Most Difficult Priorities to Achieve	Total	< \$500M	\$500M – <\$1B	\$1B – <\$50B+
Growing deposits	<b>27%</b>	37%	17%	16%
Acountholder acquisition	<b>16%</b>	13%	17%	20%
Increasing operational efficiency	<b>14%</b>	13%	17%	12%
Leveraging data for strategic insights	<b>10%</b>	8%	7%	16%
Acquiring another financial institution	<b>9%</b>	12%	7%	4%
Growing loans	<b>8%</b>	5%	3%	20%*
Adding digital products/features	<b>3%</b>	2%	7%	4%
Preparing for real-time fraud	<b>3%</b>	3%	7%	-
Improving acountholder experience	<b>3%</b>	2%	7%	-
Other	<b>3%</b>	2%	3%	4%
Branch optimization	<b>2%</b>	2%	3%	-
Supporting faster/real-time payments	<b>2%</b>	-	3%	4%
Fintech partnerships	<b>1%</b>	2%	-	-

SOURCE: Jack Henry's 2023 Strategic Priorities Benchmark Study; n. 118 FI CEOs

# • Top concerns: retaining talent, economic slow-down

Over the next two years, what are your *top three* concerns?



   \*Statistically significant

- **Talent acquisition remains top concern YOY**

**2023**

**45%** Talent acquisition and retention

**43%** Deposit attrition/displacement *with* economic slow-down

**41%** Net interest margin compression

**2022**

**58%** Talent acquisition and retention

**48%** Net interest margin compression

**42%** Fraud and security

**2021**

**77%** Net interest margin compression

**67%** Fraud and security

**49%** Failure to innovate

- Fintechs remain top competitive threat YOY, but...

2023

30% Fintech

17% Big banks *tied with* other community FIs

13% Other

2022

25% Fintech

25% Bigtech

17% Big banks and other community FIs

2021

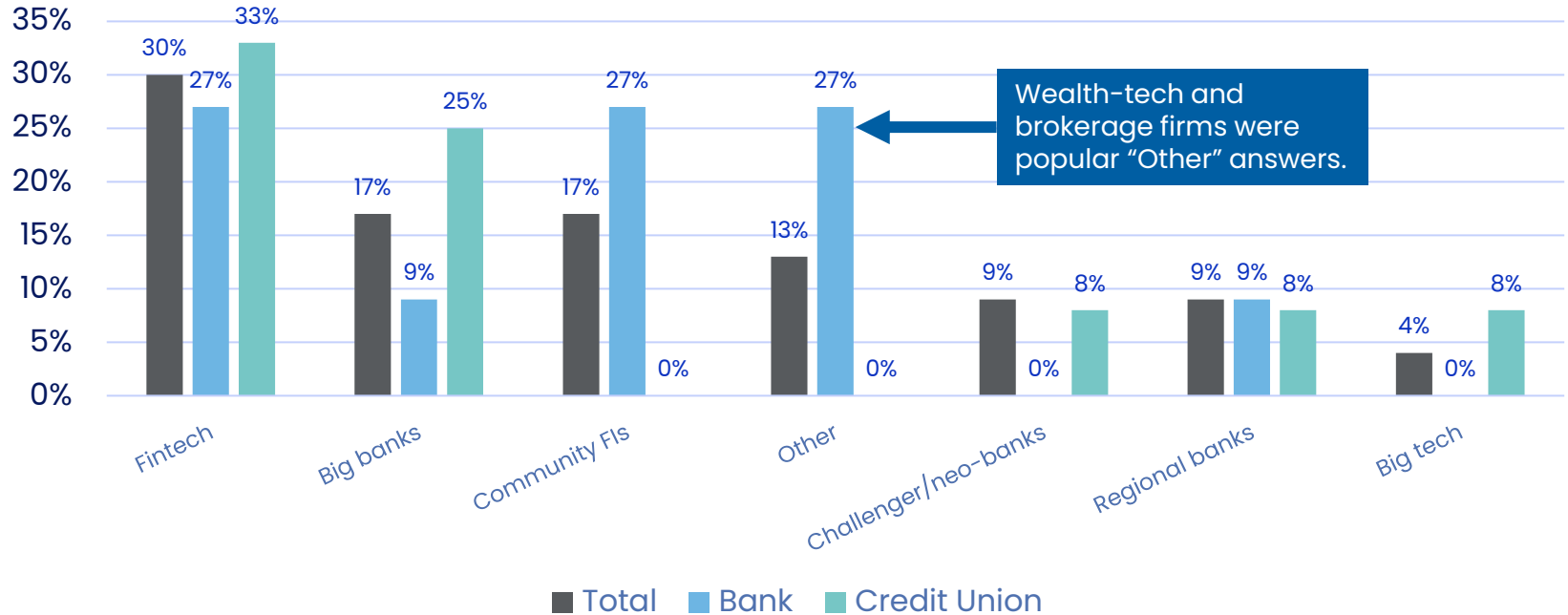
70% Fintech

53% Bigtech

50% Regional banks

- ...**big banks and community FIs rank 2<sup>nd</sup>** (for first time)

Increasing competition - Which competitor type presents the biggest threat?

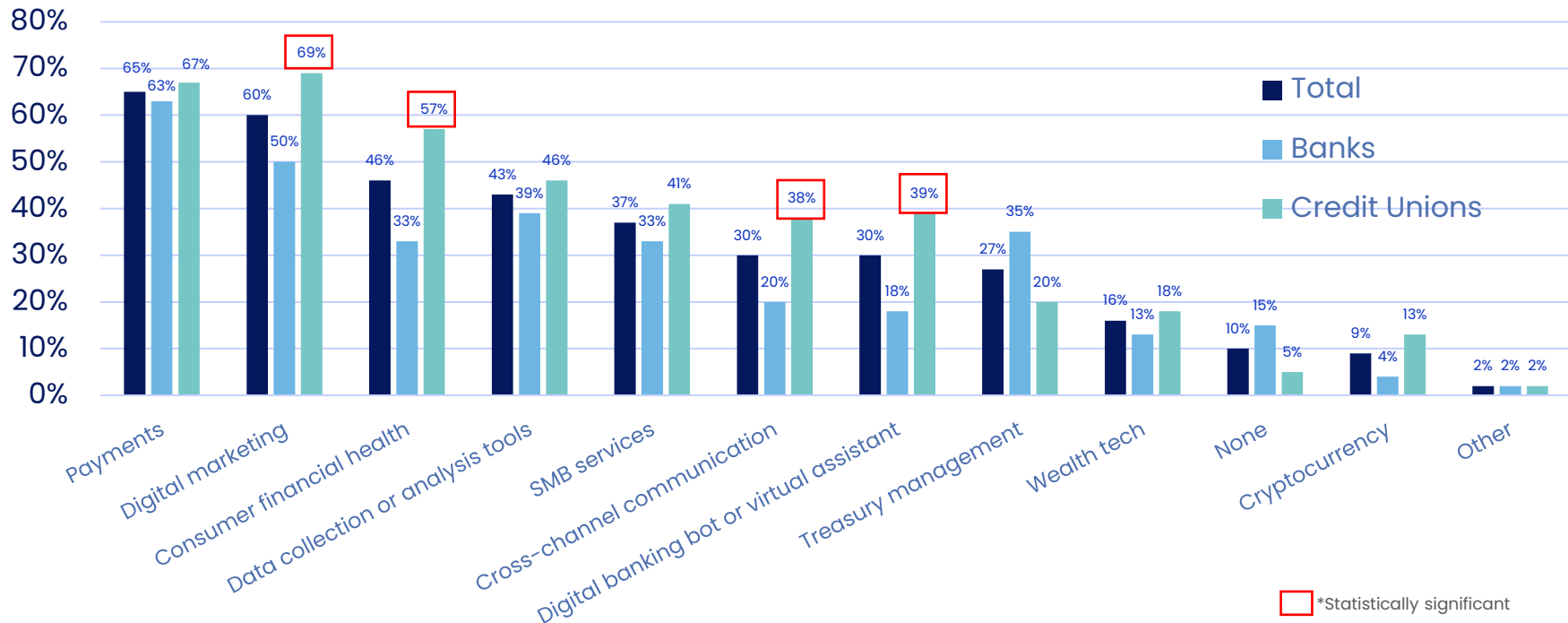


SOURCE: Jack Henry's 2023 Strategic Priorities Benchmark Study; n: 118 FI CEOs



# 90% of FIs plan to embed fintech into digital in 2023-24

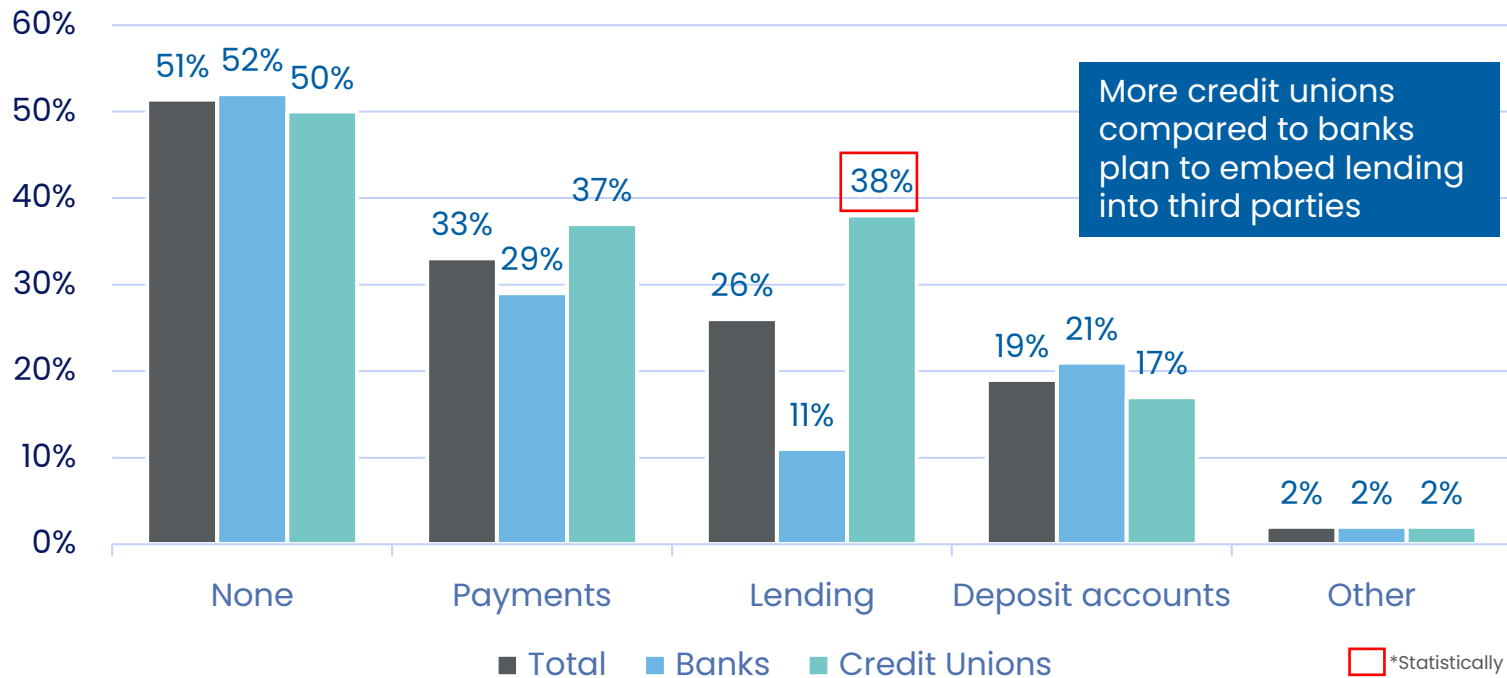
Select the type(s) of fintech you plan to embed in your digital banking experience over the next two years.



SOURCE: Jack Henry's 2023 Strategic Priorities Benchmark Study; n: 118 FI CEOs

# Half of FIs plan to embed services into 3rd parties

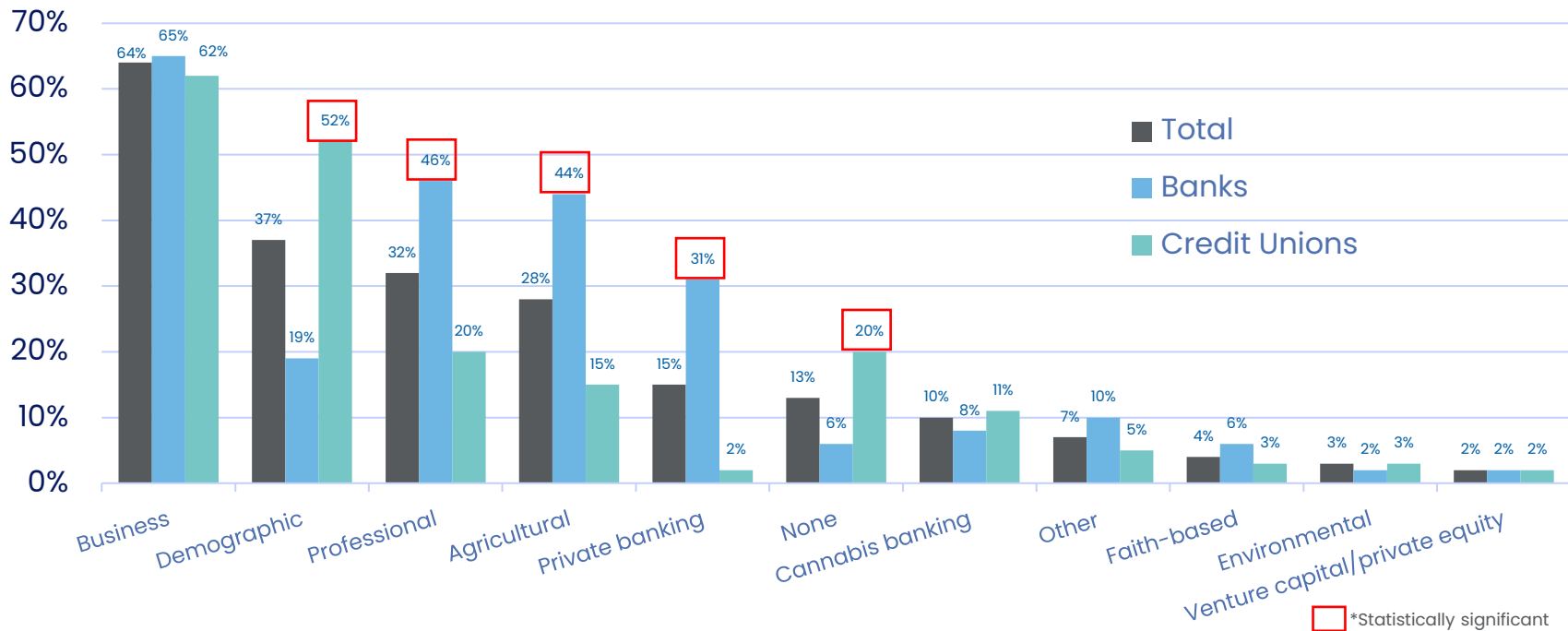
*Which of your existing financial services do you plan to embed into non-financial brands/third parties over the next two years?*



SOURCE: Jack Henry's 2023 Strategic Priorities Benchmark Study; n: 118 FI CEOs

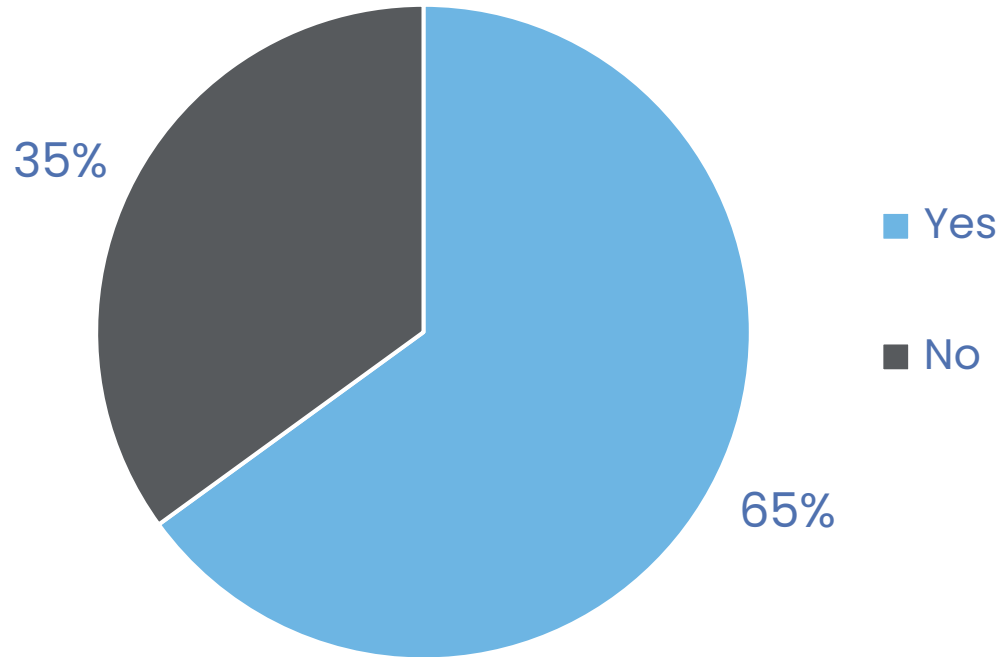
- 87% of FIs plan to serve a niche market

Select the *niche segment(s)* you plan to pursue over the next two years.



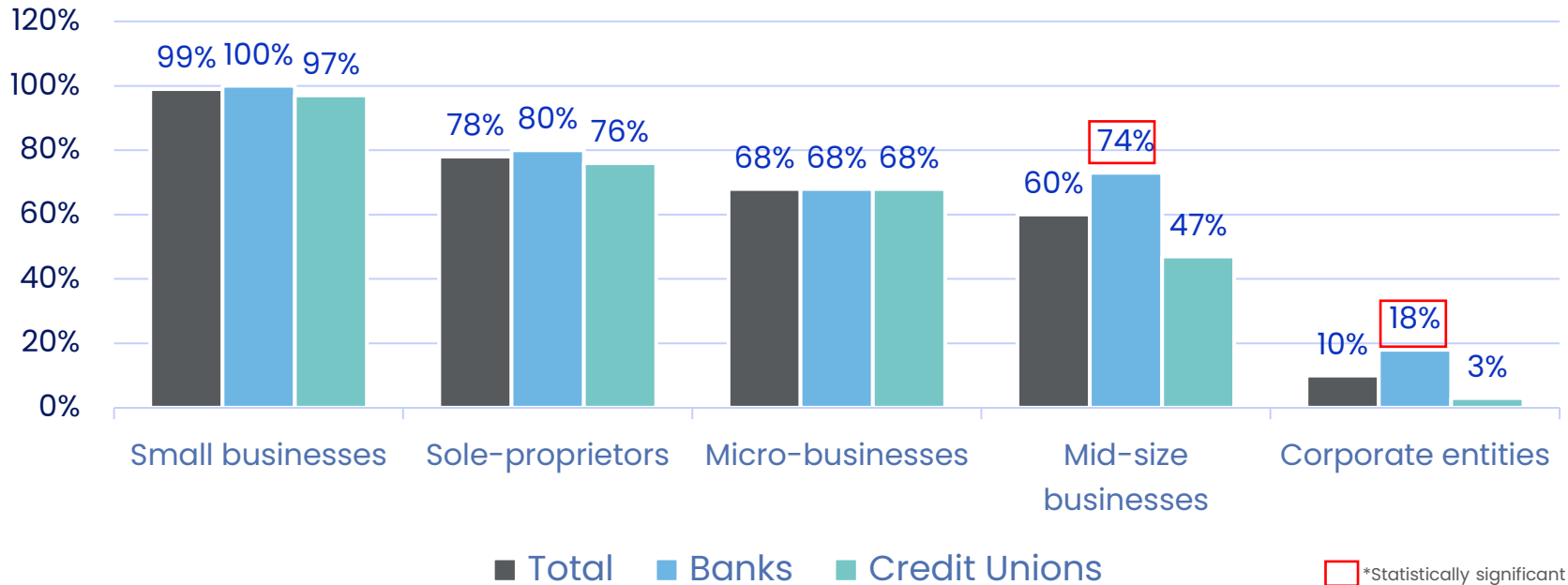
- **65% of FIs expanding services for small businesses**

Over the next two years, will you *expand services for small businesses*?



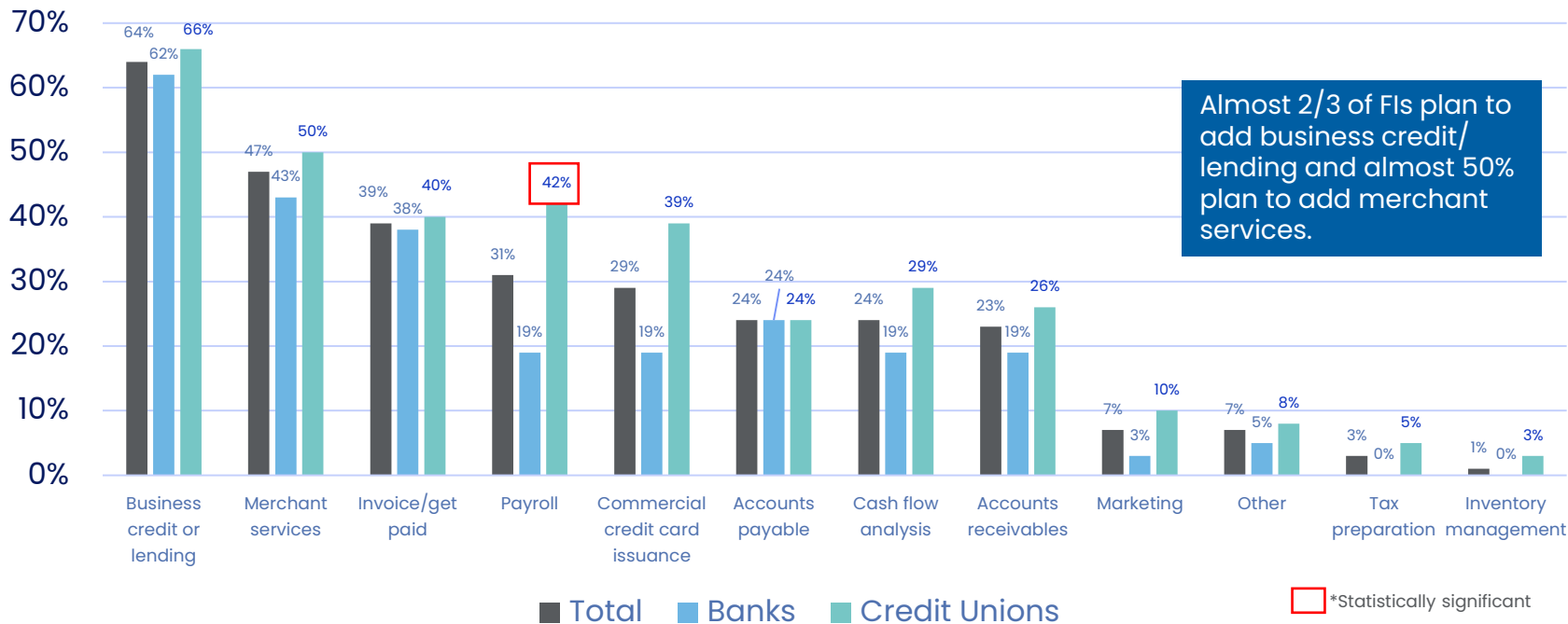
- **Serving small businesses critical for banks and CUs**

*Niche markets, business – What size businesses do you plan to serve?*



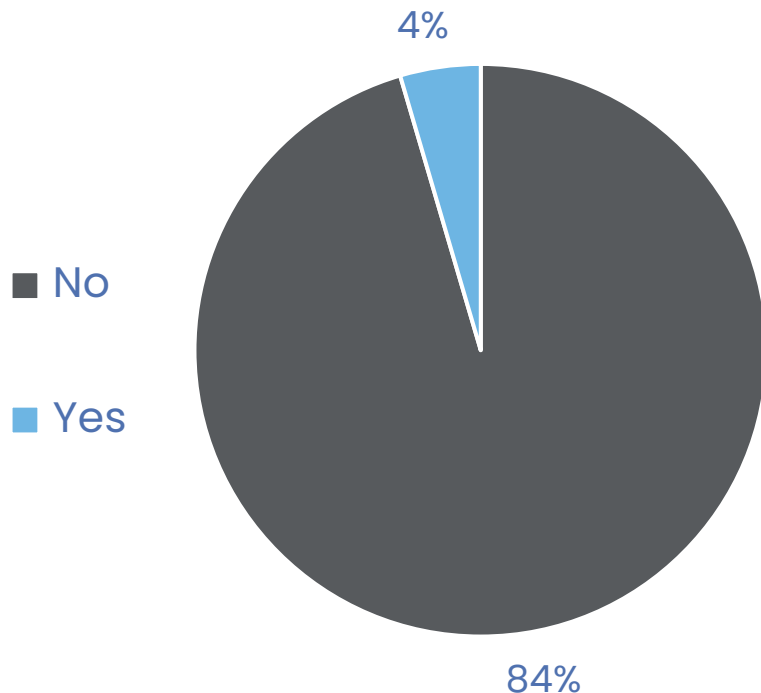
- **Business credit/lending and merchant services** lead in type of services for small businesses

*Which small business services are you planning to add?*



- **Little interest in launching a separate digital brand**

Over the next two years, do you *plan to launch a separate digital brand?*



**4%**

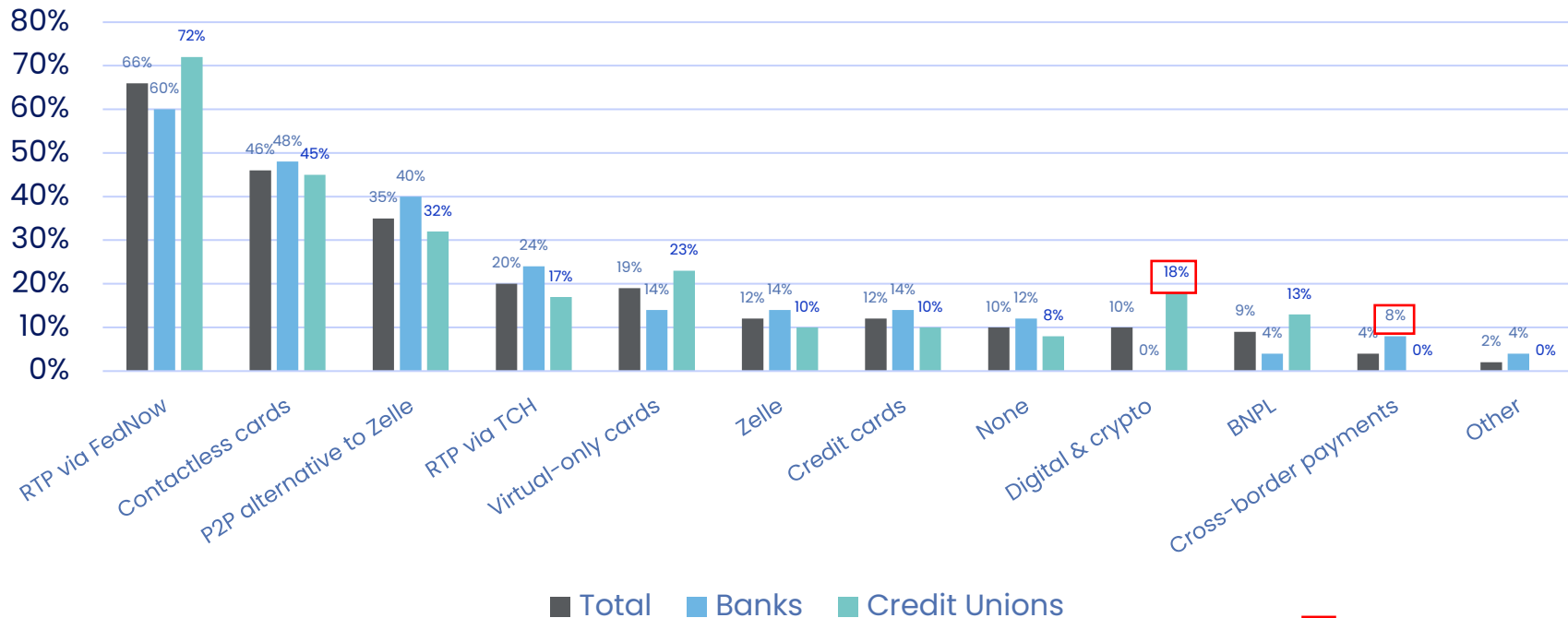
*planning to launch a digital brand*

**100%**

*of FIs planning to launch a digital brand plan to use their existing core to launch that digital brand*

- Nearly 90% of FIs plan to add payment services

Select all types of payment services you plan to add over the next two years.

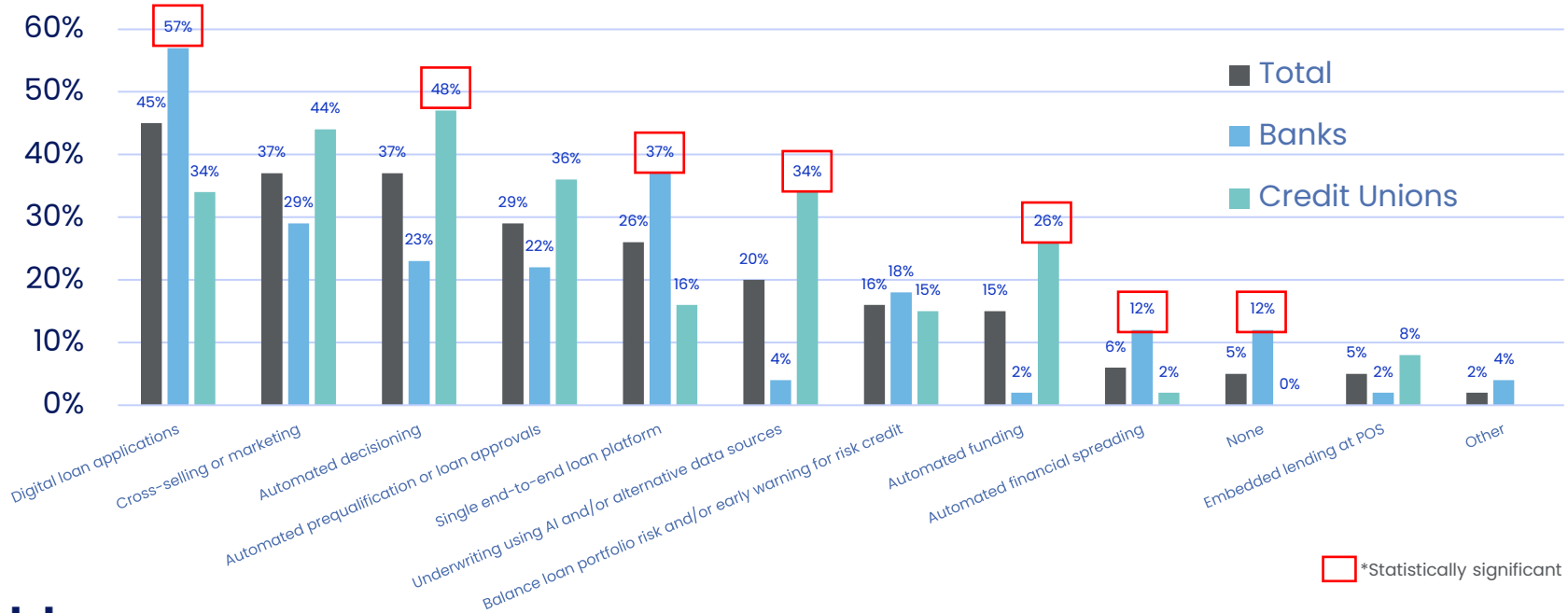


18% \*Statistically significant



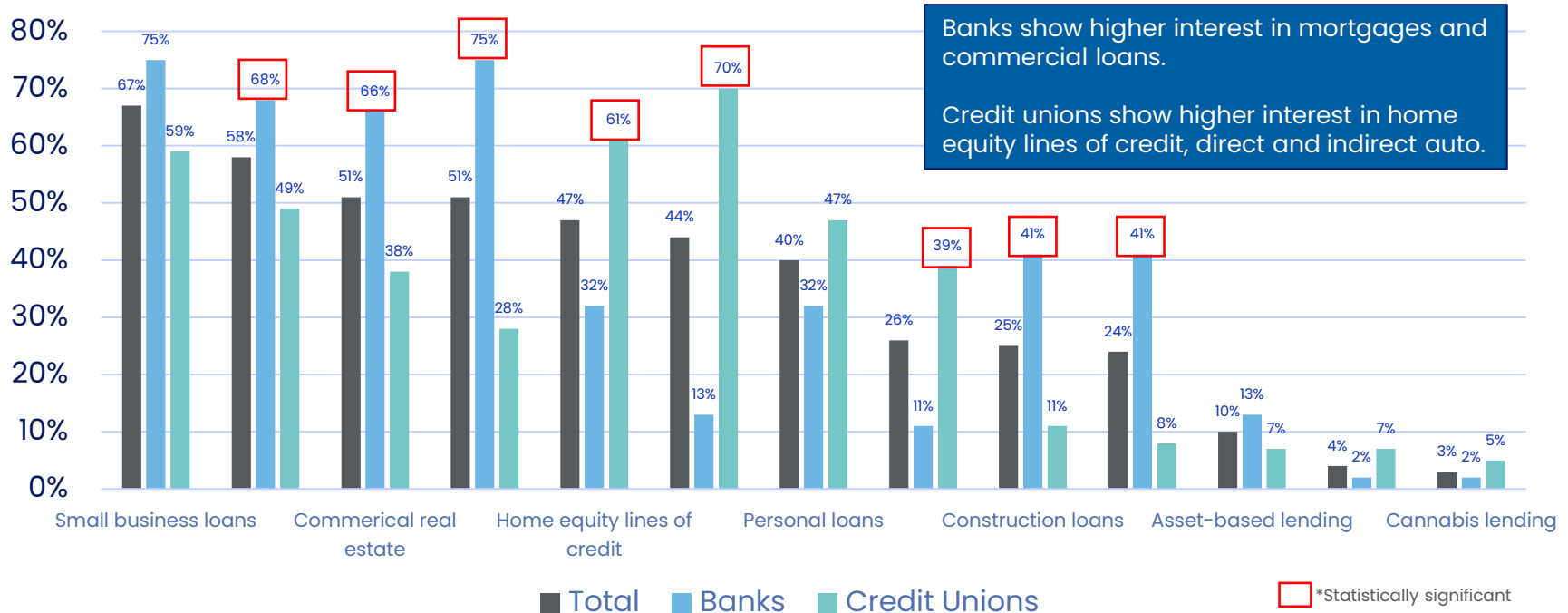
- Digital applications, cross-selling, and automation top lending priorities for 2023–2024**

Select your *top three strategic priorities for lending* over the next two years.



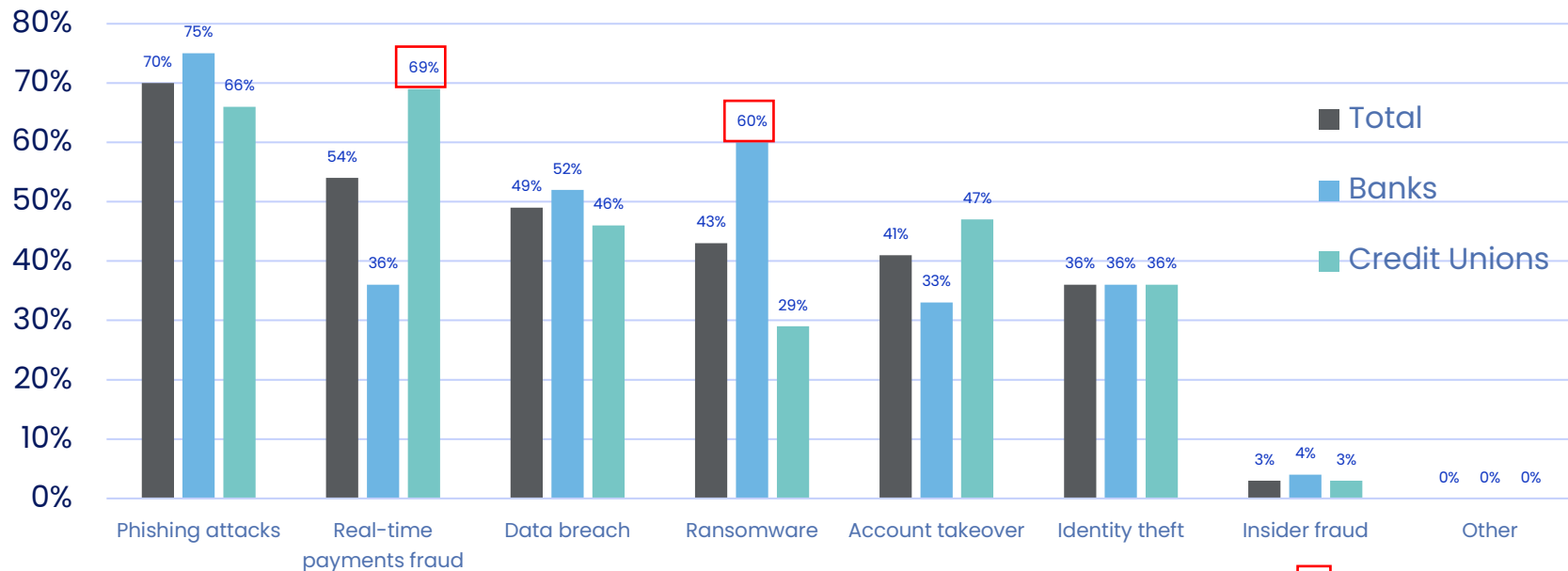
# Expanding lending services across the board

What *type(s)* of lending do you plan to prioritize over the next two years?



- **Phishing and real-time payments top most concerning fraud/security threats**

Select the *top three* fraud/security threats to your financial institution over the next two years



69% \*Statistically significant



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# Q&A