



Thursday, July 25, 2019

Think Outside the (ATM) Box

Thank you for joining the webinar. The presentation will begin in a few minutes.
This session is being recorded. A replay link will be provided following today's presentation.
For questions, please use the Q&A feature.

THIS SESSION IS BEING RECORDED

This meeting will be recorded for replay purposes. If you object to participating in a recorded session, you may leave the meeting before we begin. The recording will be made available for you to replay in the future.

Today's Presenters



Scott Anderson
Sr. Director, Evangelism
Diebold Nixdorf



Thomas Schulze
VP Systems, Americas
Diebold Nixdorf



Jerome Amara
VP Systems, Eurasia,
Diebold Nixdorf



Today's Agenda

July 25, 2019

1. Banking landscape: forces impacting the industry and regional influences
2. Self-service: the modern day convergence point
3. Technology: the base for personalized and digitally-enabled experiences
4. DN Series: enabling the self-service channel of the future
5. Q&A

BANKING LANDSCAPE:

Forces Impacting the Industry and Regional Influences



Forces Impacting The Banking Landscape

Macro Trends Shaping The Banking Industry



RISING COMPETITION

- FinTechs and digital giants gain influence with unsurpassed reach and scale
- Capitalize on the end of pureplay
- Transition from single function thinking to seamless journeys



SHIFTING COST BASIS

- Security, physical reach, payments, logistics and compliance all have a cost
- Optimize efficiencies systemically and transform business operations to focus on core competencies
- Handling cash remains costly, while the cost per transaction increases while the number of cash transactions decreases



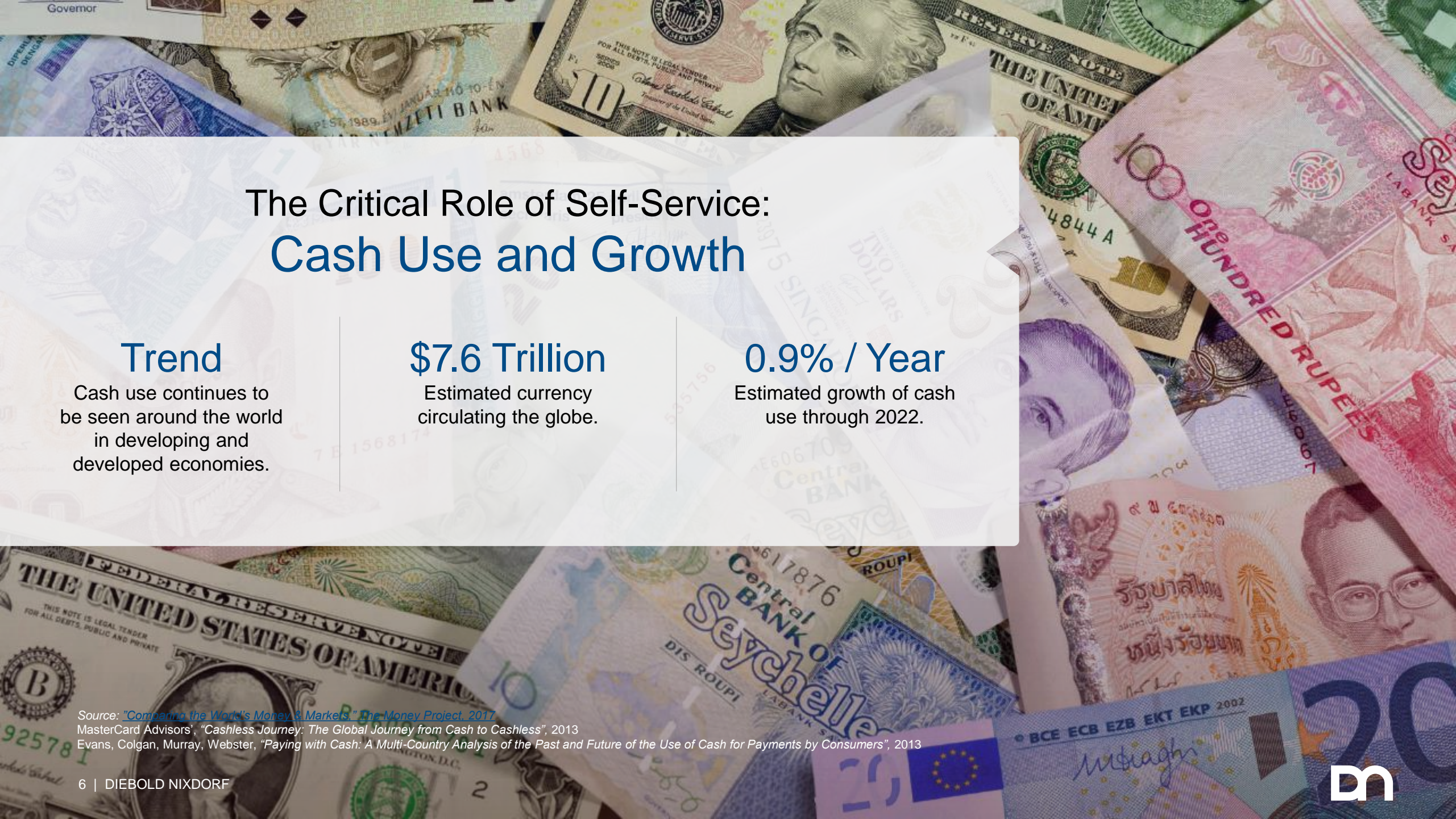
CONSUMER EVOLUTION

- More tech savvy and demanding
- More information and choices
- No longer tied to a logo
- Care about their individual journeys to get things done
- Decide when, where and how they like to engage



UNBUNDLING

- Competitive and regulatory pressures (PSD2, NPP, Open Banking) push players to grant third parties access to account data and payments
- Embrace business model innovation and the API economy to reach across commerce value chain for each consumer journey
- Move from microcosm to an ecosystem



The Critical Role of Self-Service: Cash Use and Growth

Trend

Cash use continues to be seen around the world in developing and developed economies.

\$7.6 Trillion

Estimated currency circulating the globe.

0.9% / Year

Estimated growth of cash use through 2022.

Source: *"Comparing the World's Money & Markets," The Money Project, 2017*
MasterCard Advisors, *"Cashless Journey: The Global Journey from Cash to Cashless"*, 2013
Evans, Colgan, Murray, Webster, *"Paying with Cash: A Multi-Country Analysis of the Past and Future of the Use of Cash for Payments by Consumers"*, 2013





The Critical Role of Self-Service: Financial Inclusion

Trend

There is a global need to better serve the un- and underbanked populations.

31%

Percent of the world's population that is unbanked.

2 Billion

Number of people without access to financial services.

Opportunity

The ATM can reach those populations with financial services where a branch would not be feasible.

The Critical Role of Self-Service: Transaction Set Expansion

Trend

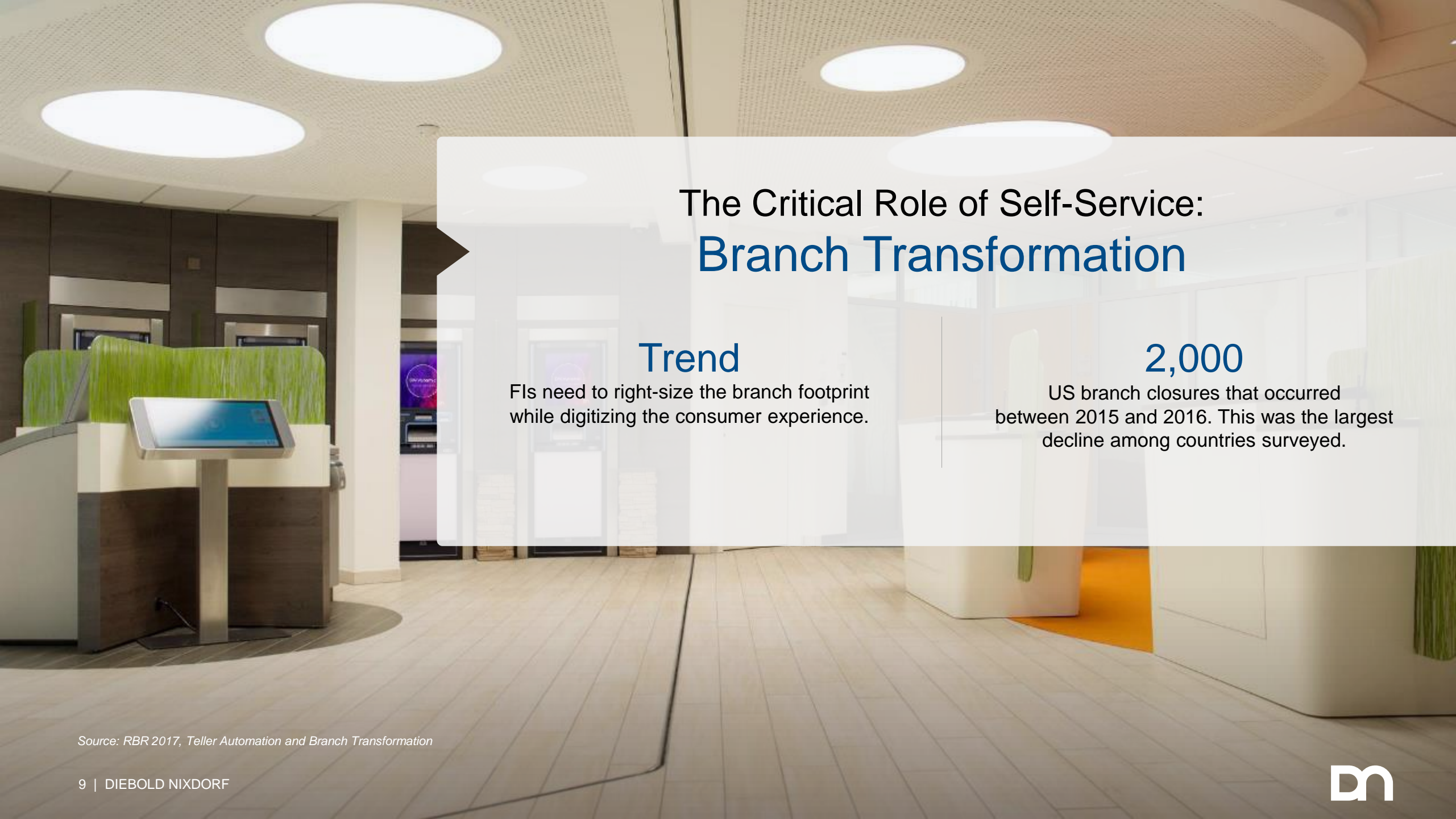
Financial institutions (FIs) continue to drive more transactions to the lowest cost channel, and ATMs can conduct transactions for pennies on the dollar compared to transactions conducted through a teller.

9%

The share of ATMs with deposit-enabled capabilities grew globally at 9% CAGR between 2012 and 2017.

Source: RBR, 2018, *Global ATM Market and Forecasts to 2023*





The Critical Role of Self-Service: Branch Transformation

Trend

FIs need to right-size the branch footprint while digitizing the consumer experience.

2,000

US branch closures that occurred between 2015 and 2016. This was the largest decline among countries surveyed.

Source: RBR 2017, Teller Automation and Branch Transformation

Local Responses in Eurasia

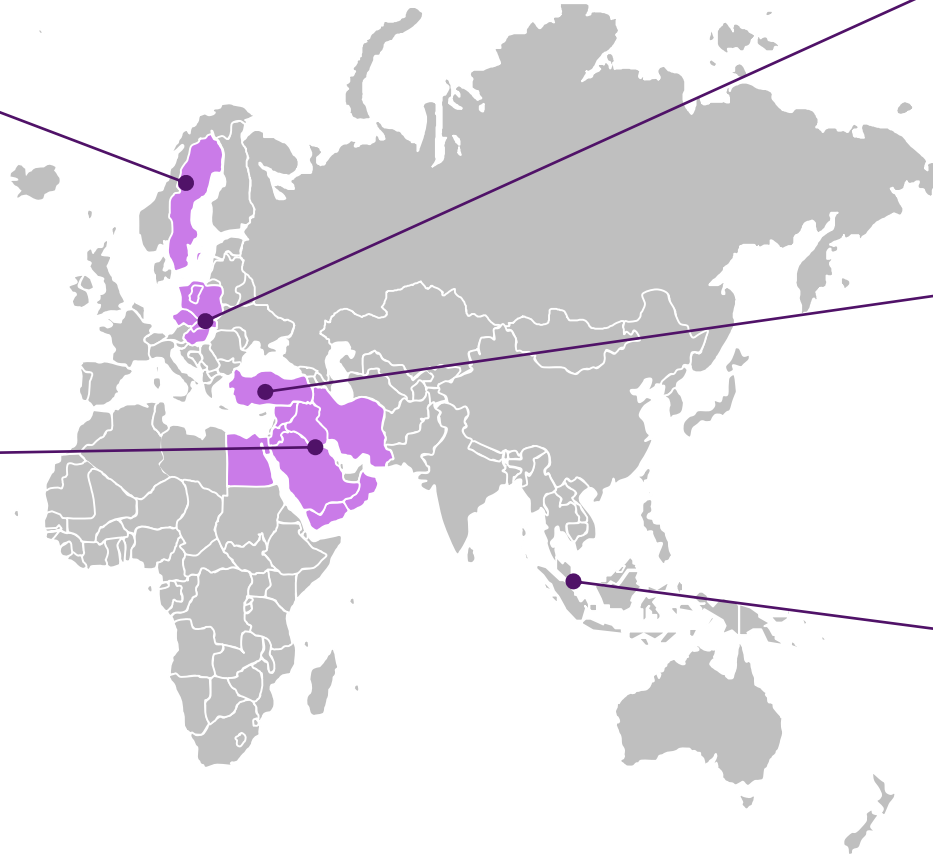
Trends We're Seeing for Self-Service

NORDICS

Reduction in cash handling for notes and coins inside branches. ATMs As a Service operating models offer greater flexibility and speed to market

MIDDLE EAST

Service oriented market where sophisticated self service kiosks enable wide range of advanced transactions with cardless and remote teller



GERMANY

Mature recycling market with reducing branch estate. Cash remaining a heavy part of payment transactions

TURKEY

Recycling technology reduces cash handling costs while increasing performance. ATM channel is a key part of customer experiences

SINGAPORE

Technology advanced market where Cash remains in high demand. Recycling helps to contain cash management cost

Local Responses in the Americas

Trends We're Seeing for Self-Service

U.S.

Branch right sizing and transaction migration strategies, recycling technology only supports the teller function

MEXICO

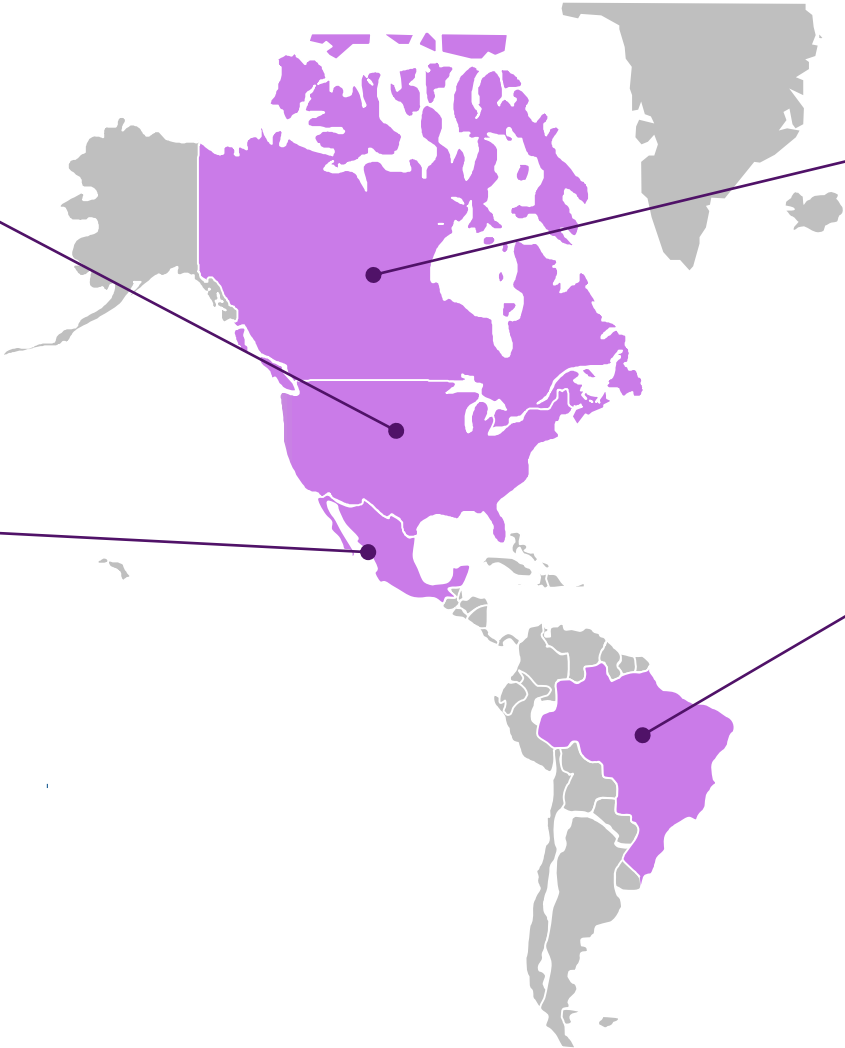
Cash-in-transit costs reduced with recycling systems and increase in security requirements

CANADA

Transaction migration within branches and outsourcing fleet management improves operations

BRAZIL

100% digital branch offers over 40 transactions via self-service recycling technology, dramatically reduced CIT visits



The Modern Day Convergence Point

Rethink The Self-Service Strategy



1

Automate Cash Processes

2

Focus on Seamless Journeys

3

**Reduce Costs and
Drive Efficiency**

Self-Service As Part Of The Digital Strategy



20% growth in mobile and internet banking

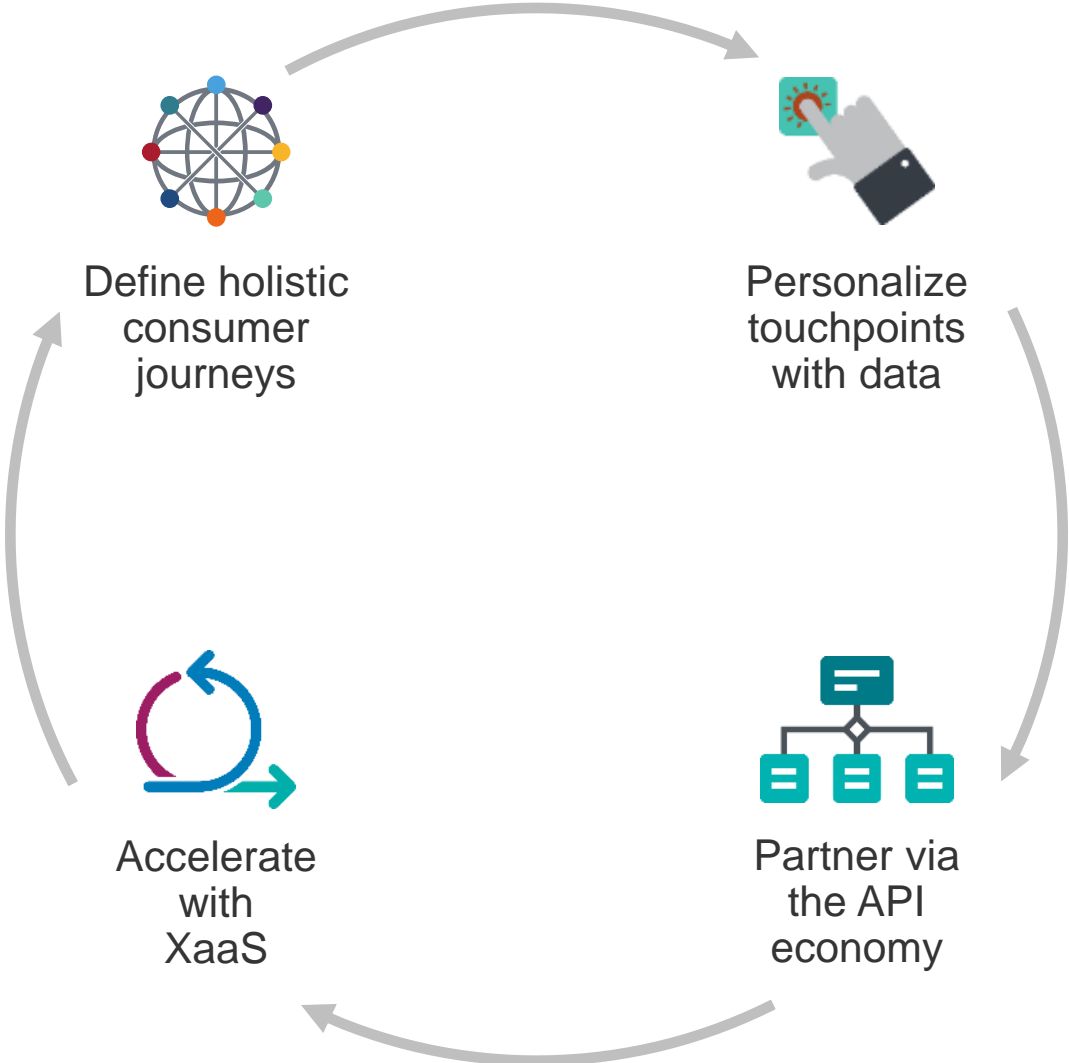


More than 40 different transaction options available



Cash recycling has dramatically reduced CIT visits

Focus On The Journey, Then The Technology To Enable It



TECHNOLOGY:

The Foundation for Personalized and Digitally-Enabled Experiences



Enable Technology To Do More.

It's Not About the ATM, It's About What You Do With It.



Modern Connected Devices



APIs



Open Banking



The Critical Role of Self-Service in Branch Transformation

Modern Self-Service Strategies are Driving Comprehensive Changes to Branch Networks.



FIs are moving toward 100% automation in some branches to address demographic needs.




In off-premise locations, the ATM can represent the branch.



Recycling ATMs are helping FIs optimize cash management.



The ATM is being leveraged in entirely new ways.

A man in a blue sweater is seen from the side, interacting with a DN Vynamic ATM. The ATM screen displays the text "DN Vynamic™" and "Touch to Get Started" inside a white circle. The background is a blurred bank lobby with glass doors and a person walking in the distance.

**Bridge the gap between
physical and digital
banking...**

**...by including your ATM
as part of your digital
channel strategy**

Self-Service Beyond the Box



Personalized interactions
(through targeted marketing)



Mobile cash access
(cardless cash withdrawals, BYOD)



Assisted services that incorporate multiple channels
(online, teller tablet or video)



DN SERIES™

Enabling the Self-Service Channel of the Future



Enabling the Self-Service Channel of the Future



HTML5 AND DIGITAL ALIGNMENT

- Build once, deploy everywhere
- Consistent user experience
- Cater to the unique form factor of the ATM as a device that is unattended
- Expected availability 24 / 7 / 365



IOT AND CONNECTED SERVICES

- Everything is connected in today's environment
- Simple communication at the ATM is no longer enough
- Management of the ATM environment needs to adapt



API AND APP MARKETPLACE

- Connect everything to everything
- Move beyond omnichannel
- Offer services outside the standard four walls of the institution



HOLISTIC SECURITY APPROACH

- Long-edge card reader
- Dual-factor authentication
- Biometrics
- PCI DSS Standards

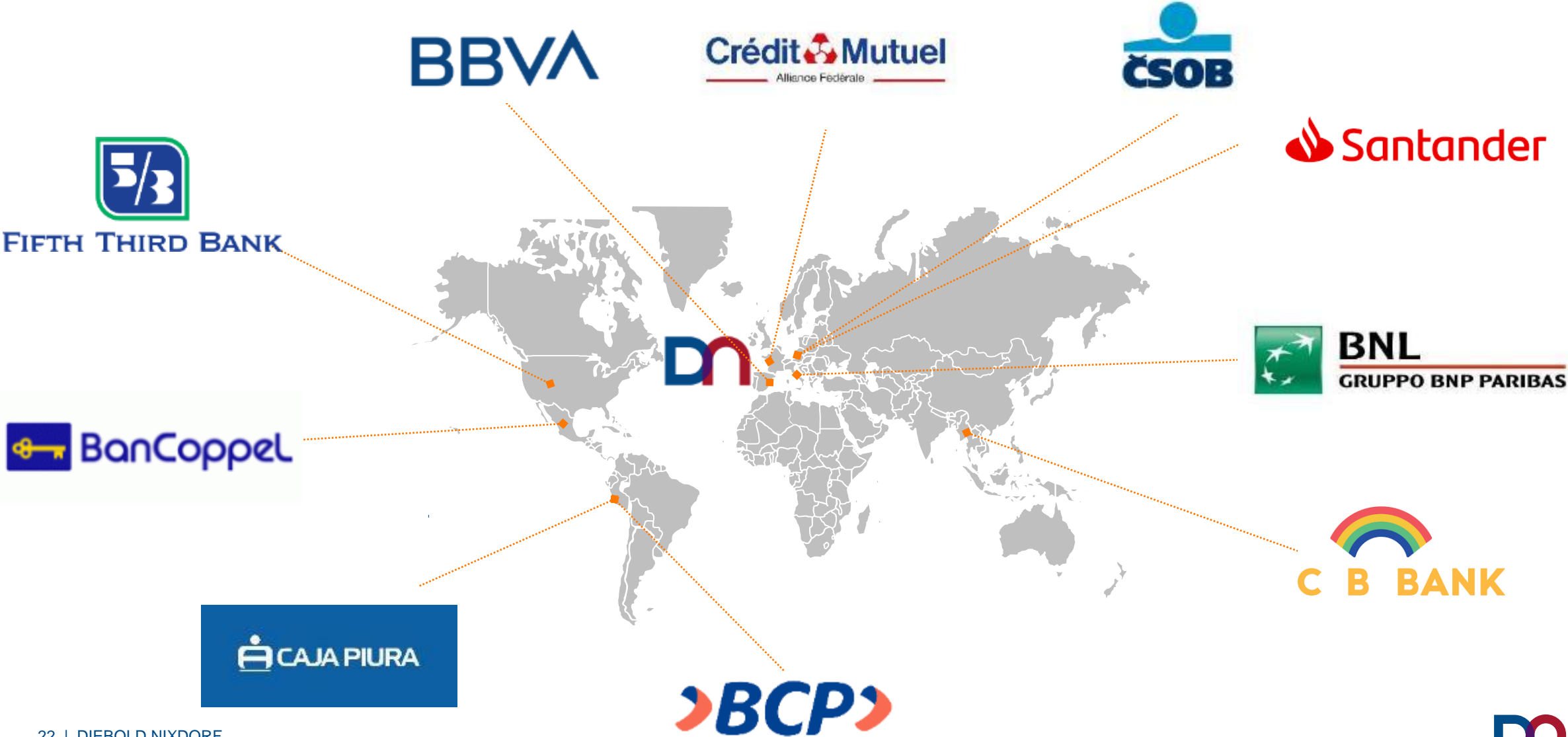


XaaS

- Eases management of compliance and regulatory requirements
- Enables ongoing technology refresh
- Needs/functionality-based software deployment
- ATM pooling / white label enablement

Setting the pace for technology innovation

Market leading banks from around the globe pilot DN Series technology





DN Series™

Built to Connect.



To People



Businesses



& Digital Channels

Built for More.



More Personalized



More Integrated



More Available



More Efficient



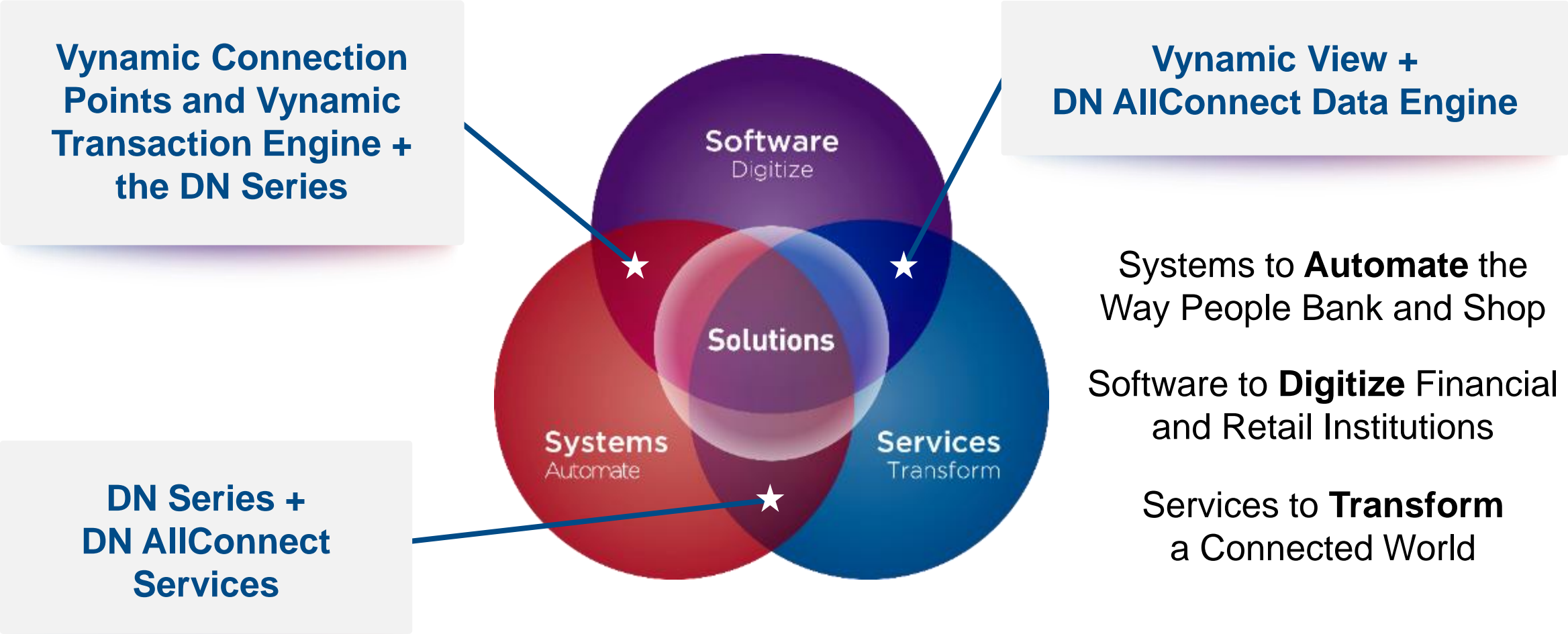
More Future-Ready



More Secure



Integrated Solutions Provide More Value



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We're very committed to innovation. Rising competition and consumers' evolution are just a few of the challenges we're focused on and that we're managing on a daily basis. Diebold Nixdorf's commitment to solving for these headwinds with the DN Series makes them a trusted advisor and partner to help us move the needle for our continued transformation and global impact.

*Maurizio Lupo
Head of Innovation, Change Management
and Network Transformation,
BNL Gruppo BNP Paribas*

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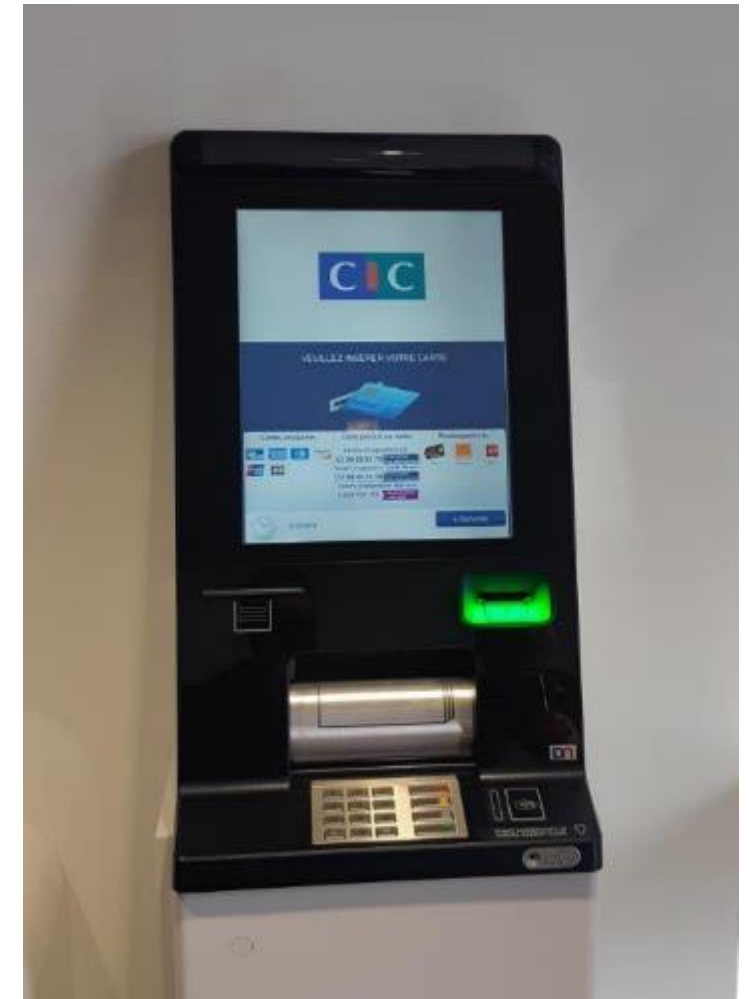


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The very effective collaboration was carried out in recent months between the ATM experts of Crédit Mutuel Alliance Fédérale and Diebold Nixdorf allowing the successful start of our first pilot unit on March 27, 2019 for this new range of self-service systems. A great success confirmed by the high level of availability of the ATM and the quality of the services offered.

*Olivier Fournier
Head of ATM Division, Supply Chain Department,
Euro Information, Crédit Mutuel Alliance Fédérale*

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The new technology provided by Diebold Nixdorf's DN Series supports our ambitions to deliver financial services at the highest level to our customers.

Tomasz Zientek, Head of Cash Management/Chapter Owner, Santander Bank Polska

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By delivering advanced automation, operational efficiency and digital innovation on a self-service channel, we are able to provide our customers with a more personalized and frictionless customer journey.

Tomasz Sokolowski, Head of Innovation Self-service Network/Product Owner, Santander Bank Polska

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This new ATM is a benchmark in sustainability. Energy efficiency and paper savings reduce the environmental impact, actions that are part of our commitment to society and allow us to align our activity with the Sustainable Development Goals and the Paris Agreement. It is a pilot, but in the future there will be an expansion phase in Spain.

Luis Blas

Director of Engineering and Data, BBVA Spain



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Introduction of DN Series into operation will bring us wider opportunity to make our branches tellerless, modernize the appearance of our ATM fleet, further improve skimming protection and increase deposit and withdrawal capacity to extend the availability of these services.

Tomáš Koníček

Head of Payments and Cards Solutions, ČSOB

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DN Series Family

The most functionality with the highest reliability in the smallest, most secure footprint in the industry!



100D

Indoor Mono-Function Cash Dispenser

200

Lobby Cash Dispenser or Recycler with Check or Coin Option

400

Lobby Multi-Function Cash Dispenser or Recycler

250

Outdoor TTW Cash Dispenser or Recycler

450

Outdoor TTW Multi-Function Cash Dispenser or Recycler

470

Outdoor TTW Drive-Up Multi-Function Cash Dispenser or Cash Recycler

490

Outdoor Island Drive-Up Multi-Function Cash Dispenser or Cash Recycler



Built to Connect. Built for More.™

A more personalized experience
in a more integrated solution.



Thank you for joining us today.

For more information, check out the following resources:

Discover DN Series:
[DieboldNixdorf.com/DNSeries](https://www.dieboldnixdorf.com/DNSeries)

Download our latest fintech guide Self-Service Reloaded:
[DieboldNixdorf.com/DriveROI](https://www.dieboldnixdorf.com/DriveROI)

See DN Series in action at our Customer Experience Centers:
Contact your DN representative to plan a visit

Join us at an upcoming event:
DN Intersect Las Vegas or RBR London

