



TECHNOBANK

March 29, 2023

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AGENDA

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- 1. Market Perspective & Trends**
- 2. DN Banking Portfolio Vision & Priorities**
- 3. Cash Automation Insights**



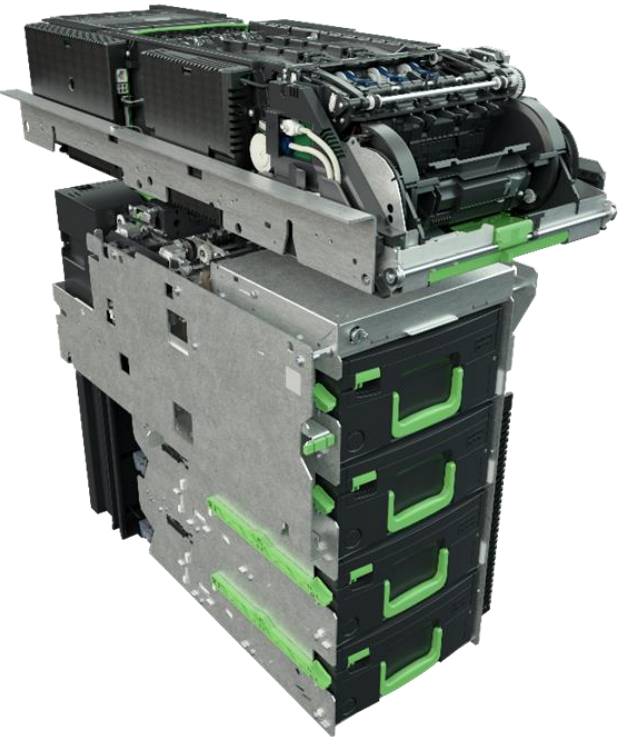
Diebold Nixdorf

Payten

ONE



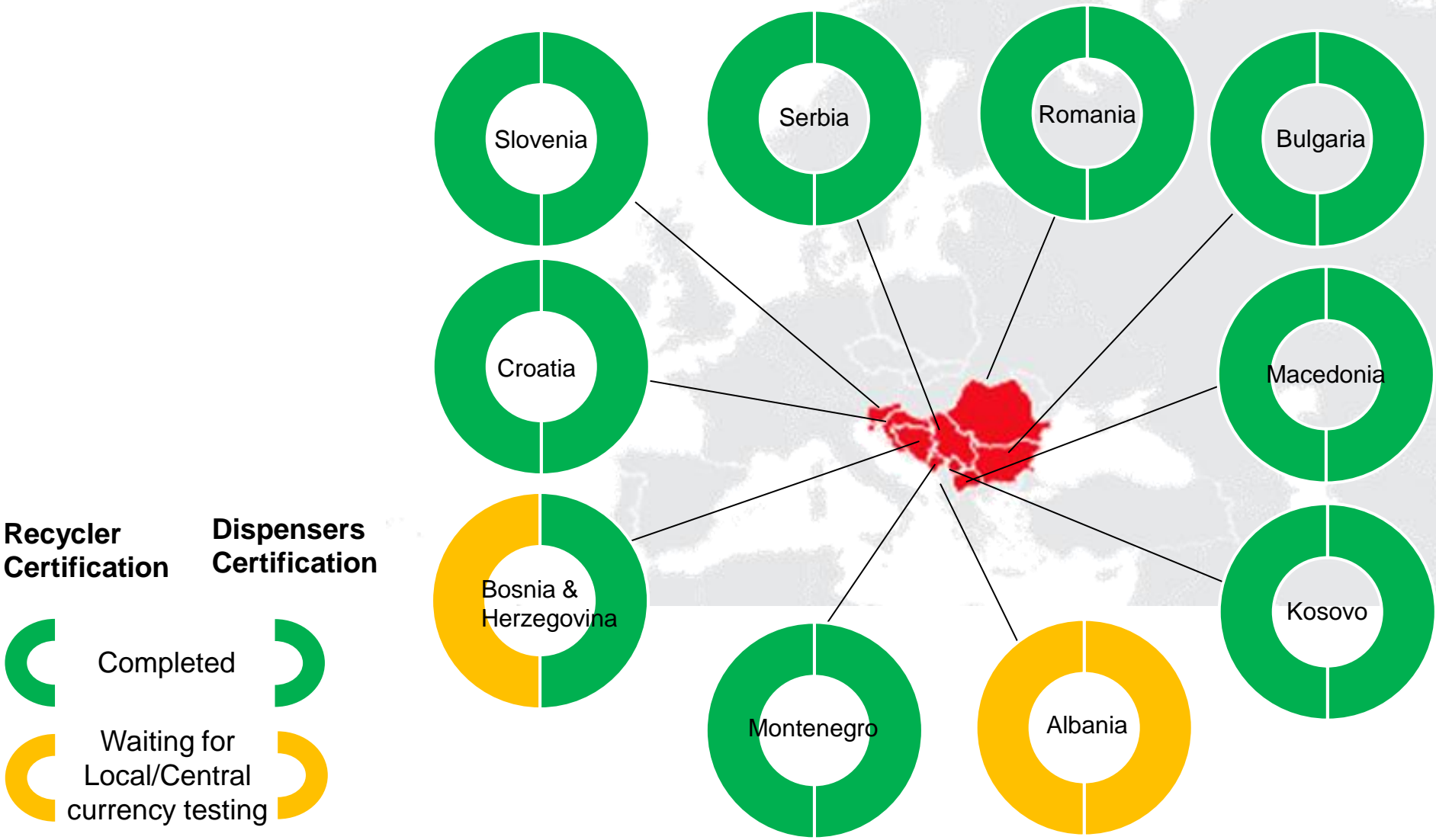
Payten readiness for DN series



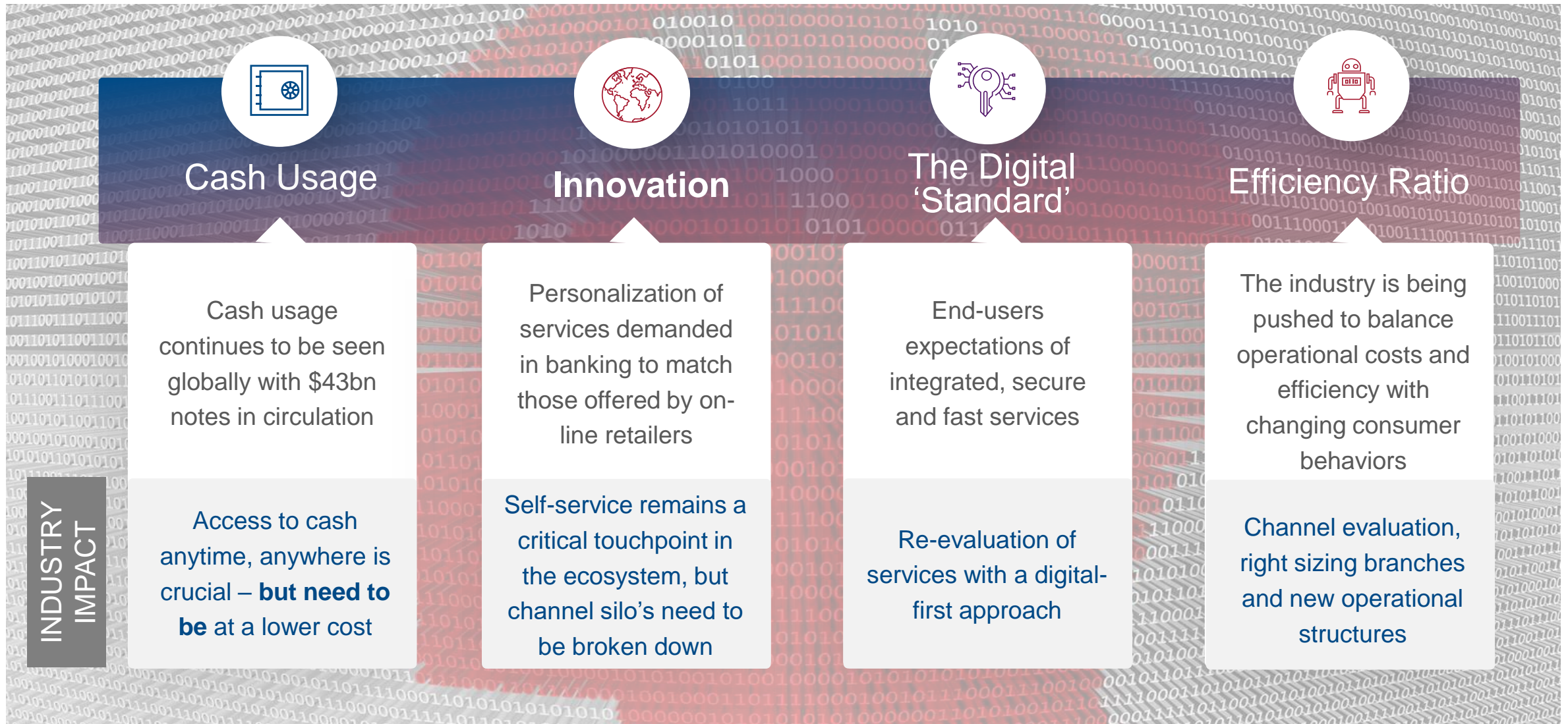
- Trained technicians for RM4 technology
- Finished EMV certifications
- Established specialised monitoring center
- Implemented DN series in most of SEE countries



DN Series market readiness in South East Europe



Consistent Industry Trends



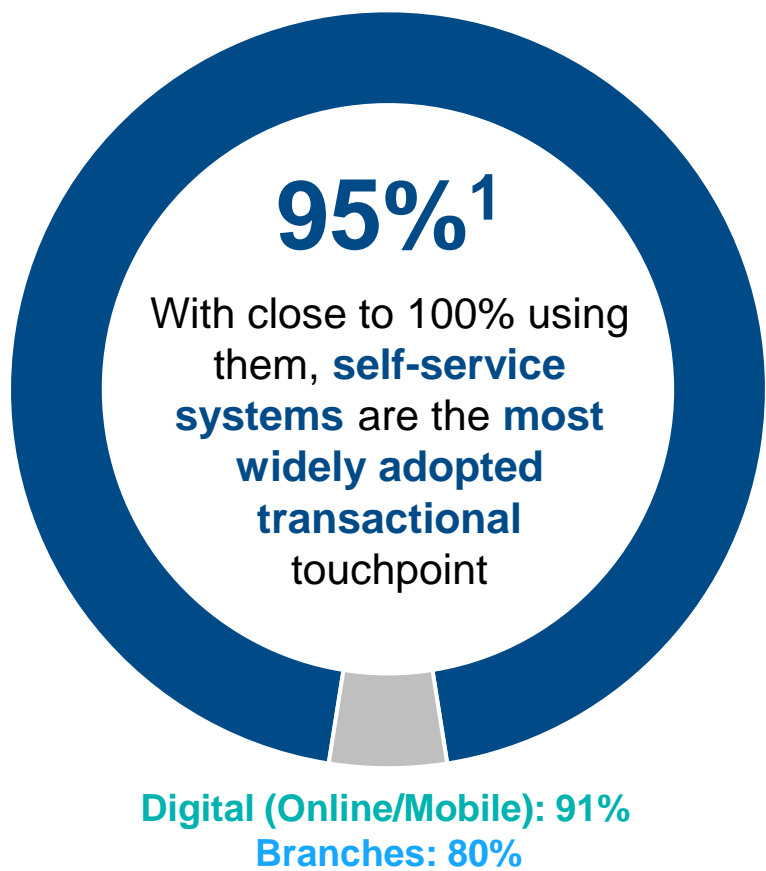
Optimization of the Branch Ecosystem : Efficiency ratio drives need for Automation



- From a technology perspective, it is all about fulfilling a customer journey, not just technical functionality
- Access to cash remains a critical service, but deposits in demand paving the way for recycling
- Optimising costs yet protecting revenue key when moving to alternative branch concepts (staff less)
- Security of experience & a positive NPS essential
- Keeping up with new transaction types will continue to be an inherent challenge with digitalization
- Availability of services and integrated cross channel experiences a 'must have'

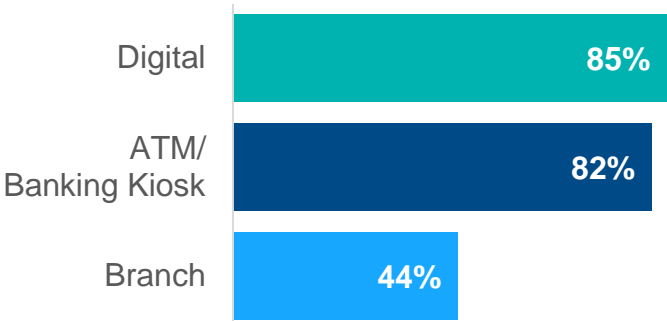
The power of self-service

Most widely adopted, highly frequented, and leveraged beyond cash transactions



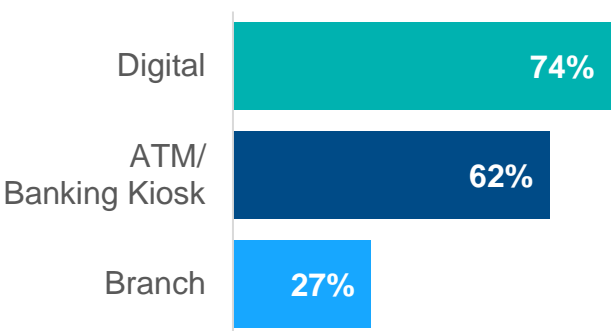
Touchpoint adoption – monthly base²:

Base: Use some touchpoint at least once per month, n = 11,518

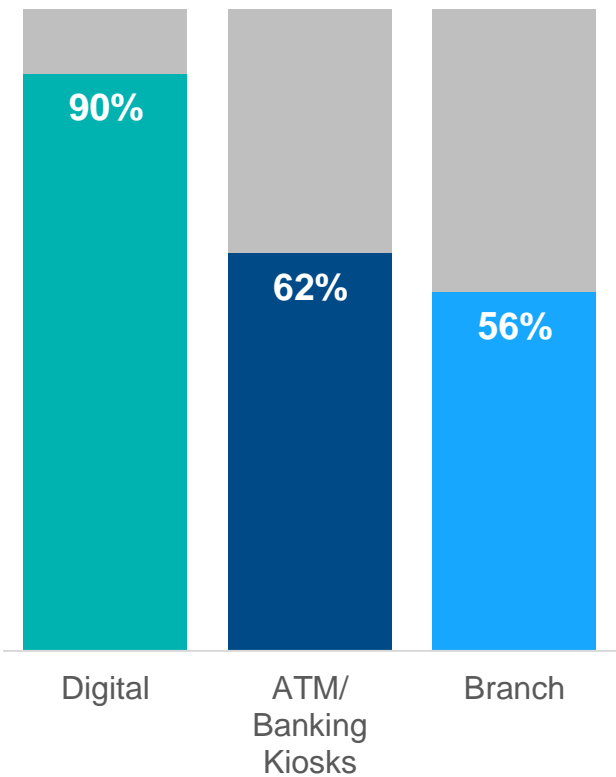


Touchpoint adoption – weekly users³:

Base: Use some touchpoint at least once per week, n = 7,546

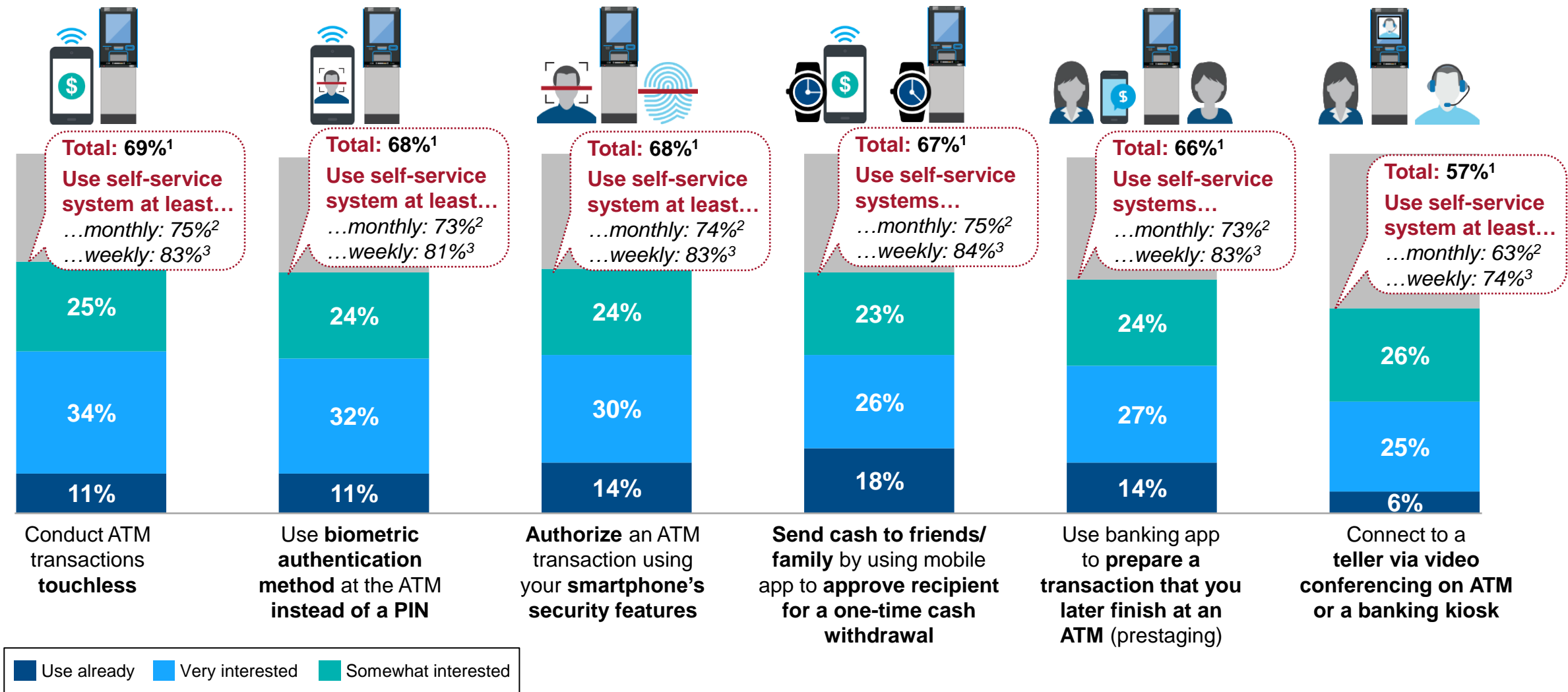


Use respective channel for non-cash transactions, e.g. money transfers, bill payment, etc.¹



Bridging the digital and physical worlds

Frequent ATM users highly interested in Digital-to-ATM connections

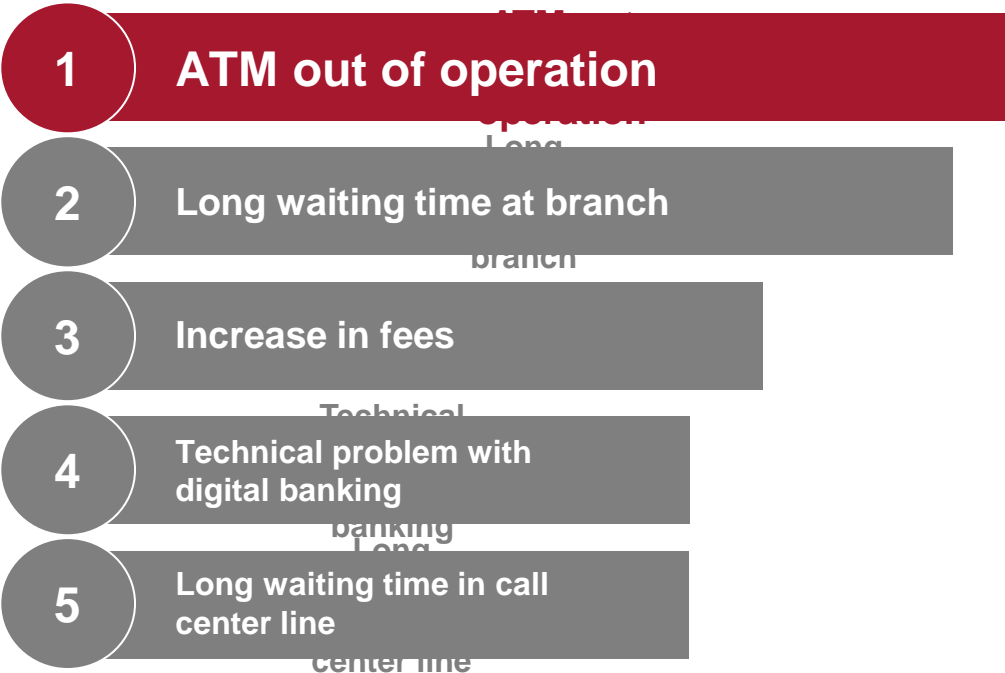


Customer loyalty & retention

During the pandemic, positive ATM experiences helped drive loyalty and retention

ATM out of operation was the **No. 1** frustration financial service consumers reported for the **12 months previous to this survey**

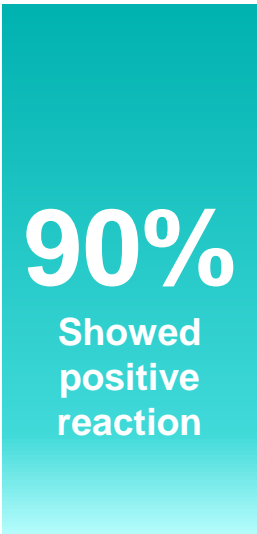
(only top 5 responses displayed below)



But also during the time of the pandemic, positive ATM experiences helped to **drive loyalty and retention**



1 in 4 consumers were positively impressed because they perceived an ATM investment (new functionalities or additional ATMs)



**Reactions refer to respondents that reported a positive experience ONLY relating to ATMs.*





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Banking Portfolio Focus Areas



Commitment to technology innovation

- Cash Recycling leadership
- New use case for Automation
- Security
- Cloud native Terminal Driving and Processing platform

Standardization and Simplification

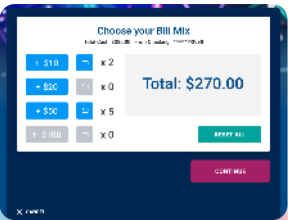
- Simplification and Miniaturization of recycling
- Integration of Core Terminal applications & components
- New generation Application SW
- Localization of Supply Chain

Optimization with HW, SW & Services

- Maximize repeatability
- Drive down delivery & integration efforts
- Drive efficiency thru bundling

Consumer Experience Journeys: Deliver what consumers want, where and how they want it

Engagement Solutions



Denomination Choice



Campaigns



Personalization

Transaction Automation Solutions



Assisted Self Service



Branch Transformation

Advanced Acquiring Solutions



Digital Integration



Cash Recycling



Over the limit Transactions



Cardless Authentication



Payments



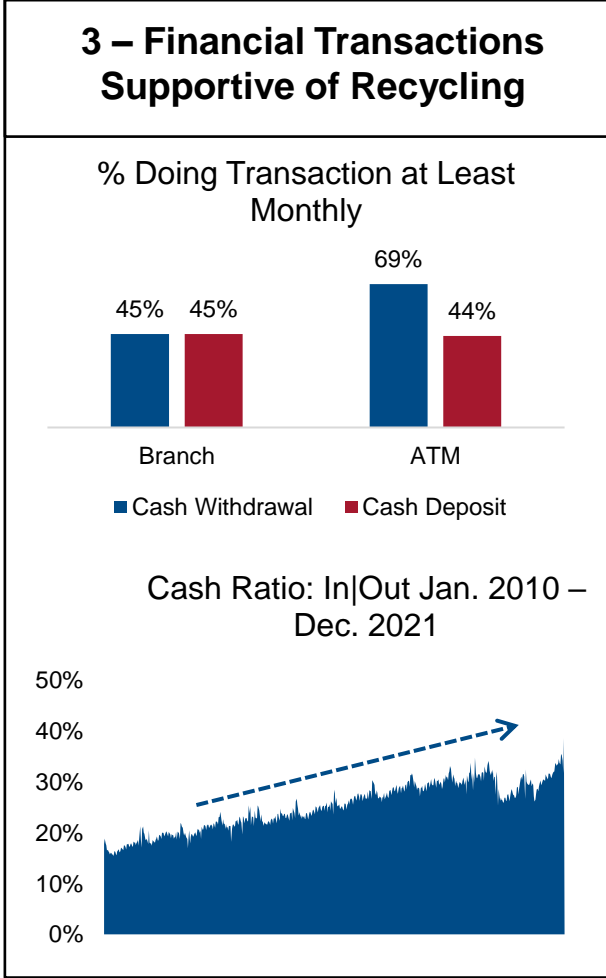
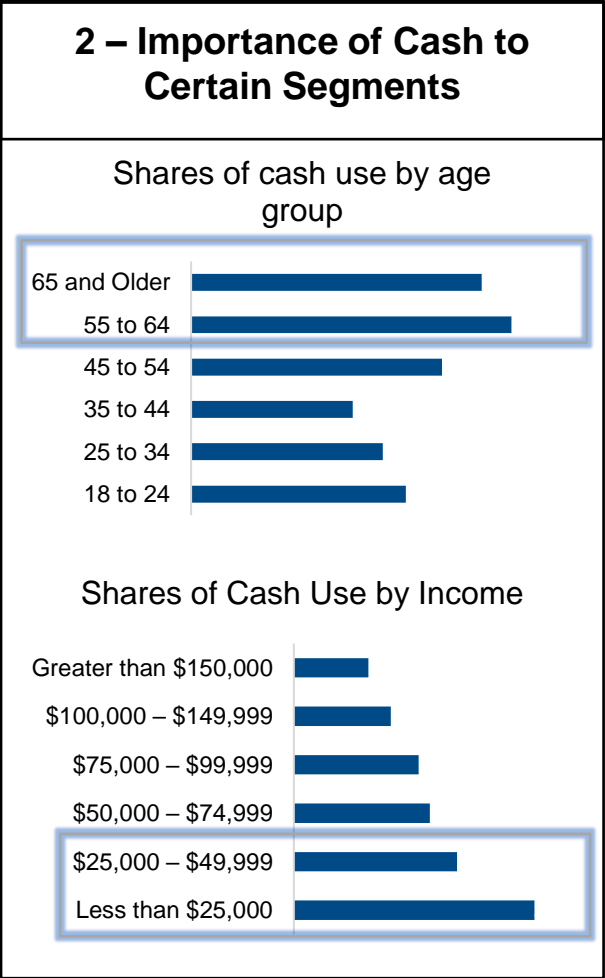
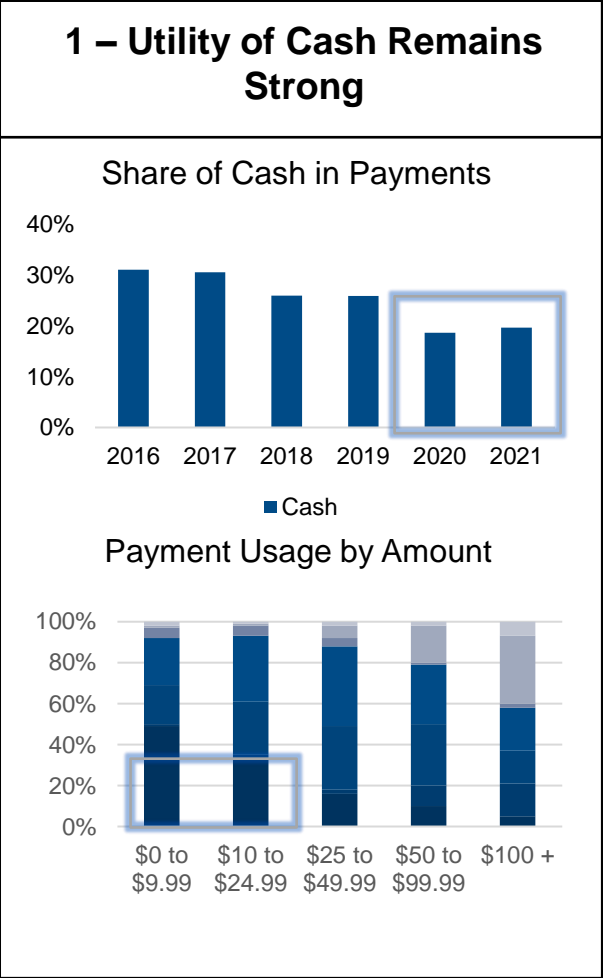
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Access to cash will remain important for meeting customers expectations and maintaining inclusiveness



- 1. Share of cash as a payment rebounded slightly in 2021; key payment method for small dollar purchases
- 2. Cash use varies by age and income; lower income and older segments have a higher dependence on cash
- 3. Even with strong migration to digital there is a high portion of consumers utilizing physical channels for access to cash

Source: 2022 Diary of Consumer Payment Choice; CPO Federal Reserve System; NielsenIQ International Retail Banking Survey 2022, Internal DN Benchmark data 2022



Cash circulation in Serbia

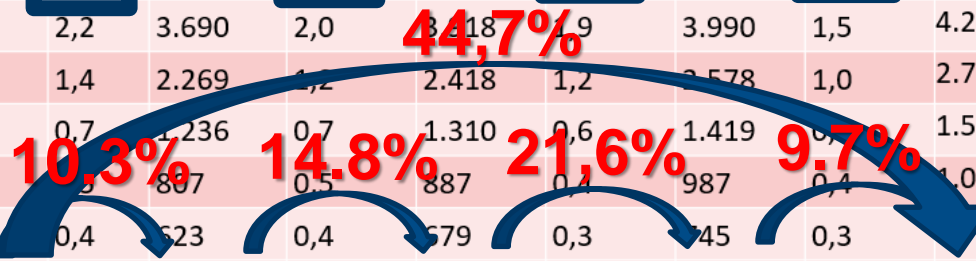
- Denominational structure of currency in circulation at EoY*

- Constant annual growth of cash at more than 10%
- Two denominations (1000&2000 RSD) make 80% of cash
- Four denominations (500 - 5000 RSD) make 95% of cash



National Bank of Serbia

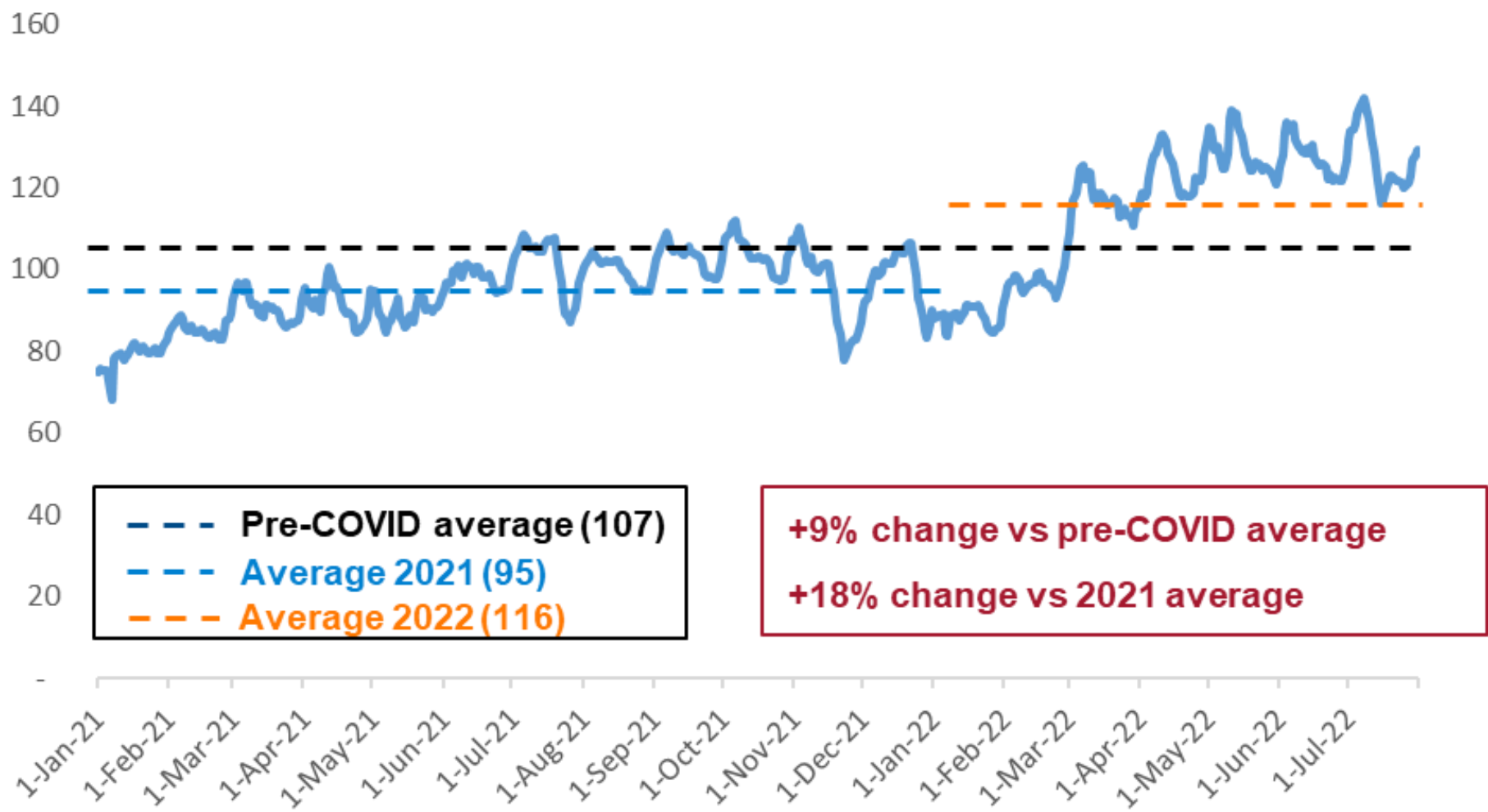
Banknote	31.12.2017		31.12.2018		31.12.2019		31.12.2020.		31.12.2021	
	Mln RSD	%	Mln RSD	%	Mln RSD	%	Mln RSD	%	Mln RSD	%
5000 RSD	13.964	8,6	16.326	9,0	20.927	10,1	30.082	11,4	32.324	11.1
2000 RSD	82.274	50,9	97.218	53,9	103.474	50,0	130.847	49,6	154.111	52.7
1000 RSD	47.578	29,4	48.046	26,7	63.060	30,5	80.522	30,5	82.859	28.3
500 RSD	9.544	5,9	10.099	5,6	10.379	5,0	12.791	4,8	12.786	4.4
200 RSD	3.620	2,2	3.690	2,0	3.418	1,9	3.990	1,5	4.202	1.4
100 RSD	2.217	1,4	2.269	1,2	2.418	1,2	2.578	1,0	2.728	0.9
50 RSD	1.192	0,7	1.236	0,7	1.310	0,6	1.419	0,5	1.519	0.5
20 RSD	765	0,5	807	0,5	887	0,4	987	0,4	1.068	0.4
10 RSD	576	0,4	623	0,4	679	0,3	745	0,3	794	0.3
Total:	161.730	100,0	180.314	100,0	207.052	100,0	263.961	100,0	292.391	100.0



*NBS Annual Report on Activities and Results

DN own data shows that transactions are above pre-covid levels in EU

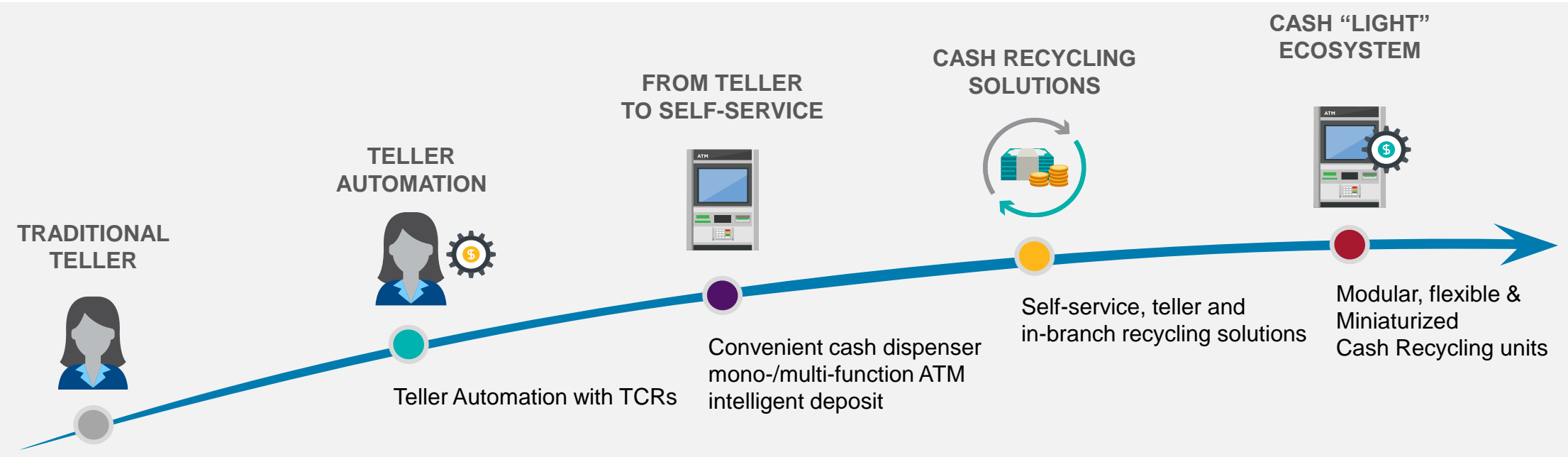
Sample ATM transaction activity in EU Trailing 7 day average number of transactions per device



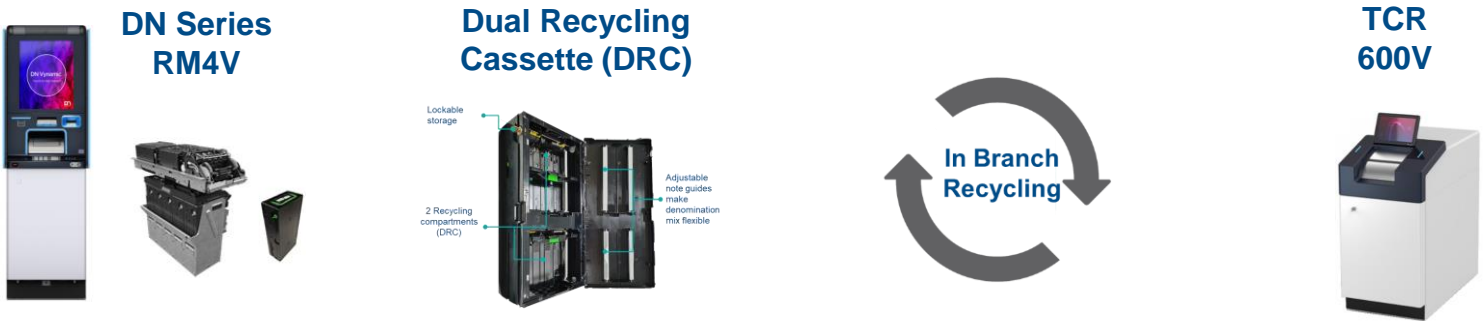
Source: DN, ACDE transaction data based on approx. 24.000 DN ATMs, August 17th, 2022



A Journey Towards Cash Automation



DN Portfolio Evolution



Supported by **VCP** Next Generation of Terminal Application SW



RM4V Standard Cassettes

Technology Details

RM4V

Dispense, Deposit or Recycle
FUNCTIONALITY

300 note BUNDLE CAPACITY

3,500 DISPENSE CAPACITY
(per cassette)

3,500 CASH DEPOSIT
CAPACITY
**(per cassette) -Can convert dispensing
cassettes to deposit cassettes for
heavy deposit locations – Thus going
from 3,500 to 7,000*

17,000+ TOTAL **NOTE**
CAPACITY

5 TOTAL CASSETTES

4 TOTAL DENOMINATIONS



RM4V Technology Enabler

Dual Compartment Cassettes

- Further **optimize the storage solutions and denomination mix** of the DN Series ATMs.
- The Dual Cassette enables **expanded denomination support** without compromising the small footprint.
- Offers various **interchangeable cash storage options** on the DN Series Cash Recycler.
- The DN Series is the most scalable ATM family on the market: Our cassettes can be **added or taken out** without complication.



RM4V Cassette Configuration Flexibility

Denomination Expansion

4+1 configuration with
4 Standard Cassettes (REC)
+ 1 All-In Cassettes
Up to 4 Denominations



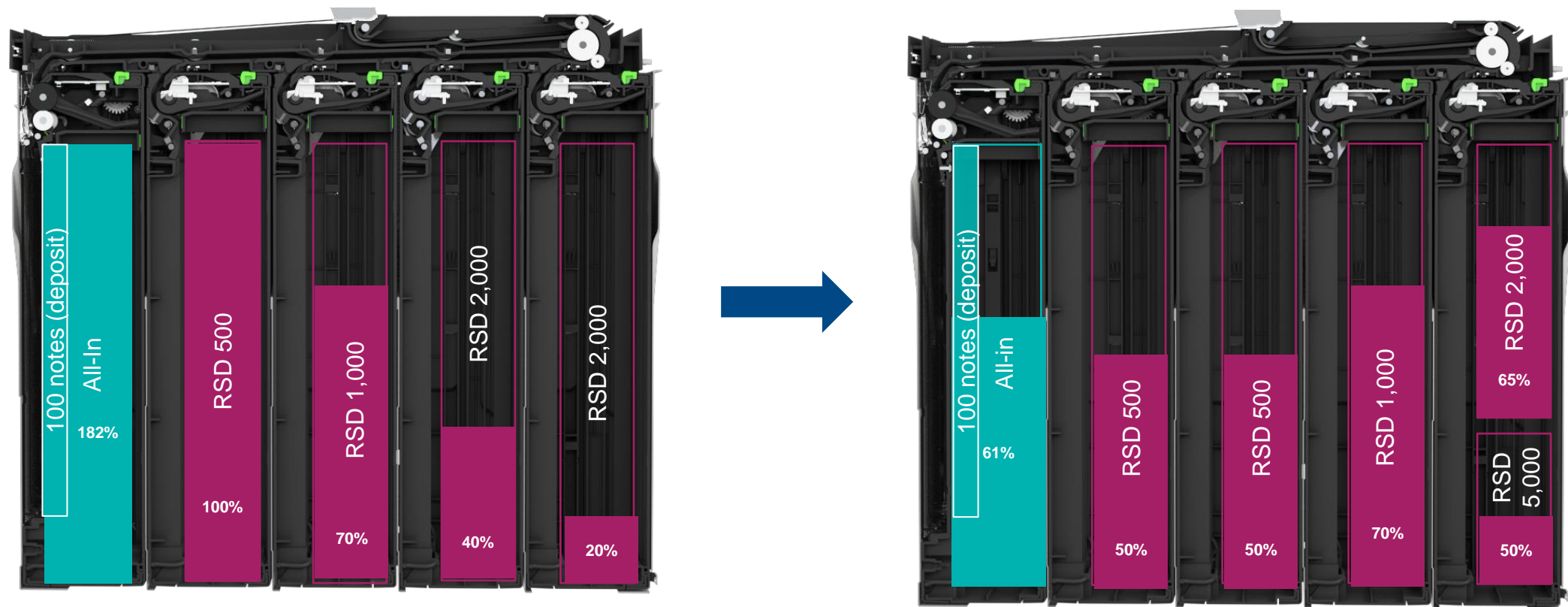
Without any adjustments you could also equip
4 Dual Recycling Cassettes (DRC) +
1 All-In Cassettes
Up to 8 Denominations



Cash Optimization Analysis: Dual Cassette

Capacity Optimization

Dual Cassette enables storage optimization while increasing denomination selection and/or capacity



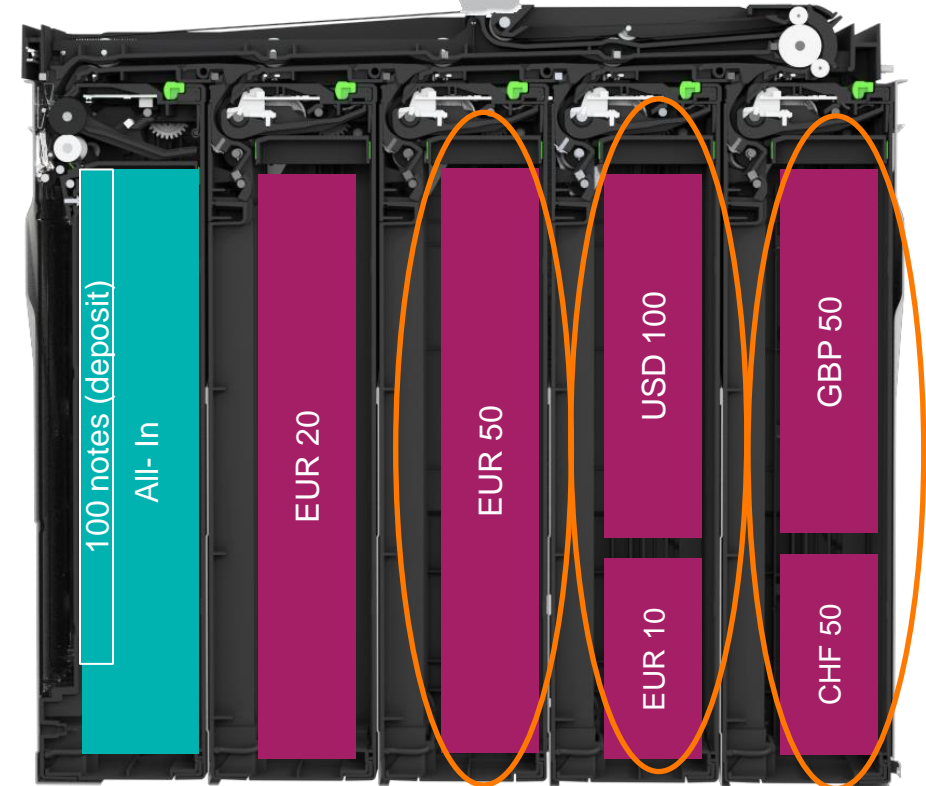
RM4V Dual Cassette Use Case

Denomination Expansion

4+1 configuration with
4 Standard Cassettes (REC)
+ 1 All-In Cassettes
Up to 4 Denominations/Currency



Use Case: *Offering Multi-currency exchange (i.e. airports/borders)*
Add 2 Dual Recycling Cassettes



■ Recycling compartment

■ Deposit compartment



DN Series Portfolio: Core Technology Across ATM/Teller



In Branch Cash Cycle

- RM4 Technology expanded across ATM and teller systems
- Fully Interchangeable RM4V cassettes
- Scalable, High-Capacity Cassette options
- Flexible cassette options to optimize cash storage

Key Processes

- Balance cash position within the branch
- Consolidate cash levels between front & back office
- Flexible cash exchange via single end-to-end note storage

Key Values

- Increased usability rate of cash
- Reduced transportation & handling efforts
- Improved transparency of cash position and amount
- Higher availability of end-to-end solution results in higher end customer satisfaction

Diebold Nixdorf Banking Portfolio

Vision & Priorities



Cash Automation & Optimization – “Address all cash ecosystems from a cash heavy to a cash light”

- Cost optimization through intelligent recycling capabilities
- Increased Capacity and Flexibility with new RM4V
- Easy Upgrade from standard Recycling (Up to 4 den.) to high denomination (8 den.)



Banking Transformation – “From a physical to a digital world”

- Simplification and Standardization of Terminal applications
- Driving further efficiency ratio from Teller to Self-Service and digital channels
- Modernization of Payments



Self-Service Fleet Management – “From a traditional to an AI/Data driven service model”

- Fully Leverage All-Connect-Data-Engine for Call Enrichment and Continuous improvement
- Optimizing service call management and availability through data driven intelligence
- Improved Uptime thru Monitoring and Managed Services.

Thank you