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Company Overview

"WE ARE REAFFIRMING OUR OBLIGATION TO CORPORATE SOCIAL RESPONSIBILITY."

ANDY MATTES, PRESIDENT AND CHIEF EXECUTIVE OFFICER

WE'RE PROUD OF OUR **PROGRESS**

in environmental accountability, social equity, community engagement and diversity since instituting our formal commitment and official reporting in 2012. Diebold is dedicated to making a difference, no matter how small, in the communities where we operate.

I'm proud of each of our key geographic regions taking stewardship of their local programs where we live and work.

Around the world, you'll find Diebold employees doing the right thing with great dedication and passion. Our corporate conscience provides the guiding principle behind that kind of commitment. We are reaffirming our obligation to corporate social responsibility: sustainability, transparency, teamwork, a sense of urgency and doing business in a responsible way in all of our markets around the world. I am grateful to our employees for contributing to this progress and to our shareholders for their confidence and support in our mission. On behalf of the Diebold leadership team, thank you for your interest in Diebold's sustainability efforts. If you have questions, I hope you'll contact us.

Thank you and best regards,

Andy W. Mattes
President and Chief Executive Officer
Diebold, Incorporated

MESSAGES TO DIEBOLD STAKEHOLDERS

WE ARE IN THIS TOGETHER LET'S CONTINUE THE DIALOGUE



TO OUR CUSTOMERS

We appreciate your inquiries into Diebold's environmental and social practices. Because every time you do, we begin another important sustainability conversation. Let's continue to exchange ideas. Let's share best practices. Most importantly, let's align our goals and values to improve and become more efficient at achieving our respective sustainability objectives.



TO OUR EMPLOYEES

This report is filled with examples of your good work. Without you, there would be no ATMs recycled, no fuel saved and no greenhouse gases reduced. What you do is important. In turn, Diebold works hard to treat everyone equally and provide career opportunities. Because every Diebold employee is also a Diebold ambassador, we ask that you spend time with this report. A strong knowledge of our sustainability program is critical when meeting with customers, suppliers and other stakeholders.



TO OUR SUPPLIERS

You are a key part of our supply chain, and we depend on you to help us meet our sustainability objectives. We expect our vendors to fully embrace environmental responsibility, operate in an ethical manner, respect human rights and be in compliance with all applicable laws and regulations. In turn, we are willing to work with you to help you meet your sustainability goals. Let's establish mutually beneficial relationships that enable us both to succeed.



TO OUR COMMUNITIES

Thank you for welcoming us into your cities and towns. It is our practice to act responsibly.
Diebold will continue to support local organizations and causes, and our employees look forward to working alongside our neighbors on important community projects. We will respect our environment, make the best use of resources and re-purpose materials when possible.



TO OUR INVESTORS

Research shows companies that invest in sustainability do better financially. Our sustainability efforts are aligned with our business goals. So as we're reducing, reusing, recycling and reclaiming, we're also reducing costs, becoming leaner and more agile, investing in future growth initiatives and attracting the best talent.

THE DIEBOLD CORPORATE CONSCIENCE STATEMENT

Ours is a company with a corporate conscience. At the end of every day, our company and employees can feel good that we've worked hard to protect the environment and the Earth's supply of natural resources, respected the rights of employees, and enhanced communities through social awareness and philanthropy. That's not surprising given the very nature of our business, which has always been to help protect people, their assets, and the integrity of financial transactions around the world.

OUR SERIOUS COMMITMENT TO CORPORATE RESPONSIBILITY

We've established our corporate social responsibility (CSR) initiatives by creating strong, multi-level CSR teams to ensure successful outcomes. Here's how:



Each of Diebold's four regions has its own corporate social responsibility steward



Our Corporate Responsibility Advisory Council meets regularly and ensures the full support of leadership to Diebold's sustainability and CSR efforts



Human resources joins forces with the corporate social responsibility team to lead community engagement and environmental-health related initiatives in each region



FIVE FOCUS AREAS

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RESPONSIBLE SUPPLY CHAIN

Our suppliers are an extension of our company. Those who provide products and services to Diebold do so with a commitment to comply with our Partners in Excellence Supplier Manual. In it, we provide a self-assessment, a segmentation model, a risk assessment and a sustainability scorecard.

SUPPLIER AUDITS ENSURE SUSTAINABILITY, ENVIRONMENTAL STEWARDSHIP

Diebold audits its suppliers to ensure they are environmentally and socially responsible. The deliverable is a supplier scorecard that credits suppliers for their sustainability efforts. We keep a list of "accredited" suppliers, and we're prepared to switch suppliers if one no longer meets our corporate social responsibility benchmarks.

SUPPLY CHAIN TRANSPARENCY

To ensure clarity and effectiveness, our company created a Supply Chain Policy – an internal document that keeps everyone here focused on the same goals. We also have a <u>Supplier Code of Conduct</u> that requires our suppliers to remain transparent in areas like labor, human rights and conflict minerals.





LABOR AND HUMAN RIGHTS

We monitor our operations and supply chain to eliminate any discovered form of modern slavery, including the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery. Access our <u>California Transparency in Supply Chains Act & UK Modern Slavery Act Disclosure Statement</u>.

ELIMINATING CONFLICT MINERALS

Diebold's objective is to eliminate from its supply chain any conflict minerals that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (DRC) or an adjoining country. We do not ban ethically sourced minerals from the DRC and adjoining countries. Our suppliers are expected to share these objectives. Conflict minerals are defined as columbite-tantalite (tantalum ore), cassiterite (tin ore), gold, wolframite (tungsten ore) or their derivatives (tantalum, tin, tungsten and gold). Find an overview in our <u>Supplier Code of Conduct</u>, or <u>detailed Conflict Minerals Report</u>.

WE STRIVE TO MAKE A DIFFERENCE

ISO 14001 CERTIFICATIONS

At Diebold, all new product manufacturing plants and existing assembly facilities are certified under the International Organization for Standardization's ISO 14001 standard for environmental management systems.

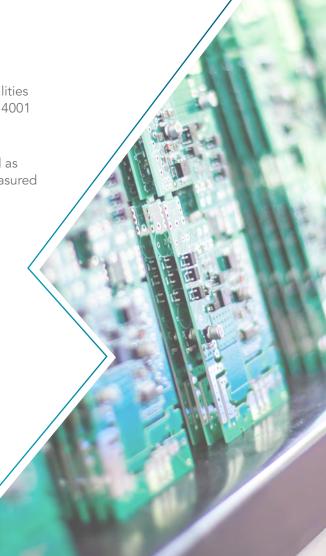
ISO 14001 provides assurance to Diebold management, our employees and as external stakeholders that the company's environmental impact is being measured and improved.

SPECIFIC INFORMATION:

Diebold Manaus, Brazil ISO 14001 Certificate
Diebold Goa, India ISO 14001 Certificate
Diebold Erpe-Mere, Belgium ISO 14001 Certificate
Diebold Shanghai, China ISO 14001 Certificate
Diebold Gyál, Hungary ISO 14001 Certificate

ROHS COMPLIANT

Diebold products are RoHS compliant (lead free). RoHS stands for "Restriction of Hazardous Substances." RoHS is also known as Directive 2002/95/EC restricts the use of six hazardous materials found in electrical and electronic products.



SUSTAINABLE OPERATIONS

We're always looking for ways to reduce our impact on the environment, preserve natural resources, and contribute to a long-term, ecological balance. When we find opportunities – we take action. That includes recycling thousands of ATMs every year, reusing packaging and pallets, carpooling, telecommuting, consolidating offices, installing energy-efficiency lighting, saving water and more.

ENVIRONMENTAL COMPLIANCE POLICY

We're focused on enhancing conservation of energy and natural resources; preventing pollution through minimizing the release of any pollutant that may cause environmental damage; disposing of waste through safe and responsible methods; reusing and diverting waste from landfills when possible; minimizing environmental risks by employing safe technologies and operating procedures, and being prepared for emergencies. Our company and employees must comply with all applicable environmental laws and regulations.

THE IMPORTANCE OF GLOBAL FACILITY UPGRADES

Every Diebold employee deserves a professional, pleasant and responsible workplace. During the past two years we've taken steps to renovate and retrofit facilities around the world. Sometimes the renovations were major, while other times minor. But the goal is always the same: Provide an environment where employees can deliver best-in-class customer service.



ON THE ROAD: REDUCING GREENHOUSE (GHG) EMISSIONS

In 2015, we piloted the Librestream video collaboration tool among North America service technicians to reduce the number of service miles driven and overall green-house-gas emissions (GHG). The video platform operates over a 4G LTE wireless network, enabling our technicians to solve problems by electronically exchanging images, drawings, audio and live video.

50% Since 2012, we've reduced the number of heavy 3/4-ton and half-ton vehicles in our fleet by more than 50%

DEBOLD

25% Our fleet has reduced greenhouse gas emissions by 25% over four years

REDUCES GLOBAL ENERGY USE

We monitored and analyzed our overall resource consumption at our facilities around the world. We rolled out a structured, cloud-based program that automatically gathers utility bill data -- gas, electricity, water -- from every Diebold location worldwide. The goal is to implement efficiencies to reduce our global energy consumption.

PREVENTED NEARLY 9,500 ATMS

8500 TONS



CISCO TELEPRESENCE®

Diebold employees in various global offices virtually sit across the table from one other, thanks to our telepresence technology. The technology was recently upgraded and deployed globally in 2015. We now have 14 telepresence rooms around the world to serve every Diebold region. Also in 2015, we achieved our two telepresence goals that were established in 2010.

22% Reduced Corporate Travel Budget

Tons of GHG Emissions Removed Annually



SUSTAINABLE PRODUCTS & SERVICES

Diebold is about ATM services, systems, software and security. These operations present opportunities to take a responsible step forward. We reduced fleet miles driven and fleet fuel consumed by 15% from 2012 to 2015 and installed GPS telematics in more than 90% of our vehicles. In 2014, we produced the world's greenest and most power efficient ATM on the market. This innovation extended to our new line of ATMs that use less power than a 75-watt light bulb and are up to 60% more efficient than any other ATM on the planet.

We create products, services and software that help our customers go green. Hard at work inside our new line of self-service terminals are "Activ" modules (ActivRecycleTM, ActivGuardTM, ActivPowerTM) that deliver best-in-class performance, reliability and functionality. There are 10 Activ modules.

An "Activ"-driven terminal:



Consumes up to 60% less power overall.



Uses less power than a 75-watt light bulb, thanks to high-efficiency processors and LED backlight displays.



Delivers increased ATM uptime thanks to new power mapping, and the ability to power down failed modules (while keeping the ATM running), and remote reboot the terminal without sending a service technician.



Reduces cash transit services and cash replenishments (thanks to larger cassettes) and paper waste due to dual-roll printers.



NEW LINE OF ATMS

Diebold's latest platform of self-service technology was designed, developed, and manufactured to address several ATM banking challenges including inconsistent power availability and frequent power outages. But just as important, the ATMs were developed to achieve significant energy savings. For example, the 5500:



Switches between two power sources automatically -- alternating current (AC) power grid, and internal battery -- to keep the ATM in operation.



Runs on half the voltage of traditional ATMs (24V versus 48V).



Consumes 60% less energy than any other ATM on the planet.



Uses as little as 65 watts of power, but never more than 80 watts.

The way we produce the 5500 is also green in many ways. For example, sheet metal parts from our vendor arrive in custom-built trolleys, which eliminates corrugated liners. Dozens of ATM components arrive in recyclable boxes and bins.

If we could replace just half of today's three million installed ATMs with Diebold 5500 ATMs, that move would reduce global ATM energy consumption by more than 1 billion kWh every year which, in turn, would eliminate more than 1,000,000 metric tons of carbon emissions annually.



& INCLUSION

SERVING THE UNDERBANKED AND THE UNBANKED

In 2013, 2 billion adults around the world lacked access to financial services. While 20% of American households were considered underbanked, 7.7% were found to be unbanked.



One in five -- or 24 million households -- were underbanked in 2013, consisting of an estimated 68 million people



9.6 million households representing25 million people were unbanked

These numbers caught our attention and encouraged us to find ways to make banking more accessible to more people around the world. We are committed to establishing partnerships with our stakeholders to act on opportunities to provide financial services for the underbanked and unbanked populations of the world.

WOMEN'S WORLD BANKING

Diebold proudly supports Women's World Banking. We sponsored Women's World Banking's Making Finance Work for Women Summit in Berlin, Germany (Nov 11-12, 2015).

Working with a global network of 38 financial institutions from 27 countries, this excellent organization supports low-income women by streamlining their access to existing financial products. Women's World Banking also helps develop new credit, savings and insurance products specifically designed for the unique needs of women.

Source: <u>Survey released in October 2014</u> by the Federal Deposit Insurance Corporation (FDIC) titled: The 2013 FDIC National Survey of Unbanked and Underbanked Households. Conducted every two years by the FDIC in partnership with the U.S. Bureau of the Census, the survey is considered the most comprehensive survey on this subject in the United States.

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EMPLOYEE COMMUNITY ENGAGEMENT

Diebold is proud to have a social conscience in many areas.

These are three of our main focus areas:

SOCIAL EQUITY

We respect employee rights, commit to a workforce free from unlawful discrimination and provide safe working conditions. We comply with applicable health and safety laws, codes and ordinances, and provide equal opportunities.

COMMUNITY ENGAGEMENT

Whether building homes, raising money for local charities or volunteering time with local children, we are mindful of and involved with the communities where we operate and serve. When Diebold becomes part of a community, we are committed to supporting that community's people and events.

DIVERSITY COMMITMENT

We believe an environment of mutual trust and respect, coupled with a commitment to diversity and education, will continue to drive Diebold to be creative, innovative and successful.





DIEBOLD NORTH AMERICA

CANADA

- Transformed a former patio space into a community garden
- Collected food for local Foodbanks
- Donated blood to help save 90 lives
- Established office recycling programs
- Participated in energy efficiency projects
- Picked up trash in local neighborhoods during a "Clean up the Yard Day" community day

UNITED STATES

- Supported dozens of nonprofit organizations, charities and various efforts
- Collected and donated hundreds of pounds of food during the Akron/Canton Regional Foodbank food drive
- Donated blood to help save 463 lives
- Sponsored "Take our Daughters and Sons to Work Day"
- Collected donations for annual ArtsinStark employee giving campaign to support arts in the community
- Participated in Adopt-a-Family program
- Reduced amount of trash at Headquarters by more than 15% after implementing an extensive office recycling program.

DIEBOLD LATIN AMERICA

BRAZIL

- Donated 5.7 tons of food
- Recycled 70 tons of paper and 9 tons of plastic
- Decreased overall paper usage by more than 4%
- Educated employees on reducing emissions during green-house-gas (GHG) corporate training
- Created a sustainability strategy roadmap through the Itaú Sustainability Forum
- Collected more than 5,000 liters of drinking water for the victims of the environmental disaster that occurred in Mariana (MG), as part of the "Donate Water, Save Lives" event
- Participated in SIPAT Occupational Accident Prevention Week and Week of Occupational Accident Prevention to promote employee safety

CHILE

• Implemented an office recycling program

COSTA RICA

• Planted more than 180 trees as part of a reforestation project

MEXICO

 Planted 2,000 trees in the Ajusco Forest, which will absorb more than 1.04 million pounds of harmful CO2 over the next 20 years

DIEBOLD EUROPE, MIDDLE EAST & AFRICA

AUSTRIA

 Reduced annual CO2 emissions and annual energy bills by more than 5%

FRANCE

 Certified in the Waste Electrical and Electronic Equipment Directive (WEEE) program

HUNGARY

- Conserved 50% more energy by installing 1,500 LED light bulbs at the Hungary Manufacturing Facility
- Reduced the amount of trucks needed for inbound materials shipments by 42% a year
- Recycled paper, metal and plastic, and composted decomposable items

ITALY

- Reduced around 23.5 metric tons of CO2 yearly with rooftop solar panels
- Ran in Italy's Telethon marathon to help fund medical research and treatment for muscular dystrophy

NETHERLANDS

- Earned an Authorized Economic Operator (AEO) certification for adhering to strict supply chain, transportation and safety standards
- Validated our commitment to safety standards and delivery speed by achieving a Green Badge of Approval certification

POLAND

Held event that focused on reducing waste and energy consumption

SOUTH AFRICA

 Volunteered at local charities and orphanages in honor of Mandela Day

UK

Held social equity event to raise money for local charities

DIEBOLD ASIA PACIFIC

CHINA

• Planted trees in local neighborhoods

INDIA

- Participated in the Standard Chartered marathon in Mumbai, with proceeds going to The Door Step School
- Distributed flowering plants to employees
- Initiated carpooling program
- Conducted plantation of tree saplings at the Managed Services Center
- Ran a marathon to support Homes for the Homeless and Hope for the Hopeless
- Organized in-house safety trainings and safety slogan competitions to highlight the importance of safety and prevent accidents

INDONESIA

- Proactively combated air pollution by working with the GOA Pollution Control Board
- Created a bi-weekly program called "Friday Dust Off" in which employees clean their work stations, discard old files and recycle papers

PHILIPPINES

- Volunteered to clean up Kilangin Falls
- Participated in a go-green challenge to recycle, reuse and conserve energy
- Participated in a "Run for Health"
- Provided local residents and community members financial access to personal funds after Typhoon Haiyan by collaborating with a bank to deploy mobile ATMs and ensure its branch ATMs were 100% back online and functioning in its province

SINGAPORE

 Pledged to recycle, plant trees, save electricity, conserve energy and use printers sparingly

THAILAND

- Held safety training for employees in the field and in our facilities.
- Promoted the three "Rs" (reduce, reuse, recycle)
- Held Diebold Charity Cup soccer game in Thailand to raise donations for a local school for the blind

