



# Building the Business Case: Protect, Synergize and Build a More Sustainable Operations Model

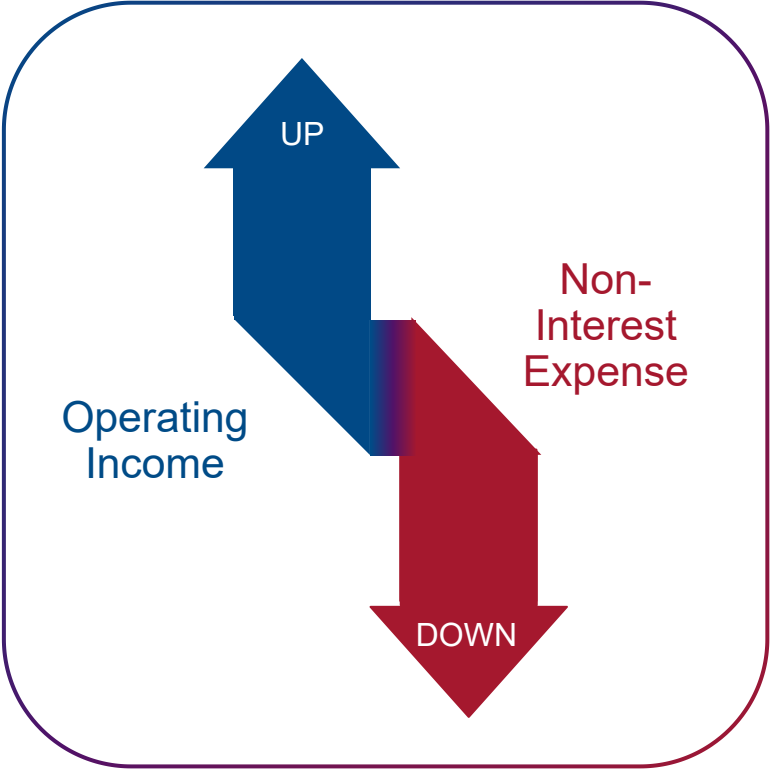
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## How “ATMs” affect the bottom line

# Two main metrics for financial institutions

## Efficiency Ratio



## Net Promoter Score



# 2023-2024 key complications

NIM (Net Interest Margin) compression / rising deposit rates



Staffing shortages and wage increases



Integration and implementation of new technology



Reduced loan demand / stricter credit extension



Changing consumer behaviours



Uncertain regulatory environment

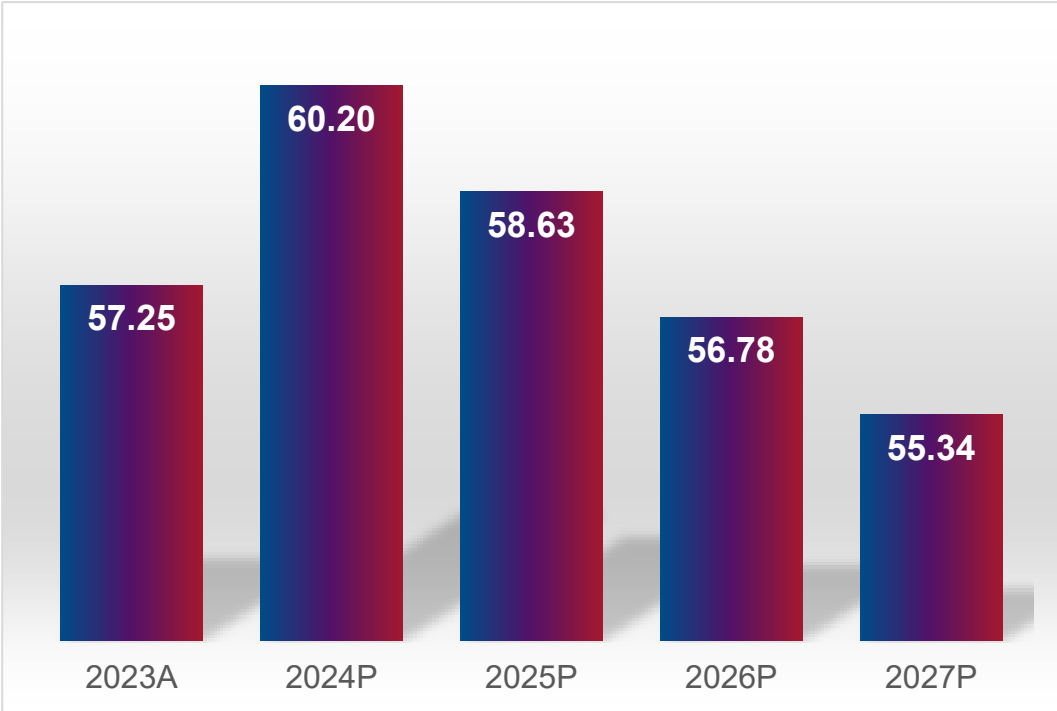


# Strive for Efficiency

## Revenue and Expense Headwinds for US Banks

- +20%** Increase in Salary & Benefits post pandemic
- +900%** YOY increase in interest expense
- 26bps** drop in NIM Q1-Q4 23 anticipated

## Impact on Industry Efficiency Ratio



Source: S&P Global



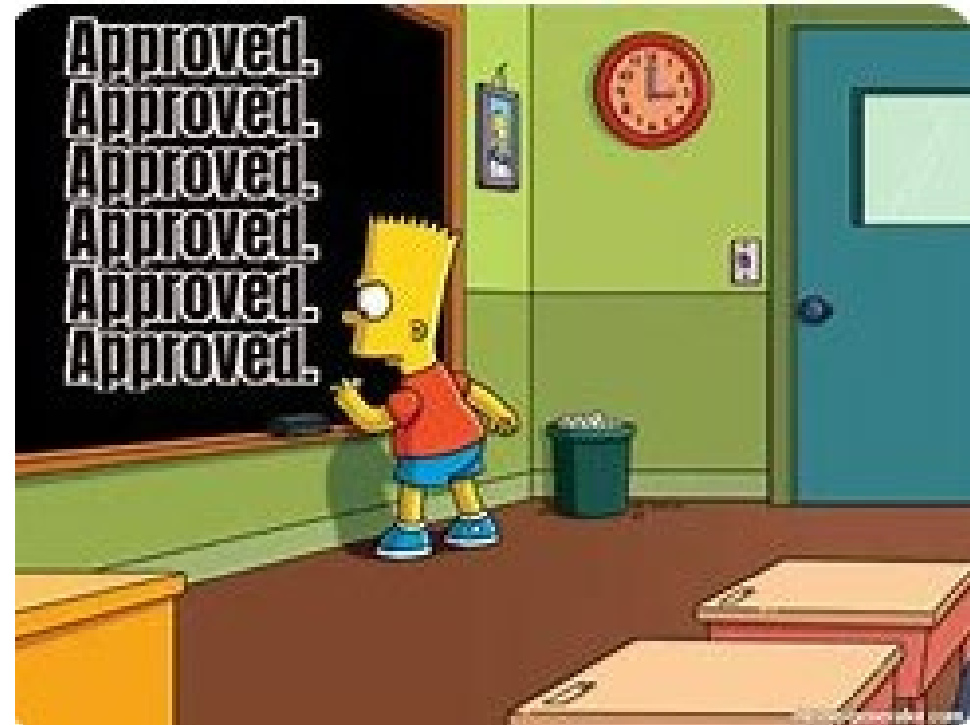
# Building your business case is not a quick email for approval

## Approval Process has changed: multiple levels & each level has to see value

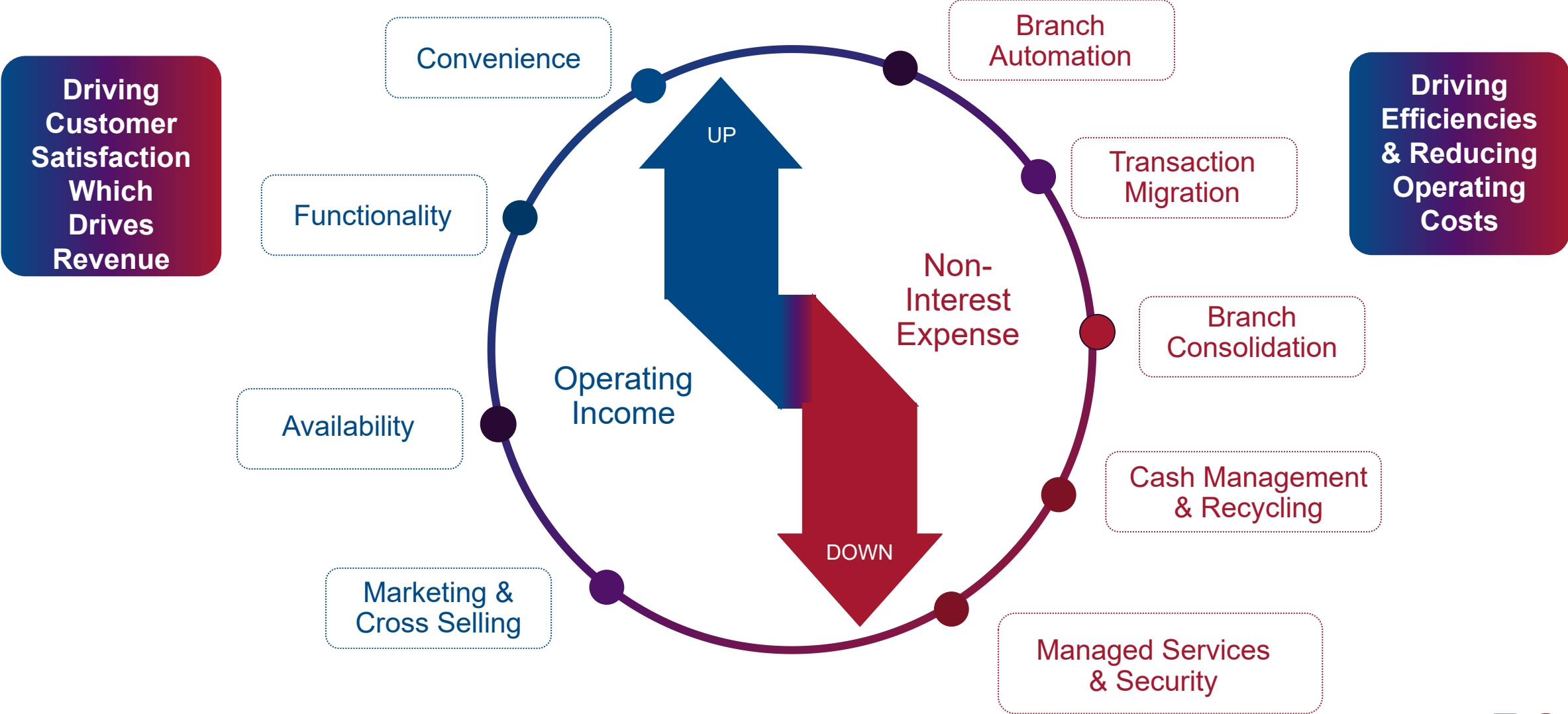
- CEO
- CFO
- Chief Risk Officer
- Chief Security Officer
- Regulatory
- IT
- ATM Channel

## Goal is to be ready & gain approval

- Armed with insight
- Make you an expert
- Data based facts
- Customer data to support
- Focus on the customer & employee experience
- Priorities are evolving



# ATM channel impact on efficiency ratio improvement



# ATM as a Service



## Services: experts running your operations



Optimizing fleet uptime and performance with the latest data-driven technologies

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Ensuring the right amount of cash at the right ATM at the right time

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Protecting against rising and evolving security threats

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Maximizing the marketing power of your ATM channel

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Deploying any hardware/software change and upgrade quickly and seamlessly

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Processing transactions in the most reliable, adaptable and secure way



# Cash Management - Cash Forecasting & Optimization

Jan 31-24 - USA

Fed holds rates steady, indicates it is not ready to start cutting

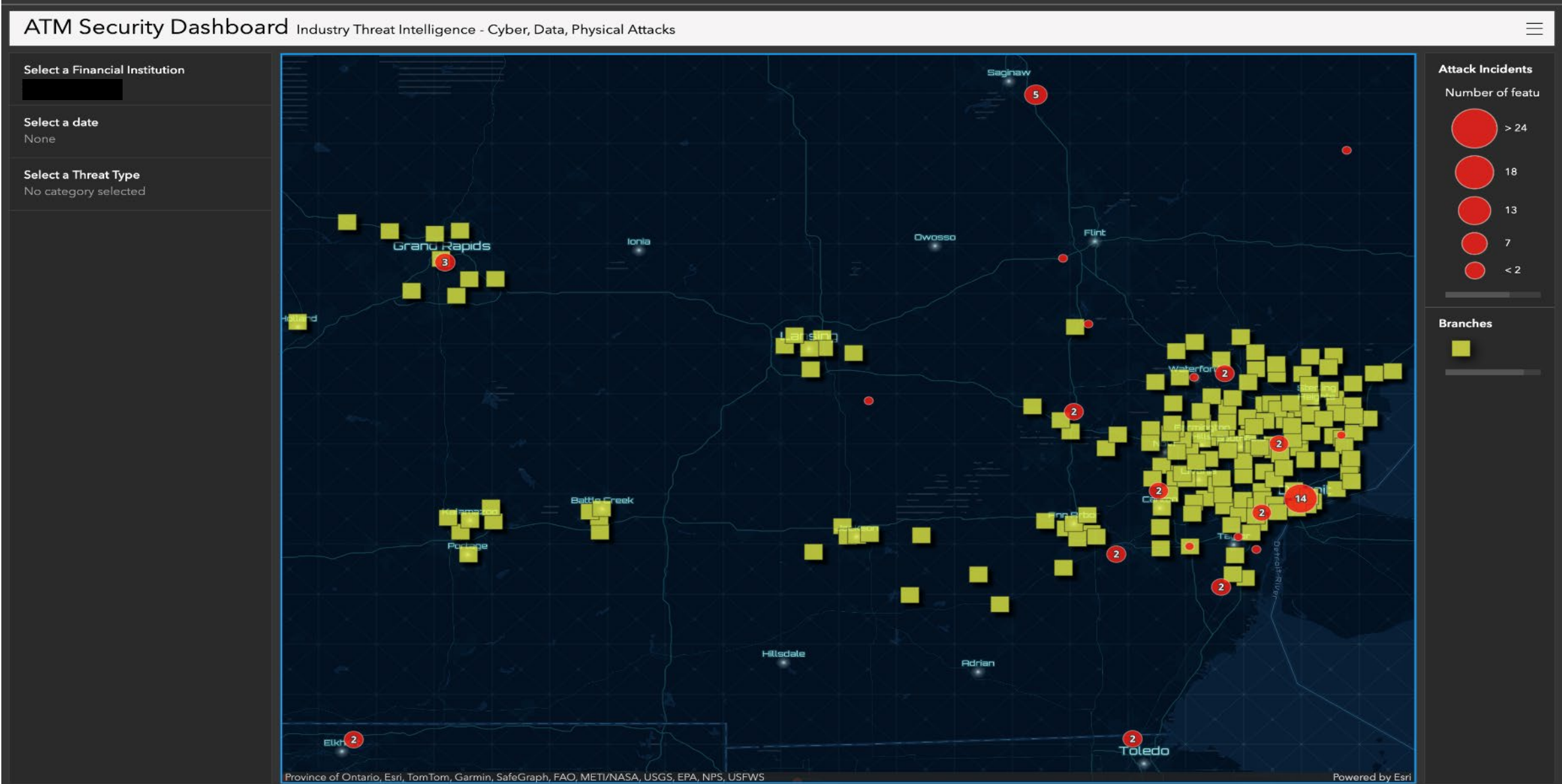


Jan 24-24 - Canada

BOC No change on interest rate as Bank of Canada sticks to 5%



# Mapping current security threats against your ATM fleet



# Protect your ATM from Cash Losses

## Security Letter | US Accounts

- **Implementing Network Security**
  - ✓ **Transport Layer Security (TLS)**
  - ✓ **Certificate Authority (CA) Validation**
  
- **Implementing Cash Dispenser Security**
  - ✓ **Enhanced SPEAR Plus (ES+)**
  - OR**
  - ✓ **Enhanced Image Security (EIS)**
  
- **Encrypting the ATM Hard Drive**
  - ✓ **Hard Disk Encryption (HDE)**

### Protect Your ATMs from Cash Losses

Dear .

Diebold Nixdorf is committed to providing enhanced security and protection for your ATMs. We are reaching out to you today given the continual and evolving threats impacting different ATM systems and manufacturers across the United States. Based on current information, we believe most of the recent, technology-driven attacks being perpetrated against ATMs are largely using previously known methods targeting systems that lack adequate protection. Diebold Nixdorf has long provided proven solutions to address these commonly known threats. With the risks in the current environment, we strongly recommend you immediately implement the following controls in your fleet:

#### Implementing Transport Layer Security (TLS)

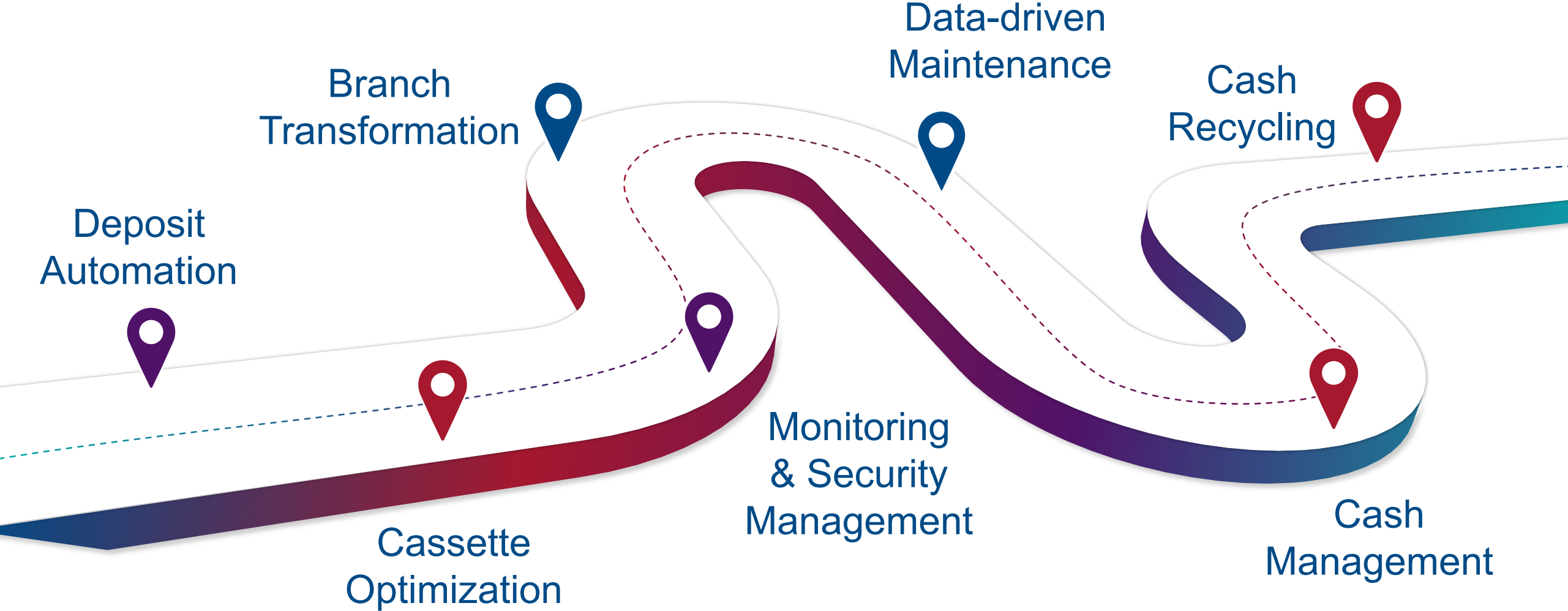
Securing the network communication from the ATM to the transaction processor using TLS is imperative. Ensure the TLS configuration on the ATM enforces Certificate Authority (CA) validation to strongly authenticate the ATM transaction processor. Reach out to your DN account representative to discuss possible configuration updates for your ATMs. Regardless of region, customers not using TLS remain at risk and could be targeted with host spoofing (man-in-the-middle / host replacement) attacks.

[Host Spoofing Fact Sheet](#)

#### Implementing Cash Dispenser Security

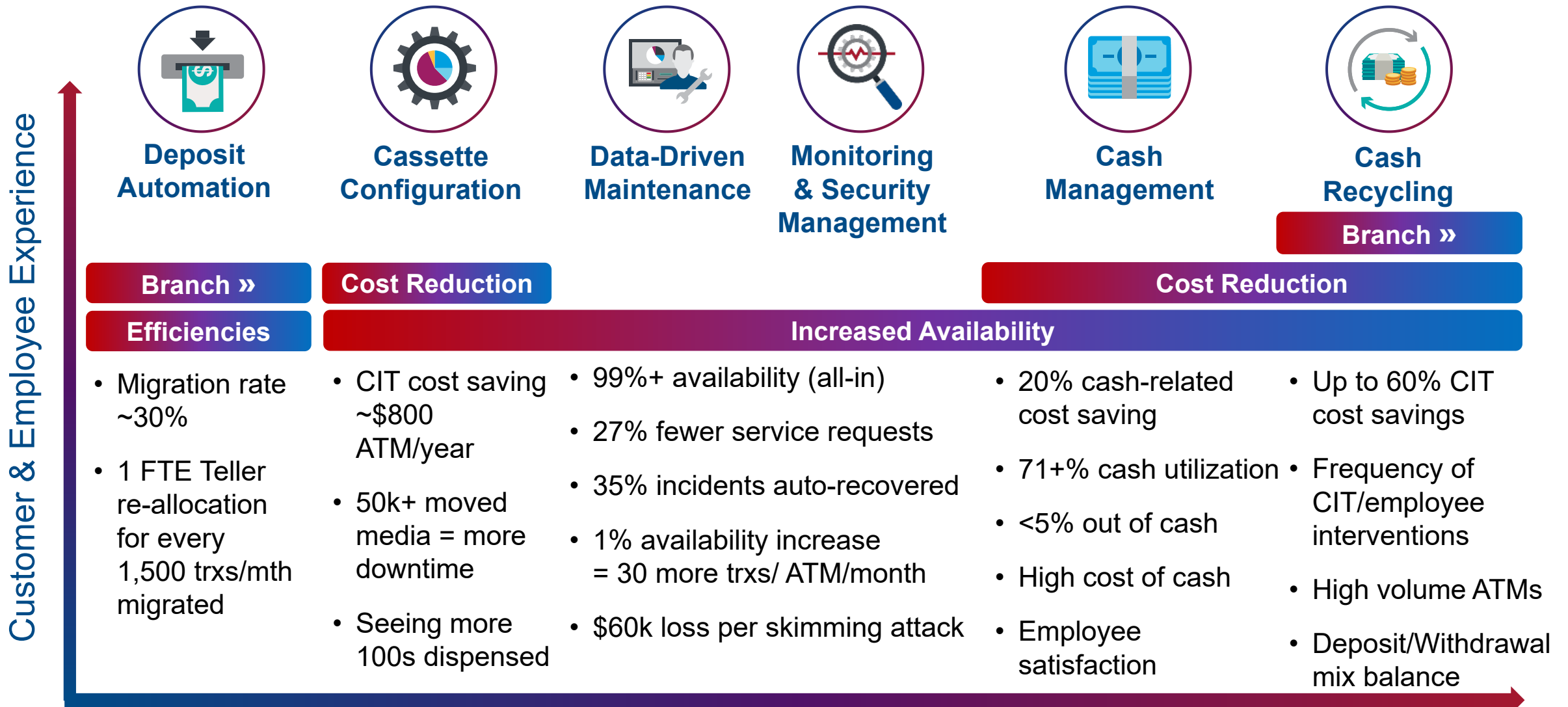
Hard drive reimaging is a common tactic used by attackers to facilitate a jackpotting attack. To protect against hard drive reimaging attacks, ensure all applicable terminals are configured to use secure communication unique to each

# Operational journey to maximize efficiencies and ROI



# Building the business case for ATM operations

Cumulative impact of driving change through technology, software, outsourcing and business processes



# Q&A



Thank you for  
your time!

For more information or to meet with a managed services expert, contact me today!

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