



# Diebold, Incorporated

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→ 2010 SUSTAINABILITY REPORT

*it's everyone's cause*

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## A Message From The CEO

This past year was quite busy for Diebold. Our dedicated teams worked hard to bring to market several new solutions and services for our financial self-service and security customers. In addition, we grew our business while navigating challenging economic conditions and remained focused on our commitment to environmental responsibility: to protect and conserve. 2010 marked the second year of Diebold's environmental stewardship initiative, and the beginning of the maturation of our program, moving from high levels of initial excitement among employees, to the integration of sustainable practices into our culture. Examples of this are numerous and can be found throughout the organization. Our employees are reducing paper consumption by moving to electronic invoicing, managing and reducing energy and other resources, diverting waste streams that previously had gone into landfills and other individual actions that, when aggregated, make a significant difference.

→ More specifically:

- Diebold has reduced packaging throughout our supply chain and between our own facilities by 394,000 pounds.
- Globally, Diebold reduced its electricity consumption by 15 million kilowatt-hours.
- Our U.S. service fleet is migrating to vehicles that are more fuel efficient, with reduced greenhouse gas (GHG) emissions.
- Diebold implemented its first TelePresence system, a virtual meeting system which eliminates the need for expensive, time consuming and GHG-generating travel for both employees and our customers.
- Thanks to energy reductions and fleet fuel reductions during the past year, Diebold's 2010 GHG emissions were 112,271 metric tons of carbon dioxide, a reduction of 6.5 percent compared to 2009, and 11.2 percent against our 2008 baseline.

→ While these are all marked achievements, there are still many opportunities for us to make improvements. Moving forward, we will continue to focus our efforts on measuring and reducing energy consumption, reducing GHG emissions and diverting waste materials from

landfills. Environmental stewardship is a lifetime journey with no final destination. But through these actions and others highlighted within this report, we are becoming a more sustainable company dedicated to making a positive impact today – and tomorrow.



Thomas W. Swidarski  
President and Chief Executive Officer  
Diebold, Incorporated

# Introduction

At Diebold, the environment – and our impact on it – is important. This past year we made significant improvements in our sustainability efforts, and we invite you to look at what we’ve accomplished and what we have in store for our sustainability program. This is Diebold’s second sustainability report, covering calendar year 2010 which corresponds to our fiscal year. We’ve committed to developing sustainability reports because we are eager to provide all stakeholders and interested parties with a view into Diebold’s sustainability efforts and our progress, and because we are proud of what we have accomplished so far.

→ This is when sustainability becomes exciting. Our processes have clearly moved from education and engagement to a new phase where Diebold employees have absorbed sustainability into their everyday work and are making things happen on their own. As you review the progress we’ve made in 2010, you’ll find that our sustainability efforts fall into two main categories.

The first category is “Cornerstones” – major, ongoing initiatives that we will revisit and update in every future sustainability report. The second is “Key Projects and Initiatives” – important efforts that have been mainstreamed and are producing results.

## → To our Customers, Investors and Employees

**To our Customers** -We not only appreciate your business, but also recognize the sustainability efforts you undertake. As part of your important supply chain, we can help in two ways. The first is by providing products and services to you that are environmentally sound from an organization that is dedicated to high environmental performance. The second is by helping you bring success to your own sustainability programs. Conversely, we ask for your suggestions and feedback. Share your best practices with us so that we may benefit from your knowledge.

**To our Investors** -Diebold is committed to operating its business in a way that will minimize environmental impacts, manage energy consumption and embrace sustainability practices. Diebold’s sustainability efforts contribute significantly to our SmartBusiness initiative, which is in its sixth year of existence, as an element of the environmental “triple bottom line” concept: people, planet, profits. Diebold employees have already saved Diebold US\$225 million – money that is being reinvested to further grow the business and benefit shareholders and employees alike.

**To our Employees** -We hope you’ll spend some time with this sustainability report and also share it with our many stakeholders. Having a strong knowledge of our environmental initiatives is important when meeting with customers and suppliers, both of whom are very interested in learning more about our approach. We all share the responsibility for a sustainable environment. By taking steps to reduce the resources we use, reuse materials whenever possible and recycle our consumables, we are protecting and preserving the environment for future generations.

## → About Diebold

- A global leader in providing integrated self-service delivery and security systems and services.
- 2010 revenue of US\$2.8 billion from two core businesses: financial self-service and security.
- One of the financial industry’s largest services staff: approximately 10,000 professionals in 600 locations worldwide.
- Serving customers in the financial, government, commercial and retail markets.
- More than 16,000 employees, with representation in nearly 90 countries.
- 401 Diebold facilities in 47 countries.
- Considered a light manufacturer, with eight global manufacturing facilities focusing on assembling modules for ATMs and manufacturing bank security equipment (vaults, safes).

## Cornerstones

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- REDUCING ENERGY CONSUMPTION
- REDUCING GREENHOUSE GAS (GHG) EMISSIONS
- DIVERTING WASTE MATERIALS FROM LANDFILLS
- ENVIRONMENTAL AND ENERGY MANAGEMENT (EEM) TRACKING TOOL



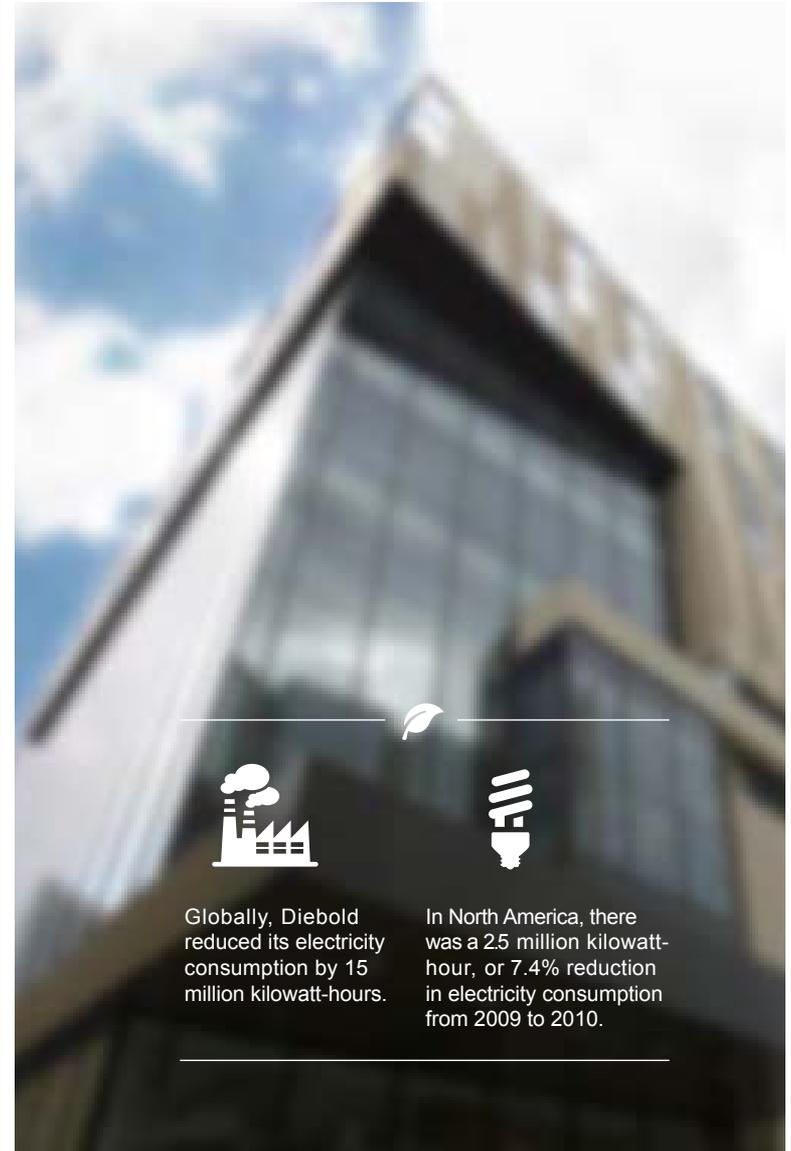
CORNERSTONES

## Reducing Energy Consumption

During 2010 Diebold worked toward reducing energy consumption through targeted improvements in building efficiency and personal practices and responsibilities. Diebold North America posted a 2.5 million kilowatt-hour, or 7.4 percent, reduction in electricity consumption from 2009 to 2010. Globally, Diebold reduced its electricity consumption by 15 million kilowatt-hours.

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→ To better track Diebold's resource consumption and measure greenhouse gas (GHG) emissions, we have implemented the Hara™ Environmental and Energy Management solution (Hara EEM) to track, convert and report, which we will discuss later.



Globally, Diebold reduced its electricity consumption by 15 million kilowatt-hours.



In North America, there was a 2.5 million kilowatt-hour, or 7.4% reduction in electricity consumption from 2009 to 2010.

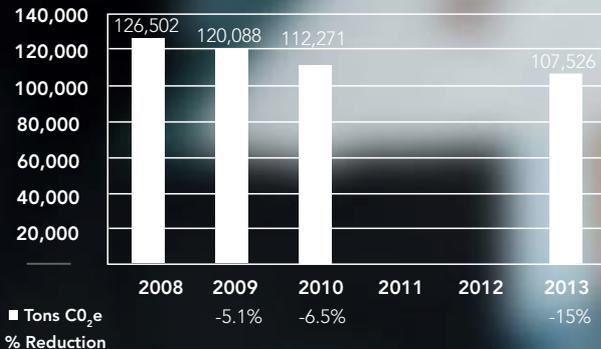
## CORNERSTONES

# Reducing Greenhouse Gas (GHG) Emissions

GHG emissions resulting from operations continue to decrease, as reported to the Carbon Disclosure Project® (CDP). CDP is a nonprofit organization that serves as a repository of standardized-format GHG emissions reports from businesses around the world. The CDP now hosts the world's largest database of self-reported corporate climate change information. Diebold made a commitment to its stakeholders to submit annual reports of its GHG emissions to the CDP, and these reports are available to you and others on CDP's website.



**Diebold 2010 GHG Emissions**  
Tons CO<sub>2</sub>e



→ Thanks to energy and fleet fuel reductions, Diebold's 2010 GHG emissions were 112,271 metric tons of carbon dioxide (CO<sub>2</sub>).

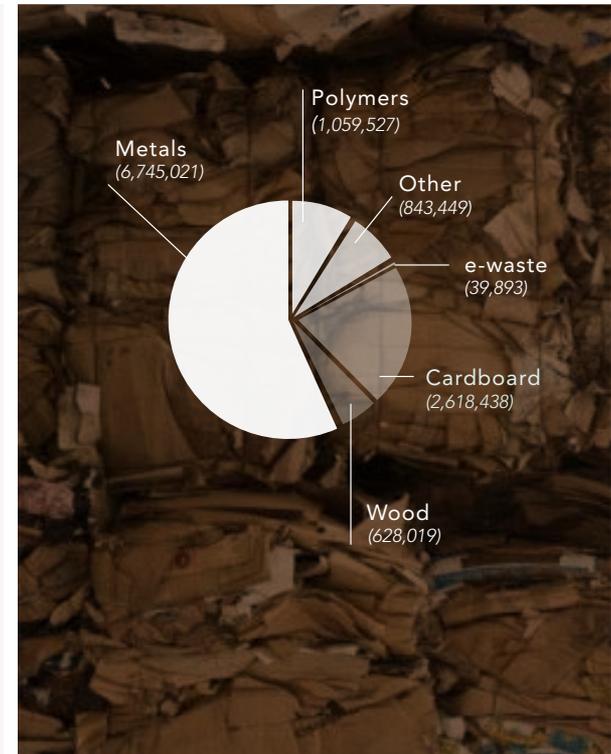
In the 2009 CDP report Diebold committed to reduce emissions by 15 percent over five years, with 2008 emissions as the baseline.

CORNERSTONES

## Diverting Waste Materials from Landfills

In 2010, Diebold began collecting data on its waste streams- materials of which we either recycle or dispose. Materials that we recycle and track include: electronics waste (e-waste), cardboard, wood shipping skids, metals and polymers. All major Diebold facilities around the world participate in this program, which has two objectives:

- 1. Eliminate materials that are disposed of in landfills, and recycle all items possible. Diebold's total volume of recycled materials, including metals, packaging materials, e-waste and others as described above, is more than 12 million pounds. Of course, the best option is to simply use less in the first place – a practice that has our ongoing attention.
- 2. Reduce the amount of materials leaving our facilities. An example is the amount of packaging that comes from our suppliers, moves between Diebold facilities and ends with the customer. A focused team comprised of individuals from our procurement, engineering and manufacturing groups has been able to reduce our annual packaging consumption by 394,000 pounds. And we continue to work toward further reducing our packaging, which will eliminate extra costs, as well as the need to recycle materials (commonly known as “point source” reduction).



→ Diebold reprocesses ATMs in all global regions, and has two dedicated Diebold reprocessing facilities— one in Brazil and one in the United States. We remain committed to providing our customers with end of life (EOL) disposal for Diebold ATMs and other products. And while this is provided as a service to our customers, it also gives us satisfaction knowing that these ATMs receive an environmentally sound disposal. In 2010, we processed nearly 14,000 ATMs through these centers.

CORNERSTONES

## Environmental and Energy Management (EEM) Tracking Tool

With 401 facilities in more than 47 countries, measuring Diebold's global energy use is no small task. Initially, Diebold used spreadsheets to track energy consumption and its conversion to GHG emissions so consumption could be reported. In 2010, we upgraded to the Hara™ Environmental and Energy Management solution.

→ EEM is provided as Software as a Service (SaaS), making it easy for employees anywhere to enter their facility's energy and other resource consumption information via the Internet. Employees can extract data and make decisions based on that data. EEM also lets us set targets and then visually see how we are performing. A graphical dashboard like the one shown to the right

provides information at any level of the company, from the entire corporation to an individual facility. In 2010, Diebold submitted its second report to CDP. And using our new reporting system we were able to more accurately convert consumption to GHG emissions and also load our 2008 consumption information to correct (reduce) our baseline.



# Key Projects / Initiatives

→ TELEPRESENCE

→ FLEET TRANSFORMATION

→ ISO 14001 MANUFACTURING FACILITIES





KEY PROJECTS / INITIATIVES

## TelePresence

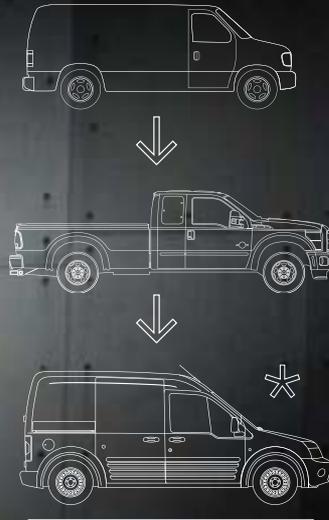
Business travel is expensive and time consuming. It also generates GHG emissions. Diebold has partnered with Cisco Systems on a video technology called TelePresence that enables Diebold employees in various global offices to virtually “sit across the table” and contribute to a meeting.

→ Each TelePresence room features three 65-inch plasma screens, three HD 1080p cameras and a desk that circles into the screens to produce the look and feel of the remote participants sitting across the table. In addition to reducing travel for Diebold employees, Diebold customers will be able

to virtually travel to our corporate headquarters without leaving their offices, encouraging more customer interaction. Once fully implemented, Diebold expects TelePresence to reduce the travel budget by 22 percent, removing an estimated 900 tons of GHG emissions annually.

In 2010 Diebold began the migration to higher efficiency vehicles through the following actions:

- Moved from six-cylinder passenger cars to more efficient four-cylinder models
- Eliminated eight-cylinder pickup trucks
- Introduced the four-cylinder, energy-efficient Ford Transit Connect service van



## KEY PROJECTS / INITIATIVES

# Fleet Transformation

In North America, Diebold utilizes a large service fleet to provide high levels of service performance to our customers. Diebold is aggressively modifying its fleet makeup to reduce overall fuel consumption and GHG emissions.

→ The newer, higher-efficiency vehicles are being phased in during the next three years and will significantly reduce fuel consumption per vehicle while also containing total GHG emissions in the face of a rapidly expanding service business. This plan is expected to reduce our average per vehicle fuel consumption by 2.8 miles per gallon, or 16 percent, and our associated GHG emissions by 14 percent from our 2008 baseline. In addition, Diebold insists that its freight carriers in

the United States participate in SmartWay<sup>®</sup>, an Environmental Protection Agency (EPA) program that, in its simplest form, identifies and favors products and services that reduce over-the-road transportation-related emissions. Our participation in the program has resulted in more than 98 percent of all shipping miles being driven in fuel-efficient trucks. Diebold continues to reduce the number of miles shipped, as well as impacts to the environment resulting from shipments.

KEY PROJECTS / INITIATIVES

## ISO 14001 Manufacturing Facilities

In 2009, Diebold achieved ISO 14001 Environmental Management System certification in all eight of its global manufacturing facilities. In 2010, Diebold revisited that commitment with surveillance audits by Bureau Veritas, our certifying auditor. All facilities received positive reviews, with only minor corrective actions and opportunities for improvement noted.

→ **Lexington, N.C.**

All ISO 14001 programs share a commitment to continual improvement. Diebold demonstrated that commitment at the [Lexington, N.C.](#), manufacturing facility that worked to reduce energy consumption with lighting, heating and cooling enhancements. New programmable thermostats in the facility's

heating, ventilation and air conditioning (HVAC) systems only cool or heat the facility when needed, conserving energy during evenings and weekends. New high-efficiency fluorescent light fixtures were already making a significant reduction in energy consumption. The next goal is to reduce the total amount of lighting in stock racks. So far, electricity

consumption has fallen by 32 percent, and natural gas usage for heating has dropped 35 percent. These results are typical of savings generated by this type of focus. All Diebold manufacturing locations are reviewing their facilities for additional opportunities as part of our commitment to continuous improvement.

# Sustainability Around The World

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→ EUROPE, MIDDLE EAST AND AFRICA

→ LATIN AMERICA, NORTH AMERICA, ASIA PACIFIC

→ MISSION STATEMENT, POLICY, CORPORATE INITIATIVES



## Diebold Facilities

At Diebold we believe all employees have a responsibility to the environment. Yet we know there is no “one-size-fits-all” set of objectives or focus. Beyond the core corporate environmental initiatives, every region of the world has unique priorities and areas of focus, and they are encouraged to pursue those objectives independently.

### → Europe, Middle East, Africa

General sustainability activities in EMEA included energy conservation, use of public transportation, recycling and more. Employees in the following countries implemented specific activities:

- **Hungary** - Diebold Hungary installed new LED lighting in the production and warehouse area, better factory insulation, HVAC management technology to reduce energy costs, a new cardboard baling system to reduce the number of collection visits, high-efficiency hand dryers in restrooms and more.
- **France** - Initiatives in France included turning off lights and equipment when possible, carpooling with employees and reducing the number of printed documents.
- **Italy** - On Earth Day, employees printed documents in black and white versus color, conserved light energy, collected waste paper and promoted electronic communications. Meanwhile, new solar panels continue to save energy and reduce GHG emissions every day.
- **Austria and Switzerland** - Employees implemented several ways to conserve energy in the office, including turning off electronic equipment in the evening, printing double-sided pages, enforcing the use of recycling bins, and re-using computer parts, batteries and hard drives.



## Diebold Facilities

Each region where Diebold has offices and facilities is represented by its own environmental steward who coordinates that region's environmental activities. In addition, the stewards often share ideas and best practices through monthly conference calls.

### → Latin America

- **Colombia** - To commemorate Earth Day, employees in Colombia received native plants and began a recycling campaign.
- **Ecuador** - Employees in Ecuador began a recycling campaign.
- **Mexico** - To celebrate Earth Day in Mexico, employees and their families traveled to an ecological park to learn about biodiversity. Additionally, other employees rode their bikes to work and began a recycling campaign.

### → North America

- **Canada** - In support of Earth Day, employees in Canada participated in a 20-minute clean-up program in which they cleared debris near the Diebold facility and planted rose bushes on the property.
- **United States** - Employees donated excess electronic equipment, such as printers, computer monitors, cell phones, power adapters and more. Operations employees at the Global Service Logistics Center in Green, Ohio, expanded their recycling initiative that began last summer with an aggressive packaging reuse program.

### → Asia Pacific

- **Thailand** - Associates in Thailand showed their support for the environment by growing plants in their offices and conserving electricity.
- **Malaysia** - To support recycling efforts, employees in Malaysia collected ink cassettes and paper for a recycling organization.

## Environmental Mission Statement

Diebold will operate its business and provide solutions for our customers in ways that respect and minimize environmental impacts, effectively manage energy consumption and embrace sustainability challenges. Diebold, Incorporated is a responsible organization in regard to our employees, customers, the general public and the environment.

### → Diebold Global Environmental Policy

- Conduct all company operations in ways that protect the environment by reducing waste, preventing pollution, promoting recycling and conserving resources.
- Comply with all applicable environmental, health and safety-related regulations in every market we serve.
- Meet or exceed all environmental regulations in every country where we operate.
- Conserve natural resources in the design, manufacture, use and disposal of our products.
- Serve our customers with products and services that have a minimal impact on the environment.
- Continually assess the impact of our company on the environment, with the objective of continual improvement in all areas.

### → Corporate Initiatives

- Participated in Earth Hour. During a one-hour period, individuals turned all lights off at their homes and businesses to take a stand against climate change.
- Celebrated Earth Day. Diebold employees around the world commemorated Earth Day by celebrating in a variety of ways to raise awareness, including adopting and caring for plants, conserving electricity, recycling and much more.
- Chose Hara to manage its environmental impact. Diebold is using Hara's EEM solution to optimize the progress toward Diebold's goal to reduce natural resource consumption and environmental impact by 15 percent during a five-year period.



## Closing Statement

→ Corporate sustainability is a journey. If done well, there will always be much to do and talk about. But we feel confident that Diebold's 2010 environmental performance took us to a much higher level than where we were in 2009. We certainly expect that trend to continue. Also note that, as with this report, future Diebold sustainability reports will continue to favor actual programs, initiatives and results.

*Please consider the environment  
before printing this document*



To learn more about Diebold's sustainability initiatives  
visit → [www.diebold.com/aboutus/environment](http://www.diebold.com/aboutus/environment)