

DIEBOLD NIXDORF, Inc
Form DEF 14A
March 14, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 14A

(RULE 14A-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Under § 240.14a-12

Diebold Nixdorf, Incorporated

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:

- (5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:

- (2) Form, Schedule or Registration Statement No:

(3) Filing Party:

(4) Date Filed:

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5995 Mayfair Road

P. O. Box 3077 North Canton, Ohio 44720-8077

March 14, 2018

Dear Shareholder:

The 2018 Annual Meeting of Shareholders of Diebold Nixdorf, Incorporated will be held at the Courtyard Marriott, 4375 Metro Circle NW, North Canton, Ohio 44720, on Wednesday, April 25, 2018 at 11:30 a.m. EDT.

As described in the accompanying Notice and Proxy Statement, at the Annual Meeting, you will be asked to (1) elect eleven directors, (2) ratify the appointment of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2018, (3) approve, on an advisory basis, our named executive officer compensation, and (4) approve amendments to the Diebold Nixdorf, Incorporated 2017 Equity and Performance Incentive Plan.

We are pleased to continue to take advantage of the Securities and Exchange Commission rules allowing us to furnish proxy materials to shareholders on the Internet. We believe that these rules provide you with proxy materials more quickly and reduce the environmental impact of our Annual Meeting. Accordingly, we are mailing to shareholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access and review our 2018 Proxy Statement and Annual Report for the year ended December 31, 2017, and to vote online or by telephone. If you would like to receive a paper copy of our proxy materials, please follow the instructions for requesting these materials on the Notice of Internet Availability of Proxy Materials.

All holders of record of Diebold Nixdorf, Incorporated common shares at the close of business on February 26, 2018 are entitled to vote at the 2018 Annual Meeting. You may vote online at www.proxyvote.com. If you received a paper copy of the proxy card by mail, you may also vote by signing, dating and mailing the proxy card promptly in the return envelope or by calling a toll-free number.

If you are planning to attend the meeting, directions to the meeting location are included on the back page. If you are unable to attend the meeting, you may listen to a replay that will be available on our website at <http://www.dieboldnixdorf.com>. The replay may be accessed on our website soon after the meeting and shall remain available for up to three months.

We look forward to seeing those of you who will be attending the meeting.

Sincerely,

GARY G. GREENFIELD

GERRARD B. SCHMID

Chairman of the Board

President and Chief Executive
Officer

**Important Notice Regarding the Availability of Proxy Materials for the
Annual Meeting of Shareholders to be held on April 25, 2018.**

This Proxy Statement, along with our Annual Report for the year ended December 31, 2017, including exhibits, are available free of charge at www.proxyvote.com (you will need to reference the 16-digit control number found on your proxy card or Notice of Internet Availability of Proxy Materials in order to vote).

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5995 Mayfair Road

P. O. Box 3077 North Canton, Ohio 44720-8077

**NOTICE OF ANNUAL MEETING OF
SHAREHOLDERS**

DATE:

April 25, 2018

TIME:

11:30 a.m. EDT

LOCATION:

Courtyard Marriott

4375 Metro Circle NW

North Canton, Ohio 44720

ITEMS TO BE DISCUSSED:

- 1.** To elect eleven directors;
- 2.** To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2018;
- 3.** To approve, on an advisory basis, our named executive officer compensation; and
- 4.** To approve amendments to the Diebold Nixdorf, Incorporated 2017 Equity and Performance Incentive Plan.

Your attention is directed to the attached Proxy Statement, which fully describes these items.

Any action on the items of business described above may be considered at the Annual Meeting at the time and on the date specified above or at any time and date to which the Annual Meeting may be properly adjourned or postponed.

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Holders of record of Diebold Nixdorf, Incorporated common shares at the close of business on February 26, 2018 will be entitled to vote at the 2018 Annual Meeting.

The enclosed proxy card is solicited, and the persons named therein have been designated, by Diebold Nixdorf's Board of Directors.

By Order of the Board of Directors

Jonathan B. Leiken

Senior Vice President, Chief Legal Officer and
Secretary

March 14, 2018

(approximate mailing date)

**You are requested to cooperate in assuring a quorum by voting online at www.proxyvote.com
or, if you received a paper copy of the proxy materials, by filling in, signing and dating the
enclosed proxy and promptly mailing it in the return envelope.**

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DIEBOLD NIXDORF, INCORPORATED

5995 Mayfair Road

P.O. Box 3077 North Canton, Ohio 44720-8077

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PROXY SUMMARY

This Proxy Statement is furnished to shareholders of Diebold Nixdorf, Incorporated (Diebold Nixdorf, the Company, we, our, and us) in connection with the solicitation by the Board of Directors of proxies to be used at our 2018 Annual Meeting of Shareholders, and any postponements or adjournments of the meeting.

These proxy materials are being sent to our shareholders on or about March 14, 2018.

This proxy summary is intended to provide an overview of the information you can find elsewhere in this Proxy Statement. As this is only a summary, we encourage you to read the Proxy Statement in its entirety for more information about these topics before voting.

MEETING INFORMATION

TIME AND DATE	PLACE	RECORD DATE
11:30 a.m. EDT, April 25, 2018	Courtyard Marriott 4375 Metro Circle NW North Canton, Ohio 44720	Close of Business on February 26, 2018

PROPOSALS FOR YOUR VOTE AND BOARD RECOMMENDATIONS

PROPOSAL	BOARD RECOMMENDATION
-----------------	-----------------------------

PAGE REFERENCES
(FOR MORE DETAIL)

1. To elect eleven directors	FOR EACH NOMINEE	18-24
2. To ratify the appointment of KPMG LLP as our independent registered public accounting firm	FOR	28
3. To approve, on an advisory basis, our named executive officer compensation	FOR	30, 42-84
4. To approve amendments to the Diebold Nixdorf, Incorporated 2017 Equity and Performance Incentive Plan	FOR	31-41

Information on voting mechanics, approval requirements and related matters can be found in the *Voting Information* and *Other Matters* sections starting on pages 5 and 87, respectively.

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PROXY SUMMARY

BUSINESS PERFORMANCE AND STRATEGIC INITIATIVES

This was a foundational year for Diebold Nixdorf as we laid the groundwork for our transformation and made progress towards becoming the global leader in Connected Commerce. We also encountered certain challenges in 2017 which impacted our financial results, including market headwinds, the softening of demand for banking systems, and a slower pace of deployment for large and complex customer projects. As a result of these challenges, we did not achieve certain financial performance metrics of our long-term equity incentives and annual cash bonus plan for 2017.

The Company had notable achievements in 2017 as well. We serve in a highly dynamic market supported by fast-paced payment technologies and changing consumer behavior and expectations. To position ourselves to best meet these demands, we accelerated our post-acquisition integration and synergy efforts, streamlined our global manufacturing

operations and simplified our solutions portfolios. In 2017, we also enhanced our global leadership position particularly in ATM software, now powering the ATM networks of many of the largest financial institutions in the world. Specifically, we introduced Vynamic[®] which is the first of its kind, end-to-end connected commerce software portfolio which secures transactions at every stage between the consumer and the retail or banking institution.

Our Connected Commerce strategy seeks to continually enhance the consumer experience at banking and retail locations through the smart integration of hardware, software and services. In addition, since mobile solutions are growing in importance for retail and banking customers, we have formed a strategic alliance with Kony to leverage their industry-leading mobile development application platform (MDAP) and acquired Moxx to offer managed mobility services.

CORPORATE GOVERNANCE UPDATES AND SHAREHOLDER OUTREACH

Henry D.G. Wallace and Robert S. Prather are retiring from our Board at the Annual Meeting, having both reached the retirement age set in our Board governance policy. We thank Messrs. Wallace and Prather sincerely for their years of service to the Company. Mr. Wallace also stepped down as Chairman of the Board on December 31, 2017, allowing for the orderly transition to his successor as Chair, Gary G. Greenfield. Mr. Greenfield has extensive experience in high technology industries, and that experience, coupled with his experience in evolving markets will be instrumental in leading the Board. Mr. Greenfield and a search committee chaired by Director Alan Weber led the search for our newly appointed President and Chief Executive Officer, Gerrard Schmid, who also joined our Board in February. Following the Annual Meeting and subject to the election by our shareholders, the Board will have eleven members. The Governance Committee and Board have determined that this is the appropriate size of

our Board as we continue our director succession planning efforts, focusing on bringing the skills necessary to support our strategic initiatives and considering the overall diversity of our Board.

Finally, in 2017 we continued our extensive shareholder outreach and engagement. While our advisory vote on the executive compensation program received high support at the 2017 Annual Meeting, we remain focused on engagement with our stakeholders to align our compensation programs with the integration and transformation goals of the Company. We continue to design our compensation practices and enhance our disclosures based on our shareholder input and feedback. We will continue to engage with shareholders and pursue executive compensation strategies that align our strategic goals and incentivize our executives.

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 PROXY SUMMARY
OVERVIEW OF OUR BOARD NOMINEES

You are being asked to vote to elect each of the following nominees to our Board of Directors. The tables that follow provide summary information about our nominees, and detailed information about each director nominee's background, skills and expertise can be found in Proposal 1: Election of Directors on pages 18-24.

Information about our Audit Committee, Board Governance Committee, Compensation Committee, Finance Committee, and Technology Strategy and Innovation Committee can be found on pages 9-10.

NAME AND OCCUPATION / CAREER HIGHLIGHTS	AGE	DIRECTOR SINCE	INDEPENDENT	AUDIT	COMMITTEE MEMBERSHIP			
					BOARD GOV.	COMP.	FIN.	TS&I
Patrick W. Allender Retired Executive Vice President, Chief Financial Officer and Secretary, Danaher Corporation	71	2011	Yes	Chair	.			
Phillip R. Cox President and Chief Executive Officer, Cox Financial Corporation	70	2005	Yes		.	Chair		
Richard L. Crandall	74	1996	Yes		.			Chair

Managing Partner, Aspen Venture LLC;						
Executive Chairman, Pelstar LLC						
Dr. Alexander Dibelius						
Managing Partner, CVC Capital Partners	58	2016	Yes	.	.	
(Deutschland) GmbH						
Dr. Dieter W. Düsedau						
Physicist and Former Director (Senior Partner),	59	2016	Yes	.	.	
McKinsey & Co.						
Gale S. Fitzgerald						
Retired President and Director, TranSpend, Inc.	67	1999	Yes	.	Chair	
Gary G. Greenfield						
Non-executive Chairman of the Board, Diebold Nixdorf, Incorporated; Partner, Court Square Capital Partners	63	2014	Yes		.	.
Gerrard B. Schmid						
President and Chief Executive Officer, Diebold Nixdorf, Incorporated	49	2018	No			
Rajesh K. Soin						
Chairman of the Board and Chief Executive Officer,	70	2012	Yes		.	.
Soin, LLC						
Alan J. Weber						
Chief Executive Officer, Weber Group LLC	69	2005	Yes		.	Chair
Dr. Juergen Wunram						
Senior Vice President and	59	2017	No			

Chief Operating Officer,

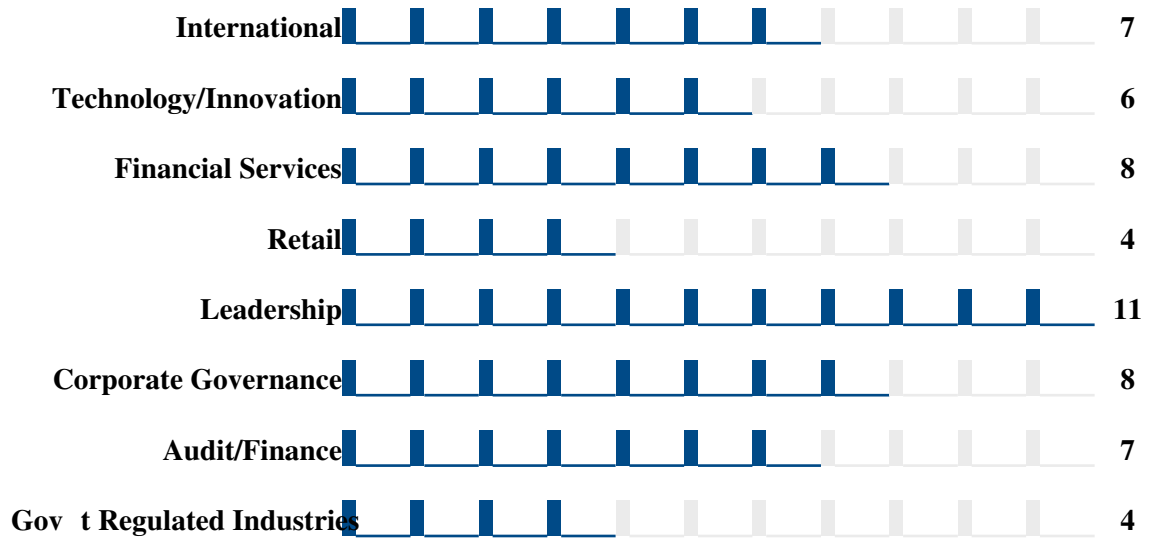
Diebold Nixdorf,
Incorporated

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PROXY SUMMARY

SNAPSHOT OF KEY QUALIFICATIONS AND SKILLS OF OUR NOMINEES



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VOTING INFORMATION

Q: What items will be voted on at the Annual Meeting and how does the Board recommend I vote?

A: You are being asked to vote on the proposals outlined above in the proxy summary on page 1. The Board recommends a vote FOR each nominee, and FOR each of Proposals 2, 3 and 4.

Q: What happens if other matters are properly presented at the Annual Meeting?

A: If a permissible proposal other than the listed proposals is presented at the Annual Meeting, your proxy gives authority to the individuals named in the proxy to vote on any such proposal in accordance with their best judgment. We have not received notice of other matters that may be properly presented at the Annual Meeting.

Q: Who is entitled to vote at the Annual Meeting?

A: Our record date for the 2018 Annual Meeting is February 26, 2018. Each shareholder of record of our common shares as of the close of business on February 26, 2018 is entitled to one vote for each common share held. As of the record date, there were 75,943,793 common shares outstanding and entitled to vote at the Annual Meeting.

Q: How do I vote?

A: If you were a shareholder on the record date and you held shares in your own name, you have three ways to vote and submit your proxy before the 2018 Annual Meeting:

By mail You may vote by completing, signing and returning the proxy card that you will receive in the mail;

By Internet We encourage you to vote and submit your proxy online at www.proxyvote.com. Even if you request and receive a paper copy of the proxy materials, you may vote online by going to www.proxyvote.com and entering your control number, which is a 16 digit number located in a box on your proxy card that you can also receive in the mail, if requested; or

By telephone You may vote and submit your proxy by calling 1-800-690-6903 and providing your control number, which is a 16-digit number located in a box on your proxy card that you can also receive in the mail, if requested.

If you complete and submit a proxy card, the persons named as proxies on your proxy card, which we refer to as the Proxy Committee, will vote the shares represented by your proxy in accordance with your instructions. If you submit your proxy card but do not indicate your voting preferences, the Proxy Committee will vote according to the recommendation of the Board.

Q: Can I change my vote after I have voted?

A: You may change your vote at any time before your proxy is voted at the 2018 Annual Meeting by:

Revoking your proxy by sending written notice or submitting a later dated, signed proxy before the 2018 Annual Meeting to our Corporate Secretary at the Company's address above;

Submitting a later dated, signed proxy before the start of the 2018 Annual Meeting;

If you have voted by the Internet or by telephone, you may vote again over the Internet or by telephone up until 11:59 p.m. EDT on April 24, 2018; or

Attending the 2018 Annual Meeting, withdrawing your earlier proxy and voting in person.

Q: Can I cumulate my votes for the election of directors?

A: No. At the 2017 Annual Meeting, our Shareholders approved an amendment to our Amended Articles of Incorporation to eliminate cumulative voting in director elections.

Q: How many votes are required to adopt each proposal?

A: For Proposal 1, the number of votes cast for the director-nominee's election must exceed the number of votes cast against his or her election. For each of Proposals 2, 3, and 4, the affirmative vote of the holders of a majority of the votes cast, whether in person or by proxy, is required for approval. The results of the voting at the meeting will be tabulated by the inspectors of election appointed for the Annual Meeting.

Q: What is the Majority Voting Policy?

A:

Our Board of Directors has adopted a policy that any director-nominee who is elected but receives a greater number of votes against his or her election than votes for his or her election, in an election that is not a contested election, is expected to tender his or her resignation following certification of the shareholder vote, as described in greater detail below under *Majority Voting Policy*.

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VOTING INFORMATION

Q: What is a broker non-vote ?

A: If your shares are held in the name of a brokerage firm, your shares may be voted even if you do not provide the brokerage firm with voting instructions. Brokerage firms have the authority under the New York Stock Exchange, or NYSE, rules to vote shares for which their customers do not provide voting instructions on certain routine matters. When a proposal is not a routine matter under NYSE rules and the brokerage firm has not received voting instructions from the beneficial owner of the shares with respect to that proposal, the brokerage firm cannot vote the shares on that proposal. This is referred to as a broker non-vote.

Proposal 2, the ratification of the appointment of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2018, is the only routine matter for which the brokerage firm who holds your shares can vote your shares on these proposals without your instructions. Accordingly, there should be no broker non-votes with respect to Proposal 2. Broker non-votes will have no effect on the outcome of Proposals 1, 3 and 4.

Q: How many shares must be present to constitute a quorum and conduct the Annual Meeting?

A: A quorum is necessary to hold the Annual Meeting. A majority of the outstanding shares present or represented by proxy constitutes a quorum for the purpose of adopting a proposal at the Annual Meeting. If you are present and vote in person at the Annual Meeting, or vote on the Internet, by telephone or by submitting a properly executed proxy card, you will be considered part of the quorum. Broker non-votes will not be part of the voting power present, but will be counted to determine whether or not a quorum is present.

Q: What happens if I abstain?

A: For all proposals except Proposal 4, a share voted abstain with respect to any proposal is considered as present and entitled to vote with respect to the proposal, but is not considered a vote cast with respect to the proposal. For Proposal 4, abstentions are considered votes cast for purposes of shareholder approval of an amendment to an equity plan. Accordingly, abstentions will have no effect on Proposal 1, the election of directors, and will not be counted for determining the outcome of Proposals 2 and 3.

Q: Why did I receive a one-page notice in the mail regarding Internet availability of proxy materials instead of a full set of proxy materials?

A:

Under rules adopted by the Securities and Exchange Commission, or SEC, we have elected to provide access to our proxy materials on the Internet. Accordingly, we are sending you a Notice of Internet Availability of Proxy Materials. The instructions found in the Notice explain that all shareholders will have the ability to access the proxy materials on www.proxyvote.com or request to receive a printed copy of the proxy materials. You may also request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. We encourage you to take advantage of the availability of the proxy materials on the Internet to help reduce the environmental impact of our Annual Meeting materials.

Q: What shares are included on my proxy card or Notice of Internet Availability of Proxy Materials?

A: The number of shares printed on your proxy card(s) represents all your shares under a particular registration. Receipt of more than one proxy card or Notice of Internet Availability of Proxy Materials means that certain of your shares are registered differently and are in more than one account. If you receive more than one proxy card, sign and return all your proxy cards to ensure that all your shares are voted. If you receive more than one Notice, reference the distinct 16-digit control number on each Notice when voting by Internet.

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CORPORATE GOVERNANCE

RECENT DEVELOPMENTS

Our Board is committed to strong corporate governance principles and practices to ensure that the Board most effectively and efficiently serves in its oversight obligations. This section provides an overview of the organization of the Board, its Committees, responsibilities and other related topics and initiatives.

Henry D.G. Wallace and Robert S. Prather are retiring from our Board at the Annual Meeting, having both reached the retirement age set in our Board governance policy. Mr. Wallace also stepped down as Chairman of the Board on December 31, 2017, allowing for the orderly transition to his successor as Chair, Gary G. Greenfield. We thank Messrs.

Wallace and Prather for their service to the Company. Although Mr. Crandall also reached retirement age, the Board Governance Committee and the Board determined that a waiver of the policy was warranted in order to maintain Mr. Crandall's unique expertise in the cybersecurity field on the Board. Following the Annual Meeting and subject to the election by our shareholders, the Board will have eleven members. The Board Governance Committee and Board have determined that this is the appropriate size of our Board as we continue our director succession planning efforts, focusing on bringing the skills necessary to support our strategic initiatives and considering the overall diversity of our Board.

BOARD LEADERSHIP STRUCTURE

Our Board is committed to strong leadership and currently maintains separate roles of our Chief Executive Officer, or CEO, and our Chairman of the Board. We believe this structure is effective for our current circumstances and a good governance practice. The Board does not have a specific policy with respect to separating or combining these roles, or

whether the Chairman should be an employee or non-employee director, and will continue to periodically review our leadership structure in light of corporate governance standards, market practices and our specific circumstances and

needs.

BOARD AND DIRECTOR ASSESSMENTS

The Board Governance Committee oversees the Board and director assessment program, as noted below in *Board Committees and Composition*. When taken together, the following assessment program provides a holistic review of the role, performance and function of the full Board, the Chairman and each director in relation to the Company's needs, challenges and opportunities. The assessment program includes a full board self-assessment, committee assessments, a chairman assessment and individual director

assessments. The full board self-assessment includes comprehensive questions designed to provide an all-inclusive evaluation of the performance of the Board in light of our needs and strategies. The committee, chairman, and individual director assessments are more specifically tailored. The assessment results are shared with our Chairman, applicable directors, committee members, and the full Board, and appropriate action plans are prepared and executed.

BOARD MEETINGS AND EXECUTIVE SESSIONS

The Board held five regular meetings and one special meeting in person or telephonically during 2017. All of our current directors attended 75% or more of the aggregate of all meetings of the Board and the Board committees on which they served during 2017.

In accordance with the NYSE's corporate governance standards, our independent directors regularly meet in executive session without management present, generally

following each regularly-scheduled Board meeting. In addition, on occasion, our independent directors will meet in executive session prior to the start of a Board meeting. Gary Greenfield, the Chairman of our Board, presides over these meetings in executive session. In 2017, Henry D.G. Wallace presided over these executive sessions in his capacity as Chairman of the Board. The executive sessions of each Board Committee are overseen by the respective committee chair.

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CORPORATE GOVERNANCE

While we do not have a formal policy regarding directors' attendance at the Annual Meeting of Shareholders, it is expected that all directors attend the Annual Meeting unless there are extenuating circumstances for non-attendance. With the exception of Dr. Alexander Dibelius, who had a previously

scheduled obligation taking place at the same time, all directors standing for re-election who were serving as directors as of the 2017 annual meeting of shareholders attended the 2017 annual meeting.

BOARD RISK OVERSIGHT

The Board and the Board committees collectively play an active role in overseeing management of our risks and in helping establish an appropriate risk tolerance. The Board oversees our risk strategy and effectiveness; however, management is responsible for identifying risks inherent in our business, as well as implementing and supervising day-to-day risk management. Accordingly, the Board and the appropriate committees receive regular reports from our senior management on areas of material risk to us, including operational, financial, strategic, compliance, cybersecurity, competitive, reputational, legal and regulatory risks. The Board also meets with senior management as part of each Board meeting, and more frequently as needed, to discuss strategic planning, including the key risks inherent in our short- and long-term strategies. Senior management then provides the Board with periodic updates throughout the year with respect to these strategic initiatives and the impact and management of these key risks.

In addition, each Board committee is responsible for evaluating certain risks within its area of responsibility and overseeing the management of such risks. The entire Board is then informed about such risks and management's response to each risk through regular committee reports delivered by the Committee Chairs. Our Compensation Committee

performs an annual compensation risk assessment, and we believe that our compensation practices are not reasonably likely to have a material adverse effect on the Company.

We also have robust internal dialog among our operations, finance, compliance, treasury, tax, legal and internal audit departments, among others, whenever a potential risk arises. These discussions are escalated to our President and Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Security Officer, Corporate Controller, Chief Legal Officer, Chief Ethics and Compliance Officer, Chief People Officer, and/or Vice President, Internal Audit and other Vice Presidents of our various divisions and regions, as appropriate, with open lines of

communication among them, the various committees of the Board and the entire Board.

We believe that the Board's approach and continued evaluation of its risk oversight, as described above, optimize its ability to assess the various risks, make informed cost-benefit decisions, and approach emerging risks in a proactive manner for the Company. We also believe that our Board leadership structure complements our risk management structure because it allows our independent directors to exercise effective oversight of the actions of management in identifying risks and implementing effective risk management policies and controls.

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CORPORATE GOVERNANCE

BOARD COMMITTEES AND COMPOSITION

The Board's current standing committees are the Audit Committee, Board Governance Committee, Compensation Committee, Finance Committee and Technology Strategy and Innovation Committee. Each committee's members and meetings during 2017 and functions are described below.

AUDIT COMMITTEE*

Members:

Patrick W. Allender (Chair), Dr. Dieter W. Düsedau, Gale S. Fitzgerald and Robert S. Prather, Jr.

All members of this committee qualify as independent.

Meetings:

This committee met in person or telephonically eleven times during 2017, and had informal communications with management, as well as with our independent auditors, at various other times during the year.

Primary Duties and Responsibilities:

Monitors the adequacy of our financial reporting process and systems of internal controls regarding finance, accounting and ethics and compliance.

Monitors the independence and performance of our outside auditors and performance and controls of our internal audit department.

Provides an avenue of communication among the outside auditors, management, the internal audit department and the Board.

Financial Experts:

Contact:

auditchair@dieboldnixdorf.com

The Board has determined that Mr. Allender is an audit committee financial expert within the meaning of such term under Item 407(d)(5) of Regulation S-K.

Committee Report: See page 85.

* This committee is a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (the Exchange Act).

BOARD GOVERNANCE COMMITTEE

Members:

Gale S. Fitzgerald (Chair), Phillip R. Cox, Richard L. Crandall and Dr. Alexander Dibelius

All members of this committee qualify as independent.

Meetings:

This committee met in person or telephonically five times during 2017, and had informal communications with management at various other times during the year.

Contact:

bdgovchair@dieboldnixdorf.com

Primary Duties and Responsibilities:

Insures Board oversight of our enterprise risk management process.

Reviews qualifications of potential director candidates.

Makes recommendations to the Board to fill vacancies or consider the appropriate size of the Board.

Makes recommendations regarding corporate governance principles, Board committee composition, and the directors' compensation for their services on the Board and on Board committees.

Leads and oversees all of the Board and Committee assessments.

Oversees director orientation and education, as described in *Director Orientation and Education* below.

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CORPORATE GOVERNANCE

COMPENSATION COMMITTEE

Members:

Phillip R. Cox (Chair), Dr. Dieter W. Düsedau, Rajesh K. Soin and Alan J. Weber

All members of this committee qualify as independent.

Meetings:

This committee met in person or telephonically five times during 2017, and had informal communications with management, as well as the committee's independent compensation consultant, at various other times during the year.

Contact:

compchair@dieboldnixdorf.com

Committee Report: See page 42.

Primary Duties and Responsibilities:

Administers our executive compensation program.

Oversees our equity plans (including reviewing and approving equity grants to executive officers).

Annually reviews and approves all pay decisions relating to executive officers.

Determines and measures achievement of corporate and individual goals, as applicable, by our executive officers under our short- (annual) and long-term incentive plans, and makes recommendations to the Board for ratification of such achievements.

Reviews the management succession plan and proposed changes to any of our benefit plans, such as retirement plans, deferred compensation plans and 401(k) plans.

For additional discussion of the committee's role, processes and procedures in connection with executive compensation, see *Compensation Discussion and Analysis: Role of the Compensation Committee* below.

FINANCE COMMITTEE

Members:

Alan J. Weber (Chair), Patrick W. Allender, Dr. Alexander Dibelius, Gary G. Greenfield and Robert S. Prather, Jr.

All members of this committee qualify as independent.

Meetings:

This committee met in person or telephonically six times in 2017, and had informal communications with management at various other times during the year.

Primary Duties and Responsibilities:

Makes recommendations to the Board with respect to material or other significant transactions.

Oversees the Company's borrowing structures and credit facilities.

Establishes investment policies, including asset allocation, for our cash, short-term securities and retirement plan assets and oversees the management of those assets.

Reviews our financial exposure and liabilities, including the use of derivatives and other risk management techniques.

Makes recommendations to the Board related to customer financing activities and funding plans for our Company.

TECHNOLOGY STRATEGY AND INNOVATION COMMITTEE

Members:

Richard L. Crandall (Chair), Gary G. Greenfield and Rajesh K. Soin

All members of this committee qualify as independent.

Meetings:

This committee met in person or telephonically two times in 2017 and had informal communications with management at various other times during the year.

Primary Duties and Responsibilities:

Assists the Board in its oversight of our investment in software and services technology and intellectual property.

Evaluates our global technology and innovation strategies and initiatives, including their impact on our performance and competitive position.

Evaluates management proposals for strategic software and technology investments, divestitures, and acquisitions.

Provides clarification and validation to the Board on the direction of our Company as it relates to technology and innovation.

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CORPORATE GOVERNANCE

CORPORATE GOVERNANCE MATERIALS AVAILABLE ON OUR WEBSITE

Copies of the following documents, among others, are available on our website (www.dieboldnixdorf.com) in the Corporate Governance portion of the Investor Relations section under the Company tab:

Current Charters for our Audit, Board Governance, Compensation, Finance, and Technology Strategy and Innovation Committees;

Our Director Independence Standards;

Our Corporate Governance Guidelines; and

Our Code of Business Ethics.

Information on our website is not, and will not be deemed to be, a part of or incorporated into this Proxy Statement.

DIRECTOR INDEPENDENCE

The Board determined that each of Patrick W. Allender, Phillip R. Cox, Richard L. Crandall, Dr. Alexander Dibelius, Dr. Dieter W. Düsedau, Gale S. Fitzgerald, Gary G. Greenfield, Robert S. Prather, Jr., Rajesh K. Soin, Henry D. G. Wallace and Alan J. Weber has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with us) and is independent under our director independence standards, the NYSE director independence standards, and the SEC independence requirements, as applicable and as currently in effect. Gerrard Schmid and Dr. Juergen Wunram do not meet these independence standards because they

are employed by us as our President and Chief Executive Officer and our Senior Vice President and Chief Operating Officer, respectively.

In making the independence determinations, the Board considered the following:

Messrs. Crandall and Greenfield serve on the board of directors of Donnelley Financial Solutions, Inc., which provided SEC filing and printing services in 2017 related to our proxy statement for our 2017 Annual Meeting of Shareholders for a fee of \$54,870. The Board determined that the provision of services by Donnelley Financial Solutions, Inc. and Messrs. Crandall and Greenfield's service on the Donnelley Financial Solutions, Inc. board did not create a material relationship or impair the independence of Messrs. Crandall and Greenfield.

Mr. Crandall owns the Enterprise Software CEO Roundtable and our former CEO, Andreas Mattes, was a member of that Roundtable in 2017. The standard annual fees, which were paid by the Company, were \$9,500 for 2017. The Board determined that the Roundtable's receipt of a membership fee from the Company did not create a material relationship or impair the independence of Mr. Crandall.

Mr. Weber serves on the board of directors of Broadridge Financial Solutions, Inc., which provided processing, mailing and tabulation services for our proxy statement in 2017 for a fee of \$112,753. The Board determined that the provision of these services and Mr. Weber's board membership did not create a material relationship or impair the independence of Mr. Weber.

RELATED PERSON TRANSACTION POLICY

Pursuant to our director independence standards, discussed above, and our Corporate Governance Guidelines, discussed below in *Board Diversity, Director Qualifications and Corporate Governance Guidelines*, we do not engage in transactions with non-employee directors or their affiliates if a transaction would cause an independent director to no longer be deemed independent, would present the appearance of a conflict of interest or is otherwise prohibited by law, rule or regulation. This includes, directly or indirectly, any extension, maintenance or renewal of an extension of credit to any of our directors.

This prohibition also includes significant business dealings with directors or their affiliates, charitable contributions that would require disclosure in our proxy statement under the rules of the NYSE, and consulting contracts with, or other indirect forms of compensation to, a director. Any waiver of this policy may be made only by the Board and must be promptly disclosed to our shareholders.

In 2017, we did not engage in any related person transaction(s) requiring disclosure under Item 404 of Regulation S-K.

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CORPORATE GOVERNANCE

COMMUNICATIONS WITH DIRECTORS

The Company's Board of Directors provides a process for shareholders to send communications to the Board. Shareholders and interested parties may communicate with our Audit, Board Governance and Compensation Committee Chairs by sending an email to the address provided in the applicable committee description above or with our non-employee directors as a group by sending an email to nonmanagementdirectors@dieboldnixdorf.com.

Communications may also be directed in writing to such person or group at Diebold Nixdorf, Incorporated, Attention: Corporate Secretary, 5995 Mayfair Road, P.O. Box 3077, North Canton, Ohio 44720-8077. The independent members of the Board have approved a process for handling communications we receive that are addressed to non-employee members of the Board. Under that process, the Corporate Secretary will review all such communications and determine whether communications require immediate attention. The Corporate Secretary will forward communications, or a summary of communications, to the appropriate director or directors.

CODE OF BUSINESS ETHICS

All of our directors, executive officers and employees are required to comply with certain policies and protocols concerning business ethics and conduct as provided in our Code of Business Ethics. The Code of Business Ethics ties our core values to the ethical principles that must guide our business decisions. The Code of Business Ethics also provides clear information on the resources available for directors, executive officers and employees to ask questions and report unethical behavior. All members of the Board have received training specific to the Code of Business Ethics.

The Code of Business Ethics applies to us, including all of our domestic and international affiliates and subsidiaries. The Code of Business Ethics describes certain responsibilities that our directors, executive officers and employees

have to the Company, to each other and to our global partners and communities. It covers many topics, including compliance with

laws, including the Foreign Corrupt Practices Act and relevant global anti-corruption laws, conflicts of interest, intellectual property and the protection of competitive and confidential information, as well as maintaining a respectful and non-retaliatory workplace. The Code of Business Ethics also includes and links to our Conflicts of Interest Policy, which further details the requirements for our officers, directors and employees to avoid and disclose potential conflicts, including those that may result from related party transactions. In addition, our employees are required to report any conduct that they believe in good faith to be a violation of the Code of Business Ethics. Our Audit Committee has procedures to receive, retain and treat complaints regarding accounting, internal financial controls or auditing matters, and to allow for the confidential and anonymous submission of concerns regarding questionable practices or potential violations of our policies, including the Code of Business Ethics.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The members of the Compensation Committee during the year ended December 31, 2017 were Phillip R. Cox, Dr. Dieter W. Düsedau, Rajesh K. Soin, and Alan J. Weber. No member of the Compensation Committee has had any relationships requiring disclosure by us under the SEC's rules requiring disclosure of certain relationships and related person

transactions. No officer or employee of the Company has served as a director or member of a compensation committee (or other committee serving an equivalent function) of any other entity, the executive officers of which served as a director of the Company or member of the Compensation Committee during 2017.

DIRECTOR ORIENTATION AND EDUCATION

All new directors participate in a director orientation program. The Board Governance Committee oversees this introduction and orientation process during which the new director meets with key senior management personnel and takes a tour through our global solutions center to improve his or her understanding of our business and global products and

solutions. In addition, the orientation process educates the new director on his or her obligations as a director, the history of the Company, our strategic plans, significant financial matters, core values, including ethics and compliance

programs (and also including our Code of Business Ethics), corporate governance practices and other key policies and practices.

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The following director compensation is determined by the Board at the recommendation of the Board Governance Committee. With respect to non-employee directors, it is our goal to provide directors with fair and competitive compensation, while ensuring that their compensation is closely aligned with shareholder interests.

The annual retainer received by our non-employee directors during 2017 was increased from \$65,000 to \$75,000 following their re-election in April 2017. Our non-executive Chairman of the Board received an additional annual retainer of \$100,000.

In addition to their annual retainers, our non-employee directors also received the following annual committee fees for their participation as members or as Chairs of one or more Board committees:

	MEMBER	CHAIR
Audit Committee	\$12,500	\$25,000