

Dear Sir or Madam,
Dear Employees,

Companies are not measured by economic achievements alone. They are communities of values that are increasingly judged in the business world on how and by which principles they generate their earnings. As an international Group, we are aware that our responsibility extends beyond purely technical and economic aspects. Sustainable, fair and socially responsible action is gaining an ever greater significance in a globalised world. A company's reputation built on this is key to its success. Business success and **compliance** with regulations and principles are therefore closely related.

Compliance is an essential requirement for maintaining the global reputation of a company. That is why we have expressly defined compliance as a key corporate goal at Francotyp-Postalia Holding AG and its subsidiaries – which we will refer to as “**Francotyp-Postalia**” below.

We have summarised the rules and principles that are key at Francotyp-Postalia in this Code of Conduct. We expect all employees of Francotyp-Postalia to act in accordance with these principles. We take it as given that all members of our company's management set an active example and communicate the principles set out in this Code of Conduct.

All employees of Francotyp-Postalia are responsible for ensuring that their actions in the business world are in line with the Code of Conduct. Breaches of this Code of Conduct will not be tolerated and will automatically lead to measures appropriate to the type of breach that is committed.

We are committed to our compliance and to fair conduct in business. We trust that every one of our executives and every one of our employees will live up to this commitment and we are confident that you will make every effort to comply with this Code of Conduct.

The Code of Conduct at Francotyp-Postalia Holding AG

I. The compliance principles at a glance

Business ethics and integrity ensure our credibility. It is a matter of course that all Francotyp-Postalia companies and all employees of these companies adhere to the applicable laws and regulations and fulfil their obligations in a reliable manner. They must demonstrate honesty and fairness in their business activities. We expect the same from our business partners. This conduct is reflected in the following principles:

- We operate worldwide and comply with recognised standards. All applicable laws and regulations – in Germany and in our locations abroad – are strictly adhered to.
- We take responsibility for our actions. Our employees are informed and trained on an ongoing continual basis so that they can comply with and put into practice this Code of Conduct in business transactions and their professional lives.
- We want to get better and better at what we do. Employees have an obligation to report breaches of this Code of Conduct. The first point of contact in this regard is the Compliance Officer.
- We take responsibility for our employees. No employee can be allowed to be disadvantaged within Francotyp-Postalia by complying with this Code of Conduct.

Executives act as role models and will encourage their employees to comply with this Code of Conduct at all times.

II. The Code of Conduct and the guidelines on individual topics and issues

The guidelines that are referred to in this Code of Conduct are important components of the Francotyp-Postalia Code of Conduct. In addition, other guidelines can be issued at any time to supplement and further define individual duties addressed in this Code of Conduct. Information on supplements and amendments to the Code of Conduct will be provided to the employees that are affected by them. Our employees must pay strict attention to all amendments and supplements to the Code of Conduct and to the guidelines and new guidelines.

III. Francotyp-Postalia Code of Conduct: Lawful and responsible conduct

1. Avoiding conflicts of interest

Fact-based, fair conduct towards customers, suppliers and employees is the essential cornerstone of our concept of business.

We avoid situations in which personal or financial interests of employees come into conflict with the interests of Francotyp-Postalia or where there is a risk of a conflict of interest. This relates in particular to any financial connection between employees and customers, suppliers or competitors of Francotyp-Postalia as well as the initiation of private business relationships with them (e.g. consultancy contracts). This does not apply to transactions covering day-to-day necessities. All employees shall otherwise perform sideline activities outside of Francotyp-Postalia only when this is compatible with their work and responsibilities at Francotyp-Postalia. They give an assurance that they will always comply with and act according to the following restrictions on accepting additional employment:

- Employees will always require the prior written approval of their superior to take on secondary employment.
- Employees cannot offer or promote any services or products or perform other services in connection with these products and services that are similar to the services or products of Francotyp-Postalia.
- Employees are prohibited from offering services to Francotyp-Postalia as a consultant or on a freelance basis when such services form part of their usual duties.
- Employees cannot perform any activities to solicit the products or services of a competitor.

- Employees cannot accept any position in another company when this leads to conflicts with their employment at Francotyp-Postalia with regard to working hours.
- External teaching and training activities can only be conducted during working hours with the approval of the respective superior. Both the preparation of such activities during working hours and the remuneration and the content of the teaching must be discussed with the respective superior.

We avoid accepting or granting direct or indirect benefits, in particular kickbacks or personal gifts or invitations – unless these are socially customary gifts/invitations within the context of standard business hospitality – where from any reasonable perspective it has to be assumed that they can exert an influence on business decisions or transactions.

The conflicts of interest specified above are only stated here as examples. Conflicts of interest can arise from any situation where the interests of Francotyp-Postalia deviate from or can deviate from the personal interests of employees or related persons. We avoid any appearance of a conflict of interest from the outset. Employees must therefore notify their respective superiors immediately in writing of actual or potential conflicts of interest. The superior shall examine the matter in question, consult with the Compliance Officer and inform the employee of the position of Francotyp-Postalia in writing.

An important preventive measure in connection with avoiding conflicts of interest is the “dual control” principle, which must be complied with in particular when approving invoices and signing legally relevant documents.

2. Accepting and granting gifts and benefits in business transactions

Francotyp-Postalia attaches great importance to ensuring that no unfair benefits are granted and that no bribes or kickbacks are paid and shall therefore do everything necessary to avoid even the appearance of unlawful interference. We therefore strictly refrain from

- any activities that are likely to procure direct or indirect benefits or gifts of any kind for business partners or authorities and their employees, officials and other public sector employees or other third parties (in particular offers or granting of money or personal benefits). This shall apply in particular if the type and scope of these benefits are likely to exert an illegitimate influence on the actions or decisions of the recipient.

- involving third parties (e.g. consultants, brokers, sponsors, representatives or other intermediaries) in order to circumvent the above regulation.
- establishing and organising “secret funds” that circumvent or breach the principles of proper accounting.
- making direct or indirect donations to political organisations or parties and individual politicians without prior approval.

Gifts, entertainment and other benefits must always be connected to business relationships and take place in a socially adequate and legally accepted framework. A consistent condition for accepting and granting a benefit or gift of any kind is that it must be absolutely clear that the recipient could not be induced by the benefit or gift in question to make unprofessional or non-objective decisions on business measures. Breaches of this principle will not be tolerated under any circumstances and are not in the interests of Francotyp-Postalia at any time or under any circumstances.

Avoiding bribery and corruption is regulated in more detail in the guideline “Avoiding conflicts of interest and corruption”.

3. Compliance antitrust regulations

We believe in fair and open competition on the world’s markets. We do not engage in illegal and/or criminal practices and therefore refrain strictly from

- unlawful competition or antitrust practices between competitors, suppliers and other companies, such as illegal bid rigging, that rule out, restrict or distort competition.
- exchanging competitive information.
- abusing a dominant market position.
- committing breaches of the regulations of merger control under antitrust law.

Infringements are liable to penalties or significant administrative fines and can result in the nullity of agreements and contracts or lead to exclusion from tenders or public award procedures. In addition, extensive claims for compensation of damages under civil law can arise as a result.

Compliance with competition and antitrust law is regulated in more detail in the guideline “Compliance with the competition and antitrust law”.

4. Confidentiality and communication

4.1 Confidentiality

We undertake to treat all trade and business secrets of Francotyp-Postalia as confidential. All information, data and documents that are not suitable or intended for external circulation, such as contracts, draft contracts, planning data, financial data, personnel information, intellectual property and all other business discussions (confidential information) are included in the trade and business secrets of Francotyp-Postalia.

Confidential information should only be made accessible in-house to the employees concerned for business purposes. The transmission of confidential information to third parties can only be considered when there is no doubt that this is in the corporate interests of Francotyp-Postalia. Before confidential information is passed to third parties, the conclusion of a non-disclosure agreement should always be given due consideration. In there is any doubt, ask the Compliance Officer.

Special rules apply for observing confidentiality with regard to internal information that is not in the public domain and that could be relevant to share prices (insider information). The transmission of insider information can have serious, adverse consequences for Francotyp-Postalia and also personally for the employee in question. It is imperative that insider information is also treated as confidential. Employees who are in any doubt about whether they are an insider should contact the Investor Relations department or the Compliance Officer (see also section 5 “Insider trading”).

4.2 Communication with the public

Enquiries from media representatives should be answered only by Corporate Communications. Enquiries from media representatives are therefore always to be referred to this department – which is also available at any time as a point of contact in case of doubt.

5. Insider trading

We undertake to comply with the relevant regulations of capital market law, in particular the prohibition on insider trading.

Any person who is in possession of insider information is therefore prohibited from using it to acquire or dispose of shares for their own or third-party account or for a third party. The Investor Relations/Public Relations departments and the Compliance Officer are available at all times to clarify any doubts.

6. Data protection

We undertake to treat all personal data (in particular data on employees) as strictly confidential and to protect it from disclosure.

Personal data refers to the personal or material circumstances of a specific or identifiable person. In addition to data that identifies a specific person, it includes all data that concerns a specific person, such as data concerning the professional, financial and social circumstances of a person. It also includes data relating to customers and suppliers, insofar as this data can be attributed to individual persons.

The processing (e.g. storage, amendment, transmission, blocking and deletion) of personal data is only permitted within certain limits on the basis of a statutory provision. Consequently, the legality of such actions must be examined before personal data is collected and processed. All persons who are involved in the handling of personal data must be informed of the appropriate (national) regulations, instructions and laws. Compliance with these regulations, etc. must be ensured.

Compliance with the data protection rules is regulated in more detail in the “Data protection” guideline.

7. IT security

Francotyp-Postalia provides for the greatest possible data security of its IT systems.

Executives and employees play their part in preventing internal and external misuses of the IT systems. All users of IT systems (desktop computers, notebooks, etc.) are urged to comply strictly with all security requirements, such as passwords, in order to avoid internal and external abuses. They will also take care when sending e-mails that no confidential texts or attachments are sent to unauthorised recipients.

Compliance with IT security is regulated in more detail in the “Security guideline for IT users” – Guideline 63 (Employee Guideline).

8. Legal matters

In legal disputes and official investigations – whether these are justified or not – the legal department of Francotyp-Postalia or the appropriate legal consultant (e.g. the company’s lawyer) in coordination with the legal department must be consulted immediately. The Human Resources department is responsible for legal disputes regarding concerns relating to employment or social security laws.

All complaints, accusations or charges concerning Francotyp-Postalia or an employee of Francotyp-Postalia in connection with his/her professional activities must be passed

on to the Legal department immediately. Human Resources is responsible for matters involving labour law.

9. Authorities and agencies

In our dealings with authorities/state institutions, Francotyp-Postalia must be regarded as an honest and reliable partner. Correctness, transparency and honesty have the utmost priority in our dealings with public authorities and other agencies. This applies both to our dealings with procurement agencies in the public sector and also to authorities that are responsible for monitoring compliance with statutory regulations. When making sales to a public agency, authorities and other public sector corporations, the procurement provisions of these agencies must be complied with.

You can find instructions on conduct in the event of official searches at Francotyp-Postalia in the guideline "Conduct during searches".

10. Export controls

As a company that provides its services and sells its products through operations on a global scale, we are subject to national and international agreements (in particular export control regulations, embargo and trade control provisions). We therefore adhere to

- corresponding national and international restrictions on trade (embargos),
- the provisions of the German Foreign Trade and Payments Act and the EU regulation on dual-use items and on counter-terrorism in particular.

11. Suppliers/customers

The relations between Francotyp-Postalia and its suppliers and customers are of elementary importance. Purchasing and sales are areas of the company that come into direct contact with the public. The conduct of employees in the purchasing and sales division thus essentially defines the public image of Francotyp-Postalia. Business transactions with related persons or work colleagues are not permitted. Speculative transactions and counter trading are not allowed unless they have been approved. Environmental protection aspects and legislation must be obeyed.

Purchasing decisions must be based on relevant criteria, including: costs, delivery time, quality, technology, response, adherence to delivery schedules, financial stability of the supplier and environmental aspects.

Francotyp-Postalia requires its suppliers to exhibit exemplary social responsibility in their conduct.

- **Prohibition of child labour:** Work by children under the age of 16 is strictly prohibited. In countries where local laws set a higher age for child labour or set an age for completion of compulsory education higher than 16, the highest age is applicable. Any work which is likely to jeopardize children's physical, mental or moral health, safety or morals should not be done by anyone under the age of 18.
- **Prohibition of forced labour:** Any use of forced labour, slavery, servitude or trafficking in human beings by our suppliers, as well as withholding identity papers or work permits or requiring workers to deposit a bond or the use of any other constraint, is strictly prohibited. All workers are entitled to accept or leave their employment freely. Suppliers may not require workers to work to repay a debt owed to them or to a third party.
- **Prohibition of illegal, clandestine and undeclared employment:** Our suppliers are required to comply with all applicable regulations to prevent illegal, clandestine and undeclared employment.
- **Prohibition of harassment and abuse:** We expect our suppliers to treat their workers with respect and dignity. Our suppliers may not tolerate or engage in any form of corporal punishment, physical, sexual, verbal or psychological harassment or any other kind of abuse.
- **Prohibition of discrimination:** We expect our suppliers to treat all workers equally and fairly. Our suppliers may not engage in any kind of discrimination – in particular with regards to wages, hiring, access to training, promotion, maternity protection and dismissal – based on sex, race or ethnic origin, religion, age, disability, sexual orientation, political affiliation, union membership, nationality, gender identity or social background.
- **Wages and benefits:** Our suppliers must at minimum pay wages on a regular basis and no less than monthly, compensate workers for overtime hours at the legal rate and meet all legal requirements relating to worker benefits. If there is no legal minimum wage or rate for overtime pay in the country concerned, the supplier must ensure that the wages are at least equal to the average minimum in the relevant industrial sector and that overtime pay is at least the same as the usual hourly compensation. Wage deductions shall not be used as a disciplinary measure. We require our suppliers to guarantee that all workers receive benefits stipulated in any applicable collective bargaining agreements, company agreements and other applicable negotiated individual or collective agreements.

- **Working hours:** Our suppliers must comply with all local laws and regulations applicable with respect to working hours, which shall not in any case exceed the maximum set by internationally recognized standards such as the International Labour Organization. Our suppliers may not impose excessive overtime hours. The total number of hours worked per week including overtime may not exceed legal limits. Workers are entitled to the minimum number of days off established by applicable laws and at minimum must have at least one day off in every seven-day period.
- **Freedom of association:** We require our suppliers to respect and recognize the right of workers to negotiate collectively, and to create or join labour organizations of their choice without any sanction, discrimination or harassment.
- **Ensuring health and safety:** Our suppliers are expected to provide their workers with a safe and healthy workplace environment in order to avoid accidents or bodily injuries which may be caused by, related to, or result from their work, including during the operation of equipment or during work-related travel. Suppliers are expected to set up procedures and trainings to detect, avoid and mitigate as much as possible any hazards that constitute a risk to the health, hygiene and safety of staff. They are required to comply with all applicable local and international regulations and laws in this regard. These same principles are applicable to housing provided by suppliers.

12. Conduct of employees towards each other

Francotyp-Postalia attaches great importance to all employees treating each other with trust, openness and respect.

- The conduct of employees/colleagues among themselves must be informed by fairness, cooperation and mutual respect. The yardstick is that employees/colleagues pursue the business processes and interests of Francotyp-Postalia together in a loyal and trusting manner. Discrimination and other derogatory conduct towards employees/colleagues will not be tolerated.
- Any tension or problems in personal interactions should be remedied through talks conducted in an open and respectful manner; Human Resources or the respective superiors will be glad to offer assistance here.

13. Freedom from discrimination and equal opportunities

- We offer all employees equal opportunities. Ethnic origin, skin colour, sex, age, marital status, disability, religion, nationality, sexual orientation or social origin play no part here. We pay attention to our compliance with the German General

Equal Treatment Act and thus create a working environment that is free of discrimination.

- We offer every employee assistance within the context of their qualifications and work options to expand their vocational skills through suitable educational and further training measures.
- Within the framework of the possibilities within the company, we support all employees in balancing vocational and private interests, in particular a work-life balance, and comply with the corresponding statutory regulations.

14. Handling of the company's assets and assets entrusted to the company

The property and assets of Francotyp-Postalia and the property and assets entrusted to the company must be handled with care and protected against unauthorised use. Furniture, office supplies and IT systems that are made available must be used with care and appropriately according to requirements, while consumables must be used economically. The use of the property and assets of Francotyp-Postalia for illegal and inappropriate uses or private uses that have not been approved is strictly prohibited.

15. Money laundering

The appropriate remuneration of its services and products is of great importance for Francotyp-Postalia as a company that operates in international competition.

- We comply with the national and international regulations governing money laundering.
- We avoid transactions that serve to convert or transfer money or to smuggle other assets that originate directly or indirectly from previous criminal acts into legal circulation.

16. Health, occupational safety, environment, product safety

The safety and health of our employees in the workplace, environmental protection and consideration for the local community are fundamental corporate principles that must be complied with by all. Executives have the primary task of providing the appropriate equipment, creating a suitable work environment and avoiding dangers and risks at the workplace. They must ensure that they are informed regularly of current dangers and risks and, if necessary, initiate remedial or corrective measures immediately. Local/national regulations and laws must be complied with and the relevant guidelines of the individual companies practiced.

Appropriate preventive measures must be implemented in order to avoid hazards and risks in the workplace that put endanger employees, inflict damage on the environment and cause accidents.

Although Francotyp-Postalia makes every effort to comply with all national environmental protection regulations, environmental pollution can arise in the course of the normal business activities. The responsible executives have the obligation to ascertain the extent of the pollution and to reduce it as much as possible or to eliminate it completely. To this end, suitable environmental protection programmes must be designed and the implementation of the accompanying measures must be monitored. In addition to this, emergency plans must be drawn up describing all necessary measures that must be implemented in the event of an environmental hazard.

From the perspective of our core product, franking machines, and the accompanying services, Francotyp-Postalia and its employees lay claim to the special trust that the market and our customers have in the reliability and tamper-proof security of our products. We must live up to this claim in every situation.

IV. Implementation and monitoring of the Francotyp-Postalia Code of Conduct

The rules that are contained in this Code of Conduct – including the guidelines that supplement it – form a core element of the corporate culture and the compliance organisation of Francotyp-Postalia.

1. Obligation

The Code of Conduct supported by the Management Board and the Supervisory Board of Francotyp-Postalia Holding AG is introduced as binding for all employees of Francotyp-Postalia, taking into account the codetermination rights of the competent employee representative bodies, and serves as a standard for the performance of business by Francotyp-Postalia. The regulations of the Code of Conduct are based on the standards of German legislation. They nevertheless apply worldwide for all employees of Francotyp-Postalia, unless they are in conflict with local statutory regulations. If stricter regulations apply to the actions of the respective employee on account of his/her nationality or on account of the laws of the country in which he/she is operating, these rules take precedence over the rules of the Code of Conduct. For companies in which Francotyp-Postalia Holding AG holds a minority interest, Francotyp-Postalia Holding AG will advocate appropriate implementation of compliance.

2. Personal responsibility

The Code of Conduct is made available to all employees of Francotyp-Postalia – if necessary also in their own language – by their superior; they have an obligation to

familiarise themselves and act in accordance with its regulations. The same procedure must be conducted when new hiring new employees. In addition, the Code of Conduct is published in German and English in the Management Manual.

All executives of Francotyp-Postalia have an obligation to ensure that their employees comply with the Code of Conduct and to set an active example of the Code in their personal and business activities. In addition, all members of the top management team have an obligation to make an annual Declaration of Compliance in which they confirm their compliance with the Code of Conduct.

The executives of Francotyp-Postalia must report breaches of this Code of Conduct to the Compliance Officer.

The corporate audit department will examine compliance with this Code of Conduct in its audits and will include its principles in its audit criteria.

3. Compliance Officer

The Management Board of Francotyp-Postalia Holding AG has instructed the Compliance Officer to implement the Code of Conduct and to monitor compliance with the principles regulated in it as an essential component of the Francotyp-Postalia compliance programme. The Compliance Officer and the Human Resources department will coordinate all training measures related to the compliance programme of Francotyp-Postalia. All employees of Francotyp-Postalia have an obligation to provide the Compliance Officer with comprehensive information on all circumstances affecting their field of activity and related operating matters so that the Compliance Officer can carry out his/her duties.

All reports from employees concerning breaches of the Code of Conduct – if the Compliance Hotline is not used – must be addressed to the Compliance Officer, who furthermore is generally available to clarify any questions or in situations of conflict.

Anyone can contact the Compliance Officer by post, telephone, fax or e-mail or through the (anonymous) whistleblower system as follows:

- Phone number: +49 (0)30 – 220 660 173
- Fax number: +49 (0)30 – 220 660 193
- E-mail: compliance@francotyp.com
- anonymously via the letter box in the mailroom or by mail or via the whistleblower system <https://francotyp.integrityline.com> .