

Environmental Protection, Energy Efficiency, Occupational Health and Safety Report 2020

(Francotyp-Postalia Holding AG, German Sites)



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01. Francotyp-Postalia at a glance

In 1923, Francotyp-Postalia (FP) was founded as a manufacturer of franking machines and since then has developed into a successful mail management company employing some 1,000 staff members. The product range of the FP Group includes the entire value creation chain in the sector of outgoing mail processing. FP is the market leader in Germany and Austria and has a global market share of 9.9 % as well as a customer base of approx. 260,000 customers.

280 employees work at the Berlin-Pankow headquarters (development, sales, service and administration), 60 employees at the Berlin-Adlershof site (output and input management), 60 at the Wittenberge site (production of franking systems, service part centre) and 60 at the Langenfeld site (physical mail processing). There are an additional 6 sites for physical mail processing counting some 100 employees, as well as 2 sites for digital mail solutions employing 20 staff members, plus 6 smaller sales centres and 3 warehouses.

Worldwide sales of franking and inserting systems is carried out through subsidiaries in the UK market (95 employees), the Netherlands (52 employees), Belgium (8 employees), Austria (18 employees), Italy (26 employees), Sweden (20 employees), the USA (118 employees), Canada (44 employees) and France (16 employees) as well as by a close-knit dealer network.

In Germany, the company maintains a certified integrated management system complying with the standards of ISO 9001:2015, ISO 14001:2015, ISO 50001:2018 and ISO 45001:2018. In the year 2016, the Berlin-Adlershof site (IAB - Communications GmbH) was certified in accordance with ISO/IEC 27001:2013.



Head-Quarter Berlin-Pankow



Production franking systems Wittenberge

Environmental protection and a resource-conserving way of handling energy sources are part of our principles. This also includes our flexible production taking place in Germany only, and our use of suppliers from Germany and Europe. Regular checks are in place to verify how effectively these internal principles are being implemented. FP permanently strives to minimise waste and emissions and, where possible, to avoid these. In addition to our target of protecting our environment, FP takes care of health and safety of its employees at their workplace. Environmental protection and occupational health and safety are important leadership tasks at FP and are part of the corporate policy and strategy.



Input-/Outputmanagement Berlin-Adlershof



Physical letter processing Leipzig

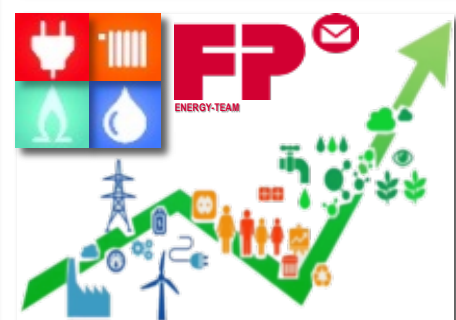
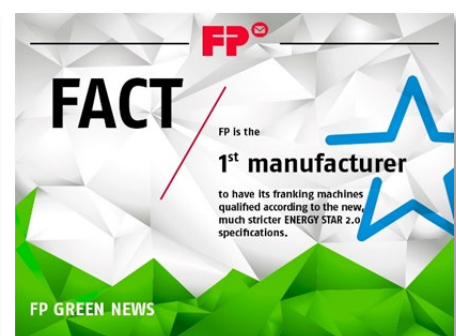


02. Environmental protection, energy efficiency, occupational health and safety

- ◆ Since 2010, we have been publishing an annual report on environmental protection, energy efficiency and occupational health & safety. It provides information on the status of the company's sustainable acting in environmental protection, occupational health & safety, and the resource-conserving handling of energies.
- ◆ Our striving to protect the environment and to ensure the safety and health of our employees at their workplace represent important leadership tasks at the company. The integrated management system makes sure that these tasks are implemented at all functions and levels of the company.
- ◆ With regard to environmental protection, it is part of our corporate principles to extend the availability of fossil fuels for useful purposes. This is an integral step of our working practice:
 - With each product that is newly designed and with each procedure that is newly applied, we check for environmental safety and efficient energy use.
 - We handle any resources used in an economical way.
 - This is only made possible through our dedicated and fully committed employees.

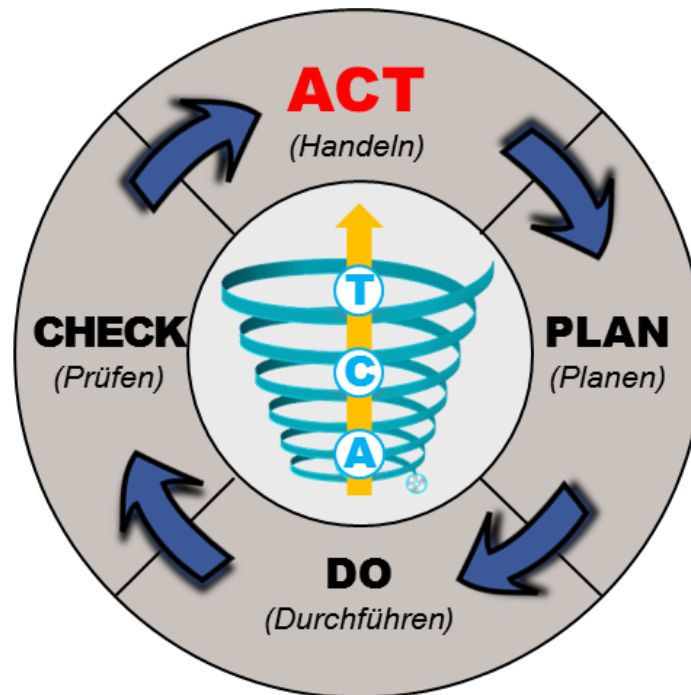
We train our employees in order to maintain their environmental and safety awareness and to commit them to working and acting accordingly. Our target is to realise continuous improvements beyond the compliance with legal requirements. Therefore, we conduct an open and trusting dialogue with employees, authorities, customers, and suppliers as well as with the interested public regarding any questions on environmental and energy management and the protection of our resources. This also includes the annual publication of this report.

As early as 2009, FP launched the first franking system with GO-GREEN functionality in the market, this way supporting the climate protection program of Deutsche Post. This program customer-specifically records the CO₂-emissions generated by the transport of a GO-GREEN mailing. Our PostBase and PostBase Mini franking systems meet state-of-the-art demands placed on environmentally friendly franking in various ways. These include a weight reduction by 8%, the possibility of reusing components, or the identification of the plastics used. Especially where energy consumption is concerned, PostBase and PostBase Mini already meet the stricter EnergyStars requirements in version 2.0. Furthermore, a new recycling concept was developed in the field of consumables enabling customers to dispose of used ink cartridges in an environmentally friendly way.



03. Environmental, energy, and occupational health and safety system (ISO 14001, ISO 50001, ISO 45001)

The requirements as laid down in the international standards of ISO 14001, ISO 50001 and ISO 45001 represent systems to introduce environmental, energy and occupational health & safety management and identify paths in the direction of individual responsibility and self-commitment.

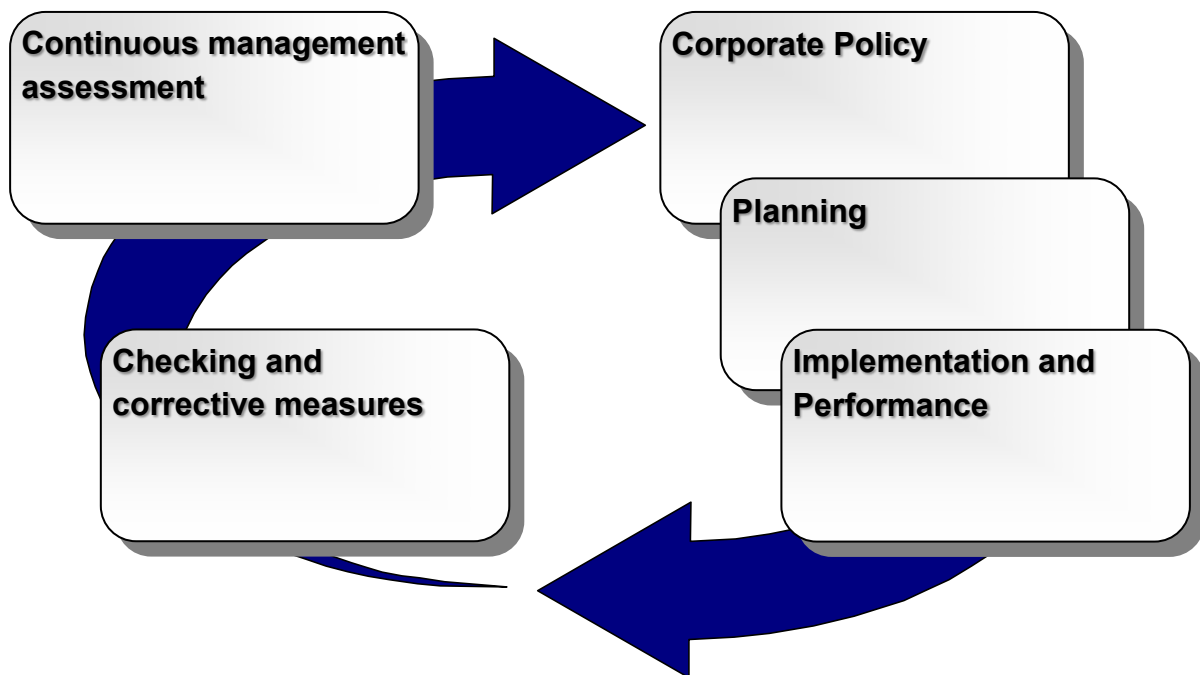


These standards are based on the method of "Plan Do Check Act" (planning, executing, checking, acting) and are briefly described in the FP integrated management system as follows:

- PLAN:** Targets and processes are defined to achieve results in compliance with the corporate policy.
- DO:** Actions and processes are implemented and realised.
- CHECK:** Processes are rated in terms of meeting the corporate policy, of meeting strategic and operational objectives, legal requirements and other demands, and the results are reported upon.
- ACT:** Take action to continuously improve the performance of the integrated management system (**ACT**).



The FP system can be divided into **five stages**:



Stage 1: CORPORATE POLICY

- » Opportunity and risk management
- » Continuous improvements in the integrated management system
- » Meeting of legal requirements
- » Announcement within the company and in public

Stage 2: PLANNING

- » Assessment of the environmental protection and occupational health & safety situation at work
- » Identification of stakeholders, of legal and additional requirements
- » Deriving of operational targets from strategic targets and the corporate policy

Stage 3: IMPLEMENTATION AND EXECUTION

- » Supply of the resources required
- » Creating and further developing the integrated management system, and definition of tasks and responsibilities
- » Motivation and training of employees
- » Preparation of any documentation required

Stage 4: CHECKING AND CORRECTIVE ACTION

- » Maintaining and updating of the documentation required
- » Introduction of a system to monitor company performance
- » Execution of First and Second Party Audits, site inspections and additional assessments to identify opportunities and for risk minimisation
- » Introduction and tracing of improvements and non-conformities

Stage 5: CONTINUOUS MANAGEMENT ASSESSMENT

- » Regular efficiency assessment of the integrated management system
- » Continuous improvement



04. Environmental, energy, occupational health and safety policy

In accordance with the corporate principles, the management has defined the key aspects specified below in their corporate policy regarding the environmental, energy and occupational health & safety policy.

Environment (Environmental protection)

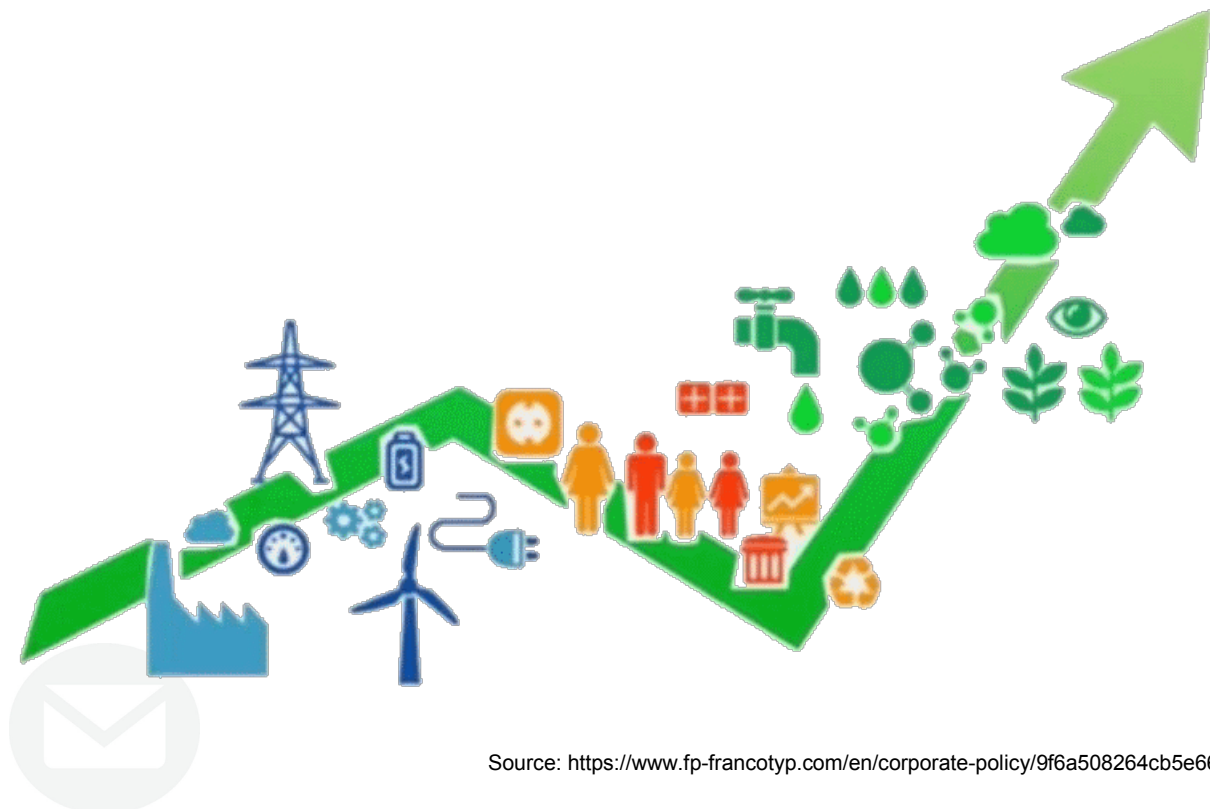
The protection of the environment and a constant improvement of the energetic efficiency represent important company objectives to us. A suitable management system is in place to ensure that these tasks are realised at all functions and levels of the company. The increase of the energy efficiency resulting in a reduced environmental impact is an important leadership task. The procurement and design of new equipment is focused on this as well, as even at the design stage of new products and processes, we already consider their environmental safety, the economical use of resources and the avoidance/reduction of waste/emissions. We safeguard the meeting of any legal specifications and implement continuous improvements by way of suitable review action.

Energy (Energy efficiency)

We commit ourselves to a responsible energy management. Wherever this is cost-efficient, we apply energy efficiency at our sites in machines and equipment. We manage our energy consumption in order to improve efficiency, productivity and working conditions, to protect the environment and to extend the availability of fossil fuels for useful purposes. In this context, we implement continuous improvements in energy management.

Staff (Occupational health & safety)

Our employees' safety and health are assets worth protecting. To us, they represent high-priority company objectives resulting in important leadership tasks. Along with our customers, highly motivated employees acting in a business-oriented and professional way are the most important asset on our road to success. Commitment and spiritedness are highly acknowledged. We encourage suitable information and training activities, as well as continuing staff development both at a personal and a professional level with respect to our company objectives. This enables us to increase and maintain our employees' safety awareness during their work. In addition to that, we offer our employees a well-balanced selection of health protection measures.



Source: <https://www.fp-francotyp.com/en/corporate-policy/9f6a508264cb5e66>

05. Operational targets in the integrated management system

In 2020, we revised and defined the **operational targets of the integrated management system** in connection with updated system aspects (derived from the strategic targets and from our stakeholders). During the successful energy management certification of all German FP sites, the certification for Hefter Systemforms GmbH was extended. To state some examples, the following operational targets (amongst other defined ones) were reached successfully:

- Continuously improve power efficiency of power consumption at Berlin-Pankow site above energetic basis ($\eta_{2020} = 1,92 \text{ /kW}$, $\eta_{ENB} = 1,86 \text{ /kW}$)
- Continuously improve power efficiency of power consumption at the Berlin-Adlershof sites above the energetic basis ($\eta_{2020} = 645 \text{ pcs/kW}$, $\eta_{ENB} = 600 \text{ pcs/kW}$)
- Continuously improve power efficiency of power consumption at Wittenberge site above energetic basis ($\eta_{2020} = 180,66 \text{ pcs/kWh}$, $\eta_{ENB} = 120,00 \text{ pcs/kWh}$)
- Maintain power efficiency of power consumption at Langenfeld site in the range of energetic basis ($\eta_{2020} = 340 \text{ pcs/kWh}$, $\eta_{ENB} = 300 \text{ pcs/kWh}$)
- Continuously improve heat efficiency of central FP car fleet above energetic basis ($\eta_{2020} = 78,15 \text{ /W}$, $\eta_{ENB} = 60,00 \text{ /W}$)
- Continuously improve heat efficiency of freesort transporter fleet above energetic basis ($\eta_{2020} = 417,17 \text{ /W}$, $\eta_{ENB} = 410,00 \text{ Stck/kWh}$)
- Continuously improve efficiency of heat consumption at Wittenberge site above energetic basis ($\eta_{2020} = 0,04 \text{ /m}^2\text{W}$, $\eta_{ENB} = 0,03 \text{ /m}^2\text{W}$)
- Keep costs of our waste volume at the main sites (Berlin-Pankow, Berlin-Adlershof, Wittenberge and Langenfeld) below € 31,500 (**2020: € 25,373.45**, 2019: € 31,777.48)
- Maintain efficiency of water consumption at the sites above their energetic basis
- Evaluate and implement necessary measures to prevent the spread of the pandemic (Covid19) at all sites centrally for all workplace groups
- Check and renew DGUV V3 inspections for all devices
- Update energetic output basis in case of changes

Among other things, the following actions were continued, initiated and implemented in the context of the integrated management system in 2020:

- Maintenance of our registers on hazardous substances, waste, energy, and sources of law.
- Constant checking of the integrated direct and indirect system aspects.
- Continuous updating of documents (policies, standards, guidelines, etc.) in the central IMS Process Map Germany (Management Handbook, MHB).
- Regular information and training activities on environmental, occupational health & safety, and energy topics.
- Regular checking and updating of risk assessments for all sites.
- Regular site inspections at our Berlin-Pankow, Berlin-Adlershof, Langenfeld and Wittenberge sites as well as the freesort and Mentana-Claimsoft sites with the focus on occupational health & safety and fire safety.
- Measurement and detailed analyses of energy consumption at the German sites.

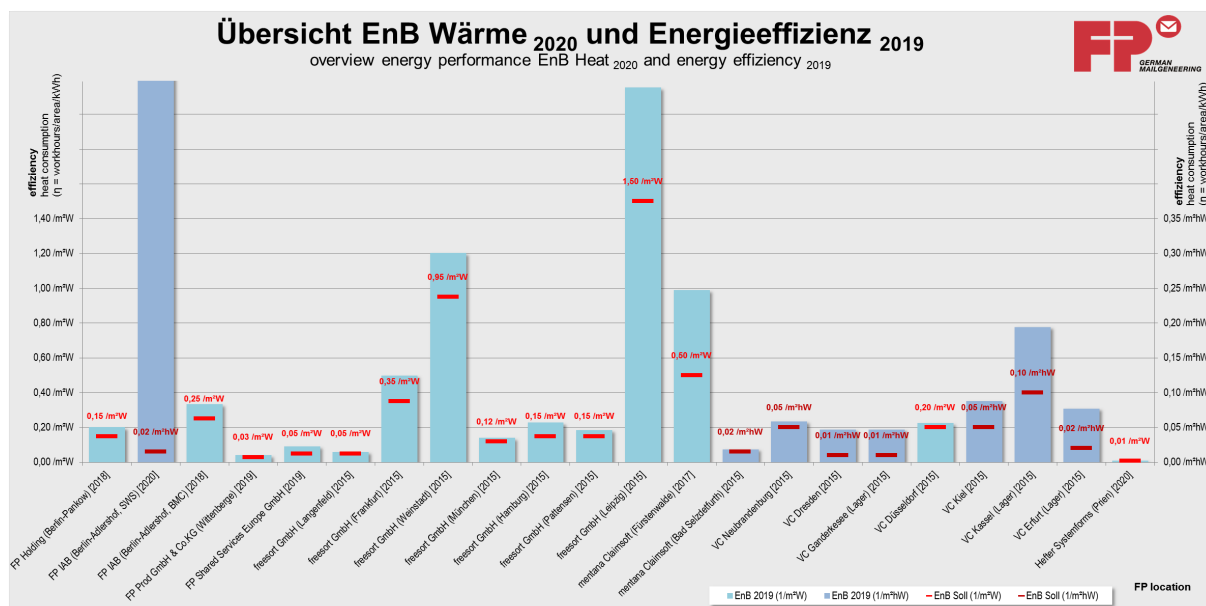
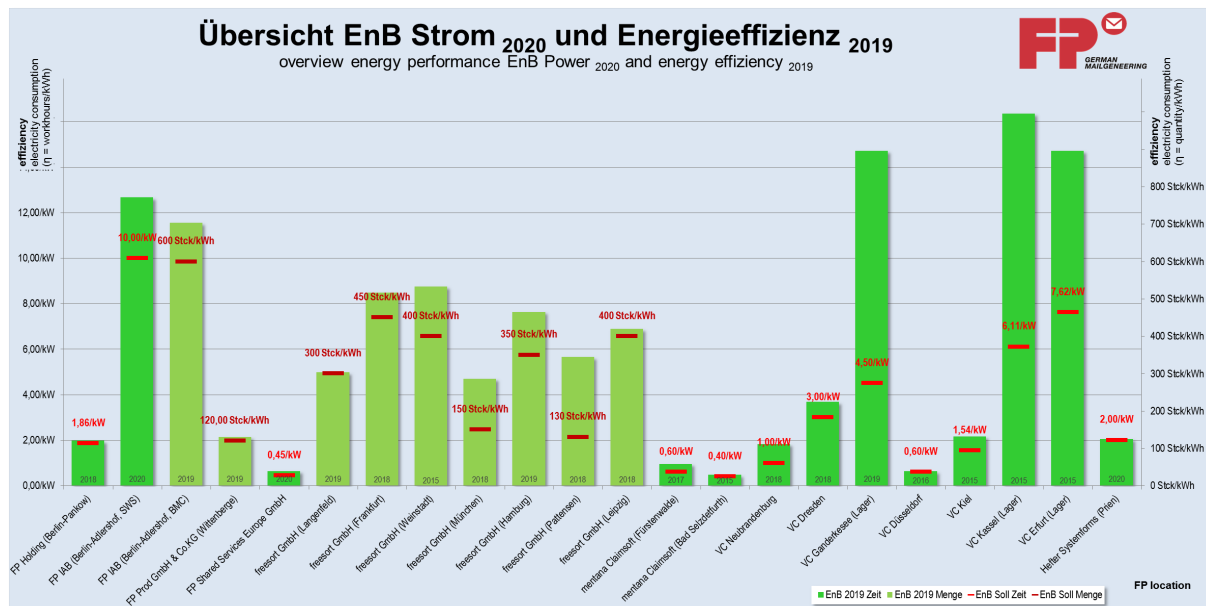
As early as 2016, **Francotyp-Postalia** extended, and obtained certification for, its **integrated management system** in accordance with ISO 50001:2011 and ISO/IEC 27001:2013. The system was recertified in 2018/2019 according to the requirements of ISO 45001:2018 (previously BS OHSAS 18001) and ISO 50001:2018.



06. Energetic output basis (EnB)

In accordance with legal specifications and the 2016 certification of the energy management as laid down in ISO 50001:2011, the energetic output basis (EnB) was determined for all German sites. To this end, the energy consumption values (power, heat, diesel) of all 21 German sites were determined, incl. our car fleet and main loads.

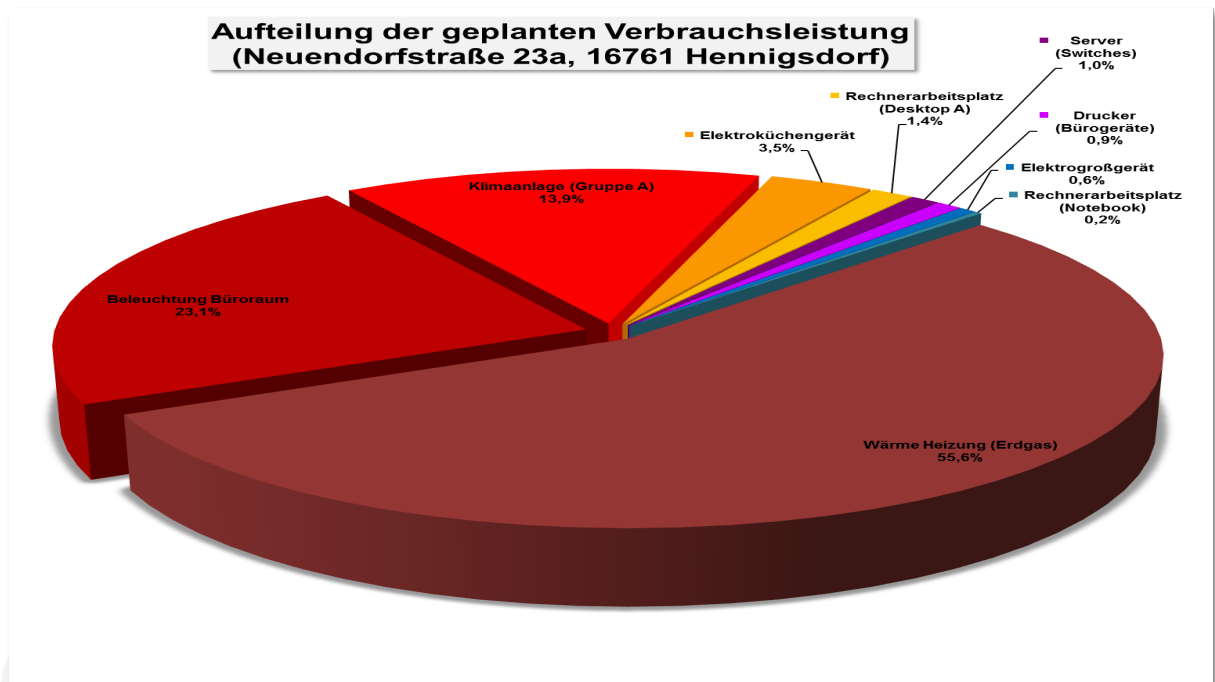
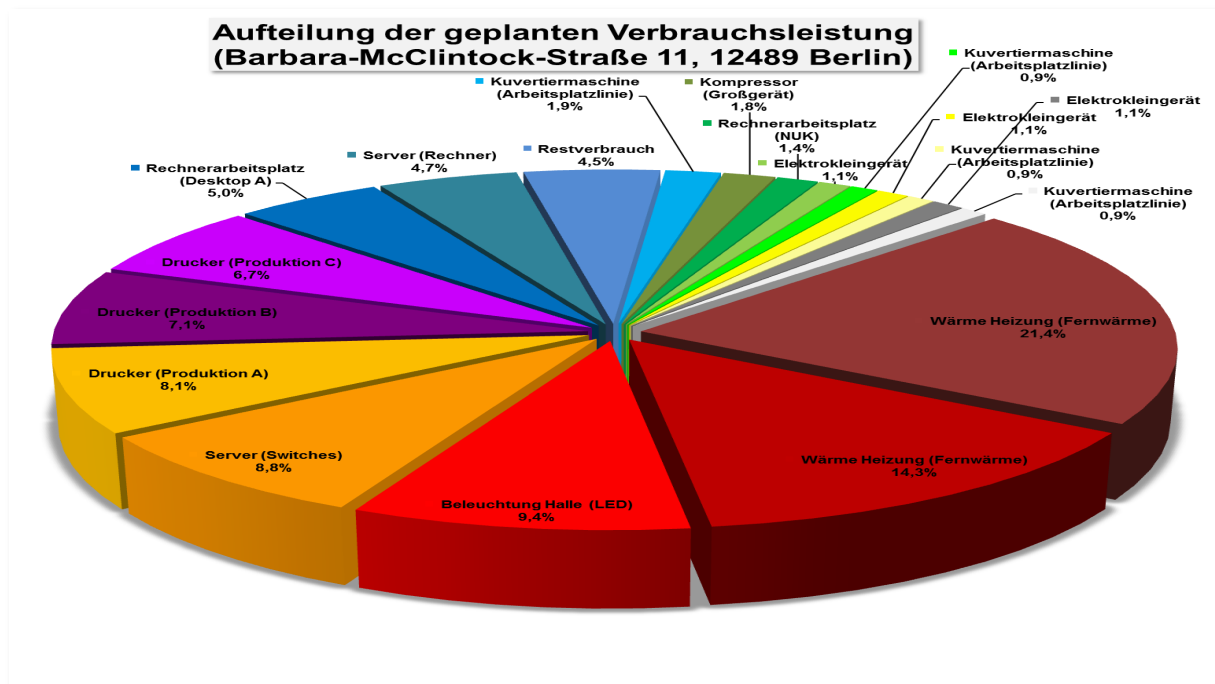
Any changes in energy-related performance are constantly monitored in comparison with this basis, and, where necessary, are updated annually based on the defined requirements. For each EnB, the energy management representative of the respective site has drawn up a detailed overview of loads to form the basis for the annual energy controlling. By way of this energy controlling, sub-systems will be analysed over the years to come and/or their consumption will be measured in order to initiate improvements to increase the entire system's efficiency.



07. Energy performance indicators (EnPI)

In connection with the energy management and on the basis of the energetic output basis determined respectively, energy ratings (performance indicators, **EnPI**) were determined for each site in 2015/2016 already, and were charted in preparation for the following year.

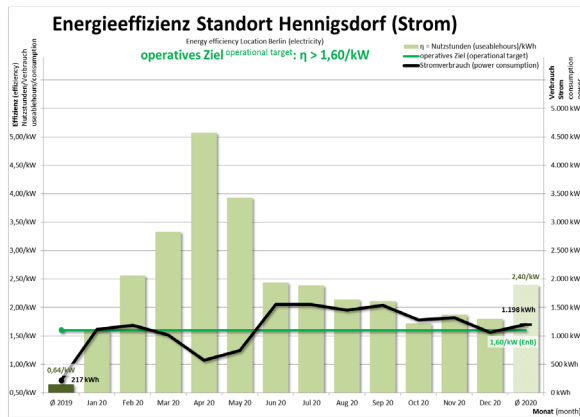
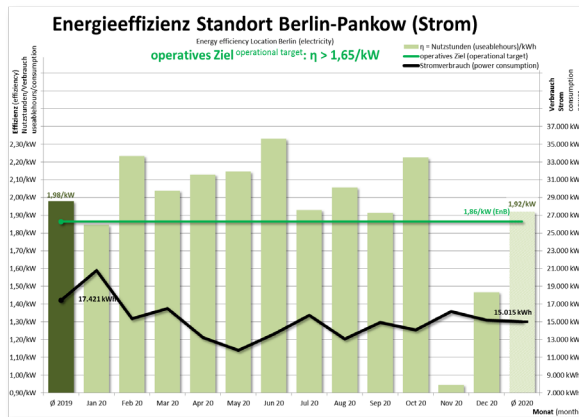
At each site, the energy management representatives maintain a system specified by significant energy uses (SEUs) in terms of input (consumption) and use (performance). Suitable measurements are used to determine individual values step-by-step in a more detailed way in order to systematically optimise efficiency at the sites. Below are two projected consumption charts from 2020 to illustrate this as an example. Any detailed values (efficiency, plan and target values, analyses, measurements, etc.) are charted in the EnPI records.



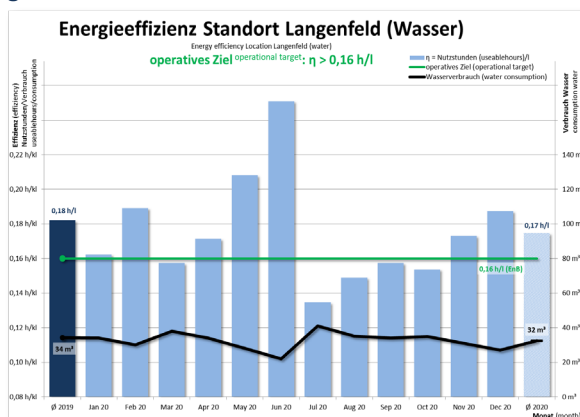
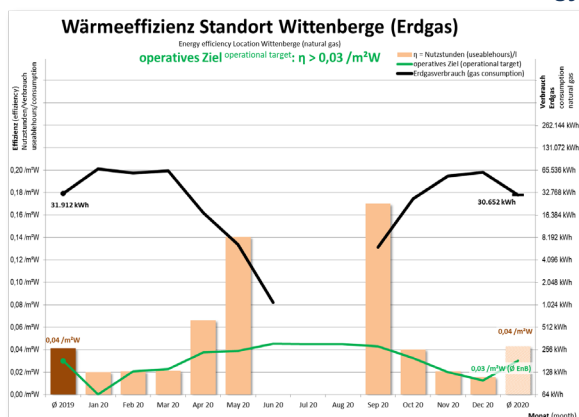
08. Controlling of energy efficiency data

We use the resources of electricity, heat and water as energy sources. The data are recorded and analysed quarterly in the energy register. We use the trends observed to achieve further savings in the future and to use our ecological resources more environmentally friendly. The figures below show development examples from 2018:

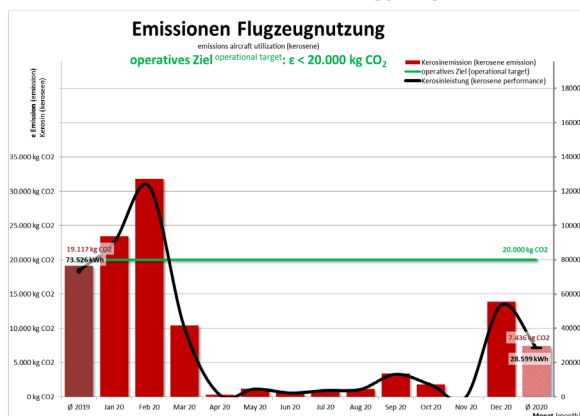
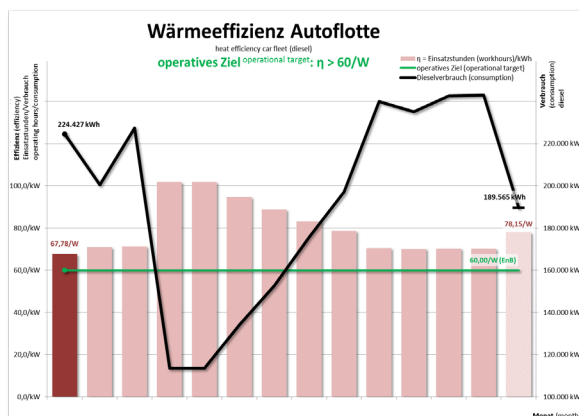
Power efficiencies from the central energy register:



Heat and water efficiencies from the central energy register:



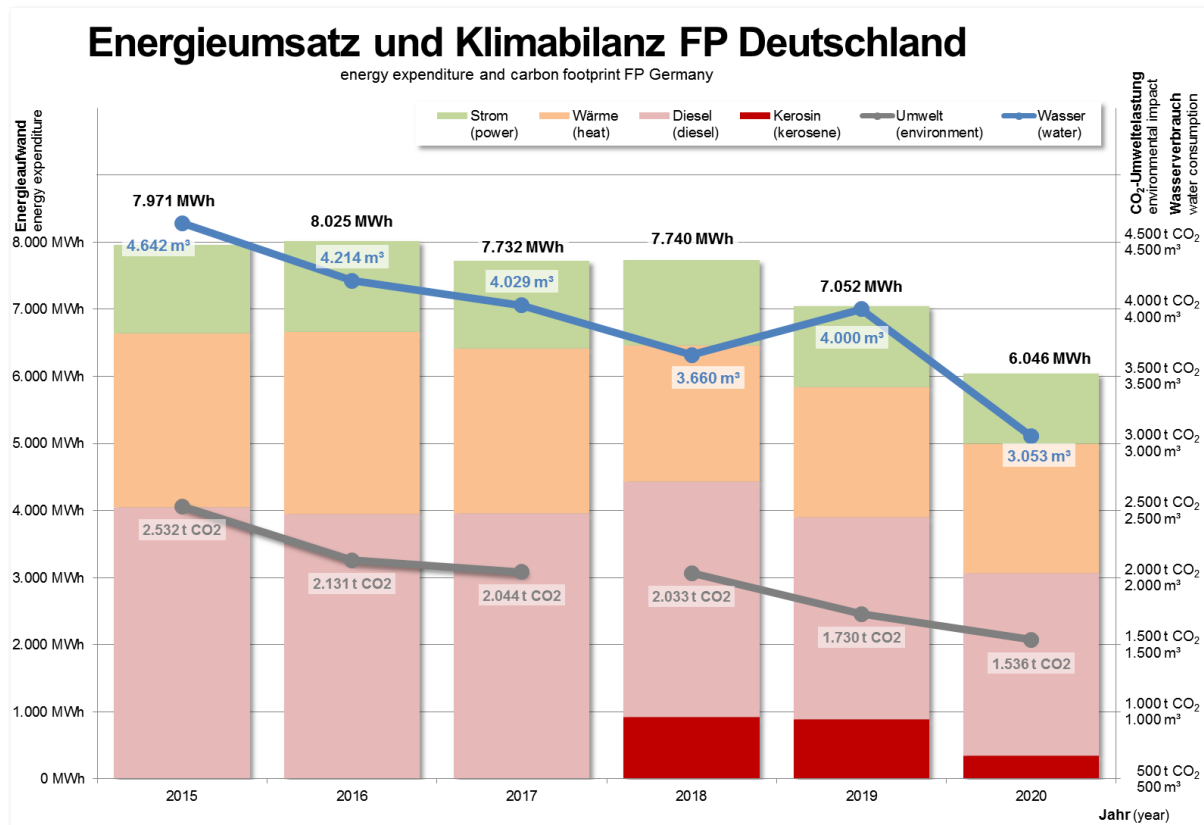
Heat efficiencies of the car fleet and emissions from aircraft use from the central energy register:



09. Energy turnover and climate balance (ecological footprint)

Based on the recorded and available data, we maintain an **ecological footprint** for the German sites of the **FP Holding AG**.

Our climate footprint (Scope 1, 2) refers to our energetic consumption values (heat, power, diesel) and the water consumption at the rented and owned buildings. Within the climate footprint, we also chart the **continuous improvement** of our CO₂-footprint:



As a company, we cause CO₂ emissions. However, we are vigorously driving their reduction - with measurable results, be it in our vehicle fleet, heating energy, service or even in the holding of the Annual General Meeting.

In 2020, our vans in Germany carried over 135 million mail items (previous year: 170 million), and our cars were in use for 177,783 hours (previous year: 182,543 hours). A separate CO₂ fleet register (separated into cars, vans and aircraft) is maintained for the company's vehicle fleet and the use of domestic flights. If new leased vehicles are ordered (or in exchange for previous models), they must generally have lower energy consumption than previous vehicles.

Whereas just a few years ago the target for the entire vehicle fleet was 75,000 kg of CO₂ per month, by 2020 this figure had already reached **50,934 kg of CO₂ per month**. In the year under review, 611,211 kg of CO₂ were emitted (previous year: 616,391 kg CO₂); broken down by vehicle type, the 117 passenger cars accounted for 516,239 kg of CO₂ and the 15 vans for 94,972 kg CO₂. We were thus able to reduce CO₂ emissions by 1%.

In the years from 2018 to 2020, we were able to significantly reduce the emissions we caused in our buildings and vehicle fleet, as well as the flights we used, by **24.4%** from 2,033 t CO₂ to **1,536 t CO₂**.



10. Data on occupational health & safety

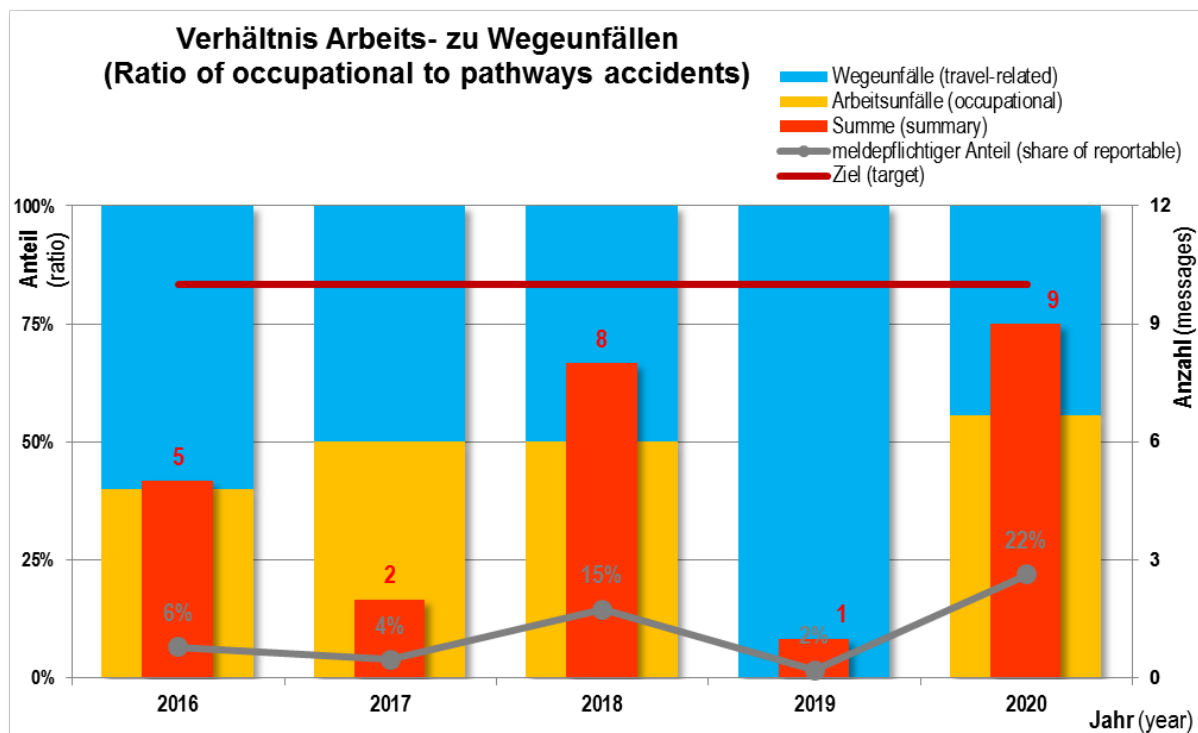
The following number of employees made use of the services listed below on offer with the company medical officer, in comparison to the previous years:

Preventive medical check-ups	2016	2017	2018	2019	2020
Check-ups required by law ^(not applicable)	n.a.	n.a.	n.a.	n.a.	n.a.
Driving, controlling and monitoring activities ¹⁾	1	2	1	1	-
Computer workstations ²⁾	72	33	40	49	13
Noise ³⁾	-	8	-	5	7
Medical consultations (company medical officer)	51	38	113	55	-
Influenza vaccination (extra service)	20	18	51	53	31
First aid courses (first aiders)	10	19	24	-	35

¹⁾ acc. to DGUV 250-427 (G25), ²⁾ acc. to DGUV 250-438 (G37), ³⁾ acc. to DGUV 250-418 (G20)
all German locations

Working and commuting accidents	2016	2017	2018	2019	2020
Year total	5	2	8	1	9
reportable working accidents	2	1	4	0	5
reportable commuting accidents	3	1	4	1	4

all German locations

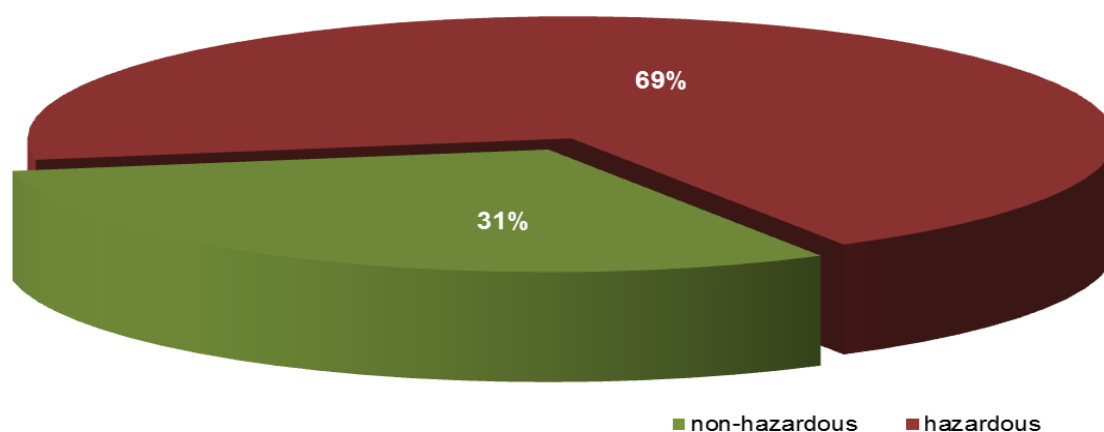


11. Hazardous substances management

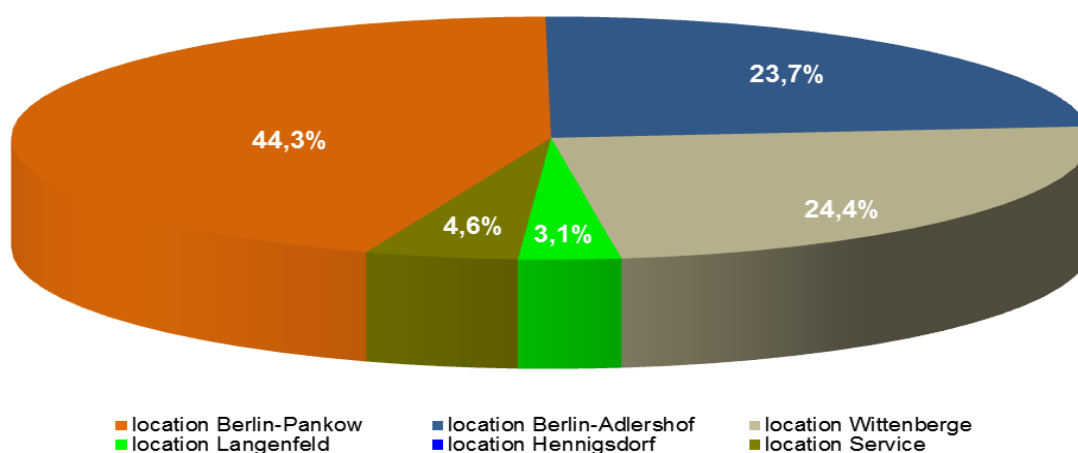
Storage site	with hazardous properties	without hazardous properties
Berlin-Pankow location	45	13
Berlin-Adlershof location	21	10
Wittenberge location	17	15
Langenfeld location	3	1
Hennigsdorf location	0	0
Service sites	5	1
no longer used	36	7
End-of-year totals	91	40

131 hazardous substances are currently used at our sites (out of these, **40 without hazardous properties**) with **6 hazardous substances** being in use at two or at all sites. Compared to the previous year, a further **36** hazardous substances without hazardous characteristics were disposed of.

Ratio of substance varieties in stores



Substance assignment to storage places



12. Handling of water-hazardous substances

Water does not play an essential role in our production process. The German sites use freshwater. No negative impact exists on the water sources used. Therefore, no return takes place via production cycles or separate systems. Recycling is effected by way of regular wastewater disposal.

Water consumption at our sites of Langenfeld and the 6 other consolidation centres (942 m³), Wittenberge (475 m³), Adlershof (230 m³), Hennigsdorf (116 m³) as well as the Berlin headquarters (1,290 m³) amounts to a total of **3,053 m³**. Measured against the hours of use, the water consumption amounts to some 3.42 litres per hour of use. Our target is to maintain the water consumption at such a low level. Compared to the year before, water consumption was **reduced by 947 m³**.

We only work with water-hazardous substances of hazard classes 2 and 3 to a limited amount (for instance, single adhesives and cleaning agents of minimum quantities). The inks we use largely correspond to water hazard class 1 only. Where water-hazardous substances are concerned, our special focus lies on their corresponding labelling. These substances are always stored in special containers. Special precautions are in place to prevent them from entering the wastewater, and filling locations are designed in such way that these substances cannot enter the wastewater. All supplies, pipes and containers are tight and drip-free, absorbents are available at any time, and disposal is carried out in accordance with the respective waste code numbers only, and always in line with legal requirements.

In the hazardous substances index, all substances in use are divided into water hazard classes. Under the current Federal Water Act **WHG §62** (section 4, 1), potentially water-hazardous substances are only divided into three classes. Substances that do not pose any hazard to water are listed under class 0. The substances stored and used by us fall into the following hazard classes:

WGK ¹⁾	0	1	2	3	Total
No. of substances ²⁾	8	79	27	4	118

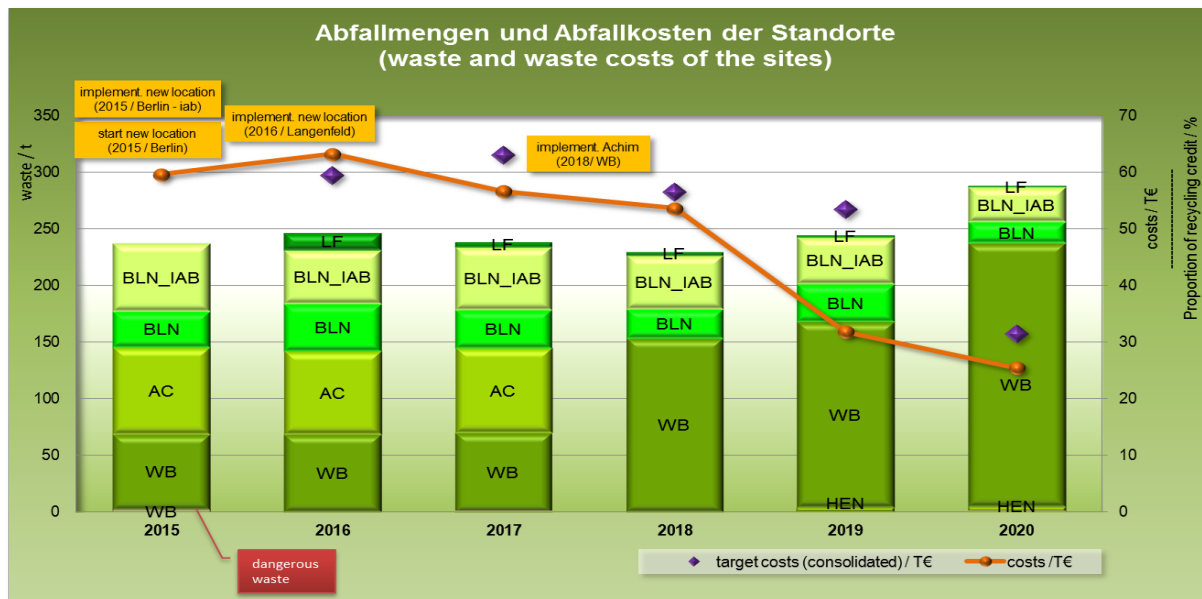


¹⁾ WGK = Water Hazard Class in accordance with WHG (Federal Water Act), ²⁾ central hazardous substances index



13. Waste Management

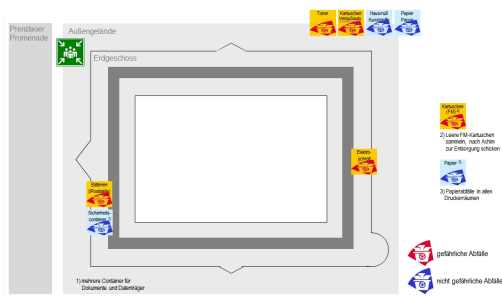
The protection of natural resources and the environment, as well as the protection of people, is also a top priority in the generation and management of waste. Waste is therefore kept separate and treated so that it can be returned to the circular economy. We draw up annual volume comparisons with waste balances and determine the ratios of waste types. Although we increased our waste to 307.7 metric tons (previous year: 240.7 metric tons), we were able to recycle 147.6 metric tons (previous year: 81.7 metric tons) and thus keep the costs in 2020 well below the target value of 55,000 euros (27,568.36 euros). Our German sites generated 307.7 t of waste (of which 0.0 t was hazardous) (previous year: 0.1 t). The proportion of hazardous waste fell significantly by 100% compared with the previous year. There are no exports of waste under the Basel Convention).



14. Site maps of waste collection points

For an overview of the premises, site maps are maintained indicating waste collection points and additional waste streams in the different areas. At the Berlin-Pankow, Berlin-Adlershof, Wittenberge and Langenfeld sites, the following waste collection points exist:

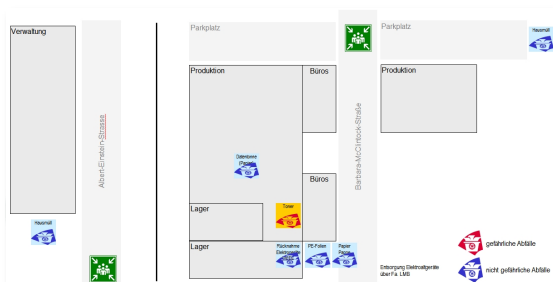
Berlin-Pankow site:



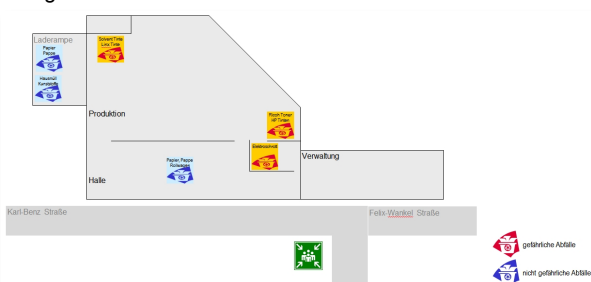
Wittenberge site:



Berlin-Adlershof site:

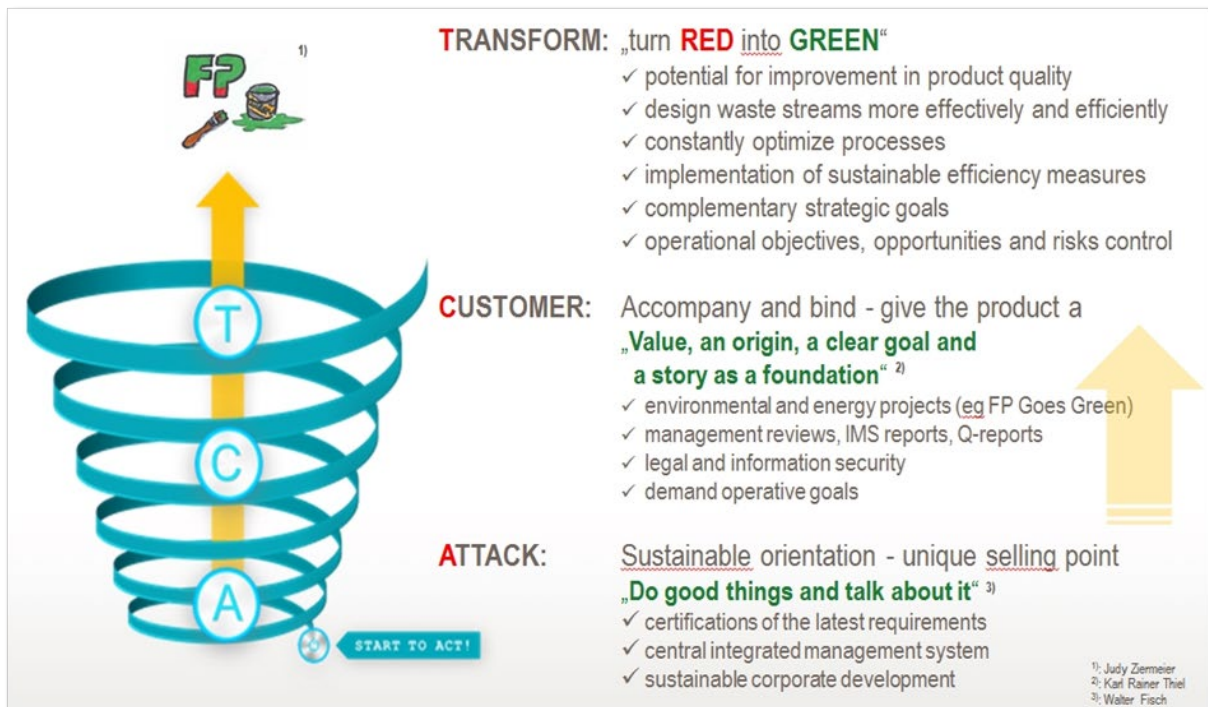


Langenfeld site:



15. ACT-strategy - RED turns GREEN

In the context of continuous improvements, our corporate strategy and our environment are in accordance with the corporate objectives:



16. Comments

Dear reader!

The past year has shown again that we must not decline in our effort to develop and implement ecological concepts. The best ideas are often created straight at the source, e.g., at your workplace. You have read our environmental protection, energy efficiency and occupational health & safety report 2020. I look forward to receiving your input and ideas regarding further improvements in terms of environmental protection, energy efficiency as well as occupational health & safety.

Notes / input / ideas:

For further information on environmental protection, energy management and occupational health & safety at **Francotyp-Postalia**, please use the address below (from 2021, this report will no longer be prepared and will be integrated into the annual CSR report):

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