

## **Declaration on Corporate Governance**

*Pursuant to Section 289f(2) HGB and Section 315d HGB with Integrated Corporate Governance Report*

### **1. Principles of corporate governance**

Corporate governance at Francotyp-Postalia Holding AG aims to ensure responsible and sustainable management of the company. It is based on the applicable legal provisions, the German Corporate Governance Code and internal guidelines. The implementation by the Management Board and the Supervisory Board is to make this declaration on corporate governance transparent and comprehensible. This is intended to foster the trust of the stakeholders – investors, customers, employees and the public – in the management and monitoring of the FP Group. The implementation of and compliance with these principles is regarded as a key management task.

#### **1.1. General information on the company and its governing bodies**

Francotyp-Postalia Holding AG was founded in Berlin in 1923 and is now an internationally operating technology company. The company is entered in the Charlottenburg Registry Court under HRB 169096. The address is Prenzlauer Promenade 28, 13089 Berlin.

The purpose of the company in accordance with its Articles of Association is to manage companies that particularly operate in the business areas of franking machines, associated peripheral equipment and supplementary OEM products, the electronic processing of mail deliveries and the management of logistics systems, as well as to hold and administer shareholdings in companies with the same or similar business purposes.

As a German stock corporation, Francotyp-Postalia Holding AG's corporate governance is primarily determined by the German Stock Corporation Act (AktG) and other statutory provisions of commercial and corporate law, as well as by the German Corporate Governance Code. The rights and obligations of the governing bodies (Management Board, Supervisory Board and Annual General Meeting) are based on the law, the [Articles of Association and the Rules of Procedure](#).

The Management Board and the Supervisory Board form the dual governance system of the company, with a clear division between the functions of “management” and “monitoring” in accordance with the law and the Articles of Association. The Management Board and the Supervisory Board are required to work in the interests of the shareholders and for the benefit of the company, and collaborate closely with the aim of sustainably increasing the enterprise value.

The Management Board consists of one or more individuals. If only one Management Board member is appointed, he or she represents it alone. If multiple Management Board members

are appointed, the company is represented by two Management Board members jointly or by one Management Board member together with an authorised signatory. The Supervisory Board may transfer the right of sole representation to individual members of the Management Board. The company is not subject to any co-determination regulations.

Francotyp-Postalia Holding AG has been listed on the Frankfurt Stock Exchange since 2006 and meets the transparency requirements of the Prime Standard segment of Deutsche Börse AG (WKN: FPH900 | ISIN: DE000FPH9000 | FPH).

## 1.2. Company and Group structure

Francotyp-Postalia Holding AG is a holding company. It performs central tasks for its subsidiaries, which are responsible for operating activities, for example in the areas of tax and finance. The subsidiaries operate in three business areas: Mailing, Shipping & Office Solutions; Digital Business Solutions; and Mail Services. In some cases, they are linked to Francotyp-Postalia Holding AG via control and profit transfer agreements and are subject to the instructions of the Management Board of Francotyp-Postalia Holding AG.

## 1.3. Declaration on the German Corporate Governance Code

The Management Board and the Supervisory Board of Francotyp-Postalia Holding AG see responsible and transparent corporate governance as the basis for long-term economic success. The model for this is the German Corporate Governance Code (GCGC) in its most recent version.

In accordance with the 2022 version of the Code, companies report on their corporate governance in the declaration on corporate governance. The Management Board and the Supervisory Board issue this declaration jointly, but are responsible only for the parts of the report that relate to them.

After due examination, the Management Board and the Supervisory Board of Francotyp-Postalia Holding AG issued the following **declaration of compliance** in accordance with section 161 AktG on 17 January 2023:

In accordance with section 161 AktG, the Management Board and Supervisory Board of Francotyp-Postalia Holding AG declare that since the submission of the last declaration in accordance with section 161 AktG on 17 January 2022, the recommendations of the Government Commission on the German Corporate Governance Code in the version dated 16 December 2019 (“2020 GCGC”) published in the official section of the Federal Gazette on 20 March 2020, have been complied with in the period up to the publication of the version dated 28 April 2022 (“2022 GCGC”). The recommendations of the 2022 GCGC have been complied with since its entry into effect on 27 June 2022 and will be complied with in the future, with the exceptions stated and justified below.

A.1 (2020 GCGC) or A.2 (2022 GCGC): Considering diversity when making appointments to executive positions

Suitable internal guidelines at the company ensure that appointments to executive positions are made in a non-discriminatory way. However, diversity is not specifically considered when

making appointments to executive positions.

#### B.1: Taking account of diversity when appointing Management Board members

The Supervisory Board would welcome a female or diverse Management Board member and would hire such a candidate preferentially given equal suitability. However, gender and diversity are not the dominant selection criteria for Management Board members in the Supervisory Board's view. The Supervisory Board has accordingly set a target of 0% for the proportion of women on the Management Board.

#### B.3: Duration of the first-time appointment of Management Board members

Deviating from the recommendation to limit the duration of the first-time appointment of members of the Management Board to three years, the Supervisory Board considers a regular duration for first-time appointments of four years to be appropriate in the interests of stability and continuity in the Management Board's composition. Furthermore, the Supervisory Board determines the appropriate duration of appointments on an individual basis, meaning that, as in the past, this may also be less than four years in individual cases.

#### C.1: Taking account of diversity when appointing Supervisory Board members

The Supervisory Board would welcome a female or diverse Supervisory Board member and would nominate such a candidate preferentially given equal suitability. However, gender and diversity are not the dominant selection criteria for Supervisory Board members in the Supervisory Board's view. The Supervisory Board has accordingly set a target of 0% for the proportion of women on the Supervisory Board.

#### F.2: Deadlines for making consolidated financial reports publicly accessible

Due to the extensive consolidation work involved, the consolidated financial statements together with the Group management report are prepared within four months instead of 90 days after the end of the fiscal year. The half-year financial report is also published no later than two months instead of 45 days after the end of the reporting period due to the consolidation work involved.

## **2. Management Board**

### **2.1. Composition of the Management Board**

At the time of reporting, Francotyp-Postalia Holding AG is managed by two Management Board members.

The Chairman of the Management Board is Carsten Lind (CEO). The Supervisory Board appointed him with effect from 1 June 2020 for a duration of four years. Carsten Lind was born in 1965 and has Master of Science (M.Sc.) degree and an EMBA from Kellogg-WHU. The native Dane has many years of experience at technology companies. He most recently held the position of managing partner at Bavaria Industries Group AG, an investment company based in Munich, where he served as an active chairman for portfolio companies

and was responsible for M&A activities, among other areas.

Ralf Spielberger is the Chief Financial Officer of Francotyp-Postalia Holding AG. He was appointed to the Management Board with effect from 1 October 2022 for a period of four years. Ralf Spielberger was born in 1968 and, after completing his training as a banker, graduated with a degree in business administration from the University of Mainz. In addition to his financial expertise, he also brings extensive experience in digital transformation processes. Among other things, Mr Spielberger held various positions in Finance & Operations at Pitney Bowes from 2007 and was CFO of the European business from 2011.

As agreed, Martin Geisel, born in 1960, did not extend his contract as CFO and resigned his mandate with effect from 31 September 2022. He remained available in an advisory capacity until the end of the year.

The CVs of the Management Board members are available on the [company's website](#). They do not exercise any supervisory board mandates or secondary occupations.

Based on the recommendations of the GCGC and in accordance with the legal regulations, the Supervisory Board has resolved a requirements profile for Management Board members that also takes account of diversity requirements. Key suitability criteria when selecting candidates for long-term succession planning are – also in view of the small size of the Board – accordingly their professional qualifications for relevant area of responsibility, their management skills, their past performance and their industry expertise. In addition to the decisive professional qualifications, the Supervisory Board also pays attention to diversity when appointing Management Board members. The Supervisory Board has set a target for the proportion of women on the Management Board of 0% for the period up until 30 June 2026. Notwithstanding this, the Supervisory Board would welcome the opportunity to appoint a female Management Board member in the future.

In accordance with the Corporate Governance Code, the Supervisory Board has set an age limit for the Management Board members.

The company's Management Board has decided on a target for the proportion of women in the first management level below the Management Board in accordance with section 76(4) AktG.

The first management level below the Management Board is defined as the heads of the business units and corresponding administrative functions within FP that report directly to the Management Board.

The second management level below the Management Board comprises the heads of divisional and operational departments; they report to the first management level.

By resolution dated 23 December 2021, the target figure for the proportion of women in the first management level was set unchanged at 10%. The target figure for the proportion of women in the second management level was set at 30%.

As at 31 December 2022, the first management level comprises 12 employees, two of whom

are women. This corresponds to 17%, which means that the target figure of 10% has been reached. The second management level comprises 33 employees, 12 of whom are women. This corresponds to 36%, exceeding the target of 30%. Both target figures are to be reviewed and redefined no later than 30 June 2026. When making appointments to executive positions, the Management Board ensures that the diversity targets are also met in the future. There are no further specifications in connection with a diversity concept.

Long-term succession planning for the Management Board members generally takes place by way of regular discussions between the chairs of the Management Board and the Supervisory Board and by regularly addressing the topic on the Supervisory Board. The contract terms and renewal options for current Management Board members are discussed and potential successors are considered.

## **2.2. Way of working of the Management Board**

As of the date of this declaration, the Management Board consisted of two members. If multiple Management Board members are appointed, they are jointly responsible for the overall management of the business. They manage the company with the aim of generating sustainable value added together on their own responsibility and in the company's interests, thus taking into account the concerns of its shareholders, employees and other groups associated with the company. The [Rules of Procedure for the Management Board](#), issued by the Supervisory Board, govern which tasks the individual Management Board members have, how resolutions are to be adopted and what majorities are required for resolutions in individual cases. The individual Management Board members' areas of responsibility are determined in the schedule of responsibilities.

## **2.3. Corporate governance tools**

Thinking sustainably and taking on responsibility for employees, customers and partners, as well as for society and the environment, have long formed the basis for our actions. Our integrated management system has been ensuring continuous improvement of our performance here for almost 20 years now.

With our focus on sustainability, we are the only supplier of franking systems and solutions worldwide that meets all fundamental ISO standards and is certified in accordance with these. The integrated management systems of our German locations have been certified since 2004 and are continuously enhanced. This covers the areas of occupational health and safety, the environment, energy, quality and information security. In November 2022, the regular ISO recertification and monitoring audits were conducted, which we successfully passed for the standards ISO 9001 (quality), ISO 14001 (environment), ISO 45001 (occupational health and safety), ISO 50001 (energy) and IEC/ISO 27001 (information security – at FP Digital Business Solutions GmbH). Important factors here include regulated, recurring workflows, defined responsibilities, organised flows of information to internal and external interfaces, and continuous controlling to ensure the quality of work steps. The certified integrated management system (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, ISO/IEC 27001:2013) is under the control of the Management Board via a management

representative. The management representative is the Management Board member Ralf Spielberger. The integrated management system is managed by the responsible department “Building Technology Work Preparation Management Systems” for quality, the environment, energy, occupational health and safety, and information security. Responsibility for the associated tasks lies with the representative for the integrated management system, who was also appointed in this context as the energy management representative of Francotyp-Postalia Holding AG for the German locations. This representative has the task of monitoring first-, second- and third-party audits, results reports and findings in line with requirements for quality, energy, environmental safety, occupational safety and information security.

The regulations on compliance and the code of conduct defined by the Management Board and the Supervisory Board apply worldwide and must be followed by all FP employees – taking account of the co-determination rights of the responsible employee representative bodies – when they act on behalf of the company. The compliance guideline defines the requirement to comply with legal and internal regulations in order to promote the company’s success and avoid damage to the company. In this context, whistleblowers are also offered the possibility to report possible violations to FP anonymously.

As a listed company, Francotyp-Postalia Holding AG is required to provide information on sustainability in a non-financial declaration. This is updated annually and describes how the company acts with regard to environmental, employee and social concerns and in terms of respect for human rights and anti-corruption guidelines, which are also incorporated in the code of conduct. The form and content of the non-financial declaration are reviewed by the Supervisory Board.

Francotyp-Postalia Holding AG and its subsidiaries are exposed to an array of risks as part of their business activities. These are inextricably linked to entrepreneurial activity. They may negatively impact the net assets, financial position and results of operations. Conscientious handling of risks is therefore a fundamental part of responsible corporate governance. To ensure short- and long-term corporate success, a keen awareness of risks, an open risk culture and an effective risk management system are therefore required.

The risk management system at FP is closely intertwined with compliance management and is an integrated aspect of corporate governance. Using the risk management system, for which the Management Board is responsible, the risk and compliance situation is regularly analysed and the risks identified are assessed, managed and controlled. The system covers all companies, locations and business areas and also takes sustainability aspects into account. The Supervisory Board is regularly informed about the company’s risk situation in a structured process and also monitors the effectiveness of the risk management in this context. This not only supports the effective identification and management of business risks, but also the implementation of and compliance with the ethical principles of corporate governance (code of conduct) and the legal provisions that serve as the guidelines for the Group’s actions.

#### **2.4. Collaboration with the Supervisory Board**

The Management Board and the Supervisory Board work closely together for the benefit of the company. The Management Board develops the company's strategic alignment, coordinates it with the Supervisory Board, ensures its implementation and regularly discusses the status of implementation with the Supervisory Board. In the case of major incidents that could have a significant impact on the company, the Supervisory Board is informed immediately. The Management Board usually adopts resolutions at meetings, which are convened and chaired by the Chairman, by a simple majority unless the law stipulates a higher majority of votes. For resolutions that are not adopted unanimously, the vote of the Chairman of the Management Board is decisive if the Management Board consists of more than two members. Management Board meetings are held at regular intervals, if possible every two weeks.

In addition, the Management Board is responsible for the company's annual and multi-annual planning and for the preparation of the annual and consolidated financial statements and the combined management report of Francotyp-Postalia Holding AG and the Group, the half-year financial statements and the quarterly reports. The Management Board informs the Supervisory Board regularly, promptly and extensively about all issues relevant to the Group with regard to the strategy, corporate planning, business development, the financial position and results of operations, the risk situation, risk and quality management, and adherence to legal provisions and internal guidelines, and works towards compliance with these by the Group companies. Under the detailed provisions of the Rules of Procedure, significant measures required the approval of the Supervisory Board.

## 2.5. Management Board remuneration and securities transactions

The currently applicable remuneration system for the Management Board was resolved at the Annual General Meeting on 16 June 2021 and is published on the company's website.

Francotyp-Postalia also publishes the remuneration report on the past fiscal year, including the auditor's report in accordance with section 162 AktG, the applicable remuneration system in each case in accordance with section 87a(1) and (2) sentence 1 AktG and the last remuneration resolution in accordance with section 113(3) AktG in the annual report and on the [website](#).

No loans or advances were granted to Management Board members. The company has not entered into any contingent liabilities for the benefit of Management Board members.

Transactions with securities of the company are published on the website under "[Directors' dealings](#)". At the time of reporting, the following shares in Francotyp-Postalia Holding AG were held by the Management Board:

Carsten Lind	47,000
Ralf Spielberger	23,500

## 3. Member of the Supervisory board

### 3.1. Composition of the Supervisory Board

In accordance with the Articles of Association, the Supervisory Board of Francotyp-Postalia Holding AG consists of three members who are elected as shareholder representatives at the Annual General Meeting. The Chair and Deputy Chair are elected from among the Supervisory Board members. The Supervisory Board's way of working is regulated in the [Rules of Procedure](#) that the Supervisory Board has set for itself.

Chairman:

Dr Alexander Granderath, occupation: managing director of Dr. Granderath, Rat und Vermögen GmbH and managing director of StreamParty GmbH, Willich; age: 57, first-time appointment in 2020, appointed until 2025, chairman of the supervisory board of Vita 34 AG and chairman of the supervisory board of VTG AG

Deputy Chairman:

Lars Wittan, occupation: Chief Investment Officer at Obotritia Capital KGaA, Potsdam; age: 46, first-time appointment in 2020, appointed until 2025, chairman of the supervisory board of Quarterback Immobilien AG, Leipzig, and deputy chairman of the management board of Obotritia Hotel SE, Potsdam

Member of the Supervisory Board:

Klaus Röhrig, occupation: managing director, Active Ownership Corporation S.à r.l., Grevenmacher, Luxembourg; age: 45, first-time appointment in 2013, appointed until 2025, member of the management board of Agfa-Gevaert NV, Mortsel, Belgium, and member of the supervisory board, Formycon AG, Munich

The Supervisory Board of Francotyp-Postalia Holding AG has prepared a skills and requirements profile and regularly reviews it for any need for adjustment. The skills profile takes into account the company-specific situation, the specific business activities, the size of the company and the regional distribution of activities as well as the ownership structure. To be able to perform its control function and assess and monitor the business conducted by the company, the following expertise and skills are required for the composition of the Supervisory Board and are assigned accordingly to the current members of the body:



### Skills profile of the Supervisory Board

	Dr. Alexander Granderath	Lars Wittan	Klaus Röhrig
<b>Personal criteria/skills</b>			
Younger than age 70	x	x	x
Maximum membership of 10 years	x	x	x
Independence (at least one member must be fully independent)	x		
Financial	x	x	x
No personal relationship	x	x	x
Business/management experience	x	x	x
Not a former member of the Management Board	x	x	x
No supervisory or advisory role with competitors	x	x	x
Basic knowledge of corporate governance	x	x	x
Ability to work in a team	x	x	x
International experience (at least one member)	x	x	x
<b>Industry expertise</b>			
Digital communication (at least one member)	x		
Postal market (at least one member)			x
B2B business model (at least one member)	x	x	
Business development (at least one member)	x	x	x
<b>Technical skills and specialist expertise</b>			
R&D (at least one member)	x		
Finance and accounting (HGB, IFRS) (at least one member)	x	x	x
Auditing (at least one member)		x	x
Controlling (at least one member)		x	x
Risk management/compliance (at least one member)	x	x	x
M&A (at least one member)	x	x	x
Sustainability (ESG)	x	x	x

The above criteria for the composition of the Supervisory Board have been and are met. Together, the members of the Supervisory Board thus have all the key knowledge, skills and experience necessary to perform their tasks properly.

In order to ensure independent advice and monitoring of the Management Board by the Supervisory Board, the Rules of Procedure for the Supervisory Board stipulate that more than half of the members of the Supervisory Board must be independent as defined in the German Corporate Governance Codex. In the Supervisory Board's view, there are currently no specific indications for any Supervisory Board member of relevant circumstances or relationships, particularly with the company, members of the Management Board or other Supervisory Board members, that could give rise to a significant and not just temporary conflict of interests and

would therefore count against independence.

All three members of the Supervisory Board have expertise in the field of accounting. Lars Wittan and Klaus Röhrig have expertise in the field of auditing of financial statements.

A diversity plan for the composition of the Supervisory Board comprising aspects such as age, gender, nationality and educational or professional background has not been prepared and followed to date. In the German Stock Corporation Act and the German Corporate Governance Code, it is stipulated that the supervisory board of listed companies should set targets for the proportion of women. For the same reasons as reported above for setting the target for the composition of the Management Board, the Supervisory Board has set a target of 0% for the proportion of women on the Supervisory Board by 30 June 2026. As at 31 December 2022, the proportion corresponded to the target figure.

### **3.2 Way of working of the Supervisory Board**

The Supervisory Board monitors and advises the Management Board on its governance of the company. At regular intervals, the Supervisory Board discusses the business development and planning as well as the strategy and its implementation. It reviews the annual and consolidated financial statements and the combined management report of Francotyp-Postalia Holding AG and the Group, and makes a proposal for the appropriation of net profit if necessary. It adopts the annual financial statements of Francotyp-Postalia Holding AG and approves the consolidated financial statements, taking account of the findings of the auditor's audit reports. The Supervisory Board may also resolve on the Management Board's proposal for the appropriation of net profit and on the Supervisory Board's report to the Annual General Meeting. In addition, the Supervisory Board deals with monitoring the company's compliance with legal provisions, official regulations and the company's internal guidelines. The Supervisory Board reviews the non-financial declaration and has agreed goals for sustainable development of the company with the Management Board.

The Supervisory Board's tasks also include appointing the members of the Management Board and determining their areas of responsibility. Furthermore, the Supervisory Board resolves the remuneration system for the Management Board members and sets the specific remuneration in line with the system. It sets the targets for variable remuneration and the respective total remuneration for the individual Management Board members and reviews the appropriateness of the total remuneration and, on a regular basis, the remuneration system for the Management Board.

The Supervisory Board meets at least once each calendar quarter. The Chairman of the Supervisory Board coordinates its work. The Supervisory Board meetings are convened and chaired by him or, if he is unable to do so, by the Deputy Chairman in accordance with the detailed provisions of the Articles of Association and the Rules of Procedure. The [Rules of Procedure](#) are published on the company's website. Extraordinary meetings are also convened by the Supervisory Board Chairman when necessary in his professional judgement. Supervisory Board resolutions are regularly adopted at meetings and can also be adopted outside meetings in accordance with the detailed provisions of the Rules of Procedure. The

Supervisory Board is quorate when more than half, but at least three, of its members participate in the adoption of a resolution, and it adopts resolutions by a simple majority unless stipulated otherwise by law.

The Chairman is also responsible for keeping a written record of the resolutions. Outside the regular meetings, he engages in continuous dialogue with the Chairman of the Management Board, particularly on the topics of strategy, planning, business development, the risk situation, risk management and compliance. Within reason, the Supervisory Board Chairman is also willing to hold talks with investors on topics specific to the Supervisory Board. The decision on entering into a specific dialogue is made by the Supervisory Board Chairman. He can discuss this with other Supervisory Board members or with Management Board members. He then informs the Supervisory Board members and the company about these discussions.

The Supervisory Board also meets regularly without the Management Board. It regularly reviews how effectively it performs its tasks. The last extensive self-evaluation was performed in fiscal year 2022. A list of transactions requiring approval has been issued by the Supervisory Board. The Management Board presents transactions requiring approval to the Supervisory Board in the form of a draft resolution for discussion and approval.

New members of the Supervisory Board can meet with members of the Management Board and line managers to discuss key and topical issues and to gain an overview of relevant topics for the company (“onboarding”).

There are no consultancy contracts or other service or work contracts in place between Supervisory Board members and the company.

### **3.3. Supervisory Board activities in the reporting year**

The Supervisory Board reports to the Annual General Meeting extensively on its activities in the reporting year. The report of the Supervisory Board forms part of the annual report on the respective fiscal year. It contains information on the topics of the Supervisory Board meetings and meeting attendance, including major resolutions. It is also made available to view and download on the company’s website, at the latest when the Annual General Meeting is convened.

The members of the Management Board attend the Supervisory Board meetings, but at times the Supervisory Board also regularly meets without the Management Board. Topics at these meetings relate either to the Management Board itself or to internal Supervisory Board matters. There were no conflicts of interest involving Management Board or Supervisory Board members in the past fiscal year that would have had to have been disclosed to the Supervisory Board without delay.

The Supervisory Board has compiled a list of non-audit services by the auditor that require approval and it sets the budget for the performance of non-audit services for the respective fiscal year.

### **3.4. Committees and their way of working**

No committees were formed because the Articles of Association prescribe that the Supervisory Board must consist of three members. Accordingly, the members of the Supervisory Board perform its work together at all times.

### **3.5. Supervisory Board remuneration and securities transactions**

The remuneration for members of the Supervisory Board is resolved by the Annual General Meeting and set out in the Articles of Association. The members accordingly receive remuneration of EUR 40,000 for each full year of their membership. For the Chairman of the Supervisory Board, this remuneration is increased to 200% of the remuneration for the normal member. The company provides the members of the Supervisory Board with insurance cover at an appropriate level for the performance of Supervisory Board work. The premiums for this are paid by the company. The company reimburses each Supervisory Board member for appropriate and proven expenses incurred in performing his or her duties and for any value-added tax payable on the remuneration.

The disclosures on remuneration (sections 289f(2) no. 1a, 315d HGB) as well as the remuneration report on the past fiscal year, the auditor's report in accordance with section 162 AktG and the last remuneration resolution in accordance with section 113(3) AktG are published in the annual report on the [website](#).

Transactions with securities of the company by Supervisory Board members are published on the website under "[Directors' dealings](#)". At the time of reporting, the following shares in the company were held by the members:

Dr. Alexander Granderath:	30,000
Lars Wittan:	0
Klaus Röhrig:	1,680,000 (via Active Ownership Fund SICAV-FIS SCS)

## **4. Corporate reporting and audit**

### **4.1. Corporate reporting**

Francotyp-Postalia Holding AG not only fulfils the legally stipulated disclosure obligations, but also meets the high transparency requirements of the Prime Standard stock market segment. The company regularly reports on its financial and operating business performance and on current events and developments at the company and in the Group. It communicates proactively and deals with questions and suggestions from third parties in a constructive way. All those who are interested can also sign up on the website to an IR mailing list that keeps them informed and up-to-date with news from the Group.

The annual and consolidated financial statements and the combined management report for the Group and the company for each fiscal year are prepared within the first four months of the subsequent year. They are audited by the auditor appointed by the Annual General Meeting before being adopted/approved by the Supervisory Board. They are then published

in the form of an annual report in German and English.

A half-year report on the development in the first six months of each fiscal year is prepared and published by Francotyp-Postalia Holding AG within two months of the end of the first half of the year. In addition, FP publishes a quarterly report after the end of the first and third quarters, in which the company gives an account of its business results in the first or third quarter. The report on the third quarter also includes a presentation of the development in the first nine months of the respective fiscal year.

Recurring dates such as the date of the Annual General Meeting and the publication dates for the interim reports can be found in a financial calendar that is published in the annual report, in the interim reports and on the company's website.

#### **4.2. Audit**

KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, was appointed as the auditor by the Annual General Meeting on 15 June 2022 and was accordingly commissioned by the Supervisory Board with the audit of the annual and consolidated financial statements. KPMG Berlin has been the auditor for Francotyp-Postalia Holding AG and the Group since fiscal year 2009. Jack Cheung and Sascha Klein sign as auditors. Sascha Klein has signed since fiscal year 2020 and, as the auditor responsible for the audit, Jack Cheung since fiscal year 2023.

The audit assignment and scope relate to the audit of the consolidated (IFRS) and annual (HGB) financial statements of Francotyp-Postalia Holding AG. The focus areas for the audit are determined based on the risks.

Disclosures on the fees can be found in the notes to the annual report.

### **5. Shareholders/Annual General Meeting**

#### **5.1. Disclosures on shareholdings and changes in these**

The company's share capital amounts to EUR 16,301,456.00 and is divided into 16,301,456 no-par-value bearer shares with a notional stake in the share capital of EUR 1.00 per share. All shares grant identical rights. According to the voting rights notification dated 9 March 2020, Rolf Elgeti holds 28.01% of the shares in Francotyp-Postalia Holding AG via his investment company Obotritia Capital KGaA.

In fiscal year 2022, the Management Board resolved to repurchase treasury shares with the approval of the Supervisory Board. The share buyback was announced on 1 November 2022 and commenced on 2 November 2022. A total of 146,514 shares had thus been acquired by the end of the year. The total number of treasury shares thus amounted to 403,907 shares as at 31 December 2022.

#### **5.2. Disclosures required under takeover law in accordance with sections 289a and 315a HGB**

- Restrictions relating to voting rights or the transfer of shares

Each share entitles the holder to cast one vote at the Annual General Meeting. There are no

restrictions relating to voting rights or the transfer of shares.

- Direct or indirect investments in capital exceeding 10% of the voting rights

As at 31 December 2022, the following direct and indirect shareholdings in the capital existed, which exceeded 10% of the voting rights:

Name/company	Direct/indirect holding of more than 10% of the voting rights
Mr Klaus Röhrig, Austria	Indirect
Mr Rolf Elgeti, Germany	Indirect
Obotritia Capital KGaA, Potsdam, Germany	Direct

- Shares with special rights

Francotyp-Postalia Holding AG has issued no shares with special rights, and in particular none with controlling powers.

- Control of voting rights of employee shareholders

There are no controls over voting rights.

- Statutory provisions and the regulation in the Articles of Association on appointing and dismissing Management Board members and amending the Articles of Association

In accordance with article 6(2) of the Articles of Association of Francotyp-Postalia Holding AG, the Supervisory Board is responsible for determining the number of Management Board members, appointing them, and revoking their appointment. In accordance with article 6(3) of the Articles of Association, the Supervisory Board can appoint a Supervisory Board committee to sign, amend and terminate employment contracts of Management Board members.

The Articles of Association stipulate in article 23(1) that the Annual General Meeting passes resolutions by a simple majority of the votes cast, and, where the statute requires a majority of capital in addition to a majority of votes, by a simple majority of capital represented at the time the resolution is passed, insofar as the law or the Articles of Association do not require a larger majority.

Furthermore, in accordance with article 15(2) of the Articles of Association, the Supervisory Board can make amendments to the Articles which relate only to wording.

- Powers of the Management Board with regard to the possibility to issue or buy back shares, authorisations for authorised and contingent capital

The Management Board is authorised, with the approval of the Supervisory Board, to acquire

treasury shares up to a total of 10% of the share capital at the time of the resolution. If the share capital at the time this authorisation is exercised is lower, then this figure is decisive. The shares acquired under this authorisation, together with other treasury shares held by the company or attributable to it in accordance with the sections 71d and 71e of the German Stock Corporation Act, (AktG) must not account for more than 10% of the share capital at any time. The authorisation can be exercised by the company in full or in part, on one or more occasions, and pursuing one or more purposes, and can also be implemented by its Group companies or by third parties on its or their behalf. The authorisation remains in effect until 9 November 2025. The Management Board can choose to acquire the shares (aa) as a purchase on the stock exchange or (bb) by way of a public purchase offer aimed at all shareholders of the company, or (cc) by way of an invitation to submit sales offers that is aimed at all shareholders (invitation to sell). Further details of the approval can be found in the notice convening the Annual General Meeting dated 10 November 2020.

The Management Board is authorised to increase the company's share capital, with the approval of the Supervisory Board, by issuing new bearer shares against cash or non-cash contributions on one or more occasions by up to a total EUR 8,150,000 up to and including 9 November 2025 (Authorised Capital 2020/I). The Management Board is authorised, with the approval of the Supervisory Board, to disapply shareholders' subscription rights on one or more occasions (a) for fractional amounts resulting from the subscription ratio; (b) if necessary to be able to grant a subscription right to holders of previously issued bonds with option or conversion rights or with option or conversion obligations to the extent to which they would be entitled after exercising the option or conversion rights or fulfilling the option or conversion obligations; (c) if the new shares are to be issued against non-cash contributions in order to acquire companies, parts of companies or investments in companies, and if the acquisition of the company or investment is in the best interests of the company.

The pro-rata amount of the share capital attributable to shares that are issued under this authorisation with shareholders' subscription rights disapplied must not exceed a total of 10% of the company's share capital at the time of the Annual General Meeting's resolution. The share capital attributable to shares that are issued during the term of this authorisation with subscription rights disapplied from authorised capital (but with the exception of those issued with subscription rights disapplied for fractional amounts) or that are to be issued to serve option or conversion rights or option or conversion obligations from bonds and/or profit participation certificates, provided the bonds or profit participation certificates were issued during the term of this authorisation with shareholders' subscription rights disapplied, is to be counted towards this limit; (d) if the new shares are issued against cash contributions and the total pro-rata amount of the share capital attributable to the newly issued shares does not exceed 5% of the share capital and if the issue price of the new shares to be issued does not significantly exceed the market price of the company shares already listed at the time when the issue price is definitively set. For calculating the limit of 5% of the share capital, the decisive figure is the amount of the share capital at the time the authorisation takes effect or – if this figure is lower – at the time this authorisation is exercised. The pro-rata amount of the share capital attributable to new or previously acquired treasury shares that are issued or sold during the term of this authorisation with subscription rights disapplied in direct, analogous or

corresponding application of section 186(3) sentence 4 AktG, and the pro-rata amount of the share capital attributable to shares that are issued or are to be issued to serve option or conversion rights or to fulfil option or conversion obligations from bonds, provided the bonds are issued during the term of this authorisation with subscription rights disapplied in analogous application of section 186(3) sentence 4 AktG, are to be counted towards this upper limit; (e) for a share of the authorised capital of up to a total of EUR 400,000, in order to issue the new shares to employees of the company or employees of one its direct or indirect Group companies as defined in section 18 AktG, with the option to issue the employee shares at a preferential price. The Management Board decides, with the approval of the Supervisory Board, on the content of the respective share rights and the other conditions of issuing shares. The Supervisory Board is authorised to change the wording of the Articles of Association in line with the extent of the capital increase from the authorised capital.

The company's share capital is contingently increased by up to EUR 6,464,000 by issuing up to 6,464,000 new no-par-value bearer shares (Contingent Capital 2020/I). The contingent capital increase will be implemented only to the extent that the bearers or creditors of warrant bonds, convertible bonds, profit participation certificates, participating bonds or combinations of these instruments with option or conversion rights or obligations that are issued or guaranteed by 9 November 2025 by Francotyp-Postalia Holding AG or a direct or indirect Group company of Francotyp-Postalia Holding AG as defined in section 18 AktG on the basis of the authorisation of the Management Board by the Annual General Meeting on 10 November 2020, agenda item 12, exercise their option or conversion rights or, if required to do so, fulfil their option or conversion obligations, or to the extent that the company or the Group company issuing the bond exercises an option, in full or in part, to grant new shares in the company instead of the amount of money due, unless other means of settling the obligation are used. New shares are issued at the option or conversion price to be determined based on the authorisation resolution described above. The new shares from the contingent capital are eligible to participate in profits from the beginning of the fiscal year in which they are created by the exercise of option or conversion rights or due to exchange or conversion obligations. The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the implementation of the contingent capital increase. The Supervisory Board is authorised to change the wording of the Articles of Association in line with the implementation of the contingent capital increase.

The company's share capital is contingently increased by up to EUR 656,500.00 by issuing up to 656,500 new no-par-value bearer shares. The contingent capital increase will be implemented only to the extent that subscription rights have been issued under the 2010 stock option plan in accordance with the resolution of the Annual General Meeting from 1 July 2010, the bearers of the subscription rights make use of their exercise rights and the company does not grant any treasury shares to serve subscription rights. The new shares participate in profits from the beginning of the fiscal year for which a resolution on the appropriation of net profit has not yet been adopted at the time the subscription rights are exercised.

The company's share capital is contingently increased by up to EUR 959,500 (Contingent Capital 2015/II) by issuing up to 959,500 new no-par-value bearer shares. The contingent



capital increase will be implemented only to the extent that subscription rights have been issued under the 2015 stock option plan in accordance with the resolution of the Annual General Meeting from 11 June 2015, the bearers of the subscription rights make use of their exercise rights and the company does not grant any treasury shares to serve subscription rights. The new shares participate in profits from the beginning of the fiscal year in which they are issued. The Supervisory Board is authorised to change the wording of the Articles of Association in line with the implementation of the contingent capital increase.

- Significant agreements of the company subject to a change of control following a takeover offer and the resulting effects; indemnification agreements of the company that have been made with the members of the Management Board or with employees for the event of a takeover offer

A key agreement of the parent company Francotyp-Postalia Holding AG, which falls under the condition of a change of control following a takeover offer, is the current syndicated loan agreement, which includes a right of termination in the event of a change of control. No further agreements have been entered into with either third parties or subsidiaries.

In the event of a change of control, there are agreements with the members of the Management Board which – contrary to the recommendation in section G.14 of the German Corporate Governance Code – take effect if a new majority shareholder revokes their appointment as a Management Board member.

### **5.3. Rights of shareholders at the Annual General Meeting**

The shareholders of Francotyp-Postalia Holding AG exercise their rights at the company's Annual General Meeting. The Annual General Meeting is chaired by the Chairman of the Supervisory Board. If he is unable to do so, he chooses another Supervisory Board member to perform this task. If the Chairman is unable to attend and has not appointed anyone to deputise for him, then the Annual General Meeting shall be chaired by a Supervisory Board member elected by the Annual General Meeting.

The Annual General Meeting is held once a year within the first eight months of the year. Each share grants one vote. The shareholders can either exercise their voting rights themselves at the Annual General Meeting or have them exercised by an authorised representative of their choice or by a voting proxy of the company who is bound by instructions. The Management Board is also authorised to provide for an option for shareholders to cast their votes in writing or by means of electronic communication without attending the Annual General Meeting (postal vote). All documents and information on the Annual General Meeting are available to shareholders on the company's website at an early stage. It is also possible to contact employees in the Investor Relations department with questions about these documents.

The remuneration system for the members of the Management Board was submitted to the shareholders for the first time at the 2021 Annual General Meeting and was approved by a majority of 97.5%. The remuneration system for the Supervisory Board was last presented to the shareholders at the 2022 Annual General Meeting and was approved by a majority of 99.7%. The remuneration report for fiscal year 2021 was presented to the 2022 Annual General Meeting and approved by a majority of 98.4%.

### **5.4. Related parties**

In fiscal year 2022, no contracts were concluded between members of the Supervisory Board and Francotyp-Postalia Holding AG. Memberships of Management Board and Supervisory Board members in governing bodies of other companies and transactions with related parties disclosed in the most recent annual report.

Berlin, 27 April 2023

For the Supervisory Board

For the Management Board