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About Deluxe

Deluxe Corporation (NYSE: DLX), a Fortune 1000 company, is in the midst of transforming itself to become a Trusted Business Technology™ company that champions business, so communities thrive. Deluxe solutions help businesses pay and get paid, accelerate growth and operate more efficiently. For more than 105 years, we have been helping businesses succeed at all stages of their life cycle, from start-up to maturity. Our company's unparalleled global scale supports approximately 4.5 million small businesses, over 4,000 Financial Institutions and hundreds of the world's largest consumer brands, and uniquely positions us to be our customers' most trusted business partner. For further perspective, Deluxe processes or supports approximately \$2.8 trillion in payments annually – or roughly 13% of the U.S. GDP. Deluxe is delivering strong cash-flow and healthy margins, with sufficient liquidity to continue to thrive. Our dividend yield is in line with the S&P 500. We have unparalleled scale, an impressive customer list, a footprint in seven countries, marketing opportunities in the US, Europe and Australia, and an emerging presence in Latin America.

Deluxe is Values- and Purpose-Driven

As part of the significant strategy overhaul announced in 2019, we also refreshed our brand promise and updated our core values. The New Deluxe has created an ownership culture by taking the unprecedented step of granting stock to every one of our North American employees to further alignment among employee and shareholder interests. Of course, underlying all of this, is the 100+ year legacy of unquestioned integrity and an unshakable commitment to protecting the health and safety of our employee-owners.

Our Purpose:

To be champions for businesses so communities can thrive.

Our Values:

- » **We put customers first.** By deeply understanding our customers, we delight them by anticipating their needs and winning together. Their success is our success.
- » **We earn trust.** Nothing is more important than our trusted relationships with customers, employees and shareholders, built on integrity and consistently doing the right thing.
- » **We create what's next.** We build on a century of innovations by nimbly building solutions with our customers to help them achieve their goals.
- » **We deliver for shareholders.** Aligning employee and shareholder interests, we deliver on our promise to provide a great return on investment.
- » **We are a get-it-done team.** Our energy comes from our employees, who act transparently, celebrate diversity and work united in the goal to serve our customers, fellow employees, shareholders and communities.

Brief Company History



Deluxe has stood the test of time. This is a photo of our first true factory, located at 2531 University Ave in Saint Paul, Minnesota. The building came down when a freeway came through, but the Deluxe spirit and commitment to innovation lives on.

W.R. Hotchkiss founded Deluxe in 1905 with the simple idea of the checkbook as a way to make portable, easy-to-complete, secure payments. In doing so, Deluxe became the founder of the modern payments ecosystem. In the decade prior to the arrival of our President and CEO, Barry McCarthy, Deluxe aggressively focused on diversification away from the traditional check business to a financial technology business as a means to drive long-term growth. The company completed over 50 acquisitions prior to Barry joining, focused on select, technology-based offerings to sell into our existing customer segments of small businesses and financial institutions.

The Company did not pursue true integration of any of the acquisitions made, and as a result, Deluxe was being run like a holding company, or a “company of companies.” A new management team, led by President and CEO Barry McCarthy, implemented our “One Deluxe” strategy, focused on driving sales-driven growth. Uniting the company in this way required obliterating the silos of the past and reorganizing in four new segments: Payments, Cloud Solutions, Promotional Solutions, and Checks. This new strategy and structure enables us to grow organically and fulfill our promise as a Trusted Business Technology partner.

Deluxe is headquartered in Shoreview (suburban Saint Paul), Minnesota, with significant operations in Kansas City, Atlanta, and other locations across the world. We employ approximately 6,500 employees, primarily in North America. The One Deluxe approach recognizes the strength of our 105-year heritage while implementing a new strategy to move us aggressively into the tech-enabled, high growth, high-multiple Payments and Cloud-delivered services markets.

Putting together all of the pieces of the New Deluxe – clear values and purpose, a clear strategy, solid balance sheet and cash flow, and an accomplished new management team – we are confident we will deliver consistent, long-term revenue growth and shareholder value.

To learn more visit deluxe.com

Deluxe Today

Deluxe began operating in the four exciting, easy-to-understand new segments in the first quarter of 2020:

Payments is a high growth market. The Deluxe Payments offerings include:

- » Treasury Management. Deluxe runs a massive scale lockbox operation and is building additional products to support the entire life cycle from order-to-cash.
- » Digital Payments. Deluxe recently announced the Medical Payment Exchange, and our digital disbursement products called Deluxe Payments Exchange. These products digitize many of the use cases remaining for paper checks. This is a natural place for us to reinvent Deluxe.
- » Small Business Cash Management. Deluxe offers end-to-end cash management tools for a small business, and we recently announced a relationship with Fiserv to provide credit card acceptance to our small business customers. Other relationships with companies to support funding are in the works.
- » Payroll for Small Business. Deluxe has the leading payroll solution for small businesses targeted at the low end of the market with millions of potential customers generally ignored by the biggest players.

Cloud Solutions is also a high growth market. The Deluxe suite of Cloud and software as a service (SaaS) solutions that help businesses of all sizes across the business life cycle include:

- » Data Driven Marketing. Deluxe offers full-service and omni-channel data-driven marketing solutions for both B2B and B2C segments on both pay-for-service and pay-for-performance models. Major financial institutions are customers.
- » Web Hosting. Deluxe offers a complete suite of online commerce and web presence services for small and mid-sized businesses, hosting over 4.5 million websites.
- » SaaS. Deluxe offers a suite of solutions across the entire life cycle of a small business from cloud-based incorporation services, logo design, do-it-yourself (DIY) and do-it-for-me (DIFM) web design models, digital marketing, logo design, web design and more.

Promotional Solutions provide predictable revenue primarily selling to small businesses, but increasingly to large enterprises as well. The Deluxe Promotional Solutions include:

- » Forms and Business Essentials. Deluxe produces custom forms for a variety of industries that are essential for their business operation. We are also a leading producer of other business essential items, including envelopes, business cards, stationery and secure documents.
- » Omni-Channel Retailer. Deluxe offers all of its solutions through multiple channels, much like a retailer.



- » Branded Merchandise. Deluxe can imprint a logo on virtually any product from low value pens to ultra-luxury custom embroidery. We provide these solutions one-off, or as part of massive turnkey programs. For example, we are the turnkey partner for Mazda Motors USA for in-store merchandise, promotion and Mazda Motor Racing.

The **Checks** segment is in permanent secular decline but offers outstanding margins and cash flow to support our expansion elsewhere. We continue to invest and innovate in the space, allowing us to win market share. Our offerings include:

- » Personal Checks. Deluxe distributes its product primarily through Financial Institutions who offer our product to their customers. A portion of this revenue is achieved selling to consumers directly via a number of web properties.
- » Business Checks. Deluxe offers a variety of products for payments needs that cannot be handled in other ways.