deluxe INVESTOR DAY

DECEMBER 5, 2023





• BBA from University of Minnesota

dlx

Brian Anderson

Strategy & Investor Relations

- Previously served as Print business CFO in addition to other corporate finance roles

 - Finance, Strategy, & M&A leadership at Post
 - Holdings, ADC Telecom (now part of Commscope),
 - & General Mills
- MBA from Harvard Business School

AGENDA

TUESDAY, DECEMBER 5, 2023 8:30AM-12PM

- 1. Introductions & housekeeping Brian Anderson (VP Investor Relations)
- 2. Our strategy & execution focus via North Star Barry McCarthy (CEO) & Chip Zint (CFO)
- 3. Our operations & technology transformation Garry Capers Jr. (COO) & Yogs Jayaprakasam (CTDO)
- 4. Break
- 5. Line of business strategic updates

Merchant | Debra Bradford (President) B2B Payments | Mike Reed (President) Data | Kris Lazzaretti (President) Print: Checks & Promo | Tracey Engelhardt (President)

- 6. Financial projections Chip Zint (CFO)
- 7. Closing thoughts & Q&A Barry McCarthy (CEO)
- Lunch & informal discussion 8.

8:30-9:15AM

9:15-9:30AM

9:30-10:15AM

10:15–11AM

11AM-12PM

CAUTIONARY STATEMENT

Statements made in this presentation concerning Deluxe, the company's or management's intentions, expectations, outlook or predictions about future results or events are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements reflect management's current intentions or beliefs and are subject to risks and uncertainties that could cause actual results or events to vary from stated expectations, which variations could be material and adverse. Factors that could produce such a variation include, but are not limited to, the following: potential continuing negative impacts from pandemic health issues, such as the coronavirus / COVID-19, along with the impact of related government restrictions or similar directives on our future results of operations and our future financial condition; changes in local, regional, national and international economic or political conditions, including those resulting from heightened inflation, rising interest rates, a recession, or intensified international hostilities, and the impact they may have on the company, its customers or demand for the company's products and services; the effect of proposed and enacted legislative and regulatory actions affecting the company or the financial services industry as a whole; continuing cost increases and/or declines in the availability of materials and other services; the company's ability to execute its transformational strategy and to realize the intended benefits; the inherent unreliability of earnings, revenue and cash flow predictions due to numerous factors, many of which are beyond the company's control; declining demand for the company's checks, check-related products and services and business forms; risks that the company's strategies intended to drive sustained revenue and earnings growth, despite the continuing decline in checks and forms, are delayed or unsuccessful; intense competition; continued consolidation of financial institutions and/or bank failures, thereby reducing the number of potential customers and referral sources and increasing downward pressure on the company's revenue and gross profit; risks related to acquisitions, including integration-related risks and risks that future acquisitions will not be consummated; risks that any such acquisitions do not produce the anticipated results or synergies; risks that the company's cost reduction initiatives will be delayed or unsuccessful; risks related to any divestitures contemplated or undertaken by the company; performance shortfalls by one or more of the company's major suppliers, licensors or service providers; continuing supply chain and labor supply issues; unanticipated delays, costs and expenses in the development and marketing of products and services, including web services and financial technology and treasury management solutions; the failure of such products and services to deliver the expected revenues and other financial targets; risks related to security breaches, computer malware or other cyber-attacks; risks of interruptions to the company's website operations or information technology systems; and risks of unfavorable outcomes and the costs to defend litigation and other disputes. The company's forward-looking statements speak only as of the time made, and management assumes no obligation to publicly update any such statements. Additional information concerning these and other factors that could cause actual results and events to differ materially from the company's current expectations are contained in the company's Form 10-K for the year ended December 31, 2022, and other filings made with the SEC. The company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events, new information or future circumstances.

Portions of the financial and statistical information that will be discussed during this call are addressed in more detail within our quarterly press release posted on our investor relations website at www.investors.deluxe.com. This information was also furnished to the SEC on the Form 8-K filed by the Company this morning. Any references to non-GAAP financial measures are reconciled to the comparable GAAP financial measures in the quarterly press release and related SEC filings.



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Barry McCarthy

• EVP & Division President at First Data (now part of

• Other executive & general management roles at First Data, Wells Fargo, VeriSign, Procter & Gamble, & startup MagnaCash

MBA from Northwestern Kellogg

WE ARE NOT THE DELUXE MOU ONCE KNEW

NOW AN ORGANIC EBITDA GROWTH & DELEVERAGING STORY



Revitalized company & built the foundation

- Rationalized the portfolio
 - Strong competitive position
 - Natural synergies
- Modernized our infrastructure
- Primed for growth: acquired First American

Our Strategy:

Profitably grow Payments & Data by leveraging the cash flow, brand, & relationships from Print

& transfer value from debt to equity holders

Enabled by:

- One Deluxe go-to-market model
- **Operational execution via North Star** 2.
- 3. Capital allocation discipline

dlx



15%+ annual **TSR through '26**

1915 - 1990

As the corner of

Allow Sincenters Unstartified

Deeply trusted brand with a storied history

Check Printers, Inc.

General Our Bunderd Dollars out of Indigates Hickory

Beduxe Check Brinters, Inc.

Great cash flows *from our print businesses*

Passionate employees committed to our customers

Great Place to Work™

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Extensive distribution reach & scale

- 4,000 FIs
- Millions of SMBs



Organic decline & disconnected portfolio

- 50+ disconnected businesses
- Uncoordinated go-to-market
- Massive technical debt

Built a cohesive foundation

- Rationalized portfolio
- Acquired First American
- Scalable product platforms
- Modern, cloud-based infrastructure



WE ARE HERE Driven by Payments & Data

- Growth engines scale
- Fit-for-purpose portfolio
- Digital-first infrastructure



~29% by 2026

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HAVE BUILT A STRONG FOUNDATION & ARE SEEING GREEN SHOOTS

Foundational actions

- Rationalized portfolio
- Focused on Payments businesses
- Built our technology platform
- Migrated to modern, cloud-based infrastructure
- Built meaningful sales connectivity



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Resulting green shoots

- 3 years of organic growth
- Consistent operating leverage
- Payments similar revenue as Checks
- Checks outperforming market & maintaining steady margins

OUR EXECUTIVE LEADERSHIP TEAM



Jeff Cotter

Tracey Engelhardt

Debra Bradford

General Counsel and Chief Administrative Officer

President Print

President Merchant Services

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Mike Reed

President B2B Payments

Kris Lazzaretti

President Data

DELUXE TODAY

LEGACY PRIN	T BUSINESSES	PAYMENTS
Check	Promotional Products	Merchant Services
 Print & deliver checks for our bank and small business partners Checks still 40% of all business payments today Ship over 90K packages of checks per day 	 Branded forms, deposit tickets, & other customized items that complement checks Often printed on the same equipment as checks 	 Helping merchants accept more than \$40B of electronic payments every year anywhere their customers would like to pay
• TAM: ~ \$2B	TAM: ~ \$26B	• TAM: ~ \$25B 7

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TS & DATA BUSINESSES

Payments

B2B

Data

Helping our clients manage their most challenging B2B payments pain points w/ software & payments solutions An industry leader in using data and analytics to help our clients add new customers

Deep expertise
 in Financial Institutions

TAM: ~**\$33B**

• TAM: ~**\$18B**

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Upper-Quartile TSR through '26

OUR STRATEGY IS SIMPLEdlxGROW PAYMENTS & DATA, PAY DOWN DEBT, & CUT CORPORATE COSTS



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- 3. Capital allocation discipline

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15%+ annual **TSR through '26**

ONE DELUXE GO-TO-MARKET MODEL



THEIR PROBLEMS

Tangible impact to our clients and to Deluxe

- Deeper relationships with our clients
- Shift from transactional vendor to trusted partner
- As the relationship deepens, we uncover new opportunities for growth

WE LISTEN TO OUR CUSTOMERS NEEDS & **BRING THE BEST OF DELUXE TO SOLVE**

ONE DELUXE: CREATING TANGIBLE IMPACT ACROSS OUR BUSINESS



THE POWER OF ONE DELUXE

- Major enterprise wins & cross-sales
- Growing our Merchant bank partnerships by nearly 3x vs. 2020
- Key new FI logos in Data (nearly 200 new logos)
- Added SMB marketing messages for Merchant Services into our Checks marketing campaigns every week
- Cross-sales of Check and Promo products
- Supports win of net new logos to DLX

PNC Fulton Bank ARVEST

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OUR NORTH STAR INTEGRATED EXECUTION PLAN

ENTERPRISE-WIDE TRANSFORMATION PROGRAM...

- Aligned to enterprise strategy & shareholder value
- Contains highest priority growth & cost initiatives
- Portfolio of 12+ workstreams
- Comprehensive in scale

BY 2026:

+\$100MM

incremental run-rate FCF

+\$80MM

Incr. comp. adj. EBITDA

...ACCELERATING EXECUTION AGAINST CORE DLX GOALS & DRIVERS OF TSR

- Prioritizing rapid cash generation to fund long-term investment
- Expanded operating leverage
- YTD actions contribute \$10MM of Q4'23 adj. EBITDA

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dlx **NORTH STAR PLAN: FOCUSED ON EXECUTION RIGOR IN CRITICAL REVENUE INITIATIVES & COST TAKEOUT**



dlx NORTH STAR WILL DRIVE SIGNIFICANT VALUE OVER THE NEXT 3 YEARS



1. Financial calculations assume a discount rate of 15% 2. Already incurred \$35MM during FY 2023 3. Not incremental vs. current CAPEX spend

Key financials¹:

- Run-rate program target: ~\$130MM in **EBITDA** contribution
- Restructuring Costs: ~**\$115-135MM**² (e.g., severance, site consolidation, professional fees)
- CapEx: ~\$45MM³ across '24 & '25
- IRR: 50%+ •

INVESTING IN OUR PEOPLE & CULTURE FOR SUSTAINED PERFORMANCE

- UPGRADED TECH, PRODUCT, & SAAS SALES TALENT
- STRATEGIC ALIGNMENT AMONG TOP LEADERSHIP
- **ACCOUNTABILITY & RIGOR IN EXECUTION**
- **TRANSPARENCY & COMMUNICATION**
- CULTURE PRIMED FOR GROWTH

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FOR SUSTAINED PERFORMANCE **BEYOND 2026**

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15%+ annual **TSR through '26**

Strengthen the balance sheet

- Target 3x net leverage by 2026 by:
 - Growing EBITDA

WE HAVE THREE **CLEAR CAPITAL** ALLOCATION **PRIORITIES:**

Invest in profitable organic growth

 Invest in high-return (e.g., 15%+ risk adjusted IRR) profitable organic growth in line with our enterprise strategy and drivers of shareholder return

Pay our dividend

• Maintain dividend of \$0.30/ share/ quarter & outgrow high yield over time through improved business performance

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• Paying down debt with incr. FCF

....UNDERPINNED BY A RIGOROUS CAPITAL PLANNING PROCESS

ANNUAL CAPITAL PLANNING PROCESS

Phase 1: Outside-in view

- Outside-in market analysis
- TSR maximizing enterprise capital priorities & strategic roadmap

Phase 2: Inside-out view

- 3-year LoB investment roadmaps
- Prioritize all potential investments by TSR

THREE CRITERIA EACH INTERNAL PROJECT MUST PASS

01

Aligned with enterprise & LoB strategies to maximize TSR

02

Clears internal hurdle rate of 15% IRR & alternative uses of capital

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Phase 3: Rigorous annual plan

- Full business cases for investments
- Annual operating plan



Durable & foundational to future (growth or simplification & efficiencies)

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15%+ annual **TSR through '26**

dlx HAVE A CLEAR 3-YEAR VALUE CREATION ALGORITHM

OUR FOCUS

Drive profitable organic growth in Payments and Data Keep efficiency focus on Print & Corporate

Increase our free cash flow by improving leverage ratio & reducing restructuring charges post-2024

Drive focused execution through North Star plan

Maintain our dividend: continue to return capital to shareholders

Sustain performance: Changing culture, talent, & processes through '26 & beyond

15%+ annual total shareholder return through 2026

BY 2026





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Chief Financial Officer

• 14 years at NCR, spanning leadership roles in Treasury, Corporate FP&A, and as a Divisional

• MBA from Georgia Tech

• BA from University of Georgia

OUR OPERATIONS & TECHNOLOGY TRANSFORMATION

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• BA from Morehouse College

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Garry Capers Chief Operations Officer

• Previously led Deluxe's Data and Promo businesses

- 20 years leading businesses embarked on
- transformations at ADP, Equifax, Bain &
- Company
- MBA from The Wharton School at UPenn

THE ROLE OF OUR OPERATIONS

PAYMENTS AND DATA BUSINESSES



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LEGACY PRINT BUSINESSES

Check

Promotional Solutions

3 KEY OPERATIONS OBJECTIVES THROUGH 2026 THAT TIE TO NORTH STAR

Consolidation & footprint optimization

01

02

03

- Reduce ops & manufacturing site costs
- Improve customer service

Process Efficiency

- Automate processes via AI & process redesign
- Reach greater manufacturing efficiency

Smarter customer targeting & sales

- Maximize ROAS via upgraded mktg. capabilities
- Improve sales targeting, practices, & productcustomer fit



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PRINT ON DEMAND | MAINTAIN CHECK MARGINS & CONTINUE TO DELIGHT CUSTOMERS





BEFORE PRINT ON DEMAND





AFTER PRINT ON DEMAND

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Consolidation

Rationalizing our manufacturing footprint by replacing multiple printer types

Process Efficiency

Faster run time, cheaper to print (~\$3-5MM annual savings), & less wasteful

Customer Experience

Continuing to offer our customers the same choice

OPERATIONS SUPPORT OUR INVESTMENT THESIS

Efficiency first, always in the service of our customers & business partners

Return cash to shareholders & Invest in our Payments & Data businesses dlx

OUR MISSION

OUTCOMES



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Yogs Jayaprakasam **Chief Technology & Digital Officer**

• 20 years of leadership at American Express

(LoB CIO), Cognizant, GE

CTO Certification from UCal Berkeley

• Masters in Computer Applications

from Bharathidasan University

• BSc in Physics from University of Madras

TECHNOLOGY <u>IS</u> OUR PRODUCT IN PAYMENTS AND DATA



Merchants

Helping our clients accept online, mobile, and in-person payments from their customers

B2B Payments

SaaS solutions to help businesses manage their payments

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Data

Using GenAl to analyze billions of data points allows our clients to better market their products
WE HAVE BEEN ON A TECHNOLOGY JOURNEY



OUR TECHNOLOGY PRIORITIES



Investment in Our **Products**

- Continue focusing tech spend on growth products (doubled Merchant tech dev investment)
- Maintain margins, reduce • costs in Print & Corporate via automation.

Digital-first Platform

- Majority of apps cloudnative
- Reusable components: 200+ APIs
- Data-driven

Digital Automation Protect & Efficiency

- Digitize processes
- Focus on low-cost, high-value markets
- Continue rationalizing • legacy systems

- **Our Core**
- Systems robustness
- **Business resiliency**
- NextGen cyber security

DEEP DIVE TO FOLLOW

• Audit & compliance

Enable New Ways of Working

- Upskill talent: Deluxe **Digital Academy**
- Bring in NextGen talent •
- Culture of innovation •
- **Constant learning** \bullet & development

GO-FORWARD ECOSYSTEM: CLOUD NATIVE, BEST IN dlx CLASS, REUSABLE COMPONENTS



Outcomes

- \$20-30MM lower technology cost by 2026
- Better products
- Significantly cut time to market
- Compete w/ digital natives on customer experience

EXAMPLE | DELUXE.CONNECT: FRICTIONLESS CUSTOMER CONNECTIONS



communicate with a customer's software

Deluxe sends structured software data to

TECHNOLOGY <u>IS</u> OUR PRODUCT IN PAYMENTS AND DATA



Merchants

Helping our clients accept online, mobile, and in-person payments from their customers

B2B Payments

SaaS solutions to help businesses manage their payments

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Using GenAl to analyze billions of data points allows our clients to better market their products

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MERCHANT SERVICES



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Debra Bradford

President, Merchant Services

- Joined First American Payment Systems by Deluxe
 - in 2001; President since 2008

 - Leadership roles at ACE Cash Express and
 - **IPS Card Solutions**
- BA from University of Texas at Austin
- Licensed CPA in Texas

WE HELP BUSINESSES & GOVERNMENTS **ACCEPT DIGITAL PAYMENTS FROM CONSUMERS**

WHERE WE PLAY



Cardholder Merchant

Buys goods / services Pays 100%

Provides goods / services Receives ~97.50%

Acquirer/ Processor

Enables pmt. acceptance Receives ~0.40%

Network

Routes payment among issuing Consumer payment method and acquiring banks Retains interchange Receives ~1.95% Receives ~0.15%

ENABLES MERCHANT TO ACCEPT PAYMENT

ROUTES PAYMENT TO ISSUER

DEPOSITS FUNDS IN MERCHANT ACCOUNT

Values illustrative for an 'average' transaction

1. Significant dispersion in practice vs. economics shown in illustrative example above (e.g., fees typically higher for smaller merchants, lower for larger merchants)

Issuer

OUR FOCUS IS ON SMALL AND MEDIUM-SIZED BUSINESSES

Merchant Acquiring TAM: \$25B (2022, \$B, % 2022 growth vs. 2021)



Notes: Based on revenues (Enterprise >\$50M, Small & Medium \$1-250M, Micro <\$1M); Omnichannel includes Merchants operating via online and offline channels, while Pure Online includes Merchants operating only. Figures representative of US market only

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Why SMBs are our target

Versus Enterprise:

- Less complex needs
- Higher margin
- Lower concentration risk
- Higher growth

Versus Micro:

- Stickier merchants
- Ability to differentiate service more

WE COMPETE AGAINST OTHER VERTICALLY-FOCUSED ACQUIRERS



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Horizontal, tech-focused Acquirers

Square



- Target: small & micro merchants
- Broader horizontal offerings
- Higher margins, higher churn

POSITIONED IN DEFENSIBLE VERTICALS WHERE WE SEE FUTURE GROWTH

Deluxe Merchant Services \$ volume by vertical



1. Includes Miscellaneous Retail, Furnishings & Household Equipment, and Clothing & Footwear 2. Includes Recreation & Culture, Transportation, and Other 3. Includes Wholesale Trade, Business 50 Services, and Agriculture

EXAMPLE | AUTO REPAIR SHOPS



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... to a unified DLX solution, saving time & money



Networks





deluxe.



VOYAGER[®]

EXAMPLE – GOVERNMENT VERTICAL

Deluxe Merchant Services \$ volume by vertical



1. Includes Miscellaneous Retail, Furnishings & Household Equipment, and Clothing & Footwear 2. Includes Recreation & Culture, Transportation, and Other 3. Includes Wholesale Trade, Business 52 Services, and Agriculture



- Long-tenured industry experts operating in a culture of continuous improvement
- Best-in-class service: won ATSI Call Center Excellence Award for 11 years

- Owning our technology gives us scalability in our margin structure
- Accelerated time to market for NextGen
 products & services

- Deluxe's brand and relationships have grown our FI channel w/ high-volume deal wins
- Deep expertise in defensible verticals (e.g., gov., nonprofit, auto) leads to sticky revenue

MERCHANT SERVICES: FINANCIAL OUTLOOK & BUSINESS DRIVERS



Base business drivers:

- Consumer spending
- Merchant base growth
- Growth in FI channel
- Cross-sell via DLX's brand and FI relationships
- Ongoing move to digital commerce & electronic payments

Upside business drivers:

- Growth of integrated software channel
- Additional omnichannel features •
- Embedded banking & • supporting services

B2B PAYMENTS



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President, B2B Payments

- Global Payment Acceptance & Product MD at
 - Barclays, Bank of America Merchant Services
- United States Air Force veteran
- BA from University of New Orleans

PAYING OTHERS & GETTING PAID IS A MESSY, COMPLEX PROCESS FOR BUSINESSES B2B Payments

Millions of Consumers

All paying for jobs at different times

Thousands of Electricians

Trying to manage their own cash flow



Payments & invoices rarely match

(e.g., 1 invoice for many payments or 1 payment for many invoices)

Electrical supply company



Significant complexity for electrical supply company

Struggles to match payments, dates, amounts, invoices, & integrate into internal systems

dlx EXPERTISE + HIGH SAAS DEMAND = CLEAR GROWTH PATH

We have a right to win...

01

Experience solving the most difficult part of AR and AP: the reconciliation of paper-based and electronic payments

02

Established credibility & scale leveraging our large customers & bank partners

03

Clear customer demand for additional SaaS offerings in large, underserved market

... in a market with massive white space

AR & AP SaaS TAM: ~\$33B

~66% Not vended

~34% Vended

ELECTRICAL SUPPLY COMPANY EXAMPLE: BENEFITS FROM OUR SOLUTIONS

Our electrical supply customer used our software to reconcile 90% of payments without any manual intervention ...



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... and redeployed two-thirds of their cash application staff to higher value activities

WE ARE BUILDING ROBUST AR & AP SOLUTIONS

We have deep experience in the greatest B2B pain point and clear demand from customers to do more¹...



... enabling us to expand our TAM to high-growth SaaS solutions

Source: Industry payments model and market participant interviews 1. Illustration covers Receivables plan; following a similar path in the Payables space

dlx AS WE EVOLVE OUR OFFERINGS DUE TO CUSTOMER DEMAND, WE SHIFT OUR COMPETITOR SET



SIMILAR PATH TO MANY OTHER AR/AP SAAS PLAYERS...BUT DLX STARTS WITH SCALE, CUSTOMERS, & EMBEDDED SOFTWARE

B2B PAYMENTS: FINANCIAL OUTLOOK & BUSINESS DRIVERS



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Base business drivers:

- Continued expansion of current
 Integrated Receivables and exception
 mgmt. tools
- Efficiencies in item processing business

Upside business drivers:

- Commercialization of our investments in AR and AP SaaS solutions with:
 - Current customers & FI partners
 - New customers
- Accelerating demand for better AR / AP efficiency

DATA



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Kris Lazzaretti

• Co-founded FMCG Direct (data & analytics

- agency of First Manhattan Consulting
- Group) after joining firm in 2006
- BA from Princeton University,
 - Summa Cum Laude

WE BLEND TOP-TIER DATA AND TALENT TO CRAFT CLIENT ACQUISITION CAMPAIGNS



Massive data lake & scalable infrastructure

Rich data assets unified via large language models in scalable cloud-based infrastructure

Leading talent & analytics

Highly-educated data scientists & marketers building deep client relationships



Class-leading customer acquisition

Audience development and precision targeted marketing campaigns for:

- Consumer & business banking
 - Merchant services
 - Leading retailers
- Global telecom & utilities

CLIENT EXAMPLE: CONSUMER DEPOSITS CAMPAIGN







- Fast campaign deployment
- More targeted
- Better data
- Better outcomes

OUR CLIENTS SUPPORT THE VIEW THAT WE ARE BEST-IN-CLASS

Our clients highly recommend us:

Our key differentiators:

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• Average likelihood to recommend rating of 9.7 • No rating lower than 9

• 100% indicated they are 'extremely likely' to work with us again in next 12 months

• Service quality • Deep industry expertise Everything about your approach has benefited our business. Your data analytics is second to none. Your quality of service and attention to detail is unbelievable.

True partners who always go the extra mile: only partnership in 30 years where the agency works hand in hand with us and never makes us feel like it's about the money.

The best strategic partner I have worked with in 20 years

There is no other partner I would rather have... collaborative, insightful, and responsive... I turn to them first! dlx

The Deluxe program outperforms pretty much every other customer acquisition program that we run.



OUR CORE TAM IS LARGE, GROWING & WE HAVE FEW COMPETITORS



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Few competitors truly serve our core market



PARTNERS

ACXIOM

MERKLE

Epsilon°

WE ARE AGGRESSIVELY PURSUING **MULTIPLE EXPANSION PATHWAYS**

	Continue to grow core client base	Expand into B2B Marketin	
ТАМ	~\$7B	~\$5B	
Key industry vertical dynamics	 Still significant whitespace Deep understanding of needs 	 Large prospect pool, with poter for warm DLX leads High right to win given existing data & expertise in this space 	
	Igniting growth via continuous investmen		
	data in	frastructure and ten tale	

data infrastructure and top talent

dlx

ting	Expand into credit card marketing	
	~\$6B	
ential	 Opportunity for cross-selling with current FI clients 	
g	 Current data & business model well structured to win 	
	 Large project sizes could meaningfully accelerate total growth 	

nts in leading

DATA: FINANCIAL OUTLOOK & BUSINESS DRIVERS



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Base business drivers:

- Growth in core verticals
- Grow, develop & retain top data scientists and marketers
- Continued evolution of our data assets

Upside business drivers:

- Expansion in B2B marketing (e.g., telco & business services) & credit card marketing
- Additional wins from Deluxe FI customers
- 1. 2021F and 2022F do not include revenue and adj. EBITDA from Deluxe's Hosting business, which has since been divested.
- 2. High-level estimate based on peer comp analysis and DLX business mix

PRINT: CHECKS & PROMO


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Tracey Engelhardt President, Checks & Promotional Products

• 30+ years at Deluxe, including

leadership positions in sales, marketing,

eCommerce, and operations

• BS from Northwestern University

OUR LEADERSHIP IN CHECK PRINTING SHOWS IN OUR RESULTS

Our Checks revenue has beaten industry declines by ~800bps over the past three years...



....giving us confidence in the **durability of our cash flows** over the medium-term



Accuracy and security features (error rate better than Six Sigma)

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(e.g., including 100% satisfaction guarantee)

Defensible moat with long-standing FI customer relationships (96% retention rate)

Customer experience via managed wholesale

Significant investments in new printing technology to better meet customers' needs

BEYOND CHECKS: DEEPENING RELATIONSHIPS WITH PROMOTIONAL PRODUCTS



MAXIMIZING CASH VIA CUSTOMER & GTM OVERLAP



Key advantages of managing together:

- Focus on products, deals, and channels ٠ that maximize cash flow
- Amplify focus on efficiency ۲
 - System & process simplification
 - Streamlined customer & employee ۲ experience
 - Manufacturing & distribution ۲
 - Infrastructure rationalization

PRINT BUSINESSES: FINANCIAL OUTLOOK & BUSINESS DRIVERS



Base business drivers:

- Continued share gain with • **FI** customers
- Stable margins via investments • in print efficiencies & process improvements
- Prioritization of higher-margin Promo products that more specifically complement Checks

Upside business drivers:

- Slower-than-expected secular decline in • Checks volume
- Competitive wins \bullet

FINANCIAL PROJECTIONS

FORECAST 5-7% COMP. ADJ. **EBITDA GROWTH THROUGH 2026**



1. Reported EBITDA and reported revenue for 2021 and 2022 include the performance of divested or expected to be divested business units (e.g., Payroll and Hosting businesses).

2. 2026 figures are illustrative based on our preliminary outlook provided for 2024 and longer-term outlook Note: Projections assume a relatively stable macro environment

3. ~\$390MM represents mid-point of comp. adjusted EBITDA 2023 guidance



WE WILL SHIFT REVENUE & EBITDA **MIX SIGNIFICANTLY BY '26**



1. Includes MyCorp and Banker's Dashboard. 2. Includes Fraud & Security, reported in earnings as part of Payments 3. Percentages in righthand chart exclude Corporate's negative Adj. EBITDA.

ADJ. EBITDA INCREASE ENABLES A LEVERAGE RATIO OF 3X BY '26

Leverage ratio = net debt / Adj. EBITDA



...AND \$100MM INCREMENTAL FCF BY 2026



2024 PRELIMINARY GUIDANCE

Well-positioned for sustainable growth

	2023F Guidance	2024F Guidance ¹	Comp. Adj. % ∆ vs. 2023F ¹
Revenue	\$2.18 – 2.22B	\$2.14 – 2.18B	+0-2%
Adj. EBITDA	\$405 – 420MM	\$400 – 420MM	+3-8%
Adj. EPS	\$3.20 - \$3.45	\$3.10 - \$3.40	+0-9%
Free cash flow	\$60 – 80MM	\$60 – 80MM	Flat on reported basis

1. Divestiture of our Hosting business and anticipated divestiture of our Payroll business expected to result in a \$55MM revenue impact, \$25MM EBITDA impact, and \$0.20 EPS impact to our comparable adjusted figures Note: All figures are approximate, and subject to, among other things, prevailing macroeconomic conditions, labor supply issues, inflation, and the impact of anticipated divestitures

dlx **RECAP: CLEAR 3-YEAR VALUE CREATION ALGORITHM**

OUR FOCUS

Drive profitable organic growth in Payments and Data Keep efficiency focus on Print & Corporate

Increase our free cash flow by improving leverage ratio & reducing restructuring charges post-2024

Drive focused execution through North Star plan

Maintain our dividend: continue to return capital to shareholders

Sustain performance: Changing culture, talent, & processes through '26 & beyond

15%+ annual total shareholder return through 2026

BY 2026



OUR EXECUTION ROADMAP IS CLEAR

Revitalized company & built the foundation

- Rationalized the portfolio
 - Strong competitive position
 - Natural synergies
- Modernized our infrastructure
- Primed for growth: acquired First American

Our Strategy:

Profitably grow Payments & Data by leveraging the cash flow, brand, & relationships from Print

& transfer value from debt to equity holders

Enabled by:

- One Deluxe go-to-market model
- **Operational execution via North Star** 2.
- 3. Capital allocation discipline

dlx

15%+ annual **TSR through '26**

DELUXE IS A COMPELLING INVESTMENT PROPOSITION dlx

Outcome:	15%+ annual total sharehold
Capital allocation discipline	 Strengthen our balance sheet: tar Invest in profitable organic growth Maintain our dividend: \$0.30 per strengthered
Operational execution via our North Star plan	 Rigorous execution path for highe Target of \$80MM incr. comp. adj. I
One Deluxe go-to-market model	 Multiple large enterprise wins from Joint marketing & go-to-market ch
Clear enterprise strategy with the right assets	 Robust payments & data assets w Leading print businesses that gen Transfer value from debt to equity

- well positioned for secular growth nerate stable, durable cash flows
- y holders
- m cross-portfolio relationships hannels
- est priority growth & cost reduction initiatives EBITDA & \$100MM incr. FCF by 2026
- arget leverage ratio of 3x
- th in payments & data
- share per quarter

15%+ annual total shareholder return through 2026



dlx

THANK YOU TO EVERY DELUXER FOR YOUR HARD WORK AND FANTASTIC CONTRIBUTIONS

Q&A

APPENDIX

NO NEAR-TERM MATURITY CONCERNS & STRONG LIQUIDITY POSITION

The large majority of our debt does not mature until 2026+...



Note: Figures are as of September 30, 2023 and rounded to the nearest millionth. 1. Used/Outstanding includes \$233MM drawn on revolving credit facility and ~\$8MM in outstanding letters of credit.



The company has not reconciled adjusted EBITDA, comparable adjusted EBITDA, adjusted EPS, free cash flow or net leverage outlook guidance for 2023 through 2026 to the directly comparable GAAP financial measures because the company does not provide outlook guidance for the reconciling items between net income, adjusted net income or adjusted EBITDA, and certain of these reconciling items impact cash flows from operating activities. Because of the substantial uncertainty and variability surrounding certain of the forward-looking reconciling items, including asset impairment charges, restructuring and integration costs, gains and losses on sales of businesses and long-lived assets, and certain legal-related expenses, a reconciliation of the non-GAAP financial measure outlook guidance to the corresponding GAAP measures is not available without unreasonable effort. The probable significance of certain of these reconciling items is high and, based on historical experience, could be material.

Adjusted EBITDA and Adjusted EBITDA margin

in millions (Unaudited)

	2018	2019	2020	2021	2022
	\$149.6	(\$223.8)			
Net income (loss)			\$5.3	\$62.8	\$65.5
Non-controlling interest	—	—	(0.1)	(0.1)	(0.1)
Interest expense	27.1	34.7	23.1	55.6	94.4
Income tax provision	63.0	8.0	21.5	31.0	18.9
Depreciation and amortization expense	131.1	126.0	110.8	148.8	172.6
Asset impairment charges	101.3	421.1	101.7	—	—
Restructuring, integration and other costs	21.2	79.5	80.7	58.9	63.1
CEO transition costs	7.2	9.4	—	—	
Share-based compensation expense	11.7	19.2	21.8	29.5	23.6
Acquisition transaction costs	1.7	0.2	—	18.9	0.1
Certain legal-related expense (benefit) (Gain) loss on sale of businesses and long-lived	10.5	6.5	(2.1)	2.4	(0.7)
assets	(15.6)	0.1	1.8	—	(19.3)
Loss on debt retirement	0.5	<u> </u>	<u> </u>	<u> </u>	
Adjusted EBITDA	\$509.3	\$480.9	\$364.5	\$407.8	\$418.1
Adjusted EBITDA margin	25.5%	23.9%	20.4%	20.2%	18.7%

Data Solutions Comparable Adjusted Revenue

in millions (Unaudited)

	Actual		
	2021	2022	2023 Outlook
Data Solutions:			
Total revenue	\$262.3	\$267.5	\$236
Less: Business exits	(86.3)	(70.5)	(27)
Comparable adjusted revenue	\$176.0	\$197.0	\$209

Comparable Adjusted EBITDA

in millions (Unaudited)

Total Company:

Adjusted EBITDA Less: Business exits Comparable adjusted EBITDA - midpoint of Outlook range

Data Solutions:

Adjusted EBITDA Less: Business exits Comparable adjusted EBITDA Comparable adjusted EBITDA margin

2023 Outlook
\$405 - \$420
(23)
\$390

2	023	Outlook
		\$55
		(10)
		\$45

21%

Net Debt to Adjusted EBITDA (Net Leverage)

in millions (Unaudited)

	December 31, 2022
Total debt	\$1,644.2
Cash and cash equivalents	(40.4)
Net debt	\$1,603.8
TRAILING 12 MONTHS ADJUSTED EBITDA:	12 Months Ended December 31, 2022
Net income	\$65.5
Non-controlling interest	(0.1)
Interest expense	94.4
Income tax provision Depreciation and amortization	18.9
expense	172.6
Restructuring and integration costs	63.1
Share-based compensation	23.6
Acquisition transaction costs	0.1
Certain legal-related benefit	(0.7)
Gain on sale of businesses and facility	(19.3)
Adjusted EBITDA	\$418.1
NET DEBT TO ADJUSTED EBITDA	3.8

deluxe.

