

# Posti continues its renewal and invests over â,¬100 million in growth: parcels and flows of goods are at the core of the new strategy

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To accelerate strategy execution and improve customer experience, Posti will invest over â,¬100 million to develop parcel and e-commerce competencies and to strengthen its delivery network. In addition, the company has revised its long-term financial targets.

"According to our new strategy, the core of our growth is parcel traffic and logistics in Finland, Sweden and the Baltics. To support this, Postal services in Finland will play an important complimentary and supporting role. This significant shift in our focus enables us to meet the challenges presented to us by the long-term changes in our operating environment. As we continue our transformation, improving the customer experience is at the core of everything we do. To accelerate this transformation, we are investing over €100 million into our Parcel Locker network expansion, developing digital capabilities, and growing our sorting and distribution capacity. In addition, we announced last week that Transval, part of Posti Group, would be investing €37 million in a new warehouse," says Posti Group's President and CEO Turkka Kuusisto.

Posti's goal is to become a modern delivery and fulfilment company. Posti creates new value for customers by covering and

optimising the e-commerce logistics value-chain from transport to warehousing and from sorting to delivery. The core of the updated group strategy is based on the continuous improvement of customer experience, industry-leading operational efficiency, an employee experience based on purpose-driven leadership, and reducing its emissions to zero by 2030. Posti's strength as a company stems from a unique combination: its employees, as the best experts in their field, its capability of being pioneers in logistics and technology, and its comprehensive delivery network.

"In many ways, 2020 made it clear that we are now at an inflection point. Parcel volumes in Finland and the Baltics grew by 27%, and we successfully managed to meet this demand and scale profitably. I am convinced that we have everything that is required to build a bright future for Posti," says Kuusisto, who continues: "However, the next few years will be very demanding. Competition in the parcel segment will be

fierce, and several companies are taking advantage of their strengths and focusing on major cities. To meet these demands, we are continuously developing our services to improve speed, accessibility, and to provide convenience and ease for our customers."

Digitalisation and sharply decreasing mail volumes, combined with rapid changes in customer behaviour, have challenged Posti's operations for years. It is essential for the company to meet these demands. "We will approach Posti's transformation in a responsible and customer-centric way, and in close dialogue with our employees," Kuusisto emphasises.

**Responsibly delivering what matters to you – on your terms**

While updating its strategy, Posti has also crystallised its purpose: responsibly delivering what matters to you – on your terms. This purpose clarifies Posti's role in delivering what truly matters to recipients

and challenges the company to continuously develop its services to meet changing customer needs.

For Posti, it has always been a matter of pride to deliver what matters to people. Over the course of the company's almost 400-year history, the things it has delivered have changed many times, but its responsibility for deliveries has always stayed the same.

#### Revised long-term financial targets

As part of Posti' strategy renewal, the company's Board of Directors has decided to revise its long-term financial targets. The revised financial targets are:

- Adjusted EBITDA percentage 13%
- Net debt / Adjusted EBITDA less than 2.5x
- Continuously increasing ordinary dividend, but not exceeding annual net profit

Source: [Posti](#)