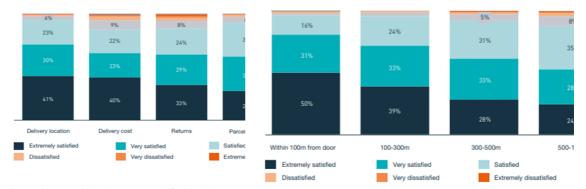


# Cross-border consumers are highly satisfied with delivery location

22-02-2024

In the latest edition of the IPC Cross-Border E-Commerce Shopper Survey released earlier this year, cross-border shoppers were asked for their level of satisfaction with each element of the delivery process: Delivery cost, tracking, speed, delivery location, customs and returns. Satisfaction was highest for delivery location (71% extremely / very satisfied) and lowest for customs (42%).



Furthermore, the survey looked at consumer satisfaction with delivery to out-of-home (O0H) locations, such as post office, parcel locker, pick-up/ drop off (PUDO) point, etc.. The survey found that satisfaction is clearly correlated to distance travelled to that location. Half of those who travelled up to 100m were extremely satisfied with their delivery location. As soon as consumers had to travel more than 100m to pick up their item, their level of satisfaction decreased. The level of extremely satisfied respondents was only 18% for those whose OOH delivery location point was located more than 1km away.

The IPC Cross-Border E-Commerce Shopper Survey provides a comprehensive overview of online cross-border consumers' expectations and habits. The 2023 edition was conducted with 32,510 participants from 41 countries worldwide.

To find out more about the results of the survey, please visit <a href="https://www.ipc.be/shopper">www.ipc.be/shopper</a>



# Royal Mail teams up with Collect+ at 5,000 stores across the UK

22-02-2024

Royal Mail has announced a partnership with PayPoint to provide its customers with access to the Collect+ network at thousands of local stores across the UK. The move is part of Royal Mail's strategy to continue to make sending and receiving parcels as convenient as possible by adding more choice.

Royal Mail customers will be able to use the Collect+ network to drop off parcels, either returns or items where they have paid for postage online. They can print the label at home or bring a QR code into the store.

The multi-year agreement is expected to start rolling out from March and will extend to 5,000 Collect+ points by the summer, with services expanding in the future to enable customers to also collect online purchases.

There is increasing demand from customers for convenient ways to drop off parcels, with around 50% of all Royal Mail non-account sales now online. The 5,000 Collect+ locations add to Royal Mail's existing strong partnership with Post Office and their 11,500 branches, 1,200 Royal Mail Customer Service Points and 1,200 24/7 parcel postboxes currently available for customers to drop off items

The Collect+ partnership will provide customers with the benefits of the full range of Royal Mail's online postage options combined with a significantly expanded network of drop off locations with convenient opening hours including evenings and weekends.

It comes at a time when locations such as convenience stores and lockers have become amongst the most common places people choose to have parcels delivered other than their home\*.

Martin Seidenberg, Group Chief Executive of International Distributions Services, said: "This partnership is an important part of Royal Mail's strategy to make our services even more convenient for customers and to give them the widest possible choice of where and when they can send parcels. As consumer preferences have evolved, Royal Mail has already opened up a variety of new ways for customers to access its services, including more online postage options through our website and app, 24/7 parcel postboxes and collection from home through Royal Mail Parcel Collect."

Nick Wiles, CEO of PayPoint, said: "We are delighted that Collect+ will be playing a key role in our partnership with Royal Mail. As consumer channel shift continues to move towards Out of Home, our fantastic retailer partners will now have an even greater opportunity to serve the needs of their customers in communities across the UK through our leading Out of Home network."

"We remain fully committed to investing further in the in-store consumer experience, through technology and operational support for our retailer partners, as well as continuing to grow our Collectnetwork to service the strong growth in this area."

\*According to the IMRG 2022/23 Home Delivery Review#

Source: Royal Mail



# From now on, Omniva's personal postal service will be free in rural areas

21-02-202

As of this week, a new price list is in force for the personal postal service of Omniva, which means that anyone living outside major cities can order a courier to their home or work free of charge to use a range of Omniva services and buy philatelic products.

The personal postal service is free of charge if the customer lives in or is located in a county outside a major city. The fee applies in larger cities such as Tallinn, Narva, Pärnu, and Tartu and in other cities according to Omniva's price list.

Omniva has been providing the personal postal service since 2007, but it is in the last few years that interest in the service has grown, and last year, for example, our customers contacted us almost 8,000 times with a request for the personal postal service, said Mart Mägi, Chairman of the Management Board of Omniva. According to Mägi, there are certainly still many more people for whom this service is better suited than, for example, visiting the post office, but who are not yet aware of it. 'Ordering a courier to your home tends to be seen as a convenience service that must be paid for, which is why people living in rural areas may not realise that this is not the case for postal services.'

Omniva's mail courier will come to the customer's home or place of work at a time agreed with the customer, pick up the customer's letter or parcel weighing up to 30 kg and deliver it. With the help of

a courier, you can also order periodicals, pay invoices, send a money card, and buy the items needed to send a shipment – postage stamps, postcards, envelopes, and packaging. In addition, it is possible to order a home delivery with a courier for the shipment of up to 30 kg received at a post office or parcel machine. A parcel that has arrived with the universal postal service can be delivered to your home from a parcel machine if it has arrived at the parcel machine without the customer's consent.

Previously, there was a 5 km radius restriction in rural areas, which meant that the personal postal service was free of charge for people living more than 5 km from the nearest post office.

The personal postal service can be ordered either with the help of a customer attendant of Omniva and mail courier or by calling the service phone number 664 3330.

Source: Omniva



# Posti introduces diesel-to-electric truck - first in Finland for freight transport traffic use

01-03-2024

Posti has introduced a delivery truck that has been converted from diesel to electric for its delivery services. The truck is the only used diesel truck in Finland that has been converted from diesel to electric and that is in freight transport traffic use.

Post already has hundreds of electric vehicles in various sizes ranging from vans to delivery and heavy trucks. The conversion is expected to facilitate the introduction of electric vehicles, especially medium and heavy-duty electric vehicles, also in smaller companies. The cost of converting a truck is currently roughly half the price of a new electric truck. This price is expected to fall further.

"Post has a strict target of using only electric, biogas and hydrogen vehicles in less than six years' time. Our goal of fossil-free transport also applies to our transport partners. Converted trucks can be a very important tool in the near future for the renewal of our heavy transport fleet to become fossil-free," says Ari Olli, VP, Corporate Delivery Services, Posti.

"If the tests now being carried out in Post's production facility prove that the vehicle is reliable, we believe that in Finland alone, transport companies have the potential to convert hundreds of vehicles to electric."

There are also benefits from the circular economy: when diesel trucks that have already been manufactured once and are a few years old are given a new life as electric trucks, emissions from the manufacturing phase of the new electric truck body are essentially eliminated. Old engines can also be reused elsewhere, either as such or as components.

The 2016 model delivery truck used by Posti was fitted with a 200 kW permanent magnet motor and a 150 kWh LFP battery. The estimated consumption of the vehicle is 70 kWh/100 km in summer and approximately 110 kWh/100 km in winter. Depending on the temperature and the use of heating, the operating range is about 150 km. The delivery truck is designed for urban deliveries.

The battery can be preheated by a liquid cycle. The maximum capacity of the DC charging is 150 kWh, which ensures fast charging if needed. That also helps in delivery tasks The cab is equipped with a touchscreen for driving and power line control. The cab and load space are electrically heated. The vehicle is not equipped with a gearbox.

The car is part of the SIX HOVE innovation cluster on electric heavy transport, coordinated by VTT, which aims to boost electric heavy transport as a result of multi-channel cooperation. The car is equipped with a VTT-installed trip computer that collects a wide range of data on the use of the car. The data will be used to develop systems and electronic logistics management.

The implementation, technology and conversion of the vehicle ordered by Posti was carried out by eTrucks.fi together with Keulink. The truck is currently being used for delivery tasks in Tampere.

Source: Posti



# Canada Post announces changes following review of its Smartmail Marketing Program

28-02-2024

In September 2023, the Office of the Privacy Commissioner of Canada (OPC) released their annual report which raised concerns about Canada Post's use of address data within its Smartmail Marketing (SMM) program. While Canada Post maintains that the SMM program has always operated within the requirements of the Privacy Act, we respect the work of the OPC and the expectations Canadians have when it comes to their personal information. We therefore announced our intention to conduct an internal review of our SMM products.

The concerns stemmed from an individual complaint to the OPC after Canada Post used operational data combined with names and addresses sourced from publicly available telephone directories to validate an incomplete address for the delivery of an advertising flyer. The report raised an additional concern with the SMM program utilizing aggregated operational data at the postal code level to provide retailers with insights into online shopping trends.

Following our review, we are taking the following actions with the Smartmail Marketing program:

We will no longer offer aggregated online shopping trends at the postal code level, or otherwise, to retailers as we found the effectiveness and use of the data had greatly diminished over time. Canada Post will discontinue using data from publicly available

telephone directories combined with our operational data to validate incomplete addresses.

We will work to further increase transparency and awareness of our direct mail marketing program through our 5,900 post offices and our digital channels, while providing greater visibility on how individuals can opt out of receiving advertising mail. Canadians trust Canada Post to handle their personal information every day and therefore nothing is more important to us than preserving that trust. We will continue to collaborate and engage in meaningful dialogue with the OPC, ensuring our privacy practices are always evolving to incorporate national and international best practices as well as guidance from regulators. These changes have been shared with the OPC.

Source: Canada Post



# NZ Post supporting communities through Delivering for Good programme

04-03-2024

NZ Post is proud to again be supporting charitable organisations and social enterprises around Aotearoa New Zealand by giving away free courier services. NZ Post's Delivering for Good programme aims to foster stronger, healthier communities around the country by offering up to 34,000 free domestic courier services across a selected number of organisations for one year - with two organisations winning an extra year of free courier services.

Applications for this year's programme open on Monday 4 March (and close on Sunday 24 March). Delivering for Good is part of NZ Post's social sustainability programme and is in its fourth year. NZ Post Group Sustainability Manager Dawn Baggaley says by providing free courier services it allows organisations to channel funds otherwise spent on couriers into expanding their services for the communities they support.

"For us, delivering for New Zealand also means supporting the neighbourhoods and communities where we live and work," Baggaley said.

"We are so proud to be able to facilitate free courier services for deserving local organisations."

Baggaley encouraged all charitable organisations "no matter how big or small" to apply.

"We're looking for a range of deserving programmes which help people connect and feel included; whether that be delivering goods to people without access or sending products for companies who employ people from marginalised groups."

To date, over 83,000 parcels have been sent from the start of the programme in 2021. One New Zealand not-for-profit benefiting

from the Delivering for Good programme is The Little Miracles Trust. The Trust works to provide and coordinate support to the whĀlau c premature and sick full-term babies, as they make their journeys through neonatal intensive care, the transition home, and onwards. The Little Miracles Trust Operations Manager Justine Brooker says this is done in many ways from supplying care packs for new parents, hosting morning teas to bring whĀlau and expert together, supplying equipment for families to use while in the units and providing post-discharge support through playgroups and coffee mornings.

Brooker says the Delivering for Good programme has been instrumental in the organisation being able to provide much needed care and products to neonatal families, hospitals, and volunteers.

"Thanks to our courier costs being covered by NZ Post we are able to focus our commitment to the frontline team which provides peer-to-peer support in the Newborn Intensive Care Units," Brooker said.

"Essentially we are able to put our resources where it has the greatest impact by removing the burden of having to ration what we can and cannot send out to wh $\ddot{\rm a}$  and in need."

Source: NZ Post



# Royal Mail increases prices for stamps in 2024

01-03-2024

From 2 April 2024, the price of First Class stamps will increase by 10p to £1.35 and the price of Second Class stamps will increase by 10p to 85p.

Royal Mail has sought to keep price increases as low as possible in the face of increasing cost pressures and wage increases, declining letter volumes and lack of reform of the Universal Service Obligation (USO).

Letter volumes have fallen from 20 billion in 2004/5 to seven billion a year in 2022/3, while the number of addresses has risen by four million in the same period. The average adult spends less than £7 a year on stamped letters and people now receive on average just two letters per week.

The USO – which requires Royal Mail to deliver letters to all 32 million UK addresses six days a week – is in need of urgent reform. Delivering an ever-decreasing number of letters to an ever-growing number of households six days a week is increasingly expensive and unsustainable. Postal regulator Ofcom has recently opened a call for inputs to look at options for reform of the USO given the

dramatic reduction in letter volumes in recent years.

The new price of First and Second Class stamps remain well below European mean average prices of £1.66 for First Class and £1.26 for Second Class.\*

Nick Landon, Chief Commercial Officer at Royal Mail said: "We always consider price changes very carefully, but we face a situation where letter volumes have reduced dramatically over recent years, while costs have increased. It is no longer sustainable to maintain a network built for 20 billion letters when we are now only delivering seven billion.

"As a result of letter volume decline, our posties now have to walk more than three times as far to deliver the same number of letters as before, increasing the delivery costs per letter.

"It is vital that the Universal Service adapts to reflect changing customer preferences so that we can protect the one-price-goes anywhere service, now and in the future."

Source: Royal Mail



# **Groundbreaking for new DHL Global Forwarding air freight center at Frankfurt Airport**

06-02-2024

DHL Global Forwarding and Fraport AG, the owner and operator of Frankfurt Airport (FRA), today officially began construction of a new air freight center at Frankfurt Airport. Tobias Schmidt, the CEO of DHL Global Forwarding Europe, and Anke Giesen, Fraport AG's Executive Director Retail and Real Estate, led the official groundbreaking ceremony at Frankfurt Airport's CargoCity South.

With the new air freight center, Fraport is developing a further site at CargoCity South in the immediate vicinity of Airport Gate 31. The new building on the approximately 55,000 square meter property will take about twelve months to complete. DHL Global Forwarding is expected to inaugurate the air cargo center in mid-2025. At this site, the company will primarily handle air freight for its German and international customers and manage charter flights with its in-house service provider StarBroker. The new cargo center and office complex will partly supplement the existing airport location, and offers not just additional transshipment space, but also room for the new StarBroker European headquarters of DHL Global Forwarding.

"Located in the heart of Europe, Frankfurt Airport is of central importance as an international hub for our global air freight network," explains the CEO of DHL Global Forwarding Europe, Tobias Schmidt. "We're very pleased that we were able to develop a larger, more sustainable site in close cooperation with Fraport. The newly created space will enable us to handle greater transport volumes for our customers even more quickly and efficiently."

Construction of the state-of-the-art cargo center represents a further milestone in the successful development of Frankfurt Airport as a

cargo and air freight hub. The latest ecological criteria play a crucial role in the new building. Overall, the new building a CargoCity South will provide about 24,500 square meters of new hall space and 3,000 square meters of flexible office and social space. The new complex also includes adequately dimensioned freight yards, 25 truck parking spaces and some 185 car parking spaces. Upon completion, the hall will have a total of 54 gates and cross-docks with generously dimensioned driving and shunting areas and additional, separate outdoor parking for trucks. The property is owned by Fraport AG and leased to DHL Global Forwarding.

"Today's groundbreaking of this first-class air cargo center is part of the continuous development of Frankfurt Airport as Europe's leading air freight hub." explains Anke Giesen, Executive Director Retail and Real Estate at Fraport AG. "This building will meet the strictest ecological and economic requirements for modern freight handling facilities. As such, it will put our future tenant DHL Global Forwarding in the best position to take its air freight business to the next level. The realization of this complex project is also a testament to the extraordinarily broad portfolio and proven expertise of Fraport's real estate development team."

Source: DHL Group

### USPS's Postmaster General and CEO remarks During Feb. 8, 2024 Governors Meeting

08-02-2024

The below remarks are as prepared for delivery by Postmaster General and CEO Louis DeJoy during the open session meeting of the Postal Service Board of Governors on Feb. 8, 2024.

"Thank you, Mr. Chairman. Since last year, our focus has continued to evolve from the development of effective organizational practices and improvements to operational stability to executing on meaningful actions to align our infrastructure to reduce costs and grow revenue.

During this recent peak season, we took the necessary operating risks to deliver increased volume while incurring less cost. We continued our implementation of several key initiatives to reduce our operating expenses.

Some of the biggest initiatives include a commitment to improved operational performance from our whole organization, minimizing peak season staffing, continuing to shift of air volume to ground transportation, the elimination of unnecessary or underutilized transportation trips, the closing of annexes rather than the adding of ones, and substantial reduction of redundant processes deployed in the past to muscle through activities.

In addition to peak season workloads, and the 12-day evacuation of a major gateway processing plant because of a hazardous materials incident, our organization encountered the unplanned and abrupt shutdown of a major transportation and transfer hub supplier in eight strategic locations across the nation. This required us to stand up transfer operations for over 5,000 truckloads of mail and packages a day across 18 rapidly deployed locations. The implementation was herculean, but less than precise and negatively impacted service for First-Class Mail volume during the peak season and will continue to plague us through the next several

Even still, for most of the nation, we provided stable performance for the quarter and during peak. All in all, the result was an average of 2.7 days to deliver mail and packages, with 97 percent of the population receiving mail and packages within 3 days, and nearly 60 percent of market dominant volume being delivered a day ahead of its service expectation.

I do realize that individual communities do not view our performance at a national level, and we are focused on improving reliability in every neighborhood and we will continue to address all issues promptly.

On a more positive note, we handled almost 7 percent more package volume in our network then we did last peak season, resulting from of our improving service reliability and new product offerings. We see package shippers becoming more interested, as we begin the implementation of the full features of our ecommerce marketing initiatives, and the widely accepted offering of Ground Advantage.

Our package revenue was up and according to ShipMatrix data, the United States Postal Service posted a 95.2 percent on-time delivery during the 2023 cycle. Having said all that, we achieved the objective of reducing cost while delivering more volume, shown by a reduction of 8 million workhours and \$489 million in transportation costs as compared to last year.

This is a first and I will continue to push the boundaries on this activity, as it is the only way to raise the level of operating performance and achieve the financial objectives required by law.

In 2023, the Postal Service initiated the rollout of our new Regional Processing and Distribution Center regions, with implementation activities ongoing in Richmond, Atlanta, Charlotte, Chicago, Portland, and Boise. By the end of 2024, we plan to take nine RPDC regions to an improved future state. This includes Indianapolis, Jacksonville, and Houston, in addition to the six regions I mentioned prior.

We are also aggressively opening Sorting and Delivery Centers, which represent a critical part of our future state network. Through 2023, we have activated 29 S&DCs, and we are setting an ambitious schedule of activating more than 40 in 2024.

At the same time as we are opening new and modernized facilities, we have worked to upgrade outdated processing and transportation infrastructure while disposing of outdated and costly annexes. These efforts include improving the operating functionality and performance of our Network Distribution Centers, which have historically been poorly utilized and costly.

Our Transportation and Logistics teams are also optimizing both national and local transportation of our surface and air transportation lanes, reducing underutilized trips and bringing costly air freight into our ground network. Our objective in this area is to reduce our overall transportation cost by \$3 billion over the next two years, including the \$1 billion cost savings already achieved in airfreight.

In other functional areas, the Postal Service will continue to focus on solidifying core operational improvements and training of our management and employee workforce to build on this new foundation. These efforts will stabilize service today and ensure that our network initiatives achieve their full long-term potential.

Our goal is to reduce our processing, distribution, and delivery costs by at least \$2.5 billion by insourcing previously outsourced operations, consolidating operations out of random buildings, modernizing facilities, reorganizing operating plans and schedules, adding more sortation equipment, and improving operating tactics to increase throughput, gain productivity and increase asset utilization. Concurrent with these raw cost-reduction efforts, the success of regional connect and Ground Advantage are providing new opportunities for our sales teams to win in the package shipping marketplace.

Back in August, we began improving the way we organize and direct our Sales and Marketing teams and are now deploying improved methodologies across the competitive marketplace to capture several billion dollars in new revenue.

Please look forward to a Next Day and Same Day offering from the United States Postal Service in the near future that will change the way you look at delivery – and the way you look at the United States Postal Service.

On February 6, we announced new, sweeping sustainability targets aimed at reducing greenhouse gas emissions, growing the circular economy, and increasing environmental awareness across the Postal Service. Our Delivering for America Plan to reduce operating costs will also result in significant carbon reductions across our network, tied directly to our strategies of eliminating transportation, using less air transportation, and modernizing facilities. Overall, we will seek to reduce emissions from fuel and electricity by 40 percent and reduce emissions from services purchased by 20 percent by 2030.

As was showcased several weeks ago in Atlanta, the Postal Service plans on procuring more than 106,000 new vehicles over the next five years, including the 66,000 EVs. Approximately 30,000 vehicles will arrive this year with 10,000 of them being electric. This begins the long overdue modernization of the Postal Service's 30-year-old float.

Under the leadership of the Postal Inspection Service, our crime prevention program, Project Safe Delivery, continues to mitigate postal crime, improve employee safety, and protect both the sanctity of mail and our facilities. Recently, we completed a five-city surge to review our security of operations for Chicago, IL; San Francisco and Oakland, CA; Cleveland, Cincinnati, and Columbus, OH. That surge includes securing postal mail receptacles and conducting arrow key accountability reviews. As always, the Inspection Service will continue to work tirelessly to advance ongoing investigations and conduct important activities to disrupt organized and random mail theft and robbery.

2024 is an election year and brings plenty of excitement at the Postal Service. We are confident amidst this progress and its corresponding benefits, that we will continue to deliver the nation's election mail for the upcoming 2024 elections in the same successful manner we have accomplished in the past. Consistent with our longstanding policies and procedures, the Postal Service will undertake significant efforts to prioritize the monitoring and timely delivery of all election mail.

Revamping our network facilities while trying to reduce cost and grow revenue is the challenge the United States Postal Service faces today and for several years in the future. We are in race to a finish line that changes our financial and service trajectory before we run out of cash and require other means of funding.

These initiatives are necessary to continue our efforts to organize what over many years grew to be a random, complicated, and costly methodology to deliver the nation's mail and packages into one that deploys logically sequenced processes and maximizes cost-efficiency. We aim to minimize service disruptions where



possible, while also meeting our service requirements. But as you know change is never easy, even when it's for the better. Complications may occur, so we plan to proactively communicate often and early with our employees, customers, and relevant

To those in the nation that are affected by our intermittent service impacts, we apologize and are working hard to improve our service to you. For the over 50 percent of Americans who receive their mail and packages early and are enjoying the new affordability of Ground Advantage – you are beginning to experience the future performance of the United States Postal Service.

I would like to thank our leadership team for their tireless efforts to Source: USPS

execute on our strategies and their even harder work to correct for the mistakes and events we encounter as we proceed on this journey. I also want to thank the men and women of the Postal Service for delivering a good peak season and their willingness to engage in the changes we need to make to have a prosperous future. As I travel the nation and witness your work, I grow more confident in our ability to deliver to the nation a Postal Service whose best days are in the future.

And finally, I'd like to thank all our Governors for their service, their interest in understanding the complexity of our business and their



# Canada Post proposes new postage rates for 2024

09-02-2024

Canada Post is proposing to increase postage rates in 2024. For stamps purchased in a booklet, coil or pane, which represent the majority of stamp sales, the rate would increase by seven cents, to 99 cents per stamp. The new rates would take effect May 6, 2024.

Prior to these proposed changes coming into effect, domestic letter mail rates have increased twice over the last decade (five cents in 2019 and two cents in 2020), with the last major pricing change made on March 31, 2014.

#### Minimizing the impact

Canada Post understands the importance of the delivery service it provides and works to minimize the impact of price changes on all customers, ensuring any increases are fair and reasonable. The impact of the rate increase for the average Canadian household is estimated at 65 cents per year. For the average Canadian small business, the estimated impact is \$12.07 per year.1 PermanentTM stamps will always be accepted at the current domestic postage price.

Small businesses looking for support or special discounts on shipping and other services are encouraged to sign up for the free Canada Post Solutions for Small Business $^{\mathrm{IM}}$  program.

Growing financial pressures on the postal system

While the Corporation has worked to minimize or hold rates for much of the last decade, the cost of providing a postal service to all Canadians has also been steadily impacted by inflation. This, combined with the fact that each year there are fewer letters to deliver to more addresses, has put considerable financial pressure on Canada Post. As an organization funded by revenue from the sale of its products and services, not taxpayer dollars, rate changes are a reality.

The proposed rate changes would also affect other products, including U.S., international letter-post and domestic Registered MailTM items. The price of a single stamp for a domestic letter (30 grams or less) would increase from \$1.07 to \$1.15. When purchased in a booklet, coil or pane, the price would increase from 92 cents to 99 cents per stamp.

The proposed rates were published today for public comment in Part I of the Canada Gazette. Subject to regulatory approvals, they would take effect May 6, 2024.

Estimate based on average annual spending of businesses and households.

Source: Canada Post



# NZ Post announces half year result of \$7 million profit

#### 26-02-2024

NZ Post is reporting a 2023/2024 half year profit of \$7 million. This result compares with a profit of \$115 million for the same period in the prior financial year. The result to 31 December 2022 included one-off items arising from the sale of Kiwi Group Holdings and the receipt of the final tranche of Government funding under the mail contract for service.

The current year to date is showing a \$26 million improvement compared to the prior year if these one-off items are excluded.

"The results for the six months ending 31 December 2023 reflects the progress we are making in executing NZ Post's long-term strategy," NZ Post Chief Executive David Walsh says.

"We are pleased that our underlying business performance is in line with expectations, particularly given the economic environment, cost inflation and labour market constraints." Walsh said.

"We have a clear strategy to continue to grow NZ Post as a commercially successful business delivering both mail and parcels. Critical to this strategy is the continued investment in our parcel network to support the growth aspirations of New Zealand husinesses."

Walsh said NZ Post continued to make significant progress on its network investment programme and looked forward to the opening of the new 30,000sqm Auckland Processing Centre (APC) in Wiri in the next few months. This new facility adds to the automated sites opened in Wellington and Christchurch recently.

Walsh said the APC will in time be able to process up to 25,000 parcels per hour, a substantial increase in throughput at full capacity. This will enable us to continue to provide our customers with the best possible delivery experience and support their future

growth ambitions.

Walsh said mail volumes continue to decline at a rapid pace.

"We delivered 95 million letters in the six months to 31 December 2023 compared to 108 million letters in the same period last year, a 12% decrease.

"We have a clear strategy to proactively respond to volume decline so that the mail delivery service does not require government funding. Critical to this strategy is the programme we announced in June 2023 to change the way we deliver mail over the next five years.

"This change is commercially feasible as parcel volumes are expected to continue to grow, while mail volumes continue to decline.

"We have commenced consultation with our people on this important change. Our focus, as always, will be on our people and supporting them through this transition."

Walsh said NZ Post remained confident its business strategy is the right one.

"We will continue to support all our people and deliver the best for our customers."



# **Omniva reported losses in 2023**

29-02-2024

Omniva Group's total sales revenue amounted to 131.7 million euros in 2023, which is a 7% increase compared to the previous

While the Group's net profit before the income tax was positive, the inclusion of the income tax, resulting from over 6 million euros of paid dividends throughout the year, amounted to a net loss of 1.3 million euros.

Sixty per cent of the sales revenue, or 79.1 million euros, was generated from package service profits; 21%, or 28.1 million euros, from postage service profits (including around 10%, or 12.6 million euros, from universal postage service profits); and 16%, or 21.2 million euros, from international transit profits. Estonian clients accounted for 41% of the sales revenue. Following them were Lithuania with 16%, Latvia with 11%, and other countries with a combined 22%.

The main expenses came from providing traditional postage services. A significant negative impact on business revenue was also generated by expenses related to traditional post and daily newspaper delivery services. To cover losses from traditional postage services, Omniva is making an effort to expand the profitable package services business, which we currently offer in the Baltic, and international transit, where possible.

"Revenue from the holiday season was lower than expected, as indicated in the sales report for the fourth quarter," said Omniva Chairman of the Board Mart Mägl. "Purchases from e-commerce platforms were more equally distributed throughout the year than they were last year, and the sharp increase in sales before Christmas was also smaller than last year. Omniva's activities are increasingly influenced by strong competitors, which is why we have to increase our efforts to be the preferred partner for our clients within a competitive price range. To achieve this, we have to maintain a high service quality while optimising cost-efficiency. We have implemented changes in the company to encompass the entire Baltic region. This allows us to approach the entire domestic market with shared values and carry out necessary changes with reduced costs in both time and money."

### Significant Omniva activities in the fourth quarter

In the fourth quarter, Omniva received several significant recognitions and awards. In the fourth strategy conference of the Universal Postal Union (UPU), Estonia and Omniva were recognised as innovators in the European and Central-Asian region. The company also received significant acknowledgement with a high grade from the International Postal Corporation (ICP), known as the Certification of Excellence. Additionally, in the Parcel+Post Expoheld in Amsterdam, Omniva was named Service Provider of the Year.

In the fourth quarter, Omniva opened seven renovated post offices in Estonia. Eighty new parcel machines were set up in the Baltics.

In the fourth quarter, Omniva invested over 500,000 euros in new sorting infrastructure at the Riga terminal, improving the company's sorting capabilities in Latvia by 30%. The new sorting line makes it possible to process packages quicker and more efficiently, allowing for the sorting of up to 6000 packages per hour. Construction works on a new sorting centre in Kaunas continued, and it is set to start operations in the third quarter of 2024. Omniva also signed a long-term collaboration contract with the Estonian VOOL startup company to procure 300 electric car chargers within five years. By the end of 2023, the first 50 chargers were installed in Tallinn, Tartu, Kuressaare and Rakvere. Currently, a little less than 10% of the Omniva fleet consists of electric vehicles. In the coming years, there are plans to actively increase the number of electric vehicles. Other major activities include route optimisation and the implementation of other sustainable solutions.

Along with the Bank of Estonia, Omniva organised the million coin collection campaign at Järve post office in Tallinn and Kvartal post office in Tartu. The campaign allowed for people to exchange small-value euro coins for larger currency denominations.

Source: Omniva

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# E-commerce had a modest year in 2023, demand grew toward year-end peak season - China is gaining popularity

10.02.2024

E-commerce development reached close to the previous year's level in 2023, according to Posti's E-Commerce Index. An old trend returned to international e-commerce, and signs of improvement are evident on the market.

The E-Commerce Index is based on Posti's e-commerce deliveries and continuous measurement in the consumer field. The newest report shows development from the entire year of 2023.

"2023 was a modest year for e-commerce. Economic uncertainty impacted Finns' purchase behavior and willingness to buy throughout the year. Shopping cart value decreased, and shoppers were more motivated by sales campaigns," says Kaj Kulp who oversees Posti's e-commerce services.

#### Peak season increased parcel volume

We saw once again in 2023 how the peak season boosts e-commerce towards the end of the year. Parcel volumes already started growing on the Monday before Black Friday. In total, Posti delivered nearly seven million parcels during peak weeks.

E-commerce development varied in different product categories. The best performers of 2023 were general goods trade and pharmacy and cosmetics, which increased their parcel volumes from the previous year. When only looking at the peak season, goods trade and DIY increased in volume from the previous year.

China was the most popular country of purchase in 2023

An old trend returned to international e-commerce: the 2021 VAT change reduced shopping from outside the EU, but now China is gaining popularity again. China was Finns' most popular country of purchase in 2023.

In a study conducted by International Post Corporation, 40% of respondents state that they ordered something from China in the past year. Top countries also include Germany (37%), Sweden (24%), the United Kingdom (16%), and the United States (16%). When ordering from abroad, most popular product categories are clothes and shoes, consumer electronics, and cosmetics.

### There are signs of improvement on the market

In the long run, e-commerce will grow. The importance of sustainability in online shopping is also constantly increasing.

"Our belief is that this year's market growth will fall behind the previously estimated level. However, there are signs of improvement on the market. For example, consumer trust has turned toward growth, and purchase power is believed to improve," Kaj Kulp says.

Source: Posti



# From now on, Omniva's personal postal service will be free in rural areas

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The personal postal service is free of charge if the customer lives in or is located in a county outside a major city. The fee applies in larger cities such as Tallinn, Narva, Pärnu, and Tartu and in other cities according to Omniva's price list.

'Omniva has been providing the personal postal service since 2007, but it is in the last few years that interest in the service has grown, and last year, for example, our customers contacted us almost 8,000 times with a request for the personal postal service,' said Mart Mägi, Chairman of the Management Board of Omniva. According to Mägi, there are certainly still many more people for whom this service is better suited than, for example, visiting the post office, but who are not yet aware of it. 'Ordering a courier to your home tends to be seen as a convenience service that must be paid for, which is why people living in rural areas may not realise that this is not the case for postal services.'

Omniva's mail courier will come to the customer's home or place of work at a time agreed with the customer, pick up the customer's letter or parcel weighing up to 30 kg and deliver it. With the help of a courier, you can also order periodicals, pay invoices, send a money card, and buy the items needed to send a shipment postage stamps, postcards, envelopes, and packaging. In addition,

it is possible to order a home delivery with a courier for the shipment of up to 30 kg received at a post office or parcel machine. A parcel that has arrived with the universal postal service can be delivered to your home from a parcel machine if it has arrived at the parcel machine without the customer's consent.

Previously, there was a 5 km radius restriction in rural areas, which meant that the personal postal service was free of charge for people living more than 5 km from the nearest post office.

The personal postal service can be ordered either with the help of a customer attendant of Omniva and mail courier or by calling the service phone number 664 3330.

More information about the service

Cities where personal postal service has a fee: Tallinn, Maardu, Viimsi, Keila, Saue, Narva, Rakvere, Paide, Kohtla-Järve, Jõhvi, Sillamäe, Jõgeva, Pärnu, Kuressaare, Kärdla, Haapsalu, Rapla, Tartu, Viljandi, Võru, Valga.

Source: Omniva



# bpost starts national rollout of digital failed delivery notifications

bpost is switching to digital failed delivery notifications throughout Belgium following a successful trial. bpost's postwomen and men will no longer leave a paper failed delivery notification if customers are not home to take receipt of a parcel

Instead, customers will receive this notification by email or in the My bpost-app. That means that all communications from order confirmation to parcel delivery will now be fully digital. This initiative is a further expression of bpost's engagement to offer sustainable e-commerce logistics solutions

#### Digital notifications when you're waiting for a parcel

bpost is rolling digital failed delivery notifications out throughout the country after a trial encompassing more than 10% of the parcel volume was well received. The digital versions, which replace the paper failed delivery notifications used by postwomen and men until now, will be sent to the email address registered by the customer during the online order process.

Jos Donvil, CEO of bpost Belgium: "Digitalization delivers very clean sustainability gains. The huge number of paper failed delivery notifications will be replaced by digital notifications. The message remains the same, only the way it is conveyed is changing. Customers who buy products online already have to register an email address and are kept up to date on the status of their order by email or in the app. Switching the failed delivery notification to these digital channels is the logical next step."

Prefer a paper failed delivery notification?
Virtually all communications received by customers who buy

products online are sent through digital channels. However, a paper notification will be left if boost does not have a valid email address for the customer, so it will not disappear completely. Paper notifications will continue to be used for failed deliveries of registered mail and for parcels that are sent by private individuals rather than an online store.

#### bpost investing to make its business even more sustainable

The entire e-commerce value chain has an environmental impact. Digital failed delivery notifications will be standard for the vast majority of customers, slashing paper consumption by 97%. The lower paper consumption, along with other initiatives such as emission-free delivery of mail, recycled packaging and carbon-neutral buildings, is enabling boost to make its business even more

## Phased rollout through to September

Digital failed delivery notifications will be used nationwide by September. New regions will be switched to the new system every month. A meticulous month-long preparatory process will be followed in each region, during which time customers will be fully informed about the new approach. And all postwomen and men will be given dedicated training to ensure they know the new procedure inside out.

Source: bpost



# German NRA Reports on Postal users' complaints in 2023

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President Müller: "Number of complaints remains high"

In 2023, the Federal Network Agency received 41,589 submissions about deficiencies in postal services. This means that the number of entries is at a similarly high level as in 2022 - there were 43,125 entries. This trend will continue in January 2024.

"The number of complaints remains high. Once again, the Federal Network Agency received over 40,000 citizen submissions. The number of complaints shows us how important a reliable postal service is to people. Unfortunately, we currently only have very limited options for taking action in the event of quality defects. The planned revision of the Postal Act is intended to give us better and stronger powers here. The raised index finger alone is not enough," said Klaus Müller, President of the Federal Network Agency.

#### Entry reasons

The majority of the reasons for submission, 60 percent, were in the mail sector, 32 percent related to parcels. The remaining percent was distributed among newspapers/magazines, branches/agencies, mailboxes and others.

The most common reason for entries (70 percent) was problems with the delivery of letters and parcels.

Overall, 90 percent of the submissions were directed against Deutsche Post DHL. In the letter sector the number was even higher, with 97 percent of entries relating to Deutsche Post DHL. In the parcel sector, 74 percent went to Deutsche Post DHL and 26 percent to the other parcel companies.

The entries came from all over Germany. Most entries were received from North Rhine-Westphalia (20 percent), Baden-Württemberg (13 percent) and Bavaria (12 percent).

#### Occasional tests

In some regions of Germany there was an increasing number of complaints due to non-delivery or inadequate delivery of letters. This has resulted in 35 incident checks by the Federal Network Agency in 57 postal code areas last year. The audits based on the December submissions are not yet included in this figure. Overall, there were fewer special tests than in the same period last year. There were 86 exams in the entire year of 2022.

Source: Bundesnetzagentur