We make everyday life simpler and the world smaller
For Posten, sustainability is about long-term viability - for the world and for the Group. It is about further developing a business that is relevant and profitable in the future, and about taking care of the needs of those living today without destroying the opportunities of future generations. We must therefore be conscious of how we use and affect resources.

In this report you can read about the values we have created for society and for the company.
## Key figures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenues (NOK millions)</td>
<td>23,894</td>
<td>24,678</td>
<td>24,712</td>
<td>25,074</td>
<td>24,404</td>
<td>23,557</td>
<td>22,925</td>
<td>22,451</td>
<td>22,133</td>
<td>21,721</td>
</tr>
<tr>
<td>Adjusted earnings (EBIT) (NOK millions)</td>
<td>531</td>
<td>703</td>
<td>645</td>
<td>686</td>
<td>933</td>
<td>1,125</td>
<td>1,116</td>
<td>1,051</td>
<td>962</td>
<td>820</td>
</tr>
<tr>
<td>Adjusted operating margin percentage</td>
<td>2.2%</td>
<td>2.8%</td>
<td>2.6%</td>
<td>2.7%</td>
<td>3.8%</td>
<td>4.8%</td>
<td>4.9%</td>
<td>4.6%</td>
<td>4.2%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Operating profit/loss (EBIT) (NOK millions)</td>
<td>415</td>
<td>692</td>
<td>178</td>
<td>239</td>
<td>844</td>
<td>641</td>
<td>632</td>
<td>956</td>
<td>1,638</td>
<td>2,966</td>
</tr>
<tr>
<td>Profit before tax (EBIT) (NOK millions)</td>
<td>386</td>
<td>621</td>
<td>230</td>
<td>151</td>
<td>720</td>
<td>619</td>
<td>547</td>
<td>800</td>
<td>1,499</td>
<td>70</td>
</tr>
<tr>
<td>Return on invested capital (ROIC) %</td>
<td>7.3%</td>
<td>9.8%</td>
<td>9.0%</td>
<td>9.9%</td>
<td>13.9%</td>
<td>17.5%</td>
<td>18.9%</td>
<td>18.3%</td>
<td>15.9%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>598</td>
<td>582</td>
<td>945</td>
<td>1,213</td>
<td>1,175</td>
<td>1,324</td>
<td>906</td>
<td>1,418</td>
<td>1,123</td>
<td>1,088</td>
</tr>
<tr>
<td>Equity 1)</td>
<td>6,481</td>
<td>6,375</td>
<td>5,912</td>
<td>5,926</td>
<td>6,205</td>
<td>6,081</td>
<td>5,713</td>
<td>5,517</td>
<td>5,418</td>
<td>4,795</td>
</tr>
<tr>
<td>Total assets 2)</td>
<td>16,070</td>
<td>16,962</td>
<td>15,299</td>
<td>16,097</td>
<td>16,377</td>
<td>15,674</td>
<td>15,227</td>
<td>15,704</td>
<td>15,800</td>
<td>16,055</td>
</tr>
<tr>
<td>Return on equity after tax (ROE) in percentage</td>
<td>3.9%</td>
<td>6.3%</td>
<td>0.7%</td>
<td>-1.5%</td>
<td>7.3%</td>
<td>8.7%</td>
<td>7.2%</td>
<td>6.8%</td>
<td>10.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Equity to assets ratio percentage</td>
<td>40.3%</td>
<td>37.6%</td>
<td>38.6%</td>
<td>38.6%</td>
<td>37.9%</td>
<td>38.8%</td>
<td>37.5%</td>
<td>35.9%</td>
<td>34.3%</td>
<td>25.8%</td>
</tr>
<tr>
<td>Debt ratio</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>0.0</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0.3</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Sickness absence percentage</td>
<td>6%</td>
<td>5.8%</td>
<td>6.3%</td>
<td>6%</td>
<td>6.3%</td>
<td>6.6%</td>
<td>6.9%</td>
<td>7.1%</td>
<td>7.8%</td>
<td>8.1%</td>
</tr>
<tr>
<td>Employee satisfaction (scale from 1-100)</td>
<td>80</td>
<td>81</td>
<td>80</td>
<td>79</td>
<td>78</td>
<td>78</td>
<td>77</td>
<td>75</td>
<td>76</td>
<td>75</td>
</tr>
<tr>
<td>Electric vehicles</td>
<td>1,187</td>
<td>511</td>
<td>483</td>
<td>363</td>
<td>146</td>
<td>24</td>
<td>24</td>
<td>24</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>Injuries number H2</td>
<td>223</td>
<td>231</td>
<td>276</td>
<td>331</td>
<td>388</td>
<td>481</td>
<td>483</td>
<td>483</td>
<td>483</td>
<td>483</td>
</tr>
<tr>
<td>Near accidents</td>
<td>33,575</td>
<td>40,513</td>
<td>45,756</td>
<td>43,938</td>
<td>37,541</td>
<td>34,211</td>
<td>31,606</td>
<td>30,450</td>
<td>26,750</td>
<td>18,350</td>
</tr>
<tr>
<td>CO2 e-reduction tonnes</td>
<td>15,850</td>
<td>28,751</td>
<td>49,051</td>
<td>26,454</td>
<td>19,100</td>
<td>46,300</td>
<td>9,000</td>
<td>29,700</td>
<td>7,400</td>
<td>19,000</td>
</tr>
<tr>
<td>Packages quantity in thousands</td>
<td>48,318</td>
<td>44,369</td>
<td>44,466</td>
<td>42,512</td>
<td>39,600</td>
<td>37,600</td>
<td>37,300</td>
<td>38,700</td>
<td>36,636</td>
<td>34,853</td>
</tr>
<tr>
<td>Letters quantity addressed in thousands</td>
<td>602,764</td>
<td>691,671</td>
<td>769,335</td>
<td>883,425</td>
<td>922,030</td>
<td>986,851</td>
<td>1,052,140</td>
<td>1,145,675</td>
<td>1,145,675</td>
<td>1,145,675</td>
</tr>
</tbody>
</table>

1) Calculated based on adjusted operating profit
2) The figures have been taken from published financial statements. The figures have not been restated in relation to changes to policies or other changes that have been made.

---

**Contents**

- **About Posten Norge**
  - Key information
  - Group structure
  - Executive management and organisation
- **Message from the CEO**
  - Full speed ahead
- **Strategy**
  - Long-term viability
- **People**
  - The most important value
- **Environment**
  - We lead the way for the environment
- **Innovation**
  - We drive development forward

For more detailed information on how we work and our results, read our Sustainability Report and Financial Annual Report at postennorge.no.
"We make everyday life simpler and the world smaller".
Group structure

Posten Norge is organised as four divisions and four corporate staff units.

The group’s divisions are central units in the management of the group. They develop and implement business strategies within their business areas, which support the group’s strategy. The divisions are responsible for developing and delivering services with the associated service and quality. The group is organised according to customer-related service areas, and each division has a Nordic performance responsibility for its service portfolio.

MAIL DIVISION: Reliable services for private customers. Addressed and unaddressed mail distribution to the corporate market.

E-COMMERCE AND LOGISTICS DIVISION: Standardised packaging, cargo and warehousing services for e-commerce and other business customers.

INTERNATIONAL LOGISTICS DIVISION: Customer-specific solutions for the offshore segment, major industrial customers and international forwarding.

EXPRESS DIVISION: Innovative solutions for express, courier and home delivery.

Group Management

Tone Wille
Born: 1963

Irene Egset
Born: 1966

Morten Stadli
Born: 1962

Alexandra Saab Bjørnæs
Born: 1957

Randi Lavland

Gro Bakstad
Born: 1966

Per Øhagen
Born: 1971

Erik Roth
Born: 1975

Thomas Tscherning
Born: 1961

Posten Norge AS is a limited liability company wholly-owned by the Norwegian government and is the parent company of the group. The responsibility for managing the Government ownership lies with the Norwegian Ministry of Industry and Fisheries, where its ownership is based on business purposes. The group is measured by delivering targeted return on invested capital. Delivery of postal services is regulated by the Norwegian Postal Services Act, which lies under the Ministry of Transport, Norway (since October 2016). Previous positions: Director of Economy and Finance (CFO) in Posten Norge AS, Director of Finance and Corporate Governance in the Mail Division of Posten Norge AS, Investment Director at Posten Norge AS, Investment Director at GE Energy (Norway) AS and the former Kværner Energy AS.

Education: Master in Business and Economics

Executive Vice President, E-COMMERCE DIVISION AND LOGISTICS

E-COMMERCE DIVISION: 
Express companies

Gro Bakstad
Born: 1966

Per Øhagen
Born: 1971

Executive Vice President, INTERNATIONAL LOGISTICS DIVISION

Executive Vice President, EXPRESS DIVISION

Erik Roth
Born: 1975

Thomas Tscherning
Born: 1961

Posten Norge AS is a limited liability company wholly-owned by the Norwegian government and is the parent company of the group. The responsibility for managing the Government ownership lies with the Norwegian Ministry of Industry and Fisheries, where its ownership is based on business purposes. The group is measured by delivering targeted return on invested capital. Delivery of postal services is regulated by the Norwegian Postal Services Act, which lies under the Ministry of Transport.
Full speed ahead

If you’re going to change course, you must have steerageway.

CEO Tone Wille is leading Posten Norge at a time that is indisputably the most changeable in the group’s history. Changes are taking place more quickly and frequently than ever before, and at an escalating pace. Digitalisation of society has presented the company with great challenges, but also many opportunities. Wille is keen to grasp the opportunities, and will make sure that it takes place in a proper manner:

- Posten has been here for 372 years and must also earn the right to be here tomorrow. We’ll be here for a long time to come. Thus we must operate our business in a way that is sustainable both for us as a business and for the environment around us, she says.

Upwards and onwards

Few businesses can boast of so much acceleration and so much braking at the same time. In brief, 2018 looks like this: Customers have become more satisfied. The logistics market is growing, and we have gained both new and previous customers. At the same time, mail volumes are falling faster than ever before and there has never been a greater need to restructure mail operations. At the same time, the group is developing new services and preparing for the future. In our digital age, customers want simple and flexible solutions - where they can choose when and where packages are delivered.

- We need to develop and renew ourselves. This requires us to always stay ahead of the curve.

Tough market

An ever increasing part of the group’s turnover stems from its logistics operations, and in particular from the other Nordic countries. Parts of the logistics segment experienced increased productivity and performance improvement last year. At the same time, this is a demanding market with stiff competition and low margins and the overall performance development in the logistics segment remains unsatisfactory. 2019 will also be characterised by streamlining operations and improving profitability in goods and packages throughout the Nordic operations. This requires full throttle.

The mail segment is slowing down. Posten has streamlined and industrialised over many years. Now it is no longer possible to implement measures that give an economic effect without compromising the level of service to customers. In the spring of 2019, the Norwegian Government is scheduled to present proposals for amendments to the Postal Services Act, and it is expected that fewer distribution days will be allowed. The proposal to the Storting was originally expected to be presented in 2018.

- I find it disappointing that the case has not yet been put forward for a decision by the Storting.

High tempo

She stresses that the development in the letter volume is not desirable from Posten’s point of view. It is a consequence of the digitalisation of society, and Posten is obliged to adapt to this development. Customers and politicians alike have recently responded to the fact that Posten is changing at a rapid pace.

- On the one hand I understand that it can create frustration that some people are losing a service that they are used to and that they like. On the other hand, I also sometimes wonder that there is not a greater understanding that Posten is changing because customer needs are also changing. “People almost never send letters anymore,” she says.

She is not losing any sleep over it. The delivery of the future is not dependent on the solutions of the past and Wille is looking into the future. Since taking office as CEO in the autumn of 2016, she has put digital innovation on the agenda. She is very pleased that there are strong environments for innovation both externally in the business area and in a central competence unit. In the past year, Posten has introduced several new solutions, such as sending from your own mailbox, digital stamps and upgrading of the Posten app. This summer the Group finished fifth in the competition for selecting Norway’s most innovative companies.

- It is gratifying to know that we are being noticed and that external actors can see that we are putting innovation and development high on our agenda. We are future-oriented and should also be relevant in the future, attract competent manpower and create solutions that make everyday life easier for our customers, says Wille.

Gets energy from people

She does not believe that new revolutionary solutions can arrive all at the time, but believes the group is better equipped than in the past to create innovation and to make quicker decisions. This creates a foundation for change and continuous improvement.

Over the past year, she has met many of those who work in the group, at all levels. She has had several trips around the Nordic countries and is constantly learning from both new employees and those who have worked in the group since the last century.

- “It gives me energy. I’m inspired by meeting...
Our strategy

Our strategic platform sets the direction for how we should use our resources to ensure long-term value creation.

We make everyday life simpler and the world smaller

We aim to simplify and increase the value of trade and communications for people and enterprises in the Nordic region

- Committed and competent employees
- Innovative and sustainable development
- Satisfied and loyal customers
- Cost-effectiveness and profitable growth

Take responsibility
Be a team player
Want more

Our objectives

- Committed and competent employees
  - Strengthen our professional environments, develop and attract new and necessary expertise

- Innovative and sustainable development
  - Explore and adopt digitalisation and new technologies

- Satisfied and loyal customers
  - Drive innovation together with our customers
  - Establish and implement a Nordic service portfolio

- Cost-effectiveness and profitable growth
  - Change in regulatory framework for Posten and continued adaptation of operations to the market
  - Optimize and adapt costs to create profitability and competitiveness in order to grow

- Employee commitment
  - Scale 1-7
  - 5.9

- Norwegian Innovation Index
  - 10 or better by 2021

- Climate ambition
  - Use only renewable energy sources in vehicles and buildings by 2025

- Ipsos Profile Survey
  - Share of positive impression (1-100) by 2021
  - 65

- Owner's return requirement
  - 9 percent
The United Nations’ Sustainability Goals

The UN’s sustainability goals have given the world a common framework and direction for sustainable development. We have the responsibility to take care of the needs of those who are living today without destroying the opportunities of future generations.

Four of the UN’s seventeen sustainability goals stand out as being particularly relevant to our business:

- We are a large employer and are responsible for employees having decent employment and working conditions.
- Posten is an important part of the Nordic infrastructure – innovation is absolutely essential for us to continue to be relevant in the future.
- The transport sector is one of the largest emitters in climate accounting for the Nordic countries. This means that we have a great deal to contribute.
- We are conscious of how we use and affect resources. On the following pages you can read about some of the values we have created.
People

We have developed from being a Norwegian postal company to becoming one of Scandinavia’s largest postal and logistic groups. We change ourselves because people change.

We are still one of Norway’s largest employers, even though we have gone through one of history’s greatest restructuring processes. In 1990, there were over 30,000 employees in the Norwegian postal business, now there are about 6,500. We have transformed ourselves on time, spent time securing a common understanding of reality, and had a good and open dialogue with the employees’ organisations. This is how we have managed to carry out major restructuring without problems or labour disputes, with more satisfied and healthy employees as a result.

Our ambition is to be an attractive workplace that attracts and retains the most committed and competent people. We are committed to developing our existing employees and attracting the expertise we need today and in the future.
More are healthy

Since 2006, sickness absence has been reduced by more than 30 percent, and the invalidity rate is halved.

The aim is to achieve an open communication between manager and employee.

Colin Campbell, Director of HSE and Corporate Social Responsibility

For several years we have been working to get employees with repeated, long-term sickness absence back at work. This applies to employees who have had 24 or more sickness absence days each year, over the last three years.

Open and systematic communication between manager and employee on working capacity, adaptation and other measures related to the employment relationship has reduced the number of cases by 67 percent.

The group’s long-term and systematic HSE work has given good results. Close cooperation with the safety representative and elected representatives has been decisive.

Work has an effect on the well-being and health of each individual, while both the group’s and

The organisation survey shows that 9 out of 10 enjoy their work.

I am concerned that employees should be able to find out what they are good at and what they can achieve together.

Hanne Skauger, Production Manager

Proud teams that enjoy their jobs

Employee satisfaction is high and has had a positive development since 2007.

We conduct annual organisation surveys to measure employee satisfaction, and evaluate whether the measures achieve the desired effect. The main thing about the survey is to use it as a basis for learning and dialogue in our own entity. Here, managers have a special responsibility to follow up on the measures throughout the year.

Just as they have done with production manager Hanne Skauger’s team at the Østlandstunnelen at Lørenskog, which has given results.

– The groups talk together, discuss in team meetings, agree and find tasks to work on. A specific objective has been for everyone to be able to conduct all the tasks in a team. It is important that each and everyone contributes and comes with input. Satisfaction has risen considerably since last time, and one of her teams has obtained a score of 96 (out of 100).
Attractive employees

We capture valuable competence and drive talent development.

“You make the difference” is an internal trainee programme aimed at employees with an immigrant background, who want experience from administration and management in the group. The programme is specifically aimed at operational staff with competence they are unable to use in their current positions. Participants are offered their own mentor, relevant courses and the opportunity to network with the aim of obtaining a higher position.

Said Hassan Ahmed’s professional background and experience are very useful for Posten’s Business Intelligence environment. They move into many new waters by using algorithms, machine learning and artificial intelligence.

Nighat Ali wanted to be a manager and had all the personal qualities to fit the role. “Through good follow-up by my manager I got to try myself out in several departments,” she says. After one year at Berger, Nighat moved to Alnabru and the Oslo Logistics Centre. There, she became the production manager for 24 employees.

Murtu Kutluay is very fond of figures, going in depth and finding connections. That’s why the position of senior analyst is the dream job for him. He knows the group well and has valuable experience from operation processes.

---

We raise the standard

For us, it is important that the group’s requirements to working conditions, safety, quality and legislation are followed—both inside and outside the Nordic countries.

The logistics market is becoming increasingly international. As a major player, we are responsible for influencing the industry and framework conditions in a positive direction.

We chose to establish a subsidiary with our own employees, rather than basing ourselves on subcontractors from a number of different countries. It gives us better control of the value chain and ensures that the services are carried out in line with legislation and our own requirements for decent working conditions, safety and quality. We believe that with Bring Trucking we are helping to raise the standard of the industry.

Our training and safety requirements are higher than international standards. Drivers get training in skid pan driving and safety, and the trucks have good winter tyres and chains. Daniel Toncik is happy about this. He has been employed by the company for 13 years and has driven to Norway in 10 of them.

"Safety is important to me," he says. We change

On icy roads in Norway

I have to think about safety. I slow down and keep a good distance from the car in front.

Daniel Toncik, driver in Bring Trucking
Environment

We take an extra responsibility for stopping climate change and leading the way in the green shift.

In 1950, 30 percent of the world’s population lived in cities. The number is expected to rise to 58 percent in 2025. In both Norway and Sweden, the largest cities are growing faster than the rest of the country. Growth results in an increasing negative consequence for the environment and the authorities take responsibility through regulations and demands for new solutions.

Road transport is the largest source of local air pollution and we aim to minimise our impact. The initiative has resulted in emission-free mail distribution in 49 cities and towns throughout Norway. We have reduced emissions continuously over the last 10 years.

We have set ourselves the ambitious goal of using only renewable energy sources in our vehicles and buildings by 2025. In order to succeed, we are making an effort in several areas. We are investing in climate-efficient buildings and zero- and low-emission vehicles, we set requirements to our sub-contractors and are a driving force for technological development in vehicles and fuels. This goal gives a clear signal to customers, competitors and suppliers that we want a rapid development.
ALTERNATIVE VEHICLES

1,382

- 1,197 ELECTRIC VEHICLES
- 94 TRUCKS AND CARS ON HVO
- 90 TRUCKS ON BIO-BIOGAS
- 1 TRUCKS WITH ETHANOL

Green responsibility

By 2025, all our vehicles shall utilise renewable energy sources.

Today we have Norway’s largest vehicle park with zero emission technology. The majority of the vehicles are electric-powered, in addition, the park of heavier vehicles consists of both renewable diesel, biogas and bio-ethanol.

In 2018 we extended our commitment to zero emission vehicles. We were the first in Norway to adopt the Maxus and E-Crafter electric vans to distribute goods to businesses in urban centres.

Competitive solutions for heavy transport are still at the early stages. We see that it is important to contribute and have, among other things, ordered towing vehicles from both Nikola 3 and Tesla. “In recent years, the group has worked actively on improving the framework conditions for vehicles running on electricity and biofuels to be competitive compared to fossil-fuel vehicles,” says Colin Campbell, Director of HSE and Corporate Social Responsibility.

Renewable diesel is especially important until other options are available for heavy transport. The group has invested in 10 tank plants for renewable diesel.

In 2018, the group used 48 million litres of diesel fuel, of which 13 million litres were biofuel equivalent to 49 cities and towns in Norway.

Last year, the truck manufacturer, Nikola, launched a hydrogen-electric model. We have ordered a truck, which is scheduled to be tested on Norwegian roads in 2020.

For several years we have been a driving force in testing new environmentally efficient solutions and in creating a market for zero emission solutions.

Colin Campbell, Director of HSE and Corporate Social Responsibility

“Climate neutral” by using only renewable energy sources in all vehicles and buildings.

CLIMATE GOALS: BY 2025 WE WILL PROVIDE

EMISSION-FREE DELIVERY OF MAIL IN
Sustainable presence

Our new logistics network and climate-efficient buildings lead to fewer driving kilometres and a reduced climate footprint.

We have made substantial investments in an energy efficient and common network for our logistics services. First and foremost in Norway but also in Sweden and Denmark.

The logistics network is built to handle profitable growth for e-commerce volumes and ensure climate-efficient solutions for our customers.

The network means that we use fewer hours for processing the volumes and fewer resources for transport. In addition, energy consumption is reduced.

“We take advantage of economies of scale, operate climate efficiently and offer the best services. In this way we assert ourselves in the competition and will continue to be the preferred choice for our customers,” says CEO Tone Wille.

“We take advantage of economies of scale, operate climate efficiently and offer the best services.”

Tone Wille, CEO

10,000

in Oslo every single day

WE GENERATE

30 per-cent

of own consumption at the terminal in Trondheim

WE HAVE REDUCED ENERGY CONSUMPTION

50 percent

at the terminal in Gothenburg

Efficient logistics in vehicle-free city centres

Access to renewable fuels and technology development on heavier vehicles

Speeding up the transfer of goods from road to rail requires environmental support and railway investments

Greener Stockholm

Bring cooperates with Ragn-Sells to reduce traffic volume in Stockholm – the result was Ålskade stad.

This is a commercial and sustainable initiative which means that the two companies combine deliveries of packages with retrieval of recycling materials in small electric-powered trucks. The electric truck first delivers Bring cargo to stores and offices in the city centre, and brings back return packaging such as cartons and paper to the Ragn-Sells terminal in the city centre. Here the packaging is collected and transported out of the city for recycling.

“It is becoming increasingly important for Bring to find new ways to deliver so as to reduce the environmental impact in cities. One key is collaboration both within and across industries. We hope that this can inspire more to think again about cooperation for sustainable cities,” says Tobias Åbonde, Bring in Sweden.

The cooperation has received much attention, and several delegations from European mail and logistics companies have been in Stockholm to see how the solution works in practice.

In the spring of 2019, the same model will be used in Malmö and Oslo.

“We hope that this can inspire more to think again about cooperation for sustainable cities.”

Tobias Åbonde, Bring in Sweden
Innovation

We constitute an important part of the infrastructure in the Nordic countries. Innovation is essential to continue to be relevant in the future.

Change is part of our everyday life. Our ability to innovate and develop is in our DNA – without it, we wouldn’t be here today.

We owned the first two steamships in Norway, and helped to establish the country’s first railway. We were also active participants when the first commercial flight started up in 1923.

Our guiding mantra throughout history has been “the fastest possible delivery using the most up-to-date technology.” This still applies.

We are a major player with substantial annual purchasing. That means we have the opportunity to drive developments forward. Our purchasing can be decisive for the realisation of new technology or new products for other companies.

Developments and changes are happening at an ever-increasing tempo. For the past 20 years we have changed more than during the first 350 years, and the last two years more than the previous 20 years.
By making use of new technology, we develop attractive services.

People want freedom of choice. Posten is developing new flexible delivery methods so that people and businesses can get goods delivered the way they want and are willing to pay for it.

Even in the digital age, people need to send physical things to each other. Physical deliveries don’t become old-fashioned; they just happen in new ways.

Over the past year we have launched several new services. Digital stamps, send from your own mailbox and delivery in a hiding place. The latest addition is that, in spring 2019, we are testing delivery inside the door when the recipient is not at home.

In 2018 we opened 2.4 million new “Post Offices”

Tise is an app for buying and selling used fashion clothes and interior articles. The app wants to make the experience of selling used items better, so that more things can be reused.

I find that it is much easier for our customers to send packages to each other.

Eirik Frøyland Rimi in Tise

Simpler everyday life for

Procurement provides innovative power

Our procurement contributes to innovation and technological development.

Through dialogue with the supplier market we become aware of new developments and can communicate our need for new solutions.

We have contributed to the development of the world’s first self-driving letter- and parcel robot. We believe it will provide both improved service and increased efficiency—in addition to zero emissions. Our technology partner Buddy Mobility strongly believes that if new solutions work in Norway then they will succeed elsewhere as well.

“Potentially, cooperation can also show the way for an international focus, because letter and parcel deliveries have many similarities around the world,” says Per Ivar Selvaag, Buddy Mobility.

It is not the first time that Posten contributes to innovation. In 2013, we developed the electric moped Paxster in collaboration with Lloyds Industrier. The result was an industrial adventure for Lloyds (now Paxster AS) and a success story for Posten, which could deliver emission-free in the cities. A win-win situation for Posten and the car manufacturer, which now exports to mail companies throughout the world. For example, from 2016 more than...
Going in for digital innovation

We create tomorrow’s services for customers and employees.

In 2017, we created a dedicated division for innovation, digital business development, and user experience. Digital innovation is the group’s resource centre for innovation and digitalisation. Here, a total of 25 employees work on exploring, designing, and testing new products and services—from idea development to realisation.

“In 2018, our main focus was on building up the environment, putting in place a framework for innovation and entering into cooperation agreements. One of the biggest challenges has been to recruit the right expertise. We have recruited both externally and internally,” says Alexander Hareng, Director of Digital Innovation.

He explains that the interaction between the department and the other environments in the group is important for improving our ability to implement actions.

“Working in multi-disciplinary teams with experience and competence is essential for successful innovation,” he says.

Although much of last year was used on building a solid foundation for the department, they also began working on several projects. The “Innafor” service, which is to be tested in spring 2019, allows customers with digital code locks to have their packages delivered inside the door if they are not at home when the delivery man arrives.

In another project, a cooperation was entered into with Telia to test their new Internet of Things (IoT) on the 4G network to track Posten’s package cage with special tracking chips.

“Even though we work with more services to customers, digitalisation is just as much about streamlining operational processes and creating good tools for our employees. Among other things, we are working on a special app that allows employees to report near accidents. The app can replace today’s paper form and manual processes.

“In 2018, the Group’s intensified focus on innovation was noticed by the magazine Innomag, which voted Posten Norge as the country’s fifth most innovative business. Innomag, which is the country’s leading magazine in innovation, wrote, among other things, that 372 year old Posten appears to be “anything but outdated” with its innovation work.

Faster innovation with Helix

We have started to work in a new way so as to offer the right solutions faster. Using the Helix work method, we focus on collaboration and insight. We test ideas earlier and seek the solutions that have the most value for customers and the group.

Challenges:

- Development of employees’ competence adapted to a digital age
- In the mail segment – escalating decline in volume and need for a rapid restructuring
Innovation over 372 years

The Royal Norwegian Postal Service is created and four mail routes are launched in 1647.

- The post horn is used to warn that the post is coming and that it should not be hindered or delayed (1730).
- We become the country’s first national mail service (1827).
- For the first time sent over 1,000,000 letters per year in 1848.
- The Postal Service imports two cars to improve distribution to rural areas (1908).
- We introduce postal code (1968).

- We order our first Paxster in 2011.
- 1,300 fossil vehicles are replaced with electric vehicles (2011).
- We establish Digipost for secure digital mail (2012).
- We introduce the tracking app (2013).
- We establish our own air freight network throughout the country (2016).
- We put into use our first electric car at the Winter Olympics in Lillehammer (2017).
- We open Europe’s most modern letter-sorting plant in Oslo (2018).

2011-2018:
- We test and launch a number of new services.
- Delivery inside the door.
- Digital stamp.
- Send from your own mailbox.
- Chatbot Customer Service.
- Self-driving package-automatic machine.
- Delivery to and from hospitals using drones.
- Your hour-time-defined delivery.
- Glow—Easier communication between sender, recipient and driver.
- Silver economy—Visiting service for seniors who need help with simple services.

We have always been an innovative business. Ever since our start some 372 years ago, we have been at the forefront and have adapted ourselves in step with the changes in society. We will of course continue to do so in the future.