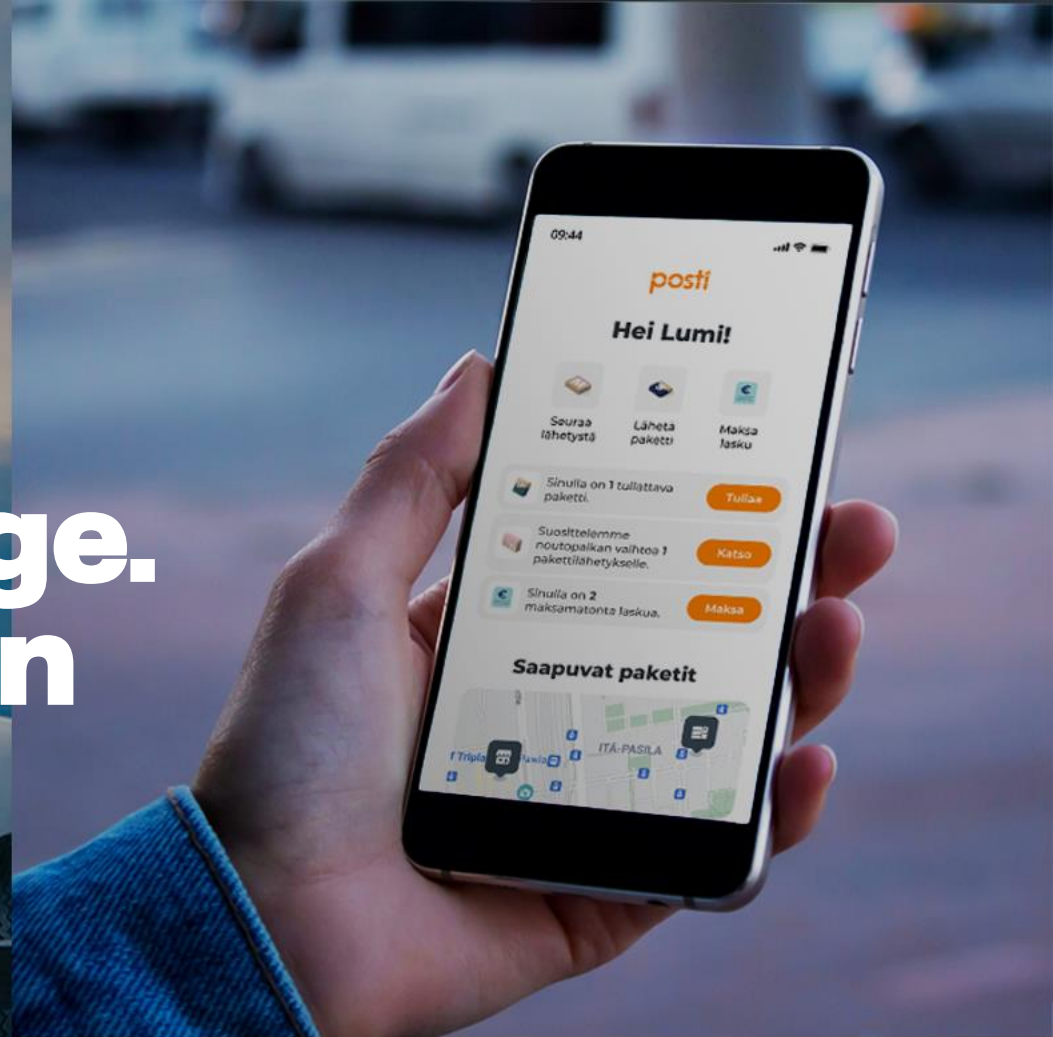




**Times change.
The mission
remains.**

Petteri Naulapää

SVP, ICT & Digitalization



posti

Responsibly delivering what matters to you – on your terms



Warehousing



Transportation



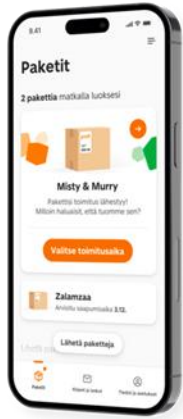
Sorting



Delivery



Along with new strategy, we had a need to evaluate our ability to execute our strategy from digital point of view (situation 2020)



2018 - 2020

- Heavy investment in digital with some good results
- But also, costs increase, slowing output, poor transparency, disruptions in production...

According to our analysis and benchmarking late 2020 the finding was:

- Non-negotiables (foundation), Posti was considerably behind peers
- Differentiators (new tech etc), Posti was close to peers

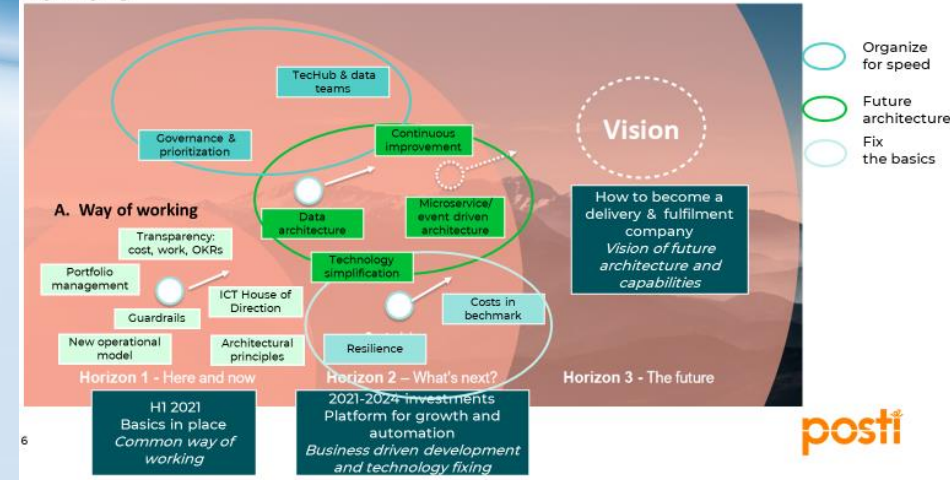
”If underlying problems are not fixed, our strategy execution will slow down, issues will grow and cost will continue to increase”

The Flow journey so far (slide Nov 2023)

We started our transformation journey in 2021 and launched the Flow transformation program. 2021-2023 we have focused on performance management and fixing the basics.

- Transparency to initiatives, costs, competences and technology
- Posti ICT spend level considerably down while maintaining development level
- From distributed to more centralized operating model
- Increased own capabilities in key areas and reduced external
- Downtime reduced -30-40% per year (-95% since 2018)
- High Peakon Engagement and leadership scores

Transformation program started 2021 proceeding iteratively and in horizons



Group level prioritization



- Systematical process started 2022
- Guided by strategy and commercial priorities
- Prioritization managed by Cross Domain Council
 - Strategy heads, domain leaders, IT/digital leadership
 - Quarterly process
- Approval by Posti Leadership Team (ICT/Data SG)



TechHub, Data, Design

- Centralized competence teams
- Consolidation started with TechHub 2022 , followed by Data and Design 2023
- Each has own responsibilities and allocate competences to domain led initiatives
- TechHub did an internal insourcing 2023 re-allocating 40+ own employee to key initiatives and reduced 40+ consultants.

DESIGN



Human-centered design

DATA



Collecting, modeling, using and deploying data solutions

TECHHUB

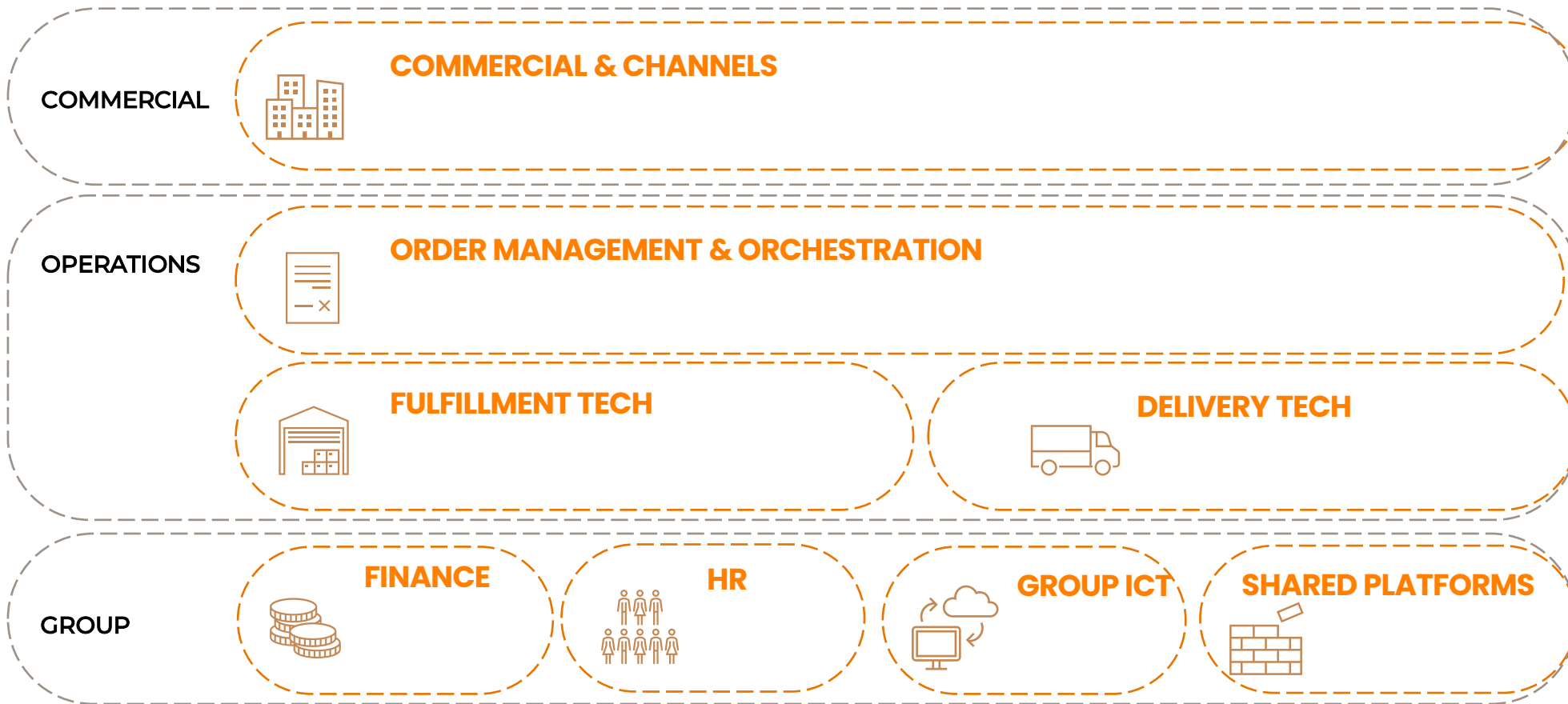


Develop and run SW platforms

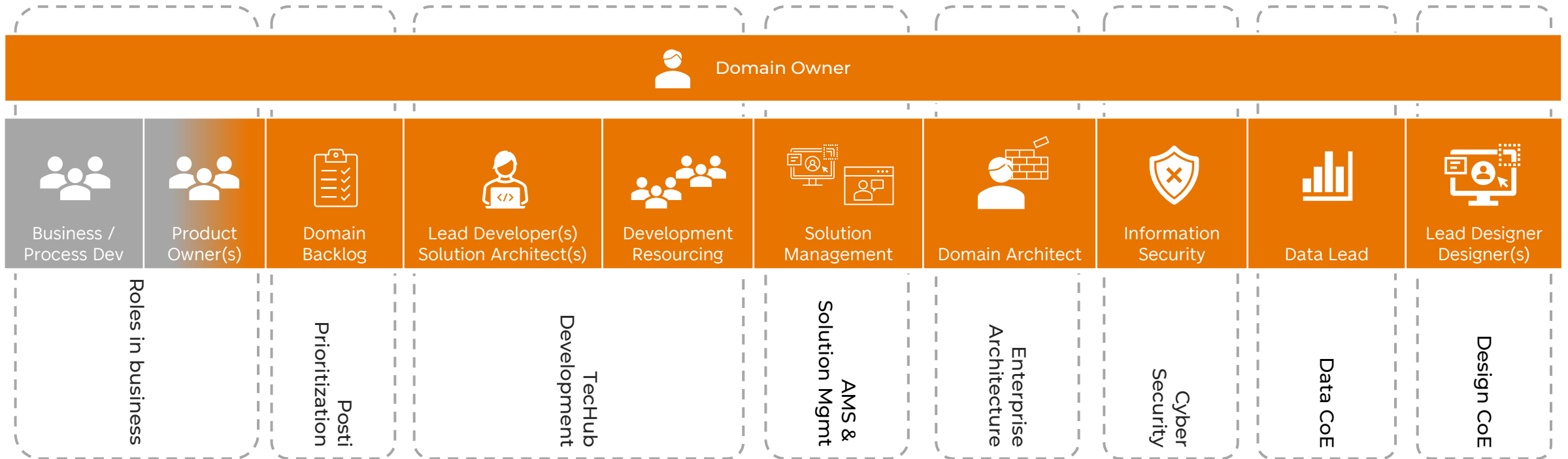
Digital Delivery – Posti Domain-based model

IT capabilities organized into specialized domains based on strategic business functions.

The domains represent our strategic capabilities and enable us to focus our efforts on the areas that bring the most value to our business. Domains are responsible for initiatives, support, budget and results in their domains



The Building Blocks of a Domain



Centralized functions provide shared services to domains, ensure alignment and efficiency across domains.

Digital leadership model



Domains



Competences



COMMERCIAL



COMMERCIAL & CHANNELS

OPERATIONS



ORDER MANAGEMENT & ORCHESTRATION



FULLFILLMENT TECH



DELIVERY TECH

GROUP



FINANCE



HR



GROUP ICT



SHARED PLATFORMS

DESIGN



DATA



TECHUB



posti



**Thank
you**

posti