

Oral questions from a first shareholder

- ***Does bpost still own the Brussels X building at Gare du Midi station? If so, what does bpost plan to do with it?***

Koen Van Gerven (CEO): this building was sold years ago and no longer belongs to bpost. We do not know who the present owner is.

- ***Could you give us guidance on the future bpost dividends?***

François Cornelis (Chairman): the bpost Board of Directors uses a clear guidance, which is to distribute at least 85% of the company's annual nonconsolidated net profit.

- ***Absenteeism remains a problem, in spite of the recent improvements emphasized by the unions. Do you already observe positive results in 2019 following the signing of the collective labor agreement (CLA) in December 2018?***

Koen Van Gerven (CEO): the CLA concluded on December 20, 2018 has various constituents:

- Adjustment of the workload on the ground and heavy rounds;
- Hiring additional staff;
- Increasing the spending power of all employees, including postwomen and men, to make the job even more attractive.

These measures are now being implemented and the initial results are positive.

- ***bpost is winning international prizes in various fields and works hard in terms of the environment in particular. Why are you not advertising this more?***

- ***Many red post boxes were taken out of service in 2019. It is regrettable that bpost did not communicate more on this.***

Koen Van Gerven (CEO) : we take note of your suggestion to communicate more on international prizes and environmental efforts.

With regard to the reduction in the number of red post boxes, bpost tried to communicate the goals and practical details of this measure in a transparent way:

- In the media (press, website);
- With notices on affected post boxes stating the last date of use (unfortunately some were vandalized, torn or removed);
- In a letter to every Belgian municipality explaining the network adjustment, including a detailed list of all red post boxes to be taken out of service (in compliance with the relevant legal framework), inviting the municipalities to share their observations. Approximately 100 municipalities responded and bpost took various suggestions into consideration. Many other municipalities responded far too late or not at all.

bpost has an important role to play in society. A role it has always fulfilled and will continue to fulfil. However, the economic reality must be taken into account: (i) Adapt to the changing customer behavior, (ii) give due consideration to the wellbeing of the employees and (iii) respond to the shareholders' expectations. We are convinced that we are on the right path to balancing these different aspects.

Oral questions from a second shareholder

- **I have a problem with a damaged parcel.**

Koen Van Gerven (CEO) : we take note of your point and suggest we discuss it after the general meeting.

Oral questions from a third shareholder

- ***The performance of Radial does not correspond to what was announced. What is going on?***

Koen Van Gerven (CEO): Radial is functioning properly from an operational perspective. On the other hand, the commercial activity needed to be relaunched and an action plan has been agreed to that end. On the Capital Markets Day of June 21, 2018, the CEO Parcels & Logistics USA, Pierre Winand, presented this action plan and emphasized that, in spite of the various ongoing developments, 2019 would be a tough year because:

- Customers had ended their contracts in late 2017/early 2018, but due to the transition period, the impact would only be felt in 2019;
- many new customers had signed contracts with Radial, but the impact would not be felt until next year.

It is important to emphasize the following aspects:

- The ambitious contract renewal targets were achieved last year;
- The number of new contracts signed exceeded our forecasts, which were also ambitious;
- The net promoter score (to measure customer satisfaction) is improving.

Work remains, but the indicators show that we are on the right path and enable us to confirm our long-term targets announced on the Capital Markets Day.

- ***What does the transposition of a “Radial model” to Europe mean?***

Koen Van Gerven (CEO): E-commerce is a global story. Europe is lagging behind the United States, but this business is unquestionably growing in Europe. bpost must diversify to protect its continuity and the outlook for e-commerce is promising. We have the resources and the skills to respond in Belgium and the United States and our ambition is to roll this out in the rest of Europe and even Asia.

Oral questions from a fourth shareholder

- ***How come the bpost Board of Directors did not see Radial’s commercial problems?***

Koen Van Gerven (CEO): Radial is not bpost’s first acquisition and, in collaboration with experts, a specific investigation was conducted (due diligence) prior to the acquisition. The Board was aware of Radial’s commercial problems and insisted on meeting the customers, which is rather exceptional in an acquisition. Unfortunately, the problems were greater than anticipated, which is one of the inherent risks of any acquisition.

- ***Should bpost not focus on mail delivery quality in Belgium before becoming an international actor?***

Koen Van Gerven (CEO): there are several facets to the answer to your question:

- Delivery quality for letters remains at the heart of our business and is monitored closely, among other things based on objective indices established by external experts;
- Some rounds were disrupted by strikes in certain regions and there is a shortage of postwomen and men, but we are trying our best to ensure the delivery of mail;
- bpost has opened various channels for complaints. Each and every complaint is taken very seriously. As CEO I receive complaints every day. I read all of them and I sometimes respond personally. Every complaint is analyzed in depth and answered.

Oral questions from a fifth shareholder

- ***Can letters be handed to a postwoman or man?***

Koen Van Gerven (CEO): our postwomen and men will indeed take letters for delivery. That is a service provided for in the universal service. It is known as “AUB Postbode / SVP Facteur”. A note is placed in the window where it is easy to see, so that the postwoman or man knows to ring the bell to pick up the letter. This is regular practice and there is no reason to stop doing this.

Oral questions from a sixth shareholder

- ***What are the future plans for bpost Bank? Is a merger one of the possibilities?***

Koen Van Gerven (CEO): the activities of bpost Bank are important, both for our customers and for the activities in the post offices. Banking transactions account for half of the activities in the post offices. The banking industry is going through a major transformation and is also affected by the changes in the digital world. bpost Bank follows this digital transformation and has made huge progress in recent years, with due consideration for the specific characteristics of bpost Bank customers. Banking activities are a challenge in the long term. Interest rates remain at a historic low. bpost Bank came out of the banking crisis unscathed, but the crisis fundamentally changed the banking landscape in terms of regulation and financial requirements. With that in mind, we are constantly reviewing the future of bpost Bank with our partner BNP Paribas Fortis.

Oral questions from a seventh shareholder

- ***I do not want to make a complaint, but rather the exact opposite. I highly appreciate the staff in the post offices, especially their commercial mindset. The change in mindset of staff compared with a few years ago is striking.***

Koen Van Gerven (CEO): thank you for your observation.

- ***How confident are you that the dividend can be maintained? You are sure that it will be the same as last year. Do you maintain that position? Is it politically tenable in the long term given the shrinking letter sector?***

Koen Van Gerven (CEO): to be clear, I would like to state that I never said the dividend would be the same as last year. We have confirmed the dividend policy, which is to pay out 85% of the

nonconsolidated net profit. When it comes to the exact amount, this will depend on the result and this is a decision of the Board of Directors.

François Cornelis (Chairman): we have indeed confirmed the dividend policy but are not taking any position on the amount at this time.

- ***How many customers have switched to competitors as a result of the strikes and union actions? It would be preferable for these actions to be ended.***

Koen Van Gerven (CEO): we lost 1.5% volume due to the social actions at the end of 2018. Some customers turned their back on us at that time. Many of them came back, which is proof of our quality and the fact that it is not easy to handle such large volumes. In general, the net promoter score (NPS) among customers who receive parcels is good. Our quality is good compared with competitors. Such actions cause reputational damage more than anything, which is disastrous for customer recruitment.

- ***How sure are you that the new CLA will safeguard social peace?***

Koen Van Gerven (CEO): during the negotiations, unions and management looked into each other's eyes and had constructive discussions. We live in a world of great instability, but I hope that we can continue to work together constructively on the challenges we face in the interest of customers, employees and shareholders.

Oral questions from an eighth shareholder

- ***I am a satisfied customer and shareholder. I would like to congratulate the employees on the ground on their efforts.***

Koen Van Gerven (CEO): thank you.

- ***Why are you withdrawing from the participation in De Buren in the Netherlands? In Belgium you will once again become sole owner of Cubee, your own network of parcel lockers, which is an open network. Is this network used much by competitors?***

Koen Van Gerven (CEO): it took some time to get the parcel lockers in Belgium up and running, but they are now gaining traction. De Buren has helped us well based on their user-friendly technology and has given us the opportunity to acquire parcel lockers at a lower price. However, we see that there is much less traction for these lockers in the Netherlands and we have asked ourselves whether it was expedient for bpost to invest further in the Dutch part. This was not a priority for bpost. That is why we decided to take back full ownership of the Belgian part, including the IT rights and sell the Dutch part. This enables us to develop this business in Belgium autonomously.

- ***Colruyt recently selected Bringme. Why did Colruyt not select Cubee? Colruyt is going to start home grocery deliveries, for which they are charging a high price, unlike bpost. Have you spoken to Colruyt about this?***

Koen Van Gerven (CEO): Bringme is known in the sector and we share your opinion that Cubee is more user-friendly. DHL, DPD, GLS and others use Cubee.

A price was charged when bpost organized grocery deliveries. A few years ago, Colruyt had little or no interest in home grocery deliveries. They worked with Collect&Go, in which customers picked up their groceries. I note, as you do, that Colruyt has changed its position on this. bpost is monitoring this sector and we will certainly capitalize on any opportunities. We have naturally been in contact with Colruyt. Lastly, a few years ago, we ended a home grocery delivery pilot project. However, in Leen Menken we have a solution that can help us if traction is gained in that sector.

- ***There are a lot of practical and organizational challenges with regard to the new distribution model. When will you implement it? I also feel that the Prior price is far too low and thus does not solve the problem of delivery costs. Too high a quantity of Prior items will mean that you have to visit the majority of letterboxes every day.***

Koen Van Gerven (CEO): you make relevant remarks about the challenges in connection with the new delivery model. We do not yet have an answer to all those questions. We will continue to flesh out this project with pilots, which will enable us to make any adjustments as needed. This is a method that bpost has always followed and will continue to follow. But it would take too much time to go into detail about those challenges here and now. For example, the Board of Directors recently devoted a full day on the new delivery model.

Regarding when the new delivery model will be introduced, the Prior and Non Prior stamps were introduced on January 1. This will be fleshed out further. The product range and the service still need to be tweaked. The concrete organization, with or without Georoute, also needs to be studied further, as does the impact on people. We will start its gradual introduction, office by office, at the beginning of next year.

- ***Lastly, regarding AMP, the newspapers and periodicals are delivered through a separate network. Why is newspaper delivery not incorporated into the regular rounds? Will you combine the addressed advertising mail, bearing in mind you will only come twice per week?***

Koen Van Gerven (CEO): during the acquisition of Lagardère, we examined how we could optimize the logistics of newspaper delivery. We drew up a plan for that and last year we made a provision of €8.3m for the consequences of the integration, as you can read in the Annual Report. We are now fleshing this out and will integrate certain aspects of the secondary and tertiary transport. We are also going to increasingly combine the two activities in the few newspaper delivery hubs that are already at the printers. We are trying to continue the integration and thus to improve our efficiency.

➤ ***You said that Radial margins were higher than the parcel delivery margins. Is that right?***

Koen Van Gerven (CEO): a great number of companies is working with a margin that exceeds that for last-mile delivery. That margin is very tight and there is a lot of competition. We do not publish margins, but I can confirm that the margins for certain activities, such as Landmark Global in the United States, are better than last mile.

➤ ***Where are the fulfillment centers in Belgium? What is happening there?***

Koen Van Gerven (CEO): bpost provides fulfillment services to a number of companies in Belgium, such as a non-food retailer, a cosmetics company, a media group and publicity material for other companies. We also have a fulfillment business for our own use in Jemelle. Otherwise, we have fulfillment activities in Brussels and Boom (for EuroSprinter and DynaGroup in Belgium, among others).

➤ ***It was surprising to read that Mr. Pierloot has left bpost and an extraordinary general meeting was held at Bleckmann that same day. Is there any link between the two?***

Koen Van Gerven (CEO): you appear to have conspiracy theories regarding Mr. Pierloot, but that is not how I reason. I, with you, observed that Mr. Pierloot was appointed CEO of Bleckmann.
