PostNord AB (publ)

Note: Every care has been taken in the translation of this document. In the event of discrepancies, the Swedish original will supersede the English translation.

Report by the Board of Directors of PostNord AB on the Compensation Committee's evaluation of executive compensation

The Board of Directors of PostNord AB has appointed a Compensation Committee, which addresses matters regarding both guidelines for executive compensation and employment terms for the CEO. The guidelines for compensation to Group management shall be submitted to the Board of Directors, which shall submit a proposal for such compensation guidelines to the Annual General Meeting for approval. Employment terms for the CEO shall be approved by the Board of Directors. According to the government's "Riktlinjer för anställningsvillkor för ledande befattningshavare i företag med statligt ägande" (guidelines for the employment terms for executives in State-owned companies) and the Swedish Code of Corporate Governance, the Compensation Committee shall monitor and evaluate programs for variable compensation to Group management, application of the guidelines for compensation to Group management, and applicable compensation structures and levels in the Company.

The Compensation Committee continuously monitors and evaluates PostNord's compensation system for Group management. The Compensation Committee considers that applicable guidelines for compensation to Group management work well and are balanced with the aim of ensuring that the PostNord Group can attract and retain the best workforce for the Group. In its evaluation of the application of the Company's guidelines, the Compensation Committee has found that existing compensation structures correspond to and are in line with the guidelines adopted by the Annual General Meeting and the overall principles that are to apply to the structure of executive compensation, according to the Code of Corporate Governance.

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Stockholm, February 2019
PostNord AB (publ)
Board of Directors