

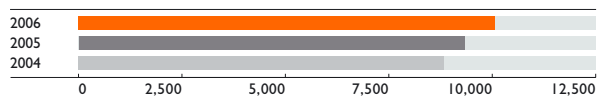
SOCIAL RESPONSIBILITY REPORT 2006



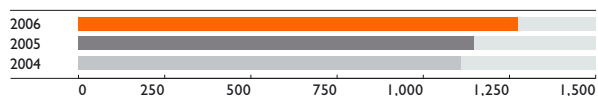
SOCIAL RESPONSIBILITY REPORT 2006

TNT AT A GLANCE

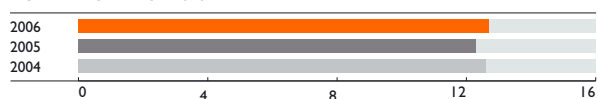
Revenues (€ million)



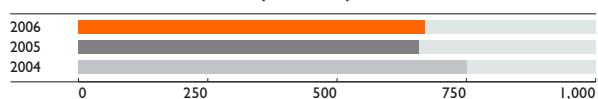
Operating income (€ million)



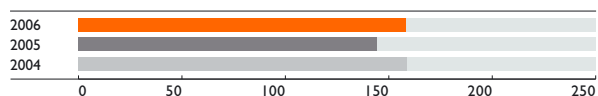
Operating margin (%)



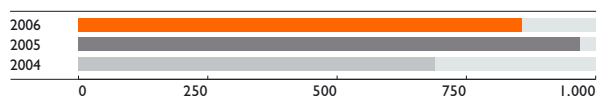
Profit for the shareholders (€ million)



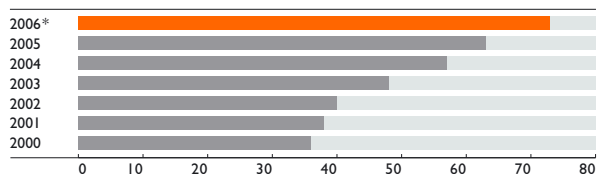
Earnings per diluted ordinary share (in € cents)



Net cash from operating activities (€ million)

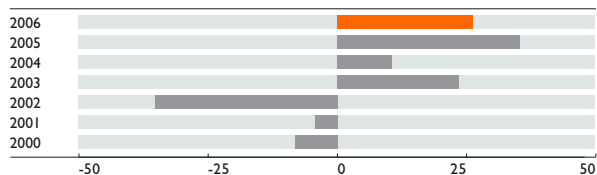


Dividend per share 2000-2006 (€ cents)



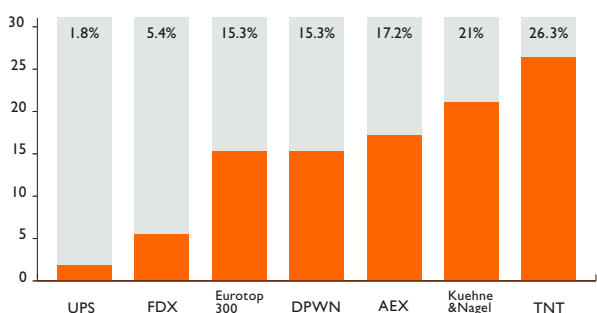
* Estimate based on the number of outstanding shares per 26 February 2007.

TNT total shareholder return 2000-2006 (%)



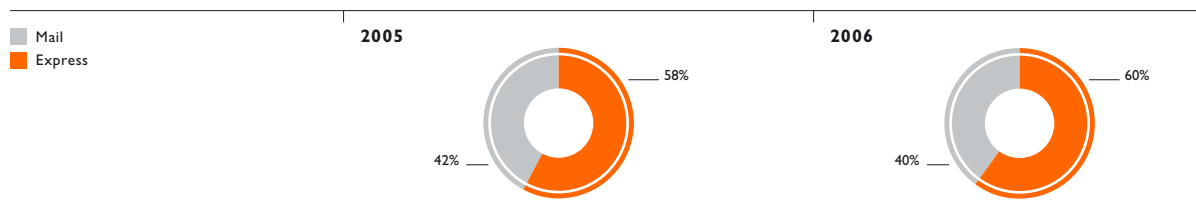
Source: Bloomberg Professional.

Total shareholder return in FY 2006 (%)



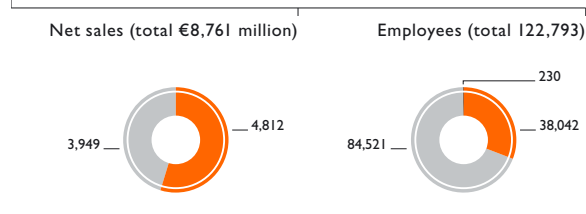
Source: Bloomberg Professional (own currency based).

Distribution of revenues per reportable segment

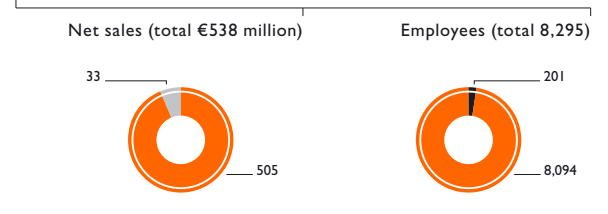


TNT AROUND THE WORLD

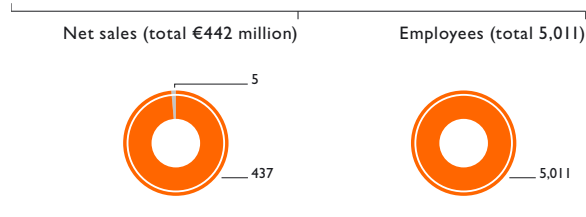
Europe and the Russian Federation



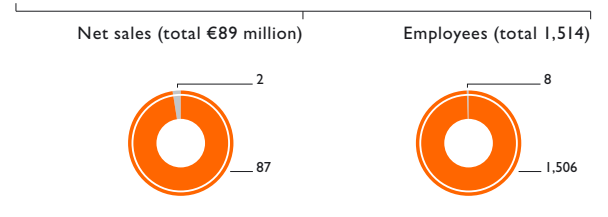
Asia



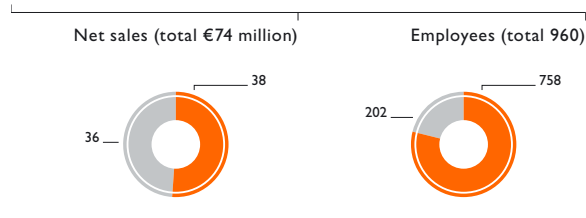
Australia and the Pacific



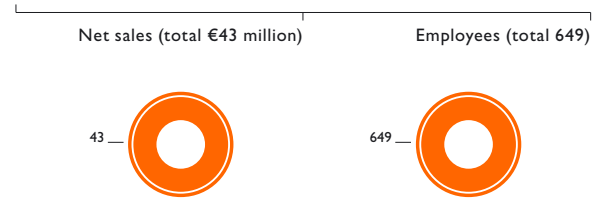
Africa and the Middle East



USA and Canada



South and Middle America



■ Mail
■ Express
■ Non-allocated (only applicable to employees in Europe and Asia)

For more information regarding our company, please refer to our website <http://group.tnt.com> and our 2006 annual report.

CASE 1**22/23**

EMPLOYABILITY WITHIN TNT POST

CASE 2**30/31**

LIVING BY OUR PRINCIPLES

CASE 3**36/37**

DRIVING CLEAN

CONTENT

1.	THE BUSINESS CASE FOR SOCIAL RESPONSIBILITY	6
	Introduction	7
	TNT's operational performance	8
	Meeting the targets	9
2.	ACCOMPLISHMENTS AND CHALLENGES	10
	Our focus areas for 2008 and beyond	11
3.	TNT AT A GLANCE	12
	TNT mission	13
	Our strategy and social responsibility	13
	Integrity programme	13
	Governance and reporting on our social responsibility	14
	Public Affairs Committee	15
4.	SCOPE OF THE REPORT	16
	Integrating social responsibility in our internal audit	17
5.	MANAGING OUR SOCIAL RESPONSIBILITY	18
	Improving ourselves and improving the sector	19
	Inspiring our employees and our surroundings	19
	Dow Jones Sustainability Index	19
	Stakeholder dialogue	20
	Our supply chain: engaging subcontractors	21
6.	OUR PEOPLE	22
	Workforce	23
	Health and Safety	24
	OHSAS 18001 certification	24
	Road safety	24
	Workplace safety	26
	Investors in People certification	26
	Employee engagement	27
	Turnover and promotion from within	27
	Absenteeism	27
	Diversity and opportunity	28
	Training	28
	Social inclusion	29
	SA 8000 certification	29
	Corporate citizenship	30
7.	OUR CUSTOMERS	31
	ISO 9001 certification	32
	Customer satisfaction	32
8.	OUR SHAREHOLDERS	33
	Shareholder value	34
	Direct economic impact	35
9.	OUR WORLD	36
	ISO 14001 certification	37
	CO ₂ footprint	37
	Fuel efficiency	38
	Sustainable sources	39
	Types of vehicles	39
	Waste	40
	Noise complaints	40
	Environmental incidents	40
	Prosecutions and fines related to environmental performance	40
	ASSURANCE REPORT	41
	ANNEX 1: TNT GROUP SOCIAL RESPONSIBILITY POLICY	43
	ANNEX 2: DOW JONES SUSTAINABILITY ASSESSMENT	44
	ANNEX 3: GRI CROSS-REFERENCE INDEX	46
	ANNEX 4: DATA CLARIFICATION TABLE	49
	ANNEX 5: GLOSSARY AND DEFINITIONS	51

THE BUSINESS CASE FOR SOCIAL RESPONSIBILITY

INTRODUCTION

Dear reader,

Social responsibility is an integral part of the way we do business at TNT and we try to be mindful of our commitment to our people, stakeholders and the world around us. Our commitment to the world is reflected in ongoing projects such as our partnership with the United Nations World Food Programme and in new projects such as our Driving Clean initiative. As far as our people are concerned, we have increased the number of our businesses that meet the international Investors in People standard and, listening to our stakeholder concerns, we have engaged in further dialogues with them and report about the advances we have made in these discussions. Our improved performance in the Dow Jones Sustainability Index benchmark shows we are heading in the right direction. Although we are pleased with our progress, we are not yet satisfied with our performance and plan to continue improving across the board. This social responsibility report, the third we have published, provides a summary of our progress in all our major business areas over the last twelve months. In our view, it represents a balanced presentation of our organisation's economic, environmental and social performance.

There are numerous reasons why we value doing business in a way that demonstrates our internal and external responsibility. Consistently acting responsibly will help instil pride in our people and improves the reputation of our company. This makes us attractive both now and in the future to the talented professionals around the world. From a business perspective, we see our customers and other stakeholders focus increasingly on the social and environmental impact of our activities. For some of our clients it is already part of the decision-making process whether or not to employ our services, and if nothing else at TNT, we believe companies can make a real contribution to many areas of society and have the responsibility to do so.

We present our performance according to the Global Reporting Initiative (GRI 2002) and AA1000 Standard. We feel this increases the transparency of our business and enables the public and investors to benchmark us against our competitors. Reporting also gives readers and stakeholders the chance to provide feedback. This feedback has been and continues to be an important driver in the way we operate.

TNT's social responsibility report is an important management tool in our company. Initially our focus has been on establishing standards that allow us to report consistently on all relevant KPIs. Now that measurement throughout the company is improving – although further work is required – the awareness of and accountability for the results will be heightened. The tables overleaf show the progress we made in 2006 and our targets for the coming years.

PricewaterhouseCoopers provides external assurance on our reported data. This year, we also introduced an internal audit system for assessing our social responsibility. We ask various organisations to assess our progress. AccountAbility, the VBDO (Dutch Association of Investors for Sustainable Development), Sustainable Asset Management (on behalf of

Dow Jones) and Dutch Sustainability Research benchmark our performance against others. These organisations provide feedback as to how we can improve our performance. Based on feedback on last year's full-year report, our focus areas this year have included:

- Developing and agreeing target areas with a focus on our priorities: environment, health and safety, customers, and employees.
- Defining and setting up a reporting protocol, roles and responsibilities.
- Further strengthening and clarifying the involvement of the Board of Management and Supervisory Board.
- Organising dialogues with our subcontractors.
- Embedding feedback from our stakeholder dialogues.
- Integrating social responsibility in our internal audits.
- Ensuring compliance with the AA1000 Assurance Standard.
- Integrating social responsibility data handling in our financial reporting system.

We are on our way to accomplishing these improvements. Details are found in this report.

One of the improvements in our reporting is the scope of units that we include. For the first time, this report includes data from all our owned sites instead of certified sites only. While that in itself is positive, it also means that comparing this year's data to figures in last year's report is not always possible. Key indicators such as certification, road accident fatalities and our CO₂ footprint remain comparable to 2005 as all our sites already had to report on these indicators.

Of the many different aspects of our business on which we report, I think internally our health and safety performance is most relevant. Externally I expect the CO₂ emissions to attract the most attention in the years to come. It is now clear that the crisis the world faces in terms of global warming is real and requires urgent action. Our industry must come forward in finding solutions.

While our operating profits continue to develop positively with good share price performance, our company is more people-friendly and has helped feed more of the world's hungry. We have also introduced various initiatives to reduce our environmental footprint. I believe these and other projects are a good foundation for some new initiatives we expect to roll out in 2007. Social responsibility is an integral part of TNT's business, making us such a special company to work for.



Peter Bakker, CEO

Hoofddorp, the Netherlands,
26 February 2007

TNT'S OPERATIONAL PERFORMANCE

The table below summarises our operational performance.

OPERATIONAL PERFORMANCE 2006		2005	2006
OHSAS 18001 certification	▲	23%	82%
Investors in People certification	▲	82%	79%
SA 8000 certification	▲	5%	48%
ISO 9001 certification	▲	77%	80%
ISO 14001 certification	▲	52%	65%
Blameworthy road traffic accident rate per 100,000 km		2.06	1.98
Blameworthy road traffic accident rate per vehicle		0.63	0.65
Lost time accidents frequency rate		No data	3.1
Percentage of satisfied employees		No data	79%
Percentage of satisfied/very satisfied customers		89%	89%
CO ₂ emissions		715.2 ktonnes	825.6 ktonnes
Electricity use in kWh / m ²		93 kWh / m ²	84 kWh / m ²
Gas use in m ³ gas / m ³ building		2.1 m ³ gas / m ³ building	1.8 m ³ gas / m ³ building
Average litres fuel used per 100 km by company cars		6.9	6.8
Average litres fuel used per 100 km by small trucks and vans		10.3	11.0
Average litres fuel used per 100 km by large trucks		20.9	22.5
Corporate citizenship/employee fundraising for WFP		€2,159,000	€2,421,000

▲ Audited results.

MEETING THE TARGETS

OUR TARGETS UP TO 2008

In our 2004 social responsibility (SR) report, we communicated our ambition to certify all fully-owned TNT operations in accordance with relevant international management system standards by the end of 2007. These standards were Investors in People (for personal growth of employees), ISO 9001 (for operational excellence), ISO 14001 (for environmental management), OHSAS 18001 (for work place safety) and SA 8000 (for social responsibility).

In our 2005 SR report, we published “a roadmap to certification” per division and reported that both Mail and Express will not reach 100% coverage for all certificates by the end of 2007 based on a cost versus benefit analysis. In basic terms, this means that both Mail and Express exclude a number of their (business) reporting units because of the very small number of employees involved.

During 2006, it became clear that the targets set for Mail for 2006 and published in our 2005 SR report would not be reached for two reasons:

- In European Mail Networks, business units were coping with the strategically important task of becoming the alternative to the incumbent in each of their European countries. Having to adapt to the stringent corporate governance

requirements (all companies acquired were private companies), Mail decided not to burden the organisation with achieving full certification in addition to the existing challenging management tasks. In 2007, European Mail Networks business units are initiating certification, although a few are still excluded based on their challenges in a highly competitive environment.

- Full certification of Mail Netherlands was achieved but, due to the implementation of various Master Plans, the number of staff working in Mail Netherlands shrunk with immediate implications for the coverage percentages for the defined certification targets. The outflow of staff within Mail and an imminent new Master Plan will also influence the targets set for 2007.

In Express, another phenomenon is important in understanding the targets, namely the implication of recent significant acquisitions: TG+ with 2,600 employees and Speedage with 1,195 own employees and 1,300 subcontracted staff. We will exclude these acquisitions from the challenge of full certification for a three-year period, allowing them to adapt to our company (governance, systems, culture, etc). Up to 2005, Express had more or less grown organically (Jet Services being the last significant acquisition in 1998), and its projections to achieve the close-on 100% target were based on the hypothesis of continued organic growth.

With the above in mind, we recently have decided in our Board of Management meeting to restate the targets in order to show our improvements.

MAIL

	2006		2007
	Restated target*	▲ Actual	Restated target*
OHSAS 18001 based on FTEs	77%	77%	81%
Investors in People based on headcount	68%	68%	79%
SA 8000 based on FTEs**	not applicable	not applicable	not applicable
ISO 9001 based on FTEs	77%	80%	85%
ISO 14001 based on FTEs	77%	77%	81%

* The original reported targets were OHSAS 18001 81% (2006) 97% (2007); Investors in People 81% (2006) 97% (2007); ISO 9001 81% (2006) 97% (2007); ISO 14001 81% (2006) 97% (2007).

** SA 8000 certification is only valid for sites in non-OECD countries, which is 0.03% of the Mail division. For a complete list of non-OECD countries please refer to the Glossary and definitions.

EXPRESS

	2006		2007
	Target	▲ Actual	Restated target*
OHSAS 18001 based on FTEs	55%	87%	99%
Investors in People based on headcount	98%	98%	99%
SA 8000 based on FTEs**	35%	48%	99%
ISO 9001 based on FTEs	80%*	80%	99%
ISO 14001 based on FTEs	39%	56%	99%

* The original reported targets were OHSAS 18001 100% (2007); Investors in People 100% (2007); SA 8000 100% (2007); ISO 9001 81% (2006) 100% (2007); ISO 14001 100% (2007).

** SA 8000 certification is only valid for sites in non-OECD countries, which is 20.7% of the Express division. For a complete list of non-OECD countries please refer to the Glossary and definitions.

ACCOMPLISHMENTS & CHALLENGES

TNT has taken care in ensuring the information included in this report is as accurate as possible. This section deals with the accomplishments in

our activities over the last reporting period, as well as the challenges we still face.

ACCOMPLISHMENTS

Our efforts have focused primarily on certifying all our fully-owned or majority-owned operations according to a range of recognised management systems by the end of 2007. In 2006, we obtained 99 new certificates in Express and 2 new certificates in Mail.

We have begun discussions with subcontractors on how they can improve their social responsibility performance. We also continued our discussions with customers in order to detail their wishes and concerns with respect to our social responsibility performance.

We have obtained a higher level of assurance by our external assurance provider in our Mail division.

We maintained our industry leadership position in the Dow Jones Sustainability Index, further improving our score from 75 points to 84.

We also entered the Top 5 of the AccountAbility global sustainability ranking and were a frontrunner in the Dutch Ministry of Economic Affairs' Transparency benchmark.

We have strengthened our collection systems for social responsibility data and we have implemented a protocol for roles and responsibilities. We have also introduced an internal auditing system.

CHALLENGES

This coming year, we will be defining quantitative targets for 2008 and will implement these in management systems and compensation schemes.

We intend to further our discussions with subcontractors to develop a code of conduct and intend to engage customers further by creating a Customer Review Panel for social responsibility.

We aim to attain reasonable assurance by our external assurance provider on all our core KPIs.

We aim to improve further our position in the Dow Jones Sustainability Index, the AccountAbility global sustainability ranking and the Transparency benchmark of the Dutch Ministry of Economic Affairs over the coming year.

We will develop an action plan to improve the percentage of females in management positions based on the results of a gender diversity survey performed in 2006.

We intend to launch a consistent, coherent and differentiating initiative to reduce air pollution and CO₂ emissions resulting from our operations.

OUR FOCUS AREAS FOR 2008 AND BEYOND

In 2006, we defined the most relevant focus areas based on the following criteria:

- Our stakeholders' expectations (for the main concerns please refer to the table on page 21).
- Our core business and accompanying sector-specific issues.
- Our competitors' KPIs/target areas, enabling the outside world to compare TNT's performance with that of our competitors.
- Our strategy and our mission.
- The Dow Jones Sustainability Group Index.

The table below presents our corresponding social responsibility areas and accompanying KPIs.

SUMMARY OF FOCUS AREAS AND KPIS		
Area	Focus	KPI
Our people		
Health and Safety	Road Safety	Blameworthy road traffic accident rates
	Workplace Health & Safety	Lost time accidents frequency rate
Employees	Employee engagement	Percentage of engaged employees
	Absenteeism	Percentage of absenteeism
	Diversity*	Females in management positions
Corporate citizenship	Participation	Percentage of employees involved in TNT's initiatives for the world
	Pride	Percentage of employees who state that TNT's initiatives for the world make TNT a more attractive company to work for
	Employee fundraising	Funds raised for the United Nations World Food Programme per FTE
Our customers		
Customers	Customer satisfaction	Percentage of customers satisfied with TNT
Our world		
Environment	CO₂ footprint	Total kilotonnes
	Vehicles	Fuel consumption per 100 km
	Aircraft	Fuel consumption per 100 km
	Buildings (energy efficiency rates)	kWh of electricity per m ² of building
		Percentage kWh of electricity from sustainable sources
	Air quality	Number of soot filters fitted to vehicles
		Number of Euro 5 vehicles

* We have focused to date on gender diversity but aim to broaden this KPI to the full scope of diversity.

In 2007, we will set quantitative targets for 2008 and beyond for our Express and Mail divisions for all KPIs listed in the table above. We will embed these targets in our regular target-setting process and management compensation scheme and present them in our next social responsibility report.

TNT AT A GLANCE

TNT N.V. is incorporated in the Netherlands and is a publicly quoted company. As a holding company, TNT sets the agenda for the group as a whole as well as for the individual divisions. We provide an extended range of services around the world: collecting, sorting, transporting and distributing a wide variety of items within specific timeframes. We also provide all related data services.

Delivery and network management are our core competencies.

Whether it concerns a letter to a friend, business parcels to the other side of the world, component parts to car dealers, or line or container shipments across the globe, people and companies around the world depend on our reliable delivery.

BOARD OF MANAGEMENT

Peter Bakker, CEO
Henk van Dalen, CFO
Harry Koorstra, Group Managing Director Mail
Marie-Christine Lombard, Group Managing Director Express

Within our Board of Management, our CEO is responsible for group social responsibility.

MAIL DIVISION

Mail Netherlands
European Mail Networks
Data and document management
Cross-border Mail*

EXPRESS DIVISION

United Kingdom & Ireland
Benelux
Germany
France
Italy
Australia
International
China
Americas,
Middle East and Africa

* Including Spring, a joint venture with Royal Mail and Singapore Post in which TNT has a 51% share.

TNT MISSION

Our mission is to exceed our customers' expectations in transferring their goods and documents around the world.

We deliver value to our clients by providing the most reliable and efficient solutions through delivery networks.

We lead the industry by:

- Instilling pride in our people.
- Creating value for our shareholders.
- Sharing responsibility for our world.

To achieve our objective of industry leadership through operational excellence, financial clarity and a strong global brand are prerequisites, as are integrity and proper corporate governance. Yet we place additional emphasis on social responsibility. Efforts on all these fronts improve our reputation with employees, stakeholders and the world, enhance employee pride throughout the company and create value for our shareholders.

OUR STRATEGY AND SOCIAL RESPONSIBILITY

Our strategy reflects our ambition of being a leading global network services company. Since social responsibility is an integral part of our business, we have a similar ambition where it concerns our impact on society and the environment. Our best-in-class ranking in the Dow Jones Sustainability Index for the second consecutive year strengthens our belief that we are on the right track.

Our overall business strategy has an impact on our societal and environmental footprint. Although not fully implemented, we are aiming to integrate our social responsibility (SR) approach throughout our strategic decision-making and investment process. We will assess the consequences of options on their social and environmental impact and take them into account when decisions are made.

Our current strategy includes a focus on Asia (China and India). This confronts us increasingly with a society where in our opinion implementing the SA 8000 standard is crucial if we are to comply with OECD and ILO agreements. A significant implication of our strategy is our growth in air transport, which automatically leads to an absolute increase in CO₂ emissions from our operations. In December 2006, the delivery of TNT's first Boeing 747 was a major step towards becoming the number one carrier between Asia and Europe. In 2006, we grew significantly in India following a major acquisition.

Social responsibility is part of our due diligence questionnaire. Once acquired, new TNT entities must over time of course adhere to our social responsibility policies and practices.

In 2006, we successfully sold our contract logistics business and found a prospective buyer for our freight management operations. Social responsibility aspects played a role in the selection process of the buyers, Apollo Management LD and Geodis respectively, and various works councils were involved in the decision-making process.

We not only take into account the impact of our strategic choices on society: we are increasingly analysing how developments in society influence our strategy.

- What does climate change mean to us? What are the risks and opportunities?
- How does globalisation affect our strategy?

We believe these questions are important for TNT and we will continue our search for the strategic answers.

INTEGRITY PROGRAMME

TNT is committed to operating its business openly and honestly, guided by the TNT Business Principles. TNT introduced its integrity programme in 2006, leading to greater transparency, openness and trust. Good business ethics wins trust amongst stakeholders.

In 2006, approximately 700 critical managers were trained and tested on the Sarbanes Oxley-related integrity training on the TNT Business Principles, the TNT Whistleblower Procedure and fraud awareness and prevention. The fraud awareness and prevention module has been successfully rolled out as an e-learning tool.

The integrity programme is currently being rolled out across all business divisions, thereby setting out TNT's ambitions for integrity, outlining the business benefits and introducing the TNT Business Principles and related policies and procedures that are relevant to our organisation.

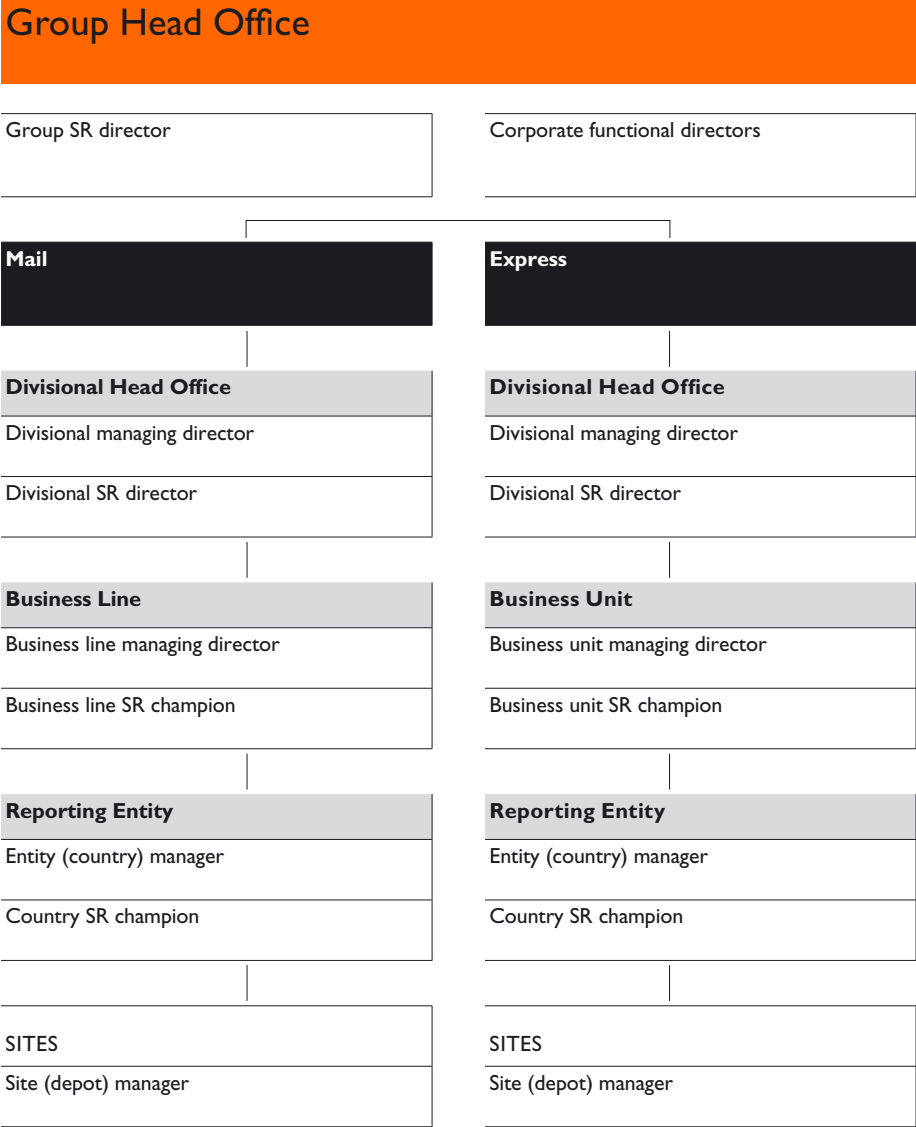
The approach adopted focuses on creating awareness and understanding of the TNT Business Principles and instilling individual behaviour in accordance with these principles.

In 2007, further roll-out beyond management will take place according to the train-the-trainer principle. Management is responsible for cascading the information down into the organisation so that the entire organisation is exposed to our integrity programme. This will further enhance awareness of and compliance with our TNT Business Principles and related policies and procedures, improve monitoring of ethical behaviour and compliance with law and regulations, and help ensure the Whistleblower Procedure runs smoothly.

For more information, please refer to our website: group.tnt.com/corporategovernance/TNTbusinessprinciples/index.asp

GOVERNANCE AND REPORTING ON OUR SOCIAL RESPONSIBILITY

This year, we have further implemented our SR reporting process through the official assignment of tasks and responsibilities. We have also commenced internal SR auditing. For further details on group governance, please refer to our 2006 annual report.



SR = social responsibility

The step-by-step data collection and analysis process is described below.

STEP	RESPONSIBILITIES
1 Filing source data	Functional BU directors and site representatives
2 Delivering source data to BU SR champion	Functional BU directors and site representatives
3 Validating and filing BU data	BU SR champion
4 Reporting validated BU data to Divisional SR director	BU SR champion
5 Validating BU data	Divisional SR director
6 Providing clarification / resubmitting BU data	BU SR champion / Divisional functional directors
7 Accumulating BU data into divisional figures	Divisional SR director
8 Delivering signed-off divisional data to GHO SR director	Divisional SR director
9 Validating divisional figures	GHO SR director
10 Providing clarification / resubmitting divisional figures	Divisional SR director
11 Filing divisional figures in corporate database	GHO SR director
12 Providing database and divisional figures to external assurance provider	GHO SR director
13 External assurance process	GHO SR director
14 Resubmitting data with potential adjustments to GHO	Divisional SR director
15 Filing adjustments in GHO database	GHO SR director
16 Producing final and approved tables, graphs and analyses	GHO SR director
17 Sign-off final content of the SR report by Group Communications & Social Responsibility	Group director Communications
18 Preliminary review by the Board of Management	Board of Management
19 Review by Public Affairs Committee of the Supervisory Board	Public Affairs Committee
20 Review by the Supervisory Board	Supervisory Board
21 Sign-off final content of the SR report by Board of Management	Board of Management
22 Publication of the SR Report	TNT Group Communications

We consider social responsibility an integral part of both our strategy and our daily operations. This means that managerial responsibilities for SR are aligned fully with our hierarchical structure. Our CEO bears final responsibility for all SR issues. Furthermore, all our managing directors on divisional and business unit level are fully responsible for implementing TNT's SR policies and for the performance of their own organisational entity. This includes responsibility for implementing the management systems, incorporating SR in contracts with subcontractors, caring for local communities and improving our SR performance.

MISSION-RELATED PAY

Variable compensation is an important part of the remuneration package for Board of Management members and senior management. This incentive scheme reflects the accountability for our mission by rewarding both financial and non-financial performance as required for sustainable results.

Targets

The Supervisory Board sets the targets for the members of the Board of Management for the mission-related incentive plan at the beginning of each financial year.

For 2007 the following targets will apply:

Financial targets:

- Economic profit
- Earnings
- Revenue growth.

Non-financial targets:

- Exceeding customers' expectations: continued improvements in our relations with customers, which are measured through customer satisfaction surveys and by assessing the relationship with our customers in person
- Instilling pride in our people: continuous improvement in engaging our staff, which is measured through employee engagement surveys
- Sharing responsibility for our world: making a difference to our environment, which can be accounted for by our global initiatives to reduce the emission of CO₂ and our involvement with the United Nations World Food Programme.

The senior management incentive is structured similarly.

PUBLIC AFFAIRS COMMITTEE

The Public Affairs Committee is a committee of the Supervisory Board that acts as a sounding board and advisory committee for the Board of Management with respect to formulating, developing, monitoring and reporting on the company's social and environmental policies.

The Public Affairs Committee presents all material findings and recommendations to the Supervisory Board for consideration.

The Public Affairs Committee consists of at least three Supervisory Board members. The Committee discussed TNT's social responsibility performance three times in 2006.

SCOPE OF THE REPORT

This report is based on reporting criteria developed in accordance with the guidelines of the Global Reporting Initiative (GRI) 2002 requirements as far as relevant to TNT, and with the AA1000 Standard. We select key performance indicators (KPIs) on the basis of interactive stakeholder dialogue. For a list of the KPIs, please refer to the GRI cross-reference index in Annex 3.

In October 2006, GRI launched the third generation of its guidelines, the so-called G3 Guidelines, introducing a number of new, adjusted or deleted indicators and report elements. During 2007, we will assess our current reporting

against the G3 Guidelines and adapt this accordingly as far as relevant to TNT. We will base our next report on the new guidelines. At the same time, we have joined the GRI sector supplement pilot for the Logistics and Transportation sector under the umbrella of the World Economic Forum (WEF).

This report includes only data from business units that are fully-owned or majority-owned and from those joint ventures where TNT has significant influence with respect to social responsibility. We do not yet report on subcontractors (except for road traffic accident fatalities) nor on less than majority-owned operations.

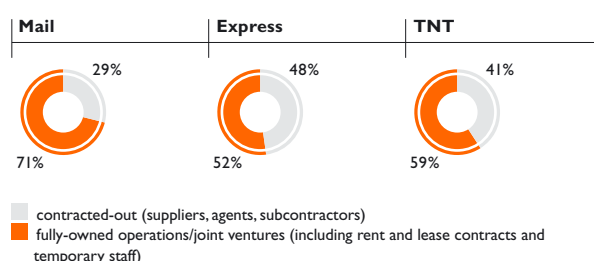
This report refers to the period 1 January 2006 until 31 December 2006. As TNT is a dynamic organisation, we achieved growth in our operations compared to 2005. We enable you to judge our progress by presenting most figures in a relative way (using percentages and ratios). To make this possible, we have excluded data on our recent acquisitions of Speedage (Express) PostCon Deutschland AG, ABL GmbH and Gibiesse Italia Srl (Mail).

We consider social responsibility an integral part of our business. PricewaterhouseCoopers has therefore verified the data collection and processing for this report. We aim to obtain reasonable assurance on our core KPIs in our 2008 report. We have successfully obtained a higher level of external assurance. All data and graphs related to the percentage of TNT people working in certified sites as well as the number of fatalities have been audited and are therefore marked with a triangle (▲). Our CO₂ footprint has been audited for the Mail division and is therefore marked with a triangle also. Reasonable assurance for the CO₂ footprint of the Express division is not yet feasible due to the broader geographic spread of the Express entities.

All other report elements have been reviewed. You will find the PricewaterhouseCoopers assurance report on page 41. For an overview of definitions used, please refer to Annex 5.

We gather our SR data using a questionnaire. All data presented in this report is based on measurement, unless stated otherwise. We clarify the coverage for all indicators in the data clarification table in Annex 4. We report on coverage as the number of FTEs (full time equivalents) working in entities that report social responsibility data as a percentage of total FTEs per division.

The figures below indicate the balance between our fully-owned and majority-owned operations and subcontractors. These pie charts represent the cost structure of our operational activities. The TNT ratio for fully-owned and majority-owned operations has remained the same as last year. The figures in this report refer to the orange part in the pie charts below.



We implement social responsibility management systems as a means of constantly improving our social and environmental performance. For most indicators in our previous social responsibility report, we reported on those parts of our organisation where certified systems (Investors in People, OHSAS 18001, ISO 9001, ISO 14001 and SA 8000) were in place. Our previous reporting only covered all sites for particular key subjects of our social responsibility performance, such as (blameworthy) road traffic accidents, workplace accidents and fatalities, and our CO₂ footprint. As of this year, however, we report on all sites, regardless of certification.

Although including all sites represents an important improvement in our transparency, it also means that comparing this year's figures to last year's report is not always possible. All indicators that were previously reported on for certified sites only are marked with an asterisk (*). For the readers' convenience, we include an updated data clarification table for the 2005 figures in Annex 4. In 2007, we will introduce social responsibility data in our financial reporting system, bringing all social responsibility data under an internal audit and review scheme and further enhancing the reliability of data.

TNT's reporting criteria and presentation of information are mostly consistent with previous years. The following general changes have occurred to enable you to benchmark our performance against previous years:

- The Logistics division is excluded from this report as we sold this division in 2006.
- The freight management business is excluded from the 2005 and 2006 figures as we are in the process of selling the unit.
- Mailprofs Postkamer Beheer BV, Cendris Document Management BV and Cendris Deutschland GmbH are excluded from the 2005 and 2006 figures for Mail also as we have sold these business units.
- We have reclassified certain comparative data to ensure consistency with the presentation for the current financial year.
- We have restated certain data as a result of improved data collection or changes in definitions. This is mentioned in the report where relevant.
- The 2005 and 2006 data includes data relating to business units that are fully-owned or majority-owned. Prior year data (2004) included only fully-owned business units. We have not adjusted the comparatives as the impact is assessed as insignificant.

INTEGRATING SOCIAL RESPONSIBILITY IN OUR INTERNAL AUDIT

In 2006, TNT's internal audit department commenced conducting social responsibility audits. In consultation with our external assurance providers, PricewaterhouseCoopers, we trained a team of internal auditors, describing TNT's social responsibility strategy, which KPIs need to be assessed and how our internal audit team can improve reporting lines. These audits are performed in the TNT business and reporting units as part of the audit approach.

The scope of these audits focuses on procedures and controls surrounding the social responsibility reporting process and a number of key social responsibility reporting indicators. PricewaterhouseCoopers receives all findings, and every two months they and the internal audit team meet to discuss results. The goal is to support management in improving procedures and controls, and in embedding these in the TNT organisation. The country units appreciate this commitment, emphasising the importance of TNT's social responsibility objectives, while the internal auditors themselves feel more involved in TNT's ambition. In 2006, the main areas reviewed by the internal audit team included certificates, our CO₂ footprint (electricity, gas and fuel), fatalities (road traffic and workplace), lost time accidents and blameworthy road traffic accidents.

MANAGING OUR SOCIAL RESPONSIBILITY

Performance depends not only on the good will of managers and employees, but also on the systems used to incorporate policies in our daily routine. We employ relevant international management system standards wherever they apply in the organisation. These include:

- ISO 9001 (for operational excellence).
This relates to our customers.
- OHSAS 18001 (for work place safety).
This relates to our people.
- ISO 14001 (for environmental management).
This relates to our world.
- Investors in People (for personal growth of employees).
This relates to our people.
- SA 8000 (for social responsibility).
This relates to our people, our customers and our world.

These international standards are important as they provide an objective and accepted baseline to which employees, customers, suppliers and other stakeholders can refer. They are also a powerful management tool for steering performance and ensuring continuous improvement.

IMPROVING OURSELVES AND IMPROVING THE SECTOR

We engage actively in stakeholder dialogues. There are two main reasons for this. First, stakeholder dialogues provide a setting for confirming and obtaining further information on stakeholders' dominant issues and, where discrepancies or issues arise as to current policy, for entering into discussions on possible solutions. Second, taking into account the reputation of the transport sector, we believe that if our sector as a whole is able to enhance its reputation, we will enhance our own.

There is currently limited comparative information on the social responsibility performance of transport and logistics companies. To make reporting meaningful, readers must be able to understand how results compare to the industry as a whole. TNT is actively involved in initiatives such as the sector-specific GRI chapter to improve transparency in performance.

DOW JONES SUSTAINABILITY INDEX: INDUSTRIAL TRANSPORTATION

Company	Country	Industry leader	DJSI World		DJSI STOXX	
			Universe	Member	Universe	Member
ABERTIS Infraestructuras	Spain		x	x	x	x
Deutsche Post AG	Germany		x		x	x
Fraport AG Frankfurt Airport Services Worldwide	Germany		x	x	x	x
Mitsui C.S.K. Lines Ltd.	Japan		x	x		
Nippon Yusen KK	Japan		x	x		
TNT N.V.	The Netherlands	x	x	x	x	x
Transurban Group	Australia		x	x		
United Parcel Service Inc.	United States		x	x		

INSPIRING OUR EMPLOYEES AND OUR SURROUNDINGS

TNT engages in commitments that extend beyond compliance. These commitments ensure a unique character to company operations and differentiation on aspects we find both relevant and important. Yet our efforts are motivated also by the firm belief that sticking solely to a license to operate is not enough. Actively seeking new ways to help the world opens doors to new and innovative initiatives. This has a positive impact on our 140,000 employees and drives their willingness to operate at the peak of their abilities. Two major initiatives in this area are TNT's partnership with the United Nations World Food Programme and our Driving Clean initiative. Further details are available under Corporate citizenship (page 30) and Our world (page 36), respectively.

DOW JONES SUSTAINABILITY INDEX

We benchmark our performance against the Dow Jones Sustainability Index. This index allows investors to compare companies' performance in social responsibility within and outside a company's sector. It is also a source of company pride. In 2005, we entered the index as industry leader and managed to maintain this position in 2006 (part of the Dow Jones Sustainability assessment 2006 is found in Annex 2). With the inclusion of Deutsche Post World Net in the DJSI last year, the index is more relevant to our operations as, alongside UPS, it now provides a second comparison with another of our most direct competitors.

For further details, please refer to our website <http://group.tnt.com/socialresponsibility/standards/dowjonessustainabilityindexes/index.asp/>.

STAKEHOLDER DIALOGUE

At TNT, we are committed to ensuring that our social responsibility programme addresses the issues that are important to our stakeholders. Stakeholder engagement is important as it allows us to understand the impact of our activities on various groups, prevents negative repercussions, forms productive partnerships and captures a range of different opinions and perspectives. Knowledge of our stakeholders' concerns helps us to develop new products and services as well as address social responsibility challenges in cooperative ways.

This approach has been recognised as industry-leading by the Dow Jones Sustainability Index. It is also increasingly acknowledged by mainstream investors and rating agencies as indicating good operational and risk management.

What is a stakeholder?

We define stakeholders as any interested party, either group or individual, which can affect or is affected by an organisation delivering its objectives. They may be local communities, customers, NGOs, special interest or campaign groups, government agencies and officials, shareholders, business partners or suppliers. They also influence programmes, products and services. 'Stakeholder dialogue' is a term we use to describe our efforts to build partnerships in the same way as we would engage a business partner.

How do we do it?

We began our stakeholder dialogue in 2004 as part of the WEF Logistics & Transport Corporate Citizenship Initiative (L&TCCI). This cross-industry initiative allows us and other members to work together in identifying and developing potential solutions to those issues that affect a range of stakeholders.

One of the first pieces of work undertaken by the L&TCCI was to identify which stakeholder groups are important to the logistics and transport sector. We identified the following key groups: customers, civil society, suppliers, subcontractors, investors and employees.

After identifying these groups, the L&TCCI asked an independent corporate citizenship consultancy to consult with customers, civil society, suppliers and employees during 2004 and 2005. They were also asked to consult separately with TNT's own suppliers. These consultations are discussed below.

What do our customers want?

As part of an ongoing stakeholder engagement process and because the concerns of stakeholders can change over time, it is important to ensure that consultation is repeated at regular intervals. As part of this process, TNT started its second consultation with some of its most valued customers in 2006.

The overall aims of this consultation were to:

- Learn more about TNT customers' current and future concerns and requirements with respect to business ethics, social and environmental issues.
- Determine how customers assess supplier performance now and in the future.
- Conduct a feasibility study of customer interest with respect to new 'socially responsible' services and partnerships that address greenhouse gas emissions through the use

of alternative fuels or offset and to provide assurance on the business ethics, social and environmental integrity of customer supply chains.

- Identify customers that might participate in a multi-stakeholder forum that will comment on how well TNT is managing and reporting on stakeholder concerns.

We have developed a comprehensive questionnaire to meet these objectives and to provide a detailed sustainability assessment of specific customers. We are using two methods of investigation to populate the questionnaire, provide additional information about the customer's overall level of engagement with social responsibility and identify potential business opportunities: internet research of publicly-available information and telephone-based interviews with a range of customers.

THE RESULTS

The results of the stakeholder dialogues are summarised in the table overleaf for each of the stakeholder groups. We have also included preliminary results from the most recent customer engagement, which is still ongoing, and a combined summary of the results.

Based on the results, it is clear that there is a substantial difference between the top five expectations for each stakeholder group. Despite this variation, it is also clear that there is agreement that the dominant concerns are compliance with legislation and reducing carbon dioxide emissions.

TAKING ACCOUNT OF STAKEHOLDER CONCERNS

In last year's report, we made a commitment to develop an approach that ensures we embed fully the results from all dialogues within our company and that they contribute to continuous improvement in our overall social responsibility.

During 2006, we developed a strategy to ensure that we can meet this commitment. This includes:

- Ensuring we incorporate stakeholders' concerns in our overall strategy and include them in our targets.
- Ensuring the Board of Management and Supervisory Board's involvement and commitment in social responsibility to determine strategy, develop a programme and review progress.
- Establishing a customer review panel to:
 - Guide the development of the SR programme.
 - Ensure the SR programme enhances customer confidence.
 - Ensure the SR programme enhances customer confidence and leads to the development of new competitive/profitable products.

TNT STAKEHOLDER DIALOGUE SINCE 2004: RESULTS

CIVIL SOCIETY 2004	CUSTOMERS 2004	SUBCONTRACTORS 2005	EMPLOYEES 2005	INVESTORS 2005	SUPPLIERS 2006	CUSTOMERS 2006/7
Reducing CO ₂ emissions (48%)	Compliance with legislation especially where enforced weakly in developing countries (71%)	Child labour in the supply chain – especially second and third tier (71%)	Increasing alternative fuels and energy in vehicles and buildings (59%)	Reducing environmental footprint (37%)	Compliance with legislation especially where enforced weakly in developing countries (68%)	Employee health and safety (67%)
Employee health and safety – including HIV/AIDS (46%)	Child labour in the supply chain – especially second and third tier (68%)	Compliance with legislation especially where enforced weakly in developing countries (57%)	Accountability and transparency relating to strategy and management decisions (56%)	Assuring security and safety of transportation (17%)	Reducing CO ₂ emissions (61%)	Reducing CO ₂ emissions (65%)
Pollution – associated with vehicle particulates (46%)	Compliance with a code on social issues (59%)	Anticompetitive behaviour associated with price-fixing and profit implications (57%)	Pensions and retirement benefits for employees (49%)	Achieving recognised excellence by customers (14%)	Discrimination – equal, fair treatment of all employees (45%)	Fair and reasonable terms of employment (54%)
Community health and safety – including HIV/AIDS (31%)	Implementing environmental management systems (41%)	Reducing CO ₂ emissions (50%)	Compliance with legislation especially where enforced weakly in developing countries (41%)	Implementing good governance and risk management (10%)	Accidents in the workforce – driving and in warehouses (42%)	No child labour (50%)
Partnerships with local communities and international organisations (30%)	Continuous improvement in environmental performance (37%)	Bribery, corruption and conflict of interest (50%)	Ensuring good work/life balance as essential to wellbeing and quality of life (40%)	Implementing international codes of conduct and labour standards in globalised operations (8%)	Bribery, corruption and conflict of interest (40%)	Compliance with legislation (46%)

■ Legal domain
 ■ Environmental domain
 ■ Social domain
 ■ Other

OUR SUPPLY CHAIN: ENGAGING SUBCONTRACTORS

While we clearly have full control of our own, in-house teams, some forty percent of our business is contracted out to agents, associates and subcontractors who we call on also to meet our social responsibility standards. Over the last twelve months, we have held discussions with a range of subcontracted drivers in the United Kingdom and the Netherlands to see how we can further enhance the level of their commitment to our request, thereby meeting one of the concerns of our stakeholders.

The objective of our discussions is to explore our subcontractors' views regarding social responsibility, to discuss our joint opportunities and problems, and to use the input as basis for a plan of action for a social responsibility partnership over the coming years. In our first three exploratory sessions, we explained the importance of implementing rules and directives equivalent to the ones set forth in the TNT Business Principles. Management systems related directly to social responsibility that we would like to see implemented include OHSAS 18001 and ISO 14001. We would like also for them to report on our target KPIs.

Our specific aim is to determine stakeholder limitations in implementing these systems and measuring the key performance indicators, and to find out how TNT can help to improve their social performance.

While the meetings indicate awareness of social responsibility amongst subcontractors is growing, there are a number of barriers inhibiting implementation:

- The subcontractor business is strongly cost-driven. Money is an important aspect for all the subcontractors.
- Technology plays an important role. Keeping the costs low and at the same time developing new technologies will eventually lead to a more environmentally-friendly and 'greener' business. These technologies need to be cost effective, however, thereby contributing to an ongoing process of becoming a cleaner sector as a whole. One of the most promising areas lies in alternative fuels or in teaming up in the purchasing area, thereby reducing overheads and freeing up capital for investment in social responsibility-related systems.
- It is a slow process in which competition is an important factor. Maintaining profitability remains the most important driver.

Despite these limitations, almost all subcontractors emphasised their understanding of our desire to implement the requested systems and feel it is important to exchange thoughts on social responsibility. While there is willingness to change, the process is likely to take some time. Should the duration of their relationship with TNT be guaranteed in some way, many would gladly implement social responsibility systems in their daily operations, which in turn would be facilitated through securities for smaller companies, making them feel more connected to TNT's standards and values.

These initial discussions are the beginning of a long-term process in which we aim to increase greatly our subcontractors' commitment to our social responsibility ambitions, implement the agreed systems and report according to the agreed KPIs.

TNTs position in the supply chain

From A to B; the flow of consignments



OUR PEOPLE

We operate in a service industry. This means that the motivation and wellbeing of our staff are critical to our operations. Employees and the way they work make all the difference. We are pleased to report that an increased number of business units meet the international standards of Investors in People (IiP) and the Occupational Health and Safety Assessment Series (OHSAS 18001).



CASE I

EMPLOYABILITY WITHIN TNT POST

STRIKING AN ACCEPTABLE BALANCE BETWEEN CORPORATE VIABILITY AND SOCIAL RESPONSIBILITY

With the rise of electronic mail and liberalisation of the postal market, TNT's postal division finds itself facing a considerable mail volume decline. After decades with a Dutch market share of 95% and long-term contracts of its staff, the decision to reduce workforce numbers was a tough call to make. Proud of being an excellent employer, TNT Post is having nevertheless to get to grips with maintaining corporate viability and the reality of letting people go. How has TNT set about solving this complicated and sensitive challenge?

Since the publication of the company's so-called Master Plans six years ago and the associated reduction of staff within the division, there has been ongoing communication on the topic within TNT. The objective of the communication is to ensure that this reduction occurs in a way that is, if not popular, at least acceptable to and understood by those involved. One of the unique features of the company's assistance is that it initiated efforts to stimulate voluntary outflow while people were still in employment within the company. In 2005, a Mobility department was set up within TNT Post with two objectives. First, to explain the necessity of the changes and second, to make those having to leave attractive to other employers.

TNT'S MOBILITY DEPARTMENT

Gerard Heuvelman, Director of the Mobility department, describes the situation: "The process of detaching yourself from your employer is like a mourning process, especially for many of our staff who have been with us for 20 or 30 years. To many employees the idea of leaving Post is shocking - TNT Post is their life. They cannot conceive of working for another employer. Nevertheless, we have a target that has to be met if we are to remain profitable. It is a complex, costly process that has demanded much research and clear and honest communication within the company. People need to know what is going on."

To ensure people understand the reality and details of the situation, the Mobility department, in cooperation with HR, initiated a broad awareness campaign in 2005, including numerous information meetings, local management training and a company-wide poster initiative explaining the state of affairs. The training programmes aim to sensitise management to the issues and the

FROM POSTMAN/ DRIVER AT TNT POST**TO** BUS DRIVER IN UTRECHT

inevitable exacting questions from their staff. More recently, the company has started publishing a company-internal magazine that addresses the challenge of finding new positions in the current job market. An additional resource is a newly-established website, www.werksite.nu, that offers job and sector descriptions, contact options for job-related questions and describes the experiences of staff who have left. Heuvelman: "You can't take on other people's problems, but you can help. We wanted to make sure that people understand that we are there to assist them, tough as the reality may be. We also wanted to show that it has already worked for hundreds of people. Once we had made this clear, we set about making sure we would keep our word."



'I have a soft spot for transport, I love working outdoors'

Jan de Leeuw (38) Woerden

"I was always on the road at TNT Post. Before that I worked as a driver for the Dutch Ministry of Defence. I have had a soft spot for transport as far back as I can remember. I love working outdoors and having all that space around me. When I heard that TNT Post had reached an agreement with Utrecht's public transport service, I grabbed the opportunity with both hands. Now I'm training to be a bus driver. It's hard work and there's a lot to learn in a short time, but now I can't wait to get out there."

FROM WORK TO WORK

Since the Master Plans' targets were published, hundreds of staff have found employment outside the company. As was expected, however, these have mainly included those with the greatest initiative and the best chances on the labour market. All staff are offered outflow benefits, known internally as the 'backpack', the financial benefit of which can amount to several months' salary, depending on employment duration. Additional content includes the option of advice from a mobility advisor for creating a personal development plan. This plan sets down where employees are now, where they want to go, and the best way to get there. In total, over 1,600 staff made use of this option in 2005, of which 370 have found employment outside the company. Linked to this is the opportunity to follow external training programmes, attracting a total of some 400 employees. An additional 1,086 staff who did not create a personal development plan have also found new jobs.

After the initial outflow, however, the number of staff prepared to leave started to decline and it was clear that further initiatives were required if the outflow targets were to be met. There are two main pitfalls that de-motivate employees to leave the company. One relates to the thought that there are no jobs to be found. The second issue is more complicated and involves staff's self-confidence on the labour market after years at TNT.

Addressing the first issue, extensive desk research, staff surveys and a job market scan investigated which sectors were likely find TNT's employees attractive, and just as importantly, with which jobs TNT employees would be comfortable. Eight suitable sectors and twenty-one

FROM ROTTERDAM SORTING CENTER WORKER

TO POLICE STATION GUARD WITH THE ROTTERDAM POLICE



'After 28 years with TNT Post I had to pass an exam for my new job, and I did.'

Cor Kirboo (45) Ridderkerk

"I would have liked to stay with TNT Post, but it's no good sticking your head in the sand. That's why - after 28 years with the company - I decided to leave. I've been working as a police station guard with the Rotterdam Police since December last year. I started right away with the training. That was tough going, but I passed the exam all the same. I love working here. And what's more, I earn more than I did with TNT Post and I have better growth opportunities."

appropriate positions emerged, such as the police force, security officers, transport companies, administrative staff, courier services and others. In this initiative known as 'job seeks employee', TNT actively searches the job market to find large groups of vacancies, including identifying specific companies that actually have vacancies suitable to TNT staff.

In addition to these centralised sectors, many tens of thousands of jobs can be found in small and medium-sized enterprises that cannot be targeted by a central Mobility team. In this case, local management is called on to assist in unearthing local networks.

Providing information and enthusing staff, inviting former staff to discuss their experiences post-TNT and, where possible, organising interviews and making deals has partly addressed the second issue of staff's self-confidence. Realising that there are various groups of employers who are attracted to their skills, or that they have the necessary skills to start their own companies, has helped ease the minds of many of those who were insecure.

Not all staff, however, have expressed an interest in the positions suggested through the labour market scans. With 'employee seeks job', TNT assists employees who are willing to leave but are uncertain or need help through internal testing programmes that determine where they might best find follow-up employment. This is supplemented by job interview training, specific job training and preparation for departure. As with all voluntary departures of staff, these employees also receive the backpack to assist in the transition period.

FROM SORTING CENTRE EMPLOYEE AMSTERDAM
TO PRODUCTION OPERATOR AT VERKADE



'I'm back in my old profession'

Erwin Wijnberg (31) Amsterdam

"I actually trained as a pastry cook. When I saw Verkade was looking for people, I thought to myself – that's the job for me. I now make dough in the factory. Although the work is similar to that at TNT, the product is certainly more fun. Everything here is automated and run by computers. The raw materials go from silos into dough barrels. I then add the caramel aroma, coconut or bran by hand. It depends on the type of biscuit I'm making. It's a great job. I just miss my former colleagues."

Erwin is back working as a pastry cook – now in a factory.

In the meantime, the TNT Mobility department continues to seek out new ways to make its excess staff attractive to the labour market.

REMAINING CHALLENGE

Despite all efforts, targets for reducing staff numbers have not been met to date and those who have left stem from a relatively flat demographic group. The result is that the remaining staff's diversity mix is declining. With many of the part-time staff having departed, mainly full-time staff remain, reducing the flexibility within the organisation. Another large group is those over the age of 50 who feel a large distance to the job market. Finding appropriate employment for this latter group is proving particularly challenging, especially considering the group needs greater security to meet its commitments. It is also closer to retirement and, after a considerable employment record at TNT, enjoys salary levels that in many cases are clearly above market average.

TNT is currently investigating the options for solving the remaining issues in consultation with the Works Councils and through external channels. Unfortunately, the bottom line is that the target for workforce reduction is nearing and TNT may yet have some tough decisions to make.

FROM LEDGER ASSISTANT, TNT POST
TO PROCESS MANAGER, ALKMAAR JUSTICE DEPARTEMENT



‘I enjoyed working at TNT Post, but I wanted to stay in Schagen’

Gé Verhoeven (48) Schagen

“Our department was being relocated to Groningen in the north of the country, which was simply too far for me. I live in Schagen and wanted to stay there. I applied for a job at the justice department in Alkmaar and, to my surprise, was taken on immediately. To be honest I would have preferred to stay at TNT Post. After all, I had worked there for 31 years and still really enjoyed it. But I made my decision and am delighted to have found a job so close to home so quickly.”

This section deals with our social performance. We recognise that our people are the most important sustainable competitive advantage we have. We aim therefore to cultivate mutually-beneficial relationships with each of them. We focus on the following (GRI) key performance indicators:

- Workforce
- Occupational Health and Safety Assessment Series 18001 (OHSAS 18001) certification
- Road traffic accident fatalities
- Blameworthy road traffic accident rate (average per 100,000 kilometres and per vehicle)
- Lost time accidents frequency rate (LTAFR)

- Workplace fatalities
- Investors in People certification
- Employee engagement
- Turnover and retention
- Absenteeism
- Diversity and opportunity
- Training hours
- Social inclusion
- SA 8000 certification
- Corporate citizenship

The GRI indicator numbers are provided in the heading of each table.

WORKFORCE

WORKFORCE

GRI indicator: LA 1

Headcount ¹	FY 2004 ²	FY 2005 ²	FY 2006
Mail	81,129	76,619	84,731
Express	46,502	48,845	54,060
Non-allocated	430	836	431
TNT	128,061	126,300	139,222
Full time equivalents (year average) ³	FY 2004 ²	FY 2005 ²	FY 2006
Mail	43,825	41,724	42,691
Express	42,876	44,847	49,858
Non-allocated	417	822	424
TNT	87,118	87,393	92,973

1. Including temporary employees on our payroll.

2. The numbers for 2005 and 2004 have been adjusted for comparative purposes.

3. FTEs (full time equivalents) are calculated each month based on the total hours worked divided by the local standard week or local contracts. The yearly average is calculated by adding together the monthly numbers and dividing the result by twelve.

MAIL WORKFORCE

GRI indicator: LA 1

Headcount	FY 2004	FY 2005	FY 2006
Mail Netherlands	65,326	58,880	56,997
Cross-border Mail	885	821	743
European Mail Networks	13,426	15,509	26,325
Data and document management	1,492	1,409	665
Full time equivalents (year average)	FY 2004	FY 2005	FY 2006
Mail Netherlands	36,226	33,841	31,826
Cross-border Mail	793	737	666
European Mail Networks	5,317	5,868	8,745
Data and document management	1,489	1,278	1,454

This table shows a decline in Mail Netherlands headcount and FTEs and a growth in European Mail Networks. Since Mail Netherlands is certified to all management systems (except SA 8000) and European Mail Networks in most cases is not yet certified, this causes declines in Mail's overall certification percentages.

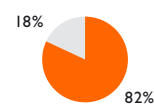
HEALTH AND SAFETY

OHSAS 18001 CERTIFICATION

We strive to ensure that our employees can do their job in a healthy and safe working environment. We achieve this through our management approach of certifying our entities according to the OHSAS 18001 standard.

OHSAS 18001 certification in FTEs in FY 2006

■ TNT certified
■ not certified



GRI indicators: 3.20 & LA 6

OHSAS 18001 CERTIFICATION	FY 2004	FY 2005	FY 2006
Percentage of total FTEs working in certified sites ▲			
Mail	0%	0%	77%
Express	1%	45%	87%
TNT	0%	23%	82%

Health and safety is a major focus area within Mail and Express and we are pleased to report that we are ahead of our certification target. In Express, 36 reporting units achieved the OHSAS standard in 2006, namely: Air Network Maintenance & Engineering, Australia, Austria, Bahrain, Belgium, Brazil, Bulgaria, Canada, Chile, China, Czech Republic, Fiji, France, Japan, Jordan, Kuwait, Liège Air Hub, Lithuania, Luxembourg,

Namibia, Netherlands, New Zealand, Norway, Philippines, Poland, Russia, Saudi Arabia, Spain, South Africa, Switzerland, Thailand, TNT Information & Communication Services, Turkey, United Arab Emirates, United States of America and Vietnam. Within Mail, the entire Mail Netherlands business line with over 30,000 FTEs was OHSAS 18001 certified in 2006.

ROAD SAFETY

Road safety is a crucial part of the health and safety management system that sets the minimum standards for all TNT countries worldwide. Within Mail Netherlands, we use on-board computers to monitor the driving behaviour of our employees. All scores, positive and negative, are discussed on a team level and on the individual level by the drivers' managers. The managers coach employees to improve their driving behaviour.

In 2006, TNT Express implemented an improved road safety management system. This focuses on behaviour-based driver training for all drivers, ensures risk assessments are conducted annually, that risk controls are effective, that accidents are investigated and that mitigating actions are taken to create more sustainable road safety practices. Communications also featured strongly with the implementation of a road safety campaign.

These programmes were cascaded to subcontractors wherever possible.

GRI indicator: LA 7

ROAD TRAFFIC ACCIDENT FATALITIES (EXCLUDING SUBCONTRACTORS) ▲	FY 2004	FY 2005	FY 2006
Mail	no data	2	0
Express	9	5	3
TNT	no data	7	3

GRI indicator: LA 7

BLAMEWORTHY ROAD TRAFFIC ACCIDENT FATALITIES ▲	FY 2004	FY 2005	FY 2006
Mail*	0	1	0
Express	0	4	1
TNT	0	5	1

* The 2004 figure only includes Mail Netherlands.

One blameworthy road traffic accident fatality occurred within Express European Road Network.

SUBCONTRACTOR ROAD TRAFFIC ACCIDENT FATALITIES	FY 2004	FY 2005	FY 2006
Mail	no data	0	0
Express	10	14	11
TNT	no data	14	11

Eleven road traffic accidents fatalities occurred involving subcontractors: one in Australia, three in India, two in France, one in the United Kingdom, one in European Road Network, one in the Benelux, one in Italy and one at TNT Innight.

GRI indicator: LA 7

BLAMEWORTHY ROAD TRAFFIC ACCIDENT RATE	FY 2004	FY 2005	FY 2006
Average per 100,000 kilometres			
Mail*	4.59	5.01	4.07
Express	1.06	0.96	1.00
TNT	1.97	2.06	1.98

* The 2004 figure only includes Mail Netherlands.

GRI indicator: LA 7

BLAMEWORTHY ROAD TRAFFIC ACCIDENT RATE	FY 2004	FY 2005	FY 2006
Number per vehicle			
Mail*	1.32	1.26	1.25
Express	0.36	0.33	0.34
TNT	0.65	0.63	0.65

* The 2004 figure only includes Mail Netherlands.

In the Netherlands (Mail and Express), all vehicle damages are assumed to be blameworthy unless proven otherwise. Outside the Netherlands, only blameworthy accidents are reported.

Mail will improve their registration in order to increase alignment within TNT regarding the definition of blameworthy road traffic accidents.

The decline in the blameworthy road traffic accident rate per 100,000 kilometres in the Mail division is caused by the fact that European Mail Networks is reporting for the first time on this KPI. The European Mail Networks rate is significantly lower than that for Mail Netherlands. The main reason for this difference is the definition used by Mail Netherlands. As described before within Mail Netherlands, the definition includes all damages unless proven not blameworthy while European Mail Networks is using a less strict definition.

WORKPLACE SAFETY

TNT has committed itself to the OHSAS 18001 health and safety management system (OHSAS 18001) that sets the minimum standards for all TNT countries worldwide. In the certified parts of our organisation, this management system is reviewed each year and updated where necessary. The health and safety management system ensures that risk assessments

are conducted annually, that risk controls are effective, that workplace inspections and internal audits are conducted, that competence is enhanced through training and coaching and that all accidents are investigated and root causes identified. In 2006, TNT Express' Managing Safety programme was accredited externally by the Institution of Occupational Health and Safety (IOHS).

GRI indicator: LA 5

LOST TIME ACCIDENTS FREQUENCY RATE	FY 2004*	FY 2005*	FY 2006
Lost time accidents per 200,000 hours			
Mail	no data	no data	1.5
Express	3.3	3.2	4.4
TNT	no data	no data	3.1

* Based on the number of FTEs in OHSAS 18001-certified sites.

In 2005, Express reported only on OHSAS 18001-certified sites. In 2006, this indicator is reported for all Express countries. Some of the additional countries have higher accident rates.

Within Mail, Cendris, European Mail Networks and Mail Netherlands reported for the first time on their lost time accident frequency rate.

GRI indicator: LA 7

WORKPLACE FATALITIES ▲	FY 2004	FY 2005	FY 2006
Mail*	0	0	1
Express	1	1	0
TNT	1	1	1

* The 2004 figure only includes Mail Netherlands.

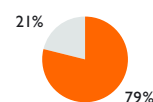
In 2006, one workplace fatality occurred in Mail Netherlands in which a mailwoman died crossing the road.

INVESTORS IN PEOPLE CERTIFICATION

Investors in People ensures our people receive the attention they deserve, both on a group level through team discussions and through individual coaching. Where necessary, staff may attend supplementary training, allowing them to expand their professional horizons. Each year, progress discussions are held with all employees in which the focus is on their performance, behaviour and personal development.

Investors in People certification in headcount in FY 2006

■ TNT certified
■ not certified



GRI indicator: 3.20

INVESTORS IN PEOPLE CERTIFICATION	FY 2004	FY 2005	FY 2006
Percentage of total headcount working in certified sites ▲			
Mail	76%	74%	68%
Express	94%	97%	98%
TNT	82%	82%	79%

Certification is on target. The decline within Mail is due to the significant decrease in the number of employees within the certified part of Mail (Mail Netherlands). Other growing Mail business lines are not certified to date. In Express, all units are Investors in People certified, with the exception of Innight, which will be covered in 2007.

EMPLOYEE ENGAGEMENT

In January 2006, the existing employee motivation/engagement surveys were upgraded to a TNT company-wide standardised global engagement survey. The survey investigates the most important drivers for individual and business unit engagement. The drivers it covers are:

- TNT energises me to go the extra mile.
- I'm willing to work beyond what is required in my job in order to help TNT succeed.
- I am proud to be part of TNT.
- I would recommend TNT as a good place to work.
- I fully support TNT's standards.
- I believe strongly in the goals and objectives of TNT.
- I do not intend to leave TNT.

We sent an extended survey translated into 36 languages to our staff, which was returned with a response rate of 69%, or 86,000 people.

The global engagement survey shows that local circumstances play a major role in how employees perceive TNT as an employer. The good news is that TNT engagement scores are in most categories higher than the industry benchmark. Nevertheless, on a generic operational level, special attention was raised for work circumstances, opportunities for personal development and leadership/communication. As a whole, TNT scored well on "Image and corporate sustainability" and "Customer Focus".

When we compare TNT's engagement scores against world class standard, we still have room for further improvement.

The TNT Board of Management considers the engagement survey an important tool for assessing whether we are moving forward in instilling pride in all our people and has therefore included this measurement in the mission-related pay score-cards of senior management. We are addressing all areas of the 2006 employee engagement scores.

GRI indicator: LA 4

EMPLOYEE ENGAGEMENT	FY 2004*	FY 2005*	FY 2006
Percentage of employees in headcount who were satisfied or more than satisfied with TNT as an employer			
Mail**	72%	no data	71%
Express	88%	88%	88%
TNT	79%	no data	79%

* Based on the number of FTEs in IIP-certified sites.

** In 2005 no employee engagement survey was conducted in the Mail division as it performs employee engagement surveys every two years.

TURNOVER AND PROMOTION FROM WITHIN

We strive for the personal development of our employees and therefore encourage internal promotion.

GRI indicator: LA 2

TURNOVER	FY 2004*	FY 2005*	FY 2006
% of voluntary turnover in headcount			
Mail	8%	10%	14%
Express	10%	11%	10%
TNT	9%	11%	12%

* Based on the number of FTEs in IIP-certified sites.

GRI indicator: LA 2

PROMOTION FROM WITHIN	FY 2004*	FY 2005*	FY 2006
% of management vacancies filled from within in headcount			
Mail	82%	84%	89%
Express	62%	48%	49%
TNT	63%	49%	50%

* Based on the number of FTEs in IIP-certified sites.

The voluntary turnover increased significantly within Mail due to the efforts of the Mobility team (please refer to Case I). As a result of the decrease in employee numbers within Mail Netherlands, the level of promotion from within is high. In 2006, Cendris and European Mail Networks reported on the number of vacancies filled from within for the first time. The overall TNT performance is influenced strongly by the Express performance as Mail only reported a very limited number of vacancies filled from within compared to Express.

ABSENTEEISM

In order to improve internal benchmarking and to report comparable absenteeism percentages, we introduced a global definition of absenteeism in 2005. In 2006, absenteeism in Express was 4.4%, excluding the following business units: Australia, Australia Ritaway, European Road Network, Hungary, Russia, Denmark, India, Middle East and Africa. In Mail, absenteeism was 5.6% for Mail Netherlands. The other business lines in Mail are not yet reporting on absenteeism. In group head office, absenteeism was 1.9%.

DIVERSITY AND OPPORTUNITY

We strive to create equal opportunities for all our employees, without discrimination on the grounds of sex, race, religion, marital status or age.

In 2005, the percentage of women in management positions declined compared to 2004 and the percentage of women attending the Annual Senior Management Meeting (ASMM) 2006 was only 10%. To address the issue, the Board of Management aimed to obtain reliable data on the number of

high potentials in our middle management by gender to investigate whether there is a “pipeline of talent” to improve the current situation.

In October 2006, we conducted a survey to identify the barriers for development and retention of talented women at TNT. All men and women in TNT's Top 2500 were invited to participate. The survey ran on the Internet, allowing participants to complete the survey from any location. The response was 54%. We will communicate the conclusions and action plan in our next SR report.

GRI indicator: LA 11

DIVERSITY: GENDER PROFILE	FY 2004*		FY 2005*		FY 2006	
	Male	Female	Male	Female	Male	Female
In % of headcount						
Mail	61%	39%	63%	37%	61%	39%
Express	68%	32%	68%	32%	68%	32%
TNT	64%	36%	65%	35%	64%	36%

* Based on the number of FTEs in IIP-certified sites.

There was a slight increase in the number of women within Mail.

GRI indicator: LA 11

MANAGEMENT POSITIONS BY GENDER	FY 2004*		FY 2005*		FY 2006	
	Male	Female	Male	Female	Male	Female
as a percentage of total management						
Mail	87%	13%	85%	15%	65%	35%
Express	73%	27%	76%	24%	75%	25%
TNT	74%	26%	76%	24%	74%	26%

* Based on the number of FTEs in IIP-certified sites.

Within Mail, women in management positions increased significantly as Cendris and European Mail Networks reported on the gender profile of management for the first time in 2006.

The overall TNT performance is strongly dominated by the Express performance as Mail only reported 208 women in management positions compared to 1,317 in Express.

TRAINING

We employ competent, capable and enthusiastic people. We provide our employees with the necessary resources, training and recognition to maximise their own potential and individual contribution to the business. We also want employees to appreciate how they contribute to us being a good corporate citizen and environmentally-responsible operator. We therefore

provide specialist training to comply with standards such as Investors in People, ISO and EFQM, and specific training on integrity, social responsibility, our Business Principles and corporate governance. We have extensive management development programmes both internally and externally with partners such as Erasmus University Rotterdam and Warwick University in the United Kingdom.

GRI indicator: LA 9

AVERAGE TRAINING HOURS	FY 2004*	FY 2005*		FY 2006	
	per employee	per employee	per FTE	per employee	per FTE
Mail	13	11	20	9	17
Express	23	30	32	27	29
TNT	17	19	27	17	24

* Based on the number of FTEs in IIP-certified sites.

The number of training hours decreased within Mail as, in 2005, a large number of training sessions were given as a result of the start of TNT Mobility. In 2006, this training was no longer provided. Due to the decrease in size of Mail Netherlands, the influx of new staff has reduced so that less initial training is required.

With the focus on certification starting in 2005 within Express, there was an increase in the training needed to achieve certification. The planning for the implementation meant that the major business units' training programmes started in the second half of 2005. For the smaller units in Asia, Americas and Middle East, training started in the first half of 2006. As a result, there was a decrease in overall training in the larger and more complex units compared to the smaller ones.

SOCIAL INCLUSION

We offer employment opportunities to potential employees who have a medically-recognised physical or mental handicap or disability. Where possible, we accommodate any special needs they may have, including adapting the workplace.

GRI indicator: LA 10

EMPLOYEES WITH A DISABILITY	FY 2004*		FY 2005*		FY 2006	
	Number in headcount	%	Number in headcount	%	Number in headcount	%
Mail	2,980	4.9%	2,564	4.5%	2,134	3.2%
Express	269	1.1%	342**	0.9%	353	1.0%
TNT	3,249	3.9%	2,906	3.1%	2,488	2.4%

* Based on the number of FTEs in IIP-certified sites.

** Express Netherlands restated its 2005 figures as no definite definition for disability has been agreed to date.

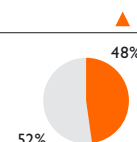
Within Mail Netherlands, the number of employees with a disability decreased in 2006. There are various reasons for this. The introduction of the new 'WIA' law in the Netherlands has changed the classification of disabled persons, and the influx of employees with a disability decreased, while the outflow of employees with a disability remained stable.

SA 8000 CERTIFICATION

To ensure compliance with the UN Universal Declaration of Human Rights, the ILO Conventions and the OECD Guidelines for multinational enterprises, TNT aims to certify all sites outside OECD countries according to SA 8000 by the end of 2007. In our opinion, SA 8000 will ensure proper and decent working conditions and respect for human rights in countries where this is not necessarily guaranteed by national legislation or the enforcement regime.

SA 8000 certification in FTEs for non-OECD countries in FY 2006

■ TNT certified
■ not certified



GRI Indicator LA 3

SA 8000 CERTIFICATION (BASED ON ALL SITES IN NON-OECD COUNTRIES)	FY 2004	FY 2005	FY 2006
Percentage of FTEs working in certified sites ▲			
Mail	not applicable	not applicable	not applicable
Express	0%	5%	48%
TNT	0%	5%	48%

Certification is ahead of target. In 2006, Express achieved accreditation to SA 8000 in 12 reporting units: Bahrain, China, Chile, Estonia, Hong Kong, Kuwait, Latvia, Lithuania, Romania, Russia, Singapore and United Arab Emirates, covering 48% of FTEs working in non-OECD countries.

Mail has almost no employees working in non-OECD countries.

CORPORATE CITIZENSHIP

In December 2002, the United Nations World Food Programme (WFP) and TNT launched a groundbreaking partnership aimed at a single common goal: fighting world hunger. The World Food Programme is the world's largest humanitarian aid agency. In 2006, WFP reached 97 million people in 82 countries, including most of the world's refugees and internally-displaced people. As the United Nations' logistics arm for humanitarian aid, it coordinates with other United Nations agencies, governments and non-governmental organisations to deliver food to the right place, at the right time.

Both parties benefit from the partnership. On a company level, an internal survey released in 2006 indicated that 47% of TNT employees had participated in the partnership in one form or another and that 41% stated that the partnership had increased their pride in the company. On an individual level, TNT specialists and volunteers are able to improve their skills and increase their knowledge through their work with WFP.

WFP benefits through our ongoing commitment to sharing our resources and know-how with them. In 2006 alone, we committed €9.0 million. This included knowledge transfer projects (€2.1 million), support to emergencies (€2.2 million), and awareness & fundraising projects (€2.1 million). These efforts involved TNT employees in more than 90 countries. In addition, the result of the twinning model with WFP, which

consists of the employee fundraising results and corporate matching, was €2.5 million. Since the start of the partnership, TNT has contributed a total of €32.3 million to WFP operations and TNT employees have raised €7.4 million for the WFP School Feeding Programme.

In 2006, more than 30 TNT staff assisted WFP in responding to emergency situations in four countries: Indonesia, Pakistan, Togo and Lebanon. TNT provided transport, warehousing and personnel in addition to a range of other ad hoc activities to help WFP and other aid agencies get help to those in need fast. In Ghana, TNT is providing warehouse space to WFP for storing emergency supplies. The depot will enable WFP to respond quicker to emergencies in West Africa.

Funds raised by TNT employees went to support the WFP School Feeding Programme in Cambodia, the Gambia, Malawi, Nicaragua and Tanzania. In these countries, 36 TNT employees spent three months working side-by-side with WFP on school feeding projects, where they witnessed the impact of the donations on children's lives firsthand.

TNT employees raised USD 100,000 for 22 of their colleagues and families in Indonesia, which were struck by the earthquake early in 2006.

Our logistics business, renamed CEVA Logistics after the sale, intends to continue the partnership with WFP.

GRI Indicator EC 10

MOVING THE WORLD

In €1,000

	FY 2003	FY 2004	FY 2005	FY 2006
Actual contributions*	4,999	8,703	9,565	8,988
Employee fundraising*	1,033	1,768	2,159	2,421

* The figures in this table represent TNT including our discontinued logistics business, as the registration does not enable us to exclude this.

You will find a complete overview of the partnership and its activities at <http://group.tnt.com/wfp>.

**CASE 2****LIVING BY OUR PRINCIPLES**



EMPLOYEE CONDITIONS AND COMMUNITY RELATIONS IN TNT'S CHINA OPERATIONS

Living consistently by the TNT Business Principles remains an important part of our culture. It requires concerted effort, particularly as our growth ambitions continue to take us to non-OECD countries such as Brazil, China, India and Russia. Globally, we want to comply with the standards of various regulatory agencies such as the UN, the ILO and the World Bank. In this report we focus on China.

TNT has had operations on the Chinese mainland since 1988. Even after this length of time, discussions on the possible risks of doing business there never fail to arise during talks with stakeholders, after presenting our results and through our requests for feedback. Another issue is the current globalisation debate regarding the transfer of production from Europe to China and India. Our standard response is that, like all our operations in non-OECD¹ countries, our China operations are SA 8000² certified, thereby ensuring fair employment conditions for all our staff. We have recently looked in depth at the state of affairs: an overview of the results.

RESPONSIBLE GROWTH

TNT has major growth ambitions in China. We are looking to achieve an annual growth of 30% per year over the coming 5 years (2006-2010). As in all our operations, it is critical that both our stakeholders and our employees benefit from what we do. While the former is clearly linked to overall company performance, the latter is guaranteed by providing fair wages and treatment for the work that our employees perform, pleasant and safe working conditions, and through opportunities for growth within the company. Of course, the two are also dependent on one another.

Our first task was to find a reliable external partner to help us form an objective view of the current situation. An experienced and respected organisation in this area is the Danish Institute for Human Rights. Their Dutch counterpart provided us with a generic assessment tool, known as the HRCA.



1. Please refer to the Glossary and definitions for a definition of non-OECD countries.
2. Please refer to the Glossary and definitions for a description of the SA 8000 standard.

This contains a total of 230 questions addressing all possible areas of employee welfare and safety. Defining the areas relevant to us, we developed a specific questionnaire based on the HRCA to assess our operations. We call this the Quick Check.

TNT Express currently has 51 International Express depots in China, serving both the coastal cities and the vast hinterland. These depots range

greatly in size, from some 250 employees in Shanghai with an annual throughput of 750,000 shipments to small depots with far smaller volumes. After analysing the characteristics of each, five were chosen as representing a fair cross-section of our presence, taking local environments and regulatory environments into account. Following translation, we sent questionnaires for the assessment to all five depots.



‘We have set eight priorities for immediate attention in two main areas: Workplace Health and Safety, and Conditions of Employment and Work.’

TNT EXPRESS China

TWO-STAGE ASSESSMENT

Each of the site employee representatives were randomly selected by TNT China and the site management prior to the two-stage assessment. In stage 1, employee representatives were given questionnaires for their review and independent assessment. In stage 2, all completed questionnaires were collated by our China Head Office, followed by data analysis by an external auditor, QMI. For a copy of the questions, please go to <http://group.tnt.com/socialresponsibility/reportsandranks/socialresponsibilityreporting/index.asp>.

In total, 223 staff from 12 departments were involved. They included a broad range of functions within the organisations - from line management to drivers and packers. All employees were personally invited to take part, which resulted in 100% participation. Workshops were organised for the five depots involved for further review of the results and site interviews were conducted on a group basis, with each site interview team consisting of representatives from TNT China and the external organisation.

The results of the assessment were highly satisfactory, with no major areas of concern. We have set eight priorities

for immediate attention in two main areas: Workplace Health & Safety and Conditions of Employment and Work. Priorities include:

- Improving the maintenance of all electricity connection points, wiring and vehicles in operational areas.
- The need to cascade TNT Group or TNT China disciplinary policies for violating workplace H&S.
- Ensuring staff work within the 40 hours per week and 36 hours' overtime per month limits.
- Implementing a social responsibility policy to guide staff in dealing with troublesome customers.

In addition to providing a neutral and professional assessment of the conditions within TNT in China, the HRCA Quick Check was also a pre-assessment for the SA 8000 certification. TNT Express China successfully achieved accreditation to SA 8000 limits in November 2006.



OUR CUSTOMERS

TNT's objective is to offer its customers excellent service. To achieve this, we adhere to a number of strict quality assurance standards.

Services and service levels are analysed continuously to analyse further improvements. Discussions with customers show where and how such improvements are possible. Once we identify a need, services are adapted.

The GRI indicator numbers are shown in the heading of each table.

ISO 9001 CERTIFICATION

ISO 9001 certification in FTEs for FY 2006

■ TNT certified
■ not certified



GRI indicators: PR 8 & PR 2

ISO 9001 CERTIFICATION ▲

Percentage of total FTEs working in certified sites

	FY 2004	FY 2005	FY 2006
Mail	83%	85%	80%
Express	69%	71%	80%
TNT	76%	77%	80%

Certification according to ISO 9001 is on target. The Express target was restated at 80%, taking into account new acquisitions.

The decline within Mail was due to the significant decrease in the number of employees within the certified part of Mail (Mail Netherlands). At the same time the number of employees within the uncertified part of Mail (European Mail Networks) increased.

CUSTOMER SATISFACTION

In 2006, we invited approximately 300,000 customers to respond to our customer satisfaction survey. Some 19% provided us with feedback.

GRI indicator: PR 8

SATISFIED CUSTOMERS	FY 2004*	FY 2005*	FY 2006
Percentage of satisfied or very satisfied customers			
Mail	89%	89%	90%
Express	87%	89%	89%
TNT	89%	89%	89%

* Based on the number of FTEs in ISO 9001-certified sites.

TNT has a strong focus on meeting and exceeding customer expectations and we have systems in place to record and resolve customer complaints. We also monitor rigidly our on-time delivery. In Mail Netherlands, we delivered 96.6% of mail within 24 hours. In Express, the global on-time delivery performance was 90.7%, which includes associates, agents and subcontractors. In the Express measurement, failure to deliver on time caused by customers, customs and weather is counted as a TNT failure.

GRI indicator: PR 8

ON-TIME DELIVERY	FY 2004	FY 2005	FY 2006
Percentage of consignments delivered on time			
Mail Netherlands	96.5%	96.6%	96.6%*
Express	92.3%	91.0%	90.7%

* Figure to be finalised after publication of this report.

An important driver of customer satisfaction in the express industry is “delivering on-time”. In the first quarter of 2006, TNT Express achieved its highest customer result for “delivering on-time”, since the survey’s inception, with 91% satisfied customers. Customer research is an important source of input for the TNT Express strategy. Annual focus groups come together to gain better insight into customers’ core needs and the main attributes that drive customer satisfaction. Over 300,000 customer loyalty surveys annually measure the TNT Express performance in these areas. Benchmarking interviews with customers of their key competitors, UPS, FedEx and DHL, are also conducted to highlight relative strengths and weaknesses. Customer research findings are then delivered to the business units for tactical improvements while also feeding strategic development through the strategic marketing database.

TNT Express won a ‘European Business Award’ for the most customer-focused company in Europe. TNT Express won this prize in the ‘Customer Focus’ category, which recognises companies that ‘best demonstrate that they have the customer at the heart of their business and deploy and manage their resources to most effectively meet the needs of their customer base’.

OUR SHAREHOLDERS

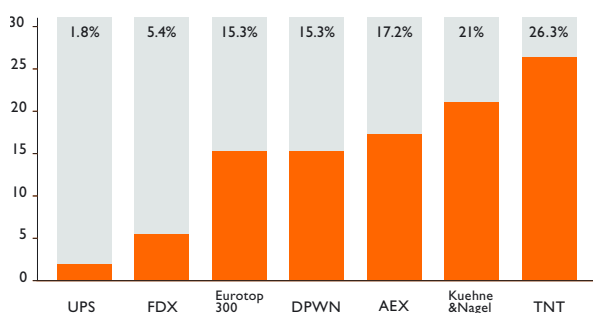
Shareholders are developing a critical view with regard to the social responsibility of companies in which they invest. This development will continue as an increasing number of successful companies demand social responsibility guarantees from their suppliers and partners. Major clients are now producing their own social responsibility reports and will expect other companies to do the same: not merely to produce reports, but to act accordingly. Social responsibility and long-term reliability go hand-in-hand and are at the very heart of continuity.

We publish our social responsibility report at the same time as our annual report. Furthermore, we obtain external assurance on all data in our social responsibility report prior to publication. This supports our claim for credibility, delivers accountability and benefits shareholders as concurrent publication allows them to ask questions at the annual general meeting of shareholders.

We have re-gear'd our balance sheet to reflect the reduced risk profile of the group. A €1 billion share buy-back programme that was part of this 'Focus on Networks' strategy has been completed successfully and we have returned the majority of the proceeds from the sale of our former logistics division to our shareholders through another €1 billion share buy-back programme. In 2006, we realised € 1.7 billion from both share buy-back programmes.

SHAREHOLDER VALUE

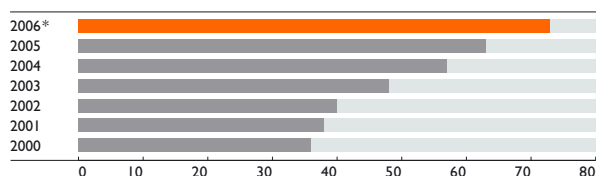
Total shareholder return in FY 2006 (%)



Source: Bloomberg Professional (own currency based).

Since January 2005, TNT has returned about €2.7 billion to its shareholders through share buy-back programmes and through dividends, which have increased considerably in the past years.

Dividend per share 2000-2006 (€ cents)



* Estimate based on the number of outstanding shares per 26 February 2007.

TNT's share price rose by 22.5% in 2006. This resulted in TNT outperforming its peers and the AEX index in total shareholder return.

TNT aims to be the company that creates the most value in its industry. Our main measure in this regard is total shareholder return. We focus on the following (GRI) key performance indicators:

- Total shareholder return
- Contracts with suppliers
- Costs of goods, materials and services
- Providers of capital
- Retained earnings

The GRI indicator numbers are given in the heading of each table.

TNT share performance relative to Euronext Amsterdam (AEX) in FY 2006



Source: Bloomberg Professional.

DIRECT ECONOMIC IMPACT

The economic dimension of social responsibility concerns our impact on the economic circumstances of our stakeholders and on economic systems on a local, national and global level. For a detailed overview of our financial indicators, please refer to our 2006 annual report. These financial indicators focus primarily on informing our shareholders on profitability. In contrast, certain economic indicators in this report focus more on the manner in which we affect the stakeholders with whom TNT has a direct and indirect economic interaction, such as suppliers, external staff, providers of capital and the manner in which we reinvest our earnings in our company.

GRI indicator: EC3

COSTS OF GOODS, MATERIALS AND SERVICES	<i>FY 2004</i>	<i>FY 2005</i>	FY 2006
In €1,000,000			
Cost of materials	342	408	409
Subcontractors and other work contracted out	2,879	3,049	3,589
Rent and lease expenses	299	361	375
External staff	156	172	196

GRI indicator: EC6

PROVIDERS OF CAPITAL	<i>FY 2004</i>	<i>FY 2005</i>	FY 2006
Distributions to providers of capital by:			
In €1,000,000			
Interest on borrowings	116	117	246
Dividends on all classes of shares	237	268	282

GRI indicator: EC7

RETAINED EARNINGS	<i>FY 2004</i>	<i>FY 2005</i>	FY 2006
In €1,000,000			
In / (de)crease of retained earnings in the period	111	186	(1,087)

The reported numbers were influenced significantly by the share repurchase plans. In 2006, we repurchased shares worth €1.7 billion.

Contracts with suppliers

It is TNT's policy to pay suppliers in accordance with the agreed payment terms whereby we strive for 95% performance. However, a number of suppliers request an 8-day or 15-day term of payment on their invoices without prior agreement on this (shorter) term. We generally pay within 30 days. Our performance, including these deviations, is estimated at around 90%.

OUR WORLD

TNT is a delivery and network management company that employs 140,000 people and a large fleet of vehicles and aircraft. Accordingly, we have a major responsibility with respect to the environment.

While we are proud of our overall sustainability performance, we are not yet satisfied with our environmental accomplishments. Various groups of stakeholders have also stressed that this is one of their main concerns. We have decided therefore to embark on an ambitious campaign to reduce significantly this negative influence. One of the ways in which we will achieve this is through our Driving Clean project, which will ensure a sustainable and significant reduction in our environmental impact. The project is described overleaf.

3

CASE 3

DRIVING CLEAN



A Newton electric truck (TNT Express UK).

REDUCING OUR IMPACT ON THE ENVIRONMENT

As a transport company, we operate a large number of vehicles, aircraft and buildings so that we inevitably produce emissions. We have made it our aim to invest in mitigating our impact on the environment. Environmental impact is also a prime concern of our stakeholders. One of our initiatives in this respect is a project known as Driving Clean, which is over time enabling a sustainable reduction in our vehicular emissions, specifically particulate matter (PM10), nitrogen oxides (NOx) and CO₂. Driving Clean includes four main projects: cleaning up our existing fleet, purchases related to our new fleet, investigating possibilities for our future fleet and efforts with our partner the United Nations Environmental Programme (UNEP).

OUR EXISTING FLEET

We continue our efforts with the Dutch government to test retrofitting our existing vehicles with diesel particulate filters. The overall environmental impact is significant, with a possible 50% reduction in particulate matter emissions for each vehicle that we fit with a filter. The project has faced tough challenges, however, regarding both availability of the filters as very few manufacturers offered retrofit filters at the start-up, the loss of guarantee from car manufacturers was a point of discussion and the filters are less effective than those fitted in the factory.

Frank Baartmans, Operations Manager SU Transport, Mail Netherlands: "There are several ways to change the emissions from a combustion engine – you can change the fuel, you can improve the internal combustion or you can convert the combustion products. Particulate filters do the latter through oxidation. The main issues we have faced are with the retrofitted filters filling up as they do not reach a high-enough temperature. We are working on the issue, however, together with SenterNovem, part of the Ministry of Economic Affairs. We started

measurements on 15 vehicles in March 2006. The true test will come this winter after which we will be in a better position to weigh up the viability of the project."

NEW FLEET

In line with our Driving Clean objectives, we have been investing heavily in new technology. The Euro standards set standards for vehicular emissions. Euro 5 relates to large transporters such as lorries. Beyond compliance, we are skipping Euro 4 for our lorries and have started investing directly in Euro 5-compliant technology, which will be compulsory in November 2009.

Jeroen Don, TNT Post Fleet Coordinator Transport: "Euro 5 is a strict standard as it demands new engines and a new type of catalyst. This so-called SCR catalyst uses urea (also known as AdBlue) in lorries' exhausts to reduce NOx emissions and particulate matter by as much as 20% and 80% respectively. According to the manufacturer, fuel consumption is also reduced. For the technology to be effective, the AdBlue has to be added repeatedly to TNT's new vehicles via dedicated filling stations.





A soot filter is fitted to a TNT vehicle.

We have therefore built six of these mini-bulk filling stations at each of TNT's letter sorting centres. In 2006, we purchased 165 new Euro 5-compliant lorries for TNT Post Transport in the Netherlands."

Smaller vehicles, for which the Euro 5 standard has not yet been established, are subject to the new Euro 4 standard as of November 2006. For all our new purchases in this class, TNT is making the additional investment of purchasing vehicles with in-built particulate filter. TNT Post Production currently has 136 vehicles operating with soot filters. In the first quarter of 2007, another 222 vehicles will be added to the fleet, with a further 554 expected as the year progresses.

number of options for fuelling them, TNT research pointed to the use of rapeseed oil, easily available at selected wholesalers in Europe. While its use is limited to smaller, diesel vehicles, it also offers numerous benefits in addition to the reduced emissions: the oil can be used directly in existing diesel engines, users need not apply for environmental permits and accidental spillage does not harm the environment. On the downside, the oil is currently costlier than standard diesel.

Gerrit Mastenbroek, Managing Director TNT Post Parcel Service: "We make some 9,000 deliveries in Amsterdam city centre each day. For the last two years, we have investigated our options for reducing our emission impact in

TNT Post Production currently has 136 vehicles operating with soot filters. In the first quarter of 2007, another 222 vehicles will be added to the fleet, with a further 554 expected as the year progresses.

FUTURE FLEET

In this initiative, we are investigating and obtaining experience with alternative fuels and technologies through a wide range of pilots. In addition to the two mentioned below, we are also investigating the use of hybrid vehicles in Australia and are using compressed natural gas (CNG) in Berlin.

BIODIESEL PILOT IN AMSTERDAM

Biodiesel vehicles produce less particulate matter and less CO₂ than standard diesels. While there are a

line with the Driving Clean objectives. We now have some 53 vehicles running on rapeseed oil and have created our own filling station in Amsterdam. With rapeseed, we have reduced our CO₂ and particulate emissions by 50% and 70% respectively. Should the pilot be successful, we plan to expand with an additional 20 vans next year. Operational costs are currently higher than for standard diesel vehicles due to the higher fuel costs. We are, however, trying to persuade the government that reducing taxation on biodiesel would stimulate

this environmentally-friendlier form of transportation.”

ELECTRIC VEHICLE IN LONDON

On December 5, TNT unveiled its first high performance 7.5-tonne zero emission electric vehicle in London. Following detailed research and analysis into its environmental and cost benefits, TNT has purchased the first vehicle in its class to compete with its diesel equivalents without the polluting effects. Another important feature is that almost the entire truck is recyclable.

Steve Davis, TNT National Engineering Manager: “The potential of these new vehicles cannot be stressed enough. In addition to the obvious benefits of zero emission impact, we have a projected increase of 50% in the truck’s economic lifecycle and far fewer maintenance costs (up to 60%) as it has no internal combustion engine, no gearbox, doesn’t need antifreeze, etc. They should also be safer, as drivers have an easier ride. With no gear changes, drivers can concentrate on their driving more fully and will experience less fatigue. Of course, breakdowns are a problem at the moment, but effective management will eliminate that issue. It’s really exciting. Purchase costs are high as things stand, but if our 12-month performance and durability pilot in London is successful, who knows, we may have as many as 2,000 electric vehicles soon, which is sure to bring the price down. This may well be a huge step forwards in corporate delivery.”

UNITED NATIONS ENVIRONMENTAL PROGRAMME COOPERATION

Together with the United Nations Environmental Programme, or UNEP, we are currently developing a tool and strategy that will allow our fleet managers around the world to generate action plans for improving the environmental performance of their fleets. In addition to benefiting

the environment, this will also raise awareness for climate change and air pollution. TNT fleet managers will receive a workshop and TNT will make the tool available to the community.

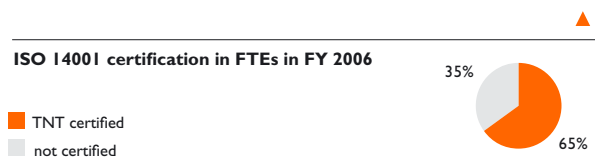
A pilot was initiated in Turkey in November 2006. In this pilot, two hybrid vehicles are being tested for six months on purchasing costs, fuel costs and emission rates. In addition, five diesel vehicles fitted with particulate filters will be purchased and subjected to the same tests. Future fleet composition will be based on the results of these tests. Turgut Yildiz, Country General Manager Turkey: “The benefits of this project are clear. Yet our main target is to set an example for all companies in the delivery and logistics sector. Although we have only a small fleet with some 300 vehicles, this first step could serve as an example for all. We would like also to inspire local municipalities and universities through the Turkish Business Council for Sustainable Development of which TNT is a member. Last but not least, we hope to share the results with all of TNT as future best practice.”

This section of our report covers information on environmental management systems and our environmental performance. In line with the GRI and our stakeholders' expectations, we report on the following (GRI) indicators:

- ISO 14001 certification
- CO₂ footprint
- Fuel efficiency ratios
- Sustainable resources
- Sustainable transportation
- Waste
- Noise complaints
- Environmental incidents
- Prosecutions and fines

ISO 14001 CERTIFICATION

TNT decided to use the international standards ISO 14001 to manage its environmental performance.



GRI indicator: 3.20

ISO 14001 CERTIFICATION ▲	FY 2004	FY 2005	FY 2006
Percentage of total FTEs working in certified sites			
Mail	80%	82%	77%
Express	14%	26%	56%
TNT	47%	52%	65%

Certification is ahead of target in Express. The following 32 units achieved certification to ISO 14001 in 2006: Bahrain, Belgium, Brazil, Bulgaria, Canada, Chile, China, Czech Republic, France, Greece, Hungary, Indonesia, Japan, Kuwait, Liège Air Hub, Lithuania, Luxembourg, Malaysia, Namibia, Philippines, Poland, Russia, Saudi Arabia, Singapore, Slovakia, South Africa, Spain, Switzerland, TNT Airways, Turkey, United Arab Emirates and the United States of America.

The decline within Mail was due to the significant decrease in the number of employees within the certified part of Mail (Mail Netherlands). At the same time, the number of employees within the uncertified part of Mail (European Mail Networks) increased.

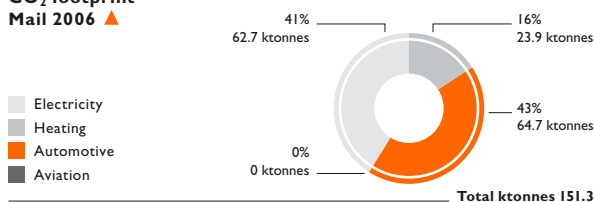
CO₂ FOOTPRINT

Human activities have led to a continuous build up of greenhouse gas concentrations in the atmosphere. There is strong scientific evidence that this release of greenhouse gases will have a substantial impact on the future global climate. Scientists agree that global climate change is a serious problem that will threaten the basic elements of life for people around the world. The risk of severe and irreversible impact from climate change will increase unless the atmospheric level of greenhouse gases is stabilised at a level that will prevent dangerous interference with the climate system.

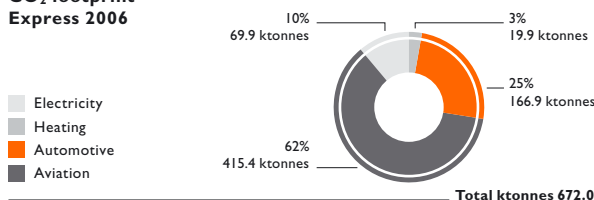
Carbon dioxide (CO₂) is the most important manmade greenhouse gas that contributes to climate change. Major sources of carbon dioxide emissions are the combustion of fossil fuels for energy and transportation. According to the World Resources Institute, transport currently accounts for 18% of global carbon dioxide emissions and transport emissions are expected to grow rapidly in the next decades. TNT, whose core business is transport, therefore contributes to climate change. This concern was also expressed by TNT's stakeholders who identified the reduction of CO₂ emissions as an area of particular importance. Moreover, regulatory measures will become a cost factor in doing business going forward.

The pie charts present the absolute emission in kilotonnes' CO₂ and the relative distribution of CO₂ emissions by source (automotive, aviation, heating and electricity) per division and for TNT as a whole.

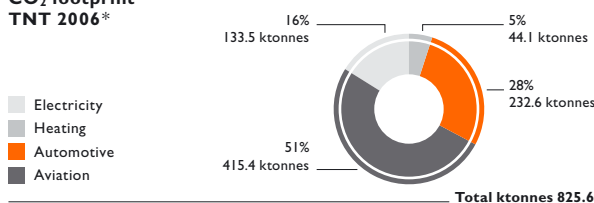
CO₂ footprint Mail 2006 ▲



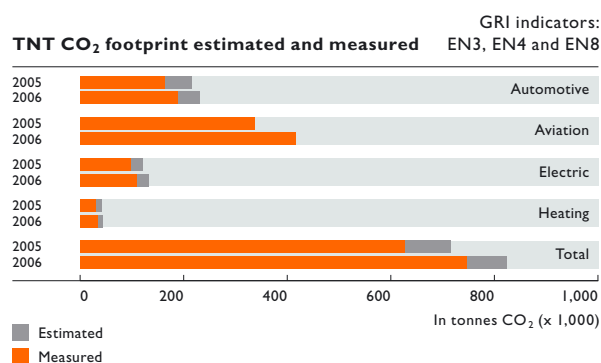
CO₂ footprint Express 2006



CO₂ footprint TNT 2006*



* Including group head office.

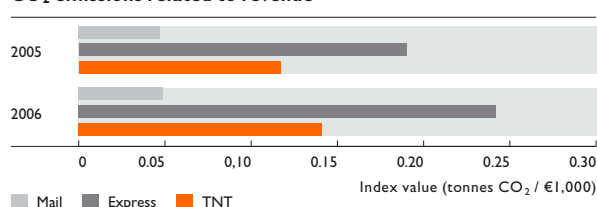


We have omitted the 2004 figures as 2004 data is not comparable to the 2005 and 2006 data. This is due to the fact that in 2004 almost 60% of the data was estimated.

The following conclusions can be drawn:

- Total CO₂ emissions increased by about 15% as compared to 2005.
- The growth of CO₂ emissions is strongest within Express with 18%. Increases in CO₂ emissions occurred in all sectors (electricity, heating, aviation and automotive), with the largest increase in aviation.
- Within the Mail division, the increase in CO₂ emissions is about 3%. This increase is caused mainly by the increase in the CO₂ emissions for automotive and electric.
- The accuracy of the CO₂ footprint improved. The estimated part of the total CO₂ emissions decreased from 12.4% in 2005 to 9.7% in 2006.
- The CO₂ / revenue index increased, meaning that more tonnes of CO₂ were produced per million euro revenues. This is caused mainly by the Express division, where the increase due to aviation activities continues. In 2006, the largest revenue growth in Express came from our Economy Express product, mainly in Europe. As this product travels via our road network, it has less impact on our CO₂ emissions than our Next Day product, which uses the air network. As we broaden our air network, increasing the

CO₂ emissions related to revenue



GRI indicators: EN3, EN4 and EN8

TNT CO ₂ FOOTPRINT ESTIMATED AND MEASURED		Estimated	Measured	Total
In tonnes CO ₂ (x 1,000)				
Automotive	FY 2005	51.6	164.1	215.7
	FY 2006	44.0	188.7	232.6
Aviation	FY 2005	0.0	336.5	336.5
	FY 2006	0.0	415.4	415.4
Electricity	FY 2005	23.6	96.7	120.2
	FY 2006	25.3	108.2	133.5
Heating	FY 2005	13.3	29.5	42.8
	FY 2006	11.1	32.9	44.1
Total	FY 2005	88.5	626.8	715.2
	FY 2006	80.4	745.2	825.6

number of aircraft with larger capacity, our emission levels will continue to increase.

- The differences between the 2005 figures in the social responsibility 2005 report and the currently reported data are due to the exclusion of freight management, Document Management and Cendris Deutschland, and the restatement of the Express aviation figures for 2005 due to the use of an incorrect conversion factor for aviation gas leading to an 88 kilotonnes overstatement in 2005.

FUEL EFFICIENCY

In order to monitor and improve our energy performance, we calculate our energy usage averages for our buildings and our fleet.

GRI indicator: EN 4

FUEL EFFICIENCY BUILDINGS	Mail		Express		TNT	
Average energy usage per surface and volume unit	FY 2005	FY 2006	FY 2005	FY 2006	FY 2005	FY 2006
Electricity in kWh / m ²	128	123	73	68	93	84
Gas in m ³ / m ³ buildings	2.7	2.5	1.3	1.1	2.1	1.8

We do not have reliable data for 2004. The differences in electricity use between the divisions are explained by the fact that Mail Netherlands runs large sorting plants with significant electricity consumption. The European operations in Mail are in line with Express.

GRI indicator: EN 3

FUEL EFFICIENCY FLEET	Mail		Express		TNT	
	FY 2005	FY 2006	FY 2005	FY 2006	FY 2005	FY 2006
Average litres fuel usage per 100 km						
Company vehicles	no data	6.2	6.9	7.0	6.9	6.8
Small trucks/vans < 7.5 tonnes	8.8	8.7	12.8	13.1	10.3	11.0
Trucks > 7.5 tonnes	26.9	26.9	19.2	21.3	20.9	22.5

Within Express, the business units have reviewed the processes involved in collecting their fuel and kilometre data. This has resulted in more accurate consumption figures than in 2005. Consumption levels increased when comparing the 2005 data with the more accurate 2006 data.

GRI indicator: EN 3

FUEL EFFICIENCY AIRPLANES	Express	
	FY 2005	FY 2006
Average litres fuel used per 100 km flown		
Jet fuel	589	614
Aviation gas		324

As of 2006, we have split our aviation fuel into jet fuel and aviation gas, while in 2005 jet fuel included both categories. In 2006, the Express Air Network expanded its fleet by five new aircraft. These aircraft tended to be larger (Boeing 737s) than those replaced. While this increases significantly our capacity, fuel consumption per kilometre on these aircraft is not as efficient as on the smaller aircraft. At the same time, these airplanes carry more weight and volume per flight, which has a positive effect on CO₂ emission per kilo transported when the cargo capacity of these planes is fully utilised.

SUSTAINABLE SOURCES

GRI indicator: EN 4

in 1000 kWh	Mail			Express			TNT		
	FY 2004	FY 2005	FY 2006	FY 2004	FY 2005	FY 2006	FY 2004	FY 2005	FY 2006
Electricity use from sustainable sources	25,855	2,730	5,349	8,794	6,944	25,906	34,650	9,674	31,254

Mail Netherlands has contracted a provider for several years. The contract includes a stipulation that the percentage of electricity from sustainable sources increases by 2.5% each year. In 2007, the total percentage of electricity used by the Mail division from sustainable sources will grow to 7.5% and to 10% in 2008.

This year, Express Italy switched to using sustainable electricity, which increased Express' percentage of green electricity up to 15% of all measured energy.

TYPES OF VEHICLE

GRI indicator: EN 14

	Mail			Express			TNT		
	FY 2004*	FY 2005*	FY 2006	FY 2004*	FY 2005*	FY 2006	FY 2004*	FY 2005*	FY 2006
Vehicles carrying on-board computer with fuel performance monitoring	3,284	3,213	3,248	6	16	169	3,290	3,229	3,417
Vehicles running on natural gas	0	0	8	0	6	93	0	6	101
Vehicles running on hybrid engines	2	2	4	1	0	6	3	2	10
Vehicles running on electricity	0	0	0	0	0	41	0	0	41
Vehicles running on biofuel	0	0	53	0	0	685	0	0	738
Vehicles running on fuel (diesel and petrol)	4,462	5,154	5,714	702	2,095	10,860	5,164	7,249	16,762

* Based on the number of FTEs in ISO 14001-certified sites.

Most of our natural gas-powered vehicles are operated in India, Argentina and Egypt. In France and Belgium, Express is using six vehicles on hybrid engines. Within Mail, four company cars use these engines. Most of our electrically-powered vehicles are located in Express Belgium (Liège). Vehicles using biofuel are

mainly running in Express UK. Within TNT, we have 176 large Euro 5 trucks. TNT Post Production operates 136 small trucks with soot filters.

WASTE

GRI indicator: EN 11

TYPE OF WASTE	Mail			Express			TNT		
	FY 2004*	FY 2005*	FY 2006	FY 2004*	FY 2005*	FY 2006	FY 2004*	FY 2005*	FY 2006
kg per FTE									
Total waste	198.8	194.4	214.3	654.5	731.6	1,043.3	264.5	291.8	583.7
Paper and cardboard separated for recycling	84.0	83.5	365.3	200.0	116.4	137.4	101.1	90.6	256.1
Other kinds of waste separated for recycling	0.1	3.0	2.4	600.7	342.8	304.5	88.3	64.6	148.5
Hazardous waste	0.4	0.1	0.2	1.8	9.9	5.5	0.6	2.0	3.0

* Based on the number of FTEs in ISO 14001-certified sites.

Within Mail the amount of paper and cardboard separated for recycling has increased significantly due to the contribution by European Mail Networks Belgium. They reported for the first time in 2006. This is a result of their core business of large-scale distribution of advertising brochures.

Within Express, the total waste per FTE exceeds the sum of the other categories as a result of different business units reporting on these categories.

Now that all Express sites are reporting, it shows a more accurate figure of 137.4 kilograms of paper and cardboard separated for recycling per FTE. The majority of units are now separating paper and cardboard and have installed a recognised process for measuring the amount recycled.

More units are reporting on recycling in Express. However, the number of units that separate other materials for recycling is low, so that the average figure per FTE has decreased. This will be an important area for improvement within Express for 2007.

As noted in the 2005 SR report, several large depots were replaced in 2005, which led to an increase in hazardous waste, notably in Stockholm and Vienna. In 2006, there were no such closures so that hazardous waste figures stabilised at a more consistent figure.

NOISE COMPLAINTS

GRI indicator: EN 14

	FY 2004*	FY 2005*	FY 2006
Mail	3	4	2
Express	3	0	364
TNT	6	4	366

* Based on the number of FTEs in ISO 14001-certified sites.

The two incidents in Mail were complaints about car radios making too much noise.

Within Express, the Innight depots in the Netherlands are located in dense urban areas, which gives rise to complaints about the noise of their operations and deliveries in the early hours of the morning - main operating times are between 5 a.m. and 8 a.m. Finding a solution to reduce the noise factor is difficult. We are evaluating this problem and hope to implement a solution in 2007. The major increase in complaints is due to the fact that Innight was not included in last year's figures as it was not ISO 14001-certified.

ENVIRONMENTAL INCIDENTS

GRI indicator: EN 13

	On sites			Off sites		
	FY 2004*	FY 2005*	FY 2006	FY 2004*	FY 2005*	FY 2006
Mail	5	7	3	3	1	1
Express	0	2	1	0	0	0
TNT	5	9	4	3	1	1

* Based on the number of FTEs in ISO 14001-certified sites.

In Mail there were three on-site environmental incidents in 2006: a soil contamination following an oil leakage from an external transporter's car on our site, an air contamination by a lorry producing smoke, and a violation of the Environmental Decree for Storage and Transport Companies, whereby cars were washed incorrectly. Off-site, a postal van caused an oil leakage on a client's site.

Within Express Hungary, a customer dispatched Cyclohexanone in improper packaging via TNT, disregarding the dangerous goods policy. The Civil Safety Authority confirmed that the spillage kit equipment was used properly. A concrete floor coating was damaged but no civil injury occurred. The incident was rated as high risk so that preventative actions have been implemented.

PROSECUTIONS AND FINES RELATED TO ENVIRONMENTAL PERFORMANCE

GRI indicator: EN 16

	FY 2004*	FY 2005*	FY 2006
Mail	0	0	0
Express	0	0	4
TNT	0	0	4

* Based on the number of FTEs in ISO 14001-certified sites.

Within Express, the prosecutions relate to noise complaints at Liège and are still being disputed.

PricewaterhouseCoopers Assurance Report

ASSURANCE REPORT

To the stakeholders of TNT N.V.

ENGAGEMENT AND LIMITED OBJECTIVE

We have been engaged by the Board of Management of TNT N.V. ("TNT") to examine the content of TNT's Social Responsibility Report for the year 2006 (hereafter referred to as the Report) in the following way:

- To audit all data and graphs related to "the percentage of TNT people working at certified sites", "blameworthy and other road traffic accident fatalities" (excluding subcontractors), "workplace fatalities" and all data and graphs relating to the CO₂ footprint of the Mail division; the audited data are marked with a triangle (▲);
- To review all the other elements of the Report.

As not all entities within TNT report social responsibility data, a data clarification table (Annex 4) is included in the Report. In this table the coverage of the Report is clarified by showing for each indicator the number of FTEs working in entities that report on that indicator as a percentage of total FTEs in the division. In our opinion, this limitation with regard to the completeness of the Report and the reasons for it, are acceptable, partly in view of the intention to report on this in the future.

Audit work focuses on obtaining reasonable assurance, substantiated by sufficient supporting evidence. Review work focuses on obtaining limited assurance and therefore provides less assurance than audit work. Consequently the conclusions with respect to the audit and review part of our engagement are reported separately. In our opinion, this combined engagement fulfils a rational objective.

The Report has been prepared under the responsibility of the company's management. Our responsibility is to express an opinion on the Report based on our examination.

REPORTING CRITERIA

In this assurance engagement, we have used the reporting criteria developed by TNT which are based on the Guidelines of the Global Reporting Initiative (GRI) 2002 requirements and the AA1000 Assurance Standard as explained in the 'Scope of the report' section of the Report. These reporting criteria include certain inherent limitations that can influence the reliability of the information.

It should be noted that TNT only reports on parts of the organisation, as the Report only includes data from business units which are fully or majority owned and from those joint ventures where significant influence in respect of social responsibility is exercised. This also implies that TNT does not report on subcontractors (except for road traffic accident fatalities). Furthermore TNT does not report on recent acquisitions and on its discontinued operations. For further details on the scope, refer to the 'Scope of the report' section in the Report. We consider these reporting criteria to be relevant and sufficient for our engagement.

WORK PERFORMED

The work was performed by a multidisciplinary team of professional accountants and environmental and social experts. We planned and performed our work to obtain a basis for our conclusions in accordance with the Assurance Standard 3410N "Assurance Engagements relating to Social Responsibility Reports", drawn up by the professional body of Dutch accountants ("NIVRA"), and in line with the AA1000 Assurance Standard as issued by AccountAbility, as far as this standard goes beyond the requirements of Assurance Standard 3410N. These standards require amongst others that the assurance team:

- possesses the requisite skills and experience within financial and non-financial assurance, social responsibility management, environmental and social issues as well as industry-specific knowledge to undertake this assignment;
- complies with the independence requirements of international professional standards setting and national regulatory bodies.

Audit part of the engagement

With regard to the audited data and graphs, we have gathered audit evidence as follows:

- For data relating to the percentage of TNT people working at certified sites, by examining the existence of certificates issued in respect of the management system standards which have been adopted by TNT. Furthermore we have performed analytical procedures and tests of details as to the validity and the coverage of the certificates and we have reconciled the reported headcount and full time equivalents working at certified sites with available data in TNT's financial reporting system;
- For data relating to blameworthy and other road traffic accident fatalities (excluding subcontractors) and workplace fatalities, by performing audit procedures on the completeness and classification of reported fatalities;
- For all data and graphs relating to the CO₂ footprint of the Mail division, by performing analytical procedures and substantive testing of data regarding the usage of electricity, gas, fuel, jet fuel, aviation gas, petrol, diesel, LPG and biofuel.

Review part of the engagement

We reviewed all the other elements of the Report. Our most important review procedures were to:

- Update our understanding of the TNT organisation and the business;
- Investigate the acceptability of the reporting criteria, in relation to the information requirements of TNT's stakeholders;
- Conduct interviews with responsible officers, at corporate and divisional level and for selected business units and sites, aimed at understanding the progress made by TNT in the data gathering and reporting process and at evaluating the plausibility of the qualitative and quantitative information in the Report;
- Evaluate the aggregation of quantitative data on corporate, divisional and business unit level;
- For all data and graphs relating to the CO₂ footprint of the Express division, perform tests on a sample basis;
- With respect to the 'Dow Jones Sustainability Assessment' scores, reconcile the information with an external report;
- With respect to specific figures in the following sections, reconcile the information with the company's 2006 financial statements:
 - in the "TNT at a glance" section: "Revenues", "Operating income", "Operating margin", "Profit for the shareholders", "Earnings per diluted ordinary share", "Net cash from operating activities" and "Distribution of revenues per reportable segment";
 - in the "Scope of the report" section: "contracted-out business";
 - in the "Workforce" section: "headcount" and "full time equivalents" of TNT;
 - in the "Direct economic impact" section: "Costs of goods, materials and services", "Providers of capital" and "Retained earnings".
- Review the Report against the key principles of materiality, completeness and responsiveness of the AA1000 Assurance Standard. Amongst others we have:
 - Reviewed the stakeholder dialogue of TNT in line with underlying information;
 - Performed a media analysis and internet search to gain insight into social responsibility issues relevant to TNT during the reporting period;
 - Compared the Report with other reports in the mail and express industry;
 - Assessed whether TNT reports on the social responsibility objectives that were stated in their 2005 Social Responsibility Report;
 - Assessed whether the information in the Report is in line with our knowledge and experience in respect of social responsibility at TNT.
- Evaluate the overall format and presentation of the Report, including evaluating the consistency of the information, in line with the above-mentioned reporting criteria.

CONCLUSIONS

With respect to the audit part of the engagement

Based on our audit procedures, we conclude that the following information provided has been represented completely, accurately and sufficiently, in all material respects, in accordance with TNT's reporting criteria:

- for all divisions, the data and graphs relating to the percentage of TNT people working at certified sites,

blameworthy and other road traffic accident fatalities (excluding subcontractors) and workplace fatalities;

- for the Mail division, all data and graphs relating to the CO₂ footprint.

The audited data are marked with a triangle (▲).

With respect to the review part of the engagement

Based on our review procedures with regard to all the other elements of the Report, we have no reason to assume that, in accordance with TNT's reporting criteria:

- the reporting criteria are not acceptable and have not been applied consistently;
- the reported events have not occurred during the reporting period and have not been presented completely, accurately and timely;
- the reported information has not been represented completely, accurately and sufficiently for all divisions, in all material respects.

In addition, based on our review procedures, nothing has come to our attention that would cause us not to believe that:

- the reported information is material to TNT's stakeholders and that the reported targets and indicators in general are used in strategic and operational decision-making;
- the Report shows TNT's responsiveness to major issues raised by stakeholders and that TNT has policies, programmes and procedures in place to address material issues raised by stakeholders.

RECOMMENDATIONS

TNT is continuously developing its social responsibility reporting system and policies as explained in the Report. Our assurance engagement has led to some important recommendations for improvement. Without qualifying our conclusions, the following matters require attention:

- The effectiveness of the management review controls with respect to the social responsibility reporting process can be further improved. In 2006, management review controls were observed to contain a number of weaknesses limiting the effectiveness of the internal review. We recommend that the management review controls are strengthened, for example by embedding social responsibility reporting into the regular planning and control systems.
- The Report is not yet based on full coverage as intended by TNT and as clarified in the data clarification table in Annex 4. We recommend TNT to further increase the number of entities that report on social responsibility data to increase the coverage and to achieve a higher degree of completeness of the Report.

Amsterdam, 26 February 2007
PricewaterhouseCoopers Accountants N.V.



drs. M. de Ridder RA

Annex I:

TNT Group

social responsibility policy

Our aspirations

TNT is a global business that strives to improve its social and environmental impact on communities around the world. We aspire to help people realise their potential and to meet the needs of the current generation without producing a poorer world for our children by compromising the ability of future generations to fulfil their own needs. To meet these aspirations towards our stakeholders, we subscribe to the United Nations Global Compact, which embraces, supports and enacts a range of values in the areas of human rights, labour standards and the environment that we can influence.

The quality of our footprint on local, regional, national and global societies is a determining factor when communities decide whether to extend their consent to our operations in the long term. TNT is developing and maintaining policies and practices that promote a positive and sustainable environmental and social contribution to every community in which we operate. The TNT Business Principles underpin this commitment to legal compliance, continuous improvement and social responsibility.

Our initiatives

TNT is undertaking a variety of initiatives to support our aspirations and values:

- Encouraging operating units to achieve international standards including Investors in People, ISO 9001:2000, ISO 14001, OHSAS 18001 and SA 8000.
- Training employees on the social and environmental dimensions of their roles.
- Encouraging our suppliers to introduce programmes that support our own objectives and targets because we take responsibility for the effects of our entire supply chain in line with the TNT Business Principles.
- Benchmarking our policies, strategies and programmes internally and externally to encourage continuous improvement in all areas of our activities.
- Developing programmes that reduce the emissions of our operational activities.

Our communications

We are committed to communicating and building a dialogue with internal and external stakeholders about our challenges and accomplishments in achieving our social responsibility and environmental management goals.

Our internal award

We hold an annual competition to celebrate the best internal initiatives and results in the field of social responsibility and environmental management.

Public reporting

We will reflect our progress and future plans in our social responsibility report to enable all our stakeholders to understand and monitor our performance and future plans.




M.P. Bakker
Chief Executive Officer



C.H. van Dalen
Chief Financial Officer



H.M. Koorstra
Group Managing Director Mail



M.C. Lombard
Group Managing Director Express

Annex 2:

Dow Jones Sustainability Assessment

For the second consecutive year TNT has been designated leader in its industry in the Dow Jones Sustainability Index.

TNT scored 84 points out of a possible 100, up nine points from last year's score. In six out of 18 criteria, we achieved the highest score in our sector, Industrial Transportation.

The Dow Jones Sustainability Indexes cover the top 10 percent of the largest 2,500 companies in the Dow Jones World Index in terms of economic, environmental and social criteria. For each of the 60 industry groups, only the top companies qualify. The industrial transportation index in which we are classified lists nine qualified companies. The assessment is based on 116 questions in various areas of social responsibility. For the complete questionnaire and answers please go to <http://group.tnt.com/socialresponsibility/standards/dowjonessustainabilityindexes/index.asp/>.

TNT achieved industry-leading scores in 6 of the 18 criteria:

- Risk & Crisis Management
- Customer Relationship Management
- Environmental Reporting
- Fuel Efficiency
- Talent Attraction and Retention
- Stakeholder Engagement

These areas are coloured orange in the tables below.

Our scores in some other areas indicate room for improvement. By 'room for improvement' we mean every TNT score that deviates more than 10% from the industry leader in a specific area. These areas are shown in grey in the tables overleaf.

TNT publishes its DJSI assessment on its corporate website at the address mentioned above.

OVERALL SCORE

	TNT score 2006 (%)	<i>TNT score 2005 (%)</i>	Average score (%)	Best score (%)
Total score	84	75	52	84

DIMENSIONS

	TNT score 2006 (%)	<i>TNT score 2005 (%)</i>	Average score (%)	Best score (%)
Economic Dimension	90	90	54	90
Environmental Dimension	91	73	54	91
Social Dimension	77	66	51	79

ECONOMIC DIMENSION

	TNT score 2006 (%)	<i>TNT score 2005 (%)</i>	Average score (%)	Best score (%)
Corporate Governance	83	79	69	93
Risk & Crisis Management	100	100	47	100
Codes of Conduct / Compliance / Corruption & Bribery	85	83	61	94
Customer Relationship Management	90	93	25	90

ENVIRONMENTAL DIMENSION

	TNT score 2006 (%)	<i>TNT score 2005 (%)</i>	Average score (%)	Best score (%)
Environmental Performance (eco-efficiency)	87	40	40	96
Environmental Reporting	100	75	71	100
Environmental Policy/Management System	88	76	62	98
Climate Strategy	85	83	35	91
Fuel efficiency	100	—	55	100
Biodiversity	85	76	51	98

SOCIAL DIMENSION

	TNT score 2006 (%)	<i>TNT score 2005 (%)</i>	Average score (%)	Best score (%)
Labour Practice Indicators	86	86	65	91
Human Capital Development	56	41	33	85
Talent Attraction & Retention	82	68	42	82
Corporate Citizenship/Philanthropy	85	87	26	96
Social Reporting	66	45	51	96
Occupational Health & Safety	65	52	49	100
Stakeholder Engagement	100	100	62	100
Social Impacts on Communities	86	53	48	100

Annex 3:

GRI 2002 cross-reference index

Vision and strategy		page
1.1	Vision and strategy regarding social responsibility	7, 13
1.2	CEO statement	7
Profile		
2.1	Name of reporting organisation	12
2.2	Major products and/or services	12
2.3	Operational structure of the organisation	12
2.4	Major divisions, operating companies, subsidiaries and joint ventures	12
2.5	Countries of business	see http://group.tnt.com/aboutus/tntataglance/globalpresence/index.asp
2.6	Nature of ownership; legal form	12
2.7	Nature of markets served	3
2.8	Scale of the reporting organisation	2
2.9	Stakeholders	20
2.10	Contact information	54
2.11	Reporting period	17
2.12	Previous report	see http://www.group.tnt.com/socialresponsibility/reportsandrakings/socialresponsibilityreporting/index.asp
2.13	Report boundaries	17
2.14	Significant changes	17
2.15	Reporting basis	17
2.16	Re-statements of information	9, 17, 29, 32, 38
2.17	No application of GRI principles and protocols	not relevant
2.18	Criteria and definitions for costs and benefits	see 2006 annual report pages 109-118
2.19	Measurement method changes	7, 17
2.20	Accuracy, completeness and reliability	14, 15
2.21	Independent assurance	41
2.22	Additional information	54
Structure and governance		
3.1	Governance structure	see http://group.tnt.com/corporategovernance
3.2	Independence of board members	see 2006 annual report page 54
3.3	Expertise of board members	see 2006 annual report page 57
3.4	Board oversight of risks and opportunities	see 2006 annual report pages 77-84
3.5	Link between executive compensation and achievement of financial and non-financial goals	15 and see 2006 annual report page 69
3.6	Operational structure and responsibilities regarding sustainability	13, 14
3.7	Mission, values and code of conduct	see http://group.tnt.com/aboutus/introductionfromthecol
3.8	Shareholder feedback mechanisms	see http://group.tnt.com/investorrelations

Stakeholder engagement		
3.9	Identification and selection of stakeholders	20
3.10	Stakeholder consultation	20, 21
3.11	Stakeholder feedback	21
3.12	Use of information	11, 20
Policies and management systems		
3.13	Precautionary policies	see http://group.tnt.com/socialresponsibility/standards/unglobalcompact/index.asp
3.14	Voluntary charters	see http://group.tnt.com/socialresponsibility/standards/unglobalcompact/index.asp
3.15	External memberships	20
3.16	Policies on upstream and downstream impacts	21
3.17	Policies on managing indirect impacts	structured monitoring and reporting will take place at a later stage
3.18	Operational changes	17
3.19	Pertaining to economic, environmental and social performance	9, 11
3.20	Status of certification	9, 24, 26, 29, 32, 37
Economic performance indicators		
EC 1	Net sales	3
EC 2	Geographic breakdown of markets	3
EC 3	Cost of all goods, materials and services purchased	35
EC 4	Percentage of contracts paid	35
EC 5	Total payroll and benefits, by region	not reported by region see 2006 annual report page 136
EC 6	Interest and any dividends	35
EC 7	Retained earnings	35
EC 8	Taxes paid, by region	not reported by region see 2006 annual report page 106
EC 9	Any subsidies, by region	no reliable figure available. TNT intends to report on this at a later stage
EC 10	Cash and in-kind donations	30
Environmental performance indicators		
EN 1	Total materials use other than water, by type	not applicable to Mail and Express services
EN 2	Recycled external waste	the amount of service-related waste is relatively minor
EN 3	Direct energy use	37, 38
EN 4	Indirect energy use	37, 38, 39
EN 5	Total water use	water consumption is relatively low
EN 6	Ownership of biodiversity habitats	TNT doesn't typically use land in risk areas
EN 7	Biodiversity impacts	TNT doesn't typically use land in risk areas
EN 8	Greenhouse gas emissions	37
EN 9	Use and emissions of ozone-depleting substances	the amount of WHFCs and PFCs emitted is very low. Transport vehicles are typically not equipped with air-conditioning
EN 10	Airborne emissions such as NOx, SOx	this is not yet reported separately. the new automotive techniques include this information
EN 11	Waste by type and destination	40
EN 12	Discharges to water, by type	not applicable to Mail and Express services
EN 13	Environmental incidents	40
EN 14	Environmental impact of goods and services	37

EN 15	Recycling of products	not applicable to Mail and Express services
EN 16	Incidents of non-compliance	40
Social performance indicators		
LA 1	Breakdown of workforce by geography	3, 23
LA 2	Employment creation and turnover	23, 27
LA 3	Independent trade union memberships	all TNT personnel may be a member of a trade union and may also unite themselves in work councils. In non-OECD countries, TNT is working on the implementation of SA 8000 in order to address the dilemma of national laws versus the TNT policy on this subject
LA 4	Workforce consultation programmes	27
LA 5	Occupational disease and accidents	26
LA 6	Health and safety committees	24
LA 7	Injuries, absenteeism and lost days	24, 25, 26
LA 8	Policies or programmes on HIV/AIDS	Through the partnership with WFP, truck drivers receive HIV/AIDS awareness training in the Wellness Centers.
LA 9	Training hours	28
LA 10	Policies on equal opportunity	28
LA 11	Executive diversity	28
LA 16	Employability of employees and career ending management	27, Case I
Human rights		
HR 1	Policy on human rights	29
HR 2	Human rights in actions	not yet reported but is typically part of the purchasing requirements
HR 3	Human rights in our supply chain	our first priority is to implement social responsibility in our own fully-owned organisation
HR 4	Policy on non-discrimination	29
HR 5	Policy on freedom of association	29
HR 6	Policy on child labour	29
HR 7	Policy on forced labour	29
Society		
SO 1	Policy on community impact	see 2006 annual report page 76
SO 2	Policy on bribery and corruption	see http://group.tnt.nl/corporategovernance/tntbusinessprinciples/index.asp
SO 3	Policy on political corruption	see http://group.tnt.nl/corporategovernance/tntbusinessprinciples/index.asp
SO 4	Awards received relevant to social, ethical and environmental performance	not applicable in 2006
Product responsibility		
PR 1	Policy on health and safety	relevant policies are in place, however not yet reported on
PR 2	Policy on product labelling	32
PR 3	Policy on consumer privacy	relevant policies are in place, however not yet reported on
PR 6	Voluntary code compliance, product labels or awards with respect to social and/or environmental responsibility	see http://group.tnt.com/aboutus/awardsandhonors/index.asp
PR 8	Policies and management systems related to customer satisfaction	32

Annex 4:

Data clarification tables

These tables clarify the coverage per KPI as presented in the report. For each indicator, the coverage of the KPI is expressed in the number of FTEs that report on the KPI divided by the number of FTEs that ideally should report. In the table, 'certification' refers to the number of certified FTEs.

	Mail		Express		TNT	
	FY 2005	FY 2006	FY 2005	FY 2006	FY 2005	FY 2006
Workforce						
Headcount	76,434	84,380	48,801	53,220	126,071	138,031
Full time equivalent	41,601	41,607	44,695	48,939	87,118	90,969
Certification						
OHSAS 18001 in FTEs	▲	0%	77%	45%	87%	82%
Investors in People in headcount	▲	74%	68%	97%	98%	79%
Investors in People in FTEs	▲	77%	76%	97%	98%	88%
SA 8000 in FTEs	▲	not applicable	not applicable	5%	48%	48%
ISO 9001 in FTEs	▲	85%	80%	71%	80%	80%
ISO 14001 in FTEs	▲	82%	77%	26%	56%	65%
Our People						
Road safety						
FTEs reporting on total number of road traffic accident fatalities (excluding subcontractors)	98%	100%	98%	100%	97%	100%
FTEs reporting on blameworthy road traffic accident fatalities	98%	100%	98%	100%	98%	100%
FTEs reporting on road traffic accident fatalities involving subcontractors	94%	78%	98%	100%	96%	90%
FTEs reporting on blameworthy road traffic accidents rate based on kilometres	81%	82%	82%	87%	82%	84%
FTEs reporting on blameworthy road traffic accidents rate based on average numbers of vehicles	81%	83%	83%	89%	82%	86%
Lost time accidents						
FTEs reporting on lost time accidents frequency rate	0%	87%	45%	91%	23%	89%
Workplace fatalities						
FTEs reporting on workplace fatalities	98%	100%	98%	100%	98%	100%
Employee engagement						
FTEs reporting on employee satisfaction	0%	86%	96%	97%	49%	92%
Turnover and retention						
FTEs reporting on voluntary turnover	77%	77%	95%	96%	86%	87%
FTEs reporting on management vacancies filled by internal candidates	77%	78%	73%	76%	75%	77%
Diversity						
FTEs reporting on gender profile	77%	87%	95%	99%	86%	93%
FTEs reporting on managerial positions by gender	77%	86%	96%	99%	86%	93%
Training hours						
FTEs reporting on all training hours (including social responsibility training)	73%	70%	85%	87%	78%	79%
Inclusion of minorities						
FTEs reporting on employees with a disability	77%	83%	95%	96%	86%	90%

Mail		Express		TNT	
FY 2005	FY 2006	FY 2005	FY 2006	FY 2005	FY 2006

Our Customers

FTEs reporting on customers invited to participate in formal customer satisfaction survey	81%	99%	68%	98%	75%	98%
FTEs reporting on satisfied customers highlighted by internal or external evaluations	81%	78%	67%	95%	73%	86%

Our World

Sustainable resources

FTEs reporting on sustainable electricity	81%	80%	70%	98%	76%	90%
---	-----	-----	-----	-----	-----	-----

Sustainable transportation

FTEs reporting on vehicles with on-board computer with performance monitoring	81%	88%	18%	100%	48%	94%
FTEs reporting on vehicles running on hybrid engines	81%	88%	25%	100%	52%	94%
FTEs reporting in vehicles running on natural gas	81%	88%	25%	97%	52%	93%
FTEs reporting on vehicles running on electricity	81%	88%	25%	96%	52%	92%
FTEs reporting on vehicles running on biofuel	81%	88%	25%	100%	52%	94%
FTEs reporting on vehicles running on fuel (diesel and petroleum)	81%	88%	25%	99%	52%	94%

Waste

FTEs reporting on total waste	81%	78%	17%	53%	47%	64%
FTEs reporting on paper and cardboard separated for recycling	81%	79%	21%	61%	50%	69%
FTEs reporting on other kind of waste separated for recycling	81%	78%	17%	62%	47%	69%
FTEs reporting on hazardous waste	69%	81%	15%	76%	41%	78%

Energy efficiency

FTEs reporting on company cars	0%	82%	71%	72%	37%	77%
FTEs reporting on small trucks and vans (<7.5 tonnes)	81%	78%	73%	87%	77%	82%
FTEs reporting on large trucks (>7.5 tonnes)	81%	87%	74%	79%	78%	83%
FTEs reporting electricity usage for buildings	81%	80%	78%	84%	79%	81%
FTEs reporting gas usage for buildings	81%	78%	45%	71%	62%	74%
FTEs reporting on jet fuel	81%	100%	100%	100%	90%	100%
FTEs reporting on aviation gas	0%	100%	0%	100%	0%	100%

Noise complaints

FTEs reporting on noise complaints	81%	94%	25%	94%	52%	94%
------------------------------------	-----	-----	-----	-----	-----	-----

Environmental incidents

FTEs reporting on environmental incidents on site	81%	97%	25%	96%	52%	96%
FTEs reporting on environmental incidents off site	81%	94%	25%	96%	52%	95%

Prosecutions and fines

FTEs reporting on prosecutions and fines	81%	98%	25%	96%	52%	97%
--	-----	-----	-----	-----	-----	-----

Annex 5:

Glossary and definitions

AA1000 Assurance Standard

The AA1000 Assurance Standard is a generally-applicable standard for assessing, attesting to and strengthening the credibility and quality of organisations' sustainability reporting and the underlying processes, systems and competencies. The standard is issued by AccountAbility, an organisation that promotes accountability for sustainable development. The AA1000 Assurance Standard principles are based on three key elements: responsiveness, completeness and materiality.

Absenteeism

Total days absence versus potential working days, calculated per year-end.

All training hours

All training hours are the number of hours spent by the total of employees on payroll on training (including social responsibility training hours) during the reporting period (both on and off job and both internal and external programmes).

At least satisfied

At least satisfied employees is the total number of employees who stated that, overall, they were satisfied or above with TNT as an employer in the employee survey.

Blameworthy Road Traffic Accident (BRTA)

A blameworthy Road traffic Accident is one whereby the TNT driver is at fault. Accidents are considered to be blameworthy when TNT's senior management judged the accident as such. BRTAs that occur in company-owned or leased vehicles during weekends, non-working days or on the way to and from the office are also to be counted.

Blameworthy road traffic accident fatality (BRTAF)

A Blameworthy Road Traffic Accident Fatality (BRTAF) is an accident whereby a TNT employee or third party is fatally injured, so that the employee or third party died because of the accident of any person driving a TNT company-owned or operated vehicle. BRTAFs that occur in company-owned or leased vehicles during weekends, non-working days or on the way to and from the office are also included.

A BRTAF is one whereby the TNT driver is at fault. Fatalities are considered blameworthy when TNT's senior management judge the fatality as such. Where a court ruling is involved, this is considered a higher authority. In that case, Accident Fatalities are considered blameworthy when a judge has found TNT guilty in his final irrevocable verdict in court.

Carbon dioxide emissions

Carbon dioxide emissions relate to the gas formed during combustion of fossil fuel. Carbon dioxide is referred to as a greenhouse gas.

Civil society

As part of our stakeholder dialogues, the civil society cluster includes academic and research institutes, financial and investment service organisations, government agencies, industry associations and international organisations, NGOs and trade unions.

Company-owned or leased vehicles

Company-owned or leased vehicles in the TNT fleet during the reporting period include company cars, company motorcycles (excluding vans and trucks) and hired vehicles used for business expansion reasons (not replacement hired vehicles for vehicles under repair).

Corporate governance

The OECD (see reference elsewhere in this glossary) defines corporate governance as the system by which corporations are directed and controlled. The corporate governance structure specifies the distribution of rights and responsibilities among different participants such as the board, managers, shareholders and other stakeholders, and defines the rules and procedures for making decisions. In doing so, it also provides the structure through which company objectives are set, the means of attaining those objectives and monitoring performance.

Disabled employees

Disabled employees are employees on payroll whose medical condition is recognised by the authorities as a disability.

Dow Jones Sustainability Indexes

Launched in 1999, the Dow Jones Sustainability Indexes are the first global indexes to track the financial performance of the leading sustainability-driven companies worldwide. They provide asset managers with reliable and objective benchmarks for managing sustainability portfolios. For further information see www.sustainability-indexes.com.

Environmental incident

An environmental incident is an incident that has led to pollution of soil, water or air. This includes failures, breakdowns, floods, spillages, leaks, leakages and so forth.

Euro 5

Euro 5 is the most recent set in a series of mandatory European emission standards applicable to new road vehicles sold in the European Union. It requires Heavy Goods Vehicles (HGVs) to emit no more than 2.0 g/kWh (Euro 4: 3.5 g/kWh) of NOx and 0.02 g/kWh (Euro 4: 0.02 g/kWh) of Particulate Matter (PM). As yet, there is no Euro 5 standard applicable for passenger cars, but a recent proposal suggests limiting diesel car emissions to 0.200 g/km of NOx and 0.005 g/km of PM, petrol cars to 0.060 g/km NOx and 0.005 g/km PM.

The standards do not mandate the application of specific technologies, but it is widely expected that diesel particulate filters will need to be fitted in diesel vehicles to comply with the PM standard.

European Foundation for Quality Management (EFQM)

The EFQM is a not-for-profit membership foundation that directs the European Quality Awards and runs training courses, workshops and special projects on business improvement. The EFQM Excellence Model was introduced in 1991 as the framework for organisational self-assessment and the basis for judging entrants to the European Quality Award. For further information see www.efqm.org.

Fuel efficiency ratio

The fuel efficiency ratios reflect how efficiently the various energy resources are used for the performance required, such as producing electricity, heating and accommodating transportation.

Global Reporting Initiative (GRI)

The GRI is a multi-stakeholder process and independent institution whose mission is to develop and disseminate globally-applicable sustainability reporting guidelines for voluntary use by organisations that report on the economic, environmental and social dimensions of their business. The GRI incorporates participation of business, accountancy, investment, environmental, human rights and research and labour organisations from around the world. Starting in 1997, the GRI gained independence in 2002, is an official collaborating centre of the United Nations Environment Programme and works with the United Nations Global Compact. For more information, see www.globalreporting.org.

Greenhouse Gas Protocol

The Greenhouse Gas Protocol Initiative (GHG Protocol) was established in 1998 to develop internationally-accepted accounting and reporting standards for greenhouse gas emissions from companies.

Hazardous waste

Hazardous waste is waste that could prove harmful to human health or the natural environment.

Headcount

Headcount is the number of own employees on the payroll in active duty working for fully-consolidated companies.

International Organization for Standardization (ISO)

The ISO is a network of national standards institutes from 146 countries working in partnership with international organisations, governments, industry, business and consumer representatives. The ISO is the source of ISO 9000 standards for quality management, ISO 14000 standards for environmental management and other international standards for business, government and society. For further information see www.iso.org.

Investors in People

Developed in 1990 by a partnership of leading businesses and national organisations, Investors in People helps organisations to improve performance and realise objectives through the management and development of their staff. For further information see www.iipuk.co.uk.

ISO 9001 (quality management)

The ISO 9000 standards cover an organisation's practices in fulfilling customers' quality requirements and applicable regulatory requirements while aiming to enhance customer

satisfaction and achieve continual improvement of its performance in pursuit of these objectives.

ISO 14001 (environmental management)

The ISO 14001 standard is an international standard for the control of environmental aspects and the improvement of environmental performance, minimising harmful effects on the environment and achieving continual improvements in environmental performance.

Key Performance Indicators (KPIs)

KPIs are measurements that focus on the achievement of outcomes critical to the current and future success of an organisation. These indicators should deal with matters that are linked to the organisation's mission and vision, and are quantified and influenced where possible.

kWh electricity from sustainable sources

kWh electricity from sustainable sources is the total amount of kWh electricity generated from 'green' or 'renewable' sources such as solar, wind, geothermal, biomass, hydroelectric and ocean energy purchased during the reporting period for power and lighting of all company locations (where this can be established from utility supplier invoices or other means). It does not include nuclear energy.

Lost time accident

A lost time accident is any accident at work that caused an employee to be absent for at least one day in the reporting period, excluding the day that the accident occurred.

Management positions

Management positions are defined as the number of females/males employed at management positions or above (i.e. with responsibilities for other employees or with budget responsibility).

Noise complaints

Noise complaints are the number of written or documented verbal expression of grievance and/or dissatisfaction from external parties received during the reporting period relating to noise caused by an operation on or off site.

Non-OECD countries

Please refer to the definition below for OECD countries. Non-OECD countries in which TNT (Mail and Express) has operations include Argentina, Bahrain, Brazil, Bulgaria, Cambodia, Chile, China, Egypt, Estonia, Fiji, Hong Kong, India, Indonesia, Israel, Jordan, Kuwait, Latvia, Lithuania, Malaysia, Namibia, Philippines, Romania, Russia, Saudi Arabia, Singapore, Slovenia, South Africa, Sudan, Taiwan, Thailand, United Arab Emirates and Vietnam.

On-time delivery

Delivery of a consignment within the timeframe set for the service in question.

Organisation for Economic Co-Operation and Development (OECD)

The Organisation for Economic Co-Operation and Development (OECD) comprises 30 member countries that share a commitment to democratic government and the market economy. Member countries – sometimes referred to as OECD countries – represent the world's most developed countries. For further information see www.oecd.org.

OHSAS 18001 (occupational health and safety)

OHSAS 18001 is a standard for occupational health and safety management systems. It is intended to help organisations control occupational health and safety risks and was developed in response to widespread demand for a recognised standard for certification and assessment. OHSAS 18001 was created through collaboration of several of the world's leading national standards bodies, certification organisations and consultancies. For further information see www.ohsas-18001-occupational-health-and-safety.com.

Promotion from within

Promotion from within is defined as the number of TNT employees appointed to vacancies in management positions at the end of a reporting period. This refers to the number of actual appointments, not the number of FTE positions.

Prosecutions and fines related to environmental performance

Prosecutions and fines related to environmental performance are prosecutions and fines by authorities for any incidents or non-compliance with any environmental law or regulation.

Road Traffic Accident Fatality (RTAF)

A Road Traffic Accident Fatality is an accident whereby a TNT employee or third party is fatally injured such that the employee or third party died because of the accident and where any person driving a TNT company-owned or company-operated vehicle is involved. RTAFs that occur in company-owned or leased vehicles during weekends, non-working days or on the way to and from the office are also included.

SA 8000 (social accountability)

SA 8000 is a standard issued by human rights organisation Social Accountability International (SAI). The standard is designed to maintain just and decent working conditions throughout a supply chain. It is based on international workplace standards in the International Labour Organization conventions and the UN's Universal Declaration of Human Rights and the Convention on Rights of the Child. It covers child labour, forced labour, health and safety, freedom of association and right to collective bargaining, discrimination, discipline, working hours, compensation and management systems. For further information see www.sa-intl.org.

Satisfied customers

Satisfied customers are the total number of customers that confirmed through external channels (e.g. correspondence, surveys, focus groups, trade bodies, etc.) that they were satisfied or more overall with the service provided in the reporting period.

Subcontractor Road Traffic Accident Fatalities

A subcontractor road traffic accident fatality occurs when a subcontractor or other third party is fatally injured by a person driving a subcontractor-owned or hired vehicle, which is operated on behalf of TNT.

Total number of full time equivalents (FTEs)

Total number of full time equivalents (FTEs) is the total number of hours worked by the headcount divided by the local number of contract hours (e.g. 40 p/w or 196 p/m).

Total working hours

Total working hours is based on the total number of individually calculated hours adjusted for overtime, leave or similar deviations.

Unsatisfied customers

Unsatisfied customers are the total number of customers that confirmed through external channels such as correspondence, surveys, focus groups, trade bodies, and so forth that they were dissatisfied or more with the overall service provided in the reporting period. It covers the total number of customers during the reporting period that confirmed through a formal satisfaction survey (i.e. through internal and external evaluations, correspondence, surveys, focus groups, trade bodies, etc.) that they were unsatisfied with the overall service provided.

Voluntary turnover

Voluntary turnover is the number of TNT employees on permanent contract (full-time or part-time) who resigned from the company of their own free will. This includes all resignations but not redundancies, dismissals or transfers.

World Economic Forum

The World Economic Forum is an independent international organisation committed to improving the state of the world. It provides a collaborative framework for the world's leaders to address global issues and engage its corporate members in global citizenship.

Workplace fatalities

Workplace fatalities are the number of employees injured fatally due to an accident, excluding road traffic accidents, and the number of third parties injured fatally due to an accident whilst at work on TNT-controlled premises.

PUBLISHED BY:

TNT N.V.
P.O. Box 13000
1100 KG Amsterdam
The Netherlands

Telephone + 31 20 500 6000
Fax + 31 20 500 7000
<http://group.tnt.com>
Chamber of Commerce, Amsterdam
Reg. no. 27168968

Text

Mark C. Gray
www.englishworks.de

Corporate data handling and consultancy

DHV Sustainability Consultants
www.dhv.com

Design and production coordination

Mattmo concept | design
www.mattmo.nl

Photography

Kees Hummel (cover)
Case 1: Guido Benschop, Bas Beentjes, Vincent Boon, Lizzy Kalisvaart
Case 2: Charlie Xia
Case 3: Herman Wouters

Lithography and printing

Thieme Amsterdam

Binding

Binderij Hexspoor

Paper

Oxford, FSC
Cover: ClaroSilk, PEFC



We welcome feedback on this report:
tnt.communication@tnt.com

