



Communication On Progress 2012

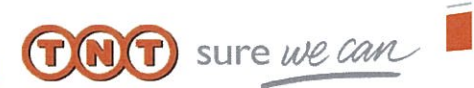
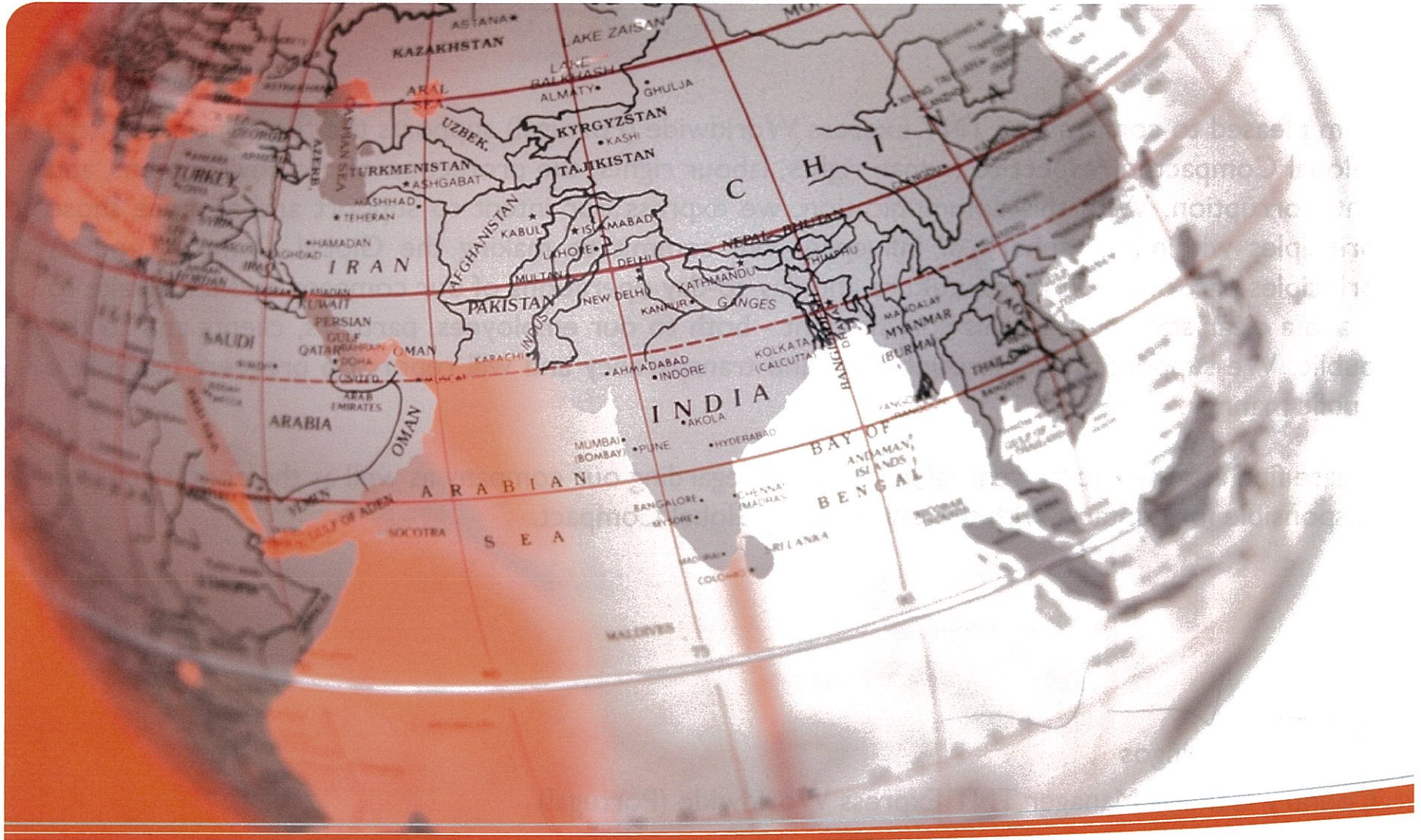


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CEO Statement

I am pleased to confirm that TNT Express Worldwide (Portugal) supports the ten principles of the Global Compact in respect to human rights, labour rights, the protection of the environment, and anti-corruption. With this communication, we express our intent to support and advance those principles within our sphere of influence. We commit to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and undertake to make a clear statement of this commitment - both to our employees, partners, clients and to the public. We support public accountability and transparency and will report on progress made in a public manner.

Please find attached some general information regarding our company as well as the contact person responsible for contacts with the office of the Global Compact.



Mr. José Domingos

Country General Manager TNT Express Worldwide (Portugal)



Overview

TNT Group History

TNT Express Portugal is part of the TNT (Thomas National Transport) group, which was founded in 1947 in Australia, since 1994.

After the business was firmly established, the development of the TNT group started its expansion into Europe and Asia during the 70s and 80s and mergers with different organizations, ending in 1996 with the acquisition of the TNT group by the Dutch postal service.

TNT Group Structure

The demerger that was decided in 2010 was effective by January of 2011, following shareholder approval.

Express provides on-demand door-to-door express delivery services for customers sending documents, parcels and freight. Express offers national, regional and global express delivery services, mainly for business-to-business customers.

In 2011, Express generated €7,246 million in revenues and operating losses of €105 million.

Worldwide Express moved an average of 4.8 million parcels, documents and pieces of freight a week to more than 200 countries.

TNT Express Portugal is part of the SEMEA (Southern Europe, Middle East and African Unit Region) within the group's Express division, carrying the TNT brand name.

TNT Express Portugal Structure

TNT has operated in Portugal since 1995, with depots in Porto and Lisbon. At that time, the headcount was 33 employees. Although this was a small operation, our objectives were well defined:

- To grow as the fastest and most reliable express transport company in Portugal, through the offering of the widest range of express products in both domestic and international markets;
- To achieve market leadership, with high ROS results, making TNT Portugal one of the most profitable transport companies in our country;
- To adopt the excellence model in order to have continuous improvements in results;
- To achieve high customer satisfaction that leads to customer loyalty and retention.

In 1995 we had 3,800 active traders, 329,500 transported consignments per year, 5% of market share and our focus was on the international express market. To support our profitable growth, and to achieve market leadership, a very successful merge with the domestic organization Tranjato took place in 1999.

Nowadays, we are operating in both the international and domestic express markets, with 6 depots, 3,156,388 transported consignments per year and employing over 304 people. In 2011 we continued to suffer the impact of the European economic crisis and the escalation of the Portuguese crisis.

Our facilities have been adjusted taking into account the business growth: in 1999, due to the acquisition process of Tranjato, a TNT depot was established in Coimbra; in 2000, we inaugurated a new TNT depot in Porto, newly built from the ground up with excellent working conditions; in 2003, we reorganized the space at the Lisbon depot and also transferred the *Head Office* to a new location in Parque das Nações (Lisbon) and in 2006 we inaugurated in Coimbra another TNT depot. A newly built from the ground up with excellent working conditions to replace the old one.

Regarding Human Resources, TNT Express Portugal's structure includes 6 Management members, 62 Supervisors and more 243 Employees.

Our Strategy and Our Focus on Quality

Vision

To be the most admired Delivery Company

Our vision (audacious goal) is to be admired by employees and customers. Also other groups may be taken into consideration: competitors, shareholders, governmental organizations.

Delivery refers to the core business of TNT Express.

Mission

We are a global team of empowered people that connects business, markets and people in a sustainable way

Our mission (higher goal) gives meaning to our work; it tells us why we exist as a company.

The concept of a *global team* emphasizes the sense of unity within TNT Express presupposes working together, helping each other and delivering results together.

Empowerment is on the level of every employee. It represents the power and capabilities of employees that are needed to make the right decisions and do what is right for TNT and our customers.

Connecting goes further than just delivering the goods of our customer. It refers to the broader services that TNT Express offers. It also refers to complex logistics solutions that TNT delivers on all possible levels: business, markets and people.

For TNT a *sustainable* future is more than being green. Beside the protection of the natural environment, the sustainable future also embodies a social aspect: social and/or human prosperity. This broader sense of a sustainable world means that all our acts need to be responsible: taking into account both people and planet.

Core Values

Our core values indicate what we find correct and of vital importance. Our core values can be seen in the behavior of our people.

Our core values are:

we are passionate about our customers

we care for people

we keep our promises

we have a 'can do' mentality

Core Qualities

As a company we need core qualities to differentiate us from competitors and help us to realize our vision. There are three things that are extremely important for TNT Express in order to achieve our mission and vision.

The first has to do with *people*. In the end, our people have to deliver the results. Therefore, keeping employees motivated and engaged is extremely important.

The core of our business is delivering goods. This means that we have to be very good at building local, regional and global partnerships.

Finally, we excel in satisfying our customers. TNT customers must have a fantastic experience when working for us; an experience that only TNT can deliver them.

Our core qualities are:

engaging people

working together

building local and global partnerships

delivering the orange experience

The strategic position adopted by TNT Express Portugal inevitably requires implementation of Quality and Excellence Principles in order to guarantee success. Since we began, we have strategically focused most of our attention on Quality, Environment and Social Responsibility, on a constantly renewed journey where it is important to point out some milestones TNT Express Portugal business is based on 9 Key Processes – a globally deployed management framework based on the EFQM Excellence Model that continuously improves customer satisfaction, employee satisfaction, impact on society and business results.

At TNT, Excellence is ensured by all employees in a decentralized manner with a light coordination structure supported by Management.

According to the EFQM Excellence Model and to TNT Express strategic plan the role of TNT Express Portugal is to be:

- A responsible corporate citizen company and
- Share responsibility and help create a better world.

Awards

External Awards

2000	ISO 9002:1995 certification
2001	Nacional Excellence Award recognition following local EFQM application 2nd best place to work in Portugal, recognition given by a well known portuguese economic magazine "Exame" "Investors in People" certification
2002	1st place in "Teleperformance Award", recognition given by CRM Grand Prix
2003	ISO 9001:2000 certification OHSAS 18001:1999 certification Best company in the transport and distribution sector in the " best and bigger companies operating in Portugal", recognition given by a well known portuguese economic magazine "Exame" Nacional Excellence Award (silver award) following local EFQM application "Top TAP Carga" recognition, given by TAP Air Portugal 4th best place to work in Portugal, recognition given by a well known portuguese economic magazine "Exame"
2004	ISO 14001:1999 certification One of the 100 Best Workplaces in Europe, recognition given by Great Place to Work Institute Europe 4th place for "Top TAP Carga" award, given by TAP Air Portugal Nacional Excellence Award (gold award) following local EFQM application Recognized for Excellence Award in Europe EFQM "Prevenir Mais Viver Melhor no Trabalho" honor mencion given by National ISHST
2005	SA 8000 certification "Top TAP Carga" recognition, given by TAP Air Portugal
2006	ISO 14001:2004 certification 1st recognized agent to operate safely in national airports given by INAC "Top TAP Carga" recognition, given by TAP Air Portugal Finalist for Excellence Award in Europe EFQM "Cidadania das Empresas e das Organizações" honor mencion, AESE and PricewaterhouseCoopers initiative
2007	12th best place to work in Portugal, recognition given by a well known portuguese economic magazine "Exame" "Cidadania das Empresas e das Organizações" award, AESE and PricewaterhouseCoopers initiative
2008	Industrial Safety certification, given by National Cabinet of Safety 30th best place to work in Portugal, recognition given by a well known portuguese economic magazine "Exame"
2009	Larger increase of the degree of satisfaction, honor mencion given by a well known portuguese economic magazine "Exame" 16th best place to work in Portugal, recognition given by a well known portuguese economic magazine "Exame"
2010	4th best place to work in Portugal, recognition given by a well known portuguese economic magazine "Exame" Best Call Center to work in (Great Place to Work) Excellence at work 2010/2011 Award - TNT Portugal excellence company in the sector.
2011	11th best place to work in Portugal, recognition given by a well known portuguese economic magazine "Exame" Excellence at work 2010/2011 Award - TNT Portugal excellence company in the sector.

Internal Awards

2000	Joint winner Most Improved Administration Performance Award - IBU
	Joint winner Most Improved Revenue Quality Performance Award - IBU
2001	Joint winner Profit Award - IBU
2002	Divisional Winner TPG Master Business Excellence Key Performance Results Category
	Divisional Winner Sustainability Award Environmental Commitment Category - IBU
	Best Performing Country Revenue Protection Award - IBU
	Winner Quality Award - IBU
	Winner Customer Service Direct Report Country Award - IBU
2003	Winner Major Account Direct Report Country Award - IBU
	Joint winner Special Achievement Award - IBU
	Winner TPG Masters Sustainable Development Category
	Campaign Winners Award - IBU
2004	Winner Core Sales Direct Report Country Award - IBU
	Winner Customer Service Direct Report Country Award - IBU
	Divisional finalist in TPG Master Business Excellence Award
	Business Excellence Award finalist- IBU
	Winner Business Excellence Award - IBU
	TPG Masters Business Excellence Customer Results Category recognition
	Best Sales Performance Award finalist - IBU
	Profit Performance Award finalist - IBU
2005	Winner TPG Masters HR Category
	Winner Customer Service Southern Central & North Europe Award - IBU
	TPG Masters People Results Category finalist
	Moving the World finalist - IBU
2006	Moving the World Award - IBU
	Being a Safe, Secure and Quality Company Award finalist - IBU
	TNT Masters Fundraising & Awareness Category finalist
2007	Internal World Food Program Campaign Award - IBU
	Winner TNT Masters Fundraising & Awareness Category
2008	CIT - ICS Award finalist - IBU
	Moving the World Excellence Award - IBU
	Being a Social Responsible and Quality Company Award finalist - IBU
2008	Winner Drive me° Award - ASSEN
	CSR Excellence Planet me° Award - IBU
2008	Divisional Winner TNT Masters Environmental Sustainability Category
	Winner TNT Masters Environmental Sustainability Category

IBU - International Business Unit

Certifications

TNT Express Worldwide (Portugal) business is supported by clear and strong procedures and policies, which lead us to the certification in ISO 9001, ISO 14001 and OHSAS 18001.

In 2000 our quality management system was certified according to the NP EN ISO 9002 standard, and in March 2003 TNT obtained certification according to the ISO 9001 standard. Recognizing the actions performed to improve our health and safety at work, OHSAS 18001 certification was obtained in May 2003. The “Investor in People” certification, obtained in 2002 and confirmed in 2003, 2007 and 2009, is an international acknowledgement that we are pioneers in Portugal due to the way we develop and manage our human resources, thus making a clear contribution to society. In 2003 TNT Portugal has implemented an Environment Management System and obtained the ISO 14001 certification in March 2004.

Analysis and Improvement

In a highly competitive and dynamic business sector, the results and increasing success of TNT Express Portugal are clear and are the result of its constant capacity to anticipate, analyze and constantly improve the adopted practices.

Because of the size of the company, many of the analyses and improvements that take place are informal, involving numerous small changes introduced as a result of constant communication between the employees and respective heads of department. In addition, TNT Express Portugal implements different improvement stimulation and support mechanisms, such as, management meetings, employees suggestion, appraisals, board meetings, competence management and personal development, bonus scheme for all employees, regular monitoring of a wide range of management indicators, KPIs and strategic objectives. It is through this permanent and continuous concern with renewing its position in the business world that TNT Express Portugal attempts to reach the peaks of excellence, both nationally and internationally, although conscious of the fact that this is an endless expedition requiring several attempts.



Human Rights and Labour Standards

Principles 1 and 2 and Principles 3, 4, 5 and 6

In a highly competitive and dynamic business sector, the results and increasing success of TNT Express Portugal are clear and are the result of its constant capacity to anticipate, analyze and constantly improve the adopted practices.

Child labour and forced labour

According to our policy of recruiting, TNT complies with national legislation on child labor and young workers and proceed to the control and supervision of all admissions to the rights of children and young people are respected.

When TNT detects a case of child labour, the TNT human resources department need to inform the authorities and support the school reintegration.

The same should be done when TNT detects a case of forced labour. The authorities need to be informed and TNT will guarantee all the health and safety work conditions.

	2009	2010	2011	2012 (budget)
Child Labour				
Number of collaborators age < 18 years	0	0	0	0
Numbers of trainees age < 18 years	0	0	0	0
Forced Labour				
Number of complains about forced labour	0	0	0	0
Working Hours				
Days of absence (days/employee)	4.24	5.45	4.17	3
Number of training outside working hours*	0	0	0	0
Exame Best Place to Work - question on the balance between personal and professional life (%) **	N/A	77	77.64	N/A
Remuneration				
Voice question on compensation and incentive Base (%)	N/A	44	72	N/A
Disciplinary Practices				
Number of disciplinary processes	5	2	0	0

* Lei 53/2011, article 226

** Voice Survey no longer has this issue. The 2010 results are from study made by Exame magazine.

Discrimination

We create equal opportunities for all our employees, without regard to age, disability, ethnicity, gender, marital status, race, religion or sexual orientation. We do not condone unfair treatment of any kind. We treat all people with consideration and respect. We are committed to the Investors in People standard. Equality of opportunity is one of the pillars of Investors in People, and it has been demonstrated that TNT Portugal follows its principles in the processes presented above, namely those which refer to recruitment, career management, participation and involvement of workers.

	2009	2010	2011	2012 (budget)
Discrimination				
Female employees (%)	44	45	45	N/A
Male employees (%)	56	55	55	N/A
Temporary contracts (%)	19	18	10.7	N/A
Permanent contracts (%)	81	82	89.3	N/A
Number of New Starters Leaving for voluntary reasons (%)	-	-	6.67	9.68
Number of Internal appointments vs total new appointments	80	66.67	0	50 %
Voluntary turnover (%)	6.7	4.15	1.63	4.2
Suggestions programme (number of approved suggestions)	0	0	0	N/A
Suggestions programme (number of no approved suggestions)	4	5	2	N/A
One-to-One Program (number of interviews)	0	8	0	N/A
Voice response rate (%)	N/A	64	85	≥ 85
Voice on employees satisfaction (%)	N/A	83	N/A	≥ 75
Investors in People Certification	Maintain	Maintain	Maintain	Renew

Transparency of information

TNT is committed to sound business conduct and therefore manages its business according to the TNT Standards and the TNT Business Principles, which require an ethical and transparent way of conducting business. Therefore, we provide full, fair, accurate and timely disclosure in our reporting, and we communicate openly and transparently about our business while respecting confidentiality.

Legislation

TNT complies with all national and other applicable laws, standards and others requirements to which the company subscribes.

Surveys and Market research studies

- TNT Voice Survey (permits us to know our employees perceptions of our company),
- CLM (permits us to evaluate customer perceptions of our performance, one time a year, via analysis of their responses about which factors are most important in terms of service, what influences the quality of our service the most, determining factors in choosing an express transport company and how we can improve our services,
- Market research studies.

Information Security and Protection against internet abuses

We safeguard property and information entrusted to us by customers, suppliers and employees.

The ICS (Information Communication Services) department mission is to implement the best-in-class IT solutions to support the vision and mission of the company. Due to the importance of Information:

Customers: customers have access to the TNT Internet. The company makes a general list of the services available, with statistics relating to levels of service and transit times, contacts and other details which fulfill the main objective, which is to provide information to the customers so as to allow better communication with them.

Suppliers: just as we can access the Internet of some suppliers, they also have access, although restricted, to the TNT Internet. All the relevant information is also managed in our partnership relationship.

Shareholders: have access to all the relevant information about TNT on the stock exchange, and to the annual report of the company via the Internet.

TNT Express ICS department is responsible for the integrity and security of all information. ICS also manages all the aspects relating to security and data access control in accordance with TNT policies and EU and national legislation. Information is a key aspect, and it's protection is seen as a critical priority that is assured through certification in accordance with the standard BS 7799.

Based on the good practices of the sector, the following points are used to guarantee the confidentiality, integrity and availability of TNT information:

- Use of firewalls, anti-virus software and control of e-mails, TNT property, to ensure data integrity,
- Use of user-ID, password mechanisms and in some cases encryption to guarantee security,
- Daily back up and restores of all data are made to ensure its integrity, availability and recovery in case of accident,
- Carrying out of an annual external audit,
- Internal daily verification of the system log files,
- Obligation of our partners of complying with the TNT security policies.

TNT complies with all legislation relating to patents, registered trademarks and copyright, while protecting its own intellectual property.

Strategy

TNT, in carrying out its mission to "provide the fastest and most reliable transportation services in the market", is particularly focused on the customer results obtained, by systematically measuring and evaluating their satisfaction.

Communication

Policy and Strategy are communicated and deployed through a framework of 9 key processes. Communication of TNT Portugal's Policy and Strategy is deployed using a top-down cascading process throughout the entire organization. We feel it is essential for all employees to know their role in the pursuit of the company's strategy. Posters, internal newsletter (e.g., Business Bulletin; "Cá Dentro" Newsletter) and corporate videos are some of the preferred media for communicating Policy and Strategy, along with information technologies and documents delivered to all employees.

Posters which refer to the vision, mission and main objectives, or to our principles, are framed and fixed in the corridors and common rooms of the company. In addition, a short brochure was distributed to each employee and subcontractors of TNT Portugal, with a synthesis of information related to the company, its culture, objectives and policies, especially about TNT Business Principles and the Integrity.

In some specific cases, the objectives of the areas are placed on a board mounted on the wall of the relevant department, allowing for constant updating and disclosure of results.

Freedom of association and right to collective bargaining

TNT Portugal employees have a representative within the group's European Works Council (EWC).

Supplier/Subcontractors evaluation

TNT establish and maintain strong procedures to evaluate and select suppliers/subcontractors based on their service quality, but also on their ability to meet the requirements of legislation and 9001, 14001 and 18001 standards.

His evaluation procedure consist in a questionnaire and in the presentation of proofs about legislation compliance, for example, health insurance for their employees.

Health and safety

TNT is committed to comply with all regulations and national and international security, as set out in our Integrated Management System, certified and regularly reviewed according to standard NP 4397 (18001). The OHSAS 18001 certification guarantee the implementation of all correct health and safety conditions and the compliance with all Portuguese legal requirements.

	2009	2010	2011	2012 (budget)
Health and Safety				
Number of lost time accidents (LTA)	6	16	10	9
Number of complains to ACT (national work conditions authority)	1	2	0	0
Number of road traffic fatal accidents (employees & subcontractors)	0	0	0	0
Voice question on health and safety (%)*	N/A	88		75
Voice question on work conditions (%)*	N/A	89		75
My work area is a safe to work (%)* *	N/A	78	85%	N/A

* Until 2009 by Engagement Survey response Since 2010 by Voice response.

** Voice Survey no longer has this issue. 2010 results from the study by Exame magazine.



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Freedom of association and right to collective bargaining

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	2005	2009
Freedom of association and right to collective bargaining		
Share of the election of employee representative to the European Work Council * (%)	91.38	83

* The election of employee representative to the European Work Council takes place every 4 years

Human rights awareness

Local and corporate initiatives have been developed from 2002, such as with Portuguese Red Cross and AMI (International Medical Association), with fundraising marketing campaigns, volunteer work and campaigns with the objective of collecting clothing, blankets and toys offered by staff. These institutions were selected because of their wide and known action and recognition at both national and international levels, and also because they are officially and regularly account audit.

For TNT Express Portugal, social responsibility has always been seen as the main ambition, therefore it is one of the most important reasons why we have entered into a pioneering partnership with the “World Food Program” of the United Nations and together spread worldwide awareness of the hunger problem and fight it. The involvement of everybody is carried out with particular attention, gathering the people who are directly related to TNT, i.e. our employees their friends and family, and including as well our Customers, Suppliers and Society. The people involvement includes a donation campaign that entails a monthly deduction from employees’ salaries.

Working hours

In TNT we work 7 hours per day, providing all employees a good work life balance. Working hours may be changed in accordance with requirements and employees needs, as long as this does not impact directly on the normal running of the company. In many cases this has been a great help to families.

Apart from working as volunteers, regular participation as speakers at forums, workshops and seminars has been a continuing practice at TNT Portugal.

Our concern in involving our employees and altogether promote awareness of the world hunger problem, by creating this awareness we will be able to extend our help to a wider number of children every year.

The leaders in Portugal have a crucial role in developing and supporting all of the local social responsibility programs and global corporate programs “Moving the World”. For example, in the WtW (“Walk the World”) event Portugal’s Country General Manager is far one of the most enthusiast and active promoter leaders in our organization.

Walk the World is the first worldwide employee fundraising event organized by TNT as part of the partnership with the World Food Program of UN. Sponsored walks are a popular way of raising funds to support charities and good causes. In 2011 we opened the scope of the event and also use 25% of the values gathered to help one national social support organization – Caritas. In the end it was obtained the value of 38 744,59 euros. It was sent 29 058,44 euros to the WFP for helping their operations in Tanzania and 9 686,15 euros to Caritas to developed project of social help in Portugal.

Recruitment

We seek to attract, develop, reward and retain outstanding individuals who appreciate the value of acting as a team.

At TNT Portugal, recruitment and careers are managed from a conviction that human resources investment will be most effective with an adjusted recruitment and selection process, which allows the selection of the best candidate for the vacancy to be occupied. There is also a general policy of privileged recruitment for internal promotion: each and every vacancy is open to internal competition at a national level within TNT Portugal, before being opened to external procurement.

Recreation programs

We define an annual plan of social and cultural activities at TNT Portugal, as a means of reinforcing the involvement and inter-personal relationships within the TNT family, for example, the Annual Excellence Meetings.

All our depots have eating areas where employees can have meals and consult our Intranet during break periods.

Whistleblower policy

Whistleblower policy encourage people to promptly report any breach or suspected breach of any law, regulation, the TNT Business Principles or other company policies and procedures, or any other alleged irregularities.

Open Door Policy

In addition, our “Open Door” policy is a cultural fact taken on board by any staff member. It shows, above all, that there are no barriers to communication. Access is easy and immediate at all levels of the company’s hierarchy. As an example of this philosophy, we refer to the fact that telephone extensions are made public, along with “short codes” and cellular telephone numbers for all the leaders of the company.

Training

Training is mandatory for all employees whose job description includes related responsibilities. Our policy of health and safety states that everyone is responsible for doing their part in establishing a safer working environment, and an effective culture of health and safety at work.

Disciplinary actions

The TNT Business Principles provide that any violation of its principles can lead to disciplinary measures, dismissal and, where laws are broken, civil or criminal prosecution. In order to secure consistency and fairness, TNT has a Disciplinary Matrix that should be applied when making decisions on disciplinary action against employees breaching the principles. Disciplinary actions must always comply with local laws and regulations. All disciplinary proceedings will be undertaken in accordance with local disciplinary procedure.

Improvement

TNT Portugal has a succession plan which goes up to the level of supervisors to guarantee appropriate knowledge management and career investment. This plan is reviewed annually, through the assessment of performance.

The development of our human resources is reviewed through a formal system of performance appraisal. Before starting the process, the employee receives a form and fills in the fields that apply to him or her beforehand, thus conducting a self-assessment and identifying requirements right from the start (training and career). The existing bonus scheme is linked to the objectives defined in the appraisals.

Remuneration

The remuneration strategy of the company has clearly followed a trend of valuing and fulfilling the goals of each employee, in line with the policy and strategy, thereby increasing the number of employees with an incentive plan.

TNT has also held periodic comparative studies of salaries, as a means of assessing the position of our remuneration policy within the labour market.

Involvement and Improvement Activities

The service that TNT Portugal provides and the success obtained is result of the involvement of its 304 employees. With the objective of using the potential of this vast combination of human resources, we encourage and support people to participate in different improvement activities. In addition to these actions, employees are also encouraged and supported to participate in company meetings, departmental meetings, roadshows in the philosophy of “Burning Questions/Straight Answers,” in the Suggestions Program and in some questionnaires about important subjects for the company, with the aim of stimulating creative and innovative behavior.

The Suggestion Program has as a fundamental rule that each and every suggestion will receive a response from the company, whether or not the suggestion is accepted. In order to encourage suggestions, prize money is given to the employee who made the suggestion, who also will make the follow up of its implementation. Subsequently the suggestion is published in the internal newsletter “Cá Dentro,” for everyone to see and become aware of it. In addition to this formal system, at all local or global meetings, a climate of open and frank communication is fostered, in order to stimulate the exchange of ideas and present suggestions informally.

Also, at the international level, there is a TNT Portugal employee within the group’s European Works Council (EWC), an entity which allows access to information and allows TNT employees to find out about major company decisions taken outside Portugal.

Our people

We have competent, capable and motivated people. We recognize their work and give all resources to realize their potential and thus can contribute individually to our business.

We respect the national and international legislation, as well as the collective agreement by which we work.

To strengthen and develop our team we are committed to liP certification (Investors in People certification), the management system that recognize the people value and ensure their development.

We aim to create equal opportunities for everyone, economically or professionally, without discrimination based on race, national origin, religion, gender, disability, sexual orientation, marital status or political affiliation.

To ensure full respect for the total freedom of the individual we are committed to preventing all forms of harmful behavior of individual dignity.



Environment

Principles 7, 8 and 9

TNT Portugal activity has obviously unhealthy environmental impacts. However, all areas of the company are focus to reduce it. In fact, the main objective of our environmental strategy is to take measures suited to our business activity to diminish any environmental impacts that may result from this activity. Our environmental concerns are also put into practice through the management of some important aspects of our organization.

Modernizing the vehicle fleet

TNT Express Portugal clearly contributes to the environment by reducing fuel consumption and decreasing exhaust emissions. Fleet modernization takes the fleet's environmental impact into account. The vehicles replaced most quickly are those that have the most environmental impact taking into account their age and fuel emissions.

Fleet Management

As an integral part of the TNT network our fleet is monitored and inspected daily and randomly. Daily fleet audits are also very important to verify safety conditions of the vehicles, ensuring the vehicles are fit for travel. We also seek every day to optimize vehicles so that they have a high load factor, thereby reducing the number of vehicles in circulation. Our subcontractors also follow these practices.

Training and Awareness

The training and awareness among all employees and the society on the importance of take care about our environment is constantly, through internal training and regular participation as speakers at forums, workshops and seminars.

Recycling and Waste Reduction

- Email message: “Think twice if you really need to print this email”,
- Using recyclable materials every time it is possible, especially for consumables,
- Favor environmentally friendly technology and products,
- Use always recycling bins,
- Reuse paper,
- Print double-side,
- Use of taps with timer.

Electricity, water and paper consumptions

As a result of the implementation of ISO 14001 during 2004, these analyses will start to be made by depot and head-office in order to take the necessary corrective and preventive actions at a lower level.

Other important actions:

- Turn-off computers and monitors at the end of the day,
- Switch off lights and equipments in empty rooms,
- Using recyclable materials every time it is possible.

Every month the Quality Department submits a report with energy and water consumptions and waste send to recycle.

Reduction and Prevention of Injuries

The diligence done by TNT in development and implementation of Health and Security System, to promote a safe and healthy environment in the workplace, including guidelines of conduct for all our staff to follow, and the subsequent certification, had produced the intended results such as reduction of the number of accidents, improvement on the safe and secure working place and improvement of the perception of the interested parts regarding Social Responsibility and Health and Security.

Another extremely important area of accident prevention involves the strong guidelines established in the Dangerous Goods Policy. TNT Portugal is also concerned with continuously using quiet and environmentally friendly equipment, and also the concept of non-smoking buildings, which has helped to create a healthier workspace.

Donations

Local initiatives are develop with Portuguese Environmental Associations, with fundraising marketing campaigns. These institutions were selected because of their wide and known action and recognition at both national and international levels, and also because they are officially and regularly account audit.

Electronic Communication

The electronic communication is the preferred communication way inside the company.

CO2 reduction

Because the transport industry produces 18% of the world's CO2 emissions (source: World Resources Institute), TNT recognizes its social responsibility, and has developed various projects to fight pollution in the world.

In TNT Portugal we always do our best in maximize our load capacity, and since ISO 14001 certification, we always use only double-sided printers and copiers, and set this as a default, certified paper and ensure 100% recycling of- all office paper. Relating with company cars, we have in our company cars fleet hybrid cars and we are always analyzing other sustainable options to the operational cars. In our fleet, TNT are implementing “Driving Clean” and route optimizing programs.

Environmental protection	2010	2011	2012 (budget)
Annual Paper consumption (reams per employee)	22.34	16.52	N/A
Annual water consumption (m ³ per employee)	-	8.35	10.92
Annual electricity consumption (kWh per employee)	2898.37	2738.78	2638.45
Buildings CO ₂ emissions (kg/m ²)	31.8	30.1	28.2
Diesel cars CO ₂ emissions (kg/100km)	16.73	16.64	N/A
Gasoline cars CO ₂ emissions (kg/100km)	15.3	15.51	N/A
Total recycle waste (ton)	146.45	129.16	N/A



Fight Against Corruption

Principle 10

Being aware that corruption and fraud could affect negatively the entire company, TNT has the goal to enhance ethical behavior and a transparent way of doing business, thus building a values-based organization. In fact, TNT believes that by building this values-based organization could enhance trust and openness among our employees and other stakeholders.

TNT is committed to fight corruption. Therefore, two core projects were developed.

Clarity Project

The CLARITY project deals with the development and implementation of a structured methodology and a tool to report proof on existence and working of internal controls throughout the organization.

CLARITY stands for Control, Legislation, Accountability, Risk, Integrity and Transparency.

As part of the TNT code Business Principles the company has declared the following statement: “our financial statements, public reporting documents and other public communication provide full, fair, accurate, timely and understandable disclosure of TNT’s position in accordance with relevant laws and generally accepted accounting principles and standards. We comply with all applicable laws and accounting rules, financial reporting requirements and requirements of the securities exchanges on which TNT is listed. We maintain open and transparent communication with our customer, employees, shareholders and society, while giving due respect to confidentiality.”

This principle statement is dealing with the integrity related to public reporting. To at least comply with the above-mentioned Sarbanes Oxley Act, as part of our overall goal, we have to **proof** that this statement is true. To enable TNT to provide this proof, the project CLARITY has been set up during 2007 and continues to improve ever year.

The objective of the CLARITY project is to proof adequate internal controls over financial processes within TNT to comply with the Sarbanes Oxley (SarbOx) 404 requirements consistently:

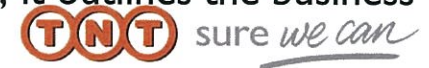
- Documenting all financial process and controls in the significant entities,
- Evaluating the internal controls over all key financial processes,
- Producing a report by management on the effectiveness of these Controls.

Integrity Project

TNT is committed to operate its business openly and honestly, guided by the TNT Business Principles. In 2006, we introduced the Integrity Program in order to enhance openness, trust and an ethical and transparent way of doing business.

The Integrity Program has been rolled-out across all business divisions including Portugal and is part of yearly training/refreshment for top Management and all the other employees in TNT Portugal.

Key element of our Program is discussing dilemmas surrounding integrity in an open environment. Furthermore the Program informs people about our ambitions for integrity, it outlines the business benefits, and covers the following subjects:



I. TNT Business Principles

Almost every day we are confronted with dilemmas, which mean a challenge to make the right choices.

The TNT Business Principles, of which the company standards are the foundation, reflect the way TNT wants to do business and guide our employees and third parts to make responsible choices in line with these Principles. Regarding with anti-corruption we support that:

» Conflicts of Interest

Employees may not take business opportunities for themselves that belong to TNT. Our employees must report to management any transaction or relationship that could reasonably be expected to give rise to a conflict of interest.

» Company assets

Our employees may not use company assets for unauthorized personal benefit. We do not tolerate fraud, theft, loss through recklessness or waste of company assets.

» Gifts and entertainment

Our employees must avoid improper personal benefits for themselves or family members that result from their association with TNT. Employees may not accept gifts or entertainment that might appear to place them under obligation.

» Bribes

Our employees and agents may not pay or accept bribes to gain or render orders, services or financial or other benefits. Our employees and agents must immediately turn down and report any attempt at or opportunity for bribery.

» Facilitating payments

In certain circumstances, small cash sums or small gifts may be appropriate if customary and necessary to expedite or secure the performance of routine governmental action and permitted under applicable laws of the relevant jurisdiction. However, such payments – referred to as facilitating payments – should be avoided whenever possible. Prior to making such payments, there must be consultation with the Ethics Committee on behalf of the TNT Board of Management. All facilitating payments must be fairly and accurately recorded and accounted for.

The TNT Business Principles is contained in Employee Manual, distributed to employees upon employment, and affirmed by all employees.

2. TNT Group Procedure on Whistleblowing

The TNT Group Procedure on Whistleblowing is an important tool to detect irregularities as it is designed to encourage people to report irregularities in general, operational and financial procedures. We encourage your employee and any other third party to promptly report any breach or suspected breach of any law, regulation, the TNT Business Principles or other company policies and procedures, or any other alleged irregularities.

2. TNT Group Policy on Fraud Prevention

The TNT Group Policy on Fraud Prevention has been developed, with the aim to instil a culture in which fraud is not tolerated and is pro-actively discouraged. A culture in which employees feel free to speak up, when needed.

TNT seeks to ensure that:

- A culture is instilled where fraud is not tolerated and is pro-actively discouraged,
- The risk of fraud for the company is minimized,
- Fraud or suspected fraud is promptly reported and effectively investigated,
- TNT is supported by an effective internal control structure which is designed to prevent fraud,
- Losses caused by fraud are prevented or recovered,
- Consistent and effective action is taken against those persons proven to have committed fraud,
- No employee or organization is charged with fraud until and unless conclusive evidence of such wrongdoing has been established through an adequate investigative process. Almost every day we are confronted with dilemmas, which mean a challenge to make the right choices.

TNT Express worldwide (Portugal)
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