



Global Compact Network Bulgaria

Communication on Progress Report

Name of the participating company/organization: **TNT Bulgaria Ltd.**

Country: **Bulgaria**

Sector: **Transport**

Reported period: **01.2008 – 12.2008**
(COP is an annual description of activities and practices, i.e. this time it concerns your activities in 2008)

Structure of the Report:

Part I. Communication on Progress Report:
This part should include the following chapters:

1. Statement of continued support for the Global Compact by the CEO or other senior executive

I confirm that TNT Bulgaria continues to entirely support the ten principles of the Global Compact in respect to human and labour rights, protection of the environment and anti-corruption practices. TNT is a socially responsible company with a special attitude to the problems of the society at local and global level. In 2008 our initiatives were focused mainly externally by sharing the CSR idea and best practice with our partners, suppliers and the society. We met wide support by governmental, non-governmental organizations and media and received 2 awards for our CSR policy and practices. We were also invited by the Ministry of Labour and Social Policy to participate as a private sector representative in the working group for preparing CSR national strategy. Our company will continue its efforts to spread the ten principles to our stakeholders and mainly to the society.

Ivan Vassilev
Country General Manager
TNT Bulgaria

2. Description of practical actions taken to implement the Global Compact principles and Quantitative measurement of performance. The guidelines below are developed to help you with identifying the actions and indicators under the 4 areas. It is not necessary to have actions under all Global Compact principles.

<p>Human Rights:</p>	<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence; and Principle 2: make sure that they are not complicit in human rights abuses</p>	
<p>TNT Business Principles reflect the way TNT wants to do business and guide us to make responsible choices in line with these Principles.</p> <p>The Principles state that we create equal opportunities for all our employees, without regard to age, disability, ethnicity, gender, marital status, race, religion or sexual orientation.</p> <p>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.</p> <p>As a part of the Integrated Management System TNT Bulgaria has implemented a procedure for Suppliers selection. The suppliers have to sign the Corporate Social Responsibility Declaration and engage to comply in its activity with TNT Business Principles, the applicable national legislation for labour, health and safety and environment and all other laws regulating their activity.</p> <p>TNT Bulgaria fulfills the requirements concerning the human rights of the standards SA 8000, Investor in People and TAPA "A" and successfully passed the external audits in 2008.</p>		<p>On 30 October TNT Bulgaria participated in the CSR conference organized by the business newspaper "Pari" – "The challenges in front of Corporate Social Responsibility", where TNT Country General Manager Ivan Vassilev presented "The Best practices of TNT Bulgaria".</p> <p>TNT Bulgaria was invited to become a member of the working group for preparing Bulgarian CSR national strategy with members of government, non-government organizations and TNT as a private sector representative.</p> <p>All new employees as a part of their internal training receive an introduction about TNT policy concerning the human rights. They get a special booklet with the TNT Business Principles and internal policies.</p> <p>The company has a long-term partnership with children from the orphanage in the village of Krushuna and regularly initiates various events for the children. In 2008 TNT has organized Easter and Christmas parties, sport events and donations. Each event is organized with the participation of TNT employees in order to give the children the opportunity to communicate and socialize.</p> <p>TNT Bulgaria is performing regularly internal and external audits in order to prove the completion of the standards requirements and the implementation of the Global Compact Principles. In 2008 the company passed successfully Social Accountability 8000 recertification audit and surveillance audits on the standards ISO 9001, ISO 14001, OHSAS 18001 and TAPA "A" (security).</p> <p>In 2008 TNT Bulgaria has conducted market researches for basic needs calculation and salary survey in order to ensure fair and worthy payment of its employees. All employees received a</p>

	salary increase conformed to the inflation rates and personal performance review.
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<p>Labour Standards:</p>	<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: eliminate discrimination in respect of employment and occupation.</p>
<p>TNT Business Principles reflect the way TNT wants to do business and guide us to make responsible choices in line with these Principles.</p> <p>The Principles state that we create equal opportunities for all our employees, without regard to age, disability, ethnicity, gender, marital status, race, religion or sexual orientation.</p> <p>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.</p> <p>These 4 Global Compact principles are part of the requirements in the SA 8000 standard. TNT Bulgaria is the first certified company in Bulgaria. In 2008 TNT has passed successfully the SA 8000 recertification audit.</p>	<p>To receive a valuable feedback on its employees perception of the company TNT Bulgaria is conducting annually an Engagement Survey which is measuring the employees' overall satisfaction on their job. In 2008 the employees' satisfaction score is 92 %. The results of the survey are to be analyzed, presented to the employees and an action plan for improvement to be prepared.</p> <p>In 2008 TNT Bulgaria has also conducted personal interviews with employees performed by independent external consultants in order to hear their opinion on the working environment and conditions and ideas for improvement.</p> <p>The company selects its contractors based on a list of criteria, including a criterion regarding their engagement with labour standards protection. TNT suppliers have to sign the Corporate Social Responsibility Declaration and engage to comply in its activity with TNT Business Principles, the applicable national legislation for labour, health and safety and environment and all other laws regulating their activity.</p> <p>In 2008 TNT Bulgaria has started Suppliers training on SA 8000 requirements which include presentation of the SA principles and self-auditing questionnaire. The aim is to check if our suppliers understand the SA requirement and fulfill the SA obligations. Till the end of 2008 16 of the main TNT Bulgaria suppliers passed the training and have done the self-auditing questionnaire.</p> <p>Since 2008 Ivan Vassilev is an honorary member of the advisory board of the foundation "For our children" sharing the basic mission of the organization to develop contemporary practices and changes in the policy in order to improve the situation of the most marginalized children and protect the rights of every child in Bulgaria.</p>

Environment:	<p>Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	
<p>TNT Environmental Policy is a part of TNT Business Principles. To carry out our business, we use resources that impact society and the environment. We support and strive to implement improvements that can lead to sustainable environmental and social benefits.</p> <p>We strive to use finite resources carefully. We incorporate environmental risk management into our decision-making. We review and regularly report on progress in social responsibility.</p> <p>TNT continues working on its international Planet Me program. TNT is committed to combating climate change through this ambitious programme focussed on radically reducing CO2 emissions.</p> <p>TNT Bulgaria campaign “Ride bicycle, arrive on time” continues in 2008. The initiative is under the patronage of the Ambassador of The Royal Netherlands H.E. Willem van Ee and with the special partnership of the Mayor of Sofia Boyko Borissov. The main idea of the campaign is to use a bicycle as an alternative way for transportation, reducing the traffic jams in Sofia, the CO2 emissions in order to make the capital and the planet a clearer place to live.</p> <p>TNT Bulgaria stimulates its employees to give a special care for the environment. TNT provides a company branded bicycle to each employee who declares by signing the certificate for commitment that will substitute the car or the public transport with riding a bicycle to and from its work place in Sofia, Plovdiv, Varna, Bourgas, Pleven and Sevlievo.</p>	<p>The company is certified under ISO 14000 in 2006. TNT Bulgaria is measuring and reporting on monthly basis the company’s impact on the environment. The fuel, electricity, water, paper consumption is measured on monthly basis and the company is taking different actions for their reduction.</p> <p>In 2008 the company has reduced:</p> <ul style="list-style-type: none"> - paper consumption with 16 %; - fuel consumption with 10 %. <p>In 2008 TNT Bulgaria has replaced 14 company vehicles with new with low emissions in order to reduce the CO2 emissions.</p> <p>In 2008 TNT Bulgaria started an innovative service for the country Electronic invoicing. The company is the first in the transport sector and the second in the country offering e-invoicing to its customers.</p> <p>The electronic invoice is a document signed by a valid electronic signature and is completely equal to the relevant paper bearer. Through this service TNT fastly presents invoices to its customers in an electronic manner which saves a lot of time and money and simultaneously it is more secure than the use of the traditional paper bearer. As the electronic invoice fully replaces the traditional paper invoice, the need of printing out the invoices is thus completely dropped out, i.e. a possibility is created for use of paperless method for delivery, use and storage of invoices. This service significantly reduces the use of paper, toner, place, fuel, etc.</p> <p>In the beginning of 2008 the company has performed Community Survey targeting our neighbours and asking for their opinion about our organisation and the role we play in this community, the company’s impact on the environment and the society. No negative opinions and ratings were shared from our neighbours. According to 100% of our neighbours who expressed their opinion TNT has improved its activities concerning the environmental protection in the last year.</p>	

Anti-Corruption:	Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.
<p>TNT Business Principles state that 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.</p> <p>We believe in open and fair competition. We do not use unethical practices to obtain competitive advantage. We will not use information acquired through illegitimate activity to the detriment of competitors or other parties.</p> <p>We do not intervene in party political matters, nor do we make gifts or donations to political parties.</p> <p>TNT Bulgaria has implemented clear and strict procedure for payments and is restricting the cash payments. To all new employees the company is presenting the following policies and procedures:</p> <ul style="list-style-type: none"> - Gifts and Entertainment Policy - TNT Fraud Prevention Policy - TNT Whistleblower Procedure 	<p>In October 2008 TNT Bulgaria was awarded for CSR company of the year in the category "Loyalty to partners and competitors". The award is presented by the most famous national economic newspaper "Pari", Ministry of labour and social policy, Association Partnership for CSR, UNDP in Bulgaria and Bulgarian association of the industrial capital. The competition aimed to award Bulgarian companies with significant activity in the field of CSR and its promotion to the society. More than 200 companies were invited to participate but only 13 were nominated for the final. TNT Bulgaria was the most nominated company, receiving 3 nominations out of 5 categories. The auditing company Deloitte and the jury assessed the companies based on questionnaire, CSR policy and practices and the performance of the company on the Bulgarian market.</p> <p>In October 2008 the CGM of TNT Bulgaria Ivan Vassilev was ranked among the Top 10 managers of the year in Bulgaria. The Top 10 managers were awarded on official ceremony in Sofia University hall attended by officials, leaders of major Bulgarian companies and non-governmental organisations. The ranking was done by the most prestigious national economic magazine "Manager" and the auditing company Deloitte. It aimed to promote the Top 10 Bulgarian managers with positive management practices, who can lead and inspire and turn the ideas into leading market force. More than 100 managers from different business fields were selected. The auditing company Deloitte and magazine "Manager" jury assessed the managers based on questionnaire, the performance of the company on the Bulgarian market, its CSR policy and practices, personal interviews and interviews with company employees.</p> <p>TNT Business Principles are distributed in the office and are presented to the new employees during their induction training. Both suppliers and partners are informed about the company purchasing policy and TNT Business principles. TNT Bulgaria purchasing practices are regularly audited for compliance internally and externally.</p> <p>The company has signed the initiative of the GC and BBLF to limit the amount of cash payments.</p>

3. Sharing the COP with the company's stakeholders – available links to the company's Communication on Progress and additional information on the location of the COP report

TNT Group fulfils its annual commitment through the annual CSR report. More information on this could be found at www.tnt.com.

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Date of submission: 21.01.2009