

## **Communication on Progress Report**

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

Country: Bulgaria

Sector: Transport

Reported period: 01.2007 – 12.2007

(COP is an annual description of activities and practices, i.e. this time it concerns your activities in 2007)

**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

TNT is a socially responsible company with a special attitude to the main problems of the society at local and global level. Our initiatives are a logical continuation of the TNT policy. As an international company we want to help solving the problems, which the Bulgarian society meets by using our colleagues' best practice and experience. I confirm that TNT Bulgaria continues to entirely support the ten principles of the Global Compact in respect to human rights, labour rights, protection of the environment and anti-corruption practices. Our company will continue to spread these principles to the company's suppliers, customers and partners.

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.

**Human Rights:** 

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

The TNT Business Principles are the foundation, reflect the way TNT wants to do business and guides us to make responsible choices in line with these Principles. 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.

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.

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 the TNT Business Principles, the applicable national legislation for labour, health and safety and environment and all other laws regulating their activity.

In order to create awareness within our employees we have:

- made presentations,
- issued a special booklet with the TNT Business Principles and internal policies,
- provided some internal campaigns with posters and
- issued special articles in the internal TNT bulletin.

TNT Bulgaria has a long-term partnership with children from the orphanage in the village of Krushuna and regularly initiates various events for the children. In 2007 TNT has organized Eastern party, Christmas party, social event, some 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 give them another perspective for the future.

TNT Bulgaria is performing regularly internal and external audits in order to prove the fulfillment of the standards requirements and the implementation of the Global Compact Principles.

## **Labour Standards:**

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.

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These 4 principles are part of the requirements in the SA 8000 standard. TNT Bulgaria is the first certified company in Bulgaria. In 2007 TNT has passed successfully the external SA 8000 audit.

TNT Bulgaria applies an open-door policy and each employee can contact easily each Manager. Despite that the employees have 2 representatives, who have been chosen with elections in the company.

In order to hear the opinion of all employees TNT Bulgaria is conducting every year Engagement Survey which is measuring the employees' satisfaction. In 2007 the employees' satisfaction score is 96 %. The results of the survey were analyzed, presented to the employees and an action plan for improvement was prepared.

TNT Bulgaria is conducting audits based on interviews with employees with external experts in order to hear their opinion for the working environment and conditions and ideas for their improvement.

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 the TNT Business Principles, the applicable national legislation for labour, health and safety and environment and all other laws regulating their activity.

## **Environment:**

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.

TNT Environmental Policy is part of the TNT Business Principles. To carry out our business, we use resources that impact society and the environment. We support and strive to implement developments that can lead to sustainable environmental and social benefits.

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.

In 2007 TNT started international Planet Me program. TNT is committed to combating climate change through this ambitious programme focussed on radically reducing CO2 emissions.

As part of the Planet Me TNT Bulgaria the local campaign "Ride bicycle, arrive on time". 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 – using 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. "From the individual efforts of everyone depends the future of Sofia", said the Mayor of Sofia Boyko Borissov.

"If more Bulgarians started to ride a bicycle this will reflect positively to the traffic jams in Sofia. In the Netherlands cycling is the most popular way to travel, no matter if you are going to work, to a meeting or going to the park", said H.E. Willem van Ee. At the same time TNT Bulgaria started new corporate initiative for stimulating its employees to give a special care for the environment. TNT provides a 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.

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.

In 2007 the company has reduced:

- paper consumption with 26%;
- water consumption with 50%;
- fuel consumption with 5%.

In 2007 TNT Bulgaria has placed motion sensors for the lighting in the central office and has

The company has provided in-house training campaigns about the climate change with presentations, posters, booklets, as well as an international competition "Energy savings by me". The idea of the campaign is to leverage the power of the TNT's employees and encourage every TNT employee and their families to reduce CO2 emissions at work and at home.

replaced all copy machines with class "A" in order to reduce the electricity consumption.

## **Anti-Corruption:**

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

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.

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.

We do not intervene in party political matters, nor do we make gifts or donations to political parties.

TNT Bulgaria has implemented clear and strict procedure for payments and is restricting the cash payments. In 2007 the company has implemented and present to the employees the following policies and procedures:

- Gifts and Entertainment Policy
- TNT Fraud Prevention Policy
- TNT Whistleblower Procedure

The TNT Business Principles are distributed in the office and are presented on a hard copy to the new employees. Both suppliers and partners are informed about the company purchase policy and TNT Business principles.

TNT Bulgaria's purchase specialist monitors rules observance and controls the suppliers' selection process. In 2007, all representational expenses have been reviewed and evaluated.

The company has signed the initiative of the GC and BBLF to limit the amount of cash payments.

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 <a href="https://www.tnt.com">www.tnt.com</a>.

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