



TNT POLICY

Title TNT Policy on Gifts and Entertainment

Date of effect 23 July 2015

Version 3.0

Policy Owner Tjeerd Wassenaar, General Counsel

Direct telephone no. +31 88 393 9000

Document history

Approvals

Approved by	Date of approval	Version
Board of Management	24 July 2006	1.0
Board of Management of TNT N.V. resolution to adopt this group policy as policy of TNT Express N.V. effective TNT N.V. separation date	8 February 2011	2.0
TNT Management Board	23 July 2015	3.0

Revisions

Name and title	Date of revision	Summary of changes
Director Integrity	25 June 2007	- Policy names & lay-out
Risk Management and Internal Control department	May 2011	- Transfer from TNT N.V. policy template to TNT Express N.V. template. - Cosmetic amendments only.No content changes.
Compliance function	May 2014	- Name and title of policy owner updated. No content changes made.
General Counsel and Business Ethics function	June 2015	- Name and title of policy owner updated. - New requirements added for government officials, charitable donations and sponsorship - New requirements relating to duration of entertainment; contract negotiation or tender process; supplier invitations; third party events; places of ill repute, solicitation of gifts or entertainment - Revised approval requirements for maximum value amounts

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1 Objective of this TNT policy

Reasonable and proportionate hospitality, promotional or other business expenditures seeking to improve the image of TNT, to better present TNT's products and services or to establish cordial relations are part of doing business. There may, however, be differences of perception of how and why **gifts** and **entertainment** are given or accepted. What some see as a gift others may see as a potential bribe. Furthermore, gifts and entertainment could raise concern for potential conflicts of interest between an employee and the company or between different entities. Importantly, the amount of gifts and entertainment paid by TNT companies needs to be controlled by setting reasonable limitations on these expenses.

The TNT Business Principles state that TNT employees and business partners 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; and under no circumstances may employees seek, pay or accept bribes.

The aim of this policy is to prevent situations occurring where an employee's professional judgment and the interests of the company could be affected as a result of gifts or entertainment offered, promised, given or accepted.

2 Scope

This policy is applicable to **TNT companies**. TNT companies must adopt, implement and comply with this TNT policy.

This policy applies to gifts, entertainment, **sponsorship** or **(charitable) donations** offered, promised or given to, or received from, **third parties**. This policy applies to gifts, entertainment, sponsorship or (charitable) donations offered, promised, given or accepted both directly or via an intermediate person or entity acting on behalf of a TNT company. Gifts to TNT employees by TNT management (e.g. upon retirement/anniversary) or entertainment events between TNT employees only (e.g. department dinners or teambuilding sessions) do not fall within the scope of this policy. Formal compensation and benefit schemes are not to be considered as gifts and do not fall within the scope of this policy.

3 Definitions

Terms defined in this policy are presented in **bold** type the first time they appear in this document.

TNT company or **TNT companies** is defined as:

TNT Express N.V. and any entity in which TNT Express N.V., directly or indirectly, has a controlling interest and/or control (a subsidiary). Controlling interest or control means the power to (i) control a majority of the voting rights or (ii) to appoint or dismiss more than half of the managing directors.

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Third Party or Third Parties is defined as:

Any person that is not employed by a TNT company or any entity that is not a TNT company. This includes for example, but is not limited to (potential) customers, suppliers, subcontractors, consultants, associates, vendors, government bodies or officials, or the public in general.

Gift or Gifts is defined as:

Anything of value, tangible or intangible, including gratuity (i.e. also called a 'tip') offered, promised or given to, or received from, a third party.

Entertainment (also referred to as 'hospitality') is defined as:

The hosting of a third party by a TNT employee or TNT company at an event, or the attendance of a TNT employee at any event sponsored by such third party. 'Events' would include, but is not restricted to, meals, drinks, theatre visits, sport or cultural events.

Charitable donation is defined as:

Any money, sponsorship, gifts, contributions to raffles, buying tickets to attend fund raising events or the commitment of time / resources to assist a registered charity or a charity campaign.

Sponsorship or donation is defined as:

Any money, gifts, contributions to raffles, buying tickets to attend fund raising events or the commitment of time and/or resources to assist a third party, other than a registered charity or a charity campaign.

Government Official is defined as:

Any individual working in an official capacity for or on behalf of government-owned or controlled entities or agencies, political parties, party officials, political candidates, or for a public international organisation. This may include consultants who hold government positions, medical personnel of public hospitals, employees of institutions or companies owned or controlled by governments, political party officials and others, or employees and officials retained by government agencies. This term also covers local, municipal, provincial and foreign government officials and the armed forces.

4 Policy requirements and responsibilities

4.1 GENERAL PROVISIONS

TNT expects the use of good judgment, discretion and modesty when offering, promising, giving or accepting gifts or entertainment in business settings. Gift and entertainment practices may vary in different cultures; however, any gifts or entertainment offered, promised, given or accepted must be in

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compliance with the law and propriety, must not violate the giver's and/or receiver's policies on the matter, and must be consistent with TNT's ethical standards.

The cost of any gift or entertainment offered, promised, given or accepted must not exceed the maximum acceptable values, which are established under the conditions brought out in subsection 4.2 and included in the Appendix of this policy.

In addition to this, the following general requirements must be followed:

- **Gifts of nominal value:** can be both offered and accepted in reasonable quantities only. Examples of these kind of gifts are pens, t-shirts, mugs, model airplanes, calendars, etc. containing the logo of the offering or receiving party.
- **Recurring gifts:** other than common recurring gifts such as a yearly calendar or diary containing the logo of the offering or receiving party, gifts that are repetitive, no matter how small, may be perceived to be an attempt to create an obligation to the giver and should therefore be avoided.
- **Money or money equivalents:** under no circumstances is it allowed to offer, promise, give or accept money or money equivalents, with the only exception made for charitable donations under the conditions set out in this policy. Vouchers are only allowed as long as they cannot be exchanged for cash.
- **Solicitation of gifts or entertainment:** from customers or suppliers is never appropriate and not allowed.
- **Entertainment offered by a TNT employee:** must in principle include the presence of the offering employee or any other TNT representative. Any deviations require prior written approval by the Managing Director and Finance Director of the respective TNT company.
- **Accepting entertainment:** entertainment accepted by any TNT employee should be reasonable in the context of the business.
- **Places of ill repute:** no entertainment is to take place in an establishment of suspected ill repute.
- **Duration of entertainment:** entertainment of more than one day in duration, or entertainment with an employee's partner or family member(s) attending, are not acceptable without prior written approval of the Managing Director and Finance Director of the relevant TNT company. For Divisional Head Office staff, such approval is required from the Divisional Managing Director and Finance Director; and for Global Head Office and Network Functions the approval is required from the Chief Financial Officer and the respective Global Functional Director.

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- **Contract negotiation or tender process:** offering, promising, giving or receiving any gifts or entertainment during contract negotiations or a tender process is strictly forbidden. Procurement staff cannot accept gifts or entertainment at any time, with the exception of reasonable entertainment immediately prior or following business meeting.
- **Supplier invitations:** supplier initiations to participate in business meetings, conferences or seminars are only allowed after explicit approval from the direct manager.
- **Third party events:** all travel expenses and/or accommodation costs incurred by attending an event organised by a third party are to be paid by TNT and not the third party.

If there is a situation where refusal to accept a gift would cause embarrassment or hurt to the person offering it, which may be the case in some parts of the world, the gift may be accepted on behalf of the TNT company. Following acceptance, it must be immediately reported to the Managing Director and Finance Director of the relevant TNT company (or relevant TNT Divisional Head Office) who can then decide how to handle the gift. For Global Head Office and Network Functions such gifts should be reported to the Chief Financial Officer and to the respective Global Functional Director, who will then decide on the follow-up.

Offering, promising, giving or accepting any gift or entertainment that might be perceived to influence the good business judgment or that might place the giving or receiving party under obligation, must be avoided at all times. When in doubt, always consult your local and/or Divisional Legal Counsel (or, in the absence of the latter, the General Counsel) before offering, promising, giving or accepting the gift or entertainment. Furthermore, TNT employees must always obtain prior written approval from their Managing Director and Finance Director when they intend to offer, promise, give or accept any gifts or entertainment where it can reasonably be assumed that it may lead other people to perceive it as a conflict of interest or bribe. For Global Head Office and Network Functions this approval is required from the Chief Financial Officer and the respective Global Functional Director.

When trying to establish when it is acceptable to offer, promise, give or accept gifts or entertainment, the frequency, the identity of the parties involved and the circumstantial context matter as much as the value or level of expenditure.

4.2 MAXIMUM VALUES

Maximum values for gifts and entertainment are established as part of this policy and will be updated annually. These maximum values must be approved by the Chief Financial Officer and the General Counsel. The maximum values are consistent across the TNT group and are applicable to all TNT companies and all TNT employees.

The maximum values are included in the Appendix of this policy and are also published on ExpressNet for future reference.

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Any gifts or entertainment exceeding the maximum values require prior written approval by the respective TNT company Managing Director and Finance Director. Any gifts or entertainment costs incurred by a Managing Director of a TNT company that exceed the maximum values require prior written approval by their respective manager. For Global Head Office and Network Functions this approval is required from the Chief Financial Officer and the respective Global Functional Director.

4.3 GOVERNMENT OFFICIALS

Gifts or entertainment offered, promised or given to a government official with the intent to secure business or a business advantage, or to otherwise influence the decision making of the official, are considered a bribe and are therefore strictly forbidden. The same applies to facilitating payments.

Where permissible under written local laws and regulations, gifts of nominal value such as TNT give-aways may be acceptable as long as they are reasonable and not repetitive. Where the government official represents a customer of TNT and is acting in that capacity, he or she can be invited to customer events as long as the type, frequency and value of the entertainment do not exceed those that are provided to other customers present or invited and as long as they are in line with all other restrictions and requirements set forth in this policy.

Where permissible under written local laws and regulations and with the exception of modest meals offered in an in-house TNT canteen, meals or any other entertainment offered to a government official in relation to Regulatory Affairs matters are allowed as far as they are: 1) reasonable in cost, quantity and frequency; 2) do not exceed the Maximum Values and 3) as long as the TNT employee that is hosting the event has received prior written approval from the respective Divisional Managing Director and Divisional Legal Counsel (or, in the absence of the latter, the General Counsel), or of the Chief Financial Officer and the General Counsel for Global Head Office or Network Functions.

All types of gifts or entertainment offered, promised or given to a government official require prior written approval of the respective Divisional Managing Director and the Divisional Legal Counsel (or, in the absence of the latter, the General Counsel), or of the Chief Financial Officer and the General Counsel for Global Head Office or Network Functions..

Under no circumstance is it allowed to offer, promise or give any money or money equivalents to a government official.

4.4 SPONSORSHIP AND (CHARITABLE) DONATIONS

4.4.1.Sponsorship and donations

As per the TNT Business Principles, TNT does not get involved in political matters. As such, gifts, entertainment or donations offered, promised or given to political parties are prohibited under any circumstances.

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Sponsorship of TNT internal events by a third party is strictly prohibited. Sponsorship of third party events or donations made on behalf of a TNT company requires prior written approval by the TNT company Managing Director and Finance Director.

Sponsorship of third party events or donations made at the division level requires prior written approval by the respective Division Managing Director and Finance Director. For Global Head Office and Network Functions this approval is required from the Chief Financial Officer and the respective Global Functional Director.

4.4.2. Charitable donations

For charitable donations, the following principles apply:

- Donations should be made openly and without pressure, i.e. not demanded with a direct or implied message that a failure to donate would impact future relationships or future trading between entities;
- Any donations offered, promised, given or accepted during contract negotiations should be avoided as these could be perceived as suspicious, regardless of the intentions;
- The frequency of donations should be considered, if excessive the motives behind these could be perceived as suspicious, regardless of the intentions;
- Care should be taken that the charity in question is a registered charity when requested to make donations on behalf of the company.

These principles also apply to all donations by third parties to the chosen charities of the relevant TNT company.

Individual TNT employees representing themselves rather than TNT are free to request, receive or make charity donations as long as these donations represent the individual and not TNT, as long as these do not place TNT under any obligation and as long as they do not constitute a (perceived or potential) conflict of interest or bribe. When in doubt, such employees should always consult their local or Divisional Legal Counsel (or, in the absence of the latter, the General Counsel) first.

4.5 RECORDING REQUIREMENTS

All expenditures for gifts, entertainment, sponsorship and charitable donations must be fairly and accurately recorded and accounted for in TNT's financial statements and records.

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5 Relationship with other policies

To support the implementation and compliance of this policy, TNT companies may further explain and clarify the coverage of this policy, but they must not contradict, limit or redefine the requirements of this policy. Similarly, this policy must not in any way be rebranded as any other policy or procedure.

This policy is related to the following:

- TNT Business Principles
- TNT Policy on Fraud Prevention
- TNT Policy on Conflict of Interest
- TNT Policy on Business Travel
- TNT Policy on Procurement
- TNT Policy on Expense Claims
- TNT Policy on Security
- TNT Procedure on Whistleblowing

The statutory directors of TNT companies are responsible for ensuring that any translations of this policy that are made, are accurate and fair in all aspects. In case of discrepancies or conflict between the English text version of this Policy and any translation, the English version shall prevail.

6 Communication

This policy has been formally issued by the Chief Financial Officer on behalf of the Management Board of TNT Express N.V. This policy is published on TNT ExpressNet within the Policies intranet site managed by the Internal Audit, Risk and Control Services function.

7 Implementation

This policy must be implemented with effect from 23 July 2015. It is the responsibility of all TNT employees impacted by the scope of this policy to fully implement the requirements of, and to ensure compliance with, this policy.

The policy owner is responsible for providing all necessary communication and/or training/guidance to assist with the implementation process.

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REGION / COUNTRY	GIFTS (PER PERSON)	ENTERTAINMENT (PER PERSON PER EVENT)
EUROPE	50	100
ASIA (EXCLUDING CHINA AND HONG KONG)	50	100
CHINA AND HONG KONG	50	100
MIDDLE EAST, AFRICA AND INDIA	50	100
AMERICAS	50	100
AUSTRALIA AND NEW ZEALAND	50	100

All amounts are expressed in Euro values

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