



TNT POLICY

Title TNT Policy on Fraud, Corruption and Bribery
Date of effect 25 November, 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	8 February 2006	1.0
Audit Committee	23 February 2006	1.0
Supervisory Board	24 February 2006	1.0
Board of Management of TNT N.V. passed a resolution to adopt this group policy in its current wording as the policy of TNT Express N.V. effective the date of separation from TNT N.V.	8 February 2011	2.0
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Revisions

Name and title	Date of revision	Summary of changes
Group Director Integrity	25 June 2007	Policy names & lay-out
Risk Management and Internal Controls	May 2011	Transfer from TNT N.V. group policy template to TNT Express N.V. policy 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	November 2015	Name and title of policy owner updated. Update to cover TNT-position on Corruption and Bribery. Removal of potentially ambiguous concept of 'serious fraud' and removal of overlap with TNT Policy on Whistleblowing. Update of policy requirements.

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1 Objective of this TNT policy

TNT is committed to sound business conduct and therefore manages its business according to the TNT Business Principles which require an ethical and transparent way of doing business. These Business Principles further state that TNT does not tolerate **fraud, corruption**, theft or any misuse of company assets.

TNT seeks to ensure that:

- a culture is instilled where fraud, corruption, **bribery** and **facilitating payments (FPs)** are not tolerated and are pro-actively discouraged,
- the risk of fraud, corruption, bribery and FPs for the company is minimised,
- (suspected) acts of fraud, corruption and bribery; or (suspected) FPs, are promptly reported and effectively investigated,
- all **TNT companies** are supported by an effective internal control structure designed to prevent and detect fraud, corruption, bribery and FPs,
- losses caused by fraud, corruption, bribery and FPs are prevented or recovered,
- consistent and effective action is taken against those persons proven to have committed any acts of fraud, corruption, bribery or FPs,
- no **employee** or **third party** is charged with fraud, corruption, bribery or FPs until and unless conclusive evidence of such wrongdoing has been established through an adequate investigative process.

This policy provides instructions to TNT companies to set up an effective management framework to mitigate the risk of fraud, corruption, bribery and FPs, allocating clear responsibilities and covering effective prevention, detection and response strategies. It further describes relevant responsibilities of TNT employees and third parties.

2 Scope

This policy is applicable to all TNT companies, employees and third parties. All TNT companies must adopt, implement and comply with this TNT policy.

3 Definitions

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

Fraud is defined as:

- a. a deception or concealment of the truth deliberately practiced against a TNT company or a third party, e.g. a customer or other stakeholder, or to deceive the public or investors, in order to secure personal benefit and/or unfair or unlawful gain, and/or

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- b. false accounting, intentional misapplication of accounting principles and the omission, falsification or alteration of accounting records, books, reports, tax records, KPI results, other documentation or authorisations, and/or
- c. theft, deliberate misuse or misapplication of a TNT company's resources, employee time and/or, assets; or of resources and/or assets in its care.

Assets include, but are not limited to buildings, equipment, vehicles, computers, cash, receivables, documents, information, goods, stock, shares in companies, software and intellectual property.

Acts of Fraud or suspected acts of Fraud, or attempts thereto, are hereinafter referred to as "Fraud".

Corruption is defined as:

A form of Fraud, being an act pursued or done with the intent or effect to give and/or obtain an advantage inconsistent with official duty and the rights of others. It involves the act, or the attempt, of an official or person in a position of trust / good faith who unlawfully and wrongfully uses their position or character, or that of others, to procure a business advantage or some personal benefit for themselves or another person. Acts of Corruption or suspected acts of Corruption are hereinafter referred to as "Corruption".

Bribery is defined as:

A form of Corruption, being the act of offering, promising, giving, authorising, providing, soliciting, requesting, receiving or accepting any undue advantage or favour, whether directly or indirectly, to, by or for any person in order to obtain or retain business or any improper advantage in the conduct of business, or in order to secure any other advantage. Acts of Bribery or suspected acts of Bribery are hereinafter referred to as "Bribery".

Facilitating Payment(s) or (FPs) are defined as:

A payment made in the form of money, goods and/or services to a public or government official as an incentive to complete some (routine) action(s) or to speed up certain activities that form part of their normal duties to the benefit of the party making such payment or to the party contracting with the party making such payments. FPs or suspected FPs are hereinafter referred to as FPs.

Employee(s) is defined as:

Any individual employed with a TNT company under a permanent or temporary employment contract, as well as any individual working for TNT on an interim and/or consultancy basis (e.g. via a temporary labour agency).

Senior Management is defined as:

(a) For Head Office and Global Network & Operations Functions: all management functions going three reporting levels down from the CEO; (b) for Domestic Reporting Units: all management functions going two reporting levels down from the MD Domestic; (c) for International Europe & AMEA

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Reporting Units: all management functions going two reporting levels down from the MD International Europe and the MD International AMEA; and (d) all Country MD's and their direct reports.

Financial Position is defined as:

All direct reports of the CFO or the Finance Director at an operating entity and all employees working for them making entries in the financial records (Statutory, and management books, KPI records and all direct reports.)

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 – that represents or provides services for or on behalf of TNT. This includes but is not limited to vendors, suppliers, (sub)contractors, consultants, associates and agents.

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, and political candidates, or for a public international organisation. This includes 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, the armed forces and Law Enforcement Agencies.

Investigation costs is defined as:

Those incurred for the use of external investigative resources (such as lawyers, investigation companies, external forensic accountants, etc.). It does not include the costs related to the use of internal TNT resources (e.g. investigator hours, TNT employee/investigator flight and hotel costs) unless expressly agreed in advance with the TNT company involved.

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.

4 Policy requirements and responsibilities

4.1 TNT'S POSITION ON FRAUD, CORRUPTION, BRIBERY AND FPS

Fraud, corruption, bribery and FPS can seriously damage the reputation of TNT and/or that of its stakeholders. They can negatively affect TNT's profitability and impact employee morale. Therefore TNT does not tolerate Fraud, Corruption, Bribery and FPS.

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TNT requires all employees and third parties to strictly comply with all (inter)national laws and regulations governing fraud, corruption, bribery and/or FPs. These include, but are not limited to, the OECD Anti-Bribery Convention, the US Foreign Corrupt Practices Act (FCPA), the UK Bribery Act and all applicable national legislation.

4.2 PREVENTION AND TONE AT THE TOP

TNT employees are required to avoid any activity that might lead to (or suggest) a breach of the TNT Business Principles, this policy or any related policies (see Section 5). Management of TNT companies will incorporate awareness of the TNT Business Principles and related policies into annual training and awareness plans to ensure everyone is aware of their existence and provisions, as well as of any changes to them. Where available, they should utilize the centrally prepared training material as input for their training and awareness activities. Records of training attendance and/or employee awareness should be kept and stored locally for audit / investigative purposes. They should further incorporate such awareness into regular communications with third parties engaged by the relevant TNT company.

Directors, managers and supervisors are expected to act as role models, as their actions and behaviours will set the tone for the rest of the company. They are required to take proactive steps to prevent and identify potential fraud, corruption, bribery and FPs.

Fraud, corruption, bribery and FP risks should be identified and mitigated by management on an ongoing basis. Management must further ensure that, within their respective area(s) of remit, there is clear responsibility and accountability for communicating the TNT's Business Principles and related policies, as well as for ensuring implementation and compliance at a local level.

4.3 MONITORING REQUIREMENTS

Based on the fraud, corruption, bribery and FP risks identified, managers should implement processes designed to pick up common red-flags associated with the fraud, corruption, bribery and FP schemes potentially affecting their area(s) of responsibility. Monitoring occurs in the course of daily operations and should be built into the normal operating activities of the TNT company.

4.4 REPORTING REQUIREMENTS

All employees and third parties have a responsibility for carrying out their business in a lawful and ethical manner, safeguarding TNT's assets and reputation at all times. All employees and third parties have a duty to report in writing any acts or suspected acts of fraud, corruption, bribery or FPs immediately, and all reports received by management are to be taken seriously. The reporting requirement applies to all potential acts of fraud, corruption, bribery and FPs an employee or third party is (being made) aware of, including those encountered during the course of any specific monitoring activities (e.g. by the internal control, internal audit or security function).

When reporting an act of fraud, corruption, bribery or FP, it is important to include as much detail as possible to ensure a proper investigation into the matter. This includes information on what has

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happened; who is (believed to be) involved or aware; when and where the fraud corruption, bribery and FP activities occurred, etc. This also includes any supporting evidence that may be available at the time of reporting.

4.4.1. General Reporting Requirements

All employees and third parties are required to report any (suspected) act of fraud, corruption or bribery; or any (suspected) FPs, immediately to the Managing Director and Finance Director of the relevant TNT company.

In addition, if the (suspected) act relates to:

- an act or suspected act of corruption (including FPs), and/or;
- an act or suspected act of bribery (including commercial bribery), and/or;
- an act or suspected act of fraud where:
 - o (one of) the suspected person(s) holds a **Senior Management** position, and/or;
 - o (one of) the suspected person(s) holds a **financial position** which involves making, approving or deciding entries into financial records of any TNT company, and/or;
 - o it is expected upfront that the materiality of the fraud may exceed Euro 50,000;

it further needs to be reported in writing to the TNT Business Ethics Department within 48 hours of initial discovery. Upon receipt of such report, Business Ethics will decide on the further follow-up in line with the relevant Ethics Committee procedures.

When the breach is not covered by the definitions above, the Managing Director will immediately engage the local security department to investigate the breach. In case there is no such Department or in case the Managing Director or Finance Director are of the opinion that local Security has a potential conflict of interest and cannot conduct the investigation in an objective and/or independent manner, he / she will escalate the case immediately to the Director Global Customs & Security.

Contact information:

TNT Business Ethics
 Attn. Head of Business Ethics
 Taurusavenue 111
 2132 LS HOOFDORP
 The Netherlands
 E-mail: integrity.GHO@tnt.com

4.4.2. Whistleblowing

If reporting to the Managing Director and/or Finance Director of the relevant TNT company is not possible or if the employee or third party does not feel able or comfortable to do so, he/she can

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raise their concern directly to the TNT Business Ethics Department via the TNT Policy on Whistleblowing.

The TNT Policy on Whistleblowing is available on Expressnet as well as on the external corporate website of TNT (<http://www.tnt.com/corporate>).

4.4.3. False Reporting

TNT will not tolerate intentional false reporting of any acts of fraud, corruption, bribery or FPs. If an employee makes a report of a breach which he/she knows to be false, he or she will be subject to disciplinary action which may involve termination of employment. False reporting by an employee or third party may equally lead to civil or criminal prosecution. The employee or third party may be held liable for damages towards anyone who has suffered from a false report.

4.5 INVESTIGATION OF A (SUSPECTED) BREACH

Depending on the type of breach (see also section 4.4.1), a thorough investigation is to take place by the Security Department (for breaches that do not require central reporting and coordination) or by the Global Investigations Department (for breaches that do require central reporting and coordination). Neither management nor employees are allowed to conduct or initiate an investigation into a (suspected) act of fraud, corruption, bribery or FPs without the prior written authorisation of the General Counsel and/or the Head of Business Ethics.

The responsibility for conducting the actual investigation and for ensuring that it is being conducted in line with all relevant (legal and internal) requirements is with the Director Global Customs & Security and with the Director Internal Audit and Investigations respectively. They may involve appropriate colleagues or any other (external) specialists as required while maintaining strict confidentiality, and will obtain the account of local management involved in any breach that is being investigated. They will further ensure that during and after an investigation, evidence and documentation shall be preserved in accordance with reporting instructions/requirements, disciplinary procedures and applicable (local) legislation.

The investigators appointed to investigate a reported breach will have free and unrestricted access to all records and premises of TNT companies. Subject to (local) legislation and internal guidelines, they will have the authority to examine, copy and/or remove contents of TNT owned files, desks, cabinets, hard-drives, mobile phones, servers or other storage facilities without prior knowledge or consent of any individual who might use or have custody of such items or facilities, when those information sources could have evidence relevant to the investigation.

Management and employees are obliged to fully cooperate with and assist the investigators and other parties engaged to investigate a breach. TNT further expects management and employees at all levels to handle all matters concerning a breach seriously, confidentially and with priority.

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4.6 DISCIPLINARY ACTION FOLLOWING A BREACH

Employees suspected of a breach will not be considered guilty unless the allegations or suspicions have reasonably been considered proven and unless they have been given the opportunity to defend themselves. To avoid damaging reputations of persons suspected of a breach, but found innocent afterwards, interim and final investigation results will not be disclosed or discussed with anyone other than the members of the TNT Ethics Committee and line management with a legitimate need to know.

Following completion of an investigation into a reported breach, the results will be formalised in a written investigation report and submitted to the Managing Director of the relevant TNT company and the Director Global Customs and Security (for issues that do not require central investigation or coordination) or to the General Counsel and/or Head of Business Ethics (for investigations conducted or coordinated centrally).

Where relevant and required, the Ethics Committee will review the investigation report with supporting evidence provided by the investigators. Following the presentation of the case and, if applicable, after obtaining legal advice, the Ethics Committee will issue a formal decision detailing sanctions against perpetrators, civil or criminal legal actions to be filed and referral of the case to law enforcement, if required.

Line Management is responsible for taking any measures necessary in order to implement the Ethics Committee decisions, as well as for taking the appropriate action towards employees that were found guilty as a result of a Security investigation, which was not referred to the ethics committee. Appropriate clauses should be added to labour contracts and local HR policies in order to make Ethics Committee decisions and disciplinary sanctions enforceable in any jurisdiction.

4.7 INVESTIGATION COSTS

Each TNT company must bear the **investigation costs**, as defined above, regardless of the outcome. The use of external resources in an investigation requires the prior authorisation in accordance with the Internal Authorisation Matrix (consultancy costs).

5 Relationship with other policies

This policy is related to the following documents:

- TNT Business Principles
- TNT Policy on Whistleblowing
- TNT Policy on Security
- TNT Policy on Gifts and Entertainment
- TNT Policy on Conflict of Interest
- TNT Policy on Pre-employment Screening
- TNT Policy on Associates
- TNT Policy on Procurement

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- TNT Policy on Expense Claims
- TNT Policy on Prevention of Insider Trading
- TNT Policy on Enterprise Risk Management

To support the implementation and compliance with 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.

6 Communication

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

The statutory directors of all 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.

7 Implementation

This policy must be implemented with effect from 25 November 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 owner of this policy is responsible for providing all necessary communication and/or training/guidance to assist with the implementation process, both internally and towards third parties, and for monitoring compliance with this policy.

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