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For more than half a century, World Press Photo has been a stage upon which thousands of photographers from all over the world can display their best work. Through their photos, they bring the world on stage as well.

In this booklet you'll find a selection of prize-winning pictures from the World Press Photo contests. Some are beautiful, inspirational images, while others are thought-provoking portrayals of trouble in the world. But each one has a story worth telling.

This is why TNT sponsors the World Press Photo foundation. We believe that our sponsorship is a way of demonstrating our interest in the world and, more importantly, our pledge to help make it a better place.

HERE AND NOW

HERE AND NOW

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TNT
sure we can



**HERE
AND
NOW**



**THE WORLD
IS CHANGING
—
WE ARE
CHANGING
OUR BUSINESS
IN RESPONSE**



We are building a prosperous future at TNT. We know that the more we make connections, the more we engage with the world, the stronger and more sustainable our business becomes.

We do that by focusing on the here and now. That's easy to say, it can be harder to do. Recognising the way things are is the crucial first step.

There are challenging new realities. There are also opportunities. Our Vision 2015 programme aligns our business with a changing world.

In the global economy our customers are more cost-conscious; we are doing more for less. Mail is a core TNT business, but it's in structural decline; we are managing that process. The environment is under pressure and transportation is part of the problem; we are innovating to lower emissions.

This booklet takes an unflinching look at the way the world is in 2010. It also showcases some of the actions TNT is taking in these demanding times. Our thanks go to World Press Photo and in particular to the award-winning photographers whose work features here. Their arresting images capture the richness and complexity of the world that we all share.



Peter Bakker, CEO

Transportation and distribution is a vast industry with an estimated global worth of over €2.5 trillion. TNT is a leading player in Europe and active in 200 countries.

OUR ORGANISATION

TNT is dedicated to providing a full range of delivery solutions for our customers. We collect, transport, sort, handle and deliver documents, packets, parcels, and freight. We operate a substantial transportation fleet and manage deliveries through an international network of depots.

Our infrastructure is geared towards customer needs. We aim to meet individual requirements for speed of delivery, security, distance and point of delivery.

Sophisticated online systems, including track-and-trace and automated billing, streamline the delivery process. The items we deliver span the spectrum, from a simple postcard to precision-built engineering components and specialist medical equipment.

TNT EXPRESS

With an 18% share of express door-to-door delivery TNT has a leading position in the European express market. We have built up extensive road and air networks with good coverage in all European countries.

We have strong positions in key emerging markets in China, South East Asia and South America. In 2009 we focused on building up our presence in these networks and enhancing their connectivity with Europe.

The strategic acquisitions of LIT Cargo in Chile and Expresso Araçatuba in Brazil strengthened our South American road network.

In September, we introduced a dedicated Boeing 747 freighter service between Hong Kong and our European air hub in Liège to expand service capacity between Asia and Europe.

We also signed a partnership agreement with leading US logistic specialist, Con-way Freight to extend our express freight services between Europe and the United States. Con-way now acts as our primary road transportation partner for US freight deliveries. Con-way Freight has reciprocal access to our European air and road networks.

TNT POST

In Mail we are active in eight European countries. As Royal TNT Post we are the main postal operator in the Netherlands, processing 17 million items every day.

We have a twofold strategy in this sector. Within the Netherlands, we are managing transition to prepare for the consequences of a fully liberalised market. Elsewhere in Europe we aim to capture mail growth opportunities in liberalising markets, and in the standard parcel business.

We lost some mail volumes to competitors in the Netherlands as the market liberalised. We are now winning business back by focusing on our customers. The economy products delivered through TNT Post and the Netwerk VSP budget mail service have helped us defend our market share.

Some structural factors, such as the switch from mail to digital alternatives, are beyond our control. In the circumstances, the 4.7% volume decline for Mail Netherlands during 2009 was a creditable result.

Although mail is declining overall, the growth in online shopping is triggering rapid growth in the standard parcel business. We are pursuing initiatives to take advantage of technological change. TNT Post Parcel Service has broadened its business-to-business portfolio with payment services, IT services and support services for webshops. We are developing our data management and communication services under the Cendris brand.

OPERATIONS

230 MILLION EXPRESS CONSIGNMENTS

7.7 MILLION TONNES EXPRESS FREIGHT

5 BILLION SINGLE MAIL ITEMS

3.4 BILLION BULK MAIL ITEMS

TNT's performance as an international logistics business is inextricably connected with the global economy. In good times or in bad, the measure of our success is the extent to which we are able to meet the challenges we face.

TNT's mission is to exceed our customers' expectations in the transfer of their goods and documents around the world. We deliver value to our clients by providing the most reliable and efficient solutions through delivery networks.

We aim to lead our industry by:

- instilling pride in our people,
- creating value for our shareholders, and
- sharing responsibility for the world in which we operate.

OUR PERFORMANCE

In 2009, we felt the full force of the economic hangover following the financial market implosion in late 2008. We made some tough decisions in the long-term interests of our business.

TNT's express business – always cyclical – was severely affected. Our customers moved swiftly to control costs. Transportation was in the firing line.

In Europe there was a significant shift from air to road freight as customers opted for guaranteed delivery times ahead of speed. It led to an unprecedented 25% fall in air express volumes at the start of 2009. Road volumes also declined as the year went on.

Our mail business is less cyclical, but it too faced major challenges. Widespread use of the internet is promoting long-term, secular shifts in market dynamics. Increasingly, mail is being supplanted by electronic alternatives.

Dealing with adversity is never easy, but our approach has gained shareholder support. TNT's share price advanced 56% during 2009, outstripping both our peer group and the Euronext index.

In managing the business we have been focusing our efforts on five Cs: customers, cost, cash, care and climate.

Customers Satisfied customers are the best guarantee of long-term profitability. TNT works closely with them to devise smarter delivery solutions and cut their costs. In our most recent surveys both the Express and the Mail divisions recorded historic highs for customer satisfaction.

Cost TNT achieved cost savings of over €500 million in 2009. Reaching that point meant some hard choices. We let go of nearly 7,000 employees during the year. The majority, around 4,400, came from Mail Netherlands, where a continually declining workforce is a painful fact of life.

Cash We are ensuring we live within our means. We reined back capital expenditure and improved working capital. Our operations generated over €1 billion in net cashflow during the year, the highest ever recorded at TNT. Financial prudence allowed the company to maintain its BBB+ credit rating.

Care Health and safety management is a top priority. In 2009 the number of fatalities for staff and subcontractors fell from 58 to 34. It is progress, but still 34 too many. We continue to bear down on this issue.

We cannot sidestep diminishing mail volumes in the Netherlands. We are trying to mitigate the impact. Management has worked hard with union representatives to find ways to offset the pressure on staff.

Globally, we are providing logistic support to the United Nations World Food Programme

(WFP). In the past year we have assisted WFP with food emergencies in Pakistan, Indonesia, Haiti and the Philippines.

Climate As part of our environmental initiative Planet Me, we have developed a rigorous framework for measuring and reporting on actual CO₂ emissions. We are able to quantify our emissions with a high degree of accuracy. Having achieved this step, we have now set ourselves a challenging objective for carbon efficiency.

Meeting changed realities Recent developments have created new realities for the business. The boundaries between express operators and parcel and freight companies are blurring.

There is continued price pressure in the European express market. Outside Europe, we are building on our strong presence in China, South East Asia and South America.

In the Netherlands mail volumes are in structural decline; liberalisation has intensified the challenges we face. Outside the Netherlands the mail market is losing some of its lustre.

We responded to the changed economic scene by undertaking a comprehensive strategic review in 2009. The results of that process are published as Vision 2015. This sees TNT continue the transformation towards leadership in Day-Definite Delivery services and furthermore explore the best position for our Mail business for continued success.

In April 2010 we announced we are studying the possibility of hiving off our postal service as a separate entity. Partnership discussion will be pursued and alternative positions assessed, including a listing of the Mail business. Our new strategy aligns our business with current trends and provides a solid platform for a sustainable future.

AT A GLANCE

\$10 BILLION REVENUE

160 000 PEOPLE

30 000 VEHICLES

200 COUNTRIES

48 AIRCRAFT

The Vision 2015 strategy encompasses the period 2010 – 2015 and aims for well-balanced and ambitious business and financial objectives tailored to the different building blocks of TNT's portfolio.

VISION 2015

Our Day-Definite Delivery service and Mail service businesses operate in distinct and diverging environments. Vision 2015 addresses these differing contexts with a strategy built on five focus areas. The first four of these support our drive for leadership in day-definite delivery. The fifth, focused on mail, builds on its track record as one of the best postal companies in the world.

1. European Parcels

Target additional growth in the €20 billion Standard Parcels market

- Extend leadership position in next-day domestic and economy cross-border parcels
- Different solutions by market segment in each European market
- Achieve cost leadership

2. Freight

Extend lead in day-definite freight within Europe

- Build on strong European Road Network and high-growth inbound intercontinental volumes
- Add global extensions through partnerships and TNT networks in emerging markets

3. Emerging Platforms

Capture growth in these areas

- Capitalise on first-mover advantage in China and South America
- Continue to expand and connect road networks in Asia/Pacific, India, Australia, Middle East/ Africa and South America

4. Special Delivery Solutions

Grow bespoke solutions for customers

- Develop multi-customer network solutions for sectors like pharma, health, electronics and automotive
- Capture growth in delivery solutions for e-commerce

5. Mail

Create distinct financial and legal structure

- Maintain sustainable cash performance and explore business renewal opportunities
- Assess alternative positioning for Mail Netherlands, Cendris and Netwerk VSP
- Realise value of mail operations in Germany, Italy and the UK through partnerships or sale.

TERRITORIES

**THE NETHERLANDS
66 000 EMPLOYEES**

**REST OF EUROPE
52 000 EMPLOYEES**

**AUSTRALASIA
29 000 EMPLOYEES**

**AFRICA & MIDDLE EAST
1400 EMPLOYEES**

**AMERICAS
11 000 EMPLOYEES**

TNT acknowledges its wider responsibilities to the global community. But corporate responsibility is not just about doing the right thing, it is in our economic interests.

CR STRATEGY

Corporate responsibility is integral to our overall approach. Our CR strategy is aligned with the aims and objectives of Vision 2015. We are building a sustainable business model by ensuring that our company operates in balance with the interests of our shareholders, employees, customers, suppliers and society at large.

TNT's CR strategy is based on four pillars. In 2009 we defined 10 focus areas within these four pillars.

1. Employees

- Health & Safety: Reduce absenteeism and eliminate fatalities from TNT-owned operations by managing serious accidents, lost-time accidents and blameworthy road traffic incidents
- Human rights: Ensure human rights, diversity & inclusion
- Employee engagement: Increase number of positively engaged employees

2. Environment

- CO₂ footprint: Improve carbon efficiency of operations
- Air quality: Improve air quality of operational vehicles

3. Other stakeholders

- Customer satisfaction: Increase customer satisfaction
- Green services: Increase turnover realised with green services (including compensated CO₂ emissions)
- Subcontractors: Apply TNT standards to the selection and management of CR performance of subcontractors
- Suppliers: Increase use of sustainable purchasing

4. Voluntary contributions to society

- Moving the World: Strengthen partnership with the World Food Programme by increasing active involvement in Moving the World's activities

-45%

2020 CARBON EFFICIENCY OBJECTIVE COMPARED WITH 2007 BASE LEVEL

A CHANGING WORLD

Source: IMF 2009 The cost of mopping up after the financial crisis equates to around a fifth of the globe's annual economic output. It includes capital injections pumped into banks, the price of soaking up toxic assets, guarantees over debt and liquidity support from central banks. Although some funds are likely to be recoverable, the potential outlay still dwarfs any previous repair bill for the global economy.

TOTAL COST OF THE FINANCIAL CRISIS \$11.9 TRILLION –





**– \$1750 FOR
EVERY MAN
WOMAN AND
CHILD ON
THE PLANET**

Trading volumes worsened in the wake of the financial crisis. Our customers adapted their expectations. Many opted for certainty over speed of delivery.

OPTIMISING NETWORK EFFICIENCY

We have closed twelve airport facilities over the past two years and the results are striking. Our overall cargo load factor – a core measure of aircraft efficiency – has reached record highs. Service levels have been unaffected.

Where air freight adds value we continue to build up our network. In September 2009 we launched a dedicated 747-based freighter service between Hong Kong and Liège.

We are reviewing other operating expenses. We signed a 50/50 outsourcing agreement with Sabena Technics during the year. This will allow us to reduce maintenance costs without sacrificing direct control over quality standards.

KEEPING PRODUCTION LINES FLOWING

SKF Group is a global bearings manufacturer and third party logistics business. Paper presses, pumps, engines and wheels all rely on SKF products. Its components keep production lines running. Without its products factories would literally grind to a halt.

The company has frequent, heavy shipments between Europe and the UK. It needed a partner able to deal with the complexities, who could live up to SKF's hard-won reputation for reliability. TNT was appointed to handle all logistics between the UK and Europe. We introduced a system of scheduled collections backed up by on-demand nationwide delivery. SKF deliveries now run like clockwork.

MANAGING CHANGE AT ROYAL TNT POST

Royal TNT Post is grappling with a market in structural decline. As the internet gains momentum, people are increasingly electing to access bills and statements online. The habitual letter writer has become an endangered species.

There is little we can do about that. What's worse, many mail service employees who have given years of service, signed on expecting a job for life. That guarantee is no longer practicable, but we are doing our best to ease the transition. TNT Mobility, our professional outplacement resource, offers retraining, financial assistance, mentoring and practical support. Since its establishment in 2006 over 4,300 former TNT staff have been helped. Those that remain with us are glad to know that their colleagues have tangible support.

SEIZING THE OPPORTUNITY TO WIN NEW BUSINESS

Jan Mast works as a data specialist in Meppel, the Netherlands. When he heard that a competitor had gone into liquidation, he realised there could be a business opportunity for TNT Post.

That same afternoon he assembled a list of local prospects known to be the competitor's customers and contacted his sales manager. By the end of the day the sales team had signed up 30 new customers. For most of them service operations were scheduled for the very next day. Jan's incisive action had resulted in €35,000 of new business for TNT Post in just 24 hours.

FOCUS ON ECONOMICS

OPTIMISING NETWORK EFFICIENCY

KEEPING PRODUCTION LINES FLOWING

MANAGING CHANGE AT ROYAL TNT POST

SEIZING THE OPPORTUNITY TO WIN NEW BUSINESS

Page 22 Detective Robert Kole of the Cuyahoga County Sheriff's Office enters a home following mortgage foreclosure and eviction.

Anthony Suau, 2008
Cleveland, Ohio, USA

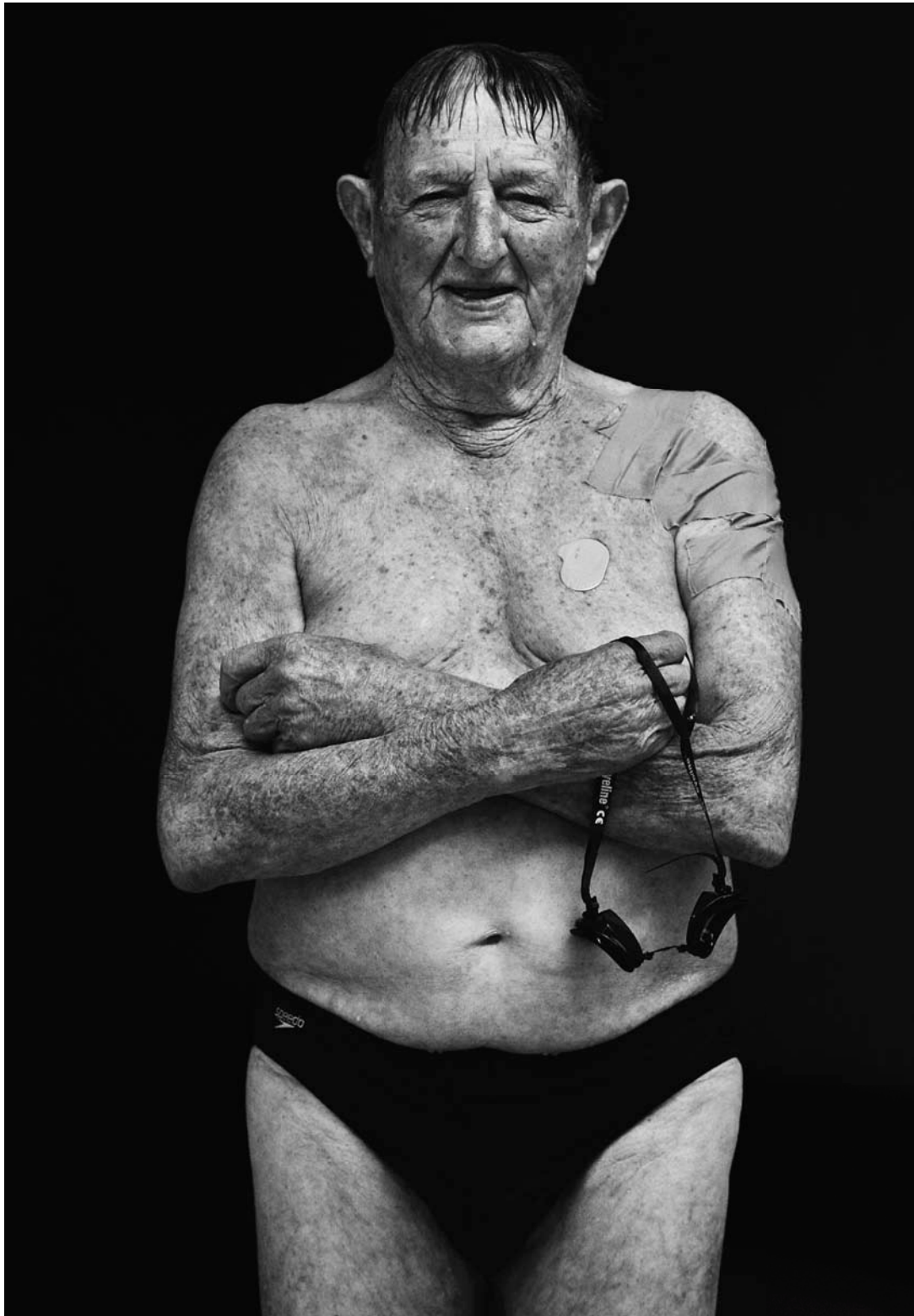
Page 24 The Société des Ambianceurs et des Personnes Élégantes in Congo-Brazzaville, dates back to the 1920s and 1930s.

Francesco Giusti, 2009
Sapeur Vieux Kiboba
Pointe-Noire, Congo
Brazzaville

Source: UN World Population
Prospects - 2008 revision
At the current rate the global
population will increase by
more than a third over the
next 40 years. The rates of
growth will vary widely.
The fastest rises will be in
emerging nations in Asia,
Africa and South America.
In the industrialised world
populations may even
decline.

**BY 2050
THERE WILL
BE 9.1 BILLION
PEOPLE ON
THE PLANET —**





**– IN THE
DEVELOPED
NATIONS ONE
IN THREE OF
THEM WILL
BE OVER 60**

Population growth will fuel demand in emerging nations and make transportation of food, goods and services even more challenging. Ageing populations in industrialised economies will promote home deliveries and stimulate demand for medical services.

BOOSTING CIRCULATION FOR THE NATIONAL HEALTH SERVICE

Lifesaving operations depend on blood and donor organs. The NHS Blood and Transplant authority runs the UK national network which harvests and distributes these vital materials.

TNT is its delivery partner. We guarantee precise pick-up times, and deliver anywhere in the UK 24 hours a day, 7 days a week. Our drivers can collect blood and organs within 30 minutes from any hospital in the country and transport it to the specified location. They undergo specialist training to ensure these sensitive materials are delivered in good condition. Our nationwide service is reducing costs and helping to save lives.

COORDINATING LOGISTICS FOR 24,000 RUNNERS

In 2009 24,000 people completed the London Marathon, cheered on by a million more. For over 20 years, TNT Express in the UK has been responsible for ensuring the annual event goes off without a hitch.

We bring a 40-strong fleet of articulated lorries into the capital with a million drinks, 3,450 rubbish bags, 37,500 foil blankets and 100 first aid kits. On the day of the event TNT Sameday staff pick and pack 500,000 snacks, t-shirts and treats to create a goody bag for every single participant. The trucks turn into giant mobile cloakrooms for the duration of the race. Afterwards they are deployed in the post-event tidy-up.

SYNCHRONISING 7.5 MILLION MAIL ITEMS FOR SKY

Sky is the UK's leading satellite broadcaster. Direct Mail is a key component in its marketing strategy. With 80 million items to distribute annually it relies on a delivery partner with the infrastructure to support multi-site collections and exceptionally high campaign volumes.

Being able to specify a delivery date is crucial for DM campaigns. That is even more true for a broadcaster, which may want to align its message across media. TNT Post's Premier (pre-sorted) and PremierSort (unsorted) services are highly cost-effective. We offer day-definite delivery for millions of items, something the UK postal service cannot provide on its own.

FAST-TRACKING A SAMPLE TO SINGAPORE

One fine day in Manila, Cecil Torres got a call which threw down the gauntlet. Could TNT get an urgent blood sample to Singapore that same day? The schedule was exceptionally tight, but not impossible. A colleague agreed to take a scheduled flight as an on-board courier, Singapore customs officials were notified and the relevant paperwork prepared.

Everything was set. There was just one problem – the promised sample hadn't arrived. With time running out, Cecil arranged for the item to be sent direct to the airport. The courier battled through Manila's rush hour, collected the sample when he got there and bought his ticket at the check-in desk. He made the flight by a whisker. Another time-critical package had been safely delivered.

INVESTING IN PEOPLE EVERYWHERE

Skilled, flexible and motivated employees are critical for any business. We aim to go further, we want to make our people proud. In pursuit of that, we promote a culture of inclusion, where all employees can expect individual attention and development opportunities.

We signed up with Investors in People at an early stage to test our performance against best practice. In 1994 we became the first company ever to gain global IIP accreditation. A decade later we were the first in our sector to attain Champion status. We were selected yet again in 2007. As an IIP Champion we are sharing our experience and insights with other companies.

Page 30 Eight people share each of the 10 square metre rooms in the Nam Tai factory dormitory block in Changsha.

Michael Wolf, 2004
Changsha, China

Page 32 Australian Jack Mathieson, aged 91, shortly after swimming the 800m freestyle at the World Masters Games.

Craig Golding, 2009
Sydney, Australia

FOCUS ON PEOPLE

BOOSTING CIRCULATION FOR THE NATIONAL HEALTH SERVICE

COORDINATING LOGISTICS FOR 24 000 RUNNERS

SYNCHRONISING 7.5 MILLION MAIL ITEMS FOR SKY

FAST-TRACKING A SAMPLE TO SINGAPORE

INVESTING IN PEOPLE EVERYWHERE

Sources: Radicati Group,

Forrester Research 2009

There are 1.7 billion internet users, 234 million websites and 126 million blogs. Nine out of ten Japanese use their mobiles to surf the net.

Facebook serves 6 million

pages a minute. YouTube

streams 1 billion videos a day.

Technology is changing the way we interact.

**247 BILLION
EMAILS ARE
SENT EVERY
SINGLE DAY —**





**– IN JAPAN
15 PERCENT
OF MOBILE
USERS SHOP
ON THEIR
PHONES**

Mail volumes will continue to decline in the Netherlands as more people correspond digitally. Growth in e-commerce is triggering healthy growth in the parcels business.

CHANNELLING TRANSMITTER PARTS TO FIELD ENGINEERS

Arqiva manages transmission services for broadcasters and the emergency services across the UK. To stay on the airwaves its field engineers need to be able to rectify faults rapidly. If there is a problem with a transmitter, the right part needs to reach the engineer on site without delay.

The company needed a logistics supplier with the flexibility, resources and efficiency to collect spares from over 3,500 locations across the UK and guarantee delivery to any of its 52 transmitter sites before 7.30am the next day. TNT met and exceeded its requirements. We also agreed to hold critical spares in strategically located depots to respond even faster where needed.

BRINGING THE HIGH STREET HOME

You might think that a business that specialises in delivering documents and parcels would gain very little from the growth in the internet. In fact, the opposite is true. In its first year of e-commerce operations TNT Post handled 500,000 parcels. We offer services across the entire chain, from designing and managing websites to delivering orders, and everything in between.

And the real explosion in demand is yet to come. E-commerce is breaking through to new product categories as customers become more confident. Fashion is one of the fastest growing segments. Consumers have worked out that they can order a variety of sizes and colours. The bedroom has become the new fitting room: an estimated 30% of fashion items are sent back. That's good for us; we also handle the returns.

PILOTING A NEW ROUTE PLANNING TOOL

TNT Express Italy has begun rolling out a new route planning computer application to reduce miles and fuel consumption without compromising service levels. The first trial in Pisa involved 31 vehicles. It showed a 2% decrease in carbon emissions from the fleet as an additional benefit.

The tool maps territory down to street level, plans each driver's daily route and simulates the impact of last-minute changes on costs and service level. TNT Express Italy operates a fleet of 3,000 pick-up and delivery vehicles and over 700 line-haul trucks. The rollout in Italy is part of a larger project to optimise TNT's networks globally.

TRACKING DELIVERIES ONLINE

TNT customers can track and trace consignments anywhere in the world with our online and PC-based shipping tools. In 2009 we incorporated a global online signature capture facility. PoD (Proof of Delivery) signature images are now available from more than 85 countries worldwide. TNT is not unique in offering this capability, but we are setting new standards with the quality and accessibility of our solution.

The system covers many types of images, from on-screen signatures to scanned sheets and company stamps. Our flexible approach accommodates cultural difference and allows partner organisations to collect and upload delivery confirmations.

KEEPING THE SHOW ON THE ROAD – AND IN THE AIR

When a TNT Boeing was stranded in Rennes because a faulty ground power unit (GPU) meant it couldn't be unloaded, we sent a specialist engineer from Liège.

Getting there involved a nine-hour 800 km trip by road. After a well-earned rest our engineer did some swift diagnostics on the GPU the next morning and established two faults. One could be solved straightaway. The other required a replacement part.

Cue a six-hour roundtrip to the nearest supplier in Tours. The engineer returned late that afternoon and then spent several hours fitting the part. The following morning he drove back to Liège. It had been a real test of stamina. He had spent three days on the road and covered over 2,000 kilometres to keep TNT's delivery system on track.

Page 38 Rudy Garcia-Tolson, 21, was the first amputee to complete the gruelling Hawaiian Ironman triathlon.

Donald Miralle, Jr., 2009
Hawaii, USA

Page 40 Eva (left), a teenager with Gender Identity Disorder (GID), is receiving treatment which may in time lead to sex-reassignment surgery.

Willeke Duijvekam, 2009
The Netherlands

FOCUS ON TECHNOLOGY

CHANNELLING TRANSMITTER PARTS TO FIELD ENGINEERS

BRINGING THE HIGH STREET HOME

PILOTING A NEW ROUTE PLANNING TOOL

TRACKING DELIVERIES ONLINE

KEEPING THE SHOW ON THE ROAD – AND IN THE AIR

Sources: OECD Development Centre 2008, McKinsey 2007
The BRIC nations (Brazil, Russia, India and China) have the economic potential to be the world's four dominant economies by 2050. They contain 25% of the world's land mass and 40% of its population.

**IN 2015
CHINA WILL
BECOME
THE WORLD'S
LARGEST
ECONOMY –**





**– BY 2025
THE INDIAN
MIDDLE CLASS
WILL BE
580 MILLION
STRONG**

As large consumer markets develop in emerging economies supply chains will shift to roads. We operate China's largest delivery network and have the potential create a huge business there.

CARRYING 'MAGNIFICENT CHINA' TO THE HEART OF BEIJING

In August 2009 the TNT Hoau Kunming branch received a call to deliver a uniquely precious consignment. Renowned military artist Zhong Kai Tian had been working on an epic wall painting for over a year. Now complete, his 18m x 3.5m masterpiece 'Magnificent China' was Kunming city's gift to the nation for China's sixtieth National Day celebrations. The painting was to be placed on permanent display in Beijing at the Great Hall of the People.

But first it had to get there. The 2,800 km trip traverses six Chinese provinces and challenging terrains. TNT Hoau prepared a secure, temperature-controlled container complete with on-board suspension to ensure the painting could withstand the rigours of the arduous journey. 'Magnificent China' now adorns the Golden Hall, the main government venue for international press conferences.

REDUCING ACCIDENTS IN INDIA

Our drivers in India negotiate chaotic traffic conditions every working day. Creating a safer environment for them is a top priority. Two years ago we introduced the Road Safety Management Programme to attack the problem systematically. The programme covers operational processes, subcontractor management, and driver and vehicle management.

As these procedures are being embedded internally the focus is now shifting towards subcontractors. We recently joined forces with Fleet Forum, GRSP, Confederation of India Industry and Shell to set up the India Road Safety Partnership (IRSP). We are now running two pilot schemes with subcontractor fleets under its auspices. The lessons will be shared with other Indian transport companies. The project began in October 2009 and has already had a powerful impact. The subcontractor fleets have experienced a marked decline in accidents and better service performance.

Page 46 A huge influx of migrant workers is required to meet demand in Chinese city factories.

Michael Wolf, 2004
China

LINKING THE ABC COUNTRIES

The acquisition of LIT Cargo, a leading express delivery company in Chile, strengthens TNT's nationwide network in that country. We also acquired one of the largest express companies in Brazil, Expresso Araçatuba, which offers express road transportation to the highly attractive North and Central West regions. This further established our leadership in the Brazilian domestic express market. These two transactions allowed us to launch the only integrated road network in South America linking Argentina, Brazil and Chile.

The South American domestic express market is valued around €3 billion and has been growing fast in recent years. Our strategy is to become the express leader in South America and to leverage this regional strength to grow intercontinental flows.

DEVELOPING THE MIDDLE EAST ROAD NETWORK

We established the Middle East Road Network in 2001 with just three weekly rotations. Today it carries over 40m kilos per annum and offers a unique pan-Arabian three-tier service for our Middle East customers.

With dedicated customs clearance departments in each country and a centralised road control team, we offer the fastest door-to-door transit times across the region.

OPENING DOORS IN CHINESE CITIES

Most Chinese don't rely on a formal addressing system. Ask a resident where they live and they'll say something like: "go down the alleyway by the red building next to the junction of roads 1 and 17. My door is ten paces along when you pass the third lantern." It's colourful, but not exactly helpful if you're in the direct mail business.

TNT Post has been operating in China since 2003. We are active in fifty cities. From day one we introduced an automated address recognition system, a kind of TNT postcode. It has helped us establish a strong competitive position.

In e-commerce we provide all the services needed to run a webshop; we don't just deliver parcels, we warehouse goods, market on the doorstep and collect feedback. With many online retailers growing by 40 to 50% annually we have our work cut out to keep pace with demand.

Page 48 Fashion designer Shunnoz Fiel is one of a new generation of designers and stylists in Angola. Peace and an oil boom are helping to create a class of young professionals there.

André Vieira, 2008
Luanda, Angola

FOCUS ON EMERGING ECONOMIES

CARRYING 'MAGNIFICENT CHINA' TO THE HEART OF BEIJING

REDUCING ACCIDENTS IN INDIA

LINKING THE ABC COUNTRIES

DEVELOPING THE MIDDLE EAST ROAD NETWORK

OPENING DOORS IN CHINESE CITIES

Source: United Nations
Population Fund The 21st
century will be the century of
urbanisation and the
megacity. In 1950 there were
just 4 cities with 10 million or
more residents. By 2015
there will be 59. Two thirds of
these will be in developing
countries, the majority in
South East Asia.

**MORE THAN
HALF OF
THE WORLD'S
POPULATION
NOW LIVE
IN CITIES –**





**– URBAN
MIGRATION
ADDS UP
TO A NEW
BARCELONA
EVERY
TEN DAYS**

As an international business we experience the benefits of globalisation, but we also see its downside. We accept our responsibilities as a global corporate citizen.

BUILDING BRIDGES BETWEEN ASIA AND THE MIDDLE EAST

In the run-up to the Chinese National Day Golden Week TNT's Changsha office got an urgent request. A client in the United Arab Emirates wanted 2 tonnes of mechanical parts that same week.

Four giant consignments, each over 2m high and weighing 500kg, were needed for repair work on a heavy-lift crane. Any delays would mean disruption at the Sharjah construction site and big financial losses.

At a very busy time for the branch, it arranged for the parts to go by road to TNT's international gateway in Guangzhou, an 18-hour trip. From there they were loaded onto a direct air freight flight, to arrive in the UAE a day before the deadline. For the amazed and delighted client it was a bonus; he had thought the task impossible and had already factored in the cost of delay.

SPANNING CONTINENTS WITH INTERNATIONAL AIR FREIGHT

We pride ourselves on being able to transport items of every shape and size. Even so, the request to take a 44-metre yacht mast halfway around the world was a little unusual.

A team competing in the Sydney-Hobart sailing race needed their mast to reach them from Europe. At our Liège international hub we loaded it onto a TNT Boeing 747 freighter bound for Singapore, ready for final delivery in time for the December start of the race.

The mast is worth hundreds of thousands of dollars. It is highly fragile and virtually irreplaceable. To ensure safe transit, it was nose-loaded and unloaded in two 22-metre sections on top of a crane.

SPARKING INNOVATION FOR GREENER TRANSPORTATION

There is a widening choice of low emission vehicle technologies – hybrids, fuel cells, biofuel – but they come at a cost. It's a catch-22. Car manufacturers have no incentive to mass-produce greener vehicles without mass-market demand and consumers won't buy until prices fall.

We are aiming for all our inner city vehicles to be electric by 2015. But if we are to achieve that while keeping costs down we need to stimulate innovation in the sector. We have created a consortium with public and private sector partners. Together we have issued a challenge to carmakers: get us the right kind of vehicles at the right price and we will furnish orders to scale up demand. The consortium has begun by asking manufacturers to supply 3000 electric vehicles over 3 years. It expects to deploy its first cars, vans and trucks in 2010.

CAPITALISING ON THE CONGESTION CHARGE

The growth of cities is throwing up new challenges for the transportation sector. Particularly in industrialised countries, urban authorities are responding to political pressure by imposing more stringent restrictions on emissions. Some higher emission vehicles are now excluded from city centres.

In London vehicles powered by alternative fuels are exempt from the congestion charge. For those making daily trips into the capital this can equate to an annual saving of around £1,600 per vehicle. The exemption allowed TNT UK to develop a cost-neutral case for greener transportation two years ago. It now has 51 electric vehicles operating in the UK capital, the world's largest commercial fleet.

FOCUS ON GLOBALISATION

BUILDING BRIDGES BETWEEN ASIA AND THE MIDDLE EAST

SPANNING CONTINENTS WITH INTERNATIONAL AIR FREIGHT

SPARKING INNOVATION FOR GREENER TRANSPORTATION

CAPITALISING ON THE CONGESTION CHARGE

Page 54 A migrant worker in Shanghai poses in the ruins of his former home. He was living in the building he was employed to demolish.

Alessandro Digaetano, 2004
Shanghai, China

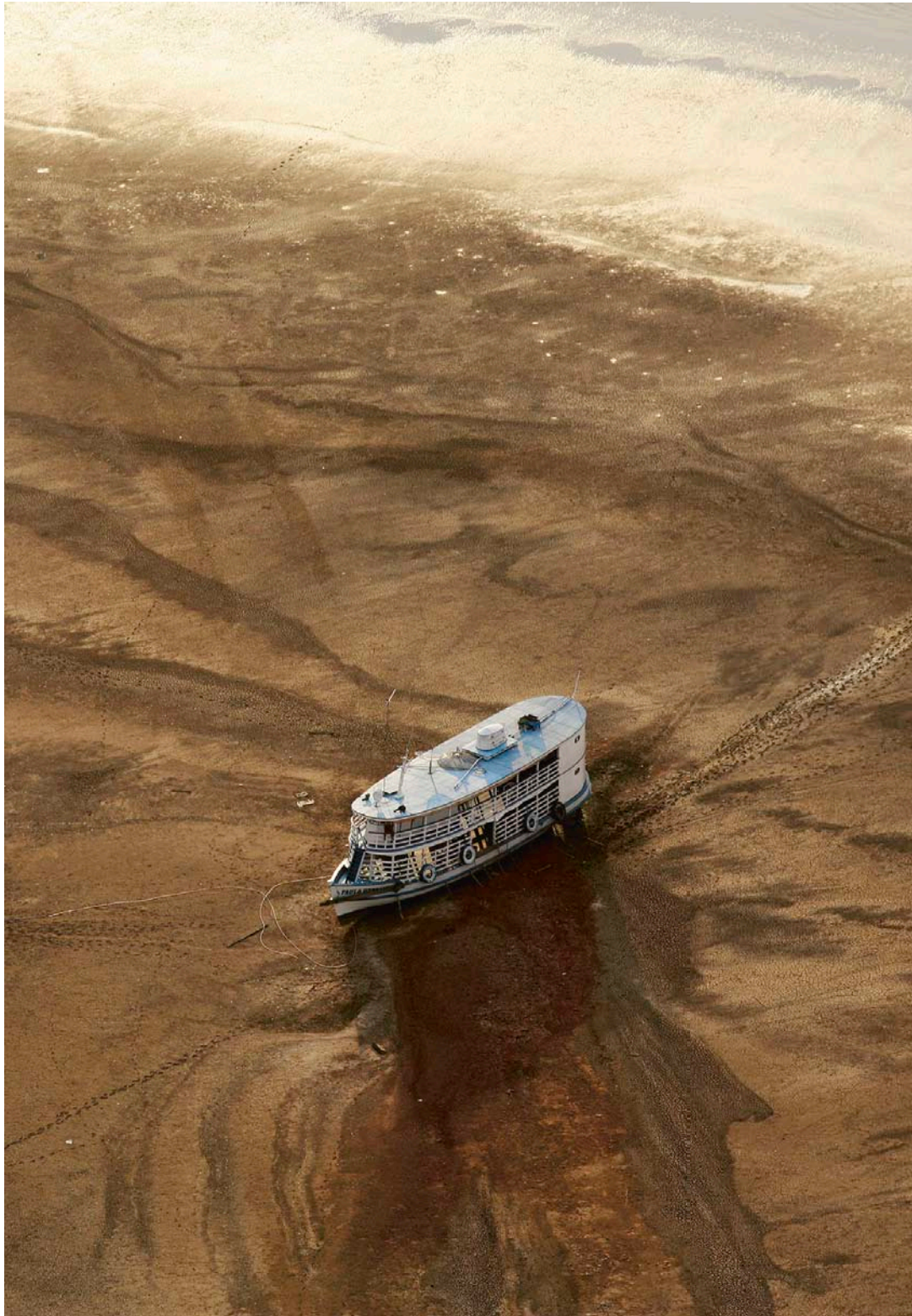
Page 56 Tokyo Subway Dream. A woman travels at rush hour on the Tokyo subway. Some 8.38 million passengers use the system daily.

Michael Wolf, 2009
Tokyo, Japan

Sources: IPCC Fourth assessment report 2007, Scientific Committee on Antarctic Research (SCAR) 2009 Globally averaged temperature rose by 0.74 ± 0.18 °C over the period 1906–2005. The rate of warming over the last half of that period was 0.13 ± 0.03 °C per decade, versus 0.07 °C \pm 0.02 °C per decade. Some forecasts for the extreme effects of climate change are controversial but the IPCC's conclusions are the best researched and most probable predictions available.

**BY 2100
THE EARTH'S
CLIMATE WILL
BE 1.8°C TO
4°C WARMER —**





**– SEA LEVELS
WILL RISE
BY AROUND
1.4 METRES**

The drive to reduce carbon emissions is influencing the configuration of global supply chains. Regulation to reduce CO₂ emissions is also set to increase. These trends are already affecting our business and will have a major impact on the transportation sector in years to come.

OVERCOMING FLOODS, FIRES AND DISASTERS – THE MAIL MUST GET THROUGH

As a service business we depend on people so we are fortunate to attract a special breed. There is a never-say-die attitude here, captured by our motto: 'sure we can'.

Some examples:

In the summer of 2007 our Rotherham depot was surrounded by floodwaters after weeks of monsoon-like weather. With public transport at a standstill, TNT staff waded knee-deep through miles of muddy waters to keep the deliveries on schedule.

When a fire gutted the TNT Post sorting centre at Klimopweg over 200 TNT Post employees volunteered to work through the night to set up a new depot. Within 18 hours normal service had been resumed.

A freak snowstorm in Chungsha caused the roof to cave in at our warehouse. Our man on the spot cancelled his wedding and worked flat-out for 10 days to rescue customers' consignments.

CHAMPIONING ENERGY SAVING

As TNT planned the launch of the Planet Me environmental initiative, TNT Italy coordinator Emanuela Guccioni wanted to engage hearts and minds.

She chose Italy's Energy Saving Day as the national launch date. At 6pm across the country she arranged for the lights to go out in every one of TNT's 160 offices. All 7,000 employees got a Planet Me kit with practical advice about energy saving and a starter pack of low energy lightbulbs. They were also asked to help raise funds for a reforestation project in Ticino Park which would offset 87.5 tonnes of CO₂. Emanuela's enthusiasm was infectious. Her colleagues became avid fund raisers and they swamped the TNT website with energy saving suggestions.

GREENING OUR BUILDINGS

Improving the energy efficiency of our buildings is a key priority. We anticipate that our current building programme can help us reduce emissions by as much as 6%. Initially we are focusing our efforts in the Netherlands where we currently occupy 1.2 million square metres and consume the equivalent of 70,000 tonnes of CO₂.

We are setting the standard for the offices of the future. As a minimum, all new offices and depots are to be carbon neutral. We began construction of the first of these in Hoofddorp in early 2009. Its design minimises energy use. Any additional energy requirements will be generated from sustainable sources.

TRAVELLING BY TRICYCLE

TNT Express France has started using tricycles to deliver light parcels in the centre of Paris. The carbon-free service will initially cover the third arrondissement before extending to the entire inner city by June 2010.

We already use tricycles to make deliveries in eight other French towns (Lyon, Bordeaux, Saint-Etienne, Dijon, Nancy, Rouen, Grenoble, and Valence). Cargo tricycles are a reliable, efficient and popular alternative for inner city deliveries. They are an answer to noise, pollution and traffic jams.

FOCUS ON ENVIRONMENT

OVERCOMING FLOODS FIRES AND DISASTERS – THE MAIL MUST GET THROUGH

CHAMPIONING ENERGY SAVING

GREENING OUR BUILDINGS

TRAVELLING BY TRICYCLE

Page 62 A giraffe killed by drought lies in a dry river bed in Wajir, northeastern Kenya.

Stefano De Luigi, 2009
Wajir, Kenya

Page 64 In 2005 the Amazon region experienced its worst drought in decades. Greenpeace blamed deforestation. Brazilian government meteorologists disagreed.

Daniel Beltrá, 2005
Manaus, Brazil

Sources: Forbes.com 2010
Food and Agriculture
Organisation of the United
Nations (FAO) 2009 The
richest two per cent of adults
own more than 50 per cent of
the world's assets while the
poorest half hold only one
per cent of global wealth. The
elite group resides almost
exclusively in North America,
Western Europe and rich
Asia-Pacific countries such as
Japan and Australia.

**IN 2010 THE
WORLD HAS
A THOUSAND
BILLIONAIRES
WORTH \$3.5
TRILLION**





**– 2.5 BILLION
PEOPLE LIVE
ON LESS THAN
\$2 A DAY**

We anticipate tighter rules on how companies should be managed. Regulators will extend transparency, especially on subjects like management remuneration and social responsibility. We are acting unilaterally to promote transparency and a broader sense of social responsibility.

LEADING EMERGENCY RELIEF OPERATIONS IN MOZAMBIQUE

Jan Maarten Gerritse is the depot manager for TNT Post in Leiden in the Netherlands. He is also a member of the TNT Emergency Response Team. In January 2008 he got a call from our partners at the World Food Programme. Catastrophic flooding in the Zambesi river basin had inundated towns and villages. Entire populations were cut off, living in insanitary conditions and in dire need of food and supplies.

Two days later he was in Maputo. He was made logistics officer and charged with organising boats to get emergency supplies along a 1,000-kilometre stretch of the river. Malaria, cholera and diarrhoea were rife. The river was infested with man-eating crocodiles. Over the next five weeks he travelled the river, cajoling, negotiating, using all of his logistical training and leadership skills, to build infrastructure and deliver supplies.

VALUING RESPONSIBLE LEADERS

We aim to attract and retain the best leaders to TNT. We look for people with a well-developed sense of responsibility who are more likely to act in the long-term interests of the business.

When it comes to remuneration we aim for a balanced approach based on principles of transparency and consistency with emerging practice. This year, the Supervisory Board is proposing that Executive base salaries be frozen at 2009 levels for the next three years. Variable remuneration will be limited to a maximum of 100% of base salary and based on a range of targets reflecting a multi-stakeholder approach. At least 50% of the incentive package is deferred and invested in shares. The new policy implies a 33% reduction in maximum remuneration for the CEO and a 24.5% reduction for other members of the management team.

FINDING THE LOST PACKAGE

Individuals take responsibility at all levels of the business. In July 2008, Virginia Polino fielded a call at TNT in Milan from an upset customer whose consignment had gone missing. Some quick detective work established that it had been incorrectly addressed.

That could have been the end of the matter, but Virginia felt a responsibility to help recover the package. She spoke to the man who had signed for it. He claimed he had passed it on to Poste Italiane. She wasn't convinced. She asked her customer to file a police report. He agreed. The next step was to let the receiver know he could expect a visit. At this point the package mysteriously reappeared. Virginia arranged for its collection and delivery to the rightful owner.

TOPPING THE DOW JONES SUSTAINABILITY INDEX THREE YEARS RUNNING

In 2009, for the third year in succession, TNT was the best performing company in the Dow Jones Sustainability Index. The index tracks the world's leading companies based on long-term economic, environmental and social criteria; including climate change strategies, energy consumption, human resources development, knowledge management, stakeholder relations and corporate governance.

We outperformed over 1,000 listed companies worldwide and improved on our 2008 result. We top scored in the economic and social dimensions of the index and were awarded our best ever environmental score. We were also named sector leader for transportation and the supersector leader for industrial goods and services

Page 70 Traders at the Chicago Mercantile Exchange look on aghast as markets collapse amidst uncertainty in the banking sector.

Anthony Suau, 2008 Chicago, USA

Page 72 The sea route from northern Africa to mainland Europe is popular with illegal immigrants looking for a better life. Many lose their shoes during the long journey.

Olivier Jobard, 2005 Morocco

FOCUS ON RESPONSIBILITY

LEADING EMERGENCY RELIEF OPERATIONS IN MOZAMBIQUE

VALUING RESPONSIBLE LEADERS

FINDING THE LOST PACKAGE

TOPPING THE DOW JONES SUSTAINABILITY INDEX THREE YEARS RUNNING

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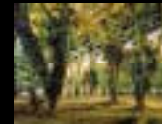
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Steve Christo
The Sydney Morning Herald
2006 3rd prize stories
Sports Action



Peter Bialobrzeski
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2009 2nd prize stories
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Anthony Suau
for Time
2008 World Press
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2004 1st prize stories
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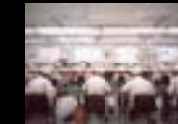
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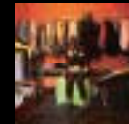
Donald Miralle, Jr.
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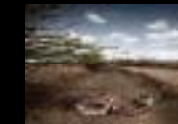
André Vieira
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Arts and Entertainment



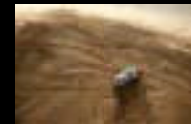
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Daily Life



Stefano De Luigi
VII Network for
Le Monde Magazine
2009 2nd prize singles
Contemporary Issues



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Greenpeace
2005 3rd prize stories
Nature



Anthony Suau
for Time
2008 2nd prize stories
Daily Life



Olivier Jobard
Sipa Press for
Paris Match
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Contemporary Issues