Minutes of the TNT N.V. Annual General Meeting of Shareholders*

8 April 2009

* *In case of any discrepancy between these minutes and the original Dutch version of these minutes, the Dutch version prevails.*

Minutes of the TNT N.V. ("TNT") Annual General Meeting of Shareholders, held on 8 April 2009 at 2pm at the Radisson SAS Hotel, Schiphol-Rijk, The Netherlands

In accordance with Article 42.1 of the TNT Articles of Association ("the Articles of Association"), Chairman of the Supervisory Board, Mr P.C. Klaver, acted as Chair of the meeting.

Present as members of the Supervisory Board were Ms M. Harris, Ms G. Kampouri Monnas, and Messrs R.J.N. Abrahamsen, V. Halberstadt, R. King, W. Kok, S. Levy and G.J. Ruizendaal. All members of the Board of Management, Messrs M.P. Bakker, C.H. van Dalen and H.M. Koorstra and Ms M.C. Lombard, were also present.

The meeting agenda was as follows:

1. Opening and announcements

2. Presentation by Mr M.P. Bakker, Chief Executive Officer

3. Annual Report 2008

4. Discussion of the corporate governance chapter in the Annual Report 2008, chapter 10

5. Remuneration of the Board of Management

6. Adoption of the 2008 financial statements (Resolution)

7. Dividend
   a. Discussion of the reserves and dividend guidelines 2009
   b. Determination and distribution of dividend (Resolution)
   c. Distribution out of the reserves (Resolution)

8. Release from liability of the members of the Board of Management (Resolution)

9. Release from liability of the members of the Supervisory Board (Resolution)

10. Supervisory Board
    a. Announcement of vacancies in the Supervisory Board
    b. Opportunity for the General Meeting of Shareholders to make recommendations for the (re)appointment of members of the Supervisory Board
    c. Announcement by the Supervisory Board of the persons nominated for (re)appointment
    d. Amendments to the profile of the Supervisory Board

11. Proposal to reappoint Mr S. Levy as a member of the Supervisory Board (Resolution)

12. Proposal to appoint Ms P.M. Altenburg as a member of the Supervisory Board (Resolution)

13. Announcement of vacancies in the Supervisory Board expected as per the close of the Annual General Meeting of Shareholders in 2010

14. Announcement of the intention of the Supervisory Board to reappoint Mr H.M. Koorstra as a member of the Board of Management

15. Extension of the designation of the Board of Management as authorised body to issue ordinary shares (Resolution)

16. Extension of the designation of the Board of Management as authorised body to limit or exclude the pre-emptive right to issue ordinary shares (Resolution)

17. Authorisation of the Board of Management to have the company acquire its own shares (Resolution)

18. Reduction of the issued capital by cancellation of own shares (Resolution)

19. Questions

20. Close

1. Opening and announcements

The **Chair** opened TNT's Annual General Meeting of Shareholders and welcomed those present. He announced that the meeting could also be followed by means of a live webcast on the TNT website.

The **Chair** told the meeting that all agenda items open to voting would actually be put to the vote rather than calling for a vote by acclamation. Voting was to be performed using the handheld voting devices provided to the shareholders on arrival. The Chair noted that the Secretary would explain how to use the devices before the first vote.

The external auditor, Mr M. de Ridder of PricewaterhouseCoopers Accountants N.V., was present at the meeting. The **Chair** requested Ms S.J. van Loon, Secretary to the Supervisory Board, to draw up the minutes of the meeting. In accordance with Article 43.1 of the Articles of Association, the minutes had to be adopted by the Chair and Secretary. The Chair announced that, with the exception of Mr Hommen, who was unable to attend, all members of the Supervisory Board and Board of Management were present.

The **Chair** asked those who wished to receive a copy of the minutes of the meeting to complete a reply card available outside the conference room. The minutes would also be made available on the TNT website. In accordance with the Dutch Corporate Governance Code the draft minutes of the meeting would be published for comments for three months on the website from the beginning of July. From October 2009 the final version of the minutes would be made available in English on the website, along with all documentation relating to this Annual General Meeting of Shareholders.

The results of the votes would also be announced on the website. The Chair explained that the meeting could also be followed in English using a set of headphones.

The **Chair** noted that:

- the meeting was convened by means of advertisements on 9 March 2009 in the newspapers The Financial Newspaper ("*Het Financieele Dagblad*") and the Official Price List of Euronext Amsterdam N.V. ("*Officiële Prijscourant van Euronext Amsterdam N.V.*");
- the full agenda and explanatory notes had been published on the TNT website on 9 March 2009. The registration date had been set at 18 March 2009. The meeting had therefore been convened three weeks prior to the date of the meeting and thus well in advance of the required 15 days;

- o the convocation notification for the meeting stated that the following documentation had been deposited and made available as prescribed: the full agenda and explanatory notes, the information referred to in Section 2:142(3) of the Dutch Civil Code ("*Burgerlijk Wetboek*"), the financial statements and the Annual Report, and the auditor's statement that must be provided. All this information was also available on the TNT website.

The **Chair** noted that the details of the attendance list and the number of votes to be cast at the meeting were not yet available. The number of votes present would be announced later in the meeting. None of those present had objections to proceeding further with the agenda while awaiting these details.

The **Chair** asked those present to use one of the four microphones if they wished to ask any questions or make any comments during the meeting. To aid the audio and video recording the Chair also asked anyone being given the floor to state their name and place of residence or the name of the person being represented. Questions could also be asked in English, with the answer being given either in Dutch or in English.

The **Chair** said that he would try to divide the allotted speaking time in such a way that all those who wished to do so could participate in the discussion and contribute to the exchange of ideas. He therefore asked those present to be concise and to the point. The Chair said that this year shareholders had again been able to send written questions regarding the agenda items to the Secretary's e-mail address in advance of the meeting.

Questions regarding the services of TNT and its divisions could be addressed to the information desk outside the conference room. Those present were asked to refrain from smoking during the meeting and to switch off their mobile phones and BlackBerries.

2. Presentation by Mr M.P. Bakker, Chief Executive Officer

Before raising the matter of the Annual Report 2008, the **Chair** invited Mr Bakker, Chief Executive Officer, to explain the vision of the Board of Management with regard to the main events and the financial course of events in the 2008 financial year.

Mr **Bakker** welcomed those present to the Annual General Meeting of Shareholders. He noted that 2008 had been a year of two very different halves. The first six months of the year had been characterised by a relatively stable economic situation compared to the previous year, whereas the economy experienced a very severe slowdown in the second half of 2008. It was notable in the results that TNT's cash flow had remained strong, due primarily to the timely management of the working capital. Furthermore, the financing of the company had been secured for many years to come.

The Express division felt the greatest effects of the economic situation. Volumes began to decline in the second half of the year, which put pressure on the margins in that part of the company. At the same time, growth continued in 2008 in the emerging markets of China, India and Brazil. TNT's network optimisation was already underway. Cost savings would be extremely important at Express in 2009. Preparations for optimising the networks and the actual implementation had already commenced the previous year.

Mr **Bakker** moved on to the Mail division, where the results were holding steady at the expected level. As had been the case for many years, as part of the Master Plans reorganisations had also taken place at Mail in the Netherlands the previous year to adapt the business to the declining volumes. Mr Bakker would address the developments surrounding the collective labour agreement and the liberalisation of the postal market later in his presentation.

Mr **Bakker** continued by looking at the global economy. He displayed a graph showing the trends in the Dutch, French, German, Italian, Spanish, US and UK economies. The growth forecast for the Gross National Product of these countries had been continually lowered during the course of 2008. Early in 2009 the Netherlands Bureau for Economic Policy Analysis ("*Centraal PlanBureau*") established that the Dutch economy could potentially shrink by around 4%. This forecast illustrated the speed at which the global economy had declined, which came as a surprise to many, including planning offices. The figures in the financial statements showed that the operating revenues achieved in 2008 had increased by 4% compared to 2007. The decrease in EBIT by approximately 13% was mainly due to reduced volumes within Express in the second half of 2008.

As far as the Express results are concerned, TNT experienced two different half years. The first half of 2008 saw an EBIT of €268 million against a fairly similar result of €281 million in the first half of 2007. In the second half of 2008 the EBIT had decreased significantly to €117 million, including provisions. Without these provisions the figure was €196 million (the equivalent figure in 2007 was €318 million).

This decrease was caused by reduced volumes in the air and road networks from the second quarter of 2008. Volumes began to fall from the second week of June 2008, initially restricted to the air network but also evident in the road network from the fourth quarter. An unprecedented decline of 15% was recorded in the air network in the fourth quarter. TNT lost little to almost no customers; however existing customers have sent lower volumes.

The fourth quarter of 2008 saw the start of the previously announced restructuring within Express. The intention was to reduce the number of FTEs by around 1,000, with €33 million in redundancy costs being reserved for this purpose. A sum of €37 million was reserved for reducing the number of aircraft, being written off over the book value. These measures were expected to lead to a saving of €91 million in as early as 2009 and -combined with other cost saving measures such as network optimisation, smarter purchasing and lean warehousing- ultimately produce permanent savings of between €90 and €125 million. Finally, TNT expected to save approximately another €200 million in 2009 because of the lower volumes.

The shrinkage forecast applied in particular to Europe. Outside Europe TNT expected continued growth in the South American market. The Brazilian operator Mercúrio, the acquisition of which had been announced two years earlier, had since been fully integrated into TNT's operations in Brazil, making TNT the country's market leader. TNT was now expanding its Brazilian network. In February 2009, TNT acquired a company in another of South America's strong economies, Chile, capturing a second key market. The Chilean company offered similar opportunities to Mercúrio in Brazil.

Mr **Bakker** continued with the results achieved by the Mail division. Here it was noticeable that the volume trends and results were less vulnerable to the effects of the economic turndown. Volumes were declining as the result of substitution, with more people using e-mail, text messaging or other electronic means of communication rather than sending a letter, but the economic impact was manageable. In both the first and second half of 2008, the EBIT remained within the same region as in 2007 (EBIT HY1 2007: €412 million, HY1 2008: €368 million, HY2 2007: €352 million, HY2 2008: €348 million).

Structural volume decline was evident within Mail, forming the reason for the continuing implementation of the Master Plans and for the announcement of Master Plan III the previous year to prepare Mail for the future. It was also announced that the restructuring of the post offices would continue, leading to the closure of 250 company branches. However, TNT would be opening around 550 additional service points to replace the post offices.

Mr **Bakker** turned to the liberalisation of the Dutch postal market on 1 April 2009, the date on which TNT's monopoly ceased to exist and all parties were given the freedom to handle all mail flows in the Netherlands. This meant that a level playing field should have been evident in all European Union countries, including Germany and the United Kingdom. However, in Germany clarity was still lacking on which minimum wage applied to TNT. Furthermore, the national postal operators in Germany and the United Kingdom were exempt from VAT but other postal companies, including TNT, were not. This made it more expensive for government and charitable organisations to send their mail through TNT because they were unable to deduct VAT.

In the liberalised Dutch postal market there was a discrepancy between the terms and conditions of employment at TNT Post and those applied by its competitors. The difference in pay between TNT Post and Sandd and Selektmail could be as high as 60%. Because a race to the bottom was in nobody's interests, the market parties needed to head towards an end model for a sector-wide collective labour agreement. Interim steps on the road to achieving an end-model collective labour agreement for the entire sector could include the in-principle agreement that had recently been concluded between TNT Post and the trade unions and the sector-wide collective labour agreement recently signed by the new postal operators and the unions. By means of a general administrative order the Dutch Ministry of Social Affairs and Employment would eventually be able to ensure that new postal companies observed the future sector-wide collective agreement.

The in-principle agreement that had recently been concluded between TNT Post and the unions had yet to be approved by the members. Under the agreement, employees in scales 1 to 4, especially postmen and women, would see their income decrease by 15%, ultimately saving the company €125 million and narrowing the gap between the lower wages at Sandd and Selektmail and those at TNT Post.

Very comprehensive transitional arrangements had been discussed with the unions to cushion the blow for employees receiving 15% less income. These arrangements would offer compensation of up to 95% of a person's original salary and would apply for a longer or shorter period depending on age and the number of years of service with the company. As part of the in-principle agreement TNT Post would also provide a job guarantee for the next three years.

At the time of the meeting the unions were consulting their members on acceptance of the proposals. TNT expected a decision in the weeks to follow so that the arrangements could be incorporated into a collective labour agreement if appropriate.

Royal Mail was the main postal operator in the United Kingdom, its future being analysed in an independent report commissioned by the British government and drawn up by the Hooper Committee. The conclusions of the report were not very encouraging, iterating that the postal company would soon run into problems if no action were taken. Three issues needed to be addressed according to the Hooper Commission: the pension deficit first had to be resolved, another supervisory body had to be installed and a strategic partner had to be found to help modernise the company and give it a chance of survival. TNT had already expressed its interest in becoming this strategic partner in December 2008.

At the time of the meeting a political debate was underway in the United Kingdom on whether modernisation was actually an issue and, if so, whether a foreign party would be the right choice to aid this modernisation. The process was still at a very early stage. Mr **Bakker** assured the shareholders that if the process were to lead to any form of transaction between TNT and Royal Mail, they would first be asked for their approval before the transaction was executed.

Mr **Bakker** continued on to the subject of corporate responsibility, an area in which TNT had built up an impressive track record. The company had once again ranked first in the Dow Jones Sustainability Index the previous year. This index compared all companies around the world in terms of socially responsible business practices in their own sector and across all other sectors. Nevertheless, TNT took the view that it should thoroughly re-examine its priorities, concluding that the company should focus primarily on the effects of its own activities on the environment and on the safety of its own personnel.

The Corporate Responsibility Report mentioned that a significant number of accidents had once again occurred on the roads in 2008, resulting in 58 people losing their lives. The greatest priority would be given again in 2009 to reducing the number of road accidents, preferably to zero. It was also very important to TNT to assess employee engagement. In 2008 progress was made in terms of the number of employees responding to engagement interviews and surveys, rising from 69% in 2007 to 78% in 2008. Almost 100,000 TNT employees participated in the engagement interviews and surveys. The survey showed that employee motivation had increased by around 3% in all parts of the company. Even in Mail division the motivation was up by 2% on 2006 despite the frequent reorganisations and the changes that Mail employees had consequently been exposed to.

There were many developments in the pension world, especially in the Netherlands. While capital markets were losing value, the deficits being suffered by the various pension funds were growing. As a result, companies such as TNT were having to significantly boost their pension deposits.

According to the Annual Report, TNT expected that it would have to make an additional deposit of €140 million in 2009 to cover the pension fund shortfall. This amount was necessary to increase the coverage ratio, at the time 93%, to the 105% required by law. Since the announcement was made, De Nederlandsche Bank N.V. had published further details and the Minister of Finance had decided to extend the permitted recovery period for the coverage ratio from three to five years. TNT had also agreed a recovery plan with its own pension fund. Together these measures meant that TNT no longer expected to have to deposit a sum of €140 million but rather €50 million. This would mean a significant improvement in the cash flow for 2009.

Mr **Bakker** briefly addressed the dividend for the year 2008, which would be discussed in more detail later in the meeting. At the end of 2005, TNT announced its Focus on Networks strategy, which led to the sale of Logistics and Freight Management. As part of this strategy TNT also announced at the time that it wanted to optimise the company's flow of capital and move towards a credit rating at investment grade level, i.e. a triple B+ credit rating. TNT had achieved this growth between the end of 2005 and the time of the meeting. Over these years TNT had also been able to give back more than €3 billion to the shareholders through a combination of dividend payment and share buyback. In September 2008, an interim dividend of €0.34 per share was paid out for 2008. TNT decided to pay out the final dividend over 2008 in shares in the light of uncertain economic conditions and the prudence concept in relation to the cash flow. Every shareholder was therefore entitled to one share per forty shares held. The ex-dividend date was 14 April 2009 and payment of the final dividend was set for 21 April 2009.

Mr **Bakker** continued by presenting forecasts and the management agenda for 2009. The principal tasks for Express would be to adapt the network to respond to the downturn in volumes and achieve the associated cost savings. Long-term cost savings would also be implemented in the network. It was also important for Express to continue its growth in China, India and Brazil.

In the Mail division the priorities were sound implementation of the Master Plans in the Netherlands and bringing the collective labour agreement talks with the unions and their members to a satisfactory conclusion. The group as a whole would have to focus on keeping the company's cash flow as strong as possible.

Mr **Bakker** displayed a graph showing the volume decrease within Express in 2008 and 2009. As in the previous year, volumes fell in the third and fourth quarters of 2008. In January 2009 the decline in international volumes was lower than in December 2008 and this stabilised in February and March. The decrease in Express revenues was caused by the decline in volumes combined with lower fuel surcharges. It was encouraging to note that cost saving measures introduced at Express the previous year were now really beginning to bear fruit.

Mr **Bakker** concluded with the outlook for 2009, informing those present that TNT would be publishing its quarterly results on 4 May 2009. Mail would experience a slightly greater decline in volumes than the previous year due to the opening up of the postal market on 1 April 2009, as mentioned earlier, and the fact that competitors would undoubtedly do their best to win part of TNT's volume. Substitution would also continue to grow. In the weeks to follow attention would be paid to the in-principle agreement on the collective labour agreement.
This outlook was in line with the comments made by the Board of Management during the presentation of the annual results for 2008. No circumstances were apparent that would warrant amending the forecasts. Like many other companies, TNT had not issued an explicit profit forecast due to the uncertainty caused by the economic and business climate at the time. The company was taking into account continued revenue decline in Express, partly due to volumes being pressurised by the worsened economy and partly due to the fact that the oil price was lower than a year previously and the associated fuel surcharges would no longer being applied in 2009.

TNT would attempt to make cost savings of €400 million in 2009, which would be a year with many challenges, demanding hard work to keep the company strong and healthy.

Mr **Bakker** concluded his introduction with these words and hoped that the meeting would be a pleasant one for all those present.

The **Chair** thanked Mr Bakker for his presentation and informed those present that transcripts of Mr Bakker's presentation were available outside the conference room. The **Chair** informed the meeting that 174 shareholders were present at the meeting, with some being represented by a third party. There were 149,786,244 votes that could be cast at the meeting, which meant that 41.6% of TNT's issued capital was present or represented. The Chair announced that notary Visser, present at the meeting, represented 57 million shares. The Chair confirmed that the formalities had therefore been satisfied and that valid resolutions could be adopted.

3. Annual Report 2008

The **Chair** moved on to consideration of the Annual Report and said that in principle agenda item 6, the annual financial statements, would be included here. However, there would be another opportunity to ask questions regarding the financial statements when agenda item 6 was dealt with. The **Chair** noted that chapter 10 of the Annual Report, on Corporate Governance, would be dealt with separately under agenda item 4.

The **Chair** gave the floor to Mr Stevense (Investors' Legal Protection Foundation - "*Stichting Rechtsbescherming Beleggers*"). Mr **Stevense** remarked that parcel post had not been mentioned and wondered whether this part of the company was actually drowning in its own success. The three sorting centres in the Netherlands were unable to cope with the capacity in 2008. According to rumours and the Annual Report a fourth sorting centre would be brought into operation in 2012. Mr Stevense wondered whether this was too late given the capacity problems experienced the previous year, which most likely also put pressure on the return. The sorting centres also lacked storage capacity. Mr Stevense wished to know where the new sorting centre would be located.

Mr **Stevense** turned to the Express division, noting that items that needed to get to their destination rapidly were transported through Express. These included spare parts, computer components and medicines. However, at the time of the meeting companies would be more cautious when replenishing stocks. He had the impression that stocks were declining and saw opportunities for volume growth in this area. A decline in customers was evident in Express but new customers were also being acquired. Mr Stevense wished to know the specific cause of the decline in Express.

Mr **Stevense** was also interested in the staffing at the Express businesses. He understood that Mail made a daily comparison with the previous year's revenues as a basis for hiring temporary staff. The lower weight per parcel in Express meant more handling.

Mr **Stevense** said that the downturn in Express was considered a problem and had come unexpectedly, with the added drawback that TNT was not active in America. Mr Stevense asked whether the collaboration with Con-way Freight, which could possibly offset this decline, could be intensified.

Mr **Stevense** continued with a question regarding salaries and said he would like an explanation of how €125 million could be saved with a collective labour agreement costing €275 million extra.

Mr **Stevense** then considered the number of accidents and asked whether it was maybe possible to have traffic lights switch to red less often and have them flash amber more readily to prevent drivers passing through a red light.

With reference to the B2B express market Mr Stevense stated the following percentages: 18% TNT, 16% DHL, 43% other, pointing out that there was great potential at TNT when it came to cleansing that particular market. He wished to know what TNT was planning to do.

Mr **Stevense** was keen to learn about the status of the legal case concerning night flights in Liège.

Mr **Stevense** mentioned that Royal Mail had a pension deficit of €280 million and wanted to sell 30% to modernise the company. Royal Mail had been badly hit by the decline in mail volumes. Mr Stevense concluded by asking how TNT planned to deal with this €280 million.

The **Chair** thanked Mr Stevense for his questions. He said that many accidents were happening in Asia because the traffic there is so disorganised. As activities in these countries expanded, TNT would have an important task in training its staff in road safety.

For the questions relating to Mail the **Chair** gave the floor to Mr Koorstra.

Mr **Koorstra** explained that Parcel Service was experiencing continued growth even in difficult times and was gradually reaching the limits of its sorting capacity. Midway through 2009 a new sorting centre would be opened but for competition reasons Mr Koorstra was unable to say where this would be located. During the analysts meeting held in December each year, TNT had expressed the potential it saw to almost double Parcel Service's revenues in the years to come. This meant replacing and expanding the entire sorting capacity in phases during this period.

Mr **Koorstra** moved on to the question about the collective labour agreement and the saving of €125 million against provisions of €275 million. Mr Koorstra explained that this €125 million represented an annual saving. The sum of €275 million was a one-off provision as an investment in the future to help achieve the annual savings of €125 million. This investment would be earned back within three years.

The **Chair** gave the floor to Ms Lombard to answer questions regarding Express.

Ms **Lombard** dealt with the question of the decline in volumes. As already explained by Mr Bakker with regard to the results for the year as a whole, the figures for the first half of 2008 were relatively good. No economic downturn was noticeable in the first half of the year with the exception of June, where a slight slowdown was already evident.

Volumes were declining considerably more in the Air Express products than in Economy Express. The problem with this was that Air Express products were filling the air network and were more expensive, meaning that a severe decline in Air Express products resulted in a loss in volume and high quality revenues while the fixed costs of the air network remained the same.

TNT needed time to adjust to this new reality. Express was making changes, ceasing operation at some airports in order to reduce the number of aircraft and address the falling volumes. Changes had been made as quickly as possible but the slowdown was so abrupt that this nevertheless squeezed the profits in the second half of 2008.

TNT had not lost any major customers but the customers were downtrading in terms of volumes and opting for cheaper products to send their goods. This meant that the air transport and pick-up and delivery networks in the various countries had to be constantly adjusted to meet this new reality.

Ms **Lombard** noted that were signs of potential volume growth in the third or fourth quarter in terms of replenishing stocks of computers, spare parts and medicines, etc. However, at the same time she did not wish to be too optimistic. The volumes had fallen to such an extent that it would take some time to return to the level of 2007-2008.

Ms **Lombard** addressed the question of night flights in Liège. Legal pressure was being applied to night flights not only in Liège but throughout Europe. TNT was of course monitoring the situation closely. In Liège the focus is not on TNT but on the Walloon Region, which gave TNT subsidies to establish business there. For this reason, Ms Lombard saw no present risk in TNT continuing its operations; the Liège area depended highly on TNT's activities. The case against the Walloon regional government was being handled by the court and it was not known what the outcome would be. It was expected to be in TNT's favour however.

Mr **Stevense** asked whether more charters should be used in order to create more flexibility. Ms **Lombard** pointed out that charters were already being used. The previous year nine company aircraft had been taken out of operation to boost flexibility. The correct balance between company aircraft and charters was being constantly examined to variablise costs.

Mr **Bakker** continued with Mr Stevense's question regarding Con-way Freight, a major American transport company. TNT had recently decided to work with Con-way Freight. As commonly known, Express had a strong road network in Europe. Together with Con-way Freight, TNT was looking into the options for connecting the European road network to the US road network via an air network with the aim of offering an interesting economy proposition to transcontinental customers. TNT would not establish its own company in the United States but rather enter into collaboration with another company, as had just been described.

Mr **Bakker** turned to Mr Stevense's question regarding the remaining market share in Europe with other companies and the possibility of reorganisation or consolidation by TNT. Mr Bakker explained that this was being permanently monitored by TNT and that its market share had grown very rapidly since around 2005 to a level of 18% at the time of the meeting. As also reflected in the high number of bankruptcies occurring in the transport sector, smaller companies were expected to run into difficulties as a result of the economic downturn to the possible advantage of larger companies such as TNT and DHL. The final step would of course be to attempt acquisitions or start a partnership with other companies. However, this was not TNT's top priority; the management was primarily focusing on steering the company through the economic crisis as best possible.

Mr **Bakker** answered the question on Royal Mail's €280 million pension deficit as mentioned by Mr Stevense. Mr Bakker was unable to confirm this figure but said that Royal Mail did indeed have a very sizeable pension fund deficit. There was no money available for the obligation vis-à-vis Royal Mail's employees. A solution to this problem could be set as one of the prerequisites for signing an agreement.

As in other countries, postal volumes in the United Kingdom were likely to fall over the years to come. However, the Mail division had extensive experience in this area. If it should come to it, TNT would try to apply structures like the Master Plans there too in order to make the company more efficient, increase the cash flow and thus present the shareholders with an interesting proposition.

The **Chair** gave the floor to Ms Van Lamoen (Robeco, ABP, MN Services, Pensioenfonds Grafische Bedrijven -"*Graphic Industry Pensionfund*"-, het Spoorweg Pensioenfonds -"*Pensionfund Railways*"- and Stichting Pensioenfonds Openbaar Vervoer – "*Foundation Pensionfund Public Transport*").

Ms **Van Lamoen** referred to the explanatory notes to the agenda in which TNT expressed the great importance of a good relationship with its shareholders. Ms Van Lamoen endorsed the importance of a good relationship between the company and its shareholders, which is why she was attending the meeting to discuss a number of relevant issues.

Ms **Van Lamoen** wished to take a closer look at the section on strategy and risks. Firstly the strategy; the current economic climate had indeed affected TNT, it having to issue a profit warning on two occasions. TNT had nevertheless made good progress.

Part of the Focus on Networks strategy dealt with the strengthening of core business, such as the Dutch postal market. The recent liberalisation of this market had introduced new dynamics. Ms **Van Lamoen** wondered whether TNT was fine-tuning its strategy even further in response to this liberalised market and, if so, how. Ms Van Lamoen also asked what effect TNT expected this liberalisation to have in terms of revenue loss and pressure on margins and which scenarios TNT was taking into account in this respect.

Ms **Van Lamoen** moved on to the international postal market, with particular attention to Germany and the United Kingdom. Royal Mail had already been discussed. However, Ms Van Lamoen asked what kind of strategic opportunities TNT envisaged in Germany.

Ms **Van Lamoen** concluded with a comment on the risks section in the financial statements. The current crisis was introducing new risks, which meant that having good insight into the latest risks was more important than ever. Better insight into the risks being faced by TNT had been requested during the 2008 Annual General Meeting of Shareholders. This would provide a better understanding of the company, including on the part of the shareholders. Ms Van Lamoen appreciated the fact that the risks section had been amended in two areas and touched on these two points. The latest risks section provided good insight into how risks were prioritised and their relevance. It also provided a good picture of how TNT mitigated risks. Ms Van Lamoen believed this to be a best practice in the market.

The **Chair** thanked Ms Van Lamoen for her questions and gave the floor to Mr Bakker.

Mr **Bakker** addressed the questions on strategic opportunities in Germany, in particular for the Mail division. TNT had developed and expanded a number of activities in Germany over the years. In 2007 TNT announced that it had put those activities on hold until clarity had been gained on the minimum wage issue, which TNT had contested at various levels in court and was still contesting. This remained necessary because if it were to lose the court case in the third instance it would have to pay a higher minimum wage. TNT was therefore being careful not to overly increase the exposure.

PIN, TNT's only competitor in Germany besides Deutsche Post, no longer existed. As a result, a number of publishers, particularly newspaper publishers, had become involved in regional mail networks. TNT saw potential in collaboration with these parties to extend the existing network further.

Ms **Van Lamoen** wondered whether there was a limit to amount of time activities would be kept on hold.

Mr **Bakker** said that this would come to an end, as would the court proceedings. TNT expected more clarity by the end of the year or, in the worst case, early next year. Choices would then have to be made.

Mr **Koorstra** dealt with the question on liberalisation of the Dutch postal market and whether its potential impact would affect the company's strategy. TNT had been prepared for the liberalisation and little would change in the strategy in this respect. However, that did not mean to say that the competition would not become sharper. Some time ago TNT launched a fighter brand in the form of Netwerk VSP, which was providing services at or just below the level offered by the competition to customers who required a lower service level than what they were accustomed to from TNT Post. Price and service differentiation were already playing a role at the time but would become even more prominent.

Furthermore, TNT Post wants to remain a champion of quality, as the true differentiator from its competitors. The fact that competition existed could be seen as positive. As the former monopolist, losing market share during the first year was inevitable, something that TNT was already anticipating and communicating to the market as early as 2000, giving rise to the Master Plans.

At the time of the meeting the Netherlands had one of the highest Internet percentages per household at 82% and was the country with the highest percentage of online banking at 67%. Alongside rising competition, this digitisation was also cutting into postal volumes. The Master Plans had been set up to absorb this. TNT was now waiting to see how the competition would fair over the next two years. There would of course be consequences during the first two years due to 45% more of the market being opened up to competitors, but TNT did not expect any drastic changes as a result.

Mr **Van Lamoen** asked whether it was still possible to maintain a high level of quality while participating in the tough competition in the market.

Mr **Koorstra** answered this question affirmatively. With its Unaddressed product, for example, TNT Post was the market leader with a quality level higher, far exceeding 90%, than the Addressed quality delivered by Sandd and Selektmail. The quality of the TNT Post-branded Addressed product was 97% compared to between 92% and 94% for the Netwerk VSP label. It was important for TNT Post to maintain this lead.

The **Chair** gave the floor to Mr Heijneman.

Mr **Heijneman** (private shareholder) asked whether the aircraft that had now been written off for a considerable amount of money had been permanently written off for the entire amount or whether they could be deployed again if the market picked up.

Mr **Heijneman** congratulated the Board of Management and Supervisory Board on the spirit of innovation so evident within the company and for all the measures that had been and were going to be taken in order to maintain the company's profitability in a perfect storm and indeed make it even more profitable despite the salary policy under which postmen and women had had to make considerable sacrifices. Mr Heijneman asked whether the FNV union should not feel deeply ashamed that the status and prestige of the postman had changed from that of a civil servant with reasonable job security into that of a glorified paperboy. Mr Heijneman also expressed his dissatisfaction at the decisions made by the government on such matters as privatisation.

Mr **Van Dalen** explained that approximately €37 million had been written off for aircraft which were now up for sale and had been recorded in the books as "assets held for sale" with a book value of around €11 million. TNT intended to sell the aircraft rather than deploying them again in the future.

Mr **Heijneman** asked whether it would not be more prudent to keep hold of these aircraft and if necessary deploy them again given their relatively low book value.

Mr **Van Dalen** replied that they were no longer the most economical of aircraft and that there would be better alternatives if additional aircraft were needed again in a few years' time.

Mr **Koorstra** turned to the question on liberalisation indicating that, alongside his question, Mr Heijneman had also made a number of observations regarding how these developments could be viewed. TNT would continue to focus primarily on the facts it was facing such as the fact that competition existed and that customers now had a choice. This was not so much relevant for consumers who could continue to use TNT Post's trusted services but more for companies that now had a choice between TNT Post, Selektmail or Sandd when sending mail. A price battle would now ensue, something that politicians had always wanted, as made clear in communication to TNT. TNT had also prepared itself for this fact.

Mr **Heijneman** said that foreign postal companies had to pay VAT in the United Kingdom and Germany whereas the domestic operators enjoyed a VAT exemption. The reasoning was that the national postal services, Royal Mail and Deutsche Post, were required to have a nationwide postal network. But that also applied to the Dutch postal service. This allowed the competition, such as Sandd, to easily cherry-pick the best services in the Randstad conurbation. This region offered the largest volumes with the smallest distances and therefore the best opportunities for making a profit. The Dutch postal service was not being given any advantage at all yet still had to deliver mail to rural addresses in the far north of the country.

Mr **Koorstra** replied by saying that, as regards some of the observations mentioned by Mr Heijneman, TNT had endeavoured to exert influence in the political world, in the Upper and Lower House of Dutch Parliament, highlighting aspects of unreasonableness as outlined by Mr Heijneman. As Mr Bakker had mentioned in his presentation, a level playing field still did not exist between the United Kingdom, Germany and the Netherlands. TNT would continue to fight for equal opportunities, especially in the German and British markets. However, these remained the facts and TNT would make the best of the situation.

The **Chair** gave the floor to Mr **Gender** (Dutch Investors Association – "*Vereniging van Effectenbezitters*").

Mr **Gender** said that the Mail division was exercising a two-track policy, one the one hand developing its own alternative networks to compete with the local incumbent and on the other seeking collaboration with local parties, such as the potential partnership with Royal Mail.

Mr **Gender** asked why TNT would perhaps opt for cooperation with another party rather than for autonomous growth of its existing business in the United Kingdom. Mr Gender said that other parties, such as Deutsche Post and CVC, were also expressing interest in Royal Mail. What's more, a stake in Royal Mail would probably cost around €3 billion. Mr Gender asked whether there was a risk of a bidding war ensuing and how TNT would approach this. Mr Gender also wished to know whether the strategic alliance risked becoming an expensive alternative for shareholders.

Mr **Gender** then asked whether the cost savings achieved in the Express division would be sufficient to sustain profits.

Mr **Gender** continued on to the postal volumes that were under pressure, not only in the Netherlands but also elsewhere in Europe, including the United Kingdom and Germany. The future opening of the various national postal markets meant a continuing increase in competition while the global express market would in principle remain a growth market in the longer term.
Mr Gender asked why TNT wanted to operate in markets where it was facing increasing competition and decreasing postal volumes. Mr Gender also wished to know why there was not a greater focus on growing Express activities.

Mr **Gender** said that TNT considered a level playing field important in order to become profitable in the German postal market. Before it entered this particular market, TNT could have anticipated that this would be long in coming. Mr Gender asked whether TNT perhaps entered this market too early and wished to know how much more it was willing to lose before withdrawing from the market. Mr Gender concluded by asking TNT to explain or quantify how this would develop in the near future.

Mr **Bakker** thanked Mr Gender for his questions. He answered that a number of years ago TNT had said, when developing the European Mail Networks strategy, that it would study each country to determine whether developing its own network or working together with a local postal company would be the most appropriate option. Rolling out a network capable of serving all households in a particular country could involve a considerable amount of time and start-up losses, especially in a country as large as the United Kingdom. If a partnership appeared to be an option, as was now the case in the United Kingdom, a network could be rolled out much faster. TNT had always had two main reasons for its interest in Royal Mail. Firstly, TNT had built up a good track record in the Netherlands when it came to making a postal company efficient and profitable. If TNT could also draw on this track record in the United Kingdom, significantly better results could be achieved with such a company, ultimately producing greater cash flow for our own shareholders. Secondly, key benefits could be secured through a collaboration between Royal Mail's parcel business and TNT's own Express companies because the former is highly active throughout Europe.

Mr **Gender** commented on the first point mentioned by Mr Bakker with regard to a good track record. Mr Gender asked whether a minority interest would allow TNT to exert sufficient influence on the likely painful measures to be taken at Royal Mail.

Mr **Bakker** replied saying that this was part of the talks and discussions that should be carried out in a country like this. Ultimately, a package of conditions would have to be negotiated to ensure that TNT could exert enough influence and apply its track record. Mr Bakker said that he could not yet state what kind of conditions these would be because other interested parties could benefit from such information.

As regards the risk of a bidding war, Mr **Bakker** said this was theoretically always possible but that TNT's Board of Management and Supervisory Board did not consider it very likely. Mr Bakker reiterated that if TNT decided to take action with regard to Royal Mail that it would be presented to the shareholders for approval.

Mr **Bakker** continued by confirming that the Express division was indeed experiencing continued pressure on its volumes, as was evident in the first quarter of 2009. The economic climate was still poor and that could remain the case throughout 2009. As in the third and fourth quarters of the previous year, some pressure would be evident on the margins from quarter to quarter. But as indicated in the press release published on the day of the meeting, Express was still expected to make a profit in the first quarter.

In response to the question about placing more emphasis on Express, Mr **Bakker** said that great strides had been taken forward in recent years following the launch of the Focus on Networks strategy. For example, TNT now employed more than 16,500 people in China, compared to 700 four years previously.

Tremendous expansion was also underway in China, India, Brazil and, as just announced, Chile. TNT was not standing still but at the same time could not be active on all fronts.

Despite declining volumes, growth opportunities were being sought by the Mail division. The declining volumes were mainly a problem for the domestic mail business in the Netherlands. If a company has a large share of the market and that market shrinks, restructuring is necessary. If a company has no market share whatsoever, it can still grow even if the total market shrinks because it is acquiring market share.

Mr **Bakker** moved on to the final question regarding the German part of the business and where this could lead to financially. In 2007, TNT indicated that it had incurred a loss of around €30 million in developing the German network and that the order of magnitude would be similar in 2008. As already mentioned, the court case would be concluded at the end of 2009 or beginning of 2010, after which a decision would made as to whether or not to continue pursuing business in Germany.

There were all kinds of variations within the German postal business possible. The loss just mentioned was first and foremost the result of setting up an addressed mail network. However, there was a consolidator in Germany called PostCon that ran a very profitable business. TNT's national volumes in Germany also yielded profits. Consequently, not all activities were loss-making. If it were to win the court case, TNT would have to decide whether to develop its own networks and continue its activities. TNT would therefore have to await the outcome of the legal proceedings.

The **Chair** gave the floor to Mr Spanjer.

Mr **Spanjer** (private shareholder) agreed that it was a difficult time for Express. Mr Spanjer said that if he telephoned TNT as a private individual he was referred to the post office. However, as a company he was assisted. FedEx on the other hand did not differentiate between private individuals and companies. Mr Spanjer wished to know why TNT did not assist him as a private individual.

Mr **Koorstra** replied saying that the question was too general to answer properly there and then and that he would be happy to talk further with Mr Spanjer after the meeting.

Another person said that he had had a similar experience. Mr **Koorstra** said that he would look at this matter in greater detail.

Mr **Spanjer** then asked a question about the earnings per outstanding share. In 2007 this was 257.4 cents and in 2008 152.9, representing a decrease of 104.5, i.e. 40.59% lower. The same applied to the dividend; in 2007 this was 85 cents and in 2008 71 cents, i.e. 14 cents and almost 16.47% lower. Mr Spanjer was keen to hear how the company intended to raise the dividend back to its 2007 level.

Mr **Van Dalen** explained that a large book profit was included in these earnings per share in 2007. If the figures were corrected for this, the effect would of course be more limited. With the dividend proposals to be discussed later the company was endeavouring to express that the business was indeed not doing as well. TNT had therefore decided to maintain the same level as the normalised net income in 2007 given the uncertainties that lay ahead in 2009. However, it would now be divided into a part paid out as an interim dividend and a proposal to pay out a part in shares.

Mr **Van den Bos** (private shareholder) said that he had also experienced problems with TNT Post. Mr Van den Bos asked what the effect was on the return on investment of managing the working capital as described in Mr Bakker's presentation.

Mr **Van den Bos** queried whether it would perhaps be wiser to pay out the dividend in cash given the current share price and the dividend that is being paid out. Mr Van den Bos also stated that due to its good rating TNT would be able to borrow money from the money market at lower rates.
Mr Van den Bos was interested in the downward trend in volumes and in particular for the aircraft used by Express. Mr Van den Bos asked whether aircraft had already been sold and whether it was now the correct time to do so rather than waiting until late 2009 or 2010 for example. Maybe these aircraft could be put to use in the new corporate venture with Con-way Freight so that there would be two Boeings under financial lease. These were included in the assets for a sum of €202 million and the other twenty aircraft for €101 million. Mr Van den Bos also wished to know more about the capacity of the other twenty aircraft and whether a financial lease aircraft leased to Emirates made enough money to pay for its own lease.

Mr **Van den Bos** continued with the prepaid expenses and the revenue still to be billed, wondering how long the receivables would remain outstanding and whether an increase had been booked for bad debts. Mr Van den Bos also asked whether the receivables had been booked at the current value.

Mr **Van den Bos** concluded by asking whether he could be given more precise figures on the investment discussed in Mr Bakker's presentation.

The **Chair** thanked Mr Van den Bos for his questions and said that answers regarding the dividend would be answered when that particular agenda item was dealt with.

Mr **Van Dalen** said that it was important to focus on the working capital because this made more cash available and with a lower invested capital, ultimately producing a higher return.

In 2008, TNT was able to free up approximately €135 to €140 million from the working capital. This was also an important point of focus for 2009, despite the more difficult times.

As regards the receivables, Mr **Van Dalen** explained that there were often timing differences at the end of the year, with business carried over just into the next year or concluded at the very end of the previous year, for example. Receivables were indeed netted out in the balance sheet. The financial statements included an entry for bad debts. This had increased somewhat in 2008 in order to exercise caution in anticipation of a more difficult economic situation in 2009.

Mr **Van Dalen** confirmed that there were two financial lease Boeing 747s, one of which had been subleased to Emirates. This covered expenses in terms of the lease costs with a small profit for TNT. The other information in the Annual Report related to the company-owned aircraft. As already mentioned by Ms Lombard, TNT also had a few charter aircraft in Europe. The company currently had around 35 aircraft in operation. The Boeing operated by TNT itself was being used for transporting intercontinental freight.
The appropriate time for putting the aircraft up for sale would ultimately be driven by the economic rationale of whether to keep an aircraft in operation. In this case it was chosen not to do so as this would not benefit the company. TNT's decision on whether or not to sell the aircraft that year would depend on the market situation. TNT did not expect a sale to produce a high yield given that the aircraft were relatively old and not in great demand. This also meant that they were not the best aircraft for the company to keep in operation itself.

The **Chair** gave the floor to Mr Van der Helm.

Mr **Van der Helm** (Dutch Association of Investors for Sustainable Development – "*Vereniging van Beleggers voor Duurzame Ontwikkeling", (VBDO)*) said that VBDO was seeking to achieve a sustainable capital market. One of the ways to achieve this was talking to companies about their corporate responsibility. Mr Van der Helm said that people were worried that TNT is eating into corporate responsibility.

Mr **Van der Helm** pointed out that a number of matters in the excellent Corporate Responsibility Report could not be compared, probably due to other systems or standards. Furthermore, in most cases the reported information was worse with the acquisitions than without the acquisitions. Mr Van der Helm wished to know to what extent sustainability had played a role in the assessment of acquisitions.

Mr **Van der Helm** continued with a question about Key Performance Indicators, including the number of (fatal) accidents listed on pages 2 and 3 of the Corporate Responsibility Report. The table for 2007 was given here but contained very different figures to those stated in the 2007 report. Mr Van der Helm said that he had also noticed inconsistencies of this kind a year previously. Mr van der Helm wished to know why these figures were different and why the number of accidents mentioned by Mr Bakker differed from that stated in the report.

Mr **Van der Helm** was also interested in TNT's long-term strategy as regards corporate responsibility. Mr Van der Helm was disappointed with the lack of clear objectives in the area of corporate responsibility, as pledged by Mr Bakker two years ago, and wanted to know when these would be formulated.

Mr **Van der Helm** continued with a comment about the auditor's report in the Corporate Responsibility Report which suggested that, as a point of improvement, TNT should present a baseline for a number of indicators and formulate clear and smart objectives. Mr Van der Helm supported the comments in the auditor's report and asked TNT for a pledge for the following year regarding the baseline and objectives.

Mr **Van der Helm** referred to a letter that VBDO had sent to TNT addressing a number of topics. In reference to one of these issues, CO_2 reduction, Mr Van der Helm pointed to a report that placed TNT in 7th place in its sector, among 15 competitors, based on the impact ratio. Mr Van der Helm once again emphasised the need for clear objectives in order to ensure progress.

According to Mr **Van der Helm**, TNT found that the differing interests sometimes made it difficult to engage in a stakeholder dialogue with the various stakeholders. Page 20 of the Annual Report stated that there had been a dialogue with the workforce and with the customers. However, this was not reflected in the general overview. Mr Van der Helm asked why this was the case and how the dialogue with civil-society organisations planned the previous year had been carried out.

Mr **Van der Helm** then asked a question about supply chain management. TNT had a system in place to assess its suppliers on social and environmental criteria. Mr Van der Helm was keen to hear to what extent this system had been implemented, what percentage of suppliers had agreed with TNT's business principles and whether TNT and whether TNT had broken off dealings with a supplier due to non-compliance with the business principles.

Mr **Van der Helm** wanted to know how the stakeholder relationship with the employees and unions in Germany was being affected by the ongoing court case on the minimum wage.

Mr **Van der Helm** concluded with a question about diversity saying this existed to a reasonable extent within TNT's board and management but that no progress was evident. In 2006 26% of the more senior management were women, in 2007 27%, with the same figure being repeated in 2008. Mr Van der Helm asked what was being done to improve the diversity.

The **Chair** gave the floor to Mr Bakker.

Mr **Bakker** thanked Mr Van der Helm for his questions and said that he would answer them in person there and then and also in writing.

Mr **Bakker** said that corporate responsibility was indeed taken into account when making acquisitions. Checklists had been drawn up as part of the company's due diligence processes. In the case of more major acquisitions, companies were being given three years before being included in the figures that TNT shared with its shareholders. It was especially in the countries where TNT had conducted major acquisitions in recent years (China, India and Brazil) that the costs and development of systems were not yet quite up to the level achieved in the West. There had to be a good balance between the costs and systems imposed upon those companies in relation to the profit to be made.

The companies that TNT had acquired over the past few years were included in the important Key Performance Indicators in the reports. However, they were not yet included in the independent review by the auditor, hence a few differences in the figures. For example, the table on page 2 featured the figures without the major acquisitions and on page 36 the fatal accidents included the major acquisitions.

Mr **Bakker** would study the figures once again and if it emerged that the reporting method was not sufficiently clear, this would be dealt with in future.

Mr **Bakker** said that there had been 49 fatal accidents the year before, most regrettably resulting in 58 deaths. TNT's own employees were involved in 19 of the 49 accidents. The other 30 accidents involved subcontractors, i.e. third parties working for TNT.

Mr **Bakker** then referred to his presentation earlier in which he had shown a pyramid of priorities in TNT's strategy. In 2009 TNT aimed to make an important shift as far as corporate responsibility was concerned. Many of the initiatives, such as the Moving the World partnership and Planet Me, had until recently been centrally driven. In 2008, TNT had said that the business had to be made responsible for implementing these strategies. Targets were being formulated within the divisions and the division business units so there would be targets in place within the business in 2009. However, TNT did not tend to publish details of either financial or non-financial objectives. This matter would be discussed with the Supervisory Board. However, at TNT things were organised internally as with all other management systems, including internal targets.

Mr **Van der Helm** said that a number of such targets comprised information that was less sensitive to competition information than the purely financial targets.

Mr **Bakker** acknowledged Mr Van der Helm's question about a report in which TNT had finished in 7th place in terms of the CO_2 impact ratio. He would be grateful if Mr Van der Helm could provide him with the report to establish where improvements could be made. The very fact that many aircraft and truck movements were inherent to TNT's businesses, causing CO_2 emissions, made it important to act on this matter.

Mr **Bakker** said that the stakeholders' dialogue had been carried out through Maplecroft for a number of years now in cooperation with the World Economic Forum, where issues of this kind were discussed with other companies in the industry. TNT would continue with this. VBDO had also asked why it had not been invited. There was no reason to exclude it and VBDO would be invited if it so requested.

Mr **Bakker** was unable to provide a firm answer to the question on the percentage of suppliers that had agreed to TNT's business principles. TNT was currently in discussion, especially with subcontractors around the world, with respect to including this in the contracts. A central non-compliance monitoring system was not yet in place and TNT did not wish to introduce such a system because responsibility lay with the local business units. They had to draw up contracts for which TNT provided the rules. Compliance with those contracts was first and foremost the responsibility of the subcontractor and TNT therefore preferred to maintain local checks on this.

With respect to the court case in Germany, **Mr Bakker** emphasised that TNT was very much in favour of a minimum wage. TNT had incidentally agreed a minimum wage with a Christian trade union in Germany under which TNT Post employees were being paid around €7.50. A few years ago the German government, backed by Deutsche Post, attempted to set the minimum wage at a level that the competition would not be able to afford. TNT was fighting this because it had nothing to do with socially responsible business but rather simply pushing competitors out of the market.

Mr **Van der Helm** asked how this was affecting the German workforce.

Mr **Bakker** explained that the German employees had all been offered a new employment contract the previous year. They were naturally free to sign or reject the contract. Around 96% had signed according to the latest reports.

Mr **Koorstra** added that Germany did not yet have a legal minimum wage. TNT supported minimum wages and always pays them. Ver.di, Germany's largest trade union, campaigned for a minimum wage in Germany of €7.50. Ver.di and Deutsche Post then made arrangements without involving other parties operating in Germany, eventually arriving at a minimum wage of €9.80. This was approved by the German government, which has a 40% stake in Deutsche Post, and declared generally binding for the sector. This was the subject of the court case that TNT had won in the first and second instance because this was judged to be in breach of the German constitution. As already mentioned, TNT was in favour of a minimum wage and, if at all possible, paid in excess of the minimum wage.

Mr **Van der Helm** said that the question about fatal accidents in 2007 did not necessarily have to be answered the same day but he would appreciate an answer to his question on diversity.

Mr **Bakker** replied saying that target percentages had been included for the number of female employees in the internal long-term objectives. There were also a number of appointment committees per business area.

These committees discussed potential female candidates for each appointment with the aim of increasing the number of women working for the company.

Mr **Van der Helm** said he had another request regarding the risks section. The VBDO had noticed that TNT paid attention to listing all kinds of potential risks but provided barely any clear-cut information about its risk exposure. The VBDO wished to know what the list of risk factors encompassed and also to see a quantified indication of the potential and probable impact of each risk factor.

Mr **Van Dalen** explained that, taking the previous year's comments into account, the risks section had been structured slightly differently. It now began with a description of the environment in which TNT was operating and which risks this presented. It also set out the measures that TNT had taken to mitigate those risks. Six key specific risked were also explained in as much detail as possible in terms of the potential effects they could have.

An example was the risk pertaining to pension fund coverage and the associated sum of money, which in this case was estimated to be an additional deposit of €140 million. Elements would be added step by step. If certain risks were to be set out in great detail this could provide competition-sensitive information. However, in general many of the risks and the action to be taken by TNT could be given precisely.

The **Chair** concluded that the 2008 Annual Report had been dealt with. Since Mr Levy, chair of the Remuneration Committee, would have to leave the meeting early, the **Chair** proposed first discussing agenda item number 5.

5. Remuneration of the Board of Management

The **Chair** announced that Mr Levy would have to leave the meeting early due to unforeseen circumstances. Once the Chair had established that none of those present objected to switching agenda items 4 and 5, the meeting would now turn to the remuneration report commencing on page 114 (Chapter 8) of the Annual Report, as included in the agenda as item 5. Mr Levy would discuss the remuneration of the Board of Management in English.

The **Chair** asked who wished to speak regarding the matter of remuneration.

Mr **Van der Helm** of the VBDO had read that the Board of Management's base salary over 2009 would remain the same as in 2008. A maximum was also being applied to the short and long-term bonus. Together they would now be roughly the equivalent of a single year's salary. The VBDO said that this was no more than a standard procedure given the current financial and economic situation.

As regards the allocation of bonuses, the VBDO said that the variables used to determine the bonuses were clear but the objectives set for this purpose were not. It was also unclear as to what extent the objectives had been achieved. Shareholders were therefore not able to properly assess the bonus structure in advance or afterwards. The VBDO had noticed that the short-term bonus payout in 2008 was lower than in 2007. Did this mean that the objectives had not been fully met? If so, which objectives had not been met?

Mr **Van der Helm** commented that a maximum had been set for severance pay in the event of an acquisition. He asked whether this was maybe also the right moment to adjust remuneration in the short term if a person's performance was average or below average.

The **Chair** gave the floor to Mr Levy, who would also answer Mr Van der Helm's questions.

Mr **Levy** said that he would briefly explain how the remuneration policy had been applied in 2008 and what the intentions were for 2009, illustrating this with slides. For more information he referred those present to note 18 of chapter 6 and chapter 8 of the Annual Report.

The Board of Management's remuneration package comprised the base salary, short-term incentive in the form of a bonus, long-term incentive and pension. In 2008, the base salary rose by 2% based on the average collective labour agreement increase and the CBS Statistics Netherlands price index figure for the cost of living. It should be noted that no increase had taken place in the years 2004 to 2007 inclusive. The Supervisory Board had proposed waiving the 2% base salary increase for 2009 and the Board of Management had approved this. The base salary had therefore remained at the same level. The current salary for the CEO was €918,000 and for the other members of the Board of Management €612,000.

As far as the short-term incentive is concerned, the Supervisory Board had decided to set this for 2008 in line with the remuneration policy. The maximum amount had not been allocated (a maximum had been set for this in 2008). It could therefore be concluded that not all objectives had been achieved in full. This could be attributed to the deterioration of the economy in the latter half of 2008.

Financial and non-financial criteria were in place for determining the short-term incentive. The financial criteria included EBIT and cash flow. In 2009 the short-term incentive would remain the same as agreed in the remuneration policy. A sum of €460,000 had been awarded to the CEO and a sum of €325,000 to the other members of the Board of Management, which represented a significant decrease when compared to 2007 and 2008. Variable elements of the remuneration were subject to a claw back arrangement.

Two caps applied to the long-term incentive: firstly with respect to the number of shares and secondly in the case of a change of control. In 2009 the payout level would remain the same as agreed in the remuneration policy. The payout was set at €460,000 (i.e. 61,565 shares) for the CEO and €325,000 (i.e. 43,497 shares) for the other members of the Board of Management, representing a 50% cap.

There were no changes to report in the pension arrangements with the members of the Board of Management.

This brought Mr **Levy** to the end of his introduction on the Board of Management remuneration. He concluded with a comment about remuneration in 2010; when revising the remuneration policy, greater focus would be placed on long-term objectives than on short-term objectives with an emphasis on simplicity and transparency. The Supervisory Board would do its best to take the conclusions of the current social debate into account.

Approval for the new remuneration policy was expected to be requested at the next Annual General Meeting of Shareholders. Mr **Levy** asked Mr Van der Helm whether this had answered his question and what his other question was.

Mr **Van der Helm** said that his question was more specific. A number of objectives had not been achieved or not been achieved in full. The VBDO wished to know which objectives these were. Transparency in the policy from 2010 was applauded but why not ensure that from now onwards?

Mr **Levy** replied that it was neither in the company's nor the shareholders' interest to openly provide information on financial objectives. This would disclose details of the company's financial budgets and objectives as well as information on whether these budgets and objectives had been achieved. Publishing such competition-sensitive information would jeopardise the business.

The Supervisory Board would propose a procedure to set minimum targets that could result in a zero bonus if objectives were not met. Mr Levy believed that discussing the EBIT target for 2008 as well as to what extent this was not met was neither in the company's nor the shareholders' interest.

Mr **Klaver** thanked Mr Levy for his contribution.

Ms **Van Lamoen** took the floor and congratulated TNT on capping the Board of Management's variable remuneration component. This made the long-term incentive a larger part of the total remuneration than the short-term incentive, which she considered a positive move. She also thought it positive that TNT was going to revise its remuneration policy in 2009 based on simplicity, while focusing on market developments and on the long-term interests of all stakeholders.

Ms **Van Lamoen** asked TNT to include a number of points in the new remuneration policy, i.e. transparency on performance criteria (remarking that TNT was lagging behind other international companies in this area), not paying out performance shares if TNT underperformed its competitors, and the inclusion of the corporate values as an integral part of the long-term remuneration policy.

Ms **Van Lamoen** emphasised that sustainable objectives did not just lead to an integral approach to sustainability in the short term but also in the long term. Strong corporate values formed a part of this and were a key condition for above-average performance by the company in the long term.

Mr **Klaver** assured Ms Van Lamoen that the points she brought up would be taken into consideration.

Mr **Van der Helm** took the floor, pointing out that his organisation, the VBDO, had been seeking a link between variable remuneration and sustainable objectives for two years now. It had emerged from VBDO research that TNT was one of the rarities among companies in the Netherlands and he complimented TNT on this.

Mr **Van der Helm** emphasised that TNT had the opportunity to place even greater focus on transparency, long-term policy and the balance between financial and non-financial indicators. Non-financial indicators were not only easier to direct than, for example, the financial indicator shareholder value, but they also strengthened the licence to operate in society. Finally, the non-financial indicators were less competition-sensitive than the financial indicators, allowing for greater transparency.

Mr **Spanjer** (private shareholder) asked a question about the composition of the TSR peer group of companies as mentioned on page 115 of the Annual Report. Which direct competitors were being referred to? And was it possible to formulate the remuneration policy in a more transparent and less obscure manner?

Mr **Levy** took the floor. The peer group was a group of Dutch companies that TNT used to benchmark the performance of the Board of Management. TNT also measured performance on the basis of a second criterion, i.e. comparison with a group of direct competitors. TNT had come to the conclusion that using the Dutch peer group as a criterion presented a much more reasonable and objective comparison. If TNT were to compare performance with certain American competitors, the results would significantly favour TNT's Board of Management. Given the discussions on remuneration and the fact that it concerned a stimulus for the Board of Management, there was a preference for a comparison with the European and Dutch situation.

Mr **Levy** noted that the comment on lack of transparency was a valid point. The TSR system was complex, partly because TNT was unable to disclose all the details of the criteria used and the comparisons made. Certain elements of the new system would remain confidential in the interests of the company but TNT would aim for more clarity, taking the financial and non-financial criteria into account, comparing the long-term and short-term results, and avoiding a situation in which a bonus was paid out based on a result that a year later suddenly proved to be much worse.

These were the objectives for the new policy. Mr **Levy** announced that the new policy geared to these objectives would be presented during the next Annual General Meeting of Shareholders. He hoped that this policy would meet with the shareholders' approval.

Mr **Spanjer** advised taking a look at DSM's remuneration policy. He also asked for the names of the foreign companies in the peer group.

Mr **Bakker** informed him that these were FedEx, UPS, Deutsche Post, DHL and Austria Post.

The **Chair** noted that there were no further questions and that there had consequently been sufficient discussion on the remuneration report.

4. Discussion of the corporate governance chapter in the Annual Report 2008, chapter 10

The **Chair** informed those present that TNT's website provided a great deal of information on corporate governance, such as the Articles of Association, group structure, the regulations for the Board of Management, the Supervisory Board and the committees, as well as the TNT Business Principles.

In accordance with the recommendation of the Dutch Corporate Governance Code, the Board of Management had decided, as last year, to discuss the Corporate Governance chapter of the Annual Report at the present meeting.

The **Chair** asked whether there were any questions on the Corporate Governance chapter. No questions were asked.

6. Adoption of the 2008 financial statements

The **Chair** referred to pages 47 to 112, which comprised the financial statements. The financial statements had been audited by PricewaterhouseCoopers Accountants N.V. and the auditor's report was given on page 107 of the financial statements.

The next point on the agenda was adoption of the financial statements by the Annual General Meeting of Shareholders in accordance with the provisions of Article 110(3) of Book 2 of the Dutch Civil Code ("*Burgerlijk Wetboek*"). The **Chair** pointed out that a number of questions had already been raised and that there were no further questions.

The **Chair** requested the Secretary to explain how the voting system worked before proceeding to the vote. The **Secretary** explained how the voting system worked and how the handheld voting devices were used and requested the Annual General Meeting of Shareholders to vote on adopting the financial statements.

After voting had been completed, the **Chair** stated that the proposal to adopt the financial statements had been adopted by almost 100% of the votes (140,080,795 votes in favour, 29,868 votes against, and 9,672,726 abstentions).

7. Dividend

7a. Discussion of the reserves and dividend guidelines 2009

The **Chair** explained that according to the Articles of Association, the Board of Management determined what portion of the profit should be reserved, subject to approval by the Supervisory Board. The profit remaining after reservation was at the disposal of the Annual General Meeting of Shareholders. TNT's intention was to distribute a dividend per share in line with the trend in the operational results.

The **Chair** invited those present to ask questions about the dividend.

One of the meeting **attendees** commented that in light of the economic situation TNT appeared to be placing a strong focus on the company's financial stability. Nevertheless, TNT presented a strong cash flow in 2008, supported by a solid balance sheet. The shareholder asked why TNT was opting to pay the final dividend entirely in shares whereas the VEB, for example, had a strong preference for a cash dividend. The shareholder wondered whether the shareholders were not simply being offered something that came out of their own pockets.

Mr **Van Dalen** replied that, with a view to 2009, TNT had considered all the uncertainties present at that time and these had not changed much in the meantime. When deciding between a dividend in cash, a dividend in shares or offering a choice of either, the question was whether TNT could permit itself to now pay out a cash dividend over 2008 as the final dividend in view of the current uncertainties and those still to come.

TNT's conclusion was that this would not be prudent given all the uncertain factors that played a role. Mr **Van Dalen** confirmed that the 2008 cash flow had indeed been good. From a free cash flow perspective, €200 million had been spent on the 2007 final dividend and 2008 interim dividend and €300 million on the buyback of shares under TNT's share buyback programme. On balance little additional cash had been added to the balance sheet to lower the net debt, which was a reason for TNT's decision not to pay out a dividend over 2008 in cash as the final dividend.

Mr **Van den Bos** asked whether, given that the dividend was now being made available in shares later in the year, TNT would resume its share buyback programme if the cash position improved, thus countering the profit dilution.

Mr **Van Dalen** answered that TNT had said on the publication of its figures in February 2009 that it considered it very important to keep paying out dividends in cash. The question as to whether dividends would be paid out in cash would be carefully evaluated in mid-2009 when the time came to determine a possible interim dividend. Mr Van Dalen noted that, given the present circumstances, it could not be assumed that shares would be bought back in 2009 or 2010.

Mr **Van den Bos** advised TNT to issue a bond loan against a low interest rate and to buy back a whole batch of shares. TNT could use this to pay out a dividend in shares in the years to come, without profit dilution.

Mr **Van Dalen** replied that TNT was closely monitoring balance sheet ratios and ratios between income and debt. It was important that the company's financial strength, expressed in terms of creditworthiness for example, remained at its current excellent level. It would not be prudent to add a lot of debt to this at the present time.

The **Chair** noted that there were no further questions on the reserves and dividend guidelines and concluded that this agenda item had been sufficiently dealt with.

7b. Determination and distribution of dividend

The **Chair** announced that, pursuant to the Articles of Association, the Board of Management determined what portion of the profit should be added to the reserves, subject to approval by the Supervisory Board. The profit remaining after reservation was at the disposal of the shareholders.

The **Chair** proposed setting the dividend over 2008 at €0.34 per ordinary share. This amount had already been paid out in cash as the interim dividend.

The **Chair** declared voting open. After voting had been completed, he stated that the Annual General Meeting of Shareholders had adopted the dividend proposal with over 93% of the votes (134,483,605 votes in favour, 9,800,300 votes against, and 5,500,705 abstentions).

7c. Distribution out of the reserves

The **Chair** announced that the distribution from the reserves concerned one share per forty shares.

The **Chair** asked whether there were any questions or remarks.

Mr **Heijneman** requested TNT to give shareholders a choice of either a dividend in cash or a dividend in shares in future so that their own preference could be taken into account. Now an interim dividend in cash and a final dividend in shares were being proposed. A dividend in shares was always to the advantage of foreign shareholders since they then did not have to pay dividend tax. Providing a choice of either cash or shares would be a good option, especially if the share price was very likely to rise.

The **Chair** declared voting open on the proposal to distribute a stock dividend from the additional paid in capital of one share per forty shares in accordance with the proposal by the Board of Management. After voting had been completed, he stated that the Annual General Meeting of Shareholders had adopted the proposal with almost 100% of the votes (144,060,178 votes in favour, 2,980 votes against, and 5,721,452 abstentions).

8. Release from liability of the members of the Board of Management

The **Chair** concluded that the Annual General Meeting of Shareholders had adopted the financial statements for 2008 and that the following motion to be voted on was that to release the members of the Board of Management from liability in respect of their duties, insofar as that appeared from the financial statements.

The **Chair** asked whether there were any questions or remarks. He concluded that there were no such questions or remarks.

The **Chair** declared voting open. After voting had been completed, the Chair stated that the Annual General Meeting of Shareholders had adopted the motion to release the members of the Board of Management from liability in respect of the duties executed during the 2008 financial year with 96.17% of the votes (143,884,416 votes in favour, 5,730,970 votes against, and 166,419 abstentions).

9. Release from liability of the members of the Supervisory Board

The **Chair** tabled the motion that the Annual General Meeting of Shareholders should release the members of the Supervisory Board from liability in respect of their supervision, insofar as that appeared from the financial statements. The **Chair** asked whether there were any questions or remarks. He noted that there were no questions and proposed proceeding to vote on the matter.

The **Chair** declared voting open. After voting had been completed, the Chair stated that the Annual General Meeting of Shareholders had adopted the motion to release the members of the Supervisory Board from liability in respect of the supervision executed during the 2008 financial year with 96.13% of the votes (142,495,645 votes in favour, 5,733,843 votes against, and 1,553,281 abstentions).

10. Supervisory Board

The **Chair** announced that agenda item 10 concerned the announcement of vacancies on the Supervisory Board. Pursuant to Article 27 of TNT's Articles of Association, the Supervisory Board consisted of at least seven and at most twelve members. The number of members was determined by the Supervisory Board. In accordance with the schedule of resignations adopted by the Supervisory Board, Mr J.H.M. Hommen would resign as per the close of the present Annual General Meeting of Shareholders.

The **Chair** noted that Mr Hommen would not be available for reappointment. Mr Hommen had been a member of the Supervisory Board since 1998 and chair since 2005.

The **Chair** said that Mr S. Levy would resign and would be available for reappointment. Mr Levy had been a member of the Supervisory Board since 2005 and was also chair of the Remuneration Committee and vice chair of the Supervisory Board.

Ms G. Kampouri Monnas would also resign. She had been a member of the Supervisory Board since 2005 and would not be available for reappointment.

The Supervisory Board had resolved to set the number of its members at ten for the current financial year. In future, however, the number of Supervisory Board members would possibly be slightly reduced, with a good balance being sought between the number of people and the talent required for all the committees.

The vacancy of Ms Kampouri Monnas was subject to an enhanced right of recommendation of the Central Works Council, which did not apply to the other vacancies. The profile for the Supervisory Board was available on the website.

The **Chair** pointed out that the Annual General Meeting of Shareholders could recommend persons to the Supervisory Board for appointment as members thereof, with due account being taken of the applicable profile. He concluded that the Annual General Meeting of Shareholders had not exercised this right.

11. Proposal to reappoint Mr S. Levy as a member of the Supervisory Board

The **Chair** proposed that Mr S. Levy be reappointed as a member of the Supervisory Board. Mr Levy's reappointment was also supported by the Central Works Council and the Board of Management. He noted that the Annual General Meeting of Shareholders did not wish to ask any questions and declared voting open.

After voting had been completed, the **Chair** stated that the Annual General Meeting of Shareholders had adopted the motion to reappoint Mr Levy to membership of the Supervisory Board with 98.9% of the votes (142,474,907 votes in favour, 1,585,205 votes against, and 5,722,168 abstentions). The Chair congratulated Mr Levy on his reappointment.

12. Proposal to appoint Ms P.M. Altenburg as a member of the Supervisory Board

The **Chair** turned to the matter of the proposed appointment of Ms P.M. Altenburg to membership of the Supervisory Board. Ms Altenburg had had a successful career at ABVAKABO FNV, ABP en PGGM. Her many years of experience in trade union work and at major pension funds would be very valuable, especially at a time when pensions were such an issue. By appointing her TNT had also paid attention to diversity. Ms Altenburg's reappointment was also supported by the Central Works Council and the Board of Management.

The **Chair** asked whether there were any questions or remarks.

After Ms Altenburg had introduced herself to the Annual General Meeting of Shareholders, the Chair requested the shareholders to vote on the proposal to appoint her.

After voting had been completed, the **Chair** stated that the Annual General Meeting of Shareholders had adopted the motion to appoint Ms Altenburg to membership of the Supervisory Board with almost 100% of the votes (144,028,996 votes in favour, 31,080 votes against, and 5,720,787 abstentions). The Chair congratulated Ms Altenburg on her appointment and welcomed her to the Supervisory Board.

13. Announcement of vacancies in the Supervisory Board expected as per the close of the Annual General Meeting of Shareholders in 2010

The **Chair** indicated the vacancies there were to be expected after the Annual General Meeting of Shareholders for 2010. In accordance with the rotation plan, Messrs V. Halberstadt and R. King would resign as members of the TNT Supervisory Board as per the close of the 2010 meeting. Mr Halberstadt had been a member of the Supervisory Board since 1998 and would unfortunately not be available for reappointment. Mr King had been a member of the Supervisory Board since 2006 and would be available for reappointment.

14. Announcement of the intention of the Supervisory Board to reappoint Mr H.M. Koorstra as a member of the Board of Management

The **Chair** proceeded to the following item on the agenda, namely the intention of the Supervisory Board to reappoint Mr H.M. Koorstra as a member of the Board of Management; the Chair informed the Annual General Meeting of Shareholders of that intention.

The **Chair** explained that the proposed reappointment of Mr Koorstra was supported by the Central Works Council and indicated that the reappointment period would be four years.

The **Chair** asked whether there were any questions or remarks. There were no questions.

The **Chair** concluded that Mr Koorstra would be reappointed.

15. Extension of the designation of the Board of Management as authorised body to issue ordinary shares

The **Chair** noted that, pursuant to Article 12 of the TNT Articles of Association, the Board of Management could adopt a resolution, subject to the approval of the Supervisory Board, to issue shares; that included granting rights to subscribe for shares.

The authority that the Board of Management was proposing regarding the issuing of ordinary shares and the granting of rights to subscribe for shares in the company was intended to maintain the existing effectiveness regarding financing the company by attracting new capital. Issuing ordinary shares could also be an effective way of bringing about acquisitions by means of share swaps.

It was proposed that the existing designation of the Board of Management as the body authorised to issue ordinary shares and to grant rights to subscribe for ordinary shares should be extended for a period of 18 months from the date of the Annual General Meeting of Shareholders, i.e. until 8 October 2010. As far as the issuing of ordinary shares was concerned, the authority of the Board of Management would again be limited to a maximum of 10% of the issued share capital at the point of issue, plus a further issue of shares up to a maximum of 10% of the issued share capital at the point of issue if the issue took place in the framework of a merger or acquisition.

The **Chair** asked whether there were any questions or remarks.

The **Chair** declared voting open.

After voting had been completed, the **Chair** stated that the proposal to the designation of the Board of Management as the body authorised to issue ordinary shares had been adopted by 85.6% of the votes (127,541,392 votes in favour, 21,384 votes against, and 816,941 abstentions).

16. Extension of the designation of the Board of Management as authorised body to limit or exclude the pre-emptive right to issue ordinary shares

The **Chair** explained that the designation of the Board of Management as the authorised body regarding the pre-emptive right was connected with the proposal just made under agenda item 15. It was proposed that the existing designation of the Board of Management as the body authorised to limit or exclude the pre-emptive right when ordinary shares were issued, with this including granting rights to subscribe for ordinary shares, should be extended for a period of 18 months from the date of the Annual General Meeting of Shareholders, i.e. until 8 October 2010.

That authority of the Board of Management would be limited to a maximum of 10% of the issued share capital at the point of issue, plus a further issue of shares up to a maximum of 10% of the issued share capital at the point of issue if the issue took place in the framework of a merger or acquisition.

The **Chair** asked whether there were any questions or remarks.

The **Chair** declared voting open.

After voting had been completed, the **Chair** stated that the proposal to the designation of the Board of Management as the body authorised to issue ordinary shares had been adopted by 84.8% of the votes (126,425,578 votes in favour, 22,540,322 votes against, and 815,444 abstentions).

17. Authorisation of the Board of Management to have the company acquire its own shares

The **Chair** moved on to item 17 on the agenda regarding authorisation of the Board of Management to have the company acquire its own shares or depositary receipts for such shares. Pursuant to Article 15 of its Articles of Association, the company could acquire its own shares or depositary receipts for such shares pursuant to a resolution adopted by the Board of Management; this was subject to the approval of the Supervisory Board. The Board of Management was also required to be authorised to do this by the Annual General Meeting of Shareholders. The authorisation would be valid for 18 months from the date of the present meeting. The Annual General Meeting of Shareholders issued this authorisation on 11 April 2008 with effect until 11 October 2009.

It was proposed that the Board of Management should again be authorised to have the company acquire its own shares or depositary receipts for such shares, either by buying them on the stock market or otherwise, for a period of 18 months from the date of the present Annual General Meeting of Shareholders, i.e. until 8 October 2010. The authorisation again concerned the statutory maximum number at an acquisition price of at least one euro cent (€0.01) and a maximum of the price of an ordinary share on the stock market plus 10%. The stock market price would be the average of the closing quotations for a share in TNT according to the Official Price List of Euronext Amsterdam N.V. on the five stock exchange trading days prior to the date of purchase.

The **Chair** asked whether there were any questions or remarks.

The **Chair** declared voting open.

After voting had been completed, the **Chair** stated that the Annual General Meeting of Shareholders had approved agenda item 17 and had resolved to adopt the motion to authorise the Board of Management to have the company acquire its own shares by 98.98% of the votes (143,897,598 votes in favour, 161,691 votes against, and 5,720,440 abstentions).

18. Reduction of the issued capital by cancellation of own shares

The **Chair** said that the following item on the agenda concerned reduction of the issued share capital by cancellation of shares in the company.

In 2008, the Annual General Meeting of Shareholders had given consent for the Board of Management to have the company buy its own shares for a period of 18 months from the date of that annual meeting, which was 11 April 2008. This authorisation was being requested again this year under agenda item 17.

In accordance with Article 16 of TNT's Articles of Association, the Board of Management proposed, with the approval of the Supervisory Board, that the Annual General Meeting of Shareholders should resolve to reduce the issued share capital by cancellation of ordinary shares.

The number of ordinary shares that would be withdrawn pursuant to the proposed resolution would be determined by the Board of Management and would be restricted to a maximum of 10% of the issued share capital as shown by the financial statements for 2008. Only shares held by the company as own shares could be withdrawn. The number of shares to be withdrawn would be published on www.group.tnt.com and would also be shown by an announcement to that effect in the Trade Register. Reduction of the issued share capital would otherwise be carried out in accordance with the applicable rules as set forth in the relevant legislation and in TNT's Articles of Association.

The **Chair** asked whether there were any questions or remarks.

The **Chair** declared voting open.

After voting had been completed, the **Chair** noted that the Annual General Meeting of Shareholders had resolved to adopt the motion regarding reducing the issued share capital by withdrawing a number of the company's own shares by almost 100% of the votes (144,872,626 votes in favour, 872 votes against, and 4,906,807 abstentions).

19. Questions

The **Chair** asked the Annual General Meeting of Shareholders if there was any other business.

Mr **Heijneman** asked whether TNT would ever be taken over by a foreign company and whether this company would be required to have a network of postal districts covering the entire country. His question was in response to reports over the past year of TNT possibly being sold to the American company UPS, a move that did not go ahead.

The **Chair** said that the intention was to ensure that TNT was a sustainable company with continuity and that it would be master in its own house.

Mr **Heijneman** said that the competitors could now easily cherry pick the best parts of the market by focusing on the districts where they could operate at a considerable profit and where large volumes were being tendered. In terms of competition, TNT Post was at a serious disadvantage because it also had to serve less profitable districts. Did TNT Post not have a claim in this respect vis-à-vis the government in the form of a levy? Or would it possible to have the weaker parties supported by the stronger parties as was common in the case of marketing boards and trade associations. Sandd was the stronger party here as it was operating where the cherries were the juiciest and the profit opportunities the greatest.

Mr **Bakker** thanked Mr Heijneman for his contribution and said that TNT issued an annual concession report showing the company's profitability in terms of the monopoly, when this was still a monopoly, and the universal services. The profitability was still in healthy form. TNT was at a disadvantage because it did not have the same choices as the competition, but despite this it was still making a profit.

In a Lower House debate on 8 April 2009 on such subjects as the future of TNT Post it was said that the universal service would be periodically evaluated, with the first evaluation set to take place after two years. This would present an opportunity to discuss the matter with politicians once again.

Mr **Heijneman** asked what TNT was doing for the environment, including particulate and CO_2 reduction, and how it was active in the area of corporate responsibility in comparison to its competitors. TNT could do its utmost to prevent pollution, but three companies produce more pollution than one.

Mr **Van Dalen** replied that sustainable and clean operations were very much possible and often more economical.

Mr **Heijneman** said that he had strong doubts as to the morals, ethics and care demonstrated by the competition.

Mr **Stevense** (Investors' Legal Protection Foundation - "*Stichting Rechtsbescherming Beleggers*") asked whether the financial calendar should perhaps be extended to include Annual General Meeting of Shareholders of the following year. So next year this should run until 2011. He had asked the same question the year before and received a positive reaction, yet the calendar had still not been extended.

Mr **Van Dalen** offered his apologies and said that TNT would look at this during the year.

Mr **Stevense** returned to his earlier question regarding the number of deaths and the Chair's answer regarding the situation in India. Could TNT not contact the Dutch Ministry of Transport, Public Works and Water Management to discuss having traffic lights operate more functionally at certain locations (i.e. switch to flashing amber at night). This could possibly reduce the number of fatal accidents.

Mr **Koorstra** said he would look into this matter and pass on the results. Mr **Bakker** added that any accident worldwide regrettably involving a death was reported to the Board of Management within 24 hours. The previous year there had been no reports of fatalities caused by a driver passing through a red light at night.

A **shareholder** complimented the Chair on the pleasant way in which he had chaired his first TNT Annual General Meeting of Shareholders. He had a number of questions to ask. During Mr Bakker's introduction he had mentioned TNT Post employees in scales 1 to 4 having to forfeit 15% of their salary. He asked how this related to the salaries beyond scale 15.

The shareholder mentioned the fact that the Summer Stamps had been supplied in packaging again this year, which he did not consider to be "green". Another matter that he wished to bring up was that he had seen various TNT delivery vans driving extremely fast.

The **Chair** asked Mr Koorstra to answer the question about the scales above scale 4.

Mr **Koorstra** explained that several collective labour agreements existed at TNT Post. These are being discussed in turn with the trade unions. An in-principle agreement had now been reached between the unions and TNT Post on a collective labour agreement for Operations, covering scales 1 to 4. Collective bargaining aspects were now being discussed for scales 5 to 13, taking into account market conformity and the principle of solidarity within the division. Scale 15 did not exist at TNT Post.

Mr **Wortelboer** asked why a copy of the slides had not been distributed to those present when entering the room. This was the case at Randstad.

Mr **Gabuis** asked whether it would be possible in the future to immediately project what had just been said onto the screen.

The **Chair** thanked both gentlemen for their suggestions and said that they would be considered.

20. Close

The **Chair** thanked Mr Hommen for everything he had done for TNT in various positions, most recently in his capacity as chair of the Supervisory Board. He also thanked Ms Kampouri Monnas, who was also stepping down as member of the TNT Supervisory Board. TNT will greatly miss their experience and expertise. The Chairman wished them all the best on behalf of the Board of Management and the Supervisory Board.

The **Chair** noted that there were no more questions. He thanked all the shareholders warmly for their cooperation and for being present.

The **Chair** closed the meeting at 5.25pm.

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Thus adopted on 8 oktober 2009,

P.C. Klaver
Chair

S.J. van Loon
Secretary