

PostNL group policy on Conflicts of Interest

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on Conflict of Interest

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Document history

1. Approvals

Approved by	Date of approval	Version
The Board of Management and Executive Committee	20 May 2011	1.0

2. Revisions

Name and title	Date of revision	Summary of changes
Shirley Felix (Risk Management Specialist)	30-03-2011	Adoption of the TNT group policy on Conflict of Interest, 25 June 2007, adjusted for use by PostNL
Ab Verkaik	9 May 2011	Reviewed and updated

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1 Objective of this policy

All decisions and actions taken by all PostNL employees in the conduct of business shall be made in a manner that promotes the best interests of the PostNL Group.

The PostNL Business Principles provide that employees may not take business opportunities for themselves that belong to PostNL. Our employees must report to management any transaction or relationships that could reasonably be expected to give rise to a conflict of interest.

This policy is in addition to and incorporates by reference the provisions of the Dutch corporate governance code notably principle II.3 and best practice provisions II.3.1 up to and including II.3.4.

2 Scope

This policy applies to all PostNL employees group wide, and to all PostNL controlled companies and joint-ventures.

3 Definitions

Terms defined in this group policy are presented in **bold** type.

Conflicts of Interest:

A conflict of interest may take many forms but arises when a PostNL employee might be able to use the authority of his or her position (a) to influence PostNL's business decisions in ways to give improper advantage or financial benefit to oneself, a family member, or associate (including a close personal friend) or (b) to obtain for oneself, a family member or an associate (including a close personal friend) a financial benefit beyond the compensation he or she receives from PostNL.

PostNL Group Companies are defined as:

Any subsidiary, associate or joint venture in which PostNL N.V., directly or indirectly, has a controlling interest and/or control.

A **subsidiary** is an entity controlled, directly or indirectly, PostNL N.V. Control is regarded as the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. A **joint venture** is a contractual arrangement whereby PostNL N.V. (in)directly and one or more parties undertake an economic activity that is subject to joint control. An **associate** is an entity that is neither a subsidiary nor an interest in a joint venture and over whose commercial and financial policy decisions PostNL N.V. (in)directly has the power to exert significant influence.

4 Policy provisions and responsibilities

Members of the **PostNL Group Companies** have an obligation to address both the substance and the appearance of conflicts of interest and commitment and, if they arise, to disclose them forthwith to the appropriate management and withdraw from debate, voting, or other decision-making processes or activities where a potential conflict of interest exists or might arise.

Employees are expected to satisfy all of the requirements of their jobs, and should not permit outside activities to interfere with the performance of their PostNL obligations. Membership on not-for-profit boards and other similar community activities are encouraged to the extent that they do not create a conflict of commitment. If in doubt, always discuss it with next higher management level.

4.1 Disclosures

Management is required to complete the Letter of Representation (LOR) twice a year and is required to disclose activities, relationships, and information needed to evaluate potential conflicts of interest. Whenever the activities and relationships change materially, the disclosures are to be updated as soon as possible, in writing. Individuals should disclose, as soon as foreseeable, expected changes or newly anticipated conflicts before they occur.

However not withstanding this, all employees (and prospective employees as of signing their employment contracts) are required to inform their manager, in writing, of any potential conflicts of interest as soon as a situation arises. Managers will then decide on next steps to follow.

Disclosure will include:

- Service and professional engagements when serving in a position of responsibility, such as an officer or a member of a Board of Directors or Supervisory Board;
- Lavish gifts as this kind of gifts are not in accordance with the PostNL group policy on Gifts & Entertainment;
- Lavish entertainment as this kind of entertainment is not in accordance with the PostNL group policy on Gifts & Entertainment;
- Direct or indirect interest or relationship of the employee or an immediate family member with a supplier, customer, competitor or any other organisation, where such interest or relationship might affect or might potentially affect the employee's independence or

objectivity in fulfilling his or her duties and responsibilities to the PostNL Group or make any business decision;

- A family member or close friend application for a job position where that position has reporting lines to or from the employee, or the employee is in charge of making the decision about the job application.

When in doubt, all employees must consult their managers or contact the Audit & Security department in order to clarify the matter.

4.2 Group policy owner

The group policy owner is the Director Audit & Security. The group policy owner is responsible for reviewing this group policy on an annual basis to assess whether revisions are necessary. The group policy owner is also responsible for monitoring compliance with this group policy.

4.3 Related group policies and procedures

- PostNL Business Principles
- PostNL group policy on Gifts & Entertainment
- PostNL group procedure on Whistleblowing

5 Relationship between group policies and local policies

All **PostNL Group Companies** must adopt and implement this group policy. It is prohibited from amending or re-branding this group policy as a local policy. Any related local policy must be aligned with this group policy.

Local procedures may be developed to support the implementation of this group policy. A local procedure may widen the coverage of this group policy, but it must not limit or redefine the requirements of this group policy.

The managing directors of a **PostNL Group Company** are responsible for ensuring translations of this group policy are an accurate and fair translation in all aspects.

6 Communication

This Group Policy has been formally issued by the CFO on behalf of the PostNL Board of Management. This Group Policy is published on the ConnectPostNL website.

7 Implementation

It is the responsibility of all PostNL Group Company's Managing Directors, Head Office Directors and Statutory Directors to implement fully the requirements of this group policy. The policy owner is responsible for providing all additional communications and/or training/guidance as required to assist with the implementation process.

The policy owner has delegated the responsibility of monitoring compliance of this Group Policy to the CFO, whereby the compliance with the document retention and document destruction sections are also delegated to the CFO.

This policy has been implemented with effect from 31 May 2011.