

**Agenda item 9 – Proposal to appoint Mr Tex Gunning to the Executive Board –  
Explanation with regard to the terms and conditions:**

On 25 February 2013 the Supervisory Board of TNT Express announced the appointment of Tex Gunning as CEO, pending shareholder approval, effective June 1<sup>st</sup> 2013. The remuneration of Tex Gunning is fully aligned with the approved 2012 Executive Board remuneration policy. The main terms and conditions of the Board Agreement of Tex Gunning are as follows:

- Yearly Base Salary: € 750,000.
- Short Term Incentive opportunity of 50% of base salary for ‘at target’ performance and an additional opportunity of 25% for ‘stretch’ performance.
  - According to the remuneration policy, 60% of the target setting will be linked to the financial performance and 40% of the target setting will be linked to non-financial performance of the company.
  - Tex Gunning may on a voluntary basis participate in the bonus/matching plan by investing a maximum of 50% of the gross payout of the short-term incentive of the previous year (but not more than 25% of their gross annual base salary). However, the investment in TNT Express shares cannot be more than the net proceeds of the bonus. After a three-year holding period, these shares will be matched on a one-to-one basis.

In the event that the EBIT target is met every year during this three-year holding period, a maximum additional match will be made on a one-to-two basis, resulting in a total award of three matching shares. If the performance is below the EBIT target, there is no delivery of additional matching shares for that specific year.

- Long Term Incentive (LTI) grant of rights on performance shares based on an (IFRS) value of 30% of the annual base salary. The performance shares vest after a three-year period. The actual number of shares that vest depends for 50% on the relative TSR performance of the company and for 50% on non-financial performance of the company.
- Pension arrangements on the basis of the TNT Express remuneration policy.
- Severance payment of 12 months base salary.
- Change in Control clause with a termination payment based on 24 months salary, 2 times average bonus over the 3 consecutive financial periods and 2 years pension contribution.

For more details please refer to the TNT Express remuneration policy described in the 2012 annual report.

