From Postal innovation to e-nnovation

Presentation for



Massimo Bollati

ICT & Digital Director

S +39 02 5072200

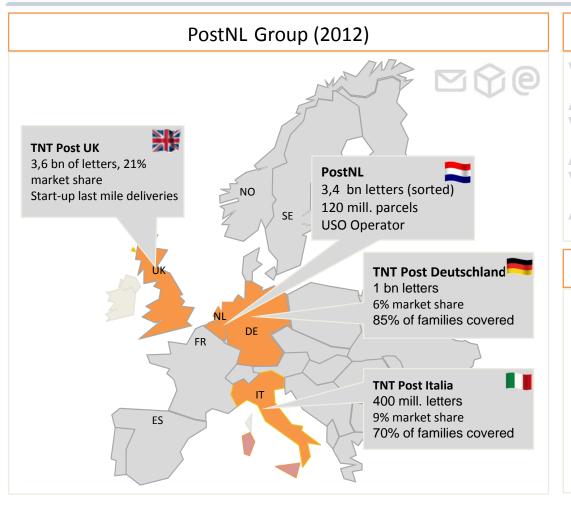
<u> m.bollati@tntpost.it</u>

http://it.linkedin.com/in/massimobollati

Location: Bari, Italy Date: May 3rd, 2013



PostNL, the international group that specialises in mail, parcels and e-commerce





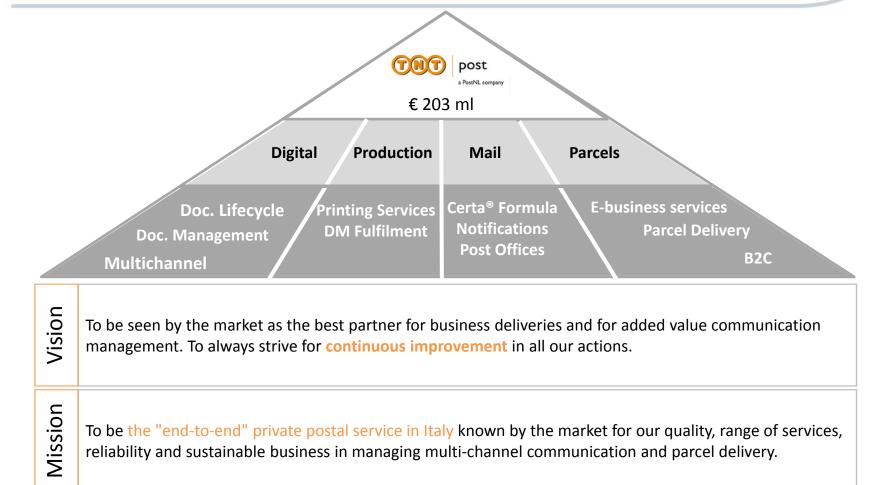
PostNL in figures

E-commerce

- 9 billion letters in UK, DE , IT and NL
- **106 million** parcels
- **66,441** employees
- **4,533** vehicles
- **2,600** post offices and Business Points in Holland
- **€ 4,3 billion** in turnover

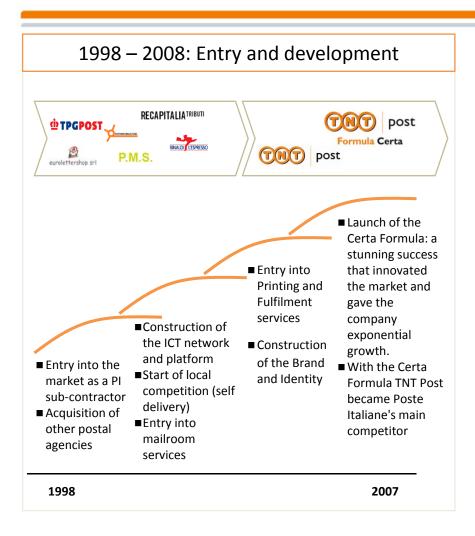


In Italy Post NL is TNT Post





TNT Post, leading private postal operator in Italy



2008 – 2012: expansion and consolidation

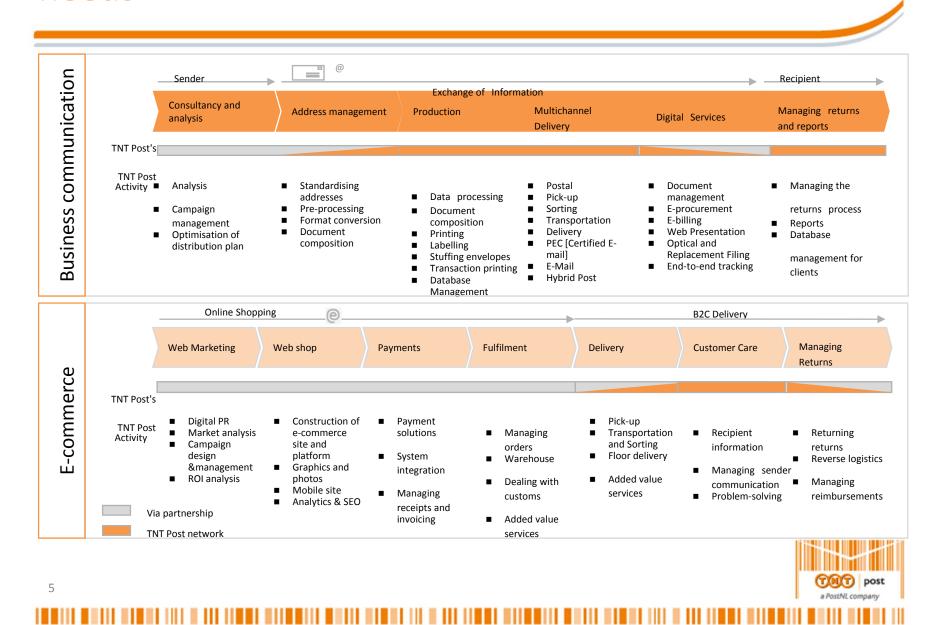
- 2009: Turnaround plan and reorganisation
- 2010: Geographical expansion mainly due to development of the Certa Formula distribution channel and consolidation of the client base.
- 2011: Government Decree on Liberalisation
- 2011: Focus on core business areas (sale of unaddressed division and Telepost mailroom services)
- 2012: Identification of key areas for developing new business (parcel, digital services)

2012: figures

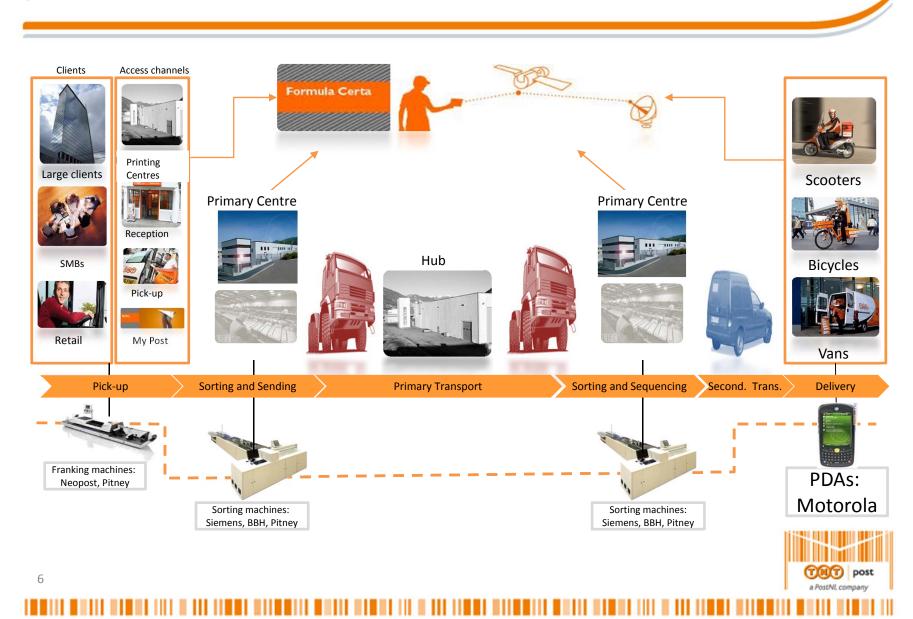
- 5,500 operators
- More than 15,000 clients
- About 70% of Families covered
- About 400 m letters delivered
- 150 m printed envelopes



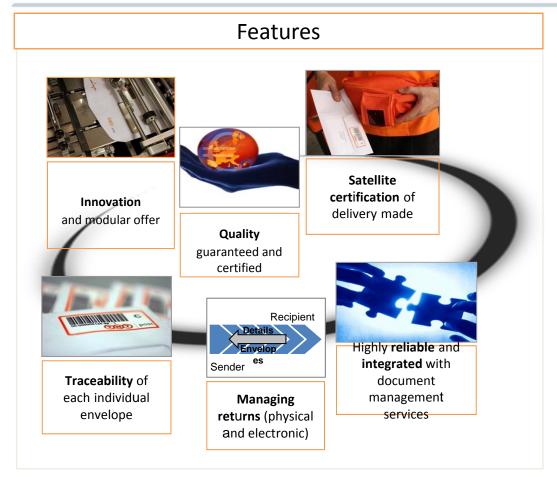
TNT Post: a single contact for business delivery needs



Formula Certa[®]: the satellite certified delivery process



All the advantages of Formula Certa®



Benefits

- ■Complete process control
- ■Saving on total delivery costs
- ■Punctual delivery for more than 97% of items sent
- Dedicated **Customer service**: from start-up to assistance
- Accurate reports for all correspondence statuses
 - > Returns with all reasons
 - ➤ Post office boxes
 - ➤ Ordinary post items

Formula Certa® Network

Network

11 Basins

10 Sorting Centres (15,000 m²)

17Sorting machines

Tractors and transportation

142 vehicles (lorries, vans)

20,000 km/day

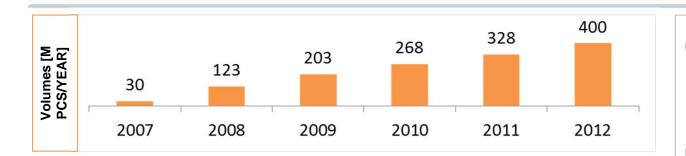
35 suppliers

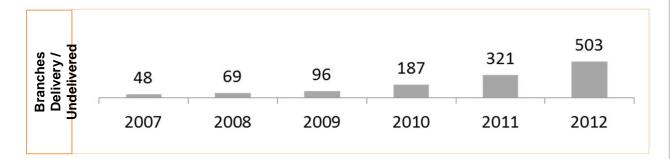


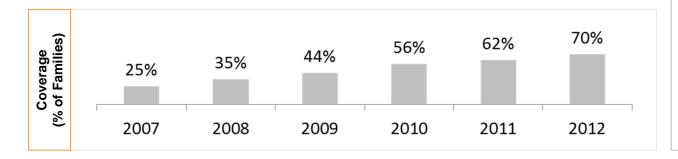
Formula Certa® is a system authorised by the Telecommunications Ministry



The evolution of Formula Certa®



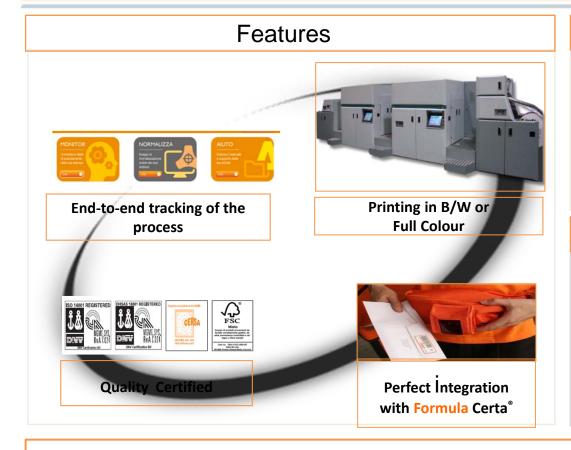




- TNT Post's logistics team has increased the volumes handled ten fold in the first 4 years, maintaining a growth trend in 2012 as well.
- The increase in business went hand in hand with development of the logistics / distribution network that aims to constantly guarantee and improve the highest levels of service for our clients:
 - Upgrading of existing structures (increase of clients on the perimeter)
 - Increasing the distribution structures (increasing national coverage)
 - Re-engineering the network based on the introduction of "mechanisation".



Formula Stampa: Performance, efficiency, quality



Benefits

- Efficiency: reduction of the TCO for printing and delivery processes thanks to integration with the Certa® Formula
- Performance: reduction of "crossing time" for the entire process. Increased security thanks to the entire e2e process
- Quality: the production and reporting environments are based on solid ERP and CRM systems that are able to ensure reliability, control, scalability, and modularity of the solution

Assets

Printers

Max capacity

- B&W 2,100,000 A4 (F/B) / day
- Full Colour 1,200,000 A4 (F/B) / day
- **■** Envelope stuffing machines

Max capacity (@ 4 sheets/envelope):

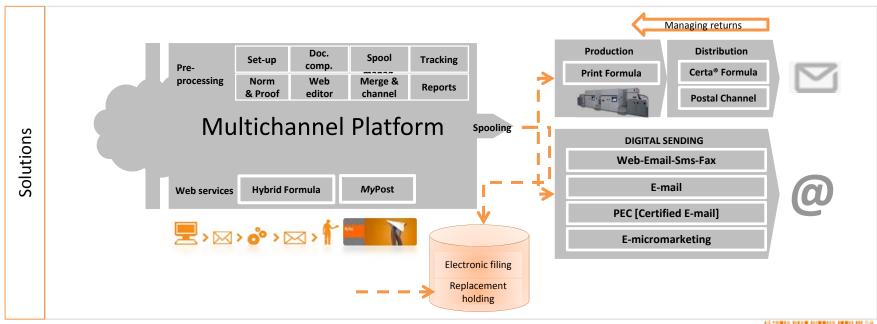
- 1,100,000 envelopes / day
- Disaster Recovery data and production

3 production sites that produce about **150,000,000** envelopes and **500,000,000** printed sheets per year with digital technology



Document management: a suite of services for all market needs







Digital Services. Innovative, flexible, tailor made

Document composition

- Management of documents in all types of format: electronic (PDF, AFP, record track, XZML, CSV, TXT, etc.)
- Conversion, if necessary, of the documents acquired into PDF and indexed according to the reading keys requested by the client. Two possibilities:
 - Creation ex-novo of the document using the agreed layout
 - Personalisation / changing of documents already "composed and paginated"
- Composition of individual documents: number of sheets and bar code identification
- Correspondence breakdowns according to Post Codes and delivery channels

Multichannel

- Documents sent to the recipient in hard-copy format and/or electronic format
 - > F-Mail
 - Certified E-Mail PEC
 - > Internet Presentation
 - **>** ...
- All output documents are recorded in PDF and organised to be able to use traditional electronic filing and replacement keeping.
- PEC sending along with keeping according to the regulations, provides maximum legal value to the electronic transmission



Systematic control at each stage of the production process

Formula Ibrida. Mail created online in hard-copy

Features

- The Hybrid Formula is an innovative service that prints, puts into envelopes, and delivers computer generated documents as "real" post, with traceable, certified delivery when requested.
- Particularly simple, also because no software need be installed, allows document flows to be managed easily from your desk
- Extraordinarily flexible, can handle individual or multiple postings with distribution lists, choosing the type of printing and delivery (Certified or Registered Post)
- Innovative by very cost effective: The Hybrid Formula offers the most competitive price on the market

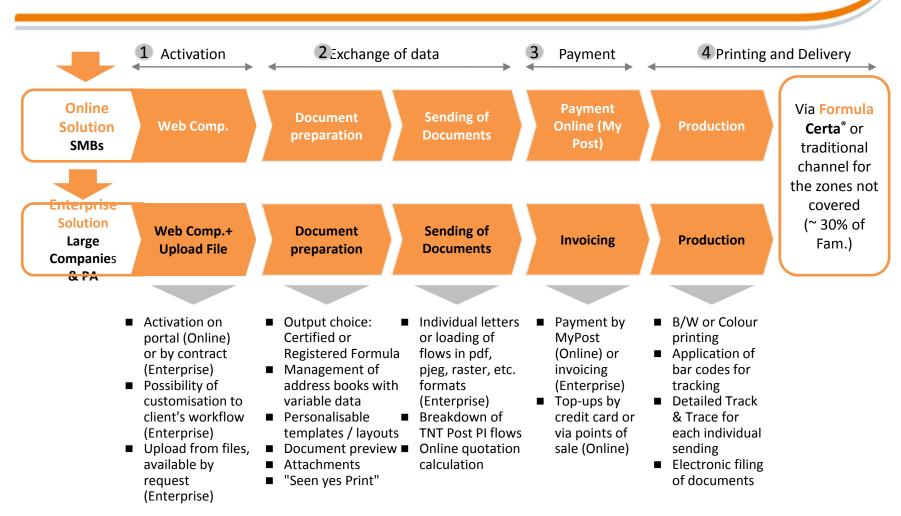


Advantages

- Ease of use: documents are created online, saving time
- **■** Personalisation:
 - Managing document templates and headings
 - Possibility of including images and attachments (in the formats allowed)
 - Printing in colour or black and white
 - Possibility of multi-user management and levels of authorisation
- **Traceability** for deliveries made using Formula Certa
- Low cost: no software license. All-inclusive offer, extremely cost effective



For any business size





Sistema ompleto





Sistema Completo meets the clients' needs



Increase in the percentage of successful deliveries

- Two attempts at delivery, always agreed: more efficiency and serving the recipient
- Contact for appointment within 24 hours: Within 24 hours of picking up the goods we contact the recipient by phone to set an appointment (maximum timescale 3 hours) for delivery (Sicily, Calabria, and Sardinia: within 36/48 hours)
- Delivery in 3 days (5 days for the islands)
- Floor delivery
- Deliveries up to 19.00 in the evening



Need

Simplification of the processes

- Abolition of volumetric weight: Only 5 volume or weight 'sizes'. With the Weight Option, simply weigh the delivery to determine the corresponding tariff with the Volume Option, simply measure the box to determine the relevant cost. This makes the process more simple and saves time.
- Dedicated portal: An innovative system for overall management of the delivery process.

 A simple, user-friendly web portal that allows numerous activities, in addition to traceability of each individual delivery: entering of destination file, automatic preparation of delivery note, day-by-day monitoring of the delivery status and lots more.
- Pick up from the sender



Need

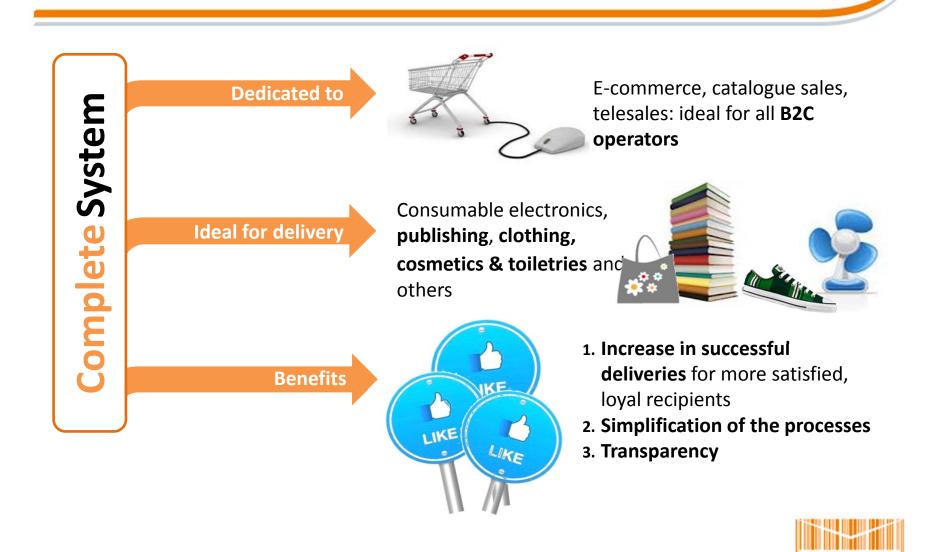
Transparency

- Always included, without surprises: holding costs (up to 10 days), fuel supplement and Limited Traffic Areas.
- Return to sender: 50% of the price

Need



Sistema Completo: a new concept, unique positioning



The Sistema Completo portal. Evolved, simple

Dedicated dashboard on tntpost.it, multiple key track&trace



- TNT Post identifies each individual delivery and records it using a bar code that is read by special PDAs at the time of delivery
- By connecting to a reserved area on the Internet site all parcel processing processes can be monitored, from entry into our warehouses through to delivery
- Deliveries can be tracked using multiple search keys
 - Delivery number Recipient's name Delivery date

Management of loading delivery and holding flows

- Entering of the destination file
- Automatic preparation of the delivery note
- Control of holding

Speeding up of processes, accurate control, ease of use



Thank you for your attention

Q&A

ICT & Digital Director: m.bollati@tntpost.it

Communication: v.pavan@tntpost.it

