Sustainability statement

● **General**

General information

GENERAL DISCLOSURES – Basis for preparation

General basis for preparation of the sustainability statement

KPN's sustainability statement has been prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council. Although the CSRD has not been transposed and implemented in Dutch law in a timely fashion, KPN has chosen to anticipate on this implementation and, in line with the intentions of the CSRD, to report as if CSRD had been implemented in Dutch law in full.

The sustainability statement has been prepared on a consolidated basis and the scope of this consolidated sustainability statement is the same as the scope of consolidation in our financial statements. Unless stated otherwise, environmental, social and governance (ESG) information covers KPN Group including its subsidiaries; see Appendix 1 for KPN's subsidiaries. This datapoint ESRS 2 DR DP-1 5.b.ii has been incorporated for reference purposes. Another datapoint incorporated by reference is ESRS 2 DR IRO-2 56 - ESRS 2 Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation, see Appendix 7.

The comparability of sustainability information between entities and over time may be affected by the lack of historical sustainability information in accordance with the ESRS and by the absence of a uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques, especially in the initial years.

KPN's value chain

This sustainability statement includes value chain information relating to KPN's direct and indirect business relationships. Its scope covers KPN's downstream and upstream value chain through which KPN has very significant impact and where its risks and opportunities are potentially material. KPN's value chain goes beyond the first tier, e.g. indirect business relationships, and includes shareholding positions in joint ventures and investments.

Disclosures in relation to specific circumstances
Time horizon
When preparing our sustainability statement, the short-term time horizon is defined as the same period as the short-term reporting period in our consolidated financial statements (current positions: less than one year). The medium-term time horizon is defined as between the end of the short-term reporting period (as above) and five years, and the long-term time horizon as more than five years. These time horizons are used in all the information presented here, unless stated otherwise.

Estimations and uncertainty in metrics
The metrics set out below include value chain data estimated using indirect sources and/or a high level of measurement uncertainty.

Metric	Details of measurement uncertainty and estimations
Scope 3 emissions	For Category 1 (Purchased goods and services), 2 (Capital goods) and 9 (Downstream transportation and distribution) we use spend data, and for Category 15 (Investments) revenue data, which we convert into emissions by multiplying a relevant emission factor (DEFRA table 13 supply chain) and correct for inflation. There is a degree of uncertainty, as the emission factors have not been updated since 2014.
	For Category 3 (Fuel and energy related activities) we use fuel data, for Category 5 (Waste generated in operations) we use waste data and emission factors of CE Delft, the Dutch Emissions Autority (NEA) and Envirometer (Milieubarometer), for Category 6 (Business travel) declared kilometers of employees, for Category 7 (Employee commuting) employees' estimated commuting kilometers from CBS Statistics Netherlands, and for Category 11 (Use of sold products) and 13 (Downstream leased assets) estimates of product energy consumption and expected lifetime, which we convert into emissions by multiplying by a relevant emission factor (CO2emissiefactoren.nl). The emission factors used are specific to the Netherlands and have a high level of certainty. The level of accuracy is assessed as medium.
	We use actual and estimates of product weight data for Category 12 (End-of-life treatment of sold products), which we convert into emissions by multiplying by a relevant emission factor (CE Delft). The emission factors used for B2C are specific to the Netherlands and have a medium level of certainty (based on 2021). The emission factors used for B2B are reported by suppliers (based on global and/or Dutch level) and have a medium level of certainty.
	We will investigate other standards for emission factors to replace DEFRA and CE Delft in 2025.

● General

Metric	Details of measurement uncertainty and estimations
Estimated avoided energy consumption, CO_2e emissions and particulate matter emissions	The impact of working from home is estimated based on the following main assumptions: • Market share of broadband subscribers • Percentage home workers • Average working hours from home per week per home worker • Percentage travel by car These assumptions are based on Dutch market estimates and have a medium level of accuracy.
Circular inflow	Static (reference) data with product characteristics primarily originate from supplier data, product passports, expert opinions and proxies based on public information. The level of accuracy is relatively low due to low availability of data at bill-of-material level. We focus on getting direct and actual data from suppliers to limit use of estimations (e.g. validated digital product passports). High level of uncertainty is due to the availability and quality of data from our upstream and downstream value chain. When making assumptions, approximations and judgments we have the following order of preference: 1. product passports, 2. supplier information, 3. develop expert opinions, 4. use proxy based on public information, 5. report on incomplete data coverage, 6. assume a linear scenario.
Reuse and recycling	Amounts of waste are allocated to different types of disposal method based on processing rates (%). The processing rates come from general public information and/or average data (e.g. country level). The level of accuracy is deemed fairly high. Processing rates are compared per waste flow to comparable waste flows to determine reliability, where possible. We focus on getting direct and actual data from waste processors to limit use of estimations.

Forward-looking information in this report involves risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements.

The measurement of the metrics in this sustainability statement are not validated by an external body other than our external auditor.

Changes in preparation or presentation of sustainability information

KPN has changed the preparation of the sustainability statement to be in accordance with ESRS compared with the prior year's preparation of sustainability information when the GRI Sustainability Reporting Standards supplemented by KPNs' own criteria were applied. In case of material changes in the preparation and presentation of individual metrics and disclosures, we disclose the nature of these changes, the new information provided, including the difference between the previously reported metric and the revised metric and revised comparative figures (if possible). When it is not possible to report revised comparative information, this will be disclosed.

Changes in preparation or presentation versus prior periods

In 2024, there have been changes in the preparation and presentation of some sustainability metrics. The metrics with revised comparative figures are:
• Scope 2 and Scope 3 emissions - metric tons CO_2e (see "Climate change" section for details);
• Collected mobile phones - 2023 figure is updated due to a changed calculation method in line with the GSMA definition (see "Resource use and circular economy" section for details);
• NPS consumer - 2022 and 2023 figures are updated and now based on a full year average instead of a Q4 average reported as in previous years (see "Customer value" section for details);

• NPS business - 2022 and 2023 figures are updated and now based on a full year average instead of a Q4 average reported as in previous years (see "Customer value" section for details);
• Service availability mobile - this metric is replaced by the metric radio network availability (see "Network quality" section for details);
• 5G coverage - 2023 figure is updated due to changes in calculation method (see "Network quality" section for details);
• Number of KPN employees in target group who are SecurX certified - the metric is disclosed in absolute value instead of a percentage (see "Security" section for details).

No material prior period errors
KPN did not identify material misstatements related to sustainability information in prior reporting period.

Subsequent events
Competition authority approval to create a new tower company was received on 6 February 2025. On 13 February 2025, KPN completed the transaction ultimately resulting in a 51% ownership of the shares of Althio. Sustainability information related to the acquisition of Althio will be included in the sustainability statement as of 13 February 2025. For more information, see Note 26 to the consolidated financial statements.

Reporting on current and future capex investments
KPN continuously invests in its network infrastructure, products, customers and employees, resulting in high-quality fixed and mobile networks. KPN focuses on improving the customer experience by further investing in the capacity, reliability and stability of its integrated network. These initiatives require significant investments in capital expenditure. KPN invested €1.25 billion in 2024 related to fiber rollout, customer driven initiatives and other.

● **General**

We plan to invest €1.25 billion in 2025 in our network infrastructure, network quality (rollout 3.5 GHz and densification and replacement sites), consumer and business market initiatives, products and services, which are investments that impact several of our material topics and IROs. Our action plans, including our transition plan, are embedded in and aligned with our business strategy. Our financial forecast relating to action plans is in progress, including future resources, capex and opex, and will be updated annually. Currently, we are not able to report on our future investment plans at the level of individual action plans, since our data structure does not accommodate this. Some investments impact the capex of multiple action plans, making it not possible to split resources by individual plans.

Supervisory Board	Experience in telecommunications and IT	Experience in digitalization and cybersecurity	Geographical area relevant for KPN
G.J.A. van de Aast	X	X	NL
H.H.J. Dijkhuizen		X	NL
F. Heemskerk	X		NL
M. de Jager			NL
K. Koelemeijer		X	NL
B.J. Noteboom			NL
E.J.C. Overbeek	X	X	NL
J.C.M. Sap			NL
R. Shuter	X	X	NL

Governance

The role of the administrative, management and supervisory bodies
Composition and diversity of the members of the Board of Management and the Supervisory Board
KPN has a two-tier management structure with a Board of Management (solely composed of executive directors) and a Supervisory Board (solely composed of non-executive directors).

The Board of Management consists of six members. Three members of the Board of Management are male and three are female - 50/50 gender diversity ratio. The Supervisory Board consists of nine independent members. Six members of the Supervisory Board are male and three are female. The Supervisory Board maintains a gender diversity ratio of 66.7% male and 33.3% female. Dutch corporate law does not require any direct representation of employees or other workers on the management and supervisory bodies. However, according to Dutch corporate law requirements and the Company's articles of association, the Central Works Council has an enhanced right to recommend people for nomination to the Supervisory Board for up to one-third of its members. The Supervisory Board must nominate the person so recommended unless it is of the opinion that this person would be unsuitable to fulfill the duties of a Supervisory Board member or that this appointment would cause the Supervisory Board to be improperly composed. Three of the nine members of the Supervisory Board were appointed following the recommendation of the Central Works Council.

Prior to or since their appointment as members of the Board of Management, all members have gained experience in telecommunications and IT and in digitalization and cybersecurity in the Netherlands. An overview of the current experience of the members of the Supervisory Board relevant to KPN's sectors, products and geographical areas is provided in the matrix hereafter:

Roles and responsibilities of the Board of Management and the Supervisory Board for sustainability matters
Sustainability matters are embedded in KPN's strategy and organizational structure. The sustainability strategy and goals related to this are part of our overall strategy for sustainable long-term value creation. Since KPN is focused on sustainability, overall ownership of sustainability matters is with the Board of Management. The Board of Management as a whole is responsible for oversight of sustainability related impacts, risks and opportunities. The Supervisory Board, supported by its ESG Committee, oversees the development and implementation of the sustainability strategy and related goals related thereto, as part of KPN's overall strategy for sustainable long-term value creation. The ESG Committee is a preparatory committee for the Supervisory Board. It acts, on behalf of the Supervisory Board, as a sounding board for the Board of Management on sustainability-related topics and target-setting, and provides guidance to the Supervisory Board in this respect. The Board of Management informs the Supervisory Board of any sustainability issues at an early stage. Separately, the Audit Committee within the Supervisory Board is kept up to date with sustainability reporting developments. To ensure proper control over external reporting, any (approval of) target-setting on ESG topics by the Supervisory Board (if and when required) is aligned between the ESG Committee and the Audit Committee.

The purpose of the ESG Committee is described in its terms of reference: to support and advise the Supervisory Board in overseeing the development and implementation of the company's sustainability strategy and the goals related to this, as part of KPN's overall strategy for sustainable long-term value creation. The ESG Committee periodically reviews progress made in implementation of the sustainability strategy and the goals and targets set as part of this. It oversees compliance with sustainability-related laws and regulations, as well as alignment with the Paris climate goals and the EU's "Fit for 55" ambition, in as far as this has not been specifically assigned

● General

to another committee. The ESG Committee provides input to the Remuneration Committee for determining sustainability targets as part of the company's remuneration policy and input to the Audit Committee in relation to sustainability reporting. One of the purposes and responsibilities of the Audit Committee, as described in its terms of reference, is to supervise the integrity and quality of the sustainability reporting.

The Board of Management's responsibilities for sustainability-related impacts, risks and opportunities are reflected in the by-laws of the Board of Management. The general duties of the Board of Management include ensuring sustainable long-term value creation while taking into account the impact that the activities of KPN and its affiliated enterprise have on people and the environment and weighing the relevant stakeholder interests. When developing the strategy, the Board of Management pays attention to the impacts, opportunities and risks of KPN and its affiliated enterprises in the field of sustainability, including the effects on people and the environment. In accordance with its by-laws, the Board of Management engages the Supervisory Board at an early stage in drawing up the strategy for realizing sustainable long-term value creation and is accountable to the Supervisory Board for the strategy and its execution. In turn, the by-laws of the Supervisory Board emphasize early engagement of the Supervisory Board with the Board of Management in drawing up the strategy for realizing sustainable long-term value creation. The supervision of the Board of Management by the Supervisory Board furthermore includes the Board of Management's activities regarding the creation of a culture aimed at sustainable long-term value creation and weighing of any impacts of KPN and its activities on people and the environment.

The Board of Management as a whole is responsible for target-setting, oversight, monitoring and managing of the sustainability agenda and related impacts, risks and opportunities. Each ESG theme is assigned to a specific member of the Board of Management as theme owner to provide support and guidance to senior management in the fulfillment of ESG ambitions and objectives. The senior management of the company is responsible for developing and executing relevant programs,

plans and actions to ensure that sustainability ambitions and goals are met. Progress and results are reviewed periodically by members of the Board of Management as part of regular management oversight and/or in separate dedicated committees. Senior managers have seats on the ESG Board, which oversees and links strategy implementation on the various ESG themes. The members of this coordinating body report to their line manager and inform the CSR Manager, who chairs the ESG Board.
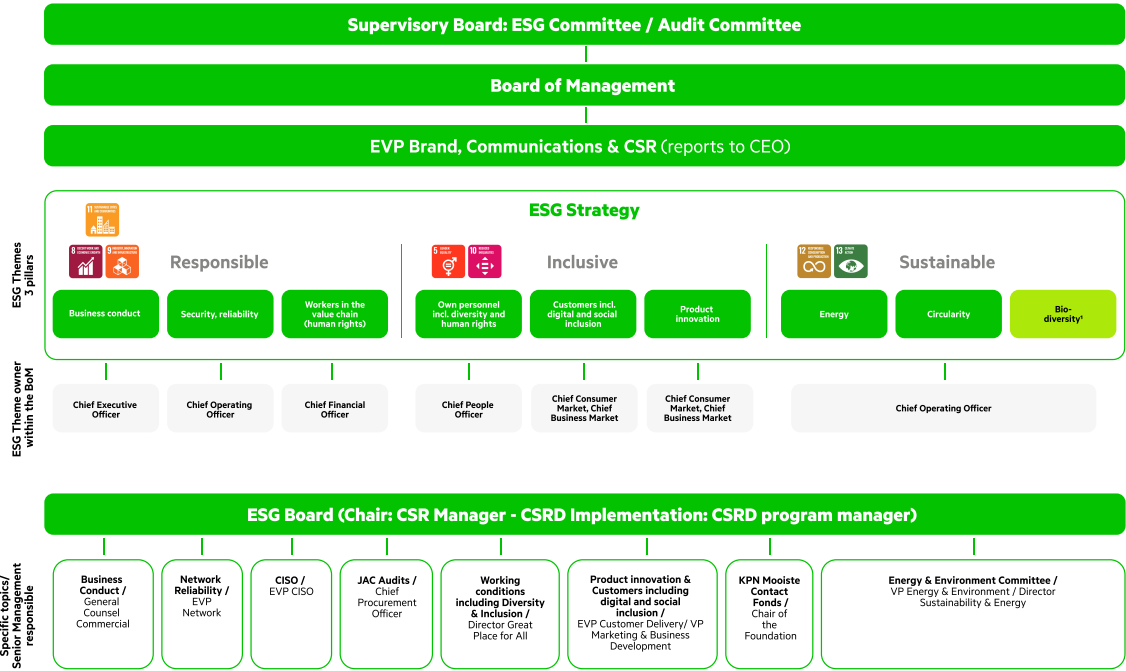
The CSR Manager reports to the EVP Brand, Communications & CSR, who in turn reports to the CEO. The ESG Board supports the Board of Management in validating the sustainability related impacts, risks and opportunities, defining actions and setting targets for relevant ESG topics and monitoring performance against those targets. The ESG Board supports management with execution of the ESG agenda and ensures oversight and alignment. With the support of the ESG Board, the Board of Management is enabled to oversee, monitor and manage the sustainability-related impacts, risks and opportunities and make well-informed decisions.

On a quarterly basis, an ESG update is provided to the Board of Management by the CSR Manager. The Board of Management discusses the overall performance on sustainability, trends and external developments that have a material impact or potential impact on KPN. Sustainability related topics are on the Supervisory Board's agenda on a regular basis, and its ESG Committee meets four times a year on average. The system as described above is currently applied to sustainability themes, in addition to regular management oversight. Going forward, we foresee that reporting and oversight on sustainability-related impacts, risks and opportunities will become more and more integrated into regular management reporting and oversight structures, controls and procedures. The same applies to controls and procedures related to reporting on sustainability-related matters as further set out in the section "Risk management and internal controls over sustainability reporting".

KPN's ESG governance structure is shown in the following diagram:

● **General**

ESG Governance

Supervisory Board: ESG Committee / Audit Committee

Board of Management

EVP Brand, Communications & CSR (reports to CEO)

ESG Themes 3 pillars

ESG Strategy

Responsible			Inclusive			Sustainable		
Business conduct	Security, reliability	Workers in the value chain (human rights)	Own personnel incl. diversity and human rights	Customers incl. digital and social inclusion	Product innovation	Energy	Circularity	Bio-diversity¹

ESG Theme owner within the BoM

Chief Executive Officer	Chief Operating Officer	Chief Financial Officer	Chief People Officer	Chief Consumer Market, Chief Business Market	Chief Consumer Market, Chief Business Market	Chief Operating Officer

ESG Board (Chair: CSR Manager - CSRD Implementation: CSRD program manager)

Specific topics/ Senior Management responsible

Business Conduct / General Counsel Commercial	Network Reliability / EVP Network	CISO / EVP CISO	JAC Audits / Chief Procurement Officer	Working conditions including Diversity & Inclusion / Director Great Place for All	Product innovation & Customers including digital and social inclusion / EVP Customer Delivery/ VP Marketing & Business Development	KPN Mooiste Contact Fonds / Chair of the Foundation	Energy & Environment Committee / VP Energy & Environment / Director Sustainability & Energy

¹Biodiversity is an emerging topic and is integrated in KPN's ESG strategy (design phase, learning by doing) although it is not a material topic in terms of the double materiality assessment

Annually ESG objectives related to material impacts, risks and opportunities for the year ahead are discussed with the Board of Management by the CSR Manager on behalf of the ESG Board, which also prepares KPN's ESG objectives. Once the targets are approved by the Board of Management, the ESG data included in the sustainability KPIs used to monitor the realization of KPN's ESG objectives is periodically reported to and discussed with the Board of Management by the Chair of the ESG Board. In addition to periodic ESG reviews, sustainability-related topics are addressed in meetings of the Board of Management and meetings of the Supervisory Board on an ad hoc basis. The ESG Board meets once every four weeks to define and monitor actions necessary to implement ESG objectives and their respective KPIs. To obtain sufficient outside-in reflection, stakeholder dialogues are held with external experts to advise KPN on its approach to ESG in general and give more in-depth input on the ESG themes. For more information on the stakeholder dialogues, see page 14 of this sustainability statement.

The Board of Management and the Supervisory Board aim to continuously develop appropriate skills and expertise to be able to oversee sustainability matters, including the specific knowledge and experience needed by each member for their specific area of ESG expertise.

The Supervisory Board has set a profile for its composition that is used periodically, and in particular when a vacancy arises, to assess the available and required expertise. This profile explicitly specifies that the Supervisory Board as a whole should possess knowledge of and/or experience in environmental, social and governance (ESG) matters. If the Supervisory Board concludes that it does not have sufficient knowledge or experience in such matters, it may either nominate a candidate with such knowledge or experience, improve the knowledge or experience of its existing members through (joint or individual) education (whether in-company or by external experts), or it may engage specific external advisers. At present, the Supervisory Board includes several members with expertise in either environmental, social or governance matters, or a combination of these, as

● **General**

indicated in the skills matrix that is included in the Report by the Supervisory Board.

The Board of Management is composed of business leaders who provide leadership in all aspects of their business, and of KPN as a whole. Their leadership covers KPN's strategy, including any ESG aspects of this. In addition, each member of the Board of Management holds responsibility for a specific ESG theme. Members of the Board of Management build their knowledge and expertise in these domains, drawing on their business experience, input from company specialists and where relevant, from training and/or external advisers.

In determining the composition of both Boards, the Supervisory Board takes constant account of the company's strategy, which includes its sustainability strategy and its material impacts, risks and opportunities.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Board of Management is informed about, and has acknowledged the material impacts, risks and opportunities within the framework of the double materiality analysis process as described on page 18. Specific targets can be adopted by the Board of Management normally based on the proposal of the ESG Board. During the ESG update meetings with the Chair of the ESG Board and the Board of Management the results and effectiveness of policies and actions are reported. Sustainability related topics are addressed in the meetings of the Board of Management on ad hoc basis.

The Board of Management takes the identified material impacts, risks and opportunities into consideration when defining and updating KPN's overall strategy. Specific attention is paid to ESG issues during the decision-making process on major transactions and, in some cases, this can lead to defining specific follow-up measures and monitoring. To support decision-making on major transactions, information submitted to the Board of Management and the Supervisory Board contains a description of ESG impacts and risks if relevant and material. During the reporting year no material trade-offs associated with sustainability-related impacts had to be considered.

Detailed descriptions of the material impacts, risks and opportunities (IROs) identified and addressed by the Board of Management in 2024 are given elsewhere in this sustainability statement: for environmental IROs (climate change and resource use and circular economy) see the environmental section starting on page 25; for social IROs (own workforce, workers in the value chain and consumers and end-users) see the social section starting on page 62; and for governance IROs see the governance section starting on page 111.

Integration of sustainability-related performance in incentive schemes

Sustainability-related performance is integrated in the incentive schemes for members of the Board of Management as laid down in KPN's remuneration policy. Its main principles are based on a balance between market-competitive standards, the ratio between fixed and variable pay, and the linkage of KPN's economic and ESG performance with the non-financial parameters of variable pay.

KPN's general meeting of shareholders sets the remuneration policy for members of the Board of Management and the Supervisory Board, based on a proposal by the Supervisory Board. Within the Supervisory Board, the Remuneration Committee prepares decisions for the full Supervisory Board on both the remuneration policy and the application of this in individual situations. Every year, the Remuneration Committee drafts a report on the application of the remuneration policy and the individual remuneration of members of the Board of Management and the Supervisory Board in the previous year. This report is submitted to the annual general meeting of shareholders(AGM) for an advisory vote. The Remuneration Committee regularly discusses and reviews the remuneration policy in light of relevant developments in the company's strategy and organization, legislation, and stakeholder considerations. If deemed necessary, the Remuneration Committee will propose changes to the Supervisory Board for final submission to the general meeting of shareholders. The remuneration policy is submitted for shareholders' approval at least once every four years. Prior to submitting the remuneration policy or an amendment to the policy to the AGM, the Remuneration Committee collects the input of various stakeholders and requests the advice of the Central Works Council.

The sustainability-related performance and goals related to ESG aspects are included in the short-term incentive (STI) plan and the long-term incentive (LTI) plan. In 2024, the performance of the Board of Management members was assessed against the following specific sustainability-related targets: NPS (STI-plan), broadband lines (STI-plan), diversity (LTI-plan) and Scope 3 CO_2e emissions (LTI-plan). 15% of the STI-plan and 30% of the LTI-plan were dependent on these sustainability-related targets. A detailed description of KPN's remuneration policy for the Board of Management, a breakdown of the specific sustainability-related targets included in the STI and LT plans, including the 2024 performance, and the proportion of variable remuneration dependent on the ESG-related targets, are included in the remuneration report on page #.

● General

Statement on due diligence

In this sustainability statement we provide information about the due diligence process with regard to sustainability matters which helps us to assess KPN's impacts, risks and opportunities related to material sustainability matters. The main aspects and steps of the due diligence process we apply are described in the following sections of this sustainability statement:

Core elements of due diligence	Sections in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	i. Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies ii. Integration of sustainability-related performance in incentive schemes; iii. Material impacts, risks and opportunities and their interaction with strategy and business model.
b) Engaging with affected stakeholders in all key steps of the due diligence	i. Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies; ii. Interests and views of stakeholders; iii. Description of the process to identify and assess material impacts, risks and opportunities; iv. Environmental, social and governance sections of this sustainability statement: policy tables answering minimum disclosure requirements; v. Environmental, social and governance sections of this sustainability statement: reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process.
c) Identifying and assessing adverse impacts	i. Material impacts, risks and opportunities and their interaction with strategy and business model. ii. Description of the processes to identify and assess material impacts, risks and opportunities.
d) Taking actions to address those adverse impacts	i. Environmental, social and governance sections of this sustainability statement: key action tables answering minimum disclosure requirements; ii. Environmental, social and governance sections of this sustainability statement: reflecting the range of actions, including transition plans, through which impacts are addressed.
e) Tracking the effectiveness of these efforts and communicating	Environmental, social and governance sections of this sustainability statement: metrics and targets paragraphs.

Risk management and internal controls over sustainability reporting

Following the requirements of the CSRD and related ESRS, KPN started developing and implementing a control framework for reliable sustainability reporting (RSR), which will be further enhanced and expanded in the years ahead. The objective of the RSR framework is to safeguard the reliability of the sustainability information as disclosed in the sustainability statement and to ensure that the risk of material misstatements is reduced to an acceptable level. For this year, the RSR framework development focuses primarily on the reliability of a limited number of sustainability KPIs that are used to monitor the realization of KPN's ESG objectives. For subsequent years, the scope will be broadened to other sustainability KPIs.

In addition to the RSR framework, several other procedures are implemented to reduce the risk of material misstatements in our sustainability statement, such as review procedures performed by subject matter experts within KPN and KPN Audit.

The RSR framework is part of KPN's internal control systems (KICS) and will follow in the coming years the same risk management methodologies, tooling and reporting principles as for the reliable financial reporting (RFR) and compliance frameworks, and in accordance with KPN's three lines model. For more information, see the section on "Compliance & Risk" starting on page #.

The framework will comprise risks and controls in KPN's own operations, and will be supplemented - where necessary and possible - with the risks and controls of suppliers in the upstream or downstream value chain.

● **General**

Strategy

Strategy, business model and value chain

Key elements of KPN's general strategy that relate to or affect sustainability matters
ESG is at the heart of what we do and is part of our strategy. We are a frontrunner in ESG, endorsed with the highest rankings from e.g. MSCI and Ecovadis. Likewise we are ESG leaders in the perception of consumers according to research conducted by the Sustainability Brand Index. This imposes a duty on us but is also a key area of differentiation. We believe that a sustainable business is a better business, and we are truly committed to creating long-term sustainable value for all our stakeholders.

In our strategy we focus our efforts in three areas, clearly linked to seven of the UN's Sustainable Development Goals (SDGs):

• We are a responsible corporate entity; we prioritize reliability and security and uphold fundamental human rights across our entire supply chain.

• We will strengthen our commitment to diversity and inclusion in all respects, both as an employer and as a service provider. Our people-centric culture will foster sustainable growth, and our commitment to ESG will make us a force for good in Dutch society.

• We will continue to be a front-runner in achieving net-zero emissions and circularity. We will continue to reduce our energy consumption, even in the face of upward pressure from data volume growth.

We will create "Better Internet", enabling everyone in the Netherlands to enjoy seamless access to an always-on, high-quality and secure internet, powered by fiber and 5G.

Our sustainable growth journey: Responsible, Inclusive, Sustainable
We believe a "Better Internet" is about much more than speed tiering, unlimited bandwidth and private networks. It's about making the internet a trusted space where we can all thrive, a part of society where we all feel welcome and connected, and where we minimize the negative and maximize positive impact. KPN is experiencing more and more demands in the area of sustainability.

• Sustainability is viewed much more broadly these days. People now talk more about environmental, social and governance (ESG) and this covers a wide range of areas.

• Business customers, NGOs and governments have higher demands or simply expect us to do business in a sustainable way, and that a company should be a good citizen.

• Regulations force us to take more action and be transparent about our sustainability. But, more importantly, we are intrinsically motivated to do good for society, with which we are inextricably linked. That is why we do everything we can to connect everyone in the Netherlands to a sustainable future.

A sustainable future also means that KPN must remain financially healthy so that we as a company can continue to achieve these objectives.

As of 2024, we decided to broaden our scope because our strategy makes an impact on a broader range of areas. In our ESG strategy for 2024-27 we are focusing on three key pillars: responsible, inclusive and sustainable. We are committed to seven of the UN SDGs: SDG 5: Gender equality; SDG 8: Decent work and economic growth; SDG 9: Industry, innovation and infrastructure; SDG 10: Reduced inequalities; SDG 11: Sustainable cities and communities; SDG 12: Responsible consumption and production; and SDG 13: Climate action.

Responsible
We are committed to responsible business. Our services are designed to be responsible and secure, ensuring that society can always count on us. For example, we aim to achieve around 100% radio network availability by 2025, to enhance our technical employees' awareness of problems such as phishing, and to raise Dutch people's confidence in the safety of their data with KPN. We aim to conduct business with respect for people, emphasizing ethical practices, sustainable procurement and good working conditions, while placing human rights at the forefront.

Inclusive
Connectivity is our strength, inclusion is our foundation. We are dedicated to building a digital society accessible to all, where individuals can be their authentic selves. We actively promote digital and social inclusion, ensuring that no one is left behind and everyone can seize the opportunities offered by the digital world. As an organization, we are committed to fostering diverse teams to enhance performance, provide a wider range of perspectives and ensure that our customers feel seen and valued. We assess our impact through various means, including the effectiveness of programs such as Entrepreneurship against Loneliness, the level of participation by KPN employees in projects related to our foundation (KPN Mooiste Contact Fonds) and our success in connecting vulnerable individuals with others. These are just a few examples of our efforts. As we move forward, these pillars will be reinforced with more tangible programs and measurable ambitions. We are working towards a future where sustainability is not just a license to operate but a license to grow.

Sustainability
Sustainability is not just a goal; it is embedded in everything we do. We recognize that resources are finite and are committed to

● General

efficient energy consumption and circularity. Our aim is not merely to minimize harm but to actively contribute to a greener future, supporting our customers on their own sustainability journeys. We prioritize sustainability by using 100% renewable electricity, enhancing energy efficiency, and optimizing energy consumption. And we empower our customers to embrace sustainability and environmental friendliness through innovative solutions, such as hybrid working models and smart solutions across diverse sectors. What is more, we are dedicated to advancing in our journey towards circularity, aligning with our goal of achieving net-zero emissions within our supply chain by 2040 (maximum 10% residual emissions to neutralize).

KPN's significant products and services, and markets and customer groups

As a telecommunications and IT provider in the Netherlands, KPN serves various customer groups. These can be divided into consumers, business and wholesale customers. Our business customers range from small and medium-sized entities (SMEs) to large corporate entities (LCEs).

Our consumer market segment offers fixed and mobile telephony, fixed and mobile broadband internet and TV to retail consumers.

Our business market segment offers fixed and mobile telephony, fixed and mobile broadband, TV and network-related ICT solutions, such as security, IoT (Internet of Things), cloud, connectivity and smart combinations to business customers. We also provide wholesale network services to third parties, such as mobile SIMs and broadband lines.

Headcount of employees by geographical areas

KPN is based in the Netherlands and this is our only country of operation. All of our 10,333 employees work in the Netherlands (2023: 10,410). See also the "Own workforce" section.

Sustainability-related goals

The table below provides an overview of KPN's sustainability-related goals in terms of significant groups of products and services, customer categories, geographical areas and relationships with stakeholders, with references to the strategic pillars and impact on the SDGs. More detailed qualitative explanations can be found in the specific sections of this sustainability statement.

Strategic pillar	Sustainability-related goal	Significant products/services	Customer categories	Geographical area	Stakeholder relationship	Goals
Inclusive	SDG 5: Gender Equality	n/a	n/a	Netherlands	Employees, suppliers, society	Overall % women at KPN: 23% in 2025
Responsible	SDG 8: Decent work and economic growth	Our products and services serve economic growth in the Netherlands through our own workforce and by facilitating telecommunications services to the Netherlands	CM, BM, WS	Netherlands	Employees, suppliers, society	EcoVadis spend coverage of our suppliers: >85% in 2025
Responsible	SDG 9: Industry, innovation and infrastructure	All significant products and services contribute to innovation and infrastructure	CM, BM, WS	Netherlands	Customers, suppliers, society	Radio network availability: 99.7% in 2025
Inclusive	SDG 10: Reduced inequalities	We strive to design our products and services in an inclusive way	CM, BM, WS	Netherlands	Employees, suppliers, society	Fiber footprint: >65% for 2025
Responsible	SDG 11: Sustainable cities and communities	All significant products and services and through our KPN Mooiste Contact Fonds and sponsoring activities.	CM, BM, WS	Netherlands	Society, customers	2025: 65% of Dutch population think their data is safe with KPN
Sustainable	SDG 12: Responsible consumption and production	We aim to minimize the environmental impact of our products, services and infrastructure	CM, BM, WS	Netherlands	Customers, suppliers, society	>=86% reuse and recycling in 2025
Sustainable	SDG 13: Climate action	We aim to minimize the environmental impact of our products, services and infrastructure	CM, BM, WS	Global	Society, suppliers, nature	Scope 1 and 2 emissions: 6,100 and 141,000 metric tons CO_2e resp. in 2025. Scope 3: 599,00 metric tons CO_2e in 2030

Our Connect, Activate & Grow strategy aims to achieve sustainable Group service revenue growth by adhering to our purpose. The initiatives to be a responsible, inclusive and

sustainable telco are fully integrated into our strategy and operating model. We have expanded the scope of our ESG approach, which is articulated in our ESG manifesto and provides

● **General**

KPIs for all three pillars of the KPN strategy. The sustainability statement and the sustainable value chapter in this integrated annual report discloses our performance on these KPIs. The main challenges lie in realizing the goals set for the future.

KPN's business model and value chain
Our core activities
Our core activities relate to providing fixed and mobile networks and IT infrastructure to render services to KPN's consumer, business and wholesale customers in the Netherlands.

Building and maintaining infrastructure
KPN builds and maintains its infrastructure in a continuous process with the aid of our suppliers, addressing coverage, capacity, speed, quality, continuity, and regulatory requirements on safety and privacy. Consequently, our main investments and expenses are made to build and maintain this high-quality infrastructure.

Delivering connectivity
We deliver connectivity services to customers and end-users. We do this by making sure that we route calls, data and video streams to and between the users of our networks reliably and securely and safeguarding high quality.

Serving customers
We serve our customers throughout their customer journey, taking care of all interaction between customers and KPN. We believe that our customers are looking for a one-stop-shop experience for integrated solutions and want us to simplify their life. We aim to serve our customers with the right products and the right customer experience.

Our services
Consumer
We are committed to offering retail customers a broad range of services in the areas of communication, information, entertainment and commercial services through single- and multi-play offerings. The services we offer across our different brands include fixed and mobile internet, TV and telephony.

Business
We offer business customers a complete portfolio of services, from fixed and mobile telephony and internet to a range of end-to-end solutions in core connectivity and IT services such as cloud, security and workspace services.

Wholesale
We provide connectivity solutions to wholesale partners via our fixed and mobile networks.

KPN's business model creates value through six categories of capital. These inputs are defined by KPN as
1. Financial: solid financial basis;
2. Manufactured: future-proof infrastructure and mobile spectrum;
3. Intellectual: skilled and motivated workforce;
4. Human: loyal customers;
5. Social relationships: strong partnerships and supplier base; and
6. Natural inputs: climate-neutral operations.

Our valuable assets

| Solid financial basis | Future-proof infrastructure and mobile spectrum | Skilled and motivated workforce | Loyal costumers | Strong partnerships and supplier base | Climate-neutral operations |

Businessmodel

● **General**

These definitions are fleshed out further as:
1. Solid financial basis. Capital providers provide us with the necessary capital for our capital-intensive business. We aim to realize a return on investment for our capital providers that outperforms the cost of capital while solidifying our financial position.
2. Future-proof infrastructure and mobile spectrum. We connect the Netherlands through high quality networks and by strengthening the capacity of our networks and IT infrastructure.
3. Skilled and motivated workforce. We create a more simple effective and inclusive organization by acquiring, developing and retaining the right people and skills to become a stronger, more agile and profitable business and a great place to work.
4. Loyal customers. We aim to build a satisfied customer base, offering customer journeys designed to accommodate the digital needs of our customers, ranging from consumers to large corporate enterprises.
5. Strong partnerships and supplier base. We join forces with ambitious companies to work on the applications of tomorrow, providing better and more innovative products to our customers while reducing adverse impacts across the supply chain.
6. Climate-neutral operations. Our belief is that a sustainable business is a better business, and this is expressed through our climate-neutral operations and our ambition to achieve net-zero carbon emissions in our supply chain by 2040.

The assets highlighted above are key to our business model and provide the necessary input for carrying out our core activities. We do this by following our strategy and ensuring responsible operations.

Gathering, developing and securing these inputs are part of KPN's daily operations. We safeguard our value creation through governance, compliance and risk management. We engage with our stakeholders to secure these key inputs. Through the interaction with our employees we try to secure a skilled and motivated workforce. And it is the same for our other stakeholders: the investor community, customers, suppliers and NGOs that represent "silent stakeholders" such as nature. See the "Interests and views of stakeholders" section for more on stakeholder dialogues.

The outputs of our business model are state-of-the-art network infrastructure; flexible, simple and converged products and services; focused innovation and digitalization; safeguarded privacy and security; sustainable employability and environmental performance and a responsible supply chain:

| State-of-the-art network infrastructure | Flexible, simple and converged products and services | Focused innovation and digitalization | Safeguarded privacy and security | Sustainable employability | Environmental performance and responsible supply chain |
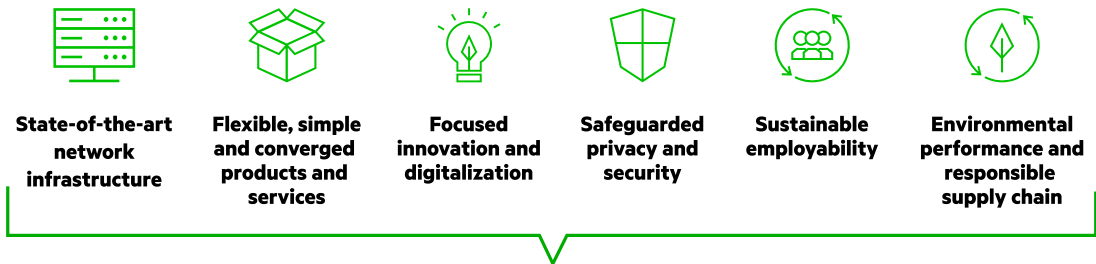
We create value for our customers, shareholders and employees, and we impact Dutch society as a whole
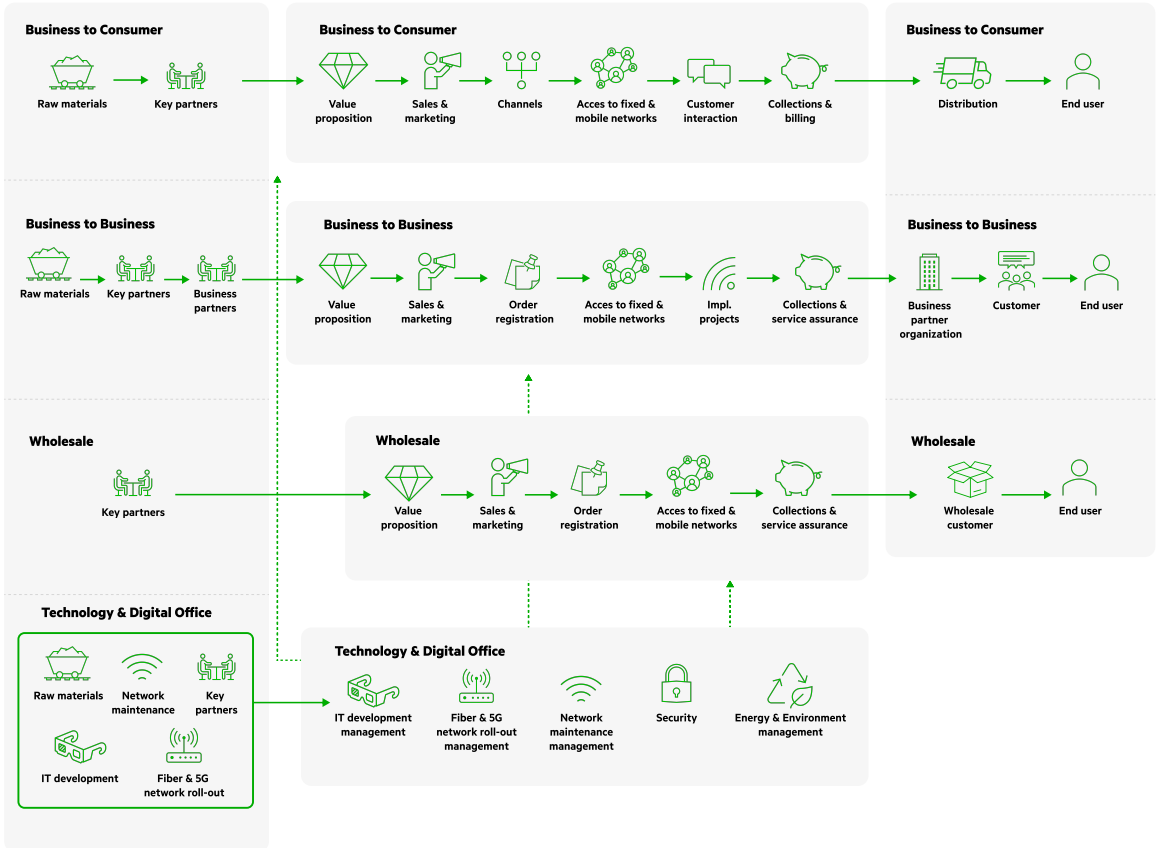
The value we create for our stakeholders is the direct result of our business model. Our business outcomes ensure that we can create long-term value for our customers, shareholders, employees and Dutch society. And this also helps us contribute to the realization of the UN's SDG's.

KPN's value chain
Our downstream and upstream value chain is visualized in the next graphic. Downstream actors are distributors, customers and end-users who receive products and services from KPN; upstream actors provide products and services to KPN.
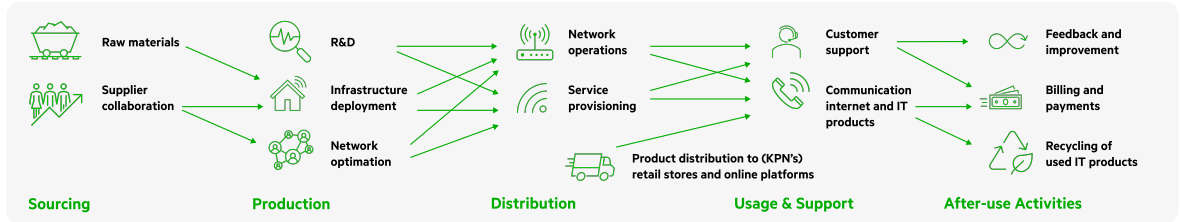
● General

Upstream → **Own Operations** → **Downstream**

Business to Consumer (Upstream)
- Raw materials
- Key partners

Business to Consumer (Own Operations)
- Value proposition
- Sales & marketing
- Channels
- Acces to fixed & mobile networks
- Customer interaction
- Collections & billing

Business to Consumer (Downstream)
- Distribution
- End user

Business to Business (Upstream)
- Raw materials
- Key partners
- Business partners

Business to Business (Own Operations)
- Value proposition
- Sales & marketing
- Order registration
- Acces to fixed & mobile networks
- Impl. projects
- Collections & service assurance

Business to Business (Downstream)
- Business partner organization
- Customer
- End user

Wholesale (Upstream)
- Key partners

Wholesale (Own Operations)
- Value proposition
- Sales & marketing
- Order registration
- Acces to fixed & mobile networks
- Collections & service assurance

Wholesale (Downstream)
- Wholesale customer
- End user

Technology & Digital Office (Upstream)
- Raw materials
- Network maintenance
- Key partners
- IT development
- Fiber & 5G network roll-out

Technology & Digital Office (Own Operations)
- IT development management
- Fiber & 5G network roll-out management
- Network maintenance management
- Security
- Energy & Environment management

Upstream → **Own Operations** → **Downstream**

Upstream

Climate change
- Energy consumption
- CO_2e emissions (scope 3)
- Grid congestion

Resource use and circular economy
- Use and disposal of raw materials
- Scarcity of (critical) raw materials

Workers in the value chain
- Fair wages, safe working conditions and protection of workers rights

Privacy
- Regulatory implications

Network quality
- Network interruptions

Security
- Secure online environment
- Implications on our license to operate

Business conduct
- Promoting a strong and integer business culture and governance
- Being considered as a trusted provider

Own Operations

Climate change
- Energy consumption
- CO_2e emissions (scope 1 & 2)
- Grid congestion
- Climate-related major incidents

Resource use and circular economy
- Use and disposal of raw materials

Own workforce
- Working conditions
- Equal treatment - diversity
- Tight labor market
- Diversity – aging employees

Privacy
- Regulatory implications

Network quality
- Network quality
- Unavailability of 112 service
- Increase market share
- Network interruptions

Security
- Secure online environment
- Implications on our license to operate

Business conduct
- Promoting a strong and integer business culture and governance
- Being considered as a trusted provider

Downstream

Climate change
- Energy consumption
- CO_2e emissions (scope 3)

Resource use and circular economy
- Use and disposal of raw materials

Privacy of consumers and end users
- Regulatory implications

Customer value
- Connected society
- Business digitalization

Network quality
- Network quality
- Unavailability of 112 service
- Increase market share
- Network interruptions

Security
- Secure online environment
- Implications on our license to operate
- Security and data protection

Business conduct
- Promoting a strong and integer business culture and governance
- Being considered as a trusted provider

● **General**

KPN's upstream, own and downstream operations

For the IROs related to material sustainability matters, see the sections "Environmental information", "Social information" and "Governance information".

Description of KPN's value chain shown in above figures
Upstream activities consist of sourcing and production: sourcing raw materials and acquiring essential materials such as fiber optic cables for network infrastructure, but also collaboration with suppliers and partners for technology and reliable components, and gathering technology feedback for continuous improvement.

Production, the next stage in upstream activities, starts with R&D. This includes improving existing products and services at KPN, e.g. by conducting experiments together with technology partners through KPN's field labs. It also includes infrastructure deployment - laying cables and installing equipment for network development. In addition, we optimize our network by carrying out regular maintenance and updates to ensure efficient network operations.

Our own operations can be divided into our network operations, providing services, and distributing products through KPN stores and online platforms.
Network operations include:
• Deployment of the network;
• Performance monitoring: 24/7 surveillance to ensure network efficiency;
• Maintenance: regular upkeep to prevent and address network issues;
• Cybersecurity measures: implementing measures to safeguard against cyberthreats.

Service provisioning:
• Internet services: providing broadband and mobile internet services;
• Telecommunications services: offering various telecommunications plans and connections.

Product distribution to KPN's retail stores, online platforms comprises and direct sales:
• Distributing communication, internet, and IT products to retail outlets;

• Retail partnerships: partnering with retail outlets to make products available;
• Online platforms: offering services through official third party websites and mobile apps;
• KPN's own retail stores and other channels such as the website and app.

Downstream activities consist of usage and support and after usage activities:
• Usage of KPN's products and services by customers and customer support can be divided into 1. communication, internet and IT products, and 2. customer support;
• After-use activities can be divided into 1. billing and payments, 2. feedback and improvement, and 3. recycling of used IT products.

Interests and views of stakeholders
Our stakeholders
KPN's key stakeholders represent various internal and external stakeholder groups, including employees, government and regulators, investors, suppliers, business customers, retail customers, wholesale customers, society including affected communities and silent stakeholders such as nature.

Stakeholder dialogue
KPN is in continuous dialogue with a diverse set of stakeholders, with very diverse interests and motivations. This includes stakeholders who are both positively and negatively impacted. Dialogues with these groups take place at different levels within our organization and are often part of our daily business. Members of the Board of Management attend the most important stakeholder dialogues, at which a variety of stakeholders are present. Hereafter we provide insight into all the interactions we had with different stakeholders including our response and actions. With our stakeholders we discuss the positive and negative impacts of our material (sustainability) matters and devise next steps.

KPN engaged with all key stakeholder groups. Neither the strategy nor the business model was amended in 2024 after engaging with these stakeholders. Our Connect, Activate & Grow strategy and our purpose (connect everyone to a sustainable future) remained the same. The Board of Management is mainly informed on the engagement by stakeholders through

● General

the monthly management letter including NPS metrics. Major changes as a result of stakeholder engagement are first discussed in the Board of Management. Below, we describe the engagements per stakeholder.

Employees

Employees consists of own workforce and agency worker employees. We engage with our employees at least twice a year through an extensive survey and smaller surveys throughout the year. We frequently organize dialogues between members of our Board of Management and employees to facilitate discussions on several themes. With the input from this employee engagement (also through the Central Works Council and trade unions) we aim to foster employee well-being and job satisfaction, e.g. by providing a healthy, diverse and inclusive work environment and ways for employees to stay well and engaged.

Through our sustainable employability strategy, we are shaping an inclusive and diverse organization and culture, in which our people can make impact. Based on the outcome of the employee engagements, HR policy is evaluated. We launched our culture manifesto that describes how we work and behave with each other. We also updated our human rights statement and our collective labor agreement. We continued to invest in and develop our employees' (future) skills with an enlarged digital learning and development offer. KPN actively promotes elimination of discrimination, including harassment, and promote equal opportunities and other ways to advance diversity and inclusion.

KPN's HR strategy focuses on skill development because technology and AI are impacting the nature of work. We like to ensure the effectiveness of our future workforce.

We inform our Supervisory Board on relevant people-related topics during our quarterly Supervisory Board meeting. Also, our people agenda and vision are always part of the onboarding of new Supervisory Board members. And lastly, every month, a Supervisory Board member joins the KPN Worker's Council meeting, where we frequently discuss people-related topics as well.

Government and regulators

These stakeholders consist of the local, national and international governments and various regulatory bodies such as ACM, AP or RDI. We proactively engage by maintaining a regular dialogue to explain our efforts and results. We also work together with local and regional governments on the rollout of our networks, innovation projects (e.g. IoT), cybersecurity, sustainability, energy generation, and cost savings. The purpose of engaging with the government and

regulators is to explain our efforts and results. We aim to avoid non-compliance through integrity and transparency.

Drawing on the outcome of stakeholder engagement, we continued to address concerns around e.g. national cybersecurity. Other relevant topics of this stakeholder group include network rollout (both fiber and mobile) in cooperation with local governments, and compliance with various regulations.

The Board of Management is regularly informed about relevant developments in politics and government, including the implementation of new regulations. KPN's agenda for stakeholder engagement is also discussed with the Board.

Investor community

KPN's investor community are KPN's shareholders, bondholders as well as analysts covering KPN. KPN maintains a close dialogue with the investor community. We organize key corporate events such as the annual general meeting of shareholders and Capital Markets Day, and we meet with (potential) investors, analysts and credit rating agencies during (virtual) roadshows and conferences. We also provide relevant company information through timely press releases and regular publications such as our quarterly results and integrated annual report.

Investor Relations (IR) activities, including roadshows, earnings calls, investor presentations, help to ensure that investors are informed about KPN's financial performance, strategy and risks and ultimately helps secure financial resources, maintain positive relationships, manage investor expectations, and foster long-term growth.

The outcome of KPN's engagement with the investor community may influence the execution of its strategy and business model by ensuring that the company remains aligned with investor expectations, both financially and strategically. KPN integrates this feedback into decisions on capital allocation, sustainability initiatives, technological innovation, and customer experience improvements. By doing so, KPN strengthens its market position while maintaining a strong relationship with its investors, balancing their demands for short-term returns with long-term growth opportunities.

Following the publication of the quarterly results, management is informed of the views of the investor community on these results. This outside-in view is also shared with the Supervisory Board.

The Investor Relations department regularly monitors (multiple times a day) external news flow on KPN and the sector, gathering relevant information and sharing outside-in views with the Board of Management and/or senior management as soon as relevant.

● General

Suppliers

Our key suppliers stakeholder group mainly comprises Tier 1 suppliers and - indirectly, through the Joint Alliance for CSR (JAC) - suppliers in and beyond Tier 2. KPN has a central procurement department that is responsible for sourcing and contracting suppliers. All contracted suppliers must commit to KPN's supplier code of conduct or a similar directive or code. For each supplier a governance mechanism is in place based on criticality (low-, medium- and high-risk suppliers) and ESG impact. Suppliers are also scored on ESG by EcoVadis. Low-scoring suppliers are required to improve. KPN promotes (including via its tenders) sustainable solutions and carbon reduction. KPN is a member of the JAC (Joint Alliance for CSR), an association of 29 telecoms operators that aims to verify, assess and develop CSR implementation among shared international suppliers.

KPN engages with its strategic suppliers on a structural basis, setting out specific terms and conditions for products and services to improve their sustainable performance, including respect for the human rights of their workers. KPN advocates and actively steers for the principles of our suppliers' CSR policies to be in line with those of KPN.

Consumer customers

We communicate 24/7 with our customers, through customer service, our engineers, in our stores and on social media, both reactively and proactively. We collect and monitor solicited and unsolicited customer feedback on a daily basis and share these customer voices across the company. We also use external panels for our Brand, NPS and RepTrak to objectively monitor our reputation. We engage in one-on-one conversations with customers; online, but also physically in stores and in our dedicated Experience Lab, and on the street.

Customer engagement gives KPN the opportunity to improve customer journeys, to meet their expectations, to retain customer loyalty and to gain market share. The insights from this engagement are discussed in the relevant management team and, if relevant, converted into improvements in the customer journey.

Business customers

We talk to our business customers every day via account managers, service managers, in our XL stores, our contact centers and via our business partners. We also engage with them through customer panels, surveys, quarterly market research and workshops connecting customers' strategies with KPN, as well as via social media through our B2B platform, The Digital Dutch. We engage through our Customer Experience Center which evaluates our customers' needs and experience.

This engagement helps us to know our customers and their needs better so we can offer them excellent services that meet these needs. We closely monitor our business customers' satisfaction and loyalty through NPS. We aim for growth in market share and service revenues. Insights from this engagement are discussed in the relevant management team and, if relevant, converted into improvements in of the customer journey or services.

Wholesale

We engage with our wholesale partners daily through account managers, service level managers and the Customer Contact Center, as well as through project managers who help to implement changes or onboard new customers. In addition, KPN Wholesale engages with customers through a newly formed customer panel, expert sessions with product specialists and networking events with important stakeholders and decision makers from our wholesale partners. We also have an annual NPS survey to collect feedback from key decision-makers and operational and service experts at our customers. The purpose of customer engagement is to improve our overall customer experience, our service operations and to inform our stakeholders of product developments and improvements. Additionally, it keeps our product and account managers informed of market developments and strategic developments at our key customers. All with the aim to grow our market share in mobile, fiber and business connectivity and grow our overall service revenues.

Insights from this engagement are discussed in the relevant management team and, if appropriate, converted into improvements in the customer journey.

Society
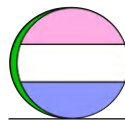
KPN actively engages with Dutch society, including via its memberships of various organizations, such as trade organizations VNO/NWC, FME, NL Connect, representative telecoms NGOs such as the European Telecommunications Network Operators' Association (Connect Europe), the Platform for the European Telecom Industry (ETIS), the International Telecommunication Union (ITU), the Joint Alliance for Corporate Social Responsibility (JAC), GSMA (the international mobile telecoms association), interest groups such as the Consumentenbond, the Dutch Association of Investors for Sustainable Development (VBDO) and other international organizations such the UN Global Compact. We are active in working groups initiated by these NGOs and participate in or liaise with these organizations. We organize multiple meetings and dialogues on ESG topics each year with stakeholders. In these we discuss our contribution to society and the desired next steps. Topics discussed with our societal partners are initiatives to support human rights in the value chain, accelerate diversity and

General

digital and social inclusion, professionalization of circularity and the path to net-zero, and advocacy and lobbying.

Our #BetterInternet initiative for a safer, more inclusive and greener internet has been found relevant as an objective for all the telcos beloning to GSMA. We have also developed an improved human rights statement and are collaborating on international standards for circularity. We deploy our thought leadership on security to help make the Netherlands safer. #BetterInternet reinforces transformative strategy and underlines the ongoing need for online safety both nationwide and worldwide, and the strategic positioning of telcos. #BetterInternet will remain a key part of our strategy to establish long-term impact.
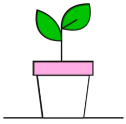
Nature - a silent stakeholder
Naturalis, WWF and climate experts are stakeholder representatives for nature. We are in discussion with nature NGOs to explore potential collaboration, inviting nature NGO's or experts to stakeholder dialogues about topics such as climate change, energy, critical raw materials. These dialogues are held several times a year and insights from these engagements are discussed in the relevant management team, the ESG Board and, if appropriate, included or converted into improvements.

Impact of stakeholder engagements on KPN
The interests and views of our stakeholders, including discussion about the positive and negative impacts of our material topics, are analyzed during KPN's due diligence and materiality assessment process.

The outcomes of our stakeholder engagement have been considered in KPN's strategy and business model, and an update of the ESG strategy is being implemented. Our ESG strategy is focused on responsible, inclusive and sustainable pillars, and extends our SDG scope. Our stakeholder dialogues are used as input to and inspiration for strategic updates.

The results of this stakeholder engagement are reflected in the double materiality assessment which is discussed and validated by the Board of Management. The Board of Management as a whole is responsible for oversight of sustainability-related impacts, risks and opportunities, and every ESG theme is assigned to a specific member of the Board of Management as theme owner. Senior management is responsible for stakeholder dialogue, targets, progress and results. Individual members of senior management head committees, comprising management of the key departments involved in these themes. To obtain sufficient outside reflection, stakeholder dialogues are held with external experts to advise KPN on our approach to ESG in general and give more in-depth advice on the ESG themes. The Supervisory Board is informed about the outcomes.

● **General**

Impacts, risks and opportunities

Description of the process to identify and assess material impacts, risks and opportunities
Double materiality assessment – process description
The double materiality assessment (DMA) is the first step in defining a company's material impacts, risks and opportunities, which must be reported on from FY2024. In 2023, KPN performed a DMA in which the impact materiality assessment was in accordance with the Global Reporting Initiative (GRI) and the financial materiality assessment was inspired by ESRS principles. In 2024, the DMA was reassessed and updated for the main developments of that year and aligned with the requirements of the ESRS.

We assessed all potential material sustainability matters from both an impact perspective (inside-out; the impact KPN has on the environment and society) and a financial perspective (outside-in; developments in the environment and society that impact the value of KPN). The DMA focuses on our core activities in the Netherlands (including, where possible, value chain operations), and considers the impacts, risks and opportunities of our own operations and where possible of our national and international business relationships.

Main steps for the impact materiality assessment	Main steps for the financial materiality assessment
1. Preparing long-list of possible material sustainability matters based on the list of sustainability matters from ESRS 1 and additional entity specific topics	1. Leveraging the output and methodology of the risk assessment on the strategic plan
2. Determining medium-list of possible material sustainability matters for KPN and scoring methodology	2. Brainstorming with CFO team on ESG risks that negatively impact KPN's value and ESG opportunities that positively impact KPN's value
3. Determining stakeholder representatives within KPN	3. Calculating the impact of all scenarios on KPN's equity value using an internally developed model
4. Scoring all possible material sustainability matters by assessment of the materiality of actual and potential impacts and determination of the material matters	4. Plotting all scenarios on a heat map based on likelihood and impact
5. Carrying out desk research on outcomes by project team and CSRD Steering Committee	5. Validating the heat map and determining threshold financial materiality with CFO team
6. Determining thresholds for impact materiality by CSRD Steering Committee	6. Validating financial materiality outcomes by ESG Board
7. Validating impact materiality outcomes by ESG Board	7. Validating financial materiality outcomes by CSRD Steering Committee
8. Validating impact materiality outcomes by CSRD Steering Committee	8. Approving DMA by Board of Management
9. Approving DMA by Board of Management	9. Sharing and discussion of outcomes with the Audit Committee and Supervisory Board
10. Sharing and discussion of outcomes with the Audit Committee and Supervisory Board	

To ensure the completeness of the sustainability matters and the impacts, risks and opportunities considered in the DMA, KPN started with the list of matters that should be considered to conform with ESRS 1 (AR 16) and complemented this with potential material matters included in our materiality assessment of the previous year. The scope of the DMA extends beyond our own operations and also includes - where possible - the upstream and downstream value chain.

From both an impact and a financial perspective, the list of potential sustainability matters and the associated impacts, risks and opportunities have been assessed by internal stakeholders, who were selected based on their expertise and knowledge of KPN's value chain. These stakeholders represent the various internal and external stakeholder groups, including employees, government and regulators, investors, suppliers, business, consumer and wholesale customers, nature and society, including affected communities. These internal stakeholders periodically engage with KPN's external stakeholders (see section "Interests and views of stakeholders").

Impact materiality is defined and prioritized by scoring positive and negative impacts on scale, scope and (for negative impacts only) irremediable character on a five-grade scale. For potential impacts, stakeholders also had to assess the likelihood that the impact would be of relevance to KPN. In general, impacts relate to KPN's own operations (the main activities of B2C, B2B, Wholesale and NOI in the Netherlands), its main assets (e.g. fixed and mobile networks) and its main business relationships (e.g. suppliers, customers, distribution channels and joint ventures). Negative impacts are prioritized based on their relative scale, scope, irremediability and likelihood (in the case of potential impacts) and positive impacts on their relative scale, scope and likelihood (likewise). In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood. Impacts are material if they exceed thresholds for the absolute size of the severity and thresholds for relevancy to stakeholders. In general, thresholds are determined per impact. Material sustainability matters comprise topics where we want to play a leading role, given our (potential or actual) influence and impact and the expectations expressed by our stakeholders.

We matched the outcomes of the assessment with a variety of external resources from several stakeholders by linking all resources related to the applicable item in the list of material sustainability matters. This desk research confirmed the outcomes of the impact assessment.

● General

Financial materiality has been assessed by the members of the CFO team. The CFO team consists of financial experts who represent all segments of KPN. The CFO team identified and discussed several risks and opportunities (scenarios). The starting point for the definition of scenarios was the list of sustainability matters in ESRS 1 (application requirement 16) and the positive and negative impacts that were taken into account during the impact materiality assessment. For each scenario, the main drivers and assumptions were defined. Subsequently, we calculated the potential financial effect of each scenario on KPN's revenues, EBITDA, cash flows and financial position, for the short-, medium- and long-term, based on KPN's formal strategic plan figures. The CFO team reviewed the potential effects and also assessed the likelihood of the identified risks and opportunities.

Finally, the outcome - presented in a heatmap - was discussed, including all scenarios. Risks and opportunities were prioritized based on their impact on KPN's development, financial position, financial performance, cash flows, access to finance or cost of capital and the time frame within they could occur: short-, medium- or long-term. Risks or opportunities that exceed thresholds within a specific time frame, are reported as material.

Thresholds

KPN uses thresholds in the DMA to determine which sustainability matters are material and which not. The threshold, which have a qualitative and quantitative nature, are defined by the joint team that performs the DMA (for the financial materiality assessment also the CFO team) and reviewed and approved by the CSRD Steering Committee. For the impact materiality assessment, impacts are material for reporting purposes if they exceed certain thresholds for impact (positive and/or negative). For the financial materiality assessment, scenarios that could hinder the realization of KPN's outlook (the 3-3-7 ambition for

service revenues, EBITDA after leases (EBITDA AL) and free cash flow (FCF), see the "Shareholder value" section in the Board of Management report); the related risks and opportunities are regarded as material for reporting purposes. The threshold is depicted in the financial materiality diagram on the next page.

Definition of short-, medium- and long-term for reporting purposes

For impact materiality, KPN has adopted the short-, medium- and long-term time intervals as described in ESRS 1 paragraph 77.

For financial materiality, we apply different time horizons:
- Short-term: 0-5 years
- Medium-term: 5-10 years
- Long-term: 10-20 years (and beyond)

The main reason for this is that the financial effects of the risks and opportunities (scenarios) are calculated in strategic plan models that apply long time horizons of more than five years. A large part of KPN's investments have a long lifetime; for example, our fiber network infrastructure has a depreciation period of 30 years.
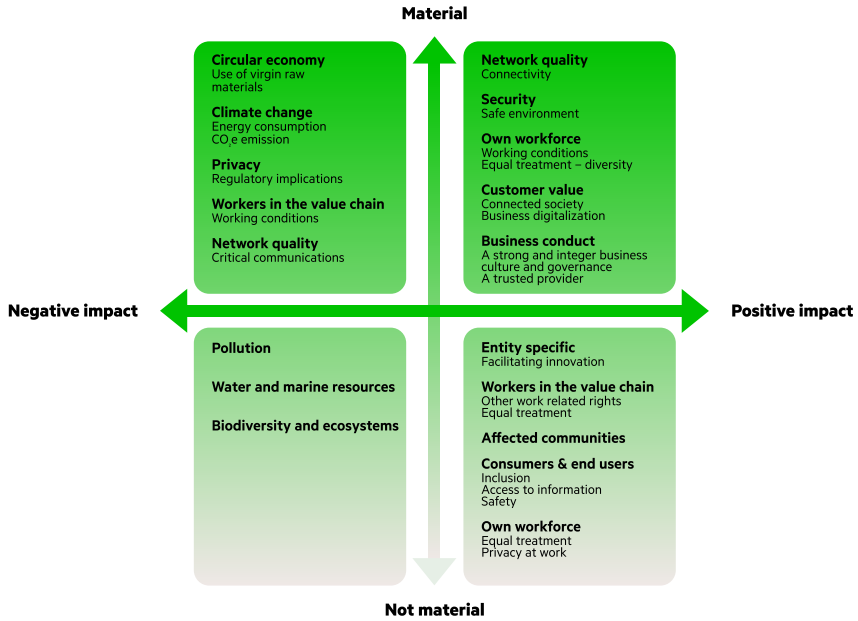
Outcomes of the double materiality assessment

A sustainability matter is marked as material when the severity of an impact and/or the magnitude/likelihood of a risk or opportunity exceeds the defined threshold.
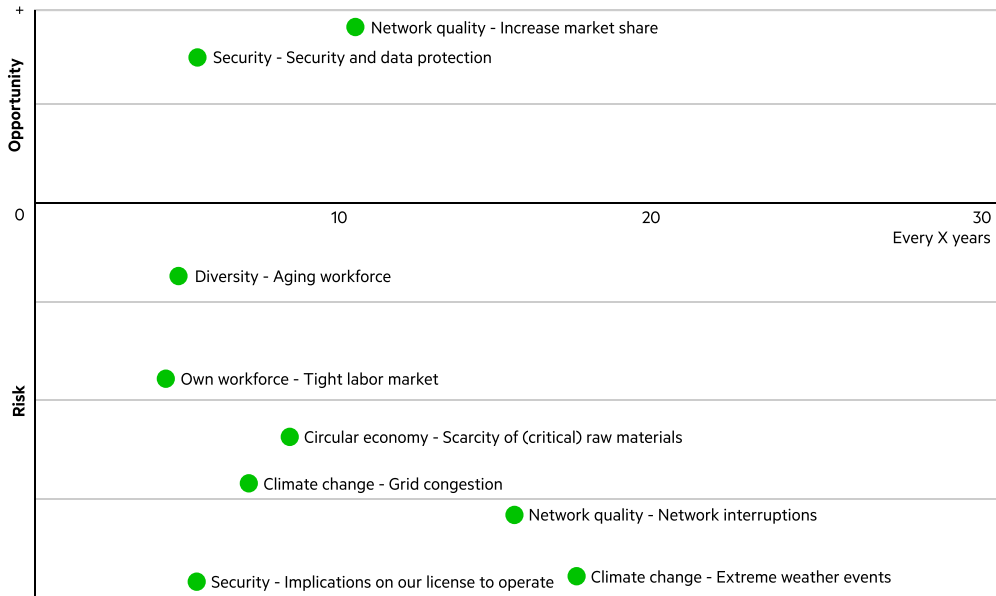
Looking at the outcomes of both the impact and the financial materiality assessment, we decided to publish two figures: one for the impact materiality assessment and one for the financial materiality assessment, as this does more justice to the content and wording of the topics discussed in the assessments. The Board of Management has discussed and approved the material sustainability matters identified.

● **General**

Outcome of impact materiality assessment

Material

Negative impact ← → **Positive impact**

Circular economy
Use of virgin raw materials

Climate change
Energy consumption
CO_2e emission

Privacy
Regulatory implications

Workers in the value chain
Working conditions

Network quality
Critical communications

Network quality
Connectivity

Security
Safe environment

Own workforce
Working conditions
Equal treatment – diversity

Customer value
Connected society
Business digitalization

Business conduct
A strong and integer business culture and governance
A trusted provider

Pollution

Water and marine resources

Biodiversity and ecosystems

Entity specific
Facilitating innovation

Workers in the value chain
Other work related rights
Equal treatment

Affected communities

Consumers & end users
Inclusion
Access to information
Safety

Own workforce
Equal treatment
Privacy at work

Not material

Outcome of financial materiality assessment

- Network quality - Increase market share
- Security - Security and data protection
- Diversity - Aging workforce
- Own workforce - Tight labor market
- Circular economy - Scarcity of (critical) raw materials
- Climate change - Grid congestion
- Network quality - Network interruptions
- Security - Implications on our license to operate
- Climate change - Extreme weather events

Opportunity / Risk axis, horizontal axis: 10, 20, 30 — Every X years

● General

The figure only shows the material risks and opportunities. Besides these, other scenarios such as artificial intelligence risks, the risk of reputation damage due to tax planning strategies or the risk as a result of affected communities complaining about our fiber rollout were assessed and determined to be not material.

The IRO's that emerge from the DMA are described in the green highlighted IRO boxes in the environment, social and governance sections of this report.

Connection between impacts, risks and opportunities
The negative and positive impacts, as described in the IRO table on page 23, are based on the outcomes of the impact materiality assessment. The risks and opportunities are derived from the scenarios that are used in the financial materiality assessment. After finalization of the materiality assessments, we considered the connections – if any – between the negative and positive impacts on the one hand and the risks and opportunities on the other. For example, negative impacts could lead to new financial risks in the longer run, and positive impacts to financial opportunities. The list of risks and opportunities is only complemented if there is a reasonable expectation that the negative or positive impact will lead to a material financial effect in the future and, for positive impacts, if KPN has sufficient means to realize the opportunities within the chosen strategy and business model. For this reason, the IRO table can contain more risks and opportunities than if it were solely based on financial materiality.

Resilience of strategy and business model
Resilience is part of KPN's strategy, business model and strategic plans. The resilience for all impacts, risks and opportunities is adequate. For the IROs regarding climate change, workers in the value chain, customer value and network interruptions we elaborate in more detail on the resilience of our strategy and business model in the corresponding sections of this sustainability statement.

Main changes compared with previous year
Impact materiality did not materially change compared with the previous year; the list of material sustainability matters remained unchanged.

For financial materiality, we added several new scenarios to the analyses, such as circular economy (waste, material reuse), the use of AI, reduction of emissions by customers via our telecoms products and services, and business conduct scenarios. For several risks and opportunities, we updated the drivers and calculated the financial effects of new insights or updated scenario descriptions. We classified the scenarios in accordance with the topics that are addressed in the ESRS standards.

Internal control procedures
The main internal control procedures of the DMA consist off a review of the main outcomes by the CSRD Steering Committee and Board of Management, and a consistency check against the main findings from stakeholder dialogues.

Other DMA information
As described above, several data sources are used to perform the DMA. These include opinions of subject matter experts who have specific knowledge of external stakeholders, the knowledge and experience of senior managers at KPN, information and findings derived from stakeholder dialogues (see page 14 for further information), strategic plans, ESG information of suppliers (for example, in EcoVadis databases) and external research documents. The data sources cover KPN's own operations and also the upstream and downstream value chain, as far as such information is available, relevant and reliable.

During the year, the outcomes of the DMA are monitored and evaluated to identify material changes where necessary. Such monitoring takes account of e.g. new subjects, trends and developments from stakeholder dialogues, new mergers and acquisitions, significant changes in the supplier landscape, and new trends or developments in society. The materiality assessments are updated on an annual basis, or sooner when new developments warrant more frequent revision.

The sustainability statement may not include every impact, risk and opportunity or additional entity-specific disclosure that each individual stakeholder may consider important in its own particular assessment. Due diligence is an on-going practice and future improvements (e.g. to the IROs) may respond to and/or trigger changes in the company's strategy, business model, activities and business relationships in the future. The double materiality assessment process requires KPN to make key judgments and use thresholds and may also be impacted over time by sector-specific standards yet to be adopted.

● General

Interconnection with enterprise risk management (ERM) and overall management process

The DMA is performed by a joint team of the CSR department, the External Reporting department, subject matter experts, the CFO team and the Risk Management department.

The risks and opportunities resulting from the DMA are generally in line with our list of principal risks, which is discussed with the Board of Management on a semi-annual basis. Within our enterprise risk management procedures, sustainability-related risks are prioritized relative to other types of risk, such as commercial, technological and geopolitical risks; for example, all risk categories are ranked based on impact (financial, reputational), likelihood of occurrence and the trend trajectory of the risks.

For more information on our ERM procedures, see the Compliance and Risk paragraph on page # and the list of principal risks in Appendix 3 (sustainability risks: environmental and social topics).

The opportunities that emerge from the financial materiality assessment are identified and assessed by the members of the CFO team. These senior officers are in a position to include these opportunities – where feasible and in line with our strategy – in the business plans of the respective KPN segments.

● **General**

Material impacts, risks and opportunities resulting from KPN's DMA 2024

Ch. Ref	IRO	IRO description
Climate change	Negative impact	**Energy consumption:** KPN's initiatives to enhance energy efficiency in its network reduce energy consumption and thereby support climate change mitigation. Additionally, by providing digital services as alternatives to physical products, KPN helps customers avoid CO_2e emissions, further contributing to environmental sustainability.
Climate change	Negative impact	**Carbon emissions**: KPN's services and products generate CO_2e emissions from energy and material use across our operations, our suppliers' operations, and our customers' usage, impacting climate change.
Climate change	Risk	**Grid congestion:** Renewable energy demand exceeds supply, and energy storage technology is still developing. Limited power capacity and connections can lead to grid congestion, with the risk of disrupting KPN's networks and services through power outages.
Climate change	Risk	**Climate-related major incidents:** Climate change can lead to extreme weather events, such as flooding and heat stress, which could damage KPN's infrastructure and risks temporary or long-term network disruptions.
Circular economy	Negative impact	**Use of virgin raw materials:** Virgin raw materials from mining and extraction have a negative impact on the environment. Incineration and landfill of waste from operations lead to lower availability of secondary raw materials and more direct negative impact on the environment, mainly relating to climate.
Circular economy	Risk	**Scarcity of (critical) raw materials:** Higher costs and lower availability of (critical) raw materials can make our services more expensive and less available on the market. Our key risks relate to network and customer equipment and critical materials essential for future technologies. The risk can be amplified by geopolitics due to concentration of primary supply from raw materials producing countries.
Own workforce	Positive impact	**Working conditions:** KPN distinguishes itself towards its employees through factors including a good work-life balance and high collective bargaining coverage and social dialogue to safeguard adequate wages.
Own workforce	Positive impact	**Equal treatment-diversity**: KPN aims to reflect the diversity of Dutch society. We provide equal opportunities for everyone regardless of their characteristics. The diversity within our employees leads to a fair and equitable workplace where all talents can be themselves and unlock their full potential.
Own workforce	Risk	**Tight labor market:** This could result in KPN not being able to create an engaged, diverse employee base and hire the talents it needs, which could lead to lower quality of services and lower business results.
Own workforce	Risk	**Diversity-aging employees:** In the coming years, a substantial number of employees will retire. KPN may not be able to sufficiently fill the gaps in capacity, skills and knowledge with newly recruited and younger employees. This might lead to lower quality of services and lower business results.
Workers in the value chain	Negative impact	**Workers in the value chain:** KPN's demand for products and services delivered by suppliers that are located in CSR high-risk countries can have a negative impact on supplier working conditions, such as forced labor and child and juvenile labor, unlawful working hours, lack of attention to health and safety, wages below living standards, and freedom of association.
Privacy	Negative impact	**Regulatory implications:** KPN faces potential damage to customers and harm to its reputation due to inadequate protection or non-compliant use of customer data in its network. Such lack of protection or non-compliance could impact customer privacy and KPN's reputation.
Customer value	Positive impact	**Connected society**: KPN's products and services enable people (B2C) and organizations (B2B) to connect, participate, work, and operate safely in a connected and digital society (e.g. fixed and mobile communication and internet services).
Customer value	Positive impact	**Business digitalization:** KPN's products and services enable organizations to digitalize their business processes. This includes ICT solutions such as workplace management, IoT, infrastructure, cloud, data management, identity management, and cybersecurity.
Network	Positive impact	**Network quality:** KPN offers high speed internet connectivity to consumers and end-users in the Netherlands, so they have access to key products, services and markets that increase participation in cultural, political and social life.
Network	Negative impact	**Unavailability of 112 service:** To avoid the potential negative impact of the 112 service on mobile networks, KPN ensures continuous network availability.
Network	Opportunity	**Increased market share:** KPN aims to increase its market share in broadband by deploying high-quality and competitive fiber networks.
Network	Risk	**Network interruptions:** Simultaneous failures of two data centers across four different locations could lead to network interruptions, potentially impacting KPN's reputation and market share.
Security	Positive impact	**Safe online environment:** KPN aims to ensure a secure online environment, by putting security first and complying with laws and regulations, resulting in higher trust in telecoms and digital services on the part of customers, employees and society as a whole.
Security	Risk	**Implications for our license to operate:** A cyberattack on KPN's operations could lead to losing our license to operate and high remediation costs for a data breach, resulting in reputational damage, loss of revenue, and decreased customer loyalty.
Security	Opportunity	**Security and data protection:** We have a strong focus on security and data protection for B2B and large corporate enterprise (LCE) customers, through implementation of our 4A security strategy, resulting in an enhanced reputation, higher customer loyalty, and improved business results.
Business conduct	Positive impact	**Promoting a strong business culture of integrity and governance:** KPN fosters a culture of integrity and robust governance, actively preventing corruption, bribery, and fraud. KPN enhances its reputation as a trusted business partner, positively impacting the stakeholders' (customers, suppliers and employees) perception of KPN.
Business conduct	Positive impact	**Being considered as trusted provider:** KPN positively influences the perception of our stakeholders (customers, suppliers, and employees) by actively lobbying in support of cybersecurity policies and promoting initiatives for climate neutrality and sustainable ICT solutions.

⬤ General

Disclosure requirements in ESRS covered by KPN's sustainability statement

ESRS/ Entity specific (ES)	Requirement	Summary of requirement	Starting on page
ESRS 2	DR BP1 – BP2	Basis for preparation	P. 2
ESRS 2	DR GOV-1 – GOV-5	Governance	P. 4
ESRS 2	DR SBM-1 – SBM-3	Strategy, business model and value chain, interests and views of stakeholders, IROs and their interaction with strategy and business model	P. 9
ESRS 2	DR IRO-1 – IRO-2	Impact, risk and opportunity management	P. 18
ESRS 2	MDR-P, A, M, T	Minimum disclosure requirements – policies, actions, metrics and targets	All sections
E1	DR related to ESRS 2 GOV-3	Sustainability-related performance in incentive schemes	P. 32
E1	DR E1-1 & DR related to ESRS 2 SBM-3	Transition plan for climate change mitigation Material IROs and their interaction with strategy and business model	P. 32
E1	DR related to ESRS 2 IRO-1, DR E1-2 – E1-3	Climate-related impacts, risks and opportunities processes policies, actions and resources	P. 36
E1	DR E1-4 – E1-9	Climate change metrics and targets	P. 42
E5	DR related to ESRS 2 IRO-1 E5-1 – E5-2	Resource use and circular economy-related impacts, risks and opportunities processes policies, actions and resources	P. 52
E5	E5-3 – E5-6	Resource use and circular economy metrics and targets	P. 56
S1	DR related to ESRS 2 SBM-2 – SBM-3	Interests and views of stakeholders, IROs	P. 62
S1	DR S1-1 – S1-4	Impact, risk and opportunity management, Own workforce policies, processes and actions	P. 63
S1	DR S1-5 – S1-17	Own workforce metrics and targets	P. 69
S2	DR related to ESRS 2 SBM-2 – SBM-3	Interest and views of stakeholders, IROs	P. 77
S2	DR S2-1 – S2-4	Impact, risk and opportunity management Workers in the value chain policies, processes and actions	P. 78
S2	DR S2-5	Workers in the value chain metrics and targets	P. 82
S4	DR related to ESRS 2 SBM-2 – SBM-3	Interest and views of stakeholders, IROs	P. 84
S4	DR S4-1 – S4-4	Impact, risk and opportunity management Consumers and end-users policies, processes and actions related to privacy	P. 85
S4	DR S4-5	Consumers and end-users metrics and targets related to privacy	P. 89
ES	DR S4-1 – S4-4	Impact, risk and opportunity management Consumers and end-users policies, processesand actions related to customer value	P. 90
ES	DR S4-5	Consumers and end-users metrics and targets related to customer value	P. 94
ES	DR S4-1 – S4-4	Impact, risk and opportunity management Consumers and end-users policies, processes and actions related to network quality	P. 96
ES	DR S4-5	Consumers and end-users metrics and targets related to network quality	P. 103
ES	DR S4-1 – S4-4	Impact, risk and opportunity management Consumers and end-users policies, processes and actions related to security	P. 106
ES	DR S4-5	Consumers and end-users metrics and targets related to security	P. 109
G1	DR related to ESRS 2 GOV-1	Governance	P. 111
G1	DR related to ESRS 2 IRO-1 DR G1-1, G1-3	Impact, risk and opportunity management Corporate culture and business conduct policies	P. 112
G1	DR G1-4, G1-5	Business conduct metrics and targets	P. 115

Based on the nature of KPN as a telecom operator, the following ESRS standards are not applied in the sustainability statement, as there are no material impacts, risks or opportunities related to these topical standards according to the double materiality assessment:
- ESRS E2 – Pollution
- ESRS E3 – Water and marine resources
- ESRS E4 – Biodiversity
- ESRS S3 – Affected communities

● **Environmental - EU taxonomy**

Environmental information

EU TAXONOMY

General

In 2019, the European Commission presented the European Union's Green Deal, setting the course for more sustainable investments to reach a climate-neutral economy by 2050 – an economy with net-zero greenhouse gas (GHG) emissions, with a reduction of 55% to be implemented by 2030. An important purpose of the EU Action Plan on Sustainable Finance is to steer cash flows towards sustainable investments. In this context, the EU Taxonomy Regulation became effective in mid-2020 as Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, which has since been supplemented and amended by Commission Delegated Regulations (EU) 2021/2139, 2021/2178, 2023/2485 and 2023/2486. This EU Taxonomy Regulation is intended to serve as a standardized and mandatory classification system to determine which economic activities are considered "environmentally sustainable".

As part of this taxonomy, the EU has published a list of sustainable activities (the "EU Catalog") comprising six environmental objectives:
- Climate change mitigation
- Climate change adaptation
- Sustainable use of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

The delegated regulations determine which economic activities can be generally considered in scope.

We are required to report whether eligible activities can be considered "environmentally sustainable", i.e. taxonomy-aligned. This depends on certain criteria that must be fulfilled. These technical screening criteria determine the conditions under which an economic activity qualifies as contributing substantially to one of the six environmental objectives and whether that economic activity causes no significant harm to any of the other environmental objectives and complies with minimum safeguards. We have concluded that the impact of the current framework's environmental objectives is very limited for KPN, given our business model.

We have carried out an analysis based on the activities and criteria as described in the relevant delegated act for each theme to determine any substantial contribution and substantiate the "do no significant harm" criterion. For the third criterion, compliance with minimum social safeguards, we performed an analysis on three relevant levels: product level, KPN organizational level and responsible supply chain level.

Judgments and assumptions made by management on the EU taxonomy

Based on our assessment of compliance with the current EU Taxonomy Regulation, we conclude that various aspects are open to multiple interpretations. In assessing our disclosure obligations, management has made a number of judgments and assumptions. We have concluded that we have eligible activities that are relevant to two out of the taxonomy's six environmental objectives, and that the following economic activities described in the EU taxonomy apply to KPN:

Climate change mitigation eligible activities:
- 6.5 - Transport by motorbikes, passenger cars and light commercial vehicles;
- 7.3 - Installation, maintenance and repair of energy efficiency equipment;
- 8.2 - Data driven solutions for GHG emissions reductions.

Transition to a circular economy eligible activities:
- 5.1 - Repair, refurbishment and remanufacturing.

Climate change mitigation analysis of eligibility and alignment

Climate change mitigation means the process of holding the increase in the global average temperature to well below 2°C and pursuing efforts to limit it to 1.5°C above pre-industrial levels, as laid down in the Paris Agreement. Below, we describe the nature of our taxonomy-eligible and taxonomy-aligned economic activities.

Transport by motorbikes, passenger cars and light commercial vehicles (6.5)

Our analysis showed that our capex on fully electric lease cars increased to €47 million (2023: €23 million). The continued transformation of our leased car fleet to fossil fuel free cars meets the first criterion - a substantial contribution to climate change mitigation - as electric vehicles (inflow) have lower emissions than the limit allowed in the technical screening criteria. KPN's car lease contracts include maintenance and repair. After the lease

● Environmental - EU taxonomy

contract ends, cars are returned and sold by the lease company on the second-hand market, which proves the activity does no significant harm to the "transition to a circular economy" objective. With regard to pollution prevention, electric vehicles have lower exhaust emissions. However, our assessment is that their tires do not comply with EU Regulation 2020/740 and cannot qualify as an aligned economic activity.

Installation, maintenance and repair of energy efficiency equipment (7.3)
The capex related to the installation of energy efficiency equipment are qualified as eligible activities. The activities concerns €3 million capex in (re)placing airconditioning in technical buildings and LED lighting in office buildings. The first criterion for substantial contribution is met, as the airconditioners and LED lighting are in the highest two populated energy efficiency classes (A and B respectively, where relevant). However, the do no significant harm criteria for the "pollution prevention and control" objective were not met.

Data driven solutions for GHG emissions reductions (8.2)
Last year we reported capex on specific customer premises equipment as eligible and aligned. This economic activity is considered an enabling activity and it complies with all the technical screening criteria of economic activity 8.2. It ensures lower lifecycle GHG emissions through lower energy consumption compared with the best performing alternative solutions or technology. One of our modems has been assessed as being more energy-efficient versus previous models. The related capex in 2024 amounted to €13 million (2023: €15 million).

Investments in customer premises equipment met the first criterion (a substantial contribution to climate change mitigation) as shown by the nature of the product passports for this equipment (verified by an independent third party) and by supplier self-declaration. This equipment does not do significant harm to the other environmental objectives, as evidenced by performing a climate risk and vulnerability assessment and Declarations of Conformity.

Circular economy analysis of eligibility and alignment
Repair, refurbishment and remanufacturing (5.1)
KPN has material eligible activities related to repair and refurbishment of customer premises equipment. The activities provide a substantial contribution to the transition to a circular economy in line with the criteria on lifetime extension, contractual safeguards and a proper waste management plan.

The opex of eligible activities in 2024 is less than €1 million (2023: less than €1 million). The related capex in 2024 is €9 million (2023: €8 million). We have concluded that these activities can be considered as aligned as they do no significant harm to 'climate change mitigation/adaptation', 'sustainable use and protection of water and marine resources' and 'pollution prevention and control'.

Minimum social safeguards assessment
Compliance with minimum safeguards is enforced through suppliers accepting the KPN supplier code of conduct, verifying suppliers' operations through audits by a third party (JAC), and in the event of short comings by corrective actions (see also "Workers in the value chain"). Moreover, KPN complies with the UN Guiding Principles on Business and Human Rights, by integrating these principles in our code of conduct and what we require from our suppliers (see also chapter "Compliance and risk"). Finally, we refer to the 'Governance' section for safeguards in place.

Accounting policy related to the EU taxonomy
See the green highlighted box hereafter for details of the accounting policy we use to calculate turnover, capex and opex in relation to the EU taxonomy. This accounting policy includes references to the related line items in the consolidated financial statements. We have made sure to avoid double counting between the various reporting categories and between the objectives relevant for KPN. We did this by conducting a systematic analysis of all activities listed per objective and crosschecking the eligible activities across the reporting categories and objectives. All eligible and aligned investments in customer premises equipment are included in Note 10 of our consolidated financial statements as investments in property, plant and equipment. Additions related to acquisitions through business combinations and expenses incurred as part of a capex plan are not applicable.

We did not include our joint venture Glaspoort in our disclosure, as KPN does not have control over this entity. We did not report Glaspoort's impact separately as its main activities relate to fiber rollout which is currently not eligible.

With the proceeds of the issuance of KPN's €500 million perpetual green hybrid bond, we will finance or refinance projects with positive environmental impact. However, the purpose of this financing is not specific to identified taxonomy-aligned activities, so does not have an impact on the EU taxonomy capex KPI.

● **Environmental - EU taxonomy**

Conclusion

EU taxonomy capex KPI
The total value of KPN's EU taxonomy capex amounts to €1,508 million (2023: €1,426 million). For the reporting year 2024, ~5% of our EU taxonomy capex activities qualify as eligible. This relates to electric lease cars, certain customer premises equipment, investments in heating and cooling and spend related to repair and refurbishment. Only ~1.5% of our EU taxonomy capex activities qualify as aligned, comprising certain customer premises equipment (new products) and repair/refurbishment activities.

EU taxonomy opex KPI
KPN has identified eligible activities related to repair and refurbishment of customer premises equipment. The related opex in 2024 is less than €1 million (2023: less than €1 million). Hence, KPN has 0% eligible opex, and as a result this activity is not disclosed in the table on the following page(s). The total value of our EU taxonomy opex amounts to €312 million (2023: €310 million).

EU taxonomy turnover KPI
We have concluded that KPN's eligible EU taxonomy turnover is relatively small, as KPN's core economic activities are not described in the delegated acts on the six environmental objectives. KPN's turnover relevant for the EU taxonomy does not impact the reported percentage (<0.5%) and is not reported as eligible. The total value of KPN's turnover amounts to €5,603 million of which 100% relates to non-eligible activities (2023: €5,439 million of which 100% from non-eligible activities).

Finally, we believe our fiber rollout is an important enabler for climate change mitigation, and it also facilitates significant savings in electricity consumption compared with copper in our core network. However, electronic communications networks (telecommunications) as such are not included as an activity under the current coverage of delegated act. Industry alignment on the treatment of this topic is ongoing.

The amount and proportion of eligible, aligned and non-eligible activities are reported in the tables on the next pages.

EU taxonomy accounting policy
EU taxonomy turnover is defined as revenue as disclosed in Note 4 of our consolidated financial statements.

The EU taxonomy definition of capex differs from that of KPN's as disclosed in Appendix 2. EU taxonomy capex consists of the following components:

Property, plant and equipment investments and PPE changes in consolidation, in the case of acquisitions of business combinations (Note 10 of the consolidated financial statements);

Intangible assets investments and Intangible assets changes in consolidation, in the case of acquisitions of business combinations (Note 11 of the consolidated financial statements);

Leasing and right-of-use assets additions (Note 19 of the consolidated financial statements).

The EU taxonomy definition of opex differs from KPN's definition as disclosed in Appendix 2 and as reported under the operating expenses in our consolidated financial statements. EU taxonomy opex consists of the following components:

Research and development costs, building and renovation costs, short-term leases, maintenance and repair costs, and all other direct costs necessary to service the asset.

● Environmental - EU taxonomy

EU taxonomy capex table

FY 2024		2024		Substantial contribution criteria						DNSH criteria ("do no significant harm")								Category enabling activity	Category transitional activity
Economic activities	Code	Capex	% of capex 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	% of taxon. aligned (A.1) or eligible (A.2) capex 2023		
		€ million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Investments in customer premises. Data driven solutions for GHG emissions reductions	CCM 8.2	13	1%	Y	N	N/EL	N/EL	N/EL	N/EL	-	Y	Y	Y	Y	Y	Y	1%	E	
Repair, refurbishment and remanufacturing	CE 5.1	9	1%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	-	Y	Y	Y	-	-	Y	n/a	E	
Capex of environmentally sustainable activities (taxonomy-aligned) (A.1)		**22**	**1%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**1%**		
Of which enabling		22	100%	100%	0%	0%	0%	0%	0%	-	Y	Y	Y	Y	Y	Y	100%	E	
Of which transitional		-	0%	0%						n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%		T
A.2. Taxonomy eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles: -Electric lease cars	CCM 6.5	47	3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2%		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	3	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								n/a		
Capex of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		50	3%														2%		
A. Capex of taxonomy eligible activities (A.1 + A.2)		72	5%														3%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Capex of taxonomy non-eligible activities		1,436	95%																
TOTAL		**1,508**	**100%**																

● Environmental - EU taxonomy

EU taxonomy opex table

FY 2024	2024			Substantial contribution criteria						DNSH criteria ("do no significant harm")									
Economic activities	Code	Opex	% of opex 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	% of taxonomy aligned (A.1) or eligible (A.2) opex 2023	Category enabling activity	Category transitional activity
		€ million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
No activities identified	-		0%														0%		
Opex of environmentally sustainable activities (taxonomy-aligned) (A.1.)	**-**		**0%**														**0%**		
Of which enabling																		E	
Of which transitional																			T
A.2. Taxonomy eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
No activities identified	-		0%														0%		
Opex of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)	-		0%														0%		
A. Opex of taxonomy eligible activities (A.1 + A.2)	-		0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of taxonomy non-eligible activities		312	100%																
TOTAL		312	100%																

● **Environmental - EU taxonomy**

EU taxonomy turnover table

FY 2024		2024		Substantial contribution criteria						DNSH criteria ("do no significant harm")							% of Category aligned activity (A.1) or eligible (A.2) turnover 2023	Category enabling activity	Category transitional activity
Economic activities	Code	Turn-over	% of Turn-over 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards			
		€ million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
No activities identified		-	0%														0%		
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1.)		**-**	**0%**														**0%**		
Of which enabling																		E	
Of which transitional																			T
A.2. Taxonomy eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
No activities identified		-	0%														0%		
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		-	0%														0%		
A. Turnover of taxonomy eligible activities (A.1 + A.2)		-	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of taxonomy non-eligible activities		5,603	100%																
TOTAL		**5,603**	**100%**																

● Environmental - EU taxonomy

Extent of eligibility and alignment per environmental objective

	Proportion of capex / total capex		Proportion of opex/ total opex		Proportion of turnover / total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1%	3%	0%	0%	0%	0%
CCA	0%	0%	0%	0%	0%	0%
WTR	0%	0%	0%	0%	0%	0%
CE	1%	0%	0%	0%	0%	0%
PPC	0%	0%	0%	0%	0%	0%
BIO	0%	0%	0%	0%	0%	0%

Nuclear and fossil gas related activities	Yes/No
Nuclear energy-related activities	
1 The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2 The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3 The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas-related activities	
4 The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5 The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6 The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

● **Environmental - Climate change**

CLIMATE CHANGE

Governance

Our ESG governance is described in the "Governance" section, which includes governance on environmental topics. To reflect our long-term ambition towards net-zero emissions, our long-term incentive (LTI) plan includes the reduction of value chain emissions (Scope 3), which is given a weighting of 15% of the total LTI plan. The target ambition for the reduction of Scope 3 emissions in the 2022-2024 performance period was set at 25% versus base year 2014. The actual outcome in the 2022-2024 period is at maximum level (a reduction of 29%), which corresponds with 200% of total LTI payout (vesting) level. See the "remuneration report" that forms part of our integrated annual report.

KPN pays a fixed annual fee and annual committee membership fees to the members of the Supervisory Board and these fees are not linked to climate-related considerations.

Strategy
Transition plan for climate change mitigation
Our transition plan to achieve net-zero operations and a net-zero value chain ('KPN Environmental Policy') is publicly available. The key elements are our environmental strategy, long-term goals, decarbonization levers, climate mitigation actions and locked-in emissions, impact of direct emissions, electricity consumption, and upstream and downstream activities. Our strategy and business model support our transition plan towards net-zero, as we roll out fiber in the Netherlands and switch off legacy networks. We aim for sustainable growth by modernizing and simplifying our business and a simplified and streamlined operating model. Sustainability is one of the ESG pillars that is embedded in our strategy.

We have set ambitious environmental objectives for the short term (2025), medium term (2030) and long-term (2040), moving towards net-zero on Scope 1, 2 and 3 emissions. In addition, we have set a medium-term target for 2033 (Scope 3). Target year 2033 is the maximum target year advised by the Science Based Targets initiative (SBTi) and is based on the year KPN requested validation of its updated targets (maximum of 10 years after date of request).

Mitigation efforts are crucial in addressing climate change, and a comprehensive approach involves reducing our impact across all emission scopes - Scope 1, 2 and 3. By implementing strategies to lower emissions in these areas, we not only reduce our own carbon footprint but also aim to reduce our overall negative impact by enabling our customers to reduce emissions. This means actively seeking opportunities to prevent emissions that would otherwise have occurred, thereby contributing to a less negative environmental outcome. Through innovative technologies, sustainable practices, and collaborative efforts with everyone from suppliers to customers, we aim to mitigate climate change effectively and work towards zero waste and zero emissions. This includes our procurement, operations, and the impact of our products and services before, during and after use.

KPN is committed to limiting global warming and achieving net-zero greenhouse gas emissions across its value chain by 2040. By then, we aim to reduce Scope 1 and Scope 3 emissions by 90% from 2015 levels, while continuing to source 100% renewable electricity annually. Any remaining emissions, capped at 10% of our baseline, will be neutralized. Our Scope 2 emissions (market-based) have been zero since 2011, and we will maintain this through 2040 by using renewable energy.

In the near term, we target an 84% reduction in Scope 1 emissions and an intermediate reduction of 41% in Scope 3 emissions by 2030, working towards a 75.6% reduction in Scope 3 emissions by 2033 (all targets versus base year 2015).

These targets have been validated by the SBTi, which provides sector specific guidelines to organizations before they develop and submit targets for validation. SBTi has classified our Scope 1 and Scope 2 target ambitions as in line with a 1.5°C trajectory. By validating our targets externally and monitoring our progress, we aim to contribute to the Paris Agreement pathway.

● Environmental - Climate change

Our key actions and decarbonization levers
KPN has multiple decarbonization levers in place, which are used to reduce emissions and achieve our climate goals.

Direct emissions - Scope 1
Our Scope 1 emissions primarily stem from the process of transitioning our fleet to fossil fuel alternatives. Our key focus is to restrict our inflow to fossil fuel-free vehicles by 2025. We will reach this goal by converting to electric cars in lease arrangements for our own people and in part by using electric and cars fueled by HVO-100 (biodiesel) for engineers.

Moreover, we use gas to heat our buildings and diesel power generators sparingly. For larger buildings and offices, we are still facing a challenge converting from gas to electric installations.

We currently still have emissions relating to no-break installations in our network. The usage of these installations is limited to testing, potential power down incidents and capacity shortage. We continue to explore alternatives, including the consumption of biodiesel in no-break installations and battery-based solutions.

Market-based emissions - Scope 2
Our Scope 2 emissions relate to the electricity consumption of our network, offices and stores. The reduction of our electricity consumption is mainly driven by replacing old copper-based technology with new optic fiber-based technology. In addition, we are reviewing the cooling settings of our technical buildings, applying energy saving features at night in our mobile network and reviewing the space required in offices and stores.

We will continue to reduce energy consumption in our operations, even though data usage continues to grow. We are updating our energy mix by committing to a wind farm from 2027 through 2042 and solar park from 2025 through 2039 (both 15-year periods) and are placing solar panels on our technical buildings.

Value chain emissions - Scope 3
Our Scope 3 emissions reflect our impact in the value chain, and mainly stem from production, transport and usage of equipment we buy from suppliers and usage of our products and services by customers. The key decarbonization levers in the value chain are our suppliers becoming carbon neutral, green electricity available to our customer through advancement of a greener energy grid mix in the Netherlands and the completion of our fiber network and related emitting installation activities.

Other drivers include customer equipment at home or in offices becoming more energy efficient via energy save modes or by using less equipment, reuse and refurbishment of equipment and the lower impact of transport and logistic services in our value chain. Our key actions are supplier engagement programs in collaboration with the Joint Alliance for CSR (JAC) with other telecoms providers and own supplier engagement programs for those vendors not in JAC's scope. The goal of the supplier engagement programs is to gain insight into the alignment of suppliers' climate change related objectives with our objectives, by creating transparency on GHG emissions and energy consumption (including targets, performance and actions) and accelerate improvement opportunities in terms of the carbon footprint of products and equipment (life cycle assessments, or LCAs, e.g. for the energy settings of products we sell to customers) and services. Of our top 20 suppliers that contribute to our Scope 3 upstream emissions, accounting for ~ 56% of our total Scope 3 upstream emissions in 2024, 20% have a net-zero target year of 2040 or earlier for the entire value chain.

We have summarized our emissions reduction achieved so far and the key decarbonization levers in the chart on the next page.

● **Environmental - Climate change**

Decarbonization levers (in metric ton CO_2e)
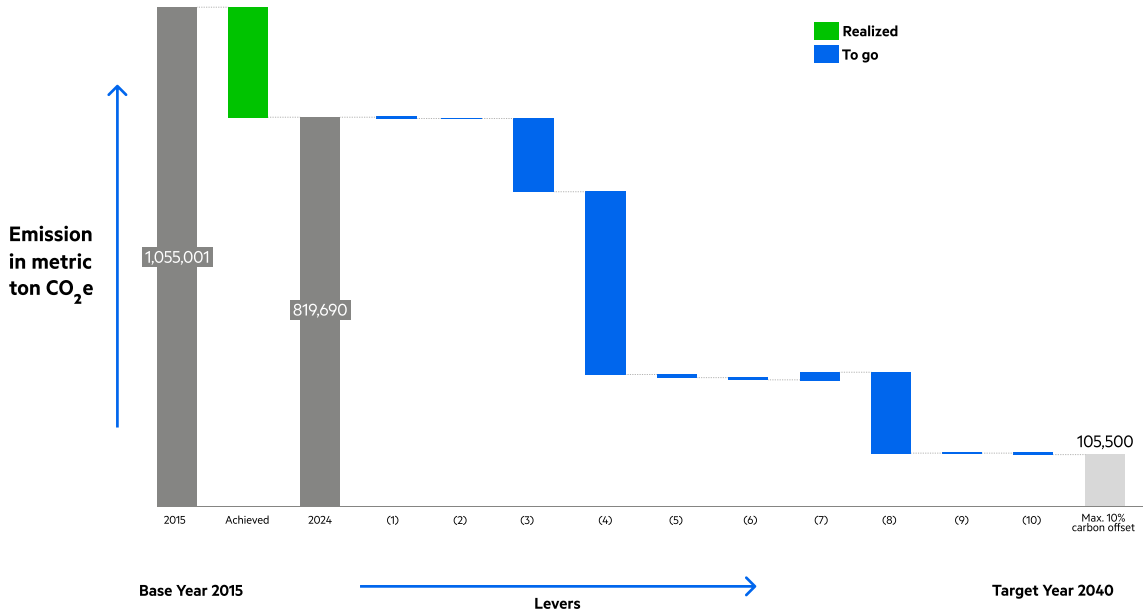
Explanation of decarbonization levers:
1. Scope 1: reduction of direct emissions (gas, fossil car fuels);
2. Scope 2: maintaining 100% renewable energy sourcing (market-based);
3. Scope 3 upstream: completion of fiber rollout resulting in less construction emissions;
4. Scope 3 upstream: reduction of other activities and decarbonization of our suppliers;
5. Scope 3 upstream: reduction of emissions related to production of gas, fossil car fuels and offshore wind electricity as a result of reducing consumption and decarbonization of the energy supply chain;
6. Scope 3 downstream: reduction of emissions as a result of decarbonization of the last-mile logistics to our customers;
7. Scope 3 downstream: increase of emissions related to additional customer fiber equipment;
8. Scope 3 downstream: reduction of emissions related to the improvement of energy efficiency of customer products and/or equipment and the transition to renewable energy in the Netherlands;
9. Scope 3 downstream: reduction of emissions related to reuse and recycle of customer products;
10. Scope 3: other reductions (not further specified: waste from operations, business travel, employee commuting, investments).

The replacement of our copper network by a fiber network results in lower energy consumption in KPN's core network, as data is transported by light signals instead of electrical pulses and significant reduction of space required for equipment in buildings. In the medium-term additional emissions are expected related to customer premises equipment, which on the long-term will be compensated by improvement of energy efficiency of customer premises equipment and the transition of the Netherlands to renewable energy.

Progress on implementing the transition plan
Scope 1 emissions
We have focused on reducing fossil fuel consumption, achieving a 90% reduction in car fuel consumption in 2024 compared with 2010 (excluding subsidiaries). We added 776 electric and no additional biofuel or diesel cars, reaching a near 100% fossil-fuel-free inflow for 2024 (excluding subsidiaries). Natural gas consumption dropped by 17% from 2023 due to building closures.

● Environmental - Climate change

Scope 2 emissions

Electricity consumption fell by 17,800 MWh in 2024, marking a 43% reduction from 2010, even as data traffic increased. See figure 'Network electricity consumption (GWh) compared to data communication growth (%)'. This was achieved through network rationalization. Our energy program aims for energy consumption of <400,000 MWh by 2030. By 2027, around 60% of our electricity will come from the combination of a wind farm and a solar park, supporting our goal to improve the allocation of supply of renewable energy according to KPN's daily demand. This is part of our vision to consume the right energy at the right time.

Network electricity consumption (GWh) compared to data communication growth (%)
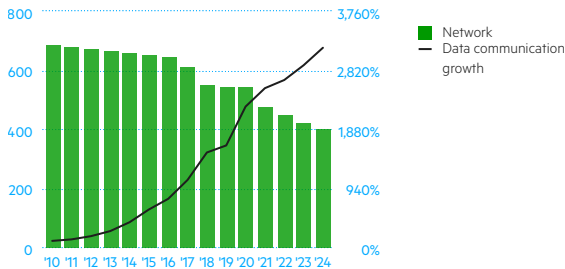
Scope 3 emissions

We collaborate with suppliers on carbon reduction in the value chain, using tools such as those from the Carbon Disclosure Project (CDP) and EcoVadis, and through our participation in Joint Alliance for CSR (JAC) Carbon Reduction Programme. Our top 10 suppliers accounting for the most Scope 3 spend-based emissions 2023 for products and equipment are requested to provide life cycle assessments through the JAC Carbon Reduction programme, and our top 179 suppliers accounting for the most Scope 3 spend-based emissions 2023 are invited to join the JAC Supplier Engagement Programme, in which the level of maturity is assessed and scored for improvement.

We have determined the maturity per supplier and provided a scorecard with suggestions for improvement as well as training webinars and have requested that they make pledges to improve. Climate change, energy reduction, reuse and recycling are embedded in the KPN supplier code of conduct, with which every supplier must comply. In 2024, we updated this code with our latest requirements on ESG and we are implementing this across our current supplier base.

For more details on the progress on these actions, see "Actions" in Impacts, risks and opportunities section and Metrics and Targets sections.

Investments in and funding of our transition plan

KPN has outlined a transition plan to address the four key focus areas in our sustainability efforts: reducing energy consumption, minimizing carbon emissions, preventing grid congestion, and enhancing resilience to extreme weather events. This plan aims to tackle each of these areas to ensure long-term operational stability. To support the execution of this transition plan, we have issued three types of financing instrument for key investments. The following instruments are in place to provide the necessary funding and strategic alignment:

1. Revolving Credit Facilities of in total €1.075 bn with a margin linked to KPN's performance on three sustainability targets that are assessed annually: (i) speeding up the digitalization of the Netherlands by rolling out fiber optics; (ii) reducing KPN's energy consumption, and (iii) reducing carbon emission throughout the value chain (Scope 3 emissions). These credit facilities are currently still available to KPN;

2. A sustainability-linked bond (SLB) of €0.7 billion, with a coupon linked to KPN's commitment to significantly reduce Scope 3 carbon emissions by 2030;

3. Two perpetual green hybrid bonds of €0.5 billion each, issued under KPN's green finance framework. The proceeds of these bonds finance or refinance projects with positive environmental impact in three areas:
   - implementing our energy efficient fiber optic network;
   - Investing in extending product life;
   - reducing impact of waste on the environment and the rollout of our fossil-free fleet.

The transition plan is embedded in and aligned with our business strategy. Our financial forecast relating to emissions reduction is in progress, including future resources, capex and opex, and will be updated annually.

For more detailed information about the key performance indicators for our taxonomy-aligned capex, see the EU taxonomy section.

The largest part of our Scope 3 emissions reduction lies with our suppliers and is, as such, funded by them.

Locked-in GHG emissions from our key assets and products

Locked-in emissions are those from the energy consumption of our network and customer premises equipment (CPE) at customer locations, which is influenced by the energy efficiency of this equipment and the energy mix consumed by KPN and the Dutch grid. Our main focus in terms of locked-in emissions on the path to net-zero is on rationalizing legacy network components, improving the energy efficiency of equipment, optimizing cooling and temperatures, transitioning suppliers to climate neutrality, and the conversion of the Dutch grid to green energy. Additionally, home and office energy consumption is affected by the specifications of supplier-provided equipment

● Environmental - Climate change

and customer adoption of deviceless applications. There is a technology risk, as we rely on suppliers for energy-efficient equipment innovations.

We manage energy consumption reduction through our energy excellence program, which is reviewed monthly. Energy consumption and power-saving potential are key factors in selecting network and customer premises equipment. We also engage suppliers (e.g. through the Joint Alliance for CSR (JAC) to discuss product carbon footprints and seek improvements through life cycle assessments.

No historic data is available for Scope 3 emissions from the energy consumption of devices sold or leased to B2B customers. Changes in sales volumes and energy features of home and office equipment may affect our outlook for Category 11 (Use of sold products), Category 12 (End-of-life of sold products) and Category 13 (Downstream leased assets) emissions.

For 2025 up to 2027 KPN expects the share of capex dedicated to taxonomy-aligned activities to remain relatively stable.

EU Paris-aligned benchmarks
KPN is excluded from EU Paris-aligned benchmarks, as it does not operate in sectors that significantly contribute to climate change, such as controversial weapons, tobacco, or coal, oil, and gas exploration.

Alignment and embedding of the transition plan with overall business strategy and financial planning
Our transition plan is embedded in and aligned with KPN's overall business strategy. More specifically, it is linked to the financial and business planning of our Connect, Activate & Grow strategy and uses capex planning towards 2027 as an input variable. The transition plan includes short-, medium- and long-term targets, which have been discussed by Supervisory Boards' ESG Committee and approved by the Board of Management.

We measure progress on our transition plan on a quarterly and yearly basis.

Impacts, risks and opportunities
For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see description of the process to identify and assess material impacts, risks and opportunities.

● Environmental - Climate change

We have identified the following **two actual impacts** on climate change, both negative:
1. **Energy consumption:** KPN's initiatives to enhance energy efficiency in its network reduce energy consumption, and thereby support climate change mitigation. Additionally, by providing digital services as alternatives to physical products, KPN helps customers avoid carbon emissions, further contributing to environmental sustainability;
2. **Carbon emissions:** KPN's services and products generate carbon emissions from energy consumption and material usage across our operations, our suppliers' operations, and our customers' usage, impacting climate change.

The impacts are relevant in our business model for our climate-neutral operations in terms of serving customers and delivering connectivity. In our value chain, the impact spans upstream, downstream, and our own operations. Geographically, the impact is both in the Netherlands and worldwide. Our strategy and business model support our transition plan towards net-zero. The impacts are involved through our own activities and business relationships and affects both people and environment, such as extreme weather and flooding, on a medium- to long-time horizon. KPN focuses on energy reduction and efficiency, reduced use of virgin materials, circular economy and resource use are key drivers in our journey to net-zero and reducing carbon emissions across the value chain. In our business relationships, we strive to secure fixed pricing by establishing long-term contracts for renewable energy with suppliers.

Our business model and portfolio of ICT solutions are focused on connecting everyone in the Netherlands to a sustainable future. This enhances the possibilities for working from home, thus reducing the impact of commuting and lowering energy consumption in office buildings. While home energy consumption may increase with working from home, the reduction in emissions from decreased commuting and lower office energy consumption typically results in a net decrease in carbon emissions overall.

We have identified the following **two risks**, which are both **actual** and **potential,** from climate change:
1. **Grid congestion:** renewable energy demand exceeds supply and energy storage technology is still developing. Limited power capacity and connections can lead to grid congestion, with the risk of disrupting KPN's networks and services through power outages;
2. **Climate-related major incidents:** climate change can lead to extreme weather events, such as flooding and heat stress, which could damage KPN's infrastructure and pose risks of temporary or long-term network disruptions.

The transition risk of grid congestion is relevant for our climate-neutral operations by serving the customer and delivering connectivity and is located in our own operations and upstream in our value chain in the Netherlands. The expected time horizon of this risk is medium-term. Grid congestion presents risks to KPN, such as increased costs and potential service disruptions, which could impact customer satisfaction and revenue. If not properly addressed, it may challenge operational stability and network reliability. To mitigate these effects, countermeasures and potential future scenarios have been outlined.

This physical risk of major incidents related to climate is relevant for our climate-neutral operations and is located in our own operations in the Netherlands. The expected time horizon of this risk is long-term. If we do not address the risk of extreme weather events, we run the risk of frequent service interruptions, higher costs, and reduced competitiveness due to less reliable network performance. To mitigate these impacts, KPN has guidelines for setting up technical buildings in ways that protect crucial infrastructure.

● Environmental - Climate change

To better understand the impact and the likelihood of the material physical and transition risks, we undertook a resilience analysis. We calculated the impact on KPN's equity value by factoring in possible increases and/or decreases in revenues, opex and capex. For further details on how the analysis was conducted and its results, see the Description of the process to identify and assess material impacts, risks and opportunities.

We identified and assessed the risks of climate change based on the TCFD climate-related risk subcategories, including physical risk, policy and legal risk, technology risk, market risk, and reputation risk, to determine their potential impact on KPN. In the process to identify and assess climate-related impacts, risks and opportunities we have not included the impacts of our GHG emissions on climate change and have not conducted a quantitative analysis of a (high emission) climate scenario nor a climate scenario in line with limiting global warming to 1.5ºC with no or limited overshoot.

We have not screened our activities and plans to identify actual and potential future GHG emission sources and/or drivers for other climate-related impacts in our own operations and along the value chain. We plan to do this within two years.

Our strategy and business model support our transition plan towards net-zero, as we roll out fiber in the Netherlands and switch off legacy networks, and aim for sustainable growth by modernizing and simplifying our business and simplifying and streamlining our operating model. Sustainability is one of the ESG pillars embedded in our strategy. For more details on how our strategy and business model align with the transition to a sustainable economy, see the "Strategy" section. This section also provides insights into our green finance framework, which is used for funding any investments in adjusting or adapting our strategy and business model to climate change.

We have assessed the physical risks of climate change for our own operations by performing scenario analysis on the vulnerability of our own infrastructure, based on the geo spatial coordinates specific to our individual locations. For this, we used the Climate Impact Atlas ("Klimaateffectatlas" in Dutch) in considering the time horizon towards 2050, and selected three scenarios based on the Climate Impact Atlas layers: Urban Heat islands, Precipitation and Flooding.

The high scenario corresponds to the KNMI'14 scenario WH ("warm hoog" or "warm high") of the Dutch national weather service, which is the worst-case scenario for most of the

effects. The low scenario generally corresponds to the KNMI'14 scenario GL ("gematigd laag" or "moderate low"), in which changes remain most limited. KNMI'14 scenarios (climate-change scenarios) are based on the worldwide climate projections of the Intergovernmental Panel on Climate Change (IPCC). On 9 October 2023, KNMI published new climate scenarios, which replace the '14 climate scenarios. The Climate Impact Atlas has not yet been updated for these scenarios for the relevant layers. We will update our scenario analysis when the relevant layers are updated for the KNMI '23 climate scenarios.

As a result, we have categorized our locations (e.g. technical buildings, Point of Presence-stations, street cabinets) on the exposure to these risks at a scale of 0-5, ascending from low risk (classification 0) to high risk (classification 5). In case a location needs to be relocated this data can be used to determine additional measures to mitigate physical risks (e.g. placing the equipment higher above ground level). The vulnerability of our upstream and downstream value chain has not been assessed.

The assessment of risks related to climate change has been the basis for conducting the financial materiality assessment. In the assessment we have not considered a climate-related scenario analysis in identifying transition events and assessing exposure. We plan to do this within the next two years. For our significant locked-in GHG emissions, we have identified that some of our equipment (i.e. customer premises equipment) is less compatible with a transition to a climate-neutral economy. For more information about our locked-in GHG emissions, see the "Strategy" section.

The climate scenarios described above are compatible with the critical climate-related assumptions made in our consolidated financial statements. We have analyzed whether they had any impact on the valuation of KPN's assets, liabilities and financial results and concluded the impact is limited (see also Note 2 of KPN's consolidated financial statements).

Policies
We have several policies in place to manage the material impacts and risks related to climate change mitigation and adaptation:
1. KPN environmental policy;
2. Strategy for furnishment of technical buildings;
3. KPN code of conduct (CoC);
4. KPN supplier code of conduct (SCoC);
5. Procurement policy.

More details of these policies are given below.

● Environmental - Climate change

KPN Environmental Policy

The general objective of our environmental policy is to inform our external stakeholders on our net-zero ambition, strategy, approach, measurement and high-level roadmap in regard to our GHG emissions (Scope 1, 2 and 3) and to provide guidance for internal decision-making in regard to energy consumption, material usage and sourcing of energy and products and services from our suppliers.
The IRO related to this policy is our impact on climate change from energy consumption and carbon emissions.
The policy is in line with ISO 14001. The monitoring process is embedded in the ISO 14001 "plan-do-check-act" cycle of environmental management. We monitor progress and publish the main results and indicators of our environmental performance in our sustainability statement, which is assured internally by our internal audit function as well as externally by our external auditor. Affected stakeholder groups are employees, customers, suppliers and investors. Geographically the scope of our own operations and downstream value chain are located in the Netherlands, however, the upstream value chain is global.
Our Board of Management is accountable for the environmental policy. We request feedback from customers, suppliers, employees, investors and peers via stakeholder dialogues and industry platforms and adjust our policy if needed.

The policy addresses climate change mitigation; reduction of KPN's GHG emissions, energy efficiency; reduction of KPN's energy consumption, and renewable energy deployment (maintaining our 100% renewable energy position).

The policy is publicly available at https://www.overons.kpn/en/kpn-in-the-netherlands/sustainability/vision-on-sustainability-1

Strategy for furnishing of technical buildings

Our vision on buildings and furnishing sets out the requirements for buildings containing active equipment. These requirements depend on the possible impact of an incident and are derived from the network functions of a building, the number of addresses in its service area and the equipment present in the building.
The IRO related to this strategy is the risk of climate-related major incidents.
The requirements in the strategy have been translated into the building requirements for contractors ('Programma van Eisen' or 'PVE' in Dutch), which are evaluated regularly at acceptance of work. These requirements are for technical buildings in our own operations located in the Netherlands and mainly focus on the required level of efficiency in terms of power usage effectiveness (PUE), data center infrastructure efficiency (DCIE) and climate conditions. The policy addresses climate change mitigation: energy efficiency and temperature requirements, and climate change adaptation: business continuity of critical infrastructure. In setting the strategy for network architecture and furnishing of buildings, we consider how best to limit the number of potentially impacted customers. The EVP Technology Office is accountable for the strategy.

The PVE is agreed upon with suppliers on a project basis.

KPN code of conduct

With regard to energy and environment, our values are: we help to create a better society by doing business in a responsible and engaged manner; we respect people and resources; our business operations are carbon neutral; our products and services help society to tackle issues such as climate change and road congestion; and we aim to inform our customers about our 'green credentials', and offer them energy-efficient solutions where possible. The IRO related to this policy is our impact on climate change from carbon emissions. The policy addresses climate change mitigation (carbon neutral operations, minimizing our usage of resources, helping customers to tackle issues with our services), energy efficiency (minimizing our consumption of renewable energy and other resources and offering energy-efficient solutions to our customers) and renewable energy deployment (carbon neutral operations). For details of the code of conduct, see the "Business conduct" section.

KPN supplier code of conduct

KPN purchases many products and services from suppliers. Suppliers are required to contribute to KPN's environmental goals and to comply with KPN requirements in regard to:
• Environmental legislation;
• Environmental governance;
• Reducing / designing for environment;
• Extending and optimizing product usage;
• Energy consumption and GHG emissions.

The related IRO to this policy is our impact on climate change from carbon emissions. The policy addresses climate change mitigation (requirements for suppliers regarding their GHG emissions and energy consumption ambitions, product specifications) and energy efficiency (requirements for suppliers regarding energy consumption of products and equipment). For details of the supplier code of conduct, see the "Workers in the value chain" section.

Procurement policy

Our procurement policy provides guidelines and standard methods and procedures for purchasing products and services from suppliers. We award contracts based on total value including environmental, social and governance (ESG) criteria. The criteria related to Environment are:
• Extending the life cycle of products;
• Promoting the energy efficiency of KPN products;
• Net-zero CO_2e emissions in the supply chain by 2040.

The IRO related to this policy is our impact on climate change from carbon emissions. The policy addresses climate change mitigation, i.e. GHG emissions in upstream (supply) and downstream (use of products by our customers), energy efficiency of purchased equipment and products, and renewable energy deployment (procurement of renewable energy). For details of the procurement policy, see the "Workers in the value chain" section.

● **Environmental - Climate change**

We engage with our stakeholders regarding our environmental policies and performance through stakeholder dialogues. We benchmark our performance via internationally recognized ratings, from e.g. the Carbon Disclosure Project (CDP), Sustainalytics, MSCI and EcoVadis. We participate in industry and cross-industry working groups, environmental membership organizations, partnerships and associations with a sustainability focus. We keep our employees informed and engaged about the value of environmental sustainability and about the initiatives and actions that we take to put our environmental principles into practice. This way, we ensure that our employees play an integral part in our sustainability programs.

Actions

Our key actions (taken and planned) to achieve our climate-related policy objectives and targets are presented below.

Scope 1 emissions

Key actions 2024:
- Converting to electric cars in lease arrangements for our own people;

Future key actions under investigation:
- Transitioning from gas-based heating to electrical heating for smaller buildings.
- For larger buildings and offices, we still face a challenge converting from gas to electric installations;
- Exploring alternatives such as application of biodiesel in no-break installations or battery-based solutions.

These key actions aim to reduce direct emissions (Scope 1). We expect that the outcome will match our target line.

The scope of these actions is our own operations in the Netherlands. The expected time horizon for both the conversion to electric cars of our own fleet in lease arrangements for our own people and/or biodiesel-fueled cars for engineers is 2030. The expected timeframe for the transition from gas-based heating to electrical heating for smaller buildings is yet to be decided.

The key actions require significant opex and/or capex. See the "Strategy" section for the type and background of financial resources allocated to this action plan, specifically the transition plan for "Climate change" subsection "Investments in and funding of our transition plan" for our current and future resources and the environmental/social objectives of these investments.

Scope 2 emissions (location-based)

Our electricity consumption has been based on 100% renewable electricity since 2011 and we have committed to this until at least 2040. This means that our market-based emissions for Scope 2 are already zero.

Key actions:
- We will continue to reduce electricity consumption in our operations, even though data usage continues to grow (see our energy consumption action plan);
- We are updating our electricity mix by committing to a wind farm and a solar park for 15 years (> 67% of long-term required capacity);
- We are continuing the rollout of our fiber network. We expect to achieve reduced electricity consumption by switching off legacy networks and finalizing the fiber rollout.

These key actions aim to reduce indirect emissions (Scope 2) by reducing electricity consumption.

The scope of these actions relates to our own operations in the Netherlands. The expected time horizon is 2040 for reducing electricity consumption in our operations, even though data usage continues to grow (see our energy consumption action plan). The expected time horizon is 2042 for updating our electricity mix by committing to the wind farm and solar park for 15 years (> 67% of long-term required capacity).

The key actions require significant opex and/or capex. See the "Strategy" section for the type and background of financial resources allocated to this action plan, specifically our transition plan for "Climate change" subsection "Investments in and funding of our transition plan" for our current and future resources and environmental/social objectives of the investments.

Scope 3 emissions

Key actions:
- Supplier selection also based on climate change requirements in procurement selection criteria e.g. via life cycle analysis of products and services and material flow analysis for impact of transport in our value chain. This includes selecting energy efficient equipment and stimulate extended use of equipment where feasible;
- Stimulate other project-based improvements by suppliers on climate-related activities in their operation and subcontracted activities;
- Participating in supplier engagement programs from worldwide platforms, such as the Joint Alliance for CSR (JAC), CDP and EcoVadis;
- Collaborating with industry bodies on climate-related industry standards, such as GSMA, JAC, and ETIS.

We expect to positively impact our supply chain and align with industry peers, in terms of climate change ambitions, requirements, reporting and carbon footprint improvement plans. The actions aim to reduce upstream and downstream emissions (Scope 3). The scope of these actions relates to our own operations and the downstream value chain in the Netherlands, and the upstream value chain globally. All key actions are by nature ongoing. The key actions which lead to lower emissions are not expected to require significant opex and/or capex or are part of actions which are not predominantly aimed at lowering emissions.

● Environmental - Climate change

Energy consumption

Key actions:
- Rationalizing network locations (optimizing network by closing down obsolete sites);
- Optimizing temperature at technical locations;
- Implementing energy efficiency measures in office buildings, such as the mandatory energy savings measures list ("Erkende Maatregelenlijst" (EML)).

These key actions aim to reduce indirect emissions (Scope 2) by reducing electricity consumption.

The scope of these key actions relate to our own operations in the Netherlands and will be carried out up to and including 2031. The time horizon under which we intend to complete the key actions is medium-term for the first action and short-term for the second and third action.

The key actions require significant opex and/or capex. See the "Strategy" section for the type and background of financial resources allocated to this action plan, specifically our transition plan for "Climate change" subsection "Investments in and funding of our transition plan" for our current and future resources and environmental/social objectives of the investments.

Grid congestion

Key actions:
- Data and forecast: determine magnitude of congestion and predict, prioritize and monitor locations;
- Lobbying solutions: dialogue with the government and electricity distribution system operators to find solutions for grid congestion;
- Technical solutions: development of a process to intervene in case of undercapacity (such as use of mobile sites, batteries).

These key actions aim to prevent grid congestion. However, as we are subject to regulation, we do not expect that all congestion can be prevented by these actions.

The scope of these key actions relate to our own operations in the Netherlands. There is no specific time horizon to complete them, since it is an ongoing process.

The following table shows the relevant decarbonization levers, and expected and achieved GHG emissions reductions. It also cross-references our consolidated financial statements and the EU taxonomy for our action plans.

Key actions	Relevant decarbonization lever	Expected GHG emission reduction	Achieved GHG emission reduction	Reference to consolidated financial statements	EU taxonomy opex (planned/ realized)	EU taxonomy capex (planned/ realized)	If applicable capex plan	Dependence on the availability and allocation of resources
Key actions Scope 1 emissions: • Converting to electric cars in lease arrangements for our own people and in part by using electric and biodiesel fueled cars for engineers • Transitioning from gas-based heating to electrical heating for smaller buildings	Reduction of direct emissions (Scope 1)	33,750 metric tons CO_2e	31,292 metric tons CO_2e	Note 19 to the consolidated financial statements (for leased cars)	n/a	Capex not aligned	n/a	Limited
Key actions Scope 2 emissions reduction (location-based) and energy consumption: • Rationalizing network location grid • Optimizing temperature technical locations • Energy efficiency measures in office buildings (such as mandatory "Erkende Maatregelenlijst" (EML)	Reduction of indirect emissions (Scope 2)	171,600 metric tons CO_2e	153,244 metric tons CO_2e	n/a	n/a	Capex not aligned	n/a	Limited

● Environmental - Climate change

Metrics and targets

Targets related to climate change mitigation and adaptation

We have designated a number of metrics related to our material climate-related impacts, risks and opportunities to track exposure and/or performance. We have set targets to support our climate change mitigation and adaptation policies and address our material climate-related impacts, risks and opportunities.

KPN has set GHG emissions reduction targets for Scope 1, 2 and 3, based on trends, drivers and SBTi guidelines. Furthermore, in connection with Scope 1 and 2 and our electricity consumption relating to data traffic, we have targets on metric tons of CO_2e per Gbps and MWh per Gbps (intensity indicator). We consider these metrics as representative for the impact of KPN on climate change that can be influenced by management decisions. The targets are set organization-wide for KPN, which operates in the Netherlands. Scope 3 is by far the largest category of emissions, as for many

companies around the world (2024: 99% of total GHG emissions, market-based). Emissions from upstream activities represent the largest part of our Scope 3 emissions (2024: 77% of total Scope 3 emissions) with purchased goods and services (Category 1 and 2) as the main driver. Reduction in emissions from downstream activities mainly depend on the transition of the Netherlands to renewable energy.

The following tables show results as well as details per target. We did not make any changes to the targets in 2024 and stakeholders are not directly involved in setting these targets, unless stated otherwise. The targets are monitored and reviewed every quarter (Scope 1 and 2 emissions, % fossil-free cars added to company fleet in the reporting year) or yearly (Scope 3 emissions, Tons CO_2e per Gbps KPN Netherlands and MWh per Gbps Network Netherlands) by the Board of Management in the ESG update, unless stated otherwise.

	Scope 1 emissions (gross)	Scope 2 emissions (location-based)	Scope 2 emissions (market-based)	Scope 3 emissions
Result 2023	8,686 metric tons CO_2e	132,326 metric tons CO_2e[1]	0.0 metric tons CO_2e	795,061 metric tons CO_2e[2]
Result 2024	6,208 metric tons CO_2e	118,356 metric tons CO_2e	0.0 metric tons CO_2e	813,481 metric tons CO_2e
Target 2024	8,500 metric tons CO_2e	150,000 metric tons CO_2e	0.0 metric tons CO_2e	759,000 metric tons CO_2e
Target 2025	6,100 metric tons CO_2e	116,000 metric tons CO_2e	0.0 metric tons CO_2e	794,000 metric tons CO_2e
Related policy objective(s)	Reducing our direct emissions	Reducing our indirect emissions from business operations	Maintaining our renewable energy %	Reducing our emissions in our upstream and downstream value chain
Scope	Own activities (the Netherlands)	Own activities (the Netherlands)	Own activities (the Netherlands)	Upstream and/or downstream value chain (global)
Base year and baseline value	2015: 37,500 metric tons CO_2e	2015: 271,600 metric tons CO_2e	2015: 0.0 metric tons CO_2e	2015: 1,017,501 metric tons CO_2e[2]
If applicable, milestones or interim targets	2030: 6,000 metric tons CO_2e 2040: 3,750 metric tons CO_2e (net-zero target year)	2030: 110,000 metric tons CO_2e 2040: 100,000 metric tons CO_2e	2030: 0.0 metric tons CO_2e 2040: 0.0 metric tons CO_2e (net-zero target year)	2030: 599,000 metric tons CO_2e 2033: 248,270 metric tons CO_2e 2040: 101,750 metric tons CO_2e (net-zero target year)
Methodology of target-setting	We used the SBTi Target Setting Tool (v2.3 - Absolute Contraction Approach) to set our near-term target for Scope 1, which is aligned with 1.5^0 C. We set the target to be even more ambitious	Target is derived from long-term electricity consumption forecast and expected Dutch energy grid development	Not applicable, as target was reached in 2015 and has been maintained	We used the SBTi Target Setting Tool (v2.3 - Absolute Contraction Approach) to set our near-term target for Scope 3
Based on conclusive scientific evidence	Yes	Yes	Yes	Yes
Performance vs target and analysis	Progress is in line with plan. Result 2024 is significantly lower than 2023 as well as the set target for 2024. This significant change is due to lower gas consumption and less liters of fuels	Progress on Scope 2 emissions is in line with plan. There is a visible year-on-year decrease from 2015 up to 2024	The set target was already reached in 2015. The plan is to maintain 0, which has been achieved in 2024	Increase versus 2023 mainly due to higher Category 1 and 2 emissions, increase in Category 11 (higher volumes sold products) and higher emissions from Category 15 (mainly Glaspoort)

1   Adjusted, see table Gross Scope 1, 2, 3 and total GHG emissions

2   Adjusted, see section "Changes in Scope 3"

● Environmental - Climate change

	Energy consumption	Electricity Consumption in MWh	% fossil-free cars added to company fleet in the reporting year	Tons CO_2e per Gbps KPN Netherlands	MWh per Gbps Network Netherlands	Number of critical locations with congestion challenges
Result 2023	525,705 MWh	446,244 MWh (-42%)	98%	0.0 metric ton CO_2e per Gbps	2,318 MWh per Gbps	n/a
Result 2024	492,739 MWh	435,468 MWh (-44%)	99%	0.0 metric ton CO_2e per Gbps	2,016 MWh per Gbps	Not disclosed
Target 2024	n/a	445,000 MWh (-42%)	98%	0.0 metric ton CO_2e per Gbps	2,100 MWh per Gbps	n/a
Target 2025	489,000 MWh	432,000 MWh (-45%)	99%	0.0 metric ton CO_2e per Gbps	1,900 MWh per Gbps	n/a
Related policy objective(s)	Reduction in energy consumption to mitigate our negative impact on climate change	Energy efficiency leads to a reduction in electricity consumption and as a result mitigate our negative impact on climate change	Reduction of fossil fuel consumption to mitigate our negative impact on climate change	The target relates to limiting the impact of exponential data growth on our Scope 1 and 2 emissions	Energy intensity of our network versus exponential data traffic growth is a key challenge in realizing energy efficiency	Prevent service interruption as a result of grid congestion on critical locations
Scope	Own activities (Netherlands)	Own activities (Netherlands)	Own activities (Netherlands)	Own activities (Netherlands)	Own activities (Netherlands)	Own activities (Netherlands)
Base year and baseline value	n/a	2010: 769,401 MWh	n/a	n/a	2010: 100 (index)	n/a
If applicable, milestones or interim targets	n/a	2030: < 400,000 MWh	n/a	n/a	n/a	n/a
Methodology of target-setting	No target is set. Instead, we conduct a trend analysis based on the forecasted GWh of the network and the inflow of fossil-free cars.	The target is based on long-term planning of electricity consumption, where consumption uptake must be absorbed by additional measures	We set the target by analyzing the potential for the inflow of fossil-free fueled cars. We analyzed the available types of vehicles in the lease markets for the upcoming years.	We are already on target and plan to maintain that position	We set the target for the coming year based on estimated data traffic growth, energy efficiency measures and energy forecasts	KPN has assessed that certain information related to grid congestion is sensitive. Therefore, details about "Number of critical locations with congestion challenges" has been omitted from this report.
Based on conclusive scientific evidence	No	No	No	No	No	No

● **Environmental - Climate change**

	Energy consumption	Electricity Consumption in MWh	% fossil-free cars added to company fleet in the reporting year	Tons CO_2e per Gbps KPN Netherlands	MWh per Gbps Network Netherlands	Number of critical locations with congestion challenges
Performance vs target and analysis	Our trend analysis shows, that the progress is in line with our forecast. There is a visible year-on-year decrease for Energy consumption.	We have an energy excellence program in place and are on track to reach our target of less than 400,000 MWh in 2030. Furthermore, electricity savings mainly result from network rationalization. As 2024 figures show, we are on track to achieve the set target.	The progress made is in line with plan. There are no significant changes in performance towards target. The mentioned results exclude KPN's subsidiaries.	Progress is in line with plan. Significant change in performance towards target: no.	Progress is in line with plan. Decrease 2024 related to lower electricity consumption in the network, despite data traffic growth. Significant change in performance towards target: no.	KPN has assessed that certain information related to grid congestion is sensitive. Therefore, details about "Number of critical locations with congestion challenges" has been omitted from this report. The metric is monitored and reviewed on a monthly basis.

	Estimated avoided energy consumption	Estimated avoided CO_2e emissions	Avoided particulate matter emissions
Result 2023	5,349 PJ[1]	437,199 metric tons CO_2e[1]	76 metric tons PM_{10}
Result 2024	6,984 PJ	591,751 metric tons CO_2e	126 metric tons PM_{10}
Target	Not available: no key action plan and target are set. Actions focus on explaining to our customers the possibilities of using our services for working from home offices.		
Performance vs target and analysis	The metrics are partially dependent on assumptions which vary from year to year and other factors determined by third parties (such as company rules on office/home office days, traffic rush hours etc.) and cannot be influenced by KPN. Therefore, we have chosen not to set a policy and target for these metrics, but are following year-on-year trends. The increase 2024 versus 2023 is mainly related to an increase in the % teleworkers.		

1   Outcomes 2023 are updated for new information on average working hours at home per week per home worker. Reported 2023: Estimated avoided energy consumption 3,830 PJ, Estimated avoided CO_2e emissions 383,041 metric tons CO_2e and Avoided particulate matter emissions 110 PM_{10}

Methodologies
- Scope 1, 2 and 3: see the "Methodologies and significant assumptions on GHG emissions" section;
- Electricity Consumption in MWh: the metric includes electricity consumption of our fixed and mobile networks, data centers, offices and shops versus the consumption in base year 2010. Electricity providers estimate the consumption for part of our network operations - as monthly meter readings are not always made - so there is some uncertainty around the accuracy and completeness of our electricity consumption;
- Energy consumption: Calculation is based on consumption reported by suppliers and our own smart meters. We convert the consumption measurement in PJ to MWh;
- % Fossil-free cars added to company fleet in the reporting year: for this metric we calculate the share of electric cars in total additions (inflow) of cars to the company fleet, the lease pool or company cars for engineers;

- Tons CO_2e per Gbps KPN Netherlands: for this metric we calculate the sum of Scope 1 emissions (net) and Scope 2 emissions (market-based) divided by data traffic in gigabytes per second;
- MWh per Gbps Network Netherlands: for this metric we calculate the energy consumption of our network divided by data traffic in gigabytes per second;
- Number of critical locations with congestion challenges: measured by comparing the base load of energy consumption corrected for incidental peak loads and compared to available grid capacity of the local energy distribution system operator and categorized in three categories (critical, needs attention and safe);

● Environmental - Climate change

- Estimated avoided energy consumption, estimated avoided CO_2e emissions, and avoided particulate matter emissions: the savings calculation consist of three parts:
  1. Reduced commuting (reduced traveling);
  2. Reduced office space;
  3. The rebound effect caused by additional electricity and gas consumption at home when working from home.
  The impact of working from home is estimated based on the following main assumptions:
  – Market share of broadband subscribers (limited change versus previous year);
  – % home workers: 52.0% (2023: 41.8%);
  – Average working hours at home per week per home worker: 15 (2023: 7.4, corrected to 15);
  – % travel by car: 69.7% (2023: 69.8%).

No stakeholders were directly involved in setting the targets. All parameters are reviewed annually by KPN for updates. In the event of changes or when new services are introduced to provide estimation methods, we involve external consultants. For the parameters for savings on office space and for extra electricity and home gas consumption when working from home (rebound effect), the values used in the savings calculation are based on averages. We use the average between the lowest and highest reported value in reports and research. Cost savings are based on the average fuel, electricity and gas prices published by Statistics Netherlands (CBS) and Milieu Centraal. Estimated avoided energy consumption is calculated by multiplying the avoided electricity consumption in kWh by a conversion factor to convert to PJ, estimated avoided CO_2e emissions are calculated by multiplying the avoided electricity consumption in kWh by an emission factor for electricity. Avoided PM_{10} emissions enabled for KPN customers are estimated based on the following main assumptions:

- Particulate matter per car kilometer: 0.00002 kg/km;
- Particulate matter per public transport kilometer: 0.00010 kg/km;
- Particulate matter per kWh: 0.00025 kg/kWh;
- Particulate matter per kWh off-shore wind: 0.00005 kg/kWh;
- Particulate matter per m3 – heating: 0.00170 kg/m^3.

Avoided particulate matter emissions are calculated by multiplying the avoided kilometers, natural gas and electricity consumption by the relevant particulate matter factor.

For base year 2015 we used the calculated emissions and corrected the emissions value for relevant changes and errors over the comparative year, to ensure that figures for the reporting year are like-for-like in regard to the base year. For Category 5 (Waste generated in operations), Category 11 (Use of sold products), Category 12 (End-of-life treatment of sold products), Category 13 (Downstream leased assets), Category 15 (Investments) we have set a baseline. Please refer to the "methodology" section for the changes in methodology and/or scope we made in calculating our GHG emissions in this reporting year 2024.

We used the SBTi target setting tool (v2.3 - Absolute Contraction Approach) to set our near-term targets and the net-zero tool (v1.0.3 - Cross-sector Pathway) to set our long-term targets for Scope 1, 2 and 3. These targets are validated by the SBTi (except our Scope 3 2030 target and our electricity consumption reduction target). SBTi has classified our Scope 1 and 2 target ambitions as in line with a 1.5°C trajectory. For Scope 1 we set an even more ambitious target than the reference target value (targeting an 84% reduction versus the reference value 80.25%). SBTi provides sectoral specific guidelines to organizations before developing and submitting targets for validation. By validating our targets externally and monitoring our progress, we aim to contribute to the Paris Agreement pathway. In setting the targets we have anticipated emissions reduction including those resulting from our supply chain becoming climate-neutral, the finalization of the fiber network rollout in the coming years, virtualization of network components and CPE, lifetime extension of network equipment and CPE and the transition to renewable energy of the Netherlands.

● Environmental - Climate change

We have not considered a diverse range of climate scenarios, including a climate scenario compatible with limiting global warming to 1.5°C, to identify relevant environmental-, societal-, technology-, market- and policy-related developments and determine our decarbonization levers. However, our net-zero and near-term targets on GHG emissions are validated by SBTi against the goal of limiting global warming to 1.5°C. Our decarbonization levers are aligned with our net-zero target emissions (maximum 10% residual emissions to neutralize). We plan to consider climate scenarios within two years. Our main decarbonization levers for the reduction of our GHG emissions and their individual contribution to our total reduction target are set out in the table on the next page.

We depend on the development of new technologies to achieve decarbonization of heating for buildings and greater energy efficiency of our equipment and products. We plan to adopt new technologies when these are feasible.

Energy consumption and mix

The following table shows the sources of the energy consumed for our own processes.

Total energy consumption related to own operations (MWh)	2024	2023
Non-renewable sources	**38,756**	**43,928**
Fossil sources	38,756	43,928
Nuclear sources	-	-
Renewable sources	**453,983**	**482,076**
Biomass, biofuels, biogas, hydrogen	7,937	14,302
Purchased or acquired electricity, heat, steam, and cooling	445,346	467,475
Self-generated non-fuel renewable energy	700	300
Total energy consumption	**492,739**	**526,005**

	Main decarbonization levers	Quantitative contribution to total reduction target
Scope 1	• The conversion of our fleet from fossil-fuel to electric	0.3%
	• Transition from gas-based to electrical heating in buildings	
	• Other	
Scope 2	• Market-based emissions already at zero	-
Scope 3	• Completion of fiber rollout resulting in less construction emissions	21.6%
	• Reduction of other activities and decarbonization of our suppliers	53.8%
	• Reduction of emissions related to production of gas, fossil car fuels and offshore wind electricity as a result of reducing consumption and decarbonization of the energy supply chain	1.2%
	• Reduction of emissions as a result of decarbonization of the last-mile logistics to our customers	0.8%
	• Increase of emissions related to additional customer fiber equipment	-2.5% (increase)
	• Reduction of emissions related to the improvement of energy efficiency of customer products and/or equipment and the transition to renewable energy in the Netherlands	24.1%
	• Reduction of emissions related to reuse and recycle of customer products	0.0%
	• Other reductions	0.6%

● **Environmental - Climate change**

Gross Scope 1, 2, 3 and total GHG emissions

	Base year 2014[1]	Base year 2015	2023	2024	% 2024 versus 2023	2025 target	2030 target	2033 target	2040 target	Annual % target / base year 2030
Scope 1 GHG emissions										
Gross Scope 1 GHG emissions (metric tons CO_2e)		37,500	8,686	6,208	71%	6,100	6,000	n/a	3,750	1%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Scope 2 GHG emissions										
Gross location-based Scope 2 GHG emissions (metric tons CO_2e)		271,600	132,326[2]	118,356	89%	116,000	110,000	n/a	100,000	1%
Gross market-based Scope 2 GHG emissions (metric tons CO_2e)		-	-	-	-	-	-	-	-	-
Significant Scope 3 GHG emissions										
Total Gross indirect (Scope 3) GHG emissions (metric tons CO_2e)	1,096,531	1,017,501	795,061	813,481	102%	794,000	599,000	248,270	101,750	4%
1 Purchased goods and services[3]	527,609	480,167	392,132	395,865	101%					
2 Capital goods	268,884	228,586	208,822	220,006	105%					
3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	95,251	130,138	8,584	8,807	103%					
4 Upstream transportation and distribution	-	-	-	-	-					
5 Waste generated in operations	1,693	1,585	1,219	935	77%					
6 Business travel	3,181	2,963	3,169	2,525	80%					
7 Employee commuting	19,838	16,662	2,056	1,728	84%					
8 Upstream leased assets	-	-	-	-	-					
9 Downstream transportation and distribution	18,716	13,061	10,778	7,184	67%					
10 Processing of sold products	-	-	-	-	-					
11 Use of sold products	4,074	4,481	19,744	24,645	125%					
12 End-of-life treatment of sold products	199	285	310	348	112%					
13 Downstream leased assets	156,071	138,325	126,391	125,613	99%					
14 Franchises	-	-	-	-	-					
15 Investments	1,014	1,249	21,854	25,824	118%					
Total GHG emissions										
Total GHG emissions (location-based) (metric tons CO_2e)		1,326,601	936,073	938,045	100%	916,100	715,000	n/a	205,500	4%
Total GHG emissions (market-based) (metric tons CO_2e)		1,055,001	803,747	819,690	102%	800,100	605,000	n/a	105,500	4%

1   Base year 2014 is reported for Scope 3 as these emissions are part of the Long-Term Incentive Plan 2022 and forms the basis for the target performance under KPN's Sustainability Linked Financing Framework under which KPN has issued a €700m Sustainability Linked Bond

2   Until 2023 the Scope 2 emissions from electricity were converted based on "Well-to-wheel (WTT)" CO_2e emission factors. In 2024, we revised the conversion factors in line with the ESRS, including the Tank-to-wheel emissions in the scope 2 location based emissions. If we calculate the 2023 Scope 2 emissions based on the new conversion factors, the impact is a reduction of Scope 2 emissions of -21,304 metric tons CO_2 which is disclosed above (2023 figure was reported as 153,567 metric tons CO_2e). Base year 2015 for Scope 2 emissions has not been updated

3   We assessed the emissions related to "purchased cloud computing and data center services" as not significant, therefore not specified

● **Environmental - Climate change**

Changes in Scope 3
In our calculations for 2024 we updated our inventory with the following categories):

1. Category 5 Waste generated in operations: though not significant, we added this category to our inventory as input data is available;
2. Category 11 Use of sold products: we updated the scope with B2B products;
3. Category 12 End-of-life treatment of sold products: though not significant, we added this category to our inventory as input data is available;
4. Category 13 Downstream leased assets: we updated the scope with B2B products;
5. Category 15 Investments: we carried out an assessment based on revenue data and concluded that this is a significant category for KPN, mainly due to the emissions of Glaspoort B.V.

Furthermore, we checked all parameters used in the Scope 3 calculations as to whether new values are available or not. We also evaluated input data such as assignment of emission factors to purchasing categories and suppliers. We reclassified some spend-based emissions from Category 9 Downstream transportation and distribution to Category 1 and 2 and updated some emission factors for spend-based emissions in Category 1, 2 and 9. We are continuously working to improve the data quality of reported Scope 3 emissions.

We updated the spend in scope coverage, based on opex and capex, of KPN Group legal entities which are consolidated to 99.6%. The remaining 0.4% consists mainly of small undertakings and legacy legal entities, which we expect to have an emission profile lower than KPN.

In 2023 KPN did not fully report on all Scope 3 categories according to the GHG Protocol; this has been updated and reflected in the 2024 Scope 3 emissions. We have updated the comparative year 2023 and base years 2014 and 2015 for the added categories, except for the B2B scope extension of Category 11, 12 and 13 (no historic data available). See the following table for Scope 3 emissions and the total effect of the updates.

Impact of adjustments in Scope 3 emissions (in metric tons CO_2e)	Base year 2014	Base year 2015	Comparative year 2023
Previously reported total metric tons CO_2e emissions	1,090,331	1,012,507	759,428
Adjustments and addition of new categories 2024	6,200	4,994	35,633
Impact of adjustments compared with previously reported total metric tons CO_2e emissions	0.6%	0.5%	4.7%

Given ongoing updates to external guidelines we anticipate further enhancements to remain relevant in future reporting years.

Methodologies and significant assumptions on GHG emissions
KPN uses the operational control approach when reporting CO_2e emissions of associates, joint ventures and investments. Scope 1, 2 and/or 3 emissions of minority stakes (≤ 50% of total shares and no operational control) are accounted for in Scope 3 Category 15 Investments.

For KPN, carbon is the most relevant greenhouse gas as the primary source of our GHG emissions from energy consumption in telecommunications. Other gases, such as methane and nitrous oxide are negligible since they are more associated with other sectors, such as agriculture or heavy industry. The term 'CO_2e emissions' is used to refer to the GHG emissions we report on. These are stated in CO_2 equivalents. We use CO2emissiefactoren.nl for our Scope 1 and Scope 2 emissions calculations, as published in the reporting year, which cover CO_2 equivalent emissions. CO2emissiefactoren.nl is a publicly available, reputable Dutch platform specifically tailored to provide emission factors relevant to the Netherlands. Using this source ensures that the emission factors are accurate and appropriate for the local context in which our organization operates. We use DEFRA Table 13 Supply Chain for our Scope 3 spend-based method. The emission factors in this table cover CO_2, CH_4, N_2O and F-gas emissions.

Scope 1 – direct emissions
Our Scope 1 emissions sources comprise:
• Fuel consumption of the lease vehicle fleet (employees' passenger vehicles and commercial vehicles);
• Heating of buildings (gas);
• Consumption of coolants for air conditioning and/or cooling;
• Fuel consumption of emergency power generators.

Scope 2 – indirect emissions
Our Scope 2 emissions sources comprise:
• Electricity consumption of the fixed and mobile networks, data centers, offices and shops;
• Electrical vehicle charging;
• District heating;
• District cooling.

The accuracy of electricity consumption data is a key factor in the reliability of our CO_2e emissions calculations. In the data collection process, a number of factors affect the accuracy of the collected data. In general, data originating from direct measurements and meter readings or invoices, including measurements from third parties, are the most accurate.

● Environmental - Climate change

The location-based Scope 2 emissions are calculated based on Tank-to-Wheel (TTW) CO_2e emission factor. The Well-To-Tank (WTT) emissions are accounted for in our Scope 3 emissions (Category 3 Fuel- and energy-related activities). The market-based Scope 2 emissions are 0 because we have contractual arrangements for 100% renewable electricity.

Electricity providers estimate the consumption for part of our network operations - as monthly meter readings are not always conducted - so there is some uncertainty around the accuracy and completeness of our energy consumption. To improve these, we are migrating to remotely readable meters, reviewing administrative processes and updating profiles with our electricity providers.

Scope 3 – other indirect emissions
Our Scope 3 emissions comprise:
- Emissions in the upstream value chain (during the production phase of products, services and equipment at suppliers);
- Emissions in the downstream value chain (during the use phase, including recycling and disposal of the products, services and equipment).

Details of the emissions calculation methodology per Scope and Scope category
The coverage of our emissions calculation is 99.6% of all KPN business units and subsidiaries (opex/capex), with the exception of Scope 1 and 2. The coverage of Scope 1 and 2 is close to 100% of all KPN business units and subsidiaries (opex/FTEs). The standards used for the calculation are the GHG protocols related to Scope 1, 2 and 3. For Scope 3, no emissions are calculated using primary data obtained from suppliers or value chain partners, unless stated otherwise.

Scope 1
The reporting boundaries are fossil fuels (gas, petrol, diesel, and compressed natural gas (CNG). As input sources we use publicly available Dutch emission factors (CO2emissiefactoren.nl) and energy consumption reported by energy suppliers and lease companies. The calculation methodology is based on gross Scope 1 emissions.

Scope 2
The reporting boundaries are renewables (electricity, heat and cooling). We use publicly available Dutch emission factors (CO2emissiefactoren.nl) and energy consumption reported by energy suppliers and own smart meters. The calculation methodology is based on both the location-based method and the market-based method.

Scope 3 - Category 1 Purchased goods and services
The reporting boundaries are all upstream (cradle-to-gate) emissions of purchased goods and services, that are not specified in another category. As input sources we use purchasing invoices, Table 13 Supply Chain (DEFRA, emission factors) and CBS Statline (inflation). The "environmentally extended input-output" (EEIO) factors are corrected for inflation. The calculation methodology follows the spend-based method.

Scope 3 - Category 2 Capital Goods
The reporting boundaries are all upstream (cradle-to-gate) emissions of purchased capital goods, that are not specified in another category. AS input sources we use purchasing invoices, table 13 Supply Chain (DEFRA, emission factors) and CBS Statline (inflation) as input sources. The "environmentally extended input-output" (EEIO) factors are corrected for inflation. The calculation methodology follows the spend-based method.

Scope 3 - Category 3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)
The reporting boundaries are:
- Upstream emissions of purchased fuels: all upstream (cradle-to-gate) emissions of purchased fuels (from raw material extraction up to the point of, but excluding combustion);
- Upstream emissions of purchased electricity: all upstream (cradle-to-gate) emissions of purchased fuels (from raw material extraction up to the point of, but excluding, combustion by a power generator);
- Transportation and distribution (T&D) losses: all upstream (cradle-to-gate) emissions of energy consumed in a T&D system, including emissions from combustion.

As input sources we use consumption of gas, car fuels and wind energy (obtained from suppliers) and publicly available Dutch emission factors (CO2emissiefactoren.nl, "Well-To-Tank"). For our consumed renewable wind energy, we used the so-called "life cycle assessment" (LCA) emission factor, which includes the build of wind parks. The calculation methodology follows the fuel-based method.

Scope 3 - Category 4 Upstream transportation and distribution
This category is not excluded from the inventory, but included in the reported emissions of category 1 and/or 2. We mostly agree with our suppliers on purchase prices including transportation and distribution ("Delivery Duty Paid"), the price break-down for this component is not available.

Scope 3 - Category 5 Waste generated in operations
The reporting boundaries are waste management services related to waste generated in operations of offices and shops and network and own data centers. We apply the waste-type-specific and the spend-based methods. As input sources for waste types, we use the weights per waste type and waste treatment reported by suppliers, consumed water volume, emission factors per waste treatment type of CE Delft, the Dutch Emission Authority ("Nederlandse Emissieautoriteit") and

● **Environmental - Climate change**

Envirometer ("Milieubarometer"). As input sources for some smaller subsidiaries we use purchasing invoices, Table 13 Supply Chain (DEFRA, emission factors) and CBS Statline (inflation). The EEIO factors are corrected for inflation. Base year 2014 is estimated the same value as for base year 2015, as no input data is available.

Scope 3 - Category 6 Business travel
The reporting boundaries are Scope 1 and 2 emissions of transportation carriers that occur during use of vehicles (i.e. from energy use). We apply the fuel-based, distance-based and spend-based methods. As input sources for fuel and distance we use reports from travel agencies with calculations per flight, complemented with data based on declarations of business kilometers by employees and publicly available Dutch emission factors (CO2emissiefactoren.nl – January 2024, "Tank-to-Wheel"). We make assumptions on the fuel mix of car kilometers. As input sources for the spend-based business travel we use purchasing invoices, Table 13 Supply Chain (DEFRA, emission factors) and CBS Statline (inflation). The EEIO factors are corrected for inflation.

Scope 3 - Category 7 Employee commuting
The reporting boundaries are Scope 1 and 2 emissions of transportation providers that occur during use of vehicles (i.e. from energy use). As input sources we use the number of KPN Group FTE, the % of FTE that has a lease car and publicly available Dutch emission factors (CO2emissiefactoren.nl, "Tank-To-Wheel"). We make assumptions on the number of commuting days per year (based on Dutch data on working days from home offices), the average distance of commuting and the transport mix (car/train). The calculation methodology follows the average-data method.

Scope 3 - Category 8 Upstream leased assets
Emisisons from the operation of assets that are leased are included in our own Scope 1 and 2 inventories.

Scope 3 - Category 9 Downstream transportation and distribution
The reporting boundaries are all upstream (cradle-to-gate) emissions of purchased goods and services related to downstream logistics services. As input sources we use purchasing invoices, table 13 Supply Chain (DEFRA, emission factors) and CBS Statline (inflation). The EEIO factors are corrected for inflation. The calculation methodology follows the spend-based method.

Scope 3 - Category 10 Processing of sold products
This category is not applicable to KPN (no own production of products).

Scope 3 - Category 11 Use of sold products
The reporting boundaries are the direct use-phase emissions of sold products over their expected lifetime, i.e. the Scope 1 and 2 emissions of end-users that occur from the use of: products that directly consume energy (fuels or electricity) during use. As input sources for B2C we use the number of products sold (mobile phones), installed base (WiFi extenders - sold and leased), for B2B the number of products sold of a key supplier and publicly available Dutch emission factors (CO2emissiefactoren.nl). We make assumptions on the average consumption per year per product and the life cycle of the product. For mobile phones we updated the estimated average electricity consumption per year to 2.8 kWh (2023: 4 kWh). The impact of the scope extension with a key supplier for B2B is 2,569 metric tons CO_2e. The calculation methodology follows the direct use-phase emissions method (directly consumed electricity during use).

Scope 3 - Category 12 End-of-life treatment of sold products
The reporting boundaries are the sold products in scope of Category 11. As input sources for B2C we use the number of products sold (mobile phones and WiFi extenders), weight data of the product and packaging (both supplier and KPN packaging), recycling % reported by the "Nationaal (W)EEE Register" and emission factors per waste treatment type of CE Delft and the Dutch Emission Authority ("Nederlandse Emissieautoriteit"). As input sources for B2B we use the end-of-life emissions per product reported by a key supplier. The impact of the scope extension with a key supplier for B2B is 10 metric tons CO_2e. The calculation methodology follows the waste-type-specific method.

Scope 3 - Category 13 Downstream leased assets
The reporting boundaries are the Scope 1 and 2 emissions of lessees that occur during operation of leased assets (i.e. from energy consumption). We use the number of products leased in active use (installed base, B2B for a key supplier) and publicly available Dutch emission factors (CO2emissiefactoren.nl) as input sources. We make assumptions on the average consumption per year per product. The impact of the scope extension with leased products of a key supplier for B2B is 3,124 metric tons CO_2e. The calculation methodology is based on the asset-specific method.

Scope 3 - Category 14 Franchises
This category is not applicable to KPN (we operate our own stores).

Scope 3 - Category 15 Investments
The reporting boundaries are the Scope 1, 2 and 3 emissions of Glaspoort B.V. and Netwerk Exploitatie-maatschappij Nuenen B.V. and Scope 1 and 2 emissions for other participating interests. We use KPN's percentage of total shares, revenue of the participating interest, nature of the latter's activities, Table 13 Supply Chain (DEFRA, emission factors), CBS Statline (inflation) and valuta.nl (exchange rates) as input sources. The EEIO factors are corrected

● **Environmental - Climate change**

for inflation. We make the assumption (as per DEFRA) that 30% of the emission factors are related to Scope 1 and 2. For base years 2014 and 2015 we have deducted KPN's participation interests from 2013 and 2019 data, as 2014 and 2015 data is no longer available. For participating interests for which the financial year is not equal to a calender year, we use revenue figures with a delay of six months. For KPN Ventures stakes we use revenue figures with a delay of one quarter. The calculation methodologies follow the investment-specific method and for Glaspoort B.V. direct calculation (primary data - 94% of total Category 15 emissions).

GHG intensity per net revenue

GHG intensity per net revenue	2024	2023	% 2024 / 2023
Total GHG emissions (location-based) per net revenue (metric tons CO_2e / €m)	167	172	97%
Total GHG emissions (market-based) per net revenue (metric tons CO_2e / €m)	146	148	99%

The line item used as the denominator in the intensity calculation for net revenue corresponds with the revenue figure in the corporate statement of profit or loss (see also Note 4 of KPN's consolidated financial statements).

GHG mitigation projects financed through carbon credits
To mitigate our gross Scope 1 emissions, we participate in offsetting projects.

KPN uses REDD+ forest offset projects to achieve net-zero Scope 1 emissions. In 2024 we canceled CO_2e emissions via several projects:
1. Clean cookstove contribution (Ghana), issued by Gold Standard;
2. Reduction of deforestation and forest degradation (Peru), issued by REDD+.

Both projects involve biogenic carbon sinks.

Carbon credits canceled in the reporting year	2024	2023
Total (metric tons CO_2e)	**13,300**	**14,300**
Share from removal projects (%)	0%	0%
Share from reduction projects (%)	100%	100%
Clean cookstove contribution (%)	75%	70%
Reduction of deforestation and forest degradation (%)	25%	30%
Share from projects within the EU (%)	0%	0%
Share of carbon credits that qualify as corresponding adjustments (%)	n/a	n/a

Carbon credits planned to be canceled in the future	Amount until 2025
Carbon credits related to Scope 1	7,000

For Scope 2, we use guarantees of origin to ensure 100% renewable energy. From 2025 and 2027 we will phase in energy-based on long-term power purchase agreements.

We do not purchase carbon credits for Scope 3 emissions or use GHG removals or storage in our activities to compensate our current Scope 1, 2 and 3 emissions.

In line with SBTi guidelines we will neutralize a maximum of 10% of the 2015 baseline of our Scope 1 and 3 emissions in 2040. We intend to do this by participating in removal and/or storage projects, which we will decide upon in the coming years.

Internal carbon pricing
The purchase of goods and services has a negative impact on our emissions. KPN does not use internal carbon pricing. In value cases where energy is a significant aspect, the energy cost is estimated as part of a total cost of ownership valuation for procurement decision-making.

Anticipated financial effects from material physical and transition risks
KPN uses the phase-in provision.

Grid congestion can lead to power outage and resulting in disruption of our network and services.

Extreme weather events, such as flooding, precipitation and/or heat stress, can lead to damage to our infrastructure, causing disruption in our network and services.

Our main data centers (also known as ZARA-locations) are significant assets at material physical risk, all located within the Netherlands as shown below.

Location	NUTS code	NUTS label
Zwolle	NL211	Noord-Overijssel
Arnhem	NL226	Arnhem/Nijmegen
Rotterdam	NL366	Groot-Rijnmond
Amsterdam	NL32B	Groot-Amsterdam

● **Environmental - Resource use and circular economy**

RESOURCE USE AND CIRCULAR ECONOMY

Impacts, risks and opportunities
Resource use and circular economy is a material topic for KPN and consequently included in this sustainability statement. As a large public company, we deem it important that KPN acts in an ethical, responsible and transparent way. For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see description of the process to identify and assess material impacts, risks and opportunities.

KPN has identified the following negative **impact**, as actual and potential, on resource use and the circular economy:

Use and disposal of raw materials: Virgin raw materials from mining and extraction to produce network and customer equipment have a negative impact on the environment. Incineration and landfill of waste from operations lead to lower availability of secondary raw materials to the market and more direct negative impact on the environment, mainly relating to climate.

This impact is relevant for KPN's future-proof infrastructure and mobile spectrum, and flexible, simple, converged products and services with solid environmental performance and a responsible supply chain. The impact in our value chain is concentrated downstream (use, collection, and recycling) and, upstream (mining, materials, components, and manufacturing), as well as within our own operations. Geographically, this impact is located in the Netherlands (own operations and downstream) and globally (production). The impact is involved through our business relations and affects the environment (mainly climate) on a medium time horizon.

To reduce the use of virgin materials we need changes in our strong partnerships and supplier base including greater resource efficiency, more use of secondary raw materials and application of circular design and business practices. This is in line with the sustainability pillar in our ESG strategy and will contribute mainly to the "connect" and "activate" pillars of our overall strategy.

KPN has identified the following **risk** for resource use and the circular economy:

Scarcity of (critical) raw materials: Higher costs and lower availability of (critical) raw materials can make our services more expensive and less available on the market. Our key risks relate to network and customer equipment and critical materials essential for future technologies. The risk can be amplified by geopolitics due to concentration of primary supply from raw materials producing countries.

This risk is relevant for KPN's future-proof infrastructure and mobile spectrum with strong partnerships and supplier base for flexible, simple and converged products and services and with a solid financial basis. It is located upstream in our value chain, globally and in the Netherlands.

The expected time horizon of this risk is long.

To reduce the use of virgin materials we need changes in our strong partnerships and supplier base including greater resource efficiency, more use of secondary raw materials and application of circular design and business practices. This is in line with the sustainability pillar in our ESG strategy and will contribute mainly to our "connect" and "activate" pillars of our overall strategy.

● **Environmental - Resource use and circular economy**
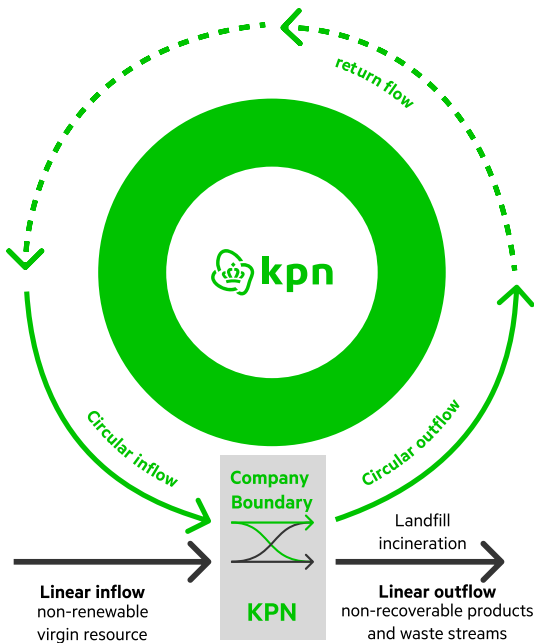
As part of the DMA we conducted consultations-with affected communities, via stakeholder representatives with an environmental perspective, to ensure a comprehensive understanding of their concerns and priorities. KPN has identified impacts, risks, and opportunities related to resource use and circular economy within its operations and value chain. We utilized a combination of life cycle assessment and material flow analysis to evaluate the environmental impacts associated with resource inflows and outflows.

We invited Naturalis Biodiversity Center, WWF (Wereld Natuur Fonds) and internal climate experts to challenge our DMA. Nature representatives were invited to stakeholder dialogues on topics such as climate change and critical raw materials, which are directly or indirectly connected to inflow, outflow and waste. These dialogues are held several times a year and insights from the engagement are discussed in the management team, ESG Board and, if relevant, included in our strategy or converted into improvements.

Responsible resource use and circular economy principles are embedded within KPN. For inflow, we focus on key inflows based on our network to service model. In short, we focus on KPN owned equipment and products that are needed for our business model as a service provider: IT, network and customer premises equipment. We also focus on enabling B2B services for circularity. For outflow, and in relation to products that we put on the market, we focus on takeback programs for obsolete (end-of-use) customer premises equipment and mobile phones.

Lastly, we reduce waste by optimizing preparation for reuse and recycling. Details on impact and risk and related policies, targets and metrics for inflows and outflows can be found in the following sections.

Policies
We have several policies in place to manage the material impacts and risks related to resource use and circular economy:
1. KPN environmental policy;
2. KPN supplier code of conduct;
3. Procurement policy.

KPN environmental policy

This policy informs our stakeholders on our circular ambition, approach, measurement, high-level roadmap, opportunities and risks.

This policy relates to the following IROs:
• Use and disposal of virgin raw materials; and
• Scarcity of (critical) raw materials.

For the environmental policy reference is made to the section "Climate change". Our policy and related transition plan focuses on keeping products and materials in use for as long as possible, reducing the need for new resources through the use of secondary raw materials. It also seeks to apply circular business practices such as closed-loop supply chains, second-hand retailing, maintenance, refurbishing and repair, which help to minimize waste in the outflow of materials. This is how we are transitioning away from the use of virgin resources and increasing the relative share of secondary resources.

KPN supplier code of conduct (SCoC)

This policy is designed to activate suppliers and their subcontractors in terms of circular economy.

This policy relates to the following IROs:
• Use and disposal of virgin raw materials; and
• Scarcity of (critical) raw materials.

For the SCoC reference is made to the section "Workers in the value chain". In the SCoC we stipulate our circular ambition, approach and principles:
• Design for environment and reducing the use of virgin raw materials;
• Extending and optimizing product use; and
• Increasing reuse and recycling and minimizing incineration and landfill of waste.

● Environmental - Resource use and circular economy

We require our suppliers to comply with the principles and support our ambition as set out in the SCoC. Supplier must make every effort to implement these principles across their entire supply chain. KPN may reconsider its relationship with a supplier that does not comply with the SCoC.

Procurement policy

Our procurement policy provides guidelines and standard methods and procedures for purchasing products and services from suppliers.

This policy relates to the following IROs:
• Use and disposal of virgin raw materials;
• Scarcity of (critical) raw materials.

For the procurement policy reference is made to the section "Workers in the value chain". We award contracts based on total value including environmental, social and governance (ESG) criteria, among which are these related to resource use and circular economy:
• Extending the life cycle of products;
• Net-zero CO_2e emissions in the supply chain in 2040.

Actions

To achieve our ambition to become net-zero by 2040, we see the need for both an energy transition and a materials transition. The materials transition involves both finding lower-impact ways to produce materials and applying circular-economy principles. For outflow, we are approaching a saturation point given technical criteria and commercial viability. For inflow, we have introduced products with circular design and procurement criteria, and have started to quantify the circularity of material inflows. We consider circularity an enabler for the net-zero transition by reducing use of virgin raw materials.

Although our action plans require significant amounts of future financial resources, these are not earmarked separately in our financial planning. See the section on investing and funding in our transition plan for climate change for our current and future resources and the environmental/social objectives of the investments. For information on our sustainable financing instruments including our green finance framework, see "Non-current liabilities > Borrowings" in our consolidated statement of financial position, Note 13. The EU taxonomy analysis of eligible activities for circular economy shows that KPN has material eligible activities related to repair and refurbishment of customer premises equipment. In 2024 the related capex was €9 million (eligible and aligned).

Promote and measure reuse and recycling

Key actions in 2024:
• Retain high levels of waste separation and challenge partners
• Design risk and control framework for more reliable reuse and recycling reporting
• Defined improved data model

Key actions planned:
• Retain high levels of waste separation and challenge partners (short term/medium-term)
• Implement key controls for more reliable reuse and recycling reporting (short term)
• Automate data flows and controls (short term/medium-term)

The actions will contribute to the goal of becoming close to 100% circular by 2025 as included in the transition plan and progress our circularity effort as part of our transition to net-zero by 2040.

These actions to increase the relative share of reuse and recycling at our material product groups cover the activities within our NOI, B2C and B2B segments and KPN Real Estate Services (RES) to retain current levels or increase the reuse and recycling rate of our waste outflow in the Netherlands. The actions affect, our stakeholders (suppliers, business and consumer customers, and government and regulators) within our own operations and downstream value chain.

These targets are based on a three year forecast per business segment.

● Environmental - Resource use and circular economy

Promote and measure circular inflow

Key actions in 2024:
- Defined data model for inflow
- Expanded number of contracts with circular inflow requirements
- Expanded scope of measuring circular inflow in B2B

Key actions planned:
- Build data model for inflow (short term)
- Expand the scope of contract requirements and measurement (short term/medium-term)
- Further develop baseline and targets (short term/medium-term, depending on data availability)

The expected outcome of this key action plan is an increased relative share of circular inflow. The actions will contribute to the goal of becoming close to 100% circular by 2025 as included in the transition plan and progress our circularity effort as part of our transition to net-zero by 2040. Actions to increase the relative share of circular inflow at our material product group are covered by our own activities within our NOI, B2C and B2B segments in the Netherlands. They also affect both our upstream value chain globally (suppliers), our own operations (the Netherlands) and our downstream value chain (consumer and business customers).

Promote and measure collected customer premises equipment (CPE)

Key actions in 2024:
- Expanded lifetime of CPE hardware through software enhancements (less collection from lifecycle replacements, enabling reuse)
- Introduced SuperWifi device as a service model (rental)
- Digitalize return process (process live in 2024, customer communication early 2025)

Key actions planned:
- Further improve return process and explore introduction of replacement fee for non-returns (short-term)

The actions will contribute to the goal of becoming close to 100% circular by 2025 as included in the transition plan and progress our circularity effort as part of our transition to net-zero by 2040.

The actions to increase the amount and relative share of collected CPE at our material product groups cover the activities of our B2C segment in the Netherlands. They also affect, our stakeholders (suppliers, consumer customers and government and regulators) within our own operations and downstream value chain.

The targets are based on a three year forecast per business segment.

Promote and measure collected mobile phones

Key actions in 2024:
- Enhanced mobile phone longevity through expanding trade-in proposition.
- Cooperated with other telco's and manufacturers to enhance collection for recycling and develop collection for recycling in KPN Retail shops.

Key actions planned:
- Explore implementation of collection for recycling in KPN Retail shops (short term).
- Improve trade-in flow by embedding it in the customer journey of buying a new phone (short term).

The actions will contribute to the goal of becoming close to 100% circular by 2025 as included in the transition plan and progress our circularity effort as part of our transition to net-zero by 2040.

The actions to increase the number and share of collected mobile phones, cover the activities of our B2C segment in the Netherlands. They also they affect, our stakeholders (consumer customers and government and regulators) within our downstream value chain.

The targets are based on a three year forecast per business segment.

Promote and measure B2B services enabled for circularity

Key actions in 2024:
- Defined data model for inflow
- Increased number of contracts with circular clauses, developed and implemented new return flows, expanded scope of measuring inflow/outflow for B2B services.

Key actions planned:
- Continue to increase the number of contracts with circular clauses, develop and implement new return flows, expand scope of measuring inflow/outflow for B2B services (short term/medium-term).
- For inflow: build data model for inflow (short term)
- For outflow:
  - align/integrate the default data model for B2B reuse/recycling (short-term)
  - develop collection metric for B2B customer premises equipment (medium-term)

The actions will contribute to the goal of becoming close to 100% circular by 2025 as included in the transition plan and progress our circularity effort as part of our transition to net-zero by 2040.

The actions to increase the number of B2B services enabled for circularity, cover the activities of our B2B segment in the Netherlands, customers downstream and global for our upstream value chain. Eligible products and services in the target portfolio include hardware (including customer premises equipment and SIM cards) owned by KPN or a third party on behalf of KPN. These actions also affect our stakeholders (suppliers and business customers).

● Environmental - Resource use and circular economy

Metrics and targets

Our targets on circular economy will help drive our circular approach and will help us reach net-zero in 2040 as described in the section Climate change and in our transition plan to become a net-zero organization and value chain. The targets that relate to circular economy solely are described below.

None of these targets are required by legislation and they are therefore reported voluntarily. These metrics are not based on conclusive scientific evidence. All metrics are measured in absolute value or percentage, which means that the unit of measure is not relevant. Relevant changes in the targets or in the metrics that could affect comparability: 1. Circular inflow scope and methodology and 2. For collected mobile phones, as of 2024 we exclude devices coming back to us through legally required returns/change-of-mind policies in order to align with the GSMA definition.

	Reuse and recycling	Circular inflow
Result 2023	87%	n/a[1]
Result 2024	88%	57%
Target 2024	86%	n/a
Target 2025	≥86%	Ambition to develop targets in 2025
Interim target	2026 and 2027: ≥86%	n/a
Performance vs target and analysis	The result of 2024 is above target, mainly due to high reuse and recycling rates of customer premises equipment and from activities related to the network. The target is monitored and reviewed every quarter by the Board of Management. It is also monitored via the Energy and Environment Board (cross-segment) and for key components within the segment via program reviews.	n/a
Definition of metric	Percentage of total materials and waste prepared for reuse and recycling in relation to total outflow by mass. Reuse: Checking, cleaning or repairing. Recovery operations, by which products or components of products that have become waste are prepared so that they can be reused without any other pre-processing. Recycling: Any recovery operation by which waste materials are reprocessed into products, materials or substances, either for their original purpose or other purposes.	The circular inflow metric is calculated by dividing the total weight of recycled and reused content by the total weight of resource inflows. Total resource inflows are determined by multiplying the quantity of products by their respective weights.
Stakeholders involved in target setting	Each segment that produces waste is involved in the target setting process. Downstream waste processors and publications can be consulted to support trend analysis and developments as part of this target setting process.	n/a
Target relating to resource inflows and/or outflows	Resource outflows (waste). More specifically: (b) the increase of circular material use rate; (c) the minimization of primary raw material; (e) the waste management, including preparation for proper treatment.	The target (under development) will relate to resource inflows more specifically: (a) the increase of circular product design; (b) the increase of circular material use rate; (c) the minimization of primary raw material; (d) sustainable sourcing and use of renewable resources.
Target relation to waste hierarchy layer(s)	Preparing for reuse and recycling (avoiding incineration and landfill).	Prevention.

1 Realization of 2023 is not comparable due to changes in methodology

● Environmental - Resource use and circular economy

Name of metric	Collected customer premises equipment (CPE)	Collected mobile phones
Result 2023	87%	5%[1]
Result 2024	95%	3%
Target 2024	87%	n/a
Target 2025	92%	5%
Interim targets	2026: 92%, 2027: 92%	2026: 6%, 2027: 7%
Performance vs target and analysis	The target is monitored via the Energy and Environment Board (cross-segment). The result of 2024 was above target. Digitalization of the return process had a positive effect on returns in the second half of 2024.	We did not have a target for 2024. The metric is monitored via management letters and the Energy and Environment Board (cross-segment). The result of 2024 was somewhat lower than expected mainly due to lower trade-in numbers compared to 2023 and a higher number of new sales (numerator).
Definition of metric	Used CPE collected through operator take-back schemes in the reporting period as a percentage of CPE distributed to customers in the reporting period corrected for installed base changes.	Percentage of used mobile phones collected through KPN take-back schemes compared to the number of new mobile phones distributed directly to customers.
Stakeholders involved in target setting	Internally, the B2C leadership team is involved. For the generic target-setting process, reference is made to the relevant ESRS 2 section.	We aligned our metrics (methodology) with the GSMA sector body. Internally, the B2C leadership team is involved in setting the target levels. For the generic target-setting process, reference is made to the relevant ESRS 2 section.
Target relating to resource inflows and/or outflows	Resource outflows (waste). More specifically: (b) the increase of circular material use rate; (c) the minimization of primary raw material; (e) the waste management, including preparation for proper treatment; (f) creating closed loops for products and materials.	Resource outflows (waste). More specifically: (b) the increase of circular material use rate; (c) the minimization of primary raw material; (e) the waste management, including preparation for proper treatment; (f) creating closed loops for products and materials.
Target relation to waste hierarchy layer(s)	Preparing for reuse and recycling (avoiding incineration and landfill).	Preparing for reuse and recycling (avoiding incineration and landfill).

1   Restated

Name of metric	B2B services enabled for circularity
Result 2023	5
Result 2024	12
Target 2024	9
Target 2025	12
Interim targets	2026: 14, 2027: 16
Performance vs target and analysis	The target is monitored by the B2B leadership team (including management letters) and via the Energy and Environment Board (cross-segment). The target of 9 B2B services enabled for circularity (cumulatively) was met. We even realized additional services compared to the target of 2024, amongst others through leveraging existing return processes and common vendor contracts across services.
Definition of metric	Number of B2B services enabled for circularity.
Stakeholders involved in target setting	Internally, the B2B leadership team is involved. For the generic target-setting process, reference is made to the relevant ESRS 2 section.
Target relating to resource inflows and/or outflows	Resource inflows and outflows (waste). More specifically: (a) the increase of circular product design (b) the increase of circular material use rate; (c) the minimization of primary raw material; (d) sustainable sourcing and use of renewable resources; (e) the waste management, including preparation for proper treatment; and (f) creating closed loops for products and materials.
Target relation to waste hierarchy layer(s)	Prevention and preparing for reuse and recycling (avoiding incineration and landfill).

● **Environmental - Resource use and circular economy**

Reuse and recycling methodology
Metric methodology: Reuse and recycling covers the outflow of KPN materials and waste prepared for reuse and recycling (hence excluding other recovery, incineration, landfill and other disposal operations) - see section 'Waste' for the scope of KPN's waste. The other waste flows are not reused and recycled by KPN for its business activities, but by other parties who purchase reused and recycled materials from waste processors for their business activities.

Waste
Waste refers to the materials that have been used for KPN's business activities which are ultimately diverted to or diverted from disposal. This means that the scope includes:
- Regular waste streams and obsolete (end-of-use) equipment and inventory coming from KPN's network activities (including fiber rollout)
- Regular waste streams and obsolete (end-of-use) equipment and inventory from KPN's offices and shops
- Obsolete (end-of-use) CPE and mobile phones that are collected via KPN return programs and processed by KPN or on KPN's behalf.

The scope therefore does not include obsolete (end-of-use) CPE, mobile phones and related packaging that are not collected via KPN return programs. In this case, customers are responsible for disposing of this in accordance with the law, regulations and local waste collection procedures. The waste disposal method is mostly determined by selected service partners and their waste-disposal contractor, which are challenged on methods and performance. Service partners report the actual waste amounts (tons) on a monthly or quarterly basis.

These waste amounts are allocated to the recovery types and disposal methods based on processing rates (%) from direct information or public information. In total, approximately 30% of total waste is allocated to waste disposal types based on a breakdown from direct information from our partners. Generic processing rates per waste type are used as an assumption if no details of actual processing rates are available. The metric reuse and recycling is then calculated by dividing the tons of materials and waste (prepared for) reuse and recycling by the total amount of waste in tons.

Target methodology: The targets are based on a three year forecast per business segment. The forecast includes an estimate of total waste and the percentage of reuse and recycling based on trend analysis and developments expected in the business and the market (e.g. the recycling sector).

Circular inflow methodology
Metric methodology: The scope of the circular inflow indicator is limited to the following B2C products:
- Residential: KPN owned customer premises equipment for TV services (set-top boxes, remote controls, Digitenne) and internet services (modems, routers, media converters)
- Mobile Services: SIM cards

The circular inflow metric is calculated by dividing the total of secondary materials (reused, recycled, intermediary) and biological materials by the total weight of resource inflows.

Secondary materials as % of total weight is calculated by dividing the total weight of secondary materials (reused, recycled, intermediary) by the total weight of resource inflows. Total resource inflows are determined by multiplying the quantity of products by their respective weights.

The percentage of biological materials as % of total weight is calculated by dividing the total weight of biological materials used to manufacture KPNs products that are sustainably sourced by the total weight of resource inflows.

Quantity data is primarily sourced from our ERP system; if unavailable, we obtain it from suppliers. The weight per product, along with the percentages of reused and recycled content, is derived from product passports, supplier data, or, in their absence, expert opinions. To prevent double counting, we ensure that content percentages collectively total 100%. For B2C products, packaging is considered an immaterial part of the total.

We are in the process of mapping the key material inflows that will determine scope coverage of this metric. A key limitation to the calculation is (lack of) availability of value chain data relating to the level of circularity of inflows. This means that the resource inflows from B2B and TDO are currently not included. For B2B we started to measure circular inflow on a per service basis, refer to the metric 'B2B services enabled for circularity'.

Target methodology: We are expanding the scope and baseline data for this metric to determine a target. Where we have the

● Environmental - Resource use and circular economy

metrics on inflow in place, this indicates the effectiveness of the policies and actions (if we are making progress, i.e. becoming more circular).

Collected customer premises equipment (CPE) methodology
Metric methodology: The collection rate for CPE includes in-home devices such as modems, Digitenne tuners and TV set-top boxes. It is based on the total number of returns (numerator) and the total number sent and delivered to customers less the delta of the installed base of internet and TV (denominator) in the reporting year. The scope is still limited to the consumer market (B2C).

Target methodology: Targets are based on a three year forecast within the consumer market. The forecast includes an estimate of the total number of returns (based in part on lifecycle management) and the total number sent and delivered to customers (based on sales forecast) less the delta installed base of internet and TV in the reporting year (based in part on churn).

Collected mobile phones methodology
Metric methodology: We follow the GMSA guidance in "ESG Metrics for Mobile - June 2024".

The metric is calculated as the: number of used mobile phones collected through the company's take-back schemes in the reporting period ÷ the Number of new mobile phones distributed directly to customers in the reporting period.

The collection numbers in the numerator include handsets that are offered to KPN as part of our trade-in proposition and handsets handed in to KPN for recycling. The collection numbers in the numerator exclude returns for repair, returns of new or defective devices and demo handsets.

Definitions:
"Mobile phones" include smartphones and feature phones, but not mobile devices such as wearables and mobile routers.

"Used devices" are devices that have been used by their previous owner before being disposed of or devices that suffer from a major fault and cannot be repaired. Used devices do not include devices coming back to operators through legally required returns/change-of-mind policies.

"Collected' devices" are used devices that are brought back to operator stores, sent to operators either through direct postal routes or through third-party collection points, or picked-up by operators from collection points managed through operator partnerships (e.g. special operations in commercial malls, town halls etc.).

"Take-back schemes" are any initiatives led by the operator to collect used devices such as trade-in schemes.

"Distributed devices" are new devices that are sold, given (e.g. to charity), leased or provided to customers as part of an "as a service" model on the consumer market or B2B market by the mobile network operator (MNO) through the operator's own channels, including physical and online stores and call centers. This includes devices that are sold, leased or provided "as-a-service" to businesses that then provide the devices to their employees and contractors, but definition excludes devices that are distributed by MNOs to third parties such as distributors and retailers that then resell the device to end-users.

Target methodology: The targets are based on a three year forecast within the B2C segment. The forecast includes an estimate of used mobile phones collected through KPN take-back schemes (based on business improvement plans) and an estimate of the number of new mobile phones distributed directly to customers (based on sales forecasts).
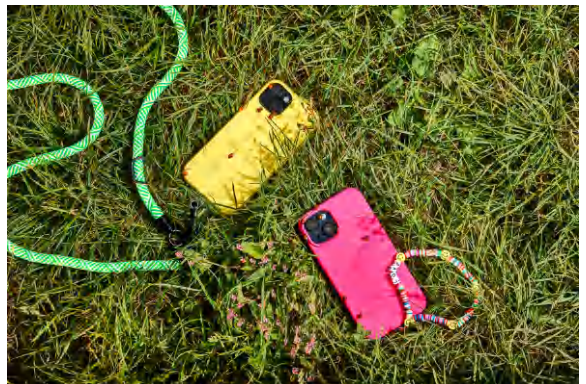
B2B services enabled for circularity methodology
Metric methodology: This metric focuses on B2B services within the designated target portfolio which encompasses hardware including CPE and SIM cards owned by KPN or a third party on behalf of KPN. The target portfolio is specifically identified in our lifecycle management strategy, aiming to facilitate the migration of existing customers or attracting new customers. The metric evaluates the following three pillars for each eligible service.

For a B2B service to be enabled for circularity, it has to meet the following three criteria:
1. Contract - circular economy clauses in vendor contracts related to the service: the supplier code of conduct (for all related vendors); circular requirements for products (for product vendors only); and requirements on outflow of obsolete equipment, products and waste for service providers (for any vendors involved in processing outflow).
2. Process - the service should have a circular process flow with product collection (except for SIM-cards a return process has no added value as reuse does not apply any impact

● **Environmental - Resource use and circular economy**

from environmental perspective and is deemed marginal or negative) and sustainable reuse and recycling.
3. Measuring - measuring (circular) inflow and (circular) outflow of the hardware under the service.

The key limitation is that the metric does not in itself, but is enabling and supportive to improving the circularity of inflow and outflow. The metric is cumulative.

Target methodology: The target was set by identifying the total number of eligible services in the defined scope. Eligible services are services in the target portfolio which include hardware (including customer premises equipment and SIM cards) owned by KPN or a third party on behalf of KPN. The target was set at an ambition level relating to eligible and generally available / target portfolio services at the time of setting the target, and taking the complexity of implementation and lifecycle status into account.

Resource inflows
We focus on key inflows based on our network to service model (KPN owned equipment and products that are needed for our business model as a service provider).

From the analysis of our spend data on products for own operations which are produced in our upstream value chain, we assess that the key impact and risk are most likely to relate to the following product groups:
• Customer premises equipment
• Networks hardware
• IT - Hardware
• Networks - service platforms technical infrastructure (TI)
• Networks - passive TI equipment, street cabinets

Water is not considered a key inflow as it is assessed as non-material (in terms of the DMA). For property, plant and equipment, we exclude offices (rented) and larger technical buildings (non-recurring inflows with high volume of materials that would skew metrics for continuous performance improvement). We also exclude products and materials that we resell as they are not conditional to providing our services. Lastly, product packaging is not considered material in relation to the key impact of climate change, based on carbon hotspot analyses from lifecycle analyses for customer premises equipment and network equipment. Nor does packaging have a material relation to the risk of higher costs and lower availability of (critical) raw materials as it is mostly made from renewable material (cardboard), with abundant availability at a relatively low cost compared with the product it contains.

With respect to critical raw materials, we have carried out research in-house with support from universities (2020) into our risk on several product groups (including modems, routers, servers). We concluded that the following materials carry the highest risk: gallium, rhodium and rare earths. Moreover, germanium is an important critical raw material for optical fibers needed in our network and digital infrastructure (referring to public TNO-research "De leveringsketens van kritieke grondstoffen", 2024). Further research into new technologies such as 5G technologies, photonics, edge computing and quantum technologies show that the following materials have the highest occurrence in those technologies, combined with the highest supply risks: erbium, praseodymium and dysprosium.

Materials used to manufacture KPN's products and services during the reporting period

Segment and product category	Total weight	Biological & sustainable (renewable) (%)	Certification scheme	Secondary (technical) products and materials	Circular inflow (biological & sustainable + secondary technical products and materials)
B2C products[1]	506 tons	n/a	n/a	288 tons (57%)	288 tons (57%)

1   The scope is limited to specific B2C products and the methodologies used to calculate the data and avoid double counting are listed under the methodologies metric "circular inflow"

Resource outflows
Products and materials
The disclosure requirements regarding products and materials relate to the production process for products and materials. As KPN does not produce products and materials, this does not apply to KPN.

Waste
In relation to products that we put on the market, we do have takeback programs and metrics for obsolete (end-of-use) customer premises equipment and mobile phones. The products that are collected are prepared for reuse and recycling by KPN or on KPN's behalf. The targets and results are included in our "reuse and recycling" metric.

● **Environmental - Resource use and circular economy**

Total waste		Result 2024	Result 2023
Total amount of non-hazardous materials & waste	**tons**	**11,743**	**12,737**
Diverted from disposal:			
i. Preparation for reuse[1]	tons	340	1,481
ii. Recycling	tons	9,975	9,651
Iii. Other recovery operations	tons	n/a	n/a
Directed to disposal:			
i. Incineration	tons	1,279	1,407
ii. Landfill	tons	149	198
Iii. Other disposal operations	tons	n/a	n/a
Total amount of hazardous materials & waste	**tons**	**186**	**374**
Diverted from disposal:			
i. Preparation for reuse	tons	-	-
ii. Recycling	tons	173	326
Iii. Other recovery operations	tons	n/a	n/a
Directed to disposal:			
i. Incineration	tons	12	43
ii. Landfill	tons	1	5
Iii. Other disposal operations	tons	n/a	n/a
Total amount of radioactive waste	tons	-	-
Total amount of waste	**tons**	**11,929**	**13,111**
Total amount of non-recycled waste	tons	1,781	3,134
% Non-recycled waste[1]	%	15%	24%

1   In 2024 we improved consistency for the waste flow 'soil'. This is now considered recycling, where in 2023 this was reported as either reuse or recycling depending on the source of the processing rate

The waste streams most relevant to our sector and KPN's operations are:
- Obsolete (end-of-use) equipment and inventory coming from KPN Technology and Digital Office (NOI)
- Other waste streams from KPN operations, e.g. related to fiber rollout (NOI)
- Obsolete (end-of-use) customer premises equipment (collected via KPN return programs and processed by KPN or on KPN's behalf for B2C, B2B)

The key materials that are present in the waste:
- Metals (including critical raw materials and rare earths)
- Non-metallic minerals
- Plastics

Anticipated financial effects from material resource use and circular economy-related risks and opportunities
KPN has opted to use the phase-in provision regarding anticipated financial effects from all climate and other environment-related impacts, risks and opportunities.

● **Social - Own workforce**

Social information

OWN WORKFORCE

Interests and views of stakeholders

The interests, views, and rights of our own workforce are vital for our strategic planning at KPN. We believe that attracting, developing, and retaining the right talent enhances our agility and contributes to sustainable profitability. Our own workforce is in scope of this disclosure and is described in this section.

We engage with employees through anonymous surveys and focus groups. Feedback from these initiatives directly informs our strategic decisions, such as the implementation of flexible working models and enhanced training programs. We maintain open communication channels via intranet updates, town halls and online sessions with our Board of Management. This transparency helps preserve a culture of pride, engagement and empathy while keeping employees informed and involved in strategic changes. As noted above, we engage with our employees at least twice a year through an extensive survey and smaller surveys throughout the year. The findings from these engagement efforts inform our HR strategy and overall business objectives. This alignment ensures that our strategic initiatives reflect the needs and aspirations of our workforce. The output of these surveys indicates what the issues are experienced by our workforce and the Human Resources department uses this output to design meaningful interventions for improvement. Lastly, we frequently organize dialogues between our Board of Management and employees to facilitate discussions on several themes:

- Diversity, equity and inclusion (DEI) to ensure that everyone feels welcome, can be who they are and participate on an equal level;
- Culture based on our culture manifesto that emphasizes full attention to our customers, thinking big, acting now and "working together is winning" together;
- Leadership based on our leadership profile – giving purpose, engaging people, delivering performance;
- Focus on future skills and capabilities.
- Employee well-being by providing a healthy work environment and providing instruments that foster well-being.

Our governance structure includes one central Works Council and ten decentralized works councils that provide employees with a formal voice in decision-making. These councils meet regularly with management to discuss and approve new policies ensuring that employee perspectives shape our strategic direction.

By embedding employee interests into our strategy and decision-making processes, we foster an inclusive and engaged work environment that benefits not just our employees but our customers and society as well.

We continued our efforts to enhance our employee's well-being, including continuing our Open-Up service, organizing a month of well-being and paying extra attention to initiatives to achieve a healthy work-life balance. We implemented our culture manifesto which describes how we work and behave with each other by offering culture tool kits for teams to discuss and practice the desired culture. We continued to invest in and develop our employees in current and future skills with an enlarged digital learning and development (L&D) offer. We followed-up our "Good Conversation" initiative (with KPN GROEI) through which we invest in clear goal-setting and reflection. Speaking up about well-being is an integral part of this initiative.

Our employees expect us to provide opportunities for a dynamic workplace where they can continuously grow and develop to make sure they are a good fit for their current jobs as well as future jobs they may aspire to. For them, this translates into an attractive, diverse and inspiring work environment where several aspects come together (physical, technology, learning and development), for example; simplicity in data, organization, technology and processes; transparency in the organization; a leadership eye on working conditions; a distinctive culture and values; excellent development opportunities with equal treatment.

● Social - Own workforce

Impacts, risks and opportunities

Own workforce is a material topic for KPN and consequently included in this sustainability statement. As a large public company, it's important for us that KPN acts in an ethical, responsible and transparent way. For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see description of the process to identify and assess material impacts, risks and opportunities.

As KPN we have identified the following **two positive actual impacts** for our **own workforce**:

1. Working conditions: KPN distinguishes itself towards its employees through factors including good work-life balance and high collective bargaining coverage and social dialogue to safeguard adequate wages. In our business model the impact is relevant for our skilled and motivated employees located in our own operations in the Netherlands. The impact is through our own activities and obviously affects people, within a short time horizon. Our HR People Strategy aims to ensure skilled and motivated employees by acting as a good employer in tight labor market.

2. Equal treatment - diversity: KPN aims to reflect the Dutch society. We provide equal opportunities for everyone regardless of their characteristics. The diversity within our employee base leads to a fair and equitable workplace where all talents can be themselves and unlock their full potential. Like the first mentioned impact, this impact is also relevant for our skilled and motivated employees located in our own operations in the Netherlands. The impact is through our own efforts and obviously affects people, within a short time horizon. The diversity within our employee base leads to improved results and an equitable workplace.

We have the following **two risks** for our **own workforce**:

1. Tight labor market: This could result in KPN not being able to create an engaged, diverse employee base and hire the talents it needs, which could lead to lower quality of services and lower business results. The tightness in the labor market has consequences for our skilled and motivated employees located in our own operations in the Netherlands. The risk is within a short time horizon.

2. Diversity – aging employees: In the coming years, a substantial number of employees will retire. KPN may not be able to sufficiently fill the gaps in capacity, skills and knowledge with newly recruited and younger employees. This might lead to lower quality of services and lower business results. This risk is relevant for our skilled and motivated employees located in our own operations in the Netherlands, within a medium time horizon.

To successfully implement our strategy and business model, KPN recognizes the critical importance of maintaining a workforce that is both skilled and capable of adapting to the rapidly evolving demands of our business. To ensure alignment between our workforce and strategic goals, we actively facilitate dialogues between our Board of Management and employees on key themes such as innovation, skills development and organizational culture. This approach allows us to better understand employee perspectives, strengthen employee engagement, and adjust our business model as needed.

KPN is committed to creating a diverse, inclusive, and accessible work environment. This enables us to better empathize with our customers, foster innovation, and reflect the diverse needs of society, thereby gaining a competitive advantage.

Our employee conditions are designed to ensure sufficient opportunities for professional development, talent attraction, and retention. A diverse workforce enhances our ability to deliver solutions that resonate with a wide array of customers and helps us better anticipate and address market demands. We prioritize employee health, mental well-being, engagement and work-life balance, which significantly contributes to higher motivation and job satisfaction. This, in turn, positively impacts productivity and overall business performance, aligning with our long-term strategic objectives.

While we remain focused on workforce development, risks related to tight labor markets and aging could hinder our ability to execute our strategy effectively:

- Talent attraction and retention: KPN faces risks related to its ability to attract and retain qualified, skilled, and diverse talent, particularly in specialized fields such as technology, IT, engineering, and cybersecurity. A shortage of qualified staff in these areas could result in insufficient workforce competency and capacity, leading to challenges in delivering on strategic priorities and increased pressure on existing employees, thereby raising labor costs.
- Workforce demographics: The combination of higher employee attrition rates and a lower inflow of younger staff in recent years has resulted in an aging workforce. This demographic shift poses risks to knowledge retention and continuity, particularly in a sector that requires ongoing innovation. In the long-term, an aging workforce could impair KPN's ability to remain competitive and innovative, especially if younger and more diverse talent is not recruited and retained.
- Diversity and social return: If KPN fails to meet its diversity and social return targets, this could negatively impact its brand,

● Social - Own workforce

customer satisfaction, and future profitability. For example, the inability to meet public sector procurement requirements due to insufficient social impact could lead to lost business opportunities and reputational damage.

Despite these risks, there are opportunities for KPN to leverage its workforce to enhance business performance:
- Diversity as a competitive advantage: KPN's commitment to diversity and inclusion offers substantial opportunities to improve innovation and address the diverse needs of customers. A workforce that reflects the diversity of society is better positioned to drive business growth, deliver customer-centric solutions, and enhance KPN's reputation as a forward-thinking, socially responsible company.
- Employee development and retention: By investing in talent development programs, KPN can build a workforce with the skills necessary to meet the challenges of our strategy, particularly in critical areas such as technology and cybersecurity. These programs also help to retain employees by offering clear career progression and development opportunities, thereby reducing employee turnover and mitigating the risk of skill shortages.
- Strategic workforce management: To address the risks associated with workforce demographics, KPN is adapting its talent strategy, sourcing model, and strategic workforce management practices. This includes efforts to attract younger and more diverse talent, as well as implementing succession planning to ensure knowledge transfer and continuity within the organization.
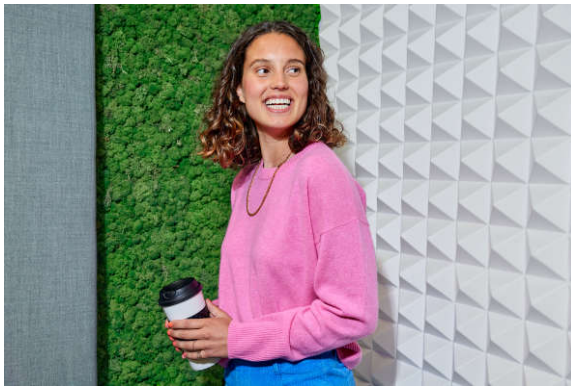
For KPN, we define "own workforce" as a total of all own personnel, individuals who are in an employment relationship with KPN according to national law or practice and temporary staff provided by employment agencies ("agency workers"). There are different types of employment contracts within KPN:
- Own personnel: employed personnel hired directly by KPN. KPN has a direct contract with these employees and they generally take part in the collective labor agreement (CLA) or personal

labor agreement (PLA). These employees can be defined as workers who are in an employment relationship according to European Sustainability Reporting Standards (ESRS).
- Agency workers: employed personnel hired through an employment agency.

Material impacts and risks as identified in our DMA process are only related to own personnel, excluding the agency workers. All other personnel are included as part of the section - "workers in the value chain".

For material positive impacts in working conditions and diversity (equal treatment), KPN has a range of plans, actions and activities. These activities include, for example, action plans to increase diversity and to ensure a healthy and safe workplace. Positive material impacts related to working conditions include well-being, a good work-life balance, adequate rewards and an inclusive place to work based on equal treatment with jobs that fit our employees. In general, these positive impacts apply to all of our own workforce. These actions are described in more detail hereafter.

The positive impacts provide the opportunity to have a skilled and motivated own workforce while offering attractive work and remuneration. A diverse own workforce leads to improved results, drives innovation and helps achieve a good brand reputation. The risks mentioned above could trigger increased workload, becoming an unattractive employer and a bad reputation in the labor market.

KPN has a dynamic risk assessment and evaluation process in place, in which a basic assessment and evaluation including standard measures have been drawn up for each job group and working environment included in the KPN working conditions catalog. We have defined five categories of workplace contexts and their workers and set up tailored occupational health and safety policies. The following categories have been defined and take into account the level of risk or harm.
1. Office: including directives and guidelines regarding screen time, positioning, office climate, facilities, accessibility, options for workplace investigations, acoustics and working hours/breaks.
2. Home office: including directives and guidelines for optimal remote working facilities, a shop for ordering office materials including desks, screens and chairs, policies about meetings in cars and grievance mechanisms.
3. Technical buildings: including directives and guidelines related to specific risks or harms from high-risk work, working with electricity, cables, lasers and fiber, working in different climates such as heat or cold, and other related circumstances.
4. Data center: including directives and guidelines on reducing specific risks or harm from working alone, working in narrow spaces, high risk work, calamities and other related circumstances.

● **Social - Own workforce**

5. Retail: including directives and guidelines on working conditions, safety measures related to the risk of robberies or attacks, building maintenance and other related circumstances.

Material risks and opportunities arising from impacts and dependencies on people in its own workforce in general relate to all of KPN's own workforce rather than to specific groups of people. However, we see an additional risk related to the older employees in our workforce. This risk stems from aging in general which may lead to KPN not being able to sufficiently fill the gaps in capacity, skills and knowledge with newly recruited and younger employees. This might lead to lower quality of services and lower business results.

Policies

We have several policies in place to manage the material impacts and risks related to own workforce:
1. KPN human rights statement
2. KPN diversity and inclusion policy (D&I)
3. KPN company collective labor agreement (CLA)
4. KPN working conditions catalog (ARBO catalog)

More details on these policies are set out below.

Human rights statement

This policy informs and guides our stakeholders, partners and employees about the human rights we are committed to, how this shapes our way of collaborating and what we do to monitor this. It relates to the material impacts on working conditions and equal treatment.

Our policy is monitored through measures, processes, and channels (including works councils and trade unions) and it includes sections on, diversity, adequate wages, health and safety, freedom of association and expression, forced, and child labor. Freedom of expression is a basic human right. We create an open atmosphere in which people are not afraid to express themselves. If they see or experience something at KPN that worries them and they do not feel free to discuss with those directly involved, then we have various internal advice and reporting options where employees can get advice or speak out about possible abuses. The policy also contains measures to provide and/or enable remedy for human rights impacts in the form of processes and channels in place for its employees to re-mediate negative impacts and raise concerns. These channels also include works councils and trade unions. The channels are known and accessible to all employees. The "our employees" section of KPN's Human Rights statement is applicable to all KPN's own workforce. The Human Rights statement relates to all our own workforce but also to our value chain, our customers and the society around us. Every ESG theme is assigned to a member of the senior management team who, as theme owner, is responsible for stakeholder dialogue, targets, progress and results. Our human rights statement is approved by our Board of Management.

Our human rights statement is compliant with the UN Guiding Principles on Business and Human Rights. KPN explicitly endorses:
• The Guiding Principles on Business and Human Rights as adopted by the United Nations in 2011.
• The ILO Declaration on Fundamental Principles and Rights at Work.
• The UN Global Compact and the OECD Guidelines for Multinational Enterprises.

The obligation to respect human rights is the basis for our way of working. Input from the Human Rights Board was taken into account in our human rights statement. The human rights statement is publicly available for all stakeholders and can be found on Onze waarden - KPN (overons.kpn). The statement has the form of a stand-alone policy and includes paragraphs specific to KPN's own workforce. Onze waarden - KPN (overons.kpn).

KPN diversity and inclusion policy

This policy informs our stakeholders, partners and employees about our ambitions and approach for topic of Diversity & Inclusion. It relates to the material topics on aging workforce, equal treatment and working conditions and contains sections on policies, targets, and action plans around diversity and inclusion.

The policy is monitored through a yearly internal review about progress and uses where applicable external benchmarks such as "Talent to the Top", the Social and Economic Council of the Netherlands (SER) and Workplace Pride. In scope of this policy is all of our own workforce which is fully based in the Netherlands. Every ESG theme is assigned to a member of the senior management team who, as theme owner, is responsible for stakeholder dialogue, targets, progress and results. The policy is approved by both the Board of Management and the Supervisory Board and is aligned with the Dutch Diversity Act. The interests of several stakeholders were taken into account during the design process of our D&I policy: governmental (in relation to diversity law), the vision and mission of the Board of Management, and feedback from employees (through the Works Council) together with the professional view of the D&I department. The D&I policy is publicly available for all stakeholders and can be found on Onze waarden - KPN (overons.kpn). The statement has the form of a stand-alone policy and includes paragraphs specific to KPN's own workforce.

KPN company collective labor agreement (CLA)

The Collective Labor Agreement (CLA) outlines the rewards, benefits, and rules for our employees, addressing our commitments to working conditions and the challenges of the tight labor market. The CLA covers key areas such as fair wages, health and education benefits, various types of leave, work-life balance initiatives, grievance mechanisms, and opportunities for learning and development. It is regularly monitored through data analysis, compensation benchmarking, and audits. The agreement applies to our entire workforce, which is primarily based in the Netherlands. The Board of Management, specifically the Chief People Officer, is responsible for overseeing the CLA. The CLA 2024-2025 sets out the terms agreed between KPN and the labor unions, who negotiate with KPN on behalf of the employees. The CLA is publicly available and can be accessed here: https://jobs.kpn.com/uploads/KPN%20CAO%202024-2025%20NL%20apr%202024.pdf

● **Social - Own workforce**

KPN's working conditions catalog (ARBO catalog)

This catalog sets out work-related health and safety risk inventories and evaluations (RI&Es).
Objective being to create safe and healthy working conditions and to inform our own workforce about our policies on occupational health and safety. It relates to material impacts on working conditions and contains sections on occupational well-being and including risk mitigating measures. The policy is monitored periodically based on various sources such as new legislation, and relevant recorded data on eg. Sick leave, work-related incidents, and unsafe situations. In scope is all our own workforce that is fully based in the Netherlands. Our Chief Human Resources Officer (CHRO) and our VP Security are accountable. The policy adheres to the Dutch Working Conditions Act ("ARBO") and the goal is to mitigate health and safety risks for all KPN staff as key stakeholders. Input from a dedicated commission around health and safety is a key input for this policy. This commission involves the Works Council. No external stakeholders are involved. The ARBO catalog is available to our own workforce on KPN's intranet.

In addition to the policies described above, KPN's code of conduct (CoC) helps us managing material sustainability matters related to working conditions and diversity. This policy is further described in the "Business conduct" section of this sustainability statement.

As stated in our human rights statement, KPN aims to pledge the complete avoidance of forced labor, child labor and human trafficking in our own operations and own workforce.

Within the ARBO catalog, KPN has a prevention policy related to occupational health and safety. Several experts provide advice on working conditions and circumstances and have a mandate to adjust workplace settings to improve conditions for our employees. We have a registration system for workplace accidents.

KPN has specific policies, such as the code of conduct, aimed at the elimination of discrimination, including harassment, promoting equal opportunities and other ways to advance diversity and inclusion.

Our formal diversity and inclusion policy specifically covers the following grounds for discrimination: race, color and ethnic origin, gender, sexual orientation, disability, age, religion and political opinion. KPN has specific commitments related to inclusion or positive action for people from groups at particular risk of vulnerability in its own workforce. For all employees, regardless of their position, we expect the following behaviors in line with the KPN code of conduct: subcode 1:
- Respect the dignity and diversity of all colleagues;
- Value the input of people with different backgrounds, experiences, and perspectives than yourself;
- Contribute to creating an inclusive environment free from discrimination, harassment, and intimidation;
- Ensure that your actions do not lead to discrimination, harassment or other inappropriate behavior as described in the company code of conduct;
- Increase your awareness of possible unconscious biases and how these can hinder your ability to be more inclusive and to collaborate with colleagues,
- Address inappropriate behavior and -if applicable- report it.

These policies are implemented through specific procedures to ensure discrimination is prevented, mitigated and acted upon once detected, as well as to advance diversity and inclusion in general. We communicate clear procedures and resources through which employees can report unwanted behavior and find support as victim, bystander or manager. Moreover, we raise awareness and provide information on this topic to all employees on a regular basis via our internal group "Feel safe at work". We also have policies in place to advance diversity and inclusion in general. An example of this is our investment in an applicant tracking system to track the talent, implement inclusive language in our vacancy texts, update our assessment tooling, balance our selection pools and structure our hiring and interview processes to minimize the risk of biases. We strive to keep attrition rates between genders equal in the organization.

Processes for engaging with own workforce and workers' representatives about impacts
KPN has implemented employee participation in accordance with the provisions of the Dutch Works Councils Act. Constructive employee participation is an integral part of our organization and allows employees to be involved in organizational matters in various ways and to have a say in their work. Works Council members are directly elected by KPN's employees. Employee participation is an important value for KPN and a part of our culture. We believe that this leads to a clear vision of the goal and desired results prior to the change process, minimization of instability, involvement of the Works Council at every stage,

● Social - Own workforce

constant involvement of employees, a "first time right" approach, and consistent evaluation.

To align employee participation processes with KPN's practices, we have established one Central Works Council and 10 works councils specific to different business segments. These works councils are all represented in the Central Works Council, which is competent for subjects of common interest or subjects that concern a majority of the works councils. Works councils meet with management at least once every six weeks. The works councils communicate with the own workforce via our intranet, newsletters and both formal and informal dialogue sessions. Every so often they conduct surveys among their constituents.

The Central Works Council interacts with the CEO, whereas individual works councils for each business segment interact with senior management of that segment. This engagement is intensified before lay off plans or organizational changes are communicated. The work councils advise on requests for advice before management makes an official decision. KPN has implemented employee participation in accordance with the provisions of the Dutch Works Councils Act. The Works Council provides management with insights about feelings and developments due to organizational changes among our own workforce on a regular basis. In this way we ensure concerns and ideas are known within the decision-making process.

KPN regularly -at least twice a year- conducts surveys relating to engagement (pulse surveys). These help to gauge employee involvement based through questions about how the employees feel about KPN, and about whether they have confidence in the decisions of the Board of Management. We also ask questions about well-being, psychological safety perceived

culture and leadership. Through these surveys KPN assesses the effectiveness of its engagement with our own workforce.

Every year we invite our employees to participate in the pulse survey and provide an option to disclose more details about their identity related to diversity. In this way we can analyze differences between groups related to working conditions, inclusive behaviors, engagement and well-being. This provides insights which are used to improve the working experience at KPN for these groups. The results, insights and desired improvements are presented to both the Board of Management and the Works Councils. Our management is responsible for translating these insights into actionable improvements. HR supports this process and gives guidance in the follow-up.

Actions

KPN has action plans in place to address material impacts and manage material risks related to our own workforce. In this regard, our main lines of action (further explained in the following sections) are focused on offering attractive work and remuneration, in compliance with Dutch labor laws and our CLA. Our people plan is built around four strategic pillars:
- The job that fits you;
- Future skills;
- Well-being & reward;
- Best workplace.

Key actions that are taken or planned in the future, their expected outcomes and how their implementation contributes to the achievement of policy objectives and targets are: best workplace and working conditions for all employees, equal treatment and aging workforce (diversity and inclusion). These action plans are described in detail below:

Diversity and inclusion (D&I)

Expected D&I outcomes relate to a diverse own workforce, inflow of young technically skilled talents to combat the risk of an aging workforce and the creation of solid working conditions for all generations.
Coverage in terms of activities for the scope own workforce:
- Diverse and successful teams: Recruit a diverse range of talents and adjust the recruitment process to mitigate biases by standardizing the hiring process and making use of inclusive language in our job advertising. Set up hire rates for male/female inflow tailored to the dynamics of every segment within KPN and align this with targets for KPN overall. We aim for a 50/50 inflow of men and women in our trainee programs for an optimum balance in gender, age and experience and are thus working actively towards a younger and more diverse workforce.
- Inclusive and safe workplace: Clear D&I policy and code of conduct to address discrimination. Embed Inclusiveness in the leadership profile and assignment letters for senior leadership. Nurture employee resource groups. Provide training and measure inclusion within the pulse survey.
- Digital and social inclusion: This means, every segment having tailored targets and plans regarding gender diversity fitting to the dynamics of each segment.
The D&I plan has a medium time horizon to complete the actions. It includes metrics and targets on percentages of women overall and percentages of women in our senior management. To increase the inflow of young talent we provide several trainee programs with a focus on future job area's such as tech and IT, commerce and finance. By providing leadership development programs and working actively on succession planning and talent management we ensure diverse teams. We support employee resource groups around diversity and regard them as valuable networks to create awareness, providing insights about diversity and inclusion and collaborate with them as a sounding board.
We do not expect to allocate material current and future financial resources to the action plan and no relevant (material) amounts are presented in KPN's consolidated financial statements. The action takes into consideration our policies on diversity and inclusion, human rights, the CLA and the code of conduct.

● **Social - Own workforce**

Attractive employer with the best working conditions: well-being and reward

The expected outcomes of this plan relate to a healthy, motivated and engaged workforce with the right work-life balance, control and stabilization of sick leave and the improved mental health of our workforce.

Coverage in terms of activities for the scope own workforce:

- Well-being and health: Aiming for and facilitating a healthy and inspirational workplace where our employees can combine their professional and private life in a sustainable way.
- Reward: Our 2024-2025 CLA provides a modern and attractive remuneration package for all generations with a strong focus on well-being, work-life balance, and attractive (higher) compensation for traveling to work by bicycle. The goal is to retain talent and be attractive to new hires.
- Engagement: An engaged and enthusiastic workforce who contribute to KPN's strategy and customer satisfaction.

The action plan has a short-time horizon for completion. It includes metrics on: "Groei" goal-setting, mental well-being, sickness/absence and engagement (pulse survey). In more detail actions relate to: **Well-being:** During the pandemic we started measuring well-being within our pulse survey. Although the outcome was not surprising in the circumstances, we felt the responsibility to help our employees feel better. We provided psychological help through the Open-Up platform, set up rules about meeting times and provide extra time off for employees with families. Since then, we measure well-being regularly and extended our offering across all types of well-being. **Sick leave** at KPN remained stable in 2024 and is still slightly below the nationwide trend in the Netherlands. We have concerns about the increase in the share of psychological absenteeism within the total percentage of sick leave, and the duration of this type of sick leave. The long waiting list within mental healthcare to provide adequate interventions and societal trends where one out of five workers experiences burn out symptoms requires a different approach. In 2024, we set up a new agreement with our company doctor aimed at detecting potential long during health issues at an early stage and took other actions to mitigate this issue. **Engagement** remained high as shown in the metrics further on. The survey also showed that most employees have confidence in the decisions of our Board of Management and feel connected with and proud of KPN. In 2023, a workshop was introduced to help managers follow up the outcomes of the pulse surveys.

We do not expect to allocate material current and future financial resources to the action plans described in this sub-section and no relevant (material) amounts are presented in KPN's consolidated financial statements. The action plan takes into consideration our policies on diversity and inclusion, human rights, the CLA, ARBO catalog, and code of conduct.

Tight labor market and working conditions: The job that fits you and future skills

The expected outcomes of this plan relate to addressing the challenge of attracting new employees in a tight labor market. We took steps to strengthen our position as an attractive employer and we focus on inflow of young and/or technically skilled employees, being an attractive employer brand for relevant target groups and upskilling and reskilling our own workforce to suit them for future jobs.

Coverage in terms of activities for own workforce in scope:

- Employer brand campaign to position ourselves as an attractive employer: Green is not a color!
- Referral programs for own workforce to encourage recruiting within the networks of our workforce.
- Trainee programs for young and tech talents.
- External recruitment to fill open positions with new employees.
- Provide access and budget to KPN Academy so our workforce is enabled to upskill and/or reskill themselves with future skills.
- Talent management and leadership development to exchange talents and create interesting career paths and perspectives.

The plan has a medium time horizon to complete the action. It includes metrics on: KPN Groei goal-setting, upskilling and L&D spend on future skills. In more detail, the actions relate to: Employer brand: Next to our main campaign we also ran tailor-made recruitment campaigns, targeting specific groups with the skills we need most, such as engineers and IT professionals. These efforts paid off in terms of our recruitment of mechanics, engineers and data-security specialists. Inflow of young talent: In 2024, we welcomed 33 new talents within our Young Talent program. In the current tight labor market, unchanged from previous years, recruiting new employees and retaining existing staff continued to be challenging. **Future skills:** We provide lots of development opportunities within our KPN Academy and our leadership programs for highly talented people. We work actively on talent management and succession planning to ensure our talent pipeline for leadership roles is securely based. We offer two programs for leadership development: one for scale 12 and 13 and one for people in our workforce with a personal labor agreement (PLA). In 2024, we had 84 participants for the programs combined.

We do not expect to allocate material current and future financial resources to the action plans described in this sub-section and no relevant (material) amounts are presented in KPN's consolidated financial statements. The actions take into consideration the CLA, the ARBO catalog, the diversity and inclusion policy, the human rights statement and the code of conduct.

Related to the impact on working conditions we provide professional support around sick leave to managers, and employees to help with complex and long-term sick leave and reintegration. This expertise is highly appreciated and helps ensure the optimum use of all our instruments. We have continued our efforts to provide instruments for employee well-being with a focus on prevention including continuing our Open-Up service, organizing a well-being week, and paying extra attention to initiatives to achieve a healthy work-life balance. We also rolled out an internal campaign to promote financial health and the debt relief opportunities KPN Inspire offers. These initiatives contributed to making a positive impact on the health of all the employees in our workforce.

Related to the impact on equal treatment (diversity) we continued our efforts to be a diverse and inclusive workplace. These included organizing diversity days, achieving an equal gender balance in our Board of Management, organizing events in tandem with our various employee networks (e.g. International Women's Day), and continuing our Growth mentoring program. In addition, we ran a "Pride Verified" campaign (internal and external) to increase awareness around online safety for the LGBTQI+ community under the #BetterInternet hashtag.

Also, strongly related to the impact on equal treatment (diversity), there are innovative and inspiring talent-management programs to attract and maintain qualified staff (both from the Netherlands and abroad). These are readily available and KPN promotes

● **Social - Own workforce**

technical education initiatives at high schools and universities to attract new and diverse workforce.

We track and assess the effectiveness of these actions and initiatives internally with our pulse surveys. Externally we use benchmarks to challenge us on effectiveness and best practices. In addition we transparently communicate targets and progress on absenteeism, diversity and inclusion and attrition, learning and development (L&D) spend with internal dashboards, available to all managers. We include all people metrics in the monthly review process for senior leadership. The results, insights and desired improvements from the surveys are presented to both the Board of Management and the works councils. Our management is responsible for translating these insights into actionable improvements. HR supports this and gives guidance in the follow up.

Monitoring is part of our monthly review cycles. This is based on our HR dashboard with workforce KPI's and forms the basis for the reviews with our Board of Management.

The actions planned or underway to mitigate the risk of tight labor market are:
• Well-being and reward
• The job that fits you and future skills

The actions planned or underway to mitigate the risk of diversity - aging workforce are:

• Diversity and inclusion
• Well-being and reward
• The job that fits you and future skills

Resources for management of material impacts are allocated to the internal HR function which plays a key role in managing these impacts. How these impacts are managed is described in the action plans.

Resources allocated to the management of material impacts mainly relate to 148 FTEs in the HR department who work on the action plans on a daily basis.

Metrics and targets
KPN has metrics and targets in place to manage KPN's material impacts and risks. A summarized description of the metrics and targets is given below.

The metrics and targets as described in the tables below are set by HR's Leadership team and are applicable for all KPN's own workforce in the Netherlands. The D&I targets for 2025 are also approved by the Board of Management and the Supervisory Board as part of the D&I policy. The performance of these metrics against the targets is monitored and reviewed in the monthly management letters and dashboards.

	Women at the sub-top (senior management)	Employee survey score for engagement
Result 2023	27.5%	82.7%
Result 2024	33.3%	80.8%
Target 2024	35%	84.0%
Target 2025	36%	>80%
Definition of metric	The share of female managers/female (headcount) out of the total number of managers (headcount) reporting directly to the Board of Management	The outcome of three questions: trust in the Board of Management, company pride and involvement. Total employees responding agree or fully agree to the questions divided by the total headcount who responded to the pulse survey.
Related policy objective(s)	This target is related to equal treatment - diversity	This target is related to the policy objectives around working conditions and aging workforce
Methodology	Increase of women at sub-top (% of women reporting directly to BoM roles)	Twice a year, KPN employees are invited to fill in the pulse survey, by which we measure engagement. The outcome of a human resources (HR) survey that measures the level of enthusiasm and dedication employees feels towards their job. The Q4 result is reported. Employee engagement is calculated by combining the results of three questions related to employee engagement resulting in a score from 1% to 100%, with 1% as the lowest and 100% as the highest engagement score.
Performance vs target analysis	The result on this target shows an increase of women at the sub-top, however the mutations in the sub-top were not sufficient to realize the target.	The engagement scores are below target because of speed of (organizational) change combined with general concerns on mental well-being.

● Social - Own workforce

	Mental well-being	Sickness / absence rate
Result 2023	70.6%	5.0%
Result 2024	69.8%	4.9%
Target 2024	n/a	n/a
Target 2025	>70%	4.9%
Definition of metric	The outcome of the question: "How are you doing mentally, do you feel vital and energetic? The percentage of the employees (headcount) who responded "good" or "very good". Calculated as the number of employees responding to the question with an answer "very good" or "good", divided by the total number of respondents to this question.	This is based on a 12-month moving average of % of own employees reporting sick. Source: third-party "ARBO" software. The sickness rate for the month: The number of sick days reported (including the weekends) divided by the total number of working days available of our own employees. The 12-months moving average is calculated as the average sickness rate over the last twelve months
Related policy objective(s)	This target is related to the policy objectives around working conditions	This target is related to the policy objectives around working conditions
Methodology	Twice a year, KPN employees are invited to fill in the pulse survey, from which we measure well-being. The outcome of a human resources (HR) survey that measures the level of mental well-being of an employee. The Q4 result is reported. Mental well-being is based on the results of one question resulting in a score from 1% to 100%, with 1% as the lowest and 100% as the highest mental well-being score.	The percentage of employees who report sick.
Performance vs target analysis	n/a	n/a

	KPN Groei goal-setting	Women at the sub-top (senior management)	Women overall
Result 2023	n/a; started in 2024	27.5%	22.2%
Result 2024	80.7%	33.3%	22.5%
Target 2024	n/a	35%	24%
Target 2025	>80%	36%	23%
Definition of metric	The percentage of own workforce (headcount) who filled in the What & How goals (internal individual performance points)	The share of female managers/female (headcount) out of the total number of managers (headcount) reporting directly to the Board of Management	The diversity percentage is based on the number of women divided by the total number of employees.
Related policy objective(s)	This target is related to the policy objectives around working conditions and aging workforce	This target is related to equal treatment - diversity	This target is related to equal treatment - diversity
Methodology	The % of KPN Groei Goal-setting is measured by the % of own employees who recorded What & How goals for their personal development registered in the HR System divided by the total own employee base at the end the reporting period.	Increase of women at sub-top (% of women reporting directly to BoM roles)	Increase of women in overall workforce
Performance vs target analysis	n/a	The result on this target shows an increase of women at the sub-top, however the mutations in the sub-top were not sufficient to realize the target.	KPN is a company with a heavily technical component. Combined with tightness in the labor market, it has proven difficult to attract female talent and show growth on this target.

● Social - Own workforce

	Women with Personal Labor Agreement (PLA)	Upskilling
Result 2023	27.3%	66.3%
Result 2024	29.8%	71.4%
Target 2024	34%	n/a
Target 2025	35%	>70%
Definition of metric	The share of female employees (headcount) with a personal labor agreement out of the total number of employees (headcount) with a personal labor agreement.	This is calculated as the number of employees who ordered a paid training activity from our KPN Academy divided by KPN's total headcount for the reporting year, including the employees who left the company before year-end.
Related policy objective(s)	This target is related to equal treatment - diversity	This target is related to the tight labor market risk and diversity – aging workforce
Methodology	Increase of women with PLA	The data is provided by the main supplier of paid training within KPN.
Performance vs target analysis	The result on this target shows an increase of women with PLA, however the mutations in the PLA structure were not sufficient to realize the target.	n/a

	Learning and development spend on future skills
Result 2023	68.9%
Result 2024	68.9%
Target 2024	n/a
Target 2025	>65%
Definition of metric	This is based on the percentage of learning and development ordered via spend, recorded and facilitated by a third party, for future skills as defined by the World Economic Forum (e.g. data, AI, security) as part of the employees' personal development budget spend (excluding departmental spend). This personal budget is part of the agreements in the KPN CLA and is the same for each employee
Related policy objective(s)	This target is related to the tight labor market risk and diversity – aging workforce
Methodology	The data is provided by the main supplier of paid training within KPN. As from 2025 we will use a new definition which is as follows: % future spend as part of the total spend instead of IZB spend. 2024 actuals would be 59% based on this new definition.
Performance vs target analysis	n/a

Methodology and significant assumptions for target setting

For each metric with a target 2024/2025 we used the following methodology and significant assumptions:

KPN Groei goal-setting: last year, we started with KPN Groei goal-setting. We believe in the method and the importance of performance reviews for all employees, therefore we want to set an ambitious target. However, a target of 100% would be unrealistic since we can't exclude employees who are for example pregnant, sick or on sabbatical. This is why we've come to a target of 80%, because we find it logic and feasible to assume that at least 80% of our workforce will make goals regarding their performance and contribution to the companies results.

Employee survey score for engagement: an engaged workforce leads to better results. In the past years, we've seen a positive trend with high scores of around 80% (or more). For this reason, we had set a target of 84% for 2024. For KPN, engagement is an important topic, also to prevent unwanted attrition. At the same time, we know that as an organization we will go through changes

in the next years that might affect the engagement of employees, such as location closures and cost measures. Therefore, we have chosen to set a target that is both ambitious and realistic of 80% for 2025.

Mental well-being: to set up this target we compare our well-being rate to the average well-being rate of Dutch larger companies, published by CBS. For this reason, we have set our target at 67%.

Sickness / absence rate: to set up this target we compare our absenteeism rate to the average absenteeism rate of Dutch larger companies, published by CBS. Next to this we consider several societal and well-being developments, researched by TNO and the RIVM (NEA report).

Women at the sub-top (senior management): large companies have been subject to the Diversity Act since January 1, 2022, and we must report on this as accordingly. This law requires us to set ourselves ambitious targets for the sub-top of the company. The definition of 'ambitious' is that the target should aim to make the

● **Social - Own workforce**

composition of the population more balanced than the existing situation. The achievement on this target in 2022 was already around 30% that at the time it was felt there was opportunity to set ambitious targets for subsequent years (also given the limited size of the population). Therefore, in 2022 and 2023 we have set up these targets of 35% in 2024 and 36% in 2025.

Women at overall workforce: for D&I, we have initially used the critical mass theory as a starting point. This theory assumes that a group (such as women) must make up at least 30% of the entire population to make a substantial impact. For a company like KPN - with a heavily technical component - that is hard to achieve. There is only a 20% inflow of women in technical studies, and not all those women choose a technical profession. That is why a target of 25% with logical intermediate steps was chosen (years ago). For 2024, that intermediate step was 24%. Initially, the target for 2025 was to be 25%. However, we have noticed over the past 2 years that there is little movement in the result for this target. We do not get beyond an average of 22.4%. Technical segments such as TDO are often well below this. A target (and expected result) of 25% is therefore unrealistic. In the past year, we' made more in-depth analyses with the segments based on average inflow and outflow per segment and expected FTE movements. Based on this, we established a hiring rate for filling new positions with women. This realistic but still ambitious plan will lead to an improvement in results in the longer term. To be congruent with this plan, we have adjusted the target downward.

Women with Personal Labor Agreement (PLA): in line with the target setting for the sub-top, we also wanted to set an ambitious target for PLA that would improve the gender balance throughout our organization. At the time the (LTI-)targets were set (in 2022 and 2023 respectively), the development of the base was such that we would reach the result of 35% females PLA at the end of 2024. Knowing that it would be difficult to continue this growth, we opted for a target of 34% in 2024 and 35% in 2025. The result on this target was 29.8% at the end of 2024. It proved more difficult to continue this growth than expected, but we have seen an increase of women with PLA last year. The target of 2025 has been set in the LTI plan 2023, but last year's end result is taken into account for the current LTI target setting in 2025.

Upskilling: we maximize the opportunities to offer L&D programs and budget to upskill. As HR, we believe in continuously investing in our workforces' skills and therefore we have made the management estimate of 70% for this target.

Learning and development spend on future skills: future skills are based on both reports of World Economic Forum as our own determined future skills to ensure continuity in the future. The offering within our KPN Academy is labelled, so we can track the effectiveness of the learning offering regarding our future needed skills. Based on the belief that we should continuously invest in our workforces' skills and we should stimulate employees to do so, we have made the management estimate of 70% for this target.

Characteristics of KPN's own workforce
The total number of employees of the consolidated KPN Group[1] can be specified as follows:

	Number of employees (head count) - 2024	Number of employees (head count) - 2023	Number of employees (FTE) - 2024	Number of employees (FTE) - 2023
KPN B.V.	9,960	10,048	9,318	9,388
Subsidiaries	373	362	346	336
Total	**10,333**	**10,410**	**9,664**	**9,724**

The split between gender for KPN Group is as follows:

Gender	Number of employees (head count) - 2024	Number of employees (FTE)-2024
Female	2,322	2,015
Male	8,010	7,648
Other	1	1
Total Employees	**10,333**	**9,664**

The total number of employees by head-count and full-time equivalents (FTEs) can be specified as follows based on their contract type as per the end of the reporting period (for KPN Group):

[1]   This includes the own personnel of KPN B.V. and the own personnel of it's subsidiaries

● **Social - Own workforce**

Headcount	Female	Male	Other	Total	Headcount	Female	Male	Other	Total
Permanent	2,023	7,197	-	9,220	Fulltime	1,098	5,789	-	6,887
Temporary	299	813	1	1,113	Parttime	1,224	2,221	1	3,446
Total	**2,322**	**8,010**	**1**	**10,333**	**Total**	**2,322**	**8,010**	**1**	**10,333**

FTE #	Female	Male	Other	Total	FTE #	Female	Male	Other	Total
Permanent	1,788	6,961	-	8,749	Fulltime	1,098	5,789	-	6,887
Temporary	227	687	1	915	Parttime	917	1,859	1	2,777
Total	**2,015**	**7,648**	**1**	**9,664**	**Total**	**2,015**	**7,648**	**1**	**9,664**

In the last 12 months, a total of 1,115 employees left the company, which leads to a turnover percentage of 10.7%.

The methodologies and assumptions used to compile the data are as follows:
1. Employees are presented in headcount as well as in FTE.
2. FTE definition: the equivalent of employees with a full-time contract. FTEs are calculated compared with the standard number of contract hours per employment group within KPN. In 2024, within the KPN's CLA, standard contract hours were 40 or 37 hours per week depending on the employee group within the CLA. As from 2025, contract hours will be standard 40 for all employees.
3. KPN measures the headcount and the FTEs at the end of the reporting period.
4. The definition of attrition used by KPN is as follows: total headcount that left KPN during the last 12 months, divided by the average employee base of the last 12 months.

See Note 5 of the consolidated financial statements for the breakdown of the personal expenses in 2023 and 2024, including FTEs per segment for 2023 and 2024.

Collective bargaining coverage and social dialogue
Related to the positive impact of working conditions, KPN stimulates employee membership of trade unions by financially reimbursing the contribution through employees gross salaries. There are facilities for active members of trade unions that support their union in their work within KPN, e.g. the possibility to use KPN meeting rooms and to spend part of their working hours on union activities. KPN has a long history of collective labor agreements (CLAs). The agreements protect both employee interests and those of KPN. KPN and the unions together ensure that the collective labor agreement is observed.

93% of all KPN employees are covered by a collective labor agreement. The remaining 7% comprises employees within subsidiary companies and individuals who operate under personal labor agreements outside the KPN's CLA structure.

Diversity metrics
In line with our positive impact on equal treatment, KPN wants to reflect our society. Everybody is welcome, irrespective of gender, color, descent, religion, sexual orientation, labor market limitation, origin, political opinion or age.

The following tables shows the gender and age distribution of our employees in headcount as well as in percentages for KPN Group:

	Board			Sub-top (senior management)			Overall			
	Female	Male	Total	Female	Male	Total	Female	Male	X	Total
< 30 years	-	-	-	-	-	**-**	383	947	-	**1,330**
30 -50 Years	1	1	**2**	8	21	**29**	1,178	3,807	1	**4,986**
> 50 years	2	2	**4**	6	7	**13**	761	3,256	-	**4,017**
Total	**3**	**3**	**6**	**14**	**28**	**42**	**2,322**	**8,010**	**1**	**10,333**

● Social - Own workforce

	Board			Sub-top (senior management)			Overall			
	Female	Male	Total	Female	Male	Total	Female	Male	X	Total
< 30 years	0.0%	0.0%	**0.0%**	0.0%	0.0%	**0.0%**	16.5%	11.8%	0.0%	**12.9%**
30 -50 Years	33.3%	33.3%	**33.3%**	57.1%	75.0%	**69.0%**	50.7%	47.5%	100.0%	**48.3%**
> 50 years	66.7%	66.7%	**66.7%**	42.9%	25.0%	**31.0%**	32.8%	40.6%	0.0%	**38.9%**

Social protection

Related to the positive impact of working conditions, all KPN employees are covered by some sort of social protection against loss of income due to major life events (e.g. sickness, unemployment, disability, parental leave, retirement). KPN organizes work so that pregnant employees can work safely and healthily KPN employees can make use of the following protective measures: the right to a fixed work schedule; no overtime and night shifts; more breaks than required by law; the right to paid ante-natal leave; no heavy physical work; the right to preventive consultations with an occupational health professional.

If due to sickness the employee is unable to perform some part or any part of their work, this constitutes work incapacity and KPN will continue to pay the employee's salary in part or in full. The provisions of Book 7 Article 629 of the Dutch Civil Code and the Work and Income According to Work Capacity Act (the WIA) apply. If the employee is incapacitated for work, they will continue to receive for the first 104 weeks payment of 70% of their monthly salary, their CLA budget supplement and any personal supplements if applicable.

Employees and their managers should make such individualized agreements as may be needed in such circumstances. These could cover, for example, flexibility in working hours, workload and workplace, such as the option to work flexible working hours, to work from home, or to take additional breaks. KPN also offers the opportunity to attend a preventive consultation with the company doctor, support from corporate social work, and accessible psychological help.

Accrual of pension during work incapacity: employee accrue pension during their sick leave in the same way as if they had not been sick.

KPN provides for compensation during an employee's notice period and for severance payments based on KPN's social plan.

For all employees, KPN has taken out a collective WIA insurance that protects them against part of the loss of income in the event of incapacity for work. Employees are automatically insured under this WIA insurance if they meet the policy conditions. The collective WIA insurance consists of two work incapacity insurance policies: wage decrease cover for less than 35% incapacity, and WGA shortfall insurance:

- Wage decrease cover for less than 35% incapacity: Employees are paid out under this insurance cover if they are found by a WIA assessment to be between 15% and 35% incapacitated for work
- WGA shortfall insurance (WGA Hiaatverzekering): Employees are paid out under this insurance cover if a WIA assessment determines that they qualify for WGA benefits and they receive a WGA follow-up benefit from UWV and the employee are unable to earn at least 50% of the residual earning capacity as determined by UWV.

Collective accident insurance: KPN offers accident insurance with 24-hour cover for employees. KPN pays the premiums.

Death of an employee: If an employee dies KPN will pay out monthly income not yet paid out up to date of death and a one-time net payment of three times the employee's gross monthly income.

All KPN employees are eligible to take parental leave. More details related to parental leave are described in the work-life balance sub-section.

KPN's main pension plan covers employees in the Netherlands who are subject to KPN's collective labor agreement (CLA) and employees with an individual personal labor agreement (PLA), and is externally funded by Stichting Pensioenfonds KPN. For non-employees in KPN's workforce their employment agencies provide pension plans.

● **Social - Own workforce**

Training and skills development metrics

To help them cope with the risks related to tight labor markets and the aging of our own workforce, KPN ensures that all our employees receive the maximum benefits, training and skills development, protections, and entitlements available to them. We actively support employees in future-proofing themselves in the internal and external labor market.

We encourage employees to invest in their future skills and employability. In 2023, we started measuring money spent on future skills (e.g. data, AI, security), as developing future skills is a key pillar in our people strategy. In 2024, we continued to offer our employees a budget of €1,500 to spend on personal development. An additional budget of €1,000 is available for tailored training to hone their technical craftsmanship. In 2024, our employees made use of this budget and spent on average €1,352 on training (2023: €1,342).

In 2024, 80.7% of our employees participated in regular performance and career development reviews.

We also addressed workload, among other things, through continuing our 'Good Conversation' initiative. These are regular conversations between employees and their managers that go beyond tasks and performance to include well-being. We aim for every employee to have such a conversation with their manager up to three times a year.

In 2024, the average number of training hours per employee were 72 hours. The split between gender is as follows:

Gender	Training hours
Female	52
Male	78
X	7
Total	**72**

Work-life balance

Related to the positive impact of working conditions, all KPN employees are entitled to avail themselves of a whole range of family-related leave schemes. First of all, vacation leave: in 2024 a full-time employee is entitled to take 20 statutory and 6 extra-statutory vacation days per calendar year.

In addition, the following specific types of leave are available for all employees:

Parental leave is governed by statute (Chapter 6 Work and Care Act).

All KPN employees are entitled to take family-related leave through social policy and/or collective bargaining agreements. 7.6% of our own employees took family related leave in 2024 of which 8.8% were female and 7.3% male.

Event	Duration	Continued payment of monthly salary
Death of a well-beloved person	Five days. If the special leave related to the death of a family member coincides with a vacation, then the vacation leave will convert into family leave for five days	During leave connected with a death, KPN will continue to pay the monthly income in full
Situations provided for under the Work and Care Act (Wet Arbeid en Zorg)	Dependent on reason for leave	Based on the principle that KPN observes the law. Exceptions to this principle: -During paid parental leave, KPN will continue to pay 70% of the monthly salary -During maternity leave KPN will continue to pay the employee's monthly salary in full -During supplemental maternity leave, KPN will continue to pay their monthly salary in full
Birth leave for rainbow families (rainbow leave): rainbow parents, who have no claim to maternity leave or supplemental maternity leave as set out in the Work and Care Act	6 weeks	During rainbow leave KPN will continue to pay the monthly salary in full

● Social - Own workforce

Remuneration metrics

We monitor the annual total compensation pay ratio for our employees in the Netherlands. For the reporting year 2024, the pay ratio of the annual total compensation of the highest-paid individual to the median annual total compensation is 60.70. The total compensation for the highest-paid individual is predominantly determined by variable components, including lease cars. As a result, the total annual compensation for the highest-paid individual could significantly fluctuate year-on-year, even when the base salary remains unchanged.

The basis for determining the ratio -that differs from the IFRS definition for the CEO ratio- is the pensionable base salary, which includes all fixed components of employee salaries including lease cars. For the calculation, we use the annualized salary paid during the reporting year. This includes part-time salaries alongside full-time salaries. Additionally, all variable compensation paid during the reporting year is included, such as bonuses and the value of vested shares or phantom shares received by employees in the same year.

In line with our positive impact on equal treatment and to ensure transparency and clarity, KPN calculates the gender pay gap as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees. The average pay includes bonusses and lease cars. For 2024, the pay gap is as follows:

Gender pay-gap[1]	Percentage
Overall workforce (incl. Board of Management)	10%
Sub-top (senior management)	24%

1 The reported gender pay figures reflects an overall unweighted average comparison. It does not account for variations in workforce composition or pay equity within established job grades.

● **Social - Workers in the value chain**

WORKERS IN THE VALUE CHAIN

Interest and views of stakeholders

Value chain workers are a key group of stakeholders who are affected by our strategy and business model. The interests, views and rights of KPN's value chain workers, including respect for their labor conditions and human rights, are a driver in our strategic planning process.

In our value chain, a distinction is made between upstream (Tier 1, 2 suppliers) and downstream (e.g. business partners and retailers). Tier 1 suppliers are the suppliers we directly purchase from and communicate with, and thus directly impact. Tier 2 suppliers supply Tier 1 suppliers with the resources needed to create the product or service. Similarly, suppliers beyond Tier 2 are the sources necessary for the Tier 2 suppliers to create their products, for example mining companies.

The interests of value chain workers could be materially impacted by KPN through purchase agreements with our Tier 1 suppliers, as well as specific annexes or agreements such as the supplier code of conduct (SCoC). We have high-risk suppliers and their subcontractors audited to ensure compliance with the SCoC. We use EcoVadis scorecards to assess data on suppliers, e.g. their locations and impact on the labor conditions and human rights of value chain workers.

Beyond Tier 1, KPN indirectly impacts the interests, views and rights of workers in the value chain via the Joint Alliance for CSR (JAC), of which KPN is a member. The JAC is a global association of 29 telecoms operators that focuses on human rights challenges in telecoms industry supply chains and helps to embed long-term CSR implementation in the different layers of the supply chain, among which are manufacturing centers of important multinational suppliers.

Strong partnerships and a diverse supplier base are assets in our business model. We assess the performance of our key suppliers in relation to the working conditions of workers in the value chain that are or could be materially impacted by KPN. The assessment informs our strategy and decision-making. KPN's strategy requires suppliers to comply with the SCoC and to have an EcoVadis score above industry average. We engage with our key suppliers on a structural basis with the purpose to manage their performance and our relationship. We discuss and, if necessary, set actions to improve their sustainable performance, including respect for the human rights of their workers, and to mitigate actual and potential negative impacts. We periodically review their performance against targets and identify any further actions to remedy negative impacts.

We depend on the quality and availability of the information we receive from our suppliers, labor union representatives, audit reports and if applicable also the SpeakUp line reports to gain insight into our upstream value chain and the interests, views and rights of KPN's value chain workers.

Impacts, risks and opportunities

Workers in the value chain is a material topic for KPN and consequently included in this sustainability statement. As a large public company, we deem it is important that KPN acts in an ethical, responsible and transparent way. For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see description of the process to identify and assess material impacts, risks and opportunities.

● Social - Workers in the value chain

We identified material negative actual and potential **impact** that is related to workers in the upstream value chain and arises from sourcing from suppliers that perpetuate poor working conditions. This impact originates from or is connected to KPN's strategy and business model. We are involved through our own operations (KPN's demand for and purchase of products and services) and our business relations.

KPN's demand for products and services delivered by suppliers in CSR high-risk countries can have a negative impact on supplier working conditions, such as forced labor and child and juvenile labor, unlawful working hours, lack of attention to health and safety, wages below living standards, and freedom of association.

This impact is relevant to our business model for strong partnerships and a diverse supplier base. In our value chain, the impact is upstream (at suppliers beyond Tier 1) and especially related to workers in manufacturing firms that specialize in technologies and products for telecommunications equipment, and geographically mainly in Eastern Europe, Asia and Latin America. It affects workers in the value chain on a short to medium time horizon. The negative impact is widespread and systemic for suppliers beyond Tier 1 in high-risk areas rather than related to individual incidents or specific business relationships.

The resilience of KPN's strategy and business model is adequate to address the negative impact, as we have supplier due diligence procedures in place to mitigate the negative impact and we are generally able to select an alternative supplier if a supplier structurally proves incapable of meeting our standards as described in the SCoC. The JAC alliance of telecommunications companies adheres to the same standards relating to working conditions and human rights of value chain workers. This increases the pressure on suppliers to comply with these standards.

We are planning to develop an analysis and a description of the types of value chain workers likely to be materially impacted, including workers who are particularly vulnerable to negative impacts, whether due to their inherent characteristics or to the context, such as trade unionists, migrant workers, juvenile workers and women.

Child and forced or compulsory labor may be a significant risk at suppliers beyond Tier 1 located in Eastern Europe, Asia and Latin America, which are identified as high-risk areas for the human rights of value chain workers. A substantial proportion of our value chain workers beyond Tier 1 are located in Asia.

Main types of value chain workers who are or could be negatively affected:
- Workers for manufacturing firms in high-risk areas that specialize in technologies and products for telecommunications equipment
- Workers who are particularly vulnerable to negative impacts, whether due to their inherent characteristics or to the context, such as trade unionists, migrant workers, women or juvenile workers

Policies
We have several policies in place to manage the material impacts and risks related to workers in the value chain:
1. Procurement policy
2. KPN supplier code of conduct (SCoC)

On the next page more details can be found regarding these policies.

KPN has adopted a human rights policy which also relates to our value chain workers; see the human rights statement in the section "Own workforce".

KPN is developing a human rights due diligence process, following the OECD five-step due diligence guidelines. This includes the integration of responsible business conduct into our policies, management systems, risk assessments, mitigation and prevention mechanisms, monitoring and reporting.

● Social - Workers in the value chain

Procurement policy

KPN's procurement policy sets out guidelines and standard methods and procedures for purchasing products and services from suppliers, and includes ESG criteria and measures to provide and/or enable remedy for human rights impacts. The policy relates to all material impacts for value chain workers and includes a monitoring process through quarterly management reporting on the results of onsite audits of high-risk suppliers, EcoVadis scores of suppliers and the progress of improvement actions.

Our procurement policy contains an assessment process for Tier 1 suppliers with a yearly spend in excess of €300k. This assessment is part of the sourcing process and includes the impact the supplier may have on the working conditions of their staff. Suppliers are assessed on whether they have policies in place such as the supplier code of conduct. The assessment is supported by a customized questionnaire and evaluation model, generated by EcoVadis according to the supplier's industry sector, countries of operation, and size. We expect our suppliers to achieve a score of at least the industry average in the EcoVadis assessment. If their score is lower than the industry average, the supplier must draw up a plan to improve it by mitigating identified risks or shortfalls to achieve a score of at least the industry average in a subsequent assessment.

Our procurement policy also includes a policy on auditing high-risk suppliers on compliance with the sustainable guidelines set by the JAC. To identify high-risk suppliers, we use three criteria: production of hardware or other products, spend size > €100k and high-risk country.

The scope of the policy is the upstream value chain.

Adhering to our procurement policy is mandatory for all KPN entities and all KPN employees as well as any agent(s) for KPN seeking to acquire contractual relationships for the provision of services and/or goods to or on behalf of KPN.

KPN's Chief Procurement Officer (CPO) has operational responsibility for ensuring that the procurement policy is implemented.

The policy is in line with the UN Guiding Principles on Business and Human Rights, the Declaration on Fundamental Principles and Rights at Work by the International Labour Organization (ILO) and the OECD Guidelines for Multinational Enterprises.

The interests of our suppliers and their workers are considered in setting the policy, such as working conditions, health and safety, and secure employment.

For further details of the procurement policy, see the supplier page on our website: overons.kpn/nl/het-bedrijf/leveranciers

KPN supplier code of conduct (SCoC)

KPN requires its suppliers to comply with the principles set out in the KPN SCoC, which are based on KPN's core values and KPN's code of conduct on business ethics and social and environmental commitments. The SCoC sets out social and environmental requirements for suppliers and relates to all material impacts on value chain workers. It contains requirements relating to, among other issues, ethical conduct, human rights, and labor conditions including health and safety, working conditions, social dialogue, child labor, forced labor, human trafficking, diversity, equality and inclusion. Our suppliers are obliged to ensure they are not involved in human rights abuses. This includes but is not limited to the subjects covered in Article 3 (Labor) of the SCoC. We also require our suppliers to have a clear policy and procedures in place to avoid purchasing conflict minerals or unsustainable mined minerals at high environmental and social costs.

KPN and the supplier evaluate the suppliers' performance under the SCoC on a regular basis and supported by EcoVadis scoring cards and by audits. At KPN's request, the supplier will share additional information on sustainability. If the supplier cannot (fully) comply with the SCoC, the supplier should actively inform KPN of this non-compliance and propose an improvement plan. KPN may reconsider its relationship with a supplier that does not comply with the SCoC and takes no appropriate action to resolve this.

The SCoC obliges our suppliers to inform their employees about the availability and usability of KPN's SpeakUp line to report workplace concerns, including concerns involving harassment and discrimination, to KPN management for appropriate resolution.

The accountable senior level for the SCoC is the Board of Management.

The policy is in line with the International ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights and the Dutch Whistleblower Protection Act.

In setting the policy, the interests of our suppliers and their workers are considered, such as working conditions, health and safety, and secure employment.

For more information on our relationships with suppliers, see overons.kpn/nl/kpn-voor-nederland/duurzaamheid/leveranciers

Processes for engaging with value chain workers about impacts

We interact with value chain workers through the following types of engagement:

- KPN participates in the monthly meetings of the JAC human rights workstream, which focuses on addressing human rights challenges in telecoms industry supply chains (including suppliers beyond Tier 1). This includes participation in the working groups General, Responsible Minerals, Child Labor and Living Wage.
- We engage with value chain workers indirectly via onsite audits that are regularly carried out at high-risk suppliers' plants, and via the EcoVadis assessment of Tier 1 suppliers. The JAC audits give us information on workers in the factories, their working conditions and their concerns. This includes monitoring the follow-up of corrective action plans. Through the EcoVadis assessments of suppliers, KPN gains some information on the way workers are treated, their working conditions and whether human rights are respected.
- Value chain workers can submit grievances and/or feedback via KPN's SpeakUp line. In the event that value chain workers submit grievances or feedback via this channel, we are committed to engaging directly with the reporter to address their concerns.

Our Chief Procurement Officer (CPO) has operational responsibility for engagement with value chain workers and for ensuring that the results of such engagement inform KPN's decisions and actions.

● Social - Workers in the value chain

KPN engages with key suppliers (our most critical suppliers) via periodic supplier reviews of ESG topics and meetings with key suppliers, depending on the suppliers' risk potential and ESG risk impact on our business, and on our volume of purchases from them (spend size). Periodically, KPN organizes a supplier day for our key suppliers, Board of Management and stakeholders. ESG is one of the main agenda items, including the human rights of value chain workers.

KPN is taking steps in JAC working groups to gain insight into the perspectives of workers who may be particularly vulnerable to impacts and/or marginalized, such as juvenile workers, migrant workers and workers who are subject to unlawful labor.

Processes to remedy negative impacts

For all non-conformities encountered in JAC audits conducted on behalf of KPN, specific corrective action plans (CAPs) are drawn up that include actions to prevent or mitigate material negative impacts on value chain workers, resolution procedures and timetables. CAPs set clear deadlines to complete all corrective actions within 12 months. JAC members, including KPN, continuously monitor implementation of these plans and engage with the suppliers and production plants in following up on corrective actions and delivering the intended outcomes for value chain workers.

Any issues reported via KPN's SpeakUp line are investigated under the responsibility of KPN's Chief Security Officer and Chief Compliance & Privacy Officer. All reports are registered and the reporting person receives a confirmation of receipt and feedback. Based on the nature and content of the report, an analysis is made and, if any further actions are deemed appropriate, these will be determined.

Channels for value chain workers to raise concerns

KPN's SpeakUp line provides workers with a secure (digital) environment for submitting their grievances and feedback. When a grievance is reported via the SpeakUp line, it is sent directly to KPN, guaranteeing confidentiality, and preventing the reporting person's direct employer from knowing, thereby minimizing any potential threats. The SpeakUp line is an anonymous reporting portal which can be contacted 24/7 via a secure website and is accessible to people inside and outside KPN. Third parties and value chain workers can speak up in their language, free from the fear of retaliation or intimidation. The KPN SpeakUp line is externally hosted and provided by an independent organization. To make it more accessible for people who want to report cases of abuse, we have expanded our SpeakUp line, in addition to Dutch and English, with the following languages: Spanish, French, Chinese (Mandarin and Cantonese), Hindi and Urdu. The KPN SpeakUp line is on this link: https://www.speakupfeedback.eu/web/5wudre/. It can be accessed from any country using code 70231.

In 2024, no grievances via the SpeakUp line were reported by our value chain workers. This may indicate that either there are no grievances that workers wish to bring to KPN's attention or that value chain workers are not aware of or do not trust the SpeakUp line as a way to raise and address their concerns or needs and have them addressed, or use other ways. In response to this assessment, KPN's SCoC includes the requirement that suppliers must inform their employees about the availability and usability of KPN's SpeakUp line to report workplace concerns, including concerns involving harassment and discrimination, to management for appropriate resolution.

Another channel for value chain workers to raise concerns is the workers' survey which is part of the JAC audits and is limited to a small group of randomly selected workers. Incidents and complaints from these workers are included in JAC audit reports. We assessed the awareness and trust of the value chain workers in their ability to raise concerns in the JAC audits. In 2025, we will propose a change in the JAC audit approach, the aim being to improve the audits as a channel for workers to raise concerns.

Actions

Actions to prevent, mitigate and remedy material negative impacts related to value chain workers are taken by KPN's management and include a deeper analysis of material impacts across Tier 1 and 2. The way we manage impacts related to value chain workers is through integration into our existing risk management processes.

Key action plans

Third-party auditor executes onsite audits of high-risk suppliers, based on JAC standards

Onsite audits are carried out by third-party auditors on behalf of JAC and KPN. The expected outcome of the action plan is that the planned onsite audits have been carried out and that findings from these audits in relation to actual material negative impacts on value chain workers, e.g. on respect for human rights and working conditions, are adequately followed up through corrective action plans (CAPs).

The audits focus on the high-risk suppliers in the upstream value chain. To identify high-risk suppliers, we use the following three criteria: risk profile of the product category (i.e. production of hardware or other products), size of the engagement (i.e. spend size >€100k) and risk profile of the location (i.e. high-risk country). The audited suppliers (of which the majority are located in Asia) are from these sectors: user devices and appliances, network appliances, and IT equipment production.

The time horizon of the action is short-term, based on yearly audit planning. An audit of a high-risk supplier is performed preferably once every two years unless a previous audit provides reasonable grounds for an earlier follow-up audit.

In 2024, 57% of our high-risk suppliers were audited. Through CAPs, especially with regard to production sites where non-conformities have been found, remedy is provided for those harmed by negative working condition impacts.

● **Social - Workers in the value chain**

Improvement of the % of contracted suppliers that have signed the supplier code of conduct (SCoC)

KPN requires its contracted suppliers to sign the SCoC. The expected outcome of the action plan is that new contracted suppliers comply with the SCoC, which sets out social and environmental requirements relevant to value chain workers. In exceptional cases we accept the suppliers' own code of conduct if this is comparable with KPN's code of conduct and our SCoC.

The time horizon of the action is short-term. We set a yearly target to improve the percentage of contracted suppliers that have signed the SCoC.

Communicate the availability of KPN's SpeakUp line for employees of suppliers

KPN's SpeakUp line provides workers with a secure environment for submitting their grievances and feedback. It provides us with information about possible issues and enables us to address them in order to mitigate negative impacts for our value chain workers and to ensure that human rights are respected. The SCoC obliges our contracted suppliers to inform their employees about the availability and usability of KPN's SpeakUp line to report workplace concerns, including concerns involving harassment and discrimination, to KPN management for appropriate resolution. The expected outcome of the action plan is that workers are aware of KPN's SpeakUp line.

The time horizon of the action is short-term.

Assessment by KPN of suppliers' EcoVadis scores

The EcoVadis assessments provide information on the impact suppliers have on the labor conditions and human rights of the value chain workers. This helps us improve conditions in the industry by gathering data on existing working conditions. The expected outcome is that our suppliers achieve a score of at least the industry average in the EcoVadis assessment. If the score is below the industry average, the supplier must draw up a plan to improve its score. We collaborate with contracted Tier 1 suppliers that participate in an EcoVadis assessment to improve the working conditions of value chain workers.

The time horizon of the action is short-term. We set a yearly target to improve the percentage of the KPN spend that is sourced from contracted suppliers having an EcoVadis assessment. In 2024, 88% of the KPN spend was sourced from contracted suppliers having an EcoVadis assessment.

Tracking and assessing the effectiveness of actions

Actions to prevent or mitigate material negative impact on the working conditions of value chain workers are part of the CAPs. The CAPs include resolution procedures and timetables to complete corrective actions within 12 months. The results of the JAC audits, as well as the follow-up plans, are recorded on the JAC platform. Each JAC member responsible for a supplier CAP continuously monitors the implementation of these plans and the achievement of the intended outcomes for value chain workers. We engage with our high-risk suppliers and their production plants in addressing these corrective actions. The supplier should report on actions taken and their outcomes. Although our suppliers are committed to completing the corrective actions, we have found that some issues are hard to resolve within the space of one year.

The effectiveness of the signing of the KPN supplier code of conduct, the assessment by KPN of the EcoVadis scores of suppliers, and the communication of the availability of the SpeakUp line are not tracked and assessed.

Actions to prevent or mitigate material negative impacts

The key corrective actions to resolve audited topics with the most non-conformities related to material negative impacts on value chain workers are disclosed in the table below.

Topic	Non-conformities	Key corrective actions	Time horizon
Health and safety	The factory does not arrange at least one medical health examination per year for all workers exposed to hazardous environments.	The factory should share evidence that it provides a yearly on-the-job health examination for all workers exposed to hazardous environments, at its own expense.	3 months
Working hours	The factory's working hours per day, week and month do not meet local legal regulations.	The factory should share attendance records for three consecutive months that show that workers' monthly overtime and weekly work hours comply with local regulations.	6 months
Wages and compensation	Not all workers of the factory are provided with social insurance as per local legal regulations.	The factory should share social insurance records that show that all the employees are provided with retirement, medical, childbearing and unemployment insurance as per legal requirements.	3 months

In 2024, no incidents regarding human rights of our value chain workers were reported. We also have not encountered any child or forced labor in our audits in 2024.

We are a member of the Responsible Minerals Initiative and use their database to conduct smelter risk assessments for 3TG and cobalt. 3TG refers to the four minerals that are considered conflict minerals: tin, tantalum, tungsten and gold. Our current focus is on completing these assessments. By avoiding the

● **Social - Workers in the value chain**

purchase of products that include conflict minerals, we contribute to mitigating negative impacts on workers in the mines.

Currently, two FTEs at the central Procurement department are allocated for social audits, monitoring of CAPs and EcoVadis improvement plans. In addition, buyers, contract managers and business management are involved when this is necessary to manage material impacts.

Processes through which actions are identified, implemented and ensured for effectiveness

We have integrated ESG criteria in our procurement policy. In our tender process, we use the EcoVadis platform to assess our Tier 1 suppliers to verify whether they have integrated ESG principles (including human rights) in their business and management systems. If risks or shortfalls are identified, the supplier must take mitigating measures to avoid material negative impacts on value chain workers. We strive to do business only with suppliers who comply with our SCoC and we audit on this. The assessment of the EcoVadis scores of suppliers and the identification and

monitoring of improvement actions are part of our sourcing process for products and services. This also applies to actions on signing the SCoC. The progress of such actions is monitored with metrics.

When grievances and/or feedback are reported via the SpeakUp line, we engage directly with the reporting person to address their concerns. The grievances are analyzed and the actions identified in response are registered and reported to the responsible management. The implementation and effectiveness of these actions are monitored by KPN's Chief Compliance & Privacy Officer.

The Procurement department monitors human rights issues in CAPs via the JAC.

Metrics and targets

A summarized description of the metrics and targets is given below.

Name of metric	Realized improvements on corrective action plans from onsite audits of KPN high-risk suppliers during the last 3 years	KPN spend covered by contracted suppliers in EcoVadis assessments	KPN spend covered by onboarded suppliers with EcoVadis score above industry average	KPN spend covered by contracted suppliers that have signed the KPN SCoC (or have a similar code and/or policy in place)	High-risk suppliers audited in the reporting year
Result 2023	98%	76%	n/a (not published in 2023)	n/a (new metric in 2024)	66%
Result 2024	97%	88%	93%	91%	57%
Target 2024	> 90%	> 80%	> 85%	> 90%	> 45%
Target 2025	> 90%	> 85%	> 85%	> 90%	> 45%
Label and definition	% of the corrective actions in CAPs, generated from onsite audits of high-risk suppliers in the 3 years before the reporting year, that are completed.	% of total KPN spend (from previous year) that is covered by contracted suppliers that participate in an EcoVadis assessment and share their EcoVadis assessment result (scorecard) with KPN.	% of total KPN spend (from previous year) that is covered by suppliers who participate in an EcoVadis assessment, covered by suppliers with an EcoVadis score above the industry average.	% of total KPN spend (from previous year) that is covered by suppliers with a signed SCoC.	% of the high-risk suppliers audited in the reporting year, based on JAC standards.
Related policy objective(s)	Carry out onsite audits and ensure adequate follow-up on non-conformities related to respect for human rights.	Assessment of suppliers with a yearly spend €> 300k on the impact the supplier may have on working conditions of their staff.	Our suppliers should achieve a score of at least the industry average in the EcoVadis assessment.	We require our suppliers to sign the KPN SCoC and comply to the principles set out in the SCoC.	Carry out onsite audits and ensure adequate follow-up on non-conformities related to respect for human rights.

The definition and underlying measurement methodology of the targets and metrics are unchanged compared to previous year. We monitor performance versus targets on a quarterly basis. The 2024 targets have been achieved.

Every year, the KPI targets are reviewed and set with the central CSR Team and then approved by the Board of Management. Stakeholders, such as suppliers and NGOs, are not involved in target-setting but are informed about the targets set by KPN, for example via annual stakeholder meetings.

Methodology, data sources and significant assumptions

Data sources for the total KPN spend (from previous year) covered by contracted suppliers that participate in an EcoVadis assessment and share their EcoVadis assessment result (scorecard) with KPN are:
• The EcoVadis platform
• KPN's supplier spend data

We require EcoVadis scorecards for suppliers with a yearly KPN spend above €300k. The EcoVadis scorecards are based on

● **Social - Workers in the value chain**

assessments made by the independent rating agency EcoVadis, that collects CSRD data related to sustainability goals.

The number of high-risk suppliers, i.e. suppliers that have been assessed as having a higher potential for CSR non-conformities, is determined based on the CSR risk decision tree, which considers:
- Country risk
- Yearly spend size
- Whether hardware/products or software/services are supplied (hardware is considered a higher risk than software/services)

We consider a suppliers' code of conduct to be similar to the KPN SCoC if it follows the ILO standards, OECD and UN guiding principles for workers rights and covers the same topics as KPN's SCoC, such as health and safety, non-discrimination, legal working hours and minimum wage. The suppliers' code of conduct is reviewed on a case-by-case basis.

In 2024, we identified 28 CSR high-risk suppliers (2023: 27).

Realized improvements on CAPs (corrective action plans on non-conformities) from onsite audits of KPN high-risk suppliers are reported by KPN, based on the evaluation of the information provided by the supplier. The data source is the JAC platform. High-risk suppliers are suppliers operating in high-risk areas, such as Asia, Latin America and Eastern Europe, that manufacture products and have a KPN spend above €100k per year.

● **Social - Consumers and end-users**

CONSUMERS AND END-USERS

Interests and views of stakeholders

All KPN's customers are key stakeholders, encompassing consumer market, business market and wholesale customers. In addition to our customer base, end-users also fall within the scope of this section.

The interests and views of our consumers and end-users are described in this chapter presented below, as well as details how the interests, needs, views and rights of our customers and end-users shape our strategic direction and business model.

Consumer market customers

Our consumers seek to connect, collaborate and operate safely in a digital society for people, organizations and society through:
- A reliable, safe and secure network;
- An easy and clear service;
- A service provider that has attention and appreciation;
- A service provider that creates solutions for the challenges of today and tomorrow.

Business market customers

Our business customers seek to be connected to (remote) employees, stakeholders, and the digital world, anytime, anywhere:
- by a reliable, safe and secure network;
- by products and services creating solutions for their challenges today and tomorrow, affordable, easy to implement and simple use;
- with fast and reliable customer service, transparent communications, attention and appreciation for existing customers; and
- delivered by a reliable, steady, and sustainable provider, able to deliver for a longer period (safeguard business continuity).

Business segment specific:
- SME (including self employed and SoHo): integrated telco products and services and basic IT services, including standard products/services, focused on telco and TV. Preferred contact is personal and digital; and
- LCE: integrated IT solutions; modular, complete, and integrated ICT solutions. Preferred contact account manager and online orientation.

Wholesale customers

Our wholesale customers, (mobile) virtual network operators, have access to our fixed and mobile networks. By maximizing the utilization of KPN's assets and ecosystem in this way, and using the utilization of our networks as fully as possible, wholesale creates value for KPN and for our customers and end-users. Wholesale customers often look for a telecoms provider with a robust network that offers high up-time, redundancy, and quality of service. A reliable and well-maintained network will directly impact KPN's reputation. Wholesale customers prioritize the stability and reliability of the network infrastructure. They need to be confident that they can provide uninterrupted services to their own customers. Customers and end-users value respecting the privacy and the secrecy and security of personal data, in accordance with the provisions of applicable data protection legislation. Customers decide what information they want to share or not. Personal data is dealt with confidentiality. The rights of KPN's customers are protected by the human rights (UN principles), General Data Protection Regulation (GDPR/AVG), consumer rights and the EEA Agreement. Furthermore, we comply with the Telecom Act.

KPN's strategy and business model is informed by:
- Customer-, brand- and UX- (user experience) research;
- Market intelligence: research market, industry, technology, and competitive landscape;
- Business intelligence: internal data analysis of customer usage, combined with customer research;
- Customer interaction in our direct customer channels; and
- Customer interaction in our indirect customer channels (business partners, business market only).

Interests and views shaping our strategic direction and business model

These insights are being used in multiple decision bodies within KPN's organization that have an influence on our strategy; e.g. by monthly and quarterly business reviews with Board of Management, Consumer and Business Market leadership teams. Market validation with Customer & Market Insights is a standard requirement in our strategic roadmap process.

KPN's strategy and business model are designed for realizing the positive impacts, resulting in a broad product and service portfolio for offering connectivity and the digitalization of business processes. We continuously measure customer satisfaction, gather feedback, and research needs. Using these insights, we optimize and innovate our products, services, and customer journey to enhance positive impact. In order to achieve sustainable revenue growth, we have a reputation to uphold where it concerns the safety of customer data. KPN conducts a survey every year that includes, among other things, the perception of the Dutch people regarding the handling of their (personal) data. This does not directly impact our strategy or business model.

For our customers we identified the following material sustainability matters: privacy, customer value specifically for consumer and business market, network quality and security. In the next sections we will further elaborate on these matters.

● Social - Privacy of consumers and end-users

PRIVACY OF CONSUMERS AND END-USERS

Impacts, risks and opportunities

Privacy of consumers and end-users is a material topic for KPN and consequently included in this sustainability statement. As a large public company, we deem it important that KPN acts in an ethical, responsible and transparent way. For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see description of the process to identify and assess material impacts, risks and opportunities.

KPN has identified the following negative potential **impact** on privacy:

Regulatory implications: KPN faces potential damage to customers and harm to its reputation due to inadequate protection or non-compliant use of customer data in its network. Such lack of protection or non-compliance could impact customer privacy and KPN's reputation.

With our Connect, Activate & Grow strategy, we want to connect people. We generate a lot of customer data which if not handled correctly can cause damages to our customers (privacy breaches and misuse of data) and also to KPN (reputation, fines and recovery costs). Delivering connectivity and serving loyal customers goes hand and in hand with data privacy, as these are central to KPN's activities. This is connected to our business model through serving the customer.

In our value chain, the impact concerns all our systems containing customer data and relates to our own operations, but also to our suppliers and business partners in the Netherlands. The impact affects people and/or organizations potentially harmed by data privacy breaches or misuse of data (for example identity theft, fraud or other forms of harm). It is relevant to our telecoms services through our own networks and services provided by our business partners. The time horizon is from short to long.

KPN's security policy (KSP), data policy (KDP) and our code of conduct (CoC) all help to prevent negative privacy incidents. We also have a partner handbook which contains requirements regarding the handling of customer data by our business partners.

Among specific actions in the current year is that we have implemented additional logging. Other actions aimed at enhancing the protection of our customers for cybersecurity risks are described in the "Security" section of this report.

Every year, we perform a strategy risk assessment in which we assess our risk appetite and which covers privacy risk. This is also incorporated in our business model, in which "serving the customer" is a core activity, the aim being to mitigate the risk that customer data will be misused. This assessment is based on the principle that we must comply with privacy rules and regulations so as to avoid damage to customers and KPN's reputation, as well as fines, and that data breaches must be limited as far as possible. This means that our processes are set up in such a way that the risk of a violation of privacy rules and regulations is limited.

In addition to policies we have in place to ensure we comply with laws and regulations, KPN has implemented robust internal risk management and control systems that aim, among other objectives, to maintain compliance with external requirements in the short term, and this is evaluated regularly. Interactive exercises are held several times a year. During the exercises, a disaster team (KPN Ciso) and the Corporate Crisis Management Team jointly practice a realistic and challenging crisis scenario. In this way, KPN is able to handle a material data breach if this will arise. On this basis we have concluded that our strategy and business model are resilient. This is underpinned by the facts that KPN has not been subject to privacy fines and that our privacy reputation remains high.

Potentially all consumers and end-users could be negatively impacted if their rights to privacy or their rights to protection of personal data were violated. There are no consumers and/or end-users that are dependent on accessible and/or detailed information about the impact of our products or services on their privacy or that are particularly vulnerable to impacts on their health or marketing- and sales strategies.

Attempts to carry out malicious actions and attacks related to customer data are widespread (by actors such as nation-states, organized criminals, hacktivists and terrorists) and data breaches may also be incidental to our operations (e.g. through vulnerabilities in KPN's systems, applications or platforms and unlawful use of data by KPN employees).

Privacy is a human right and this is incorporated in the constitution of the Netherlands as well as in specific legislation such as the EU's General Data Protection Regulation (GDPR) which is the basis for our policies. For further information

● **Social - Privacy of consumers and end-users**

about KPN's human rights commitments, see the sections "Own workforce" and "Workers in the value chain".

Policies
We have several policies in place to manage the material impacts and risks related to the privacy of customers and end-users:

1. KPN security policy;
2. KPN data policy;
3. KPN code of conduct.

Details of these policies are set out below.

KPN security policy

See the "Security" section for more detailed information about KPN's security policy (KSP).

As far as privacy is concerned, the KSP focuses on privacy by design, cookies, opt-in and opt-out, anonymization, pseudonymization, data minimization, facilitating the rights of those involved, data leak notifications and responsible disclosure.

The KSP is related to "the impact of regulatory implications".

Privacy by design is an additional KSP initiative that is particularly relevant for and meant KPN personnel. The idea of privacy by design is that privacy is taken into account as standard when developing products and services so that personal data is properly protected. Privacy by design is based on seven basic principles which are elaborated in KPN's privacy by design framework. This framework serves as a step-by-step plan for how to apply privacy by design in practice: anonymization, data minimization, pseudonymization, encryption, access control, data protection by default, deletion/retention periods and facilitating the rights of data subjects. This framework helps to make sure that we strictly comply with regulations (now and in the future) and minimize violations so that privacy of customer data is secured and customers see KPN as a trusted provider. Privacy by design is a continuous process as KPN is continually developing new products and services.

KPN data policy

The purpose of KPN's data policy (KDP) is to help data owners and producers to improve the quality, management and availability of our data and information. As far as privacy is concerned, the KDP includes requirements for data classification. This is important for the way data can be used and is related to the impact and implications of regulation.

We have implemented a risk management and internal control system to ensure compliance. KPN data principles are set to help ensure data is properly governed, is of the highest quality and is made available in appropriate ways to the rest of the organization. These data principles are embedded into the KDP which gives a practical implementation guidance to KPN employees and business partners. There are nine data principles.

- Governance: data is owned, data is defined, data is compliant.
- Quality: data is accurate, data is complete, data is consistent.
- Availability: data is timely, data is accessible, data is protected.

The KDP is mandatory for all KPN employees, business partners and suppliers who work with data, and these are mainly in the Netherlands. All customers whose data is available to KPN and its suppliers and business partners are affected.

The Executive Vice President (EVP) Data Office is accountable for the KDP which is based in the first instance on relevant laws and regulations such as the GDPR and the Dutch Telecommunications Act (Tw). Moreover, the KDP is based on the promises we make to our customers on how we use their data and how customers can give and revoke consent.

The KDP is published on KPN's website and covers all customers whose data is available to KPN and its suppliers and business partners. There were no significant changes to the KDP during 2024.

KPN code of conduct

We have an internal KPN code of conduct. - see the "Business conduct" section for more detailed information on this. The subcode 3 'Customer data and privacy' outlines KPN's commitment to safeguarding corporate information and personal data, ensuring accurate and transparent communication, and responsible use of company resources. Its key contents are:

- We process personal data only for predefined approved purposes;
- We process only as much personal data as is necessary for the intended purpose and only for as long as necessary;
- We process personal data only when the customer has been informed of our intention to do so;
- We use personal information for commercial purposes only with the customer's explicit consent;
- We record, use or divulge the content of customers' communications only in very limited circumstances; and
- If providing personal information to third parties, we ensure that all privacy rules are observed.

This policy is related to "the impact of regulatory implications".

A privacy statement on our website (kpn.com/algemeen/missie-en-privacy-statement) summarizes how KPN processes and protects personal data, and a video on the same explains customers rights around privacy.

Processes for engaging with consumers and end-users about impacts
Specifically for privacy matters we engage indirectly with customers and end-users. An external party carries out a research annually in which people are asked about their perception of KPN in relation to keeping their data safe. The latest research was done in December 2024. We also engage on an ad hoc basis with protection agencies such as de 'De Geschillen commissie' (the Dutch Foundation for Consumer Complaints Board) and the 'Autoriteit Persoonsgegevens' or AP (the Dutch Data Protection Authority). These agencies inform us about complaints about KPN made to them by customers and/or end-users. Additionally

● **Social - Privacy of consumers and end-users**

these agencies publish decisions which we examine carefully to determine whether or not our policies need to be adjusted.

We are also a member of the Data Driven Marketing Association (DDMA). The DDMA Privacy Guarantee offers an internal privacy and security check that organizations can use to demonstrate to consumers and partners that they respect privacy and handle personal data with care and transparency. DDMA performs an audit regularly and customers can file complaints via their portal. In October 2024, it confirmed that KPN can use its privacy guarantee for the next three years.

The annual research in which people are asked about their perceptions of KPN in relation to keeping their data safe, is the (operational) responsibility of the Chief Consumer Market who must ensure this happens and that the results are discussed within the organization. The external party that carries out the research presents the results to the relevant KPN staff who are responsible for taking action.

The Privacy Officer (PO) is responsible for settling issues with the AP and for issues under the remit of the DDMA while KPN Legal deals with issues under the remit of the complaints board.

As standard practice complaints from these agencies and customers and/or end-users are dealt with in a timely manner.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
All complaints regarding privacy data breaches are reported to the Security Helpdesk. Each complaint is assessed by the Security Helpdesk in some cases with the Privacy Office (PO). When it concerns a privacy related matter, the follow-up is determined on a case-by-case basis. Every privacy incident must be registered internally. Depending on the gravity of the incident, the AP must be informed as well as the customer. This is at the PO's discretion.

Under the GDPR, the business partner is responsible for the protection of customer data. KPN has a business partner manual in which this is stipulated. This manual is updated annually based on feedback from the PO as far as privacy related matters are concerned. KPN does not support or require all our business partners to have channels available for consumers and/or end-users to raise their concerns or needs.

Complaints about privacy are reported to the Security Helpdesk and the Data Protection Officer (DPO) who is part of the Privacy Office and by third line Customer Relations. The DPO must make sure that complaints are dealt with. The DPO sets out actions to be taken, monitors progress and determines when the matter can be closed at the Security Helpdesk. The DPO's duties in this respect are legally enshrined in the GDPR.

All incidents are reported to the Security Helpdesk by the DPO and Customer Relations. The DPO sets out any actions to be taken and monitors progress. The incident can only be labeled as resolved by the DPO.

The different channels for customers to make their complaints known are described on our website and in our privacy statement. By using a ticket system to administer incidents we can monitor lead times but we do not further investigate the effectiveness of these channels.

There is no process in place to get feedback from stakeholders. We do not conduct research into the extent to which these processes are trusted by customers.

Our customers and/or end-users can find information about our complaints process on our website and our privacy statement lets them know where they can file complaints with KPN and the regulator.

● **Social - Privacy of consumers and end-users**

Actions

Additional logging

Additional logging enables us to more quickly analyze and detect (attempted) unusual behavior regarding access to customer data in our customer facing applications. The expected outcome of this key action plan is to be able to more quickly detect and prevent misuse of customer data. When employees know their behavior is being monitored, this has a preventive effect. It contributes to preventing violations of laws and regulations on the use of customer data. This is covered by the KSP. This action has been implemented and is still being fine-tuned - a continuous process.
All customers whose data is available to KPN are in scope and suppliers and business partners are also affected which is mainly in the Netherlands.
Monitoring of the action is done by quarterly reporting.

Actions are taken regularly as a result of changes in our KSP and KDP in which privacy is a focus. Both the KSP and KDP are updated regularly which can lead to changes in our IT systems to better protect customer data. Our website provides updates on such changes.

KPN's PO tracks or assesses the effectiveness of actions and initiatives on an ad-hoc basis. Privacy related incidents are dealt with by the PO which decides what action is needed based on guidance from the regulator that includes when to notify the regulator and the consumer and/or end-user and what information to disclose.

We comply with the law and keep our customers informed via the KPN privacy statement which indicates how and for what purposes we use customer data and on what legal basis. For marketing and sales activities, this is based on customer's permission, with customer indicating in advance whether personal data may be used for this purpose. If data is used for other legitimate interests, we mainly inform customers and offer the right to object. Customers can always indicate in the MyKPN environment which data we may use and can also adjust their preferences.

Our Privacy Office (three FTEs including the DPO) advises the organization on privacy-related matters. We publish newsletters and videos on privacy issues, for example on phishing and password managers, which we share with users of our services.
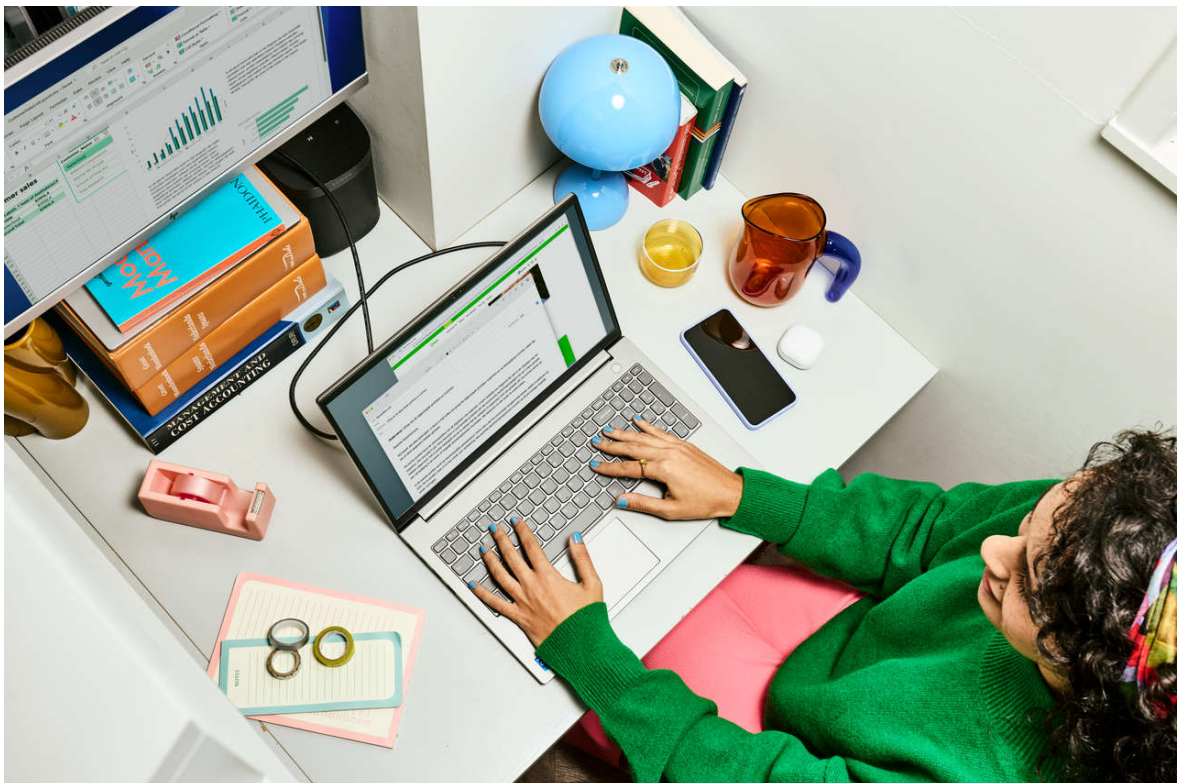
● **Social - Privacy of consumers and end-users**

Metrics and targets

	Privacy reputation
Result 2023	61%
Result 2024	61%
Target 2024	65%
Target 2025	65%
Definition of metric	Percentage of Dutch population that believes their data is safe with KPN

Methodology

The privacy reputation metric is based on research performed by an external marketing research company. The purpose of this research is to map out consumers' attitudes towards privacy and data protection at (telecom) companies. The research is carried out by deploying an online questionnaire to an online panel representative of Dutch citizens aged 16-75. The sample size is approximately n=800 per measurement. The questionnaire asks people to rank three companies that they think their data is safe with, out of a total of 12. The metric is the percentage of people who rank KPN in the top three.

All (potential) consumers and end-users, including the downstream value chain, are in scope. This metric is analyzed year by year with the previous year as the target point. We do not have specific systematic methodologies or assumptions in place to set the targets and stakeholders are not involved. Our integrated annual report discloses the result of the annual research and the target. The aim is to remain stable as the highest scoring telecom provider. The aim for 2024 was 65%.

There is no direct link to the related policy objectives. However, this metric contributes to identifying KPN's negative impact.

The outcome of the yearly research by an external party is presented to the relevant business units. Stakeholders are not involved in identifying lessons learned from the research. Progress was in line with the plan and there were no significant changes in performance towards the target.

	Substantiated complaints regarding breaches of customer privacy
Result 2023	55
Result 2024	37
Target 2024	n/a
Target 2025	n/a
Definition of metric	Substantiated complaints regarding breaches of customer privacy which results in databreach notifications with the AP

Methodology

All privacy related notifications reported to the Security Helpdesk that the PO has determined, based on the GDPR, pose a risk to the data subject and must be reported to the AP. A breach of customer privacy entails any non- compliance with existing legal regulations.

There is no direct link to related policy objectives. However, this data leaks metric contributes to identifying KPN's negative impact. There are no targets for this metric because the aim is to get as few as possible.

● **Social - Customer value**

CUSTOMER VALUE

Impacts, risks and opportunities

Customer value is a material topic for KPN and consequently included in this sustainability statement. As a large public company, we deem it important that KPN acts in an ethical, responsible and transparent way. For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see description of the process to identify and assess material impacts, risks and opportunities.

KPN has identified the following positive actual **impact** on both consumer and business customer value:

Connected society: KPN's products and services enable people (B2C) and organizations (B2B) to connect, participate, work and operate safely in a connected and digital society (e.g. fixed and mobile communication and internet services).

In serving customers, the impact in the value chain is therefore downstream and limited to the Netherlands. This positive impact affects both people and organizations and is directly related to our mission: we go all out to connect everyone in the Netherlands to a sustainable future. Our strategy, business models, and value chains are designed to deliver connectivity and customer value through our own operations and through our business relations. This impact is on a short and medium time horizon.

We enable people and organizations to be digitally connected and we deliver this by offering stable, fast, future-proof and secure networks. Moreover, we deliver services on top of our networks.

KPN has identified the following positive actual **impact** on business customer value:

Business digitalization: KPN's products and services enable organizations to digitalize their business processes. This includes ICT solutions such as workplace management, IoT, infrastructure, cloud, data management, identity management, and cybersecurity.

In serving business customers, the impact in the value chain is therefore downstream and limited to the Netherlands. The positive impact affects both people and organizations and is directly related to our mission: we go all out to connect everyone in the Netherlands to a sustainable future. Our strategy, business models, and value chains are designed to deliver ICT solutions and serve business customers through our own operations and business relations. This impact is on a short and medium time horizon.

With our ICT solutions and stable, fast, future-proof and secure networks we enable organizations to digitalize their business processes and thus improve their efficiency and effectiveness.

The resilience of our strategy and business model is tracked by our long-term performance on Net Promoter Score (NPS). Despite ever changing social-, economic- and market- dynamics KPN has shown strong resilience on NPS. NPS consumer has remained stable at or above +14 (full year results) for over four years and NPS business has slightly increased to +4 (full year results) in the same period.

Types of consumers and end-users

The table on the next page shows which customers and end-users are in scope through our own operations and are likely to be materially impacted (when we speak about consumers in this document, this also includes the end-users). The scope also includes any impacts associated with KPN's value chain through its products or services, as well as business relationships.

We acknowledge that our telecoms services impact a broad spectrum of consumers and end-users across the Netherlands. Our operations and value chain impact individuals and organizations alike, encompassing private consumers, businesses, government entities, and non-profit organizations.

We deliver essential communication and ICT-services that (1) facilitate personal and business connections, (2) provide access to the digital world, (3) enable economic transactions, and (4) support the digitalization of business processes and critical public services.

Our commitment to inclusivity ensures that our services are accessible to everyone in the Netherlands - so all demographics, including residential users, small and large enterprises, and public sector institutions - thereby playing a pivotal role in the digital infrastructure of the Netherlands. The different types of consumers and end-users subject to material impacts are specified in the table on the next page.

● Social - Customer value

	Consumers	End-users in scope	End-users not in scope
Definition	Consumers are individuals or entities that purchase products or services that KPN sells or resells	End-users are those who actually use a particular product or service of KPN	
Role	• They engage in transactional activities, buying goods or services. • They may or may not be the actual user of the product	• They may not be the purchasers but are crucial for product success. • End-users are crucial for the success of user-oriented products and services.	
Example	When you buy a smartphone or software package, you are the consumer.	Employees using company-purchased smartphones or software	
Consumer market: Consumers	• Private individuals, often also end-users	• Household	
Business market: SME (incl. self employed/SoHo)	• Buyers: owners (DGA), ICT managers, facility of purchasing managers, other • Owners, often also end-users	• Employees, using our services to develop, produce or deliver their own product or services • Employees (small office) Household (home office)	• Customer of our customer (e.g. students of a university using IT services) • Visitors at a location of our customers (e.g. on-site using Wifi)
Business market: LCE	• Buyers: ICT managers, ICT advisers, security specialists, purchasing managers, other		
Wholesale	Wholesale partners	• Customers of WS partners	

KPN products are designed to be safe for individuals and do not inherently increase the risk of chronic diseases. KPN is bound to the EU net neutrality rules, ensuring that all content is treated equally by internet service providers. However, it is important to acknowledge that, under these regulations, there may be indirect implications for individuals' health and well-being. We remain committed to transparency and the responsible use of our services.

All consumers and end-users of KPN products and services rely on accurate and accessible product- or service-related information. Some groups are especially dependent on accurate and accessible product- or service-related information:
1. Elderly people. This demographic often relies on clear and accessible information to effectively understand and use technology, as they may not be as familiar with digital interfaces.
2. People with limited digital literacy. This group depends on straightforward and accessible information to navigate and use digital products and services effectively, as they may struggle with complex digital interfaces.
3. People with disabilities. For this group, accurate and accessible information is crucial to ensure they can use products and services without barriers, in compliance with accessibility standards.
4. People living in remote or under- served areas. Accurate information is vital for this group to ensure they can access and use services in areas where connectivity might be limited.

5. New customers and first-time end-users. Accurate and accessible information is essential for this group to ensure they can effectively use the products and services from the outset, minimizing the learning curve so that they can adopt our products and services first time right and hassle-free.

The types of consumers and/or end-users who are particularly vulnerable to health or privacy impacts or impacts from marketing and sales strategies include:
1. Children, who are susceptible to online threats, inappropriate content, and targeted advertising.
2. Financially vulnerable people, who may be more affected by aggressive marketing tactics.
3. Elderly people, who may struggle with understanding complex service terms and are more likely to be targeted by scams.
4. People with limited digital literacy, who may not fully understand privacy settings or the implications of sharing information online.
5. People with disabilities, who may face challenges in accessing and understanding information, making them more vulnerable to abuse or exploitation.

KPN's activities that result in the two positive impacts "connected society" and "business digitalization" affecting all consumers and end-users, comprise listening to our customers and working to meet their growing needs and expectations. Building on our customer-centric approach, we consistently enhance the range and quality of our products and services, while advocating for secure and responsible internet usage.

● **Social - Customer value**

Policies

Our customer engagement policy guides us in managing the material impacts and risks related to customer value. Details of this policy are set out below.

Customer engagement policy

This policy outlines our objectives, targets, policies, processes, and mechanisms we have implemented that shape our engagement with customers and the way this impacts our strategic direction from the perspective of our customer.

It applies to all consumer and end-user groups in all sectors under the KPN brand. The policy mainly focuses on own operations, but indirectly also on up- and downstream activities (e.g. the customer experience of content or sales partners) in the Netherlands. The Chief Consumer Market and the Chief Business Market are both accountable for the implementation of this policy. At present, KPN has no monitoring process in place for this policy. However, multiple measures in our customer engagement policy are in place to ensure an objective representation:

1. In measuring customer value (e.g. via NPS) respondents are selected by an independent screener (Kantar) to represent Dutch society as best as possible. Customer groups, brands and segments are all weighed as part of this process. In addition, business market's "ZM Relatiemeting" data is incorporated into the Kantar measurement for companies >150 employees to ensure the respondent count is representative.

2. All customer channels (including all complaint processes) are included in this policy, enabling us to take into consideration opinions from all angles regardless of channel preferences.

In setting the policy, the interests of KPN customers have been considered to ensure attention to and appreciation of these customers.

The IROs related to the policy are both positive impacts "connected society" and "business digitalization".

Since this is an internal policy, it is not externally published.

Formalizing our customer engagement policy comprises making an inventory of and describing all activities in the business units (consumer market and business market) how we systematically engage with our customers and end-users to discover, understand, address, and ultimately improve their experiences when interacting with our products, services and touchpoints.

The objective of the policy is to deliver better customer value and improve customer satisfaction (NPS). It affects all customers in the downstream value chain in the Netherlands and KPN's own operations. The outcome of the actions carried out in 2024 resulted in a comprehensive description of our approach to customer engagement and how this interacts with our activities for delivering customer value.

In our policies, KPN actively promotes and upholds various customer rights, including health and safety, privacy and data protection, non-discrimination, safeguarding children's rights, and freedom of expression. As our operations are primarily concentrated in the Netherlands, we are bound to EU and Dutch rules and regulations governing these areas. For a description of policy commitments in regard to our customers' human rights, see the sections "Own workforce" and "Workers in the value chain".

Processes for engaging with consumers and end-users about impacts

Perspectives of consumers and/or end-users

We actively interact with our customers in accordance with the principles outlined in our customer engagement policy. To discover, understand, address, and improve the customer experience, when they interact with our products or services. This policy covers the following stages of the customer engagement cycle:

- Listening to customer signals through a variety of channels;
- Analyzing and acting on feedback, complaints and signals on actual and potential impacts;
- Defining and implementing changes based on the analysis to improved products, services, and customer journeys, addressing customer feedback, and
- Reporting back to relevant stakeholders.

The insights we gain from engaging with our customers are used for evaluation and further development of product and end-to-end service strategies, as well as the development (innovation) and optimization of our products and services portfolio, including the processes involved (customer touch-points and journeys). These insights are discussed by the management team and, if relevant, included or converted into improvements to the customer journey. Major changes are discussed first by the Board of Management.

Engaging through direct interactions

We engage with our customers through:

- Direct interactions;
- Our human-assisted sales and service channels;
- Ad-hoc customer surveys;
- Customer journey/touchpoint feedback channels.

We also engage indirectly through proxies, such as:

- The Net Promoter Score (NPS) as gauged by Kantar TNS through their consumer and business panels;
- Feedback received through authorities such as 'Geschillencommissie' and 'Autoriteit Persoonsgegevens (AP) and Autoriteit Consument & Markt (ACM)'.

● **Social - Customer value**

Brand NPS offers the most significant proxy for customer engagement, serving as a top key performance indicator (KPI) for KPN. Consequently, our responses are particularly relevant to the NPS.

Stage(s) at which engagement occurs, the type of engagement, and the frequency of the engagement
Customer journey/touchpoint research is conducted to give insight into points where customer interaction takes place. Brand NPS is conducted monthly. This independent research is carried out by our partner, Kantar TNS, within their consumer and business panels, which are representative of the Dutch telecommunications market. Brand NPS is assessed through surveys that measure the customers' willingness to recommend KPN, as well as key drivers related to environmental, social, and governance (ESG) topics. Respondents are also encouraged to provide spontaneous comments. This ongoing NPS research encompasses all stages of customer relations and includes engagement across all our products and services.

Ultimate responsibility for engagements
The Chief Consumer Market and the Chief Business Market are operationally end-responsible for ensuring these consumer market/business market engagements happen and that the results of these engagements inform KPN's approach.

Measuring effectiveness of engagements
At present, KPN does not formally assess the effectiveness of its engagements with customers. However, we do measure the relationship between engagement (NPS score per customer) and customer value (Household Lifetime Value: HLV) in relation to that score.

Vulnerable consumers and end-users
The generic contact and feedback channels are described in our customer engagement policy. This applies to all customers with no differentiation of vulnerable customers.

Actions

Consumer market initiatives 2024

Key actions in 2024:
- New customer propositions, such as Mobile Unlimited Data with speed tiering, kids and teens subscription, super Wi-Fi rental and KPN Veilig;
- Investments and continuous improvements in customer touchpoints such as MijnKPN app;
- Investments and continuous improvements in TV/OTT services;
- Network and connectivity upgrades such as copper upgrade fiber, 5G on 3.5Ghz band, Soft@Home modem software;
- Benefits for base customers such as free speed upgrades and KPN Voor Jou benefits.

The expected outcome of these actions is a contribution to the positive impact "connected society" - KPN's products and services enable people (B2C) and organizations (B2B) to connect, participate, work, and operate safely in a connected and digital society. This contributes to meeting our NPS targets.

These actions affect the downstream value chain; consumer customers of KPN in the Netherlands. The actions were carried out in 2024 and required significant capex. In addition to the available cash and cash equivalents, short-term investments and cash flows from operations, KPN has committed financing resources available (see Note 13.4 of the consolidated financial statements) to implement the action plans.

Business market initiatives 2024

Key actions in 2024:
Related to the positive impact "connected society" such as:
- Security solutions (e.g. cybersecurity package and password manager)
- Speed tiering for unlimited mobile data subscriptions (SME customers)
- KPN secure networking: 'Internet van de Zaak' (Tailored solutions, LCE, Health customers)
- Teams Softphone (SME customers)
- EVM - Extra secure internet for mobile (SME, LCE customers)

Related to the positive impact "business digitalization" such as:
- Supervision (MSP partners)
- KPN Campus (Tailored solutions, LCE, Health customers)
- Edge computing for KPN Campus and multicloud (Tailored solutions, LCE, Health customers)
- CPAAS Omni Connect and Verification API's (Tailored solutions, LCE, Health customers)
- KPN SIAM (Tailored solutions + top LCE customers)
- New hardware and application suppliers integrated into KPN IoT platform (IoT customers)

The expected outcome of these actions is delivering additional customer value by allowing better and more securely connected customers to operate in the digital world and enabling them to further digitalize their business processes. The objective is to improve customer satisfaction (NPS).

These actions affect business customers in the downstream value chain, the upstream value chain and KPN's own operations. The actions were carried out in 2024 and required significant capex. In addition to the available cash and cash equivalents, short-term investments and cash flows from operations, KPN has committed financing resources available (see Note 13.4 of the consolidated financial statements) to implement the action plans.

● Social - Customer value

In addition to the above actions, we also have market insights teams to measure customer experience and to gain customer insights. These insights are shared with our product and channel owners to help them improve and develop new products and services.

Metrics and targets

	NPS consumer	NPS business
Result 2023	+16	+5
Result 2024	+16	+4
Target 2024	+19	+6
Target 2025	+17	+4
Performance target vs. result	2024 performance of +16 was below the target of +19. Analysis shows that not all assumptions of the 2024 target have been fully realized, partly due to competitive market dynamics.	2024 performance is +4 and is below the target of +6. Analysis shows that not all assumptions of the 2024 target have been realized, mainly driven by market dynamics.

NPS consumer and NPS business metrics methodologies
NPS is a metric for measuring customer loyalty, based on whether customers would recommend a brand to someone else. The NPS results included in this report are measured, calculated and provided by Kantar (a leading market-research company). NPS is based on direct customer input, with the key question being whether a customer would recommend KPN to someone else. Depending on the score they give, the customer is classified as a "promoter" or a "detractor".

The methodology includes:
- Survey design;
- Data collection: survey among consumer and business members of the Kantar panel in the Netherlands;
- Score calculation: The final NPS score is derived from the categorized responses and their weight factors.

Assumptions of the metric
- Customer loyalty: NPS assumes that a higher score correlates with customer loyalty and future business growth;
- Simplicity: The methodology relies on straightforward questions, making it easy to implement and understand;
- Behavioral prediction: The presumption is that a customer's likelihood to recommend is indicative of their actual behavior.

Limitations of the metric
- Oversimplification: The three-category system may not always capture the nuances of customer sentiment;
- Not all KPN daughter-brands are included in the NPS for business market and consumer market. For business market only the KPN brand is included. For consumer market only the

KPN brand, Simyo and (up to 2023) XS4ALL are included in the research. Youfone and Solcon are not included;
- Fluctuations: NPS scores can vary significantly based on sample size and timing;
- Behavior vs. intent: There can be a disconnect between a customer's stated;
- Likelihood to recommend and their actual behavior;
- Cultural and segmented biases: Different cultures/demographics may interpret the scoring scale differently, affecting the comparability of scores across regions or age groups.

NPS calculation and definitions
Tracking willingness to recommend the brand on a scale from 0 ("very unlikely") to 10 ("very likely"), i.e. how likely is it that customers would recommend KPN and/or Simyo to friends, family or colleagues (consumer market) or to other companies, colleagues, or business partners (business market). The key questions asked to customers:
- Consumer market: "On a scale of 0 to 10, how likely is it that you would recommend KPN to your family, friends, or colleagues?"
- Business market: "On a scale of 0 to 10, how likely is it that you would recommend KPN to your colleagues and/or business associates?"

These questions help to categorize customers into promoters, passives, and detractors.
- Formula: NPS = % promoters -/- % detractors
- Description: NPS is calculated by subtracting the percentage of detractors from the percentage of promoters. The score ranges from -100 to +100. A positive score indicates more promoters than detractors, while a negative score indicates the opposite.
- Promoters: Customers who respond with a score of 9 or 10.
- Passives: Customers who respond with a score of 7 or 8.
- Detractors: Customers who respond with a score of 0 to 6.

In this report, all NPS results refer to full-year results of the respective year, based on a 12-month rolling average (January till December). Note: up to 2023 the reported NPS results were based only on Q4 results (average of October, November and December). The purpose of this change to full year reporting is to better reflect focus on NPS throughout the whole year. The 2024 NPS scores for consumer market and business market reflect a weighted average based on 2022 revenues. NPS business combines this with EBITDA margins for segments.

In 2025, business market will make two changes on the methodology of the NPS measurement in line with our redefined market approach, including the introduction of the mid-market segment (150-650): 1. Weighting for the business market will shift to focus on the number of products instead of revenue and EBITDA margins. 2. The scope includes companies up to

● **Social - Customer value**

650 employees. These changes are included in the target setting for 2025.

For the 650+ employees segment, we have a direct relationship with our customers. In 2025, we will investigate the most suitable methodology for this customer segment to collect (non-anonymized) customer feedback. Based on this feedback, we aim to implement specific improvements for our customers, with the goal to achieve better customer relationships and higher satisfaction. We aim to use this own measurement for 2026 target setting.

KPN's process for setting targets
Target setting NPS (CM/BM)
NPS is a top KPI for KPN.
1. Every year targets are set for both consumer market and business market, considering underlying customer groups and brands. Targets are set in the Board of Management and approved by the Supervisory Board.
2. In the target setting of the NPS we consider the trends in customer needs that we have seen in the previous year as well as trends in society, in the market and among our own customers and end-users. The results, trends and insights from underlying drivers of the NPS in the running year from the Customer Value IRO are taken into account for the NPS targeting of the year to come. Setting the target starts with updating the weighing of the NPS for consumer market and business market.
3. The NPS is weighed on the relevant customer groups and brands within each segment. This weighing is done in collaboration between the Customer Insights, Finance and Internal Audit teams. Based on updated weighting figures, KPN's Customer Insights teams (from consumer market and business market) put together an initial proposal for the NPS target. This proposal considers trends, outlook, planned innovations, and an overall ambition to improve.
4. This proposal is first discussed and fine-tuned within the segments, after which it is put forward to the Board of Management and finally to the Supervisory Board.
5. Customers and end-users (including their representatives or proxies) are not involved in this target setting process.

Targets are set to meet our customer engagement policy objective: enhance customer satisfaction and continuously improve customer experiences to boost satisfaction and positive sentiment towards our brand. The scope for the NPS consumer and NPS business is the downstream value chain, for business market customers only the KPN brand is in scope, for the CM customers also the Simyo and (up to 2023) XS4ALL brands are in scope.

Target methodologies used:
• Analyses of different customer segments (for business market: customers with <150/>150 employees and split ZZP/SOHO, SME and larger accounts) to identify specific areas for improvement;
• Comparisons of KPN NPS CM score and underlying drivers to those of competitors within the industry;
• Use of past NPS consumer and NPS business data to set realistic improvement targets. This helps in understanding trends and setting achievable goals;
• Setting different NPS consumer and NPS business targets for different customer product holding groups based on their unique characteristics and needs. These different targets are weighed for reported revenues and together weigh towards the target for both NPS consumer and NPS business. NPS Business combines this with EBITDA margins for segments.

Significant assumptions in defining targets:
• The survey methodology remains consistent over time to ensure comparability of NPS scores;
• We are able to achieve a stable response rate to avoid skewed results;
• Market conditions and competitive dynamics remain relatively stable;
• Customer expectations do not change drastically over the target period;
• There are no major disruptions in operations that could negatively impact customer satisfaction;
• Broader economic conditions remain stable and do not adversely affect customer sentiment; and
• There are no significant regulatory changes that could impact customer experiences.

NPS is measured monthly. Performance analysis and reporting to management and employees are conducted quarterly, without involvement from consumers or end-users. Based on performance analysis outcomes, improvement plans are identified and implemented. The consumer market and business market leadership teams review performance against targets and activities informed by customer feedback. Customers and end-users, including their representatives or proxies, are not involved in this process.

● **Social - Network quality**

NETWORK QUALITY

Impacts, risks and opportunities

Network quality is a material topic for KPN and consequently included in this sustainability statement. As a large public company, we deem it is important that KPN acts in an ethical, responsible and transparent way. For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see description of the process to identify and assess material impacts, risks and opportunities.

KPN has identified the following two **impacts** on network quality, the first being an actual positive impact and the second a potential negative impact:

1. **Network quality**: KPN offers high speed internet connectivity to consumers and end-users in the Netherlands, so they have access to key products, services and markets that increase participation in cultural, political and social life.

In our business model, the impact concerns future-proof infrastructure and mobile spectrum. It is located in the value chain of our own operations and downstream in the Netherlands. The impact affects people through giving them access to higher download speeds. Our own activities are involved with this impact by implementing and maintaining a superior network in the short-, medium- and long-term.

KPN is a fixed and mobile provider that brings both fixed internet connectivity and mobile connectivity to the Netherlands. Connecting everyone in the Netherlands to high speed internet, both consumers and business customers, is an important part of our strategy (Connect, Activate & Grow). A high-quality and reliable network is essential to connectivity in the Netherlands. Our networks have a nationwide footprint and a high-quality standard. We continue to invest in the coverage, quality and reliability of both our fixed and mobile networks, by rolling out fiber and 5G. This will improve the customer experience.

2. **Unavailability of 112 service**: To avoid the potential negative impact of unavailability of the 112 service on mobile networks, KPN ensures continuous network availability.

In our business model the impact concerns future-proof infrastructure and mobile spectrum. It is located in the value chain of our own operations and downstream in the Netherlands. The impact affects people because of the risk of having no access to 112 services. Our own activities such as monitoring capacity and planning of maintenance and innovations to mitigate interruptions are involved with this impact in the short-, medium- and long-term.

KPN facilitates the vital 112 service for the Netherlands and is therefore partly responsible for its availability. The 112 service is crucial in Dutch society and very important for KPN's reputation as reliable service provider. It is essential to prevent any disruption disturbance to this service, and this is part of our business model. Our network strategy will not be affected as a result of possible disruption. Our Service Quality Center (SQC) monitors the KPN network, critical IT and critical services 24 hours a day, 7 days a week, 365 days a year. This is essential to our business model.

KPN has identified the following **opportunity** for network quality:

Increase market share on broadband: KPN aims to increase its market share in broadband by deploying high-quality and competitive fiber networks.

In our business model this opportunity concerns future-proof infrastructure and mobile spectrum. It is located in the value chain of our own operations and downstream in the Netherlands.

We are connecting more addresses to fiber and the copper lines of these addresses will soon be made redundant. Our goal is to have a fiber footprint of 80% by the end of 2026, and even after that, we will continue the fiber rollout. After fiber connections are switched on, we switch off the copper lines with due care.

We have five promises for the transition to fiber:
- Always online: KPN customers will never be without internet. We switch off the copper network after the fiber connection is working.
- No transfer costs: With KPN the transition to fiber has no hidden costs even when an engineer is needed.
- Open and fair: We offer an open network and all the providers will start from the same position.
- Transparent: Internet providers are informed about the decommissioning of copper lines where fiber is available at least three years in advance.
- Ready to use: We ensure that if something goes wrong our engineers and specialists are ready to help customers stay online.

● Social - Network quality

Offering high-speed internet connectivity leads to more customers, and KPN aims to increase market share on broadband. This positive impact and opportunity are incorporated in two of the three pillars of our network strategy: leading telco infrastructure and leading digital telco. Leading telco infrastructure consists of expanding our fiber footprint. Leading digital telco is the development of innovative solutions that build on KPN's fiber and 5G networks. Both contribute to facilitating access to high-speed internet and maintaining a high-quality network.

KPN has identified the following **risk** for network quality:

Network interruptions: Failure of one data center across four different locations could lead to network interruptions, potentially impacting KPN's reputation and market share.

In our business model this opportunity concerns future-proof infrastructure and mobile spectrum. It is located in the value chain of our own operations and downstream and upstream in the Netherlands.

The failure of one data center can lead to capacity issues, because subsequent disruptions may occur. Redundancy is then widely affected. Our services do not change as a result of outages, but can occasionally experience downtime. The value chain is affected locally in the area of the specific data center. This is part of our business model such outages do not alter our network strategy.

Providing reliable and stable connectivity is vital for KPN's service to the Netherlands. The fallout of our data centers would be detrimental to providing this connectivity and is therefore foundational for our business model. Our customers would have no access to the internet and emergency services without this connection. Our dedicated department (SQC) is responsible for all the assurance processes as described in the KPN assurance policy (KAP).

In terms of this risk and opportunity, there is currently no financial effect identified.

KPN has adequate resilience and insight into how long a data center can be down before fixed and mobile services become unavailable for customers.

KPN's consumers and end-users

The "Customer value" section describes which customers and end-users are in scope through our own operations. All consumers and/or end-users who use KPN networks are likely to be materially impacted by KPN and are included in the scope of our disclosures related to network quality. This group encompasses consumer, business and wholesale customers. End-users are also within the scope of this section. End-users are defined as those who actually use a particular KPN product or service.

Types of consumers and end-users

Potentially all consumer, business, and wholesale customers as well as end-users could be negatively impacted in the case there is an (individual) incident on KPN networks in the Netherlands which causes unavailability of the 112 service on the mobile network.

Activities related to material positive impacts

The most important activity that results in a positive impact, connecting everyone in the Netherlands to facilitate access to high-speed internet, is the implementation of a superior network through the rollout of fiber and modernizing our mobile network.

KPN is replacing its copper network with fiber and is upgrading its mobile network to enable the high-speed 3.5GHz spectrum, which facilitates higher 5G speeds.

These network modernizations in both fixed and mobile will allow customers to use new services and enjoy higher download and upload speeds. This ongoing impact affects all customers and end-users of KPN (consumer, business and wholesale).

Material risks and opportunities for the business arising from impacts and dependencies on consumers and/or end-user

The material risks arising from the impact and dependencies on consumers are reputational damage and a lower market share due to the potential failure of one data center location.

The material opportunities arising from the impact and dependencies on consumers are a strong brand reputation and higher market share. These opportunities arise from the high-quality of the networks provided to our customers, including higher download speeds.

All consumers and/or end-users (identified in the "Customer value" section) could be negatively affected, based on the materiality assessment set out in the "General information" section. The potential negative impact does not relate to specific groups of consumers and/or end-users. Everyone who uses the network of KPN could be affected.

● **Social - Network quality**

Risks and opportunities that relate to specific groups of consumers and end-users

The material risks and opportunities as disclosed in the "General information" section do not relate to specific groups of consumers and/or end-users but to all consumers and/or end-users.

Policies

We have several policies in place to manage the material impacts and risks related to Network Quality:

1. Strategic plan for Network, Operations and IT (NOI)
2. Copper phase out at fiber to the home (FttH) addresses
3. KPN assurance policy (KAP)
4. KPN security policy (KSP)

More details of these policies are given below.

Strategic plan for Network, Operations and IT

The strategic plan for Network, Operations and IT (NOI) aims to translate KPN's overall Connect, Activate & Grow strategy into technological and digital components. The overall strategy is described in this integrated annual report. Its most fundamental pillar is to build the leading telco infrastructure, which is essential to be able to provide connectivity to the Netherlands. This infrastructure consists of KPN's fixed and mobile networks. To be leading, this is divided into the following objectives:
- Provide nationwide coverage on both fixed networks (fiber or copper) and mobile networks (4G or 5G);
- Provide throughput speeds that ensure a seamless connectivity (meaning customers can make voice calls and stream full HD video);
- Rollout fiber network to reach 80% fiber footprint by the end of 2026.

In the mobile network, KPN wants to provide nationwide population coverage on both 4G and 5G. KPN plans the network based on a minimum guaranteed throughput which is necessary to be able to make voice calls and to stream full HD video. In the fixed network, KPN wants to provide nationwide coverage based on the combination of copper and fiber. That means that any household should have either copper or fiber.
Related IROs: "Network quality" and "Increase market share on broadband".
Activities as part of this plan comprise rollout densification and replacements sites to maintain and improve coverage footprint, rollout of fiber to 80% of all households, rollout of 3.5 GHz spectrum to guarantee minimum downlink throughput and proactive monitoring of network quality and rapid response in the event of failures.
The related metrics to monitor the process monthly are described in the paragraph "Metrics and targets".

Affected stakeholder groups are all consumers and/or end-users who use the fixed and mobile network of KPN. Population coverage on mobile is the key value driver for both the consumer market and the business market. Coverage is regarded as more important than (average) speeds. For fixed access, fiber is regarded as a premium product for the coming decades. The ability to offer a fiber connection to households, provides an important opportunity for revenue growth.
Seamless connectivity is required for both consumers and business market customers on both fixed and mobile and this necessitates certain throughput speeds. If throughput falls below this threshold customers will experience connectivity as low-quality. For KPN's commercial departments (both Consumer and Business) these thresholds are crucial to provide a competitive market offering.
Geographically the scope is located downstream in the Netherlands. The Chief Operating Officer (COO) is accountable for the policy. KPN takes the recommendations of Netflix into account. Netflix has communicated downlink throughput recommendations in order to watch TV shows and movies on Netflix.

The policy covers all consumers and/or end-users who use the fixed and mobile network of KPN. During the annual strategic plan process, there are multiple touchpoints between the technical and commercial segments to align on priorities. During these alignments, customer-oriented drivers are taken into account.

Copper phase out at FttH addresses

The general objective of this policy is to inform the relevant departments within and outside KPN on our approach to phase out copper. The positive impact is offering high quality and high speed internet connectivity to consumers and end-users in the Netherlands so they have access to key products, services and markets that increase participation in cultural, political and social life (IRO "Network quality"). If fiber is available at the address, copper will be phased out after 36 months. The copper customers will receive an offer to upgrade from copper to fiber. Each quarter, KPN monitors the addresses at which copper can be switched off.

Affected stakeholder groups are all consumers and/or end-users who use the fixed (copper) network of KPN. In drawing up the policy we have taken into account the interests of the key stakeholders. The current copper customers will receive an offer to upgrade from copper to fiber, which enables higher download speeds and reduces energy costs. This is also mentioned on our KPN Wholesale website.
Geographically the scope is located downstream in the Netherlands. The Chief Operating Officer (COO) is accountable for the policy. The guidelines from ACM are followed. An update of the new announcement (addresses) will be published every quarter on the KPN Wholesale website and will be shared with other copper service providers.

The policy covers all consumers and/or end-users who use the fixed (copper) network of KPN. During the annual strategic plan process, there are multiple touchpoints between the technical and commercial segments to align on priorities. During these alignments, market and customer-oriented drivers are taken into account. For example, when there are many customer complaints about download speed, that might be a trigger to roll out fiber and switch off copper afterwards.

● **Social - Network quality**

KPN assurance policy

The general objective of the KPN assurance policy (KAP) is to provide a robust and standardized framework for process assurance that fosters operational consistency, technological adaptability, and strategic alignment of processes within KPN. The potential negative impact is the unavailability of the 112 service on mobile network leads to unavailability emergency services in case of an emergency (IRO "Unavailability of the 112 service on mobile networks").

The scope of KAP comprises the assurance processes of the fixed and mobile networks (event management, incident management, problem management and change management) of the mobile and fixed network. Relevant activities carried out in accordance with KAP are proactive monitoring of radio network availability (event management) and ensuring prioritization of 112 in network designs (change management). Each month, KPN monitors the metric network availability.

Affected stakeholder groups are all consumers and/or end-users who use the 112 service on the network of KPN.
Geographically the scope is located upstream and downstream in the Netherlands. KAP is mandatory for vendors where they are engaged in the assurance processes. In case of involvement of a third-party in one of the processes described in KAP, KPN and the vendor need to document transparent methods and procedures for the processes using an interface agreement. The Chief Operating Officer (COO) is accountable for implementation of the policy.

All consumers and/or end-users who use the 112 service on the network of KPN are affected by the policy. KPN believes in delivering secure products and services for everyone and highly values the privacy of its customers. Therefore (information) business continuity are not optional and a base set of continuity measures must always be in place regardless of products, platforms, parties or processes. This is important for all our consumers and/or end-users. During the development of KAP customer oriented departments are involved.

Risk: Network interruptions

KPN Security Policy (KSP) is relevant for network quality, because it covers our framework data centers and ensures continuity at the correct level of service requirements. All physical assets of KPN must meet the continuity requirements based on their classification. The continuity requirements consist of architectural rules (data center framework), deployment rules (use/stock requirements) and redundancy measures. KSP is related to this IRO ("Network interruptions") and is described in the "Security" section.

Relevant activities related to the policy are;
- Assessment of architecture by the Enterprise Architecture Board (EAB);
- Annual review of continuity plans (technical recovery plans, TRP, and facility recovery plan, FRP) of individual platforms.

Processes to provide for or cooperate in the remediation of negative impacts

We have identified unavailability of the 112 service on the mobile network as a potential negative impact. The general process to remediate this negative impact is our "be-alert" process which consists of the following process steps;

1. Identify the (possible) disruption and classify based on the severity of the incident;
2. Set-up the emergency organization, internal team with specialists, and determine the approach to stabilization and recovery;
3. Execute the approach and communicate progress to consumers (and internal stakeholders);
4. Monitor whether the solution is effective and thereby the 112 service is available again as well as dissolution of the emergency organization;
5. Aftercare with customers and evaluate the "be-alert". KPN has close contact with the 112 control room and shares the root cause analysis.

The "be-alert" process describes the actions that are needed in the event of a potential negative impact.

Channels available to stakeholders to raise concerns and have them addressed

Concerns can be addressed through the regular channels, see the "Customer value" section.

Actions

Rollout densification and replacements sites

The expected outcome of this key action (related to "Network quality") is to maintain and improve our coverage footprint. This contributes to the policy "Strategic plan for NOI 2024" and to achieving the target on 5G coverage.
Densification of the mobile network is to increase both coverage and capacity in weak areas. In some cases 3.5 GHz expansions do not offer a capacity offload since traffic is too far from the site and a densification site is needed. The replacement of sites is to keep current coverage stable and prevent customer complaints and churn by replacing sites that cannot be continued any longer because the lease contracts are being terminated by the landlord or the site is technically not capable to be equipped with the desired hardware configuration.

The scope of the action in terms of activities is to replace and densificate sites. Site selection is based on capacity and coverage demand. This affects our consumers and end-users within our downstream value chain who use the mobile network of KPN in the Netherlands. The continuous rollout plan is spread over multiple years. The yearly target is based on the calculated number of sites that need to be replaced to guarantee the 5G coverage metric.

Significant financial resources are required to implement this action and KPN has contracts with hardware and service suppliers. This is a precondition to implement the action. The amount of current financial resources is covered in the yearly financial plan of each department involved in the mobile network services. The amount of future financial resources is covered in the company strategic plan and in the yearly reviews of the current financial resources.

● Social - Network quality

Rollout 3.5 GHz spectrum

The expected outcome of this key action (related to "Network quality") is to guarantee minimum 5G throughput as part of our license obligation. This contributes to the objective "provide throughput speeds that ensure a seamless connectivity" of the "Strategic plan for NOI 2024" and to achieving the target on % of 5G traffic with a minimum downlink throughput of 6 Mbps.

The scope of the action in terms of activities is to expand existing sites with 3.5 GHz equipment to increase the capacity of these sites. In some cases, it also involves upgrading 1800/2100 layers to increase both coverage and capacity. This affects our consumers and end-users within our downstream value chain who uses the mobile network of KPN in the Netherlands. The continuous rollout plan is spread over multiple years. The yearly target is based on the calculated number of sites that need to be upgraded to guarantee the download metric.

Significant financial resources are required to implement the action and KPN has contracts with different suppliers. This is a precondition to implement the action. The amount of current financial resources is covered in the yearly financial plan of each department involved in the mobile network services. The amount of future financial resources is covered in the company strategic plan and in the yearly reviews of current financial resources.

Phase out our copper network

The expected outcome of this key action (related to "Network quality") is the phase out of our copper network at 4m addresses by the end of 2025. This contributes to the policy copper phase out on FttH addresses.

The scope of the action in terms of activities is to phase out the copper network for 4m addresses by the end of 2025 where fiber is already available. To ensure that all these addresses will have an internet connection, the announcement of the addresses will take place 36 months in advance. This affects our consumers and end-users within our downstream value chain who uses the fixed network of KPN in the Netherlands. Our upstream value chain is also involved through our suppliers. The time horizon to complete the action is by the end of 2025.

There are no significant financial resources required to implement the action.

● Social - Network quality

Enlarge our fiber footprint

The expected outcome of this key action (related to "Network quality" and "Increase market share on broadband") is to achieve a fiber footprint of 80% of all Dutch households, which also includes Glaspoort numbers and acquisitions (if applicable). This contributes to the objective "rollout fiber network to enlarge out fiber footprint" of the "Strategic plan for NOI 2024" and to achieving our fiber footprint target.

The scope of the action in terms of activities is to roll out fiber throughout the Netherlands. This affects our consumers and end-users within our downstream value chain who uses the fixed network of KPN in the Netherlands. Our upstream value chain is also involved through our suppliers. The time horizon to complete the action is between 2019 and 2026.

Significant financial and other resources are required to implement the action. The resources needed are relationship management for requesting the permits at municipalities, contract management for the contracts with our partners, project and "kavel" managers to manage the projects so that these are completed on time. Permission from municipalities to rollout fiber is a precondition to implement the action.
KPN has several green bonds outstanding and will finance or refinance projects with positive environmental impact in three areas of network transformation including rollout of fiber. Documentation related to the green finance framework and these bond issues is available on KPN's website. The objective is energy efficiency by network transformation including rollout of fiber.
The amount of current financial resources is covered in the yearly financial plan of the fixed access network. The amount of future financial resources is covered in the company strategic plan and the yearly reviews of current financial resources. Our quarterly reports have information on capex related to fiber rollout.

Implement metric and target on annual review of continuity plans (technical recovery plan, TRP, and facility recovery plan, FRP) of individual critical and high platforms for data center locations

The expected outcome of this key action (related to "Network interruptions") is to report and manage on the annual review of continuity plans for individual critical and high platforms for data center locations. This contributes to KSP. The guidelines on continuity plans (recovery plans) are part of KSP.

Continuity plans are tested annually for data center locations (classification critical and high) and a report must be drawn up. This states the results of the testing and any improvements needed are incorporated into the continuity plan. This is monitored within KPN. A metric, target and review of this is not currently in place. The external stakeholders of this action are our consumers and end-users within our downstream value chain who uses the network of KPN in the Netherlands. The time horizon to complete the action is no later than 2025.

There are no significant financial resources required to implement the action.

Our Service Quality Center (SQC) monitors the network of KPN 24/7. If an incident occurs at a data center (or elsewhere in our network), a be-alert or emergency process is started. Its effectiveness is measured in terms of resolution time and impact on customers. To prevent such incidents KPN has continuity plans and these need to be tested annually on whether they work as desgined.

An additional action KPN has in place, is continuous improvement of the relevant processes. For example, one initiative is the use of customer experience analytics to improve the customer experience by preventing disruptions, facilitating proactive communication and reducing resolve time.

The SQC department receives feedback through NPS disruption CM (part of the customer experience). They combine the outcome of the NPS with be-alerts that have occurred. Based on reoccurrence or impact, the be-alerts are evaluated and action plans are drawn up. A problem manager and problem analyst are responsible for preventing the disruption in future. For example, network disturbances caused by maintenance by grid operators occur quite often. Alignment with the grid operators on planned work schedules helps in proactive communication with KPN customers about temporary declines in service. Based on this data analysis, KPN attempts to prevent outages and facilitates proactive communication with customers.

Effectiveness of the identified actions is tracked on a weekly basis by the Operations Board and on a monthly basis through the management letter process. For high-impact be-alerts, evaluations are discussed in the NOI leadership team. The regular KPI's on availability and be-alerts are reported to the Board of Management on a weekly basis.

● Social - Network quality

We have a risk control framework in which the material risk is incorporated as part of the list of top risks (operational and quality related incidents), see Enterprise risk management in the "Compliance and risk" section of the integrated annual report.

The material negative impact is related to 112 services on the mobile network. KPN proactively monitors radio network availability to avoid causing or contributing to material negative impacts. The availability of the network is monitored continuously.

Near real time data from the network (with a delay of approximately fifteen minutes) is available for making dashboards in which the KPI 'Network availability' can be monitored. If the KPI does not reach the defined threshold an alarm will be sent to the solving group to take action on it.

The action of ensuring 112 priority in network designs, provides the highest possible network availability for 112 traffic so that in emergency situations there can be a fast and reliable connection to public services. Since 2021, the operators are obligated to have network accessibility for user equipment with non KPN SIMs or user equipment without a SIM. Also a design had been implemented that gives 112 traffic the highest priority in the network. If a cell is fully loaded when 112 traffic enters, other traffic will be cut off.

The 112 service is regulated by the government and there are no additional actions related to own practices regarding product design, marketing or sales.

The main departments involved with the actions related to "Network quality" and "Unavailability of the 112 service on mobile networks" are Fixed Access Network and Mobile Networks (approximately 600 FTE). These departments are involved in the rollout of fiber, sites and 3.5 GHz spectrum.

● Social - Network quality

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Name of the metric	5G traffic with a minimum downlink throughput of 6 Mbps	Combined 4G/5G downlink throughput	5G coverage in the Netherlands
Result 2023	n/a	166 Mbps	96.9%
Result 2024	99.98%	193 Mbps	97.9%
Target 2024	98.50%	170 Mbps	98.0%
Target 2025	97.50% (from of 2025 the metric is changed to 4G and 5G combined)	185 Mbps	98.2%
Definition of metric	Percentage of 5G-NSA traffic with a minimum downlink of 6 Mbps	Crowd based measurement to obtain average real download speed experienced by customers that have Ookla speedtest app installed on their smartphone	Percentage of Dutch population with access to 5G network
Related policy objective(s	Strategic plan NOI 2024 Provide throughput speeds that ensure a seamless connectivity	Strategic plan NOI 2024 Provide throughput speeds that ensure a seamless connectivity	Strategic plan NOI 2024 Provide nationwide coverage on both fixed networks (fiber or copper) and mobile networks (4G/5G)
Scope	5G Mobile network of KPN (Netherlands) downstream	Mobile network of KPN (Netherlands) downstream	5G Mobile network of KPN (Netherlands) downstream

Name of the metric	Phase out copper at FttH addresses	Fiber footprint	Radio network availability
Result 2023	2.9 million	57%	99.8%
Result 2024	3.5 million	63%	99.8%
Target 2024	3.5 million addresses permanently ceased	>60%	99.7%
Target 2025	4.0 million addresses permanently ceased	>65%	99.7%
Other targets	The target applies from 2020, the year of the announcement. Long-term target is to phase out copper completely. Target is set annually.	The target of 80% applies from 2019 to (end of) 2026. Target is set annually.	Target is set annually
Definition of metric	Number of addresses which will be phase out.	Every household within the Netherlands which has a KPN or Glaspoort fiber at front of the house.	Average real network availability.
Related policy objectives	Copper phased out on FttH addresses	Strategic plan for NOI 2024 The strategy and related action aim to connect everyone in the Netherlands to a sustainable footprint. As KPN we establish this by rolling out fiber to enlarge the KPN footprint to 80% of the Netherlands.	General KAP objective For every change in the network KAP approval is needed. After approval the change takes place in a service window which avoids / limits downtime. The target measures availability (target 99.7%).
Scope	Fixed copper network (Netherlands) downstream	Fixed fiber network (Netherlands) downstream	Mobile network (Netherlands) downstream

KPN is implementing a metric and target related to the review of continuity plans for data center locations. This is included as an action related to the risk "network interruptions".

Methodology

5G traffic with a minimum downlink throughput of 6 Mbps

- *Metric:* This is calculated as the minimum user throughput on cell edge at peak times based on physical resource block load, (PRB, a capacity measure).
  The physical resource blocks represent the total amount of capacity in a sector of the 5G mobile network. These PRB's have to be divided amongst all the concurrent users in the respective sector. If the number of concurrent users increases, the number of available PRB's per user decreases. Because there is a direct relationship between number of PRB's and throughput, the user throughput can be determined. We derive the total traffic and PRB usage from our network on an hourly basis. With this data, the percentage of 5G traffic with a minimum downlink of 6 Mbps is calculated on an hourly basis. All hours in a week are aggregated and the total percentage of traffic with a minimum downlink throughput of 6 Mbps is calculated and reported on a weekly basis.

● Social - Network quality

- *Target*: The target is based on what was realized last year and on the expansion of our network. At least 98.5% of all 5G traffic should offer users at least 6 Mbps to be able to stream HD Video.

Combined 4G/5G downlink throughput
- *Metric:* The average download metric is based on speed tests carried out by users of the Ookla speed test app. Samples are collected and filtered based on Ookla criteria for validity. Results are averaged per user before calculating the network average. This averaging ensures equal weight per user. Measurement of the metric is validated by Umlaut and Ookla. Ookla is an organization that provides data-driven insights to improve networks and connected experiences.
- *Target*: The target is based on the number of sites and available frequencies.

5G coverage in the Netherlands
- *Metric:* The metric is calculated using the population coverage in our model (planning tool). This model is a map of the Netherlands with our sites which calculates coverage based on propagation of radio waves (in accordance with worldwide standards). Our model represents reality as accurately as possible. If we notice deviations from reality, based on drive tests, this is used as input to improve our prediction model. We improved our calculation methodology by replacing the clutter database and the results of three studies with TNO. This has no impact on the customer experience, but offers KPN better insight into the provided 5G quality. Due to improved metric methodology, the result of 2023 is updated.
- *Target*: The target is based on the predicted of the coverage in our model (planning tool) which takes the planning of site replacements, network data and drive tests into account. It is a predictive model which KPN continuously improve based on new data (model tuning). Due to improved metric methodology, the targets are updated.

Phase out copper at FttH addresses
- *Metric:* After KPN activates its service on a fiber optic connection at an address, the copper service is taken out of use. We count the addresses that have been definitively blocked and can't use the copper line anymore. In other words, there is an end-of-sale on copper at the address and this service is deactived. The addresses list is updated every quarter. A limitation of this approach is that addresses that have multiple copper services at one address and connections to which an own contribution applies are not yet taken into account.
- *Target*: The target is based on the calculation of the planned fiber rollout to copper addresses (excluding new builds) and the expectation that these addresses fulfill the criteria to be announced (e.g. can be connected to fiber). The main assumptions are the progress of the fiber rollout and the number of households that can actually be activated on fiber.

Fiber footprint
- *Metric:* The calculation of the metric is calculated as follow: FttH households / the number of households in the Netherlands. The FttH households contain KPN's own fiber network (overlay and new build) + Glaspoort CM + acquired networks. FttH households are defined as premises to which an operator can connect in a service area, assuming that fiber is available, at a minimum, within reach of the premises property boundary. FttH is defined as an access network architecture in which the final part of the connection to the home also consists of optical fiber.
- *Target*: The target is based on the planning of the fiber rollout, which works towards our ambition of an 80% fiber footprint in the Netherlands by the end of 2026. Planning is made based on available resources, including available investment budget, our construction capacity and that of our contractors, internal and organizational capacity and permits received from municipalities. The main assumptions are the progress of the fiber rollout and the number of households.

Radio network availability
- *Metric:* Average network availability is calculated by dividing the sum of the available cells (with a retention time of six hours) by the expected sum of the available cells. A limitation is the retention time (of 6 hours) instead of 72 hours (more realistic).
- *Target*: The target is based on what was realized last year.

Performance
These metrics are monitored monthly by the Board of Management and weekly by the leadership team Network Operations & IT (LT NOI). Within the teams monitoring happens on a daily basis. Progress against target is tracked by he LT and in the management letter. And if progress is not sufficient, action and improvement plans are drawn up and implemented.

5G traffic with a minimum downlink throughput of 6 Mbps

● Social - Network quality

The Progress and trend is above plan because of lower than expected traffic growth combined with extra spectrum on 5G. Significant change in performance towards target: Yes, deployment of NR2100 and NR3500.

Combined 4G/5G downlink throughput

The progress and trend is above plan due to value based rollout of 3500MHz spectrum on > 1.000 designated site's. No significant change in performance towards target, but gradual change hand in hand with rollout and traffic development.

5G coverage in the Netherlands

The progress and trend is slightly under target because of the planned number of densification sites over 2024 was not achieved. Significant change in performance towards target: Yes, deployment of NR2100.

Phase out copper at FttH addresses

Progress in terms of announced addresses and permanently ceased copper lines is measured per quarter but reviewed monthly. Active lines within the batches are reviewed monthly. This review is done across multiple departments, but always with the same end goal in mind to completely phase out the copper network.

Progress and trend are in line with plan. No significant change in performance toward target.

Fiber footprint

Progress and trend are in line with plan. No significant change in performance toward target.

Radio network availability

The progress and trend is according to plan. Significant change in performance towards target: No significant change, availability decreases slightly when planned work outages increase, but still slightly above target.

Process for setting targets

Every year, targets are set for all segments within KPN as part of the annual strategic plan process. As part of this any relevant input is taken into account, such as past performance, market developments, ambitions, strategic considerations, and possibly external feedback, e.g. resulting from NPS. Network quality targets such as 5G coverage and fiber rollout are not based on consumers or end-user engagements. However, KPN reports on these targets to consumers through its quarterly reporting and integrated annual report.

Tracking of targets is done on a weekly basis in the KPI dashboard (booklet), which is reported to the Board of Management and on a monthly basis through the management letter process. Top KPI's are reported to the Supervisory Board on a quarterly basis and on an annual basis in the integrated annual report. Part of the top KPI's are combined 4G/5G downlink throughput, 5G coverage in the Netherlands and fiber related KPI's. The quarterly results and integrated annual report are published externally for consumers and/or end-users to view. KPN Investor Relations publishes these reports on its website.

Customers and/ or end-users do not play a direct role in the determination of the targets. Targets and performance are reviewed on an annual basis as part of our strategic plan process. It is during this annual process that the business deliverables, including possible improvement actions resulting from an unsatisfactory performance against the targets, are determined. Performance and targets are presented externally at our Capital Markets Day (four-year strategy), the AGM, the quarterly results updates and in most detail in the integrated annual report.

● **Social - Security**

SECURITY

Strategy
KPN's strategy and business model emphasize its commitment to being a trusted provider of telecoms and digital services, with a strong focus on security in both decision-making and execution. By adhering to this approach, we aim to further increase KPN's positive and measurable impact for its customers, suppliers, and society over the next five years (medium-term horizon). KPN aims to ensure a secure online environment, by putting security first and complying with laws and regulations, resulting in higher trust in telecoms and digital services on the part of customers, employees and society as a whole. This approach aligns directly with the "Connect" and "Activate" pillars of our Connect, Activate & Grow strategy and is put into practice through the "Assure" component of KPN's 4A security strategy.

To achieve the targets set by the Board of Management for security and continuity, based on the results of the strategic risk assessment and the Board's risk appetite a three-year security

strategy is developed and executed by the CISO office and the business departments collaboratively. Our current 4A security strategy for 2023-25 focuses on four themes:
- Adaptive – support risk-informed decision-making on cybersecurity and continuity
- Aware – promote role-based security awareness across the organization
- Automate – automate security processes and activities to increase efficiency and effectiveness
- Assure – monitor and report on key security processes and controls

Impacts, risks and opportunities
Security is a material topic for KPN and consequently included in this sustainability statement. As a large public company, we deem it important that KPN acts in an ethical, responsible and transparent way. For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see description of the process to identify and assess material impacts, risks and opportunities.

KPN identified the following positive actual **impact** on security:

Secure online environment: KPN aims to ensure a secure online environment, by putting security first and complying with laws and regulations, resulting in higher trust in telecoms and digital services on the part of customers, employees and society as a whole.

In our business model this impact affects people in the Netherlands and concerns loyal customers, strong partnerships and supplier base and a skilled and motivated workforce. So the impact is both downstream and upstream in the value chain, and in our operations through our own telecoms and data services. The time horizon is medium-term.

KPN provides telecoms and digital services to consumers and other end-users and through our Connect, Activate & Grow strategy, we connect our customers, partners, and employees and provide them with a secure online environment. In combination with our 4A security strategy, this results in an engaged and motivated workforce, strong partnerships, enhanced reputation and higher customer loyalty.

KPN identified the following **risk** on security:

Implications for our license to operate: A cyberattack on KPN's operations could lead to losing our license to operate and high remediation costs for a data breach, resulting in reputational damage, loss of revenue, and decreased customer loyalty.

In our business model this risk affects people in the Netherlands and concerns loyal customers, strong partnerships and supplier base and a skilled and motivated workforce. So, the impact is located both downstream and upstream in the value chain and in our operations.

KPN identified the following **opportunity** on security:

Security and data protection: We have a strong focus on security and data protection for B2B and large corporate enterprise (LCE) customers, through implementation of our 4A security strategy, resulting in an enhanced reputation, higher customer loyalty and improved business results.

In our business model this opportunity affects people in the Netherlands and concerns loyal customers and a solid financial basis, as well as being relevant downstream in our value chain.

● Social - Security

We undertake various activities that result in positive impact for our customers and/or end-users (society, employees and customers):

- Implementation of KPN's security policy (KSP);
- Execution of the Security First yearly plan and improvement programs;
- Participating in the Alert Online partner network;
- Participating in the Anti-DDoS coalition;
- Providing third-party assurance reporting for B2B systems integrator (SI) and large corporate enterprise (LCE) customers (e.g., ISAE3000, ISO27001);

- Ensuring demonstrable compliance with laws and regulations (e.g., Telecommunications Safety and Integrity Regulation (RVIT by its Dutch acronym), General Data Protection Regulation (GDPR), the Telecommunications Act, and the Decree on Telecommunications Data Security (BBGT by its Dutch acronym).

Policies

The KPN security policy (KSP) is in place to manage material impacts and risks related to security. More details of this policy are given below.

KPN security policy

The KSP provides a set of security measures and requirements that the KPN organization must meet in daily practice. It prescribes the use of basic security, continuity and privacy measures for all our activities.

The KSP is designed to manage all the material impacts, risks and opportunities related to security.

Its scope encompasses our own operations and the upstream and downstream value chain (in the Netherlands). Companies (e.g. suppliers) that want to work with KPN must also adhere to KSP requirements. The policy is applicable to all assets that are used to store, process and transport KPN information and information belonging to customers. This also applies to customer assets managed directly by KPN.

The Chief Information Security Officer (CISO) is the policy owner and the accountable executive.

Our KSP has embedded the principles of the National Institute of Standards and Technology (NIST) security life cycle. The CISO Office directs, monitors and evaluates implementation of security lifecycle ("identify, protect, defend, respond and recover"). In addition, on a weekly basis the CISO delivers a "weather report" to the Board of Management, senior executives and security professionals at KPN, which includes a risk intelligence element. This report contains updates on the most important external threat actors and threats, internal security events and incidents, and internal security risks and issues that could impact the various end-users of KPN's cybersecurity. The policy is aligned with a number of international standards:

- NIST Cyber Security Framework
- ISO 27001
- ISO 22301
- The Information Security Forum's (ISF) Standard of Good Practice for Information Security (SoGP)

The KSP is set up to include inputs from supplier engagements, employee engagement, customer dialogue, industry bodies and legislative bodies. To this end, the KSP is available to all end-users via our website: ciso-ksp.kpnnet.org/welcome/KSP

Processes for engaging with consumers and end-users about impacts

Management and professionals of the KPN CISO office, under the responsibility of the Chief Information Security Officer, and in coordination with KPN's regulatory and legal departments, continuously engage in external relationships with multiple stakeholders particularly government and regulatory authorities. Governmental and regulatory relationships are key, as they ensure that laws and regulations in the domain of cybersecurity and data protection are implemented and that everyone complies with these. KPN:

- is a member of Anti-DDoS coalition, a public-private partnership to protect Dutch society from the impact of distributed denial-of-service (DDoS) attacks;
- closely cooperates with RDI, the Dutch regulatory authority, on the implementation of Telecommunications Security and Integrity Regulation ("RVIT");
- actively engages with the NCSC-NL, the Dutch national cybersecurity center; with ENISA, the European cybersecurity authority; and with various other government bodies;
- participates structurally in the Commission on Vital Infrastructure (CVI), and the National Continuity Consultation on Telecommunications (NCO-T);

- is represented on the Cyber Security Council via KPN's CEO, who holds the portfolio on national critical infrastructure (vital sectors);
- participates in the Alert Online partner network, which organizes cybersecurity month in October to promote security awareness among consumers in the Netherlands.

Every year, KPN's department CISO evaluates the effectiveness of these contributions and memberships to determine their continued alignment with KPN's "security first" mission.

Actions

As part of the "Security First" initiative, KPN has defined actions and allocated resources to manage the material impacts, risks and opportunities for consumers and end-users of cybersecurity. These actions can be divided into short-term and medium-term actions: annual work packages to achieve KPN's annual security objectives and targets, and multi-year improvement programs.

● Social - Security

Implementing "Security First" work packages

The expected outcome of the action plan is to enhance security and continuity for all consumers and end-users with an enterprise-wide scope. The annual work packages contribute to achieving KSP objectives and targets by implementing the security measures and requirements that the KPN organization must meet in its daily operations.

The organizational scope of these packages encompass KPN's four major operational departments; TDO Network, TDO B2C Solutions, TDO B2B Solutions and B2B System Integrator. The following activities are part of these work packages:

- Improving asset and configuration management: increasing the coverage and quality ofthe configuration management database (CMDB);
- Improving business continuity management: defining the criticality of all business applications;
- Improving log management: improving insight into platforms connected to central log monitoring;
- Improving hardening: rollout of agents for hardening;
- Endpoint protection: rollout of agents for endpoint protection on servers and network devices;
- Improving security awareness: providing SecurX training for KPN employees in the target group;
- Improving vulnerability management: increasing the resolution time of open vulnerabilities.

These work packages have a short-term horizon.

Implementing "Security First" improvement programs

The expected outcome of the action plan related to the "Security First" strategy is to foster the right privacy and security mindset to improve security awareness among customers, employees, vendors and society as a whole, so everyone can enjoy the benefits of carefree connectivity. "Security First" contributes to achieving KSP objectives and targets by implementing the security measures and requirements that KPN must meet in its daily operations.

The organizational scope of the "Security First" improvement programs primarily concerns the operational departments of the KPN organization (TDO Network, TDO B2C Solutions, TDO B2B Solutions and B2B System Integrator). The "Security First" improvement programs are:

- Identity and access management (IAM): program to centralize IAM activities, update the IAM policy as part of the KSP, implement a new IAM solution and train and educate people;
- RVIT and NIS2 implementation: implement compliance with RVIT and NIS2 requirements;
- ISAE compliance: ensure timely and correct first-line execution of controls, second-line testing and management of the third-party audit;
- The integrated control framework (ICF) for IT and TI: designing, implementing, testing and evaluating integrated security and IT controls for compliance with multiple rules and regulations, determining the scoping process and improving automation and tooling.

These programs have a medium-term time horizon.

● Social - Security

To contribute positively to improved social outcomes for consumers and/or end-users, KPN is part of various partnerships (see the previous section on engaging with consumers and end-users about impacts).

As well as implementing these work packages and improvement programs, we actively monitor external dependencies on developments in rules and regulation, geopolitics and high-risk country vendors. In 2024, we started a program to prepare the company for implementation of the Network and Information Security Directive (NIS2) and we are in the process of identifying the impact of other regulation such as the Critical Entities Resilience (CER) Directive and the Digital Operational Resilience Act (DORA) which covers critical IT service providers in the financial services industry.

KPN has various organizational functions in place to manage its material security impacts:
- CISO Office: develops the security strategy and maintains KPN's security policy (KSP);
- CISO Senior Security Officers: supervise implementation and operation of the KSP within KPN on behalf of the CISO;
- CISO Red team: the ethical hackers of this team help to detect and report vulnerabilities;
- CISO Blue team: security analysts of the security operations center (SOC) and incident responders of the KPN-CERT (Computer Emergency Response Team) detect, analyze and follow up on security events and incidents;
- CISO monitoring and reporting: builds the security watchtower for security performance monitoring and is the second line

for monitoring and evaluation of the effectiveness of the KPN internal control system (KICS) for security and continuity;
- CISO implementation and special investigations: implement new legislation, e.g. NIS2, and maintain relationship with RDI, the regulatory authority;
- Decentralized security officers: security professionals in the businesses who support the organization with KSP implementation by giving advice and guidance.

Metrics and targets

In 2024, we set metrics and targets to manage KPN's material impacts, risks, and opportunities, related to the end-users of cybersecurity and data protection. These metrics provide insight in the coverage, quality, and resolution status of the most important security processes in KPN. The metrics and related targets are determined by the CISO department after consultation with internal stakeholders. Progress towards targets is monitored via the Security Watchtower, a central dashboard for measuring cybersecurity performance. Given the sensitivity of cybersecurity metrics and targets, we do not provide disclosure as this information can be exploited by external threat actors. For this reason we only disclose the metrics and targets for security awareness and security maturity of the 'Respond' function. Also these two metrics and targets are strongly linked together, as security aware personnel is better equiped to recognize threats and report incidents and a mature incident response process will be more effective in the resolution of security incidents.

Name of the metric	Number of KPN employees in target group who are SecurX certified
Result 2023	915[1]
Result 2024	2,964
Target 2024	3,500
Target 2025	5,000
Definition of metric	This metric contributes to the mitigation of the risk of cyberattacks The SecurX training is based on the KSP and is targeted at the KPN personnel in different business units of TDO and B2B. The annual target is determined by KPN CISO, included in the annual KPI-set for 2024, and reported to the COO on a monthly basis. The SecurX training must be attended by the employees and the SecurX Foundation exam must be passed, resulting in a certificate, which does not expire.
Related policy objective	KPN security policy - security awareness
Methodology	At the beginning of the year, CISO sets the SecurX target, which is based on the population (fte) size of the departments in scope and the number of planned training sessions. For 2025 the targeted units are TDO, B2B IoT, B2B SME, B2B LCE and B2B System Integrator. Furthermore, the training sessions and the certification will also be available for other personal instead of only own personal in 2024.
Performance vs target and analysis	Performance is measured and reported on a monthly basis as part of the KPN CISO extended weather report. For 2024, the outcome was below our target, mainly due to not completing the final assessment which leads to a certificate.

1 In our calculation, employees who passed the SecurX Foundation exam before July 2023 are excluded from the mandatory SecurX training, as this was determined as mandatory after this period

● Social - Security

Name of the metric	Security maturity of the 'Respond' function
Result 2023	Managed
Result 2024	Defined
Target 2024	Defined
Target 2025	Defined
Definition of metric	CMMI defines the following five maturity levels for processes: Initial, Managed, Defined, Quantitatively Managed, and Optimizing. Maturity level 'Defined' for the Respond function signifies that KPN has established a set of standard security incident response processes that are document, well-defined, and tailored for use within KPN. Achieving this maturity level demonstrates that KPN can sustain long-term, structural incident response processes to mitigate the risk of cyber-attacks.
Related policy objective	KPN security policy - security and continuity management
Methodology	KPN uses the average CMMI score for the implementation of the NIST Cyber Security Framework Respond function based on our own observations and third party consultation.
Performance vs target and analysis	In 2024, we label our security maturity as 'Defined, with continuous room for improvements given the ever evolving threat landscape.

● **Governance - Business conduct**

Governance information

BUSINESS CONDUCT

Governance

The Board of Management is, together with the Supervisory Board, responsible for KPN's corporate governance structure and its compliance with the Dutch Corporate Governance Code. The Board of Management is responsible for compliance with all relevant laws and regulations to which KPN is subject, and for creating a culture that contributes to the company's sustainable long-term value creation.

To this end, the Board of Management is responsible for adopting common values for KPN and its affiliated enterprises that contribute to a culture focused on sustainable long-term value creation and for discussing these with the Supervisory Board. It ensures the incorporation and maintenance of these values within KPN, encourages behavior in keeping with these values and propagates them through leading by example. The Board of Management pays attention to the company's existing culture and assesses whether it is desirable to implement any changes to this. It fosters social safety within KPN and the ability to discuss and report actual or suspected misconduct or irregularities. It monitors the effectiveness of and compliance with the KPN code of conduct, on the part of the Board itself and of KPN employees, and ensures that these are discussed with the Supervisory Board.

The Board of Management ensures that employees are able to report misconduct or irregularities within KPN to the CEO or a designated officer, without jeopardizing their legal position. When such matters concern the functioning of the members of the Board of Management, they must be reported to the Chair of the Supervisory Board. The Board of Management informs the Chair of the Supervisory Board without delay of any signs of actual material misconduct or irregularities within KPN or its affiliated enterprises.

The CFO is primarily responsible for formulating, communicating and executing the company's business risk strategy. The CFO takes part in meetings of the Audit Committee to discuss risk management, KPN's internal control system and its compliance with laws, regulations and applicable codes of conduct in the areas of finance, accounting, tax and sustainability reporting.

The supervision of the Board of Management by the Supervisory Board includes, amongst other things:
- The effectiveness of internal risk management and control systems;
- The impacts, risks and opportunities faced by KPN and its affiliated enterprises in the field of sustainability;
- The integrity and quality of KPN's financial and sustainability reporting;
- The establishment and maintenance of internal procedures to ensure that all relevant information is known to the Board of Management and the Supervisory Board in a timely fashion;
- Relations between the Board of Management and KPN's shareholders;
- Compliance with laws and regulations.

Compliance with laws and regulations is important to KPN. Overall ownership of such compliance, including business conduct, is with the Board of Management. The Board of Management as a whole is responsible for oversight of business conduct related impacts, risks and opportunities and it informs the Supervisory Board at an early stage if there are any material issues. Separately, the Audit Committee within the Supervisory Board is kept up to date on compliance matters and developments. Individual members of the Board of Management and the Supervisory Board are required to be of undisputed integrity and high ethical standards, to be conscious of and to practice high standards of corporate governance, and to be able to operate critically and independently from the other members of the Supervisory Board and the Board of Management.

● **Governance - Business conduct**

Impacts, risks and opportunities
Business conduct is a material topic for KPN and consequently included in this sustainability statement. As a large public company, we deem it important that KPN acts in an ethical, responsible and transparent way. For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see description of the process to identify and assess material impacts, risks and opportunities.

As KPN we identified the following **two positive actual impacts** for **business conduct**:

1. Promoting a strong and integer business culture and governance: KPN fosters a culture of integrity and robust governance, actively preventing corruption, bribery, and fraud. KPN enhances its reputation as a trusted business partner, positively impacting the stakeholders (customers, suppliers and employees) perceptions of KPN.

The impact is concentrated in KPN's business model by its core activities building and maintaining our infrastructure, delivering connectivity and serving our customers (refer to General disclosures for activities in our business model). In our value chain it is located in the up-, downstream and own operations. The impact geographically is located in the Netherlands, however regarding the value chain it can have a worldwide effect. Through our own activities people are affected positively. Everything KPN does, such as building and maintaining infrastructure, providing connectivity, serving customers, KPN does with integrity and promotes an integrity-based culture within the company. KPN sees an integer business culture and governance as a must to do business and is therefore fully integrated in our ESG strategy. The effects of this impact are expected to have a short time horizon.

2. Being considered as a trusted provider: KPN positively influences the perception of its stakeholders (customers, suppliers, and employees) by actively lobbying for and supporting cybersecurity policies and promoting initiatives for climate neutrality and sustainable ICT solutions.

The impact is concentrated in KPN's business model by its lobby activities and is located in the up-, downstream value chain and own operations. Through our lobby activities KPN can have a positive affect on people. KPN supports cybersecurity policies and promotes policies that support climate neutrality and sustainable ICT solutions which is important in providing connectivity. The impact geographically reaches from the Netherlands to the EU. The expected time horizon of this impact is short.

Business conduct policies and corporate culture
To emphasize our desired company culture and behavior and to create awareness in the business, we have implemented a communication and training program on compliance and integrity issues. Information that is important to share because of applicable policies, laws or regulations (or changes to these) or because of a need or demand in the business (risk- or needs-based), is shared through e-learning, workshops or classroom training. More information on our company culture and values can be found in our culture manifesto, see section "Own workforce".

The business control framework (BCF) comprises all corporate policies and guidelines that are mandatory for KPN's segments and entities. When deemed necessary (e.g. after substantial changes in policies or management), senior management receives an e-learning course on the BCF's main principles and policies.

KPN encourages all employees and external parties to report (anonymously, if desired) any misconduct or suspicion of misconduct by KPN employees.

In addition to the code of conduct, KPN has an internal webpage on speaking up, which contains answers to FAQs and guidance on various topics related to speaking up and reporting incidents.

We measure our organizational culture, compliance and integrity and engagement as perceived by our employees and report results and plans for improvement to a large part of senior management and, if required, solicit responses. Culture (including the culture manifesto) and engagement are periodically being measured by the HR pulses.

We communicate the code of conduct on our corporate website (https://ir.kpn.com/governance/code-of-conduct/default.aspx), our intranet, via mandatory e-learning training for all employees, and online learning interventions ('workouts') that target specific segments of the employee population. The effectiveness of, and compliance with, the code of conduct is structurally assessed by:
1. Actively detecting and investigating any alleged misconduct and taking appropriate disciplinary action if misconduct is substantiated.
2. Monitoring that all staff (both internal and external) have completed the e-learning on the code of conduct.
3. Quarterly reporting of incidents to the Board of Management and to the Supervisory Board.

Alongside the quarterly report on unwanted behavior, each month a broader report on security incidents is prepared by the Chief Security Officer.

● **Governance - Business conduct**

KPN has procedures in place for reporting misconduct, which are described in the reporting procedure and fraud control policy. By misconduct, we do not merely mean unlawful behavior such as bribery and corruption, but also behavior that violates our internal policies or that is unwanted or transgressive. Our reporting procedure describes how employees and third parties can discuss concerns or make a report. It also explains how KPN deals with reports, how privacy and confidentiality are safeguarded, and how to report anonymously. KPN also complies with legal requirements around the "prohibition of detriment" when filing a report.

KPN wants to make sure that everyone feels free to report misconduct (or suspicions of misconduct) and inappropriate behavior. It is important that all employees and workers in the value chain can do this without feeling disloyal to colleagues or to KPN, and without fear of intimidation, retaliation or any other disadvantage. KPN will protect people who report against any form of detriment in accordance with our reporting procedure.

Steps of the report-handling process of handling reports
Identifying: Information on unlawful behavior can reach us through the KPN SpeakUp line, KPN Helpdesk Security, Compliance & Integrity, reporting through the Chair of the Supervisory Board, reports made in personal conversations with a confidant within KPN, or external reporting through the Dutch Whistleblowers Authority.

Reporting: Reports are recorded in a register managed under responsibility of the Chief Security Officer. The reporter will receive, if applicable, within a reasonable time after acknowledgement of receipt (within a maximum of seven days), feedback from KPN on the assessment of and, if applicable, the follow-up to their report within three months. If the report is made by way of the SpeakUp line, both the acknowledgment of receipt and the feedback will be provided through the KPN SpeakUp line. When a report is filed through the SpeakUp line by phone, the reporting person is encouraged to call again after two working days to listen to the reply message and respond to any further questions. When a report is made through the SpeakUp line via the internet, the reporting person is encouraged to log in again after two working days (with the registration number) to read

the message and respond to any further questions. If the report is made anonymously by letter to the Chair of the Supervisory Board, it is not possible for us to provide a confirmation of receipt or feedback. In this case these obligations for KPN will not apply. All reports made through the SpeakUp line are forwarded to the Chief Security Officer, who shares these with the Chief Risk & Compliance Officer and KPN's Chief Auditor.

Our whistleblower policy complies with the Dutch Whistleblower Protection Act.

Investigating: Based on the nature and content of the report, an analysis will be made and, if further action is deemed appropriate, the Chief Security Officer or a member of their staff will determine which officer will deal with the report and what actions must be taken. The appointed officer will feed the results of the investigation back to the Chief Security Officer, or to a member of their staff. They will take care of documentation and feedback to the reporting party and the responsible officers within KPN. In case a report gives reason to conduct an integrity investigation by an integrity consultant of the Corporate Security Office, then this investigation will be carried out in accordance with KPN's "protocol for integrity investigations". This protocol provides the framework for investigations into the conduct and actions of individuals. Its starting point is to strike a balance between the interests of the employer and the interests and privacy protection of the person under investigation and the reporting party/parties.

The protocol applies to all KPN employees, to employees of its majority shareholdings and to employees of companies where KPN has operational responsibility.

Further details of the various options can be found in the reporting procedure.

Whistleblower reporting channels
Employees and all third parties, including all value chain workers and suppliers, can report any misconduct (or suspicions of misconduct) that they believe KPN should be aware of. We have created a grievance mechanism, the SpeakUp line, which aims to ensure reports can be made free from any fear of retaliation or intimidation. People can contact this anonymous reporting portal

● **Governance - Business conduct**

24/7 via a secure website. Third parties and value chain workers can speak up in their own language. KPN has an internal webpage on speaking up, which contains answers to FAQs and guidance on various topics related to speaking up and reporting. To raise awareness, the topic is included in our code of conduct e-learning, a mandatory training for all employees within KPN.

Investigations into reports are carried out under the auspices of the Chief Security Officer and the Chief Compliance & Privacy Officer. Investigators come from specialist backgrounds and are retrained on specific subject matters when necessary.

The KPN SpeakUp line is externally hosted and provided by an independent organization, the aim being to ensure that reports can be made free from any fear of retaliation or intimidation. When a complaint is made, it is sent directly to KPN, guaranteeing confidentiality and preventing someone's direct supervisor from

knowing they have lodged a complaint, thereby minimizing any potential threats. KPN will investigate all reports of misconduct (or suspicions of misconduct) and inappropriate behavior and will take appropriate action. KPN is committed to investigating incidents of illicit business conduct (including corruption or bribery) promptly, independently and objectively, so that people can feel reassured that an investigation policy is in place.

Employees can report their concerns internally via the Helpdesk Security, Compliance & Integrity, the anonymous SpeakUp line, by sending a letter to the Chair of the Supervisory Board or, on request, in a personal conversation. External reporting can be done with a competent body appointed by the Dutch authorities. Further details of the various options can be found in the reporting procedure. Employees are informed about their ability to speak up through various channels, including the company intranet and the obligatory e-learning about the code of conduct.

Reporting procedure

KPN employees must be informed of the reporting procedures within KPN. The reporting procedure describes how employees, and third parties can discuss concerns or file a report. It also explains how KPN deals with reports, how privacy and confidentiality are safeguarded and how to report anonymously. It contains themes related to anti-bribery and corruption and whistleblowing.
The KPN reporting procedure applies to all KPN employees, including the Board of Management, the Supervisory Board, subsidiaries, temporary staff and employees of third parties. The Chief Security Officer and the Chief Compliance Officer are accountable for the reporting procedure. The operation of SpeakUp! is monitored on an ongoing basis as reports are processed. At the end of the year, we receive an overview of the number of notifications by an external company. At the end of every year, we receive an overview of the numbers of internal and external reports by the company who supports our SpeakUp platform. The IRO related to the reporting procedure is 1. Promoting a strong and integer business culture and governance.

In setting the policy the interests of KPN employees and employees in the value chain have been considered. The Central Works Council was involved in drafting the reporting procedure.

Publicly available via KPN website.: https://s202.q4cdn.com/886546970/files/code_of_conduct/10/Reporting-Procedure-EN-v1-0-final-July-2023.pdf.

Fraud control policy

KPN employees must be informed of and comply with KPN's fraud control policy. This policy establishes a comprehensive framework designed to prevent, detect, and respond to fraud within KPN (collectively, the "fraud risk management process"). It covers themes including anti-bribery and corruption.
The Fraud Control Policy applies to any fraud or suspected fraud, involving employees as well as the Board of Management, management, third parties with a business relationship with KPN and other third parties. The CCO is responsible for Fraud Governance, policy and communication are key components of that. The Fraud Control Officer is accountable for the fraud control policy. The IRO related to the reporting procedure is 1. Promoting a strong and integer business culture and governance.

This internal policy is in line with the Dutch Corporate Governance Code and the Dutch Whistleblower Protection Act. In setting the policy the interests of KPN and indirectly its stakeholders have been considered.

This policy is made available on our KPN intranet.

Policy for training on business conduct
As stated in our code of conduct, all our employees (including the Board of Management) are obliged to complete the code of conduct e-learning every other year. Also, everyone must complete an additional mandatory e-learning every other year on corruption and bribery.

Roles that are most at risk in respect of corruption and bribery include members of the Board of Management, senior management, purchasers and sales roles. Employees with functions of risk will also get additional training on gifts and entertainment. However, there are no targets for this additional training.

Management of relationships with suppliers
KPN manages its relationships with suppliers through the implementation of the supplier code of conduct (SCoC). The SCoC covers business conduct IRO 1: Promoting a strong and integer business culture and governance, for the SCoC reference is made to the section "Workers in the value chain". KPN commits to responsible procurement based on our core values pertaining to business ethics and social and environmental commitments. We require our suppliers to comply with the principles as set out in the SCoC. Supplier must make every effort to implement these principles across their entire supply chain. KPN may reconsider its relationship with a supplier that does not comply with the SCoC.

● Governance - Business conduct

To measure progress and evaluate suppliers' ESG criteria, KPN uses EcoVadis scorecards. The scores are evaluated yearly, as the EcoVadis scorecard for each supplier is published once a year. There is no specific threshold for the end of the business relationship in the event of low EcoVadis scores. However, both KPN and EcoVadis do make suggestions for improvements if low scores are achieved. In addition, EcoVadis has a tool called the EcoVadis Academy which is used to educate suppliers, to help them improve their scores. Moreover, KPN employs a double materiality and risk assessment approach to calculate the impacts on its supply chain and account for supply chain-related sustainability matters.

KPN's procurement policy guides us in sourcing, contracting and managing our suppliers that deliver products or services, and our suppliers' sustainable performance plays a role in this. For our procurement policy, see the "Workers in the value chain" section.

Our procurement process is based on a competitive comparison of suppliers, and in the selection of a supplier it applies economic and technical criteria, as well as the following social and environmental criteria:
• Compliance with the KPN supplier code of conduct;
• EcoVadis assessment (suppliers spend > €300k);
• Onsite audits (high-risk suppliers);
• Design for environment and reducing the use of virgin raw materials;
• Extending and optimizing product use;

• Increasing reuse and recycling, and minimizing incineration and waste to landfill.

Prevention and detection of corruption and bribery
The Corporate Security Office is responsible for investigations and is separate from business management. It undertakes root cause analysis and determines corrective actions.

Every month, reports and investigations are reported by the Corporate Security Office to the Board of Management and senior management, including the business units.

For employees, KPN refers to its code of conduct and other internal policies and where to find them in the employment contract, which is signed at the start of employment. To spread awareness, the main topics in these policies are communicated through mandatory e-learnings. The reporting procedure and fraud control policy can be found on the TeamKPN intranet.

We distinguish between two target groups when talking about bribery and corruption. The first comprises customers and employees (examples: fraud, verbal abuse and transgressive behavior) and the second comprises the supply chain. All our employees (including the Board of Management) are obliged to complete the code of conduct e-learning every other year. Topics related to bribery and corruption, such as conflicts of interest, fair competition and gifts and invitations are included in this training.

Metrics and targets

	Confirmed incidents of corruption or bribery	Completion of code of conduct e-learning	Functions-at-risk covered by training programs
Result 2023	0	93%	n/a
Result 2024	0	89%	96%
Target 2024	n/a	95%	95%
Target 2025	n/a	95%	95%
Performance	Stable	2024 result is below target, mainly because additional reminders were not sent, on top of the regular system reminders, as we will go live with the new code of conduct from 2025.	No specific explanation that result 2024 is above target.

Methodologies of metrics
Incidents of corruption or bribery
Incidents are reported, recorded and counted. The fewer incidents the better, however KPN has not set any targets or plans to set targets. KPN includes incidents involving actors in KPN's value chain only where KPN or its employees are directly involved. In the calculation no assumptions were made. In 2024, KPN was not convicted for violation of anti-corruption and anti-bribery laws (2023: 0).

Completion of code of conduct e-learning
All our employees (including the Board of Management) are

obliged to complete the code of conduct e-learning every other year. Topics on bribery and corruption are included in this training. Completion is reported, recorded and the percentage is calculated by dividing all trained employees by total employees (applicable for employees of KPN B.V. and agency workers, excluding the subsidiaries). Generally targets are reviewed and set with the central CSR team and then approved by the Board of Management. However, the 95% target has remained stable over the past years and was not reconsidered annually. The target remains the same for 2025. No stakeholders were directly involved in setting the target, employees are informed about the targets set by KPN, for example via management.

● **Governance - Business conduct**

Functions-at-risk covered by training programs
Functions-at-risk are those functions deemed to be at risk of corruption and bribery as a result of its tasks and responsibilities. These include members of the Board of Management, senior management, purchasers and sales roles. The training comprises of an e-learning including the topics about a.o. gifts and invitations. The metric is calculated by dividing all trained employees functions-at-risk by total employees functions-at-risk (only applicable for KPN B.V., excluding the subsidiaries). Targets are reviewed and set with the central CSR team and approved by the Board of Management. No stakeholders were directly involved in setting the target.

Political influence and lobbying activities
KPN actively engages with policymakers in politics and government, and sponsors activities that help to generate public debate around the consequences of digitalization, as well as develop actions to address these. All our engagements and advocacy activities are managed by the External Affairs department under the supervision of our EVP for External Affairs. These activities encompass engagement with key policymakers from the European Commission and the European Parliament, as well as relevant regulatory authorities such as the Body of European Regulators for Electronic Communications (BEREC).

In addition, we actively collaborate with national governments, ministries, regulatory authorities involved in digital policymaking and politicians to advocate for policies that support our initiatives and align with both European and national objectives. We also promote policies that foster climate neutrality and sustainable ICT solutions, recognizing the positive impact these initiatives have on our stakeholders, including customers, suppliers, and employees.

Furthermore, these activities are closely coordinated with our member associations, including GSMA, Connect Europe, and NL Connect, to ensure a unified approach to advocacy and to amplify our collective voice in shaping policies that influence the industry.

For KPN, as a predominantly Dutch operation, policy is primarily shaped in Brussels and The Hague. The focus of our engagement is therefore aimed at policymakers in these cities. To increase relevance with policymakers, our aim is to cooperate as much as possible with other like-minded companies. To this end, KPN participates in trade organizations active in the Netherlands as well as at a European level and contributes to these organizations.

These contributions account for most of the disclosed amounts disclosed on the next page. The sums apportioned to Brussels are part of the sums disclosed in the EU Transparency Register to which KPN has subscribed from the start. The Transparency Register also encompasses an estimation of staff costs.

Finally, KPN contributes to ITU. This is a standardization body and United Nations agency, not a trade organization, and is not included in the sums presented.

KPN does not financially, or in any other way, support political parties or candidates for political positions. KPN does engage with national and regional authorities through knowledge-sharing to facilitate informed regulatory policy measures. KPN contributes to sector organizations representing the interests of KPN in specific fields. Management upholds strict standards on ethical and transparent behavior.

Employees who are politically active must ask for permission if they have paid political roles, for example if they are a member of municipal or regional councils. KPN's policy has always been to approach policymakers directly, rather than using external public affairs agencies to speak on its behalf.

KPN allocates approximately €1 million annually for membership and other expenses in lobbying and trade associations.

● Governance - Business conduct

Trade organizations

Name of trade organization	Type of trade organization	Geographic scope
GSMA	Trade body representing the interests of mobile operators worldwide	Global
Connect Europe	Trade body representing Europe's telecommunications network operators	The European Union
VNO-NCW	Trade body representing industry and employers in the Netherlands	The Netherlands
NL Connect	Trade association for IT, telecoms and internet companies	The Netherlands
FME (up to and including 2024)	Trade association in the technology industry	The Netherlands
NIVD	Trade association for the positioning of the Netherlands' defense- and safety-related industry	The Netherlands
VEMW	Trade body and knowledge center representing commercial users of electricity and water in the Netherlands	The Netherlands
Cyber veilig NL	Trade body representing the interests of the cybersecurity sector	The Netherlands
ECP	Platform for information society	The Netherlands
Hague Security Delta	Cluster in the security domain	The Netherlands
DDMA	Association for data-driven marketing	The Netherlands
WDTM	Association for healthcare technology	The Netherlands
CCE	Trade body representing Europe's largest industrial and financial groups	The European Union
Nederlande Orde van Belastingadviseurs	Trade body representing tax advisers in the Netherlands	The Netherlands
UN Global Compact	Non-binding pact of the United Nations to encourage businesses and corporations worldwide to adopt sustainable and socially responsible policies and report on their implementation	Global
Monet	Platform for Dutch mobile telecoms operators, focused on coordinating network infrastructure.	The Netherlands
MVO Nederland	Dutch organization that promotes sustainable and socially responsible business practices, supporting companies in making a positive impact on people, the planet, and profit.	The Netherlands
ICC Nederland	Local department of International Chamber of Commerce	The Netherlands

KPN's advocacy efforts focus on creating an investment-friendly regulatory environment for telecommunications. This environment aims to promote digital inclusion, ensuring that everyone in the Netherlands can access our secure, reliable, and sustainable networks while maximizing customer value.

KPN advocates for cybersecurity regulations to protect networks and customer data. This aligns with our commitment to privacy and network quality, as detailed in our materiality assessment. By supporting cybersecurity policies, KPN mitigates risks related to data breaches and strengthens our competitive position through investments in secure network infrastructure.

KPN promotes policies that support climate neutrality and sustainable ICT solutions. For example, we have advocated for the inclusion of telecoms in the EU taxonomy, which aims to reduce climate impacts and leverage opportunities for sustainable innovation in ICT. This approach aligns with our materiality assessment on sustainable ICT solutions and product innovations.

Although KPN does not have a dedicated advocacy plan specifically for improving working conditions and ethical business practices, we support such initiatives. Our commitment to responsible business practices and enhancing conditions for our workforce and partners is a priority and is reflected in our materiality assessment.

In summary, our advocacy activities are closely connected to KPN's positive impact as a trusted provider. Our support for cybersecurity regulations helps mitigate data breach risks. Our efforts in climate change and sustainability work to reduce environmental impacts and foster sustainable ICT innovations. Our focus on digital inclusion ensures equitable connectivity, and our support for improved working conditions aligns with our commitment to ethical practices."

KPN is registered in the EU Transparency Register (register no: 38392131923-05).

Koninklijke KPN N.V. is registered at the Chamber of Commerce (file no. 02045200).

No members of the Board of Management nor the Supervisory Board have held a comparable position in public administration (including regulators) in the two years preceding their appointment.