Value of connection

Integrated annual report 2025

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This PDF/printed version of the KPN integrated annual report 2025 has been prepared for ease of use. It does not contain ESEF information as specified in the Regulatory Technical Standards on ESEF (Commission Delegated Regulation (EU) 2019/815, as amended). The official ESEF reporting package is available on our website at: https://annualreport2025.kpn/.

The legally required directors' report, as meant in Part 9 of Book 2, consists of the "Report by the Board of Management", the "Governance" section, the "Sustainability statement", "Appendix 3" and the list of subsidiaries in "Appendix 1".

Report by the Board of Management

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The value of connection

In a year in which connectivity, digitalization and artificial intelligence (AI) increasingly impacted our society, KPN remained unwavering in its commitment to connect everyone in the Netherlands to a sustainable future.

Our expanding digital infrastructure is an important backbone of a resilient economy. In 2025, we strengthened our networks and services so that customers, businesses, and society can rely on secure and high-quality connectivity. We continued the rollout of fiber, improved network reliability, and enhanced digital services to support future opportunities. As a result, 2025 became the year in which we clearly demonstrated the value of connection.

Connect, Activate & Grow

This last year also marked an important next step in our "Connect, Activate & Grow" strategy, building on the foundations laid in previous years. As well as expanding our fiber footprint, we are increasingly focusing on connecting and activating households. With a more targeted approach to the remainder of our fiber rollout, we have set the ambition to cover up to 85% of the Netherlands by 2030.

We are accelerating our transformation to improve customer satisfaction and reduce costs, and we aim to create long-term benefits for customers, employees, and investors alike. In 2025, we also launched a multi-year savings program targeting approximately €100 million in net indirect opex savings annually by 2030.

AI is at the core of our transformation and embedded in different ways. In the coming years, we keep automating many of our operational activities, resulting in lower costs and superior customer service. Looking ahead, our ambition is clear: sustainable growth, strong returns, and a continued commitment to shaping a connected, inclusive digital society for all.

Network leadership

Together with Glaspoort and GlasDraad, we now cover ~70% of Dutch households with fiber. With this footprint, approximately 70% of our broadband customer base now enjoys the benefits of this fast and reliable network, including symmetric up- and download speeds.

Our mobile network has been recognized worldwide as "outstanding" for its reliability, speed and user experience, with the highest scores globally, and we have boosted capacity for gigabit speeds and new services such as 5G Campus, a private network service. Through our partnership with ABP, we created a new Tower Company Althio. This has given us greater flexibility and strategic control over our mobile infrastructure, ensuring continuity and innovation for the future. These investments are essential to support increasing demand for high-speed connectivity — both at home and on the move.

Quality and customer experience

We continued to invest in digitalization and process simplification to deliver first-time-right service and maintain our strong Net Promoter Score. With our Household 3.0 strategy, we enhanced customer loyalty in our Consumer segment. Initiatives such as Combivoordeel, expanding our mobile proposition, and bundled security services strengthen customer loyalty and satisfaction. In a competitive market, we continue to differentiate through premium experience, value for money, and digital leadership. Our omnichannel and app-centric approach empowers customers to manage their products and services independently, while AI enables greater personalization and proactive support.

Service revenues within our Business segment continued to grow, particularly in the small and medium-sized enterprises (SME) market and across our global IoT services. For our government and enterprise customers we are the trusted provider of mission critical services, such as highly secure, resilient connectivity and data services, cybersecurity, disaster recovery, 24/7 support, and collaborative resilience solutions.

KPN Wholesale achieved sustainable growth by expanding its mobile portfolio and deepening strategic partnerships. We remain committed to an open network policy, ensuring broad access and reliability for our wholesale customers.

#BetterInternet

Our mission for a #BetterInternet is rooted in our commitment to serve people with the best digital connections in terms of speed and stability, while at the same time fostering an internet that is more safe, social and green. In 2025, our #BetterInternet campaign addressed the topic of online exclusion. The campaign underscores growing societal awareness of the impact of the digital world on mental well-being, especially among younger people. The global recognition that this campaign has achieved reflects the urgency of this issue and the value of our commitment to creating a safer, more inclusive online environment. Through our KPN Mooiste Contact Fonds, we support people facing social isolation through meaningful projects and societal initiatives. For example, during SAIL Amsterdam – the world's largest maritime and nautical event – KPN Mooiste Contact Fonds, supported by over 800 KPN volunteers, welcomed around 5,000 guests from charities and community groups that are facing hardship.

Together with partners and stakeholders, we continue to tackle grid congestion, improve energy efficiency, and reduce our reliance on critical resources across the supply chain. We continued to invest in renewable energy. We are now committed using carbon-free energy 24/7, and we remain on track to achieve net-zero emissions by 2040. Circular business models are integral to our environmental strategy. Our dedication to our #BetterInternet mission and sustainability agenda is reflected in our continued top-tier ESG ratings such as CDP (A), MSCI (AAA) and EcoVadis (Platinum).

Building trust

As the network of the Netherlands, we provide secure, reliable connectivity and deliver innovative solutions helping safeguard vital processes and readiness.

The economic and geopolitical environment in which we operate is volatile and uncertain, but we are confident that the direct impact of this volatility on our operational KPIs and financial results will be limited. We closely monitor evolving impacts and remain confident in our resilience, as demand for essential connectivity and communication services is expected to stay strong.

Cybersecurity is essential for national and international stability. Together with the Ministry of Defence, Netherlands' National Coordinator for Security and Counterterrorism (NCTV), law enforcement and other partners, KPN is preparing for cyberthreats and digital disruption. Cybersecurity threats remain a key concern, and our "Security First" strategy is central to all our operations.

Our people, the heart of transformation

Our people are the foundation of our success. We remain committed to fostering an inclusive culture, and a diverse and engaged workforce across all levels. In 2025, we focused on upskilling, increasing AI literacy, and improving well-being. This was supported by progressive policies in our collective labor agreement (CLA), such as student debt repayment and eco-friendly home improvements. Our strategic workforce management approach aligns talent development with our long-term ambitions, and our consistently strong engagement score reflects our commitment to being one of the best places to work.

Looking ahead, our focus remains on developing critical skills, attracting diverse talent, and ensuring our workforce thrives in an environment of rapid technological change.

Celebrating progress

I would like to thank our customers, shareholders and the entire TEAM KPN for their trust, dedication, and outstanding contribution in 2025. Together, we have achieved these results and laid the groundwork for the years to come as we enter the next leg of our strategic plan. As we look ahead, we remain committed to innovation, connectivity, and sustainability. Building a better, more inclusive digital society for all and showcasing the value of connection.

Joost Farwerck
CEO and Chair of the Board of Management

Our purpose

We go all out to connect everyone in the Netherlands to a sustainable future. We achieve this by providing safe, reliable, and future-proof networks and services, ensuring that people and devices can be connected anytime, anywhere. KPN aims to be the reliable digital partner for consumers and businesses in the Netherlands. We expand our networks by rolling out fiber and modernizing our mobile network.

We aim to deliver the best digital experience to our customers over reliable networks, and we have been recognized as having the best mobile network in the world according to umlaut's and connect's Mobile Network Test 2025. We are committed to maintaining this leading position.

With a strong commitment to corporate social responsibility (CSR), we contribute to a better internet and a better world. This year, we reconfirmed our environmental, social, and governance (ESG) ambitions integrated into our business model and overall strategy. These targets strengthen our resilience and help future-proof our business model. By making this approach even more relevant for consumers, businesses, and society, we grow our impact and ensure long-term sustainability.

We provide internet that is technologically advanced while ensuring it is responsible, inclusive, and sustainable for consumers, businesses, and society. Our ongoing participation in leading benchmarks reflects our commitment to transparency and continuous improvement.

Connect, Activate & Grow

Our strategy

Connecting everyone in the Netherlands to a sustainable future remains KPN's core purpose and mission. We are halfway through our strategic period for 2024–27. This strategy illustrates KPN's continued investment to digital infrastructure for the Netherlands. However, going forward we are shifting our focus from passing homes to connecting and activating customers, enabling the best of the internet. Our strategy rests on three strategic pillars:

- **Connect** – Earn customer loyalty through relevant, converged propositions that meet evolving needs;
- **Activate** – Leverage the power of our networks, platforms, and partnerships to deliver a superior, always-on digital experience;
- **Grow** – Modernize and simplify our business through AI-driven automation, fostering a future-ready, skilled workforce.

Taken together, we anticipate this plan to deliver on our purpose alongside financial guidance in service revenues and EBITDA AL CAGR of around 3% and a free cash flow CAGR of around 7% between 2024 and 2027.

Beyond financial performance, this strategy underscores KPN's role as a catalyst for digital innovation, sustainability, and customer excellence — delivering enduring value for shareholders, customers, employees and society.

Connect

Connecting customers is what we do. The Dutch telco industry is dynamic, with intense but healthy competition among players, pricing and product innovation, and rapidly evolving customer needs. This calls for flexibility and consistent commitment to our purpose, guided by a clear strategy.

In the consumer market, we expanded both our customer base and service revenues in 2025 across both mobile and fixed. This was achieved through targeted investments in network quality, digital service journeys and loyalty-driven propositions. Strategic base management and value-led propositions ensure loyal, satisfied customers, paired with profitable, sustainable growth across our converged product portfolio.

In our Business segment, growth continues across our small and medium-sized enterprises (SME) and large corporate enterprises (LCE) segments. Our Tailored Solutions unit remains a trusted ICT integration partner, delivering secure, value-adding services that build on our connectivity foundation for enterprise clients.

KPN Wholesale remains a reliable enabler of connectivity for local and international operators. It is scaling infrastructure-based products, such as NL-ix and standardized verification protocols, to monetize our network investments and deliver sustainable, repeatable returns.

Activate

KPN is the largest fiber operator in the Netherlands, now reaching ~70% of households (including Glaspoort and GlasDraad) and expanding further to meet our ambition of up to 85% by 2030. We will focus on connecting and activating customers to deliver profitable growth and optimize value creation.

In mobile, our 5G network was recognized, for example, in KPN being awarded "Best Network in the Netherlands" with the highest score ever recorded globally (989 out of 1000 points in umlaut's and connect's Mobile Network Test 2025). Beyond 5G, we are researching and experimenting with other innovations, such as 6G, in our field labs.

When it comes to modernization, KPN's autonomous operations program is showing measurable outcomes ranging from predictive maintenance and network assurance to closed-loop automation. All of this is improving service reliability and reducing operational costs. Beyond this, we continue to automate and digitalize the customer experience across consumer and business channels. We do this with innovations including flexible architecture and artificial intelligence (AI) across KPN's customer service, platform and infrastructure layers.

Grow

To deliver on our growth ambitions sustainably, focus and clear steering is required. The integration of Youfone continues to strengthen our multi-brand strategy, enabling targeted growth across Consumer market segments. KPN now serves a wider range of customer needs, including both premium and no-frills, while maintaining focus on long-term customer value and experience.

In our Business segment, we are developing a digital ecosystem through an online marketplace and partnership distribution model. We continue to enhance critical services that underpin the resilience of Dutch digital infrastructure serving our customers and society.

The establishment of our tower company, Althio, aims to enhance flexibility across our mobile site portfolio. This will unlock both operational and capital efficiency, and secure long-term value creation.

Through KPN Ventures, we invest in, partner with, and integrate cutting-edge innovations, concepts and companies that complement our strategy. This past year we have progressed particularly in agentic AI, global roaming and internet of things (IoT) — translating technological progress directly into operational efficiency, superior customer experience and measurable value.

Outlook

We remain committed to execute on our Connect, Activate & Grow strategy with focus and discipline. Our financial results and track record illustrates our ability to delivering secure, sustainable and future-ready networks in the Netherlands. Anchored by strong assets, trusted heritage, our shared values of "trust, courage and growth", and our people, KPN remains well-positioned to deliver enduring value as the leading Dutch digital infrastructure platform.

Financial key performances

Service revenues
In € million

5,357

2024 **5,215** | 2023 **5,045**

Adjusted EBITDA AL
In € million

2,636

2024 **2,508** | 2023 **2,420**

Capital expenditure
In € million

1,263

2024 **1,255** | 2023 **1,248**

Free cash flow
In € million

952

2024 **900** | 2023 **886**

Dividend[1]
€ cent per share

18.2

2024 **17.0** | 2023 **15.0**

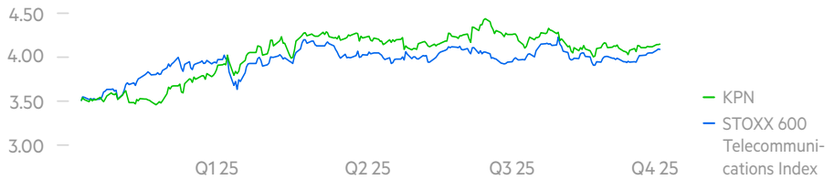
Return on capital employed
In %

14.7

2024 **14.4** | 2023 **14.1**

Total shareholder return (TSR)

KPN 18% 2025 | Telco index 17% 2025



Sustainability-related key performances

Fiber footprint[2]
In %

● KPN ○ Glaspoort and GlasDraad

			Total
2025	59	10	69
2024	56	8	64
2023	52	6	58

5G coverage in the Netherlands
In %

98

2024 **98** | 2023 **97**

NPS Consumer[3]

2025	+15
2024	+16
2023	+16

NPS Business[3]

2025	+6
2024	+4
2023	+5

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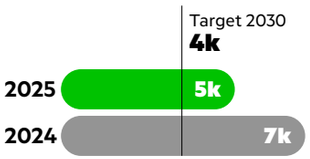
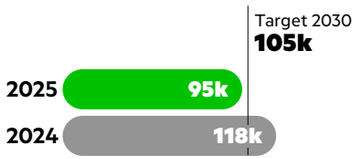
Sustainability-related key performances
Continued

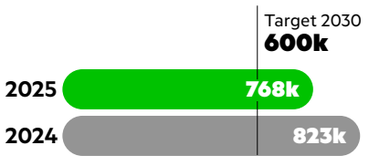
Scope 1 emissions (gross)
In metric ton CO_2e



Scope 2 emissions (location-based)
In metric ton CO_2e



Scope 3 emissions
In metric ton CO_2e



Reuse and recycling
In %

86

2024 **88**
2023 **87**

Employee survey score for engagement
In %

82

2024 **81**
2023 **83**

Women at the sub-top (senior management)
In %

30

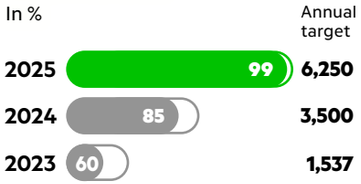
2024 **33**
2023 **28**

Completion of code of conduct e-learning
In %

94

2024 **89**
2023 **93**

Percentage of annual target of KPN employees who are SecurX-certified[4]
In %



Data safety reputation[5]
In %

96

2024 **96**

Sustained complaints regarding breaches of customer privacy

42

2024 **37**
2023 **55**

Realized improvements on corrective action plans from onsite audits
In %

97

2024 **97**
2023 **98**

Continued on the next page →

Business operations performances

Growing customer base
(households)
In million

3.9

2024	2023
3.8	3.5

Net Growth B2B customer base
(mobile, broadband, networking, VoIP, fixed-voice)
In million

3.6

2024	2023
3.5	3.4

Households with a possible 4 Gbps conncection
In %

40

2024	2023
31	18

Fixed-mobile households as percentage of fixed households
In %

61

2024	2023
59	56

Combined 4G/5G downlink throughput
In Mbps

218

2024	2023
193	166

Postpaid customers
In million

4.629

2024	2023
4.500	3.855

Energy consumption
(Scope 1 and 2)
In petajoule

1.7

2024	2023
1.8	1.9

Estimated avoided energy consumption
In petajoule

8.1

2024	2023
7.0	5.3

1 The dividend for 2025 will be proposed at the 2026 AGM.
2 Fiber footprint also includes GlasDraad. Figures for 2023 and 2024 have been restated accordingly.
3 The 2023 figure is based on a Q4 average reported as 2024 and 2025 are based on a full year average.
4 Extended scope in relation to 2024.
5 The percentage of KPN and Simyo customers who (completely/strongly) agree or disagree with the statement “At KPN or Simyo, my data is safe,” excluding the answers “don’t know/not applicable”.

"We create rewarding experiences that truly matter"

Consumer

Marieke Snoep
Chief Consumer Market

Strategy

We go all out to connect everyone in the Netherlands to a sustainable future. Our strategy focuses on helping customers get the most out of their digital lives, while delivering great value for money.

With our Household 3.0 strategy, we meet the diverse needs of the entire household and strengthen customer loyalty. At the heart of our customer relationship is the MijnKPN app, which we are transforming into a digital companion. We enhance customer experience with a digital-first approach complemented by our human-assisted omnichannel experience.

Highlights

In 2025, we strengthened our societal impact with the launch of our #BetterInternet campaign #IedereenBehalve (EveryoneExcept), addressing online exclusion. Through initiatives such as Platform Digitale Weerbaarheid and our partnership with SeniorWeb, we make the digital world more accessible and increase resilience nationwide.

For us, this starts with delivering reliable, secure and state-of-the-art services through our mobile and fixed networks. KPN is positioned as a premium brand, built on reliability, ease of use, personal attention and innovation. We differentiate through premium experience and digital leadership, offering our customers peace of mind with fiber, unlimited mobile data, great entertainment via our TV+ platform, seamless in-home connectivity via our WiFi Manager and bundled-in security.

We took decisive steps to improve customer satisfaction by reinforcing our commitment to value for money. One key initiative was the expansion of Combivoordeel, rewarding customers who combine services with more benefits. We continue to offer free (fiber) speed upgrades for residential customers, free security licenses, and tailored retention offers. We create rewarding experiences that truly matter to our customers, with valuable extras such as double data, MB sharing and free Netflix or ESPN.

We introduced a new broadband portfolio with bundled-in security, aligned with our mission to connect everyone to a #BetterInternet. For mobile customers, we extended our Unlimited proposition with new tiers for speed and roaming.

This year we also acquired the rights for online soccer highlights from the Dutch "Eredivisie", providing all our customers with free soccer highlights and goal alerts via our platforms. Innovations in the MijnKPN app enabled seamless onboarding and gave customers more control over their in-home WiFi, including parental controls.

Challenges

Our company is currently operating in a complex and competitive landscape, shaped by shifting market dynamics, inflation and economic uncertainty. These factors influence customer behavior. In this environment, focusing on deepening relationships with our existing customers while attracting new ones is both essential and challenging. To stay competitive, we are investing more in our base while our go-to-market strategy uses flanker brands to tailor offers for budget-conscious customers and used the KPN brand to serve the premium segments.

Outside in

The telecoms industry is evolving rapidly, while customer expectations around speed, simplicity, and personalization continue to rise. Artificial intelligence is reshaping the way customers interact with digital services. At the same time, the growing use of AI brings new challenges around cybersecurity and data privacy. To maintain our competitive edge, we focus on continuous innovation, strategic partnerships, and a customer-centric approach. By doing so, we reinforce our position as a reliable and forward-looking leader in the industry.

Outlook

We are confident that our Connect, Activate & Grow strategy will continue to guide us through changing market dynamics and enable further growth in service revenue market share by delivering reliable, easy, responsive, and state-of-the-art services.

We remain committed to delivering high-quality products and services through a digital-first, human-assisted approach, while increasing fiber adoption. We aim to lead in household value by offering relevant, differentiated services through our main and flanker brands. AI will become integral to how we serve customers, enabling personal recommendations, proactive support and tailored loyalty offers in real time. These capabilities strengthen customer relationships and improve efficiency and responsiveness across channels.

"KPN aims to prove itself as thought leader"

Business

Chantal Vergouw
Chief Business Market

Strategy

In 2025, we focused our efforts on further strengthening our portfolio to ensure sustainable customer value. By doing so, we are better positioned to serve our business customers and address their needs and challenges. As announced in 2025, we launched our new formula in the midmarket segment which gained traction during 2025. In parallel, our digital channels see rising interaction, demonstrating that our efforts to become a fully data-driven organization are paying off culturally and operationally, and reinforcing our commitment to sustainably secure future value.

Highlights

We grew our client base in 2025. Once again, we saw a positive performance in the SME segment, mainly driven by Mobile, Cloud and Workplace services. We successfully continued growth on Value Added Services, such as Extra Veilig Mobiel. Also, we were able to further expand our reach with Supervision, a tool to manage Microsoft 365 environments of customers in an efficient and safe manner. Due to the transformation of our organization and the further development of our enterprise propositions, we are better positioned to serve our LCE customers. Within the LCE segment, we are seeing positive traction in key growth areas, including Secure Networking, Campus, CPaaS, Multicloud and IoT.

We signed our first customers for KPN Campus, which was introduced last year. With this proposition, we provide our customers with secure and reliable infrastructure for onsite digital transformation, based on services such as 5G (public and private) and edge computing. Within CPaaS, we see increased demand for both our communication and network/identity APIs. And IoT is also showing positive results in 2025.

In its most recent review, GlobalData recognized KPN as a "very strong" player in the market, highlighting our broad, converged portfolio and secure connectivity solutions. This strong position is further underscored by multiple awards from leading partners. Microsoft honored our KPN Business segment and InSpark with Microsoft Country Partner of the Year 2025 award, while Cisco named KPN Sustainability Partner of the Year for the northern EMEA region and awarded us both Sustainability Partner of the Year and Collaboration Partner of the Year within the Benelux region.

Challenges

In the SME segment, recent legislative changes regarding self-employment have caused growth in the number of self-employed professionals to level off, impacting the growth rate of self-employed professionals in the Netherlands and creating more uncertainty among entrepreneurs. At the same time, competition in the marketplace remains strong and persistent pricing pressure continues to pose a challenge. In the LCE segment, customers increasingly seek integrated services while continuing to demand simplicity and ease of use. We are seeing more international players enter the business market and competition becomes more intense.

We are exploring new approaches, including greater collaboration with our business partners and increasing distribution potential via corporate partnerships. It is essential to keep innovating our integrated connectivity propositions while expanding adjacent offerings. We must streamline our delivery and accelerate digitalization across our business. Our focus will be on converged solutions that combine core and near-core portfolio, such as mobile and networking services, together with adjacent services.

Outside in

KPN is committed to leading in connectivity and integrated solutions for SMEs and for LCE and Tailored Solutions customers in key sectors, such as banking and insurance, public sector, and logistics. Our vertical strategy enables us to anticipate specialized needs and deliver tailored propositions that create long-term value. As a Dutch enterprise with proprietary network and data center infrastructure, complemented by strong services on top, we provide secure, sovereign solutions that protect customer systems and data. Security remains central to our value proposition, reinforcing trust in an increasingly digital economy. Customer expectations are shifting toward sustainable technology, simplicity and integrated services. To meet these demands, we are advancing our one-stop-shop model and strengthening omnichannel capabilities to deliver seamless, multi-touch experiences that are closely monitored in order to further empower our customer experience.

Outlook

Going forward, we will strengthen our platform strategy for SMEs, positioning KPN as the one-stop shop for this segment. This includes expanding our e-commerce capabilities and driving growth among small, medium and mid sized businesses through our Partner Network. For LCE and Tailored Solution customers, we are enhancing our offerings with a more vertical approach and by simplifying and digitalizing the end-to-end chain and turning data into actionable insights. Additionally, we are accelerating the adoption of AI across our Business segment to boost service quality, speed, and productivity — ultimately delivering better experiences and higher customer satisfaction.

"Strategic partnerships strengthen our wholesale position"

Wholesale

Chris Figee
Chief Financial Officer

Strategy

In Wholesale, our business mix is evolving and we are delivering sustainable growth, despite a competitive local broadband market. We are continuously expanding the perimeters of our business to explore and develop new growth potential. With growth opportunities emerging in mobile, sponsored roaming and via the creation of new strategic partnerships, we are strengthening our position in wholesale markets while amplifying KPN's collective success. We believe that deepening strategic partnerships not only stabilizes revenues – it also strengthens service reliability, leading to higher customer satisfaction and long-term value.

We are confident that our focus on delivering best-in-class national wholesale propositions in both broadband and mobile, supported by our advanced building blocks and global connectivity solutions, will drive sustained growth.

Highlights

In 2025, we successfully expanded our mobile portfolio via competitive and attractive sponsored roaming solutions. By leveraging global partnerships in travel, e-SIMs, machine-to-machine and IoT connectivity, we unlocked immediate growth potential. These offerings contributed to our organic mobile service revenue growth.

We strengthened our position by renewing key strategic partnerships and establishing new collaborations with mobile virtual network operators (MVNOs), with one contract already signed and several others in the process of being finalized. These partnerships further support our growth ambitions and reinforce our ability to meet the rising demand for seamless domestic and international connectivity.

Alongside these initiatives, innovations at NL-ix (our internet exchange) are showing promising results. NL-ix continued to grow its proprietary "Elastic Interconnect" offering via our business market network and we saw increasing interest in NL-ix's unique services from international customers too.

In mobile, leveraging our global roaming networks in combination with continued demand for travel SIMs is helping to drive consistent revenue growth. Together with our partners, we are unlocking new business opportunities and accelerating this growth.

Challenges

Continued intense competition in the retail broadband market resulted in elevated churn levels this year, predominantly in our wholesale digital subscriber line (DSL) portfolio. In fiber, we continued to show solid growth in combination, this led to an overall decline in the number of broadband connections and slower broadband revenue growth. To address this, we implemented targeted strategic initiatives and actively engaged in collaborative dialogues with our broadband partners.

Outside in

An attractive open network policy makes our networks accessible for wholesale customers and gives consumers in the Netherlands a wide choice of providers. Competition in the broadband market remained intense. At the same time, the need for seamless connectivity is growing and a focus on security is becoming the new standard.

Satellite networks have emerged as a new competitive force in specific parts of the market as global demand for seamless connectivity increases. We are therefore reinforcing the reliability and security of our roaming footprint, by enabling direct-to-device satellite connectivity in addition to our mobile connectivity services, supported by strategic partnerships with innovative players.

AI is accelerating digital transformation across the telecoms sector. Beyond its role in network optimization and predictive maintenance, AI is increasingly contributing to enhanced customer engagement and personalized service delivery. We will need to balance technological innovation with regulatory compliance, cybersecurity and competitive dynamics. Investments in our portfolio and digital transformation will be key to staying competitive, resilient and relevant for our customers. For Wholesale, this is particularly important as our partners rely on us to provide reliable, innovative and scalable digital services. By embracing AI-driven developments, we strengthen our position in the ecosystem and empower our customers to innovate faster.

Outlook

We anticipate that our investments in innovative connectivity building blocks, global connectivity partnerships and NL-ix will continue to yield positive results. The mobile and sponsored roaming segments are expected to drive continued growth, having already enabled strong service revenue growth last year. The broadband's performance in broadband is expected to be more challenging into next year given the base development in 2025 and the current line loss run-rate.

"Provide high-quality, secure digital infrastructure"

Network, Operations & IT

Wouter Stammeijer
Chief Operating Officer

Strategy

Providing best-in-class fiber and mobile networks is central to our strategy, and KPN is making a significant contribution to the country's digital resilience.

In line with our Connect, Activate & Grow strategy to optimize the value of our passive infrastructure assets and retain strategic flexibility, together with ABP we announced the start of a new mobile tower company, Althio. Through Althio, we gain greater flexibility over a substantial portion of our mobile sites, enabling strategic synergies in the deployment, maintenance, and optimization of the mobile network infrastructure.

We also took major steps in digitizing customer interaction and simplifying our processes on a new, state-of -the-art data platform. And we improved our efficiency, using predictive maintenance to further enhance the customer experience.

Highlights

Looking back on 2025, there is much to be proud of. Our achievements range from successfully migrating complex platforms and infrastructure to introducing innovations and new services to the market. And for the fourth year in a row, we were named as the best mobile network in the Netherlands, with the highest score worldwide in umlaut's and connect's Mobile Network Test 2025.

We remain the leader in the Dutch fiber market. Together with our joint venture Glaspoort, we now cover more than two-thirds of Dutch households and are making steady progress in connecting homes and activating new fiber lines, achieving relatively more homes connected in relation to homes passed than in the previous years.

To reinforce our leading position in mobile, we improved coverage and speeds, leading to greater capacity and less congestion. We deployed more than 500 sites with 3.5 GHz for 5G in large cities, along busy roads and in densely populated areas.

Our contribution to two big international events put us in the spotlight: during the NATO summit in The Hague, KPN delivered secure and reliable connectivity, while at the SAIL maritime festival we supported the organization, the safety region, emergency services and the municipality with our robust network and technology to enhance safety and crowd management for 2.5 million visitors – all bearing out the strength of our cultural pillar: "Working together is winning together".

In 2025 we communicated our intention to work towards carbon-free energy (CFE) 24/7, which focuses on the hourly usage of green energy. Starting in 2027 we will use carbon-free energy almost two-thirds of the time as our networks will then be powered by solar energy from Kabeljauwbeek and wind energy from Ecowende.

Challenges

In 2025 we truly experienced the consequences of Dutch energy grid congestion, as we were unable to obtain all the energy connections and capacity we needed. To address this, we strengthened our governance on energy grid congestion. We improved our analysis and forecasting of risks, enabling us to anticipate potential bottlenecks more effectively. We also intensified dialogue with grid operators and other stakeholders to explore cooperative solutions. In addition, we implemented technical measures such as battery energy storage systems (BESS) and emergency power generators.

Thanks to these initiatives, we managed to limit the impact of grid congestion on our services.

Our fiber rollout is a massive operation, presenting challenges in multiple areas such as licensing, capacity scarcity, minimizing disruption for residents and guaranteeing quality on a large scale. We have further strengthened our planning processes and collaboration with municipalities – that is how we are building a future-proof network for the whole of the country.

Outside in

We are preparing for future developments and innovations such as AI, 6G, quantum computing and photonics, working with universities (TU Delft, TU Eindhoven) and research institutes such as TNO (the Netherlands Organization for Applied Scientific Research).

Outlook

Our goal for 2026 is clear: continue to invest in top quality and reliability of our networks to deliver the best services and experience to our customers. We are raising our fiber optic ambition and now aim to provide up to 85% of all Dutch households with fiber optics by 2030. The focus is on further digitalization, simplification, rationalization, and automation through implementing our transformation programs. Strategic partnerships help us optimize the return on our investments, whether in our passive infrastructure or in leveraging knowledge and experience for the transformations we are undergoing. With our continued strong focus on collaboration, we are on course to meet our Connect, Activate & Grow objectives.

"Upskilling is essential for our future"

Employee value

Hilde Garssen
Chief People Officer

Strategy

In 2025, we continued our people agenda, which aims to equip our organization, employees and leaders to thrive in a technology-driven KPN future. With the rise of new technologies and the speed at which these evolve, it is vital to proactively address the challenges of automation and AI through re- and upskilling. This is essential to deliver on our Connect, Activate & Grow strategy and a key part of our responsibility as an employer, creating an environment where people can develop and thrive.

Highlights

We refreshed our leadership profile to define expectations and guide development and performance. It emphasizes encouraging innovation, accelerating diverse talent, navigating change, enabling collaboration and leading with self-awareness, empathy, and resilience.

We believe leaders can only drive change if they understand what AI truly entails. That is why we launched a tailor-made training program for leadership to increase AI literacy and develop the right skills to deal with the various opportunities and threats of AI effectively in their teams.

In line with our belief in a modern and sustainable workplace, we consolidated our offices to enable easier collaboration and creativity. This marked a key step in our hybrid working and office footprint strategy. We also modernized our remaining offices with an innovative and healthy food offering for our staff. Lastly, we provided all our people with a flexible mobility card offering sustainable travel choices and carbon footprint tracking. These initiatives support our ambition to reduce the company's environmental footprint.

Employee well-being remains a strategic imperative (82% engagement). We launched a company-wide campaign to foster openness around mental health and encourage employees to take the initiative in improving their well-being. We are also offering all colleagues a free preventive health check, providing early insights into personal health and connecting outcomes to support options such as lifestyle coaching and the OpenUp platform.

We strongly believe that investing in our culture enables us to remain innovative and create value for our business, employees and society. We have embedded the three themes of our culture manifesto "Full attention for our customers", "Think big, act now" and "Work together, win together" into our daily work through our KPN Groei (KPN Growth) goal-setting and development conversations. We have created interventions like the "Crucial Conversations" initiative to enable discussions on topics such as performance, collaboration and inclusion. Having challenging and open conversations is not always easy, which is why we are taking further steps to this. In addition, we launched our new code of conduct, supported by a communication campaign and mandatory e-learning to reinforce awareness of desired behavior.

Another initiative supporting KPN's transformation is the development of a strategic workforce management (SWM) approach, focused on aligning our workforce with our long-term business ambitions. Built on external research and internal insights, SWM will enable fact-based insights into future workforce needs, jobs and possible skill gaps.

Challenges

To unlock efficiency and maximize impact, technology has to be an increasingly integral part of KPN. However, digital transformation and the rapid pace of technological change also present challenges for employee well-being, engagement, and adoption. Building a culture of continuous learning, embedded in daily work, is crucial to preparing our workforce for the future, but achieving this requires a balance between developing new skills and managing everyday work pressure.

Outside in

Technology offers productivity gains, but success depends on employees having the right skills and organizations being designed for flexibility. Studies warn that AI is automating junior roles, the very entry-level positions in which young talent gains experience, creating a paradox in the context of labor shortages. With such labor shortages projected for the Netherlands by 2030, we must invest in talent development, effective technology adoption and organizational set-ups that enable seamless human-digital interaction.

Outlook

Going forward, our focus will be on a skills-based approach to recruitment, talent, learning and organizational development. For us, responsible employment also means actively investing in our people so they can thrive alongside new technologies. By attracting and retaining diverse talent with critical skills, while continuously developing our current employees and leaders, we aim to maintain agility, enhance productivity and secure long-term competitiveness.

Connecting to a sustainable future

ESG strategy

ESG information reading guide

Our integrated annual report discloses our ESG information in accordance with CSRD guidelines and ESRS reporting standards. Detailed information on our ESG performance can be found in our "Sustainability statement". The following section provides a broader overview of our ESG achievements, aligned with our ESG manifesto.

Our aim is to actively contribute to a better future. This commitment is outlined in our ESG manifesto, in which we distinguish three areas: responsibility, inclusivity and sustainability. By reporting in line with the Corporate Sustainability Reporting Directive (CSRD), we improve transparency and informed decision-making regarding ESG. We are dedicated to providing a safer, more social and greener internet for everyone in the Netherlands. This dedication is embodied in our multi-year plan, #BetterInternet, which directly reflects the three pillars of our ESG manifesto. This year we updated our overall strategy and took the next step in our #BetterInternet plan.

Responsible

We are committed to making the internet a more trusted space through reliable and safe services, emphasizing decent business, human rights and safety. As part of this, we moved forward with our #BetterInternet initiative and launched the #IedereenBehalve (EveryoneExcept) campaign. One in four young people experiences online exclusion every month, often in group chats. To raise awareness, we partnered with singer S10 and experts such as Helpwanted, encouraging bystanders to speak up and support others online. The campaign highlights the emotional impact of exclusion and aims to spark conversations among young people, parents, and schools. We also provide schools with teaching materials to facilitate open discussion of the topic in the classroom.

We have updated our KPN-wide AI policy to operationalize our responsible AI value framework, as well as developing dedicated AI governance tooling to make responsible AI by design, including the use of AI impact assessments, accessible for AI developers. And we have set up an AI literacy training program for senior management, on top of mandatory KPN-wide AI e-learnings. On a collaborative level, we are engaged in multiple research programs around responsible AI, to ensure we continuously integrate best practices around transparency, accountability and fairness in our AI use and development.

At the NATO summit in The Hague, KPN ensured secure, uninterrupted connectivity for global leaders. Cybersecurity is critical for national and international stability. Together with the Ministry of Defence, NCTV, law enforcement, and other partners, KPN prepared for scenarios such as cyberthreats and digital disruption. As the network of the Netherlands, we provide secure, reliable connectivity and deliver innovative solutions in network security, encrypted communications, drone-intervention technology, and 24/7 monitoring of critical IT infrastructure — helping safeguard vital processes and military readiness.

Inclusive

In 2025, we continued to strengthen inclusion within KPN. Our diversity networks organized events and activities around International Women's Day, Ramadan, and Diversity Day. This year, we also placed more focus on neurodiversity, working with external partners to host our neurodiversity escape room at a symposium.

Our Board of Management consists of 50% women, while for our Supervisory Board this figure is 33%, reaching our ambitions. Results on other gender targets remain below our expectations, with the biggest challenge being the percentage of women in our overall workforce. We continue to see 29% female new hires, while women account for 26% of attrition. This means there is little change in our overall gender balance. To increase the inflow of female talent, we are working on short- and medium-term initiatives, such as collaborating with female tech communities, featuring female tech role models in our employer branding, and participating in (recruitment) events aimed at women, such as European Women in Tech. Next year, we aim to further focus on this target group and explore how we can embed and integrate inclusion even more deeply within the company.

This year, we launched yet another Pride Verified campaign. Online hate against the LGBTQIA+ community continues to grow, and we increasingly hear claims that being queer is just a trend. As part of our mission to create a #BetterInternet, we shared a series of stories from older LGBTQIA+ individuals to show that queerness is not a passing fad, but has always been part of society.

We reached the next step, Level 1, on TNO's Social Entrepreneurship Performance Ladder, demonstrating our commitment to inclusive employment. We actively deploy people with disabilities, those who have been unemployed for a long time, and newcomers to the Netherlands – making us the only telecoms provider in the country with this recognition.

By 2025, our products, packaging, and manuals were made accessible to customers who use assistive devices. User guides and packaging were revised to comply with accessibility requirements, ensuring that customers with disabilities can install and use products such as modems and set-top boxes independently.

Our commitment to social inclusion is also reflected by KPN Mooiste Contact Fonds, through which we organize events to support and involve those struggling to participate in society. This year we provided parents, schools, and young people with knowledge, tools, and support around safe online sexual behavior, launched Mooiste Contact Maand ("best contact month") to raise awareness of "contact poverty", i.e. the lack of meaningful human connection, and served as a social impact partner for SAIL, providing over 5,000 guests – many of whom have limited social contact – with the opportunity to experience this maritime festival from the water.

Sustainable

A better internet also means limiting our environmental footprint to become future-proof. We focus on reducing and greening our energy consumption, and advancing our circular ambitions. Our goal is net-zero emissions, including our value chain by 2040. We strive to reach this ambitious goal by reducing our energy consumption each year and increasing our use of sustainable energy.

Since 2025, we have been using more solar energy and from 2027 we will source almost two-thirds of our energy sustainably. This supports a more future-proof and resilient digital infrastructure. In line with our sustainable sourcing strategy we are committed to carbon-free energy through agreements and investments in renewable energy, battery systems and granular certification. We joined the Platform Energie Bewustzijn ("energy awareness platform") and the UN Compact for 24/7 Carbon-Free Energy. This voluntary commitment strengthens our sustainability ambitions.

Our sustainable DNA is also reflected in our collective labor agreement. With our new KPN BOOST program we are enabling employees to invest in making their homes more sustainable. In 2025, 774 employees took advantage of this program. BOOST promotes both personal development and KPN's broader ESG objectives.

We recognize that climate change and circularity are powerful levers in addressing biodiversity loss. This is in line with the five direct drivers of biodiversity loss as identified by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). Our climate initiatives are a key factor in biodiversity loss. We also make an impact by reducing resource extraction.

Through this integrated approach, KPN not only reduces its environmental footprint but actively supports the preservation and restoration of ecosystems. We thus recognize biodiversity as an essential component of environmental impact rather than treating it as a standalone issue. This is also in line with our double materiality assessment, in which we have concluded that biodiversity is not a material topic for KPN in itself. Nevertheless, we continue to improve our physical locations by making our fiber optic hubs nature-inclusive and are collaborating with other Dutch infrastructure partners on transitioning to nature-inclusive infrastructure.

Consistent growth, compelling returns

Financial review

2025 marked the halfway point of our four-year Connect, Activate & Grow strategy. We delivered on our full year outlook and are on track to meet our mid-term strategic and financial ambitions. Throughout the year, we achieved consistent Group service revenue growth and delivered adjusted EBITDA after leases and free cash flow above guidance, supported by healthy service revenue growth and strict cost discipline across the organization. Our improving ROCE underscores that our value-creation model is working and demonstrates the continued success of our strategy. Our financial framework continues to be focused on long-term value creation for all stakeholders. Supported by strong execution, a solid balance sheet and multi-year cash perspective, we are able to return all free cash flow generated to our shareholders through a combination of growing dividends and share buybacks.

KPI	Result 2025	Result 2024
Service revenue	€5,357m	€5,215m
Adjusted EBITDA after leases[1]	€2,636m	€2,508m
Capex[1]	€1,263m	€1,255m
Free cash flow[1]	€952m	€900m
Dividend per share (euro-cents)[2]	18.2	17.0
Share buyback	€250m	€200m

1 For definition see Appendices 2 and 4.
2 For 2025: The final regular dividend of €0.109 per share is subject to shareholder approval at the Annual General Meeting of Shareholders on 15 April 2026.

In 2025, group service revenues maintained steady growth across all segments. In Consumer, healthy commercial momentum was sustained, particularly in broadband, thanks to the focus on loyalty and base management, reinforcing our market leadership in both fixed and mobile. The Business segment delivered another year of growth, outperforming the broader market; while Wholesale continued to grow, mainly driven by international sponsored roaming.

We delivered adjusted EBITDA AL and free cash flow above our upgraded guidance, primarily supported by continued service revenue growth, strict cost discipline, and operational efficiencies. Our transformation programs across all layers are making us more agile, efficient, and future-ready. Together with Glaspoort and GlasDraad[1] we expanded our fiber footprint to nearly six million, covering 69% of Dutch households, with an increasing emphasis on connecting and activating homes. This reinforces our position as the Dutch leading fiber provider.

In November 2025, we held a Strategy Update were the we reaffirmed our mid-term 3-3-7 financial ambitions. We aim to sustain healthy service revenue growth in the coming years, supported by our leading positions in Consumer and Business Markets and continued growth in Wholesale. At the same time, we are accelerating our transformation to deliver approximately €100 million in net indirect opex savings annually by 2030. By reducing capex below €1 billion in 2027, we will drive strong cash generation and attractive shareholder returns. We remain committed to returning all free cash flow to our shareholders through a combination of growing dividend and share buybacks, targeting 10% dividend per share growth in 2026 and around 25% growth in 2027 compared to 2026, alongside a €250 million share buyback program in 2026.

1 See also "Appendix 4" for the fiber footprint definition.

Revenues and other income

Adjusted revenues

Adjusted revenues[2] increased by 3.5% y-on-y. Growth was driven by higher Group service revenues (+2.7% y-on-y) across all segments, and higher non-service revenues and other (+13% y-on-y), driven by IPR settlements and contributions from Althio.

Adjusted Consumer service revenues increased by 2.0% y-on-y, driven by both Fixed and Mobile. Fixed service revenues increased by +1.3% y-on-y, as higher fiber broadband service revenues, were partly offset by lower copper (-13% y-on-y) and legacy (-14% y-on-y) service revenues. Our Fixed-mobile household base grew 53k to 1,731k and represents 61% of total Fixed households. Mobile service revenues increased by 3.7% y-on-y, mainly driven by continued solid base growth.

Adjusted Business service revenues increased by 3.6% y-on-y, with growth across all divisions. SME delivered another year of strong performance (+5.2% y-on-y), driven by continued growth in Broadband, Mobile and Cloud and Workspace. LCE service revenues increased by 0.7% y-on-y, as ongoing growth in Unified Communications, CPaaS and IoT offset price pressure in Mobile. Tailored Solutions grew by 6.3% y-on-y.

2 For definition see Appendices 2 and 4.

Adjusted Wholesale service revenues increased by 3.5% y-on-y, mainly driven by continued growth in international sponsored roaming. Broadband service revenues grew by 0.6% y-on-y, driven by fiber service revenues and services to Glaspoort (KPN Wholesale delivers PON Ethernet services to Glaspoort), partly offset by a declining copper broadband base. Mobile service revenues grew by 11%, driven by the continued strong performance of international sponsored roaming. Other service revenues increased by 2.2%, mainly driven by higher visitor roaming.

Adjusted EBITDA AL

Adjusted EBITDA AL

1 Incl. lease-related expenses

Adjusted EBITDA AL increased 5.1% y-on-y. Growth was driven by adjusted revenue growth, and lower indirect costs, partly offset by higher cost of goods and services. The adjusted EBITDA AL margin increased 70bps to 45.2%.

Cost of goods and services increased by 5.4% y-on-y, driven by higher third-party access costs, revenue mix effects, and one-off costs related to IPR settlements, partly offset by lower handset sales. Personnel expenses increased by 3.2% y-on-y, as wage indexation more than offset the FTE step-down (-307 FTEs y-on-y). IT/TI expenses increased by 8.3% y-on-y, partly due to an accounting reassessment of repair and replacement costs for cable damages. Other operating expenses decreased by 11% y-on-y, mainly reflecting lower energy costs and provision releases. Depreciation of right of use assets and interest lease liabilities decreased by 14% and 11% y-on-y respectively, primarily due to changes in the lease portfolio. The total adjusted indirect opex after leases decreased by 0.6% or €10m y-on-y.

For information on financial and operational performance per segment, see Note 3 to the consolidated financial statements.

Operating profit

Operating profit (EBIT) of €1,370m decreased by 1.6% y-on-y, as higher EBITDA was offset by higher depreciation and one-off costs in Q1 2025 related to the launch of Althio.

Financial income and expenses

Net finance expenses decreased by €5m to €287m in 2025, due to the absence of refinancing-related one-offs that impacted the prior year.

Income taxes

In 2025, we recognized a tax expense of €217m (2024: €238m). The effective tax rate for 2025 was 20.0% (2024: 21.7%). The difference in effective tax rate is predominantly due to the Innovation Box facility, tax deductibility of perpetual hybrid bonds and one-off effects, including the recognition of deferred taxes on real estate depreciation in Q4 2025.

We continue to qualify as an innovative company and therefore benefits from the innovation box tax regime, a facility under Dutch corporate income tax law whereby profits attributable to innovation are taxed at an effective rate of 9.0%. See consolidated financial statements Note 8 and "Tax governance" for further information on our tax position.

Net profit

Net profit of €855m increased by +0.9% y-on-y despite lower operating profit, driven by lower net financing costs and lower taxes. Net financing costs were lower due to absence of refinancing-related one-offs that impacted the prior year, while taxes benefitted from a one-off gain related to recognition of a deferred tax asset, of €19.6m.

Free cash flow

Free cash flow

Operational free cash flow of €1,373m increased by 9.6% y-on-y, driven by EBITDA growth. FY 2025 free cash flow of €952m increased by €52m, or +5.8% y-on-y, mainly due to EBITDA growth, being partially offset by higher cash taxes, interest payments and changes in working capital. Free cash flow margin increased 35bps to 16.3%.

ROCE

Return on Capital Employed increased to 14.7% at the end of 2025 (+30bps y-on-y), driven by operational efficiencies.

Solid financial position

We continue to maintain a strong balance sheet and liquidity position at the end of 2025. On 31 December 2025, net debt amounted to €6,302m, €342m higher compared to end of 2024. The movement in Net Debt[1] was mainly driven by the consolidation of Althio. Free cash flow generation during the year covered the €675m dividend payments and the €250m share buyback program in 2025.

Nominal debt outstanding increased to €7,326m, including €60m in short-term commercial paper. Our committed liquidity consisted of €552m in cash and short-term investments and €1,075m in undrawn revolving credit facilities. Therefore, available liquidity covers debt maturities until the end of 2028.

We remain committed to an investment grade credit profile and aims for a leverage ratio of <2.5x in the medium term. At the end of 2025, the net debt to EBITDA ratio was 2.4x (FY 2024: 2.4x) and interest cover ratio was 9.5x. On 31 December 2025, the weighted average cost of senior debt was 3.49%, 29 basis points lower y-on-y.

Capital allocation and shareholder remuneration

We continue to invest in our network infrastructure, products, customers and employees, strengthening our position as the leading Dutch telco with high-quality fixed and mobile networks. We are further enhancing customer experience by boosting the capacity, reliability and stability of its integrated network, supported by our nationwide fiber rollout and award-winning mobile network. These initiatives require ongoing investments in capex, working capital, spectrum and selective M&A, consistent within our stable capex envelope and long-term infrastructure strategy.

Aligned with the 2025 Strategy Update, we maintain a disciplined financial framework focused on sustainable Free Cash Flow growth, supported by our capex envelope, continued indirect opex reductions and strong balance sheet headroom for investments and shareholder returns.

We aim to provide a growing dividend, paid semi-annually, and being rebased to approximately 80% of free cash flow as of 2026, complemented by share buybacks. In this way, we will effectively return the full free cash flow to our shareholders, reflecting confidence in our long–term cash–generation profile.

In 2025, we executed a share buyback of €250m through which it repurchased approximately 62m shares at an average price of €4.00 per share. In November 2025, 61.5m of the repurchased shares were canceled. At the end of 2025, total shares outstanding amounted to 3,827m, of which 2.4m are Treasury shares.

We intend to pay a full year regular dividend of €0.182 per share over 2025. The final regular dividend of €0.109 per share is subject to shareholder approval at the Annual General Meeting of Shareholders on 15 April 2026. The provisional ex-dividend date is 17 April 2026, with payment expected on 27 April 2026.

Achievements in 2025

	Outlook 2025	Achievements 2025
Service revenue growth	~3%	+2.7%
Adj. EBITDA AL	>€2,630m	€2,636m
Capex	~€1.25bn	€1,263m
Free cash flow	>€940m	€952m
Regular DPS (euro-cents)	18.2 +7.0% y-on-y	18.2 +7.0% y-on-y
Share buyback	€250m	€250m

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Steering the company

Introduction

KPN's corporate governance framework is aligned with the company's strategy and meets the requirements of the Dutch Civil Code, the Dutch Corporate Governance Code, and applicable laws and regulations, including securities laws. The company is governed by its Articles of Association and internal procedures, such as the by-laws of the Board of Management and Supervisory Board.

Legal structure of the company

Royal KPN N.V. ("KPN") is a public, limited liability company established under the laws of the Netherlands, with ordinary shares listed on Euronext Amsterdam. Its articles of association were last amended on 17 April 2025.

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 members). KPN qualifies as a "large company" (*structuurvennootschap*) within the meaning of the Dutch Civil Code and applies the relevant articles of Dutch corporate law. The Board of Management is entrusted with the management of the company. The Supervisory Board oversees strategic policy making by the Board of Management and the way in which the Board of Management manages and directs KPN's operations. In the performance of their duties, the members of the Board of Management and the Supervisory Board are guided by the interests of the company and the enterprise connected with it, striving for sustainable long-term value creation, and taking relevant stakeholders' interests into account. The Board of Management is accountable to the annual general meeting of shareholders (AGM) and the Supervisory Board, in accordance with Dutch legislation. See Note 24 to the consolidated financial statements for details of KPN's legal structure.

Shareholders

Share capital, listings and indices

KPN's authorized share capital totals €720 million, divided into nine billion ordinary shares of €0.04 each and nine billion preference shares B of €0.04 each. On 31 December 2025, a total of 3,888,930,422 ordinary shares were outstanding. Since 13 June 1994, KPN's ordinary shares have been listed on Euronext Amsterdam (ticker: KPN). KPN has a Level I American Depositary Receipt (ADR) program, which allows investors to trade KPN ADRs in the United States on the over-the-counter market (ticker: KKPNY). KPN shares are included in a number of leading indices, including the AEX, the STOXX Telecommunications Index and the STOXX Europe 600 Index.

General meeting of shareholders

The general meeting of shareholders holds all powers that have not been granted to other company bodies. It is authorized to appoint members of the Supervisory Board upon binding nomination by the Supervisory Board and to dismiss the Supervisory Board. The general meeting of shareholders also adopts the financial statements, releases the members of the Board of Management and Supervisory Board from liability, determines the dividend, and approves the remuneration policy for members of the Board of Management and the Supervisory Board. In addition, certain decisions are subject to the approval of the general meeting of shareholders, including decisions entailing a significant change in the identity or nature of the company or its business and corporate matters, such as amendments to the articles of association, a merger or demerger or the dissolution of the company, and the issuance of shares or reduction of the issued capital of the company.

Within four months of the end of every financial year, the Board of Management prepares and publishes financial statements, together with a report by the Board of Management and sustainability statement. The financial statements are submitted to the AGM, to be held within six months of the end of the financial year, for adoption. Adoption of the financial statements does not automatically discharge the Board of Management or the Supervisory Board from liability. This requires a separate resolution by the AGM. Further general meetings of shareholders are held as often as the Supervisory Board or Board of Management deem necessary. The Board of Management and the Supervisory Board set the agenda of the general meetings of shareholders. Shareholders who individually or collectively represent at least 1% of the issued capital or who, according to the official price list of Euronext Amsterdam, represent at least a value of €50 million, are entitled to propose items for the agenda, within the boundaries of the law. Every shareholder is entitled to attend a general meeting of shareholders, in person or through written proxy, to address the meeting and to exercise voting rights. In 2025, KPN's AGM could be attended either in person or virtually, both enabling full exercise of meeting rights.

Obligations to disclose holdings

Pursuant to the Dutch Financial Supervisory Act ("Wet op het financieel toezicht" or "Wft"), any persons must immediately notify the Dutch Authority for the Financial Markets ("AFM") when its shareholding or voting right equals, exceeds or falls below certain thresholds of a company's issued capital, starting at a 3% threshold. The AFM discloses such reports in its public register. Below is an overview, based on this register, of shareholdings or voting rights of 3% or more in KPN's issued capital per 31 December 2025.

Date of notification to the AFM	Notification by	% of shares	% of voting rights
2 August 2022	Capital Research and Management Company	-	9.70
9 February 2024	BlackRock, Inc.	6.44	7.70
24 April 2025	The Income Fund of America	3.66	3.66
20 June 2025	State Street Corporation	3.16	2.25
27 August 2025	Amundi Asset Management	3.12	3.12
11 September 2025	Canada Pension Plan Investment Board	3.00	3.00
13 November 2025	JP Morgan Asset Management Holdings, Inc.	3.02	2.58

See Note 23 and see "Composition of the Board of Management" for information on insider transactions and share ownership by the members of the Board of Management and Supervisory Board.

Purchases of own shares and issuance of new shares

With the general aim of flexibility in financing the company, the AGM has authorized the Board of Management to purchase shares in the company's own capital as well as to decide to reduce the issued capital through cancellation of own shares held by the company by a number determined by the Board of Management. The AGM has also designated the Board of Management as the body authorized to issue ordinary shares, to grant rights to subscribe for ordinary shares, and to restrict or exclude statutory pre-emptive rights of existing shareholders upon such issuance or granting of rights. The authorities and decisions mentioned above are limited to a maximum of 10% of the issued capital as of 16 April 2025 and are applicable until 16 October 2026. Resolutions by the Board of Management implementing these decisions are subject to the approval of the Supervisory Board. In 2025, based on these authorizations, KPN completed a €250 million share buyback program, repurchasing 62,465,117 shares equal to 1.64% of outstanding shares. A total of 61,465,117 of the repurchased shares have been canceled to reduce the share capital. KPN retained the remaining 1,000,000 repurchased shares to cover employee share plans.

Supervisory Board

The Supervisory Board supervises and advises the Board of Management, guided by the interests of the company and the enterprise connected with it, and taking into account the interests of the stakeholders. It is closely involved in setting the strategy for sustainable long-term value creation and monitors the implementation of that strategy, including its operational and financial results. Major investments, acquisitions and various corporate matters are subject to Supervisory Board approval.

Members of the Supervisory Board are appointed by the general meeting of shareholders upon binding nomination by the Supervisory Board. 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 this person who has been recommended in this way unless it believes that the person would be unsuitable to fulfill the duties of a Supervisory Board member, or that such appointment would cause the Supervisory Board to be improperly composed. Currently, two members of the Supervisory Board are appointed based on the enhanced right of recommendation of the Central Works Council. Besides this statutory procedure, KPN has no employees or representatives of other workers on the Supervisory Board.

According to the Articles of Association, the Supervisory Board must comprise at least five members and not more than nine. Supervisory Board members are appointed for an initial term of four years, which ends at the first AGM after that term expires. They can be reappointed once for a four-year term and, provided specific reasons for such further reappointments are given, thereafter for a maximum of two terms of two years. The Supervisory Board has determined its profile, defining the basic principles for its composition. All nominees for election to the Supervisory Board must fit this profile: the Supervisory Board must be composed in such a way that its members are able to operate independently of each other and of the Board of Management, and that it has a diverse composition in terms of relevant criteria, including gender, background and expertise. The profile was most recently revised in 2022 and is available on KPN's website.

The by-laws of the Supervisory Board comprise rules regarding the members' duties, powers, working methods, decision-making, which decisions by the Board of Management must be submitted for its approval, training and conflict management. These by-laws are available on KPN's website.

Committees of the Supervisory Board

The Supervisory Board has four committees: the Audit Committee, the Remuneration Committee, the Nomination and Corporate Governance Committee, and the environmental, social and governance (ESG) Committee. These committees assist the Supervisory Board in its supervision, and prepare decision-making by the full Supervisory Board, to which they report their findings. Details of the tasks and terms of reference of the committees are available on KPN's website. Further information on the activities of the Supervisory Board and its committees in 2025 can be found in the "Report by the Supervisory Board".

Board of Management

The Board of Management is responsible for setting KPN's strategy and for managing the company's strategic, commercial, financial, operational, sustainability and organizational matters. The Board of Management is accountable for its performance to the Supervisory Board and to the company's shareholders. In performing its duties, the Board of Management focuses on long-term value creation for the company and the enterprise connected with it, taking into account stakeholder interests.

The members of the Board of Management are appointed and dismissed by the Supervisory Board. Members of the Board of Management are appointed for a four-year term, ending at the first AGM after that term expires. The by-laws of the Board of Management contain rules regarding members' duties, powers, required approvals, working methods, decision-making and conflict management. The by-laws are available on KPN's website.

Compliance with the Dutch Corporate Governance Code

KPN complies with all best practice provisions of the Dutch Corporate Governance Code. An overview of all principles and best practice provisions of the Dutch Corporate Governance Code as well as KPN's application of these in accordance with the "comply or explain" principle is available on KPN's website.

Conflicts of interest

The handling of transactions that may involve conflicts of interest between the company and members of the Board of Management or Supervisory Board is governed by Dutch law, the relevant provisions of the Dutch Corporate Governance Code and the by-laws of the respective boards. A board member is required to immediately report any (potential) transactions in which there may be a conflict of interest that is of material significance to the company and/or to the member concerned to the Chair of the Supervisory Board (or, in the case of the Chair, to the Vice-chair of the Supervisory Board).

The board member must not take part in discussions or decision-making on a subject about which they have a conflict of interest. Decisions to enter into transactions that give rise to a conflicts of interest and which are of material significance to the company or such members require the approval of the Supervisory Board.

There were no conflicts of interest in 2025, see "Statement on risk management and responsibility statement".

Change of control arrangements

Certain of our financing arrangements, including all senior bonds issued after 1 January 2006 and our perpetual hybrid bonds contain provisions which could trigger additional financial obligations or early redemption of the outstanding debt in case of certain changes of control. For further information, see Note 13.4 to the consolidated financial statements.

Employee participation

In accordance with the provisions of the Dutch Works Councils Act, constructive employee participation is an integral part of our corporate governance, enabling employees to be involved in organizational matters in various ways and to have a say in their work. Employee participation is an important value and part of our company culture. To align employee participation processes with KPN's practices, we have established several works councils specific to different business segments. These works councils are all represented in the Central Works Council, which is consulted on subjects of common interest or topics that concern a majority of the works councils. The Central Works Council interacts with the CEO, whereas individual works councils for a business segment interact with the director of that segment.

Dutch corporate law does not require any direct representation of employees and other workers in the management and supervisory bodies. Please refer to the "Supervisory Board" section for the enhanced right of recommendation of the Central Works Council for nomination of Supervisory Board members.

Independent auditor

The independent auditor is responsible for the audit of the financial statements and the review of the sustainability statement. The AGM appoints the independent auditor based on a proposal by the Supervisory Board. The independent auditor reports to the Board of Management, the Audit Committee and the Supervisory Board to discuss findings pertaining to their agreed procedures on a quarterly and annual basis. The independent auditor attends the AGM to answer questions pertaining to the independent auditor's report, as included in the integrated annual report. The Audit Committee approves every engagement of the independent auditor, after pre-approval by the internal auditor, to ensure the independent auditor's independence. All Audit Committee meetings are attended by the independent auditor. At the AGM on 17 April, 2024, PricewaterhouseCoopers Accountants N.V. ("PwC") was appointed as the independent audit firm of KPN for both the financial statements and the sustainability statement starting from financial year 2025 up to and including 2028.

Foundation Preference Shares B KPN (Stichting Preferente Aandelen B KPN)

KPN has granted a call option, which is not limited in time, to the Foundation Preference Shares B KPN (the Foundation), to acquire a number of preference shares B in KPN, not exceeding the total issued number of ordinary shares, minus one share and minus any shares already issued to the Foundation. Upon exercise of the call option, 25% of the nominal value of €0.04 per Class B preference share needs to be paid by the Foundation. These shares have the same voting rights as ordinary shares. The statutory goal of the Foundation is to protect KPN's interests (which includes the interests of stakeholders, such as customers, shareholders and employees) by protecting KPN from influences that may threaten its continuity, independence and identity.

Consequently, in the event of any circumstances where the company is subject to influences as described above and taking public security considerations into account, the board of the Foundation may decide to exercise the call option, with a view to enabling the company to determine its position in relation to the circumstances as referred to above, and seek alternatives. The board of the Foundation is of the opinion that under normal circumstances it should not exercise its voting rights for longer than a limited period. The members of the board of the Foundation are Ms. A.P. Aris (Chair), Mr. A.R.J. Croiset van Uchelen, Mr. C.F.H. Vogelzang and Mr. P.S. Overmars. The Board of Management has concluded that the board of the Foundation is independent from KPN in accordance with parts c and d of the first sub-section of Article 5:71 of the Dutch Financial Supervision Act (Wft). The views of the board of the Foundation, summarized above, are published on the foundation's website.

Monitoring tax proactively

Introduction

KPN is subject to taxation. We apply an open and proactive approach to our interactions with tax authorities and aim for fair and transparent taxation, enabling us to be in control of tax. We report on how we contribute to society through our tax contribution report. We act in line with our "Tax governance, strategy and principles" statement published on our website and report on tax with reference to the GRI principles for tax (GRI 207: Tax 2019). In this section, we make references to other parts of the integrated annual report. These references are included for more background information, and are not incorporating other sections of the annual report into the "Tax governance" section.

Taxes paid

KPN's tax governance provides the foundation for our total tax contribution (TTC). The TTC is, in our opinion, the result of our commitment to a fair and responsible contribution to society and the environment. As we operate mainly in the Netherlands, our TTC is almost exclusively paid to the Dutch tax authorities. Our list of legal entities (for the complete list, see Appendix 1: "About this report") shows an overview of our existing Dutch investments as well as investments in countries outside the Netherlands (mainly legacy investments). In the "Country-by-Country reporting" section an overview of the tax impact per country is provided.

Taxes paid by KPN include:

- Corporate income tax and other taxes (e.g., real estate tax);
- Taxes collected and paid as outcomes of our activities, such as VAT, wage tax and social security, dividend tax and other taxes (e.g., energy tax).

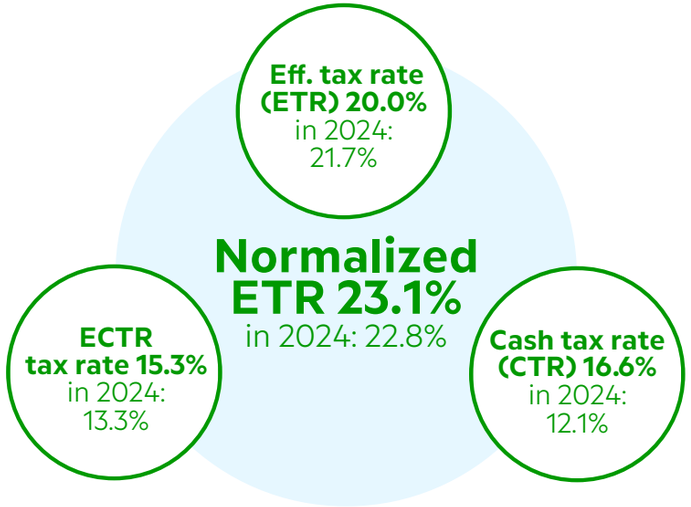
2025 (in € million)

2024 (in € million)

1 Includes a refund of €15m related to investing activities, see consolidated statement of cash flows.

Tax metrics

The different tax metrics can be expressed as follows:



Explanation:

- The normalized effective tax rate is lower than the statutory tax rate as a result of the tax benefit realized on the innovation box facility. The normalized effective tax rate excludes the tax benefit on the euro perpetual bond and the recognition of deferred taxes (see Note 8);
- The effective tax rate is lower than the normalized tax rate due to certain one-off items and includes the tax benefit on the perpetual hybrid bond and the recognition of deferred taxes (see Note 8);
- The effective tax rate and the cash tax rate differ due to the impact of available tax losses (carryforward), temporary differences (between the tax basis of assets and liabilities and their carrying values) and updates based on previous years' tax returns filed in 2025;
- The difference between the cash tax rate and the effective current tax rate (ECTR) is mainly caused by cash tax paid on previous taxable years (mainly 2024) included in the cash tax rate;
- The 2024 cash tax rate of 12.1%, includes a -/- 1.4% refund related to investing activities.

Current tax position

In 2025, the following developments and projects were particularly relevant to us from a tax perspective:

- Acquisition of Althio (see Note 21) including analysis of this acquisition in relation to the existing agreement with the Dutch tax authorities on the application of the innovation box (iBox) facility up to 2029;
- Use of realized losses (tax loss carryforwards), which is the main reason for the difference between KPN's effective and cash tax rates;
- Determination and implementation of the tax (reporting) consequences of several treasury events (share buyback program, issuance of a senior eurobond, and restrike of fair value hedges – see Note 13);
- Legal proceedings on VAT calculation methodology regarding the introduction of new mobile consumer propositions in August 2016 (see Note 20 and the "Risk" section);
- Tax credit for research and development on labor costs via the Research and Development Promotion Act (WBSO);
- Reviewing and monitoring the external workforce management process to comply with wage tax legislation following the lifting of the enforcement moratorium by the Dutch tax authorities as of 1 January 2025;
- Upgraded risk matrix and tax control framework in regard to wage tax;
- Coordination with the Dutch tax authorities on the implications of real estate transfer tax for passive infrastructure integration;
- Implementation of tax compliance processes including preparation and filing regarding the global minimum tax (Pillar II) and country-by-country reporting;
- Stakeholder dialogue on mediation and taxation.

Risk

With regard to WBSO and Innovation Box benefits: We have a volatile number of eligible hours for WBSO, mainly due to divestments, mergers and acquisitions, outsourcing and other transformations, and varying assessment of innovation activities.

The introduction of new mobile consumer propositions in August 2016 prompted a change in our VAT calculation methodology, which resulted in a lower remittance of VAT from August 2016 until December 2018. Our view was not shared by the Dutch tax authorities. Based on the applicable regulations, we concluded that a positive outcome of this dispute is not highly probable and recorded a contract liability for the VAT amount. In addition, an amount for the corresponding interest fee has been accounted for. A potential negative outcome of the current court proceedings will lead to a cash outflow of an amount up to the non-current variable considerations, which include interest accrued. For further details, see Note 20. For countermeasures and more general tax risk descriptions, see the "Compliance and risk" section.

Looking ahead

Carryforward of losses

The carryforward of losses will reduce tax payments on certain profits made by KPN by 50% up to and including 2026. Based on current projections, we will utilize all losses for which a deferred tax asset is recognized in 2026. Due to the fiscal unity loss compensation rules, certain profits made are not eligible to be offset against these current and future available losses.

Global minimum tax

The impact of the global minimum tax, Pillar II, is limited to additional compliance and administrative activities. We expect, based on the safe harbor rules, to report an effective tax rate above the minimum of 15% (and to apply the de minimis test for immaterial payables for top-up taxes for the other countries in which we have a legal presence). See Note 8 for further guidance on the IFRS Accounting Standards consequences of the global minimum tax.

Potential developments

We monitor potential developments in the tax environment that may affect our tax position on an ongoing basis. These include:

- EU/OECD harmonization of corporate income taxes;
- Potential changes to the Dutch Tax Act (value added tax, wage tax, dividend tax and corporate income tax);
- Environmental and energy taxes;
- Jurisprudence.

We will continue to extend and optimize our tax control framework (VAT, wage tax and corporate income tax), as part of our total IT landscape, by simplifying, automating and integrating administrative processes, controls and systems now and in the near future.

Tax governance, strategy and principles

Although tax is not considered a material item based on the double materiality asessment as explained in the sustainability statement, we consider tax relevant and report on taxation with reference to the 2019 GRI disclosures for tax 207 and on governmental allowances for economic performance 201:

- 207 — 1 Approach to tax;
- 207 — 2 Tax governance, control and risk management;[1]
- 207 — 3 Stakeholder engagement and management of concerns related to tax;[2]
- 207 — 4 Country-by-country tax reporting;
- 201 — 4 Financial assistance received from government.[3]

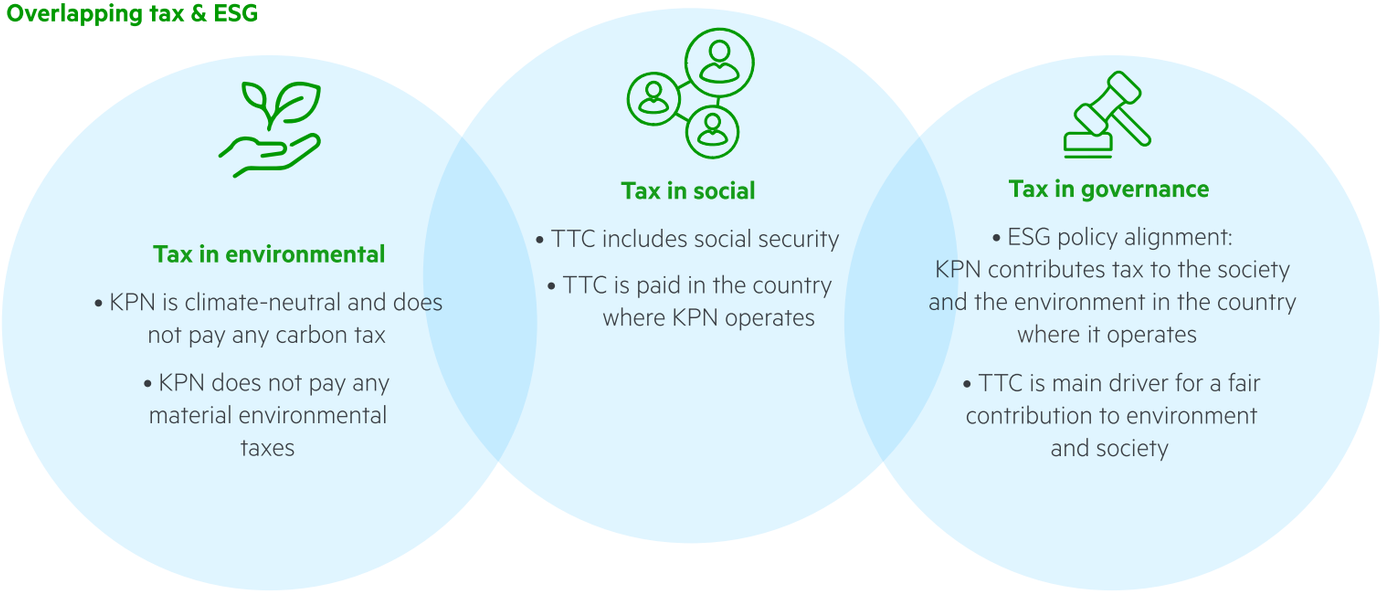
Approach to tax

We follow a tax approach in which principles of mutual trust, understanding and transparency are crucial. This approach is fundamental to KPN's "Tax governance, strategy and principles"[4] and is based on our code of conduct (also referred to as business conduct) and the Tax Governance Code published by the Confederation of Netherlands Industry and Employers (VNO-NCW).[5] KPN's "Tax governance, strategy and principles" are confirmed by the Board of Management annually.

KPN's tax objective is based on our "Tax governance, strategy and principles". The tax objective including the tax risk appetite form part of the internal risk management and control systems as explained in the "Compliance and risk" section. In line with the described prudent risk appetite, a detailed tax risk appetite dashboard has been defined and is regularly updated. As part of the ESG strategy (see "General information" in our sustainability statement) tax follows the business and does not have a focus on any of the three pillars in our ESG manifesto (see the "Sustainable value" section). Our impact on society and the environment is limited to our Dutch operations. The next figure provides an overview of our impact from a tax perspective.

1 Explained in "Tax control framework" section.
2 For concerns related to tax see also the explanation in the "Risk" section.
3 Explained in "Government allowances" section.
4 For more information, see information on KPN IR website.
5 For more information, see information on VNO-NCW website.

Overlapping tax & ESG



Tax control framework

An important pillar of our "Tax governance, strategy and principles" is our tax control framework (TCF). The role of the framework is to ensure complete, accurate and timely tax reporting, including compliance and to determine, monitor and mitigate relevant tax developments, including tax risk. The TCF is an integral part of our control environment and is subject to the three lines of defense as described in the "Compliance and risk" section. Our Corporate Tax department is responsible for effectively identifying, assessing and managing the main tax risks of the company and for an effective and operational TCF.

Identified tax risks and TCF effectiveness are monitored and evaluated every quarter with the CFO, as the responsible representative on the Board of Management.

Inspired by best practices of tax governance and compliance, we manage all relevant taxes and secure optimum use of subsidy opportunities, in adherence to our "Tax governance, strategy and principles". It is important to create sufficient tax awareness throughout the organization, and to this end, we regularly hold meetings,

provide updates, and deliver training to ensure employees act with integrity and comply with our "Tax governance, strategy, and principles". Our whistleblower policy[1] applies also to tax. Misconduct or suspicion of misconduct relating to tax must be reported. With our TCF we have a mechanism in place to monitor accounting developments, events and tax legislation so as to identify potential risks.

Potential and identified tax risks (including countermeasures) are explained in the "Compliance and risk" section and this section. To ensure a dynamic and up-to-date tax-control environment, the effectiveness of our TCF is tested bi-annually by the second line department Corporate Control Risk Management (see three lines of defense) and reviewed by the Internal Audit department annually.

PwC performs a limited assurance engagement over this "Tax governance" section with reference to the GRI Sustainability Reporting Standard 207: Tax 2019, as issued by the Global Sustainability Standards Board (GSSB); see the "Independent auditor's report".

1 For more information, see information on KPN IR website.

Stakeholder engagement

Our relationship with the Dutch tax authorities is based on the principles of transparency, respect and trust. In the Netherlands this is embedded in the individual monitoring plan (*Individueel Toezichts Plan*) agreed with the Dutch tax authorities, which aims to enhance clarity and upfront certainty around tax. To this end, we engage proactively with the tax authorities, meeting on a regular basis to ensure that our business dealings are better understood and to exchange views and insights on various tax matters. We disclose all relevant facts and circumstances. This open, two-way communication enables us to minimize uncertain tax positions.

We actively participate in representative associations that seek to develop best practices around tax-related disclosures, including public-policy advocacy on tax. We liaise with tax departments of other companies through formal and informal consultative bodies to exchange views. We also use benchmark studies and NGOs such as the Dutch Association of Investors for Sustainable Development (VBDO) to receive feedback on tax and other matters that are important to doing business transparently and responsibly in the current and future operating environment.

Our tax department actively participates in seminars and courses to stay up-to-date with developments on taxation, including its effects on the society in which we operate. Although we acknowledge today's high standard for multinationals regarding fair taxes, we are not always in a position to insist on the same standard from other parties with which we do business. With regard to the involvement of third-party expertise, we apply the principles as set out in our "Tax governance, strategy and principles", and expect the relevant experts to take into account these guiding principles when providing the requested tax expertise.

Government allowances

Government allowances include:

- Tax deduction on current year innovation box facility (iBox);
- Tax credits for research and development (WBSO);
- European and national government grants (Other).

2025 (in € million)

2024 (in € million)

Allowances received from EU are registered in the EU Transparency Register.

With regard to the innovation box facility: KPN is an innovative company and concluded an agreement with the Dutch tax authorities on how to apply the innovation box facility resulting in lower tax contributions.

Country-by-country tax reporting

In € million or FTE		Total unrelated income[1]	Total related income	Profit / (Loss) before tax excl. associates and joint ventures	Corporate income tax expense	ETR	Corporate income tax cash flow	Corporate income tax receivable/ payable CY	Other tax cash flow mainly VAT & payroll	Property plant and equipment[2]	Employees end of year (FTE)	ECTR
NL (Regular operating activities)	2025	5,809	85	1,092	-217	19.8%	-179	19	-1,171	6,571	9,136	15.1%
	2024	5,620	474	1,111	-238	21.4%	-133	17	-1,121	6,219	9,664	13.3%
IRL (Main activity: insurance)	2025	1	8	1	-0	15.8%	0	-0	-	-	-	16.5%
	2024	-	8	1	-	17.0%	-	-	-	-	-	15.1%
UK (Main activity: pension)[3]	2025	-	-	-12	-	0.0%	-	-	-	-	-	0.0%
	2024	-	-	-13	-	0.0%	-	-	-	-	-	0.0%
USA (Main activity: pension)[3]	2025	-	1	2	-	0.0%	-	-	-	-	-	0.0%
	2024	-	1	-	-	0.0%	-	-	-	-	-	0.0%
Total[4]	**2025**	**5,809**	**93**	**1,082**	**-217**	**20.0%**	**-179**	**19**	**-1,171**	**6,571**	**9,136**	**15.3%**
	2024	**5,620**	**483**	**1,100**	**-238**	**21.7%**	**-133**	**17**	**-1,121**	**6,219**	**9,664**	**13.3%**

1 Unrelated income is the total of revenues and (other) financial income.
2 Tangible assets other than cash and cash equivalents.
3 See Note 17 Retirement benefits.
4 For an overview of KPN's legal entities see Appendix 1.

Regulation that affects our business

Compliance with regulation

KPN is subject to sector-specific regulation and its enforcement by regulatory authorities, such as the Dutch Authority for Consumers and Markets (ACM), the Dutch Data Protection Authority (AP) and the Dutch Authority for Digital Infrastructure (RDI). As outlined in the "Compliance and risk" section, KPN's internal risk management and control systems are designed to minimize the risk of non-compliance with such regulations and to anticipate new rules and legislation.

European developments

Regulation of the electronic communications market is largely based on European legislation. The EU's roaming and open internet access regulations are directly applicable in all member states. In addition to sector-specific rules, KPN is subject to general regulations, such as privacy law, cybersecurity law, content-related law and consumer protection law.

In 2025, the AI Act and the Gigabit Infrastructure Act (GIA) came into force. However, throughout 2025, there were debates and subsequent initiatives to fine-tune the AI Act. The GIA still needs to be transposed into Dutch law.

In 2025, the EU Accessibility Act (EAA – for products and services) and the EU Data Act entered into force. The latter introduces new rules on data access and cloud portability. In 2025, the European Union adopted two "Omnibus" packages simplifying sustainability rules by amending the CSRD and CSDDD. These changes include postponing reporting and application deadlines for later implementation waves and raising scope thresholds, shifting certain obligations to 2028-29. As a Wave 1 company, KPN remains subject to the original CSRD timeline and is continuing preparations for CSDDD compliance.

On 21 January 2026, the European Commission published the proposal for the Digital Networks Act (DNA), modernizing and harmonising the EU framework for digital connectivity through a single, uniform regulatory regime. Additionally, the Commission has planned to publish the proposal for the Cloud and AI Development Act in the first half of 2026. Finally, the Commission prepared a Digital Omnibus package.

Security concerns based on geopolitical developments

Stakeholders at European, national and local levels are paying increased attention to security concerns about control over telecoms operators through investments, and the potential security risks in networks. In the Netherlands, legislation can specify whether operators can use equipment from non-Western vendors in specifically designated (critical) parts of mobile networks. Moreover, specific security requirements for mobile networks have been implemented in those critical parts, to conform with a specific ministerial decree. The RDI has been monitoring this closely. In addition, the Minister of Economic Affairs may prohibit or limit the acquisition of or control over a range of significant telecoms companies on the grounds of national security or public order.

Spectrum licenses

With the auction of the 3.5 GHz band behind us, the situation regarding spectrum licenses is likely to be stable in the next few years. Each of the three mobile operators has spectrum licenses in the 700, 800, 900, 1400, 1800, 2100, 2600 and 3500 MHz bands. As these licenses are all technology-neutral, KPN has the ability to deploy its spectrum increasingly for 5G.

A new multiband auction is foreseen for 2028-29, as a significant number of licenses expire in 2030 and will need to be re-auctioned: the 800, 900, 1800 and 2600 MHz bands. On top of these bands, it is likely that some additional spectrum will become available in the same timeframe: the 26 GHz band and the upper 6 GHz band. It is as yet unclear how much spectrum will become available in these bands for national mobile licenses.

The Dutch government has embarked on an evaluation of the previous two auctions (in 2020 and in 2024) as well as its spectrum policy. Once this exercise is concluded, it will start preparing for the multiband auction.

Dutch access regulation

KPN has made binding commitments on access to its fiber networks which will be in effect until 2030. ACM published a market assessment (on both the fixed and mobile broadband markets) in early 2025. Following this assessment, ACM concluded that there were no worries about the mobile internet market, but that there was some concern about competition in fixed internet markets. ACM has subsequently been investigating the internet market for speeds below 100 Mb/s and published its finding at the start of 2026.

Maintaining effective internal risk management and control systems

Introduction

KPN places great importance on being in control of its operations and the achievement of its strategic goals. For this reason, we implement internal risk management and control systems to manage risks efficiently and effectively, and to safeguard the achievement of our strategy and objectives. These systems are embedded in our daily processes and activities as necessary.

This section describes our internal risk management and control systems. We also outline the evaluation procedures that are performed during the year and the main outcomes of these evaluations.

KPN has always been committed to maintaining strong internal risk management and control systems, in line with our risk appetite. These systems have managed a broad spectrum of risks, with particular attention on ensuring reliable financial reporting. We observe a growing interest in risk management and compliance in the external environment, reflected for example in the introduction to the statement on risk management ("Verklaring omtrent Risicobeheersing" or VOR) in the Dutch Corporate Governance Code as of 2025. As the VOR also comprises reliable sustainability reporting risks and operational and compliance risks, our focus this year and in the coming years will be on enhancing the management of these new risk categories, where applicable.

Although we devote much attention to the design, implementation and evaluation of these systems, there is no absolute assurance that these will avoid or mitigate every risk that KPN faces.

As a learning organization, KPN continuously works to evaluate and improve these systems. This is an ongoing journey and continuous improvement process that aims to respond effectively to new insights and new developments. Should any shortcomings be identified during our review processes, we are committed to taking appropriate and timely action to address them.

This section discusses KPN's approach to risk management for the following risk categories:

1. Reporting risks for financial statements;
2. Reporting risks for the sustainability statement;
3. Operational risks;
4. Compliance risks;
5. Strategic risks.

This section also includes the statement on risk management (Verklaring omtrent Risicobeheersing or VOR), which focuses on risk categories 1 – 4.

Governance

Three lines model

The Board of Management is ultimately responsible for identifying, assessing and managing the risks KPN faces in executing its strategy and activities. The Board of Management is also responsible for setting the company's risk appetite and for the design, implementation and maintenance of our internal risk management and control systems, including monitoring their effectiveness.

KPN applies the so-called "three lines" model, comprising:

- First line: Business management, whose duty it is to effectively identify, assess and manage the main risks of the company within the risk appetite as set by the Board of Management, in line with the steps discussed in this section. Business management also owns the risks, control frameworks and other risk responses;
- Second line: Departments such as Corporate Control Risk Management, the Compliance and Integrity (C&I) department and the Corporate Information Security Office (CISO) are responsible for the risk management, compliance and security procedures and testing of the controls for operational effectiveness. They are also responsible for supporting and challenging business management in their assessment and management of the main risks;
- Third line: KPN Audit performs, where necessary, independent reviews of the design and operating effectiveness of the internal risk management and control systems. The main results of both the risk assessments and the evaluation of the internal risk management and control systems are shared with the Supervisory Board and discussed with the independent auditor.

The Supervisory Board, supported by its Audit Committee, oversees KPN's internal risk management and control systems, including the company's risk appetite and the design and operating effectiveness of these systems.

Use of international frameworks

For the generic design, implementation and evaluation of the internal risk management and control systems we use guidance as described in the COSO Internal Control – Integrated Framework (2013). For specific risk categories and where relevant, additional internationally accepted frameworks are used to identify inherent risks and to design and evaluate control measures, such as ISO standards.

VOR statement

As mandated by the updated Dutch Corporate Governance Code of 2025 (hereafter the Code), the Board of Management has included a VOR statement in this report. The scope of the VOR statement can be summarized as follows:

Risk category	Financial	Sustainability	Operational	Compliance
Statement	Reporting does not contain any material inaccuracies		Risks are effectively managed	
Certainty level	Reasonable assurance	Limited assurance	To be decided by the company	

To implement and oversee the VOR, KPN formed a steering group and a project team with involvement of experts from Risk Management, KPN Audit, Compliance & Integrity and CISO. The key activities for the VOR were as follows:

- Select appropriate international frameworks for design and evaluation of the internal risk management and control systems;
- Define the certainty levels for compliance and operational risks, based on the risk appetite of the Board of Management (for reporting risks the required assurance levels are already predefined by the Code);
- Discuss the draft approach, VOR statement and related substantiations with the Board of Management and the Audit Committee;
- Define the main risks per risk category and document main implemented control measures that are available to manage these risks within the risk appetite;
- Evaluate the effectiveness of these measures (are the risks managed broadly in line with the risk appetite with the required assurance or certainty levels) and – where necessary – define improvement actions.

In 2025, the Board of Management and the Audit Committee of the Supervisory Board were periodically informed about progress of the activities and main findings.

The VOR statement is included in the "Statement on risk management and responsibility statement". The design and evaluation of the internal risk management and control systems (the substantiation of the VOR) is included in the "Description of KPN's internal risk management and control systems" and "Evaluation of KPN's internal risk management and control systems".

KPN's internal risk management and control systems

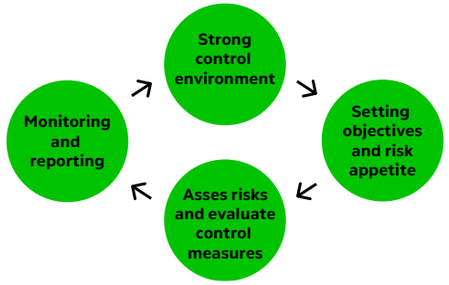
High level process

KPN has implemented internal risk management and control systems to manage – within the Board of Management's risk appetite – the main risks that could hinder the achievement of the company's objectives.

KPN distinguishes the following risk categories:

1. Reporting risks for financial statements: risks that could lead to material misstatements in KPN's financial statements;
2. Reporting risks for sustainability statement: risks that could lead to material misstatements in KPN's sustainability statement;
3. Operational risks: risks that could lead to disruption of our operational processes and could impact the quality of our services to customers;
4. Compliance risks: risks that could lead to breaches of laws and regulations;
5. Strategic risks: strategic and external risks that could hamper the realization of KPN's strategic objectives.

Below, we describe the internal risk management and control systems and the measures that have been taken to manage the risks in these respective categories. We also describe the evaluation procedures used to assess the effectiveness of these systems, including the main conclusions of these and any improvement actions.



Maintaining effective internal risk management and control systems requires a continuous and iterative process involving several steps. A strong risk culture and control environment form an important foundation of our systems. After setting the strategy, the Board of Management defines its willingness to accept or manage the risks (risk appetite) in the pursuit of its objectives. Management assesses the main risks that could hinder the achievement of these objectives, and defines and implements countermeasures to mitigate such risks, taking KPN's risk appetite into account.

At least annually, KPN's top risks and evaluations of the internal risk management and control systems are reported to and discussed with the Board of Management, which identifies further remedial actions if necessary. The Board of Management shares its views and actions with the Supervisory Board's Audit Committee.

The main process steps are detailed in the following sub-sections.

Strong control environment: implementing and fostering a robust risk culture

KPN aims for a business culture in which compliance and integrity are self-evident for all employees. We foster this in several ways, including the KPN code of conduct, a communications and training program on compliance and integrity issues, a whistleblower procedure (grievance mechanism for e.g., KPN employees and workers in the value chain) and the implementation of the business control framework, which comprises all corporate policies and guidelines that are mandatory for KPN's segments and entities.

KPN has a broad set of entity level controls, high-level internal controls that apply across the entire organization, rather than being limited to a specific process or department. They are designed to ensure that the company's overall control environment is effective, for example on topics such as:

- Tone at the top: leadership's commitment to integrity and ethical values;
- Code of conduct and ethics policies;
- Whistleblower programs;
- Board of Management and Supervisory Board (including Audit Committee) oversight.

KPN's approach to achieving a strong culture is further described in detail in the sustainability statement, see section "Business conduct".

Setting objectives and risk appetite

KPN's objectives and strategy are described in the "Strategy and key performances" section. During the year, senior management takes into account the company's known risks and opportunities, and the risk appetite (see below). Objectives and strategy are discussed with the Supervisory Board.

Pursuing any business objective inevitably involves taking risks. Risks can jeopardize achieving those objectives in various ways. Each type of risk encountered is dealt with in a manner that matches the risk appetite set by the Board of Management. This risk appetite is the total residual impact of risks that KPN is willing to accept in the pursuit of its strategic objectives. The risk appetite per objective or risk area is determined by the Board of Management every year. These risk areas include strategic, operational, compliance, sustainability and financial reporting. Risk areas with a low risk appetite require strong risk management procedures and internal controls. Due to the nature and impact of certain risks, KPN is willing to accept a higher risk appetite, which will result in different actions and efforts and, consequently, lower levels of control in certain areas.

KPN has a well-balanced and prudent risk appetite, which as follows by risk category:

- Financial reporting risks: We aim to minimize the risk of material misstatements in our financial statements;
- Sustainability reporting risks and sustainability risks: We aim to minimize the risk of material misstatements in our sustainability statement. For sustainability risks, reference is made to the "Sustainability statement";
- Operational risks: We are committed to a high quality of customer service, reflected in a high NPS. We aim to limit the number of interruptions to our networks, services, and systems as much as possible. We implement strict policies to keep our networks and customer data private, safe and secure;
- Compliance risks: We are committed to comply with relevant laws and regulations. Our overall risk appetite for tax risk (including tax compliance) reflects our respect for the text, intent and spirit of the law at all times. We have defined a separate tax risk appetite dashboard to keep the number of tax errors to a minimum and prevent any tax exposures;
- Strategic risks: In the pursuit of our strategic objectives, we are willing to accept reasonable risks in a responsible way, taking into account our stakeholders' interests. For financing risks (part of strategic risks), we aim for the right balance between a prudent financing policy, sufficient investment in the business and fair shareholder remuneration. KPN is committed to an investment-grade credit profile. See Note 13 to the consolidated financial statements.

Assessing risks and evaluating control measures

Introduction

Base level of risk management

KPN has established a set of foundational measures to manage risks in a structured and consistent way, ensuring that the company's objectives and the interests of all stakeholders are safeguarded. These measures, embedded throughout the organization, are fundamental to the way we do business and form the basis of risk management.

At the core, KPN defines its strategy, purpose, and objectives — see "Strategy and key performances" section — which are further elaborated into policies and codes of conduct. Governance is structured through a clear organizational framework, supported by well-defined systems, processes, working instructions, operational procedures and entity level controls.

The company invests in attracting skilled and talented professionals, with a strong focus on training, coaching, and a motivating reward system. Management plays a key role in executing policies and processes, building effective teams. They are primarily responsible for conducting regular risk assessments and implementing appropriate control measures aligned with KPN's risk appetite, ensuring that strategic goals are achieved. In this way, risk management is an integral part of daily business operations.

Open discussions on objectives, risks, and corrective actions are held during regular team meetings. Progress towards strategic goals is monitored through reviews based on management reports and KPIs. Where necessary, improvement programs are initiated to steer performance in the right direction.

All of this takes place within a culture of openness and integrity, see "Strong control environment: implementing and fostering a strong risk culture" section, which reinforces the effectiveness of the base-level risk management framework.

Nevertheless, these measures provide only a base level of certainty regarding the effective management of the risks.

Enhanced level of risk management

In addition to the base-level measures, KPN has implemented enhanced controls for specific risk areas where KPN has a lower risk appetite. These additional measures provide an enhanced level of certainty to manage the risks broadly in line with our risk appetite and strategy. Enhanced controls are implemented through KPN internal control systems (KICS) such as control frameworks and other specific measures, which are described below and in the following paragraphs.

KICS refer to control frameworks that consist of risks and internal control measures to manage those risks within KPN's risk appetite. A substantial part of the internal control measures in the KICS frameworks are periodically reviewed and evaluated by Risk Management, Compliance & Integrity, Corporate Information Security Office (CISO) or KPN Audit on design and operational effectiveness.

KPN internal control system	KPN internal control system objective	Relationship with VOR
1. Liquidity management and financial framework	To ensure financial continuity	[1]
2. Year plan and year outlook	To create shareholder value in the long-term	[1]
3. Network service levels	To maintain customer service delivery levels	Operational risks
4. Reliable financial reporting	To maintain investor trust in financial reporting	Financial reporting risks
5. Compliance with laws and regulations	To maintain compliance with external requirements	Compliance risks
6. Reliable sustainability reporting	To maintain corporate responsibility and integrated sustainability reporting	Sustainability reporting risks
7. IT security and continuity	To mitigate cybersecurity threats and to safeguard continuity of services	Operational risks

1 Contributes to the management of strategic risks, which are not included in the VOR.

The KICS systems and other enhanced level measures are further described in the following subsections.

Risks to reliable financial reporting

Our internal controls for reliable financial reporting (the RFR framework) are designed to ensure that material misstatements in KPN's financial statements are prevented or detected in a timely manner. The overall effectiveness of these controls is assessed and evaluated on a regular basis by Risk Management and KPN Audit . The entire key control framework is tested and evaluated each year. The control measures related to RFR are designed to provide reasonable assurance regarding the reliability and fair presentation of the financial statements. The associated risks and controls are periodically discussed with the independent auditor. During their audit of the financial statements, the auditor evaluates and, where appropriate, places reliance on these controls as part of its audit procedures.

The Quarterly Reporting Review team (with members from External Reporting, General Counsel Office, Treasury, Corporate Communications, Tax, KPN Audit and Investor Relations) examines all annual and quarterly financial reports intended for external publication.

Risks to reliable sustainability reporting

In 2024, KPN initiated the design and implementation of internal controls for reliable sustainability reporting (the RSR framework). Its purpose is to prevent or promptly detect any material misstatements in KPN's sustainability statement.

In 2025, controls were developed for the material sustainability KPIs within the RSR framework. A part of this key controls have been tested for design effectiveness and implementation, and we are currently working on the automation of the calculation and reporting of some internal KPIs.

The key controls, supported by substantive testing, are intended to provide limited assurance on the reliability and fair presentation of the sustainability information. Related risks and controls are discussed with the independent auditor.

Implementation procedures for the RSR framework are described in the "General information" section of the sustainability statement. For a detailed overview of sustainability impacts, risks, and opportunities, see the "Double materiality assessment" and the "IRO table" in the sustainability statement.

Operational risks (including security and business continuity)

As discussed in the "Base level of risk management" section, we have implemented several base-level measures that also contribute to the management of operational risks within the risk appetite. Examples of these base-level measures are well-designed working instructions, operational processes, systems and the hiring of skilled and experienced staff members. Such measures are designed and implemented to manage the operational risks in a generic way and within the established risk appetite.

However, for specific domains a lower risk appetite has been defined. For these domains, we have implemented additional control measures to ensure that risks are managed in accordance with the stricter risk appetite. These additional measures provide an enhanced level of comfort that the risks in these specific domains are effectively managed. The most relevant additional measures are described below.

Resilience

To meet the continued demand for resilient and secure services, KPN has merged its security and operations strategy, governance and organization in 2025. The resilience principles are embedded in KPN's security and network operations and are further operationalized through the 5A model (adaptive, automate, aware, assure and always on). We continuously improve the quality of our internal operational and security processes to mitigate security risks for our customers.

KPN has a federated security model in which the central CISO organization sets the policy and central processes and implements these together with the federated security organizations that execute the security mitigations together with all operational teams.

Our approach to resilience takes the external threat landscape, emerging technologies and legislative framework as a starting point. This information is translated toward our company-wide policy. The KPN security policy (KSP) provides a comprehensive policy framework that defines strong security, business continuity and quality of service measures. These policies are aligned with internationally recognized standards, including but not limited to NIST, ISO, ITIL and ETOM. This policy is evaluated periodically to ensure alignment with emerging technologies and the evolving risk landscape.

The policies are translated into companywide processes which are implemented in our business lines. We have (integrated) controls in place which provide a structured approach to managing risks and demonstrating compliance. A risk-based approach is in place to assess the completeness, timeliness and accuracy of the control execution. If non-compliances are detected, issues and follow-up actions are defined and documented. Quarterly monitoring and validation on the issue resolution is performed and reported to senior management.

KPN's cybersecurity capabilities are supported by 24/7 monitoring through the Security Operations Center (SOC), proactive threat detection by the Red Team, and coordinated incident response by the Computer Emergency Response Team (CERT). Together, these elements ensure the resilience and security of KPN's digital services for both customers and internal operations.

We have business continuity plans in place to safeguard the continuity of services to customers and our critical systems and processes. For more information on security, see the "Privacy" and "Security" sections in the sustainability statement in this report.

To meet the assurance needs of our large enterprise customers, KPN provides ISAE 3000 assurance reports for selected services. These reports offer independent assurance on the design, implementation, and operating effectiveness of internal controls relevant to our service delivery. These assurance reports support our customers in meeting their own compliance and audit requirements.

Quality of services

KPN is continuously working to maintain state-of-the-art networks for both our fixed and mobile services. The quality of these networks is expressed in terms of stability, reliability and a high level of service availability. To ensure our service availability, we have designed our network to be robust. Our most vital network functions are hosted in our multiple main data centers, and are deployed geo-redundant over these data centers. These main data centers are equipped with a redundant connection to the electricity grid and an emergency power supply. Our access networks, services and IT comply to state-of-the-art standards needed to be resilient for a multitude of scenarios, such as short-term outages in the electricity grid. We focus strongly on operational excellence by making ongoing improvements in terms of rationalization, simplification, and operational efficiency. We are further simplifying and streamlining our operating model to prepare for the next wave of digitalization, which will enhance the customer experience, improve KPN's time-to-market and contribute to further cost efficiencies.

KPN's quality of services capabilities are supported by CISO Operations. CISO Operations performs 24/7 monitoring of our services, proactively detects disruptions, manages major incidents and coordinates network and IT changes.

Compliance risks

As outlined under "Base level of risk management", we have implemented several base-level measures that contribute to the management of the compliance risks within the risk appetite. Base-level measures include, for instance, fostering of a culture of integrity and honesty, and the implementation of a code of conduct and business policies. Such measures are designed and implemented to manage the compliance risks in a generic manner and within the established risk appetite.

However, for specific regulations a lower risk appetite has been defined. For these domains, we have implemented additional control measures to ensure that risks are managed in accordance with the stricter risk appetite. These additional measures provide an enhanced level of comfort that the risks in these specific domains are effectively managed.

To determine which regulations present with an increased risk of non-compliance, a compliance risk assessment (or compliance impact analysis) is performed. For regulations classified as high-risk, such as elements of telecommunications, competition, consumer, financial services (e.g., credit) and privacy regulations, enhanced control measures are implemented, for example compliance control frameworks. All key controls within these frameworks are tested throughout the year by dedicated staff. For all other regulations, base-level measures are considered sufficient.

This year, we have emphasized compliance with labor laws in our fiber rollout, especially for contractors employing non–EU workers. We work closely with these contractors to verify that all workers are authorized to work in the Netherlands and have the proper documentation. We perform our own checks, but also have to rely in part on our contractors' diligence.

Tax

Our tax objectives, including tax compliance, are covered in KPN's "Tax governance, strategy and principles". An important pillar of our "Tax governance, strategy and principles" is our tax control framework (TCF). The role of the framework is to determine, monitor and mitigate tax risks and to ensure complete, accurate and timely tax reporting, including compliance. As a core part of corporate responsibility and governance, with respect to society and the environment, the Corporate Tax department recommends the most tax-efficient and responsible approach in the interest of all stakeholders, while adhering to KPN's tax principles and complying with all relevant tax laws and regulations. This determines our overall tax risk appetite. As KPN proactively engages with Dutch and other tax authorities, tax exposures, if any, are contained and under control. Besides potential tax exposure, reputational risk is always a consideration in tax planning.

Fraud, bribery and corruption

Please see the "Business conduct" section in the sustainability statement for a description of our activities to protect against fraud, bribery and corruption.

Strategic risks

KPN's sound business strategy is the foundation for monitoring and countering our main strategic risks. Our business objectives are detailed in a strategic business plan, which is also reviewed and approved by the Supervisory Board. Progress is monitored in our business plan cycle; each month, segment management discusses actual performance with the Board of Management. Every quarter, we perform a "most likely" forecast three to six quarters ahead on the main financials and key performance indicators for these objectives. Segments update the main risks and opportunities, resulting in a range of outcomes around expected performance.

Every year, we assess the top risks at group level (top-down approach) and segment level (bottom-up approach), and, if necessary, implement countermeasures to mitigate these within the defined risk appetite. We conduct risk assessments with our Consumer, Business, Wholesale and Operations segments, as well as with selected staff functions in the Corporate Center. For each risk, countermeasures are defined and implemented to manage the risk appropriately (e.g., via control frameworks or other management activities).

Scenario analyses

We perform scenario analyses periodically to test the impact of several extreme events on KPN's financial health. For scenarios that provide insight into ESG-related risks and opportunities (such as energy scarcity, greenhouse gas emissions and working conditions in the value chain), see the "Financial materiality assessment" in the sustainability statement.

Financing risks

Our Corporate Treasury department manages risks related to cash and debt positions, finance agreements, credit ratings, currency and interest exposures, counterparty risks, and nonlife insurance (see Note 13 to the consolidated financial statements). Corporate Treasury has defined policies with clear boundaries for these risks. Compliance with these policies is monitored frequently.

Monitoring and reporting

Segment management provides the Board of Management with a quarterly letter of representation regarding a.o. the effectiveness of their internal controls over financial reporting and compliance with telecommunications laws, internal policies and other laws and regulations. Twice a year, Corporate Control reports top risks and countermeasures to the Board of Management, including recommended improvement actions.

Critical concerns are communicated on a quarterly basis to both the Board of Management and the Supervisory Board. This communication includes a KICS Report (report of the second and third lines combined, showing the evaluation of the internal controls systems at a given time), an internal audit report (status and progress of risk-based audit activities), a compliance report (status and progress of new regulations and/or incidents) and a quarterly Board report from the external auditor to the Board of Management.

Evaluation of KPN's internal risk management and control systems

Evaluation procedures performed

In 2025, KPN evaluated the internal risk management and control systems on design and operating effectiveness, taking into account KPN's risk appetite for the respective risk categories. KPN Audit and second-line functions systematically assessed the effectiveness of these systems.

During the evaluation, certain weaknesses, deficiencies and improvement actions were identified and implemented. Where deemed appropriate, alternative procedures were conducted to obtain the required assurance. Evaluation findings and conclusions were shared with business management, which is responsible for implementing improvement actions. The internal risk management and control systems are continuously improved where necessary, to meet changing requirements of both internal and external stakeholders.

Main conclusions

During the evaluation procedures of 2025, KPN did not identify major failings in the internal risk management and control systems for any of the risk categories. Based on this evaluation, we issued the VOR statement.

Without prejudice to the foregoing conclusion, KPN's internal risk management and control systems identified two main improvement areas. These relate to the need for enhanced governance over authorization assignment and monitoring of access rights, and the need for greater consistency in change management processes and controls across the organization. We continued implementing corrective measures during 2025 to improve these areas.

Both improvement areas, which primarily relate to the financial reporting risks, did not lead to material misstatements in our financial statements.

KPN list of top risks

The table below presents the identified principal risks, all of which are deemed material, and for each risk an impact score is shown to indicate its relative significance. The risks could lead to lower market shares, revenues or results, reputation damage, and/or disruption, lower quality of services or lower customer satisfaction. For reporting risks that could lead to material misstatements in KPN's financial statements or sustainability statement, see "Risks to reliable financial reporting" and "Risks to reliable sustainability reporting".

Category	Risk	Example countermeasures
Strategic	**Strong competition** from existing competitors that belong to the top networks in the world.	• Offer high-quality services with our best fiber and mobile network • Improve NPS with competitive propositions based on fixed-mobile converged, third-party portfolio and customer loyalty programs • Introduce new innovative products and services to meet changing customer needs • Simplify, digitalize the operating model to lower the costs to operate • Balance optimum use of business partners, digital channels, and shops and call centers
Strategic	**Disruptive technologies or business models**: The telecoms market could be disrupted by new market entrants. Changing customer demand could lead to new entrants e.g., big tech, in the customer value chain.	• Same as previous risk • Develop partnerships with "over-the-top" (OTT) players, hyperscalers/big tech • Talent and agility: upskill employees in AI and emerging tech
Operational	**Lower quality of services** due to failures in IT/TI systems, legacy systems, human error, cyberattacks, sabotage (hybrid warfare), or climate change (flooding, extreme precipitation) etc.	• High-quality fiber and mobile networks • Strong business continuity and resilience management such as "be-alert" procedures, continuous monitoring by NOC and further development of the KSP and monitoring compliance • Simplify and streamline operating model
Operational	Strategic transformation: **Complexity and legacy** in networks, systems and processes leading to lower agility and higher costs.	• Strategic transformation programs: implement lean operating model, including digitalization, simplification and rationalization of networks, IT, processes and portfolio • Invest in training and upskilling employees • Benchmark progress against peers and industry best practices
Operational	KPN may fail to meet rising stakeholder expectations relating to **energy, emissions, circularity** and biodiversity, e.g., due to issues in the value chain that KPN cannot change.	• Maintain KPN's climate-neutral performance • Reduce energy usage and emissions for our own operations and in the supply chain (net zero in 2040). • Use alternative energy sources, e.g., from solar panels, wind farms • Implement circular operations and services to reduce our footprint • Cooperate with suppliers that are assessed by Ecovadis
Operational, Compliance	KPN may not be able to comply with **human rights** regulations and standards in all parts of its supply chain, e.g., due to lack of insight in business practices of contracted partners.	• Supplier code of conduct, human rights code • Perform due diligence of suppliers via EcoVadis (only Tier 1 suppliers) • Onsite audits by the Joint Alliance on CSR (JAC) at (high-risk) suppliers • Cooperate with organizations such as the Responsible Mining Initiative (responsible sourcing of minerals from conflict-affected and high-risk areas) and Responsible Business Alliance (corporate social responsibility in global supply chains)
Operational	**Responsible internet use, social and digital inclusion**: KPN may not be able to fulfill our purpose to connect everyone in the Netherlands.	• KPN manifesto for a better internet • Campaigns to promote awareness for safe and responsible internet use • Promote social and digital inclusion, e.g., via KPN Klasgenoot, Mooiste Contact Fonds and adherence to Web Content Accessibility Guidelines (WCAG)

Category	Risk	Example countermeasures
Operational	**Artificial Intelligence**: If KPN is unable to sufficiently recruit, train or guide its staff in AI, KPN may not fully benefit from the advantages of AI compared with our competitors. Non-responsible use of AI could lead to incorrect or socially undesirable outcomes causing financial loss and/or reputational damage, for example due to flawed algorithms, wrong implementation or flawed data. If KPN is unable to sufficiently comply with the AI governance processes, this could lead to non-compliance and fines (e.g., EU AI Act).	• Use AI in KPN's operations with due care; apply AI governance measures such as KPN AI policy, dedicated AI governance tooling and AI Impact council etc. • Invest in continuous AI literacy: future skills for AI application in workforce and leadership
Operational	**Cybersecurity**: Unauthorized access, modification, and disclosure of customer and/or company assets/data, e.g., caused by: • Malicious actions and attacks by actors such as nation-states, organized criminals, hacktivists, terrorists and insiders; • Vulnerabilities in KPN's systems, applications or platforms.	• Implementation of baseline security measures according to the KSP and continuous improvement of the related security processes and procedures • Performance of central security processes such as penetration testing, vulnerability management, security monitoring and incident response • Security Compliance function which provides insight into the actual security posture
Compliance	**Non-compliance with laws and regulations**, including telecommunications, privacy and consumer protection regulations. Breaches could be caused by KPN or by contracted business partners in the value chain.	• Robust internal control framework to comply with specific regulations • Centralized organizations for compliance and risk management • Compliance reinforcement through staff training, proactive internal investigations, and culture-improvement initiatives (e.g., surveys and programs) • Ringfencing Wholesale within KPN's organization
Compliance	**Tax:** Notwithstanding the fact that KPN is committed to being fully compliant with the relevant laws and regulations and adheres to its tax strategy and policy (see ir.kpn.com), some of KPN's tax positions could be perceived negatively by the political environment and society, which could lead to reputational damage. Adverse decisions or interpretations of tax authorities on pending disputes or changes in tax treaties, tax laws, OECD guidelines, EU Directives and other rules could have a material adverse effect on KPN's net result and cash flow. With regard to WBSO, innovation box benefits and VAT calculation methodology: reference is made to page 26.	• Act in line with our company-wide "Tax governance, strategy and principles" • Continuous monitoring of business control framework for key tax risk areas • Maintain good working relationships with tax authorities and provide them with required information if and when relevant • If needed, defending KPN's position through court procedures
Compliance	**Electromagnetic fields** of (mobile) equipment or base stations could pose health risks for customers or other stakeholders.	• Monitor national and international scientific research on the effects of electromagnetic fields on health • Strict adherence to all national and international standards for electromagnetic fields
Compliance	**New laws, regulations or regulatory decisions** in the EU and the Netherlands.	• Proactive stakeholder and reputation management including dialogue with regulators • Dedicated programs to implement new regulations
Strategic	**Monetization of assets**: Investments in our assets such as technical infrastructure (access and core networks), IT, licenses and goodwill may not be recovered in future.	• Offer high-quality services with our best fiber and mobile network, with competitive pricing strategies, and customer loyalty programs
Strategic	**Rollout of new networks**: KPN may encounter a delay in the modernization of fixed and/or mobile networks.	• Develop strategic partnerships (e.g., Glaspoort) • Monitoring and steering activities of MT Fiber • Selected acquisition of local fiber networks • Accelerate number of HC connections e.g., via own team of engineers • Cooperation between TowerCo and ABP

Category	Risk	Example countermeasures
Strategic	KPN may have to pay a high price for – or may not be able to acquire – the required spectrum in **spectrum auctions**.	• Proactive stakeholder management and dialogue with regulators to ensure transparent auctions and reasonable prices • Prudent financial policies to secure adequate funding
Strategic	**Innovation**: KPN may not be able to sufficiently develop new innovative services to realize future top line growth and to maintain a distinctive portfolio.	• Focused innovation initiatives and cooperation with OTT players to meet changing customer needs with solutions • Accelerate digitalization and simplification for fast rollout of innovations
Strategic	**Financing**: KPN may not comply with the financial framework due to e.g., higher debt levels, or lower profitability of KPN.	• Commitment to an investment-grade credit profile and maintaining headroom to associated credit metrics • Maintaining a strong liquidity position and prefunding debt redemptions • Maintaining discipline in allocating capital to investment opportunities and shareholder remuneration • Maintaining strong relationships with (debt) capital providers
Strategic	Volatility or changes in **financial markets** due to global events, rising tensions etc.	• Cash flow forecasting to ensure sufficient liquidity headroom in normal and stressed markets • Maintaining a well-spread maturity profile, limiting annual redemptions and timely refinancing of upcoming maturities • Maintaining relationships and funding sources with diversified groups of financial counterparties of good credit quality
Operational	**Supplier risks, international supply chain issues**: Suppliers could be unable to deliver products and services to KPN due to scarcity, international conflicts, natural disasters etc.	• Establishing a strong and centralized demand and contract management organization that defines, enforces and monitors compliance of suppliers with terms of contracts • Continuously monitor the availability and timely delivery of critical products and services with key suppliers and update business continuity plans accordingly • Prepare fallback scenarios (e.g., dual sourcing contracts from different geographical regions)
Strategic, operational	KPN may not be able to create an engaged, **diverse workforce and hire talents**, e.g., due to tight labor market conditions.	• Innovative and inspiring talent management programs to attract and maintain qualified staff • Maintain a strong employer identity and labor market strategy • Implement strategic workforce management • Maintain a total reward strategy and competitive benefits package • Focus recruitment efforts on specific areas and skills • Increase focus on internal development and skill building • Continued implementation of KPN's policy to improve DEI
Operational	Sustained **high workloads and stress** levels could lead to reduced employee well-being, increased absenteeism, and lower productivity.	• Offer well-being interventions to employees (physical, mental and financial interventions) • Apply a dedicated absenteeism team and company physicians to assist management with preventive measures and support employees in returning to work
Strategic	**Adverse macroeconomic conditions**, high inflation could lead to lower sales and higher costs.	• Monitor new market developments and trends (including bad debt), draft contingency plans for cost savings and restructurings • Simplify and streamline operating model
Strategic	High risk vendors: **Geopolitical volatility**, caused by rising international tensions, protectionism and security concerns could impact our ability to do (sourcing) business in any part of the world and could lead to concentration risks and higher capex.	• Include the possibility to terminate contracts due to geopolitical developments and governmental decisions • Maintain strong stakeholder management
Operational	**Energy supply** in the Netherlands could not be sufficiently available due to grid congestion or transition to renewable energy.	• Close hedge and other forward contracts for energy where possible • Use alternative energy sources, e.g., via solar and wind farms • Migrate customers from copper network to energy efficient fiber network
Compliance	KPN may encounter different forms of internal and external **fraud**, such as asset misappropriation, reporting fraud, corruption, telecoms fraud, cyberfraud and other illegal conduct.	• Fraud risk management program (framework): this is structured around five essential principles (fraud risk governance, fraud risk assessment, fraud control activities, fraud investigation and corrective action process and monitoring and reporting). Each principle encompasses activities and processes that together support the prevention, detection, and response to fraud risks.

Statement on risk management and responsibility statement

Statement on risk management (VOR)

The Board of Management is responsible for the effectiveness of the design and operation of KPN's internal risk management and control systems. These have been designed to manage any risks that may prevent KPN from achieving its objectives.

The Board of Management recognizes the inherent limitations of internal risk management and control systems. While the company continuously works towards improving its processes and procedures, these systems cannot provide absolute certainty that all risks have been identified or are effectively managed. The level of certainty that they provide is influenced by, among other things, inherent limitations to risk management and human capabilities, business considerations such as the company's risk appetite, the complexity of the company's operations, and the dynamic and intrinsically unpredictable nature of the business environment. Certain risks remain outside the company's direct control, as they depend on third parties or external circumstances beyond the company's influence.

The Board of Management has reviewed and analyzed:

- The strategic, operational, compliance, and reporting risks, as discussed in the "KPN list of top risks" section;
- The design and operational effectiveness of the internal risk management and control systems, as discussed in the "Description of KPN's internal risk management and control systems" and "Evaluation of KPN's internal risk management and control systems" sections.

The results of this review and analysis were shared with the Audit Committee and Supervisory Board and discussed with KPN's independent auditor.

With reference to best practice provision 1.4.3 of the Dutch Corporate Governance Code and the "Compliance and risk" section of this directors' report, the Board of Management states that, to the best of its knowledge:

1. This directors' report provides sufficient insight into any major failings in the effectiveness of the internal risk management and control systems with regard to the risks as referred to in best practice provision 1.2.1. There are no major failings to report, see the "Evaluation of the internal risk management and control systems" section;
2. The aforementioned systems provide reasonable assurance that the financial reporting, as included in the financial statements, does not contain any material inaccuracies;
3. The aforementioned systems provide limited assurance that the sustainability reporting, as included in the sustainability statement, does not contain any material inaccuracies;
4. It is not aware that the aforementioned systems do not provide appropriate comfort that the material operational and compliance risks are effectively managed as described in this section, where "appropriate comfort" is to be read as comfort broadly in line with our risk appetite, our strategy, business complexity and other disclosures on these systems in this report;
5. Based on the current state of affairs, it is justified that the financial reporting, as included in the financial statements, is prepared on a going concern basis;
6. This directors' report states the material risks, as referred to in best practice provision 1.2.1, and the uncertainties, to the extent that they are relevant to the expectation of the company's continuity for the period of 12 months after the preparation of this report.

Due to inherent limitations to risk management and control systems, the above does not imply that these systems and procedures provide certainty as to the realization of strategic, operations, compliance and reporting objectives, nor that they can prevent all misstatements, inaccuracies, fraud, operational issues, and non-compliance with laws and regulations.

In line with the explanatory notes to best practice provision 1.4.3 of the Dutch Corporate Governance Code (2025), the terms assurance, certainty, comfort or similar terms should not be interpreted as similar to terms used in audit practices. The above statement is made by the Board of Management and does not constitute an audit opinion.

Responsibility statement

With reference to section 5:25c paragraph 2c of the Financial Markets Supervision Act, the Board of Management states that, to the best of its knowledge:

- The 2025 financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of KPN and its consolidated companies;
- This directors' report gives a true and fair review of KPN's position as at 31 December 2025, and of the development in 2025 of KPN and its group companies included in the financial statements, together with a description of the top risks KPN faces, and is prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission (despite the fact that this directive has not been timely transposed and implemented in Dutch law) and with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852.

Rotterdam, 20 February 2026

Joost Farwerck
Chair of the Board of Management and
Chief Executive Officer

Chris Figee
Member of the Board of Management and
Chief Financial Officer

Marieke Snoep
Member of the Board of Management and
Chief Consumer Market

Chantal Vergouw
Member of the Board of Management and
Chief Business Market

Wouter Stammeijer
Member of the Board of Management and
Chief Operating Officer

Hilde Garssen
Member of the Board of Management and
Chief People Officer

Composition of the Board of Management

The Board of Management manages KPN's strategic, commercial, financial, operational, sustainability- and organizational matters. The Board of Management currently consists of six executive directors.

There were no changes in the composition of the Board of Management over the course of 2025. The gender diversity ratio of the Board of Management is stable at 50% female and 50% male. Mr. Zillig has been the Secretary of the Board of Management since 1 October 2024.

All members of the Board of Management comply with clause 2:132a of the Dutch Civil Code, which limits the number of positions on a supervisory or management board that a director may hold.

Name	Position	Year of birth	Gender	Nationality	Start of term	End of current term
J.F.E. Farwerck	Chair of the Board of Management and Chief Executive Officer	1965	male	Dutch	April 2013	2028
					April 2017	
					December 2019	
					April 2024	
H.C. Figee	Board member and Chief Financial Officer	1972	male	Dutch	February 2020	2028
					April 2024	
C. Vergouw	Board member and Chief Business Market	1976	female	Dutch	June 2023	2027
M.W.M. Snoep	Board member and Chief Consumer Market	1971	female	Dutch	December 2019	2028
					April 2024	
W. Stammeijer	Board member and Chief Operating Officer	1980	male	Dutch	June 2023	2027
H. Garssen	Board member and Chief People Officer	1973	female	Dutch	December 2019	2028
					April 2024	

Joost Farwerck

Mr. Farwerck was appointed as Chair of the Board of Management and Chief Executive Officer on 1 December 2019. He has been a member of the Board of Management since 10 April 2013. Mr. Farwerck started working at KPN in 1994 and held senior management positions in various divisions, bringing him a wealth of knowledge of the company and the industry. Mr. Farwerck is a member of the Dutch Cyber Security Council, Chair of the Supervisory Board of the Foundation De Nieuwe Kerk Amsterdam and a member of the Supervisory Board of Het Nationale Theater. He is also a member of the board of KPN Mooiste Contact Fonds.

Marieke Snoep

Ms. Snoep has been a member of the Board of Management since 1 December 2019, initially as Chief Business Market and, since 1 June 2023, as Chief Consumer Market. She brings over 30 years of experience in the telecom and ICT sectors. She serves as an ambassador for #BetterInternet and is actively involved in strengthening digital resilience across the Netherlands. Before joining KPN, Ms. Snoep was a member of the Board of Management at T–Mobile Netherlands. She also serves on the board of VNO–NCW, is a member of topvrouwen.nl, a coach for Talent naar de Top and a mentor at NLgroeit, an initiative that supports the growth of Dutch SME entrepreneurs.

Wouter Stammeijer

Mr. Stammeijer was appointed as a member of the Board of Management and Chief Operating Officer on 1 June 2023. Over the past 20 years, he has gained extensive knowledge of the telecoms and technology sector, within KPN and more broadly in the telecoms industry. He started his career at ING Bank in structured acquisition finance, based in Amsterdam and New York. After joining KPN in 2010, he held several senior management positions, including as KPN's Chief Strategy & Development Officer and Chief Consumer Market (on an interim basis). Prior to that, he headed up KPN's Investor Relations department. He is also a member of the Supervisory Board of Glaspoort.

Chris Figee

Mr. Figee has been a member of the Board of Management and Chief Financial Officer since 1 February 2020. Prior to his appointment at KPN, Mr. Figee was CFO of ASR Nederland, a member of the Group Committee and Director of Group Finance at Achmea and partner at McKinsey. Mr. Figee started his career at Aegon. Mr. Figee is currently a member the Supervisory Boards of Royal Schiphol Group and De Nederlandsche Bank (DNB), a member of the Monitoring Committee Corporate Governance Code and a member of the Economic Board Zuid-Holland. He is also a member of the Supervisory Board of Glaspoort.

Chantal Vergouw

Ms. Vergouw was appointed as a member of the Board of Management and Chief Business Market on 1 June 2023. She was a member of KPN's Supervisory Board from 13 April 2022 until her appointment to the Board of Management. Ms. Vergouw was CEO of insurance company Interpolis between 2016 and 2023, and a member of the Supervisory Board of Eureko Sigorta in Turkey. Prior to that, she held various management positions at ING as well as several positions in civil society organizations (including that of Chair of the Supervisory Boards of Dierenbescherming and Foundation Landelijke Inspectie Dienst (National Animal Welfare Inspectorate), and board member of Foundation Kunst en Onderneming Brabant).

Hilde Garssen

Ms. Garssen has been a member of the Board of Management since 1 December 2019, as Chief People Officer. Prior to joining KPN in December 2018, Ms. Garssen held several senior leadership positions at ABN Amro Bank, including that of Chief Human Resources Officer and, lastly, that of Senior Managing Director Business Services. Ms. Garssen is a member of the Supervisory Board of the KWF Dutch Cancer Society and is also a member of the Supervisory Board of TBI Holdings B.V. She is a member of the board of KPN Mooiste Contact Fonds.

Insider transactions

KPN employees who have access to inside information because of their role, profession or duties – including all members of the Board of Management and Supervisory Board – are subject to the KPN code on inside information. This code comprises rules for the possession of, and transactions in, KPN securities by such employees. Members of the Board of Management and Supervisory Board are also subject to reporting obligations to the AFM. The following tables provide overviews of transactions by members of KPN's Board of Management and Supervisory Board made during 2025 as well as total ownership information for these members.

Date	Name	Transaction	Price per share (€)
30 January	Joost Farwerck	Bought 25,000 ordinary KPN shares	3.52
30 January	Chris Figee	Bought 14,000 ordinary KPN shares	3.55
30 January	Hilde Garssen	Bought 14,000 ordinary KPN shares	3.58
30 January	Wouter Stammeijer	Bought 14,000 ordinary KPN shares	3.58
30 January	Chanta Vergouw	Bought 14,000 ordinary KPN shares	3.53
14 April	Joost Farwerck	Vesting of 105.6% of 342,173 conditional KPN shares awarded as long-term incentive (LTI) 2022 into 223,901 ordinary KPN shares (after sale of part of the shares to finance income tax)	-
14 April	Chris Figee	Vesting of 105.6% of 175,975 conditional KPN shares awarded as LTI 2022 into 115,150 ordinary KPN shares (after sale of part of the shares to finance income tax)	-
14 April	Marieke Snoep	Vesting of 105.6% of 169,457 conditional KPN shares awarded as LTI 2022 into 110,884 ordinary KPN shares (after sale of part of the shares to finance income tax)	-
14 April	Hilde Garssen	Vesting of 105.6% of 130,352 conditional KPN shares awarded as LTI 2022 into 85,296 ordinary KPN shares (after sale of part of the shares to finance income tax)	-
17 April	Joost Farwerck	Award of 343,015 conditional KPN shares as LTI 2025	-
17 April	Chris Figee	Award of 183,707 conditional KPN shares as LTI 2025	-
17 April	Hilde Garssen	Award of 130,672 conditional KPN shares as LTI 2025	-
17 April	Marieke Snoep	Award of 169,874 conditional KPN shares as LTI 2025	-
17 April	Wouter Stammeijer	Award of 169,874 conditional KPN shares as LTI 2025	-
17 April	Chantal Vergouw	Award of 169,874, conditional KPN shares as LTI 2025	-
23 April	Wouter Stammeijer	Acquisition of 18,516 ordinary KPN shares as partial STI 2024 settlement	-
23 April	Chantal Vergouw	Acquisition of 18,516 ordinary KPN shares as partial STI 2024 settlement	-

Share ownership by Board of Management[1]

Number of ordinary shares	31 December 2025	31 December 2024
Joost Farwerck	2,162,854	1,913,953
Chris Figee	698,488	569,338
Marieke Snoep	699,474	588,590
Chantal Vergouw	64,652	32,136
Wouter Stammeijer	115,240	82,724
Hilde Garssen	575,606	476,310

Share ownership by Supervisory Board

Number of ordinary shares	31 December 2025	31 December 2024
Ben Noteboom	40,000	40,000

None of the other current members of the Supervisory Board hold KPN shares.

1 Shares held by current members of the Board of Management (including vested shares in lock-up period). Share ownership relates to ordinary shares. A share ownership guideline applies, under which the members of the Board of Management are encouraged to acquire company shares equal to 150% of the annual fixed compensation for members of the Board of Management (excluding CEO) and 250% of the annual fixed compensation for the CEO.

Report by the Supervisory Board

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Composition of the Supervisory Board

The Supervisory Board oversees strategic policymaking by the Board of Management and the way in which the Board of Management manages and directs KPN's operations. KPN's Supervisory Board currently consists of eight non-executive members. Mr. Spanbroek, General Counsel and Company Secretary, acts as Secretary to the Supervisory Board.

Name	Year of birth	Gender	Nationality	Start of term	End of current term	Audit Committee	Nomination & Corporate Governance Committee	Remuneration Committee	ESG Committee
G.J.A. van de Aast (Chair)	1957	male	Dutch	14 April 2021	2029		Chair	x	
				16 April 2025					
B.J. Noteboom (Vice-chair)	1958	male	Dutch	12 April 2023	2027		x	Chair	
H.H.J. Dijkhuizen	1960	male	Dutch	1 July 2023	2027	Chair			x
F. Heemskerk[1]	1969	male	Dutch	12 April 2023	2027			x	x
M. de Jager	1968	female	Dutch	1 June 2023	2027	x			x
K. Koelemeijer[1]	1963	female	Dutch	13 April 2022	2026		x	x	
J.C.M. Sap[1]	1963	female	Dutch	15 April 2015	2027	x			Chair
				10 April 2019					
				12 April 2023					
				16 April 2025					
R. Shuter	1967	male	British and South African	1 October 2024	2028	x			

1 Appointed based on the enhanced right of recommendation of the Central Works Council.

Gerard van de Aast

Mr. Van de Aast was appointed as a member of the Supervisory Board on 14 April 2021 and has chaired the Supervisory Board since 13 April 2022. His current, second term of office ends in 2029. Mr. Van de Aast is currently Chair of the Supervisory Board of Signify N.V. He is a seasoned executive with a recognized track record at board level in various sectors ranging from construction to software engineering, both in the Netherlands and abroad. His executive experience includes CEO positions at Reed Business, VolkerWessels and Imtech.

Herman Dijkhuizen

Mr. Dijkhuizen was appointed as a member of the Supervisory Board as of 1 July 2023. His current, first term of office ends in 2027. Mr. Dijkhuizen is currently Chair of the Supervisory Board of NS Group and a member of the Supervisory Board of Tata Steel Netherlands. Previously, he was a member of the Board of Management and CFO of NIBC, and partner and Chair of the Board of Management at KPMG. Mr. Dijkhuizen also chairs the Supervisory Council of the Kröller-Müller Museum.

Marga de Jager

Ms. De Jager was appointed as a member of the Supervisory Board on 1 June 2023. Her current, first term of office ends in 2027. Ms. De Jager is currently the CEO of ANWB (the Royal Dutch Touring Club) and chairs the Supervisory Board of ANWB's insurance company Unigarant, as well as the Mobility Alliance. She is a member of the Advisory Board of the Dutch Cancer Society (KWF). Prior to her current role, Ms. De Jager held several management positions within ANWB and worked in commercial positions at Leaseplan.

Ben Noteboom

Mr. Noteboom was appointed as a member and Vice-chair of the Supervisory Board on 12 April 2023. His current, first term of office ends in 2027. Mr. Noteboom is a seasoned executive with a recognized track record in Dutch and international business, most notably as former CEO of Randstad and in various Supervisory Board positions at Aegon, Ahold Delhaize, Wolters Kluwer and Corporate Express. Mr. Noteboom is currently Chair of the Supervisory Boards of AkzoNobel and Royal Vopak.

Frank Heemskerk

Mr. Heemskerk was appointed as a member of the Supervisory Board on 12 April 2023. His current, first term of office ends in 2027. Mr. Heemskerk has been Executive Vice President Public Affairs and Countries at ASML since 1 February 2024. Until that date, he was Secretary General of the European Round Table for Industry in Brussels. Mr. Heemskerk's previous roles include both executive positions at Royal Haskoning DHV and the World Bank in Washington DC, and positions in public service as Minister for Foreign Trade within the Dutch Ministry of Economic Affairs (also responsible for IT and telecoms regulations) and member of parliament for the Dutch Labor Party (PvdA). He is a member of the Board of the VEUO and of FME.

Kitty Koelemeijer

Ms. Koelemeijer was appointed as a member of the Supervisory Board on 13 April 2022. Her current, first term of office ends in 2026. Ms. Koelemeijer is a full Professor of Marketing at Nyenrode Business University. She has a strong background in marketing, strategy, supply chain management, innovation, digital transformation, retail and digital commerce. Ms. Koelemeijer combines her academic work with several Supervisory Board roles at listed and/or private companies, advocacy groups and charities. She is a member of the Supervisory Board of Brunel International and holds supervisory roles at Vereniging Eigen Huis (Dutch Homeowners Association), Oogziekenhuis Rotterdam (Eye Hospital), NL in Business and Fonds Gehandicaptensport (Fund for Disabled Sports).

Jolande Sap

Ms. Sap was first appointed as a member of the Supervisory Board on 15 April 2015. Her current, fourth term of office is for two years, ending in 2027. Ms. Sap is dedicated to making the business world and society at large more sustainable. She is Chair of the Supervisory Board of the University of Amsterdam (UvA), a member of the Supervisory Board of Renewi Netherlands, and a board member of the SAAT Foundation (Triodos) and the Dutch Emissions Authority. Between 2008 and 2012, Ms. Sap represented the Dutch Green Party (GroenLinks) in the lower house of the Dutch parliament, during the last two years of which she was party leader. Before that, she worked as an economist in the fields of science, policy and business.

Rob Shuter

Mr. Shuter was appointed as a member of the Supervisory Board on 1 October 2024. His current, first term of office ends in 2028. He is a non-executive director of Drax Group, Sir Fruit, Boldyn and Fibercop, a member of the board of trustees of the Duke of Edinburgh's Award and a private consultant. Mr. Shuter has held various executive positions in the telecommunications industry, including at BT Enterprise, MTN Group, Vodafone Europe Cluster and Vodafone Netherlands.

Supervisory Board report

The year 2025

While the world around us was in turmoil in 2025, KPN maintained a steady and reliable course throughout the year, focused on what it does best: providing secure and reliable connections to everyone in the Netherlands. The Connect, Activate & Grow strategy that applies for the 2024-27 period is in full execution, and the company provided a mid-term update in November. The Supervisory Board was closely involved in the preparation of this update and believes this to be the right strategy for the creation of long-term sustainable value for our company and its stakeholders.

The focus of our fiber rollout is steadily shifting from rollout to connecting and activating customers – both households and businesses – on our fiber network. As confirmed at the strategy update in November, we foresee the end of the large-scale rollout by the end of 2026, although we will continue the expansion of our networks – at a more moderate pace – for the years to come.

Our mobile network continues to be leading in the world due to ongoing investments in quality and the dedication of our people. Cybersecurity remains a topic of constant attention, ever more so in today's geopolitical landscape, and the Supervisory Board is regularly updated on the progress in this field. As to our commercial operations, we observe steadily growing customer numbers, based on attractive services that meet the needs of our customers – whether through Combivoordeel for our consumer customers or secure and managed services for our business customers, or dedicated and resilient services for major customers such as the Ministry of Defense. And key performance indicators, such as the Net Promoter Score, the Employee Engagement score and our share price, suggest that our key stakeholders appreciate what we are doing.

We remain committed to being a sustainable company in all key ESG fields, even though we observe a relaxing regulatory framework and changing political dynamics around this topic. We do so, as we believe that it supports our long-term stability and value creation potential.

Our ESG efforts are strongly aligned and integrated with our core business strategy. Our focus on reducing our energy consumption, while ensuring sufficient capacity through dedicated green energy from solar and wind parks, and our #BetterInternet campaigns serve as key examples.

What we did

Throughout the year, the Supervisory Board continued to monitor the operational and financial performance of the company and the way in which the Board of Management manages this. On a quarterly basis, the Supervisory Board reviews the financial performance of the company and its segments, as well as its operational performance (ranging from customer base growth and network rollout to NPS and employee parameters such as engagement or work-related stress levels). Key topics that were discussed throughout the year included the positioning in the consumer market, the propositions for our top corporate customers, including our services for the vital and security sectors, distribution, AI, and the major transformation programs in our operations, including their impact on our future workforce and its required skills.

As already noted above, ample time was spent on the preparation of the strategy update in November. Most notably in a separate full-day meeting in July, we extensively discussed the progress on strategy implementation so far, as well as the plans for the coming years, both in and beyond the current strategic planning period. We focused both on how to achieve the current strategic ambitions and on potential new or amended goals, such as the next phase in the fiber rollout and the transformation programs. In our October meeting, we zoomed in on the financial aspects of the plan, including the ambition to reduce indirect opex, the financial guidance and the financial framework, including our ambitions on shareholder remuneration. In between our meetings, the ESG committee reviewed the specific ESG elements of the strategy (which were reconfirmed), and specific elements of the plan were discussed with individual members of the Supervisory Board. The final documentation was reviewed by a delegated committee of the Supervisory Board.

In line with our practice, we met with the company's Chief Information Security Officer twice this year, to discuss both the threat landscape and our approach to that. We were pleased to note good progress in this field, including the broader, coordinated focus on resilience. We took a specific deep dive into pensions, noting both our existing pension arrangements, and the impact of the new pension set-up that is expected to be implemented in 2026. We closely monitored and subsequently approved, also via an ad hoc committee, the company's funding needs, leading to the issuance of a senior bond under KPN's Global Medium Term Note Programme in February. Finally, we dwelt on various topics regarding the company's risk management (including the "statement on risk management" or "VOR") and its ESG approach, for which reference is made to the activities of the committees, described in the following sections.

To ensure we are able to properly monitor stakeholder interests, we gathered input from employees (in annual meetings with groups of employees and managers), analysts (directly and via reports) and company advisers (such as defense advisers). We particularly value our contacts with the Central Works Council (mostly via our members nominated by the Central Works Council) and appreciate the open and honest discussions we have with them.

In the spring of this year, the Supervisory Board, in its role as the employer of the Board of Management, evaluated the performance of the Board of Management and concluded that it was satisfied with their performance. Individual feedback was shared where relevant.

About the Supervisory Board

The composition of the Supervisory Board changed last year due to the resignation of Mr. Overbeek, who had reached the end of his second term of appointment. At the AGM in April 2025, Mr. van de Aast was reappointed for a second term of office. In addition, Ms. Sap was reappointed for a final term of 2 years, in appreciation of her strong contribution to the Supervisory Board, including in the field of ESG.

The Supervisory Board continues to have a good mix of backgrounds and experience, supporting a diversity of views on a wide range of topics. The Supervisory Board has set a profile for its composition, which is available on the company's website.

An overview of the current skills and competences in the Supervisory Board (as at 31 December 2025) is provided in the skills matrix below.

The Supervisory Board currently consists of three women and five men, i.e., 37.5% female members. The Supervisory Board remains strongly committed to the principle that a board should have a diverse composition, in gender, but also in skills and experience. We note that the Board of Management currently consists of 50% female and 50% male members.

All members of the Supervisory Board, including the Chair, are independent of the company as provided in best practices 2.1.7 to 2.1.9 of the Dutch Corporate Governance Code. In addition, at all times, the composition of the Supervisory Board was such that the members were able to act critically and independently of one another, the Board of Management and any particular interest involved. See Note 23 to the consolidated financial statements for information on related-party transactions.

The Supervisory Board annually evaluates its own performance. In 2025, the evaluation was based on a questionnaire and subsequent discussion of its outcome in a meeting of the Supervisory Board in December 2025. The Supervisory Board was generally satisfied with its composition and performance, noting high-quality, efficient and professional operations. An amended meeting schedule, as implemented earlier in the year, enabled parallel committee meetings, providing more time for the full Supervisory Board meeting. This in turn had further improved the quality of the discussions. However, more time could be found for informal meetings, including with only the Supervisory Board. Topics for permanent education were selected, and management was invited to share more market and analyst intelligence, if and when relevant.

The Supervisory Board also regularly evaluates the performance of the Board of Management and its members. This feedback is typically based on interviews with the individual members of the Board of Management, input from the CEO, and feedback from the direct reports of the Board of Management members. The Nomination & Corporate Governance Committee is charged with this evaluation.

To enhance its knowledge and skills, the Board spent ample time on understanding the requirements around the statement on risk management (VOR; see the following Audit Committee section) and invited external experts to provide relevant updates (such as Prof. Schoenmakers on the AEX Futureproof Index in the ESG Committee and a telecoms analyst for the full Board on investor views and market trends). In the fourth quarter, the Supervisory Board joined Chapter Zero Netherlands, a platform specifically focused on supervisory board members, enabling knowledge development and sharing on matters related to sustainability and climate transition.

Skills / characteristics	Gerard van de Aast	Ben Noteboom	Herman Dijkhuizen	Frank Heemskerk	Marga de Jager	Kitty Koelemeijer	Jolande Sap	Rob Shuter	
Business leadership	x	x	x	x	x			x	
Industry knowledge (telecoms/IT)	x			x				x	
Industry knowledge (digitalization)	x					x		x	
Industry knowledge (cybersecurity)								x	
Commercial	x	x	x		x	x		x	
Operational	x	x			x			x	
International experience	x	x		x				x	
Society / government relations	x	x	x	x	x	x	x		
ESG			x	x			x		
Employment / social relations	x			x	x	x	x	x	
Stock listing / financial markets	x	x	x					x	
Finance and risk	x		x				x	x	
Accounting and auditing specialist			x						
Diversity									**Ratio**
Executive / non-executive (primary role)	NE	NE	NE	E	E	NE	NE	NE	25/75%
Gender (male/female/other)	M	M	M	M	F	F	F	M	62.5/37.5/0%
Nationality (Dutch/other)	NL	NL	NL	NL	NL	NL	NL	GB/SA	87.5/12.5%
Independence (yes/no)	Y	Y	Y	Y	Y	Y	Y	Y	100/0%
Age (year of birth)	1957	1958	1960	1969	1968	1963	1963	1967	

Meetings

The Supervisory Board met on six occasions in 2025, all of which were regularly scheduled.

The overall attendance at the Supervisory Board meetings was 94%. An overview of attendance per member of the Supervisory Board and per committee is provided in the table on this page.

Supervisory Board meetings typically start and end with a closed session (i.e. without the presence of management), in which the members prepare or evaluate the meeting. In the quarterly meetings, typically the full Board of Management is present to review the performance over the past period and discuss key strategic topics. For other or ad hoc meetings, different participation from the Board of Management may be agreed.

Committee reporting

The Supervisory Board has established four committees that prepare the deliberation and decision-making by the full board: the Audit Committee, the Remuneration Committee (RemCo), the Nomination & Corporate Governance Committee (NomCo), and the ESG Committee. The main considerations and conclusions of each committee were shared with the full Supervisory Board, and the meeting documents and minutes are available to all members of the Supervisory Board, which takes the final decision in all matters.

Audit Committee

The Audit Committee held six meetings in 2025, all of which were also attended by the CFO, the independent auditor PricewaterhouseCoopers Accountants N.V. (PwC), the internal auditor, and the EVP Corporate Control. Mr. Dijkhuizen chairs the committee. Depending on the topic, guests were invited to the meeting, including the Chief Compliance Officer, the EVP of Investor Relations, the EVP of Treasury, and the EVP of Tax. In preparation for the meetings, the chair of the committee met with relevant members of staff. The Audit Committee – as well as the Chair of the Supervisory Board – met separately with the independent auditor.

In line with its tasks, the Audit Committee reviews, discusses, and challenges all financially relevant matters that are presented to the Supervisory Board. This applies most notably to the quarterly and annual financial results and reports and (the financial and risk-related aspects of) the business plan. Overall, based on its own observations and confirmed by the reports from the internal and independent auditors, the Audit Committee was satisfied with the processes around external reporting as operated by the company.

2025 marked the first year of working with PwC as our new independent auditors. We have spent ample time on getting to know each other and aligning expectations and ways of working, after also having arranged a smooth handover from our previous auditors, EY. Overall, the committee is satisfied with the way PwC has picked up on its role and has familiarized itself with the company, its staff, and its Boards. As agreed during the selection process, PwC uses digital means and AI for selected tasks to enhance both quality and efficiency, which the committee noted and welcomed.

The Audit Committee has a specific focus on the effectiveness and outcome of the company's internal control framework and the risk management systems, for which it receives and reviews reports by the internal audit and compliance departments. Each quarter, the Audit Committee also reviews the observations of the independent auditor as included in its board report. The audit plans, both for the internal and independent auditors, are annually reviewed by the Audit Committee, and are subsequently submitted to the full Supervisory Board for its approval.

Throughout the year, the Audit Committee paid specific attention to compliance with regulations around foreign employment, most notably in relation to the fiber rollout, also considering inspections conducted by the Netherlands Labor Authority, and noted an enhanced control framework on this topic. Another topic that was regularly reviewed was the implementation of the company's updated fraud risk management policy and governance. Specific attention was also paid to reporting on controlled processes for certain critical services for our business customers.

Whereas in 2024 the Audit Committee was closely involved in the implementation of sustainability reporting under CSRD, this implementation was largely finalized in early 2025 and efforts around sustainability reporting were more directed at simplification, alignment, and quality improvement. Nevertheless, progress was monitored periodically, with the head of CSRD reporting attending.

This year, specific attention was given to the statement on risk management (VOR), which was newly included as best practice in the Dutch Corporate Governance Code. The Committee regularly monitored the process followed by the Board of Management, the choices made and the underlying evidence supporting the ultimate statement made (see the VOR statement in the report by the Board of Management, earlier in this report).

Name	Board (6 meetings)	Audit (6 meetings)	RemCo (5 meetings)	NomCo (5 meetings)	ESG (3 meetings)
Gerard van de Aast	100%		100%	100%	
Ben Noteboom	100%		100%	80%	
Herman Dijkhuizen	100%	100%			100%
Frank Heemskerk	83%		80%		100%
Marga de Jager	83%	83%			100%
Kitty Koelemeijer	100%		100%	100%	
Edzard Overbeek[1]	100%				100%
Jolande Sap[2]	83%	83%	100%		100%
Rob Shuter	100%	100%			
Total	**94%**	**92%**	**95%**	**93%**	**89%**

1 Edzard Overbeek stepped down from the Supervisory Board on 16 April 2025.
2 Jolande Sap stepped down from the Remuneration Committee on 16 April 2025.

Other topics of the committee's review included taxation, treasury and financing, and the company's shareholder remuneration, consisting of both dividends and a share buyback program. In evaluating the proposed shareholder remuneration, the committee balanced this against the anticipated cash flows, expenditures, funding requirements, and stakeholder interests, and concluded that it could support the proposals put forward by the Board of Management.

On all items, the Committee reported back to the full Supervisory Board, which holds ultimate responsibility for oversight.

Remuneration Committee

The Remuneration Committee (RemCo) met five times in 2025. Mr. Noteboom serves as chair of this committee. The members of the Supervisory Board that have been appointed based on the enhanced right of recommendation of the Central Works Council are automatically members of this committee. The CEO, the Chief People Officer and the Company Secretary attend the committee meetings. The committee assisted the Supervisory Board in executing and reviewing KPN's remuneration policy and ensuring that members of the Board of Management are compensated in line with that policy.

For an overview of the activities of the RemCo in 2025, and for further details on the remuneration policy and its application, as well as the review of the remuneration policy, see the "Remuneration report" section.

Nomination & Corporate Governance Committee

The Nomination & Corporate Governance Committee (NomCo) met on five occasions in 2025, mostly with the CEO, the Chief People Officer, and the Company Secretary attending. Mr. van de Aast chairs the committee.

Based on the NomCo's recommendation, with the step-down of Mr. Overbeek from the Supervisory Board in April, its composition was reduced from 9 to 8 members. The NomCo led the process leading to the reappointments of Mr. van de Aast and Ms. Sap to the Supervisory Board. As to the latter, the NomCo recommended the reappointment of Ms. Sap for an (exceptional) final term of two years considering her strong contribution to the Supervisory Board, most notably in the field of sustainability.

At the closing of the AGM in 2026, the first term of appointment for Ms. Koelemeijer will expire. Ms. Koelemeijer was appointed based on the enhanced right of recommendation of the Central Works Council, which has now recommended her reappointment for a second term.

The NomCo regularly discusses the performance of the Board of Management and its members with the CEO and/or the Chief People Officer and leads the annual evaluation process for the Board of Management and its members (see "What we did" earlier). Finally, the committee steered the annual evaluation of the Supervisory Board itself (see "About the Supervisory Board" earlier).

ESG Committee

The ESG Committee met on three occasions in 2025. Ms. Sap chairs the meetings. The meetings were attended by those members of the Board of Management for whom the topics on the agenda were most relevant. The purpose of the ESG Committee is to support the Supervisory Board in overseeing the development and implementation of the company's sustainability strategy and the goals related to this, as part of the company's overall strategy for sustainable long-term value creation. In its meetings, the ESG Committee reviewed the progress made on the three main pillars of the company's ESG strategy and manifesto: *Responsible*, *Inclusive,* and *Sustainable*. It discussed the achievements to date, key initiatives and dilemmas, as well as the ambition levels. In each of its meetings, progress on CSRD reporting was noted.

The ESG Committee also discussed the impact of the changing political and regulatory landscape on ESG for the company, also noting considerations from other companies. It concluded that current ESG topics and targets were aligned with the company's strategy and business ambitions. It therefore agreed with the Board of Management that the existing ESG strategy should be maintained as part of the overall strategy update. As to the materiality of topics, the ESG Committee confirmed that biodiversity was not a material topic for KPN as such (as per the Double Materiality Assessment), but that elements of biodiversity were strongly connected to the other sustainability topics – climate change and circularity – so that relevant topics around biodiversity would still be addressed. To ensure sufficient external input to its discussions the ESG Committee invited Prof. Schoenmaker to discuss his AEX Futureproof Index and invited young talents of the company to discuss – with the members of the Board of Management and the Committee – a long-term view on material ESG topics. It also encouraged the Supervisory Board to become a member of Chapter Zero Netherlands.

Financial statements

The financial statements for the year ended 31 December 2025 were prepared by the Board of Management and approved by the Supervisory Board. The Report of the independent auditor, PricewaterhouseCoopers Accountants N.V., is included in the section "Other Information". The Supervisory Board recommends that the AGM adopts these financial statements.

Final remarks

2025 was a globally turbulent year, in which KPN's reliability, security and stability proved to be highly valued by our stakeholders. Vice versa, the Supervisory Board has highly valued the continued trust from our stakeholders – whether customers, employees, shareholders or other.

Together, we show the true value of connection.

Gerard van de Aast, Chair

Ben Noteboom, Vice-chair

Herman Dijkhuizen

Frank Heemskerk

Marga de Jager

Kitty Koelemeijer

Jolande Sap

Rob Shuter

Remuneration report

Letter from the Chair of the Remuneration Committee

Dear stakeholders,

On behalf of the Remuneration Committee, I am pleased to share the activities of the committee in 2025 and present the 2025 remuneration report. This remuneration report has been prepared according to Dutch law and the Dutch Corporate Governance Code and will be submitted to the AGM for an advisory vote. Last year, our remuneration report received strong support from shareholders, with 96.99% voting in favor. This outcome supports the overall conclusion that KPN's remuneration report is in line with current best practices. This 2025 remuneration report builds on the same principles and structure.

The remuneration policy for the Board of Management and Supervisory Board was last updated in April 2024. A comprehensive evaluation was conducted by the Remuneration Committee, taking into account relevant legal requirements, guidelines set out in the Dutch Corporate Governance Code, and a thorough stakeholder engagement process, which included the Central Works Council. The objective of the remuneration policy is to attract, reward and retain necessary leadership talent, in order to support the execution of the company's strategic objectives.

In 2025, we continued to carry out our Connect, Activate & Grow strategy. We are steadily expanding our fiber footprint in the Netherlands, while delivering healthy financial results even in a competitive market. Our Connect, Activate & Grow strategy also includes an integrated ESG agenda, showing how our company's growth and social progress are intertwined to suit our stated purpose of connecting everyone in the Netherlands to a sustainable future. The Remuneration Committee believes that the main principles of our remuneration policy support this strategy.

As part of its annually recurring tasks, the Committee defined the level of pay-out for individual members of the Board of Management as part of the STI plan 2024 and LTI grant 2022. It also determined the financial and non-financial targets and performance criteria for the STI and LTI plans 2025. The Supervisory Board remains focused on the importance of ESG and our role in Dutch society. To this end, for the LTI plan of 2025, both a gender diversity target and a Scope 3 emissions reduction target will be continued, each with an equivalent weighting of 15% on target. In the STI plan of, NPS was again included as key target, emphasizing our focus on customer satisfaction.

The Remuneration Committee conducted a comprehensive review of the remuneration levels for the Board of Management, benchmarking against the peer group as defined in the remuneration policy. This review also considered the development of general collective labor agreement (CLA) increases for KPN employees and the company's overall market positioning. In line with market-competitive pay practices and to ensure continued alignment with external benchmarks, the Committee decided to increase the base salary of the Chief Executive Officer by 5.5%, and the base salaries of the other members of the Board of Management by 3%, effective 1 July 2025. The higher increase for the CEO reflects the outcome of the external benchmarking, which indicated that the CEO's remuneration was positioned below the median of the peer group, whereas the remuneration of the other board members was closer to the market reference point. The Committee believes these adjustments are appropriate with a view to maintaining a competitive and fair remuneration structure, supporting the attraction and retention of key leadership talent, and reflecting both individual and collective responsibilities within the Board of Management.

I believe this remuneration report provides our stakeholders with relevant information on the implementation of the Company's remuneration policy.

Ben Noteboom
Chair of the Remuneration Committee

Remuneration policy for the Board of Management

The main principles of KPN's remuneration policy, as described below, are based on a balanced approach between market competitive standards, the ratio between fixed and variable pay and the company's economic contribution and environmental, social and governance (ESG) contribution:

- Paying at market-competitive level (considering all fixed and variable components of the remuneration policy), achieved by benchmarking against an employment market peer group;
- Paying for performance by driving financial and non-financial performance that generates long-term sustainable and profitable growth. This target remuneration aims at 30-40% of pay in base pay and 60-70% in variable pay to maintain a strong alignment with the company's financial performance goals and long-term value creation strategy;
- Differentiating by alignment of pay with responsibilities, required competence and performance of individual jobholders while taking into account the shared responsibility of Board of Management members to support the execution of the company's strategic objectives;
- Balancing all stakeholder interests, including the views of shareholders by complying with best practices in corporate governance, defining targets for the variable pay plans based on financial and non-financial targets and a transparent and clear remuneration policy.

Scenario analyses are conducted regularly to assess potential outcomes for the variable remuneration of Board of Management members, taking into account factors such as the maximum payout for short-term and long-term incentives.

The following pie charts represent the pay mix for both the CEO and the other members of the Board of Management, showing on-target performances for their assigned financial and non-financial targets.

CEO

Other board members

Employment market peer group

The employment market peer group is used as a reference to evaluate the overall market-competitive pay level for members of the Board of Management and is reviewed regularly by the Supervisory Board to ensure that its composition is still appropriate. The employment market peer group consists of Dutch-listed and European sector-specific companies, based on a mixed set of criteria such as market capitalization, revenue, employees, total assets and strategic importance. Its composition may be adjusted as a result of mergers or other corporate activities. The following table shows the composition of KPN's employment market peer group:

Companies:	
Akzo Nobel	Randstad
ASM International	Signify
British Telecom	Swisscom
DSM-Firmenich	Telecom Austria
IMCD	Telecom Italia
Philips	Telenor
Proximus	Telia Company

Main elements of remuneration policy

Annual base salary

The base salaries are set at a market-competitive level taking into account the individual responsibilities, relevant experience and required competences in line with the remuneration principles. Each year, the Supervisory Board reviews the base salaries and decides whether circumstances require and justify adjustments.

Shareholding guidelines

Members of the Board of Management are encouraged to acquire company shares equal to 250% of base salary for the CEO and 150% of base salary for the other members. To further promote attainment of the anticipated share ownership levels, the STI is paid out, after deduction of taxes, as a maximum 50% in shares if the share ownership guideline levels have not yet been attained.

Short-term incentive (STI) plan

Component	Short-term incentives
Form of compensation	Cash, possible pay-out of maximum 50% in shares, if share ownership guideline levels have not yet been reached
Value determination (on-target level)	CEO: 90% of base salary; and other members Board of Management: 60% of base salary
Financial- and non-financial targets	Financial (70% weight) and non-financial targets (30% weight), subject to the financial circuit-breaker; linear vesting
Scenario at or below threshold performance	At threshold: 25% of the on-target incentive paid. Below threshold: no pay-out
Scenario on-target performance	100% of the on-target incentive paid
Scenario maximum performance	150% of the on-target incentive paid

Long-term incentive (LTI) plan

Component	Long-term incentives
Form of compensation	Shares
Value determination (on-target level)	CEO: 135% of base salary; and other members of the Board of Management: 90% of base salary
Financial- and non-financial targets	Financial (70% weight) and non-financial targets (30% weight); linear vesting
Scenario at or below threshold performance	At threshold: 25% of granted shares vest (TSR 75%, i.e. 50th percentile peer group). Below threshold: no vesting
Scenario on-target performance	100% of the granted shares vest (for TSR linear between 50th percentile and first position peer group)
Scenario maximum performance	200% of the granted shares vest (for TSR first position in the peer group)
Holding period	3 years after vesting

Implementation of the remuneration policy in 2025

The actual remuneration of the members of the Board of Management was determined by the Supervisory Board in accordance with the remuneration policy as approved by the AGM.

Remuneration packages of individual current members of the Board of Management

Member	Position	Base salary (€)[1]	On-target STI (% base salary)	On-target LTI (% base salary)
Joost Farwerck	Chief Executive Officer	969,835	90%	135%
Chris Figee	Chief Financial Officer	760,655	60%	90%
Marieke Snoep	Chief Consumer Market	703,377	60%	90%
Chantal Vergouw	Chief Business Market	703,377	60%	90%
Wouter Stammeijer	Chief Operating Officer	703,377	60%	90%
Hilde Garssen	Chief People Officer	541,059	60%	90%

1 As of 1 July 2025

Annual base salary

The committee carefully reviewed the base salaries of the members of the Board of Management, taking into account both individual positioning against the employment market peer group and the average base salary increases for employees covered by the collective labor agreement (3.5% in 2025). Following this review, the Supervisory Board approved an increase of 3% in the base salaries of the Board of Management, effective 1 July 2025. The base salary of the Chief Executive Officer was increased by 5.5%, reflecting the outcome of external benchmarking which indicated a lower market positioning relative to peers. This adjustment ensures continued alignment with market-competitive pay levels and supports the attraction and retention of key leadership talent.

Short-term incentive plan 2025

The outcome of the short-term incentive (STI) plan for 2025 reflects KPN's strong delivery against its financial guidance and strategic ambitions. During the year, KPN remained on track with the execution of its strategy, maintaining a robust liquidity position and achieving growth in both adjusted EBITDA after leases and free cash flow. Actual performance on these financial metrics came out clearly above target, at levels between target and maximum. Service revenues showed continued growth during the year but ended slightly below the target level set for the STI plan.

On the non-financial side, customer satisfaction remains a key priority for KPN. The NPS for the business market was delivered above maximum level, reflecting continued strong relationships with business customers. However, the NPS for the consumer market was delivered just above threshold level, due primarily to the impact of the rising cost of living on consumer sentiment. While KPN continues to lead in customer satisfaction in the Dutch market, these external factors have influenced consumer perceptions during the year.

In the area of broadband, performance in the consumer market and business market was on plan, showing steady progress in expanding high-speed internet access for households and businesses. However, Wholesale broadband lines were lower than expected. This difference highlights the more volatile nature of the Wholesale segment. In the overall mix, this resulted in performance below threshold for this metric. Overall, the STI 2025 outcome demonstrates KPN's ability to deliver on its financial and strategic objectives, while transparently acknowledging the challenges faced in the consumer market and in the execution of the fiber rollout.

It should be noted that, in accordance with common market practice, the actual performance used for incentive plan calculations may differ slightly from reported outcomes, for example due to timing differences such as payments for 2026 that were not included in the original targets.

Long-term incentive plan 2023 (2023-2025)

For the LTI plan issued in 2023, the financial targets were based on relative total shareholder eturn (TSR, 25% weighting), cumulative free cash flow (FCF, 45% weighting), and two non-financial targets: Scope 3 emissions reduction and gender diversity, each with a weighting of 15%. The LTI plan 2023 will vest in April 2026, with final TSR performance determined in mid-February 2026.

Although KPN delivered a strong absolute TSR over the three–year performance period, the LTI plan is assessed on relative TSR within the STOXX 600 Europe Telecom Index. Several peers delivered higher TSR performance in the same period, placing KPN in13th position out of 21 companies. This resulted in below–median vesting for the TSR component. KPN's cumulative FCF, underpinned by disciplined cost management, performed between on-target, and maximum, contributing to a strong liquidity and balance sheet position at the end of 2025.

Scope 3 emissions reduction was selected as a non-financial target to reflect KPN's long-term ambition on sustainability. KPN has developed a clear roadmap, governed by the Energy & Environmental Board, to achieve a 30% reduction in Scope 3 emissions by 2030 compared with the 2014 baseline. For the 2023–25 performance period, the on-target ambition was set versus 2014, and the actual outcome was above maximum level, demonstrating KPN's leadership in climate action.

Diversity was included as a non-financial target to reinforce KPN's commitment to an inclusive workforce that reflects Dutch society. The percentage of women in senior management (leadership assignments) continued to grow significantly during 2025. While this growth was substantial, performance came out just below the target level set for the LTI plan. For the Sub–top population, the percentage of women showed a slight decline during the year, resulting in performance below the threshold level. By linking gender diversity to long–term incentives, KPN ensures that diversity and inclusion remain a strategic priority and a driver of long–term value creation.

Details actual pay-out level STI 2025

		Bandwidth pay-out level					
Target	**Weight**	**Minimum**	**On-target**	**Maximum**	**Performance**	**Resulting %**	**Actual pay-out %**
Financials (70% weighting € million)							
- Adjusted EBITDA AL	25%	2,561	2,600	2,652	2,636	135%	33.8%
- Service revenue	25%	5,266	5,373	5,481	5,357	89%	22.2%
- FCF	20%	897	920	1,012	959	121%	24.2%
Non-financials (30% weighting)							
- NPS B2C	10%	15	17	19	15.2	33%	3.3%
- NPS B2B	5%	3	4	5	5.8	150%	7.5%
- Broadband lines	15%	4,296,491	4,339,890	4,383,288	4,280,400	0%	0.0%
Total pay-out level	**100%**						**90.9%**

Details actual pay-out (vesting) level LTI 2023

		Bandwidth vesting level					
Target	**Weight**	**Minimum**	**On-target**	**Maximum**	**Performance**	**Resulting %**	**Actual vesting %**
Financials (70% weighting)							
- TSR versus peer group	25%	11th position	linear vesting	1st position	13th position	0%	0.0%
- FCF (€ million)	45%	2,461	2,661	2,861	2,700	119%	53.7%
Non-financials (30% weighting)							
- Scope 3 emissions	15%	-37.0%	-39.0%	-42.0%	-45.1%	200%	30.0%
- Gender Diversity Leadership Assignments	7.5%	32.0%	35.0%	38.0%	34.2%	80%	6.0%
- Diversity Sub-top	7.5%	34.0%	36.0%	38.0%	30.0%	0%	0.0%
Total vesting level	**100%**						**89.7%**

Targets LTI 2025

For the LTI plan issued in 2025, the financial targets are based on relative TSR (30%), free cash flow (20%), and ROCE (20%). Every year, the Supervisory Board selects two non-financial targets; for 2025, these are Scope 3 emissions reduction and diversity (each 15%).

Scope 3 emissions reduction reflects the majority of overall emissions as part of our our long-term sustainability ambition.

Diversity was included to maintain focus on our role in Dutch society, with the target now based solely on the percentage of women in senior management. This change was made because there is significant overlap between the senior management diversity target and the (previous) sub-top diversity target, making a single, clear target more meaningful and in line with our leadership structure.

Actual received remuneration Board of Management (in €)

Name current member	Position	Year	Base	STI	Actual vested LTI[1]	Pension benefits[2]	Social security & other compensation[3]	Total[4]	% Fixed[5]	% Variable[5]
Joost Farwerck	CEO	2025	944,555	772,740	1,600,000	251,728	33,997	3,603,020	28%	72%
		2024	908,119	596,879	1,522,824	253,368	33,124	3,314,314	30%	70%
Chris Figee	CFO	2025	749,578	408,820	800,000	143,272	41,428	2,143,097	38%	62%
		2024	717,667	314,467	783,168	138,261	40,359	1,993,922	40%	60%
Marieke Snoep	CCM	2025	693,134	378,035	800,000	134,340	33,748	2,039,256	37%	63%
		2024	674,603	295,597	754,159	131,000	32,916	1,888,275	39%	61%
Chantal Vergouw	CBM	2025	693,134	378,035	700,000	109,788	33,982	1,914,939	39%	61%
		2024	674,603	295,597	-	107,479	32,830	1,110,508	70%	30%
Wouter Stammeijer	COO	2025	693,134	378,035	700,000	94,393	39,006	1,904,567	39%	61%
		2024	674,603	295,597	152,786[6]	90,104	35,683	1,248,773	60%	40%
Hilde Garssen	CPO	2025	533,180	290,796	600,000	102,539	39,267	1,565,782	37%	63%
		2024	518,925	227,383	580,128	99,971	38,394	1,464,801	39%	61%
	Total	**2025**	**4,306,713**	**2,606,461**	**5,200,000**	**836,060**	**221,428**	**13,170,661**		
	Total	**2024**	**4,168,518**	**2,025,521**	**3,793,065**	**820,182**	**213,307**	**11,020,593**		

1 The 2025 amounts give an indication of the value of the shares that will vest in April 2026 and relate to the LTI 2023 grant. The 2024 amounts are the actual values of the shares that vested in April 2025 and relate to the LTI 2022 grant. The fair value of the LTI grants recorded as cost in accordance with IFRS Accounting Standards in 2025 amounts to €1,194,973 for Mr. Farwerck (2024: €1,166,490), €621,191 for Mr. Figee (2024: €599,910), €591,795 for Ms. Snoep (2024: €577,690), €511,652 for Ms. Vergouw (2024: €299,782), €527,424 for Mr. Stammeijer (2024: €354,288) and €455,227 for Ms. Garssen (2024: €444,378). See Note 5 to the consolidated financial statements.
2 The pension costs include the costs for survivor's pension, disability coverage, administration as well as the gross allowances. The fixed gross allowance (for the base pay part above €137,800) in 2025 was, €181,779 for Mr. Farwerck (2024:€186,208), €99,863 for Mr. Figee (2024: €95,314), €93,181 for Ms. Snoep (2024: €90,585), €72,901 for Ms. Vergouw (2024: €70,785), €58,163 for Mr. Stammeijer (2024: €56,421) and €66,971 for Ms. Garssen (2024: €64,999).
3 In addition to social security, the stated amounts include allowances that can be considered as indirect remuneration and that relate to the value of private use of a company car.
4 All remuneration was borne by KPN B.V. See Note 5 to the consolidated financial statements for the total cost of key management. The remuneration of the Board of Management, representing the costs incurred by the company in accordance with IFRS Accounting Standards in 2025 was €3,197,993 for Mr. Farwerck (2024: €2,957,980), €1,964,288 for Mr. Figee (2024: €1,810,665), €1,831,052 for Ms. Snoep (2024: €1,711,806), €1,726,590 for Ms. Vergouw (2024: €1,410,291), €1,731,991 for Mr. Stammeijer (2024: €1,450,275) and €1,421,009 for Ms. Garssen (2024: €1,329,050). In total €11,872,924 (2024: €10,670,066).
5 Excluding pension cost, social security and other compensation.
6 Relates to vesting of plans granted prior to appointment to the Board of Management.

Change in remuneration

The fluctuation in actual pay levels during the reference years is predominantly the result of the outcome of the STI and LTI combined with the relatively high emphasis on pay-for-performance reflected in the short-term and long-term incentive plans. The STI pay-out (in terms of performance versus the assigned targets) was aligned with the level of pay-out to senior management as the same financial and non-financial targets were generally applied in these variable pay plans as in the assigned targets of the Board of Management. The average STI pay-out over the five-year period is close to 93% of the on-target level and the LTI plans vested over the five-year period are on average close to 112% of the on-target level, reflecting the realistic targets set for variable incentive plans.

Considering the results, variable pay on financial and non-financial targets is closely linked to KPN's performance against peers (TSR) and to its outcomes on the key metrics Service Revenues, FCF and EBITDA AL ensuring alignment with the financial performance goals and the long-term value creation strategy. Increasing revenues were supported by ongoing savings from the simplification and digitalization of services. KPN is generating growth in FCF which supports a progressive regular dividend and a robust liquidity position, and the company remains committed to an investment grade credit profile.

Change in remuneration of the current members of the Board of Management in comparison with previous five financial years

	2020	2021	2022	2023	2024	2025
Remuneration CEO (€)	2,301,000	3,051,000	4,157,000	4,126,000	3,314,314	3,603,020
- Year-on-year difference (€)	632,000	750,000	1,106,000	-31,000	-811,686	288,706
- Year-on-year difference (%)	+38%	+33%	+36%	-1%	-20%	+9%
Remuneration CFO (€)	1,169,000	1,304,000	2,389,000	2,394,000	1,993,922	2,143,097
- Year-on-year difference (€)	-386,000	135,000	1,085,000	5,000	-400,078	149,175
- Year-on-year difference (%)	-25%	+12%	+83%[1]	+0%	-17%	+7%
Remuneration other current members on average (€)	1,112,000	1,684,000	2,241,000	1,404,000	1,428,089	1,856,136
- Year-on-year difference (€)	1,019,500	572,000	557,000	-837,000	24,089	428,047
- Year-on-year difference (%)	n/a	+51%	+33%	-37%	+2%	+30%
TSR position (part of LTI)						
- Position peer group	6th (75% vesting)	8th (103% vesting)	4th (163% vesting)	3rd (172% vesting)	3rd (169% vesting)	13th (no vesting)
Free cash flow (part of STI/LTI)	Performance:	Performance:	Performance:	Performance:	Performance:	Performance:
- STI bandwidth pay-out level	Between on-target and maximum	Between on-target and maximum	Between on-target and maximum	Above on-target	Around on-target	Above on-target
- LTI bandwidth pay-out level	Slightly above threshold	Between threshold and on-target	Between threshold and on-target	Between on-target and maximum	Between threshold and on-target	Above on-target
EBITDA (part of STI)	Performance:	Performance:	Performance:	Performance:	Performance:	Performance:
- Pay-out level STI bandwidth	Above on-target	Around on-target	Around on-target	Around on-target	Around on-target	Between on-target and maximum
Average cost per FTE (IFRS, €)	84,306	90,869	93,282	98,226	102,635	112,757
Pay ratio CEO (IFRS)	30	33	32	31	29	28

1 Including the first vesting of the LTI award (2020 grant).

KPN's internal pay ratio

To ensure transparency and clarity, KPN applies an IFRS-driven methodology to calculate the internal pay ratio. KPN's internal pay ratio compares the total CEO compensation under IFRS Accounting Standards principles with the average compensation of employees having an employment contract with KPN (total personnel expenses of KPN employees divided by the average number of KPN FTEs). KPN's calculated pay ratio in 2025 was 28 (2024: 29). The outcome is in line with KPN's acceptable bandwidths as described in our remuneration policy. For further details, see Note 5 to the consolidated financial statements.

See the "Insider transactions" section for stock ownership of the members of the Board of Management and Supervisory Board and Note 5 to the consolidated financial statements for a further description and valuation of the share plans. No loans, advance payments, or guarantees were provided to members of the Board of Management or the Supervisory Board.

Claw-back clause

The claw-back clause was not applied in 2025 (nor in 2024).

Number of shares and current share plans for current board members

	Grant date	Shares held as of 1 January 2025	Vested[1]	Granted, forfeited or sold[2]	As of 31 December 2025	Pre-tax fair value on grant date (€)[3]	Pre-tax market value vesting in 2025 (€)	End of lock-up period
Joost Farwerck	17 April 2025	-	-	343,015	343,015	1,324,038		17 April 2031
	18 April 2024	367,676	-	-	367,676	1,187,593		18 April 2030
	13 April 2023	364,363	-	-	364,363	1,118,594		13 April 2029
	14 April 2022	342,173	-223,901	-118,272	-	1,214,714	1,522,824	14 April 2028
Chris Figee	17 April 2025	-	-	183,707	183,707	709,109		17 April 2031
	18 April 2024	189,091	-	-	189,091	610,764		18 April 2030
	13 April 2023	187,387	-	-	187,387	575,278		13 April 2029
	14 April 2022	175,975	-115,150	-60,825	-	624,711	783,168	14 April 2028
Marieke Snoep	17 April 2025	-	-	169,874	169,874	655,714		17 April 2031
	18 April 2024	182,087	-	-	182,087	588,141		18 April 2030
	13 April 2023	180,446	-	-	180,446	553,969		13 April 2029
	14 April 2022	169,457	-110,884	-58,573	-	601,572	754,159	14 April 2028
Chantal Vergouw	17 April 2025	-	-	169,874	169,874	655,714		17 April 2031
	18 April 2024	182,087	-	-	182,087	588,141		18 April 2030
	01 June 2023	157,891	-	-	157,891	484,725		13 April 2029
Wouter Stammeijer	17 April 2025	-	-	169,874	169,874	655,714		17 April 2031
	18 April 2024	182,087	-	-	182,087	588,141		18 April 2030
	01 June 2023	157,891	-	-	157,891	484,725		13 April 2029
	13 April 2023	4,780	-	-	4,780	13,336		cash settled
	14 April 2022	36,629	-38,680	2,051	-	119,411	152,786	cash settled
Hilde Garssen	17 April 2025	-	-	130,672	130,672	504,394		17 April 2031
	18 April 2024	140,067	-	-	140,067	452,416		18 April 2030
	13 April 2023	138,805	-		138,805	426,131		13 April 2029
	14 April 2022	130,352	-85,296	-45,056	-	462,750	580,128	14 April 2028

1 The 2022 share grant vested in April 2025 with a actual vesting percentage of 106% (excluding deferred dividend).
2 The shares granted to the Board of Management represent 38% (2024: 40%) of the total number of shares and share-based awards granted in to all employees. The grant numbers do not include any deferred dividend during the vesting period. The deferred dividend during the vesting period will be additionally granted in shares.
3 Value is calculated by multiplying the number of share awards by the fair value at grant date.

Supervisory Board

The objective of the remuneration policy for the Supervisory Board is to reward the members appropriately for their work based on market-competitive fee levels. To the extent applicable, the same principles of the Board of Management remuneration policy apply to the Supervisory Board remuneration policy.

KPN has a fixed annual fee and annual committee membership fees for the members of the Supervisory Board. The eligibility for committee fees is limited to two committees (i.e. the two highest fees will apply).

AEX-listed companies with a two-tier board serve as a reference for determining market-competitive fee levels. Supervisory Board members do not receive any variable compensation and are not granted any shares as a form of pay.

The following table shows the annual fixed fee structure for the members of the Supervisory Board and the members of the committees as approved at the 2024 AGM:

Position	Annual fee in €
Chair of the Supervisory Board	105,000
Vice-chair of the Supervisory Board	77,500
Member of the Supervisory Board	62,500
Chair of the Audit Committee	22,500
Member of the Audit Committee	12,500
Chair of the ESG Committee	12,500
Member of the ESG Committee	10,000
Chair of the Remuneration Committee	12,500
Member of the Remuneration Committee	7,500
Chair of the Nomination & Corporate Governance Committee	12,500
Member of the Nomination & Corporate Governance Committee	7,500

The following table shows the actual fee for each current member of the Supervisory Board.

Amounts in €		Membership fee 2025	Committee fees 2025	Total 2025	Total 2024	Total 2023	Total 2022	Total 2021
G.J.A. van de Aast	Chair	105,000	20,000	125,000	122,055	115,000	103,556	53,334
B.J. Noteboom	Vice-chair	77,500	20,000	97,500	93,820	60,917	-	-
H.H.J. Dijkhuizen	Member	62,500	32,500	95,000	87,936	40,000	-	-
F. Heemskerk	Member	62,500	17,500	80,000	77,792	51,958	-	-
M. De Jager	Member	62,500	22,500	85,000	82,791	45,208	-	-
K. Koelemeijer	Member	62,500	15,000	77,500	75,292	70,708	51,756	-
J.C.M. Sap	Member	62,500	25,000	87,500	86,027	80,375	75,000	75,000
R. Shuter	Member	62,500	12,500	75,000	18,750	-	-	-
E.J.C. Overbeek[1]	Former member	18,403	2,944	21,347	71,027	68,917	72,500	72,500
A.D. Plater[2]	Former member	-	-	-	9,856	72,125	77,500	77,500
Total		**575,903**	**167,944**	**743,847**				

1 Up until 16 April 2025.
2 Up until 20 February 2024.

Sustainability statement

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General disclosures – Basis for preparation

General basis for preparation of the sustainability statement (BP-1)

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. It includes the "quick fix" amendments to this first set of ESRS, as well as the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council. The report also incorporates the Delegated Regulation (EU) 2026/73, which formed the basis for the EU taxonomy eligibility and alignment assessments for the 2025 reporting period. 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 reports in line with the CSRD. In applying the "quick fix" amendments adopted by the European Commission, KPN has applied the applicable ESRS phase-in provisions. As a result, while all ESRS standards remain applicable, certain disclosure requirements are not yet reported and will be phased in in subsequent reporting periods.

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 the consolidated KPN Group including its subsidiaries for all ESRS disclosure requirements. However, for entity-specific disclosures, such as KPN-specific metrics and targets, only KPN B.V. is reported.

KPN did not make use of the exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in the articles 19a(3) and 29a(3) of Directive 2013/34/EU. The comparability of sustainability information may be limited due to a lack of historical sustainability information in accordance with the ESRS and standardized measurement practices, allowing for varied 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 material impact and where its risks and opportunities are material. KPN's value chain goes beyond the first tier, e.g., indirect business relationships, and includes shareholding positions in joint ventures and investments.

Sensitive information

Given the sensitivity of cybersecurity-related information, KPN has applied the option under ESRS 1 section 7.7 to omit detailed disclosures on certain cybersecurity metrics and targets. Disclosure of such information could increase exposure to external threats. KPN therefore only reports metrics and targets related to security awareness, the maturity of security monitoring and incident response, and the number of "code orange" and "code red" cybersecurity incidents.

Disclosures in relation to specific circumstances (BP-2)

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.

Physical climate-related risks

KPN has defined the following time horizons for assessing physical climate-related risks:

- Short term: 1 year, aligned with the financial reporting period and operational planning cycle;
- Medium term: 2 to 5 years, corresponding to the strategic planning horizon and asset maintenance schedules;
- Long-term: Beyond 5 years, aligned with the expected lifetime of major infrastructure assets (e.g., telecoms towers, data centers) and long-term capital investment plans.

These time horizons are used consistently across climate risk assessments and are linked to: The expected useful life of assets, such as fiber networks (20–30 years) and mobile infrastructure (3–15 years). The strategic planning cycle, which typically spans 3–5 years and informs decisions on network expansion, technology upgrades, and sustainability targets. The capital allocation framework, which includes long-term investments in climate adaptation measures, such as flood-resilient infrastructure and energy-efficient systems.

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:

- Scope 3 CO_2e emissions;
- Estimated avoided energy consumption, avoided CO_2e emissions and particulate matter emissions;
- Circular inflow;
- Reuse and recycling.

For details of the measurement uncertainties and estimations, reference is made to the metrics and targets sections in the "Environmental" section. 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 has not been subjected to external assurance other than the limited assurance provided by PwC, our independent auditor.

Changes in preparation or presentation of sustainability information

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.

In 2025, there have been changes in the preparation and presentation of some sustainability metrics. The following metrics have been updated accordingly:

- Tons CO_2e per Gbps: We updated the definitions of Scope 1 net to gross emissions and Scope 2 market- to location-based, see "Climate change" and "Methodologies and assumptions" sections for details;
- Scope 3 emissions; Metric tons CO_2e, we updated Category 1 by replacing the spend-based with supplier-specific emission factors for two suppliers of handsets, tablets and wearables; see "Climate change" section for details;
- Collected CPE: We changed the underlying data source as of 2025, see "Resource use and circularity" section for details;
- "Percentage of Dutch population think their data is safe with KPN" is replaced by another question answered in the NPS questionnaire: "My data is secure at KPN". The 2024 figure is updated due to this changed calculation method. We also changed the name of this Key Performance Indicator (KPI) to "Data safety reputation" to better reflect the content;
- Presentation of the SecurX metric has been changed from the number to the percentage of KPN employees who are SecurX-certified. Also, the scope has been extended to a wider group of KPN personnel for whom new training variants have been developed, see "Security" section for details;
- KPN has its security monitoring and incident response maturity assessed every two years using the ETIS Security Benchmark and, since 2025, this assessment is based on the three-level TNO model instead of the former five-level method; see "Security" section for details;
- KPN changed the metric "5G traffic with a minimum downlink throughput of 6 megabits per second (Mbps)" to 4G and 5G combined. The 2024 figure has been adjusted from 99.98% to 99.38%. See "Network quality" section for details.

In addition, a new security KPI has been introduced in 2025: Response readiness: # "code orange" and "code red" cybersecurity be-alerts.

Reporting errors prior periods

The Scope 3 figure for 2024 contained some misstatements, which have been adjusted:

1. The DEFRA emission factor set has been updated for spend-based and revenue-based calculations, impacting Categories 1, 2, 5, 6, 7, 9 and 15;
2. The electricity emission factor has been corrected by applying the appropriate well-to-tank (WTT) in Category 3;
3. Category 11 emissions have been updated to include free products, which were previously excluded;
4. Installed base figures have been revised for Category 13.

These corrections have been adjusted in the 2024 comparative figures, resulting in higher Scope 3 emissions for the year 2024: 823,223 metric tons CO_2e (compared with 813,481 metric tons CO_2e as disclosed in prior year). Also base years 2014 and 2015 have been adjusted (if applicable). See for details "Changes in Scope 3" in the "Environmental" section.

Scope 1 2024 figure contained some errors related to the emission factor for CNG, the volumes of car fuels and it incorrectly included emissions from HVO-100 (biogenic fuel). See for details "Changes in Scope 1" in the Environmental section.

Furthermore, the average number of training hours in 2024 contained an error. For this year, the data quality has been enhanced resulting in a total average number of 38 training hours in 2024 (instead of the 72 hours reported in prior year). See for details "Training and skills development metrics (S1-13)" in the "Social" section.

In 2024, the gender pay gap (overall workforce and subtop) and the pay ratio did not include all variable components in the pay levels, nor the CLA increase. The 2024 figures have therefore been restated. See for details "Remuneration metrics (S1-16)" in the "Social" section. The data used for the calculation of the 2024 upskilling figure was not complete, therefore this has been restated. See for details "Metrics and targets (S1-5)" in the "Social" section.

Incorporation by reference

Certain disclosures within this sustainability statement are included by applying the option to incorporate information by reference. We incorporate by reference to other sections in this integrated annual report by indicating the specific section - see reference table below. Any other references in this sustainability statement are merely to provide more background information and should not be seen as "incorporation by reference".

Datapoint	Explanation	Reference
ESRS 2 DR BP-1 5.b.ii	KPN's subsidiaries	Appendix 1: "About this report"
ESRS 2 DR IRO-2 56 ESRS 2 Appendix B	Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation	Appendix 3: "Datapoints that derive from other EU legislation"
ESRS 2 GOV-1 21	Composition and diversity of the members of the undertaking's administrative, management and supervisory bodies	Skills matrix that is included in the "Report by the Supervisory Board"
ESRS 2 GOV-1 23	Skills and expertise to oversee sustainability matters	Skills matrix that is included in the "Report by the Supervisory Board"
ESRS 2 GOV-1 29	Information about the incentive schemes and remuneration policies linked to sustainability matters for members of the undertaking's administrative, management and supervisory bodies	"Remuneration report", section "Targets LTI 2025"
ESRS 2 GOV-5 36	The main features of our risk management and internal control system in relation to the sustainability reporting process	Reliable sustainability risks in the "Compliance and risk" section
ESRS E1-3 29.c.i	Significant monetary amounts required to implement the actions taken related to lease cars	Disclosure Note 19 to the consolidated financial statements

Reporting on current and future capex investments

KPN continuously invests in its network infrastructure and products, 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 €1.26 billion in 2025 related to fiber rollout, customer-driven initiatives and other.

We plan to invest approximately €1.25 billion in 2026 in our network infrastructure, network quality, 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.

Governance

Role of management and supervisory bodies addressing sustainability matters (GOV-1/2)

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 (composed of executive directors) and a Supervisory Board (composed of non-executive directors). The composition of the Board of Management is set out in the "Composition of the Board of Management" in the "Governance" section. 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. The composition of the Supervisory Board is described in the "Composition of the Supervisory Board", see the "Report by the Supervisory Board". Further information relating to their experience in telecommunications and IT and in digitalization and cybersecurity in the Netherlands is included in the "About the Supervisory Board" section. The independence of the Supervisory Board members is discussed in the "About the Supervisory Board" section.

Roles and responsibilities of the Board of Management and the Supervisory Board for sustainability matters

Overall ownership of sustainability matters lies with the Board of Management, as part of its overall responsibility for setting the company's strategy for sustainable long-term value creation. The Board of Management as a whole is responsible for setting and implementing the sustainability strategy, and for oversight of sustainability – related impacts, risks and opportunities. These responsibilities are laid down in the by-laws of the Board of Management.

In accordance with these by-laws, the Board of Management engages the Supervisory Board at an early stage in drawing up the strategy for sustainable long-term value creation and is accountable to the Supervisory Board for the strategy and the execution thereof.

The Supervisory Board oversees the development and implementation of the strategy, including the sustainability strategy and related targets by the Board of Management. The by-laws of the Supervisory Board similarly emphasize early engagement of the Supervisory Board with the Board of Management in drawing up the strategy. Furthermore, under these by-laws, the supervision by the Supervisory Board includes the Board of Management's activities regarding the creation of a culture aimed at sustainable long-term value creation and weighting of any impacts of the company and its activities on people and the environment.

To support itself in its oversight of sustainability matters, the Supervisory Board has established an ESG Committee from amongst its members as a preparatory committee. Its purpose, as described in its terms of reference, is to support and advise the Supervisory Board in overseeing the development and implementation of the company's sustainability strategy and the related targets, as part of KPN's overall strategy for sustainable long-term value creation. The ESG Committee acts, on behalf of the Supervisory Board, as a sounding board for the Board of Management on sustainability matters and target-setting, and provides guidance from the Supervisory Board in this respect. Separately, the Supervisory Board's Audit Committee oversees sustainability reporting developments and processes. To ensure proper alignment between the sustainability strategy and reporting, the chairs of the ESG and Audit Committee are each a member of the other committee. Target-setting on sustainability matters by the Supervisory Board (if and when required) is aligned between the ESG Committee and the Audit Committee. In the Supervisory Board, the ESG Committee reports on its deliberations (including on the reports it has received) on a quarterly basis. In addition, sustainability matters are on the Supervisory Board's agenda on an ad hoc basis, if and when relevant.

Whereas the Board of Management is ultimately responsible for setting and implementing the sustainability strategy and related impacts, risks and opportunities, on a daily basis senior management develops and executes programs, plans and actions to ensure that sustainability ambitions and targets are met. To best support this, the Board of Management has divided responsibilities for the key themes of sustainability strategy (the ESG themes) among its members, in line with the primary field of (business) responsibility of each member. In this way, dedicated members of the Board of Management can monitor and provide support and guidance to senior management in the fulfillment of specific sustainability targets.

To further ensure coordination between the various ESG themes at operational level, and prepare decision-making by the Board of Management, a coordinating body – the ESG Board – has been installed on which responsible members of senior management serve. This ESG Board is chaired by the CSR manager, who reports to the EVP of Brand, Communications & CSR (who in turn reports to the CEO). The ESG Board thus supports the Board of Management in validating the sustainability-related impacts, risks and opportunities, defining actions and setting targets for relevant ESG themes and monitoring performance against those targets. The ESG Board meets once every four weeks.

Annually, targets related to material impacts, risks and opportunities for the year ahead are discussed with and set by the Board of Management, upon preparation by the CSR manager and the ESG Board. Once the targets are set by the Board of Management, performance on these targets, and results and effectiveness of policies, actions, metrics and targets are discussed with the Board of Management by the CSR Manager, in combination with an overall update on sustainability trends and external developments that have a (potentially) material impact on the company. In addition to these periodic ESG reviews, sustainability matters are addressed in meetings of the Board of Management on an ad hoc basis if and when relevant and are part of 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.

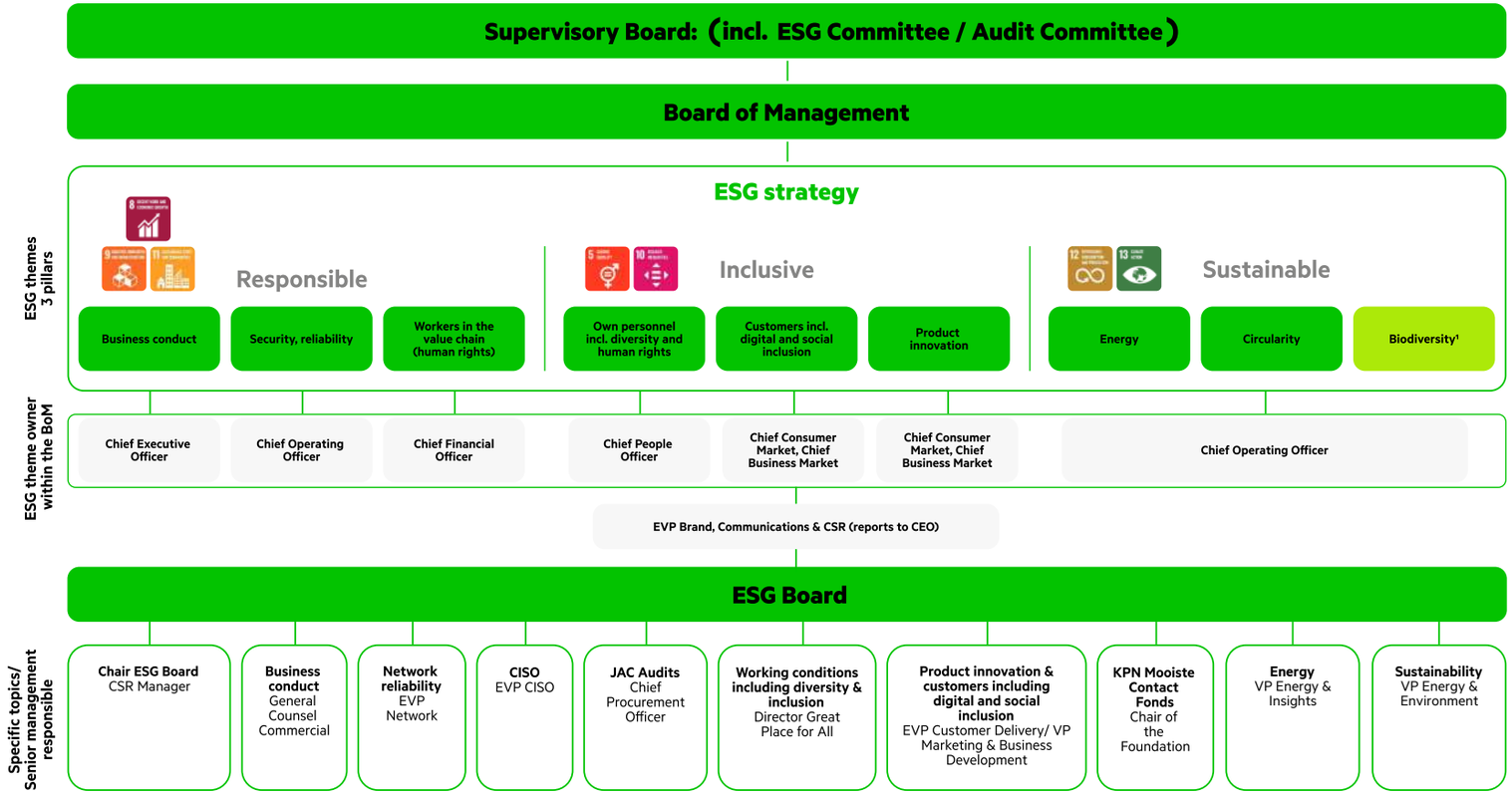
The Board of Management and the Supervisory Board aim to continuously develop appropriate skills and expertise to oversee sustainability matters and address the

company's material IROs. This includes ensuring that the collective knowledge of both Boards covers the specific areas of ESG expertise relevant to the company's operations. Board members build their knowledge and expertise drawing on their broad business experience, input from company specialists and, where relevant, training programs or external advisers. This combination allows the Board of Management and the Supervisory Board making informed decisions and to provide informed guidance on how KPN addresses its identified material IROs.

In determining the composition of both Boards, the Supervisory Board takes account of the company's strategy, including its sustainability strategy and the associated material IROs. The Supervisory Board has set a profile for its composition that is applied periodically, and particularly when vacancies arise, to assess both the existing expertise and any gaps. This profile explicitly specifies that the Supervisory Board as a whole should possess knowledge of and/or experience in sustainability 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 delivered internally or by external experts, or it may engage specific external advisers to provide targeted guidance. At present, the Supervisory Board includes members with expertise in environmental, social and/or governance matters, as indicated in the skills matrix that is included in the Report by the Supervisory Board. Through this structured approach, the Boards ensure that sustainability oversight is informed, effective and aligned with the company's material IROs.

The Board of Management approves the material impacts, risks and opportunities and takes them 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. Detailed descriptions of the material impacts, risks and opportunities (IROs) identified and addressed by the Board of Management in 2025 are disclosed in the "IRO table" in this "General information" section.

KPN's ESG governance structure



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

Integration of sustainability-related performance in incentive schemes (GOV-3)

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 balanced approach between market-competitive standards, the ratio between fixed and variable pay, and the economic and ESG contribution of the company.

The sustainability-related targets are included in the short-term incentive (STI) plan and the long-term incentive (LTI) plan. 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 LTI plans, including the 2025 performance, and the proportion of variable remuneration dependent on the ESG-related targets, are included in the "Remuneration report".

Statement on due diligence (GOV-4)

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 statement.

Core elements of due diligence	Sections in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	i. Role of management and supervisory bodies addressing sustainability matters (GOV-1/2); ii. Integration of sustainability-related performance in incentive schemes (GOV-3); 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. Role of management and supervisory bodies addressing sustainability matters (GOV-1/2); ii. Interests and views of stakeholders (SBM-2); iii. Description of the process to identify and assess material impacts, risks and opportunities (IRO-1); 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.

Risk management and internal controls over sustainability reporting (GOV-5)

Following the requirements of the CSRD and related ESRS, KPN has 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 focused primarily on the reliability of a limited number of sustainability KPIs that are used to monitor the realization of KPN's ESG objectives (see overview of these KPIs in the "KPN list of top risks"). 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, in the coming years, follow 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. In 2025, controls were designed for 13 of the 15 material sustainability KPIs within the RSR control framework and for 3 KPIs the controls have been implemented. Steps were also taken to further automate the internal KPI reporting, aimed at monitoring the sustainability objectives. For more information on the RSR framework including a description for the statement on risk management (*Verklaring omtrent Risicobeheersing*), see the "Compliance and risk" section.

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 direct business relationships in the upstream or downstream value chain. See "Main risks" in the "Compliance and risk" section for the main risks identified and their mitigation strategies including related controls, which is incorporated by reference.

Strategy

Strategy, business model and value chain (SBM-1)

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 aim to be a frontrunner in ESG, striving for the highest rankings from e.g., MSCI and EcoVadis. Additionally, we are perceived as ESG leader by 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 strengthen our commitment to diversity and inclusion in all respects, both as an employer and as a service provider. Our people-centric culture fosters sustainable growth, and our commitment to ESG makes us a force for good in Dutch society;
- We continue to work towards achieving net-zero emissions and circularity. We continue to reduce our energy consumption, even in the face of upward pressure from data volume growth.

Our sustainable growth journey: responsible, inclusive, sustainable

Our #BetterInternet campaign enables our customers in the Netherlands to enjoy seamless access to an reliable, high-quality and secure internet, powered by fiber and 5G. Our ESG approach and where exactly we are aiming for, can be found in KPN's ESG manifesto. 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 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 strategy. 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.

As of 2024, the year we published our ESG manifesto, we decided to broaden our ESG 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 consistently 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 2026, 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, such as the level of participation by KPN employees in projects related to our foundation (KPN Mooiste Contact Fonds) and our efforts in connecting vulnerable individuals with others. 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 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 enterprises (SME) to large corporate enterprises (LCE).

Our Consumer segment offers fixed and mobile telephony, fixed and mobile broadband internet and TV to retail consumers. Our Business 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 10,049 employees work in the Netherlands (2024: 10,333). See the "Own workforce" section for more information.

Sustainability-related goals

The table below provides an overview of a selection 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.

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. The sustainability statement and the "Sustainable value" sections in this integrated annual report discloses our performance on these KPIs.

Challenges

The main challenges lie in:

- realizing the goals set for the future;
- collecting reliable and complete sustainability information from our value chain;
- consolidating sustainability information of some subsidiaries due to limited availability;
- transition from manual activities to automated activities (e.g., calculation of Scope 1, 2 and 3).

Our critical solutions and projects include our supplier engagement programme, our partnership with JAC on value chain data to gain a better insight into the value chain across the sector.

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 2026
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	B2C, B2B, WHS	Netherlands	Employees, suppliers, society	EcoVadis spend coverage of our suppliers: >85% in 2026
Responsible	SDG 9: Industry, innovation and infrastructure	All significant products and services contribute to innovation and infrastructure	B2C, B2B, WHS	Netherlands	Customers, suppliers, society	Radio network availability: 99.7% in 2026
Inclusive	SDG 10: Reduced inequalities	We strive to design our products and services in an inclusive way	B2C, B2B, WHS	Netherlands	Employees, suppliers, society	Fiber footprint: up to 85% by 2030 (incl. GlasDraad)
Responsible	SDG 11: Sustainable cities and communities	All significant products and services and through our KPN Mooiste Contact Fonds and sponsoring activities.	B2C, B2B, WHS	Netherlands	Society, customers	Data safety reputation 2026: 95%
Sustainable	SDG 12: Responsible consumption and production	We aim to minimize the environmental impact of our products, services and infrastructure	B2C, B2B, WHS	Netherlands	Customers, suppliers, society	≥86% reuse and recycling in 2026
Sustainable	SDG 13: Climate action	We aim to minimize the environmental impact of our products, services and infrastructure	B2C, B2B, WHS	Global	Society, suppliers, nature	Scope 1 and 2 emissions: 3,700 and 95,000 metric tons CO_2e resp. in 2026. Scope 3: 600,000 metric tons CO_2e in 2030

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

We build and maintain our 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.

Our business model creates value through six categories of capital.

These definitions are further specified as follows:

1. Financial: 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. Manufactured: 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. Intellectual: 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. Human: 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. Social relationships: 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. Natural inputs: 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 is 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.

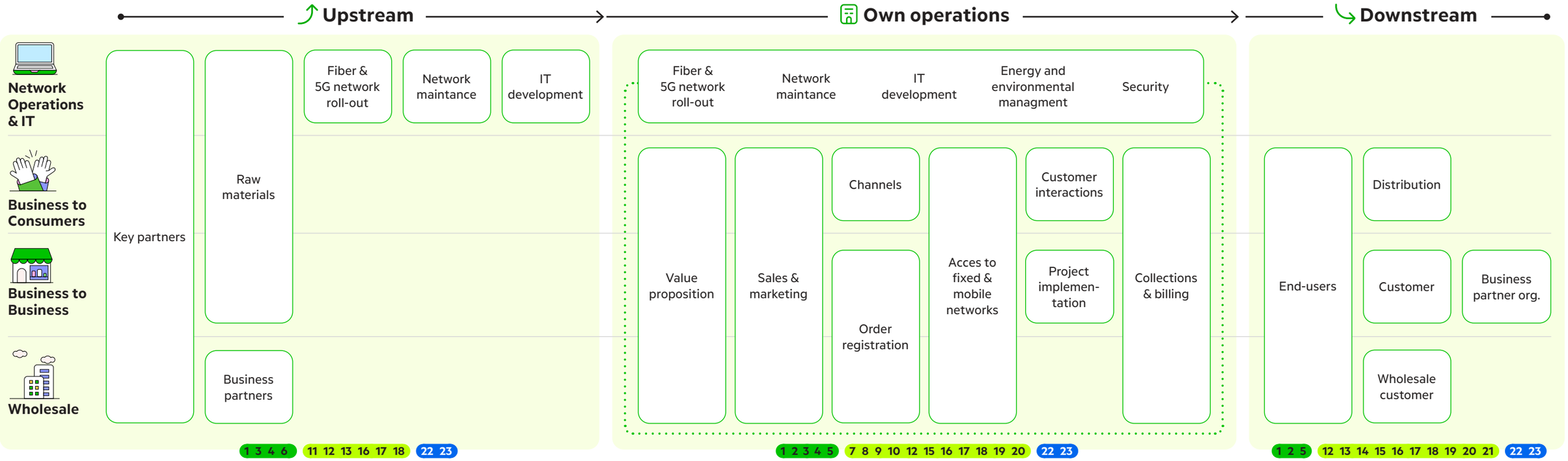
Our business model aims to deliver state-of-the-art network infrastructure; flexible, simple and converged products and services; focused innovation and digitalization; safeguarded privacy and security; sustainable employability and environmental performance and a responsible supply chain:

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.

The numbers 1 to 23 correspond to the impacts, risks and opportunities which are described in more detail in the "Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 — SBM3)" section.



Impacts, risks and opportunities

Environmental

Climate change
1 Carbon emissions
2 Energy consumption
3 Grid congestion
4 Climate-related major incidents

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

Social

Own workforce
7 Working condtions
8 Equal treatment - diversity
9 Tight labor market
10 Diversity - aging workforce

Workers in the value chain
11 Supplier working conditions

Privacy
12 Regulatory implications

Customer value
13 Connected society
14 Business digitalization

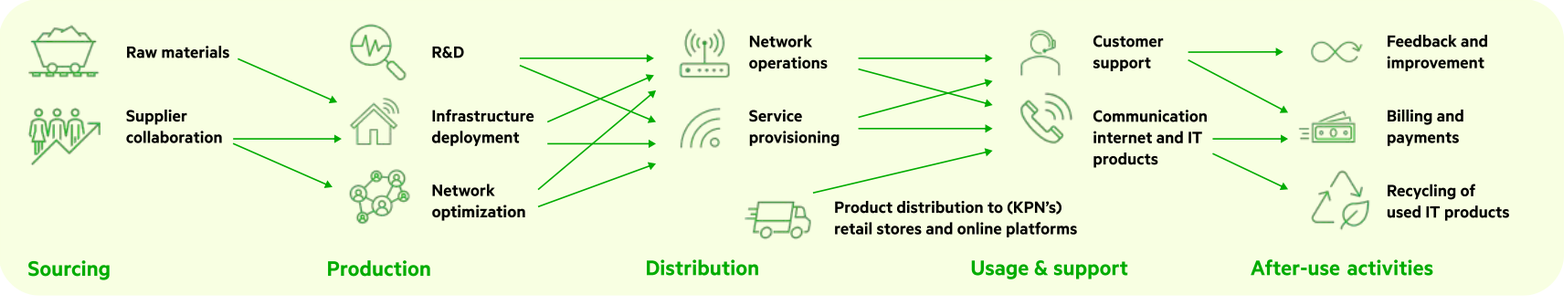
Network quality
15 Network quality
16 Unavailability of 112 service on mobile networks
17 Increased market share on broadband
18 Network interruptions

Security
19 Secure online environment
20 Implications on our license to operate
21 Security and data protection

Governance

Business conduct
22 Promoting a strong business culture of integrity and governance
23 Actively lobbying

KPN's upstream, own and downstream operations



For the IROs related to material sustainability matters, see the "IRO" table on p. 81-83.

Description of KPN's value chain

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 access: providing broadband and mobile internet connection;
- Communications services: offering various telecommunications plans and connections;
- IT services: providing IT infrastructure, cloud and security services.

Product distribution:

- 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 communication, internet and IT products, and customer support;
- After-use activities can be divided into billing and payments, feedback and improvement, and recycling of used IT products.

Interests and views of stakeholders (SBM-2)

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, and 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. 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 some stakeholder dialogues, at which a variety of stakeholders are present. In what follows, we provide insight into all the interactions we had with different stakeholders in 2025, including our responses 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 last year. Neither the strategy nor the business model was amended in 2025 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 with stakeholders through the monthly internal management letter. Major changes to KPN's strategy or business model as a result of stakeholder engagement are first discussed in the Board of Management. In the table on the next page, we describe the engagements per stakeholder.

Key stakeholder	Engagement — How it is organized	Purpose of engagement	Primary topics of interest — taken into account
Customers – consumers, business customers, wholesale customers	Consumer segment: • Through customer service • Through our engineers • In our stores • On social media • External panels for our Brand, NPS and RepTrak • Dedicated Experience Lab Business segment: • Via account managers, service managers, in our XL stores, our contact centers and via our business partners • Through customer panels, surveys, quarterly market research and workshops connecting customers' strategies with KPN • Via social media through our Business segment platform, The Digital Dutch • Through our Customer Experience Center Wholesale: • Via 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 • Through a customer panel, expert sessions with product specialists and networking events	• Collecting and monitoring solicited and unsolicited customer feedback on a daily basis • Monitoring our reputation • Retaining customer loyalty and gaining market share • Evaluating our customers' needs and experience • Informing our customers of product developments and improvements • Keeping informed of market developments and strategic developments at our key customers	• Improvements to customer journeys • Improvements to services • Meeting customers' needs and expectations
Investor community – KPN's shareholders, bondholders as well as analysts	Corporate events such as: • AGM and Capital Markets Day • Meetings with (potential) investors, analysts and credit rating agencies during (virtual) roadshows, earnings calls, investor presentations and conferences • Timely press releases and regular publications of our quarterly results and integrated annual report press releases	• Ensuring that investors are informed about KPN's financial performance, strategy and risks • Securing financial resources • Fostering long-term growth • Managing and remaining aligned with investor expectations • Maintain positive relationships	Integrating feedback from investor community into decisions, such as: • Capital allocation • Sustainability initiatives • Technological innovation • Customer experience improvements • Balancing investor community's demands for short-term returns with long-term growth opportunities
Employees	• Extensive survey twice a year and smaller surveys throughout the year • Frequently dialogues between Board of Management members and employees • Engagement with works council (periodically) and trade unions	• Engaging with employees • Facilitating discussions on several themes • Discussing and approving new policies ensuring that employee perspectives shape our strategic direction • Fostering employee well-being and job satisfaction • Providing a healthy, diverse and inclusive work environment and ways for employees to stay well and engaged	• Shaping an inclusive and diverse organization and culture, in which our people can make impact • 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 (see for our culture manifesto: https://www.overons.kpn/downloads/KPN-Manifesto-Better-Internet.pdf) • 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

Key stakeholder	Engagement — How it is organized	Purpose of engagement	Primary topics of interest — taken into account
Government and regulators – Local, national and international governments and various regulatory bodies such as ACM, The Autoriteit Persoonsgegevens or AP (Dutch Data Protection Authority), Rijksinspectie Digitale Infrastructuur or RDI	• Proactively engage by maintaining a regular dialogue • Work together with local and regional governments	• Explaining our efforts and results • Aiming to avoid non-compliance through integrity and transparency	• Addressing concerns around e.g., national cybersecurity • Network rollout (both fiber and mobile) • Compliance with various regulations
Suppliers – Tier 1 suppliers and indirectly suppliers in and beyond Tier 2	• Directly engaging with our strategic suppliers on a structural basis • Indirect engagement with suppliers in and beyond tier 2 through the JAC (Joint Alliance for CSR) audits and working groups • Indirect by EcoVadis scores on ESG • Via tenders • Through the SpeakUp Line	• Managing suppliers' performance and our relationship • Promoting sustainable solutions and carbon reduction • Setting out specific terms and conditions for products and services to improve their sustainable performance, including respect for the human rights of their workers • Advocating and actively steering for the principles of our suppliers' CSR policies to be in line with those of KPN	• 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 • Verifying, assessing and developing CSR implementation • Low-scoring suppliers on EcoVadis assessments are required to improve • Signing of supplier code of conduct (including e.g., that supplier is expected to have emission reduction targets in place and take actions to reduce GHG emissions)
Society – societal stakeholders representing public and consumer interests, complemented by relevant industry and institutional bodies	• Organizing multiple meetings and dialogues on sustainability matters each year with stakeholders	• Discussing our contribution to society and the desired next steps	• Initiatives to support human rights in the value chain, improved human rights statement • Accelerate diversity and digital and social inclusion • Professionalization of circularity, and the path to net-zero, collaborating on international standards for circularity • Advocacy and lobbying • #BetterInternet initiative for a safer, more inclusive and greener internet, online safety
Nature – climate experts, such as Naturalis and WWF	• Inviting nature NGOs or experts to stakeholder dialogues several times a year	• Exploring potential collaboration by inviting nature NGOs or experts to stakeholder dialogues about topics such as climate change, energy, critical raw materials • Challenging our double materiality assessment	• Topics such as climate change, energy, critical raw materials • Insights are discussed in the relevant management team, the ESG Board and, if appropriate, included or converted into improvements

In line with the applicable reporting standards, the stakeholder groups customers, employees and workers in our value chain are further described in the following sections.

Customers

All KPN's customers are key stakeholders, encompassing consumer market, business market and wholesale customers. In addition to our customer base and wholesale partners, end-users are also key stakeholders. End-users are those who actually use a particular product or service of KPN.

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 is responsive and appreciative;
- 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;
- Delivered by a reliable, steady, and sustainable provider, able to deliver for a longer period (safeguarding business continuity).

Business segment specific:

- SME – including self-employed and small office / home office (SoHo) – integrated telecoms products and services and basic IT services, including standard products/services, focused on telecommunication and TV. Preferred contact is personal and digital;
- LCE (also relevant for IoT and Tailored Solutions): 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 capacity of our networks as fully as possible, wholesale creates value for KPN and for our customers and end-users.

Wholesale customers prioritize a telecoms provider offering a stable, high-quality network with strong uptime and reliability. Their own service reputation depends on uninterrupted connectivity and robust infrastructure. They also expect strict confidentiality and compliance with data protection laws, ensuring that their data — and that of their clients — remains secure and private at all times.

KPN's strategy and business model is informed by:

- Customer, brand and UX (user experience) research;
- Market intelligence: research into 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;
- Customer interaction in our indirect customer channels (business partners, business market only).

Employees

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 value creation.

We engage with employees directly and 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. The findings from the 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 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 the primary topics of interest.

Our governance structure includes one central Works Council and twelve 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.

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.

Workers in our value chain

The interests, views and rights of workers in our value chain (relevant in the area of our suppliers), including respect for their labor conditions and human rights, are a driver in our strategic planning process.

In our supply chain, a distinction is made between Tier 1 and Tier 2 suppliers. Tier 1 suppliers are the suppliers we directly purchase from and communicate with, and thus directly impact. Suppliers in and beyond Tier 2 supply Tier 1 suppliers with the resources needed to create the product or service.

The interests, views and rights of workers in our value chain 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 supply chain workers.

In and beyond Tier 2, KPN indirectly impacts the interests, views and rights of workers in our value chain via the Joint Alliance for CSR (JAC), of which KPN is a member. The JAC is a global association of 31 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 so as 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.

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 considered as part of KPN's due diligence, including the materiality assessment processes.

The outcomes of our stakeholder engagement have been considered in KPN's strategy and business model. 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. For example, the Board of Management is informed regularly of the views of the investor community, about relevant developments in politics and government, implementation of new regulations and on relevant social-related topics. This outside-in view is also shared with the Supervisory Board. 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. In addition to regular stakeholder engagement, targeted dialogues are held with external experts to obtain in-depth advice on our overall ESG approach and specific ESG themes. The Supervisory Board is informed about the outcomes in their quarterly meeting.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS2 — SBM3)

ESRS standard	IROs	Interaction with strategy and business model
E1 Climate change	1 Carbon emissions 2 Energy consumption 3 Grid congestion 4 Climate-related major incidents	Our strategy and business model support the transition to net-zero by focusing on energy savings, efficiency, and the circular economy. We collaborate with suppliers through long-term contracts to secure fixed pricing for renewable energy. Our ICT solutions promote remote working, reducing commuting and office energy consumption, resulting in a net decrease in emissions.
E5 Resource use and circularity	5 Use and disposal of raw materials 6 Scarcity of (critical) raw materials	The impact is involved through our business relations and affects the environment (mainly climate). 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.
S1 Own workforce	7 Working conditions 8 Equal treatment – diversity 9 Tight labor market 10 Diversity – aging employees	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.
S2 Workers in the value chain	11 Supplier working conditions	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 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 proves structurally incapable of meeting our standards as described in the supplier code of conduct.
S4 ES Privacy	12 Regulatory implications	With our Connect, Activate & Grow strategy, we want to connect people. We generate a lot of customer data which, if not handled correctly, cause harm to our customers (privacy breaches and misuse of data) and also to KPN (reputation, fines and recovery costs). Delivering connectivity and serving loyal customers are closely linked with upholding data privacy and security, both of which are fundamental to KPN's operations.
S4 ES Customer Value	13 Connected society 14 Business digitalization	KPN's strategy and business model are designed to achieve positive impacts, resulting in a broad product and service portfolio for offering connectivity and the digitalization of business processes. We enable people and organizations to be digitally connected and we deliver this by offering stable, fast, future-proof and secure networks as well as additional services on top of our networks.
S4 ES Network Quality	15 Network quality 16 Unavailability of 112 service on mobile networks 17 Increased market share on broadband 18 Network interruptions	With our Connect, Activate & Grow strategy, we want to connect people. 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 this strategy. 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.
S4 ES Security	19 Secure online environment 20 Implications for our license to operate 21 Security and data protection	We aim 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 5A security strategy.
G1 Business conduct	22 Promoting a strong business culture of integrity and governance 23 Actively lobbying	Everything we do, we do with integrity, and we promote an integrity-based culture within the company. We see the integrity of our business culture and governance as a must to do business and this is therefore fully integrated in our ESG strategy. For example through our lobby activities KPN can have a positive effect on people. KPN supports cybersecurity policies and promotes policies that support climate neutrality and sustainable ICT solutions which are vital in providing connectivity.

Impacts, risks and opportunities

Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

Double materiality assessment — process description

The double materiality assessment (DMA) is the foundation of KPN's sustainability reporting under the CSRD and ESRS. It identifies material impacts, risks, and opportunities from two perspectives: impact materiality (inside-out) and financial materiality (outside-in). In 2025, the DMA was updated to reflect developments in 2025. The DMA focuses on our core activities in the Netherlands including, where possible, business relationships.

Impact materiality assessment (IMA)

The IMA evaluates how KPN's operations, services, and value chain affect people and the environment. It considers both actual and potential positive and negative impacts, regardless of financial consequences. Internal stakeholder representatives — selected for their expertise across KPN's value chain — assess a predefined list of potential impacts. These stakeholder representatives represent the interests of employees, regulators, investors, suppliers, customers, nature, and society, including affected communities.

The identification of impacts is based on gross impacts, i.e. prior to the effect of any prevention, mitigation or remediation measures. Impacts are evaluated based on scale, scope, and (for negative impacts) irremediable character, using a five-point scale. For potential impacts, likelihood is also assessed. An impact is deemed material if it exceeds defined thresholds for severity and stakeholder relevance.

Material topics reflect areas where KPN has significant influence or responsibility, and where stakeholders expect leadership.

To validate findings, the assessment was cross-checked with external sources, including stakeholder publications and sector benchmarks. This desk research confirmed the relevance of the identified material topics.

Financial materiality assessment (FMA)

The FMA identifies sustainability-related risks and opportunities that could affect KPN's financial performance, position, or cash flows. Based on the sustainability matters listed in ESRS 1 (AR 16) and the impacts identified in the IMA, the CFO team defined relevant scenarios for risks and opportunities. For each scenario, the CFO team defined key drivers and assumptions, then estimated potential financial effects on revenue, EBITDA, cash flow, and financial position over the short, medium, and long-term, using KPN's formal strategic plan figures. Scenarios were prioritized based on their likelihood and financial significance.

The results were visualized in a heatmap and discussed in terms of timing and materiality. Scenarios exceeding defined thresholds were classified as financially material.

Governance and validation

The outcomes of both assessments were validated by the ESG Board and approved by the Board of Management, and shared with the Audit Committee and Supervisory Board.

Thresholds

KPN uses thresholds in the DMA to determine which sustainability matters are material and which not. The thresholds, which have a qualitative and quantitative nature, are defined by the joint team (of the CSR department, the External Reporting department, subject matter experts, the CFO team and the Risk Management department) that performs the DMA (for the financial materiality assessment the CFO team is also involved) and reviewed by the CSRD implementation project steering committee. For the impact materiality assessment, impacts are material for reporting purposes if they exceed certain thresholds. We defined an initial threshold of >~7.0 for absolute impact (positive, negative) or relevancy >4.0. However, we subsequently applied qualitative criteria to determine which (sub or sub-sub) topics have a material impact and which not. For the financial materiality assessment, scenarios that could hinder the realization of KPN's outlook – the 3-3-7 ambition: ~3% increase for service revenues, ~3% for EBITDA after leases (EBITDA AL) and ~7% for free cash flow (FCF) until 2027 – the related risks and opportunities are regarded as material for sustainability reporting purposes. After 2027 (current strategy period), potential material risks and opportunities are determined by a combination of financial impact and time horizon. These thresholds are used in the financial materiality assessment.

Outcomes of the double materiality assessment

A sustainability matter is marked as material when the severity of an impact, and in case of potential impacts their likelihood, or the combination of magnitude and likelihood of a risk or opportunity, exceed the defined thresholds.

Looking at the outcomes of both the impact assessment and the financial materiality assessment, we decided to publish two scatter graphs: one for each assessment, as this does more justice to the content and wording of the topics discussed in the assessments.

The scatter graph 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 IROs that emerge from the DMA are described in the "IRO table" and in more detail in the "Environmental", "Social" and "Governance" sections of this report.

Connection between impacts, risks and opportunities

The negative and positive impacts, as described in the "IRO table", 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 (e.g., offering high-quality and secure network connections have a positive impact on customers, which could subsequently lead to financial opportunities from increased market shares). 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.

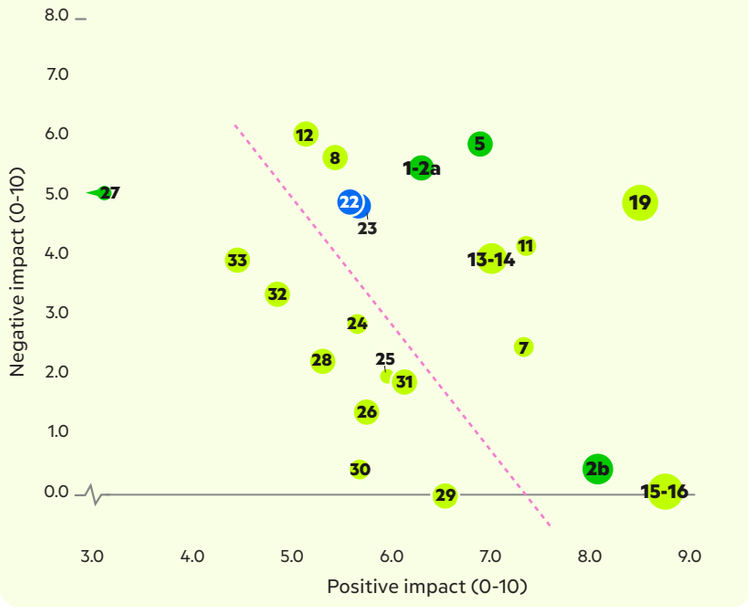
Resilience of strategy and business model

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.

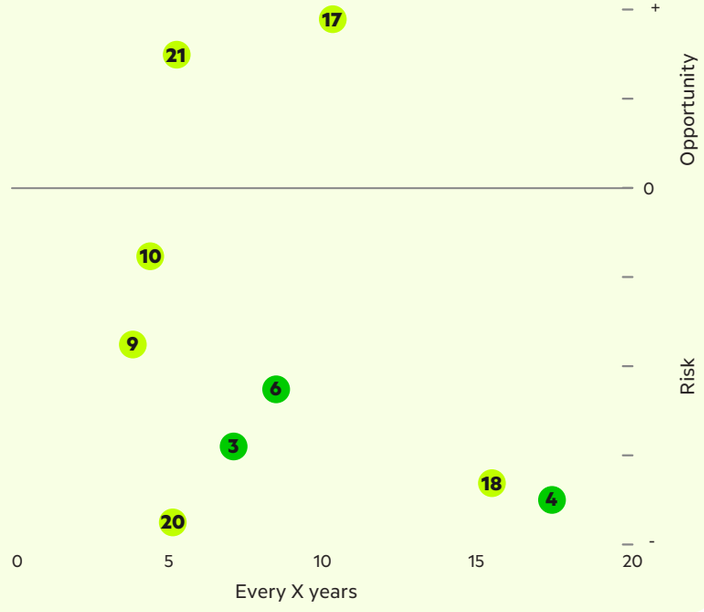
Main changes compared with previous year

Both impact and financial materiality did not materially change compared with the previous year; the list of material sustainability matters remained unchanged.

Impact materiality assessement



Financial materiality assessment



- Environmental
- Social
- Governance
- Threshold

Bubble size indicates impact relevancy (1-5)

Bold text is material

1. **E1 Carbon emissions**
2a. **E1 Energy consumption**
2b. **ES Sustainable ICT solutions & product innovation**
3. **E1 Grid congestion**
4. **E1 Climate-related major incidents**
5. **E5 Use and disposal of raw materials**
6. **E5 Scarcity of (critical) raw materials**
7. **S1 Working conditions**
8. **S1 Equal treatment — diversity**
9. **S1 Tight labor market**
10. **S1 Diversity — aging employees**
11. **S2 Supplier working conditions**
12. **S4 Privacy — regulatory implications**
13. **ES Connected society**
14. **ES Business digitalization**
15. **ES Network quality**
16. **ES Unavailability of 112 service on mobile networks**
17. **ES Increase market share on broadband**
18. **ES Network interruptions**
19. **ES Secure online environment**
20. **ES Implications for our license to operate**
21. **ES Security and data protection**
22. **G1 Business culture of integrity and governance**
23. **G1 Actively lobbying**
24. S2 Other work-related rights
25. S3 Affected communities
26. S4 Social inclusion
27. E3 Water and marine resources
28. S4 Access to information
29. ES Facilitating innovation
30. S2 Equal treatment
31. S4 Safety
32. S1 Privacy at work
33. S2 Freedom of association & collective bargaining

Internal control procedures

The main internal control procedures of the DMA consist of a review of the main outcomes by the CSRD implementation project steering committee and Board of Management, and a consistency check against the main findings from stakeholder dialogues.

Other DMA information

As described earlier, 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 "Stakeholder dialogue" section for further information), strategic plans, ESG information regarding suppliers (for example, in EcoVadis databases) and external research documents. The data sources cover KPN's own operations and also KPN's business relationships in 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 ongoing 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.

IRO matrix

The IROs corresponding to the material topics are presented in the "IRO table". The following matrix outlines the material IROs, indicating whether they represent a positive or negative impact and whether they constitute an opportunity or a risk.

Positive impacts	Opportunities
7 Working conditions	17 Increased market share on broadband
8 Equal treatment-diversity	21 Security and data protection
13 Connected society	
14 Business digitalization	
15 Network quality	
19 Secure online environment	
22 Promoting a strong business culture of integrity and governance	
23 Actively lobbying	

Negative impacts	Risks
1 Carbon emissions	3 Grid congestion
2 Energy consumption	4 Climate-related major incidents
5 Use and disposal of raw materials	6 Scarcity of (critical) raw materials
11 Supplier working conditions	9 Tight labor market
12 Regulatory implications	10 Diversity-aging employees
16 Unavailability of 112 service on mobile networks	18 Network interruptions
	20 Implications for our license to operate

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 impacts and risks 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. The Risk Management department is involved in the DMA and in determination of our risk profile (ERM) and monitors the alignment between these two assessments. The DMA did not lead to material changes in our risk profile. For more information on our enterprise risk management (ERM) procedures, see the "Compliance and risk" section which includes with a list of principal risks (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. Reporting risk on the reliability of the disclosed metrics is prioritized based on its materiality. For 15 defined key KPIs the reporting risks are identified, for example input that is incomplete or not delivered in good time, incorrect calculation of the KPI, or incompleteness of the reported KPI. For these risks we have implemented mitigation strategies in the control framework, such as application of the four-eyes principle, performance of trend analysis and reconciliations.

Material impacts, risks and opportunities resulting from KPN's DMA 2025

ESRS topic		IRO description	IRO (+/-)	Actual/ Potential (impact)	Value chain	Business model	Expected time horizon
E1 Climate change	1	**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.				Serving customers / delivering connectivity / building and maintaining infrastructure	
	2	**Energy consumption[1]:** KPN's inherent energy demand may impact the transition to renewable energy. By providing digital services as alternatives to physical products, KPN helps customers avoid carbon emissions, further contributing to environmental sustainability.				Serving customers / delivering connectivity / building and maintaining infrastructure	
	3	**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 potentially risk of limitation of local network capacity.		n/a		Serving customers and delivering connectivity	
	4	**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 service disruptions or service quality degradation.		n/a		Serving customers and delivering connectivity	
E5 Resource use and circular economy	5	**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.				Serving customers / delivering connectivity / building and maintaining infrastructure	
	6	**Scarcity of (critical) raw materials:** Lower availability of (critical) raw materials for key products can make our services more expensive and/or less available on the market. Our key risks relate to network and customer equipment and critical materials essential for new technologies. The risk can be amplified by geopolitics due to concentration of primary supply from raw materials producing countries.		n/a		Building and maintaining infrastructure	
S1 Own workforce	7	**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.				Serving customers / delivering connectivity / building and maintaining infrastructure	
	8	**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.				Serving customers / delivering connectivity / building and maintaining infrastructure	
	9	**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.		n/a		Serving customers / delivering connectivity / building and maintaining infrastructure	
	10	**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.		n/a		Serving customers / delivering connectivity / building and maintaining infrastructure	
S2 Workers in the value chain	11	**Supplier working conditions:** 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.			[2]	Serving customers / delivering connectivity / building and maintaining infrastructure	

1 This positive impact is not considered material and does not offset the negative effects of KPN's own energy consumption. KPN presents this enablement effect as a strategic outcome, acknowledging its role in supporting environmental sustainability without claiming compensatory equivalence.
2 Beyond Tier 1 in high-risk areas, mainly in Eastern Europe, Asia and Latin America.

ESRS topic		IRO description	IRO (+/-)	Actual/ Potential (impact)	Value chain	Business model	Expected time horizon
S4 Privacy	12	**Regulatory implications:** KPN faces potential damage to customers and harm to its reputation due to inadequate protection or non-compliant use of customer data. Such lack of protection or non-compliance could impact customer privacy and KPN's reputation.				Serving customers	
Entity-specific: Customer value	13	**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).				Serving customers	
	14	**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.				Serving customers	
Entity-specific: Network quality	15	**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.				Delivering connectivity / building and maintaining infrastructure	
	16	**Unavailability of 112 service on mobile networks:** To avoid the potential negative impact of the 112 service on mobile networks, KPN ensures continuous network availability.				Delivering connectivity / building and maintaining infrastructure	
	17	**Increased market share on broadband:** KPN aims to increase its market share in broadband by deploying high-quality and competitive fiber networks.		n/a		Serving customers / delivering connectivity / building and maintaining infrastructure	
	18	**Network interruptions:** Failure of one data center across four different locations could lead to network interruptions, potentially impacting KPN's reputation and market share.		n/a		Serving customers / delivering connectivity / building and maintaining infrastructure	
Entity-specific: Security	19	**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.				Serving customers / delivering connectivity / building and maintaining infrastructure	
	20	**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.		n/a		Serving customers / delivering connectivity / building and maintaining infrastructure	
	21	**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 5A security strategy, resulting in an enhanced reputation, higher customer loyalty, and improved business results.		n/a		Serving customers / delivering connectivity / building and maintaining infrastructure	
G1 Business conduct	22	**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.				Delivering connectivity and serving our customers	
	23	**Actively lobbying:** 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.[1]				Serving customers	

1 The title of this positive impact changed in 2025, from "Being considered as trusted provider" to "Actively lobbying" to better reflect the IRO, without the impact necessarily being changed.

Policy overview

The following table includes the key policies addressing the IROs.

Policy	Key content description	Accountable	Third party standards taken into account	Reference	Availability
Code of conduct	The CoC describes how we deal with people, resources, and the environment. It describes KPN's values (trust, courage, and growth) and how we work in an open, transparent, honest, and socially responsible way. It covers themes related to issues including anti-bribery, competition law, and ESG.	Board of Management and Supervisory Board	• UN Guiding Principles on Business and Human Rights • Dutch Corporate Governance Code • Dutch Whistleblower Protection Act	S1 S4 G1	Code of Conduct
Reporting procedure	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.	Chief Compliance Officer	• Dutch Whistleblower Protection Act	G1	Reporting Procedure misconduct and inappropriate behaviour KPN
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 antibribery and corruption.	Chief Compliance Officer	• Dutch Corporate Governance Code • Dutch Whistleblower Protection Act	G1	KPN's intranet
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.	Chief Procurement Officer	• UN Guiding Principles on Business and Human Rights • Declaration on Fundamental Principles and Rights at Work by the International Labour Organization (ILO) • OECD Guidelines for Multinational Enterprises	E1 E5 S2 G1	Leveranciers — KPN
Supplier code of conduct	The SCoC is 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.	Board of Management	• UN Guiding Principles on Business and Human Rights • Declaration on Fundamental Principles and Rights at Work by the International Labour Organization (ILO) • Dutch Whistleblower Protection Act	E1 E5 S2 G1	Supplier code of conduct
Collective labor agreement	The 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, worklife balance initiatives, grievance mechanisms, and opportunities for learning and development.	Board of Management, specifically the Chief People Officer	n/a	S1	KPN CLA 2025
ARBO catalog	This catalog sets out work-related health and safety risk inventories and evaluations (RI&Es).	Chief People Officer and Chief Compliance Officer	• Dutch Working Conditions Act (ARBO)	S1	KPN's intranet
Diversity and inclusion policy	This policy informs our stakeholders, partners and employees about our ambitions for and approach to diversity and 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.	Board of Management, specifically the Chief People Officer and Supervisory Board	• Dutch Diversity Act	S1	Code of conduct

Policy	Key content description	Accountable	Third-party standards	Reference	Availability
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.	Board of Management	• 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	S1	Code of conduct
Vacancy policy	Our vacancy policy describes procedures for the publishing, applying for, and appointing to vacancies, alongside principles for transparent selection, equal opportunities, and the importance of creating diverse, complementary teams within an inclusive culture.	Chief People Officer	n/a	S1	KPN's intranet
Strategic plan NOI	The purpose is to build the leading telecoms infrastructure, which is essential to be able to provide connectivity to the Netherlands.	Chief Operating Officer	n/a	S4 ES NQ	KPN management
Policy on copper phase out on FttH addresses	The general objective of this policy is to inform the relevant departments within and outside KPN on our approach to phaseing out copper.	Chief Operating Officer	• Guidelines from ACM	S4 ES NQ	KPN Wholesale
KPN assurance policy (KAP)	The purpose is to provide a robust and standardized framework for process assurance that fosters operational consistency, technological adaptability, and strategic alignment of processes within KPN.	Chief Operating Officer and Chief Information Security Officer	n/a	S4 ES Security	KPN's intranet
KPN security policy (KSP)	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.	Chief Information Security Officer	• NIST Cyber Security Framework • ISO 27001 • ISO 22301 • Information Security Forum's (ISF) Standard of Good Practice for Information Security (SoGP)	S1 S4 ES NQ S4 ES Security	KPN security policy
KPN data policy (KDP)	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.	Executive Vice President (EVP) Data Office	• GDPR • Dutch Telecommunications Act (Tw)	S4 Privacy	KPN data policy
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 customers.	Chief Consumer Market and Chief Business Market	• The Guiding Principles on Business and Human Rights as adopted by the United Nations in 2011	S4 ES CV S4 Privacy	Internal policy, not externally published
Climate transition plan	The objective of our climate transition plan 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.	Board of Management	• GSMA Climate Transition Planning Guidance for Telecommunication Companies	E1 E5	Climate transition plan
KPN environmental policy	The objective of our environmental policy is to ensure our mission is embedded in planning and operations to achieve our sustainability objectives and in doing so comply with ISO 14001 standards.	Board of Management	• ISO 14001	E1 E5	KPN environmental policy
Design strategy for technical buildings	The policy sets out the requirements for buildings containing active equipment addressing climate change.	EVP Technology Office	n/a	E1	Internal policy, not externally published
KPN energy strategy	The energy strategy sets out our goals and actions on securing sustainable energy supply, availability of energy for all KPN locations and strategic growth options, reduced consumption and increased flexibility.	EVP Network	n/a	E1	Internal policy, not externally published

Disclosure requirements in ESRS covered by KPN's sustainability statement (IRO-2)

ESRS/ Entity-specific (ES)	Requirement	Summary of requirement	Starting on page
ESRS 2	DR BP1 – BP2	Basis for preparation	Page 61
ESRS 2	DR GOV-1 – GOV-5	Governance	Page 64
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	Page 67
ESRS 2	DR IRO-1 – IRO-2	Impact, risk and opportunity management	Page 78
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	Page 66
E1	DR E1-1 and DR related to ESRS 2 SBM-3	Transition plan for climate change mitigation, material IROs and their interaction with strategy and business model	Page 86
E1	DR related to ESRS 2 IRO-1, DR E1-2 – E1-3	Climate-related impacts, risks and opportunities, processes, policies, actions and resources	Page 90
E1	DR E1-4 – E1-9[1]	Climate change-related metrics and targets	Page 96
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	Page 105
E5	E5-3 – E5-6[1]	Resource use and circular economy-related metrics and targets	Page 107
S1	DR related to ESRS 2 SBM-2 – SBM-3	Interests and views of stakeholders and IROs	Page 72
S1	DR S1-1 – S1-4	Own workforce-related impacts, risks and opportunities, policies, processes and actions	Page 116
S1	DR S1-5 – S1-17	Own workforce-related metrics and targets	Page 122
S2	DR related to ESRS 2 SBM-2 – SBM-3	Interests and views of stakeholders, IROs	Page 72
S2	DR S2-1 – S2-4	Workers in the value chain-related impacts, risks and opportunities, policies, processes and actions	Page 128
S2	DR S2-5	Workers in the value chain-related metrics and targets	Page 132
S4	DR related to ESRS 2 SBM-2 – SBM-3	Interests and views of stakeholders and IROs	Page 72
S4	DR S4-1 – S4-4	Consumer and end-users impacts, risks and opportunities, policies, processes and actions related to privacy	Page 139
S4	DR S4-5	Consumers and end-users metrics and targets related to privacy	Page 141
ES	DR S4-1 – S4-4	Consumers and end-users impacts, risks and opportunities, policies, processes and actions related to customer value	Page 134
ES	DR S4-5	Consumers and end-users metrics and targets related to customer value	Page 137
ES	DR S4-1 – S4-4	Consumers and end-user impacts, risks and opportunities, policies, processes and actions related to network quality	Page 143
ES	DR S4-5	Consumers and end-users metrics and targets related to network quality	Page 147
ES	DR S4-1 – S4-4	Consumers and end-users impacts, risks and opportunities, policies, processes and actions related to security	Page 149
ES	DR S4-5	Consumers and end-users metrics and targets related to security	Page 151
G1	DR related to ESRS 2 GOV-1	Governance	Page 153
G1	DR related to ESRS 2 IRO-1 DR G1-1, G1-3	Corporate culture and business conduct-related impacts, risks and opportunities, and policies	Page 153
G1	DR G1-4, G1-5	Business conduct-related metrics and targets	Page 156

1 KPN makes use of the transitional provisions for E1-9 and E5-6.

Based on the nature of KPN as a telecoms 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.

Climate change

Governance (ESRS2 GOV-3)

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). See the "Remuneration report" as part of the "Report of the Supervisory Board".

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

Strategy

Transition plan for climate change mitigation (E1-1)

Our publicly available transition plan outlines our net-zero transition, including strategy, 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 and phase out legacy networks, and pursue sustainable growth through modernization and a streamlined operating model. Sustainability is one of the ESG pillars that is embedded in our strategy and supported by our environmental policy and in doing so in compliance with the ISO 14001 standard.

We have set ambitious environmental objectives for the short term (2026), 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 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).

Mitigating climate change requires reducing emissions across all scopes – 1, 2, and 3. By lowering our own footprint and helping customers reduce theirs, we aim to prevent emissions and minimize environmental impact. Through sustainable practices, innovative technologies, and collaboration with suppliers and customers, we work toward net-zero emissions across procurement, operations, and the full lifecycle of our products and services.

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 may be neutralized. Options for neutralization — such as carbon credits — are still developing in the market. Our Scope 2 emissions (market-based) have been zero since 2011, and we will maintain this through 2040 by using renewable energy.

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 (except our Scope 3 2030 target and our electricity consumption reduction target), 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 the 1.5°C mitigation trajectory. By validating our targets externally and monitoring our progress, we aim to contribute to the Paris Agreement pathway.

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 alternatives to fossil fuel. Our key focus is to continue to restrict our inflow to fossil fuel-free vehicles. 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 sourcing and consumption of our network, offices and stores. We are committed to transitioning to 24/7 carbon-free energy through agreements and investments in renewable energy, battery systems, and granular certification. 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.

As of 1 January 2025, we started drawing power directly from a solar park contracted by a power purchase agreement (PPA) for a period of 15 years. 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 (by a PPA for a period of 15 years) 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, optimizing services to reduce carbon footprint, green electricity available to our customers through progress towards a greener energy grid mix in the Netherlands, and the completion of our fiber network roll out and the related emitting installation activities.

We reduce emissions through energy-efficient customer equipment (via power save modes or by using less equipment), reuse and refurbishment, and lower-impact logistics. A key part of our strategy is supplier engagement – both through the Joint Alliance for CSR (JAC) in collaboration with other telecoms providers, and our own programs – to align on climate goals, improve transparency on emissions and energy use, and drive product and service improvements on carbon footprint using lifecycle assessments (LCAs). Among our top 20 Scope 3 suppliers (responsible for 55% of related spend-based emissions in 2025): 35% have net-zero targets in place, 30% with a net-zero target year of 2040 or earlier and 20% have a SBTi validated net-zero target year of 2040 or earlier (scope of net-zero targets: suppliers' own operations and value chain). The suppliers of which we calculate emissions based on product carbon footprint do not have net-zero targets for own operations and value chain as well.

Replacement of copper by fiber

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 in a significant reduction of space required for equipment in buildings. In the medium term, additional emissions are expected related to customer premises equipment, which in the long-term will be compensated by improvement in the energy efficiency of customer premises equipment and the transition of the Netherlands to renewable energy.

Decarbonization levers (in metric tons CO_2e)

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

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 lower construction emissions (net effect based on 2025 emissions);
4. Scope 3 upstream: decarbonization of our suppliers and reducing carbon footprint of products (production, logistics) and services (e.g., reduction of movements) by re-design of used materials and processes;
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 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 recycling of customer products;
10. Scope 3: other reductions (not further specified: waste from operations, business travel, employee commuting, investments).

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 following table.

	Main decarbonization levers	Quantitative contribution to total reduction target
Scope 1	• The conversion of our fleet from fossil-fuel to electric • Transition from gas-based to electric heating in buildings • Other	0.4%
Scope 2	• Market-based emissions already at zero	-
Scope 3	• Completion of fiber rollout resulting in less construction emissions	25.4%
	• Supplier decarbonization and reducing carbon footprint of products and services	48.1%
	• 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	3.2%
	• Reduction of emissions as a result of decarbonization of the logistics to our customers	1.8%
	• Increase in emissions related to additional customer fiber equipment	-1.3% (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	21.5%
	• Reduction of emissions related to reuse and recycling of customer products	0.1%
	• Other reductions	0.9%

Progress on implementing the transition plan

Scope 1 emissions

We have focused on reducing fossil fuel consumption, achieving 93% reduction in car fuel consumption in 2025 compared with 2010 (excluding subsidiaries). We are taking first steps to further reduce the inflow of fossil-fuel vehicles across our subsidiaries. We added 308 electric and no additional biofuel or diesel cars, reaching a 100% fossil-fuel-free inflow for 2025 (excluding subsidiaries). Natural gas consumption dropped by 3% compared to 2024, amongst others due to building closures.

Scope 2 emissions

Our energy program aims for energy consumption of 440,000 MWh by 2030. In 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 renewable energy supply according to KPN's daily demand. Network electricity consumption decreased by 4,646 MWh in 2025, marking a 42% reduction from 2010 (base year), even as data traffic increased. See the figure below, "Network electricity consumption (GWh) compared with data communication growth (%)". This was achieved through network rationalization.

Network electricity consumption (GWh) compared with data communication growth (%)

In 2025, KPN signed the UN Compact for 24/7 carbon-free energy (CFE), reinforcing its ambition to be at net-zero by 2040 and to consume only sustainable electricity at every hour of the day. The UN Compact 24/7 CFE is an initiative under the auspices of the United Nations. Daily management is carried out by the Sustainable Energy for All organization. This is a voluntary commitment to strive for electricity that comes from renewable sources every hour of the day, together with other parties. Our solar park Kabeljauwbeek already provides 10% of KPN's energy consumption that is completely emission-free (CFE score: 10%). In 2027, KPN will take a significant portion of its energy from the wind farm Ecowende, which will supply 50% of our energy consumption. Together, this will increase our CFE score to 60%.

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 the JAC carbon reduction program. Our top 10 suppliers accounting for the most Scope 3 spend-based emissions for products and equipment in 2024 have been requested to provide lifecycle assessments through the JAC carbon reduction program, and our top 104 suppliers accounting for the most Scope 3 spend-based emissions in 2024 have been invited to join the JAC supplier engagement program, in which the level of maturity is assessed and scored for improvement.

We have determined 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.

For more details of the progress on these actions, see the "Actions", "Impacts, risks and opportunities" and "Metrics and targets" sections.

Investments in and funding of our transition plan

KPN has outlined a transition plan, which targets four key sustainability areas: reducing energy consumption, minimizing carbon emissions, preventing grid congestion, and enhancing resilience to extreme weather events. The following instruments are in place to provide funding and strategic alignment:

1. Revolving credit facilities totaling €1.075 billion, with margins linked to progress on fiber rollout, energy reduction, and Scope 3 carbon emissions;
2. A sustainability-linked bond (SLB) of €0.7 billion, with a coupon linked to KPN's commitment to significantly reduce scope 3 CO_2e emissions by 2030;
3. Two €0.5 billion perpetual green hybrid bonds financing eligible projects in the categories energy efficiency, circular economy and clean transportation.

To secure ongoing access to the funding needed to execute its strategy and business model, including in response to climate-related risks and opportunities, KPN is committed to an investment-grade credit profile. KPN targets a maximum leverage ratio of 2.5x in the medium term, and has investment-grade credit ratings issued by Fitch (BBB/stable) and S&P (BBB/stable).

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 EU taxonomy capex, see the "EU Taxonomy" section, and for the financial liabilities, see Note 13.2 of the consolidated financial statements.

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 come from our network's energy consumption (affecting Scope 2 location-based emissions) and customer premises equipment (affecting Scope 3, Category 13 emissions from downstream leased assets). These emissions depend on the energy efficiency of the equipment and the energy mix used by KPN and the Dutch grid, and they influence our ability to meet Scope 2 and 3 reduction targets.

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 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 monthly reviews. Energy consumption and power-saving potential are key factors in selecting network and customer premises equipment. Furthermore, KPN offers deviceless applications for TV including price differentiation to encourage customer adoption. We reskill our workforce in alignment with technological advances, which enables us to provide services that help our customers to anticipate and/or mitigate the impact of climate change. We also engage suppliers (e.g., through the JAC carbon reduction program and the JAC supplier engagement program) to discuss product carbon footprints and seek improvements through lifecycle assessments.

No historic data is or will be available for Scope 3 emissions from the energy consumption of devices sold or leased to our Business segment customers. The lack of accurate past datasets, systems changes, data migrations, and the shift to cloud-based solutions have made older data for business segment products incomparable so the reporting year figures for Category 11, 12 and 13 emissions for Business segment products are not comparable with base year data.

Changes in sales volumes and power-saving 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 2026 up to 2028, KPN expects the share of capex dedicated to EU taxonomy activities to remain relatively stable.

EU Paris-alignment benchmarks

KPN is not 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, including short-, medium- and long-term targets, has been discussed by the Supervisory Board's 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 (ESRS2 — IRO-1)

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.

We have identified **two actual negative impacts** related to climate change:

1. **Energy consumption:** KPN's inherent energy demand impacts the transition to renewable energy. By providing digital services as alternatives to physical products, KPN helps customers avoid carbon emissions, further contributing to environmental sustainability.[1]
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.

In 2025, we assessed the impact of our emissions on climate change by conducting an inventory and calculation of our Scope 1, 2 and 3 emissions (based on the GHG Protocol), which gives us insights into the areas with significant impact and emission drivers. We also forecast our Scope 3 emissions in the short, medium and long-term and considered strategic actions (such as the migration of customers from copper to fiber and the impact of changes in customer equipment), decarbonization of our suppliers and the Netherlands' transition to renewable energy. Our strategy and business model support our transition plan towards net zero. The impacts are involved through our own activities and business relationships and affect both people and environment, e.g., through the availability of renewable energy and impacts on global warming, on a short-, medium- and long-term horizon. KPN focuses on energy reduction and efficiency, reduced use of virgin materials, circular economy and resource use – all 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.

We have identified **two actual risks** related to *climate change*:

3. **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 a potential risk of limitation of local network capacity (climate-related transition risk).
4. **Climate-related major incidents:** Climate change can lead to extreme weather events, in particular flooding, heavy precipitation and heat stress (acute and chronic), which could damage KPN's infrastructure and pose risks of temporary or long-term service disruptions or service quality degradation (climate-related physical risk).

Grid congestion presents risks to KPN, such as increased costs and potential service quality degradations, 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.

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 effects, KPN has guidelines for setting up technical buildings in ways that protect crucial infrastructure.

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.

Resilience analysis

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 either a (high-emission) climate scenario or a climate scenario in line with limiting global warming to 1.5ºC with no or limited overshoot.

We have 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 upstream and downstream value chain. We assess future developments in the emissions drivers of our significant Scope 3 categories (e.g., expected spend — Category 1 and 2 — and the fiber rollout impact on Category 13) and forecast emissions up to 2040 in optimistic, neutral and pessimistic scenarios.

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 in the medium to long-term. For more details on how our strategy and business model support our transition plan towards net-zero and 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.

The climate scenarios described hereafter are compatible with the critical climate-related assumptions made in our consolidated financial statements. We have analyzed whether they have 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).

1 This positive impact is not considered material and does not offset the negative effects of KPN's own energy consumption. KPN presents this "enablement effect" as a strategic outcome, acknowledging its role in supporting environmental sustainability without claiming compensatory equivalence.

Climate-related physical risks related to climate-related major incidents

In 2025, we assessed the acute and chronic physical risks of climate change for our own operations by performing qualitative scenario analysis on the vulnerability of our own infrastructure, based on the geospatial coordinates specific to our individual locations. For this, we used the Climate Impact Atlas in considering the time horizon towards 2050 and selected three scenarios based on the Climate Impact Atlas layers: Urban Heat islands, Precipitation and Flooding. In conducting our climate-related physical risk assessment, we did not apply a short- or medium-term time horizon.

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 "moderately 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 KNMI'14 climate scenarios. The Climate Impact Atlas has not yet been updated for the relevant layers. We will update our scenario analysis when these are updated for the KNMI '23 climate scenarios.

Our assessment criteria for the impact of climate-related hazards in the short term are shown in the table below.

Climate-related hazard	Criterion
Flooding	The probability of flooding over 50 centimeters, due to primary and secondary dikes
Precipitation	The impact of 70 millimeters of precipitation within two hours
Heat stress	The air temperature difference in degrees Celsius of urban versus rural areas

As a result, we have categorized our locations (e.g., technical buildings, point-of-presence stations, street cabinets) on the exposure to these climate-related hazards on a scale of 0-5, ascending from low risk (0) to high risk (5) and summed these up to determine a total location-specific risk score. If a location is at significant risk, this data can be used to determine additional measures to mitigate physical risks (e.g., placing the equipment higher above ground level). We have assessed the risk of flooding, precipitation and heat stress for the assigned business continuity management critical locations. Where needed, measures are taken to mitigate the impact. We have not taken into account the likelihood, magnitude and duration of these physical risks. The vulnerability of our upstream and downstream value chain has not yet been assessed; we plan to do this in the medium term.

Climate-related transition risks of grid congestion

In 2025, we have assessed the market transition risks of climate change for our own operations. Our objective is to have a telecoms network which is always-on, powered by sustainable electricity at reasonable prices. We conducted a risk assessment on market transition risks related to this objective and applied scenario analysis on the electricity prices and the renewable electricity demand-supply match, based on the expected electricity consumption and exposure to the spot market. For this, we used the models of the International Energy Agency (IEA) based on the World Energy Outlook 2024 are considering the time horizon towards 2050, i.e. the stated policies scenario (STEPS), the announced pledges scenario (APS), and the net-zero emissions by 2050 scenario (NZE).

STEPS reflects current policy settings based on a sector-by-sector and country-by-country assessment of the energy-related policies that were in place as of the end of August 2024, as well as those that are under development. The scenario also considers currently planned manufacturing capacities for clean energy technologies. APS assumes that all climate commitments made by governments and industries around the world will be met in full and on time. This includes nationally determined contributions (NDCs) and longer-term net-zero targets, as well as targets for access to electricity and clean cooking. Finally, NZE sets out a pathway for the global energy sector to achieve net-zero CO_2e emissions by 2050. It does not rely on emissions reductions from outside the energy sector to achieve its goals.

The Intergovernmental Panel on Climate Change (IPCC) Working Group III Sixth Assessment Report on climate change mitigation, released in April 2022, assessed many scenarios that led to at least a 50% chance of limiting the temperature rise to 1.5 °C in 2100. The NZE trajectory is well within the envelope of the 1.5°C and 2°C scenarios, while APS is only within the envelope of the 2°C scenario. STEPS provides a more conservative benchmark for the future than APS, by not taking for granted that governments will reach all announced goals.

On that basis, we calculated the possible development of electricity prices in each scenario to create insight into the bandwidth of electricity prices in the different scenarios on the short, medium and long-term, KPN's exposure to these prices and the impact on our operating costs in the short, medium and long-term. We found that the impact of higher electricity prices would be greatest in STEPS and least in APS. In all scenarios, the impact on electricity costs is low.

Another aspect we assessed is a possible mismatch between demand and supply of renewable electricity in the EU, which poses a risk for the feasibility of our Scope 2 targets. Based on the IEA scenarios, in STEPS and APS there is a risk of mismatch between electricity demand and the generation of wind and solar energy (not considering flexibility and/or availability in time). We expect a medium impact in terms of the fulfillment of our renewable electricity demand.

To mitigate our exposure to these market transition risks, we continue to optimize our electricity consumption with reduction actions, e.g., implementing more energy-efficient network equipment. We are also looking into enabling flexibility, for example with battery energy storage systems, and evaluating whether other PPAs are possible to further reduce the impact of price fluctuations. When our existing PPAs for solar and wind energy are near the end of their contractual terms, we will evaluate possibilities for extension at fixed prices and/or volumes.

Locked-in GHG emissions

Regarding locked-in emissions from the use of our products by our customers and therefore the feasibility of our Scope 3 targets (specifically Category 11, Use of sold products, Category 12, End-of-life of sold products, and Category 13, Downstream leased assets), we see a risk in STEPS and APS that not all households are able to consume 100% renewable electricity. To mitigate the impact, we also continue to optimize in-home electricity consumption by introducing energy-efficient solutions. That said, outcomes depend largely on the Netherlands' transition to renewable energy.

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.

Policies (E1-2)

We have several policies in place to manage the material impacts and risks related to climate change mitigation and adaptation:

1. **Climate transition plan:** Our climate transition plan outlines our net-zero goal, strategy, and roadmap for GHG emissions reduction (Scopes 1, 2, and 3), while guiding sourcing of energy, energy consumption, material use and reuse, and sourcing of products and services from suppliers. 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). We request feedback from customers, suppliers, employees and investors via stakeholder dialogues and peers via industry platforms and adjust our policy if needed.
2. **KPN environmental policy:** KPN's environmental policy commits to sustainable operations and ISO 14001 compliance. The policy addresses our impact on the environment. It promotes environmental awareness, continuous improvement, and transparent reporting through an annual net-zero transition plan. Management holds accountability, while all employees and partners work to minimize environmental impact and engage responsibly with communities. We monitor progress on the climate transition plan and environmental policy 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 independent 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, although the upstream value chain is global.
3. **KPN supplier code of conduct (SCoC):** 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 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).
4. **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 lifecycle of products;
   - Promoting the energy efficiency of KPN products;
   - Net-zero CO_2e emissions in the supply chain.

   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).
5. **KPN energy strategy:** Our energy strategy sets out goals and actions on securing sustainable energy supply, availability for all KPN locations and strategic growth options, reducing consumption and increasing flexibility. The strategy addresses grid congestion (availability) and energy efficiency (reduction of consumption).
6. **Design strategy for technical buildings:** Our vision on the design of technical buildings 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. This strategy addresses 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 the design of technical buildings, we consider how best to limit the number of potentially impacted customers. The PVE is agreed upon with suppliers on a project basis.

For key descriptions of these policies, see the "Policy overview" in the "General information" section. Our impact on climate change from carbon emissions is addressed by all the policies described in this section.

We engage with our stakeholders regarding our environmental policies and performance through stakeholder dialogues. We benchmark our performance via internationally recognized ratings, 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 (E1-3)

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

Scope 1 emissions

Key actions in 2025:

- Converting to electric cars in lease arrangements for our own employees;
- Transitioning from gas-based heating to electric heating for smaller buildings;
- Transitioning from gas-based heating to electric heating for retail.

Key actions planned:

- For technical buildings we are currently recruiting a project manager to set-up and execute a plan for conversion from gas-based to electrical heating. For office buildings we plan to develop scenarios to move to gasless or energy-neutral buildings based on integral feasibility studies, which will be used to create a multi-year maintenance budget;
- Exploring alternatives such as application of biodiesel in no-break installations or battery-based solutions;
- Implementing and enforcing policies to reduce the inflow of fossil–fuel vehicles across our subsidiaries;
- Continuously converting retail stores to all electric.

These key actions aim to reduce direct emissions (Scope 1).

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 electric heating for smaller buildings is yet to be decided. We will develop a plan for this in 2026. For retail converting stores to all electric is ongoing based on planned renovations. We expect to finish this before 2040. Converting our buildings and offices to electric and the phase-out of fossil fuels in no-break installations are still under investigation but we intend to finish this before 2040.

These 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" under the heading "Investments in and funding of our transition plan", for our current and future resources and the environmental/social objectives of these investments.

Progress 2025

We executed the planned closure of one or our office buildings. Furthermore, we created a long–term roadmap for improving the environmental performance of our office buildings. We are in discussions with property owners and are exploring options to transition our offices to electric heating where possible. Finally, we switched to electrical heating in 5 retail stores.

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 in 2025:

- Continue reducing electricity consumption in our operations, even though data usage continues to grow (see our energy consumption action plan);
- Updating our electricity mix by committing to a wind farm for 15 years;
- Continue rolling out 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 and transitioning to renewable energy sources. The scope of these actions relates to our own operations in the Netherlands. The expected time horizon for reducing electricity consumption in our operations is 2040, even though data usage continues to grow (see our energy consumption action plan). The expected time horizon for updating our electricity mix and committing to the solar park is up to 2040 and committing to the wind farm up to 2042. For the continued rollout of the fiber network we have the ambition to cover up to 85% of the Netherlands by 2030.

These 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" under the heading "Investments in and funding of our transition plan" for our current and future resources and the environmental/social objectives of the investments.

Progress 2025

Reduction of electricity consumption

We reduced consumption by ~4 GWh in 2025 despite rising data–driven energy demand. Forecasts for 2026–30 indicate that some energy growth is unavoidable, but our focus remains on carbon reduction through efficiency measures, limiting energy uptake, and increasing the share of renewable energy matched to our consumption on an hourly basis using carbon–free Energy (CFE).

Update of electricity mix by committing to a wind farm

KPN will purchase over 200 GWh of renewable electricity annually from the new Ecowende wind farm starting in 2027, securing a 15–year commitment to further green its electricity mix.

Ongoing rollout of our fiber network

We are paving the way for a more energy-efficient fixed access network.

Transitioning stores from gas to all electric

A total of five stores have now been transitioned from gas to all electric operations.

Scope 3 emissions

Key actions in 2025 and beyond:

- Including climate criteria in supplier selection, using lifecycle and material flow analyses to assess product and transport impact. This involves choosing energy-efficient equipment and promoting extended use where possible;
- Encouraging other project-based improvements by suppliers on climate-related activities in their operations and subcontracted activities;
- Participating in supplier engagement programs from worldwide platforms, such as 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.

Progress 2025

Climate criteria for suppliers

We updated the climate criteria in supplier selection with more concrete requirements on climate change topics, such as net-zero targets, climate transition planning and emissions disclosure and will implement these in 2026.

Supplier engagement

- We started supplier engagement with the top 10 networks suppliers, with the aim to get better insights in the decarbonization roadmap towards 2040, emission hotspots and emissions attributable to KPN, and identify carbon footprint improvement opportunities;
- We collaborated with other telecoms operators in the JAC Carbon Reduction Programme (receiving and leveraging LCA's or equivalent, carbon reduction plans, knowledge-building on carbon hotspots) and JAC Supplier Engagement Programme (734 suppliers assessed, of which 63% score in the higher maturity range, increase up by 7% versus 2024, training webinars held on decarbonization of products and services, supplier recognitions published on JAC's website). We also participate in the JAC AI and Datacenter working group, to develop insights into emissions, risks and opportunities;
- We requested 174 organizations to disclose via the CDP questionnaire (response rate 48.3%), leading to more insights into our upstream value chain.

Collaboration with industry bodies

We are working together with other telecoms operators and The Chancery Lane Project in JAC to create model climate contract clauses (such as on disclosing emissions and product carbon footprint).

Energy consumption

Key actions in 2025:

- Rationalizing network locations (optimizing network by closing down obsolete sites);
- Implementing energy efficiency measures in office buildings, such as the mandatory energy savings measures list ("*Erkende Maatregelenlijst*" or EML).

These key actions aim to reduce indirect emissions (Scope 2) by reducing electricity consumption. The scope of these key actions relates 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 action.

These 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.

Progress 2025

We are working on further rationalization of our network core locations and sold some technical locations. We invested in energy efficient equipment, such as airconditioning in technical buildings, LED lighting in and charging stations next to office buildings.

Grid congestion

Key actions in 2025:

- Data and forecast: predict, prioritize and monitor locations at risk of grid congestion;
- Lobby solutions: dialogue with the government and electricity distribution system operators to find solutions for locations at risk of grid congestion;
- Technical solutions: develop solutions for locations at risk of grid congestion.

These key actions aim to mitigate the effects of grid congestion for KPN sites. 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 relates to our own operations in the Netherlands. There is no specific time horizon to complete them, since it is an ongoing process.

Nature-based solutions are currently not part of any action plan.

Progress 2025

- We have set up a planning process for capacity forecast, giving us insights in locations at risk of grid congestion;
- We have quarterly dialogues with the three major electricity distribution system operators. ACM has introduced an updated priority framework, including telecom;
- We have run pilots on battery energy storage systems (BESS) on two locations to test the feasibility for the grid congestion use case.

Key actions table

The following table shows the relevant decarbonization levers, and expected and achieved (from base year up to and including this reporting year) 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 electric heating in buildings	Reduction of direct emissions (Scope 1)	35,000 metric tons CO_2e	32,557 metric tons CO_2e	Note 19 to the Consolidated financial statements (for leased cars addition in 2025: € 15m)	See EU taxonomy	See EU taxonomy	n/a	Limited
Key actions Scope 2 emissions reduction (location-based) and energy consumption: • Rationalizing network location grid • Energy efficiency measures in office buildings (such as mandatory EML)	Reduction of indirect emissions (Scope 2)	171,600 metric tons CO_2e	176,359 metric tons CO_2e	n/a	See EU taxonomy	See EU taxonomy	n/a	Limited

Metrics and targets (E1-4/5/6)

Targets related to climate change mitigation and adaptation (E1-4)

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. The key metrics are linked to our transition towards net-zero. In addition, we indicate other metrics to monitor our progess on climate change.

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 KPN's impact on climate change that can be influenced by management decisions. Targets are set organization-wide for KPN, which operates only in the Netherlands. In target-setting for the next reporting year, we consider KPN annual plans on opex and capex, which reflect developments in our business, including customer demand. In case of changes in our GHG inventory boundaries, we recalculate the base year values if data is available. The target percentage reduction will remain unchanged, i.e. our net-zero target will remain a 90% reduction from base year. Scope 3 is by far the largest category of emissions (2025: 99% of total GHG emissions, market-based). Emissions from upstream activities represent the largest part of our Scope 3 emissions (2025: 74%) 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 2025 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.

Name of the key metrics	Unit	Base year 2015	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
Scope 1 emissions (gross) [RA][1]	metric tons CO_2e	37,500	6,818	4,943	6,100	2026: 4,700 2030: 3,500[2] 2040: 2,500[2]	1 4
Scope 2 emissions (location-based) [RA][1]	metric tons CO_2e	271,600	118,356	95,241	116,000	2026: 95,000 2030: 105,000[2] 2040: 100,000	1 4
Scope 2 emissions (market-based) [RA][1]	metric tons CO_2e	0	0	0	0	2026: 0 2030: 0 2040: 0	1 4
Scope 3 emissions	metric tons CO_2e	1,222,404	823,223	768,270	794,000	2026: 767,000 2030: 600,000[2] 2033: 244,941[3] 2040: 100,386[3]	1 4
Energy consumption	MWh	n/a	492,331	477,228	489,000	2026: 479,000 2030: 497,000[4]	2 3
Electricity consumption	MWh	2010: 769,401	435,468 (-44%)	430,830	432,000 (-45%)	2026: 432,000 2030: 440,000[2]	2 3

Name of the other metrics	Unit	Base year	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
% fossil-free cars added	%	n/a	99	100	99	2026: ~100	1 4
Tons CO_2e per Gbps KPN Netherlands	metric tons CO_2e	n/a	9.3	6.7	n/a	2026: 6.2	1 4
MWh per Gbps Network Netherlands	%	2010: 100 (index)	2.0	1.8	1.9	2026: 1.7	2 3
# critical locations with congestion challenges	#	n/a	Not disclosed	Not disclosed	n/a	n/a	2 3
Estimated avoided energy consumption	PJ	n/a	7.0	8.1	n/a	n/a	
Estimated avoided CO_2e emissions	metric tons CO_2e	n/a	591,751	653,073	n/a	n/a	
Estimated avoided particulate matter emissions	metric tons PM_{10}	n/a	126	206	n/a	n/a	

1 [RA]: Reasonable assurance.
2 We updated this target based on progress to date, business drivers, and technology trends. See for previous targets our sustainability statement 2024.
3 Target updated based on the absolute % reduction following SBT commitment.
4 Newly introduced target.

Reflection on performance

Scope 1
Progress is in line with plan. The result for 2025 is significantly lower than 2024. This significant change is due to lower gas consumption and fewer liters of fuels.

Scope 2 (location-based)
Progress on Scope 2 emissions is in line with plan. There is a visible year-on-year decrease from 2015 up to 2025.

Scope 2 (market-based)
The set target was already reached in 2015. The plan is to maintain 0, which was achieved in 2025.

Scope 3
Outcome 2025 is lower than target 2025, mainly due to lower spend after inflation correction (Category 2) and decrease in emission factor of Dutch grid electricity (Category 11 and 13). The decrease versus 2024 is mainly related to lower Category 1 and 2 emissions, and lower emissions from Category 13 as a result of a decrease in the Dutch grid emissions factor for electricity.

Energy consumption
Our trend analysis shows that progress is in line with our forecast. Energy consumption continues to show a noticeable year–over–year reduction.

Electricity consumption
We have an energy excellence program in place and are on track to reach our target of less than 440,000 MWh in 2030. Furthermore, electricity savings mainly result from network rationalization. As 2025 figures show, we are on track to achieve the target.

% fossil-free cars added
The outcome 2025 of fossil-free cars added is in line with plan. The results shown exclude KPN's subsidiaries.

Tons CO_2e per Gbps KPN Netherlands
We report this metric for the first year, based on gross Scope 1 and location-based Scope 2 emissions.

MWh per Gbps Network Netherlands
Progress is in line with plan. The decrease in 2025 related to lower electricity consumption in the network, despite data traffic growth.

Critical locations with congestion challenges
KPN has assessed that certain information related to grid congestion is sensitive. Therefore, details about the number of critical locations with congestion challenges have been omitted from this report. The metric is monitored and reviewed on a monthly basis.

Estimated avoided energy consumption, estimated avoided CO_2e emissions and avoided particulate matter emissions
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 in 2025 versus 2024 is, amongst others, related to an increase in the KPN broadband market share, the Dutch employed labor force, and the average office space per employee.

Methodologies and assumptions

Scope 1
Target methodology: 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°C. We set the target to be even more ambitious.

Related policy objective: Reduction of our direct emissions.

Scope 2 (location-based)
Target methodology: The target is derived from long-term electricity consumption forecasts and expected Dutch energy grid development.

Related policy objective: Reduction of our indirect emissions from business operations.

Scope 2 (market-based)
Target methodology: Not applicable, as the target was reached in 2015 and has been maintained.

Scope 3
Target methodology: We used the SBTi Target Setting Tool (v2.3 — Absolute Contraction Approach) to set our near-term target for Scope 3.

Related policy objective: Reduction of our indirect emissions in our upstream and downstream value chain.

For the *metric methodology* of the four metrics mentioned above, reference is made to the "Methodologies and significant assumptions on GHG emissions" section (E1-6). All four of these metrics are based on conclusive scientific evidence. The metrics mentioned below are not based on conclusive scientific evidence and apply to our own activities.

For base year 2015 we used the calculated emissions and corrected the emissions value for relevant changes and errors over the comparative year as much as feasible, to ensure that figures for the reporting year are like-for-like in regard to the base year. See "Changes in Scope 1" and "Changes in Scope 3" and "Methodologies and significant assumptions on GHG emissions" sections for the changes in methodology and/or scope we made in calculating our GHG emissions in reporting year 2025.

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. SBTi has classified our Scope 1 and 2 target ambitions as in line with a 1.5°C mitigation 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 sector-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 reductions, 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 Netherlands' transition to renewable energy.

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 aim to address climate scenarios over the medium term. 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

Scope: This is in line with Scope 1 and Scope 2.

Metric methodology: Calculation is based on consumption reported by suppliers and our own smart meters. We convert the consumption measurement in PJ to MWh.

Target methodology: The target is mainly derived from the trend in electricity consumption.

Related policy objective: Reduction in energy consumption to mitigate our negative impact on climate change.

Electricity consumption

Metric methodology: The metric includes electricity consumption of our fixed and mobile networks, data centers, offices and shops versus 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.

Target methodology: The target is based on long-term planning of electricity consumption, where consumption uptake must be absorbed by additional measures.

Related policy objective: Energy efficiency leads to a reduction in electricity consumption and as a result mitigates our negative impact on climate change.

% fossil-free cars added

Scope: KPN excluding subsidiaries.

Metric methodology: % 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.

Target methodology: We set the target by analyzing the potential for the inflow of fossil-free cars. We analyzed the available types of vehicles in the lease markets for the coming years.

Related policy objective: Reduction of fossil fuel consumption to mitigate our negative impact on climate change.

Tons CO_2e per Gbps KPN Netherlands

Metric methodology: For this metric we updated the calculation as follows, the sum of Scope 1 emissions (gross) instead of net in prior year and Scope 2 emissions (location-based) instead of market-based in prior year, divided by data traffic in gigabits per second.

Target methodology: We set the target for the coming year based on the calculation of data traffic growth and Scope 1 and 2 emissions.

Related policy objective: The target relates to limiting the impact of exponential data growth on our Scope 1 and 2 emissions.

MWh per Gbps Network Netherlands

Metric methodology: For this metric we calculate the energy consumption of our network divided by data traffic in gigabits per second. The calculated metric is subsequently benchmarked against the established base–year index, with 2010 defined as 100.

Target methodology: We set the target for the coming year based on estimated data traffic growth, energy efficiency measures and energy forecasts.

Related policy objective: Energy intensity of our network versus exponential data traffic growth is a key challenge in realizing energy efficiency.

critical locations with congestion challenges

Scope: KPN excluding subsidiaries.

Metric methodology: Measured by comparing the base load of energy consumption corrected for incidental peak loads and compared with available grid capacity of the local energy distribution system operator, and categorized in three categories (critical, needs attention and safe).

Target methodology: KPN has assessed that certain information related to grid congestion is sensitive. Therefore, details about the number of critical locations with congestion challenges have been omitted from this report.

Related policy objective: Prevent service quality degradation as a result of grid congestion in critical locations.

Estimated avoided energy consumption, estimated avoided CO_2e emissions and avoided particulate matter emissions

Scope: KPN including subsidiaries (broadband).

Target methodology: no key action plan and targets are set. Actions focus on explaining to our customers the possibilities of using our services for working from home offices.

Metric methodology: the savings calculation consists of three parts:

- Reduced commuting (reduced traveling);
- Reduced office space;
- The rebound effect caused by additional electricity and gas consumption when working from home.

The impact of working from home is estimated based on assumptions for market share of broadband subscribers, percentage of home workers, average working hours at home per week per home worker and percentage of travel by car.

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 assumptions on particulate matter per car kilometer and public transport kilometer. Avoided particulate matter emissions are calculated by multiplying the avoided kilometers, natural gas and electricity consumption by the relevant particulate matter factor.

Energy consumption and mix (E1-5)

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

Total energy consumption related to own operations (MWh)	2025	2024
Non-renewable sources	**33,152**	**37,954**
Fossil sources	33,152	37,954
Nuclear sources	-	-
Renewable sources	**444,076**	**454,378**
Biomass, biofuels, biogas, hydrogen	5,586	8,331
Purchased or acquired electricity, heat, steam, and cooling	437,790	445,346
Self-generated non-fuel renewable energy	700	700
Total energy consumption	**477,228**	**492,331**

Gross Scope 1, 2, 3 and total GHG emissions (E1-6)

	Base year 2014[1]	Base year 2015	2024	2025	% 2025 vs. 2024	2026 target	2030 target[2]	2033 target[3]	2040 target	Annual % target / base year 2030
Scope 1 GHG emissions										
Gross Scope 1 GHG emissions (metric tons CO_2e) [RA][4]		37,500	6,818	4,943	73%	4,700	3,500	n/a	2,500[2]	6%
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 [RA][4]										
Gross location-based Scope 2 GHG emissions (metric tons CO_2e)		271,600	118,356	95,241	80%	95,000	105,000	n/a	100,000	-2%
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)	1,222,404	1,003,856	823,223	768,270	93%	767,000	600,000	244,941	100,386[3]	4%
1 Purchased goods and services[5]	536,327	416,614	314,003	303,077	97%					
2 Capital goods	342,496	237,659	259,086	240,167	93%					
3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	133,442	169,653	26,865	21,624	80%					
4 Upstream transportation and distribution	-	-	-	-	-					
5 Waste generated in operations	1,739	1,619	935	2,866	306%					
6 Business travel	3,180	2,962	2,455	953	39%					
7 Employee commuting	20,192	16,568	1,728	2,664	154%					
8 Upstream leased assets	-	-	-	-	-					
9 Downstream transportation and distribution	23,829	15,055	9,982	13,589	136%					
10 Processing of sold products	-	-	-	-	-					
11 Use of sold products	4,074	4,481	34,838	30,684	88%					
12 End-of-life treatment of sold products	199	285	348	663	190%					
13 Downstream leased assets	156,071	138,325	137,530	109,615	80%					
14 Franchises	-	-	-	-	-					
15 Investments	855	635	35,452	42,369	120%					
Total GHG emissions										
Total GHG emissions (location-based) (metric tons CO_2e)		1,312,956	948,396	868,454	92%	866,700	708,500	n/a	202,886[2,3]	4%
Total GHG emissions (market-based) (metric tons CO_2e)		1,041,356	830,040	773,214	93%	771,700	603,500	n/a	102,886[2,3]	4%

1 Base year 2014 is reported for Scope 3 as these emissions form the basis for the target performance under KPN's sustainability-linked financing framework, under which KPN has issued a €700m sustainability-linked bond.
2 We updated these targets based on progress to date, business drivers, and technology trends. See for previous targets our sustainability statement 2024.
3 Targets updated based on the absolute % reduction following SBT commitment.
4 [RA]: Reasonable assurance.
5 We assessed the emissions related to "purchased cloud computing and data center services" as not significant, and these are therefore not specified.

Biogenic emissions related to biogenic fuels (HVO-100) amounted to 117 metric tons CO_2e in 2025 compared to 147 metric tons CO_2e in 2024.

The Scope 3 categories significant in regard to transition risk are categories 1, 2 and 13. In these, we depend on the decarbonization of our supply chain and the Netherlands' transition to renewable energy, which may affect costs.

Scope 1 and 2 emissions mainly originate from our operations based in the Netherlands (NOI), and Scope 3 emissions from purchased (capital) goods and services for maintaining our network. For this reason, we do not further break down the emissions by Business segment.

Changes in Scope 1

In 2025, we corrected the emission factor for CNG, the volumes of car fuels and we removed emissions from HVO-100 (biogenic fuel) from Scope 1, and report these emissions separately.

We consider these as corrections of reporting errors in prior periods (following ESRS1 7.5) and therefore, we have updated the comparative year 2024 for these changes. We did not update base year emissions, as no CNG and biogenic fuels were consumed in base year 2015, and volumes of car fuels were not modified. See the following table for Scope 1 emissions and the effect of the update.

Impact of adjustments in Scope 1 emissions (in metric tons CO_2e)	Base year 2015	Comparative year 2024
Previously reported	37,500	6,208
Changes in preparation of sustainability information	-	-
Reporting errors in prior periods	-	610
Reported	37,500	6,818
Net impact of adjustments compared with previously reported	0%	10%

Changes in Scope 3

In 2025 we updated our calculations for the following categories:

1. Category 1: we moved from spend-based to supplier-specific calculations for two suppliers of handsets, tablets and wearables;
2. Category 1, 2, 5, 6, 7 and 9: we updated the DEFRA supply chain emission factors for the spend-based calculations;
3. Category 3: we updated the emission factor for upstream electricity to "well-to-tank" and for HVO-100;
4. Category 5: we revised the emission factors and revalidated kilo's per material type and waste treatment method;
5. Category 6 and 7: we updated the calculation methodology with more detailed distance and emissions data from the newly implemented declaration application;
6. Category 11 and 12: we added free/given-away products to the scope;
7. Category 13: we revised installed base numbers;
8. Category 15: we updated the DEFRA supply chain emission factors for the revenue-based calculations.

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 are continuously working to improve the data quality of reported Scope 3 emissions, such as implementing automated calculations and the use of more supplier primary data.

We updated the spend-in-scope coverage, based on opex and capex of consolidated KPN Group legal entities which are consolidated to 99.7%. The remaining 0.3% consists mainly of small undertakings and legacy legal entities, which we expect to have an emission profile lower than KPN's as a whole.

We consider the move from spend-based to supplier-specific calculations (1) as a change in preparation of sustainability information (following ESRS1 7.4), and the updated DEFRA supply chain emissions for spend-based/revenue-based calculations, the emission factor for upstream electricity emissions to "well-to-tank" (2, 3, and 8), the free products (6) and the revision of installed base numbers (7) as a correction of a reporting error in prior periods (following ESRS1 7.5) and we have therefore updated the 2024 comparative year and base years 2014 and 2015 (if applicable) for those changes. Base years and comparative year are not updated for the revision in waste kilo's and emission factors (4), as this corresponds with a correction of spend-based calculations, the effect is only a reclassification with no impact on total Scope 3 emissions. No changes in base years and comparative year due to the updated calculation methodology in Category 6 and 7 (5) apply. 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[1]	Base year 2015	Comparative year 2024
Previously reported	1,096,531	1,017,501	813,481
Changes in preparation of sustainability information	-60,798	-66,548	-99,816
Reporting errors in prior periods	186,672	52,903	109,558
Reported	1,222,404	1,003,856	823,223
Net impact of adjustments compared with previously reported	11.5%	-1.3%	1.2%

1 Base year 2014 is reported for Scope 3 as these emissions form the basis for the target performance under KPN's sustainability-linked financing framework, under which KPN has issued a €700m sustainability-linked bond.

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

Methodologies and 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. In 2025, the foundation of Althio B.V. (tower company) became effective. Althio has been added to the Scope 1, 2 and 3 inventories as from February 2025. The spend-in-scope coverage of our emissions calculation is 99.7% 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.

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 emission factors from CO2emissiefactoren.nl for our Scope 1 and Scope 2 emissions calculations, as published in the reporting year, which cover CO_2 equivalent emissions. This 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 the DEFRA UK dataset 1990-2022 for the emissions in our Scope 3 spend-based method. The emission factors in this table cover CO_2, CH_4, N_2O and F-gas emissions.

2025 base year 2015

We chose 2015 as the base year for our GHG emissions, as the earliest year required by SBTi. In our opinion 2015 is a properly representative base year, as from that year we were focusing on Dutch operations (as Base and E-Plus were divested). No other external factors were considered in setting the base year. The base year is not adjusted for the foundation of Althio, as this subsidiary did not exist in that year. Emissions from KPN sites (energy, rent) which have been transferred to Althio were already covered in the reported base-year 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.

The reporting boundaries are fossil fuels (gas, petrol, diesel, and compressed natural gas (CNG). Emissions from biogenic sources are reported separately from Scope 1. 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 – 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 reporting boundaries are renewables (electricity, heat and cooling). As input sources we use publicly available Dutch emission factors (CO2emissiefactoren.nl) and energy consumption reported by energy suppliers and our own smart meters. The calculation methodology is based on both the location-based method and the market-based method.

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.

The location-based Scope 2 emissions are calculated based on tank-to-wheel (TTW) CO_2e emission factor. 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 products, services and equipment).

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. The calculation methodology follows the spend-based and the supplier-specific method. As input sources we use purchasing invoices, DEFRA supply chain emission factors, CBS Statline (inflation) and product environmental reports for two suppliers of handsets, tablets and wearables (primary data: product-based). The environmentally extended input-output (EEIO) factors are adjusted for inflation.

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. The calculation methodology follows the spend-based method. As input sources we use purchasing invoices, DEFRA supply chain emission factors and CBS Statline (inflation) as input sources. The environmentally extended input-output (EEIO) factors are adjusted for inflation.

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.

The calculation methodology follows the fuel-based method. As input sources we use consumption of gas, car fuels and electricity (obtained from suppliers) and publicly available Dutch emission factors (CO2emissiefactoren.nl, "well-to-tank").

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 breakdown 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 spend-based method. As input sources for waste types, we use the weights per waste type and waste treatment reported by suppliers, consumed water volume, and emission factors per waste treatment type mainly from CE Delft, the Dutch Emission Authority (Nederlandse Emissieautoriteit) and Envirometer (Milieubarometer). As input sources for some smaller subsidiaries, we use purchasing invoices, DEFRA supply chain emission factors and CBS Statline (inflation). EEIO factors are adjusted for inflation. Base year 2014 is estimated at 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 consumption). We apply the distance-based and spend-based methods. As input sources for distance we use reports from travel agencies with calculations per flight, complemented declared business kilometers by employees or registered via the KPN public transport card and publicly available Dutch emission factors (CO2emissiefactoren.nl – January, "well-to-wheel"). We extrapolated this data for the period January-October 2025 and for subsidiaries, as the new declaration application was fully implemented per November 2025 for KPN employees. As input sources for the spend-based business travel we use purchasing invoices, DEFRA supply chain emission factors and CBS Statline (inflation). EEIO factors are adjusted 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 consumption). The calculation methodology follows the distance-based method. As input sources for distance we use declared commuting kilometers by employees or registered via the KPN public transport card and publicly available Dutch emission factors (CO2emissiefactoren.nl, "well-to-wheel"). We extrapolated this data for the period January-October 2025 and subsidiaries, as a new declaration application was fully implemented per November 2025 for KPN employees.

Scope 3 – Category 8 Upstream leased assets

Emissions 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. The calculation methodology follows the spend-based method. As input sources we use purchasing invoices, DEFRA supply chain emission factors and CBS Statline (inflation). EEIO factors are adjusted for inflation.

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. The calculation methodology follows the direct use-phase emissions method (directly consumed electricity during use). As input sources for our Consumer segment we use the number of products sold (mobile phones), installed base (WiFi extenders – sold and leased); for our Business segment we use the number of products sold by a key supplier and publicly available Dutch emission factors (CO2emissiefactoren.nl). We also include free electronic products for promotion. We make assumptions on the average consumption per year per product and the lifecycle of the product.

Scope 3 – Category 12 End-of-life treatment of sold products

The reporting boundaries are the sold products in scope of Category 11. The calculation methodology follows the waste-type-specific method. As input sources for B2C we use the number of products sold (mobile phones and WiFi extenders), product and packaging weight data (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 our Business segment we use the end-of-life emissions per product reported by a key supplier. We also include free electronic products for promotion.

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). The calculation methodology is based on the asset-specific method. We use the number of products leased in active use (installed base, for our Business segment products of 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.

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 and Netwerk Exploitatie-maatschappij Nuenen and Scope 1 and 2 emissions for other participating interests. The calculation methodologies follow the investment-specific method and for Glaspoort direct calculation (primary data – 96% of total Category 15 emissions). We use KPN's percentage of total shares, revenue of the participating interest, nature of the latter's activities, DEFRA supply chain emission factors, CBS Statline (inflation) and valuta.nl (exchange rates) as input sources. EEIO factors are adjusted 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 participating 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 calendar year, we use revenue figures with a delay of six months. For participations of KPN Ventures, Business segment and Corporate, we use revenue figures with a delay of one quarter.

GHG intensity per net revenue

GHG intensity per net revenue	2025	2024	2025 / 2024
Total GHG emissions (location-based) per net revenue (metric tons CO_2e / €m)	150	169	89%
Total GHG emissions (market-based) per net revenue (metric tons CO_2e / €m)	133	148	90%

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

GHG mitigation projects financed through carbon credits (E1-7)

To mitigate our gross Scope 1 emissions, we participate in offsetting projects. In consultation with our energy provider, we use projects that meet the criteria of the Integrity Council for the Voluntary Carbon Market (ICVCM), which sets clear quality standards for carbon credits, ensuring transparency, additionality, permanence, and robust monitoring. These principles are integrated within established frameworks such as those of CDM, Gold Standard, REDD+ and VERRA, which uphold rigorous methodologies. Together, they strengthen market credibility and help prevent low-quality or uncertified credits from flooding the market, supporting genuine climate impact.

In 2025, we offset CO_2e emissions via two 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	2025	2024
Total (metric tons CO_2e)	**8,300**	**13,300**
Share from removal projects (%)	0%	0%
Share from reduction projects (%)	100%	100%
Clean cookstove contribution (Gold Standard) (%)	60%	75%
Reduction of deforestation and forest degradation (REDD+) (%)	40%	25%
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 2026
Carbon credits related to Scope 1	5,000

For Scope 2, we use guarantees of origin to ensure 100% renewable energy. From January 2025 we started drawing power from a solar park. From 2027 we will phase in wind 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 offset our current Scope 1, 2 and 3 emissions.

Our net-zero reduction target for Scope 1, 2 and 3 combined is a minimum reduction of 90% from base year 2015. In line with SBTi guidelines we target neutralization of a maximum of the residual 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 on 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 makes use of the phase-in provision.

Grid congestion can lead to limited power capacity and connections, resulting in service quality degradation.

Extreme weather events, such as flooding, precipitation and/or heat stress, can lead to damage to our infrastructure, causing disruption to 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. A balance sheet valuation of these data centers is not available at this level of detail and would be impractical to carry out.

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

Resource use and circular economy

Impacts, risks and opportunities (ESRS2 – IRO-1)

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 **actual negative impact** related to resource use and the circular economy:

1. **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.

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

2. **Scarcity of (critical) raw materials:** Lower availability of (critical) raw materials for key products can make our services more expensive and/or less available in the market. Our key risks relate to network and customer equipment and critical materials essential for new technologies. The risk can be amplified by geopolitics due to concentration of primary supply from raw materials-producing countries

We use lifecycle assessment and material flow analysis to assess the environmental impacts of resource inflows and outflows.

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 IT, network, and customer premises equipment (CPE) required for our service provider business model. We also focus on enabling our Business segment services for circularity. For outflow, and in relation to products that we put on the market, we focus on take-back programs for obsolete (end-of-use) CPE and mobile phones. Lastly, we reduce waste by optimizing preparation for reuse and recycling. The waste streams most relevant to our sector are obsolete (end-of-use) equipment for our operations, waste streams related to fiber rollout, and (collected) customer premises equipment and mobile phones.

Policies (E5-1)

We have several policies in place to manage the material impacts and risks related to resource use and circular economy:

1. **Climate transition plan:** Our climate transition plan informs our stakeholders on our circular ambition, approach, measurement, high-level roadmap, opportunities and risks. The 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 use of virgin resources.
2. **KPN environmental policy:** KPN's environmental policy commits to sustainable operations and ISO 14001 compliance. It promotes environmental awareness, continuous improvement, and transparent reporting through an annual net-zero transition plan. Management holds accountability, while all employees and partners work to minimize environmental impact and engage responsibly with communities.
3. **KPN supplier code of conduct:** This policy encourages suppliers and subcontractors to support the circular economy. The SCoC outlines our goals, methods, and principles for circularity:
   - Design for environment and reducing the use of virgin raw materials;
   - Extending and optimizing product use;
   - Increasing reuse and recycling, and minimizing incineration and landfill of waste.

   Suppliers must follow the SCoC principles throughout their supply chain and support our goals. KPN may end relationships with suppliers who do not comply.

4. **Procurement policy:** Our procurement policy provides guidelines, standard methods and procedures for purchasing products and services from suppliers. We award contracts based on total value, including ESG criteria such as resource use and circular economy at both company and product levels, aiming to reduce reliance on virgin resources.

For the key content of these policies, see to our "Policy overview" in the "General information" section.

Actions (E5-2)

To achieve our ambition and target to become net-zero by 2040, we need both energy and materials transitions. We are focusing on producing materials with less impact and using circular-economy principles to cut virgin material use. For outflow, we are approaching a saturation point given technical criteria and commercial viability, while for inflow, we have launched circular design products and started measuring material circularity.

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 analysis of EU taxonomy-eligible activities for circular economy shows that KPN has taxonomy-eligible activities related to repair and refurbishment of customer premises equipment. In 2025 the related capex was €9.6 million.

Our key actions relate to promoting and measuring reuse and recycling, circular inflow, collected CPE and collected mobile phones, and our Business segment services enabled for circularity as set out below. These actions will contribute to our transition to net-zero by 2040.

Promote and measure reuse and recycling

Key actions in 2025:

- Upheld high levels of waste separation and challenged partners: we further enforced waste reporting from partners using standard formats (scope: NIO, offices and CPE, representing >95% of KPN waste volume) and challenged partners on their performance on waste separation, reuse and recycling (to be continued in 2026 and beyond);
- Implemented key controls for more reliable reuse and recycling reporting (initial implementation done);
- Automated data flows and controls: we designed a standardized data model for waste outflow and reuse/recycling reporting to ensure reliable waste data, and implemented it for NOI, offices and CPE).

Key actions planned:

- Continue to challenge partners on their performance on waste separation, reuse and recycling (short/medium term);
- Further automate data flows and controls to enhance a reliable and efficient waste data flow for full data (short/medium term).

The actions to increase the relative share of reuse and recycling at our material product groups cover the activities within our NOI, Consumer and Business segments and KPN Real Estate Services (RES). The goal is 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.

Promote and measure circular inflow

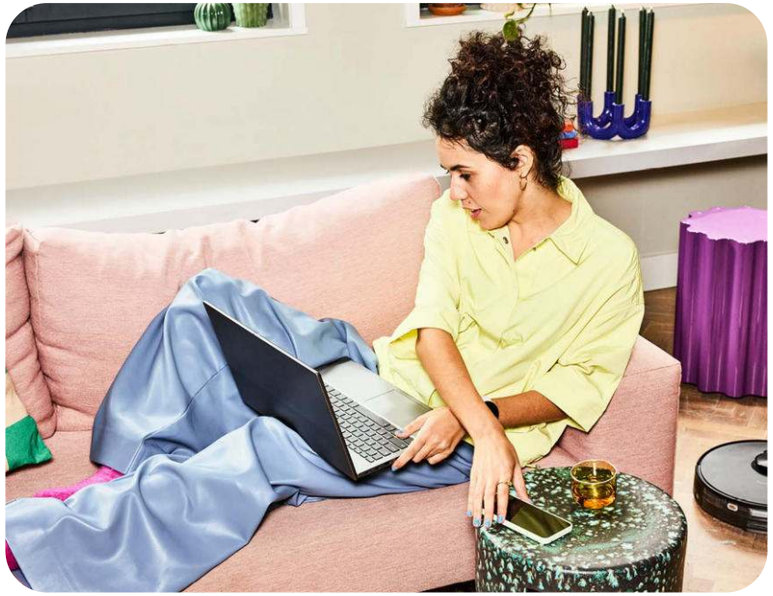
Key actions in 2025:

- Built data model for inflow: we aligned the data model for inflow further with CSRD. Due to priority setting, further improvements and automation have been shifted to short/medium term;
- Expanded the scope of contract requirements and measurement: we increased the number of contracts with circular inflow requirements to promote circular inflow;
- Further developed baseline and targets: we expanded measurement of circular inflow for our Business segment; target setting for our Consumer segment shifted to key action planned.

Key actions planned:

- Improve inflow data model with automation (short/medium term);
- Expand coverage of metric with products for our business and NOI segments (medium term);
- Screening of subsidiaries related to our business and NOI segments to determine relevance and materiality in relation to resource inflows (short term);
- Include circularity clauses and measurements in more contracts and engage with vendors to obtain more circularity data points (short/medium term);
- Determine baseline and targets for circular inflow (short-medium term, depending on data availability).

These key actions help us to identify improvement areas which we can address together with partners in our value chain to increase the relative share of circular inflow. These initiatives within our NOI, Consumer and Business segments in the Netherlands drive this goal and impact our global upstream value chain, own operations in the Netherlands, and both consumer and business customers in our downstream value chain.



Promote and measure collected customer premises equipment (CPE)

Key actions in 2025:

- Improved the return process and explored introducing a replacement fee for non-returns;
- Implemented software enhancements for a larger share of our installed base to extend CPE hardware lifetime, reducing lifecycle replacements and enabling reuse (note: action was not a key action planned/disclosed last year).

Key actions planned:

- Introduce a replacement fee for non-returns to improve collection rates (short term);
- Digitalize return process to make collection more efficient (short/medium term);
- Explore impact and viability to develop a collection rate for CPE for our Business segment (short-term).

The actions to increase the amount and relative share of collected CPE at our material product groups focus mostly on the consumer market (excl. subsidiairies) as this represents the majority of KPN-owned CPE in the installed base. However, it includes the self-employed/SoHo market segment as well.They also impact our key stakeholders, including suppliers, consumer customers, government and regulators within our own operations and downstream value chain.

Promote and measure collected mobile phones

Key actions in 2025:

- Improved trade-in flow by embedding it in the customer journey of buying a new phone and linked product launches, leading to increased collection rate;
- Explored implementation of collection for recycling in KPN retail shops (on hold due to strict requirements);
- Extended the portfolio of refurbished mobile phones available for customers.

Key actions planned:

- Further extend the portfolio of refurbished mobile phones available for customers (short term);
- Explore impact and viability to develop a collection rate for business market mobile phones (medium term).

The actions to increase the number and share of collected mobile phones focus on our Consumer segment in the Netherlands. They also affect our stakeholders, such as consumer customers, government and regulators within our downstream value chain.

Promote and measure our Business segment services enabled for circularity

Key actions in 2025:

- Increased number of contracts with circular clauses, developed and implemented new return flows, expanded scope of measuring inflow/outflow for our Business segment services;
- For inflow — build data model for inflow: we aligned current data model for inflow/outflow to align with CSRD. For outflow, the alignment and integration of the default data model for our Business segment reuse/recycling is ongoing. Due to priority setting, further improvements and automation have been shifted to short/medium term.

Key actions planned:

- For outflow: align/integrate the default data model for our Business segment reuse/recycling (short term);
- Continue to increase the number of contracts with circular clauses, develop and implement new return flows, expand scope of measuring inflow/outflow for our Business segment services (short/medium term);
- Explore development of collection metric for our Business segment CPE to harmonize metrics across segments (medium term).

The actions to increase the number of our Business segment services enabled for circularity cover the activities of our Business segment in the Netherlands: customers downstream and globally for our upstream value chain. Eligible products and services are part of our target portfolio and include customer hardware (including CPE and SIM cards) owned by KPN or a third party on behalf of KPN. This metric provides a per-service focus and is the basis for future alignment with the Consumer segment and corporate metrics on circularity. These actions also affect our stakeholders (suppliers and business customers). The effectiveness of enabling our Business segment services for circularity will be monitored via our metrics on circular inflow and reuse and recycling.

Metrics and targets (E5-3/4/5/6)

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

None of these targets are mandated by legislation and they are reported voluntarily. These metrics are not based on conclusive scientific evidence. All metrics are measured in absolute value or percentages.

Name of the metric	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
Reuse and recycling	88%	86%	≥86%	2026, 2027: ≥86%, 2030: ≥86%	5 6
Circular inflow	57%	53%	n/a	n/a	5 6
Collected CPE	95%[1]	93%	87%	2026: 92%, 2027: 92%, 2030: 95%	5
Collected mobile phones	3%	6%	5%	2026: 6%, 2027: 7%, 2030: 10%	5
Business segment services enabled for circularity	12	16	12	2026: 18, 2027: 20	5

1 The underlying source for the calculation of the metric has been adjusted as of reporting year 2025, see "Collected customer premises equipment (CPE) methodology". Based on the adjustment, the 2024 result would have been 94%. We have assessed the impact of the adjustment on the 2024 result as not material.

Reflection on performance

Reuse and recycling: 86%

The result of 2025 was on target (target 2025: ≥86%, result 2025: 86%). We noticed a 2% drop in performance compared to 2024. A slight drop was anticipated due to the lower level of fiber roll-out activities. This was also the main driver for the decrease in total waste volume from almost 12 ktons in 2024 to little over 7 ktons in 2025. The metric is monitored via the ESG goverance model and for key components within the segment via program reviews.

Circular inflow: 53%

Our circular inflow metric did not have a target for 2025. The performance is somewhat lower than in 2024 (57%). This was mainly due to a one-off replacement for parts of our installed base of CPE.

Collected CPE: 93%

The result of 2025 was above target (target 2025: 87%, result 2025: 93%). Digitalization of the return process had a positive effect on returns in 2025. The metric is monitored via the ESG goverance model.

Collected mobile phones: 6%

The result of 2025 was above target (target 2025: 5%, result 2025: 6%). This increase was driven mainly by a successful mobile phone campaign, which encouraged more customers to trade in their old devices. Additionally, improvements to the customer journey made the trade–in process simpler and more intuitive, further boosting participation. The metric is monitored via the ESG goverance model and management letters.

Business segment services enabled for circularity: 16

The 2025 target of 12 Business segment services enabled for circularity (cumulatively) was already met in 2024. We realized 4 additional services (total: 16) compared with the target for 2025, by – among other measures – leveraging existing return processes and common vendor contracts across services. Hence, we also updated our targets for 2026 and 2027. The metric is monitored via the ESG goverance model and management letters.

Methodologies and assumptions

Reuse and recycling methodology

Definition of the metric: Percentage of total materials and waste prepared for reuse and recycling in relation to total outflow by mass.

Definition of terms:

- Waste: Materials that have been used for KPN's business activities which are ultimately directed to or diverted from disposal.
- Reuse: Recovery operations, by which products or components of products that have become waste are checked, cleaned and/or 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.

Metric methodology: The scope includes:

- Regular waste streams and obsolete equipment and inventory coming from KPN's network activities (including fiber rollout), KPN's offices and shops;
- Obsolete 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 CPE, mobile phones and related packaging that are not collected via KPN's return programs. In this case, customers are responsible for disposing of this waste in accordance with the law, regulations and local waste collection procedures.

Service partners report actual waste amounts (tons) on a monthly or quarterly basis. The waste disposal method can be determined by selected service partners and their waste-disposal contractors, which are challenged on methods and performance.

Waste amounts are allocated to recovery types and disposal methods based on processing rates.

Around 20% of total waste is categorized using direct data on processing rates from our partners, while generic rates are applied when specific figures are missing. These generic rates are based on public data and/or based on available direct data. The reuse and recycling metric is calculated by dividing the tons of materials prepared for reuse or recycling by the total waste generated.

Target methodology: 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. Targets are based on a three-year forecast per business segment. The forecast estimates 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). The target relates to resource outflows (waste), specifically as mentioned in ESRS E5-3 DR 24[1]: (b), (c), (e). and (f). The target relates to the following waste hierarchy layer: for reuse and recycling (avoiding incineration and landfill).

Circular inflow methodology

Definition: The circular inflow metric is calculated by dividing the total weight of secondary materials (reused, recycled, intermediary) and biological materials (sustainably sourced) by the total weight of resource inflows. Total resource inflows are determined by multiplying the quantity of products by their respective weights.

For our general approach to inflow and scoping principles, see section "Resource inflows (E5-4)".

Metric methodology: The scope of the circular inflow indicator contains the following product groups of our Consumer segment:

1 ESRS E5-3 DR 24 refers to whether and how the undertaking's targets relate to resource inflows and resource outflows, including waste and products and materials, and, more specifically to:the increase of circular product design (including for instance design for durability, dismantling, reparability, recyclability etc); the increase of circular material use rate; the minimization of primary raw material;sustainable sourcing and use (in line with the cascading principle) of renewable resources; the waste management, including preparation for proper treatment; other matters related to resource use or circular economy.

- 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.

These product groups represent the relevant items in scope for our Consumer segment (including Consumer segment subsidiaries), meaning all capex items related to KPN-owned CPE, which is more than 95% of all capex inflow. The remainder is excluded and related to accessories such as cables and connection materials. Although SIM cards are booked as opex items they are considered in scope as they are owned by KPN, relevant for our network-to-service model and related to the key risk.

We are in the process of further detailing the key material inflows for KPN and increasing the scope of the metric with our Business segment and NOI as mentioned under "Key actions planned". A key limitation to the calculation is (lack of) availability of value chain data relating to the level of circularity of inflows. We expect to need several indirect sources as estimates initially and are striving to gradually improve data accuracy. We introduced contract clauses on providing circularity data several years ago. But upon request, most vendors do not have circularity data readily available today. Pushing the supplier market forward is part of our cooperation within JAC on supplier engagement in circularity.

Secondary materials as a percentage of total weight is calculated by dividing the total weight of secondary materials (reused, recycled, intermediary) by the total weight of resource inflows. Biological materials as a percentage of total weight is calculated by dividing the total weight of biological materials (sustainably sourced) used to manufacture the products that KPN uses for its services by the total weight of resource inflows.

Quantitative 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 and supplier data. In their absence, subject matter expert opinions and/or assumptions are used. To prevent double counting, we ensure that content percentages collectively total 100%.

Target methodology: We are expanding the scope and baseline data for this metric to determine a target. Where we have the metrics on inflow in place, this indicates the effectiveness of the policies and actions (if we are making progress, i.e. becoming more circular). The target relates to resource inflows, specifically as mentioned in ESRS E5-3 DR 24 and footnote 2: (a), (b), (c) and (d). The target relates to the "Prevention" waste hierarchy layer.

Collected customer premises equipment (CPE) methodology

Definition: Used CPE collected through operator take-back schemes in the reporting period as a percentage of CPE distributed to customers in the reporting period adjusted for installed base changes.

Metric methodology: The collection rate for CPE includes in-home devices such as modems, Digitenne tuners and TV set-top boxes. It is calculated as follows:

- Collection rate = total returns / (total units distributed – delta installed base internet, TV and Digitenne)
- Total returns (numerator): The total number of returned in-home devices such as modems, digitenne tuners, and TV set-top boxes (e.g., returns related to cancellation of subscription, product replacement or phase-out).
- Total units distributed (denominator): The total number of devices distributed to customers during the reporting year.
- Delta installed base internet, TV and Digitenne (denominator): The delta in the active installed base of internet, TV and digitenne subscriptions over the reporting period, reflecting additions and removals.

This entity-specific metric focuses mostly on the consumer market (excl. subsidiairies) as this represents the majority of KPN-owned CPE in the installed base. However, it includes the self-employed/SoHo market segment as well.

Target methodology: Internally, our Consumer segment leadership team is involved in setting the target.

The formula is as follows:

- Target = estimated total returns / (estimated total units distributed – delta installed base internet, TV and digitenne)
- Estimated returns: The projected total number of returns, partly informed by lifecycle management considerations such as product replacement or phase-out.
- Estimated deliveries: The forecast total units distributed to customers, based on sales projections within the consumer market.
- Delta installed base internet and TV: The expected delta in the installed base of internet and TV subscriptions during the reporting year, partly influenced by customer churn (cancellations or disconnections).

In 2025, the underlying source for the calculation of the delta installed base (internet and TV) for collected CPE KPI was changed, which led to a different result for the collected CPE KPI in 2024. The impact of this change has been assessed as immaterial.

These targets are set over a three-year forecast period and focus on the Consumer segment. The target relates to resource outflows (waste) as specified in ESRS E5-3 DR 24 and footnote 2: (b), (c), (e) and (f). The target relates to the following the waste hierarchy layer "Preparing for reuse and recycling (avoiding incineration and landfill)".

Collected mobile phones methodology

Definition: Percentage of used mobile phones collected through KPN take-back schemes compared with the number of new mobile phones distributed directly to customers.

Metric methodology: We follow the GSMA guidance in "ESG Metrics for Mobile — June 2024". The scope relates to mobile phones collected via our Consumer segment take-back schemes.

The entity-specific metric is calculated as the number of used mobile phones collected through the company's Consumer segment take-back schemes in the reporting period divided by 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 as well as fully validated by 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, and returns of new or defective devices and demo handsets.

Developing and including a collection rate for mobile phones for our Business segment is subject to assessing related impact, risk and opportunities and viability (short term).

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 business 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 the 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: Internally, our Consumer segment leadership team is involved in setting the target. The target is based on a three-year forecast within our Consumer 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). The target relates to resource inflows (waste), specifically as mentioned in ESRS E5-3 DR 24 and footnote 2: (b), (c), (e) and (f). The target relates to the waste hierarchy layer "Preparing for reuse and recycling (avoiding incineration and landfill)".

Business segment services enabled for circularity methodology

Definition: Number of our Business segment services enabled for circularity.

Metric methodology: This metric focuses on our Business segment services within the designated target portfolio, which encompasses customer 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.

For a Business segment service to be enabled for circularity, it has to meet the following three criteria:

1. Contract – circular economy clauses in vendor agreements cover: a supplier code of conduct (for all related vendors), circular product requirements (for product vendors only), and requirements on outflow of obsolete equipment, products and waste for service providers (for any vendors involved in processing outflow). These provisions establish the foundation for supplier engagement.
2. Process – the service should have a circular process flow. This enables product collection[1] and sustainable reuse and recycling.
3. Measuring – measuring (circular) inflow and (circular) outflow of the hardware under the service. This allows data to feed into the metrics to measure and improve performance.

These criteria were selected to give business owners clear steps to enhance inflow and outflow circularity over the medium term. The focus on the target portfolio aims to systematically build a resilient circular portfolio. While the metric supports improved circularity, it does not directly measure performance and is cumulative in nature.

Target methodology: Our Business segment leadership team is involved in setting the target. 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 CPE 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, covering the majority of the eligible services in the medium term and taking the complexity of implementation and lifecycle status into account. The target relates to all resource inflows and/or outflows (waste), specifically as mentioned in ESRS E5-3 DR 24 and footnote 2: (a), (b), (c), (d), (e) and (f). The target relates to the waste hierarchy layer "Prevention and preparing for reuse and recycling (avoiding incineration and landfill)".

Resource inflows (E5-4)

We focus on material resource inflows based on our network-to-service model in relation to our key impact and risk. Hence, we focus on KPN-owned equipment and products that are needed for our business model as a service provider. KPN does not manufacture products. We exclude products and materials that we resell (e.g., mobile phones) as they are not part of our network-to-service model (but part of non-service revenues).

Relevant KPN segments are NOI, Consumer, Business and Wholesale. These segments have a direct relation to "manufacturing the services". For Wholesale, we

1 Except for SIM cards where a return process has no added value as reuse does not entail any impact from an environmental perspective and is deemed marginal or negative.

investigated the physical and financial flows in terms of relevance and materiality and concluded it has no material direct inflows and where relevant, inflows are accounted for under the other segments (mainly Consumer segment). The Corporate Center is a non-operating segment which supports the core activities and is hence not relevant. For subsidiaries, we already include the subsidiaries related to our Consumer segment in our inflow metric. For subsidiaries of NOI and our Business segment, we need to further analyse resource inflows in relation to the scoping criteria in 2026. This will determine which of their subsidiaries (if any) will be in scope and for which product inflows.

From the analysis of our spend data for Scope 3 (Category 2) on products for own operations which are produced in our upstream value chain, we assess that the key impacts and risks mostly relate to the following key 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 material resource inflow, as water and marine resources have been assessed as non-material under the DMA. Spend and carbon impact related specifically to water inflow is non-material. For property, plant, and equipment, we exclude offices as they are rented and technical buildings as they are not a material resource inflow in relation to our material negative impact and risk. Product packaging is not considered material in relation to the key impact of climate change, based on carbon hotspot analyses from lifecycle analyses for CPE 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 products it contains. With respect to critical raw materials, we have carried out research in-house with support from universities over the last years on our risk for several product groups (including modems, routers, servers). Based on 2020 research, we concluded that the following materials carry the highest risk: gallium, rhodium and rare earths. Further research (2020) 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. Moreover, germanium is an important critical raw material for optical fibers needed in our network and digital infrastructure (as shown in public TNO research paper "De leveringsketens van kritieke grondstoffen", 2024). Critical raw materials (CRM) relate to our key risk, but exact quantifications are difficult to make as information on CRM use is hard to obtain from our value chain. The topic is addressed in our environmental policy and procurement approach.

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

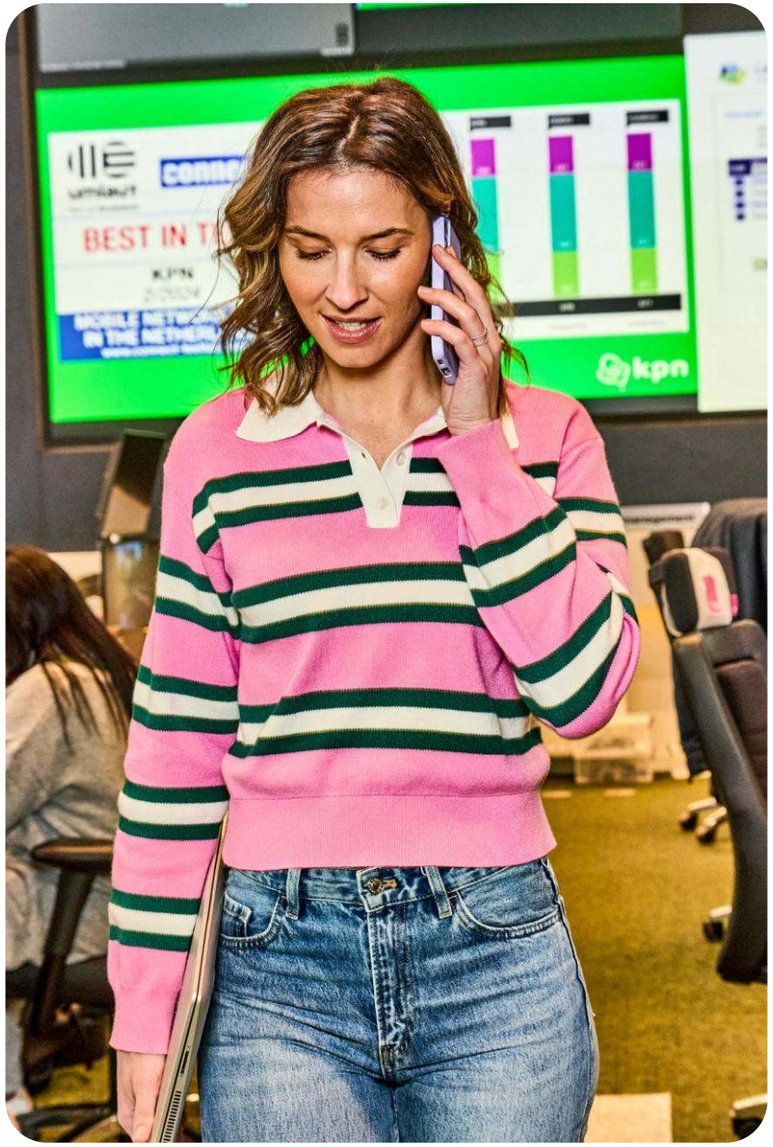
In the next table, we disclose the weight of the material resource inflows related to our network-to-service model, including their circularity attributes.

KPN has sufficient reliable data for our Consumer segment to report on inflow, but not sufficient reliable data to report inflow for our Business segment and NOI and their related subsidiaries at this stage. We do not have product weights registered systematically in our ERP and assset management systems. Circularity attributes such as recycled content shares are very hard to obtain from our value chain. Gathering and registering such information requires significant effort due to the number of products and suppliers involved.

We do not have sufficient data yet to include and make estimations the for our Business segment, NOI and their related subsidiaries that would meet the qualitative characteristics of information such as faithful representation, comparability and understandability. For more on our key actions planned to address this in the short and medium term, see "Promote and measure circular inflow".

Inflow	Result 2025[1]	Result 2024[2]
Total weight of technical materials (tons)	689	506
Total weight of biological materials (tons)	-	-
Total weight	**689**	**506**
Weight and share of secondary (technical) products and materials (tons, %)	362 (53%)	288 (57%)
Share of sustainably sourced biological materials with a certification (%)	-	-
Circular inflow (tons, %)	362 (53%)	288 (57%)

1 The scope is limited to our Consumer segment and the methodologies used to calculate the data and avoid double counting are listed under the methodologies metric "circular inflow".
2 As use of biological materials does not (yet) apply, application of the cascading principle is not specified either.



Resource outflows (E5-5)

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

The methodology of the "reuse and recycling" metric describes the scope of the waste which we include in our waste table. The targets for reuse and recycling are covered under "Metrics and targets". The key materials that are present in the waste include metals (including critical raw materials and rare earths), non-metallic minerals and plastics.

Anticipated financial effects from material resource use and circular economy-related risks and opportunities (E5-6)

KPN has opted to use the phase-in provision regarding anticipated financial effects from environment-related impacts, risks and opportunities.

Total waste		Result 2025	Result 2024
Total amount of non-hazardous materials and waste	**tons**	**7,105**	**11,743**
Diverted from disposal:			
i. Preparation for reuse	tons	663	340
ii. Recycling	tons	5,486	9,975
Iii. Other recovery operations	tons	n/a	n/a
Directed to disposal:			
i. Incineration	tons	841	1,279
ii. Landfill	tons	115	149
Iii. Other disposal operations	tons	n/a	n/a
Total amount of hazardous materials and waste	**tons**	**219**	**186**
Diverted from disposal:			
i. Preparation for reuse	tons	9	-
ii. Recycling	tons	176	173
Iii. Other recovery operations	tons	n/a	n/a
Directed to disposal:			
i. Incineration	tons	32	12
ii. Landfill	tons	2	1
Iii. Other disposal operations	tons	n/a	n/a
Total amount of radioactive waste	tons	-	-
Total amount of waste	**tons**	**7,324**	**11,929**
Total amount of non-recycled waste	tons	1,662	1,781
% Non-recycled waste	%	**23%**	**15%**

EU taxonomy

General

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, 2023/2486 and 2026/73. 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 ("eligible"). The technical screening criteria determine the conditions under which an economic activity qualifies as contributing substantially to one of the six environmental objectives. 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 eligible activities. Based on the limited impact for KPN, applying the materiality threshold of 10% in line with the Commission Delegated Regulations (EU) 2026/73, this year we have not performed taxonomy-alignment assessment, comprising of testing "substantial contribution" criteria, "do no significant harm" criteria and "compliance with minimum social safeguards".

Eligibility assessment

Building on previous year's analysis, we re-assessed applicability eligible activities from the "EU Catalog". Some activity clusters clearly do not apply to KPN and were filtered-out in the first step, based on professsional judgment. For activities that were relevant last year or may be relevant based on the nature of the acivity, we performed further analysis with internal stakeholders by relating business activities to EU taxonomy eligible activity descriptions and by identifying relevant capex, opex and turnover. Finally, we performed a top-down analysis of turnover as a sanity check on completeness. We have concluded that we mainly have eligible activities in two out of the EU taxonomy's six environmental objectives. On these activities, we included some detail below. The remaining (minor) activities are included in the numerator of the eligible capex, opex and turnover but not specified below.

Climate change mitigation eligible activities:

- 6.5 Transport by motorbikes, passenger cars and light commercial vehicles:
  - Addition of fully electric lease cars: €15.5 million capex (2024: €47 million).
- 7.3 Installation, maintenance and repair of energy efficiency equipment:
  - We identified eligible activities for technical buildings, office buildings and retail. This includes the installation and replacement of energy–efficient light sources (LED) as well as the installation, replacement, maintenance and repair of air–conditioning (HVAC) systems using highly efficient technologies. These activities add up to €1.3 million capex (2024: €3 million).
- 7.6 Installation, maintenance and repair of renewable energy technologies:
  - In 2025, we installed a first Battery Energy Storage System (BESS) in one of our core locations. The related capex was €0.6 million.
- 8.2 Data-driven solutions for GHG emissions reductions:
  - Specific customer premises equipment (modems) were identified as eligible activity by facilitating teleworking which helps our customers in avoiding emissions (for details: see metric "Estimated avoided CO_2e emissions"). The related capex in 2025 amounted to €12.4 million (2024: €13 million).

Transition to a circular economy eligible activities:

- 5.1 Repair, refurbishment and remanufacturing:
  - This relates to repair and refurbishment of our customer premises equipment. The opex of these eligible activities in 2025 was less than €1 million (2024: less than €1 million). The related capex in 2025 was €9.6 million (2024: €9 million).
- 5.4 Sale of second-hand goods:
  - We sell refurbished mobile phones and are expanding our refurbished portfolio. As our revenues from these sales are booked as part of service revenues (subscription), we focussed on the related eligible opex. In 2025 the opex was €1.7 million. In 2024 the related opex was not considered material under the previous EU taxonomy regime.

Accounting policy related to the EU taxonomy

See the 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 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.

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.

Conclusion

EU taxonomy capex KPI

The total value of KPN's EU taxonomy capex amounts to €1,692 million (2024: €1,508 million). For the reporting year 2025 2.3% (2%) of our capex qualifies as taxonomy-eligible activities (2024: 5%).

EU taxonomy opex KPI

The total value of our EU taxonomy opex amounts to €340 million (2024: €312 million). The taxonomy-eligible opex in 2025 is €2.4 million (2024: less than €1 million). Hence, KPN has 0.7% (1%) taxonomy-eligible opex.

EU taxonomy turnover KPI

The total value of KPN's turnover amounts to €5,797 million (2024: €5,603 million). We have concluded that KPN's taxonomy-eligible turnover is relatively small, as KPN's core economic activities are not described in the six environmental objectives of the delegated acts. It does not impact the reported percentage (<0.5%), hence 0% is reported as taxonomy-eligible.

2025

KPI	Total (€ mln)	Proportion of taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of taxonomy-aligned activities	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities in 2024	Proportion of Taxonomy aligned activities in 2024
					Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity					
Turnover	5,797	0%	-	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	-	0%
Capex	1,692	2%	-	0%	0%	0%	0%	0%	0%	0%	0%	0%	2%	22	1%
Opex	340	1%	-	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	-	0%

Own workforce

Impacts, risks and opportunities (ESRS 2 – SBM-2/3)

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** related to our *own workforce*:

1. **Working conditions:** KPN distinguishes itself through factors including good work-life balance and high collective bargaining coverage and social dialogue to safeguard adequate wages. Our HR people strategy aims to ensure skilled and motivated employees by acting as a good employer in a tight labor market.
2. **Equal treatment – diversity:** KPN aims to reflect 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.

We identify the following **two risks** related to our *own workforce*:

3. **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.
4. **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.

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 workforce development remains a focus, several risks associated with tight labor markets and aging may affect the execution of KPN's strategy:

- Talent attraction and retention: KPN identifies risks in its ability to attract and retain qualified talent, particularly in areas such as technology, IT, engineering, and cybersecurity. A shortage of skilled personnel in these fields may impact workforce competency and capacity, affecting the delivery of strategic objectives and increasing pressure on existing staff, which could lead to higher labor costs.
- Workforce demographics: Higher employee attrition rates coupled with lower recruitment of younger staff have contributed to an aging workforce. This demographic trend presents challenges for knowledge retention and continuity, especially within a sector where continuous innovation is important. In the long-term, an aging workforce may influence KPN's competitiveness and innovative capabilities if efforts to recruit and retain younger and more diverse employees are not effective.
- Diversity and social return: Should KPN not achieve its diversity and social return targets, there may be implications for its brand, customer satisfaction, and profitability. For instance, not meeting public sector procurement requirements related to social impact could result in missed business opportunities and reputational effects.

Despite these risks, there are opportunities for KPN to leverage its workforce to enhance business performance:

- Diversity as an advantage: KPN's focus on diversity and inclusion enhances innovation, meets diverse customer needs, and strengthens its reputation as a socially responsible company.
- Employee development and retention: Investing in talent development and leadership equips employees for strategic challenges, especially in technology and cybersecurity, while supporting retention through clear career paths and reducing turnover.
- Strategic workforce management: KPN is continuously monitoring its talent strategy, sourcing and workforce planning to address demographic risks, attract younger diverse talent, and implement succession plans for continuity.

Definition of own workforce

Within the consolidated KPN Group different type of employees can be defined:

- Own workers: These are individuals who are in an employment relationship with KPN according to national law or practice ("the employees"). The employment relationship could be with KPN B.V. or with one of the subsidiaries which are consolidated in the consolidated financial statements of the consolidated KPN Group. KPN refers to these employees as "*Eigen Personeel*" (EP). This category can have a temporary contract or a permanent contract.
- Agency workers: Besides the individuals who are in a direct employment relationship, there are also employees which are hired from agencies for a temporary period. KPN refers to these employees as "*Uitzend Personeel*" (UP). These employees are mainly working in call centers and retail stores and most of them are working part-time.
- Other personnel (OP) – contingent workforce (CWF): These are external workers hired by KPN on an hourly rate basis who work under the direction and supervision of KPN.
- Other personnel (OP) – service levels and deliverables (SLD): These are workers working through a contractor. In this arrangement, the entire assignment is outsourced to a supplier based on agreed-upon results. The external employees are not working under KPN's direction and supervision.

Applying these requirements to KPN's workforce, we conclude that own workers (EP) qualify as employees under S1. Agency personnel (UP) and other personnel (OP CWF) are classified as contingent workforce and can be considered non-employees within the own workforce. Other personnel with service level deliverables (SLD) are excluded from S1 Own workforce, as such individuals do not operate directly under the supervision and direction of KPN.

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:

- Office: covers guidelines for screen time, ergonomics, climate, facilities, accessibility, workplace investigations, acoustics, and work hours;
- Home office: addresses remote work setup, office supplies ordering, and meeting policies (including in cars);
- Technical buildings: focuses on risks from high-risk tasks, electrical work, cables, lasers, climate challenges and related safety concerns;
- Data center: outlines measures to reduce risks from solo work, confined spaces, high-risk tasks, emergencies, and similar issues;
- Retail: includes guidelines for working conditions, safety from robbery or attack, building upkeep and related matters.

KPN has implemented various plans, actions, and activities to address working conditions and diversity (equal treatment). These measures include action plans aimed at increasing diversity and maintaining a healthy and safe workplace. Working condition initiatives cover well-being, work-life balance, appropriate compensation, and an inclusive environment based on equal treatment with roles suited to employees. Further details regarding these actions are provided in the following subsections. The positive impacts help us 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. Material positive impacts related to working conditions and equal treatment / diversity are applicable to the entire workforce of KPN. Nevertheless, certain elements of the IROs do not apply to all groups of our own workforce. As a result, some policies and action plans do not apply to the entire workforce.

Within KPN, we identified a risk related to older employees in our workforce: this risk concerns the presence of relatively older staff within KPN who possesses specialized knowledge about legacy systems and networks. This risk stems from higher levels of retirement in the coming years, 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. The knowledge should be more widely spread across the company to prevent gaps in the future. Therefore, this risk is only applicable to own employees (EP) and not to agency workers (UP) or other personnel. The risk associated with a tight labor market also applies only to our own employees, as the agency workers and other personnel help to mitigate this risk. The risks mentioned above could also trigger increased workload, becoming an unattractive employer and a bad reputation in the labor market.

Coverage of disclosure requirements:

- S1-1, S1-3, S1-4, S1-5, the scope of each policy, action, metric and target is disclosed in the statement;
- S1-2: covers entire own workforce;
- S1-6: focuses on characteristics of KPN's employees;
- S1-7: covers characteristics of non-employees;
- S1-8, S1-9, S1-11, S1-13, S1-15, S1-16: reported only for KPN's employees.

Policies related to own workforce (S1-1)

We have several policies in place to manage the material impacts and risks related to our own workforce. See also "Policy overview" included in the "General information" section.

1. **KPN human rights statement:** The human rights statement applies to our workforce, value chain, customers, and society, covering diversity, fair wages, health and safety, freedom of association and expression, and prohibition of forced and child labor. We foster an open environment where people can express concerns freely, offering internal channels for advice and reporting. 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 our employees to remedy negative impacts and raise concerns. The policy is monitored through measures, processes and channels (including works councils and trade unions), and these are known and accessible to our own workforce.
2. **KPN diversity and inclusion policy (D&I):** This is presented as an independent policy which covers KPN's own workforce and contains sections which are only applicable for employees. Policy monitoring is conducted annually through internal reviews assessing progress, while external benchmarks such as "Talent to the Top", the Social and Economic Council of the Netherlands (SER), and Workplace Pride are incorporated where relevant. In developing our D&I policy we considered the interests of various stakeholders, including compliance with governmental diversity legislation, alignment with the Board of Management's vision and mission, employee feedback via the Works Council, and input from the D&I department's professional expertise.
3. **KPN company collective labor agreement (CLA):** The CLA addresses areas including wages, health and education benefits, multiple types of leave, work-life balance measures, grievance procedures, and opportunities for training and development. Regular monitoring occurs through data analysis, compensation benchmarking, and audits. The agreement covers employees located in the Netherlands. Some of the elements are also applicable for our agency workers.
1. **KPN working conditions catalog (ARBO catalog):** The goal is to ensure safe and healthy working conditions and communicate our occupational health and safety policies to staff. The policy addresses workplace risks and well-being, and includes mitigation measures. It is regularly reviewed using data such as sick leave and incidents, and updated to comply with new laws and the Dutch Working Conditions Act (ARBO). The policy adheres to ARBO and the goal is to mitigate health and safety risks for KPN's own workforce as key stakeholders. Input from a dedicated commission on health and safety is a key input for this policy.
2. **Vacancy policy:** Introduced in 2025, this policy reflects KPN's commitment to employee development and mobility, both vertically and horizontally, within and outside of the organization. It describes procedures for publishing, applying for, and appointing to vacancies, alongside principles for transparent selection, equal opportunities, and the importance of creating diverse, complementary teams within an inclusive culture. This policy is applicable to vacancies for employees (EP) and agency workers (UP) and is based on the principles of our CLA, relevant legislation and the expertise of our Recruitment department combined with input from HR stakeholders and the leadership team. The policy was approved by, and will periodically be reviewed with, the Central Works Council. Updates due to changes in legislation or the CLA will be implemented when needed.

In addition to the policies described, KPN's code of conduct (CoC) helps us to manage 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 pledges 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.

Several of the aforementioned policies (including the CoC, D&I policy and vacancy policy) advocate the elimination of discrimination, including harassment, promoting equal opportunities and other ways to advance diversity and inclusion.

In addition, our vacancy policy specifically reinforces these principles by ensuring equal opportunities and promoting diversity and inclusion in career progression.

Our diversity and inclusion policy specifically covers the following grounds for discrimination: race, color and ethnic origin, gender, sexual orientation, gender identity and expression, disability, age, appearance, 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:

- 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. Employees have access to resources and regular updates through our "Feel safe at work" group. In addition to our vacancy policy, we also have measures in place to advance diversity and inclusion in our general hiring processes. Examples of these are our investment in an applicant tracking system to track the talent, inclusive language in our vacancy texts, a change in our assessment tooling, striving for a balance in the selection pool and structuring 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 (S1-2)

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, 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 twelve 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. There are also three work councils for the different subsidiaries. In total, 99.1% of all KPN employees are covered by the works councils.

The governance structure of the KPN holding includes one central Works Council, twelve decentralized works councils for the different business segments and three separate work councils for the subsidiaries. The Central Works Council communicates with the CEO, while business segment councils engage with their respective senior managers. Work councils meet with management periodically, with more frequent meetings before major organizational changes such as layoffs. They advise management prior to decisions and ensure employee views are considered, as required by the Dutch Works Councils Act. This process keeps leadership informed of workforce concerns during organizational changes and makes sure that ideas are shared within the decision-making process.

KPN conducts surveys relating to engagement (pulse surveys) at least twice a year to assess employee involvement. These pulse surveys evaluate how employees perceive KPN, including their confidence in decisions made by the Board of Management. Additionally, they cover topics such as well-being, psychological safety, perceived organizational culture, and leadership. The insights gathered enable KPN to evaluate the effectiveness of its engagement strategies with its workforce. We continuously ensure that the pulse survey remains an effective instrument and improve it where needed. The survey's response rate has been high (82%), and after each measurement we verify what percentage of the population experiences there has been a follow up on the results of the previous survey. In addition, elements of the survey have been reviewed by academic experts, which had led us to run experiments with several smaller pulse surveys. We intend to further implement and expand these in 2026.

Once a year (in the survey conducted in May), employees can voluntarily share diversity-related identity details in a survey. This data helps us assess differences in working conditions, inclusion, engagement, and well-being among groups, informing improvements at KPN. Results and recommended actions are shared with the Board of Management and Works Councils. Management implements improvements based on these insights, with the HR department providing support and guidance.

Actions (S1-4)

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. However, certain employee benefits do not apply to the entire workforce, but are only related to own employees. For each action plan the scope is disclosed in the following subsections.

Our people plan is built around four strategic pillars:
- Best workplace;
- Well-being and reward;
- The job that fits you;
- Future skills.

Resources to manage the material impacts and implement the activities related to these four strategic pillars, are allocated to the internal HR function, which plays a key role in this effort. The HR department comprises 147 FTE's, who work on the execution of the corresponding action plans.

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 focused on having the best workplace and working conditions for all employees, equal treatment, and our aging workforce (diversity and inclusion). The related action plans are described in the following subsections.

Diversity and inclusion (D&I)

This action plan is connected to the "Best workplace" pillar. 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.

The D&I plan has a medium time horizon for tracking metrics such as the percentage of women overall and in senior management. We offer trainee programs focused on tech, IT, commerce, and finance to attract young talent. Leadership development, mentoring, succession planning and active talent management help maintain diverse teams. In 2025, we developed a more conscious (external) hiring approach to increase the percentage of women in senior management, which led to a result of 34.2% women in leadership assignment roles. We also support employee resource groups as valuable networks for promoting diversity awareness and providing insights on inclusion. In 2025, they organized Diversity Day together to celebrate the diversity within KPN and create more awareness around the importance of diversity, inclusion and belonging within the organization. We also focused on strengthening our accessibility as an inclusive employer.

We increased our visibility within our employer brand by participating in events aimed at women in tech and by showcasing female role models across our website and social media channels. Our commitment to improving accessibility for employees with a distance to the labour market also delivered concrete results: we advanced from "Aspirant status" to "Step 1" within the Prestatieladder Sociaal Ondernemen (PSO) certification, exceeding the initial goal "Base level" we had set for ourselves.

Attractive employer with aiming for the best working conditions

This action plan is connected to the "Well-being and reward" pillar. 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. The coverage scope for these activities is our 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 2024-25 CLA provides a modern and attractive remuneration package for all generations with a strong focus on well-being and work-life balance. We offer a personal budget that employees can allocate at their own discretion, for example to repay student loans, contribute to the sustainability of their homes, or invest in their personal well-being. Also, we offer an attractive (higher) compensation for cycling to work. The goal is to retain talent and be attractive to new hires. Also, for the CLA of 2026–2027, additional appealing benefits will be added, including a contribution towards childcare costs, the option to exchange an additional national public holiday for another meaningful holiday or day of remembrance, and the possibility to save for a longer period of paid leave. 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 and contributes to mitigating the risk of a tight labor market and aging workforce. It includes metrics on: "Grow" 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 in our pulse survey. Although the outcome was not surprising in the given circumstances, we felt a responsibility to help our employees feel better. We provided psychological help through the Open-Up platform, set up rules about meeting times and provided extra time off for employees with families. Since last year, we see that the well-being of our employees has been around 70%. To raise this to a result above target, we extended our offering across all types of well-being, for example by introducing the option of a physical health check and more targeted stress interventions and team workshops;
- Sick leave: KPN's sick leave rate remained stable in 2025 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 for adequate mental healthcare interventions and societal trends that show one in five workers experiencing burn-out symptoms require a different approach. In 2024, we set up a new agreement with our company doctor aimed at detecting potential long-lasting health issues at an early stage and took other actions to mitigate this issue. In 2025, we also implemented a new campaign to encourage employees to talk about their mental health and promote available interventions;
- Engagement: This 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. A workshop is available to help managers follow up the outcomes of the pulse surveys.

Tight labor market

This action plan is connected to the pillars "The job that fits you", "Future skills" and "Well-being and reward" and is only related to own employees. 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 an 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 employees in scope:

- Employer brand campaign to position ourselves as an attractive employee;
- Labor market campaign with the tagline "*Waar doe jij het voor?*", "("What do you do it for?)", addressing the intrinsic motivations of future employees and where they would best fit in the organization;
- Engaging role models and ensuring presence at events to attract diverse talent;
- Referral programs for own employees 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;
- Providing access and budget to KPN Academy – our learning and development platform – so our workforce is enabled to upskill and/or reskill themselves with future skills;
- Talent management leadership development and the Talent Mobility Board to exchange talents and create interesting career paths and perspectives.

Also, the activities for the action plan "Attractive employer with the best working conditions" (Well-being and reward) support this action plan, as they are not only relevant to current employees, but also future employees.

The plan has a medium time horizon to complete the action. It includes metrics on: KPN Groei goal-setting, upskilling, and learning and development (L&D) spend on future skills. In more detail, the actions relate to:

- Employer brand: Alongside 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 datasecurity specialists;
- Inflow of young talent: In 2025, we welcomed 27 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 to better align with the development of the capabilities anticipated as needed in our future leaders. In 2025, we had 88 participants in these programs combined.

Related to the impact on working conditions, we support managers and employees with professional guidance on sick leave, especially in complex cases, to ensure effective reintegration. Our ongoing efforts focus on prevention and employee well-being, including the Open-Up service, a mental health campaign, and initiatives for work-life balance. We also provided financial health webinars during "*De Week van het Geld*", "(Money Week)", and promoted KPN's debt relief options. These actions have a positive impact on our employees' overall health.

Related to the impact on equal treatment (diversity), we continued initiatives to foster a diverse and inclusive workplace. These activities included organizing Diversity Day, maintaining gender balance on our Board of Management, collaborating with employee networks on events such as International Women's Day, and supporting the Growth mentoring program. Additionally, we conducted a "Pride Verified" campaign both internally and externally to highlight online safety for the LGBTQIA+ community under the #BetterInternet initiative.

Closely linked to the impact on equal treatment (diversity), in 2025 we continued our innovative talent-management programs designed to attract and retain qualified personnel from both the Netherlands and abroad. These programs are widely accessible, and KPN actively supports technical education initiatives at high schools and universities to encourage a diverse and skilled workforce.

We measure the effectiveness of our actions through internal pulse surveys and external benchmarks. Progress on absenteeism, diversity and inclusion, attrition, and L&D spend is shared transparently with managers via dashboards. People metrics are reviewed monthly by senior leadership, and survey findings are presented to both the Board of Management and the works councils. Management is responsible for turning insights into action plans, with HR providing support and guidance.

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

Metrics and targets (S1-5)

KPN has metrics and targets in place to manage KPN's material impacts and risks. A summarized description of the metrics and targets and their scope is given below. The metrics and targets as shown in the table below are set by HR's leadership team and are applicable for all of KPN's own workforce. Although own workers or work councils are not directly engaged in setting targets, they are informed about the performance of these metrics against the targets in monthly management letters and dashboards. Own workforce or workforce representatives are not engaged in identifying lessons or improvements. Lessons are incorporated into goal-setting for the coming year. The D&I targets for 2026 have also been approved by the Board of Management and the Supervisory Board as part of the long-term incentive (LTI) target proposal.

Name of the metric	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
Employee survey score for engagement	80.8%	82.4%	>80%	≥80%	7
Mental well-being	69.8%	69.0%	>70%	≥70%	7
Sickness/absence rate	4.9%	5.0%	4.9%	≤4.9%	7
KPN Groei[1] goal-setting	80.7%	76.2%	>80%	≥75%	7 9
Women at the sub-top (senior management)	33.3%	30%	36%	≥36%	8
Women overall	22.5%	22.4%	23%	≥23%	8
Women with a leadership assignment (LA)	New KPI	34.2%	35%	≥35%	8
Upskilling	63.9%[2]	63.8%	>70%	≥70%	9 10
Learning and development spend on future skills	59.0%	61.9%	>65%	≥65%	9 10

1 Last year only EP were included and this year UP are also included. This impacts the 2024 result, as with the current scope it whould have been 76.4%, and the 2025 target was only applicable to EP.
2 The result for 2024 has been restated as the data used in 2024 was not complete. See for more information "methodologies and assumptions" section further on.

Methodologies and assumptions

Employee survey score for engagement

- *Definition*: The outcome of a human resources (HR) survey that measures the level of enthusiasm and dedication employees feel towards their jobs.
- *Metric:* Twice a year, KPN's own employees (EP) and agency workers (UP) are invited to fill in the pulse survey, by which we measure engagement. It is the outcome of three questions, which gauge trust in the Board of Management, company pride, and involvement. Employee engagement is calculated by combining the results of these three questions, resulting in a score from 1% to 100%, with 1% as the lowest and 100% as the highest engagement score. The final score is by dividing the total employees responding agree or fully agree with the questions by the total headcount who responded to the pulse survey.
- *Limitations*: As this is an entity-specific metric, only KPN B.V. Q4 result is reported for EP and UP. OP is not included.
- *Target:* In previous years, we saw a positive trend, with high scores of around 80% (or more). For this reason, we had set a target of > 80% for 2025. For KPN, engagement is an important topic, and strong engagement helps prevent unwanted attrition. At the same time, we know that as an organization we will go through changes in the coming years that might affect our employees' engagement, such as relocation, cost measures and transformation programs. So we have chosen to set a target that is both ambitious and realistic: 80% for 2026.

Mental well-being

- *Definition*: Reflects the self-assessed state of feeling mentally healthy, stable, and energetic.
- *Metric*: Twice a year, KPN's own employees (EP) and agency workers (UP) are invited to fill in the pulse survey, from which we measure well-being. This is calculated as the outcome of the survey question in an HR survey: "How are you doing mentally, do you feel healthy and energetic?", 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 (headcount) who responded "well" or "very well" was divided by the total number of respondents to this question.
- *Limitations*: As this is an entity-specific metric, only KPN B.V. Q4 result is reported or EP and UP. OP is not included.
- *Target*: To measure the level of mental well-being of our employees, we compare our well-being rate with the average well-being rate of Dutch larger companies, published by Statistics Netherlands (CBS). For this reason, we have set a target of at least 70% for 2025. We place a high value on the well-being of our employees, therefore we want to maintain this target at the same level for 2026.

Sickness/absence rate

- *Definition*: The percentage of total working time lost due to employees reporting sick.
- *Metric*: This is based on a 12-month average of the percentage of KPN's own employees reporting sick, as derived from third-party (ARBO) software. The sickness rate for the month is the number of sick days reported (including weekends) divided by the total number of working days available of our own employees. Sickness of agency workers and other personnel is reported to their agencies.
- *Target*: To set this target we compare our absenteeism rate with the average absenteeism rate of Dutch larger companies, published by CBS. In addition, we consider several societal and well-being developments, as researched by TNO and the Dutch National Institute for Public Health and the Environment (RIVM) and published in the Netherlands Working Conditions Survey (NEA).
  For 2026, we will maintain this target, which is 1% below the national average for large companies in the Netherlands as measured by CBS. We believe this reflects the value we place on the health of our employees.

KPN Groei goal-setting

- *Definition*: The percentage of KPN's employees (EP) and agency workers (UP) who filled in the "What and How" goals (internal individual performance points).
- *Metric*: The percentage of KPN Groei goal-setting is measured by the percentage of own workforce who recorded "What and How" goals for their personal development in the HR system divided by the total own

employees base at the end the reporting period. As this is an entity-specific metric, only KPN B.V. is reported.

- *Limitations*: As this is an entity specific metric, only KPN B.V. Q4 result is reported on EP and UP. OP is not included.
- *Target*: In 2023, we started with KPN Groei goal-setting. We believe in this method and the importance of performance reviews for all employees and want to set an ambitious target. However, a target of 100% would be unrealistic since we cannot exclude employees who are, for example, pregnant, sick or on sabbatical. This is why we have come to a target of at least 80% in 2025, because we find it reasonable and feasible to assume that at least 80% of our workforce will identify goals regarding their performance and contribution to the company's results. However, as of 2025, we must also take non-employees into account in this result, which impacts the feasibility of this target. A substantial part of this group consists of temporary employees who do not work at KPN long enough to complete an entire KPN Groei cycle. Therefore, we will adjust the target for 2026 to at least 75%.

Women at the sub-top (senior management)

- *Definition*: The percentage of female managers (headcount) reporting directly to the Board of Management.
- *Metric*: The number of female managers (headcount) reporting directly to the Board of Managemen divided by the total number of managers (headcount) reporting directly to the Board of Management.
- *Limitations*: There are no women at the sub-top who fall in the categories UP/OP or who work at the subsidaires, so this metric reported only applies to KPN B.V.
- *Target*: Large companies have been subject to the Diversity Act since 1 January 2022, and we must report on this accordingly. This law requires us to set ambitious targets for the company's senior management layer, which KPN calls the "sub-top". The definition of "ambitious" is that the target should aim to make the composition of this population more balanced than the existing situation. Achievement on this target in 2022 was already around 30%, and at that time it was felt there was opportunity to set ambitious targets for subsequent years. However, achieving these targets remains challenging, given the limited turnover within this small population and the challenge in identifying female candidates for roles with a heavy technical component. In 2023 and 2024 we kept the target stable at 36% for both 2025 and 2026.

Women in overall workforce

- *Definition*: The percentage of women in KPN's overall workforce reflecting the diversity within the company.
- *Metric*: The diversity percentage is based on the number of women employees divided by the total number of employees.
- *Assumptions*: For D&I, we have initially used 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 employee population to make a substantial impact.
- *Limitations*: For a company such as KPN with a heavily technical component, 30% is hard to achieve. There is only a 20% inflow of women in technical studies, and not all those women choose a technical profession.
- *Target*: Due to the difficulty of reaching 30%, 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 two years that there is little movement in the result for this target, and we have not got beyond an average of 22.4%. Technical segments such as NOI are often well below this. A target (and expected result) of 25% is therefore unrealistic. In the past year, we carried out a more in-depth analyses of our 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 should lead to an improvement in results in the longer term. To be congruent with this plan, we have adjusted the target downward. Since the results have been stable for 2025, we will keep to the target for next year. We have several interventions planned for 2026, which we believe will lead to an increase in the results.

Women with a leadership assignment (LA)

- *Definition*: The percentage of female employees with a leadership assignment.
- *Metric*: The share of female employees (headcount) with a leadership assignment out of the number of employees (headcount) with a leadership assignment. In 2025, KPN introduced a new job structure for employees with a personal labor agreement (PLA), or senior management. These employees are now identified by the job grade "leadership assignment." As a result of job grading, there are fewer PLA roles above CLA compared with 2024. Many former PLA roles are now part of CLA 13.
- *Limitation*: Within KPN B.V., employees with a PLA are identified by the job grade "leadership assignment ". This metric is therefore only applicable for EP of KPN B.V. as within the subsidaires there are no women with a leadership assignment.
- *Target*: Each year in January, the LTI targets are set 2 years ahead. This means that the LTI plan of 2025, takes effect for the year 2027. At the end of 2024, our result for % of women in leadership assignment (at that time % of women in PLA) was at 29.8%, well below target. In the preceding years, an annual increase of around 1% was observed. Consquently the target of 33% for 2027 is a logical step, still making it an ambitious target. However, this year we overperformed in our expected growth. We will translate these results to the LTI plan 2026, standing in 2028.

Upskilling

- *Definition*: Refers to learning new or more advanced skills that help you stay effective in your current job or prepare for future responsibilities.
- *Metric*: This is calculated as the number of employees (EP) 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.
- *Limitations*: As this is an entity-specific metric, only KPN B.V. is reported. The result for this metric has been restated for 2024 as the data used to calculate this metric was not accurate. The employees who left the company during 2025 but had ordered training that same year were only counted in the numerator, not in the denominator.
- *Target*: We are maximizing the opportunities to offer L&D programs and budget to upskill. We believe in continuously investing in our workforce's skills, so we had set a target of at least 70% for 2025. The result

was 63.8%. In our pulse survey, we have asked employees how they view their development opportunities and possibilities to grow future skills. The results show, amongst other things, that certain groups of employees experience limited time for upskilling. We have also noticed that employees increasingly use Gen-AI to acquire knowledge, which may reduce the need for knowledge transfer via traditional training. However, we cannot substantiate this. Given that stimulating future skills development of our employees will be an important priority in 2026, we believe the target remains feasible. Therefore, we will maintain this target for 2026.

Learning and development spend on future skills

- *Definition*: The percentage of KPN's spend on future skills.
- *Metric*: As from 2025 we are using a new calculation for this target, that is the amount of future skills spend divided by the total spend (rather than the employability budget spend). The offering within our KPN Academy is labeled, so we can track the effectiveness of the learning offering regarding these skills.
- *Limitations*: The data is provided by the main supplier of paid training within KPN for EP. As this is an entity-specific metric, only KPN B.V. is reported.
- *Assumptions*: Future skills are inspired by the report of the World Economic Forum (WEF) and on our own determination of the skills needed to ensure KPN's future continuity. The offering within our KPN Academy is labeled, so we can track the effectiveness of the learning offering regarding these skills.
- *Target*: As from 2025 we are using a new definition for this target: the percentage of future spend as part of the total spend (rather than of the employability budget spend). On this definition, the 2024 figure works out at 59%. Future skills are inpsired by the report of World Economic Forum (WEF) and on our own determination of the skills needed to ensure KPN's future continuity. Based on the belief that we should continuously invest in our workforce's skills and should encourage employees to do so, we have set a target of 65%. This is an adjustment compared to 2024, when the target was set at 70%. This change is the result of a new definition as discussed earlier, which also affects the feasibility of achieving the intended outcomes. In 2025, we reached 61.9%, remaining below our anticipated performance. For 2026, we will maintain the same target level as in the previous year. With the increased focus on skill development in the coming year and the priority it holds within our HR strategy and is embedded in our approach for learning, we are confident that we will make the necessary progress to meet this target.

Characteristics of KPN's own workers (S1-6)

The total number of employees of the consolidated KPN Group[1] can be specified as follows:

	Number of employees (headcount) – 2025	Number of employees (headcount) – 2024
KPN B.V.	9,621	9,960
Subsidiaries	428	373
Total	**10,049**	**10,333**

The split between gender for the consolidated KPN Group is as follows:

Gender	Number of employees (headcount) – 2025
Female	2,269
Male	7,777
Other	3
Total employees	**10,049**

The total number of employees by headcount can be specified as follows, based on their contract type as at the end of the reporting period (for the consolidated KPN Group):

Headcount	Female	Male	Other	Total
Permanent	2,036	7,147	1	9,184
Temporary	233	630	2	865
Total	**2,269**	**7,777**	**3**	**10,049**

1 This includes the employees of KPN B.V. and its subsidiaries.

Headcount	Female	Male	Other	Total
Full-time	735	4,054	-	4,789
Part-time	1.534	3,723	3	5,260
Total	**2,269**	**7,777**	**3**	**10,049**

In the last 12 months, a total of 1,123 employees left the company, a turnover percentage of 11.1%.

The methodologies and assumptions used to compile the data are as follows:

- Employees are presented in headcount;
- KPN calculates the headcount at the end of the reporting period;
- 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 a breakdown of the personnel expenses in 2024 and 2025.

Characteristics of KPN's non-employees (S1-7)

The total number of non-employees within KPN's own workforce can be specified as follows:

	Number of employees (headcount) – 2025
UP	608
OP CWF	1,212
Total	**1,820**

The methodologies and assumptions used to compile the data are as follows:

- Employees are presented in headcount;
- KPN calculates the headcount at the end of the reporting period.

Collective bargaining coverage and social dialogue (S1-8)

Related to the positive impact of working conditions, KPN encourages 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). These agreements protect both employee interests and those of KPN. KPN and the unions together ensure that the collective labor agreement is upheld.

94% of all KPN's own employees are covered by a collective labor agreement. The remaining 6% comprises employees within subsidiary companies and individuals who operate under personal labor agreements outside the KPN's CLA structure.

Diversity metrics (S1-9)

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, gender identity and expression, labor market limitation, origin, political opinion or age.

The following tables show the gender and age distribution of our own employees in headcount as well as in percentages for the consolidated KPN Group[2]:

	Board				Sub-top (senior management)				Overall			
	Female	Male	Other	Total	Female	Male	Other	Total	Female	Male	Other	Total
< 30 years	-	-	-	-	-	-	-	-	371	860	-	1,231
30 -50 years	1	1	-	2	6	18	-	24	1,112	3,626	2	4,740
> 50 years	2	2	-	4	6	10	-	16	722	3,172	-	3,894
Total	**3**	**3**	**-**	**6**	**12**	**28**	**-**	**40**	**2,205**	**7,658**	**2**	**9,865**

	Board				Sub-top (senior management)				Overall			
	Female	Male	Other	Total	Female	Male	Other	Total	Female	Male	Other	Total
< 30 years	-	-	-	-	-	-	-	-	17%	11%	-	12%
30 -50 years	33%	33%	-	33%	50%	64%	-	60%	50%	47%	100%	48%
> 50 years	67%	67%	-	67%	50%	36%	-	40%	33%	42%	-	40%

2 This table excludes the employees whose employement will end in the near future (for example, due to organizational restructuring).

Social protection (S1-11)

KPN ensures comprehensive social protection for all employees in the event of significant life circumstances such as illness, unemployment, disability, parental leave and retirement. The company provides a safe and healthy working environment for pregnant employees, offering measures such as fixed work schedules, exemption from overtime and night shifts, additional breaks, paid ante-natal leave, and restrictions on physically demanding tasks. Employees also have the right to consult with occupational health professionals and training to balance work and parenthood.

In cases of work incapacity due to illness, KPN continues to pay employees partially or fully in accordance with the Dutch Civil Code and the Work and Income According to Work Capacity Act (WIA). Employees receive 70% of their monthly salary (with a minimum threshold equal to the statutory minimum wage), including applicable supplements, for up to 104 weeks. Individual arrangements may be made between employees and their managers to accommodate flexible working hours, workload adjustments, remote work, or additional breaks. Additional support includes access to company doctors, corporate social work, and psychological services.

Pension accrual continues during periods of work incapacity as if the employee were not on sick leave. KPN also provides compensation during notice periods and severance payments in line with its social plan.

All employees are automatically enrolled in a collective WIA insurance policy, which includes:

- Wage decrease coverage for employees assessed as 15–35% incapacitated;
- WGA shortfall insurance for those receiving WGA follow-up benefits and unable to earn at least 50% of their residual earning capacity.

KPN also offers accident insurance at no cost to employees. In the event of an employee's death, KPN pays any outstanding income and a one-time net payment equal to three months of gross salary.

Parental leave is available to all employees, with further details provided in the work-life balance section. The main pension plan, managed by Stichting Pensioenfonds KPN, covers employees under the collective labor agreement (CLA) and those with personal labor agreements (PLAs). Non-employees receive pension provisions through their respective employment agencies.

Training and skills development metrics (S1-13)

To address challenges associated with competitive labor markets and an aging workforce, KPN provides own employees with available benefits, training, skills development, protections and entitlements. The company also offers support to employees in preparing for changing conditions in both internal and external labor markets.

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 2025, 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 2025, 83.1% of our employees participated in regular performance and career development reviews. Overall, 83.1% of male, 83.0% of female and 100% of X were part of these reviews. In 2024, we started with the KPN Groei goal-setting and completed the first cycle of review. The first round of reflections on that cycle took place in the beginning of 2025 and will take place in the beginning of every year to come.

For the subsidiaries, the cycle of performance and career development reviews take place in the same year they have been conducted. Workload management was also addressed as part of our ongoing KPN Groei conversations. These structured discussions between employees and managers extend beyond routine tasks and performance to encompass overall well-being. Our objective is for all employees to participate in these meetings with their managers up to three times a year.

In 2025, the average number of training hours per employee was 37 hours. The split by gender was as follows:

Gender	Training hours 2025	Training hours 2024 (restated)
Female	37	35
Male	37	39
Other	12	12
Total	**37**	**38**

The training hours per employee for 2024 are significantly lower than reported in the Integrated Annual Report of 2024. We found that the data had been distorted for two reasons:

1. Online courses that were available to participants throughout the entire year were counted for an unrealistic number of training hours; and
2. Several courses had been registered with a duration measured in seconds instead of minutes.

Adjustments have been made for both situations, resulting in a lower yet more accurate number of training hours per employee.

Work-life balance (S1-15)

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. Firstly, we have renewed our vacation leave to provide employees with more autonomy and flexibility, supporting a healthy work-life balance. In 2025, employees determined – together with their manager and colleagues – when and how many days of vacation leave was taken. As a guideline, a full-time employee is advised to take an average of 27 days of leave, with a minimum of 20 days per calendar year.

Parental leave is governed by statute (Section 6 of the Work and Care Act).

All KPN employees are entitled to take family-related leave through social policy and/or collective bargaining agreements. 8.5% of our own workforce took family-related leave in 2025, of which 11.8% were female, 7.5% male and 50% other.

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

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 salary 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	Six weeks	• During rainbow leave KPN will continue to pay the monthly salary in full.

Remuneration metrics (S1-16)

We monitor the annual total compensation pay ratio for our employees in the Netherlands. The total compensation for the highest-paid individual is predominantly determined by a lease car and other variable components. As a result, the total annual compensation for the highest-paid individual can fluctuate significantly year-on-year, even when their base salary remains unchanged. For the reporting year 2025, the pay ratio of the annual total compensation of the highest-paid individual to the median annual total compensation was 38.6 (2024: 54.3).

The basis for determining this ratio – which differs from the IFRS Accounting Standards definition for the CEO ratio – is the pensionable base salary, which includes all fixed components of employee salaries including lease cars. Additionally, for the CEO ratio we use the median salary while IFRS Accounting Standards perspective uses the average salary. 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 the percentage of the average pay level of male employees. The average pay level also includes bonuses and lease cars.

We have restated the pay ratio, gender pay gap (overall workforce and subtop) for 2024 as they did not include all variable pay components nor the CLA increase. The pay ratio has been restated to 54.3 from 60.7 as reported in the integrated annual report of 2024. In the following table the pay gap for overall workforce and for sub-top for 2025 and restated figures for 2024 are included.

Gender pay gap[1]	2025	2024 (Restated)
Overall workforce (incl. Board of Management)	11.4%	11.6%
Sub-top (senior management)	26.4%	32.1%

1 The gender pay gap figures reflect an overall unweighted average comparison and do not account for variations in workforce composition or pay equity within established job grades.

Workers in the value chain

Impacts, risks and opportunities (ESRS 2 — SBM-2/3)

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 **potential negative impact** related to workers in the value chain:

1. **Supplier working conditions:** KPN's demand for products and services delivered by suppliers in CSR high-risk[1] 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 lack of freedom of association.

The identified material IRO for the workers in the value chain is only applicable for the workers in the upstream value chain. For the following workers, no material IROs have been identified:

- Workers who are working through a contractor ("other personnel" — OP SLD);
- Workers in the downstream value chain (for example at logistics partners or retailers);
- Workers at joint ventures.

The main types of upstream value chain workers who could be negatively affected are:

- 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.

We have identified migrant workers, women, and children as value chain worker groups most likely to be materially impacted, and as particularly vulnerable to negative impacts. To address these concerns, we have incorporated questions regarding country of origin and gender into our audit questionnaires. To date, no instances of child labor have been identified in audits conducted on behalf of KPN. The Joint Alliance for CSR (JAC) initiated an analysis focused on those worker groups at greatest risk of material impact. It found its ability to gain information and insights from this analysis limited by laws protecting privacy and vulnerable groups. Nevertheless, the JAC audit questionnaire already includes items related to gender and country of origin, providing important insights on women and migrant workers. Due to legal restrictions, we cannot request information pertaining to other vulnerable or protected groups, which limits our ability to identify all impacts.

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

Policies (S2-1)

We have several policies in place to manage the material impact related to workers in the value chain. See also the "Policy overview" included in the "General information" section.

1. **Procurement policy:** 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. The policy relates to all material impacts for value chain workers and includes a monitoring process through monthly management reporting on the results of onsite audits of high-risk suppliers and progress on corrective actions, EcoVadis assessments and scores of suppliers, and acceptance of the KPN supplier code of conduct (SCoC) or an equivalent supplier's policy. Our procurement policy includes an assessment process for Tier 1 suppliers with an annual spend exceeding €300k related to KPN. This assessment is conducted by an external party, EcoVadis, as part of KPN's sourcing process, to determine whether suppliers have incorporated ESG principles into their business and management systems. Suppliers are evaluated on criteria including the presence of policies such as the SCoC. The assessment utilizes a tailored questionnaire and evaluation model, generated by EcoVadis and based on the supplier's industry sector, countries of operation and size. Suppliers are expected to attain at least the industry average score in the EcoVadis assessment. If a supplier receives a score below the industry average, they are required to create a plan to address identified risks or shortcomings and work towards achieving at least the industry average in a subsequent assessment. Our procurement policy also includes auditing high-risk suppliers for compliance with JAC's sustainability guidelines. High-risk suppliers are identified using a risk-based approach considering spend, purchase category, and production area. In 2025, the procurement policy was updated to include an escalation process in case of non-compliance with ESG-related topics.

1 The definition of CSR high-risk countries/areas is explained under "Methodology and assumptions".

2. **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. The SCoC outlines social and environmental obligations for suppliers and addresses all material impacts on value chain workers. It draws inspiration from the UN Guiding Principles on Business and Human Rights and aligns with core conventions of the International Labor Organization (ILO). The SCoC includes provisions concerning ethical conduct, human rights, and labor conditions encompassing health and safety, working standards, social dialog, prevention of child labor, prohibition of forced labor, opposition to human trafficking, and the promotion of diversity, equality, and inclusion. Suppliers are required to ensure they do not participate in any form of human rights abuses, including but not limited to those described in Article 3 ("Labor") of the SCoC. Additionally, KPN expects suppliers to have robust policies and procedures to prevent the procurement of conflict minerals or unsustainably mined materials that have significant environmental and social impacts.

KPN regularly assesses adherence to the SCoC, using EcoVadis scorecards and audits. Upon request, suppliers provide additional information on sustainability. If full compliance is not possible, a supplier must promptly notify KPN and suggest improvements. KPN may reconsider its relationship if the supplier fails to comply or take corrective action.

The SCoC requires 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.

In 2024, KPN has adopted a human rights statement which also relates to our value chain workers; for more information regarding the human rights see the "Own workforce" section. The policy establishes standards for our suppliers regarding their treatment of employees and subcontractors in relation to human rights, as assessed through the supplier code of conduct (SCoC), EcoVadis assesments, and JAC onsite audits.

In 2024, KPN incorporated the OECD five-step due diligence guidelines into its human rights statement and in 2025 continued to work accordingly. This includes the integration of responsible business conduct into our policies, management systems, risk assessments, mitigation and prevention mechanisms, monitoring and reporting.

Processes for engaging with value chain workers about impacts (S2-2)

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

- KPN is part of JAC, a global group of 31 telecoms operators addressing human rights challenges in telecoms supply chains and promoting long-term CSR practices among multinational suppliers;
- JAC conducts ad hoc mobile workers' surveys (MWS), in which value chain workers anonymously answer questions about human rights and health and safety. The purpose of these surveys is to better understand how employees are treated and subsequently to complement and validate audit findings;
- In 2025, JAC hosted its 11th yearly supplier forum with members, suppliers, consultants, and institutions such as the ILO and CDP, focusing on due diligence to manage sustainability risks in global ICT supply chains. As a member of JAC, we conduct CSR-related audits of factories of major information and communications technology suppliers and share the results of these with other JAC members;
- We engage with value chain workers indirectly via these onsite audits, which are preferably carried out at least every three years at high-risk suppliers' plants. The JAC audits provide data on factory workers, their working conditions and any concerns they may have, including monitoring the implementation of corrective action plans;
- Engagement with value chain workers also occurs via EcoVadis assessments of Tier 1 suppliers on an ad hoc basis. These assessments supply KPN with information regarding workers' treatment, working conditions, and respect for human rights;
- Value chain workers have the option to submit grievances or feedback through 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.

KPN attends JAC working group meetings monthly, such as the due diligence workstream on human rights challenges in telecoms supply chains (including suppliers beyond Tier 1) and the risk assessment, audit process, and grievance and remediation subgroups.

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

- KPN engages with our most critical suppliers via periodic supplier reviews of sustainability matters and meetings, depending on these key suppliers' risk potential and ESG risk impact on our business, and on our volume of purchases from them (spend size);
- In 2025, we implemented a supplier ESG template that will be used in key supplier meetings and the supplier engagement program;
- On a regular basis, at intervals of one to two years, 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.

In 2025, KPN carried out surveys among its high-risk CSR suppliers to identify ways to enhance engagement with value chain workers.

In respect to actions regarding value chain workers, an analysis of the categories of vulnerable value chain workers was conducted, and a legal issue was identified as vulnerable and protected groups overlap, and thus KPN is prohibited by law to request information on them.

As mentioned earlier, KPN collaborates with third parties such as EcoVadis, an independent auditor[2], for onsite audits and a third party that performs JAC support and administration. To ensure that the collaborations remain effective and aligned with our strategic goals, we evaluate each partnership on a yearly basis. The conclusion of this evaluation is that, in 2026, we will continue working with these parties in the same way.

Processes to remedy negative impacts (S2-3)

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

2 The independent auditor that performs onsite audits is different from the independent auditor involved in reviewing this sustainability statement.

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.

We require our suppliers who possess an EcoVadis scorecard to have an EcoVadis score above industry average. If the outcome of the assessment is lower, then the supplier has to draw up a plan to improve its score by mitigating identified risks or shortfalls. We engage with our key suppliers on a structural basis to discuss their performance and maintain our relationship. We discuss their performance and, if necessary, set actions to improve it.

Issues reported via KPN's SpeakUp Line are investigated under the responsibility of KPN's Chief Compliance and 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 (S2-3)

KPN's SpeakUp Line offers a secure, anonymous digital platform for workers, third parties and value chain personnel to report grievances and feedback at any time. Reports are sent directly to KPN, maintaining confidentiality and preventing employers from accessing this information. The portal is accessible 24/7 for third parties and value chain workers, supports multiple languages and protects users from retaliation or intimidation.

The KPN SpeakUp Line is externally hosted and provided by an independent organization, and now supports Dutch, English, Spanish, French, Chinese (Mandarin and Cantonese), Hindi, and Urdu for reporting grievances. 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 2025, 28 grievances were reported via the SpeakUp Line, this line is available to our own workforce, contractors, and value chain workers. Due to the Whistleblower Protection Act the identity of those reporting must remain confidential, and as such we cannot verify how many of the 28 complaints originated from our value chain workers. 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.

We do not assess the awareness and trust of all value chain workers in their ability to raise concerns. But we do use workers' surveys as another channel for value chain workers to raise concerns which are part of the JAC audits and limited to a small group of randomly selected workers. Incidents and complaints from these workers are included in JAC audit reports.

Actions (S2-4)

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.

We have different action plans in place to prevent negative impact, as set out in the "IRO table" in the "General information" section.

1. A third-party auditor executes onsite audits of high-risk suppliers' plants for JAC and KPN, based on JAC standards, and findings are followed up. Third-party auditors conduct onsite audits for JAC and KPN at high-risk supplier plants in the upstream value chain. These audits aim to ensure findings on issues such as human rights and working conditions are addressed through corrective action plans (CAPs). 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 production location (i.e. high-risk areas). The audited suppliers, mainly based in Asia, work in the user devices, appliances, network appliances, and IT equipment sectors. The time horizon of the action is short term, based on yearly audit planning. High-risk suppliers are audited at least once every three years unless a previous audit provides reasonable grounds for an earlier follow-up audit. In 2025, 67% (2024: 57%) of our high-risk suppliers were audited.

2. For all the non-conformities encountered in the JAC audits, specific corrective action plans (CAPs) are drawn up that include resolution procedures and timetables. For production sites with identified non-conformities, CAPs address issues related to working conditions. The time horizon of this action is short term, as most of the findings are resolved within three to six months. See also the table in the "Actions to prevent or mitigate material negative impacts" section. An annual target is established to measure the percentage of CAPs closed as a result of onsite audits performed on behalf of KPN. In 2025, 97% (2024: 97%) improvements on corrective action plans were realized from onsite audits of KPN high-risk suppliers.

3. KPN requires all contracted suppliers to sign its SCoC, which covers social and environmental standards pertaining to value chain workers. Equivalent supplier codes or policies may be accepted if they offer comparable or higher standards. Using the onboarding supplier qualification module (SQM), we ensure new suppliers comply with signing the SCoC. We also increased the percentage of the annual target this year. In 2025, 94% (2024: 91%) of KPN spend was covered by contracted suppliers that have signed the KPN SCoC (or have a similar code and/or policy in place).

4. KPN uses EcoVadis scores to assess suppliers' impact on labor conditions and human rights in their value chain. The EcoVadis assessment benchmarks suppliers against 21 environmental, social, and ethical criteria based on international standards such as the UN Global Compact Principles, ILO conventions, and GRI. Our suppliers' average EcoVadis sustainability rating is about 30% above the global average for over 150,000 assessed suppliers. We work with contracted Tier 1 suppliers undergoing EcoVadis assessments to quickly improve value chain working conditions. We set a yearly target to improve the percentage of the KPN spend that is sourced from contracted suppliers having an EcoVadis assessment. The time horizon of the action is short term. In 2025, 88% (2024: 88%) of the KPN spend was sourced from contracted suppliers having an EcoVadis assessment.

5. The desired outcome of the EcoVadis assessment is for our suppliers to attain a score at or above the industry average. Suppliers scoring below this benchmark are required to develop and implement an improvement plan. The time horizon of the action is short-term. We set an annual target to increase the proportion of KPN spend allocated to contracted suppliers who maintain an EcoVadis score exceeding the industry average. In 2025, 93% (2024: 93%) of KPN spend was covered by contracted suppliers with an EcoVadis score above industry average.

6. As communicated last year, we have completed our short term action "Communicate the availability of KPN's SpeakUp Line for employees of suppliers". KPN's SpeakUp Line offers employees a secure way to submit grievances and feedback, helping us identify and address issues to protect value chain workers and uphold human rights. Our SCoC requires suppliers to inform their staff about the SpeakUp Line for reporting workplace concerns, including harassment and discrimination, to KPN management for resolution. Since 2025, we send an annual reminder to all our suppliers to create more awareness of the existence of the SpeakUp Line.

Tracking and assessing the effectiveness of actions

Actions to prevent or reduce negative impacts on value chain workers are addressed through corrective action plans (CAPs), which include resolution steps and deadlines within 12 months. JAC audit results and follow-up plans are tracked on the JAC platform, with each member overseeing supplier progress and outcomes.
The Procurement department monitors human rights issues in CAPs via JAC . We work directly with high-risk suppliers to address corrective actions, requiring them to report on measures taken and outcomes achieved. While suppliers aim to complete actions within a year, some issues require more time to resolve.

We assess Tier 1 suppliers using the EcoVadis platform to ensure ESG principles, including human rights and environmental standards, are integrated into their operations. Suppliers must address any identified risks or gaps to prevent negative impacts on value chain workers. Compliance with our SCoC is required and audited. EcoVadis scores improvement actions, and SCoC signings are all monitored and form part of our sourcing process, with progress tracked by specific 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 Officer.

SCoC signings are all monitored and form part of our sourcing process. The effectiveness of the assessment by KPN of suppliers' EcoVadis scores, and the communication of the SpeakUp Line's availability 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.

In 2025, no severe incidents regarding the human rights of our value chain workers were reported related to non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises. We have also not encountered any child or forced labor in our audits in 2025.

Supported by private sector funding and the Fair Cobalt Alliance, JAC launched "The Hub for Child Labor Prevention and Remediation" two years ago in Kolwezi and the Tenke-Fungurume areas of the Democratic Republic of Congo (DRC). The Hub aims to prevent child labor and provides long-term support for vulnerable children involved in artisanal and small-scale mining. Funded by KPN and seven other members, the program has so far integrated over 60 children into its remediation efforts.

KPN is collaborating with Save the Children Switzerland and The Centre for Child Rights and Business to support children working in small-scale cobalt mining in the DRC. Through the Child Rights Action Hub DRC, KPN aims to prevent child labor and provide long-term assistance to vulnerable children, including stipends, school fees, medical care, and psychological support tailored to each child's needs. Every child is matched with a dedicated case manager whose primary responsibility is to provide comprehensive support to both the child and their family, ensuring that the child's best interests and perspectives remain central throughout the entirety of the program. In a joint effort with other corporates from the telecommunications sector, KPN made a three-year commitment to the project as part of its duty of care against possible child labor in its own supply chains.

Two FTEs in central Procurement handle social audits, CAP monitoring and EcoVadis improvement plans, focusing on the "S" in ESG (human rights and working conditions). Buyers, contract managers, and business management assist as needed to manage material impacts.

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

Metrics and targets (S2-5)

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

Name of the metric	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
High-risk suppliers audited in the reporting year	57%	67%	>45%	>50%	11
Realized improvements on corrective action plans from onsite audits of KPN high-risk suppliers during the last 3 years	97%	97%	.> 90%	> 92%	11
KPN spend covered by contracted suppliers in EcoVadis assessments	88%	88%	> 85%	> 85%	11
KPN spend covered by contracted suppliers with EcoVadis score above industry average	93%	93%	> 85%	> 90%	11
KPN spend covered by contracted suppliers that have signed the KPN SCoC (or have a similar code and/or policy in place)	91%	94%	>90%	>90%	11

Reflection on performance

The definition and underlying measurement methodology of the targets and metrics are unchanged compared with the previous year. We monitor performance versus targets on a monthly basis. The 2025 targets have been achieved.

Methodologies and assumptions

High-risk suppliers audited in the reporting year

- *Definition/Metric*: The percentage of the high-risk suppliers audited in the reporting year, based on JAC standard. The number of high-risk suppliers is determined based on the CSR risk decision tree, which considers: country risk, yearly spend size and whether hardware/products or software/services are supplied.
- *Assumptions*: Hardware is considered a higher risk than software/services. High-risk suppliers are suppliers mainly operating in high-risk areas, such as Asia, Latin America and Eastern Europe, that manufacture products and have a KPN spend above €100,000 per year. If at least one factory audit has been conducted for a Tier 1 high-risk supplier, it is counted as one high-risk supplier audit — regardless of the number of factories audited.
- *Target*: We strive to audit the production site of our high risk suppliers every three years and our target for 2025 was to audit at least 45% of our high risk suppliers. In 2025, we had 4,479 Tier I suppliers, of which 1,086 were contracted, unique supplier entities with spend. In 2025, we identified 27 CSR high-risk suppliers. We have increased the 2026 target from 45% to 50% due to the slight increase in JAC members which can lead to more audits of high-risk suppliers.

Realized improvements on corrective action plans from onsite audits of KPN high-risk suppliers during the last 3 years

- *Definition/Metric*: Realized improvements on CAPs (corrective action plans on non-conformities) from onsite audits of KPN high-risk suppliers during the last three calendar years are reported by KPN, based on the evaluation of the information provided by the supplier. The data source is the JAC platform.
- *Target*: As we observe that suppliers are making improvements but are not always able to fully resolve non-conformities, particularly the corrective actions as illustrated in the CAPs table, our annual target will remain above 92%.

KPN spend covered by contracted suppliers in EcoVadis assessments

- *Definition*: The percentage of total KPN spend (from the previous year) that is covered by contracted suppliers participating in an EcoVadis assessment and sharing their EcoVadis assessment result (scorecard) with KPN.
- *Metric/Assumptions:* Data sources include the EcoVadis platform and KPN's supplier spend data. Suppliers are required to provide EcoVadis scorecards if their annual KPN spend exceeds €300,000. The selection of suppliers for EcoVadis assessment is based on the full spend of the previous year. The calculation excludes suppliers in which KPN is the majority shareholder.
- *Target*: The annual target for 2025 was set at 85%. The annual target for 2025 was set at 85%. Suppliers with an annual spend below the threshold of €300,000 are not required to undergo an EcoVadis assessment; however, their spend is included in the overall KPI calculation. Furthermore, only suppliers with a valid EcoVadis scorecard (issued within the last three years) are considered in the calculation. These factors account for the gap from a 100% target. The same conditions apply for 2026; therefore, the target for 2026 remains at 85%.

KPN spend covered by contracted suppliers with EcoVadis score above industry average

- *Definition*: The percentage of total KPN spend (from the previous year) that is covered by contracted suppliers who participate in an EcoVadis assessment and have an EcoVadis score above the industry average.
- *Metric/assumptions*: The data sources and selection criteria are consistent with those used for the general EcoVadis coverage metric. Only suppliers with a valid EcoVadis scorecard (≤ 3 years old) are included in the calculation. The industry average is determined based on EcoVadis benchmarks for the relevant sector.
- *Target*: The annual target for 2025 was set at 85%. This target reflects the fact that small and medium-sized enterprises (SMEs) and suppliers operating in industries with lower compliance requirements for ESG topics tend to achieve lower scores in EcoVadis assessments compared with larger suppliers or those with greater ESG maturity.

The same considerations apply for 2026; therefore, the target for 2026 remains at 90%.

KPN spend covered by contracted suppliers that have signed the KPN SCoC (or have a similar code and/or policy in place)

- *Definition*: The percentage of total KPN spend (from the previous year) that is covered by suppliers who have signed the KPN supplier code of conduct (SCoC) or have a similar code and/or policy in place.
- *Metric/assumptions:* A supplier's code of conduct is considered similar if it follows 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. Supplier codes are reviewed on a case-by-case basis
- *Target*: The annual target for 2025 was set at 90%. The objective is to achieve 100% coverage, but some suppliers, particularly large multinational organizations, operate under their own established codes of conduct and may decline to sign external codes like the KPN SCoC, and their standards are not always equivalent. Also, new suppliers are continuously onboarded, and short-term or one-off engagements make it challenging to maintain full compliance at all times. The same considerations apply for 2026; therefore, the target for 2026 remains at 85%.

Process for setting targets

The definition and underlying measurement methodology of the targets and metrics are unchanged from the previous year. We monitor performance versus targets on a monthly basis. The 2025 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.

Customer value

Impacts, risks and opportunities (ESRS 2 SBM-2/3)

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** related both to *consumer and business customer value*:

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

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

2. **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.

The table further on identifies the consumers and end-users affected by our operations, referring to both groups collectively as consumers in this document. The scope also includes impacts related to KPN's value chain, including its products, services, and business relationships. This table also applies to sections related to privacy, security and network quality.

We acknowledge that our telecoms services impact a broad spectrum of consumers 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.

In our commitment to inclusivity we continuously strive to make our services accessible to everyone in the Netherlands – 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 following table.

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. 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 the accuracy and accessibility of such information:

1. People with limited digital literacy, including elderly consumers. 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;

	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	• Households	
Business market: SME (incl. self-employed/ SoHo)	• Buyers: owners (DGA), ICT managers, purchasing managers of facilities, other • Owners, often also end-users	• Employees, using our services to develop, produce or deliver their own product or services • Employees (small office) Households (home office)	• Customers of our customers (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 eadvisers, security specialists, purchasing managers and other		
Wholesale	Wholesale partners	• Customers of Wholesale partners	

2. 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.

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. People with limited digital literacy, including elderly people, who may not fully understand privacy settings or the implications of sharing information online, and who may struggle with understanding complex service terms and are more likely to be targeted by scams;
4. 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.

Policies (S4-1)

We have a **customer engagement policy** in place to manage the material impacts and risks related to consumers and end-users. See the "Policy overview" included in the "General information" section.

To make sure we are effectively engaged with our consumers and end-users about impacts, we have formalized our engagement efforts in our (internal) customer engagement policy. Our customer engagement policy provides our approach to customer interactions, designed to enhance product and service value and drive higher customer satisfaction.

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. Multiple measures in our customer engagement policy are in place to ensure an objective representation:

1. In measuring customer value (e.g., via Net Promoter Score or NPS), respondents are selected by an independent screener (Kantar) to represent the customer groups in our consumer base (and that of competitors) as best as possible;
2. All customer channels, including all complaint processes, are governed by this policy, enabling us to take into consideration opinions from all angles regardless of channel preferences.

Part of our customer engagement policy are the KPN Experience Principles. KPN offers accessible and user-friendly grievance mechanisms, in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs), enabling customers and end-users to report human rights concerns. We have a standard proces in place by which complaints are followed up. These processe are available to both consumer and business customers through multiple channels, including customer service, account managers, and online portals. Furthermore, we have a SpeakUp Line, which is described in the "Governance" section.

In our Human Right Statement, KPN actively promotes and upholds customer rights, including health and safety, privacy and data protection, non-discrimination, safeguarding children's rights, and freedom of expression. As our operations are only concentrated in the Netherlands, we are bound by EU and Dutch rules and regulations governing these areas. Our mechanisms to monitor compliance with the ILO Declaration on Fundamental Principles and Rights at Work and with the OECD Guidelines for Multinational Enterprises are covered in our human right policy, which is discussed in the "Own Workforce" section, and these apply to all consumers and end-users.

Processes for engaging with consumers and end-users about impacts (S4-2)

Perspectives of consumers and/or end-users

We actively interact with consumers 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 consumer 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 improve products, services, and customer journeys, addressing customer feedback;
- Reporting back to relevant stakeholders.

Insights obtained from consumer engagement are applied in the assessment and ongoing development of product and service strategies, as well as in the innovation and optimization of our products and services portfolio, including related processes such as customer touchpoints and journeys. These insights are reviewed by the management team and, where applicable, are incorporated as updates to the customer journey.

Engaging through direct interactions

We engage with consumers through a variety of methods, including human-assisted sales and service channels, ad hoc customer surveys, and feedback mechanisms focused on customer journeys and touchpoints. Our approach also incorporates qualitative market research, utilizing focus groups and reaching out to specific Consumer segments. For vulnerable groups, we conduct specialized research, such as performing user experience (UX) studies directly with disabled individuals to ensure their needs are addressed.

We also engage indirectly with our customers through proxy mechanisms, such as NPS measured by Kantar TNS via their consumer and business panels, which serves as a primary key performance indicator (KPI) for KPN's customer engagement. Additionally, we consider input received from regulatory bodies, including the Dutch Foundation for Complaints and Dispute Resolution (Geschillencommissie), the Dutch Data Protection Authority (Autoriteit Persoonsgegevens, AP), and the Netherlands Authority for Consumers and Markets (Autoriteit Consument & Markt, ACM) and the Dutch Consumer Assocation (Consumentenbond).

Stage(s) at which engagement occurs, the type of engagement and the frequency of the engagement

Customer journey and touchpoint research aims to identify points of customer interaction. NPS is measured on a monthly basis. This independent research is conducted by Kantar TNS using their consumer and business market panels, which represent the Dutch telecoms sector. NPS is evaluated through surveys that assess customers' likelihood of recommending KPN and examine factors linked to

environmental, social, and governance (ESG) topics. Respondents may also provide additional open feedback. The ongoing NPS research covers all stages of customer relations and includes engagement across all products and services.

Ultimate responsibility for engagements

The Consumer and Business segment heads are operationally end-responsible for ensuring these consumer market / business market engagements happen and that the results of these engagements follows KPN's approach.

Measuring effectiveness of engagements

KPN measures the effectiveness of engagements by tracking the goal completion rate (GCR) through customer surveys. If a customer indicates that a goal was not met, we have a mechanism in place to call that customer to hear their experience and resolve the issue. The generic contact and feedback channels and research methods we use are described in our customer engagement policy. This applies to all customers.

Actions (S4-4)

We have different action plans in place to achieve positive impacts, as mentioned in our "IRO table". Our key actions relate to "connected society" in the consumer market and the business market, including specific actions for vulnerable groups. It also relates to "business digitalization" in the business market. 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).

Connected Society in the consumer market and business market

Key actions in 2025 for the consumer market:

- Free speed upgrades broadband;
- New proposition Unlimited Data Mobile (SuperUnlimited+, which includes roaming outside the European Union);
- New broadband portfolio with security bundled in (5 free F-secure licences and "*Veilig browsen*");
- New CombiVoordeel proposition for extra benefits.

Key actions in 2025 for the business market:

- Secure-by-default connectivity: providing hardened fixed and mobile access for safe and flexible work. In 2024, we introduced Internet van de Zaak for Tailored Solutions, LCE and Health customers. In 2025, we added SD-WAN premium and Elastic Interconnect to this service.
- Scalable device connectivity: we have introduced a new eSIM (SGP.32) technology for IoT customers.
- Integrated business calling: embedding enterprise-grade telephony into collaboration tools. In 2025, we introduced Connext Voice for SME customers.
- Trusted cloud services: ensuring data residency and governance for sensitive work streams through the launch of KPN Sovereign Cloud. In 2025, we introduced NextCloud.

KPN evaluates the effectiveness of its initiatives primarily by monitoring their impact on NPS and its underlying drivers, as well as through direct customer interactions. This assessment is conducted using human-assisted sales and service channels, ad hoc customer surveys, and feedback gathered from customer journey and touchpoint channels. In addition, KPN carries out both qualitative and quantitative market research, often utilizing focus groups and segment-specific customer studies.

The actions related to "connected society" cover the activities within our Consumer and Business segments. The goal is to improve customer satisfaction (NPS). The actions affect our stakeholders (business and consumer customers) within our downstream value chain.

Specific actions for vulnerable groups

Key actions in 2025:

- Individuals with disabilities: Actions include voice control functionality for interactive TV (iTV), spoken subtitling available on ten channels, and the KPN TV+ platform featuring talkback, which gives users feedback while navigating. We have also implemented real-time text (RTT) on mobile, enabling communication in situations where speech is not possible, thus supporting people with speech or hearing impairments. Improvements to the website have also been made, allowing users to enlarge the site view up to 200%, navigate using a keyboard, access most pages with a screen reader or speech recognition software, view text descriptions for every image, and experience high contrast for better visibility.
- Protection of children: KPN has introduced parental control features in the MijnKPN App. These actions aim to foster a positive social impact by enabling individuals to connect, participate, and operate safely in a digital environment, thereby contributing to KPN's NPS targets.
- Financially vulnerable customers: KPN supports these customers by incorporating referrals to Geldfit.nl in its communications and digital channels. Additionally, the company has made online payment rescheduling available, recognizing that the stigma surrounding financial difficulties may sometimes prevent consumers from reaching out directly by phone.
- In 2025, KPN joined the Socially Responsible Debt Collection Framework, reinforcing its commitment to responsible customer practices.
  KPN also joined the newly established Foundation for Financial Well–Being in the Netherlands, supporting broader national efforts to promote financial resilience, and a KPN representative will participate in the foundation's steering committee.

For vulnerable groups, the company employs dedicated research methods such as performing user experience research directly with disabled individuals. When assessing its impact on financially vulnerable customers, KPN considers metrics such as the number of active referrals to Geldfit, which is an initiative of the Dutch Debt Assistance Route Foundation (NSR) and serves as an accessible, independent platform that helps individuals gain control over their finances.

The actions related to vulnerable groups cover the activities within our Consumer and Business segments. The goal is to improve customer satisfaction (NPS) within the Netherlands. The actions affect our stakeholders (business and consumer customers) within our downstream value chain.

Business digitalization in the business market

Key actions in 2025:

- Private networks and edge computing: supporting mission-critical applications with industrial-grade connectivity and multicloud integration. We introduced KPN Campus in 2024 and in 2025 we added Private 5G and Edge Computing to this proposition for Tailored Solutions, LCE and Health customers.
- Programmable communications: embedding omnichannel messaging and verification to digitalize customer journeys and reduce fraud. We introduced verification APIs and Omniconnect for Tailored Solutions, LCE and Health customers.
- Integrated service control: orchestrating multi-vendor environments for predictable outcomes and SLA compliance. We introduced KPN Kwaliteit Management Systeem as part of the KPN SIAM portfolio.
- Secure enterprise access: delivering a single, managed entry point aligned with zero-trust principles.We introduced Internet van de Zaak for Tailored Solutions, LCE and Health customers in 2024. In 2025, we added SD-WAN premium and Elastic Interconnect to this service.

The actions related to "business digitalization" cover the activities within our business segment. The goal is to improve customer satisfaction (NPS) in the Netherlands. The actions affect our business stakeholders within our downstream value chain.

Planned actions for customer value for 2026 and onwards

Consumer and Business

- Measuring and gaining insights: 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. This action has a short-term time horizon but is a continuous process.

Consumer

- Free speedupgrades: ongoing into 2026;
- New proposition Mobile (Super Unlimited+) will be launched in 2026;
- New proposition Fixed with F-Secure will be launched in 2026.

These actions have a short-term time horizon.

Business

- We will further develop and enhance the following services: private networks and edge computing, programmable communications, secure enterprise access, and secure-by-default connectivity.

These actions have a medium-term time horizon.

Metrics and targets (S4-5)

Name of the metric	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
NPS Consumer	16	15	17	15.5	13
NPS Business[1]	4	6	4	6	13 14

1 The results of 2024 and 2025 cannot be compared due to a change in scope.

Reflection on performance

NPS Consumer

2025 performance on NPS Consumer was mixed. Target levels were achieved for Mobile Only. However, Fixed-Only performance declined despite continued market leadership. Converged NPS fell one point short of our target, but remains market leading. This reflects sustained competitive intensity in the broadband market, including aggressive acquisition pricing and resulting customer perception effect.

NPS Business

After a slight decline in the first quarter of 2025, we saw a clear and steady recovery in 2025, ultimately rising from an overall score of 4 in 2024 to an overall score 6 of in 2025. This improvement was driven by a clear progress across all key NPS drivers but especially on sustainability, appreciation, price-quality and relieve customers.

Methodologies and assumptions

NPS Consumer and Business

- *Definition:* NPS is a metric for measuring customer loyalty, based on whether customers would recommend a brand to someone else.
- *Metric:* 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".
- *Assumptions:* The presumption is that a customer's likelihood to recommend is indicative of their actual behavior. However, there can be a disconnect between a customer's stated likelihood to recommend and their actual behavior. Another assumption is that NPS assumes that a higher score correlates with customer loyalty and future business growth.
- *Limitations:* A limitation is oversimplification. The three-category system may not always capture the nuances of customer sentiment. Furthermore, not all KPN brands and the subsidiaries are included in the NPS for business market and consumer market. For business market only the KPN brand is included. For consumer market, only KPN and Simyo brands are included in the NPS of 2025. Sub-brands Youfone and Solcon are not included in 2025. As from 2026, Youfone mobile customers will be included in the Kantar survey.
- *Target:* We set different NPS Consumer and NPS business targets for different customer product holding groups based on their unique characteristics and needs. The 2025 NPS scores for consumer market reflect a weighted average based on 2023 revenues. For the 2025 NPS scores in the business market, responses are weighted by the number of products a respondent uses, rather than by segment or revenue. We make use of past NPS consumer and NPS business data to set realistic improvement targets. This helps to understand and set trends and setting achievable goals. We analyse different customer segments to identify specific areas for improvement.

The survey is designed based on simplicity. The methodology relies on straightforward questions, making it easy to implement and understand.

A sample question for the consumer market is "On a scale of 0 to 10, how likely is it that you would recommend KPN to your family, friends, or colleagues?". A sample question for the business market is "On a scale of 0 to 10, how likely is it that you would recommend KPN to your colleagues and/or business associates?". The survey methodology remains consistent over time to ensure comparability of NPS scores. The data is collected among consumer and business members of the Kantar panel in the Netherlands. NPS scores can vary significantly based on sample size and timing.

The final NPS score is derived from the categorized responses and their weight factors. It is calculated by subtracting the percentage of detractors from the percentage of promoters (NPS = % promoters -/- % detractors). The score ranges from -100 to +100. A positive score indicates more promoters than detractors, while a negative score indicates the opposite. Promoters are customers who respond with a score of 9 or 10, passives are customers who respond with a score of 7 or 8, and detractors are customers who respond with a score of 0 to 6. We compare the KPN NPS Consumer segment score and underlying drivers with those of competitors within the industry.

We are able to achieve a stable response rate to avoid skewed results. In the market, we see that conditions and competitive dynamics remain relatively stable. Also, broader economic conditions remain stable and do not adversely affect customer sentiment. There are no significant regulatory changes that could impact customer experiences and customer expectations do not change drastically over the target period. To conclude, there are no major disruptions in operations that could negatively impact customer satisfaction.

In 2025, our Business segment made two changes to the methodology of the NPS measurement:

1. Weighting for the business market will shift to focus on the number of products instead of revenue and EBITDA margins. Customers with more products get a greater voice due to their broader experience, regardless of revenue size. This change is included in the target-setting for 2025 and the new approach would not have led to a different NPS score for 2024.
2. The scope now includes companies up to 650 employees. The impact of this change on the targetsetting 2025 is not possible to determine as the customers with more than 650 employees are not identifiable in the 2024 data.

For the 650+ employees segment, we have a direct relationship with our customers. The investigation of the most suitable methodology to collect (non-anonymized) customer feedback has been completed, and a new, uniform framework for relationship measurement across all business customers and segments, including 650+ employees segment has been developed. In the fourth quarter 2025, a baseline measurement was conducted.

In this report, all NPS results refer to full-year results for the respective year, based on a 12-month rolling average (January until December). The 2025 NPS consumer market scores reflect a weighted average based on 2023 revenues. For the 2025 NPS business market scores, responses are weighted by the number of products a respondent uses, rather than by segment or revenue.

Process for setting targets

NPS is a top KPI for KPN. Each year targets are set for both Consumer and Business market, taking into account underlying customer groups and brands. In the target setting of NPS, we take into account the trends in customer needs that we have seen in the previous year: trends in society, in the market; and among our own customers and end-users. Setting the target starts with updating the weighting of the NPS for Consumer market and Business market. The NPS is weighted on the relevant customer groups and brands within each segment. This weighting is done in collaboration between the Customer Insights Teams, Finance and Internal Audit. Based on updated weighting figures the Customer Insights teams from KPN (Consumer segment and Business segment) put together an initial proposal for the NPS target. This proposal takes into account trends, outlook, planned innovations, and an overall ambition to improve. This proposal is first discussed and fine-tuned within the segments, after which is it put forward to the Board of Management.

Targets are set to meet our customer engagement policy objective: enhance customer satisfaction and continuously improve customer experience to boost satisfaction and positive sentiment towards our brand.

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 and Business segment 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.

Privacy of consumers and end-users

Impacts, risks and opportunities (ESRS 2 – SBM-2/3)

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** related to *privacy*:

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

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 privacy. 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.

Attempts to carry out malicious actions and attacks related to customer data are widespread (by actors such as nation-states, organized criminals, hackers) 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 about KPN's human rights commitments, see the sections "Own workforce" and "Workers in the value chain".

Policies (S4-1)

We have several policies in place to manage the material impacts and risks related to the privacy of customers and end-users. See the "Policy overview" included in the "General information" section.

1. **KPN Security Policy (KSP):** This policy addresses privacy through measures such as privacy by design, cookie use, opt-in/opt-out, anonymization, pseudonymization, data minimization, facilitating individuals' rights, data breach notifications, and responsible disclosure. Privacy by design ensures personal data protection is embedded in product and service development from the start. Privacy by design relies on seven core principles, detailed in KPN's framework, which guides practical implementation through measures such as anonymization, data minimization, pseudonymization, encryption, access control, default data protection, and managing data retention. This ensures regulatory compliance, minimizes risks, safeguards customer privacy, and helps maintain KPN's reputation as a trusted provider. Privacy by design remains an ongoing process as new products and services are developed.
2. **KPN Data Policy (KDP):** This policy sets out principles to ensure data is well-governed, high-quality, and appropriately accessible within the organization. The policy provides implementation guidance for employees, suppliers, and partners, and reflects our commitments to customers on data use and consent management. 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.
3. **Code of conduct:** We have a code of conduct in which the main rules and standards of behavior are divided into four themes. These are: "How we treat each other", "How we do business", "Handling KPN's property and information", and "Communication and society". The theme "Handling KPN's property and information" addresses the protection of personal data:
   - We process personal data only for a legitimate and predefined purpose;
   - We retain personal data for the shortest time possible, and only as long as necessary for that purpose;
   - We use information for commercial purposes only if the customer has given consent;
   - We never look at the content of communications;
   - When we share data with third parties, we ensure that privacy regulations are also respected by them;
   - We inform our customers and employees about this.
4. **Customer engagement policy:** We have a customer engagement policy in which measuring customer value (e.g., via NPS) is described. For more information the "Customer value" section.

KPN has established internal risk management and control systems intended to maintain compliance with laws, regulations, and other external requirements. These processes are evaluated on a regular basis. At least once annually, the KPN CISO disaster team and the Corporate Crisis Management Team participate in exercises simulating crisis scenarios. This preparation is designed to enable KPN to respond effectively to a material data breach should one occur.

Based on this information, KPN's strategy and business model demonstrate resilience. There have been no privacy-related fines reported, and the company maintains its reputation regarding privacy. A privacy statement available on the website outlines how personal data is processed and protected, and an accompanying video provides information about customer privacy rights.

Processes for engaging with consumers and end-users about impacts (S4-2)

With regard to privacy matters, we maintain direct and indirect engagement with customers and end-users. We evaluate customer perceptions via NPS surveys, including targeted questions regarding the trust placed in KPN to protect their privacy. Additionally, we interact on an ad hoc basis with oversight bodies such as the Dutch Foundation for Consumer Complaints Board and the Dutch Data Protection Authority. These organizations notify us of any complaints filed against KPN by customers or end-users and regularly publish decisions, which we thoroughly review to assess whether policy adjustments are necessary.

KPN is a member of the Data Driven Marketing Association (DDMA). The DDMA Privacy Guarantee provides organizations with an internal privacy and security assessment framework meant to demonstrate compliance with data protection standards. DDMA conducts regular audits, and customers have the option to submit complaints through its portal. In October 2024, DDMA confirmed that KPN may continue using its privacy guarantee for an additional three years.

KPN's Data Protection Officer (DPO) handles issues with the Dutch Data Protection Authority and DDMA. KPN Legal addresses complaints under the board's jurisdiction. Complaints from agencies, customers, or end-users are resolved promptly as standard practice.

Processes to remedy negative impacts and channels for consumers and end-users to raise concerns (S4-3)

Privacy data breach complaints are reported to the Security Helpdesk, DPO, or Customer Services/third line. The Security Helpdesk assesses each complaint, sometimes with the Privacy Office (PO). For privacy matters, follow-up is determined case by case. Every incident must be registered internally, with the DPO or PO assigning and monitoring actions. Depending on severity, the Dutch Data Protection Authority (AP) and customer may also be notified at the PO's discretion.

According to the GDPR, the business partner is responsible for protecting customer data. KPN has a business partner manual that outlines these requirements, and this manual is updated as necessary, with input from the PO regarding privacy matters. If a customer is serviced via a business partner, according to the GDPR this partner is primarily responsible for providing channels for consumers or end-users to express concerns or needs.

The DPO handles privacy matters, monitors incidents, reviews relevant literature, and adheres to European privacy authority decisions. The DPO assesses if process changes are needed and advises relevant departments and management. Key updates are reported to the Board through quarterly compliance and KPN Internal Control System (KICS) reports.

The privacy statement on our website list ways customers can submit complaints and we track incidents through a ticket system to monitor lead times. KPN's DPO evaluates the effectiveness of implemented measures by analyzing reported incidents as they occur.

Currently, there is no formal established process for obtaining feedback from customers. Additionally, research into the level of customer trust in the processes to raise concerns has not yet been conducted.

Information about the complaints process is available in the privacy statement on our website, and the privacy statement specifies where customers and end-users can submit complaints to KPN and the regulator.

Actions (S4-4)

We strive to follow all privacy laws and regulations and keep customers updated through the KPN privacy statement, which explains how and why we use their data. For marketing and sales, we use a legitimate interest approach and ensure customers have clear and easy options to manage their preferences or opt out at any time. We communicate transparently when data is processed for other legitimate interests and respect customers' right to object. Customers can manage and update their data preferences at any time in the MijnKPN app. We publish newsletters and videos about topics such as phishing and password managers for our consumers and end-users.

We have several actions in place to address the potential negative impact related to privacy, as mentioned in our "IRO table" in the "General information" section. Our key actions relate to additional logging, two-factor authentication and actions to safeguard against adverse affect or non-compliant usage of customer data.

Additional logging

This key action plan aims to quickly identify and prevent potential misuse of customer data. The actions related to additional logging cover the activities within our Consumer and Business segments. The goal is to prevent misuse of customer data within the Netherlands. This affects our stakeholders (consumer and business customers) within our own operations, but also our upstream and downstream value chain. This is a continuous process with a short-term time horizon.

Key action in 2025:

- We continued using logging mechanisms to monitor and detect anomalies: employee awareness of monitoring helps to increase compliance with customer data policies and regulatory requirements under the KSP. In 2024, we improved logging to speed up detection of unusual activity related to access to customer data in our customer-facing applications. Alerts are now integrated into the Audit app, which is available to management for immediate action.

Key actions planned in 2026 and onwards:

- Continue using logging mechanisms to monitor and detect anomalies: This initiative is ongoing and regularly refined.

Two-factor authentication

The actions related to two-factor authentication cover the activities within our Consumer and Business segments. The goal is to better protect our customers' personal data within the Netherlands. These actions affect our stakeholders (business and consumer customers) within our own operations, but also in the upstream and downstream value chain. These actions are planned to be completed on a medium-term time horizon.

Key action in 2025:

- Mandatory two-factor authentication (2FA) for the MijnKPN customer platform: This action was taken to reduce account breaches and better protect our customers' personal data.

Key actions planned for 2026 and beyond:

- Implementing 2FA via authenticator apps as an alternative to SMS verification in the future.

Actions to safeguard against adverse effects or non-compliant usage of customer data

The actions related to safeguard against adverse effect or non-compliant usage of customer data cover the activities within our Consumer and Business segments. The goals are to ensure responsible data handling and to prevent misuse within the Netherlands. These actions affect our stakeholders (business and consumer customers) within our own operations, but also our upstream and downstream value chain. This action has a short-term time horizon.

Key actions in 2025:

- A manual for handling customer calls was published;
- A system loophole that allowed employees to secretly transfer calls was resolved. The loophole was fixed so that calls can no longer be secretly transferred to other employees;
- A PowerApp was implemented to provide insight into agent activities, such as login locations, unusual crediting, and customer card usage. This information enables teammanagers to assess whether processes have been followed correctly and can support efforts to prevent potential fraud by identifying irregular patterns that may require further review;
- Regular update of the KSP and KDP: during 2025, no changes were necessary in the KSP and KDP related to privacy.

Key actions planned for 2026 and beyond:

- Update of the KSP and KDP on an annual base. This may lead to changes in our IT systems to better protect customer data. Our KSP and KDP website provides updates on such changes.

Metrics and targets (S4-5)

Name of the metric	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
Data safety reputation	95.8%	95.9%	95%	95%	12
Substantiated complaints regarding breaches of customer privacy	37	42	n/a	Lower than last year, ultimately reaching 0	12

Reflection on performance

Data safety reputation

The target of 95% has been achieved. Given that performance is already at a very high level, setting a higher target is not considered realistic or meaningful at this time. The current target appropriately reflects an ambitious yet achievable level of performance.

Complaints regarding breaches

Despite our efforts to reduce the number of data breaches, we did not achieve the target of fewer incidents than in the previous year. In 2025, 42 breaches were reported, and because most breaches result from unintentional human errors rather than deliberate actions, their occurrence is difficult to predict or fully explain.

Methodologies and assumptions

Data safety reputation

- *Definition*: The data safety KPI is defined as the percentage of KPN and Simyo customers who indicate that they "completely agree" + "strongly agree" + "agree' with the statement At [BRAND] my data is safe." Responses of "don't know/not applicable" are excluded from the calculation. The score is calculated monthly as a revenue-weighted average, and the annual average is the unweighted mean across 12 months.
- *Target*: In 2024, the privacy perception score based on Kantar's NPS research was 95.8%. For 2025, the target was set at 95%.

Throughout 2025, privacy perception was measured as part of the monthly NPS Benchmark survey conducted by Kantar. Reporting on these results commenced in Q4 2025 by Kantar. Utilizing this NPS survey offers several advantages: results are measured monthly, externally validated, benchmarked against competitors, and enable tracking of developments over time.

In previous years, KPN reported on privacy perception based on an annual external survey among the Dutch population, assessing general trust in the safety of data at KPN. In the Kantar NPS research, we measure privacy perception monthly among our customers rather than the general Dutch population. This approach provides more actionable and customer-centric insights.

The specific question regarding data safety in the Kantar survey is: "At [BRAND] my data is safe." Respondents can answer: completely agree, strongly agree, agree, disagree, strongly disagree, or 'don't know/not applicable'. Each month, we receive responses from over 1,000 KPN and/or Simyo customers.

So, we consistently monitor how KPN and Simyo customers perceive the safety of their data in a customer centric and methodologically sound way.

As from 2026, Youfone mobile customers will also be included in the Kantar survey.

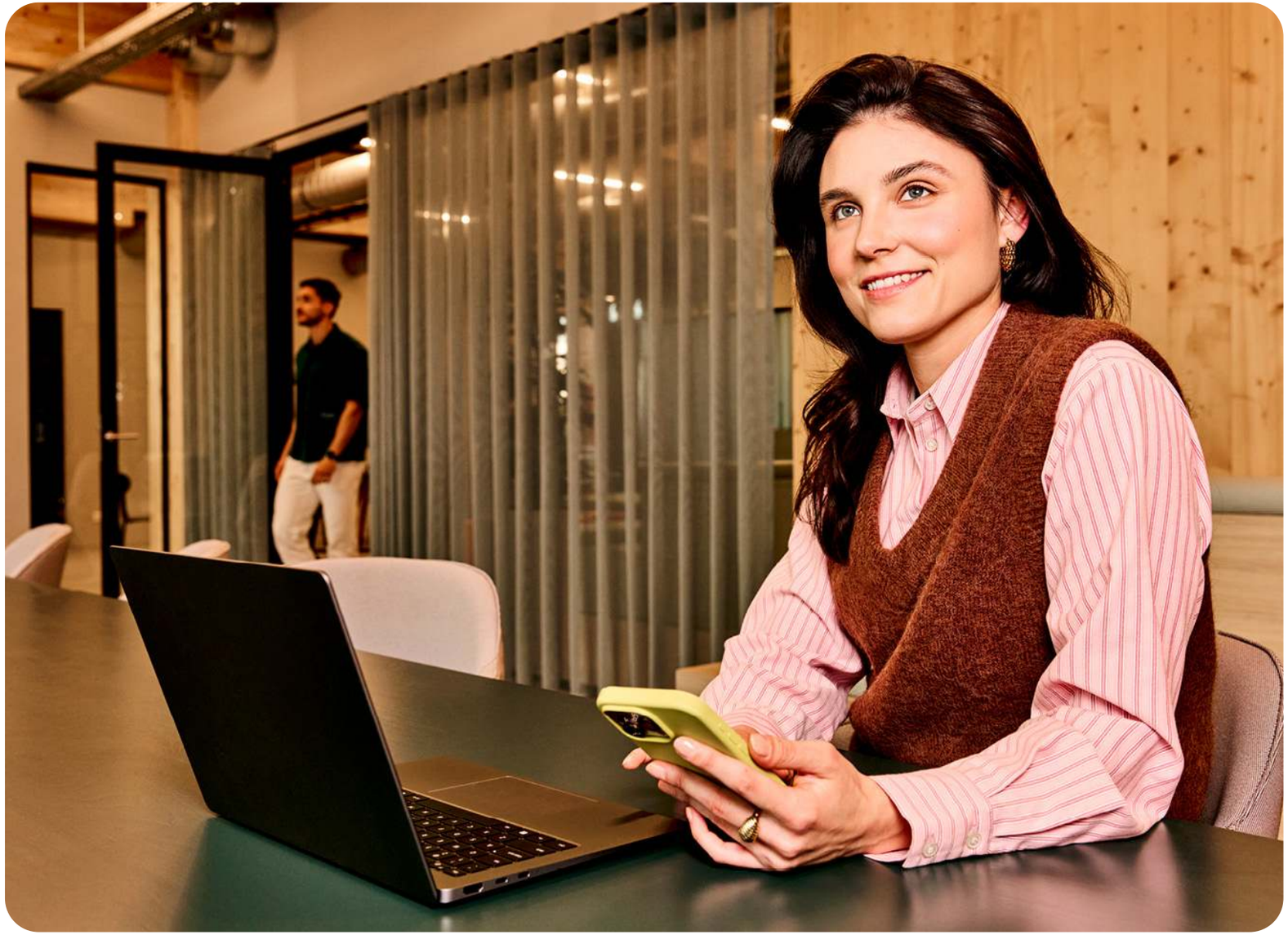
Substantiated complaints regarding breaches of customer privacy

- *Definition*: Substantiated complaints are breaches of customer privacy which result in data breach notifications with the AP.
- *Metric:* This metric is not validated by an external body. There is no direct link to related policy objectives. However, this data leaks metric contributes to identifying KPN's negative impact.
- *Target:* While data breaches are inherently unpredictable and assessed on a case-by-case basis under the GDPR, we aim to reduce the number of reportable data breaches compared with the previous year, with the ultimate target of reaching zero. For target 2026, we aim to have less reportable data breaches compared with 2025.

Process for setting targets

See the "Customer value" section for more information regarding process for NPS target-setting, including the target for Data safety reputation.

For the metric "Substantiated complaints regarding breaches of customer privacy", there is no process for target-setting. The aim is to decrease the breaches compared with previous year and with the ultimate target of reaching zero.



Network quality

Impacts, risks and opportunities (ESRS 2 — SBM-2/3)

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 an **actual positive impact** and a **potential negative impact** related to *network quality*:

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. 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 on mobile networks**: 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 to this service, and this is part of our business model. To avoid the potential negative impact of unavailability of the 112 service on mobile networks, KPN ensures continuous network availability. KPN facilitates the vital 112 service for the Netherlands and is therefore partly responsible for its availability. Our network strategy will not be affected as a result of possible disruption. Our Center of Information Security and Operations (CISO) monitors the KPN network, critical IT and critical services 24 hours a day, 7 days a week, 365 days a year.

KPN has identified the following **risk** related to *network quality*:

3. **Network interruptions**: Failure of one data center across four different locations could lead to network interruptions, potentially impacting KPN's reputation and market share. Providing reliable and stable connectivity is vital for KPN's service to the Netherlands. The fallout of multiple data centers for a longer period would be detrimental to providing this connectivity and avoiding this 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 (CISO) is responsible for all the assurance processes as described in the KPN assurance policy (KAP). KPN has adequate resilience and insight into redundancy to keep fixed and mobile services available for customers when only one part of geo-redundant networks is available.

KPN has identified the following **opportunity** related to *network quality*:

4. **Increase broadband market share**: KPN aims to increase its market share in broadband by deploying high-quality and competitive fiber networks. We have five promises for the transition to fiber:
   a. Always online: KPN customers will never be without internet. We switch off the copper network after the fiber connection is working;
   b. No transfer costs: With KPN the transition to fiber has no hidden costs even when an engineer is needed;
   c. Open and fair: We offer an open network and all providers will start from the same position;
   d. Transparent: Internet providers are informed about the decommissioning of copper lines where fiber is available at least three years in advance;
   e. Ready to use: We ensure that if something goes wrong our engineers and specialists are ready to help customers stay online.

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.

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 the modernization of our mobile network.

KPN is replacing its copper network with fiber and is upgrading its mobile network to enable the high-speed 3.5 GHz 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 opportunites for the business arising from impacts and dependencies on consumers and/or end-users

All consumers and/or end-users 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.

The material risks arising from the impact and dependencies on consumers are reputational damage and a lower market share due to potential problems occuring on our network. 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.

Policies (S4-1)

We have several policies in place to manage the material impacts and risks related to network quality. Also see the "Policy overview" included in the "General information" section.

1. **Strategic plan for Network, Operations and IT:** The strategic plan for Network, Operations and IT (NOI) sets out how KPN's Connect, Activate & Grow strategy needs to be implemented from a technological and digital perspective. A core component of this approach is developing telecoms infrastructure necessary for providing connectivity across the Netherlands. This infrastructure includes both fixed and mobile networks operated by KPN. 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 seamless connectivity (meaning customers can make video calls and stream full HD video);
   - Rollout of fiber network to reach up to 85% fiber footprint by the end of 2030.

   In its fixed network, KPN is replacing copper with fiber, targeting up to 85% coverage by end of 2030, with ongoing expansion beyond that. Where fiber is unavailable, KPN will use the existing copper network to maintain broadband services. KPN aims for nationwide 4G and 5G coverage, planning its network to guarantee a minimum speed sufficient for voice calls and full HD streaming. This plan includes densification, site replacements to boost coverage, fiber rollout up to 85% of households, 3.5 GHz spectrum deployment for minimum downlink speed, and active network monitoring with fast failure responses. All consumers and end-users of KPN's fixed and mobile networks are affected stakeholders. Mobile population coverage drives value for Consumer and Business segments and is prioritized over speed. For fixed access, fiber is considered a premium product for the future. Seamless connectivity is necessary for both Consumer and Business customers on fixed and mobile networks and requires certain throughput speeds. If throughput drops below this level, customers may perceive the connectivity as lower quality. For KPN's commercial departments (Consumer and Business), these thresholds are important for maintaining a competitive market position. The policy covers all consumers and/or end-users who use KPN's fixed and mobile network. 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.
2. **Copper phase-out for fiber to the home (FttH) addresses:** The general objective of this policy is to inform the relevant stakeholders about our approach to phasing 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 (see the IRO "Network quality"). Copper will be phased out 36 months after fiber becomes available at an address, and customers are offered a fiber upgrade. KPN reviews eligible addresses quarterly. The policy covers all consumers and/or end-users who use KPN's fixed (copper) network, so the scope of the policy is downstream from the operations in the Netherlands. In drawing up the policy, KPN has taken into account the interests of key stakeholders. 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. The guidelines from ACM are followed within this policy. An update of the new announcement (addresses) is published every quarter on the KPN Wholesale website and is shared with other copper service providers. The policy applies to all users of KPN's fixed (copper) network. Technical and commercial teams coordinate yearly to set priorities, considering market and customer needs. For instance, frequent complaints about download speeds may prompt a shift to fiber and the decommissioning of copper.
3. **KPN assurance policy (KAP):** KPN's assurance policy (KAP) aims to establish a standardized framework for process assurance that supports operational consistency, technological adaptability, and strategic alignment of processes within KPN. If the 112 service is unavailable on the mobile network, emergency services may also be inaccessible during emergencies (see the IRO "Unavailability of the 112 service on mobile networks"). The KAP covers assurance processes including event management, incident management, problem management, and change management for both mobile and fixed networks. It applies to downstream and upstream operations in the Netherlands. Activities conducted under the KAP include proactive monitoring of radio network availability through event management, and prioritizing the 112 service in network designs through change management. Every month, network availability metrics are monitored by KPN. Stakeholders affected include consumers and end-users who access the 112 service via KPN's network. KAP compliance is required for vendors involved in assurance processes. If third parties participate in any KAP-related process, KPN and the vendor must document transparent procedures and methods using

an interface agreement. All consumers and/or end-users who use the 112 service on KPN's network are affected by the policy. KPN believes in delivering secure products and services for everyone and highly values the privacy of its customers. For this reason, (information) business continuity is 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.

4. **KPN security policy:** KPN's 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 of KPN's physical assets must meet the continuity requirements based on their classification. The continuity requirements are made up of three main parts: rules about how data centers are set up, rules about how equipment is used and stored, and steps to make sure there are backup systems in place. The KSP is related to this IRO ("Network interruptions") and is described in the "Security" section.

Processes to provide for or cooperate in the remediation of negative impacts (S4-3)

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:

- Identify the (possible) disruption and classify it based on the severity of the incident;
- Set up the emergency organization, and internal team with specialists, and determine the approach to stabilization and recovery;
- Execute the approach and communicate progress to consumers (and internal stakeholders);
- Monitor whether the solution is effective and thereby the 112 service is available again, and dissolve the emergency organization;
- Conduct 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. The involved stakeholders and solving groups, such as technical departments, work together to implement the solution which is different for each case. This is all part of be alert process, which classifies incidents based on customer impact. Currently, there is no formal established process for obtaining feedback from customers. Additionally, research into the level of customer trust in the processes to raise concerns has not yet been conducted.

Actions (S4-4)

We have different action plans in place related to our IROs as mentioned in our "IRO table" in the "General information" section. Our key actions relate to network quality, increasing market share on broadband, network interruptions and the availability of 112 services on mobile networks.

Significant financial resources are required to implement the rollout of 3.5 GHz spectrum, enlarging the fiber footprint, and densification including site replacements. This is a precondition to implement any such action. The amount of current financial resources is covered in the yearly financial plan of each department involved in our mobile network services. The amount of future financial resources is covered in the company's strategic plan and in the yearly reviews of the current financial resources.

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.

Network quality

Key actions in 2025:

- Roll out the densification and replacements of (mobile) sites: The expected outcome is to maintain and improve our coverage footprint. Densification of the mobile network aims to improve both coverage and capacity in areas with insufficient service. In certain situations, 3.5 GHz expansions are not sufficient for capacity offloading if traffic is located too far from the site, making densification necessary. The replacement of sites helps maintain stable coverage and avoid service disruptions. Sites are replaced when lease contracts end or when technical limitations prevent them from supporting the required hardware configuration. The scope of the action in terms of activities is to replace and densify sites. Site selection is based on capacity and coverage demand. This contributes to the policy "Strategic plan for NOI 2025" and to achieving the target on 5G coverage. This continuous rollout plan is spread over multiple years and time horizon for this actionplan is medium term. In 2025, we have built 43 densification sites and 41 replacement sites.
- Roll out 3.5 GHz spectrum: The expected outcome is to guarantee minimum 5G throughput as part of our license obligation. The scope of this action includes enhancing existing sites with 3.5 GHz equipment to boost site capacity. In certain instances, it also encompasses upgrading the 1800/2100 layers to further improve both coverage and capacity. This contributes to the objective "provide throughput speeds that ensure a seamless connectivity" of the "Strategic plan for NOI 2025" and to achieving the target on % of 5G traffic with a minimum downlink throughput of 6 Mbps. This continuous rollout plan is spread over multiple years and time horizon for this actionplan is medium term. In 2025, we have enhanced 410 mobile sites with 3.5 GHz equipment to boost site capacity.
- Phase out our copper network: In 2025, we have switched off 4 million adressess from copper where fiber is already available. The aim was to complete this planned key action by the end of 2025, however it is still ongoing, with a revised target for 2027. See also the key actions planned for 2026 and beyond and therefore the time horizon for this acitonplan is medium term.

Key actions planned in 2026 and beyond:

- Roll out the densification and replacements (mobile) sites: The continuous rollout plan has a medium-term time horizon and 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.
- Roll out 3.5 GHz spectrum: The rollout plan has a medium-term time horizon and extends over several years, with annual targets set by the number of sites to upgrade.
- Phase out our copper network: The company aims to switch off 5 million adressess from copper where fiber is already available by the end of 2027, which is in line with its transition to FttH. This leads to a medium-term time horizon for this action plan. Addresses affected will be announced 36 months in advance to ensure continued internet access.

The actions related to network quality will impact consumers and end-users within our Business, Consumer and NOI segments throughout KPN's downstream value chain who rely on our mobile network within the Netherlands. The amount of future financial resources is covered in the company's strategic plan and the yearly reviews of current financial resources, and this action will be ongoing in 2026 and 2027.

Increase market share on broadband

Key action in 2025 and beyond:

- Enlarge our fiber footprint: The expected outcome is to achieve a fiber footprint of up to 85% of all Dutch households in 2030. This contributes to the objective "roll out fiber network to enlarge out fiber footprint" of the "Strategic plan for NOI 2025" and to achieving our fiber footprint target. At the end of 2025, our fiber footprint together with Glaspoort and GlasDraad (which is a third party network with call option) is equal to 69%. The time horizon for this actionplan is medium term. 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 roll out 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 fiber rollout. 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 the rollout of fiber. The amount of current financial resources is covered in the yearly financial plan of the Fixed Access Network department. The amount of future financial resources is covered in the company's strategic plan and the yearly reviews of current financial resources. Our quarterly reports have information on capex related to fiber rollout.

The key actions related to increasing market share on broadband cover the activities within our Consumer and NOI segments. The goal is to achieve a fiber footprint of up to 85% of all households wilthin the Netherlands. This affects our consumers and end-users within our downstream value chain that use the fixed network of KPN in the Netherlands. Our upstream value chain is also involved through our suppliers.

Network interruptions

Our CISO department monitors KPN's network 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 in place and these need to be tested annually on whether they work as designed.

KPN continually improves its processes, such as using customer experience analytics to prevent disruptions, communicate proactively, and reduce resolution time. The CISO department reviews feedback from NPS questionnaires and be-alerts, evaluating recurring or impactful issues and creating action plans accordingly. Problem managers work to prevent future disruptions, coordinating with grid operators to maintain service and inform customers about planned maintenance. Data analysis supports efforts to avoid outages and enhance communication. The effectiveness of these actions is monitored through the Assurance Watchtower, which is a continuously updated dashboard for incident, event, problem and change management. High-impact alerts are reviewed by the NOI leadership team.

Key action in 2025:

- 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 aim is to report and manage the annual review of continuity plans for individual critical and high platforms for data center locations. This contributes to the KSP. The guidelines on continuity plans (recovery plans) are part of the KSP. A metric, target and review of this was implemented in 2025 and this action was thus completed.

Key action planned in 2026 and beyond:

- Monitor and review continuity plans: This action has a short-term time horizon. 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.

The actions related to network interruptions cover the activities within our Business, Consumer and NOI segments. The external stakeholders of this action are our consumers and end-users within our downstream value chain that use KPN's network in the Netherlands. There are no significant financial resources required to implement the action.

Availability of 112 services on mobile networks

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 15 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 responsible solving group to take action on it.

Prioritizing 112 traffic in network design is essential for ensuring maximum network availability during emergencies, facilitating prompt and reliable connections to public services. Since 2021, operators are required to maintain network accessibility for user equipment with non-KPN SIM cards and for devices without a SIM. Additionally, the network has been configured so that 112 traffic receives the highest priority; if a cell reaches capacity when 112 traffic arises, other communications are pre-empted to accommodate emergency calls. In this context, a "cell" refers to the geographic area served by a mobile site, where mobile devices connect for voice and data services.

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, Mobile Access and Mobile Core (approximately 600 FTEs). These departments are involved in the rollout of fiber, mobile sites and 3.5 GHz spectrum.

Metrics and targets (S4-5)

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 of "network interruptions".

Reflection on performance

These metrics are monitored monthly by the Board of Management and weekly by the leadership team of Network Operations & IT. Within the teams, monitoring happens on a daily basis. Progress against targets is tracked by the LT and in the management letter. And if progress is not sufficient, action and improvement plans are drawn up and implemented.

4G/5G traffic with a minimum downlink throughput of 6 Mbps and Combined 4G/5G downlink throughput

In 2025, performance for 4G/5G traffic with a minimum downlink throughput of 6 Mbps reached 99.3% exceeding the target of 97.5%. The combined 4G/5G downlink throughput also outperformed expectations, achieving 218 Mbps compared to the target of 185 Mbps. These results were mainly driven by two factors. First, the number of mobile sites expanded with 3.5 GHz was higher than planned. Second, a software update with a significant positive influence on the downlink throughput was done in 2025.

5G coverage in the Netherlands

Performance reached 98.3%, slightly above the target of 98.2%. This improvement was driven by the construction of additional densification sites and the replacement of several 4G–only sites with 5G, both of which had a positive impact on 5G population coverage.

Phase out copper at FttH addresses

Performance was 4 million, in line with the target of 4 million. As planned, an additional 500,000 addresses were disconnected from copper in 2025.

Fiber footprint

Performance reached 69%, exceeding the target of more than 65%. This result reflects the continued expansion of our fiber footprint in 2025. The definition of the fiber footprint for both KPN and Glaspoort also includes third–party network in which either KPN or Glaspoort holds a call option and which are expected to be consolidated over time. This refers most notably to Glaspoort's 50% stake in GlasDraad.

Radio network availability

Performance reached 99.8%, slightly above the target of 99.7%. This slight overperformance is mainly the result of a relatively stable year in 2025, with very few major disturbances affecting the mobile network.

Name of the metric	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
4G/5G traffic with a minimum downlink throughput of 6 Mbps	99.38%	99.34%	97.50% (from 2025 the metric is changed to 4G and 5G combined)	98.5%	15 18
Combined 4G/5G downlink throughput	193 Mbps	218 Mbps	185 Mbps	220 Mbps	15 18
5G coverage in the Netherlands	97.9%	98.3%	98.2%	98.45%	15
Phase-out of copper at FttH addresses	3.5 million	4.0 million	4.0 million addresses permanently ceased	2026: 4.6 million The target applies from 2020, the year of the announcement. Long-term target is to phase out copper completely.	15 17
Fiber footprint	64%[1]	69%	>65%	2026: > 70% The target of up to 85% applies till end of 2030.	15 17
Radio network availability	99.8%	99.8%	99.7%	99.7%	16

1 Fiber footprint also includes GlasDraad. Figures for 2024 have been restated accordingly.

Methodologies and assumptions

4G/5G traffic with a minimum downlink throughput of 6 Mbps

- *Definition:* Percentage of 4G/5G traffic with a minimum downlink throughput of 6 Mbps. The result is calculated as the average of the last four weeks of the reporting year.
- *Metric:* This is calculated as the minimum user throughput based on physical resource block load (PRB, a capacity measure), and the calculation is based on the average of the last four weeks of the reporting year.
- *Target*: The target is based on what was realized last year and on the expansion of our network. At least 97.5% of all traffic should offer users at least 6 Mbps to be able to stream HD video. he target for 2026 is higher than for 2025 because of positive effect of additional network expansions and customers migrating to 5G-devices.

The physical resource blocks represent the total amount of capacity in a sector of the 4G/5G mobile network. These PRBs have to be divided amongst all the concurrent users in the respective sector. If the number of concurrent users increases, the number of available PRBs per user decreases. Because there is a direct relationship between the number of PRBs 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 4G/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 to the Board of Management on a weekly basis.

Combined 4G/5G downlink throughput

- *Definition:* Crowd-based measurement to obtain average real download speed experienced by customers that used the Ookla Speedtest app on their smartphones. The result of December 2025 is reported.
- *Metric:* The average download speed metric is derived from performance tests conducted by users utilizing 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 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. The target for 2026 is being increased based on the experience that approximately 20% of our customers replace their devices each year. State-of-the-art devices offer better capabilities and deliver higher downlink speeds

5G coverage in the Netherlands

- *Definition:* Percentage of Dutch population with access to KPN's 5G network.
- *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 model 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.
- *Target*: The target is based on the predicted coverage in our model (planning tool) which takes into account the planning of site replacements, network data and drive tests into account. It is a predictive model which KPN continuously improves based on new data (model tuning). The target for 2026 is being increased as a result of the plan to build additional densification sites.

Phase-out of copper at FttH addresses

- *Definition:* Number of addresses switched off from copper.
- *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 cannot use the copper line any longer. In other words, there is an end-of-sale on copper at the address, and this service is deactivated. The addresses list is updated in the first week of every quarter and this update is used as the end-of-period status of previous quarter for reporting.
- *Assumptions:* The main assumptions are the progress of the fiber rollout and the number of households that can actually be activated on fiber.
- *Limitations:* Addresses where an own connection 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).

Fiber footprint

- *Definition:* Every household within the Netherlands which has fiber from KPN, Glaspoort or GlasDraad (which is a third party network with call option) in front of the house.
- *Metric:* The calculation of the metric is as follows: FttH households / the number of households in the Netherlands. The FttH households contain KPN's own fiber network (overlay and new build) + Glaspoort CM + GlasDraad + 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 up to 85% fiber footprint in the Netherlands by the end of 2030. 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

- *Definition:* Average real network availability based on last month of the year.
- *Metric:* Average network availability is calculated by dividing the sum of unavailable time of radio cells (with maximum retention time of 72 hours), by the maximum possible available time of the radio cells.
- *Target*: The target is based on what was realized last year. The target for 2026 has remained at the same level. This is a realistic target because there will always be cells that are unavailable due to factors such as scheduled maintenance, incidents, or power outages

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 engagements with consumers or end-user. 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 KPIs are reported to the Supervisory Board on a quarterly basis and on an annual basis in the integrated annual report. Part of the top KPIs are combined 4G/5G downlink throughput, 5G coverage in the Netherlands and fiber-related KPIs. 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 these 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 in our quarterly results updates, and in most detail in our integrated annual report.

Security

Impacts, risks and opportunities (ESRS 2 SBM-2/3)

For a description and the results of the process of identifying KPN's material impacts, risks and opportunities, see "Impact, risks and opportunities" under the "General" section.

KPN has identified the following **positive actual impact** related to *security*:

1. **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.

KPN has identified the following **risk** related to *security*:

2. **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.

KPN has identified the following **opportunity** related to *security*:

3. **Security and data protection:** We have a strong focus on security and data protection for B2B and our large corporate enterprise (LCE) customers, through implementation of our 5A security strategy, resulting in an enhanced reputation, higher customer loyalty and improved business results.

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 security. 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.

We undertake various activities to ensure a secure online environment for our customers and/or end-users, and broader society. Through the implementation and ongoing improvement of security policies, practices, and procedures, we work to prevent, detect, and effectively respond to security incidents, thereby striving to enhance the security of both KPN and our customers. Additionally, by collaborating with government agencies and public and private sector partners, we contribute to strengthening the overall security and resilience of Dutch society.

Examples of these activities are:

- Implementation of KPN's security policy (KSP);
- Execution of the "Security First" yearly plan and improvement programs;
- Participating in public-private partnerships, such as the CISO Circle of Trust, the Alert Online partner network and the Anti-DDoS coalition, of which KPN is a member;
- Providing third-party assurance reporting for our Tailored Solutions and large corporate enterprises (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, the Decree on Telecommunications Data Security (BBGT by its Dutch acronym), and the EU Network Information Security directive (NIS 2).

Policies (S4-1)

The **KPN security policy (KSP)** is in place to manage material impacts and risks related to security. See also the "Policy overview" in the "General information" section.

The KSP provides a set of security standards and requirements that the KPN organization is expected to uphold in its daily operations. It mandates the application of fundamental security, business continuity, and privacy protocols across all activities. Our KSP integrates the principles outlined in the National Institute of Standards and Technology (NIST) Cybersecurity Framework. The CISO department directs, monitors and evaluates implementation of the security lifecycle ("identify, protect, defend, respond and recover"). KSP requirements are implemented in processes, which are measured for performance and monitored for compliance with regulations and customer requirements. Progress is reported monthly, and the security risk posture is reviewed with the Board of Management quarterly.

Processes for engaging with consumers and end-users about impacts (S4-2)

Management and professionals of the KPN CISO department, under the responsibility of the Chief Information Security Officer and in collaboration with KPN's regulatory and legal departments, maintain structured and ongoing engagement with external stakeholders, including government bodies and regulatory authorities. This also contributes positively to improved social outcomes for consumers and/or end-users. This engagement comprises regular bilateral meetings as needed, participation in national and sectoral cybersecurity forums, contributions to public consultations on regulatory developments, and timely information sharing in response to incidents or policy changes.

These activities are intended to support social outcomes for consumers and end-users. KPN:

- Is represented on the Cyber Security Council via our CEO, who holds the portfolio for national critical infrastructure (vital sectors);
- Closely cooperates with RDI, the Dutch regulatory authority, on the implementation of the 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 a member of Anti-DDoS coalition, a public-private partnership to protect Dutch society from the impact of distributed denial-of-service (DDoS) attacks;
- 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 CISO department conducts a structured evaluation of its external contributions and memberships to ensure continued alignment with KPN's "Security First" mission.

The evaluation process involves reviewing the strategic relevance of external contributions and ensuring they are aligned with cybersecurity objectives. It also includes tracking tangible outcomes, such as joint initiatives and regulatory input. Furthermore, the process analyses the resources invested in relation to the benefits gained, and assesses the impact these activities have on compliance and policy development.

Based on the outcome of the annual evaluation, KPN has not renewed or ended membership, formalized new memberships or adjusted its level of participation.

Actions (S4-4)

We have different action plans in place to manage positive impact, risk and opportunity as mentioned in our "IRO table"in the "General Information" section. These actions are based on the implementation of the "Security First" strategy through short-term actions defined in the annual planning letter, and through medium-term actions as part of improvement programs. Our key actions relate to the risk of a cyberattack on our license to operate and the opportunity to improve security and data protection for our Business segment customers.

The risk of a cyberattack on our license to operate

Key actions in 2025:

- We have executed the actions of the annual "Security First" planning letter. The goal of these actions was to increase the performance of key security measures that prevent and detect security threats in terms of coverage, quality and resolution, mitigating the risk of a cyberattack, on the short-term. The actions have contributed to the achievement of KSP objectives by setting targets that the KPN organization must meet in its daily operations (dependencies on consumers and/or end-users are not included in target-setting and monitoring). In 2025, these actions have amongst others contributed to a significant decrease in open vulnerabilities older then 1 year, a positive trend in security risk assessments and improved business continuity measures. Progress and status were measured throughout 2025 using KPIs and were reported to executive management through the monthly "Security First" RUN KPI report.
- We have continued the execution of the "Security First" improvement programs. The programs are executed to implement new security measures aimed to mitigate the risk of a cyberattack in the mid-term. The NEO program, started in 2024 to design and implement a new solution for identity and access management in KPN was continued in 2025, with a focus on potential implementation directions. The NIS2 implementation program was carried on in 2025 to prepare the organization for the introduction of new legislation based on the NIS2 directive. The ISAE compliance program implemented enhancements, which ensured better results of KPN's client assurance reports in 2025. The ICF program continued to roll-out integrated controls throughout KPN's operational departments to improve control of IT and security processes. Finally, developments and impact of new cybersecurity regulation such as CER and DORA were closely monitored by legal, regulatory and security specialists throughout the year.

Key actions planned in 2026 and beyond:

- Annual security planning letter: This is a recurring annual action. The work packages have a short-term horizon;
- Executing "Security First" improvement programs: These programs contribute to the achievement of the policy objectives in the medium term.

The organizational scope of these packages includes KPN's major operational departments in the Technology & Digital Office and in the Business-to-Business office. The actions affect our stakeholders in our upstream and downstream value chains, but also our own operations. The effectiveness of the short-term actions (planning letter) and medium-term actions (improvement programs) is measured by the first line organization using security metrics, which are reported monthly, and by the second line through control monitoring and as part of quarterly KPN Internal Control System (KICS) security and continuity assessment.

The opportunity of improving security and data protection for our Business segment customers

Security and data protection is an important objective for KPN's Business segment customers, who also need to protect themselves from the risk of cyberattacks and have to comply with (sector-specific) rules and regulations. We therefore aim to bring as much of KPN's services for our Tailored Solutions and Large Corporate Enterprise customers under either ISO 27001 certification or independent third-party assurance (ISAE 3000 reporting). We have a roadmap to expand the scope of our services in the LCE and Tailored Solutions portfolio, which are covered by third-party assurance, with annual targets up to 2029, which leads to a medium-term time horizon for this action plan.

Key actions in 2025:

- KPN onboarded five additional services to the scope of third-party assurance. The new services are included in 2 ISAE 3000 type I reports; all other services in scope of third-party assurance are covered by ISAE 3000 type II reports.

Key actions planned for 2026 and beyond:

- KPN intends to onboard six additional services to the scope of third-party assurance, starting with ISAE 3000 Type 1 reports. This action has a short-term time horizon;
- Development of targets and metrics to measure the progress of the roadmap in respect to this opportunity. This action has a short-term time horizon.

The expected outcome of the actions is to enhance security and continuity for all consumers and end-users within the Netherlands. KPN's security mechanisms are fundamentally designed to achieve tangible outcomes for consumers and end-users. These include enhanced data confidentiality, improved responsiveness to security incidents, and a reduced risk of cyberthreats, thereby contributing to a more secure and trustworthy digital environment in line with KPN's broader sustainability objectives.

KPN's security actions directly benefit customers by ensuring their data is protected, services remain reliable, and threats are proactively managed. This creates a safer, more trustworthy digital experience that supports customer confidence and long-term satisfaction.

Reflection on performance

Security awareness

The result shows that the target was achieved, also taking into account that the population was extended due to the inclusion of new target groups for SecurX training and certifications.

Security maturity

KPN's security monitoring and detection capabilities remain stable at a mature level, as the result of the bi-annual assessment shows.

Incident response

Although no target was set, there were no Orange or Red Cyber Be Alerts in 2025.

Metrics and targets (S4-5)

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

Name of the metric	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
Percentage of annual target of KPN employees who are SecurX-certified	85% of annual target number (3,500)[1]	99% of annual target number (6,250)[2]	95% of annual target number (6,250)[2]	95% of annual target number (8,000)[3]	19 20
Maturity of the security monitoring and incident response of KPN in the ETIS Security Benchmark	Mature [4]	Mature	Improved scoring compared with 2023, and above the average baseline between "basic" and "mature"	Improved scoring compared with 2025, and above the average baseline between "basic" and "mature"	19 21
Number of "code orange and code red" cybersecurity be-alerts	New KPI	0	n/a	n/a	19 21

1 The percentage of 85% is based on a change from absolute numbers (2024: 2,964) to the percentage of the 2024 annual target of 3,500 employees.
2 The percentage of 95% is based on a change from absolute numbers (2025: 5,000) to the percentage of the 2025 annual target which is extended from 5,000 to 6,250 employees.
3 The percentage of 95% is based on the annual target of 8,000 employees in 2026.
4 Based on the 2023 result of the ETIS benchmark.

Methodologies and assumptions

Percentage of annual target of KPN employees who are SecurX-certified

- *Definition:* The percentage of KPN employees who have successfully completed the SecurX Foundation training is measured against the annual target, based on attendance and certification.
- *Metric:* KPN employees are defined as own personnel (EP) and agency staff (UP). Other external employees and contractors (OP/CWF) are excluded. Compared to 2024, the measurement is changed from absolute numbers to percentages in line with internal reporting. Furthermore, the target group has been changed in 2025 by extending the training to all EP staff, including UP and excluding OP/CWF. For 2024, this leads to a revised score of 85% (based on the 2024 target of 3,500 employees).
- *Assumptions*: The SecurX Foundation training is based on the principles of the KPN Security Policy (KSP).
- *Target*: The target for 2025 was initially 5,000 employees, this was adjusted during 2025 to 6,250 employees due to inclusion of new target groups, for whom new training variants have been developed. The extended target group leads to a target of 95% (of 6,250 annual target) for 2025. In 2025, there were three variants, focusing on three target groups:
  - Technical personnel;
  - Office personnel;
  - Customer service and shop personnel.

The SecurX training target group is all KPN personnel in the Netherlands (excluding subsidiaries and offshore personnel) who can be identified by their kpn.com account. The Foundation training courses are available to all KPN employees via the KPN Academy. The SecurX certificate does not expire.

For security awareness, the target of 95% of 8,000 trained and certified employees is based on the additional 1,750 employees planned to be trained and certified throughout 2026. The annual target number will gradually increase over the years.

The maturity of the security monitoring and incident response in the ETIS security benchmark

- *Definition:* The level of development, effectiveness and consistency of KPN's capabilities to detect, assess and respond to cybersecurity threats.
- *Metric:* Once every two years, KPN takes part in the Telco Security Benchmark that TNO (an independent provider of advisory services) conducts annually on behalf of industry body ETIS. The maturity of the security functions of six European telcos is assessed based on interviews and measured in terms of a three-level maturity model. This three-level model is developed by TNO and is demarcated by predefined criteria: "mature", "basic" and "weak". KPN only reports its own score.
- *Target:* The target for 2025 was improved scoring compared to 2023, and above the average baseline between "basic" (1.0) and "mature" (2.0). The target for 2026 is the same as for 2025, as KPN takes bi-annually part in the benchmark.

Compared with 2024, KPN has changed its approach for measuring security maturity from a five-level maturity level assessment against the NIST cybersecurity framework, to the three-level maturity model of the ETIS benchmark. As the ETIS benchmark methodology is significantly different from the NIST maturity assessment conducted in 2024, the 2024 metric is no longer valid. Therefore, the 2024 result for this new approach is based on the TNO assessment conducted in 2023.

The number of "code orange and code red" cybersecurity be-alerts

- *Definition:* Code orange and red cybersecurity incidents are a security events requiring immediate action.
- *Metric:* The number of cybersecurity incidents is measured, based on KPN's be-alert process in which cybersecurity incidents are classified according to impact in code blue, yellow, orange and red. Only the Computer Emergency Response Team of KPN B.V. (KPN-CERT) can initiate a "be-alert" process, based on factors such as media attention, potential customer damage or regulatory violations.
- *Target:* As cybersecurity incidents are inherently unpredictable and assessed on a case-by-case basis by KPN-CERT, we don't set a target for Code Orange or Code Red cybersecurity incidents in 2026.

Process for setting targets

In 2025, 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 into 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. Targets are developed annually based on internal risk assessments, operational priorities, and consultations with relevant internal stakeholders such as business unit security leads and IT operations.

KPN has not engaged directly with consumers, end-users, or their legitimate representatives, nor with credible proxies such as NGOs or civil society organizations, in the target-setting process. 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.

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, maturity of the security monitoring and incident response and number of "code orange" cybersecurity incidents. These metrics and targets are linked together, as security-aware employees are better equipped to recognize threats and report incidents and a mature incident response process will be more effective in the resolution of security incidents, which will eventually result in fewer cybersecurity incidents.

Business conduct

Governance

The Board of Management, alongside the Supervisory Board, oversees KPN's corporate governance and ensures adherence to applicable laws. It also fosters a culture focused on sustainable long-term value.

The Board of Management (BoM) is responsible for establishing shared values for KPN and its affiliated companies that are intended to support sustainable long-term value creation. These values are discussed with the Supervisory Board. The Board oversees the integration and ongoing adherence to these values within KPN, promotes behaviors consistent with them, and communicates them by example. It reviews the company's current culture and evaluates whether changes may be needed. The Board also addresses social safety within KPN and facilitates discussion and reporting of actual or suspected misconduct or irregularities. Additionally, it monitors adherence to the KPN code of conduct by both the Board and KPN employees, and ensures these matters are discussed with the Supervisory Board.

The BoM enables employees to report misconduct or irregularities at KPN to the CEO or a designated officer without jeopardizing their legal position. Issues concerning the functioning of the Board members are reported to the Chair of the Supervisory Board. The Board notifies the Chair of any significant actual misconduct or irregularities within KPN or its affiliates. In 2025, no such notifications were made.

The BoM is responsible for developing, communicating, and implementing the company's business risk strategy. The CFO participates in Audit Committee meetings to address risk management, KPN's internal control system, and compliance with laws, regulations, and codes of conduct related to finance, accounting, tax, and sustainability reporting. The supervision of the Board of Management by the Supervisory Board includes, among 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.

KPN emphasizes strict adherence to relevant laws and regulations. The Board of Management bears ultimate responsibility for compliance, including enforcing business conduct standards. The Board monitors associated impacts, risks, and opportunities, and notifies the Supervisory Board of any important issues that arise. In 2025, the monitoring process did not identify any IROs requiring notification to the Supervisory Board. The Audit Committee, a committee of the Supervisory Board, is kept informed about compliance matters and updates on an ongoing basis. 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 practise 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.

Impacts, risks and opportunities

Business conduct is a material topic for KPN, so it is 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** related to *business conduct*:
1. Promoting a strong and integrity-based 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) perception of KPN.

2. Actively lobbying[1]: KPN positively influences the perception of our stakeholders (customers, suppliers, and employees) by actively lobbying for support of cybersecurity policies and promoting initiatives for climate neutrality and sustainable ICT solutions.

Business conduct policies and corporate culture (G1-1)

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. Essential information – whether required by policies, laws, regulations, or identified through risk or business needs – is delivered via e-learning modules, workshops, or in-person training sessions. Further details regarding our company culture and values are available in our culture manifesto; see "Stakeholder engagement" in the "General information" section.

The business control framework (BCF) includes all mandatory corporate policies. There is an e-learning on BCF principles for senior management.

1 The title of this positive impact changed in 2025, from "Being considered as trusted provider" to "Actively lobbying" to better reflect the IRO, without the impact necessarily being changed.

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 a page on its intranet on speaking up, which contains answers to FAQs and guidance on various topics related to speaking up and reporting incidents.

We regularly assess employee perceptions of our culture, compliance, integrity, and engagement, reporting findings and improvement plans to senior management as needed. HR pulse surveys periodically measure culture and engagement, including the KPN's culture manifesto.

We communicate the code of conduct on our corporate website, our intranet, via a 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 relevant incidents to the Board of Management and to the Supervisory Board.

Code of conduct (CoC)

KPN employees, including the Board of Management, management, subsidiaries, and temporary staff, must follow the rules of the CoC. In 2025, KPN updated the CoC and introduced a new e-learning on the subject. The CoC describes how we deal with people, resources, and the environment. KPN continuously monitors that all employees do the required CoC e-learnings. The Board of Management monitors the effectiveness of and compliance with the CoC by the Board of Management itself and by KPN employees, and ensures that these are discussed with the Supervisory Board via the quarterly compliance report. The CoC e-learning will also be completed by the Supervisory Board, which is planned for next year. In setting the policy the interests of employees, customers, business partners and society have been considered. Further details are available in the "Policy overview" in the "General information" section.

Reporting procedure

KPN encourages everyone to report any misconduct or inappropriate behavior (or suspicion of this) without fear of retaliation or disadvantage. All employees and workers in the value chain are protected when making reports, in line with our reporting procedure.

KPN's reporting procedure and fraud control policy outline how to report misconduct, including unlawful acts such as bribery and corruption or violations of internal policies. Employees and third parties can raise concerns or report issues, anonymously if needed, with privacy and confidentiality ensured. KPN follows all legal requirements, including protection against retaliation for those who file reports.

The KPN reporting procedure covers all KPN employees, including management, boards, subsidiaries, temporary staff, and third-party workers. Employee interests across the value chain were considered, and the Central Works Council participated in drafting the procedure.

Steps of the process of handling reports

1. **Identifying:** Reports on unlawful behavior can reach the Compliance and Integrity department via the KPN SpeakUp Line, KPN Helpdesk Security, Compliance and Integrity, the Chair of the Supervisory Board, personal conversations with a trusted confidant at KPN, or through the Dutch Whistleblowers Authority.
2. **Reporting**: Reports are recorded in a register managed under the responsibility of the Chief Compliance Officer. Reporters receive feedback on their report within three months, with acknowledgment of receipt in seven days where appropriate. 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 using the SpeakUp Line, all communication, including follow-up, is handled through the system—by phone or online. Reporters are encouraged to check back after two working days for updates. Anonymous reports by letter to the Chair of the Supervisory Board do not receive confirmation or feedback. All SpeakUp reports go to the Chief Compliance Officer who shares these with the Helpdesk and Investigations Manager. Our whistleblower policy complies with the Dutch Whistleblower Protection Act.
3. **Investigating**: The Chief Compliance Officer or their staff will review each report to decide on appropriate action and assign an officer to handle it. The assigned officer reports back on findings, ensures documentation, and communicates with all relevant parties. If an integrity investigation is needed, it follows KPN's "protocol for integrity investigation", which balances company interests with privacy protections for both the subject and the reporting party.

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

KPN offers a 24/7 anonymous SpeakUp Line for employees, value chain workers, suppliers, and third parties to report misconduct or suspicions without fear of retaliation. Reports can be submitted securely in the following languages: Dutch, English, Spanish, French, German, Chinese, Cantonese, Hindi, Hungarian, Malay, Portuguese and Urdu, and an internal webpage provides FAQs and guidance. The SpeakUp Line is managed externally to ensure independence and confidentiality; complaints go directly to KPN, bypassing direct supervisors.

Investigations are overseen by the Chief Compliance Officer and conducted by trained specialists. All reports are investigated independently and objectively, with appropriate action taken as needed. Employees may also raise concerns internally via Helpdesk Security, Compliance and Integrity, by letter to the Chair of the Supervisory Board, or through personal meetings, and externally through designated Dutch authorities. Reporting options are detailed in the official procedure and promoted through company channels and mandatory code of conduct training. The SpeakUp process is continuously monitored, and annual reporting statistics are provided by the platform's external host.

Fraud control policy

KPN employees must know and follow KPN's fraud control policy. Management is responsible for sharing this policy and must complete the mandatory e-learning. The policy covers all cases of actual or suspected fraud involving employees, management, the Board of Management, and business-related third parties. The Chief Compliance Officer oversees fraud governance, including the policy and its communication, considering the interests of KPN and its stakeholders.

Management of relationships with suppliers (G1-2)

KPN manages supplier relationships through its supplier code of conduct (SCoC), promoting ethical business practices and responsible procurement based on core values. Suppliers are required to follow the SCoC principles throughout their supply chain; failure to comply may lead KPN to reconsider the partnership. KPN evaluates suppliers' ESG performance annually using EcoVadis scorecards. While there is no set threshold for ending partnerships due to low scores, improvement suggestions are provided, and the EcoVadis Academy supports supplier learning. KPN also uses double materiality and risk assessments to manage supply chain sustainability issues.

KPN's procurement policy governs sourcing, contracting, and supplier management, with an emphasis on sustainable performance. Details are available in the "Policy overview" in the "General information" 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;
- Extend and optimize product use;
- Increase reuse and recycling, and minimize incineration and landfill of waste;
- Critical raw minerals to be sourced from responsible and conflict-free sources;
- Energy consumption and GHG emissions.

Prevention and detection of corruption and bribery (G1-3)

The Compliance and Integrity department, independent of business management, handles investigations, root cause analysis, and corrective actions. Every quarter, the Chief Compliance Officer reports on incidents to the Board of Management and Audit Committee via the Compliance and Integrity report. KPN's code of conduct and internal policies are referenced in employment contracts and reinforced through mandatory e-learnings covering main policy topics. Reporting procedures and fraud control policy are accessible via TeamKPN intranet.

No specific actions have been adopted for G1, as we address bribery and corruption through our existing general governance and compliance framework. Bribery and corruption prevention encompass targets both customers/employees (e.g., fraud, verbal abuse, transgressive behavior) and the supply chain. All employees, including the Board of Management, must complete the code of conduct e-learning every two years, which covers bribery, corruption, fair competition, and gift policies.

Metrics and targets (G1-4/5)

Name of the metric	Result 2024	Result 2025	Target 2025	Target 2026 & beyond	IRO
Confirmed incidents of corruption or bribery	0	0	n/a	n/a	22
Completion of code of conduct e-learning	89%	94%	95%	95%	22
Functions at risk covered by training programs	96%	96%	95%	95%	22

Reflection on performance

Confirmed incidents of corruption or bribery

No incidents on corruption or bribery have occurred in 2025 (2024 also no incidents; stable).

Completion of code of conduct e-learning

The 2025 result (94%) is close to the target of 95% and shows a strong improvement compared to 2024 (89%). As the new code of conduct went live in 2025 and a new e-learning was introduced, the year started at 0%.

Functions at risk covered by training programs

The result exceeds the target of 95% and is in line with the result achieved in 2024.

Methodologies and assumptions

Confirmed incidents of corruption or bribery

Incidents are reported, recorded and counted. The fewer incidents the better, however we have not set and do not plan to set any targets because we want everyone to feel safe to report and speak up if there are any incidents. We record 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 2025, KPN was not convicted of any violation of anti-corruption and anti-bribery laws (2024: 0).

Completion of code of conduct e-learning

All KPN B.V. employees (including the Board of Management), agency workers and other personnel – contingent workforce (OP CWF) of KPN B.V. are obliged to complete the code of conduct e-learning every two years. Topics related to bribery and corruption, such as gifts and invitations, are included in this training and are tracked for this same group. Progress is calculated as a percentage of trained employees. The 95% completion target, proposed by the central CSR team and discussed and approved by the Board of Management, has remained unchanged and remains in place for 2026. Stakeholders were not involved in setting the target, but employees are informed through management channels.

Functions at risk covered by training programs

Functions at risk for corruption and bribery, such as the Board of Management, senior management, purchasers and sales staff, are required to complete e-learning on topics such as gifts and invitations. This entity-specific metric is the proportion of trained at-risk employees to total at-risk employees (applicable only to KPN B.V. employees). Targets are proposed by the central CSR team, and discussed and approved by the Board of Management, without direct stakeholder involvement.

For 2026, KPN is exploring the possibilities of extending both the code of conduct e-learning and the training for functions at risk to employees of our subsidiaries. Currently, these training programs are not available for these employees due to technical limitations. Including the subsidiaries in this metric will ensure a more consistent approach to business conduct and compliance across the group, in line with evolving regulatory expectations and our commitment to ethical standards. The current scope covers more than 95% of all employees.

Political influence and lobbying activities

KPN communicates with political and governmental policymakers, sponsoring activities that encourage public discussion on the effects of digitalization and developing responses to these challenges. These interactions and advocacy efforts are organized by the External Affairs department, overseen by the EVP for External Affairs. Activities are directed at governments, policymakers and regulatory bodies at European, Dutch and local levels , including the European Commission, the European Parliament, the Body of European Regulators for Electronic Communications (BEREC), the Dutch government, ministries, regulatory authorities involved in digital policymaking, and politicians to provide input on policies related to KPN's operations, ensuring alignment with both European and national strategies. Policy initiatives promoting climate neutrality and sustainable ICT solutions are also supported, recognizing their relevance to stakeholders including customers, suppliers, and employees.

These actions are coordinated with industry associations such as GSMA, Connect Europe, and NL Connect, to ensure consistency and amplify industry positions in policy discussions. For KPN, whose operations are mainly in the Netherlands, relevant policy decisions are primarily made in Brussels and The Hague; thus, engagement is focused on these locations. KPN collaborates with companies in other sectors through participation in trade organizations at both national and European levels. KPN allocated approximately €0.8 million in 2025 for membership and other expenses in lobbying and trade associations. KPN does not provide financial or other types of support to political parties or candidates for office. The company shares knowledge with authorities to support informed regulatory policy development and participates in sector organizations representing its interests. Management enforces ethical and transparent standards of conduct.

No members of the Board of Management or the Supervisory Board have held a comparable position in public administration (including regulators) in the two years preceding their appointment. KPN generally engages directly with policymakers rather than employing third-party public affairs agencies. Employees who hold paid political roles, such as positions on municipal or regional councils, must seek permission to do so.

KPN advocates for a regulatory environment that encourages telecoms investment and digital inclusion, ensuring secure, reliable, and sustainable connectivity across the Netherlands. We support cybersecurity regulations to protect our networks and customer data, reinforcing privacy and network quality as outlined in our materiality assessment. KPN also promotes climate-neutral policies and sustainable ICT solutions, such as inclusion in the EU taxonomy to reduce climate impact and spur innovation. While we lack a specific advocacy plan for working conditions, we prioritize responsible business practices and improved workforce standards.

In summary, our advocacy supports KPN's role as a trusted provider. We back cybersecurity regulations to lower data breach risks, advance climate and sustainability initiatives to reduce environmental impact, promote digital inclusion for fair connectivity, and support better working conditions in line with our ethical standards.

KPN is registered in the EU Transparency Register (register no: 38392131923-05) and Koninklijke KPN N.V. is registered at the Chamber of Commerce (file no. 02045200).

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	European Union
VNO-NCW	Trade body representing industry and employers in the Netherlands	Netherlands
NL Connect	Trade association for IT, telecoms and internet companies	Netherlands
FME	Trade association in the technology industry	Netherlands
NIVD	Trade association for the positioning of the Netherlands' defense- and safety-related industry	Netherlands
VEMW	Trade body and knowledge center representing commercial users of electricity and water in the Netherlands	Netherlands
Cyberveilig NL	Trade body representing the interests of the cybersecurity sector	Netherlands
ECP	Platform for information society	Netherlands
Hague Security Delta	Cluster in the security domain	Netherlands
DDMA	Association for data-driven marketing	Netherlands
WDTM	Association for healthcare technology	Netherlands
CCE	Trade body representing Europe's largest industrial and financial groups	European Union
Nederlandse Orde van Belastingadviseurs	Trade body representing tax advisers in the Netherlands	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	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	Netherlands
ICC Nederland	Local department of International Chamber of Commerce	Netherlands

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Consolidated statement of profit or loss

For the year ended 31 December € million	Notes	2025	2024
Revenues	[4.1]	5,797	5,603
Other income	[4.2, 21]	32	31
Total revenues and other income		**5,829**	**5,634**
Cost of goods & services	[6]	1,506	1,428
Personnel expenses	[5]	876	849
Information technology / technical infrastructure		338	312
Other operating expenses	[6]	392	412
Depreciation, amortization and impairments	[10, 11, 19]	1,346	1,240
Total operating expenses		**4,459**	**4,242**
Operating profit		**1,370**	**1,392**
Finance income		14	41
Finance costs		-267	-279
Other financial results		-34	-55
Financial income and expenses	**[7, 19]**	**-287**	**-293**
Share of the profit/loss (-) of associates and joint ventures	[12, 21]	-11	-14
Profit before income tax from continuing operations		**1,071**	**1,085**
Income taxes	[8]	-217	-238
Profit for the year from continuing operations		**855**	**847**
Profit/loss (-) for the year from discontinued operations		-	-
Profit for the year		**855**	**848**
Profit attributable to non-controlling interests		-	-
Profit attributable to equity holders of the company		855	848
Profit for the year		**855**	**848**

For the year ended 31 December € million	Notes	2025	2024
Earnings per ordinary share after taxes attributable to equity holders of the company for the year (€)	[9]		
Basic (continuing operations)		0.21	0.20
Diluted (continuing operations)		0.21	0.20
Basic (discontinued operations)		-	-
Diluted (discontinued operations)		-	-
Basic (total, including discontinued operations)		0.21	0.20
Diluted (total, including discontinued operations)		0.21	0.20

Consolidated statement of other comprehensive income

For the year ended 31 December € million	Notes	2025	2024
Profit for the year		**855**	**848**
Other comprehensive income, net of tax			
Other comprehensive income to be reclassified subsequently to profit or loss when specific conditions are met:			
Net gain/loss (-) on cash flow hedges	[16]	49	18
Currency translation differences	[16]	-	-
Net other comprehensive income/loss (-) to be reclassified to profit or loss in subsequent periods		**49**	**18**
Items of other comprehensive income not to be reclassified subsequently to profit or loss:			
Retirement benefits remeasurements		2	2
Net gain/loss (-) on equity instruments designated at fair value through other comprehensive income	[13.1]	-4	2
Net other comprehensive income/loss (-) not to be reclassified to profit or loss in subsequent periods		**-2**	**3**
Other comprehensive income/loss (-) for the year, net of tax		**47**	**21**
Total comprehensive income for the year, net of tax		**902**	**869**
Total comprehensive income for the year, net of tax, attributable to:			
Equity holders of the company		902	869
Non-controlling interests		-	-
		902	**869**
Total comprehensive income/loss (-) attributable to equity holders of the company arising from:			
Continuing operations		902	869
Discontinued operations		-	-

Consolidated statement of financial position

€ million	Notes	31 December 2025	31 December 2024
Non-current assets			
Property, plant and equipment	[10]	6,571	6,219
Intangible assets	[11]	3,075	2,974
Right-of-use assets	[19]	659	750
Equity investments accounted for using the equity method	[12]	612	561
Equity investments measured at fair value through other comprehensive income	[13.1]	123	119
Derivative financial instruments	[13.3]	40	100
Other financial asset at fair value through profit or loss	[13.1]	84	115
Deferred income tax assets	[8]	-	-
Trade and other receivables	[14.1]	76	97
Contract assets and contract costs	[14.2]	105	91
		11,346	**11,026**
Current assets			
Inventories		41	45
Trade and other receivables	[14.1]	575	546
Contract assets and contract costs	[14.2]	118	111
Income tax receivables	[8]	28	17
Derivative financial instruments	[13.3]	-	-
Other financial asset at fair value through profit or loss	[13.1]	34	40
Other current financial assets	[13.1]	148	100
Cash and cash equivalents	[15]	405	662
		1,350	**1,521**
Total assets		**12,696**	**12,547**

€ million	Notes	31 December 2025	31 December 2024
Share capital		153	156
Share premium		7,241	7,481
Other reserves		-45	-91
Retained earnings		-4,822	-5,005
Equity attributable to holders of perpetual capital securities		990	990
Equity attributable to equity holders of the company		**3,517**	**3,531**
Non-controlling interests		44	3
Total equity	**[16]**	**3,561**	**3,533**
Non-current liabilities			
Borrowings	[13.2]	5,881	5,379
Lease liabilities	[19]	575	656
Derivative financial instruments	[13.3]	116	156
Deferred income tax liabilities	[8]	134	10
Provisions for retirement benefit obligations	[17]	7	17
Provisions for other liabilities and charges	[18]	115	105
Contract liabilities	[20]	151	130
Other payables	[20]	36	23
		7,015	**6,476**
Current liabilities			
Trade and other payables	[20]	1,357	1,278
Contract liabilities	[20]	178	164
Borrowings	[13.2]	396	899
Lease liabilities	[19]	132	163
Derivative financial instruments	[13.3]	20	5
Income tax payables	[8]	9	-
Provisions for other liabilities and charges	[18]	30	29
		2,121	**2,538**
Total equity and liabilities		**12,696**	**12,547**

Consolidated statement of changes in equity

€ million, except number of shares	Notes	Subscribed ordinary shares	Share capital	Share premium	Other reserves	Retained earnings	Equity attrib. to holders of perpetual capital securities	Equity attrib. to equity holders of the company	Non-controlling interests	Total equity
Balance at 1 January 2024		**3,947,417,782**	**158**	**7,674**	**-114**	**-5,150**	**990**	**3,558**	**3**	**3,561**
Profit for the year			-	-	-	848	-	848	-	848
Other comprehensive income for the period			-	-	18	3	-	21	-	21
Total comprehensive income for the period			**-**	**-**	**18**	**851**	**-**	**869**	**-**	**869**
Share-based compensation expense	[5]		-	-	-	4	-	4	-	4
Sold and transferred treasury shares in connection with vesting of equity-settled share plans			-	-	11	-11	-	-	-	-
Treasury shares withdrawn	[16]	-58,487,360	-2	-193	195	-	-	-	-	-
Issuance of perpetual hybrid bond	[13.2]		-	-	-	-	496	496	-	496
Repurchase of perpetual hybrid bond	[13.2]		-	-	-	-4	-496	-500	-	-500
Dividends paid			-	-	-	-646	-	-646	-	-646
Paid coupon perpetual hybrid bond	[13.2]		-	-	-	-48	-	-48	-	-48
Share repurchase	[16]		-	-	-200	-	-	-200	-	-200
Sale of a subsidiary without the loss of control			-	-	-	-	-	-	-	-
Acquisition of a subsidiary			-	-	-	-	-	-	-	-
Other			-	-	-	-1	-	-1	-	-1
Total transactions with owners, recognized directly in equity		**-58,487,360**	**-2**	**-193**	**6**	**-706**	**-**	**-896**	**-**	**-896**
Balance at 31 December 2024		**3,888,930,422**	**156**	**7,481**	**-91**	**-5,005**	**990**	**3,531**	**3**	**3,533**

€ million, except number of shares	Notes	Subscribed ordinary shares	Share capital	Share premium	Other reserves	Retained earnings	Equity attrib. to holders of perpetual capital securities	Equity attrib. to equity holders of the company	Non-controlling interests	Total equity
Balance at 1 January 2025		**3,888,930,422**	**156**	**7,481**	**-91**	**-5,005**	**990**	**3,531**	**3**	**3,533**
Profit for the year			-	-	-	855	-	855	-	855
Other comprehensive income for the period			-	-	49	-2	-	47	-	47
Total comprehensive income for the period			**-**	**-**	**49**	**853**	**-**	**902**	**-**	**902**
Share-based compensation expense	[5]		-	-	-	6	-	6	-	6
Sold and transferred treasury shares in connection with vesting of equity-settled share plans			-	-	5	-5	-	-	-	-
Treasury shares withdrawn	[16]	-61,465,117	-2	-240	242	-	-	-	-	-
Issuance of perpetual hybrid bond	[13.2]		-	-	-	-	-	-	-	-
Repurchase of perpetual hybrid bond	[13.2]		-	-	-	-	-	-	-	-
Dividends paid			-	-	-	-675	-	-675	-28	-703
Paid coupon perpetual hybrid bond	[13.2]		-	-	-	-54	-	-54	-	-54
Share repurchase	[16]		-	-	-250	-	-	-250	-	-250
Sale of a subsidiary without the loss of control			-	-	-	54	-	54	-	54
Acquisition of a subsidiary			-	-	-	-	-	-	70	70
Other			-	-	-	4	-	4	-	4
Total transactions with owners, recognized directly in equity		**-61,465,117**	**-2**	**-240**	**-3**	**-670**	**-**	**-915**	**42**	**-874**
Balance at 31 December 2025		**3,827,465,305**	**153**	**7,241**	**-45**	**-4,822**	**990**	**3,517**	**44**	**3,561**

The total distributable reserves, which include the perpetual hybrid bonds, amounted to €2,724m at 31 December 2025 (2024: €2,721m). See Note C to the "Company financial statements".

Consolidated statement of cash flows

For the year ended 31 December € million	Notes	2025	2024
Profit before income tax from continuing operations		1,071	1,085
Adjustments for:			
– Net financial expense	[7]	287	293
– Share-based compensation	[5]	6	2
– Share of the profit/loss (-) of associates and joint ventures		11	14
– Depreciation, amortization and impairments	[10, 11, 19]	1,346	1,240
– Other income and non-cash income and expense	[4.2, 21]	-17	-31
– Changes in provisions (excluding deferred taxes)		6	-38
Changes in working capital relating to:			
– Current assets		-83	-7
– Current liabilities		97	65
Income taxes paid/received		-179	-147
Interest paid		-247	-242
Interest received		8	28
Net cash flow from operating activities from continuing operations		**2,308**	**2,264**
Net cash flow from operating activities from discontinued operations		**-**	**-**
Net cash flow from operating activities		**2,308**	**2,264**
Acquisition of and investments in subsidiaries, associates and joint ventures (net of acquired cash)	[21]	-172	-213
Disposal of subsidiaries and associates (net of cash)	[21]	40	26
Tax on disposal of subsidiaries and associates	[21]	-	15
Investments in software		-247	-249
Investments in other intangible assets		-	-59
Investments in property, plant and equipment		-1,016	-1,006
Acquisitions of subsidiaries and assets that do not constitute a business		-	-22
Disposals of property, plant and equipment and intangible assets		59	65

For the year ended 31 December € million	Notes	2025	2024
Acquisitions of other financial assets	[13.1]	-61	-33
Disposals of other financial assets	[13.1]	7	95
Loans to other parties		-	-62
Net cash flow from investing activities from continuing operations		**-1,390**	**-1,442**
Net cash flow from investing activities from discontinued operations		**-**	**-**
Net cash flow from investing activities		**-1,390**	**-1,442**
Dividends paid		-675	-646
Share repurchase	[16]	-250	-200
Paid coupon perpetual hybrid bonds		-59	-48
Issuance of perpetual hybrid bonds		-	496
Repurchase of perpetual hybrid bonds		-219	-277
Proceeds from borrowings	[13.2]	988	996
Repayments of borrowings and settlement of derivatives	[13.1, 13.2]	-807	-939
Repayments of lease liabilities	[19]	-127	-143
Dividend paid to non-controlling interests		-28	-
Other		3	-7
Net cash flow from financing activities from continuing operations		**-1,175**	**-769**
Net cash flow from financing activities from discontinued operations		**-**	**-**
Net cash flow from financing activities		**-1,175**	**-769**
Total net cash flow from continuing operations		**-257**	**53**
Total net cash flow from discontinued operations		**-**	**-**
Changes in cash and cash equivalents		**-257**	**53**
Net cash and cash equivalents at 1 January		662	608
Net cash and cash equivalents at 31 December		**405**	**662**
Bank overdrafts		-	-
Cash and cash equivalents	**[15]**	**405**	**662**

General notes to the consolidated financial statements

[1] General information

Koninklijke KPN N.V. was incorporated in 1989 and is domiciled in the Netherlands. Koninklijke KPN N.V. (hereafter: "KPN" or "the company") is registered at the Chamber of Commerce (file no. 02045200). The address of KPN's registered office is Wilhelminakade 123, 3072 AP, Rotterdam, the Netherlands. Its shares are listed on Euronext Amsterdam.

KPN is a leading telecommunications and IT provider in the Netherlands, offering fixed and mobile telephony, fixed and mobile broadband internet and TV to retail and business consumers. KPN is market leader in infrastructure and network-related IT solutions to business customers in the Netherlands. KPN also provides wholesale network services to third parties.

The consolidated financial statements were authorized for issue by both the Supervisory Board and the Board of Management on 20 February 2026 and are subject to adoption by the annual general meeting of shareholders (AGM) on 15 April 2026.

[2] Summary of material accounting policies

Basis of preparation

KPN's consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU) and with the statutory provisions of Part 9, Book 2 of the Dutch Civil Code, under the historical cost convention, except for certain equity investments accounted for using the equity method, and certain equity investments and derivative financial instruments measured at fair value, and on a going-concern basis.

All amounts are presented in millions euros (€) unless stated otherwise. Certain figures may not tally exactly due to rounding. In addition, certain percentages may have been calculated using rounded figures.

Restatement of comparative financial information

The non-material restatements for 2024 relate only to segment reporting for comparability, see Note 3.

Summary of material accounting policies

The general accounting policies as applied are described below. Material accounting policies are described in the notes to the consolidated financial statements.

Changes in accounting policies and disclosures

KPN applies new standards and amendments issued by the International Accounting Standards Board (IASB), when effective and endorsed by the European Union. KPN has not early adopted any standards.

The endorsed amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability have become effective as of 1 January 2025. These amendments did not have a significant impact.

Future implications of new and amended standards and interpretations

The IASB has issued several new standards and amendments to existing standards with an effective date of 1 January 2026 or later.

The following standards and amendments are effective as of 1 January 2026:
- Amendments to IFRS 7 and IFRS 9: Amendments to the Classification and Measurement of Financial Instruments;
- Amendments to IFRS 7 and IFRS 9: Contracts Referencing Nature-dependent Electricity;
- Annual improvements to IFRS Accounting Standards - Volume 11.

The following standards and amendments are effective as of 1 January 2026 (or later) but have not yet been endorsed:
- IFRS 18: Presentation and Disclosure in Financial Statements;
- IFRS 19: Subsidiaries without Public Accountability- Disclosures;
- Amendments to IFRS 19: Subsidiaries without Public Accountability- Disclosures;
- Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates- Translation to a Hyperinflationary Presentation Currency.

KPN does not expect that these standards and amendments will have a material impact but this assessment has not been finalized yet.

Basis of consolidation

KPN's consolidated financial statements include the financial results of its subsidiaries and incorporate KPN's share of the results from associates and joint ventures.

Subsidiaries are all entities directly or indirectly controlled by KPN. "Control" is defined as the power over an entity, i.e. the ability to govern its financial and operating policies, resulting in obtaining the variable returns from the entity's activities and effect those returns through its power.

Subsidiaries are fully consolidated from the date on which control is obtained by KPN and are deconsolidated from the date on which KPN's control ceases. All intercompany transactions, balances and unrealized results on transactions with subsidiaries are eliminated.

Changes in ownership interests in subsidiaries without change of control that do not result in loss of control are accounted for as equity transactions. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Foreign currency translation

The consolidated financial statements are presented in euros (€), which is KPN's presentation currency as well as the functional currency of KPN's statutory entity.

Transactions in foreign currencies are translated into euros using the exchange rates applicable at transaction date. At reporting date, monetary assets and liabilities denominated in foreign currencies are translated to euros using the rates at reporting date. Exchange rate differences are recognized in profit or loss – except when these differences are related to qualifying cash flow hedges and qualifying net investment hedges, in which case the exchange rate differences are recorded in other comprehensive income (OCI).

Exchange rate differences on non-monetary assets and liabilities (which are carried at fair value) are reported as part of the fair value gain or loss from that asset or liability. Exchange rate differences arising from the translation of the net investment in foreign entities, of borrowings and of other currency instruments designated as hedges of such investments are recognized in OCI.

Subsidiaries

For consolidation purposes, the results and financial position of subsidiaries are translated into euros at the closing rate on the date of the financial position (assets and liabilities) or at the average exchange rates applicable for the specific reporting period (income and expenses). All resulting exchange differences are recognized in OCI.

Statement of cash flows

The statement of cash flows is prepared using the indirect method. Cash flows denominated in currencies other than euros are translated at average exchange rates. Cash flows relating to interest and taxes on profits and tax deductions relating to interest on perpetual hybrid bonds are included in the cash flow from operating activities. Tax payments directly related to the disposal of subsidiaries are presented as part of the cash flows from investing activities when separately identifiable. The consideration paid in cash for acquired subsidiaries is included in the cash flow from investing activities, net of cash acquired. Cash flows resulting from the disposal of subsidiaries are disclosed separately, net of cash sold.

Significant accounting estimates, judgements and assumptions made by management

Significant accounting estimates, judgements and assumptions made by management are evaluated periodically and are based on historic experience and other factors, including expectations of future events thought to be reasonable under the circumstances. Actual results may deviate from the estimates applied. Estimates are revised when material changes to the underlying assumption occur.

The accounting estimates, judgements and assumptions deemed significant to KPN's consolidated financial statements relate to:

Subjects	Notes
Determination of deferred tax assets for limitations on depreciation for real estate and provisions for tax contingencies	Notes 8 and 22
Determination of value-in-use of cash-generating units for goodwill impairment testing	Note 11
Assessments of exposure to credit risk and financial markets risk	Note 13.4
Assessment required to determine whether or not to recognize a provision for idle cables, which are part of a public electronic communications network	Notes 18 and 22
The assessment of the lease terms deemed reasonably certain of KPN's lease contracts and the incremental borrowing rate used to measure the lease liabilities	Note 19
Assessments whether revenue for variable consideration is probable or highly probable. This concerns revenue related to disputes and revenue related to VAT regarding unused multipurpose bundles.	Note 4 and 20
Several assessments related to KPN's 50% interest in Glaspoort B.V. (classified as a joint venture): - The assessment whether KPN has joint control over Glaspoort; - The assessment whether operational contracts between Glaspoort and KPN are at arm's length; - The valuation of KPN's interest in the joint venture (initially set at fair value, subsequently accounted for using the equity method subject to periodic impairment testing); - The valuation of the contingent cash consideration (financial asset at fair value through profit or loss).	Notes 12 and 13.1
Several assessments related to KPN's 51% interest i.e. control in Althio B.V.: - The assessment whether KPN has control over Althio B.V.; - The assessment whether operational contracts between Althio B.V. and KPN are at arm's length; - The valuation of the termination of the old lease contracts; - The valuation of KPN 's passive mobile infrastructure demerged to Althio B.V. .	Note 21
- The purchase price allocation related to the acquisition of Althio B.V.	Note 21

In preparing its financial statements, KPN has applied the concept of materiality to the presentation and level of disclosures. Only essential and mandatory information is disclosed that is relevant to a reader's understanding of these financial statements.

Sustainability, climate change and geopolitics

KPN has assessed whether climate-related events, risks or strategic sustainability initiatives have a material effect on the measurement of assets and liabilities or on its financial performance. KPN operates in a sector with relatively low direct greenhouse-gas emissions and has limited exposure to material climate-related transition risks. KPN has a sustainability strategy focused on reducing emissions throughout the value chain and improving energy and network efficiency. These developments did not have a material impact on the measurement or presentation of assets and liabilities in the financial statements during the reporting period.

KPN has assessed whether additional disclosures are necessary to provide users of the financial statements with insight into the effects of climate-related events and conditions. Although extensive sustainability information is included in the separate sustainability statement, the company has evaluated whether such information indicates required adjustments to the financial statements or additional disclosures. The effect of climate-related risks on the valuation of assets, liabilities and financial results during the reporting period is limited. No network or IT assets were subject to material impairment or changes in useful lives as a result of climate or transition risk considerations.

Based on the above assessment, climate-related developments and KPN's sustainability initiatives do not have a material impact on the financial statements for the reporting period. Sustainability-related objectives and performance metrics are primarily reported in the separate sustainability statement and do not result in further disclosures beyond those included in this note.

Geopolitical risk does not have an acute impact on the financial statements. However, the Financial Materiality Assessment (FMA) identifies a risk related to the scarcity of (critical) raw materials, which could affect the availability and cost of key products and services and may be amplified by geopolitical developments due to concentrated primary supply. Based on current assessments, this risk does not have a direct impact on the financial statements for the reporting period.

[3] Segment reporting

Operating segments are reported in accordance with IFRS 8: Operating Segments in a manner consistent with the internal reporting to KPN's CEO, who is the chief operating decision-maker.

KPN's segment information for 2024 includes a non-material revenue restatement (from Wholesale to Business) and expense restatements between various segments (with a maximum of €5m) mainly relating to personnel expenses due to changes in the organizational structure.

Almost all of KPN's operating activities are in the Netherlands.

Operating segments

KPN's operating segments comprise Consumer, Business, Wholesale and Network, Operations & IT (NOI). For general information on these segments, see "Shareholder value" and "Customer value" in this Integrated annual report.

Other (reconciliation)

"Other" comprises KPN Holding, Corporate Center, group services and eliminations. KPN accounts for its interest in Glaspoort within this segment.

"Other" comprises activities that cannot be allocated directly to one of the operating segments. This includes departments such as group business services (including financial accounting), procurement, fiscal affairs and treasury which provides services to the consolidated KPN Group.

Segment performance

As part of the simplification process, KPN has limited the intercompany charges to charges that are considered relevant for tax purposes.

The EBITDA after leases (EBITDA AL) of Consumer, Business and Wholesale represents the contribution margin of these segments while the EBITDA AL of NOI mostly consists of operating expenses. Due to the fact that KPN neither allocates interest expenses to segments nor accounts for taxes in the segments, the disclosure is limited to operating profit for the year.

Investments in property, plant and equipment, and intangible assets (capex) are centrally managed and reported to KPN's chief operating decision-maker at the consolidated KPN Group level, not at segment level.

For an explanation of EBITDA, EBITDA AL and incidental transactions included in revenues, other income and EBITDA AL, see Appendix 2.

Segmentation 2025

€ million	Notes	Consumer	Business	Wholesale	NOI	Total operating segments	Other[1]	Total KPN Group
Statement of profit or loss								
External revenues[2]		3,072	1,945	680	50	5,748	48	5,797
Other income	[4.2]	-	1	-	31	32	-	32
Inter-division revenues		-	2	-	-	2	-2	-
Total	[4]	**3,072**	**1,948**	**680**	**82**	**5,783**	**46**	**5,829**
Operating expenses		-981	-1,028	-195	-671	-2,876	-237	-3,113
EBITDA		**2,091**	**920**	**485**	**-589**	**2,907**	**-191**	**2,716**
Depreciation, amortization and impairments (DA&I)		-166	-58	-9	-1,066	-1,298	-48	-1,346
Operating result		**1,925**	**862**	**476**	**-1,655**	**1,608**	**-239**	**1,370**
Share of profit or loss of associates and joint ventures	[12]	-	2	-	-	2	-13	-11
EBITDA		2,091	920	485	-589	2,907	-191	2,716
DA&I right-of-use assets	[19]	-17	-6	-1	-96	-119	-36	-155
Interest lease liabilities	[19]	-2	-	-	-14	-16	-4	-20
EBITDA after leases		**2,072**	**914**	**484**	**-699**	**2,771**	**-231**	**2,540**
Total assets[3]		2,569	1,372	661	8,160	12,762	-66	12,696
Total liabilities		513	407	155	6,640	7,716	1,420	9,136

1 Including eliminations.
2 External revenues mainly concerns rendering of services, see Note 4.
3 Total assets in the segment Other includes the carrying value of Glaspoort (€587m, see Note 12) and the deferred consideration related to Glaspoort (€118m, see Note 13.1).

Segmentation 2024 (restated)

€ million	Notes	Consumer	Business	Wholesale	NOI	Total operating segments	Other[1]	Total KPN Group
Statement of profit or loss								
External revenues[2]		3,035	1,878	656	30	5,599	4	5,603
Other income	[4.2]	-	-	-	29	29	1	31
Inter-division revenues		-	3	-	-	3	-3	-
Total	[4]	**3,035**	**1,881**	**656**	**60**	**5,631**	**2**	**5,634**
Operating expenses		-997	-974	-173	-622	-2,766	-235	-3,001
EBITDA		**2,037**	**907**	**483**	**-562**	**2,865**	**-233**	**2,632**
Depreciation, amortization and impairments (DA&I)		-163	-55	-9	-965	-1,192	-48	-1,240
Operating result		**1,874**	**852**	**474**	**-1,528**	**1,673**	**-281**	**1,392**
Share of profit or loss of associates and joint ventures	[12]	-	1	-	-	1	-15	-14
EBITDA		2,037	907	483	-562	2,865	-233	2,632
DA&I right-of-use assets	[19]	-16	-4	-1	-72	-94	-36	-130
Interest lease liabilities	[19]	-2	-	-	-16	-18	-4	-23
EBITDA after leases		**2,019**	**903**	**481**	**-650**	**2,753**	**-273**	**2,479**
Total assets[3]		2,445	1,187	602	7,773	12,007	540	12,547
Total liabilities		493	362	111	6,504	7,471	1,543	9,014

1 Including eliminations.
2 External revenues mainly concerns rendering of services, see Note 4.
3 Total assets in the segment Other includes the carrying value of Glaspoort (€544m, see Note 12) and the deferred consideration related to Glaspoort (€155m, see Note 13.1).

Notes to the consolidated statement of profit or loss

[4] Revenues and Other income

[4.1] Revenues

€ million	2025	2024
Service revenues	5,357	5,215
Non-service revenues	339	356
Revenues from contracts with customers	**5,696**	**5,571**
Rentals and other revenues	101	32
Revenues	**5,797**	**5,603**

Service revenues are all revenues recognized over time and include fees for usage of KPN's network and facilities, e.g. monthly subscription fees and revenues from customer-specific IT solutions.

Non-service revenues are revenues recognized at a specific point in time and include, for example, sales of handsets and peripheral equipment as well as software licenses sold separately without significant installation or integration with other services.

Rentals and other revenues include royalties related to intellectual property rights (IPR) and site-sharing revenues. The revenue increase in 2025 mainly relates to the settlement of two IPR claims with telecoms vendors in 2025, and to the increase of site-sharing revenues due to the acquisition of Althio.

The application of KPN's accounting policies on revenue recognition, including relevant judgements, and information about KPN's performance obligations are summarized below:

Service revenues

- Network access is considered a separate performance obligation. Revenue is recognized over time during the subscription period. Content, e.g. TV channels and streaming services, is generally bundled with network access and revenue is recognized on a gross basis.
- Revenues for streaming services which are contracted with customers additionally are recognized on a net basis when KPN acts as an agent.
- One-off connection fees are not considerations for separate performance obligations as they are considered to be necessary to get network access. The fees charged to customers are recognized as a contract liability and bundled with the performance obligation for network access.
- Transaction-related dealer fees paid to acquire or retain subscribers are capitalized as contract costs and expensed on a straight-line basis over the contract term of the underlying customer contract.
- Installation services offered to consumers are generally considered a separate performance obligation, as these services have standalone value for the customers. Installation services that are treated as a separate performance obligation include installation of customer premises equipment (CPE), e.g. set-top boxes, setting up in-home WiFi, and installation of customers' own devices. Revenue from installation services is recognized as revenue at a point in time (at completion of the installation).
- A contract asset is recognized if the amount of revenue recognized is higher than the amount charged to the customer and the right to payment of the consideration by the customer is conditional. CPE that is considered part of KPN's network is capitalized as part of property, plant and equipment as KPN retains ownership and control over the economic benefits, and is not considered a separate performance obligation nor an identified asset in terms of IFRS 16: Leases.
- Transition and transformation projects for implementing new services to large business customers (for example workspace management services) are considered separate performance obligations if the customer can benefit from the project deliverables on their own and the project deliverables are separately identifiable from other goods or services promised in the contract. An example is the set-up of a new ICT environment with improved functionality for the customer that is separable from the recurring ICT services (no significant integration with KPN systems and transferable to another service provider). If the project deliverables are not sold standalone, the transaction price is allocated to both the project deliverables and the recurring services on the basis of costs plus the overall contract margin. This allocation method results in a contract asset (or liability) if the revenue allocated to the project is higher (or lower) than the one-off project fee invoiced to and paid by the customer. Project revenue is recognized over time during the project phase, using the percentage of completion method. After completion of the project, the contract asset or liability is amortized over the remaining minimum contract period of the recurring services, in principle on a linear basis.
  The project is not considered a separate performance obligation if it has no independent value for the customer and is not separable from the recurring services.
- Sale of peripheral equipment and/or software licenses with significant installation services or integration with other services delivered by KPN, is not considered a separate performance obligation and is recognized as service revenue in the project phase.
- Revenue for licenses combined with ongoing support and/or integrated with recurring workspace services is recognized over time.
- The Wholesale segment bills customers at (regulated) rates that may be disputed by other operators and regulators. KPN only recognizes revenue to the extent that it is highly probable that a subsequent significant reversal will not occur. A liability is recognized if the invoiced revenue is not considered highly probable.

Non-service revenues

- New subscriptions for telecoms services may be bundled with the sale and delivery of peripheral equipment. The peripheral equipment is considered a separate performance obligation and is recognized as revenue at a point in time (upon delivery of the equipment). The total transaction price of the bundled contract is allocated to the peripheral equipment and the subscription, based on their relative standalone selling prices. A contract asset is recognized if the amount of revenue allocated to the peripheral equipment is higher than the amount charged to customers upfront if the payment to be received for the peripheral equipment is conditional on the delivery of telecoms services, whereas a financial receivable is recognized if the payment to be received is unconditional.
- The handsets sold and delivered by third parties, related to KPN subscription contracts, do not qualify as performance obligations for KPN. Handset-related dealer fees result in an unbilled receivable in the statement of financial position, which is decreased when handset installments are billed to end-customers.

Time value and other information

In 2024 and 2025, the financing component was not significant and therefore not recorded.

Generally, the payment term is between 5 days and 30 days.

In 2025, no revenue was recognized from variable considerations related to performance obligations satisfied (or partially satisfied) in previous years (2024: €1m).

KPN applies the practical expedients provided in IFRS 15 under which disclosure of amounts of consideration allocated to the remaining performance obligations (unsatisfied or partially satisfied) do not need to be disclosed. This applies to contracts with an original expected duration of less than one year or when KPN bills a fixed amount for network services provided. KPN recognizes revenue from network services in the amount to which KPN has a right to invoice customers and this amount corresponds directly with the value of KPN's performance completed to date.

Revenues, disaggregated per segment, including interdivision revenues

Some non-material restatements of the disaggregation of the revenues 2024 per segment have taken place for reasons of transparency and clarity. Within B2B, SME service revenues now include the mid-market segment consisting of companies with 150 to 650 FTEs, which was previously accounted for in divisions LCE and Tailored Solutions. €13m service revenues LCE and €7m service revenues Tailored Solutions have been restated to service revenues SME in 2024.

€ million	2025	2024 (restated)
Fixed-mobile service revenues	1,759	1,675
Fixed-only service revenues	700	731
Postpaid-only service revenues	305	293
Legacy/other service revenues	53	62
Consumer service revenues	**2,817**	**2,761**
Non-service revenues[1]	256	274
Total Consumer revenues	**3,072**	**3,035**
Access & connectivity[2]	657	636
IT services[3]	110	92
SME service revenues	**767**	**729**
Access & connectivity[2]	524	512
IT services & other[3]	237	243
LCE service revenues	**761**	**755**
Tailored Solutions service revenues	**327**	**306**
Business service revenues	**1,854**	**1,790**
Non-service & other revenues[1]	93	91
Total Business revenues	**1,947**	**1,880**
Mobile service revenues	173	156
Broadband service revenues	318	316
Other service revenues[4]	184	180
Wholesale service revenues	**676**	**653**
Non-service revenues	5	3
Total Wholesale revenues	**680**	**656**
NOI	**50**	**30**
Other (incl. eliminations)[5]	**46**	**2**
Total	**5,797**	**5,603**

1 Non-service revenues include the sale of handsets and peripheral equipment and in the Business segment also the sale of software licenses.
2 Revenues from services include mobile, broadband & networking, fixed voice and internet of things.
3 IT services include cloud & workspace and cybersecurity.
4 Revenues from services include: interconnect traffic, visitor roaming, digital products (messaging, content delivery), NL-ix interconnect exchange.
5 Other includes €45m royalty revenues related to IPR settlements with two telecoms vendors in 2025.

Accounting policy: revenues

The core principle is that revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which KPN expects to be entitled in exchange for those goods or services. Revenue is recognized when it is probable that the economic benefits associated with a transaction will flow to KPN and the amount of revenue and associated costs can be measured reliably.

KPN follows IFRS 15's five-step process to recognize revenue. After a contract with a customer has been entered into, the separate performance obligations are identified, which are the distinct goods and services promised to the customer (the customer can benefit from the goods or services either on their own or together with other resources that are readily available to the customer, and the transfer of goods or services to the customer is separately identifiable from other promises in the contract). Next, the transaction price is determined and allocated to the separate performance obligations, based on relative standalone selling prices (based on our price lists if the goods or services are sold separately). The final step is to recognize revenue when a performance obligation is satisfied. Revenue is recognized either at a point in time or over time. In general, telecoms and IT services are delivered over time, whereas handsets and peripheral and network equipment, if considered as separate performance obligations, are delivered at a point in time.

Revenue for variable considerations, including revenue under dispute, is recognized only when the revenue is considered highly probable, which in some cases requires significant judgment. An adjustment for the time value of money is made to a transaction price for the effects of financing if the time between recognition of revenue and cash receipt is expected to exceed 12 months and this provides the customer or KPN with a significant benefit.

For services or goods delivered by subcontractors, KPN determines whether its performance obligation is to provide the specified goods or services itself (KPN acts as a principal) or to arrange for another party to provide those goods or services (KPN acts as an agent), based on the agreed terms and conditions with the customer and the sub-contractor as well as the nature of the goods and services promised to the customer. When KPN acts as an agent, the revenue recognized is not the gross amount but the net amount that KPN is entitled to retain for its services as the agent.

[4.2] Other income

€ million	2025	2024
Other income	32	31

Other income mainly relates to €31m book gains (2024: €30m) realized on the sale of various tangible and intangible (legacy) assets.

Accounting policy: other income

Other income includes net gains on the sale of tangible or intangible assets, net gains on the sale of subsidiaries, and other gains not related to KPN's ordinary operating activities.

[5] Personnel expenses

€ million	2025	2024
Salaries and wages	827	791
Retirement benefits	94	87
Social security contributions	112	109
Share-based payments[1]	13	11
Additional labor capacity	32	33
Own work capitalized	-242	-226
Other (including e.g. training, travel)	40	44
Total personnel expenses	**876**	**849**

1 See the Share Plans paragraph below for details. Included in this amount are the expenses in 2025 related to equity-settled awards which amount to €6m (2024: €4m).

Employee termination benefits of €37m (2024: €28m) are not included in personnel expenses but in other operating expenses (see Note 6, as part of restructuring personnel).

Number of own personnel (FTEs) per segment[1]	31 December 2025	31 December 2024
Consumer	2,693	2,931
Business	2,740	2,811
Wholesale	202	210
NOI	2,628	2,772
Other	873	939
Total FTEs	**9,136**[2]	**9,664**[3]
> Of which discontinued operations	0	0

1 All employees were employed in the Netherlands.
2 In 2025, KPN's CLA increased the standard work week from 37 to 40 hours, resulting in a lower calculated number of FTEs.
3 If recalculated against the work week of 40 hours, the number of FTEs would have been 9,367 in 2024.

Share plans

KPN has granted conditional share awards (equity-settled) to the members of the Board of Management, and conditional share-based awards (cash-settled) based on KPN shares to members of senior management. Vesting of these shares and awards is subject to performance conditions over a three-year vesting period. Further information on the conditions of the conditional share awards for members of the Board of Management can be found under "Long-term incentives" in the "Remuneration report".

The targets for the LTI plan are set as follows:

- 70% financial targets, of which 45% (20% as of the 2024 plan) on cumulative free cash flow over the plan period, 25% (30% as of the 2024 plan) on relative total shareholder return (TSR) measured against the STOXX Europe 600 Telecommunications index, and 20% (as of the 2024 plan) on return on capital employed;
- 30% non-financial targets, determined at the start of a new plan from the following categories: (i) sustainability; (ii) reputation; (iii) social; (iv) key business projects; and (v) market share.

The main features of the awards granted to KPN management are summarized in the following table.

	Board of Management	Senior management	Settlement type[1]	Vesting period	Holding period after vesting of/ until	Maximum term
2021	X		Equity[2]	3 years	3 years	6 years
		X	Cash	3 years	–	3 years
2022	X		Equity[2]	3 years	3 years	6 years
		X	Cash	3 years	–	3 years
2023	X		Equity[2]	3 years	3 years	6 years
		X	Cash	3 years	–	3 years
2024	X		Equity[2]	3 years	3 years	6 years
		X	Cash	3 years	–	3 years
2025	X		Equity[2]	3 years	3 years	6 years
		X	Cash	3 years	–	3 years

1 The cash-settled share awards will be settled in cash and no holding restrictions apply. An exception to the holding period for equity-settled plans is made with respect to shares that were sold upon vesting to cover the tax obligation on the vested shares. After vesting, the holder is able to sell a number of unconditional granted shares only up to the amount necessary to settle the wage tax liability relating to the profit made on the stock compensation plan. Wage tax in the Netherlands is generally around 50% of the total vested amount.
2 Including deferred dividend.

The related liability (for cash-settled shares) on 31 December 2025 was €10m (31 December 2024: €9m). This liability is included in other payables. For the 2022 equity share plan and share-based awards, the service conditions were met in 2025. The total intrinsic value at vesting was €10m (2024: €15m).

The following table presents the number of shares and share-based awards in thousands under the share plans.

	Total 31 Dec 2023	Granted/ additional vesting[1]	Exercised/ vested	Forfeited	Total 31 Dec 2024	Granted/ additional vesting[2]	Exercised/ vested[3]	Forfeited	Total 31 Dec 2025[4]	-of which: non-vested
2021 Share-based awards sr. man.	1,695	848	-2,543	-	-	-	-	-	-	-
2021 Shares BoM	1,357	679	-2,036	-	-	-	-	-	-	-
2022 Share-based awards sr. man.	1,633	-	-	-	1,633	91	-1,724	-	-	-
2022 Shares BoM	1,002	-	-	-	1,002	56	-1,058	-	-	-
2023 Share-based awards sr. man.	1,790	58	-	-	1,848	-	-	-	1,848	1,848
2023 Shares BoM	1,187	-	-	-	1,187	-	-	-	1,187	1,187
2024 Share-based awards sr. man.	-	1,892	-	-	1,892	22	-	-	1,914	1,914
2024 Shares BoM	-	1,243	-	-	1,243		-	-	1,243	1,243
2025 Share-based awards sr. man.	-	-	-	-	-	1,903	-	-	1,903	1,903
2025 Shares BoM	-	-	-	-	-	1,167	-	-	1,167	1,167

1 On the basis of a 100% grant. The equity-settled share numbers do not include any deferred dividend during the vesting period. The deferred dividend during the vesting period will be granted in additional shares.
2 At grant date, the fair value of awards subject to relative TSR is calculated using a Monte Carlo simulation model. The fair value of awards subject to other targets is determined based on the share price at the grant date adjusted for expected dividends (only cash-settled awards). In April 2025 the weighted average fair value was €3.52 (2024 grant: €2.90) for the 2025 share-based award (cash-settled) and €3.86 (2024 grant: €3.23) for the 2025 equity-settled share grant for the Board of Management. The share price is not adjusted for expected dividends when determining the fair value of the equity-settled awards since the Board of Management is entitled to deferred dividends during the vesting period.
3 At the end of 2025, KPN held the 13th position (TSR) with respect to the 2023 share grant and at the end of 2024, KPN held the 3rd position with respect to the 2022 share grant. This position and the outcomes of the other targets will lead to 90% vesting in April 2026 of the 2023 share grant. Final TSR measurement for the 2022 share grant was conducted in February 2025 and resulted in 106% vesting in April 2025.
4 The fair value of each cash-settled share-based award was measured on 31 December 2025 using recent strategic plans, forecasts and a Monte Carlo simulation model, based on the most recent available share price of KPN and its performance compared with peer companies at the moment of valuation (i.e. closing share prices as at 31 December 2025). The TSR-related fair value on 31 December 2025 was €3.35 (2024: €2.43) for the 2023 share-based award, €2.77 (2024: €2.40) for the 2024 share-based award and €2.95 for the 2025 share-based award.

The fair value of each award at the grant date is determined using the following assumptions:

Assumptions	2025 LTI	2024 LTI
Risk-free interest rate based on euro government bonds for remaining time to maturity of 2.7 years	1.8%	3.0%
Expected dividend for KPN (based on one year's historical daily data preceding the date of award)	4.7%	4.5%
Expected volatility (PSP grant based on 2.7 years' historical daily data) used for TSR	13.7%	14.5%
Share price at date of award (closing at grant date)	€4,05	€3,38

Actual remuneration of the Board of Management

See the "Remuneration report" for the executive pay policy and for the number of shares under the share plans per individual board member. At KPN, key management consists of the members of the Board of Management and the Supervisory Board.

See the "Insider transactions" section for stock ownership of members of the Board of Management and Supervisory Board.

Supervisory Board and key management totals

See the "Remuneration report" for the actual fees received by each member of the Supervisory Board. The following table presents key management remuneration in euros.

	2025	2024
Short-term employee benefits Board of Management (BoM)	7,134,601	6,407,346
Post-employment benefits BoM	836,060	820,182
Share-based payments BoM	3,902,263	3,442,539
Total remuneration BoM	11,872,924	10,670,066
Supervisory Board	743,847	725,347
Total remuneration key management	12,616,771	11,395,413

No loans, advance payments, or guarantees were provided to members of the Board of Management or the Supervisory Board.

Accounting policy: share-based compensation

For equity-settled plans, the fair value of shares granted to employees is measured at grant date. For cash-settled plans, the fair value of the liability for the awards granted is remeasured at each reporting date and at settlement date. The fair value measured for the awards made under the plans includes the impact of market conditions.

The costs of share-based compensation plans are determined based on the fair value of the shares and the number of shares expected to vest. On each balance date, KPN determines whether it is necessary to revise the expectation of the number of shares that will vest. The fair value is recognized as personnel expense in profit or loss over the vesting period of the shares against an increase in equity in the case of equity-settled share-based compensation plans and against the recognition of a liability in the case of cash-settled share-based compensation plans.

[6] Operating expenses

Operating expenses are divided into:

- Direct costs: costs of goods & services;
- Indirect costs: information technology / technical infrastructure (IT/TI), personnel expenses, other operating expenses and depreciation, amortization & impairments (DA&I).

See Note 5 for the disclosure of personnel expenses and Notes 10, 11 and 19 for DA&I.

Cost of goods & services

€ million	2025	2024
Cost of goods sold	389	397
Cost of services	804	754
Subscriber acquisition & retention costs	158	146
Traffic expenses	155	131
Cost of goods & services	**1,506**	**1,428**

Cost of services in 2025 includes costs related to the settlement of two IPR claims with telecom vendors (€19m).

Other operating expenses

€ million	2025	2024
Marketing & communication	120	122
Billing & collection	5	25
Housing & facilities	143	155
Other fixed costs	88	82
Addition to restructuring provision	37	28
Other operating expenses	**392**	**412**

Auditor’s fees

The fees recognized as expenses in the 2025 financial year relate to the services provided to KPN and its consolidated group entities by PricewaterhouseCoopers Accountants N.V. and other members of the PwC network.

The fees recognized as expenses in the 2024 financial year relate to the services provided to KPN and its consolidated group entities by EY Accountants B.V., as well as by other Dutch and foreign-based EY individual partnerships and legal entities.

	2025		2024	
€ million	PwC Netherlands	Other PwC network	EY Netherlands	Other EY network
Financial statements audit fees	4.2	-	4.3	-
Audit of annual statutory financial statements of subsidiaries	0.3	0.1	-	0.1
Other assurance fees	1.2	-	1.6	-
Tax advisory services	-	-	-	-
Other non-audit services	-	-	-	-
Total auditor's fees	**5.7**	**0.2**	**5.9**	**0.1**

The auditor's fees include the fees for professional services rendered for the audit of KPN’s annual financial statements and the fees for the audit of annual statutory financial statements of subsidiaries or for services that are normally provided by the auditor in connection with the audits. The audit fees are the total fees for the examination of the financial statements for the reporting period to which the financial statements relate, irrespective of whether the work of the auditor was performed during that reporting period.

Other assurance fees include the fees for the assurance on KPN's sustainability statement and the fees incurred for assurance and related services that are reasonably related to the performance of the audit or review of KPN’s financial statements, such as revenue and IT-related assurance services and regulatory-related assurance services.

Accounting policy: operating expenses

Costs of goods and services are costs incurred in the context of a sales transaction and include subscriber acquisition and retention costs and traffic expenses. These costs are expensed as incurred, except handset fees paid to dealers and transaction-related dealer commissions that are capitalized and amortized over the contract term. The cost of a handset is expensed when the handset is sold (as incurred), both as an individual sale or as a component of a transaction in combination with a subscription.

Information technology (IT) expenses relate to KPN’s IT environment and include licenses and maintenance expenses for software and/or IT hardware when not directly related to a sales transaction. Technical infrastructure (TI) expenses are expenses related to KPN’s fixed and mobile networks. Personnel expenses are all expenses related to KPN’s workforce, both related to own employees and external personnel from employment agencies.

See Notes 10, 11 and 19 for the accounting policy regarding depreciation, amortization and impairments.

[7] Financial income and expenses

€ million	Notes	2025	2024
Finance income		**14**	**41**
Interest on borrowings		-230	-245
Interest expense lease liability	[19]	-20	-23
Interest on other provisions		-1	-1
Other interest expenses		-17	-9
Finance costs		**-267**	**-279**
Hedge ineffectiveness		-8	-7
Amortization of discontinued or restructured cash flow hedges		-13	-12
Amortization of discontinued fair value hedges		9	18
Derivative financial instruments not qualified for hedge accounting	[13.3]	-	-7
Exchange rate differences		-10	12
Fair value change on contingent cash receivable Glaspoort	[13.1]	-2	-
Bond tender premiums and swap unwind	[13.2]	-14	-60
Other		5	1
Other financial results		**-34**	**-55**
Total		**-287**	**-293**

Total net financial results improved by €5m to a net cost of €287m.

Finance income decreased by €27m to €14m compared with 2024, mainly due to lower average cash balances and lower yields on cash.

Finance costs decreased by €12m to €267m, which was mainly related to lower interest on borrowings of €230m (2024: €245m) including a non-cash amount of €6m (2024: €5m) relating to debt issuance costs including premiums and/or discounts, which are amortized over the life of the respective bonds using the effective interest rate method. Other interest expenses increased by € 8m mainly due to interest cost on Althio's term loan.

Other financial results improved by €21m to a net cost of €34m (2024: €55m net cost) which is mainly the result of €14m charges related to the termination of hedge accounting on unwound swaps compared to €60m charges in 2024 related to a bond tender and €10m loss due to exchange rate differences compared to a gain of €12m in 2024.

[8] Taxation

Netherlands

The book loss recognized as a result of the sale of E-Plus in 2014 was used to offset KPN's taxable income in the Netherlands in 2014 up to and including 2025, and will be used to offset a part of KPN's taxable income in the Netherlands in the year hereafter.

KPN applies a temporary mandatory relief from deferred tax accounting for the impacts of the new legislation to implement the global minimum tax rate (Pillar Two) and will account for it as a current tax (if any). Based on the transitional safe harbor rules, and the most recent information available regarding the financial performance of the entities in scope, KPN's effective tax rate is above 15% in the Netherlands and has limited substance in all other jurisdictions in which it operates (de minimis test or an immaterial exposure). KPN currently estimates that it is not subject to material Pillar Two "top-up" taxes in 2025. Management does not expect that this estimate might change significantly. See "Tax governance" section.

KPN has an agreement with the Dutch tax authorities with respect to the application of the Dutch innovation box tax regime. This is a facility under Dutch corporate income tax law whereby profits attributable to innovation are taxed at an effective rate of 9.0% (2024: 9.0%). The application of the innovation box resulted in a benefit of €32m in 2025 (2024: €31m).

See Note 21 for the impact of the acquisitions and disposals of subsidiaries and business units.

Income tax expense

€ million	2025	2024
Current tax	-159	-149
Deferred taxes	-58	-89
Income tax (charge)/benefit from continuing operations	**-217**	**-238**

The reconciliation from the Dutch statutory tax rate of 25.8% (2024: 25.8%) to the effective tax rate (ETR) of 20.0% (2024: 21.7%) is explained in the following table:

	2025		2024	
	€ million	ETR	€ million	ETR
Profit before income tax from continuing operations excluding associates and joint ventures	**1,082**		**1,100**	
Taxes at Dutch statutory tax rates	-279	25.8%	-284	25.8%
Non-taxable income, non-deductible expenses	-4	0.4%	-4	0.4%
Participation exemption on the sale of subsidiaries	-3	0.3%	-	0.0%
Innovation tax facilities current year	32	-3.0%	31	-2.8%
Deferred tax related to current year	24[1]	-2.2%	3	-0.3%
Tax benefit perpetual hybrid bonds	14	-1.3%	12	-1.1%
Other	-1	0.1%	3	-0.3%
Income tax benefit/(charge) from continuing operations	**-217**	**20.0%**	**-238**	**21.7%**

1 Includes the recognition of deferred taxes related to limitations on depreciation on real estate.

Deferred tax positions

Deferred tax assets

€ million	Tax loss & other carry-forwards[1]	Bonds & hedges[2]	Land, Buildings, Property, plant and equipment[3]	Lease liabilities[4]	Other	Offset against deferred tax liabilities	Total
Balance at 31 December 2023	**259**	**40**	**84**	**218**	**29**	**-520**	**111**
Income statement benefit/(charge)	-	-5	-26	-17	2	-	-47
Transfer to current tax	-74	-	-	-	-	-	-74
Tax charged to OCI	-	-6	-	-	-	-	-6
Other	-	-	-	-	-1	17	16
Balance at 31 December 2024	**185**	**30**	**58**	**201**	**29**	**-503**	**-**
Income statement benefit/(charge)	-	-	2	-28	1	-	-25
Transfer to current tax	-82	-	-	-	-	-	-82
Tax charged to OCI	-	-17	-	-	-	-	-17
New consolidations[5]	-	-	-10	1	5	-	-4
Other	-	-	-	-	-2	130	128
Balance at 31 December 2025	**103[6]**	**13**	**51[7]**	**174**	**33**	**-373**	**-**

1 Net offsettable losses expected to be recovered within the foreseeable future. KPN has a history of recent profits.
2 Amounts relate to capitalized costs for tax purposes, derivative positions adjusted for tax purposes and unrealized FX results included in the hedge reserve.
3 Amounts relate to assets depreciated over 5 years for tax purposes and less than 5 years for book purposes and arbitrary depreciation.
4 For leases, KPN separately recognizes both deferred tax assets and deferred tax liabilities, based on the underlying temporary difference.
5 Relates to the Althio transaction.
6 Of which €103m to be recovered within 12 months; recoverability depending on future taxable results. Based on current projections, KPN expects to fully utilize its losses within the foreseeable future.
7 In 2025 a deferred tax asset is recorded for an amount of €20m related to restricted deprecation on real estate.

Deferred tax liabilities

€ million	Software development[1]	Goodwill depreciation[2]	PPA[3]	PPE: arbitrary depreciation	Right of use assets[4]	Other[5]	Offset against deferred tax assets	Total
Balance at 31 December 2023	**77**	**117**	**27**	**111**	**187**	**1**	**-520**	**-**
Income statement charge/(benefit)	6	-	-9	-15	-15	-	-	-32
Other	-	-	25	-	-	-	17	42
Balance at 31 December 2024	**83**	**117**	**43**	**96**	**172**	**1**	**-503**	**10**
Income statement charge/(benefit)	-4	-	-11	-18	-18	1	-	-49
New consolidations[6]	-	-	41	-	2	-	-	43
Other	-	-	-	-	-	-	130	130
Balance at 31 December 2025	**79**	**117**	**73**	**78**	**157**	**3**	**-373**	**134**

1 Amounts relate to capitalized software costs which are taken as expenses for tax purposes.
2 Amounts relate to acquired goodwill depreciated for tax purposes (not for book purposes).
3 See Note 21 for the impact of the acquisitions.
4 For leases, KPN separately recognizes both deferred tax assets and deferred tax liabilities, based on the underlying temporary difference.
5 In 2025, €1m (2024: €0m) DTL is recognized for taxable outside base differences. No deferred tax liability on taxable outside bases has been recognized for an amount of €122m (2024: €123m) as the probability of a future taxable result is controlled by KPN and not expected to take place in the foreseeable future.
6 Relates to the Althio transaction.

Tax loss carry-forward

	31 December 2025			31 December 2024		
€ million	Tax loss carry-forward	Maximum deferred tax asset	Recognized deferred tax asset	Tax loss carry-forward	Maximum deferred tax asset	Recognized deferred tax asset
Koninklijke KPN – corporate tax[1]	400	103	103	719	185	185
Other	100[2]	21	-	113[2]	24	-
Total KPN Group[3]	**499**	**124**	**103**	**832**	**209**	**185**

1 Available losses for the fiscal unity (including pre-acquisition losses). The offset of realized losses against future profits is unlimited.
2 Losses relating to foreign jurisdictions that are not expected to materialize in the foreseeable future.
3 No DTA is recognized for a tax amount of €3m in withholding tax credits as it is not probable that future tax payables will be available to use these credits based on current legislation and jurisprudence.

Expiration of the available tax loss carry-forwards and recognized tax assets

	31 December 2025			31 December 2024		
€ million	Tax loss carry-forward	Maximum deferred tax asset	Recognized deferred tax asset	Tax loss carry-forward	Maximum deferred tax asset	Recognized deferred tax asset
2026	2	-	-	4	1	-
2027	-	-	-	-	-	-
2028	7	1	-	8	2	-
2029	8	2	-	-	-	-
Later	37	8	-	51	11	-
Unlimited	445	113	103	769	196	185
Total	**499**	**124**	**103**	**832**	**209**	**185**

Accounting policy: taxation

Current income tax

The current income tax expense is calculated in accordance with the prevailing tax regulations and rates, taking into account non-taxable income and non-deductible expenses. The current income tax expense reflects the amount for the current reporting period that KPN expects to recover from or pay to the tax authorities. Income tax related to items

recognized directly in equity/OCI is recorded in equity/OCI and not in profit or loss, with the exception of perpetual hybrid bonds classified as equity.

Deferred income tax

Deferred income tax positions are recognized for temporary differences between the tax basis of assets and liabilities and their carrying values. Deferred tax assets (DTAs) are recognized for deductible temporary differences, the carry-forward of unused tax credits, and any unused tax losses. DTAs are recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be used. Both recognized and unrecognized DTAs are reassessed on each reporting date based on available projections. If future taxable profits are insufficiently available, derecognition may become inevitable, unless certain exceptions can be applied. DTAs are recorded for deductible temporary differences associated with investments in subsidiaries and associates. They are recorded only to the extent that it is probable that the temporary differences will reverse in the foreseeable future, and taxable profit will be available against which the temporary differences can be used.

Deferred tax liabilities (DTLs) are recognized for all taxable temporary differences except when they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the profit or loss reported in the statement of profit or loss nor the taxable profit or loss. Also, no DTLs are recorded for taxable temporary differences associated with investments in subsidiaries and associates when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax positions are stated at nominal value and are measured at the corporate income tax rates KPN expects to be applicable in the year when the asset is realized or the liability is settled based on enacted or substantially enacted tax laws.

DTAs and DTLs are netted if there is a legally enforceable right to offset current tax assets against current tax liabilities and the DTAs/DTLs relate to income taxes levied by the same taxation authority on the same taxable entity or if, in the case of different taxable entities, there is an intention either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Uncertain tax positions

KPN's management periodically evaluates positions taken in the tax returns against situations in which uncertainty on a tax position exists over whether the relevant taxation authority will accept the tax treatment under law. In line with IFRIC 23, these uncertain tax positions (UTP) are recognized when it is concluded that it is not probable that the taxation authority will accept an uncertain tax treatment. When these criteria are not met, these positions are classified as contingent liabilities, unless the outflow of economic resources is considered remote.

[9] Earnings per share

The following table shows the income and shares data used in the calculations of basic and diluted EPS.

€ million	2025	2024
Profit for the year from continuing operations	855	847
Profit for the year from discontinued operations	-	-
Profit for the year	**855**	**848**
Profit attributable to non-controlling interests	-	-
Deduction for perpetual capital securities[1]	-55	-50
Adjusted profit (loss) attributable to ordinary shareholders of the company	**800**	**798**
Weighted average number of subscribed ordinary shares	**3,847,674,749**	**3,897,111,038**
Dilution effects: non-vested shares	3,492,618	3,345,533
Weighted average number of subscribed ordinary shares including dilution effects	**3,851,167,366**	**3,900,456,571**

1 Dividend on perpetual capital is deducted from the Group profit attributable to KPN shareholders because this capital is classified as equity. As a result, the related payments are treated as dividends and are not part of the profit attributable to KPN shareholders.

Earnings per ordinary share after taxes attributable to equity holders of the company for the year:

€	2025	2024
Basic (continuing operations)	0.21	0.20
Diluted (continuing operations)	0.21	0.20
Basic (discontinued operations)	-	-
Diluted (discontinued operations)	-	-
Basic (total, including discontinued operations)	0.21	0.20
Diluted (total, including discontinued operations)	0.21	0.20

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Non-vested shares are regarded to have potential dilutive effects on the ordinary shares.

The total basic earnings per share include €0.06 (2024: €0.06) in tax expenses.

Notes to the consolidated statement of financial position

[10] Property, plant and equipment

Statement of changes in property, plant and equipment

€ million	Land and buildings	Plant and equipment	Other tangible non-current assets	Assets under construction	Total
Balance at 1 January 2024	**361**	**5,312**	**24**	**247**	**5,943**
Investments	5	4	1	996	1,007
Transfers from AuC to other PPE	46	1,044	8	-1,098	-
Depreciation	-40	-675	-10	-	-725
Impairments and retirements	-2	-6	-	-2	-10
Changes in consolidation[1]	3	20	-	-	23
Other	-2	-18	-	-	-20
Closing net book value	**371**	**5,681**	**23**	**144**	**6,219**
Cost	1,572	9,746	52	144	11,514
Accumulated depreciation/impairments	-1,202	-4,065	-29	-	-5,295
Balance at 31 December 2024	**371**	**5,681**	**23**	**144**	**6,219**
Investments	9	6	2	1,019	1,037
Transfers from AuC to other PPE	58	908	9	-974	-
Depreciation	-55	-711	-11	-	-777
Impairments and retirements	-3	-13	-	-1	-17
Changes in consolidation[2]	116	-	1	-2	114
Other	2	1	-	-6	-4
Closing net book value	**497**	**5,872**	**24**	**179**	**6,571**
Cost	1,710	10,283	56	179	12,228
Accumulated depreciation/impairments	-1,213	-4,411	-32	-	-5,656
Balance at 31 December 2025	**497**	**5,872**	**24**	**179**	**6,571**

1 Changes in consolidation in 2024 mainly relate to the acquisitions of subsidiaries and assets that do not constitute a business, such as the fiber networks of Coöperatie Glasvezel Noord (€ 8m) and Glasvezel Netwerkbedrijf Lochem (€ 8m); see also Note 21.
2 Changes in consolidation in 2025 mainly relate to the acquisition of Althio; see also Note 21.

Estimated useful lives of the principal PPE categories

PPE category	Depreciation period
Land	No depreciation
Buildings	14-33 years
Network equipment	3-7 years
Fiber network infrastructure	30 years
Copper network infrastructure	5-10 years
Office equipment	4-10 years

The assets' residual values and useful lives are reviewed at least annually and adjusted if appropriate.

In early 2020, KPN announced its plans to phase out its copper network in early 2023. This applied to existing addresses where fiber service delivery has been available since early 2020, as well as to addresses included in fiber rollout projects that had already been announced and were under construction at that time. Together with the current fiber rollout, these overlay addresses receive an announcement that copper will be phased out after three years. The depreciation of this part of the copper network was accelerated for an additional amount of €2m in 2025 (2024: €2m).

Accounting policy: PPE

PPE are valued at cost less depreciation and impairment. The cost includes direct costs (materials, direct labor and work contracted out) and directly attributable overhead costs.

Asset retirement obligations are capitalized as part of the cost of tangible fixed assets and expensed as either depreciation over the assets' estimated useful life or as impairment charges.

Impairments of PPE are reversed if and to the extent that the reasons for previously recognized impairment losses no longer exist. The recoverable amount is defined as the higher of an asset's fair value less costs of disposal and its value-in-use.

PPE are depreciated using the straight-line method, based on estimated useful life, taking into account residual value. Land is not depreciated. PPE are reviewed for impairment whenever events or changes in circumstances indicate that the book value of the assets concerned may not be recoverable. An impairment loss is recognized for the amount by which the assets' book value exceeds their recoverable amount.

Interest is capitalized as an increase in PPE if the construction of assets takes a substantial period of time and the amount is material.

[11] Intangible assets

Statement of changes in intangible assets with finite lives and goodwill

€ million	Goodwill	Customer relationships	Software acquired from third parties	Software internally generated	Software in development	Licenses	Other	Total
Balance at 1 January 2024	**1,451**	**103**	**61**	**300**	**59**	**832**	**4**	**2,809**
Investments	135	-	1	2	246	60	-	445
Transfers from SiD to Software in use	-	-	20	256	-276	-	-	-
Changes in consolidation[1]	-1	90	-	-	-	-	8	98
Amortization	-	-30	-23	-212	-	-102	-	-368
Impairments	-	-2	-	-5	-	-	-	-8
Reclassifications	-	-3	-19	21	-2	-	-	-2
Closing net book value	**1,585**	**158**	**39**	**361**	**28**	**791**	**11**	**2,974**
Cost	2,243	383	92	704	28	1,839	23	5,311
Accumulated amortization/ impairments	-657	-225	-53	-343	-	-1,048	-11	-2,336
Balance at 31 December 2024	**1,585**	**158**	**39**	**361**	**28**	**791**	**11**	**2,974**
Investments	97[2]	-	2	3	242	-	-	345
Transfers from SiD to Software in use	-	-	22	212	-234	-	-	-
Changes in consolidation[3]	-	153	-	-	-	-	-	153
Amortization	-	-36	-22	-230	-	-104	-1	-392
Impairments	-	-	-	-3	-1	-	-	-4
Reclassifications	-	5	-1	1	-1	-	-5	-
Closing net book value	**1,683**	**281**	**40**	**345**	**35**	**687**	**6**	**3,075**
Cost	2,340	506	103	737	35	1,839	7	5,566
Accumulated amortization/ impairments	-657	-225	-63	-393	-	-1,152	-1	-2,491
Balance at 31 December 2025	**1,683**	**281**	**40**	**345**	**35**	**687**	**6**	**3,075**

1 Changes in consolidation in 2024 mainly relate to the acquisition of Youfone customer base (€90m) and trade name (€7m).
2 Goodwill increase mainly relates to the acquisition of Althio (€95m).
3 Changes in consolidation in 2025 relate to the acquisition of Althio.

Goodwill per CGU

€ million	31 December 2025	31 December 2024
Consumer	924	888
Business	677	662
Wholesale	49	35
Althio	32	-
Total	**1,683**	**1,585**

Althio is not a separate segment but is part of the operating segment Networks, Operations & IT (NOI).

NOI is treated as a cost center as its primary responsibility is the operation of KPN's mobile and fixed networks and to provide IT services. For goodwill impairment testing purposes, opex, capex and capital employed of NOI, as well as a small amount of external revenues, are allocated to KPN's customer-facing segments.

The purpose of the Althio acquisition was to obtain higher flexibility over a substantial part of KPN's mobile infrastructure. The majority of Althio's revenue is internal to KPN. Since Althio also independently generates external revenues, goodwill is allocated to this level and monitored for internal management purposes. KPN concluded that Althio must be treated as a separate CGU, as far as Althio's external revenues and external customer base are concerned. An amount of €32m of the total amount of goodwill of €95m arising in the Althio acquisition (see Note 21) has been allocated to the Althio CGU. The remainder of the goodwill is allocated to the other CGUs based on the extent to which the CGUs are expected to benefit from the acquisition of Althio.

Goodwill impairment tests

In accordance with IAS 36, KPN assesses goodwill for impairment at the end of each year and when a triggering event occurs. The annual impairment tests at 31 December 2025 did not indicate that the book value of KPN's goodwill is not recoverable. KPN's market capitalization on 31 December 2025 was higher than the book value of its equity. A test was performed of the recoverable amount of the book value of each cash-generating unit (CGU), based on its value-in-use, which was determined by using the discounted cash flow method.

The key assumptions used to determine the value-in-use for the significant CGUs are as follows:

CGU	EBITDA margin	Capex intensity	Discount rate	Terminal sales growth[1]
Consumer 2025	51% – 54%	18% – 25%	6% – 7%	2.0%
Consumer 2024	52% – 54%	18% – 27%	6% – 7%	1.5%
Business 2025	31% – 33%	12% – 18%	6% – 7%	2.0%
Business 2024	32% – 37%	10% – 15%	6% – 7%	1.5%

1 Estimates after 10 years.

The EBITDA margins and capex intensity shown in the table above are the highest and lowest percentages used to determine the cash flows in the period up to 2035 and used to determine the terminal value. The wide variation in capex intensity is due to high levels of capex in the coming years related to the fiber rollout, which will be significantly lower after 2027. The discount rate shown in the table is the pre-tax weighted average cost of capital (WACC) used to determine the value-in-use.

The cash flow projections (including estimated EBITDA, capex, change in working capital) used to determine the value-in-use of each CGU are management's best estimate based on the updated strategic plan, which covers a five year period, followed by a five year extrapolation period and a terminal value for the years after 2035. During the extrapolation period, revenue growth is expected to develop linearly to the terminal growth rate used to calculate the terminal value and the EBITDA margin is kept stable. This forecast period is used because of the long investment cycles (in the telecommunications industry) and our investments planned. The focus is gradually shifting from laying the basic infrastructure, which will have a significantly smaller scale after 2027, to connecting and activating homes and offices, the effect of which will materialize after the five year planning period. Analyses of the forecasts and the actuals realized demonstrate that the forecasts were accurate in the past.

KPN has outlined a climate transition plan to address the impact of climate change and other sustainability topics on KPN's business model. For example, the demand for renewable energy exceeds supply, and energy storage technology is still developing. Limited power capacity and connections could lead to grid congestion, with the risk of disrupting KPN's networks and services through power outages. Climate change could 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 climate 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 includes capex in the short and long term to, for example, mitigate the impact of climate change.

The WACC is calculated using a multi-factor pricing model. Long-term, backward looking data, provided by an independent valuation services provider, is used to determine the equity risk premium (ERP) as input for the WACC calculation. This is based on a regular review of fluctuations in the eurozone's economic and financial market conditions, followed by periodic reassessment of the ERP. A size premium is included in the calculation of the WACC which is supported by empirical studies showing that smaller companies tend to have higher average rates of return compared with larger companies.

The terminal growth rate for the period after 10 years is updated consistently in line with realized growth and inflation expected in the long term and was 2.0% in 2025 and 1.5% in 2024 for both significant CGUs. To achieve this growth, additional capex is taken into account.

The annual impairment tests resulted in a positive headroom at 31 December 2025 and 31 December 2024.

The sensitivity analyses for both significant CGUs showed that a possible reasonable change in key assumptions would not lead to an impairment. This analysis was performed for each key assumption separately such as a 1% higher discount rate, a 20% higher capex, a 1% lower terminal growth rate or a 20% lower EBITDA. Furthemore, if the cash flow projections would be limited to the five year planning period, this would also not lead to a goodwill impairment for both significant CGUs.

Accounting policy: goodwill and intangibles with finite lives

The excess of the consideration transferred over the fair value of the identifiable net assets acquired in a business combination is recorded as goodwill. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the synergies of the business combination. Goodwill is carried at cost less accumulated impairment losses and tested for impairment annually or whenever there is an indication that goodwill may be impaired. Goodwill is impaired if the recoverable amount is lower than the book value. The recoverable amount is defined as the higher of the fair value less costs of disposal and the value-in-use of the CGU concerned. Impairment losses on goodwill are not reversed if circumstances that triggered the impairment have changed.

Licenses and software are valued at cost less amortization and impairment. Amortization is calculated using the straight-line method over the economic useful life and commences at the date that services can be offered (available for use). Internally developed and acquired software which is not an integral part of PPE is capitalized on the basis of the costs incurred, which includes direct costs and directly attributable overhead costs incurred. Other intangible assets, such as customer relationships and trade names acquired in business combinations, are capitalized at their fair values at acquisition date and are amortized using the straight-line method over the economic useful life.

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the book value of the asset may not be recoverable. An impairment loss is recognized for the amount by which the book value of the intangible assets exceeds its recoverable amount. Impairments are reversed if and to the extent that the impairment no longer exists. Intangible assets not yet available for use are tested for impairment annually or whenever KPN has an indication that the intangible fixed assets may be impaired. For example, licenses are tested as part of a CGU as licenses do not generate independent cash flows.

The amortization periods of the intangible assets with finite lives are 5-20 years for licenses, 3-5 years for software and 4-20 years for other intangible assets, such as customer relationships.

[12] Equity investments accounted for using the equity method

KPN holds several equity investments accounted for using the equity method of which Glaspoort (see below) is the most significant. Other equity investments, with a combined carrying value at 31 December 2025 of €25m (31 December 2024: €17m) and combined share in their net result of €3m in 2025 (2024: nil) are not material, either individually or in aggregate.

Glaspoort joint venture

Glaspoort is a network company, pursuing an open-access wholesale strategy based on non-discriminatory terms, fostering competition and innovation in the Netherlands.

Glaspoort is classified as a joint venture based on the assessment of ownership and voting power (50/50) with the joint venture partner, Drepana Investment Holding B.V., and the joint control established through the joint venture agreement between the shareholders. The assessment includes the following:

- KPN's option to purchase one additional share in Glaspoort. This option is exercisable between the 5th and the 8th anniversary of the transaction (9 June 2021) provided certain criteria are met, and in any case after the 8th anniversary.
- KPN's influence on Glaspoort's relevant activities through KPN's presence in the governance structure. The annual budget and substantive reserved matters requires unanimous approval by KPN and Drepana.
- KPN is the anchor tenant on Glaspoort's network and will also be one of its suppliers through a number of operational contracts between KPN and Glaspoort.

The assessment as to whether joint control remains in place is reviewed when relevant facts or circumstances change.

KPN accounts for its interest in Glaspoort using the equity method in the consolidated financial statements with initial recognition at fair value. The initial fair value has been allocated to the equity of Glaspoort, determined under application of KPN's accounting policies, and goodwill. In determining equity, intangible assets of €878m have been recognized in the initial balance sheet of Glaspoort, which mostly relate to contractual relationships held by Glaspoort with, among other players, KPN. These intangible assets are amortized over a period of 15 years based on the progress of the rollout. At 31 December 2025 these intangibles had a carrying value of €782m (31 December 2024: €813m).

In December 2021, KPN, Drepana and Glaspoort signed an agreement on the sale of additional fiber rollout projects by KPN to Glaspoort for a total consideration of €170m (pre-tax). KPN received an upfront payment of €60m in 2021 and the remainder is being paid in annual installments based on the progress of the rollout. At the start of the related project, KPN recognized 50% of the gain on the sale (as other income) and 50% was deferred following the requirements of IAS 28 for downstream transactions. At 31 December 2023, all projects had started so no other income was recognized in 2024 and 2025. At 31 December 2025, the deferred consideration to be received by KPN was €5m, the entire amount is current (31 December 2024: €28m, of which €23m current). The payments received are included in the cash flow from disposals of property, plant and equipment and intangible assets in the consolidated statement of cash flows (2025: €23m, 2024: €31m).

The deferred gains are deducted from the carrying amount of KPN's investment in Glaspoort (€70m at 31 December 2025 and €76m in 2024) and are recognized over time as part of the result from KPN's investment in Glaspoort (€4m in 2025 and €4m in 2024).

During 2025, Glaspoort received additional share premium contributions of €56m per shareholder based on the original agreements. In 2024 KPN and Drepana contributed €20m. KPN added the share premium payments to the carrying value of KPN's interest in the joint venture. Glaspoort used part of these contributions to finance its fiber rollout activities.

Summarized financial information on the joint venture, based on IFRS Accounting Standards as applied by KPN, and reconciliation with the carrying amount of the investment in the consolidated financial statements, is set out below.

Summarized statement of Glaspoort's financial position

€ million	31 December 2025	31 December 2024
Tangible fixed assets	885	629
Intangible assets	915	958
Right-of-use assets	1	1
Equity investments	101	98
Other non-current assets	36	13
Current assets	26	31
Net cash and cash equivalents	10	5
Non-current liabilities	-631	-428
Current liabilities	-58	-97
Equity	**1,284**	**1,209**
KPN's share in equity	642	605
Goodwill from initial valuation at fair value	15	15
Carrying amount of the investment (equity method)	**657**	**620**
Less: Deferred gain on downstream transactions	-70	-76
Carrying amount of the investment	**587**	**544**

Summarized statement of Glaspoort's profit or loss

€ million	2025	2024
Revenue	78	53
Operating expenses	-33	-22
Depreciation, amortization & impairment expenses	-69	-50
Net finance result	-20	-27
Result from joint ventures	-1	-1
Result before tax	**-46**	**-47**
Income tax expense	8	10
Result for the year	**-37**	**-37**
Total comprehensive income (loss) for the year	**-37**	**-37**
KPN's share of result for the year	**-19**	**-19**
Release deferred gain on downstream transactions (net of tax)	4	4
KPN's total reported result from JV Glaspoort	**-14**	**-14**

Both shareholders have committed to additional share premium contributions. On 31 December 2025, the remaining maximum commitment of each shareholder was €220m, payable to Glaspoort based on funding requirements following its annual budget (31 December 2024: €255m). Neither shareholder has additional funding obligations regarding Glaspoort. Glaspoort has entered into funding agreements with financial institutions to cover its financial commitments, which include its fiber rollout activities. These funding agreements have been entered into on a non-recourse basis without any guarantees from the shareholders.

For information on transactions between Glaspoort and KPN and unsettled positions between Glaspoort and KPN, see Note 23. Glaspoort may not distribute its profits without the consent of the two joint venture partners and not before 2026. After 2026, Glaspoort may distribute dividends only if specific criteria are met.

Accounting policy: equity investments accounted for using the equity method

Equity investments accounted for using the equity method include associates and joint ventures.

Associates are entities over which KPN has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

Investments in associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in KPN's share in the net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects KPN's share in the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of KPN's OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, KPN recognizes its share of any change, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between KPN and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture through KPN's share in the profit (or loss) of the associate or joint venture.

The aggregate of KPN's share of profit or loss of an associate and a joint venture is shown in the statement of profit or loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as KPN's. When necessary, adjustments are made to bring the accounting policies in line with those of KPN.

After application of the equity method, KPN determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, KPN determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, KPN calculates the amount of

impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss within "Share of profit/loss (-) of associates and joint ventures" in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, KPN measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control, and the fair value of the retained investment and proceeds from disposal, is recognized in profit or loss.

[13] Financial assets and financial liabilities

Summary of financial assets and liabilities at carrying amount and fair value, classified per category

		31 December 2025		31 December 2024	
€ million	**Notes**	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial assets at FVPL					
Contingent cash receivable regarding sale Glaspoort	[13.1]	118	118	155	155
Other current financial assets	[13.1]	147	147	100	100
Derivatives	[13.3]	40	40	101	101
Cash and cash equivalents	[15]	405	405	662	662
Financial assets at amortized cost					
Trade and other receivables[1]	[14.1]	440	440	464	464
Financial assets at FVOCI					
Financial receivables handsets	[14.1]	108	108	82	82
Equity investments	[13.1]	123	123	119	119
Total financial assets		**1,382**	**1,382**	**1,683**	**1,683**
Financial liabilities FVPL					
Borrowings[2]	[13.2]	1,177	1,170	1,796	1,779
Derivatives	[13.3]	136	136	161	161
Financial liabilities at amortized cost					
Borrowings[2]	[13.2]	5,100	5,126	4,483	4,523
Trade and other payables[3]	[20]	1,173	1,173	1,076	1,076
Total financial liabilities[4]		**7,586**	**7,605**	**7,515**	**7,539**

1 Excluding prepayments and the financial receivables handsets measured at FVOCI.
2 Borrowings are measured at amortized cost except when the borrowings are included in a fair value hedge (see Note 13.3). The fair value estimation of borrowings uses valuation techniques based on maximum use of observable market data for all significant inputs (level 2). The fair value of borrowings included in a fair value hedge is based on market prices (level 1).
3 Excluding social security and other taxes payable.
4 Excluding lease liabilities.

Fair value measurement hierarchy at 31 December 2025

€ million	Level 1	Level 2	Level 3	Total
Financial assets at FVPL				
Contingent cash receivable regarding sale Glaspoort	-	-	118	118
Other current financial assets	147	-	-	147
Derivatives (cross-currency interest rate swap)	-	40	-	40
Derivatives (interest rate swap) and other	-	-	-	-
Cash and cash equivalents	405	-	-	405
Financial assets at FVOCI				
Financial receivables handsets	-	108	-	108
Equity investments:				
Unlisted securities	-	-	123	123
Total assets	**552**	**148**	**242**	**941**
Financial liabilities at FVPL				
Borrowings	1,170	-	-	1,170
Derivatives (cross-currency interest rate swap)	-	42	-	42
Derivatives (interest rate swap)	-	93	-	93
Total liabilities	**1,170**	**136**	**-**	**1,306**

Fair value measurement hierarchy at 31 December 2024

€ million	Level 1	Level 2	Level 3	Total
Financial assets at FVPL				
Contingent cash receivable regarding sale Glaspoort	-	-	155	155
Other current financial assets	100	-	-	100
Derivatives (cross-currency interest rate swap)	-	96	-	96
Derivatives (interest rate swap) and other	-	5	-	5
Cash and cash equivalents	662	-	-	662
Financial assets at FVOCI				
Financial receivables handsets	-	82	-	82
Equity investments:				
Unlisted securities	-	-	119	119
Total assets	**762**	**183**	**274**	**1,219**
Financial liabilities at FVPL				
Borrowings	1,779	-	-	1,779
Derivatives (cross-currency interest rate swap)	-	20	-	20
Derivatives (interest rate swap)	-	142	-	142
Total liabilities	**1,779**	**161**	**-**	**1,941**

Fair value estimation

Level 1: Fair value of instruments traded in active markets and based on quoted market prices.
Level 2: Instrument is not traded in an active market and fair value is determined by using valuation techniques based on maximum use of observable market data for all significant inputs.
Level 3: One or more of the significant inputs are not based on observable market data; the fair value is estimated using models and other valuation methods.

Accounting policy: financial assets

Financial assets are classified at initial recognition.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and KPN's business model for managing it.

KPN initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

For the purposes of subsequent measurement, financial assets are classified into four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through other comprehensive income (OCI) with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments);
- Financial assets at fair value through profit or loss.

[13.1] Financial assets

Other financial asset at fair value through profit or loss

Upon the sale in 2021 of the 50% interest in Glaspoort to Drepana Investments Holding, KPN received a cash consideration upon deal close of €233m and a contingent cash receivable of €234m. The contingent cash receivable, to be received in annual installments based on Glaspoort's rollout progress, is classified as a financial asset measured at fair value through profit or loss. The contingent cash receivable was initially valued at €218m. At 31 December 2025, the carrying value was €118m (2024: €155m), of which €34m current (2024: €40m). In 2025, the book value was increased by €6m interest (2024: €8m) and decreased by €41m (2024: €26m) due to received payment. The fair value adjustment was €2m loss (2024: nil). Both interest and fair value adjustment were recognized in other financial results in 2025.

Based on Glaspoort's current rollout plan, KPN expects the final payment in 2029. The fair value of this contingent receivable is deemed equal to the net present value of the full amount of the installments to be received according to the expected rollout schedule as included in Glaspoort's most recent business plan. A weighted average discount rate of 4.9% has been used based on the following elements:

- A base-rate using mid-swap rates to account for the time value of money, plus;
- A credit spread mark-up to account for the risk of non-payment based on AA-rated credit curves resulting in a weighted average spread of ~0.2% over a 3-year tenor, plus;
- A mark-up to reflect the rollout risk (mostly the risk of delay).

A 50 basis points increase (decrease) in the discount rate would lead to a €0.6m decrease (increase) in the carrying value at 31 December 2025.

Equity investments measured at fair value through OCI

This includes several minority stakes, mainly of KPN Ventures, of which the largest is Smart Photonics Holding B.V., a foundry offering production services for indium phosphide based photonic components with a carrying value of €14m (2024: €3m). In addition, this includes an investment in the Townsend Real Estate Fund acquired in 2024 from the Getronics US pension fund (see Note 17). KPN elected fair value through OCI for these equity instruments that are not held for trading.

The fair value of KPN Ventures' equity investments is based, where applicable, on the price of the last fundraising round of the equity investment, investment valuations or the bid made in mergers and acquisitions transactions. These equity investments are direct and indirect investments in innovative technology companies that are in the start-up or scale-up phase and whose fair value may have a dynamic nature. The investment valuations take into account forward-looking estimates and judgements about the underlying business, market conditions and other factors.

The fair value of the investment in the Townsend Real Estate Fund (TREF) is based on the most recent available net asset value as reported by TREF less a discount for lack of liquidity.

Movement schedule of the equity investments measured at fair value through OCI

€ million	Equity investments measured at FVOCI
Balance at 1 January 2024	**90**
Additions	28
Disposals	-1
Remeasurements recognized in OCI	2
Balance at 31 December 2024	**119**
Additions	15
Disposals	-2
Redemptions	-5
Remeasurements recognized in OCI	-3
Other changes	-1
Balance at 31 December 2025	**123**

Other current financial assets

Other current financial assets include investments in short-term money market funds of €147m (2024: €100m), which are held at fair value through profit or loss (FVPL). These funds have a low volatility, with an investment objective of preservation of principal. Fair value is based on quoted market prices.

[13.2] Financial liabilities

	31 December 2025		31 December 2024	
€ million	Carrying amount	Fair value	Carrying amount	Fair value
Senior bonds EUR denominated	4,154	4,076	3,976	3,932
Senior bonds GBP denominated	914	948	961	986
Senior bonds USD denominated	554	592	631	661
Subordinated hybrid bonds classified as liability	-	-	223	223
Other borrowings	656	681	487	500
Total borrowings	**6,277**	**6,296**	**6,279**	**6,303**
> of which: current	**396**	**400**	**899**	**681**
> of which: non-current	**5,881**	**5,896**	**5,379**	**5,622**

The fair value for senior bonds and hybrid bonds is based on the listed price of the bonds. Other borrowings include commercial paper, received collateral on derivatives, bank overdrafts and other loans.

On 8 February 2025, KPN redeemed the remaining outstanding principal amount of the perpetual hybrid bond (€223m) issued on 8 November 2019.

Following the transaction resulting in the creation of Althio B.V. on 13 February 2025, KPN consolidated Althio's outstanding €200m term loan as part of other borrowings, with a carrying value of €196m.

On 17 February 2025, KPN issued a €800m 3.375% senior bond maturing on 17 February 2035.

On 9 April 2025, KPN redeemed a €625m 0.625% senior bond at its scheduled maturity date. This bond had been swapped to a fixed interest of 3.524%.

KPN's weighted average interest rate on total outstanding borrowings including the perpetual hybrid bonds (classified as equity) on 31 December 2025 was 3.8% after swaps (2024: 4.0%). KPN's weighted average interest rate on senior debt on 31 December 2025 was 3.5% after swaps (2024: 3.8%).

Senior bonds

million	Nominal	Carrying amount €	Nominal after swap €	Number of bonds
Senior bonds EUR denominated	4,325	4,154	4,325	6
Senior bonds GBP denominated	800	914	941	2
Senior bonds USD denominated	595	554	450	1

KPN has an unlimited Global Medium-Term Notes program which is used to meet medium- to long-term funding requirements. As at 31 December 2025, the total amounts outstanding under this program were €4,325m across six bonds (carrying value €4,154m) and £800m across two bonds (carrying value €914m, swapped to €941m nominal). In addition, KPN has a senior global bond with $595m outstanding (carrying value €554m, swapped to €450m nominal) which was issued under standalone documentation.

Perpetual hybrid bonds

€ million	Nominal	Coupon	Classification	Final maturity	First reset date	Credit rating[1]
EUR perpetual hybrid bond	500	6,000%	Equity	Perpetual	21 Dec 2027[2]	BB+/BB+
EUR perpetual hybrid bond	500	4,875%	Equity	Perpetual	18 Sep 2029[3]	BB+/BB+

1 Credit rating by Standard & Poor's / Fitch Ratings.
2 These hybrid bonds are first callable in the three-months period before their respective first reset dates.
3 These hybrid bonds are first callable in the three months period before their respective first reset dates.

At 31 December 2025, two hybrid bonds were outstanding with an aggregate nominal amount of €1,000m. These hybrid bonds are classified as equity under IFRS Accounting Standards and are assigned 50% equity content by credit rating agencies. These bonds are therefore treated 50% as equity and 50% as debt in KPN's gross and net debt definitions.

KPN may, at its discretion and subject to certain conditions, elect to defer payments of interest on the hybrid bonds. Arrears of interest must be paid if dividends are paid on ordinary shares, if payments are made on other hybrid bonds or in the event of early redemption. KPN does not recognize accruals for coupon payments on the perpetual hybrid bonds of €54m per annum. If an accrual had been recognized, the amount would have been €8m on 31 December 2025 (2024: €12m).

Other borrowings

KPN has a euro-commercial paper program under which KPN can issue short-term debt instruments for up to €1,000m gross notional outstanding. At 31 December 2025, the outstanding balance of commercial paper amounted to €60m (2024: €60m), issued at an interest rate of 2.10% (2024: 3.06%).

Changes in liabilities arising from financing activities

€ million	Borrowings	Derivative financial instruments	Net liability	Lease liabilities	Net liability, including lease liabilities
Balance at 1 January 2024	**5,894**	**184**	**6,078**	**894**	**6,972**
Exchange differences	87	-90	-4	-	-4
Fair value adjustments	26	-	26	-	26
Other changes[1]	504	-	504	67	571
Movements recorded as net cash flows arising from/used in financing activities:					
Repayments of borrowings and settlement of derivatives and repayments of lease liabilities[2]	-955	-33	-988	-143	-1,131
Repurchase of perpetual hybrid bonds	-277	-	-277	-	-277
Issued bonds & loans	996	-	996	-	996
Net receipts (payments) cash collateral	5	-	5	-	5
Balance at 31 December 2024	**6,279**	**60**	**6,339**	**818**	**7,157**
Exchange differences	-113	114	1	-	1
Fair value adjustments	-8	-27	-35	-	-35
Changes in consolidation[3]	113	-	113	54	167
Other changes[1]	7	-7	-	-38	-39
Movements recorded as net cash flows arising from/used in financing activities:					
Repayments of borrowings and settlement of derivatives and repayments of lease liabilities[2]	-960	-46	-1,006	-127	-1,133
Issued bonds & loans	793	-	793	-	793
Bank loan	196	-	196	-	196
Net receipts (payments) cash collateral	-28	-	-28	-	-28
Balance at 31 December 2025	**6,277**	**95**	**6,372**	**707**	**7,079**

1 Other changes in borrowings in 2024 include reclassifications from equity of €500m regarding the 2.00% perpetual hybrid bond of which €277m was repurchased and €223m was outstanding at 31 December 2024. Other movements in the lease liabilities include interest, additions of new contracts, remeasurements and modifications (see Note 19).
2 In the consolidated statement of cash flows, the repayments of borrowings and settlement of derivatives includes (1) a net payment of €23m in 2025 (2024: €60m net receipt) regarding cash collateral on derivatives (presented as non-current other receivables) and energy contracts, (2) tender premiums and fees of €18m in 2024 and (3) fair value adjustments of €6m in 2024. The interest component of the lease payments is presented within cash flow from operating activities.
3 Changes in consolidation in 2025 relates to the Althio transaction.

On 31 December 2025, KPN had €300m outstanding under a credit facility from the European Investment Bank. This loan has a floating interest rate referenced to 3-month Euribor and a single repayment on 2 August 2027. The interest for the current interest period was fixed at 2.49% per annum.

At 31 December 2025, other borrowings also included Althio's €196m term loan, €51m in collateral received as security under derivative financial instruments and €49m in borrowings under private placements.

Accounting policy: hybrid bonds and borrowings

A critical feature in differentiating a financial liability from an equity instrument is the existence of a contractual obligation for KPN to either deliver cash or another financial asset to the holder or to exchange financial assets or financial liabilities with the holder under conditions that are potentially unfavourable.

Hybrid bonds are classified as equity if there is no fixed redemption date and coupon payments are discretionary, i.e. KPN has the option to defer interest payments. Measurement of hybrid bonds is based on the net proceeds obtained through the issuance of these instruments. Coupon payments are recognized directly in equity.

After initial recognition, loans and borrowings that are not part of a fair value hedge, are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the P&L over the period of the borrowings using the effective interest method. The amortized cost is calculated by taking into account any discounts or premiums on acquisition or issuance and transaction costs. The effective interest rate amortization is recognized in the P&L as finance costs.

[13.3] Hedging activities and derivatives

KPN uses derivatives solely for the purpose of hedging underlying exposures. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk.

€ million	31 December 2025	31 December 2024
Assets (current and non-current)	40	101
Liabilities (current and non-current)	-136	-161
Total derivatives	**-95**	**-61**
of which: designated in a hedge relationship	**-96**	**-61**
of which: other derivatives not designated in a hedge relationship	**-**	**-**

A total loss of €8m due to hedge ineffectiveness was recognized in the P&L in 2025 (2024: €7m loss). This was mainly due to differences in the valuation of hedging instruments and hedged items due to credit risk and valuation curves in combination with the cumulative change in the fair value of the hedging instrument becoming greater than the change in the fair value of the hedged item. All hedges continue to be highly effective prospectively.

Derivatives positions are reported on a gross basis and include a credit value adjustment attributable to derivative counterparty default risk. At 31 December 2025, the cumulative credit value adjustment amounted to a €1m net asset (2024: €2m net asset). The change in the credit value adjustment was primarily driven by the change in the mark-to-market value of interest rate swaps and changes in the CDS curves of counterparties. Part of the derivatives portfolio is subject to master netting agreements that allow netting under certain circumstances.

If netting had been applied, the total derivatives asset position would have been €30m and the total derivatives liability position €125m at 31 December 2025 (2024: €81m asset and €142m liability).

Derivatives designated in a hedge relationship

Cash flow hedges

Bonds denominated in foreign currencies are hedged with cross-currency swaps. The currency exposure is hedged by effectively fixing the countervalue in the foreign currency to euros and by hedging the interest rate exposure by swapping the fixed interest rates in foreign currency to fixed interest rates in euros. There is an economic relationship between the hedged items and hedging instruments as the terms of the cross-currency swaps match the terms of the associated bonds. KPN has established a hedge ratio of 1:1 for its hedging relationships as the quantity of hedged items equals the notional amount of the cross-currency swaps. The hedges run until maturity of the underlying bonds.

KPN has also designated certain euro interest rate swaps (IRS) as cash flow hedges, used to re-fix the aggregate exposure of fixed rate bonds that had previously been swapped to floating interest using receiver interest rate swaps. This applies to the €625m bonds maturing in September 2028 that were re-fixed during 2023. Additionally, a €200m floating rate term loan has also been fixed through the use of a floating-to-fixed IRS.

For all of the above hedges, KPN meets the criteria of, and also applies, cash flow hedge accounting. The effectiveness of the hedges is determined at inception and on a quarterly basis. To test hedge effectiveness, KPN uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments with those in the fair value of the hedged items attributable to the hedged risks. If the cumulative change in fair value of the hedging instrument and hedged item are not equal in absolute terms, the difference will be reported in the P&L to the extent that, in absolute terms, the fair value change of the hedging instrument is greater than the fair value change of the hedged item. Hedge ineffectiveness can arise from:

- Different curves linked to hedged items and hedging instruments;
- The counterparties' credit risk differently impacting the fair value movement of the hedging instruments and hedged items;
- Changes in the terms of the hedged item or hedge instrument and/or novation of swaps to different counterparties.

Derivatives designated in cash flow hedge relationships at 31 December 2025 and 31 December 2024

Nominal (receive)	Coupon (receive)	Nominal (pay) (€m)	Coupon (pay)	Maturity date	Fair value 2025 (€m)	Fair value 2024 (€m)
€625m	6-month Euribor (in arrear)	625	3.819% annual	9-4-2025	-	-3
£250m	5.000% annual	305	3.643% annual	18-11-2026	-20	-9
€425m[1]	6-month Euribor	425	3.135% annual	11-9-2028	-9	-20
£550m	5.750% annual	636	4,998% annual	17-9-2029	-22	-8
€200m	6-month Euribor	200	2.2785% semi-annual	5-3-2030	1	-
$595m	8.375% semi-annual	450	8.517% semi-annual	1-10-2030	40	93
Total					**-9**	**54**

1 2024: €625m notional with 3.136% average coupon on the pay leg. This hedge was partially unwound in April 2025.

Impact of the cash flow hedges on the statement of financial position

€ million	Notional amount	Carrying amount	Line item in Statement of Financial Position	Change in fair value used for measuring ineffectiveness for the period
At 31 December 2025				
Cross-currency swaps GBP	941	-42	Derivatives	-26
Cross-currency swaps USD	450	40	Derivatives	-53
Interest rate swaps EUR	625	-7	Derivatives	15
Total	**2,016**	**-9**		**-63**
At 31 December 2024				
Cross-currency swaps GBP	941	-16	Derivatives	54
Cross-currency swaps USD	450	93	Derivatives	31
Interest rate swaps EUR	1,250	-23	Derivatives	6
Total	**2,641**	**54**		**92**

The change in fair value of the associated hedged items attributable to the hedged risks resulted in an ineffectiveness loss in 2025 of €35m (2024: nil). In total, a €114m loss has been reclassified from OCI to profit and loss (2024: €90m gain), offsetting the forex translation effects on the hedged bonds.

Effect of the cash flow hedge in the P&L and OCI

€ million	Total hedging gain/(loss) recognized in OCI	Ineffectiveness recognized as a gain/(loss) in P&L	Line item in P&L	Amount reclassified from OCI as a gain/(loss) in P&L	Line item in P&L
Year ended 31 December 2025					
Cross-currency swaps GBP	24	-2	Other financial results	-48	Other financial results
Cross-currency swaps USD	53	-	Other financial results	-66	Other financial results
Interest rate swaps EUR	-15	-	Other financial results	-	Other financial results
Total	**61**	**-2**		**-114**	
Year ended 31 December 2024					
Cross-currency swaps GBP	-56	-	Other financial results	56	Other financial results
Cross-currency swaps USD	-31	-	Other financial results	34	Other financial results
Interest rate swaps EUR	-6	-	Other financial results	-	Other financial results
Total	**-93**	**-**		**90**	

Fair value hedges

KPN uses receiver interest rate swaps to swap certain fixed-rate bonds to floating interest rates. Under the receiver swaps, KPN receives fixed-rate interest and pays interest at a variable rate equal to 6-month Euribor. KPN applies fair value hedge accounting to hedge the exposure to changes in the fair value of these fixed-rate bonds against changes in the euro interest curve.

There is an economic relationship between the hedged item and the hedging instrument, as the terms of the interest rate swaps match the terms of the fixed-rate bonds (i.e. notional amount, maturity and payment dates). KPN has established a hedge ratio of 1:1 for the hedging relationships as the quantity of hedged item equals the notional amount of the hedging instrument. For these hedges, KPN meets the criteria of, and also applies, fair value hedge accounting. If the cumulative change in the fair value of the hedging instrument and hedged item are not equal in absolute terms, the difference will be recorded in the P&L. The hedge ineffectiveness can arise from:

- Different curves linked to the hedged items and hedging instruments;
- The counterparties' credit risk differently impacting the fair value movement of the hedging instruments and hedged items;
- Changes in the terms of the hedge item or hedge instrument and/or novation of swaps to different counterparties.

Derivatives designated in fair value hedge relationships at 31 December 2025 and 31 December 2024

Nominal (receive)	Coupon (receive)	Coupon (pay)	Maturity date	Fair value 2025 (€m)	Fair value 2024 (€m)
€625	0.920% annual	6-month Euribor (fixed in arrears)	9-4-2025	-	-2
€425[1]	0.908% annual	6-month Euribor	11-9-2028	-16	-29
€700	0.1435% annual	6-month Euribor (fixed in arrears)	15-11-2033	-70	-84
Total				**-86**	**-115**

1 2024: €625m notional outstanding with average receive coupon of 0.907%. This hedge was partially unwound in April 2025.

Impact of the fair value hedges on the statement of financial position

€ million	Notional amount	Carrying amount	Line item in statement of financial position	Change in fair value used for measuring ineffectiveness for the period
At 31 December 2025				
Interest rate swaps	1,125	-86	Derivatives	29
At 31 December 2024				
Interest rate swaps	1,950	-115	Derivatives	38

Impact of the hedged items on the statement of financial position

€ million	Carrying amount	Change in fair value adjustments for the period	Line item in statement of financial position	Change in fair value used for measuring ineffectiveness for the period
At 31 December 2025				
Fixed-rate eurobonds 2025, 2028 & 2033	1,177	-29	Borrowings	-35
At 31 December 2024				
Fixed-rate eurobonds 2025, 2028 & 2033	1,796	-38	Borrowings	-45

The ineffectiveness recognized in the P&L for the year ended 31 December 2025 was a loss of €6m (2024: €7m loss).

Derivatives not designated in a hedge relationship

At 31 December 2025, there were no derivatives outstanding that are not designated in a hedge relationship.

Accounting policy: derivatives and hedging activities

Derivatives are recognized at fair value. Gains and losses arising from changes in fair value are recognized as other financial results during the period in which they arise to the extent that the derivatives have no hedging designation or they are ineffective.

KPN applies IFRS 9 Hedge accounting. Derivatives related to loans are designated as either cash flow or fair value hedges.

Offsetting effects are recognized in the P&L.

The hedge documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how KPN assesses whether the hedging relationship meets the hedge effectiveness requirements (including analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an "economic relationship" between the hedged item and the hedging instrument;
- The effect of credit risk does not "dominate the value changes" that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that KPN actually hedges and the quantity of the hedging instrument that KPN actually uses to hedge that quantity of hedged item.

Changes in the fair value of an effective derivative, which is designated as a fair value hedge, along with the gain or loss on the hedged item that is attributable to the hedged risk, are recorded in the P&L under the line item Other financial results. Changes in the fair value of an effective derivative, which is designated as a cash flow hedge, are recorded in OCI for the effective part, until the P&L is affected by the variability in cash flows of the designated hedged item. The ineffective part of the cash flow hedge is recognized under Other financial results. If a hedge relationship ceases to be an effective hedge or in the event of early redemption of the hedged item, hedge accounting is discontinued prospectively, meaning that subsequent changes in fair value are recognized in the P&L and the cumulative amount recorded in OCI is released in the P&L under Other financial results.

[13.4] Financial risk management and policies

Financing policy

KPN aims for the right balance between investments in the business, shareholder remuneration and a prudent financing policy. KPN aims to return its full free cash flow to shareholders through a combination of dividends and share buybacks. Excess cash is used for operational and/or financial flexibility.

The net debt / EBITDA ratio is one of the drivers for KPN's credit rating. KPN remains committed to an investment-grade credit profile and aims for a net debt / EBITDA ratio of below 2.5x in the medium term.

The difference between the carrying value and nominal value of borrowings amounted to €109m (2024: €-20m) and includes: (1) carrying value adjustments resulting from fair value hedges; (2) in the case of foreign currency bonds, the difference between the nominal amount at the prevailing spot rate and the swapped nominal amount in euros; and (3) amortized debt issuance costs, including premiums and/or discounts.

€ million	31 December 2025	31 December 2024
Borrowings	6,277	6,279
Perpetual hybrid bonds	990	990
50% equity content for hybrid bonds[1]	-500	-500
Less: Cash collateral paid on derivatives	-23	-27
Difference between carrying value and nominal value	109	-20
Adjusted gross debt	**6,854**	**6,722**
Net cash and cash equivalents	405	662
Short-term investments	147	100
Net debt[2]	6,302	5,960
Adjusted EBITDA AL[3]	2,636	2,508
Net debt / EBITDA[4]	**2.4x**	**2.4x**

1 2024: the €219m hybrid bond that was called on its first reset date in February 2025 was included in Borrowings and no equity content was assigned to this bond.
2 Net debt is based on the nominal value of interest-bearing financial liabilities excluding collateral and lease liabilities and taking into account 50% of the nominal value of the hybrid capital instruments, less cash and short-term investments.
3 See Appendix 2 Alternative performance measures.
4 The Net debt / EBITDA ratio is Net debt divided by 12-month rolling adjusted EBITDA AL.

In 2025, KPN's adjusted gross debt increased to €6,854m mainly as a result of the €800m senior bond issuance in February and consolidation of Althio's €200m term loan, partly offset by €844m debt redemptions during the year. The total cash position including short-term investments decreased by €210m to €552m (2024: €762m). As a result, the net debt position increased by

€342m to €6,302m, mainly as a result of acquisitions and other investment activities. The impact of the higher net debt on KPN's Net debt / EBITDA ratio is partly offset by €129m higher adjusted EBITDA AL, resulting in a ratio of 2.4x (2024: 2.4x).

Financial risk management

KPN is exposed to a variety of financial risks. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on KPN's financial position and performance.

Derivatives are used to hedge certain risk exposures (see Note 13.3).

KPN's key financial risks are:

- Credit and counterparty risk;
- Liquidity risk;
- Market risk.

KPN's Treasury department manages the financial risks according to policies approved by the Board of Management and Supervisory Board. These policies are established to identify and analyze financial risks, set appropriate risk limits and controls, and monitor adherence to those limits.

KPN's Treasury department continuously monitors conditions in relevant capital markets and the potential impact on KPN's liquidity position, sources of financing and financial counterparties, which all remained within acceptable risk limits. KPN did not suffer any material impact on its liquidity reserves and its ability to raise financing remained very strong.

Credit and counterparty risk

Credit risk arises from the possibility of asset impairment occurring when counterparties are unable to meet their obligations in transactions involving financial instruments. KPN's counterparty policy sets limits for the maximum exposure per counterparty, which are primarily based on credit ratings, investment periods and concentration limits. The minimum counterparty credit rating is BBB- for cash balances and BBB+ for entering into new derivative transactions. Capital preservation is KPN's main priority when investing excess cash.

At 31 December 2025, KPN's cash balances and short-term investments were held in bank accounts, bank deposits with maturities of up to three months and money market funds. The majority of cash balances were invested with counterparties with a credit rating equivalent to A- or higher, and the counterparties of outstanding derivatives have a credit rating equivalent to A or higher.

KPN mitigates credit risk on counterparties arising from derivative financial instruments and energy futures through collateral support agreements, which results in cash being paid or received as security. This cash collateral is released when derivatives are settled and/or mature. In 2025, the net cash collateral movement was €23m paid (2024: €60m received). At 31 December 2025, KPN's net collateral position was €28m received/liability (2024: €51m received/liability), consisting of €34m net collateral received for derivatives (2024: €61m net received) and €6m net collateral posted for energy contracts (2024: €10m posted).

Collateral position

€ million	31 December 2025	31 December 2024	Net movement (paid)/ received
Collateral received on derivatives (liability)	-51	-78	-28
Collateral posted on derivatives (asset)	16	17	1
Collateral posted on energy contracts (asset)	6	10	3
Net collateral asset / (liability)	**-28**	**-51**	**-23**

Credit risk on trade receivables is controlled using restrictive policies for customer acceptance. Credit management is focused on mobile services. Before accepting certain new customers in this segment, the creditworthiness of prospective clients is checked. In addition, KPN keeps track of the payment performance of customers. If customers fail to meet set criteria, payment issues must be resolved before a new transaction will be entered into.

KPN's policy is to provide financial guarantees only to wholly-owned subsidiaries. At 31 December 2025, KPN had parent guarantees and bank guarantees outstanding to third parties for various wholly-owned Dutch subsidiaries. The carrying amount of financial assets, including cash, and contract assets represents the maximum credit exposure, which amounted to €1,537m at 31 December 2025 (2024: €1,788m). On 31 December 2025, the total outstanding bank guarantees amounted to €10m (2024: €6m), which were issued in the ordinary course of business.

See the schedule of the allowances for expected losses in Note 14 for information about credit losses on trade and other receivables. There were no other credit losses.

Maturity analysis of financial liabilities based on the remaining contractual maturities at 31 December 2025

	Borrowings				Derivatives			
€ million	Bonds and loans	Interest on bonds and loans	Lease liabilities (undiscounted)	Other debt and cash collateral[1]	Derivatives inflow (including interest)	Derivatives outflow (including interest)	Trade and other payables[2]	Total
2026	287	217	135	91	-407	431	1073	1,826
2027	300	202	111	-3	-107	115	-	618
2028	625	196	90	-	-108	115	-	918
2029	630	189	79	-	-724	730	-	905
2030	707	146	68	-	-560	510	-	871
2031 and beyond	4,750	424	361	-	-30	68	-	5,572
Contractual cash flows	**7,298**	**1,373**	**843**	**88**	**-1,935**	**1,969**	**1,073**	**10,710**

1 Includes commercial paper and assumes settlement of all collateral positions.
2 Excludes accrued interest and social security and other taxes payable.

Liquidity risk

Liquidity risk is the risk that KPN will not be able to meet its financial obligations associated with financial instruments as they become due. KPN's approach to managing liquidity is to ensure sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage. Some of the derivatives contain reset clauses or collateral postings at pre-agreed dates, to mitigate counterparty exposure during the life of the swap. These reset clauses will result in early euro settlement obligations in cash with the swap counterparty, which could lead to additional cash inflows or outflows before maturity. To reduce liquidity risks, the reset clauses or collateral postings are spread over different points in time.

During 2025, KPN paid a net amount of €23m in collateral (2024: €60m received) according to pre-agreed settlement schedules and as variation margin for energy futures.

Available financing resources

In addition to the available cash and cash equivalents, short-term investments and cash flows from operations, KPN has the following committed financing resources available:

Revolving credit facility

KPN has a sustainability-linked revolving credit facility for €1.0 billion provided by twelve relationship banks, originally signed in August 2021, with final maturity on 4 August 2028. The facility can be used for general corporate purposes and does not contain any financial covenants. The facility has a mechanism to adjust the margin based on KPN's performance on predefined sustainability targets for the rollout of fiber, reduction in KPN's energy consumption and reduction of carbon emissions in the supply chain. In September 2024, a €75m bilateral revolving credit facility was signed with similar terms to the syndicated credit facility, bringing the total committed credit facilities to €1,075m. Neither facility was drawn on during 2024 or 2025.

Capital resources covenants

KPN's existing capital resources contained the following covenants at 31 December 2025, which could trigger additional financial obligations or early redemption of the outstanding debt. All senior bonds issued after 1 January 2006 (€5,266m nominal after swaps outstanding at 31 December 2025) contain a change of control clause. KPN may be required to early redeem if certain changes of control occur and within this change of control period (maximum of 90 days) a rating downgrade to sub-investment grade occurs. The perpetual hybrid bonds also contain a change of control clause whereby a 5% interest step-up is triggered if a rating downgrade occurs during the change of control period. In such an event, KPN has the possibility to repurchase the perpetual hybrid bonds at par. In addition, many of KPN's capital resources contain a covenant prohibiting KPN from entering into any amalgamation, demerger, merger, corporate restructuring or reorganization, unless prior written consent has been given by a majority of the lenders or bondholders or the resulting company assumes all of the rights and obligations with respect to the loans or bonds. Althio's term loan (€200m nominal) contains two financial covenants which are tested on a semi-annual basis: (i) net debt to EBITDA shall not exceed 6.75x; and (ii) EBITDA to net finance charges shall exceed 1.25x. Althio was in compliance with all its financial covenants as at 31 December 2025.

Market risk

KPN is exposed to various kinds of market risks in the ordinary course of business. These include foreign currency exchange rate risk and interest rate risk.

Foreign currency exchange rate risk

Foreign currency risks mainly result from settlement of international telecommunications traffic and purchase of assets, and primarily consist of Pound sterling and US dollar exposures. Foreign currency exchange rate risks related to bonds that are not denominated in euros are hedged to euros in line with KPN's hedging policies. Group companies and business operations are obliged to hedge their firm commitments and highly predictable anticipated transactions in non-functional currencies by forward exchange contracts.

Accordingly, KPN's Treasury department matches and manages the intercompany and external exposures using forward exchange contracts. No hedge accounting is applied for these hedge instruments.

At 31 December 2025, 96% (2024: >97%) of cash and cash equivalents were denominated in the functional currency of the related entities and 100% (2024: >99%) of the net amount of trade receivables and more than 95% (2024: >96%) of the amount of trade payables were outstanding in the functional currency of the related entities.

Interest rate risk and interest rate profile

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. Borrowings, derivatives, cash and cash equivalents are subject to interest rate risk. With regard to interest

rate risk exposure, KPN periodically evaluates the desired mix of fixed and floating interest rate liabilities, balancing the benefit of lower interest costs against the variability of cash flows. Any interest rate risk exposure longer than one year is considered to be fixed. KPN may use derivative financial instruments to adjust the desired interest rate risk exposure.

At 31 December 2025, 86% of KPN's interest-bearing gross debt (after swaps, excluding bank overdrafts) was at fixed interest rates (2024: 85%).

With a view to the existing and forecasted debt structure, KPN could enter into additional future derivatives to further adjust the mix of fixed and floating interest rate liabilities.

A sensitivity analysis at 31 December 2025 with regard to interest rate risk on floating interest-bearing liabilities showed that, all else being equal, each adverse change of 100 bps in Euribor would hypothetically result in €10m higher interest costs per annum (2024: €10m).

Sensitivity analysis derivatives

KPN has carried out a sensitivity analysis on the fair value changes of cross-currency and interest rate swaps resulting from changes in interest rates and currency exchange rates. With all other variables held constant, KPN calculated the hypothetical change in the fair value of derivatives based on a +/- 100 bps change in interest rates and a +/- 10% change in the €/$ and €/£ exchange rates. A change in the fair value of derivatives would hypothetically result in a higher or lower value of the hedge reserve (included in equity attributable to equity holders). The results of the analysis are shown in the table below, indicating the hypothetical impact on the fair value of the cross-currency swaps and euro interest rate swaps excluding the partially offsetting impact on the hedged items. Prospective effectiveness testing indicates that all hedges are expected to be highly effective. Consequently, the expected impact on the P&L is immaterial.

Sensitivity analysis of the change in the fair value of derivatives to a change in interest and exchange rates

		£ swaps		$ swaps		€ swaps		Total	
€ million (before tax)	**Change**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Change in interest rate	+1%-point	2	2	-1	-3	-45	-49	-45	-51
	-1%-point	-2	-2	1	4	49	54	48	55
Change in forex rate	+10%-point	4	4	10	11	N.a.	N.a.	14	15
	-10%-point	-5	-4	-12	-14	N.a.	N.a.	-17	-18

For the sensitivity analysis on interest rate risk regarding pensions, see Note 17.

Offsetting financial assets and financial liabilities

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

€ million	Gross amount	Financial liabilities offset	Net amount in balance sheet	Not offset: financial instruments/cash collateral	Net amount
31 December 2025					
Cash and cash equivalents	405	-	405	-	405
Collateral[1]	16	-	16	-16	-
Derivatives[2]	41	-	41	-41	-
Total	**463**	**-**	**463**	**-58**	**405**
31 December 2024					
Cash and cash equivalents	662	-	662	-	662
Collateral[1]	17	-	17	-17	-
Derivatives[2]	100	-	100	-93	7
Total	**779**	**-**	**779**	**-110**	**669**

1 Included in non-current Trade and other receivables.
2 Excluding forex contracts.

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

€ million	Gross amount	Financial assets offset	Net amount in balance sheet	Not offset: financial instruments/cash collateral	Net amount
31 December 2025					
Collateral[1]	51	-	51	-30	21
Derivatives[2]	137	-	137	-28	109
Total	**187**	**-**	**187**	**-58**	**130**
31 December 2024					
Collateral[1]	78	-	78	-74	5
Derivatives[2]	161	-	161	-36	125
Total	**240**	**-**	**240**	**-110**	**130**

1 Included in non-current Borrowings.
2 Excluding forex contracts.

For the financial assets and liabilities summarized above, each agreement between KPN and the counterparty allows for net settlement of the relevant financial assets and liabilities when both parties elect to settle on a net basis.

Accounting policy: offsetting financial assets and liabilities

Financial assets and liabilities are offset and reported on a net basis on the balance sheet only when there is a current legally enforceable right to offset the recognized amounts, and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously.

[14] Trade and other receivables, contract assets and contract costs

[14.1] Trade and other receivables

	31 December 2025		31 December 2024	
€ million	Current	Non-current	Current	Non-current
Trade receivables	225	-	247	-
Financial receivables handsets	125	-	103	-
Sales to be invoiced	114	-	106	-
Interest to be received	3	-	6	-
Prepayments	82	17	79	15
Accruals and other receivables	27	4	5	30
Loans granted to third parties	-	52	-	49
Loans to associates and joint ventures	-	3	-	3
Total	**575**	**76**	**546**	**97**

The financial receivables handsets consist of not yet invoiced installment payments on the handset loans, mainly issued by KPN Finance B.V. A handset sale combined with a postpaid subscription is treated as a consumer loan under the Dutch Financial Supervision Act (Wet op het financieel toezicht, Wft) if the consumer customer repays the handset in monthly installments and the credit amount is above €250. These handset installment payments are not conditional on the delivery of the telecoms firm's services. Therefore, a financial receivable is recognized for the installments to be received.

In 2025, KPN Finance assigned €85m in outstanding financial receivables handsets to a bank (2024: €129m) and removed these receivables from the balance sheet as the transfer of the receivables is characterized as a sale because the risks and rewards of ownership of the receivables have been substantially transferred. KPN has provided an indemnity to the bank for when the realized losses on the transferred receivables are exceptionally high. The financial receivables handsets issued by KPN Finance (€108m) are measured at FVOCI (2024: €82m). The fair value is the amount at which these receivables could be assigned to the bank (nominal value less deductions for interest and credit risk as agreed).

Of the other receivables, €23m relates to cash collateral received on derivatives and energy contracts (2024: €27m).

Sales to be invoiced include accrued income related to usage of KPN's network, which is invoiced monthly in arrears.

The fee for projects to be invoiced is accounted for as accrued income if the right to invoice is unconditional and not dependent on the provision of future recurring services.

The carrying amounts of trade and other receivables approximate their fair value. Trade and other receivables are non-interest-bearing. Trade receivables are generally on payment terms of 5-30 days.

The age profile of the gross trade receivables is as follows:

€ million	31 December 2025	31 December 2024
Trade receivables gross		
Amounts undue	183	207
Past due 0–90 days	34	48
Past due 91–360 days	17	13
More than one year	4	4
Total trade receivables gross	**239**	**271**
Provision for credit risk exposure	-14	-24
Total trade receivables net	**225**	**247**

[14.2] Contract assets and contract costs

	31 December 2025		31 December 2024	
€ million	Current	Non-current	Current	Non-current
Contract assets	88	67	79	27
Costs to obtain a contract	28	38	31	65
Costs to fulfill a contract	1	-	1	-
Total	**118**	**105**	**111**	**91**

In 2025, discounts/fees paid in relation to wholesale contracts were reclassified from costs to obtain a contract to contract assets.

Contract assets

A contract asset is recognized if the earned consideration is conditional. Upon invoicing of contract assets, the invoiced amounts are recognized as trade receivables.

Contract assets include:

- Installation services and hardware delivered at the start of the contract if the amount of revenue recognized is higher than the amounts charged upfront;
- Deferred discounts invoiced to customers if the discount is only granted in the first period of the service contract and the discount is recognized on a straight-line basis over the contract term;
- The consideration to be received regarding those additional scope projects sold to Glaspoort in December 2021 of which the rollout activities have started, at which point other income is recognized. KPN has received 35% of the total consideration in cash upon closing the transaction and the remaining amount is to be received based on rollout progress (see Note 12 for the sale to Glaspoort of additional scope projects);
- Transition projects for business customers when the revenue recognized is higher than the amounts invoiced for the transition phase.

Contract costs

The costs to be capitalized as costs to obtain or fulfill a contract are the costs that relate directly to a contract, provided it is probable that these costs will be recovered. Contract costs include:

- Transaction-related dealer fees paid to acquire or retain mobile subscribers.
- Transaction-related fees for door-to-door sales of subscriptions fixed network.
- Costs incurred during the transition phase of projects for business customers to be able to deliver recurring services that are not treated as a separate performance obligation. These costs are capitalized as costs to fulfill a contract and expensed, in principle, on a straight-line basis over the remaining contract term in which such recurring services are delivered.

In 2025, the amortization of the contract costs amounted to €64m (2024: €54m).

[14.3] Allowances for expected credit losses

Movement schedule of the allowances for expected credit losses:

€ million	Trade receivables
Balance at 1 January 2024	**16**
Additions/releases P&L	17
Usage	-10
Balance at 31 December 2024	**24**
Additions/releases P&L	-2
Usage	-9
Balance at 31 December 2025	**14**

The allowance for expected credit losses for trade receivables is based on the aging of the gross amounts and historic losses and is adjusted, if applicable, for expected deterioration or improvement of credit losses based on forecasts of future economic conditions. For the largest customers, an assessment is done as to whether an additional allowance needs to be recognized.

Accounting policy: trade and other receivables, contract assets and contract costs

Trade and other receivables and contract assets classify as financial assets and are measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method less provisions for impairment. An allowance for expected credit losses is recorded for all financial assets and contract assets at initial recognition. The allowance (or day-one impairment) is based on historical credit loss experience. Expected deterioration or improvement of credit losses based on reasonable and supportable information including forecasts of future economic conditions is also taken into account. A matrix is used to determine the allowance for expected credit losses based on aging of the trade receivables. The matrix is determined for a group of trade receivables with the same payment pattern. For large (corporate) customers, the allowance is based on a matrix and completed by an (individual) assessment. The allowance rates are regularly updated.

A financial asset is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated, such as significant financial difficulty of the obligor or a breach of contract.

The amortized cost is calculated by taking into account any discounts or premiums on acquisition and transactions costs.

The effective interest rate amortization is recognized under finance income or finance costs.

If a financial asset is held within a business model with the objective of both collecting contractual cash flows and selling the financial asset, the financial asset is measured at fair value through other comprehensive income (FVOCI).

A financial asset is derecognized when the rights to receive cash flows from the asset have expired or KPN has transferred the rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and either (1) KPN has transferred substantially all the risk and rewards of the asset, or (2) KPN has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When KPN has transferred the rights to receive cash flows from an asset or has entered into a pass-through arrangement, KPN evaluates if, and to what extent, KPN has retained the risks and rewards of ownership. The risks and rewards are substantially transferred if more than 90% of the variability of the cash flows with respect to an asset is transferred.

Contract assets

If KPN transfers goods or services to a customer before the customer pays a consideration or before payment is due, a contract asset is recognized if the earned consideration is conditional. A financial receivable is recognized if KPN's right to an amount of consideration is unconditional (only the passage of time is required before payment of the consideration is due).

Contract costs

The incremental costs of obtaining a contract with a customer are recognized as an asset if KPN expects to recover those costs. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained are recognized as an expense when incurred, unless those costs are explicitly chargeable to customers, regardless of whether the contract is obtained or not.

Costs to fulfill a contract are recognized as an asset if:

- The costs relate directly to a contract; and
- The costs generate or enhance resources that will be used in satisfying performance obligations in the future; and
- The costs are expected to be recovered.

Capitalized contract costs are amortized on a linear basis over the period in which KPN transfers the related goods or services to the customer. KPN applies the practical expedient to immediately expense contract costs when the asset that would have resulted from capitalizing such costs would have been amortized within one year or less.

Assets recognized for costs to obtain a contract and costs to fulfill a contract are subject to impairment testing.

[15] Cash and cash equivalents

Cash and cash equivalents consist of highly liquid instruments with initial maturities of three months or less, including balances on bank accounts, bank deposits and prime money market funds.

€ million	31 December 2025	31 December 2024
Cash	255	151
Short-term bank deposits and money market funds	150	511
Total cash and cash equivalents	**405**	**662**

The decrease in cash and cash equivalents was mainly the result of €675m in dividends paid, €250m in net share repurchases, €59m in M&A and Glaspoort-related payments, €59m in coupon payments on perpetual hybrid bonds, €47m increase in short-term investments, €46m of swap settlements, €44m in net debt redemptions and €23m in net outflow of cash collateral on derivatives, partly offset by €952m in free cash flow.

Accounting policy: cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, AAA-rated prime money market funds, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are included in borrowings in current liabilities.

[16] Equity

Limitations in distribution of shareholders' equity

Total distributable reserves at 31 December 2025 amounted to €2,724m, which includes the perpetual hybrid bonds (2024: €2,721m). For further details on non-distributable reserves, see Note C to the "Company financial statements".

Share capital

Authorized capital totals €720m and is divided into nine billion ordinary shares of 4 eurocents each and nine billion preference shares B of 4 eurocents each. At 31 December 2025, a total of 3,827,465,305 ordinary shares were outstanding and fully paid-in. Dutch law prohibits KPN from casting a vote on shares KPN holds (treasury shares). The ordinary shares and preference shares B carry the right to cast one vote each. The ordinary shares are registered or payable to the bearer.

Shareholders may request the company to convert their registered shares to bearer shares, but not vice versa.

Share buybacks

In 2025, KPN repurchased 62,465,117 ordinary shares at an average price of €4.00. Of these shares, 61,465,117 were canceled in 2025, reducing the number of outstanding shares to 3,827,465,305.

At the 16 April 2025 AGM, shareholders granted the Board of Management the authority to acquire the company's own ordinary shares for a period of 18 months, starting on 16 April 2025 and ending on 16 October 2026. The number of ordinary shares to be acquired is limited to a maximum of 10% of the issued capital as at 16 April 2025. The shares may be acquired, by or on behalf of the company, on the stock exchange or through other means at a price per share of at least the par value and at most the quoted share price plus 10%. The quoted share price is defined as the average of the closing prices of KPN shares as reported in the official price list of Euronext Amsterdam over the five trading days prior to the acquisition date. Resolutions by the Board of Management to acquire the company's own shares are subject to the approval of the Supervisory Board.

Ordinary shares purchased by the company will either be canceled or held in treasury. At the 16 April 2025 AGM, shareholders granted the Board of Management the authority to reduce the issued capital by canceling own shares with the approval of the Supervisory Board. The number of shares that may be canceled is restricted to a maximum of 10% of the issued capital as at 16 April 2025 and these may, if desired, be canceled in one or more phases.

Other reserves

€ million, unless indicated otherwise	Number of treasury shares	Treasury shares reserve	Hedge reserve	Currency translation reserve	Total other reserves
Balance at 1 January 2024	**3,510,888**	**-17**	**-114**	**17**	**-114**
Movements recorded in OCI (net)	-	-	18	-	18
Share buyback	59,987,360	-200	-	-	-200
Shares canceled	-58,487,360	195	-	-	195
Treasury shares sold and transferred	-2,359,506	11	-	-	11
Balance at 31 December 2024	**2,651,382**	**-11**	**-96**	**17**	**-91**
Movements recorded in OCI (net)	-	-	49	-	49
Share buyback	62,465,117	-250	-	-	-250
Shares canceled	-61,465,117	242	-	-	242
Treasury shares sold and transferred	-1,247,964	5	-	-	5
Balance at 31 December 2025	**2,403,418**	**-14**	**-47**	**17**	**-45**

The additional paid-in capital is exempt from Dutch tax up to an amount of €8,067m at 31 December 2025 (2024: €8,311m).

Movements in the hedge reserve recorded in OCI are net of a tax loss of €17m in 2025 (2024: €6m loss) and a tax loss in the movement in the currency translation reserve of €1m (2024: nil).

Hedge reserve

€ million	31 December 2025	31 December 2024
Effective portion cash flow hedges[1]	-23	-76
Amortizable part[2]	-40	-53
Hedge reserve	**-63**	**-129**
Tax effect	16	33
Hedge reserve, net of tax	**-47**	**-96**

1 The effective portion of cash flow hedges will be recognized in the P&L in line with the maturities of the related derivatives (see Note 13.3).
2 The amortizable part of the hedge reserve is amortized over the remaining life of the related bonds (between 2016 and 2030). The impact on the P&L will be € 12m in 2026.

Treasury shares reserve

KPN has purchased shares in its own capital for delivery upon vesting of equity-settled share plans for management (see Note 5). Votes on purchased shares may not be cast and do not count in determining the number of votes required at a general meeting of shareholders. In 2025, 1.0 million shares were purchased for the equity-settled share plans (2024: 1.5 million). In 2025, 1.2 million shares were sold and transferred in connection with vesting of these plans (2024: 2.4 million).

Treasury shares are accounted for at cost, representing the market price on the acquisition date. The proceeds on delivery of the treasury shares are recognized directly in the other reserves.

Equity attributable to holders of perpetual hybrid bonds

On 21 September 2022, KPN issued a €500m hybrid bond with a 6.00% coupon and on 18 June 2024 a €500m hybrid bond with a 4.875% coupon, both with a perpetual maturity. These bonds are classified as equity in the consolidated statement of financial position and valued at net proceeds (see Note 13.2). On 20 June 2024, the hybrid bond with a 2.00% coupon issued in 2019 was partially repurchased for a principal amount of €281m and on 20 December 2024 KPN announced that it would redeem the remaining outstanding principal amount (€219m) at its first reset date (8 February 2025). As a consequence, the remaining outstanding amount of this bond was reclassified from equity to borrowings as of the date of the announcement.

Foundation Preference Shares B KPN

KPN has granted a call option, which is not limited in time, to the Foundation Preference Shares B KPN (the Foundation) to acquire preference shares B. For further information about the Foundation, see the "Corporate governance" section.

In KPN's opinion, the call option does not represent a significant fair value due to the fact that dividend paid on the preference shares B, issued after exercise of the call option, is linked to Euribor.

Dividend per share

At the AGM on 15 April 2026, a final dividend of 10.9 eurocents per share will be proposed in respect of 2025. In August 2025, KPN paid an interim dividend in respect of 2025 of 7.3 eurocents per share, in total €279m, bringing the total regular dividend in respect of 2025 to 18.2 eurocents per share (in total €696m based on the number of outstanding shares at 31 December 2025 less Treasury shares held by KPN).

These financial statements do not reflect the proposal for the remaining dividend payable. In April 2025, KPN paid a final dividend of 10.2 eurocents per share in respect of 2024, in total €395m. The total dividend in respect of 2024 was 17.0 eurocents per ordinary share.

[17] Retirement benefits

Retirement benefits are provided through a number of defined contribution plans and funded and unfunded defined benefit plans. The most significant plans are described below.

KPN's main pension plan

KPN's main pension plan covers employees in the Netherlands who are subject to KPN's collective labor agreement and employees with an individual labor agreement, and is externally funded through Stichting Pensioenfonds KPN. This plan is a collective defined contribution pension plan. It is accounted for as a defined contribution plan because KPN has no other obligation than to pay the annual contribution. This is a fixed percentage of the pensionable base for a period of three years. After this three-year period the annual contribution is reassessed based on a fixed and agreed method in which no reflection of past service or the funded status of the fund is included.

On 30 May 2023, the Dutch Senate adopted the new Dutch Pension Act to reform the Dutch pension system. This will impact every employer with a pension scheme in place. In practice, all pension arrangements with employees and contracts with pension providers will need to be renewed. The deadline for transition is 1 January 2028. The new pension scheme that is expected to be implemented on 1 October 2026 will continue to be accounted for as a defined contribution plan. The fixed percentage of the pensionable base which KPN has paid as a contribution since 1 January 2023 is extended until the new pension scheme has been implemented, after which a new fixed percentage will be paid.

Getronics UK

The Getronics UK operations were divested in 2012. The closed and frozen pension plan of the former UK operations remained with KPN. The plan consists of a defined benefit section and a smaller defined contribution section with a guaranteed minimum pension (GMP) underpin. The assets in the plan are held separately from KPN in an independently administered fund. The UK plan operates under the regulations of the The Pensions Regulator. The plan is managed by independent trustees who have a fiduciary duty to act in the best interests of the plan members. Responsibilities for plan governance include setting investment strategy, monitoring fund performance, and ensuring compliance with relevant legislation. A funding agreement applies whereby KPN provides contributions to the plan on the basis set out in the triennial statutory actuarial valuation, for Pension Protection Fund levies and certain other costs in relation to the plan.

The deficit in the plan's funding must be recovered by the investment returns of the plan assets and contributions by KPN. It has been agreed with the trustees that the contributions for 2026 amount to £4m and that from 1 January 2027 no contributions are payable other than the Pension Protection Fund levies.

The pension plan exposes KPN to a number of risks, which could have an impact on the future contributions by KPN and the liability recorded in its balance sheet. The most significant risks are summarized below:

- Asset volatility risk: The pension plan's assets are partially invested in equity securities and other return-seeking assets, so the plan's funding levels are exposed to equity market risks. For example, geographic conflicts and interest rate fluctuations could cause significant volatility;
- Interest rate risk: A fall in interest rates will increase the plan's liabilities, although this will be largely offset by an increase in the value of the plan's liability-driven investments;
- Inflation risk: The indexation of part of the plan's accrued benefits is based on a combination of consumer and retail price indices, so the plan is exposed to inflation risk, although the indexation is capped and this risk is largely hedged with inflation-linked bonds;
- Life expectancy risk: The plan provides benefits for the life of the participants, so increases in life expectancy will result in an increase in the plan's liabilities.

GMP is a portion of pension that was accrued by individuals who were contracted out of the additional state pension prior to 6 April 1997. At present there is an inequality of benefits between male and female members who have GMP. The UK High Court ruled in 2018 that equalization will be required for affected defined benefit pension schemes. In the course of 2025, the method for equalizing has been formally agreed with the trustees and this will be implemented in 2026. Since 2018, the benefit obligations have been increased by a fixed percentage to reflect the expected cost of GMP equalisation. The final cost to the UK plan for equalizing depends on a complex interaction between the benefit design and membership profile.

Getronics US

The Getronics US operations were divested in 2008. The closed and frozen pension plan of the former US operations remained with KPN and was accounted for as a defined benefit plan. The assets of the plan were held separately from KPN in independently administered funds. The plan operated under the provisions of the Employee Retirement Income Security Act (ERISA). In 2023, KPN started the process to terminate the plan and settle all of the plan's liabilities. In 2024, KPN acquired from the plan its investment in the Townsend Real Estate Fund at fair market value (€10m, see Note 13.1) and made a final contribution to the plan of €2m to fully fund the plan. The plan was terminated in 2025 and excess assets of €1m were transferred to KPN.

Other

KPN has a number of other funded (insured) plans in the Netherlands which are all closed to new entrants. KPN is not entitled to any excess profits. In 2025, these plans were classified as defined contribution going forward, after a risk reassesment. KPN is not entitled to any excess profits nor obliged to make additional contributions other than those related to value transfers. The risk therefore does not fall in substance on the employer. Under Dutch law, KPN could be required to make contributions if participants of these plans require a value transfer to another pension fund or insurer.

In 2022, a new early retirement plan was implemented for a limited group of employees, for which an expense of €1m was recorded in 2025 and in 2024. This plan has been treated as a defined benefit.

Provisions for retirement benefit obligations

The provisions for retirement benefit obligations consist of the net defined benefit liability regarding pension plans and early retirement plans, which are accounted for as defined benefit plans as described above. See the table below for a specification of the balance sheet position.

	Defined benefit obligation[1]		Fair value of assets		Net defined benefit liability (asset)	
€ million	2025	2024	2025	2024	2025	2024
Balance at 1 January	**280**	**386**	**-263**	**-353**	**17**	**33**
Included in profit or loss						
Operating expense[2]	-27	-92	29	96	2	4
Interest expense (income)	14	16	-13	-14	-1	2
Included in OCI						
Remeasurements loss (gain):						
Actuarial loss (gain)[3]	-	-20	-	-	-	-20
Return on plan assets excluding interest income	-	-	-2	16	-2	16
Effect of movements in exchange rates	-12	14	12	-12	-	2
Total	**-12**	**-6**	**10**	**4**	**-2**	**-2**
Other						
Employer's contribution	-	-	-10	-20	-10	-20
Benefits paid	-17	-24	17	24	-	-
Balance at 31 December	**238**	**280**	**-230**	**-263**	**7**	**17**

1 The measurement date for all defined benefit plans is 31 December.
2 In 2025, a service cost of € 1m was recognized related to the early retirement plan (2024: €1m). Administrative costs were €2m in 2025 and €3m in 2024. Operating expense in 2025 includes the classification of the insured plans in the Netherlands as 'defined contribution' going forward. This reclassification has been recognized as a settlement with no net impact on income (as both DBO and plan assets decreased with €28m). Operating expense in 2024 includes the transfer of the pension liabilities of the US pension fund to an insurance company resulting in a past service gain of €1m (DBO decrease of €94m and plan asset decrease of €93m). In 2025, an additional €1m past service gain was recorded due to a refund from the insurance company.
3 The actuarial loss (gain) in 2025 and 2024 consists of demographic assumptions (€-3m and €5m), financial assumptions (€+2m and €-28m) and experience adjustments (€0m and €3m).

Defined benefit obligations

Actuarial assumptions

The key actuarial assumptions used in the calculation of the defined benefit obligations are as follows:

	31 December 2025	31 December 2024	
	Getronics UK	Getronics UK	Other
Discount rate (%)	5.4	5.5	3.4
Expected salary increases (%)	n/a	n/a	2.0
Expected benefit increases/indexation (%)	2.2-2.6	2.4-2.9	0.0
Life expectancy for pensioners at retirement age:			
Men	22.1	21.7	21.8
Women	24.0	23.8	23.8

The discount rate is based on the yield of AA corporate bonds with maturities equal to the duration of the benefit obligations and in the applicable currency. At 31 December 2025, the duration of the defined benefit obligation was 10 years.

Assumptions regarding life expectancy are based on published statistics and mortality tables that include allowances for future improvement in mortality. The mortality tables used in the UK are the scaling factors of 97% for men and 102% for women of the SAPS S3PXA tables, which include the Continuous Mortality Investigation 2024 projection of a 1.0% long-term improvement. Life expectancy in the UK at the age of 65 is expected to increase in the next 20 years by between 1 and 2 years.

Sensitivity analysis

The following table shows the approximate impact on the defined benefit obligation of a change in the key actuarial assumptions of 0.5% and of a change in life expectancy of one year.

	31 December 2025		31 December 2024	
€ million	Increase	Decrease	Increase	Decrease
Discount rate	-11	12	-14	15
Expected salary increases	-	-	-	-
Expected benefit increases	7	-7	7	-7
Life expectancy	8	-8	11	-11

This sensitivity analysis assumes changes in one variable while holding others constant, which may not reflect real-world interdependencies.

Plan assets

The assets of all defined benefit pension plans at 31 December 2025 and 2024 comprise:

	31 December 2025	31 December 2024
Quoted in active markets:		
Equity securities	22%	17%
Fixed-income securities	53%	50%
Real estate	1%	2%
Other	2%	0%
Not quoted in active markets:		
Fixed-income securities	14%	13%
Other	8%	18%

Strategic investment policies

The strategic asset allocations of the defined benefit plans at year-end 2025 were as follows:

€ million	Getronics UK
Equity securities	20%
Fixed-income securities (including inflation-linked bonds)	60%
Other	20%
Total	**100%**

The Getronics UK pension fund maintains liability hedge ratios on a technical provision basis of 100% of assets for both interest rate and inflation exposure, resulting in higher hedge ratios as its funded status improves. As the UK pension fund invests in global investment funds, a minimal part of these investments could be related to KPN equities. The pension funds do not have direct investments in KPN equities.

Expected contributions and benefits

In 2025, the total employer's contributions and benefit payments for all defined benefit and defined contribution plans amounted to €102m, consisting of €92m in employer's premiums for defined contribution plans, €9m in contributions for funded defined benefit plans and €1m in payments for unfunded plans.

The amount of employer's contributions in 2026 for remaining defined benefit pension plans is estimated to be €5m for the funded plan (UK pension plan) and €1m for the unfunded plan (early retirement plan). The total amount of employer's premiums to be paid in 2026 for the defined contribution plans is estimated to be €96m.

Accounting policy: provisions for retirement benefit obligations (pension obligations)

The liability recognized in respect of all pension and early retirement plans that qualify as a defined benefit obligation is the present value of the defined benefit obligation less the fair value of plan assets. KPN uses actuarial calculations (projected unit credit method) to measure the obligations and the costs. For the calculation, actuarial assumptions are made about demographic variables (such as employee turnover and mortality) and financial variables (such as future indexation and the discount rate). The discount rate is determined by reference to market rates. These are interest rates of high-quality corporate bonds that are denominated in the currency in which the benefit will be paid and that have terms to maturity approximating the terms of the related liability. A net defined benefit asset may arise where a defined benefit plan has been overfunded. KPN recognizes a net defined benefit asset in such a case only when future economic benefits are available to KPN in the form of a reduction in future contributions or a cash refund. Actuarial gains and losses are recognized immediately in OCI.

Past service costs, curtailments and settlements are recognized immediately in the P&L.

The amount of pension costs included in operating expenses with respect to defined benefit plans consists of service cost, past service costs, curtailments and settlements, and administration costs. Net interest on the net defined benefit liability is presented as part of finance costs.

For pension plans that qualify as a defined contribution plan, KPN recognizes contributions as an expense when an employee has rendered service in exchange for those contributions.

[18] Provisions for other liabilities and charges

€ million	31 December 2025	31 December 2024
Restructuring provision	20	19
Asset retirement obligations	92	77
Other provisions	33	38
Total provisions for other liabilities and charges	**145**	**134**
> of which: current	**30**	**29**
> of which: non-current	**115**	**105**

Statement of changes in provisions

€ million	Personnel	Contractual	Total restructuring	Asset retirement obligation	Other provisions	Total provisions
Balance at 1 January 2024	**22**	**2**	**24**	**75**	**36**	**135**
of which: current portion	**22**	**1**	**23**	**4**	**5**	**32**
Additions	28	-	28	6	9	43
Releases	-	-	-	-1	-1	-2
Usage	-33	-1	-34	-3	-6	-42
Balance at 31 December 2024	**17**	**1**	**19**	**77**	**38**	**134**
of which: current portion	**17**	**1**	**18**	**4**	**7**	**29**
Additions	37	-	37	13	5	55
Releases	-	-	-	-9	-2	-12
Usage	-35	-1	-35	-2	-8	-46
Changes in consolidation[1]	-	-	-	13	-	13
Balance at 31 December 2025	**19**	**1**	**20**	**92**	**33**	**145**
< 1 year	**18**	**1**	**19**	**5**	**6**	**30**
1-5 years	**1**	**-**	**1**	**13**	**7**	**20**
> 5 years	**-**	**-**	**-**	**74**	**20**	**94**

1 Changes in consolidation relates to Althio.

Restructuring provisions

Employee redundancy costs are payable when employment is terminated before the normal retirement date, or whenever an employee accepts redundancy in exchange for these benefits.

Termination benefits are recognized when KPN is demonstrably committed either to terminating employment according to a detailed formal plan without the possibility of withdrawal or to providing termination benefits as a result of an individual and accepted offer. Benefits falling due more than 12 months after 31 December are discounted to present value.

Asset retirement obligations

The provision for asset retirement obligations (ARO) relates to radio sites and leased buildings and is based on assumptions of the estimated costs of removal, discount rate and estimated period of removal, which vary per type of asset. In 2025, €13m was added to the ARO provision (2024: €6m) and €9m was released (2024: €1m). Of the addition to the ARO provision in 2025, €12m was recognized as an increase in the carrying value of the capitalized asset retirement costs (ARC), which is included in Property, plant and equipment (2024: €5m). Of the release of the ARO provision in 2025, €9m was recognized as a decrease in the carrying value of the ARC (2024: €0).

As defined in the Telecommunications Act, the obligation for landlords to tolerate cables terminates as soon as those cables have been idle for a continuous period of 10 years. The covenant the telecoms sector concluded with a representation of landlords ("Uitvoeringsafspraken Verwijderen Ongebruikte Telecomkabels") states there must be a clear usefulness and necessity to remove the copper cables, also taking into account the expected costs of the removal operation. There are major uncertainties as to (1) whether and when landlords will place a reasonable request for removal of idle cables that meet the conditions of the covenant and (2) the amount and timing of any outflow. In our opinion, it is therefore not possible to make a reliable estimate of the amount that is required to meet the obligation and hence no provision for future claims was recognized at 31 December 2025 nor at 31 December 2024. There were also no material actual claims that need provisioning.

Other provisions

This includes provisions for claims and litigations, onerous contracts and warranties, and provisions for long-term obligations to employees related to jubilee or other long-service employee benefits, long-term disability benefits and, if they are not fully payable within 12 months after the end of the period, bonuses and deferred compensation. The expected costs of these benefits are accrued over the period of employment using an accounting method similar to that for defined benefit pension plans, except that actuarial gains and losses and past-service costs are recognized immediately in the P&L.

Accounting policy: provisions for other liabilities and charges

Provisions for asset retirement obligations, restructuring costs and legal claims are recognized when KPN has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. When these criteria are not met, these positions are classified as contingent liabilities, unless the cash outflow is considered remote.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

[19] Leasing

Right-of-use assets

€ million	Mobile network	Fixed network & data centers	Real estate	Vehicles	Other	Total
Accumulated cost	1,065	77	484	104	30	1,760
Accumulated depreciation & impairment	-485	-64	-332	-53	-11	-945
Balance at 1 January 2024	**580**	**13**	**152**	**51**	**19**	**815**
Additions	19	-	1	47	3	71
Remeasurement & lease modifications	-5	-	3	-3	2	-3
Change in consolidation	-	-	-	-	-	-
Depreciation	-65	-6	-31	-24	-7	-132
Impairments	-	-	-	-	-	-
Closing net book value	**529**	**7**	**125**	**72**	**17**	**750**
Accumulated cost	1,051	37	484	121	34	1,727
Accumulated depreciation & impairment	-522	-30	-359	-50	-17	-977
Balance at 31 December 2024	**529**	**7**	**125**	**72**	**17**	**750**
Additions	10	0	4	15	14	43
Remeasurement & lease modifications	-63[1]	1	-11	1	1	-71
Change in consolidation[2]	54	-	-	-	-	54
Depreciation	-53	-3	-30	-23	-8	-117
Impairments	-	-	-	-	-	-
Closing net book value	**476**	**6**	**89**	**64**	**24**	**659**
Accumulated cost	751	31	439	121	48	1,390
Accumulated depreciation & impairment	-276	-25	-349	-57	-24	-731
Balance at 31 December 2025	**476**	**6**	**89**	**64**	**24**	**659**
Total estimated lease term at commencement of a lease (in years)	5-15	5-20	5-20	5-7	<5	

1 This mainly relates to the termination of the former lease contracts between KPN and OTC/NOVEC legal entities.
2 Relates to the Althio transaction

Lease liabilities

€ million	Mobile network	Fixed network & data centers	Real estate	Vehicles	Other	Total
Non-current lease liability	522	11	151	34	14	733
Current lease liability	101	7	33	15	5	162
Balance at 1 January 2024	**624**	**19**	**184**	**49**	**19**	**894**
Additions	19	2	1	47	3	73
Remeasurement & lease modifications	-7	-	3	-3	2	-4
Change in consolidation	-	-	-	-	-	-
Interest	15	-	4	3	-	23
Redemptions	-83	-8	-39	-25	-12	-166
Closing net book value	**569**	**14**	**153**	**71**	**11**	**818**
Non-current lease liability	467	10	117	52	10	656
Current lease liability	102	4	36	19	1	163
Balance at 31 December 2024	**569**	**14**	**153**	**71**	**11**	**818**
Additions	10	3	4	14	14	45
Remeasurement & lease modifications	-71[1]	-1	-11	1	1	-81
Change in consolidation[2]	54	-	-	-	-	54
Interest	14	-	4	3	-	20
Redemptions	-67	-5	-41	-25	-11	-148
Closing net book value	**508**	**11**	**109**	**64**	**15**	**707**
Non-current lease liability	433	8	75	44	15	575
Current lease liability	75	4	34	20	-	132
Balance at 31 December 2025	**508**	**11**	**109**	**64**	**15**	**707**

1 This mainly relates to the termination of the former lease contracts between KPN and OTC/NOVEC legal entities.
2 Relates to the Althio transaction

The redemptions reflect the total payments made during the year for the lease fees included in the lease liability. The redemption consists of the repayments of the lease liabilities which are presented in the cash flow from financing activities (2025: €127m, 2024: €143m) and the interest paid during the year (2025: €20m, 2024: €23m), which is part of the cash flow from operating activities.

For the maturity analysis of the lease liabilities, see Note 13.4.

KPN's lease portfolio consists of mobile network (mostly site rentals and mobile towers), fixed network and data centers (technical buildings), real estate (offices and shops), vehicles and other leased assets.

The following amounts are recognized in the profit or loss:

€ million	2025	2024
Depreciation of right-of-use assets	-117	-132
Impairment (-) or impairment reversal right-of-use assets	-	-
Gain or loss (-) on early terminations	-38[1]	2
Total depreciation & impairments presented in the P&L	**-155**	**-130**
Interest on lease liabilities	-20	-23
Total amount recognized in profit or loss	**-175**	**-153**

1 Includes the cost for terminating existing Althio lease contracts (see Note 21)

In 2025, KPN entered into sale and leaseback transactions for some of its technical buildings. The transactions resulted in a gain of €15m, included in Other income (2024: €8m). The leaseback periods are limited to a period of five years. The impact on the lease liability and right-of-use asset (fixed network) was limited in both years.

The expenses related to short-term vehicle leases (included in Personnel expenses) are not material. KPN does not apply the low-value exemption and does not have contracts with variable lease payments other than variable lease payments dependent on an index or a rate.

Most of KPN's lease contracts include extension (renewal) or termination options in line with industry practice. In general these options do not contain rights for exercising termination options or renewing leases with favourable terms and conditions. KPN exercises significant judgment in determining whether these options are reasonably certain to be exercised (see Note 2). The assessments are updated annually or when a significant change in economic circumstances occurs. Periods covered by renewal options deemed reasonably certain or early termination options that are reasonably certain not to be exercised are included in the total lease liability.

A significant number of KPN's contracts have an unlimited number of extension options. Only those deemed reasonably certain are included in the lease term and therefore the lease liability. A reliable estimate of the potential future lease payments related to periods beyond the lease terms reflected on the balance sheet cannot be provided. This affects mostly the mobile network as well as real estate. Vehicles are generally returned by the end of their term.

KPN as lessor

KPN acts as a lessor in a limited number of real estate locations, mobile sites (Althio) and some specific types of customer premises equipment, all classified as operating leases. The mobile sites are in general owned assets classified as land and buildings. The terms are 1-15 years. Leases generally include a clause to enable upward revision of the lease fees (annual indexation) and do not contain buy-back agreements, residual value guarantees or variable lease payments. Rental income recognized in 2025 amounted to €36m (2024: €2m). The undiscounted amount of future minimum lease receivables under the non-cancelable operating leases at 31 December 2025 was €325m (31 December 2024: €9m). The undiscounted lease payments to be received on an annual basis are €43m for 2026, €44m for 2027, €140m for 2028-2030 and €98m for the remaining years. The carrying amount of assets leased to third parties under operating leases is €143m (2024: nil).

Accounting policy: leases

KPN as lessee

Lease liabilities

At the commencement date of a lease (i.e. the date on which the underlying asset of the lease is available for use by KPN), KPN recognizes a lease liability measured at the present value of future lease payments to be made over the term of the lease. This includes fixed fees (including in-substance fixed payments), lease incentives (such as rent-free periods or fee discounts), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. KPN does not have purchase options to be taken into account. Penalties for early termination of a lease are not included when KPN is reasonably certain that the related early termination will not take place.

All KPN contracts that contain variable lease payments depend on a consumer price index or a rate. However, should other types of fees occur, these variable fees will be accounted for in the operating expenses.

After the commencement date, the lease liabilities increase due to the accrual of interest and decrease due to the payments of fees due. The lease liabilities are remeasured when a change occurs in fees due, the lease term is deemed reasonably certain and/or there are changes to the scope of a lease. Upon remeasurement of the lease liability of a contract, the applied discount rate (incremental borrowing rate) is revised unless the remeasurement relates to a fee change following a change in the consumer price index or rate.

The total lease liability recognized is split into a non-current and a current portion. The current lease liabilities reflect only the part of the payments due within one year related to the repayment of the total lease liabilities.

Lease term
KPN determines the lease term as the non-cancelable term of a contract together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised.

KPN applies judgment when assessing if the use of an option is reasonably certain. Factors included are KPN's asset and network strategy, technological developments, and other circumstances that may impose an economic incentive affecting the expected use of an underlying asset. For vehicles, renewal options are not included in the initial assessment of the lease term as KPN's policy prescribes the return of vehicles to the lessor at the end of the lease term.

After the commencement of a lease, KPN reassesses the lease term if there is a significant event or change in circumstances that is within KPN's control and affects KPN's ability to exercise or not to exercise the option to renew or to terminate a lease.

Incremental borrowing rate
The implicit discount rates of KPN's leases are not readily available, with the exception of vehicles. KPN applies its applicable incremental borrowing rate to determine the discounted value of the lease liabilities. Upon modification of a lease, the lease liability is remeasured using the applicable discount rate at the date of the remeasurement. KPN's incremental borrowing rates are mainly determined using a risk-free rate combined with a spread reflecting KPN's credit risk. The applicable rate per contract is primarily dependent on the total expected term of a lease at its commencement date (new leases) or the total expected remaining lease term in the event of a remeasurement of a lease.

Right-of-use assets
Right-of-use assets are recognized at the commencement date of a lease as counterpart to the lease liabilities. The right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement in the corresponding lease liabilities. The cost of the right-of-use assets includes the initially recognized amount of the corresponding lease liabilities, initial direct costs incurred in obtaining the lease (if any) and lease payments made at or before commencement of the lease. Lease incentives received are deducted from the carrying value of the right-of-use assets.

The right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life of the underlying asset and the lease term. Right-of-use assets are subject to impairment.

Short-term leases and leases of low-value assets
KPN does not apply the practical expedients for low-value leases (leases of an underlying asset with a value of less than €5,000) and short-term leases (leases with a total expected term of less than 12 months) except for short-term rental vehicles.

For vehicle leases, KPN applies the practical expedient not to separate non-lease components from lease components. Therefore, the full monthly lease fees are reflected in KPN's statement of financial position. For all types of leased assets, electricity and fuel-related expenses remain part of operating expenses.

KPN as lessor

Leases where KPN as lessor retains a significant portion of the risk and rewards of ownership of the lease asset are classified as operating leases. The assets remain on the balance sheet and are depreciated over the assets' useful life.

Lease payments received from lessees are recognized as revenue on a straight-line basis over the lease period.

If KPN acts as a lessor in a finance lease, the transaction is accounted for as a normal sale and the present value of the lease payments to be received is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is deferred and recognized as interest over the lease term.

[20] Contract liabilities, trade and other payables

Trade and other payables

	31 December 2025		31 December 2024	
€ million	Current	Non-current	Current	Non-current
Trade payables	696	-	600	-
Accrued interest	100	-	99	-
Accrued expenses	312	-	341	-
Social security and other taxes payable	210	-	217	-
Other payables	38	36	22	23
Total	**1,357**	**36**	**1,278**	**23**

Some of KPN's suppliers participate in supplier finance arrangements giving suppliers the opportunity to receive earlier payment (from a financial institution), without modifying KPN's payment terms, or providing KPN with an extended payment period. As the payment terms under these arrangements do not materially deviate from customary payment terms in the industry or from the terms agreed with suppliers who do not participate in these arrangements, the related liabilities are classified as trade and other payables, and payments are classified as operating cash flow. The supplier finance arrangements do not impact covenants or KPN's access to (future) borrowings from financial institutions.

€ million	31 December 2025	31 December 2024
Carrying amount of liabilities that are part of supplier finance arrangements		
Presented within trade payables	260	264
Of which suppliers have been paid by finance providers	196	215
Range of payment due dates (days after the invoice date)		
Liabilities that are part of the arrangements	30-90 days	30-90 days
Comparable trade payables that are not part of the arrangements	30-90 days	30-90 days

Contract liabilities

	31 December 2025		31 December 2024	
€ million	Current	Non-current	Current	Non-current
Contract liabilities	178	151	164	130
Of which variable considerations	-	103	-	100

The contract liabilities primarily relate to the consideration received from customers before satisfying performance obligations, such as advances for subscriptions and airtime. KPN recognizes a contract liability for postpaid and prepaid bundled minutes and data increasingly based on the passage of time of these bundles per proposition. The utilization percentage is the actual pro-rata period as a percentage of total credits granted for that period.

A contract liability is also recognized for:

- Mobile connection fees charged to the customer if the connection is not treated as a separate performance obligation;
- Fees invoiced for transition projects for business customers if the project is not treated as a separate performance obligation. If the transition project is treated as a separate performance obligation, a contract liability is recognized if the amount invoiced is higher than the amount of revenue allocated to the project.

Contract liabilities are recognized for variable considerations which are not deemed highly probable. The introduction of new mobile consumer propositions in August 2016 caused a change in the VAT calculation methodology, which resulted in a lower remittance of VAT from August 2016 until December 2018. KPN's view is not shared by the Dutch tax authorities. KPN has concluded, based on the applicable regulations, that a positive outcome of this dispute is not highly probable and has therefore recorded a contract liability for the VAT amount. Additionally, an amount for the corresponding interest amount has been accounted for. A potential final negative outcome of the current court proceedings will lead to cash outflow for an amount up to the non-current variable considerations (€103m), which includes accrued interest.

The year's revenues include the current portion of the contract liability balance at the beginning of the year.

Accounting policy: contract liabilities, trade and other payables

Trade and other payables are classified as "borrowings" within KPN's financial liabilities. For the accounting policy, see Note 13.

Contract liabilities are recognized in the statement of financial position for considerations received in respect of unsatisfied performance obligations. Contract liabilities are recognized as revenue when KPN performs under the contract.

Other notes to the consolidated financial statements

[21] Business combinations

Changes in consolidation: Acquisitions classified as business combinations

€ million	2025	2024
Recognized amounts of identifiable assets acquired and liabilities assumed:		
Intangible assets	153	99
Property, plant and equipment	116	9
RoU assets	54	-
Trade and other receivables, prepayments and accrued income	46	9
Net cash and cash equivalents	15	17
Non-current liabilities	-162	-
Deferred income tax liability	-46	-25
Trade and other payables and accrued expenses	-74	-19
Total net assets	**102**	**91**
Non-controlling interest at fair value	**-50**	**-**
Total net assets at fair value acquired	**52**	**91**
Total consideration	148	217
Contingent cash consideration	-	9
Total consideration	**148**	**226**
Goodwill	**95**	**135**

Althio

On 13 February 2025, KPN and ABP completed the transaction resulting in the creation of a new open tower company, named Althio B.V. ("Althio"). The transaction was approved by the ACM on 6 February 2025. KPN holds 51% of the shares in Althio, while the remaining 49% shares are owned by Stichting Depositary APG Infrastructure Pool 2016, an investment entity managed by ABP.

Following the transaction, Althio holds the combined passive mobile infrastructure of KPN as well as those of NOVEC and OTC (portfolio companies previously owned by TenneT and ABP respectively). This combined portfolio comprises of approximately 3,800 towers and rooftops throughout the Netherlands. This strategic partnership is in line with KPN's Connect, Activate & Grow strategy to optimize the value of its passive infrastructure assets and retain strategic flexibility. Through the creation of Althio, KPN gains higher flexibility over a substantial part of its mobile sites, enabling strategic synergies regarding the deployment, maintenance, and optimization of the network infrastructure. As part of the transaction some existing lease conditions were reset. Althio and KPN entered into a long-term master service agreement (MSA), stipulating the terms under which KPN will continue to be a tenant of Althio for an initial period of 20 years. Althio also holds a build-to-suit commitment for the next 10 years from KPN to provide (additional) coverage from its existing sites or to acquire or build new sites.

KPN has assessed that it has control over Althio. The assessment includes, among other factors, the following:
- KPN's influence on Althio's relevant activities through KPN's presence in the governance structure;
- KPN has a majority of the voting rights and has the right to direct key operational and financial decisions.

The transaction resulted in a cash payment of €113m and a non cash-payment in the form of a demerger of KPN's passive mobile infrastructure to Althio in exchange for a controlling 51% interest in Althio. This demerger has been treated as the sale of a subsidiary without the loss of control. KPN recognized a book gain of €54m directly in equity for the disposal of 49% of its passive mobile infrastructure, effectively, of which the fair value is €72m.

KPN was lessee to a substantial number of sites owned and operated by OTC, NOVEC and their subsidiaries (all acting as lessors). These leases were subject to various framework agreements between KPN and the OTC/NOVEC legal entities. One of the elements of the transaction was a full reset and harmonization of these contracts (as well as a reset of the lease fees). The parties agreed to terminate the existing lease contracts and enter into a new master service agreement (MSA). This part of the transaction was subject to the requirements of IFRS 3.51 & 52 (settlement of pre-existing relationships). The fair value of the termination of the old lease contracts is €52m which was validated by an external valuator based on the present value of the difference in estimated future cash flows calculated over the portfolio. This amount was recognized as an operating expense and included in "depreciation, amortization and impairments" in the consolidated statement of profit or loss, together with a gain of €8m due to the settlement of the liabilities and impairment of the right-of-use asset related to the existing lease contracts.

KPN performed a purchase price allocation of the acquired passive mobile infrastructure of NOVEC and OTC amounting to €148m. The total consideration in the purchase price allocation consists of the cash payment of €113m, the fair value of €72m of KPN's passive mobile infrastructure effectively disposed less the amount of €52m allocated to the termination of the existing lease contracts. In addition, KPN will make a capital contribution of €14m. The purchase price allocation of the acquired passive mobile infrastructure of NOVEC and OTC is as stated in the table.

The goodwill of €115m reported as at 30 June 2025 was provisional, as the Purchase Price Allocation (PPA) had not yet been finalized. Goodwill is reduced with €20m for a capital contribution KPN is obliged to make and due to a reduction of the non-cash payment in the form of the demerger of KPN's passive mobile infrastructure to Althio with €28m. The latter is due to adverse changes in the (projected) performance of that business which had not yet been taken into account in determining the fair value of KPN's passive mobile infrastructure demerged to Althio.

The fair values of the identifiable assets acquired and liabilities assumed were determined using valuation techniques that require significant judgment. External valuation specialists assisted management in applying discounted cash flow models and market-based approaches. Key assumptions included expected future cash flows and discount rates. The intangible assets consist of the recognition of the external customer base of OTC and NOVEC (€153m), so excluding KPN. The goodwill recognized is based on the partial goodwill method and relates to future cash flows to be realized from transactions with KPN and additional external customers and from cost savings. This goodwill is not tax deductible.

The transaction costs amount to €12m and were recognized as operating expenses.

Considering the fact that the transaction was negotiated as a single package and that the total consideration consists of a non-cash and a cash part, it is not practically possible to allocate the latter to the separate elements of the transaction. Therefore, the full amount of the cash payment, net of cash acquired, is classified in the consolidated statement of cash flows as "acquisition of and investments in subsidiaries, associates and joint ventures", as part of cash flows from investing activities.

The acquisition had a net impact of €24m on KPN's Group revenues. The net impact on EBITDA AL was €24m, excluding the aforementioned lease settlement expense and transaction and implementation costs. If the acquisition had taken place at the beginning of the year, the net impact on KPN's Group revenues would have been approximately €26m and on EBITDA AL approximately €27m. The lower external lease expenses (with the former OTC and NOVEC entities) are partly offset by the external costs of the former OTC and NOVEC entities.

Youfone (2024)

On 4 April 2024, KPN acquired 100% of the shares in Youfone Nederland B.V. and Youfone Zakelijk B.V. (together referred to as "Youfone").

Youfone is a fast-growing telecoms operator, that was already active on KPN's network. With this acquisition, KPN strengthens its position in the mobile and broadband markets, especially in the faster-growing no-frills segments. Youfone Nederland is included in KPN's Consumer segment and has added approximately 499,000 postpaid and 56,000 broadband customers to the segment's customer base. Youfone Zakelijk is included in KPN's Business segment and has added approximately 42,000 customers to the SME customer base. KPN and Youfone expect to achieve further growth in the coming years by continuing the efficient operating model that Youfone has been able to successfully implement. The goodwill relates to these expected future benefits.

The transaction resulted in a net cash outflow of €190m in 2024, classified as cash flow from investing activities in the consolidated statement of cash flows. This amount consists of the cash consideration paid for the shares (€207m) less cash acquired (€17m). The transaction costs amounted to less than €1m and were recognized in the P&L.

The purchase price allocation resulted in the recognition of customer bases (€90m), trade names (€7m), a deferred tax liability (€25m), an earn-out provision (€9m) and goodwill (€134m). The amount of goodwill deductible for tax purposes is €0.2m. The earn-out paid in 2025 amounts to €7m.

Fiber networks of Coöperatie Glasvezel Noord (2024)

On 11 January 2024, KPN purchased the fiber networks of Coöperatie Glasvezel Noord U.A., located in the northern part of the Netherlands, adding approximately 3,700 homes passed to KPN's fiber footprint. The net assets and activities were added to KPN's segment Networks, Operations & IT (NOI). The transaction resulted in a net cash outflow of €10m in 2024, classified as cash flow from investing activities in the consolidated statement of cash flows. The transaction costs amounted to nil. The transaction was classified as a business combination. The purchase price allocation resulted in the recognition of tangible fixed assets (fiber networks, €8m), a customer base (€1m), and goodwill (€1m). The impact of the acquisition on KPN's Group revenues and EBITDA AL is negligible.

Changes in consolidation: Disposals

During 2025 and 2024, no subsidiaries were sold.

Other changes in consolidation

Acquisitions not classifying as business combinations

€ million	2025	2024
Recognized amounts of identifiable assets acquired and liabilities assumed:		
Intangible assets	-	-
Property, plant and equipment	-	8
Deferred income tax asset	-	-
Trade and other receivables, prepayments and accrued income	-	-
Net cash and cash equivalents	-	-
Trade and other payables and accrued expenses	-	-
Total net assets	**-**	**8**
Total transaction costs	**-**	**-**
Cash consideration	-	8
Contingent cash consideration	-	-
Total consideration	**-**	**8**

Fiber networks of GNB Lochem (2024)

On 3 July 2024, KPN purchased the fiber networks of GNB Lochem B.V. and added approximately 4,071 homes passed to KPN's own fiber footprint. As the assets acquired and liabilities assumed do not constitute a business, the transaction has been accounted for as an asset acquisition and no goodwill has been recognized. The total consideration paid (€8m) has been allocated to the assets acquired and liabilities assumed on a relative fair value basis.

Impact on cash flow from investing activities

The net cash outflow related to acquisition of and investments in subsidiaries, associates and joint ventures (net of acquired cash) was €172m in 2025 (2024: €213m). This amount includes the net cash consideration related to the acquisition of Althio (€98m), the earn-out of Youfone (€7m), additional share premium contributions to Glaspoort (€56m, see Note 12), transaction costs and payments related to acquisitions of smaller investments in associates. The net cash outflow of 2024 (€213m) included the net cash consideration related to the acquisition of Youfone (€190m), additional share premium contributions to Glaspoort (€20m, see Note 12) and payments related to acquisitions of smaller investments in associates.

The net cash inflow from disposal of subsidiaries and associates was €40m in 2025 (2024: €26m). This consists of the received deferred payment of €41m related to Glaspoort (2024: €26m, see Note 13.1).

Accounting policy: business combinations

KPN uses the acquisition method to account for business combinations. The consideration paid is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange.

Identifiable assets acquired and liabilities and contingent liabilities assumed are measured at their fair values at the acquisition date. When a business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in the P&L.

Contingent considerations are recognized at fair value at acquisition date and subsequent changes to the fair value are recognized in the P&L. Contingent considerations classified as equity are not remeasured and subsequent settlement is counted for within equity.

For each business combination, KPN elects to recognize any non-controlling interest in the acquiree either at fair value or at the proportionate share in the acquiree's net assets.

Acquisition-related costs are expensed as incurred.

The excess of the consideration paid, non-controlling interests recognized and the acquisition date fair value of any previous equity interests in the acquiree over the fair value of KPN's share of the net assets acquired is recorded as goodwill. If negative goodwill occurs (bargain purchase), the difference is recognized directly in the P&L.

[22] Commitments, contingencies and legal proceedings

Commitments

€ million	Less than 1 year	1-5 years	More than 5 years	Total 31 December 2025	Total 31 December 2024
Capital and purchase commitments	878	538	40	1,456	1,672
Guarantees and other	-	10	124	134	139
Total commitments	**878**	**548**	**164**	**1,590**	**1,811**

The capital and purchase commitments mainly relate to minimum contractual obligations with regard to network operations, mobile handsets, telco services and lease contracts that have not yet commenced.

Guarantees consist of financial obligations of group companies under certain contracts guaranteed by KPN. A total amount of €124m relates to parent guarantees (2024: €134m). The table presented above does not include KPN's commitment on share premium contributions regarding Glaspoort of €220m (31 December 2024: €255m). See Note 12.

Contingent assets and liabilities

KPN is involved in a number of legal and tax proceedings that have arisen in the ordinary course of its business and in discontinued operations, including commercial, regulatory and other proceedings. Periodically, KPN carefully assesses the likelihood that legal and tax proceedings may lead to a cash in- or outflow. KPN recognizes provisions in case of a cash outflow if and when the chance is estimated as probable and a reliable estimate of the cash outflow can be made. KPN recognizes the assets in case of a cash inflow if and when the chance is estimated as virtually certain. When these criteria are not met, such matters are classified as contingent assets or liabilities, unless the cash inflow is considered possible or the cash outflow is considered remote.

However, the outcome of such proceedings can be difficult to predict with certainty and KPN can offer no assurances. In some cases, the impact of a legal proceeding may be more strategic than financial or such impact cannot properly be quantified. A description is given below of legal-related contingent assets and liabilities that could have a material impact for KPN.

- See Note 18 for a contingent liability related to idle cables and the accounting policy for provisions.
- A pending claim by a customer regarding the validity of certain clauses in our general terms & conditions for consumers could impact our ability to amend our tariffs for consumers, potentially also with retroactive effect.
- In KPN's Articles of Association and in a further decision by the Board of Management, which was approved by the Supervisory Board, KPN has indemnified the members and former members of KPN's Board of Management and Supervisory Board, as well as a number of KPN's officers and directors and former officers and directors, against liabilities, claims, judgements, fines and penalties incurred by such officers or directors as a result of any threatened, pending or completed action, investigation or proceeding (whether civil, criminal or administrative) brought by a third party in relation to acts or omissions in or related to their capacity as officer or director. The indemnification does not apply to claims and expenses reimbursed by insurers nor to an officer or a director adjudged to be liable for willful misconduct ("*opzet*") or intentional recklessness ("*bewuste roekeloosheid*").

[23] Related-party transactions

KPN considers none of its related-party transactions to be material on an individual basis. Transactions between group companies are not included in the description below as these are eliminated in the "Consolidated financial statements".

Transactions with shareholders

Pursuant to the Dutch Financial Supervisory Act (*'Wet op het financieel toezicht' or 'Wft'*), any persons must immediately notify the Dutch Authority for the Financial Markets (*'AFM'*) when its shareholding or voting right equals, exceeds or falls below certain thresholds of a company's issued capital, starting at a 3% threshold. The AFM discloses such reports in its public register. Below is an overview, based on this register, of shareholdings or voting rights of 3% or more in KPN's issued capital per 31 December 2025.

Date of notification to the AFM	Notification by	% of shares	% of voting rights
2 August 2022	Capital Research and Management Company	-	9.70
9 February 2024	BlackRock, Inc.	6.44	7.70
24 April 2025	The Income Fund of America	3.66	3.66
20 June 2025	State Street Corporation	3.16	2.25
27 August 2025	Amundi Asset Management	3.12	3.12
11 September 2025	Canada Pension Plan Investment Board	3.00	3.00
13 November 2025	JP Morgan Asset Management Holdings, Inc.	3.02	2.58

KPN did not enter into agreements with shareholders that could have a material impact on KPN's financial statements.

Transactions with associated companies and joint ventures

On 9 June 2021, KPN sold 50% of the shares of its subsidiary Glaspoort and entered into a joint venture agreement with ABP (see Note 12). As of 9 June 2021, KPN's remaining 50% interest in Glaspoort is classified as a joint venture and accounted for using the

equity method. KPN is the anchor tenant on Glaspoort's network and also supplies services to Glaspoort. In 2024, KPN and ABP agreed on an adjustment to the Glaspoort demarcation which was part of the joint venture agreement in 2021. The transaction is an exchange of geographical areas between KPN and Glaspoort, which will be used by KPN and Glaspoort for similar purposes and have comparable risk profiles and fair values. Other than the settlement of costs already incurred by KPN (€19m), there is no other financial compensation.

The value of the services delivered to and acquired from Glaspoort, and its joint venture GlasDraad, amounted to €23m and €71m respectively in 2025 (2024: €17m and €49m respectively). Moreover, in December 2021, KPN, ABP and Glaspoort signed an agreement to extend the scope of Glaspoort's fiber rollout. It was agreed that KPN will receive €170m (pre-tax) from Glaspoort for the sale of the additional scope projects in annual installments based on the fiber rollout starting in 2023. At 31 December 2025, KPN had received €165m of the total consideration agreed upon (€60m in cash upon closing of the transaction in 2021, €51m during 2023, €31m during 2024 and €23m during 2025). During 2025, Glaspoort received additional share premium contributions from its shareholders. KPN contributed €56m (2024: €20m). Trade and other receivables with respect to Glaspoort at 31 December 2025 amounted to €5m (2024: €18m), trade and other payables to €9m (2024: €13m), non-current contract assets to nil (2024: €5m), and current contract assets to €5m (2024: €23m); there were no current contract liabilities.

The following table shows the total value of the transactions by KPN with other associated and non-consolidated companies for the relevant year:

€ million	2025	2024
Sales in the year	3	14
Purchases in the year	16	17
Trade receivables at 31 December	<1	<1
Trade payables at 31 December	<1	<1

Transactions with directors and related parties

For details of the relationship between directors and the company, see the remuneration report section of this integrated annual report. Directors in this respect are defined as key management and relate to those having authority and responsibility for planning, directing and controlling the activities of an entity, either directly or indirectly. At KPN, key management consists of the members of the Board of Management and the Supervisory Board.

The members of KPN's Board of Management and Supervisory Board or close members of their families are also members of supervisory boards or management boards of other companies or are shareholders of other companies, without having (joint) control, with which KPN maintains relations in the ordinary course of business. All transactions with these companies are carried out on an arm's length basis.

[24] Legal structure

Name of significant subsidiaries and other principal interests	Country of incorporation
KPN B.V.	Netherlands
- Althio B.V.	Netherlands
- Broadband Hosting B.V.	Netherlands
- E-Zorg B.V.	Netherlands
- Glaspoort B.V.	Netherlands
- GroupIT B.V.	Netherlands
- RoutIT B.V.	Netherlands
- Inspark Holding B.V.	Netherlands
- InSpark B.V.	Netherlands
- KPN Finance B.V.	Netherlands
- Reggefiber Group B.V.	Netherlands
- Reggefiber Operator B.V.	Netherlands
- Reggefiber ttH B.V.	Netherlands
- Netwerk Exploitatiemaatschappij B.V.	Netherlands
- Solcon Internetdiensten B.V.	Netherlands
- Youfone Nederland B.V.	Netherlands
- Youfone Zakelijk B.V.	Netherlands
KPN Mobile Holding B.V.	Netherlands
- KPN Mobile N.V.	Netherlands
KPN Ventures B.V.	Netherlands
Getronics B.V.	Netherlands
- Getronics Finance Holdings B.V.	Netherlands
- Getronics Pensions UK Ltd.	UK
- Getronics US Operations, Inc.	US
KPN Insurance Company DAC	Ireland

The percentage ownership/voting interest of these entities is 100%, except for:

- Althio B.V. (51% interest)
- Joint venture Glaspoort B.V. (50% interest)

[25] Proposed appropriation of result

On outstanding Class B preference shares, a dividend is paid out equal to the average of 12-month Euribor plus 1%. If 12-month Euribor is no longer determined, the dividend on preference shares will be calculated based on the yield on state loans. Subsequently, subject to the approval of the Supervisory Board, the Board of Management will determine what proportion of net income remaining after payment of the dividend on any Class B preference shares will be appropriated to the reserves. The part of the profit remaining after the appropriation to the reserves shall be at the disposal of the AGM. No Class B preference shares were outstanding on 31 December 2025.

The profit of the 2025 financial year attributable to equity holders of the company amounted to €855m. On 1 August 2025, a regular interim dividend of 7.3 eurocents per ordinary share was paid (total amount of €279m). On 20 February 2026, the Board of Management, with the approval of the Supervisory Board, appropriated €158m of the profit 2025 to the other reserves. Taking into account the interim dividend that was paid in August 2025, the remaining part of the profit is available for payment of a final dividend in respect of 2025. The Board of Management, with the approval of the Supervisory Board, will propose to the AGM to pay a final regular dividend of 10.9 eurocents per ordinary share in respect of 2025 (in total €417m based on the number of outstanding shares at 31 December 2025 less Treasury shares held by KPN).

[26] Subsequent events

On 3 February 2026, KPN successfully issued a 3.500% €500m senior unsecured bond maturing on 12 May 2034. Part of the proceeds of the new bond have been used to finance a tender offer to repurchase and cancel part of KPN's two outstanding GBP denominated senior unsecured bonds due in November 2026 and September 2029. KPN repurchased £96m notional amount of the bonds due November 2026 and £182m notional amount of the bonds due September 2029. The total tender consideration was approximately £295m and settlement took place on 13 February 2026.

Company statement of profit or loss

For the year ended 31 December € million	Notes	2025	2024
Total revenues and other income		**-**	**-**
Other operating expenses		-5	-5
Total operating expenses		**-5**	**-5**
Operating loss		**-5**	**-5**
Finance income		13	31
Finance costs		-234	-251
Other financial results		-38	-54
Intercompany interest (net)		8	10
Financial income and expenses	[A]	**-251**	**-264**
Income from subsidiaries		1,029	1,033
Profit before income tax		**773**	**764**
Income taxes	[B]	82	84
Profit for the year		**855**	**848**

Company statement of financial position

Before appropriation of current year result

€ million	Notes	31 December 2025	31 December 2024
Non-current assets			
Financial fixed assets			
Investments in subsidiaries		9,937	8,801
Derivatives		40	100
Deferred taxes		117	215
Other fixed financial assets		52	72
Total non-current assets	**[B]**	**10,146**	**9,188**
Current assets			
Accounts receivable from subsidiaries	[F]	427	1,364
Income tax receivable		28	17
Other receivables and accrued income		4	6
Other current financial assets		167	101
Cash and cash equivalents		279	587
Total current assets		**905**	**2,075**
Total assets		**11,051**	**11,263**

€ million	Notes	31 December 2025	31 December 2024
Equity			
Subscribed capital stock		153	156
Additional paid-in capital		7,241	7,481
Treasury shares reserve		-14	-11
Hedge reserve		-47	-96
Legal reserves	[C]	639	654
Retained earnings	[C]	-6,300	-6,490
Equity attributable to holders of perpetual hybrid bonds		990	990
Profit for the year		855	848
Total equity attributable to equity holders		**3,517**	**3,531**
Provisions			
Provisions for retirement benefit obligations		2	1
Other provisions		18	20
Total provisions	**[D]**	**20**	**21**
Non-current liabilities			
Borrowings		5,636	5,252
Loans from subsidiaries		25	25
Derivative financial instruments		117	156
Other non-current liabilities		53	131
Total non-current liabilities	**[E]**	**5,831**	**5,564**
Current liabilities			
Borrowings	[G]	345	899
Accounts payable to subsidiaries	[F]	1,032	1,026
Derivative financial instruments		20	5
Other current liabilities	[G]	172	119
Accruals and deferred income		113	99
Total current liabilities		**1,682**	**2,148**
Total equity and liabilities		**11,051**	**11,263**

Company statement of changes in equity

€ million	Subscribed capital stock	Additional paid-in capital	Treasury shares reserve	Hedge reserve	Legal reserves	Retained earnings	Equity attrib. to holders of perpetual capital securities	Profit for the year	Equity attrib. to equity holders of the company
Balance at 1 January 2024	**158**	**7,674**	**-17**	**-114**	**661**	**-6,637**	**990**	**844**	**3,558**
Profit for the year	-	-	-	-	-	-	-	848	848
Movements hedge reserve	-	-	-	18	-	-	-	-	18
Actuarial gain/loss pensions and other post-employment plans (net of tax)	-	-	-	-	-	2	-	-	2
Fair value adjustment equity investments	-	-	-	-	-	2	-	-	2
Total comprehensive income for the period	**-**	**-**	**-**	**18**	**-**	**4**	**-**	**848**	**869**
Profit for the prior year			-		-	844		-844	
Share based compensation expense	-	-	-	-	-	4	-		4
Sold and transferred treasury shares in connection with vesting of equity-settled share plans	-	-	11	-	-	-11	-	-	-
Treasury shares withdrawn	-2	-193	195	-	-	-	-	-	-
Issuance of perpetual hybrid bond	-	-	-	-	-	-	496	-	496
Repurchase of perpetual hybrid bond	-	-	-	-	-	-4	-496	-	-500
Dividends paid	-	-	-	-	-	-646	-	-	-646
Paid coupon perpetual hybrid bond	-	-	-	-	-	-48	-	-	-48
Addition/release (-) retained earnings			-	-	-6	6	-	-	-
Share repurchase	-	-	-200	-	-	-	-	-	-200
Total transactions with owners, recognized directly in equity	**-2**	**-193**	**6**	**-**	**-7**	**144**	**-**	**-844**	**-896**
Balance at 31 December 2024	**156**	**7,481**	**-11**	**-96**	**654**	**-6,490**	**990**	**848**	**3,531**

€ million	Subscribed capital stock	Additional paid-in capital	Treasury shares reserve	Hedge reserve	Legal reserves	Retained earnings	Equity attrib. to holders of perpetual capital securities	Profit for the year	Equity attrib. to equity holders of the company
Balance at 1 January 2025	**156**	**7,481**	**-11**	**-96**	**654**	**-6,490**	**990**	**848**	**3,531**
Profit for the year	-	-	-	-	-	-	-	855	855
Movements hedge reserve	-	-	-	49	-	-	-	-	49
Actuarial gain/loss pensions and other post-employment plans (net of tax)	-	-	-	-	-	2	-	-	2
Fair value adjustment equity investments	-	-	-	-		-4	-	-	-4
Total comprehensive income for the period	**-**	**-**	**-**	**49**	**-**	**-2**	**-**	**855**	**902**
Profit for the prior year	-	-	-	-	-	848	-	-848	-
Share based compensation expense	-	-	-	-	-	6	-	-	6
Sold and transferred treasury shares in connection with vesting of equity-settled share plans	-	-	5	-	-	-5	-	-	-
Treasury shares withdrawn	-2	-240	242	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-675	-	-	-675
Paid coupon perpetual hybrid bond	-	-	-	-	-	-54	-	-	-54
Addition/release (-) retained earnings	-	-	-	-	-15	15	-	-	-
Share repurchase	-	-	-250	-	-	-	-	-	-250
Gain on the sale of a subsidiary without the loss of control (see Note 21)	-	-		-	-	54	-	-	54
Other	-	-	-	-	-	4	-	-	4
Total transactions with owners, recognized directly in equity	**-2**	**-240**	**-3**	**-**	**-15**	**190**	**-**	**-848**	**-915**
Balance at 31 December 2025	**153**	**7,241**	**-14**	**-47**	**639**	**-6,300**	**990**	**855**	**3,517**

Notes to the company financial statements

Koninklijke KPN N.V. is a public limited liability company organized under Dutch law. The statutory seat is Rotterdam and the company is registered at the Chamber of Commerce (file no. 02045200).

The principles for the recognition and measurement of assets and liabilities and determination of the result (hereafter referred to as "accounting policies") of the company financial statements are the same as those applied to the consolidated financial statements under IFRS Accounting Standards (applying the option provided in Article 362 sub 8, Part 9, Book 2 of the Dutch Civil Code). These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (see notes to the consolidated financial statements).

Investments in consolidated subsidiaries are measured at net equity value (equity of the subsidiaries based on the equity method and goodwill). The equity method measures assets, provisions and liabilities, and determines profit of the subsidiaries based on the principles applied in the consolidated financial statements.

Expected credit losses, if any, with respect to loans granted to and receivables from consolidated subsidiaries are not recognized in these company financial statements.

[A] Financial income and expenses

€ million	2025	2024
Finance income	**13**	**31**
Interest on borrowings	-230	-245
Other	-4	-6
Finance costs	**-234**	**-251**
Amortizable part of hedge reserve	-13	-12
Amortization discontinued fair value hedges	9	18
Derivative financial instruments not qualified for hedge accounting	-	-7
Hedge ineffectiveness	-8	-7
Exchange rate differences	-14	13
Bond tender premiums and swap unwind (see Note 7)	-14	-60
Other	2	1
Other financial results	**-38**	**-54**
Intercompany interest (net)	**8**	**10**
Total	**-251**	**-264**

Finance income decreased mainly due to lower average cash balances and lower yields on cash.

The decrease in finance costs is mainly related to lower interest rates. Interest on borrowings included a non-cash amount of €6m (2024: €4m) relating to debt issuance costs including premiums and/or discounts, which are amortized over the remaining life of the respective bonds using the effective interest rate method.

Other financial results improved by €16m to a net cost of €38m (2024: €54m net cost) which is mainly the result of €14m charges related to the termination of hedge accounting on unwound swaps compared to €60m charges in 2024 related to a bond tender and €10m loss due to exchange rate differences compared to a gain of €12m in 2024.

[B] Non-current assets

€ million	Investments in subsidiaries	Derivatives[1]	Deferred taxes	Other financial fixed assets[2]	Total
Balance at 1 January 2024	**12,647**	**65**	**299**	**84**	**13,095**
Exchange rate differences	-7	-	-	-	-7
Income from group companies after taxes	1,033	-	-	-	1,033
Decrease due to waivers[3]	-4,849	-	-	-	-4,849
Movements paid collateral	-	-	-	-56	-56
Loan granted to a third party	-	-	-	44	44
Capital contributions	1	-	-	-	1
Received dividends	-25	-	-	-	-25
Fair value adjustments	-	35	-	-	35
Use of tax loss carry-forward	-	-	-73	-	-73
Other	1	-	-11	-	-10
Total changes	**-3,846**	**35**	**-84**	**-12**	**-3,907**
Balance at 31 December 2024	**8,801**	**100**	**215**	**72**	**9,188**
Exchange rate differences	7	-	-	-	7
Income from group companies after taxes	1,029	-	-	-	1,029
Movements paid collateral	-	-	-	-4	-4
Capital contributions	1	-	-	-	1
Received dividends	-1	-	-	-	-1
Fair value adjustments	-	-60	-	-	-60
Use of tax loss carry-forward	-	-	-82	-	-82
Other[4]	100	-	-17	-15	68
Total changes	**1,136**	**-60**	**-98**	**-20**	**958**
Balance at 31 December 2025	**9,937**	**40**	**117**	**52**	**10,146**

1 The amount at 31 December 2025 matures in 2030.
2 Other financial fixed assets mainly includes paid collaterals regarding derivative financial instruments of €3m (maturity in 2027) at 31 December 2025 and also a loan granted to a third party (unsecured) with a carrying amount of €49m at 31 December 2025 and a nominal amount of €60m. The loan bears interest of Euribor +0.25% and must be repaid, including accrued interest, no later than in November 2032.
3 The decrease mainly relates to the waiver of the loan payable to KPN B.V. (see Note F).
4 Other in investments in subsidiaries includes the gain on the sale of a subsidiary without the loss of control of €54m (see Note 21 and the company statement of changes in equity)

Taxation

The company forms a fiscal unit for corporate income tax purposes and VAT purposes with most of its Dutch subsidiaries. Under the Tax Collection Act, the company and its subsidiaries are each jointly and severally liable for the tax owed by the combination.

The company financial statements of Koninklijke KPN N.V. are prepared as if the company is independently subject to corporate income tax, so excluding the offset of profits within the tax group, of which the entity is the parent. As a result, the company reports a tax benefit for the tax-deductible interest and no tax on the result of consolidated entities as the tax of these entities is recorded at the level of the entity itself.

The company's deferred tax asset represents the future tax relief on taxable profits (within the tax unity) due to available losses and is higher than reported at the consolidated level, since the asset can be offset against deferred tax liabilities reported in other entities that are part of the same tax unity. For further disclosures, see Note 8 of the consolidated financial statements.

[C] Equity attributable to equity holders

For a breakdown of equity attributable to equity holders, see the consolidated statement of changes in equity and related notes. For the (proposed) profit appropriation, see Note 25 of the consolidated financial statements. On 21 September 2022, KPN issued a €500m hybrid bond with a 6.00% coupon and on 18 June 2024 it issued a €500m hybrid bond with a 4.875% coupon, all with perpetual maturities. These bonds are classified as equity and valued at net proceeds (see Note 13.2). On 20 June 2024, the €500m hybrid bond with a 2.00% coupon issued on 8 November 2019 was partially repurchased for a principal amount of €281m and on 20 December 2024 KPN announced it would redeem the remaining outstanding principal amount (€219m) at its first reset date (8 February 2025). As a consequence, the remaining outstanding amount of this bond has been reclassified from equity to borrowings as of the date of the announcement.

The additional paid-in capital is exempt from Dutch tax up to an amount of €8,067m at 31 December 2025 (2024: €8,311m).

At 31 December 2025 and 2024 only ordinary shares were outstanding. Due to cancellation of treasury shares, the number of subscribed ordinary shares decreased in 2024 by 58,487,360 and in 2025 by 61,465,117 to 3,827,465,305 as at 31 December 2025. The number of treasury shares increased in 2024 by 59,987,360 and in 2025 by 62,465,117 due to share buybacks. The number of treasury shares decreased by 58,487,360 in 2024 and by 61,465,117 in 2025 due to cancellation of treasury shares and by 2,359,506 in 2024 and by 1,247,964 in 2025 due to sale and transfer of treasury shares in connection with vesting of equity-settled share plans for management. The number of treasury shares held by the company at 31 December 2025 was 2,403,418.

Legal reserves (net of tax)

€ million	Revaluation reserve equity investment in Glaspoort (see Note 12)	Capitalized software development costs	Revaluation reserve property, plant and equipment	Cumulative translation adjustments	Fair value reserve equity investments	Solvency capital requirement[1]	Total
Balance at 1 January 2024	**336**	**266**	**9**	**17**	**13**	**20**	**661**
Addition/release (-) retained earnings	-15	14	-3	-	2	-5	-6
Balance at 31 December 2024	**321**	**280**	**7**	**17**	**15**	**15**	**654**
Addition/release (-) retained earnings	-23	1	-2	-	9	-	-15
Balance at 31 December 2025	**298**	**281**	**5**	**17**	**24**	**14**	**639**

1 This is the amount of funds that KPN Insurance Company DAC is required to hold under the European Union's Solvency II directive.

Pursuant to Dutch law, there are limitations on the distribution of equity attributable to equity holders. Such limitations relate to the subscribed capital stock as well as to legal reserves required by Dutch law as presented above. Negative legal reserves are also deducted to determine the amount for distribution. Dutch law also requires that in determining the amount for distribution, the company's ability to continue to pay its debt must be taken into account. The total distributable reserves, which include the perpetual hybrid bonds, amounted to €2,724m at 31 December 2025 (2024: €2,721m).

Retained earnings reconciled with the consolidated statement of financial position

€ million	2025	2024
Retained earnings as per consolidated statement of financial position	**-4,822**	**-5,005**
Revaluation reserve equity investment in Glaspoort	-298	-321
Revaluation reserve property, plant and equipment	-5	-7
Capitalized software development costs	-281	-280
Fair value reserve equity investments	-24	-15
Other non-distributable reserves	-14	-14
Profit for the year	-855	-848
Retained earnings as per company statement of financial position	**-6,300**	**-6,490**

[D] Provisions

Movements in provisions

€ million	Retirement benefit obligations	Other provisions	Total
Balance at 1 January 2024	**2**	**18**	**20**
Additions/releases to income	1	4	5
Usage	-2	-3	-5
Balance at 31 December 2024	**1**	**20**	**21**
Additions/releases to income	1	-	1
Usage	-1	-1	-2
Balance at 31 December 2025	**2**	**18**	**20**

The provisions for retirement benefit obligations relate to an early retirement plan (see Note 17 to the consolidated financial statements) for employees of subsidiaries of the Company and is expected to fall due within one year. Other provisions include provisions for long-term employee obligations related to jubilee or other long-service employee benefits and long-term disability benefits for employees of subsidiaries of the Company. An amount of €3m is expected to fall due after one year.

[E] Non-current liabilities

€ million	Borrowings	Loans from subsidiaries	Derivative financial instruments	Other non-current liabilities	Total
Balance at 1 January 2024	**4,974**	**50**	**256**	**426**	**5,706**
Exchange differences	87	-	-90	-	-3
Fair value adjustments	40	-	-	-	40
Reclassification from equity[1]	500	-	-	-	500
Repayments of borrowings and settlement of derivatives	-524	-25	-33	-	-582
Repurchase of perpetual hybrid bonds	-277	-	-	-	-277
Issued bonds & loans	996	-	-	-	996
Net receipts (payments) cash collateral	-	-	-	4	4
Reclassification to current	-842	-	-	-	-842
Reclassification to derivative financial assets	-	-	23	-	23
Other reclassifications	300	-	-	-300	-
Other changes	-2	-	-	1	-1
Total changes	**278**	**-25**	**-100**	**-295**	**-142**
Balance at 31 December 2024	**5,252**	**25**	**156**	**131**	**5,564**
Exchange differences	-108	-	114	-	6
Fair value adjustments	-16	-	-27	-	-43
Repayments of borrowings and settlement of derivatives	-	-	-46	-	-46
Issued bonds & loans	793	-	-	-	793
Net receipts (payments) cash collateral	-	-	-	-27	-27
Reclassification to current	-288	-	-15	-51	-354
Reclassification to derivative financial assets	-	-	-60	-	-60
Other changes	4	-	-7	-	-3
Total changes	**384**	**-**	**-39**	**-78**	**267**
Balance at 31 December 2025	**5,636**	**25**	**117**	**53**	**5,831**

1 Reclassifications of the €500m 2.00% perpetual hybrid bond of which €277m was repurchased and €223m was outstanding at 31 December 2024.

Non-current borrowings as at 31 December 2025 include senior bonds outstanding for €5,336m (2024: €4,952m). On 20 December 2024, KPN announced that it would redeem the remaining outstanding principal amount of the perpetual hybrid bond (€219m) issued on 8 November 2019 at its first reset date on 8 February 2025. As a consequence, the perpetual hybrid bond had been reclassified from equity to (short-term) borrowings as at 31 December 2024. This bond had been refinanced and partially repurchased in June 2024. On 17 February 2025, KPN issued an €800m 3.375% senior bond maturing on 17 February 2035. On 9 April 2025, KPN redeemed the €625m 0.625% senior bond at its scheduled maturity date. This bond had been swapped to a fixed interest of 3.524%. Borrowings increased by €113m due to exchange differences and by €8m due to fair value adjustments. The weighted average interest rate on senior debt on 31 December 2025 was 3.5% after swaps (2024: 3.8%).

Non-current borrowings also include a € 300m credit facility from the European Investment Bank, which KPN had fully drawn at year-end 2025 and 2024. This loan has a floating interest rate referenced to 3-month Euribor and a single repayment on 2 August 2027. The interest for the current interest period was fixed at 2.49% per annum. Maturity at nominal values (based on spot FX rates) is €300m in 2027, €625m in 2028, €630m in 2029, €507m in 2030 and €3,750m in 2031 and later.

Loans from subsidiaries at 31 December 2025 and 31 December 2024 of €25m consists of a short-term roll-over loan from KPN Insurance Company DAC, which bears an interest of 6-month Euribor plus 0.3% (no maturity, automatic roll-over every 6 months).

The carrying value at 31 December 2025 of derivatives financial instruments with maturities in 2028, 2029 and 2033 is €25m, €22m and €70m respectively.

Other non-current liabilities at 31 December 2025 include €49m of borrowings under private placements (unsecured, interest of 3.875%,maturity in 2032, 2024: €49m) and in 2024 collateral received of €78m as security under derivative financial instruments.

KPN's existing capital resources contained the following covenants at 31 December 2025, which could trigger additional financial obligations or early redemption of the outstanding debt. All senior bonds issued after 1 January 2006 (€5,266m nominal after swaps outstanding at 31 December 2025) contain a change of control clause. KPN may be required to early redeem if certain changes of control occur and within this change of control period (maximum of 90 days) a rating downgrade to sub-investment grade occurs. The perpetual hybrid bonds also contain a change of control clause whereby a 5% interest step-up is triggered if a rating downgrade occurs during the change of control period. In such an event, KPN has the possibility to repurchase the perpetual hybrid bonds at par. In addition, many of KPN's capital resources contain a covenant prohibiting KPN from entering into any amalgamation, demerger, merger, corporate restructuring or reorganization, unless prior written consent has been given by a majority of the lenders or bondholders or the resulting company assumes all of the rights and obligations with respect to the loans or bonds.

[F] Accounts receivable from and accounts payable to subsidiaries

Koninklijke KPN N.V. operates a cash pool for the consolidated KPN Group, which leads to accounts receivable from and accounts payable to subsidiaries. Accounts payable to subsidiaries decreased in 2024 due to waivers for an amount of €5,965m. These waivers are accounted for as informal capital contributions or informal dividend distributions, respectively. Accounts receivable from subsidiaries (net) at 31 December 2025 includes current income tax positions of the subsidiaries which are included in the fiscal unity of Koninklijke KPN N.V. of €21m. Subsidiaries which are part of the fiscal unity are jointly and severally liable for the corporate income tax debts of the fiscal unity as a whole.

Accounts payable to subsidiaries (net) at 31 December 2025 are offset by a current income tax position of the subsidiaries which are included in the fiscal unity of Koninklijke KPN N.V. of €342m.

As of 1 January 2024, interest is no longer charged on current accounts between group companies which are part of the tax group. The interest on current account receivables of €193m as at 31 December 2025 carry interest of 12-month GBP ICE Term Sonia Reference rate plus 0.25% and accounts payable of €19m carry interest of 12-month Libor plus 0.25%. As the current accounts are repayable on demand, the fair value approximates the nominal value.

[G] Current liabilities

Current borrowings as at 31 December 2025 include senior bonds outstanding for €286m (2024: €839m). KPN has set up a euro commercial paper program under which KPN can issue short-term debt instruments for up to €1 billion gross notional outstanding. At 31 December 2025, current borrowings included the outstanding balance of commercial paper of €60m (2024: €60m). In addition, total committed credit facilities of €1,075m were available at 31 December 2025 which were not drawn during 2025 and 2024.

Other current liabilities at 31 December 2025 consist of VAT payable by the tax group (€116m) and received collateral regarding derivative financial instruments (€51m).

[H] Financial assets and liabilities

Summary of financial assets and liabilities at carrying amount and fair value, classified per category

	31 December 2025		31 December 2024	
€ million	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial assets at FVPL				
Other current financial assets	147	147	100	100
Derivatives	40	40	101	101
Cash and cash equivalents	279	279	587	587
Financial assets at amortized cost				
Other receivables	75	75	77	77
Total financial assets	**542**	**542**	**865**	**865**
Financial liabilities FVPL				
Borrowings[1]	1,177	1,170	1,796	1,779
Derivatives	136	136	161	161
Financial liabilities at amortized cost				
Borrowings[1]	4,805	4,809	4,483	4,523
Other liabilities[2]	208	213	235	242
Total financial liabilities	**6,326**	**6,328**	**6,675**	**6,706**

1 Borrowings are measured at amortized cost except when the borrowings are included in a fair value hedge (see Note 13.3). The fair value estimation of borrowings uses valuation techniques based on maximum use of observable market data for all significant inputs (level 2). The fair value of borrowings included in a fair value hedge is based on market prices (level 1).
2 Excluding social security and other taxes payable.

Cash at bank and in hand at the Company and its subsidiaries are freely disposable.

Fair value measurement hierarchy at 31 December 2025

€ million	Level 1	Level 2	Level 3	Total
Financial assets at FVPL				
Other current financial assets	147	-	-	147
Derivatives (cross-currency interest rate swap)	-	40	-	40
Cash and cash equivalents	279	-	-	279
Total assets	**426**	**40**	**-**	**466**
Financial liabilities at FVPL				
Borrowings	1,170	-	-	1,170
Derivatives (cross-currency interest rate swap)	-	42	-	42
Derivatives (interest rate swap)	-	93	-	93
Total liabilities	**1,170**	**136**	**-**	**1,306**

Fair value measurement hierarchy at 31 December 2024

€ million	Level 1	Level 2	Level 3	Total
Financial assets at FVPL				
Other current financial assets	100	-	-	100
Derivatives (cross-currency interest rate swap)	-	96	-	96
Derivatives (interest rate swap) and other	-	5	-	5
Cash and cash equivalents	587	-	-	587
Total assets	**687**	**101**	**-**	**788**
Financial liabilities at FVPL				
Borrowings	1,779	-	-	1,779
Derivatives (cross-currency interest rate swap)	-	20	-	20
Derivatives (interest rate swap)	-	142	-	142
Total liabilities	**1,779**	**161**	**-**	**1,941**

Fair value estimation

Level 1: Fair value of instruments traded in active markets and based on quoted market prices.
Level 2: Instrument is not traded in an active market and fair value is determined by using valuation techniques based on maximum use of observable market data for all significant inputs.
Level 3: One or more of the significant inputs are not based on observable market data; the fair value is estimated using models and other valuation methods.

[I] Personnel

Other than the members of the Board of Management, Koninklijke KPN N.V. has no employees.

The following table presents key management remuneration (members of the Board of Management and the Supervisory Board) in euros.

	2025	2024
Short-term employee benefits Board of Management (BoM)	7,134,601	6,407,346
Post-employment benefits BoM	836,060	820,182
Share-based payments BoM	3,902,263	3,442,539
Total remuneration BoM	**11,872,924**	**10,670,066**
Supervisory Board	**743,847**	**725,347**
Total remuneration key management	**12,616,771**	**11,395,413**

See Note 5 to the "Consolidated financial statements" for details of the remuneration of key management.

The remuneration of the members of the Board of Management and the Supervisory Board is paid by KPN B.V. and not charged to Koninklijke KPN N.V.

The average number of FTEs of the Company and its subsidiaries in 2025 was 9,252 (2024: 9,396). All FTEs were employed in the Netherlands.

[J] Commitments and contingencies

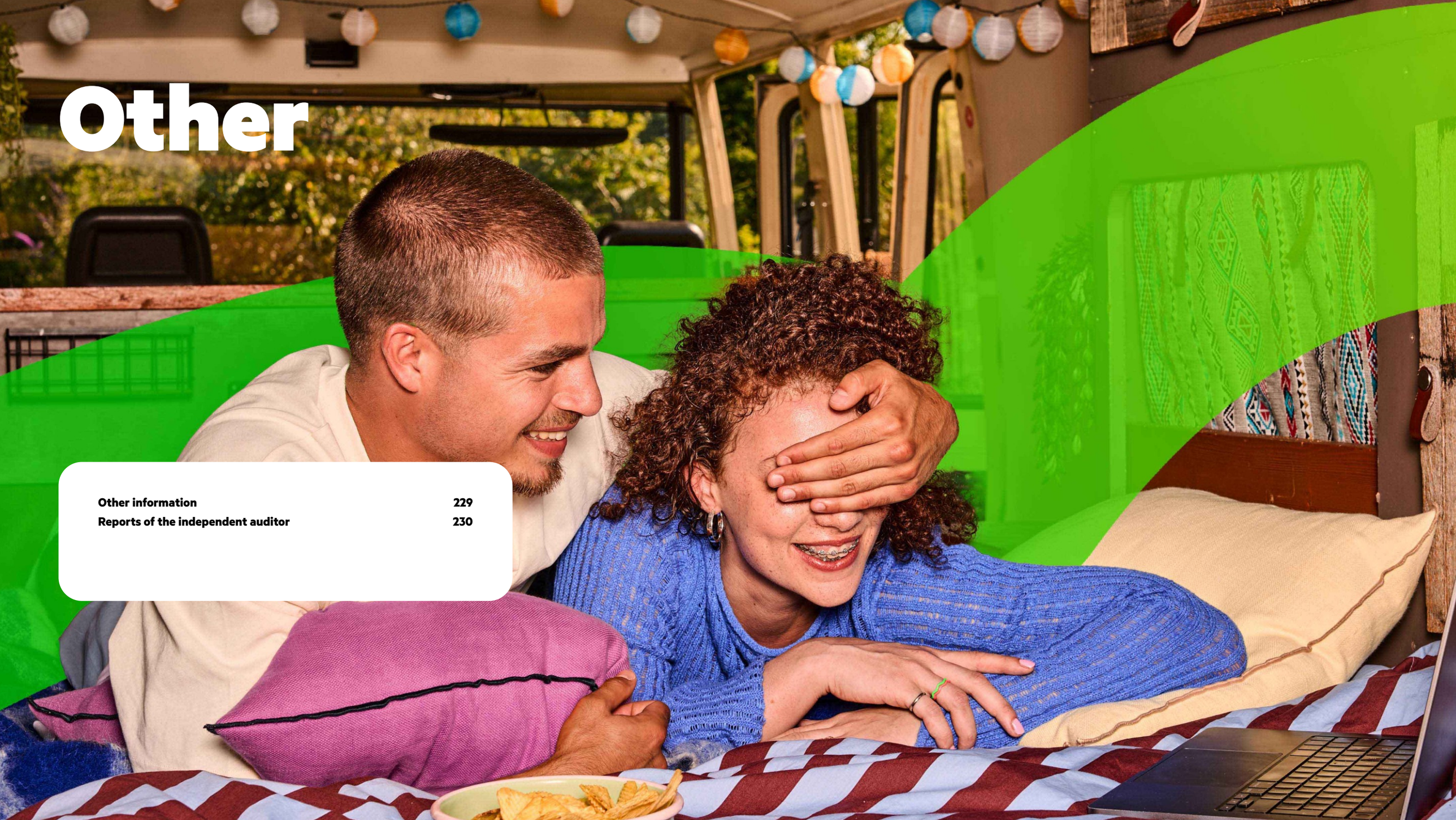
Commitments by virtue of guarantees amounted to €134m (2024: €139m).

KPN has issued several declarations of joint and several liabilities for various group companies in compliance with Article 403, Book 2 of the Dutch Civil Code. These declarations of joint and several liabilities for group companies are included in a complete list of subsidiaries and participating interests, which is available at the offices of the Chamber of Commerce in Rotterdam.

Rotterdam, 20 February 2026

Board of Management	Supervisory Board
Joost Farwerck	Gerard van de Aast
Chris Figee	Ben Noteboom
Hilde Garssen	Herman Dijkhuizen
Marieke Snoep	Frank Heemskerk
Wouter Stammeijer	Marga de Jager
Chantal Vergouw	Kitty Koelemeijer
	Jolande Sap
	Rob Shuter

Other



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Statutory provisions on allocation of profit

Under Article 31 of the Articles of Association of KPN, a dividend shall first be paid out on outstanding (if any) Class B preference shares, equal to the average of the 12-month Euribor increased by 1%. Subsequently, subject to the approval of the Supervisory Board, the Board of Management will determine what proportion of net income remaining after payment of the dividend on any Class B preference shares will be appropriated to the reserves. The part of the profit remaining after the appropriation to the reserves shall be at the disposal of the AGM. The Board of Management, subject to the approval of the Supervisory Board, shall make a proposal to the AGM for the dividend to be paid. The Board of Management, subject to the approval of the Supervisory Board, may also resolve to distribute an interim dividend. The relevant provisions of Dutch law remain applicable.

Independent auditor's report

To: the Annual General Meeting of Shareholders and the Supervisory Board of Koninklijke KPN N.V.

Report on the audit of the financial statements 2025

Our opinion

In our opinion:

- the consolidated financial statements of Koninklijke KPN N.V. together with its subsidiaries ("the Group") give a true and fair view of the financial position of the Group as at 31 December 2025 and of its result and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ("EU") and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of Koninklijke KPN N.V. ("the Company") give a true and fair view of the financial position of the Company as at 31 December 2025 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2025 of Koninklijke KPN N.V., Rotterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the following statements for 2025: the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows; and
- the notes, including material accounting policy information and other explanatory information.

The company financial statements comprise:

- the company statement of financial position as at 31 December 2025;
- the company statement of profit or loss for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section "Our responsibilities for the audit of the financial statements" of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Koninklijke KPN N.V. in accordance with the European Union Regulation on specific requirements regarding statutory audit of public-interest entities, the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud risks and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. Therefore, we do not provide separate opinions or conclusions on information in support of our opinion, such as our findings and observations related to individual key audit matters and the audit approach to address fraud risks and going concern.

Overview and context

As disclosed in Note 1 to the consolidated financial statements, Koninklijke KPN N.V. is a telecommunications and IT provider in the Netherlands, offering fixed and mobile telephony, fixed and mobile broadband internet and TV to retail and business consumers. KPN provides infrastructure and network-related IT solutions to business customers in the Netherlands. KPN also provides wholesale network services to third parties. The Group is comprised of several components and therefore we considered our group audit scope and approach as set out in the section "The scope of our group audit".

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the Board of Management made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In these considerations, we paid attention to, amongst others, the assumptions underlying the physical and transition risk related to climate change.

In paragraph "Significant accounting estimates, judgements and assumptions made by management" in Note 2 to the consolidated financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty.

We considered the acquisition of Althio and the reliability of IT systems, including (cyber)security to be key audit matters, as set out in the section "Key audit matters" of this report.

Koninklijke KPN N.V. assessed the possible effects of climate change and its plans to meet its net zero ambitions on its financial position, refer to the sustainability statement included in the integrated annual report. We discussed their assessment with management and evaluated the potential impact on the financial position including underlying assumptions and estimates. The expected effects of climate change are not considered a key audit matter for our audit.

We ensured that the audit teams at both group and component level included the appropriate skills and competences which are needed for the audit of a listed telecommunications and IT provider. We therefore included expertise in the areas of amongst others IT, tax, treasury, valuations and pensions in our team.

The outline of our audit approach was as follows:

Overall materiality: €50,000,000

We conducted audit work covering eight components in two countries.

Audit coverage: 98% of consolidated revenues, 99% of consolidated total assets and 97% of adjusted EBITDA after leases.

- The acquisition of Althio
- The reliability of IT systems, including (cyber)security

First-year audit consideration

After our appointment as the Company's auditors, we developed and executed a comprehensive transition plan. As part of this transition plan, we carried out a process of understanding the strategy of the Group, its business, its internal control environment and IT systems. We examined where and how this affected the Company's and the Group's financial statements and internal control framework.

Additionally, we read the prior year financial statements, and we reviewed the predecessor auditor's files and discussed and evaluated the outcome of the audit procedures included therein. We attended closing meetings and audit committee meetings related to the 2024 audit. Based on these procedures, amongst others, we obtained sufficient appropriate audit evidence regarding the opening balances. Furthermore, we prepared our risk assessment, our audit strategy and our audit plan for the year 2025, which we discussed with the Board of Management and the Supervisory Board.

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section "Our responsibilities for the audit of the financial statements".

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€50,000,000
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 2.0% of adjusted EBITDA after leases, as defined in Appendix 2 of the integrated annual report.
Rationale for benchmark applied	We used adjusted EBITDA after leases as the primary benchmark based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that adjusted EBITDA after leases is the most appropriate benchmark.
Component materiality	Based on our judgement, we allocate materiality to each component in our audit scope that is less than our overall group materiality. The range of materiality allocated across components was between €20,000,000 and €50,000,000.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the Supervisory Board that we would report to them any misstatement identified during our audit above €2,500,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Koninklijke KPN N.V. is the parent company of a group of entities of which almost all operations are located in the Netherlands. The financial information of this group is included in the consolidated financial statements of Koninklijke KPN N.V.

We are responsible for the identification and assessment of the risks of material misstatement of the financial statements of the Group, including those with respect to the consolidation process. Based on our risk assessment, we tailored the scope of our audit to ensure that we, in aggregate, performed sufficient work on the financial statements to enable us to provide an opinion on the financial statements as a whole.

In setting the scope of our group audit, we determined what audit work needed to be performed at group level or component level and whether involvement of component auditors was necessary.

Based on this outcome, we subjected all eight components to audits of their complete financial information to achieve appropriate coverage on financial line items in the consolidated financial statements.

In total, in performing these procedures, we achieved the following coverage on the financial line items:

Revenues	98%
Total assets	99%
Adjusted EBITDA after leases	97%

Given the way Koninklijke KPN N.V. is organized, the group engagement team performed the audit work of five components as well as the audit work on the group consolidation, financial statement disclosures and a number of more complex items at the head office. These included, amongst others, audit work on goodwill, the acquisition of Althio, taxes, derivative financial instruments, hedge accounting and share-based payments. For the other three components, we used component auditors to perform the audit work.

Where component auditors performed the work, we determined the nature, timing and extent of direction and supervision of the component auditors and review of their work. We furthermore

- issued group audit instructions to component auditors to set expectations for the component auditor's work and facilitate our direction and supervision of the component auditor and review of their work.
- explained to the component auditors the structure of the Group, the main developments that were relevant for them, the risks identified, the materiality levels to be applied and our global audit approach.
- participated in discussions with component auditors as part of planning the engagement, including when we as the group auditor assigned tasks or procedures such as the performance of risk assessment procedures or determining the nature, timing and extent of audit responses to identified and assessed risks of material misstatement to component auditors.
- communicated with component auditors throughout the course of the group audit in order to monitor the progress of the component auditor's work. These ongoing communications included matters affecting the execution and completion of the group audit as well as reporting items.
- reviewed relevant parts of the component auditor's work including the component auditor's communication of matters relevant to our conclusion with regard to the group audit. Our review of the component auditor's work took place throughout the engagement.
- reviewed formal written communications prepared by the component auditor for component management of the component, that were, based on our judgement, relevant to the group audit.
- attended certain key client meetings (e.g. the closing meeting) between the component auditor and component management.

By performing the procedures outlined above at the eight components, combined with procedures performed at group level, we have been able to obtain sufficient and appropriate audit evidence on the Group's financial information, to provide a basis for our opinion on the financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements in the financial statements due to fraud. During our audit we obtained an understanding of Koninklijke KPN N.V. and its environment and the components of the internal control system. This included the Board of Management's risk assessment process, the Board of Management's process for responding to the risks of fraud and monitoring the internal control system and how the Supervisory Board exercised oversight, as well as the outcomes. We refer to section "Compliance and risk" of the report by the Board of Management for management's fraud risk assessment.

We evaluated the design and implementation of relevant aspects of the internal control system with respect to the risks of material misstatement due to fraud and in particular the fraud risk assessment, as well as the fraud control policy, KPN code of conduct, supplier code of conduct, whistleblower policy, the fraud incident system and fraud investigation processes, among other things. We evaluated the design and implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We performed inquiries with members of the Board of Management and business management, and departments such as Corporate Control, Risk Management, and Compliance, to evaluate their fraud awareness, the Group's internal control environment in relation to fraud, the "tone at the top" and entity-level controls.

We also asked members of the Board of Management, the other abovementioned parties, and the Supervisory Board whether they were aware of any actual or suspected fraud. They noted several indications or suspicions of fraud that were investigated or are under investigation. We assessed these indications and used them as input for our fraud risk assessment. None of them resulted in actual or suspected fraud that may lead to a material misstatement due to fraud.

As part of our process of identifying fraud risks, we evaluated, in close co-operation with our forensic specialists, fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
The risk of management override of controls The Board of Management is in a unique position to perpetrate fraud because of the Board of Management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in: • the appropriateness of journal entries and other adjustments made in the preparation of the financial statements. • significant estimates. • significant transactions, if any, outside the normal course of business for the entity.	We examined the relevant internal controls in the processes of generating and processing journal entries and making estimates. We paid specific attention to the access safeguards in the IT systems and the possibility that this will lead to violations of the segregation of duties. We have identified improvement areas in the internal control system and reported our findings in writing to the Board of Management and the Supervisory Board. We assessed these improvement areas in relation to the fraud risk assessment and specifically for the risk of management override of controls. This did not lead to changes in fraud risks identified. We performed journal entry testing by selecting journal entries based on risk criteria. These procedures include, amongst others, inspection of the entries to source documentation. We also performed specific audit procedures related to important estimates of the Board of Management including those disclosed in section "Significant accounting estimates, judgements and assumptions made by management" in Note 2 to the consolidated financial statements. We specifically paid attention to the inherent risk of bias of the Board of Management in estimates. We did not identify any significant transactions outside the normal course of business. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.
The risk of fraud in revenue recognition As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we evaluated that overstating of revenues could be achieved by recognizing fictitious revenue transactions through inappropriate manual adjustments to journal entries. We assessed that the Board of Management may feel pressure or may have incentives to overstate revenue because of the strategic importance of meeting financial ambitions as described in the section "Strategic and key performances" of the integrated annual report. In addition, the Board of Management receives bonuses of which the size partly depends on the revenue realised. As such, we identified a risk of overstating revenues by recognizing fictitious revenue transactions through inappropriate manual journal entries, affecting the existence and occurrence of revenues.	We evaluated design and implementation and where relevant test operating effectiveness of relevant internal controls in the processes related to revenue recognition. We selected and tested journal entries impacting revenue based on risk criteria. We assessed the appropriateness of any such entries through substantiation with supporting documentation. We also focused on top-side entries recorded by management to ensure they were not inappropriate, unauthorized, or intentionally misstated to overstate the revenue. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the existence and occurrence of revenue.

We incorporated an element of unpredictability in our audit. We reviewed lawyer's letters and internal audit and compliance reports. During the audit, we remained alert to indications of fraud.

Audit approach going concern

The Board of Management prepared the financial statements on the assumption that the entity is a going concern and that it will continue all its operations for at least 12 months from the date of preparation of the financial statements.

Our procedures to evaluate the Board of Management's going-concern assessment included, amongst others:

- considering whether the Board of Management identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going-concern risks).
- considering whether the Board of Management's going-concern assessment included all relevant information of which we were aware as a result of our audit and inquiring with the Board of Management regarding the Board of Management's most important assumptions underlying its going-concern assessment. Amongst others, the Board of Management took into consideration the strategic plan to come to this assessment.
- evaluating the Board of Management's current budget including cash flows for at least 12 months from the date of preparation of the financial statements taking into account current developments in the industry such as strategic partnerships and fiber rollout plans and all relevant information of which we were aware as a result of our audit.
- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the entity's operations.
- performing inquiries of the Board of Management as to its knowledge of going-concern risks beyond the period of the Board of Management's assessment.

Our procedures did not result in outcomes contrary to the Board of Management's assumptions and judgements used in the application of the going-concern assumption.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

Key audit matters	Our audit work and observations
The acquisition of Althio Refer to Notes 2 and 21 to the consolidated financial statements. As disclosed in Note 21 to the consolidated financial statements, in February 2025 the Group acquired a controlling 51% interest in Althio B.V. (hereafter also referred to as "Althio") through a transaction that resulted in a cash payment of €113 million and a non-cash payment in the form of a demerger of its passive mobile infrastructure, of which the fair value was €100 million. KPN settled the pre-existing relationships between KPN and Althio. That is, some existing lease conditions were reset into a long-term master service agreement. As disclosed under paragraph "Significant accounting estimates, judgements and assumptions made by Management" in Note 2 to the consolidated financial statements, the acquisition of Althio required significant estimates, judgements and assumptions from the Board of Management, including the assessment whether the Group has control over Althio, the determination of the fair value of assets acquired and liabilities assumed as part of the purchase price allocation (PPA) and the valuation of the demerged passive mobile infrastructure. The acquisition of Althio was considered a key audit matter due to its accounting complexity and subjectivity.	We obtained an understanding of the transaction and assessed the accounting treatment applied by management. We challenged management's estimates, judgements and assumptions as reflected in their position papers regarding the control assessment and the PPA, and obtained supporting evidence. Given the complexity of the acquisition and the significant judgements involved, we included expertise in the areas of accounting, tax and valuations. Our procedures included reviewing acquisition documentation such as agreements and valuation reports, evaluating the work of management's experts, and testing valuation methodologies, key assumptions and related valuation models. We also assessed the settlement of pre-existing relationships. Based on our work, we concluded that management's key estimates, judgements and assumptions were reasonable. We assessed the related disclosures in Notes 2 and 21 and concluded that these are adequate.
The reliability of IT systems, including (cyber)security The reliability of IT systems, including (cyber)security is considered pervasive for KPN's activities and financial reporting. A large part of the revenues at KPN are made up of a high volume of relatively small transactions systematically processed through a complex IT environment, involving various billing and operating support systems. In the paragraph "Main conclusions" under "Evaluation of KPN's internal risk management and control systems" in the "Governance" section of the integrated annual report, KPN describes two improvement areas for which corrective measures were implemented during 2025. These relate to: i) the need for enhanced governance over authorization assignment and monitoring of access rights (i.e. "Identity & Access Management"), and ii) the need for greater consistency in change management processes and controls across the organization (i.e. "IT Change Management"). Due to the pervasiveness of IT systems as well as the improvement areas identified, we considered the reliability of IT systems, including (cyber)security to be a key audit matter.	We obtained an understanding of the IT environment and evaluated and tested the IT-controls in and around KPN's key IT-applications, databases and infrastructure. Due to the identified improvement areas related to Identity & Access Management and IT Change Management, we performed additional procedures to achieve the planned controls and system-based approach in certain areas of our audit. This included assessing the adequacy of the corrective measures implemented by the Board of Management to address the improvement areas. For certain systems, we took a substantive audit approach rather than an IT controls-based audit approach, to test the reliability of information generated from key IT systems. With respect to (cyber)security risks we obtained an understanding of the risk assessments performed by KPN as well as the design and implementation of policies, procedures and controls in place to address these risks from a financial statements perspective. For certain controls we also tested the operating effectiveness. We performed our audit procedures together with our IT specialists. Based on our audit procedures, we obtained sufficient and appropriate audit evidence.

Report on the other information included in the integrated annual report

The integrated annual report contains other information. This includes all information in the integrated annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:
- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report, excluding the sustainability statement, and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The Board of Management is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The Board of Management and the Supervisory Board are responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Our appointment

The Annual General Meeting of Shareholders of Koninklijke KPN N.V., held on April 17, 2024 in Rotterdam, resolved to appoint PricewaterhouseCoopers Accountants N.V. as external auditors. Our appointment represents a total period of uninterrupted engagement appointment of 1 year.

European Single Electronic Format (ESEF)

Koninklijke KPN N.V. has prepared the integrated annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the integrated annual report prepared in XHTML format, including the marked-up consolidated financial statements, as included in the reporting package by Koninklijke KPN N.V., complies in all material respects with the RTS on ESEF.

The Board of Management is responsible for preparing the integrated annual report, including the financial statements in accordance with the RTS on ESEF, whereby the Board of Management combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the integrated annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N "Assuranceopdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument" (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:
- obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package;
- identifying and assessing the risks that the integrated annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

No prohibited non-audit services

To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Services rendered

The services, in addition to the audit, that we have provided to the Company or its controlled entities, for the period to which our statutory audit relates, are disclosed in Note 6 to the consolidated financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Board of Management and the Supervisory Board for the financial statements

The Board of Management is responsible for:

- the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the Board of Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Management should prepare the financial statements using the going-concern basis of accounting unless the Board of Management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so. The Board of Management should disclose in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or intentional override of internal control.
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Management.
- concluding on the appropriateness of the Board of Management's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. In this respect, we also issue an additional report to the audit committee in accordance with article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Supervisory Board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Amsterdam, 20 February 2026
PricewaterhouseCoopers Accountants N.V.

Originally signed by J.E.M. Brinkman RA

Limited assurance report of the independent auditor on the sustainability statement

To: the Annual General Meeting of Shareholders and the Supervisory Board of Koninklijke KPN N.V.

Our limited assurance conclusion

Based on the procedures we have performed and the assurance evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability statement (the sustainability statement) of Koninklijke KPN N.V. (the Group) for 2025 is not, in all material respects,

- prepared in accordance with the European Sustainability Reporting Standards (ESRS) as adopted by the European Commission and in accordance with the process, carried out by the Group, to identify the information to be reported pursuant to the ESRS; and
- compliant with the reporting requirements provided for in Article 8 of Regulation (EU) 2020/852 (the Taxonomy Regulation).

The subject matter of our limited assurance procedures

We have conducted a limited assurance engagement on the consolidated sustainability statement of Koninklijke KPN N.V., Rotterdam for 2025, included in section sustainability statement of the Integrated annual report 2025 including the information incorporated in the sustainability statement by reference (hereafter: the sustainability statement).

In the sustainability statement, references are made to external sources or websites. The information on these external sources or websites is not subject to our limited assurance procedures for the sustainability statement. We therefore do not provide assurance on this information.

The basis for our conclusion

We conducted our limited assurance engagement in accordance with Dutch law, including the Dutch Standard 3810N "Assuranceopdrachten inzake duurzaamheidsverslaggeving" (assurance engagements relating to sustainability reporting), which is a specific Dutch Standard that is based on the International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information". Our responsibilities under this standard are further described in the section "Our responsibilities for the limited assurance engagement on the sustainability statement" of our report. We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our independence and quality management

We are independent of the Group in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten" (ViO, Code of ethics for professional accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of ethics for professional accountants).

PwC applies the applicable quality management requirements pursuant to the "Nadere voorschriften kwaliteitsmanagement" (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1 and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with the ESRS, the Board of Management of the Group is required to prepare the forward-looking information based on disclosed assumptions about events that may occur in the future and possible future actions by the Group. The actual outcome is likely to be different since anticipated events frequently do not occur as expected. Forward-looking information relates to events and actions that have not yet occurred and may never occur.

The comparability of sustainability information between entities and overtime 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.

The quantification of Greenhouse Gas emissions is subject to inherent limitations because of evolving methods and knowledge underlying emission factors and other assumptions, including for those sourced from third parties.

Responsibilities for the sustainability statement and for the limited assurance procedures thereon

Responsibilities of the Board of Management and the Supervisory Board for the sustainability statement

The Board of Management of the Group is responsible for the preparation of the sustainability statement in accordance with ESRS, including the development and implementation of the double materiality process, which is a process to identify the information reported in the sustainability statement in accordance with the ESRS and for disclosing this process in the sustainability statement.

This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions and estimates that are reasonable in the circumstances.

The Board of Management is also responsible for preparing the disclosures in compliance with the reporting requirements provided in the Taxonomy Regulation.

The Board of Management is also responsible for selecting and applying additional entity-specific disclosures to enable users to understand the Group's sustainability-related impacts, risks or opportunities and for determining that these additional entity-specific disclosures are suitable in the circumstances and in accordance with the ESRS.

Furthermore, the Board of Management is responsible for such internal control as the Board of Management determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the Group's sustainability reporting process including the double materiality process carried out by the Group.

Our responsibilities for the limited assurance engagement on the sustainability statement

Our responsibility is to plan and perform the limited assurance engagement in a manner that allows us to obtain sufficient appropriate assurance evidence to provide a basis for our conclusion.

Our objectives are to obtain a limited level of assurance, as appropriate, about whether the sustainability statement is free from material misstatements, and to issue a limited assurance conclusion in our report. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability statement. The procedures vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially lower than the assurance obtained in a reasonable assurance engagement.

Our responsibilities in respect of the sustainability statement, in relation to the process to identify the information to be reported in the sustainability statement (the process) include:

- Obtaining an understanding of the process, but not for the purpose of providing a conclusion on the effectiveness of the process, including the outcome of the process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the process is consistent with the Group's description of its process set out in the sustainability statement.

Our other responsibilities in respect of the limited assurance engagement on the sustainability statement include:

- Performing risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of procedures performed

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the sustainability statement, whether due to fraud or error.

We have exercised professional judgement and have maintained professional scepticism throughout the assurance engagement, in accordance with the Dutch Standard 3810N, ethical requirements and independence requirements. Our procedures included, amongst others, the following:

- Performing inquiries and an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, the characteristics of the Group, its activities and the value chain and its key intangible resources to assess the process to identify the information to be reported carried out by the Group as the basis for the sustainability statement and disclosure of all material sustainability-related impacts, risks and opportunities in accordance with ESRS.
- Obtaining through inquiries a general understanding of the internal control environment, the Group's processes for gathering and reporting entity-related and value chain information, the information systems and the Group's risk assessment process relevant to the preparation of the sustainability statement and for identifying the Group's activities, determining eligible and aligned activities and preparation of the disclosures provided for in the Taxonomy Regulation, without testing the operating effectiveness of controls.
- Assessing the double materiality process carried out by the Group and identifying and assessing areas of the sustainability statement, including the disclosures provided for in the Taxonomy Regulation where misleading or unbalanced information or material misstatements, whether due to fraud or error, are likely to arise. We designed and performed further assurance procedures aimed at determining that the sustainability statement is free from material misstatements responsive to this risk analysis.
- Considering whether the description of the process to identify the information to be reported in the sustainability statement made by the Board of Management appears consistent with the process carried out by the Group.
- Evaluating the methods, assumptions and data for developing estimates and forward-looking information. Assessing whether the Group's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates. We do not provide assurance on the achievability of forward-looking information.
- Analysing, on a limited sample basis, relevant internal and external documentation at the level of the Group (including other entities or value chain from which the information may stem) for selected disclosures.
- Determining the nature and extent of the procedures to be performed for the group and its subsidiaries. We have performed our assurance procedures centrally.
- Reading the other information in the Integrated annual report to identify material inconsistencies, if any, with the sustainability statement.
- Considering whether the disclosures provided to address the reporting requirements provided for in the Taxonomy Regulation for each of the environmental objectives, reconcile with the underlying records of the Group and are consistent or coherent with the sustainability statement, appear reasonable, in particular whether anything came to our attention that would cause us to believe that the eligible economic activities do not meet the cumulative conditions to qualify as aligned and the technical criteria are not met, and the accompanying key performance indicators disclosures have not been defined and calculated in accordance with the Taxonomy reference framework, and do not comply with the reporting requirements provided for in the Taxonomy Regulation, including the format in which the activities are presented.
- Reconciling the relevant financial information to the financial statements.
- Considering the overall presentation, structure and the balanced content of the sustainability statement, including the reporting requirements provided for in the Taxonomy Regulation.
- Considering, based on our limited assurance procedures and evaluation of the assurance evidence obtained, whether anything came to our attention that would cause us to believe that the sustainability statement as a whole, including the sustainability matters and disclosures, is not clearly and adequately disclosed in accordance with ESRS.

Calculations to determine information as included in the sustainability statement could be based on assumptions and sources from third parties that include information about, among others, value chain and information collected from actors in the value chain, when appropriate. We have not performed procedures on the content of these assumptions and these external sources, other than evaluating the suitability and plausibility of these assumptions and sources from third parties used.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the limited assurance engagement and significant findings that we identify during our limited assurance engagement.

Amsterdam, 20 February 2026
PricewaterhouseCoopers Accountants N.V.

Originally signed by J.E.M. Brinkman RA

Reasonable assurance report of the independent auditor

To: the Annual General Meeting of Shareholders and the Supervisory Board of Koninklijke KPN N.V.

Our reasonable assurance opinion

In our opinion the Scope 1 and 2 GHG emissions metrics in the sustainability statement of Koninklijke KPN N.V. (the Group) for 2025, are prepared, in all material respects, in accordance with the KPN reporting criteria as included in section "Applicable criteria".

The subject matter of our reasonable assurance procedures

We have conducted a reasonable assurance engagement on the Scope 1 and 2 GHG emissions metrics (hereafter: Scope 1 and 2 metrics) in the sustainability statement of Koninklijke KPN N.V. Rotterdam for 2025, as indicated by the [RA] tickmark.

The basis for our opinion

We conducted our assurance engagement in accordance with Dutch law, including the Dutch Standard 3000A Assurance engagements, other than audits or reviews of historical financial information (attestation-engagements). This engagement is aimed to provide reasonable assurance. Our responsibilities under this standard are further described in the section "Our responsibilities for the assurance engagement" of our report.

We believe that the assurance information we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and quality management

We are independent of the Group in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Code of Ethics for Professional Accountants, a regulation with respect to rules of professional conduct).

PwC applies the applicable quality management requirements pursuant to the "Nadere voorschriften kwaliteitsmanagement" (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Applicable criteria

The reporting criteria applied for the preparation of the Scope 1 and 2 metrics in the sustainability statement are the KPN reporting criteria as included in section "Methodologies and assumptions" of section "Climate change" in the sustainability statement 2025.

Responsibilities for the Scope 1 and 2 metrics and for the assurance engagement

Responsibilities of the Board of Management and the Supervisory Board

The Board of Management of the Group is responsible for the preparation of the Scope 1 and 2 metrics in accordance with the KPN reporting criteria as included in section "Applicable criteria", including the identification of the intended users and the criteria being applicable for the purpose of these users.

Furthermore, the Board of Management is responsible for such internal control as they determine that is necessary to enable the preparation, measurement and evaluation of the Scope 1 and 2 metrics that are free from material omission, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the company's reporting process on the Scope 1 and 2 metrics.

Our responsibilities for the assurance engagement

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate evidence to provide a basis for our opinion.

Our objectives are to obtain a reasonable level of assurance, as appropriate, that the Scope 1 and 2 metrics are prepared, in all material respects, in accordance with the KPN reporting criteria as included in section "Applicable criteria", and to issue an assurance opinion in our report. Reasonable assurance is a high but not an absolute level of assurance, which makes it possible that we may not detect all material omissions.

Omissions may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the Scope 1 and 2 metrics. Materiality affects the nature, timing and extent of our assurance procedures and the evaluation of the effect of identified omissions on our opinion.

Procedures performed

An assurance engagement includes, amongst others, examining appropriate evidence on a sample basis. We have exercised professional judgement and have maintained professional scepticism throughout the examination in accordance with the Dutch Standard 3000A, ethical requirements and independence requirements.

Our examination consisted, among other things of the following:

- Identifying and assessing the risks that the Scope 1 and 2 metrics in the sustainability statement 2025 contain material misstatements as a result of fraud or error.
- Determining and performing assurance procedures in response to these risks, and obtaining evidence that is sufficient and appropriate as a basis for our judgement. The risk of not detecting
- a material misstatement resulting from fraud is higher than for one resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the

intentional override of internal control.

- Obtaining an understanding of internal control relevant to the examination in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

Amsterdam, 20 February 2026
PricewaterhouseCoopers Accountants N.V.

Originally signed by J.E.M. Brinkman RA

Limited assurance report of the independent auditor on the Tax governance section

To: the Annual General Meeting of Shareholders and the Supervisory Board of Koninklijke KPN N.V.

Our limited assurance conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the "Tax governance" section under "Governance" in the integrated annual report of Koninklijke KPN N.V. (the Group) for 2025 is not prepared, in all material respects, with reference to GRI Sustainability Reporting Standard 207: Tax 2019, as issued by the Global Sustainability Standards Board (GSSB).

The subject matter of our limited assurance procedures

We have conducted a limited assurance engagement on the "Tax governance" section under "Governance" in the integrated annual report (hereafter: "Tax governance" section) for 2025, of Koninklijke KPN N.V., Rotterdam.

The basis for our conclusion

We conducted our assurance engagement in accordance with Dutch law, including the Dutch Standard 3000A Assurance engagements, other than audits or reviews of historical financial information (attestation-engagements). This engagement is aimed to provide limited assurance. Our responsibilities under this standard are further described in the section "Our responsibilities for the assurance engagement" of our report.

We believe that the assurance information we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Independence and quality management

We are independent of the Group in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Code of Ethics for Professional Accountants, a regulation with respect to rules of professional conduct).

PwC applies the applicable quality management requirements pursuant to the "Nadere voorschriften kwaliteitsmanagement" (NVKM, regulations for quality management) and the International Standard on Quality Management (ISQM) 1, and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

Responsibilities for the Tax governance section and for the assurance engagement

Responsibilities of the Board of Management and the Supervisory Board for the Tax governance section

The Board of Management of the Group is responsible for the preparation of the "Tax governance" section with reference to GRI Sustainability Reporting Standard 207: Tax 2019, as issued by the Global Sustainability Standards Board (GSSB), including the identification of the intended users and the criteria being applicable for the purpose of these users.

Furthermore, the Board of Management is responsible for such internal control as it determines is necessary to enable the preparation, measurement or evaluation of the "Tax governance" section that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the reporting process of the Group on the "Tax governance" section.

Our responsibilities for the assurance engagement

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate evidence to provide a basis for our conclusion.

Our objectives are to obtain a limited level of assurance, as appropriate, that the "Tax governance" section is prepared, in all material respects, with reference to GRI Sustainability Reporting Standard 207: Tax 2019, as issued by the Global Sustainability Standards Board (GSSB), and to issue an assurance conclusion in our report. The procedures performed in this context consisted primarily of making inquiries with officers of the entity and determining the plausibility of the information included in the "Tax governance" section. The level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Procedures performed

We have exercised professional judgement and have maintained professional scepticism throughout the examination in accordance with the Dutch Standard 3000A, ethical requirements and independence requirements.

Our procedures included, amongst others, the following:

- Performing an analysis of the external environment and obtaining insight into relevant taxation themes and issues and characteristics of the Group in the context of the reporting with reference to GRI Sustainability Reporting Standard 207: Tax 2019, as issued by the Global Sustainability Standards Board (GSSB).
- Evaluating the appropriateness and consistent application of the reporting criteria and related disclosures in the "Tax governance" section.
- Identifying areas of the "Tax governance" section with a higher risk of a material misstatement, whether due to fraud or error, designing and performing assurance procedures responsive to those risks, and obtaining evidence that is sufficient and appropriate to provide a basis for our conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the procedures in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the Group's internal control.
- Making inquiries of management and other officials within the Group.
- Evaluating the methods, assumptions and data for developing estimates and forward-looking information. Assessing whether the Group's methods for developing estimates are appropriate and have been consistently applied for selected disclosures. Our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the estimates of the Group. We do not provide assurance on the achievability of forward-looking information.
- Analysing, on a limited sample basis, relevant internal and external documentation at the level of the Group for selected disclosures.
- Reading the other information in the integrated annual report of the Group for 2025 to identify material inconsistencies, if any, with the "Tax governance" section.
- Reconciling the relevant financial information in the "Tax governance" section to the financial statements.
- Considering the overall presentation, structure and the balanced content of the "Tax governance" section.
- Considering, based on our limited assurance procedures and evaluation of the assurance evidence obtained, whether anything came to our attention that would cause us to believe that the "Tax governance" section as a whole, including the taxation matters and disclosures, is not clearly and adequately disclosed with reference to GRI Sustainability Reporting Standard 207: Tax 2019, as issued by the Global Sustainability Standards Board (GSSB).

Amsterdam, 20 February 2026
PricewaterhouseCoopers Accountants N.V.

Originally signed by J.E.M. Brinkman RA

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1 About this report

Scope

This integrated annual report was published on 23 February 2026.

The scope of the information in this report covers the consolidated KPN Group and subsidiaries in which KPN has a majority shareholding. This scope is the same as the previous year's report. Unless stated otherwise, references to KPN should be read as referring to the consolidated KPN Group. The entities that KPN reports on financially are the same as those it reports on non-financially, unless indicated otherwise. A full list of entities included in KPN's integrated annual report can be found in this appendix.

The data in this report refers to KPN's performance and not to that of our subcontractors, unless stated otherwise. The full scope of the financial information is reported in the consolidated financial statements. The reporting frequency of this report, in which KPN's financial and non-financial reporting are merged, is annual and the current period runs from 1 January 2025 to 31 December 2025. The report specifically reviews developments and performance in 2025 and is based on topics identified as material for KPN. The described scope applies to all material topics.

The report of the Board of Management comprises p. 3 to 43.

Reporting criteria

The purpose of this report is to inform stakeholders about KPN's role in society, in connection with our main strategic objectives and targets. Stakeholders are defined as all people, organizations and silent stakeholders affected by KPN's operations, such as employees, governments and regulators, the investor community, suppliers, customers, society and nature. The section "Interests and views of stakeholders" provides more information on the stakeholder approach for specific stakeholder groups.

In preparing this integrated annual report, we have taken the principles of the International Integrated Reporting Council (IIRC) into account. We comply with the Corporate Sustainability Reporting Directive (CSRD). For the tax information included in this report, KPN follows the Global Reporting Initiative (GRI) Standards using the option "in accordance with". Furthermore, we comply with the Regulation (EU) 2020/852 as supplemented with Commission Delegated Regulations (EU) 2021/2139, 2021/2178, 2023/2485 and 2023/2486 and 2026/73 (hereinafter: the EU taxonomy) and self-developed reporting criteria as disclosed in this Appendix 1: "About this report" and Appendix 4: "Glossary".

The process for defining the material sustainability matters and related impacts, risks and opportunities, and report content, is described in the "Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)" section. The results of this assessment determine which ESRS standards are set out in our sustainability statement.

Quantitative data concerning the workforce and financial results set out in this report have been collected using our financial data management system. The remaining data has been collected using a standardized questionnaire that was completed with data from information management systems by the responsible business units. The Internal Audit and Corporate Control departments used the consistency and availability of supporting evidence as the basis for their assessment of the data reported at Group level. Validation criteria set out in advance were also used to assess the data.

External assurance

The Audit Committee approved the assurance engagement of the "Tax governance" section and the assurance engagement on the sustainability statement, after pre-approval by the internal auditor, in order to avoid potential breaches of the independent auditor's independence. For the auditor reports we refer to "Independent auditor's report", "Reasonable assurance report of the independent auditor", "Limited assurance report of the independent auditor on the sustainability statement" and the "Limited assurance report of the independent auditor on the Tax governance section"

PwC was engaged as an independent assurance provider to perform an assurance engagement with the aim of obtaining reasonable assurance on 2025 CO_2e emission data (Scope 1 and 2) of our own operations in the Netherlands and the underlying energy data presented in this report, and limited assurance on the sustainability statement as well as the "Tax governance" section.

KPN adheres to several reporting benchmarks, such as MSCI, Sustainalytics and CDP. In this way, our performance and way of reporting can be compared with those peers and against expectations of the industry and other stakeholders. Besides meeting all legal reporting requirements such as the CSRD, our reporting ambitions for the coming years are: to keep reporting in line with the IIRC framework; to keep reporting on material topics; to report more on qualitative and quantitative value creation for society; and to maintain a leading position in several benchmarks such as the MSCI, Sustainalytics and CDP.

KPN subsidiaries and significant participations as at 31-12-2025

Information incorporated by reference

The following table is also part of the sustainability statement, as it is incorporated by reference, and therefore in scope of the independent auditor's assurance report.

Legal entity name	Country of residence	(ultimate) Ownership (%)	Type	Number of own personnel (FTEs)
KPN B.V.	Netherlands	100%	Operational company	5,001-10,000
Althio B.V.	Netherlands	51%	Operational company	<10
OTC Networks B.V.	Netherlands	51%	Operational company	-
Althio 1 B.V.	Netherlands	51%	Operational company	11-100
Mobile Radio Networks Vehicle B.V.	Netherlands	51%	Operational company	-
Omroepmasten B.V.	Netherlands	51%	Operational company	-
Broadband Hosting B.V.	Netherlands	100%	Operational company	11-100
Axoft IT & Telecom B.V.	Netherlands	15%	Operational company	11-100
BSU.Groep B.V.	Netherlands	15%	Operational company	-
BSU.IT B.V.	Netherlands	15%	Operational company	11-100
CBG Connect B.V.	Netherlands	10%	Operational company	<10
Cloud EEN Holding B.V.	Netherlands	20%	Holding company	-
Cloud EEN B.V.	Netherlands	20%	Operational company	11-100
cNect Holding B.V.	Netherlands	35%	Operational company	11-100
Digitenne B.V.	Netherlands	100%	Operational company	-
E-Zorg B.V.	Netherlands	100%	Operational company	-
Getronics PinkRoccade Overheidspersoneel B.V.	Netherlands	100%	Operational company	<10
GroupIT B.V.	Netherlands	100%	Holding company	-
Routit B.V.	Netherlands	100%	Operational company	-
Inspark Holding B.V.	Netherlands	100%	Holding company	-
InSpark B.V.	Netherlands	100%	Operational company	101-500
IS Group LLC	US	100%	Dormant	-
Itzos B.V.	Netherlands	100%	Operational company	-
KPN Finance B.V.	Netherlands	100%	Finance / Insurance company	-
M2C Telecom B.V.	Netherlands	10%	Operational company	<10
Radon Holding B.V.	Netherlands	35%	Operational company	-
Guide IT B.V.	Netherlands	35%	Operational company	11-100
Solcon Internetdiensten B.V.	Netherlands	100%	Operational company	11-100
SuperVision B.V.	Netherlands	51%	Operational company	-

Legal entity name	Country of residence	(ultimate) Ownership (%)	Type	Number of own personnel (FTEs)
Talk & Vision Holding B.V.	Netherlands	100%	Holding company	-
Talk & Vision B.V.	Netherlands	100%	Operational company	-
Talos Labs B.V.	Netherlands	100%	Operational company	-
TICTS FinCo B.V.	Netherlands	10%	Finance / Insurance company	101-500
Youfone Nederland B.V.	Netherlands	100%	Operational company	11-100
Youfone Zakelijk B.V.	Netherlands	100%	Operational company	-
Reggefiber Group B.V.	Netherlands	100%	Holding company	-
Reggefiber Operator B.V.	Netherlands	100%	Operational company	-
Reggefiber ttH B.V.	Netherlands	100%	Operational company	-
Netwerk Exploitatiemaatschappij B.V.	Netherlands	100%	Operational company	-
Kabeltex B.V.	Netherlands	100%	Operational company	11-100
Netwerk Exploitatiemaatschappij Nuenen B.V.	Netherlands	5%	Operational company	-
Glaspoort B.V.	Netherlands	50%	Operational company	11-100
GlasDraad B.V.	Netherlands	25%	Operational company	-
Getronics B.V.	Netherlands	100%	Holding company	-
Getronics Finance Holdings B.V.	Netherlands	100%	Holding company	-
Getronics Pensions UK Ltd	UK	100%	Pension company	-
Getronics Pensions UK Trustee Ltd	UK	100%	Pension company	-
Getronics US Services, Inc.	US	100%	Holding company	-
Getronics US Operations, Inc.	US	100%	Pension company	-
KPN Insurance Company DAC	Ireland	100%	Finance / Insurance company	-
KPN Mobile Holding B.V.	Netherlands	100%	Holding company	-
KPN Mobile N.V.	Netherlands	100%	Holding company	-
KPN Mobile Germany III B.V.	Netherlands	100%	Holding company	-
KPN Ventures B.V.	Netherlands	100%	Holding company	-

2 Alternative performance measures

In the discussion of KPN's financial results, a number of alternative performance measures (non-GAAP figures) are used to provide readers with additional financial information that is regularly reviewed by management. These non-GAAP figures should not be viewed as a substitute for KPN's financial results as determined in accordance with IFRS Accounting Standards, which are presented in KPN's consolidated financial statements. Also, the additional information presented is not uniformly defined by all companies, including KPN's peers. For these reasons, the non-GAAP figures presented may not be comparable with similarly named numbers and disclosures by other companies. In addition, readers should be aware that certain information presented is derived from amounts determined under IFRS Accounting Standards, but is not in itself an expressly defined GAAP measure. Such non-GAAP measures should not be viewed in isolation or as an alternative to an equivalent GAAP measure.

KPN's management considers these non-GAAP figures, combined with GAAP performance measures and in conjunction with each other, the most appropriate to measure the performance of the Group and its segments. The non-GAAP figures are used by management for planning, reporting (internal and external) and incentive purposes.

All non-GAAP figures are based on continuing operations unless stated otherwise. KPN's main non-GAAP figures are explained below.

EBITDA

KPN defines EBITDA as operating result before depreciation (including impairments) of PPE and amortization (including impairments) of intangible assets. Note that KPN's definition of EBITDA deviates from the literal definition of earnings before interest, taxes, depreciation and amortization and should not be considered in isolation or as a substitute for analyses of the results as reported under IFRS Accounting Standards, as adopted by the European Union.

€ million	2025	2024 (restated)
Total revenues and other income	**5,829**	**5,634**
Cost of goods & services	-1,506	-1,430
Personnel expenses	-876	-849
Information technology / technical infrastructure	-338	-312
Other operating expenses	-392	-411
Total operating expenses (excl. D&A)	**-3,113**	**-3,001**
EBITDA	**2,716**	**2,632**

Adjusted revenues and adjusted EBITDA after leases (adjusted EBITDA AL)

Adjusted revenues are derived from revenues (including other income), adjusted for the impact of incidentals. Incidentals are non-recurring transactions which are not directly related to day-to-day operational activities at or over €5m, unless significant for the specific reportable segment.

Adjusted EBITDA AL is derived from EBITDA, adjusted for the impact of restructuring costs and incidentals ("adjusted") and for lease-related expenses ("after leases" or "AL"). Lease-related expenses in this definition are the depreciation and impairment expenses of right-of-use assets and interest on lease liabilities, as well as the gains or losses arising upon remeasurement or (early) termination of a lease.

Key items between reported and adjusted revenues (including other income)

€ million	FY 2025 reported	Incidentals	FY 2025 adjusted	FY 2024 reported (restated)	Incidentals	FY 2024 adjusted (restated)	y-on-y reported	y-on-y adjusted
Consumer	3,072	-	3,072	3,035	-	3,035	1.2%	1.2%
Business	1,948	-	1,948	1,881	-	1,881	3.6%	3.6%
Wholesale	680	-	680	656	-	656	3.7%	3.7%
Network, Operations & IT	82	-	82	60	-	60	37%	37%
Other (incl. eliminations)	46	-	46	2	-	2	>100%	>100%
Consolidated KPN Group	**5,829**	**-**	**5,829**	**5,634**	**-**	**5,634**	**3.5%**	**3.5%**

Key items between reported and adjusted EBITDA AL

€ million	2025	2024	y-on-y
EBITDA	**2,716**	**2,632**	**3.2%**
Incidentals	59	-	n.m.
Restructuring	37	28	30%
Lease-related expenses			
Depreciation right-of-use assets	-155	-130	19%
Interest lease liabilities	-20	-23	-11%
Adjusted EBITDA after leases	**2,636**	**2,508**	**5.1%**

EBITDA AL incidentals

€ million	Account	2025	2024
Settlement MSA Althio	Depreciation right-of-use assets	44	-
Transaction costs related to Althio	Other opex	16	-
Consolidated KPN Group		**59**	**-**

Free cash flow (FCF)

FCF is defined as cash flow from continuing operating activities plus proceeds from disposals of property, plant and equipment (PPE) minus capital expenditure (capex) and adjusted for repayments of lease liabilities. KPN defines capex as investments in PPE and software. Please note that KPN's capex definition differs from capex as defined by the EU taxonomy discussed in the sustainability statement.

€ million	2025	2024
Net cash flow provided by operating activities from continuing operations	**2,308**	**2,264**
Capex	-1,263	-1,255
Disposals of other assets part of the legacy asset strategy	15	20
Proceeds from real estate	19	14
Repayments of lease liabilities	-127	-143
Free cash flow from continuing operations	**952**	**900**

Operational free cash flow

Operational free cash flow is defined as adjusted EBITDA AL minus capital expenditure (capex).

€ million	2025	2024
Adjusted EBITDA AL	**2,636**	**2,508**
Capex	-1,263	-1,255
Operational free cash flow	**1,373**	**1,253**

Leverage ratio

KPN defines its leverage ratio as net debt (excl. lease liabilities) divided by the 12-month rolling adjusted EBITDA AL. The ratio is adjusted for major changes in the composition of the consolidated KPN Group (acquisitions and disposals) when applicable.

Net debt is defined as gross debt less net cash and short-term investments. Gross debt is defined as the nominal value of interest-bearing financial liabilities representing the net repayment obligations in euros, excluding derivatives, related collateral and leases, and taking into account 50% of the nominal value of the hybrid capital instruments.

For the calculation of KPN's leverage ratio, see Note 13.4 to the consolidated financial statements.

3 Datapoints that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page or n/a
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1	n/a	Commission Delegated Regulation (EU) 2020/1816, Annex II	n/a	Page 64
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	n/a	n/a	Delegated Regulation (EU) 2020/1816, Annex II	n/a	Page 64
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1	n/a	n/a	n/a	Page 66
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II	n/a	n/a
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1	n/a	Delegated Regulation (EU) 2020/1816, Annex II	n/a	n/a
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1	n/a	Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	n/a	n/a
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	n/a	n/a	Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	n/a	n/a
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	n/a	n/a	n/a	Regulation (EU) 2021/1119, Article 2(1)	Page 86
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	n/a	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2	n/a	n/a
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6	n/a	Page 96
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator number 5 Table #2 of Annex 1	n/a	n/a	n/a	Page 99
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1	n/a	n/a	n/a	Page 99
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1	n/a	n/a	n/a	n/a

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page or n/a
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)	n/a	Page 100
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)	n/a	Page 104
ESRS E1-7 GHG removals and carbon credits paragraph 56	n/a	n/a	n/a	Regulation (EU) 2021/1119, Article 2(1)	n/a
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	n/a	n/a	Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	n/a	n/a
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)	n/a	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book — Climate change physical risk: Exposures subject to physical risk.	n/a	n/a	n/a
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)	n/a	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2: Banking book — Climate change transition risk: Loans collateralized by immovable property — Energy efficiency of the collateral	n/a	n/a	n/a
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69	n/a	n/a	Delegated Regulation (EU) 2020/1818, Annex II	n/a	n/a
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1	n/a	n/a	n/a	n/a
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1	n/a	n/a	n/a	n/a
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1	n/a	n/a	n/a	n/a
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1	n/a	n/a	n/a	n/a
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1	n/a	n/a	n/a	n/a

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page or n/a
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1	n/a	n/a	n/a	n/a
ESRS 2 — SBM 3 — E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1	n/a	n/a	n/a	n/a
ESRS 2 — SBM 3 — E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1	n/a	n/a	n/a	n/a
ESRS 2 — SBM 3 — E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1	n/a	n/a	n/a	n/a
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1	n/a	n/a	n/a	n/a
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1	n/a	n/a	n/a	n/a
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1	n/a	n/a	n/a	n/a
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1	n/a	n/a	n/a	Page 112
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1	n/a	n/a	n/a	Page 112
ESRS 2 — SBM3 — S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I	n/a	n/a	n/a	n/a
ESRS 2 — SBM3 — S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I	n/a	n/a	n/a	n/a
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I	n/a	n/a	n/a	Page 118
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21	n/a	n/a	Delegated Regulation (EU) 2020/1816, Annex II	n/a	n/a
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I	n/a	n/a	n/a	n/a
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I	n/a	n/a	n/a	n/a
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I	n/a	n/a	n/a	Page 119
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I	n/a	Delegated Regulation (EU) 2020/1816, Annex II	n/a	n/a
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I	n/a	n/a	n/a	n/a

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page or n/a
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I	n/a	Delegated Regulation (EU) 2020/1816, Annex II	n/a	Page 127
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I	n/a	n/a	n/a	n/a
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I	n/a	n/a	n/a	n/a
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I	n/a	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	n/a	n/a
ESRS 2 — SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I	n/a	n/a	n/a	Page 128
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1	n/a	n/a	n/a	Page 118
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1	n/a	n/a	n/a	Page 128
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and es paragraph 19	Indicator number 10 Table #1 of Annex 1	n/a	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	n/a	Page 118
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 19	n/a	n/a	Delegated Regulation (EU) 2020/1816, Annex II	n/a	Page 128
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1	n/a	n/a	n/a	Page 130
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1	n/a	n/a	n/a	n/a
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1	n/a	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	n/a	n/a
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1	n/a	n/a	n/a	n/a
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1	n/a	n/a	n/a	Page 149
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1	n/a	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	n/a	Page 149
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1	n/a	n/a	n/a	n/a
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1	n/a	n/a	n/a	Page 153

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page or n/a
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1	n/a	n/a	n/a	Page 154
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1	n/a	Delegated Regulation (EU) 2020/1816, Annex II	n/a	Page 156
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1	n/a	n/a	n/a	Page 156

4 Glossary

4G
Fourth-generation mobile system, a standard for wireless communication delivering high-speed data for mobile phones and data terminals.

5G
Fifth-generation mobile system, a standard for wireless communication delivering high-speed data for mobile phones and data terminals, exceeding 4G speeds. 5G targets high data rates, reduced latency, network slicing, higher system capacity and massive device connectivity.

5G population coverage
The standard for measuring the coverage of the mobile network: the percentage of the population in the Netherlands with coverage on the 5G network.

ACM (Authority for Consumers and Markets)
The ACM acts as a regulator in the Netherlands and is responsible for monitoring compliance with antitrust rules.

Adjusted EBITDA AL
Adjusted EBITDA AL (adjusted EBITDA after leases) is derived from EBITDA and is adjusted for the impact of restructuring costs and incidentals and for lease costs, including depreciation of right-of-use assets and interest on lease liabilities. Incidentals are non-recurring transactions of €5m or more unless significant for the specific reportable segment, which are not directly related to day-to-day operational activities.

Adjusted revenues
Adjusted revenues are derived from revenues (including other income) and are adjusted for the impact of restructuring costs and incidentals. Incidentals are non-recurring transactions of €5m or over unless significant for the specific reportable segment, which are not directly related to day-to-day operational activities.

Agency workers
Besides the individuals who are in a direct employment relationship, there are also employees which are hired from agencies for a temporary period. KPN refers to these employees as "Uitzend Personeel" (UP). These employees are mainly working in call centers and retail stores and most of them work working parttime.

AGM (annual general meeting of shareholders)
The AGM is KPN's yearly meeting where shareholders review company performance, vote on key matters such as financial statements, dividends, and board appointments, and engage with management. Each share equals one vote, and participation can be in person or online.

AI (artificial intelligence)
AI is the intelligence demonstrated by machines.

Average 4G and 5G download speed
The average download speed is based on the results of a speed-test that customers initiate on 4G and 5G with their smartphone. Robot measurements and customers using networks other than KPN's are excluded from the results.

B2B (business-to-business)
Commercial transactions between businesses; referring to our business market-related activities.

B2C (business-to-consumer)
Commercial transactions between KPN and our customers (end-users); referring to our consumer market-related activities.

BCF (business control framework)
The BCF contains all corporate policies and guidelines that are mandatory for KPN segments and entities. It forms the cornerstone of the consolidated KPN Group's governance.

Biodiversity loss – five drivers
The main causes of global biodiversity decline:
Land and sea use change – habitat conversion and fragmentation.
Overexploitation – unsustainable harvesting of species.
Invasive species – non-native species disrupting ecosystems.
Pollution – contamination of air, water and soil.
Climate change – shifting ecosystems and species extinction risk.

Broadband
Broadband refers to telecommunications that provide multiple channels of data over a single communications medium, typically using some form of frequency or wave division multiplexing.

Capex (capital expenditure)
Investments in property, plant and equipment (PPE) and software. Note that EU taxonomy's capex definition differs from KPN's capex definition. EU taxonomy capex consists of the following components: PPE investments and PPE changes in consolidation in the case of acquisitions of business combinations, intangible investments and intangible assets changes in consolidation in the case of acquisitions of business combinations and right-of-use assets additions.

CDP (Carbon Disclosure Project)
The CDP is a joint initiative of investors worldwide that questions and benchmarks listed companies on their approach to climate change.

CFE (carbon-free energy)
Carbon-free energy refers to electricity generated from resources that produce no direct CO_2 emissions during operation, such as wind, solar and hydropower. Unlike carbon-neutral energy, which may allow for offsets, CFE explicitly avoids emitting greenhouse gases.

Churn (calculated on an annual basis)
The number of customers no longer connected to an operator's network divided by the operator's customer base.

Circular economy
The circular economy is a generic term for an industrial economy that is producing no waste and pollution and in which material flows are of two types: biological nutrients, designed to re-enter the biosphere safely, and technical nutrients, which are designed to circulate at high quality in the production system without entering the biosphere.

Circular inflow
Renewable inflow from sustainably managed resources and which is used at a rate in line with natural cycles of renewability or inflow which is non-virgin.

Circular outflow
Outflow that is designed and treated in a manner that ensures products and materials have a full recovery potential and extend their economic lifetime after their technical lifetime, and that is demonstrably recovered.

CLA (collective labor agreement)
A written agreement between employers (or employers' organizations) and employees' organizations (trade unions) that sets out terms and conditions of employment, such as wages, working hours, holidays, and pensions for KPN.

Climate-neutral
For KPN, climate-neutral means operating with zero net CO_2e emissions.

Cloud gaming
Cloud gaming is a form of cloud computing that offers services in the field of computer games.

Cloud services
Cloud services are standardized IT capabilities (services, software or infrastructure) delivered via internet technologies in a pay-per-use, self-service way.

CO_2e
Carbon dioxide equivalent, a standard unit for measuring carbon footprints. The idea is to express the impact of each different greenhouse gas in terms of the estimated amount of CO_2 that would create the same amount of warming. That way, a carbon footprint consisting of different greenhouse gases can be expressed as a single number.

CPE (customer premises equipment)
Refers to equipment located in the customer's home or office that is used for telecommunications services, such as modems and routers.

Critical services
Essential services that ensure the stability and security of the Dutch digital infrastructure, including core network connectivity, cybersecurity measures, data protection, and critical support for governmental and defense operations.

CSR (corporate social responsibility)
For KPN, CSR is the integrated vision of entrepreneurship, in which the company takes responsibility and creates value in economic (profit), ecological (planet) and social (people) terms. We incorporate CSR into our business and by doing so, take our social responsibility and contribute to societal challenges.

CSRD (Corporate Sustainability Reporting Directive)
The CSRD is a directive that requires organizations to report on the environmental, social and governance impacts of their business activities. CSRD has been included in the first Omnibus Simplification Package from the European Commission (ESG Omnibus), which aims to stimulate the competitiveness of the European Union by reducing excessive burdens on companies, protecting SMEs and simplifying EU reporting and due diligence requirements.

Customer base
The total number of subscribers.

Data safety reputation
The percentage of KPN and Simyo consumer customers who (completely/strongly) agree or disagree with the statement "At KPN or Simyo, my data is safe" excluding the answers "don't know/not applicable".

DEFRA (UK Department for Environment, Food & Rural Affairs)
DEFRA has published conversion factors to calculate greenhouse gas emissions.

DMA (double materiality assessment)
The DMA identifies material impacts, risks and opportunities for all material sustainability matters.

EBITDA
Operating result before depreciation and impairments of property, plant and equipment and amortization and impairments of intangible assets.

EBITDA AL (EBITDA after leases)
EBITDA AL is derived from EBITDA and adjusted for lease costs, including depreciation of right-of-use assets and interest on lease liabilities.

EcoVadis
EcoVadis is an international platform that assesses the material CSR impacts of companies. Purchasing organizations can integrate EcoVadis assessment results (scorecards) into their day-to-day business practices, driving their organization to make more sustainable procurement decisions, while positively incentivizing trading partners that align with their sustainability practices.

EcoVadis spend coverage
Percentage of total KPN spend (from previous year) represented by suppliers that have shared their EcoVadis assessment result (scorecard) with KPN. The suppliers we invite for an EcoVadis assessment are selected at the beginning of the reporting year based on the full spend of the previous year.

Edge computing
Distributed paradigm that brings computation and data storage closer to the sources of data.

EEIO (environmentally extended input-output data)
EEIO models estimate energy use and/or GHG emissions resulting from the production and upstream supply chain activities of different sectors and products. The resulting EEIO emissions factors can be used to estimate cradle-to-gate GHG emissions for a given industry or product category. EEIO models are derived by allocating national GHG emissions to groups of finished products based on economic flows between industry sectors.

Employee survey score for engagement
The outcome of a human resources (HR) survey that measures the level of enthusiasm and dedication a worker feels towards their job. This survey consists of questions regarding employee engagement but also topics such as leadership, well-being, a safe work environment, and feedback and development. Employee engagement is calculated by combining the results of a selection of questions resulting in a score from 1% to 100%, with 1% as the lowest and 100% as the highest engagement score.

ESG (environmental, social and governance)
ESG refers to the three central factors in measuring the sustainability and societal impact of an investment in a company or business.

ESRS (European Sustainability Reporting Standards)
The ESRS are the standards that EU businesses must report against as part of the disclosure requirements required by the CSRD.

Fair wage
A wage that is sufficient to meet the basic needs of a worker and their family, taking into account living conditions, local cost of living, and social benefits. It also considers a fair reward for work performed, work experience, productivity, and ensuring the worker's dignity.

FCF (free cash flow)
FCF is defined as cash flow from continuing operating activities plus proceeds from real estate, minus capital expenditure (capex, i.e. expenditure on PP&E and software) and adjusted for repayments of lease liabilities.

Fiber footprint
It refers to every household within the Netherlands which has KPN or Glaspoort fiber in front of the house. It includes third-party networks in which KPN or Glaspoort holds a call option, and which are expected to be consolidated over time. This refers most notably to Glaspoort's 50% stake in GlasDraad.

FTE (full-time equivalent)
The equivalent of the number of employees with a full-time contract. FTEs are calculated based on the standard number of contract hours per employment group within KPN.

FttH (fiber to the home)
FttH is defined as an access network architecture in which the final part of the connection to the home also consists of optical fiber.

FttH households
It refers to 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.

Gbps (gigabits per second)
A gigabit is a unit denoting the speed of data transfer. It is the speed in billions of bits per second.

GHG (Greenhouse Gas) Protocol
The GHG Protocol is a multi-stakeholder partnership of business, non-governmental organizations (NGOs), governments and others that develop internationally accepted GHG accounting and reporting standards for organizations.

GHz
Gigahertz is a frequency unit that measures the number of cycles per second and is used to indicate the different spectrums of our mobile network.

Green electricity
Green electricity is electricity from renewable sources. KPN only uses wind energy and electricity from biomass that does not compete with food production.

GRI (Global Reporting Initiative)
The Global Reporting Initiative is an organization that publishes international standards for CSR reporting.

High-risk supplier
Our procurement process includes an assessment of all new contracted suppliers, classifying them based on the potential social and environmental risk their operations, products and services represent. We assess this risk based on three parameters: geographical areas, spend and potential environmental impact of a supplier's operations, products or services. We strive to audit suppliers classified as high-risk periodically and these social audits are carried out by an independent third-party auditor.

IIRC (International Integrated Reporting Council)
Worldwide non-profit organization that has developed a technical standard for companies that want to account for the value they add to this world as a company.

IoT (internet of things)
The internet of things connects objects such as garbage bins or cars with the internet via a chip. This offers many opportunities, such as "smart city solutions".

IPCC (Intergovernmental Panel on Climate Change)
The IPCC is a UN-established body that assesses and synthesizes scientific information on climate change, providing comprehensive reports to guide policymakers worldwide. Operating on a consensus-based approach, the IPCC plays a pivotal role in shaping international strategies for addressing and mitigating the impacts of climate change.

IPR
Intellectual Property Rights

ISO (International Organization for Standardization)
This organization is responsible for international management standards such as ISO 14001, ISO 27001 and ISO 22301 (mentioned in this report).

iTV (interactive TV)
With iTV, the customer can easily choose when, where and which programs to watch.

JAC (Joint Alliance for CSR)
The JAC (formerly Joint Audit Cooperation) is a partnership of telecoms companies worldwide (including KPN) with the aim of conducting audits at important ICT suppliers. With these audits, the telecoms companies ensure that all major players in the chain commit to corporate social responsibility.

KPI (key performance indicator)
Key performance indicators measure the performance of the organization, teams and individual employees.

KPN Mooiste Contact Fonds
This KPN foundation supports societal initiatives aimed at fostering social contact, by bringing together people and technological resources to best advantage.

LCE (large corporate enterprises)
A sector consisting of enterprises with more than 650 employees.

LGBTQIA+
Lesbians, gays, bisexuals, transgenders, queers, intersexuals, asexuals and people with other sexual and/or gender identity. KPN Pride is an inclusive community for LGBTQIA+ people, and all colleagues (including heterosexuals) who are interested in LGBTQIA+ subjects related to the KPN workfloor.

Machine-to-machine
Direct communication between devices using any communications channel, including wired and wireless.

Market share
Market share is the percentage or proportion of the total available market that is serviced by KPN. These figures are based on externally available market data, which may not be completely accurate, and may be partially based on estimates.

Mbps (megabits per second)
A megabit is a unit denoting the speed of data transfer. It is the speed in millions of bits per second. The bandwidths of broadband networks are often indicated in Mbps.

MHz (megahertz)
A MHz is one million hertz (a unit of frequency).

MSCI (Morgan Stanley Capital International)
Sustainable ranking intended to measure a company's resilience to long-term, financially relevant ESG risks.

Nature-inclusive
Nature-inclusive refers to a way of working that also benefits nature and works within the boundaries of nature.

NOI (net operating income)
A measure used to analyze the profitability of our income-generating properties. It is calculated by subtracting operating expenses from the total income generated by the property.

Non-conformities
Non-conformities are identified when a supplier is found to be in breach of any of the JAC Supply Chain Sustainability Guidelines that form the set of common requirements expected from the ICT industry.

NOPLAT (net operating profit less adjustments for taxes)
A financial measure that represents net operating profit after (adjusted) taxes.

Normalized ETR
The normalized effective tax rate (ETR) is defined as the total ETR excluding incidentals (such as return to provisions), major changes in the composition of the group, changes in recognition or derecognition of deferred taxes and changes in tax law.

NPS (Net Promoter Score)
NPS is a metric for measuring customer loyalty, based on whether customers would recommend KPN 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 NPS is calculated by subtracting the percentage of detractors from the percentage of promoters. The result is expressed as an absolute number rather than a percentage, within a range of -100 to +100. In this report, the NPS results refer to the full-year results of 2025. This is based on the average of all 12 monthly results from January to December. In 2025, our Business segment made two changes on the methodology of the NPS measurement: 1. Weighting for the business market will shift to focus on the number of products instead of revenue and EBITDA margins. Customers with more products get a greater voice due to their broader experience, regardless of revenue size. 2. The scope includes companies up to 650 employees.

OECD (Organization for Economic Cooperation and Development)
An international organization that works to establish evidence-based international standards and find solutions to a range of social, economic and environmental challenges.

Online marketplace (at KPN)
A digital platform that connects supply and demand for digital services or components. Examples include the KPN API Store (for APIs) and the KPN Partner Platform (for ICT services).

Other personnel (OP) – contingent workforce (CWF)
These are external workers hired by KPN on an hourly rate basis who work under the direction and supervision of KPN.

Other personnel (OP) – service levels and deliverables (SLD)
In this arrangement, the entire assignment is outsourced to a supplier based on agreed-upon results. The external employees are not working under KPN's direction and supervision.

OTT (over-the-top)
In broadcasting, over-the-top content (OTT) refers to the delivery of audio, video, and other media over the internet for which no subscription to a traditional cable or satellite operator is required. A famous example is WhatsApp, which is replacing text messaging.

Own workers
These people are individuals who are in an employment relationship with KPN according to national law or practice ("the employees"). The employment relationship could be with KPN B.V. or with one of the subsidiaries which are consolidated in the consolidated financial statements of KPN Group. KPN refers to these employees as "Eigen Personeel" (EP). This category can have a temporary contract or a permanent contract.

PLA (personal labor agreement)
An employment contract on an individual basis, in which specific employment conditions are laid down for one employee.

PSO certification
The certification of the Prestatieladder Socialer Ondernemen (the Social Entrepreneurship Performance Ladder) is a scientifically substantiated quality mark of TNO (an independent not-for-profit research organization), which objectively measures and makes visible the extent of socially responsible business.

RDI (Dutch Authority for Digital Infrastructure)
The Dutch Authority for Digital Infrastructure (Rijksinspectie Digitale infrastructuur) advises on laws and regulations regarding the availability and reliability of digital infrastructure.

Responsible minerals
Minerals mined through a process that respects human rights and the environment and do not finance conflict. These include scarce minerals, and are used in a variety of products including consumer electronic devices such as mobile phones. Conflict minerals are mined under conditions of armed conflict and human rights abuses.

Return on capital employed (ROCE)
Return on capital employed is calculated by the net operating profit less adjustments for taxes (NOPLAT) divided by capital employed, on a four-quarter rolling basis. Net operating profit is the adjusted EBITA (excluding incidentals and amortization of other Intangibles, and including restructuring costs). KPN defines capital employed as the carrying amount of operating assets and liabilities, which excludes goodwill and the other intangibles.

Roaming
Transfer of mobile traffic from one network to another, referring to the exchange of international mobile traffic.

Scope 1
Direct greenhouse gas emissions occurring from sources that are owned or controlled by an organization.

Scope 2
Indirect greenhouse gas emissions from the generation of purchased electricity, heating or cooling consumed by an organization.

Scope 3
Other indirect greenhouse gas emissions as a consequence of the activities of an organization, but occurring from sources not owned or controlled by the organization.

SDGs (Sustainable Development Goals)
On 25 September 2015, countries within the United Nations adopted 17 goals to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda. Each goal has specific targets to be achieved by 2030. Also known as Global Goals.

SecurX
SecurX is a training for security awareness. The SecurX training target group is eventually all KPN personnel in the Netherlands (excluding subsidiaries and offshore personnel) who can be identified by their kpn.com account. The SecurX certificate does not expire. The annual target number will gradually increase over the years.

Service revenues
Service revenues are defined as the aggregate of connection fees, monthly subscription fees and traffic fees.

SME (small and medium-sized enterprises)
A sector generally consisting of enterprises with up to 650 employees.

SoHo (small office home office)
This term refers to a small office of about 1 to 10 people or a home office.

SpeakUp Line
An anonymous reporting option for employees and external persons, enabling reports to be made by phone or via a safe and secure website. The KPN SpeakUp Line is hosted and made available by an independent organization.

Stakeholder
Stakeholders are the people or organizations with an interest in the company, such as customers, employees, shareholders, suppliers, governments and media.

Subscriber
A subscriber is defined as an end-user with a connection to the mobile or fixed networks and/or service platforms of KPN.

Tailored Solutions
Our Tailored Solutions business unit offers customization to business customers at any point in their digital journey.

TCFD (Task Force on Climate-related Financial Disclosures)
The Financial Stability Board (FSB), an international regulator in the financial world, created the TCFD in 2015 to improve and increase reporting of climate-related financial information.

Tier 1, 2 and 3 suppliers
Tier 1 suppliers are your direct suppliers. Tier 2 suppliers are your suppliers' suppliers or companies that subcontract to your direct suppliers. Tier 3 suppliers are the suppliers or subcontractors of your Tier 2 suppliers.

TSR (total shareholder return)
A measure of the performance of different companies' stocks and shares over time. TSR calculates the growth in capital from purchasing a share in the company, assuming that the dividends are reinvested each time they are paid. This growth is expressed as a percentage as the compound annual growth rate.

TTC (total tax contribution)
Total tax contribution is the total tax amount borne or collected by KPN and generated through its operations.

VBDO (Vereniging van Beleggers voor Duurzame Ontwikkeling)
The Dutch Association of Investors for Sustainable Development (VBDO) works to create a sustainable capital market - a market that considers not only financial criteria but also non-financial, social and environmental criteria. VBDO's vision is to increase sustainability awareness among companies and investors.

Virgin materials
Materials sourced directly from nature in their raw form, such as wood or metal ores. Manufacturing products from virgin materials uses much more energy and depletes more natural resources than producing goods using recycled materials.

Virtualization
The separation of the physical hardware from the software functions that run a network.

WBSO (Wet Bevordering Speur- en Ontwikkelingswerk)
The Research and Development Promotion Act is a subsidy that is intended for every entrepreneur in the Netherlands who conducts research into technological innovations.

For additional information

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Concept and design

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Online

Please visit our integrated annual report
website: www.kpn.com/annualreport

Forward-looking statements and management estimates

Certain of the statements we have made in this integrated annual report are "forward-looking statements". These statements are based on our beliefs and assumptions and on information currently available to us. They include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance or expense improvements and the effects of future legislation or regulation.

Forward-looking statements include all statements that are not historical facts and can be identified by the use of forwardlooking terminology such as the words "believe", "expect", "plan", "intend", "anticipate", "estimate", "predict", "potential", "continue", "may", "will", "should", "could", "shall", or the negative forms of these terms or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. No undue reliance should be put on any forward-looking statements. Unless required by applicable law or applicable rules of the stock exchange on which our securities are listed, we have neither the intention nor an obligation to update forward-looking statements after distribution of this integrated annual report. All market share information in this financial report is based on management estimates based on externally available information, unless indicated otherwise.

The terms "we", "our" and "us" are used to describe the company.

We always aim to further improve our CSR activities and reporting, so we highly appreciate your feedback, questions and comments on our integrated annual report and CSR activities. Please contact esg@kpn.com.

kpn