



Climate Transition Plan

Our climate transition plan to a net zero organization and value chain

Introduction

KPN's transition plan is made publicly available for all our stakeholders on our corporate website (<https://www.overons.kpn/en>) and has been approved by the Board of Management.

The transition plan provides insights into ambition, actions and accountability of our transition to net zero emissions by 2040 and follows the recommendations by the GSMA Transition Plan Taskforce Disclosure Framework, developed with ITU and Carbon Trust (October 2025). The transition plan links to the Sustainability statement of the Integrated Report and our submission to the Carbon Disclosure Project climate benchmark. The version control of the transition plan is coordinated by the Energy and Environment department within KPN Network Operations & IT and is updated annually.

1. Foundations

1.1. Strategic Ambition

We are committed to connecting everyone in the Netherlands to a sustainable future, a responsibility we take very seriously. We are committed towards ambitious environmental objectives, both in the short and long term. In doing so, we link our targets directly to our green financing instruments. Through our approach to sustainability, we aim to positively influence the environmental impact of our total value chain, from suppliers to customers, by collaborating towards zero waste and zero emissions. This includes our procurement process, operations, and the impact of our products and services before, during and after use.

Our services also enable our customers to become more sustainable, for example via remote working. In addition, we believe that a telecommunications company like KPN is well positioned to play a strategic role in the energy transition by providing real time data solutions for energy related assets within our own network as well as for our customers. In this way, we contribute to the achievement of global, European and national goals, such as the UN Sustainable Development Goals, the Climate Agreement of Paris and the European Green Deal (e.g. Fit for 55). Our net zero emissions strategy is integrated into our overall strategy, business operations and value chain to contribute to limiting global warming to 1.5 °C.

We have set ambitious environmental objectives for the short term (2025), medium term (2030) and long term (2040), moving towards net-zero on Scope 1, 2 and 3 emissions. In addition, we have set a medium-term target for 2033 (Scope 3). Target year 2033 is the maximum target year advised by the Science Based Targets initiative (SBTi) and is based on the year KPN requested validation of its updated targets (maximum of 10 years after date of request). Based on guidelines we will have our targets revalidated by SBTi around 2028.

1.2. Business Model and Value Chain

Mitigation efforts are crucial in addressing climate change, and a comprehensive approach involves reducing our impact across all emission scopes - Scope 1, 2 and 3. By implementing strategies to lower emissions in these areas, we not only reduce our own carbon footprint but also aim to reduce our overall negative impact by enabling our customers to reduce emissions. This means actively seeking opportunities to prevent emissions that would otherwise have occurred, thereby contributing to a less negative environmental outcome.

Through innovative technologies, sustainable practices, and collaborative efforts with everyone from suppliers to customers, we aim to mitigate climate change effectively and work towards zero emissions and zero waste. This includes our procurement, operations, and the impact of our products and services before, during and after use.

Circular economy. To achieve our ambition to become net-zero by 2040, we see the need for both an energy transition and a materials transition. The materials transition involves both finding lower-impact ways to produce materials and applying circular-economy principles. We consider circularity an important enabler for the net-zero transition by reducing use of virgin raw materials, extending lifetime of equipment in collaboration with partners and reuse and recycling.

Next Generation Technology. The main initiatives driving energy reduction in our network are transferring our infrastructure to optical networks, virtualization and rationalization of technical buildings and assets with active or passive cooling. New data intensive technologies such as AI will have an impact on our mid-term energy usage. In the long term, new technologies switching to passive optical networks and photonics will lead to significant energy savings reducing the need for active switches, routers and multiplexers.

Data usage in telecom is typically defined by the transfer of data and less by the storage or compute of data. Yet, telecom is still the front door to cloud-based services in our value chain, therefore these are part of our scope 3 emissions. We monitor the effect of technology change on energy consumption in our network and apply energy efficiency measures to balance operational performance with energy use.

1.3. Key assumptions and external factors

Internal Risk Management and Control System

Climate change is integrated in KPN's Internal Risk Management and Control System and designed to avoid, mitigate or eliminate the risks associated with KPN's strategic, operational, financial, regulatory and compliance objectives.

We recognize, measure and document the impact that our operations, services and products have on the environment. We guarantee that, at the very least, we comply fully with all the environmental legislation, anticipate on future legislation and, where possible and practicable, go further than the statutory requirements. We also demand that our suppliers do so, and we monitor their compliance. We set up adequate management systems for designing, developing, maintaining and managing our operations to prevent and limit the impact on the environment and monitor progress and compliance. These systems cover all relevant aspects (energy, CO₂e emissions, waste and water) and are integrated in our environmental management system which is ISO14001 certified with carbon reduction management (level 2). We identify the principal risks in our own operations and within our value chain, including relevant environmental matters (e.g. climate-related impacts). We have guidelines to stimulate re-use and safeguard proper handling of e-waste through WEEELABEX (or equivalent) certified operators and licensed contractors.

Physical risks, impacts and opportunities

We apply the following time horizons to project levels of global warming and estimate expected impacts of climate change on the business and value chain: Short term (0-5 years), Medium term (5-10 years) and long term (10 years and beyond).

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 effects. The low scenario generally corresponds to KNMI'14 scenario GL ("gematigd laag" or "moderately low"), in which changes remain most limited. KNMI'14 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. We will update our scenario analysis when the relevant layers of the Climate Impact Atlas are updated for the KNMI '23 climate scenarios.

Market risks

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).

External and value chain factors

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 funxibiuity and/or availability in time). We expect a medium impact in terms of the feufiummnt 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.

Data availability

We collaborate with our strategic suppliers both via standardization of insights via industry bodies, as well as direct supplier engagement. By creating transparency on their reported GHG emissions and energy consumption (including targets, performance and actions) and acceleration of improvement opportunities for reduction of the carbon footprint of products and lifetime of equipment (Life Cycle Assessments, e.g. for the energy settings of services we sell to customers). Among our top 20 upstream Scope 3 suppliers (responsible for 55% of related 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 SBT validated net-zero target year of 2040 or earlier (scope of net-zero targets: suppliers' own operations and value chain).

Government policies and regulations

KPN's environmental policies explicitly align with the Paris Climate Agreement, UN Sustainable Development Goals and European Green Deal (Fit for 55). These commitments are reflected in KPN's net-zero roadmap for Scope 1, 2, and 3 emissions by 2040. KPN operates under a regulatory framework that includes: Dutch Environmental Management Act and Activiteiten-besluit Milieu-beheer which mandate energy-saving measures and emissions. In addition, KPN complies with EU Directives such as the Energy Efficiency Directive, Energy Performance of Buildings Directive, and the EU Taxonomy Regulation. This shapes reporting, investment decisions, and sustainability classifications. KPN has an integrated CSRD-aligned double materiality assessment and transition plan into its governance and reporting systems.

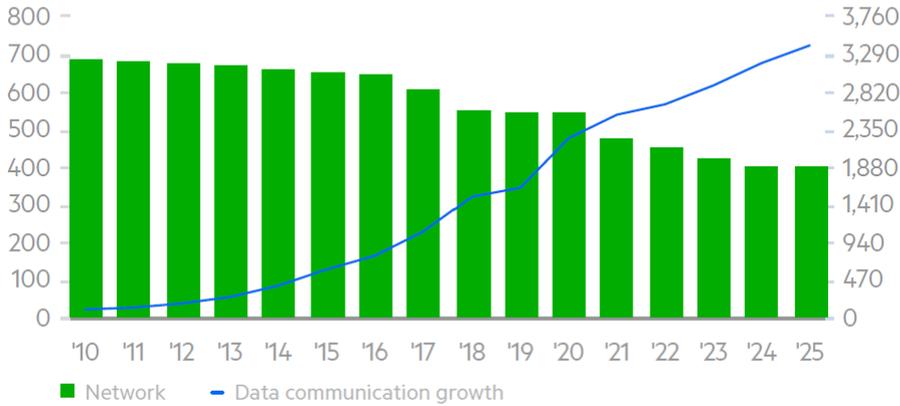
2. Implementation Strategy

2.1 Business Operations

Operational energy improvement

KPN has a strong track record in reducing energy in own operations. Network electricity consumption decreased by 4,646 MWh in 2025, marking a 42% reduction from 2010 (baseyear), while data traffic increased. See figure 'Network electricity consumption (GWh) compared to data communication growth (%)'. This was achieved through network rationalization.

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



Operational and value chain emissions reduction

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	<ul style="list-style-type: none"> The conversion of our fleet from fossil-fuel to electric Transition from gas-based to electric heating in buildings Other 	0.2%
Scope 2	<ul style="list-style-type: none"> Market-based emissions already at zero 	-
Scope 3	<ul style="list-style-type: none"> Completion of fiber rollout resulting in less construction emissions Supplier decarbonization and reducing carbon footprint of products and services 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 Reduction of emissions as a result of decarbonization of the logistics to our customers Increase in emissions related to additional customer fiber equipment 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 Reduction of emissions related to reuse and recycling of customer products Other reductions 	25.5% 48.1% 3.2% 1.8% -1.3% (increase) 21.5% 0.1% 0.9%

Managing and mitigating climate-related transition risks

Our main transition risk from climate change is grid congestion, where renewable energy demand exceeds supply and energy storage technology, which is still developing. Limited power capacity and connections can lead to grid congestion, with the risk of disrupting KPN's networks and services through power outages. The transition risk of grid congestion is relevant for our climate-neutral operations by serving the customer and delivering connectivity and is located in our own operations and upstream in our value chain in the Netherlands. The expected time horizon of this risk is medium term. Grid congestion presents risks to KPN, such as increased costs and potential service disruptions. If not properly addressed, it may challenge operational stability and network reliability. To mitigate these effects, measures such as priority alignment with regulations and potential future scenarios have been outlined.

Anticipated financial effects from material physical and transition risks

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

2.2. Products and Services

Product adaptations, actions and transition

In our network we execute transformation programs to simplify our operating model. Programs like autonomous operations accelerate network quality, call center service quality and improve productivity, which also leads to lower emissions based on efficiency gains. Customer premise equipment is reviewed for energy efficiency with each generation. By applying software on customer premise equipment we prolong the lifetime of equipment and therefore reduce emissions. Apps are developed as an alternative to TV-devices, also saving our logistics footprint.

Low carbon products and services

We collaborate in the Joint Alliance for CSR (JAC) with other telecom companies, representing over half of the industry. We review sustainability claims and Life Cycle Analysis of strategic vendors common in the sector. In JAC and GSMA various workgroups collaborate on advancing carbon reduction and circular economy.

2.3. Policies and Conditions

External policies and value chain

Amongst others the following policies impact our access to renewable electricity, either through grid decarbonization, self-generation, market instruments or government policies.

The decarbonization of equipment manufacturing or supplier operations is supported by our supplier code of conduct <https://www.overons.kpn/en/kpn-in-the-netherlands/sustainability/suppliers> (chapter 4 Environment).

The extent to which emissions reduction relies on technology development, such as the availability of low-carbon alternatives or low-carbon transportation of goods is also supported by the supplier code of conduct and initiatives via sector workgroups standardizing carbon reduction and circular economy a.o. Joint Alliance for CSR, GSMA, ETIS and ITU - see for example

JAC	https://jointallianceforcsr.org/transforming-supply-chains/#Working
GSMA	www.gsma.com/get-involved/working-groups/emerging-technologies/
ITU	https://www.itu.int/en/action/environment-and-climate-change/Pages/energy_efficiency-BAK.aspx
ETIS	https://www.etis.org/groupe/energy-working-group-20

Internal policies

We apply the following internal policies and conditions to achieve our ambition towards net zero:

- KPN Environmental policy, which is the basis for our ISO14001 certification with carbon reduction management
- KPN Procurement policy, with links to contract annexes for climate action and circular economy
- KPN Internal Control System (controls on reporting of non financial items)
- KPN Energy strategy: goals and actions on securing sustainable energy supply, consumption and flexibility
- KPN Strategy for furnishment of technical buildings
- Business Continuity (which includes physical risk)
- KPN AI Policy, which includes a chapter on energy impact
- Instructions by Corporate Control & Internal Audit validating text claims in our Integrated Report
- Updates to BOM and Segment Leadership teams on NZ progress and linked incentive schemes

2.4. Financial Planning

Capital investments

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

Operational expenditure implications

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. This significantly reduces our risk for volatile energy pricing for around 60% of our energy consumption.

Financial strategy and planning

In May 2024 KPN N.V. launched a Green Finance Framework (“GFF”, or “Framework”) to finance its sustainable activities. The Green Finance Instruments under the Framework follow the International Capital Market Association (ICMA) Green Bond Principles (“GBP”)¹ and the LMA Green Loan Principles (“GLP”)². The Framework will be in force as long as those instruments are outstanding. Any future changes in the Green Finance Standards may be implemented in future versions of this Framework. Sustainalytics has provided a Second Party Opinion on the Framework. Any future updated version of this Framework will undergo review by a Second Party Opinion provider.

To support the execution of this transition plan, we have issued three types of financing instrument for key investments. The following instruments are in place to provide the necessary funding and strategic alignment

- Revolving Credit Facilities totaling €1.075 billion, with margins linked to progress on fiber rollout, energy reduction, and Scope 3 carbon emissions.
- A sustainability-linked bond (SLB) of €0.7 billion, with a coupon linked to KPN's commitment to significantly reduce scope 3 CO2e emissions by 2030;
- Two €0.5 billion perpetual green hybrid bonds financing eligible projects in the categories Energy Efficiency, Circular Economy and Clean Transportation.

Internal carbon pricing

The purchase of goods and services has a negative impact on our emissions. KPN does not yet 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.

Engagement Strategy

2.1. Engagement with Value Chain

We engage with Original Equipment Manufacturers of infrastructure, IT services and customer premise equipment on:

- Environmental reporting (GHG protocol, SBTi, CSRD)
- Life Cycle Analysis (LCA, based on JAC peer review workgroup supported by a consultancy firm)
- Circular Economy (based on ITU L1023 framework on product design and service support) and design for disassembly and refurbishment in close collaboration with value add logistic partners.
- Carbon dashboards and insights how customers can improve their footprint of cloud based services

See chapter 1.3. ('data availability') for examples on industry collaboration. Another example is cross sector collaboration in the circular Circuits consortium <https://circularcircuits.nl/>

2.2. Engagement with government, public sector, communities and civil society

KPN actively engages with Dutch society, ao. via memberships with trade organizations VNO/NCW, FME, NL Connect, representative telecoms NGOs such as the European Telecommunications Network Operators' Association (Connect Europe), the Platform for the European Telecom Industry (ETIS), the International Telecommunication Union (ITU), the Joint Alliance for CSR (JAC), GSMA (international mobile telecoms association), interest groups like Consumentenbond, Dutch Association of Investors for Sustainable Development (VBDO) and international organizations like UN Global Compact and European Green Digital Coalition. We participate in working groups or liaise with these organizations. Each year we organize dialogues on ESG topics with stakeholders to discuss KPN's contribution to society and the desired next steps. Topics which are discussed with societal partners are initiatives to support professionalization of circularity, net-zero transition, human rights in the value chain, accelerate diversity and digital & social inclusion.

We have developed an improved human rights statement and are collaborating on international standards for circularity. We deploy our thought leadership on security to help make the Netherlands safer. Our #BetterInternet campaign reinforces transformative strategy and underlines the ongoing need for online safety both nationwide and worldwide, and the strategic positioning of telcos. #BetterInternet will remain a key part of our strategy to establish long-term impact.

Nature - a silent stakeholder.

Naturalis Biodiversity Center, WWF and climate experts are stakeholder representatives for nature. We are in discussion with nature NGOs to explore potential collaboration, inviting nature NGO's or experts to stakeholder dialogues about topics as climate change, energy, critical raw materials. These dialogues are several times a year and insights from these engagements are discussed in management teams, ESG Board and, if appropriate, included into improvements.

Impact of stakeholder engagements on KPN

Views of our stakeholders, including discussion about the positive and negative impacts of our material topics, are analyzed during KPN's due diligence and materiality assessment process. The outcomes have been considered in KPN's strategy, business model and updates of our ESG strategy. Our stakeholder dialogues are used as input to and inspiration for strategic updates and reflected in the double materiality assessment which is approved by the Board of Management. The Board of Management is responsible for oversight of sustainability-related impacts, risks and opportunities, and every ESG theme is assigned to a specific member of the Board of Management as theme owner. Senior management is responsible for stakeholder dialogue, targets, progress and results. Individual members of senior management head committees, comprising management of the key departments involved in these themes. To obtain sufficient outside reflection, stakeholder dialogues are held with external experts to advise KPN on our approach to ESG in general and give more in-depth advice on the ESG themes. The Supervisory Board is informed about the outcomes.

3. Metrics and Targets

3.1. Governance, engagement, business, operational metrics and targets

Business, operational and value chain metrics

KPN discloses key metrics to track and drive progress towards our net zero ambition as a basis of our transition plan, and report these metrics at least annually, with limited or reasonable assurance (Scope 1 and 2 emissions):

- Emissions: Scope 1 (gross/net), Scope 2 (location based and market based) and Scope 3 (11/15 categories)
- Intensity metrics: energy intensity (CO₂e/Gbps and MWh/ Gbps)
- Carbon Energy % (direct green energy sourcing via PPA's in The Netherlands)
- EU Taxonomy eligibility metrics
- Circular Economy metrics: circular inflow & outflow materials B2C, waste kilos eg waste to incineration/landfill, re-use & recycling %, collected CPE %, collected mobile phones % and B2B services enabled for circularity.

Please refer to our sustainability statement for explanation of the measurement methodology.

Risk and adaptation metrics

A number of metrics such as the number of network sites in energy congested areas are not disclosed. These are part of our internal risk control framework, which is in scope of our ISO14001 certification.

Governance metrics

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

4.2. Financial metrics and targets

Capital and operational expenditure metrics and targets

The overall projected CAPEX for KPN is currently around 1,25 bln and will decrease in 2027 to around 1,0 bln per year due to the completion of most of the roll out of the optic fiber network. From 2030 onwards, we expect our fiber network to reach up to a maximum of 85% of Dutch households with fiber. The remaining households will be served by hybrid solutions such as high-speed copper, supported by fixed wireless access.

Please refer to our IR website for our latest strategy update

(<https://ir.kpn.com/overview/default.aspx>) for further details (Capital Market Day update November 5th).

EU Taxonomy

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". 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%). This relates to electric lease cars, customer premises equipment, investments in heating and cooling, repair and refurbishment.

GHG Metrics and Targets

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 at least 90% from 2015 levels, while continuing to source 100% renewable electricity annually. Any remaining emissions, capped at 10% of our baseline, will be neutralized. Our Scope 2 emissions (market-based) have been zero since 2011, and we will maintain this through 2040 by using renewable energy. In the near term, we target 92% reduction in Scope 1 emissions and an intermediate reduction of 40% in Scope 3 emissions by 2030, working towards a 75.6% reduction in Scope 3 emissions by 2033 (all targets versus base year 2015). SBTi has classified our Scope 1 and Scope 2 target ambitions as in line with a 1.5°C trajectory. By validating our targets externally and monitoring our progress, we aim to contribute to the Paris Agreement pathway.

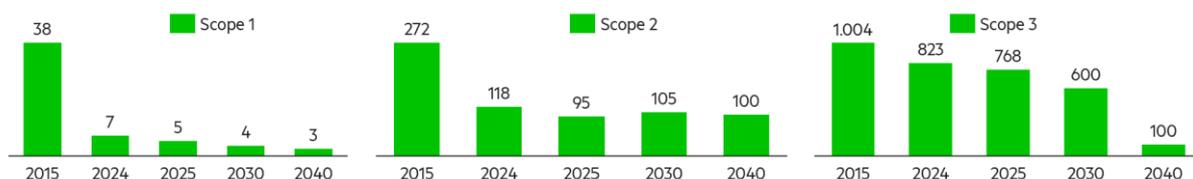


Figure 1.

KPN emissions for scope 1, 2 and 3 in kTon CO₂e vs 2015.

Note: Scope 2 market based is zero as from 2015.

Scope 1 (direct emissions): our goal is 90% reduction by 2040 compared to a 2015 baseline

Our Scope 1 emissions primarily stem from the process of transitioning our fleet to fossil fuel alternatives and from gas-based heating to electrical heating in buildings.

We will reduce the CO₂e emissions from our company-car fleet by limiting our inflow to fossil fuel-free vehicles by 2025. We will reach this goal by conversion to electric cars in lease arrangements for our own personnel and in part by using HVO-100 (biodiesel) fueled cars for engineers;

- We continue to transition from gas-based heating to electrical heating for smaller buildings;
- For larger buildings and offices, we still have a challenge to convert 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 and potential power down incidents. We continue to explore alternatives like the application of biodiesel in no-break installations or battery-based solutions.

Scope 2 emissions (electricity): Our goal is to retain zero emissions based on 100% renewable energy and to promote the use of carbon-free energy by matching supply and demand of our intra-day energy profile.

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

- Our energy usage has been based on 100% renewable energy since 2011 and we have committed to do so until at least 2040. Therefore, our market-based emissions for Scope 2 are already zero;
- We will continue to reduce energy usage in our operations, even though data usage continues to grow.
- We are updating our energy mix by committing to the Ecowende wind farm and solar park Kabeljauwbeek for 15 years (around 60% of long-term required capacity) and solar panels on technical buildings;
- We are rationalizing our network locations (optimizing network by closing down obsolete sites);
- We are optimizing temperature at technical locations;
- We are implementing energy efficiency measures in office buildings.

Scope 3 value chain (suppliers & customers): Our Goal: 90% reduction by 2040 compared to a 2015 baseline

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

We will reduce Scope 3 emissions with a minimum of 90% compared to a base year in 2015 and will neutralize the remainder. Our intermediate targets are 41% reduction in 2030 and 75.6% reduction versus base year 2015.

Upstream value chain

- Some locked-in emissions may occur before 2040 as not all of our suppliers operate in circumstances where renewable energy is available in the grid near their local operations;
- Supplier selection also based on climate change requirements in procurement selection criteria e.g. via life cycle analysis of products and services and material flow analysis for impact of transport in our value chain. This includes selecting energy efficient equipment and stimulate extended use of equipment where feasible;
- Stimulate projects by suppliers on climate-related activities in their operation and subcontracted activities;
- Participating in supplier engagement programs from platforms, such as JAC, CDP and EcoVadis;
- Collaborating with industry bodies on climate-related industry standards, such as GSMA, JAC, and ETIS.

Datacenter and cloud computing

KPN earns revenues with providing datacenter and cloud computing services. Data traffic is expected to continue to grow exponentially. KPN owned datacenters are already performing on 100% renewable energy. We require our suppliers of datacenter and cloud computing services to be on 100% renewable energy. We aim to have suppliers of external datacenters to be on 100% renewable energy latest 2030 (currently > 90% is already on 100% renewable energy).

Downstream value chain

- We ask our suppliers to continue to improve the energy efficiency of the products we provide to our customers, as part of our Scope 3 emissions footprint. Our customers have the option to use eco-modes on TV equipment at home;
- Some emissions will continue to be locked in the value chain as in-home equipment needs to use energy and not all our customers are able to use 100% green energy in The Netherlands;
- We report avoided emissions enabled for customers, yet will not subtract these positive impacts to reach net zero.

Our emissions reduction and the key decarbonization levers are shown below.

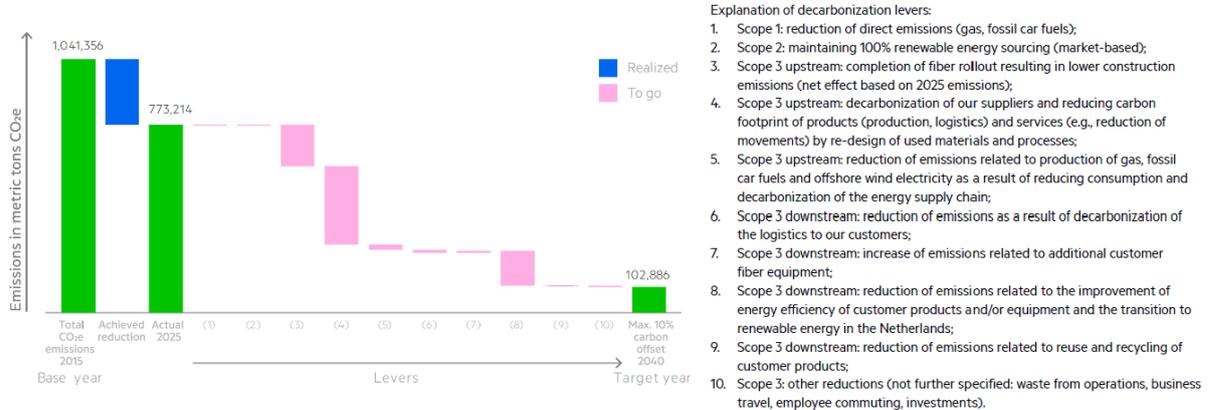


Figure 2: Scope 1 (gross emissions) + Scope 2 (Market Based) + Scope 3 emissions.

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 optical light signals instead of electrical pulses and significant reduction of space required for equipment in buildings. In the medium term increase of emissions are related to customer premises equipment, which on the long term will be compensated by improvement of energy efficiency of customer premises equipment and the transition of the Netherlands to renewable energy.

Circular economy

KPN started its circular economy journey in 2016 by setting a moonshot goal to become close to 100% circular by 2025. We started by focusing on the outflow of products, aiming to improve collection rates and maximize the reuse and recycling of materials. For 2025, we set a target of $\geq 86\%$ reuse and recycling. For collected customer premises equipment, we set a target of 92% by 2025.

We face challenges in our ambitions to become more circular. Reuse & recycling has limited upside due to technical and commercial limitations. The opportunities to improve designs of products and application of secondary materials have limitations, specifically for electronics and due to our position in the value chain as an end-user. Collecting product-based insights is very data intensive and depends on data availability from our upstream supply chain.

4.3. Carbon Credits

We only apply the usage of carbon credits to our scope 1 emissions. The cancellation of credits is explained in our sustainability statement. Our market-based scope 2 emissions are based on local guarantees of origin, of which in part based on long term local commitments on wind and solar parks.

5. Governance

5.1. Board Oversight and Reporting

Board oversight

KPN's Board of Management oversees the setting of corporate targets and progress on sustainability and ensures the integration in our strategy.

Each year our Board of Management defines and the Supervisory Board approves the CSR goals. Our planning horizon has short-term, medium-term and long-term targets. Three year ahead performance objectives are set within the framework of a business plan per business area, which also includes a dedicated chapter on sustainability.

Monitoring progress towards corporate targets

At least four times a year, CSR data is included in the overall set of business KPIs that is reported to and discussed with the Board. Energy related topics like energy reduction and risks for network congestion are governed on a monthly basis.

Monitoring the implementation of a transition plan

The transition plan to reach the targets is reviewed in the Board by quarter via KPIs to monitor process and provide Leadership Teams guidance.

5.2. Management roles, responsibility and accountability

Sustainability is coordinated via theme owners responsible for stakeholder dialogues, targets, progress and results and report to the EVP Corporate Communication, Brand & CSR, who reports directly to the CEO. The CSR Manager reports to the EVP Brand, Communications & CSR, who in turn reports to the CEO. The ESG Board supports the Board of Management in validating the sustainability-related impacts, risks and opportunities, defining actions and setting targets for relevant ESG topics and monitoring performance against those targets. The ESG Board supports management with execution of the ESG agenda and ensures oversight and alignment. With the support of the ESG Board, the Board of Management is enabled to oversee, monitor and manage the sustainability-related impacts, risks and opportunities and make well-informed decisions.

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

Each theme owner chairs a committee with the key departments involved. The theme committee analyses specific KPI's related to green energy, energy efficiency and circular economy. Each KPI is linked to specific business owner to ensure accountability in the business lines. Each KPI is tracked via action plans climate-related risks and opportunities are considered integral to the governance of operations and CSR.

5.3. Culture

At KPN, we go all out to connect everyone in the Netherlands to a sustainable future. To that end we improve our network every day. Safer, more socially aware and greener. Underlying this work are our core values: Trust, courage and growth. We focus all attention on our customer. Thinking big, doing big. And working together to win together. So that everyone in the Netherlands stays connected.

Our culture statement can be found here:

https://s202.g4cdn.com/886546970/files/code_of_conduct/2025/KPN-Code-of-Conduct-2025.pdf

5.4. Incentives and remuneration

Each year the long term incentive typically has 70% financial share, 15% social share and 15% environmental share. These have been in place since 2011. The first seven years the LTI environmental was based on absolute energy saving in GWh, thereafter 3 years circular economy (re-use & recycling) and in recent years absolute scope 3 emission reduction. See the 'Long-term incentives' section in the Remuneration Report in our annual report for a further explanation.

5.5. Skills, competence and training

Mechanisms to maintain an environmentally competent board include:

- Consulting regularly with an internal, permanent, subject-expert working group
- Engaging regularly with external stakeholders and experts on environmental issues
- Integrating knowledge of environmental issues into board nominating process
- Regular training for directors on environmental issues, industry best practice, and standards
- Having at least one board member with expertise on environmental topics

Employees receive regular updates via our intranet to explain what activities are relevant to our ESG manifesto

<https://www.overons.kpn/en/kpn-in-the-netherlands/esg>

Employees are encouraged to share updates on environmental topics online (e.g. LinkedIn) in line with communication guidelines. Each year various events are organized to engage on environmental topics. New hires receive an induction program, which includes a section on environmental goals. We are updating the compulsory training with key elements that each KPN employee has to take each year with a more interactive format.

Version control

2024 v1.0 24-02-2025	Integrated transition plan based on with first year of CSRD aligned annual report
2025 v1.0 23-02-2026	Transition plan updated (aligned with GSMA Transition Plan Taskforce Disclosure Framework). Environmental policy published in a separate document (in line with ISO14001 guidance).