



## Environmental policy KPN

### Purpose

We want to minimize our impact on the planet and its natural resources, in an endeavor not to deplete them further and to remain within the constraints of what the planet itself can generate or restore. This applies to the impact of our own operations as well as the impact we can make in our value chain. We see significant potential of ICT enabling our customers to become more sustainable.

In this way we make a contribution to the achievement of global, European and national goals, such as the UN Sustainable Development Goals, the Paris Climate Agreement, and the transition to a circular economy. To achieve this we have drawn up this environmental policy and have integrated it fully into our business operations and throughout our value chain.

### Scope

This policy applies to KPN and all its subsidiaries.

### Principles

- We recognize, measure and document the impacts – both positive and negative – 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 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 strive to reduce our own environmental impacts on all aspects, like energy consumption, direct and indirect CO<sub>2</sub>e-emissions, material usage, waste generation, hazardous substances and water consumption and discharge.
- We set-up adequate management systems and procedures that foster processes for designing, developing, maintaining and managing our operations in such a way that they prevent and limit the impact on the environment to the greatest possible extent and that enable us to monitor progress and compliance. The management systems cover all relevant aspects (energy, CO<sub>2</sub>e emissions, waste and water) and are integrated in our overall environmental management system which is ISO 14001 certified.
- We identify the principle risks in our own operations and within our value chain, including relevant environmental matters (e.g. climate-related impacts).
- We are climate neutral for our own business operations by exclusively using 100% renewable electricity and by compensating gas and vehicle fuel consumption with offsetting.
- We apply the principles of a circular economy to our own operations (network, data centers, offices, procurement) and for the benefit of our customers. This means we try to use fewer materials, enhance product lifespans, take measures to reduce our waste production towards zero and focus on energy efficiency of products.
- We have guidelines to stimulate re-use and safeguard proper handling of e-waste through WEEELABEX (or equivalent) certified operators. Processing of residual waste is done by appropriately licensed contractors.

## Value chain approach

- We use a value chain approach for identifying environmental impacts. In general this means that besides our operations, we also focus on our impact upstream and downstream.
- We have environmental criteria for selecting suppliers and partners, and procuring products and services. These criteria cover the entire life cycle and include circularity. We aim for all suppliers we do business with to comply with the KPN Supplier Code of Conduct (<https://overons.kpn/en/kpn-in-the-netherlands/sustainability/suppliers>).
- We monitor supplier compliance on a regular basis. We identify and measure the ecological risks in the entire supply chain and we implement improvement plans and corrective actions, both directly in cooperation with suppliers and in international partnerships and cooperation agreements.
- We actively engage with our key suppliers via projects and workshops under our circular annex. We started with a circular manifesto for 18 key suppliers and then integrated circularity via a circular annex at onboarding. In addition, we apply ITU standard L.1023 criteria for comparing solutions in procurement.
- We develop new advanced services, solutions and products that are economically and ecologically sustainable and help our customers to reduce their environmental impacts. For example, we provide sustainable services for e-health, transport and logistics, smart buildings and smart cities. By enabling our customers for the new way of living and working, we help them save energy. By applying our circular economy principles also to customer premise equipment, we help customers to limit their carbon and materials footprint.
- We make sustainability aspects part of the assessment criteria for potential mergers and acquisitions.

## Commitment

We have defined the following long term goals:

- Reduction of energy consumption
  - 55% reduction of energy consumption of KPN group in 2030 compared to 2010.
- Circularity
  - 95% collected customer premises equipment in 2025.
  - Close to 100% circular operations and services by 2025. This means close to zero waste. In 2022 we will add 3 products to reach 15 KPN products in total to be redesigned for circularity.
- Reduction of CO<sub>2</sub>e emissions
  - Climate-neutral own operations and from 2030 without compensating for car fuels (Science-based target; scope 1 and 2).
  - 30% reduction of absolute value chain CO<sub>2</sub>e emissions (scope 3) by the end of 2030 against a 2014 baseline, and to become net-zero in 2040.
- Energy savings by use KPN products and services
  - Energy savings by customers compensate for 200% of KPN Group's own energy use in 2022.
- Car fleet
  - 100% inflow of fossil free cars in 2025 (leasepool, engineer cars; scope 1).

## Stakeholder engagement

- We communicate in a transparent and regular manner with our stakeholders regarding our environmental performance. For this purpose, we benchmark our performance via internationally recognized ratings, e.g. Dow Jones Sustainability Index (DJSI), Carbon Disclosure Project (CDP) Sustainalytics, MSCI and Ecovadis.
- We participate in external engagements including industry and cross-industry groups, environmental memberships, 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. We thereby ensure that our employees play an integral part in our sustainability programs.

## Reporting and assurance

We monitor progress and publish the main results and indicators of our environmental performance in our Annual Integrated Report. These results and indicators are assured internally (by our internal audit department) as well as externally (by the external auditor of the Annual Report).

Further information is available on: <https://overons.kpn/en/kpn-in-the-netherlands/sustainability>