

# Limited assurance report of the independent auditor on Koninklijke KPN N.V.'s Green Bond Allocation report 2022

To: members of the board of management of Koninklijke KPN N.V. (KPN)

## Our conclusion

We have performed a limited assurance engagement on the Koninklijke KPN N.V.'s Green Bond Allocation report for the year 2022 of KPN at Rotterdam.

Based on our procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Green Bond Allocation report is not prepared, in all material respects, in accordance with the reporting criteria as included in the Reporting criteria section of our report.

## Basis for our conclusion

We have performed our limited assurance engagement on the Green Bond Allocation report in accordance with Dutch law, including Dutch Standard 3000A Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten) (Assurance engagements other than audits or reviews of historical financial information [attestation engagements]). Our responsibilities under this standard are further described in the Our responsibilities for the assurance engagement on the Green Bond Allocation report section of our report.

We are independent of KPN 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). This includes that we do not perform any activities that could result in a conflict of interest with our independent assurance engagement. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch code of ethics).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Reporting criteria

The reporting criteria used for the preparation of the Green Bond Allocation report is the Green Finance Framework developed by KPN and are published on the company's website.

The absence of an established practice on which to draw, to evaluate and measure the Green Bond Allocation report allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Consequently, the Green Bond Allocation report needs to be read and understood together with the reporting criteria used.

#### Responsibilities of the board of management for the Green Bond Allocation report

The board of management is responsible for the preparation of the Green Bond Allocation report in accordance with the reporting criteria as included in the Reporting criteria section of our report. The board of management is solely responsible for selecting and applying these reporting criteria, taking into account applicable law and regulations related to reporting. In this context, the board of management is responsible for the identification of the intended users and the criteria being applicable for their purposes. The choices made by the board of management regarding the scope of the Green Bond Allocation report and the reporting policy are included in the Green Finance Framework.

Furthermore, the board of management is responsible for such internal control as it determines is necessary to enable the preparation of the Green Bond Allocation report that is free from material misstatement, whether due to error or fraud.

#### Our responsibilities for the assurance engagement on the Green Bond Allocation report

Our responsibility is to plan and perform our limited assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Procedures performed to obtain a limited level of assurance are aimed to determine the plausibility of information and 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 less than the assurance obtained in a reasonable assurance engagement.

We apply the Nadere voorschriften kwaliteitssystemen (NVKS, Regulations for quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and other relevant legal and regulatory requirements.

The procedures of our limited assurance engagement included among others:

- Performing an analysis of the external environment and obtaining an understanding of the sector, insight into relevant sustainability themes and issues and the characteristics of the company as far as relevant to the Green Bond Allocation report
- Evaluating the appropriateness of the reporting criteria used, their consistent application and related disclosures on the Green Bond Allocation report. This includes the evaluation of the reasonableness of estimates made by the board of management
- Obtaining through inquiries a general understanding of internal control, reporting processes and information systems relevant to the preparation of the Green Bond Allocation report, without obtaining evidence about implementation or testing the operating effectiveness of controls
- Obtaining an understanding of the procedures performed by the internal audit department and the external subject matter expert of KPN
- Identifying areas of the Green Bond Allocation report with a higher risk of misleading or unbalanced information or material misstatements, whether due to error or fraud. Designing and performing further assurance procedures aimed at determining the plausibility of the Green Bond Allocation report responsive to this risk analysis.

These further assurance procedures consisted amongst others of:

- Interviewing management and relevant staff at corporate and business level responsible for the strategy, policy and results relating to the Green Bond Allocation report
- Interviewing relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the Green Bond Allocation report
- Obtaining assurance information that the Green Bond Allocation report reconcile with underlying records of the company
- Reviewing, on a limited test basis, relevant internal and external documentation
- Performing an analytical review of the data and trends
- Reconciling the relevant financial information with the financial statements
- Evaluating the overall presentation and content of the Green Bond Allocation report
- Considering whether the Green Bond Report as a whole reflects the purpose of the reporting criteria used

Amsterdam, 21 September 2023

Ernst & Young Accountants LLP

P. Sira

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Amsterdam, 21 September 2023

Ernst & Young Accountants LLP

signed by P. Sira



## Koninklijke KPN NV Green Bond Allocation report 2022

### Eligible Green Projects Portfolio

Eligible Categories		Amount (EUR millions)
<b>Network Transformation</b>		<b>509</b>
Projects reducing energy demand	Roll out and operation of a Fiber-to-the-Home (FTTH) network in The Netherlands.	377
	Modernization of mobile network to increase its capacity and enable 5G	132
<b>Circular Economy</b>		<b>9</b>
Extend product life and reduce waste	Expenditures and investments in equipment takeback programs and refurbishment aiming at extending the lifespan of equipment	9
	Expenditures to recycle equipment to reduce the impact of (electronic) waste on the environment	
<b>Clean Transportation</b>		<b>8</b>
Fleet electrification	Reducing CO <sub>2</sub> e-emissions by shifting from leased internal combustion engine vehicles to leased electric vehicles.	8
<b>Total eligible Green Projects Portfolio</b>		<b>527</b>

Percentage of Eligible Green Project Portfolio allocated to net proceeds of green funding: 94%

### Green Bonds

Instrument	ISIN	Issue date	Maturity/first call date	Proceeds (EUR millions)
<b>Green Hybrid bond</b>	<b>XS2486270858</b>	<b>22-sep-2022</b>	<b>22-dec-2027</b>	<b>495.8</b>
<b>Total Green Bonds outstanding</b>				<b>495.8</b>

Percentage of net proceeds allocated to Eligible Green Projects Portfolio 100%