



To our Shareholders

Date
10 March 2016

Our reference
2016-U-00013-RvB

YOUR VOTE IS IMPORTANT. PLEASE ACT NOW.

Dear Shareholder,

As you may be aware, Institutional Investor Services (ISS), a proxy advisory firm, issued a voting recommendation on 8 March 2016, in which they recommended that their clients vote against resolution 12 (proposal to reappoint Mr P.A.M. van Bommel as member of the Supervisory Board) at the upcoming annual general meeting (AGM) of Royal KPN NV on 13 April 2016.

We respectfully disagree with the ISS recommendation and their assessment that Mr Van Bommel holds an excessive number of mandates. We feel strongly that his proposed re-election is in the best interest of all shareholders. KPN considers Mr Van Bommel a well-respected and active member of the Supervisory Board. As stated in KPN's Annual Report 2015 Mr Van Bommel is recognised as a financial expert as defined in the Dutch Corporate Governance Code. Based on our experience in the past four years, KPN is confident Mr Van Bommel is fully committed to KPN and its shareholders.

Set out below are some key issues we believe are important to consider when assessing this proposal:

- Mr Van Bommel is Chief Financial Officer and member of the Board of Management of ASM International N.V. ("ASMI"), and as part of that position, also a non-executive director of ASM Pacific Technology Ltd ("ASM PT"). Mr Van Bommel furthermore is a member of the Supervisory Board of Neways Electronics International N.V., a Dutch listed (small cap) fund.
- ASM PT is a former business unit of ASMI. In 1989, ASM PT obtained a separate listing, but ASMI kept a majority interest until 2013, when it decreased its holding to 40% to better reflect the total value of both companies. ASMI and ASM PT still remain very closely linked however, both operationally, financially, and in governance. This also appears from the ASMI annual report, which describes the organization as a wholly owned wafer processing activity and an assembly and packaging equipment activity through its stake in ASM PT.
ASMI holds two non-executive board seats in ASM PT, which have traditionally been held by the CEO and CFO of ASMI. Given the strategic nature of this participation for ASMI, the non-executive directorship is a natural and integral part of Mr Van Bommel's position as CFO of ASMI.
- Over the past years, KPN has not experienced in any way that Mr Van Bommel's Board positions have hampered him in properly executing his position of member of the Supervisory Board of Royal KPN N.V. To the contrary, Mr Van Bommel attended all (eight) regularly scheduled meetings of the Board

in 2015, missing only one ad hoc meeting which was called only hours in advance thereof and was of an informative nature. Over his first tenure of four years, he attended 50 out of 54 meetings, or 93%. Also outside the official Board meetings, Mr Van Bommel has always been readily available for consultation or advice.

- Mr Van Bommel is recognised as a 'financial expert' as defined in the Dutch Corporate Governance Code, and his contribution to the Supervisory Board and the Audit Committee in the fields of finance, accounting, financial markets, risk management and external disclosure over the past years has been of great value to the company and the Supervisory Board.
- Given relatively high turnover in the Supervisory Board in the past years, continuity in its composition is considered an important factor.

We believe that the proposed resolution is in the best interest of all shareholders. We urge all shareholders to support resolution 12 at the forthcoming AGM of Royal KPN NV to be held on 13 April 2016.

We always welcome a continued dialogue with our shareholders. In case you would like to discuss resolution 12 or any other topics of the AGM, please contact:

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Yours sincerely



Duco W. Sickinghe

Chairman of the Supervisory Board